

## California Energy Price Data for November 2023

Below are the monthly updates from the most current November 2023 fuel price data (GasBuddy.com) and September 2023 electricity and natural gas price data (US Energy Information Administration). To view additional data and analysis related to the California economy visit our website at [www.centerforjobs.org/ca](http://www.centerforjobs.org/ca).

Overall, California’s energy price rankings were unchanged, remaining at or near the highest among the contiguous states. Average commercial electricity, gasoline, and diesel prices were again the highest, and industrial electricity the second highest.

Energy Price (12-month moving average; fuels monthly)	Rank Among Contiguous States	
	Current Month	Previous Month
Residential Electricity Rate	4th	4th
Average Residential Electricity Bill	18th	18th
Commercial Electricity Rate	1st	1st
Industrial Electricity Rate	2nd	2nd
Residential Natural Gas Rate	7th	7th
Commercial Natural Gas Rate	5th	5th
Industrial Natural Gas Rate	5th	5th
Gasoline	1st	1st
Diesel	1st	1st

### Inflation Remains Level

**3.6%**

Annual Increase in  
California CPI

For the 12 months ending September, the California CPI rose 3.6%, unchanged from August. In the same period, the US CPI rose 3.7%, also unchanged from August.

### California vs. Rest of US Fuel Price Gap at 56.4% Premium

**\$1.79**

Price Per Gallon  
Above US Average  
(CA Average)

The November average price per gallon of regular gasoline in California eased 52 cents from October to \$4.97. The California premium above the average for the US other than California (\$3.18) eased to \$1.79, a 56.4% difference.

**1st**

Ranked by  
Price

In November, California had the highest gasoline price among the contiguous states and DC. Californians paid \$2.19 a gallon more than consumers in Texas, the state with the lowest price.

## California vs. Rest of US Diesel Price

**\$1.73**

Price Per Gallon  
Above US Average  
(CA Average)

The November average price per gallon of diesel in California eased 35 cents from October to \$5.90. The California premium above the average for the US other than California (\$4.17) eased to \$1.73, a 41.5% difference.

**1st**

Ranked by  
Price

In November, California had the highest diesel price among the contiguous states and DC.

## Range Between Highest and Lowest Prices by Region

**\$1.98**

Price Per Gallon  
Above US Average  
(Los Angeles Region)

The cost premium above the US (other than California) average price for regular gasoline ranged from \$1.63 in the Sacramento Region (average November price of \$4.81), to \$1.98 in Central Coast Region (average November price of \$5.16).

## Highest/Lowest Fuel Prices by Legislative District:

November 2023: Average Price (\$ per gallon) of Regular Gasoline	
Legislator	Highest \$ Per Gallon
CD30 Schiff (D)	\$5.34
CD32 Sherman (D)	\$5.23
CD50 Peters (D)	\$5.20
CD29 Cárdenas (D)	\$5.20
CD36 Lieu (D)	\$5.19
SD24 Allen (D)	\$5.26
SD39 Atkins (D)	\$5.25
SD26 Durazo (D)	\$5.22
SD27 Stern (D)	\$5.18
SD25 Portantino (D)	\$5.17
AD51 Zbur (D)	\$5.46
AD44 Friedman (D)	\$5.30
AD77 Boerner (D)	\$5.25
AD42 Irwin (D)	\$5.25
AD30 Addis (D)	\$5.23

November 2023: Average Price (\$ per gallon) of Regular Gasoline	
Legislator	Lowest \$ Per Gallon
CD35 Torres (D)	\$4.79
CD33 Aguilar (D)	\$4.78
CD01 LaMalfa (R)	\$4.73
CD06 Bera (D)	\$4.70
CD09 Harder (D)	\$4.64
SD34 Umberg (D)	\$4.84
SD29 Newman (D)	\$4.80
SD08 Ashby (D)	\$4.76
SD06 Niello (R)	\$4.71
SD05 Eggman (D)	\$4.65
AD09 Flora (R)	\$4.73
AD22 Alanis (R)	\$4.71
AD07 Hoover (R)	\$4.66
AD03 Gallagher (R)	\$4.66
AD13 Villapudua (D)	\$4.56

## California Residential Electricity Price

**86.9%**

Above Average for  
Rest of US

California average Residential Price for the 12 months ended September 2023 was 28.20 cents/kWh, 86.9% higher than the US average of 15.09 cents/kWh for all states other than California. California's residential prices were the 4th highest among the contiguous states and DC.

## California Residential Electric Bill

For the 12 months ended September 2023, the average annual Residential electricity bill in California was \$1,692, or 70.2% higher (\$698) than the comparable bill in 2010 (the year the AB 32 implementation began with the Early Action items). In this same period, the average US (less CA) electricity bill for all the other states grew only 20.4% (\$279).

