



## Hawaii puts caps on gas prices

Posted by [Yankee](#) on August 25, 2005 - 7:53am

Topic: [Supply/Production](#)

It was announced today that Hawaii has put a cap on gas prices, to take effect starting Sept 1. The pre-tax wholesale cap in Honolulu is \$2.1578. Today, the average gas price in Hawaii is \$2.824, 21 cents higher than Monday's national average. [According to CNN](#),

The law states that no manufacturer or wholesaler may sell regular unleaded to a retail gas station or another wholesaler for more than the maximum pre-tax wholesale price set each week by the state for each Hawaiian island.

Why are they doing it? Well, not necessarily just to ease the burden on the consumer:

According to local media, proponents of the law say it was created to keep Hawaii's refiners from taking advantage of the isolated market by charging high prices as crude costs rise and not lowering prices to reflect dips in crude costs.

Looks like governor Linda Lingle isn't a fan of the plan. She's a member of the group who believes that prices are so high because the oil companies are out to make record profits (which, I concede, could possibly be true, but it can't be the only reason that the gas prices are so high).

Hawaii's Star Bulletin reported that Governor Linda Lingle (R) is an opponent of the caps. The newspaper said Lingle believes it would be better to force oil companies to open their books and show consumers how much money they make at each stage of business.

"It's a feeling people have that they're being gouged. I think that's what bothers people most, is that they feel they're being charged unfairly simply because we have no other choice," she told the newspaper.

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