

Congress of the United States
Washington, DC 20515

June 18, 2018

The Honorable Jeff Sessions
Attorney General
U.S. Department of Justice
950 Pennsylvania Ave., NW
Washington, DC 20530

Dear Attorney General Sessions:

We are writing to urge you to examine the issue of possible irregularities in the aluminum market which appear to have inappropriately inflated the price of aluminum and whether these irregularities raise antitrust concerns. These price increases impact the American consumer at the rate of hundreds of millions of dollars every year in the form of higher prices for the dozens of goods made with aluminum.

We understand that purchasers of aluminum are encountering serious pricing irregularities and potential anti-competitive conduct by aluminum producers, merchants, traders, banks and others which we feel warrant investigation by the Department of Justice. These pricing irregularities for aluminum appear to stem from the "Midwestern Transactional Premium" (MWTP). The MWTP reference price is charged to all end users of aluminum in the United States, and is intended to account for the cost of storage and transportation of aluminum to end users.

The MWTP has recently undergone sharp price increases, despite the fact that logistical costs of sourcing metal from around the world have not moved significantly. Most recently, from November 28, 2017 to March 2018, with the announcement of the 10% tariff on imported aluminum by the Trump administration, the MWTP more than doubled to over 20 cents per pound.

The MWTP is set by the ratings service S&P Global Platts. We are concerned that S&P Global Platts' pricing methodologies used to set the price of the MWTP for the entire U.S. market may be flawed and not consistently followed. S&P Global Platts claims that its "*MW US Transactional Premium*" reference price is a transactional premium using actual spot transactions between consumers and suppliers to set the reference MWTP price, but its critics claim that S&P Global Platts does not follow this process consistently. Instead, end users believe that S&P Global Platts at times sets the MWTP price likely in cooperation with select

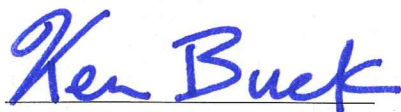
aluminum producers, merchants, traders and banks in order to artificially inflate the MWTP price, keeping their monopoly on setting this reference price.

We believe that these allegations of potential market distortions merit careful examination by the Justice Department's Antitrust Division.

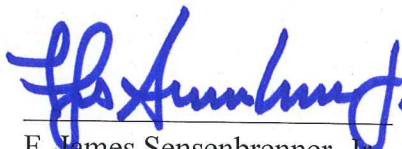
In summary, despite record stockpiles of aluminum supply in the U.S., the price of aluminum has spiked and fluctuated in ways that indicate market distortions caused by the pricing mechanism of the MWTP. While the MWTP was intended to simply measure the base costs of storing and shipping aluminum, we are concerned that the price point is now being used as an instrument to artificially inflate prices, thereby enriching only specific producers, traders, and other market participants. Bearing the brunt of these higher prices are the end-users of aluminum and those consumers who purchase products like soft drinks and beer. We urge the Department of Justice, specifically your Antitrust Division, to closely examine these issues and whether anticompetitive practices are occurring in the aluminum market.

Thank you for your attention to this matter.

