

08-12
8

2/11/09

STEPTOE & JOHNSON LLP
ATTORNEYS AT LAW

James D. Barnette
202.429.6207
jbarnette@steptoe.com

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
Tel 202.429.3000
Fax 202.429.3902
steptoe.com

February 10, 2009

Mr. David Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

COMMENT

RE: Proposed Rule Regulating Significant Price Discovery Contracts on Exempt Commercial Markets

Dear Mr. Stawick:

The Society of Independent Gasoline Marketers of America ("SIGMA") appreciates the opportunity to provide comments on the Commodity Futures Trading Commission's ("CFTC's") proposed rule that increases the CFTC's oversight of significant price discovery contracts traded on exempt commercial markets ("ECMs").

SIGMA is a national trade association representing independent chain retailers and marketers of motor fuel. SIGMA members represent significant diversity within the industry. While 92 percent of our members are involved in gasoline retailing, 66 percent are involved in wholesaling, 36 percent transport product, 25 percent have bulk plant operations, and 15 percent operate terminals. Therefore, our 270 member companies have considerable interest in rules affecting the futures markets and the price of motor fuels.

As a general matter, SIGMA endorses the rule proposed by the CFTC. In light of the dramatic fluctuation in the price of motor fuels in the last year, we agree that greater disclosure and transparency is needed in the futures markets. We recognize the importance of preserving the existing exemption for commercial markets, while requiring greater transparency and oversight when a contract is deemed to have sufficient impact on the price discovery function in the broader market.

We firmly believe that the CFTC should develop a regulatory oversight framework and position limits for contracts that perform a significant price discovery function to ensure that they

Mr. David Stawick
February 10, 2009
Page 2

do not distort the market. We encourage the CFTC to develop rules that make clear which entities qualify for exemptions and which are subject to heightened regulation. We anticipate that the CFTC will actively enforce the new requirements to prevent market distortion.

Again, SIGMA appreciates the opportunity to comment on the proposed rule. Please feel free to contact us if you have any questions or we can otherwise be of assistance in your deliberations.

Sincerely,

A handwritten signature in cursive script, appearing to read "James D. Barnette".

James D. Barnette
Counsel to the Society of Independent
Gasoline Marketers of America