

California Energy Price Data for September 2023

Below are the monthly updates from the most current September 2023 fuel price data (GasBuddy.com) and July 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.

Fuel prices rose higher in California as crude prices flirted with the \$95 a barrel level in September combined with supply issues related to refinery maintenance and interruptions caused by Tropical Storm Hilary. The average gasoline price rose 51 cents a gallon in California while dipping 4 cents in the rest of the US. In the most recent data from CSAA, the California average on October 5 was up another 19 cents, while the overall US average dropped 7 cents.

Prices are likely to trend lower over the coming months. In spite of OPEC+ efforts to manage supply, crude prices to date in October are down sharply in response to concerns over softening demand as global economic conditions remain uncertain and as the prospects of another Fed rate hike remain on the table. The governor also recently issued [directions](#) to the Air Resources Board to allow an early shift to the cheaper winter blend formulation in yet another tacit acknowledgement of the extent to which California’s own rules contribute heavily to price volatility. While a similar action in 2022 helped lead to a large drop in wholesale prices, it is not yet clear on the extent to which the market now has come to expect this type of action and already prices in regulatory easing in response to consumer anger.

As we have tracked, gasoline is not the only energy source for which California prices rank the highest or near the highest as state regulations, taxes, and fees have continued to push prices ever higher.

Energy Price (12-month moving average)	Rank Among Contiguous States/DC	
	Current Month	Previous Month
Residential Electricity Rate	4th	4th
Average Residential Electricity Bill	16th	13th
Commercial Electricity Rate	1st	1st
Industrial Electricity Rate	2nd	2nd
Residential Natural Gas Rate	6th	5th
Commercial Natural Gas Rate	5th	5th
Industrial Natural Gas Rate	4th	3rd
Gasoline	1st	1st
Diesel	1st	1st

Fuel ranking based on monthly average; all others based on moving 12-month average

The focus on higher gasoline prices is to be expected given the historic link of this trend to economic downturns and lost elections. But this singular focus also detracts from the fact that California is pushing prices higher on the other energy sources as well. Putting the price data into consistent 12-month moving averages, the California average gasoline price for the period ending September 2023 was up 46% from the

same period ending in September 2018. Average residential electricity rates were also up 46% over a similar 5-year period (12 months ending July due to the lag in data). The gasoline results have spurred calls to action and yet another round of regulatory easing. The electricity results instead continue unheeded. Moreover, they are accompanied by additional regulatory rounds increasing costs even further while other state policies seek to force more California households and economic activity into becoming solely reliant on an energy trending well above national cost averages.

Inflation Rate Continues to Ease but Remains High in Core Elements

3.1%

Annual Increase in
California CPI

For the 12 months ending July, the California CPI rose 3.1%, remaining level from 3.1% in June. In the same period, the US CPI rose 3.2%, up from 3.0% in June.

California vs. Rest of US Fuel Price Gap at 55.7% Premium

\$2.05

Price Per Gallon
Above US Average
(CA Average)

The September average price per gallon of regular gasoline in California rose 51 cents from August to \$5.74. The California premium above the average for the US other than California (\$3.69) rose to \$2.05, a 55.7% difference.

1st

Ranked by
Price

In September, California had the highest gasoline price among the contiguous states and DC. Californians paid \$2.47 a gallon more than consumers in Mississippi, the state with the lowest price.

California vs. Rest of US Diesel Price

\$1.91

Price Per Gallon
Above US Average
(CA Average)

The September average price per gallon of diesel in California rose 58 cents from August to \$6.32. The California premium above the average for the US other than California (\$4.42) rose to \$1.91, a 43.2% difference.

1st

Ranked by
Price

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

Range Between Highest and Lowest Prices by Region

\$2.23

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 \$1.82 in the Central Valley Region (average September price of \$5.51), to \$2.23 in Los Angeles Region (average September price of \$5.92).

Highest/Lowest Fuel Prices by Legislative District:

September 2023: Average Price (\$ per gallon) of Regular Gasoline	
Legislator	Highest \$ Per Gallon
CD30 Schiff (D)	\$6.05
CD32 Sherman (D)	\$6.00
CD36 Lieu (D)	\$6.00
CD50 Peters (D)	\$5.98
CD34 Gomez (D)	\$5.97
SD24 Allen (D)	\$6.05
SD39 Atkins (D)	\$6.01
SD25 Portantino (D)	\$5.98
SD38 Blakespear (D)	\$5.97
SD26 Durazo (D)	\$5.97
AD51 Zbur (D)	\$6.09
AD44 Friedman (D)	\$6.06
AD77 Boerner Horvath (D)	\$6.04
AD55 Bryan (D)	\$5.99
AD42 Irwin (D)	\$5.98

September 2023: Average Price (\$ per gallon) of Regular Gasoline	
Legislator	Lowest \$ Per Gallon
CD05 McClintock (R)	\$5.51
CD13 Duarte (R)	\$5.49
CD21 Costa (D)	\$5.48
CD01 LaMalfa (R)	\$5.48
CD09 Harder (D)	\$5.45
SD06 Niello (R)	\$5.57
SD08 Ashby (D)	\$5.55
SD16 Hurtado (D)	\$5.51
SD14 Caballero (D)	\$5.50
SD05 Eggman (D)	\$5.44
AD09 Flora (R)	\$5.50
AD31 Arambula (D)	\$5.46
AD22 Alanis (R)	\$5.43
AD03 Gallagher (R)	\$5.42
AD13 Villapudua (D)	\$5.41

California Residential Electricity Price

81.0%

Above Average for
Rest of US

California average Residential Price for the 12 months ended July 2023 was 27.37 cents/kWh, 81.0% higher than the US average of 15.12 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 July 2023, the average annual Residential electricity bill in California was \$1,727, or 73.7% higher (\$733) 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% (\$278).

16th

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 16th highest.

Residential bills, however, vary widely by region, with the estimated annual household usage in the recent released data for 2021 as much as 78% higher in the interior regions compared to the milder climate coastal areas, and substantially higher when comparing across counties.

\$10.8b

Premium Above
US Average Price

For the 12 months ended July 2023, California's higher electricity prices translated into Residential ratepayers paying \$10.8 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

92.2%

Above Average for
Rest of US

California average Commercial Price for the 12 months ended July 2023 was 22.87 cents/kWh, 92.2% higher than the US average of 11.90 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

129.4%

Above Average for
Rest of US

California average Industrial Price for the 12 months ended July 2023 was 18.26 cents/kWh, 129.4% higher than the US average of 7.96 cents/kWh for all states other than California. **California's industrial prices were the 2nd highest among the contiguous states and DC.**

\$17.0b

Premium Above
US Average Price

For the 12 months ended July 2023, California's higher electricity prices translated into Commercial & Industrial ratepayers paying \$17.0 billion more than ratepayers elsewhere in the US using the same amount of energy. Compared to the lowest rate states, Commercial & Industrial ratepayers paid \$21.6 billion more.

California Natural Gas Prices

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

	<i>Residential</i>	<i>Commercial</i>	<i>Industrial</i>
CA, July 2023	\$20.21	\$16.14	\$13.57
CA, July 2022	\$18.74	\$14.45	\$11.94
Change	7.8%	11.7%	13.7%
Rest of US, July 2023	\$12.81	\$9.77	\$4.98
Rest of US, July 2022	\$13.53	\$10.25	\$6.43
Change	-5.3%	-4.7%	-22.6%
CA premium over Rest of US, July 2023	57.8%	65.2%	172.5%
CA premium over Rest of US, July 2022	38.5%	41.0%	85.7%