



Commodity Futures Trading Commission

Office of External Affairs

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Recent CFTC Energy Initiatives

- In July 2007, CFTC charges hedge fund Amaranth and its former head energy trader, Brian Hunter, with attempted manipulation of the price of natural gas futures.
- In August 2007, CFTC announces Marathon Petroleum Company agrees to pay \$1 million penalty to settle charges of attempted manipulation in the crude oil market.
- In September 2007, CFTC holds public hearing on electronic exempt commercial markets (ECMs) that trade energy contracts (so-called “Enron Loophole”).
- In October 2007, CFTC announces BP agrees to pay a total of \$303 million in sanctions to settle charges of manipulation and attempted manipulation in the propane market.
- In October 2007, CFTC provides a report to Congress with legislative recommendations on ECM trading and closing the “Enron Loophole.”
- In February 2008, CFTC creates Energy Markets Advisory Committee (EMAC), consisting of market users and participants to discuss energy policies.
- In May 2008, Congress passes CFTC reauthorization legislation as part of Farm Bill that :
 - Closes the Enron Loophole using CFTC legislative language
 - Increases CFTC penalties for manipulation
 - Clarifies CFTC manipulation authority for principal to principal energy trades
 - Clarifies CFTC retail foreign currency fraud authority
 - Reauthorizes CFTC through 2013
- In May 2008, CFTC announces multiple energy initiatives, including:
 - The CFTC’s six month on-going National Crude Oil investigation.

- An Agreement to receive enhanced data from ICE Futures Europe in London on its crude oil markets to match our current information requirements. This allows the U.S. to see U.S. participants in the London markets but also *foreign* traders that the CFTC would not normally oversee.
- An announcement that CFTC will begin to ask for more detailed information in the crude oil markets on index traders and swap dealers and will review whether this information is being properly classified for regulatory purposes.
- In June 2008, CFTC hosts first EMAC meeting to discuss the role of index traders, foreign boards of trade and swap dealers.
- In June 2008, CFTC forms interagency working group with the Fed, Treasury, SEC, DOE and USDA to study investor practices, fundamental supply and demand factors, and the role of speculators and index traders in the commodity markets.
- In June 2008, CFTC hosts 2nd annual international regulators enforcement meeting in Washington DC with 10 different nations participating to discuss on-going manipulation cases and practices.
- In June 2008, CFTC announces that it will revise its foreign board of trade policy and ICE Futures Europe in London will establish comparable position and accountability limits on its crude oil contracts that are linked to NYMEX crude oil contracts.
- In July 2008, the CFTC charges Optiver Holding BV, two subsidiaries, and high-ranking employees with manipulation of NYMEX Crude Oil, Heating Oil, and Gasoline futures contracts.
- Since December 2002, the Commission has filed a total of 42 enforcement actions charging a total of 72 defendants with violations involving the energy markets, and has assessed almost half a billion dollars in related civil monetary penalties.