



Some reprieve in Jan VMT

Posted by [Stuart Staniford](#) on March 28, 2006 - 1:37am

Topic: [Economics/Finance](#)

Tags: [peak oil](#), [vmt](#) [[list all tags](#)]

The Federal Highway Administration is out with [January Travel Trends](#), giving details of how many vehicle miles were traveled in that month. After being flat pretty much all last year, January 2006 was up 3.8% compared to January of last year. The increase affected all regions, and both rural and urban roads to varying degrees, so there's little doubt that it's a real effect (though it was aided slightly by the fact that January 2005 had somewhat depressed VMT).



Monthly US vehicle miles traveled for the last three years. Source [FHWA](#)

However, I'm guessing the reasons for this are somewhat transitory:

- December global oil production recovered from the hurricanes to match the May peak, so a little more oil was available than in November
- January is historically always the month of lowest driving
- The weather was unusually warm in January, which both reduced the demand for heating oil, freeing up oil for making gasoline, and also makes people want to drive more.

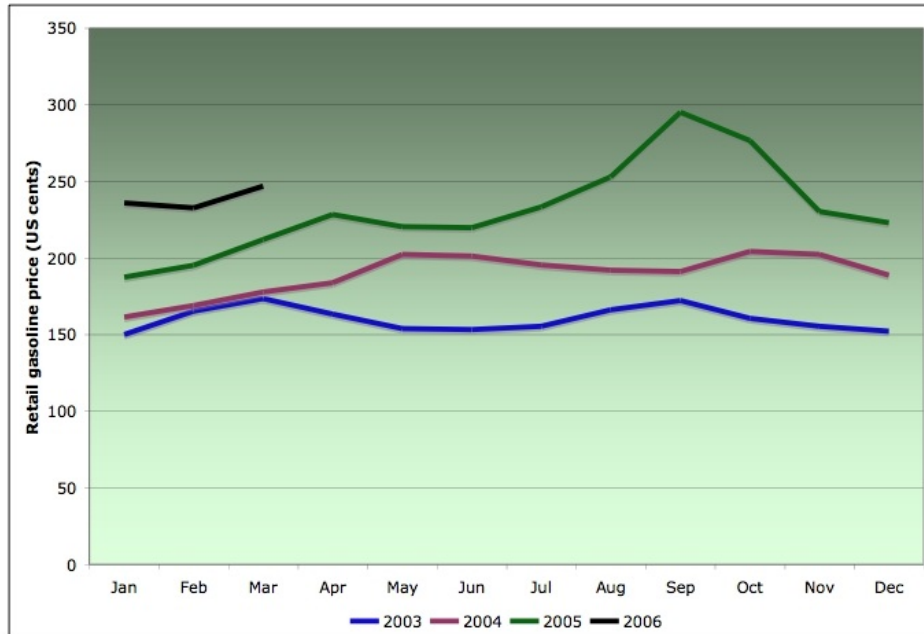
Thus, unless oil supply improves from [the plateau](#) I doubt this is going to be a lasting trend - we already know oil production in January and February fell from the December number and gas prices have been going up.

Still, it's probably good news for Q1 GDP (at least for those who think economic growth is a good thing).

More [background here](#).

Update [2006-3-28 2:45:24 by Stuart Staniford]:

Here's retail gas prices over the same period. On the whole, it would appear that prices so far in 2006 have increased at least as much over 2005 as that year did over 2004. This would appear to offer further support for the idea that January 2005 is more likely a weather-related anomaly than a harbinger of a new trend.



