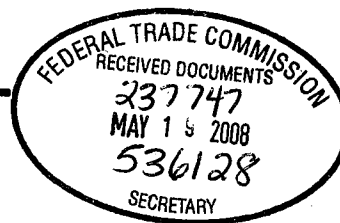


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May 19, 2008

VIA ELECTRONIC SUBMISSION, HAND DELIVERY, AND U.S. MAIL

Mr. Donald C. Clark
Secretary
U.S. Federal Trade Commission
Room H-135 (Annex G)
600 Pennsylvania Avenue, N.W.
Washington, DC 20580

**Re: Request for Extension of Time to File Comments In
Response To Advance Notice of Proposed Rulemaking
on Market Manipulation, P082900**

Dear Mr. Clark:

The American Petroleum Institute ("API") hereby formally requests that the Federal Trade Commission ("Commission") allow an additional sixty (60) days, to and including August 5, 2008, to respond to the Commission's Advance Notice of Proposed Rulemaking on Market Manipulation (P082900), dated May 1, 2008 ("ANPR").

API requests this extension for the following reasons:

First, additional time is needed to permit API to compile the views of its members and consolidate and present that information for the Commission's consideration.¹ API believes that an extension will allow it to prepare comprehensive, thoughtful comments that will assist the Commission in making decisions on a set of novel and complicated issues with significant implications for the petroleum industry and the American economy as a whole. In order to

¹ API's more than 400 members include a wide variety of market participants, from large oil companies to small independents. API is the only national trade association that represents all aspects of America's petroleum industry.

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create a sound administrative record, it is vital that the Commission obtain fully-considered comments from the industry most directly affected by this proceeding. A 30-day comment period is simply inadequate to accomplish this task.

Second, the ANPR raises scores of issues for comment, including many novel and complex issues that call for careful and thoughtful analysis. These issues include, among others: (1) whether, and to what extent, the securities and commodities laws—typically applied to “paper” markets—should be applied to physical markets for petroleum products; (2) whether a rule should require proof of intent or scienter; (3) whether and to what extent a rule should require proof of an effect on the market; (4) whether overlapping jurisdiction with other federal agencies might complicate enforcement; (5) whether traditional antitrust and consumer protection analysis should affect a decision of whether to prosecute alleged violators; and, (6) whether, and in what circumstances, mainstream business practices could inadvertently be swept within the scope of a final rule. These issues, as well as many other issues raised by the ANPR, merit a comment period that allows sufficient time for thoughtful deliberation.

Third, defining “manipulation” is inherently difficult and not within the Commission’s traditional antitrust or consumer protection experience. In these circumstances, it is essential that the Commission receive, at an early stage of the rulemaking proceeding, the most thorough possible commentary from those the rule would affect. An additional 60 days ultimately will benefit the Commission by encouraging the participants to file carefully considered comments focused on the issues presented. The questions identified above, and the dozens more identified in the ANPR, cannot be addressed adequately within the limited comment period currently provided.

Finally, API respectfully submits that an extension of time is normal in these circumstances. The Commission previously has granted requests for additional time when the commenter is a trade association, like API, that needs the additional time to collect the views of its members and prepare a comprehensive set of comments, or when the rulemaking raises many

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complicated issues and the proposed rule is novel and time is needed to respond to the many difficult questions presented, as is undoubtedly the case here.² Because of the complexity of the issues presented, the need to develop a substantial record of factual information concerning industry practices, and the interest in securing thoughtful responses to the numerous legal and policy questions raised in the advance notice, the Commission should not be overly hasty in closing the first and critically important comment period in this matter.

API is working at top speed to coordinate schedules, arrange meetings of its members, compile relevant information, and consider the questions presented with an eye towards the current June 6 deadline. So that API and its members can make the most effective use of the time available, API respectfully requests a response from the Commission by the end of this week. API appreciates the Commission's consideration of this request, and looks forward to its response.

Respectfully submitted,



Robert A. Long, Esq.

² See, e.g., Definitions, Implementation, and Reporting Requirements Under the CAN-SPAM Act, 69 Fed. Reg. 18851-52 (Apr. 9, 2004) (granting extension of time to file comment in an Advance Notice of Proposed Rulemaking so that trade group can consolidate comments); Regulations Under the Comprehensive Smokeless Tobacco Health Education Act of 1986, 58 Fed. Reg. 10997 (Feb. 23, 1993) (noting same); Trade Regulation Rule; Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures, 54 Fed. Reg. 14662 (granting extension of two months so that the association may have additional time to contact its members and provide comments on an ANPR with complex issues).