



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

1155 15<sup>th</sup> Street, NW, Suite 500 • Washington, D.C. 20005  
Telephone 202-223-1661 • Fax 202-223-1420 • [www.ieca-us.org](http://www.ieca-us.org)

February 12, 2009

The Honorable Colin Peterson  
Chairman  
Committee on Agriculture  
U.S. House of Representatives

The Honorable Frank D. Lucas  
Ranking Member  
Committee on Agriculture  
U.S. House of Representatives

**Re: H.R. 977, The Derivatives Markets Transparency and Accountability Act of 2009 – As Written Will Not Stop Excessive Speculation in Commodity Markets**

On behalf of the Industrial Energy Consumers of America (IECA), we urge you to delay markup of H.R. 977, The Derivatives Markets Transparency and Accountability Act of 2009. As written, IECA opposes the legislation because it will not accomplish the objective of eliminating excessive speculation in commodity markets.

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.

We oppose the legislation as written because:

- It eliminated the "Position Limit Energy and Agriculture Advisory Group" that was designed to allow consumers direct input on establishing what the position limits.
- It does not contain a provision requiring "aggregating position limits" across all exchanges and the OTC market.
- It does not at all address establishing limits or banning index funds and passive long-only and short-only funds.
- It does not exempt bona fide hedgers from being required to clear their transactions.
- It amends the definition of exempt commodity to include carbon offsets and emission allowances.

We urge you to modify your legislation such that manufacturing companies who rely upon these markets can support the legislation. We look forward to working with you.

Sincerely,

Paul N. Cicio  
President

Cc: Committee on Agriculture