



Gas Prices Approaching 3-Year High

Gasoline prices have steadily crept up to a nearly three-year high nationwide, fueled by increasingly expensive oil.

Fuel prices averaged \$2.68 on Thursday, up 15 cents from a month ago and up 28 cents from a year ago, according to AAA.

The average American household is expected to pay about \$200 more on gas in 2018 than in 2017, the U.S. Energy Information Administration projected Thursday.

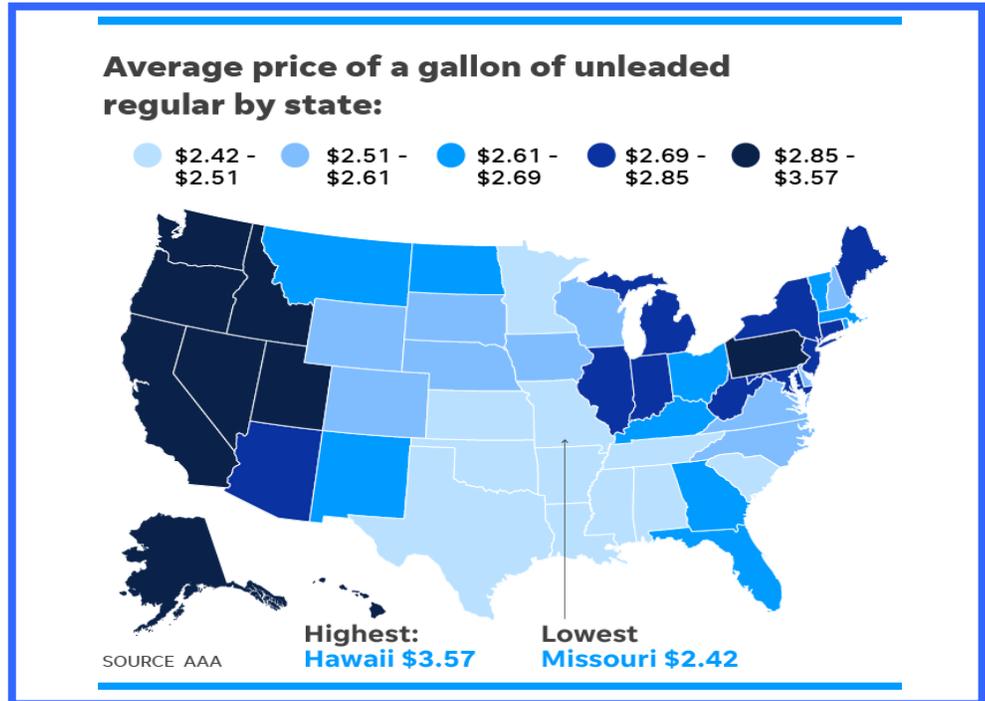
It's "going to impact motorists' pocketbooks and wallets for spring and summer, with the hope of them coming down in fall and winter, as we've seen in years past," AAA spokesperson Jeanette Casselano said.

The price of fuel is the highest it has been in nearly 1,000 days, according to smartphone app GasBuddy, which allows consumers to see gas prices at nearby stations.

The increased cost of gas could cause some travelers to rethink their travel plans, GasBuddy petroleum analyst Patrick DeHaan said.

"This summer more than the last couple years you may find some people willing to skip the vacation," DeHaan said.

But most consumers probably won't think twice. From a historical perspective, fuel prices remain far below the record high of \$4.11 set in summer 2008. And the strong U.S. economy, including recent wage gains, will help ease the



pain at the pump, Casselano said.

The recent increases in gas prices can be blamed on multiple factors:

Rising oil prices. The price of West Texas Intermediate crude oil is up about 10% over the last 30 days to nearly \$67 per barrel. Continued oil production cuts by the Organization of the Petroleum Exporting Countries have had their intended effect of bolstering prices.

Political instability. Fears of political instability in the Middle East, including the prospect of U.S. military strikes in Syria, and trade tensions with China.

Refinery issues. Recent oil refinery maintenance in the U.S., which is typical for this time of year.

Warmer weather. The usual price run-up as the summer travel season approaches.

DeHaan projected the national average would peak in the range of

\$2.75 to \$2.80 sometime in mid-May, then trickle down to \$2.55 to \$2.75 for the rest of the summer.

The EIA projected the price would average \$2.74 this summer, which would rank as the highest in four years and 26 cents more than last summer.

Regionally, prices vary widely. The average price of gas on the West Coast this summer is projected at \$3.22, while the Gulf Coast will pay \$2.45, according to the EIA. Taxes, regional blends and localized oil production are among the factors.

To save on gas, Casselano recommended drivers consider changing their habits by combining errands, reducing the number of times they shop or dine out, driving slower and more efficiently, carpooling or riding a bike.