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Christopher Kirkpatrick, Secretary  
Commodity Futures Trading Commission  
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Washington, D.C. 20581  
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Email to [secretary@cftc.gov](mailto:secretary@cftc.gov) and electronically to <http://comments.cftc.gov>

**Re: Comments on Swap Dealer *De Minimis* Exception Preliminary Report**

Dear Mr. Kirkpatrick:

On November 18, 2015, pursuant to the definition of “swap dealer” in Regulation 1.3(ggg)(4)(ii)(B) of the Commodity Futures Trading Commission (“Commission” or “CFTC”),<sup>1</sup> the Commission’s Division of Swap Dealer and Intermediary Oversight and the Office of the Chief Economist (“Staff”) issued the Swap Dealer *De Minimis* Exception Preliminary Report (the “Preliminary Report”). The International Energy Credit Association (“IECA”) respectfully provides these comments in response to the request for public comment set forth in the Preliminary Report.

Following the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“DFA”) and its amendments of the Commodity Exchange Act (“CEA”), the IECA has filed numerous comments with the Commission seeking to protect the rights and advance the interests of the commercial end-user community that makes up the majority of its membership. Many of the IECA’s members are representatives of commercial end-users that rely on futures contracts and swaps to help them mitigate and manage (i.e., hedge) the risks of energy commodity price volatility to their physical energy businesses.

By these comments, the IECA wishes to endorse, support and commend to the Commission the comments on the Preliminary Report (“CMC Comments”), which were submitted to the Commission by the Commodity Markets Council (“CMC”) on January 15, 2016.

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<sup>1</sup> See the definition of “swap dealer” in Section 1a(49) of the Commodity Exchange Act and Commission regulation 1.3(ggg), 7 U.S.C. §1a(49) and 17 C.F.R. § 1.3(ggg)(4)(ii)(B).

By these comments, the IECA also wishes to reiterate and fully support the “specific relief” requested by the CMC Comments (therein at page 8):

“We request that the CFTC amend the language in Rule 1.3(ggg) that ties the CFTC’s hands by automatically terminating the phase-in threshold unless the CFTC takes specific action. The CFTC should make clear that any change [to the *de minimis* threshold] may only be made through a formal rulemaking wherein the CFTC finds that it is necessary and appropriate in the public interest. **Specifically, the CFTC should pass an interim final rule amending Rule 1.3(ggg) by removing language in 1.3(ggg)(4)(ii)(D), which provides that if the CFTC takes no action, the *de minimis* phase-in threshold terminates automatically five years after SDRs began receiving data in accordance with Part 45.** The provision should be amended to make permanent the phase-in threshold until such time that the CFTC were to finalize a rule changing the threshold as provided in (ggg)(4)(ii)(C).” (Emphasis added.)

For the reasons more fully described in the CMC Comments, the IECA believes such an interim final rule is an imminently reasonable step to be taken by the Commission, which will ensure that any changes to the *de minimis* threshold will be the result of a reasoned decision by the Commission to finalize a rule changing the threshold.

Please direct correspondence concerning these comments to:

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Yours truly,  
INTERNATIONAL ENERGY CREDIT ASSOCIATION

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