

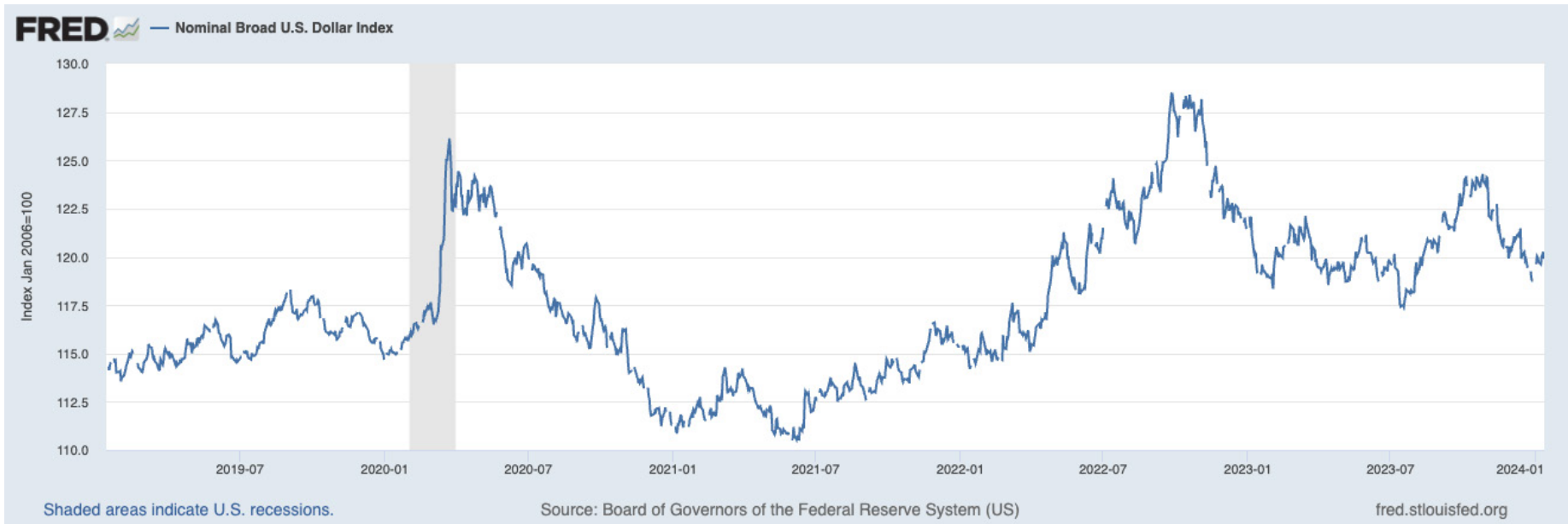


Winter 2024 U.S. Fuel Report

Gasoline | Diesel | Electric



Market Outlook



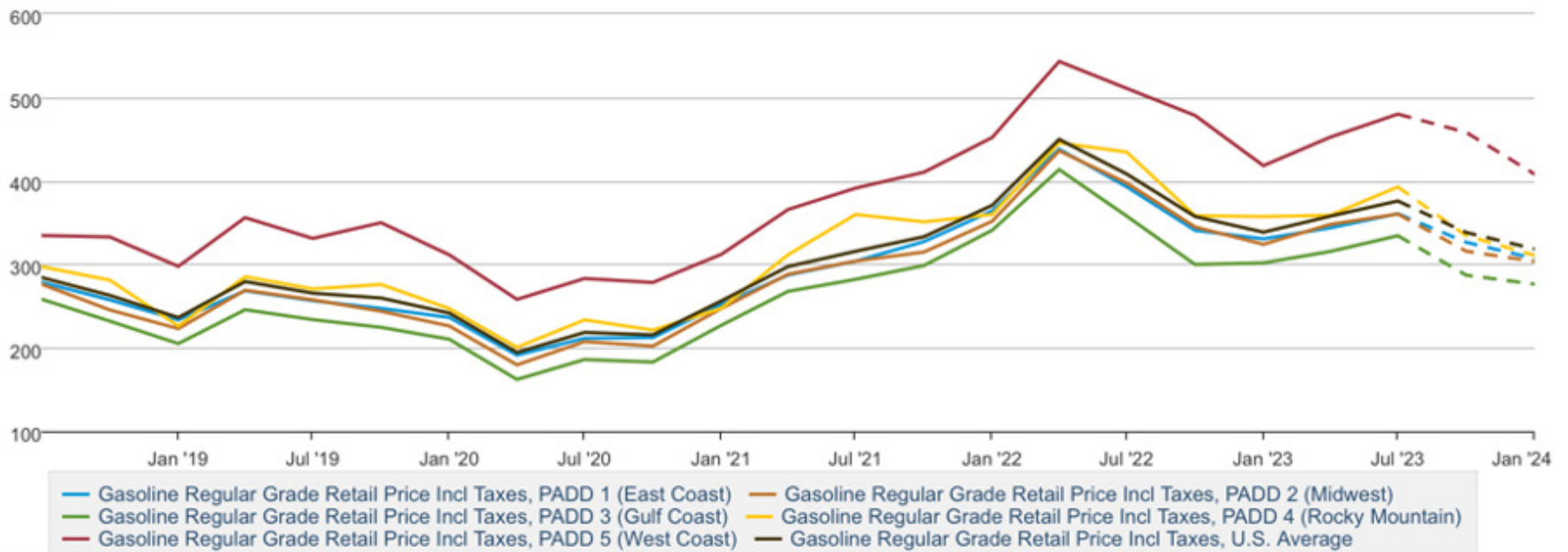
According to the U.S. Energy Information Agency’s (EIA’s) December 12th, 2023 Short-Term Energy Outlook (STEO), this winter, Henry Hub’s natural gas spot price is forecasted to average around \$2.80 per million British thermal units, a decrease influenced by a warmer-than-average winter and high production, leading to increased storage inventories. Crude oil prices are projected to rise in the first half of

2024, with Brent crude oil averaging around \$83 per barrel, despite OPEC+ production cuts. U.S. net exports of petroleum and liquids are expected to hit a record high in 2024. Additionally, significant growth in solar capacity is anticipated to contribute to solar and wind generation surpassing coal power for the first time in 2024.

Market Outlook



Gasoline Regular Grade Retail Price



 Data source: U.S. Energy Information Administration

As of January 2024, looking at estimated retail fuel prices, the EIA is expecting near term prices to decline slightly in Q1 2024.

