

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 shall—

16 “(A) not later than 90 days after the date
17 of enactment of this subsection, develop and
18 provide notice of a plan to collect information
19 identifying the ownership of all commercially
20 held oil and natural gas inventories in the
21 United States; and

22 “(B) not later than 30 days after the date
23 on which notice is provided under subparagraph
24 (A), implement the plan described in that sub-
25 paragraph.

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

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

5 “(i) volumes of product under owner-
6 ship; and

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

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

18 “(i) the quantity of physical stocks
19 owned;

20 “(ii) the quantity of fixed price pur-
21 chase commitments open;

22 “(iii) the quantity of fixed price sales
23 commitments open;

24 “(iv) the physical storage capacity
25 owned or leased; and

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

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

10 “(o) FINANCIAL MARKET ANALYSIS OFFICE.—

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

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

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

23 (b) CONFORMING AMENDMENT.—Section 645 of the
24 Department of Energy Organization Act (42 U.S.C. 7255)
25 is amended by inserting “(15 U.S.C. 3301 et seq.) and

1 the Natural Gas Act (15 U.S.C. 717 et seq.)” after “Nat-
2 ural Gas Policy Act of 1978”.

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

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

6 (b) COMPOSITION.—The Working Group shall be
7 composed of—

8 (1) the Secretary;

9 (2) the Secretary of the Treasury;

10 (3) the Chairman of the Federal Energy Regu-
11 latory Commission;

12 (4) the Chairman of Federal Trade Commis-
13 sion;

14 (5) the Chairman of the Securities and Ex-
15 change Commission;

16 (6) the Chairman of the Commodity Futures
17 Trading Commission; and

18 (7) the Administrator of the Energy Informa-
19 tion Administration.

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

22 (d) COMPENSATION.—A member of the Working
23 Group shall serve without additional compensation for the
24 work of the member of the Working Group.

1 (e) PURPOSE AND FUNCTION.—The Working Group
2 shall—

3 (1) investigate the effect of increased financial
4 investment in energy commodities on energy prices
5 and the energy security of the United States;

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

13 (3) review energy security implications of devel-
14 opments in international energy markets.

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

19 (g) COOPERATION OF OTHER AGENCIES.—The heads
20 of Executive departments, agencies, and independent in-
21 strumentalities shall, to the extent permitted by law, pro-
22 vide the Working Group with such information as the
23 Working Group requires to carry out this section.

24 (h) CONSULTATION.—The Working Group shall con-
25 sult, as appropriate, with representatives of the various

1 exchanges, clearinghouses, self-regulatory bodies, other
2 major market participants, consumers, and the general
3 public.

4 **SEC. 5. STUDY OF REGULATORY FRAMEWORK FOR ENERGY**
5 **MARKETS.**

6 (a) STUDY.—The Working Group shall conduct a
7 study—

8 (1) to identify the factors that affect the pricing
9 of crude oil and refined petroleum products, includ-
10 ing an examination of the effects of market specula-
11 tion on prices; and

12 (2) to review and assess the roles, missions, and
13 structures of relevant Federal agencies, examine
14 interagency coordination and identify and assess the
15 gaps that need to be filled for the Federal Govern-
16 ment to effectively oversee and regulate markets
17 critical to the energy security of the United States.

18 (b) ELEMENTS OF STUDY.—The study shall in-
19 clude—

20 (1) an examination of price formation of crude
21 oil and refined petroleum products;

22 (2) an examination of relevant international
23 regulatory regimes; and

24 (3) an examination of the degree to which
25 changes in energy market transparency, liquidity,

1 and structure have influenced or driven abuse, ma-
2 nipulation, excessive speculation, or inefficient price
3 formation.

4 (c) REPORT AND RECOMMENDATIONS.—The Sec-
5 retary shall submit to the Committee on Energy and Nat-
6 ural Resources of the Senate and the Committee on En-
7 ergy and Commerce of the House of Representatives quar-
8 terly progress reports during the conduct of the study
9 under this section, and a final report not later than 1 year
10 after the date of enactment of this Act, that—

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

12 (2) provides options and the recommendations
13 of the Working Group for appropriate Federal co-
14 ordination of oversight and regulatory actions to en-
15 sure transparency of crude oil and refined petroleum
16 product pricing and the elimination of excessive
17 speculation.

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