

June 09, 2009

Chairman Bingaman and Ranking Member Murkowski
Senate Energy and Natural Resources Committee
304 Dirksen Senate Building
Washington, DC 20510

Dear Chairman Bingaman and Ranking Member Murkowski:

We, the undersigned trade associations, represent hundreds of American companies that rely on the integrity of the price discovery process in the regulated energy futures markets. We are writing this letter to express our strong concern regarding amendments offered by Senator Dorgan to the American Clean Energy Leadership Act of 2009.

Except for provisions to increase resources for the CFTC, which we strongly support, the Dorgan amendments would harm futures markets and price discovery. While Senator Dorgan intends to reduce market price distortions, unfortunately if enacted the amendments would have the opposite effect. The amendments would lead to more price risk for businesses, more transactions the CFTC could not regulate, more price uncertainty and ultimately, to more volatile and likely higher energy prices. Most disturbing, the amendments would eviscerate the exclusive and price-neutral jurisdiction of the CFTC over energy futures trading.

Last week, CFTC Chairman Gary Gensler outlined a sensible framework for approaching comprehensive regulatory reform and addressing issues related to concerns about speculative excess in the markets. Chairman Gensler's remarks underscored the need for balance and a full and deliberate congressional review of these issues, followed by new rules and regulations. Unfortunately the Dorgan amendments would undermine that framework and short circuit this process. They should be rejected.

For these reasons we respectfully request that you oppose the Dorgan amendments.

Sincerely,