

U.S. Gasoline Supply Network – By Region



Graphic: Courtesy of NACS National Association of Convenience Stores
Source: Energy Analysts International, Inc.

The complex gasoline supply structure in the U.S. varies greatly by region, with some areas more sensitive to supply imbalances.

Two regions have more supply than required to meet demand and are therefore able to transport excess supply to other markets. These regions are generally less likely to face extreme price spikes when the distribution system is disrupted.

- **Mid-continent:** Has sufficient refining capacity to meet demand in the region, but is “long” on supply due to large volumes of gasoline moving via pipeline from the Gulf Coast through the region to the Midwest.
- **Gulf Coast:** Has major refining centers that supply large volumes to other regions, including the Midcontinent, Midwest, and Eastern Seaboard markets. Gulf Coast refiners and several foreign refining centers are the sources of supply for other U.S. regions.

Four regions have significant refining bases that allow them to provide refined fuel to meet much of their fuel needs. However, since demand in the region is greater than supply, they must rely on additional supplies. Disruptions to their refining operations can have a significant impact on the price of gasoline in these regions, especially those with high demand for fuel.

- **Midwest:** Some additional fuel is brought in by barge up the Mississippi River, with the majority brought in by pipeline from the Gulf Coast.
- **Pacific Southwest:** Additional fuel is brought in by pipeline from West Texas to Phoenix, and via tankers from the Gulf Coast, Caribbean, and other foreign sources.
- **Northeast:** Additional fuel is brought in via pipeline from the Gulf Coast, and from sources in Eastern Canada and overseas.
- **Pacific Northwest:** Additional fuel is brought in via pipeline from the Rockies and tankers from California.

Two regions have limited refining capacities and rely on fuel to be brought in from other regions. These regions can face price variations when supply from other regions or countries is disrupted.

- **Rocky Mountain:** Has a refining base of small refineries and relies on additional fuel brought in by pipeline from the Mid-continent and Texas Panhandle.
- **Southeast:** Has a very small refining capacity and most states, except Florida, are supplied by pipeline from the Gulf Coast. Florida is supplied by barge from the Gulf Coast, with significant foreign supply imported into the Atlantic Coast ports.