



6351-01-P

## COMMODITY FUTURES TRADING COMMISSION

### Agency Information Collection Activities: Notice of Intent to Renew Collection

#### 3038-0070, Real-Time Public Reporting and Block Trade

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice.

**SUMMARY:** The Commodity Futures Trading Commission (Commission) is announcing an opportunity for public comment on the renewal of the collection of certain information by the agency. Under the Paperwork Reduction Act (PRA), Federal agencies are required to publish notice in the Federal Register concerning each proposed collection of information and to allow 60 days for public comment. This notice solicits comments in connection with part 43 of the Commission's regulations, which implements a framework for the real-time public reporting of swap transaction and pricing data for all swap transactions.

**DATES:** Comments must be submitted on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** You may submit comments, identified by "Renewal of Collection Pertaining to Real-Time Public Reporting and Block Trade" by any of the following methods:

- The Agency's web site, at <http://comments.cftc.gov/>. Follow the instructions for submitting comments through the web site.

- Mail: Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581.

- Hand Delivery/Courier: Same as Mail above.
- Federal eRulemaking Portal: <http://www.regulations.gov/>. Follow the instructions for submitting comments through the Portal.

Please submit your comments using only one method.

**FOR FURTHER INFORMATION CONTACT:** John W. Dunfee, Assistant General Counsel, Office of General Counsel, Commodity Futures Trading Commission, (202) 418-5396; email: [jdunfee@cftc.gov](mailto:jdunfee@cftc.gov), and refer to OMB Control No. 3038-0070.

**SUPPLEMENTARY INFORMATION:** Under the PRA, Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. “Collection of Information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3 and includes agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA, 44 U.S.C. 3506(c)(2)(A), requires Federal agencies to provide a 60-day notice in the Federal Register concerning each proposed collection of information before submitting the collection to OMB for approval. To comply with this requirement, the Commission is publishing notice of the existing collections of information listed below.

**Title:** Real-Time Public Reporting and Block Trade (OMB Control No. 3038-0070). This is a request for extension of currently approved information collections.

**Abstract:** Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) added to the Commodity Exchange Act (CEA) new section 2(a)(13), which establishes standards and requirements related to real-time reporting and the public availability of swap transaction and pricing data. Section 2(a)(13) and part 43 of the Commission's Regulations require reporting parties to publish real-time swap transactions and pricing data to the general public. Without the frequency of reporting set forth in part 43, the Commission would not be able to adequately assess the swap markets and, more importantly, would fail to achieve the frequency of reporting and promotion of increased price discovery in the swaps market which are mandated by the Dodd-Frank Act.

With respect to these information collections, the Commission invites comments on:

- Whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have a practical use;
- The accuracy of the Commission's estimate of the burden of the collections of information, including the validity of the methodology and assumptions used;
- Ways to enhance the quality, usefulness, and clarity of the information to be collected; and
- Ways to minimize the burden of collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical, or other technological collection techniques or other forms of information technology; e.g., permitting electronic submission of responses.

All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to <http://www.cftc.gov>. You should submit only information that you wish to make available publicly. If you wish the Commission to consider information that you believe is exempt from disclosure under the Freedom of Information Act, a petition for confidential treatment of the exempt information may be submitted according to the procedures established in § 145.9 of the Commission's regulations.<sup>1</sup>

The Commission reserves the right, but shall have no obligation, to review, pre-screen, filter, redact, refuse or remove any or all of your submission from <http://www.cftc.gov> that it may deem to be inappropriate for publication, such as obscene language. All submissions that have been redacted or removed that contain comments on the merits of the Information Collection Request will be retained in the public comment file and will be considered as required under the Administrative Procedure Act and other applicable laws, and may be accessible under the Freedom of Information Act.

**Burden Statement:** Part 43 of the Commission's regulations results in three information collection requirements within the meaning of the PRA.<sup>2</sup> The first collection of information requirement under part 43 imposes a reporting requirement on registered swap execution facilities ("SEFs") or designated contract markets ("DCMs") when a swap is executed on a trading facility or on the parties to a swap transaction when the swap is executed bilaterally. The second collection of information requirement under part 43 of the Commission's regulations creates a public dissemination requirement on registered swap data repositories ("SDRs"). The third collection of information

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<sup>1</sup> 17 CFR 145.9.

<sup>2</sup> See 77 FR 1182, 1229 (Jan. 9, 2012); 78 FR 32866, 32913 (May 31, 2013).

requirement imposes a recordkeeping requirement for SEFs, DCMs, SDRs and any reporting party (as such term is defined in part 43 of the Commission’s regulations).

The Commission notes that rather than the initial estimate of 40 SEFs, there currently are 25 SEFs either registered with the Commission or with registrations pending.<sup>3</sup> The Commission notes that rather than the initial estimate of 18 DCMs, there currently are 15 DCMs registered with the Commission.<sup>4</sup> The Commission notes that rather than the initial estimate of 15 SDRs, there currently are 4 SDRs registered with the Commission.<sup>5</sup> Based on the experience gained by the Commission with regard to SDRs, the Commission estimates that rather than the initial estimate of 750 reporting parties who are not swap dealers (“SDs”) or major swap participants (“MSPs”), and who contract with third parties to satisfy their reporting obligations, there are 496 such reporting parties.<sup>6</sup> The Commission estimates that rather than the initial estimate of 250 reporting parties who are not swap dealers (“SDs”) or major swap participants (“MSPs”), and who satisfy their reporting obligations themselves, there are 207 such reporting parties.<sup>7</sup> The burden hours for each entity category based upon these new estimates are noted in the applicable table below.

