

## Survey of MPO's Fuel Price Elasticity Assumptions

| Agency  | Gasoline Price Projection  |  | Elasticity     |   |
|---|--|--|----------------|---|
|   | \$/gallon*   | Assumption   | Value          | Method  |
| Sacramento Association of Governments (SACOG)         | \$3.25 in 2018<br>\$4.25 in 2035   | Based on 2007 gasoline prices.   | -0.18          | Direct model result.  |
| Bay Area Metropolitan Transportation commission (MTC) | \$3.48 in 2010<br>\$3.86 in 2015<br>\$4.25 in 2020<br>\$4.83 in 2025<br>\$5.21 in 2030<br>\$5.77 in 2035 | Estimated from linear regression:<br><br>$y = 158.91 + 1.3237x$<br><br>where y = future gasoline price in April, and x = # of months elapsed from April 1998 | -0.19 to -0.67 | AQMD staff calculation based on:<br><br>$E_{Q,P} = \frac{\frac{Q_2 - Q_1}{(Q_1 + Q_2)/2}}{\frac{P_2 - P_1}{(P_1 + P_2)/2}}$ where P = gasoline prices and Q = VMT |
| San Diego Association of Governments (SANDAG)         | Constant price throughout at \$2.59  | National AAA gasoline prices adjusted upward for San Diego.  | N/A            | Can't be calculated due to constant gasoline price.   |
| SCAG  | \$2.46 in 2010<br>\$2.58 in 2012<br>\$2.70 in 2014<br>\$2.94 in 2020<br>\$3.17 in 2030<br>\$3.28 in 2035 | CEC forecast   | -0.36 to -1.19 | AQMD staff calculation based on:<br><br>$E_{Q,P} = \frac{\frac{Q_2 - Q_1}{(Q_1 + Q_2)/2}}{\frac{P_2 - P_1}{(P_1 + P_2)/2}}$ where P = gasoline prices and Q = VMT |

All prices were converted to \$2000 dollars (via California CPIs for all urban wage earners).