



**Australian
Competition &
Consumer
Commission**

GPO Box 520
Melbourne Vic 3001

Level 35, The Tower
360 Elizabeth Street
Melbourne Vic 3000

tel: (03) 9290 1800
fax: (03) 9663 3699

www.accc.gov.au

30th January 2009

Mr Ramnik Narsey
General Manager Petrol
Woolworths Ltd
1 Woolworths Way
BELLA VISTA NSW 2153

Dear Mr Narsey

Recent spikes in the price of unleaded petrol

As you are aware, the Australian Competition and Consumer Commission (ACCC) monitors movements in retail unleaded petrol prices in Australia with movements in international benchmark prices.

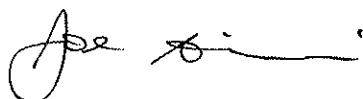
The ACCC notes that there have been recent increases in the price of Singapore Mogas 95 Unleaded and increases in retail prices of unleaded petrol in Australia.

Despite these increases, I have noticed that there has been particularly large spikes in retail unleaded petrol prices at the end of recent price cycles in a number of the major capital cities. In Melbourne, Sydney and Adelaide respectively the average daily price of unleaded petrol jumped by 14.9 cpl, 15.8 cpl and 15.7 cpl between 28 and 29 January 2009. The price increases in these major capital cities over the last three weeks have been significantly greater than the average increase for the last seven price cycles and the average increase in price cycles for 2008.

As you know, the price increases at the end of the regular price cycle cause concern for motorists. In this context price increases of a magnitude significantly greater than normal exacerbate these concerns.

I seek your comments and explanation as to why increases of this magnitude have suddenly occurred in retail petrol prices over recent weeks. I would appreciate your response by close of business Friday 6 February 2009.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Joe Dimasi', with a long horizontal flourish extending to the right.

Joe Dimasi
Commissioner