



# FEDERAL REGISTER

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OFFICE OF THE FEDERAL REGISTER



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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Parts 301, 307, 315, 316, 351, and 720

[Docket ID: OPM–2025–0015]

RIN 3206–AO98

### Strengthening Probationary Periods in the Federal Service

**AGENCY:** Office of Personnel Management.

**ACTION:** Final rule.

**SUMMARY:** As directed by Executive Order 14284, “Strengthening Probationary Periods in the Federal Service,” issued on April 24, 2025, the Office of Personnel Management (OPM) is rescinding the regulations on probationary periods for initial appointments in the competitive service and making conforming amendments.

**DATES:** This final rule is effective on June 24, 2025.

**FOR FURTHER INFORMATION CONTACT:** Mike Gilmore by telephone at (202) 936–3261 or Katika Floyd by telephone at (202) 606–0960; or by email at [employ@opm.gov](mailto:employ@opm.gov).

#### SUPPLEMENTARY INFORMATION:

#### Background and Legal Authority

This final rule is issued pursuant to Executive Order (E.O.) 14284, “Strengthening Probationary Periods in the Federal Service” (90 FR 17729, April 29, 2025), which requires the Director of OPM to prepare and publish a rule rescinding subpart H of part 315 of title 5, Code of Federal Regulations (CFR), and make conforming amendments. This action is taken under the authority vested in the President by the Constitution and sections 3301, 3302, and 3321 of title 5, United States Code (U.S.C.), and delegated to the Director of the Office of Personnel Management by section 4(b) of E.O. 14284.

The E.O. underscores the expectation of a high-performing Federal workforce and affirms the principle that continued employment in the Federal service must advance the interests of the Federal Government and the American people. It creates a requirement that agency approval is needed before probationary employees become tenured instead of by default upon the expiration of probationary periods. The E.O. also removes inappropriate regulatory barriers that inhibit agencies from fully utilizing probationary periods. In doing so, the E.O. fulfills Congress’s intention in the Civil Service Reform Act of 1978 that probationary periods be used as “an extension of the examining process to determine an employee’s ability to actually perform the duties of the position.” S. Rep. 95–969, at 45 (1978), 1978 U.S.C.C.A.N. 2723, 2767. In passing the CSRA, Congress believed “[i]t is inappropriate to restrict an agency’s authority to separate an employee who does not perform acceptably during this period,” *id.*, and thus the E.O. removes such restrictions.

The E.O. establishes rules and policies for managing probationary periods in the competitive service and trial periods in the excepted services and supersedes the existing regulations in subpart H that limited agency discretion in evaluating employees. In doing so, it draws on the President’s longstanding authority to create new Civil Service Rules governing probationary periods in the Federal service. See 5 U.S.C. 3301, 3302, 3321. To that end, the E.O. repealed Civil Service Rule 2.4 on probationary periods, nullified the current provisions governing probationary periods in the competitive service, and established Civil Service Rule 11 to strengthen the use of probationary periods. In addition, Civil Service Rule 11 establishes a trial period for employees in the excepted service, requires employees to demonstrate their continued employment is in the public interest, requires agencies to certify continued employment meets the needs of the agency and advances the efficiency of Federal service, and allows OPM to establish an appeals process for probationary and trial period terminations under certain circumstances. In addition, it retains some of the current regulatory provisions governing the circumstances

under which probationary or trial periods are required and crediting service toward the completion of a probationary or trial period.

This final rule removes the probationary period regulations in subpart H of part 315 of title 5 from the CFR and makes conforming edits to parts 301, 307, 315, 316, 351, and 720, which include references to provisions associated with probationary periods prescribed under subpart H (*i.e.*, §§ 315.801–315.806). These references have been removed and replaced with references to the Civil Service Rule 11, as applicable.

#### Impact of This Rulemaking

The E.O. “supersede[d] subpart H” and “rendered [it] inoperative and without effect.” With this action, OPM is removing the now inoperable text of subpart H from the CFR and making conforming edits. With these actions, the removal of subpart H of part 315 from the CFR eliminates the obstacles to terminating probationary employees and makes the Federal workforce more efficient and effective. The President has determined the prior regulations placed undue burdens on agencies in terminating probationary employees the Government does not need and deterred managers from undertaking that effort. Although OPM anticipates that there will be administrative costs associated with administering agency approvals of probationary employees, OPM anticipates the savings to the Government based on the efficiencies created by the new requirements for removing poor performers will outweigh any costs associated with transitioning to the new requirements of Civil Service Rule 11.

Agencies should be tracking employees’ probationary periods and advising supervisors of their status; however, OPM recognizes that agencies will need to make some adjustments in response to the E.O. and these conforming changes. OPM estimates that this rulemaking will require individuals employed by approximately 90 federal agencies to modify their regulations, policies, and procedures to implement this rulemaking and train human resources (HR) practitioners and supervisors. For the purpose of this cost analysis, the assumed average salary rate of Federal employees performing this work will be the rate in 2025 for

GS-14, step 5, from the Washington, DC, locality pay table (\$161,486 annual locality rate and \$77.38 hourly locality rate). We assume that the total dollar value of labor, which includes wages, benefits, and overhead, is equal to 200 percent of the wage rate, resulting in an assumed labor cost of \$154.76 per hour.

To comply with the regulatory changes, affected agencies would need to review the final rule and update their regulations, policies, and procedures. We estimate that, in the first year following publication of the final rule, doing so will require an average of 40 hours of work by employees with an average hourly cost of \$154.76. This work would result in estimated costs in that first year of implementation of about \$6,190.40 per agency, and about \$560,000 Governmentwide.

To retain a probationer as an employee, an agency must certify that finalizing the appointment advances the public interest. For probationers who will not be retained, the agency must provide written notice of the effective date of the termination action. Most agencies already have systems in place to advise supervisors as a probationary period is nearing its end, and supervisors provide information regarding whether the probationer is meeting expectations. Although the details of the review are changing and the resulting default action is reversed, OPM does not expect the new requirements to be meaningfully more burdensome than current processes. Similarly, supervisors should be conducting mid-term and final reviews for each of their probationary employees. Therefore, although a review is necessary for the agency to certify that finalizing the appointment advances the public interest, there should not be any new burden associated with conducting the review and making the determination.

Some agencies may choose to make changes to HR systems to facilitate compliance with the amended regulations through automation. These systems are specific to agencies, and OPM does not have information regarding potential costs to automate requirements from the E.O. and the revised regulations. While these costs may vary, OPM anticipates that the overall cost savings associated with the streamlined procedures for terminating probationary employees who have been determined not to be an asset to the Government and the long-term savings of retaining only the most productive and needed employees will exceed the costs of implementing new systems.

## Regulatory Compliance

### 1. Administrative Procedure Act

Pursuant to 5 U.S.C. 553(b)(B), OPM finds that there is good cause to issue this final rule without prior notice and comment. In E.O. 14284, the President directed OPM to rescind subpart H of part 315 within 30 days. In the meantime, the E.O. has rendered subpart H inoperative and without effect. In addition, the E.O. removed Civil Service Rule 2.4, the key authority underlying subpart H. The E.O. also set forth the new Civil Service Rule 11, immediately implementing new requirements and policies for strengthening probationary and trial periods. This final rule merely effectuates the rules and policy established by the E.O., which is based on specific Presidential direction under his statutory and constitutional authority for the civil service. OPM lacks any discretion in this rulemaking action. Therefore, notice and public comment procedures are unnecessary.

Similarly, pursuant to 5 U.S.C. 553(d)(3), OPM finds that there is good cause to make this final rule effective immediately upon publication. This rule merely effectuates the rules and policies established by the E.O. based on specific Presidential direction under his statutory and constitutional authority for the civil service. Removing the now inoperative regulations may reduce the confusion about the rules currently governing probationary and trial periods in the competitive and excepted services. Further, a delayed effective date serves no practical purpose here since the E.O. is effective immediately and agencies must not give force or effect to the provisions of the current regulations.

### 2. Regulatory Review

OPM has examined the impact of this rule as required by E.O.s 12866 and 13563, which direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulations are necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health, and safety effects, distributive impacts, and equity). A regulatory impact analysis must be prepared for rules that have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. This rulemaking does not reach that threshold. This rule is not an E.O. 14192

regulatory action because it does not impose any more than de minimis regulatory costs.

### 3. Regulatory Flexibility Act

The Acting Director of OPM certifies that this rule will not have a significant economic impact on a substantial number of small entities because it applies only to Federal agencies and employees.

### 4. Federalism

This regulation will not have substantial direct effects on the States, on the relationship between the National Government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, the Acting Director of OPM certifies that this rule does not have sufficient federalism implications to warrant preparation of a Federalism Assessment.

### 5. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits before issuing any rule that would impose spending costs on State, local, or Tribal governments in the aggregate, or on the private sector, in any 1 year of \$100 million in 1995 dollars, updated annually for inflation. That threshold is currently approximately \$206 million. This rulemaking will not result in the expenditure by State, local, or Tribal governments, in the aggregate, or by the private sector, in excess of the threshold. Thus, no written assessment of unfunded mandates is required.

### 6. Paperwork Reduction Act

This rule does not affect any reporting or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35).

## List of Subjects

### 5 CFR Part 301

Government employees.

### 5 CFR Part 307

Government employees, Veterans.

### 5 CFR Part 315

Government employees.

### 5 CFR Part 316

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### 5 CFR Part 351

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## 5 CFR Part 720

Affirmative employment programs,  
Equal employment opportunity,

Government employees, Individuals  
with disabilities, Reporting and  
recordkeeping requirements.

Office of Personnel Management

**Stephen Hickman,**

*Federal Register Liaison.*

Accordingly, for the reasons stated in  
the preamble, OPM amends 5 CFR parts  
301, 307, 315, 316, 351 and 720 as  
follows:

**PART 301—OVERSEAS EMPLOYMENT**

■ 1. The authority citation for part 301  
is revised to read as follows:

**Authority:** 5 U.S.C. 3301, 3302; E.O. 10577, 19 FR 7521, 3 CFR, 1954–1958 Comp., p. 218, as amended by E.O. 10641, 20 FR 8137, 3 CFR, 1954–1958 Comp., p. 274, unless otherwise noted; E.O. 14284, 90 FR 17729.

■ 2. Revise § 301.204 to read as follows:

**§ 301.204 Status and probationary period.**

(a) An overseas limited employee  
does not acquire a competitive status on  
the basis of his or her overseas limited  
appointment. He or she is required to  
serve a probationary period of 1 year  
when given an overseas limited  
appointment of indefinite duration or an  
overseas limited term appointment.

(b) The agency may terminate an  
overseas limited employee at any time  
during the probationary period. The  
employee is entitled to the procedures  
prescribed by the Director of the Office  
of Personnel Management under § 11.6  
of this chapter.

**PART 307—VETERANS RECRUITMENT APPOINTMENTS**

■ 3. The authority citation for part 307  
is revised to read as follows:

**Authority:** 5 U.S.C. 3301, 3302; 38 U.S.C. 4214; E.O. 11521, 3 CFR, 1970 Comp., p. 912; E.O. 14284, 90 FR 17729.

■ 4. Revise § 307.105 to read as follows:

**§ 307.105 Appeal rights.**

Individuals serving under VRAs have  
the same appeal rights as excepted  
service employees under parts 432 and  
752 of this chapter. In addition, any  
individual serving under a VRA, whose  
employment under the appointment is  
terminated within 1 year after the date  
of such appointment, has the same right  
to appeal that termination as a career or  
career-conditional employee has during  
the first year of employment.

**PART 315—CAREER AND CAREER-CONDITIONAL EMPLOYMENT**

■ 5. The authority citation for part 315  
is revised to read as follows:

**Authority:** 5 U.S.C. 1302, 3301, and 3302; E.O. 10577, 3 CFR, 1954–1958 Comp., p. 218, unless otherwise noted; E.O. 14284, 90 FR 17729. Secs. 315.601 and 315.609 also issued under 22 U.S.C. 3651 and 3652. Secs. 315.602 and 315.604 also issued under 5 U.S.C. 1104. Sec. 315.603 also issued under 5 U.S.C. 8151. Sec. 315.605 also issued under E.O. 12034, 43 FR 1917, 3 CFR, 1978 Comp., p.111. Sec. 315.606 also issued under E.O. 11219, 30 FR 6381, 3 CFR, 1964–1965 Comp., p. 303. Sec. 315.607 also issued under 22 U.S.C. 2560. Sec. 315.608 also issued under E.O. 12721, 55 FR 31349, 3 CFR, 1990 Comp., p. 293. Sec. 315.610 also issued under 5 U.S.C. 3304(c). Sec. 315.611 also issued under 5 U.S.C. 3304(f). Sec. 315.612 also issued under E.O. 13473, 73 FR 56703, 3 CFR, 2009 Comp., p. 241. Sec. 315.613 also issued under 5 U.S.C. 9602. Sec. 315.710 also issued under E.O. 12596, 52 FR 17537, 3 CFR, 1987 Comp., p. 264.

■ 6. Amend § 315.609 by revising  
paragraph (e)(2) to read as follows:

**§ 315.609 Appointment based on service in United States positions of the Panama Canal Commission.**

\* \* \* \* \*

(e) \* \* \*

(1) \* \* \*

(2) On satisfactory completion of  
probation if he or she had not  
previously completed such a 1-year trial  
period.

■ 7. Amend § 315.614 by revising the  
section heading and paragraph (g) to  
read as follows:

**§ 315.614 Hiring authority for college graduates.**

\* \* \* \* \*

(g) *Acquisition of competitive status.*  
A person appointed under this section  
acquires competitive status upon  
completion of probationary period in  
accordance with the provisions of part  
11 of this chapter.

\* \* \* \* \*

**Subpart H—[Removed and Reserved]**

■ 8. Subpart H is removed and reserved.

■ 9. Amend § 315.909 by revising  
paragraph (a) to read as follows:

**§ 315.909 Relationship to other actions.**

(a) If an employee is required to  
concurrently serve both a probationary  
period under this subpart and a  
probationary period under part 11 of  
this chapter, the latter takes precedence  
and completion of the probationary  
period for competitive appointment  
fulfills the requirements of this subpart.

\* \* \* \* \*

**PART 316—TEMPORARY AND TERM EMPLOYMENT**

■ 10. The authority citation for part 316  
is revised to read as follows:

**Authority:** 5 U.S.C. 3301, 3302; E.O. 10577, 19 FR 7521, 3 CFR, 1954–1958 Comp., p. 218; E.O. 14284, 90 FR 17729; 5 CFR 2.2(c).

■ 11. Revise § 316.304 to read as  
follows:

**§ 316.304 Probationary period.**

(a) The first year of service of a term  
employee is a probationary period  
regardless of the method of  
appointment. Prior Federal civilian  
service is credited toward completion of  
the required probationary period in the  
same manner as prescribed by § 11.4 of  
this chapter.

(b) The agency may terminate a term  
employee at any time during the  
probationary period. The employee is  
entitled to the procedures prescribed by  
the Director of the Office of Personnel  
Management under § 11.6 of this  
chapter.

■ 12. Revise § 316.906 to read as  
follows:

**§ 316.906 Acquisition of competitive status.**

A student appointed under § 316.901  
acquires competitive status only upon  
completion of probationary period after  
any conversion, in accordance with the  
provisions of part 11 of this chapter.  
Time spent on a time-limited  
appointment under this part may count  
toward fulfillment of such probationary  
period.

**PART 351—REDUCTION IN FORCE**

■ 13. The authority citation for part 351  
is revised to read as follows:

**Authority:** 5 U.S.C. 1302, 3502, 3503; E.O. 14284, 90 FR 17729; 5 CFR 2.2(c). Sec. 351.801 also issued under E.O. 12828, 58 FR 2965.

■ 14. Amend § 351.501 by revising  
paragraph (b)(2) to read as follows:

**§ 351.501 Order of retention—competitive service.**

\* \* \* \* \*

(b) \* \* \*

(1) \* \* \*

(2) Group II includes each career-  
conditional employee, and each  
employee serving a probationary period  
under part 11 of this chapter. (A  
supervisory or managerial employee  
serving a probationary period required  
by subpart I of part 315 of this chapter  
is in group II if the employee has not  
completed a probationary period under  
part 11 of this chapter.) Group II also

includes an employee when substantial evidence exists of the employee's eligibility to immediately acquire status and career-conditional tenure, and the employee's case is pending final resolution by OPM (including cases under Executive Order 10826 to correct certain administrative errors).

#### **PART 720—AFFIRMATIVE EMPLOYMENT PROGRAMS**

■ 15. The authority citation for part 720 continues to read as follows:

**Authority:** 5 U.S.C. 7201; 42 U.S.C. 2000e; unless otherwise noted.

#### **Subpart J—Equal Opportunity Without Regard to Politics or Marital Status**

■ 16. The authority citation for subpart J of part 720 is added to read as follows:

**Authority:** 5 U.S.C. 2301, 2302, 7201, 7202, 7203, 7204; 42 U.S.C. 2000e. E.O. 14284, 90 FR 17729. 5 CFR 2.2(c).

■ 17. Amend § 720.901 by revising paragraph (b) and removing the undesignated paragraph following paragraph (b). The revisions read as follows:

#### **§ 720.901 Equal opportunity without regard to politics or marital status.**

\* \* \* \* \*

(b) *In adverse actions and assignment actions for supervisory or managerial probationers.* An agency may not take an adverse action against an employee covered by part 752 of this chapter, nor assign a probationer to another position pursuant to § 315.907 of this chapter:

- (1) for political reasons, except when required by statute, or
- (2) because of marital status.

[FR Doc. 2025–11576 Filed 6–23–25; 8:45 am]

**BILLING CODE P**

## **NUCLEAR REGULATORY COMMISSION**

### **10 CFR Parts 170 and 171**

[NRC–2023–0069]

RIN 3150–AK95

#### **Fee Schedules; Fee Recovery for Fiscal Year 2025**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Final rule.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is amending the licensing, inspection, special project, and annual fees charged to its applicants and licensees. These amendments are necessary to comply

with the Nuclear Energy Innovation and Modernization Act, which requires the NRC to recover, to the maximum extent practicable, approximately 100 percent of its annual budget, less certain amounts excluded from this fee recovery requirement. In addition, the NRC is making amendments to implement a reduced hourly rate for advanced nuclear reactor applicants and pre-applicants for certain activities as required by the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024.

**DATES:** This final rule is effective on August 25, 2025.

**ADDRESSES:** Please refer to Docket ID NRC–2023–0069 when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- *Federal rulemaking website:* Go to <https://www.regulations.gov> and search for Docket ID NRC–2023–0069. Address questions about NRC dockets to Helen Chang; telephone: 301–415–3228; email: [Helen.Chang@nrc.gov](mailto:Helen.Chang@nrc.gov). For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, at 301–415–4737, or by email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov). For the convenience of the reader, the ADAMS accession numbers are provided in the "Availability of Documents" section of this document.

- *NRC's PDR:* The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov) or call 1–800–397–4209 or 301–415–4737, between 8 a.m. and 4 p.m. eastern time, Monday through Friday, except Federal holidays.

For additional direction on obtaining information, see "Obtaining Information and Submitting Comments" in the **SUPPLEMENTARY INFORMATION** section of this document.

**FOR FURTHER INFORMATION CONTACT:** William Blaney, Office of the Chief Financial Officer, U.S. Nuclear Regulatory Commission, Washington,

DC 20555–0001; telephone: 301–415–5092; email: [William.Blaney@nrc.gov](mailto:William.Blaney@nrc.gov).

#### **SUPPLEMENTARY INFORMATION:**

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#### **I. Background; Statutory Authority**

The NRC's fee regulations are primarily governed by two laws: (1) the Independent Offices Appropriation Act, 1952 (IOAA) (31 U.S.C. 9701); and (2) the Nuclear Energy Innovation and Modernization Act (NEIMA) (42 U.S.C. 2215). The IOAA authorizes and encourages Federal agencies to recover, to the fullest extent possible, costs attributable to services provided to identifiable recipients. Under NEIMA, the NRC must recover, to the maximum extent practicable, approximately 100 percent of its annual budget, less the budget authority for excluded activities. Under section 102(b)(1)(B) of NEIMA, "excluded activities" include any fee-relief activity as identified by the Commission, generic homeland security activities, waste incidental to reprocessing activities, Nuclear Waste Fund activities, advanced reactor regulatory infrastructure activities, Inspector General (IG) services for the Defense Nuclear Facilities Safety Board, research and development at universities in areas relevant to the NRC's mission, and a nuclear science and engineering grant program. In fiscal year (FY) 2025, the fee-relief activities identified by the Commission are consistent with prior fee rules (see table I, "Excluded Activities," of this document for the list of all excluded activities).

Under NEIMA, the NRC must use its IOAA authority first to collect service fees for NRC work that provides specific benefits to identifiable recipients (such as licensing work, inspections, and special projects). The NRC's regulations in part 170 of title 10 of the *Code of Federal Regulations* (10 CFR), "Fees for Facilities, Materials, Import and Export Licenses, and Other Regulatory Services Under the Atomic Energy Act of 1954, as Amended," explain how the agency

collects service fees from specific beneficiaries. Because the NRC’s fee recovery under the IOAA (10 CFR part 170) will not equal 100 percent of the agency’s total budget authority for the FY (less the budget authority for excluded activities), the NRC also assesses “annual fees” under 10 CFR part 171, “Annual Fees for Reactor Licenses and Fuel Cycle Licenses and Materials Licenses, Including Holders of Certificates of Compliance, Registrations, and Quality Assurance Program Approvals and Government Agencies Licensed by the NRC,” to recover the remaining amount necessary to comply with NEIMA.

Additionally, on July 9, 2024, the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act) was signed into law, and, among other things, it amended fee-related provisions in NEIMA. Specifically, the ADVANCE Act includes three fee-related provisions and provides an effective date of October 1, 2025 (FY 2026), for each of these provisions: (1) section 101, “International Nuclear Export and Innovation Activities,” establishes a new excluded activity for “[c]osts for international nuclear export and innovation activities described in section 101(a)” of the ADVANCE Act; (2) section 201, “Fees for Advanced Nuclear Reactor Application Review,” requires a reduced hourly rate for advanced nuclear reactor applicants and advanced nuclear reactor pre-applicants for certain activities (Reduced Hourly Rate) and creates new excluded activities associated with the Reduced Hourly Rate; and (3) section 204, “Enabling Preparations for the Demonstration of Advanced Nuclear

Reactors on Department of Energy Sites or Critical National Security Infrastructure Sites,” establishes two more excluded activities for costs for application reviews and pre-application activities for an early site permit to demonstrate an advanced nuclear reactor on a Department of Energy or “critical national security infrastructure” site.

This final rule includes revisions to 10 CFR part 170 to implement section 201 of the ADVANCE Act in preparation for October 1, 2025 (FY 2026), which is the statutory effective date for the Reduced Hourly Rate. In short, the NRC is establishing two hourly rates: (1) the professional hourly rate; and (2) the Reduced Hourly Rate for advanced nuclear reactor applicants and pre-applicants. The professional hourly rate will be effective August 25, 2025, coincident with the effective date for this rule, and the Reduced Hourly Rate will take effect separately on October 1, 2025 (FY 2026), consistent with the statutory effective date. The professional hourly rate is the typical full-cost professional hourly rate calculated using the NRC’s established process, as described in Section II, “FY 2025 Fee Collection—Professional Hourly Rate” of this document. The revisions to 10 CFR part 170 to implement the Reduced Hourly Rate, as well as related changes to the rule upon consideration of public comments on the proposed rule, are further described in Section II, Discussion, “FY 2025—Policy Changes,” and in Section IV, Public Comments and NRC Responses of this document.

Because sections 101 and 204 of the ADVANCE Act completely remove certain activities from the fee recovery requirement as new excluded activities

effective October 1, 2025 (FY 2026), these provisions do not present an implementation issue that would benefit from rule changes being developed in advance of the statutory effective date. As a result, the NRC plans to propose rule changes to implement sections 101 and 204 of the ADVANCE Act as part of the FY 2026 fee rule, consistent with the FY 2026 statutory effective date.

**II. Discussion**

*FY 2025 Fee Collection—Overview*

The NRC is issuing this FY 2025 final fee rule based on its enacted budget in Public Law 119–4, Full-Year Continuing Appropriations and Extensions Act, 2025 (the Full-Year Continuing Resolution). The final fee rule reflects a total budget authority in the amount of \$944.1 million, which did not change from FY 2024.

As explained previously, certain portions of the NRC’s total budget authority are excluded from the fee recovery requirement under section 102(b)(1)(B) of NEIMA. Based on the enacted budget, these exclusions total \$137.1 million; this total amount for excluded activities did not change from FY 2024. These excluded activities consist of \$96.8 million for fee-relief activities, \$23.8 million for advanced reactor regulatory infrastructure activities, \$14.0 million for generic homeland security activities, \$1.0 million for waste incidental to reprocessing activities, and \$1.5 million for IG services for the Defense Nuclear Facilities Safety Board. Table I of this document summarizes the excluded activities for the FY 2025 final fee rule. The FY 2024 amounts are provided for comparison purposes.

**TABLE I—EXCLUDED ACTIVITIES**  
[Dollars in millions]

	FY 2024 final rule	FY 2025 final rule
<b>Fee-Relief Activities:</b>		
International activities .....	31.1	31.4
Agreement State oversight .....	12.5	12.7
Medical isotope production infrastructure .....	1.5	1.3
Fee exemption for nonprofit educational institutions .....	17.7	18.2
Costs not recovered from small entities under 10 CFR 171.16(c) .....	10.5	10.1
Regulatory support to Agreement States .....	12.0	9.6
Generic decommissioning/reclamation activities (not related to the operating power reactors and spent fuel storage fee classes) .....	2.7	6.2
Uranium recovery program and unregistered general licensees .....	5.3	4.3
Potential Department of Defense remediation program Memorandum of Understanding activities .....	0.8	0.8
Non-military radium sites .....	0.2	0.2
Minority Serving Institutions Grant Program .....	2.5	2.0
Subtotal Fee-Relief Activities .....	96.8	96.8
Activities under section 102(b)(1)(B)(ii) of NEIMA (Generic Homeland Security activities, Waste Incidental to Reprocessing activities, and the Defense Nuclear Facilities Safety Board) .....	16.5	16.5

TABLE I—EXCLUDED ACTIVITIES—Continued  
[Dollars in millions]

	FY 2024 final rule	FY 2025 final rule
Advanced reactor regulatory infrastructure activities .....	23.8	23.8
Total Excluded Activities .....	137.1	137.1

After accounting for the exclusions from the fee recovery requirement and net billing adjustments (*i.e.*, for FY 2025 invoices that the NRC estimates will not be paid during the FY, less payments received in FY 2025 for prior-year invoices), the NRC must recover approximately \$808.8 million in fees in FY 2025.<sup>1</sup> Of this amount, the NRC estimates that \$205.4 million will be recovered through 10 CFR part 170 service fees and approximately \$603.4 million will be recovered through 10

CFR part 171 annual fees. Table II of this document summarizes the fee recovery amounts for the FY 2025 final fee rule using the FY 2025 enacted budget and takes into account the budget authority for excluded activities and net billing adjustments; the FY 2024 amounts are provided for comparison purposes. For all information presented in this final rule, individual values may not sum to totals due to rounding. Please see the work papers, available as indicated in the “Availability of

Documents” section of this document, for more precise amounts. In FY 2025, because the Full-Year Continuing Resolution appropriates FY 2025 funds at the FY 2024 enacted levels, does not contain provisions regarding the NRC’s prior-year funds, and was not accompanied by an explanatory statement, the Full-Year Continuing Resolution does not provide direction for the NRC to use a specific amount of prior-year unobligated balances (carryover).

TABLE II—BUDGET AND FEE RECOVERY AMOUNTS  
[Dollars in millions]

	FY 2024 final rule	FY 2025 final rule
Total Budget Authority .....	\$944.1	\$944.1
Less Budget Authority for Excluded Activities .....	– 137.1	– 137.1
Balance .....	807.0	807.0
Fee Recovery Percent .....	100.0	100.0
Total Amount to be Recovered .....	807.0	807.0
Less Estimated Amount to be Recovered through 10 CFR part 170 Fees .....	– 202.2	– 205.4
Estimated Amount to be Recovered through 10 CFR part 171 Fees .....	604.8	601.6
10 CFR part 171 Billing Adjustments:		
Unpaid Current Year Invoices (estimated) .....	4.3	5.5
Less Payments Received in Current Year for Previous Year Invoices (estimated) .....	– 3.0	– 3.7
Adjusted 10 CFR part 171 Annual Fee Collections Required .....	606.1	603.4
Adjusted Amount to be Recovered through 10 CFR parts 170 and 171 Fees .....	808.3	808.8

*FY 2025 Fee Collection—Professional Hourly Rate*

This section discusses the methodology for calculating the NRC’s typical full-cost hourly rate. The methodology for calculating the Reduced Hourly Rate is discussed in Section II, Discussion, “FY 2025—Policy Change,” of this document.

The NRC uses a professional hourly rate to assess fees under 10 CFR part 170 for specific services it provides. The professional hourly rate also helps determine flat fees (which are used for the review of certain types of materials license applications). The full costs of fees under §§ 170.21, “Schedule of fees for production and utilization facilities, review of standard referenced design approvals, special projects, inspections

and import and export licenses,” and 170.31, “Schedule of fees for materials licenses and other regulatory services, including inspections, and import and export licenses,” will be determined based on either the professional hourly rate, effective on August 25, 2025, or the Reduced Hourly Rate, effective October 1, 2025 (FY 2026).

The NRC’s professional hourly rate is derived by adding budgeted resources for: (1) mission-direct program salaries and benefits; (2) mission-indirect program support; and (3) agency support (corporate support and the IG).<sup>2</sup> The NRC then subtracts certain offsetting receipts and divides this total by the mission-direct full-time equivalent (FTE) converted to hours (the mission-direct FTE converted to hours

is the product of the mission-direct FTE multiplied by the estimated annual mission-direct FTE productive hours). Consistent with OMB Circular A–25, “User Charges,” the professional hourly rate encompasses the “full cost” of NRC review and thus includes the NRC’s budgetary resources for mission-direct program salaries and benefits, mission-indirect contract resources along with salaries and benefits plus the agency support program contract resources along with salaries and benefits. The only budgeted resources excluded from the professional hourly rate are those for mission-direct contract resources, which are generally billed to licensees separately. The following shows the professional hourly rate calculation:

<sup>1</sup> Please see the work papers for more detailed information on the net billing adjustments.

<sup>2</sup> Please see the work papers for more detailed information on all the components of the professional hourly rate calculation.

$$\text{Professional Hourly Rate} = \frac{\text{Budgeted Resources}}{\text{Mission-Direct FTE Converted to Hours}} = \frac{\$815.8 \text{ million}}{1,703.3 \times 1,507} = \$318$$

For FY 2025, the NRC is increasing the professional hourly rate from \$317 to \$318. The approximately 0.3 percent increase in the professional hourly rate is primarily due to the change in mission-direct FTE compared to FY 2024. Based on the FY 2025 enacted budget, the number of mission-direct FTE is expected to decrease by approximately 17, primarily to support planned efficiencies in operating reactor license application reviews and the discontinuation of activities related to the Project Pele application. The

professional hourly rate is inversely related to the mission-direct FTE amount; therefore, as the number of mission-direct FTE decreases, the professional hourly rate may increase.

The decrease in mission-direct FTE is partially offset by a reduction in the budgeted resources of approximately \$1.2 million or 0.2 percent, along with the rise of seven hours in the estimated annual mission-direct FTE productive hours or 0.5 percent.

The FY 2025 estimate for annual mission-direct FTE productive hours is

1,507 hours, which is an increase from 1,500 hours in FY 2024. This estimate reflects the average number of hours that a mission-direct employee spends on mission-direct work annually. This estimate, therefore, excludes hours charged to annual leave, sick leave, holidays, training, and general administrative tasks. Table III of this document shows the professional hourly rate calculation methodology. The FY 2024 amounts are provided for comparison purposes.

TABLE III—PROFESSIONAL HOURLY RATE CALCULATION  
[Dollars in millions, except as noted]

	FY 2024 final rule	FY 2025 final rule
Mission-Direct Program Salaries & Benefits .....	\$384.4	\$380.5
Mission-Indirect Program Support .....	\$118.9	\$121.5
Agency Support (Corporate Support and the IG) .....	\$313.6	\$313.8
Subtotal .....	\$816.9	\$815.8
Less Offsetting Receipts <sup>3</sup> .....	\$0.0	\$0.0
Total Budgeted Resources Included in Professional Hourly Rate .....	\$816.9	\$815.8
Mission-Direct FTE .....	1,720.3	1,703.3
Annual Mission-Direct FTE Productive Hours (Whole numbers) .....	1,500	1,507
Mission-Direct FTE Converted to Hours (Mission-Direct FTE multiplied by Annual Mission-Direct FTE Productive Hours) .....	2,580,450	2,566,873
Professional Hourly Rate (Total Budgeted Resources Included in Professional Hourly Rate Divided by Mission-Direct FTE Converted to Hours) (Whole Numbers) .....	\$317	\$318

*FY 2025 Fee Collection—Flat Application Fee Changes*

The NRC is amending the flat application fees it charges in its schedule of fees in § 170.31 to reflect the revised professional hourly rate of \$318. The NRC charges these fees to applicants for materials licenses and other regulatory services, as well as to holders of materials licenses. The NRC calculates these flat fees by multiplying the average professional staff hours needed to process the licensing actions by the professional hourly rate for FY 2025. As part of its calculations, the NRC analyzes the actual hours spent performing licensing actions and estimates the five-year average of professional staff hours that are needed to process licensing actions as part of its biennial review of fees. These actions are required by section 205(a) of the

Chief Financial Officers Act of 1990 (31 U.S.C. 902(a)(8)). The NRC performed this review for the FY 2025 fee rule and will perform this review again for the FY 2027 fee rule. The biennial review adjustment and the higher professional hourly rate of \$318 is the primary reason for the increase in flat application fees (see the work papers).

To simplify billing, the NRC rounds these flat fees to a minimal degree. Specifically, the NRC rounds these flat fees (up or down) in such a way that ensures both convenience for its stakeholders and minimal effects due to rounding. Accordingly, fees under \$1,000 are rounded to the nearest \$10, fees between \$1,000 and \$100,000 are rounded to the nearest \$100, and fees greater than \$100,000 are rounded to the nearest \$1,000.

The flat fees are applicable for certain materials licensing actions (see fee categories 1.C. through 1.D., 2.B. through 2.F., 3.A. through 3.S., 4.B. through 5.A., 6.A. through 9.D., 10.B., 15.A. through 15.L., 15.R., and 16 of § 170.31). Applications filed on or after the effective date of the FY 2025 final fee rule will be subject to the revised fees in the final rule.

Historically, flat fees were applicable to import and export licensing actions. However, in FY 2022, the Commission included the resources for import and export licensing actions within the “international activities” fee-relief activity. Under NEIMA, “excluded activities” include any fee-relief activity identified by the Commission as well as specific activities listed in the statute. Section 101 of the ADVANCE Act establishes an excluded activity for

<sup>3</sup> The fees collected by the NRC for Freedom of Information Act (FOIA) services and indemnity fees (financial protection required of all licensees for public liability claims at 10 CFR part 140) are subtracted from the budgeted resources amount

when calculating the 10 CFR part 170 professional hourly rate, per the guidance in OMB Circular A–25, “User Charges.” The budgeted resources for FOIA activities are allocated under the product for Information Services within the Corporate Support

business line. The budgeted resources for indemnity activities are allocated under the Licensing Actions and Research and Test Reactors products within the Operating Reactors business line.

“[c]osts for international nuclear export and innovation activities described in section 101(a)” of the ADVANCE Act. The ADVANCE Act thus changed the treatment of this subset of international activities (*i.e.*, the “international nuclear export and innovation activities described in section 101(a)”) from being included within a fee-relief activity to being a separate excluded activity under NEIMA. Because both fee-relief activities identified by the Commission and the separate excluded activities identified in NEIMA are both excluded from the fee-recovery requirement, fees continue to not be assessed under 10 CFR parts 170 and 171 for import and export licensing actions.

*FY 2025 Fee Collection—Low-Level Waste Surcharge*

The NRC is assessing a generic low-level waste (LLW) surcharge of \$3.798

million. Disposal of LLW occurs at commercially-operated LLW disposal facilities that are licensed by either the NRC or an Agreement State. Four existing LLW disposal facilities in the United States accept various types of LLW. All these facilities are regulated by an Agreement State, rather than the NRC.

The NRC allocates this surcharge to its licensees based on data available in the U.S. Department of Energy’s (DOE) Manifest Information Management System (MIMS). This database contains information on total LLW volumes disposed of by four generator classes: academic, industrial, medical, and utility. The ratio of waste volumes disposed of by these generator classes to total LLW volumes disposed over a period of time is used to estimate the portion of this surcharge that will be allocated to the operating power

reactors, fuel facilities, and the materials users fee classes. The materials users fee class portion is adjusted to account for the large percentage of materials licensees that are licensed by the Agreement States rather than the NRC.

In March, DOE updated MIMS with 2025 data. Because of the update, the following changes occurred compared to the FY 2024 final fee rule: the LLW surcharge for the operating power reactors fee class increased from \$3.204 million to \$3.251 million; the LLW surcharge decreased from \$0.449 million to \$0.433 million for the fuel facilities fee class; and the LLW surcharge decreased from \$0.117 million to \$0.114 million for the materials users fee class.

Table IV of this document shows the allocation of the LLW surcharge and its allocation across the various fee classes.

TABLE IV—ALLOCATION OF LLW SURCHARGE, FY 2025

[Dollars in millions]

Fee classes	LLW surcharge	
	Percent	\$
Operating Power Reactors .....	85.6	3.251
Spent Fuel Storage/Reactor Decommissioning .....	0.0	0.000
Non-Power Production or Utilization Facilities .....	0.0	0.000
Fuel Facilities .....	11.4	0.433
Materials Users .....	3.0	0.114
Transportation .....	0.0	0.000
Rare Earth Facilities .....	0.0	0.000
Uranium Recovery .....	0.0	0.000
<b>Total .....</b>	<b>100.0</b>	<b>3.798</b>

*FY 2025 Fee Collection—Revised Annual Fees*

In accordance with SECY-05-0164, “Annual Fee Calculation Method,” the NRC rebaselines its annual fees every year. “Rebaselining” entails analyzing the budgeted resources in detail and then allocating budgeted resources to various classes or subclasses of licensees. Rebaselining also includes updating the number of NRC licensees in its fee calculation methodology.

As shown in table II above, the NRC calculates the total amount to be recovered through 10 CFR part 171 annual fees by first taking the annual budget (less the budget authority for excluded activities) and subtracting the estimated amount to be recovered through 10 CFR part 170 fees. The NRC then makes certain billing adjustments to arrive at the total adjusted amount to be recovered through 10 CFR part 171 fees.

The NRC is revising its annual fees in §§ 171.15 and 171.16 to recover approximately 100 percent of the FY 2025 enacted budget less the budget authority for excluded activities, and the estimated amount to be recovered through 10 CFR part 170 fees.

Table V of this document shows the rebaselined fees for FY 2025 for a sample of licensee categories. The FY 2024 amounts are provided for comparison purposes.

TABLE V—REBASELINED ANNUAL FEES

[Actual dollars]

Class/category of licenses	FY 2024 final annual fee	FY 2025 final annual fee
Operating Power Reactors .....	\$5,336,000	\$5,319,000
+ Spent Fuel Storage/Reactor Decommissioning .....	326,000	326,000
<b>Total, Combined Fee .....</b>	<b>5,662,000</b>	<b>5,645,000</b>
Spent Fuel Storage/Reactor Decommissioning .....	326,000	326,000
Non-Power Production or Utilization Facilities .....	97,200	96,800
High Enriched Uranium Fuel Facility (Category 1.A.(1)(a)) .....	6,412,000	6,101,000
Low Enriched Uranium Fuel Facility (Category 1.A.(1)(b)) .....	2,173,000	2,068,000
Uranium Enrichment (Category 1.E) .....	2,794,000	2,659,000

TABLE V—REBASELINED ANNUAL FEES—Continued  
[Actual dollars]

Class/category of licenses	FY 2024 final annual fee	FY 2025 final annual fee
UF <sub>6</sub> Conversion and Deconversion Facility (Category 2.A.(1)) .....	1,361,000	1,295,000
Basic <i>In Situ</i> Recovery Facilities (Category 2.A.(2)(b)) .....	53,200	27,700
Typical Users:		
Radiographers (Category 3O) .....	43,700	31,700
All Other Specific Byproduct Material Licensees (Category 3P) .....	14,600	15,600
Medical Other (Category 7C) .....	21,400	21,600
Device/Product Safety Evaluation—Broad (Category 9A) .....	29,800	27,200

The work papers that support this final rule show in detail how the NRC allocates the budgeted resources for each class of licensees and calculates the fees.

Paragraphs a. through h. of this section describes the budgeted resources

allocated to each class of licensees and the calculations of the rebaselined fees. For more information about detailed fee calculations for each class, please consult the accompanying work papers for this final rule.

a. Operating Power Reactors

The NRC will collect \$500.0 million in annual fees from the operating power reactors fee class in FY 2025, as shown in table VI of this document. The FY 2024 operating power reactors fees are shown for comparison purposes.

TABLE VI—ANNUAL FEE SUMMARY CALCULATIONS FOR OPERATING POWER REACTORS  
[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources .....	\$665.0	\$668.9
Less estimated 10 CFR part 170 receipts .....	- 168.3	- 174.1
Net 10 CFR part 171 resources .....	496.7	494.7
Allocated generic transportation .....	0.7	0.5
Allocated LLW surcharge .....	3.2	3.3
Billing adjustment .....	1.1	1.5
Total required annual fee recovery .....	501.6	500.0
Total operating reactors .....	94	94
Annual fee per operating reactor .....	\$5.336	\$5.319

In comparison to FY 2024, the FY 2025 annual fee for the operating power reactors fee class is decreasing 0.3 percent primarily due to the following: (1) an anticipated increase in 10 CFR part 170 estimated billings; and (2) a decrease in the allocated generic transportation surcharge. The decrease in the annual fee for the operating power reactors fee class is partially offset due to the following: (1) a 0.6 percent increase in the budgeted resources that are allocated to the fee class; and (2) an increase in the 10 CFR part 171 billing adjustment.

In comparison to FY 2024, the amount recovered in 10 CFR part 170 estimated billings increased primarily due to the \$17 rise in the effective professional hourly rate (because the effective professional hourly during FY 2024 was \$300 per hour until the FY 2024 final fee rule increased it to \$317). This increase in the amount recovered in 10 CFR part 170 estimated billings is partially offset by a reduction in the estimated billable hours for (1) the completion of construction inspection at

Vogtle Unit 4, (2) reduced baseline inspection hours within the approximately 3 percent year-to-year variance, and (3) fewer licensing actions for operating reactors under review.

The increase in the budgeted resources for the operating power reactors fee class is primarily due to the following: (1) an increase in the fully-costed FTE rate compared to FY 2024 due to a reduction in mission-direct FTE;<sup>4</sup> (2) an increase in resources for pre-application activities for upcoming early site permit and construction permit applications; and (3) an increase in resources to support licensing work related to the Palisades, Duane Arnold,

<sup>4</sup> The fully-costed FTE rate is calculated first by adding budgeted resources for: (1) mission-direct program salaries and benefits for all business lines; (2) mission-indirect program support (e.g., supervisory support, training) for all business lines; and (3) agency support. This total is then divided by the total of mission-direct FTE agencywide. As the denominator in the fully-costed FTE rate calculation, a decrease in the number of mission-direct FTE (approximately 17 FTE decrease in FY 2025) results in an increase in the fully-costed FTE rate.

and Crane Clean Energy Center restart projects. Restart projects require an increase in resources because they involve regulatory, technical, and operational activities necessary to safely bring a reactor back online. These efforts include thorough licensing reviews, compliance evaluations, and ensuring the facility meets current safety and operational standards. Additionally, restart projects often require dedicated staff time for pre-application activities and site-specific assessments, adding to the overall resource demand. The increase in the budgeted resources is partially offset by a decrease in resources due to planned efficiencies in license renewal application reviews.

The annual fee is also affected by: (1) an increase in the 10 CFR part 171 billing adjustment due to the timing of invoices issued in FY 2024; and (2) an increase in the generic transportation surcharge due to an increase in the overall budgeted resources for certificates of compliance (CoCs) for the operating power reactors fee class.

The fee-recoverable budgeted resources are divided equally among the 94 licensed operating power reactors, resulting in an annual fee of \$5,319,000 per operating power reactor. Additionally, each licensed operating power reactor will be assessed the FY 2025 spent fuel storage/reactor decommissioning annual fee of \$326,000 (see table VII of this document and the discussion that follows). The combined FY 2025 annual fee for each operating power reactor will be \$5,645,000.

Section 102(b)(3)(B)(i) of NEIMA established a cap for the annual fees charged to operating reactor licensees; under this provision, the annual fee for an operating reactor licensee, to the maximum extent practicable, shall not exceed the annual fee amount per operating reactor licensee established in the FY 2015 final fee rule (80 FR 37432; June 30, 2015), adjusted for inflation. The NRC included an estimate of the operating power reactors fee class annual fee in appendix C, “Estimated Operating Power Reactors Annual Fee,” of the FY 2025 Congressional Budget Justification (CBJ) to increase transparency for stakeholders. The NRC developed this estimate based on the

allocation of the FY 2025 CBJ to fee classes under 10 CFR part 170, and allocations within the operating power reactors fee class under 10 CFR part 171. The fee estimate included in the FY 2025 CBJ assumed 94 operating power reactors in FY 2025 and applied various data assumptions from the FY 2023 final fee rule. Based on these allocations and assumptions, the operating power reactors fee class annual fee included in the FY 2025 CBJ was estimated to be \$5.5 million, approximately \$0.9 million below the FY 2015 operating power reactors annual fee amount adjusted for inflation of \$6.4 million. The assumptions made between budget formulation and the development of this final rule have changed. The FY 2025 annual fee of \$5,319,000 per reactor licensee nonetheless remains below the FY 2015 operating power reactors fee class annual fee amount, as adjusted for inflation.

In FY 2016, the NRC amended § 171.15 to establish a variable annual fee structure for light-water reactor (LWR) small modular reactors (SMRs) (81 FR 32617; May 24, 2016). In FY 2023, the NRC further amended § 171.5 to: (1) expand the applicability of the SMR variable fee structure to include

non-LWR SMRs; and (2) establish an additional minimum fee and variable rate applicable to SMRs with a licensed thermal power rating of less than or equal to 250 megawatts-thermal (MWt) (88 FR 39120; June 15, 2023). This revision to the SMR variable annual fee structure retained the bundled unit concept for SMRs and the approach for calculating fees for reactors, or bundled units, with licensed thermal power ratings greater than 250 MWt.

Currently, there are no operating SMRs; therefore, the NRC will not assess an annual fee in FY 2025 for this type of licensee.

**b. Spent Fuel Storage/Reactor Decommissioning**

The NRC will collect \$40.4 million in annual fees from 10 CFR part 50 and 10 CFR part 52 power reactor licensees, and from 10 CFR part 72 licensees that do not hold a 10 CFR part 50 license or a 10 CFR part 52 combined license, to recover the budgeted resources for the spent fuel storage/reactor decommissioning fee class in FY 2025, as shown in table VII of this document. The FY 2024 spent fuel storage/reactor decommissioning fees are shown for comparison purposes.

**TABLE VII—ANNUAL FEE SUMMARY CALCULATIONS FOR SPENT FUEL STORAGE/REACTOR DECOMMISSIONING**  
[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources .....	\$50.4	\$50.7
Less estimated 10 CFR part 170 receipts .....	– 12.3	– 12.3
Net 10 CFR part 171 resources .....	38.0	38.4
Allocated generic transportation costs .....	2.3	1.9
Billing adjustments .....	0.1	0.1
Total required annual fee recovery .....	40.4	40.4
Total spent fuel storage facilities .....	124	124
Annual fee per facility .....	\$0.326	\$0.326

In comparison to FY 2024, the FY 2025 annual fee for the spent fuel storage/reactor decommissioning fee class remains the same as FY 2024. While the budgeted resources allocated to the fee class increased slightly from \$50.4 million to \$50.7 million, this increase was offset by a decrease in the allocated generic transportation costs, resulting in the annual fee per facility remaining the same as FY 2024.

The budgeted resources increased primarily due to an increase in the fully-costed FTE rate compared to FY 2024.

Compared to FY 2024, the 10 CFR part 170 estimated billings also remained stable. In FY 2025, while there was an increase in licensing activities for storage license amendments and an increase in inspections at storage facilities due to loading campaigns, these increases were offset by the following: (1) the withdrawal of two license termination plan applications, including the associated environmental reviews; (2) a decrease in decommissioning inspection activities at multiple sites; and (3) a reduction in the number of licensing activities for storage license renewals. Overall, this

resulted in the FY 2025 estimated part 170 billings for the fee class remaining the same as FY 2024.

The required annual fee recovery amount is divided equally among 124 licensees, resulting in a FY 2025 annual fee of \$326,000 per licensee.

**c. Fuel Facilities**

The NRC will collect \$24.1 million in annual fees from the fuel facilities fee class in FY 2025, as shown in table VIII of this document. The FY 2024 fuel facilities fees are shown for comparison purposes.

TABLE VIII—ANNUAL FEE SUMMARY CALCULATIONS FOR FUEL FACILITIES  
[Dollars in millions]

Summary Fee Calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources .....	\$30.9	\$31.5
Less estimated 10 CFR part 170 receipts .....	- 8.7	- 10.0
Net 10 CFR part 171 resources .....	22.2	21.5
Allocated generic transportation .....	2.5	2.0
Allocated LLW surcharge .....	0.4	0.4
Billing adjustments .....	0.1	0.1
Total remaining required annual fee recovery .....	\$25.3	\$24.1

In comparison to FY 2024, the FY 2025 annual fee for the fuel facilities fee class is decreasing primarily due to the following: (1) an increase in the 10 CFR part 170 estimated billings; and (2) a decrease in the allocated generic transportation costs. The drivers for the decrease in the annual fee are offset by an increase in the budgeted resources allocated to the fuel facilities fee class.

The budgeted resources allocated to the fee class increased primarily to support the following: (1) an increase in licensing actions for 10 CFR parts 40 and 70 licensees; (2) development of environmental review guidance; and (3) an increase in the fully-costed FTE rate compared to FY 2024.

The 10 CFR part 170 estimated billings are anticipated to increase in comparison to FY 2024 primarily due to the following: (1) review of several expected licensing actions, including four major amendment requests that support new fuels (*i.e.*, two amendments to increase enrichment

limits at Framatome, one amendment to increase enrichment limits at Urenco USA, one amendment for the American Centrifuge Plant extending operation of the HALEU Demonstration); (2) the continued review of the TRISO-X, LLC, fuel fabrication facility application; (3) pre-application activities for three new fuel facility applications and one major amendment request; and (4) the NRC’s review of the Purdue University license renewal application for possession and use of special nuclear material. This increase is partially offset by the completion of several licensing actions that were completed in FY 2025 and not billed for a full year: (1) the license termination for the Lead Cascade Facility; (2) the Urenco USA amendment to increase its enrichment limit to 10 weight percent uranium-235; and (3) the NRC’s review of the National Institute of Standards and Technology’s (NIST’s) license renewal application for possession and use of special nuclear material.

The NRC will continue allocating annual fees to individual fuel facility licensees based on the effort/fee determination matrix developed in the FY 1999 final fee rule (64 FR 31448; June 10, 1999). To briefly recap, the matrix groups licensees within this fee class into various fee categories. The matrix lists processes that are conducted at licensed sites and assigns effort factors for the safety and safeguards activities associated with each process (these effort levels are reflected in table IX of this document). The annual fees are then distributed across the fee class based on the regulatory effort assigned by the matrix. The effort factors in the matrix represent regulatory effort that is not recovered through 10 CFR part 170 fees (*e.g.*, rulemaking, guidance). Regulatory effort for activities that are subject to 10 CFR part 170 fees, such as the number of inspections, is not applicable to the effort factor.

TABLE IX—EFFORT FACTORS FOR FUEL FACILITIES, FY 2025

Facility type (fee category)	Number of facilities	Effort factors	
		Safety	Safeguards
High Enriched Uranium Fuel (1.A.(1)(a)) .....	2	88	91
Low Enriched Uranium Fuel (1.A.(1)(b)) .....	3	70	21
Limited Operations (1.A.(2)(a)) .....	1	3	22
Gas Centrifuge Enrichment Demonstration (1.A.(2)(b)) .....	0	0	0
Hot Cell (and others) (1.A.(2)(c)) .....	0	0	0
Uranium Enrichment (1.E.) .....	1	16	23
UF <sub>6</sub> Conversion and Deconversion (2.A.(1)) .....	1	12	7
Total .....	8	189	164

In FY 2025, the total remaining amount of the annual fees that the NRC estimates to be recovered, \$24.1 million, is attributable to safety activities, safeguards activities, and the LLW surcharge. For FY 2025, the total budgeted resources to be recovered as annual fees for safety activities are approximately \$12.7 million. To

calculate the annual fee, the NRC allocates this amount to each fee category based on its percentage of the total regulatory effort for safety activities. Similarly, the NRC allocates the budgeted resources that the NRC estimates to be recovered as annual fees for safeguards activities, \$11.0 million, to each fee category based on its

percentage of the total regulatory effort for safeguards activities. Finally, the fuel facilities fee class portion of the LLW surcharge—\$0.4 million—is allocated to each fee category based on its percentage of the total regulatory effort for both safety and safeguards activities. The annual fee per licensee is then calculated by dividing the

estimated total allocated budgeted resources for the fee category by the number of licensees in that fee category. The annual fee for each facility is summarized in table X of this document.

TABLE X—ANNUAL FEES FOR FUEL FACILITIES  
[Actual dollars]

Facility type (fee category)	FY 2024 final annual fee	FY 2025 final annual fee
High Enriched Uranium Fuel (1.A.(1)(a))	\$6,412,000	\$6,101,000
Low Enriched Uranium Fuel (1.A.(1)(b))	2,173,000	2,068,000
Facilities with limited operations (1.A.(2)(a))	1,791,000	1,704,000
Gas Centrifuge Enrichment Demonstration (1.A.(2)(b))	N/A	N/A
Hot Cell (and others) (1.A.(2)(c))	N/A	N/A
Uranium Enrichment (1.E.)	2,794,000	\$2,659,000
UF <sub>6</sub> Conversion and Deconversion (2.A.(1))	1,361,000	1,295,000

d. Uranium Recovery Facilities The NRC will collect \$0.2 million in annual fees from the uranium recovery facilities fee class in FY 2025, as shown in table XI of this document. The FY 2024 uranium recovery facilities fees are shown for comparison purposes.

TABLE XI—ANNUAL FEE SUMMARY CALCULATIONS FOR URANIUM RECOVERY FACILITIES  
[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources	\$0.7	\$1.8
Less estimated 10 CFR part 170 receipts	– 0.4	– 1.6
Net 10 CFR part 171 resources	0.3	0.2
Allocated generic transportation	N/A	N/A
Billing adjustments	0.0	0.0
Total required annual fee recovery	\$0.3	\$0.2

In comparison to FY 2024, the FY 2025 annual fee for the non-DOE licensee in the uranium recovery facilities fee class is decreasing primarily due to a rise in 10 CFR part 170 estimated billings attributed to support the NRC’s review of license renewal applications for: (1) Crow Butte Resources, Inc; (2) Powertech USA, Inc.; and (3) CrownPoint. The annual fee for the non-DOE licensee in this fee class is calculated by applying 90 percent of generic/other uranium recovery budgeted resources less the amounts specifically budgeted for Uranium Mill

Tailings Radiation Control Act (UMTRCA) Title I and Title II activities, which is reflected in table XII. For more information on this calculation, please see the work papers.

The NRC regulates DOE’s Title I and Title II activities under UMTRCA.<sup>5</sup> The annual fee assessed to DOE includes the resources specifically budgeted for the NRC’s UMTRCA Title I and Title II activities, as well as 10 percent of the remaining budgeted resources for this fee class. The NRC described the overall methodology for determining fees for UMTRCA in the FY 2002 final fee rule

(67 FR 42612; June 24, 2002), and the NRC continues to use this methodology.

The DOE’s UMTRCA annual fee is decreasing compared to FY 2024 primarily due to (1) a decrease in budgeted resources; and (2) an increase in the amount recovered in 10 CFR part 170 estimated billings due to a rise in the effective professional hourly rate. The increase in the amount recovered in 10 CFR part 170 estimated billings is partially offset by a reduction in the estimated billable hours for deferred workload at various DOE UMTRCA sites.

TABLE XII—COSTS RECOVERED THROUGH ANNUAL FEES; URANIUM RECOVERY FACILITIES FEE CLASS  
[Actual dollars]

Summary of costs	FY 2024 final annual fee	FY 2025 final annual fee
DOE Annual Fee Amount (UMTRCA Title I and Title II) General Licenses:		
UMTRCA Title I and Title II budgeted resources less 10 CFR part 170 receipts	\$254,846	\$153,324
10 percent of generic/other uranium recovery budgeted resources	5,908	3,073
10 percent of uranium recovery fee-relief adjustment	N/A	N/A
Total Annual Fee Amount for DOE (rounded)	261,000	156,000
Annual Fee Amount for Other Uranium Recovery Licenses:		

<sup>5</sup> Congress established the two programs, Title I and Title II, under UMTRCA to protect the public and the environment from hazards associated with uranium milling. The UMTRCA Title I program is

for remedial action at abandoned mill tailings sites where tailings resulted largely from production of uranium for weapons programs. The NRC also regulates DOE’s UMTRCA Title II program, which

is directed toward uranium mill sites licensed by the NRC or Agreement States in or after 1978.

TABLE XII—COSTS RECOVERED THROUGH ANNUAL FEES; URANIUM RECOVERY FACILITIES FEE CLASS—Continued  
[Actual dollars]

Summary of costs	FY 2024 final annual fee	FY 2025 final annual fee
90 percent of generic/other uranium recovery budgeted resources less the amounts specifically budgeted for UMTRCA Title I and Title II activities .....	53,169	27,654
90 percent of uranium recovery fee-relief adjustment .....	N/A	N/A
<b>Total Annual Fee Amount for Other Uranium Recovery Licensees .....</b>	<b>53,169</b>	<b>27,654</b>

Further, for any non-DOE licensees, the NRC will continue using a matrix to determine the effort levels associated with conducting generic regulatory actions for the different licensees in the uranium recovery facilities fee class; this is similar to the NRC’s approach for fuel facilities, described previously. The matrix methodology for uranium

recovery licensees first identifies the licensee categories included within this fee class (excluding DOE). These categories are conventional uranium mills and heap leach facilities, uranium *in situ* recovery (ISR) and resin ISR facilities, and mill tailings disposal facilities. The matrix identifies the types of operating activities that support and

benefit these licensees, along with each activity’s relative weight (see the work papers). Currently, there is only one non-DOE licensee, which is a basic ISR facility. Table XIII of this document displays the benefit factors for the non-DOE licensee in that fee category.

TABLE XIII—BENEFIT FACTORS FOR URANIUM RECOVERY LICENSES, 2025

Fee category	Number of licensees	Benefit factor per licensee	Total value	Benefit factor percent total
Conventional and Heap Leach mills (2.A.(2)(a)) .....	0	.....	.....	0
Basic <i>In Situ</i> Recovery facilities (2.A.(2)(b)) .....	1	190	190	100
Expanded <i>In Situ</i> Recovery facilities (2.A.(2)(c)) .....	0	.....	.....	0
Section 11e.(2) disposal incidental to existing tailings sites (2.A.(4)) .....	0	.....	.....	0
<b>Total .....</b>	<b>1</b>	<b>190</b>	<b>190</b>	<b>100</b>

Given that there is only one non-DOE licensee in the fee class, the application of the matrix does not result in any

adjustment to the licensee’s annual fee. As such, the FY 2025 annual fee for the remaining non-DOE licensee is \$27,700

(rounded), as shown in table XIV of this document.

TABLE XIV—ANNUAL FEES FOR URANIUM RECOVERY LICENSEES

[Other than DOE]  
[Actual dollars]

Facility type (fee category)	FY 2024 final annual fee	FY 2025 final annual fee
Conventional and Heap Leach mills (2.A.(2)(a)) .....	N/A	N/A
Basic <i>In Situ</i> Recovery facilities (2.A.(2)(b)) .....	\$53,200	\$27,700
Expanded <i>In Situ</i> Recovery facilities (2.A.(2)(c)) .....	N/A	N/A
Section 11e.(2) disposal incidental to existing tailings sites (2.A.(4)) .....	N/A	N/A

e. Non-Power Production or Utilization Facilities

The NRC will collect \$0.194 million in annual fees from the non-power

production or utilization facilities fee class in FY 2025, as shown in table XV of this document. The FY 2024 non-power production or utilization

facilities fees are shown for comparison purposes.

TABLE XV—ANNUAL FEE SUMMARY CALCULATIONS FOR NON-POWER PRODUCTION OR UTILIZATION FACILITIES

[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources .....	\$3.195	\$0.782
Less estimated 10 CFR part 170 receipts .....	–2.963	–0.621
<b>Net 10 CFR part 171 resources .....</b>	<b>0.233</b>	<b>0.161</b>
Allocated generic transportation .....	0.054	0.030

TABLE XV—ANNUAL FEE SUMMARY CALCULATIONS FOR NON-POWER PRODUCTION OR UTILIZATION FACILITIES—  
Continued

[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Billing adjustments .....	0.005	0.002
Total required annual fee recovery .....	0.292	0.194
Total non-power production or utilization facilities licenses .....	3	2
Total annual fee per license (rounded) .....	\$0.0972	\$0.0968

In comparison to FY 2024, the FY 2025 annual fee for the non-power production or utilization facilities fee class is decreasing, primarily due to a 75.5 percent decrease in budgeted resources allocated to the fee class.

Compared to FY 2024, the budgeted resources decreased primarily due to the following: (1) the completion of the review of the Kairos construction permit application for the Hermes 2, Units 1 and 2 test reactors ahead of schedule; and (2) the completion of the review of the Kairos construction permit for the Hermes test reactor, issued on December 12, 2023. The decrease in budgeted resources is partially offset by the rise in the fully-costed FTE rate compared to

FY 2024 due to a decrease in mission-direct FTE.

The 10 CFR part 170 estimated billings for this fee class decreased compared to FY 2024 primarily due to the following: (1) the shutdown of the GE Hitachi Vallecitos Nuclear Center in FY 2024; (2) the completion of the NRC’s review effort associated with the NIST fuel damage event and restart; and (3) expected delays in pre-application audits of construction permit submissions.

The total required annual fee recovery amount is divided equally between the two non-power production or utilization facilities licensees subject to annual fees and results in an FY 2025 annual fee of \$96,800 for each licensee.

f. Rare Earth

In FY 2025, the NRC has allocated approximately \$0.05 million in budgeted resources to this fee class; however, because all the budgeted resources will be recovered through service fees assessed under 10 CFR part 170, the NRC will not assess or collect annual fees in FY 2025 for this fee class.

g. Materials Users

The NRC will collect \$46.7 million in annual fees from materials users licensed under 10 CFR parts 30, 40, and 70 in FY 2025, as shown in table XVI of this document. The FY 2024 materials users fees are shown for comparison purposes.

TABLE XVI—ANNUAL FEE SUMMARY CALCULATIONS FOR MATERIALS USERS

[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources for licensees not regulated by Agreement States .....	\$44.3	\$45.1
Less estimated 10 CFR part 170 receipts .....	−0.8	−0.8
Net 10 CFR part 171 resources .....	43.5	44.3
Allocated generic transportation .....	2.6	2.2
LLW surcharge .....	0.1	0.1
Billing adjustments .....	0.1	0.1
Total required annual fee recovery .....	\$46.3	\$46.7

In comparison to FY 2024, there is an increase in the total budgeted resources allocated to the materials users fee class. This increase is primarily due to: (1) an increase in mission information technology for multiple systems; and (2) an increase in the fully-costed FTE rate compared to FY 2024.

To equitably and fairly allocate total required annual fee recovery of \$46.7 million among approximately 2,300 diverse licensees in the fee class, the NRC continues to calculate the annual fees for each fee category based on the 10 CFR part 170 application fees and estimated inspection costs for each fee category. Because the application fees and inspection costs are indicative of

the complexity of the materials license, this approach provides a proxy for allocating the generic and other regulatory costs to the diverse fee categories. This fee-calculation method also considers the inspection frequency (priority), which is indicative of the safety risk and resulting regulatory costs associated with the categories of licenses.

The methodology for calculating 10 CFR part 171 annual fees for the various categories of materials users in this fee class includes using a formula that is described in detail in the work papers. This formula considers application fees, inspection costs, inspection priority (or frequency), and unique category costs.

At a high level, this formula includes three main components: (1) recovery of general costs, (2) recovery of inspection costs, and (3) unique category costs. The total required annual fee recovery of \$46.7 million for FY 2025, as shown in table XVI of this document, consists of \$37.0 million for general costs (including the allocated generic transportation costs), and \$9.6 million for inspection costs; there are no unique category costs for any fee categories in FY 2025. As part of calculating the recovery for the general costs and inspection costs, respectively, the NRC derives two multipliers: the constant multiplier and the inspection multiplier. Additional information

concerning this formula can be found in the work papers.

A constant multiplier is established to recover the total general costs for the fee class (\$37.0 million in FY 2025). To derive the constant multiplier, the general cost amount is divided by the sum of all fee categories (application fee plus the average inspection cost divided by inspection priority) then multiplied by the number of licensees. The average inspection cost is the average inspection hours for each fee category multiplied by the FY 2025 professional hourly rate of \$318. The inspection priority is the interval between routine inspections, expressed in years. This calculation results in a constant multiplier of 1.38 for FY 2025.

The inspection multiplier is established to recover inspection costs for the fee class (\$9.6 million in FY 2025). To derive the inspection multiplier, the inspection costs for the fee class are divided by the sum of all fee categories (average inspection cost

divided by inspection priority) then multiplied by the number of licensees. This calculation results in an inspection multiplier of 1.88 for FY 2025.

Additionally, the unique category costs would recover costs unique to a particular fee category in FY 2025. As stated above, there are no unique category costs for FY 2025.

The annual fee being assessed to each licensee also takes into account a share of approximately \$0.1 million in LLW surcharge costs allocated to the materials users fee class (see table IV, "Allocation of LLW Surcharge, FY 2025," of this document). The LLW surcharge costs for the fee class are not included in the above-described formula; rather, the surcharge amount for the fee class is divided by the number of licensees and then assessed to each licensee. See the work papers for the LLW surcharge amount per licensee.

Based on the above-described calculations, the FY 2025 annual fees are decreasing for 8 fee categories and

increasing for the remaining 48 of the fee categories within the materials users fee class. The increases for these fee categories range from approximately 1 percent to 24 percent compared to FY 2024. The increase for the 48 fee categories is primarily due to the following: (1) a decrease in the number of materials users licensees within those fee categories; and (2) an increase in the average inspection cost for these fee categories. The increase in the average inspection cost is due to an increase in the inspection hours for these fee categories based on the NRC's biennial review of inspection hours. The annual fee for each fee category is shown in the revision to § 171.16(d).

h. Transportation

The NRC will collect \$2.0 million in annual fees to recover generic transportation budgeted resources in FY 2025, as shown in table XVII of this document. The FY 2024 fees are shown for comparison purposes.

TABLE XVII—ANNUAL FEE SUMMARY CALCULATIONS FOR TRANSPORTATION  
[Dollars in millions]

Summary fee calculations	FY 2024 final rule	FY 2025 final rule
Total budgeted resources .....	\$13.0	\$11.8
Less estimated 10 CFR part 170 receipts .....	-2.4	-3.3
Net 10 CFR part 171 resources .....	10.6	8.6
Less generic transportation resources .....	-8.2	-6.6
Billing adjustments .....	0.0	0.0
Total required annual fee recovery .....	\$2.3	\$2.0

In comparison to FY 2024, the FY 2025 annual fee for the transportation fee class is decreasing primarily due to a decrease in the budgeted resources and an increase in the 10 CFR part 170 estimated billings.

In FY 2025, the budgeted resources decreased due to the discontinuation of activities related to the Project Pele application. This decrease was partially offset by an increase in budgeted resources to support the rise in the fully-costed FTE rate compared to FY 2024.

Furthermore, the annual fee is also partially offset by an increase in the 10 CFR part 170 estimated billings primarily due to the following: (1) to support the NRC's review of new and

amended transportation packages; and (2) to conduct inspection activities.

Consistent with the policy established in the NRC's FY 2006 final fee rule (71 FR 30722; May 30, 2006), the NRC recovers generic transportation costs unrelated to DOE by including those costs in the annual fees for licensee fee classes. The NRC continues to assess a separate annual fee under § 171.16, fee category 18.A., for DOE transportation activities. The amount of the allocated generic resources is calculated by multiplying the percentage of total CoCs used by each fee class (and DOE) by the total generic transportation resources to be recovered.

This resource distribution to the licensee fee classes and DOE is shown

in table XVIII of this document. Note that for the non-power production or utilization facilities fee class, the NRC allocates the distribution to only those licensees that are subject to annual fees. Although five CoCs benefit the entire non-power production or utilization facilities fee class, only two out of 29 operating non-power production or utilization facilities licensees are subject to annual fees. Consequently, the number of CoCs used to determine the proportion of generic transportation resources allocated to annual fees for the non-power production or utilization facilities fee class has been adjusted to 0.3 so these licensees are charged a fair and equitable portion of the total fees (see the work papers).

TABLE XVIII—DISTRIBUTION OF TRANSPORTATION RESOURCES, FY 2025  
[Dollars in millions]

Licensee fee class/DOE	Number of CoCs benefiting fee class or DOE	Percentage of total CoCs	Allocated generic transportation resources
Materials Users .....	25.0	25.7	\$2.2
Operating Power Reactors .....	6.0	6.2	0.5
Spent Fuel Storage/Reactor Decommissioning .....	21.0	21.6	1.9
Non-Power Production or Utilization Facilities .....	0.3	0.4	0.0
Fuel Facilities .....	23.0	23.6	2.0
Subtotal of Generic Transportation Resources .....	75.3	77.4	6.6
DOE .....	22.0	22.6	1.9
<b>Total .....</b>	<b>97.3</b>	<b>100.0</b>	<b>8.6</b>

The NRC assesses an annual fee to DOE based on the number of 10 CFR part 71 CoCs held by DOE. The NRC, therefore, does not allocate these DOE-related resources to other licensees' annual fees because these resources specifically support DOE.

*FY 2025—Policy Change*

The NRC is making one policy change—establishing a Reduced Hourly Rate for advanced nuclear reactor applicants and pre-applicants for certain activities as required by section 201 of the ADVANCE Act—for FY 2025. As explained in the following discussion, based on the NRC's consideration of public comments on the proposed rule and the clearly demonstrated legislative intent of the ADVANCE Act, this final rule includes changes that expand the eligibility for the Reduced Hourly Rate.

**Reduced Hourly Rate for Advanced Nuclear Reactor Applicants and Pre-Applicants**

As described in Section I, “Background; Statutory Authority” of this document, section 201 of the ADVANCE Act requires the NRC to assess a Reduced Hourly Rate for advanced nuclear reactor applicants and pre-applicants for certain activities. This section discusses the who, what, and how for the NRC's implementation of section 201, including a discussion of changes to the rule upon consideration of public comments on the proposed rule. Specifically, the discussion is organized to answer the following questions: (1) who qualifies for the Reduced Hourly Rate; (2) what activities qualify for the Reduced Hourly Rate; and (3) how is the Reduced Hourly Rate calculated. As described in the FY 2025 proposed fee rule, the NRC is implementing section 201 in the FY 2025 fee rule to avoid burdens associated with having to delay billing for activities eligible for the Reduced Hourly Rate. This approach allowed for

public notice and comment before the October 1, 2025 (FY 2026), statutory effective date, and aided NRC efforts to provide greater regulatory certainty to external stakeholders.

**a. Who qualifies for the reduced hourly rate?**

Section 201 of the ADVANCE Act amends NEIMA to require the NRC to assess a Reduced Hourly Rate to advanced nuclear reactor applicants and pre-applicants for certain activities. Section 201 of the ADVANCE Act amends NEIMA to add new definitions for the terms “advanced nuclear reactor applicant” and “advanced nuclear reactor pre-applicant.” These definitions are limited to provisions in NEIMA and do not alter the meaning of similar terms as used in other statutes, such as the Atomic Energy Act (AEA), or regulations implementing statutes other than NEIMA. The definition added to NEIMA for an advanced nuclear reactor pre-applicant is “an entity that has submitted to the [NRC] a licensing project plan for the purposes of submitting a future application for a license for an advanced nuclear reactor under the [AEA].<sup>6</sup> The definition added to NEIMA for an advanced nuclear reactor applicant is “an entity that has submitted to the [NRC] an application for a license for an advanced nuclear reactor under the [AEA].”<sup>7</sup> After the NRC grants or denies the application or if the application is withdrawn, the entity would no longer qualify as an advanced nuclear reactor applicant for that application.

The definitions added to NEIMA for both an advanced nuclear reactor applicant and an advanced nuclear reactor pre-applicant are not limited to commercial licenses under AEA section

103. The definitions added to NEIMA for both an advanced nuclear reactor applicant and an advanced nuclear reactor pre-applicant apply to any advanced nuclear reactor, as defined by NEIMA section 3(1), for which an “application for a license” is pursued. Neither NEIMA nor the ADVANCE Act includes a definition for the term “license.”

In the FY 2025 proposed fee rule, the NRC proposed defining an advanced nuclear reactor applicant as an entity that has submitted an application for an operating license, combined license, or manufacturing license for an advanced nuclear reactor as defined in NEIMA. Under the proposed rule, other types of advanced nuclear reactor applications (e.g., for construction permits and design certifications) could still have been able to qualify for the Reduced Hourly Rate as advanced nuclear reactor pre-applicants. As discussed in Section IV, Public Comments and NRC Responses, the NRC received a number of comments encouraging the NRC to expand the proposed definition of advanced nuclear reactor applicant to include applicants for construction permits, early site permits, design certifications, limited work authorizations, and standard design approvals.

Upon further consideration and in response to these comments, the NRC has revised the definition of “advanced nuclear reactor applicant” to include applications that may be used as part of a phased approach to licensing. Under the revised definition, “advanced nuclear reactor applicant” means an entity that has submitted to the Commission a “qualifying application.” “Qualifying application” is defined as an application that (1) is for an advanced nuclear reactor, as defined in section 3 of NEIMA; and (2) is for an operating license, combined license, manufacturing license, construction permit, early site permit, limited work

<sup>6</sup> Public Law 118–67, div. B, § 201(a)(3) (to be codified at 42 U.S.C. 2215 note).

<sup>7</sup> Public Law 118–67, div. B, § 201(a)(2) (to be codified at 42 U.S.C. 2215 note).

authorization, design certification, or standard design approval. Conforming changes were also made to the definition of advanced nuclear reactor pre-applicant.

The NRC has determined that this broader approach is more consistent with the purpose of the statute and clearly demonstrated legislative intent. In particular, this broader approach is supported by the legislative history associated with the ADVANCE Act. This legislative history associated with the Reduced Hourly Rate provisions clearly demonstrates a legislative intent for the phrase “application for a license,” for purposes of the Reduced Hourly Rate provisions added by the ADVANCE Act to NEIMA, to cover an application that may be submitted to obtain a license or used as part of a phased approach to licensing. For example, the Senate Report associated with the ADVANCE Act specifically references vendors, which can submit applications for design certifications and standard design approvals that may be used by any entity as part of a phased approach to licensing, in the discussion of the Reduced Hourly Rate provisions: “For some nuclear energy vendors, especially those seeking to license very small nuclear power systems, the current rate under NEIMA is burdensome.” S. Rep. No. 118–182, at 6 (2024). The House Report associated with the House’s precursor bill to the ADVANCE Act also contains language demonstrating that the Reduced Hourly Rate provisions were intended to apply to fees charged for applications that may be used as part of a phased approach to licensing: “Reducing fees charged in the licensing process for advanced technologies will reduce barriers to entry without removing the financial incentive to produce quality applications.” H.R. Rep. No. 118–391, pt. 1, at 28 (2024).

Accordingly, consistent with the clearly demonstrated purpose behind the Reduced Hourly Rate provisions added by the ADVANCE Act to NEIMA, advanced nuclear reactor applicants for these provisions include entities that submit applications for licenses under the AEA (*i.e.*, operating licenses, combined licenses, manufacturing licenses, construction permits, and early site permits) as well as applications that may be used as part of a phased approach to licensing (*i.e.*, limited work authorizations, design certifications, and standard design approvals). As such, the revised definition of advanced nuclear reactor applicant in this final rule allows for a broader set of applications to qualify under the definition of advanced nuclear reactor applicant.

While the revised definition of “advanced nuclear reactor applicant” is broader than in the proposed rule, like in the proposed rule, the revised definition continues to maintain that a qualifying application must still be for an “advanced nuclear reactor,” as defined in section 3 of NEIMA. Consistent with the text of NEIMA, the NRC intends to broadly apply the term “advanced nuclear reactor” to a wide variety of technologies for the purposes of determining eligibility for the Reduced Hourly Rate.

Therefore, consistent with the definitions added by section 201 of the ADVANCE Act to NEIMA, the NRC is amending § 170.3, “Definitions,” to include definitions for the terms “advanced nuclear reactor applicant,” “advanced nuclear reactor pre-applicant,” and “qualifying application.” Specifically, the NRC is defining the term “advanced nuclear reactor applicant” in § 170.3, “Definitions,” as an entity that has submitted to the Commission a “qualifying application,” as defined in 10 CFR part 170. The NRC is defining the term “advanced nuclear reactor pre-applicant” in § 170.3, “Definitions,” as an entity that has submitted to the Commission a licensing project plan for the purposes of submitting a future “qualifying application,” as defined in 10 CFR part 170. Finally, the NRC is defining the term “qualifying application” in § 170.3, “Definitions,” as an application that (1) is for an advanced nuclear reactor as defined in section 3 of NEIMA (42 U.S.C. 2215 note); and (2) is for an operating license, combined license, manufacturing license, construction permit, early site permit, limited work authorization, design certification, or standard design approval.

b. What activities qualify for the reduced hourly rate?

Section 201 of the ADVANCE Act amends NEIMA to require the NRC to assess the Reduced Hourly Rate only for certain activities. For advanced nuclear reactor applicants, section 201 requires the NRC to apply the Reduced Hourly Rate for fees assessed “relating to the review of [the] submitted application.” For advanced nuclear reactor pre-applicants, section 201 requires the NRC to apply the Reduced Hourly Rate for fees assessed “relating to the review of submitted materials as described in the licensing project plan.” Therefore, to qualify for the Reduced Hourly Rate, an activity must relate to the review of (1) an advanced nuclear reactor applicant’s qualifying application; or (2) an advanced nuclear reactor pre-

applicant’s submitted materials as described in its licensing project plan. As explained in Section IV, Public Comments and NRC Responses, many advanced nuclear reactor stakeholders commonly use the term “regulatory engagement plan” in lieu of the term “licensing project plan.” For the purposes of determining eligibility for the Reduced Hourly Rate, the NRC understands the terms “licensing project plan” and “regulatory engagement plan” to be synonymous, as both can satisfy the definition of a licensing project plan under section 3 of NEIMA.

The following non-exhaustive list of examples illustrates the types of activities that may qualify for the Reduced Hourly Rate. The following examples are simplified scenarios that assume each entity is pursuing only one licensing project before the NRC. The NRC acknowledges that an entity could also be in various stages of the licensing process for multiple projects, and as such, an entity could be an advanced nuclear reactor applicant for the purposes of one or more applications and an advanced nuclear reactor pre-applicant for other future applications.

*Example 1:* Entity A has submitted a qualifying application (*e.g.*, for a construction permit) for an advanced nuclear reactor as defined in NEIMA (Entity A’s Qualifying Application). Entity A is thus an advanced nuclear reactor applicant for the purposes of determining eligibility for the Reduced Hourly Rate. If the NRC holds a public meeting to gather comments on the scope of the associated environmental review, fees assessed to Entity A for that public meeting would use the Reduced Hourly Rate because that public meeting relates to the review of Entity A’s Qualifying Application.

*Example 2:* The same entity, Entity A, submits a topical report for NRC staff review to be incorporated in Entity A’s Qualifying Application to address an underlying issue identified during NRC review of Entity A’s Qualifying Application. Fees assessed to Entity A for the review of the topical report would be assessed at the Reduced Hourly Rate because the review of the topical report relates to the review of Entity A’s Qualifying Application.

*Example 3:* The same entity, Entity A, submits a different topical report for NRC staff review that is unrelated to the review of Entity A’s Qualifying Application. Fees assessed to Entity A for the review of the topical report would not be assessed at the Reduced Hourly Rate and would instead be assessed at the full-cost professional hourly rate. Although the review of the topical report could qualify for the

Reduced Hourly Rate if the entity also qualified as an advanced nuclear reactor pre-applicant, the examples assume each entity is pursuing only one licensing project before the NRC.

*Example 4:* Entity B has submitted a licensing project plan for the purpose of submitting a future qualifying application (e.g., for an operating license) for an advanced nuclear reactor as defined in NEIMA. Entity B is thus an advanced nuclear reactor pre-applicant for the purposes of determining eligibility for the Reduced Hourly Rate. Entity B’s licensing project plan includes sufficient information about a topical report that Entity B plans to submit for NRC staff review that it intends to reference in its future qualifying application. Entity B would be assessed fees at the Reduced Hourly Rate for the NRC staff’s review of that topical report because it relates to the review of submitted material as described in Entity B’s licensing project plan.

*Example 5:* The same entity, Entity B, submits a different topical report. However, Entity B’s licensing project plan does not describe this topical report, nor does Entity B revise its licensing project plan to do so. Fees assessed to Entity B for the review of this topical report would not be assessed at the Reduced Hourly Rate and would instead be assessed at the full-cost professional hourly rate.

Consistent with the language added by section 201 of the ADVANCE Act to NEIMA, the NRC is including language

in § 170.20, “Average cost per professional staff-hour,” to make clear what activities qualify for the Reduced Hourly Rate. Consistent with the statutory effective date, the NRC is specifying in § 170.20(b)(2) that effective on October 1, 2025 (FY 2026), fees under § 170.21 relating to the review of the submitted application for the advanced nuclear reactor applicant will be calculated using the Reduced Hourly Rate. The NRC is specifying in § 170.20(c)(2) that effective on October 1, 2025 (FY 2026), fees under § 170.21 relating to the review of submitted materials as described in the licensing project plan for an advanced nuclear reactor pre-applicant will be calculated using the Reduced Hourly Rate.

c. How is the reduced hourly rate calculated?

Section 201 of the ADVANCE Act amends NEIMA to specify that the Reduced Hourly Rate is the FTE rate for mission-direct program salaries and benefits for the Nuclear Reactor Safety Program, divided by the productive hours assumption, for that fiscal year. The methodology for calculating the Reduced Hourly Rate is similar to that of the professional hourly rate, discussed in Section II, Discussion, “FY 2025 Fee Collection—Professional Hourly Rate,” but with certain budgeted resources not included. Under section 201 of the ADVANCE Act, the Reduced Hourly Rate does not include mission-direct program salaries and benefits for

the Nuclear Materials and Waste Safety Program, mission-indirect program support for the Nuclear Reactor Safety Program and the Nuclear Materials and Waste Safety Program, and agency support.

The NRC’s methodology for calculating the Reduced Hourly Rate in this final rule is the same as described in the proposed rule. Specifically, the NRC is calculating the Reduced Hourly Rate by taking the budgeted resources for the mission-direct program salaries and benefits for the Nuclear Reactor Safety Program, then dividing this total by the mission-direct FTE for the Nuclear Reactor Safety Program converted to hours. This methodology follows section 201 of the ADVANCE Act because the FTE rate for mission-direct program salaries and benefits for the Nuclear Reactor Safety Program is derived by dividing the budgeted resources for the mission-direct program salaries and benefits for the Nuclear Reactor Safety Program by the mission-direct FTE for the Nuclear Reactor Safety Program. The mission-direct FTE for the Nuclear Reactor Safety Program converted to hours is the product of the mission-direct FTE for the Nuclear Reactor Safety Program multiplied by the estimated annual mission-direct FTE productive hours. The productive hours assumption refers to the estimated annual mission-direct FTE productive hours.

The following shows the Reduced Hourly Rate calculation:

$$\text{Reduced Hourly Rate} = \frac{\text{Mission-Direct Budgeted Resources for the Nuclear Reactor Safety Program}}{\text{Mission-Direct FTE for the Nuclear Reactor Safety Program Converted to Hours}} = \frac{\$297.5 \text{ million}}{1,332.9 \times 1,507} = \$148$$

Thus, the Reduced Hourly Rate is \$148 per hour and represents an over 50 percent reduction from the full-cost

professional hourly rate of \$318 per hour. The following table shows the

Reduced Hourly Rate calculation methodology.

REDUCED HOURLY RATE CALCULATION  
[Dollars in millions, except as noted]

	FY 2025 final rule
Mission-Direct Budgeted Resources for the Nuclear Reactor Safety Program .....	\$297.5
Mission-Direct FTE for the Nuclear Reactor Safety Program .....	1,332.9
Annual Mission-Direct FTE Productive Hours (Whole numbers) .....	1,507
Mission-Direct FTE for the Nuclear Reactor Safety Program Converted to Hours (Mission-Direct FTE for the Nuclear Reactor Safety Program multiplied by Annual Mission-Direct FTE Productive Hours) (Whole Numbers) .....	2,008,680
Reduced Hourly Rate (Mission-Direct Budgeted Resources for the Nuclear Reactor Safety Program Divided by Mission-Direct FTE for the Nuclear Reactor Safety Program Converted to Hours) (Whole Numbers) .....	\$148

Both the professional hourly rate and the Reduced Hourly Rate are reflected in revisions to § 170.20 in this final rule. Specifically, the NRC is amending § 170.20 to establish two hourly rates: (1) the professional hourly rate at \$318 per hour, as described in Section II, Discussion, “FY 2025 Fee Collection—Professional Hourly Rate,” of this document; and (2) the Reduced Hourly Rate at \$148 per hour, as described here. The professional hourly rate is effective August 25, 2025, coinciding with the effective date of this final rule. For the Reduced Hourly Rate, the amendments to § 170.20 include language indicating that the Reduced Hourly Rate does not take effect until October 1, 2025 (FY 2026), consistent with the statutory effective date in section 201 of the ADVANCE Act. Further, the revisions to § 170.20 include a statement sunseting

the applicability of the Reduced Hourly Rate for advanced nuclear reactor pre-applicants on September 30, 2030, consistent with the statutory sunset date. In addition, the NRC is amending footnote 2 to table 1 of § 170.21 to clarify that full cost fees will be determined based on either the professional hourly rate or the Reduced Hourly Rate, effective October 1, 2025 (FY 2026).

Both the professional hourly rate and the Reduced Hourly Rate provided in this final rule are based on the Full-Year Continuing Resolution.

*FY 2025—Administrative Changes*

The NRC is not proposing any administrative changes in FY 2025.

**III. Public Comment Analysis**

*Overview of Public Comments*

The NRC published a proposed rule on February 19, 2025 (90 FR 9848) and requested public comment on its proposed revisions to 10 CFR parts 170 and 171. By the close of the comment period, the NRC received sixteen written comment submissions on the FY 2025 proposed rule. In general, commenters were supportive of the specific proposed regulatory changes, although most commenters expressed concerns about broader fee policy issues related to the overall size of the NRC’s budget, fairness of fees, transparency, and budget formulation. Some commenters’ concerns were outside the scope of the fee rule.

The commenters are listed in table XIX of this document.

TABLE XIX—FY 2025 FINAL FEE RULE COMMENTER SUBMISSIONS

Commenter	Affiliation	ADAMS accession No.
Colin Gold	Self	ML25056A024
Kathy Edwards	Aerotest Operation, Inc (Aerotest)	ML25069A394
Thomas Newton	National Institute of Standards and Technology (NIST)	ML25073A008
Wayne A. Norton	Decommissioning Plant Coalition (DPC)	ML25073A012
Peter S. Hastings	Kairos Power, LLC (Kairos Power)	ML25083A075
Spencer Toohill	The Breakthrough Institute (Breakthrough Institute)	ML25083A229
Nicholas McMurray	ClearPath	ML25083A230
Judi Greenwald	Nuclear Innovation Alliance (NIA)	ML25083A231
Jennifer Uhle	Nuclear Energy Institute (NEI)	ML25083A232
Malcolm Thompson	Deep Fission, Inc. (Deep Fission)	ML25083A233
Ian Gifford	TerraPower, LLC (TerraPower)	ML25083A234
Holly Harvey	Urenco USA (UUSA)	ML25083A235
Gabrielle Schreier	GE Hitachi Nuclear Energy	ML25083A236
David Terry	National Association of State Energy Officials (NASEO)	ML25083A237
D W Gregoire	Energy Northwest	ML25083A238
Alan Ahn	Third Way	ML25083A239

Information about obtaining the complete text of the comment submissions is provided in the “Availability of Documents” section of this document.

**IV. Public Comments and NRC Responses**

The NRC has carefully considered the public comments received on the proposed rule. The comments have been organized by topic. Comments from multiple commenters raising similar specific concerns were combined to capture the common issues raised by the commenters. Comments from a single commenter have largely been quoted to ensure accuracy; brackets within those comments are used to show changes that have been made to the quoted comments.

*A. Reduced Hourly Rate: Definition of Advanced Nuclear Reactor Applicant*

*Comment:* Most of the commenters generally support implementation of section 201 of the ADVANCE Act in this rule. (Colin Gold, Breakthrough Institute, ClearPath, NIA, NEI, Deep Fission, TerraPower, NASEO, Energy Northwest, and Third Way). While commenters generally support the Reduced Hourly Rate, a majority of commenters suggested that the definition of “advanced nuclear reactor applicant” in the proposed rule should be expanded to also include applications for construction permits, early site permits, limited work authorizations, design certifications, and standard design approvals. Commenters asserted that such revisions would be more consistent with the text and intent of NEIMA and the ADVANCE Act, avoid unnecessary administrative burdens, and provide

greater clarity and efficiency, among other things. (Kairos Power, Breakthrough Institute, ClearPath, NIA, NEI, TerraPower, NASEO, Energy Northwest, and Third Way).

