

PETROLEUM WATCH

CALIFORNIA ENERGY COMMISSION

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REFINERY NEWS

Valero Benicia:

On April 9, a fire occurred at the Benicia Port. The fire started at the base of a silo used to store petroleum coke and burned for roughly 24 hours. ([Bloomberg](#)).

PBF Torrance:

On April 6, the South Coast AQMD stated the refinery has been experiencing unplanned flaring events due to damaged refinery equipment ([Daily Breeze](#)).

CALIFORNIA GASOLINE RETAIL PRICES BY BRAND

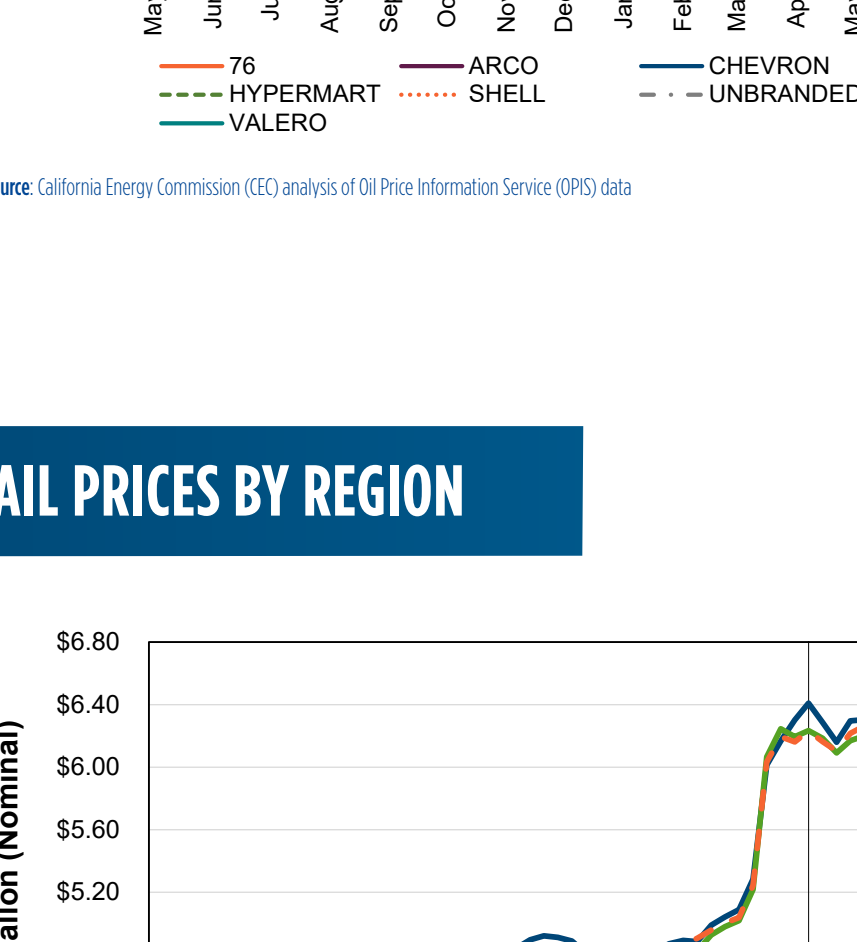
April 2022 vs. 2021

(Percentage Change)

76	44% higher
ARCO	48% higher
Chevron	44% higher
Hypermart	47% higher
Shell	44% higher
Unbranded	46% higher
Valero	45% higher

April 2022 Averages

76	\$5.81
ARCO	\$5.59
Chevron	\$5.94
Hypermart	\$5.34
Shell	\$5.88
Unbranded	\$5.59
Valero	\$5.68



Source: California Energy Commission (CEC) analysis of Oil Price Information Service (OPIS) data

