



Western States Petroleum Association
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Catherine H. Reheis-Boyd
President

March 4, 2014

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 14-IEP-1B
1516 Ninth Street
Sacramento, CA 95814-5512
Via electronic mail to docket@energy.ca.gov

Re: **WSPA Comments on Docket Number 14-IEP-1B, Draft 2014 IEPR Update Scoping Order**

The Western States Petroleum Association (WSPA) appreciates the opportunity to provide comments on the above-referenced draft Scoping Order for the 2014 IEPR. WSPA has provided comments at many of the workshops and for many of the draft documents relating to previous year's IEPRs, and hopes our comments and questions for this year's report will be considered and incorporated.

WSPA is a non-profit trade association representing twenty-seven companies that explore for, produce, refine, transport and market petroleum, petroleum products, natural gas and other energy supplies in California and four other western states.

We have provided four comments relative to the Scoping Order as follows:

- 1) WSPA very much appreciates the inclusion of transportation issues in the updated IEPR for 2014. In past years we have requested the Commission address transportation energy issues on an annual basis, similar to the electricity and natural gas issues, since current efforts to enact transportation reform in the state – both for vehicles and for fuels – is leading to a significant potential for energy supply disruption and other negative consequences. An annual review of transportation issues, albeit at a more cursory level in the “off” years, will be of importance to provide input to the Governor, the legislature, and the other state agencies.
- 2) WSPA requests that the Commission include in the 2014 IEPR effort an equal level of study of the impacts of current climate change regulations on the state's energy sector and possible negative consequences of those regulations on the state's ability to ensure a reliable, secure and affordable energy sector in the future.

In particular, the California Air Resources Board will be conducting a Periodic Review of the LCFS Program this year in response to the original adoption hearing Resolution. Information on the status of low carbon intensity fuels production – volumes and timing - generated by the CEC as input to this effort would be a welcome improvement to this process.

- 3) WSPA requests the Commission include in the 2014 IEPR effort a review of barriers to and progress toward meeting California's transportation energy goals, including the Low Carbon Fuel Standard, achieving 26 percent alternative fuel use by 2022, and producing a minimum of 40 percent of the state's biofuels within California by 2020.
- 4) WSPA played a key role in legislation ensuring the reauthorization and extension of the AB118 program, and we have always been on record supporting a diverse portfolio. In fact, we coined the term "Petroleum Plus" many years ago. WSPA, however, would also like to be a part of the conversation during consideration of the item in the Scoping Order which says, *"The 2014 IEPR Update will identify specific action items related to portfolio strategy, potential funding mechanisms, coordination within the state's transportation policy framework, and benefits measurement and monitoring."*

Please feel free to contact us with any questions. We are happy to clarify our positions and requests if needed. Don't hesitate to contact me at this office or my staff, Gina Grey, at (480) 595-7121 for any further communications.

Sincerely,

A handwritten signature in blue ink, reading "Cathie A. Boyd". The signature is fluid and cursive, with the first name "Cathie" and last name "Boyd" clearly legible.

Cc: Heather Raitt - CEC
Gina Grey - WSPA