BG GROUP

February 10, 2014

VIA ONLINE SUBMISSION
Ms. Stacy Yochum
Secretary of the Commission
Commodity Futures Trading Commission Three Lafayette Center
1155 21st Street, N.W.
Washington, D.C. 20581

RE: Comments on Proposed Rule Regarding Position Limits for Derivatives (RIN 3038-AD99)

Dear Ms. Yochum:

BG Energy Merchants, LLC ("BGEM") respectfully submits these comments in response to the Notice of Proposed Rulemaking, Position Limits for Derivatives ("Proposed Rule") issued by the Commodity Futures Trading Commission ("CFTC" or "Commission") on December 12, 2013.[1] In the Proposed Rule, the Commission seeks to establish position limits for 28 commodity futures and option contracts on exempt and agricultural commodities, and on "economically equivalent" swaps, including four major energy commodities. BGEM[2] respectfully submits these comments primarily to address the impacts that the Proposed Rule would have on the commercial activities of energy market participants, including BGEM, and the challenges it will create for endusers who rely on derivatives to manage the dynamic and complex risks associated with a physical energy business.

I. Introduction

BG Group plc ("BG Group") is a global natural gas company based in the United Kingdom and a major producer and supplier of natural gas in the United States. BG Group owns natural gas producing assets in Louisiana and Texas known as the Haynesville Shale and in Pennsylvania and West Virginia known as the Marcellus Shale. BG Group is one of the largest suppliers of LNG to the U.S. and owns import capacity rights at Southern Union Company's Lake Charles, Louisiana ("Lake Charles") and El Paso Corporation's Elba Island, Georgia import terminals. BG Group also has an interest in associated liquids that are extracted from imported LNG at the Lake Charles LNG import terminal.

---

1 *Position Limits for Derivatives*, 78 Fed. Reg. 75680, RIN 3038-AD99 (December 12, 2013).

2 Hereinafter, the core referenced futures contracts and economically equivalent swaps identified in the Proposed Rule are collectively referred to herein as "Referenced Contracts."

BG Group's subsidiary, BGEM, is a major marketer of natural gas throughout certain markets in the U.S., and oil produced by BG Group in offshore Brazil to worldwide markets. BGEM regularly engages in swaps to hedge the commercial risk associated with BG Group's production and marketing activities relating to its natural gas, liquids and oil businesses.

II. Executive Summary

BGEM is supportive of Congress' efforts under the Dodd-Frank Act to reform swap markets in order to prevent the excessive risk taking, leverage, and market abuses that led to the financial crisis of 2008. However, the Proposed Rule would burden commercial firms, such as BGEM, with an unnecessarily restrictive position limits regime that is likely to cause damage to market liquidity, price discovery and commodity hedging programs.

In this regard, the definition of Reference Contract is overly inclusive, capturing contracts and arrangements for which excessive speculation is not a threat to hedging or price discovery. The Proposed Rule inappropriately includes bilateral, over-the-counter ("OTC") swaps and even physical commodity options, neither of which have been shown to involve excessive speculation that could harm hedging or price discovery. In addition, while defining Reference Contract overly broad, the Proposed Rule proposes spot-month limits that are too restrictive and calculates deliverable supply based on outdated and inaccurate data. These restrictions, combined with a conditional spot-month limit that discourages participation in physically settled futures contracts, threaten to drain liquidity out of the settlement process for the Henry Hub natural gas contract, which is used by commercial firms, such as BGEM, for price discovery and hedging or mitigating commercial risk.

To the extent that the CFTC moves forward with the Proposed Rule, or any similar federal position limits regime, it should exclude from position limits all trade options. As physical commodity options, such contracts are not the subject of excessive speculation appropriately controlled using position limits.

Any rule imposing federal position limits also should recognize non-enumerated *bona fide* hedge exemptions. In failing to provide a practical vehicle for commercial firms to receive an exemption from speculative position limits for "non-enumerated hedges," the Commission, contrary to the intent of Congress, has eliminated several important classes of transactions from the definition of a *bona fide* hedging transaction that are routinely undertaken in physical commodity markets to hedge or mitigate commercial risk. Moreover, by eliminating exemptions for non-enumerated hedges and imposing new and unduly burdensome compliance obligations, the Proposed Rule likely will have an opposite impact on markets from the goal of Congress by forcing commercial firms to abandon hedging strategies and reduce their risk mitigation practices in order to ensure compliance with an overly prescriptive position limits regime.

