

January 4, 2013

Ms. Sauntia Warfield  
Assistant Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

**VIA ELECTRONIC MAIL**

Re: *Comments in Support of the Chicago Mercantile Exchange Inc.'s Rule 40.5 Request for Approval for the Adoption of new Chapter 10 ("Regulatory Reporting of Swap Data") and Rule 1001 ("Regulatory Reporting of Swap Data")*

Dear Ms. Warfield:

On behalf of The Commercial Energy Working Group (the "Working Group"), Sutherland Asbill & Brennan LLP hereby submits these comments in support of the December 6, 2012 Rule 40.5 request for approval for the adoption of new Chapter 10 ("Regulatory Reporting of Swaps Data") and Rule 1001 ("Regulatory Reporting of Swaps data") (collectively the "Request") by the Chicago Mercantile Exchange Inc. ("CME"). Although new Chapter 10 and Rule 1001 may not be applicable to a large number of energy related swaps at the present, we support the rule because of the potential future impact additional duplicative costs may have on end users, such as the members of the Working Group.

The Working Group is a diverse group of commercial firms in the energy industry whose primary business activity is the physical delivery of one or more energy commodities to others, including industrial, commercial, and residential consumers. Members of the Working Group are energy producers, marketers, and utilities. The Working Group considers and responds to requests for comment regarding regulatory and legislative developments with respect to the trading of energy commodities, including derivatives and other contracts that reference energy commodities.

The Working Group supports the Request and urges the Commission to grant the Request by the CME. Chapter 10 and Rule 1001 would require the CME as a Designated Clearing Organization ("DCO") to report data for swaps, as required under the Commodity Exchange Act ("CEA"), that are cleared by the CME to the CME's Swap Data Repository ("SDR"). New Chapter 10 and Rule 1001 do not prohibit a counterparty from requesting that CME's SDR send a copy of the report to the SDR of the counterparty's choosing.

The CME, as the DCO, will already have all of the relevant swap data for swaps cleared by the CME in its possession. Therefore, under these circumstances, the entity in the best

Sauntia Warfield, Assistant Secretary

November 30, 2012

Page 2

position to report the required swap data at the lowest cost is the CME. CME's proposed rule ensures that end users, like our members, will not have to bear additional costs for duplicative swap data reporting for cleared swaps simply because the original swap dealer counterparty may have chosen to report the original swap, which was extinguished upon clearing, to a different SDR. Both Chapter 10 and Rule 1001 comply with the core principles of the CEA and their adoption by the CME will reduce costs and enhance efficiency in the marketplace.

The Working Group supports appropriate regulation that brings transparency and enhances efficiency in the swap markets in the United States. The Working Group appreciates this opportunity to comment on the Request and offers its advice and experience to assist the Commission in implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Respectfully submitted,

/s/ R. Michael Sweeney, Jr.

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Stephen T. Tsai<sup>1</sup>

*Counsel for The Commercial Energy  
Working Group*

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<sup>1</sup> Admitted To Practice in Ohio Only