

# Explosion and fire at Philadelphia refinery as company puts profits over safety

**Samuel Davidson****25 June 2019**

The massive explosion and fire at a Philadelphia oil refinery are the direct result of the criminal drive for profits at the expense of the safety of the workers and the people in the community. It further exposes the collaboration of the United Steelworkers (USW) with the company at the expense of the workers.

A massive fireball that could be seen and photographed from space was set off by a series of three explosions early Friday morning at the Philadelphia Energy Solutions Refining Complex (PES) located in south Philadelphia along the Schuylkill River.

Workers and residents reported hearing three explosions rattle the windows and buildings for blocks around the sprawling complex. The resulting fire poured toxic smoke throughout the area.

Four workers were injured and taken to nearby hospitals.

Company officials say the fire started in a vat of propane. The explosions damaged massive pipes carrying fuel that was ignited. Workers were not able to access shut-off valves to the pipes due to the massive heat.

The fire burned for more than two days and was only finally extinguished on Sunday. Fire officials did not want to extinguish the fire until the pipes could also be shut off, as they feared the danger from the release of the unburnt fumes.

The complex consists of two refineries—Girard Point and Point Breeze—covering over 1,300 acres on Philadelphia's south side along the Schuylkill River. It is the largest refinery on the East Coast, and the 10th largest refinery in the country, able to process 335,000 barrels a day. It is the major supplier of gasoline for New York City.

Oil refining began on the site 153 years ago, just one

year after the end of the Civil War.

Company and fire officials have not released a cause for the explosions and say that inquiries into the events will begin on Monday.

As in the vast majority of industrial accidents, the company will be cleared of most blame. Often, blame will be placed on the workers themselves under the obscure category "employee error." At most, the company will face token fines, which they often get reduced or don't have to pay at all.

However, even a little deeper look reveals the drive involved to cut costs and boost profits for the investors. The primary owners of Philadelphia Energy Solutions Refining Complex are Deutsche Bank AG and Bardin Hill Investment Partners.

Earlier this year, the company cut back a planned maintenance program to provide needed repairs and upgrades for the aging facilities.

In 2018, the company filed for bankruptcy citing the high costs of renewable fuel credits that the company has to buy because it doesn't add ethanol to the gas it produces. Company officials say that the Philadelphia complex is not able to mix ethanol into its gas because of the aging pipes within the plant and those that are used to transport the finalized gas.

Republican Senator Ted Cruz, from Texas, used the occasion to demand the ending of the requirement for refineries to buy the credits. The Trump administration has found itself on both sides of the issue—on the one hand, having the Environmental Protection Agency (EPA) issue waivers to smaller refineries from having to meet ethanol standards, while on the other hand, ordering the EPA to review its waiver program after objections from farming interests who benefit from the higher price of corn.

Environmental experts are agreed that the use of

ethanol in gas does nothing to benefit the environment, as the carbon cost of producing the corn is as much or more than any offset by using ethanol in gasoline.

In any case, an investigation conducted by Reuters disputes that ethanol and the renewable fuel credits have nothing to do with the company's financial problems.

Reuters found that the company transferred more than \$590 million in "dividend-style" payments to the owners in the period prior to filing for bankruptcy.

Reuters also found that the company transfers tens of millions each year to lease the rail facilities it uses from another company, which is in fact owned by the same owners.

As PES emerged from bankruptcy, the EPA waived \$175 million in biofuel credit liabilities. The company faces another deadline as \$700 million in long-term debt comes due in 2022. No doubt, the company will continue to cut needed maintenance and safety as it attempts to meet those payments.

The USW, which represents the workers at the two Philadelphia refineries, is a direct partner with the owners in imposing unsafe conditions on the workers.

Safety is the most vital issue for oil workers at refineries throughout the country. The continued drive for profit means that the companies continually cut maintenance and other corners that endanger workers.

In 2015, the USW forced an end to a five-month struggle by 30,000 oil workers driven mostly by safety concerns.

One of the major complaints of workers is that they are often working alone, so when an accident does happen, often no one is nearby.

Other demands of the workers were for an end to forced overtime and the hiring of outside contractors.

A search of the USW website, usw.org, shows no mention by the union of the cuts in maintenance at the PES complex while the union sided with the company against environmental regulations.

Earlier this year, the union refused to call a strike even though oil workers at Marathon oil and Exxon/Mobil refineries voted overwhelmingly to strike the companies. The USW is working to prevent an outbreak of struggle, as they know it will get out of their control.

The continued attack on the safety, jobs, working conditions and wages of oil workers underscores the

importance of the call made by the WSW and Socialist Equality Party for workers to take the struggle into their own hands by building independent factory and workplace committees.

These committees would, among other things, elect trusted workers to oversee all safety and health issues facing oil workers, with the authority to halt all unsafe work. Please contact us to find out more about forming a rank-and-file committee at your workplace and to share your story.



To contact the WSW and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**