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US fuel brands gained sites
but transactions plummeted in Q1

U.S. gasoline brands continued to convert more stations than they debranded in the first quarter, though branding activity plummeted to 1,074, about 28% below the average of 1,500 transactions per quarter.

The total net gain during the quarter was also only a fraction of the increase in branded stations a year ago.

The 28 brands studied converted 569 sites and debranded 505 sites, resulting in a net gain of 64 stations, according to the OPIS Gasoline Station Brand Conversion Report for the first quarter of 2025.

The average brand added 20 and lost 18 stations, gaining two sites, an analysis shows.

The numbers are down significantly from a year ago when the brands in the study converted 1,119 sites and lost 719, resulting in a net gain of 400.

In the first quarter of last year, the average brand rebranded 40 sites and lost 26, yielding a net gain of 14.

However, last year’s numbers likely were higher because of Alimentation Couche-Tard’s aggressive rebranding campaign to Circle K Fuel. The OPIS data show Circle K’s transactions in the latest quarter were down substantially from prior quarters, when its rebranding initiative was in full swing.

7-Eleven, which also has seen growth in recent years, lost more stations than it added. The company’s parent Seven & i Holdings had announced it would prune its store network, though the corporation also intends to add hundreds of stores.

An increase or decrease in transactions can sometimes be attributed to mergers and acquisitions. Some industry financial advisors have said M&A activity has slowed because of economic uncertainty and still-elevated interest rates.

Streak of Gains Continues

Many brands have been courting station operators with lucrative incentives to rebrand and have upgraded their credit card and loyalty programs.

While the brands as a group saw fewer gains in Q1 than a year ago, their multi-year losing streak is way behind them. The fuel brands studied have seen five years of net gains, with the biggest increase in three years in 2024, OPIS records show.

During Q1, 14 brands registered a net loss, 12 saw a net gain and two – Beacon and DK – saw no change.

In order, the brands that saw the biggest net losses were Valero, BP, 7-Eleven, Mobil and Citgo.

Gasoline Price Barometer

Gasoline markets have been odd over the course of April, but while gasoline and spot prices are lower than they might normally be at this time of year, some normalcy is returning to the market.

For the month of April, ULSD futures were pricing higher than RBOB by an average of about 4.6cts/gal with just three trading days when gasoline futures were higher than diesel. As May gets underway, the seasonal norm has come into place as RBOB is about 3.5cts higher than diesel.

EPA made the market wait until the last minute for an E15 waiver that has altered the Midwest markets slightly. Currently, 9-lb gasoline in the Group 3 market is running 5.5cts under June RBOB futures. OPIS continues to rack the opt-out grade, but as one would imagine, volume is non-existent and it has gone from a sharp premium to the 9-lb sub-octane to parity.

Over the past week or so, U.S. spot markets have been relatively stable with mostly minor movements in differentials to NYMEX futures.

San Francisco was a large mover over the course of the past week, with CARBOB premiums at 75cts over futures and spot prices in the \$2.75/gal area. West Coast gasoline inventories are tight in general, running just over 4.5 million bbl below the five-year average. That has all three spot markets trading at strong premiums to futures.

The brand that experienced the largest net gain was Marathon, which added more than double the sites of the next biggest gainer, Phillips 66. The 76 and Sinclair brands were tied in third place.

Southeast Sees Most Activity

Only one of the eight regions studied – the Mid Atlantic area – lost more sites than it gained.

The Southeast gained the most sites, followed by the West, New England, Great Lakes, Southwest, Rockies and Midwest.

The Southeast also experienced the most transactions – both rebranding and debranding – followed by the Great Lakes, Mid Atlantic, Southwest and West.

The remaining regions saw fewer than 100 transactions. Starting with the greatest number of transactions, they are the Midwest, New England and Rockies.

Branding information for this study comes from multiple sources, such as GasBuddy, WEX and other fleet cards or directly from retailers. The figures are a moving target and may not match the tally maintained by the brands.

The numbers reflect changes in site counts. Many of the brands have seen declines in gasoline market share in recent years.

Donna Harris, dharris@opisnet.com



From the States: New Iowa law shields internal combustion engines

Iowa passed legislation earlier this month barring state and local regulations that would ban the use of equipment based on its fuel source, according to state records.

Iowa's new law comes after a handful of other states, including Kansas, Louisiana and Ohio, passed similar laws designed to ensure the continued availability of internal combustion engines. Jacob Peterson, senior director of state affairs for the National Propane Gas Association, said Tuesday in an email.

