



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

AB-1 Energy: transportation fuels: inventories: turnaround and maintenance. (2023-2024)

SHARE THIS:  

Date Published: 10/14/2024 09:00 PM

Assembly Bill No. 1

CHAPTER 1

An act to amend Sections 25354.2, 25364, 25367, 25371, 25372.2, and 25373 of, to add and repeal Section 25354.4 of, and to add, repeal, and add Section 25354.6 of, the Public Resources Code, relating to energy.

[Approved by Governor October 14, 2024. Filed with Secretary of State October 14, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1, Hart. Energy: transportation fuels: inventories: turnaround and maintenance.

Existing law, beginning on June 26, 2023, establishes the Independent Consumer Fuels Advisory Committee within the State Energy Resources Conservation and Development Commission (Energy Commission) to advise the Energy Commission and the Division of Petroleum Market Oversight, as provided. Existing law prescribes the composition of the 8-member committee, including 6 specified members appointed by the Governor, one member appointed by the Speaker of the Assembly, and one member appointed by the Senate Committee on Rules. Existing law requires one member appointed by the Governor to represent labor. Existing law prohibits a member of the committee from having been employed by, contracted with, or received direct compensation from, a company that produces, refines, distributes, trades in, markets, or sells any petroleum product in the preceding 12 months, except as provided. Existing law specifies that the schedule of meetings of the committee is to be prescribed by the Energy Commission.

This bill would specify that the above prohibition does not exclude a representative of a labor organization whose membership consists of, in whole or in part, individuals employed by a company that produces, refines, distributes, trades in, markets, or sells any petroleum product. The bill would require the gubernatorial appointee who represents labor to instead represent a labor organization with experience in refinery operations. The bill would require the committee to meet no less than annually.

Existing law requires the Energy Commission, in consultation with the Labor and Workforce Development Agency and labor and industry stakeholders, to consider ways to manage necessary refinery turnarounds and maintenance that would protect the health and safety of employees and the public, and minimize the impacts of maintenance-related production losses on fuel prices. Existing law authorizes the Energy Commission, by regulation, to impose requirements governing the timing of turnaround and maintenance.

This bill would expressly require those regulations to protect the health and safety of employees, local communities, and the public, and to include criteria that are required to be met before a refinery commences a turnaround or maintenance event, as provided.

This bill would require the Energy Commission, in consultation with the committee, to consider the effects of refiners' inventories of fuel and feedstocks and blending components on the price of transportation fuels in California. The bill would authorize the Energy Commission, by regulation, to develop and impose requirements for refiners operating in the state to maintain minimum levels of inventories of refined transportation fuels meeting California specifications, including any feedstocks and blending

components, as specified. The bill would prohibit the Energy Commission from applying a minimum inventory requirement to a refiner in a manner that would be met only by the construction of additional storage infrastructure, as determined by the Energy Commission. The bill would repeal these provisions on January 1, 2033.

This bill would impose an administrative civil penalty on a refiner or person who fails to comply with regulations adopted pursuant to the above-described authority and would authorize the Energy Commission to seek any form of injunctive or remedial relief to enforce compliance with those regulations, as provided.

Existing law requires the Energy Commission, on or before January 1, 2024, and every 3 years thereafter, to submit an assessment to the Governor and the Legislature that, among other things, identifies methods to ensure a reliable supply of affordable and safe transportation fuels in California, as provided.

This bill, beginning with the first assessment submitted after the effective date of the bill, would require that the assessment also include an evaluation of California's future petroleum product and crude oil import needs, identification of steps that can be taken to ensure that marine infrastructure and port facilities will be adequate to accommodate the efficient movement of petroleum products to meet those needs, an evaluation of ways to maximize use of existing infrastructure and minimize cumulative pollution burdens, and an evaluation of the effects on supplies of transportation fuels of state regulations that the Energy Commission identifies may be causing supply constraints, or for which the Energy Commission believes alternative compliance pathways should be considered by state agencies to mitigate potential impacts on supply.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 25354.2 of the Public Resources Code is amended to read:

25354.2. (a) The commission, in consultation with the Labor and Workforce Development Agency and labor and industry stakeholders, shall consider ways to manage necessary refinery turnarounds and maintenance that would protect the health and safety of employees, local communities, and the public, and minimize the impact of maintenance-related production losses on fuel prices. The commission may, by regulation, impose requirements governing the timing of turnaround and maintenance developed through consultations under this section.

