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Battle over gasoline is heating up

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State Rep. William Tong of Stamford and Attorney General Richard Blumenthal want Big Oil to open their books.

The two Democrats are pushing the Gasoline Transparency and Oversight Act, which would require "every distributor" to file detailed shipping, pricing and sales data with Blumenthal or the state budget office by Aug. 1.

The legislature's General Law Committee has scheduled a public hearing on the bill for Thursday.

Tong and Blumenthal's effort grew out of last year's battle to ban zone pricing, a practice in which oil companies charge different wholesale prices to gas stations based on their locations.

They are convinced that doing away with the practice would help lower gas prices in general, and particularly in Fairfield County, where motorists pay more at the pumps under zone pricing.

But a \$40,000 report, commissioned by a group of major oil companies and drafted by three Quinnipiac University professors, last year convinced enough lawmakers that gas prices might rise in other parts of the state if zone pricing were abolished. The ban barely passed the state Senate, with Republican Lt. Gov. Michael Fedele of Stamford breaking a tie vote; it died in the state House of Representatives.

Tong and Blumenthal said they were frustrated when the professors declined to turn over their research, saying it was proprietary data owned by the oil companies. Tong went so far as to challenge the academics to a debate.

"That experience kind of crystallized the secrecy and concealment that is common in this industry," Blumenthal said. "This bill would require oil companies to provide our office with zone pricing and supply information (that) we believe will help make the case for a zone-pricing ban."

The data also could be used to identify where Big Oil's "windfall profits" are if the state decides to tax oil company revenue above a certain level, Blumenthal added.

Blumenthal said his office is researching whether any other states have successfully gained access to



such information and acknowledged it is likely an uphill battle. He said he would prefer the U.S. Department of Justice subpoena such information as part of an anti-trust investigation.

"I'm far from naive. I anticipate there will be a lot of arguments against the proposed measure and then a lot of resistance if it is passed," Blumenthal said. "But it will at least force the spotlight on practices in this industry that conceal information that is important to consumers."

Steven Guveyan, executive director of the Connecticut Petroleum Council, which lobbies on behalf of Exxon-Mobil, Shell and Chevron, called Tong and Blumenthal's bill "very burdensome."

"It affects the biggest of the big refiners to the smallest of the small dealers," Guveyan said. "It's a lot of data. What they are requesting is hugely complex."

He said some of the information is available from commercial report agencies like the Oil Price Information Services.

"Anybody who wants to purchase pricing data - wholesale, retail - you can sign up with them . . . rather than put the burden on the industry," Guveyan said.

The bill specifies Blumenthal may purchase retail price data by commercial report agencies to help analyze the information his office receives from Big Oil.

Tong also expects opposition from one of the General Law Committee's co-chairman, state Rep. Christopher Stone, D-East Hartford, a traditional opponent of zone pricing bans.

Stone could not be reached for comment on the proposed legislation.

The other committee co-chairman, state Rep. Thomas Colapietro, D-Bristol, said he supports Tong and Blumenthal's bill.

Colapietro shepherded the zone-pricing ban through the Senate last year.

"I just wish the legislature would realize we're at a point where we have to do something (about rising gas prices) rather than accept the fact it's going to go up every time you look at the pump," he said.

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