

United States Senate

WASHINGTON, DC 20510

April 28, 2011

Mr. William Daley
Chief of Staff
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. Daley:

I am encouraged by President Obama's recent decision to organize an Oil and Gas Price Fraud Working Group to identify and investigate any illegal activity that may be contributing to higher prices at the pump. With the summer driving season nearly upon us, this Working Group must act quickly and aggressively to alleviate the burden that rising gas prices are placing on families across North Carolina and the country.

Today in North Carolina, the average price for a gallon of regular gasoline is rapidly approaching \$4, with some areas already facing prices well above that average. These prices have skyrocketed nearly 20% in less than four months. For North Carolina families and seniors living on a fixed income, as well as our substantial military and veteran communities, this increase hits at a terrible time and threatens to disrupt our continued economic recovery.

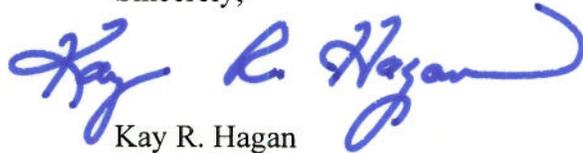
From the restaurant owner facing rising food prices, to the local trucking company and farmer who are struggling to keep up with increasing fuel costs, small businesses across North Carolina are feeling the pinch. Likewise, families in North Carolina and across the country are looking at rising gas prices and reconsidering summer travel, potentially sapping millions of dollars of tourism revenue from communities across our state.

The formation of Oil and Gas Price Fraud Working Group is an important step to prevent rising oil prices from standing in the way of our continued economic recovery. However, to ensure that Congress can enact any necessary legislative remedies to combat market manipulation, I strongly urge the Working Group to provide a report of its findings and any recommended legislative actions to Congress prior to the July 4th holiday, when many Americans get on the road.

In addition, as you know, our veterans face employment challenges that make it particularly difficult to pay inflated gas prices. For that reason, I would encourage the Working Group to consult with the Department of Defense and Department of Veterans Affairs regarding the impact of increasing oil prices on our veterans and military families. As the Working Group works to protect consumers, these agencies can offer valuable insights to help support our men and women in uniform and their families.

Inflated oil prices deplete capital that would otherwise be invested in American job creation and the development of sustainable, domestic energy supplies. I urge you to continue to pursue every opportunity to ensure that North Carolinians – and all Americans – can afford the fuel they need. I offer any assistance I may provide to that end, and look forward to continuing to work with you to strengthen American economic competitiveness.

Sincerely,

A handwritten signature in blue ink that reads "Kay R. Hagan". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Kay R. Hagan
United States Senator