



Press Release
FOR IMMEDIATE RELEASE
August 12, 2009

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Californians pay the price for state's demanding environmental fuel policies
New study indicates state gasoline taxes 43 percent higher than national average

(SACRAMENTO, CA)-- A new study released today by UC and CSU economists, coordinated by the Orange County Business Council, highlights the increased costs to California consumers and employers caused by California's unique fuel policies.

"With the statewide unemployment rate at nearly 12 percent, there has never been a more critical moment to assess the impact of the state's transportation fuel policies on the broader economy," said Robert Sturtz, Managing Director of Strategic Fuel Sourcing with United Airlines and Fueling California Board Chairman. "This study provides Californians with a balanced, accurate assessment of the cost associated with fueling our transportation, goods movement, and mobility needs under current and proposed policies."

The study is intended to increase awareness and understanding of how particular California policies, such as differentiated fuel standards and the state's fuel tax and fee structure, drive up the cost of fuel and shed light on why California consumers consistently pay more for gasoline. The study found that:

- Californians pay approximately 30 cents extra per gallon of gas in comparison to drivers in other states.
- California's fuel policy decisions disproportionately impact low income and ethnically diverse groups, and small businesses.
- California is a "fuel island" because no pipelines link it to petroleum or crude oil supplies outside the state.

"A balanced understanding of the opportunities and barriers for California fuel supply will ultimately result in a needed dialogue about the precipitating causes of high fuel prices in California," said Sturtz.

"Although California gas prices are comparatively lower in California now than they were just one year ago, it is imperative that we understand why California's unique policies create higher than necessary gas prices," said Dr. Wallace Walrod, economist with the Orange County Business Council.

For more information on Fueling California and to download the economic study, please visit:
www.fuelingcalifornia.org.

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Fueling California is a new nonprofit consumer alliance for responsible fuel policies. Board Members include United Airlines, Union Pacific Railroad, UPS, Avis Budget Group, Con-way Inc., Harris Ranch, Ambassador's International, Inc., and Chevron. The combined companies employ 365,942 California residents and contribute more than \$2.1 billion annually in tax revenues to the state. Please visit our website at www.fuelingcalifornia.org.