A Diesel Export Ban Would Move the Pain, Not Remove It

What freight and fuel data say about who wins, who loses, and what policymakers should do instead

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The Bottom Line

Banning diesel exports would lower fuel prices in the parts of the country that already have plenty of diesel, and raise the risk of shortages and price spikes in the parts that do not. The regions left exposed, the East Coast and the West Coast, are where more than 8 in 10 imported shipping containers enter the United States. A national price average that looks better could hide higher costs for the goods Americans buy and the factories that depend on imported parts.

Freight will not quickly move from trucks to trains to soften the impact either. Rail volumes did pick up during this year's diesel spike, but only after about three months, which is longer than a temporary ban would last.

Five Things to Know

1. Diesel set a record of $6.53 a gallon nationally in the week of September 21, 2026, above the 2022 high of $5.81.
2. West Coast diesel cost $1.22 a gallon more than the national average in April 2026, the widest gap since government records began in 1994. A ban cannot fix this: no pipeline links California or the Pacific Northwest to Gulf Coast refineries.
3. The East Coast is next in line. Its diesel inventories are 32% below normal for this time of year, and when world diesel markets tightened in 2022, its price premium jumped about 6-fold.
4. East Coast ports receive half of all U.S. container imports, and nearly every container leaves the port on a diesel truck.
5. Trains are 2 to 5 times more fuel-efficient than trucks, but freight shifts to rail slowly. Lasting shifts come from rail capacity and trucking labor conditions, not from short-term fuel prices.

Why Geography Decides Who Pays

The United States exported 1.4 million barrels of diesel a day in the first half of 2026, far more than it imported, and 87% of those exports left from Gulf Coast refineries in Texas and Louisiana. The rest of the country depends on pipelines and ships to get that fuel, and both have limits.

- **The Gulf Coast and Midwest** are well supplied and connected. A ban would leave extra diesel stuck here, and prices would fall.
- **The East Coast** makes only about 20% of the diesel it uses. About 70% arrives from other regions, overwhelmingly the Gulf Coast, and 82% of that moves by pipeline. The remaining 10% is imported, mostly from Canada. Those imports are the swing supply that balances the market when demand rises, and New England depends on them most: its ports receive 57% of all U.S. diesel imports. The Jones Act, which requires U.S.-built and U.S.-crewed ships for moves between U.S. ports, limits how much extra Gulf fuel can go up the coast by sea.
- **The West Coast** is largely a fuel island. Gulf Coast pipelines reach Arizona, but none cross into California or the Pacific Northwest, so those markets depend on local refineries and on imports by sea.

A ban keeps diesel in the region that needs it least. The coasts would still have to buy their swing supply on world markets, and those markets would be short of supply once American exports disappear.

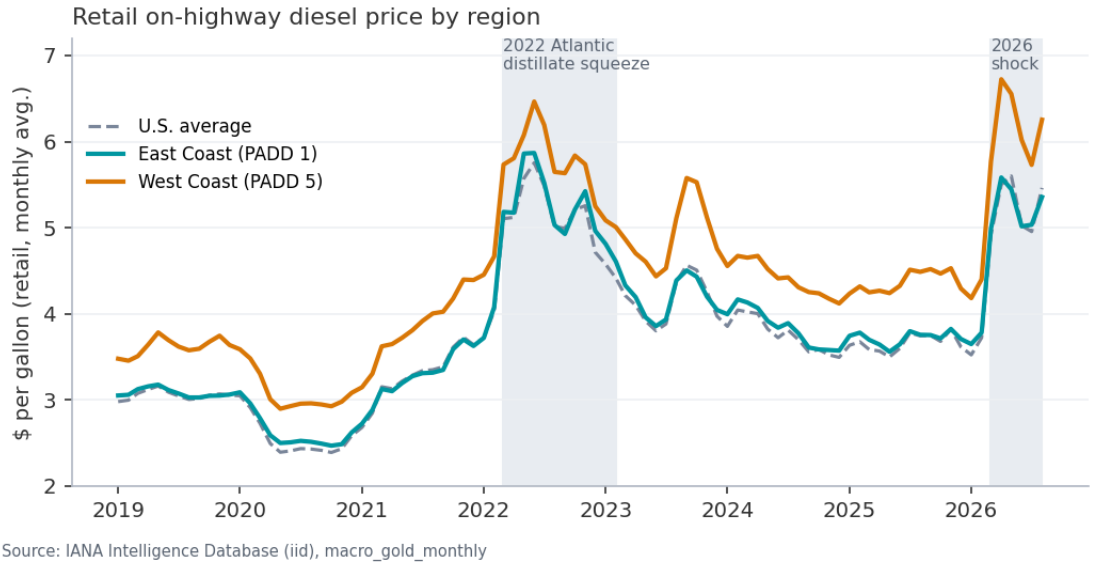

Figure 1: Retail diesel prices by region, monthly averages, 2019 to August 2026. Shaded areas mark the 2022 and 2026 price shocks.

The Split Is Already Visible

The 2026 fuel shock has already pulled the regions apart (Figure 2).

