

DOCKETED

Docket Number:	15-PMAC-01
Project Title:	Petroleum Market Advisory Committee
TN #:	221260
Document Title:	Western States Petroleum Association Comments On Petroleum Market Advisory Committee Final Report
Description:	N/A
Filer:	System
Organization:	Western States Petroleum Association
Submitter Role:	Public
Submission Date:	9/20/2017 3:35:21 PM
Docketed Date:	9/20/2017

Comment Received From: Western States Petroleum Association

Submitted On: 9/20/2017

Docket Number: 15-PMAC-01

On Petroleum Market Advisory Committee Final Report

Additional submitted attachment is included below.



Western States Petroleum Association
Credible Solutions • Responsive Service • Since 1907

Catherine H. Reheis-Boyd
President

September 20, 2017

California Energy Commission
1516 9th Street
Sacramento, CA 95814

Subject: WSPA Comments on Petroleum Market Advisory Committee Final Report

The Western States Petroleum Association (WSPA), a non-profit trade association which represents companies that explore for, produce, refine, transport and market petroleum, petroleum products, and other energy supplies in California and four other western states, appreciates the opportunity to provide comments on the Petroleum Market Advisory Committee (PMAC) Final Report. Our comments address (1) the anti-trust constraints placed on the industry as it relates to participation in the PMAC process; and (2) the need to provide backup for claims included in the PMAC Final Report.

The petroleum industry is one of the most heavily regulated and closely monitored industries nationwide and in California. WSPA and its members have a long history of working cooperatively and transparently with state regulators. For example, under the Petroleum Industry Information Reporting Act (PIIRA), petroleum companies submit weekly, monthly, and annual data to the California Energy Commission. Analysis of data collected under PIIRA is an important part of the Energy Commission's responsibility to create a complete and thorough understanding of the operations of the petroleum industry in California.

WSPA member companies also abide by a strict policy to promote pro-competitive business practices mandated by federal law, particularly the Sherman Act and California's Cartwright Act. Due to the competitively sensitive nature of the proceedings of the PMAC, WSPA's member companies were limited in their ability to participate individually in the hearings because of anti-trust constraints. A fundamental premise of anti-trust law is that competitors should compete. Many situations exist in which a petroleum company may be, in the normal course of business and through government-sponsored inquiry, in a position to receive competitively-sensitive business information about

1415 L Street, Suite 600, Sacramento, California 95814
(916) 498-7752 • Fax: (916) 444-5745 • Cell: (916) 835-0450
cathy@wspa.org • www.wspa.org

competitors. Companies must be aware of the possibility that such information exchanges can pose anti-trust risk and act accordingly.

Nonetheless, WSPA and its member companies recognize the significance and importance of the issues that the PMAC evaluated. Therefore, in order to participate in the PMAC process and proceedings, WSPA provided input to the PMAC on multiple occasions through a third party consultant who has the necessary petroleum industry expertise and could speak to the PMAC's inquiries.

Next, we would like to briefly address claims which had no backup but were nonetheless included in the Final Report. Including claims that have not been substantiated weakens the overall impact and credibility of the work. Including citations and showing how calculations were determined – perhaps in an appendix – would improve the report.

WSPA appreciates CEC's consideration of our comments, and we look forward to your responses. If you have any questions, please contact me at this office, or Tiffany Roberts of my staff at troberts@wspa.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cathy A. Boyd".

cc: Tiffany Roberts, WSPA