

CHRISTINE O. GREGOIRE
Governor



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June 23, 2008

John H. Seesel
Associate General Counsel for Energy
Federal Trade Commission
Market Manipulation Rulemaking
PO Box 082900
Fairfax, VA 22031-0846

Dear Mr. Seesel:

I write to offer comments on the Federal Trade Commission's (FTC) Market Manipulation Rulemaking pertaining to oil and petroleum markets. On May 20, 2008, I wrote to the Commissioners to express my strong desire to see the FTC take swift action in this area.

The Energy Independence and Security Act of 2007 gave the Federal Trade Commission authority to ensure the US petroleum market is free from manipulation and to penalize those who seek to profit from illegal activities. This authority is very similar to the authority Congress previously gave the Federal Energy Regulatory Commission (FERC) to ensure that markets under its jurisdiction were not being manipulated, which in turn was based on the statutory authority of the Securities and Exchange Commission (SEC). The FTC's statutory authority also appears to leave room for concurrent antitrust enforcement as well as a right of private action, similar to that available under securities law, both of which could serve as valuable tools for protecting consumers and competitive markets. FERC's implementing rules wisely followed the example set by the SEC. The FTC should be similarly informed by the FERC and SEC rules and model its rules on theirs.

The average price of gasoline in my state is well above \$4/gallon, and diesel prices in excess of \$4.75/gallon are all too common. There is compelling public interest in swift action by the Commission. I believe you have the authority to adopt an interim rule and to begin the much-needed national level probing search into the oil and gas markets. I urge you to take immediate action and commence an investigation.

Thank you for the opportunity to comment and for your consideration.

Christine O. Gregoire
Governor



cc: William E. Kovacic, Chairman
Pamela Jones Harbour, Commissioner
Jon Leibowitz, Commissioner
J. Thomas Rosch, Commissioner