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## UC Berkeley Labor Center Comments in Response to Draft Transportation Fuel Transition Plan and Draft SB 237 Assessment

*Additional submitted attachment is included below.*

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**To:** California Air Resource Board, California Energy Commission

**From:** Josh Sonnenfeld, Senior Policy Researcher, Green Economy Program, UC Berkeley Labor Center

**Date:** July 24, 2026

**Subject:** Comments in Response to Draft Transportation Fuel Transition Plan and Draft SB 237 Assessment

Thank you for the opportunity to comment on the Draft Transportation Fuel Transition Plan and Draft SB 237 Assessment. I am submitting these comments on behalf of the UC Berkeley Labor Center's Green Economy Program. The Labor Center's Green Economy Program provides research and technical assistance on the workforce strategies needed to grow an equitable clean energy economy, examining the economic and labor market changes related to the energy transition and working with unions, policymakers, employers, community organizations and other stakeholders to develop innovative high-road policies and programs.

The Labor Center has significant expertise in relation to California's energy transition and in particular to transition in the oil refining sector:

- In 2020, we released a major report *Putting California on the High Road: A Jobs and Climate Action Plan for 2030* (2020) for the California Workforce Development Board (CWDB), to respond to a legislative request in AB 398 for a report outlining strategies "to help industry, workers, and communities transition to economic and labor-market changes related to statewide greenhouse gas emissions reduction goals."[1]
- Following the Marathon Martinez refinery closure in 2020, the Labor Center was a founding partner and led research for the Contra Costa Refinery Transition Partnership, a High Road Training Partnership supported by the CWDB. Over several years, the Labor Center oversaw multiple areas of research and released two major studies including *Fossil Fuel Layoff: The economic and employment effects of a refinery closure on workers in the Bay Area* (2023),[2] a detailed analysis on the negative impacts to Marathon Martinez refinery workers following layoff, which informed the design of California's Displaced Oil and Gas Worker Fund, and *Refining Transition: A Just Transition Economic Development Framework For Contra Costa County, California* (2025),[3] which analyzed the economic and employment impacts of the refining industry in Contra Costa County, and the risk to workers, communities and the local tax base from facility closures, and proposed a framework for "Just

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[1] Zabin, Carol et al. *Putting California on the High Road: A Jobs and Climate Action Plan for 2030. UC Berkeley Labor Center.* 2020. https://laborcenter.berkeley.edu/putting-california-on-the-high-road-a-jobs-and-climate-action-plan-for-2030/

[2] Parks, Virginia, and Ian Baran. *Fossil Fuel Layoff: The economic and employment effects of a refinery closure on workers in the Bay Area.* UC Berkeley Labor Center. 2023. *https://laborcenter.berkeley.edu/fossil-fuel-layoff/*

[3] Hammerling, Jessie HF, Will Toaspern and Laura Schmahmann. *Refining Transition: A Just Transition Economic Development Framework for Contra Costa County, California.* UC Berkeley Labor Center. 2025. https://laborcenter.berkeley.edu/refining-transition

Transition economic development" to advance economic resilience, good jobs and healthy communities in Contra Costa County as refineries close. This report was the research companion to the *Report and Recommendations of the Contra Costa Refinery Transition Partnership* (2025),[4] led by BlueGreen Alliance, which offered a comprehensive set of policy recommendations for supporting workers and communities impacted by refinery closures.

- Currently, the Labor Center is leading research and technical assistance for the Green Empowerment Zone of Contra Costa and Solano Counties, an economic diversification initiative established by the State Legislature in 2021 (AB 844).[5] This work is focused on researching and developing strategies to grow a High Road Clean Energy Manufacturing sector in California's second largest industrial region, which has experienced multiple major refinery and heavy industrial facility closures, and where more refinery closures are anticipated as the state continues its transitions off of fossil fuels.

