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**California Labor Federation | AFL-CIO**

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October 19, 2011

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

RE: Ensuring Equal Burdens For All California Refineries

Dear Madam Chair:

The California Labor Federation respectfully requests that when adopting regulations on October 20, the California Air Resources Board provides for a continued process to ensure that the burdens placed on California refineries are spread evenly.

We strongly support the attached resolution which requests that the Air Resources Board adopt language to hold a public hearing to review and revise, as necessary, any portion of benchmarking regulation that will eliminate California jobs.

We recommend that the Air Resources Board conduct this hearing no later than April 15, 2012, and that all parties, including representatives of organized labor, participate in a discussion of job retention and job creation. We also suggest that the ARB include in the discussion of free allowances and penalty allowances a dialogue regarding the impact on current California jobs that could be eliminated if the principle of fairness is not upheld, monitored and periodically reviewed.

We respectfully request that you adopt this resolution at your October 20 meeting.

Sincerely,

Tim Rainey  
Director, Workforce & Economic Development Program

Attachment

cc: Board Members, California Air Resources Board  
Senator Mark DeSaulnier, Senate Transportation and Housing Committee  
Senator Darrell Steinberg, President Pro Tempore

## Resolution

Whereas, there may be unintended consequences on California refineries that are trade exposed and regulated under benchmarking criteria from adopting the proposed system of allowance distribution; and

Whereas, there are certain trade exposed industries that are susceptible to import leakages and loss of middle-class union jobs; and

Whereas, the allowance distribution system needs to be integrated with stakeholder participation towards solutions that bypass disparate impacts and offer the option of actual carbon reductions through design, build and investment in projects that will result in jobs created in California; and

Whereas, CARB recognizes a leakage risk of turning refineries into tank farms and thus eliminating thousands of union jobs in California while having an overall global increase in carbon emissions; and

Whereas, there are less than 15 refineries currently operating in California to provide clean fuels to consumers and because of business diversity and products manufactured among these refineries, as well as large consolidated versus smaller multi-location refineries, rewarding certain refineries with free allowances while requiring others to purchase allowances is inequitable; and

Now, therefore be it resolved, that in order to best achieve global carbon reductions, the California Air Resources Board shall conduct a public hearing to review and revise as necessary any portion of this regulation affecting petroleum refineries that would eliminate California jobs through global leakages of carbon emissions and increases in interstate and foreign import. This hearing of the CARB will be conducted no later than April 15, 2012, and that all parties including representatives of the building trades and other refinery worker representatives shall be participants in job retention and job creation discussions and include but not be limited to a discussion of allocation of allowances.