At Mac's Citgo in Rutland on Friday, Rep. Peter Welch called for regulators to crack down on energy speculation that creates volatility in fuel markets and drives up gas prices.

Alongside Keyser Fuels owner Chris Keyser, Welch highlighted a recent report indicating that energy speculators drive up the price of oil by $10-30 a barrel, costing consumers $300 billion a year. He called on the Commodity Futures Trading Commission (CFTC) to use its existing authority to crack down on speculators.

"As they did with subprime mortgages, Wall Street banks are using energy futures as just another chip in their profit-driven poker game. Vermonters are getting gouged by speculators when they fill up their gas tanks and heat their homes," Welch said. "Federal regulators should act immediately, using their existing authority, to crack down on speculation."

Welch and a group of House members recently wrote the CFTC urging the commission to limit the number of fuel contracts institutional investors can hold at any given time and create more transparency in the markets. The legislators asked the commission to exempt end-users like petroleum retailers and airlines, who purchase futures for legitimate purposes.

Welch also announced Friday that legislation he wrote in 2008 to suspend high-cost filling of the Strategic Petroleum Reserve saved taxpayers $600 million. The Strategic Petroleum Reserve Fill Suspension and Consumer Protection Act of 2008 (H.R. 6022), which passed the House and was signed into law by President Bush in 2008, directed the president to suspend shipments to the SPR through the end of the year or until prices dropped below $75 a barrel.

A recent Department of Energy analysis found that the Welch bill kept the federal government from purchasing 19.5 million barrels of oil during the period of high prices. Instead of paying $1.7 billion for the fuel, the federal government spent $1.1 billion once prices had lowered.