



**Congressman**  
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## House Approves Comprehensive Energy Legislation

Last week, the House approved comprehensive energy legislation that would help bring down energy costs, invest in renewable energy sources to create American jobs, expand domestic drilling and increase national security by freeing America from the grip of foreign oil.

The “Comprehensive American Energy Security and Consumer Protection Act” was approved by a vote of 236 to 189.

The legislation would roll back tax breaks for large oil companies at a time of record profits and require oil companies to pay royalties already owed to taxpayers. The legislation allows states to decide whether to permit offshore drilling in waters between 50 and 100 miles offshore, and opens all waters to drilling beyond 100 miles offshore.

The legislation also would also provide major invest in wind, solar and natural gas. The bill also requires utility companies to generate 15 percent of electricity from renewable sources by 2020, which will save consumers a total of \$18 billion by 2020 and reduce dangerous global warming emissions.

The bill would also take steps to immediately bring down the price of gasoline by temporarily releasing nearly 10 percent of the oil from the government’s stockpile – the Strategic Petroleum Reserve (SPR) – and replacing it later with heavier, cheaper crude oil.

This is another step toward addressing our nation’s energy independence. Last year, Congress passed and the President signed historic energy legislation with provisions to combat oil market manipulation, increase vehicle fuel efficiency to 35 miles per gallon by and promote the use of biofuels.

### New Chief of Staff

I recently hired attorney and North Carolina native Tonya Williams as my new chief of staff. She replaces Corliss Clements-James who has taken a position with the Office of the House Clerk.

Ms. Williams was born in Greenville, North Carolina. She is a graduate of the University of North Carolina at Chapel Hill and the University of North Carolina School of Law.

While in law school, Ms. Williams developed an interest in international law and international affairs. During the summer of 1997, she studied International Human Rights and Comparative Law in

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Rome, Italy, and following graduation, she spent a year traveling the world.

Upon her return, Ms. Williams worked with North Carolina Legal Services before taking a judicial clerkship with the Honorable Loretta C. Biggs at the North Carolina Court of Appeals. Following her clerkship, she served as General Counsel to Senator Marc Basnight, President Pro Tempore of the North Carolina Senate from 2002-2007.

Prior to joining my staff, Ms. Williams worked for GlaxoSmithKline, an international pharmaceutical company, as Director of IP Policy for North and South America.

Ms. Williams serves on numerous boards and has worked with several clubs and organizations throughout the state, including The North Carolina Conference for Women, the University of North Carolina Board of Visitors, Wake County Hospice, Generation Engage and the International Affairs Council of North Carolina. She is also a fellow of the North Carolina Institute of Political Leadership, the North Carolina Center for International Understanding – Latino Initiative, the Henry Toll Fellowship and the William C. Friday Fellowship for Human Relations.



### Reducing Speculation in Commodity Markets

Last week the House voted to approve a bill that would increase the transparency, oversight and anti-manipulation authority over the futures and options markets.

The “Markets Transparency and Accountability Act” was overwhelming approved by a bipartisan vote of 283 to 133. The bill places new reporting requirements and other limits on traders and broadens the ability of the Commodity Futures Trading Commission (CFTC) to hire adequate staff and limit the stake traders may hold in some markets.

The measure would also require foreign boards of trade to share data and places limits on speculative positions in U.S. commodities.

Some highlights of the bill include:

