

Nebraska Gasoline and Diesel Prices

As the summer driving season approaches, there are increasing thoughts of shortages due to tight fuel supplies, rising gasoline demand, and a national pump price just over \$3 per gallon.

At the end of winter, the nation had a comfortable gasoline supply cushion. But that extra inventory has been consumed. The nation's gasoline inventory level is very low at 193.1 million barrels and is approaching parity with the fuel on hand in the aftermath of Hurricanes Katrina and Rita. A new retail pricing record could be reached in 2007.

Since there is a glut of crude oil at Cushing, Oklahoma, where West Texas Intermediate (WTI) NYMEX delivery takes place, many analysts believe gasoline prices are very strong in comparison to the WTI and much stronger than needed to give refiners an incentive to increase production.

The national average retail gasoline price is at \$3.01 per gallon, which represents a one-month increase of 31 cents per gallon and an increase from last year's date of 9 cents per gallon. California, Oregon, Washington, and Utah are the only four states with record-high prices. California is the leader with an average price of \$3.46 per gallon. Twenty states and the District of Columbia have average prices above \$3.00 per gallon. The lowest prices in the nation are in South Carolina where unleaded regular gasoline sells for \$2.82 per gallon.

For the week of April 30, Nebraska's average gasoline price had increased from the previous week to \$2.99, which was 12 cents higher than the price at this time last year. This week, average prices in surveyed cities ranged from \$2.95 in Columbus to \$3.07 in Lincoln. As of April 27, the Midwest gasoline stock level had fallen farther below the normal range with 46.4 million barrels.

For the week of April 30, Nebraska's average diesel price had fallen from the previous week to \$2.92. According to the [weekly price report](#), this week's state average was the same as the price at this time last year. Weekly averages in the surveyed cities ranged from \$2.85 in Grand Island to \$2.94 in Kearney. On the supply side, the Midwest distillate fuel inventory level was in the upper region of the normal range with 20 million barrels of ultra-low sulfur diesel fuel and 6 million barrels of low sulfur diesel fuel as of April 27.

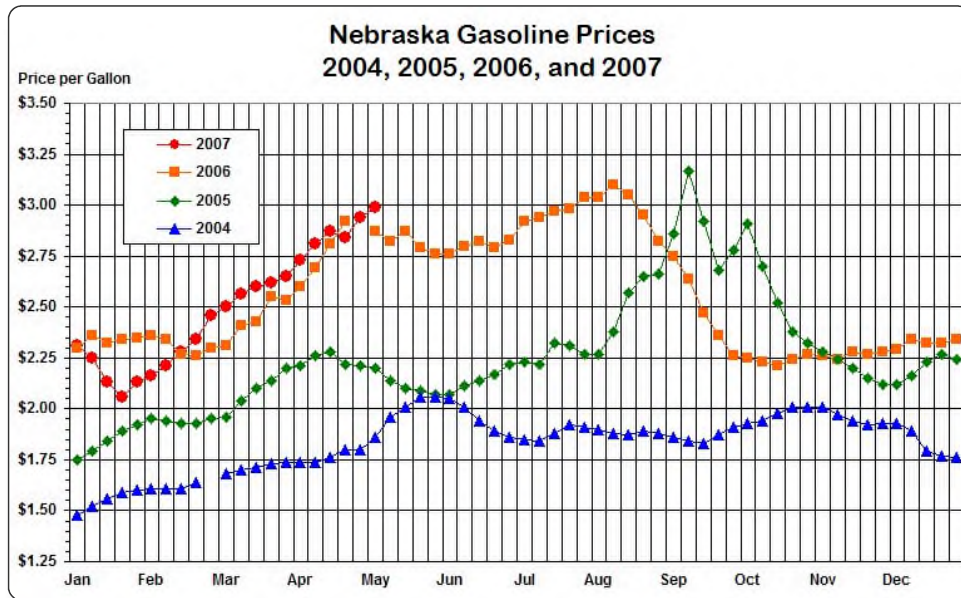
Regular unleaded gasoline is regular unleaded motor gasoline with an 87 to 88 octane. Diesel fuel is fuel used for internal combustion in diesel engines. Ultra-low sulfur diesel fuel has sulfur levels of 15 ppm and less while low sulfur diesel fuel has 15 ppm to 500 ppm sulfur.

