

Coalition for Derivatives End-Users

Identical Letter Sent To Each Member Of House
October 2, 2009

The Honorable Nancy Pelosi
U.S. House of Representatives
235 Cannon House Office Building
Washington, DC 20515

Dear Representative Pelosi:

The undersigned companies and trade associations—representing diverse segments of American industry and serving virtually all U.S. consumers—support efforts by Congress to improve transparency, accountability and stability in the nation’s financial markets. As you develop a regulatory framework, we strongly urge policymakers to preserve the ability of companies to manage their individual risk exposures by ensuring access to reasonably priced and customized over-the-counter (OTC) derivative products.

Business end-users rely on OTC derivatives to manage risks including fluctuating currency exchange, interest rates, and commodity prices. By insulating companies from risk, customized OTC derivatives provide businesses with access to lower cost capital—enabling them to grow, make new investments and retain and create new jobs.

In contrast, some reform proposals would place an extraordinary burden on end-users of derivatives in every sector of the economy—including manufacturers, energy companies, utilities, healthcare companies and commercial real estate owners and developers. Specifically, proposals that would require all OTC derivatives used by business end-users to be centrally cleared, executed on exchanges or cash collateralized or subject end-users to capital charges, would inhibit companies from using these important risk management tools in the course of everyday business operations. These proposals, which would increase business risk and raise costs, are at cross purposes with the goals of lowering systemic risk and promoting economic recovery.

In order to promote U.S. competitiveness and economic growth, policymakers must ensure that any financial services reform effort allows U.S. business to manage the risks inherent to their businesses. In today’s challenging economy, access to customized derivatives helps businesses maintain operations, invest in new technologies, build new plants and retain and expand workforces.

Thank you for your thoughtful consideration of our request. We look forward to working with you to promote stability and transparency as part of the ongoing economic recovery.

Sincerely,

3M
Acadia Realty Trust
Air Products and Chemicals, Inc.
Allegheny Technologies Incorporated
Alpha Natural Resources
AMB Property Corporation
AMC Entertainment Inc.

Ameren Services
American Chemistry Council
American Electric Power
American Forest & Paper Association
American Gas Association
American Residential Communities LLC
Anadarko Petroleum Corporation

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API - American Petroleum Institute
Apple Inc.
ARAMARK Corporation
Associated Estates Realty Corporation
Association for Financial Professionals
Bayer Corporation
Behringer Harvard
Boston Scientific Corporation
BP America
Brady Corporation
Brookdale Senior Living Inc.
Bunge
Business Roundtable
Cabot Corporation
Cargill, Incorporated
Caterpillar Inc.
CDW Corporation
Chesapeake Energy Corporation
CNL Financial Group
Coca-Cola Bottling Company United, Inc.
Cohen Brothers Realty Corporation
Commercial Developments International, Inc.
Commodity Markets Council
Community Health Systems
Compass Minerals
Constellation Energy
Cooper Tire & Rubber Company
Corning Incorporated
Corporate Properties of the Americas, LLC
Covidien
Cummins Inc.
Deere & Company
Devon Energy
Digital Realty Trust
Direct Energy
Dominion
Donaldson Company, Inc.
DTE Energy
Duke Energy Corporation
Dynegy
Eastman Chemical Company
Eaton Corporation
Ecolab
Edens & Avant
Edison Electric Institute
EFCO Corp.
El Paso Corporation
Electric Power Supply Association (EPSA)
Eli Lilly and Company
Emdeon Inc.
Enbridge Energy Partners and Subsidiaries
EnCana Oil & Gas (USA) Inc.
Energy Future Holdings
Entergy Corporation
Exelon Corporation
Financial Executives International
First Energy
FMC Corporation
Ford Motor Company
Forest City Enterprises, Inc.
FPL Group
GDF SUEZ Energy North America
General Electric Company
GID Investment Advisers LLC
Goodrich Corporation
Grove Property Fund LLC
Harley-Davidson, Inc.
HCA Inc.
HCR ManorCare
Health Care REIT, Inc.
Helix Funds
Hersha Hospitality Trust
Hobbico, Inc.
Host Hotels & Resorts, Inc.
IBM
Independent Petroleum Association of America
Industrial Energy Consumers of America
Information Technology Industry Council
Intel Corporation
International Housewares Association
Invenergy LLC
Johnson & Johnson
KBS Capital Advisors
KBS Real Estate Investment Trust
KBS Real Estate Investment Trust II
Kinder Morgan
Lefrak Organization Inc
Legacy Reserves LP
Lexmark
Loews Corporation
MarkWest Energy Partners, L.P.
MeadWestvaco

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Medtronic, Inc.	Stellar Industries, Inc.
Meredith Corporation	Strategic Hotels & Resorts, Inc.
Mid-America Apartment Communities, Inc.	Superior Graphite Co.
MillerCoors	Superior Woodcraft, Inc.
Millipore Corporation	Tenaska Marketing Ventures
Mississippi Manufacturers Association	Tenaska Power Services
Monday Properties	Targa Resources
National Association of Manufacturers	Tennant Company
National Association of Real Estate Investment Trusts	Teradata Corporation
Natural Gas Supply Association	The Boeing Company
National Grid	The Commonwealth Group, LLC
National Gypsum Company	The Durst Organization
Newfield Exploration	The JBG Companies
Northwestern Energy	The John Buck Company
Novation Capital	The Pinnacle Companies
Novelis Inc.	The Process Gas Consumers Group
NRG Energy	The Real Estate Roundtable
Owens-Illinois, Inc.	The Williams Companies
PPL Corporation	Thomas Properties Group, Inc.
Praxair, Inc.	TRW Automotive
Procter & Gamble	United Launch Alliance
Progress Energy	U.S. Chamber of Commerce
PSEG	Vanguard Natural Resources, LLC
Questar Energy	Vermeer Corporation
Regency Centers Corporation	Volvo Group North America
Retail Energy Supply Association	Washington Gas
Ryder System, Inc.	Weather Risk Management Association
ScanSource Inc.	Weingarten Realty Investors
Sempra Energy	Weyerhaeuser Company
Shell Oil Company	Whirlpool Corporation
Simon Property Group, Inc.	Xcel Energy
Simons Petroleum, Inc.	Yocum Oil Company
Southern Company	Zimmer, Inc.
