United States Senate
WASHINGTON, DC 20510

February 7, 2014

The Honorable Mark P. Wetjen
Acting Chairman
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

Dear Mr. Wetjen:

We are writing to request that you implement the recently signed Memorandum of Understanding between the Commodity Futures Trading Commission (CFTC) and the Federal Energy Regulatory Commission (FERC) on information sharing expeditiously. We are very pleased that the agreement will allow FERC investigators to monitor trading activity captured in CFTC's Large Trader Report, and we urge you to facilitate this data sharing as soon as possible.

On January 15, 2014, Mr. Vince McGonagle, the CFTC's market oversight director, testified before the Senate Banking Committee that the CFTC and FERC have agreed to share relevant trading information within the CFTC's Large Trader Report under the Memorandum of Understanding required by Section 720 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. However, McGonagle informed Congress that information sharing has not begun because: "there are questions just around data transfer issues and the technical personnel need to work those things out."

As you know, CFTC and other Federal agencies collect and share trading data on a regular basis. CFTC collects trading data from futures and swaps markets that it oversees in real time, and the CFTC has agreements in place to share trading data with foreign regulators. Considering the CFTC's technical ability to share data with other nations and other regulators, we believe that technical barriers preventing the sharing of information with FERC – a fellow arm of the Federal government – could be addressed and solved in a matter of weeks under your direction and leadership.

If CFTC needs to upgrade its information technology systems in order to facilitate sharing the Large Trader Report with FERC investigators, we ask that CFTC lay out those investments in detail in its spending plan for Fiscal Year 2014 funding, which is due to Congress by February 17.

Information sharing between CFTC and FERC has been delayed for too long, putting our energy markets at risk of abuse unnecessarily. During the Western energy crisis, Americans learned that energy markets that lack real-time market oversight and effective regulation allow traders to rob Americans, disrupt economic activity and darken cities. The crisis cost consumers an estimated $45 billion in higher electricity rates, lost business due to blackouts, and a slowdown in economic growth. FERC investigators have explained articulately and effectively that they need access to CFTC's Large Trader Report in order to oversee trading in fully integrated energy markets and prevent future manipulation.

We ask you to provide the leadership necessary to address technical issues and initiate information sharing no later than the end of February. If CFTC is unable to facilitate information sharing by that date, we trust that CFTC's report to Congress will detail how it intends to overcome technical limitations as quickly as possible.

Thank you in advance for addressing this urgent and important matter. We look forward to hearing from you about CFTC's progress on this matter. If you need any help or assistance, please do not hesitate to contact us.

Sincerely,

Dianne Feinstein
United States Senator

Elizabeth Warren
United States Senator

Maria Cantwell
United States Senator

Barbara Boxer
United States Senator

Jeff Merkley
United States Senator

Ed Markey
United States Senator

Ron Wyden
United States Senator

Carl Levin
United States Senator