CALIFORNIA DIESEL RETAIL PRICES BY REGION

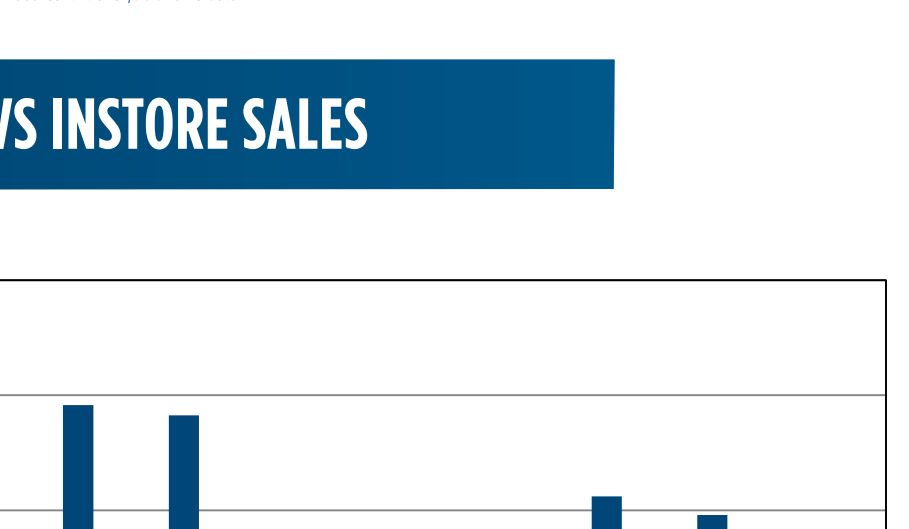
April 2022 vs. 2021

(Percentage Change)