<b>Recurring Annual Burden Hours for SEFs</b>	
Respondents/Affected Entities:	SEFs
Estimated number of respondents:	25

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<sup>3</sup> See 77 FR at 1229.

<sup>4</sup> Id.

<sup>5</sup> See 77 FR at 1230.

<sup>6</sup> Id.

<sup>7</sup> Id.

Estimated total annual burden on respondents:	52,000 hours <sup>8</sup>
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<b>Recurring Annual Burden Hours for DCMs</b>	
Respondents/Affected Entities:	DCMs
Estimated number of respondents:	15
Estimated total annual burden on respondents:	31,200 hours <sup>9</sup>

<b>Recurring Annual Burden Hours for SDRs</b>	
Respondents/Affected Entities:	SDRs
Estimated number of respondents:	4
Estimated total annual burden on respondents:	27,600 hours <sup>10</sup>

<b>Recurring Annual Burden Hours for Non SD/MSPs Using Third Party</b>	
Respondents/Affected Entities:	Non SD/MSPs Using Third Party
Estimated number of respondents:	496
Estimated total annual burden on respondents:	10,912 hours <sup>11</sup>

<sup>8</sup> 2,080 average recurring burden hours per respondent SEF x 25 registered SEFs = 52,000 total burden hours for all registered SEFs.

<sup>9</sup> 2,080 average recurring burden hours per respondent DCM x 15 registered DCMs = 31,200 total burden hours for all registered DCMs.

<sup>10</sup> 6,900 average recurring burden hours per respondent SDR x 4 registered SDRs = 27,600 total burden hours for all registered SDRs.

<sup>11</sup> 22 average recurring burden hours per respondent x 496 respondents = 10,912 total burden hours for all respondents.

<b>Recurring Annual Burden Hours for Non SD/MSPs Reporting Themselves</b>	
Respondents/Affected Entities:	Non SD/MSPs Reporting Themselves
Estimated number of respondents:	207
Estimated total annual burden on respondents:	139,932 hours <sup>12</sup>

In addition to the above burden hours for compliance with part 43 obligations generally, the Commission determined that certain market participants would incur burden hours associated with the masking of the geographic detail of the underlying assets to a swap in the other commodity asset class, and with the election to have a swap transaction treated as a block trade or large notional off-facility swap.<sup>13</sup> The Commission initially estimated that respondent SDRs would incur an aggregate of 833 annual burden hours in connection with the masking of geographic detail of the underlying assets to a swap in the other commodity asset class.<sup>14</sup> Based on the Commission's observation of registered SDRs' operations and compliance with part 43's requirements, the Commission is increasing this estimate and now estimates that SDRs will incur an aggregate of 3,307 annual burden hours in connection with the masking of geographic detail of the underlying assets to a swap in the other commodity asset class.<sup>15</sup>

The Commission initially estimated that market participants would incur an aggregate of 2,167 annual burden hours in connection with the election to have a swap

<sup>12</sup> 676 average recurring burden hours per respondent x 207 respondents = 139,932 total burden hours for all respondents.

<sup>13</sup> See 78 FR 32866, 32913.

<sup>14</sup> See 78 FR 32866, 32915 (50,000 other commodity swaps with masked locations x 0.0167 hours (one minute) of burden per response = 833 total burden hours).

<sup>15</sup> 198,022 other commodity swaps with masked locations x 0.0167 hours (one minute) of burden per response = 3,307 total annual burden hours.

transaction treated as a block trade.<sup>16</sup> Based on the Commission's observation of market participants' compliance with part 43's requirements, the Commission is increasing this estimate and now estimates that market participants will incur an aggregate of 3,648 annual burden hours in connection with the election to have a swap transaction treated as a block trade.<sup>17</sup>

The Commission initially estimated that market participants would incur an aggregate of 2,255 annual burden hours in connection with the election to have a swap transaction treated as a large notional off-facility swap.<sup>18</sup> Based on the Commission's observation of market participants' compliance with part 43's requirements, the Commission is increasing this estimate and now estimates that market participants will incur an aggregate of 77,230 annual burden hours in connection with the election to have a swap transaction treated as a large notional off-facility swap.<sup>19</sup>

(Authority: 44 U.S.C. 3501 et seq.)

Dated: April 18, 2017

Robert N. Sidman,

Deputy Secretary of the Commission.

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<sup>16</sup> See 78 FR 32866, 32913-14 (125,000 elections by SDs/MSPs + 5,000 elections by nonSDs/MSPs = 130,000 total annual elections. 130,000 elections x 0.0167 hours (one minute) of burden per response = 2,167 total annual burden hours).

<sup>17</sup> 218,428 block trades x 0.0167 hours (one minute) of burden per response = 3,648 total annual burden hours.

<sup>18</sup> See 78 FR 32866, 32914 (62,500 elections by SDs/MSPs + 5,000 elections by nonSDs/MSPs = 63,000 total annual elections. 67,500 elections x 0.0334 hours (two minutes) of burden per response = 2,255 total annual burden hours).

<sup>19</sup> 2,312,265 large notional off-facility swaps x 0.0334 hours (two minutes) of burden per response = 77,230 total annual burden hours.

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