



Western States Petroleum Association
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via: sherrie.kinkle@boe.ca.gov

Attn: Sherrie Kinkle
State Board of Equalization
Property and Special Taxes Department
450 "N" Street
PO Box 94879
Sacramento, California 94279-0064

RE: Economics Lives in Assessors' Handbook Section 581

Ms. Kinkle,

The Western States Petroleum Association (WSPA) is a non-profit trade association that represents approximately 30 companies that account for the bulk of petroleum exploration, production, refining, transportation and marketing in the six western states of Arizona, California, Hawaii, Nevada, Oregon and Washington. Founded in 1907, WSPA is the oldest petroleum trade association in the United States.

WSPA appreciates the upcoming opportunity on November 5th to participate in the SBE's *Interested Parties* meeting to discuss more fully our members' concerns regarding the SBE's proposal to include economic lives for various equipment categories (as stated in the "Economic Lives and Valuation Table", SBE letter dated October 2, 2008) into Assessors' Handbook Section 581, *Equipment Index and Percent good Factors*.

In anticipation of SBE's November 5th, 2008 *Interested Parties* meeting, WSPA would like to express the general concern that the information contained in this table is based on currently unsupported, recommended economic lives without reference to any factual equipment studies or other equipment economic life sources. WSPA understands the mass appraisal need for general guidelines based on typical economic equipment lives; however, our members are concerned there is considerable possibility for misstatement of these economic lives if they are not founded in fact. Our further concern is that industry may not have specific subsequent opportunities to provide input to the guideline setting process and that the SBE action could unintentionally provide authority/credence to something designed only as a suggestion.

Thank you for this opportunity to provide our comments. We look forward to discussing our concerns more fully at the upcoming *Interested Parties* meeting on November 5th.

Sincerely,

A handwritten signature in black ink that reads "Bob Poole". The signature is written in a cursive, flowing style.

Bob Poole
Senior Coordinator

