



June 19, 2014

House of Representatives
The Capitol Building
Washington, DC 20004

RE: The Customer Protection and End User Relief Act of 2014 (H.R.4413)

Dear Representative:

Tomorrow, the House will consider the “Customer Protection and End User Relief Act” (H.R.4413), also known as the Commodity Futures Trading Commission (CFTC) Reauthorization Act. The bill would reauthorize the CFTC for five years and modify certain reforms included in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Some of these changes would jeopardize rules designed to increase market transparency and stability and to prevent fraud, manipulation and excessive speculation in the commodity markets. **Please vote “no” on H.R.4413 unless amendments are passed to remove harmful provisions.**

The Petroleum Marketers Association of America (PMAA) is a national federation of 48 state and regional trade associations representing over 8,000 independent petroleum marketers. These companies own 60,000 convenience store/gasoline stations and supply motor fuels such as gasoline and diesel fuel to an additional 40,000 stores. The New England Fuel Institute (NEFI) is the nation’s largest independent home heating oil trade association, representing more than 1,000 home heating oil, kerosene and propane dealers and related services companies. Together, NEFI and PMAA members provide nearly all the gasoline, diesel fuel and heating oil sold in the U.S.

For decades, PMAA and NEFI members have used derivatives (i.e., futures, options and swaps) to protect their businesses and consumers from risk associated with the price of gasoline, diesel fuel, home heating oil and propane. They rely on these markets to communicate prices for these commodities that are reflective of supply and demand. For this reason, we have been supportive of the vigorous implementation and enforcement of derivative reforms included in Title VII of the Dodd-Frank Act. This law expands the authority of the CFTC to conduct oversight of previously unregulated over-the-counter and off-shore markets and strengthens rules designed to increase market transparency and prevent fraud, manipulation and excessive speculation.

We are pleased that H.R.4413 includes reforms to address the MF Global crisis (Sections 102-106). Several of our members were affected by the collapse of the commodity brokerage firm in October of 2011 and we commend the Congress for acting on this issue. We also are pleased with the inclusion of studies on the impact of high frequency trading or HFT (Section 107) and the adequacy of CFTC resources (Section 213). **We support the DeFazio Amendment (#16) to expand the HFT study to include the effect of such trading on market volatility.**

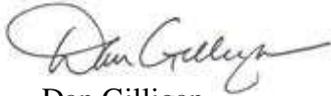
Unfortunately, several provisions in this bill would jeopardize progress on vital new commodity trading rules. This includes Section 203, which would double the number of hurdles the CFTC must jump when considering the costs and benefits of any rule, regulation or order. This would stymie the rulemaking process and make it easier for opponents of reform to challenge these

rules in court. We also oppose Section 212, which would shift responsibility for judicial review of CFTC rules and regulations from the U.S. District Court of the District of Columbia to the U.S. Court of Appeals. The Court of Appeals has a history of ruling in favor of large banks and other financial institutions. **Therefore, we support respective amendments to remove these provisions from the bill and preserve existing law, Moore (#2) and Jackson Lee (#13).**

Again, while we support consumer and end-user protections included in H.R.4413, we cannot support this legislation unless Congress strikes provisions that would compromise progress on key reforms designed to protect market participants and the American public from fraud, manipulation and the reckless financial speculation that has straddled businesses and consumers with volatile energy prices and unhinged the market from real-world market fundamentals.

Thank you in advance for your consideration.

Sincerely,



Dan Gilligan
President, PMAA



Michael C. Trunzo
President & CEO, NEFI