



Industrial Energy Consumers of America
The Voice of the Industrial Energy Consumers

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July 16, 2009

The Honorable Mary L. Schapiro
The Honorable Kathleen L. Casey
The Honorable Elisse B. Walter
The Honorable Luis A. Aguilar
The Honorable Troy A. Paredes

Re: United States Natural Gas Fund

Dear Madam Chairman and Commissioners:

On behalf of the Industrial Energy Consumers of America (IECA) we urge the Securities and Exchange Commission (SEC) to NOT approve the United States Natural Gas Fund request to issue more shares. IECA strongly objects to issuing more shares and requests a public hearing on the matter before the SEC makes a final decision. A public hearing is necessary to address the potential negative impact new shares, added to the existing shares will have on distorting and raising the price of natural gas for natural gas consumers. We urge the SEC to act with caution and on behalf of the public interest.

The Industrial Energy Consumers of America is a nonpartisan association of leading manufacturing companies with \$900 billion in annual sales and with more than 900,000 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. IECA membership represents a diverse set of industries including: plastics, cement, paper, food processing, brick, chemicals, fertilizer, insulation, steel, glass, industrial gases, pharmaceutical, aluminum and brewing.

Natural Gas is a vital fuel and feedstock for the manufacturing sector and its price often determines whether energy intensive industries are competitive globally and whether we create or lose jobs. We believe that the supply and demand of the market should determine the price of commodities and are concerned about what these growing ETF volumes will have on prices and fundamental questions are raised as to whether they help or hurt price discovery.

We understand the USNGF currently has 300 million shares and that this represents nearly 30 percent of the prompt month volume, a significant position for one entity. A Wall Street Journal article of July 8, 2009 reports that the USNGF has asked the SEC for a ten-fold increase in issued shares which justifiably raises market power-market influence concerns.

We also are concerned about the growing trend of ETF's being used as a hedge against inflation and to diversify speculators portfolios and question whether this is consistent and healthy for the futures market when their volumes continue to rise at alarming rates. The futures market is very special and was created to serve the needs of buyers and sellers of physical products and enable them to manage risk. We must guard the futures market from influence that are not consistent with reflecting the fundamental of supply and demand of the physical product being traded.

We urge you to consider this request and look forward to discussing this with you.

Sincerely

A handwritten signature in black ink, appearing to read "Paul N. Cicio". The signature is written in a cursive style and is positioned to the left of a vertical line.

Paul N. Cicio
President

Cc:

The Honorable Gary Gensler
The Honorable Michael Dunn
The Honorable Jill E. Sommers
The Honorable Bart Chilton
The Honorable Max Baucus
The Honorable Chuck Grassley
The Honorable Barney Frank
The Honorable Spencer Bachus
The Honorable Colin Peterson
The Honorable Frank Lucas
The Honorable Tom Harkin
The Honorable Saxby Chambliss
The Honorable Jon Wellinohoff