(b) Regulations adopted under this section shall do, but not be limited to, both of the following:

(1) Protect the health and safety of employees, local communities, and the public.

(2) Include criteria that are required to be met before a refinery commences a turnaround or maintenance event, including, but not limited to, demonstrating to the satisfaction of the executive director of the commission, through a report required by subdivision (m) of Section 25354, that the refiner has made resupply plans or other arrangements sufficient to ensure that the loss of production during the turnaround or maintenance event does not adversely affect the California transportation fuels market.

(c) This section does not modify any requirements of, or standards issued pursuant to, Section 6311 of, or Part 7.5 (commencing with Section 7850) of Division 5 of, the Labor Code, including the authority of employees to perform an emergency shutdown of the refinery and necessary maintenance work for safety.

(d) A regulation adopted, or action taken, pursuant to this section shall not excuse an employer's compliance with the skilled and trained workforce and wage requirements set forth in Section 25536.7 of the Health and Safety Code.

SEC. 2. Section 25354.4 is added to the Public Resources Code, to read:

25354.4. (a) The commission, in consultation with the Independent Consumer Fuels Advisory Committee established pursuant to Section 25373, shall consider the effects of refiners' inventories of fuel and feedstocks and blending components on the price of transportation fuels in California. The commission may, by regulation, develop and impose requirements for refiners operating in the state to maintain minimum levels of inventories of refined transportation fuels meeting California specifications, including any feedstocks and blending components for those fuels.

(b) Regulations adopted under this section shall protect the health and safety of employees, local communities, and the public, and shall provide for all of the following:

(1) A process for establishing minimum inventory levels specified for each refiner or each refining region, and for each fuel or blending component type.

(2) A process for maximizing the use of existing storage infrastructure.

(3) A process for waiving, if appropriate, minimum inventory requirements for a small refinery, as defined in Section 80.2 of Title 40 of the Code of Federal Regulations, as that section read on the effective date of the bill that added this section, if the refiner of the small refinery demonstrates that those requirements would impose a disproportionate economic hardship.

(4) A process for adjusting, if appropriate, minimum inventory requirements for one or more refiners based on region, season, refinery size and storage capacity, and changes in regional or statewide supply and demand for refined transportation fuels meeting California specifications.

(5) Market conditions under which a refiner would be permitted or required to draw down its inventories below an established level and requirements for the rebuilding of those drawn-down inventories, including a metric or threshold based on market conditions that would automatically require a refiner to draw down inventories and provide that fuel to the market.

(c) Notwithstanding subdivision (a), the commission shall not adopt a regulation pursuant to this section unless it finds that the likely benefits to consumers from avoiding price volatility outweigh the potential costs to consumers. In making that determination, the commission shall consider all of the following factors, but no single factor shall be determinative:

(1) Whether it is likely that the minimum levels of inventories of refined transportation fuels will lead to greater supply in the California transportation fuels market than would exist without the minimum levels of inventories.

(2) Whether it is likely that the minimum levels of inventories of refined transportation fuels will lead to lower average retail prices on an annual basis than would exist without the minimum levels of inventories, and whether it is likely that the minimum levels of inventories will reduce the severity of retail price volatility.

(3) Whether easing of supply chain inefficiencies or constraints would lead to greater supply in the California transportation fuels market than requirements to establish minimum levels of inventories of refined transportation fuels.

