

DOCKETED

Docket Number:	23-OIR-03
Project Title:	General Rulemaking Proceeding for Developing Regulations, Guidelines, and Policies for Implementing SB X1-2 and SB 1322
TN #:	255164
Document Title:	Proposed Emergency Rulemaking SB X1-2 Reporting Requirements Presentation
Description:	3/18/2024 Workshop Presentation
Filer:	Andrea Bailey
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Proposed Emergency Rulemaking SB X1-2 Reporting Requirements

March 18, 2024

Jeremy Smith, Deputy Director
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Housekeeping


Meeting is being recorded.

Comments are welcome at the end of the presentation.

Zoom:

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Agenda

1. Background
2. Refining Margins
3. Refinery Maintenance
4. Marine Imports
5. Next Steps
6. Public Comments



Background



Purpose of Today's Workshop

Explain the current draft language for emergency data regulations, forms, and instructions.

Provide an opportunity to receive public input and feedback, through both oral comments at today's workshop and written comments, which may be submitted to Docket No. **23-OIR-03** by **5 PM** on **April 1, 2024**.



SB X1-2 Benefits to Californians



Greater transparency into the California petroleum markets and refinery activity.



Increased oversight of refinery maintenance scheduling and California's supply disposition.



Better analyze market behavior and investigate anomalies.



Take action to reduce gasoline price spikes.



SB X1-2 Rulemaking Processes

Description	Rulemaking Process
Majority of PIIRA data collection Analysis and reporting requirements Confidentiality requirements Enforcement authority Timing of turnaround and maintenance rules	Emergency regulation
Refinery maintenance activity reporting	APA exempt. CEC may adopt guidelines.



SB X1-2 Data Collection

Refinery Costs vs. Profits

Informs the California Oil Refinery Cost Disclosure Act Monthly Report, and whether a maximum refiner margin should be set.

CEC Form:

- Monthly Refining Margin Report

Market Analysis

Informs whether there is market manipulation or market failures.

Refinery Maintenance

Provides insights on timing of planned and unplanned outages.

CEC Forms:

- Planned Refinery Maintenance and Turnaround Report
- Unplanned Refinery Maintenance and Turnaround Report

Other Data

Provides additional insights.

CEC Forms:

- Planned Marine Imports Report



Refining Margins



Refining Margins (§ 1363.2)

Specific Definitions for Purposes of Reporting Requirements

- **Added and updated definitions, including:**
 - "All other taxes and fees"
 - Wholesale gasoline sales channels
 - "Crude oil acquisition cost"
 - Operational cost categories
 - Various petroleum products



Refining Margins (§ 1366)

Requirement to File

- **Added reporting requirement to align with statute and specified applicable Appendix.**



Refining Margins (Appx B: Sect VII)

The Monthly Refining Margin Report

- **Added and clarified reporting requirements, including:**
 - Volume-weighted average gross gasoline margin
 - Volume-weighted average net gasoline margin
 - Volume, price, and fee information for wholesale gasoline sales channels
 - Refining and distribution operational costs categories



Refining Margins (Report)

CEC M1322 – Monthly Refining Margin Report

- **Form demonstration**
 - Draft_Form_M1322__2024_03_12_ada.xlsx
- **Instructions**
 - Draft_Form_M1322__Instructions_2024_03_12_ada.pdf



Public Comments (Refining Margins)

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Limited to one representative per organization.

Two-Minute Timer





Refinery Maintenance



Refinery Maintenance

California Refinery Maintenance Reporting Guidebook

- **Chapter 3: Reporting Requirement**
 - California petroleum refineries must report all planned and unplanned maintenance, including turnarounds
- **Chapter 4: Definitions**
 - Planned maintenance
 - Unplanned maintenance



Refinery Maintenance

California Refinery Maintenance Reporting Guidebook

- **Chapter 5: Maintenance Reports**
 - Reporting Period and Informational Requirements for both:
 - The California Planned Refinery Maintenance Report
 - The California Unplanned Refinery Maintenance Report





Refinery Maintenance (Reports)

CEC EBR1P – Planned Maintenance Report

CEC EBR1U – Unplanned Maintenance Report

- **Form demonstrations**

- [Draft_CEC_EBR1P_Planned_Refinery_Maintenance_2024_03_12ada.xlsx](#)
- [Draft_CEC_EBR1U_Unplanned_Refinery_Maintenance_2024_03_12_ada.xlsx](#)

- **Instructions**

- [Draft_Revised_CEC_EBR1P_Instructions_2024_03_12_ada.pdf](#)
- [Draft_Revised_CEC_EBR1U_Instructions_2024_03_12_ada.pdf](#)



Public Comments (Refinery Maintenance)

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Marine Imports



Marine Imports (§ 1363.2)

Specific Definitions for Purposes of Reporting Requirements

- **Added and updated definitions, including:**
 - "Notice of Readiness (NOR)"
 - "Landed cost"



Marine Imports (§ 1366)

Requirement to File

- Clarification on which entities required to report and when





Marine Imports (Appx D)

Daily and Event-based Reporting Requirements

- **Added and updated reporting requirements, including:**
 - Reporting timeline
 - Transportation fuel products subject to reporting
 - Information to include in the report



Marine Imports (Report)

CEC W700_96j – 96-Hour Planned Import Report

- **Form demonstration**
 - Draft_Revised_CEC_W700_96j_Report_2024_03_12_ada
- **Instructions**
 - Draft_Revised_CEC_Form_W700_96j_Instructions_2024_03_12_ada



Public Comments (Marine Imports)

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Other Regulatory Changes

§ 1366. Requirement to File

- Deleted outdated reference to EIA Form

§ 1367. Form and Format of Reports

- Timing to notice updated forms now at least seven days

§ 1370. Confidentiality Information

- Clarifying changes to align with statute

§ 1371. Failure to Provide Information

- Clarifying changes to align with statute



Next Steps

- **March 18:** Begin stakeholder outreach and seek feedback.
- **May 8:** Present at CEC Business Meeting for adoption.
- **May 9:** Submit rulemaking package to OAL.
- **May 20:** Estimated effective date.



Feedback Welcome

- Areas needing clarification.
- Information on industry standards.
- Suggestions for simplification.

- Submit written comments to:
 - **Docket No. 23-OIR-03**
 - **Due by 5:00 PM on April 1, 2024.**



Public Comments

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Three-Minute Timer





Thank you

Jeremy Smith

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PIIRA Team

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