



California Energy Commission

STAFF REPORT

Quarterly Petroleum Supply and Pricing Report

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ABSTRACT

California Public Resources Code Section 25358 requires the California Energy Commission (CEC) to prepare a report every quarter that summarizes and analyzes petroleum industry supply, production, transportation, delivery and distribution, demand, and prices. This report looks at information collected by the CEC through the Petroleum Industry Information Reporting Act of 1980 and the associated regulations for analyzing trends in liquid fuel production, storage, and distribution. Since the passage of SBX 1-2, CEC staff have developed new metrics using these data to help better inform the California public on the operations of the liquid transportation fuels supply chain. In addition, staff analyzed other data sources to provide a more comprehensive discussion of California's liquid transportation fuel issues.

Topics included in this report:

- California, United States, and world crude oil prices
- Inventories of crude oil at California refineries
- Quantity of crude oil processed at California refineries
- Production of liquid transportation fuels
- Inventories of liquid transportation fuels
- Prices of liquid transportation fuels
- Import and export volumes of liquid transportation fuels for California

Keywords: California Energy Commission, transportation, gasoline, petroleum, diesel, liquid fuels

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EXECUTIVE SUMMARY

This report describes the trends and relevant issues faced by California's liquid transportation fuels market. Using information from the Petroleum Industry Information Reporting Act of 1980 and associated data collection regulations, as well as from public and proprietary sources, California Energy Commission (CEC) staff details the flows of liquid fuels and volumes of the product that is being moved and produced in California. The following are key observations of market activity in the fourth quarter (October–December) of 2025:

Crude Oil

- Crude oil prices for the various benchmarks, Brent North Sea, West Texas Intermediate, and California estimated refinery acquisition cost, were level through November before falling in December.
- Brent crude oil ended lower in the fourth quarter (October–December) than it started, \$66.67 per barrel and ended at \$61.35, below the quarterly peak of \$67.42 per barrel.
- Crude oil inputs started the first week of the fourth quarter at 9.1 million barrels and ended the last week of the fourth quarter at 8.5 million barrels.
- Crude oil inventories started the first week of the fourth quarter at 12.8 million barrels and ended the last week of the fourth quarter at 12.3 million barrels.
- While in-state production continues to decline, the percentage of crude oil from California oil fields processed by California refineries through the fourth quarter of 2025 has stayed the same as 2024, 23 percent.

Gasoline

- Gasoline prices decreased in the fourth quarter. California retail prices saw a brief increase, peaking in November, but continued to fall since the Veteran's Day holiday.
- California averaged \$4.34 per gallon in the fourth quarter of 2025, unchanged from the third quarter of 2025 and \$0.01 higher than the \$4.24 average in the fourth quarter 2024.
- The combination of stable crude oil prices and falling gasoline prices decreased refiner margins, averaging \$0.82 in October and falling to \$0.44 by December.
- Production started the first week of the fourth quarter at 5.2 million barrels and ended the last week of the fourth quarter at 5.4 million barrels.
- Inventories started the first week of the fourth quarter at 10.3 million barrels and ended the last week of the fourth quarter at 10.6 million barrels.

Diesel

- Diesel prices in California saw close alignment with national price trends. Retail prices were level before falling in December. Northern California continued to show a significant premium over the rest of the state.
- Diesel production and inventories varied throughout the fourth quarter but ended at 687,000 barrels and 1.6 million barrels, respectively.
- The late fourth quarter changes in diesel inventories, a brief surge then decline, were a market response to refinery outages occurring across California in the fourth quarter of 2025.

CHAPTER 1:

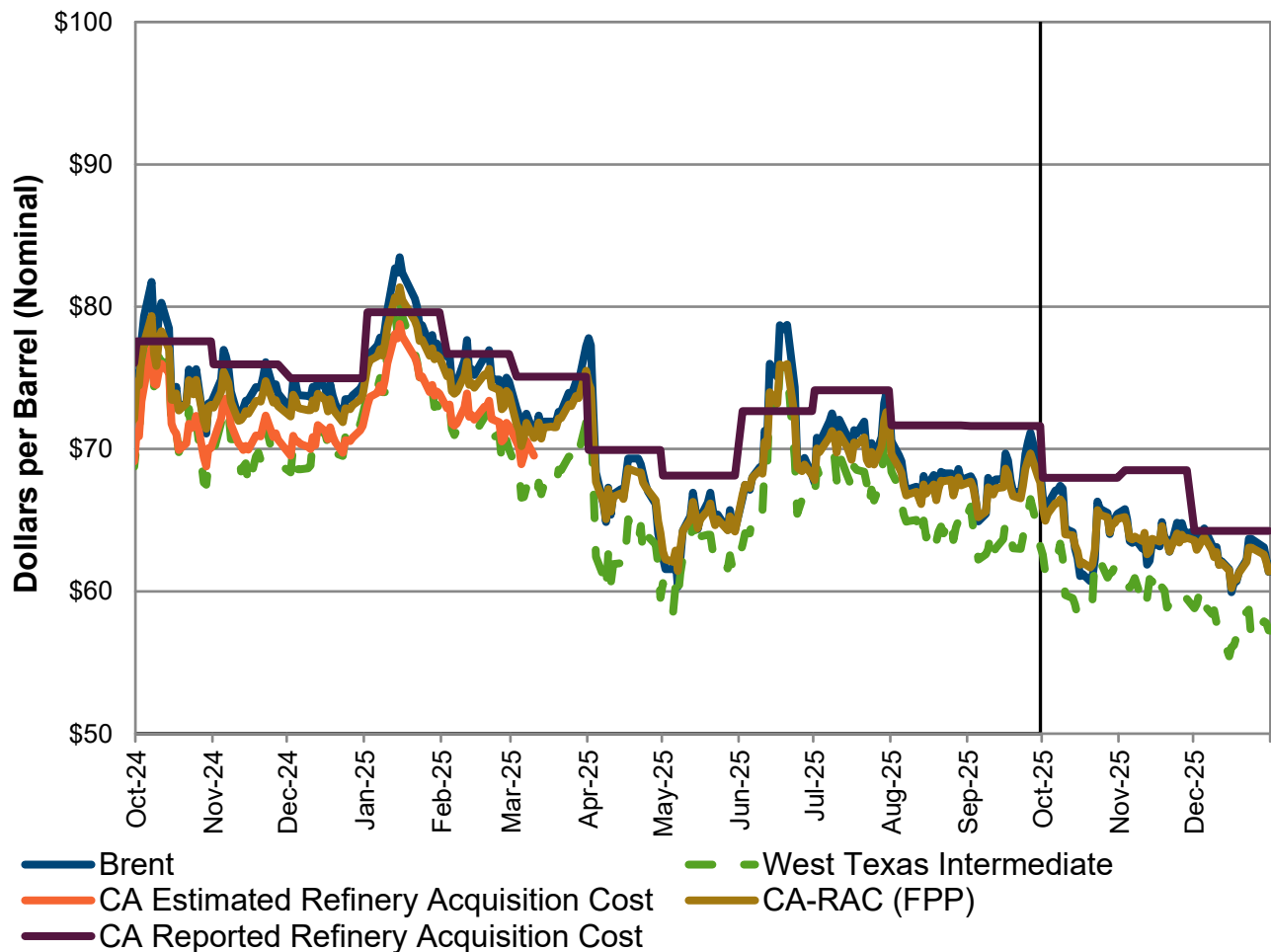
Crude Oil

This chapter discusses crude oil market data changes for the quarter including:

- international and national prices,
- monthly production at California refineries,
- volume of crude oil stored at refineries, volume of crude oil used at refineries (referred to as "inputs"),
- and the movement of crude oil using data collected under Public Resources Code Section 25354, subdivisions (a) and (f), and Public Resources Code Section 25357.

Prices

Figure 1: Daily Spot Crude Oil Prices



Note: Black vertical line on graphs indicates data from the end of the previous quarter. Areas to the right indicate new data since last quarter. SJV Crude Oil Price is no longer available as of March 2025. EIA California Crude Oil First Purchase Price will be used going forward.

Source: U.S. Energy Information Administration (EIA), Oil Price Information Service (OPIS)

Figure 1 shows the daily West Coast spot crude oil prices for Brent North Sea (Brent), West Texas Intermediate (WTI), and the California estimated refinery acquisition cost (CA-RAC). Brent crude oil, an international benchmark, is the best surrogate price for foreign sources of crude oil processed at California refineries. WTI is included as it is the domestic benchmark. The CA-RAC is a weighted average of the prices of California (San Joaquin Valley) crude, Alaskan crude, and foreign crude. Since Oil Pricing Information Systems (OPIS) no longer publishes SJV crude oil prices, this quarterly report uses the U.S. Energy Information Administration's California Crude Oil First Purchase Price (CA-FPP) in place of SJV crude oil.¹ This estimated refinery acquisition cost is referred to as CA-RAC (FPP).

Crude oil prices for the Brent North Sea and West Texas Intermediate decreased in October and declined below \$62 per barrel in December. Brent prices had brief activity above \$65 per barrel in early October before falling below the \$65 mark again before the end of that month. The lowest prices of the fourth quarter occurred on December 15 when Brent prices fell below \$60. Brent and WTI ended the quarter at 15 percent and 17 percent, respectively, lower than the fourth quarter of 2024.

