

Washington, D.C. - The U.S. House passed legislation today cracking down on oil speculation, an initiative championed by Rep. Peter Welch (VT-AL) since last fall after he heard from local fuel dealers that an unregulated energy market was artificially inflating fuel prices.

Vermont fuel dealers have estimated that speculation will inflate the average Vermonter's winter heating bill by over \$2,000. The approved legislation cracks down on this price speculation in the energy markets. "Vermonters are facing a crisis trying to fill their gas tanks and heat their homes this winter. They need relief now. Rooting out oil speculation could cut the price of fuel immediately," said Welch.

Welch added, "Our energy market has been hijacked by speculators out to make a fast buck. This bill restores protection for consumers from special interest energy traders on Wall Street."

"Before the problem of speculation was on the radar of most people, Congressman Welch targeted the need to close the Enron Loophole and end the speculation game driving up fuel prices. His persistent advocacy on this issue is paying off," said Sean Cota, president of Cota & Cota, Inc. in Bellows Falls and past president of the New England Fuels Institute.

Cota first raised with Welch the issue of speculation and the need to close the Enron Loophole at a Congress in Your Community in Bellows Falls last fall. Welch followed up by introducing legislation on the issue.

H.R. 6604, the Commodity Markets Transparency and Accountability Act of 2008, restores transparency to commodity and futures markets and toughens position limits on oil and other futures markets as a way to prevent potential price distortions caused by excessive speculative trading. The legislation also extends Commodity Futures Trading Commission (CFTC) oversight to previously exempt over-the-counter markets, and it calls for new full-time CFTC staff to improve enforcement, to prevent manipulation, and to prosecute fraud.

The bill passed 283-133.

In July, when a nearly identical bill failed to garner the two-thirds majority vote necessary to pass on suspension, Welch asserted, "We are going to keep fighting until Vermonters and all Americans get relief from punishing fuel prices."

Last November, Welch authored the Close the Enron Loophole Act, which grants the CFTC additional authority to oversee energy markets deregulated in 2000 at the request of Enron and other large energy companies. A version of this bill was included in the Farm Bill, which became law upon Congress overriding the President's veto.