

News from the Oklahoma Corporation Commission and the Attorney General

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KATRINA AND THE GASOLINE PUMP

Attorney General, Commissioners urge calm, consumer awareness

(Oklahoma City) With fears concerning the impact of Hurricane Katrina on energy supplies receiving media attention, Oklahoma Attorney General Drew Edmondson and the Corporation Commission said they are monitoring the situation in Oklahoma, and urged service station owners and motorists to not overreact.

Commission Chairman Jeff Cloud says the Commission has freed up its fuel inspectors from much of their regular duties in order to allow them to check to be sure price-posting rules are followed.

“The rules state any gasoline price sign must match the price at the pump,” explained Cloud. “They also require that the posted price be ‘easily readable.’ The inspectors also check to be sure you get what you pay for, in terms of octane and measure. In addition, our inspectors will be reporting any questionable pricing practices to the Attorney General.”

Attorney General Drew Edmondson said it’s important to understand that there is a difference between possible “price fixing” and “price gouging.”

“Price gouging is usually a single business acting on its own, where price fixing involves a strategic, planned effort, usually by an industry-related group, to set the price of a product,” explained Edmondson. “Oklahoma’s price gouging law, the Emergency Price Stabilization Act, requires that a state of emergency be declared in Oklahoma for the statute to take effect.

“However, we are interested in hearing about any signs of price fixing, and motorists are encouraged to contact this office if they spot prices that are outside the current rate,” Edmondson concluded.

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Commission Vice-Chair Denise Bode said that while it appears Hurricane Katrina will cause yet another jump at the pump, it’s important not to overreact.

“We must avoid the kinds of behavior we saw immediately following 9/11, when some service station owners drastically increased the pump price because of unfounded supply fears, while some motorists engaged in panic buying, making a bad situation worse,” said Bode. “At this point all indications are that there will not be supply problems for Oklahoma. However, the spike in the price of oil in the world markets will undoubtedly be

reflected at the pump.”

Commissioner Bob Anthony said that while the price at the pump is set by the free market and not by regulators, both the Corporation Commission and the Attorney General want to ensure consumers are protected to the fullest extent of the law.

“Those who have complaints about the quality or measure of fuel they purchased can call the Corporation Commission’s Petroleum Storage Tank Division at (405) 521-4683, or the Commission’s main number, (405) 521-2211,” said Anthony. “Concerns regarding price fixing can be reported to the Attorney General at (405) 521-2029.”

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