

# Legislature of the Virgin Islands

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Senate Building, Christiansted

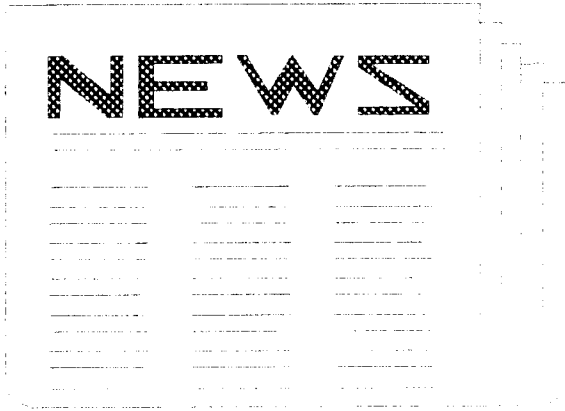
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HOLLAND L. REDFIELD II  
Senator



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## PRESS RELEASE

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REDFIELD CALLS FOR BOYCOTT. INVESTIGATION INTO ESSO PRICE HIKES

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REPUBLICAN SENATOR HOLLAND L. REDFIELD II, CHAIRMAN OF THE CONSUMER

PROTECTION COMMITTEE, CALLED TODAY FOR V.I. CONSUMERS TO BOYCOTT ESSO GAS

STATIONS TO PROTEST RECENT PRICE HIKES IN GASOLINE

IN CONJUNCTION WITH THE BOYCOTT, REDFIELD CALLED ON THE V.I. GOVERNMENT TO IMMEDIATELY SUSPEND ALL V.I. GOVERNMENT CONTRACTS AND GASOLINE PURCHASES WITH ESSO.

"HESS OIL WHOLESALER PRICES OF GASOLINE HAVE REMAINED CONSTANT SINCE DECEMBER. ESSO HAS NO REASON TO INCREASE PRICES BECAUSE THEY PURCHASE GAS FROM HESS." REDFIELD SAID.

TODAY, HESS OIL WHOLESALERS REGULAR GAS AT 80 CENTS PER GALLON, AND PREMIUM FOR 85 CENTS PER GALLON. ESSO SELLS TO RETAILERS AT \$1.14 9/10 A GALLON FOR REGULAR, AND \$1.22 9/10 FOR PREMIUM. THE MARKUP IS ROUGHLY 34 CENTS FOR REGULAR, AND 38 CENTS FOR PREMIUM GAS.

THE WHOLESALER PRICE INCREASES, RANGING FROM TWO CENTS ON REGULAR AND FIVE CENTS FOR PREMIUM GAS, WENT INTO EFFECT LAST WEEK, ACCORDING TO LICENSING AND CONSUMER AFFAIRS DEPARTMENT.

"ESSO HAS GIVEN A NEW MEANING TO THE TERM 'HIGHWAY ROBBERS,'" REDFIELD SAID.

REDFIELD SPOKE WITH DANIEL LEE, ESSO REPRESENTATIVE IN THE V.I., WHO CONFIRMED THAT THE PRICE HIKE WAS BASED ON ESSO'S CLAIM OF A LOW PROFIT MARGIN AND THEIR DECISION TO INCREASE PROFITABILITY FOR THEMSELVES, AND TO ENCOURAGE INDEPENDENT GAS STATIONS TO SIMILARLY HIKE THEIR PRICES.

"THIS CALLOUS, BIG-CORPORATION ATTITUDE TOWARD THE CONSUMERS OF THE VIRGIN ISLANDS IS TOTALLY UNACCEPTABLE," REDFIELD SAID.

REDFIELD REMINDED ESSO OFFICIALS THAT PRICE CONTROLS HAVE BEEN PUT INTO EFFECT IN THE PAST, AND CAN BE RE-INSTATED VERY QUICKLY "IF ESSO LACKS THE SOCIAL CONSCIENCE TO BE REASONABLE, IF ESSO CANNOT FIND ITS SOCIAL CONSCIENCE, THEN PERHAPS WE CAN LEGISLATE ONE.." REDFIELD SAID

THE SENATOR EXPRESSED SHOCK AND DISMAY ON LEARNING THAT THE V.I. GOVERNMENT CURRENTLY PURCHASES GASOLINE AND OTHER PRODUCTS FROM ESSO BY CONTRACT. "WE CANNOT CONTINUE TO SANCTION THESE OUTLANDISH INCREASES," REDFIELD ADDED.

THE GOVERNMENT'S CONTRACT PAYS ESSO 93.45 CENTS PER GALLON, BUT HESS SELLS THE SAME GAS FOR 85 CENTS. THE GOVERNMENT'S SIX-MONTH GASOLINE CONTRACT IS WORTH APPROXIMATELY \$250,000. REDFIELD URGED THE ADMINISTRATION NOT TO RENEW THE SIX-MONTH CONTRACT WHEN IT EXPIRES SEPT. 30, BUT INSTEAD TO CONSIDER PURCHASING GASOLINE DIRECTLY FROM HESS OIL.

"IT'S IMPERATIVE THAT THE CONSUMER NOT BUY ONE DROP OF ESSO GASOLINE, PARTICULARLY ON ST. CROIX, WHERE REGULAR GAS CAN BE PURCHASED AT A LOW OF \$1.12 AT INDEPENDENT GAS STATIONS," REDFIELD SAID.

"ESSO WILL GET THE MESSAGE ONLY WHEN THEY ARE NOT SELLING PRODUCT AND NOT GETTING THE CONSUMER'S MONEY," REDFIELD SAID.

"IN MY OPINION, ESSO IS ATTEMPTING TO PUT ITSELF INTO A POSITION TO CONTROL THE MARKET. WITH THE HELP OF THE GOVERNMENT AND THE V.I. CONSUMER, I AM NOT GOING TO LET THIS HAPPEN," REDFIELD SAID.

REDFIELD SAID HE PLANS A CONSUMER PROTECTION COMMITTEE MEETING IN THE NEAR FUTURE TO TAKE TESTIMONY FROM OFFICIALS FROM ESSO, TEXACO AND HESS OIL VIRGIN ISLANDS TO INVESTIGATE GAS PRICE HIKES.