(4) Whether it is likely that supply gains achieved through the adoption of the minimum levels of inventories of refined transportation fuels will be offset by actions of market participants not subject to these regulations and thereby have the effect of reducing supply in the market.

(d) (1) A regulation adopted under this section shall not modify any requirements of, or standards issued pursuant to, Section 6311 of, or Part 7.5 (commencing with Section 7850) of Division 5 of, the Labor Code, including the authority of employees to perform an emergency shutdown of the refinery and necessary maintenance work for safety.

(2) A regulation adopted, or action taken, pursuant to this section shall not excuse an employer's compliance with the skilled and trained workforce and wage requirements set forth in Section 25536.7 of the Health and Safety Code.

(e) In developing or amending regulations adopted under this section, the commission may consider the use of a compliance mechanism for each refiner that is tradable between or within each refining region for refiners to meet the minimum inventory requirements adopted pursuant to this section.

(f) The commission shall not apply a minimum inventory requirement under this section to a refiner in a manner that would be met only by the construction of additional storage infrastructure, as determined by the commission.

(g) One year after the adoption of any regulation pursuant to this section, and each year thereafter in which a regulation pursuant to this section is in effect, the commission shall submit a report to the Legislature, in accordance with Section 9795 of the Government Code, that includes a reevaluation of the effectiveness of that regulation, including whether the regulation continues to meet the cost effectiveness test described in subdivision (c), and shall provide an update on the factors identified in subdivision (c) regarding the implemented regulation.

(h) For purposes of this section, "refining region" means the two in-state regions of concentrated refineries, where the preponderance of refining capacity is located in the San Francisco Bay area and the Los Angeles area.

(i) This section shall remain in effect only until January 1, 2033, and as of that date is repealed.

SEC. 3. Section 25354.6 is added to the Public Resources Code, to read:

25354.6. (a) The commission shall notify a refiner or person who fails to comply with the requirements of Section 25354.2 or 25354.4, or fails to comply with the regulations adopted under those sections. If, within three days after being initially notified of the failure to comply, the refiner or person continues or persists in its noncompliance, the refiner or person shall be subject to an administrative civil penalty of not less than one hundred thousand dollars (\$100,000), and not more than one million dollars (\$1,000,000), per day for each day that the noncompliance occurs or persists.

(b) The executive director of the commission shall issue and serve a complaint on the refiner or person, and the commission shall hold a hearing, adopt a decision, and require payment of the penalty in accordance with the procedures described in Section

25534.1, with the penalty to be assessed based on each day of noncompliance following the third day after the initial notification by the commission.

(c) Judicial review and enforcement of an order imposing an administrative civil penalty under this section may be had in accordance with the procedures described in Section 25534.2.

(d) The commission may seek any form of injunctive or remedial relief from a court of competent jurisdiction to enforce compliance with Sections 25354.2 and 25354.4, and regulations adopted under those sections.

(e) This section shall remain in effect only until January 1, 2033, and as of that date is repealed.

SEC. 4. Section 25354.6 is added to the Public Resources Code, to read:

25354.6. (a) The commission shall notify a refiner or person who fails to comply with the requirements of Section 25354.2, or fails to comply with the regulations adopted under that section. If, within three days after being initially notified of the failure to comply, the refiner or person continues or persists in its noncompliance, the refiner or person shall be subject to an administrative civil penalty of not less than one hundred thousand dollars (\$100,000), and not more than one million dollars (\$1,000,000), per day for each day that the noncompliance occurs or persists.

(b) The executive director of the commission shall issue and serve a complaint on the refiner or person, and the commission shall hold a hearing, adopt a decision, and require payment of the penalty in accordance with the procedures described in Section 25534.1, with the penalty to be assessed based on each day of noncompliance following the third day after the initial notification by the commission.

(c) Judicial review and enforcement of an order imposing an administrative civil penalty under this section may be had in accordance with the procedures described in Section 25534.2.

