STOP THE GAS PROFITEERING

A WINDFALL TAX WILL MAKE OIL REFINERS PAY FOR PRICE-GOUGING
5 Oil Refiners Control 90% of California Gasoline

California Oil Refinery Gasoline Production

Source: California Energy Commission [https://www.energy.ca.gov/almanac/petroleum_data/refineries.html](https://www.energy.ca.gov/almanac/petroleum_data/refineries.html)
“BRANDED” GAS STATIONS
80% of the market
Costs 20¢-30¢ more per gallon

“INDEPENDENT” GAS STATIONS
20% of the market
Costs 20¢-30¢ less per gallon

Branded $4.09 / Gallon
Independent $3.89 / Gallon
I. Executive Summary

On April 22, 2019, Governor Gavin Newsom asked the California Energy Commission to provide analyses of “unfairness and improper pricing” in California gasoline prices. Even after that guidance, gasoline prices in California have been 21 cents higher than the national average. The difference in prices has been higher than 20 cents for 70 percent of the time.

The Energy Commission has identified a number of potential causes of the price differential. These include supplier rebates and either insufficient or no pass-through of wholesale prices. The Energy Department has been reviewing its methodology. The Energy Commission’s preliminary estimates are misleading, and further study is necessary.

II. The Gasoline Price Differential

Several factors influence the price of gasoline at the pump, and cause prices to vary from region to region and from one energy source to another. In California, the price of gasoline is determined by the costs of production and distribution. The Energy Commission will determine whether a significant uncompensated price difference exists, and evaluation will be required by relevant experts into other causes such as market manipulation.
AGAINST THE TIDE:
How Missing Tankers Pumped Up Gas Prices and Refiner Profits

By Cody Rosenfield

Exxon’s Hidden Tanker

The S/R American Progress, an Exxon vessel, spent 70 days off the coast of Singapore at the height of California’s gas price crisis in 2015.
Record Profits for Refiners

Refiner margins—the amount of money refiners collect for each gallon of gasoline—set a record for California in July 2015. The margin stands at $1.61 for branded stations – triple their typical returns of 48 cents per gallon.
Spiking Prices

Oil refiners are making huge profits with each gasoline spike. Their incentive is to keep the current system of low inventories, downed refineries and little transparency in place.
Profit Spikes

Tesoro provides their California margin per barrel, as well as costs per barrel. Subtracting the costs from the margin provides per barrel profits, which reached an eight-year high of $14 per gallon, more than twice their average quarterly profit over the last ten years.

Company filings with the Securities and Exchange Commission, and Chevron.

Tesoro's California Refining Profit

Chevron US Refining Profits

Tesoro California Per Barrel Profits
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