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## Estimated 2010 Gasoline Price Breakdown & Margins Details

**Gasoline Price Breakdown** - This page details the estimated gross margins for both refiners and distributors. The term "margin" includes both costs and profits. The margin data is based on the statewide average retail and wholesale price of gasoline for a single day of the week. It is not a seven-day average. The margin provided here is an indicator for the California market as a whole and not for any particular refiner or retailer of gasoline.

The Energy Commission cannot estimate profit margins based on average retail prices and observed wholesale market prices. This is because detailed data on refining and distribution costs, costs paid by approximately 10,000 retail locations, hundreds of wholesale marketers, jobbers, and distributors is not available.

The following provides specific information on how the data in the tables are calculated.

**Refiner Margin** - Refiner Margin (costs and profits) is calculated by subtracting the market price for crude oil from the wholesale price of gasoline. The result is a gross refining margin which includes the cost of operating the refinery as well as the profits for the refining company.

The price of crude oil is based on the daily market price for crude oil from the Alaska North Slope published in the Wall Street Journal®. The market price of crude oil also includes its own share of costs and profits. In the case of a vertically integrated oil company, the same company that owns and operates the oil field also owns and operates the refinery. Several vertically integrated oil companies operate in California including BP, Chevron, ConocoPhillips, ExxonMobil, and Shell.

For simplicity, the refining margins shown are based on producing one barrel of gasoline from one barrel of crude oil. No adjustments are made for other refined products.

**Distribution Margin** - Distribution margin (distribution costs, marketing costs, and profits) is calculated by subtracting the wholesale gasoline price (either branded or unbranded) and taxes (state sales tax, state excise tax, federal excise tax, and a state underground storage tank fee) from the weekly average retail sales price. The branded wholesale gasoline price is based on the average statewide branded refined "rack" price, information obtained from the Oil Price Information Service ([www.opisnet.com](http://www.opisnet.com)). The rack price is the price paid at the point where tanker trucks load their fuel from a distribution terminal's loading rack. The unbranded price is also based on OPIS pricing information.

The distribution margin can be either positive or negative in value. A negative distribution margin implies that some gasoline is being sold at a loss. Similar to the refining margin, the distribution margin also includes the costs and profits of operating the retail gas station as well as various transportation and storage fees incurred once gasoline is moved from the bulk terminal to the retailer. Most branded franchisees purchase gasoline at a delivered price called the Dealer Tank Wagon price that is typically higher than the branded rack price. A retail-specific margin is not available at this time.

[Table Definitions](#)