(d) The commission may seek any form of injunctive or remedial relief from a court of competent jurisdiction to enforce compliance with Section 25354.2, and regulations adopted under that section.

(e) This section shall become operative on January 1, 2033.

SEC. 5. Section 25364 of the Public Resources Code is amended to read:

25364. (a) A person required to present information to the commission pursuant to Section 25354 or 25355 or a person making a request for exemption pursuant to Section 25355.5 may request that specific information be held in confidence. Information requested to be held in confidence shall be presumed to be confidential.

(b) Information presented to the commission pursuant to Section 25354, 25355, or 25355.5 shall be held in confidence by the commission or aggregated to the extent necessary to ensure confidentiality if public disclosure of the specific information or data would result in unfair competitive disadvantage to the person supplying the information or would adversely affect market competition.

(c) (1) Whenever the commission receives a request to publicly disclose unaggregated information, or otherwise proposes to publicly disclose information submitted pursuant to Section 25354, 25355, or 25355.5, notice of the request or proposal shall be provided to the person submitting the information. The notice shall indicate the form in which the information is to be released. Upon receipt of notice, the person submitting the information shall have 10 working days in which to respond to the notice to justify the claim of confidentiality on each specific item of information covered by the notice on the basis that public disclosure of the specific information would result in unfair competitive disadvantage to the person supplying the information or would adversely affect market competition.

(2) The commission shall consider the respondent's submittal in determining whether to publicly disclose the information submitted to it to which a claim of confidentiality is made. The commission shall issue a written decision that sets forth its reasons for making the determination whether each item of information for which a claim of confidentiality is made shall remain confidential or shall be publicly disclosed.

(d) The commission shall not make public disclosure of information submitted to it pursuant to Section 25354, 25355, or 25355.5 within 10 working days after the commission has issued its written decision required in this section.

(e) Information submitted to the commission pursuant to Section 25354, 25355, or 25355.5 shall not be deemed confidential if the person submitting the information or data has made it public.

(f) With respect to petroleum products and blendstocks reported by type pursuant to paragraph (1) or (2) of subdivision (a) of Section 25354, information provided pursuant to subdivision (h) or (i) of Section 25354, and information provided under Section

25355, the commission, the State Air Resources Board, or the Attorney General, or any employee or contractor of those entities, shall not do any of the following:

(1) Use the information furnished under paragraph (1) or (2) of subdivision (a) of Section 25354, under subdivision (h) or (i) of Section 25354, or under Section 25355 for any purpose other than law enforcement or the statistical purposes for which it is supplied.

(2) Make any publication whereby the information furnished by any particular establishment or individual under paragraph (1) or (2) of subdivision (a) of Section 25354, under subdivision (h) or (i) of Section 25354, or under Section 25355 can be identified.

(3) Permit anyone other than commission members, the State Air Resources Board, the Attorney General, and employees or contractors of those entities to examine the individual reports provided under paragraph (1) or (2) of subdivision (a) of Section 25354, under subdivision (h) or (i) of Section 25354, or under Section 25355.

(g) Notwithstanding any other law, the commission may disclose confidential information received pursuant to subdivision (a) of Section 25304, or Section 25354 or 25355 to the State Air Resources Board or the Attorney General if the state board or the Attorney General agrees to keep the information confidential. With respect to the information it receives, the state board and the Attorney General shall be subject to all pertinent provisions of this section.

(h) (1) Notwithstanding any other law, the commission shall, upon request, timely disclose confidential information received pursuant to subdivision (a) of Section 25304 or Section 25354 or 25355, or data provided under a contract entered into pursuant to Section 25367 or 25373, to the Speaker of the Assembly, the Senate Committee on Rules, the appropriate policy committees in the Assembly or the Senate, or staff members of each, provided that the information shall be provided only in aggregated or otherwise anonymized form, and each individual person receiving or having access to the information shall first agree, in writing, to keep the information confidential. Any person or committee receiving information under this subdivision shall be subject to all pertinent provisions of this section.

