

Why the high gas prices?

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Grand Rapids- The pinch at the pump is back for Grand Rapids drivers. Since wholesale prices are \$0.40 higher than a month ago, gas stations were forced to change the digits on their signs twice last week.

Right now, a gallon of gas is \$0.22 cents higher than a year ago. Experts say in the past four out of five years, there's been a significant increase in what drivers pay from February to March. They say it's a cycle that probably won't end anytime soon.

Here's why: Since January, production slipped down 7%. And every year at this time, refiners slow production to do maintenance. This year, some refineries shut down to work on taking out MTB from fuel. It's an additive used in some fuel allowing it to burn cleanly, but is now considered dangerous.

GVSU Professor Ed Aboufadel has tracked gas prices for several years and says prices depend on the trading of futures. He explains why we don't see a hike in prices in other items that rely on the same thing.

"I think what happens partly with gasoline, the price is posted everywhere all the time so it's easy to watch what's going on. But, I think with some other things, like orange juice, will bounce around too, it's just isn't as obvious."

Aboufadel believes, ideally, refineries could make a lot of gas in December when production is in full swing and store it. Then in March, when production is low, pull it out of storage to keep prices stable. But Aboufadel thinks refineries must be locked in a certain cycle. Another solution to end the fluctuation in gas prices would be to build more refineries. Unfortunately for drivers, it doesn't seem like that will happen anytime soon.

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