First, we wish to applaud CARB and CEC for the holistic set of strategies that are outlined in the Draft Transportation Fuel Transition Plan (TFTP) and Draft SB 237 Assessment. The TFTP represents the first formal plan from the State of California to outline strategies needed to support workers and communities that have been impacted and will continue to be impacted by refinery closures as California decarbonizes its economy. In particular, we highlight and agree with the statement from the Draft SB 237 Assessment that "the draft TFTP represents the first dedicated report to examine California's petroleum system not just as a market to be managed, but a transition to plan holistically."[6] The TFTP clearly outlines the urgency and importance of this holistic planning for the oil refining sector, with its analysis indicating that of the current 9 operating oil refineries in California, only 2 may be remaining by 2045 under a "rapid" decarbonization scenario, or 3 under a "moderate" decarbonization scenario[7] and that these closures could impact as many as 25,000 workers or more[8] in the refinery industry, supply chain and connected services, as well as direct tax revenue for local jurisdictions totalling hundreds of millions of dollars,[9] with additional billions of dollars at risk for local communities and taxpayers if refinery companies are not held fully liable for the clean-up and remediation costs of these century-old large industrial facilities.[10]

While the Draft TFTP and Draft SB 237 Assessment articulate an important and much-needed holistic strategy for responsibly advancing California's transportation fuel transition, there are several major omissions that we recommend be adjusted before completion of both reports.

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[4] *Report and Recommendations of the Contra Costa Refinery Transition Partnership.* BlueGreen Alliance Foundation. 2025.
https://www.bluegreenalliance.org/resources/report-and-recommendations-of-the-california-contra-costa-refinery-transition-partnership/

[5] Green Empowerment Zone of Contra Costa and Solano County, California.
https://www.contracosta.ca.gov/9963/Governing-Board-of-the-Green-Empowerment

[6] Draft SB 237 Assessment, Page 12.

[7] Figure 12. Hypothetical Transition-Driven Scenarios: Operating Refineries through 2045. *Draft Transportation Fuel Transition Plan.* Page 36.

[8] Table 8: Summary of Independent Job Estimates for California Refinery Industry. *Draft Transportation Fuel Transition Plan. Page 48.* Original source: Josh Sonnenfeld, BlueGreen Alliance (2025).

[9] Table 10: Refinery Industry Estimated Tax Impact in Contra Costa (Millions). Draft Transportation Fuel Transition Plan. Page 52. Original source: UC Berkeley Labor Center, Refining Transition: A Just Transition Economic Development Framework for Contra Costa County, California (2025).

[10] "If refineries in California are not subject to proactive, specific, and consistent requirements, it could leave public agencies attempting to ensure full and timely remediation for those sites on a case-by-case basis and challenge host communities' ability to envision and implement their post-closure future." Draft SB 237 Assessment, Page 54.

# 1. Worker Transition Support

The Draft TFTP acknowledges the significant risk to workers in the oil industry as California decarbonizes, stating that "potential closures of refineries and the associated infrastructure create local employment and economic development risks for communities" and that "it is critical that policies and programs demonstrate that fossil fuel workers will not be left behind in the energy transition."[11]

The Draft SB 237 Assessment rightly acknowledges the important role of the Displaced Oil and Gas Worker Fund (DOGWF) as a tool to support laid off oil workers in California,[12] and the Draft TFTP lifts up other important strategies in articulating a four tier system of support.[13] However this strategy does not explicitly include two critically important programs that impacted workers, their unions and workforce experts have consistently advocated for: wage replacement and bridge to retirement,[14] and lacks a broader strategy that links the state's economic development, investment and job creation in the clean energy economy with those regions and segments of the workforce that are being most impacted by oil industry job losses. Below we propose additions to advance a more comprehensive approach.

## Wage Replacement

Wage replacement or wage insurance refers to financial benefits for a defined period of time that cover lost wages from unemployment, or the differential in wages from securing a new job with wages below a worker's former salary. This is not a novel concept; it has been an established part of prominent programs such as the Trade Adjustment Act (TAA), the federal government's program to support workers dislocated from manufacturing factory closures as a result of offshoring.