(2) Aggregated or otherwise anonymized information disclosed under paragraph (1) shall be made available by the commission to the public no more than quarterly, upon request of the Speaker of the Assembly, the Senate Committee on Rules, or the appropriate policy committees in the Assembly or the Senate, under conditions as the commission may determine are necessary to ensure that public disclosure of the specific information would not result in unfair competitive disadvantage to the person supplying the information or adversely affect market competition.

(i) Notwithstanding any other law, the commission may disclose confidential information received pursuant to paragraph (1) of subdivision (f) of Section 25354 to the administrator for oil spill response, appointed pursuant to Section 8670.4 of the Government Code, upon request for oil spill planning and preparedness purposes, and to first responders in the event of an accident or spill. Information disclosed to the administrator or first responders pursuant to this subdivision that has been identified as confidential under subdivision (a) shall not be disclosed to any other entity except pursuant to a request in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). Upon receipt of a records request seeking information disclosed pursuant to this subdivision, the administrator or first responder receiving the request shall provide the destination facility who provided the confidential information to the commission with an opportunity to submit, within a reasonable time, a response and information in support of exemption from disclosure before making the determination whether the requested records are exempt from disclosure. A requirement or deadline contained in the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall not be extended or waived as a result of this subdivision.

(j) This section does not apply to aggregate data that are required to be posted on the commission's internet website pursuant to subdivision (c) of Section 25355.

SEC. 6. Section 25367 of the Public Resources Code is amended to read:

25367. (a) Except as otherwise provided, the adoption of, or amendment to, regulations or orders implementing this chapter shall be considered by the Office of Administrative Law as an emergency, and necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding any other law, the emergency regulations or orders adopted to implement this chapter shall remain in effect for two years. Although the commission may adopt regulations to further define terms or prescribe reporting procedures or calculation methodologies pursuant to this chapter, or prescribe any other method of implementing this chapter, the provisions of this chapter are self-executing and shall not require any implementing regulation to be effective.

(b) The commission may enter into contracts to implement this chapter, and the contracts shall not require the review, consent, or approval of the Department of General Services or any other state department or agency and are not required to comply with requirements under the State Contracting Manual or the Public Contract Code.

(c) (1) Any regulation, guideline, other standard adopted, or decision rendered, by the commission under this chapter is not a "project" for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000)). However, nothing in this section exempts any project undertaken pursuant to a regulation, guideline, other standard adopted, or decision rendered, pursuant to this chapter from the California Environmental Quality Act.

(2) This subdivision is declarative of existing law and shall apply to all regulations, guidelines, other standards adopted, or decisions rendered, under this chapter whether before or after the effective date of this subdivision.

SEC. 7. Section 25371 of the Public Resources Code is amended to read:

25371. (a) (1) Notwithstanding Section 10231.5 of the Government Code, on or before January 1, 2024, and every three years thereafter, the commission shall submit an assessment to the Legislature, in accordance with Section 9795 of the Government Code, and to the Governor that does all of the following:

(A) Identifies methods to ensure a reliable supply of affordable and safe transportation fuels in California. The assessment shall include estimates for the level of transportation fuels at the state level, and, to the extent feasible, at regional and local levels, and individual refineries if relevant, that should be held in reserve by refiners to prevent gasoline price spikes. The assessment shall consider all factors causing price fluctuations in retail gasoline prices when recommending adequate reserve levels. The commission shall consider all relevant evidence from any reasonably available source, including, but not limited to, information about imports, by amount, source, if known, and data received by the commission pursuant to existing laws, economic and business experts, and information from any local, state, and federal agencies. The commission shall transmit to the Legislature, in accordance with Section 9795 of the Government Code, any proposals it deems appropriate for mandatory reserve levels and the terms of a program to implement reserve levels.