*Response:* The NRC agrees with these comments. Upon further consideration, the NRC agrees that the Reduced Hourly Rate provisions added by the ADVANCE Act to NEIMA cover a broader range of applications than envisioned by the proposed rule. In the proposed rule, the NRC proposed defining an advanced nuclear reactor applicant as an entity that has submitted an application for an operating license, combined license, or manufacturing license for an advanced nuclear reactor. An entity submitting other types of advanced nuclear reactor applications (e.g., for construction permits and design certifications) would have been able to qualify for the Reduced Hourly Rate as an advanced nuclear reactor pre-applicant, if the

entity submitted a qualifying licensing project plan.

However, several commenters rightly assert that the definition of advanced nuclear reactor applicant in the proposed rule would be inconsistent with the purpose of the statute, and the legislative history associated with the ADVANCE Act supports a broader definition of advanced nuclear reactor applicant. See, e.g., S. Rep. No. 118–182, at 6 (2024); H.R. Rep. No. 118–391, pt. 1, at 28 (2024). Accordingly, consistent with the clearly demonstrated purpose behind the Reduced Hourly Rate provisions added by the ADVANCE Act to NEIMA, advanced nuclear reactor applicants for these provisions include entities that submit applications for licenses under the AEA (i.e., operating licenses, combined licenses, manufacturing licenses, construction permits, and early site permits) as well as applications that may be used as part of a phased approach to licensing (i.e., limited work authorizations, design certifications, and standard design approvals). As a result, for advanced nuclear reactor applicants, the NRC will apply the Reduced Hourly Rate to fees assessed relating to the review of submitted applications for operating licenses, combined licenses, manufacturing licenses, construction permits, early site permits, limited work authorizations, design certifications, and standard design approvals.

In response to these comments, the NRC has revised the new definition of “advanced nuclear reactor applicant,” added a definition for “qualifying application,” and made conforming changes to the new definition of “advanced nuclear reactor pre-applicant.” Specifically, “advanced nuclear reactor applicant” is defined as “an entity that has submitted to the Commission a ‘qualifying application,’ as defined in this part.” A “qualifying application” is then separately defined as “an application that (1) is for an advanced nuclear reactor as defined in section 3 of the Nuclear Energy Innovation and Modernization Act (42 U.S.C. 2215 note); and (2) is for an operating license, combined license, manufacturing license, construction permit, early site permit, limited work authorization, design certification, or standard design approval.” An “advanced nuclear reactor pre-applicant” is defined as “an entity that has submitted to the Commission a licensing project plan for the purposes of submitting a future ‘qualifying application,’ as defined in this part.”

#### *B. Reduced Hourly Rate: Applicability to Other Entities*

*Comment:* At least two commenters suggested that NRC review of topical reports should qualify for the Reduced Hourly Rate. (NEI, Breakthrough Institute).

*Response:* The NRC agrees in part and disagrees in part with these comments. The NRC disagrees with these comments to the extent that they suggest an entity can qualify as an “advanced nuclear reactor applicant” solely by virtue of submitting a topical report. As discussed in the preceding comment response, a qualifying application means an application for an operating license, combined license, manufacturing license, construction permit, early site permit, limited work authorization, design certification, or standard design approval. However, the NRC agrees that the review of a topical report may still qualify for the Reduced Hourly Rate. An entity may still be able to qualify for the Reduced Hourly Rate for fees assessed for the review of a topical report where (1) an advanced nuclear reactor pre-applicant describes the topical report in its licensing project plan, or (2) where an entity that is otherwise an advanced nuclear reactor applicant submits a topical report for review to be incorporated in its qualifying application.

No changes were made to the final rule as a result of this comment.

#### *C. Reduced Hourly Rate: Clarification of Applicability to Pre-Application Activities*

*Comment:* Several commenters made suggestions or sought clarification on the eligibility for the Reduced Hourly Rate for other pre-application activities, including topical report reviews, white paper reviews, technical report reviews, regulatory framework reviews, readiness reviews, site-specific evaluations, technical discussions, audits, and staff or public meetings, among other things. (Breakthrough Institute, ClearPath, Kairos Power, NIA). One commenter suggested that the NRC should define “pre-application” in this rulemaking. (Breakthrough Institute). One commenter suggested that inclusion in a licensing project plan should not be necessary for an advanced nuclear reactor pre-applicant to receive the Reduced Hourly Rate for review of a submittal. (Kairos Power).

*Response:* The NRC agrees in part and disagrees in part with these comments. The NRC agrees that a variety of pre-application activities can qualify for the Reduced Hourly Rate but disagrees that the Reduced Hourly Rate for pre-

applicants does not depend on whether the pre-applicant included the material in its licensing project plan and that “pre-application” should be defined in this rulemaking. Consistent with the Reduced Hourly Rate provisions added by the ADVANCE Act to NEIMA, whether a pre-application activity qualifies for the Reduced Hourly Rate depends on whether the activity “relat[es] to the review of submitted materials as described in the licensing project plan.” Section II, Discussion, “FY 2025—Policy Changes,” of this document provides several examples to help illustrate the types of activities that may qualify for the Reduced Hourly Rate as “relating to the review of submitted materials as described in the licensing project plan.”

No changes were made to the final rule as a result of these comments.

#### *D. Reduced Hourly Rate: Clarification of “Licensing Project Plan”*

*Comment:* Several commenters suggested that the NRC clarify that “licensing project plan” as the term is used in the definition of advanced nuclear reactor pre-applicant is synonymous to the term “regulatory engagement plan” as commonly used by industry stakeholders. (Kairos Power, Breakthrough Institute, ClearPath). Commenters also suggested that the NRC take a flexible approach in terms of allowing plans to evolve over time and the level of detail required. (Breakthrough Institute, ClearPath). One commenter also stated that “[t]he NRC should ensure that pre-applicants submitting a Qualifying Licensing Project Plan are eligible for the reduced fee without an immediate obligation to submit a full license application,” and that “the NRC should also confirm that the reduced fee rate applies for the full duration of pre-application engagement[.]” (Breakthrough Institute).

*Response:* The NRC agrees with these comments. The NRC agrees that, for the purposes of determining eligibility for the Reduced Hourly Rate for an advanced nuclear reactor pre-applicant, the terms “licensing project plan” and “regulatory engagement plan” are synonymous as both can satisfy the definition of a licensing project plan under section 3 of NEIMA. As defined in section 3 of NEIMA, a licensing project plan is “a plan that describes— (A) the interactions between an applicant and the Commission; and (B) project schedules and deliverables in specific detail to support long-range resource planning undertaken by the Commission and an applicant.”

The NRC also agrees that the licensing project plan may describe a broad array

of activities eligible for the Reduced Hourly Rate. The NRC recognizes that licensing project plans are also able to evolve over time. Some pre-applicants update their plans periodically, for example, on a quarterly basis. In addition, the NRC agrees that there is no specific time period by which an advanced nuclear reactor pre-applicant must submit a qualifying application. However, the availability of the Reduced Hourly Rate for pre-applicants is time-limited as the Reduced Hourly Rate sunsets for pre-applicants on September 30, 2030, after which only advanced nuclear reactor applicants will be eligible for the Reduced Hourly Rate.

Lastly, the NRC agrees that the material described in a licensing project plan does not need to be overly specific, but the material must be described with enough specificity for the NRC to understand the nexus of the material to a future qualifying application.

In response to this comment, the NRC clarified in the preamble of this rule that “licensing project plan,” as the term is used in the definition of advanced nuclear reactor pre-applicant, is synonymous to the term “regulatory engagement plan.” No changes to the rule text were made as a result of this comment.

#### *E. Reduced Hourly Rate: Definition of Advanced Nuclear Reactor Under NEIMA*

*Comment:* Several commenters suggested that the NRC clarify the types of advanced nuclear reactors eligible for the Reduced Hourly Rate. Commenters suggested that the definition of advanced nuclear reactor in NEIMA applies to a wide variety of technologies, including Generation III+ SMRs, non-LWRs, micro-reactors, and some Gen III+ large LWRs. Commenters further stated that this approach would align with the intent of NEIMA and the ADVANCE Act to facilitate the licensing of a broad array of innovative reactor technologies. (NEI, GE Hitachi Nuclear Energy, NASEO).

*Response:* The NRC agrees in part and disagrees in part with these comments. The NRC agrees that the definition of “advanced nuclear reactor” in NEIMA is broad, and the NRC intends to apply it to a wide variety of technologies for the purposes of determining eligibility for the Reduced Hourly Rate.

The NRC disagrees with these comments to the extent that commenters suggest the NRC separately define “advanced nuclear reactor” in this rulemaking. Among other things, section 201 of the ADVANCE Act amends NEIMA to add definitions for

“advanced nuclear reactor applicant” and “advanced nuclear reactor pre-applicant.” Those statutory definitions use the term “advanced nuclear reactor,” which is also defined in NEIMA. In the same way, the new part 170 definitions for “advanced nuclear reactor applicant” and “advanced nuclear reactor pre-applicant” incorporate the statutory definition of “advanced nuclear reactor” in section 3 of NEIMA, which allows for the new part 170 definitions to cover a wide variety of reactors, including those using emergent technologies.

Accordingly, the NRC disagrees that a separate definition for “advanced nuclear reactor” is needed in part 170. Consistent with section 3 of NEIMA, the NRC intends to apply the definition of advanced nuclear reactor broadly for the purposes of determining eligibility for the Reduced Hourly Rate.

No changes were made to the final rule as a result of this comment.

#### *F. Reduced Hourly Rate: Quality of Reviews*

*Comment:* One commenter suggested the NRC should clarify how the Reduced Hourly Rate may impact the quality of the NRC’s licensing reviews for new reactors. (NASEO)

*Response:* The NRC is committed to providing an efficient and reliable licensing review regardless of whether an application qualifies for the Reduced Hourly Rate. Qualifying for the Reduced Hourly Rate will not affect the processes by which an application is reviewed or the resources dedicated to the review. As such, implementation of the Reduced Hourly Rate will have no impact on the quality of the NRC’s licensing reviews.

No changes were made to the final rule as a result of this comment.

#### *G. Reduced Hourly Rate: Out of Scope*

*Comment:* Two commenters suggested that the NRC consider adopting other kinds of reduced or excluded rates, including a fee exclusion for application reviews and pre-application activities for early mover states with no existing nuclear reactors, a reduced rate for batching applications for multiple sites within a state, reductions for first-of-a-kind deployments, or expanding the eligibility for pre-applicants beyond 2030. (NASEO, Colin Gold)

*Response:* These suggestions are beyond the scope of what is required by section 201 of the ADVANCE Act and the policy change in this fee rulemaking is intended to implement the requirements of section 201 of the ADVANCE Act.

No changes were made to the final rule as a result of this comment.

#### *H. Excluded Activities*

*Comment:* One commenter asked what is included in the Medical Isotope Production Infrastructure fee-relief category and how to apply for inclusion into this activity. In addition, this commenter wanted to know if the costs not recovered from small entity status applies to licensees that have a part 30, 40, 70, 71, or 76 license and a 10 CFR part 50 license for medical isotopes. (Aerotest)

*Response:* Since the FY 2012 final fee rule (77 FR 35809; June 15, 2012), the NRC has identified medical isotope production as a fee-relief activity. The budgeted resources for activities related to medical isotope production are not attributable to any existing NRC licensees as there are no operating medical isotope production facilities. Entities do not apply for inclusion in a fee-relief activity. Rather, fee-relief activities are identified by the Commission.

To the second question, the NRC’s requirements for small entity classification only apply to certain types of licensees and do not apply to part 50 or part 52 licensees. 10 CFR 171.16(c) states “[a] licensee who is required to pay an annual fee under this section, in addition to 10 CFR part 72 licenses, may qualify as a small entity.” Licensees who are required to pay annual fees under 10 CFR 171.16 are 10 CFR part 30 (byproduct material), part 40 (source material), part 70 (special nuclear material), part 71 (packaging and transportation of radioactive material) and part 72 (independent storage of spent nuclear fuel) licensees. Part 50 and 52 licensees are not “required to pay fees” under 10 CFR 171.16; rather, Part 50 and 52 licensees are required to pay fees under 10 CFR 171.15.

No changes were made to the final rule as a result of these comments.

#### *I. Non-Power Production or Utilization Facilities Fee Class: Annual Fees*

*Comment:* One commenter asked who are the three non-power production or utilization facilities in FY 2024 and who are the two facilities in FY 2025. In addition, the commenter wanted to know why this class of license fees increased so much compared to the other fee classes. (Aerotest)

*Response:* As shown in the FY 2024 fee rule work papers, the non-power production or utilization facilities licensees subject to annual fees in FY 2024 were Dow Chemical, General Electric (GE) Hitachi, and NIST. As shown in the FY 2025 work papers, the

non-power production or utilization facilities licensees subject to annual fees in FY 2025 are Dow Chemical and NIST due to the shutdown of the GE Hitachi Vallecitos Nuclear Center in FY 2024.

While the NRC proposed a decrease in the total required annual fee recovery for the non-power production or utilization facilities fee class in FY 2025 proposed fee rule, the total annual fee per licensee was estimated to increase primarily due to a decrease in the number of licensees in this fee class. However, in this final rule, the annual fee per non-power production or utilization facility licensee is decreasing from approximately \$972,000 in FY 2024 to approximately \$968,000 in FY 2025.

The FY 2025 proposed rule was based on the FY 2025 budget request because a full-year appropriation for FY 2025 had not been enacted at the time of the proposed rule's publication. This final rule is based on the enacted budget in the Full-Year Continuing Resolution. Based on the Full-Year Continuing Resolution, the budgeted resources allocated to the non-power production or utilization facilities fee class in this final fee rule is approximately \$782,000, a decrease of approximately \$144,000 compared to the FY 2025 proposed rule.

No change was made to this final rule in response to this comment.

#### *J. Non-Power Production or Utilization Facilities Fee Class: Fee Structure*

*Comment:* One commenter suggested that "it is difficult to see how the proposed rule meets the intent of the AEA, as the fees impose an increasing burden on the two remaining licensees, further reducing resources that would otherwise be available for research and development. We urge the NRC to make a wholesale examination of the fee structure and how to best meet the national mission of education and research brought about by non-power production or utilization facilities, rather than undermining it by an increasingly disproportionate and unfair fee structure." (NIST)

*Response:* The NRC disagrees with the comment that the NRC's fees for the non-power production or utilization facilities fee class are inconsistent with the intent of the AEA. The NRC acknowledges that the FY 2025 proposed fee rule estimated an increase in annual fees per non-power production or utilization facility licensee compared to FY 2024. However, in this final rule, the annual fee per non-power production or utilization facility licensee is decreasing from approximately \$972,000 in FY 2024 to approximately \$968,000 in FY

2025. The difference between the proposed and final rule here is due to a decrease in budgeted resources allocated to the fee class based on the enacted budget.

The NRC recognizes the impact of its budgeted resources on the fees for facilities involved in education, research, training, and outreach. The NRC is actively working to ensure fees remain stable, predictable, and equitable for the remaining licensees in the non-power production or utilization facilities fee class.

No change was made to this final rule in response to this comment.

#### *K. Spent Fuel Storage and Decommissioning Fee Class*

*Comment:* One commenter stated that "the way in which fees are calculated must change in the long term for [independent spent fuel storage installations] and decommissioning sites. As arguably the most passive regulated activity the agency conducts, and with the lowest risk profile of these activities, these areas deserve a differing treatment in calculation [of] the annual and hourly fees." The commenter also stated that in the NRC's March 6, 2025, public meeting on this year's fee rule, the proposed fee rule "shows a 70 [percent] increase in annual fees for spent fuel storage and decommissioning fees over the past [five] years" and that, for their members' sites, "these activities produce no product and no income, and costs ultimately fall in large measure to the taxpayer (for fuel storage) via Judgement Fund reimbursements." (DPC)

*Response:* The NRC acknowledges that the FY 2025 proposed rule estimated an increase in annual fees for the spent fuel storage/reactor decommissioning fee class compared to FY 2024. However, in this final rule, the annual fee per licensee remains the same as in FY 2024. The difference between the proposed and final rule here is due to a decrease in budgeted resources allocated to the fee class based on the enacted budget for FY 2025.

With respect to the comment's broader concern about changing the calculation of fees for the spent fuel storage/reactor decommissioning fee class, the NRC is mindful of the impact of its budgeted resources on the fees for the spent fuel storage/reactor decommissioning fee class that is assessed to 10 CFR part 50 and 10 CFR part 52 power reactor licensees, and to 10 CFR part 72 licensees that do not hold a 10 CFR part 50 license or a 10 CFR part 52 combined license. The spent fuel storage/reactor decommissioning fee class supports the

activities of the spent fuel storage and transportation and the decommissioning and LLW business lines, including both direct-billable licensing actions and generic activities that indirectly support the agency's mission in these areas.

NEIMA requires the NRC to recover, to the maximum extent practicable, approximately 100 percent of its annual budget, less certain amounts excluded from this fee recovery requirement. NEIMA also requires that annual fees, to the maximum extent practicable, be reasonably related to the cost of providing regulatory services. As noted in the FY 1999 final fee rule establishing the fee class (64 FR 31448), the NRC believes that assessing a spent fuel storage/reactor decommissioning annual fee to all reactor licensees who have spent fuel onsite and all Part 72 licensees who do not hold a Part 50 license is a reasonable approach for recovering NRC costs for generic spent fuel storage and reactor decommissioning activities because it ensures that the licensees who benefit from the NRC's generic spent nuclear storage and reactor decommissioning activities bear a fair portion of these costs.

No changes were made to this final rule as a result of these comments.

#### *L. Detailed Breakdown on Annual Fee Usage*

*Comment:* One commenter stated that "the percentage of the NRC budget supported by annual fees. . . has risen substantially over the past 10 years. Despite being over 60 [percent] of the NRC budget, the proposed fee rule and associated work papers provide scarce information on how annual fees are utilized. We encourage the NRC to expand the information provided in the FY2025 final fee rule, and in future rules, to include a detailed breakdown on annual fee usage." (NEI)

*Response:* The NRC continues to look for ways to enhance both the proposed and final fee rule work papers. The work papers that support the fee rule show in detail how the NRC allocates the budgeted resources for each class of licensees and calculates the annual fees. The NRC has made enhancements to the work papers every year since FY 2019 and will continue to look for ways to improve the work papers to provide more transparency regarding annual fees.

During budget formulation, the NRC estimates the budgeted resources it expects to be 10 CFR part 170 work (e.g., license application reviews) and what resources the NRC expects to be 10 CFR part 171 work. Budgeted 10 CFR part 171 work generally supports generic

infrastructure activities such as rulemaking and guidance development. Once the NRC receives an enacted budget, budgeted resources are allocated among the fee classes as part of the fee rule process. The NRC recovers the costs of generic infrastructure activities that benefit a fee class through part 171 annual fees. Additionally, mission-indirect program support and agency support resources are allocated among the fee classes through the application of the professional hourly rate for part 170 fees and the fully-costed FTE rate for part 171 annual fees.

Annual fees can also be impacted when budgeted 10 CFR part 170 work does not materialize as expected due to circumstances like delayed or cancelled licensing submittals. Under NEIMA, the NRC must first collect service fees for NRC work that provides specific benefits to identifiable recipients. Because the NRC's fee recovery under 10 CFR part 170 will not equal 100 percent of the agency's total budget authority for the fiscal year (less the budget authority for excluded activities), the NRC also assesses annual fees under 10 CFR part 171 to recover the remaining amount necessary to comply with NEIMA. Estimated 10 CFR part 170 billings, therefore, are inversely related to the projected annual fee for a fee class. The less the NRC estimates to collect in 10 CFR part 170 billings, the more it assesses in 10 CFR part 171 annual fees.

No changes were made to the final rule as a result of these comments.

#### M. Rent Subsidy

*Comment:* One commenter stated that “the FY2025 budget includes approximately \$6 million to subsidize rent for the Food and Drug Administration (FDA) and the National Institutes of Health (NIH). In its October 12, 2021, letter to Congress on the [NEIMA], NRC identified that over the course of this lease the nuclear industry will pay approximately \$48 million to subsidize rent for the [FDA] and the [NIH] in the 3WFN building. These payments do nothing to support the agency's mission and should not be funded through fees collected from NRC licensees and, ultimately, electricity rate payers. We encourage the NRC to continue its discussions with Congress to remove these payments from the fee base.” (NEI)

*Response:* NEIMA requires the NRC to recover, to the maximum extent practicable, approximately 100 percent of its annual budget authority, less the budget authority for excluded activities. The Three White Flint subsidy is not

currently an excluded activity under NEIMA.

No change was made to this final rule as a result of this comment.

#### N. Corporate Support Budget

*Comment:* One commenter stated, “We appreciate the NRC efforts to manage and reduce corporate support costs. However, these efforts do not appear to be effective. Under NEIMA, as modified by the ADVANCE Act, corporate support costs, to the maximum extent practicable, shall not exceed 30 [percent] of the total budget authority of the Commission. The corporate support budget for FY 2025 is 31.9 [percent] of total budget authority. This is a 1.7 [percent] increase over the FY 2024 value of 30.2 [percent]. We encourage NRC to double its efforts to reduce corporate support costs.” (NEI)

*Response:* The NRC continues to pursue efficiencies and other ways to reduce corporate support costs. Section 102(a)(3) of NEIMA requires that, to the maximum extent practicable, the corporate support costs requested in the annual budget justification provided to Congress not exceed a specified percentage of the total budget authority requested for the NRC in its annual budget justification (section 102(a)(3)(B) of NEIMA, as amended by the ADVANCE Act, includes the percentage applicable to the annual budget justification for FY 2025). As stated in the Executive Summary to the FY 2025 CBJ, the corporate support request was approximately 31.9 percent of the agency's total requested budget authority and reflects the agency's efforts to comply with the corporate support cap of section 102(a)(3) of NEIMA to the maximum extent practicable. Pages 79–81 of the FY 2025 CBJ provide more specific information on the corporate support costs by product line that comprised the 31.9 percent.

Section 102(a)(3) of NEIMA as it pertains to the corporate support cap applicable to the annual budget justification does not apply to the annual fee rule. The agency will continue efforts to implement efficiencies and invest resources in initiatives that will result in future savings in corporate support costs.

No changes were made to this final rule as a result of these comments.

#### O. Fuel Cycle Facilities: Annual Fees

*Comment:* One commenter stated that “While it is promising to see stable fees for fuel cycle facilities after two years of double-digit percentage point increases, fees for all facility categories remain above their 20-year averages.

Furthermore, the FY 2025 annual fee for Category I fuel fabrication facilities surpasses that of a power reactor. This is inappropriate given the difference in hazard profiles and complexities between the two licensees.” (NEI)

*Response:* The NRC continues to be mindful of the impact of its budgeted resources on the fees for the fuel facilities fee class. To reduce the impact of this uncertainty on the annual fees for the fuel facilities fee class, the NRC staff is implementing a number of improvements to its budget formulation process geared toward enhancing the accuracy of its budget estimates. Specifically, for this effort, the staff performed an environmental scan, conducted extensive outreach, and reviewed historic application rates and delays. While the fuel facilities annual fees were estimated to be flat compared to FY 2024 in the proposed rule, annual fees decreased in this final rule. The difference between the proposed and final rule here is due to a decrease in budgeted resources allocated to the fee class based on the enacted budget.

Projected workload, which informs the agency budget, is largely based on information from licensees, applicants, and potential applicants. The NRC also continues to work with licensees, applicants, and potential applicants to obtain information to allow the agency to have high confidence in workload projections, and to communicate with external stakeholders during key points in the annual budget cycle where the NRC can best facilitate adjustments.

When formulating the budget, the NRC takes into consideration various factors, including workload forecasting, historical data and trends in the business line, information from licensees and potential applicants, and uncertainty of projections. The NRC assesses the current environment and performs workload forecasting, which includes looking for significant drivers that could impact future workload. These include, but are not limited to, technical and regulatory developments that have the potential to generate additional work or reduce work (*i.e.*, pre-application activities and applications for new fuel facilities, potential major amendment requests and license termination requests, rulemaking activities, guidance development, and oversight of the fuel facilities program). When budgeted 10 CFR part 170 work (*e.g.*, licensing and inspection activities charged to a single licensee) does not materialize as expected, significant changes to the annual fee for the fee class can result. Assessing the above workload forecasting factors enhances the

accuracy of the agency's budget estimates to mitigate the risk of such changes to the annual fee for the fee class.

Although the NRC is mindful of the impact of its budgeted resources on the fees for the fuel facilities fee class, the fee class budget is not linearly proportional to the number of licensees in the fuel facilities fee class. Resources are required to develop and maintain the infrastructure independent of the number of operational fuel facilities. The fuel facilities business line must maintain certain minimum requirements in order to meet the NRC's regulatory and statutory oversight role. This includes maintaining expertise in a number of technical areas, including integrated safety analysis, radiation protection, criticality safety, chemical safety, fire safety, emergency management, environmental protection, decommissioning, management measures, material control and accounting, physical protection, and information security. Budgeted resources in technical areas are recovered through 10 CFR part 170 service fees as well as 10 CFR part 171 annual fees. Mission-indirect program support and agency support resources are allocated among the fee classes through the application of the professional hourly rate and the fully-costed FTE rate.

No changes were made to this final rule as a result of these comments.

#### *P. Fuel Cycle Facilities: Effort Factor Matrix*

*Comment:* One commenter stated that "Urenco USA (UUSA) supports the NRC in continuing to concentrate efforts in reducing the overall fee burden on the Fuel Cycle Facilities." The commenter further stated that their current effort factor of 10 should be a 5 for the process of Enrichment Safeguards and that "UUSA is a Category III facility enriching to LEU levels and should not be classified at the same level as higher category facilities that perform higher enrichment." In addition, the commenter stated that their Scrap/Waste safety factor should be 1, in lieu of 5, and that "[c]onsideration should be given to the volume and activity of radioactive waste generated at UUSA, compared to other Category III facilities. If the amount of waste generated at UUSA is lower in comparison to other Category III facilities, a reduced fee effort factor should be applied." (UUSA)

*Response:* The NRC effort factors are based on the commensurate level of regulatory effort. The effort factors in the matrix represent non-billable, regulatory effort (e.g., rulemaking and

guidance). The facility category and enrichment are only part of the factors that are considered when determining the effort factor for each process. The UUSA facility operations and requirements have not changed and therefore the level of regulatory effort and effort factor as it relates to Enrichment Safeguards remains unchanged.

In addition, the programmatic effort (expressed as a value in the matrix) reflects the safety and safeguards risk significance associated with the nuclear material and use/activity, and the commensurate generic regulatory program (i.e., scope, depth and rigor). While the amount of waste generated and stored, and the activity are evaluated, the effort factor for Scrap/Waste Safety is evaluated for individual facilities and not on a scale that compares facilities.

No changes were made to this final rule as a result of these comments.

#### **V. Regulatory Flexibility Certification**

As required by the Regulatory Flexibility Act of 1980, as amended (RFA),<sup>8</sup> the NRC has prepared a regulatory flexibility analysis related to this final rule. The regulatory flexibility analysis is available as indicated in the "Availability of Documents" section of this document.

#### **VI. Regulatory Analysis**

Under NEIMA, the NRC is required to recover, to the maximum extent practicable, approximately 100 percent of its annual budget for FY 2025 less the budget authority for excluded activities. The NRC assesses two types of fees to meet the requirements of NEIMA. First, service fees, established in 10 CFR part 170 under the authority of the IOAA and NEIMA, recover the NRC's costs of providing specific benefits to identifiable recipients (such as licensing work, inspections, and special projects). Second, annual fees, established in 10 CFR part 171 under the authority of NEIMA, recover generic and other regulatory costs not otherwise recovered through 10 CFR part 170 fees.

With respect to 10 CFR part 170 service fees, this rule was developed under IOAA and NEIMA and consistent with OMB Circular A-25. NEIMA requires the NRC to "assess and collect fees," in accordance with the IOAA, "from any person who receives a service or thing of value from the [NRC] to cover the costs to the [NRC] of providing the service or thing of value."

<sup>8</sup> 5 U.S.C. 603. The RFA, 5 U.S.C. 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104-121, Title II, 110 Stat. 847 (1996).

With respect to 10 CFR part 171 annual fees, this rule was developed under NEIMA. NEIMA requires the NRC to "establish by rule a schedule" of annual fees that "fairly and equitably" allocate the aggregate amount of annual fees among licensees and certificate holders. NEIMA also requires that annual fees, "to the maximum extent practicable, shall be reasonably related to the cost of providing regulatory services." Because part 170 service fees will not equal 100 percent of the agency's total budget authority for the fiscal year (less the budget authority for excluded activities), the NRC assesses part 171 annual fees to recover the remaining amount necessary to comply with NEIMA.<sup>9</sup>

In the annual fee rule, the NRC adjusts its fees to recover its annual budget authority to ensure that the NRC complies with the statutory requirements for cost recovery. Similarly, in this final rule, the NRC has made adjustments to recover its annual budget authority consistent with the statutory fee recovery requirement. For this final rule, the NRC did not identify any alternatives to the current statutorily required fee structure. Further, NEIMA requires the NRC to establish its fee schedule by rule and thus the NRC did not identify any alternatives to rulemaking. However, the NRC did consider several alternatives to alleviate the significant impact of annual fees on a substantial number of small entities, in accordance with the RFA. Those alternatives include:

1. Basing fees on the amount of radioactivity possessed by the licensee (e.g., number of source).
2. Basing fees on the frequency of use of licensed radioactive material (e.g., volume of patients).
3. Basing fees on the NRC size standards for small entities.

The NRC has reexamined its previous evaluations of these alternatives and continues to believe that a maximum fee

<sup>9</sup> The assessment of annual fees by the NRC began in FY 1987 to meet the requirements of Public Law 99-272, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), which required the NRC to recover 33 percent of its budget authority. Subsequent legislation required the NRC to recover an increasing percentage of its budget authority. See e.g., Public Law 100-203, Omnibus Budget Reconciliation Act of 1987 (requiring that the NRC, for FYs 1988 and 1989, recover at least 45 percent of its budget authority in each fiscal year); Public Law 101-508, Omnibus Budget Reconciliation Act of 1990 (OBRA-90) (requiring that the NRC, for FYs 1991 through 1995, recover approximately 100 percent of its budget authority in each fiscal year less excluded amounts); Public Law 106-377, Energy and Water Development Appropriations Act, 2021 (amending OBRA-90 to decrease the NRC's fee recovery amount by 2 percent per fiscal year beginning in FY 2001, ending at 90 percent in FY 2005).

for small entities is the most appropriate and effective option for reducing the impact of fees on small entities.

The NRC also performed an analysis of the costs and benefits over FY 2025.<sup>10</sup> Consistent with OMB Circular A-4, the fees charged by the NRC are considered transfer payments and therefore not part of the costs of this rulemaking.

OMB Circular A-4 directs agencies to report transfer payments from and to

government agencies separately.<sup>11</sup> The two primary government agencies assessed fees are DOE and NIST. The NRC assesses fees to DOE to recover costs related to regulating DOE’s Title I and Title II activities under UMTRCA. Additionally, the NRC assesses an annual fee to DOE based on the number of 10 CFR part 71 CoCs held by DOE. The NRC assesses fees to NIST as a member of the fuel facilities fee class for

its license for possession and use of special nuclear material and as a member of the non-power production or utilization facilities fee class for its research reactor. The NRC also assesses fees to several federal agencies for a variety of small materials licenses. The fees assessed to government agencies, including both 10 CFR parts 170 and 171 fees, are identified below.

TABLE XX—FEES CHARGED TO GOVERNMENT AGENCIES

[Dollars in millions]

	FY 2024 final rule	FY 2025 final rule
DOE (Uranium Recovery) .....	\$0.489	\$0.361
DOE (Transportation) .....	2.571	2.576
NIST (Fuel Facilities) .....	0.346	0.134
NIST (Non-power production or utilization facilities) .....	0.310	0.187
Other Agencies (Materials Users) .....	1.371	1.473
<b>Total</b> .....	<b>5.087</b>	<b>4.731</b>

After accounting for the fees assessed to government agencies, the “adjusted amount to be recovered through 10 CFR parts 170 and 171 fees” assessed to

applicants and licensees was \$803.2 million in FY 2024 and \$804.1 million in FY 2025, resulting in a difference of \$900,000 in FY 2025 compared to FY

2024. The table below shows this calculation.

TABLE XXI—FEE TOTALS

[Dollars in millions]

	FY 2024 final rule	FY 2025 final rule
Adjusted amount to be recovered through 10 CFR parts 170 and 171 fees .....	\$808.3	\$808.8
Less government agency fees (see table XX) .....	-5.1	-4.7
<b>Total</b> .....	<b>803.2</b>	<b>804.1</b>

As indicated above, both the amount of fees assessed to federal government agencies in FY 2025 (\$4.731 million) as well as the fees assessed to non-government licensees and applicants in FY 2025 (\$804.1 million) are considered transfer payments under OMB Circular A-4 and, therefore, not part of the costs of this rulemaking.

Therefore, the costs of this final rule constitute the resources for licensees to read the final rule and resultant changes to their internal processes for payment. The NRC expects that this rule will affect 3,072 licensees that will each spend a maximum of 1 hour reading the rule and 1 hour updating their accounting software. For the purpose of

this analysis, the NRC developed a labor rate of \$148, which includes only labor and material costs that are directly related to the implementation of the final rule.<sup>12</sup> The final rule results in a net cost to licensees of approximately \$453,000.

Additionally, this rule includes revisions to 10 CFR part 170 to implement section 201 of the ADVANCE Act in preparation for the October 1, 2025 (FY 2026), statutory effective date for the Reduced Hourly Rate. The NRC plans to quantify benefits attributable to the Reduced Hourly Rate starting in FY 2026, after the Reduced Hourly Rate becomes effective. There

are no quantifiable benefits to this final rule.

The NRC does not expect that the final rule will result in any behavioral changes related to market entry or exit among licensees on which the NRC assesses 10 CFR parts 170 and 171 fees. There is only a small increase in the adjusted amount to be recovered through 10 CFR parts 170 and 171 fees, and the way in which the NRC assesses these fees is well established. It is possible that the implementation of the Reduced Hourly Rate may induce current licensees to submit further licensing actions related to advanced nuclear activities, or may increase the

<sup>10</sup> The NRC selected FY 2025 as the time horizon for this rule because, consistent with NEIMA, this rule amends the NRC’s fee regulations to allow the NRC to recover, to the maximum extent practicable, approximately 100 percent of its FY 2025 budget authority, minus the budget authority for excluded activities, by September 30, 2025 (the end of FY 2025).

<sup>11</sup> Currently there are no State government agencies that hold an NRC license or are an NRC applicant and thus, no State government agencies are assessed fees under this rule.

<sup>12</sup> The NRC used the BLS data tables to select appropriate hourly labor rates for the roles performing work necessary following issuance of the final rule, calculating a blended mean wage

based on the estimated proportion of work performed by each role from BLS, “May 2024 National Industry-Specific Occupational Employment and Wage Estimates,” (BLS, 2025). This labor rate includes wages paid for the individuals performing the work plus the associated fringe benefit component of labor cost.

rate of market entry of new licensees as advanced reactor applicants.

**VII. Backfitting and Issue Finality**

The NRC has determined that the backfit and issue finality provisions, §§ 50.109, “Backfitting”; 52.39, “Finality of early site permit determinations”; 52.63, “Finality of standard design certifications”; 52.83, “Finality of referenced NRC approvals; partial initial decision on site suitability”; 52.98, “Finality of combined licenses; information requests”; 52.145, “Finality of standard design approvals; information requests”; 52.171, “Finality of manufacturing licenses; information requests”; and 70.76, “Backfitting,” do not apply to this final rule and that a backfit analysis is not required because these amendments do not require the modification of, or addition to, (1) systems, structures, components, or the design of a facility; (2) the design approval or manufacturing license for a facility; or (3) the procedures or organization required to design, construct, or operate a facility.

**VIII. Plain Writing**

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, and well-organized manner. The NRC has written this document to be consistent with the Plain Writing Act, as well as the Presidential Memorandum, “Plain Language in Government Writing,” published June 10, 1998 (63 FR 31885).

**IX. National Environmental Policy Act**

The NRC has determined that this final rule is the type of action described in § 51.22(c)(1). Therefore, neither an environmental impact statement nor environmental assessment has been prepared for this final rule.

**X. Paperwork Reduction Act**

This final rule does not contain any new or amended collections of information subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501, *et seq.*). Existing collections of

information were approved by OMB, approval number 3150–0190.

**Public Protection Notification**

The NRC may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the document requesting or requiring the collection displays a currently valid OMB control number.

**XI. Regulatory Planning and Review**

*Executive Order (E.O.) 12866*

The Office of Information and Regulatory Affairs (OIRA) has determined that this final rule is a significant regulatory action under E.O. 12866. Accordingly, NRC submitted this final rule to OIRA for review. NRC is required to conduct an economic analysis in accordance with section 6(a)(3)(B) of E.O. 12866. More can be found in Section VI. Regulatory Analysis . . . Given that there is no change from previous fiscal years under this final rule in how the NRC assesses its 10 CFR parts 170 and 171 fees, the NRC considers the costs to licensees associated with this rule to be minor.

*Review Under E.O.s 14154, 14192, 14215, and 14300*

NRC has examined this final rulemaking and has determined that it is consistent with the policies and directives outlined in E.O. 14154 “Unleashing American Energy,” E.O. 14192, “Unleashing Prosperity Through Deregulation,” E.O. 14215 “Ensuring Accountability for All Agencies,” and E.O. 14300, “Ordering the Reform of the Nuclear Regulatory Commission.” This final rule is considered an E.O. 14192 regulatory action. Details on the estimated costs of this final rule can be found in Section VI. Regulatory Analysis, which shows that the costs associated with this rule are minor and are thus consistent with the directive to promote prudent financial management and not to create unnecessary regulatory burdens.

**XII. Congressional Review Act**

This final rule is a rule as defined in the Congressional Review Act of 1996 (5

U.S.C. 801–808). The Office of Management and Budget has found that it meets the criteria at 5 U.S.C. 804(2) and will submit the required report to Congress.

**XIII. Voluntary Consensus Standards**

The National Technology Transfer and Advancement Act of 1995, Public Law 104–113, requires that Federal agencies use technical standards that are developed or adopted by voluntary consensus standards bodies unless the use of such a standard is inconsistent with applicable law or otherwise impractical. In this final rule, the NRC is amending the licensing, inspection, and annual fees charged to its licensees and applicants, as necessary, to recover, to the maximum extent practicable, approximately 100 percent of its annual budget for FY 2025 less the budget authority for excluded activities, as required by NEIMA. This action does not constitute the establishment of a standard that contains generally applicable requirements.

**XIV. Availability of Guidance**

The Small Business Regulatory Enforcement Fairness Act requires all Federal agencies to prepare a written compliance guide for each rule for which the agency is required by 5 U.S.C. 604 to prepare a regulatory flexibility analysis. The NRC, in compliance with the law, prepared the “Small Entity Compliance Guide” for the FY 2024 fee rule. The compliance guide was developed when the NRC completed the small entity biennial review for FY 2024. The NRC plans to continue to use this compliance guide for FY 2025 and has relabeled the compliance guide to reflect the current FY. This compliance guide is available as indicated in the “Availability of Documents” section of this document.

**XV. Availability of Documents**

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

Documents	ADAMS Accession No./FR citation/ web link
NUREG–1100, Volume 39, “Congressional Budget Justification: Fiscal Year 2025” (March 2024).	ML23069A000.
FY 2025 Final Rule Work Papers .....	ML25129A153.
OMB Circular A–25, “User Charges” .....	<a href="https://www.whitehouse.gov/wp-content/uploads/2017/11/Circular-025.pdf">https://www.whitehouse.gov/wp-content/uploads/2017/11/Circular-025.pdf</a> .
Final rule, “Revision of Fee Schedules; 100 percent Fee Recovery for FY 1999,” dated June 10, 1999.	64 FR 31448.
Final rule, “Revision of Fee Schedules; Fee Recovery for FY 2002,” dated June 24, 2002.	67 FR 42612.
SECY–05–0164, “Annual Fee Calculation Method,” dated September 15, 2005 ...	ML052580332.

Documents	ADAMS Accession No./FR citation/ web link
Final rule, "Revision of Fee Schedules; Fee Recovery for FY 2006," dated May 30, 2006.	71 FR 30722.
Final rule, "Revision of Fee Schedules; Fee Recovery for Fiscal Year 2015," dated June 30, 2015.	80 FR 37432.
Final rule, "Variable Annual Fee Structure for Small Modular Reactors," dated May 24, 2016.	81 FR 32617.
Final rule, "Revision of Fee Schedules; Fee Recovery for FY 2023," dated June 15, 2023.	88 FR 39120.
Proposed rule, "Revision of Fee Schedules; Fee Recovery for Fiscal Year 2025," dated February 19, 2025.	90 FR 9848.
FY 2025 Regulatory Flexibility Analysis .....	ML25128A308.
FY 2025 U.S. Nuclear Regulatory Commission Small Entity Compliance Guide ....	ML24341A010.
"Plain Language in Government Writing," dated June 10, 1998 .....	63 FR 31885.

**List of Subjects**

*10 CFR Part 170*

Byproduct material, Import and export licenses, Intergovernmental relations, Non-payment penalties, Nuclear energy, Nuclear materials, Nuclear power plants and reactors, Source material, Special nuclear material.

*10 CFR Part 171*

Annual charges, Approvals, Byproduct material, Holders of certificates, Intergovernmental relations, Nonpayment penalties, Nuclear materials, Nuclear power plants and reactors, Registrations, Source material, Special nuclear material.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; 42 U.S.C. 2215; 31 U.S.C. 9701; and 5 U.S.C. 552 and 553, the NRC is amending 10 CFR parts 170 and 171 as follows:

**PART 170—FEES FOR FACILITIES, MATERIALS, IMPORT AND EXPORT LICENSES, AND OTHER REGULATORY SERVICES UNDER THE ATOMIC ENERGY ACT OF 1954, AS AMENDED**

■ 1. The authority citation for part 170 continues to read as follows:

**Authority:** Atomic Energy Act of 1954, secs. 11, 161(w) (42 U.S.C. 2014, 2201(w)); Energy Reorganization Act of 1974, sec. 201 (42 U.S.C. 5841); 42 U.S.C. 2215; 31 U.S.C. 901, 902, 9701; 44 U.S.C. 3504 note.

■ 2. In § 170.3, add in alphabetical order definitions for "Advanced nuclear reactor applicant," "Advanced nuclear reactor pre-applicant," and "Qualifying application".

**§ 170.3 Definitions.**

\* \* \* \* \*

*Advanced nuclear reactor applicant* means an entity that has submitted to the Commission a "qualifying application," as defined in this part.

*Advanced nuclear reactor pre-applicant* means an entity that has submitted to the Commission a licensing project plan for the purposes of submitting a future "qualifying application," as defined in this part.

\* \* \* \* \*

*Qualifying application* means an application that:

(1) is for an advanced nuclear reactor as defined in section 3 of the Nuclear Energy Innovation and Modernization Act (42 U.S.C. 2215 note); and

(2) is for an operating license, combined license, manufacturing license, construction permit, early site permit, limited work authorization, design certification, or standard design approval.

\* \* \* \* \*

■ 3. Revise § 170.20 to read as follows:

**§ 170.20 Average cost per professional staff-hour.**

(a) Except as provided in paragraphs (b) and (c) of this section, fees for permits, licenses, amendments, renewals, special projects, 10 CFR part 55 re-qualification and replacement

examinations and tests, other required reviews, approvals, and inspections under §§ 170.21 and 170.31 will be calculated using the professional staff-hour rate of \$318 per hour.

(b) For advanced nuclear reactor applicants:

(1) Prior to October 1, 2025, fees under § 170.21 will be calculated using the professional staff-hour rate of \$318 per hour.

(2) Effective on October 1, 2025, fees under § 170.21 relating to the review of the submitted application for the advanced nuclear reactor applicant will be calculated using the reduced hourly rate of \$148 per hour.

(c) For advanced nuclear reactor pre-applicants:

(1) Prior to October 1, 2025, fees under § 170.21 will be calculated using the professional staff-hour rate of \$318 per hour.

(2) Effective on October 1, 2025, fees under § 170.21 relating to the review of submitted materials as described in the licensing project plan will be calculated using the reduced hourly rate of \$148 per hour.

(3) Paragraph (c) of this section shall cease to be effective on September 30, 2030.

■ 4. In § 170.21, in table 1, revise footnote 2 to read as follows:

**§ 170.21 Schedule of fees for production and utilization facilities, review of standard referenced design approvals, special projects, inspections and import and export licenses.**

\* \* \* \* \*

TABLE 1 TO § 170.21—SCHEDULE OF FACILITY FEES

[See footnotes at end of table]

Facility categories and type of fees	Fees <sup>1 2</sup>
--------------------------------------	---------------------

<sup>1</sup> Fees will be charged for approvals issued under a specific exemption provision of the Commission’s regulations under title 10 of the *Code of Federal Regulations* (e.g., 10 CFR 50.12, 10 CFR 73.5) and any other sections in effect now or in the future, regardless of whether the approval is in the form of a license amendment, letter of approval, safety evaluation report, or other form.

<sup>2</sup> Full cost fees will be determined based on the professional staff time and appropriate contractual support services expended. For applications currently on file and for which fees are determined based on the full cost expended for the review, the professional staff hours expended for the review of the application up to August 25, 2025, will be determined at the professional hourly rate in effect when the service was provided. Effective October 1, 2025, the “full cost fees” described in the table for advanced nuclear reactor applicants and advanced nuclear reactor pre-applicants will be assessed consistent with § 170.20(b) and (c).

\* \* \* \* \*

**§ 170.31 Schedule of fees for materials licenses and other regulatory services, including inspections, and import and export licenses.**

\* \* \* \* \*

■ 5. In § 170.31, revise table 1 to read as follows:

TABLE 1 TO § 170.31—SCHEDULE OF MATERIALS FEES

[See footnotes at end of table]

Category of materials licenses and type of fees <sup>1</sup>	Fees <sup>2 3</sup>
1. Special nuclear material: <sup>11</sup>	
A. (1) Licenses for possession and use of U–235 or plutonium for fuel fabrication activities .....	
(a) Strategic Special Nuclear Material (High Enriched Uranium) <sup>6</sup> [Program Code(s): 21213] .....	Full Cost.
(b) Low Enriched Uranium in Dispersible Form Used for Fabrication of Power Reactor Fuel <sup>6</sup> [Program Code(s): 21210] .....	Full Cost.
(2) All other special nuclear materials licenses not included in Category 1.A. (1) which are licensed for fuel cycle activities. <sup>6</sup>	
(a) Facilities with limited operations <sup>6</sup> [Program Code(s): 21240, 21310, 21320] .....	Full Cost.
(b) Gas centrifuge enrichment demonstration facilities. <sup>6</sup> [Program Code(s): 21205] .....	Full Cost.
(c) Others, including hot cell facilities. <sup>6</sup> [Program Code(s): 21130, 21131, 21133] .....	Full Cost.
B. Licenses for receipt and storage of spent fuel and reactor-related Greater than Class C (GTCC) waste at an independent spent fuel storage installation (ISFSI). <sup>6</sup> [Program Code(s): 23200].	Full Cost.
C. Licenses for possession and use of special nuclear material of less than a critical mass as defined in § 70.4 of this chapter in sealed sources contained in devices used in industrial measuring systems, including x-ray fluorescence analyzers. <sup>4</sup> Application [Program Code(s): 22140].	\$1,500.
D. All other special nuclear material licenses, except licenses authorizing special nuclear material in sealed or unsealed form in combination that would constitute a critical mass, as defined in § 70.4 of this chapter, for which the licensee shall pay the same fees as those under Category 1.A. <sup>4</sup> Application [Program Code(s): 22110, 22111, 22120, 22131, 22136, 22150, 22151, 22161, 22170, 23100, 23300, 23310].	\$3,000.
E. Licenses or certificates for construction and operation of a uranium enrichment facility <sup>6</sup> [Program Code(s): 21200] .....	Full Cost.
F. Licenses for possession and use of special nuclear material greater than critical mass as defined in § 70.4 of this chapter, for development and testing of commercial products, and other non-fuel-cycle activities. <sup>4 6</sup> [Program Code(s): 22155].	Full Cost.
2. Source material: <sup>11</sup>	
A. (1) Licenses for possession and use of source material for refining uranium mill concentrates to uranium hexafluoride or for deconverting uranium hexafluoride in the production of uranium oxides for disposal. <sup>6</sup> [Program Code(s): 11400].	Full Cost.
(2) Licenses for possession and use of source material in recovery operations such as milling, <i>in situ</i> recovery, heap-leaching, ore buying stations, ion-exchange facilities, and in processing of ores containing source material for extraction of metals other than uranium or thorium, including licenses authorizing the possession of byproduct waste material (tailings) from source material recovery operations, as well as licenses authorizing the possession and maintenance of a facility in a standby mode. <sup>6</sup>	
(a) Conventional and Heap Leach facilities <sup>6</sup> [Program Code(s): 11100] .....	Full Cost.
(b) Basic <i>In Situ</i> Recovery facilities <sup>6</sup> [Program Code(s): 11500] .....	Full Cost.
(c) Expanded <i>In Situ</i> Recovery facilities <sup>6</sup> [Program Code(s): 11510] .....	Full Cost.
(d) <i>In Situ</i> Recovery Resin facilities <sup>6</sup> [Program Code(s): 11550] .....	Full Cost.
(e) Resin Toll Milling facilities <sup>6</sup> [Program Code(s): 11555] .....	Full Cost.
(f) Other facilities <sup>6</sup> [Program Code(s): 11700] .....	Full Cost.
(3) Licenses that authorize the receipt of byproduct material, as defined in section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal, except those licenses subject to the fees in Category 2.A.(2) or Category 2.A.(4) <sup>6</sup> [Program Code(s): 11600, 12000].	Full Cost.
(4) Licenses that authorize the receipt of byproduct material, as defined in section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal incidental to the disposal of the uranium waste tailings generated by the licensee’s milling operations, except those licenses subject to the fees in Category 2.A.(2) <sup>6</sup> [Program Code(s): 12010].	Full Cost.
B. Licenses which authorize the possession, use, and/or installation of source material for shielding. <sup>7 8</sup> Application [Program Code(s): 11210].	\$1,400.
C. Licenses to distribute items containing source material to persons exempt from the licensing requirements of part 40 of this chapter. Application [Program Code(s): 11240].	\$6,800.
D. Licenses to distribute source material to persons generally licensed under part 40 of this chapter. Application [Program Code(s): 11230, 11231].	\$3,100.

TABLE 1 TO § 170.31—SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

Category of materials licenses and type of fees <sup>1</sup>	Fees <sup>2,3</sup>
E. Licenses for possession and use of source material for processing or manufacturing of products or materials containing source material for commercial distribution. Application [Program Code(s): 11710].	\$3,000.
F. All other source material licenses. Application [Program Code(s): 11200, 11220, 11221, 11300, 11800, 11810, 11820] ...	\$3,000.
3. Byproduct material: <sup>11</sup>	
A. Licenses of broad scope for the possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 1–5. Application [Program Code(s): 03211, 03212, 03213].	\$14,900.
(1). Licenses of broad scope for the possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 6–20. Application [Program Code(s): 04010, 04012, 04014].	\$19,800.
(2). Licenses of broad scope for the possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: more than 20. Application [Program Code(s): 04011, 04013, 04015].	\$24,700.
B. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 1–5. Application [Program Code(s): 03214, 03215, 22135, 22162].	\$4,100.
(1). Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 6–20. Application [Program Code(s): 04110, 04112, 04114, 04116].	\$5,500.
(2). Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: more than 20. Application [Program Code(s): 04111, 04113, 04115, 04117].	\$6,800.
C. Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4). Number of locations of use: 1–5. Application [Program Code(s): 02500, 02511, 02513].	\$5,900.
(1). Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4). Number of locations of use: 6–20. Application [Program Code(s): 04210, 04212, 04214].	\$7,900.
(2). Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4). Number of locations of use: more than 20. Application [Program Code(s): 04211, 04213, 04215].	\$9,900.
D. [Reserved] .....	N/A.
E. Licenses for possession and use of byproduct material in sealed sources for irradiation of materials in which the source is not removed from its shield (self-shielded units). Application [Program Code(s): 03510, 03520].	\$3,700.
F. Licenses for possession and use of less than or equal to 10,000 curies of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials where the source is not exposed for irradiation purposes. Application [Program Code(s): 03511].	\$7,400.
G. Licenses for possession and use of greater than 10,000 curies of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials where the source is not exposed for irradiation purposes. Application [Program Code(s): 03521].	\$70,900.
H. Licenses issued under subpart A of part 32 of this chapter to distribute items containing byproduct material that require device review to persons exempt from the licensing requirements of part 30 of this chapter. The category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter. Application [Program Code(s): 03254, 03255, 03257].	\$7,600.
I. Licenses issued under subpart A of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require device evaluation to persons exempt from the licensing requirements of part 30 of this chapter. This category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter. Application [Program Code(s): 03250, 03251, 03253, 03256].	\$11,700.
J. Licenses issued under subpart B of part 32 of this chapter to distribute items containing byproduct material that require sealed source and/or device review to persons generally licensed under part 31 of this chapter. This category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter. Application [Program Code(s): 03240, 03241, 03243].	\$2,300.
K. Licenses issued under subpart B of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require sealed source and/or device review to persons generally licensed under part 31 of this chapter. This category does not include specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter. Application [Program Code(s): 03242, 03244].	\$1,300.
L. Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 1–5. Application [Program Code(s): 01100, 01110, 01120, 03610, 03611, 03612, 03613].	\$6,300.

TABLE 1 TO § 170.31—SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

Category of materials licenses and type of fees <sup>1</sup>	Fees <sup>2,3</sup>
(1) Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 6–20. Application [Program Code(s): 04610, 04612, 04614, 04616, 04618, 04620, 04622].	\$8,300.
(2) Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: more than 20. Application [Program Code(s): 04611, 04613, 04615, 04617, 04619, 04621, 04623].	\$10,400.
M. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for research and development that do not authorize commercial distribution. Application [Program Code(s): 03620].	\$9,500.
N. Licenses that authorize services for other licensees, except:	
(1) Licenses that authorize only calibration and/or leak testing services are subject to the fees specified in fee Category 3.P.; and.	
(2) Licenses that authorize waste disposal services are subject to the fees specified in fee Categories 4.A., 4.B., and 4.C. <sup>13</sup> Application [Program Code(s): 03219, 03225, 03226].	\$10,200.
O. Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. Number of locations of use: 1–5. Application [Program Code(s): 03310, 03320].	\$11,600.
(1). Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. Number of locations of use: 6–20. Application [Program Code(s): 04310, 04312].	\$15,400.
(2). Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. Number of locations of use: more than 20. Application [Program Code(s): 04311, 04313].	\$19,300.
P. All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. <sup>9</sup> Number of locations of use: 1–5. Application [Program Code(s): 02400, 02410, 03120, 03121, 03122, 03123, 03124, 03130, 03140, 03220, 03221, 03222, 03800, 03810, 22130].	\$7,700.
(1). All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. <sup>9</sup> Number of locations of use: 6–20. Application [Program Code(s): 04410, 04412, 04414, 04416, 04418, 04420, 04422, 04424, 04426, 04428, 04430, 04432, 04434, 04436, 04438].	\$10,500.
(2). All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. <sup>9</sup> Number of locations of use: more than 20. Application [Program Code(s): 04411, 04413, 04415, 04417, 04419, 04421, 04423, 04425, 04427, 04429, 04431, 04433, 04435, 04437, 04439].	\$13,100.
Q. Registration of a device(s) generally licensed under part 31 of this chapter. Registration .....	\$1,000.
R. Possession of items or products containing radium-226 identified in § 31.12 of this chapter which exceed the number of items or limits specified in that section. <sup>5</sup>	
1. Possession of quantities exceeding the number of items or limits in § 31.12(a)(4) or (5) of this chapter but less than or equal to 10 times the number of items or limits specified. Application [Program Code(s): 02700].	\$2,900.
2. Possession of quantities exceeding 10 times the number of items or limits specified in § 31.12(a)(4) or (5) of this chapter. Application [Program Code(s): 02710].	\$2,900.
S. Licenses for production of accelerator-produced radionuclides. Application [Program Code(s): 03210] .....	\$16,200.
4. Waste disposal and processing: <sup>11</sup>	
A. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of contingency storage or commercial land disposal by the licensee; or licenses authorizing contingency storage of low-level radioactive waste at the site of nuclear power reactors; or licenses for receipt of waste from other persons for incineration or other treatment, packaging of resulting waste and residues, and transfer of packages to another person authorized to receive or dispose of waste material. Application [Program Code(s): 03231, 03233, 03236, 06100, 06101].	Full Cost.
B. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of packaging or repackaging the material. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material. Application [Program Code(s): 03234].	\$7,900.
C. Licenses specifically authorizing the receipt of prepackaged waste byproduct material, source material, or special nuclear material from other persons. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material. Application [Program Code(s): 03232].	\$5,700.
5. Well logging: <sup>11</sup>	
A. Licenses for possession and use of byproduct material, source material, and/or special nuclear material for well logging, well surveys, and tracer studies other than field flooding tracer studies. Application [Program Code(s): 03110, 03111, 03112].	\$5,200.
B. Licenses for possession and use of byproduct material for field flooding tracer studies. Licensing [Program Code(s): 03113].	Full Cost.
6. Nuclear laundries: <sup>11</sup>	
A. Licenses for commercial collection and laundry of items contaminated with byproduct material, source material, or special nuclear material. Application [Program Code(s): 03218].	\$25,300.
7. Medical licenses: <sup>11</sup>	
A. Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. Number of locations of use: 1–5. Application [Program Code(s): 02300, 02310].	\$12,700.
(1). Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. Number of locations of use: 6–20. Application [Program Code(s): 04510, 04512].	\$16,900.

TABLE 1 TO § 170.31—SCHEDULE OF MATERIALS FEES—Continued

[See footnotes at end of table]

Category of materials licenses and type of fees <sup>1</sup>	Fees <sup>2,3</sup>
(2). Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. Number of locations of use: more than 20. Application [Program Code(s): 04511, 04513].	\$21,100.
B. Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. Number of locations of use: 1–5. Application [Program Code(s): 02110].	\$9,900.
(1). Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. Number of locations of use: 6–20. Application [Program Code(s): 04710].	\$13,200.
(2). Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. Number of locations of use: more than 20. Application [Program Code(s): 04711].	\$16,500.
C. Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>10</sup> Number of locations of use: 1–5. Application [Program Code(s): 02120, 02121, 02200, 02201, 02210, 02220, 02230, 02231, 02240, 22160].	\$9,800.
(1). Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>10</sup> Number of locations of use: 6–20. Application [Program Code(s): 04810, 04812, 04814, 04816, 04818, 04820, 04822, 04824, 04826, 04828].	\$14,500.
(2). Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>10</sup> Number of locations of use: more than 20. Application [Program Code(s): 04811, 04813, 04815, 04817, 04819, 04821, 04823, 04825, 04827, 04829].	\$18,100.
8. Civil defense: <sup>11</sup>	
A. Licenses for possession and use of byproduct material, source material, or special nuclear material for civil defense activities. Application [Program Code(s): 03710].	\$2,900.
9. Device, product, or sealed source safety evaluation:	
A. Safety evaluation of devices or products containing byproduct material, source material, or special nuclear material, except reactor fuel devices, for commercial distribution. Application—each device.	\$19,800.
B. Safety evaluation of devices or products containing byproduct material, source material, or special nuclear material manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel devices. Application—each device.	\$10,300.
C. Safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, except reactor fuel, for commercial distribution. Application—each source.	\$6,000.
D. Safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel. Application—each source.	\$1,200.
10. Transportation of radioactive material:	
A. Evaluation of casks, packages, and shipping containers.	
1. Spent Fuel, High-Level Waste, and plutonium air packages .....	Full Cost.
2. Other Casks .....	Full Cost.
B. Quality assurance program approvals issued under part 71 of this chapter.	
1. Users and Fabricators.	
Application .....	\$4,400.
Inspections .....	Full Cost.
2. Users.	
Application .....	\$4,400.
Inspections .....	Full Cost.
C. Evaluation of security plans, route approvals, route surveys, and transportation security devices (including immobilization devices).	Full Cost.
11. Review of standardized spent fuel facilities .....	Full Cost.
12. Special projects:	
Including approvals, pre-application/licensing activities, and inspections. Application [Program Code: 25110] .....	Full Cost.
13. A. Spent fuel storage cask Certificate of Compliance\ .....	Full Cost.
B. Inspections related to storage of spent fuel under § 72.210 of this chapter .....	Full Cost.
14. Decommissioning/Reclamation: <sup>11</sup>	

TABLE 1 TO § 170.31—SCHEDULE OF MATERIALS FEES—Continued  
 [See footnotes at end of table]

Category of materials licenses and type of fees <sup>1</sup>	Fees <sup>2 3</sup>
A. Byproduct, source, or special nuclear material licenses and other approvals authorizing decommissioning, decontamination, reclamation, or site restoration activities under parts 30, 40, 70, 72, and 76 of this chapter, including master materials licenses (MMLs). The transition to this fee category occurs when a licensee has permanently ceased principal activities. [Program Code(s): 03900, 11900, 21135, 21215, 21325, 22200].	Full Cost.
B. Site-specific decommissioning activities associated with unlicensed sites, including MMLs, regardless of whether or not the sites have been previously licensed.	Full Cost.
15. Import and Export licenses: <sup>12</sup>	
Licenses issued under part 110 of this chapter for the import and export only of special nuclear material, source material, tritium and other byproduct material, and the export only of heavy water, or nuclear grade graphite (fee categories 15.A. through 15.E.).	
A. Application for export or import of nuclear materials, including radioactive waste requiring Commission and Executive Branch review, for example, those actions under § 110.40(b) of this chapter. Application—new license, or amendment; or license exemption request.	N/A.
B. Application for export or import of nuclear material, including radioactive waste, requiring Executive Branch review, but not Commission review. This category includes applications for the export and import of radioactive waste and requires the NRC to consult with domestic host state authorities ( <i>i.e.</i> , Low-Level Radioactive Waste Compact Commission, the U.S. Environmental Protection Agency, etc.). Application—new license, or amendment; or license exemption request.	N/A.
C. Application for export of nuclear material, for example, routine reloads of low enriched uranium reactor fuel and/or natural uranium source material requiring the assistance of the Executive Branch to obtain foreign government assurances. Application—new license, or amendment; or license exemption request.	N/A.
D. Application for export or import of nuclear material not requiring Commission or Executive Branch review, or obtaining foreign government assurances. Application—new license, or amendment; or license exemption request..	N/A.
E. Minor amendment of any active export or import license, for example, to extend the expiration date, change domestic information, or make other revisions which do not involve any substantive changes to license terms and conditions or to the type/quantity/chemical composition of the material authorized for export and, therefore, do not require in-depth analysis, review, or consultations with other Executive Branch, U.S. host state, or foreign government authorities. Minor amendment.	N/A.
Licenses issued under part 110 of this chapter for the import and export only of Category 1 and Category 2 quantities of radioactive material listed in appendix P to part 110 of this chapter (fee categories 15.F. through 15.R.).	
<i>Category 1 (Appendix P, 10 CFR Part 110) Exports:</i>	
F. Application for export of appendix P Category 1 materials requiring Commission review ( <i>e.g.</i> , exceptional circumstance review under § 110.42(e)(4) of this chapter) and to obtain one government-to-government consent for this process. For additional consent see fee category 15.I. Application—new license, or amendment; or license exemption request.	N/A.
G. Application for export of appendix P Category 1 materials requiring Executive Branch review and to obtain one government-to-government consent for this process. For additional consents see fee category 15.I. Application—new license, or amendment; or license exemption request.	N/A.
H. Application for export of appendix P Category 1 materials and to obtain one government-to-government consent for this process. For additional consents see fee category 15.I. Application—new license, or amendment; or license exemption request.	N/A.
I. Requests for each additional government-to-government consent in support of an export license application or active export license. Application—new license, or amendment; or license exemption request.	N/A.
<i>Category 2 (Appendix P, 10 CFR Part 110) Exports:</i>	
J. Application for export of appendix P Category 2 materials requiring Commission review ( <i>e.g.</i> , exceptional circumstance review under § 110.42(e)(4) of this chapter). Application—new license, or amendment; or license exemption request.	N/A.
K. Applications for export of appendix P Category 2 materials requiring Executive Branch review. Application—new license, or amendment; or license exemption request.	N/A.
L. Application for the export of Category 2 materials. Application—new license, or amendment; or license exemption request.	N/A.
M. [Reserved] .....	N/A.
N. [Reserved] .....	N/A.
O. [Reserved] .....	N/A.
P. [Reserved] .....	N/A.
Q. [Reserved] .....	N/A.
<i>Minor Amendments (Category 1 and 2, Appendix P, 10 CFR Part 110, Export):</i>	
R. Minor amendment of any active export license, for example, to extend the expiration date, change domestic information, or make other revisions which do not involve any substantive changes to license terms and conditions or to the type/quantity/chemical composition of the material authorized for export and, therefore, do not require in-depth analysis, review, or consultations with other Executive Branch, U.S. host state, or foreign authorities. Minor amendment.	N/A.
16. Reciprocity:	
Agreement State licensees who conduct activities under the reciprocity provisions of § 150.20 of this chapter. Application ...	\$3,700.
17. Master materials licenses of broad scope issued to Government agencies. Application [Program Code(s): 03614] .....	Full Cost.
18. Department of Energy:	
A. Certificates of Compliance. Evaluation of casks, packages, and shipping containers (including spent fuel, high-level waste, and other casks, and plutonium air packages).	Full Cost.
B. Uranium Mill Tailings Radiation Control Act (UMTRCA) activities .....	Full Cost.

<sup>1</sup> *Types of fees*—Separate charges, as shown in the schedule, will be assessed for pre-application consultations and reviews; applications for new licenses, approvals, or license terminations; possession-only licenses; issuances of new licenses and approvals; certain amendments and renewals to existing licenses and approvals; safety evaluations of sealed sources and devices; generally licensed device registrations; and certain inspections. The following guidelines apply to these charges:

(1) *Application and registration fees.* Applications for new materials licenses and export and import licenses; applications to reinstate expired, terminated, or inactive licenses, except those subject to fees assessed at full costs; applications filed by Agreement State licensees to register under the general license provisions of 10 CFR 150.20; and applications for amendments to materials licenses that would place the license in a higher fee category or add a new fee category must be accompanied by the prescribed application fee for each category.

(i) Applications for licenses covering more than one fee category of special nuclear material or source material must be accompanied by the prescribed application fee for the highest fee category.

(ii) Applications for new licenses that cover both byproduct material and special nuclear material in sealed sources for use in gauging devices will pay the appropriate application fee for fee category 1.C. only.

(2) *Licensing fees.* Fees for reviews of applications for new licenses, renewals, and amendments to existing licenses, pre-application consultations and other documents submitted to the NRC for review, and project manager time for fee categories subject to full cost fees are due upon notification by the Commission in accordance with § 170.12(b).

(3) *Amendment fees.* Applications for amendments to export and import licenses must be accompanied by the prescribed amendment fee for each license affected. An application for an amendment to an export or import license or approval classified in more than one fee category must be accompanied by the prescribed amendment fee for the category affected by the amendment, unless the amendment is applicable to two or more fee categories, in which case the amendment fee for the highest fee category would apply.

(4) *Inspection fees.* Inspections resulting from investigations conducted by the Office of Investigations and nonroutine inspections that result from third-party allegations are not subject to fees. Inspection fees are due upon notification by the Commission in accordance with § 170.12(c).

(5) *Generally licensed device registrations under 10 CFR 31.5.* Submittals of registration information must be accompanied by the prescribed fee.

<sup>2</sup>Fees will be charged for approvals issued under a specific exemption provision of the Commission's regulations under title 10 of the *Code of Federal Regulations* (e.g., 10 CFR 30.11, 40.14, 70.14, 73.5, and any other sections in effect now or in the future), regardless of whether the approval is in the form of a license amendment, letter of approval, safety evaluation report, or other form. In addition to the fee shown, an applicant may be assessed an additional fee for sealed source and device evaluations as shown in fee categories 9.A. through 9.D.

<sup>3</sup>Full cost fees will be determined based on the professional staff time multiplied by the appropriate professional hourly rate established in § 170.20 in effect when the service is provided, and the appropriate contractual support services expended.

<sup>4</sup>Licensees paying fees under categories 1.A., 1.B., and 1.E. are not subject to fees under categories 1.C., 1.D. and 1.F. for sealed sources authorized in the same license, except for an application that deals only with the sealed sources authorized by the license.

<sup>5</sup>Persons who possess radium sources that are used for operational purposes in another fee category are not also subject to the fees in this category. (This exception does not apply if the radium sources are possessed for storage only.)

<sup>6</sup>Licensees subject to fees under fee categories 1.A., 1.B., 1.E., or 2.A. must pay the largest applicable fee and are not subject to additional fees listed in this table.

<sup>7</sup>Licensees paying fees under 3.C., 3.C.1, or 3.C.2 are not subject to fees under 2.B. for possession and shielding authorized on the same license.

<sup>8</sup>Licensees paying fees under 7.C. are not subject to fees under 2.B. for possession and shielding authorized on the same license.

<sup>9</sup>Licensees paying fees under 3.N. are not subject to paying fees under 3.P., 3.P.1, or 3.P.2 for calibration or leak testing services authorized on the same license.

<sup>10</sup>Licensees paying fees under 7.B., 7.B.1, or 7.B.2 are not subject to paying fees under 7.C., 7.C.1, or 7.C.2. for broad scope licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices authorized on the same license.

<sup>11</sup>A materials license (or part of a materials license) that transitions to fee category 14.A is assessed full-cost fees under 10 CFR part 170, but is not assessed an annual fee under 10 CFR part 171. If only part of a materials license is transitioned to fee category 14.A, the licensee may be charged annual fees (and any applicable 10 CFR part 170 fees) for other activities authorized under the license that are not in decommissioning status.

<sup>12</sup>Because the resources for import and export licensing activities are identified as a fee-relief activity to be excluded from the fee-recoverable budget, import and export licensing actions will not incur fees.

<sup>13</sup>Licensees paying fees under 4.A., 4.B. or 4.C. are not subject to paying fees under 3.N. licenses that authorize services for other licensees authorized on the same license.

**PART 171—ANNUAL FEES FOR REACTOR LICENSES AND FUEL CYCLE LICENSES AND MATERIALS LICENSES, INCLUDING HOLDERS OF CERTIFICATES OF COMPLIANCE, REGISTRATIONS, AND QUALITY ASSURANCE PROGRAM APPROVALS AND GOVERNMENT AGENCIES LICENSED BY THE NRC**

■ 6. The authority citation for part 171 continues to read as follows:

**Authority:** Atomic Energy Act of 1954, secs. 11, 161(w), 223, 234 (42 U.S.C. 2014, 2201(w), 2273, 2282); Energy Reorganization Act of 1974, sec. 201 (42 U.S.C. 5841); 42 U.S.C. 2215; 44 U.S.C. 3504 note.

■ 7. In § 171.15, revise paragraphs (b)(1), (b)(2) introductory text, (c)(1), (c)(2) introductory text, and (e) to read as follows:

**§ 171.15 Annual fees: Non-power production or utilization licenses, reactor licenses, and independent spent fuel storage licenses.**

\* \* \* \* \*

(b) \* \* \*

(1) The FY 2025 annual fee for each operating power reactor that must be collected by September 30, 2025, is \$5,319,000.

(2) The FY 2025 annual fees are comprised of a base annual fee for power reactors licensed to operate, a base spent fuel storage/reactor decommissioning annual fee and associated additional charges. The activities comprising the spent fuel storage/reactor decommissioning base annual fee are shown in paragraphs (c)(2)(i) and (ii) of this section. The activities comprising the FY 2025 base annual fee for operating power reactors are as follows:

\* \* \* \* \*

(c)(1) The FY 2025 annual fee for each power reactor holding a 10 CFR part 50 license or combined license issued under 10 CFR part 52 that is in a decommissioning or possession-only status and has spent fuel onsite, and for each independent spent fuel storage 10 CFR part 72 licensee who does not hold a 10 CFR part 50 license or a 10 CFR part 52 combined license, is \$326,000.

(2) The FY 2025 annual fee is comprised of a base spent fuel storage/reactor decommissioning annual fee (which is also included in the operating power reactor annual fee shown in paragraph (b) of this section). The activities comprising the FY 2025 spent fuel storage/reactor decommissioning rebaselined annual fee are:

\* \* \* \* \*

(e) The FY 2025 annual fee for licensees authorized to operate one or more non-power production or utilization facilities under a single 10 CFR part 50 license, unless the reactor is exempted from fees under § 171.11(b), is \$96,800.

■ 8. In § 171.16, revise paragraphs (b) introductory text, (c), and (d) to read as follows:

**§ 171.16 Annual fees: Materials licensees, holders of certificates of compliance, holders of sealed source and device registrations, holders of quality assurance program approvals, and government agencies licensed by the NRC.**

\* \* \* \* \*

(b) The FY 2025 annual fee is comprised of a base annual fee and associated additional charges. The base FY 2025 annual fee is the sum of budgeted costs for the following activities:

\* \* \* \* \*

(c) A licensee who is required to pay an annual fee under this section, in addition to 10 CFR part 72 licenses, may qualify as a small entity. If a licensee qualifies as a small entity and provides the Commission with the proper certification along with its annual fee payment, the licensee may pay reduced

annual fees as shown in table 1 to this paragraph (c). Failure to file a small entity certification in a timely manner could result in the receipt of a delinquent invoice requesting the outstanding balance due and/or denial of any refund that might otherwise be due. The small entity fees are as follows:

TABLE 1 TO PARAGRAPH (c)

NRC small entity classification	Maximum annual fee per licensed category
Small Businesses Not Engaged in Manufacturing (Average gross receipts over the last 5 completed fiscal years):	
\$555,000 to \$8 million .....	\$5,800
Less than \$555,000 .....	1,100
Small Not-For-Profit Organizations (Annual Gross Receipts):	
\$555,000 to \$8 million .....	5,800
Less than \$555,000 .....	1,100
Manufacturing Entities that Have an Average of 500 Employees or Fewer:	
35 to 500 employees .....	5,800
Fewer than 35 employees .....	1,100
Small Governmental Jurisdictions (Including publicly supported educational institutions) (Population):	
20,000 to 49,999 .....	5,800
Fewer than 20,000 .....	1,100
Educational Institutions that are not State or Publicly Supported, and have 500 Employees or Fewer:	
35 to 500 employees .....	5,800
Fewer than 35 employees .....	1,100

(d) The FY 2025 annual fees for materials licensees and holders of certificates, registrations, or approvals

subject to fees under this section are shown in table 2 to this paragraph (d):

TABLE 2 TO PARAGRAPH (d)—SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC

[See footnotes at end of table]

Category of materials licenses	Annual fees <sup>1 2 3</sup>
1. Special nuclear material:	
A. (1) Licenses for possession and use of U-235 or plutonium for fuel fabrication activities.	
(a) Strategic Special Nuclear Material (High Enriched Uranium) <sup>15</sup> [Program Code(s): 21213] .....	\$6,101,000
(b) Low Enriched Uranium in Dispersible Form Used for Fabrication of Power Reactor Fuel <sup>15</sup> [Program Code(s): 21210] .....	2,068,000
(2) All other special nuclear materials licenses not included in Category 1.A.(1) which are licensed for fuel cycle activities.	
(a) Facilities with limited operations <sup>15</sup> [Program Code(s): 21310, 21320] .....	1,704,000
(b) Gas centrifuge enrichment demonstration facility <sup>15</sup> [Program Code(s): 21205] .....	N/A
(c) Others, including hot cell facility <sup>15</sup> [Program Code(s): 21130, 21131, 21133] .....	N/A
B. Licenses for receipt and storage of spent fuel and reactor-related Greater than Class C (GTCC) waste at an independent spent fuel storage installation (ISFSI) <sup>11 15</sup> [Program Code(s): 23200] .....	N/A
C. Licenses for possession and use of special nuclear material of less than a critical mass, as defined in § 70.4 of this chapter, in sealed sources contained in devices used in industrial measuring systems, including x-ray fluorescence analyzers. [Program Code(s): 22140] .....	3,600
D. All other special nuclear material licenses, except licenses authorizing special nuclear material in sealed or unsealed form in combination that would constitute a critical mass, as defined in § 70.4 of this chapter, for which the licensee shall pay the same fees as those under Category 1.A. [Program Code(s): 22110, 22111, 22120, 22131, 22136, 22150, 22151, 22161, 22170, 23100, 23300, 23310] .....	8,700
E. Licenses or certificates for the operation of a uranium enrichment facility <sup>15</sup> [Program Code(s): 21200] .....	2,659,000
F. Licenses for possession and use of special nuclear materials greater than critical mass, as defined in § 70.4 of this chapter, for development and testing of commercial products, and other non-fuel cycle activities. <sup>4</sup> [Program Code: 22155] .....	6,500
2. Source material:	
A. (1) Licenses for possession and use of source material for refining uranium mill concentrates to uranium hexafluoride or for deconverting uranium hexafluoride in the production of uranium oxides for disposal. <sup>15</sup> [Program Code: 11400] .....	1,295,000
(2) Licenses for possession and use of source material in recovery operations such as milling, in situ recovery, heap-leaching, ore buying stations, ion-exchange facilities and in-processing of ores containing source material for extraction of metals other than uranium or thorium, including licenses authorizing the possession of byproduct waste material (tailings) from source material recovery operations, as well as licenses authorizing the possession and maintenance of a facility in a standby mode.	

TABLE 2 TO PARAGRAPH (d)—SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued  
[See footnotes at end of table]

Category of materials licenses	Annual fees <sup>1 2 3</sup>
(a) Conventional and Heap Leach facilities. <sup>15</sup> [Program Code(s): 11100] .....	N/A
(b) Basic <i>In Situ</i> Recovery facilities. <sup>15</sup> [Program Code(s): 11500] .....	26,800
(c) Expanded <i>In Situ</i> Recovery facilities <sup>15</sup> [Program Code(s): 11510] .....	N/A
(d) <i>In Situ</i> Recovery Resin facilities. <sup>15</sup> [Program Code(s): 11550] .....	<sup>5</sup> N/A
(e) Resin Toll Milling facilities. <sup>15</sup> [Program Code(s): 11555] .....	<sup>5</sup> N/A
(f) Other facilities <sup>6</sup> [Program Code(s): 11700] .....	<sup>5</sup> N/A
(3) Licenses that authorize the receipt of byproduct material, as defined in section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal, except those licenses subject to the fees in Category 2.A.(2) or Category 2.A.(4) <sup>15</sup> [Program Code(s): 11600, 12000] .....	<sup>5</sup> N/A
(4) Licenses that authorize the receipt of byproduct material, as defined in section 11e.(2) of the Atomic Energy Act, from other persons for possession and disposal incidental to the disposal of the uranium waste tailings generated by the licensee's milling operations, except those licenses subject to the fees in Category 2.A.(2) <sup>15</sup> [Program Code(s): 12010] ....	N/A
B. Licenses which authorize the possession, use, and/or installation of source material for shielding. <sup>16 17</sup> Application [Program Code(s): 11210] .....	4,000
C. Licenses to distribute items containing source material to persons exempt from the licensing requirements of part 40 of this chapter. [Program Code: 11240] .....	15,000
D. Licenses to distribute source material to persons generally licensed under part 40 of this chapter. [Program Code(s): 11230 and 11231] .....	7,500
E. Licenses for possession and use of source material for processing or manufacturing of products or materials containing source material for commercial distribution. [Program Code: 11710] .....	9,600
F. All other source material licenses. [Program Code(s): 11200, 11220, 11221, 11300, 11800, 11810, 11820] .....	11,800
3. Byproduct material:	
A. Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 1–5. [Program Code(s): 03211, 03212, 03213] .....	41,000
(1) Licenses of broad scope for the possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 6–20. [Program Code(s): 04010, 04012, 04014] .....	54,500
(2) Licenses of broad scope for the possession and use of byproduct material issued under parts 30 and 33 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: more than 20. [Program Code(s): 04011, 04013, 04015] .....	68,000
B. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 1–5. [Program Code(s): 03214, 03215, 22135, 22162] .....	14,000
(1) Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: 6–20. [Program Code(s): 04110, 04112, 04114, 04116] .....	18,600
(2) Other licenses for possession and use of byproduct material issued under part 30 of this chapter for processing or manufacturing of items containing byproduct material for commercial distribution. Number of locations of use: more than 20. [Program Code(s): 04111, 04113, 04115, 04117] .....	23,100
C. Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4) of this chapter. Number of locations of use: 1–5. [Program Code(s): 02500, 02511, 02513] .....	13,800
(1) Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4). Number of locations of use: 6–20. [Program Code(s): 04210, 04212, 04214] .....	20,300
(2) Licenses issued under §§ 32.72 and/or 32.74 of this chapter that authorize the processing or manufacturing and distribution or redistribution of radiopharmaceuticals, generators, reagent kits, and/or sources and devices containing byproduct material. This category does not apply to licenses issued to nonprofit educational institutions whose processing or manufacturing is exempt under § 170.11(a)(4). Number of locations of use: more than 20. [Program Code(s): 04211, 04213, 04215] .....	25,400
D. [Reserved] .....	<sup>5</sup> N/A
E. Licenses for possession and use of byproduct material in sealed sources for irradiation of materials in which the source is not removed from its shield (self-shielded units). [Program Code(s): 03510, 03520] .....	13,200
F. Licenses for possession and use of less than or equal to 10,000 curies of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials in which the source is not exposed for irradiation purposes. [Program Code(s): 03511] .....	13,400
G. Licenses for possession and use of greater than 10,000 curies of byproduct material in sealed sources for irradiation of materials in which the source is exposed for irradiation purposes. This category also includes underwater irradiators for irradiation of materials in which the source is not exposed for irradiation purposes. [Program Code(s): 03521] .....	113,800

TABLE 2 TO PARAGRAPH (d)—SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued

[See footnotes at end of table]

Category of materials licenses	Annual fees <sup>1 2 3</sup>
H. Licenses issued under subpart A of part 32 of this chapter to distribute items containing byproduct material that require device review to persons exempt from the licensing requirements of part 30 of this chapter, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter. [Program Code(s): 03254, 03255, 03257] .....	14,500
I. Licenses issued under subpart A of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require device evaluation to persons exempt from the licensing requirements of part 30 of this chapter, except for specific licenses authorizing redistribution of items that have been authorized for distribution to persons exempt from the licensing requirements of part 30 of this chapter. [Program Code(s): 03250, 03251, 03253, 03256] .....	19,800
J. Licenses issued under subpart B of part 32 of this chapter to distribute items containing byproduct material that require sealed source and/or device review to persons generally licensed under part 31 of this chapter, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter. [Program Code(s): 03240, 03241, 03243] .....	5,300
K. Licenses issued under subpart B of part 32 of this chapter to distribute items containing byproduct material or quantities of byproduct material that do not require sealed source and/or device review to persons generally licensed under part 31 of this chapter, except specific licenses authorizing redistribution of items that have been authorized for distribution to persons generally licensed under part 31 of this chapter. [Program Code(s): 03242, 03244] .....	3,900
L. Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 1–5. [Program Code(s): 01100, 01110, 01120, 03610, 03611, 03612, 03613] .....	19,000
(1) Licenses of broad scope for possession and use of product material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: 6–20. [Program Code(s): 04610, 04612, 04614, 04616, 04618, 04620, 04622] .....	25,200
(2) Licenses of broad scope for possession and use of byproduct material issued under parts 30 and 33 of this chapter for research and development that do not authorize commercial distribution. Number of locations of use: more than 20. [Program Code(s): 04611, 04613, 04615, 04617, 04619, 04621, 04623] .....	31,400
M. Other licenses for possession and use of byproduct material issued under part 30 of this chapter for research and development that do not authorize commercial distribution. [Program Code(s): 03620] .....	19,900
N. Licenses that authorize services for other licensees, except: (1) Licenses that authorize only calibration and/or leak testing services are subject to the fees specified in fee Category 3.P.; and (2) Licenses that authorize waste disposal services are subject to the fees specified in fee categories 4.A., 4.B., and 4.C. <sup>21</sup> [Program Code(s): 03219, 03225, 03226] ...	21,800
O. Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. This category also includes the possession and use of source material for shielding authorized under part 40 of this chapter when authorized on the same license. Number of locations of use: 1–5. [Program Code(s): 03310, 03320] ...	31,700
(1) Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. This category also includes the possession and use of source material for shielding authorized under part 40 of this chapter when authorized on the same license. Number of locations of use: 6–20. [Program Code(s): 04310, 04312] .....	42,200
(2) Licenses for possession and use of byproduct material issued under part 34 of this chapter for industrial radiography operations. This category also includes the possession and use of source material for shielding authorized under part 40 of this chapter when authorized on the same license. Number of locations of use: more than 20. [Program Code(s): 04311, 04313] .....	52,800
P. All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. <sup>18</sup> Number of locations of use: 1–5. [Program Code(s): 02400, 02410, 03120, 03121, 03122, 03123, 03124, 03140, 03130, 03220, 03221, 03222, 03800, 03810, 22130] .....	15,600
(1) All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. <sup>18</sup> Number of locations of use: 6–20. [Program Code(s): 04410, 04412, 04414, 04416, 04418, 04420, 04422, 04424, 04426, 04428, 04430, 04432, 04434, 04436, 04438] .....	21,100
(2) All other specific byproduct material licenses, except those in Categories 4.A. through 9.D. <sup>18</sup> Number of locations of use: more than 20. [Program Code(s): 04411, 04413, 04415, 04417, 04419, 04421, 04423, 04425, 04427, 04429, 04431, 04433, 04435, 04437, 04439] .....	26,400
Q. Registration of devices generally licensed under part 31 of this chapter .....	<sup>13</sup> N/A
R. Possession of items or products containing radium-226 identified in § 31.12 of this chapter which exceed the number of items or limits specified in that section: <sup>14</sup>	
(1) Possession of quantities exceeding the number of items or limits in § 31.12(a)(4), or (5) of this chapter but less than or equal to 10 times the number of items or limits specified. [Program Code(s): 02700] .....	9,000
(2) Possession of quantities exceeding 10 times the number of items or limits specified in § 31.12(a)(4) or (5) of this chapter. [Program Code(s): 02710] .....	9,500
S. Licenses for production of accelerator-produced radionuclides. [Program Code(s): 03210] .....	37,900
4. Waste disposal and processing:	
A. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of contingency storage or commercial land disposal by the licensee; or licenses authorizing contingency storage of low-level radioactive waste at the site of nuclear power reactors; or licenses for receipt of waste from other persons for incineration or other treatment, packaging of resulting waste and residues, and transfer of packages to another person authorized to receive or dispose of waste material. [Program Code(s): 03231, 03233, 03236, 06100, 06101] .....	33,900

TABLE 2 TO PARAGRAPH (d)—SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued

[See footnotes at end of table]

Category of materials licenses	Annual fees <sup>1 2 3</sup>
B. Licenses specifically authorizing the receipt of waste byproduct material, source material, or special nuclear material from other persons for the purpose of packaging or repackaging the material. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material. [Program Code(s): 03234] .....	22,000
C. Licenses specifically authorizing the receipt of prepackaged waste byproduct material, source material, or special nuclear material from other persons. The licensee will dispose of the material by transfer to another person authorized to receive or dispose of the material. [Program Code(s): 03232] .....	13,000
5. Well logging:	
A. Licenses for possession and use of byproduct material, source material, and/or special nuclear material for well logging, well surveys, and tracer studies other than field flooding tracer studies. [Program Code(s): 03110, 03111, 03112] .....	17,600
B. Licenses for possession and use of byproduct material for field flooding tracer studies. [Program Code(s): 03113] .....	<sup>5</sup> N/A
6. Nuclear laundries:	
A. Licenses for commercial collection and laundry of items contaminated with byproduct material, source material, or special nuclear material. [Program Code(s): 03218] .....	37,200
7. Medical licenses:	
A. Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17</sup> Number of locations of use: 1–5. [Program Code(s): 02300, 02310] .....	40,600
(1) Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17</sup> Number of locations of use: 6–20. [Program Code(s): 04510, 04512] .....	54,100
(2) Licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, or special nuclear material in sealed sources contained in gamma stereotactic radiosurgery units, teletherapy devices, or similar beam therapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17</sup> Number of locations of use: more than 20. [Program Code(s): 04511, 04513] .....	67,600
B. Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17</sup> Number of locations of use: 1–5. [Program Code(s): 02110] .....	57,400
(1) Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17</sup> Number of locations of use: 6–20. [Program Code(s): 04710] .....	76,400
(2) Licenses of broad scope issued to medical institutions or two or more physicians under parts 30, 33, 35, 40, and 70 of this chapter authorizing research and development, including human use of byproduct material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17</sup> Number of locations of use: more than 20. [Program Code(s): 04711] .....	95,400
C. Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17 19</sup> Number of locations of use: 1–5. [Program Code(s): 02120, 02121, 02200, 02201, 02210, 02220, 02230, 02231, 02240, 22160] .....	21,600
(1) Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17 19</sup> Number of locations of use: 6–20. [Program Code(s): 04810, 04812, 04814, 04816, 04818, 04820, 04822, 04824, 04826, 04828] .....	30,800
(2) Other licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices. This category also includes the possession and use of source material for shielding when authorized on the same license. <sup>9 17 19</sup> Number of locations of use: more than 20. [Program Code(s): 04811, 04813, 04815, 04817, 04819, 04821, 04823, 04825, 04827, 04829] .....	39,400
8. Civil defense:	
A. Licenses for possession and use of byproduct material, source material, or special nuclear material for civil defense activities. [Program Code(s): 03710] .....	9,000
9. Device, product, or sealed source safety evaluation:	
A. Registrations issued for the safety evaluation of devices or products containing byproduct material, source material, or special nuclear material, except reactor fuel devices, for commercial distribution .....	27,200
B. Registrations issued for the safety evaluation of devices or products containing byproduct material, source material, or special nuclear material manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel devices .....	14,200

TABLE 2 TO PARAGRAPH (d)—SCHEDULE OF MATERIALS ANNUAL FEES AND FEES FOR GOVERNMENT AGENCIES LICENSED BY NRC—Continued

[See footnotes at end of table]

Category of materials licenses	Annual fees <sup>1 2 3</sup>
C. Registrations issued for the safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, except reactor fuel, for commercial distribution .....	8,300
D. Registrations issued for the safety evaluation of sealed sources containing byproduct material, source material, or special nuclear material, manufactured in accordance with the unique specifications of, and for use by, a single applicant, except reactor fuel .....	1,700
10. Transportation of radioactive material:	
A. Certificates of Compliance or other package approvals issued for design of casks, packages, and shipping containers.	
1. Spent Fuel, High-Level Waste, and plutonium air packages .....	<sup>6</sup> N/A
2. Other Casks .....	<sup>6</sup> N/A
B. Quality assurance program approvals issued under part 71 of this chapter.	
1. Users and Fabricators .....	<sup>6</sup> N/A
2. Users .....	<sup>6</sup> N/A
C. Evaluation of security plans, route approvals, route surveys, and transportation security devices (including immobilization devices) .....	<sup>6</sup> N/A
11. Standardized spent fuel facilities .....	<sup>6</sup> N/A
12. Special Projects [Program Code(s): 25110] .....	<sup>6</sup> N/A
13. A. Spent fuel storage cask Certificate of Compliance .....	<sup>6</sup> N/A
B. General licenses for storage of spent fuel under § 72.210 of this chapter .....	<sup>12</sup> N/A
14. Decommissioning/Reclamation:	
A. Byproduct, source, or special nuclear material licenses and other approvals authorizing decommissioning, decontamination, reclamation, or site restoration activities under parts 30, 40, 70, 72, and 76 of this chapter, including master materials licenses (MMLs). The transition to this fee category occurs when a licensee has permanently ceased principal activities. [Program Code(s): 03900, 11900, 21135, 21215, 21325, 22200] .....	<sup>7 20</sup> N/A
B. Site-specific decommissioning activities associated with unlicensed sites, including MMLs, whether or not the sites have been previously licensed .....	<sup>7</sup> N/A
15. Import and Export licenses .....	<sup>8</sup> N/A
16. Reciprocity .....	<sup>8</sup> N/A
17. Master materials licenses of broad scope issued to Government agencies. <sup>15</sup> [Program Code(s): 03614] .....	494,000
18. Department of Energy:	
A. Certificates of Compliance .....	<sup>10</sup> 1,952,000
B. Uranium Mill Tailings Radiation Control Act (UMTRCA) activities [Program Code(s): 03237, 03238] .....	156,000

<sup>1</sup> Annual fees will be assessed based on whether a licensee held a valid license with the NRC authorizing possession and use of radioactive material during the current FY. The annual fee is waived for those materials licenses and holders of certificates, registrations, and approvals who either filed for termination of their licenses or approvals or filed for possession only/storage licenses before October 1 of the current FY and permanently ceased licensed activities entirely before this date. Annual fees for licensees who filed for termination of a license, downgrade of a license, or for a possession-only license during the FY and for new licenses issued during the FY will be prorated in accordance with the provisions of § 171.17. If a person holds more than one license, certificate, registration, or approval, the annual fee(s) will be assessed for each license, certificate, registration, or approval held by that person. For licenses that authorize more than one activity on a single license (e.g., human use and irradiator activities), annual fees will be assessed for each category applicable to the license.

