

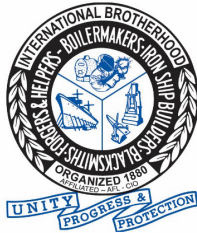
International Brotherhood of

BOILERMAKERS • IRON SHIP BUILDERS

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SUBMITTED VIA CARB COMMENT PORTAL AND BY EMAIL TO CARB STAFF

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, California 95814

Re: Comments/Concerns: Proposed 15 Day Cap-and-Invest Program

On behalf of the International Brotherhood of Boilermakers and specifically our two California construction locals, Local 549 in Pittsburgh, California, and Local 92 in Carson, California, I write with **strong** concern about the Draft Regulations. The Boilermakers work to help produce fuel and keep California's refineries safe. Due to our efforts in passing SB 54 (2013), which I partnered with then-president of the State Building and Construction Trades Council of California, Robbie Hunter, California's refineries are unique as they are maintained by the most highly trained workforce in the world under the strict labor standards outlined in our *only-in-the-nation* statewide project labor agreements. This makes the fuel produced in California the most ethical fuel produced anywhere in the world. Layer on top of this, California's second-to-none environmental standards, and California is producing the best and cleanest product despite the continuous punitive policies enacted in California that have already led to the closure of several in-state refineries.

At the Boilermakers, we do not want to see any more refinery closures, but these regulations do not achieve that goal. They provide much-needed short-term relief but do not protect our members from layoffs or the state from a continued refinery exodus and the resulting cost-of-living increases and scarcity concerns. At the Boilermakers, we pride ourselves on our cooperative relationships with our employer contractors. We understand that, for our members to be successful and employed, our employers and contractors need to be successful. In our world, no one is employing us because they have to; they do so because it makes economic sense for them to invest millions, if not billions, of dollars in capital improvements and industrial maintenance to keep their facilities operational.

It feels as though what is missing from these Draft Regulations is a similar understanding. For California to be successful and continue to host in-state refineries that collectively support hundreds of thousands of jobs and billions of dollars in economic activity and taxes, there must be an understanding that the refineries must be allowed to succeed to continue operating. And their definition of success is something they, as fiduciaries, need to justify to their shareholders.

Having battled the hundreds of punitive bills that have come through the Legislature since I became an International Vice President, the latest being SB 982, which we helped defeat for the third time last week, it is remarkable to me that more refineries haven't closed. There are high-quality refineries actively on the market in California. Yet, instead of buying one of them, a Texas refinery is choosing to invest billions to build a brand-new refinery. They are doing this because it is hard to justify to your shareholders why you would operate in California when the Legislature seems hostile to the industry.

These Draft Regulations create an opportunity to create a continued path for California's refineries, but to do that, they need significant changes, including creating certainty well beyond 2031, such that it would incentivize the type of capital and maintenance investments that put our skilled and trained members to work, including, important to both the Boilermakers and CARB's scoping plan, carbon capture and storage. Also, these regulations need to adequately recognize the leakage risk, a risk we are already actively seeing play out. And the final regulations need to put a hard stop on encouraging the import of out-of-state and foreign fuel oil sourced from hostile jurisdictions and refined by untrained, poorly treated workers with no regard for the global environment. Continuing to incentivize this import strategy is not only contrary to California's high-road labor, environmental, and human rights values but also extremely hypocritical. As the fifth-largest economy in the world and a global leader in our response to the climate crisis, we have a responsibility to lead and ensure that the products we use in California are produced cleanly and ethically.

I will continue to make myself available to assist in developing this important policy. I hope to see significant changes in the regulations as set forth above. Short of significant revisions, I am certain more of our member's will face the difficulty of refinery closures and the personal catastrophe of a layoff and the effect on their families.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Tom Baca', with a stylized, cursive script.

J. Tom Baca

Cc: President Timothy Simmons, International Brotherhood of Boilermakers
President Lorena Gonzalez, California Federation of Labor