(B) Evaluates the price of transportation fuels, including branded and unbranded retail prices, alternate formulations of gasoline with lower carbon impact, and other products suitable for production from refineries in California. This evaluation shall consider the market demand for these products at 3-, 7-, 10-, and 20-year intervals from the date of the assessment and shall rely on the most recent transportation forecasting and assessment activities conducted pursuant to Section 25304. This evaluation shall include both of the following:

(i) An examination of whether branded fuel additives have any impact, and, if so, how much, on fuel efficiency and vehicle emissions.

(ii) An assessment of the presence and availability of retail outlets, including monitoring changes in availability of retail outlets that contribute to increasing retail prices in local and regional areas.

(C) Considers different levels of supply conditions and assesses the impact of potential refinery closures in California.

(D) Includes an analysis of the impacts on production of refinery planned maintenance, unplanned maintenance, and turnaround. The assessment shall evaluate ways to manage necessary maintenance among the various facilities that would protect the health and safety of employees and the public, and minimize the impact of maintenance-related production losses. Notwithstanding any other law, the Department of Industrial Relations and Division of Occupational Safety and Health shall disclose to the commission, upon request, any information the department and division have received under Section 7872 of the Labor Code to ensure all aspects of refinery safety are incorporated into the assessment. All information designated confidential shall be treated as confidential by the commission.

(E) Evaluates the utility and feasibility of alternative methods to maintain adequate supplies of transportation fuels, including delivery alternatives for fuel and components of refined fuel, such as delivery by rail, a publicly maintained strategic fuel reserve, and other solutions beyond the activities of refineries and petroleum market participants.

(F) Proposes solutions to mitigate any impacts described in the assessment. The solutions shall include an assessment of the employment impacts and the cost and cost-effectiveness of any proposal, including cost impacts to all impacted sectors, both public and private. The assessment shall include recommendations and alternatives.

(G) Beginning with the first assessment submitted after the effective date of this subparagraph, evaluates California's future petroleum product and crude oil import needs and identifies steps that can be taken to ensure that marine infrastructure and port facilities will be adequate to accommodate the efficient movement of petroleum products to meet those needs. In preparing the evaluation pursuant to this subparagraph, the commission shall consult with the ports in California at which petroleum and refined transportation fuels are imported, tanker terminal operators at California ports, the State Lands Commission, the California Coastal Commission, and the San Francisco Bay Conservation and Development Commission and evaluate ways to maximize the use of existing infrastructure and minimize cumulative pollution burdens.

(H) Beginning with the first assessment submitted after the effective date of this subparagraph, evaluates the effects of state regulations on supplies of transportation fuels that the commission identifies may be causing supply constraints, or for which

the commission believes alternative compliance pathways should be considered by state agencies to mitigate potential impacts on supply.

(2) The first assessment shall include the evaluation of oil and gas extraction and refining that the State Air Resources Board outlined in the most recent update to the scoping plan prepared pursuant to Section 38561 of the Health and Safety Code.

(b) The assessment shall be separate from the report submitted pursuant to Section 25302 and shall be developed in a public process. The assessment shall be available to the public within the proceeding docket and shall be approved by a vote of the commission at its business meeting.

(c) The commission may enter into contracts to perform the assessment required by subdivision (a) and the contracts shall not require the review, consent, or approval of the Department of General Services or any other state department or agency and do not need to comply with requirements under the State Contracting Manual or the Public Contract Code.

(d) The Division of Petroleum Market Oversight shall provide input to and otherwise support other divisions of the commission in preparation of the assessment required by subdivision (a).

(e) The Independent Consumer Fuels Advisory Committee established pursuant to Section 25373 shall provide input to the commission in preparation of the assessment required by subdivision (a).

SEC. 8. Section 25372.2 of the Public Resources Code is amended to read:

25372.2. (a) The division shall do all of the following:

(1) Provide independent oversight and analysis of the transportation fuels markets for the protection of consumers by identifying market design flaws, market power abuses, and any other manner by which market participants act to harm competition or act contrary to the best interests of consumers in the state.