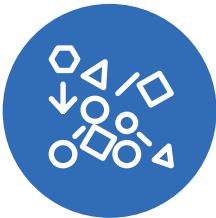
Market Outlook



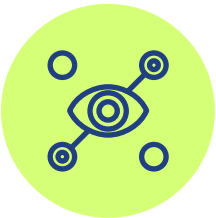
Additional Influencing Factors



Natural Disasters



Supply Disruptions



Speculation



Seasonality



ESG Influences



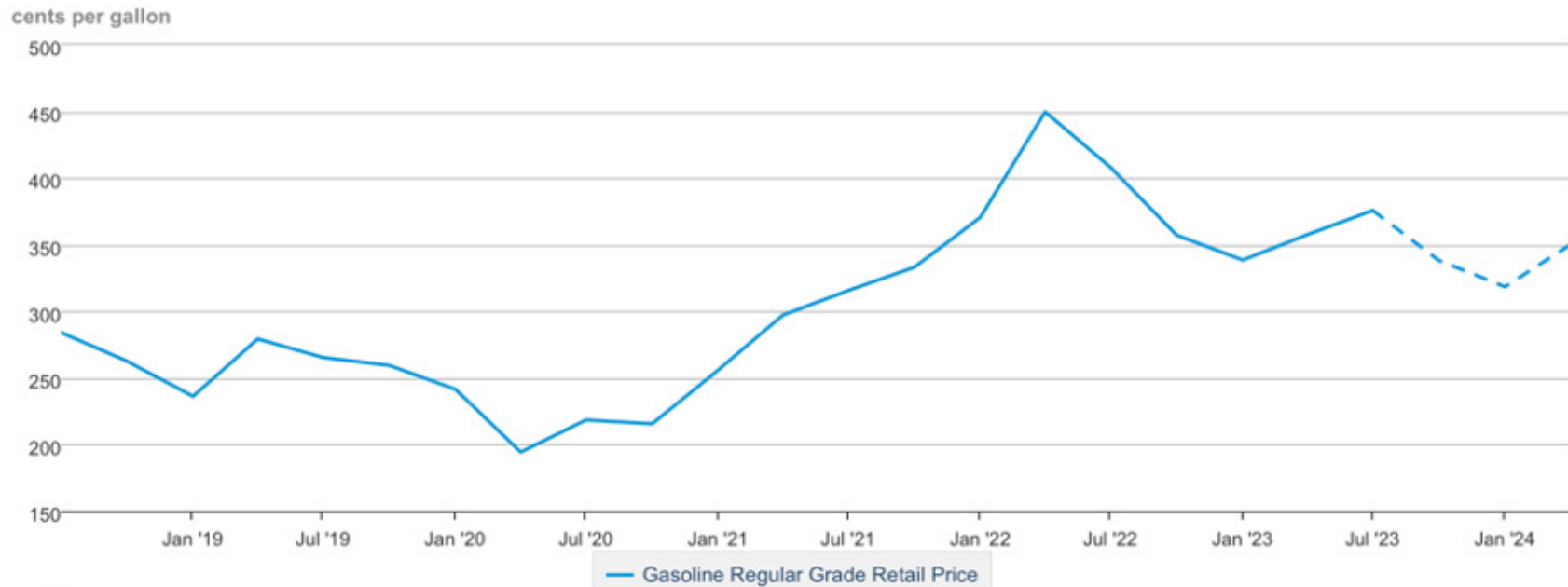
Economic Activity

Gasoline



Trends & Forecast

Gasoline Regular Grade Retail Price



 Data source: U.S. Energy Information Administration

After a decline in Q4 2023, the forecast estimates an uptick with an average cost per gallon for regular fuel of \$3.50 by Q2 2024.

Gasoline



Regional Breakdown

U.S. Regular Gasoline Prices* (dollars per gallon)

	12/11/23	12/18/23	12/25/23	week ago	year ago
U.S.	3.136	3.053	3.116	↑ 0.063	↑ 0.025
East Coast (PADD1)	3.123	3.050	3.117	↑ 0.067	↑ 0.046
New England (PADD1A)	3.249	3.176	3.147	↓ -0.029	↓ -0.143
Central Atlantic (PADD1B)	3.352	3.278	3.280	↑ 0.002	↓ -0.054
Lower Atlantic (PADD1C)	2.949	2.880	3.006	↑ 0.126	↑ 0.152
Midwest (PADD2)	2.901	2.798	2.858	↑ 0.060	↓ -0.041
Gulf Coast (PADD3)	2.622	2.547	2.684	↑ 0.137	0.000
Rocky Mountain (PADD4)	2.899	2.808	2.861	↑ 0.053	↓ -0.141
West Coast (PADD5)	4.141	4.055	4.051	↓ -0.004	↑ 0.141
West Coast less California	3.797	3.722	3.701	↓ -0.021	↑ 0.060