Northern CA	59% higher
Central CA	61% higher
Southern CA	56% higher

April 2022 Averages

Northern CA	\$6.26
Central CA	\$6.16
Southern CA	\$6.19



Source: CEC analysis of OPIS data

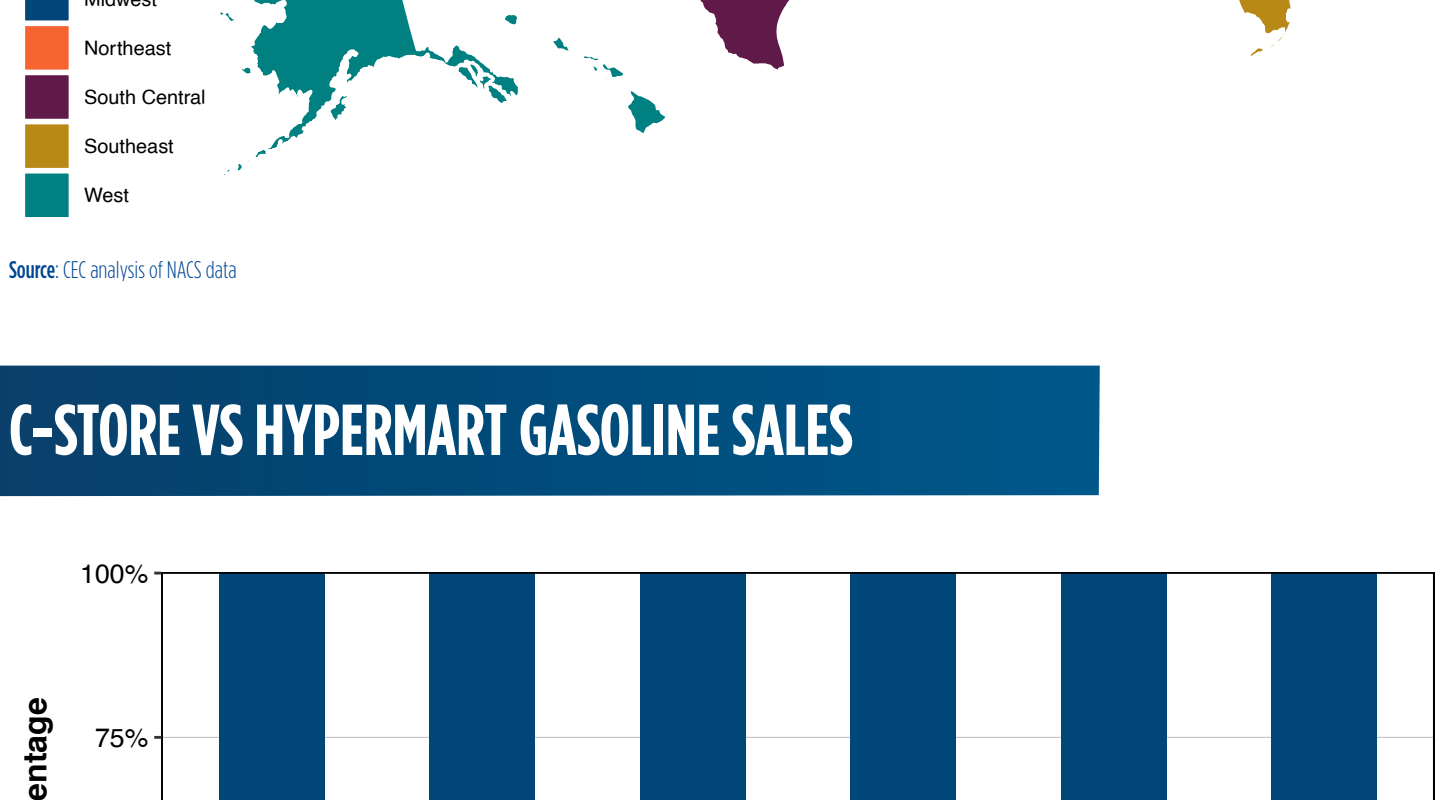
FUEL SALES REVENUE VS INSTORE SALES



Source: CEC analysis of National Association of Convenience Stores (NACS) data

TOP 5 CONVENIENCE RETAILERS BY REGION

WEST		NORTHEAST	
Company	Store Count	Company	Store Count
7-Eleven	2,858	7-Eleven	3,603
Alimentation Couche-Tard	461	EG America	839
United Pacific	308	Wawa	719
Jacksons Food Stores	308	Sheetz	475
ExtraMile	302	Stewart's Shops	355
MIDWEST		SOUTHEAST	
Company	Store Count	Company	Store Count
7-Eleven	2,073	Alimentation Couche-Tard	1,911
Alimentation Couche-Tard	921	7-Eleven	1,735
Casey's General Store	734	RaceTrac	378
Kwik Trip	462	GPM Investments	340
GPM Investments	427	QuikTrip	244
CENTRAL		SOUTH CENTRAL	
Company	Store Count	Company	Store Count
Casey's General Store	1,481	7-Eleven	1,785
7-Eleven	709	Alimentation Couche-Tard	1,625
Alimentation Couche-Tard	578	QuikTrip	429
EG America	376	Yesway	336
Kum & Go	317	Delek US	252



Source: CEC analysis of NACS data

C-STORE VS HYPERMART GASOLINE SALES



Source: CEC analysis of NACS and Petroleum Industry Information Reporting Act (PIIRA) data

NACS STORE FACILITY VS A15 C-STORE WITH FUEL



Source: CEC analysis of NACS and PIIRA data

NEW STATIONS WITH C-STORES



Source: CEC analysis of PIIRA data

FEATURED TOPIC

WHAT IS A CONVENIENCE STORE?

In 1927, the small Southland Ice Company in the Oak Cliff area of Dallas, Texas, started selling milk, bread, and eggs from its ice docks, [as described by Bloomberg](#). The company extended its operating hours to 7 a.m. - 11 p.m. and today is known as 7-Eleven. Convenience stores (c-stores) have changed in size and product offerings since 1927. [The National Association of Convenience Stores \(NACS\)](#) defines a [c-store](#) as being up to 5,000 square feet, with on-site vehicle parking or pedestrian access, or both. There are many types of c-stores, ranging from kiosks at less than 800 square feet to hyper c-stores at 4,000 to 5,000 square feet. C-stores must carry at least 500 different products, such as beverages, snacks, candy, and tobacco. Most of these locations sell gasoline and may include a bakery, restaurant, or pharmacy.