III. Comments

A. The Proposed Position Limits Have Not Been Supported in the Record as Required by the Dodd-Frank Act.

Section 4a(a)(1) of the Commodity Exchange Act ("CEA") provides the Commission authority to establish position limits "as the Commission finds are necessary to diminish, eliminate or prevent" the burden on interstate commerce caused by excessive speculation.[3] While the Commission concludes in the Proposed Rule that speculative positions limits are necessary, its conclusion is based primarily on limited anecdotal experience and lacks the kind of quantitative analysis necessary to comply with its obligations under the CEA.[4] Against a backdrop of conflicting studies that at best suggest further study of the issue is required, the Commission relies on two extreme examples of manipulative behavior separated by almost 25 years of relatively well functioning markets to support its conclusion that federal position limits are necessary to diminish, eliminate, or prevent excessive speculation.[5]

In fact, the cases cited by the Commission are not examples of excessive speculation but rather one is an example of a corner in the silver markets and the other an example of manipulation of the NYMEX natural gas futures contract. Yet, the Commission is relying on these cases as its only support for position limits, including hard single-month and all-months-combined limits.

The CEA also requires that, should the Commission deem position limits appropriate, such limits must be designed to, among other things, (a) ensure sufficient market liquidity for *bona fide* hedgers and (b) preserve the price discovery function of the underlying market. However, the Proposed Rule does not adequately take these factors into consideration. While the purpose of position limits is to target excessive speculation and to protect hedgers, the Proposed Rule targets legitimate hedging activity by abandoning the Commission's longstanding principle-based approach for an overly narrow prescriptive approach. Moreover, the Proposed Rule provides no indication that the Commission has the fundamental data it needs to make a determination that the imposition of position limits for the Referenced Contracts will not disrupt liquidity or harm price discovery in affected markets. The Commission neither has reliable data on the size of the markets for each Referenced Contract, nor has it performed an analysis of what level of speculation should be considered to be "excessive" in each such market.

---

[3] CEA Section 4a(a)(1); 7 U.S.C. 6a(a)(1).

[4] Proposed Rule at 75695 ("In any case, these studies overall show a lack of consensus regarding the impact of speculation on commodity markets and the effectiveness of position limits").

[5] Proposed Rule at 75686 – 75694.

Although BGEM supports the Commission's goal of protecting market participants from excessive speculation, the Proposed Rule appears to be a solution in search of a problem, which is likely to cause damage to market liquidity, price discovery and commodity hedging programs. According to the studies cited by the Commission, there is no conclusive evidence that excessive speculation is a real problem or that markets will benefit from federal position limits. As a consequence, the issuance of the Proposed Rule at this time is not warranted. While the benefits of the Proposed Rule are in doubt, the costs are signficiant. As discussed below, the Proposed Rule is likely to (i) result in a reduction of liquidity in the futures and swaps markets, (ii) harm price discovery in such markets, and (iii) impair the ability of market participants, particularly endusers, to effectively and efficiently hedge commercial risks.

B. The Definition of Reference Contract Is Overly Inclusive.

Under the Proposed Rule, position limits would apply to all Referenced Contracts, which are defined to include (i) core referenced futures and any (ii) futures contract, options contract, or swap that is (a) directly or indirectly linked to the price of a core referenced futures contract or (b) directly or indirectly linked to the price of the same commodity underlying a core referenced futures contract for delivery at the same location or locations as specified in the core referenced futures contract.[6] This definition is overly broad and captures contracts and arrangements for which excessive speculation is not a threat to hedging or price discovery. For example, this definition would capture over-the-counter, uncleared swaps as well as physical commodity options. Such bi-lateral transactions are not used for price discovery in the same way that futures or exchange-traded, cleared swaps are.

The inappropriateness of this overly inclusive definition is at its greatest in the case of physical commodity options. OTC physical commodity options, and particularly trade options, should not be regulated as swaps, but to the extent that the Commission continues to regulate OTC physical commodity options as swaps, an exemption from position limits for such physical contracts is necessary to avoid disrupting current industry practices and overly burdening endusers.

