



8 August 2013

**Via Electronic Submission**

Mr. Richard Shilts  
Acting Director  
Division of Market Oversight  
Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

**Re: Request for No-Action Relief from 17 CFR Part 43 Procedures to Establish Minimum Block Sizes for Large Notional Off-Facility Swaps and Block Trades' Final Rule**

Dear Mr. Shilts:

The Electric Power Supply Association ("EPSA"), the Edison Electric Institute ("EEI"), and the American Gas Association ("AGA") (collectively, "Energy Trades") respectfully request, on behalf of our members, that the Commodity Futures Trading Commission ("CFTC" or "Commission") defer the compliance date for the recently published amendments to the Part 43 reporting requirements, until at least November 30, 2013, in order to give all market participants and Swap Data Repositories ("SDRs") appropriate time to implement and fully test the new reporting metrics.<sup>1</sup>

EPSA is the national trade association representing competitive power suppliers, including generators and marketers. These suppliers, who account for nearly 40 percent of the installed generating capacity in the United States, provide reliable and competitively priced electricity from environmentally responsible facilities. EPSA seeks to bring the benefits of competition to all power customers.

EEI is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for 220 million Americans, operate in all 50 states and the District of Columbia, and directly employ more than 500,000 workers. With more than \$85 billion in annual capital expenditures, the electric power industry is responsible for millions of additional jobs. Reliable, affordable, and sustainable electricity powers the economy and enhances the lives of all Americans. The AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 71 million residential, commercial and industrial natural gas customers in the U.S., of which 92 percent – more than 65 million customers – receive their gas from AGA members. AGA is an advocate

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<sup>1</sup> Procedures to Establish Appropriate Minimum Block Sizes for Large Notional Off-Facility Swaps and Block Trades, 78 Fed. Reg. 32866, 17 CFR Part 43 (2013) ("May 31, 2013 Part 43 Final Rule")

for local natural gas utility companies and provides a broad range of programs and service for member natural gas pipeline, marketers, gatherers, international gas companies and industry associates. Today, natural gas meets almost one-fourth of the United States' energy needs.

The Energy Trades' members are physical commodity market participants that rely on commodity swaps, futures, and options primarily to hedge and mitigate commercial risk, particularly commodity price volatility. They are commercial end-users that have a direct and significant interest in how the Commission regulates transactions in non-financial commodities and swaps on non-financial commodities.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), the Commission has embarked on a fundamental, far-reaching and complex restructuring of the entire regulatory regime applicable to the financial and physical commodities markets. As part of the new regulatory landscape implementing the Dodd-Frank Act, the Commission has required more extensive reporting on swap transactions and has increased the amount of information to be made publicly available. This includes the May 31, 2013 Final Rule, that imposes new requirements and significantly expands the scope of transactions and information required to be reported on a real-time basis under the Part 43 rules.

The Energy Trades, and its members, support the Commission's goals to increase real-time reporting of swap data and to implement the reporting requirements mandated under the Dodd-Frank Act. In demonstrating this support, the Energy Trades' members have been diligently working to implement the necessary software to comply with the upcoming reporting requirements for non-Swap Dealers ("non-SDs") and non-Major Swap Participants ("non-MSPs") (collectively, "end users"). Our members have also been working with the various SDRs, including ICE Trade Vault, in an attempt to ensure compliance with the reporting requirements upon the deadline of August 19, 2013. As such, the Energy Trades support ICE Trade Vault's request for no-action relief from certain real-time public reporting requirements of Part 43 filed July 10, 2013 and their updated filing on July 31, 2013 that further requests the same no-action relief.

We agree with ICE Trade Vault's assertion that the requirements established in the May 31, 2013 Part 43 Final Rule will require extensive updates to the current real-time reporting system for applicable companies and that, coupled with the efforts to ensure compliance with the upcoming August 19, 2013 deadlines for both Part 45 and 43 reporting by end-users, more time is needed to develop, implement, and test these new amendments to the Part 43 requirements.

As stated above, the Energy Trades' members are supportive of the Commission's goals to increase reporting of swaps data and make more information publicly available. The Energy Trades, and its members, seek a culture of compliance in all aspects of their business engagements. In striving for that compliance, we would like the opportunity to develop reporting systems that are fully functional and compliant with Commission rules. We request that the Commission issue no-action relief delaying the compliance date for the May 31, 2013 Part 43 Final Rule until at least November 30, 2013 in order to provide the extra time needed to implement and comply with these new requirements. This no-action relief is consistent with the Commission's authority and is in the public interest because it will provide all participants, as well as the SDRs, the appropriate time to develop and implement the new requirements under the

May 31, 2013 Part 43 Final Rule. This relief would also be in the public interest because it would allow reporting end-users and the SDRs an opportunity to focus on the other major reporting program requirements that take effect on August 19, 2013, such as the Part 45 reporting requirements for all swaps. The Energy Trades appreciate the Commission's consideration of our request for no-action relief and we are happy to further discuss our comments. Please feel free to contact the Energy Trades at the respective numbers listed below if you have any questions regarding this request.

Respectfully submitted,



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