



District 12

Robert LaVenture
District Director

Chris Youngmark
Assistant to the Director

July 28, 2011

Chairman Mary Nichols
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Regulation to Implement CA Scoping Plan and Transportation Fuels

Dear Chairman Nichols,

I write on behalf of the United Steelworkers and our members in the ten unionized California oil refineries who produce most of the fuels currently consumed by our state's motor vehicles.

As you know our organization has been a strong supporter of AB32 since its passage and worked actively to prevent its suspension by opposing Proposition 23 in last year's election. We remain firmly convinced that AB32's effective implementation will drive economic development in our state, create hundreds of thousands of new jobs and industries, and secure markets for energy-intensive products manufactured in our state to the highest standards possible.

We believe that this last outcome, however, will partly depend on the effective implementation of the law for the oil industry, in particular with the low carbon fuel standard. If the LCFS is implemented in such a fashion that its regulations don't guard against leakage by ignoring imported products, we will have replaced California produced products with those from states or countries that do little or nothing to regulate greenhouse gas emissions.

We are particularly concerned about "leakage" in the petroleum refining industry and would like to work with you to design provisions that would prevent the loss of CA refinery jobs to imported fuels from states and countries that do not participate in similar programs.

I will have my office contact you later this week to set up a meeting at your earliest convenience to review the effectiveness of the current proposed LCFS. We understand that several of our partners in the BlueGreen Alliance have supported the LCFS as part of AB32, and would also welcome their participation in these discussions to address our concerns.

Sincerely,

Director, District 12
United Steelworkers (USW)

RL/jcl

Cc: The Honorable Edmond Brown, Governor
Nancy McFadden, Cabinet Secretary
Linda S. Adams, CA EPA Secretary
Gary Beevers, International Vice President
Dave Foster, Executive Director, Blue Green Alliance
Chris Youngmark, Assistant to the District Director
Rick Latham, Sub District Director