<sup>2</sup> Payment of the prescribed annual fee does not automatically renew the license, certificate, registration, or approval for which the fee is paid. Renewal applications must be filed in accordance with the requirements of parts 30, 40, 70, 71, 72, or 76 of this chapter.

<sup>3</sup> Each FY, fees for these materials licenses will be calculated and assessed in accordance with § 171.13 and will be published in the **Federal Register** for notice and comment.

<sup>4</sup> Other facilities include licenses for extraction of metals, heavy metals, and rare earths.

<sup>5</sup> There are no existing NRC licenses in these fee categories. If NRC issues a license for these categories, the Commission will consider establishing an annual fee for this type of license.

<sup>6</sup> Standardized spent fuel facilities, 10 CFR parts 71 and 72 Certificates of Compliance and related Quality Assurance program approvals, and special reviews, such as topical reports, are not assessed an annual fee because the generic costs of regulating these activities are primarily attributable to users of the designs, certificates, and topical reports.

<sup>7</sup> Licensees in this category are not assessed an annual fee because they are charged an annual fee in other categories while they are licensed to operate.

<sup>8</sup> No annual fee is charged because it is not practical to administer due to the relatively short life or temporary nature of the license.

<sup>9</sup> Separate annual fees will not be assessed for pacemaker licenses issued to medical institutions that also hold nuclear medicine licenses under fee categories 7.A, 7.A.1, 7.A.2, 7.B., 7.B.1, 7.B.2, 7.C, 7.C.1, or 7.C.2.

<sup>10</sup> This includes Certificates of Compliance issued to the DOE that are not funded from the Nuclear Waste Fund.

<sup>11</sup> See § 171.15(c).

<sup>12</sup> See § 171.15(c).

<sup>13</sup> No annual fee is charged for this category because the cost of the general license registration program applicable to licenses in this category will be recovered through 10 CFR part 170 fees.

<sup>14</sup> Persons who possess radium sources that are used for operational purposes in another fee category are not also subject to the fees in this category. (This exception does not apply if the radium sources are possessed for storage only.)

<sup>15</sup> Licensees subject to fees under categories 1.A., 1.B., 1.E., 2.A., and licensees paying fees under fee category 17 must pay the largest applicable fee and are not subject to additional fees listed in this table.

<sup>16</sup> Licensees paying fees under 3.C. are not subject to fees under 2.B. for possession and shielding authorized on the same license.

<sup>17</sup> Licensees paying fees under 7.A, 7.A.1, 7.A.2, 7.B, 7.B.1, 7.B.2, 7.C, 7.C.1, or 7.C.2 are not subject to fees under 2.B. for possession and shielding authorized on the same license.

<sup>18</sup> Licensees paying fees under 3.N. are not subject to paying fees under 3.P., 3.P.1, or 3.P.2 for calibration or leak testing services authorized on the same license.

<sup>19</sup> Licensees paying fees under 7.B., 7.B.1, or 7.B.2 are not subject to paying fees under 7.C., 7.C.1, or 7.C.2 for broad scope license licenses issued under parts 30, 35, 40, and 70 of this chapter for human use of byproduct material, source material, and/or special nuclear material, except licenses for byproduct material, source material, or special nuclear material in sealed sources contained in teletherapy devices authorized on the same license.

<sup>20</sup>No annual fee is charged for a materials license (or part of a materials license) that has transitioned to this fee category because the decommissioning costs will be recovered through 10 CFR part 170 fees, but annual fees may be charged for other activities authorized under the license that are not in decommissioning status.

<sup>21</sup>Licensees paying fees under 4.A., 4.B. or 4.C. are not subject to paying fees under 3.N. licenses that authorize services for other licensees authorized on the same license.

Dated: June 12, 2025.

For the Nuclear Regulatory Commission.

**Christopher Carroll,**  
*Acting Chief Financial Officer.*

[FR Doc. 2025–11544 Filed 6–23–25; 8:45 am]

BILLING CODE 7590–01–P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 300

[TD 10031]

RIN 1545–BR28

#### Estate Tax Closing Letter User Fee Update

##### Correction

In rule document 2025–08928, appearing on pages 21410 through 21413 in the issue of Tuesday, May 20, 2025, make the following correction:

1. On page 21412, in the 1st column, in the second pictured calculation in the column. The number for “Quality Assurance & Benefits” should be “\$9,546” not “\$95.46”.

2. On page 21412, in the 1st column, in the 1st pictured calculation under the heading “3. Full Cost Per Request Calculation”. The Full Cost amount should be “\$502,573” not “\$502,572”.

3. On page 21412, in the 1st column, in the 2nd pictured calculation under 3. Full Cost Per Request Calculation. The Full Cost amount should be “\$502,573” not “\$502.573”.

[FR Doc. C1–2025–08928 Filed 6–23–25; 8:45 am]

BILLING CODE 0099–10–P

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket No. USCG–2025–0518]

#### Safety Zones; Annual Events in the Captain of the Port Eastern Great Lakes Zone

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notification of enforcement of regulation.

**SUMMARY:** The Coast Guard will enforce multiple safety zones located in federal

regulations for recurring marine events taking place in July 2025. This action is necessary and intended for the safety of life and property on navigable waters during these events. During the enforcement periods, no person or vessel may enter the respective safety zone without the permission of the Captain of the Port Eastern Great Lakes or a designated representative.

**DATES:** The regulations listed in 33 CFR 165.939 will be enforced for the regulated areas listed in Table 1 to § 165.939, as follows:

- Event No. (F)(7): Blazing Paddles (Blazing Paddles Paddfest)—from 9:30 a.m. through 3:30 p.m. on July 19, 2025.

- Event No. (G)(4): City of Cleveland July 4th Fireworks—from 9:30 p.m. through 11:00 p.m. on July 4, 2025.

- Event No. (G)(5): Mentor Harbor Yacht Club Fireworks (Mentor Harbor Fireworks)—from 8:45 p.m. through 10:30 p.m. on July 3, 2025.

- Event No. (G)(6): Whiskey Island Boat Club Parade of Lights—from 9:00 p.m. through 11:30 p.m. on July 19, 2025.

- Event No. (G)(7): Lorain Independence Day (Lorain Independence Fireworks Days)—from 9:00 p.m. through 10:30 p.m. on July 4, 2025.

- Event No. (G)(9): Fairport Harbor Mardi Gras (Fairport Harbor Mardi Gras and Independence Day Celebration)—from 9:30 p.m. through 11:00 p.m. on July 5, 2025.

- Event No. (G)(10): Sheffield Lake Community Days (Sheffield Lake Annual Community Days Festival)—from 9:30 p.m. through 11:00 p.m. on July 18, 2025.

- Event No. (G)(11): Bay Village Independence Day Celebration—from 9:00 p.m. through 11:00 p.m. on July 5, 2025.

- Event No. (G)(12): Brogan Open Water Classic (2025 Brogan Open Water Classic)—from 6:30 a.m. through 11:00 a.m. on July 12, 2025.

- Event No. (G)(29): Wine and Walleye Festival Fireworks (Wine and Walleye Festival)—from 8:30 p.m. through 11:30 p.m., on July 26, 2025.

**FOR FURTHER INFORMATION CONTACT:** If you have questions about this notice of enforcement, call or email Petty Officer Andrew Nevenner at Marine Safety Unit Cleveland’s Waterways Management Division; telephone 216–937–0111, email *D09-SMB-MSUCLEVELAND-WWM@uscg.mil*.

**SUPPLEMENTARY INFORMATION:** The Coast Guard will enforce multiple safety zones for annual events in the Captain of the Port Eastern Great Lakes Zone listed in 33 CFR 165.939, Table 1 to § 165.939 for events occurring in the month of July as listed in the **DATES** section. Pursuant to 33 CFR 165.23, entry into, transiting, or anchoring within these safety zones during an enforcement period is prohibited unless authorized by the Captain of the Port (COTP) Eastern Great Lakes or his designated representative. Those seeking permission to enter the safety zone may request permission from the COTP Eastern Great Lakes via channel 16, VHF–FM. Vessels and persons granted permission to enter the safety zone shall obey the directions of COTP Eastern Great Lakes or his designated representative. While within a safety zone, all vessels shall operate at the minimum speed necessary to maintain a safe course.

In addition to this notice of enforcement in the **Federal Register**, the Coast Guard will provide the maritime community with advance notification of this enforcement period via Broadcast Notice to Mariners or Local Notice to Mariners. If the Captain of the Port Eastern Great Lakes determines that the safety zone need not be enforced for the full duration stated in this notice, he may use a Broadcast Notice to Mariners to grant general permission to enter the respective safety zone.

Dated: June 17, 2025.

**S.M. Murray,**

*Commander, U.S. Coast Guard, Acting Captain of the Port, Eastern Great Lakes.*

[FR Doc. 2025–11586 Filed 6–23–25; 8:45 am]

BILLING CODE 9110–04–P

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket No. USCG–2025–0409]

#### Safety Zone; Chicago Harbor, Navy Pier Southeast, Chicago, IL

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notification of enforcement of regulation.

**SUMMARY:** The Coast Guard will enforce the Safety Zone, Chicago Harbor, Navy Pier Southeast, Chicago, IL on a portion

of Lake Michigan in Chicago, IL. This action is intended to protect personnel, vessels, and the marine environment from potential hazards created by a barge-based fireworks display. During the enforcement period listed below, entry into, transiting, or anchoring within the safety zone is prohibited unless authorized by the Captain of the Port Lake Michigan or a designated representative.

**DATES:** The regulations in 33 CFR 165.931 will be enforced for the safety zones identified in the **SUPPLEMENTARY INFORMATION** section below for the dates and times specified.

**FOR FURTHER INFORMATION CONTACT:** If you have questions about this notice of enforcement, call or email LT Matthew Jones, Waterways Management Division, Marine Safety Unit Chicago, U.S. Coast Guard; telephone: (630) 986-2155, email: [D09-SMB-MSUChicago-WWM@uscg.mil](mailto:D09-SMB-MSUChicago-WWM@uscg.mil).

**SUPPLEMENTARY INFORMATION:** The Coast Guard will enforce the Safety Zone, Chicago Harbor, Navy Pier Southeast, Chicago, IL listed in 33 CFR 165.931. This safety zone consists of all waters of Lake Michigan within Chicago Harbor bounded by coordinates beginning at 41°53'23.3" N, 087°36'04.5" W; then south to 41°53'11.8" N, 087°36'04.1" W; then west to 41°53'12.1" N, 087°35'40.5" W; then north to 41°53'23.6" N, 087°35'40.07" W; then east back to the point of origin. This safety zone will be enforced during the following dates and times:

(1) From 10:00 p.m. to 10:30 p.m. each Saturday, from May 24, 2025, through August 30, 2025;

(2) From 9:00 p.m. to 9:30 p.m. each Wednesday, from May 28, 2025, through August 27, 2025; and

(3) From 9:00 p.m. to 9:30 p.m. on Sunday July 27, 2025.

All vessels must obtain permission from the Captain of the Port (COTP) Lake Michigan, or designated on-scene representative to enter, move within, or exit this safety zone during the enforcement times listed in this notice of enforcement. Requests must be made in advance and approved by the COTP before transits will be authorized. Approvals will be granted on a case-by-case basis. Vessels and persons granted permission to enter the safety zone shall obey all lawful orders or directions of the COTP Lake Michigan or designated on-scene representative.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard will provide the maritime community with notification of this enforcement period via Broadcast Notice to Mariners. The COTP Lake

Michigan may be reached by contacting the Coast Guard Sector Lake Michigan Command Center at (414) 747-7182. An on-scene designated representative may be reached via VHF-FM Channel 16.

Dated: June 10, 2025.

**J.B. Parker,**

*Captain, U.S. Coast Guard, Captain of the Port, Lake Michigan.*

[FR Doc. 2025-11584 Filed 6-23-25; 8:45 am]

**BILLING CODE 9110-04-P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 180

[EPA-HQ-OPP-2023-0217; FRL-12767-01-OCSPF]

#### Pepino Mosaic Virus, Strain LP, Isolate VX1 and Pepino Mosaic Virus, Strain CH2, Isolate VC1; Exemptions From the Requirement of a Tolerance

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** This regulation establishes exemptions from the requirement of a tolerance for residues of Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1 in or on all food commodities when used in accordance with label directions and good agricultural practices. Valto BV submitted a petition to the EPA under the Federal Food, Drug, and Cosmetic Act (FFDCA), requesting these exemptions from the requirement of a tolerance. This regulation eliminates the need to establish a maximum permissible level for residues of Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1 under FFDCA when used in accordance with these exemptions.

**DATES:** This regulation is effective June 24, 2025. Objections and requests for hearings must be received on or before August 25, 2025 and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

**ADDRESSES:** The docket for this action, identified by docket identification (ID) number EPA-HQ-OPP-2023-0217, is available at <https://www.regulations.gov>. Additional information about dockets generally, along with instructions for visiting the docket in-person, is available at <https://www.epa.gov/dockets>.

**FOR FURTHER INFORMATION CONTACT:** Shannon Borges, Biopesticides and

Pollution Prevention Division (7511M), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460-0001; main telephone number: (202) 566-1400; email address: [BPPDFRNotices@epa.gov](mailto:BPPDFRNotices@epa.gov).

## SUPPLEMENTARY INFORMATION:

### I. General Information

#### A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

If you have any questions regarding the applicability of this action to a particular entity, consult the person listed under **FOR FURTHER INFORMATION CONTACT**.

#### B. What is EPA's authority for taking this action?

EPA is issuing this rulemaking under section 408 of the Federal Food, Drug, and Cosmetic Act (FFDCA), 21 U.S.C. 346a. FFDCA section 408(c)(2)(A)(i) allows EPA to establish an exemption from the requirement for a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the exemption is "safe." FFDCA section 408(c)(2)(A)(ii) defines "safe" to mean that "there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information." This includes exposure through drinking water and in residential settings but does not include occupational exposure. Pursuant to FFDCA section 408(c)(2)(B), in establishing or maintaining in effect an exemption from the requirement of a tolerance, EPA must take into account the factors set forth in FFDCA section 408(b)(2)(C), which require EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to "ensure that there is a reasonable certainty that no harm will

result to infants and children from aggregate exposure to the pesticide chemical residue. . . .” Additionally, FFDCA section 408(b)(2)(D) requires that the Agency consider, among other things, “available information concerning the cumulative effects of a particular pesticide’s residues” and “other substances that have a common mechanism of toxicity.”

### C. How can I file an objection or hearing request?

Under FFDCA section 408(g), 21 U.S.C. 346a(g), any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. If you fail to file an objection to the final rule within the time period specified in the final rule, you will have waived the right to raise any issues resolved in the final rule. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by the EPA, you must identify docket ID number EPA–HQ–OPP–2023–0503 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing and must be received by the Hearing Clerk on or before August 25, 2025.

EPA’s Office of Administrative Law Judges (OALJ), in which the Hearing Clerk is housed, urges parties to file and serve documents by electronic means only, notwithstanding any other particular requirements set forth in other procedural rules governing those proceedings. See “Revised Order Urging Electronic Filing and Service,” dated June 22, 2023, which can be found at <https://www.epa.gov/system/files/documents/2023-06/2023-06-22%20-%20revised%20order%20urging%20electronic%20filing%20and%20service.pdf>. Although EPA’s regulations require submission via U.S. Mail or hand delivery, EPA intends to treat submissions filed via electronic means as properly filed submissions; therefore, EPA believes the preference for submission via electronic means will not be prejudicial. When submitting documents to the OALJ electronically, a person should utilize the OALJ e-filing system at [https://yosemite.epa.gov/oa/eab/eab-alj\\_upload.nsf](https://yosemite.epa.gov/oa/eab/eab-alj_upload.nsf).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any CBI) for inclusion in the public docket at <https://www.regulations.gov>. Follow the online instructions for submitting comments. Do not submit electronically any information you

consider to be CBI or other information whose disclosure is restricted by statute. If you wish to include CBI in your request, please follow the applicable instructions at <https://www.epa.gov/dockets/commenting-epa-dockets#rules> and clearly mark the information that you claim to be CBI. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice.

## II. Petitioned-For Exemption

In the **Federal Register** of May 18, 2023 (96 FR 31667) (FRL–10579–04–OCSP), EPA issued a notice pursuant to FFDCA section 408(d)(3), 21 U.S.C. 346a(d)(3), announcing the filing of a pesticide tolerance exemption petition (PP 2F9022 by Valto BV, Leehove 81, 2678 MB De Lier Zuid-Holland, 2678–MB, Netherlands (c/o SciReg., Inc. 12733 Director’s Loop, Woodbridge, VA 22192). The petition requested that 40 CFR part 180 be amended by establishing an exemption from the requirement of a tolerance for residues of the virucides Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1 in or on all food commodities. That notice referenced a summary of the petition prepared by the petitioner Valto BV and available in the docket via <https://www.regulations.gov>. EPA received a comment on the notice of filing. EPA’s response to comment is discussed in Unit III.C.

EPA omitted the descriptor “virucides” from the tolerance exemption. The reasons for this change are explained in Unit III.D.

## III. Final Tolerance Actions

### A. EPA’s Safety Determination

EPA evaluated the available toxicological and exposure data on Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1 and considered their validity, completeness, and reliability, as well as the relationship of this information to human risk. A full explanation of the data upon which EPA relied and its risk assessment based on those data can be found within the document entitled “Human Health Risk Assessment of Pepino mosaic virus strain LP isolate VX1 and Pepino mosaic virus strain CH2 isolate VC1, New Active Ingredients in (End-use Product) 100361–R V10 Proposed for Registration and an Associated Petition Requesting a Tolerance Exemption” (Pepino mosaic viruses human health risk assessment). This document, as well as other relevant information, is available in the docket

for this action as described under

### ADDRESSES.

The active ingredients are naturally occurring isolates of Pepino mosaic virus which have been found to colonize tomato plants without causing disease. These active ingredients are proposed for use in pesticide products to inoculate young tomato plants and elicit cross-protection from other potentially more virulent strains of Pepino mosaic virus. The active ingredients have no demonstrated infectivity to humans and low acute toxicity based on the results of the submitted data and information. In addition, Pepino mosaic viruses are unlikely to cause harm to humans given their host range and inability to grow and replicate within mammalian cells. Exposure to residues on food is expected to be negligible due to the limited use pattern and postharvest processing of food commodities. Drinking water exposure is expected to be negligible since exposure is limited to greenhouse application, and municipal drinking water processing should greatly reduce residues of the active ingredients. Other residential or non-occupational exposure is not expected due to the limited use pattern in greenhouses. EPA determined that no additional margin of safety is necessary to protect infants and children as part of the qualitative assessment conducted, as data and rationale demonstrated that these active ingredients are not toxic, pathogenic or infective.

Based upon its evaluation in the Pepino mosaic viruses human health risk assessment, which concludes that there are no risks of concern from aggregate exposure to Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1, EPA concludes that there is a reasonable certainty that no harm will result to the U.S. population, including infants and children, from aggregate exposure to residues of Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1.

### B. Analytical Enforcement Methodology

An analytical method is not required for Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1 because EPA is establishing an exemption from the requirement of a tolerance without any numerical limitation.

### C. Response to Comments

One anonymous public comment was received and expressed concern with a different active ingredient and was therefore not relevant to this action.

#### *D. Revisions to the Requested Tolerance Exemption*

The Agency is omitting the descriptor, “virucides,” from the tolerance exemption to conform with standard nomenclature and reduce any possible future regulatory burden.

#### *E. Conclusion*

Therefore, exemptions from the requirement of a tolerance are established for residues of Pepino mosaic virus, strain LP, isolate VX1 and Pepino mosaic virus, strain CH2, isolate VC1 in or on all food commodities when used in accordance with label directions and good agricultural practices.

#### **IV. Statutory and Executive Order Reviews**

Additional information about these statutes and Executive Orders can be found at <https://www.epa.gov/laws-regulations/laws-and-executive-orders>.

##### *A. Executive Order 12866: Regulatory Planning and Review*

This action is exempt from review under Executive Order 12866 (58 FR 51735, October 4, 1993), because it establishes or modifies a pesticide tolerance or a tolerance exemption under FFDCA section 408 in response to a petition submitted to the Agency. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866.

##### *B. Executive Order 14192: Unleashing Prosperity Through Deregulation*

Executive Order 14192 (90 FR 9065, February 6, 2025) does not apply because actions that establish a tolerance exemption under FFDCA section 408 are exempted from review under Executive Order 12866.

##### *C. Paperwork Reduction Act (PRA)*

This action does not impose an information collection burden under the PRA, 44 U.S.C. 3501 *et seq.*, because it does not contain any information collection activities.

##### *D. Regulatory Flexibility Act (RFA)*

This action is not subject to the RFA, 5 U.S.C. 601 *et seq.* The RFA applies only to rules subject to notice and comment rulemaking requirements under the Administrative Procedure Act (APA), 5 U.S.C. 553, or any other statute. This rule is not subject to the APA but is subject to FFDCA section 408(d), which does not require notice and comment rulemaking to take this action in response to a petition.

#### *E. Unfunded Mandates Reform Act (UMRA)*

This action does not contain an unfunded mandate of \$100 million or more (in 1995 dollars and adjusted annually for inflation) as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any State, local or Tribal governments or the private sector.

#### *F. Executive Order 13132: Federalism*

This action does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999), because it will not have substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government.

#### *G. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments*

This action does not have tribal implications as specified in Executive Order 13175 (65 FR 67249, November 9, 2000), because it will not have substantial direct effects on tribal governments, on the relationship between the Federal Government and the Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

#### *H. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks*

This action is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it is not a significant regulatory action under section 3(f)(1) of Executive Order 12866 (See Unit IV.A.), and because EPA does not believe the environmental health or safety risks addressed by this action present a disproportionate risk to children.

However, EPA’s 2021 Policy on Children’s Health applies to this action. This rule finalizes an exemption from the requirement of a tolerance under the FFDCA, which requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to “ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue . . .” (FFDCA 408(b)(2)(C)). The Agency’s consideration is documented in Unit III.A.

#### *I. Executive Order 13211: Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution or Use*

This action is not subject to Executive Order 13211 (66 FR 28355) (May 22, 2001) because it is not a significant regulatory action under Executive Order 12866.

#### *J. National Technology Transfer Advancement Act (NTTAA)*

This action does not involve technical standards that would require Agency consideration under NTTAA section 12(d), 15 U.S.C. 272.

#### *K. Congressional Review Act (CRA)*

This action is subject to the CRA, 5 U.S.C. 801 *et seq.*, and EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action not a “major rule” as defined by 5 U.S.C. 804(2).

#### **List of Subjects in 40 CFR Part 180**

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: June 20, 2025.

**Edward Messina,**  
Director, Office of Pesticide Programs.

For the reasons stated in the preamble, EPA is amending 40 CFR chapter I as follows:

#### **PART 180—TOLERANCES AND EXEMPTIONS FOR PESTICIDE CHEMICAL RESIDUES IN FOOD**

■ 1. The authority citation for part 180 continues to read as follows:

**Authority:** 21 U.S.C. 321(q), 346a and 371.

■ 2. Add § 180.1480 to Subpart D to read as follows:

##### **§ 180.1418 Pepino mosaic virus; exemptions from the requirement of a tolerance.**

(a) *Pepino mosaic virus, strain LP, isolate VX1.* An exemption from the requirement of a tolerance is established for residues of *pepino mosaic virus, strain LP, isolate VX1* in or on all food commodities when used in accordance with label directions and good agricultural practices.

(b) *Pepino mosaic virus, strain CH2, isolate VC1.* An exemption from the requirement of a tolerance is established for residues of *Pepino mosaic virus, strain CH2, isolate VC1* in or on all food commodities when used in accordance

with label directions and good agricultural practices.

[FR Doc. 2025-11590 Filed 6-23-25; 8:45 am]

BILLING CODE 6560-50-P

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 660

[Docket No. 240514-0137; RTID 0648-XE833]

#### Fisheries Off West Coast States; Modification of the West Coast Salmon Fisheries; Inseason Action #20

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Inseason modification of 2024-2025 management measures.

**SUMMARY:** NMFS announces one inseason action for the 2025 portion of the 2024-2025 ocean salmon fisheries. This inseason action modifies the commercial salmon fisheries in the area from the United States/Canada border to Cape Falcon, Oregon.

**DATES:** The effective dates for this inseason action is set out in this document under the heading "Inseason Action" and the action remains in effect until superseded or modified.

**FOR FURTHER INFORMATION CONTACT:** Anna Heeter, (971) 361-8895, [Anna.Heeter@noaa.gov](mailto:Anna.Heeter@noaa.gov).

#### SUPPLEMENTARY INFORMATION:

##### Background

The annual management measures for the 2024-2025 ocean salmon fisheries (89 FR 44553, May 21, 2024; 89 FR 53529, June 27, 2024) govern the commercial and recreational fisheries in the area from the United States/Canada border to the United States/Mexico border, effective from 0001 hours Pacific Daylight Time (PDT), May 16, 2024, until the effective date of the 2025-2026 management measures, as published in the **Federal Register**. These measures include early season fisheries in March through mid-May of 2025 that may be adjusted through inseason action when abundance forecasts for 2025 salmon returns become available. NMFS is authorized to implement inseason management actions to modify fishing seasons, catch limits, and quotas as necessary to provide fishing opportunities while meeting management objectives for the affected species (50 CFR 660.409). Inseason

actions in the salmon fishery may be taken directly by NMFS (50 CFR 660.409(a)—Fixed inseason management provisions) or upon consultation with the Chairman of the Pacific Fishery Management Council (Council), and the appropriate State Directors (50 CFR 660.409(b)—Flexible inseason management provisions).

Management of the salmon fisheries is divided into two geographic areas: north of Cape Falcon (NOF) (United States/Canada border to Cape Falcon, OR) and south of Cape Falcon (SOF) (Cape Falcon, OR, to the United States/Mexico border). The action described in this document affects the NOF commercial salmon fishery, as set out under the heading Inseason Action below.

Consultation with the Council Chairman and representatives for the appropriate State Directors on this inseason action occurred on April 22, 2025. This consultation included representatives from NMFS, Oregon Department of Fish and Wildlife, and Washington Department of Fish and Wildlife. Representatives from the Salmon Advisory Subpanel and the Salmon Technical Team (STT) were also present.

This inseason action was announced on NMFS' telephone hotline and U.S. Coast Guard radio broadcast when the action became effective. (50 CFR 660.411(a)(2)).

#### Inseason Action

##### *Inseason Action #20*

*Reason and authorization for the action:* The 2024-2025 annual management measures for ocean salmon fisheries (89 FR 44553, May 21, 2024; 89 FR 53529, June 27, 2024) established a May-June commercial salmon fishery that included NOF subarea quotas that were based on information available at the time the 2024 management measures were adopted. The 2024 management measures allow for inseason action to adjust fisheries scheduled to occur from March 15, 2024, through May 15, 2025 (or until the effective date of the 2025 management measures), in response to new information on 2025 salmon stock abundance forecasts and northern salmon fisheries impacts, to keep fisheries impacts within management objectives and consistent with conservation needs. The inseason action includes: (1) revisions to the quota for the NOF May-June fishery to provide additional fishing opportunity in light of higher forecasted stock abundances in 2025; (2) adjustments to decrease landing and possession limits to account for the higher abundance and quota in this area for 2025 versus 2024

and the uncertainty in catch rates with higher forecasts, to preserve the quota for the length of the season, and to manage the quota based on the specifics of each subarea; and, (3) a management measure that allows Washington permitted vessels that catch fish south of Leadbetter to land all species of fish north of Leadbetter Point. This change supports the economics of the Washington permitted fleet by allowing additional fish buyer and moorage port selection and improving the logistics of fishing the subarea and making deliveries. Each of these actions provides greater access to the salmon resource for fishermen, increased stability for the fishery, and increases safety at sea by allowing fishermen to assess weather conditions and land in the closest available port, which is particularly important given the higher landing limits described above and anticipated higher effort levels. In addition, 2024 management measures provide a weekly landing and possession limit based on the calendar week (Thursday—Wednesday). In addition, with the 2025 season starting on May 16, 2025, the fishery week starting on Thursday May 15, 2025 would be reduced to 1 day. This inseason action adjusts the landing and possession limits and expands the land and delivery area for this single day to bridge the gap in the landing week and account for higher abundance levels in 2025. These inseason measures were superseded by the annual management measures for 2025, which published on May 15, 2025.

The Regional Administrator (RA) considered the abundance forecasts for Chinook salmon stocks, the timing of the action relative to the length of the season, and catch levels in the fishery to date which have been higher than anticipated, and determined that the inseason action described above is necessary to meet management and conservation goals set pre-season. This inseason action modifies quotas, catch limits and/or fishing seasons, and landing boundaries under 50 CFR 660.409(b)(1)(i) and (v).

*Description of the action:* Inseason action #20 modifies the ocean salmon troll commercial fishery from the United States/Canada border to Cape Falcon, OR.

*Effective dates:* Inseason action #20 takes effect for the following areas and dates, and remains in effect until superseded.

- Effective May 1, 2025, the quota for the May-June North of Falcon commercial ocean salmon troll fishery that opens May 1, 2025 will be modified to 36,800 Chinook salmon, no more than

8,000 of which may be caught in the area between the U.S./Canada border the Queets River and no more than 6,000 of which may be caught in the area between Leadbetter Point and Cape Falcon, Oregon.

- Effective May 1, 2025, vessels fishing or in possession of salmon while fishing south of Leadbetter Point must land and deliver all species of fish within the area south of Leadbetter Point, except that Oregon permitted vessels may also land all species of fish in Garibaldi, Oregon, and Washington permitted vessels may also land all species of fish north of Leadbetter Point.

- Effective May 1, 2025, through May 14, 2025, the landing and possession limit for the area between Cape Falcon, Oregon and the U.S./Canada border will be modified to 250 Chinook salmon per vessel per landing week (Thursday through Wednesday).

- Effective May 1, 2025, through May 14, 2025, the landing and possession limit in the area between the U.S./Canada border and the Queets River will be modified to 70 Chinook salmon per vessel per landing week (Thursday through Wednesday).

- Effective May 1, 2025, through May 14, 2025, the landing and possession limit in the area between the Queets River and Leadbetter Point will be modified to 250 Chinook salmon per vessel per landing week (Thursday through Wednesday).

- Effective May 1, 2025, through May 14, 2025, the landing and possession limit in the area between Leadbetter Point and Cape Falcon, Oregon, is 60 Chinook salmon per vessel per landing week (Thursday through Wednesday).

- Effective May 15, 2025, no overall landing and possession limit in effect for the entire area between the U.S./Canada border and Cape Falcon,

Oregon, and no subarea limit for the subarea between the Queets River and Leadbetter Point.

- Effective May 15, 2025, the landing and possession limit for the subarea between the U.S./Canada border and the Queets River to 100 Chinook salmon per vessel per landing week (Thursday through Wednesday).

- Effective May 15, 2025, the landing and possession limit in the subarea between Leadbetter Point and Cape Falcon to 80 Chinook salmon per vessel per landing week (Thursday through Wednesday).

All other restrictions and regulations remain in effect as announced for the 2024–2025 ocean salmon fisheries (89 FR 44553, May 21, 2024; 89 FR 53529, June 27, 2024; 89 FR 61355, July 31, 2024; 89 FR 104895, December 26, 2024; 90 FR 13840, March 27, 2025; 90 FR 16090, April 17, 2025) except as previously modified by inseason actions.

As provided by the inseason notice procedures at 50 CFR 660.411, actual notice of the described regulatory actions was given, prior to the time the actions became effective, by telephone hotline numbers 206–526–6667 and 800–662–9825, and by U.S. Coast Guard Notice to Mariners broadcasts on Channel 16 VHF–FM and 2182 kHz.

#### Classification

NMFS issues this action pursuant to section 305(d) of the MSA. This action is authorized by 50 CFR 660.409, which was issued pursuant to section 304(b) of the MSA, and are exempt from review under Executive Order 12866.

Pursuant to 5 U.S.C. 553(b)(B), there is good cause to waive prior notice and an opportunity for public comment on this action, as notice and comment would be impracticable and contrary to

the public interest. Prior notice and opportunity for public comment on this action was impracticable because NMFS had insufficient time to provide for prior notice and the opportunity for public comment between the time Chinook and coho salmon abundance, catch, and effort information were developed and fisheries impacts were calculated, and the time the fishery modifications had to be implemented in order to ensure that fisheries are managed based on the best scientific information available. Delaying this action to allow for prior notice and opportunity for public comment would result in an unnecessary loss of fishing opportunity as this action responds to higher stock abundance forecasts than those on which the measures in place were based. As previously noted, actual notice of the regulatory action was provided to fishers through telephone hotlines and radio notifications. These actions comply with the requirements of the annual management measures for ocean salmon fisheries (88 FR 30235, May 11, 2024), the Pacific Salmon Fishery Management Plan (FMP), and regulations implementing the FMP under 50 CFR 660.409 and 660.411.

There is good cause under 5 U.S.C. 553(d)(3) to waive the 30-day delay in effective date, as a delay in effectiveness of this action would constrain fishing in a manner that is inconsistent with the goals of the FMP, the MSA, and the current management measures.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: June 18, 2025.

**Kelly Denit,**

*Director, Office of Sustainable Fisheries,  
National Marine Fisheries Service.*

[FR Doc. 2025–11554 Filed 6–23–25; 8:45 am]

**BILLING CODE 3510–22–P**

# Proposed Rules

Federal Register

Vol. 90, No. 119

Tuesday, June 24, 2025

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### 18 CFR Parts 153 and 157

[Docket No. RM25–9–000]

#### Removal of Regulations Limiting Authorizations To Proceed With Construction Activities Pending Rehearing

**AGENCY:** Federal Energy Regulatory Commission, DOE.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Federal Energy Regulatory Commission (Commission) proposes to remove from its regulations a rule that precludes the issuance of authorizations to proceed with construction activities with respect to natural gas facilities approved pursuant to section 3 or section 7 of the Natural Gas Act for a limited time while certain requests for rehearing are pending before the Commission.

**DATES:** Comments are due July 24, 2025.

**ADDRESSES:** Comments, identified by docket number, may be filed in the following ways. Electronic filing through <http://www.ferc.gov>, is preferred.

- **Electronic Filing:** Documents must be filed in acceptable native applications and print-to-PDF, but not in scanned or picture format.

- For those unable to file electronically, comments may be filed by USPS mail or by hand (including courier) delivery.

- **Mail via U.S. Postal Service Only:**

Addressed to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

- **Hand (including courier) delivery:** Deliver to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

The Comment Procedures section of this document contains more detailed filing procedures.

#### FOR FURTHER INFORMATION CONTACT:

Indigo Brown, Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, (202) 502–8505, [indigo.brown@ferc.gov](mailto:indigo.brown@ferc.gov).

**SUPPLEMENTARY INFORMATION:** 1. Section 157.23 of the Federal Energy Regulatory Commission’s (Commission) regulations provides that with respect to orders issued pursuant to 15 U.S.C. 717b or 15 U.S.C. 717f(c) authorizing the construction of new natural gas transportation, export, or import facilities, no authorization to proceed with construction activities will be issued during the periods specified therein. The Commission proposes to remove § 157.23 and modify § 153.4 to remove the reference to § 157.23, in response to the imperative to remove impediments to the construction of needed energy infrastructure identified in the Interstate Natural Gas Association of America’s (INGAA) petition for rulemaking and elsewhere.<sup>1</sup> This action would advance the Commission’s principal statutory mission under the Natural Gas Act “to encourage the orderly development of plentiful supplies of . . . natural gas at reasonable prices.”<sup>2</sup>

#### I. Background

##### A. Order No. 871

2. On June 9, 2020, the Commission in Order No. 871<sup>3</sup> issued a final rule

<sup>1</sup> See, e.g., FERC, *Federal-State Current Issues Collaborative* (Apr. 28 2025), <https://www.ferc.gov/federal-state-current-issues-collaborative> (noting that constrained natural gas pipeline capacity and storage availability is increasing impacts on domestic manufacturing where manufacturing is facing a growing crisis due to inadequate natural gas pipeline capacity); FERC, *January 2025 Arctic Events: A System Performance Review*, 18–19 (2025), <https://www.ferc.gov/media/report-january-2025-arctic-events-system-performance-review-ferc-nerc-and-its-regional> (accessed May 16, 2025) (supporting that new natural gas infrastructure is needed in the immediate term to help address pressing nationwide reliability and resource adequacy concerns); Secretary Burgum April 30, 2025 Letter Endorsing Petition for Rulemaking to Rescind Order No. 871; Exec. Order No. 14,154, 90 FR 8353 (Jan. 20, 2025); Exec. Order No. 14,156, 90 FR 8433 (Jan. 20, 2025); Exec. Order No. 14,213, 90 FR 9945 (Feb. 14, 2025).

<sup>2</sup> See *Citizens Action Coal. of Ind., Inc. v. FERC*, 125 F.4th 229, 244 (D.C. Cir. 2025) (quoting *NAACP v. FPC*, 425 U.S. 662, 669–70 (1976)).

<sup>3</sup> *Limiting Authorizations to Proceed with Construction Activities Pending Rehearing*, Order No. 871, 85 FR 40113 (July 6, 2020), 171 FERC ¶ 61,201 (2020), *order on reh’g*, Order No. 871–A, 86 FR 7643 (Feb. 1, 2021), 174 FERC ¶ 61,050, *order*

amending its regulations to add 18 CFR 157.23, precluding the issuance of authorizations to proceed with construction of projects authorized under sections 3 and 7 of the Natural Gas Act (NGA) during the period for filing requests for rehearing of initial orders, or while rehearing is pending.<sup>4</sup> Order No. 871 also revised § 153.4 of the Commission’s regulations, which sets forth general requirements for NGA section 3 applications, to incorporate a cross-reference to § 157.23. The Commission issued Order No. 871 to address concerns raised in the then-pending appeal *Allegheny Defense Project v. FERC*<sup>5</sup> before the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit).

3. Following the issuance of *Allegheny*, in response to requests for clarification and rehearing of Order No. 871, the Commission in Order No. 871–A provided interested parties an opportunity to file initial and reply briefs on the arguments raised on rehearing and specific questions posed by the Commission.<sup>6</sup>

4. After review of the briefs filed, the Commission in Order No. 871–B revised § 157.23 to provide that the rule prohibiting the issuance of construction authorizations pending rehearing would apply only when a request for rehearing raised issues reflecting opposition to project construction, operation, or need.<sup>7</sup> Order No. 871–B also revised § 157.23 to provide that the rule’s restriction on issuing construction authorizations would expire if no qualifying request for rehearing was filed or, if such a request was filed, when (1) the request was no longer pending (*i.e.*, it had been withdrawn or the Commission had acted on it), (2) the record of the proceeding was filed with the court of appeals, or (3) 90 days had passed from the date that the request

*on reh’g*, Order No. 871–B, 86 FR 26150 (May 13, 2021), 175 FERC ¶ 61,098, *order on reh’g*, Order No. 871–C, 176 FERC ¶ 61,062 (2021).

<sup>4</sup> Under NGA section 3(e), the Commission is authorized to grant or deny applications to site, construct, expand, or operate liquefied natural gas (LNG) terminals. Under NGA section 7(c), the Commission is authorized to issue certificates of public convenience and necessity for the construction of interstate natural gas transportation facilities.

<sup>5</sup> 932 F.3d 940 (D.C. Cir. 2019), *on reh’g en banc*, 964 F.3d 1 (D.C. Cir. 2020) (*Allegheny*).

<sup>6</sup> Order No. 871–A, 174 FERC ¶ 61,050.

<sup>7</sup> Order No. 871–B, 175 FERC ¶ 61,098 at PP 14, 30.

might be deemed denied by operation of law under NGA section 19(a).<sup>8</sup> Finally, Order No. 871-B also adopted a policy of presumptively staying, on a case-by-case basis where a pipeline developer has not already acquired all necessary property interests and where a landowner who would be subject to eminent domain proceedings protested,<sup>9</sup> an NGA section 7(c) certificate order during the 30-day period for seeking rehearing, and pending Commission resolution of any timely requests for rehearing filed by a landowner, until the earlier of the date on which the Commission (1) issues a substantive order on rehearing or otherwise indicates that the Commission will not take further action, or (2) 90 days following the date that a request for rehearing may be deemed to have been denied under NGA section 19(a).<sup>10</sup>

5. In Order No. 871-C, the Commission addressed requests for rehearing and clarification of Order No. 871-B.<sup>11</sup> The Commission modified the discussion but did not change the outcome of Order No. 871-B.<sup>12</sup>

6. On January 20, 2025, the President issued Executive Order 14154, to eliminate delays in and streamline the permitting process for energy infrastructure projects, and noting that it is “in the national interest to unleash America’s affordable and reliable energy and natural resources.”<sup>13</sup> On the same date, the President issued Executive Order 14156, which declares a national energy emergency and prioritizes the expansion of energy infrastructure as a matter of critical national and economic security.<sup>14</sup>

### B. INGAA Petition

7. On April 14, 2025, INGAA filed a petition for rulemaking, requesting that the Commission adopt a rule rescinding Order No. 871, removing § 157.23 from the regulations, and revising § 153.4 to remove the reference to § 157.23.<sup>15</sup> In its petition, INGAA argues that the stakeholder protections afforded by the D.C. Circuit’s decision in *Allegheny*

rendered the regulations promulgated under Order No. 871 unnecessary.<sup>16</sup> Specifically, INGAA maintains that *Allegheny’s* holding<sup>17</sup> protects stakeholders from the possibility that project construction may proceed before the completion of the Commission’s review because that decision allows parties to “seek and receive a judicial stay of a certificate [or authorization] order as soon as 30 days after a request for rehearing” has been filed.<sup>18</sup> INGAA contends that the current Order No. 871 framework assumes that the Commission erred in authorizing a project.<sup>19</sup>

8. Additionally, INGAA notes that when creating project schedules, project developers must work with contractors and vendors to set the timeframes to accommodate anticipated construction, material procurement, and environmental compliance requirements, as well as seasonal constraints.<sup>20</sup> It argues that Order No. 871’s preemptive prohibition of the issuance of construction authorizations forces developers to account in their schedules for the maximum amount of time (150 days) that could be imposed as a result of a potential rehearing request, even where no eligible rehearing request is filed.<sup>21</sup> INGAA avers that Order No. 871 subjects project developers to unnecessary costs and construction delays regardless of whether developers account in advance for the potential delays which would be encountered should an eligible rehearing request be filed or fail to consider such potential delays and are forced to make last-minute schedule changes.<sup>22</sup>

9. Further, INGAA claims that Order No. 871 increased the number of rehearing requests, that non-landowner parties have filed most of the rehearing requests since the promulgation of Order No. 871, and that the regulation has become a tool to delay authorized projects.<sup>23</sup> INGAA contends that the

interests of project developers and landowners are unbalanced and that the burdens imposed on developers are not justified.<sup>24</sup> INGAA maintains that if the Commission rescinds Order No. 871 landowners will not be materially impacted because they would still have statutory and other regulatory protections, such as the ability to file with the Commission rehearing requests of certificate and authorization orders and motions to stay the certificate or authorization order, as well as to seek an emergency judicial stay of the certificate holder’s exercise of eminent domain if needed.<sup>25</sup>

10. Finally, INGAA states that rescinding Order No. 871 would be consistent with the Administration’s priorities to develop reliable energy infrastructure.<sup>26</sup> INGAA argues that the Commission has previously proposed rules that are justified by federal policies established in prior Executive Orders.<sup>27</sup>

11. In response to INGAA’s petition, several entities filed motions to intervene, without comment.<sup>28</sup> On April 30, 2025, U.S. Department of the Interior Secretary Burgum, acting in his capacity as Chairman of the National Energy Dominance Council, filed a letter supporting INGAA’s petition. Secretary Burgum states that Order No. 871 is inconsistent with the Administration’s policies declaring a national energy emergency and prioritizing the efficient development of energy infrastructure for the protection of national and economic security.<sup>29</sup> On June 11, 2025, Energy

that otherwise comply with all relevant substantive environmental laws.”)

<sup>24</sup> *Id.* at 14.

<sup>25</sup> *Id.* at 14–15.

<sup>26</sup> *Id.* at 16–17.

<sup>27</sup> *Id.* (citing *Applications for Permits to Site Interstate Elec. Transmission Facilities*, Notice of Proposed Rulemaking, 181 FERC ¶ 61,205, at P 30 (2022); *Applications for Permits to Site Interstate Elec. Transmission Facilities*, Order No. 1977, 89 FR 46682 (May 29, 2024), 187 FERC ¶ 61,069, at P 111 (2024)).

<sup>28</sup> Motions to intervene were filed by Public Citizen, Inc.; Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc.; Iroquois Gas Transmission System, L.P.; National Grid Gas Delivery Companies; Ameren Services Company on behalf of Ameren Illinois Company and Union Electric Company d/b/a Ameren Missouri; Ascent Resources—Utica, LLC; Natural Gas Supply Association; Chevron U.S.A. Inc.; Missouri Public Service Commission; UGI Utilities, Inc.; Duke Energy Carolinas, LLC, Duke Energy Progress, Duke Energy Florida, LLC, and Duke Energy Indiana, LLC; Piedmont Natural Gas Company, Inc.; American Gas Association; and Energy Transfer LP and its affiliates. Intervention is not necessary in order to request rehearing of a rulemaking. *See, e.g.*, Order No. 871-B, 175 FERC ¶ 61,098 at n.14.

<sup>29</sup> Secretary Burgum April 30, 2025 Letter Endorsing Petition for Rulemaking to Rescind Order No. 871 (citing Executive Order Nos. 14154, “Unleashing American Energy;” 14156, “Declaring

<sup>8</sup> *Id.* PP 26, 30.

<sup>9</sup> Order No. 871-C, 176 FERC ¶ 61,062 at P 41 (clarifying that the stay policy applies to landowners subject to eminent domain).

<sup>10</sup> Order No. 871-B, 175 FERC ¶ 61,098 at PP 43–51 (noting at P 51 that the new policy is only presumptive and that the question of whether to impose a stay will be decided on the circumstances presented in each particular certificate proceeding.).

<sup>11</sup> Order No. 871-C, 176 FERC ¶ 61,062.

<sup>12</sup> INGAA and others filed and later withdrew petitions for review of the Order No. 871 rulemaking.

<sup>13</sup> Exec. Order No. 14,154, 90 FR 8353 (Jan. 20, 2025).

<sup>14</sup> Exec. Order No. 14,156, 90 FR 8433 (Jan. 20, 2025).

<sup>15</sup> INGAA Petition at 18.

<sup>16</sup> *Id.* at 7.

<sup>17</sup> *Allegheny*, 964 F.3d 1, 13–17 (holding that parties that have filed a rehearing request may file a petition for judicial review of the underlying order immediately after rehearing is deemed denied).

<sup>18</sup> INGAA Petition at 7–8.

<sup>19</sup> *Id.* at 8.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.* at 8–9.

<sup>22</sup> *Id.* at 9–11.

<sup>23</sup> *Id.* at 12–14. We note that INGAA has not provided additional support for these specific claims. *Cf. Seven Cnty. Infrastructure Coal. v. Eagle Cnty., Colo.*, No. 23–975, 2025 WL 1520964, slip op. at 12 (D.C. Cir. May 29, 2025) (noting that “project opponents have invoked [the National Environmental Policy Act] and sought to enlist courts in blocking or delaying even those projects

Transfer LP and its affiliates filed comments in support of INGAA's petition.

## II. Discussion

12. NGA section 16 authorizes the Commission to make, amend, and rescind any regulations as it may find appropriate to carry out the provisions of the NGA.<sup>30</sup> As stated above, the NGA was primarily enacted to encourage the orderly development of natural gas supply.<sup>31</sup> Consequently, NGA section 7(e) instructs the Commission to issue certificates if it determines that a proposed pipeline "is or will be required by the present or future public convenience and necessity."<sup>32</sup> NGA section 3 requires the Commission to authorize proposed import or export facilities unless it finds that the proposed facilities "will not be consistent with the public interest."<sup>33</sup>

13. As pointed out in INGAA's petition,<sup>34</sup> construction of natural gas infrastructure is a complex process, constrained by many outside factors, including timing constraints related to weather (e.g., the infeasibility in certain areas of winter construction) and certain species ("tree clearing windows," i.e., months of the year during which regulatory constraints are imposed on clearing of trees in areas where species may be present).<sup>35</sup> A potential 150-day delay in the start of construction, under real world conditions, could equate to a much longer and much less certain delay, jeopardizing the availability of the project's capacity or reliability benefits in the timeframe identified by the project sponsor as being needed. Delays can frustrate achieving the identified objectives of approved projects that the Commission found to be needed and in the public interest or required by the public convenience and necessity, in addition to adversely affecting project financing and increasing costs.

14. Additionally, there is widespread recognition that new natural gas

infrastructure, as well as continued maintenance to ensure the integrity of the existing interstate natural gas system, is critical for the immediate term to help address pressing nationwide reliability and resource adequacy concerns.<sup>36</sup> For example, the North American Electric Reliability Corporation (NERC), which oversees the reliability of the nation's bulk power system, has found that "additional pipeline infrastructure is needed to reliably serve electric load."<sup>37</sup> The Commission and NERC published a recent report that emphasizes that adequate natural gas infrastructure is critical in meeting total natural gas demand, particularly in periods of high demand to support both natural gas and electric system reliability.<sup>38</sup> Specifically, the report notes that recently-built natural gas pipeline infrastructure "played a crucial role in maintaining reliable electric supply during [last winter's] high demand period by sustaining stable pipeline pressure,"<sup>39</sup> but "finding available pipeline transportation capacity during a cold weather event may still be difficult in certain areas of the country."<sup>40</sup>

15. Notably, near-term natural gas and electricity demand are both expected to grow rapidly in the United States. Total U.S. natural gas demand is forecasted to average 98.7 billion cubic feet per day (Bcf/d) in summer 2025, 1.7 Bcf/d more than summer 2024 levels and nearly 10% more than the previous five-year summer average.<sup>41</sup> Moreover, longer-term forecasts show demand growing beyond this summer, with total U.S. natural gas demand forecasted to increase from 35.2 trillion cubic feet

(Tcf) in 2025 to 35.6 Tcf in 2027.<sup>42</sup> Anticipated levels of natural gas exports, reflecting sustained demand for liquified natural gas cargos in international markets and greater pipeline flows to Mexico, are also expected to increase in both the near- and medium-terms. The U.S. Energy Information Administration (EIA) forecasts gross natural gas exports to average 15.5 Bcf/d in summer 2025, an increase of 3.2 Bcf/d from summer 2024 and 51% over the previous five-year average.<sup>43</sup>

16. Further, domestic demand for electricity, the largest share of which comes from natural gas generation, is also anticipated to grow robustly between 2025 and 2029,<sup>44</sup> sparking concern among market operators about meeting that demand reliably and affordably. Grid operators at the Midcontinent Independent System Operator, Inc. (MISO), ISO New England Inc. (ISO-NE), PJM Interconnection, L.L.C. (PJM), and Southwest Power Pool (SPP), which collectively serve 144 million people across 36 states and the District of Columbia, have stressed that new natural gas infrastructure is essential for improved gas-electric coordination, energy security, and reliability.<sup>45</sup> As noted in the 2024 NERC Long-Term Reliability Assessment, "[n]atural gas-fired generators are a vital bulk power system resource" and "natural gas pipeline capacity additions over the past seven years are trending downward, and some areas could experience insufficient pipeline capacity for electric generation during peak periods."<sup>46</sup> Constrained natural gas pipeline capacity and storage availability is also having increasing impacts on domestic manufacturing

<sup>36</sup> *Interstate Nat. Gas Ass'n of Am.*, 191 FERC ¶ 61,209 at P 10 (2025) (order granting temporary waiver of § 157.23); *Interstate Nat. Gas Ass'n of Am.*, 191 FERC ¶ 61,206, at P 6 (2025) (order granting temporary waiver of regulations to increase blanket certificate cost limitations).

<sup>37</sup> NERC, *2022 Long-Term Reliability Assessment*, 18 (2022), [https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\\_LTRA\\_2022.pdf](https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2022.pdf) (accessed May 1, 2025); see also NERC, *2024 Long-Term Reliability Assessment*, 15, 29 (2024), [https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\\_Long%20Term%20Reliability%20Assessment\\_2024.pdf](https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf) (accessed May 1, 2025) (discussing the need for natural gas pipeline capacity in PJM, SPP, and ISO-NE).

<sup>38</sup> NERC, *January 2025 Arctic Events: A System Performance Review*, Docket No. AD25-9-000, 18-19 (2025), <https://www.ferc.gov/media/report-january-2025-arctic-events-system-performance-review-ferc-nerc-and-its-regional> (accessed May 16, 2025).

<sup>39</sup> *Id.* at 20.

<sup>40</sup> *Id.* at 28.

<sup>41</sup> U.S. Energy Information Administration, *Short-Term Energy Outlook* (Apr. 10, 2025), <https://www.eia.gov/outlooks/steo/> (accessed May 8, 2025).

<sup>42</sup> U.S. Energy Information Administration, *Annual Energy Outlook, Table 61: Natural Gas Imports and Exports and Table 62: Natural Gas Consumption by End-Use Sector and Census Division* (Apr. 15, 2025), <https://www.eia.gov/outlooks/aeo/> (accessed May 8, 2025) (accessed May 29, 2025). Total natural gas consumption is calculated by subtracting net natural gas imports from natural gas consumption.

<sup>43</sup> U.S. Energy Information Administration, *Short-Term Energy Outlook* (May 6, 2025), <https://www.eia.gov/outlooks/steo/> (accessed May 13, 2025).

<sup>44</sup> *Id.*

<sup>45</sup> MISO, ISO-NE, PJM, SPP, *Strategies for Enhanced Gas-Electric Coordination: A Blueprint for National Progress*, 5 n.1 (2024), [https://www.iso-nerc.com/static-assets/documents/100008/20240220\\_joint\\_rtos-gas-electric-coordination-white-paper.pdf](https://www.iso-nerc.com/static-assets/documents/100008/20240220_joint_rtos-gas-electric-coordination-white-paper.pdf) (accessed May 16, 2025); PJM Interconnection, L.L.C. and Midcontinent Indep. Sys. Operator, Inc., Comments, Docket No. PL18-1-001, at 2 (filed May 25, 2022); ISO New England Inc., Comments, Docket No. AD22-9-000, at 4 (filed June 9, 2023).

<sup>46</sup> NERC, *2024 Long-Term Reliability Assessment*, at 8 (2024), [https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC\\_Long%20Term%20Reliability%20Assessment\\_2024.pdf](https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_Long%20Term%20Reliability%20Assessment_2024.pdf) (accessed May 19, 2025).

a National Energy Emergency;" and 14213, "Establishing the National Energy Dominance Council").

<sup>30</sup> 15 U.S.C. 717o.

<sup>31</sup> See *supra* P 1.

<sup>32</sup> 15 U.S.C. 717f(e).

<sup>33</sup> *Id.* 717b(a).

<sup>34</sup> INGAA Petition at 8-9.

<sup>35</sup> See, e.g., *Transcon. Gas Pipe Line Co., LLC*, 161 FERC ¶ 61,250, at P 100 (2017) (upholding the Commission's finding that delaying construction could jeopardize compliance with a limited tree clearing window that was recommended to mitigate impacts on threatened and endangered species in the project area); *Algonquin Gas Transmission, LLC*, 151 FERC ¶ 61,118, at P 39 (2015) (acknowledging that the project developer proposed a project schedule that appropriately balanced weather, environmental, and construction constraints).

where manufacturing is facing a growing crisis due to inadequate natural gas pipeline capacity.<sup>47</sup>

17. In recognition of these concerns, the President has issued several executive orders that emphasize the Administration's policy priorities to facilitate the efficient development of reliable, necessary energy infrastructure to protect the country's national and economic security. Executive Order 14154 seeks to eliminate delays in and streamline the permitting process for energy infrastructure projects and the expeditious completion of authorized projects, and notes that it is "in the national interest to unleash America's affordable and reliable energy and natural resources."<sup>48</sup> Executive Order 14156 declares a national emergency and prioritizes the expansion of energy infrastructure as a matter of critical national and economic security.<sup>49</sup>

18. Accordingly, to promote and expedite efficient energy development and reduce construction delays resulting from the regulation's limitation on the issuance of construction authorizations while a rehearing request is pending, the Commission proposes to remove § 157.23 from its regulations and revise § 153.4 to eliminate the cross-reference to § 157.23. This action would reduce unnecessary delays in, and burdens on, energy infrastructure development.

19. Moreover, the Commission finds that changed circumstances warrant the removal of § 157.23. We acknowledge that the Commission has expressed concerns posed by the possibility of construction proceeding prior to the completion of Commission review;<sup>50</sup> however, subsequent to promulgation of § 157.23, the court in *Allegheny* clarified that stakeholders have the opportunity to seek judicial relief while a rehearing request may be pending before the Commission. In the *Allegheny* decision, the D.C. Circuit found that NGA section 19(a) allows parties that have filed a rehearing request to file a petition for judicial review of the underlying order immediately after rehearing is deemed denied, and that after a petition for judicial review is filed the Commission retains the authority to "modify or set aside, in whole or in part" the underlying order or findings.<sup>51</sup> The

court noted that section 19(a) ensures the "opportunity for the [rehearing] applicant to seek temporary injunctive relief if needed under the ordinary standards for a stay."<sup>52</sup> By specifying that parties are able to seek judicial review or a stay immediately following a deemed denial of rehearing, *Allegheny* provides safeguards to stakeholders' interests and helps ensure that parties may seek to halt the commencement of construction during the pendency of a rehearing request.

20. The Commission also protects landowners and communities from harm through its NGA sections 3 or 7 authorizations. Only after carefully considering and balancing alleged harms of the project, including potential impacts to landowners and communities, against its benefits will the Commission proceed with issuing an NGA section 3 authorization or section 7 certificate. Although the Commission generally makes NGA authorizations effective immediately upon issuance by the Commission, as INGAA points out, because the Commission requires in each authorization that project proponents secure all applicable authorizations under federal law before beginning construction, it is rare that construction can begin immediately on all but the smallest scope projects, thus minimizing the perceived need for the regulations we propose to eliminate here.<sup>53</sup>

21. The Commission will also continue to consider whether additional protections are warranted in individual proceedings. The Commission's proposal here does not modify our case-by-case application of our presumptive stay policy, which may be applied where a landowner who is potentially subject to eminent domain proceedings protests the proposal,<sup>54</sup> and the applicant has not acquired the necessary property interests.<sup>55</sup>

22. Accordingly, in light of the Commission's experience in implementing *Allegheny*, specifically that relatively few rehearing requests are

filed by landowners whose property would be encumbered by the project, the Commission has determined that § 157.23 may no longer be necessary.

### III. Request for Comments

23. The Commission requests and encourages public comments on this notice of proposed rulemaking. Additionally, the Commission seeks comment on whether it should instead revise § 157.23 to (1) limit its scope while maintaining some protections for certain types of stakeholders or (2) reduce the time period on the limitation for issuing authorizations to proceed with construction. The Commission will consider comments it receives and provide responses in a final rule, with changes, if warranted.

### IV. Information Collection Statement

24. The Paperwork Reduction Act<sup>56</sup> requires each federal agency to seek and obtain the Office of Management and Budget's (OMB) approval before undertaking a collection of information (*i.e.*, reporting, recordkeeping, or public disclosure requirements) directed to ten or more persons or contained in a rule of general applicability. OMB regulations require approval of certain information collection requirements contained in final rules published in the **Federal Register**.<sup>57</sup> This notice of proposed rulemaking does not contain any information collection requirements. The Commission is therefore not required to submit this rule to OMB for review.

### V. Environmental Analysis

25. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>58</sup> The Commission has categorically excluded certain actions from this requirement as not having a significant effect on the human environment, including the promulgation of rules that are clarifying, corrective, or procedural, or that do not substantially change the effect of legislation or the regulations being amended.<sup>59</sup> This notice proposes to remove § 157.23 from the Commission's regulations and revise § 153.4 to remove the cross-reference to § 157.23. Because the proposed rule is procedural in nature and falls within this categorical exclusion, preparation of an Environmental Assessment or an

<sup>47</sup> *Id.* at 17.

<sup>48</sup> INGAA Petition at P 15 (citing Order No. 871-B, 175 FERC ¶ 61,098 at P 42).

<sup>49</sup> Order No. 871-C, 176 FERC ¶ 61,062 at P 41 (clarifying that the stay policy applies to landowners subject to eminent domain).

<sup>50</sup> See Order No. 871-B, 175 FERC ¶ 61,098 at PP 43-51. The Commission has affirmatively directed a presumptive stay in four orders issuing section 7 certificates. *Transcon. Gas Pipe Line Co., LLC*, 182 FERC ¶ 61,006 (2023), *N. Nat. Gas Co.*, 178 FERC ¶ 61,203 (2022), *Spire Storage W. LLC*, 179 FERC ¶ 61,123 (2022), *Gulf S. Pipeline Co., LLC*, 181 FERC ¶ 61,145 (2022). As we have explained, a pipeline developer may move to preclude, or lift, such a stay based on a showing of significant hardship. Order No. 871-B, 175 FERC ¶ 61,098 at P 51.

<sup>56</sup> 44 U.S.C. 3501-3521.

<sup>57</sup> See 5 CFR 1320.12.

<sup>58</sup> *Reguls. Implementing the Nat'l Env't Pol'y Act of 1969*, Order No. 486, 41 FERC ¶ 61,284 (1987).

<sup>59</sup> 18 CFR 380.4(a)(2)(ii).

<sup>47</sup> FERC, *Federal-State Current Issues Collaborative* (Apr. 28, 2025), <https://www.ferc.gov/federal-state-current-issues-collaborative>.

<sup>48</sup> Exec. Order No. 14,154, 90 FR 8353 (Jan. 20, 2025).

<sup>49</sup> Exec. Order No. 14,156, 90 FR 8433 (Jan. 20, 2025).

<sup>50</sup> See Order No. 871, 171 FERC ¶ 61,201 at P 11; Order No. 871-B, 175 FERC ¶ 61,098 at P 25.

<sup>51</sup> See *Allegheny*, 964 F.3d at 13-17.

Environmental Impact Statement is not required. Further, we note that this proposed rule only changes the potential construction commencement date for natural gas projects, and such a change would not alter the environmental effects of a project constructed and operated in compliance with its certificate or authorization order.

## VI. Regulatory Flexibility Act

26. The Regulatory Flexibility Act of 1980 (RFA)<sup>60</sup> generally requires a description and analysis of proposed rules that will have significant economic impact on a substantial number of small entities. The RFA mandates consideration of regulatory alternatives that accomplish the stated objectives of a proposed rule and minimize any significant economic impact on a substantial number of small entities.<sup>61</sup> In lieu of preparing a regulatory flexibility analysis, an agency may certify that a proposed rule will not have a significant economic impact on a substantial number of small entities.<sup>62</sup> The Small Business Administration's (SBA) Office of Size Standards develops the numerical definition of a small business.<sup>63</sup> The SBA has established a size standard for pipelines transporting natural gas, stating that a firm is small if its annual receipts (including its affiliates) are less than \$41.5 million.<sup>64</sup>

27. If enacted, this proposed rule would apply to entities, a small number of which may be small businesses, that receive Commission authorization to construct new natural gas transportation, export, or import facilities under section 3 or 7 of the NGA. However, the proposed rule would have no adverse effect on these entities, regardless of their status as a small entity or not, as the rule imposes no action or requirement on those entities. Instead, the proposed rule would remove a time-limited prohibition on the issuance of authorizations to proceed with construction activities while rehearing is pending. Accordingly, pursuant to section 605(b) of the RFA, the Commission certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities.

## VII. Comment Procedures

The Commission invites interested persons to submit comments on the matters and issues proposed in this notice to be adopted, including any related matters or alternative proposals that commenters may wish to discuss. Comments are due July 24, 2025. Comments must refer to Docket No. RM25–9–000, and must include the commenter's name, the organization they represent, if applicable, and their address in their comments. All comments will be placed in the Commission's public files and may be viewed, printed, or downloaded remotely as described in the Document Availability section below. Commenters on this proposal are not required to serve copies of their comments on other commenters.

28. The Commission encourages comments to be filed electronically via the eFiling link on the Commission's website at <http://www.ferc.gov>. The Commission accepts most standard word processing formats. Documents created electronically using word processing software must be filed in native applications or print-to-PDF format and not in a scanned format. Commenters filing electronically do not need to make a paper filing.

29. Commenters that are not able to file comments electronically may file an original of their comment by USPS mail or by courier or other delivery services. For submission sent via USPS only, filings should be mailed to: Federal Energy Regulatory Commission, Office of the Secretary, 888 First Street NE, Washington, DC 20426. Submission of filings other than by USPS should be delivered to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

## VIII. Document Availability

30. In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>).

31. From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

32. User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at 202–502–6652 (toll free at 1–866–208–3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room at (202) 502–8371, TTY (202)502–8659. Email the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

## List of subjects

18 *CFR Part 153*

Exports, Natural gas, Reporting and recordkeeping requirements.

18 *CFR Part 157*

Administrative practice and procedure, Natural gas, Reporting and recordkeeping requirements.

Issued: June 18, 2025.

**Debbie-Anne A. Reese,**

Secretary.

In consideration of the foregoing, the Commission proposes to amend parts 153 and 157, Chapter I, Title 18, *Code of Federal Regulations*, as follows:

### **PART 153—APPLICATIONS FOR AUTHORIZATION TO CONSTRUCT, OPERATE, OR MODIFY FACILITIES USED FOR THE EXPORT OR IMPORT OF NATURAL GAS**

■ 1. The authority citation for part 153 continues to read as follows:

**Authority:** 15 U.S.C. 717b, 717o; E.O. 10485; 3 CFR, 1949–1953 Comp., p. 970, as amended by E.O. 12038, 3 CFR, 1978 Comp., p. 136, DOE Delegation Order No. 0204–112, 49 FR 6684 (February 22, 1984).

■ 2. Revise § 153.4 to read as follows:

#### **§ 153.4 General requirements.**

The procedures in §§ 157.5, 157.6, 157.8, 157.9, 157.10, 157.11, and 157.12 of this chapter are applicable to the applications described in this subpart.

### **PART 157—APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND FOR ORDERS PERMITTING AND APPROVING ABANDONMENT UNDER SECTION 7 OF THE NATURAL GAS ACT**

■ 3. The authority citation for Part 157 continues to read as follows:

**Authority:** 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7352.

■ 4. Remove § 157.23.

[FR Doc. 2025–11582 Filed 6–23–25; 8:45 am]

**BILLING CODE 6717–01–P**

<sup>60</sup> 5 U.S.C. 601–612.

<sup>61</sup> *Id.* 603(c).

<sup>62</sup> *Id.* 605(b).

<sup>63</sup> 13 CFR 121.101.

<sup>64</sup> 13 CFR 121.201, subsection 486.

**DEPARTMENT OF ENERGY****Federal Energy Regulatory Commission****18 CFR Part 157****[Docket No. RM25–12–000]****Blanket Certificate Cost Limitations****AGENCY:** Federal Energy Regulatory Commission, DOE.**ACTION:** Notice of inquiry.

**SUMMARY:** The Federal Energy Regulatory Commission (Commission) seeks information and stakeholder perspectives to help the Commission explore whether, and if so how, to revise its Part 157, Subpart F blanket certificate regulations to adjust the cost limitations for projects that interstate natural gas pipelines may construct without a case-specific authorization order.

**DATES:** Comments are due August 25, 2025.

**ADDRESSES:** Comments, identified by docket number, may be filed in the following ways. Electronic filing through <http://www.ferc.gov>, is preferred.

- *Electronic Filing:* Documents must be filed in acceptable native applications and print-to-PDF, but not in scanned or picture format.

- For those unable to file electronically, comments may be filed by USPS mail or by hand (including courier) delivery.

- *Mail via U.S. Postal Service Only:* Addressed to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

- *Hand (including courier) delivery:* Deliver to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

The Comment Procedures Section of this document contains more detailed filing procedures.

**FOR FURTHER INFORMATION CONTACT:**

Danielle Elefritz (Legal Information), Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, (202) 502–8767

Nicole Huang (Technical Information), Office of Energy Projects, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426, (202) 502–8410

**SUPPLEMENTARY INFORMATION:** In this notice of inquiry, the Commission seeks information and stakeholder perspectives to help the Commission explore whether, and if so how, it

should revise its Part 157, Subpart F blanket certificate regulations<sup>1</sup> to adjust the cost limitations for projects that interstate natural gas pipelines may construct without a case-specific authorization order.

**I. Background**

1. Interstate pipelines that hold a certificate of public convenience and necessity pursuant to section 7(c) of the Natural Gas Act (NGA)<sup>2</sup> may obtain a blanket certificate under Part 157, Subpart F of the Commission's regulations to undertake, without a case-specific authorization order, certain activities automatically and certain other activities after prior notice. Currently, blanket certificate activities are limited to a maximum cost of \$14,500,000 per project undertaken without prior notice (also referred to as automatic authorization projects) and \$41,100,000 per project undertaken subject to prior notice.<sup>3</sup> Additionally, a certificate holder may undertake certain natural gas storage activities without prior notice for the testing or development of underground storage reservoirs if the total cost during the calendar year does not exceed \$7,900,000.<sup>4</sup> The cost limitations are adjusted each year to reflect the "GDP implicit price deflator" published by the Department of Commerce for the previous calendar year.<sup>5</sup>

2. The blanket certificate program was designed "provide streamlined procedures which increase flexibility and reduce regulatory burden" for a generic class of routine activities with constraints for consistency with the Commission's statutory obligations under the NGA and environmental statutes.<sup>6</sup> In 1982, in instituting the blanket certificate program, the Commission explained the new program as follows:

[T]he final regulations divide the various actions that the Commission certifies into several categories. The first category applies to certain activities performed by interstate pipelines that either have relatively little

impact on ratepayers, or little effect on pipeline operations. This first category also includes minor investments in facilities which are so well understood as an established industry practice that little scrutiny is required to determine their compatibility with the public convenience and necessity. The second category of activities provides for a notice and protest procedure and comprises certain activities in which various interested parties might have a concern. In such cases there is a need to provide an opportunity for a greater degree of review and to provide for possible adjudication of controversial aspects. Activities not authorized under the blanket certificate are those activities which may have a major potential impact on ratepayers, or which propose such important considerations that close scrutiny and case-specific deliberation by the Commission is warranted prior to the issuance of a certificate.<sup>7</sup>

3. Since the 1982 rulemaking, the Commission has relied on the Department of Commerce's gross domestic product (GDP) implicit price deflator as a measure to make annual adjustments to the blanket cost limits.<sup>8</sup> In that rulemaking, the Commission declined to base annual adjustments on the Handy-Whitman Index, an alternative price tracker that is focused more narrowly on gas utility construction costs, finding the GDP implicit price deflator to be preferable to "an index based on a private collection of data not easily susceptible to governmental verification."<sup>9</sup> In 2006, the Commission revised its regulations to increase the cost limitations above the then-inflation adjusted cost cap to address concerns that construction costs had risen faster than the overall rate of inflation.<sup>10</sup> To do so, the Commission compared the rate of cost increase derived from the Handy-Whitman Index to that resulting from the GDP implicit price deflator and raised the cost limitations on a one-time basis from \$8,200,000 to \$9,600,000 for automatic authorization projects and from \$22,700,000 to \$27,400,000 for prior notice projects to account for the discrepancy between the two different inflation indicators.<sup>11</sup> The Commission did not otherwise revise its cost

<sup>1</sup> 18 CFR pt. 157, subpt. F.

<sup>2</sup> 15 U.S.C. 717f(c).

<sup>3</sup> 18 CFR 157.208(d).

<sup>4</sup> *Id.* § 157.215(a)(5).

<sup>5</sup> *Id.* § 157.208(d).

<sup>6</sup> *Interstate Pipeline Certificates for Routine Transactions*, Order No. 234, 47 FR 24254, at 24256, 24263 (June 4, 1982), FERC Stats. & Regs. ¶ 30,368, at 30,201 (1982) (cross-referenced at 19 FERC ¶ 61,216); see also *Revisions to the Blanket Certificate Reguls. & Clarification Regarding Rates*, Order No. 686, 71 FR 63680 (Oct. 31, 2006), 117 FERC ¶ 61,074, at P 7 (2006) ("The blanket certificate program was designed to provide an administratively efficient means to authorize a generic class of routine activities, without subjecting each minor project to a full, case-specific NGA section 7 certificate proceeding.").

<sup>7</sup> Order No. 234, FERC Stats. & Regs. ¶ 30,368 at 30,200.

<sup>8</sup> *Id.* at 30,206.

<sup>9</sup> *Id.*

<sup>10</sup> Order No. 686, 117 FERC ¶ 61,074 at P 33. The 2006 rulemaking also expanded the scope of blanket certificate activities to include certain mainline, liquefied natural gas and synthetic gas, and storage facilities, subject to the prior notice provisions of our regulations regardless of their estimated costs to protect from adverse impacts to existing customers' rates and services and environmental, safety, and security concerns. *Id.* P 11.

<sup>11</sup> *Id.* P 34.

limitation regulations, thus the annual inflation adjustment is based on the Department of Commerce's GDP implicit price deflator.

4. Services using capacity constructed under blanket certificate authorization are provided at a certificate holder's existing Part 284 rates, and blanket project costs are afforded the presumption that they will qualify for rolled-in rate treatment in a future NGA section 4 proceeding. The 1982 rulemaking explained that the rates that would be charged for service over blanket facilities would already have been approved in a previous rate proceeding.<sup>12</sup> The Commission has applied a presumption in favor of rolled-in rate treatment for the costs of blanket certificate projects because of the expected *de minimis* impact on a pipeline system's overall rates, *i.e.*, the expectation that blanket certificate projects will not be subsidized by existing customers.<sup>13</sup> The Commission specifically adopted this presumption in its 1995 Pricing Policy Statement,<sup>14</sup> and continued the approach in its 1999 Certificate Policy Statement.<sup>15</sup> In the 2006 rulemaking, which in part raised the bases from which the cost ceilings for blanket certificate projects are increased on an annual basis to reflect inflation, the Commission declined to allow project sponsors to request incremental rates for blanket certificate projects, reasoning that the additional time necessary to complete such a review would delay the otherwise expedited project authorization available under the blanket certificate program.<sup>16</sup>

## II. Discussion

5. The Commission is issuing this notice of inquiry to consider whether, and if so, how our Part 157, Subpart F blanket certificate cost limitation regulations should be modified to

address potential increases in the cost of constructing pipeline facilities.

6. On April 14, 2025, as modified on June 11, 2025, the Interstate Natural Gas Association of America (INGAA) filed a petition for temporary waiver of the Commission's regulations to increase the blanket certificate cost limitations for prior notice projects. Specifically, INGAA requested a two-year waiver of the cost limitation regulations to double the prior notice authorization cost limit from \$41,100,000 to \$82,200,000 and that the Commission initiate a notice of inquiry to assess whether a permanent revision to the blanket certificate cost limits is warranted.<sup>17</sup> In support of its request, INGAA avers that "barriers to infrastructure construction have ballooned infrastructure development costs in the United States" and "[i]nflation alone cannot account for the disproportionate cost increase."<sup>18</sup> INGAA states that the cost of pipeline construction in the United States has risen from an average of \$84,788 per inch-mile in 2006 to \$221,713 per inch-mile in 2015, with that value expected to reach to \$312,466 per inch-mile by 2025.<sup>19</sup>

7. On June 18, 2025, the Commission issued an order granting in part INGAA's petition and waiving, on a temporary basis, our regulations to increase the cost limitations for prior notice blanket certificate projects constructed and placed in service by May 31, 2027.<sup>20</sup> The Commission wants to ensure that routine and relatively minor infrastructure projects can continue to be developed in a timely manner to ensure energy reliability, affordability, and resource adequacy, even after the end of the temporary waiver period.

8. Accordingly, the Commission seeks comment on the following questions. Comments should address whether any proposal therein aligns with any Commission policy and precedent, and if so, how.

(1) What types of projects, including their rate, operational, or environmental impacts,

<sup>17</sup> *Interstate Nat. Gas Ass'n of Am.*, Petition, Docket No. CP25–208–000, at 9 (filed Apr. 14, 2025) (Petition); *Interstate Nat. Gas Ass'n of Am.*, Modified Petition, Docket No. CP25–208–000, at 1 (filed June 11, 2025).

<sup>18</sup> Petition at 10–11 (citing Zachary Liscow, *Getting Infrastructure Built: The Law and Economics of Permitting*, 39 J. Econ. Persps. 151, 155–59, 161–63 (2025)).

<sup>19</sup> *Id.* at 11 (citing The INGAA Foundation, Inc., *North America Midstream Infrastructure through 2035* app. F (2018), <https://ingaa.org/foundation/resources/north-america-midstream-infrastructure-through-2035-significant-development-continues/> (accessed May 12, 2025)).

<sup>20</sup> *Interstate Nat. Gas Ass'n of Am.*, 191 FERC ¶ 61,206 (2025).

should be included under either of the two categories of blanket certificate projects?

(2) Recognizing that natural gas pipelines vary in size, what is the cost of projects that are "minor investments" or which may not "have a major potential impact on ratepayers?"

(3) What types of projects warrant "close scrutiny and case-specific deliberation by the Commission" and how much do such projects cost on average? Please provide any data supporting such costs estimates.

(4) What effect have input costs, including labor, materials, equipment, and project financing had on natural gas project costs since the Commission's 2006 rulemaking amending the cost limitations, if any? If these factors have deviated from the Commission's existing cost escalator, how should the Commission amend its blanket certificate cost limitations to reflect the rise in costs of future projects that represent "minor investments" or which may not "have a major potential impact on ratepayers"?

(5) Is there an alternative price metric or inflation tracker or combination of trackers (*e.g.*, pipeline construction labor and capital costs) that the Commission should use to annually adjust the blanket certificate cost limitations moving forward that better reflects the changes in natural gas project construction costs than the Department of Commerce's GDP implicit price deflator?

(6) Should the Commission extend its current practice of requiring project sponsors that receive a predetermination of rolled-in rate treatment in NGA section 7(c) case-specific authorizations to keep separate books and accounting of costs and revenues attributable to the project in the same manner as required by § 154.309 of our regulations to projects authorized by the blanket certificate program? What other measures, if any, should the Commission require, in the blanket certificate application or subsequent to the authorization of the blanket project, to ensure the appropriate rate treatment of blanket certificate projects?

(7) Should the Commission allow project sponsors to request incremental rates for prior notice blanket projects? How might that be implemented in a manner that would maintain the goal of streamlining procedures and reducing regulatory burdens while ensuring that there are no adverse impacts on existing rates and services?

(8) What additional measures, if any, should the Commission consider to limit any potentially adverse impacts, including impacts to affected communities or environmental impacts, which might be associated with adjusting the blanket certificate cost limitations?

## III. Comment Procedures

9. The Commission invites interested persons to submit comments on the matters and issues identified in this notice. Comments are due August 25, 2025. Comments must refer to Docket No. RM25–12–000, and must include the commenter's name, the organization they represent, if applicable, and their address in their comments. All comments will be placed in the

<sup>12</sup> Order No. 234, FERC Stats. & Regs. ¶ 30,368 at 30,201.

<sup>13</sup> See, *e.g.*, *Fla. Se. Connection, LLC*, 163 FERC ¶ 61,158, at P 20 (2018).

<sup>14</sup> *Pricing Policy for New & Existing Facilities Constructed by Interstate Pipelines*, 71 FERC ¶ 61,241, at 61,917 (1995) (Pricing Policy Statement).

<sup>15</sup> *Certification of New Interstate Nat. Gas Pipeline Facilities*, 61 FR 21540 (May 10, 1996), 88 FERC ¶ 61,227, corrected, 89 FERC ¶ 61,040, at 61,746 n.12 (1999), clarified, 90 FERC ¶ 61,128, further clarified, 92 FERC ¶ 61,094 (2000) (Certificate Policy Statement) (explaining that it is not a subsidy for existing customers to pay for projects designed to replace existing capacity or improve the reliability or flexibility of existing service).

<sup>16</sup> Order No. 686, 117 FERC ¶ 61,074 at P 38. The Commission explained that the validity of the presumption could be addressed in an NGA section 4 rate proceeding. *Id.*

Commission's public files and may be viewed, printed, or downloaded remotely as described in the Document Availability section below. Commenters on this proposal are not required to serve copies of their comments on other commenters.

10. The Commission encourages comments to be filed electronically via the eFiling link on the Commission's website at <http://www.ferc.gov>. The Commission accepts most standard word processing formats. Documents created electronically using word processing software must be filed in native applications or print-to-PDF format and not in a scanned format. Commenters filing electronically do not need to make a paper filing.

11. Commenters that are not able to file comments electronically may file an original of their comment by USPS mail or by courier or other delivery services. For submission sent via USPS only, filings should be mailed to: Federal Energy Regulatory Commission, Office of the Secretary, 888 First Street NE, Washington, DC 20426. Submission of filings other than by USPS should be delivered to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

#### IV. Document Availability

12. In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>).

13. From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

14. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov).

Issued: June 18, 2025.

**Debbie-Anne A. Reese,**  
*Secretary.*

[FR Doc. 2025-11583 Filed 6-23-25; 8:45 am]

**BILLING CODE 6717-01-P**

#### DEPARTMENT OF THE TREASURY

##### Internal Revenue Service

##### 26 CFR Part 300

[REG-107459-24]

RIN 1545-BR22

##### Estate Tax Closing Letter User Fee Update

##### *Correction*

In proposed rule document 2025-08929, appearing on pages 21439 through 21441 in the issue of Tuesday, May 20, 2025, make the following correction:

On p. 21440, in the 1st column, on the 21st line, after **FOR FURTHER INFORMATION CONTACT**, the language "Michael A. Weber at (202) 317-6090" should be corrected to read as "Maria E. Arias-Buchanan at (202) 803-9569."

[FR Doc. C1-2025-08929 Filed 6-23-25; 8:45 am]

**BILLING CODE 4830-01-M**

# Notices

Federal Register

Vol. 90, No. 119

Tuesday, June 24, 2025

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Submission for OMB Review; Comment Request

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments are requested regarding; whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; the accuracy of the agency's estimate of burden including the validity of the methodology and assumptions used; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the 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.

Comments regarding this information collection received by July 24, 2025 will be considered. Written comments and recommendations for the proposed information collection should be submitted within 30 days of the publication of this notice on the following website [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

An agency may not conduct or sponsor a collection of information unless the collection of information displays a currently valid OMB control number and the agency informs potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it

displays a currently valid OMB control number.

### Foreign Agricultural Service

*Title:* Agricultural Trade Promotion Program.

*OMB Control Number:* 0551–0049.

*Summary of Collection:* The authority for the Agricultural Trade Promotion Program (ATP) is contained in the authority derived from the Commodity Credit Corporation (CCC) Charter Act, 15 U.S.C. 714c(f)—Specific Powers of Corporation. Program regulations were necessary to establish this new CCC program. The ATP reimburses trade mitigation activities undertaken by nonprofit U.S. agricultural trade organizations, nonprofit state regional trade groups (SRTGs), U.S. agricultural cooperatives, and state agencies that conduct approved foreign market development activities and suffered damages as a result of tariffs imposed on U.S. agricultural products in 2018/2019. The program is administered by personnel of the Foreign Agricultural Service (FAS).

#### *Need and Use of the Information*

The information collected is used by FAS marketing specialists and program managers for the allocation of funds, program management, planning, and evaluation. The integrity of the program hinges on information received from or maintained by the industry.

*Description of Respondents:* Not-for-profit institutions; State, Local or Tribal Government.

*Number of Respondents:* 67.

*Frequency of Responses:* Recordkeeping; Reporting: On occasion; Annually.

*Total Burden Hours:* 38,684.

#### **Rachelle Ragland-Greene,**

*Departmental Information Collection Clearance Officer.*

[FR Doc. 2025–11527 Filed 6–23–25; 8:45 am]

**BILLING CODE 3410–10–P**

## DEPARTMENT OF AGRICULTURE

### Submission for OMB Review; Comment Request

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments are

requested regarding; whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; the accuracy of the agency's estimate of burden including the validity of the methodology and assumptions used; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the 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.

Comments regarding this information collection received by July 24, 2025 will be considered. Written comments and recommendations for the proposed information collection should be submitted within 30 days of the publication of this notice on the following website [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function.

An agency may not conduct or sponsor a collection of information unless the collection of information displays a currently valid OMB control number and the agency informs potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

### Foreign Agricultural Service

*Title:* Agriculture Wood Apparel Manufacturers Trust Fund.

*OMB Control Number:* 0551–0045.

*Summary of Collection:* Section 12603 of the Agriculture Improvement Act of 2018 (the 2018 Farm Bill) reauthorized distributions out of the Agriculture Wool Apparel Manufacturers Trust Fund ("Agriculture Wool Trust Fund") in each of calendar years 2019 through 2023, payable to qualifying claimants. Eligible claimants are directed to submit a notarized affidavit, following the statutory procedures specified in the 2018 Farm Bill. FAS must collect the information provided in the affidavits to assess the eligibility of the claimants and correctly calculate the mandated payments.

*Need and Use of the Information:* Eligible claimants for a distribution from the Agriculture Wool Trust Fund are directed to submit a notarized affidavit, following the statutory procedures specified in the 2018 Farm Bill, to claim a distribution from the Agriculture Wool Trust Fund. The Foreign Agricultural Service will use the information provided in the affidavits to certify the claimants' eligibility and to authorize payment from the Agriculture Wood Trust Fund.

*Description of Respondents:* Business or other-for-profit.

*Number of Respondents:* 95.

*Frequency of Responses:* Record keeping, Reporting: Annually.

*Total Burden Hours:* 260.

**Rachelle Ragland-Greene,**

*Departmental Information Collection Clearance Officer.*

[FR Doc. 2025-11534 Filed 6-23-25; 8:45 am]

BILLING CODE 3410-10-P

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### Information Collection; Information Collection Clearance for the Stewardship Mapping and Assessment Project (STEW-MAP)

**AGENCY:** Forest Service, Agriculture (USDA).

**ACTION:** Notice; request for comment.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, the Forest Service is seeking comments from all interested individuals and organizations on the renewal of a currently approved information collection, Information Collection Clearance for the Stewardship Mapping and Assessment Project (STEW-MAP).

**DATES:** Comments must be received in writing on or before August 25, 2025 to be assured of consideration. Comments received after that date will be considered to the extent practicable.

**ADDRESSES:** Comments concerning this notice should be addressed to Lindsay Campbell, USDA Forest Service, NYC Urban Field Station, 431 Walter Reed Rd., Bayside, NY 11359.

Comments also may be submitted via email to [lindsay.campbell@usda.gov](mailto:lindsay.campbell@usda.gov). Please put "Comments RE: STEW-MAP" in the subject line.

Comments submitted in response to this notice may be made available to the public through relevant websites and upon request. For this reason, please do not include in your comments any information of a confidential nature, such as sensitive personal information

or proprietary information. If you send an email comment, your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the internet. Please note that responses to this public comment request containing any routine notice about the confidentiality of the communication will be treated as public comments that may be made available to the public notwithstanding the inclusion of the routine notice.

