AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

114TH CONGRESS
1ST SESSION

S. 1420

To amend the Department of Energy Organization Act to provide for the collection of information on critical energy supplies, to establish a Working Group on Energy Markets, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 21, 2015

Ms. CANTWELL introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

---

A BILL

To amend the Department of Energy Organization Act to provide for the collection of information on critical energy supplies, to establish a Working Group on Energy Markets, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Energy Markets Act of 2015''.

SEC. 2. ENHANCED INFORMATION ON CRITICAL ENERGY SUPPLIES.

(a) IN GENERAL.—Section 205 of the Department of Energy Organization Act (42 U.S.C. 7135) is amended by adding at the end the following:

"(n) COLLECTION OF INFORMATION ON CRITICAL ENERGY SUPPLIES.—

"(1) IN GENERAL.—To ensure transparency of information relating to energy infrastructure and product ownership in the United States and improve the ability to evaluate the energy security of the United States, the Administrator, in consultation with other Federal agencies (as necessary), shall—

"(A) not later than 120 days after the date of enactment of this subsection, develop and provide notice of a plan to collect, in cooperation with the Commodity Futures Trade Commission, information identifying all oil inventories, and other physical oil assets (including all petroleum-based products and the storage of such products in off-shore tankers), that are owned by the 50 largest traders of oil contracts (including derivative contracts), as determined by the Commodity Futures Trade Commission; and

"(B) not later than 90 days after the date on which notice is provided under subparagraph (A), implement the plan described in that subparagraph.

"(2) INFORMATION.—The plan required under paragraph (1) shall include a description of the plan of the Administrator for collecting company-specific data, including—

"(A) volumes of product under ownership; and

"(B) storage and transportation capacity (including owned and leased capacity).

"(3) PROTECTION OF PROPRIETARY INFORMATION.—Section 12(f) of the Federal Energy Administration Act of 1974 (15 U.S.C. 771(f)) shall apply to information collected under this subsection.

"(o) COLLECTION OF INFORMATION ON STORAGE CAPACITY FOR OIL AND NATURAL GAS.—

"(1) IN GENERAL.—Not later than 90 days after the date of enactment of this subsection, the Administrator of the Energy Information Administration shall collect information quantifying the commercial storage capacity for oil and natural gas in the United States.

"(2) UPDATES.—The Administrator shall update annually the information required under paragraph (1).

"(3) PROTECTION OF PROPRIETARY INFORMATION.—Section 12(f) of the Federal Energy Administration Act of 1974 (15 U.S.C. 771(f)) shall apply to information collected under this subsection.

"(p) FINANCIAL MARKET ANALYSIS OFFICE.—

"(1) ESTABLISHMENT.—There shall be within the Energy Information Administration a Financial Market Analysis Office, headed by a director, who shall report directly to the Administrator of the Energy Information Administration.

"(2) DUTIES.—The Office shall—

"(A) be responsible for analysis of the financial aspects of energy markets;

"(B) review the reports required by section 4(c) of the Energy Markets Act of 2015 in advance of the submission of the reports to Congress; and

"(C) not later than 1 year after the date of enactment of this subsection—

"(i) make recommendations to the Administrator of the Energy Information Administration that identify and quantify

any additional resources that are required to improve the ability of the Energy Information Administration to more fully integrate financial market information into the analyses and forecasts of the Energy Information Administration, including the role of energy futures contracts, energy commodity swaps, and derivatives in price formation for oil;

"(ii) conduct a review of implications of policy changes (including changes in export or import policies) and changes in how crude oil and refined petroleum products are transported with respect to price formation of crude oil and refined petroleum products; and

"(iii) notify the Committee on Energy and Natural Resources, and the Committee on Appropriations, of the Senate and the Committee on Energy and Commerce, and the Committee on Appropriations, of the House of Representatives of the recommendations described in clause (i).

"(3) ANALYSES.—The Administrator of the Energy Information Administration shall take analyses

by the Office into account in conducting analyses and forecasting of energy prices.''.

(b) CONFORMING AMENDMENT.—Section 645 of the Department of Energy Organization Act (42 U.S.C. 7255) is amended by inserting ''(15 U.S.C. 3301 et seq.) and the Natural Gas Act (15 U.S.C. 717 et seq.)'' after ''Natural Gas Policy Act of 1978''.

SEC. 3. WORKING GROUP ON ENERGY MARKETS.

(a) ESTABLISHMENT.—There is established a Working Group on Energy Markets (referred to in this Act as the ''Working Group'').

(b) COMPOSITION.—The Working Group shall be composed of—

(1) the Secretary of Energy (referred to in this Act as the ''Secretary'');

(2) the Secretary of the Treasury;

(3) the Chairman of the Federal Energy Regulatory Commission;

(4) the Chairman of Federal Trade Commission;

(5) the Chairman of the Securities and Exchange Commission;

(6) the Chairman of the Commodity Futures Trading Commission; and

(7) the Administrator of the Energy Information Administration.

(c) CHAIRPERSON.—The Secretary shall serve as the Chairperson of the Working Group.

(d) COMPENSATION.—A member of the Working Group shall serve without additional compensation for the work of the member of the Working Group.

(e) PURPOSE AND FUNCTION.—The Working Group shall—

(1) investigate the effect of increased financial investment in energy commodities on energy prices and the energy security of the United States;

(2) recommend to the President and Congress laws (including regulations) that may be needed to prevent excessive speculation in energy commodity markets in order to prevent or minimize the adverse impact of excessive speculation on energy prices on consumers and the economy of the United States; and

(3) review energy security implications of developments in international energy markets.

(f) ADMINISTRATION.—The Secretary shall provide the Working Group with such administrative and support services as may be necessary for the performance of the functions of the Working Group.

(g) COOPERATION OF OTHER AGENCIES.—The heads of Executive departments, agencies, and independent instrumentalities shall, to the extent permitted by law, provide the Working Group with such information as the Working Group requires to carry out this section.

(h) CONSULTATION.—The Working Group shall consult, as appropriate, with representatives of the various exchanges, clearinghouses, self-regulatory bodies, other major market participants, consumers, and the general public.

SEC. 4. STUDY OF REGULATORY FRAMEWORK FOR ENERGY MARKETS.

(a) STUDY.—The Working Group shall conduct a study—

(1) to identify the factors that affect the pricing of crude oil and refined petroleum products, including an examination of the effects of market speculation on prices; and

(2) to review and assess—

(A) existing statutory authorities relating to the oversight and regulation of markets critical to the energy security of the United States; and

(B) the need for additional statutory authority for the Federal Government to effec-

tively oversee and regulate markets critical to the energy security of the United States.

(b) ELEMENTS OF STUDY.—The study shall include—

(1) an examination of price formation of crude oil and refined petroleum products;

(2) an examination of relevant international regulatory regimes; and

(3) an examination of the degree to which changes in energy market transparency, liquidity, and structure have influenced or driven abuse, manipulation, excessive speculation, or inefficient price formation.

(c) REPORT AND RECOMMENDATIONS.—The Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives quarterly progress reports during the conduct of the study under this section, and a final report not later than 1 year after the date of enactment of this Act, that—

(1) describes the results of the study; and

(2) provides options and the recommendations of the Working Group for appropriate Federal coordination of oversight and regulatory actions to ensure transparency of crude oil and refined petroleum

product pricing and the elimination of excessive speculation, including recommendations on data collection and analysis to be carried out by the Financial Market Analysis Office established by section 205(p) of the Department of Energy Organization Act (42 U.S.C. 7135(p)).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

○