The West Coast. Over the ten years before this shock, West Coast diesel ran about 51 cents a gallon above the national average. In April 2026 the gap hit $1.22, and pump prices averaged $6.72 for the month. An export ban does nothing for this market.

The East Coast. So far this year, East Coast diesel has stayed close to the national average because Gulf pipelines and imports keep arriving. The 2022 experience shows how quickly that can change. When Europe stopped buying Russian diesel, European buyers began competing for the same cargoes that supply the Northeast. The East Coast retail premium, normally about 5 cents, climbed to 29 cents a gallon in May 2022 and stayed near 20 cents through the winter. Wholesale prices moved far more: in New York Harbor, diesel traded 72 cents a gallon above the Gulf Coast in November 2022, against a normal gap of about 5 cents.

Implementing a U.S. export ban today would have a greater impact on the East Coast than what happened in 2022. Then, Gulf Coast diesel could still be sold to whoever paid the most, including buyers in the Northeast and Europe. Under a ban, Gulf prices would fall while the imported barrels the Northeast relies on would get more expensive. And the region would face that squeeze with inventories about 32% below normal heading into heating season. The 2022 spike is the best-case benchmark, not the worst.

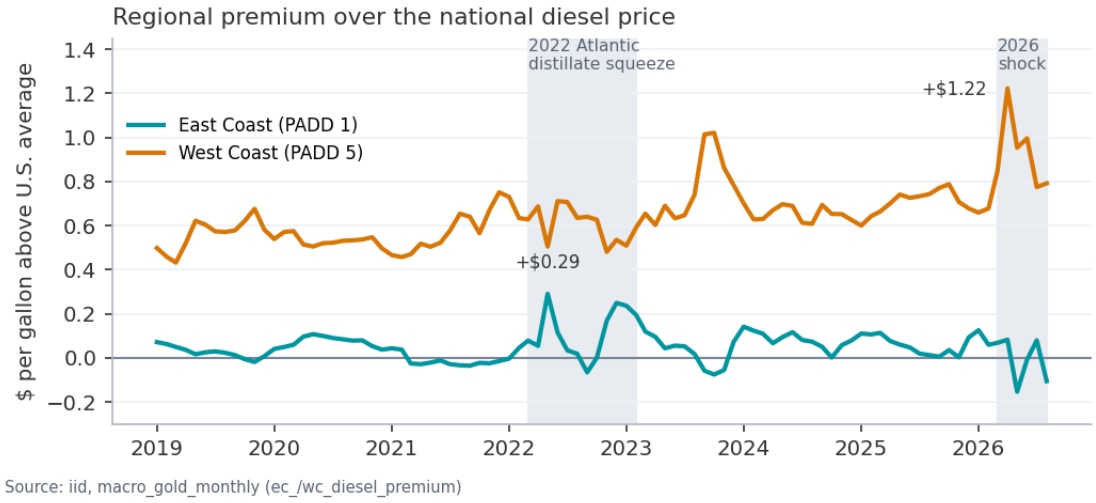

Figure 2: How much more drivers pay on each coast than the national average.

Why This Matters for the Goods Americans Buy

Imported goods arrive in containers, and nearly every container leaves the port on a truck. There is no substitute fuel for that first move.

Table 1: Where U.S. container imports arrive: share of import containers by coast at major U.S. ports (IANA port data; 2026 is January to August).

Year	East Coast	West Coast	Gulf Coast
2022	51%	38%	11%
2023	51%	39%	11%
2024	49%	42%	9%
2025	50%	41%	9%
2026	50%	40%	9%

Every year since 2022, East Coast ports have handled about half of U.S. container imports. Census Bureau trade records agree: East Coast seaports took 50% of container import tonnage in the first seven months of 2026, and the two coasts together at least 82%, with more arriving by rail from West Coast ports to inland cities. The Gulf Coast, the one region a ban would help, receives under a fifth. Higher fuel costs on the coasts would feed through to store shelves and to manufacturers that depend on imported parts and materials.

Rail Helps, but Not Quickly Enough

It is often argued that expensive diesel will push freight from trucks to trains, which move a ton of freight 2 to 5 times farther on the same fuel (ICF International 2009). Over time, that is part of the answer. The question for a temporary ban is whether it happens fast enough to matter.