The laws are aimed at protecting all types of engine applications and fuel-powered equipment, both mobile and stationary, from standby generators and irrigation engines to forklifts and vehicles, Peterson said.

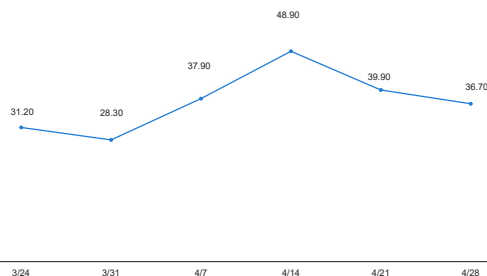
Iowa's bill, House File 860, bars government entities from prohibiting or restricting "a person from possessing, storing, transferring, acquiring, operating, maintaining, repairing or reusing fuel-powered equipment or parts of fuel-powered equipment solely because such equipment is manufactured to be powered by a specific fuel source."

While Peterson said NPGA is not aware of any local government effort to ban internal combustion engines, it believes "protections are important for continued industry investment in these end-use applications."

"This is a proactive effort to protect the marketplace in Iowa," he said. "Other states, such as California, Massachusetts and New York have taken steps to ban access to internal combustion engines and force electric alternatives on consumers."

Donna Harris, dharris@opisnet.com

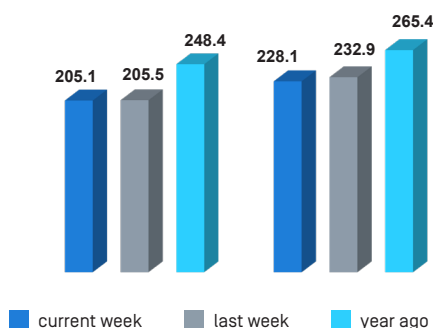
National Rack-to-Retail Margins [in cts/gal]



Average U.S. Contract Prices [in cts/gal]

Unleaded Gasoline

ULSD No. 2





M&A: Love's subsidiary Trillium buys 44 CNG stations, plans growth

Trillium Energy Solutions, a subsidiary of Love's Family of Companies, has acquired U.S. Energy's chain of compressed natural gas fueling stations, the company said in a news release.

The sale includes 44 former GAIN Clean Fuel CNG stations across 15 states and Canada.

The financial terms of the transaction were not disclosed.

The acquisition extends Trillium's CNG footprint to Canada and four U.S. states - Iowa, Kansas, Missouri and North Carolina, Ryan Erickson, vice president of Trillium said in an email. It now has operations in 31 U.S. states.

The purchase, including 42 public CNG stations and two private CNG stations, brings Trillium's total public CNG station count to 107, Erickson said, adding that the company also operates hundreds of private CNG stations.

Erickson said Trillium has seen "increased interest" in CNG from both private sector fleets and trucking customers.

The company has plans to build a public CNG station in Fresno, Calif., which is scheduled to be completed this year.

"Love's is actively evaluating multiple markets for additional CNG public access stations and working collaboratively with our customers to bring them online in the right markets," Erickson said in the email. "New engine technology hitting the market is causing greater demand."

Love's began building its CNG business in 2012 and acquired 37 public CNG stations when it purchased Trillium in 2016, he said.

All the Love's sites provide 100% renewable natural gas.

U.S. Energy, a supplier of refined products, alternative fuels and environmental credits, said in a separate announcement that its decision to sell the CNG stations is part of a long-term strategy to focus on core businesses.

The company has more than 45 RNG development projects and offtake agreements and will continue to supply RNG to the transportation market through about 1,400 RNG stations and its Volt Vault natural gas based electric vehicle charging solution.

Trillium Rebranded

This week, Love's also announced it has rebranded Trillium Energy Solutions to "Love's Alternative Energy" as it expands in the alternative energy space.

The brand was introduced this week at Love's booth during the Advanced Clean Transportation Expo in Anaheim, Calif.

The company's expansion plans also include hydrogen fueling and electric vehicle charging.

Love's is building or operating six hydrogen stations in the U.S., including one of the nation's first heavy-duty hydrogen vehicle fueling stations. The stations are in California, Illinois and Michigan and are all private sites that serve Department of Transportation entities. Future plans for hydrogen will center on the transit business.

Gasoline Supply Barometer

The gasoline data continues to be supportive as inventories were down once again with drawdowns in inventory in 11 of the past 12 weeks.

Perhaps what is most telling about the draws is that not only has the deficit to the five-year average widen to above 9 million bbl, the current inventory level has dropped below last year.