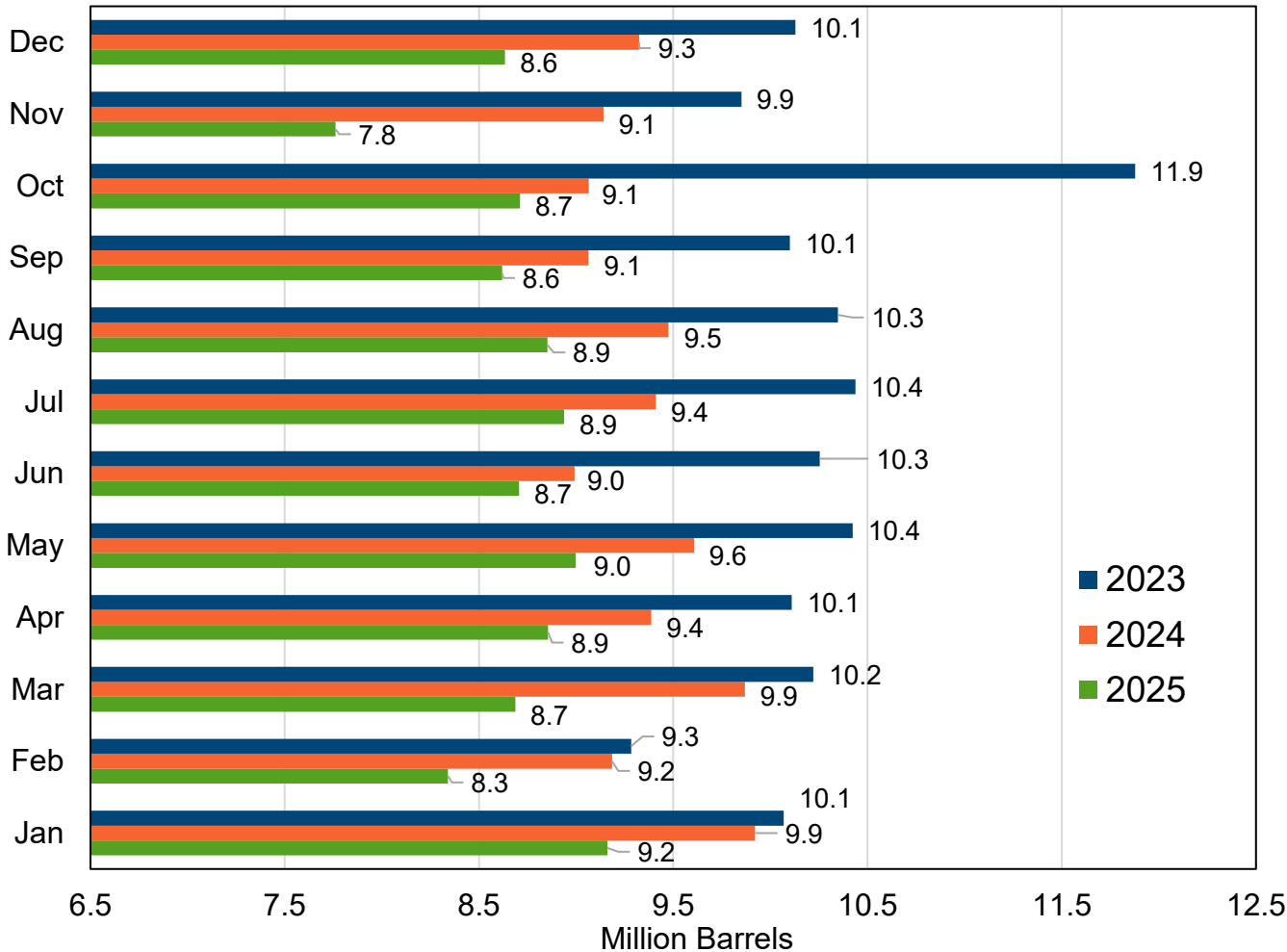
For the fourth quarter of 2025:

- Brent prices started in the fourth quarter at \$66.67 per barrel and ended the quarter at \$61.35.
- October was the strongest performing month for Brent, with an average of \$64.54.
- Brent prices declined in all consecutive months; prices averaged \$63.80 in November and averaged \$62.54 in December. The quarter minimum occurred at \$59.93 on December 15.
- Brent prices averaged \$63.65 for the fourth quarter, a \$5.37 decrease from the previous quarter. The Brent crude oil price peaked at \$67.42 on October 8.
- WTI crude oil averaged \$59.62 in the fourth quarter, \$6.16 lower than the previous quarter.
- The WTI price started the fourth quarter at \$62.59 and ended at \$57.26 with a peak price of \$63.37 on October 8.
- The CA-RAC started the fourth quarter at \$65.87 and ended at \$61.39, with a peak price of \$66.47 on October 8.
- The CA-RAC (FPP) averaged \$63.49 through the fourth quarter, \$4.91 lower than the average of the previous quarter.
- The average difference between WTI and Brent crude was \$4.03 for the fourth quarter and ranged between -\$0.16 and \$7.10.
- The average difference between CA-RAC (FPP) and Brent crude was \$0.16 for the quarter and ranged between -\$0.97 and \$1.02.

¹ U.S. Energy Information Administration. ["Petroleum & Other Liquids,"](https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=f005006__3&f=m)
https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=f005006__3&f=m.

Monthly Production

Figure 2: Monthly Crude Oil Production Report



Source: [California Geologic Energy Management Division \(CalGEM\) WellSTAR data dashboard](https://www.conservation.ca.gov/calgem/Online_Data/Pages/WellSTAR-Data-Dashboard.aspx)
[\(https://www.conservation.ca.gov/calgem/Online_Data/Pages/WellSTAR-Data-Dashboard.aspx\)](https://www.conservation.ca.gov/calgem/Online_Data/Pages/WellSTAR-Data-Dashboard.aspx)

Figure 2 below shows the monthly crude oil production as reported by the State Oil and Gas Supervisor. Monthly production during the fourth quarter of 2025 was 8.7 million, 7.8 million, and 8.6 million barrels, for October, November, and December, respectively. Total production in the fourth quarter of 2025 was 25.1 million barrels, 2.4 million barrels lower compared to the fourth quarter of 2024 (27.5 million barrels). The year-over-year decreases observed in Figure 2 illustrate California’s continued crude oil production decline. California crude oil production has been in steady decline since 1985.² This decline is due to the geological properties of the crude, the age of the wells, and the associated production costs.³ While in-

² U.S. Energy Information Administration. [“Petroleum and Other Fluids,”](https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MCRFPCA1&f=A)
<https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MCRFPCA1&f=A>.

³ Geological properties of crude oil include but are not limited to density, sulfur content, viscosity, hydrocarbon makeup, dissolved gases, salinity, wax content, and trace metals.

state production has declined, the percentage of crude oil from California oil fields processed by California refineries during the fourth quarter 2025 has stayed similar to 2024, 23 percent.⁴

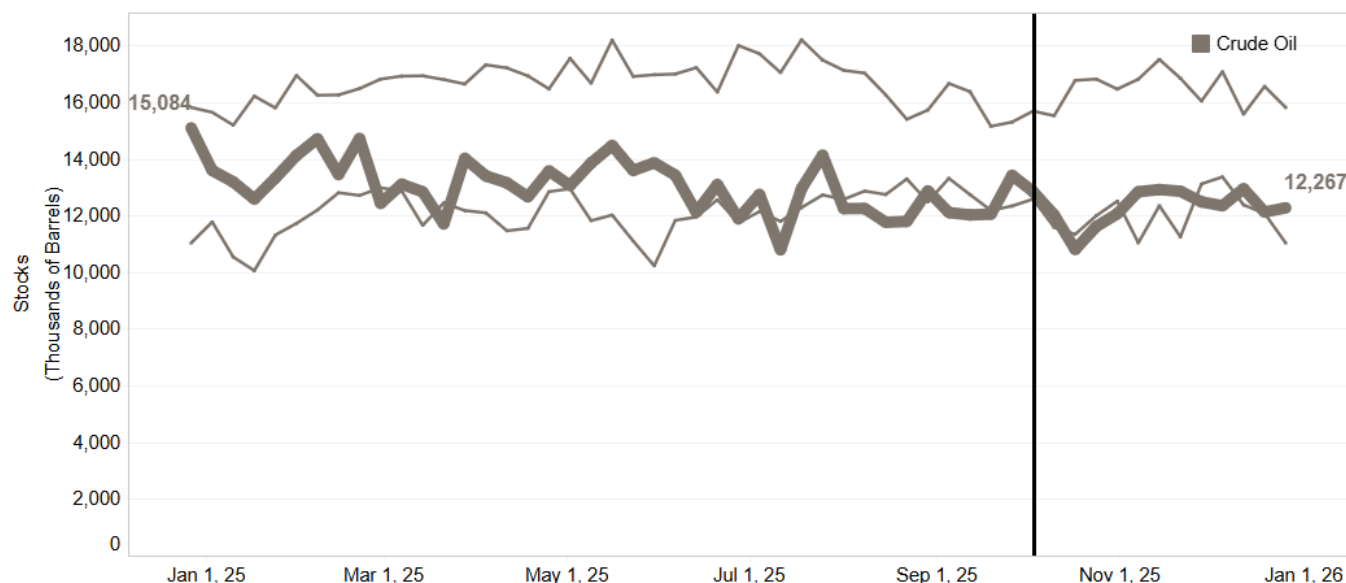
Inventory

Figure 3 shows the volume of crude oil inventories at California refineries. In the fourth quarter of 2025 (October–December), crude oil inventories started the period just above the 10-year low and declined steadily before peaking and ending the fourth quarter above the 10-year low. Inventories measured a quarterly high of 12.9 million barrels on December 12, 2.1 million barrels higher than the quarterly low of 10.8 million barrels on October 17. Crude oil inventories are likely to remain below the 10-year high due to reduced storage capacity following recent refinery conversions, including the P66 Rodeo conversion to renewables.

For the fourth quarter of 2025:

- Crude stocks started the quarter at 12.8 million barrels, 2.1 percent higher than the previous year's fourth quarter start (12.6 million barrels).
- Crude stocks ended the quarter at 12.3 million barrels, 20.6 percent lower than the previous year's fourth quarter close (15.1 million barrels).

Figure 3: California Refinery Crude Oil Inventories (With 10-Year High-Low Band)



Note: Inventory, input, and production charts include 10-year high-low bands. These bands provide a rolling average of the highs and lows and allow comparison of the current inventory, input, or production to the highs and lows of the historical trends.

Source: CEC Petroleum Industry Information Report Act (PIIRA) data — [Weekly Fuels Watch](https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks), available at <https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks>

⁴ California Energy Commission. "Annual Crude Oil Supply Sources to California," <https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/annual-oil-supply-sources-california>.