(2) Provide guidance and recommendations to the commission relating to the development of the assessment required by Section 25371 and the Transportation Fuels Transition Plan described in Section 25371.3.

(3) Provide guidance and recommendations to members of the commission, other divisions of the commission, and the California Department of Tax and Fee Administration relating to the reports described in Section 25355.7.

(4) Provide guidance and recommendations to the Governor, members of the commission, and other divisions of the commission on any other issues related to transportation fuels pricing and transportation decarbonization in California.

(5) Report its findings and recommendations to improve market performance at least annually to the Legislature, in accordance with Section 9795 of the Government Code, the Governor, the commission, the Attorney General, and the California Department of Tax and Fee Administration.

(b) (1) The division may subpoena witnesses, compel their attendance and testimony, administer oaths and affirmations, take evidence, and require by subpoena the production of any books, papers, records, or other items material to the performance of the division's duties or exercise of its powers, including, but not limited to, current and historical pricing and sales data and contracts with other petroleum industry participants.

(2) With respect to the division, the director of the division is the "head of a department" for purposes of, and the division may undertake investigations in the manner described in, Article 2 (commencing with Section 11180) of Chapter 2 of Part 1 of Division 3 of Title 2 of the Government Code.

(c) The division may confidentially refer potential violations of law to the Attorney General at any time.

SEC. 9. Section 25373 of the Public Resources Code is amended to read:

25373. (a) The commission and division shall be advised by the Independent Consumer Fuels Advisory Committee, which is hereby established within the commission. The committee shall consist of the following members:

(1) Six members appointed by the Governor as follows:

(A) A member who holds an academic appointment and has knowledge of economics or business operations of the transportation fuels market.

(B) A member representing the California petroleum fuels industry.

(C) A member representing consumers.

(D) A member representing a labor organization with experience in refinery operations.

(E) A member with expertise in community, environmental, or environmental justice issues.

(F) A member with expertise in antitrust law.

(2) One member appointed by the Speaker of the Assembly.

(3) One member appointed by the Senate Committee on Rules.

(b) (1) Except for the member described in subparagraph (B) of paragraph (1) of, or subparagraph (D) of paragraph (1) of, subdivision (a), a member of the committee shall not have been employed by, contracted with, or received direct compensation from, a company that produces, refines, distributes, trades in, markets, or sells any petroleum product in the preceding 12 months.

(2) Except for the member described in subparagraph (B) of paragraph (1) of, or subparagraph (D) of paragraph (1) of, subdivision (a), before accepting appointment, members of the committee shall agree, in writing, not to be employed by, contract with, or receive direct compensation from companies described in paragraph (1) for the 12 months following the completion of their service on the committee.

(3) This subdivision shall not be construed to exclude a representative of a labor organization whose membership consists of, in whole or in part, individuals employed by a company that produces, refines, distributes, trades in, markets, or sells any petroleum product who otherwise meets the requirements of this section.

(c) Each member of the committee shall receive a per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties, and shall be reimbursed for traveling and other expenses necessarily incurred in the performance of official duties.

(d) The duties, organization, and schedule of meetings of the Independent Consumer Fuels Advisory Committee shall be prescribed by the commission, but shall meet no less than annually. The commission may delegate the authority under this subdivision to the executive director of the commission.

(e) The Independent Consumer Fuels Advisory Committee shall have access to aggregated or otherwise anonymized information submitted to the commission or to the division necessary to fulfill its duties under conditions as the commission determines necessary to ensure that any public disclosure of the specific information would not result in unfair competitive disadvantage to the person supplying the information or adversely affect market competition. The members of the committee shall also agree, in writing, to maintain the confidentiality of all information received.

(f) The executive director of the commission shall ensure that any confidential information shared with the members of the Independent Consumer Fuels Advisory Committee is subject to a nondisclosure agreement and is maintained in a way that protects it from inadvertent disclosure.