Source: U.S. Energy Information Administration

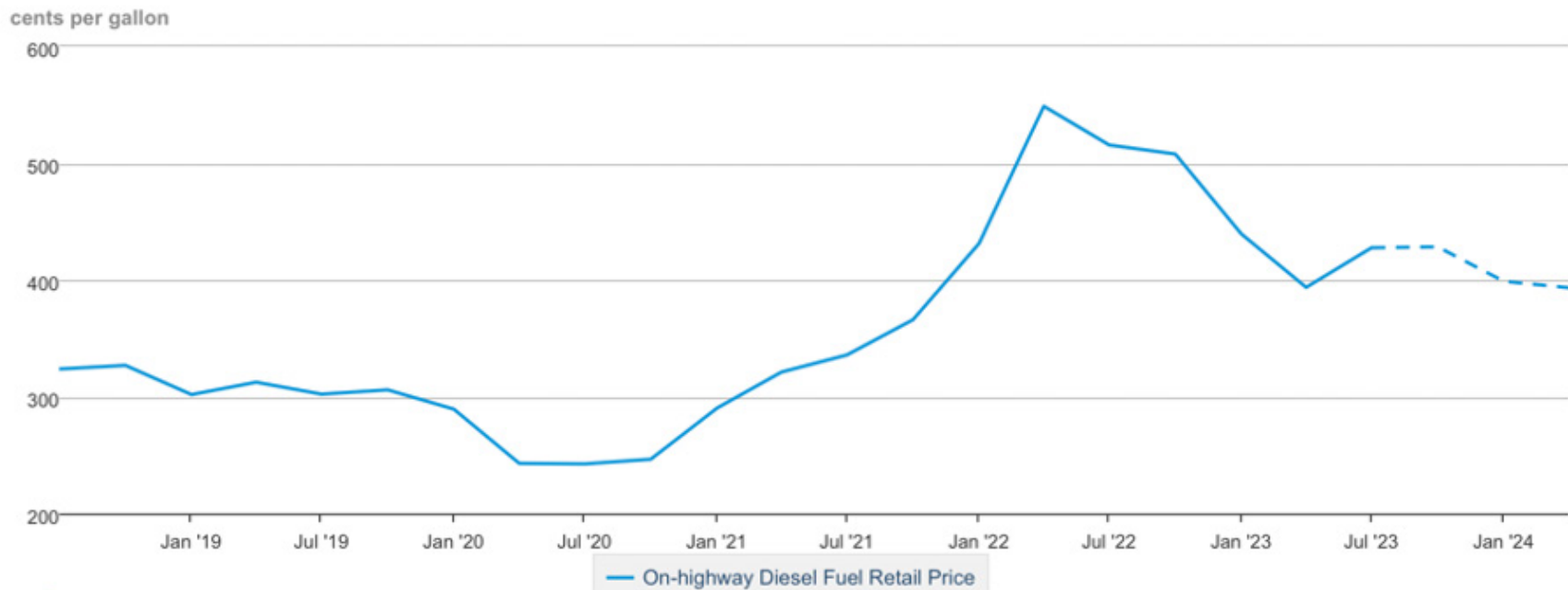
Regionally, prices vary. The Gulf Coast continues to boast the lowest price at \$2.68 and the West Coast the highest at \$4.05. All regions except for New England are experiencing a price decrease compared to this time a year ago. Year over year, the East Coast and the West Coast, each overall, have seen price increases. However, within the East Coast, the Central and Lower Atlantic regions as well as the Midwest and Rocky Mountain regions have seen decreases. The Gulf Coast remains unchanged year over year.

Diesel



Trends & Forecast

On-highway Diesel Fuel Retail Price



 Data source: U.S. Energy Information Administration

The EIA is estimating that in Q1 2024 prices will decrease to \$3.99.

Diesel



Regional Breakdown

U.S. On-Highway Diesel Fuel Prices* (dollars per gallon)