An [archive](#) of this report, [average gasoline prices for each month](#), [average diesel prices for each month](#), and [historical weekly prices](#) are available for diesel and three grades of motor gasoline.

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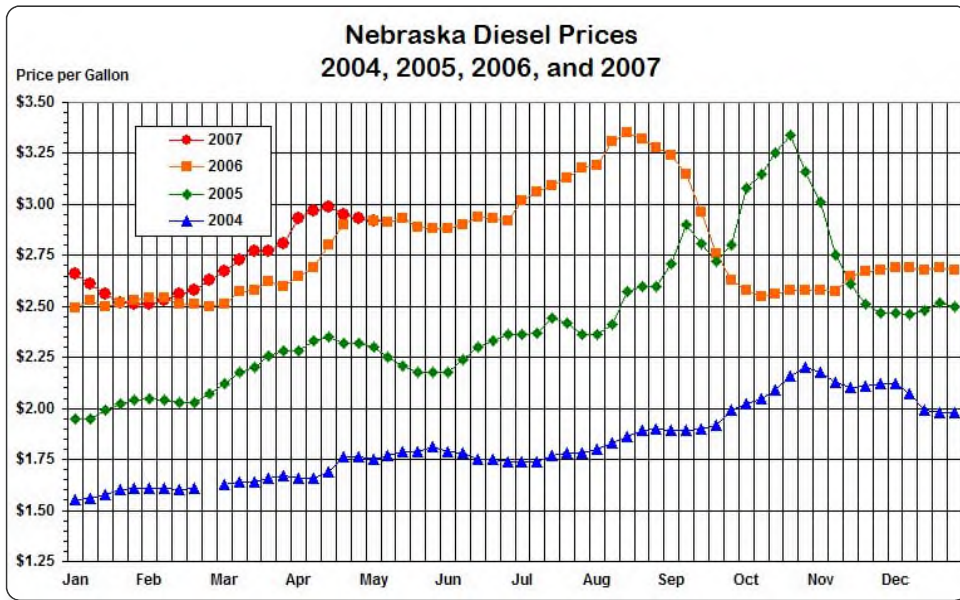
A general rule of thumb: A dollar increase in the [West Texas Intermediate](#) (WTI) crude oil price per barrel will result in a 2.5-cent increase in the gasoline price per gallon and the diesel fuel price per gallon. Likewise, a dollar decrease in the WTI crude oil price per barrel will result in a 2.5-cent decrease in the gasoline price per gallon and the diesel fuel price per gallon.



Unleaded Gasoline Prices for the Week of April 30, 2007 (Price per Gallon)

| | Columbus | Grand Island | Kearney | Lincoln | Norfolk | North Platte | Omaha | State |
|----------------|----------|--------------|---------|---------|---------|--------------|--------|--------|
| Weekly Average | \$2.95 | \$3.01 | \$2.99 | \$3.07 | \$2.96 | \$3.06 | \$2.98 | \$2.99 |

Notes: The average may not equal the average of the components due to independent rounding. NA = Not Available.



Diesel Prices for the Week of April 30, 2007 (Price per Gallon)

| | Columbus | Grand Island | Kearney | Lincoln | Norfolk | North Platte | Omaha | State |
|----------------|----------|--------------|---------|---------|---------|--------------|--------|--------|
| Weekly Average | \$2.87 | \$2.85 | \$2.94 | \$2.91 | \$2.93 | \$2.90 | \$2.91 | \$2.92 |

Notes: The average may not equal the average of the components due to independent rounding. NA = Not Available.

Source: Nebraska Energy Office, Lincoln, NE.

*This report was updated on May 4, 2007.
Typically, there is one week between updates.*