

COMMODITY FUTURES TRADING COMMISSION

NOTICE

ESTABLISHMENT OF ENERGY MARKETS ADVISORY COMMITTEE

The Commodity Futures Trading Commission has determined to establish a new advisory committee, the Energy Markets Advisory Committee. The purpose of the committee is to conduct public meetings, to submit reports and recommendations to the Commission, and otherwise to serve as a vehicle for discussion and communication on matters of concern to exchanges, firms, end users and regulators regarding energy markets and their regulation by the Commission. The Energy Markets Advisory Committee will have no operational responsibilities. The Commission will seek to achieve a balanced membership by appointing representatives of a cross section of the groups and interests involved in or affected by the Commission's actions in the energy area.

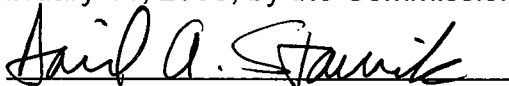
The charter of the Energy Markets Advisory Committee will become effective upon its filing pursuant to 5 U.S.C. App. 2 § 9(c). The Commission expects to file the charter promptly upon completion of the 15 day notice period specified by 41 C.F.R. § 102-3.65(b).

The Commission has determined that establishment of the Energy Markets Advisory Committee is in the public interest and is necessary to enable the Commission to carry out its responsibilities in the most effective and responsive manner. Since the enactment of the Commodity Futures Modernization Act of 2000, there have been important new developments in energy markets that create a need for consideration of adjustments in current regulatory and legislative approaches to ensure that the

Commission has the means to protect market integrity and competition, while preserving opportunities for innovation and increases in efficiency. This is particularly true in light of evidence that some of the newer energy markets that have emerged since the Modernization Act have taken on some of the characteristics and price-discovery functions of traditional futures markets. Moreover, there is every reason to expect that both the importance of markets for managing risks associated with the price and availability of energy and innovation in the structure and operation of such markets will continue to expand, raising new regulatory issues in the future. In these circumstances, an advisory committee focused on energy markets will significantly advance the Commission's ability to carry out its mission.

Interested persons may obtain information by writing to the Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581.

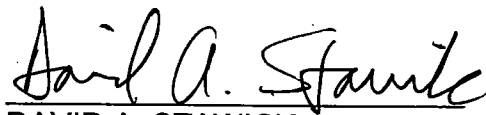
Issued in Washington, D.C. on February 11, 2008, by the Commission.


DAVID A. STAWICK
Secretary of the Commission

COMMODITY FUTURES TRADING COMMISSION

ORDER

The Commission hereby (1) adopts the attached charter for a new Energy Markets Advisory Committee; (2) authorizes the publication of the attached Federal Register notice of the Commission's decision to establish the new committee; (3) authorizes the Secretary to sign four official copies of the committee charter for filing; and (4) authorizes the filing of the charter with the Office of the Secretary, the Library of Congress, the Senate Committee on Agriculture, Nutrition and Forestry, and the House Committee on Agriculture upon completion of the required 15-day Federal Register notice period, upon which filing the charter will become effective under the Federal Advisory Committee Act and the Energy Markets Advisory Committee will be established.



DAVID A. STAWICK
Secretary of the Commission

Date: March 18, 2008
Washington, D.C.

COMMODITY FUTURES TRADING COMMISSION

CHARTER OF THE ENERGY MARKETS ADVISORY COMMITTEE

Preamble

1. In accordance with the provisions of the Federal Advisory Committee Act, 5 U.S.C. app. 2, § 1, et seq., as amended, the Commodity Futures Trading Commission has determined to establish an advisory committee designated as the "Energy Markets Advisory Committee" to make reports and recommendations to the Commission on energy futures markets and related issues. The reports and recommendations of the Energy Markets Advisory Committee will be used by the Commission in evaluating regulatory and legislative issues falling within the Commission's statutory responsibilities in the energy area. The advisory committee also will serve as a vehicle for informed discussion of emerging issues relating to energy markets and their regulation and for communication between the Commission and U.S. and foreign markets, firms, end users, and governmental entities.

2. Pursuant to Sections 9(a)(2) and 14(a)(2)(A) of the Federal Advisory Committee Act, 5 U.S.C. app. 2, §§ 9(a)(2) and (14)(a)(2)(A), and the regulations issued thereunder, the Commission's determination to establish the Energy Markets Advisory Committee was made after consultation with the Committee Management Secretariat of the General Services Administration. The charter of the Energy Markets Advisory Committee will not go into effect until at least fifteen days after notice is published in the Federal Register.