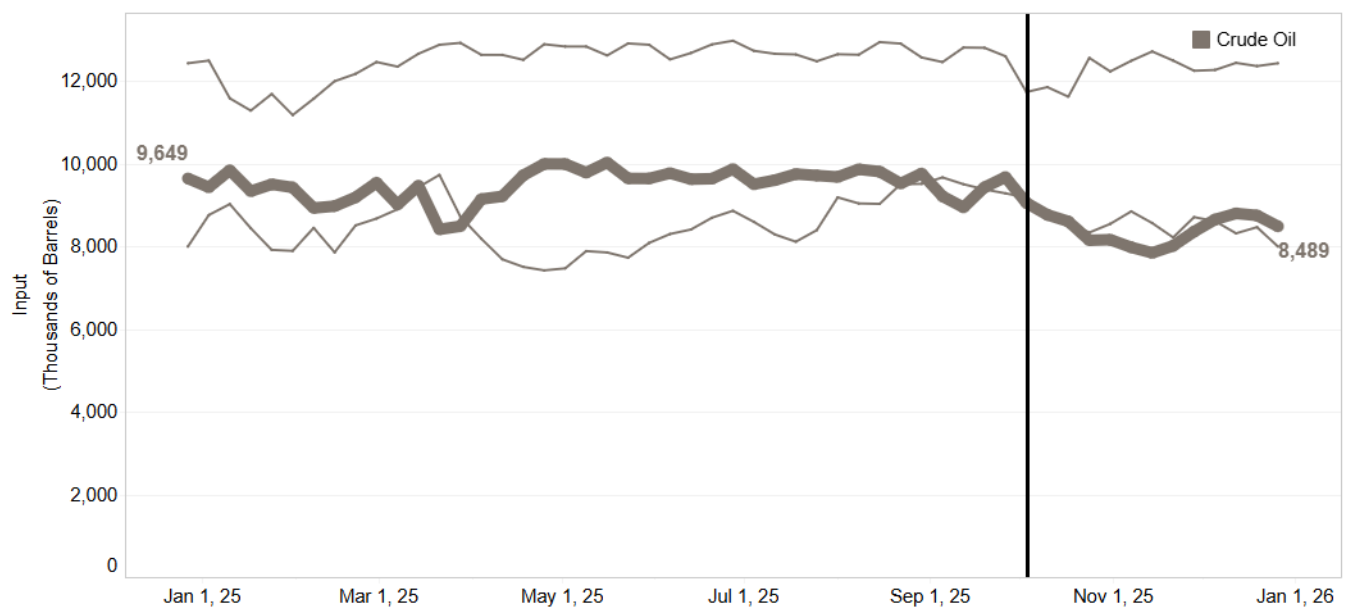
Inputs

Figure 4 shows the volume of crude oil used at refineries, referred to as “inputs.” Crude oil inputs started the fourth quarter at a 10-year low and steadily declined before recovering, ending the fourth quarter just above the 10-year low. The quarterly low of 7.8 million barrels occurred the week ending November 14, while the quarterly high of 9.1 million barrels occurred the week ending October 3.

For the fourth quarter of 2025:

- Inputs started the first week of the quarter at 9.1 million barrels, 6.9 percent lower than the previous year’s fourth quarter start (9.7 million barrels).
- Inputs ended the last week of the quarter at 8.5 million barrels, 12.8 percent lower compared to the previous year’s fourth quarter close (9.6 million barrels).
- Average weekly inputs for the quarter were 8.4 million barrels, 15.0 percent lower compared to last year’s fourth quarter average of 9.8 million barrels per week.

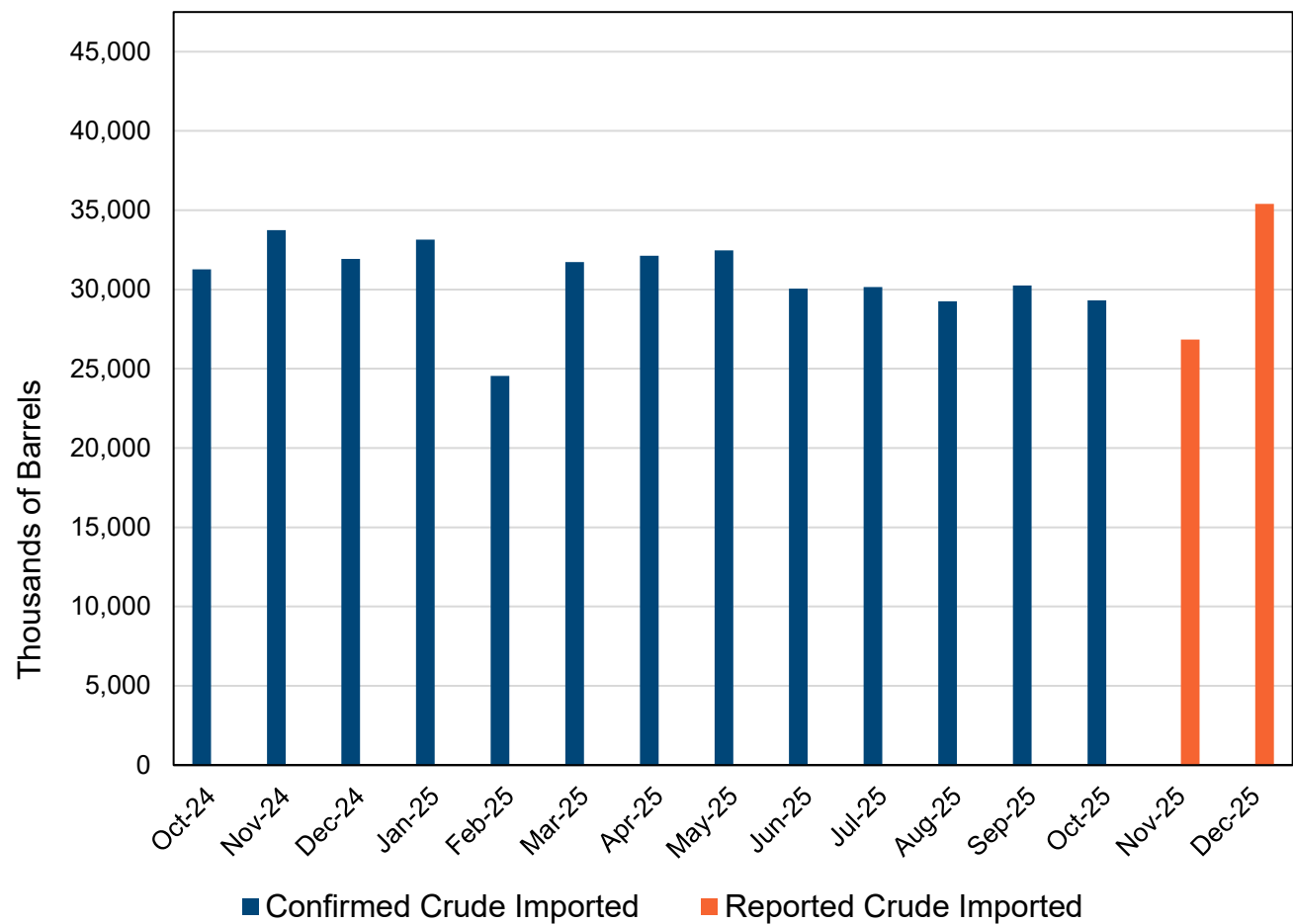
Figure 4: California Refinery Crude Oil Inputs per Week (With 10-Year High-Low Band)



Source: CEC PIIRA data – [Weekly Fuels Watch](https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production), available at <https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production>.

Imports

Figure 5: Crude Oil Imports



Note: “Reported Crude Oil Imported” data are reported directly to the CEC through Form M700. “Confirmed Crude Oil Imported” is Form M700 data that are confirmed with Port Import/Export Reporting Service (PIERS), California State Lands Commission (SLC), and U.S. Energy Information Administration (EIA) data through December 31, 2025.

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

Figure 5 shows crude oil imports to California refineries. Imports include domestic and foreign sources received by marine and rail. Imports are shown as reported and confirmed. Reported imports are aggregated, or combined, reported raw data from a single form. Confirmed imports are data that have been cross-checked with additional sources of data and represent a more accurate estimate of imports. Delayed reporting prevents confirmation of any December data.

For the fourth quarter of 2025:

- Reported crude oil imports increased from October through December. Imports in October 2025 were 29.3 million barrels, followed by 26.8 million barrels in November 2025 and then 35.45 million barrels in December 2025.
- Crude oil imports increased 2.1 percent, or 1.9 million barrels compared to the third quarter of 2025. Third-quarter imports totaled 89.7 million barrels of crude oil imported, while the fourth quarter totaled 91.5 million barrels of crude oil imported.
- Reported imports decreased 5.4 million barrels compared to the fourth quarter of 2024, a 5.6 percent decrease.

Figure 6 shows the routes used to import crude oil into California by rail car. Crude-by-rail imports are driven by refinery orders, and the refineries that have recently ordered crude oil by rail are in Southern California. Crude oil is transferred from rail car to pipeline in Bakersfield to complete the journey to Southern California refineries. These rail lines are not exclusive to crude oil transport but are used to transport all commodities and ferry passengers.

Figure 6: Crude Rail Lines of Southern California



Source: California Department of Transportation, BNSF, CEC

A single rail tank car carries about 700 barrels. Nonfloating crude oil is denser than water, which requires it to have an American Petroleum Institute gravity of 10 or less.⁵ California does not import any nonfloating crude. Since the beginning of 2023, crude oil by rail originates in North Dakota and exclusively travels through Arizona as crude traveling through Nevada dropped to zero. Limited shipments by rail prevent publication of these data to maintain reporter confidentiality.

⁵ American Petroleum Institute gravity or **API gravity**, is a measure of how heavy or light a [petroleum](#) liquid is compared to water: if its API gravity is greater than 10, it is lighter and floats on water; if less than 10, it is heavier and sinks.

CHAPTER 2: Gasoline

This chapter discusses the volume of California reformulated gasoline (CaRFG) produced at California refineries, inventories of CaRFG and blendstocks, gasoline prices, and movement of gasoline using data collected under Public Resources Code Section 25354, subdivisions (a), (h), and (i). Since 2011, CaRFG contains 10 percent ethanol. As such ethanol is included in the production and inventory totals shown in this chapter.