The public may inspect the draft supporting statement and/or comments received at USDA Forest Service, NYC Urban Field Station, 431 Walter Reed Rd., Bayside, NY 11359 during normal business hours. Visitors are encouraged to call ahead to (718) 225-3061 to facilitate entry to the building. The public may request an electronic copy of the draft supporting statement and/or any comments received be sent via return email. Requests should be emailed to [lindsay.campbell@usda.gov](mailto:lindsay.campbell@usda.gov).

#### FOR FURTHER INFORMATION CONTACT:

Lindsay Campbell, Northern Research Station, at (212) 637-4175 or by email to [lindsay.campbell@usda.gov](mailto:lindsay.campbell@usda.gov). Individuals who use telecommunication devices for the hearing impaired may call 711 to reach the Telecommunications Relay Service, 24 hours a day, every day of the year, including holidays.

#### SUPPLEMENTARY INFORMATION:

*Title:* Information Collection Clearance for the Stewardship Mapping and Assessment Project (STEW-MAP).

*OMB Number:* 0596-0240.

*Expiration Date of Approval:* January 31, 2026.

*Type of Request:* Renewal.

*Abstract:* Local environmental stewardship groups provide support to forests and other natural areas in regions, towns, and rural areas, including National Forest System lands and the surrounding areas. Forests and other natural areas provide a range of benefits and services including stormwater management, air pollution removal, heat mitigation, wildlife habitat, recreation opportunities, stress reduction, aesthetic beauty, noise reduction, and increased property values. The work of civic environmental stewards leverages the efforts of local government officials in maintaining these resources, especially in lean budget times. Civic stewardship organizations, including nonprofits, faith-based groups, formal and informal community groups, and collaboratives, are often involved in, for example, planting trees, maintaining trails, offering environment-themed classes,

and cleaning up parks or forests. People who do this work are stewards of their local environments, even if they do not normally use the word "steward" or think of what they do as "stewardship."

The purpose of this research is to gather information on civic stewardship groups and their efforts such as where they work, the types of projects they focus on, and how they are organized. This information will be summarized and, for the groups agreeing to be represented on a public map, made publicly available online for use by decision-makers, land managers, environmental professionals, the general public, the stewards themselves, and other natural resource management stakeholders.

There are three phases to a STEW-MAP project:

- Phase 1a (Census) is a census of stewardship groups in the target region, generating a master list of known stewardship groups and their contact information.

- Phase 1b (Focus Groups) is a set of focus groups asking representatives of stewardship groups to describe their local context and identify additional organizations working in the region. This phase is optional and an alternative way to generate a master list of known stewardship groups and their contact information.

- Phase Two (Survey) is a survey that is distributed to all of the organizations identified in Phase One to collect information about what they work on, how their group is structured, where they work, and what other groups they collaborate with.

- Phase Three (Follow-Up Interviews) is a follow-up interview with each key responding organization identified during Phase Two to collect more detailed information about the organizations and their histories.

A primary goal of STEW-MAP is to visualize stewardship activities, which can span across the landscape. The geographic information provided by stewardship groups on the survey (Phase Two) will allow the researchers to conduct a spatial analysis of where stewardship groups are working and provide relevant geographic information, like what kinds of stewardship groups are working in particular places. This geographic information will be displayed on maps to show stewards, local land managers, decision-makers, and other interested stakeholders how stewardship work is happening across the region with the goal of encouraging collaboration, building innovative partnerships, increasing organizational capacities, and

generally making stewardship efforts more effective and efficient.

Information from STEW-MAP will help planners, natural resource decision-makers, land managers, and the general public work across property jurisdictions and organizations to conserve, protect, and manage natural resources effectively and efficiently. It will also be used to enhance local resource management efforts by helping public officials, land managers, and civic stewards connect to local stewardship groups.

STEW-MAP is being led by Forest Service researchers in partnership with National Forest System staff, as well as researchers from universities and nongovernment organizations. The exact makeup of the research team will vary from location to location where STEW-MAP is conducted. The Forest Service Research and Development branch is authorized to conduct basic scientific research to improve the health of forests and rangelands involving State, Federal, and Tribal agencies, and private landowners across multiple jurisdictions. The study is aligned with various collaborative approaches to landscape-scale resource management that work across jurisdictions and land-use types. This study seeks to identify opportunities for stewardship organizations to better collaborate and, thus, be more effective and efficient in the stewardship of forests and other natural areas.

Due to local geographical differences, and to meet the needs of any particular collaborative effort, we may tailor the survey and interview questions to accommodate the unique requirements of individual communities.

*Affected Public:* Representatives from civic environmental stewardship groups, and from State, local, or Tribal governments.

*Estimate of Burden per Response:* 15 to 60 minutes.

*Estimated Annual Number of Respondents per Phase*

*Phase One (Census):* 720.

*Phase Two (Survey):* 6,000.

*Phase Three (Follow-up Interviews):* 240.

*Estimated Annual Number of Responses per Respondent:* 1.

*Estimated Total Annual Burden on Respondents:* 3,683 hours.

#### Comment Is Invited

*Comment is invited on:* (1) whether this collection of information is necessary for the stated purposes and the proper performance of the functions of the Agency, including whether the

information will have practical or scientific utility; (2) the accuracy of the Agency's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All comments received in response to this notice, including names and addresses when provided, will be a matter of public record. Comments will be summarized and included in the package submitted to the Office of Management and Budget for approval.

**Linda S. Heath,**

*Director, Inventory, Monitoring & Assessment Research.*

[FR Doc. 2025-11538 Filed 6-23-25; 8:45 am]

**BILLING CODE 3411-15-P**

#### COMMISSION ON CIVIL RIGHTS

##### Notice of Public Meeting of the Hawai'i Advisory Committee to the U.S. Commission on Civil Rights

**AGENCY:** U.S. Commission on Civil Rights.

**ACTION:** Notice of public meeting.

**SUMMARY:** Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission) and the Federal Advisory Committee Act (FACA), that the Hawai'i Advisory Committee (Committee) to the U.S. Commission on Civil Rights will hold a virtual business meeting via Zoom on July 8, 2025, from 8:30 a.m. to 10:00 a.m. HST, to discuss and possibly vote to approve the Committee's draft report.

**DATES:** July 8, 2025, from 8:30 a.m.–10:00 a.m. Hawai'i Standard Time.

**ADDRESSES:** The meeting will be held via Zoom Webinar.

*Registration Link (Audio/Visual):*  
[https://www.zoomgov.com/webinar/register/WN\\_hLlho1ouQ4CeuzmQwKD83w](https://www.zoomgov.com/webinar/register/WN_hLlho1ouQ4CeuzmQwKD83w).

*Join by Phone (Audio Only):* (833) 435-1820 USA Toll Free; *Webinar ID:* 160 972 5657.

**FOR FURTHER INFORMATION CONTACT:** Kayla Fajota, Designated Federal Officer (DFO) at [kfajota@usccr.gov](mailto:kfajota@usccr.gov) or (434) 515-2395.

#### SUPPLEMENTARY INFORMATION:

Committee meetings are available to the public through the videoconference link above. Any interested member of the public may listen to the meeting. An open comment period will be provided to allow members of the public to make a statement as time allows. Per the Federal Advisory Committee Act, public minutes of the meeting will include a list of persons who are present at the meeting. If joining via phone, callers can expect to incur regular charges for calls they initiate over wireless lines, according to their wireless plan. The Commission will not refund any incurred charges. Closed captions will be provided for individuals who are deaf, hard of hearing, or who have certain cognitive or learning impairments. To request additional accommodations, please email Angelica Trevino, Support Services Specialists, at [atrevino@usccr.gov](mailto:atrevino@usccr.gov) at least 10 business days prior to the meeting.

Members of the public are entitled to make comments during the open period at the end of the meeting. Members of the public may also submit written comments; the comments must be received in the Regional Programs Unit within 30 days following the meeting. Written comments may be emailed to Kayla Fajota (DFO) at [kfajota@usccr.gov](mailto:kfajota@usccr.gov).

Records generated from this meeting may be inspected and reproduced at the Regional Programs Coordination Unit Office, as they become available, both before and after the meeting. Records of the meetings will be available via [www.facadatabase.gov](http://www.facadatabase.gov) under the Commission on Civil Rights, Hawai'i Advisory Committee link. Persons interested in the work of this Committee are directed to the Commission's website, <http://www.usccr.gov>, or may contact the Regional Programs Coordination Unit at [atrevino@usccr.gov](mailto:atrevino@usccr.gov).

#### Agenda

- I. Welcome and Roll Call
- II. Approve Prior Meeting Minutes
- III. Discussion and Vote: Findings #6-9
- IV. Discussion and Vote: Recommendations Section
- V. Final Vote to Approve Report
- VI. Next Steps
- VII. Public Comment
- VIII. Adjournment

Dated: June 20, 2025.

**David Mussatt,**

*Supervisory Chief, Regional Programs Unit.*

[FR Doc. 2025-11592 Filed 6-23-25; 8:45 am]

**BILLING CODE P**

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-570-215]

**L-Lysine From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**DATES:** Applicable June 17, 2025.

**FOR FURTHER INFORMATION CONTACT:** Mira Warriar, Office II, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-8031.

**SUPPLEMENTARY INFORMATION:****The Petition**

On May 28, 2025, the U.S. Department of Commerce (Commerce) received an antidumping duty (AD) petition concerning imports of L-lysine (lysine) from the People's Republic of China (China) filed in proper form on behalf of the Lysine Fair Trade Coalition and its individual members (the petitioners).<sup>1</sup> The AD Petition was accompanied by a countervailing duty (CVD) petition concerning imports of lysine from China.<sup>2</sup>

Between May 29 and June 12, 2025, Commerce requested supplemental information pertaining to certain aspects of the Petition in supplemental questionnaires.<sup>3</sup> Between June 2 and 16, 2025, the petitioners filed timely responses to these requests for additional information.<sup>4</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that imports

<sup>1</sup> See Petitioner's Letter, "Petition for the Imposition of Antidumping and Countervailing Duties," dated May 28, 2025 (Petition). The individual members of the Lysine Fair Trade Coalition are Archer Daniels Midland Company, CJ Bio America, Inc., and Evonik Corporation.

<sup>2</sup> *Id.*

<sup>3</sup> See Commerce's Letters, "Supplemental Questions," dated May 30, 2025 (First General Issues Questionnaire); "Supplemental Questions," dated May 29, 2025; and Memorandum, "Phone Call with Counsel to the Petitioners," dated June 12, 2025 (June 12, 2025, Memorandum).

<sup>4</sup> See Petitioners' Letters, "Petitioners' Supplement to Volume I of the Petition for the Imposition of Antidumping and Countervailing Duties," dated June 3, 2025 (First General Issues Supplement); "Petitioners' Response to Supplemental Questionnaire Concerning Volume II of Petition," dated June 2, 2025; "Petitioners' Response to 2nd Supplemental Questionnaire Regarding Volume II of the Petition," dated June 13, 2025; and "Petitioners' Response to 2nd Supplemental Questionnaire Regarding Common Issues and Injury Volume I of the Petition," dated June 16, 2025 (Second General Issues Supplement).

of lysine from China are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that imports of such product are materially injuring, or threatening material injury to, the domestic industry producing lysine in the United States. Consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed the Petition on behalf of the domestic industry, because the petitioners are interested parties, as defined in sections 771(9)(C) and (F) of the Act. Commerce also finds that the petitioners demonstrated sufficient industry support for the initiation of the requested LTFV investigation.<sup>5</sup>

**Period of Investigation**

Because the Petition was filed on May 28, 2025, and because China is a non-market economy (NME) pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) for the LTFV investigation is October 1, 2024, through March 31, 2025.

**Scope of the Investigation**

The product covered by this investigation is lysine from China. For a full description of the scope of this investigation, see the appendix to this notice.

**Comments on the Scope of the Investigation**

On May 30 and June 12, 2025, Commerce requested information and clarification from the petitioners regarding the proposed scope to ensure that the scope language in the Petition is an accurate reflection of the product for which the domestic industry is seeking relief.<sup>6</sup> On June 3 and 16, 2025, the petitioners provided clarifications and revised the scope.<sup>7</sup> The description of merchandise covered by this investigation, as described in the appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope).<sup>8</sup> Commerce will consider all scope comments received from

<sup>5</sup> See section on "Determination of Industry Support for the Petition," *infra*.

<sup>6</sup> See First General Issues Questionnaire; see also June 12, 2025, Memorandum.

<sup>7</sup> See First General Issues Supplement at 2-4; see also Second General Issues Supplement at 2-6.

<sup>8</sup> See *Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*); see also 19 CFR 351.312.

interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information,<sup>9</sup> all such factual information should be limited to public information. Commerce requests that interested parties provide at the beginning of their scope comments a public executive summary for each comment or issue raised in their submission. Commerce further requests that interested parties limit their public executive summary of each comment or issue to no more than 450 words, not including citations. Commerce intends to use the public executive summaries as the basis of the comment summaries included in the analysis of scope comments. To facilitate preparation of its questionnaires, Commerce requests that scope comments be submitted by 5:00 p.m. Eastern Time (ET) on July 7, 2025, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, and should also be limited to public information, must be filed by 5:00 p.m. ET on July 17, 2025, which is 10 calendar days from the initial comment deadline.

Commerce requests that any factual information that parties consider relevant to the scope of this investigation be submitted during that period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party must contact Commerce and request permission to submit the additional information. All scope comments must be filed simultaneously on the records of the concurrent LTFV and CVD investigations.

**Filing Requirements**

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.<sup>10</sup> An electronically filed document must be

<sup>9</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>10</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance: Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at [https://access.trade.gov/help/Handbook\\_on\\_Electronic\\_Filing\\_Procedures.pdf](https://access.trade.gov/help/Handbook_on_Electronic_Filing_Procedures.pdf).

received successfully in its entirety by the time and date it is due.

### Comments on Product Characteristics

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of lysine to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors of production (FOP) accurately, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on July 7, 2025, which is 20 calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 p.m. ET on July 17, 2025, which is 10 calendar days from the initial comment deadline. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of the LTFV investigation.

### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute

directs Commerce to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,<sup>11</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>12</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (i.e., the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation.<sup>13</sup> Based on our analysis of the information submitted on the record, we have determined that lysine, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>14</sup>

In determining whether the petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the "Scope of the Investigation," in the appendix to this notice. To establish

industry support, the petitioners provided their own production of the domestic like product in 2024 and compared this to the estimated total production of the domestic like product for the entire domestic industry.<sup>15</sup> We relied on data provided by the petitioners for purposes of measuring industry support.<sup>16</sup>

Our review of the data provided in the Petition and other information readily available to Commerce indicates that the petitioners have established industry support for the Petition.<sup>17</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling).<sup>18</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>19</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>20</sup> Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.<sup>21</sup>

### Allegations and Evidence of Material Injury and Causation

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at LTFV. In addition, the petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>22</sup>

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*; see also section 732(c)(4)(D) of the Act.

<sup>19</sup> See Attachment II of the China AD Initiation Checklist.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.*

<sup>22</sup> For further discussion regarding negligibility and the injury allegation, see China AD Initiation Checklist at Attachment III, Analysis of Allegations

<sup>11</sup> See section 771(10) of the Act.

<sup>12</sup> See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

<sup>13</sup> For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, see Checklist, "Antidumping Duty Investigation Initiation Checklist: L-lysine from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (China AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering L-lysine from the People's Republic of China (Attachment II). This checklist is on file electronically via ACCESS.

<sup>14</sup> For further discussion, see Attachment II of the China AD Initiation Checklist.

The petitioners contend that the industry's injured condition is illustrated by a significant increase in the volume of subject imports; reduced market share; underselling and price depression and/or suppression; lost sales and revenues; declines in domestic producers' production, employment variables, and financial performance; and underutilized capacity.<sup>23</sup> We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>24</sup>

### Allegations of Sales at LTFV

The following is a description of the allegations of sales at LTFV upon which Commerce based its decision to initiate a LTFV investigation of imports of lysine from China. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the China AD Initiation Checklist.

### U.S. Price

The petitioners based export price (EP) on the POI average unit value derived from official import statistics for imports of lysine from China.<sup>25</sup> The petitioners made certain adjustments to U.S. price to calculate a net ex-factory U.S. price, where applicable.<sup>26</sup>

### Normal Value

Commerce considers China to be an NME country.<sup>27</sup> In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of the initiation of this LTFV investigation. Accordingly, we base NV on FOPs valued in a surrogate market economy country in

and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering L-lysine from the People's Republic of China.

<sup>23</sup> *Id.*

<sup>24</sup> *Id.*

<sup>25</sup> See China AD Initiation Checklist.

<sup>26</sup> *Id.*

<sup>27</sup> See, e.g., *Certain Freight Rail Couplers and Parts Thereof from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 88 FR 15372 (March 13, 2023), and accompanying Preliminary Decision Memorandum at 5, unchanged in *Certain Freight Rail Couplers and Parts Thereof from the People's Republic of China: Final Affirmative Determination of Sales at Less-Than-Fair Value and Final Affirmative Determination of Critical Circumstances*, 88 FR 34485 (May 30, 2023).

accordance with section 773(c) of the Act.

The petitioners claim that Malaysia is an appropriate surrogate country for China because it is a market economy that is at a level of economic development comparable to that of China and is a significant producer of comparable merchandise.<sup>28</sup> The petitioners provided publicly available information from Malaysia to value all FOPs except labor.<sup>29</sup> Consistent with Commerce's recent practice in cases involving Malaysia as a surrogate country,<sup>30</sup> to value labor, the petitioners provided labor statistics from another surrogate country, the Republic of Türkiye (Türkiye).<sup>31</sup> Based on the information provided by the petitioners, we believe it is appropriate to use Malaysia as a surrogate country for China to value all FOPs except labor and to value labor using labor statistics from Türkiye for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

### Factors of Production

Because information regarding the volume of inputs consumed by Chinese producers/exporters was not reasonably available, the petitioners used the production experience and product-specific consumption rates of a U.S. producer of lysine as a surrogate to value Chinese manufacturers' FOPs.<sup>32</sup> Additionally, for China, the petitioners calculated factory overhead, SG&A, and profit based on the experience of a Malaysian producer of comparable merchandise.<sup>33</sup>

### Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of lysine from China are being, or are likely to be, sold in the

United States at LTFV. Based on comparisons of EP or NV in accordance with sections 772 and 773 of the Act, the estimated dumping margin for lysine from China covered by this initiation is 198.51 percent.<sup>34</sup>

### Initiation of LTFV Investigation

Based upon the examination of the Petition and supplemental responses, we find that they meet the requirements of section 732 of the Act. Therefore, we are initiating a LTFV investigation to determine whether imports of lysine from China are being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

### Respondent Selection

The petitioners identified 113 companies in China as producers and/or exporters of lysine.<sup>35</sup> Our standard practice for respondent selection in AD investigation involving NME countries is to select respondents based on quantity and value (Q&V) questionnaires in cases where Commerce has determined that the number of companies is large, and it cannot individually examine each company based upon its resources. Therefore, considering the number of producers and/or exporters identified in the Petition, Commerce will solicit Q&V information that can serve as a basis for selecting exporters for individual examination in the event that Commerce determines that the number is large and decides to limit the number of respondents individually examined pursuant to section 777A(c)(2) of the Act. Because there are 113 Chinese producers and/or exporters identified in the Petition, Commerce has determined that it will issue Q&V questionnaires to the largest producers and/or exporters in China that are identified in the U.S. Customs and Border Protection POI entry data for which there is complete address information on the record.<sup>36</sup>

Commerce will post the Q&V questionnaires along with filing instructions on Commerce's website at <https://www.trade.gov/ec-adcvd-case-announcements>. Producers/exporters of lysine from China that do not receive Q&V questionnaires may still submit a response to the Q&V questionnaire and

<sup>34</sup> *Id.*

<sup>35</sup> See Petition at Volume I (page 11 and Exhibit GEN-4); see also First General Issues Supplement at 2 and Exhibit SUPP-GEN-4.

<sup>36</sup> See Memorandum, "Release of U.S. Customs and Border Protection Entry Data," dated June 17, 2025.

<sup>28</sup> See China AD Initiation Checklist.

<sup>29</sup> *Id.*

<sup>30</sup> See, e.g., *Certain Collated Steel Staples from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; and Final Determination of No Shipments; 2021–2022*, 88 FR 85242 (December 7, 2023), and accompanying Issues and Decision Memorandum (IDM) at Comment 2; and *Light-Walled Rectangular Pipe and Tube from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 88 FR 15671 (March 14, 2023), and accompanying IDM at Comment 2.

<sup>31</sup> See China AD Initiation Checklist.

<sup>32</sup> *Id.*

<sup>33</sup> *Id.*

can obtain a copy of the Q&V questionnaire from Commerce's website. Responses to the Q&V questionnaire must be submitted by the relevant Chinese producers/exporters no later than 5:00 p.m. ET on July 1, 2025, which is two weeks from the signature date of this notice. All Q&V questionnaire responses must be filed electronically via ACCESS. An electronically filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the deadline noted above.

Interested parties must submit applications for disclosure under administrative protective order (APO) in accordance with 19 CFR 351.305(b). As stated above, instructions for filing such applications may be found on Commerce's website at <https://www.trade.gov/administrative-protective-orders>.

### Separate Rates

In order to obtain separate rate status in an NME investigation, exporters and producers must submit a separate rate application. The specific requirements for submitting a separate rate application in an NME investigation are outlined in detail in the application itself, which is available on Commerce's website at <https://access.trade.gov/Resources/nme/nme-sep-rate.html>. Note that Commerce recently promulgated new regulations pertaining to separate rates, including the separate rate application deadline and eligibility for separate rate status, in 19 CFR 351.108.<sup>37</sup> Pursuant to 19 CFR 351.108(d)(1), the separate rate application will be due 21 days after publication of this initiation notice.<sup>38</sup> Exporters and producers must file a timely separate rate application if they want to be considered for individual examination. In addition, pursuant to 19 CFR 351.108(e), exporters and producers who submit a separate rate application and have been selected as mandatory respondents will be eligible for consideration for separate rate status only if they fully respond to all parts of Commerce's AD questionnaire and participate in the LTFV proceeding as mandatory respondents.<sup>39</sup> Commerce requires that companies from China submit a response both to the Q&V questionnaire and to the separate rate application by the respective deadlines to receive consideration for separate rate status. Companies not filing a timely

Q&V questionnaire response will not receive separate rate consideration.

### Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that {Commerce} will now assign in its NME investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the {weighted average} of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>40</sup>

### Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the Government of China via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

### ITC Notification

Commerce will notify the ITC of our initiation, as required by section 732(d) of the Act.

### Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of lysine from China are materially injuring, or threatening material injury to, a U.S. industry.<sup>41</sup> A negative ITC determination will result in the investigation being terminated.<sup>42</sup> Otherwise, this LTFV investigation will

proceed according to statutory and regulatory time limits.

### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>43</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>44</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

### Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301, or as otherwise specified by Commerce.<sup>45</sup> For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, Commerce may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered

<sup>37</sup> See *Regulations Enhancing the Administration of the Antidumping and Countervailing Duty Trade Remedy Laws*, 89 FR 101694, 101759–60 (December 16, 2024).

<sup>38</sup> See 19 CFR 351.108(d)(1).

<sup>39</sup> See 19 CFR 351.108(e).

<sup>40</sup> See Enforcement and Compliance's Policy Bulletin No. 05.1, regarding, "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation Involving NME Countries," (April 5, 2005), at 6 (emphasis added), available on Commerce's website at <https://access.trade.gov/Resources/policy/bull05-1.pdf>.

<sup>41</sup> See section 733(a) of the Act.

<sup>42</sup> Id.

<sup>43</sup> See 19 CFR 351.301(b).

<sup>44</sup> See 19 CFR 351.301(b)(2).

<sup>45</sup> See 19 CFR 351.301; see also *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013) (*Time Limits Final Rule*), available at <https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>.

timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely filed requests for the extension of time limits, where we determine, based on 19 CFR 351.302, that extraordinary circumstances exist. Parties should review Commerce's regulations concerning the extension of time limits and the *Time Limits Final Rule* prior to submitting factual information in this investigation.<sup>46</sup>

### Certification Requirements

Any party submitting factual information in an AD proceeding must certify to the accuracy and completeness of that information.<sup>47</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>48</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

### Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Parties wishing to participate in this investigation should ensure that they meet the requirements of 19 CFR 351.103(d) (e.g., by filing the required letter of appearance). Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).<sup>49</sup>

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: June 17, 2025.

### Christopher Abbott,

*Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

### Appendix

#### Scope of the Investigation

The scope of this investigation covers animal feed grade L-lysine (lysine). Lysine is an essential amino acid added to animal feed that is used in the biosynthesis of proteins. The scope covers lysine regardless of form, including lysine monohydrochloride, also referred to as lysine HCL, lysine sulfate, and

liquid lysine. The scope includes lysine that has been coated or encapsulated for use with ruminants to ensure bioavailability.

Lysine HCL in the dry form has the molecular formula  $C_6H_{14}N_2O_2HCl$ . The Chemical Abstracts Service (CAS) registry number for lysine HCL is 657-27-2. Lysine HCL contains a minimum of 78 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids. Lysine sulfate is the sulfate salt of lysine, and in the dry form it has the molecular formula  $C_6H_{16}N_2O_6S$ . The CAS registry number for lysine sulfate is 60343-69-3. Lysine sulfate typically contains approximately 40-70 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids. Liquid lysine is a concentrated form of lysine in an aqueous solution with the molecular formula  $C_6H_{14}N_2O_2$ . The CAS registry number for liquid lysine is 56-87-1. Liquid lysine normally contains at least 50 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids.

The scope includes animal feed grade lysine that is combined with other products, including for example, by mixing, blending, compounding, or granulating (e.g., base mixes, premixes, and concentrates). For such combined products, only the lysine component is covered by the scope of this investigation.

Subject merchandise also includes lysine that has been processed in a third country, including by commingling, diluting, adding or removing additives, refining, converting from liquid to dry or dry to liquid form, coating or encapsulating, or performing any processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

The merchandise covered by this investigation is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2922.41.0090. Lysine may also be classified under HTSUS subheadings 2922.41.0010, 2922.49.4950, 2309.90.7000, and 2309.90.9500. Although the HTSUS subheadings and the CAS registry numbers are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

[FR Doc. 2025-11536 Filed 6-23-25; 8:45 am]

**BILLING CODE 3510-DS-P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-555-003, A-557-830, A-549-851, A-552-841]

### Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules From the Socialist Republic of Vietnam: Amended Final Antidumping Duty Determination; Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules From Cambodia, Malaysia, Thailand, and the Socialist Republic of Vietnam: Antidumping Duty Orders

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** Based on affirmative final determinations by the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC), Commerce is issuing antidumping duty (AD) orders on crystalline silicon photovoltaic cells, whether or not assembled into modules (solar cells) from Cambodia, Malaysia, Thailand, and the Socialist Republic of Vietnam (Vietnam). In addition, Commerce is amending its final determination of sales at less than fair value (LTFV) with respect to solar cells from Vietnam to correct ministerial errors.

**DATES:** Applicable June 24, 2025.

**FOR FURTHER INFORMATION CONTACT:** Deborah Cohen (Vietnam), Office III; telephone: (202) 482-4521; Hermes Panilla (Cambodia), Office I; telephone: (202) 482-3477; Stephen Bailey (Thailand), Office IV; telephone: (202) 482-0193; and Patrick Barton (Malaysia), Office III; telephone: (202) 482-0012; AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

### SUPPLEMENTARY INFORMATION:

#### Background

In accordance with sections 735(d) and 777(i) of the Tariff Act of 1930, as amended (the Act), on April 25, 2025, Commerce published its affirmative final determinations in the less-than-fair-value (LTFV) investigations of solar cells from Cambodia, Malaysia, Thailand, and Vietnam.<sup>1</sup>

<sup>1</sup> See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Cambodia: Final Affirmative Determination of Sales at Less Than Fair Value*, 90 FR 17392 (April 25, 2025) (*Cambodia Final Determination*); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Malaysia: Final*

<sup>46</sup> See 19 CFR 351.302; see, e.g., *Time Limits Final Rule*.

<sup>47</sup> See section 782(b) of the Act.

<sup>48</sup> See *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*). Additional information regarding the *Final Rule* is available at <https://access.trade.gov/Resources/filing/index.html>.

<sup>49</sup> See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069 (September 29, 2023).

On June 9, 2025, the ITC notified Commerce of its final affirmative determinations, pursuant to section 735(d) of the Act, that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of LTFV imports of solar cells from Malaysia and Vietnam, and that an industry in the United States is threatened with material injury by reason of imports of such merchandise from Cambodia and Thailand that are sold in the United States at LTFV.<sup>2</sup> Further, the ITC determined that critical circumstances do not exist with respect to LTFV imports of solar cells from Vietnam.<sup>3</sup>

In the LTFV investigation of solar cells from Vietnam, the petitioners and a respondent timely alleged that Commerce made certain ministerial errors.<sup>4</sup> See “Amendment to the Vietnam Final Determination of Sales at Less than Fair Value” section below for further discussion.

### Scope of the Orders

The product covered by these orders is solar cells from Cambodia, Malaysia, Thailand, and Vietnam. For a complete description of the scope of the orders, see the appendix to this notice.

*Affirmative Determination of Sales at Less Than Fair Value*, 90 FR 17376 (April 25, 2025) (*Malaysia Final Determination*); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Thailand: Final Affirmative Determination of Sales at Less-Than-Fair-Value and Final Affirmative Determination of Critical Circumstances*, 90 FR 17395 (April 25, 2025) (*Thailand Final Determination*); and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part*, 90 FR 17388 (April 25, 2025) (*Vietnam Final Determination*) (collectively, *LTFV Final Determinations*).

<sup>2</sup> See ITC’s Letter, “Notification of ITC Final Determination,” dated June 9, 2025 (ITC Notification Letter).

<sup>3</sup> See ITC’s Letter, “Chair Determinations Letter to {Commerce}—crystalline photovoltaic cells, whether or not assembled into modules,” dated June 9, 2025 (ITC Notification Letter). Having made a determination that an industry in the United States is threatened with material injury by reason of imports of solar cells from Thailand, the ITC did not reach the issue of critical circumstances regarding imports of subject merchandise from Thailand. See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules from Cambodia, Malaysia, Thailand, and Vietnam*, Investigation Nos. 701–TA–722–725 and 731–TA–1690–1693 (Final), USITC Pub. 5631 (June 2025) (*ITC Final Report*).

<sup>4</sup> See JA Solar’s Letter, “Ministerial Error Comments,” dated May 5, 2025 (JA Solar’s ME Comments); Boviet’s Letter, “Ministerial Error Comments,” dated May 5, 2025 (Boviet’s ME Comments), and Petitioner’s Letter, “Ministerial Error Allegations for the Final Determination,” dated May 5, 2025 (Petitioner’s ME Comments).

### Amendment to the Final Determination of Sales at LTFV for Vietnam

We determine that we made certain ministerial errors in the sales at LTFV final determination of solar cells from Vietnam. Pursuant to 19 CFR 351.224(e), and as explained further in the Vietnam Ministerial Error Memorandum, Commerce is amending the Vietnam Final LTFV Determination to reflect the correction of certain ministerial errors.<sup>5</sup> Correction of these errors changes the final AD cash deposit rate for JA Solar Vietnam Co. Ltd. (JA Solar), and Jinko Solar (Vietnam) Industries Company Limited (Jinko), as well as the cash deposit rate for all other producers and exporters not individually investigated. The revised rates are listed in the “Estimated Weighted-Average Dumping Margins” section, below.

### Antidumping Duty Orders

Based on the above-referenced affirmative final determinations by the ITC that an industry in the United States is materially injured by reason of LTFV imports of solar cells from Malaysia and Vietnam, and that an industry in the United States is threatened with material injury by reason of imports of such merchandise from Cambodia and Thailand,<sup>6</sup> and, in accordance with sections 735(c)(2) and 736 of the Act, Commerce is issuing these antidumping duty orders. Because the ITC determined that an industry in the United States is materially injured by reason of imports of solar cells from Vietnam and Malaysia, and that an industry in the United States is threatened with material injury by reason of imports of solar cells from Thailand and Cambodia, unliquidated entries of such merchandise from Cambodia, Malaysia, Thailand, and Vietnam, entered or withdrawn from warehouse for consumption, are subject to the assessment of antidumping duties.

Therefore, in accordance with section 736(a)(1) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise on all relevant entries of solar cells from Cambodia, Malaysia, Thailand, and Vietnam. With the exception of entries occurring after expiration of the

<sup>5</sup> See Memorandum, “Analysis of Ministerial Error Allegations in the Final Determination,” dated May 19, 2025 (Vietnam Ministerial Error Memorandum).

<sup>6</sup> See ITC Notification Letter; see also ITC Report.

provisional measures period, but before publication of the ITC’s final affirmative injury determination, as further described below, for all relevant entries of solar cells from Malaysia and Vietnam, antidumping duties will be assessed on unliquidated entries of solar cells entered, or withdrawn from warehouse, for consumption on or after December 4, 2024, the date of publication of the *LTFV Preliminary Determinations*.<sup>7</sup>

Pursuant to section 736(b)(2) of the Act, duties shall be assessed on subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC’s notice of final determination if that determination is based on the threat of material injury and is not accompanied by a finding that injury would have resulted without the imposition of suspension of liquidation of entries since Commerce’s preliminary determination.

Additionally, section 736(b)(2) of the Act requires CBP to refund any cash deposits or bonds of estimated antidumping duties posted since the preliminary antidumping determination if the ITC’s final determination is threat-based.

Because the ITC’s final determination for Cambodia and Thailand is based on the threat of material injury and is not accompanied by a finding that injury would have resulted but for the imposition of suspension of liquidation of entries since the Cambodia and Thailand Preliminary Determinations, section 736(b)(2) of the Act is applicable.<sup>8</sup> Therefore, Commerce will instruct CBP to assess duties on entries

<sup>7</sup> See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Cambodia: Affirmative Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 89 FR 96226 (December 4, 2024); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Malaysia: Affirmative Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 89 FR 96207 (December 4, 2024); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Thailand: Preliminary Affirmative Determination of Sales at Less-Than-Fair-Value, Affirmative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures*, 89 FR 96214 (December 4, 2024); and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules from the Socialist Republic of Vietnam: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, and Postponement of Final Determination and Extension of Provisional Measures*, 89 FR 96219 (December 4, 2024) (*Vietnam Preliminary Determination*) (collectively, *LTFV Preliminary Determinations*).

<sup>8</sup> See ITC Notification Letter.

of solar cells from Cambodia and Thailand entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC’s notice of final determination of threat of material injury in the **Federal Register**, in accordance with the dumping margins listed in the rate charts below for Cambodia and Thailand.

**Critical Circumstances**

With respect to the ITC’s negative critical circumstances determination on imports of solar cells from Vietnam, we will instruct CBP to lift the suspension of liquidation and to refund all cash deposits for estimated antidumping duties with respect to entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after September 5, 2024, *i.e.*, 90 days prior to the date of

the publication of the *Vietnam Preliminary Determination*, but before December 4, 2024, the date of publication of the *Vietnam Preliminary Determination*.

**Continuation of Suspension of Liquidation and Cash Deposits**

Except as noted in the “Provisional Measures” section of this notice Commerce intends to instruct CBP to continue to suspend liquidation on all relevant entries of solar cells from Cambodia, Malaysia, Thailand, and Vietnam, in accordance with section 736 of the Act. These instructions suspending liquidations will remain in effect until further notice.

Commerce will also instruct CBP to require cash deposits equal to the estimated weighted-average dumping margins indicated in the tables below,

adjusted by the relevant export subsidy offsets. Accordingly, effective on the date of publication in the **Federal Register** of the notice of the ITC’s affirmative final injury determination, CBP must require, at the same time as importers would normally deposit estimated customs duties on subject merchandise, a cash deposit equal to the weighted-average dumping margins listed in the tables below. The all-others rate applies to all producers or exporters not specifically listed, as appropriate.

**Estimated Weighted-Average Dumping Margins**

The estimated weighted-average dumping margins, as published in Commerce’s *Final Determinations*, are as follows:

*Cambodia*

Producer/exporter	Weighted-average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
Hounen Solar Inc. Co. Ltd .....	* 125.37	117.18
Solar Long PV Tech Cambodia Co .....	* 125.37	117.18
All Others .....	125.37	117.18

\* Rates based on facts available with adverse inferences.

*Malaysia*

Producer/exporter	Weighted-average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
Hanwha Q Cells Malaysia Sdn. Bhd .....	0.00	0.00
Jinko Solar Technology Sdn. Bhd .....	8.59	1.92
Baojia New Energy Manufacturing Sdn .....	* 81.24	81.24
CRC Solar Cell Joint Stock Company .....	* 81.24	81.24
Lynter Enterprise .....	* 81.24	81.24
Mega PP Sdn. Bhd .....	* 81.24	81.24
All Others .....	8.59	1.92

\* Rates based on facts available with adverse inferences.

*Thailand*

Producer/exporter	Weighted-average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
Trina Solar Science & Technology (Thailand) Ltd .....	111.45	111.45
Sunshine Electrical Energy .....	* 202.90	172.68
Taihua New Energy (Thailand) Co. Ltd .....	* 202.90	172.68
All Others .....	111.45	111.45

\* Rates based on facts available with adverse inferences.

Vietnam

Producer	Exporter	Weighted-average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
JA Solar Vietnam Co. Ltd./JA Solar PV .....	JA Solar Vietnam Co. Ltd .....	62.31	56.78
Jinko Solar (Vietnam) Industries Company Limited .....	Jinko Solar (Vietnam) Industries Company Limited .....	126.18	120.65
Blue Moon Vina Co .....	Blue Moon Vina Co .....	85.45	79.92
Boviet Solar Technology Co., Ltd .....	Boviet Solar Technology Co., Ltd .....	85.45	79.92
Elite Solar Technology (Vietnam) Company Limited .....	Elite SNG .....	85.45	79.92
Letsolar Vietnam Company Limited .....	Letsolar Vietnam Company Limited .....	85.45	79.92
Mecen Solar Vina Co., Ltd .....	Mecen Solar Vina Co., Ltd .....	85.45	79.92
Nexuns Vietnam Company Limited .....	Nexuns Vietnam Company Limited .....	85.45	79.92
Trina Solar Energy Development Company Ltd .....	Trina Solar Energy Development Company Ltd .....	85.45	79.92
Vietnergy Co., Ltd. and Tainergy Tech Co., Ltd .....	Vietnergy Co., Ltd. and Tainergy Tech Co., Ltd .....	85.45	79.92
Vietnam Sunergy Joint Stock Company ( <i>f.k.a.</i> Vietnam Sunergy Company Limited).	Vietnam Sunergy Joint Stock Company ( <i>f.k.a.</i> Vietnam Sunergy Company Limited).	85.45	79.92
Vietnam-Wide Entity .....	.....	* 271.28	271.28

\*Rate based on facts available with adverse inferences.

**Provisional Measures**

Section 733(d) of the Act states that suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except where exporters representing a significant proportion of exports of the subject merchandise request that Commerce extend the four-month period to no more than six months. At the request of exporters that accounted for a significant proportion of exports of solar cells from Cambodia, Malaysia, Thailand, and Vietnam, Commerce extended the four-month period to no more than six months.<sup>9</sup>

Commerce published the *LTFV Preliminary Determinations* on December 4, 2024; therefore, the six-month provisional measures period beginning on the date of the publication of the *LTFV Preliminary Determinations* ended on June 1, 2025. Therefore, in accordance with section 736(a)(1) of the Act and our practice,<sup>10</sup> Commerce will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of solar cells from Cambodia, Malaysia, Thailand, and Vietnam entered, or withdrawn from warehouse, for consumption on or after June 2, 2025, the first day provisional measures were no longer in effect, until and through the day preceding the date of

publication of the ITC’s final injury determination in the **Federal Register**.

Suspension of liquidation and the collection of cash deposits will resume on the date of publication of the ITC’s final determination in the **Federal Register**.

**Establishment of the Annual Inquiry Service Lists**

On September 20, 2021, Commerce published the *Final Rule* in the **Federal Register**.<sup>11</sup> On September 27, 2021, Commerce also published the *Procedural Guidance* in the **Federal Register**.<sup>12</sup> The *Final Rule* and *Procedural Guidance* provide that Commerce will maintain an annual inquiry service list for each order or suspended investigation, and any interested party submitting a scope ruling application or request for circumvention inquiry shall serve a copy of the application or request on the persons on the annual inquiry service list for that order, as well as any companion order covering the same merchandise from the same country of origin.

In accordance with the *Procedural Guidance*, for orders published in the **Federal Register** after November 4, 2021, Commerce will create an annual inquiry service list segment in Commerce’s online e-filing and document management system, Antidumping and Countervailing Duty Electronic Service System (ACCESS), available at <https://access.trade.gov>,

within five business days of publication of the notice of the order. Each annual inquiry service list will be saved in ACCESS, under each case number, and under a specific segment type called “AISL-Annual Inquiry Service List.”<sup>13</sup>

Interested parties who wish to be added to the annual inquiry service list for an order must submit an entry of appearance to the annual inquiry service list segment for the order in ACCESS within 30 days after the date of publication of the order. For ease of administration, Commerce requests that law firms with more than one attorney representing interested parties in an order designate a lead attorney to be included on the annual inquiry service list. Commerce will finalize the annual inquiry service list within five business days thereafter. As mentioned in the *Procedural Guidance*,<sup>14</sup> the new annual inquiry service list will be in place until the following year, when the *Opportunity Notice* for the anniversary month of the order is published.

Commerce may update an annual inquiry service list at any time as needed based on interested parties’ amendments to their entries of appearance to remove or otherwise modify their list of members and representatives, or to update contact

<sup>13</sup> This segment will be combined with the ACCESS Segment Specific Information (SSI) field which will display the month in which the notice of the order or suspended investigation was published in the **Federal Register**, also known as the anniversary month. For example, for an order under case number A-000-000 that was published in the **Federal Register** in January, the relevant segment and SSI combination will appear in ACCESS as “AISL—January Anniversary.” Note that there will be only one annual inquiry service list segment per case number, and the anniversary month will be pre-populated in ACCESS.

<sup>14</sup> See *Procedural Guidance*, 86 FR 53206.

<sup>9</sup> See *LTFV Preliminary Determinations*.

<sup>10</sup> See, e.g., *Certain Corrosion-Resistant Steel Products from India, the People’s Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390, 48392 (July 25, 2016).

<sup>11</sup> See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300 (September 20, 2021) (*Final Rule*).

<sup>12</sup> See *Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*, 86 FR 53205 (September 27, 2021) (*Procedural Guidance*).

information. Any changes or announcements pertaining to these procedures will be posted to the ACCESS website at <https://access.trade.gov>.

### Special Instructions for the Petitioner and Foreign Governments

In the *Final Rule*, Commerce stated that, “after an initial request and placement on the annual inquiry service list, both petitioners and foreign governments will automatically be placed on the annual inquiry service list in the years that follow.”<sup>15</sup>

Accordingly, as stated above, the petitioner and foreign governments should submit their initial entries of appearance after publication of this notice in order to appear in the first annual inquiry service lists for these orders. Pursuant to 19 CFR 351.225(n)(3), the petitioner and foreign governments will not need to resubmit their entries of appearance each year to continue to be included on the annual inquiry service list. However, the petitioner and foreign governments are responsible for making amendments to their entries of appearance during the annual update to the annual inquiry service list in accordance with the procedures described above.

### Notification to Interested Parties

This notice constitutes the AD orders with respect to solar cells from Cambodia, Malaysia, Thailand, and Vietnam, pursuant to section 736(a) of the Act. Interested parties can find a list of AD and CVD orders currently in effect at <https://enforcement.trade.gov/stats/iastats1.html>.

The amended final determination for Vietnam and these antidumping duty orders are published in accordance with sections 735(e) and 736(a) of the Act and 19 CFR 351.224(e) and 19 CFR 351.211(b).

Dated: June 17, 2025.

**Christopher Abbott,**

*Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

### Appendix

#### Scope of the Orders

The merchandise covered by the orders is crystalline silicon photovoltaic cells, and modules, laminates, and panels, consisting of crystalline silicon photovoltaic cells, whether or not partially or fully assembled into other products, including, but not limited to, modules, laminates, panels and building integrated materials.

The orders cover crystalline silicon photovoltaic cells of thickness equal to or

greater than 20 micrometers, having a p/n junction formed by any means, whether or not the cell has undergone other processing, including, but not limited to, cleaning, etching, coating, and/or addition of materials (including, but not limited to, metallization and conductor patterns) to collect and forward the electricity that is generated by the cell.

Merchandise under consideration may be described at the time of importation as parts for final finished products that are assembled after importation, including, but not limited to, modules, laminates, panels, building-integrated modules, building-integrated panels, or other finished goods kits. Such parts that otherwise meet the definition of merchandise under consideration are included in the scope of the orders.

Excluded from the scope of the orders are thin film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe), or copper indium gallium selenide (CIGS).

Also excluded from the scope of the orders are crystalline silicon photovoltaic cells, not exceeding 10,000 mm<sup>2</sup> in surface area, that are permanently integrated into a consumer good whose function is other than power generation and that consumes the electricity generated by the integrated crystalline silicon photovoltaic cell. Where more than one cell is permanently integrated into a consumer good, the surface area for purposes of this exclusion shall be the total combined surface area of all cells that are integrated into the consumer good.

Additionally, excluded from the scope of the orders are panels with surface area from 3,450 mm<sup>2</sup> to 33,782 mm<sup>2</sup> with one black wire and one red wire (each of type 22 AWG or 24 AWG not more than 206 mm in length when measured from panel extrusion), and not exceeding 2.9 volts, 1.1 amps, and 3.19 watts. For the purposes of this exclusion, no panel shall contain an internal battery or external computer peripheral ports.

Also excluded from the scope of the orders are:

1. Off grid CSPV panels in rigid form with a glass cover, with the following characteristics: (A) a total power output of 100 watts or less per panel; (B) a maximum surface area of 8,000 cm<sup>2</sup> per panel; (C) do not include a built-in inverter; (D) must include a permanently connected wire that terminates in either an 8 mm male barrel connector, or a two-port rectangular connector with two pins in square housings of different colors; (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell; and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features, and foam for transport); and

2. Off grid CSPV panels without a glass cover, with the following characteristics: (A) a total power output of 100 watts or less per panel; (B) a maximum surface area of 8,000 cm<sup>2</sup> per panel; (C) do not include a built-in inverter; (D) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell; and (E) each panel is (1) permanently integrated into

a consumer good; (2) encased in a laminated material without stitching, or (3) has all of the following characteristics: (i) the panel is encased in sewn fabric with visible stitching, (ii) includes a mesh zippered storage pocket, and (iii) includes a permanently attached wire that terminates in a female USB–A connector.

In addition, the following CSPV panels are excluded from the scope of the orders: off-grid CSPV panels in rigid form with a glass cover, with each of the following physical characteristics, whether or not assembled into a fully completed off-grid hydropanel whose function is conversion of water vapor into liquid water: (A) a total power output of no more than 80 watts per panel; (B) a surface area of less than 5,000 square centimeters (cm<sup>2</sup>) per panel; (C) do not include a built-in inverter; (D) do not have a frame around the edges of the panel; (E) include a clear glass back panel; and (F) must include a permanently connected wire that terminates in a twoport rectangular connector.

Additionally excluded from the scope of these orders are off-grid small portable crystalline silicon photovoltaic panels, with or without a glass cover, with the following characteristics: (1) a total power output of 200 watts or less per panel; (2) a maximum surface area of 16,000 cm<sup>2</sup> per panel; (3) no built-in inverter; (4) an integrated handle or a handle attached to the package for ease of carry; (5) one or more integrated kickstands for easy installation or angle adjustment; and (6) a wire of not less than 3 meters either permanently connected or attached to the package that terminates in an 8 mm diameter male barrel connector.

Also excluded from the scope of the orders are off-grid crystalline silicon photovoltaic panels in rigid form with a glass cover, with each of the following physical characteristics, whether or not assembled into a fully completed off-grid hydropanel whose function is conversion of water vapor into liquid water: (A) a total power output of no more than 180 watts per panel at 155 degrees Celsius; (B) a surface area of less than 16,000 square centimeters (cm<sup>2</sup>) per panel; (C) include a keep-out area of approximately 1,200 cm<sup>2</sup> around the edges of the panel that does not contain solar cells; (D) do not include a built-in inverter; (E) do not have a frame around the edges of the panel; (F) include a clear glass back panel; (G) must include a permanently connected wire that terminates in a two-port rounded rectangular, sealed connector; (H) include a thermistor installed into the permanently connected wire before the twoport connector; and (I) include exposed positive and negative terminals at opposite ends of the panel, not enclosed in a junction box.

Further excluded from the scope of the orders are:

Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 10,500 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative

<sup>15</sup> See *Final Rule*, 86 FR at 52335.

electrode with the positive and negative electrodes having an interlocking structure, (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

Off-grid small portable crystalline silicon photovoltaic panels, with or without a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 16,000 cm<sup>2</sup> per panel, (C) no built-in inverter, (D) an integrated handle or a handle attached to the package for ease of carry, (E) one or more integrated kickstands for easy installation or angle adjustment, and (F) a wire either permanently connected or attached to the package terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure.

Also excluded from the scope of the orders are:

Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 10,500 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure, (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

Small off-grid panels with glass cover, with the following characteristics: (A) surface area from 3,450 mm<sup>2</sup> to 33,782 mm<sup>2</sup>, (B) with one black wire and one red wire (each of type 22AWG or 28 AWG not more than 350 mm in length when measured from panel extrusion), (C) not exceeding 10 volts, (D) not exceeding 1.1 amps, (E) not exceeding 6 watts, and (F) for the purposes of this exclusion, no panel shall contain an internal battery or external computer peripheral ports.

Additionally excluded from the scope of the orders are:

Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 175 watts or less per panel, (B) a maximum surface area of 9,000 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure; (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

Off grid CSPV panels without a glass cover, with the following characteristics, (A) a total power output of 220 watts or less per panel, (B) a maximum surface area of 16,000 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (E) each panel is encased in a laminated material without stitching.

Also excluded from the scope of the orders are off-grid CSPV panels in rigid form, with or without a glass cover, permanently attached to an aluminum extrusion that is an integral component of an automation device that controls natural light, whether or not assembled into a fully completed automation device that controls natural light, with the following characteristics:

1. a total power output of 20 watts or less per panel;
2. a maximum surface area of 1,000 cm<sup>2</sup> per panel;
3. does not include a built-in inverter for powering third party devices

Modules, laminates, and panels produced in a third-country from cells produced in a subject country are covered by the orders; however, modules, laminates, and panels produced in a subject country from cells produced in a third-country are not covered by the orders.

Also excluded from the scope of the orders are all products covered by the scope of the antidumping and countervailing duty orders on *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 77 FR 73018 (December 7, 2012); and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Countervailing Duty Order*, 77 FR 73017 (December 7, 2012).

Merchandise covered by the orders is currently classified in the Harmonized Tariff System of the United States (HTSUS) under subheadings 8541.42.0010 and 8541.43.0010. Imports of the subject merchandise may enter under HTSUS subheadings 8501.71.0000, 8501.72.1000, 8501.72.2000, 8501.72.3000, 8501.72.9000, 8501.80.1000, 8501.80.2000, 8501.80.3000, 8501.80.9000, 8507.20.8010, 8507.20.8031, 8507.20.8041, 8507.20.8061, and 8507.20.8091. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the orders is dispositive.

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**BILLING CODE 3510–DS–P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

[C–555–004, C–557–831, C–549–852, C–552–842]

#### **Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Malaysia and Thailand: Amended Final Countervailing Duty Determinations; Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, From Cambodia, Malaysia, Thailand, and the Socialist Republic of Vietnam: Countervailing Duty Orders**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** Based on affirmative final determinations by the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC), Commerce is issuing countervailing duty (CVD) orders on crystalline silicon photovoltaic cells, whether or not assembled into modules (solar cells) from Cambodia, Malaysia, Thailand, and the Socialist Republic of Vietnam (Vietnam). In addition, Commerce is amending its final CVD determinations with respect to solar cells from Malaysia and Thailand to correct ministerial errors.

**DATES:** Applicable June 24, 2025.

**FOR FURTHER INFORMATION CONTACT:** Dusten Hom (Cambodia), Office I, at (202) 482–5075; Janae Martin (Malaysia), Office VI, at (202) 482–0238; Shane Subler (Thailand), Office VIII, at (202) 482–6241; and Amber Hodak (Vietnam), Office VI, at (202) 482–8034, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

**SUPPLEMENTARY INFORMATION:**

#### **Background**

In accordance with sections 705(d) and 777(i) of the Tariff Act of 1930, as amended (the Act), on April 25, 2025, Commerce published its affirmative final determinations that countervailable subsidies are being provided to producers and exporters of solar cells from Cambodia, Malaysia, Thailand, and Vietnam.<sup>1</sup> Between April

<sup>1</sup> See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules from Cambodia: Final Affirmative Countervailing Duty Determination*, 90 FR 17406 (April 25, 2025) (*Cambodia Final Determination*); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Malaysia: Final Affirmative*

28 and 29, 2025, various interested parties alleged that Commerce made ministerial errors in the *Malaysia Final Determination*, *Thailand Final Determination*, and *Vietnam Final Determination*.<sup>2</sup> On May 5, 2025, various parties submitted replies to those ministerial error allegations.<sup>3</sup>

Section 705(e) of the Act and 19 CFR 351.224(f) define ministerial errors as errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which Commerce considers ministerial. We reviewed the allegations and determined that we made ministerial errors in the *Malaysia Final Determination* and *Thailand Final Determination*. See “Amendment to the Malaysia Final Determination” and “Amendment to the Thailand Final Determination” sections below for further discussions. We determined no ministerial error was made in the *Vietnam Final Determination*.<sup>4</sup>

On June 9, 2025, pursuant to section 705(d) of the Act, the ITC notified Commerce of its final affirmative determinations that an industry in the United States is materially injured by reason of subsidized imports of solar cells from Malaysia and Vietnam within the meaning of section 705(b)(1)(A)(i) of the Act, and is threatened with material injury by reason of subsidized imports of solar cells from Cambodia and

Thailand within the meaning of section 705(b)(1)(A)(ii) of the Act.<sup>5</sup>

### Scope of the Orders

The merchandise covered by these orders is solar cells from Cambodia, Malaysia, Thailand, and Vietnam. For a complete description of the scope of the orders, see Appendix I and Appendix II to this notice.

### Amendment to the Malaysia Final Determination

On April 29, 2025, the petitioner timely alleged that Commerce made a ministerial error in *Malaysia Final Determination*.<sup>6</sup> Commerce reviewed the record and, on May 27, 2025, agreed that the petitioner’s allegation constituted a ministerial error within the meaning of section 705(e) of the Act and 19 CFR 351.224(f).<sup>7</sup> Accordingly, Commerce is amending the final determination by correcting the countervailable subsidy rate calculated for Jinko Solar, and making the necessary changes to the countervailable subsidy rates for all other companies not selected for individual examination, and for the non-responsive companies. See *Malaysia Ministerial Error Analysis Memorandum* for additional details.

### Amendment to the Thailand Final Determination

On April 28, 2025, Trina Solar Science & Technology (Thailand) Ltd. (TTL) timely alleged that Commerce made ministerial errors in the *Thailand Final Determination*.<sup>8</sup> Commerce reviewed the record and, on May 30, 2025, agreed that one of TTL’s allegations constituted a ministerial error within the meaning of section 705(e) of the Act and 19 CFR 351.224(f).<sup>9</sup> Accordingly, Commerce is amending the final determination by

correcting the countervailable subsidy rate calculated for TTL. See the *Thailand Ministerial Error Analysis Memorandum* for additional details.

### Countervailing Duty Orders

Based on the final affirmative determinations by the ITC that an industry in the United States is materially injured by reason of subsidized imports of solar cells from Malaysia and Vietnam, and is threatened with material injury by reason of subsidized imports of solar cells from Cambodia and Thailand,<sup>10</sup> in accordance with section 705(c)(2) of the Act, Commerce is issuing these CVD orders. Because the ITC determined that imports of solar cells from Malaysia, and Vietnam are materially injuring a U.S. industry, unliquidated entries of such merchandise entered, or withdrawn from warehouse, for consumption, are subject to the assessment of countervailing duties.

Therefore, in accordance with section 706(a) of the Act, Commerce will direct U.S. Customs Border and Protection (CBP) to assess, upon further instructions by Commerce, countervailing duties on unliquidated entries of solar cells from Malaysia and Vietnam entered, or withdrawn from warehouse for consumption on or after October 4, 2024, the date of publication of the *Malaysia Preliminary Determination* and *Vietnam Preliminary Determination*,<sup>11</sup> but will not include entries occurring after the expiration of the provisional measures period and before the publication of the ITC’s final injury determination under section 705(b) of the Act, as further described below.

Because the ITC determined that imports of solar cells from Cambodia and Thailand are threatening to materially injure a U.S. industry, pursuant to section 706(b)(2) of the Act, countervailing duties shall be assessed on subject merchandise entered, or withdrawn from warehouse, for

*Countervailing Duty Determination*, 90 FR 17384 (April 25, 2025) (*Malaysia Final Determination*); *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from Thailand: Final Affirmative Countervailing Duty Determination and Final Affirmative Determination of Critical Circumstances*, 90 FR 17380 (April 25, 2025) (*Thailand Final Determination*); and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the Socialist Republic of Vietnam: Final Affirmative Duty Determination and Final Affirmative Critical Circumstances Determination, in Part*, 90 FR 17399 (April 25, 2025) (*Vietnam Final Determination*).

<sup>2</sup> See American Alliance for Solar Manufacturing Trade Committee’s (Petitioner) Letter, “Ministerial Error Comments Regarding the Preliminary Determination,” dated April 29, 2025 (Petitioner’s Malaysia Ministerial Error Allegation); see also TTL’s Letter, “TTL’s Ministerial Error Allegation,” dated April 28, 2025 (TTL’s Thailand Ministerial Error Allegation); Petitioner’s Letter, “Petitioner’s Ministerial Error Allegation,” dated April 28, 2025.

<sup>3</sup> See Petitioner’s Letter, “Response to TTL’s Ministerial Error Comments,” dated May 5, 2025; see also Canadian Solar’s Letter, “Ministerial Error Rebuttal Comments,” dated May 5, 2025; see also JA Solar Vietnam Company Limited’s Letter, “Rebuttal Ministerial Error Comments,” dated May 5, 2025.

<sup>4</sup> See Memorandum, “Ministerial Error Allegations in the Final Determination,” dated May 14, 2025.

<sup>5</sup> See ITC’s Letter, “Chair Determinations Letter to {Commerce}—crystalline photovoltaic cells, whether or not assembled into modules,” dated June 9, 2025 (ITC Notification Letter). Having made a determination that an industry in the United States is threatened with material injury by reason of imports of solar cells from Thailand, the ITC did not reach the issue of critical circumstances regarding imports of subject merchandise from Thailand. See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules from Cambodia, Malaysia, Thailand, and Vietnam*, Investigation Nos. 701–TA–722–725 and 731–TA–1690–1693 (Final), USITC Pub. 5631 (June 2025) (*ITC Final Report*), at 1, n. 4.

<sup>6</sup> See Petitioner’s Malaysia Ministerial Error Allegation.

<sup>7</sup> See Memorandum, “Ministerial Error Allegations in the Final Determination,” dated May 27, 2025 (Malaysia Ministerial Error Analysis Memorandum).

<sup>8</sup> See TTL’s Thailand Ministerial Error Allegation.

<sup>9</sup> See Memorandum, “Analysis of Ministerial Error Allegations for the Final Determination,” dated May 30, 2025 (Thailand Ministerial Error Analysis Memorandum).

<sup>10</sup> See ITC Notification Letter.

<sup>11</sup> See *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from Malaysia: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 89 FR 80861 (October 4, 2024) (*Malaysia Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM); see also *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the Socialist Republic of Vietnam: Preliminary Affirmative Countervailing Duty Determination, Preliminary Affirmative Critical Circumstances Determination, In Part, and Alignment of Final Determination with Final Antidumping Duty Determination*, 89 FR 80866 (October 4, 2024) (*Vietnam Preliminary Determination*), and accompanying PDM.

consumption on or after the date of publication of the ITC's notice of final determination of threat of material injury. Section 706(b)(1) of the Act states, “{i}f the Commission, in its final determination under section 705(b), finds material injury or threat of material injury which, but for the suspension of liquidation under section 703(d)(2), would have led to a finding of material injury, then entries of the merchandise subject to the countervailing duty order, the liquidation of which has been suspended under section 703(d)(2), shall be subject to the imposition of countervailing duties under section 701(a).” In addition, section 706(b)(2) of the Act requires CBP to refund any cash deposits of estimated countervailing duties posted before the date of publication of the ITC's final affirmative determination, if the ITC's final determination is based on threat other than the threat described in section 706(b)(1) of the Act. Because the ITC's final determinations with respect to Cambodia and Thailand are based on the threat of material injury and are not

accompanied by a finding that injury would have resulted but for the imposition of suspension of liquidation of entries since publication of the *Cambodia Preliminary Determination* and *Thailand Preliminary Determination*, section 706(b)(2) of the Act is applicable.<sup>12</sup> Therefore, Commerce will instruct CBP to assess, upon further instruction by Commerce, countervailing duties on entries of solar cells from Cambodia and Thailand entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's notice of final determinations of threat of material injury in the **Federal Register**.

**Suspension of Liquidation and Cash Deposits**

In accordance with section 706 of the Act, Commerce intends to instruct CBP to reinstitute the suspension of liquidation of solar cells from Cambodia, Malaysia, Thailand, and Vietnam, effective on the date of publication of the ITC's final affirmative determinations in the **Federal Register**, and to assess, upon further instruction

by Commerce, pursuant to section 706(a)(1) of the Act, countervailing duties on each entry of subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise.<sup>13</sup> These instructions suspending liquidation will remain in effect until further notice.

Commerce also intends, pursuant to section 706(a)(1) of the Act, to instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of the publication of the ITC's final affirmative injury determination in the **Federal Register**, CBP will require, at the same time as importers would normally deposit estimated customs duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the subsidy rates listed below.<sup>14</sup> The all-others rates apply to all producers or exporters not specifically listed below, as appropriate.

**Estimated Countervailable Subsidy Rates**

The estimated countervailable subsidy rates are as follows:

CAMBODIA

Company	Subsidy rate (percent <i>ad valorem</i> )
Solarspace New Energy (Cambodia) Co., Ltd .....	534.67
Jintek Photovoltaic Technology Co., Ltd .....	* 3,403.96
Hounen Solar Inc Co., Ltd .....	* 3,403.96
ISC Cambodia .....	* 3,403.96
Solar Long PV-Tech (Cambodia) Co., Ltd .....	* 3,403.96
All Others .....	534.67

\* Rate based on facts available with adverse inferences.

MALAYSIA

Company	Subsidy rate (percent <i>ad valorem</i> )
Hanwha Q CELLS Malaysia Sdn. Bhd .....	14.64
Jinko Solar Technology Sdn. Bhd.; Jinko Solar (Malaysia) Sdn. Bhd.; and Omega Solar Sdn. Bhd .....	40.50
Baojia New Energy .....	* 170.92
Pax Union Resources SDN BHD .....	* 170.92
SunMax Energy SDN BHD .....	* 170.92
All Others .....	34.09

\* Rate based on facts available with adverse inferences.

<sup>12</sup> See ITC Final Report at 96, n. 473; see also *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules from the Kingdom of Cambodia: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 89 FR 80877 (October 4, 2024) (*Cambodia Preliminary Determination*), and accompanying PDM; and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from Thailand: Preliminary Affirmative Countervailing Duty Determination, Preliminary*

*Affirmative Critical Circumstances Determination, in Part, and Alignment of Final Determination with Final Antidumping Duty Determination*, 89 FR 80877 (October 4, 2024) (*Thailand Preliminary Determination*), and accompanying PDM.

<sup>13</sup> For the *Thailand Preliminary Determination*, Commerce did not instruct CBP to suspend liquidation of entries of subject merchandise from TTL because TTL's preliminary net countervailable subsidy rate was *de minimis*. See *Thailand Preliminary Determination*, 89 FR at 80875. However, Commerce instructed CBP to suspend

liquidation of entries of subject merchandise from TTL as a result of the *Thailand Final Determination* because TTL's final net countervailable subsidy rate was above *de minimis*. See *Thailand Final Determination*, 90 FR at 17381. Therefore, the suspension of liquidation with respect to TTL has already been instituted as of the date of this amended final determination and CVD order for Thailand. See the “Termination of Suspension of Liquidation for Thailand” section below for the dates applicable to TTL.

<sup>14</sup> See section 706(a)(3) of the Act.

THAILAND

Company	Subsidy rate (percent <i>ad valorem</i> )
Sunshine Electrical Energy .....	* 774.50
Taihua New Energy (Thailand) Co. Ltd .....	* 774.50
Trina Solar Science & Technology (Thailand) Ltd .....	255.39
All Others .....	255.39

\* Rate based on facts available with adverse inferences.

VIETNAM <sup>15</sup>

Company	Subsidy rate (percent <i>ad valorem</i> )
Boviet Solar Technology Co., Ltd .....	230.66
JA Solar Vietnam Company Limited; JA Solar PV Vietnam Company Limited; JA Solar NE Vietnam Company Limited .....	68.15
GEP New Energy Viet Nam Company Limited .....	* 542.64
Vietnam Green Energy Commercial Services Company Ltd .....	* 542.64
Shengtian New Energy Vina Co., Ltd .....	* 542.64
HT Solar Vietnam Limited Company .....	* 542.64
All Others .....	124.57

\* Rate based on facts available with adverse inferences.

**Provisional Measures**

Section 703(d) of the Act states that the suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months. Commerce published the *Preliminary Determinations* <sup>16</sup> on October 4, 2024.<sup>17</sup> As such, the four-month period beginning on the date of the publication of the *Preliminary Determinations* ended on January 31, 2025. Therefore, entries of solar cells from Cambodia, Malaysia, Thailand and Vietnam made on or after February 1, 2025, and prior to the date of publication of the ITC’s final determinations in the **Federal Register**, are not subject to the assessment of countervailing duties due to Commerce’s discontinuation of the suspension of liquidation.<sup>18</sup>

<sup>15</sup> As discussed in the *Vietnam Preliminary Determination* PDM, Commerce has found the following companies to be cross-owned with JA Solar Vietnam Company Limited: JA Solar PV Vietnam Company Limited; JA Solar NE Vietnam Company Limited. See *Vietnam Preliminary Determination*, 90 FR at 17401.

<sup>16</sup> See *Cambodia Preliminary Determination*; *Malaysia Preliminary Determination*; *Thailand Preliminary Determination*; *Vietnam Preliminary Determination* (collectively, *Preliminary Determinations*).

<sup>17</sup> See *Preliminary Determinations*.

<sup>18</sup> In the *Thailand Preliminary Determination*, Commerce did not instruct CBP to suspend liquidation of entries of subject merchandise from TTL because TTL’s preliminary net countervailable subsidy rate was *de minimis*. See *Thailand Preliminary Determination*, 89 FR at 80875. Therefore, the discontinuation of suspension of liquidation as a result of the expiration of provisional measures, as described in this section, did not apply to TTL. See the “Termination of Suspension of Liquidation for Thailand” section below for the dates applicable to TTL. In addition, in the *Vietnam Preliminary Determination*,

In accordance with section 703(d) of the Act, Commerce instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of solar cells from Cambodia, Malaysia, Thailand and Vietnam entered, or withdrawn from warehouse, for consumption on or after February 1, 2025, the date on which the provisional measures expired, until and through the day preceding the date of publication of the ITC’s final injury determination in the **Federal Register**. Suspension of liquidation and collection of cash deposits will resume on the date of publication of the ITC’s final determinations in the **Federal Register**.

**Termination of Suspension of Liquidation for Thailand**

In the *Thailand Preliminary Determination*, we preliminarily determined that critical circumstances existed with respect to imports of subject merchandise from Sunshine Electrical Energy, Taihua New Energy (Thailand) Co. Ltd., and all other producers and exporters that entered subject merchandise under the all-others subsidy rate.<sup>19</sup> Accordingly, we

Commerce also did not instruct CBP to suspend liquidation of entries of subject merchandise from Boviet Solar Technology Co., Ltd. (Boviet Solar) because Boviet Solar’s net countervailable subsidy rate was *de minimis*. See *Vietnam Preliminary Determination*, 89 FR at 80868. Therefore, the discontinuation of suspension of liquidation as a result of the expiration of provisional measures above, did not apply to Boviet Solar. See the “Termination of Suspension of Liquidation for Vietnam” section below for the dates applicable for Boviet Solar.

<sup>19</sup> See *Thailand Preliminary Determination*, 89 FR at 80875.

instructed CBP to suspend liquidation for unliquidated entries of subject merchandise from these producers/exporters that were entered, or withdrawn from warehouse, for consumption on or after July 6, 2024 (*i.e.*, 90 days before publication of the *Thailand Preliminary Determination*), and to require the posting of a cash deposit for such entries of subject merchandise.<sup>20</sup> Further, in the *Thailand Final Determination*, Commerce determined that critical circumstances existed with respect to imports of subject merchandise from TTL.<sup>21</sup> Accordingly, we directed CBP to suspend liquidation for all imports of the subject merchandise from TTL entered, or withdrawn from warehouse, for consumption on or after January 25, 2025 (*i.e.*, 90 days prior to the date of publication of the *Thailand Final Determination*), and to require the posting of a cash deposit for such entries of subject merchandise.<sup>22</sup> However, because the ITC’s final determination with respect to Thailand is based on the threat of material injury and is not accompanied by a finding that injury would have resulted but for the imposition of suspension of liquidation of entries since publication of the *Thailand Preliminary Determination*, section 706(b)(2) of the Act is applicable. Additionally, having determined that an industry in the United States is threatened with material injury by reason of imports of solar cells from Thailand, the ITC did

<sup>20</sup> *Id.*

<sup>21</sup> See *Thailand Final Determination*, 90 FR at 17381.

<sup>22</sup> *Id.*

not reach the issue of critical circumstances regarding imports of subject merchandise from Thailand. Therefore, Commerce will instruct CBP to terminate the suspension of liquidation of entries of solar cells from Thailand entered, or withdrawn from warehouse, for consumption prior to the publication of the ITC's notice of final determination in the **Federal Register**. Further, Commerce will also instruct CBP to refund any cash deposits with respect to entries of solar cells from Thailand entered, or withdrawn from warehouse, for consumption before the date of publication of the ITC's final determination in the **Federal Register**.

#### Termination of Suspension of Liquidation for Vietnam

As a result of the *Vietnam Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, we instructed CBP to collect cash deposits and suspend liquidation of entries of solar cells from Vietnam that were entered, or withdrawn from warehouse, for consumption on or after October 4, 2024, the date of the publication of the *Vietnam Preliminary Determination* in the **Federal Register**, with respect to entries of solar cells from Vietnam produced and/or exported by JA Solar Vietnam Company Limited (JAVN).<sup>23</sup> Because we preliminarily determined that critical circumstances existed with respect to imports of subject merchandise produced and/or exported by: (1) GEP New Energy Viet Nam Company Limited; (2) Vietnam Green Energy Commercial Services Company Ltd.; (3) Shengtian New Energy Vina Co., Ltd.; (4) HT Solar Vietnam Limited Company; and all other producers and exporters whose imports enter under the all-others subsidy rate, we instructed CBP to collect cash deposits and suspend liquidation of entries of solar cells from Vietnam produced and/or exported by these companies that were entered, or withdrawn from warehouse, for consumption on or after July 6, 2024, which is 90 days prior to the publication of the *Vietnam Preliminary Determination* in the **Federal Register**. Because the subsidy rate at the *Vietnam Preliminary Determination* for Boviet Solar was *de minimis*, Commerce did not direct CBP to suspend liquidation of entries of subject merchandise from this company.<sup>24</sup>

Provisional measures were not imposed for Boviet Solar following the *Vietnam Preliminary Determination* because of Commerce's preliminary

negative determination with respect to Boviet Solar. However, Commerce reached a final affirmative countervailing duty determination and a final affirmative critical circumstances determination with respect to Boviet Solar.<sup>25</sup> Accordingly, pursuant to section 703(e)(2)(A) of the Act, Commerce instructed CBP to suspend liquidation of entries of solar cells from Boviet Solar, which were entered, or withdrawn from warehouse, for consumption on or after 90 days prior to the date of publication of the *Vietnam Final Determination* in the **Federal Register**. Because the ITC made a negative critical circumstances determination with regard to imports of solar cells from Vietnam,<sup>26</sup> Commerce will instruct CBP to terminate the suspension of liquidation for entries of solar cells from Vietnam entered, or withdrawn from warehouse, for consumption prior to the publication of the ITC's notice of final determination in the **Federal Register**. Further, Commerce will also instruct CBP to refund any cash deposits with respect to entries of solar cells from Vietnam entered, or withdrawn from warehouse, for consumption before the date of publication of the ITC's final determination in the **Federal Register**.<sup>27</sup>

#### Establishment of Annual Inquiry Service Lists

On September 20, 2021, Commerce published the *Final Rule* in the **Federal Register**.<sup>28</sup> On September 27, 2021, Commerce also published the *Procedural Guidance* in the **Federal Register**.<sup>29</sup> The *Final Rule* and *Procedural Guidance* provide that Commerce will maintain an annual inquiry service list for each order or suspended investigation, and any interested party submitting a scope ruling application or request for circumvention inquiry shall serve a copy of the application or request on the persons on the annual inquiry service list for that order, as well as any companion order covering the same merchandise from the same country of origin.

In accordance with the *Procedural Guidance*, for orders published in the **Federal Register** after November 4,

<sup>25</sup> See *Vietnam Final Determination*, 90 FR at 17400.

<sup>26</sup> See ITC Notification Letter.

<sup>27</sup> *Id.*

<sup>28</sup> See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300 (September 20, 2021) (*Final Rule*).

<sup>29</sup> See *Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*, 86 FR 53205 (September 27, 2021) (*Procedural Guidance*).

2021, Commerce will create an annual inquiry service list segment in Commerce's online e-filing and document management system, Antidumping and Countervailing Duty Electronic Service System (ACCESS), available at <https://access.trade.gov>, within five business days of publication of the notice of the order. Each annual inquiry service list will be saved in ACCESS, under each case number, and under a specific segment type called "AISL-Annual Inquiry Service List."<sup>30</sup>

Interested parties who wish to be added to the annual inquiry service list for an order must submit an entry of appearance to the annual inquiry service list segment for the order in ACCESS within 30 days after the date of publication of the order. For ease of administration, Commerce requests that law firms with more than one attorney representing interested parties in an order designate a lead attorney to be included on the annual inquiry service list. Commerce will finalize the annual inquiry service list within five business days thereafter. As mentioned in the *Procedural Guidance*,<sup>31</sup> the new annual inquiry service list will be in place until the following year, when the *Opportunity Notice* for the anniversary month of the order is published.

Commerce may update an annual inquiry service list at any time as needed based on interested parties' amendments to their entries of appearance to remove or otherwise modify their list of members and representatives, or to update contact information. Any changes or announcements pertaining to these procedures will be posted to the ACCESS website at <https://access.trade.gov>.

#### Special Instructions for the Petitioner and Foreign Governments

In the *Final Rule*, Commerce stated that, "after an initial request and placement on the annual inquiry service list, both petitioners and foreign governments will automatically be placed on the annual inquiry service list in the years that follow."<sup>32</sup>

<sup>30</sup> This segment will be combined with the ACCESS Segment Specific Information (SSI) field which will display the month in which the notice of the order or suspended investigation was published in the **Federal Register**, also known as the anniversary month. For example, for an order under case number A-000-000 that was published in the **Federal Register** in January, the relevant segment and SSI combination will appear in ACCESS as "AISL-January Anniversary." Note that there will be only one annual inquiry service list segment per case number, and the anniversary month will be pre-populated in ACCESS.

<sup>31</sup> See *Procedural Guidance*, 86 FR at 53206.

<sup>32</sup> See *Final Rule*, 86 FR at 52335.

<sup>23</sup> See *Vietnam Preliminary Determination*, 89 FR 80868.

<sup>24</sup> *Id.*

Accordingly, as stated above, the petitioner, the Government of Cambodia, the Government of Malaysia, the Government of Vietnam, and the Royal Thai Government (collectively, Governments) should submit their initial entries of appearance after publication of this notice in order to appear in the first annual inquiry service lists for these orders. Pursuant to 19 CFR 351.225(n)(3), the petitioner and the Governments will not need to resubmit their entries of appearance each year to continue to be included on the annual inquiry service list. However, the petitioner and the Governments are responsible for making amendments to their entries of appearance during the annual update to the annual inquiry service list in accordance with the procedures described above.

### Notification to Interested Parties

This notice constitutes the CVD orders with respect to solar cells from Cambodia, Malaysia, Thailand and Vietnam, pursuant to section 706(a) of the Act. Interested parties can find a list of antidumping and CVD orders currently in effect at <https://www.trade.gov/data-visualization/adcvd-orders-and-suspension-agreements>.

The amended Malaysia and Thailand final determinations and these CVD orders are issued and published in accordance with sections 705(e) and 706(a) of the Act, and 19 CFR 351.224(e) and 19 CFR 351.211(b).

Dated: June 17, 2025.

### Christopher Abbott,

*Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

### Appendix I

#### Scope of the Orders (Cambodia, Malaysia, and Thailand)

The merchandise covered by these orders is crystalline silicon photovoltaic cells, and modules, laminates, and panels, consisting of crystalline silicon photovoltaic cells, whether or not partially or fully assembled into other products, including, but not limited to, modules, laminates, panels and building integrated materials.

These orders cover crystalline silicon photovoltaic cells of thickness equal to or greater than 20 micrometers, having a p/n junction formed by any means, whether or not the cell has undergone other processing, including, but not limited to, cleaning, etching, coating, and/or addition of materials (including, but not limited to, metallization and conductor patterns) to collect and forward the electricity that is generated by the cell.

Merchandise under consideration may be described at the time of importation as parts

for final finished products that are assembled after importation, including, but not limited to, modules, laminates, panels, building-integrated modules, building-integrated panels, or other finished goods kits. Such parts that otherwise meet the definition of merchandise under consideration are included in the scope of the orders.

Excluded from the scope of the orders are thin film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe), or copper indium gallium selenide (CIGS).

Also excluded from the scope of the orders are crystalline silicon photovoltaic cells, not exceeding 10,000 mm<sup>2</sup> in surface area, that are permanently integrated into a consumer good whose function is other than power generation and that consumes the electricity generated by the integrated crystalline silicon photovoltaic cell. Where more than one cell is permanently integrated into a consumer good, the surface area for purposes of this exclusion shall be the total combined surface area of all cells that are integrated into the consumer good.

Additionally, excluded from the scope of the orders are panels with surface area from 3,450 mm<sup>2</sup> to 33,782 mm<sup>2</sup> with one black wire and one red wire (each of type 22 AWG or 24 AWG not more than 206 mm in length when measured from panel extrusion), and not exceeding 2.9 volts, 1.1 amps, and 3.19 watts. For the purposes of this exclusion, no panel shall contain an internal battery or external computer peripheral ports.

Also excluded from the scope of the orders are:

1. Off grid CSPV panels in rigid form with a glass cover, with the following characteristics: (A) a total power output of 100 watts or less per panel; (B) a maximum surface area of 8,000 cm<sup>2</sup> per panel; (C) do not include a built-in inverter; (D) must include a permanently connected wire that terminates in either an 8 mm male barrel connector, or a two-port rectangular connector with two pins in square housings of different colors; (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell; and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features, and foam for transport); and

2. Off grid CSPV panels without a glass cover, with the following characteristics: (A) a total power output of 100 watts or less per panel; (B) a maximum surface area of 8,000 cm<sup>2</sup> per panel; (C) do not include a built-in inverter; (D) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell; and (E) each panel is (1) permanently integrated into a consumer good; (2) encased in a laminated material without stitching, or (3) has all of the following characteristics: (i) the panel is encased in sewn fabric with visible stitching, (ii) includes a mesh zippered storage pocket, and (iii) includes a permanently attached wire that terminates in a female USB–A connector.

In addition, the following CSPV panels are excluded from the scope of the orders: off-grid CSPV panels in rigid form with a glass

cover, with each of the following physical characteristics, whether or not assembled into a fully completed off-grid hydropanel whose function is conversion of water vapor into liquid water: (A) a total power output of no more than 80 watts per panel; (B) a surface area of less than 5,000 square centimeters (cm<sup>2</sup>) per panel; (C) do not include a built-in inverter; (D) do not have a frame around the edges of the panel; (E) include a clear glass back panel; and (F) must include a permanently connected wire that terminates in a two-port rectangular connector.

Additionally excluded from the scope of these orders are off-grid small portable crystalline silicon photovoltaic panels, with or without a glass cover, with the following characteristics: (1) a total power output of 200 watts or less per panel; (2) a maximum surface area of 16,000 cm<sup>2</sup> per panel; (3) no built-in inverter; (4) an integrated handle or a handle attached to the package for ease of carry; (5) one or more integrated kickstands for easy installation or angle adjustment; and (6) a wire of not less than 3 meters either permanently connected or attached to the package that terminates in an 8 mm diameter male barrel connector.

Also excluded from the scope of these orders are off-grid crystalline silicon photovoltaic panels in rigid form with a glass cover, with each of the following physical characteristics, whether or not assembled into a fully completed off-grid hydropanel whose function is conversion of water vapor into liquid water: (A) a total power output of no more than 180 watts per panel at 155 degrees Celsius; (B) a surface area of less than 16,000 square centimeters (cm<sup>2</sup>) per panel; (C) include a keep-out area of approximately 1,200 cm<sup>2</sup> around the edges of the panel that does not contain solar cells; (D) do not include a built-in inverter; (E) do not have a frame around the edges of the panel; (F) include a clear glass back panel; (G) must include a permanently connected wire that terminates in a two-port rounded rectangular, sealed connector; (H) include a thermistor installed into the permanently connected wire before the two-port connector; and (I) include exposed positive and negative terminals at opposite ends of the panel, not enclosed in a junction box.

Further excluded from the scope of the orders are:

1. Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 10,500 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure, (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

2. Off-grid small portable crystalline silicon photovoltaic panels, with or without

a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 16,000 cm<sup>2</sup> per panel, (C) no built-in inverter, (D) an integrated handle or a handle attached to the package for ease of carry, (E) one or more integrated kickstands for easy installation or angle adjustment, and (F) a wire either permanently connected or attached to the package terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure.

Also excluded from the scope of the orders are:

1. Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 10,500 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure, (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

2. Small off-grid panels with glass cover, with the following characteristics: (A) surface area from 3,450 mm<sup>2</sup> to 33,782 mm<sup>2</sup>, (B) with one black wire and one red wire (each of type 22 AWG or 28 AWG not more than 350 mm in length when measured from panel extrusion), (C) not exceeding 10 volts, (D) not exceeding 1.1 amps, (E) not exceeding 6 watts, and (F) for the purposes of this exclusion, no panel shall contain an internal battery or external computer peripheral ports.

Additionally excluded from the scope of the orders are:

1. Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 175 watts or less per panel, (B) a maximum surface area of 9,000 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure; (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

2. Off grid CSPV panels without a glass cover, with the following characteristics: (A) a total power output of 220 watts or less per panel, (B) a maximum surface area of 16,000 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (E) each panel is encased in a laminated material without stitching.

Also excluded from the scope of these orders are off-grid CSPV panels in rigid form,

with or without a glass cover, permanently attached to an aluminum extrusion that is an integral component of an automation device that controls natural light, whether or not assembled into a fully completed automation device that controls natural light, with the following characteristics:

1. a total power output of 20 watts or less per panel;
2. a maximum surface area of 1,000 cm<sup>2</sup> per panel;
3. does not include a built-in inverter for powering third party devices

Modules, laminates, and panels produced in a third-country from cells produced in a subject country are covered by the orders; however, modules, laminates, and panels produced in a subject country from cells produced in a third-country are not covered by the orders.

Also excluded from the scope of these orders are all products covered by the scope of the antidumping and countervailing duty orders on *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 77 FR 73018 (December 7, 2012); and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Countervailing Duty Order*, 77 FR 73017 (December 7, 2012).

Merchandise covered by the orders is currently classified in the Harmonized Tariff System of the United States (HTSUS) under subheadings 8541.42.0010 and 8541.43.0010. Imports of the subject merchandise may enter under HTSUS subheadings 8501.71.0000, 8501.72.1000, 8501.72.2000, 8501.72.3000, 8501.72.9000, 8501.80.1000, 8501.80.2000, 8501.80.3000, 8501.80.9000, 8507.20.8010, 8507.20.8031, 8507.20.8041, 8507.20.8061, and 8507.20.8091. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the orders is dispositive.

## Appendix II

### Scope of the Order (Vietnam)

The merchandise covered by this order is crystalline silicon photovoltaic cells, and modules, laminates, and panels, consisting of crystalline silicon photovoltaic cells, whether or not partially or fully assembled into other products, including, but not limited to, modules, laminates, panels and building integrated materials.

This order covers crystalline silicon photovoltaic cells of thickness equal to or greater than 20 micrometers, having a p/n junction formed by any means, whether or not the cell has undergone other processing, including, but not limited to, cleaning, etching, coating, and/or addition of materials (including, but not limited to, metallization and conductor patterns) to collect and forward the electricity that is generated by the cell.

Merchandise under consideration may be described at the time of importation as parts for final finished products that are assembled after importation, including, but not limited to, modules, laminates, panels, building-

integrated modules, building-integrated panels, or other finished goods kits. Such parts that otherwise meet the definition of merchandise under consideration are included in the scope of the order.

Excluded from the scope of the order is thin film photovoltaic products produced from amorphous silicon (a-Si), cadmium telluride (CdTe), or copper indium gallium selenide (CIGS).

Also excluded from the scope of the order is crystalline silicon photovoltaic cells, not exceeding 10,000 mm<sup>2</sup> in surface area, that are permanently integrated into a consumer good whose function is other than power generation and that consumes the electricity generated by the integrated crystalline silicon photovoltaic cell. Where more than one cell is permanently integrated into a consumer good, the surface area for purposes of this exclusion shall be the total combined surface area of all cells that are integrated into the consumer good.

Additionally, excluded from the scope of the order is panels with surface area from 3,450 mm<sup>2</sup> to 33,782 mm<sup>2</sup> with one black wire and one red wire (each of type 22 AWG or 24 AWG not more than 206 mm in length when measured from panel extrusion), and not exceeding 2.9 volts, 1.1 amps, and 3.19 watts. For the purposes of this exclusion, no panel shall contain an internal battery or external computer peripheral ports.

Also excluded from the scope of the order is:

- (1) Off grid CSPV panels in rigid form with a glass cover, with the following characteristics: (A) a total power output of 100 watts or less per panel; (B) a maximum surface area of 8,000 cm<sup>2</sup> per panel; (C) do not include a built-in inverter; (D) must include a permanently connected wire that terminates in either an 8 mm male barrel connector, or a two-port rectangular connector with two pins in square housings of different colors; (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell; and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features, and foam for transport); and

- (2) Off grid CSPV panels without a glass cover, with the following characteristics: (A) a total power output of 100 watts or less per panel; (B) a maximum surface area of 8,000 cm<sup>2</sup> per panel; (C) do not include a built-in inverter; (D) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell; and (E) each panel is (1) permanently integrated into a consumer good; (2) encased in a laminated material without stitching, or (3) has all of the following characteristics: (i) the panel is encased in sewn fabric with visible stitching, (ii) includes a mesh zippered storage pocket, and (iii) includes a permanently attached wire that terminates in a female USB–A connector.

In addition, the following CSPV panels are excluded from the scope of the order: off-grid CSPV panels in rigid form with a glass cover, with each of the following physical characteristics, whether or not assembled into a fully completed off-grid hydropanel

whose function is conversion of water vapor into liquid water: (A) a total power output of no more than 80 watts per panel; (B) a surface area of less than 5,000 square centimeters (cm<sup>2</sup>) per panel; (C) do not include a built-in inverter; (D) do not have a frame around the edges of the panel; (E) include a clear glass back panel; and (F) must include a permanently connected wire that terminates in a two port rectangular connector.

Additionally excluded from the scope of this order is off-grid small portable crystalline silicon photovoltaic panels, with or without a glass cover, with the following characteristics: (1) a total power output of 200 watts or less per panel; (2) a maximum surface area of 16,000 cm<sup>2</sup> per panel; (3) no built-in inverter; (4) an integrated handle or a handle attached to the package for ease of carry; (5) one or more integrated kickstands for easy installation or angle adjustment; and (6) a wire of not less than 3 meters either permanently connected or attached to the package that terminates in an 8 mm diameter male barrel connector.

Also excluded from the scope of this order is off-grid crystalline silicon photovoltaic panels in rigid form with a glass cover, with each of the following physical characteristics, whether or not assembled into a fully completed off-grid hydropanel whose function is conversion of water vapor into liquid water: (A) a total power output of no more than 180 watts per panel at 155 degrees Celsius; (B) a surface area of less than 16,000 square centimeters (cm<sup>2</sup>) per panel; (C) include a keep-out area of approximately 1,200 cm<sup>2</sup> around the edges of the panel that does not contain solar cells; (D) do not include a built-in inverter; (E) do not have a frame around the edges of the panel; (F) include a clear glass back panel; (G) must include a permanently connected wire that terminates in a two-port rounded rectangular, sealed connector; (H) include a thermistor installed into the permanently connected wire before the twoport connector; and (I) include exposed positive and negative terminals at opposite ends of the panel, not enclosed in a junction box.

Further excluded from the scope of the order is:

(1) Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 10,500 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure, (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

(2) Off-grid small portable crystalline silicon photovoltaic panels, with or without

a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 16,000 cm<sup>2</sup> per panel, (C) no built-in inverter, (D) an integrated handle or a handle attached to the package for ease of carry, (E) one or more integrated kickstands for easy installation or angle adjustment, and (F) a wire either permanently connected or attached to the package terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure.