Under the Proposed Rule, a natural gas producer who sells its production using physical commodity options with a price based upon an industry publication (listing a daily price for natural gas at the delivery location of the Henry Hub core reference contract) will be subjected to position limits even if it has no futures position and no financially settled swaps.

Because the commodity options are subject to position limits and do not qualify as a hedge positions (because they do not manage price risk since it settles at the cash market spot price), it would appear that the producer would be forced to reduce its position in physical commodity options below the position limits prior to the prompt

---

[6] Proposed Rule at 75825.

month. In other words, the producer's ability to make sales via physical commodity options would be capped at the position limits. In this way, the Proposed Rule would apply limits historically reserved for exchange-traded contracts to purely physical transactions and would prevent market participants from continuing existing and appropriate practices in physical markets.

C. The Proposed Spot-Month Limits Are Too Restrictive.

The Proposed Rule would establish spot-month limits based on 25 percent of estimated deliverable supply for the underlying commodity.[7] The Commission proposes to initially adopt spot-month limit levels equal to existing levels set by designated contract markets ("DCM"). These limits would apply on an aggregate basis, thereby subjecting the economically equivalent swaps to the same spot-month limits, whether or not they are listed for trading on a DCM or swap execution facility ("SEF"), cleared or uncleared.

BGEM is concerned that such spot-month limits are much more restrictive than what has been in place for futures traded on DCMs or significant price discovery contracts traded on exempt commercial markets. Specifically, a market participant currently is permitted to carry a position of 1,000 futures equivalent on ICE and on NYMEX. However, under the Proposed Rule, a market participant would only be able to carry a combined total of 1,000 contracts on all such markets. Moreover, the Proposed Rule would add to this limit, cleared and uncleared swaps, including even physical trade options. These limits are unduly restrictive and will reduce liquidity in the energy markets, thereby impairing endusers' ability to hedge their commercial risk exposure or engage in meaningful price discovery for the affected Referenced Contract markets.

BGEM is also concerned about setting the spot-month limit for swaps at the same level as the physically-delivered futures contracts. A key factor in adopting the spot-month limit for swaps set at 25 percent of deliverable supply is the assumption that the swap or cash contract is economically equivalent to a futures position for physical delivery. BGEM agrees that, generally, in the natural gas market, due to arbitrage, a contract such as the ICE HH LD1 is in fact economically equivalent to NYMEX Henry Hub futures contract and should be aggregated for compliance with a single month and all month limit. However, during the limited window at expiry, where the spot-limit position limits are applicable, the NYMEX Henry Hub futures contract and the HH LD1 contract cease to become economically equivalent because they serve two different purposes.

Specifically, upon expiry, the HH LD1 is settled through an exchange of cash flow between the counterparties. Although this amount is determined prior to the month of delivery, no physical gas is delivered. By way of contrast, upon expiration of the NYMEX Henry Hub futures contract, in lieu of an exchange of cash flow, physical gas is delivered over the contract month. BGEM recognizes that this analysis applies specifically to the period approaching physical delivery. However, it is the unique

[7] Proposed Rule at 75727.

characteristic of delivery which causes the spot-month position limit for the physically settling futures contract to be set so low. By applying the same low spot-month limit to cash settled swaps, the Commission would be dismissing not only the major differences that exist between the swaps and futures at expiry but also the much larger size of the swap market. Based on the foregoing, should the Commission adopt a final rule implementing position limits, it should ensure that the proposed spot-month limit level for swaps be set at a level that takes into account the size of the specific swap market itself and the overall physical market it serves, instead of a spot-month limit based on the size of the deliverable supply at the futures delivery location. BGEM also urges the Commission to publish an analysis on the size of the uncleared swap positions going to expiry.

D. The Calculation of Deliverable Supply is Inaccurate.

To the extent that the Commission moves forward with federal spot-month limits, BGEM supports the alternative approach offered by the Commission: spot-month limits based on estimates of deliverable supply submitted by CME Group on July 1, 2013. These estimates more accurately reflect current data regarding deliverable supply and would increase the limits to levels that more closely resemble current aggregate levels across exchanges. In all cases, when considering deliverable supply for natural gas, the Commission should consider all sources of supply, including, *inter alia*, long-term supply contracts, intrastate gas supply, and all other potentially deliverable supply.