**Branded**

**Unbranded**

	Distribution Cost, Marketing Costs and Profits	Crude Oil Cost	Refinery Cost and Profits	State Underground Storage Tank Fee	State and Local Sales Tax	State Excise Tax	Federal Excise Tax	Retail Prices		Distribution Cost, Marketing Costs and Profits	Crude Oil Cost	Refinery Cost and Profits	State Underground Storage Tank Fee	State and Local Sales Tax	State Excise Tax	Federal Excise Tax	Retail Prices
Dec 27	\$0.14	\$2.20	\$0.29	\$0.02	\$0.10	\$0.35	\$0.18	\$3.29		\$0.11	\$2.20	\$0.32	\$0.02	\$0.10	\$0.35	\$0.18	\$3.29
Dec 20	\$0.16	\$2.13	\$0.31	\$0.02	\$0.09	\$0.35	\$0.18	\$3.25		\$0.18	\$2.13	\$0.29	\$0.02	\$0.09	\$0.35	\$0.18	\$3.25
Dec 13	\$0.14	\$2.12	\$0.35	\$0.02	\$0.09	\$0.35	\$0.18	\$3.25		\$0.16	\$2.12	\$0.33	\$0.02	\$0.09	\$0.35	\$0.18	\$3.25
Dec 06	\$0.13	\$2.12	\$0.32	\$0.02	\$0.09	\$0.35	\$0.18	\$3.22		\$0.08	\$2.12	\$0.37	\$0.02	\$0.09	\$0.35	\$0.18	\$3.22
Nov 29	\$0.17	\$2.03	\$0.30	\$0.02	\$0.09	\$0.35	\$0.18	\$3.15		\$0.17	\$2.03	\$0.31	\$0.02	\$0.09	\$0.35	\$0.18	\$3.15
Nov 22	\$0.17	\$1.92	\$0.44	\$0.02	\$0.09	\$0.35	\$0.18	\$3.17		\$0.25	\$1.92	\$0.35	\$0.02	\$0.09	\$0.35	\$0.18	\$3.17
Nov 15	\$0.15	\$2.01	\$0.37	\$0.02	\$0.09	\$0.35	\$0.18	\$3.18		\$0.17	\$2.01	\$0.35	\$0.02	\$0.09	\$0.35	\$0.18	\$3.18
Nov 08	\$0.15	\$2.06	\$0.29	\$0.02	\$0.09	\$0.35	\$0.18	\$3.14		\$0.12	\$2.06	\$0.32	\$0.02	\$0.09	\$0.35	\$0.18	\$3.14
Nov 01	\$0.16	\$1.96	\$0.38	\$0.02	\$0.09	\$0.35	\$0.18	\$3.15		\$0.14	\$1.96	\$0.40	\$0.02	\$0.09	\$0.35	\$0.18	\$3.15
Oct 25	\$0.18	\$1.96	\$0.36	\$0.02	\$0.09	\$0.35	\$0.18	\$3.14		\$0.13	\$1.96	\$0.40	\$0.02	\$0.09	\$0.35	\$0.18	\$3.14
Oct 18	\$0.13	\$1.98	\$0.39	\$0.02	\$0.09	\$0.35	\$0.18	\$3.15		\$0.10	\$1.98	\$0.42	\$0.02	\$0.09	\$0.35	\$0.18	\$3.15
Oct 11	\$0.12	\$1.96	\$0.36	\$0.02	\$0.09	\$0.35	\$0.18	\$3.09		\$0.05	\$1.96	\$0.44	\$0.02	\$0.09	\$0.35	\$0.18	\$3.09
Oct 04	\$0.13	\$1.94	\$0.29	\$0.02	\$0.09	\$0.35	\$0.18	\$3.01		\$0.04	\$1.94	\$0.38	\$0.02	\$0.09	\$0.35	\$0.18	\$3.01
Sep 27	\$0.16	\$1.83	\$0.36	\$0.02	\$0.09	\$0.35	\$0.18	\$3.00		\$0.18	\$1.83	\$0.34	\$0.02	\$0.09	\$0.35	\$0.18	\$3.00
Sep 20	\$0.17	\$1.78	\$0.41	\$0.02	\$0.09	\$0.35	\$0.18	\$3.01		\$0.17	\$1.78	\$0.41	\$0.02	\$0.09	\$0.35	\$0.18	\$3.01
Sep 13	\$0.19	\$1.80	\$0.39	\$0.02	\$0.09	\$0.35	\$0.18	\$3.03		\$0.19	\$1.80	\$0.39	\$0.02	\$0.09	\$0.35	\$0.18	\$3.03
Sep 06	\$0.21	\$1.74	\$0.45	\$0.02	\$0.09	\$0.35	\$0.18	\$3.04		\$0.25	\$1.74	\$0.40	\$0.02	\$0.09	\$0.35	\$0.18	\$3.04
Aug 30	\$0.22	\$1.75	\$0.47	\$0.02	\$0.09	\$0.35	\$0.18	\$3.09		\$0.27	\$1.75	\$0.43	\$0.02	\$0.09	\$0.35	\$0.18	\$3.09
Aug 23	\$0.21	\$1.71	\$0.57	\$0.02	\$0.09	\$0.35	\$0.18	\$3.14		\$0.34	\$1.71	\$0.44	\$0.02	\$0.09	\$0.35	\$0.18	\$3.14
Aug 16	\$0.18	\$1.77	\$0.57	\$0.02	\$0.09	\$0.35	\$0.18	\$3.17		\$0.32	\$1.77	\$0.43	\$0.02	\$0.09	\$0.35	\$0.18	\$3.17
Aug 09	\$0.14	\$1.92	\$0.47	\$0.02	\$0.09	\$0.35	\$0.18	\$3.17		\$0.16	\$1.92	\$0.45	\$0.02	\$0.09	\$0.35	\$0.18	\$3.17
Aug 02	\$0.15	\$1.92	\$0.41	\$0.02	\$0.09	\$0.35	\$0.18	\$3.13		\$0.13	\$1.92	\$0.43	\$0.02	\$0.09	\$0.35	\$0.18	\$3.13
Jul 26	\$0.14	\$1.86	\$0.49	\$0.02	\$0.09	\$0.35	\$0.18	\$3.13		\$0.14	\$1.86	\$0.48	\$0.02	\$0.09	\$0.35	\$0.18	\$3.13

