



December 15, 2022

Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: 2022 Climate Change Scoping Plan for Achieving Carbon Neutrality

San Joaquin Refining Company respectfully submits this letter concerning adoption of the 2022 Climate Change Scoping Plan. CARB states in the plan that it wants to stop all refining and production in CA but recognizes that there will still be a demand for fuel that would have to be filled by importing; which would increase greenhouse gas emissions outside CA. This is prohibited by AB-32 and therefore not possible until fuels demand recedes. We are troubled by the fact that CARB cited no other reasons for not banning refining and production.

Please consider that San Joaquin Refining does not primarily produce fuels. In fact, about 90% of the products we make, by volume, are something other than fuel. Approximately 50% of our output is asphalt. In fact, we produce about 40% of all asphalt used in California. Where will California source its paving materials if all refineries are shut down? Asphalt would have to be sourced from out of state and this would lead to an increase in greenhouse gas emissions outside the state; which again, is prohibited by AB-32.

San Joaquin Refining is also the state's leading producer of electrical transformer oil. Approximately 85% of all conventional electrical transformer oil used in California is produced at San Joaquin Refining. This is another product that would have to be sourced from outside the state and would therefore increase greenhouse gas emissions elsewhere at the expense of decreasing them in state.

San Joaquin Refining is a small, independent refiner approximately 5% the size of the largest refiners in the state by capacity. Our greenhouse gas emissions are therefore a small fraction of what's emitted by the large refiners as well.

We supply products used in numerous industries such as inks, lubricants, rubber, plastics, adhesives, paints, coatings and more. As of 2021, we produced only 0.12% of the fuel sold in California. What is the purpose of CARB pursuing the shutdown of San Joaquin Refining when the goal is to stop fuels production?

We ask that CARB recognize that not all refineries are the same and that the benefits provided to the state by San Joaquin Refining far outweigh the small amount of fuel we produce.

Thank you for your consideration.

Sincerely,

San Joaquin Refining Company, Inc.