

March 7, 2016

Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, D.C. 20581

VIA ELECTRONIC MAIL

Re: Draft Technical Specifications for Certain Swap Data Elements – A Request for Comment by Staff of the U.S. Commodity Futures Trading Commission

Dear Secretary Kirkpatrick:

I. INTRODUCTION.

On behalf of The Commercial Energy Working Group (the “**Working Group**”), Sutherland Asbill & Brennan LLP submits this comment letter in response to the December 22, 2015 request for comment by staff of the Commodity Futures Trading Commission (the “**CFTC**” or “**Commission**”) on draft technical specifications for certain swap data elements under Part 45 of the CFTC’s regulations (“**Request for Comment**”).¹ The Working Group appreciates Commission staff’s consideration of the comments set forth below.

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 public comment regarding regulatory and legislative developments with respect to the trading of energy commodities, including derivatives and other contracts that reference energy commodities.

¹ See *Draft Technical Specifications for Certain Swap Data Elements, A Request for Comment by Staff of the U.S. Commodity Futures Trading Commission* (Dec. 22, 2015), available at <http://www.cftc.gov/idc/groups/public/@newsroom/documents/file/specificationsswapdata122215.pdf>.

II. DISCUSSION.

A. General Concerns with Swap Data Reporting Requirements.

Over the past several years, the Working Group has been actively involved with the Commission and staff in the Division of Market Oversight to promote an appropriately tailored framework for swap data reporting that provides price discovery and transparency to the swaps markets without unnecessarily burdening commercial end-users. However, the swap data reporting requirements have imposed significant challenges on market participants, including commercial end-users, requiring them to implement new data capture systems and business practices for their commodities and derivatives trading. The Working Group supports the Commission's continued efforts to address swap data reporting issues but believes the draft technical specifications only raise further questions and concerns.

As an initial matter, the Working Group believes the Commission should focus its efforts on addressing issues presented under its current regulations before it attempts to expand the scope of the swap data reporting requirements. Currently, due to the lack of standardization among the swap data repositories ("SDRs"), (i) market participants face technical and operational difficulties in complying with multiple SDR protocols and requirements,² and (ii) the CFTC is unable to utilize and assess the SDR data in any meaningful way.³ There is "considerable variation" in the data reported to SDRs by market participants as well as the data transmitted to the CFTC by the SDRs.⁴ In this regard, the Commission should ensure existing swap data fields and requirements across SDRs are standardized before the CFTC increases the amount of detail submitted to an SDR.⁵ Equally as important, before expanding existing SDR

² In a comment letter responding to the CFTC's 2014 Request for Comment on SDR reporting requirements, the Working Group provides several examples of the differences in SDR protocols, requirements, and processes. *See* The Commercial Energy Working Group, Comment Letter regarding the Review of Swap Data Recordkeeping and Reporting Requirements, RIN 3038-AE12 (May 27, 2014) ("**May 27 Comment Letter**"). The Working Group also notes that the technical and operational difficulties in swaps and derivatives reporting are magnified for global companies required to comply with multiple data reporting regimes across various jurisdictions.

³ *See* Statement of Commissioner Bowen before the Technology Advisory Committee Meeting (Feb. 23, 2016), available at <http://www.cftc.gov/PressRoom/SpeechesTestimony/bowenstatement022316> (indicating that the CFTC's Dodd-Frank regulatory regime is incomplete until key data is standardized and easily usable for analytics and surveillance); Opening Statement of Commissioner J. Christopher Giancarlo before the CFTC Technology Advisory Committee Meeting (Feb. 23, 2016), available at <http://www.cftc.gov/PressRoom/SpeechesTestimony/giancarlostatement022316> (stating SDRs still cannot provide accurate visibility into the global swaps counterparty exposure that the Dodd-Frank Act promised to provide); *see also* Swap Dealer *De Minimis* Exception Preliminary Report (Nov. 18, 2015); May 27 Comment Letter.

⁴ *See* Opening Statement of Chairman Timothy Massad before the CFTC Technology Advisory Committee Meeting (Feb. 23, 2016), available at <http://www.cftc.gov/PressRoom/SpeechesTestimony/massadstatement022316> ("Currently there is considerable variation in how different participants report the same fields to SDRs, and in how the SDRs themselves transmit information to the CFTC."); Opening Statement of Commissioner J. Christopher Giancarlo before the CFTC Technology Advisory Committee Meeting, *supra* n.3.

