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"There's so many inputs on the price of oil, it does tend to fluctuate," he said.

60-cent jump pushes gas back toward \$4 in Michigan

Price at pump expected to keep climbing

By Tony Briscoe and Michael Martinez
The Detroit News

Gas prices have soared 60 cents a gallon in Michigan in the past month and are expected to keep rising — though not as dramatically — through April, as refineries switch to costlier summer blends.

Prices began climbing nationwide in January, thanks to a bullish economy and higher crude oil prices. The recent spikes are attributed to maintenance associated with preparing aging refineries for eco-friendly summer blend production.

The average price in Metro Detroit is \$3.88 a gallon, up 16 cents from last week, AAA Michigan said Monday. The statewide average is \$3.91 a gallon, up 17 cents from last week and 60 cents from a month ago, AAA said.

Nationwide, the price at the pump is up 15 cents from last week, to \$3.73 a gallon, according to AAA. Analysts expect prices to continue their climb, though more slowly through April, and then taper off.

"It's reasonable to expect prices to increase incrementally," said Gregg Laskoski, a senior

petroleum analyst with GasBuddy.com. "We don't expect prices to climb at the significant rate they have been. It will slow down quite a bit."

The Oil Price Information Service projected last month that Michigan gas prices would spike between \$3.98 and \$4.12 a gallon. The Maryland-based service predicted less pain at the pump nationwide, with prices dropping to an average of \$3.25 to \$3.50 a gallon.

"We see a spike with a lower trajectory for the spring cycle," the service said in a report.

Driving prices higher is an earlier-than-usual refinery maintenance for summer blend production. Since the infrastructure is old, problems often arise as the refineries prepare to switch over, Laskoski said.

"The difficulty refiners have in getting through this process is certainly the dominant reason," he said.

Most notably, a large BP refinery in Whiting, Ind., which produces 405,000 barrels of crude oil a day, is undergoing maintenance issues, Laskoski said. "Because of its size and scope, it impacts the entire Great Lakes region," he said.

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The high prices aren't uncommon this time of year, said Mark Griffin, president of the Michigan Petroleum Association, whose members include petroleum distributors across the state.

"We see something like this happen around the end of January," he said. "(Prices) start up from there as speculators start counting on an increase in demand going into spring."

Metro Detroit residents are feeling the impact in their wallets.

Detroiter Brandon Hamburger, 34, pulled into a Marathon in Detroit's Corktown area Monday, where prices were \$3.82 per gallon.

"It's hard enough to afford gas, but 60 cents on the dollar definitely makes it tough," Hamburger said. "You have to pinch pennies and do the best you can."

Hamburger, however, said he'll be able to reduce his gas spending in a few months.

"Me and my girlfriend are avid bikers, so we're ready for spring," he said. "That's how we find our way to cut it out of our budget."

Windsor resident Norm Kelk, 65, is one of the few who think Michigan gas prices are a deal. In fact, he has made it a routine to fill up after grabbing lunch at Nemo's in Detroit, because gas prices are about \$1 more per gallon in Ontario.

"In Canada, our price is about \$1.40 a liter, which translates to \$5.20 a gallon, so it's a lot cheaper here," Kelk said. "Back in Ontario, the fuel taxes make it so much higher."

Of all the Michigan gas prices reported by GasBuddy members Monday morning, the cheapest unleaded was \$3.58 a gallon, at Sam's Club in Madison Heights. The highest price was \$4.12 a gallon at a Marathon station in Bellaire.

According to GasBuddy.com, the highest averages in the U.S. include: Hawaii, \$4.27; California, \$4.16; and New York, \$3.96. The cheapest prices at the pump can be found in: Wyoming, \$3.13; Montana, \$3.20; and New Mexico, \$3.33.