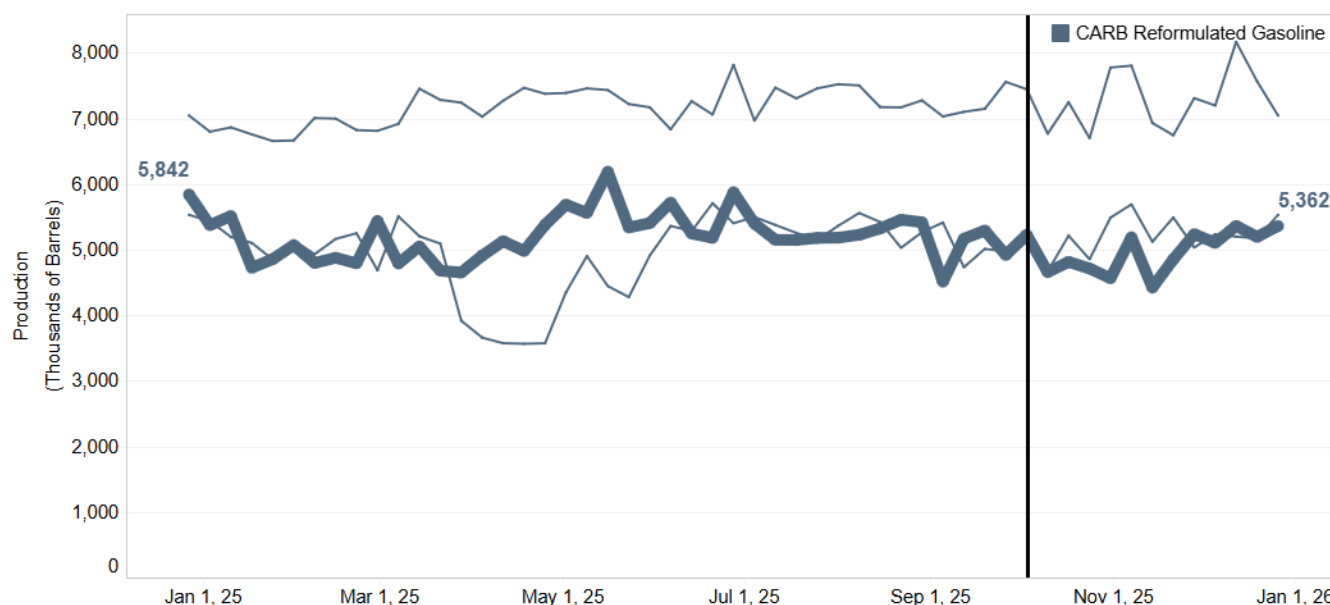
Production

Figure 7 shows CaRFG production for the previous year with the 10-year high-low band.

For the fourth quarter of 2025:

- CaRFG weekly production peaked for the quarter at 5.4 million barrels the week ending December 12.
- The quarterly low of 4.4 million barrels occurred during the week ending November 14.
- CaRFG production began the quarter at 5.2 million barrels, 0.8 percent more than the previous year's fourth quarter start of 5.2 million barrels.
- CaRFG production ended the quarter at 5.4 million barrels, 8.6 percent less than the previous year's fourth quarter close of 5.8 million barrels.

Figure 7: CaRFG Production per Week (With 10-Year High-Low Band)



Source: CEC PIIRA data — [Weekly Fuels Watch](https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production), available at <https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production>

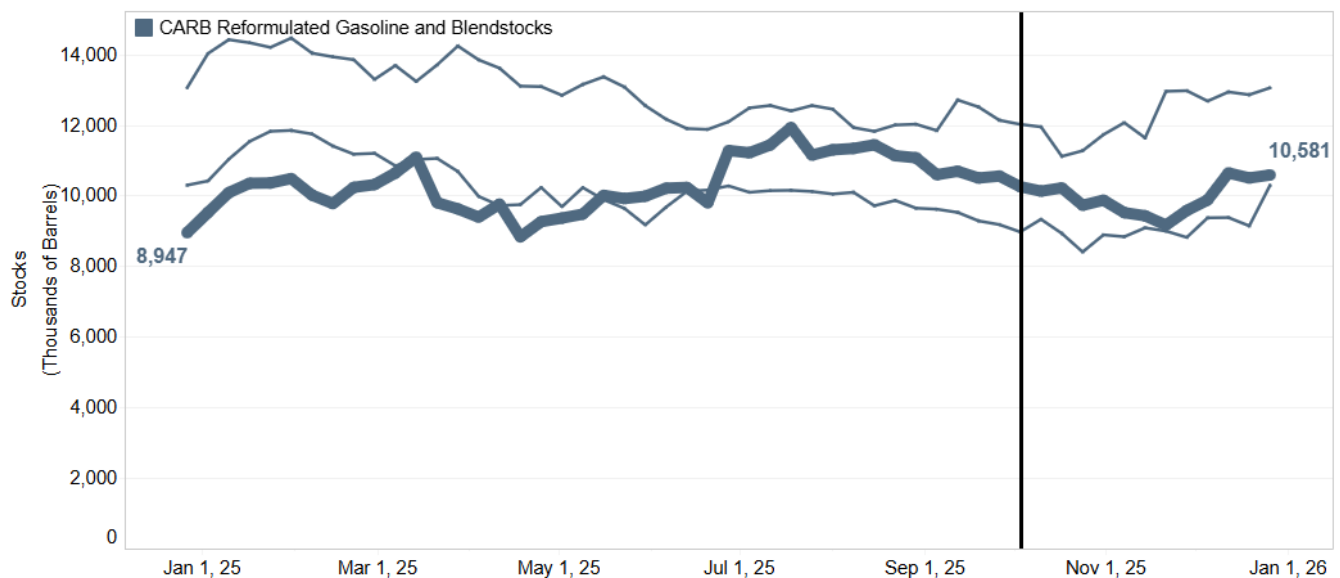
Inventory

Figure 8 shows the CaRFG and blendstock inventories for the previous year with the 10-year high-low band. At the start of the fourth quarter, CaRFG and blendstock inventories were above the 10-year low. Inventories rose to a quarterly high of 10.6 million barrels for the week ending December 12, 1.4 million barrels higher than the quarterly low (9.2 million barrels) for the week ending November 21.

For the fourth quarter of 2025:

- CaRFG and blendstock inventories experienced mild fluctuations during the quarter.
- CaRFG and blendstock inventories ended the quarter higher (10.6 million barrels) than they began (10.3 million barrels).
- CaRFG and blendstock inventories ended the fourth quarter 1.6 million barrels higher than the previous year's fourth-quarter close (8.9 million barrels).

Figure 8: CaRFG and Blendstock Inventories (With 10-Year High-Low Band)



Source: CEC PIIRA data — [Weekly Fuels Watch](https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks), available at <https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks>

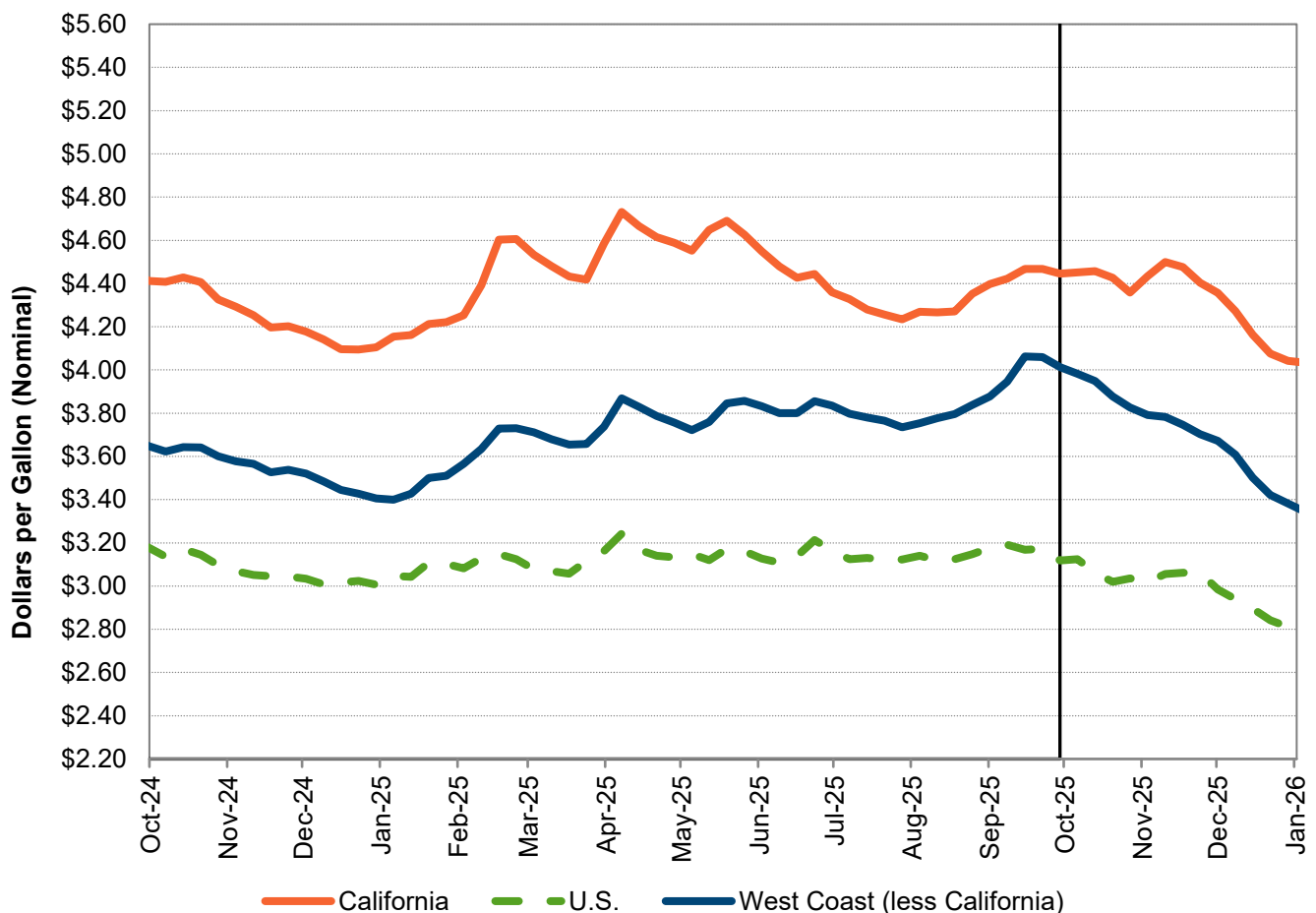
Prices

Figure 9 shows regular grade gasoline retail prices throughout the fourth quarter. Since CaRFG differs from gasoline sold nationally, all gasoline prices refer to regular grade regardless of specification. Gasoline prices across the United States remained low in the fourth quarter of 2025, averaging \$2.99 per gallon and have stayed below \$3.12 since October 6, 2024. California and West Coast (less California) prices decreased at the end of the fourth quarter.

For the fourth quarter of 2025:

- California retail prices averaged \$4.34 throughout the fourth quarter. Prices decreased \$0.41 during the quarter from \$4.45 on October 6 to \$4.04 on December 29.
- California and West Coast (less California) retail prices decreased \$0.41 for California and \$0.60 for West Coast between October 6 and December 29.
- U.S. gasoline prices decreased to below \$3.00 a gallon, averaging \$2.89 during December.

