



ISDA

THE FINANCIAL SERVICES ROUNDTABLE



July 25, 2008

Senator
United States Senate
Washington, D.C. 20510

Dear Senator:

The above trade associations oppose S. 3268, the *Stop Excessive Energy Speculation Act of 2008*, in its current form. The bill will restrict investors, including individuals, pension funds, and institutions, from investing in energy contracts. These restrictions will prevent investors from managing the risk of inflation and diversifying their portfolios.

Additionally, the bill sets restrictive limits on positions, makes hedging more expensive (costs that are passed on to consumers) and would force counterparties to liquidate trades.

These restrictions will have a negative impact on U.S. competitiveness and will force trading operations overseas.

The answer to solving America's energy crisis lies with solutions addressing supply and demand, and not in limiting legitimate investment options.

We urge you to oppose S. 3268.