

111TH CONGRESS
1ST SESSION

S. _____

To provide transparency in market transactions involving energy supplies,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice
and referred to the Committee on _____

A BILL

To provide transparency in market transactions involving
energy supplies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Market Trans-
5 parency Act of 2009”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) SECRETARY.—The term “Secretary” means
9 the Secretary of Energy.

1 (2) WORKING GROUP.—The term “Working
2 Group” means the Working Group on Energy Mar-
3 kets established by section 4(a).

4 **SEC. 3. ENHANCED INFORMATION ON OWNERSHIP OF CRIT-**
5 **ICAL ENERGY SUPPLIES.**

6 (a) IN GENERAL.—Section 205 of the Department of
7 Energy Organization Act (42 U.S.C. 7135) is amended
8 by adding at the end the following:

9 “(n) COLLECTION OF INFORMATION ON OWNERSHIP
10 OF ENERGY SUPPLIES.—

11 “(1) IN GENERAL.—To ensure transparency of
12 information relating to energy infrastructure and
13 product ownership in the United States and improve
14 the ability to evaluate the energy security of the
15 United States, the Administrator, in consultation
16 with other Federal agencies (as necessary), shall—

17 “(A) not later than 120 days after the date
18 of enactment of this subsection, develop and
19 provide notice of a plan to collect, to the max-
20 imum extent practicable, information identi-
21 fying the ownership of all commercially held oil
22 and natural gas inventories in the United
23 States; and

24 “(B) not later than 60 days after the date
25 on which notice is provided under subparagraph

1 (A), implement the plan described in that sub-
2 paragraph.

3 “(2) INFORMATION.—The plan required under
4 paragraph (1) shall include a description of the plan
5 of the Administrator for collecting—

6 “(A) company-specific data, including—

7 “(i) volumes of product under owner-
8 ship; and

9 “(ii) storage and transportation ca-
10 pacity (including owned and leased capac-
11 ity); and

12 “(B) in the case of any person holding or
13 controlling energy futures contracts or energy
14 commodity swaps at a level to be determined by
15 the Secretary for which the underlying energy
16 commodity is physically delivered within the
17 United States, with respect to the energy com-
18 modities and the byproducts of the energy com-
19 modities—

20 “(i) the quantity of physical stocks
21 owned;

22 “(ii) the quantity of fixed price pur-
23 chase commitments open;

24 “(iii) the quantity of fixed price sales
25 commitments open;

1 “(iv) the physical storage capacity
2 owned or leased; and

3 “(v) such other information as the
4 Secretary determines is necessary to pro-
5 vide adequate transparency with respect to
6 entities that control critical energy assets
7 in the United States.

8 “(3) PROTECTION OF PROPRIETARY INFORMA-
9 TION.—Section 12(f) of the Federal Energy Admin-
10 istration Act of 1974 (15 U.S.C. 771(f)) shall apply
11 to information collected under this subsection.

12 “(o) FINANCIAL MARKET ANALYSIS OFFICE.—

13 “(1) ESTABLISHMENT.—There shall be within
14 the Energy Information Administration a Financial
15 Market Analysis Office, headed by a director, who
16 shall report directly to the Administrator of the En-
17 ergy Information Administration.

18 “(2) DUTIES.—The Office shall be responsible
19 for analysis of the financial aspects of energy mar-
20 kets.

21 “(3) ANALYSES.—The Administrator of the En-
22 ergy Information Administration shall take analyses
23 by the Office into account in conducting analyses
24 and forecasting of energy prices.”.

1 (b) CONFORMING AMENDMENT.—Section 645 of the
2 Department of Energy Organization Act (42 U.S.C. 7255)
3 is amended by inserting “(15 U.S.C. 3301 et seq.) and
4 the Natural Gas Act (15 U.S.C. 717 et seq.)” after “Nat-
5 ural Gas Policy Act of 1978”.