**Figure 9: Regular Grade Gasoline Retail Prices:
California vs. West Coast vs. United States**



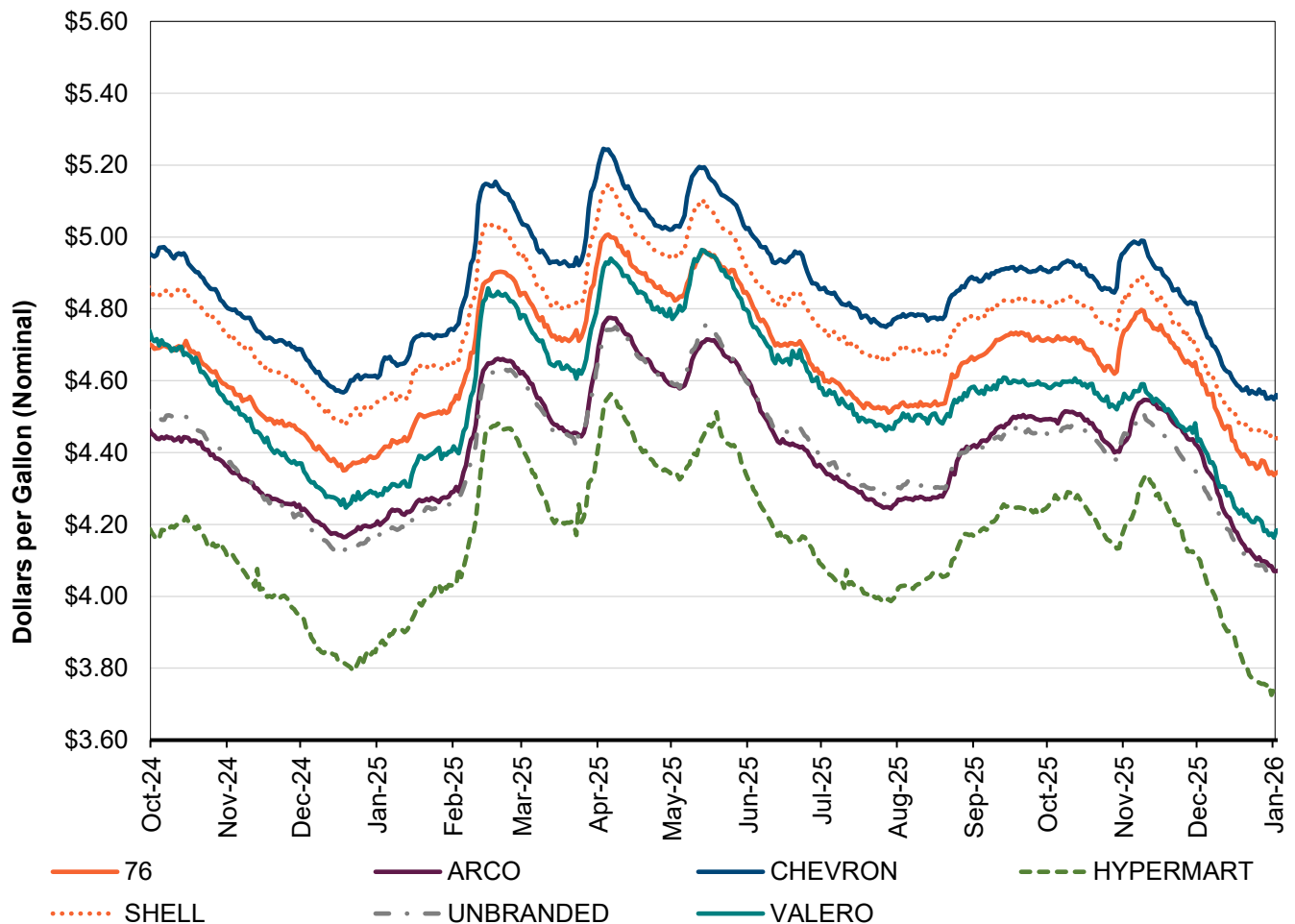
Source: U.S. EIA

Figure 10 shows California regular grade gasoline retail prices averaged by brand. Chevron continues to be the highest-priced brand and Shell the second-highest. Hypermarts continue to offer the lowest prices, followed by ARCO and unbranded stations. A *hypermart station* (Costco, Safeway, and so forth) is defined as a station that is company-owned or company-operated by a supermarket or wholesale chain store that sells its own fuel at the same location.

For the fourth quarter of 2025:

- The highest average price during the fourth quarter at Chevron was \$4.99 on November 8, 2025.
- Hypermart prices rose to a high of \$4.34 around the middle of the quarter on November 10, 2025, before declining for the rest of year.
- Chevron, Shell, and 76 retail prices averaged \$0.43 more at \$4.71 than prices at Arco, Hypermart, and Unbranded, which averaged \$4.28. The lowest average price during the fourth quarter at Hypermart was \$3.72 on December 31, 2025.

Figure 10: California Gasoline Retail Prices Averaged by Brand



Source: CEC analysis of OPIS data

Marketer Activity

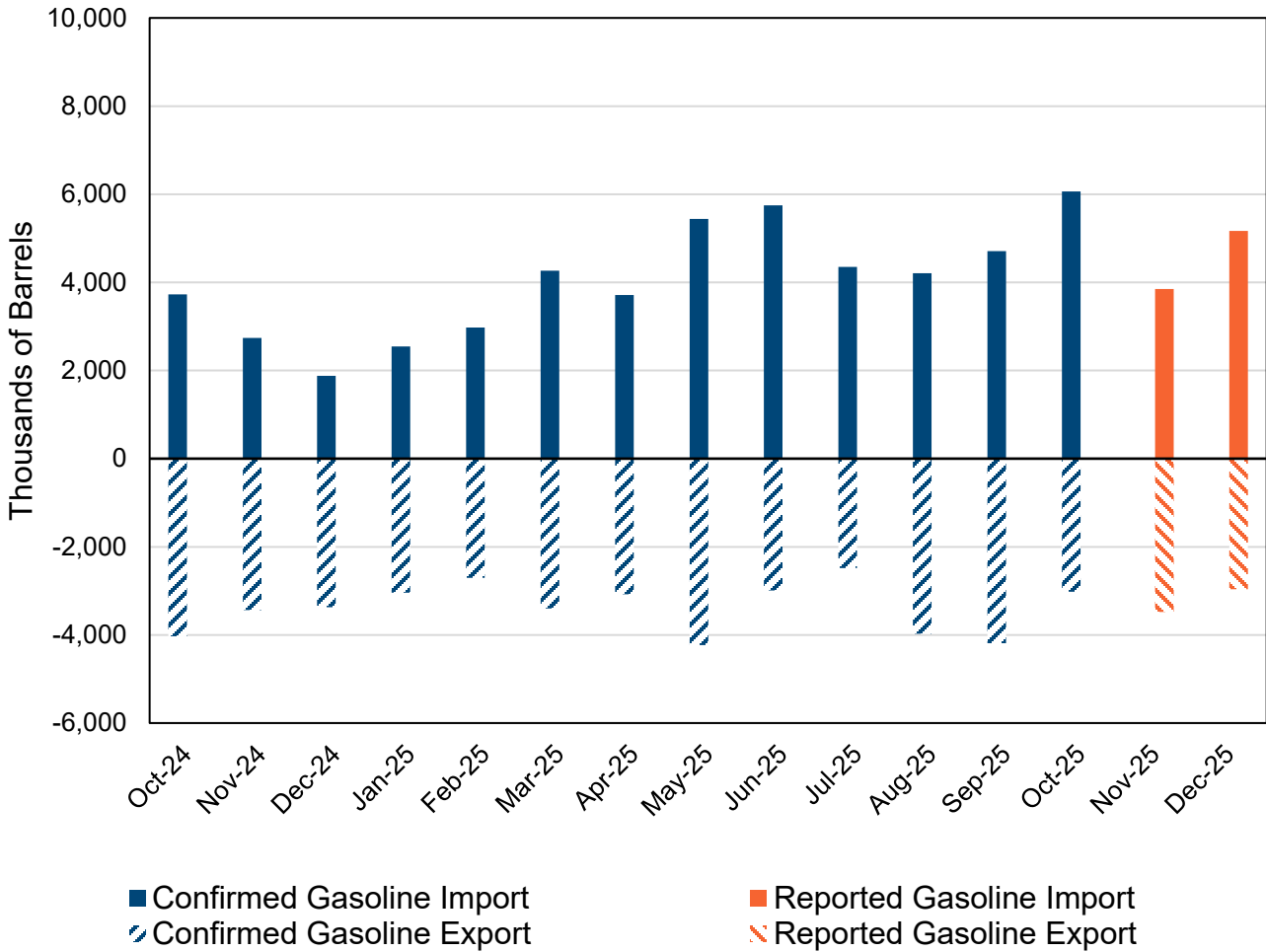
This data set is collected only from major marketers (defined as having sales of 50,000 barrels [2.1 million gallons] or more per month of petroleum products) and refiners in California. Marketers are responsible for reporting product volume and prices by various subcategories of sale ranging from wholesale to retail in California. The wholesale category represents product volumes intended for resale or bulk use. The “retail and end-use” category represents product volumes intended for end users and consumption, but the reported prices discussed here do not reflect prices for fuel sold at retail pumps as they do not include taxes and fees. Thirty-five companies filed 111 reports for the fourth quarter of 2025.

For all grades of gasoline products:

- October 2025 reported volumes of wholesale gasoline totaled 1,060,801 barrels for a weighted average price of \$2.82 per gallon, and retail and end-use volumes totaled 388,840 barrels for a weighted average price of \$3.65 per gallon by end use.
- November 2025 reported volumes of wholesale gasoline totaled 980,908 barrels for a weighted average price of \$2.74 per gallon, and retail and end-use volumes totaled 358,660 barrels for a weighted average price of \$3.67 per gallon by end use.
- December 2025 reported volumes of wholesale gasoline totaled 1,034,748 barrels for a weighted average price of \$2.35 per gallon, and retail and end-use volumes totaled 375,018 barrels for a weighted average price of \$3.40 per gallon by end use.

Imports and Exports

Figure 11: California Gasoline Imports and Exports



Note: "Reported Gasoline" data are reported directly to the CEC through Form M700. "Confirmed Gasoline" is Form 700 data that are confirmed with Port Import/Export Reporting Service (PIERS), California State Lands Commission (SLC), and Energy Information Administration (EIA) data through December 31, 2025.

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

Figure 11 shows gasoline imports and exports from October 2024 through December 2025. These imports and exports include CaRFG and non-California specification gasoline. These totals do not include ethanol.⁶ Imports are shown as reported or confirmed. Reported imports are aggregated raw data from a single reporting source. Confirmed imports are data that have been cross-checked with additional sources and represent a more accurate estimate of

⁶ California Energy Commission. February 2023. [Petroleum Watch: Ethanol Imports](https://www.energy.ca.gov/sites/default/files/2023-03/2023-02_Petroleum_Watch_ada.pdf), https://www.energy.ca.gov/sites/default/files/2023-03/2023-02_Petroleum_Watch_ada.pdf.

imports. During the fourth quarter of 2025, gasoline imports rebounded from the decreasing trend from the preceding July through September.