Sincerely,



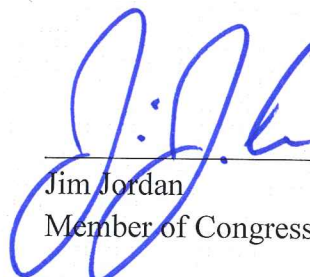
Ken Buck
Member of Congress



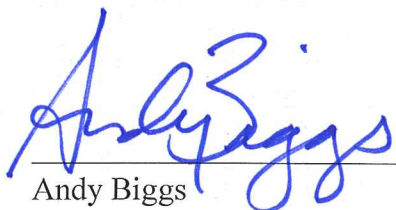
F. James Sensenbrenner, Jr.
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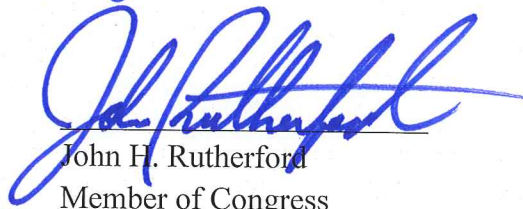
Steve Chabot
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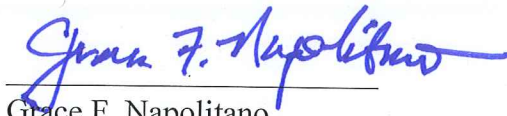
Andy Biggs
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John H. Rutherford
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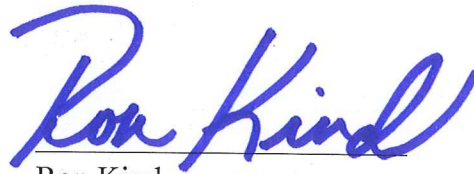
Scott Tipton
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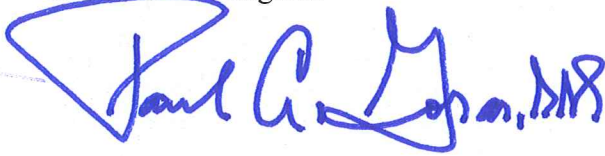
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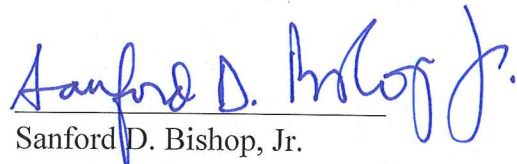
Tom Cole
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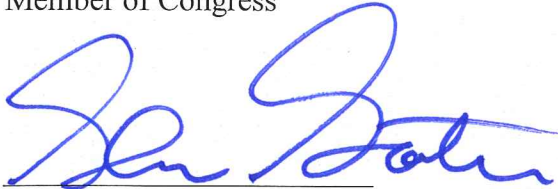
Ron Kind
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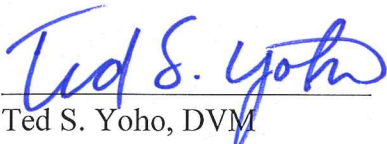
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Glenn Grothman
Member of Congress



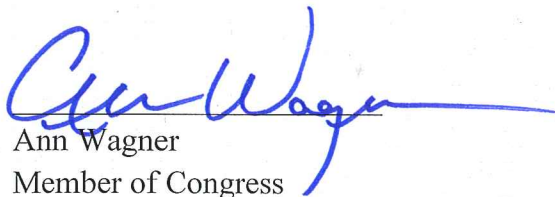
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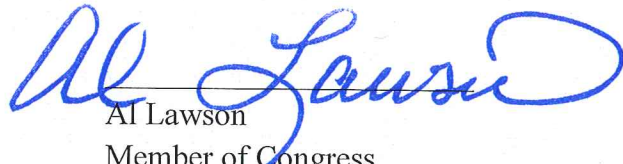
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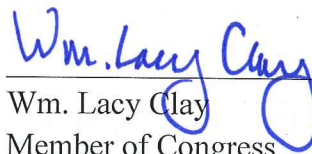
Ann Wagner
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Al Lawson
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Brian Fitzpatrick
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Wm. Lacy Clay
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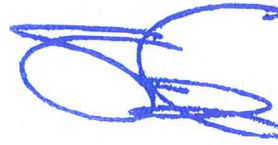
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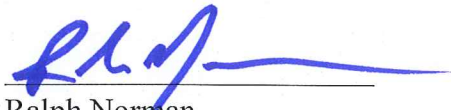
Joyce Beatty
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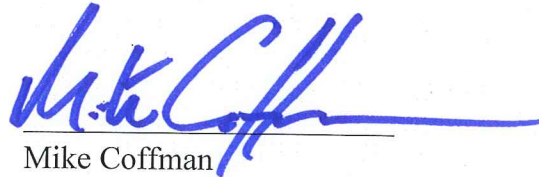
Bob Gibbs
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Sean Patrick Maloney
Member of Congress



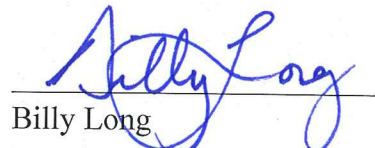
Ralph Norman
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Mike Coffman
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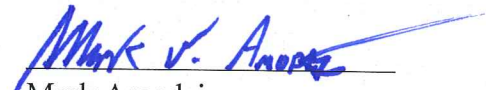
Kenny Marchant
Member of Congress



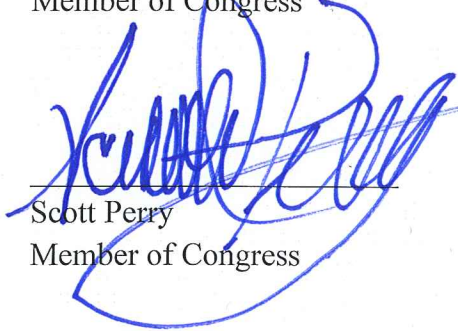
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Steve Russell
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