Jul 19	\$0.14	\$1.83	\$0.51	\$0.02	\$0.09	\$0.35	\$0.18	\$3.13	\$0.18	\$1.83	\$0.47	\$0.02	\$0.09	\$0.35	\$0.18	\$3.13
Jul 12	\$0.15	\$1.79	\$0.52	\$0.02	\$0.09	\$0.35	\$0.18	\$3.11	\$0.16	\$1.79	\$0.52	\$0.02	\$0.09	\$0.35	\$0.18	\$3.11
Jul 05	\$0.17	\$1.72	\$0.58	\$0.02	\$0.09	\$0.35	\$0.18	\$3.12	\$0.26	\$1.72	\$0.49	\$0.02	\$0.09	\$0.35	\$0.18	\$3.12
Jun 28	\$0.12	\$1.87	\$0.49	\$0.02	\$0.26	\$0.18	\$0.18	\$3.13	\$0.07	\$1.87	\$0.54	\$0.02	\$0.26	\$0.18	\$0.18	\$3.13
Jun 21	\$0.15	\$1.86	\$0.44	\$0.02	\$0.26	\$0.18	\$0.18	\$3.10	\$0.07	\$1.86	\$0.52	\$0.02	\$0.26	\$0.18	\$0.18	\$3.10
Jun 14	\$0.18	\$1.78	\$0.46	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05	\$0.14	\$1.78	\$0.50	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05
Jun 07	\$0.16	\$1.69	\$0.58	\$0.02	\$0.25	\$0.18	\$0.18	\$3.07	\$0.16	\$1.69	\$0.58	\$0.02	\$0.25	\$0.18	\$0.18	\$3.07
May 31	\$0.20	\$1.72	\$0.47	\$0.02	\$0.25	\$0.18	\$0.18	\$3.02	\$0.16	\$1.72	\$0.51	\$0.02	\$0.25	\$0.18	\$0.18	\$3.02
May 24	\$0.27	\$1.66	\$0.48	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05	\$0.37	\$1.66	\$0.38	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05
May 17	\$0.21	\$1.64	\$0.62	\$0.02	\$0.26	\$0.18	\$0.18	\$3.12	\$0.33	\$1.64	\$0.51	\$0.02	\$0.26	\$0.18	\$0.18	\$3.12
May 10	\$0.19	\$1.80	\$0.50	\$0.02	\$0.26	\$0.18	\$0.18	\$3.14	\$0.29	\$1.80	\$0.41	\$0.02	\$0.26	\$0.18	\$0.18	\$3.14
May 03	\$0.12	\$2.03	\$0.32	\$0.02	\$0.26	\$0.18	\$0.18	\$3.12	\$0.07	\$2.03	\$0.37	\$0.02	\$0.26	\$0.18	\$0.18	\$3.12
Apr 26	\$0.14	\$1.96	\$0.36	\$0.02	\$0.25	\$0.18	\$0.18	\$3.09	\$0.10	\$1.96	\$0.40	\$0.02	\$0.25	\$0.18	\$0.18	\$3.09
Apr 19	\$0.15	\$1.86	\$0.44	\$0.02	\$0.26	\$0.18	\$0.18	\$3.09	\$0.20	\$1.86	\$0.38	\$0.02	\$0.26	\$0.18	\$0.18	\$3.09
Apr 12	\$0.15	\$1.93	\$0.37	\$0.02	\$0.26	\$0.18	\$0.18	\$3.10	\$0.21	\$1.93	\$0.32	\$0.02	\$0.26	\$0.18	\$0.18	\$3.10
Apr 05	\$0.17	\$1.79	\$0.50	\$0.02	\$0.25	\$0.18	\$0.18	\$3.09	\$0.13	\$1.79	\$0.54	\$0.02	\$0.25	\$0.18	\$0.18	\$3.09
Mar 29	\$0.16	\$1.88	\$0.41	\$0.02	\$0.25	\$0.18	\$0.18	\$3.09	\$0.21	\$1.88	\$0.36	\$0.02	\$0.25	\$0.18	\$0.18	\$3.09
Mar 22	\$0.13	\$1.89	\$0.43	\$0.02	\$0.26	\$0.18	\$0.18	\$3.09	\$0.17	\$1.89	\$0.38	\$0.02	\$0.26	\$0.18	\$0.18	\$3.09
Mar 15	\$0.14	\$1.86	\$0.43	\$0.02	\$0.25	\$0.18	\$0.18	\$3.06	\$0.20	\$1.86	\$0.36	\$0.02	\$0.25	\$0.18	\$0.18	\$3.06
Mar 08	\$0.12	\$1.91	\$0.38	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05	\$0.13	\$1.91	\$0.37	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05
Mar 01	\$0.13	\$1.86	\$0.38	\$0.02	\$0.25	\$0.18	\$0.18	\$3.00	\$0.09	\$1.86	\$0.42	\$0.02	\$0.25	\$0.18	\$0.18	\$3.00
Feb 22	\$0.14	\$1.91	\$0.24	\$0.02	\$0.24	\$0.18	\$0.18	\$2.92	\$0.05	\$1.91	\$0.33	\$0.02	\$0.24	\$0.18	\$0.18	\$2.92
Feb 15	\$0.20	\$1.77	\$0.33	\$0.02	\$0.24	\$0.18	\$0.18	\$2.93	\$0.27	\$1.77	\$0.26	\$0.02	\$0.24	\$0.18	\$0.18	\$2.93
Feb 08	\$0.19	\$1.71	\$0.43	\$0.02	\$0.24	\$0.18	\$0.18	\$2.96	\$0.31	\$1.71	\$0.32	\$0.02	\$0.24	\$0.18	\$0.18	\$2.96
Feb 01	\$0.18	\$1.80	\$0.36	\$0.02	\$0.25	\$0.18	\$0.18	\$2.98	\$0.28	\$1.80	\$0.26	\$0.02	\$0.25	\$0.18	\$0.18	\$2.98
Jan 25	\$0.16	\$1.78	\$0.43	\$0.02	\$0.25	\$0.18	\$0.18	\$3.01	\$0.29	\$1.78	\$0.30	\$0.02	\$0.25	\$0.18	\$0.18	\$3.01
Jan 18	\$0.17	\$1.92	\$0.30	\$0.02	\$0.25	\$0.18	\$0.18	\$3.03	\$0.33	\$1.92	\$0.14	\$0.02	\$0.25	\$0.18	\$0.18	\$3.03
Jan 11	\$0.14	\$2.00	\$0.27	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05	\$0.18	\$2.00	\$0.23	\$0.02	\$0.25	\$0.18	\$0.18	\$3.05
Jan 04	\$0.14	\$1.97	\$0.25	\$0.02	\$0.25	\$0.18	\$0.18	\$2.99	\$0.07	\$1.97	\$0.32	\$0.02	\$0.25	\$0.18	\$0.18	\$2.99

