

Chart of the Week #2024-39

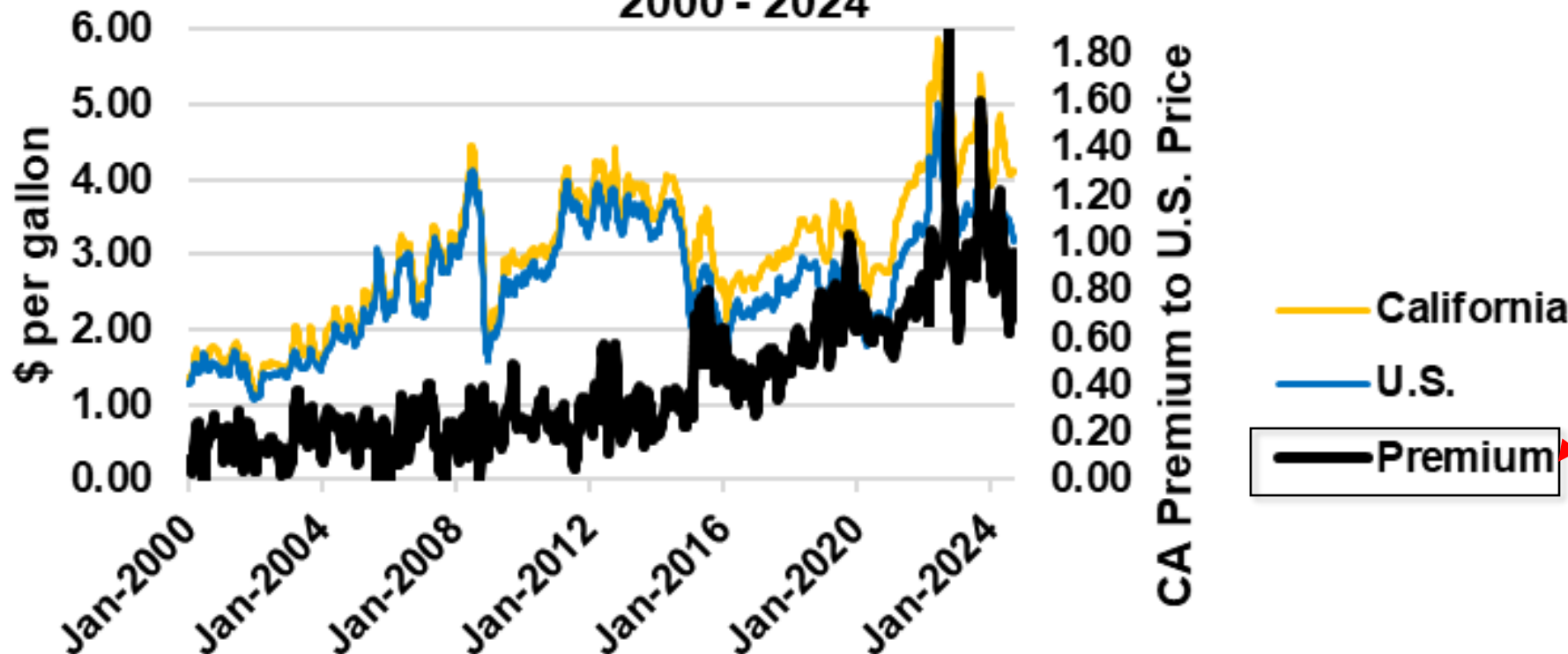
Breakdown of California Gasoline Prices



Max Pyziur
October 2, 2024
Washington DC

California vs U.S. Regular Average Gasoline Prices

2000 - 2024



California's Premium over the U.S. National Average Price

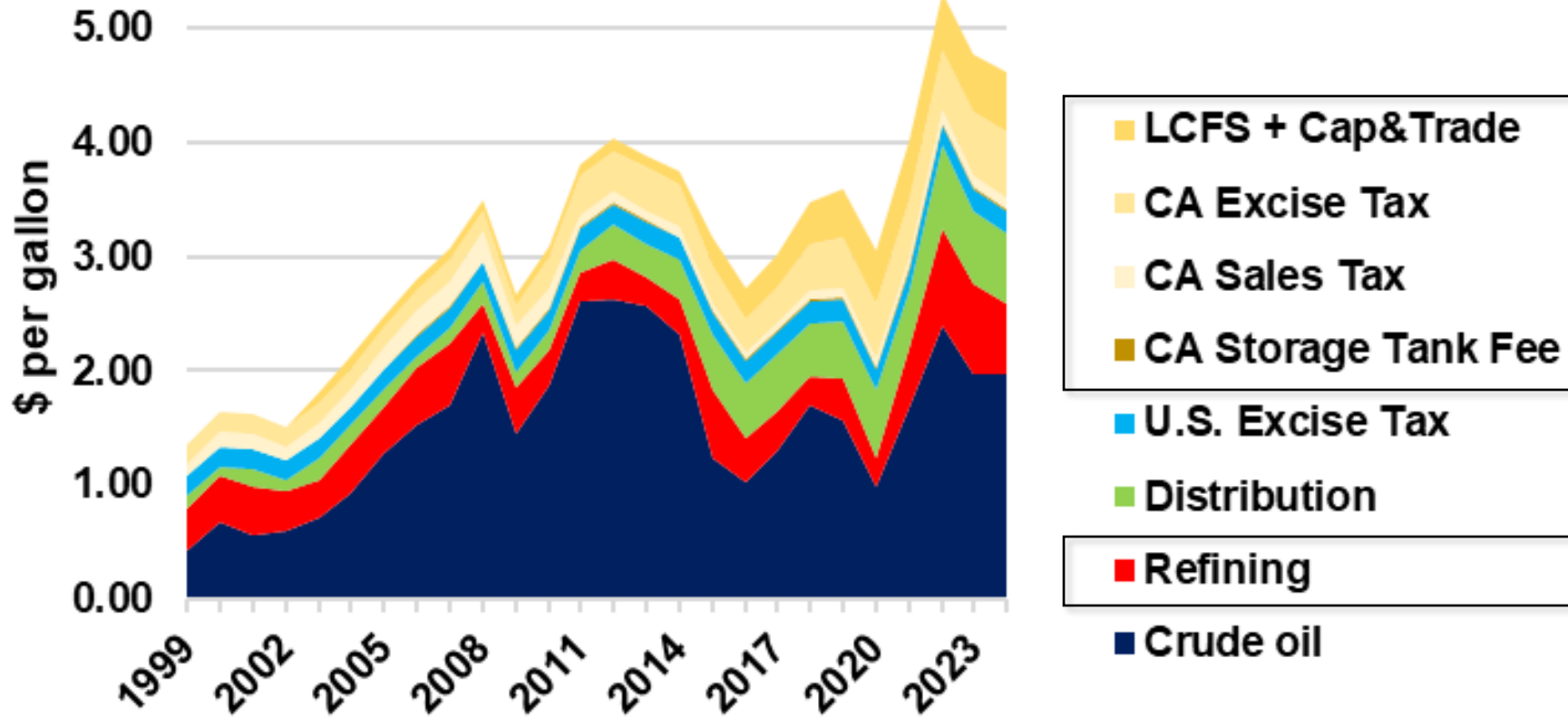
California
U.S.
Premium

Analysis Based on Weekly EIA Data

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California Gasoline Price Breakdown

1999-2024



Gasoline costs attributable to California's policies

Analysis Based on Annual CA Energy Commission Data

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Gasoline costs attributable to California's policies

California Gasoline Price Breakdown									
Nominal									
	Average Retail Price	of which is attributable to:							
		Crude oil	Refining	Distribution	U.S. Excise Tax	CA Storage Tank Fee	CA Sales Tax	CA Excise Tax	LCFS + Cap&Trade
2000	1.59	0.67	0.40	0.09	0.18	0.00	0.12	0.18	0.00
2004	2.12	0.93	0.43	0.17	0.15	0.00	0.16	0.18	0.10
2008	3.50	2.34	0.25	0.18	0.18	0.01	0.26	0.18	0.10
2012	4.03	2.64	0.35	0.30	0.18	0.02	0.09	0.36	0.10
2016	2.73	1.03	0.38	0.49	0.18	0.02	0.06	0.29	0.27
2020	3.05	0.99	0.25	0.60	0.18	0.02	0.07	0.49	0.46
2024	4.62	1.97	0.62	0.62	0.18	0.02	0.10	0.58	0.52
Percentage Breakdown									
2000		42.2%	25.0%	5.5%	11.3%	0.0%	7.7%	11.3%	0.0%
2004		43.8%	20.3%	8.2%	7.1%	0.0%	7.4%	8.5%	4.7%
2008		66.8%	7.2%	5.1%	5.1%	0.3%	7.4%	5.1%	2.9%
2012		65.4%	8.6%	7.4%	4.5%	0.5%	2.2%	8.9%	2.5%
2016		37.7%	14.1%	18.0%	6.7%	0.7%	2.2%	10.6%	9.9%
2020		32.3%	8.2%	19.5%	6.0%	0.7%	2.2%	16.0%	15.1%
2024		42.6%	13.4%	13.5%	4.0%	0.4%	2.2%	12.6%	11.3%

Analysis Based on Annual CA Energy Commission Data

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Breakdown of California Gasoline Prices