Also excluded from the scope of the order is:

(1) Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 200 watts or less per panel, (B) a maximum surface area of 10,500 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure, (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

(2) Small off-grid panels with glass cover, with the following characteristics: (A) surface area from 3,450 mm<sup>2</sup> to 33,782 mm<sup>2</sup>, (B) with one black wire and one red wire (each of type 22AWG or 28 AWG not more than 350 mm in length when measured from panel extrusion), (C) not exceeding 10 volts, (D) not exceeding 1.1 amps, (E) not exceeding 6 watts, and (F) for the purposes of this exclusion, no panel shall contain an internal battery or external computer peripheral ports.

Additionally excluded from the scope of the order is:

(1) Off grid rigid CSPV panels with a glass cover, with the following characteristics: (A) a total power output of 175 watts or less per panel, (B) a maximum surface area of 9,000 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include a permanently connected wire that terminates in waterproof connector with a cylindrical positive electrode and a rectangular negative electrode with the positive and negative electrodes having an interlocking structure; (E) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (F) must be in individual retail packaging (for purposes of this provision, retail packaging typically includes graphics, the product name, its description and/or features); and

(2) Off grid CSPV panels without a glass cover, with the following characteristics, (A) a total power output of 220 watts or less per panel, (B) a maximum surface area of 16,000 cm<sup>2</sup> per panel, (C) do not include a built-in inverter, (D) must include visible parallel grid collector metallic wire lines every 1–4 millimeters across each solar cell, and (E)

each panel is encased in a laminated material without stitching.

Also excluded from the scope of this order is off-grid CSPV panels in rigid form, with or without a glass cover, permanently attached to an aluminum extrusion that is an integral component of an automation device that controls natural light, whether or not assembled into a fully completed automation device that controls natural light, with the following characteristics: 1. a total power output of 20 watts or less per panel; 2. a maximum surface area of 1,000 cm<sup>2</sup> per panel; 3. does not include a built-in inverter for powering third party devices.

Additionally excluded from the scope of the order is off-grid greenhouse shade tracking systems with between 3 and 30 flexible CSPV panels, each permanently affixed to an outer aluminum frame, with (A) no glass cover, (B) no back sheet, (C) no built-in inverter, (D) power output of 220 watts or less per panel, (E) surface area of 10,000 cm squared or less per panel, (F) two clear plastic trusses per panel permanently attached running lengthwise on the same side as the junction boxes, (G) visible parallel grid collector metallic wire lines every 1–4 mm per each cell on same side as junction box, (H) two rectangular plastic junction boxes per panel with at least 16 diodes per panel, and (I) encased in an aluminum frame and laminated without stitching.

Modules, laminates, and panels produced in a third-country from cells produced in a subject country are covered by the order; however, modules, laminates, and panels produced in a subject country from cells produced in a third-country are not covered by the order.

Also excluded from the scope of this order is all products covered by the scope of the antidumping and countervailing duty orders on *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value, and Antidumping Duty Order*, 77 FR 73018 (December 7, 2012); and *Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Countervailing Duty Order*, 77 FR 73017 (December 7, 2012).

Merchandise covered by the order is currently classified in the Harmonized Tariff System of the United States (HTSUS) under subheadings 8541.42.0010 and 8541.43.0010. Imports of the subject merchandise may enter under HTSUS subheadings 8501.71.0000, 8501.72.1000, 8501.72.2000, 8501.72.3000, 8501.72.9000, 8501.80.1000, 8501.80.2000, 8501.80.3000, 8501.80.9000, 8507.20.8010, 8507.20.8031, 8507.20.8041, 8507.20.8061, and 8507.20.8091. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the order is dispositive.

[FR Doc. 2025–11589 Filed 6–23–25; 8:45 am]

**BILLING CODE 3510-DS-P**

**DEPARTMENT OF COMMERCE****International Trade Administration**

[C-570-216]

**L-Lysine From the People's Republic of China: Initiation of Countervailing Duty Investigation**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**DATES:** Applicable June 17, 2025.

**FOR FURTHER INFORMATION CONTACT:** Allison Hollander, Office IX, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-2805.

**SUPPLEMENTARY INFORMATION:****The Petition**

On May 28, 2025, the U.S. Department of Commerce (Commerce) received a countervailing duty (CVD) petition concerning imports of L-lysine (lysine) from the People's Republic of China (China), filed in proper form on behalf of the Lysine Fair Trade Coalition and its individual members (the petitioners).<sup>1</sup> The CVD Petition was accompanied by an antidumping duty (AD) petition concerning imports of lysine from China.<sup>2</sup>

Between May 30 and June 12, 2025, Commerce requested supplemental information pertaining to certain aspects of the Petition in supplemental questionnaires.<sup>3</sup> Between June 2 and 16, 2025, the petitioners filed timely responses to these requests for additional information.<sup>4</sup>

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that the Government of China (GOC) is

<sup>1</sup> See Petitioner's Letter, "Petition for the Imposition of Antidumping and Countervailing Duties," dated May 28, 2025 (Petition). The individual members of the Lysine Fair Trade Coalition are Archer Daniels Midland Company, CJ Bio America, Inc., and Evonik Corporation.

<sup>2</sup> *Id.*

<sup>3</sup> See Commerce's Letters, "Supplemental Questions," dated May 30, 2025 (First General Issues Questionnaire); "Supplemental Questions," dated May 29, 2025; and Memorandum, "Phone Call with Counsel to the Petitioners," dated June 12, 2025 (June 12, 2025, Memorandum).

<sup>4</sup> See Petitioners' Letters, "Petitioners' Supplement to Volume I of the Petition for the Imposition of Antidumping and Countervailing Duties," dated June 3, 2025 (First General Issues Supplement); "Petitioners' Response to Supplemental Questionnaire Concerning Volume II of Petition," dated June 2, 2025; and "Petitioners' Response to 2nd Supplemental Questionnaire Regarding Common Issues and Injury Volume I of the Petition," dated June 16, 2025 (Second General Issues Supplement).

providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to producers of lysine in China, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing lysine in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating a CVD investigation, the Petition was accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed the Petition on behalf of the domestic industry, because the petitioners are interested parties, as defined in sections 771(9)(C) and (F) of the Act. Commerce also finds that the petitioners demonstrated sufficient industry support with respect to the initiation of the requested CVD investigation.<sup>5</sup>

**Period of Investigation**

Because the Petition was filed on May 28, 2025, the period of investigation (POI) is January 1, 2024, through December 31, 2024.<sup>6</sup>

**Scope of the Investigation**

The product covered by this investigation is lysine from China. For a full description of the scope of this investigation, see the appendix to this notice.

**Comments on the Scope of the Investigation**

On May 30 and June 12, 2025, Commerce requested information and clarification from the petitioners regarding the proposed scope to ensure that the scope language in the Petition is an accurate reflection of the product for which the domestic industry is seeking relief.<sup>7</sup> On June 3 and 16, 2025, the petitioners provided clarifications and revised the scope.<sup>8</sup> The description of merchandise covered by this investigation, as described in the appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope).<sup>9</sup> Commerce will consider all scope comments received from

<sup>5</sup> See section on "Determination of Industry Support for the Petition," *infra*.

<sup>6</sup> See 19 CFR 351.204(b)(2).

<sup>7</sup> See First General Issues Questionnaire; see also June 12, 2025, Memorandum.

<sup>8</sup> See First General Issues Supplement at 2-4; see also Second General Issues Supplement at 2-6.

<sup>9</sup> See *Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*); see also 19 CFR 351.312.

interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information, all such factual information should be limited to public information.<sup>10</sup> Commerce requests that interested parties provide at the beginning of their scope comments a public executive summary for each comment or issue raised in their submission. Commerce further requests that interested parties limit their public executive summary of each comment or issue to no more than 450 words, not including citations. Commerce intends to use the public executive summaries as the basis of the comment summaries included in the analysis of scope comments. To facilitate preparation of its questionnaires, Commerce requests that scope comments be submitted by 5:00 p.m. Eastern Time (ET) on July 7, 2025, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, and should also be limited to public information, must be filed by 5:00 p.m. ET on July 17, 2025, which is 10 calendar days from the initial comment deadline.

Commerce requests that any factual information that parties consider relevant to the scope of this investigation be submitted during that period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party must contact Commerce and request permission to submit the additional information. All scope comments must be filed simultaneously on the records of the concurrent AD and CVD investigations.

**Filing Requirements**

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.<sup>11</sup> An electronically filed document must be

<sup>10</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>11</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance: Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014), for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at [https://access.trade.gov/help/Handbook\\_on\\_Electronic\\_Filing\\_Procedures.pdf](https://access.trade.gov/help/Handbook_on_Electronic_Filing_Procedures.pdf).

received successfully in its entirety by the time and date it is due.

### Consultations

Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified the GOC of the receipt of the Petition and provided an opportunity for consultations with respect to the Petition.<sup>12</sup> The GOC did not request consultations.

### Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,<sup>13</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the

decision of either agency contrary to law.<sup>14</sup>

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation.<sup>15</sup> Based on our analysis of the information submitted on the record, we have determined that lysine, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>16</sup>

In determining whether the petitioners have standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the “Scope of the Investigation,” in the appendix to this notice. To establish industry support, the petitioners provided their own production of the domestic like product in 2024 and compared this to the estimated total production of the domestic like product in 2024 by the entire domestic industry.<sup>17</sup> We relied on data provided by the petitioners for purposes of measuring industry support.<sup>18</sup>

Our review of the data provided in the Petition and other information readily available to Commerce indicates that the petitioners have established industry support for the Petition.<sup>19</sup> First, the Petition established support from domestic producers (or workers)

accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>20</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>21</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>22</sup> Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.<sup>23</sup>

### Injury Test

Because China is a “Subsidies Agreement Country” within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from China materially injure, or threaten material injury to, a U.S. industry.

### Allegations and Evidence of Material Injury and Causation

The petitioners allege that imports of the subject merchandise are benefiting from countervailable subsidies and that such imports are causing, or threaten to cause, material injury to the U.S. industry producing the domestic like product. In addition, the petitioners allege that subject imports from China exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>24</sup>

The petitioners contend that the industry’s injured condition is illustrated by a significant increase in the volume of subject imports; reduced market share; underselling and price

<sup>12</sup> See Commerce’s Letter, “Invitation for Consultations to Discuss the Countervailing Duty Petition,” dated May 28, 2025.

<sup>13</sup> See section 771(10) of the Act.

<sup>14</sup> See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d Algoma Steel Corp., Ltd. v. United States*, 865 F.2d 240 (Fed. Cir. 1989)).

<sup>15</sup> For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, see Checklist, “Countervailing Duty Investigation Initiation Checklist: L-lysine from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (China CVD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering L-lysine from the People’s Republic of China (Attachment II). This checklist is on file electronically via ACCESS.

<sup>16</sup> For further discussion, see Attachment II of the China CVD Initiation Checklist.

<sup>17</sup> For further discussion, see Attachment II of the China CVD Initiation Checklist.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

<sup>20</sup> *Id.*; see also section 702(c)(4)(D) of the Act.

<sup>21</sup> See Attachment II of the China CVD Initiation Checklist.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> For further information regarding negligibility and the injury allegation, see China CVD Initiation Checklist at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering L-lysine from the People’s Republic of China (Attachment III).

depression and/or suppression; lost sales and revenues; declines in domestic producers' production, employment variables, and financial performance; and underutilized capacity.<sup>25</sup> We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>26</sup>

### Initiation of CVD Investigation

Based upon the examination of the Petition and supplemental responses, we find that they meet the requirements of section 702 of the Act. Therefore, we are initiating a CVD investigation to determine whether imports of lysine from China benefit from countervailable subsidies conferred by the GOC, respectively. In accordance with section 703(b)(1) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 65 days after the date of this initiation.

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on all 25 programs alleged by the petitioners. For a full discussion of the basis for our decision to initiate on each program, see the China CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

### Respondent Selection

In the Petition, the petitioners identified 113 companies in China as producers and/or exporters of lysine.<sup>27</sup> Commerce intends to follow its standard practice in CVD investigations and calculate company-specific subsidy rates in this investigation. In the event that Commerce determines that the number of companies is large and it cannot individually examine each company based on Commerce's resources, Commerce normally selects mandatory respondents in CVD investigations using U.S. Customs and Border Protection (CBP) entry data for U.S. imports under the appropriate Harmonized Tariff Schedule of the United States (HTSUS) subheading(s) listed in the "Scope of the Investigation," in the appendix.

On June 17, 2025, Commerce released CBP data on imports of lysine from China under administrative protective

order (APO) to all parties with access to information protected by APO and indicated that interested parties wishing to comment on CBP data and/or respondent selection must do so within three business days of the publication date of the notice of initiation of this investigation.<sup>28</sup> Comments must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety via ACCESS by 5:00 p.m. ET on the specified deadline. Commerce will not accept rebuttal comments regarding the CBP data or respondent selection. Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on Commerce's website at <https://www.trade.gov/administrative-protective-orders>.

### Distribution of a Copy of the Petition

In accordance with section 702(b)(4)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the GOC via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

### ITC Notification

Commerce will notify the ITC of its initiation, as required by section 702(d) of the Act.

### Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of lysine from China are materially injuring, or threatening material injury to, a U.S. industry.<sup>29</sup> A negative ITC determination will result in the investigation being terminated.<sup>30</sup> Otherwise, this CVD investigation will proceed according to statutory and regulatory time limits.

### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors of production under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR

351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>31</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>32</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

### Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301, or as otherwise specified by Commerce.<sup>33</sup> For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, Commerce may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely filed requests for the extension of time limits, where we determine, based on 19 CFR 351.302, that extraordinary circumstances exist. Parties should review Commerce's regulations concerning the extension of time limits and the *Time Limits Final Rule* prior to

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

<sup>27</sup> See Petition at Volume I (page 11 and Exhibit GEN-4); see also First General Issues Supplement at 2 and Exhibit SUPP-GEN-4.

<sup>28</sup> See Memorandum, "Release of U.S. Customs and Border Protection Entry Data," dated June 17, 2025.

<sup>29</sup> See section 703(a)(1) of the Act.

<sup>30</sup> *Id.*

<sup>31</sup> See 19 CFR 351.301(b).

<sup>32</sup> See 19 CFR 351.301(b)(2).

<sup>33</sup> See 19 CFR 351.302.

submitting factual information in this investigation.<sup>34</sup>

### Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>35</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>36</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

### Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Parties wishing to participate in this investigation should ensure that they meet the requirements of 19 CFR 351.103(d) (e.g., by filing the required letters of appearance). Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).<sup>37</sup>

This notice is issued and published pursuant to sections 702 and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: June 17, 2025.

#### Christopher Abbott,

*Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.*

### Appendix

#### Scope of the Investigation

The scope of this investigation covers animal feed grade L-lysine (lysine). Lysine is an essential amino acid added to animal feed that is used in the biosynthesis of proteins. The scope covers lysine regardless of form, including lysine monohydrochloride, also referred to as lysine HCL, lysine sulfate, and liquid lysine. The scope includes lysine that has been coated or encapsulated for use with ruminants to ensure bioavailability.

Lysine HCL in the dry form has the molecular formula  $C_6H_{14}N_2O_2HCl$ . The Chemical Abstracts Service (CAS) registry number for lysine HCL is 657-27-2. Lysine HCL contains a minimum of 78 percent

lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids. Lysine sulfate is the sulfate salt of lysine, and in the dry form it has the molecular formula  $C_6H_{14}N_2O_6S$ . The CAS registry number for lysine sulfate is 60343-69-3. Lysine sulfate typically contains approximately 40–70 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids. Liquid lysine is a concentrated form of lysine in an aqueous solution with the molecular formula  $C_6H_{14}N_2O_2$ . The CAS registry number for liquid lysine is 56-87-1. Liquid lysine normally contains at least 50 percent lysine by weight, as well as additional amino acids, carbohydrates, mineral salts, and organic acids.

The scope includes animal feed grade lysine that is combined with other products, including for example, by mixing, blending, compounding, or granulating (e.g., base mixes, premixes, and concentrates). For such combined products, only the lysine component is covered by the scope of this investigation.

Subject merchandise also includes lysine that has been processed in a third country, including by commingling, diluting, adding or removing additives, refining, converting from liquid to dry or dry to liquid form, coating or encapsulating, or performing any processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

The merchandise covered by this investigation is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2922.41.0090. Lysine may also be classified under HTSUS subheadings 2922.41.0010, 2922.49.4950, 2309.90.7000, and 2309.90.9500. Although the HTSUS subheadings and the CAS registry numbers are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

[FR Doc. 2025-11537 Filed 6-23-25; 8:45 am]

**BILLING CODE 3510-DS-P**

## DEPARTMENT OF ENERGY

### Department of Energy Regulations Guidance

**AGENCY:** Department of Energy.

**ACTION:** Notice of guidance availability.

**SUMMARY:** The Department of Energy (DOE) is publishing a notice of guidance availability.

**DATES:** This notice applies on June 24, 2025.

**FOR FURTHER INFORMATION CONTACT:** Mr. Jeffrey Novak, U.S. Department of Energy, Office of the General Counsel, GC-1, 1000 Independence Avenue SW, Washington, DC 20585-0121. Telephone: (202) 586-5281. Email: [DOEGeneralCounsel@hq.doe.gov](mailto:DOEGeneralCounsel@hq.doe.gov).

**SUPPLEMENTARY INFORMATION:** On May 9, 2025, President Trump issued Executive

Order (E.O.) 14294, *Fighting Overcriminalization in Federal Regulation*, describing “the dire problem of overregulation and overcriminalization pursuant to those many regulations. To ease the regulatory burden on everyday Americans and ensure no American is transformed into a criminal for violating a regulation they have no reason to know exists,” E.O. 14294 instructs each federal agency to publish guidance reflecting its plan to address criminally liable regulatory offenses. Therefore, DOE is issuing this notice advising that the guidance document called for by E.O. 14294 can be found on its General Counsel’s web page for DOE guidance documents: <https://www.energy.gov/gc/doe-guidance>.

### Signing Authority

This document of the Department of Energy was signed on June 18, 2025, by Jeffrey Novak, Acting General Counsel, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

Signed in Washington, DC, on June 18, 2025.

**Treena V. Garrett,**

*Federal Register Liaison Officer, U.S. Department of Energy.*

[FR Doc. 2025-11540 Filed 6-23-25; 8:45 am]

**BILLING CODE 6450-01-P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Project No. 2368-066]

#### **Aroostook Power, Inc.; Notice of Application for Non-Capacity License Amendment Accepted for Filing, Soliciting Comments, Motions to Intervene, and Protests**

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

- Application Type:* Non-Capacity Amendment.
- Project No:* 2368-066.
- Date Filed:* May 14, 2025.

<sup>34</sup> See 19 CFR 351.301; see also *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013) (*Time Limits Final Rule*), available at <https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>.

<sup>35</sup> See section 782(b) of the Act.

<sup>36</sup> See *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*); see also frequently asked questions regarding the *Final Rule*, available at [https://enforcement.trade.gov/tlei/notices/factual\\_info\\_final\\_rule\\_FAQ\\_07172013.pdf](https://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).

<sup>37</sup> See *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069 (September 29, 2023).

d. *Applicant*: Aroostook Power, Inc.  
e. *Name of Project*: Scopan Hydroelectric Project.

f. *Location*: The project is located on the Squa Pan Stream in Aroostook County, Maine. The project does not occupy any federal lands.

g. *Filed Pursuant to*: Federal Power Act, 16 U.S.C. 791a–825r.

h. *Applicant Contact*: Kevin Quilliam, Aroostook Power, Inc., 326 First Street, Suite 27, Annapolis, MD 21403, [kevin.quilliam@inclinesolutions.com](mailto:kevin.quilliam@inclinesolutions.com), (402) 231–3996.

i. *FERC Contact*: Desiree Di Mauro, (202) 502–8078, [desiree.dimauro@ferc.gov](mailto:desiree.dimauro@ferc.gov).

j. *Cooperating agencies*: With this notice, the Commission is inviting federal, state, local, and Tribal agencies with jurisdiction and/or special expertise with respect to environmental issues affected by the proposal, that wish to cooperate in the preparation of any environmental document, if applicable, to follow the instructions for filing such requests described in item k below. Cooperating agencies should note the Commission's policy that agencies that cooperate in the preparation of any environmental document cannot also intervene. See 94 FERC ¶ 61,076 (2001).

k. *Deadline for filing comments, motions to intervene, and protests*: July 18, 2025.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, and protests using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. For assistance, please contact FERC Online Support at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852. The first page of any filing should include the docket number P–2368–066. Comments emailed to Commission staff are not considered part of the Commission record.

The Commission's Rules of Practice and Procedure require all intervenors

filing documents with the Commission to serve a copy of that document on each person whose name appears on the official service list for the project.

Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

l. *Description of Request*: The applicant requests a license amendment to temporarily deviate from specific water level and flow requirements at the Project's Scopan Lake and Scopan Hydroelectric Project. The purpose of the temporary deviation is to complete repairs originally recommended by the Commission in its 2019 Dam Safety Surveillance and Monitoring Report. The proposed temporary deviation in operations will span the time period from September 2, 2025, through November 15, 2025. During this period, proposed temporary operations will include target Scopan Lake water level of 599.5 feet National Geodetic Vertical Datum (NGVD) 29, downstream minimum flow of 24 cubic feet per second (cfs), and downstream maximum generation flow that will equal the hydraulic capacity of the generating facility at the project (approximately 750 cfs).

m. *Locations of the Application*: This filing may be viewed on the Commission's website at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. You may also register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, call 1–866–208–3676 or email [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), for TTY, call (202) 502–8659. Agencies may obtain copies of the application directly from the applicant.

n. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

o. *Comments, Protests, or Motions to Intervene*: Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the

proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

p. *Filing and Service of Documents*: Any filing must (1) bear in all capital letters the title "COMMENTS", "PROTEST", or "MOTION TO INTERVENE" as applicable; (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person commenting, protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis. Any filing made by an intervenor must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 385.2010.

q. The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, Tribal members, and others access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or [OPP@ferc.gov](mailto:OPP@ferc.gov).

Dated: June 18, 2025.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2025–11562 Filed 6–23–25; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

#### Filings Instituting Proceedings

*Docket Numbers*: RP25–952–000.

*Applicants*: Scout Energy Group II, LP, Ridge Oil & Gas LLC.

*Description*: Joint Petition for Temporary Waiver of Capacity Release Regulations, et al. of Scout Energy Group II, LP, et al.

*Filed Date*: 6/17/25.

*Accession Number*: 20250617–5111.

*Comment Date*: 5 p.m. ET 6/30/25.

*Docket Numbers*: RP25–953–000.

*Applicants:* Empire Pipeline, Inc.  
*Description:* 4(d) Rate Filing: Reservation Charge Credit Applicable Percentage Footnote to be effective 7/17/2025.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5159.

*Comment Date:* 5 p.m. ET 6/30/25.

*Docket Numbers:* RP25–954–000.

*Applicants:* Midship Pipeline Company, LLC.

*Description:* 4(d) Rate Filing: Midship Pipeline Revised Tariff Sheet Filing to be effective 7/18/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5063.

*Comment Date:* 5 p.m. ET 6/30/25.

*Docket Numbers:* RP25–955–000.

*Applicants:* MountainWest Pipeline, LLC.

*Description:* Annual Gas Sales Report of MountainWest Pipeline, LLC.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5091.

*Comment Date:* 5 p.m. ET 6/30/25.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

#### Filings in Existing Proceedings

*Docket Numbers:* RP24–744–009.

*Applicants:* Southern Natural Gas Company, L.L.C.

*Description:* Compliance filing: SNG Rate Case Compliance Filing to be effective 11/1/2024.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5096.

*Comment Date:* 5 p.m. ET 6/30/25.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

The Commission's Office of Public Participation (OPP) supports meaningful

public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organization, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or [OPP@ferc.gov](mailto:OPP@ferc.gov).

Dated: June 18, 2025.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2025–11563 Filed 6–23–25; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### Combined Notice of Filings #1

Take notice that the Commission received the following electric corporate filings:

*Docket Numbers:* EC25–105–000.

*Applicants:* CEI KMEC HoldCo, LLC, CEI KMEC GP, LLC, AL KM LP Holdings, LLC, AL KM GP Holdings, LLC.

*Description:* Joint Application for Authorization Under Section 203 of the Federal Power Act of CEI KMEC HoldCo, LLC, et al.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5296.

*Comment Date:* 5 p.m. ET 7/8/25.

Take notice that the Commission received the following electric rate filings:

*Docket Numbers:* ER16–2019–008.

*Applicants:* Five Points Solar Park LLC.

*Description:* Triennial Market Power Analysis for Southwest Region of Five Points Solar Park LLC.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5282.

*Comment Date:* 5 p.m. ET 7/8/25.

*Docket Numbers:* ER24–925–001.

*Applicants:* Wilderness Line Holdings, LLC.

*Description:* Supplement to 11/07/2024, Wilderness Line Holdings, LLC tariff filing.

*Filed Date:* 6/13/25.

*Accession Number:* 20250613–5227.

*Comment Date:* 5 p.m. ET 7/7/25.

*Docket Numbers:* ER25–1845–002.

*Applicants:* Orange and Rockland Utilities, Inc.

*Description:* Tariff Amendment: O&R WDS Deficiency Response 6–18–2025 to be effective 4/1/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5102.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2218–000.

*Applicants:* Coldwater River Solar, LLC.

*Description:* Amendment to 05/14/2025, Coldwater River Solar, LLC tariff filing.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5279.

*Comment Date:* 5 p.m. ET 7/8/25.

*Docket Numbers:* ER25–2534–000.

*Applicants:* Keydet Solar Center, LLC.

*Description:* 205(d) Rate Filing: COC normal to be effective 6/19/2025.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5273.

*Comment Date:* 5 p.m. ET 7/8/25.

*Docket Numbers:* ER25–2535–000.

*Applicants:* Southwest Power Pool, Inc.

*Description:* 205(d) Rate Filing: 4408 Panama Energy Center GIA to be effective 5/27/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5001.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2536–000.

*Applicants:* Public Service Company of Colorado.

*Description:* 205(d) Rate Filing: 2025–06–18–TCC–T–2024–7–SISA–847–0.0.0 to be effective 3/20/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5064.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2537–000.

*Applicants:* Southwest Power Pool, Inc.

*Description:* 205(d) Rate Filing: 1166R47 Oklahoma Municipal Power Authority NITSA and NOA to be effective 9/1/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5086.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2538–000.

*Applicants:* Southwest Power Pool, Inc.

*Description:* 205(d) Rate Filing: 3125R19 Basin Electric Power Cooperative NITSA and NOA to be effective 6/1/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5097.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2539–000.

*Applicants:* Tri-State Generation and Transmission Association, Inc.

*Description:* 205(d) Rate Filing: Initial Filing of Service Agreement FERC No. 116 to be effective 5/20/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5107.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2540–000.

*Applicants:* Tri-State Generation and Transmission Association, Inc.

*Description:* Tariff Amendment: Notice of Cancellation of Service Agreement FERC No. 107 to be effective 6/30/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5111.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2541–000.

*Applicants:* SunZia Transmission, LLC.

*Description:* 205(d) Rate Filing: Amended & Restated GIA with SunZia Wind PoweCo LLC to be effective 8/18/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5211.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2542–000.

*Applicants:* SunZia Transmission, LLC.

*Description:* Initial rate filing: TSA with SunZia Wind South LLC to be effective 8/18/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5214.

*Comment Date:* 5 p.m. ET 7/9/25.

*Docket Numbers:* ER25–2543–000.

*Applicants:* SunZia Transmission, LLC.

*Description:* Initial rate filing: TSA with SunZia Wind North LLC to be effective 8/18/2025.

*Filed Date:* 6/18/25.

*Accession Number:* 20250618–5218.

*Comment Date:* 5 p.m. ET 7/9/25.

Take notice that the Commission received the following public utility holding company filings:

*Docket Numbers:* PH25–9–000.

*Applicants:* Australian Retirement Trust Pty Ltd.

*Description:* Australian Retirement Trust Pty Ltd submits FERC 65–B Notice of Change in Fact to Waiver Notification.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5274.

*Comment Date:* 5 p.m. ET 7/8/25.

*Docket Numbers:* PH25–10–000.

*Applicants:* Stichting Pensioenfond ABP.

*Description:* Stichting Pensioenfond ABP submits FERC 65–B Notice of Change in Fact to Waiver Notification.

*Filed Date:* 6/17/25.

*Accession Number:* 20250617–5276.

*Comment Date:* 5 p.m. ET 7/8/25.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercgensearch.asp>) by querying the docket number.

Any person desiring to intervene, to protest, or to answer a complaint in any of the above proceedings must file in

accordance with Rules 211, 214, or 206 of the Commission's Regulations (18 CFR 385.211, 385.214, or 385.206) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organization, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or [OPP@ferc.gov](mailto:OPP@ferc.gov).

Dated: June 18, 2025.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2025–11564 Filed 6–23–25; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Project No. 2107–065]

#### Pacific Gas & Electric Company; Notice of Availability of Environmental Assessment

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission or FERC) regulations, 18 CFR part 380, Commission staff reviewed Pacific Gas & Electric's (licensee) application for a temporary variance from required minimum flows under California State Water Resources Control Board's section 401 Water Quality Certification condition 1 and U.S. Department of Agriculture, Forest Service (Forest Service) 4(e) condition 23 Part 1 of its project license and have prepared an Environmental Assessment (EA) for the variance.<sup>1</sup> The licensee proposes to

reduce flows released from Poe Dam so that instream flows of the bypassed reach are maintained at least at 100 cubic feet per second, from the time of variance approval through November 15, 2025. The licensee states that this temporary reduction is necessary to facilitate recoating the radial bypass gates and replacing the seals, the gate hoist, and its controls. The project is located on the North Fork Feather River upstream of Lake Oroville near the Town of Pulga, in Butte County, California. It occupies federal land within the Plumas National Forest, administered by the Forest Service.

The EA contains Commission staff's analysis of the potential environmental effects of the proposed temporary flow variance, alternatives to the proposed action, and concludes that the proposed variance, would not constitute a major federal action that would significantly affect the quality of the human environment.

The EA may be viewed on the Commission's website at <http://www.ferc.gov> using the "elibrary" link. Enter the docket number (P–2107–065) in the docket number field to access the document. For assistance, contact FERC Online Support at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov) or toll-free at 1–866–208–3676, or for TTY, (202) 502–8659.

You may also register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502–6595 or [OPP@ferc.gov](mailto:OPP@ferc.gov).

For further information, contact Katie Schmidt at (415) 369–3348 or [katherine.schmidt@ferc.gov](mailto:katherine.schmidt@ferc.gov).

Dated: June 18, 2025.

**Debbie-Anne A. Reese,**

*Secretary.*

[FR Doc. 2025–11579 Filed 6–23–25; 8:45 am]

**BILLING CODE 6717–01–P**

<sup>1</sup> In accordance with the Council on Environmental Quality's regulations, the unique identification number for documents relating to this

environmental review is EAXX–019–20–000–1747814721.

**DEPARTMENT OF ENERGY**

**Federal Energy Regulatory Commission**

**Sunshine Act Meetings**

The following notice of meeting is published pursuant to section 3(a) of the government in the Sunshine Act (Pub. L. 94-409), 5 U.S.C. 552b:

**AGENCY HOLDING MEETING:** Federal Energy Regulatory Commission.

**DATE AND TIME:** June 26, 2025, 10:00 a.m.  
**PLACE:** Room 2C, 888 First Street NE, Washington, DC 20426. Open to the public.  
**STATUS:** Open.

**MATTERS TO BE CONSIDERED:** Agenda.  
 \* Note—Items listed on the agenda may be deleted without further notice.  
**CONTACT PERSON FOR MORE INFORMATION:** Debbie-Anne A. Reese, Secretary, Telephone (202) 502-8400.

For a recorded message listing items stricken from or added to the meeting, call (202) 502-8627.

This is a list of matters to be considered by the Commission. It does not include a listing of all documents relevant to the items on the agenda. All public documents, however, may be viewed online at the Commission’s website at <https://elibrary.ferc.gov/eLibrary/search> using the eLibrary link.

**1126TH—MEETING**

[Open; June 26, 2025, 10:00 a.m.]

Item No.	Docket No.	Company
<b>Administrative</b>		
A-1	AD25-1-000	Agency Administrative Matters.
A-2	AD25-2-000	Customer Matters, Reliability, Security And Market Operations.
A-3	AD25-13-000	Iberian Peninsula Blackout Update.
<b>Electric</b>		
E-1	ER24-2046-000	Midcontinent Independent System Operator, Inc.
E-2	ER24-2026-000	Southwest Power Pool, Inc.
E-3	OMITTED.	
E-4	RM20-12-000	Potential Enhancements to the Critical Infrastructure Protection Reliability Standards.
E-5	EL24-115-001	California Public Utility Commission, the California Department of Water Resources State Water Project; the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California; and the <i>Northern California Power Agency v. San Diego Gas &amp; Electric Company</i> .
E-6	ER25-270-001	San Diego Gas & Electric Company.
E-7	ER24-2797-001, ER24-2871-001 ER24-2798-001, ER24-2825-002	Midcontinent Independent System Operator, Inc. Southwest Power Pool, Inc.
E-8	ER22-2361-000, ER22-2361-001	Puget Sound Energy, Inc.
E-9	ER25-785-002	PJM Interconnection, L.L.C.
E-10	ER25-2005-000	Grant Solar, LLC.
E-11	EL25-55-000	LSP Transmission Holdings II, LLC, LS Power Midcontinent, LLC, Central Transmission, LLC, and <i>LS Power Grid DRS Holdings, LLC v. Midcontinent Independent System Operator, Inc.</i>
E-12	QF19-881-002, QF13-22-002, QF13-653-002, QF13-654-002, QF13-655-002, QF13-656-002, QF15-719-003.	Branch Street Solar Partners, LLC, Picture Rocks Solar, LLC, Sol Orchard San Diego 21, LLC, Sol Orchard San Diego 22, LLC, Sol Orchard San Diego 23, LLC, Sol Orchard San Diego 20, LLC, Klamath Falls Solar 2, LLC.
E-13	RM24-7-000	Critical Infrastructure Protection Reliability Standard CIP-015-1—Cyber Security—Internal Network Security Monitoring.
<b>Hydro</b>		
H-1	P-7987-016	Unique Places, LLC.
H-2	P-15307-000	Premium Energy Holdings, LLC.
<b>Certificates</b>		
C-1	CP24-512-000	Texas Connector Pipeline, LLC.
C-2	CP24-508-000	Rover Pipeline LLC.
C-3	CP25-260-000	Enbridge Offshore Facilities, LLC and Oceanus Pipeline Company, LLC.

A free webcast of this event is available through the Commission’s website. Anyone with internet access who desires to view this event can do so by navigating to [www.ferc.gov](http://www.ferc.gov)’s Calendar of Events and locating this event in the Calendar. The Federal Energy Regulatory Commission provides technical support for the free webcasts.

Please call (202) 502-8680 or email [customer@ferc.gov](mailto:customer@ferc.gov) if you have any questions.  
 Immediately following the conclusion of the Commission Meeting, a press briefing will be held in the Commission Meeting Room. Members of the public may view this briefing in the designated overflow room. This statement is

intended to notify the public that the press briefings that follow Commission meetings may now be viewed remotely at Commission headquarters but will not be telecast.

Issued: June 18, 2025.

**Debbie-Anne A. Reese,**  
Secretary.

[FR Doc. 2025-11577 Filed 6-20-25; 4:15 pm]

BILLING CODE 6717-01-P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Project No. 2545-205]

#### **Avista Corporation; Notice of Application for Non-Capacity Amendment of License Accepted for Filing, Soliciting Comments, Motions To Intervene, and Protests**

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

- a. *Application Type:* Non-Capacity Amendment of License.
- b. *Project No:* 2545-205.
- c. *Date Filed:* July 3, 2024.
- d. *Applicant:* Avista Corporation.
- e. *Name of Project:* Spokane River Hydroelectric Project.

f. *Location:* The project is located on the Spokane River in Spokane, Lincoln, and Stevens Counties, Washington, and in Kootenai and Benewah Counties, Idaho. The project occupies federal lands.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791a-825r.

h. *Applicant Contact:* Meghan Lunney, 1411 E Mission Ave., MSC-1, Spokane, WA 99202, 509-495-4643, [meghan.lunney@avistacorp.com](mailto:meghan.lunney@avistacorp.com).

i. *FERC Contact:* Woohee Choi, (202) 502-6336, [woohee.choi@ferc.gov](mailto:woohee.choi@ferc.gov).

j. *Cooperating agencies:* With this notice, the Commission is inviting federal, state, local, and Tribal agencies with jurisdiction and/or special expertise with respect to environmental issues affected by the proposal, that wish to cooperate in the preparation of any environmental document, if applicable, to follow the instructions for filing such requests described in item k below. Cooperating agencies should note the Commission's policy that agencies that cooperate in the preparation of any environmental document cannot also intervene. See 94 FERC ¶ 61,076 (2001).

k. *Deadline for filing comments, motions to intervene, and protests:* July 18, 2025.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, and protests using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit

brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. For assistance, please contact FERC Online Support at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), (866) 208-3676 (toll free), or (202) 502-8659 (TTY). In lieu of electronic filing, you may submit a paper copy. Submissions sent via the U.S. Postal Service must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Room 1A, Washington, DC 20426. Submissions sent via any other carrier must be addressed to: Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852. The first page of any filing should include the docket number P-2545-205. Comments emailed to Commission staff are not considered part of the Commission record.

The Commission's Rules of Practice and Procedure require all intervenors filing documents with the Commission to serve a copy of that document on each person whose name appears on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

l. *Description of Request:* Avista Corporation (Avista) requests Commission approval to rehabilitate the spillway at the North Channel Dam by replacing all existing gates. The North Channel Dam is L-shaped, and its primary spillway structure currently consists of one 100-foot-long rolling sector gate, seven 21-foot-long Tainter gates, and one 12-foot-long Tainter gate. The proposed rehabilitation involves replacing the existing spillway gates within the same footprint without any significant change in elevation, surface area, or capacity. The project would not alter the project boundary, reservoir levels, down-ramping rate, or minimum flow requirements. The project would also continue to operate under the terms of its current license and applicable Water Quality Certification. Avista states that no resource agencies have objected to the proposed work, and no long-term impacts to project operations or environmental resources are anticipated. However, the proposed work would result in temporary ground disturbance and a pause in aesthetic spills during construction.

m. *Locations of the Application:* This filing may be viewed on the

Commission's website at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. You may also register online at <http://www.ferc.gov/docs-filing/esubscription.asp> to be notified via email of new filings and issuances related to this or other pending projects. For assistance, call 1-866-208-3676 or email [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), for TTY, call (202) 502-8659. Agencies may obtain copies of the application directly from the applicant.

n. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

o. *Comments, Protests, or Motions to Intervene:* Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

p. *Filing and Service of Documents:* Any filing must (1) bear in all capital letters the title "COMMENTS", "PROTEST", or "MOTION TO INTERVENE" as applicable; (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person commenting, protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis. Any filing made by an intervenor must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 385.2010.

q. The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organizations, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions,

comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502-6595 or [OPP@ferc.gov](mailto:OPP@ferc.gov).

Dated: June 18, 2025.

**Debbie-Anne A. Reese,**  
Secretary.

[FR Doc. 2025-11581 Filed 6-23-25; 8:45 am]

BILLING CODE 6717-01-P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. CP24-75-001]  
[Docket No. CP25-505-000]  
[Docket No. CP25-506-000]  
[Docket No. PF23-2-000]

#### Sabine Pass Liquefaction, LLC; Sabine Pass Liquefaction Stage V, LLC; Sabine Crossing, LLC; Cheniere Creole Trail Pipeline, L.P.; Notice of Application and Establishing Intervention Deadline

Take notice that on June 6, 2025, Sabine Pass Liquefaction, LLC; Sabine Pass Liquefaction Stage V, LLC (collectively, Sabine Pass), Sabine Crossing, LLC (Sabine Crossing), and Cheniere Creole Trail Pipeline, L.P. (Cheniere) (collectively the Applicants), 845 Texas Avenue, Houston, Texas 77002, jointly filed an application under sections 3 and 7(c) of the Natural Gas Act (NGA) and Parts 153, 157, and 284 of the Commission's regulations requesting authorization to site, construct, and operate the Sabine Pass Stage 5 Expansion Project, the Sabine Crossing Pipeline Project and the Cheniere Expansion Project.

Sabine Pass requests authorization to expand the existing Sabine Pass liquefied natural gas (LNG) facility in Cameron Parish, Louisiana, by adding three new liquefaction trains (Trains 7, 8, and 9), each with a maximum LNG liquefaction capacity of approximately 300 billion cubic feet per year (Bcf/y) (equivalent to 6.0 million tonnes per annum (mtpa) of LNG per train), and one boil-off gas re-liquefaction unit which will produce an additional 50 Bcf/y (1.0 mtpa) of liquefaction capacity for an overall LNG terminal production capacity of 950 Bcf/y (19 mtpa).

Sabine Crossing requests authorization to (i) construct approximately 55.6 miles of 48-inch-diameter natural gas pipeline extending from the Sabine Pass LNG Terminal across Jefferson County, Texas and then into Liberty County, Texas; (ii) construct the new Hampshire Compressor Station, consisting of four 52,500 horsepower (HP) compressor units for a total of

210,000 HP; and (iii) various appurtenant facilities. The Sabine Crossing Pipeline Project will allow Sabine Pass to deliver up to 2.7 Bcf/d of natural gas to the Sabine Pass LNG Terminal. Sabine Crossing estimates the total cost of the Sabine Crossing Pipeline Project to be \$1,626,222,797 and proposes initial rates to reflect the estimated cost of the project recovered over the full design capacity, using a straight fixed variable rate design.

Cheniere requests authorization to (i) expand the existing Gillis Compressor Station by 46,940 HP, consisting of two 23,470 HP compressor units in Beauregard Parish, Louisiana; (ii) construct the new 52,500 HP Tarpon Compressor Station, in Cameron Parish, Louisiana; and (iii) expand the existing meter and regulation station located within the Sabine Pass LNG Terminal to accommodate increased deliveries. The project will allow Cheniere to provide up to 0.9 Bcf/d of incremental transportation capacity on Cheniere to the expanded delivery point at Sabine Pass LNG Terminal. Cheniere estimates the total cost of the project to be \$390,269,433 and has designed an initial, incremental firm transportation base reservation rate to recover the costs of the incremental Cheniere Expansion Project, all as more fully set forth in the application which is on file with the Commission and open for public inspection.

In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page (<http://www.ferc.gov>). From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

User assistance is available for eLibrary and the Commission's website during normal business hours from FERC Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. Email the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

Any questions regarding the proposed project should be directed to Karri Mahmoud, Director, Environmental and Regulatory Projects, Cheniere Energy,

Inc., 845 Teas Avenue, Suite 1500, Houston, Texas 77002, by phone at (713) 375-5544, or by email at [Karri.Mahmoud@Cheniere.com](mailto:Karri.Mahmoud@Cheniere.com).

On May 30, 2023, the Commission granted the Applicants' request to utilize the National Environmental Policy Act Pre-Filing Process and assigned Docket No. PF23-2-000 to staff activities involved in the Project. Now, as of the filing of the June 6, 2025 application, the Pre-Filing Process for this project has ended. From this time forward, this proceeding will be conducted in Docket No. CP24-75-001, CP25-505-000, and CP25-506-000 as noted in the caption of this Notice.

Pursuant to section 157.9 of the Commission's Rules of Practice and Procedure,<sup>1</sup> within 90 days of this Notice the Commission staff will either: complete its environmental review and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or environmental assessment (EA) for this proposal. The filing of an EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

#### Water Quality Certification

Sabine Pass stated that a water quality certificate under section 401 of the Clean Water Act is required for the project from the LDEQ and Texas RRC. When available, Sabine Pass should submit to the Commission a copy of the request for certification for the Commission authorization, including the date the request was submitted to the certifying authority, and either (1) a copy of the certifying authority's decision or (2) evidence of waiver of water quality certification.

#### Public Participation

There are three ways to become involved in the Commission's review of this project: you can file comments on the project, you can protest the filing, and you can file a motion to intervene in the proceeding. There is no fee or cost for filing comments or intervening.

<sup>1</sup> 18 CFR 157.9.

The deadline for filing a motion to intervene is 5:00 p.m. Eastern Time on July 9, 2025. How to file protests, motions to intervene, and comments is explained below.

The Commission's Office of Public Participation (OPP) supports meaningful public engagement and participation in Commission proceedings. OPP can help members of the public, including landowners, community organizations, Tribal members and others, access publicly available information and navigate Commission processes. For public inquiries and assistance with making filings such as interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502-6595 or [OPP@ferc.gov](mailto:OPP@ferc.gov).

#### Comments

Any person wishing to comment on the project may do so. Comments may include statements of support or objections, to the project as a whole or specific aspects of the project. The more specific your comments, the more useful they will be.

#### Protests

Pursuant to sections 157.10(a)(4)<sup>2</sup> and 385.211<sup>3</sup> of the Commission's regulations under the NGA, any person<sup>4</sup> may file a protest to the application. Protests must comply with the requirements specified in section 385.2001<sup>5</sup> of the Commission's regulations. A protest may also serve as a motion to intervene so long as the protestor states it also seeks to be an intervenor.

To ensure that your comments or protests are timely and properly recorded, please submit your comments on or before July 9, 2025.

There are three methods you can use to submit your comments or protests to the Commission. In all instances, please reference the Project docket number CP24-75-001, CP25-505-000 and CP25-506-000 in your submission.

(1) You may file your comments electronically by using the eComment feature, which is located on the Commission's website at [www.ferc.gov](http://www.ferc.gov) under the link to Documents and Filings. Using eComment is an easy method for interested persons to submit brief, text-only comments on a project;

(2) You may file your comments or protests electronically by using the eFiling feature, which is located on the Commission's website ([www.ferc.gov](http://www.ferc.gov))

under the link to Documents and Filings. With eFiling, you can provide comments in a variety of formats by attaching them as a file with your submission. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Comment on a Filing"; or

(3) You can file a paper copy of your comments or protests by mailing them to the following address below. Your written comments must reference the Project docket number (CP24-75-001, CP25-505-000 and CP25-506-000).

*To file via USPS:* Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

*To file via any other courier:* Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of comments (options 1 and 2 above) and has eFiling staff available to assist you at (202) 502-8258 or [FercOnlineSupport@ferc.gov](mailto:FercOnlineSupport@ferc.gov).

Persons who comment on the environmental review of this project will be placed on the Commission's environmental mailing list, and will receive notification when the environmental documents (EA or EIS) are issued for this project and will be notified of meetings associated with the Commission's environmental review process.

The Commission considers all comments received about the project in determining the appropriate action to be taken. However, the filing of a comment alone will not serve to make the filer a party to the proceeding. To become a party, you must intervene in the proceeding. For instructions on how to intervene, see below.

#### Interventions

Any person, which includes individuals, organizations, businesses, municipalities, and other entities,<sup>6</sup> has the option to file a motion to intervene in this proceeding. Only intervenors have the right to request rehearing of Commission orders issued in this proceeding and to subsequently challenge the Commission's orders in the U.S. Circuit Courts of Appeal.

To intervene, you must submit a motion to intervene to the Commission in accordance with Rule 214 of the Commission's Rules of Practice and Procedure<sup>7</sup> and the regulations under

the NGA<sup>8</sup> by the intervention deadline for the project, which is July 9, 2025. As described further in Rule 214, your motion to intervene must state, to the extent known, your position regarding the proceeding, as well as your interest in the proceeding. For an individual, this could include your status as a landowner, ratepayer, resident of an impacted community, or recreationist. You do not need to have property directly impacted by the project in order to intervene. For more information about motions to intervene, refer to the FERC website at <https://www.ferc.gov/resources/guides/how-to-intervene.asp>.

There are two ways to submit your motion to intervene. In both instances, please reference the Project docket number CP24-75-001, CP25-505-000 and CP25-506-000 in your submission.

(1) You may file your motion to intervene by using the Commission's eFiling feature, which is located on the Commission's website ([www.ferc.gov](http://www.ferc.gov)) under the link to Documents and Filings. New eFiling users must first create an account by clicking on "eRegister." You will be asked to select the type of filing you are making; first select "General" and then select "Intervention." The eFiling feature includes a document-less intervention option; for more information, visit <https://www.ferc.gov/docs-filing/efiling/document-less-intervention.pdf>; or

(2) You can file a paper copy of your motion to intervene, along with three copies, by mailing the documents to the address below. Your motion to intervene must reference the Project docket number CP24-75-001, CP25-505-000 and CP25-506-000.

*To file via USPS:* Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.

*To file via any other courier:* Debbie-Anne A. Reese, Secretary, Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, Maryland 20852.

The Commission encourages electronic filing of motions to intervene (option 1 above) and has eFiling staff available to assist you at (202) 502-8258 or [FercOnlineSupport@ferc.gov](mailto:FercOnlineSupport@ferc.gov).

Protests and motions to intervene must be served on the applicant either by mail at: Karri Mahmoud, Director, Environmental and Regulatory Projects, Cheniere Energy, Inc., 845 Teas Avenue, Suite 1500, Houston, Texas 77002, or by email at [Karri.Mahmoud@Cheniere.com](mailto:Karri.Mahmoud@Cheniere.com). Any subsequent submissions by an intervenor must be served on the applicant and all other parties to the

<sup>2</sup> 18 CFR 157.10(a)(4).

<sup>3</sup> 18 CFR 385.211.

<sup>4</sup> Persons include individuals, organizations, businesses, municipalities, and other entities. 18 CFR 385.102(d).

<sup>5</sup> 18 CFR 385.2001.

<sup>6</sup> 18 CFR 385.102(d).

<sup>7</sup> 18 CFR 385.214.

<sup>8</sup> 18 CFR 157.10.

proceeding. Contact information for parties can be downloaded from the service list at the eService link on FERC Online. Service can be via email with a link to the document.

All timely, unopposed<sup>9</sup> motions to intervene are automatically granted by operation of Rule 214(c)(1).<sup>10</sup> Motions to intervene that are filed after the intervention deadline are untimely, and may be denied. Any late-filed motion to intervene must show good cause for being late and must explain why the time limitation should be waived and provide justification by reference to factors set forth in Rule 214(d) of the Commission's Rules and Regulations.<sup>11</sup> A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies (paper or electronic) of all documents filed by the applicant and by all other parties.

### Tracking the Proceeding

Throughout the proceeding, additional information about the project will be available from the Commission's Office of External Affairs, at (866) 208-FERC, or on the FERC website at [www.ferc.gov](http://www.ferc.gov) using the "eLibrary" link as described above. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. For more information and to register, go to [www.ferc.gov/docs-filing/esubscription.asp](http://www.ferc.gov/docs-filing/esubscription.asp).

*Intervention Deadline:* 5:00 p.m. Eastern Time on July 9, 2025.

Dated: June 18, 2025.

**Debbie-Anne A. Reese,**

Secretary.

[FR Doc. 2025-11578 Filed 6-23-25; 8:45 am]

**BILLING CODE 6717-01-P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Project No. 2467-020]

#### Merced Irrigation District; Notice of Waiver Period for Water Quality Certification Application

On June 16, 2025, the California State Water Resources Control Board (California Water Board), submitted to the Federal Energy Regulatory Commission (Commission) notice that it received a request for a Clean Water Act section 401(a)(1) water quality certification as defined in 40 CFR 121.5, from the Merced Irrigation District, in conjunction with the above captioned project on May 15, 2025. Pursuant to the Commission's regulations,<sup>1</sup> we hereby notify the California Water Board of the following:

*Date of Receipt of the Certification Request:* May 15, 2025.

*Reasonable Period of Time to Act on the Certification Request:* One year (May 15, 2026).

If the California Water Board fails or refuses to act on the water quality certification request on or before the above date, then the agency certifying authority is deemed waived pursuant to section 401(a)(1) of the Clean Water Act, 33 U.S.C. 1341(a)(1).

Dated: June 18, 2025.

**Debbie-Anne A. Reese,**

Secretary.

[FR Doc. 2025-11580 Filed 6-23-25; 8:45 am]

**BILLING CODE 6717-01-P**

## ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OPP-2025-0007; FRL-12811-01-OCSPF]

#### Pesticide Emergency Exemptions; Agency Decisions and State and Federal Agency Crisis Declarations

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** EPA has granted or denied emergency exemptions under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) for use of pesticides as listed in this notice. The exemptions or denials were issued during the period from October 1, 2024, to March 31, 2025, to control unforeseen pest outbreaks.

**FOR FURTHER INFORMATION CONTACT:** Charles Smith, Registration Division

(7505T), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460-0001; main telephone number: (202) 566-1030; email address: [RDFRNotices@epa.gov](mailto:RDFRNotices@epa.gov).

### SUPPLEMENTARY INFORMATION:

#### I. General Information

##### A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive but rather provides a guide to help readers determine whether this document applies to them.

- Crop production (NAICS code 111)
- Animal production (NAICS code 112)
- Food manufacturing (NAICS code 311)
- Pesticide manufacturing (NAICS code 32532)

If you have any questions regarding the applicability of these actions to a particular entity, consult the person listed after **FOR FURTHER INFORMATION CONTACT**.

##### B. How can I get copies of this document and other related information?

The docket for this action, identified by docket identification (ID) number EPA-HQ-OPP-2025-0007, is available at <https://www.regulations.gov> or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW, Washington, DC 20460-0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading room and the OPP Docket is (202) 566-1744.

#### II. Background

EPA has granted or denied emergency exemption requests from the following State and Federal agencies. The emergency exemptions may take the following form: Crisis, public health, quarantine, or specific. EPA has also listed denied emergency exemption requests in this notice.

Under FIFRA section 18 (7 U.S.C. 136p), EPA can authorize the use of a pesticide when emergency conditions exist. Authorizations (commonly called emergency exemptions) are granted to State and Federal agencies and are of four types:

<sup>9</sup> The applicant has 15 days from the submittal of a motion to intervene to file a written objection to the intervention.

<sup>10</sup> 18 CFR 385.214(c)(1).

<sup>11</sup> 18 CFR 385.214(b)(3) and (d).

<sup>1</sup> 18 CFR 5.23(b)(2).

1. A “specific exemption” authorizes use of a pesticide against specific pests on a limited acreage in a particular State. Most emergency exemptions are specific exemptions.

2. “Quarantine” and “public health” exemptions are emergency exemptions issued for quarantine or public health purposes. These are rarely requested.

3. A “crisis exemption” is initiated by a State or Federal agency (and is confirmed by EPA) when there is insufficient time to request and obtain EPA permission for use of a pesticide in an emergency.

EPA may deny an emergency exemption: If the State or Federal agency cannot demonstrate that an emergency exists, if the use poses unacceptable risks to the environment, or if EPA cannot reach a conclusion that the proposed pesticide use is likely to result in “a reasonable certainty of no harm” to human health, including exposure of residues of the pesticide to infants and children.

If the emergency use of the pesticide on a food or feed commodity would result in pesticide chemical residues, EPA establishes a time-limited tolerance meeting the “reasonable certainty of no harm standard” of the Federal Food, Drug, and Cosmetic Act (FFDCA).

In this document: EPA identifies the State or Federal agency issued the exemption or denial, the type of exemption, the pesticide authorized or requested, the pests, the crop or use for which authorized or denied, number of acres (if applicable), and the duration of the exemption if authorized. EPA also provides the Code of Federal Regulations citation for the time-limited tolerance, if any.

### III. Emergency Exemptions and Denials

#### A. U.S. States and Territories

##### California, Department of Pesticide Regulation

*Specific exemptions:* EPA authorized the use of kasugamycin on a maximum of 107,143 acres of almond trees to control bacterial blast. A time-limited tolerance in connection with a past action has been established in 40 CFR 180.614(b). The specific exemption was authorized on January 16, 2025, and use took place from February 1, 2025, through April 15, 2025.

EPA authorized the use of afidopyropen on a maximum of 17,000 acres of field-grown strawberries to control Lygus bugs. A time-limited tolerance in connection with a past action has been established in 40 CFR 180.700(b). The authorization is effective March 6, 2025, through November 30, 2025.

##### Colorado, Department of Agriculture

*Denial:* On November 27, 2024, EPA denied a specific exemption request for use of the unregistered product Insterus<sup>Hz</sup>, comprised of sterile corn earworm moths infected with an isolate of the insect virus, the Helicoverpa zea nudivirus 2 (HzNV2) for management of corn earworm on up to 1,750 acres of sweet corn in Colorado. Because an unregistered pesticide was requested, a Notice of Receipt (NOR) with opportunity for public comment (required by 40 CFR 166.24), published in the **Federal Register** on June 18, 2024 (89 FR 51523) (FRL–11995–01–OCSP). The public comment period closed on July 3, 2024. Six comments were submitted, all in favor of allowing the use. Because the requested product was unregistered, and related data not yet evaluated, EPA was unable to make a determination with regard to potential risks to human health or the environment from exposure to Helicoverpa zea nudivirus 2 (HzNV2) and therefore denied the exemption request.

*Specific exemption:* EPA authorized the use of metamitron on a maximum of 22,468 acres of sugar beets for pre-emergence control of the invasive *Amaranthus* (pigweed) spp., Palmer amaranth. Because an unregistered pesticide was requested, an NOR with opportunity for public comment (required by 40 CFR 166.24), published in the **Federal Register** on October 25, 2024 (89 FR 85200) (FRL–12347–01–OCSP). The public comment period closed on November 12, 2024. Eleven public comments were received: ten in favor and one objecting to the use. EPA posted a document addressing the comments to the docket for the NOR, as well as EPA’s evaluations and risk assessments associated with the use, which may be accessed at <https://www.regulations.gov/docket/EPA-HQ-OPP-2024-0463>. EPA authorized the emergency exemption for this use after determining that the use would not result in any risks of concern to human health or the environment, and concluding that an urgent, nonroutine situation existed with significant economic losses expected without the use. A time-limited tolerance in connection with a past action was established in 40 CFR 180.726(b). The specific exemption was authorized on December 17, 2024, and was authorized to take place from March 30, 2025, through June 15, 2025.

##### Hawaii, Department of Agriculture

*Specific exemption:* EPA authorized the use of the unregistered product,

DQB Males (*Wolbachia pipientis* DQB strain (wAlbB) contained in live adult male *Culex quinquefasciatus* mosquitoes) on a maximum of 20,000 acres of State, Federal, and private lands to control mosquitoes (*Cx. quinquefasciatus*). Because the applicant proposed a use of a new chemical, an NOR with opportunity for public comment in accordance with the requirements at 40 CFR 166.24(a)(1), published in the **Federal Register** on December 26, 2024 (89 FR 105039) (FRL–12509–01–OCSP). The public comment period closed on January 10, 2025. There were no public comments received. The specific exemption was authorized March 13, 2025, and use may take place from April 25, 2025, through April 25, 2026.

##### Idaho, Department of Agriculture

*Specific exemption:* EPA authorized the use of metamitron on a maximum of 14,400 acres of sugar beets for pre-emergence control of the invasive *Amaranthus* (pigweed) spp., Palmer amaranth. Because an unregistered pesticide was requested, an NOR with opportunity for public comment (required by 40 CFR 166.24), published in the **Federal Register** on October 25, 2024 (89 FR 85200) (FRL–12347–01–OCSP). The public comment period closed on November 12, 2024. Eleven public comments were received: ten in favor and one objecting to the use. EPA posted a document addressing the comments to the docket for the NOR, as well as EPA’s evaluations and risk assessments associated with the use, which may be accessed at <https://www.regulations.gov/docket/EPA-HQ-OPP-2024-0463>. EPA authorized the emergency exemption for this use after determining that the use would not result in any risks of concern to human health or the environment, and concluding that an urgent, nonroutine situation existed with significant economic losses expected without the use. A time-limited tolerance in connection with a past action was established in 40 CFR 180.726(b). The specific exemption was authorized on December 17, 2024, and was authorized to take place from March 30, 2025, through June 15, 2025.

*Quarantine exemption:* EPA authorized the use of potassium chloride in 51 designated ponds and pools around the Middle Snake River to eradicate invasive quagga mussels. Because an unregistered pesticide was requested, an NOR published in the **Federal Register** on February 10, 2025 (90 FR 9242) (FRL–12546–01–OCSP). The public comment period was waived for this NOR due to the urgency of need

for the use. Therefore, no public comments were received. The authorization for this use is effective February 13, 2025, through February 13, 2028.

Massachusetts, Department of Agricultural Resources

*Specific exemption:* EPA authorized the use of pronamide (also known as propyzamide) on a maximum of 5,000 acres of cranberries to control dodder. A time-limited tolerance in connection with this action is established in 40 CFR 180.317(b). The specific exemption was authorized on March 12, 2025, and use may take place from April 15, 2025, through June 30, 2025.

Nebraska, Department of Agriculture

*Specific exemption:* EPA authorized the use of metamitron on a maximum of 47,025 acres of sugar beets for pre-emergence control of the invasive *Amaranthus* (pigweed) spp., Palmer amaranth. Because an unregistered pesticide was requested, an NOR with opportunity for public comment (required by 40 CFR 166.24), published in the **Federal Register** on October 25, 2024 (89 FR 85200) (FRL-12347-01-OCSP). The public comment period closed on November 12, 2024. Eleven public comments were received: ten in favor and one objecting to the use. EPA posted a document addressing the comments to the docket for the NOR, as well as EPA's evaluations and risk assessments associated with the use, which may be accessed at <https://www.regulations.gov/docket/EPA-HQ-OPP-2024-0463>. EPA authorized the emergency exemption for this use after determining that the use would not result in any risks of concern to human health or the environment, and concluding that an urgent, nonroutine situation existed with significant economic losses expected without the use. A time-limited tolerance in connection with a past action was established in 40 CFR 180.726(b). The specific exemption was authorized on December 17, 2024, and was authorized to take place from March 30, 2025, through June 15, 2025.

Oregon, Department of Agriculture

*Specific exemption:* EPA authorized the use of metamitron on a maximum of 1,629 acres of sugar beets for pre-emergence control of the invasive *Amaranthus* (pigweed) spp., Palmer amaranth. Because an unregistered pesticide was requested, an NOR with

opportunity for public comment (required by 40 CFR 166.24), published in the **Federal Register** on October 25, 2024 (89 FR 85200) (FRL-12347-01-OCSP). The public comment period closed on November 12, 2024. Eleven public comments were received: ten in favor and one objecting to the use. EPA posted a document addressing the comments to the docket for the NOR, as well as EPA's evaluations and risk assessments associated with the use, which may be accessed at <https://www.regulations.gov/docket/EPA-HQ-OPP-2024-0463>. EPA authorized the emergency exemption for this use after determining that the use would not result in any risks of concern to human health or the environment, and concluding that an urgent, nonroutine situation existed with significant economic losses expected without the use. A time-limited tolerance in connection with a past action was established in 40 CFR 180.726(b). The specific exemption was authorized on December 17, 2024, and was authorized to take place from March 30, 2025, through June 15, 2025.

Wyoming, Department of Agriculture

*Specific exemption:* EPA authorized the use of metamitron on a maximum of 31,380 acres of sugar beets for pre-emergence control of the invasive *Amaranthus* (pigweed) spp., Palmer amaranth. Because an unregistered pesticide was requested, an NOR with opportunity for public comment (required by 40 CFR 166.24), published in the **Federal Register** on October 25, 2024 (89 FR 85200) (FRL-12347-01-OCSP). The public comment period closed on November 12, 2024. Eleven public comments were received: ten in favor and one objecting to the use. EPA posted a document addressing the comments to the docket for the NOR, as well as EPA's evaluations and risk assessments associated with the use, which may be accessed at <https://www.regulations.gov/docket/EPA-HQ-OPP-2024-0463>. EPA authorized the emergency exemption for this use after determining that the use would not result in any risks of concern to human health or the environment, and concluding that an urgent, nonroutine situation existed with significant economic losses expected without the use. A time-limited tolerance in connection with a past action was established in 40 CFR 180.726(b). The specific exemption was authorized on

December 17, 2024, and was authorized to take place from March 30, 2025, through June 15, 2025.

*B. Federal Departments and Agencies*

Agriculture Department: Animal and Plant Health Inspector Service

*Quarantine exemptions:* EPA authorized the use of citric acid for disinfection of hard porous and nonporous surfaces potentially contaminated with Foot-and-Mouth Disease Virus, African Swine Fever Virus, Highly Pathogenic Avian Flu Influenza Virus, and Low Pathogenic Avian Influenza Virus. The authorization for this use is effective March 20, 2025, through March 20, 2028.

EPA authorized the use of a mixture of potassium peroxymonosulfate and propylene glycol for disinfection of nonporous surfaces potentially contaminated with highly pathogenic avian influenza virus. The authorization for this use is effective March 26, 2025, through March 26, 2028.

National Aeronautics and Space Administration

*Specific exemption:* EPA authorized the use of the pesticide ortho-phthalaldehyde, incorporated into a porous resin, to treat the coolant fluid of the internal active thermal control system of the International Space Station to control aerobic/microaerophilic bacteria in the aqueous coolant. Because the applicant proposed the use of a new chemical that has not been registered by EPA, an NOR with opportunity for public comment in accordance with the requirements at 40 CFR 166.24(a)(1), published in the **Federal Register** on September 3, 2024 (89 FR 71268) (FRL-12210-01-OCSP). The public comment period closed on September 18, 2024, and no public comments were received. This docket may be accessed at <https://www.regulations.gov/document/EPA-HQ-OPP-2024-0406-0001>. The specific exemption was authorized on October 1, 2025, and use may take place October 7, 2024, through October 7, 2025.

*Authority:* 7 U.S.C. 136 *et seq.*

Dated: June 18, 2025.

**Charles Smith,**

*Director, Registration Division, Office of Pesticide Programs.*

[FR Doc. 2025-11593 Filed 6-23-25; 8:45 am]

**BILLING CODE 6560-50-P**

**EXPORT-IMPORT BANK****[Public Notice: 2025–30XX]****Agency Information Collection Activities: Submission to the Office of Management and Budget for Review and Approval; Comment Request; EIB 10–06, Application for Approved Finance Provider****AGENCY:** Export-Import Bank of the United States.**ACTION:** Submission for OMB review and comments request.**SUMMARY:** The Export-Import Bank of the United States (EXIM), as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal Agencies to comment on the proposed information collection, as required by the Paperwork Reduction Act of 1995.**DATES:** Comments must be received on or before August 26, 2025 to be assured of consideration.**ADDRESSES:** Comments may be submitted electronically on [www.regulations.gov](http://www.regulations.gov) (EIB 10–06) or by mail to Office of Information and Regulatory Affairs, 725 17th Street NW, Washington, DC 20038, Attn: OMB 3048–0032.The information collection tool can be reviewed at: [http://exim.gov/sites/default/files/pub/pending/eib10\\_06.pdf](http://exim.gov/sites/default/files/pub/pending/eib10_06.pdf).**FOR FURTHER INFORMATION CONTACT:** To request additional information, please contact Donna Schneider [donna.schneider@exim.gov](mailto:donna.schneider@exim.gov), 202–565–3612.**SUPPLEMENTARY INFORMATION:** An AFP may participate in the Medium-Term Insurance, Bank Letter of Credit, and Financial Institution Buyer Credit programs as an insured lender, while AFPs approved for an MGA may apply for multiple loan or lease transactions to be guaranteed by EXIM. Financial institutions interested in becoming an Approved Finance Provider (AFP) with EXIM must complete this application in order to obtain approval to make loans under EXIM insurance policies and/or enter into one or more Master Guarantee Agreements (MGA) with EXIM.*Title and Form Number:* EIB 10–06, Application for Approved Finance Provider.*OMB Number:* 3048–0032.*Type of Review:* Regular.*Need and Use:* The information collected will allow EXIM to determine compliance and content for transaction requests submitted to the Export-Import Bank under its insurance, guarantee, and direct loan programs. EXIM uses the information provided in the form and

the supplemental information required to be submitted with the form to determine whether the lender qualifies to participate in its lender insurance and guarantee programs. The details are necessary to evaluate whether the lender has the capital to fund potential transactions, proper due diligence procedures, and the monitoring capacity to carry out transactions.

*Affected Public:* This form affects entities involved in the export of U.S. goods and services.*Annual Number of Respondents:* 50.*Estimated Time per Respondent:* 30 minutes.*Annual Burden Hours:* 25 hours.*Frequency of Reporting of Use:* On occasion.

Dated: June 20, 2025.

**Andrew Smith,***Records Officer.*

[FR Doc. 2025–11556 Filed 6–23–25; 8:45 am]

**BILLING CODE 6690–01–P****EXPORT-IMPORT BANK****[Public Notice: 2025–3001]****Agency Information Collection Activities: Submission to the Office of Management and Budget for Review and Approval; Comment Request; EIB 99–14, Export-Import Bank Trade Reference Form****AGENCY:** Export-Import Bank of the United States.**ACTION:** Submission for OMB review and comments request.**SUMMARY:** The Export-Import Bank of the United States (EXIM), pursuant to the Export-Import Bank Act of 1945, as amended facilitates the finance of the export of U.S. goods and services. As part of its continuing effort to reduce paperwork and respondent burden, EXIM invites the general public and other Federal agencies to comment on the proposed information collection, as required by the Paperwork Reduction Act of 1995.**DATES:** Comments should be received on or before July 24, 2025 to be assured of consideration.**ADDRESSES:** Comments may be submitted electronically on [www.regulations.gov](http://www.regulations.gov) (EIB 99–14) or by mail to Office of Information and Regulatory Affairs, 725 17th Street NW, Washington, DC 20038, Attn: OMB 3048–0042. The form can be viewed at [https://img.exim.gov/s3fs-public/pub/pending/eib99-14\\_1REV\\_508.pdf](https://img.exim.gov/s3fs-public/pub/pending/eib99-14_1REV_508.pdf).**FOR FURTHER INFORMATION CONTACT:** To request additional information, pleaseEdward Coppola [edward.coppola@exim.gov](mailto:edward.coppola@exim.gov), 202–565–3717.**SUPPLEMENTARY INFORMATION:***Titles and Form Number:* EIB 99–14, Export-Import Bank Trade Reference form.*OMB Number:* 3048–0042.*Type of Review:* Regular.*Need and Use:* This form will enable EXIM to make a credit decision on a foreign buyer credit limit request submitted by a new or existing policy holder. Additionally, this form is used by those EXIM policy holders granted delegated authority to commit the Bank to a foreign buyer credit limit. This form provides essential credit information used by EXIM credit officers when analyzing requests for export credit insurance/financing support, both short-term (360 days and less) and medium-term (longer than 360 days), for the export of their U.S. goods and services. The form is an integral part of the short term Multi-Buyer export credit insurance policy for those policy holders granted foreign buyer discretionary credit limit authority (DCL). It allows EXIM to determine whether a company has a good payment history. Multi-Buyer policy holders given DCL authority may use this form as the sole source or one piece among several sources of credit information for their internal foreign buyer credit decision which, in turn, commits EXIM's insurance.*Affected Public:* This form affects entities involved in the export of U.S. goods and services.*Annual Number of Respondents:* 6,500.*Estimated Time per Respondent:* 15 minutes.*Annual Burden Hours:* 1,625 hours.*Frequency of Reporting or Use:* As needed.

Dated: June 20, 2025.

**Andrew Smith,***Records Officer.*

[FR Doc. 2025–11558 Filed 6–23–25; 8:45 am]

**BILLING CODE 6690–01–P****FEDERAL COMMUNICATIONS COMMISSION****[FR ID 300448]****Sunshine Act; Open Commission Meeting Thursday, June 26, 2025**

June 18, 2025.

The Federal Communications Commission will hold an Open Meeting on the subjects listed below on Thursday, June 26, 2025, which is scheduled to commence at 10:30 a.m. in

the Commission Meeting Room of the Federal Communications Commission, 45 L Street NE, Washington, DC.

While attendance at the Open Meeting is available to the public, the FCC headquarters building is not open access

and all guests must check in with and be screened by FCC security at the main entrance on L Street. Attendees at the Open Meeting will not be required to have an appointment but must

otherwise comply with protocols outlined at: [www.fcc.gov/visit](http://www.fcc.gov/visit). Open Meetings are streamed live at: [www.fcc.gov/live](http://www.fcc.gov/live) and on the FCC's YouTube channel.

Item No.	Bureau	Subject
1 .....	Media .....	<i>Title:</i> Revisions to Cable Television Rate Regulations (MB Docket No. 02–144); Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation (MM Docket No. 92–266 and MM Docket No. 93–215); Adoption of Uniform Accounting System for the Provision of Regulated Cable Service (CS Docket No. 94–28). <i>Summary:</i> The Commission will consider a Report and Order that would promote competition and economic growth by simplifying and streamlining burdensome cable rate regulations, eliminating unnecessary forms and rules, deregulating certain cable equipment and small cable systems, limiting regulation to residential subscribers, and otherwise reducing regulatory burdens.
2 .....	Broadband Data Task Force .....	<i>Title:</i> Establishing the Digital Opportunity Data Collection (WC Docket No. 19–195); Modernizing the FCC Form 477 Data Program (WC Docket No. 11–10). <i>Summary:</i> The Commission will consider a Report and Order that would eliminate the professional engineer certification requirement for the biannual Broadband Data Collection filings under section 1.7004(d) of the Commission's rules and instead allow the biannual filings to be certified by a qualified engineer that has relevant minimum experience and education.
3 .....	Consumer and Governmental Affairs .....	<i>Title:</i> Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities (CG Docket No. 03–123); T-Mobile Accessibility Petition for Rulemaking to Amend 47 CFR 64.604(b)(1) to Eliminate the Requirement that TTY-Based Relay Service be Capable of Communicating with ASCII Format. <i>Summary:</i> The Commission will consider a Notice of Proposed Rulemaking proposing to delete a provision in its rules that requires telecommunications relay services providers to support the now obsolete ASCII transmission format.

\* \* \* \* \*

The meeting will be webcast at: [www.fcc.gov/live](http://www.fcc.gov/live). Open captioning will be provided as well as a text only version on the FCC website. Other reasonable accommodations for people with disabilities are available upon request. In your request, include a description of the accommodation you will need and a way we can contact you if we need more information. Last minute requests will be accepted but may be impossible to fill. Send an email to: [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202–418–0530.

Press Access—Members of the news media are welcome to attend the meeting and will be provided reserved seating on a first-come, first-served basis. Following the meeting, the Chairman may hold a news conference in which he will take questions from credentialed members of the press in attendance. Also, senior policy and legal staff will be made available to the press in attendance for questions related to the items on the meeting agenda. Commissioners may also choose to hold press conferences. Press may also direct questions to the Office of Media Relations (OMR): [MediaRelations@fcc.gov](mailto:MediaRelations@fcc.gov). Questions about credentialing should be directed to OMR.

Additional information concerning this meeting may be obtained from the Office of Media Relations, (202) 418–0500. Audio/Video coverage of the meeting will be broadcast live with open captioning over the internet from the FCC Live web page at [www.fcc.gov/live](http://www.fcc.gov/live).

*Authority:* This meeting is held, in accordance with the Government in the Sunshine Act (Sunshine Act), Public Law 94–409, as amended (5 U.S.C. 552b).

Federal Communications Commission  
**Marlene Dortch,**  
*Secretary.*

[FR Doc. 2025–11569 Filed 6–20–25; 4:15 pm]

**BILLING CODE 6712–01–P**

**FEDERAL COMMUNICATIONS COMMISSION**

**[OMB 3060–1192, OMB 3060–1323; FR ID 300110]**

**Information Collections Being Submitted for Review and Approval to Office of Management and Budget**

*OMB Control Number:* 3060–1192.  
*Title:* Survey of Urban Rates, DA 13–598.

*Form Number:* N/A.  
*Type of Review:* Extension of a currently approved collection.

*Respondents:* Business or other for-profit.

*Number of Respondents and Responses:* 2,350 respondents; 2,350 responses.

*Estimated Time per Response:* 3 hours.

*Frequency of Response:* Annual reporting requirement.

*Obligation to Respond:* Mandatory. Statutory authority for this information collection is contained in 47 U.S.C. 254(b).

*Total Annual Burden:* 7,050 hours.  
*Total Annual Cost:* No cost.

*Needs and Uses:* In April 2013, the Wireline Competition Bureau of the Federal Communications Commission adopted an Order (Order), in WC Docket No. 10–90; DA 13–598, 78 FR 29063, Connect America Fund. The Order adopted the form and content for a survey of urban rates for fixed voice and fixed broadband residential services for purposes of implementing various reforms adopted as part of the USF/ICC Transformation Order, 76 FR 73830, November 29, 2011. The information collected in this survey will be used to help ensure that universal service support recipients offering fixed voice and broadband services do so at reasonably comparable rates to those in urban areas. The comparability requirements are important components

of the Commission's overall effort to improve accountability for the use of universal service funding. The comparability requirements will ensure that rates are reasonably comparable for voice as well as broadband service, between urban and rural, insular, and high cost areas. Rates must be reasonably comparable so that consumers in rural, insular, and high cost areas have meaningful access to these services. This Order requires a statistically valid sample of urban providers to complete a survey with information regarding the types and prices of their offerings. The Commission conducts this survey through an online reporting form accessible to those urban providers of fixed voice and broadband services that are chosen to participate.

*OMB Control Number:* 3060–1323.

*Title:* Schools and Libraries Cybersecurity Pilot Program.

*Form Numbers:* FCC Forms 470, 471, 472, 474—Cybersecurity, 484 and 488—Cybersecurity.

*Type of Review:* Revision of a currently approved collection.

*Respondents:* State, local or tribal government institutions, and other not-for-profit institutions.

*Number of Respondents and Responses:* 3,500 respondents; 17,710 responses.

*Estimated Time per Response:* 3 hours for FCC Form 470—Cybersecurity, 4 hours for FCC Form 471—Cybersecurity, 1 hour for FCC Forms 472/474—Cybersecurity, 14 hours for FCC Form 484, and 1 hour for FCC Form 488—Cybersecurity, and 4.5 recordkeeping requirements.

*Frequency of Response:* On occasion and annual reporting requirements, and recordkeeping requirement.

*Obligation to Respond:* Required to obtain or retain benefits. Statutory authority for this collection of information is contained in sections 1–4, 201–202, 254, 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 151–154, 201–202, 254, 303(r), and 403.

*Total Annual Burden:* 121,690 hours.

*Total Annual Cost:* No Cost.

*Needs and Uses:* The information collected is designed to obtain information from applicants and service providers that will be used by the Federal Communications Commission (Commission) and/or the Universal Service Administrative Company to evaluate the applications and select participants to receive funding under the Schools and Libraries Cybersecurity Pilot Program (Cybersecurity Pilot Program), and make funding determinations and disburse funding in

compliance with applicable federal laws for payments made through the Cybersecurity Pilot Program. The Commission started accepting applications to participate in the Cybersecurity Pilot Program after publication of its *Cybersecurity Pilot Program Report and Order* and notice of Office of Management and Budget approval of the Cybersecurity Pilot Program information collection in the **Federal Register**. This revision adds a third part to the Schools and Libraries Cybersecurity Pilot Program Application, FCC Form 484, which is necessary so that the Commission has sufficient information to evaluate whether the Cybersecurity Pilot Program performance goals and periodic data reporting requirements set forth in the *Cybersecurity Pilot Program Report and Order* are being met. It is also necessary to help assess the costs and benefits of using the limited universal service funds to support the cybersecurity needs of K–12 schools and libraries. Finally, it is necessary to evaluate the extent to which the Cybersecurity Pilot Program is meeting the statutory objectives specified in section 254(h) of the Communications Act, as amended.

Federal Communications Commission.

**Marlene Dortch,**

*Secretary, Office of the Secretary.*

[FR Doc. 2025–11541 Filed 6–23–25; 8:45 am]

**BILLING CODE 6712–01–P**

## FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–1094; FR ID 300226]

### Information Collection Being Reviewed by the Federal Communications Commission Under Delegated Authority

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice and request for comments.

**SUMMARY:** As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections. Comments are requested concerning: whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's

burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection burden on small business concerns with fewer than 25 employees.

The FCC may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

**DATES:** Written PRA comments should be submitted on or before August 25, 2025. If you anticipate that you will be submitting comments but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

**ADDRESSES:** Direct all PRA comments to Cathy Williams, FCC, via email to [PRA@fcc.gov](mailto:PRA@fcc.gov) and to [Cathy.Williams@fcc.gov](mailto:Cathy.Williams@fcc.gov).

**FOR FURTHER INFORMATION CONTACT:** For additional information about the information collection, contact Cathy Williams at (202) 418–2918.

#### SUPPLEMENTARY INFORMATION:

*OMB Control Number:* 3060–1094.

*Title:* Transforming the 2.5 GHz Band.

*Form Number:* N/A.

*Type of Review:* Extension of a currently approved collection.

*Respondents:* Business or other for-profit entities, not-for-profit institutions, and state, local, or tribal Government.

*Number of Respondents:* 50 respondents; 135 responses.

*Estimated Time per Response:* .50 hour–2 hours.

*Frequency of Response:* On occasion reporting requirement and third-party disclosure requirement.

*Obligation to Respond:* The statutory authority for the Commission to carry out these collections are contained in 47 U.S.C. 151, 152, 153, 154, 155, 157, 301, 302, 303, 307, 308, 309, 310, and 316.

*Total Annual Burden:* 120 hours.

*Total Annual Cost:* \$90,000.

*Needs and Uses:* The collection is being extended for three years once approved by the Office of Management and Budget. The Commission adopted service rules, Construction Requirements (47 CFR 27.14(u), and a Tribal Priority Filing Window (47 CFR 27.1204). This collection includes Part 27 rules that govern reporting, and third-party disclosure requirements related to 2500–2690 MHz Band. The following information collected for the service rules are: section 27.14(u) requires Educational Broadband Service

(EBS) licensees to file construction notifications and certify that they have met the applicable performance benchmarks; section 27.1204 requires an EBS applicant applying for a license in the Tribal Priority Filing Window to demonstrate that they are: (1) a federally recognized American Indian tribe or Alaska Native Village; or an entity that is owned and controlled by a federally-recognized Tribe or a consortium of federally-recognized Tribes; (2) requesting a license on Tribal land; (3) requesting a license in a rural area; and (4) have a local presence on the Tribal land for which they are applying; and section 27.1221(f) requires Broadband Radio Service (BRS) and EBS licensees to provide the geographic coordinates, the height above ground level of the center of radiation for each transmit and receive antenna, and the date transmissions commenced if requested by a co-channel licensee.

Federal Communications Commission.

**Marlene Dortch,**  
Secretary.

[FR Doc. 2025–11542 Filed 6–23–25; 8:45 am]

**BILLING CODE 6712–01–P**

## FEDERAL MARITIME COMMISSION

### Notice of Agreements Filed

The Commission hereby gives notice of the filing of the following agreement under the Shipping Act of 1984. Interested parties may submit comments, relevant information, or documents regarding the agreement to the Secretary by email at [Secretary@fmc.gov](mailto:Secretary@fmc.gov), or by mail, Federal Maritime Commission, 800 North Capitol Street, Washington, DC 20573. Comments will be most helpful to the Commission if received within 12 days of the date this notice appears in the **Federal Register**, and the Commission requests that comments be submitted within 7 days on agreements that request expedited review. Copies of the agreement are available through the Commission's website ([www.fmc.gov](http://www.fmc.gov)) or by contacting the Office of Agreements at (202) 523–5793 or [tradeanalysis@fmc.gov](mailto:tradeanalysis@fmc.gov).

*Agreement No.:* 201455.

*Agreement Name:* ZIM/ONE ZGT Space Charter Agreement.

*Parties:* Ocean Network Express Pte. Ltd.; and ZIM Integrated Shipping Services Ltd.

*Filing Party:* Wayne Rohde, Cozen O'Connor.

*Synopsis:* The Agreement authorizes ZIM to charter space to ONE on ZIM's ZGT service in the trades between ports on the U.S. East and Gulf Coasts, on the

one hand, and ports in Argentina, Brazil, Uruguay, Colombia, Jamaica, and Mexico on the other hand.

*Proposed Effective Date:* 6/16/2025.

*Location:* <https://www2.fmc.gov/FMC.Agreements.Web/Public/AgreementHistory/88624>.

Dated: June 20, 2025.

**Alanna Beck,**

*Federal Register Alternate Liaison Officer.*

[FR Doc. 2025–11568 Filed 6–23–25; 8:45 am]

**BILLING CODE 6730–02–P**

## FEDERAL RESERVE SYSTEM

### Change in Bank Control Notices; Acquisitions of Shares of a Bank or Bank Holding Company

The notificants listed below have applied under the Change in Bank Control Act (Act) (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire shares of a bank or bank holding company. The factors that are considered in acting on the applications are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at <https://www.federalreserve.gov/foia/request.htm>. Interested persons may express their views in writing on the standards enumerated in paragraph 7 of the Act.

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551–0001, not later than July 9, 2025.

*A. Federal Reserve Bank of Atlanta* (Erien O. Terry, Assistant Vice President) 1000 Peachtree Street NE,

Atlanta, Georgia 30309. Comments can also be sent electronically to [Applications.Comments@atl.frb.org](mailto:Applications.Comments@atl.frb.org):

1. *Edward Kent Pardon and Edward Kent Pardon IRA, both of Columbia, Tennessee; and Doris Pardon, Summertown, Tennessee;* to form the Pardon Family Control Group, a group acting in concert, to retain voting shares of Heritage Financial Corporation, and thereby indirectly retain voting shares of Heritage Bank & Trust, both of Columbia, Tennessee.

*B. Federal Reserve Bank of Minneapolis* (Mark Nagle, Assistant Vice President) 90 Hennepin Avenue, Minneapolis, Minnesota 55480–0291.

Comments can also be sent electronically to [MA@mpls.frb.org](mailto:MA@mpls.frb.org):

1. *The Susan G. Sneer GST Exempt Family Trust, James G. Sneer and Stuart J. Sneer as co-trustees, all of Mankato, Minnesota;* to join the Sneer Family Shareholder Group, a group acting in concert, to retain voting shares of Farmers State Corporation, Mankato, Minnesota, and thereby indirectly retain voting shares of United Prairie Bank, Mountain Lake, Minnesota.

Board of Governors of the Federal Reserve System.

**Erin Cayce,**

*Assistant Secretary of the Board.*

[FR Doc. 2025–11561 Filed 6–23–25; 8:45 am]

**BILLING CODE P**

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The public portions of the applications listed below, as well as other related filings required by the Board, if any, are available for immediate inspection at the Federal Reserve Bank(s) indicated below and at the offices of the Board of Governors. This information may also be obtained on an expedited basis, upon request, by contacting the appropriate Federal Reserve Bank and from the Board's Freedom of Information Office at <https://www.federalreserve.gov/foia/>

*request.htm*. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)).

Comments received are subject to public disclosure. In general, comments received will be made available without change and will not be modified to remove personal or business information including confidential, contact, or other identifying information. Comments should not include any information such as confidential information that would not be appropriate for public disclosure.

Comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors, Ann E. Misback, Secretary of the Board, 20th Street and Constitution Avenue NW, Washington, DC 20551-0001, not later than July 24, 2025.

*A. Federal Reserve Bank of Chicago* (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690-1414.

Comments can also be sent electronically to

*Comments.applications@chi.frb.org:*

1. *OakNorth Holdings Limited, St. Helier, Jersey, and its subsidiaries, OakNorth Bank Holdings Limited, a United Kingdom-based corporation, and OakNorth U.S. Bank Holdings Inc., Birmingham, Michigan;* to become bank holding companies by acquiring Community Unity Bank and OakNorth Interim Bank, National Association, both of Birmingham, Michigan.

Board of Governors of the Federal Reserve System.

**Erin Cayce,**

*Assistant Secretary of the Board.*

[FR Doc. 2025-11560 Filed 6-23-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Disease Control and Prevention

[Docket No. CDC-2025-0024]

#### Meeting of the Advisory Committee on Immunization Practices; Amended Notice of Meeting

**AGENCY:** Centers for Disease Control and Prevention, Department of Health and Human Services (HHS).

**ACTION:** Notice.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, the Centers for Disease Control and Prevention (CDC) announces an

amendment to the following meeting of the Advisory Committee on Immunization Practices (ACIP). The meeting is open to the public.

**FOR FURTHER INFORMATION CONTACT:** Ms. Stephanie Thomas, Committee Management Specialist, Advisory Committee on Immunization Practices, National Center for Immunization and Respiratory Diseases, Centers for Disease Control and Prevention, 1600 Clifton Road NE, Mailstop H24-8, Atlanta, Georgia 30329-4027. Telephone: (404) 639-8836; Email: *ACIP@cdc.gov*.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given of a change in the meeting of the Advisory Committee on Immunization Practices (ACIP); June 25, 2025, from 8 a.m. to 5 p.m., EDT, June 26, 2025, from 8 a.m. to 5 p.m., EDT, and June 27, 2025, 8 a.m. to 3 p.m., EDT.

Notice of the virtual meeting was published in the **Federal Register** on June 9, 2025, Volume 90, Number 109, pages 24278-24279.

The meeting notice is being amended to update the dates, which should read as follows:

The meeting will be held on June 25, 2025, from 10 a.m. to 5:30 p.m., EDT and June 26, 2025, from 8 a.m. to 1 p.m., EDT.

The meeting notice is also being amended to update the Matters to be Considered to read as follows: The agenda will include discussions on anthrax vaccines, chikungunya vaccines, COVID-19 vaccines, influenza vaccines, measles, mumps, rubella, varicella (MMRV) vaccine, Respiratory Syncytial Virus (RSV) vaccines for maternal and pediatric populations, and an update on work groups.

Recommendation votes are scheduled for influenza vaccines, and RSV vaccine for maternal and pediatric populations. A Vaccines for Children (VFC) vote is scheduled for RSV vaccines.

The Director, Office of Strategic Business Initiatives, Office of the Chief Operating Officer, Centers for Disease Control and Prevention, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

**Kalwant Smagh,**

*Director, Office of Strategic Business Initiatives, Office of the Chief Operating Officer, Centers for Disease Control and Prevention.*

[FR Doc. 2025-11567 Filed 6-23-25; 8:45 am]

**BILLING CODE 4163-18-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

[Document Identifier: CMS-10398 #17]

#### Medicaid and Children's Health Insurance Program (CHIP) Generic Information Collection Activities: Proposed Collection; Extension of Comment Period

**AGENCY:** Centers for Medicare & Medicaid Services, Health and Human Services (HHS).

**ACTION:** Notice; extension of comment period.

**SUMMARY:** This document extends the public comment period of a revised collection of information request (entitled, "CHIP State Plan Eligibility") that published in the **Federal Register** on June 12, 2025. We are not proposing any other changes. Comments previously submitted need not be resubmitted.

