

Experts: 'Dirtier' gas won't adversely affect the air

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State air pollution regulators say that California's air quality is not expected to worsen appreciably after the governor ordered the release of a dirtier blend of gasoline to help slash record-high pump prices.

The California Air Resources Board issued a regulatory advisory after Gov. Jerry Brown ordered them to allow "winter-blend" gasoline to be sold in California earlier than usual to increase supply.

AAA said the average price for a gallon of regular hit \$4.62 Tuesday in Merced. Elsewhere in the region, gas could be found for \$4.55 in Turlock, and it was \$4.37 at the Stop and Save on Coffee Road in Modesto and several area Arco stations.

Analysts said the spike has been driven by refinery disruptions and corrosion issues in an important pipeline.

"This action is necessary to address the extreme and unusual fuel supply circumstance," said the board's advisory allowing the use of the more polluting fuel. "(It) is necessary for the immediate preservation of the public peace, health and safety or general welfare."

Air quality is a serious issue in Merced and other valley counties. Just last week, an air alert was issued because unseasonably high temperatures were combining with stagnant air to send pollution levels soaring.

The earth's ozone layer protects people from ultraviolet rays from the sun, but ground-level ozone is a corrosive gas that damages lung tissue and has been linked to cancer, asthma, emphysema and other health concerns.

Merced and the other counties in the San Joaquin Valley have received failing grades for air quality. The State of the Air 2012 report found a greater frequency of days when the valley counties recorded unacceptable levels of ozone and particle pollution.

The report, which covers 2008-10, shows that California overall still has some of the worst air in the country.

California usually converts to the winter-gas blend Oct. 31. The fuel evaporates in heat more quickly than summer blends, so it makes for more pollutants in the environment, especially in warm weather.

Gil Duran, a spokesman for Brown, said the governor looked at all the options available, particularly scientists' prediction that such a change would not have a significant effect on the environment and "when he learned this could increase the supply by 8 to 10percent, it just made sense."

Sunday's action was the first time since 2005 — when gas supplies were affected by refinery disruptions after Hurricane Katrina — that the air board has approved early conversion to winter gas blends.

Officials said it could take days before prices fall, depending on how quickly refineries can get the winter-blend fuel to market.

"The gasoline market moves on news, and this is clearly good news in terms of supply, because it should be able to increase supply immediately," said Alison Roberts, a spokeswoman with the California Energy Commission.

FTC asked to investigate

The third day of record-setting prices at the pump has prompted calls for a federal investigation.

California Sen. Dianne Feinstein called on the Federal Trade Commission to investigate, saying residents need to be protected from "malicious trading schemes."

Spokesmen for the FTC in Washington didn't return calls seeking comment. Feinstein in her letter Sunday asked the FTC to determine if the price spike was caused by illegal manipulation of the market and to start monitoring the market for fraud, manipulation and other malicious trading practices.

"Publicly available data appears to confirm that market fundamentals are not to blame for rising gas prices in California," she wrote.

Despite a pipeline and refinery shutdown, she said, state data shows gas production last week was "almost as high as a year ago, and stockpiles of gasoline and blending components combined were equal to this time last year," she said.

That's little consolation to Mercedians and other valley residents who are feeling the pinch of higher pump prices while trying to get by in the region's underperforming economy.

In some cities, fuming motorists paid \$5 or more per gallon while station owners had to shut down pumps in others.

A station in Long Beach south of Los Angeles had California's priciest gas at \$6.65 for a gallon of regular, GasBuddy.com said. Meanwhile, customers at an outlet in San Pablo, north of Oakland, paid \$3.49, the lowest.

Winter-blend gas typically isn't sold until after Oct. 31, when lower temperatures typically allow for its use while maintaining federal and state air quality standards. Few refineries outside the state are making summer-blend gas, putting the pressure on already-taxed California manufacturers.

Still, the air board said it believed that changing over a few weeks earlier than normal would not push California's air pollution beyond normal levels for this time of year.