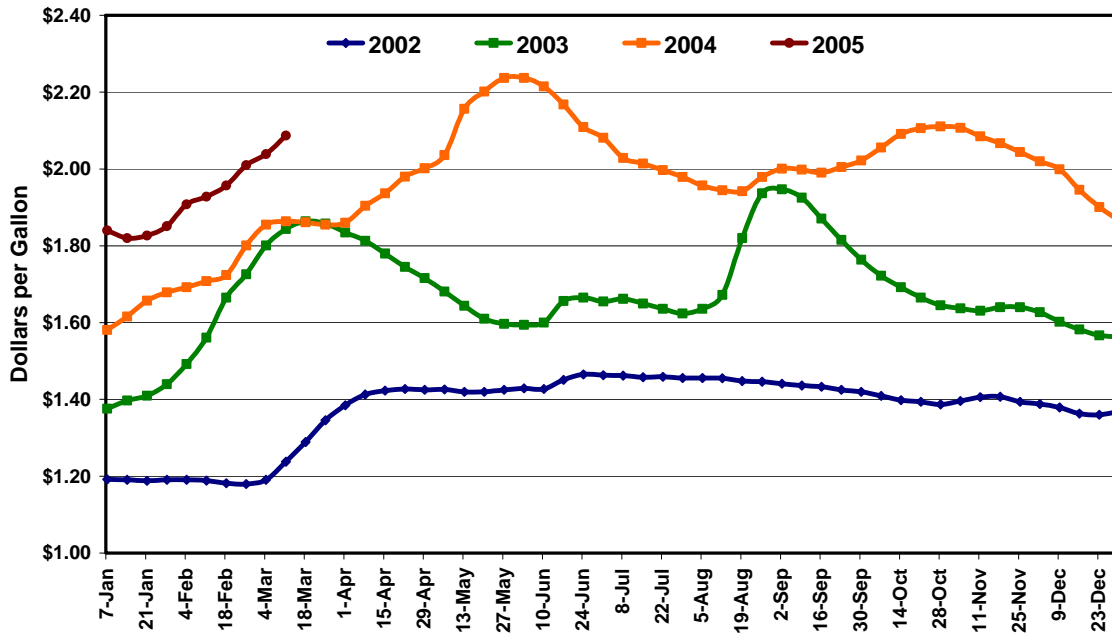


Average Weekly Retail Price of Regular Gasoline on the West Coast



Source: U.S. Energy Information Administration

From the start of 2005 through the beginning of March, the retail price of regular gasoline on the West Coast has been between 10 and 20 percent higher than a year ago. The main cause for this increase is the price of crude oil, which has been between 30 and 50 percent higher than a year ago over the same period, with closing prices over \$50 a barrel in recent weeks. This high cost of oil can be mostly attributed to current and expected strong demand, concerns about supply disruptions, and the weakening dollar.

What does this mean for Oregon consumers as the industry begins to gear-up for the summer driving season? The Energy Information Administration's March forecast predicts U.S. gasoline prices will continue to rise and peak in May at an average of \$2.15 per gallon. The West Coast has been about five percent higher than the national average so far this year, which would translate into a peak of \$2.25 per gallon in May with prices remaining above \$2 a gallon throughout the year. The bottom line is that consumers should prepare for higher prices at the pump throughout the driving season.