



Possible Tar Sands Price Fixing Needs FTC Probe Attorneys Say

April 28, 2011 (Washington, DC) – There are enough indications that tar sands oil companies are trying to manipulate U.S. oil prices to warrant an investigation by the Federal Trade Commission (FTC), attorneys for the Natural Resources Defense Council and the National Wildlife Federation allege. In a letter to FTC chairman Jonathan Liebowitz, NRDC and NWF [join Senator Ron Wyden](#) (D-OR) in calling for a probe of Canadian tar sands oil companies to determine whether laws designed to curb unfair trade practices are being violated with the proposed Keystone XL tar sands pipeline.

“Consumers are already hurting in this economy and foreign oil companies appear to be plotting to gouge them further,” said Jim Murphy, senior counsel at National Wildlife Federation. “They need the Federal Trade Commission to act on Senator Wyden’s request to investigate potential wrongdoing.”

Industry documents that recently came to light have found that the disputed Canada-to-Texas Keystone XL tar sands pipeline are likely to harm Midwesterners by forcing consumers to pay more for fuel.

Recently, Senator Wyden has elevated these concerns by requesting an FTC investigation of potential anti-competitive practices connected to constructing the Keystone XL tar sands pipeline. The documents show the industry is planning to boost profits by rerouting supply toward the Gulf of Mexico and away from the Midwest.

"Consumers have the right to know if there is a coordinated strategy among Canadian tar sands producers to increase oil prices," said Susan Casey-Lefkowitz, director, NRDC International Program. "According to TransCanada’s own documents, if built, the Keystone XL tar sands pipeline could increase U.S. fuel costs by up to \$4 billion."

In recent [House testimony](#), NWF said the true motivation behind the \$14 billion Keystone XL pipeline was likely price manipulation. TransCanada documents said that Canadian heavy crude prices will increase by \$6.55 per barrel in the Midwest and by \$3 per barrel everywhere else.

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