

# Gas prices to rise in Calif. in 2015

By Josh Richman, San Jose Mercury News

After months of seeing gas prices sink ever lower, Californians will ring in 2015 by paying more at the pump as a result of the state's landmark greenhouse-gas emissions law.

But how much more we'll pay, and whether it's worth it, remains bitterly debated among oil companies, some state lawmakers and environmentalists.

Starting Thursday, gasoline and diesel producers will be subject to the state's cap-and-trade system, forcing them either to supply lower-carbon fuels – which are more expensive to produce – or to buy pollution permits for the greenhouse gases created when the fuel is burned. In the short term, at least, that will mean higher prices at the pump.

Opposition groups backed by the oil industry have claimed prices will rise 16 to 76 cents per gallon, although that's admittedly based on an underlying price of about \$4 per gallon – far higher than recent prices. A UC Berkeley energy and economics expert says the increase will be more like 9 or 10 cents per gallon, which supporters say isn't so high a price to pay for the environmental good it will do.

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