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Nov 24, 2022 12:30 GMT

Costco shows drivers just how low fuel can be by cutting price of petrol to just 147.7p

The excessive margins being taken on fuel by the UK's four big supermarkets have been further called into question today as the RAC has discovered membership-only retailer Costco has reacted to the falling wholesale market by cutting its petrol by 8p a litre to 147.7p* – 12p less than the average price of a litre bought at a supermarket and 14p lower than the UK average.

The RAC – which earlier this week [called on Asda, Morrisons, Sainsbury's and](#)

[Tesco to slash their prices](#) in response to steadily falling wholesale costs – believes the move by Costco powerfully demonstrates how overpriced fuel is elsewhere.

The [average price of unleaded](#) across the UK stands at 161.90p while diesel is 186.13p – at one of the four major supermarkets however, it is only slightly cheaper at 159.75p for petrol and 183.91p for diesel. Diesel at Costco is currently on sale at its 19 forecourts for an average of 171.6p – nearly 14.5p less than the UK average and 12p cheaper than a litre at a supermarket. Drivers will be staggered to know that at Costco Chester unleaded is a remarkable 142.9p and diesel is 166.9p. Drivers filling up at Costco will generally save more than £6.50 a tank compared to a supermarket.

RAC fuel spokesman Simon Williams said:

“Drivers who aren’t fortunate enough to be members of Costco will no doubt be horrified to see just how cheaply fuel can be sold. It’s no wonder you often see long queues for fuel at Costco. In fact, they recently had to change the queuing system at their Bristol forecourt to cope with the number of people wanting to fill up.

“The fact petrol and diesel can be sold for 12p per litre less than is currently being charged on average at the big four supermarkets is very concerning. Even accepting Costco operates on pretty thin margins the supermarkets should be slashing their prices. On Tuesday this week we called on them to cut by 5p a litre but since then wholesale costs have fallen even further, so they should really be cutting by at least 7p.

“Given the huge gap between wholesale fuel prices and the averages charged by the supermarkets, it could be argued that drivers are being deprived the benefit of the Government’s 5p duty cut. This is unfair and we hope it is being duly noted by both the Government and the Competition and Markets Authority which is currently investigating UK fuel retailing.

“Other than trying to fill up somewhere cheaper there’s very little drivers can do to avoid shelling out more than they should have to in the cost-of-living crisis.

“To rub further salt in the wound, the average price of petrol in Europe is 158p while diesel is 166p**. Across the Channel in France unleaded is 148p despite duty on petrol being 61p a litre and, while duty on diesel is currently charged at 53p – the same rate as the UK, a litre only costs 159p on average.”

[Find out more about UK petrol and diesel prices](#) on the RAC website.

* As of 10am Thursday 24 November

** EU petrol and diesel prices as of Monday 14 November 2022 - www.rac.co.uk/drive/travel/advice/european-fuel-prices-petrol-and-diesel-prices-in-europe/

The press office email address is press.office@rac.co.uk and media centre is at media.rac.co.uk. **Please note:** the press office is unable to help with individual customer enquiries - please visit the [RAC contacts page](#) to find the right contact.

About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to 13 million UK private and business drivers, whatever their motoring needs. As well as its premium nationwide breakdown assistance service – with an expert branded patrol workforce attending more than two million breakdowns every year – it offers a wide range of market-leading products across insurance, legal services, vehicle inspections and service, maintenance and repair. The RAC is also at the forefront in helping drivers make the switch to electric vehicles and leads in the development of new solutions for businesses and OEMs, partnering with the best in the motoring and mobility space.

Visit the [RAC website](#).

Contacts



RAC Press Office

Press Contact

press.office@rac.co.uk

Emails monitored during normal office hours. For breakdown queries, call 0330 159 0740

ISDN number on request