

April 24, 2006

The President
The White House
Washington, DC

Dear Mr. President:

In the wake of unprecedented increases in worldwide demand for gasoline, particularly in China and India, coupled with other factors, American consumers are facing record prices for gasoline at the pump. Anyone who is trying to take advantage of this situation while American families are forced into making tough choices over whether to fill up their cars or severely cut back their budgets should be investigated and prosecuted. Therefore, we believe that Federal law enforcement agencies and regulators should take every available step to ensure that all Federal laws protecting American consumers from price-fixing, collusion, gouging and other anti-competitive practices are vigorously enforced.

We respectfully request that you direct the Attorney General and the Chairman of the Federal Trade Commission to investigate any potential collusion, price-fixing or gouging in the sale or distribution of gasoline, petroleum distillates or ethanol in wholesale and retail markets. We further request that scrutiny be directed to refining, the transportation of fuel by pipelines, marine vessels and trucks, storage and marketing activities and retail practices to determine if there is any unlawful manipulation of the price of gasoline. Sweeps of retail distribution centers should be undertaken to ensure that retail price movements are in response to a change in market conditions and not price gouging. Finally, we recommend that the Federal Trade Commission examine whether spot shortages of gasoline are the result of illegal efforts to manipulate prices.

Given the severity of the current situation regarding gas prices, we believe that the Attorney General and the Federal Trade Commission should devote all necessary resources to expedited review of complaints of price gouging against wholesalers or retailers of gasoline and other distillates.

Additionally, we request that you direct the Chairman of the Commodities Futures Trading Commission to bring heightened scrutiny to the trading of energy futures and derivatives to determine whether spikes in prices of oil, gasoline and other petroleum distillates are a result of improper market manipulation by traders or by energy firms.

We believe that protecting American consumers in these unprecedented market conditions is of paramount importance. We know that you share these goals. Consistent with our constitutional authority, we will ask the committees of jurisdiction to conduct oversight of these important questions.

Sincerely,

The Honorable Dennis Hastert
Speaker

The Honorable Bill Frist
Majority Leader