

# Reasons behind California's high gas prices

By Los Angeles Times

Gasoline sold in California costs more than in the rest of the U.S. – sometimes dramatically so. That's because the Golden State's market is isolated from outside fuel suppliers that might moderate prices. The fuel market here is an economic island, and occasionally circumstances combine to make California's gasoline even pricier than on the actual island of Hawaii.

Here are some factors that affect California's pump prices:

California's tough environmental rules mandate that gasoline sold within the state be produced according to strict formulas that reduce pollution. But the gas is more expensive and difficult to produce than dirtier fuel sold elsewhere. Few refineries outside the state are equipped to produce it.

What's more, the state gasoline formula changes twice a year, from a winter recipe to a summer blend designed to retard evaporation during warm-weather months. The summer blend is even more expensive and trickier to make, increasing the chance of refinery mishaps. In addition, refiners try to use up inventories of one type of fuel before the switch to the other type, increasing the risk of price volatility.

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