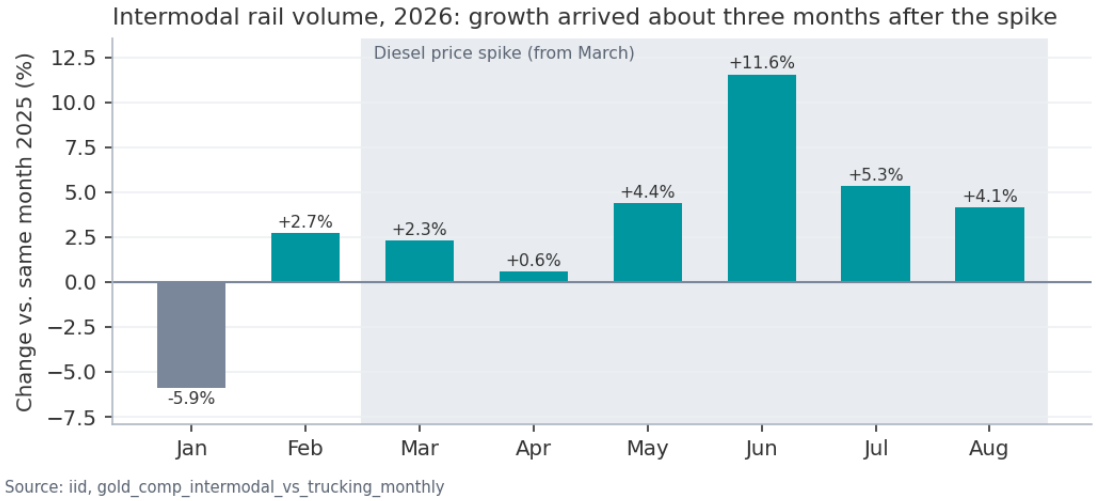

Figure 3: Intermodal rail volume compared with the same month a year earlier.

What happened this year. Diesel prices jumped by about half in March 2026. Intermodal rail volumes (containers and trailers that travel by train for the long-distance leg) barely moved in March and April. Growth arrived in May and June (Figure 3). Over March to June, federal data show intermodal traffic up 5.4% from a year earlier, against 1.3% for truck tonnage. Rail gained ground, but only about three months after the price spike.

What the long-run record shows. IANA has examined fifteen years of monthly data on fuel prices and freight volumes. Past diesel spikes did not reliably move freight onto rail in the months that followed. IANA's forecasting models put the boost to rail volumes from this year's price spike at about 1.4% in the first month, fading to almost nothing within six months. The larger gains seen this summer likely reflect other forces as well, such as tight trucking capacity.

Where freight has moved to rail for good, the causes are structural: truck driver shortages, stricter enforcement of trucking labor rules, and reliable rail service on long corridors. A short-term fuel measure changes none of these.

Considerations for Policymakers

1. **Look past the national average.** A ban would probably lower the headline national price because Gulf Coast prices would fall. That number would hide higher costs and supply risk on both coasts, where most imports arrive.
2. **The delivery problem versus the supply problem.** The US produces more diesel than it uses; the East Coast is short of ways to move it and of stored fuel. Targeted Jones Act waivers for fuel shipments along the coast, close monitoring of Northeast inventories, and readiness to use the Northeast Home Heating Oil Reserve address the real constraint.
3. **Trains cannot absorb the first months of a shock.** Rail responds, but with a lag. Freight that must move this quarter will move by truck, at whatever the local fuel price is.
4. **Invest in the freight shift that is already happening.** Funding for rail terminal capacity, bridge and tunnel clearances for double-stacked containers, and more efficient port trucking on the Northeast, Midwest, and Southeast corridors would permanently reduce how much diesel the supply chain burns. That makes the country less vulnerable to the next fuel shock, whatever causes it.

How We Checked the Numbers

Every figure in this paper comes from the IANA Intelligence Database (iid) or from federal statistical agencies, and the key figures were checked against government data.

Table 2: Verification of key figures against government sources.

Figure	Government source	Result
Record weekly U.S. diesel price	EIA	Confirmed
West Coast premium, April 2026	EIA	Confirmed
East Coast premium, May 2022	EIA	Confirmed
U.S. diesel exports, 2026	EIA	Confirmed
East Coast self-supply	EIA	Confirmed
East Coast reliance on foreign imports	EIA	Revised: imports are about 10% of supply

Pipeline link, Gulf to West Coast	EIA	Revised: pipelines reach Arizona only
Coastal share of container imports	Census Bureau	East confirmed; two-coast share revised to 8 in 10
Rail vs. truck growth, 2026	BTS; ATA	Revised: rail grew, with a lag

Two premises of the current debate could not be checked against statistical sources: the reported proposal for a temporary, 90-day export restriction, and the extent to which Gulf Coast pipelines to the East Coast are running at full capacity. Both should be confirmed against official statements before this paper is cited.

About the data. Fuel prices are U.S. Energy Information Administration (EIA) retail on-highway diesel prices. Supply figures are EIA monthly supply and movement data for 2025. Container import shares come from IANA port data and the Census Bureau's international trade statistics. Rail and truck volumes come from IANA data, the Bureau of Transportation Statistics (BTS), and the American Trucking Associations (ATA) tonnage index. The analysis does not model the refinery and gasoline effects a ban could also cause. All figures are reproducible with `python scripts/build_diesel_ban.py` and `python scripts/verify_diesel_claims.py`.

Sources. ICF International (2009), *Comparative Evaluation of Rail and Truck Fuel Efficiency on Competitive Corridors*, prepared for the Federal Railroad Administration. U.S. Energy Information Administration, Petroleum Supply Monthly and weekly retail price series. U.S. Census Bureau, International Trade API. Bureau of Transportation Statistics, Rail Freight Intermodal Traffic. American Trucking Associations, Truck Tonnage Index.