	12/11/23	12/18/23	12/25/23	Change from	
				week ago	year ago
U.S.	3.987	3.894	3.914	▲ 0.020	▼ -0.623
East Coast (PADD1)	4.050	3.969	4.022	▲ 0.053	▼ -0.786
New England (PADD1A)	4.418	4.362	4.339	▼ -0.023	▼ -0.807
Central Atlantic (PADD1B)	4.406	4.336	4.323	▼ -0.013	▼ -0.963
Lower Atlantic (PADD1C)	3.880	3.793	3.879	▲ 0.086	▼ -0.725
Midwest (PADD2)	3.900	3.806	3.798	▼ -0.008	▼ -0.604
Gulf Coast (PADD3)	3.640	3.569	3.608	▲ 0.039	▼ -0.556
Rocky Mountain (PADD4)	4.049	3.933	3.916	▼ -0.017	▼ -0.829
West Coast (PADD5)	4.802	4.655	4.651	▼ -0.004	▼ -0.417
West Coast less California	4.310	4.153	4.169	▲ 0.016	▼ -0.597
California	5.367	5.231	5.202	▼ -0.029	▼ -0.213

*prices include all taxes

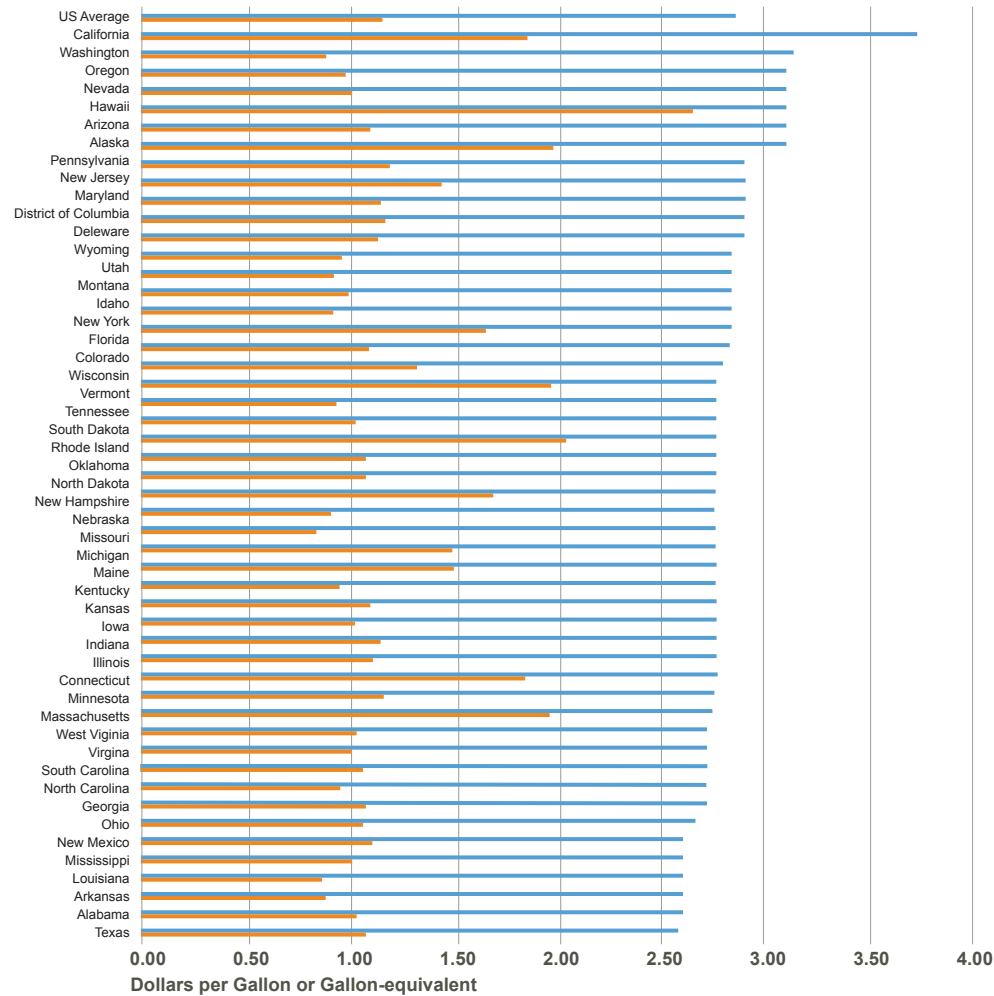
Source: U.S. Energy Information Administration

All areas are down compared to the same time a year ago. The largest decrease is in the East Coast overall with the Central Atlantic region dropping by \$.96. The lowest price is in the Gulf Coast at \$3.608 and the highest is the in the West Coast at \$4.65 with California at \$5.20.

