

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2642

To amend the Commodity Exchange Act to add a provision relating to reporting and recordkeeping for positions involving energy commodities.

---

## IN THE SENATE OF THE UNITED STATES

APRIL 25, 2006

Mrs. FEINSTEIN (for herself, Ms. SNOWE, Mr. LEVIN, Ms. CANTWELL, Ms. MIKULSKI, Mrs. BOXER, and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

---

## A BILL

To amend the Commodity Exchange Act to add a provision relating to reporting and recordkeeping for positions involving energy commodities.

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 “Oil and Gas Traders  
5       Oversight Act of 2006”.

1 **SEC. 2. REPORTING AND RECORDKEEPING FOR POSITIONS**  
2 **INVOLVING ENERGY COMMODITIES.**

3 (a) IN GENERAL.—Section 2(h) of the Commodity  
4 Exchange Act (7 U.S.C. 2(h)) is amended by adding at  
5 the end the following:

6 “(7) REPORTING AND RECORDKEEPING FOR  
7 POSITIONS INVOLVING ENERGY COMMODITIES.—

8 “(A) DEFINITIONS.—In this paragraph:

9 “(i) DOMESTIC TERMINAL.—The term  
10 ‘domestic terminal’ means a technology,  
11 software, or other means of providing elec-  
12 tronic access within the United States to a  
13 contract, agreement, or transaction traded  
14 on a foreign board of trade.

15 “(ii) ENERGY COMMODITY.—The term  
16 ‘energy commodity’ means a commodity or  
17 the derivatives of a commodity that is used  
18 primarily as a source of energy, includ-  
19 ing—

20 “(I) coal;

21 “(II) crude oil;

22 “(III) gasoline;

23 “(IV) heating oil;

24 “(V) diesel fuel;

25 “(VI) electricity;

26 “(VII) propane; and

1 “(VIII) natural gas.

2 “(iii) REPORTABLE CONTRACT.—The  
3 term ‘reportable contract’ means—

4 “(I) a contract, agreement, or  
5 transaction involving an energy com-  
6 modity, executed on an electronic  
7 trading facility, or

8 “(II) a contract, agreement, or  
9 transaction for future delivery involv-  
10 ing an energy commodity for which  
11 the underlying energy commodity has  
12 a physical delivery point within the  
13 United States and that is executed  
14 through a domestic terminal.

15 “(B) RECORD KEEPING.—The Commis-  
16 sion, by rule, shall require any person holding,  
17 maintaining, or controlling any position in any  
18 reportable contract under this section—

19 “(i) to maintain such records as di-  
20 rected by the Commission for a period of  
21 5 years, or longer, if directed by the Com-  
22 mission; and

23 “(ii) to provide such records upon re-  
24 quest to the Commission or the Depart-  
25 ment of Justice.

1           “(C) REPORTING OF POSITIONS INVOLVING  
2 ENERGY COMMODITIES.—The Commission shall  
3 prescribe rules requiring such regular or contin-  
4 uous reporting of positions in a reportable con-  
5 tract in accordance with such requirements re-  
6 garding size limits for reportable positions and  
7 the form, timing, and manner of filing such re-  
8 ports under this paragraph, as the Commission  
9 shall determine.

10           “(D) OTHER RULES NOT AFFECTED.—

11           “(i) IN GENERAL.—Except as pro-  
12 vided in clause (ii), this paragraph does  
13 not prohibit or impair the adoption by any  
14 board of trade licensed, designated, or reg-  
15 istered by the Commission of any bylaw,  
16 rule, regulation, or resolution requiring re-  
17 ports of positions in any agreement, con-  
18 tract, or transaction made in connection  
19 with a contract of sale for future delivery  
20 of an energy commodity (including such a  
21 contract of sale), including any bylaw, rule,  
22 regulation, or resolution pertaining to fil-  
23 ing or recordkeeping, which may be held by  
24 any person subject to the rules of the  
25 board of trade.

1           “(ii) EXCEPTION.—Any bylaw, rule,  
2           regulation, or resolution established by a  
3           board of trade described in clause (i) shall  
4           not be inconsistent with any requirement  
5           prescribed by the Commission under this  
6           paragraph.

7           “(E) CONTRACT, AGREEMENT, OR TRANS-  
8           ACTION FOR FUTURE DELIVERY.—Notwith-  
9           standing sections 4(b) and 4a, the Commission  
10          shall subject a contract, agreement, or trans-  
11          action for future delivery in an energy com-  
12          modity to the requirements established by this  
13          paragraph.”.

14          (b) CONFORMING AMENDMENTS.—Section 4a(e) of  
15          the Commodity Exchange Act (7 U.S.C. 6a(e)) is amend-  
16          ed—

17                 (1) in the first sentence—

18                         (A) by inserting “or by an electronic trad-  
19                         ing facility operating in reliance on section  
20                         2(h)(3)” after “registered by the Commission”;  
21                         and

22                         (B) by inserting “electronic trading facil-  
23                         ity,” before “or such board of trade”; and

24                 (2) in the second sentence, by inserting “or by  
25                 an electronic trading facility operating in reliance on

1 section 2(h)(3)” after “registered by the Commis-  
2 sion”.

○