⁵ In a speech at a Treasury Department conference, CFTC Chairman Massad admitted that the CFTC must do more to standardize swap data reporting. *See* Andrew Ackerman, *CFTC Head Timothy Massad Says Swap Industry Shares Blame for Lack of Clear Data*, THE WALL STREET JOURNAL, Feb. 5, 2016 ("We didn't really think

data fields and requirements, the Commission also should ensure that it is able to receive data from the SDRs in a harmonized manner so that the data can be analyzed efficiently.⁶

The Working Group recognizes that some of the draft technical specifications revise certain existing data fields in an attempt to improve their usefulness. However, most of the draft technical specifications relate to a new, expanded set of swap data elements that are either unworkable or unnecessary to the Commission's oversight function or the Dodd-Frank goals of transparency and price discovery in swaps markets. Consequently, the adoption of these new data elements will impede the resolution of existing SDR issues and simply increase trade capture and processing costs for commercial end-users without producing any real benefit. If the Commission established uniformity in existing SDR processes, requirements, and data elements, it would address many technical implementation issues that market participants have faced under the SDR reporting requirements. At that time, market participants would be better equipped to assess and comply with any new swap data elements or requirements.

Accordingly, the Working Group recommends that the Commission focus on improving swap data quality, including by standardizing and harmonizing swap data element and standards across the SDRs and global repositories, and refrain from adopting any new swap data elements or reporting requirements until the existing SDR reporting requirements and data elements are standardized.⁷ If the Commission declines to adopt this recommendation and proceeds in adopting new data elements, it must (i) evaluate the costs to market participants in modifying existing, or adopting new, data capture systems and processes, business practices, and compliance measures to implement the new data elements and (ii) determine whether the proposed data elements are necessary in light of the related costs of reporting the data elements.⁸

we had to tell you exactly how to spell it, and how to do it, but I guess we do."); *see also* Statement of Commissioner Bowen before the Technology Advisory Committee Meeting, *supra* n.3 (stating that the CFTC's rules cannot work without accurate data, which requires robust, widely-accepted data standards, and the need to improve data accuracy still remains).

⁶ *See* Remarks of Chairman Timothy Massad before the 2016 P.R.I.M.E. Finance Annual Conference (Jan. 25, 2016), *available at* <http://www.cftc.gov/PressRoom/SpeechesTestimony/opamassad-38> ("[T]here is more to do. Creating a system to collect and effectively use data is a significant project. Currently, for example, there is considerable variation in how different participants report the same fields to [SDRs], and in how the SDRs themselves transmit information to the CFTC.").

⁷ This recommendation was supported by participants at the February 23, 2016 Technology Advisory Committee ("TAC") meeting and witnesses at the February 25, 2016 Public Hearing convened by the Subcommittee on Commodity Exchanges, Energy, and Credit, House. In fact, participants suggested a working group of CFTC staff, SDRs, and market participants be formed to address swap data reporting issues and the standardization of swap data being reported in the United States and abroad. *See* Webcast of the CFTC's TAC Meeting Rescheduled for February 23, 2016, Panel II: Swap Data Standardization and Harmonization (Feb. 23, 2016), *available at* <https://www.youtube.com/watch?v=qTu-FIPctw&feature=youtu.be>; Webcast of the Subcommittee on Commodity Exchanges, Energy, and Credit Public Hearing, House Committee on Agriculture (Feb. 25, 2016), *available at* https://www.youtube.com/watch?v=Bfq-H_M42nc.

⁸ *See* Opening Statement of Commissioner J. Christopher Giancarlo before the CFTC Technology Advisory Committee Meeting, *supra* n.3 (noting that the CFTC must be cognizant of the burdens place on market participants, especially end-users, when requesting more data); *see also* Testimony of J. Rogers, Director of the CFTC Office of

For example, even though margin requirements exist under the CFTC's margin rules,⁹ the new proposed data elements related to margin and collateral would require new compliance measures extending beyond simply reporting the new data element, including resolving valuation disputes.