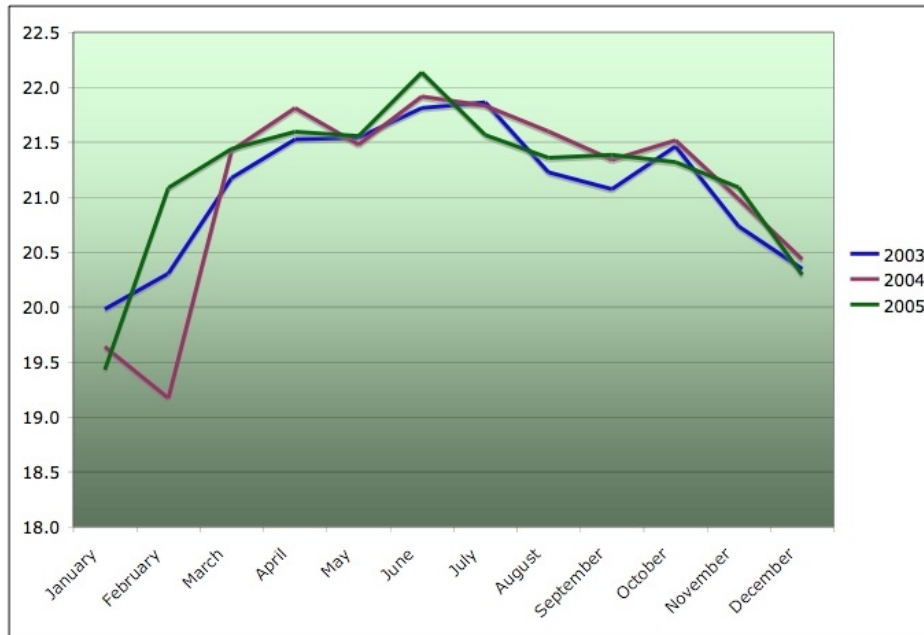
Retail gasoline price in US cents, all grades and regions. Source [EIA](#)

Update [2006-3-28 3:31:20 by Stuart Staniford]:

A commenter asked about fuel efficiency - has it increased as a result of the run-up in gas prices in the last few years? We know there's started to be some negative impact on the sale of large SUVs, and some positive impact on the sale of small cars.

As far as I know, no official body tracks fuel efficiency on a close and recent basis - the EIA is only up to 2003. However, I made my own approximate indicator by dividing the FHWA VMT by [EIA monthly gasoline supplied](#). Note this has several flaws that I freely admit. The VMT numbers include diesel vehicles (there are no monthly figures that separate by grade of vehicle), but the gasoline numbers do not include diesel (which I do not believe is well separated from heating oil in EIA statistics). This is a moderately significant distortion in the absolute number (since about 8% of VMT is large trucks IIRC), but hopefully is not a big issue in comparing month to month over short time periods. The other main issue is probably imperfect matching of time periods - gasoline supplied in one month may be powering vehicle miles driven in the next month.

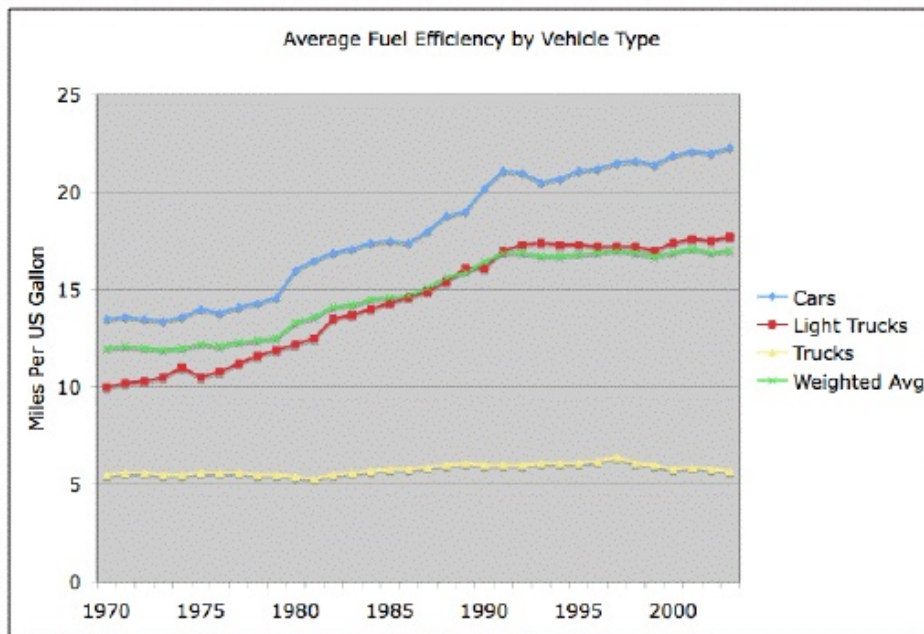
Anyway, for what it's worth, the data show no sign whatsoever of improving fuel efficiency in the deployed US vehicle fleet through Dec 2005:



Vehicle miles traveled per gallon of supplied gasoline in the US. Source [EIA](#) and [FHWA](#).

I speculate that the obvious seasonal effect in the graph is due to a higher mix of long-haul freeway driving in the summer months.

Fuel efficiency in the US has been pretty much flat since 1990. Apparently, prices have not yet gone high enough to trigger another round of improvements:



Fuel efficiency of various classes of vehicles in the US. Source [Transportation Energy Data Book](#).



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