**DATES:** The 14-day comment period for the notice that published on June 12, 2025, at 90 FR 24804, is extended due to difficulties with posting the collection of information's materials on the internet for public review and comment. Comments must be received on/by the extended date of July 2, 2025.

**ADDRESSES:** When commenting, please reference the applicable form number (CMS-10398 #17) and the OMB control number (0938-1148). To be assured consideration, comments and recommendations must be submitted in any one of the following ways:

1. *Electronically.* You may send your comments electronically to *http://www.regulations.gov*. Follow the instructions for "Comment or Submission" or "More Search Options" to find the information collection document(s) that are accepting comments.

2. *By regular mail.* You may mail written comments to the following address: CMS, Office of Strategic Operations and Regulatory Affairs, Division of Regulations Development, Attention: CMS-10398 #17/OMB control number: 0938-1148, Room C4-26-05, 7500 Security Boulevard, Baltimore, MD 21244-1850.

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, please access the CMS PRA website by copying and pasting the following web address into your web browser: *https://www.cms.gov/medicare/regulations-guidance/*

*legislation/paperwork-reduction-act-1995/pra-listing.*

**FOR FURTHER INFORMATION CONTACT:** William N. Parham at 410-786-4669.

**SUPPLEMENTARY INFORMATION:** CMS is extending the comment period of the revised CHIP State Plan Eligibility collection of information request that published in the **Federal Register** on June 12, 2025 (90 FR 24804). Due to difficulties with posting the collection of information's materials on the internet for public review and comment, this notice extends the comment period by six days. While the notice published, as indicated on June 12, the collection of information's materials did not post until June 18; a difference of six days and an extension of the initial June 26 comment due date to July 2.

Following is a summary of the use and burden associated with the subject information collection(s). More detailed information can be found in the collection's supporting statement and associated materials (see **ADDRESSES**).

#### Generic Information Collection

1. *Title of Information Collection:* CHIP State Plan Eligibility; *Type of Information Collection Request:* Revision of a currently approved collection; *Use:* Under section 2110(b)(2)(A) of the Social Security Act (SSA) and 42 CFR 457.310(c)(2)(i), children who are inmates of a public institution are excluded from the definition of targeted low-income child and therefore are not eligible for CHIP. However, section 5121 of the Consolidated Appropriations Act of 2023 (CAA, 2023) added a new section 2110(b)(7) to the SSA that provides limited exceptions to this exclusion. Effective January 1, 2025, children are no longer subject to the CHIP eligibility exclusion if they are within 30 days prior to their release from incarceration from a public institution.

Also, under section 5121, a new section 2102(d) was added to the SSA, effective January 1, 2025, which prohibits states from terminating otherwise eligible CHIP enrollees who are inmates of a public institution and instead permits states to suspend coverage during the enrollee's incarceration. States that elect to suspend coverage may implement either a benefits or eligibility suspension. States must also provide screening and diagnostic services, and case

management services available under the CHIP state plan in the 30 days prior to release in accordance with section 2102(d)(2) of the SSA.

Additionally, through section 5122 of the CAA, 2023 states may implement the option to lift the CHIP eligibility exclusion for children who are incarcerated while pending disposition of charges and provide them with full CHIP state plan benefits during that time.

This May 2025 iteration adds a new CHIP eligibility template "General Eligibility—Incarcerated CHIP Beneficiaries" and an associated implementation guide. The revision is intended to conform with the sections 5121 and 5122 of the CAA, 2023.

*Form Number:* CMS-10398 #17 (OMB control number: 0938-1148); *Frequency:* Once and Occasionally; *Affected Public:* State, Local, or Tribal Governments; *Number of Respondents:* 56; *Total Annual Responses:* 56; *Total Annual Hours:* 2,805. (For policy questions regarding this collection contact: Mary Beth Hance at 443-934-2613.)

**William N. Parham, III,**

*Director, Division of Information Collections and Regulatory Impacts, Office of Strategic Operations and Regulatory Affairs.*

[FR Doc. 2025-11519 Filed 6-23-25; 8:45 am]

**BILLING CODE 4120-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Proposed Information Collection Activity: National Medical Support Notice Part A (Office of Management and Budget #: 0970-0222)

**AGENCY:** Office of Child Support Services, Administration for Children and Families, U.S. Department of Health and Human Services.

**ACTION:** Request for public comments.

**SUMMARY:** The Office of Child Support Services (OCSS) (Services), Administration for Children and Families (ACF) is requesting the Office of Management and Budget (OMB) to approve the National Medical Support Notice (NMSN) Part A with minor changes, for an additional 3 years. The current OMB approval expires on November 30, 2025. To allow states to

program the changes to the proposed NMSN Part A, OCSS requests that the current NMSN Part A be extended 1 year.

**DATES:** Comments due August 25, 2025. In compliance with the requirements of the Paperwork Reduction Act of 1995, ACF is soliciting public comment on the specific aspects of the information collection described above.

**ADDRESSES:** You can obtain copies of the proposed collection of information and submit comments by emailing [InfoCollection@acf.hhs.gov](mailto:InfoCollection@acf.hhs.gov). Identify all requests by the title of the information collection.

#### SUPPLEMENTARY INFORMATION:

*Description:* The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) requires all child support orders under title IV-D of the Social Security Act to provide medical support coverage. The Child Support Performance and Incentive Act of 1998 (CSPIA) requires compliance through the NMSN Part A. NMSN Part A expedites requests for medical coverage between state child support agencies, employers, and health care administrators. OCSS maintains Part A of the NMSN. States populate it and send it to the parent's employer to complete. Then the employer's health care administrator enrolls the children in the health care plan. OCSS provides the NMSN Part A Sample and Instructions for employers as a resource to review while completing the information collection. Minor deletions and changes have been made to the NMSN Part A, the instructions, and the sample language for clarification.

*Respondents:* States, employers, and health care administrators.

*Annual Burden Estimates:* The estimated time per response remains the same, but the estimated number of respondents and number of responses has been updated to reflect assumptions for the next 3 years. OCSS estimates it will take state child support agencies about 1 year to implement the revised form.

Table 1 below shows burden hour estimates for respondents to continue to use the currently approved NMSN during an initial implementation period for the updated version. Table 2 shows the burden estimates for respondents once the new version of the NMSN is fully implemented in 2026.

TABLE 1—CURRENT FORM IN USE DURING IMPLEMENTATION THROUGH 2026

Information collection title	Total number of annual respondents	Annual number of responses per respondent	Average burden hours per response	Annual burden hours
NMSN—Part A—Notice to Withhold for Health Care Coverage—States .....	54	90,194	.17	827,891
NMSN—Part A—Notice to Withhold for Health Care Coverage—Employers State Medical Support Contacts and Program Requirement Matrix—States	1,310,727	3.72	.17	828,904
NMSN—Part A—Notice to Withhold for Health Care Coverage e-NMSN record specification layout Electronic system to system—States .....	54	1	1	54
NMSN—Part A—Notice to Withhold for Health Care Coverage e-NMSN record specification layout Electronic system to system—States .....	5	5,000	.01	250
NMSN—Part A—Notice to Withhold for Health Care Coverage e-NMSN record specification layout Electronic system to system—Employers .....	25	3.72	.01	1
Estimated Annual Burden .....	.....	.....	.....	1,657,100

TABLE 2—REVISED FORM—ESTIMATED BURDEN AFTER 2026 IMPLEMENTATION

Information collection title	Total number of annual respondents	Annual number of responses per respondent	Average burden hours per response	Annual burden hours
NMSN—Part A—Notice to Withhold for Health Care Coverage—States .....	54	86,818	.17	796,989
NMSN—Part A—Notice to Withhold for Health Care Coverage—Employers NMSN—Part A—Notice to Withhold for Health Care Coverage e-NMSN record specification layout Electronic system to system—States .....	1,263,267	3.71	.17	796,742
NMSN—Part A—Notice to Withhold for Health Care Coverage e-NMSN record specification layout Electronic system to system—States .....	7	5,000	.01	350
NMSN—Part A—Notice to Withhold for Health Care Coverage e-NMSN record specification layout Electronic system to system—Employers .....	25	3.72	.01	1
Estimated Annual Burden .....	.....	.....	.....	1,567,082

*Comments:* The Department specifically requests comments on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency’s estimate of the burden of the proposed collection of information; (c) the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted within 60 days of this publication.

*Authority:* Section 466(a)(19) of the Social Security Act, 42 U.S.C. 666(a)(19); 45 U.S.C. 303.32 National Medical Notice; The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PWRORA) Pub. L. 104–193; Child Support Performance and Incentives Act of 1998 (CSPIA) Pub. L. 105–200, section 401(c); 609(a)(5)(C) of the Employee Retirement Income Security Act of 1974 (ERISA), Pub. L. 93–406.

**Mary C. Jones,**

*ACF/OPRE Certifying Officer.*

[FR Doc. 2025–11585 Filed 6–23–25; 8:45 am]

**BILLING CODE 4184–41–P**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Administration for Children and Families**

**Submission for Office of Management and Budget (OMB) Review; Refugee Assistance Program Estimates: Cash and Medical Assistance—ORR–1 (Office of Management and Budget #: 0970–0030)**

**AGENCY:** Office of Refugee Resettlement, Administration for Children and Families, U.S. Department of Health and Human Services.

**ACTION:** Request for public comments.

**SUMMARY:** The Office of Refugee Resettlement (ORR), Administration for Children and Families (ACF), U.S. Department of Health and Human Services is requesting revisions to an existing data collection, ORR–1 Cash and Medical Assistance (CMA) Program Estimates (Office of Management and Budget (OMB) #0970–0030, expiration June 30, 2025). The proposed revisions include minor revisions to the existing ORR–1 form and the addition of a template recipients must use in preparing their annual budget justification estimates in accordance with the refugee resettlement program regulations.

**DATES:** *Comments due* July 24, 2025. OMB must decide about the collection of information between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it within 30 days of publication.

**ADDRESSES:** Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function. You can also obtain copies of the proposed collection of information by emailing [infocollection@acf.hhs.gov](mailto:infocollection@acf.hhs.gov). Identify all emailed requests by the title of the information collection.

**SUPPLEMENTARY INFORMATION:**

*Description:* The ORR–1, CMA Program Estimates, is the application for grants under the CMA program. The application is required by ORR program regulations at 45 CFR 400.11(b). The regulation specifies that states must submit, as their application for this program, estimates of the projected costs they anticipate incurring in providing CMA for eligible recipients and the costs of administering the program. Under the CMA program, states are

reimbursed for the costs of providing these services and benefits for 4 months after an eligible recipient arrives in this country. The eligible beneficiaries for these services and benefits are refugees, Amerasians, Cuban and Haitian Entrants, asylees, Afghans and Iraqi with Special Immigrant Visas, victims of a severe form of trafficking, and other populations specified by Congress. States that provide services for unaccompanied refugee minors also provide an estimate for the cost of these services for the year for which they are applying for grants.

The proposed revisions include minor changes to the existing ORR–1 form and the addition of a template recipients must use in preparing their annual budget justification estimates in accordance with the refugee resettlement program regulations. Currently, recipients must submit the ORR–1, CMA Program Estimates, as the application for grants under the CMA program. A budget justification in support of CMA estimates must be submitted along with the ORR–1 form;

however, ORR does not currently provide a standardized budget justification template. As a result, submissions vary widely in format, content, and level of detail, making it challenging to extract and standardize information, which increases the burden on both ORR reviewers and recipients. This revision to the information collection process requires states and Replacement Designees (RD) to submit budget justifications in a standardized format via a Microsoft Excel workbook, with each tab of the justification in alignment with a specific line on the ORR–1. The ORR–1 form has been updated with minor revisions, including updated column and line titles to reflect current terminology, and a simplified structure that replaces unit cost estimates with total cost estimates. These revisions are a result of the standardization of the budget justification.

The revised instructions, which are now embedded within the standardized budget justification, provide guidance to recipients on how to fill out each

section of the standardized budget justification. The recipients work through corresponding sections of the instructions and budget justification, and the standardized format makes clear what information is needed and at what level of detail. Upon completion of the budget justification, the values needed to populate the ORR–1 form are automatically calculated, and recipients are instructed to transfer specific data from the budget justification to the ORR–1 form in the system of record.

ORR conducted a pilot of the standardized budget justification. Feedback was positive, with participating states citing time savings in development of their budget justification and more streamlined and consistent review and analysis by ORR reviewers. The annual burden estimate has been revised to reflect this.

*Respondents:* State Agencies, the District of Columbia, and Replacement Designees under 45 CFR 400.301(c) administering or supervising the administration of programs under Title IV of the Act.

ANNUAL BURDEN ESTIMATES

Information collection	Total number of respondents	Annual number of responses per respondent	Average burden hours per response	Total burden hours
ORR–1, CMA Program Estimates .....	57	1	0.5	28.5

*Authority:* 8 U.S.C. 1522(a)(4).

Mary C. Jones,

ACF/OPRE Certifying Officer.

[FR Doc. 2025–11546 Filed 6–23–25; 8:45 am]

BILLING CODE 4184–45–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2025–D–1106]

Q1 Stability Testing of Drug Substances and Drug Products; International Council for Harmonisation; Draft Guidance for Industry; Availability

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice of availability.

**SUMMARY:** The Food and Drug Administration (FDA or Agency) is announcing the availability of a draft guidance for industry entitled “Q1 Stability Testing of Drug Substances and Drug Products.” The draft guidance was prepared under the auspices of the

International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH). The draft guidance outlines stability data expectations for drug substances and drug products to support drug product marketing, including marketing authorization applications and, where applicable, drug master files. This draft guidance is a consolidated revision of the ICH Q1A(R2), Q1B, Q1C, Q1D, Q1E, and Q5C series of stability guidances, published November 2003, March 1996, May 1997, January 2003, June 2004, and July 1996, respectively. The revision also provides stability related guidance for product categories such as advanced therapy medicinal products, vaccines, and other complex biological products including combination products that were not previously covered under the existing stability guidances. The draft guidance is intended to provide an internationally harmonized approach to conducting and presenting data on stability testing for drug substances and drug products, as well as providing alternative, scientifically justified approaches that may be encountered due to scientific considerations and

characteristics of the data being evaluated.

**DATES:** Submit either electronic or written comments on the draft guidance by August 25, 2025 to ensure that the Agency considers your comment on this draft guidance before it begins work on the final version of the guidance.

**ADDRESSES:** You may submit comments on any guidance at any time as follows:

*Electronic Submissions*

Submit electronic comments in the following way:

- *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to <https://www.regulations.gov> will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else’s Social Security number, or confidential business information, such as a manufacturing process. Please note

that if you include your name, contact information, or other information that identifies you in the body of your comments, that information will be posted on <https://www.regulations.gov>.

- If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see “Written/Paper Submissions” and “Instructions”).

#### Written/Paper Submissions

Submit written/paper submissions as follows:

- *Mail/Hand Delivery/Courier (for written/paper submissions):* Dockets Management Staff (HFA-305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

- For written/paper comments submitted to the Dockets Management Staff, FDA will post your comment, as well as any attachments, except for information submitted, marked and identified, as confidential, if submitted as detailed in “Instructions.”

*Instructions:* All submissions received must include the Docket No. FDA-2025-D-1106 is for “Q1 Stability Testing of Drug Substances and Drug Products.” Received comments will be placed in the docket and, except for those submitted as “Confidential Submissions,” publicly viewable at <https://www.regulations.gov> or at the Dockets Management Staff between 9 a.m. and 4 p.m., Monday through Friday, 240-402-7500.

- **Confidential Submissions—**To submit a comment with confidential information that you do not wish to be made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states “THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.” The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on <https://www.regulations.gov>. Submit both copies to the Dockets Management Staff. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as “confidential.” Any information marked as “confidential” will not be disclosed except in accordance with 21 CFR 10.20

and other applicable disclosure law. For more information about FDA’s posting of comments to public dockets, see 80 FR 56469, September 18, 2015, or access the information at: <https://www.govinfo.gov/content/pkg/FR-2015-09-18/pdf/2015-23389.pdf>.

*Docket:* For access to the docket to read background documents or the electronic and written/paper comments received, go to <https://www.regulations.gov> and insert the docket number, found in brackets in the heading of this document, into the “Search” box and follow the prompts and/or go to the Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852, 240-402-7500.

You may submit comments on any guidance at any time (see 21 CFR 10.115(g)(5)).

Submit written requests for single copies of the draft guidance to the Division of Drug Information, Center for Drug Evaluation and Research, Food and Drug Administration, 10001 New Hampshire Ave., Hillandale Building, 4th Floor, Silver Spring, MD 20993-0002, or the Office of Communication, Outreach and Development, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993-0002. Send one self-addressed adhesive label to assist that office in processing your requests. The guidance may also be obtained by mail by calling Center for Biologics Evaluation and Research at 1-800-835-4709 or 240-402-8010. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the draft guidance document.

#### FOR FURTHER INFORMATION CONTACT:

*Regarding the guidance:* Ee-Sunn Chia, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 21, Rm. 2550, Silver Spring, MD 20993-0002, 240-402-8909, email: [Ee-Sunn.Chia@fda.hhs.gov](mailto:Ee-Sunn.Chia@fda.hhs.gov); or Ramjay Vatsan Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 6010, 240-402-8364, email: [ramjay.vatsan@fda.hhs.gov](mailto:ramjay.vatsan@fda.hhs.gov).

*Regarding the ICH:* Brooke Dal Santo, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 6304, Silver Spring, MD 20993-0002, 301-348-1967, email: [Brooke.DalSanto@fda.hhs.gov](mailto:Brooke.DalSanto@fda.hhs.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Background

FDA is announcing the availability of a draft guidance for industry entitled

“Q1 Stability Testing of Drug Substances and Drug Products.” The draft guidance was prepared under the auspices of ICH. ICH seeks to achieve greater regulatory harmonization worldwide to ensure that safe, effective, high-quality medicines are developed, registered, and maintained in the most resource-efficient manner.

By harmonizing the regulatory requirements in regions around the world, ICH guidelines enhance global drug development, improve manufacturing standards, and increase the availability of medications. For example, ICH guidelines have substantially reduced duplicative clinical studies, prevented unnecessary animal studies, standardized the reporting of important safety information, and standardized marketing application submissions.

The six Founding Members of the ICH are the FDA; the Pharmaceutical Research and Manufacturers of America; the European Commission; the European Federation of Pharmaceutical Industries Associations; the Japanese Ministry of Health, Labour, and Welfare; and the Japanese Pharmaceutical Manufacturers Association. The Standing Members of the ICH Association include Health Canada and Swissmedic. ICH membership continues to expand to include other regulatory authorities and industry associations from around the world (refer to <https://www.ich.org/>).

ICH works by engaging global regulatory and industry experts in a detailed, science-based, and consensus-driven process that results in the development of ICH guidelines. The regulators around the world are committed to consistently adopting these consensus-based guidelines, realizing the benefits for patients and for industry.

As a Founding Regulatory Member of ICH, FDA plays a major role in the development of each of the ICH guidelines, which FDA then adopts and issues as guidance for industry. FDA’s guidance documents do not establish legally enforceable responsibilities. Instead, they describe the Agency’s current thinking on a topic and should be viewed only as recommendations, unless specific regulatory or statutory requirements are cited.

In April 2025, the ICH Assembly endorsed the draft guideline entitled “Q1 Stability Testing of Drug Substances and Drug Products” and agreed that the guideline should be made available for public comment. The draft guideline is the product of the Quality Expert Working Group of the ICH. Comments about this draft will be

considered by FDA and the Quality Expert Working Group.

The draft guidance provides recommendations on data expectations for drug substances and drug products to support marketed drug products including those with registration submissions, lifecycle/postapproval changes, and when applicable, master files. This draft guidance consolidates and updates the recommendations made in the ICH Q1A(R2), Q1B, Q1C, Q1D, Q1E, and Q5C series of stability guidances (available at <https://www.fda.gov/regulatory-information/search-fda-guidance-documents>), by addressing consistency of interpretation, clarification of technical components of stability concepts, recommendations for new technologies and tools used to facilitate an enhanced product understanding, and applicability of recommendations across the lifecycle of a product. This draft guidance can apply to all marketing authorization applications of prescription and nonprescription drugs (e.g., new, abbreviated) for a broad range of drug substances and products (e.g., chemically synthesized, therapeutic and well-characterized proteins and polypeptides, vaccines, cell and gene therapy, drug-device combinations, natural health products).

This draft guidance has been left in the original ICH format. The final guidance will be reformatted and edited to conform with FDA's good guidance practices regulation (21 CFR 10.115) and style before publication. The draft guidance, when finalized, will represent the current thinking of FDA on "Q1 Stability Testing of Drug Substances and Drug Products" and will supersede the ICH Q1A(R2), Q1B, Q1C, Q1D, and Q1E guidances. It does not establish any rights for any person and is not binding on FDA or the public. You can use an alternative approach if it satisfies the requirements of the applicable statutes and regulations.

As we develop final guidance on this topic, FDA will consider comments on costs or cost savings the guidance may generate, relevant for Executive Order 14192.

## II. Paperwork Reduction Act of 1995

While this guidance contains no collection of information, it does refer to previously approved FDA collections of information. The previously approved collections of information are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501–3521). The collections of information in 21 CFR part 314 for submission of new drug applications

and abbreviated new drug applications have been approved under OMB control number 0910–0001. The collections of information for the submission of biological license applications under 21 CFR part 601 have been approved under OMB control number 0910–0338. The collections of information for OTC monograph drug products have been approved under OMB control number 0910–0340. The collections of information for the submission and review of biosimilar product applications and related biosimilar user fee requirements have been approved under OMB control number 0910–0718. The collections of information for the submission and review of correspondence for generic drug products and related generic drug user fee requirements have been approved under OMB control number 0910–0727. The collections of information for current good manufacturing practice in the manufacture, processing, packing and storage of finished pharmaceuticals in 21 CFR parts 210 and 211 have been approved under OMB control number 0910–0139. The collections of information in 21 CFR part 201 for labeling of prescription drug and biological products have been approved under OMB control number 0910–0572.

## III. Electronic Access

Persons with access to the internet may obtain the draft guidance at <https://www.regulations.gov>, <https://www.fda.gov/drugs/guidance-compliance-regulatory-information/guidances-drugs>, <https://www.fda.gov/vaccines-blood-biologics/guidance-compliance-regulatory-information/biologics/biologics-guidances>, or <https://www.fda.gov/regulatory-information/search-fda-guidance-documents>.

Dated: June 18, 2025.

**Grace R. Graham,**

*Deputy Commissioner for Policy, Legislation, and International Affairs.*

[FR Doc. 2025–11552 Filed 6–23–25; 8:45 am]

**BILLING CODE 4164–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Office of the Secretary

### Guidance on Referrals for Potential Criminal Enforcement

**AGENCY:** Office of the Secretary, HHS.

**ACTION:** Notice.

**SUMMARY:** This notice describes the Department of Health and Human Services' (HHS or the Department) plans to address regulations that impose

criminal liability under the recent Executive Order (E.O.) on *Fighting Overcriminalization in Federal Regulations*.

**FOR FURTHER INFORMATION CONTACT:** Bob Foster, Deputy General Counsel, (202) 260–3324, [robert.foster@hhs.gov](mailto:robert.foster@hhs.gov).

**SUPPLEMENTARY INFORMATION:** On May 9, 2025, President Donald J. Trump issued E.O. 14294, *Fighting Overcriminalization in Federal Regulations*; 90 FR 20363 (published May 14, 2025). Section 7 of E.O. 14294 provides that within 45 days of the E.O., and in consultation with the Attorney General, each agency should publish guidance in the **Federal Register** describing its plan to address regulations that impose criminal liability.

Consistent with that requirement, HHS advises the public that by May 9, 2026, the Department, in consultation with the Attorney General, will provide to the Director of the Office of Management and Budget a report containing: (1) a list of all criminal regulatory offenses<sup>1</sup> enforceable by the Department or the Department of Justice (DOJ); and (2) for each such criminal regulatory offense, the range of potential criminal penalties for a violation and the applicable mens rea<sup>2</sup> for the criminal regulatory offense.

This notice also announces a general policy, subject to appropriate exceptions and to the extent consistent with law, that when HHS is deciding whether to refer alleged violations of criminal regulatory offenses to DOJ, officers and employees of HHS should consider, among other factors:

- the harm or risk of harm, pecuniary or otherwise, caused by the alleged offense;
- the potential gain to the putative defendant that could result from the offense;
- whether the putative defendant held specialized knowledge, expertise, or was licensed in an industry related to the rule or regulation at issue; and
- evidence, if any is available, of the putative defendant's general awareness of the unlawfulness of his conduct as well as his knowledge or lack thereof of the regulation at issue.

This general policy is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies,

<sup>1</sup> "Criminal regulatory offense" means a Federal regulation that is enforceable by a criminal penalty. E.O. 14294, sec. 3(b).

<sup>2</sup> "Mens rea" means the state of mind that by law must be proven to convict a particular defendant of a particular crime. E.O. 14294, sec. 3(c).

or entities, its officers, employees, or agents, or any other person.

**Eric J. Osterhues,**

*Deputy General Counsel, U.S. Department of Health and Human Services.*

[FR Doc. 2025-11543 Filed 6-23-25; 8:45 am]

**BILLING CODE 4150-26-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### Center For Scientific Review; Notice of Closed Meetings

Pursuant to section 1009 of the Federal Advisory Committee Act, as amended, notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* Population Sciences and Epidemiology Integrated Review Group; Reproductive, Perinatal and Pediatric Health Study Section.

*Date:* July 23–24, 2025.

*Time:* 9:00 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Lisa Anne Deroo, Ph.D., MPH, Scientific Review Officer, The Center for Scientific Review, The National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 480-4994, [lisa.deroo@nih.gov](mailto:lisa.deroo@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Member Conflict: Skeletal Muscle and Rehabilitation Sciences.

*Date:* July 23, 2025.

*Time:* 9:00 a.m. to 8:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Erick Omar Hernandez Ochoa, Ph.D., MD, Scientific Review Officer, The Center for Scientific Review, The National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, [erick.hernandezchoa@nih.gov](mailto:erick.hernandezchoa@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel;

Neurotoxicology, Alcohol, Neurobiology, Motivated Behavior, Mental Health, Cognitive Decline, Aging and Training Grant Applications.

*Date:* July 23–24, 2025.

*Time:* 9:00 a.m. to 7:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Mamatha Garige, Ph.D., Scientific Review Officer, Extramural Project Review Branch, National Institute on Alcohol Abuse and Alcoholism, 6700B Rockledge Drive, Room 2118, Bethesda, MD 20817, (301) 443-9737, [mamatha.garige@nih.gov](mailto:mamatha.garige@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Special Topics: Clinical and Translational Exploratory/Developmental Studies in Cancer.

*Date:* July 23–24, 2025.

*Time:* 9:00 a.m. to 5:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Klaus B. Piontek, Ph.D., Scientific Review Officer, Research Programs Review Branch, Division of Extramural Activities, 9609 Medical Center Drive, Room 7W-116, National Cancer Institute, Rockville, MD 20892-9750, 240-276-5413, [klaus.piontek@nih.gov](mailto:klaus.piontek@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Topics in Addition Risks and Mechanisms.

*Date:* July 23, 2025.

*Time:* 9:00 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Li Jia, Ph.D., Scientific Review Officer, Scientific Review Branch, Division of Extramural Research, NINDS/NIH, 6001 Executive Boulevard, Room 3208D, Rockville, MD 20852, 301 451-2854, [li.jia@nih.gov](mailto:li.jia@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; PAR Panel: Therapeutic approaches for central nervous system disorders.

*Date:* July 23–24, 2025.

*Time:* 9:00 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Sindhu Kizhakke Madathil, Ph.D., Scientific Review Officer, Division of Extramural Research, Scientific Review Branch, National Institute on Drug Abuse, NIH 301 North Stonestreet Avenue, MSC 6021, Bethesda, MD 20892, (301) 827-5702, [sindhu.kizhakkemadathil@nih.gov](mailto:sindhu.kizhakkemadathil@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Topics in CNS Infection and Immunology.

*Date:* July 23, 2025.

*Time:* 9:00 a.m. to 7:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Iqbal Sayeed, Ph.D., Scientific Review Officer, Scientific Review Branch, Division of Extramural Activities, NINDS/NIH, NSC, 6001 Executive Blvd., Suite 3208, MSC 9529, Bethesda, MD 20892, (301) 496-9223, [iqbal.sayeed@nih.gov](mailto:iqbal.sayeed@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; PAR Panel: Cancer Prevention, Control and Treatment Research.

*Date:* July 23, 2025.

*Time:* 9:00 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Erica Charlot Spears, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 480-3211, [spearsec@csr.nih.gov](mailto:spearsec@csr.nih.gov).

*Name of Committee:* Infectious Diseases and Immunology B Integrated Review Group; HIV Coinfections and HIV Associated Cancers Study Section.

*Date:* July 23–24, 2025.

*Time:* 9:30 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Joshua D. Powell, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (301) 594-5370, [josh.powell@nih.gov](mailto:josh.powell@nih.gov).

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393-93.396, 93.837-93.844, 93.846-93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: June 20, 2025.

**Sterlyn H. Gibson,**

*Program Specialist, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-11571 Filed 6-23-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### Center For Scientific Review; Notice of Closed Meetings

Pursuant to section 1009 of the Federal Advisory Committee Act, as

amended, notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; PAR Panel: Special topics in Substance Abuse Research.

*Date:* July 21, 2025.

*Time:* 9:00 a.m. to 10:45 a.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Kimberly L. Houston, MD, Scientific Review Officer, Scientific Review Branch, Eunice Kennedy Shriver, National Institute of Child Health and Human Development, NIH, 6710B Rockledge Drive, Room 2137C, Bethesda, MD 20892, (301) 827-4902, [Kimberly.Houston@nih.gov](mailto:Kimberly.Houston@nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; PAR Panel: Interpreting the Effect of RNA Alterations on Brain Aging and AD/ADRD.

*Date:* July 21, 2025.

*Time:* 9:30 a.m. to 6:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Bitu Nakhai, Ph.D., Scientific Review Officer, Scientific Review Branch, National Institute on Aging, National Institutes of Health, 5601 Fishers Lane, Suite 8B, Rockville, MD 20812, (301) 402-7701, [nakhaib@nia.nih.gov](mailto:nakhaib@nia.nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Review of the Centers of Biomedical Research Excellence (COBRE) Phase 1.

*Date:* July 21, 2025.

*Time:* 10:00 a.m. to 5:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Lisa A. Dunbar, Ph.D., Scientific Review Officer, Office of Scientific Review, National Institute of General Medical Sciences, National Institutes of Health, 45 Center Drive, Room 3AN12, Bethesda, MD 20892, [dunbarl@mail.nih.gov](mailto:dunbarl@mail.nih.gov).

*Name of Committee:* Center for Scientific Review Special Emphasis Panel; Program Project: Resource Program Grants in Bioinformatics.

*Date:* July 23, 2025.

*Time:* 9:00 a.m. to 5:00 p.m.

*Agenda:* To review and evaluate grant applications.

*Address:* National Institutes of Health, Rockledge II, 6701 Rockledge Drive, Bethesda, MD 20892.

*Meeting Format:* Virtual Meeting.

*Contact Person:* Debasmita Patra, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 1006E, Bethesda, MD 20892, (301) 827-5187, [debasmita.patra@nih.gov](mailto:debasmita.patra@nih.gov).

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393-93.396, 93.837-93.844, 93.846-93.878, 93.892, 93.893, National Institutes of Health, HHS)

*Dated:* June 20, 2025.

**Sterlyn H. Gibson,**

*Program Specialist, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-11596 Filed 6-23-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Center for Complementary & Integrative Health; Amended Notice of Meeting

Notice is hereby given of a change in the meeting of the National Advisory Council for Complementary and Integrative Health, July 01, 2025, 10:00 a.m. to July 01, 2025, 05:00 p.m., National Institutes of Health, DEM 2, 6707 Democracy Boulevard, Bethesda, MD 20892 which was published in the **Federal Register** on April 28, 2025, 90 FR 17605.

This notice is being updated to reflect the new URL for the Open Session of the NCCIH Advisory Council meeting. The open session can be accessed through the following Microsoft Teams Meeting URL address: [https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_OTRmYmQ1MTMtMjQ1YS00OWRjLWlxOGYtNWE3NmRlMTdmNzdm%40thread.v2/0?context=%7b%22id%22%3a%2214b77578-9773-42d5-8507-251ca2dc2b06%22%2c%22oid%22%3a%221efc1acb-c84a-498f-a01d-25e39a717c5e%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_OTRmYmQ1MTMtMjQ1YS00OWRjLWlxOGYtNWE3NmRlMTdmNzdm%40thread.v2/0?context=%7b%22id%22%3a%2214b77578-9773-42d5-8507-251ca2dc2b06%22%2c%22oid%22%3a%221efc1acb-c84a-498f-a01d-25e39a717c5e%22%7d).

The event will be recorded and will be made available for viewers to watch using the NIH Videocast URL link: <https://videocast.nih.gov/PastEvents>.

The meeting is partially closed to the public.

*Dated:* June 20, 2025.

**David W. Freeman,**

*Supervisory Program Analyst, Office of Federal Advisory Committee Policy.*

[FR Doc. 2025-11595 Filed 6-23-25; 8:45 am]

**BILLING CODE 4140-01-P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-6547-N-01]

### Request for Information Regarding Buy Now Pay Later Unsecured Debt

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing and Urban Development (HUD).

**ACTION:** Request for information.

**SUMMARY:** Through this Request for Information (RFI), the Federal Housing Administration (FHA), seeks public input to better understand the implications of Buy Now Pay Later (BNPL) lending on housing affordability and stability. Information gathered in response to this RFI will inform HUD's efforts to ensure that FHA single family mortgage insurance policies effectively address the evolving financial landscape and support the needs of American households.

**DATES:** Comments are requested on or before August 25, 2025. Late-filed comments will be considered to the extent practicable.

**ADDRESSES:** Interested persons are invited to submit comments responsive to this RFI. Copies of all comments submitted are available for inspection and downloading at [www.regulations.gov](http://www.regulations.gov). To receive consideration as public comments, comments must be submitted through one of the two methods specified below. All submissions must refer to the above docket number and title. Commenters are encouraged to identify the number of the specific question or questions to which they are responding. Responses should include the name(s) of the person(s) or organization(s) filing the comment; however, because any responses received by HUD will be publicly available, responses should not include any personally identifiable information or confidential commercial information.

1. *Electronic Submission of Comments.* Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>.

2. *Submission of Comments by Mail.* Comments may be submitted by mail to the Regulations Division, Office of

General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0500.

**FOR FURTHER INFORMATION CONTACT:** Migdaliz Bernier, Office of Single Family Program Development, Department of Housing and Urban Development, 451 7th Street SW, Room 9262–9280, Washington, DC 20410–0500; telephone number 202–402–8051 or (800) CALL–FHA (1–800–225–5342); email [sfeedback@hud.gov](mailto:sfeedback@hud.gov). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech and communication disabilities. To learn more about how to make an accessible telephone call, please visit: <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

The U.S. Department of Housing and Urban Development (HUD) is committed to supporting responsible homeownership and sound lending practices that promote self-sufficiency for all Americans. Consistent with HUD’s statutory fiduciary duty to mitigate unnecessary risk to the Mutual Mortgage Insurance Fund,<sup>1</sup> the Department seeks to better understand how emerging financial products—such as Buy Now, Pay Later (BNPL) loans—may affect FHA-approved mortgagees’ ability to fully evaluate a borrower’s financial profile and capacity to sustain long-term homeownership.<sup>2</sup>

Consumer adoption of Buy Now, Pay Later financing is rapidly growing and is changing how individuals manage short-term expenses. According to the Consumer Financial Protection Bureau’s (CFPB) January 2025 report, *Consumer Use of Buy Now, Pay Later and Other Unsecured Debt*, 21 percent of consumers with a credit record financed at least one purchase using a BNPL product from a major provider in 2022.<sup>3</sup> Many of these consumers are “heavy users” with more than 60 percent of them having multiple simultaneous BNPL loans in 2022.<sup>4</sup>

This elevated credit utilization may reflect constrained liquidity that could impact qualifying ratios and risk layering in mortgage underwriting, which is of particular concern because

most BNPL obligations are not reported to credit bureaus. BNPL loans essentially create “phantom debt” that mortgage lenders may not be readily able to detect as needed to fully assess a borrower’s outstanding obligations or debt management behavior.

At the same time, the report noted that BNPL loans had lower default rates than credit cards. On average, between 2019 and 2022, just 2 percent of borrowers defaulted on their BNPL loans, likely due to the short repayment terms and automatic payment structures common to most BNPL providers.<sup>5</sup> This suggests that, when used responsibly, BNPL products may serve as a lower-risk, short-term credit alternative for consumers with limited access to traditional financing.

The rise of BNPL lending raises important questions about how it may impact housing affordability and stability. As consumers take on additional short-term debt obligations through BNPL services, their capacity to manage housing-related expenses, such as rent or mortgage payments, may be affected. At present, FHA’s policies would largely exclude BNPL’s from consideration in underwriting because closed-end debts do not have to be included if they will be paid off within 10 months from the date of closing and the cumulative payments of all such debts are less than or equal to 5 percent of the Borrower’s gross monthly income. Understanding the intersection between BNPL lending and housing-related expenses is crucial for determining whether FHA’s current policies are adequate or if development of BNPL-specific policies are warranted for FHA to continue to support financial self-sufficiency and housing stability.

**II. Purpose of This Request for Information**

The purpose of this RFI is to solicit public input on how BNPL obligations may affect the ability of FHA lenders to accurately assess risk, the impact of BNPL lending on housing affordability and stability, and whether policy changes are needed to preserve sound mortgage underwriting standards.

**III. Specific Information Requested**

HUD welcomes all comments relevant to BNPL loans and their impact on housing affordability and stability. We are particularly interested in receiving input from interested parties on the questions outlined below that may affect FHA borrowers.

*BNPL Use and FHA Borrower Risk Profiles*

1. What are the credit and spending profiles of borrowers who frequently use BNPL services?

2. What primary reasons do borrowers cite for choosing BNPL loans over other payment methods?

3. To what extent are borrowers engaging in multiple concurrent BNPL loans (loan stacking), and what are the implications of loan stacking for their overall debt burden?

4. What types of repayment issues do borrowers with BNPL debts experience (Late fees, defaults, repossessions)?

5. What financial behaviors set frequent BNPL users apart from traditional credit users, and how can this guide FHA risk assessments?

6. How does BNPL usage vary across first-time buyers, purchase loans, and refinances?

7. How do seasonal spending spikes (e.g., holidays) affect BNPL loan stacking among mortgage applicants?

*BNPL Impact on Financial Health and Housing Stability*

8. How does frequent BNPL usage affect borrowers’ ability to meet housing-related expenses, including rent or mortgage payments?

9. What is the relationship between BNPL usage and indicators of financial vulnerability, such as high credit utilization, limited savings, or overdrafts?

10. How do repayment issues (e.g., missed payments or defaults) among borrowers with BNPL debts relate to housing instability or loss?

11. What housing-related expenses are most often sacrificed to repay BNPL debts?

12. How does BNPL reliance relate to early housing instability, like missed rent or forbearance?

*Visibility in Mortgage Underwriting*

13. How are BNPL obligations currently identified and evaluated by mortgage lenders and underwriters?

14. What challenges do underwriters face with risk assessment and loan approvals for borrowers with BNPL debts given that many BNPL providers do not report to credit bureaus?

15. How should BNPL debts be treated in debt-to-income (DTI) calculations for mortgage eligibility, especially when obligations are not visible in credit reports?

*Eligibility for FHA-Insured Mortgage Programs*

16. How might BNPL usage affect a household’s risk profile or eligibility for FHA-insured mortgage programs?

<sup>1</sup> 12 U.S.C. 1708(a)(3).

<sup>2</sup> A BNPL loan is generally a zero-interest loan repaid in four or fewer installments. It is a type of deferred payment option that allows a borrower to split a purchase into smaller installments.

<sup>3</sup> Available at [https://files.consumerfinance.gov/f/documents/cfpb\\_BNPL\\_Report\\_2025\\_01.pdf](https://files.consumerfinance.gov/f/documents/cfpb_BNPL_Report_2025_01.pdf).

<sup>4</sup> *Id.* at 22.

<sup>5</sup> *Id.* at 3.

17. What metrics can FHA use to differentiate responsible BNPL use from overleveraging?

18. What usage thresholds (e.g., account count, balance, payment history) indicate elevated risk for FHA eligibility?

#### Data and Research Needs

19. What data sources or research should HUD consider for evaluating the financial impact of BNPL debts?

20. Are there any efforts to track BNPL trends that could inform HUD's understanding of consumer risk?

#### Policy Recommendations

21. What policy measures could be implemented to ensure that BNPL obligations are appropriately considered in DTI calculations without imposing undue burdens on borrowers or lenders?

22. How can BNPL payment histories be effectively integrated into traditional credit reporting systems to help borrowers build credit profiles?

**Frank Cassidy,**

*Principal Deputy Assistant Secretary for Housing.*

[FR Doc. 2025-11575 Filed 6-23-25; 8:45 am]

**BILLING CODE 4210-67-P**

## DEPARTMENT OF THE INTERIOR

### Office of the Secretary

[Docket No. DOI-2025-0005; 256D0102DM; DS6CS00000; DLSN00000.000000; DX6CS25]

### Regulatory Reform

**AGENCY:** Office of the Secretary, Interior.

**ACTION:** Request for information; extension of comment period.

**SUMMARY:** The Department of the Interior (DOI) is extending the comment period for its request for information (RFI) on regulatory reform, allowing additional time for the public to identify existing regulations that may be modified or repealed.

**DATES:** The comment period for the request for information published on May 20, 2025, at 90 FR 21504 is extended. Comments should be received on or before July 21, 2025.

**ADDRESSES:** Interested persons should submit ideas for cutting existing regulations within the jurisdiction of DOI via <https://www.regulations.gov/deregulation> and are also encouraged to submit comments, identified by "DOI Regulatory Reform RFI," by any of the following methods:

*Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the

instructions for submitting comments to DOI-2025-0005, which is the docket established for this RFI.

*Email:* [Interior.RegulatoryInfo@doi.gov](mailto:Interior.RegulatoryInfo@doi.gov). Include "DOI Regulatory Reform RFI" in the subject line of the message.

*Mail:* U.S. Department of the Interior, Office of the Solicitor, 1849 C Street NW, Washington, DC 20240. All comments received will be posted without change to <https://www.regulations.gov>, including any personal information provided.

#### FOR FURTHER INFORMATION CONTACT:

Jacob Tyner, U.S. Department of the Interior, Office of the Solicitor, 1849 C Street NW, Washington, DC 20240. Telephone: (202) 208-3100. Email: [Interior.RegulatoryInfo@doi.gov](mailto:Interior.RegulatoryInfo@doi.gov).

**SUPPLEMENTARY INFORMATION:** On May 20, 2025, at 90 FR 21504, we published a RFI seeking public comment on ways to achieve a meaningful reduction in regulatory burdens while continuing to achieve DOI's legal obligations, mission, and regulatory objectives. Today we are publishing an extension of the comment period, establishing a new comment deadline of July 21, 2025, to allow additional time for comments. DOI notes that this RFI is issued solely for informational and program-planning purposes. While responses to this RFI do not bind DOI to any further actions related to the response, all submissions will be made publicly available on <https://www.regulations.gov>.

**Jacob M. Tyner,**

*Deputy Solicitor for Energy and Mineral Resources.*

[FR Doc. 2025-11587 Filed 6-20-25; 2:00 pm]

**BILLING CODE 4334-CC-P**

## INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-753 and 731-TA-1731 (Final)]

### Slag Pots From China; Scheduling of the Final Phase of Countervailing Duty and Antidumping Duty Investigations

**AGENCY:** United States International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission hereby gives notice of the scheduling of the final phase of antidumping and countervailing duty investigation Nos. 701-TA-753 and 731-TA-1731 (Final) pursuant to the Tariff Act of 1930 ("the Act") to determine whether an industry in the United States is materially injured or threatened with material injury, or the establishment of an

industry in the United States is materially retarded, by reason of imports of slag pots from China, provided for in subheadings 7309.00.00 and 8454.20.00 of the Harmonized Tariff Schedule of the United States, preliminarily determined by the Department of Commerce ("Commerce") to be subsidized and sold at less-than-fair-value.

**DATES:** June 17, 2025.

#### FOR FURTHER INFORMATION CONTACT:

Jordan Harriman ((202) 205-2610), Office of Investigations, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its internet server (<https://www.usitc.gov>). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>.

#### SUPPLEMENTARY INFORMATION:

*Scope.*—For purposes of these investigations, Commerce has defined the subject merchandise as "slag pots with a nominal capacity of 65 cubic feet to 1200 cubic feet regardless of shape, form, or finish. Slag pots are load bearing devices typically formed as a curved shell or bowl-shaped container. Slag pots are metallurgical goods typically produced either using a casting process or a fabrication process (e.g., welding) and may include a ceramic refractory coating, heat treatment or various finishes in order to handle high temperature slag."

*Background.*—The final phase of these investigations is being scheduled pursuant to sections 705(b) and 731(b) of the Tariff Act of 1930 (19 U.S.C. 1671d(b) and 1673d(b)), as a result of affirmative preliminary determinations by Commerce that certain benefits which constitute subsidies within the meaning of § 703 of the Act (19 U.S.C. 1671b) are being provided to manufacturers, producers, or exporters in China of slag pots, and that such products are being sold in the United States at less than fair value within the meaning of § 733 of the Act (19 U.S.C. 1673b). The investigations were requested in petitions filed on December 31, 2024, by WHEMCO-Steel Castings, Inc., Pittsburgh, Pennsylvania.

For further information concerning the conduct of this phase of the

investigations, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A and B (19 CFR part 201), and part 207, subparts A and C (19 CFR part 207).

**Participation in the investigations and public service list.**—Persons, including industrial users of the subject merchandise and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the final phase of these investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11 of the Commission's rules, no later than 21 days prior to the hearing date specified in this notice. A party that filed a notice of appearance during the preliminary phase of the investigations need not file an additional notice of appearance during this final phase. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

Please note the Secretary's Office will accept only electronic filings during this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>). No in-person paper-based filings or paper copies of any electronic filings will be accepted until further notice.

**Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list.**—Pursuant to § 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in the final phase of these investigations available to authorized applicants under the APO issued in the investigations, provided that the application is made no later than 21 days prior to the hearing date specified in this notice. Authorized applicants must represent interested parties, as defined by 19 U.S.C. 1677(9), who are parties to the investigations. A party granted access to BPI in the preliminary phase of the investigations need not reapply for such access. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

**Staff report.**—The prehearing staff report in the final phase of these investigations will be placed in the nonpublic record on August 13, 2025, and a public version will be issued thereafter, pursuant to § 207.22 of the Commission's rules.

**Hearing.**—The Commission will hold a hearing in connection with the final phase of these investigations beginning

at 9:30 a.m. on Wednesday, August 27, 2025. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission on or before Thursday, August 21, 2025. Any requests to appear as a witness via videoconference must be included with your request to appear. Requests to appear via videoconference must include a statement explaining why the witness cannot appear in person; the Chairman, or other person designated to conduct the investigation, may in their discretion for good cause shown, grant such a request. Requests to appear as remote witness due to illness or a positive COVID-19 test result may be submitted by 3 p.m. the business day prior to the hearing. Further information about participation in the hearing will be posted on the Commission's website at <https://www.usitc.gov/calendarpad/calendar.html>.

A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the hearing. All parties and nonparties desiring to appear at the hearing and make oral presentations should attend a prehearing conference, if deemed necessary, to be held at 9:30 a.m. on Friday, August 22, 2025. Parties shall file and serve written testimony and presentation slides in connection with their presentation at the hearing by no later than noon on Tuesday, August 26, 2025. Oral testimony and written materials to be submitted at the public hearing are governed by sections 201.6(b)(2), 201.13(f), and 207.24 of the Commission's rules. Parties must submit any request to present a portion of their hearing testimony in camera no later than 7 business days prior to the date of the hearing.

**Written submissions.**—Each party who is an interested party shall submit a prehearing brief to the Commission. Prehearing briefs must conform with the provisions of § 207.23 of the Commission's rules; the deadline for filing is August 20, 2025. Parties shall also file written testimony in connection with their presentation at the hearing, and posthearing briefs, which must conform with the provisions of § 207.25 of the Commission's rules. The deadline for filing posthearing briefs is September 3, 2025. In addition, any person who has not entered an appearance as a party to the investigations may submit a written statement of information pertinent to the subject of the investigations, including statements of support or opposition to the petition, on or before September 3, 2025. On September 19, 2025, the Commission will make

available to parties all information on which they have not had an opportunity to comment. Parties may submit final comments on this information on or before September 23, 2025, but such final comments must not contain new factual information and must otherwise comply with § 207.30 of the Commission's rules. All written submissions must conform with the provisions of § 201.8 of the Commission's rules; any submissions that contain BPI must also conform with the requirements of §§ 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's *Handbook on Filing Procedures*, available on the Commission's website at [https://www.usitc.gov/documents/handbook\\_on\\_filing\\_procedures.pdf](https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf), elaborates upon the Commission's procedures with respect to filings.

Additional written submissions to the Commission, including requests pursuant to § 201.12 of the Commission's rules, shall not be accepted unless good cause is shown for accepting such submissions, or unless the submission is pursuant to a specific request by a Commissioner or Commission staff.

In accordance with §§ 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the investigations must be served on all other parties to the investigations (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

**Authority:** These investigations are being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to § 207.21 of the Commission's rules.

By order of the Commission.

Issued: June 20, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025-11594 Filed 6-23-25; 8:45 am]

**BILLING CODE 7020-02-P**

## INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-612-613 and 731-TA-1429-1430 (Review)]

### Polyester Textured Yarn From China and India; Determinations

On the basis of the record<sup>1</sup> developed in the subject five-year reviews, the

<sup>1</sup> The record is defined in § 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping and countervailing duty orders on polyester textured yarn from China and India would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

**Background**

The Commission instituted these reviews on December 2, 2024 (89 FR 95230) and determined on March 7, 2025, that it would conduct expedited reviews (90 FR 16700, April 21, 2025).

The Commission made these determinations pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)). It completed and filed its determinations in these reviews on June 20, 2025. The views of the Commission are contained in USITC Publication 5640 (June 2025), entitled *Polyester Textured Yarn from China and India: Investigation Nos. 701-TA-612-613 and 731-TA-1429-1430 (Review)*.

By order of the Commission.  
Issued: June 20, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025-11570 Filed 6-23-25; 8:45 am]

**BILLING CODE 7020-02-P**

**DEPARTMENT OF JUSTICE**

**Drug Enforcement Administration**

[Docket No. DEA-1560]

**Importer of Controlled Substances Application: Arizona Department of Corrections**

**AGENCY:** Drug Enforcement Administration, Justice.

**ACTION:** Notice of application.

**SUMMARY:** Arizona Department of Corrections has applied to be registered as an importer of basic class(es) of controlled substance(s). Refer to

**SUPPLEMENTARY INFORMATION** listed below for further drug information.

**DATES:** Registered bulk manufacturers of the affected basic class(es), and applicants, therefore, may submit electronic comments on or objections to the issuance of the proposed registration on or before July 24, 2025. Such persons may also file a written request for a hearing on the application on or before July 24, 2025.

**ADDRESSES:** The Drug Enforcement Administration requires that all comments be submitted electronically

through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the web page or attach a file for lengthier comments. Please go to <https://www.regulations.gov> and follow the online instructions at that site for submitting comments. Upon submission of your comment, you will receive a Comment Tracking Number. Please be aware that submitted comments are not instantaneously available for public view on <https://www.regulations.gov>. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment. All requests for a hearing must be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/OALJ, 8701 Morrisette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DPW, 8701 Morrisette Drive, Springfield, Virginia 22152. All requests for a hearing should also be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrisette Drive, Springfield, Virginia 22152.

**SUPPLEMENTARY INFORMATION:** In accordance with 21 CFR 1301.34(a), this is notice that on May 19, 2025, Arizona Department of Corrections, 701 East Jefferson Street, Phoenix, Arizona 85034-2215, applied to be registered as an importer of the following basic class(es) of controlled substance(s):

Controlled substance	Drug code	Schedule
Pentobarbital .....	2270	II

The facility intends to import the above-listed controlled substance for legitimate needs. This controlled substance is not available for the intended legitimate need within the current domestic supply of the United States. No other activity for this drug code is authorized for this registration.

Approval of permit applications will occur only when the registrant’s business activity is consistent with what is authorized under 21 U.S.C. 952(a)(2). Authorization will not extend to the import of Food and Drug Administration-approved or non-approved finished dosage forms for commercial sale.

**Justin Wood,**

*Acting Deputy Assistant Administrator.*

[FR Doc. 2025-11553 Filed 6-23-25; 8:45 am]

**BILLING CODE P**

**DEPARTMENT OF LABOR**

**Office of the Secretary**

**All Items Consumer Price Index for All Urban Consumers; United States City Average**

Pursuant to Section 33105(c) of Title 49, United States Code, and the delegation of the Secretary of Transportation’s responsibilities under that Act to the Administrator of the Federal Highway Administration (49 CFR, Section 1.95(a)), the Secretary of Labor has certified to the Administrator and published this notice in the **Federal Register** that the United States City Average All Items Consumer Price Index for All Urban Consumers (1967=100) increased 202.0 percent from its 1984 annual average of 311.1 to its 2024 annual average of 939.672.

Signed at Washington, DC.

**Lori Chavez-DeRemer,**

*Secretary of Labor.*

[FR Doc. 2025-11550 Filed 6-23-25; 8:45 am]

**BILLING CODE 4510-FN-P**

**DEPARTMENT OF LABOR**

**Agency Information Collection Activities; Submission for OMB Review; Comment Request; Request for Employment Information**

**ACTION:** Notice of availability; request for comments.

**SUMMARY:** The Department of Labor (DOL) is submitting this Office of Workers’ Compensation Programs (OWCP)-sponsored information collection request (ICR) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

**DATES:** The OMB will consider all written comments that the agency receives on or before July 24, 2025.

**ADDRESSES:** Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function.

*Comments are invited on:* (1) whether the collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (2) the accuracy of

the agency's estimates of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

**FOR FURTHER INFORMATION CONTACT:** Nicole Bouchet by telephone at 202-693-0213, or by email at [DOL\\_PRA\\_PUBLIC@dol.gov](mailto:DOL_PRA_PUBLIC@dol.gov).

**SUPPLEMENTARY INFORMATION:** This information collection is used to collect information about a claimant's employment. It is necessary to determine continued eligibility for compensation payments under the Federal Employees' Compensation Act. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on March 11, 2025 (90 FR 11755).

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid OMB Control Number. See 5 CFR 1320.5(a) and 1320.6.

DOL seeks PRA authorization for this information collection for three (3) years. OMB authorization for an ICR cannot be for more than three (3) years without renewal. The DOL notes that information collection requirements submitted to the OMB for existing ICRs receive a month-to-month extension while they undergo review.

*Agency:* DOL-OWCP.

*Title of Collection:* Request for Employment Information.

*OMB Control Number:* 1240-0047.

*Affected Public:* Private Sector—Businesses or other for-profits.

*Total Estimated Number of Respondents:* 10.

*Total Estimated Number of Responses:* 10.

*Total Estimated Annual Time Burden:* 3 hours.

*Total Estimated Annual Other Costs Burden:* \$8.

(Authority: 44 U.S.C. 3507(a)(1)(D))

**Nicole Bouchet,**  
*Senior PRA Analyst.*

[FR Doc. 2025-11547 Filed 6-23-25; 8:45 am]

**BILLING CODE 4510-26-P**

## DEPARTMENT OF LABOR

### Office of the Secretary

#### All Items Consumer Price Index for All Urban Consumers; United States City Average

Pursuant to Section 315(c) of the Federal Election Campaign Act of 1971, as amended (Pub. L. 92-225), 52 U.S.C. 30116(c), the Secretary of Labor has certified to the Chair of the Federal Election Commission and publishes this notice in the **Federal Register** that the United States City Average All Items Consumer Price Index for All Urban Consumers (CPI-U) (1967=100) increased 536.2 percent from its 1974 annual average of 147.7 to its 2024 annual average of 939.672 and that it increased 77.2 percent from its 2001 annual average of 530.4 to its 2024 annual average of 939.672. Using 1974 as a base (1974=100), I certify that the CPI-U increased 536.2 percent from its 1974 annual average of 100 to its 2024 annual average of 636.203. Using 2001 as a base (2001=100), I certify that the CPI-U increased 77.2 percent from its 2001 annual average of 100 to its 2024 annual average of 177.163. Using 2006 as a base (2006=100), I certify that the CPI-U increased 55.6 percent from its 2006 annual average of 100 to its 2024 annual average of 155.601.

Signed at Washington, DC.

**Lori Chavez-DeRemer,**  
*Secretary of Labor.*

[FR Doc. 2025-11549 Filed 6-23-25; 8:45 am]

**BILLING CODE 4510-24-P**

## DEPARTMENT OF LABOR

### [OMB Control No. 1290-0043]

#### Office of the Assistant Secretary for Policy; Proposed Extension of Information Collection; Formative Data Collections for Research and Evaluation

**AGENCY:** Office of the Assistant Secretary for Policy, Chief Evaluation Office, Labor.

**ACTION:** Request for public comments.

**SUMMARY:** The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance request for comment to provide the general public and Federal agencies with an opportunity to comment on proposed collections of information in accordance with the Paperwork Reduction Act of 1995. This request helps to ensure that requested data can be provided in the desired format; reporting burden (time

and financial resources) is minimized; collection instruments are clearly understood; and the impact of collection requirements on respondents can be properly assessed. Currently, the Chief Evaluation Office (CEO) is soliciting comments on the information collection for Formative Data Collections for Research and Evaluation.

**DATES:** All comments must be received on or before August 25, 2025.

**ADDRESSES:** You may submit comment as follows. Please note that late, untimely filed comments will not be considered.

*Email:* [ChiefEvaluationOffice@dol.gov](mailto:ChiefEvaluationOffice@dol.gov); *Mail or Courier:* Bradley Hannon, Chief Evaluation Office, OASP, U.S. Department of Labor, Room S-2312, 200 Constitution Avenue NW, Washington, DC 20210. *Instructions:* Please submit one copy of your comments by only one method. All submissions received must include the agency name and OMB Control Number identified above for this information collection. Comments, including any personal information provided, become a matter of public record. They will also be summarized and/or included in the request for OMB approval of the information collection request.

**FOR FURTHER INFORMATION CONTACT:** Bradley Hannon by email at [ChiefEvaluationOffice@dol.gov](mailto:ChiefEvaluationOffice@dol.gov) or by phone at (202) 693-5912.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The Chief Evaluation Office (CEO) of DOL intends to design and conduct evaluations of DOL-funded programs. Under this generic clearance, DOL engages in a variety of formative data collections with researchers, practitioners, TA providers, service providers and potential participants throughout the field to fulfill the following goals: (1) inform the development of CEO research, (2) maintain a research agenda that is rigorous and relevant, (3) ensure that research products are as current as possible and (4) inform the provision of technical assistance. CEO uses a variety of techniques including semi-structured discussions, focus groups, surveys, and telephone or in-person interviews, in order to reach these goals. Following standard OMB requirements, DOL will submit a change request for each individual data collection activity under this generic clearance. Each request will include the individual instrument(s), a justification specific to the individual information collection, and any supplementary documents. OMB should

review requests within 10 days of submission.

## II. Desired Focus of Comments

CEO is soliciting comments concerning the proposed information collection related to the Formative Data Collections for Research and Evaluation. CEO is particularly interested in comments that:

- Evaluate whether the collection of information is necessary for the proper performance of the functions of the Agency, including whether the information has practical utility;
- Evaluate the accuracy of CEO's estimate of the burden related to the information collection, including the validity of the methodology and assumptions used in the estimate;
- Suggest methods to enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the information collection 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.

• Documents related to this information collection request are available at <https://regulations.gov>. Questions about the information collection requirements may be directed to the person listed in the **FOR FURTHER INFORMATION** section of this notice.

## III. Current Actions

This information collection request concerns Formative Data Collections for Research and Evaluation. CEO has updated the data with respect to the number of respondents, responses, burden hours, and burden costs supporting this information collection request from the previous information collection request.

*Type of Review:* Extension, without change, of a currently approved collection.

*Agency:* Office of the Assistant Secretary for Policy, Chief Evaluation Office.

*OMB Number:* 1290–0043.

*Affected Public:* Businesses or other for-profits, Not-for-profit institutions, State and Local Governments, Individuals or Households.

*Number of Respondents:* 5,500.

*Number of Responses:* 5,500.

*Annual Burden Hours:* 5,500 hours.

*Annual Respondent or Recordkeeper Cost:* \$0.

Comments submitted in response to this notice will be summarized in the request for Office of Management and Budget approval of the proposed

information collection request; they will become a matter of public record and will be available at <https://www.reginfo.gov>.

**Kuang-Chi Chang,**

*Acting Director of Research.*

[FR Doc. 2025–11548 Filed 6–23–25; 8:45 am]

**BILLING CODE 4510–HX–P**

## DEPARTMENT OF LABOR

### Occupational Safety and Health Administration

[Docket No. OSHA–2012–0039]

#### Process Safety Management of Highly Hazardous Chemicals Standard; Extension of the Office of Management and Budget's (OMB) Approval of Information Collection (Paperwork) Requirements

**AGENCY:** Occupational Safety and Health Administration (OSHA), Labor.

**ACTION:** Request for public comments.

**SUMMARY:** OSHA solicits public comments concerning the proposal to extend the Office of Management and Budget's (OMB) approval of the information collection requirements specified in the Process Safety Management of Highly Hazardous Chemicals Standard.

**DATES:** Comments must be submitted (postmarked, sent, or received) by August 25, 2025.

#### ADDRESSES:

*Electronically:* You may submit comments and attachments electronically at <https://www.regulations.gov>, which is the Federal eRulemaking Portal. Follow the instructions online for submitting comments.

*Docket:* To read or download comments or other material in the docket, go to <https://www.regulations.gov>. Documents in the docket are listed in the <https://www.regulations.gov> index; however, some information (*e.g.*, copyrighted material) is not publicly available to read or download through the websites. All submissions, including copyrighted material, are available for inspection through the OSHA Docket Office. Contact the OSHA Docket Office at (202) 693–2350 (TTY) (877) 889–5627 for assistance in locating docket submissions.

*Instructions:* All submissions must include the agency name and OSHA docket number (OSHA–2012–0039) for the Information Collection Request (ICR). OSHA will place all comments, including any personal information, in

the public docket, which may be made available online. Therefore, OSHA cautions interested parties about submitting personal information such as social security numbers and birthdates.

For further information on submitting comments, see the “Public Participation” heading in the section of this notice titled **SUPPLEMENTARY INFORMATION**.

#### FOR FURTHER INFORMATION CONTACT:

Belinda Cannon, Directorate of Standards and Guidance, OSHA, U.S. Department of Labor; telephone (202) 693–2222.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The Department of Labor, as part of the continuing effort to reduce paperwork and respondent (*i.e.*, employer) burden, conducts a preclearance consultation program to provide the public with an opportunity to comment on proposed and continuing information collection requirements in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)). This program ensures that information is in the desired format, reporting burden (time and costs) is minimal, the collection instruments are clearly understood, and OSHA's estimate of the information collection burden is accurate. The Occupational Safety and Health Act of 1970 (OSH Act) (29 U.S.C. 651 *et seq.*) authorizes information collection by employers as necessary or appropriate for enforcement of the OSH Act or for developing information regarding the causes and prevention of occupational injuries, illnesses, and accidents (29 U.S.C. 657). The OSH Act also requires that OSHA obtain such information with minimum burden upon employers, especially those operating small businesses, and to reduce to the maximum extent feasible unnecessary duplication of effort in obtaining information (29 U.S.C. 657).

The following sections describe who uses the information collected under each requirement, as well as how they use it. The purpose of these requirements is to reduce employees' risk of death or serious injury by ensuring that employment has been tested and is in safe operating condition.

The collection of information in the standard is necessary for implementation of the requirements of the standard. The information is used by employers to ensure that processes using highly hazardous chemicals with the potential of a catastrophic release are operated as safely as possible. The employer must thoroughly consider all

facets of a process, as well as the involvement of employees in that process. Employers analyze processes so that they can identify, evaluate and control problems that could lead to a major release, fire, or explosion. The major information collection requirements in this standard include: consulting with workers and their representatives on and providing them access to process hazard analyses and the development of other elements of the standard; developing a written action plan for implementation of employee participation in process hazard analyses and other elements of the standard; completing a compilation of written process safety information; performing a process hazard analysis; documenting actions taken to resolve process hazard analysis team findings and recommendations; updating, revalidating, and retaining the process hazard analysis; developing and implementing written operating procedures accessible to workers; reviewing operating procedures as often as necessary and certifying the procedures annually; developing and implementing written operating procedures accessible to workers; reviewing, operating procedures as often as necessary and certifying the procedures annually; developing and implementing safe work practices; preparing training records; informing contract employers of known hazards and applicable provisions of the emergency action plan; maintaining a contract worker injury and illness log; establishing written procedures to maintain the integrity of and documenting inspections and tests of process equipment; providing information on permits issued for hot work operations; establishing and implementing written procedures to manage changes; preparing reports at the conclusion of incident investigations, documenting resolutions and corrective measures, and reviewing the reports with affected personnel; establishing and implementing an emergency action plan; developing a compliance audit report and certifying compliance; and disclosing information necessary to comply with the standard to persons responsible for complying process safety information.

## II. Special Issues for Comment

OSHA has a particular interest in comments on the following issues:

- Whether the proposed information collection requirements are necessary for the proper performance of the agency's functions to protect workers, including whether the information is useful;

- The accuracy of OSHA's estimate of the burden (time and costs) of the information collection requirements, including the validity of the methodology and assumptions used;

- The quality, utility, and clarity of the information collected; and
- Ways to minimize the burden on employers who must comply; for example, by using automated or other technological information, and transmission techniques.

## III. Proposed Actions

OSHA is requesting that OMB extend the approval of the information collection requirements contained in Process Safety Management of Highly Hazardous Chemicals Standard. The agency is requesting an adjustment decrease in burden going from 2,325,294 hours to 2,269,066 hours, a difference of 56,228 hours. The decrease is due to a reduction in the number of establishments in the RMP database as of March 2025 going from 11,641 to 11,329 establishments.

OSHA will summarize the comments submitted in response to this notice and will include this summary in the request to OMB to extend the approval of the information collection requirements.

*Type of Review:* Extension of a currently approved collection.

*Title:* Process Safety Management of Highly Hazardous Chemicals Standard (29 CFR 1910.119).

*OMB Control Number:* 1218–0200.

*Affected Public:* Business or other for-profits.

*Number of Respondents:* 11,329.

*Number of Responses:* 1,026,883.

*Frequency of Responses:* On occasion.

*Average Time per Response:* Varies.

*Estimated Total Burden Hours:* 2,269,066.

*Estimated Cost (Operation and Maintenance):* \$0.

## IV. Public Participation—Submission of Comments on This Notice and Internet Access to Comments and Submissions

You may submit comments in response to this document as follows: (1) electronically at <https://www.regulations.gov>, which is the Federal eRulemaking Portal; or (2) by facsimile (fax), if your comments, including attachments, are not longer than 10 pages you may fax them to the OSHA Docket Office at (202) 693–1648. All comments, attachments, and other material must identify the agency name and the OSHA docket number for the ICR (OSHA–2012–0039). You may supplement electronic submission by uploading document files electronically.

Comments and submissions are posted without change at [https://](https://www.regulations.gov)

[www.regulations.gov](https://www.regulations.gov). Therefore, OSHA cautions commenters about submitting personal information such as social security numbers and dates of birth. Although all submissions are listed in the <https://www.regulations.gov> index, some information (e.g., copyrighted material) is not publicly available to read or download from this website. All submission, including copyrighted material, are available for inspection and copying at the OSHA Docket Office. Information on using the <https://www.regulations.gov> website to submit comments and access the docket is available at the website's "User Tips" link.

Contact the OSHA Docket Office at (202) 693–2350, (TTY) (877) 889–5627 for information about materials not available from the website, and for assistance in using the internet to locate docket submissions.

## V. Authority and Signature

Amanda Wood Laihow, Acting Assistant Secretary of Labor for Occupational Safety and Health, directed the preparation of this notice. The authority for this notice is the Paperwork Reduction Act of 1995 (44 U.S.C. 3506 *et seq.*) and Secretary of Labor's Order No. 8–2020 (85 FR 58393).

Signed at Washington, DC, on June 16, 2025.

**Amanda Laihow,**

*Acting Assistant Secretary of Labor for Occupational Safety and Health.*

[FR Doc. 2025–11551 Filed 6–23–25; 8:45 am]

**BILLING CODE 4510–26–P**

## OFFICE OF MANAGEMENT AND BUDGET

### Proposed Designation of Database to the Do Not Pay Working System

**AGENCY:** Office of Management and Budget.

**ACTION:** Notice of proposed designation.

**SUMMARY:** The Payment Integrity Information Act of 2019 (PIIA) authorizes the Office of Management and Budget (OMB) to designate databases for inclusion in the U.S. Department of the Treasury (Treasury) Do Not Pay Working System under the Do Not Pay Initiative. PIIA requires OMB to provide public notice and an opportunity for comment prior to designating databases. In fulfillment of this requirement, OMB is publishing this Notice of Proposed Designation to provide the public an opportunity to comment on the proposed designation of the U.S. Department of Veterans

Affairs (VA) Benefits Enterprise Platform (BEP) database for use in the Do Not Pay Working System with the Public Assistance Reporting Information System (PARIS). This notice has a 15-day comment period.

**DATES:** Comments must be in writing and must be received on or before July 9, 2025. At the conclusion of the 15-day comment period, if OMB decides to finalize the designation, OMB will publish a notice in the **Federal Register** to officially designate the database.

**ADDRESSES:** Comments on this proposal must be submitted electronically before the comment closing date to [www.regulations.gov](http://www.regulations.gov). In submitting comments, please search for recent submissions by OMB to find docket OMB-2025-[XXXX] and follow the instructions for submitting comments. Public comments are valuable, and they will inform OMB Do Not Pay database designation; OMB, however, will not respond to individual submissions.

*Privacy Act Statement:* OMB is issuing this notice pursuant to PIIA. Submission of comments in response to this Notice of Proposed Designation is voluntary. Comments may be used to inform sound decision-making on topics related to this Notice of Proposed Designation. Please note that submissions received in response to this notice may be posted on [www.regulations.gov](http://www.regulations.gov) or otherwise released in their entirety, including any personal information, business confidential information, or other sensitive information provided by the commenter. Do not include in your submissions any copyrighted material; information of a confidential nature, such as personal or proprietary information; or any information you would not like to be made publicly available. Comments are maintained under the OMB Public Input System of Records, OMB/INPUT/01; the system of records notice is accessible at 88 FR 20913 (<https://www.federalregister.gov/documents/2023/04/07/2023-07452/privacy-act-of-1974-system-of-records>) and includes a list of routine uses associated with the collection of this information.

**FOR FURTHER INFORMATION CONTACT:**

Office of Federal Financial Management, OMB (telephone: 202-395-3080; email: [paymentintegrity@omb.eop.gov](mailto:paymentintegrity@omb.eop.gov)).

**SUPPLEMENTARY INFORMATION:** PIIA recodified the Do Not Pay Initiative in Title 31 of the U.S. Code. The Do Not Pay Initiative includes the use of databases described in Title 31 of the U.S. Code and the use of other databases

designated by the Director of OMB, or the designee of the Director, in consultation with executive agencies. The Do Not Pay Initiative is designed to help Federal agencies in the executive branch (hereinafter “Federal agencies”), the judicial and legislative branches of the Federal government, and states, as well as any contractor, subcontractor, or agent of a state, review payment and award eligibility for purposes of identifying and preventing improper payments. As part of the Do Not Pay Initiative, OMB designated Treasury to host the Do Not Pay Working System, which is a centralized portal through which users can search multiple databases to obtain information about potential payees and awardees. PIIA<sup>1</sup> authorizes OMB to designate additional databases for inclusion in the Do Not Pay Initiative if the database substantially assists in preventing improper payments.

**Do Not Pay Working System Privacy, Security, and Legal Implications**

Treasury reports that all Do Not Pay Working System (hereinafter “Do Not Pay”) users and administrators are required to sign rules of behavior stipulating their responsibilities to minimize risks associated with the use of specific data. Treasury also reports that it has dedicated resources to establish a privacy program based on applicable requirements, the Fair Information Practice Principles, and industry best practices. Treasury reports that its privacy program supports various internal controls in collaboration with Treasury leadership and legal counsel and that projects are reviewed by Treasury through a data usage governance process. Treasury has responsibility for compliance with privacy restrictions and manages risks associated with the use of specific data to reduce improper payments for Do Not Pay users.

Treasury risk mitigation measures for Do Not Pay include maintaining a current and compliant Security Accreditation and Authorization package, in accordance with Federal Information Security Modernization Act of 2014 requirements. Additionally, to reduce the likelihood of unauthorized access, login to Do Not Pay requires Personal Identity Verification credentials, *Login.gov* account management, or *ID.ME*.

**Overview of Designating BEP**

OMB has reviewed the recommendation of Treasury to

designate the VA BEP database to Do Not Pay for use with PARIS.

The designation of BEP to Do Not Pay for use with PARIS will provide State Public Assistance Agencies (SPAAs) with VA compensation and pension data on a periodic basis to use in determining the eligibility of public assistance applicants and recipients for benefits under Medicaid, Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), and other general assistance programs. Through this proposed designation, BEP will only be available for use with PARIS and SPAAs; it will not be available for use by other Do Not Pay users.

PARIS, as a data matching service, involves interstate matching and the use of other relevant databases to establish client eligibility for benefits and supports state identification of potentially improper payments. The U.S. Department of Health and Human Services (HHS) Administration for Children and Families (ACF) is the Facilitating Agency for PARIS. The Treasury Bureau of the Fiscal Service (Fiscal Service) is the Technical Service Provider for PARIS conducting the match and providing associated support. Fiscal Service became the Technical Service Provider for PARIS in 2024, and this role was previously fulfilled by the Defense Manpower Data Center (DMDC) at the U.S. Department of Defense (DOD). Fiscal Service reports that they are able to perform this work through the Do Not Pay authorities to work with states and others for the purpose of verifying payment or award eligibility for payments. The use of VA data by SPAAs began in 1993 and has, for over 30 years, supported program integrity and substantially assisted in the prevention of improper payments.

OMB proposes to designate BEP for inclusion in Do Not Pay for use with PARIS because this database will continue to substantially assist in preventing improper payments. In making this determination, OMB considered the following: (1) statutory or other limitations on the use and sharing of specific data; (2) privacy restrictions and risks associated with specific data; (3) likelihood that the data will strengthen program integrity across programs and agencies; (4) benefits of streamlining access to the data through Do Not Pay; (5) costs associated with expanding or centralizing access, including modifications needed to system interfaces or other capabilities in order to make data accessible; and (6) other policy and stakeholder considerations, as appropriate.

<sup>1</sup> Codified at 31 U.S.C. 3351-58.

### Considerations for Designating BEP

#### 1. *Statutory or other limitations on the use and sharing of specific data:*

The use and sharing of the BEP data would be subject to the Privacy Act of 1974, as amended (5 U.S.C. 552a) and the requirements outlined in a matching agreement and memorandum of understanding between VA, DOD/DMDC, Treasury/Fiscal Service, HHS/ACF, and the SPAA. PIA authorizes access to, and use of, Do Not Pay by states and any contractor, subcontractor, or agent of a state, for the purpose of verifying payment or award eligibility for payments. In this case, however, as discussed above, OMB is proposing a limited designation of BEP, which will only be available for use with PARIS and SPAA; it will not be available for use by other Do Not Pay users.

#### 2. *Privacy restrictions and risks associated with specific data:*

In evaluating potential privacy risks and compliance measures associated with the designation, Fiscal Service conducted a privacy risk assessment for BEP. The privacy risk assessment for BEP aimed to: ensure conformance with applicable legal, regulatory, and policy requirements for privacy, including the Privacy Act of 1974; determine the risks and effects; and evaluate protections and alternative processes to mitigate potential privacy risks.

DMDC will provide Fiscal Service a file containing data on individuals' compensation and benefits, as well as identifying information, for VA benefit and compensation recipients. SPAA participating in PARIS will also provide Fiscal Service with a non-Federal file containing identifying information, including Social Security numbers (SSNs), about public assistance applicants and clients. Fiscal Service Do Not Pay will compare the SPAA file to the VA file and will provide the SPAA with match results.

The SPAA is responsible for verifying and determining if the data in the match results output file is consistent with the data in SPAA public assistance files and for resolving any discrepancies or inconsistencies as to positive identification on an individual basis.

If a SPAA intends to reduce, suspend, terminate, or deny benefits as a result of information provided by Fiscal Service, the SPAA must provide appropriate notice and the opportunity to respond in accordance with 42 CFR 431.200–250 for the Medicaid Program, 7 CFR 273.15 for SNAP, state-established procedures for TANF, and other applicable program procedures.

Fiscal Service will only maintain the information necessary for processing

and matching purposes. The SPAA will retain the identifiable records (hits) resulting from the match only for the period of time required for any processing related to the matching program and will then destroy the records unless the information must be retained in individual files to meet evidentiary requirements.

#### 3. *Likelihood that the data will strengthen program integrity across programs and agencies:*

The BEP database will strengthen program integrity at VA, HHS, and the U.S. Department of Agriculture (USDA), at a minimum, through its use to assist in the determination of applicant and recipient eligibility for public assistance benefits under Medicaid, TANF, SNAP, and other general assistance programs.

The designation of BEP to Do Not Pay for PARIS will strengthen program integrity across programs and agencies by facilitating: (A) income verification (a process by which States compare income reported to the State by the client to income the client is actually receiving according to the BEP database) and (B) the coordination of benefits (e.g., between Medicaid and VA benefits).

#### 4. *Benefits of streamlining access to the data through Do Not Pay:*

Fiscal Service Do Not Pay became the Technical Service Provider for PARIS in 2024 and began conducting the PARIS interstate matching in Fall 2024 (identifying individuals who may be applying for or receiving benefits in more than one participating state or territory). The designation of BEP for use with PARIS will allow Do Not Pay to supplement the interstate matching with additional data important for SPAA and the determination of applicant and recipient eligibility for assistance programs.

#### 5. *Costs associated with expanding or centralizing access, including modifications needed to system interfaces or other capabilities in order to make data accessible:*

Do Not Pay is already receiving the SPAA files from 45 states and the District of Columbia for interstate matching. The additional activity to occur through the designation of BEP to Do Not Pay for PARIS is the comparison of the participating state and territory data files against the BEP database. Costs associated with centralizing access to VA BEP may be absorbed into the scope of regular development.

#### 6. *Other policy and stakeholder considerations:*

Sec. 1137 and 1903(r) of the Social Security Act [42 U.S.C. 1320b–7 and 42 U.S.C. 1396b] discuss how state agencies administering certain programs

shall exchange with each other information for use in establishing or verifying eligibility or benefit amounts. Sec. 1903(r) references PARIS and how states must have in operation an eligibility determination system which provides for data matching through PARIS or any successor system as a condition of receiving Medicaid funding for automated data systems.

**Russell T. Vought,**

*Director, Office of Management & Budget.*

[FR Doc. 2025–11557 Filed 6–23–25; 8:45 am]

BILLING CODE 3110–01–P

### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

[NARA–25–0007; NARA–2025–027]

#### Records Schedules; Availability and Request for Comments

**AGENCY:** National Archives and Records Administration (NARA).

**ACTION:** Notice of availability of proposed records schedules; request for comments.

**SUMMARY:** The National Archives and Records Administration (NARA) publishes notice of certain Federal agency requests for records disposition authority (records schedules). We publish notice in the **Federal Register** and on *regulations.gov* for records schedules in which agencies propose to dispose of records they no longer need to conduct agency business. We invite public comments on such records schedules.

**DATES:** We must receive responses on the schedules listed in this notice by August 11, 2025.

**ADDRESSES:** To view a records schedule in this notice, or submit a comment on one, use the following address: <https://www.regulations.gov/docket/NARA-25-0007/document>.

This is a direct link to the schedules posted in the docket for this notice on *regulations.gov*. You may submit comments by the following method:

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. On the website, enter either of the numbers cited at the top of this notice into the search field. This will bring you to the docket for this notice, in which we have posted the records schedules open for comment. Each schedule has a 'comment' button so you can comment on that specific schedule. For more information on *regulations.gov* and on submitting comments, see their FAQs at <https://www.regulations.gov/faq>.

If you are unable to comment via *regulations.gov*, you may email us at

*request.schedule@nara.gov* for instructions on submitting your comment. You must cite the control number of the schedule you wish to comment on. You can find the control number for each schedule in parentheses at the end of each schedule's entry in the list at the end of this notice.

**FOR FURTHER INFORMATION CONTACT:** Rachel Ban Tonkin, Office of the Chief Records Officer, by email at *rachel.bantonkin@nara.gov* or at 301-837-2039. For information about records schedules, contact Records Management Operations by email at *request.schedule@nara.gov* or by phone at 301-837-2039.

**SUPPLEMENTARY INFORMATION:**

**Public Comment Procedures**

We are publishing notice of records schedules in which agencies propose to dispose of records they no longer need to conduct agency business. We invite public comments on these records schedules, as required by 44 U.S.C. 3303a(a), and list the schedules at the end of this notice by agency and subdivision requesting disposition authority.

In addition, this notice lists the organizational unit(s) accumulating the records or states that the schedule has agency-wide applicability. It also provides the control number assigned to each schedule, which you will need if you submit comments on that schedule.

We have uploaded the records schedules and accompanying appraisal memoranda to the *regulations.gov* docket for this notice as "other" documents. Each records schedule contains a full description of the records at the file unit level as well as their proposed disposition. The appraisal memorandum for the schedule includes information about the records.

We will post comments, including any personal information and attachments, to the public docket unchanged. Because comments are public, you are responsible for ensuring that you do not include any confidential or other information that you or a third party may not wish to be publicly posted. If you want to submit a comment with confidential information or cannot otherwise use the *regulations.gov* portal, you may contact *request.schedule@nara.gov* for instructions on submitting your comment.

We will consider all comments submitted by the posted deadline and consult as needed with the Federal agency seeking the disposition authority. After considering comments,

we may or may not make changes to the proposed records schedule. The schedule is then sent for final approval by the Archivist of the United States. After the schedule is approved, we will post on *regulations.gov* a "Consolidated Reply" summarizing the comments, responding to them, and noting any changes we made to the proposed schedule. You may elect at *regulations.gov* to receive updates on the docket, including an alert when we post the Consolidated Reply, whether or not you submit a comment. If you have a question, you can submit it as a comment, and can also submit any concerns or comments you would have to a possible response to the question. We will address these items in consolidated replies along with any other comments submitted on that schedule.

We will post schedules on our website in the Records Control Schedule (RCS) Repository, at <https://www.archives.gov/records-mgmt/rcs>, after the Archivist approves them. The RCS contains all schedules approved since 1973.

**Background**

Each year, Federal agencies create billions of records. To control this accumulation, agency records managers prepare schedules proposing retention periods for records and submit these schedules for NARA's approval. Once approved by NARA, records schedules provide mandatory instructions on what happens to records when no longer needed for current Government business. The records schedules authorize agencies to preserve records of continuing value in the National Archives or to destroy, after a specified period, records lacking continuing administrative, legal, research, or other value. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. Most schedules, however, cover records of only one office or program or a few series of records. Many of these update previously approved schedules, and some include records proposed as permanent.

Agencies may not destroy Federal records without the approval of the Archivist of the United States. The Archivist grants this approval only after thorough consideration of the records' administrative use by the agency of origin, the rights of the Government and of private people directly affected by the Government's activities, and whether or not the records have historical or other value. Public review and comment on these records schedules is part of the Archivist's consideration process.

*Schedules Pending*

1. Department of Commerce, Bureau of Economic Analysis, Records of the National Economic Accounts Directorate (DAA-0375-2024-0001).

2. Department of Commerce, National Oceanic and Atmospheric Administration, Vessel Monitoring System Records—Southeast Region Office (DAA-0370-2025-0001).

3. Department of Commerce, United States Patent and Trademark Office, Trademark Sanctions Records (DAA-0241-2025-0001).

4. Department of Energy, Federal Energy Regulatory Commission, Land Acquisition Records (DAA-0138-2025-0007).

5. Department of Homeland Security, U.S. Immigration and Customs Enforcement, Detention Reporting Information Line Records (DAA-0567-2024-0003).

6. Department of Justice, Professional Responsibility Advisory Office, Professional Responsibility Advisory Office Files (DAA-0060-2024-0013).

7. Department of State, Bureau of Consular Affairs, Consolidated Schedule of the Records of the Bureau of Consular Affairs (DAA-0059-2020-0017).

8. Department of Transportation, Federal Transit Administration, Social Media (DAA-0408-2025-0001).

9. Department of Transportation, Pipeline and Hazardous Materials Safety Administration, Incident Notifications Summaries (DAA-0571-2025-0002).

10. Department of the Treasury, Special Inspector General for Pandemic Recovery, Special Inspector General for Pandemic Recovery Records (DAA-0056-2023-0001).

11. Department of Veterans Affairs, Veterans Health Administration, Chaplain Services (DAA-0015-2025-0025).

12. Department of Veterans Affairs, Veterans Health Administration, Human Research Protection Program Accreditation (DAA-0015-2025-0034).

13. Central Intelligence Agency, Director of Central Intelligence, Biographic Data on Applicants (DAA-0263-2025-0001).

14. Federal Labor Relations Authority, Office of the Solicitor, Major Advice Requests (DAA-0480-2025-0001).

15. Office of the Director of National Intelligence, National Counterterrorism Center, Foreign and Domestic Evaluation Records (DAA-0576-2023-0015).

16. Peace Corps, Agency Wide, Enterprise Risk Management and

Compliance Records (DAA-0490-2024-0002).

**William P. Fischer,**

*Acting Chief Records Officer for the U.S. Government.*

[FR Doc. 2025-11574 Filed 6-23-25; 8:45 am]

BILLING CODE 7515-01-P

## NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

[NARA-25-0006; NARA-2025-026]

### Records Schedules; Availability and Request for Comments

**AGENCY:** National Archives and Records Administration (NARA).

**ACTION:** Notice of availability of proposed records schedules; request for comments.

**SUMMARY:** The National Archives and Records Administration (NARA) publishes notice of certain Federal agency requests for records disposition authority (records schedules). We publish notice in the **Federal Register** and on *regulations.gov* for records schedules in which agencies propose to dispose of records they no longer need to conduct agency business. We invite public comments on such records schedules.

**DATES:** We must receive responses on the schedules listed in this notice by August 11, 2025.

**ADDRESSES:** To view a records schedule in this notice, or submit a comment on one, use the following address: <https://www.regulations.gov/docket/NARA-25-0006/document>.

This is a direct link to the schedules posted in the docket for this notice on *regulations.gov*. You may submit comments by the following method:

- **Federal eRulemaking Portal:** <https://www.regulations.gov>. On the website, enter either of the numbers cited at the top of this notice into the search field. This will bring you to the docket for this notice, in which we have posted the records schedules open for comment. Each schedule has a ‘comment’ button so you can comment on that specific schedule. For more information on *regulations.gov* and on submitting comments, see their FAQs at <https://www.regulations.gov/faq>.

If you are unable to comment via *regulations.gov*, you may email us at [request.schedule@nara.gov](mailto:request.schedule@nara.gov) for instructions on submitting your comment. You must cite the control number of the schedule you wish to comment on. You can find the control number for each schedule in parentheses at the end of each

schedule’s entry in the list at the end of this notice.

#### FOR FURTHER INFORMATION CONTACT:

Rachel Ban Tonkin, Records Management Operations, by email at [rachel.bantonkin@nara.gov](mailto:rachel.bantonkin@nara.gov) or at 301-837-2039. For information about records schedules, contact Records Management Operations by email at [request.schedule@nara.gov](mailto:request.schedule@nara.gov) or by phone at 301-837-2039.

#### SUPPLEMENTARY INFORMATION:

##### Public Comment Procedures

We are publishing notice of records schedules in which agencies propose to dispose of records they no longer need to conduct agency business. We invite public comments on these records schedules, as required by 44 U.S.C. 3303a(a), and list the schedules at the end of this notice by agency and subdivision requesting disposition authority.

In addition, this notice lists the organizational unit(s) accumulating the records or states that the schedule has agency-wide applicability. It also provides the control number assigned to each schedule, which you will need if you submit comments on that schedule.

We have uploaded the records schedules and accompanying appraisal memoranda to the *regulations.gov* docket for this notice as “other” documents. Each records schedule contains a full description of the records at the file unit level as well as their proposed disposition. The appraisal memorandum for the schedule includes information about the records.

We will post comments, including any personal information and attachments, to the public docket unchanged. Because comments are public, you are responsible for ensuring that you do not include any confidential or other information that you or a third party may not wish to be publicly posted. If you want to submit a comment with confidential information or cannot otherwise use the *regulations.gov* portal, you may contact [request.schedule@nara.gov](mailto:request.schedule@nara.gov) for instructions on submitting your comment.

We will consider all comments submitted by the posted deadline and consult as needed with the Federal agency seeking the disposition authority. After considering comments, we may or may not make changes to the proposed records schedule. The schedule is then sent for final approval by the Archivist of the United States. After the schedule is approved, we will post on *regulations.gov* a “Consolidated Reply” summarizing the comments,

responding to them, and noting any changes we made to the proposed schedule. You may elect at *regulations.gov* to receive updates on the docket, including an alert when we post the Consolidated Reply, whether or not you submit a comment. If you have a question, you can submit it as a comment, and can also submit any concerns or comments you would have to a possible response to the question. We will address these items in consolidated replies along with any other comments submitted on that schedule.

We will post schedules on our website in the Records Control Schedule (RCS) Repository, at <https://www.archives.gov/records-mgmt/rcs>, after the Archivist approves them. The RCS contains all schedules approved since 1973.

