Congress of the United States

Washington, D.C. 20515

April 30, 2008

The Honorable William E. Kovacic
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Chairman Kovacic:

During these troubling economic times, we are greatly concerned that Vermonters face record gasoline and home heating prices as the nation's largest oil companies report record profits. Congress tasked the Federal Trade Commission (FTC) with the responsibility to prevent unfair methods of competition, and Congress periodically updates the tools at the FTC's disposal, as necessary, to protect the American consumer. Last December, for instance, Congress passed the Energy Independence and Security Act, which gave the FTC additional authority to protect consumers from skyrocketing energy costs by cracking down on market manipulation.

Recent price volatility and investor speculation in the oil market require the diligent oversight for which Congress called, especially given that regular unleaded gasoline in Vermont reached its highest record level ever last weekend. The Energy Independence Act directs the FTC to ensure that the U.S. petroleum market is free from price or supply manipulation and to levy tough penalties against those who might seek to profit from such illegal activities. It also authorizes the FTC to prescribe rules related to the purchase or sale of crude oil gasoline "as necessary or appropriate in the public interest for the protection of United States citizens."

Clearly, the skyrocketing price of crude oil, whether the result of anticompetitive limits on supply, commodity market manipulation, or other causes, is harming Vermonters and American consumers across the country. We write to ask what steps the FTC has taken pursuant to this new statutory authority to protect Americans. Has the FTC referred any possible criminal conduct to the Department of Justice? If the authority Congress gave the FTC was, in your view, insufficient to limit market manipulation, what authority does the FTC need from Congress?

The American economy is suffering from gas prices that have more than doubled since President Bush took office. Congress has authorized the FTC to take action. The FTC must not delay as Vermont families and businesses continue to struggle to deal with record gas and home heating oil prices.

Sincerely,

PATRICK LEAHY	BERNARD SANDERS	PETER WELCH
United States Senator	United States Senator	United States Representative