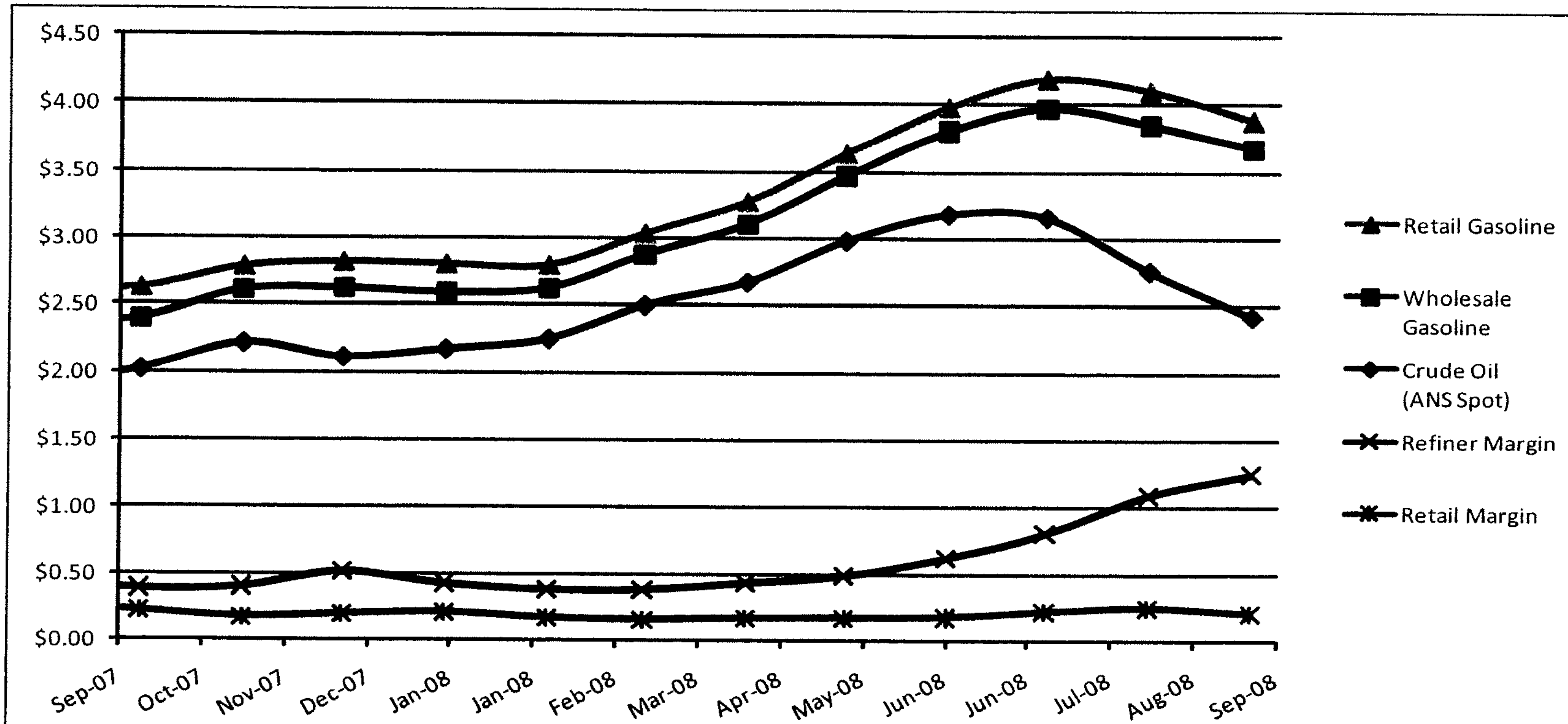
3/17/09

Figure 1: Selected Components of Alaska Gasoline Prices, September 2007 to September 2008



Notes: All dollar amounts are per gallon. We use the word "margin" to mean the proportion of gasoline costs attributable to a certain step in the process of bringing a gallon of gasoline to the retail market. In this context, only a percentage of the total margin is taken as profit.
1) "Retail Gasoline" is the average price of gasoline "at the pump" to end-users and include taxes;
2) "Wholesale Gasoline" is the average price of gasoline charged by Alaska refinters to resellers;
3) "ANS Spot" is the cost of Alaska North Slope crude oil on the commodity market. We calculated this cost by dividing the price per barrel by 42 (the number of gallons in a standard barrel);
4) "Refiner Margin" is refiner wholesale price minus ANS Spot prices;
5) "Retail Margin" is retail price minus wholesale price.
Sources: U.S. Department of Energy, Energy Information Administration, *http://www.eia.doe.gov/.* ; ANS Spot prices are from the Alaska Department of Revenue, Tax Division, *http://www.tax.state.ak.us/.*