



News From:

U.S. Congressman John B. Larson

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Congress Takes Bold Steps To Protect Consumers At The Pump

Washington, DC - The American Clean Energy and Security Act included bold action to close the loopholes that have allowed speculators to manipulate our energy markets and artificially inflate prices at the pump. Congressman John B. Larson (CT-01), Chairman of Democratic Caucus, praised the legislation for including key provisions of the Prevent Unfair Manipulation of Prices (PUMP) Act, of which Larson has been a long-time supporter and co-sponsor. The PUMP Act was originally proposed by Congressman Bart Stupak of Michigan.

Congressman Larson said, **"For too long, speculators have been allowed to run rampant in the "dark" commodities markets and we've all suffered as a result. Prices at the pump have fluctuated as these speculators manipulate the markets and keep us addicted to foreign oil. With this legislation we are telling the speculators that we will no longer be at the mercy of their inflated profit-making schemes. We are taking back control of our markets and shedding the fierce light of scrutiny on the darkest corners of the commodity markets. I have been fighting for this type of regulation over the "dark" markets for years and I am glad that it was included in our historic clean energy jobs legislation."**

To ensure that the new carbon markets created by our clean energy jobs legislation don't lead to the sort of energy price fluctuations we've seen in the oil markets, the legislation gives the Commodity Futures Trading Corporation (CFTC) new power to regulate carbon derivatives.

The legislation also:

- Gives the CFTC the authority to regulate all of the currently unregulated over-the-counter (OTC) trades.
- Takes all swaps out of the "dark" markets by creating a clearinghouse that reviews each deal.
- Keeps speculators from manipulating prices on the commodity markets by making sure that no one investor can hold too much of the markets.
- Keeps over-the-counter trading from simply moving off of our shores by extending regulations to foreign trades for energy products that will be delivered in the United States or that occur on a terminal located in the United States.
- Bans naked credit default swaps.
- Closes the swaps loophole that allowed energy transactions to be excluded from the requirements of the Commodity Exchange Act.

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