Studies around the TAA's wage replacement programs have demonstrated the cost effective success of this model, despite the overall TAA program being plagued by years of congressional funding gaps and program limitations. Specifically, an analysis from the National Bureau of Economic Research found that in addition to returning displaced workers quickly and improving re-employment rates, the TAA's wage insurance program also resulted in long-term higher cumulative earnings for workers, with potential for the program to become self-financing through reduced unemployment payments, higher tax revenue from increased earnings and shorter periods of non-employment.[15]

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[11] Draft Transportation Fuel Transition Plan, Page 40.
[12] "The DOGWF Pilot Program has provided valuable funding to enable the creation of support programs to assist displaced oil workers, and an evaluation of the program is still pending. Outcomes of an evaluation could be used to inform future efforts to support displaced oil and gas workers." Draft SB 237 Assessment, Page 44.
[13] Draft Transportation Fuel Transition Plan, Pages 54-55.
[14] See "Worker Recommendations" on pages 32-36 in *Fossil Fuel Layoff*, and "Worker Safety Net and Transition Recommendations" on pages 27-30 in the *Report and Recommendations of the Contra Costa Refinery Transition Partnership*
[15] Hyman et al. *Wage Insurance for Displaced Workers*. National Bureau of Economic Research. 2024. http://www.nber.org/papers/w32464

The Labor Center's *Fossil Fuel Layoff* study identified the lack of a financial safety net for Marathon Martinez refinery workers following layoff as a major factor contributing to hardships for workers and their families. Specifically, without any meaningful financial support beyond the limited severance package the union negotiated and California's below-average unemployment benefits,[16] workers had to act quickly to find new employment, resulting in securing jobs with average wages 24% below their previous wages at the Marathon refinery.[17] Additionally, significant job turnover for former Marathon workers was a factor influenced in part by reduced wages at new employers: 54% of laid off Marathon workers reported having worked two or more jobs within a year of layoff, and nearly one in six (16%) reported working three or more jobs.[18] Marathon workers were overwhelmingly willing to consider participating in job training programs (91%), however, again cost and needing to earn while training (63%) were major concerns.[19]

These findings clearly illustrate the need for wage replacement or wage insurance, and their potential viability for use in California, and **we recommend the Draft TFTP incorporate a recommendation to assess how wage replacement could be incorporated into DOGWF as a core strategy**. Such a wage replacement program would be just one component of a comprehensive oil worker transition program that also includes robust case management and other supportive services, with the goal of quickly identifying and placing displaced workers in new positions that align with workers' skillsets and have the near-term potential for comparable wages and benefits.

We want to stress that a thorough and realistic cost estimate should be developed as part of this assessment. The cumulative wages of oil workers in California, such as those presented in the Draft 237 Assessment, do not represent a realistic cost for a wage replacement program, as they do not factor in retirements, wages from new positions, program caps and timelines, and other significant factors. For that reason, we recommend that the following paragraph be removed from the Draft SB 237 Assessment's discussion of financial support for impacted workers: "For context, according to the Bureau of Labor Statistics, petroleum refinery employment (NAICS 32411) generates about $1.7 billion a year in wages in California for about 8,500 workers (about $200,000 per full-time-equivalent worker per year)."[20] Instead, we recommend identifying programs such as the TAA as examples of wage replacement programs, and design what a potential oil workers wage replacement program might look like for California, along with realistic cost estimates.

## Bridge to Retirement

Bridge to retirement refers to a program or benefit that covers the gap between when workers stop working and when they become eligible for traditional retirement income. The Labor Center's *Fossil Fuel Layoff* study demonstrated that this is an issue for refinery workers in California, with ten percent of laid off Marathon workers retiring immediately upon layoff, four workers falling short of qualifying for early retirement by six months, and one worker even failing to qualify for early retirement by a mere six weeks.[21] Bridge to retirement

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[16] Traub, Amy M. et al, *Revitalizing Unemployment Insurance in California.* California Budget Policy Center. 2024. https://calbudgetcenter.org/resources/revitalizing-unemployment-insurance-in-california/
[17] *Fossil Fuel Layoff,* Page 4.
[18] *Fossil Fuel Layoff*, Page 18.
[19] *Fossil Fuel Layoff*, Page 30.
[20] Draft SB 237 Assessment, Page 44.
[21] *Fossil Fuel Layoff*, Page 23.

is an important component of a comprehensive worker safety net and transition assistance strategy as it accomplishes two major objectives: First, and most importantly, it avoids a significant hardship to workers and their families, ensuring they can access the retirement benefits they have earned after many years on the job. Second, it reduces the pool of workers seeking new employment and competing for the same limited-quantity of quality jobs in the local economy.

