TESTIMONY OF JEFFREY C. SPRECHER, CHAIRMAN AND CEO OF INTERCONTINENTALEXCHANGE, AT NATURAL GAS HEARINGS

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ATLANTA, July 9/PRNewswire-FirstCall/ -- Jeffrey C. Sprecher, Chairman and CEO of IntercontinentalExchange (NYSE: ICE), the leading electronic energy marketplace and soft commodity exchange, today will deliver the following oral testimony in hearings on the natural gas markets before a U.S. Senate Subcommittee following ICE's cooperation with Staff on the Permanent Subcommittee on Investigations:

"Mr. Chairman, Senator Coleman, Subcommittee Members and Staff Members, my name is Jeff Sprecher, and I am the Chairman and Chief Executive Officer of IntercontinentalExchange, or 'ICE.' We very much appreciate the opportunity to appear before you today to share with you our views on the regulation of the natural gas trading markets and the recent report of the Permanent Subcommittee on Investigations regarding the collapse of Amaranth and related events in the markets. ICE was pleased to cooperate with the Subcommittee and Staff in providing the voluminous trading data and other market information that the Staff requested in preparing the Report, and we commend the Subcommittee and Staff for the thoroughness and diligence they exhibited in the Report's preparation. It is our hope that the Report, together with the views of the various persons who have been invited to testify at these Hearings, will serve to enhance the integrity of the energy markets and assist Congress in better understanding how these markets serve the interests of the broader marketplace.

"ICE operates a leading global commodity marketplace, comprising both futures and over-the-counter ('OTC') markets, across a variety of product classes, including agricultural and energy commodities, foreign exchange and equity indexes. ICE owns and operates two regulated futures exchanges -- ICE Futures, a London-based energy futures exchange overseen by the U.K. Financial Services Authority, and the Board of Trade of the City of New York, or 'NYBOT,' an agricultural commodity and financial futures exchange regulated by the Commodity Futures Trading Commission ('CFTC'). ICE's electronic marketplace for OTC energy contracts serves customers in Asia, Europe and the U.S. and is operated under the Commodity Exchange Act ('CEA') as a category of marketplace known as an 'exempt commercial market,' or ECM. As an ECM, these markets are subject to the jurisdiction of the CFTC and to regulations of the CFTC imposing recordkeeping, reporting and other requirements. In addition, and as I will discuss later, ICE has established a daily position reporting program to the CFTC in its cleared natural gas markets that we continue to enhance and support. ICE has always been and continues to be a strong proponent of open and competitive markets in energy commodities and related derivatives, and of regulatory oversight of those markets. As an operator of global futures and OTC markets and as a publicly-held company, we strive to ensure the utmost confidence in the integrity our markets and in the soundness of our business model. To that end, we have continuously worked with the CFTC and other regulatory agencies in the U.S. and abroad in order to ensure that they have access to all relevant information available to ICE regarding trading activity on our markets, and we will continue to work with all relevant agencies in the future.

"I want to take this opportunity to provide you with important background on the structure, operation and regulatory status of ICE and to share with you our thoughts on the regulation of the natural gas markets and the Permanent Subcommittee Report. I also want to clarify a number of misunderstandings and inaccuracies in the Report, which I will discuss in more detail in my written testimony. First, ICE does not operate - and has never operated - pursuant to an 'Enron Loophole' under the CEA. Enron Online, the electronic marketplace operated by Enron pursuant to a separate provision of the CEA that has nothing whatsoever to do with the operations of ICE. That provision was available to Enron because Enron Online was a 'one-to-many' marketplace in which Enron was both a market participant and the market - parties traded with a single counterparty, Enron. In stark contrast, ICE offers a transparent 'many to many' electronic marketplace, where buyers and sellers of OTC energy contracts can transact in a fair and efficient marketplace, where no distinction is made between one market participant and another, and where the best executable price is available to any participant in the market, no matter how large or small. It is simply erroneous and misleading to use the label 'Enron Loophole' to characterize ICE as somehow being connected to the Enron debacle.

"Second, there are a number of fundamental distinctions that need to be drawn between the OTC markets in general and ICE's market in particular, on the one hand, and the futures markets, on the other hand, including the distinction between ICE's cash-settled natural gas swaps and the physically settled natural gas futures contract traded on the New York Mercantile Exchange ('NYMEX'). An understanding of these distinctions is essential to any analysis of potential regulatory changes, particular the need for any position limits, which the CFTC itself has said are not necessary in the context of cash-settled contracts. Indeed, while the Report criticizes the absence of position limits on ICE natural gas swaps, it completely ignores the fact that NYMEX's cash-settled natural gas swap -- which is virtually identical to the ICE contract and which was also traded by Amaranth -- is also not subject to position limits. If there is to be a 'level playing field,' it should be between comparable contracts. Third, ICE is not an 'unregulated' or 'dark' market. As I will explain, while ICE is not required to register as a 'designated contract market,' or 'DCM,' it is subject to the oversight of the CFTC and to CFTC regulatory requirements, including reporting requirements. Fourth, under current law, the CFTC and NYMEX have (and had at the time of Amaranth's trading) the legal authority and ability to obtain any available information regarding trading by market participants on ICE, and as a result no additional legislation or regulation is needed to fill this perceived 'gap' in the system. Finally, the ability of Amaranth to trade on ICE in no way 'caused' its collapse, any more than its ability to trade on NYMEX did so.

"ICE strongly supports several of the recommendations of the Permanent Subcommittee Report, particularly the proposed increase in the CFTC's budget and the enhancement of its access to trading information. We also support the advancement of regulatory certainty by eliminating the 'Enron Loophole' although, as pointed out above, that provision has nothing to do with ICE. However, we do not believe that a complete overhaul of the current regulatory structure is either warranted or advisable. Moreover, any legislative or regulatory changes that are made need to reflect the nature of ICE and its markets and the significant differences between ICE and the many other venues for OTC trading that exist today."

The full written testimony submitted by IntercontinentalExchange today is available at: **www.theice.com/publicdocs/press/PR_IntercontinentalExchange_Testimony.pdf**.

About IntercontinentalExchange

IntercontinentalExchange(R) (NYSE: ICE) operates the leading global, electronic marketplace for trading both futures and OTC energy contracts and the leading soft commodity exchange. ICE's markets offer access to a range of contracts based on crude oil and refined products, natural gas, power and emissions, as well as agricultural commodities including cocoa, coffee, cotton, ethanol, orange juice, wood pulp and sugar, in addition to currency and index futures and options. ICE(R) conducts its energy futures markets through its U.K. regulated London-based subsidiary, ICE Futures, Europe's leading energy exchange. ICE Futures offers liquid markets in the world's leading oil benchmarks, Brent Crude futures and West Texas Intermediate (WTI) Crude futures, trading nearly half of the world's global crude futures by volume of commodity traded. ICE conducts its agricultural commodity futures and options markets through its U.S. regulated subsidiary, the New York Board of Trade(R). For more than a century, the NYBOT(R) has provided global markets for food, fiber and financial products. ICE was added to the Russell 1000(R) Index on June 30, 2006. Headquartered in Atlanta, ICE also has offices in Calgary, Chicago, Houston, London, New York and Singapore. For more information, please visit **www.theice.com** and **www.nybot.com**.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 - Statements in this press release regarding IntercontinentalExchange's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see the Company's Securities and Exchange Commission filings, including, but not limited to, the risk factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2006, and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, each as filed with the Securities and Exchange Commission on February 26, 2007 and May 4, 2007, respectively.

SOURCE IntercontinentalExchange