Gas prices continue to drop; Greenville tied for lowest average cost

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The State

Gas prices have dipped below $3 a gallon at some Midlands' gas stations and could fall further in the coming weeks — a good sign for the crucial holiday-shopping season.

"Consumers are watching gas prices very seriously, and it really reflects what they do with their wallet," said Marianne Bickle, director of the University of South Carolina's Center for Retailing.

The price for a gallon of regular unleaded gasoline averaged $3.13 in Columbia Tuesday — 11 cents less than a week ago and 7 cents less than a year ago, according to AAA Carolinas.

Prices averaged $3.14 in South Carolina Tuesday, the second-lowest prices in the nation, behind only Missouri at $3.11. Greenville and Myrtle Beach tied for the lowest price at $3.05, and Charleston averaged $3.31 a gallon.

Nationwide, gas prices averaged $3.54 a gallon, 13 cents less than a week ago.

In the Columbia area, gas could be found for as low as $2.97 a gallon Tuesday at the AM-PM station on Parklane Road, according to columbiagasprices.com. A handful of other stations in that area and on Decker Boulevard had gas for $2.99 a gallon, the website said.

Average gas prices have dipped below $3 a gallon only once this year in South Carolina, according to AAA Carolinas. That was for a nearly two-week period between June 25 and July 7, a period when gas prices typically spike because of the July 4 holiday.

Prices are headed down toward that $3 barrier again having dropped by more than a penny a day in recent weeks, said Angela Daley, spokeswoman for the travel club. Falling prices have slowed in the past few days but should continue to decline through the end of the year, she said.

Prices are dipping for a number of reasons: demand is down, the summer driving season is over, crude oil prices have been down in recent weeks and the dollar is stronger, making oil cheaper and investing in it less desirable for investors, Daley said.

"We have all these factors that are bringing gas prices down," she said. "We would expect that to continue, barring any supply or distribution issues."

Crude oil prices did jump on Tuesday as Americans headed to the polls to elect a president.

Benchmark crude rose $3.06, or 3.5 percent, to finish at $88.71 a barrel in New York.

But that is still a far cry from the rise in oil the last time U.S. presidential ballots were cast in the midst of the financial crisis. Crude gained more than 10 percent on Nov. 4, 2008, as the Dow Jones industrial average rallied 305 points.

Prices likely will stabilize and possibly increase slightly in about two weeks, around Thanksgiving, as demand increases, Daley said. "Thanksgiving is a huge driving holiday."

But after that holiday travel — just as the traditional holiday-shopping season kicks off — the decline in gas prices should kick back in, she said.

"It's very good for consumers," USC's Bickle said.