#### Background

Each year, Federal agencies create billions of records. To control this accumulation, agency records managers prepare schedules proposing retention periods for records and submit these schedules for NARA’s approval. Once approved by NARA, records schedules provide mandatory instructions on what happens to records when no longer needed for current Government business. The records schedules authorize agencies to preserve records of continuing value in the National Archives or to destroy, after a specified period, records lacking continuing administrative, legal, research, or other value. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. Most schedules, however, cover records of only one office or program or a few series of records. Many of these update previously approved schedules, and some include records proposed as permanent.

Agencies may not destroy Federal records without the approval of the Archivist of the United States. The Archivist grants this approval only after thorough consideration of the records’ administrative use by the agency of origin, the rights of the Government and of private people directly affected by the Government’s activities, and whether or not the records have historical or other value. Public review and comment on these records schedules is part of the Archivist’s consideration process.

#### Schedules Pending

1. Department of Agriculture, Agricultural Marketing Service, Agency Issuances (DAA-0136-2024-0005).
2. Department of Agriculture, Agricultural Marketing Service, Dairy

Product Mandatory Reporting Program (DAA-0136-2024-0009).

3. Department of Agriculture, Animal and Plant Health Inspection Service, Agency Issuances (DAA-0463-2024-0005).

4. Department of Commerce, National Institute of Standards and Technology, Energy-Related Inventions Program Records (DAA-0167-2024-0004).

5. Department of Commerce, National Oceanic and Atmospheric Administration, Natural Resource Damage Assessment Post Settlement Case File Documents (DAA-0370-2024-0003).

6. Department of Commerce, United States Patent and Trademark Office, Patent-Service for Time and Application Routing System (DAA-0241-2024-0006).

7. Department of Health and Human Services, Administration for Children and Families, American Rescue Plan Act Stabilization Grants (DAA-0292-2022-0004).

8. Department of Justice, Bureau of Prisons, Occupational Training Directory (DAA-0129-2025-0015).

9. Department of Justice, Department-wide, National Law Enforcement Accountability Database Records (DAA-0060-2024-0018).

10. Department of Justice, Federal Bureau of Investigation, Employment Records (DAA-0065-2023-0003).

11. Department of Labor, Office of the Chief Information Officer-Division for Publication and Web Content, Records relating to Benefits-gov (DAA-0174-2024-0002).

12. Department of State, Bureau of Global Talent Management, Consolidated Schedule-Records of the Bureau of Global Talent Management (DAA-0059-2020-0021).

13. Department of Transportation, Federal Aviation Association, Civil Aerospace Medical Institute Research Records (DAA-0237-2024-0004).

14. Department of Transportation, Pipeline and Hazardous Materials Safety Administration, Facility Response Plans (DAA-0571-2025-0001).

15. Department of the Treasury, Internal Revenue Service, Political Action Committee-Political Organization Filing and Disclosure System and Records (DAA-0058-2022-0005).

16. Administrative Office of the United States Courts, United States Bankruptcy Courts, Temporary Case Files (DAA-0578-2025-0001).

17. Administrative Office of the United States Courts, United States Court of Federal Claims, Temporary Case Files (DAA-0502-2025-0001).

18. Administrative Office of the United States Courts, United State

District Courts, Temporary Case Files (DAA-0021-2025-0001).

19. Administrative Office of the United States Courts, United States Judicial Panel for Multidistrict Litigation, Temporary Case Files (DAA-0482-2025-0001).

20. National Aeronautics and Space Administration, Agency-wide, Inventions and Contributions Board (DAA-0255-2025-0001).

21. National Aeronautics and Space Administration, Glenn Research Center, Security Program Records of the Space Nuclear Propulsion Office (DAA-0255-2025-0002).

22. Peace Corps, Office of Health Services, Pre-Service Review Board Records (DAA-0490-2025-0002).

23. Securities and Exchange Commission, Office of International Affairs, Office of International Affairs Program Records (DAA-0266-2024-0004).

24. United States Capitol Police, Agency-wide, Employee Mission Training Records (DAA-0603-2024-0005).

**William P. Fischer,**

*Acting Chief Records Officer for the U.S. Government.*

[FR Doc. 2025-11572 Filed 6-23-25; 8:45 am]

**BILLING CODE 7515-01-P**

## NUCLEAR REGULATORY COMMISSION

[Docket No. 30-30429; NRC-2025-0099]

### ProTechnics, A Division of Core Laboratories LP; Alternate Disposal Method for Well Logging Sand-Outs or Well Logging Returns Containing Residual Amounts of NRC-Licensed Materials; Environmental Assessment and Finding of No Significant Impact

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Notice; issuance.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is issuing a finding of no significant impact (FONSI) and accompanying environmental assessment (EA) for an alternate waste disposal method request from ProTechnics, a division of Core Laboratories LP (ProTechnics), for the disposal of well logging sand-outs or well logging returns containing residual amounts of NRC-licensed materials into Class I disposal wells in North Slope, Alaska. Based on the analysis in the EA, the NRC staff has concluded that there would be no significant impacts to the environment from ProTechnics'

proposed exemption request and therefore, a FONSI is appropriate.

**DATES:** The EA and FONSI referenced in this document are available on June 24, 2025.

**ADDRESSES:** Please refer to Docket ID NRC-2025-0099 when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- Federal Rulemaking Website: Go to <https://www.regulations.gov> and search for Docket ID NRC-2025-0099. Address questions about Docket IDs in *Regulations.gov* to Bridget Curran; telephone: 301-415-1003; email: [Bridget.Curran@nrc.gov](mailto:Bridget.Curran@nrc.gov). For technical questions, contact the individual(s) listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- NRC's Agencywide Documents Access and Management System (ADAMS): You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov). For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the "Availability of Documents" section.

- NRC's PDR: The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov) or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time, Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:**

Roberto J. Torres, Region IV, U.S. Nuclear Regulatory Commission, Arlington, Texas 76011-4511; telephone: 817-200-1189; email: [RobertoJ.Torres@nrc.gov](mailto:RobertoJ.Torres@nrc.gov), and Christine Pineda, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-6789; email: [Christine.Pineda@nrc.gov](mailto:Christine.Pineda@nrc.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Introduction**

The NRC is considering a license amendment for an alternate disposal method, pursuant to part 20.2002 of title 10 of the *Code of Federal Regulations*, "Method for obtaining approval of

proposed disposal procedures,” for residual radioactive material possessed under NRC Byproduct Materials License No. 42–26928–01. ProTechnics seeks NRC approval to allow the injection of well logging sand-outs or well logging returns containing residual radioactive tracer material (non-hazardous oil and gas industrial waste) into specific Class I disposal wells located in the North Slope of Alaska. These Class I disposal wells have been approved under permits to accept non-hazardous industrial waste by the U.S. Environmental Protection Agency (EPA). Approval of this license amendment request would be based upon the NRC’s review and evaluation of the licensee’s proposal, current alternatives, and the NRC’s radioactive waste disposal regulations in 10 CFR part 20, “Standards for Protection Against Radiation”. The NRC staff has evaluated the potential environmental impacts of the licensee’s proposal and developed an Environmental Assessment (EA) in accordance with the requirements of 10 CFR part 51, “Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions”. As required by 10 CFR 51.21, “Criteria for and identification of licensing and regulatory actions requiring environmental assessments,” the NRC staff prepared an EA that documents its independent evaluation of the potential environmental impacts of the alternate disposal method in light of ProTechnics’ license amendment request. Based on the analysis in the EA, the NRC staff has concluded that there would be no significant impacts to the environment from ProTechnics’ proposed alternate disposal method into Class I wells in North Slope, Alaska, and therefore, a FONSI is appropriate.

## II. Summary of Environmental Assessment

### *Description of the Proposed Action*

The proposed action is to issue an amendment to Byproduct Materials License No. 42–26928–01 for approval of an alternate waste disposal method for well logging sand-outs or well logging returns containing residual radioactive tracer beads produced as a result of fracturing sand well logging operations. The licensee seeks approval to allow fracturing sand-outs or well returns that are below the levels considered to be “Radioactive Waste” in 40 CFR 144.3 and that are not considered hazardous waste to be disposed of by injecting into Class I industrial waste disposal wells in North Slope, Alaska. These Class I wells have

been approved under permits issued by the EPA to accept this type of waste since EPA has jurisdiction for these wells in Alaska. The radioactive tracer materials would be in the patented Zero-Wash bead form. This method of disposal would be used as an alternative to existing methods of disposal authorized by the NRC in the current license issued to ProTechnics.

If approved, ProTechnics’ 10 CFR 20.2002 alternate waste disposal method authorization for use of Class I disposal wells in North Slope, Alaska, would contain the following provisions: (1) the radioactive concentration of waste must be less than 1,000 picocuries/gram; (2) the half-life of the radioactive material being disposed of must be less than or equal to 120 days and include only the following tracers: scandium-46, bromine-82, zirconium-95, antimony-124, iodine-131, iridium-192, or gold-198 in the form of the patented “Zero-Wash” product in sand-outs and well returns; (3) the Class I disposal well accepting the non-hazardous oil and gas industrial waste that will be generated in part by ProTechnics from well logging operations must be permitted by the State, Territory, or Federal jurisdiction for which it is located; and (4) ProTechnics must maintain a written agreement with the Class I disposal well owner or operator to control access to the well until the radioactivity has decayed to unrestricted release levels.

### *Need for the Proposed Action*

The purpose of the proposed action is to allow ProTechnics an additional disposal alternative because some locations where tracer operations are conducted do not allow the use of shallow pits and there are no Class II wells nearby for disposal of well sand-outs or well returns. This proposed action is needed to allow the continued use of tracer beads in oil production in those areas. The use of radioactive tracer beads increases the efficiency of oil and gas production and reduces the cost of recovery to the well operators. The NRC is fulfilling its responsibility under the Atomic Energy Act and the National Environmental Policy Act to review the proposed action and approve it only if it would ensure adequate protection of the public health and safety and the environment.

### *Environmental Impacts of the Proposed Action*

The NRC staff has assessed the potential environmental impacts from ProTechnics’ request for approval of an alternate disposal method. The proposed action would authorize the disposal of specified NRC-licensed

material in EPA approved operating Class I disposal wells in North Slope, Alaska, in which materials are injected below the water table. Class I wells allow injection far below the lowermost underground source of drinking water (USDW), with injection zones that typically range from 1,700 feet to more than 10,000 feet in depth. The injection zone is below and separated from USDWs by an impermeable “cap” rock called the confining layer. The confining layer may be associated with additional layers of permeable and impermeable rock and sediment to separate the injection zone from USDWs. Owners and operators of Class I wells in Alaska must meet specific requirements to hold an EPA permit. These requirements address the siting, construction, operation, monitoring and testing, reporting and recordkeeping, and closure of Class I wells.

Before allowing Class I wells to operate, the EPA assesses the potential socioeconomic and environmental impacts as part of their review and permitting processes. Because the proposed action would involve the use of existing EPA approved structures, the NRC staff concludes that the proposed action would not result in significant impacts on historic and cultural resources, ecological resources, land use, or visual resources. In addition, due to the design of the patented Zero-Wash product (no wash off of radioactive material) and the crush strength of the Zero-Wash product (*i.e.*, greater than 10,000 psi), the NRC staff concludes that the well logging sand-outs and well logging returns would not contaminate USDW and, as required for the permitting of Class I wells, would not migrate from the formation where injected. Because the proposed action would only allow the use of pre-existing Class I disposal wells, there would be no increased air emissions, noise, or impacts on local or regional business conditions, populations, or demographics. In general, Class I disposal wells are not located in residential or business areas. Construction, permitting, operating, and monitoring requirements are more stringent for Class I waste disposal wells than for other Classes of injection wells. Approximately 800 operational Class I wells exist in the U.S. (about 17 percent of Class I wells are hazardous waste disposal wells, while 53 percent of Class I wells provide for injection of non-hazardous industrial waste). The proposed action could result in the use of non-hazardous industrial waste Class I wells in North Slope, Alaska, that are specifically permitted in 13 well

permits issued by the EPA's Region 10 to accept non-hazardous industrial waste, depending on availability. These 13 Class I well permit numbers are: AK1I001-B, AK1I002-C, AK1I003-C, AK1I005-C, AK1I008-B, AK1I009-B, AK1I010-B, AK1I011-C, AK1I015-B, AK1I017-A, AK1I019-A, AK1I024-A, and AK1I025-A. These permits can be found on the EPA website at <https://www.epa.gov/uic/uic-permits-issued-epa-region-10>. The EPA has determined for all these 13 permits that the injection zones for the Class I wells identified on these permits are in areas that are not considered underground sources of drinking water (USDW).

Increased radiation exposure to the general public from transporting waste containing residual radioactive tracer beads to the disposal site would be negligible. There are two routes of exposure possible, external and internal. The internal exposure route would be from ingestion of the tracer material since the particle size is such that it's not respirable. The material is not soluble in the body, thereby reducing the residence time. At the concentrations expected, an individual would need to ingest 200 pounds of the material to receive 1/10 of the regulatory annual limit of intake specified in 10 CFR part 20, B. The maximum radiation exposure level at a distance of one foot from a vehicle transporting this waste would be on the order of 0.1 millirem per hour. The radiation level in the cab of the transport vehicle would be on the order of 0.004 millirem per hour. Using an average transport time of one hour and assuming the same driver would transport all the expected disposals (10 per year), the exposure to the driver of the vehicle would be 0.04 millirem. Due to the waste's low radiation level and radioactive concentration, an accident causing the release of the sand-outs or well returns from the transport vehicle would result in minimal exposure to workers or members of the public during the subsequent cleanup efforts (*i.e.*, less than 0.04 millirem).

Tracer injection operations at the disposal wells are automated to minimize the time required for personnel to be in the immediate area of the injected material. Assuming an injection time of four hours per disposal and an individual within one foot of the radioactive material during the injection operation, the NRC staff expects that the total exposure per year would not exceed four millirem from this operation. The disposal site would be surveyed to verify that the site meets the NRC criteria for unrestricted use in accordance with 10 CFR part 20 after each time the waste (well logging

returns or sand-out material) is injected into a Class I disposal well. Because ProTechnics uses short-lived radionuclides in well logging operations, the residual radioactive material concentrations that would be shipped for disposal in Class I wells would be below the 1,000 picocuries/gram limit proposed as a condition in the NRC license. There would be no increase in the amounts or types of wastes or in the number of transport vehicles on the highways due to this proposed disposal option. The current practice of transporting well logging sand-outs or well returns to a decay-in-storage facility, shallow disposal pit, or Class II disposal well requires that at least one transport vehicle be used, and this practice would continue. Procedures would continue to be in place to handle any emergency situation arising from any incident involving the handling or transportation of this material.

Where Class I disposal wells in North Slope, Alaska, are available, the proposed action would result in reducing the use of other methods of disposal that have a greater potential for worker and public exposure. These methods include disposal in shallow earthen pits and decay-in-storage facilities that require additional handling as described in the EA.

Based on the discussion above, the NRC staff expects that the environmental impacts resulting from the disposal of this material into Class I disposal in North Slope, Alaska, would not be significant. The NRC staff assumes that the EPA permitting process for the operation of Class I waste disposal wells sufficiently addressed the potential radiological and non-radiological environmental impacts of operating these wells.

#### *Environmental Impacts of the Alternatives to the Proposed Action*

An alternative to the proposed action is the no-action alternative. Under the no-action alternative, the NRC would not grant ProTechnics' approval of an alternate disposal method in Class I wells in North Slope, Alaska. The no-action alternative would result in fewer options for disposing of well logging sand-outs or well logging returns containing radioactive tracer beads. This alternative would likely result in no change to the frequency of use of currently in-use, approved disposal methods such as shallow earthen pits and decay-in-storage facilities. When compared to disposal in Class I industrial waste wells, these methods involve a slightly higher risk of exposing workers and members of the

public to radioactive material. ProTechnics' use of shallow earthen pits and decay-in-storage facilities requires additional handling of the radioactive material, which slightly increases the potential for exposure. For disposal in shallow earthen pits, ProTechnics transports the sand-out material to the new pits, covers the disposal pits with at least two feet of soil, and marks the disposal sites in order to control access to the public. Storage in leased decay-in-storage facilities occurs before unrestricted disposal or burial in shallow earthen pits.

#### *Agencies and Persons Consulted*

The NRC staff has prepared this environmental assessment with input from the Alaska Oil & Gas Conservation Commission and the EPA's Division of Underground Injection Control (UIC). The EPA UIC confirmed that the permitting review for each Class I well includes an appropriate environmental review.

Because the proposed action would allow disposing of well logging sand-outs or well returns containing residual amounts of NRC licensed radioactive material in existing Class I wells deep underground, the NRC has concluded that there is no potential to affect threatened or endangered species. Therefore, consultation under Section 7 of the Endangered Species Act is not necessary. Likewise, the NRC staff has determined that the proposed undertaking is not a type of activity that has the potential to affect historic properties, and therefore the NRC has no further obligations under Section 106 of the National Historic Preservation Act.

#### **III. Finding of No Significant Impact**

The NRC staff has concluded that, given the depth, location and mechanical barriers of EPA-approved Class I wells in North Slope, Alaska, and ProTechnics' identified administrative items, there would be no impacts to land use, transportation, geology and soils, surface water and ground water, ecology, air quality, noise, historic and cultural resources, socioeconomics, visual and scenic resources, and waste management. Additionally, the NRC staff evaluated the potential radiological impacts and found those to be minimal and not significant.

The NRC staff has prepared this EA to evaluate the potential environmental impacts of the proposed action to approve ProTechnics' alternate disposal method procedures for the disposal of well logging sand-outs or well logging returns containing residual radioactive

tracer material (non-hazardous oil and gas industrial waste) into specific Class I disposal wells located in the North Slope of Alaska. Based on this EA, NRC has concluded that there are no significant environmental impacts and the license amendment request does not

warrant the preparation of an Environmental Impact Statement. Accordingly, the NRC has determined that a FONSI is appropriate. In accordance with 10 CFR 51.32(a)(4), this FONSI incorporates the EA set forth in this notice by reference.

#### IV. Availability of Documents

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

Document description	ADAMS Accession No. or Federal Register notice
"Radiological Criteria for License Termination," 10 CFR Part 20, Subpart E, published July 21, 1997, November 2, 2001, and August 28, 2007.	62 FR 39058 66 FR 55789 72 FR 49485.
"Waste Disposal," 10 CFR Part 20, Subpart K (56 FR 23403, published May 21, 1991, November 2, 2001, and October 1, 2007.	56 FR 23403 66 FR 55789 72 FR 55922. ML063000243.
NUREG-1757, Volume 1, Revision 2, "Consolidated Decommissioning Guidance, Decommissioning Process for Materials Licensees, Final Report," published September 2006.	ML032450279.
NUREG-1748, "Environmental Review Guidance for Licensing Actions Associated with NMSS Programs, Final Report," published August 2003.	68 FR 61472.
"Environmental Assessment and Finding of No Significant Impact Related to Materials License No. 42-26928-01, Core Laboratories, Inc. (dba ProTechnics) of Houston, TX, License Amendment Request for Approval of an Alternate Disposal Method" (Class II wells), published October 28, 2003.	ML25051A343.
License Amendment Request for ProTechnics' Division of Core Laboratories LP to allow disposal of well logging returns containing residual tracer material into Class I disposal wells, dated February 19, 2025.	ML23352A126.
License Amendment Request for ProTechnics' Division of Core Laboratories LP to allow disposal of well logging returns containing residual tracer material into Class I disposal wells, dated December 13, 2023.	

Dated: June 18, 2025.

For the Nuclear Regulatory Commission.

**Robert Sun,**

*Chief, Environmental Review Materials Branch, Division of Rulemaking, Environmental, and Financial Support, Office of Nuclear Material Safety, and Safeguards.*

[FR Doc. 2025-11510 Filed 6-23-25; 8:45 am]

**BILLING CODE 7590-01-P**

## NUCLEAR REGULATORY COMMISSION

[Docket No. 70-7004; NRC-2025-0059]

### American Centrifuge Operating, LLC; American Centrifuge Plant; Environmental Assessment and Finding of No Significant Impact

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Notice; issuance.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is considering amending Special Nuclear Material (SNM) License No. SNM-2011, issued on April 13, 2007, to American Centrifuge Operating, LLC (ACO) for the operation of the American Centrifuge Plant (ACP). The NRC is considering extending authorization of the high-assay, low-enriched uranium (HALEU) demonstration program operations to continue through June 30, 2034, along with a possession limit increase to support the U.S. Department of Energy (DOE) and ACO contract production milestone of 900 kilograms of HALEU per year. In the event of an extension of

ACO's HALEU contract with the DOE, potentially the authorization would be extended through the revised contract period. For this proposed action, the NRC staff is issuing an environmental assessment (EA) and a finding of no significant impact (FONSI).

**DATES:** The EA and FONSI referenced in this document are available on June 24, 2025.

**ADDRESSES:** Please refer to Docket ID NRC-2025-0059 when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- *Federal Rulemaking website:* Go to <https://www.regulations.gov> and search for Docket ID NRC-2025-0059. Address questions about Docket IDs in *Regulations.gov* to Bridget Curran; telephone: 301-415-1003; email: [Bridget.Curran@nrc.gov](mailto:Bridget.Curran@nrc.gov). For technical questions, contact the individual listed in the "For Further Information Contact" section of this document.

- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov). For the

convenience of the reader, instructions about obtaining materials referenced in this document are provided in the "Availability of Documents" section.

- *NRC's PDR:* The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov) or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Isaac Johnston, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-5649; email: [Isaac.Johnston@nrc.gov](mailto:Isaac.Johnston@nrc.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Discussion

The NRC staff is considering an amendment of ACO's license (SNM-2011) to allow for continued operation of the HALEU demonstration program for an additional 9 years through June 30, 2034. The 9-year period would be divided into three sets of 3-year terms as defined in the DOE-ACO contract for Phase III operations. Based on availability of Congressional appropriations, the DOE redefined option period one to be divided into three 1-year option periods, with the first 1-year option funded to begin on July 1, 2025. The DOE would have the sole discretion to renew the contract for

each option period, contingent upon Congressional appropriations.

The NRC initially authorized the operation of the HALEU demonstration cascade at the ACP in Pike County, Ohio in June 2021. In September 2024, the NRC approved a license amendment to increase ACO's licensed material possession limits to support the continued production of HALEU uranium hexafluoride (UF<sub>6</sub>) until December 31, 2024.

In December 2024, the NRC approved a license amendment to allow HALEU operations to continue for another 6 months until June 30, 2025. Under the proposed action, HALEU operations would continue for up to another 9 years (until June 30, 2034), contingent upon Congressional appropriations and the DOE opting to implement all option periods of operations.

ACO is producing HALEU for the DOE. HALEU is uranium that has been enriched so that the concentration of the fissile isotope uranium-235 (U-235) is between 5 and 20 percent of the mass of the uranium. The DOE awarded a 3-phase demonstration contract to ACO to enrich uranium up to 20 percent in the HALEU cascade. The expiration date of the current phase (Phase 2) of the DOE-ACO contract is June 30, 2025; however, the DOE could choose to extend Phase 2 of the DOE-ACO contract, to ensure continued operations of the HALEU program.

The DOE-ACO Phase III program involves up to three, 3-year periods of operation of the HALEU cascade. Phase III operations could begin on July 1, 2025, conditional on (1) Congressional appropriations, (2) the signing of the DOE-ACO Phase III contract, (3) the NRC staff's review and approval of the proposed license amendment. If the DOE does not extend Phase 2 of the DOE-ACO contract, or the Phase III HALEU operations are not approved on or before June 30, 2025, ACO would be required to shut down Phase 2 HALEU operations.

As required in section 51.21 of title 10 of the *Code of Federal Regulations* (10 CFR), "Criteria for and identification of licensing and regulatory actions requiring environmental assessments," the NRC developed an EA for the current license amendment request to evaluate the environmental impacts of continued operations until June 30, 2034. Based on the results of the EA that follows, the NRC has determined that an environmental impact statement (EIS) is not required for the amendment and is issuing a FONSI.

## II. Environmental Assessment

### *Description of the Proposed Action*

The NRC is proposing to amend ACO's license to allow ACO to continue operating the HALEU cascade until June 30, 2034. During this potential period of extended operation, ACO would continue enrichment activities as approved in the license. The staff assessed the potential environmental effects of continuing HALEU operations in its September 2024 EA, finding continued operations does not involve construction of new buildings, ground-disturbing activities, the shipment of HALEU offsite, or changes to the NRC-approved HALEU centrifuge cascade design. The proposed action is described in the licensee's application dated December 19, 2024.

The NRC staff also considered environmental impacts associated with the NRC's review and approval of the financial documentation provided with ACO's license amendment request. The NRC staff finds ACO's financial qualifications, decommissioning funding, and nuclear insurance indemnification are categorically excluded from environmental review under the NRC's regulations in 10 CFR 51.22(c)(10)(i), which applies to a surety, insurance, and/or indemnity.

### *Need for the Proposed Action*

The proposed action would allow ACO to continue operating the HALEU demonstration cascade as provided in ACO's contract with DOE and in accordance with ACO's license.

### *Environmental Impacts of the Proposed Action*

In December 2024, the NRC staff prepared an EA for the NRC's review of the continued Phase II operations through December 31, 2025, and the potential impacts of operations for another 12 months. The December 2024 EA determined that the license extension would not significantly affect the quality of the human environment. The NRC issued that EA and FONSI on December 23, 2024. The environmental review for this proposed action considers the Phase III operations through June 30, 2034, and evaluates the potential impacts of operations for up to another 9 years.

The NRC staff assessed the potential environmental impacts of a 9-year continuation of operations on land use; historic and cultural resources; visual and scenic resources; climatology, meteorology and air quality; geology and soils; water resources; ecological resources; socioeconomics; noise; traffic and transportation; public and

occupational health and safety; and waste management. The NRC staff determined that facility operations for the current action are unchanged from those evaluated in the NRC's December 2024 EA, except for the duration of operations. The NRC staff finds the additional period of operations would not affect most resource areas and not have significant impacts on air quality, transportation, occupational health and safety, and waste management. ACO would not make changes to the enrichment processes or to the outside portions of buildings. All HALEU produced would continue to be stored onsite. All enrichment activities would continue to take place indoors, resulting in no changes to noise levels. Because operations would continue entirely inside buildings, including storage of additional enriched UF<sub>6</sub>, depleted UF<sub>6</sub>, and wastes, and because the current rate of HALEU production would not change, there would be no change to potential impacts on public health and safety except that the potential for these previously assessed impacts would be extended by up to 9 years. Because additional employees would not be required for the proposed action, there would be no change to socioeconomic impacts already assessed.

The NRC's December 2024 EA concluded that continued HALEU operations would not have significant impacts on air quality, occupational health and safety, waste management, and transportation, and that these impacts were bound by the impacts assessed in previous NRC EAs, as documented in the NRC's 2021 EA for the approval of the HALEU program and 2024 EA for the possession limit increase. This EA assesses the continued operations until June 30, 2034, with continuation of the same impacts as described further in the following paragraphs.

*Air Quality:* The December 2024 EA for the 12-month license extension determined that continued operations would not affect the rates of air emissions containing hydrogen fluoride (HF) and radionuclides because the rate of HALEU production would remain unchanged from the rates evaluated in the NRC's 2021 licensing document and EA for the original HALEU demonstration. Under the current action, the potential non-radiological and radiological air emissions would continue for up to 9 years. As explained in the September 2024 EA, for the period July through December 2023, the average exposure to HF for the maximally exposed individual was 4.8e-9 micrograms per cubic meter, which is significantly lower than the

Occupational Safety and Health Administration's 8-hour permissible exposure limit for HF of 2500 micrograms per cubic meter. As indicated in ACO's effluent monitoring report for the period of July 1 through December 31, 2024, the average HF concentration was calculated to be  $3.96e-7$  micrograms per cubic meter. Uranium isotopes in air emissions in the same effluent monitoring report were 0.0239 millicuries uranium-234, 0.00167 millicuries U-235, and 0.00541 millicuries uranium-238. The report estimated that the public dose from the releases of uranium isotopes over the previous year (December 2023 through December 2024) is  $2.6e-5$  millirem. The emission levels are and would continue to be well below regulatory limits through June 30, 2034. Therefore, the NRC staff concludes the potential air quality impacts of an up to 9-year extension of operations would not be significant.

**Occupational Health and Safety:** The staff evaluated the potential impacts on worker health of up to 9 years of continued operations beyond the period evaluated in the December 2024 EA. HALEU enrichment activities must comply with the NRC regulations, including 10 CFR part 20, subpart C, "Occupational Dose Limits for Adults," and 10 CFR part 20, subpart D, "Radiation Dose Limits for Individual Members of the Public" as well as the conditions specified in the license. The NRC staff also assessed the most recent effluent monitoring report for the period of July 1 through December 31 of 2024, which reported that total exposure to the nearest resident for the prior 12 months (December 2023 through December 2024) was  $2.6e-5$  millirem. The NRC staff concludes that dose limits in 10 CFR part 20 for workers (50 mSv/yr or 5000 mrem/yr) and for members of the public (1 mSv/yr or 100 mrem/yr) will continue to be met.

As such, the NRC staff concludes that radiological impacts on workers would not be noticeably different from the impacts as assessed in the NRC's December 2024 EA and therefore the potential impacts would not be significant. In the "Air Quality" paragraph of this notice, the NRC staff states the extension of HALEU operations would not significantly increase non-radiological HF emissions and worker exposures and would

remain significantly lower than the Occupational Safety and Health Administration's 8-hour limit for HF of 2500 micrograms per cubic meter.

**Transportation:** The December 2024 EA evaluated the potential environmental impacts for a 12-month extension of operations, finding new shipments of feed material to support the production of an increased amount of HALEU would be few in number. The EA concluded the few additional shipments of feed material through December 2025 would not have a noticeable impact on transportation. Moreover, the few additional shipments of feed material for up to 9 additional years would have an insignificant impact, when compared with the 1,100 yearly shipments estimated for the commercial ACP. Therefore, the NRC staff concludes that the proposed action would have no significant impact on transportation.

**Waste Management:** In the December 2024 EA, the NRC staff found that HALEU operations would insignificantly increase the quantity of low-level radioactive waste. ACO estimates that up to 21 B-25 boxes of low-level radioactive waste would be generated over the 9-year license term, for a total volume of nearly 53.5 cubic meters (1900 cubic feet). Therefore, the NRC staff concludes that the impacts from waste management through June 30, 2034, would not be significant.

#### *Environmental Impacts of the Alternatives to the Proposed Action*

As an alternative to the proposed action, the staff considered denial of the proposed action (*i.e.*, the "no-action" alternative). Under the no-action alternative, ACO would cease operating the HALEU cascade on June 30, 2025. The no-action alternative could result in ACO being unable to meet the terms of its contract with DOE. The potential environmental impacts of the no-action alternative would be the same as the NRC's finding of no significant impact reported in the December 2024 EA.

#### *Agencies and Persons Consulted*

In accordance with NRC policy, on April 15, 2025, the staff consulted with the Ohio Department of Public Safety, the Ohio Department of Health, and the U.S. Environmental Protection Agency's (EPA's) Region V office regarding the EA

and FONSI. The NRC received no comments on the EA.

Section 106 of the National Historic Preservation Act (NHPA) requires Federal agencies to consider the effects of their undertakings on historic properties. The proposed action is not the type of activity that has the potential to cause effects on any historic properties that may be present. Therefore, in accordance with 36 CFR 800.3(a)(1), the NRC has no further obligation under Section 106 of the NHPA.

Section 7 of the Endangered Species Act (ESA) requires that, prior to taking a proposed action, Federal agencies determine whether the proposed Federal action may affect endangered or threatened species or their critical habitats. The proposed action would not result in construction activities or land disturbance and would allow continuation of HALEU production activities that are already ongoing. Production and storage of HALEU occurs within existing buildings that formerly housed the Lead Cascade Facility. The proposed action does not increase any effluent release rates or introduce any new effluent release pathways, nor does it expand the license control area. NRC staff has determined that even if endangered or candidate species are present in the vicinity of the HALEU cascade building on the DOE reservation, the proposed action would not affect such species or their habitats. Therefore, no consultation is required under Section 7 of the ESA.

### **III. Finding of No Significant Impact**

The NRC staff prepared this EA as part of its review of the proposed action. The NRC staff concludes there would be no significant environmental impacts from the extension of HALEU operations through June 30, 2034. Therefore, the NRC staff find the preparation of an EIS is not warranted. Accordingly, the NRC determined that a FONSI is appropriate. In accordance with 10 CFR 51.32(a)(4), the FONSI incorporates the EA set forth in this notice by reference.

### **IV. Availability of Documents**

The documents identified in the following table are available to interested persons through one or more of the following methods, as indicated.

Document description	ADAMS accession No./ Federal Register citation/website
License Amendment Request for American Centrifuge Operating, LLC's License Application for the American Centrifuge Plant—Phase III of HALEU Operations, dated December 19, 2024.	ML24366A069 (Package).

Document description	ADAMS accession No./ Federal Register citation/website
NRC Email to ACO re: NRC's Acceptance for Detailed Review of ACO's License Amendment Request for Phase III HALEU Operations at the ACP in Piketon, OH, dated February 10, 2025.	ML25042A390.
EA Proposed License Amendment at the American Centrifuge Plant, Piketon, Ohio, issued June 2025.	ML25084A113.
Letter—License Amendment 24, NRC Approval of American Centrifuge Operating's Amendment Request to Increase its Possession Limits to Support HALEU Production at the American Centrifuge Plant, dated September 20, 2024.	ML24068A189 (Package).
EA for Proposed License Amendment to Increase Possession Limits for Licensed Material for the HALEU Program at the American Centrifuge Plant, Piketon, Ohio, published September 2024.	ML24254A206.
<b>Federal Register</b> Notice for EA Proposed License Amendment to Increase Possession Limits for Licensed Material for the HALEU Program at the American Centrifuge Plant, Piketon, Ohio, published September 19, 2024.	89 FR 76871.
NRC Approval of Centrus/ACO's Request to Extend Phase 2 Amendment 27, dated December 31, 2024.	ML24345A251 (Package).
<b>Federal Register</b> Notice—Environmental Assessment for Proposed License Amendment to Extend Period of HALEU Operations at the American Centrifuge Plant in Pike County, Ohio, published December 31, 2024.	89 FR 107168.
License Amendment 13, NRC Approval of American Centrifuge Operating's Request Operate Sixteen Centrifuges to Demonstrate Production of High-Assay Low-Enriched Uranium, dated June 11, 2021.	ML21138A826 (Package).
Letter—American Centrifuge Plant, Submittal of 10 <i>Code of Federal Regulations</i> 70.59 Effluent Reporting, dated February 20, 2025.	ML25056A059.
Email to Ohio transmitting the draft EA for review, dated April 15, 2025 .....	ML25112A292.
Email to EPA Region V transmitting the draft EA for review, dated April 15, 2025 .....	ML25112A289.
Email to Ohio State Historic Preservation Office re: courtesy notification of NRC review of ACO's license amendment request, dated April 18, 2025.	ML25112A305.
Email Responses from Ohio agencies providing comments on the draft EA to Ohio agencies for review, dated April 15 and 21, 2025.	ML25112A298, ML25112A300.
Letter—Supplemental Proposed Changes License Application for the American Centrifuge Plant—Phase III of HALEU Operations, dated June 12, 2025.	ML25164A029.
Email Response from EPA providing comments on the draft EA to Ohio agencies for review, dated April 22, 2025.	ML25114A164.
Biden-Harris Administration Announces 6 Contracts to Spur America's Domestic HALEU Supply Chain as Part of Investing in America Agenda, dated October 8, 2024.	<a href="https://www.energy.gov/ne/articles/biden-harris-administration-announces-6-contracts-spur-americas-domestic-haleu-supply">https://www.energy.gov/ne/articles/biden-harris-administration-announces-6-contracts-spur-americas-domestic-haleu-supply</a> .

Dated: June 18, 2025.

For the Nuclear Regulatory Commission.

**Robert Sun,**

*Chief, Environmental Project Management, Branch 2, Division of Rulemaking, Environmental, and, Financial Support, Office of Nuclear Material Safety, and Safeguards.*

[FR Doc. 2025-11522 Filed 6-23-25; 8:45 am]

BILLING CODE 7590-01-P

**NUCLEAR REGULATORY COMMISSION**

[Docket No. 99902056; NRC-2024-0146]

**Tennessee Valley Authority; Clinch River Nuclear Site; Construction Permit Application**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Notice; receipt.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is providing public notice each week for four consecutive weeks of receipt and availability of an application for a construction permit (CP) from Tennessee Valley Authority

(TVA) for the Clinch River Nuclear Site in Roane County, Tennessee. The application, proposing to construct a GE-Hitachi BWRX-300 reactor, was received in two parts on April 25 and May 20, 2025. This notice is being provided to make the public and other stakeholders aware that the CP application is available for inspection.

**DATES:** June 24, 2025.

**ADDRESSES:** Please refer to Docket ID NRC-2024-0146 when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- *Federal Rulemaking Website:* Go to <https://www.regulations.gov> and search for Docket ID NRC-2024-0146. Address questions about Docket IDs in *Regulations.gov* to Bridget Curran; telephone: 301-415-1003; email: [Bridget.Curran@nrc.gov](mailto:Bridget.Curran@nrc.gov). For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- *NRC's Agencywide Documents Access and Management System*

(ADAMS): You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, at 301-415-4737, or by email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov). The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in this document.

- *NRC's PDR:* The PDR, where you may examine and order copies of publicly available documents, is open by appointment. To make an appointment to visit the PDR, please send an email to [PDR.Resource@nrc.gov](mailto:PDR.Resource@nrc.gov) or call 1-800-397-4209 or 301-415-4737, between 8 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Allen Fetter, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-

0001; telephone: 301-415-8556; email: [Allen.Fetter@nrc.gov](mailto:Allen.Fetter@nrc.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Discussion**

In response to a letter from TVA dated August 17, 2023 (NNP-23-003, ADAMS Accession No. ML23229A569), the Commission on November 21, 2023 granted an exemption from certain requirements of paragraph 2.101(a)(5) of title 10 of the *Code of Federal Regulations* (10 CFR), which allowed TVA to submit a construction permit application in two parts with the information required under 10 CFR 50.34(a)(1) included in the second part of the application (ADAMS Accession No. ML23045A008).

Tennessee Valley Authority filed with the NRC, pursuant to 10 CFR part 50, "Domestic Licensing of Production and Utilization Facilities," both parts of the application for a construction permit to construct a GEH BWRX-300 reactor at the Clinch River Nuclear Site in Roane County, Tennessee, on April 28, 2025 (NNP-25-003, ADAMS Accession No. ML25118A209), and May 20, 2025, (NPP-25-004, ADAMS Package Accession No. ML25140A062), respectively. These notices are being provided in accordance with the requirements in 10 CFR 50.43(a)(3).

The NRC staff is currently undertaking its acceptance review of both parts of the application. If both parts of the application are accepted for docketing, a subsequent **Federal Register** notice will be issued that addresses the acceptability of the construction permit application for docketing and provisions for participation of the public in the permitting process.

Dated: June 12, 2025.

For the Nuclear Regulatory Commission.

**Mahmoud Jardaneh,**

*Chief, New Reactor Licensing and Infrastructure Branch, Division of New and Renewed Licenses, Office of Nuclear Reactor Regulation.*

[FR Doc. 2025-11036 Filed 6-23-25; 8:45 am]

**BILLING CODE 7590-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[OMB Control No. 3235-0110]

**Submission for OMB Review; Comment Request; Extension: Form T-1—Statement of Eligibility and Qualification Under the Trust Indenture Act of 1939 of a Corporation Designated To Act as a Trustee**

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Form T-1 (17 CFR 269.1) is a statement of eligibility and qualification under the Trust Indenture Act of 1939 (15 U.S.C. 77aaa *et seq.*) of a corporation designated to act as a trustee under an indenture. The information is used to determine whether the corporation is qualified to serve as a trustee. The information required by Form T-1 is mandatory. This information is publicly available on EDGAR. We estimate that Form T-1 takes approximately 15 hours per response and there is an average of approximately 2 responses annually. We estimate that 25% of the 15 hours per response is prepared by the company for an internal burden of 8 hours ((0.25 × 15) hours per response × 2 responses).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request

at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-010](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-010) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**  
*Assistant Secretary.*

[FR Doc. 2025-11512 Filed 6-23-25; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-103291; File No. SR-CboeBYX-2025-007]

**Self-Regulatory Organizations; Cboe BYX Exchange, Inc.; Notice of Filing of Amendment No. 3 and Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 3, To Introduce an Enhanced RPI Order and Expand Its Retail Price Improvement Program To Include Securities Priced Below \$1.00**

June 18, 2025.

On March 13, 2025, Cboe BYX Exchange, Inc. ("BYX" or the "Exchange") filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to modify BYX Rule 11.24 to introduce an Enhanced RPI Order and expand its Retail Price Improvement Program to include securities priced below \$1.00. The proposed rule change was published for comment in the **Federal Register** on March 20, 2025.<sup>3</sup> On April 29, 2025, pursuant to Section 19(b)(2) of the Act,<sup>4</sup> the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.<sup>5</sup> On May 6, 2025, the Exchange submitted Amendment No. 1 to the proposed rule change. On June 16, 2025, the Exchange submitted Amendment No. 2. On June 17, 2025, the Exchange

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 102681 (Mar. 14, 2025), 90 FR 13240.

<sup>4</sup> 15 U.S.C. 78s(b)(2).

<sup>5</sup> See Securities Exchange Act Release No. 102956, 90 FR 19013 (May 5, 2025). The Commission designated June 18, 2025 as the date by which the Commission shall approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

withdrew Amendment Nos. 1 and 2 and submitted Amendment No. 3 to the proposed rule change, as described in Items I and II below, which Items have been prepared by the Exchange.<sup>6</sup> To date, the Commission has received no comments on the proposed rule change. The Commission is publishing this notice and order to solicit comment on the proposed rule change, as modified by Amendment No. 3, from interested persons and to institute proceedings under Section 19(b)(2)(B) of the Act<sup>7</sup> to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 3.

### I. Exchange's Description of the Proposed Rule Change, as Modified by Amendment No. 3

Cboe BYX Exchange, Inc. (the "Exchange" or "BYX") is filing with the Securities and Exchange Commission ("Commission") a proposal to modify Rule 11.24 to introduce an Enhanced RPI Order and expand its Retail Price Improvement program to include securities priced below \$1.00. The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website ([http://markets.cboe.com/us/equities/regulation/rule\\_filings/byx/](http://markets.cboe.com/us/equities/regulation/rule_filings/byx/)), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

<sup>6</sup> Amendment No. 3 amends and supersedes the original filing in its entirety. In Amendment No. 3, the Exchange clarifies certain points, adds additional detail to the proposal, and introduces an amendment to Exchange Rule 11.12 (Priority of Orders). The full text of Amendment No. 3 is available on the Commission's website at <https://www.sec.gov/comments/sr-cboebyx-2025-007/sr-cboebyx2025007-613767-1798914.pdf>.

<sup>7</sup> 15 U.S.C. 78s(b)(2)(B).

#### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

This Amendment No. 3 to SR-CboeBYX-2025-007 amends and replaces in entirety Amendment No. 2 to SR-CboeBYX-2025-007, which was filed on June 16, 2025, and withdrawn on June 17, 2025. The Exchange originally filed Amendment No. 1 to SR-CboeBYX-2025-007 on May 6, 2025, and withdrew Amendment No. 1 on June 17, 2025. The Exchange submits this Amendment No. 3 in order to clarify certain points, add additional detail to the proposal, and introduce an amendment to Rule 11.12 (Priority of Orders).

The Exchange proposes to amend Rule 11.24 to enhance the Exchange's Retail Price Improvement Program (the "Program") for the benefit of retail investors. Specifically, the Exchange proposes to introduce a new type of RPI Interest<sup>8</sup> to be known as an "Enhanced RPI Order." The proposed Enhanced RPI Order will allow retail liquidity providers to post orders at their limit price but have the opportunity to provide a greater amount of price improvement as compared to other resting orders on the same side of the BYX Book with higher price-time priority in order to execute with an incoming Retail Order<sup>9</sup> by executing at a price within their established Step-Up Range instruction.<sup>10</sup> The proposed change is designed to provide retail investors with opportunities for additional price improvement by introducing a new order type that will "step-up" its price against orders with a higher priority resting on the BYX Book.<sup>11</sup> Additionally, the Exchange proposes to expand the Program to securities priced below \$1.00.<sup>12</sup> Further, the Exchange proposes to amend Rule 11.12 in order to introduce a new priority band applicable to the proposed

<sup>8</sup> See proposed Rule 11.24(e). RPI Interest means an order submitted to the Exchange that is designated as either an RPI Order or an Enhanced RPI Order. See also Rule 11.24(a)(3) ("Retail Price Improvement Order").

<sup>9</sup> See Rule 11.24(a)(2) ("Retail Order").

<sup>10</sup> See proposed Rule 11.24(a)(4).

<sup>11</sup> See Rule 1.5(e) ("BYX Book"). The "BYX Book" is the System's electronic file of orders. The "System" shall mean the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution, and when applicable, routing away. See Rule 1.5(aa) ("System").

<sup>12</sup> See Rule 11.24(h). The Program is currently limited to trades occurring at prices equal to or greater than \$1.00 per share.

Step-Up Range instruction of an Enhanced RPI Order.

##### Background

In November 2012, the Exchange received approval to operate its Program on a pilot basis.<sup>13</sup> The Program operated under a pilot basis until September 30, 2019, when the Program was approved on a permanent basis.<sup>14</sup> In addition, the Exchange was granted a limited exemption from the Sub-Penny Rule, as well as Regulation NMS Rule 602 (Quote Rule) No Action relief<sup>15</sup> to operate the Program.<sup>16</sup> The Program is currently designed to attract Retail Orders to the Exchange and allow such order flow to receive potential price improvement. The Program is currently limited to trades occurring at prices equal to or greater than \$1.00 per share.<sup>17</sup> Under the Program, a class of market participant called a Retail Member Organization ("RMO")<sup>18</sup> is eligible to submit certain retail order flow ("Retail Orders") to the Exchange. Users<sup>19</sup> are permitted to provide potential price improvement for Retail Orders<sup>20</sup> in the form of non-displayed interest that is better than the national best bid that is a Protected Quotation ("Protected NBB") or the national best offer that is a Protected Quotation ("Protected NBO"), and together with the Protected NBB, the "Protected NBBO").<sup>21</sup>

<sup>13</sup> See Securities Exchange Act Release No. 68303 (November 27, 2012), 77 FR 71652 (December 3, 2012), SR-BYX-2012-019 ("Pilot Approval Order").

<sup>14</sup> See Securities Exchange Act Release No. 87154 (September 30, 2019), 84 FR 53183 (October 4, 2019), SR-CboeBYX-2019-014 ("RPI Approval Order").

<sup>15</sup> See Letter from David Shillman to Eric Swanson (November 27, 2012) ("No Action Letter"), available at <https://www.sec.gov/divisions/marketreg/mr-noaction/byx-112712-602.pdf>.

<sup>16</sup> *Supra* note 14 at 53185.

<sup>17</sup> *Supra* note 12. The Exchange will periodically notify the membership regarding the securities included in the Program through an information circular. The Exchange is proposing to make the Program available to all securities (discussed *infra*).

<sup>18</sup> See Rule 11.24(a)(1). A "Retail Member Organization" or "RMO" is a Member (or a division thereof) that has been approved by the Exchange under Rule 11.24 to submit Retail Orders.

<sup>19</sup> See Rule 1.5(cc). A "User" is defined as any member or sponsored participant of the Exchange who is authorized to obtain access to the System.

<sup>20</sup> *Supra* note 9. A "Retail Order" is defined as an agency or riskless principal order that originates from a natural person and is submitted to the Exchange by an RMO, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any computerized methodology.

<sup>21</sup> See Rule 1.5(t). The term "Protected Quotation" has the same meaning as is set forth in Regulation NMS Rule 600(b)(71). The terms Protected NBB and Protected NBO are defined in BYX Rule 1.5(s). The Protected NBB is the best-

The Exchange developed this Program with the goal of incentivizing RMOs to execute their Retail Orders on the Exchange, rather than off-exchange venues, by providing Retail Orders with greater access to potential opportunities for price improvement on the Exchange. However, as noted by the Commission, even with the presence of retail liquidity programs (“RLPs”) offered by Cboe and other national securities exchanges,<sup>22</sup> the great majority of marketable orders of retail investors continue to be sent to wholesalers.<sup>23</sup> Indeed, as noted in the Commission’s recent rule proposal related to minimum pricing increments, RLPs have not yet attracted a significant volume of retail order flow.<sup>24</sup> In fact, since RLPs have been adopted, the percentage of on-exchange share volume has continued to decrease from approximately 71% to approximately 49% as of December 2024.<sup>25</sup>

Accordingly, the Exchange believes further enhancements to the Program are necessary in order to attract a meaningful volume of marketable retail order flow to the Exchange. In considering how to accomplish the goals of the Program, the Exchange determined to design an enhancement to provide more meaningful levels of price improvement provided to Retail Orders relative to the price

priced protected bid and the Protected NBO is the best-priced protected offer. Generally, the Protected NBB and Protected NBO and the national best bid (“NBB”) and national best offer (“NBO”, together with the NBB, the “NBBO”) will be the same. However, a market center is not required to route to the NBB or NBO if that market center is subject to an exception under Regulation NMS Rule 611(b)(1) or if such NBB or NBO is otherwise not available for an automatic execution. In such case, the Protected NBB or Protected NBO would be the best-priced protected bid or offer to which a market center must route interest pursuant to Regulation NMS Rule 611.

<sup>22</sup> See, e.g., NYSE Retail Liquidity program, which promotes cost savings through price improvement for individual investors provided by retail liquidity providers that submit non-displayed interest priced better than the best protected best bid or protected best offer. See also NYSE National Retail Liquidity program, which seeks to attract retail order flow to the Exchange through the potential of price improvement at the midpoint or better. Available at <https://www.nyse.com/markets/liquidity-programs>. See also IEX Retail Program, which incentivizes midpoint liquidity for retail orders through the use of retail liquidity provider orders. Available at <https://www.iexexchange.io/products/retail-program>. See also Nasdaq BX Retail Price Improvement, which allows retail orders to interact with price-improving liquidity. Available at <https://www.nasdaqtrader.com/content/BXRPIfs.pdf>.

<sup>23</sup> See Securities Exchange Act Release No. 96495 (December 14, 2022), 88 FR 128 (January 3, 2023) (“Order Competition Rule”) at 144.

<sup>24</sup> See Securities Exchange Act Release No. 96494 (December 14, 2022), 87 FR 80266 (December 29, 2022) (“Tick Size Proposal”) at 80273.

<sup>25</sup> Source: Cboe internal data.

improvement currently provided by both the Program as well as off-exchange venues.

As noted by the Commission, there are reasonable concerns with the price improvement provided to retail orders executed off-exchange by wholesale broker-dealers. In short, the Commission itself has stated that “the current isolation of individual investor orders from order-by-order competition results in suboptimal price improvement for such orders.”<sup>26</sup> The Commission believes that the lack of order competition for retail orders leads to “foregone price improvement” or “competitive shortfall,”<sup>27</sup> which for the first quarter of 2022, the Commission quantified to be as much as \$1.5 billion.<sup>28</sup>

In determining how to better design its Program in order to attract retail order flow back to the Exchange, the Exchange conducted research into the amount of price improvement provided to Retail Orders on BYX. The Exchange found that RPI Orders under its current Program provided an average of \$0.0013 per share of price improvement to Retail Orders in 2024, as compared to the BYX Book. A more thorough review of BYX data found that the amount of price improvement provided to Retail Orders solely by RPI Orders under the current Program on BYX is lower than the amount of price improvement provided to Retail Orders by all hidden liquidity on BYX (including RPI Orders). An analysis of BYX data found that Retail Orders received an average of \$0.0033 per share of price improvement and a total amount of approximately \$1.68 million in 2024 when executing against all hidden liquidity on BYX (including RPI Orders), as compared to the BYX Book.<sup>29</sup> The Exchange’s analysis of price improvement statistics found that its current RPI Orders provide, on average, less price improvement to Retail Orders than other hidden liquidity on BYX. As such, the Exchange believes that revising its Program to include an optional order instruction (discussed *infra*) designed to potentially provide a higher amount price improvement to Retail Orders as compared to the price improvement both currently received under the existing Program as well as through hidden, non-displayed liquidity available on the Exchange against which Retail Orders currently trade with today, will encourage retail order flow to

execute on a regulated market as opposed to off-exchange venues.

Accordingly, the Exchange now seeks to enhance its current Program by offering retail liquidity providers an optional Enhanced RPI Order. The Exchange believes the Enhanced RPI Order will incentivize additional retail liquidity provision by enabling RPI liquidity providers to submit an order that is ranked at a lower (for buy orders) or higher (for sell orders) price than the maximum price at which the provider is willing to execute, but have the opportunity to “step up” to provide a greater amount of price improvement as compared to other higher priority resting orders on the same side of the BYX Book in order to execute with an incoming contra-side Retail Order. As discussed in more detail below, the Enhanced RPI Order will have the ability to gain price priority over same-side resting orders on the BYX Book in exchange for offering price improvement when a contra-side Retail Order is submitted to the Exchange and certain conditions are met. With the deeper pool of retail liquidity-providing orders, the Exchange believes that RMOs will see increased opportunities for on-exchange price improvement and seek to execute more of their Retail Orders on the Exchange.

#### Proposal

The Exchange proposes to amend Rule 11.24(a) to include Rule 11.24(a)(4), which defines the proposed Enhanced RPI Order. The proposed Enhanced RPI Order allows a retail liquidity provider to post a limit order to the Exchange, but also provides the opportunity for the liquidity provider to “step-up” its price within a defined Step-Up Range instruction and have the ability to gain price priority by providing a greater amount of price improvement as compared to orders with higher priority that are resting on the same side of the BYX Book in order to execute against an incoming Retail Order seeking to remove liquidity. An Enhanced RPI Order is designed to be entered with a limit price, but must also include a Step-Up Range instruction, which, when applied to the order’s ranked price provides the highest (for buy orders) or lowest (for sell orders) price it is willing to execute against a contra-side Retail Order. If the Enhanced RPI Order includes a Step-Up Range instruction that would allow the Enhanced RPI Order to provide additional price improvement over the price of the highest-ranked resting order on the same side of the BYX Book, the Enhanced RPI Order will be given price priority over the highest-ranked resting

<sup>26</sup> *Supra* note 23 at 130.

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*

<sup>29</sup> *Supra* note 25.

order, subject to certain conditions discussed *infra*. In order for an Enhanced RPI Order to receive queue priority, the Step-Up Range instruction must allow the Enhanced RPI Order to provide a greater amount of price improvement to an incoming contra-side Retail Order than would otherwise be available from same-side, resting orders on the BYX Book by stepping up to the next half cent midpoint or next full cent for securities priced at or above \$1.00 and to the next minimum price increment for securities priced below \$1.00.<sup>30</sup>

The Exchange believes this proposed change would further the purpose of the Program to attract retail marketable order flow to the Exchange, while also increasing opportunities for price improvement. By offering the Enhanced RPI Order, the Exchange proposes to create an enhancement to its current Program that offers the ability for liquidity providers to earn queue priority to execute against marketable retail order flow on the Exchange. The Enhanced RPI Order would allow Users to post orders at their limit price but step up or down to a higher price (for buy orders) or lower price (for sell orders) in order to execute against marketable retail order flow that is less prone to adverse selection.<sup>31</sup> The Exchange believes that the proposed change will lead to increased participation in the Program by Users seeking to provide liquidity for marketable retail order flow. As a result of increased participation in the Program, the Exchange believes that it will attract additional marketable retail order flow in search of price improvement opportunities.

The Exchange believes that the introduction of the Enhanced RPI Order will complement the existing RPI Order

type as it is intended to provide Users with additional, optional functionality that may be utilized when seeking to interact with Retail Orders. The Exchange views the Enhanced RPI Order as a complement to the existing RPI Order because the distinction between the Enhanced RPI Order and the existing RPI Order is simply the addition of the Step-Up Range instruction, which will permit Users to enter an Enhanced RPI Order at a defined limit price but simultaneously permit these Users to have the ability to gain price priority over resting same-side orders on the BYX Book in exchange for providing price improvement. Users will be free to decide whether resting on the BYX Book in order to obtain an execution against a Retail Order at a specific limit price utilizing an RPI Order is more valuable than submitting an Enhanced RPI Order for a chance to earn price priority in exchange for price improvement.

The Exchange also believes that while certain retail liquidity providers will be incentivized to use the proposed Enhanced RPI Order due to its ability to gain price priority, certain retail liquidity providers will simply want the ability to interact with retail order flow and are not concerned with gaining price priority. If the Enhanced RPI Order is successful in attracting additional retail order flow, Users submitting RPI Orders may also benefit as there is additional liquidity against which their RPI Orders may interact if those Retail Orders are not filled by an Enhanced RPI Order. For these reasons, the Enhanced RPI Order and RPI Order should be viewed as complementary order types and should not be seen as competing with one another. While Enhanced RPI Orders may be entered by any User, the Exchange believes that the majority of Enhanced RPI Orders will be entered by or on behalf of institutional investors that are willing to provide additional price improvement as a way to minimize their adverse selection costs. The Exchange does not believe that Users will be less likely to submit RPI Orders simply because an Enhanced RPI Order type is also available, similar to how Users are not dissuaded from submitting traditional limit orders when a Discretionary Order<sup>32</sup> also exists on the Exchange.

In conjunction with introducing Rule 11.24(a)(4), the Exchange proposes to introduce Rule 11.24(a)(5) in order to define the term RPI Interest as either RPI Orders or Enhanced RPI Orders. The Exchange also proposes to amend Rule 11.24(e) in order to more accurately

describe when the Retail Liquidity Identifier is displayed. Additionally, the Exchange proposes to amend Rule 11.24(g) by removing the example currently found in the rule text that describe RPI Order priority. The Exchange notes that Rule 11.24(g) will be inclusive of both RPI Order priority and Enhanced RPI Order priority and as such the example currently contained within Rule 11.24(g) is no longer necessary as it is explained more thoroughly in the proposed rule text. The Exchange also proposes to make corresponding changes within Rule 11.24 to replace certain references to RPI Order with the term RPI Interest in order to have language inclusive of both RPI Orders and Enhanced RPI Orders. Further, the Exchange proposes to delete Rule 11.24(h), as the Exchange proposes to expand the Program to securities priced below \$1.00. The Exchange will announce that the RPI Program has expanded to all securities in a Trade Desk notice, and periodic updates will no longer be required. The Exchange also proposes to delete Rule 11.24(i) as it is inapplicable to Retail Orders on the Exchange and was inadvertently added to the rule text. Finally, the Exchange proposes to clarify throughout Rule 11.24 that RPI Orders and Enhanced RPI Orders will be ineligible to execute at prices equal to or inferior to the Protected NBB or Protected NBO.

Additionally, with the introduction of the Enhanced RPI Order, the Exchange proposes to amend Rule 11.24(a)(2) to permit a Retail Order to be entered as a Mid-Point Peg Order.<sup>33</sup> The Exchange also proposes to amend Rule 11.24(a)(2) to better describe that the time-in-force requirement for all Retail Orders, including those entered as a Mid-Point Peg Order, is required to be Immediate or Cancel (“IOC”). The Exchange believes that allowing the Mid-Point Peg Order instruction on a Retail Order will benefit Users who choose to submit Retail Orders because it will permit a Retail Order to guarantee price improvement at the midpoint or better. The Mid-Point Peg Order instruction will be optional, and not required for Users of Retail Orders.

<sup>30</sup> Generally, an Enhanced RPI Order is expected to provide at least \$0.005 of price improvement in order to gain price priority over same-side resting orders on the BYX Book, but the Exchange notes that the minimum amount of required price improvement will vary between \$0.001 and \$0.01, based on the order types resting on the BYX Book. In certain instances, Enhanced RPI Orders in securities priced at or above \$1.00 may only need to step up to the NBBO midpoint or from the NBBO midpoint to the next full cent in order to gain price priority over same-side resting orders on the BYX Book (discussed *infra*).

<sup>31</sup> Adverse selection is the phenomenon where the price of a stock drops right after a liquidity provider purchases the stock. Marketable retail order flow is generally seen as more desirable by institutional liquidity providers as executions against retail orders are less prone to adverse selection. The Commission has previously opined that retail liquidity programs may be beneficial to institutional investors as they may be able to reduce their possible adverse selection costs by interacting with retail order flow. See Pilot Approval Order at 71656.

<sup>32</sup> See Rule 11.9(c)(10).

<sup>33</sup> See Rule 11.9(c)(9). A Mid-Point Peg Order is a limit order that, after entry into the System, the price of the order is automatically adjusted by the System in response to changes in the NBBO to be pegged to the mid-point of the NBBO, or, alternatively, pegged to the less aggressive of the midpoint of the NBBO or one minimum price variation inside the same side of the NBBO as the order.

## RPI Orders

## Current RPI Order Definition, Priority, and Order Allocation

Rule 11.24(a)(3) currently defines an RPI Order as “non-displayed interest on the Exchange that is priced better than the Protected NBB or Protected NBO by at least \$0.001 and that is identified as such.”<sup>34</sup> Rule 11.24(a)(3) also provides that the System will monitor whether RPI buy or sell interest, adjusted by any offset and subject to the ceiling or floor price, is eligible to interact with incoming Retail Orders. RPI Orders are non-displayed (including the buy or sell interest, the offset, and the ceiling or floor price).<sup>35</sup> Users are not required to submit RPI Orders.<sup>36</sup> An RPI Order may be entered as an odd lot, round lot, or mixed lot.<sup>37</sup>

As stated in current Rule 11.24(g), RPI Orders are ranked in accordance with Rule 11.12(a). Furthermore, under current Rule 11.24(g), competing RPI Orders in the same security are ranked and allocated according to price then time of entry into the System.

Executions occur in price/time priority in accordance with Rule 11.12. Any remaining unexecuted RPI interest remains available to interact with other incoming Retail Orders if such interest is at an eligible price. Any remaining unexecuted portion of the Retail Order will cancel or execute in accordance with Rule 11.24(f). The following example illustrates this method:

- Protected NBBO for security ABC is \$10.00–\$10.05
- User 1 enters an RPI Order to buy ABC at \$10.015 for 500 shares
- User 2 then enters an RPI Order to buy ABC at \$10.02 for 500 shares
- User 3 then enters an RPI Order to buy ABC at \$10.035 for 500 shares

An incoming Retail Order to sell ABC for 1,000 shares executes first against User 3’s bid for 500 shares at \$10.035, because it is the best priced bid, then against User 2’s bid for 500 shares at \$10.02, because it is the next best priced bid. User 1 is not filled because the entire size of the Retail Order to sell 1,000 shares is depleted. The Retail Order executes against RPI Orders in price/time priority.<sup>38</sup>

## Proposed RPI Order Definition

The Exchange now proposes to amend the definition of RPI Order to more accurately reflect when an RPI Order is eligible to execute against a contra-side Retail Order and at what pricing increments RPI Orders may be entered. The Exchange also proposes to add to its rule text that an RPI Order may be entered as a Primary Peg Order as defined in Rule 11.9(c)(8)(A) and specify at what pricing increments the applicable positive or negative offset must be entered. Additionally, the Exchange proposes to remove references to the “ceiling or floor” price and replace that term with “limit price” as it more accurately describes the price at which an RPI Order entered as a Primary Pegged Order will be eligible to interact with a contra-side Retail Order.

The Exchange proposes to revise the definition of RPI Order under Rule 11.24(a)(3) to state that an RPI Order consists of non-displayed interest that is identified as such. An RPI Order for a security priced at or above \$1.00 must be priced at least \$0.001 better than the Protected NBB or Protected NBO and may be entered in increments of \$0.001. For securities priced below \$1.00, an RPI Order must be priced at least \$0.0001 better than the Protected NBB or Protected NBO and may be priced in \$0.0001 increments. The Exchange will also include language that an RPI Order may be entered at a limit price that is equal to or inferior than the Protected NBB or Protected NBO, but may execute only at prices better than the Protected NBB or Protected NBO. Additionally, the Exchange notes that an RPI Order that is ineligible to execute due to not being priced at least \$0.001 (for securities priced at or above \$1.00) or \$0.0001 (for securities priced below \$1.00) better than the Protected NBB or Protected NBO will not be canceled, but will remain on the BYX Book in case the Protected NBBO moves such that the RPI Order becomes eligible to execute at a later time.

Further, the Exchange is proposing to amend Rule 11.24(a)(3) to clarify that an RPI Order may be entered as a Primary Pegged Order (“RPI Primary Pegged Order”), as defined in Rule 11.9(c)(8)(A) and that the ranked price of an RPI Primary Pegged Order will be the price of the order after the order is pegged to the Protected NBB or Protected NBO and the applicable positive (for buy orders) or negative (for sell orders) offset (“Offset Amount”) is applied.<sup>39</sup> For RPI

Primary Pegged Orders priced at or above \$1.00, the Offset Amount may be entered in increments of \$0.001 and for RPI Primary Pegged Orders priced below \$1.00, the Offset Amount may be entered in increments of \$0.0001.

## Proposed Enhanced RPI Order

The Exchange now proposes to introduce an Enhanced RPI Order that Users seeking to provide RPI liquidity may utilize on an optional basis. The proposed Enhanced RPI Order will be eligible to obtain price priority over resting orders in the same security on the same side of the BYX Book in order to execute against a Retail Order by including a Step-Up Range instruction when entered. Enhanced RPI Orders will be ranked in accordance with proposed Rule 11.24(g) (discussed *infra*). In order to effect the proposed change, the Exchange proposes to introduce Rule 11.24(a)(4), which would define an Enhanced RPI Order as:

- An “Enhanced Retail Price Improvement Order” or “Enhanced RPI Order” is an RPI Order that is designated with a Step-Up Range instruction. A Step-Up Range instruction is an optional, non-displayed instruction that is added to (for buy orders) or subtracted from (for sell orders) the ranked price of an RPI Order and provides a maximum execution price (for buy orders) or minimum execution price (for sell orders) at which a User is willing to execute against contra-side Retail Orders. The Step-Up Range instruction may be priced in increments of \$0.001 for securities priced at or above \$1.00 and securities priced below \$1.00.
- An Enhanced RPI Order may be entered as a limit order, in a sub-penny increment with an explicit limit price, or as a Primary Pegged Order (as defined in Rule 11.9(c)(8)(A)) with an Offset Amount. An Enhanced RPI Order is ranked at its limit price and not the price inclusive of its Step-Up Range instruction.

- An Enhanced RPI Order that is also a Primary Pegged Order (“Enhanced RPI Primary Pegged Order”) must be entered with an Offset Amount and will have its ranked price determined after the application of the Offset Amount, as described in Rule 11.9(c)(8) and Rule 11.9(c)(8)(A). The Step-Up Range instruction of an Enhanced RPI Primary Pegged Order will be applied to the resulting ranked price following the application of the Offset Amount and

the NBBO. A User entering a Pegged Order can specify that such order’s price will offset the inside quote on the same side of the market by an amount (the “Primary Offset Amount”) set by the User (a “Primary Pegged Order”).

<sup>34</sup> *Supra* note 8.

<sup>35</sup> *Id.*

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> See Rule 11.24(f) for additional examples of Retail Order designation and interaction with RPI Interest under the current Program. While the example included in current Rule 11.24(g) remains accurate, the Exchange proposes to delete this example from the rule text (discussed *infra*) as its proposed rule text will encompass the above-described behavior.

<sup>39</sup> See Rule 11.9(c)(8) and Rule 11.9(c)(8)(A). A Pegged Order is a limit order that after entry into the System, the price of the order is automatically adjusted by the System in response to changes in

may cause the Enhanced RPI Primary Pegged Order to execute at a price that is higher (for buy orders) or lower (for sell orders) than its limit price. An Enhanced RPI Primary Pegged Order priced at or above \$1.00 may have its Offset Amount entered in pricing increments of \$0.001. An Enhanced RPI Primary Pegged Order priced below \$1.00 may have its Offset Amount entered in pricing increments of \$0.0001.

- The System will monitor whether an Enhanced RPI Order, adjusted by any applicable Offset Amount, the order's Step-Up Range instruction, and the order's limit price, is eligible to interact with incoming Retail Orders. An Enhanced RPI Order (including any applicable Offset Amount, the Step-Up Range instruction, and the limit price) remains non-displayed in its entirety. Any User is permitted, but not required, to submit an Enhanced RPI Order. An Enhanced RPI Order may be an odd lot, round lot or mixed lot. An Enhanced RPI Order shall have priority as described in Rule 11.24(g). An Enhanced RPI Order is ineligible to execute at prices equal to or inferior to the Protected NBB (for buy orders) or Protected NBO (for sell orders), *however an Enhanced RPI Order may be entered with a limit price that is equal to or inferior to the Protected NBB or Protected NBO*. An Enhanced RPI Order that is ineligible to execute because it is priced equal to or inferior to the Protected NBB (for buy orders) or Protected NBO (for sell orders) will not be cancelled and will become eligible to execute against Retail Orders should the Enhanced RPI Order becomes executable at a later time.

The ranked price of an Enhanced RPI Order will be determined by a User's entry of the following into the Exchange: (1) Enhanced RPI buy or sell interest; (2) any applicable offset; (3) the Step-Up Range instruction; and (4) the limit price. The Step-Up Range instruction of an Enhanced RPI Order is the maximum amount above the order's limit price (for buy orders) or minimum amount below the order's limit price (for sell orders) at which a User is willing to execute. As discussed *infra*, if the Enhanced RPI Order can improve upon resting liquidity on the same side of the BYX Book by stepping up to the nearest full cent (for securities priced at or above \$1.00) or the next minimum pricing increment (for securities priced below \$1.00),<sup>40</sup> it will receive price

<sup>40</sup> *Supra* note 30. There are certain instances in which an Enhanced RPI Order may only need to provide between \$0.001–\$0.005 in price improvement in securities priced at or above \$1.00

priority over the resting liquidity on the BYX Book. An Enhanced RPI Order, however, will not improve upon the price of another resting Enhanced RPI Order to receive price priority.<sup>41</sup>

Pursuant to proposed Rule 11.24(g)(2), Enhanced RPI Orders in securities priced at or above \$1.00 may include a Step-Up Range instruction priced in \$0.001 increments, but these orders shall not gain priority over other same-side resting orders on the BYX Book if the Step-Up Range instruction is unable to step up to the NBBO midpoint or the next full cent. Step-Up Range instructions priced in increments finer than \$0.01 will be capped at the maximum executable price based on a valid tick increment or midpoint and will not otherwise be executable at the maximum price of the Step-Up Range instruction.

#### Proposed Retail Order Designation

Currently, under Rule 11.24(f)(2), a resting RPI Order is eligible to execute against a Type 2-designated Retail Order (a "Type 2 Order")<sup>42</sup> that has exhausted all price improving liquidity on the BYX Book even if the RPI Order is not providing price improvement, as a Type 2 Order is eligible to execute against all marketable liquidity once the order has interacted with all price improving liquidity. The Exchange proposes to amend Rule 11.24(f)(2) to provide that RPI Interest (inclusive of both RPI Orders and the proposed Enhanced RPI Orders) is ineligible to execute at prices equal to or inferior to the Protected NBB or Protected NBO. In the event that an RPI Order is ineligible to execute against a Type 2 Order because it is not providing at least \$0.001 of price improvement in securities priced at or above \$1.00 or at least \$0.0001 of price improvement in securities priced below

in order to gain price priority over resting liquidity on the BYX Book.

<sup>41</sup> The Exchange plans to submit a request for an exemption under Regulation NMS Rule 612 that would permit it to accept and rank non-displayed RPI Interest. As will be outlined in the request, the Exchange has received an exemption from Rule 612 for the current Program, but believes it is appropriate to renew its request as the Program seeks to introduce Enhanced RPI Orders even as the fundamental nature of the Program is not changing.

<sup>42</sup> See Rule 11.24(f)(2). A Type 2-designated Retail Order will interact first with available price improving RPI Orders and other price improving liquidity and then any remaining portion of the Retail Order will be executed as an IOC Order pursuant to Rule 11.9(b)(1). A Type 2-designated Retail Order can either be submitted as a BYX Only Order or as an order eligible for routing pursuant to Rule 11.13(a)(2). The Exchange proposes to make clear in Rule 11.24(f)(2) that the remaining portion of a Type 2-designated Retail Order will be ineligible to execute against contra-side RPI Interest that is not priced better than the Protected NBB or Protected NBO.

\$1.00, the Exchange will not cancel the resting RPI Interest. Rather, the RPI Interest will persist on the BYX Book and will become eligible to execute should the Protected NBB or Protected NBO move to a price that permits the RPI Interest to provide price improvement. The proposed change is being made in order to limit RPI Interest to only providing executions that provide price improvement to contra-side Retail Orders, consistent with the definition of an RPI Order, the proposed definition of an Enhanced RPI Order, and the description of RPI Order functionality in the Exchange's previous Pilot Approval Order and RPI Approval Order.

#### Proposed Order Priority

As discussed above, the proposed Enhanced RPI Order will be ranked according to its limit price then time of entry into the System. With the introduction of the proposed Enhanced RPI Order, the Exchange proposes to reorganize Rule 11.24(g) into Rule 11.24(g)(1)–(3). The Exchange also proposes to rename Rule 11.24(g) as "Order Priority" and remove the current reference to order allocation as the example utilized within current Rule 11.24(g) and shows order allocation will be deleted as discussed *supra*. Proposed Rule 11.24(g) will serve as an introductory paragraph and will contain the existing rule text found in current Rule 11.24(g) that describes order priority with respect to RPI Orders. The Exchange proposes to amend the existing rule text in Rule 11.24(g) to replace RPI Orders with RPI Interest and to clarify that RPI Interest is ineligible to execute at prices that are equal to or inferior to the Protected NBB or Protected NBO. RPI Interest that is ineligible to execute due to being priced equal to or inferior to the Protected NBB or Protected NBO will not be cancelled and will become eligible to execute against Retail Orders should the RPI Interest become priced better than the Protected NBB or Protected NBO at a later time. The Exchange proposes to remove the example of RPI Order priority contained within current Rule 11.24(g)<sup>43</sup> as it is duplicative of proposed rule text which describes that RPI Orders are to be ranked and executed in accordance with Rule 11.12 and also as described in Rule 11.24(g), as applicable. Proposed Rule 11.24(g) will also provide that Enhanced RPI Orders have the ability to gain execution priority over resting same-side orders on the BYX Book with higher price/time

<sup>43</sup> *Supra* footnote 38.

priority in the same security if certain criteria is satisfied.

Proposed Rule 11.24(g)(1) describes three instances in which the Step-Up Range instruction of an Enhanced RPI Order will be utilized to determine at what price an Enhanced RPI Order must execute versus a contra-side Retail Order in order to gain price priority over resting same-side orders on the BYX Book with higher price/time priority in the same security. Pursuant to proposed Rule 11.24(g)(1)(A), the Step-Up Range instruction of an Enhanced RPI Order will be utilized when the Step-Up Range instruction is needed to gain priority over a resting same-side order (excluding resting Enhanced RPI Orders) on the BYX Book with higher price/time priority. As discussed *infra* in proposed Rule 11.24(g)(2) and proposed Rule 11.24(g)(3), an Enhanced RPI Order shall gain priority over resting same-side orders on the BYX Book with higher price/time priority in the same security if the Step-Up Range instruction is able to provide a greater amount of price improvement to an incoming contra-side Retail Order than would be provided by the resting same-side order on the BYX Book.

Second, under proposed Rule 11.24(g)(1)(B), the Step-Up Range instruction of an Enhanced RPI Order will be utilized in situations where: (i) a contra-side Retail Order to sell (buy) is entered at a higher (lower) price than the ranked price (*i.e.*, its limit price) of the Enhanced RPI Order and all other resting liquidity and (ii) the price of the Enhanced RPI Order following application of the Step-Up Range instruction is priced equal to or higher (lower) than the Retail Order's limit price. In this scenario, an Enhanced RPI Order will execute versus a contra-side Retail Order at the Retail Order's limit price.<sup>44</sup> This situation is also applicable to an Enhanced RPI Order that is also a Primary Pegged Order. The limit price of an Enhanced RPI Order that is also a Primary Pegged Order will be adjusted by any applicable offset and the Step-Up Range instruction applied to the resulting ranked price.

Lastly, as described in proposed Rule 11.24(g)(1)(C), the Step-Up Range instruction of an Enhanced RPI Order will be utilized to determine order book priority when multiple Enhanced RPI Orders are resting on the BYX Book and are eligible to trade ahead of resting same-side orders on the BYX Book with higher price/time priority that are not Enhanced RPI Orders. Priority will be given to the Enhanced RPI Order with the Step-Up Range instruction that

could result in the highest (for an Enhanced RPI Order to buy) or lowest (for an Enhanced RPI Order to sell) possible execution price for the contra-side Retail Order, even if the resulting execution does not occur at the highest (lowest) maximum execution price that is permitted by the Step-Up Range instruction. The actual execution price provided to the Retail Order will be the price the Enhanced RPI Order needs to step up to as described in proposed Rule 11.24(g)(1)(A) and proposed Rule 11.24(g)(1)(B).

Proposed Rule 11.24(g)(1)(C)(i) describes an exception to utilizing the Step-Up Range instruction in order to determine order book priority and applies when there are multiple Enhanced RPI Orders resting on the BYX Book, no other resting same-side liquidity with higher priority, and an incoming Retail Order to sell (buy) is priced lower (higher) than the ranked prices of the resting Enhanced RPI Orders. In this instance, execution priority will be determined by the higher ranked price and not the Step-Up Range instruction of the Enhanced RPI Orders. An Enhanced RPI Primary Pegged Order will have its priority determined by the ranked price that results after the application of the Offset Amount as described in Rule 11.9(c)(8) and Rule 11.9(c)(8)(A) and will not include the Step-Up Range instruction. The Enhanced RPI Orders will execute pursuant to Rule 11.12 in standard price/time priority according to their limit prices or resulting ranked prices after application of the applicable positive or negative offset in the case of Enhanced RPI Primary Pegged Orders.

Proposed Rule 11.24(g)(2) provides that for securities priced at or above \$1.00 an Enhanced RPI Order shall gain priority over resting same-side orders on the BYX Book with higher price/time priority in the same security if the Step-Up Range instruction is able to provide a greater amount of price improvement to an incoming contra-side Retail Order, as provided for in proposed Rule 11.24(g)(1)(A)–(C). In order to gain priority over resting same-side orders on the BYX Book with higher price/time priority in the same security, an Enhanced RPI Order must be able to step up to the next valid tick increment. Proposed Rules 11.24(g)(2)(A)–(C) provide certain scenarios where an Enhanced RPI Order may only need to provide a half cent of price improvement or less in order to gain priority over resting same-side orders on the BYX Book with higher price/time priority.

Proposed Rule 11.24(g)(2) also provides that Enhanced RPI Orders in

securities priced at or above \$1.00 may include a Step-Up Range instruction priced in \$0.001 increments, but these orders shall not gain priority over other same-side resting orders on the BYX Book if the Step-Up Range instruction is unable to step up to the NBBO midpoint or the next full cent. Step-Up Range instructions priced in increments finer than \$0.01 will be capped at the maximum executable price based on a valid tick increment or midpoint and will not be executable at the maximum price of the Step-Up Range instruction. Further, proposed Rule 11.24(g)(2) states that if there are no resting Enhanced RPI Orders on the BYX Book that are able to provide a greater amount of price improvement than other resting same-side orders on the BYX Book with higher price/time priority in the same security, then an incoming Retail Order may execute against those resting same-side orders on the BYX Book in price/time priority in accordance with Rule 11.12. Any remaining unexecuted portion of the Retail Order will cancel or execute in accordance with proposed Rule 11.24(f). Additionally, proposed Rule 11.24(g)(2) provides that the Step-Up Range instruction of an Enhanced RPI Order shall have priority over the discretionary offset of a Discretionary Order.<sup>45</sup>

Proposed Rule 11.24(g)(2)(A) provides that if the NBBO midpoint is priced in a half-cent increment (*e.g.*, \$10.005) and the best-priced resting order on the BYX Book is ranked at the NBBO midpoint (*e.g.*, \$10.005), the Enhanced RPI Order's Step-Up Range instruction must permit the Enhanced RPI Order to step up to the next full cent above (for buy orders) or below (for sell orders) the NBBO midpoint (*e.g.*, \$10.01 for buy orders or \$10.00 for sell orders). Proposed Rule 11.24(g)(2)(B) provides that if the NBBO midpoint is priced in a half-cent increment (*e.g.*, \$10.005) and the best-priced resting order on the BYX Book to buy (sell) is ranked at the full cent below (above) the NBBO midpoint (*e.g.*, \$10.00 or \$10.01), the Enhanced RPI Order's Step-Up Range instruction must permit the Enhanced RPI Order to step up to the NBBO midpoint (*e.g.*, \$10.005 or beyond). In the event that an RPI Order priced in an \$0.001 increment is resting on the BYX Book, proposed Rule 11.24(g)(2)(C) provides that the Enhanced RPI Order's Step-Up Range instruction must permit the Enhanced RPI Order to step up to the closer of the

<sup>45</sup> See Rule 11.12 (Priority of Orders) section *infra* for additional discussion of the Exchange's proposal to amend its order priority rules in order to account for the Step-Up Range instruction of an Enhanced RPI Order.

<sup>44</sup> See Example 9, *infra*.

NBBO midpoint or the next full cent above (for buy orders) or below (for sell orders) the NBBO midpoint in order to gain priority over the resting RPI Order (e.g., an Enhanced RPI Order with a limit price of \$10.00 must contain a Step-Up Range instruction of at least \$0.005 in order to gain priority over a resting RPI Order with a limit price of \$10.001).

Proposed Rule 11.24(g)(3) provides that for securities priced below \$1.00, Enhanced RPI Orders shall be granted price priority over resting same-side orders on the BYX Book if the Enhanced RPI Order's Step-Up Range instruction is able to provide a greater amount of price improvement to an incoming contra-side Retail Order by stepping up to the next minimum price increment. The Exchange notes that the System does not support fractional penny quotations or executions priced in \$0.00001 increments and finer in securities priced below \$1.00 but does support quotations and executions in fractional pennies priced in increments up to \$0.0001.

#### Proposed Amendment to Rule 11.12 (Priority of Orders)

In conjunction with the proposed reorganization of Rule 11.24(g), the Exchange also proposes to amend current Rule 11.12 (Priority of Orders) in order to introduce a priority band for the Step-Up Range instruction of an Enhanced RPI Order. The Exchange proposes to replace the current text of Rule 11.12(a)(2)(F) with "The Step-Up Range instruction of an Enhanced RPI Order as set forth in Rule 11.24[;]." In addition, the Exchange proposes to move the current text of Rule 11.12(a)(2)(F) ("Discretionary portion of Discretionary Orders as set forth in Rule 11.9(c)(9)") to Rule 11.12(a)(2)(G), revise the rule reference found in current Rule 11.12(a)(2)(F) to correct an error, and introduce new Rule 11.12(a)(2)(H), which will contain the text ("Supplemental Peg Orders") currently found in Rule 11.12(a)(2)(G).

Introducing a new priority band for the Step-Up Range instruction associated with an Enhanced RPI Order will establish that in situations where an Enhanced RPI Order is executable inside its Step-Up Range instruction at the same price as a Discretionary Order that is executable inside the discretionary portion of its order, the Step-Up Range instruction associated with the Enhanced RPI Order will have priority over the discretionary portion of the Discretionary Order. The Exchange believes that assigning priority to the Step-Up Range instruction of the Enhanced RPI Order is appropriate

because Users choosing to submit Enhanced RPI Orders would be providing price improvement over other same-side resting orders on the BYX Book in order to trade at higher (for buy orders) or lower (for sell orders) prices when needed in order to execute against a contra-side Retail Order. Given that a User submitting an Enhanced RPI Order with a Step-Up Range instruction would be providing price improvement (i.e., a more favorable price) in order to execute against an incoming contra-side Retail Order, the Exchange believes it is appropriate to rank the Step-Up Range instruction ahead of the discretionary portion of a Discretionary Order in proposed Rule 11.12(a)(2).

The Exchange has included the examples below to show how order priority with an Enhanced RPI Order will be determined. In the examples below, the Retail Liquidity Identifier (discussed *infra*) is presumed to be displayed unless stated otherwise. Additionally, all Retail Orders described in the examples are presumed to be Type 1-designated Retail Orders<sup>46</sup> unless otherwise specified.

#### Example 1<sup>47</sup>

In order to illustrate priority of an Enhanced RPI Order over other Non-Displayed Orders<sup>48</sup> resting on the BYX Book, consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters a Mid-Point Peg<sup>49</sup> order to buy ABC at \$10.03 for 100. User 1's order is ranked at \$10.025 as the User elected that the Mid-Point Peg order be pegged to the mid-point of the NBBO.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 2's Step-Up Range instruction is \$0.02. User 2's order is ranked at \$10.01 and is willing to step-up to a maximum price of \$10.03.
  - User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
  - *Result:* User 3's Retail Order for 100 will execute against User 2's Enhanced

<sup>46</sup> See Rule 11.24(f)(1). A Type 1-designated Retail Order will interact with available contra-side RPI Order and other price improving contra-side interest but will not interact with other available interest in the System that is not offering price improvement or route to other markets. The portion of a Type 1-designated Retail Order that does not execute against contra-side RPI Orders or other price improving liquidity will be immediately and automatically cancelled. The Exchange notes that proposed Rule 11.24(f)(1) will be updated to reflect "contra-side RPI Interest" to capture both RPI Orders and Enhanced RPI Orders.

<sup>47</sup> See proposed Rule 11.24(g)(1)(A) and Rule 11.24(g)(2)(A).

<sup>48</sup> See Rule 11.9(c)(11). A Non-Displayed Order is a market or limit order that is not displayed on the Exchange.

<sup>49</sup> *Supra* note 33.

RPI Order at \$10.03. While User 1's order is ranked at a higher price (\$10.025) than User 2's order (\$10.01), User 2's order includes a Step-Up Range instruction of \$0.02 and is willing to step up to a maximum price of \$10.03, which provides additional price improvement to User 3's Retail Order than User 1's Mid-Point Peg Order. As User 2's order provides an additional \$0.005 of price improvement over User 1's midpoint price, the Exchange gives priority to User 2's Enhanced RPI Order.

#### Example 2<sup>50</sup>

There are two situations in which an Enhanced RPI Order may only need to step-up one-half cent in order to earn queue priority in securities priced at or above \$1.00. First, when the NBBO midpoint is priced in a half cent and the Enhanced RPI Order is stepping up from the half-cent midpoint to the next full cent in order to provide price improvement (see Example 1 above). The second instance occurs when the best-priced resting order on the BYX Book is ranked at a whole cent, and the NBBO midpoint is priced in a half cent increment, the Enhanced RPI Order will only need to step up to the NBBO midpoint in order to earn queue priority. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters a Non-Displayed Order to buy ABC at \$10.02 for 100.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 2's Step-Up Range instruction is \$0.02. User 2's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.03.
  - User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
  - *Result:* User 3's Retail Order for 100 will execute against User 2's Enhanced RPI Order at \$10.025. While User 1's order is ranked at a higher price (\$10.02) than User 2's order (\$10.01), User 2 has included a Step-Up Range instruction of \$0.02 on its order and is willing to step up to a maximum price of \$10.03 in order to provide additional price improvement as compared to other orders resting on the BYX Book. Even though User 2's order may execute up to a price of \$10.03, it only needs to step up to the NBBO midpoint of \$10.025. User 2's Enhanced RPI Order thus provides price improvement at the NBBO midpoint over User 1's ranked price of \$10.02 and is granted priority over User 1's Non-Displayed Order.

<sup>50</sup> See proposed Rule 11.24(g)(1)(A) and Rule 11.24(g)(2)(B).

Example 3<sup>51</sup>

In most instances, an Enhanced RPI Order will need to step-up a full penny in order to earn queue priority. Consider the following:

- The Protected NBBO for security ABC is \$10.00 × \$10.10.
- User 1 enters a Non-Displayed Order to buy ABC at \$10.03 for 100.
- User 2 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 2's Step-Up Range instruction is \$0.04. User 2's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.

○ User 3 enters a Retail Order to sell ABC at \$10.00 for 100.

• **Result:** User 3's Retail Order for 100 will execute against User 2's Enhanced RPI Order at \$10.04. While User 1's order is ranked at a higher price (\$10.03) than User 2's order (\$10.01), User 2 has included a Step-Up Range instruction of \$0.04 on its order and is willing to step up to a maximum price of \$10.05 in order to provide additional price improvement as compared to other orders resting on the BYX Book. Even though User 2's order may execute up to a price of \$10.05, it only needs to provide one penny of price improvement above User 1's ranked price of \$10.03 in order to earn queue priority.

Example 4<sup>52</sup>

There may be instances where there is no other liquidity resting on the BYX Book against which the Enhanced RPI Order can step up against. In these instances, the Enhanced RPI Order will trade at its ranked price. Consider the following example.

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.015. User 1's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.025.
- User 2 enters a Retail Order to sell ABC at \$10.00 for 100.

• **Result:** User 2's Retail Order for 100 will execute against User 1's Enhanced RPI Order at its limit price of \$10.01 as there are no better-priced orders resting on the BYX Book against which User 1 would need to provide greater price improvement to User 2.

Example 5<sup>53</sup>

There may be instances where there is no other liquidity resting on the BYX Book against which the Enhanced RPI

Order can step up against. In these instances, the Enhanced RPI Order will trade at its ranked price. Consider the following example.

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.001 for 100. User 1's Step-Up Range instruction is \$0.015. User 1's order is ranked at \$10.001 and is willing to step up to a maximum price of \$10.016.
- User 2 enters a Retail Order to sell ABC at \$10.00 for 100.
- **Result:** User 2's Retail Order for 100 will execute against User 1's Enhanced RPI Order at its limit price of \$10.001 as there are no better-priced orders resting on the BYX Book against which User 1 would need to provide greater price improvement to User 2.

