

## **NY Attorney General Looks Into Price Gouging for Gasoline**

The New York Association of Convenience Stores questions the objectivity of the investigation.

ALBANY, N.Y. – New York Attorney General Eric Schneiderman has begun an investigation into price gouging for gasoline because of complaints from consumers in central New York, WKTV reports. Residents brought the alleged price disparity to the attention of Schneiderman, whose office noted that the national average price for gasoline is \$3.55 per gallon, while New York's average cost is \$3.74.

Schneiderman said he is not accusing gasoline stations of wrongdoing. "We know this is happening in Central New York and all over, and our goal is not just to catch the people doing it, but also to let the industry know, we are watching you," he said. The study will investigate whether the price hikes are because of market conditions or are unjustified increases.

Meanwhile, the New York Association of Convenience Stores has responded to the attorney general's study with a statement from its president, James Calvin. "We respect the Attorney General's interest in reviewing gas prices, but we wonder how objective the inquiry will be if he's accusing us of 'slamming' consumers before the investigation has even begun," said Calvin.

"We empathize with the financial and psychological distress experienced by our gas customers during this period of price volatility. It's no picnic for local retailers either, having to buy motor fuel 10,000 gallons at a time and forfeit more than half of their gross profit margin to Visa or MasterCard just to electronically process purchases made with credit cards.

"If people suspect the seller of any product or service is overcharging, the marketplace has a solution – competition. Whether it's motor fuel, fresh produce, or restaurant meals, those who overprice lose business to those who price competitively. Pointing fingers may be a great way for consumers to vent frustration and politicians to make headlines, but the best and simplest recourse for price disparities between gas stations is to just buy from the lower-priced one," he said.

"Our retail members have always been convenient scapegoats for the escalating cost of motor fuel. But the reality is that they have no control over events in the Middle East and on Wall Street that precipitated the surge in wholesale prices they have had to reluctantly pass along in the form of higher prices at the pump," said Calvin.