- California has implemented a variety of programs unique to the state. Primarily with environmental goals, some of these programs have been effective; others are contentious and questionable. Nevertheless, they have added substantial cost to the state's price of gasoline.
- Historically, the price of California's gasoline has exceeded that of the national average; This is attributable to several factors.
- With California's aggressive moves to contain motor vehicle pollution that began in the 1960s, California authorities targeted gasoline formulations as one channel for mitigation. Given that California wanted to exceed national EPA requirements, California stipulated its own gasoline formulation, sometimes named "reformulated," more often referred to as CARBOB (California Air Resources Blendstock for Oxygenate Blending).
- The only source for CARBOB is California in-state refiners. By the early 2000s, CARBOB caused California gasoline to be 16 cents higher on average than U.S. gasoline prices.
- In 2006, legislative bill AB32 was signed into law mandating California's Cap & Trade program (California's primary policy for reducing greenhouse gas emissions statewide. In 2011, California's LCFS (Low Carbon Fuel Standard) was implemented. Both environmental programs together have raised California's gasoline prices: in 2004, by an additional 10 cents per gallon; in 2024, by an additional 52 cents.
- ... continuing ...

Breakdown of California Gasoline Prices



- California's excise tax has also contributed the state's gasoline price: in 2000, it was 18 cents per gallon; by 2024, it had risen to 58 cents per gallon.
- All combined, the premium of California's gasoline price over the national gasoline price reached an average high of \$1 during 2022 and 2023 with an all-time peak of \$1.91 per gallon on October 3, 2022. During 2024, it has been 90 cents per gallon.
- This slide deck is available at: <https://eprinc.org/chart-of-the-week/>
- For more information on these charts, please contact Max Pyziur (maxp@eprinc.org) .