



ThisIsCommonSense.org
Krea/Firefly

Regulating Refineries to Death

August 27, 2025

Punish them!

That might as well be the explicit goal of California's regulators and politicians—and all too many voters—for the results are clear enough. All who refuse to use electric cars and solar energy must suffer ... with ever-higher gas prices, at the very least.

Two major oil refineries that provide gas for California as well as a few neighboring states have announced that they are closing their doors. They can't hack it.

One analyst predicts that in consequence of these closures and

related destruction of production, the price of gas will shoot up to \$8 per gallon.

Lane Riggs, CEO of Valero Energy, which is closing a refinery near San Francisco, says the state's tough "regulatory enforcement environment" is to blame for the loss of the sixth-largest refinery in the state.

Also throwing in the towel is a Los Angeles refinery, this one the state's seventh-largest, operated by Phillips 66.

Brittany Bernstein [notes](#) that Phillips announced the closure "just 72 hours after California passed ABX-2, which requires refineries to hold additional inventories of finished stocks." Yet another arbitrary burden on a company's ability to function.

Last year, Chevron moved its headquarters from California to Texas because of the toxic environment for producers in California.

The researcher who's predicting \$8 per gallon gas, USC Professor Michael Mische, says Californians have "legislated ourselves into a situation where the costs are extraordinarily high and the political environment is extraordinarily harsh."

Solution: reverse and undo. Please permit me to assume that this is possible.

This is Common Sense. I'm Paul Jacob.