



ENERGY MARKET OVERSIGHT COALITION

April 16, 2008

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

We, the undersigned members of the Energy Market Oversight Coalition, urge you to act immediately on passing the 2007 Farm Bill (H.R. 2419) which includes a very significant amendment added by unanimous consent in the Senate, the “Commodity Futures Trading Commission (CFTC) Reauthorization Act of 2008” (Title XIII).

Members of this coalition and energy consumers nationwide - from homeowners to truckers, manufacturers to farmers – have lost faith in the ability of the energy futures markets to determine a fair price for energy that reflects supply/demand fundamentals. Excessive speculation and alleged manipulation in these markets have held American families, small businesses, our manufacturing sector – and the economy at-large – hostage to unprecedented price volatility and uncertainty for far too long. It is vital that you include within the final version of the Farm Bill that comes out of conference committee the Senate-passed “CFTC Reauthorization Act” in order to help restore confidence in these markets.

We applaud the Senate Agriculture Committee’s efforts to include the language, which will strengthen the CFTC and give it the tools it needs to establish and maintain an appropriate level of oversight of the unregulated exempt commercial markets (ECMs). ECMs are currently a breeding ground for speculation, an open door to manipulation, and an attractive “safe haven” from federal oversight. This bipartisan legislation is a tremendous step in the right direction. The legislation is an accumulation of numerous studies done by the Senate Permanent Subcommittee on Investigations, the Presidential Working Group on Financial Markets (PWG) and input from the CFTC’s Commissioners, energy commodity exchanges, market participants, energy consumers and members of our coalition.

The recent volatility in crude oil and natural gas markets seen over the last few years has forced small businesses and consumers to pay excessively high energy prices that do not reflect supply and demand fundamentals. A majority of respected economists, OPEC and, in a hearing before the U.S. House of Representatives last week, representatives from the five major petroleum companies, have confirmed this to be the case. Crude oil futures prices in recent weeks have reached as high as \$113 on April 15, 2008, which has dragged with it every single refined petroleum product such as motor vehicle fuels, and vital heating fuels including home heating oil and propane. Gasoline futures prices have also risen dramatically reaching as high as \$3.33 on March 17, 2008. Not only has crude oil hit record levels, but natural gas averaged \$9.74 Mcf in March, nearly \$1.00 per Mcf more than the average spot price in February. This was the first month since December 2005 that Henry Hub spot prices averaged more than \$9 per Mcf.)

Again, we strongly urge Congress to pass the 2007 Farm Bill with the Senate “CFTC Reauthorization Act of 2008,” without delay. **If the 2007 Farm Bill gets an extension for another year, then we ask that Congress pull the “CFTC Reauthorization Act” from the Farm Bill and attach it to another piece of legislation immediately for passage.** The longer Congress delays passage of this vital legislation, the longer small businesses such as our farmers, foresters, gas station owners, heating fuel dealers, truckers, contractors, manufacturers and most especially already troubled American consumers have to wait to see a fair, transparent and accountable energy commodity market. With energy prices hitting unjustifiable levels, time is running out for Congress to step in and say enough is enough and finally give the CFTC the tools it needs to police its beat.

Sincerely,

(National & Regional)

Agricultural Retailers Association	www.aradc.org
American Public Gas Association	www.apga.org
Consumer Federation of America	www.consumerfed.org
Gasoline and Automotive Service Dealers of America	www.gasda.org
Independent Oil Marketers Association of New England	www.iomane.com
Industrial Energy Consumers of America	www.ieca-us.org
Mid-Atlantic Petroleum Distributor’s Association	www.mapda.com
National Association of Convenience Stores	www.nacsonline.com
National Association of Truck Stop Operators	www.natso.com
National Association of Wheat Growers	www.wheatworld.org
National Barley Growers Association	
National Farmers Union	www.nfu.org
National Grange	www.nationalgrange.com
New England Fuel Institute	www.nefi.com
Pacific Northwest Oilheat Council	www.pnwoilheat.com
Petroleum Marketers Association of America	www.pmaa.org
Petroleum Transportation and Storage Association	
Public Citizen	www.citizen.org
Society of Independent Gasoline Marketers of America	www.sigma.org
Steel Manufacturers Association	www.steelnet.org
Western Petroleum Marketers Association	www.wpma.com

*(State Groups & Affiliates)**

CONNECTICUT	
Independent Connecticut Petroleum Association	www.icpa.org
COLORADO	
Colorado Wyoming Petroleum Marketers Association	www.cwpma.org
FLORIDA	
Florida Petroleum Marketers and Convenience Store Association	www.fpma.org

IOWA

Petroleum Marketers & Convenience Stores of Iowa

www.pmcofiowa.com

LOUISIANA

Louisiana Oil Marketers and Convenience Store Association

www.lomcsa.com

MASSACHUSETTS

Massachusetts Oilheat Council

www.massoilheat.org

MAINE

Maine Oil Dealers Association

www.meoil.com

MICHIGAN

Michigan Petroleum Association

www.mpamacs.org

Michigan Association of Convenience Stores

NEW HAMPSHIRE

Oil Heat Council of New Hampshire

www.nhoilheat.com

NEW JERSEY

New Jersey Citizen Action Oil Group

www.njcaoilgroup.com

NEW YORK

Empire State Petroleum Association

www.espa.net

New York Oil Heating Association

www.nyoha.org

Oil Heat Institute of Long Island

www.ohili.org

NORTH DAKOTA

North Dakota Petroleum Marketers

www.ndpetroleum.org

RHODE ISLAND

Oil Heat Institute of Rhode Island

www.oilheatinri.com

SOUTH DAKOTA

South Dakota Petroleum and Propane Marketers Association

www.sdp2ma-sdacs.com

TENNESSEE

Tennessee Oil Marketers Association

www.toma.org

VERMONT

Vermont Fuel Dealers Association

www.vermontfuel.com

VIRGINIA

Virginia Petroleum, Convenience and Grocery Association

www.vpcga.com

WISCONSIN

Wisconsin Crop Production Association

www.wicrops.org

WYOMING

Colorado Wyoming Petroleum Marketers Association

www.cwpma.org

WASHINGTON (STATE)

Washington Oil Marketers Association

www.wpma.com

**Please note: Due to the expeditious nature of this letter, not all state groups & affiliates submitted sign-on requests by the deadline. All state groups have been encouraged to contact their delegation in support of this issue, regardless of whether or not their name appears above.*