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## Definitions

**Wholesale Gasoline Price:** The average wholesale gasoline price is the average of 13 unbranded and 13 branded wholesale prices at various wholesale fuel loading racks around the state. This average price is for a single day. The wholesale gasoline price is calculated for the same day as EIA's weekly average gasoline price.

**Branded and Unbranded Gasoline:** Branded gasoline refers to fuel that is sold under a brand name (such as BP, Shell, Exxon, Chevron, and Valero). Branded gasoline will include proprietary fuel additives. Unbranded gasoline is not associated with a specific brand name, and is typically sold by single-station retail outlets, relatively small chain retailers that specialize in gasoline sales, and large supermarket chain stores (such as Costco and Safeway).

**Distribution Costs, Marketing Costs, and Profits:** The costs associated with the distribution from terminals to stations and retailing of gasoline, including but not limited to: franchise fees, and/or rents, wages, utilities, supplies, equipment maintenance, environmental fees, licenses, permitting fees, credit card fees, insurance, depreciation, advertising, and profit.

**Crude Oil Cost:** The daily market price of Alaska North Slope crude oil which is used as a proxy for this composite crude oil acquisition cost for California refineries.

**Refinery Costs and Profits:** The costs associated with refining and terminal operations, crude oil processing, oxygenate additives, product shipment and storage, oil spill fees, depreciation, purchases of gasoline to cover refinery shortages, brand advertising, and profits.

**State Underground Storage Tank Fee:** The state underground storage tank fee is currently 1.4 cents per gallon.

**State and Local Sales Tax:** An average state sales tax rate of 2.25% percent is used in the calculation of the distribution margin although the actual sales tax rate does vary throughout California.

**State Excise Tax:** The California state excise tax is currently 35.3 cents per gallon.

**Federal Excise Tax:** The federal excise tax is currently 18.4 cents per gallon.

**Retail Gasoline Price:** The weekly average price for California from the Energy Information Administration (EIA) ([http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/wrgp/mogas\\_home\\_page.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/wrgp/mogas_home_page.html)).

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