Additionally, after CFTC staff determines how best to standardize the systems, requirements, and data elements among SDRs with respect to interest rate (“IRS”), credit default (“CDS”), and foreign exchange (“FX”) swaps,¹⁰ it should propose any new requirements and data elements for commodity swaps pursuant to a separate request for comment followed by a proposed rulemaking that includes a full cost-benefit analysis rather than simply adopting and broadly applying the requirements and data elements that work best for IRS, CDS, and FX swaps to all swap asset classes, including commodity swaps. Commodity swaps are distinctly different and can be more complex than IRS, CDS, and FX swaps, which makes the reporting of them uniquely challenging. Further, commercial firms engaged in the core business of providing physical commodities to end-users do not have enhanced systems and large numbers of staff dedicated to reporting swap data. In this regard, if the Commission determines to adopt new data elements for commodity swaps, commercial firms must be given a substantial amount of time to modify their trade capture systems and business processes to meet the new requirements.

B. Specific Concerns with the Proposed Swap Data Technical Specifications.

If the Commission proceeds in adopting the draft technical specifications provided in the Request for Comment without first addressing current swap data reporting issues, the Working Group requests that the Commission consider the following specific comments on the proposed data element technical specifications.

1. Counterparty-Related Data Elements.

i. Counterparty Dealing Activity Exclusion Type.

In the Request for Comment, Commission staff proposes draft technical specifications for a new swap data element designed to allow the CFTC to identify swap dealing transactions (*i.e.*, “Counterparty Dealing Activity Exclusion Type”). The Working Group recognizes the CFTC's collection of such information facilitates its assessment of the current swap dealer (“SD”) *de minimis* threshold, but finds this new swap data element problematic. Specifically, the data element constructs a reporting requirement that is not congruent with the definition of “swap dealer” in the Commodity Exchange Act (“CEA”) and the CFTC's regulations. Indeed, the

Data and Technology, Public Hearing, House Agriculture Subcommittee on Commodity Exchanges, Energy, and Credit, House Committee on Agriculture, at 4 (Feb. 25, 2016) (stating that the Commission intends to eliminate reporting obligations that are not necessary), available at http://agriculture.house.gov/uploadedfiles/rogers_testimony.pdf.

⁹ See *Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants*, Final Rule, 81 Fed. Reg. 636 (Jan. 6, 2016).

¹⁰ Notably, the Request for Comment focuses primarily on IRS, CDS, and FX swaps. See Request for Comment at 7.

proposed data element appears to assume that each swap transaction is a “dealing” swap, which is not the case in commodity swaps markets. In the same vein, the draft technical specifications fail to include an allowable reporting value for a “trading” swap.¹¹ If the Commission determines to adopt this new data element, it cannot assume every swap transacted in the commodity swaps market is a dealing swap and ought to expand the allowable values for this data element to include an exclusion for a trading swap. The Working Group submits that the Commission may collect this information in a less burdensome manner by striking this proposed data element and instead require reporting counterparties to submit this information to the CFTC on an annual basis as the CFTC has not explained why it would need this information on a real-time transactional basis.

ii. Special Entity/Utility Special Entity Indicator.

The Working Group submits that the new swap data element for “Special Entity/Utility Special Entity Indicator” is problematic and will prove to be unnecessarily costly. Specifically, if a reporting counterparty must accurately identify and report to an SDR its special entity and utility special entity counterparties, the reporting counterparty must require from the special entity/utility special entity counterparties a representation that they are indeed special entities/utility special entities and verify the accuracy of such representation. This verification process will significantly increase compliance costs for both counterparties. Additionally, based on the experience of Working Group members, interpretational issues on a counterparty’s regulatory status often arise and lead to minor disagreements, which become more material if a counterparty must report the other counterparty’s entity status.

Accordingly, the Working Group recommends that the Commission consider whether there is a less burdensome manner in collecting this information, for example, through the Legal Entity Identifier (“LEI”) registration process. If the Commission determines to adopt this new data element, the Working Group requests that the Commission confirm that the guidance provided in the utility special entity final rule extends to a reporting counterparty in the context of SDR reporting. That is, a reporting counterparty reasonably may rely upon the representation from its special entity/utility special entity counterparty that it is a special entity/utility special entity for purposes of reporting this information to an SDR.¹²

iii. Ultimate Parent and Ultimate Guarantor.

CFTC staff states in the Request for Comment that the data elements for “Ultimate Parent” and “Ultimate Guarantor” will help staff (i) identify entities involved or impacted by a swap transaction, (ii) identify inter-affiliate swaps, and (iii) properly aggregate volume measures

¹¹ See Further Definition of “Swap Dealer,” “Security-Based Swap Dealer,” “Major Swap Participant,” “Major Security-Based Swap Participant” and “Eligible Contract Participant,” Joint Final Rule, 77 Fed. Reg. 30,596 (May 23, 2012) (providing distinction between “swap dealing” and “trading”).

