

AG Myers Updates Oregonians On Efforts to Deter Illegal Gas Pricing

by Bend Weekly News Sources

Oregon Attorney General Hardy Myers today detailed his ongoing efforts to detect and deter unlawful gasoline marketing practices. The actions taken by Myers are in response to complaints received from Oregonians concerning price-per-gallon increases of fuel around the state.

“Oregonians have clearly expressed their frustrations about high gas prices and its impact on their livelihoods,” Myers said. “We have worked hard to detect unlawful conduct in this important market, and to take aggressive enforcement action whenever the law and the facts allow.”

In April 2006, Myers launched the web-based Gas Price Reporter and encouraged consumers to assist the Department of Justice in monitoring gas prices. Consumers reported the price, location, station and details that could potentially reflect abnormalities or unlawful activity. To date, DOJ has received 157 submissions, and of these, one provided DOJ with sufficient information to permit follow up inquiries. In this case, DOJ investigators informed the gas retailer of possible violations of the Unfair Trade Practices Act.

Myers found that, in most cases, the price of gas in Oregon is the result of external factors, such as high global crude oil prices, the state’s restricted access to pipeline capacity and international political instability. No evidence of widespread unlawful price fixing, conspiracies in restraint of trade, or other illegal tactics have yet been detected.

For example, in 2004 and 2005, consumers in the Southern Oregon Coastal region experienced unprecedentedly high gas prices. Over 120 complaints were submitted to the Financial Fraud/Consumer Protection Section of DOJ. DOJ initiated an investigation to determine whether the price increases were due to market conditions or the product of anticompetitive behavior in violation of state or federal laws. The investigation revealed that insufficient evidence existed to conclude the prices were the result of illegal anticompetitive behavior. A full copy of the 2004-2005 Oregon Department of Justice’s Report on Fuel Prices is available at www.doj.state.or.us.

Myers is Co-Chair of the National Association of Attorneys General (NAAG) Antitrust Committee. Last month, he helped organize a meeting between state Attorneys General, US Attorney General Alberto Gonzales, and Federal Trade Commission (FTC) Chair Deborah Majoras. At the meeting, Myers joined other Attorneys General in expressing concerns about high gas prices nationwide. The state Attorneys General and federal officials agreed to pursue close federal-state cooperation as the FTC begins a new investigation of petroleum products marketing at the direction of President Bush. On July 3, the National Association of Attorneys General submitted a list of recommended issues to be considered in the FTC’s investigation. A copy of the letter is available on the DOJ Web site at www.doj.state.or.us.

Also last month, AG Myers met with representatives from the Western States Petroleum Association to ask

questions about industry practices and to encourage the industry to cooperate with ongoing and possible future investigations.

Myers urged Oregonians to continue to monitor gas prices and report evidence that might suggest unlawful conduct in gasoline pricing. The AG's online Gas Price Reporter can be found at www.doj.state.or.us.

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