

The Virgin Islands Consortium

Gas Prices Pass \$5 Average For Regular Unleaded on St. Croix For First Time, Mirroring United States

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Gateway Gas Station in Peter's Rest on St. Croix. By. V.I. CONSORTIUM

While a gallon of unleaded gas on St. Thomas has surpassed \$6 a gallon at many gas stations, for the first time the average for a gallon of regular unleaded gas on St. Croix passed the \$5 mark, and the high price is expected to persist through the summer.

The unprecedented cost of fuel mirror's the average in the U.S., which hit the \$5 average per gallon for unleaded gas on Friday. The new average comes as inflation hit a new 40-year high on Friday of 8.6 percent, according to the U.S. Labor Department, pushed higher by surging energy and food costs, with little indication that the upward pressure

will ease.

The surge in gas prices started in February with Russia's invasion of Ukraine and as financiers, shippers and traders started shunning Russian oil supplies. Now, with economies around the world reopening from the Covid-19 pandemic, oil inventories, already low, are under further pressure as demand grows, with little relief in sight in the near term.

Gulf Fuel at Limetree Bay on Monday issued new prices, with regular unleaded being sold to gas stations at \$4.66, premium at \$5.14, diesel at \$4.72, and jet fuel at \$4.62, according to the Monday price list seen by the Consortium. When gas stations add their markup, the cost of a gallon of regular unleaded gas breaches the \$5 mark, and is currently being sold on St. Croix for \$5.19.

The high cost of fuel has translated to not only pain at the pump, but also in every other category in the economy — from groceries to restaurants, and the cost of travel.

One area the high cost of fuel hasn't translated yet is on utility bills. Virgin Islanders, already paying 41 cents per kilowatt hour for electricity — the highest rate in all of the United States — is being shielded, at least temporarily, by the government of the Virgin Islands, as the Bryan administration continues to provide WAPA with millions of dollars to subsidize the expense.

But how long can the administration maintain this commitment without drastically affecting services provided to the community, remains to be seen.