

NEWS

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NGSA Urges CFTC to Address Three Areas of Agreement Identified in EEMAC Report

(Washington, D.C.) – The Natural Gas Supply Association (NGSA) recommended that the Commodity Futures Trading Commission (CFTC) address three key issues highlighted in a report submitted to the Commission by an official advisory committee of energy, environment and consumer advocates today.

“We commend the Commission for re-vitalizing its advisory committee and providing a forum for dialogue among all the stakeholders that illuminated the path forward on position limits,” said NGSA President and CEO Dena E. Wiggins. Wiggins is a member of the CFTC’s Energy and Environmental Matters Advisory Committee (EEMAC) that submitted the report, which summarized the EEMAC’s proceedings and observations in 2015. [EEMAC’s members](#) represent a spectrum of stakeholders in Dodd-Frank financial reform matters.

“NGSA urges the CFTC to address three areas of agreement on position limits that the advisory committee identified in its report. As currently drafted, the existing proposal on position limits misses the mark,” said Wiggins.

“Markets can function well where speculative position limits are appropriately set and where exemptions for *bona fide* hedging are appropriately managed,” she said. Specifically, NGSA highlighted three recommendations in the EEMAC report to the Commission, should the CFTC elect to move forward with a final position limits rule.

- 1) Exclude trade options and forward contracts with volumetric optionality;
- 2) Update deliverable supply to reflect current market data; and
- 3) Utilize exchanges to administer *bona fide* hedge exemptions.

“We urge the Commission to take limited action to address these issues before moving forward on the many position limits issues” Wiggins said.

NGSA’s [filing of March 30, 2015](#) provides further historical context on these three issues.

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The Natural Gas Supply Association (NGSA) represents integrated and independent companies that supply natural gas. Established in 1965, NGSA encourages the use of natural gas within a balanced national energy policy, and promotes the benefits of competitive markets, thus encouraging increased supply and the reliable and efficient delivery of natural gas to U.S. customers. For more information, please visit www.ngsa.org and www.naturalgas.org.

Markets Matter: Representing America’s Major Producers and Suppliers of Natural Gas Since 1965