**The Labor Center recommends that a Bridge to Retirement program design strategy be incorporated into the Draft TFTP, including consideration on whether employers can be compelled to provide such a program as part of a Worker Safety and Transition Plan.**

## Refinery-Specific Worker Safety and Transition Plans

We applaud the inclusion of a Worker Safety and Transition Plan in the Draft TFTP,[22] as an important tool for refinery employers to proactively prepare for refinery closures, closely collaborate with impacted labor unions on ensuring the safety of the facility prior to closure, and participate productively in supporting worker transition into new employment. A prime example of where this model has been used successfully is in Colorado, with the electric utility, Xcel Energy, which was required to develop a Workforce Transition Plan to support workers impacted by coal facility closures.[23] While worker transition strategies for a large electric utility differ significantly from an oil refinery, Xcel Energy's publicly stated goal of zero layoffs, and the comprehensiveness of the plan's strategy for retaining, retraining and relocating workers when needed – as well as supporting economic development and diversification strategies – demonstrates the important role that energy employers can provide to support their workers in the energy transition, limiting layoffs and keeping highly skilled workers employed in a transitioning energy industry.

**We recommend that the Draft TFTP include an explicit requirement of Worker Safety and Transition Plans by refineries, not optional as currently worded, with clear oversight and approval of such plans by the relevant state agency or agencies.** Additionally, we support the recommendations from the United Steelworkers union and California Labor for Climate Jobs to incorporate a refinery safe staffing framework - explicitly planning for the retention of skilled and experienced workers to manage operations - into the plans, along with establishing clear safety standards, public review and oversight and ongoing inspections and enforcement.[24]

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[22] Draft Transportation Fuel Transition Plan, Pages 60-61.
[23] Xcel Energy, *Workforce Transition Plan, 2021 Electric Resource Plan and Clean Energy Plan (2021).* [https://www.xcelenergy.com/staticfiles/xe-responsive/Company/Rates%20&%20Regulations/Resource%20Plans/Clean%20Energy%20Plan/HE_113-HLS-1-Workforce_Transition_Plan.pdf](https://www.xcelenergy.com/staticfiles/xe-responsive/Company/Rates%20&%20Regulations/Resource%20Plans/Clean%20Energy%20Plan/HE_113-HLS-1-Workforce_Transition_Plan.pdf)
[24] California Labor for Climate Jobs and United Steelworkers District 12, Local 675 and Local 5, *California Labor for Climate Jobs Public Comment on the Draft Transportation Fuels Transition Plan and Draft SB237 Assessment*, July 20, 2026. CEC Docket #23-SB-02.

## Statewide Workforce Transition Plan

The California State Pipe Trades Council notes in their July 7, 2026 comment letter on the Draft TFTP that the CARB/CEC TFTP Working Group recommended the state "[d]evelop a comprehensive, statewide workforce transition plan that includes job training, wage protection, pension security, and site remediation for affected workers and communities" and strongly encouraged such a statewide workforce transition plan in addition to facility-specific Worker Safety and Transition Plans.[25]

We support their recommendation. While creating a financial safety net for impacted workers is a critical strategy, along with engaging employers in workforce transition planning, the state has an important role in proactively identifying the range of workers that will be impacted by the energy transition, identifying their valuable skillsets and developing concrete strategies to utilize these workers in existing industries experiencing or anticipating vacancies, as well as growing and emerging industries of priority to California. This includes workers working directly in refineries and oil drilling and pipeline operations, construction and maintenance positions represented by the Building and Construction Trades, and supply chain and connected industries such as chemical manufacturing, fuel transportation, and others that will be directly impacted by oil industry closures. The Labor Center has documented these supply chain and connected industries as representing a significant portion of oil industry employment.[26]

There are concrete transition opportunities that a statewide workforce transition plan could identify and advance strategies to pursue. For example, the water and wastewater industry is anticipating large number of vacancies nationally as a result of anticipated retirements,[27] and is an industry already proven to have skills alignment with refinery workers. Early reports from one of the grantees of the state's Displaced Oil and Gas Worker Program suggest strong interest from refinery workers in this industry and active worker involvement in water/wastewater training pathways.[28]

Additionally, the State of California is investing heavily in clean energy deployment, clean energy manufacturing, climate adaptation and mitigation, and numerous other areas of public infrastructure and economic development that have strong skill alignment with workers in the oil industry, supply chain and connected industries. The CA State Pipe Trades Council letter highlights several such industries, such as "geothermal power, thermal energy networks, dual plumbing of buildings to enable the use of recycled water, on-site treated potable water systems, hydrogen gas infrastructure, and pumped-storage hydropower"[29] for which there is alignment with their membership. Additional impacted unions that represent workers in the oil industry can provide valuable information on additional sectors of skill alignment with their membership, where growth in those sectors and utilization of union labor have the potential to significantly offset impacts from oil industry declines.