¹² See Exclusion of Utility Operations-Related Swaps With Utility Special Entities From De Minimis Threshold for Swaps With Special Entities, Final Rule, 79 Fed. Reg. 57,767, at 57,776 (Sept. 26, 2014).

across counterparties.¹³ The Working Group submits that the Commission currently may collect this type of affiliate information through other regulatory vehicles, such as ownership and control reports (“OCR”).¹⁴ In other words, collecting this type of data in the SDR reports is duplicative and provides no additional benefit to the Commission. Accordingly, the Working Group recommends that, before the Commission expands existing SDR data fields, the Commission assess whether this type of information is currently available to the Commission through other regulatory frameworks (*e.g.*, through OCR) or could be collected in a less burdensome manner, such as through the LEI registration process.

If the Commission determines to expand the existing data fields to include the proposed “Ultimate Guarantor” data element, the Working Group recommends that the Commission confirm that a guarantee of a swap should *not* be reported as a separate swap, as a simple identification of the guarantee should be sufficient for the Commission’s oversight function.¹⁵ Importantly, in the CFTC’s final rule further defining the term “swap,” the Commission stated it would issue a separate release dealing with the practical implications of treating guarantees as swaps, including the reporting of them, and indicated that the reporting of a related guaranteed swap could satisfy the requirements applicable to the guarantee. Further, the Working Group notes that the application of a single “Ultimate Guarantor” data element as proposed is impracticable where a particular swap has a complicated structure and is guaranteed by multiple guarantors or one guarantee covers multiple things.

iv. Counterparty Financial Entity Data Indicator.

The Working Group understands that the data element for “Counterparty Financial Entity Data Indicator” is a data field currently reported to SDRs. However, the Working Group submits that the Commission can collect this information through a less burdensome manner. That is, similar to the data elements for Special Entity/Utility Special Entity Indicator, Ultimate Parent, and Ultimate Guarantor, the Working Group recommends that the Commission should collect this data through the LEI registration process.

2. Price.

The Working Group recognizes that the draft technical specifications primarily focus on IRS, CDS, and FX swaps. However, if the Commission determines to apply these data elements

¹³ See Request for Comment at 10.

¹⁴ See *Ownership and Control Reports, Forms 102/102S, 40/40S, and 71*, Final Rule, 78 Fed. Reg. 69,178 (Nov. 18, 2013).

¹⁵ See *Further Definition of “Swap,” “Security-Based Swap,” and “Security-Based Swap Agreement”*; *Mixed Swaps; Security-Based Swap Agreement Recordkeeping*, Final Rule, 77 Fed. Reg. 48,208, at n.189 (Aug. 13, 2012) (“Briefly, in the separate CFTC release the CFTC anticipates proposing reporting requirements with respect to guarantees of swaps under Parts 43 and 45 of the CFTC’s regulations and explaining the extent to which the duties and obligations of swap dealers and major swap participants pertaining to guarantees of swaps, as an integral part of swaps, are already satisfied to the extent such obligations are satisfied with respect to the related guaranteed swaps.”).

set forth in the Request for Comment to commodity swaps, the Working Group recommends that the data element for “par spread” be modified to “spread,” as “par spread” is not appropriate in the context of commodity swaps.

3. Notional Amount.

The data elements for “notional amount” and “notional currency” would be new data elements for commodity swaps reporting. It is unclear whether the CFTC intends to adopt these proposed data elements for commodity swaps given the draft technical specifications focus primarily on IRS, CDS, and FX swaps. However, the Working Group recognizes the importance of data on the notional amounts of swaps in each asset class, for instance, for purposes of determining whether the current SD *de minimis* threshold is appropriate. Because commodity swaps often are denominated in commodity units rather than currency amounts, the Working Group recommends that allowable values for the notional amount data element include the number of commodity units and the type of commodity units (*e.g.*, barrels or metric tons). Further, the Working Group submits that the “notional currency” data element should not be adopted for commodity swaps, as it is inapplicable in this context.