Electric



Average Price per Gallon of Gasoline and an eGallon



The U.S. Department of Energy has coined a new term, the eGallon. It's defined as the cost of fueling an electric vehicle compared to a similar gasoline-powered vehicle.

According to the most recent data from March 2021, the U.S average of an electric eGallon is \$1.16. Contrastingly, the regular gasoline vehicle costs \$2.85. That's a 60% decrease.

Energy prices for electric motors will likely continue to fluctuate until electric vehicles saturate the U.S. market. However, it's still expected to be a less costly fuel source than gasoline. Additionally, with the variety of solar and wind energy sources increasing, electricity prices will be less dependent on market conditions.

■ Gasoline
■ eGallon

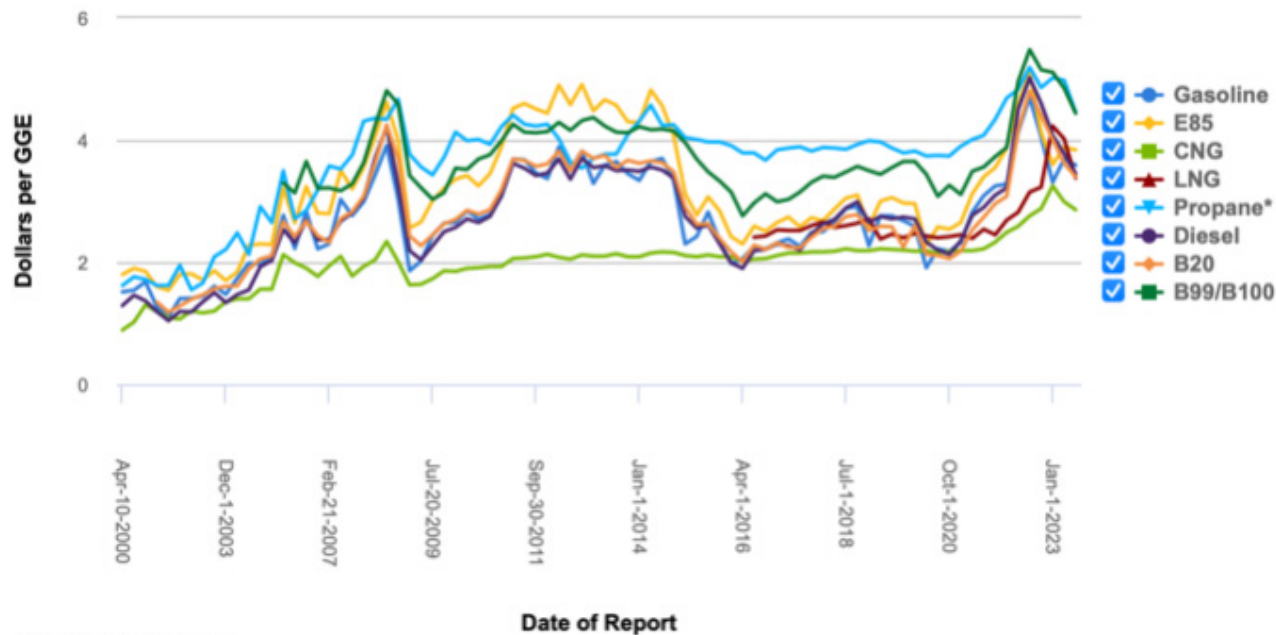
Source: U.S. Department of Energy, March 31, 2021

