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Congress of the United States

House of Representatives Washington, DC 20515

September 15, 2008

1533 LONGWORTH HOUSE OFFICE BUILDING WASHINGTON, DC 20515 (202) 225–4531

DISTRICT OFFICES:

SUITE 505 333 FAYETTEVILLE STREET RALEIGH, NC 27601 (919) 829–9122 1 (888) 262–6202

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www.house.gov/etheridge

William E. Kovacic, Chairman Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

Dear Chairman Kovacic:

In the wake of the recent Gulf hurricanes, there have been hundreds of reports throughout North Carolina and across the Southern states of major price fluctuations at gas stations. I urge the Federal Trade Commission to investigate this abnormal market behavior and any possible price-gouging or manipulative activity by unscrupulous gas station owners.

Over this past weekend, there were reports of gas stations charging customers as much as five dollars per gallon for regular unleaded gasoline. This increase came despite the price of a barrel of oil falling more than 35 percent from its high two months ago. An increase in the amount of one dollar per gallon in the span of one day does not reflect normal market conditions.

In North Carolina, Governor Michael Easley declared a state of "abnormal market disruption" and activated the state's law against price gouging. He also ordered North Carolina State Attorney General Roy Cooper to enforce North Carolina's anti-gouging law.

I urge the Federal Trade Commission to investigate these allegations immediately, and to work to prevent this activity from occurring in the future. I encourage you to work closely with the Department of Justice to monitor gas prices and prosecute any anti-trust violations to the fullest extent possible.

During a natural disaster or other emergency the public must know that they will be protected from unscrupulous actors. Ensuring stability in our food and energy supply is a key component in building our citizens' confidence in the actions and recommendations of federal authorities.

I look forward to your prompt response to this important matter.

Sincerely,

Bob Etheridge

Member of Congress

BE: bb