4. Additional Fixed Payments.

Many commodity swaps include complicated fee structures, which often have components that are immaterial to the terms of the swap and do not align with the reporting of the data element for “Additional Fixed Payments.” For example, a counterparty could be required to pay one fee that would apply to the novations of ten different swaps. The data element for Additional Fixed Payments would appear to require the reporting counterparty to calculate the fee per swap for purposes of reporting this data element. Such a process would only increase compliance burdens and costs for the reporting counterparty. In this light, the Working Group recommends that the Commission confirm that the data element for Additional Fixed Payments does not include service fees or miscellaneous fees that are not included in a confirmation and any fees the reporting counterparty deems to be immaterial to the terms of the swap.

5. Options.

i. Option Style.

The Working Group submits that “Asian” should be added to the list of allowable values for the data element “Option Style.”

ii. Embedded Option Indicator.

The Working Group submits that the data element for “Embedded Option Indicator” is unnecessary for the Commission’s oversight function or for price discovery and transparency in swaps markets. Additionally, the description for such data element is unduly vague. The Working Group submits that the reporting of whether the transaction is or is not an option should be sufficient for purposes of providing transparency and price discovery to the swaps markets and aiding the Commission’s regulatory obligations. Accordingly, the Working Group

recommends that the proposed data element for “Embedded Option Indicator” should not be adopted and used to expand the existing data fields for SDR reporting. Even if the Commission were to adopt such a swap data element, it should be explicitly limited to options embedded in host transactions that are themselves reportable (*e.g.*, not in forward transactions for physical delivery).

6. Clearing.

The Working Group submits that, if a non-financial end-user avails itself of the end-user clearing exemption and annually reports to an SDR the relevant criteria required under the end-user exception, the reporting counterparty will not possess the specific information needed for the data element “Clearing Exemption Type.” However, given the Commission may obtain this information through an end-user’s annual filing to the SDRs, collecting this type of data in the SDR reports is duplicative and provides no additional benefit to the Commission. If a reporting counterparty were required to report this data element, the benefits provided to end-users by the annual end-user exception filing would be significantly reduced. Accordingly, the Working Group recommends that the Commission decline to adopt this data element in its SDR reporting requirements.

7. Periodic Reporting.

i. Reconciliation.

a. Part 43/45/46.

The Working Group questions the regulatory value of the proposed swap data element for “Part 43/45/46,” wherein a reporting counterparty would be required to identify under which part of the CFTC’s regulations swap data is being reported. Significantly, under the final rule adopting the Part 45 SDR reporting requirements, the Commission stated that it was permitting reporting counterparties to comply with the regulatory data reporting requirements of Part 45 and the real time reporting requirements of Part 43 by submitting a single report, as this allowance would reduce reporting burdens while still fulfilling the objectives of the Dodd-Frank Act.¹⁶ In this regard, the Commission aligned the reporting deadlines under Part 45 with the public dissemination delays provided in Part 43 to achieve this goal.¹⁷ Market participants using certain SDRs, such as ICE Trade Vault and DTCC Global Trade Repository, indeed are able to submit their swap data for purposes of Parts 43 and 45 in one trade report. To require reporting counterparties to identify which part of the CFTC’s regulations would be burdensome on reporting counterparties and undo the benefit the Commission sought to achieve under the Regulatory Reporting Final Rule. Accordingly, the Working Group recommends that the Commission determine not to adopt this proposed data element in its SDR reporting requirements. If the Commission instead determines to collect this data element in SDR reports,

¹⁶ See *Swap Data Recordkeeping and Reporting Requirements*, Final Rule, 77 Fed. Reg. 2136, at 2150 (Jan. 13, 2012) (“**Regulatory Reporting Final Rule**”).

¹⁷ See *id.*

Commission staff should identify the benefit it derives under this data element and require the SDRs to populate this data field automatically if the reporting counterparty submits one trade report.

b. Data Accuracy Confirmation by Counterparty.

The Working Group submits that the data element “Data Accuracy Confirmation by Counterparty” will prove costly for end-users, as each reporting counterparty will be required to confirm with the non-reporting counterparty whether they actively affirmed, disputed, or failed to affirm SDR swap data reports. Given counterparties do not otherwise ascertain whether their counterparties have confirmed the data provided in SDR reports in the normal course of business, reporting counterparties would become obligated to send letters to all their counterparties or take other affirmative steps in an attempt to acquire the necessary information to report this data element. These efforts would prove to be extremely costly and provide little benefit, given market participants generally confirm their swap transactions and report any errors or omissions discovered in the SDR reports. Accordingly, the Working Group recommends that the Commission not adopt this data element in its SDR reporting requirements and instead require the SDRs to populate this data element, as they will have the necessary information in their records pursuant to CFTC Regulation 49.11.

c. Date and Time of Last Open Swaps Reconciliation with CP/SDR.