For the fourth quarter of 2025:

- Gasoline import volumes over the fourth quarter were 13.7 percent higher than in the third quarter. Imports from October to December 2025 totaled 15.1 million barrels, while July to September 2025 saw 13.3 million barrels.
- Gasoline imports were 15.1 million barrels, an increase of 6.7 million barrels (80.7 percent) over the 8.3 million barrels in the fourth quarter of 2024.
- Gasoline exports decreased over the fourth quarter compared to the third quarter. Exports from California totaled 9.5 million barrels compared to 10.6 million barrels during July to September 2025.
- Gasoline exports were down 12.7 percent compared to 2024. In the fourth quarter of 2024, California entities exported 10.8 million barrels compared to 9.5 million barrels in the fourth quarter of 2025.

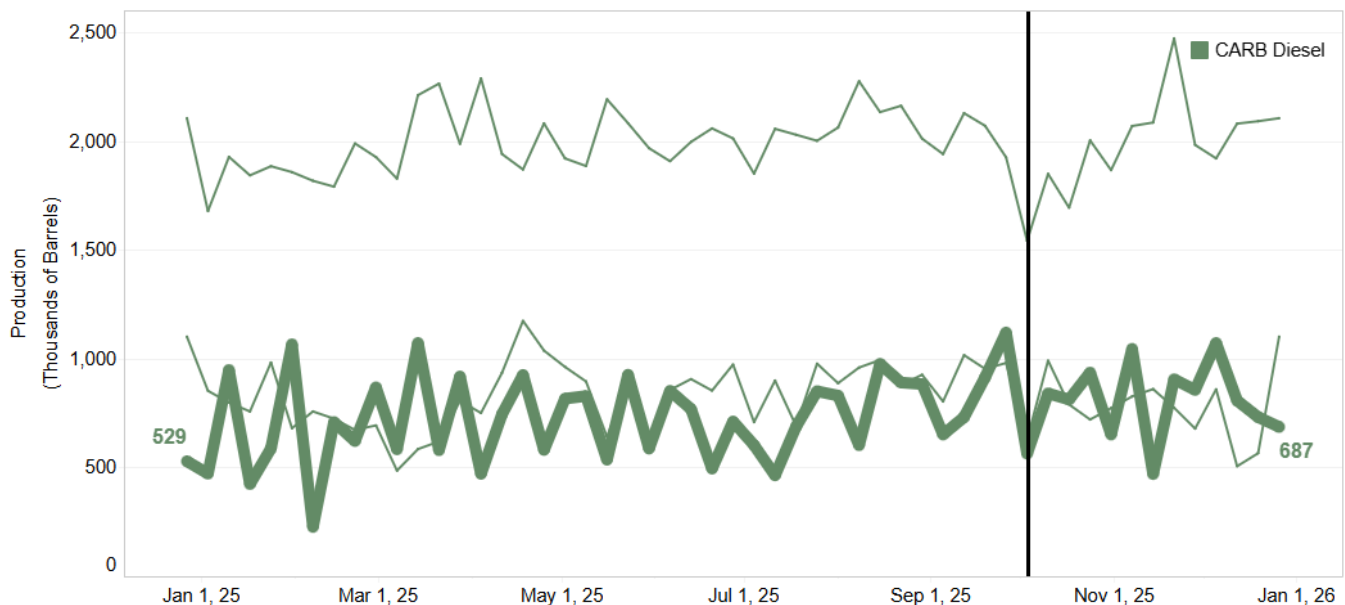
CHAPTER 3:

Diesel

This chapter discusses the volume of diesel produced at California refineries, inventories of diesel, diesel prices, and movements of diesel using data collected under Public Resources Code Section 25354, subdivisions (a), (h), and (i). California regulates the amount of sulfur allowed in diesel fuel, and this regulation applies to essentially all diesel fuel supplied, sold, or offered for sale in California.⁷ Therefore, ultra-low-sulfur diesel, No. 2 diesel, and any other diesel products produced and sold in California are referred to in this chapter as “diesel.” The category “other diesel” includes renewable diesel, non-California Air Resource Board specification diesel, and high-sulfur diesel. Production of biodiesel specification B100 cannot be sufficiently aggregated to meet confidentiality requirements and is therefore not included in this report.

Production

Figure 12: CARB Diesel Production per Week (With 10-Year High-Low Band)



Source: CEC PIIRA data — [Weekly Fuels Watch](https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production), available at <https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-inputs-and-production>

Figure 12 shows diesel production for the previous year with the 10-year high-low band. Diesel production started the fourth quarter below the 10-year low at 564,000 barrels per week. Production fluctuated above and below the 10-year low throughout most of the fourth quarter and finished below the 10-year low, ending at 687,000 barrels per week. The

⁷ California Air Resources Board. [“Diesel Fuel: About,”](https://ww2.arb.ca.gov/our-work/programs/diesel-fuel/about) <https://ww2.arb.ca.gov/our-work/programs/diesel-fuel/about>.

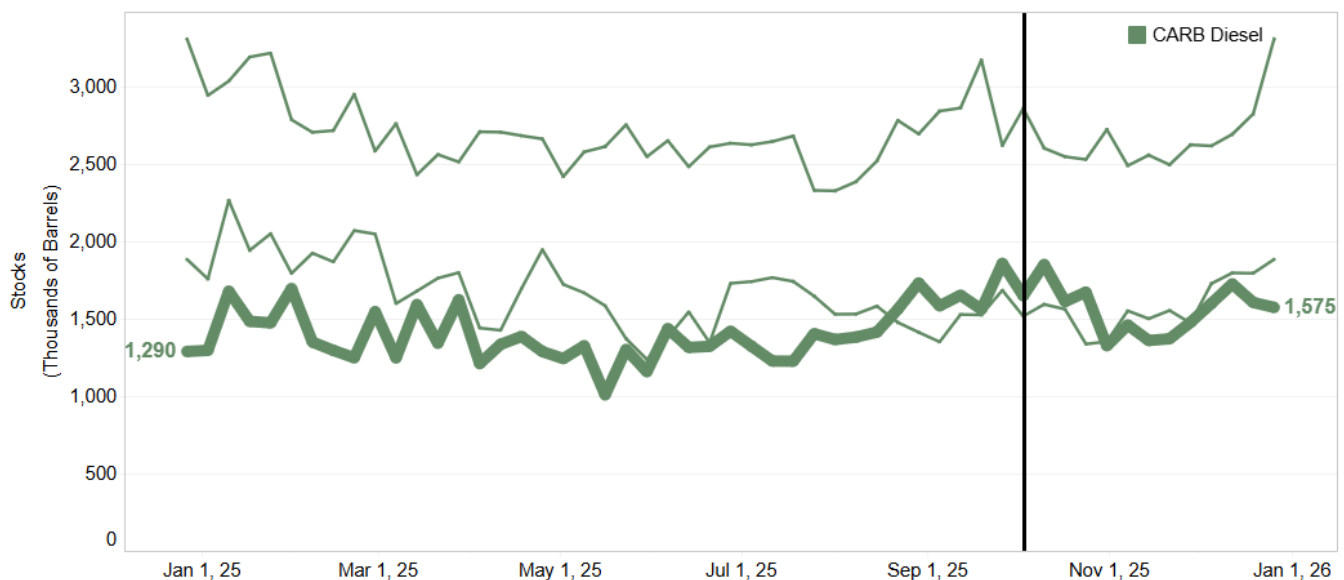
permanent idling of Marathon Martinez in August 2020 and the completion of Phillips 66 Rodeo's conversion from conventional fuel production to renewable fuels in the first quarter of 2024 reduced overall diesel production capacity. Renewable diesel production is not included in these figures, which substantially increases the amount of fuel available for diesel-powered vehicles.

For the fourth quarter of 2025:

- Diesel production peaked the week of December 5, at 1.1 million barrels.
- Diesel production experienced a low of 470,000 barrels for the week ending November 14.
- Diesel production ended at 687,000 barrels in the last week of the fourth quarter, a 26.0 percent increase compared to the fourth quarter last year (529,000 barrels).

Inventory

Figure 13: CARB Diesel Inventories (With 10-Year High-Low Band)



Source: CEC PIIRA data — [Weekly Fuels Watch](https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks), available at <https://www.energy.ca.gov/data-reports/reports/weekly-fuels-watch/refinery-stocks>

Figure 13 shows diesel inventories for the previous year with the 10-year high-low band. At the start of the fourth quarter, diesel inventories were above the 10-year low at 1.7 million barrels. Inventories declined and then steadily recovered throughout the quarter, ending at 1.6 million barrels, down by 75,000 barrels from the start of the quarter.