Draws were widespread last week as all regions saw lower inventories with only PADD 5 seeing flat inventories. Refiners did see a dip in gasoline output by a little less than 175,000 b/d. Refinery utilization rates were also up last week, and with utilization approaching 89% of capacity, it is likely that refiners are getting close to planned spring rates.

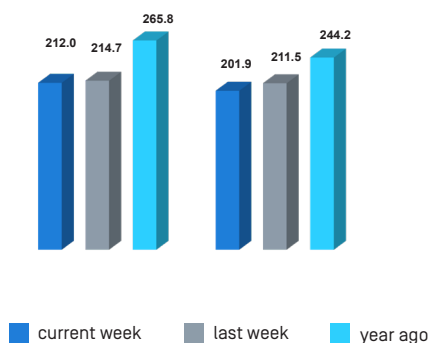
EIA calculated gasoline demand at 9.098 million b/d. While this level is down, 2023 and 2024 saw significant declines in gasoline demand measurements after Easter. The most recent week saw a decline of just over 300,000 b/d.

The back-to-back weeks of over 9 million b/d have helped bring the four-week average to 8.85 million b/d, pushing the most recent four weeks more than 3% ahead of the same period last year. OPIS same-store sales data for the week ending April 26 was also pointing lower week to week, in the 2% area.

Average U.S. Spot Price *[in cts/gal]*

Unleaded Gasoline

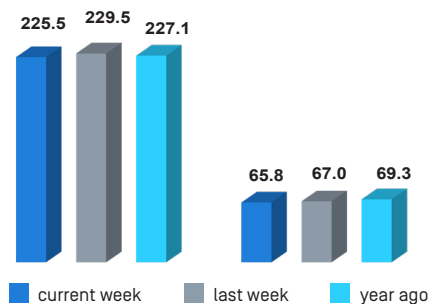
ULSD No. 2



U.S. Refinery/Inventory *[in million b/d]*

Gas Stocks

Gas Production



It also recently installed its next-generation EV fast chargers at two stores in New York and three in Pennsylvania and said it intends to continue building out the EV charging infrastructure across the country.

The company told OPIS it has 187 EV ports at 33 locations in 12 states including Arizona, Alabama, California, Florida, Kansas, Mississippi, New Mexico, New York, Pennsylvania, Texas, Oklahoma and Utah.

Donna Harris, dharris@opisnet.com



Heard in the Aisles: Hydrogen, appetizers & more from MPACT

There are 15,000 light-duty fuel cell electric hydrogen vehicles on the road today – all in California, said Des Carlisle, executive director of the Southeast Hydrogen Energy Alliance, a nonprofit that promotes the development and use of hydrogen energy in the U.S. Southeast.

But hydrogen is making progress outside of California and in industrial equipment and commercial vehicles, Carlisle told attendees of the Midwest Petroleum and Convenience Tradeshow in April during a session, “Hydrogen on the Horizon.”

“Hydrogen works in light-duty [vehicles] but it’s a disrupter in medium-duty and heavy-duty [vehicles],” she said. “Electric vehicles are too heavy and take too long to recharge.”

Fuel cell electric buses have been in operation across the United States for over a decade. There are hundreds of these buses deployed in various cities, she added.

Fuel cell technology is “revolutionizing” materials handling by powering about 60,000 forklifts in warehouses and distribution centers. Plug Power and Toyota Material Handling are manufacturing fuel cell forklifts, which refuel faster and have longer run times versus traditional battery-powered forklifts.

“BMW, Volvo, Walmart, Amazon – all their forklifts run on hydrogen,” Carlisle said. “We’re producing hydrogen for those forklifts in the Southeast. Most people have no idea that’s happening.”

She said she doesn’t believe traditional fuels are going away, but the energy portfolio “might look different in the future.”

More trends from the MPACT show:

- The industry’s high fuel margins and food service operations are attracting professional investors from other sectors who were previously hesitant to enter the convenience-fuel space, said Steve Griffin, partner with advisory firm Downstream Energy Group, an exhibitor at the show. Strategic buyers also are aggressively acquiring independents. “We’re also seeing consolidation among the consolidators

themselves, creating a realignment at the top of the food chain, with many of the fallen crumbs picked up by regionals and other strategics,” Griffin said. Major oil companies are looking to optimize their petroleum asset networks. “Many top consolidators are sitting on considerable cash they’re eager to deploy through new acquisitions in the near term,” he said.