While SDs are required under Part 23 of the CFTC’s regulations to establish policies and procedures to ensure portfolio reconciliation is performed with its counterparties, the CFTC specifically determined not to subject end-user counterparties to the same requirement to reduce their regulatory obligations. To require an end-user reporting counterparty to engage in an entirely new requirement such as portfolio reconciliation with the SDR would contradict the CFTC’s general policy and specific determinations to exempt end-users from these types of burdens. Accordingly, the Working Group recommends that the Commission not adopt the data fields for “Date and Time of Last Open Swaps Reconciliation with CP and SDR” or specifically exempt end-user reporting counterparties from reporting such data elements. With respect to reconciliation with the SDR, the Commission could require the SDRs to populate this data element, as the SDRs would have the relevant information needed to fulfill this data point.

8. Collateral/Margin.

As a general matter, the proposed data elements related to margining and collateral will increase the compliance burdens and costs associated with SDR reporting for market participants as such data elements require information that is nuanced, legal in nature, and subject to interpretation. The calculation of net margin involves some judgments about the effectiveness of netting, which often entail legal conclusions. SDR reporting could be complicated by issues related to netting, including whether there are (a) swaps of various asset classes (*e.g.*, interest rates and commodity swaps) and (b) non-swap trades (*e.g.*, repurchase transactions and security lending trades). Further, parties would be required to create, trade match, and identify which

trades might be netted. The proposed data elements related to margining and collateral seem to require affirmation by the counterparties regarding such legal and numerical determinations.

Moreover the value of margin collateral, except where a counterparty is using cash as collateral, could be subject to dispute and miscalculation. These proposed swap data elements effectively would drive other compliance measure related to collateral management that extend beyond reporting.

The Working Group fails to understand the benefit in collecting this type of information and believes it will add no value to the Commission's oversight function or transparency in swaps markets. Rather, it will serve only to increase a market participant's compliance costs. Accordingly, the Working Group recommends that the Commission not adopt these data elements associated with collateral and margin.

If the Commission wishes to receive information related to collateral and margin, the Working Group recommends that such information be collected quarterly or annually through a process independent of Parts 43 and 45 reporting, and that non-financial end-users be relieved of any such reporting responsibility given only SDs, MSPs, and financial end-users are required to collect or post initial margin and collateral under the CFTC's margin rules. In this regard, collecting these data elements from non-financial end-users provides no benefit to the CFTC's regulatory oversight function.

9. Events.

The proposed data element "Event Type" includes several allowable values that are vague and need further clarification. For example, the Commission should clarify the difference between (i) "TERMINATION" and "TERMINATION/VOID" and (ii) "ERROR/CORRECTION_EVENT" and "ERROR/CANCEL_EVENT." Further, the Working Group fails to understand why an allowable value for "Event Type" would include "OPTION/EXERCISE." A life cycle event is an event that would result in a change to a primary economic terms ("PET") data. However, the exercise of an option is contemplated in the original PET data field submitted, and thus, should not be reported as a life cycle event. Accordingly, the Working Group recommends that the Commission provide more clarity on the allowable values for the data element "Event Type" and eliminate the allowable field for "OPTION/EXERCISE."

Moreover, other allowable values for the data element "Event Types" include information that is reported in original PET data, such as the maturity date. The Working Group submits that the Commission receives no additional benefit in receiving an explicit message report stating the swap has matured when the information previously has been reported. This requirement only unnecessarily burdens reporting counterparties. Accordingly, unless a life cycle event message modifies a particular PET term, such as the maturity date, the Working Group recommends that there be no requirement to report such.

Christopher Kirkpatrick, Secretary

March 7, 2016

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III. CONCLUSION.

The Working Group appreciates the opportunity to provide the comments set forth herein and requests the Commission's consideration of them. Please contact the undersigned with any questions.

Respectfully submitted,

/s/ David T. McIndoe

David T. McIndoe

Meghan R. Gruebner

Counsel for The Commercial Energy Working Group