#### Curbing Excessive Speculation

- Overseeing Off-shore Trading – Makes offshore markets trading in the U.S. follow the same rules as U.S. exchanges – by requiring foreign boards of trade to share trading data and adopt limits on the number of futures contracts an investor can own. Foreign boards of trade that offer electronic access to U.S. traders for energy or agricultural commodities to be delivered in the U.S. are not currently subjected to the same position limits traders are subject to on domestic exchanges. About 30 percent of U.S. oil futures trades fly be low the regulatory radar because they are transacted on a U.S. exchange that works through a subsidiary in London.
- Position Limits – Requires the CFTC to set position limits – the size of the stake that each speculative investor can hold in a given market – for all agricultural and energy commodities on the designated contract markets, such as the New York Mercantile Exchange. This will limit traders’ ability to amass huge positions that would otherwise allow them to distort the market.
- Over the Counter Trading – Provides the CFTC with new authority to impose position limits on the \$9 trillion unchecked over-the-counter trading market. Over-the-counter trades — often negotiated privately by large financial entities — are less transparent than those that happen on fully regulated futures exchanges. Under the bill, the CFTC can only impose position limits if it finds disruption in over-the-counter markets for an energy r agricultural commodity. It also requires mandatory reporting for over-the-counter trading in agricultural and energy contracts, similar to on-exchange contracts.
- Limit eligibility for hedge exemptions to bona-fide hedgers – Reforms the process for granting hedge exemptions from trading limits in order to shut down a loophole that has allowed institutional investors to take, through a series of trades, larger positions, than they would be able to take if they traded on the exchanges directly.

#### Strengthening Enforcement to Prevent Market Manipulation

- Calls for a minimum of 100 full-time CFTC employees to strengthen enforcement, to prevent manipulation and to prosecute fraud. Despite record trading volume in the futures markets, increasing 8000 percent, CFTC staffing is at its lowest level since the agency was created in 1974.

### Investigating Financial Markets

The House will hold a series of hearings to investigate what went wrong with the oversight of financial markets and what impact the \$700 billion bailouts will have on taxpayers.

The House Financial Services Committee, House Budget Committee and the House Oversight Committee will hold hearings to investigate the problems and the impact on the federal budget of the \$85 billion emergency loan given AIG by the Federal Reserve.

There have already been six hearings scheduled, including one that was already held last week about auction rate securities. The next hearing will focus on whether there is a need for immediate Congressional action, and a third to hearing will include testimony from Chairman Ben Bernanke and Secretary Henry Paulson.

The Oversight Committee will hold two hearings in the first week of October - the first one looking at what led to downfall of Lehman Brother with the bank’s chief executive, Richard Fuld. The second hearing will investigate the circumstances surrounding AIG with testimony from the company’s top officials - Martin Sullivan and Robert Willumstad.

The Budget Committee will conduct a hearing to exam the budget implications of the multi-billion dollar bail-outs.

These hearing are important because as we move forward, we need to understand how government failed to prevent this financial crisis, and how we can avoid future mismanagement and denial.

### Recognizing North Carolina’s Electric Co-ops

As the House considered important energy legislation I entered the following statement into the Congressional Record:

Madame Speaker, on the day that the House is considering far-reaching legislation that encourages the development of renewable energy please join me in applauding the efforts of the National Renewable Cooperatives Organization (NRCO).

The North Carolina Electric Membership Corporation (NCEMC) recently announced its participation in the efforts of this newly formed national cooperative to help electric cooperatives develop renewable energy resources through projects and infrastructure improvements.

NCEMC is a generation and transmission cooperative that supplies all or part of the energy needs to the state’s electric cooperatives. North Carolina’s electric cooperatives provide energy to 2.5 million people in 93 of 100 counties, primarily in rural parts of the state. The electric cooperatives own and maintain 95,000 miles of power lines, by far the most of any electric utility in North Carolina.

Generation and transmission cooperatives across the nation are already working to further develop renewable resources and many are purchasing renewable energy credits. NRCO provides expertise and information for participating co-ops and provides the opportunity to match the needs of some cooperatives with the practical potential of others.

It is anticipated that NRCO will work with the North Carolina’s electric cooperatives’ newly formed renewable company, GreenCo Solutions, Inc., to identify cost-effective projects and opportunities to purchase renewable energy credits that will benefit consumers in the future.

By working closely together and sharing information, these electric cooperatives will able to minimize investment risks and maximize the benefits. This is an important effort with enormous potential to help move America toward energy independence.

Madame Speaker, I ask all of my colleagues to join me in applauding the important and outstanding collective and collaborative efforts of the North Carolina Electric Membership Corporation and the National Renewable Cooperatives Organization.