

## SHIFTING GEARS: DESPITE STRUGGLING ECONOMY, NORTHWEST GASOLINE USE TICKS UP<sup>1</sup>

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### Summary

**We're using more gas.** Drivers in the Northwest states of Idaho, Oregon, and Washington used more gasoline last year, reversing a decade-long trend of declining personal gas consumption. Per capita gas consumption increased slightly in 2009, while total consumption rose by 2 percent.

**Lower fuel prices boosted consumption.** After gasoline prices fell from their peaks in 2008, gasoline sales inched up. Even in the face of the worst economy in decades, in which regional unemployment averaged 9.5 percent, low gas prices mattered more than light wallets. The sharp price decline spurred higher consumption.

**British Columbia binges.** Per capita gasoline consumption in the province rose by nearly 10 percent in 2009—the largest year-over-year increase in at least 30 years—likely because of economic activity preceding the Winter Olympics. Per capita diesel use was also up, though at a more moderate pace. Despite these increases, residents of BC still consumed roughly 25 percent less gasoline and diesel, on average, than residents of the Northwest states.

**Diesel is down.** In the Northwest states, diesel fuel consumption declined sharply in 2009. Most highway diesel consumption is related to commercial activity, especially trucking, which fell sharply when the economy sputtered.

**Smart policies are key to progress.** The right policies—such as pollution fees or carbon taxes—could put the Northwest back on the path to reducing its gasoline consumption. And in light of the Gulf oil disaster, policymakers could levy stiffer clean-up charges on the oil industry, which would help guard against spills and other contamination in Northwest waters.

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<sup>1</sup> Sightline Report June 30, 2010. Full report at: [www.sightline.org/research/energy/res\\_pubs/shifting-gears](http://www.sightline.org/research/energy/res_pubs/shifting-gears).