3. The Commission has determined that establishing the Energy Markets Advisory Committee will be in the public interest in connection with duties imposed on the Commission by the Commodity Exchange Act, as amended. Since the enactment of the Commodity Futures Modernization Act of 2000, there have been important new developments in energy markets that create a need for consideration of adjustments in current regulatory and legislative approaches to ensure that the Commission has the means to protect market integrity and competition, while preserving opportunities for innovation and increases in efficiency. This is particularly true in light of evidence that some of the newer energy markets that have emerged since the Modernization Act have taken on some of the characteristics and price-discovery functions of traditional futures markets. Moreover, there is every reason to expect that both the importance of markets for managing risks associated with the price and availability of energy and innovation in the structure and operation of such markets will continue to expand, raising new regulatory issues in the future. In these circumstances, an advisory committee focused on energy markets will significantly advance the Commission's ability to carry out its mission.

4. The Energy Markets Advisory Committee will not duplicate the work of the Commission because it will provide a unified and continuing forum for outside groups and interests involved in or affected by energy markets to provide input to the

Commission. The Energy Markets Advisory Committee will not duplicate the work of the Commission's existing advisory committees because neither the Agricultural Advisory Committee nor the Global Markets Advisory Committee focuses primarily on energy issues or systematically represents the various interests involved in or affected by energy markets.

6. The Commission will seek to achieve a balanced membership by appointing representatives of a cross section of the groups and interests involved in or affected by the Commission's actions in the energy area.

7. The Energy Markets Advisory Committee will have no operational responsibilities.

Charter

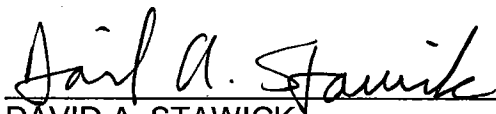
Pursuant to Sections 9(c) and 14(b)(1) of the Federal Advisory Committee Act, 5 U.S.C. app. 2, §§ 9(c) and 14(b)(1), and by direction of the Chairman of the Commission, with the concurrence of the other members of the Commission:

- (A) The advisory committee's official designation is the "Energy Markets Advisory Committee."
- (B) The advisory committee's objectives and scope of activities shall be to conduct public meetings, to submit reports and recommendations to the Commission, and otherwise to serve as a vehicle for discussion and communication on matters of concern to exchanges, firms, end users and regulators regarding energy markets and their regulation by the Commission.
- (C) The advisory committee shall operate on a continuing basis until the Chairman of the Commission, with the concurrence of the other members of the Commission, determines that its continuance is no longer in the public interest, subject to paragraph (K) of this charter, set forth below, and Section 14(a)(2) of the Federal Advisory Committee Act.
- (D) The advisory committee shall submit its reports and recommendations to the Commission.
- (E) The Commission shall provide any necessary support services for the advisory committee.
- (F) The Commission shall appoint a Commissioner or other Commission employee to serve as designated federal officer of the advisory committee. The designated federal officer shall call, approve the agenda for, and attend all meetings of the advisory committee; and may adjourn any meeting when he or she determines it to be in the public interest. The

individual appointed to serve as designated federal officer may also be appointed by the Commission to serve as Chairman of the advisory committee.

- (G) The designated federal officer of the advisory committee may appoint and dissolve subcommittees composed of committee members. Any such subcommittees shall report to the advisory committee and not directly to the Commission.
- (H) In accordance with the provisions of Section 9(b) of the Federal Advisory Committee Act, 5 U.S.C. app. 2, § 9(b), the duties of the advisory committee shall be solely advisory. Determinations of action to be taken and policy to be expressed with respect to the reports or recommendations of the advisory committee shall be made solely by the Commission.
- (I) The estimated annual operating costs in dollars and staff years for the advisory committee shall be as follows:
 - (1) Dollar costs -- not to exceed \$15,000 for miscellaneous advisory committee support services and for travel, per diem and miscellaneous expenses of Commission personnel. Committee members will not be provided allowances or reimbursement for travel expenses or per diem in connection with attending committee meetings.
 - (2) Staff Years -- not to exceed .15 staff years, per year, of Commission personnel time on a continuing basis.
- (J) The advisory committee shall meet at such intervals as are necessary to carry out its functions. It is estimated that meetings of the committee will occur two times per year.
- (K) Members shall be appointed and may be removed by vote of the Commission. Members may be appointed or removed at any time. All members' appointments shall expire on the biennial termination date of the charter of the committee.
- (L) Each member who is not a regular government employee shall serve on the committee as the representative of an organization or identifiable group of persons with interests affected by the work of the committee, unless the Commission specifies that the member is appointed to serve as a special government employee. Representative members serve on the committee primarily in order to convey to the Commission and to the committee the views and interests of the organizations or groups they represent.