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[25] California State Pipe Trades Council. *Comments of the CA State Pipe Trades Council on the Draft Transportation Fuels Transition Plan*. July 7, 2026. CEC Docket #No. 23-SB-02.
[26] *Refining Transition*, Pages 33-36.
[27] Erin Stone, "Water agencies grapple with climate change and the 'silver tsunami of an aging workforce," LAist, Feb 9, 2026. https://laist.com/news/climate-environment/water-agencies-silver-tsunami-aging-workforce
[28] Author conversation with the Steelworkers Charitable Education Organization, one of the state's Displaced Oil and Gas Worker Fund grantees
[29] California State Pipe Trades Council letter to CARB/CEC, Page 5.

The State of California invests heavily in economic development and clean energy technologies, yet has not aligned these economic growth strategies with an economic transition strategy that recognizes the employment needs and strong skillset of workers from the oil and gas sector that can be utilized in these existing and emerging industries, to the benefit of employers, workers, and their families. A statewide workforce transition plan would be an opportunity to highlight this alignment, with recommendations on how to tie these economic growth and economic transition strategies for greater benefit.

## 2. Economic Development in Support of Fossil-Fuel Dependent Communities

Continuing the discussion of economic development as a core strategy for managing California's energy transition, the Draft TFTP appropriately identifies regionally-driven economic development as a critical element of a holistic transition strategy and illustrates the Green Empowerment Zone of Contra Costa and Solano County as a promising example, noting that "regional efforts, particularly those focused on a high road model of economic development like the GEZ are important for building consensus among key groups, identifying barriers, and advancing collaborative action to promote economic resilience." [30] We strongly agree with this model of community-driven, state-supported regional economic diversification as a valuable and necessary strategy, ensuring communities have a direct say in shaping their future economic drivers as the oil industry declines in the state.

However, in addition to supporting regionally-driven high-road economic diversification initiatives in fossil-fuel dependent communities, there is much more that the State of California can do to support the successful economic transition of fossil fuel workers and communities. Specifically, the state can 1) pursue incentive programs that align public funding for economic development in fossil-fuel dependent local economies, and 2) require strong high-road workforce and community standards on public investments to ensure that public investments create quality jobs and do not exacerbate existing environmental and public health burdens.

### Pursuing Incentives for Economic Development in Fossil-Fuel Dependent Communities

Under the federal Inflation Reduction Act (IRA), U.S. Congress formally established a federal definition of an "Energy Community," creating a financial incentive of a 10% bonus tax credit under the Investment Tax Credit (ITC) and Production Tax Credit (PTC) for qualifying clean energy projects in these areas. The specific definition of "Energy Communities" was determined by the U.S. Department of Treasury and U.S. Department of Energy released more detailed eligibility guidance. These areas included brownfield sites, areas with significant employment from coal, oil or natural gas, and areas with unemployment above the national average. This policy, as identified by the labor and environmental coalition BlueGreen Alliance resulted in a major incentive for "bringing good-paying jobs to areas with coal mine closures, coal power plant unit retirements, or a high percentage of workers in the fossil fuel industry. If the energy community is also considered a

[30] Draft Transportation Fuel Transition Plan, Pages 62-63.

low-income community, they are eligible to receive an additional 10% tax credit."[31] Later analysis from the U.S. Department of Treasury indicated the strategy was a success, noting that "clean investments grew especially quickly in 'Energy Communities,' areas with a history of fossil fuel production, where clean industry potential exists but opportunity has been scarce."[32]

The Draft TFTP should consider creating a similar "Energy Community" definition for the state's fossil fuel-dependent local economies where there is a strong need for new jobs and tax revenue, as well as significant available infrastructure including industrial space and skilled workforce to support the growth of new industries. This definition should be applied to state programs such as CalCompetes, California Energy Commission grants and other major economic development granting programs. Critically, local energy communities should be engaged in the process of developing eligibility, along with community benefit and labor standards for these "energy community bonuses" to ensure that new industries are not exacerbating local pollution burden and are supporting the revitalization of community health, in addition to quality job creation.

