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Contact: Loreli Cappel, Senior Project Director  
[\(805\) 788-2015](tel:8057882015) [info@sloevc.org](mailto:info@sloevc.org)

**Economic Vitality Corporation**  
of San Luis Obispo County  
501(c)(3) non-profit  
[www.sloevc.org](http://www.sloevc.org) [info@sloevc.org](mailto:info@sloevc.org)

## **Economic Vitality Corporation releases report about Gasoline Prices in California and San Luis Obispo County**

SAN LUIS OBISPO, CALIFORNIA – June 26, 2019 – The **ECONOMIC VITALITY CORPORATION (EVC)**, a non-profit economic development organization releases a report it commissioned to determine why gasoline prices are higher in San Luis Obispo County and California. Authored by Sacramento-based **CAPITOL MATRIX CONSULTING (CMC)**, this first-ever report for the region compares such costs throughout California, as well as how the state prices compare nationwide.

In order to determine the price difference in San Luis Obispo relative to the rest of the state, the research sampled prices of regular grades of gasoline in 26 California cities selected which included a range of dates, locations, population sizes and densities, and economic characteristics. The research determined that San Luis Obispo’s median price (\$4.18 per gallon) was the highest among the 26 cities sampled on the survey dates. This was 26-cents more than the average of the cities sampled, 46-cents higher than Stockton, the lowest price in the samples, and \$1.50 per gallon above the U.S. average. When differences in local sales tax rates are included, the underlying price differential was slightly greater, approximately 28-cents or 7 percent.

“The relatively high cost of gasoline in the region and California has been a long-standing concern of businesses, residents and tourists. The cost of goods and services is impacted by fuel and transportation costs, and this cost difference impacts the cost of doing business and disposable income of residents. In light of the concern over this issue, the EVC commissioned experts to determine why this cost differential exists, and the results are informative to the region,” said EVC President and CEO Michael Manchak.

The major underlying causes for the price differences determined that two thirds of the 26-cent price differential between San Luis Obispo and the statewide average can be explained by distance from major supply centers and land costs. While household income, and a relatively high proportion of through traffic seemed to explain some of the cost differentials across the state, it is not clear that those factors played a major role in San Luis Obispo’s higher prices. Other factors that explain the higher prices are differences in concentration of gas station ownership, dealer volume, and storage capacity of stations.

“California’s high taxes and restrictive regulatory environment are the major reasons that consumers here pay so much more at the pump than in the rest of the nation,” said Michael Genest, CEO of Capitol Matrix Consulting, and former Director of the California Department of Finance.

Download report [here](#) or go to EVC Press Release page

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## **ABOUT US**

Established in 1994, the **Economic Vitality Corporation (EVC)** serves all of San Luis Obispo County as a non-profit economic development organization. We are committed to stimulating the region's economic vitality by creating jobs, fostering investment, and promoting business. (805) 788-2012  
[www.sloevc.org](http://www.sloevc.org)

**Capitol Matrix Consulting (CMC)** provides a reliable, affordable source of expertise, insight and judgment on a wide range of fiscal, economic and policy issues. CMC has been involved in scores of projects on topics ranging from internet gambling to food labeling, municipal finance to school finance, criminal justice to transportation, pension reform to tax and budget reform, and from economic projections to budget forecasts. Clients have included private firms and associations, local governments, state legislators, think tanks, unions, and government agencies.  
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