E. The Proposed Conditional Spot-Month Limit Threatens to Drain Liquidity Out of the Settlement Process.

Under the Proposed Rule, participants without a hedge exemption would be allowed to "acquire positions up to five times the spot-month limit if such positions are exclusively in cash-settled contracts and the trader does not hold or control positions in the spot-month physical-delivery referenced contract."[8] This proposed conditional limit would disrupt the efficient pricing of natural gas by creating a disincentive to hold physically delivered gas positions.

The Henry Hub natural gas price serves as a benchmark for prices of physical natural gas traded throughout the U.S. and indeed throughout North America and foreign markets. The Henry Hub price is established through the settlement process on the NYMEX. The settlement price is based upon transactions in the physically delivered futures contract executed on the NYMEX during the close. The integrity of this settlement price depends, in large part, on the volume of transactions and the variety of participants trading natural gas during this closing period.

Under the Proposed Rule, however, participants would be incentivized to get out of their physically delivered futures positions in order to access the higher spot-month cash

[8] See Proposed § 150.3(c).

settled position limit. This, in turn, would draw liquidity away from the physically delivered futures contract listed on the NYMEX. Thus, if the conditional spot-month limit were to become a popular method of accessing higher cash settled limits, the likely result would be markedly fewer participants and less liquidity in the closing period, undermining the robustness of the very process by which the benchmark settlement price is established on the NYMEX.

Additionally, less liquidity and fewer participants in the physically delivered contract would create greater opportunity for manipulation of the settlement process. The conditional spot-month limit appears to be intended to prevent manipulative conduct by precluding participants from holding positions in the physically delivered contract as a condition for holding a larger cash settled position, *i.e.*, by attempting to push the settlement price up or down to benefit positions (cash settled swap contracts tied to the NYMEX settlement price) held in other markets. However, the positions that stand to benefit from a manipulation of the NYMEX settlement price are not limited to cash settled swap contracts. Rather, there are numerous physical gas positions tied to the NYMEX settlement price -- physical basis contracts being one such example – that would benefit from a manipulation of the NYMEX price.

With the drain on liquidity and concentration of participants in the closing period, physical participants with large exposure to the NYMEX settlement price would now find it easier to influence that price, even where a participant is not intending to do so. To the extent that the CFTC is focused on minimizing the opportunities for participants to manipulate price, BGEM encourages the CFTC to eliminate the requirement that traders hold no physical-delivery position in order to qualify for the conditional spot-month limit exemption.

F. Trade Options Should Not Be Subject to Position Limits.

Although the Proposed Rule would impose position limits on trade options, the Commission has requested comment on, among other things, "whether it would be appropriate to exclude trade options from the definition of referenced contracts and, thus, to exempt trade options from the proposed position limits." The Commission absolutely should exclude trade options from the definition of referenced contracts. Subjecting trade options to position limits is neither justified in the record nor consistent with the nature of trade options or the purpose of position limits.

In its interim final rule regarding commodity options, the Commission exempted trade options from most rules otherwise applicable to swaps. This exemption was subject to certain conditions "primarily intended to preserve a level of market visibility for the Commission while reducing the regulatory compliance burden for market participants." Imposing position limits on trade options would not increase market visibility but would increase the regulatory compliance burden for commercial endusers who rely on physical commodity options to obtain and dispose of physical commodities.

When applying position limits to trade options, the Commission anticipated that trade options that serve some commercial function would be exempt from the limits: "Trade

options, which are commonly used as hedging instruments or in connection with some commercial function, would normally qualify as hedges, exempt from the speculative position limit rules."[9] However, under the Proposed Rule, many if not the vast majority of trade options used in connection with commercial natural gas activities likely would not qualify as hedges and would be subject to position limits.

For example, BGEM routinely sells physical natural gas to other commercial endusers such as local distribution companies and power plants. For a variety of reasons unrelated to price risk, these sales often include volumetric optionality that can lead them to be classified as trade options. However, these transactions are unlikely to qualify as hedges under the Proposed Rule as they generally are not designed to offset price risks, they are not substitutes for future transactions, and they often do not even fix the price of the commodity. In fact, it is common for physical natural gas trade options to be priced by reference to an index.

