

JUNE 15, 2000

**FOLLOWING MEETING WITH EPA ADMINISTRATOR BROWNER,
SCHAKOWSKY SAYS OIL COMPANIES GOUGING CONSUMERS**

**OIL COMPANIES USING ENVIRONMENTAL REGULATIONS AND ETHANOL AS DECOYS
FOR THEIR PRICING SCHEMES**

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) today blamed oil companies for the out-of-control gas prices in Chicago and the Midwest. Schakowsky said that it was clear to her that oil companies are responsible for the dramatic price increases in Chicago, and are using ethanol and environmental regulations as decoys for their pricing schemes.

"This is about oil companies who would rather do away with all environmental requirements than use ethanol. As a result, consumers are being gouged at the pump. Contrary to what others are claiming, an environmental waiver would not reduce prices enough to give consumers real relief," Schakowsky said.

Oil companies are required to sell fuel reformulated with ethanol in the Chicago and Milwaukee markets. Schakowsky pointed to national figures that show Chicago and Milwaukee paying an additional 40 cents or more per gallon than other cities with no such requirements.

"The only plausible explanation of this price discrepancy is that the oil companies are taking advantage of the situation and blaming ethanol," Schakowsky added.

Following the meeting, Schakowsky also said, "While Administrator Browner was careful not to use the word gouging, she pointed out the fact that this is the first time in her service with the EPA that she has asked the Federal Trade Commission to open an investigation. When the Administrator was asked whether oil companies were price gouging, she said 'we have our suspicions,'"