## High Road Workforce Standards for California's Climate Investments

Similarly, another important opportunity for the State of California to advance the goals of the Draft TFTP to support workers in the fossil fuel transition, is to ensure that the state is promoting quality job creation with climate and other major economic investments. For example, a 2023 analysis from the Labor Center identified that about 40% (approximately $13 billion) of the state's projected climate investments through 2026 lacked workforce standards, specifically in areas such as clean economy manufacturing, plant and transportation operations, land, technical, and other services, and residential building upgrades. The report notes that "programs that do not incorporate workforce standards represent untapped potential for California to capture the full value of its climate investments to improve job quality and job equity across the state, increase unionization, and ensure that the transition to a low-carbon economy maximizes economic benefits and shared prosperity for all Californians."[33]

This is particularly important given the wage disparity the Labor Center has documented in our *Fossil Fuel Layoff* study for displaced refinery workers who have secured new employment. While one strategy to address this issue is wage replacement and targeted programs to support worker transition into well-paid, skill aligned positions, the Labor Center's Jobs Match Analysis in *Refining Transition* identified that there is both an insufficient number of comparable jobs for refinery workers to move into in Contra Costa County, as well as a job quality challenge, with comparable positions paying roughly half of refinery wages.[34]

Therefore, as a component of a broader economic transition strategy, the State of California should be committed to ensuring that state investments of public resources into employers is resulting in the creation of

[31] BlueGreen Alliance. "Investments in Energy Communities." https://www.bluegreenalliance.org/site/energy-communities/inflation-reduction-act/
[32] U.S. Department of Treasury. "The Inflation Reduction Act: A Placed-Based Analysis." 2023. https://home.treasury.gov/news/featured-stories/the-inflation-reduction-act-a-place-based-analysis?utm_source=chatgpt.com
[33] Appel, Sam and Jessie HF Hammerling. *California's Climate Investments and High Road Workforce Standards: Gaps and Opportunities for Advancing Workforce Equity.* UC Berkeley Labor Center. 2023. Page 2. https://laborcenter.berkeley.edu/californias-climate-investments-and-high-road-workforce-standards/
[34] *Refining Transition.* Appendix B: Refinery worker job match analysis, Page 109.

quality jobs. This can be accomplished through the application of High Road labor and community benefit standards in granting program requirements. The Labor Center defines High Road workforce standards in our report.[35]

## 3. Community Transition Support

We commend the Draft TFTP for recommending the assessment of a Pilot Fund for Local Tax Base Support. These funds would be best described as tax stabilization funds, as they help to stabilize a local community's finances for a multi-year period while the jurisdiction develops strategies for revenue diversification. Tax stabilization funds, particularly the fund established by the State of New York to support the community of Tonawanda following the closure of the coal-powered Huntley Generating Station, have been successfully demonstrated to help avoid layoffs and prevent a reduction of city services as a local community diversifies its economy following the loss of a major employer and tax provider.[36] These stabilization funds can maintain critical public services and prevent further disinvestment and destabilization.

We offer two small factual corrections to the examples cited in the footnote on page 61 of the Draft TFTP:

- The State of Illinois' Climate and Equitable Jobs Act that was passed by the Legislature and signed by the Governor in 2021 ultimately did not include tax base replacement for local communities, instead included an Energy Transition Community Grant Program, which provides $40M for economic development for local jurisdictions in areas with a closure or reduced operation of a fossil fuel power plant, coal mine or nuclear plant.[37]
- The State of New York's fund to aid communities facing tax shortfalls as a result of fossil fuel power plant closures, eventually named the Electric Generation Facility Cessation Mitigation Fund, spurred by the closing of the Huntley Generating Station in Tonawanda, NY, was initially established in 2015 with a $19M allocation from the State of New York. The fund was increased several times, and as of 2019, totaled $69M. The funds provide up to 80% of the lost revenue the first year after a facility shut down, and decreases in subsequent years.[38]

## 4. State Coordination and Implementation

The Draft TFTP highlights important strategies and recommendations for how the State of California can responsibly transition off of petroleum-based transportation fuels, in a way that recognizes the needs of workers and communities, as well as consumers. However a gap in this plan is that there is insufficient discussion regarding coordination across state agencies to implement what the SB 237 Assessment describes