**18th**

Ranked by Cost

**In 2010, California had the 9th lowest residential electricity bill among the contiguous states and DC. In the latest data, it had the 18th highest.**

Residential bills, however, vary widely by region. Transforming the 2022 data recently released by the Energy Commission, estimated annual household usage is as much as 82% higher in the interior regions compared to the milder climate coastal areas, and substantially higher when comparing across counties.

**\$11.0b**

Premium Above  
US Average Price

For the 12 months ended September 2023, California's higher electricity prices translated into Residential ratepayers paying \$11.0 billion more than the average ratepayers elsewhere in the US using the same amount of energy. Compared to the lowest cost state, California households paid \$14.7 billion more.

## California Commercial Electricity Price

**100.3%**

Above Average for  
Rest of US

California average Commercial Price for the 12 months ended September 2023 was 23.59 cents/kWh, 100.3% higher than the US average of 11.78 cents/kWh for all states other than California. **California's commercial prices were the highest among the contiguous states and DC.**

## California Industrial Electricity Price

**137.2%**

Above Average for  
Rest of US

California average Industrial Price for the 12 months ended September 2023 was 18.48 cents/kWh, 137.2% higher than the US average of 7.79 cents/kWh for all states other than California. **California's industrial prices were the 2nd highest among the contiguous states and DC.**

**\$17.8b**

Premium Above  
US Average Price

For the 12 months ended September 2023, California's higher electricity prices translated into Commercial & Industrial ratepayers paying \$17.8 billion more than ratepayers elsewhere in the US using the same amount of energy. Compared to the lowest rate states, Commercial & Industrial ratepayers paid \$22.7 billion more.

## California Natural Gas Prices

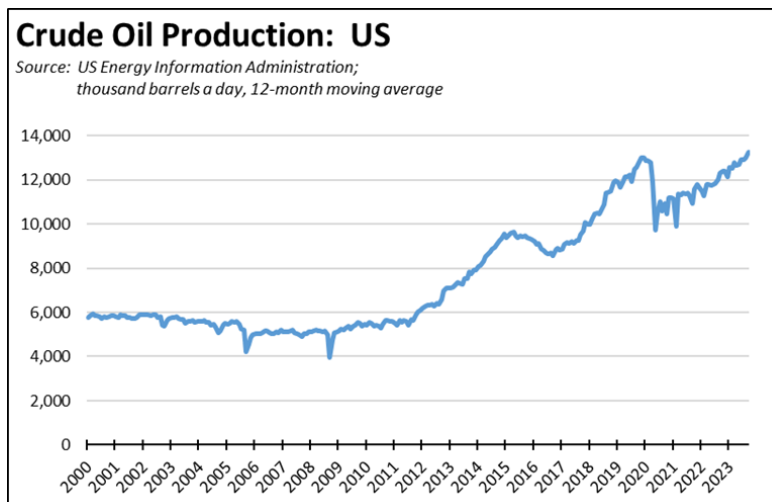
Average prices (\$ per thousand cubic feet; 12-month moving average) for the 12 months ended September 2023 and changes from the previous 12-month period for each end user:

	<i>Residential</i>	<i>Commercial</i>	<i>Industrial</i>
CA, September 2023	\$19.90	\$15.59	\$12.80
CA, September 2022	\$19.22	\$15.27	\$12.94
Change	3.5%	2.1%	13.7%
Rest of US, September 2023	\$12.72	\$9.49	\$4.08
Rest of US, September 2022	\$13.70	\$10.57	\$7.07
Change	-7.2%	-10.2%	-42.3%
CA premium over Rest of US, September 2023	56.4%	64.3%	213.7%
CA premium over Rest of US, September 2022	40.3%	44.5%	83.0%

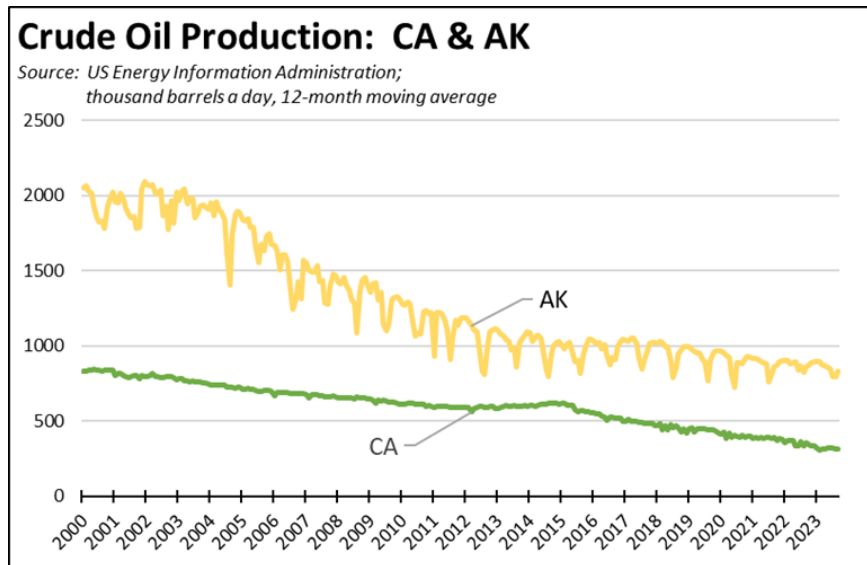
## Regulation, Supply Shifts, and Impact on Costs