- Major oil brands are touting mileage claims heading into the summer driving season. BP said that its mileage claim “sets us apart” and that consumer research shows mileage is the most important fuel benefit. BP said it “substantiated an industry-leading fuel economy benefit” when comparing the performance of Amoco Ultimate with Invigorate to regular fuel meeting the EPA’s basic detergency requirements. ExxonMobil said its Synergy fuel technology helps reduce wear and tear on engines by 30%, which can lead to improved performance and fuel economy. The company’s research compared Synergy Supreme+ gasoline to gasoline that only meets the minimum government standards, measuring wear reduction using an industry standard lubricant test.
- Branded marketing programs are increasing sales at the pump and inside the store, majors also said. Marathon Petroleum said members of its loyalty program for the Marathon and Arco brands buy four times more fuel than other customers and each member brings an incremental value of \$45 to \$100 a year. Sites that adopted its Endurance image have also seen a 12% increase in fuel volume, Marathon said. ExxonMobil said installing its Synergy image can increase fuel volume and store sales, with a testimonial from marketer Tri-Con that Synergy increased fuel volume by 6.5% and c-store sales by 8%. In addition to increased inside and outside sales, BP also said it has 98% supply availability with three Northern Tier refineries in Ohio, Indiana and Washington. “We also make sure we always have local backup supply in large markets,” the major said.
- Some restaurant chains are courting gasoline station operators with incentives. Exhibitors Carl’s Jr. and Hardee’s were offering fuel retailers up to \$50,000 to convert store space to their food service programs. In the past, Subway also has reduced franchise fees for fuel station operators.
- Sign-on bonuses that became common during the pandemic have been bad for the workforce, according to consultant and trainer Kristine Sexter. Sexter, who led a session on employee motivation, said paying new hires bonuses can be a “slap in the face to loyal

employees.” She also said that overpaying employees can demotivate them, adding that it is best to pay at or slightly above industry average. Employers should focus on building trust with employees. “Make sure people are not quitting the company and their manager,” Sexter said. In many cases, employees “are not quitting for money – they are quitting their boss.”

- There are 40% more jobs than there are people looking for work, Scott Warrick, an attorney and consultant said during a session on employment law. “If people don’t enjoy coming to work, you won’t survive,” Warrick said. Many changes have taken place in the last two years. As a result of the changes, he said he has not seen an employee handbook that complies with the law in more than a year. Employers need to update their handbooks to comply with the law. They also must coach employees, resolve conflicts and document how they address conflicts, he said.
- Safety officials are concerned about the number of cargo tank rollovers, with the National Highway Traffic Safety Administration estimating there are more than 1,300 reported rollovers a year. Andrew Puthoff, regional risk manager for Federated Insurance, offered safety tips for avoiding rollover. Federated sums up four primary factors that contribute to rollovers in an easy-to-remember acronym – SAFE, which stands for speed, attention, fatigue and emotion. Seventy-eight percent of rollovers result from driver error, Federated says.
- More consumers with pickups or medium-size trucks are buying diesel exhaust fluid at the dispenser, said Jack Dickinson, director of sales engineering and partner development for Dover Fueling Solutions. Commercial truck drivers require high-speed DEF dispensing. Consumers fill up at the dispenser because it’s easier than buying a jug and topping off their vehicle. Some retailers are making the DEF purchase even more convenient with a prompt at the dispenser asking them if they plan to buy DEF. If they do, the DEF and fuel are combined on the same receipt.
- Remote monitoring and maintenance of dispensers is decreasing downtime at the fuel islands and saving sales, Dickinson also said. Service technicians can more easily keep dispensers running and focus on more pressing service issues. If pumps malfunction, motorists typically don’t report the problem – they just buy fuel somewhere else, Dickinson said.
- Take-home meals and appetizers have become popular offerings, said Matthew Stark, national sales manager of frozen treat vendor Dippin’ Dots, who spoke at a session on food service. He suggested retailers

develop take-home menu options that can be warmed up at home. Grab-and-go appetizer foods like tater tots and potstickers also appeal to consumers. They’re profitable for retailers and easy to make, Stark said.

Donna Harris, dharris@opisnet.com



Legal: Federal appeals court lets Enbridge lawsuit proceed

A federal appeals court has ruled that Enbridge can continue its lawsuit against Michigan officials who are seeking to force the closure of an underwater section of the Line 5 pipeline.

The pipeline carries 540,000 b/d of light crude and mixed NGLs from Superior, Wis., to Sarnia, Ontario, and supplies refineries in the U.S. Midwest and Canada.

