

**Concurring Statement of Commissioner Mozelle W. Thompson**

**Western States Gasoline Pricing**

**File No. 981-0187**

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The Western States gasoline markets are both concentrated and isolated from other refinery markets in our country. New refineries likely could not be built in the near future to increase competition in the Western States markets, and information about the markets is readily available to market participants so that they may monitor each others' activities. Consequently, gasoline prices in the Western States markets most likely suffer oligopolistic pricing, and in fact, their prices are among the highest in the country. Further, this market structure makes the Western States gasoline markets more susceptible to the employment, and vulnerable to the possible anticompetitive effects, of distributional restraints.

The Commission has closed the investigation into whether certain distribution practices employed by the Western States gasoline refiners amount to antitrust violations. I voted to close our investigation because I believe that insufficient evidence exists showing that any of the Western States refiners' distributional practices have themselves caused higher wholesale and retail prices for gasoline. Notwithstanding my vote, I remain somewhat troubled by the practice of site-

prices to increase market-wide (thus decreasing intrabrand competition without increasing interbrand competition).  
See, e.g., *Continental T.V., Inc. v. G.T.E. Sylvania, Inc.*, 43 U.S. 36 (1977).