IN-STORE SALES AND FUEL SALES

On June 10, 1964, a c-store in Westminster, Colorado became [the first c-store to sell gasoline in the United States](#).

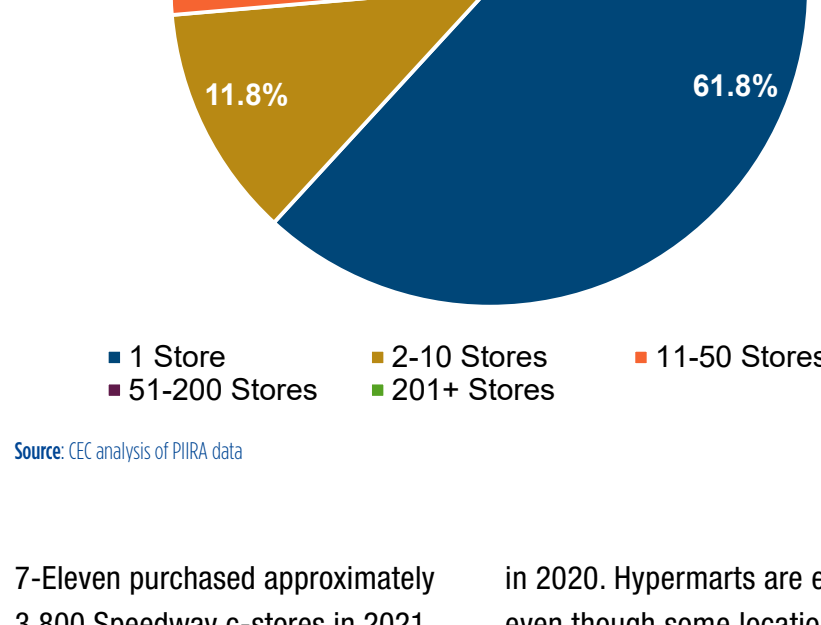
Today, self-serve gasoline is a major part of c-store sales across the United States, generating more revenue than the total in-store product sales. An estimated 80 percent of U.S. fuel sales were at stations with a c-store. In 2012, [fuel sales revenue increased to an all-time high of \\$501 billion compared to the \\$199.3 billion](#) of in-store sales revenue, a difference of 151 percent. In 2020, c-stores across the United States (U.S.) generated \$255.6 billion in revenue from in-store products. In-store product sales increased an average of \$6.5 billion each year, from \$190.4 billion in 2010 to \$255.5 billion in 2020.

TOP CONVENIENCE STORES

For 2021, [NACS reported 148,026 c-stores](#) in the U.S., representing one c-store for every 2,245 people. The chain with the most c-stores is 7-Eleven Inc. [7-Eleven has 77,711 c-stores](#) in 18 different countries, with 12,763 of these stores in the United States. 7-Eleven is ranked first or second by store count in [all six regions as reported by NACS](#). The rankings of the six U.S. regions (West, Midwest, Central, South Central, Northeast, Southeast) are listed in the [Top 5 Convenience Retailers by Region](#) table. Alimentation Couche-Tard Inc. is ranked second of the top c-store chains, operating 5,739 total stores in the United States.

Circle K and Couche-Tard are two brands that Alimentation Couche-Tard Inc. owns. Circle K stores are mostly located in the South Central, Southeast, and Midwest region with 1,785, 1,911, and 921 stores, respectively. In the West region, which includes California, there are 2,858 7-Eleven stores, which is the most in the region. Retailers ranked second through fifth have a combined total of 1,379 total c-stores. Meaning there are more than two 7-Eleven stores per every one Circle K, United Pacific, Jacksons Food Stores, or Extra Mile. A reason for this large gap between 7-Eleven and the other retailers is that

OWNERSHIP OF CALIFORNIA CONVENIENCE STORES SELLING FUEL



Source: CEC analysis of PIIRA data

7-Eleven purchased approximately 3,800 Speedway c-stores in 2021, and was the only top ten ranked state that added c-stores from 2019 to 2020, with a record high of 12,074 c-stores. CEC-A15 also reported total gasoline stations with c-stores increased to a [record high of 7,076](#). As NACS reported a decline of 29.2 percent in kiosks in the last five years, new c-stores are larger sized stores favoring in-store sales. Both NACS and CEC reported that since 2015, counts of c-stores and c-stores with fueling have steadily increased through the years to a record high in 2020.