Diesel



Alternative Fuel Report

Average Retail Fuel Prices in the United States



Last updated: September 2023

National Average Price Between July 1 and July 15, 2023	
Fuel	Price
Biodiesel (B20)	\$3.77/gallon
Biodiesel (B99-B100)	\$4.53/gallon
Ethanol (E85)	\$2.95/gallon
Natural Gas (CNG)	\$2.86/GGE
Liquefied Natural Gas	\$3.79/DGE
Propane	\$3.25/gallon
Gasoline	\$3.59/gallon
Diesel	\$3.88/gallon

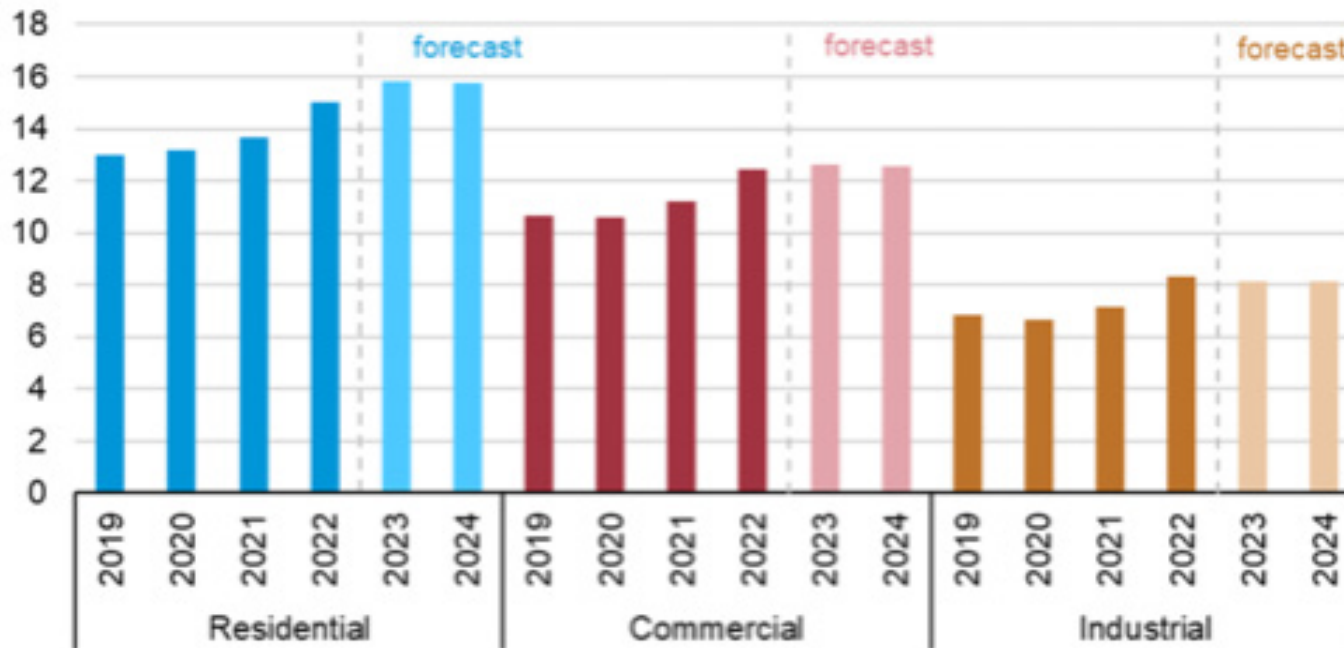
According to the Alternative Fuels Data Center, “The price of petroleum fuels (gasoline and diesel fuel) is the primary driver of liquid fuel (E85 and biodiesel) prices.” The reason for this correlation is that liquid fuels can be substituted with petroleum fuels if prices get too high. The below chart details average prices for alternative fuels for the first half of July.

The Price of Electricity



Alternative Fuel Report

Average Retail Fuel Prices in the United States



According to the EIA, "Average retail electricity prices charged to ultimate customers tend to be less volatile than wholesale power prices. We forecast the price of electricity to U.S. residential customers in 2024 will average 15.8 cents per kilowatt-hour (kWh), about the same as in 2023, as reduced generation costs are offset by increases in distribution and transmission costs."



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