



Received CFTC
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August 17, 2009

Docket ID No.: fr02jy09-11
Commodity Futures Trading Commission (CFTC)
David Stawick, Secretary
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

COMMENT

O.F.T.C.
OFFICE OF THE SECRETARY
2009 AUG 17 PM 5 29

Re: "ACCOUNT OWNERSHIP AND CONTROL REPORT"

VIA ELECTRONIC SUBMISSION

INTRODUCTION

The Petroleum Marketers Association of America (PMAA) is a leading national trade association in the petroleum industry representing 8,000 independent petroleum marketing companies. It is organized as a national federation of 47 state and regional trade associations who represent wholesalers and retailers of gasoline, diesel, heating oil, lubricants and renewable fuels. PMAA companies own 60,000 retail fuel outlets such as gas stations, convenience stores and truck stops. Additionally, these companies supply motor fuels to 40,000 independently owned retail outlets and heating oil to seven million households and businesses.

The New England Fuel Institute (NEFI) is a 60-year-old trade association representing approximately 1,200 heating fuel dealers and related services companies in the Northeastern United States. NEFI member companies are mostly small, diversified family-owned and operated home energy companies that market a variety of products, including heating oil, bioheat, propane, and kerosene, and many also market biofuels, jet fuel, off-road diesel and motor vehicle fuels.

The following are PMAA's and NEFI's joint comments about collecting certain ownership, control and reporting (OCR) information for all trading accounts active on U.S. futures exchanges. The Commission anticipates that most reporting will come from designated contract markets (DCMs), but it could be any registered entity that provides data to the Commission on a regular basis. PMAA and NEFI support the Commission's efforts to acquire all information from designated contract markets (DCMs), exempt commercial markets (ECMs), and derivatives transaction execution facilities (DTEFs) to improve market transparency and integrity.

COMMENTS

PMAA and NEFI would like to thank the Commissioners, particularly Chairman Gensler, for their hard work and commitment to bring greater transparency and accountability to commodity futures markets. Our members recognize that transparency is part of the solution to bring integrity and efficiency to – and most of all, to restore public confidence in the futures markets, which have experienced extreme volatility and have become increasingly disjointed from supply and demand fundamentals in recent years. Because these markets have evolved from an open-outcry system to global electronic platforms, it is important that every bank holding company, investment fund and its subsidiaries, and any other relevant trader reveal their trading account number, names, addresses, last four digits of the account's owners and controllers Social Security numbers, and any other applicable information for the Commission to incorporate into the "Ownership and Control Report" to effectively oversee futures markets. Information obtained in the "OCR" will assist the CFTC to ensure that futures markets are not being manipulated.

We urge the Commission to continue to work with exchanges who have received letters of no-action to report the information listed above in order to improve market oversight. We hope the agreement between CFTC and the Financial Services Authority (FSA) to share data on traders' positions will be included in the "OCR Report." We also continue to encourage the CFTC to acknowledge the global nature of these markets by increasing its cooperation with other foreign and international regulators in pursuit of increased transparency and the prevention of fraud, manipulation and excessive speculation.

Efficient integration of large trader and trade register data from DCMs, ECMs, and DTEFs will improve market transparency and ensure that no one trader, investment fund or other entity controls a large percentage of the open interest on commodity futures exchanges. Increased reporting requirements will help to identify those who possibly attempt to corner the market by taking huge positions in the futures markets which can move futures prices beyond what supply and demand fundamentals dictate.

Furthermore, the limited oversight of the futures markets is a serious national security risk because a sovereign wealth fund or individuals within a rogue nation could damage the American economy and make billions in the futures markets, and no one would know. Increased reporting requirements from all types of exchanges will assist the Commission to make better informed decisions in regulating futures exchanges.

CONCLUSION

PMAA and NEFI view the Commission's efforts as the first step toward effectively regulating commodity futures/swaps markets. While increased transparency will assist the Commission in possibly applying hard position limits on non-commercial entities trading finite commodities, it will ultimately be up to the United States Congress to give the Commission the additional authorities and resources it needs in order to complete its mission of protecting the American public against fraud, manipulation, excessive speculation and abusive and unethical trading activities in the commodity markets. By requiring that trading activity occur out in the open and be made subject to the same anti-fraud and anti-manipulation rules that exist for regulated exchanges like the NYMEX, this will help reign in excessive speculation, mitigate oil price volatility, and restore integrity and confidence in the futures markets.

We strongly support the free exchange of commodity futures on open, well-regulated and transparent exchanges that are subject to the rule of law, oversight and accountability. Reliable futures markets are crucial to the entire petroleum industry and the American economy.

Again, we would like to thank the Commission for its dedication to increase needed transparency in the commodity futures markets.

Sincerely,



Dan Gilligan
PMAA President



Shane Sweet
NEFI CEO