

Automotive Digestibles Blog – October 10, 2016

## **Outrage Rant: Refinery Outages Seem to Manipulate Gas Prices in California**

### **Another “Here we go again” Situation:**

October day in 2016, 20 minute power outage at big Torrance Exxon Mobil refinery. Smoke and flames rose from the facility stacks & the plant shut down

### **The Significance to Automotive Executives: Or What happened as result?**

- Spot market prices rose 14 cents a gallon
- Forthcoming Increase at Pump? Analyst said “Hang on to your chair”
- Pump prices are supposed to go down due switch to winter blend

### **The Point:**

- Every time a refinery “goes down”, there is an immediate impact on pump price.
- It would seem that refineries could have more refined fuel in their tank farms
- This particular plant has history of explosions, power outages, and shut downs
- Suspicion of price manipulation is fostered by this kind of shutdown scenario

Who wrote the originating story? [Ivan.penn@latimes](mailto:Ivan.penn@latimes) , LAT 10-10-2016

Head: Gas Price Surge in Refinery Outage with link:

<http://www.latimes.com/business/la-fi-gas-prices-20161011-snap-story.html>



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