

**How Gas Prices Work
Student Research Log**

Name _____ Date _____

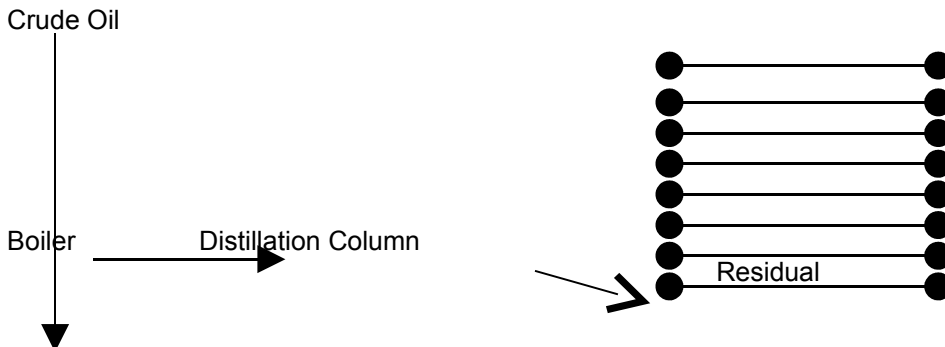
Tasks:

1. Print out the reading: <http://www.howstuffworks.com/gas-price.htm/printable>
2. Begin reading "How Gas Prices Work."
3. In the section – "Guzzling Gas in America", select the [Department of Energy](#) web connection and print out today's Gasoline Update for you records. You will need the data there to construct a spreadsheet and/or create your own graphics.
4. Review Chart 1

Historical Gas Prices

Year	Adjusted for inflation 2000 dollar	Unadjusted for inflation
1950	1.91	.27
1955	1.85	.30
1960	1.79	.31
1965	1.68	.31
1970	1.59	.35
1975	1.80	.53
1980	2.59	1.13
1985	1.90	1.19
1990	1.51	1.13
1995	1.28	1.14
2001	1.66	1.66

5. Big Questions to Think About: When you have completed the research log, select two of these questions and prepare your answers.
 - What happened in the 1970's - 1980 to prices and why?
 - What has happened to the real price of gasoline?
 - What effect would that change have on purchases of automobiles?
 - What signal did this send to consumers?
 - How did consumers react in their choices of vehicles?
6. Oil pumped from underground does not immediately head for your neighborhood gasoline station. It must be refined. Select the highlighted "refineries" in the Guzzling Gas in America. While there complete the refining steps below:



7. Where does the oil come from? Name the non-OPEC and OPEC producers:

Non-OPEC	OPEC
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

8. Where in the U.S. is oil pumped?

9. When you buy a gallon of gasoline – where does that money go?
 At the Department of Energy hot link you will find a gas pump graphic to fill in the rest of this worksheet.

Item	April 2001	Your Research Date:
Retail Price Per gallon	\$1.55	
Distribution & Marketing	5% \$.08	% \$
Taxes	27% \$.42	% \$
Refining	32% \$.49	% \$
Crude Oil	37% \$.56	% \$

10. After reading the article - "How Gas Prices Work" and provide a hypothesis to the following if:

- a) Hong Kong and Seoul, South Korea are relatively near Indonesia, why is there such a large per gallon difference in prices?
- b) What generalization could be made about the least expensive per gallon of gas countries?
- c) What generalization could be made about the most expensive per gallon of gas countries?

11. Check it out for yourself – use the Gas buddy hot link to check out prices in your state and near your zip code. How does your price per gallon compare to where others in your family might live (round up zip codes from other friends and family members).