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*Comment Received From: Ruben Guerra
Submitted On: 5/2/2024
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comment letter

Additional submitted attachment is included below.

By Email

California Energy Commission
Docket Unit
Docket No. 23-OIR-03
715 P Street, MS-4
Sacramento, CA 95814
docket@energy.ca.gov

May 2, 2024

Re: Comment on SBX1-2 Maximum Gross Gasoline Refining Margin and Penalty Workshop

To whom it may concern:

The Latin Business Association is devoted to promoting the economic growth of the Latin business community. We serve as the unifying voice of Latino businesses, advocating for opportunities that put business owners in a higher class of competitiveness. The LBA is deeply concerned by how quickly CEC wants to make regulations that may cause significant impacts on our environment, our small businesses, and our most vulnerable communities, many of whom are minorities and people of color. Rarely does good ever come out of a rushed process. In the workshop CEC hosted on April 11, it looks like that is exactly what CEC wants to do by setting gas prices in California without adequate time for public comment or thoughtful consideration. LBA's members were surprised to hear CEC's personnel admit, time and time again during the workshop, that they have not considered some of the most important parts of this process, such as the potential impacts on consumers or the environment.

The stakes are high. CEC's regulation of gas prices has the potential to impact on a lot of people who can least afford it.

If CEC's regulations lead gasoline suppliers to leave the state, there will be gasoline shortages. The fact is that shortages harm our most overburdened communities most.

If CEC's regulations reduce the occurrence of price spikes by causing refiners to set prices to gross margin caps at all times, customers will pay more over time.

Working class people rely on affordable gasoline to get to work and to get their children to school. The rich can afford higher prices at the pump or to purchase alternative-fuel vehicles, but the backbone of California cannot.

But it is not just working-class people who are at risk; gasoline shortages harm our small businesses. Large companies can afford to allow workers to work remotely, pay their employees more to adjust for their increased commuting costs, or even replace those employees if they are no longer willing to commute. Small businesses cannot.

The CEC's mandate under SB X1-2 requires the Commission to consider the impacts of gross margin caps on customers. All customers matter, including small businesses, who depend on affordable and available gasoline to keep supply chains moving and to deliver products to our customers. And yet our voices have been absent from the Commission's conversation or derided for being who we are—businesses.

The CEC should take a step back and consider the impacts of its policies on the environment, our most vulnerable communities, and on customers, including small businesses. We are deeply concerned about the impact of a refining margin cap on prices at the pump and in turn California's small businesses and most vulnerable communities.

Up to this point, we are not satisfied by CEC's almost meager explanations for its actions or its engagement with the public, nonprofits, and trade groups like our own.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. Guerra', written over a horizontal line.

Ruben Guerra, CEO & Chairman
Latin Business Association