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Comments for the Wednesday September 13, 2017 meeting regarding the upcoming report to the Energy Commission on California's vulnerabilities to petroleum price hikes.

California already has numerous reasons for their cost of fuels being higher the rest of the country, such as:

- California fuel taxes are among the highest in the country,
- To-date, according to the Legislative Analyst's Office (LAO), Cap and Trade has already added eleven cents to the price of gasoline,
- California has boutique fuel brands that no one else in the country currently makes. If other States chose to manufacture the California boutique fuels, the only way to get it to the California energy island is to ship it via trucks or rail or through the Panama Canal to California ports,
- California's Low Carbon Fuel Standard (LCFS) increases the cost of the gasoline and diesel fuels produced from crude oil,
- To meet current DAILY demand of 10 million gallons of aviation fuels, and 50 million gallons of gasoline and diesel transportation fuels for our 35 million vehicles, these fuels are manufactured DAILY in California which is the most environmentally regulated location on earth, and
- California consumers continue to pay for our go-it-alone emissions crusade over the last 10 years that has generated billions in taxes for the government with no results in reducing California's 1% contribution to the World's Greenhouse Gases.

California's emission crusade began back in 2006 with the passage of Arnold Schwarzenegger's Global Warming Initiative AB32. The public has been very supportive of that emissions crusade regardless of cost, as AB32 has raised billions of dollars from the public for the government.

So, in 2016 SB32 was approved that set the emission reduction goals of 40% below 1990 levels by 2030. Also in 2016, a companion bill AB197 said CARB should move away from Cap and Trade and toward more local command and control. Unfortunately the linked bills in 2016 of SB32 and AB197 would have been ultra-expensive as it placed much more emphasis on command and control through CARB's regulatory authority.

Fortunately, in 2017 the passage of AB398 extended the cap and trade auctions to 2030 in the free market and took away most of the regulatory authority powers of CARB to meet those emission targets.

Even though AB398, that places the emissions crusade through the free market auctions is projected to be much more cost effective than the linked bills of SB32and AB197 command and control through CARB's regulatory authority, the cap and trade "revenue generator" through 2030 provides the public with a dim forecast in the coming years as the burden of additional fuel costs will be falling completely on motorists and businesses.

More fuel cost increases that are coming are:

- Starting in November 2017, SB1 will add significant tax increases to gasoline and diesel fuels, as well as higher registration fees to finance transportation infrastructure,
- The Union Bill SB54 costs to comply may be in excess of hundreds of millions of dollars for the California refinery industry per year, to supposedly improve the safety within one of the safest industries with the use of union labor. Those extra costs will begin to trickle into the cost of fuel starting in 2017,
- 4 years from now, according to estimates from the Legislative Analyst's Office (LAO), Cap and Trade could raise gas prices by another 63 cents per gallon in 2021, increasing to 73 cents per gallon in 2031, and
- California's Low Carbon Fuel Standard (LCFS) is expected to grow and overtake the Cap and Trade costs.

It's our Legislators actions, not the oil companies, which are causing the price of California fuels to increase, and for everything based on fossil fuels. California's top politicians will have immense effects on what consumers spend for gasoline, diesel and aviation fuels and a myriad of other products and services for many years to come.

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