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[35] *California's Climate Investments and High Road Workforce Standards: Gaps and Opportunities for Advancing Workforce Equity.*

[36] Resources for the Future, *Energy Transition Case Study: The Huntley Coal Plant in Tonawanda, New York.* 2023. https://www.rff.org/publications/reports/energy-transition-case-study-the-huntley-coal-plant-in-tonawanda-new-york/

[37] Energy Transition Community Grant Program Fact Sheet. Prairie Rivers Network. 2025. https://prairierivers.org/wp-content/uploads/2025/06/2025-Energy-Transition-Community-Grant-Program_Fact-Sheet.pdf

[38] *Energy Transition Case Study: The Huntley Coal Plant in Tonawanda, New York*

as “Bucket 3: Proactive Transition Governance - Advancing a Holistic Transition Plan,”[39] that incorporates the needs of workers and communities.

Since 2020, California has seen five major oil refinery conversions or closures[40] resulting in the loss of thousands of permanent jobs and millions in local tax revenue, and triggering major questions about clean-up responsibility, redevelopment, economic diversification and transition. The State Legislature is currently considering a number of important measures, including making the Displaced Oil and Gas Worker Fund Permanent (AB 2157), establishing clean-up requirements for refineries as well as financial disclosures regarding clean up costs (SB 1259), and safe staffing levels and worker voice in refinery safety decisions (SB 966 and AB 605). We recommend the Draft TFTP incorporate recommendations for strong administrative coordination between state agencies, clear points of contact, and the establishment of ongoing structures for meaningful stakeholder guidance and input in order to tie together these various efforts into the implementation of a Holistic Transit Plan.

Other states are ahead of California in advancing this level of coordination. For example, Colorado established an Office of Just Transition in 2019 to coordinate worker support and economic development investments in communities impacted by coal mine and coal plant closures.[41] Minnesota established a similar Energy Transition Office in 2021.[42] The State of Michigan established the Community & Worker Economic Transition Office in 2023, to prepare for both the energy transition and transition in the automotive industry.[43] **The TFTP should recommend the creation of a cross-cutting Office of Worker & Community Economic Transition, to finance the needed programs, coordinate the various activities of the State of California, establish and monitor goals and metrics as it relates to successful transition of fossil fuel workers and communities, and ensure ongoing and meaningful participation by impacted stakeholders throughout the transition.**

## Conclusion

We appreciate the opportunity to participate in the advisory committee established to inform the creation of the TFTP and to offer these comments. The Draft TFTP and Draft SB 237 Assessment demonstrate the important expansion of CARB and CEC’s thinking around how to manage a holistic transition of California’s transportation fuel sector, that appropriately highlights addressing the needs of workers and communities as central goals of California’s energy transition, in addition to the overall decarbonization and climate mitigation targets. We applaud and encourage continued focus in this area, to drive this more holistic approach, both in terms of strategy development, as well as the critical implementation that must happen to realize these goals.

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[39] SB 237 Assessment, Page 43.

[40] Marathon Martinez Refinery in 2020, Phillips 66 Santa Maria in 2023, Phillips 66 Rodeo Refinery in 2024, Phillips 66 Los Angeles Refinery in 2025, Valero Benicia Refinery in 2026.

[41] Colorado Office of Just Transition. https://cdle.colorado.gov/offices/the-office-of-just-transition/about-the-office-of-just-transition

[42] Minnesota Energy Transition Office. https://mn.gov/deed/programs-services/energy-transition/

[43] Michigan Community & Worker Economic Transition Office. https://www.michigan.gov/leo/bureaus-agencies/economic-transition

As the State of California continues its long-term priority of being a global model for the energy transition, demonstrating the successful transition of both fossil fuel workers and fossil-fuel dependent communities is an essential element of this model that cannot be overlooked. With decades of research, engaged stakeholders, a robust economy, and a long-term commitment from policymakers, California has all of the right elements necessary to advance this successful transition, however it will require a consistent focus on developing the planning and implementation structure, guided by the robust feedback of impacted stakeholders, to enable this success.

Thank you again and the Labor Center looks forward to continuing to be a resource for CARB, CEC, policymakers and stakeholders as this plan is finalized and we collectively work towards implementation.