6 **SEC. 4. WORKING GROUP ON ENERGY MARKETS.**

7 (a) ESTABLISHMENT.—There is established a Work-
8 ing Group on Energy Markets.

9 (b) COMPOSITION.—The Working Group shall be
10 composed of—

11 (1) the Secretary;

12 (2) the Secretary of the Treasury;

13 (3) the Chairman of the Federal Energy Regu-
14 latory Commission;

15 (4) the Chairman of Federal Trade Commis-
16 sion;

17 (5) the Chairman of the Securities and Ex-
18 change Commission;

19 (6) the Chairman of the Commodity Futures
20 Trading Commission; and

21 (7) the Administrator of the Energy Informa-
22 tion Administration.

23 (c) CHAIRPERSON.—The Secretary shall serve as the
24 Chairperson of the Working Group.

1 (d) COMPENSATION.—A member of the Working
2 Group shall serve without additional compensation for the
3 work of the member of the Working Group.

4 (e) PURPOSE AND FUNCTION.—The Working Group
5 shall—

6 (1) investigate the effect of increased financial
7 investment in energy commodities on energy prices
8 and the energy security of the United States;

9 (2) recommend to the President and Congress
10 laws (including regulations) that may be needed to
11 prevent excessive speculation in energy commodity
12 markets in order to prevent or minimize the adverse
13 impact of excessive speculation on energy prices on
14 consumers and the economy of the United States;
15 and

16 (3) review energy security implications of devel-
17 opments in international energy markets.

18 (f) ADMINISTRATION.—The Secretary shall provide
19 the Working Group with such administrative and support
20 services as may be necessary for the performance of the
21 functions of the Working Group.

22 (g) COOPERATION OF OTHER AGENCIES.—The heads
23 of Executive departments, agencies, and independent in-
24 strumentalities shall, to the extent permitted by law, pro-

1 vide the Working Group with such information as the
2 Working Group requires to carry out this section.

3 (h) CONSULTATION.—The Working Group shall con-
4 sult, as appropriate, with representatives of the various
5 exchanges, clearinghouses, self-regulatory bodies, other
6 major market participants, consumers, and the general
7 public.

8 **SEC. 5. STUDY OF REGULATORY FRAMEWORK FOR ENERGY**
9 **MARKETS.**

10 (a) STUDY.—The Working Group shall conduct a
11 study—

12 (1) to identify the factors that affect the pricing
13 of crude oil and refined petroleum products, includ-
14 ing an examination of the effects of market specula-
15 tion on prices; and

16 (2) to review and assess—

17 (A) existing statutory authorities relating
18 to the oversight and regulation of markets crit-
19 ical to the energy security of the United States;
20 and

21 (B) the need for additional statutory au-
22 thority for the Federal Government to effec-
23 tively oversee and regulate markets critical to
24 the energy security of the United States.

1 (b) ELEMENTS OF STUDY.—The study shall in-
2 clude—

3 (1) an examination of price formation of crude
4 oil and refined petroleum products;

5 (2) an examination of relevant international
6 regulatory regimes; and

7 (3) an examination of the degree to which
8 changes in energy market transparency, liquidity,
9 and structure have influenced or driven abuse, ma-
10 nipulation, excessive speculation, or inefficient price
11 formation.

12 (c) REPORT AND RECOMMENDATIONS.—The Sec-
13 retary shall submit to the Committee on Energy and Nat-
14 ural Resources of the Senate and the Committee on En-
15 ergy and Commerce of the House of Representatives quar-
16 terly progress reports during the conduct of the study
17 under this section, and a final report not later than 1 year
18 after the date of enactment of this Act, that—

19 (1) describes the results of the study; and

20 (2) provides options and the recommendations
21 of the Working Group for appropriate Federal co-
22 ordination of oversight and regulatory actions to en-
23 sure transparency of crude oil and refined petroleum
24 product pricing and the elimination of excessive
25 speculation.

1 (d) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated such sums as are nec-
3 essary to carry out this section.