



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

1776 K Street, NW, Suite 720 • Washington, D.C. 20006
Telephone (202) 223-1420 • www.ieca-us.org

January 11, 2017

U.S. House of Representatives
Washington, DC 20515

Re: Amendment 5 to H.R. 238, the Commodity End-User Relief Act

Dear Members of Congress:

On behalf of the Industrial Energy Consumers of America (IECA), we urge you to oppose Amendment 5 to H.R. 238, the Commodity End-User Relief Act. Amendment 5 repeals a requirement that the CFTC impose speculative position limits in the U.S. commodity markets. Bonafide hedgers oppose Amendment 5. Speculators like banks, hedge funds, sovereign funds and other commodity traders support this amendment because it would potentially remove any restrictions on the level of speculation that they could impose upon commodity markets.

The Industrial Energy Consumers of America is a nonpartisan association of manufacturing companies with \$1.0 trillion in annual sales and with more than 1.6 million employees worldwide. IECA membership represents a diverse set of industries including: chemical, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, brewing, independent oil refining, and cement.

IECA members consume significant quantities of natural gas, electricity, and other commodities. As bonafide hedgers, we support speculative position limits that are used to prevent price manipulation and market power.

Amendment 5 repeals existing safe guards allowing the CFTC and major commodity exchanges to decide independently, the necessity of position limits. It would also put in question a long-delayed rule to impose speculative limits on previously exempt commodity trades.

For these reasons, we strongly encourage you to vote “no” on Amendment 5. Thank you.

Sincerely,

Paul N. Cicio
President