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United States Senate  
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August 16, 2012

**COMMITTEES:**

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The Honorable Jon Leibowitz, Chairman  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Dear Chairman Leibowitz,

On August 6, 2012, the Chevron refinery in Richmond, California had a fire at one of its large crude oil processing units. The refinery is the third largest California refinery with about 15% of total California production. Although the refinery continues to operate at reduced capacity, Chevron has not revealed how much production remains in place and gasoline prices on the West Coast have begun to spike in response to the accident. At this point in time safety officials have not been able to enter the unit to fully assess the damage. I am writing to you and to the Director of the Energy Information Administration to request that your agencies closely monitor West Coast petroleum product supplies and prices to ensure that oil companies are not taking unfair advantage of the situation to jack up prices.

While Oregon gets most of its gasoline from Puget Sound refineries, some markets are supplied from California, and there is limited refining capacity on the West Coast as a whole. As a result, the loss of this capacity is already having an impact on prices in Oregon and other West Coast markets. At the beginning of the year, a fire at the BP Cherry Point /Puget Sound refinery boosted Oregon's retail gasoline prices by roughly 70 cents a gallon. (The two refineries are roughly the same size – 230,000 barrels a day for BP Cherry Point, 240,000 barrels a day for Chevron.) While prices in Oregon have not increased to this level so far, retail prices in Oregon have increased some 21 cents per gallon in the past week while the national average price is only up 7 cents.

In these difficult economic times, retail consumers and businesses are already struggling with high fuel costs. I respectfully request that your agency work with the EIA and the appropriate state agencies to monitor the West Coast petroleum markets and ensure that consumers are protected during this situation.

Sincerely,



Ron Wyden  
United States Senator

Cc: The Honorable Adam Sieminski  
Administrator  
U.S. Energy Information Administration

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