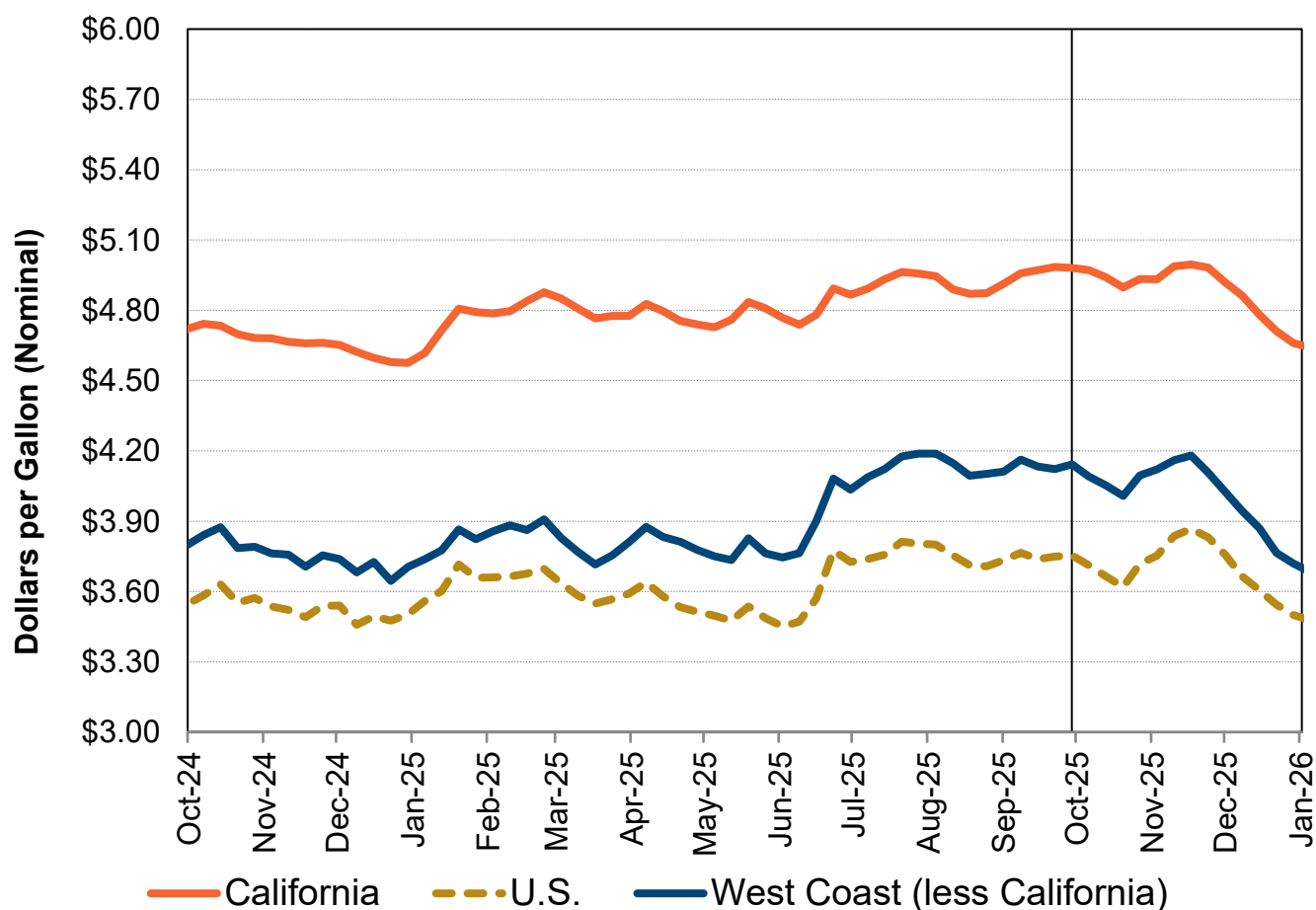
For the fourth quarter of 2025:

- Diesel inventories began the quarter above the 10-year low, fell below it, and then recovered gradually while remaining below the 10-year low for the rest of the year quarter.

- October 10 marked the fourth-quarter high at 1.9 million barrels, while October 31 marked the low at 1.3 million barrels.
- At the end of the quarter, diesel inventory stood at 1.6 million barrels, an increase of roughly 285,000 barrels compared to the fourth-quarter close in 2024 (1.3 million barrels).

Prices

Figure 14: Diesel Prices: California vs. West Coast vs. United States



Source: U.S. EIA – Diesel (On-Highway) Ultra-Low-Sulfur (15 ppm and under)

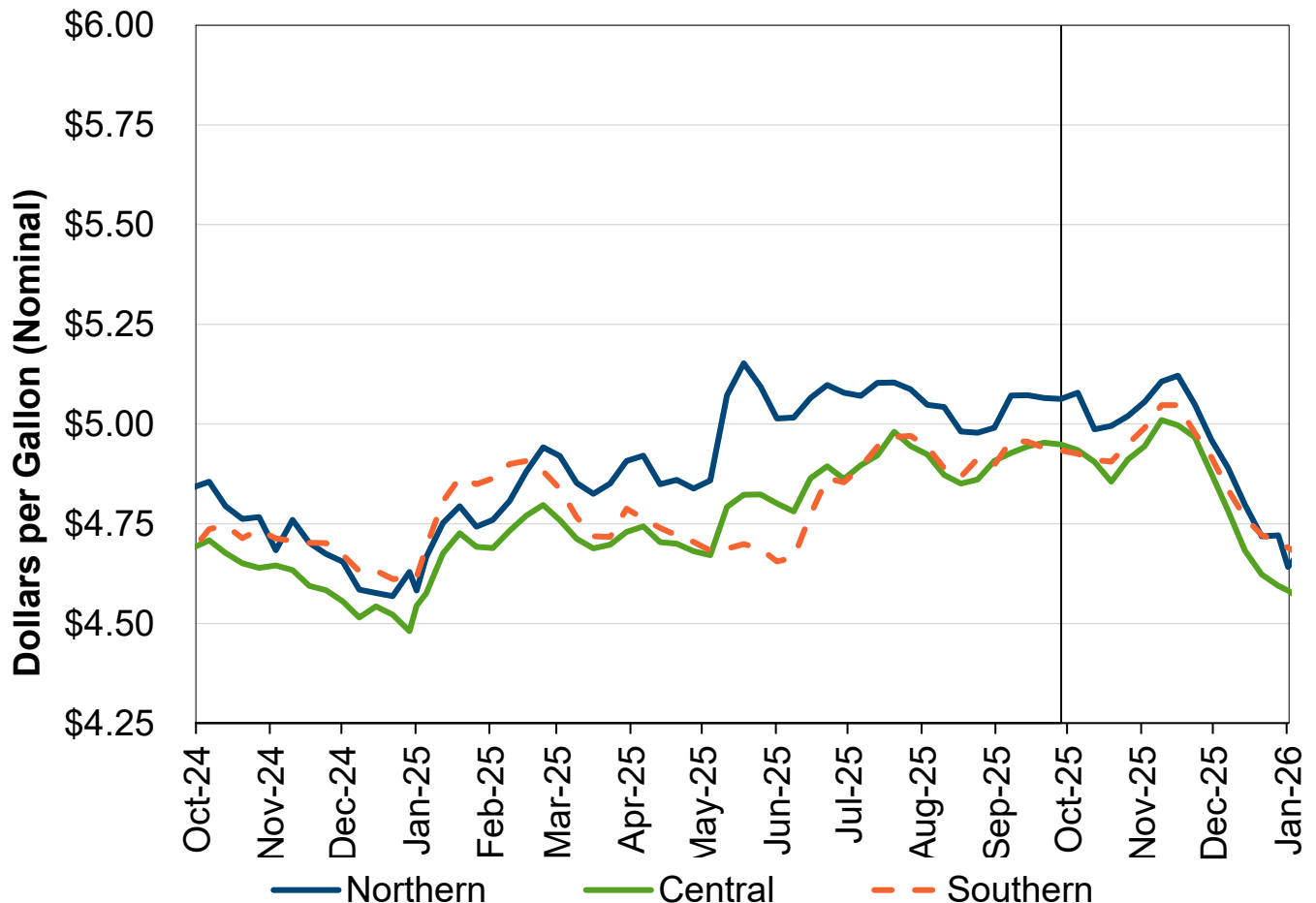
Figure 14 shows diesel retail prices for the fourth quarter. California diesel prices were steady at the beginning of the fourth quarter of 2025. Prices in all regions increased slightly before declining by the end of the fourth quarter.

For the fourth quarter of 2025:

- California diesel prices averaged \$0.04 lower during the fourth quarter at \$4.89 compared to the third quarter at \$4.93.

- U.S. diesel prices were relatively steady early in the quarter before declining sharply at the end of the fourth quarter, averaging \$3.70 for the quarter. Even so, fourth-quarter prices remained above the first half of 2025 average of \$3.59.
- West Coast (less California) average diesel prices posted the largest decrease among all regions, falling by \$0.46 from \$41.8 on November 17 to \$3.72 on December 29.

Figure 15: Diesel Retail Prices by Region



Source: CEC analysis of OPIS data

Figure 15 shows diesel retail prices by region. Northern California diesel prices averaged the highest among all regions for most of the fourth quarter. Northern California diesel prices remained at a premium compared to Southern and Central California prices since late February 2025. Northern California diesel prices averaged \$0.09 more than Southern and Central California during the fourth quarter.

For the fourth quarter of 2025:

- Northern California prices during the fourth quarter averaged \$4.96, increasing to \$5.12 on November 16. Prices decreased to \$4.72 on December 28.

- Central and Southern California prices followed the same trend and averaged \$4.85 and \$4.90, respectively.
- Northern, Southern, and Central California prices are averaging \$0.27, \$0.26, and \$0.21 more this quarter compared to the fourth quarter of 2024.

Marketer Activity

This data set is collected from only major marketers (defined as having sales of 50,000 barrels [2.1 million gallons] or more per month of petroleum products) and refiners in California.

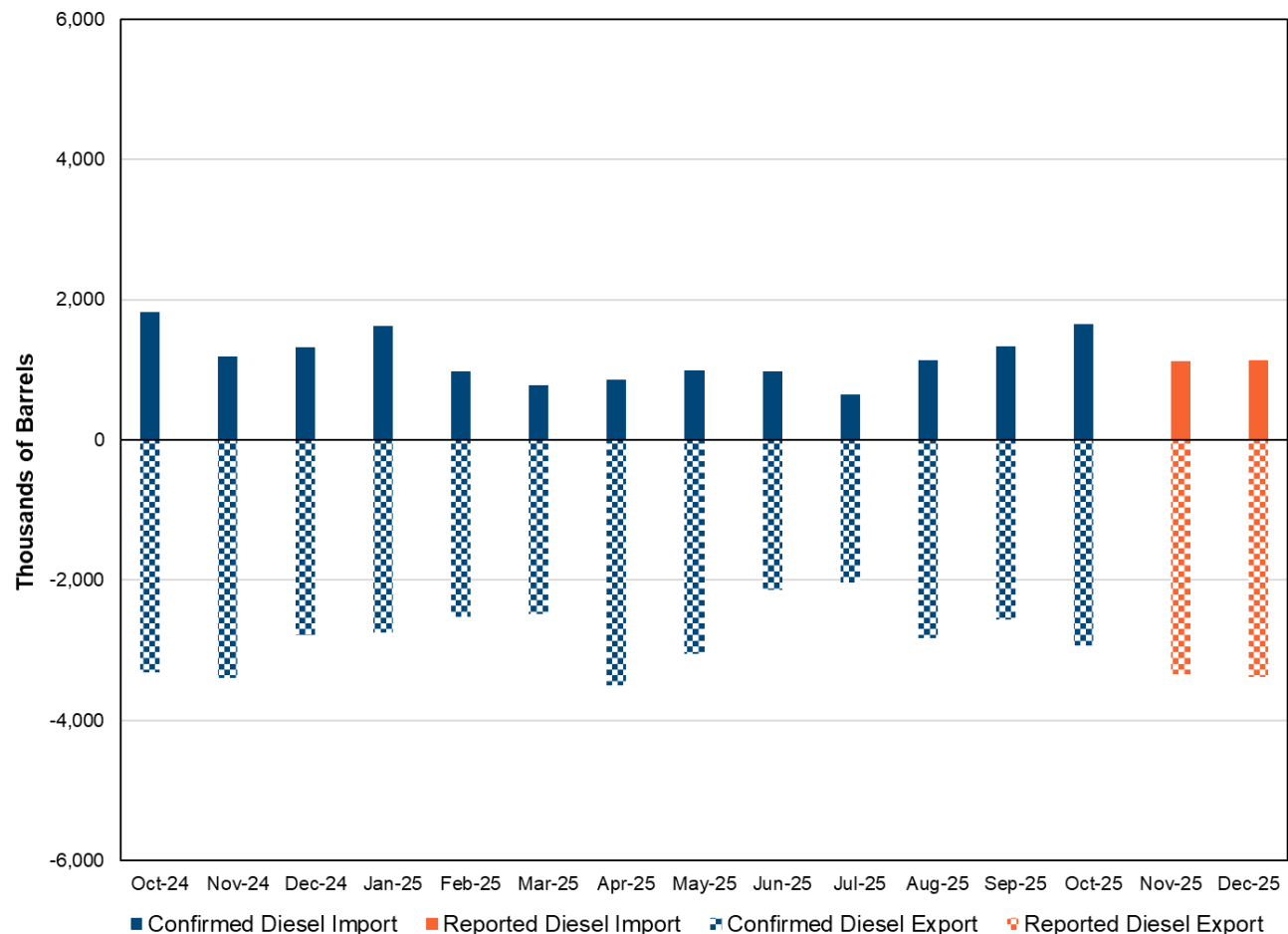
Marketers are responsible for reporting product volume and prices by various subcategories of sale ranging from wholesale to retail in California. The wholesale category represents product volumes that are intended for resale or bulk use. The “retail and end-use” category represents product volumes intended for end users and consumption, but the reported prices discussed here do not reflect prices for fuel sold at retail pumps as they do not include taxes and fees. A total of 37 companies filed 121 reports for the fourth quarter of 2025.

