

## Pricing transparency in marketplace crucial for consumers

### **Truckers urges states to bar temp comp at retail**

January 21, 2008

The largest trucking association in the U.S. says it is opposed to any move to mandate automatic temperature correction at retail. Rather, regulators should bar states from adopting the system, so ensuring that every station in the nation sells fuel the same way.

The declaration by the American Trucking Assns. gives a huge boost to refiners and marketers hoping to persuade the National Conference on Weights and Measures not to adopt the system.

State regulators have been wrestling with the issue for several months now. Some states are seeking permissive ATC, some say it should be mandatory, while others want to keep the status quo.

The impetus to adopt ATC at retail comes from a small group of Mom and Pop truckers and a California activist group closely aligned with trial lawyers, as reported OE 11/12/07.

The Owner-Operator Independent Drivers Assn. maintains that its members, 160,000 “Mom and Pop” truckers, are being cheated at the pump in warm-weather states by marketers who do not adjust their prices to account for differences in fuel temperature. They have enlisted the support of presidential hopeful Rep. Dennis Kucinich, D-Ohio, who has used his chairmanship of a congressional subcommittee to hold hearings on the issue.

But the ATA, which represents more than 37,000 fleet firms, says it is concerned about maintaining pricing transparency and fair trade in the marketplace.

“Diesel is the lifeblood of the trucking industry,” ATA said in a letter to NCWM chairman Judy Cardin last week. “In a single day, a trucker can travel through several states and time zones. We believe it would be detrimental ...if various states each adopt their own systems for measuring motor fuel, with some opting for ATC and others adopting methods that measure BTUs, and others continuing traditional systems of fuel measurement.”

Fuel marketers take into account inventory expansion and shrinkage when they price their fuel, eliminating any impact that temperature might have, wrote ATA VP Richard Moskowitz.

ATC technology costs about \$2,000/pump, expenses that will likely be passed through to consumers. The equipment will not assure that every gallon yields the same energy content, says ATA. There are more variables affecting the energy content of a gallon other than temperature. For example, BTU reductions in ethanol and biodiesel blends have a much greater impact.

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