



Industrial Energy Consumers of America

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News Release

For Immediate Release: March 24, 2009

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Headline: "IECA Applauds Action by CFTC to Close Enron Loophole"

(Washington D.C.) – "The Industrial Energy Consumers of America (IECA) congratulates the Commodity Futures Trading Commission (CFTC) for officially closing the Enron Loophole, an important step in providing needed oversight and transparency that commodity markets require to operate as intended," said Paul N. Cicio, president of the organization. "What should be of great concern to all - is how long it has taken the CFTC and the Congress to act. We still have many more pressing government oversight gaps to close."

We are reminded of the excessive speculation that occurred during the first half of 2008 when natural gas prices doubled while domestic production increased by 8.6 percent and national inventories were well within the normal 5 year average. The increase in the price of natural gas cost home owners, farmers and manufacturers about \$40.4 billion. Excessive speculation caused the run up, not supply versus demand fundamentals.

There is still much to be done to increase CFTC market oversight and transparency. Other actions needed to reduce excessive speculation include:

- Require position limits on speculators.
- Require "aggregating position limits" across all exchanges and the OTC market.
- Establish limits or banning index funds and passive long-only and short-only funds.

The Industrial Energy Consumers of America is an association of leading manufacturing companies with \$510 billion in annual sales and with more than 850,000 employees nationwide. It is an organization created to promote the interests of manufacturing companies for which the availability, use and cost of energy, power or feedstock play a significant role in their ability to compete in domestic and world markets.