

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.

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 “Energy Markets Act
5 of 2015”.

1 **SEC. 2. ENHANCED INFORMATION ON CRITICAL ENERGY**
2 **SUPPLIES.**

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

6 “(n) COLLECTION OF INFORMATION ON CRITICAL
7 ENERGY SUPPLIES.—

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

14 “(A) not later than 120 days after the date
15 of enactment of this subsection, develop and
16 provide notice of a plan to collect, in coopera-
17 tion with the Commodity Futures Trade Com-
18 mission, information identifying all oil inven-
19 tories, and other physical oil assets (including
20 all petroleum-based products and the storage of
21 such products in off-shore tankers), that are
22 owned by the 50 largest traders of oil contracts
23 (including derivative contracts), as determined
24 by the Commodity Futures Trade Commission;
25 and

1 “(B) not later than 90 days after the date
 2 on which notice is provided under subparagraph
 3 (A), implement the plan described in that sub-
 4 paragraph.

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

9 “(A) volumes of product under ownership;
 10 and

11 “(B) storage and transportation capacity
 12 (including owned and leased capacity).

13 “(3) PROTECTION OF PROPRIETARY INFORMA-
 14 TION.—Section 12(f) of the Federal Energy Admin-
 15 istration Act of 1974 (15 U.S.C. 771(f)) shall apply
 16 to information collected under this subsection.

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

19 “(1) IN GENERAL.—Not later than 90 days
 20 after the date of enactment of this subsection, the
 21 Administrator of the Energy Information Adminis-
 22 tration shall collect information quantifying the com-
 23 mercial storage capacity for oil and natural gas in
 24 the United States.

1 “(2) UPDATES.—The Administrator shall up-
 2 date annually the information required under para-
 3 graph (1).

4 “(3) PROTECTION OF PROPRIETARY INFORMA-
 5 TION.—Section 12(f) of the Federal Energy Admin-
 6 istration Act of 1974 (15 U.S.C. 771(f)) shall apply
 7 to information collected under this subsection.

8 “(p) FINANCIAL MARKET ANALYSIS OFFICE.—

9 “(1) ESTABLISHMENT.—There shall be within
 10 the Energy Information Administration a Financial
 11 Market Analysis Office, headed by a director, who
 12 shall report directly to the Administrator of the En-
 13 ergy Information Administration.

14 “(2) DUTIES.—The Office shall—

15 “(A) be responsible for analysis of the fi-
 16 nancial aspects of energy markets;

17 “(B) review the reports required by section
 18 4(c) of the Energy Markets Act of 2015 in ad-
 19 vance of the submission of the reports to Con-
 20 gress; and

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

23 “(i) make recommendations to the
 24 Administrator of the Energy Information
 25 Administration that identify and quantify

1 any additional resources that are required
2 to improve the ability of the Energy Infor-
3 mation Administration to more fully inte-
4 grate financial market information into the
5 analyses and forecasts of the Energy Infor-
6 mation Administration, including the role
7 of energy futures contracts, energy com-
8 modity swaps, and derivatives in price for-
9 mation for oil;

10 “(ii) conduct a review of implications
11 of policy changes (including changes in ex-
12 port or import policies) and changes in
13 how crude oil and refined petroleum prod-
14 ucts are transported with respect to price
15 formation of crude oil and refined petro-
16 leum products; and

17 “(iii) notify the Committee on Energy
18 and Natural Resources, and the Committee
19 on Appropriations, of the Senate and the
20 Committee on Energy and Commerce, and
21 the Committee on Appropriations, of the
22 House of Representatives of the rec-
23 ommendations described in clause (i).

24 “(3) ANALYSES.—The Administrator of the En-
25 ergy Information Administration shall take analyses

1 by the Office into account in conducting analyses
2 and forecasting of energy prices.”.

3 (b) CONFORMING AMENDMENT.—Section 645 of the
4 Department of Energy Organization Act (42 U.S.C. 7255)
5 is amended by inserting “(15 U.S.C. 3301 et seq.) and
6 the Natural Gas Act (15 U.S.C. 717 et seq.)” after “Nat-
7 ural Gas Policy Act of 1978”.

8 **SEC. 3. WORKING GROUP ON ENERGY MARKETS.**

9 (a) ESTABLISHMENT.—There is established a Work-
10 ing Group on Energy Markets (referred to in this Act as
11 the “Working Group”).

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

14 (1) the Secretary of Energy (referred to in this
15 Act as the “Secretary”);

16 (2) the Secretary of the Treasury;

17 (3) the Chairman of the Federal Energy Regu-
18 latory Commission;

19 (4) the Chairman of Federal Trade Commis-
20 sion;

21 (5) the Chairman of the Securities and Ex-
22 change Commission;

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

1 (7) the Administrator of the Energy Informa-
2 tion Administration.

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

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

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

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

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

20 (3) review energy security implications of devel-
21 opments in international energy markets.

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

1 (g) COOPERATION OF OTHER AGENCIES.—The heads
 2 of Executive departments, agencies, and independent in-
 3 strumentalities shall, to the extent permitted by law, pro-
 4 vide the Working Group with such information as the
 5 Working Group requires to carry out this section.

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

11 **SEC. 4. STUDY OF REGULATORY FRAMEWORK FOR ENERGY**
 12 **MARKETS.**

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

15 (1) to identify the factors that affect the pricing
 16 of crude oil and refined petroleum products, includ-
 17 ing an examination of the effects of market specula-
 18 tion on prices; and

19 (2) to review and assess—

20 (A) existing statutory authorities relating
 21 to the oversight and regulation of markets crit-
 22 ical to the energy security of the United States;
 23 and

24 (B) the need for additional statutory au-
 25 thority for the Federal Government to effec-

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

3 (b) ELEMENTS OF STUDY.—The study shall in-
4 clude—

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

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

9 (3) an examination of the degree to which
10 changes in energy market transparency, liquidity,
11 and structure have influenced or driven abuse, ma-
12 nipulation, excessive speculation, or inefficient price
13 formation.

14 (c) REPORT AND RECOMMENDATIONS.—The Sec-
15 retary shall submit to the Committee on Energy and Nat-
16 ural Resources of the Senate and the Committee on En-
17 ergy and Commerce of the House of Representatives quar-
18 terly progress reports during the conduct of the study
19 under this section, and a final report not later than 1 year
20 after the date of enactment of this Act, that—

21 (1) describes the results of the study; and

22 (2) provides options and the recommendations
23 of the Working Group for appropriate Federal co-
24 ordination of oversight and regulatory actions to en-
25 sure transparency of crude oil and refined petroleum

1 product pricing and the elimination of excessive
2 speculation, including recommendations on data col-
3 lection and analysis to be carried out by the Finan-
4 cial Market Analysis Office established by section
5 205(p) of the Department of Energy Organization
6 Act (42 U.S.C. 7135(p)).

7 (d) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated such sums as are nec-
9 essary to carry out this section.

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