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ONE HUNDRED TENTH CONGRESS

U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515-6115

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July 11, 2007

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W. David Montgomery, Ph.D.
Vice President
CRA International
1201 F Street, N.W., Suite 700
Washington, D.C. 20004

Dear Dr. Montgomery:

Thank you for appearing before the Subcommittee on Oversight and Investigations on Tuesday, May 22, 2007, at the hearing entitled " Gasoline Prices, Oil Company Profits, and the American Consumer." We appreciate the time and effort you gave as a witness before the Subcommittee.

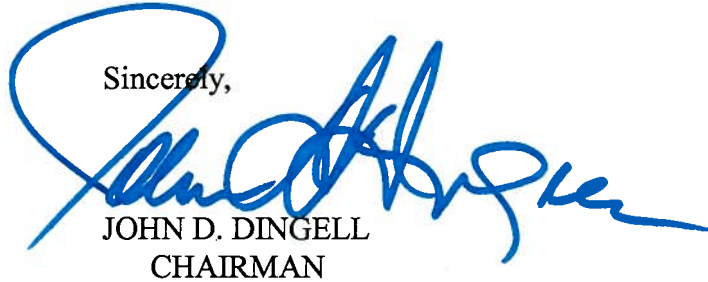
Under the Rules of the Committee on Energy and Commerce, the hearing record remains open to permit Members to submit additional questions to the witnesses. Attached are questions directed to you from certain Members of the Committee. In preparing your answers to these questions, please address your response to the Member who has submitted the question(s) and include the text of the Member's question along with your response

To facilitate the printing of the hearing record, your responses to these questions should be received no later than the close of business **Friday, July 27, 2007**. Your written responses should be delivered to **316 Ford House Office Building** and faxed to **202-225-5288** to the attention of Kyle Chapman, Legislative Clerk. An electronic version of your response should also be sent by e-mail to Mr. Kyle Chapman at kyle.chapman@mail.house.gov in a single Word formatted document.

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Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Kyle Chapman at (202) 226-2424.

Sincerely,



JOHN D. DINGELL
CHAIRMAN

Attachment

cc: The Honorable Joe Barton, Ranking Member
Committee on Energy and Commerce

The Honorable Bart Stupak, Chairman
Subcommittee on Oversight and Investigations

The Honorable Ed Whitfield, Ranking Member
Subcommittee on Oversight and Investigations

The Honorable Gene Green, Member
Subcommittee on Oversight and Investigations

The Honorable Gene Green

1. Dr. Montgomery, you mention in your testimony an experiment California recently undertook to refund to consumers alleged overcharges for gasoline at the pump. Can you further elaborate on this experience and lessons learned?
2. You mention a study by two economists on this event that found the added costs associated with price controls were 116 percent of the monetary savings provided by price control. How did this study come to this conclusion, and what does this teach us about interfering in the pricing of gas?
3. In Mr. Slocum's testimony (from Public Citizen), he states that "major oil companies are not building new refineries because it is in their financial self-interest to keep refining margins as tight as possible." He goes on to ask the question, why can't major oil companies build a new refinery today to meet demand? How would you respond to his question?