While the Proposed Rule would not exempt trade options from position limits, imposing limits on trade options would fulfill none of the statutory purposes of position limits. First, because trade options are not exchange-traded and are purely physical contracts, "excessive speculation" (as described in the CEA) is a foreign concept. Moreover, because trade options are bilateral agreements and typically not used to establish market prices, trade options are less susceptible to manipulation than other physical contracts not subject to position limits. Third, trade options are not used for price discovery and therefore cannot be limited for the purpose of ensuring price discovery is not disrupted. On the other hand, were trade options to be subject to position limits, it may cause parties to seek to avoid trade options, leading to a negative impact on market liquidity.

Imposing position limits on trade options may not only disrupt physical natural gas markets by reducing parties' willingness or even ability to enter into physical trade options generally, but it also could lead to less efficient use of interstate pipeline and storage capacity. Rules adopted by the Federal Energy Regulatory Commission ("FERC") enable holders of interstate pipeline and storage capacity (releasing shippers) to assign their capacity to asset managers who are able to more efficiently use the capacity to meet the releasing shippers' natural gas supply needs. FERC's rules, however, require asset manager to stand ready to deliver to the releasing shipper up to the maximum daily quantity under the assigned capacity. In the event that such arrangements are considered physical commodity options, regulating trade options as swaps, and apply position limits to them, could jeopardize the willingness and ability of parties to enter into these arrangements.

Finally, imposing position limits on trade options would create a substantial burden for commercial endusers who routinely use trade options. Most commercial endusers consider physical trade options to be part of their physical portfolio and do not track

---

[9] *Id.* at 25328, n.50.

them as derivatives. To calculate the futures-equivalent and include trade options in systems used to track positions would be cumbersome, and the burden would far exceed any benefit.

G. The Proposed *Bona Fide* Hedge Exemptions Are Too Narrow.

As a physical natural gas market participant, BGEM relies on derivative contracts primarily to hedge and mitigate commercial risk. BGEM is concerned that the Proposed Rule defines *bona fide* hedging positions too narrowly to capture all of BGEM's hedging activities. BGEM urges the Commission to retain the principle-based approach to *bona fide* hedge exemptions articulated in the CEA.

The scope of the term "*Bona Fide* Hedge" should not be limited to the "enumerated hedging positions" described in the Proposed Rule. The requirement of meeting one of the very specific enumerated *bona fide* transactions is overly restrictive, and would result in transactions that meet the general definition of "*bona fide* hedging transaction" set forth in § 150.1 to nevertheless fail to qualify as a *bona fide* hedge due to the inapplicability of the limited set of specific examples drafted by the Commission. BGEM therefore believes that while the enumerated hedges may be a useful guide to illustrate what could constitute a *bona fide* hedge transaction, the general definitions of "hedges of an excluded commodity" and "hedges of a physical commodity" should be the only applicable definitions for qualifying as a *bona fide* hedging transaction.

By pushing aside that general definition in favor of the enumerated transactions, the Commission has effectively eliminated the general definition of *bona fide* hedging transactions, which came directly from CEA Section 4a(c)(2), as amended by the Dodd-Frank Act. In doing so, the Proposed Rule has removed from the definition of *bona fide* hedging numerous types of industry-recognized hedging transactions that Congress certainly intended to include.

Because the Commission is basing the enumerated hedges outlined in the Proposed Rule on its limited experience in legacy contracts, there is significant risk that the Proposed Rule will unduly restrict hedging activities in energy markets, leading to less effective risk management and greater price volatility. By abandoning the principle-based approach outlined in the statute, the Commission will force participants in energy markets to cease using risk management techniques that fall outside of those used by the legacy contracts and will inhibit the innovation and flexibility that has helped energy endusers reduce the inherent risks associated with producing, marketing, and using energy products.

It is not in the public interest to structure a rule that eliminates the flexibility to allow hedge exemptions for transactions that do not fall into enumerated examples. Doing so may have the unintended result of either diminishing liquidity in the markets or reducing the quality of hedges by endusers, or both.

H. Exemptions for Non-Enumerated *Bona Fide* Hedges.

BGEM recognizes that the Commission has proposed a separate mechanism by which a market participant may request an interpretive letter or exemptive relief from the Commission for transactions not included among the enumerated *bona fide* hedging transactions set forth in proposed § 150.1. However, this is an affirmative requirement to apply for additional non-*bona fide* hedge relief that is time-consuming and not self-executing. If the CFTC is going to limit the *bona fide* hedge definition to the enumerated hedges, then it should at least adopt a more practical and useful means for market participants to receive additional hedge exemptions. Specifically, BGEM requests that the Commission adopt a process by which market participants can submit hedge requests and a deadline by which the Commission must respond to the request. In the absence of a Commission response, the hedge exemption should be automatically granted.

