

Phillips 66

Thank you. My name is Marc Ventura. I work for Phillips 66. Phillips 66 is a fuel supplier in the state of Washington. We are actually a publicly traded company. The ticker symbol is PSX. We operate a refinery in Ferndale, Washington, a couple of terminals, and we Market fuel under the 76 brand. Interestingly enough, we're the 76 brand on the West Coast, and the 66 brand in the mid-continent. We are also a member of the Western States Petroleum Association. The Western States Petroleum [unintelligible 00:10:01] a number of comments over the rulemaking, over the workshops, and we will be submitting comments by that deadline of August 31st. Phillips 66 supports the comments of west by the Western States Petroleum Association. We strongly recommend and would like to have feedback on those comments, the number of comments that we have provided earlier in the work workshop we believe were not addressed. Specifically today, I would like to bring up the issue of the standards as they are projected, as they are implemented in the program, and I wanted to point out that the slides that you presented today are inconsistent. You have one slide, I think it was slide 12 where you show the carbon intensity going from 0 to 10%, then from 10% to 20% gradual decline, which you would expect, whereas the slide 32 or 33 show you have now in the proposed regulation, which is dropping from the 10% to 20% in one year. We don't think that's the right thing to do. We don't think that should jump from 10% reduction to 20% reduction in one year. Obviously, this is unheard of any program that we know of in California or Oregon, or probably even British Columbia, this may create a huge demand on the credit bank in a single year, which may distort the market. Either prior years, people may sit on their credits in expectation of that huge jump, or the bank could go negative. We really encourage Ecology to go back, and revisit that, and smoothen those standard reductions to be more of a continuous line, straight line from the 10% to the 20%. Again, thank you for the opportunity, and we'll be submitting written comments for [unintelligible 00:12:15] , and encourage you to go in and address all of those comments. Thank you.