In a decision last week, the U.S. Court of Appeals for the Sixth Circuit panel ruled that Gov. Gretchen Whitmer and Scott Bowen, director of the state's Department of Natural Resources, are not shielded from the lawsuit by Eleventh Amendment provisions granting states sovereign immunity from federal court lawsuits.

The opinion explained that “a suit that claims that a state official's actions violate the constitution, or federal law is not deemed a suit against the state, and so is not barred by sovereign immunity, so long as the suit seeks only ‘equitable and prospective relief’ against a named state official.”

Enbridge is suing Whitmer and Bowen in federal court, claiming their efforts to force closure of the pipeline are pre-empted by federal pipeline safety regulations and violate constitutional protections of interstate commerce.

Whitmer and state Attorney General Dana Nessel have been seeking since 2019 to close the two-mile stretch of dual pipelines that run under the Straits of Mackinac. The Democratic officials claim a state easement granted to Enbridge in the 1950s is invalid and that the pipeline poses the risk of a catastrophic oil spill into the Great Lakes.

Enbridge has been fighting to keep the underwater section open as it moves ahead with plans to replace it with a tunnel. Enbridge says the tunnel will protect the pipeline from damage and would increase environmental protection by containing any potential spill in the underwater section.

While Whitmer and Nessel are pursuing an order to close the pipeline in state court, Enbridge has been fighting the effort in federal court. The ruling means Enbridge can continue trying to make its case that federal authority over pipeline operations supersedes the state's efforts.

Enbridge's efforts to build the tunnel received a boost earlier this month when the Army Corps of Engineers said it

would expedite a review of permits needed for the project under the terms of an executive order issued by President Trump declaring a national energy emergency.

Enbridge originally applied for the permits nearly five years ago.

Enbridge said Tuesday the decision will allow it to seek a summary judgement to quickly conclude its case against the Michigan officials.

"Line 5 operates as part of interstate commerce, serving to transport and deliver critical energy resources throughout the Great Lakes region. The 1977 Transit Pipelines Treaty entered by the United States and Canada reinforces the vital nature of Line 5 as an international energy delivery system. The Treaty expressly prevents public authorities such as the State of Michigan and courts from unilaterally shutting down the pipeline," the company said in a statement.

Whitmer's office did not respond to a request for comment.

Steve Cronin, scronin@opisnet.com

In the News: April demand sees 25%+ deficit from 2019

April has closed with another 2019 gasoline comparison deficit wider than 25%, according to the OPIS Demand Preview for the week ending April 26, 2025.

The volume change versus the previous week was -2.1% and -4.8% versus the previous year. The volume change from the same week in 2019 was -25.7%, the data show.

Data is aggregated on a national basis, and includes updates through 5:00 PM ET on April 30, with about 75% of sources reporting. The full OPIS Demand Report for the week ending April 26 will be published on Monday, May 5, at 11AM ET.

Couche-Tard Says Talks with Seven & i Progress

Negotiations for a merger of the world's two largest convenience store chains have made progress, Alimentation Couche-Tard said Thursday in a news release. Couche-Tard said it has signed a non-disclosure agreement with Seven & i Holdings to advance discussions of a possible merger.

The agreement facilitates due diligence and helps the companies collaborate on plans to work with regulators, but "there can be no assurance that these discussions will result in a transaction," the release said.

"We appreciate the special committee of Seven & i engaging in substantive discussions regarding our proposal and providing access to diligence," Alex Miller, Couche-Tard's president and chief executive officer, said in the announcement.

Simpson Fires Salvo in Fight with Parkland

Simpson Oil has launched a new salvo in its proxy fight with Parkland Corp., pointing to a proxy advisory firm's recommendation that Parkland shareholders support most of Simpson's nominees for seats on the Parkland board.

This week's announcement by Simpson comes on the heels of Parkland last week publishing a presentation that challenged Simpson's efforts and making the case that Parkland's existing board is best suited to move the company forward.

Simpson, which owns nearly 20% of the Canada-based fuel distributor and retailer's stock, is asking other shareholders to support its nine candidates in the proxy vote, which ends Thursday. A total of 13 board seats are being contested in the election. Simpson said independent proxy advisory firm Glass, Lewis & Co. recommended shareholders support seven of the nine Simpson candidates.

Donna Harris, dharris@opisnet.com

Steve Cronin, scronin@opisnet.com

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STAFF:

Denton Cinquegrana, *Publisher*

Donna Harris, *Senior Editor*

Michael Kelly, *Copy Editor*

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