- (M) The advisory committee shall terminate at the end of two years from the date of its establishment unless, prior to such time, its charter is renewed in accordance with the Federal Advisory Committee Act, or unless the Chairman of the Commission, with the concurrence of the other Commissioners, shall direct that the advisory committee terminate on an earlier date.
- (N) This charter has been filed with the Chairman of the Commission, the Senate Committee on Agriculture, Nutrition and Forestry, the House of Representatives Committee on Agriculture and the Library of Congress.



DAVID A. STAWICK
Secretary of the Commission
Commodity Futures Trading Commission

Dated: March 18, 2008
Washington, D.C.

REQUEST FOR SERIATIM CIRCULATION

Seriatim No.: 08-073

TO: Acting Chairman Walter L. Lukken

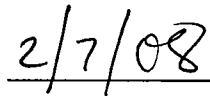
SUBJECT: Energy Markets Advisory Committee

May the above mentioned document be circulated to the Commission for Seriatim consideration?

Approved for Circulation:



Signature



Date



U.S. COMMODITY FUTURES TRADING COMMISSION

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581
Telephone: (202) 418-5120
Facsimile: (202) 418-5524
www.cftc.gov

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OFFICE OF THE SECRETARIAT

Office of General Counsel

February 7, 2008

MEMORANDUM

TO: The Commission

FROM: Office of the General Counsel *BMB*

RECOMMENDATION: That the Commission (1) adopt the attached proposed charter for a new Energy Markets Advisory Committee; (2) authorize the publication of the attached Federal Register notice of the Commission's decision to establish the new committee; (3) authorize the Secretary to sign four official copies of the committee charter for filing; and (4) authorize the filing of the charter with the Office of the Secretary, the Library of Congress, the Senate Committee on Agriculture, Nutrition and Forestry, and the House Committee on Agriculture upon completion of the required 15-day Federal Register notice period.

RESPONSIBLE STAFF: Martin B. White, Attorney

In October 2007, the Commission presented a report to its authorizing committees in Congress detailing its findings and recommendations from a September hearing that examined the oversight of trading on Exempt Commercial Markets. The report recommended, among other things, the creation of an Energy Markets Advisory Committee to be a forum for those with knowledge of the energy markets, including producers, distributors, market users and consumers, to come together and discuss emerging issues on this topic. In order to establish the new advisory committee, the Commission must vote to adopt a committee charter; publish notice in the Federal Register; and, at least 15 days after publication of notice, file copies of the charter with the Office of the Secretary, the Library of Congress, and the Commission's congressional oversight committees. Copies of a proposed charter, including preamble, and federal register notice are attached.

An agency can establish a new committee only if it determines, as a matter of formal record, that the committee is in the public interest in connection with the performance of the agency's legal duties. 5 U.S.C. App. 2 § 9(a)(2). The required determination, along with a brief description of the purpose of the committee and the reasons for establishing it, is set forth in the preamble to the attached proposed charter. The Federal Register notice of the establishment of a new advisory committee "must describe the nature and purpose of the advisory committee and affirm that the advisory committee is necessary and in the public interest." 41 C.F.R. § 102-3.65(a).

The language of the attached proposed charter has been approved by the General Services Administration Committee Management Secretariat. If the Commission decides to modify the proposed charter language, further review by the Committee Management Secretariat would probably be necessary before the charter is filed and becomes effective. Based on past experience, any required additional review would likely be completed within a week or less.

The Commission is currently authorized by the General Services Administration and the Office of Management and Budget to maintain up to three advisory committees at any one time. Establishment of an Energy Markets Advisory Committee, along with the existing Agricultural Advisory Committee and Global Markets Advisory Committee, would bring our complement up to the authorized level.

Attachments