

## Attachment

### Judgements

Gallons/Barrel	42
Calendar Days/Year <sup>1</sup>	346
Direct Price Elasticity of Demand <sup>2</sup>	-0.5
Supply Change	-5%
Ten-Year Average Price (\$/gal.)	1.35

<sup>1</sup> Source: U.S. Department of Energy's Energy Information Administration (DOE/EIA).

<sup>2</sup> Source: Carol Dahl, "A Survey of Energy Demand Elasticities in Support of the Development of the NEMS," prepared for the U.S. Department of Energy under contract De-AP01-93EI23499 (October 19, 1993), pp. 122-123.

### Benefits

Year	Price <sup>1</sup> (\$/gal.)	Barrels/Day <sup>1</sup> (mil.)	Gallons/Year <sup>2</sup> (mil.)	Price Change <sup>3</sup> (\$/gal.)	Total Benefit (\$mil.)
2002	1.37	3.83	52,874.68	0.14	-
2003	1.28	3.96	54,669.38	0.14	-
2004	1.29	4.06	56,049.92	0.14	-
2005	1.28	4.16	57,430.46	0.14	-
2006	1.31	4.23	58,396.84	0.14	-
2007	1.37	4.30	59,363.22	0.14	8,030.22
2008	1.38	4.39	60,605.71	0.14	8,198.30
2009	1.39	4.49	61,986.25	0.14	8,385.05
2010	1.41	4.58	63,228.73	0.14	8,553.12
2011	1.41	4.69	64,747.33	0.14	8,758.55
2012	1.41	4.78	65,989.81	0.14	8,926.62

<sup>1</sup> Source: DOE/EIA, [http://www.eia.doe.gov/oiaf/aeo/pdf/aeo\\_base.pdf](http://www.eia.doe.gov/oiaf/aeo/pdf/aeo_base.pdf), Tables 11 and 12.

<sup>2</sup> Gallons/Year = Barrels/Day x Gallons/Barrel x Calendar Days/Year x Fraction of Supply Remaining (after the small refiners exit).

<sup>3</sup> Price Change = Average Price x (Supply Change/Price Elasticity).

### Net Benefits

Year	Total Cost <sup>1</sup> (\$mil.)	Total Benefit (\$mil.)
2002	0	0
2003	0	0
2004	0	0
2005	0	0
2006	-5	0
2007	-10	8,030
2008	-17	8,198
2009	-27	8,385
2010	-7	8,553
2011	5	8,759
2012	4	8,927
Undiscounted	-57	50,852
Discounted (@7%)	-38	30,690

<sup>1</sup> Source: Joint Committee on Taxation, Document JCX-08-02, <http://www.house.gov/jct/x-8-02.pdf>.