For diesel products:

- In October 2025, 36 companies reported wholesales of diesel totaling 349,656 barrels for a weighted average price of \$2.71 per gallon and retail and end-use volumes totaling 103,903 barrels for a weighted average price of \$3.84 per gallon by end use.
- In November 2025, 33 companies reported volumes of wholesale diesel totaling 290,541 barrels for a weighted average price of \$2.78 per gallon and retail and end-use volumes totaling 88,488 for a weighted average price of \$3.86 per gallon by end use.
- In December 2025, 36 companies reported volumes of wholesale diesel totaling 272,366 barrels for a weighted average price of \$2.45 per gallon and retail and end-use volumes totaling 87,934 barrels for a weighted average price of \$3.68 per gallon by end use.

Imports and Exports

Figure 16: California’s Diesel Imports and Exports



Note: “Reported Diesel” data are reported directly to the CEC through Form M700. “Confirmed Diesel” is Form M700 data that are confirmed with Port Import/Export Reporting Service (PIERS), California State Lands Commission (SLC), and Energy Information Administration (EIA) data through December 31, 2025.

Source: CEC PIIRA data — California Imports, Exports, and Intrastate Movements Monthly Report, Form M700

Figure 16 shows California’s diesel imports and exports. Imports are shown as reported and confirmed. Reported imports represent the aggregated import data reported to the CEC. Confirmed imports represent reported imports data that have been cross-checked with additional sources of data and represent a more accurate estimate of imports. Delayed reporting prevents discussion of confirmed December data.

For the fourth quarter of 2025:

- Diesel imports increased from the previous quarter. Third-quarter diesel imports to California totaled 3.1 million barrels compared to 3.9 million barrels imported during the fourth quarter of 2025.

- Fourth-quarter 2025 diesel imports declined 9.7 percent compared to the fourth quarter of 2024. Fourth-quarter 2024 diesel imports totaled 4.3 million barrels, a decline of 0.4 million barrels.
- Diesel exports increased in the fourth quarter of 2025 compared with the third quarter of 2025. In the fourth quarter of 2025, exports totaled 9.7 million barrels compared to 7.4 million barrels exported in the third quarter of 2025.
- Fourth-quarter 2025 diesel exports increased 1.8 percent when compared to the fourth quarter of 2024. Fourth-quarter 2024 diesel exports totaled 9.5 million barrels.

CHAPTER 4:

Annual Data

This chapter discusses crude oil and petroleum product storage capacities, transportation methods, pipeline capacities, and thermally enhanced oil recovery at oil fields using data collected annually under Public Resources Code Section 25354, subdivision (b). Annual data are collected in February each year, so there are no new data to report for this quarter. The annual data are published in the [first quarterly report of 2025](https://www.energy.ca.gov/publications/2025/quarterly-petroleum-supply-and-pricing-report-january-2025-through-march-2025):

<https://www.energy.ca.gov/publications/2025/quarterly-petroleum-supply-and-pricing-report-january-2025-through-march-2025>

CHAPTER 5:

Senate Bill X1-2

This chapter discusses data collected under Senate Bill X1-2 (Skinner, Chapter 1, Statutes of 2023).⁸ These data include refining margins (CEC M1322), daily spot contracts (CEC Form D354_TRADING, CEC Form D354_SETTLEMENT), refining maintenance and turnarounds (CEC Form EBR1P, CEC Form EBR1U), and 96-hour imports (CEC EBR700) using data collected under Public Resources Code Section 25354 (j), (l), and (m) and Section 25355.

Monthly Refining Margin

Senate Bill 1322 (Allen, Chapter 374, Statutes of 2022) requires all refiners of gasoline products in the state to provide monthly data that include price and volume information. The CEC must publish aggregated, volume-weighted reports of these data within 45 days of the end of each calendar month.

This information is published [online](https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/california-oil-refinery-cost-disclosure) at <https://www.energy.ca.gov/data-reports/energy-almanac/californias-petroleum-market/california-oil-refinery-cost-disclosure>.

The gross volume-weighted gasoline refining margin for October, November, and December were \$0.82, \$0.74, and \$0.44 per gallon, respectively. Lower crude oil prices kept margins steady from the previous quarter. However, in December wholesale gasoline prices fell below \$2.00 per gallon, causing margins to take a noticeable dip despite the discounted crude oil costs.

Daily Spot Contracts

Under reporting protocols, both counterparties to a transaction are required to submit individual filings at both the trade and settlement stages, resulting in four discrete reports per deal submitted to the CEC. A reporting form may contain any number of separate trade or settlement reports.

Market activity in the fourth quarter reflected resilience and volatility. In October, 27 companies submitted 337 reports covering 1,343 transactions. In November, 23 companies submitted 242 reports covering 925 transactions. In December, 26 companies submitted 249 reports covering 1,262 transactions. Across the quarter, 28 companies submitted 828 reports covering 3,530 transactions.

California Refinery Planned and Unplanned Maintenance

Refiners conduct maintenance to maintain the safety and reliability of their crude oil processing units. Planned maintenance usually occurs during the spring and fall when

⁸ California Energy Commission. "[Senate Bill X1-2 Implementation](https://www.energy.ca.gov/proceeding/senate-bill-x1-2-implementation)," <https://www.energy.ca.gov/proceeding/senate-bill-x1-2-implementation>.

refineries switch from winter to summer blend or vice versa. This information is specific to individual refiners and is confidential.

Event Based Reports, Imports

The CEC was already collecting imports in its Form 700, California Imports, Exports, and Intrastate Movements Weekly Report. SB X1-2 authorized the collection of this information prospectively and on a smaller time interval through event-based reporting. This prospective reporting provides visibility into near-term imports as they transit. This data can also be used as a comparison to data reported after the imports have occurred. However, when used retrospectively, such as in this quarterly report, the event-based report does not provide significantly different data than what is reported in other chapters. For imports of crude oil, gasoline, and diesel, see Chapters 1, 2, and 3, respectively.

GLOSSARY

Term	Definition
American Petroleum Institute gravity	A measurement of how heavy or light a petroleum liquid is compared to water.
Blendstocks	Any material that is blended in an oil refinery to make a product, especially for making gasoline.
Brent North Sea (Brent)	A blended crude stream produced in the North Sea region that serves as a reference or "marker" for pricing several other crude streams.
California Air Resources Board (CARB)	The "clean air agency" in California government. CARB's main goals include attaining and maintaining healthy air quality, protecting the public from exposure to toxic air contaminants, and providing innovative approaches for complying with air pollution rules and regulations.
California Energy Commission (CEC)	The state agency established by the Warren-Alquist State Energy Resources Conservation and Development Act in 1974 (Public Resources Code, Sections 25000 et seq.) responsible for energy policy. The Energy Commission's seven major areas of responsibility are: • Forecasting statewide energy demand. • Licensing of power plants and transmission lines sufficient to meet those needs. • Promoting energy conservation and efficiency measures. • Promoting the development of renewable energy. • Promoting the transition to clean transportation fuels. • Investing in energy innovation. • Planning for and supporting the state's response to energy emergencies. Funding for the Commission's activities comes from the Energy Resources Program Account,

Term	Definition
	Federal Petroleum Violation Escrow Account, and other sources.
California Estimated Refinery Acquisition Cost (CA-RAC)	A weighted average of the prices of California (San Joaquin Valley) crude, Alaskan crude, and foreign crude.
California State Lands Commission (SLC)	The state agency that provides the people of California with stewardship of the lands, waterways, and resources entrusted to its care based on the principles of equity, sustainability, and resiliency, through preservation, restoration, enhancement, responsible economic development, and the promotion of public access.
Hypermart	A station that is a company-owned or -operated supermarket or wholesale chain store that sells its own fuel at the same location
Oil Price Information Service (OPIS)	A company that provides crude oil and petroleum pricing data.
Petroleum Industry Information Reporting Act (PIIRA)	Legislation enacted in 1980 that enables a complete response to possible shortages of fuel or other disruptions. The information also helps develop and administer energy policies in the interest of the state's economy and the public's well-being.
Port Import/Export Reporting Service (PIERS)	A company that provides import and export data at the bill-of-lading level.
United States Energy Information Administration (EIA)	An independent agency within the U.S. Department of Energy that develops surveys, collects energy data, and analyzes and models energy issues. The agency must meet the requests of Congress, other elements within the Department of Energy, Federal Energy Regulatory Commission, the Executive Branch, its own independent needs, and assist the public, or other interest groups, without taking a policy position. See more information about EIA at http://www.eia.gov/about/
West Texas Intermediate (WTI)	A crude stream produced in Texas and southern Oklahoma that serves as a reference or "marker" for pricing several other crude streams and which is traded in the domestic spot market at Cushing, Oklahoma.