CEC-A15 GASOLINE SALES BY C-STORE/HYPERMART/OTHERS

According to NACS, 78.8 percent of the 148,026 c-stores sold fuel in 2021. The CEC Annual Retail Fuel Outlet Report (CEC-A15) collects information from fueling stations such as c-stores, which includes amenities offered. The c-stores recorded in the CEC-A15 may not match NACS definition of a c-store as described above. During the 2020 reporting year, an estimated 73.9 percent of gasoline sold was at stations with c-stores as shown in the [CA Convenience Store Selling Gasoline](#). On the same figure, the other two categories that sell gasoline are hypermarkets and other. A hypermart is grocery store or big box store such as Costco and Foods Co. that offer fuel service. Hypermart gasoline sales have increased to 16.4 percent of total gasoline sales in 2020, up from 15.3 percent in 2015. The other category consists of locations with fuel pumps like cardlock facilities, marinas, and automotive service shops. For the last six years, these types of stations reported 11.4 percent or less per year of total gasoline sales.

NEW STATIONS WITH C-STORES

New retail fuel stations opening with a c-store as one of their business amenities have increased in the last five years. From 2015 to 2020, each year 56.4 percent or more of new fuel retailers added c-stores. On the [New Station With Convenience Store](#) graph, the highest reporting number of these type of stations was 93 percent

in 2020. Hypermarkets are excluded even though some locations have a kiosk or mini-sized c-stores next to pumps. This is one reason why the percentage of c-stores stations was lower during 2015-2018 due to hypermarkets adding 19 stores with fuel ([October 2021 Petroleum Watch](#)).

OWNERSHIP OF STORES WITH FUELING IN CALIFORNIA

Most of the one-store ownerships in California are operated by independent owners or lessees of one store of a larger company, such as 7-Eleven or Circle K. Most independent owners are mom-and-pop, family-owned stations with a c-store. The [2020 Ownership of CA C-stores Selling Fuel](#) chart, single-store owners account for 61.8 percent of total stores compared to a national rate of 57.1 percent. The second largest part of the pie are owners of 201 stores or more at 13.6 percent. These owners are typically large chains store like 7-Eleven, Circle K, and large oil companies operating a high number of stores. Meanwhile, independent and small business owners of 2-10 stores make up 11.8 percent. Some larger companies and most hypermarkets falls under the ownership of 11-50 and 51-200 store, totaling 12.8 percent.

CONCLUSION

As new fuel stations favor larger c-stores to provide customers more products and to increase sales, kiosks have decreased over the last six years, which predominantly affected owners of 10 or fewer stores. Those owners saw a decline of 2,874 stores between 2019 and 2020. COVID-19 restrictions on travel had a major impact, driving fuel sales revenue down in the last 3 years, however, [in-store sales revenue continued to increase to a record high of \\$277.9 billion in 2021](#), as NACS reported. Just as increasing in-store revenue is changing the platform of c-stores, electric vehicles (EV) will likely change the nature of c-stores that operate with petroleum fuel services. [EV sales are growing, and NACS reports 100 new EV models are in the works](#) as automakers are investing over \$1 billion in resources. The placement of EV charging stations will influence the decisions c-store owners make. The longer duration to charge an EV versus fill up with gasoline may bring more customers into c-stores. The shift from gasoline to EVs will change the dynamic between vehicle owners and c-stores in the future.

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The CEC welcomes feedback on Petroleum Watch. Please contact Media and Public Communications Office at mediaoffice@energy.ca.gov.

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