I. If Enumerated Hedges Must Be The Criteria For *Bona Fide* Hedges, The Commission Should Add Additional Enumerated *Bona Fide* Hedges.

To the extent that the Commission retains the requirement to meet an enumerated hedge, it should expand the list of enumerated hedges to capture economically appropriate hedges currently used by market participants. For example, the Commission did not include in the Proposed Rule the enumerated hedge for unfilled storage capacity that was included in vacated § 151.5(a)(2)(v) of the prior Position Limits rules. That exemption would have permitted a person to establish as a *bona fide* hedge offsetting sales and purchases of commodity derivative contracts that did not exceed in quantity the amount of the same cash commodity that was anticipated to be merchandized, and was limited to the current or anticipated amount of unfilled storage capacity that the person owned or leased. BGEM disagrees with the Commission's conclusion in the Proposed Rule that such a position would not meet the economically appropriate test for a *bona fide* hedge. In fact, the previous enumerated *bona fide* hedge should be re-incorporated into the proposed rules, as the ability to hedge unfilled storage capacity in the manner permitted in the previous proposal is an important risk mitigation tool available to companies such as BGEM who encure the fixed-cost expenses assocated with storage and wish to ensure recovery of the costs of the storage by locking in time spreads associated with the storage capacity.

In addition, BGEM appreciates the Commission's comprehensive discussion of its disposition of the various additional enumerated *bona fide* hedge transactions requested by the Working Group of Commercial Energy Firms ("Working Group") and supports the Commission's inclusion of two additional enumerated hedges in response to the Working Group. BGEM further urges the Commission to reconsider inclusion of the other hedges requested by the Working Group. Specifically, the Commission should incorporate the following specific Working Group requests for additional enumerated *bona fide* hedges:

- Working Group request that referenced contracts used to lock in a price differential where one leg of the underlying transaction is an unpriced

commitment to buy or sell a physical energy commodity, and the offsetting sale or purchase has not been completed, be treated as *bona fide* hedging transactions or positions. This hedge is appropriate and falls within the statutory mandate for anticipatory merchandizing;

- Working Group request that referenced contracts used to hedge exposure to market price volatility associated with binding and irrevocable fixed-price bids or offers be treated as *bona fide* hedging positions. Binding and irrevocable fixed-price bids or offers create a real hedgeable price risk in the same way that offering a counterparty an option creates a real, hedgable price risk and should be afforded consistent treatment under the rules; and

- Working Group request that referenced contracts used to hedge a physical transaction that is subject to ongoing, good-faith negotiations, and that the hedging party reasonably expects to conclude, be treated as *bona fide* hedging transactions or positions. Such hedges are *bona fide* anticipated merchandizing hedges permitted under the plain language of the CEA.

J. The Proposed Reporting Obligations For *Bona Fide* Hedge Exemptions Are Unduly Burdensome

The proposed requirements to file Forms 204, 704 and/or 604 are unduly burdensome and commercially impracticable, and the Commission should revised the proposed rules to scale back both the frequency and the content of the filings required to maintain *bona fide* hedge positions. The proposed reporting obligations are commercially impractical and unmanageable, especially given that position limits apply to all market participants, including endusers who may not have monitoring and reporting capability to meet this requirement. The cost of complying with these obligations is contrary to Congress' goal that hedging be an affordable option for endusers.[10] BGEM urges the Commission to allow the exchanges to continue to grant annual hedge exemptions, which do not include onerous reporting requirements.

---

[10] See, e.g., Letter from Sen. Christopher Dodd and Sen. Blanche Lincoln to Rep. Barney Frank and Rep. Colin Peterson, (June 30, 2010) (indicating a desire that hedging not be made "so costly it becomes prohibitively expensive for end users to manage risk.").

IV. Conclusion

BGEM appreciates this opportunity to comment and respectfully requests that the Commission consider the comments set forth herein.

Respectfully submitted,

/s/ Lisa Yoho
Lisa Yoho
Director, Regulatory Affairs
BG Energy Merchants, LLC