While remaining 56% higher than the average paid in the other states, gasoline prices have continued to drop, with the average California gasoline price down 52 cents from October. In the latest data from [CSAA](#) as of December 7, gasoline prices were down another 23 cents in California and another 10 cents in the overall US average.

A key factor in this current price trend is elevated oil production, which has boosted overall supply and driven crude prices to [below \\$70 a barrel](#).



California in contrast has seen a dramatic decline in its traditional supply base, both in-state production (including federal offshore) and the Alaskan imports that previously enabled production efficiencies and lower prices by allowing fewer crude slate runs in some of the state's refineries. California and its fuel prices consequently have become more dependent on foreign imports—in 2022 according to Energy Commission data, running at nearly 3 times as large as in-state production that year—and their associated supply issues.



Countering this general price trend and keeping California prices well above the average paid in other states have been two other factors in which this state also leads the nation. As discussed in last month’s [report](#), California imposes the highest fees and taxes on fuels. In the most recent Energy Commission data for [December 4](#), state and local taxes and fees made up 37% of what motorists paid to fill their tanks. Adding in federal excise tax, the tax and fee component rises to 43% of the tab.

California also leads in fuel regulation and as a consequence limiting what fuels can be sold within the state. These regulations affect prices in two ways. First, directly by the higher cost required to produce compliant fuels. Second, by walling off the state market from alternative supply sources, magnifying price volatility during periods of spot shortages such as has happened from unplanned refinery outages during the biannual change in allowable formulations.

The key role of the state’s regulations in pushing state fuel prices well above what are found in other states has even been obliquely acknowledged by the governor’s actions. For two years in a row, California experienced high price volatility in response to rising world oil prices combined with production issues during the mandated biannual turnovers in fuel formulation. And also two years in a row, the governor responded to this regulation-induced volatility by [relaxing](#) the state regulations and [directing](#) the Air Resources Board to allow an early shift to the less-costly winter formulation. Putting the accompanying bombast to one side, prices came down when the state’s regulations were changed.

California has led the nation in regulating fuels. But rather than allowing those efforts to transform the national market, California has continued to change the rules, keeping California virtually isolated from national and global supply options and preventing relief that could bring California prices down from being the highest in the nation.

- The Reformulated Gasoline regulations were first adopted under the Phase 1 rules (RFG1) that became effective in 1991.
- US EPA then followed with its own version of RFG1, applicable to 17 states and DC between 1995 and 1996.

- The California rules were substantially tightened under RFG2 that became effective in 1996.
- US EPA again followed California with adoption of its RFG2 regulations which became effective beginning in 2000.
- California again shifted its rules through RFG3, adopted at the end of 1999 primarily to phase out MTBE but also making additional changes through the original rulemaking and subsequent amendments in 2000 through 2013.
- California changed the rules yet again with adoption of the Low Carbon Fuel Standard in 2009. And the rules kept changing, with subsequent rulemaking actions in 2011, 2013, 2015, and 2018.

California has led the way on cleaner fuels. And in response, EPA revised national rules at points largely in line with California's, opening up the possibility of the state rejoining a national market that would have eased the supply problems that have been a prominent byproduct of its clean fuel programs. California instead kept moving the goal post.

Now instead of more regulation, the current [Climate Change Scoping Plan](#) calls for eliminating fuels production in the state altogether. Rather than actions to address the perennial supply problems that have affected the clean fuel programs since their beginning, the Air Resources Board has now chosen a path that will restrict supply even further. And as supply continues to decline, volatility and the risk of price spikes—and their uneven impact on lower income households still reliant on internal combustion engine vehicles—can only get worse.

Supply shortages and accompanying price spikes have been a natural consequence of the clean fuels programs since their beginning, just as those price spikes have had as their own natural consequence a procession of state investigations highlighting the role of those regulations in producing the problem in the first place. Rather than addressing the source of the problems head on, the state is embarked on a course that will only intensify the risk in the future, with no end plan to prevent shortages from happening other than the hope that another round of regulatory relaxation can work yet again.