

The Virgin Islands Consortium

DLCA, DOJ To Launch Investigation Into High Gas Prices On St. Thomas

VIC News / **Published On December 01, 2015 10:17 AM /**

Staff **December 01, 2015**



ST. CROIX -- The Department of Licensing and Consumer Affairs recently received correspondence from Senator Justin Harrigan Sr., dated November 23, 2015, bemoaning the price of gas in the district of St. Thomas/St. John, according to a release DLCA issued on Monday.

According to the release, contrary to the downward movement in prices here over the last two months to an average of \$2.69 per gallon, prices in the St Thomas/St. John district remain "curiously" high at about \$3.05 per gallon.

The release further stated that prices remain high despite the fact prices for gas on the national level have been hovering just below the \$2.00 level for several months. And that more concerning to the department is the fact that since the closure of HOVENSA and the purchase of the territory's gas stock from suppliers in Puerto Rico, transportation costs to St. Thomas/St. John and lower WAPA costs dictate that gas prices in that district should be lower than the St. Croix district.

DLCA says it recently issued subpoenas to the gas retail outlets in the district of St. Thomas/St. John to gather information pertinent to fuel costs in preparation for an investigation into gas prices to be undertaken in conjunction with the Office of the Attorney General. Law requires that gas retailers cooperate and provide the subpoenaed information. Gas retailers should be mindful that if the investigation reveals retailers are profiting unreasonably on prices being charged at the pump or that prices are being fixed, requisite action shall be taken by DLCA and/or the Attorney General respectively, up to and including criminal charges, according to the release.

In the same vein, the release went on, gas retailers on St. Thomas/St. John should be guided by the actions of gas retailers in the St. Croix district, who have provided long-needed relief to consumers in that district. The release added that special commendation should be given to Queen Bee Gas Station and Karim Service Station on the western end of the island, who have taken the lead in reducing prices, initially to \$2.69 per gallon. Karim in particular offers consumers other amenities with the purchase of gas. Their action has prompted other retailers to follow suit in order to remain competitive, it said.

The release concluded by stating that consumers, on the other hand, must maximize the power of their dollar and seek out those establishments that are consumer friendly in price and service. Where there is choice in where and how to shop, consumers must exercise that power to their benefit.