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California: This just in

Gas prices jump after Torrance refinery explosion

By VERONICA ROCHA
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Wholesale gas prices rose 6 to 10 cents in California after a large explosion at the Exxon Mobil refinery in Torrance injured four workers and shut down a portion of the plant.

"The shutdown at the Torrance refinery coupled with the earlier shutdown of the Tesoro Golden Eagle refinery has squeezed the supply of gasoline," said Linda Rapattoni, spokeswoman for the California Energy Commission.

While wholesale prices jumped, AAA reports the average price of regular gasoline in California increased by 1.8 cents per gallon over Wednesday, Rapattoni said.

PHOTOS: Torrance refinery explosion

The California Division of Occupational Safety and Health on Wednesday afternoon ordered the refinery to shut down all work inside its fluid catalytic cracking unit, where the blast occurred. An Exxon Mobil spokesman says units not affected by the blast have continued to operate.

Exxon Mobil and Tesoro Corp. refineries account for 17.5% of total oil processing capacity by California's active refineries. The refineries produce gasoline and diesel for California.

Tesoro in Martinez has stopped its processing units amid a strike by the United Steel Workers union. Rapattoni said the latest price bump could continue to increase.

"There could be further increases in the retail price of gasoline," she said. "The seasonal demand for gasoline has started to rise, coupled with the reformulation of gasoline for summer driving, which usually leads to an increase in gasoline prices."

The explosion stoked concerns among consumer watchdogs that gas prices could increase.
Rapattoni said predicting what could happen to gasoline prices in the next weeks and months was not possible.

“That can depend on the timing for one or both of the two shut-down refineries to resume normal operations, and whether other refineries shut down for maintenance or for other reasons, as well as the fluctuations in the price of crude oil,” she said.

The cause of Wednesday’s blast remains unclear, but the plant was operational during the aftermath of the explosion and continues to run. Cal/OSHA says operations at the unit inside the refinery must remain shut down until Exxon Mobil can demonstrate it can be safely operated.

“We regret this incident and apologize for any inconvenience that this incident may have caused the community,” Exxon Mobil spokesman Todd Spitler said.

The electrostatic precipitator -- a filtration device that removes fine particulates -- exploded, Cal/OSHA spokeswoman Erika Monterroza said. The unit is used to produce additional gasoline and distillate fluids during the refining process.

Four contractors sustained minor injuries and have since been released from an area hospital. Eight workers had to be decontaminated after the blast, Monterroza said. The shaking from the blast was equivalent to a small earthquake, and was felt by many local residents.

After the explosion, firefighters arrived at the refinery about 8:50 a.m. and found flames likely fueled by gasoline, said Torrance Fire Capt. Steve Deuel.

In a 2010 report, Exxon Mobil said the installation of two electrostatic precipitators was “one of the largest single environmental upgrades” in the refinery’s long history.

The size of a 12-story building, the electrostatic precipitators were designed to help reduce particulate matter and ammonia emissions that are hauled off the refinery and later used to manufacture cement.

FROM THE ARCHIVES: Coverage of the Torrance refinery

Before installing the precipitators, Exxon Mobil says it met with city officials and held public meetings to address community concerns, according to the report. Weighing more than 1,000 tons, the precipitators were installed to comply with environmental regulations imposed by the South Coast Air Quality Management District, according to company documents.

The refinery at 3700 W. 190th St. processes an average of 155,000 barrels of crude oil per day and produces 1.8 billion gallons of gasoline a year.
Spitler said the refinery’s flare system will continue to safely burn hydrocarbon gases as workers continue their efforts to stabilize operations. The flare system is activated during an unplanned operational interruption.

Firefighters also said the explosion sent white foam insulation into the sky and it landed in nearby streets. While Spitler said no harmful emissions were detected after the explosion, Torrance police advised residents that a nontoxic, white ash substance from the blast may pose inhalation risks “as all airborne particles do.”

Inspectors were sent to the refinery to assess air quality on Wednesday and issued a smoke advisory. Residents are being urged to call a 24-hour hotline at (310) 505-3158 if they have any concerns about the white substance. A claims hotline -- (844) 631-2539 -- has been established for residents who might have been affected by the incident.

The refinery explosion is one of a series of blasts over several decades at the Torrance plant.

One person was killed and nine others were injured – some suffered serious burns -- in a massive blast in 1988 that resulted in a criminal investigation.

In 1994, 28 people were injured after unstable gases leaked from a disconnected pipe that caused an explosion with flames shooting 40 feet into the air.

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UPDATE
11:35 a.m.: Information on gas prices added.

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