



Email this article
Print this article
Most popular pages

Click to send
Click to print
Today | This Week

In Mexico, gasoline is \$2.16, and it's selling fast at border

Chris Hawley

Republic Mexico City Bureau

Sept. 10, 2005 12:00 AM

MEXICO CITY - Mexican gas stations along the Arizona border say they're seeing a boom in business as the effects of Hurricane Katrina drive U.S. fuel prices through the roof.

Sales are up 20 to 40 percent, as Mexicans who normally buy their gasoline in Arizona flock to local vendors whose prices are a dollar less per gallon, gas station managers said Friday.

Americans account for little of the increased sales, they said, because of the hassle of crossing back into the United States and the distance from major U.S. cities.

"It's been a dramatic increase, but mainly due to our own countrymen," said Ernesto Pacheco Candelario, manager of the Los Angeles service station in Nogales, Sonora.

"Normally I'll sell 10,000 liters in a day, but last Saturday, I sold 14,000, and I'm still selling around 12,000 a day," he said. The nearby El Jet and El Rebelde gas stations reported increases of 20 and 40 percent, respectively.

Until recently, gasoline was cheaper in the United States than in Mexico. Petróleos Mexicanos, the state-owned oil company, controls all gasoline production and sales in the country. Mexico's federal government receives one-third of its funding from Pemex receipts.

For decades Mexicans have made Pemex their primary target when complaining about high gas prices.

But U.S. prices have been rising in the past three years, and they soared last week after Katrina damaged oil refineries and drilling platforms in the Gulf of Mexico.

Pacheco said his station was selling regular unleaded for 6.09 pesos a liter, or \$2.16 a gallon, on Friday.

On the other side of the border, the price at the Bordermart gas station in Nogales, Ariz., was \$3.15 a gallon.

In recent days, Bordermart has seen its business plummet about 40 percent, clerk Rebecca Ortíz said.

"Most of our customers are Mexican, and they're just deciding to fill up over there," she said.

It was a similar story in Douglas, where U.S. gas stations were charging about \$3 a

gallon.

Ten blocks south of the border, the Ruby Gas Station in Agua Prieta was selling at \$2.16 a gallon, manager Valente Parra said. He said sales were up about 20 percent.

In Texas and California, where major U.S. cities are closer to the border, hundreds of American motorists have crossed into Mexico to buy gas, Mexican media reported. Pemex said Thursday that it was sending 20,000 more barrels of gasoline a day to the Texas border to keep up with demand.

Mexico is the United States' second-biggest foreign supplier of oil after Canada, according to the U.S. Department of Energy.

Reach the reporter at chris.hawley@arizonarepublic.com

Email this article
Print this article
Most popular pages

Click to send
Click to print
Today | This Week