

# **COMMODITY MARKETS OVERSIGHT COALITION**

**An Alliance of Commodity Derivatives End-Users and Consumers**

November 25, 2013

The Honorable Barack Obama  
The White House  
1600 Pennsylvania Ave, NW  
Washington, DC 20510

## **Re: Vacancies at the U.S. Commodity Futures Trading Commission**

Dear President Obama:

The Commodity Markets Oversight Coalition (CMOC) is a non-partisan alliance of industry groups and other organizations that represent commodity-dependent American businesses, end-users and consumers. Our members rely on functional, transparent and competitive commodity derivatives (i.e., futures, options and swaps) markets as a hedging and price discovery tool. As a coalition we favor policies that promote market stability and confidence, prevent fraud and manipulation, and preserve the interests of *bona fide* hedgers and American consumers.

In light of these priorities, our coalition is concerned about the departures of Commodity Futures Trading Commission (CFTC) Chairman Gary Gensler and Commissioners Bart Chilton and Jill Sommers before the task of fully implementing historic reforms under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) could be finished. If adequately resourced, these reforms will lead to more stable, transparent and accountable futures, options and swaps markets; improve the security and confidence of market participants; and prevent the need for future public bailouts of private financial institutions.

We applaud your swift nomination of Assistant Treasury Secretary Timothy Massad to succeed Gary Gensler as CFTC Chairman. Unfortunately, we have not previously had an opportunity to work with Mr. Massad. We hope to learn more about his views on matters important to our coalition and its member organizations as the vetting process moves forward. We are likewise interested in learning more about Christopher Giancarlo, who was nominated in August to fill the vacancy left by Commissioner Jill Sommers. Both of these nominations currently await consideration by the U.S. Senate and we are watching developments closely.

While a successor to Commissioner Bart Chilton has not yet been nominated, it is worth noting that upon his departure, the CFTC will be absent a Commissioner with a recent background in commodity derivatives and the underlying physical markets. Following the enactment of the Dodd-Frank Act, the CFTC's jurisdiction was broadened to include purely financial derivatives. However, the oversight of the agricultural, energy and metals markets remains a core part of the CFTC's mission, and so it is particularly important that regulators understand the unique needs of *bona fide* hedgers and other commodity-dependent businesses and consumers.

Therefore, we respectfully request that you, in consultation with the U.S. Senate, nominate a qualified individual that, like outgoing Commissioner Bart Chilton, (1) has an expertise in all of the markets the CFTC regulates, including and especially the commodity futures, options and swaps markets; and that (2) fully understands the importance of Dodd-Frank Act reforms to commodity end-users, consumers and the broader economy.

Thank you in advance for your consideration. We would be happy to discuss these matters further with you or your staff.

Sincerely,

Airlines for America  
American Feed Industry Association  
American Public Gas Association  
American Public Power Association  
American Trucking Associations  
Colorado Petroleum Marketers Association  
Connecticut Energy Marketers Association  
Florida Petroleum Marketers Association  
Fuel Merchants Association of New Jersey  
Gasoline & Automotive Service Dealers of America  
Industrial Energy Consumers of America  
Institute for Agriculture and Trade Policy  
Louisiana Oil Marketers & Convenience Store Association  
Maine Energy Marketers Association  
Massachusetts Energy Marketers Association  
Montana Petroleum Marketers & Convenience Store Association  
National Association of Oil & Energy Service Professionals  
National Farmers Union  
National Grange  
National Latino Farmers & Ranchers Trade Association  
New England Fuel Institute  
New Mexico Petroleum Marketers Association  
New York Oil Heating Association  
Oil Heat Council of New Hampshire  
Oil Heat Institute of Long Island  
Oil Heat Institute of Rhode Island  
Organization for Competitive Markets  
Petroleum Marketers & Convenience Store Association Kansas  
Petroleum Marketers & Convenience Stores of Iowa  
Petroleum Marketers Association of America  
Public Citizen  
Ranchers-Cattlemen Action Legal Fund (R-CALF) USA  
Vermont Fuel Dealers Association  
West Virginia Oil Marketers and Grocers Association  
Wyoming Petroleum Marketers Association

cc: The Honorable Harry Reid, Majority Leader, United States Senate  
The Honorable Mitch McConnell, Minority Leader, United States Senate  
The Honorable Debbie Stabenow, Chairwoman, Senate Committee on Agriculture  
The Honorable Thad Cochran, Ranking Member, Senate Committee on Agriculture  
The Honorable Gary Gensler, Chairman, Commodity Futures Trading Commission  
The Honorable Bart Chilton, Commissioner, Commodity Futures Trading Commission  
The Honorable Scott O'Malia, Commissioner, Commodity Futures Trading Commission  
The Honorable Mark Wetjen, Commissioner, Commodity Futures Trading Commission