Example 6<sup>54</sup>

There may be instances where an Enhanced RPI Order has a ranked price equal to the NBB (NBO), there is no other liquidity resting on the BYX Book against which the Enhanced RPI Order can step up against, and a contra-side Retail Order is entered with a ranked price equal to the NBB (NBO). In this instance, the Exchange will not utilize the Step-Up Range instruction to create an execution. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.00 for 100. User 1's Step-Up Range instruction is \$0.001. User 1's order is ranked at \$10.00 and is willing to step up to a maximum price of \$10.001. The Retail Liquidity Identifier is not displayed as the ranked price of \$10.00 is equal to the NBB and the Retail Liquidity Identifier will only display when there is RPI Interest priced at least \$0.001 better than the Protected NBB or Protected NBO.
- User 2 enters a Retail Order to sell ABC at \$10.00 for 100.

• **Result:** No execution will occur. User 1's Enhanced RPI Order has a ranked price equal to the Protected NBB at \$10.00. User 2's Retail Order is entered with a ranked price of \$10.00. Pursuant to proposed Rule 11.24(a)(4), an Enhanced RPI Order is ineligible to execute if it is priced equal to or inferior to the Protected NBB and will not be canceled. In this instance, there is no other resting liquidity on the BYX Book for which the Step-Up Range instruction would be utilized to gain queue priority against. As such, the Exchange does not

believe it is appropriate to utilize the Step-Up Range instruction of the Enhanced RPI Order to create an execution that otherwise would not occur. Since no execution occurs, User 2's Retail Order is cancelled due to its time-in-force of IOC.

Example 7<sup>55</sup>

Enhanced RPI Orders will only have priority against other better-priced liquidity resting on the BYX Book in the event that the Enhanced RPI Order can step-up to the next half cent or full cent. In the example below, the Enhanced RPI Order is unable to step up against the best priced order on the BYX Book but is able to step up against an order ranked at the next best price level. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters a Non-Displayed Order to buy ABC at \$10.04 for 100.
- User 2 enters a Non-Displayed Order to buy ABC at \$10.02 for 100.
- User 3 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 3's Step-Up Range instruction is \$0.03. User 3's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.04.
- User 4 enters a Retail Order to sell ABC at \$10.00 for 150.

• **Result:** User 4's Retail Order will execute 100 shares first with User 1's Non-Displayed Order as User 1's Non-Displayed Order has price priority over the orders submitted by Users 2 and 3. While User 3's Enhanced RPI Order includes a Step-Up Range instruction of \$0.03 and is willing to execute up to a maximum price of \$10.04, the Step-Up Range instruction does not provide greater price improvement for User 4's Retail Order as compared to User 1's Non-Displayed Order and as such, User 3's Enhanced RPI Order does not have priority over User 1's Non-Displayed Order. Once User 4's Retail Order executes against User 1's Non-Displayed Order, 50 shares remain on User 4's Retail Order. User 4's Retail Order will then execute its remaining 50 shares with User 3's Enhanced RPI Order at a price of \$10.025. While User 2's Non-Displayed Order is ranked at a higher price (\$10.02) than User 3's Enhanced RPI Order (\$10.01), User 3's Enhanced RPI Order has a Step-Up Range instruction of \$0.03 and is willing to execute up to a maximum price of \$10.04 and User 2's Non-Displayed Order does not contain a Step-Up Range instruction. As User 3's Enhanced RPI Order is willing to provide greater price

<sup>51</sup> See proposed Rule 11.24(g)(1)(A).

<sup>52</sup> See proposed Rule 11.24(g).

<sup>53</sup> See proposed Rule 11.24(g).

<sup>54</sup> See proposed Rule 11.24(g). See also proposed Rule 11.24(a)(4).

<sup>55</sup> See proposed Rule 11.24(g)(1)(A) and Rule 11.24(g)(2)(A).

improvement as compared to a better-priced order resting on the same side of the BYX Book, it is given priority over User 2's Non-Displayed Order. User 3's Enhanced RPI Order executes 50 shares against User 4's Non-Displayed Order at a price of \$10.025 because it provides one-half cent of price improvement over User 2's ranked price of \$10.02.

#### Example 8<sup>56</sup>

Enhanced RPI Orders will execute within their Step-Up Range instruction when the incoming Retail Order's price is not executable at the Enhanced RPI Order's ranked price. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.03. User 1's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.04.
- User 2 enters a Retail Order to sell ABC at \$10.03 for 100.
- *Result:* User 2's Retail Order will execute with User 1's Enhanced RPI Order at \$10.03 as the limit price of User 2's Retail Order (\$10.03) is within the maximum price provided by User 1's Step-Up Range instruction.

#### Example 9<sup>57</sup>

When there are multiple Enhanced RPI Orders resting on the BYX Book, no other same side liquidity with higher priority, and the contra-side Retail Order is priced higher (for buy orders) or lower (for sell orders) than the resting Enhanced RPI Orders' ranked prices, execution priority will be determined by the higher ranked price and not by the Step-Up Range instructions of the Enhanced RPI Orders. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.04. User 1's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.
- User 2 enters an Enhanced RPI Order to buy ABC at \$10.02 for 100. User 2's Step-Up Range instruction is \$0.02. User 2's order is ranked at \$10.02 and is willing to step up to a maximum price of \$10.04.
- User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
- *Result:* User 3's Retail Order will execute with User 2's Enhanced RPI Order at \$10.02 because User 2's

Enhanced RPI Order has price priority over User 1's Enhanced RPI Order due to its higher ranked price of \$10.02. Given that User 3's Retail Order was priced lower than the resting Enhanced RPI Orders' ranked prices at its time of entry, the Exchange believes that priority should be determined by using the ranked price of the Enhanced RPI Orders resting on the BYX Book at the time of User 3's Retail Order entry.

#### Example 10<sup>58</sup>

The Step-Up Range instruction will be used to determine order book priority in situations where: (i) a contra-side Retail Order to sell (buy) is entered at a higher (lower) price than the Enhanced RPI Order's limit price and all other resting liquidity in the same security and (ii) the Enhanced RPI Order's Step-Up Range instruction is priced equal to or higher (lower) than the Retail Order's limit price. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.04. User 1's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.
- User 2 enters a Non-Displayed Order to buy ABC at \$10.02 for 100. User 2's order is ranked at \$10.02.
- User 3 enters a Retail Order to sell ABC at \$10.03 for 100.
- *Result:* User 3's order will execute with User 1's Enhanced RPI Order at \$10.03 because (i) User 3's Retail Order to sell was entered at a higher price than the ranked price of both User 1 and User 2's orders; and (ii) the maximum price provided by the Step-Up Range instruction of User 1's Enhanced RPI Order is higher (\$10.05) than the limit price of User 3's Retail Order (\$10.03). Even though User 2's ranked price is higher than User 1's ranked price, User 2's order is not marketable against User 3's Retail Order. User 3's Retail Order would otherwise be unable to execute if the Exchange did not look to the price improvement provided by User 1's Step-Up Range instruction to permit an execution between User 1 and User 3.

#### Example 11<sup>59</sup>

The Step-Up Range instruction will be used to determine order book priority in situations where multiple Enhanced RPI Orders are resting on the BYX Book and are eligible to trade ahead of higher priority orders resting on the BYX Book. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
- User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.04. User 1's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.
- User 2 enters an Enhanced RPI Order to buy ABC at \$10.02 for 100. User 2's Step-Up Range instruction is \$0.02. User 2's order is ranked at \$10.02 and is willing to step up to a maximum price of \$10.04.
- User 3 enters a Non-Displayed Order to buy ABC at \$10.03 for 100. User 3's order is ranked at \$10.03.
- User 4 enters a Retail Order to sell ABC at \$10.03 for 100.
- *Result:* User 4's Retail Order will execute with User 1's Enhanced RPI Order at \$10.04 because the Exchange looks to the Step-Up Range instruction to determine order book priority when there are multiple Enhanced RPI Orders resting on the BYX Book that are willing to provide additional price improvement as compared to other orders resting on the BYX Book. While both User 1 and User 2 can execute at a price of \$10.04, User 1's Enhanced RPI Order can result in a higher maximum possible execution price (step up range of \$0.04; maximum price of \$10.05) as compared to User 2's Enhanced RPI Order (step up range of \$0.02; maximum price of \$10.04). As such, User 1's Enhanced RPI Order is given priority ahead of User 2's Enhanced RPI Order to execute against User 4's Retail Order. In this instance, when there are multiple Enhanced RPI Orders that can provide price improvement to the contra-side Retail Order, the Exchange believes it is appropriate to grant order book priority to the Enhanced RPI Order containing the Step-Up Range instruction that could result in the highest (in the event of a buy order) or lowest (in the event of a sell order) potential maximum execution price, even if the resulting execution does not occur at the highest (lowest) maximum execution price. By granting execution priority to the User who's Enhanced RPI Order results in the highest (lowest) potential maximum execution price, the Exchange is encouraging Users to submit aggressively priced orders. As such, the Exchange believes it is appropriate to give priority to User 1's Enhanced RPI Order in this instance because User 1's Enhanced RPI Order (Step-Up Range instruction of \$0.04; maximum price of \$10.05) could potentially result in a higher maximum execution price than User 2's Enhanced RPI Order (Step-Up Range instruction of \$0.02; maximum price of \$10.04) and is therefore willing

<sup>56</sup> See proposed Rule 11.24(g)(1)(B).

<sup>57</sup> See proposed Rule 11.24(g)(1)(C)(i).

<sup>58</sup> See proposed Rule 11.24(g)(1)(B).

<sup>59</sup> See proposed Rule 11.24(g)(1)(C).

to provide additional price improvement to Retail Orders as compared to User 2's Enhanced RPI Order.

#### Example 12<sup>60</sup>

Enhanced RPI Orders will have price priority over resting RPI Orders (that do not contain a Step-Up Range instruction) on the BYX Book so long as the Step-Up Range instruction of the Enhanced RPI Order is greater than the limit price of the resting RPI order. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.04. User 1's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.
  - User 2 enters an RPI Order to buy ABC at \$10.02.
  - User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
    - *Result:* User 3's Retail Order will execute with User 1's Enhanced RPI Order at a price of \$10.025 because User 1's Enhanced RPI Order containing a Step-Up Range instruction allows User 3's Retail Order to receive an additional one-half cent price improvement as compared to the ranked price of User 2's RPI Order. While User 2's RPI Order had a higher ranked price (\$10.02) than User 1's Enhanced RPI Order (\$10.01), User 2's RPI Order did not contain a Step-Up Range instruction. Given that Enhanced RPI Orders are designed to provide price improvement against all resting orders on the BYX Book, the Exchange believes this factor favors using the price improvement provided by the Step-Up Range instruction in order to determine priority in situations where there are both resting RPI and Enhanced RPI Orders on the BYX Book. While RPI Orders do provide at least \$0.001 of price improvement as compared to the Protected NBBO, Enhanced RPI Orders allow for price improvement to the next valid half cent or full cent as the transaction is priced above \$1.00. Thus, using the Step-Up Range instruction to determine priority when RPI Orders are resting on the BYX Book results in an increased amount of price improvement for the contra-side Retail Order.

#### Example 13<sup>61</sup>

There may be situations in which an Enhanced RPI Order that is granted order book priority over a resting same-side RPI Order will provide between \$0.001–\$0.004 of price improvement

over the same-side order when stepping up to the next NBBO midpoint or next full cent. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters an RPI Order to buy ABC at \$10.024 for 100.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 2's Step-Up Range instruction is \$0.04. User 2's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.
  - User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
    - *Result:* User 3's Retail Order executes against User 2's Enhanced RPI Order at a price of \$10.025 because it is able to earn queue priority by providing price improvement at the NBBO midpoint. While User 1's RPI Order (\$10.024) had a higher ranked price than User 2's Enhanced RPI Order (\$10.01), User 2's Enhanced RPI Order contains a Step-Up Range instruction that is willing to step up to a maximum price of \$10.05. As discussed in footnote 30 *supra*, the Exchange believes that it is appropriate to grant priority to an Enhanced RPI Order with a Step-Up Range instruction that provides at least \$0.001 of price improvement to the Retail Order and permits the Enhanced RPI Order to step up to the next NBBO midpoint or next full cent when there is a resting RPI Order on the BYX Book in a security priced at or above \$1.00. While the Step-Up Range instruction of the Enhanced RPI Order is only providing \$0.001 of price improvement as compared to the RPI Order with a limit price of \$10.024, the total amount of price improvement as compared to the Retail Order's limit price of \$10.00 is \$0.025.

#### Example 14<sup>62</sup>

Enhanced RPI Orders may also improve against displayed orders resting on the BYX Book in order to provide price improvement to a contra-side Retail Order. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters an Enhanced RPI Order to buy ABC at \$9.99 for 100. User 1's Step-Up Range instruction is \$0.06. User 1's order is ranked at \$9.99 and is willing to step up to a maximum price of \$10.05. The Retail Liquidity Identifier is not displayed as the limit price of \$9.99 is below the NBB and the Retail Liquidity Identifier will only display when there is RPI Interest priced at least

\$0.001 better than the Protected NBB or Protected NBO.

- User 2 enters a displayed order to buy ABC at \$10.00 for 100.
- User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
  - *Result:* User 3's Retail Order will execute with User 1's Enhanced RPI Order at a price of \$10.01. While User 2's displayed order is displayed and ranked at a higher price (\$10.00) than User 1's Enhanced RPI Order (\$9.99), User 1's Enhanced RPI Order includes a Step-Up Range instruction of \$0.06 on its order, which permits the order to execute up to a maximum price of \$10.05. In this instance, executing User 2's displayed order at \$10.00 does not provide any price improvement to the Retail Order when User 1's Enhanced RPI Order is resting on the BYX Book and is willing to provide additional price improvement to Order 3 than Order 2 is willing to provide. User 1's Enhanced RPI Order is willing to step up to the next full cent above \$10.00 (in this case, \$10.01), which provides a full penny of price improvement to User 3's Retail Order. As such, this is the price at which User 3's Retail Order executes with User 1's Enhanced RPI Order.

#### Example 15<sup>63</sup>

The ranked price of an Enhanced RPI Primary Pegged Order is the price that results after the application of the Offset Amount, as described in Rule 11.9(c)(8) and Rule 11.9(c)(8)(A). The Step-Up Range instruction is applied to an Enhanced RPI Primary Pegged Order following the application of the Offset Amount. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters a Non-Displayed Order to buy ABC at \$10.03 for 100.
  - User 2 enters an Enhanced RPI Primary Pegged Order to buy ABC at \$10.02 for 100. User 2's Step-Up Range instruction is \$0.03. User 2's order includes an offset of \$0.01. User 2's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.04.
  - The Protected NBBO for security ABC changes to \$10.01 × \$10.05.
    - User 2's Enhanced RPI Primary Pegged Order is now ranked at \$10.02 and is willing to step up to a maximum price of \$10.05.
    - User 3 enters a Retail Order to sell ABC at \$10.01 for 100.
      - *Result:* User 3's Retail Order will execute with User 2's Enhanced RPI Order at a price of \$10.04 because User 2's Enhanced RPI Order includes a Step-

<sup>60</sup> See proposed Rule 11.24(g)(1)(A).

<sup>61</sup> See proposed Rule 11.24(g)(1)(A).

<sup>62</sup> See proposed Rule 11.24(g)(1)(A).

<sup>63</sup> See proposed Rule 11.24(g)(1)(A).

Up Range instruction of \$0.03 and is willing to execute up to a maximum price of \$10.05 (based on the Protected NBBO and the offset of \$0.01 at the time User 3's order is entered) in order to provide additional price improvement as compared to other orders resting on the BYX Book. While User 1's order has a higher limit price (\$10.03) than User 2's Enhanced RPI Order (\$10.02, based on the Protected NBBO and the offset of \$0.01 at the time User 3's order is entered), User 2's Enhanced RPI Order is given queue priority due to its ability to provide \$0.01 of price improvement over User 1's order.

#### Example 16<sup>64</sup>

Enhanced RPI Orders may also improve upon resting orders that are BYX Post Only Orders in order to provide price improvement to contra-side Retail Orders. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - User 1 enters a BYX Post Only Order to buy ABC at \$10.02 for 100.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 2's Step-Up Range instruction is \$0.04. User 2's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.
  - User 3 enters a Retail Order to sell ABC at \$10.00 for 100.
  - *Result:* User 2's Enhanced RPI Order executes against User 3's Retail Order at \$10.03. While User 1's BYX Post Only Order is ranked at a higher price (\$10.02) than User 2's order, User 2's Enhanced RPI Order is willing to step-up \$0.04 over the best-priced resting order to gain queue priority. While User 2 can step-up to a price of \$10.05, User 2's Enhanced RPI Order only needs to step-up to a price of \$10.03 in order to gain queue priority over User 1's BYX Post Only Order.

#### Example 17<sup>65</sup>

Enhanced RPI Orders may improve upon resting orders that are BYX Post Only Orders appended with a Price Adjust instruction in order to provide price improvement to contra-side Retail Orders. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - There is no offer on BYX at \$10.05.
  - User 1 enters a BYX Post Only Order (Price Adjust) to buy ABC at \$10.05 for 100. User 1's order is displayed and ranked at \$10.04.
  - Protected NBBO updates to \$10.04 × \$10.05.

- User 2 enters a displayed BYX Post Only Order to sell ABC at \$10.05 for 100. User 2's order is displayed and ranked at \$10.05.

- User 3 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 3's Step-Up Range instruction is \$0.04. User 3's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.

- User 4 enters a Retail Order to sell ABC at \$10.00 for 100.

- *Result:* User 3's Enhanced RPI Order executes against User 4's Retail Order at \$10.045. While User 1's BYX Post Only Order with Price Adjust is ranked at a higher price (\$10.04) than User 3's order (\$10.01), User 3's Enhanced RPI Order is willing to step up to a maximum price of \$10.05 to gain queue priority. While User 3 is willing to step up to a maximum price of \$10.05, User 3's Enhanced RPI Order only needs to step up to the NBBO midpoint of \$10.045 in order to earn queue priority. User 3's Enhanced RPI Order does not execute against User 2's displayed BYX Post Only Order with a ranked price of \$10.05 even though it is willing to step up to a maximum price of \$10.05 because User 2's BYX Post Only Order is not a Retail Order. Enhanced RPI Orders may only execute against contra-side Retail Orders.

#### Example 18<sup>66</sup>

Enhanced RPI Orders in securities priced at or above \$1.00<sup>67</sup> may not be able to improve upon resting orders if there is a displayed bid or offer that prevents the Step-Up Range instruction of the Enhanced RPI Order from being able to provide price improvement to a contra-side Retail Order. Consider the following example:

- The Protected NBBO for security ABC is \$10.00 × \$10.05.
  - There is no offer on BYX at \$10.05.
  - User 1 enters a BYX Post Only Order (Display Price Slide) to buy ABC at \$10.05 for 100. User 1's order is displayed at \$10.04 and ranked non-displayed at \$10.05.
  - Protected NBBO updates to \$10.04 × \$10.05.
  - User 2 enters a displayed BYX Post Only Order to sell ABC at \$10.05 for 100. User 2's order is displayed and ranked at \$10.05.
  - The executable price of User 1's order is adjusted to \$10.045.<sup>68</sup>

<sup>66</sup> See proposed Rule 11.24(g)(1)(A).

<sup>67</sup> See rule 11.9(c)(6). The Exchange does not currently accept BYX Post Only Orders in securities priced below \$1.00.

<sup>68</sup> See Rule 11.13(a)(4)(D). For bids or offers priced at or above \$1.00, in the event that an incoming order is a market order or is a limit order priced more aggressively than the displayed order,

- User 3 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 3's Step-Up Range instruction is \$0.04. User 3's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.

- User 4 enters a Retail Order to sell ABC at \$10.00 for 100.

- *Result:* User 1's displayed BYX Post Only Order executes against User 4's Retail Order at \$10.045. While User 3's Enhanced RPI Order is willing to step up to a maximum price of \$10.05 to gain queue priority, User 3's Enhanced RPI Order is not eligible to trade at \$10.05 while the Exchange has a displayed offer at \$10.05. The Exchange does not permit User 3's Enhanced RPI Order to utilize its Step-Up Range instruction to step up to a price of \$10.046 as that is not an NBBO midpoint or the next full cent. As such, User 4's Retail Order can only execute against User 1's displayed BYX Post Only Order at a price of \$10.045.

#### Example 19<sup>69</sup>

Enhanced RPI Orders in securities priced below \$1.00 similarly may not be able to improve upon resting orders if there is a displayed bid or offer that prevents the Step-Up Range instruction of the Enhanced RPI Order from being able to provide price improvement to a contra-side Retail Order. Consider the following example:

- The Protected NBBO for security ABC is \$0.50 × \$0.51.
  - There is no offer on BYX at \$0.51.
  - User 1 enters a displayed order (Price Adjust) to buy ABC at \$0.51 for 100. User 1's order is displayed and ranked at \$0.5099.
  - Protected NBBO updates to \$0.5099 × \$0.51.
  - User 2 enters a displayed order to sell ABC at \$0.51 for 100. User 2's order is displayed and ranked at \$0.51.
  - User 3 enters an Enhanced RPI Order to buy ABC at \$0.5090 for 100. User 3's Step-Up Range instruction is \$0.001. User 3's order is ranked at \$0.5090 and is willing to step up to a maximum price of \$0.51.
  - User 4 enters a Retail Order to sell ABC at \$0.5099 for 100.
  - *Result:* User 4's Retail Order executes against User 1's displayed order at \$0.5099. While User 3's Enhanced RPI Order is willing to step up to a maximum price of \$0.51 to gain queue priority, User 3's Enhanced RPI

the Exchange will execute the incoming order at, in the case of an incoming sell order, one-half minimum price variation less than the price of the displayed order, and, in the case of an incoming buy order, at one-half minimum price variation more than the price of the displayed order.

<sup>69</sup> See proposed Rule 11.24(g)(1)(A).

<sup>64</sup> See proposed Rule 11.24(g)(1)(A).

<sup>65</sup> See proposed Rule 11.24(g)(1)(A).

Order is not eligible to trade at \$0.51 while the Exchange has a displayed offer at \$0.51. The Exchange does not permit User 3's Enhanced RPI Order to utilize its Step-Up Range instruction to step up to a price of \$0.50995 as the Exchange does not execute orders priced out to five decimal places in securities priced below \$1.00.<sup>70</sup> As such, the Step-Up Range instruction of User 3's Enhanced RPI Order cannot earn queue priority and User 4's Retail Order can only execute against User 1's displayed order at a price of \$0.5099.

#### Example 20<sup>71</sup>

Enhanced RPI Orders will also be available for securities priced below \$1.00. In order for an Enhanced RPI Order in a security priced below \$1.00 to gain queue priority over a same-side resting order, the Enhanced RPI Order must be able to step up to the next minimum price increment. Consider the following example:

- The Protected NBBO for security ABC is \$0.2001 × \$0.2025.
  - User 1 enters a Non-Displayed Order to buy ABC at \$0.2003 for 100.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$0.2002 for 100. User 2's Step-Up Range instruction is \$0.001. User 2's order is ranked at \$0.2002 and is willing to step up to a maximum price of \$0.2012.
  - User 3 enters a Retail Order to sell ABC at \$0.2001.
  - *Result:* User 2's Enhanced RPI Order executes against User 3's Retail Order at a price of \$0.2004. While User 1's Non-Displayed Order is ranked at a higher price (\$0.2003) than User 2's Enhanced RPI Order (\$0.2002), User 2's Enhanced RPI Order included a Step-Up Range instruction of \$0.001 and is willing to execute at a price up to \$0.2012 in order to gain queue priority. The next minimum price increment above \$0.2003 is \$0.2004, which is inside User 2's Step-Up Range instruction and as such, User 2's order will have queue priority over User 1's order.

#### Example 21<sup>72</sup>

The below example is included to show the proposed change to Rule 11.24(f)(2) that does not permit a Type 2-designated Retail Order to execute against resting RPI Interest that is priced equal to the Protected NBB or Protected NBO.

<sup>70</sup> See Rule 11.11(a)(2). The Exchange currently accepts and ranks orders priced below \$1.00 in \$0.0001 increments.

<sup>71</sup> See proposed Rule 11.24(g)(1)(A).

<sup>72</sup> See proposed Rule 11.24(f)(2); see also proposed Rule 11.24(g).

- The Protected NBBO for security ABC is \$10.00 × \$10.05
  - User 1 enters a Non-Displayed Order to buy ABC at \$10.02 for 100.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$10.00 for 100. User 2's Step-Up Range instruction is \$0.03. User 2's order is ranked at \$10.00 and is willing to step up to a maximum price of \$10.03. The Retail Liquidity Identifier is not displayed because the limit price of User 2's order is not priced at least \$0.001 better than the Protected NBB.
  - User 3 enters an RPI Order to buy ABC at \$10.00 for 100. The Retail Liquidity Identifier is not displayed because the limit price of User 3's order is not priced at least \$0.001 better than the Protected NBB.
  - User 4 enters a Non-Displayed Order to buy ABC at \$10.00 for 100.
  - User 5 enters a Type 2-designated Retail Order to sell ABC at \$10.00 for 400.
  - *Result:* User 2's Enhanced RPI Order executes against User 5's Type 2 Order for 100 at a price of \$10.025 because the best-priced resting order on the BYX Book is ranked at a whole cent (\$10.02), and the NBBO midpoint is priced in a half cent increment.<sup>73</sup> User 1's Non-Displayed Order then executes against User 5's Type 2 Order for 100 at a price of \$10.02 because User 1's order is priced better than the NBBO.<sup>74</sup> User 4's Non-Displayed Order then executes against 5's Type 2 Order for 100 at a price of \$10.00.<sup>75</sup> The remaining 100 shares of User 5's Type 2 Order are then cancelled or routed to an away market based on User 5's instruction. This example demonstrates proposed order priority where a Type 2 Order has a remaining quantity after executing against all price improving liquidity. Under current Rule 11.24(f)(2), order priority would differ in that User 5's Type 2 Order would execute against User 3's RPI Order at \$10.00 prior to executing against User 4's Non-Displayed Order due to price/time priority and would leave no remaining quantity to either cancel back or route to an away market.

#### Example 22<sup>76</sup>

Step-Up Range instructions priced in increments finer than \$0.01 will be capped at the maximum executable price based on a valid tick increment or NBBO midpoint and will not be executable at the maximum price of the

<sup>73</sup> See proposed Rule 11.24(g)(1)(A) and proposed Rule 11.24(g)(2)(B).

<sup>74</sup> See Rule 11.12(a)(1).

<sup>75</sup> See proposed Rule 11.24(a)(3) and proposed Rule 11.24(f)(2).

<sup>76</sup> See proposed Rule 11.24(g)(2).

Step-Up Range instruction. If a Member chooses to enter a Step-Up Range instruction priced in an increment finer than \$0.01, the Member's Enhanced RPI Order may not be able to gain price priority over other same-side resting orders on the BYX Book.

- The Protected NBBO for security ABC is \$10.00 × \$10.05
  - User 1 enters a Non-Displayed Order to buy ABC at \$10.01 for 100.
  - User 2 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 2's Step-Up Range instruction is \$0.01. User 2's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.02.
  - User 3 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 3's Step-Up Range instruction is \$0.013. User 3's order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.023. User 3's order is subject to a cap at \$10.02 because \$10.023 is not a valid tick increment and \$10.02 is the closest valid tick increment to the maximum price provided by the Step-Up Range instruction.
  - User 4 enters a Retail Order to sell ABC at \$10.00 for 100.
  - *Result:* User 4's Retail Order will trade with User 2's Enhanced RPI Order at a price of \$10.02 because User 3's Enhanced RPI Order is subject to a cap at \$10.02 and User 2's Enhanced RPI Order has time priority. While User 3's Enhanced RPI Order included a Step-Up Range instruction of \$0.013 and was willing to step up to a maximum price of \$10.023, which is greater than User 2's maximum price of \$10.02, User 3's Enhanced RPI Order is capped at a price of \$10.02 because \$10.023 is not a valid tick increment and therefore is not able to execute at a price of \$10.023. As both User 2 and User 3 are willing to step up to a maximum price of \$10.02, priority is given to User 2's Enhanced RPI Order as it was entered prior to User 3's Enhanced RPI Order.

#### Example 23<sup>77</sup>

The Step-Up Range instruction of an Enhanced RPI Order shall have priority over the discretionary offset of a Discretionary Order. Consider the following example:

- Protected NBBO in security ABC is \$10.00 × \$10.05.
  - User 1 enters an Enhanced RPI Order to buy ABC at \$10.01 for 100. User 1's Step-Up Range instruction is \$0.04. User 1's Enhanced RPI Order is ranked at \$10.01 and is willing to step up to a maximum price of \$10.05.

<sup>77</sup> See proposed Rule 11.24(g)(2). See also proposed Rule 11.12(a)(2).

○ User 2 enters a Non-Displayed Order to buy ABC at \$10.01 for 100. User 2's order has a discretionary offset of \$0.04. User 2's order is ranked at \$10.01 and has discretion to execute up to a maximum price of \$10.05.

○ User 3 enters a Retail Order to sell ABC at \$10.03 for 100.

• RESULT: User 3's Retail Order executes against User 1's Enhanced RPI Order at a price of \$10.03. Both User 1's Enhanced RPI Order and User 2's Non-Displayed Order have a ranked price of \$10.01. Similarly, both User 1's Enhanced RPI Order and User 2's Non-Displayed Order have the ability to execute up to a maximum price of \$10.05. However, User 2's Non-Displayed Order utilizes a discretionary offset of \$0.04 to achieve its maximum price while User 1's Enhanced RPI Order contains a Step-Up Range instruction of \$0.04. While both User 1's Step-Up Range instruction and User 2's discretionary offset would provide a maximum execution price of \$10.05, User 1's Step-Up Range instruction has higher execution priority under proposed Rule 11.12(a)(2)(F) as compared to User 2's discretionary offset, which has lower execution priority pursuant to proposed Rule 11.12(a)(2)(G).

#### Example 24 <sup>78</sup>

The Step-Up Range instruction of an Enhanced RPI Order shall have priority over the discretionary offset of a Discretionary Order. Consider the following example:

• Protected NBBO in security ABC is \$10.00 × \$10.05.

○ User 1 enters a displayed order to buy ABC at \$10.01 for 100. User 1's order has a discretionary offset of \$0.04. User 1's order is ranked at \$10.01 and has discretion to execute up to a maximum price of \$10.05.

○ User 2 enters an Enhanced RPI Order to buy ABC at \$10.00 for 100. User 2's order has a Step-Up Range instruction of \$0.04. User 2's order is ranked at \$10.00 and has the ability to step-up to a maximum price of \$10.04.

○ User 3 enters a Retail Order to sell ABC at \$10.03 for 100.

User 3's Retail Order executes against User 2's Enhanced RPI Order at a price of \$10.03. User 2's Enhanced RPI Order has a lower ranked price (\$10.00) and lower maximum price (\$10.04) as compared to User 1's displayed order (\$10.01 ranked price; discretion to execute up to a maximum price of \$10.05). User 1's displayed order also has time priority over User 2's

Enhanced RPI Order as it was received by the Exchange prior to User 2's Enhanced RPI Order. However, User 2's Step-Up Range instruction has higher execution priority under proposed Rule 11.12(a)(2)(F) compared to User 1's discretionary offset, which has lower execution priority under proposed Rule 11.12(a)(2)(G). The Exchange believes that awarding priority to User 2's Enhanced RPI Order based on its Step-Up Range instruction is appropriate because User 2 is utilizing the Enhanced RPI Order with the purpose of attempting to gain queue priority in order to execute against a contra-side Retail Order (discussed *infra*). As demonstrated in the examples above, the Exchange is proposing to grant an Enhanced RPI Order the ability to gain price priority over equal-priced or better-priced resting orders on the BYX Book so long as the Enhanced RPI Order can provide price improvement over such resting orders. The Exchange believes that allowing liquidity providers to post orders outside of the range at which they are willing to execute yet maintain the opportunity to step-up against resting orders on the same side of the BYX Book in exchange for the ability to gain price priority will incentivize these liquidity providers to provide additional liquidity on the Exchange. As a result of additional, aggressively priced liquidity submitted to the Exchange designed specifically to interact with Retail Orders, RMOs will therefore be incentivized to submit additional retail order flow to the Exchange which has the potential to interact with an Enhanced RPI Order and receive price improvement.

#### Retail Liquidity Identifier

##### Current Behavior

The Exchange currently disseminates an identifier pursuant to Rule 11.24(e) when RPI interest (*i.e.*, an RPI Order or multiple RPI Orders) priced at least \$0.001 better than the Protected NBB or Protected NBO for a particular security priced at or above \$1.00 is available in the System ("Retail Liquidity Identifier" or "Identifier"). When there is RPI interest on the BYX Book that is priced at or below (above) the Protected NBB or Protected NBO, no Retail Liquidity Identifier is currently disseminated by the Exchange.<sup>79</sup> The Identifier is disseminated through consolidated data streams (*i.e.*, pursuant to the

Consolidated Tape Association Plan/ Consolidated Quotation Plan, or CTA/CQ, for Tape A and Tape B securities, and the Nasdaq UTP Plan for Tape C securities) as well as through proprietary Exchange data feeds.<sup>80</sup> The Identifier reflects the symbol and the side (buy or sell) of the RPI interest, but does not include the price or size of the RPI interest. In particular, CQ and UTP quoting outputs include a field for codes related to the Retail Liquidity Identifier. The codes indicate RPI interest that is priced better than the Protected NBB or Protected NBO by at least the minimum level of price improvement as required by the Program. The Exchange notes that the Identifier can shift from being disseminated to not disseminated (or vice versa) based on movement in the Protected NBB or Protected NBO without new RPI interest being entered on the Exchange. Further, the Exchange notes that as the Protected NBB and Protected NBO move, there may be instances where RPI interest is available on the Exchange but is ineligible to execute due to being priced below (above) the Protected NBB or Protected NBO.

##### Proposed Behavior

The Exchange proposes to continue to disseminate the Retail Liquidity Identifier in its current form should the Enhanced RPI Order be approved.<sup>81</sup> For Enhanced RPI Orders, the indicator will be based off of the ranked price only and the Step-Up Range instruction will not be used. A separate liquidity identifier that identifies Enhanced RPI Order interest will not be disseminated. The Exchange proposes to make clear in Rule 11.24(e) that both RPI Orders and Enhanced RPI Orders constitute RPI Interest and that the Retail Liquidity Identifier shall be disseminated when RPI Interest (as defined in proposed Rule 11.24(a)(5)) with a ranked price at least \$0.001 better than the Protected NBB or Protected NBO for a particular security is available in the System for

<sup>80</sup>The Exchange notes that the Retail Liquidity Identifier for Tape A and Tape B securities are disseminated pursuant to the CTA/CQ Plan. The identifier is also available through the consolidated public market data stream for Tape C securities. The processor for the Nasdaq UTP disseminates the Retail Liquidity Identifier and analogous identifiers from other market centers that operate programs similar to the RPI Program.

<sup>81</sup>The Exchange plans on submitting a letter requesting assurance from staff of the Division of Trading and Markets that it will not recommend enforcement action to the Commission pursuant to Rule 602 of Regulation NMS (the "Quote Rule") with respect to: (1) the Exchange with respect to collecting, processing, and making available to vendors the best bid, best offer, and quotation sizes communicated by members of the Exchange, or (2) liquidity providers entering RPI Interest under the Program.

<sup>78</sup> See proposed Rule 11.24(g)(2). See also proposed Rule 11.12(a)(2).

<sup>79</sup>The Exchange notes that RPI Interest may not execute unless it is priced at least \$0.001 better than the Protected NBB or Protected NBO in securities priced at or above \$1.00 or priced at least \$0.0001 better than the Protected NBB or Protected NBO in securities priced below \$1.00, as proposed *supra*.

securities priced at or above \$1.00. Additionally, the Exchange proposes to include language in proposed Rule 11.24(e) that provides that the Retail Liquidity Identifier will not be disseminated if the Protected NBB or Protected NBO moves such that the RPI Interest is no longer priced higher than the Protected NBB or lower than the Protected NBO.

For securities priced at or above \$1.00, displaying the Retail Liquidity Identifier will provide an indication to RMOs that at least one order guaranteeing at least \$0.001 of price improvement is available in the System, with the opportunity of a Retail Order potentially receiving additional price improvement should the available RPI Interest be in the form of an Enhanced RPI Order. The purpose of the Identifier is to provide relevant market information to RMOs that there is available RPI Interest available on the Exchange, thereby incentivizing RMOs to send Retail Orders to the Exchange. The Exchange believes that even in instances where the Identifier is not being disseminated due to RPI Interest not having a ranked price at least \$0.001 above (below) the Protected NBB (Protected NBO), RMOs continue to be incentivized to submit Retail Orders to the Exchange. While RMOs may not be aware of potential RPI Interest on the Exchange during periods when the Identifier is not being disseminated, the Exchange does not believe that RMOs are harmed by the Exchange accepting RPI Interest that is not executable at the time of receipt by the Exchange and therefore not disseminating an Identifier. First, not all RMOs rely on the Identifier when submitting Retail Orders to the Exchange. In addition, Retail Orders may continue to be submitted even when the Identifier is not being disseminated and will continue to be eligible to execute against contra-side hidden liquidity that may be priced equal to or above (below) the Protected NBB or Protected NBO. These executions against hidden liquidity would also include executions against Enhanced RPI Orders with a ranked price that is equal to or inferior to the Protected NBB or Protected NBO (and therefore does not trigger dissemination of the Identifier), but where the Enhanced RPI Order's Step-Up Range instruction would permit an execution at the next NBBO midpoint or next full cent better than the Retail Order's limit price, which is priced at least \$0.001 above (below) the Protected NBB (Protected NBO).

As discussed below, the Exchange proposes to expand the Program to include securities priced below \$1.00.

Given that the minimum price variation ("MPV") of a sub-dollar security is \$0.0001,<sup>82</sup> the Exchange proposes in Rule 11.24(e) that the Identifier for sub-dollar securities will be displayed when there is RPI Interest with a ranked price at least \$0.0001 above (below) the Protected NBB or Protected NBO. Similarly, the Identifier for sub-dollar securities will not be displayed if there is RPI Interest on the BYX Book priced at or below (above) the Protected NBB or Protected NBO. The Exchange will continue to display the Identifier for securities priced at or above \$1.00 when there is RPI Interest with a ranked price at least \$0.001 better than the Protected NBB or Protected NBO. The Exchange will not make any other changes to the display of the Identifier from its current form for sub-dollar securities other than the minimum amount of price improvement required to display the Identifier.

#### Securities Priced Below \$1.00

Rule 11.24(h) currently limits the Program to trades occurring at prices equal to or greater than \$1.00 per share and the Exchange periodically notifies Members<sup>83</sup> regarding securities included in the Program through an information circular.<sup>84</sup> Now, the Exchange proposes to expand the Program to all securities, including those priced below \$1.00. The rationale behind expanding the Program to all securities regardless of execution price stems from the growth of sub-dollar trading (*i.e.*, trading at prices below \$1.00), both on- and off-exchange. As of December 2024, an analysis of SIP<sup>85</sup> data by the Exchange found that sub-dollar average daily volume has increased 564% as compared to first quarter 2019. In this period, sub-dollar on-exchange average daily volume grew from 122 million shares per day to 814 million shares per day. An analysis of SIP and FINRA Trade Reporting Facility ("TRF"),<sup>86</sup> data indicates that exchanges

represented approximately 36.5% market share in sub-dollar securities, with a total of 1,286 securities trading below \$1.00. As an exchange group, Cboe had approximately 9.8% of market share of sub-dollar securities in the fourth quarter of 2024.

As trading in sub-dollar securities has grown steadily since 2020, the Exchange believes it is appropriate to expand the Program to include securities priced below \$1.00. The Exchange notes, however, that the MPV for sub-dollar securities differs from the MPV for securities priced at or above \$1.00. As provided for by Regulation NMS Rule 612, for securities priced below \$1.00, the MPV is \$0.0001, whereas for securities priced at or above \$1.00 the MPV is \$0.01.<sup>87</sup> The Exchange proposes that in order for an Enhanced RPI Order to gain queue priority ahead of resting orders on the same side of the BYX Book, the Enhanced RPI Order will be stepped-up to the nearest MPV (\$0.0001) for securities priced below \$1.00. This differs from the treatment of Enhanced RPI Orders for securities priced at or above \$1.00, which are proposed to be stepped up to the nearest half cent NBBO midpoint or full cent ahead of resting orders on the same side of the BYX Book.<sup>88</sup>

The Exchange recognizes that there is a distinction between the pricing increment in securities priced at or above \$1.00 and securities priced below \$1.00, which have a finer minimum pricing increment. As discussed, in securities priced at or above \$1.00 the Step-Up Range instruction must be able to step up to the next half cent NBBO midpoint or next full cent in order to permit an Enhanced RPI Order to have the ability to gain price priority over resting same-side orders on the BYX Book and requiring Users to have a Step-Up Range instruction priced in \$0.001 increments seeks to ensure that the purpose of Regulation NMS Rule 612 is not undermined by allowing non-displayed Step-Up Range instructions to gain price priority for a de minimis amount of price improvement. The Exchange further supports the purpose of Regulation NMS Rule 612 not only by requiring Users to submit Enhanced RPI Orders with Step-Up Range instructions priced in increments of \$0.001, but also by requiring that Step-Up Range instructions permit Enhanced RPI Orders to step up to the next NBBO midpoint or next full cent in order to potentially gain queue priority.

In securities priced below \$1.00, however, the MPV is \$0.0001 and as

<sup>82</sup> See 17 CFR 242.612 ("Minimum pricing increment").

<sup>83</sup> See Rule 1.5(n). The term "Member" shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a "member" of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

<sup>84</sup> *Supra* note 12.

<sup>85</sup> The "SIP" refers to the centralized securities information processors.

<sup>86</sup> Trade Reporting Facilities are facilities through which FINRA members report off-exchange transactions in NMS stocks, as defined in SEC Rule 600(b)(47) of Regulation NMS. See Tick Size Proposal at 80315.

<sup>87</sup> *Supra* note 82.

<sup>88</sup> *Supra* note 30. See also Example 13, *supra*.

such, the quotations and pricing of orders tend to be in finer increments. By allowing an Enhanced RPI Order's Step-Up Range instruction in securities priced below \$1.00 to be priced in increments of \$0.0001 and requiring the Step-Up Range instruction to permit the Enhanced RPI Order to step up to the next minimum pricing increment in order to gain queue priority (rather than the next half cent NBBO midpoint or next full cent as proposed for securities priced at or above \$1.00), the Exchange is seeking to stay within the bounds of Regulation NMS and encourage Users to submit competitively priced RPI Interest to the Exchange relative to the price of the security. The Exchange believes that Users are not harmed by the distinction in the minimum pricing increment for securities priced at or above \$1.00 and securities priced below \$1.00 as this distinction serves to ensure that Enhanced RPI Orders provide an adequate amount of price improvement at all price levels in exchange for queue priority.

Currently, all Regulation NMS securities traded on the Exchange priced at or above \$1.00 are eligible for inclusion in the Program. The Exchange will announce to its Members via a Trade Desk Notice that the Exchange will no longer provide periodic updates of securities included in the Program as the Program is being expanded to include all Regulation NMS securities traded on the Exchange, regardless of price.

#### Implementation

The Exchange plans to implement the proposed rule change during the second half of 2025 and will announce the implementation date via Trade Desk Notice.

#### 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>89</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>90</sup> requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in

securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>91</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission has repeatedly emphasized that the U.S. capital markets should be structured with the interests of retail investors in mind<sup>92</sup> and has recently proposed a series of rules designed, in part, to attempt to bring order flow back to the exchanges from off-exchange trading venues.<sup>93</sup> The Exchange believes its proposed enhancements to the Program are consistent with the Commission's goal of ensuring that the equities markets continue to serve the needs of the investing public. Specifically, introducing the Enhanced RPI Order would protect investors and the public interest by providing retail investors the ability to obtain price improvement on BYX, a national securities exchange. The Exchange is committed to innovation that improves the quality of the equities markets and believes that the proposed Enhanced RPI Order may increase the attractiveness of the Exchange for the execution of Retail Orders submitted on behalf of the millions of ordinary investors that rely on these markets for their investment needs.

The Exchange believes the proposed Enhanced RPI Order promotes just and equitable principles of trade and is not unfairly discriminatory because the order type will be available for all Users, and is not limited to a certain subset of market participants. Even though Enhanced RPI Orders may be entered by any market participant, the Exchange believes that the majority of Enhanced RPI Orders will be entered by or on behalf of institutional investors that are willing to provide additional price improvement as a way to minimize their adverse selection costs.<sup>94</sup> The Exchange believes that such segmentation is consistent with section 6(b)(5) of the

<sup>91</sup> *Id.*

<sup>92</sup> See U.S. Securities and Exchange Commission, Strategic Plan, Fiscal Years 2018–2022, available at [https://www.sec.gov/files/SEC\\_Strategic\\_Plan\\_FY18-FY22\\_FINAL\\_0.pdf](https://www.sec.gov/files/SEC_Strategic_Plan_FY18-FY22_FINAL_0.pdf).

<sup>93</sup> *Supra* notes 23–24. See also, Securities Exchange Act Release No. 96496 (December 14, 2022), 88 FR 5440 (January 27, 2023) ("Regulation Best Execution"); Securities Exchange Act Release No. 96493 (December 14, 2022), 88 FR 3786 (January 20, 2023) ("Disclosure of Order Execution Information").

<sup>94</sup> *Supra* note 31.

Act, as it does not permit *unfair* discrimination. The Commission has previously stated that the markets generally distinguish between retail investors, whose orders are considered desirable by liquidity providers because such retail investors are presumed to be less informed about short-term price movements, and professional traders, whose orders are presumed to be more informed.<sup>95</sup> The Commission has further stated that without opportunities for price improvement, retail investors may encounter wider spreads that are a consequence of liquidity providers interacting with more informed order flow.<sup>96</sup> The Exchange believes that its proposed Enhanced RPI Order is reasonably designed to attract marketable retail order flow to the exchange as it will help to ensure that retail investors benefit from the better price that liquidity providers are willing to provide to retail orders in exchange for minimizing their adverse selection costs.

Additionally, the Exchange believes that the proposed Enhanced RPI Order type is not unfairly discriminatory to institutional investors as it rewards the User that enters the highest (for buy orders) or lowest (for sell orders) priced Enhanced RPI Order, based on a combination of the order's limit price and Step-Up Range instruction, with order book priority. Ultimately, execution priority amongst orders resting on the BYX Book will be determined by the Step-Up Range instruction entered on each Enhanced RPI Order, subject to certain limitations described above. If the Step-Up Range instruction for an Enhanced RPI Order provides a marketable, contra-side Retail Order with greater price improvement than would otherwise be available from other resting orders by stepping up to the next full cent or NBBO midpoint (for securities priced at or above \$1.00)<sup>97</sup> or the next minimum price increment (for securities priced below \$1.00), then the Enhanced RPI Order will be granted order book priority. In the event that multiple Enhanced RPI Orders are resting on the BYX Book, the Enhanced RPI Order with the Step-Up Range instruction that could result in the greatest price improvement will be given order book priority. The Exchange believes rewarding the Step-Up Range instruction that could result in the greatest possible price improvement will encourage Users to submit Enhanced RPI Orders with Step-Up

<sup>95</sup> See Pilot Approval Order at 71656.

<sup>96</sup> *Id.*

<sup>97</sup> *Supra* note 30. See also Example 13 *supra*.

<sup>89</sup> 15 U.S.C. 78f(b).

<sup>90</sup> 15 U.S.C. 78f(b)(5).

Range instructions that are competitively priced in an attempt to earn queue priority in exchange for providing price improvement to Retail Orders. A higher amount of possible price improvement in exchange for queue priority ultimately benefits both retail investors, who will receive price improvement over the NBBO, and the User entering the Enhanced RPI Order, who is able to execute against a marketable Retail Order to minimize its adverse selection costs and interact with retail order flow that they are currently unable to access on the Exchange given that such order flow is largely executed off-exchange.

As noted in the Exchange's initial RPI filings,<sup>98</sup> most equities exchanges, including BYX, determine priority based on a price/time/display allocation model.<sup>99</sup> This has contributed to deep and liquid markets for equity securities as liquidity providers compete to be the first to establish a particular price. While the price/time/display allocation model generally works well for institutional investors, retail investors are traditionally not able to compete with market makers and other automated liquidity providers to set an aggressive price on orders submitted to the Exchange. Importantly, retail investors, in contrast to institutional investors, tend to have longer investment time horizons, which means they are not in the business of optimizing queue placement under a time-based allocation model. Therefore, in order to facilitate the needs of retail investors, the Exchange believes an alternative approach—such as this Enhanced RPI Order proposal—would benefit the retail investor community.

As discussed earlier, the proposed introduction of the Enhanced RPI Order is designed to provide retail investors with enhanced opportunities to obtain additional price improvement by providing them with potential opportunities to execute versus non-displayed Enhanced RPI Orders that offer price improvement beyond that offered by resting orders on the Exchange. Marketable retail order flow is routinely executed in full on entry at the national best bid or offer or better,<sup>100</sup>

but many retail liquidity programs, including the Exchange's current Program, are designed to offer at least \$0.001 of price improvement over the Protected NBB or Protected NBO to Retail Orders.<sup>101</sup> By introducing Enhanced RPI Orders, the Exchange is proposing to prioritize Enhanced RPI Orders ahead of other resting orders on the same side of the BYX Book in exchange for the Enhanced RPI Order offering price improvement to Retail Orders by stepping up to the next full cent or (for securities priced at or above \$1.00)<sup>102</sup> or the next minimum price increment (for securities priced below \$1.00). The Exchange believes the ability to post an order at a price outside of the range at which it is willing to execute with the ability to gain priority in exchange for executing at a higher (for buy orders) or lower (for sell orders) price will (1) encourage Users to submit more favorably priced Enhanced RPI Orders, and (2) attract Retail Order flow to the Exchange, both of which will benefit all investors. Increased order flow will create a deeper pool of liquidity on the Exchange, which provides for greater execution opportunities for all Users and provides for overall enhanced price discovery and price improvement opportunities on the Exchange. If successful, the proposed rule change would benefit market participants by increasing the diversity of order flow with which they can interact on a national securities exchange, thereby increasing order interaction and contributing to price formation on a regulated market. While RMOs that submit Retail Orders will benefit from increased price improvement opportunities, retail liquidity providers stand to benefit from the Exchange's proposal because by submitting Enhanced RPI Orders with higher (for buy orders) or lower (for sell orders) limit prices and Step-Up Range instructions, their Enhanced RPI Orders have the ability to gain price priority to execute against contra-side Retail Orders in exchange for offering better priced liquidity.

The Exchange also believes that retail liquidity providers that also choose to submit RPI Orders rather than Enhanced RPI Orders stand to benefit from the proposal. As noted, the Exchange believes that the increased depth and diversity of liquidity that will result from this change will increase price improvement opportunities for Retail

Orders. As price competition increases, additional Retail Order flow will follow as RMOs seek out price improvement opportunities. An increase in Retail Order flow to the Exchange benefits all market participants, including retail liquidity providers who choose to submit RPI Orders rather than Enhanced RPI Orders. The Exchange notes that since a Step-Up Range instruction must enable an Enhanced RPI Order to step up to the next NBBO midpoint or next full cent in order to have the ability to earn queue priority in securities priced at or above \$1.00 (or the next minimum pricing increment in securities priced below \$1.00), there may be instances where the Step-Up Range instruction does not permit the Enhanced RPI Order to step up to the NBBO midpoint or next full cent and thus the Enhanced RPI Order cannot earn queue priority to execute against a contra-side Retail Order. In those instances, retail liquidity providers that submit RPI Orders stand to benefit as their RPI Orders may be priced better than the ranked price of the Enhanced RPI Order and other resting liquidity on the BYX Book and therefore are able to execute against the contra-side Retail Order.

The ability to choose between an Enhanced RPI Order and an RPI Order will permit a retail liquidity provider to decide the amount of price improvement it is willing to provide in order to execute against an incoming Retail Order and decide whether providing additional price improvement only if necessary to gain queue priority is a trade-off the retail liquidity provider is willing to provide in order to earn the right to execute against a Retail Order ahead of other same-side resting orders on the BYX Book. A retail liquidity provider who submits an Enhanced RPI Order will know that the Step-Up Range instruction is utilized only if necessary to earn queue priority, giving the retail liquidity provider confidence that price improvement is being provided in order to execute against a Retail Order. On the other hand, a retail liquidity provider may decide that an RPI Order is more appropriate if the retail liquidity provider wishes to retain the ability to execute only against a Retail Order, but does not want to commit to stepping up to the next NBBO midpoint or next full cent and is willing to wait for an execution rather than provide price improvement to earn queue priority. The Exchange believes its proposal to provide retail liquidity providers the option to prioritize queue priority in exchange for additional price improvement in order to execute against retail order flow through the use of an

<sup>98</sup> *Supra* notes 11–12.

<sup>99</sup> Nasdaq PSX, however, offers a price setter pro rata model that rewards liquidity providers that set the best price and then rewards other market participants that enter larger sized orders. See Securities Exchange Act Release No. 72250 (May 23, 2014), 79 FR 31147 (May 30, 2014) (SR-Phlx-2014-24).

<sup>100</sup> A review of internal Exchange data found that 65.70% of Retail Orders across the Exchange and its affiliates executed at the NBBO or better in 2024. Similarly, 61.80% of retail orders across the

Exchange and its affiliates executed at or better than the NBBO in 2023.

<sup>101</sup> See, e.g., IEX Rule 11.232; Nasdaq BX Rule 4780; NYSE National Rule 7.44-E; NYSE Rule 7.44.

<sup>102</sup> *Supra* note 30. See also Example 13, *supra*.

Enhanced RPI Order in addition to continuing to offer an RPI Order provides an appropriate balance to retail liquidity providers who desire to execute against retail order flow but do not want to commit to the additional potential price improvement required to utilize the Step-Up Range instruction in order to gain queue priority.

Giving queue priority to certain order types is not a novel concept in the securities markets. In fact, on the Exchange's affiliate, Cboe EDGX Exchange, Inc. ("EDGX"), the displayed portion of Retail Priority Orders are given allocation priority ahead of all other available interest on the EDGX Book ("EDGX Retail Priority").<sup>103</sup> The Commission found that EDGX Retail Priority represented a reasonable effort to enhance the ability of bona fide retail trading interest to compete for executions with orders entered by other market participants that may be better equipped to optimize their place in the intermarket queue.<sup>104</sup> The Exchange believes that granting queue priority to an Enhanced RPI Order as discussed in the Purpose section similarly reflects a reasonable effort by the Exchange to create additional price improvement opportunities for retail investors, as has been the standard identified by the Commission in several approval orders written in regards to RLPs.<sup>105</sup> While the Exchange is not proposing to prioritize Retail Orders as EDGX has done, it is proposing to prioritize Enhanced RPI Orders that provide price improvement and may only interact with contra-side Retail Orders. The Exchange's proposal to prohibit RPI Orders and Enhanced RPI Orders from executing with contra-side Type 2-designated Retail Orders when the RPI Order or Enhanced RPI Order is not priced better than the Protected NBB or Protected NBO similarly reflects an attempt to create additional price improvement opportunities for retail investors by making RPI Orders and Enhanced RPI Orders ineligible from executing when these orders are not providing price improvement to contra-side Type 2-designated Retail Orders. While the Exchange is forgoing an execution at a marketable price in situations where an RPI Order or Enhanced RPI Order is priced equal to the Protected NBB or

Protected NBO and there is resting contra-side Type 2 Order interest available, the Exchange believes that limiting RPI Order and Enhanced RPI Order executions to situations where price improvement is offered properly reflects the main purpose of the RPI Order and Enhanced RPI Order—that is, to create additional price improvement opportunities for retail investors.

The Exchange believes that the prioritization of Enhanced RPI Orders that offer price improvement over other resting orders on the same side of the BYX Book promotes just and equitable principles of trade and is consistent with Section 6(b)(5) of the Act as it encourages Users to submit Enhanced RPI Orders containing high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions in exchange for queue priority ahead of all resting orders on the same side of the BYX Book so long as price improvement is provided to a contra-side Retail Order. The Exchange proposes to provide queue priority for Enhanced RPI Orders over all other types of orders and is not limiting queue priority to a certain subset of order types. As previously stated, all Users are eligible to submit Enhanced RPI Orders. And while the Exchange believes that most Enhanced RPI Orders will be submitted by or on behalf of professional traders, retail investors will have the opportunity to receive better-priced executions should their executing broker choose to submit a marketable Retail Order to the Exchange. The Exchange believes the introduction of Enhanced RPI Orders will deepen the Exchange's pool of available liquidity, increase marketable retail order flow to the Exchange and provide additional competition for marketable retail order flow, most of which is currently executed off-exchange in the OTC markets. Promoting competition for retail order flow among execution venues stands to benefit retail investors, who may be eligible to receive greater price improvement on the Exchange by interacting with an Enhanced RPI Order than they would if their order was internalized by a broker-dealer on the OTC market. Additionally, retail liquidity providers will benefit from submitting Enhanced RPI Orders and Step-Up Range instructions with competitive prices. By providing Enhanced RPI Orders and Step-Up Range instructions with competitive prices, retail liquidity providers are, in essence, improving the quality of order flow available for contra-side Retail Orders and increasing the odds of their

Enhanced RPI Orders executing with desirable retail order flow rather than informed order flow or not executing at all.

Furthermore, the Exchange believes that its proposal to limit the use of the Step-Up Range instruction to determine order book priority is consistent with Section 6(b)(5) of the Act because the use of the Step-Up Range instruction rather than limit price to determine order priority is limited to the following: (1) the Step-Up Range instruction is needed to gain priority over a resting order with higher order book priority; (2) in situations where (i) a contra-side Retail Order to sell (buy) is entered at a higher (lower) price than the Enhanced RPI Order's ranked price and all other resting liquidity in the same security and (ii) the Enhanced RPI Order's Step-Up Range instruction is priced equal to or higher (lower) than the Retail Order's limit price; and (3) to determine order book priority when multiple Enhanced RPI Orders are resting on the BYX Book and are eligible to trade ahead of higher priority orders. The primary use case of the Enhanced RPI Order identified in the first scenario listed above is to provide price improvement to marketable retail order flow. As previously discussed in the Statutory Basis section, the Exchange believes allowing the use of a Step-Up Range instruction in order to provide an additional, higher (for buy orders) or lower (for sell orders) price at which an Enhanced RPI Order may execute is essential in order to deepen the pool of liquidity available to retail investors. In exchange for providing orders with high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions, these liquidity providers will be rewarded with executions against marketable retail order flow, which is generally preferred over more informed order flow. Liquidity providers that choose to submit Enhanced RPI Orders with competitively priced limit prices and/or Step-Up Range instructions stand to benefit in that their orders are positioned to possibly gain price priority over same-side, resting orders on the BYX Book and execute against preferred retail order flow rather than forego an execution by submitting orders that do not contain high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions. Retail investors, on the other hand, will receive price improvement should their order execute against an Enhanced RPI Order. Increased opportunities for price improvement stand to make the

<sup>103</sup> See EDGX Rule 11.9(a)(2)(A).

<sup>104</sup> See Securities Exchange Act Release No. 87200 (October 2, 2019), 84 FR 53788 (October 8, 2019), SR-CboeEDGX-2019-012 ("EDGX Retail Priority Approval Order").

<sup>105</sup> *Supra* note 14. See also Securities Exchange Act Release No. 67347 (July 3, 2012), 77 FR 40673 (July 10, 2012) (SR-NYSE-2011-55; SR-NYSEAmex-2011-84) ("RLP Approval Order") at 40679.

Exchange a more attractive venue for RMOs to submit Retail Orders, thus encouraging RMOs to bring retail order flow back to a regulated, lit market rather than executing off-exchange.

In the situation where (i) a contra-side Retail Order to sell (buy) is entered at a higher (lower) price than the Enhanced RPI Order's limit price and all other resting liquidity in the same security and (ii) the Enhanced RPI Order's Step-Up Range instruction is priced equal to or higher (lower) than the limit price of the Retail Order, the Exchange believes using the Step-Up Range instruction to determine order priority promotes just and equitable principles of trade because it rewards the Enhanced RPI Order with the highest (lowest) Step-Up Range instruction rather than forego an execution due to the limit price of all orders resting on the BYX Book being ineligible to trade with the contra-side Retail Order. The intent of the Enhanced RPI Order is to reward those Enhanced RPI Orders containing high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions with queue priority while simultaneously providing price improvement to Retail Orders. The Exchange believes that determining order priority using the Step-Up Range instruction in this limited situation is aligned with the intent of liquidity providers that choose to submit Enhanced RPI Orders containing high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions and also emphasizes a benefit of using the Enhanced RPI Order—the ability to enter an order at a lower (for buy orders) or higher (for sell orders) price but also provide a Step-Up Range instruction within which the liquidity provider is willing to execute in order to execute against retail order flow rather than forego an execution and remain on the BYX Book. The Exchange seeks to encourage liquidity providers to submit order flow designed to interact with marketable retail order flow in an effort to increase the amount of Retail Order executions occurring on-exchange. By rewarding Enhanced RPI Orders containing high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions in situations where the order would otherwise not execute, the Exchange believes its pool of liquidity available to marketable retail order flow will deepen, thus incentivizing RMOs to submit additional marketable retail order flow to the Exchange.

Likewise, using the Step-Up Range instruction rather than the limit price of an Enhanced RPI Order in situations

where multiple Enhanced RPI Orders are resting on the BYX Book and are eligible to trade ahead of higher priority orders promotes the use of the Enhanced RPI Order type as the Exchange seeks to encourage RMOs to submit marketable Retail Orders to the Exchange. Determining order priority of Enhanced Orders based on their Step-Up Range instruction over the limit price of all other higher priority orders rewards the Enhanced RPI Order that provides the highest (for buy orders) or lowest (for sell orders) Step-Up Range instruction. The Exchange believes that using the Step-Up Range instruction rather than the limit price in situations where there are multiple Enhanced RPI Orders will encourage Users to submit Enhanced RPI Orders containing high (for buy orders) or low (for sell orders) limit prices and/or Step-Up Range instructions to the Exchange, as they will be given priority to interact with more desirable marketable retail order flow based on their Step-Up Range instruction. Additionally, the Exchange believes that RMOs will be encouraged to direct marketable retail order flow to the Exchange knowing that the *worst* price they will receive is \$0.001 better than the Protected NBB or Protected NBO for securities priced at or above \$1.00<sup>106</sup> and there is potential to receive a greater amount of price improvement should an Enhanced RPI Order be present on the opposite side of the BYX Book.<sup>107</sup>

Even in the limited situation where the ranked price of an Enhanced RPI Order is utilized to determine the queue priority of Enhanced RPI Orders (*i.e.*, where multiple Enhanced RPI Orders are resting on the BYX Book and there is no other same-side resting liquidity on the BYX Book with higher priority and an incoming contra-side Retail Order to sell (buy) is priced lower (higher) than the ranked price of the resting Enhanced RPI Orders' ranked prices), Retail Orders stand to benefit. Users submitting Enhanced RPI Orders to the Exchange do so with the intent of interacting with contra-side Retail Orders and as such, are encouraged to submit Enhanced RPI Orders with competitive limit prices, in addition to their Step-Up Range instructions, in an attempt to gain price priority in order to execute against Retail Orders. The Exchange does not view Enhanced RPI Orders as discouraging Users from submitting RPI Orders or devaluing RPI

Orders but rather believes that Enhanced RPI Orders are a way to encourage competition from retail liquidity providers as they seek to minimize adverse selection costs and interact with incoming contra-side Retail Orders. With Users contending for executions against incoming retail liquidity, Users submitting Enhanced RPI Orders and RPI Orders naturally would be expected to utilize competitive prices in order to put themselves in the best position to execute against retail liquidity rather than submit orders with prices that are not positioned to potentially execute.

Additionally, the Exchange believes that its proposal to amend its current Rule 11.12 in order to provide that the Step-Up Range instruction has priority over both the discretionary portion of a Discretionary Order and a Supplemental Peg Order is consistent with Rule 6(b)(5) of the Act because Users choosing to submit Enhanced RPI Orders containing Step-Up Range instructions do so with the intent to earn queue priority over other same-side resting orders on the BYX Book in order to execute against a contra-side Retail Order. In this sense, the Step-Up Range instruction being utilized is dependent on other same-side orders that are resting on the BYX Book and the User does not have control over whether the Step-Up Range instruction is utilized or at what price an execution may occur. While the User does not have control over the utilization of the Step-Up Range instruction, the User does control the maximum (minimum) price at which the Step-Up Range is entered, and chooses this price knowing that the execution will occur against a contra-side Retail Order.

In contrast, the discretionary portion of a Discretionary Order is wholly dependent upon the price of the incoming contra-side order rather than dependent on same-side resting orders on the BYX Book. A Discretionary Order will only utilize the discretionary portion of its order to execute against an incoming contra-side order if there are no other orders with higher priority resting on the BYX Book. Given that the User submitting an Enhanced RPI Order with a Step-Up Range instruction is utilizing the Step-Up Range instruction in order to have the ability to gain queue priority to execute against an incoming contra-side Retail Order while the User of a Discretionary Order is not submitting its order with the intent to gain priority, the Exchange believes that it is appropriate to rank the Step-Up Range instruction ahead of the discretionary portion of a Discretionary Order in proposed Rule 11.12(a)(2).

<sup>106</sup> For securities priced below \$1.00, the minimum amount of price improvement as compared to the Protected NBB or Protected NBO is \$0.0001.

<sup>107</sup> *Supra* note 30. See also Example 13, *supra*.

An analysis of internal Exchange data found that the current Program provided approximately \$1.6 million in price improvement to retail investors during calendar year 2024,<sup>108</sup> which is a decrease from the \$4.5 million provided to retail investors between the two and a half year period between January 2016 and June 2018.<sup>109</sup> In fact, the average amount of price improvement per month provided to retail investors in 2024 was approximately \$133,333 while between 2016–2018 the average amount of price improvement provided to retail investors was \$150,000 per month. It is reasonable to believe that the proposed Enhanced RPI Order, by virtue of providing at least \$0.001 of price improvement and requiring the Step-Up Range instruction to be able to step up to the next half cent NBBO midpoint or next full cent in exchange for execution priority in securities priced at or above \$1.00 (for securities priced below \$1.00 the Enhanced RPI Order must provide at least \$0.0001 of price improvement and requiring the Step-Up Range instruction to step up to the next minimum pricing increment), would add to the Exchange's ability to provide price improvement to retail investors. The Exchange does not believe that offering additional price improvement to retail investors through Enhanced RPI Orders would cause harm to the broader market. On the contrary, the Exchange believes that rewarding Enhanced RPI Orders with order book priority in exchange for price improvement would further the Commission's goal of providing additional opportunities for retail investors to interact directly with a large volume of individual investor orders.

The Exchange created the Enhanced RPI Order with the goal of encouraging liquidity providers to submit orders eligible to interact with marketable retail order flow with the competition from these liquidity providers resulting in a reasonable alternative for marketable retail order flow to receive executions at a price better than the Protected NBBO. As the Commission noted in its Order Competition Rule proposal, over 90% of marketable NMS retail stock orders are routed to wholesalers where the orders are not exposed to order-by-order competition.<sup>110</sup> While wholesalers generally achieve price improvement relative to the NBBO, the Commission has indicated that exchanges often have liquidity available at the NBBO midpoint, which would be a more

favorable price than a retail order receives when executed by a wholesaler.<sup>111</sup> As discussed, the Exchange has attempted to encourage Retail Orders to execute on-exchange through its current Program, with limited success.<sup>112</sup> Here, the Exchange is proposing price improvement of at least \$0.001 in securities priced at or above \$1.00 (\$0.0001 in securities priced below \$1.00) as well as requiring the Step-Up Range instruction to step up to the next NBBO midpoint or next full cent in securities priced at or above \$1.00 (or step up to the next minimum pricing increment in securities priced below \$1.00). The Exchange believes that the proposal's two-pronged approach of requiring the ability to step up to the next NBBO midpoint or next full cent will in addition to a minimum pricing increment of \$0.001 (\$0.0001) will result in an increase in price improvement provided to Retail Orders, which in turn will result in an increase in order flow to the Exchange. Increased order flow benefits all market participants by deepening the Exchange's pool of liquidity, which the Exchange believes would further the Commission's goal of "increasing competition and enhancing the direct exposure of individual investor orders to a broader spectrum of market participants" as set forth in section 11A of the Exchange Act.<sup>113</sup>

In addition to the proposed introduction of the Enhanced RPI Order, the Exchange also believes that expanding the Program to include securities priced below \$1.00 is consistent with Section 6(b)(5) of the Act because it promotes just and equitable principles of trade by allowing liquidity providers to submit orders designed to interact with retail order flow in all securities, rather than only in securities priced at or above \$1.00. As stated above, a significant majority of the increased volume in sub-dollar securities comes from executions occurring off-exchange.<sup>114</sup> By permitting the Exchange to expand its Program to include securities priced below \$1.00, the Exchange would be a more attractive venue for liquidity providers seeking to interact with retail order flow, which

further the Commission's goal of bringing retail order executions back on-exchange. Further, the proposal to expand the Program to include securities priced below \$1.00 is not unfairly discriminatory because all Users will be able to submit RPI Orders or Enhanced RPI Orders at prices below \$1.00. As noted above, the Exchange, along with its affiliates, maintained a market share of 9.8% in sub-dollar securities during the fourth quarter of 2024.<sup>115</sup> The Exchange believes that its expansion of the Program to include sub-dollar securities would lead to more liquidity providers submitting order flow to the Exchange in an attempt to execute against Retail Orders. In turn, RMOs would submit additional Retail Order flow to the Exchange to interact with RPI Orders and Enhanced RPI Orders as there would be additional opportunities for price improvement in sub-dollar securities.

The proposal removes impediments to and perfect the mechanism of a free and open market and a national market system and protects investors and the public interest by allowing executions in Retail Orders priced below \$1.00 to receive price improvement by executing against RPI Orders or Enhanced RPI Orders, which are currently only available at prices at or above \$1.00. In addition to the changes described above, the Exchange believes that the changes to certain existing rule text within Rule 11.24 is consistent with Section 6(b)(5) of the Act because it provides additional certainty as to how Rule 11.24 is to be applied. The proposed revised definition of RPI Interest in Rule 11.24(a)(5) is necessary in order to capture the proposed Enhanced RPI Order type, in addition to the existing RPI Order. Additionally, amending Rule 11.24(e) and Rule 11.24(f)(1)–(2) to reflect the changes made in Rule 11.24(a)(5) is necessary in order to ensure that RPI Interest is properly defined throughout Rule 11.24. The deletion of Rule 11.24(h) is consistent with the Exchange's proposal to expand the Program to securities priced below \$1.00 and the deletion of Rule 11.24(i) is appropriate as it is inapplicable to Retail Orders on the Exchange and was inadvertently added to the rule text. The proposed changes to Rule 11.24(a)(2) are intended to insert a reference to Rule 11.9(b)(1) describing Immediate or Cancel Orders and introduce the ability for Users to submit Retail Orders as Mid-Point Peg Orders, both of which changes serve to provide additional guidance to Users of Retail Orders about the order modifiers permitted by the

<sup>111</sup> *Id.*

<sup>112</sup> As discussed in the Purpose section, Retail Orders on BYX received an average of \$0.0013 of price improvement from RPI Orders during calendar year 2024 but received an average of \$0.0033 of price improvement from all hidden liquidity (inclusive of RPI Orders) on BYX during calendar year 2024.

<sup>113</sup> *Supra* note 23 at 178.

<sup>114</sup> See "How Subdollar Securities are Trading Now" (March 16, 2023). Available at: <https://www.cboe.com/insights/posts/how-subdollar-securities-are-trading-now/>.

<sup>115</sup> *Id.*

<sup>108</sup> Source: Cboe internal data.

<sup>109</sup> See RPI Approval Order at 53184.

<sup>110</sup> *Supra* note 23 at 178.

Exchange. The Exchange believes these changes are intended to facilitate usage of RPI Interest and serve to ensure that Rule 11.24 is properly describing order behavior after the proposed introduction of the Enhanced RPI Order and proposed expansion of the Program to securities priced below \$1.00.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposal does not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Rather, the proposed rule change is designed to increase intramarket competition for retail order flow by introducing a new order type that is designed to provide price improvement to Retail Orders in exchange for the ability to gain price priority over resting orders on the same side of the BYX Book. The proposal, which seeks to provide an innovative form of price improvement to Retail Orders through the creation of the Enhanced RPI Order, represents an effort by the Exchange to encourage on-exchange liquidity and incentivize the trading of Retail Orders on a national securities exchange.

The Exchange also believes the proposed rule change does not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the Act. As discussed above, IEX, NYSE, NYSE National, and Nasdaq BX each operate RLPs and the Exchange believes that its proposed rule change will allow it to compete for additional retail order flow with the aforementioned exchanges.<sup>116</sup> Furthermore, the Exchange's proposal will promote competition between the Exchange and off-exchange trading venues where the majority of retail order flow trades today. The proposed Enhanced RPI Order is designed to foster innovation within the market and increase the quality of the national market system by allowing national securities exchanges to compete both with each other and with off-exchange venues for order flow. Expanding the program to include securities priced below \$1.00 similarly would not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the Act. The Exchange's proposal is designed to increase competition for trading in all securities,

including but not limited to securities priced below \$1.00. Given the growth of trading in sub-dollar securities since 2020, the Exchange believes that expanding the Program to include sub-dollar securities will make the Program an attractive option for retail investors seeking to trade in lower-priced securities, and as such is a competitive measure designed to compete directly with other exchanges for order flow.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange neither solicited nor received comments on the proposed rule change.

### **III. Proceedings To Determine Whether To Approve or Disapprove SR–CboeBYX–2025–007, as Modified by Amendment No. 3, and Grounds for Disapproval Under Consideration**

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act<sup>117</sup> to determine whether the proposed rule change, as modified by Amendment No. 3, should be approved or disapproved. Institution of proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change, as modified by Amendment No. 3. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described below, the Commission seeks and encourages interested persons to provide comment on the proposed rule change, as modified by Amendment No. 3, to inform the Commission's analysis of whether to approve or disapprove the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,<sup>118</sup> the Commission is providing notice of the grounds for disapproval under consideration. The Commission recently received Amendment No. 3 and is instituting proceedings to allow for additional analysis of, and input from commenters with respect to, the consistency of the proposal, as modified by Amendment No. 3, with the Act, and in particular with Sections 6(b)(5)<sup>119</sup> and 6(b)(8)<sup>120</sup> of the Act. Section 6(b)(5) of the Act requires that the rules of a national securities exchange be designed, among other things, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and

open market and a national market system and, in general, to protect investors and the public interest, and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. Section 6(b)(8) of the Act requires that the rules of a national securities exchange not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

### **IV. Procedure: Request for Written Comments**

The Commission requests that interested persons provide written submissions of their data, views, and arguments with respect to the issues identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposed rule change is consistent with the Exchange Act and the rules and regulations thereunder.

Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of data, views, and arguments, the Commission will consider, pursuant to Rule 19b–4 under the Act,<sup>121</sup> any request for an opportunity to make an oral presentation.<sup>122</sup>

Interested persons are invited to submit written data, views, and arguments regarding whether the proposed rule change should be approved or disapproved by July 15, 2025. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by July 29, 2025. The Commission asks that commenters address the sufficiency of the Exchange's statements in support of the proposal, which are set forth in Amendment No. 3.<sup>123</sup> In particular, the Commission seeks comment on the following questions:

1. What are commenters' views on whether expanding the Exchange's Retail Price Improvement Program to include securities priced below \$1.00 will impact the amount of price improvement accruing to retail investors

<sup>121</sup> 17 CFR 240.19b–4.

<sup>122</sup> Section 19(b)(2) of the Act, as amended by the Securities Acts Amendments of 1975, Public Law 94–29 (Jun. 4, 1975), grants to the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. See Securities Acts Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

<sup>123</sup> See *supra* note 6.

<sup>117</sup> 15 U.S.C. 78s(b)(2)(B).

<sup>118</sup> *Id.*

<sup>119</sup> 15 U.S.C. 78f(b)(5).

<sup>120</sup> 15 U.S.C. 78f(b)(8).

<sup>116</sup> *Supra* note 101.

(per share and in the aggregate) achieved on the Exchange?

2. What are commenters' views on how the proposed rule change might affect the market quality of the equities markets as a whole and/or market quality for retail orders and executions?

3. What are commenters' views on how the proposed \$0.0001 pricing increment for RPI Interest for securities priced below \$1.00, and the proposed Step-Up Range instruction increment of \$0.001 for both securities priced at and above \$1.00, as well as those priced below \$1.00, will affect the incentives on market participants to post limit orders on the Exchange and the incentives for firms to send Retail Orders to the Exchange?

4. What are commenters' views on whether giving the Step-Up Range instruction of Enhanced RPI Orders priority over the discretionary offset of a Discretionary Order promotes just and equitable principles of trade, is not designed to permit unfair discrimination, and does not impose any burden on competition not necessary or appropriate in furtherance of the Act?

Comments may be submitted by any of the following methods:

#### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-CboeBYX-2025-007 on the subject line.

#### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-CboeBYX-2025-007. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than

those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-CboeBYX-2025-007 and should be submitted by July 15, 2025. Rebuttal comments should be submitted by July 29, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>124</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-11526 Filed 6-23-25; 8:45 am]

**BILLING CODE 8011-01-P**

## **SECURITIES AND EXCHANGE COMMISSION**

**[OMB Control No. 3235-0121]**

### **Submission for OMB Review; Comment Request; Extension: Form 18—Registration Form**

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Form 18 (17 CFR 249.218) is a registration form that can be used for by a foreign government or political subdivision thereof to register securities for listing on a U.S. exchange. The information collected is intended to provide U.S. investors in relevant

foreign government securities with material information concerning those securities and the foreign government registrant so that investors can make informed investment decisions. The information required by Form 18 is mandatory, and the information is made publicly available on EDGAR.

We estimate that Form 18 takes approximately 8 hours per response and that approximately 5 responses are made annually. We derived our burden hour estimate by estimating the average number of hours it would take a foreign government or political subdivision thereof to compile the necessary information and data, prepare and review the disclosure, file documents, and retain records. We estimate that 100% of the burden is carried out internally by the foreign government or political subdivision thereof. Based on our estimates, we calculate the total reporting burden to be 40 hours annually ((8 hours per response × 100%) × 5 responses annually).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-012](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-012) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-11513 Filed 6-23-25; 8:45 am]

**BILLING CODE 8011-01-P**

<sup>124</sup> 17 CFR 200.30-3(a)(57).

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103290; File No. SR–IEX–2025–02]

### Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing of Amendment No. 3 to a Proposed Rule Change To Adopt Rules To Govern the Trading of Options on the Exchange for a New Facility Called IEX Options

June 18, 2025.

On January 10, 2025, the Investors Exchange LLC (“IEX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> a proposed rule change to adopt rules to govern the trading of options on IEX Options LLC, a facility of the Exchange that will be established in a separate rule filing. The proposed rule change was published for comment in the **Federal Register** on January 21, 2025.<sup>3</sup> On March 6, 2025, the Commission designated a longer period within which to take action on the proposed rule change.<sup>4</sup> On March 12, 2025, the Exchange filed Amendment No. 1 to the proposed rule change,<sup>5</sup> and Amendment No. 1 was published for comment in the **Federal Register** on March 19, 2025.<sup>6</sup> On April 21, 2025, the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change (“OIP”).<sup>7</sup> On June 13, 2025, the Exchange filed Amendment No. 2 to the proposed rule change, which it withdrew to correct a nonsubstantive pagination issue and refiled as Amendment No. 3 on June 17, 2025.<sup>8</sup> The Commission has received comments on the proposed rule

change.<sup>9</sup> The Commission is publishing this notice to solicit comments on the proposed rule change, as amended by Amendment No. 3, from interested persons. Items I and II below have been prepared by the Exchange.

#### I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

On January 10, 2025, IEX, pursuant to the provisions of Section 19(b)(1) under the Act<sup>10</sup> and Rule 19b–4 thereunder,<sup>11</sup> filed with the Commission proposed rule change SR–IEX–2025–02 (the “Initial Proposal”).<sup>12</sup> As described in the Initial Proposal, IEX is proposing to adopt rules to govern the trading of options on IEX Options LLC, a facility of the Exchange that will be established in a separate rule filing (referred to herein as “IEX Options”). On March 12, 2025, the Exchange filed with the SEC Amendment No. 1, which replaced and superseded the Initial Proposal in its entirety in order to provide increased clarity and modify certain aspects of the Initial Proposal as described therein (“Amendment No. 1 Proposal”). The Exchange is filing this Amendment No. 3 to provide increased clarity and modify certain aspects of the Amendment No. 1 Proposal as described herein. Amendment No. 3 replaces and supersedes Amendment No. 1 in its entirety. The Exchange previously filed Amendment No. 2 but withdrew it to correct a nonsubstantive pagination issue.

As proposed, the Exchange will operate IEX Options as a fully automated trading system built on the core functionality of the Exchange’s approved equities platform, and in a manner similar to that of other options exchanges. In addition, IEX Options will utilize a de minimis delay on incoming order and quote messages designed to enable IEX to obtain the most accurate view of the market prior to processing orders and quotes, and an optional Market Maker quote parameter designed to protect IEX Market Makers from excessive risk due to execution of quotes at stale prices (*i.e.*, before the market maker can update them in response to changed market data) that can be exploited by latency arbitrage strategies (as described below), in

addition to other risk protections substantially similar to those offered by other options exchanges.

The text of the proposed rule change is available at the Exchange’s website at <https://www.iexexchange.io/resources/regulation/rule-filings> and at the principal office of the Exchange.

#### II. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

##### A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

###### Overview

The Commission published the proposed rule change for comment in the **Federal Register** on January 21, 2025,<sup>13</sup> and on March 6, 2025, extended the review period to April 21, 2025.<sup>14</sup> The Commission published Amendment No. 1 for comment in the **Federal Register** on March 19, 2025.<sup>15</sup> On April 21, 2025 the Commission instituted proceedings to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1 (“OIP”).<sup>16</sup>

The Exchange is filing Amendment No. 3 to the Amendment No. 1 Proposal in order to provide increased clarity and modify certain aspects of Amendment No. 1, including to address the issues raised by the Commission in the OIP.

First, IEX proposes to revise the Options Risk Parameter (“ORP”) Indicator<sup>17</sup> formula specified in Supplementary Material .04 (Quote instability calculation) and Supplementary Material .05 (Calculation of implied volatility) to

<sup>13</sup> *Id.*

<sup>14</sup> See Securities Exchange Act Release No. 102536 (March 6, 2025), 90 FR 11866 (March 12, 2025).

<sup>15</sup> See Securities Exchange Act Release No. 102663 (March 13, 2025), 90 FR 12890 (March 19, 2025).

<sup>16</sup> See Securities Exchange Act Release No. 102895 (April 21, 2025); 90 FR 17474 (April 25, 2025).

<sup>17</sup> See proposed Rule 23.150(h)(1).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> See Securities Exchange Act Release No. 102190 (Jan. 14, 2025), 90 FR 7205.

<sup>4</sup> See Securities Exchange Act Release No. 102536, 90 FR 11866 (Mar. 12, 2025). The Commission designated April 21, 2025 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change. See *id.*

<sup>5</sup> Amendment No. 1 is publicly available on the Commission’s website at: <https://www.sec.gov/comments/sr-iex-2025-02/sriex202502-580115-1667463.pdf>.

<sup>6</sup> See Securities Exchange Act Release No. 102663 (Mar. 13, 2025), 90 FR 12890.

<sup>7</sup> See Securities Exchange Act Release No. 102895, 90 FR 17474 (April 25, 2025).

<sup>8</sup> Amendment No. 3 is publicly available on the Commission’s website at <https://www.sec.gov/comments/sr-iex-2025-02/sriex202502.htm>. See *infra* notes 17–19 and accompanying text for a further explanation of the proposed revisions to the proposed rule change set forth in Amendment No. 3.

<sup>9</sup> Comments on the proposed rule change are available at <https://www.sec.gov/comments/sr-iex-2025-02/sriex202502.htm>.

<sup>10</sup> 15 U.S.C. 78s(b)(1).

<sup>11</sup> 17 CFR 240.19b–4.

<sup>12</sup> See Securities Exchange Act Release No. 102190 (January 14, 2025), 90 FR 7205 (January 21, 2025) (“Initial Filing”), available at <https://www.iexexchange.io/resources/regulation/rule-filings>.

proposed Rule 23.150 to more narrowly tailor the parameters of the calculation and provide greater clarity with respect to the variable values included therein. Specifically, IEX proposes to revise proposed Supplementary Material .04(1)(q) and (2)(e), and Supplementary Material .05 to codify the initial value for each of three variables used in the application of the ORP: (1) Delta Bound Band; (2) Quote Instability Threshold; and (3) the frequency of the calculation of implied volatility, respectively, and provide that, if the Exchange determines to change any of the codified values within the specified ranges or values, as applicable, it will do so by submitting a rule filing pursuant to Rule 19b-4(f)(1) under the Exchange Act or other appropriate rule filing type.

Second, the Exchange provides data analysis estimating that the ORP would only have a de minimis impact on market maker quotes on IEX thus evidencing that its benefit is designed to be narrowly tailored to protect against latency arbitrage strategies. As described herein, IEX expects that for significantly more than 99% of the trading day the ORP would not impact a quote on IEX.

Third, IEX provides clarifications and additional support for certain aspects of its proposed rule change as described herein.

Fourth, IEX proposes to revise proposed Rule 19.160 concerning when accounts should be aggregated when determining position limits, substantially similar to provisions in CBOE's rules.<sup>18</sup>

Finally, IEX makes several non-substantive terminology revisions to enhance clarity.<sup>19</sup>

The Exchange proposes to adopt a series of rules in connection with IEX Options, which will be a facility of the Exchange.<sup>20</sup> As proposed, the Exchange will operate IEX Options as a fully automated trading system built on the core functionality of the Exchange's approved equities platform, and in a

<sup>18</sup> Specifically, IEX proposes to adopt language from CBOE Rule 8.30 Interpretation and Policy .03(c)(4) in new subsection (f)(2)(D) to proposed Rule 19.160 and from CBOE Rule 8.30 Interpretation and Policy .09 in new Supplementary Material .03 to proposed Rule 19.160.

<sup>19</sup> Specifically, in this Amendment No. 3 references to Cboe Exchange, Inc. are to CBOE rather than C1, and the Options trading system is referred to as the "System" rather than the "Trading System."

<sup>20</sup> IEX will file a separate proposed rule change with the Commission pursuant to Section 19 of the Act to provide that IEX Options will be operated by IEX Options LLC, a Delaware limited liability company wholly owned by the Exchange, as a facility of the Exchange as that term is defined in Section 3(a)(2) of the Act.

manner similar to that of other options exchanges.<sup>21</sup>

As proposed, IEX Options will operate an electronic trading system to list and trade options issued by the Options Clearing Corporation ("Clearing Corporation" or "OCC"). Specifically, IEX proposes to operate a fully automated, pro-rata priority options market in a manner similar to that of other options exchanges. In addition, IEX Options will utilize a de minimis delay on incoming order and quote messages designed to enable IEX to obtain the most accurate view of the market prior to processing orders and quotes, and an optional Market Maker quote parameter designed to protect Market Makers from excessive risk due to execution of quotes at stale prices, in addition to other risk protections substantially similar to those offered by other options exchanges.

The Exchange proposes to adopt rules applicable to IEX Options that are substantially similar to the approved rules of the MEMX, CBOE, MIAX, and NYSE Amex and Arca options exchanges, with the material proposed differences described herein.<sup>22</sup>

As provided in proposed Rule 17.110 (Applicability), existing Exchange Rules<sup>23</sup> applicable to the IEX equities market contained in Chapters 1 through 16 of the Exchange Rules will apply to Options Members unless a specific Exchange Rule applicable to the IEX Options market (in proposed Chapters 17 through 29 of the Exchange Rules) governs or unless the context otherwise requires.

The IEX Options System<sup>24</sup> will provide for the electronic display and execution of orders on a pro-rata basis. All Exchange Members will be eligible to participate in IEX Options by qualifying as Options Members<sup>25</sup> and obtaining one or more trading permits for their activity on IEX Options, in

<sup>21</sup> The IEX Options proposed rules are largely based on the rules of other options exchanges, as described herein. When a particular proposed rule is described as "substantively identical" to a rule(s) of another exchanges that means that the substance of the proposed IEX Options rule is identical to the referenced rule of the other exchange, with differences only to reflect terminology and numbering. When a particular proposed rule is described as "substantially similar" to a rule(s) of another exchange this rule filing describes the relevant differences.

<sup>22</sup> See rulebooks of MEMX LLC ("MEMX"), Cboe Exchange, Inc. ("CBOE"), Miami International Securities Exchange, LLC ("MIAX"), NYSE Arca, Inc. ("NYSE Arca Options"), and NYSE American LLC ("NYSE Amex Options"). However, IEX is not proposing to trade index options at this time and therefore is not proposing rules for the listing and trading of index options.

<sup>23</sup> See IEX Rule 1.160(jj).

<sup>24</sup> See proposed Rule 22.100(a).

<sup>25</sup> See proposed Rule 17.100.

accordance with applicable IEX Options rules. The IEX Options System will provide an optional routing service for orders when trading interest is not present on IEX Options and will comply with all applicable securities laws and regulations and the obligations of the Options Order Protection and Locked/Crossed Market Plan.

## Background

IEX began operation as a national securities exchange in 2016, introducing an innovative market design that includes a 350-microsecond speed bump and an indicator.<sup>26</sup> These features were designed to protect resting liquidity generally, as well as to increase displayed liquidity, which enhances price discovery and the quality of markets overall. These innovations have been successful in counteracting the ability of market participants to exploit speed-based advantages when the market is in transition.

Latency arbitrage is a high-speed trading strategy that exploits microsecond resolution differences in market data dissemination and trade reaction times. In essence, it involves detecting price changes (or inconsistencies) in one market and racing to trade on another market before those prices fully update. Typical latency arbitrageurs trade with their own capital and invest heavily in highly sophisticated technology and connectivity to facilitate said strategies. They leverage these technological and speed advantages to execute rapidly against passive resting orders and quotes at outdated "stale" prices, microseconds before a liquidity provider has had a fair opportunity to modify or cancel (or is in the process of modifying or cancelling) its orders to reflect updated market conditions. Given the exponential growth in options tradeable instruments (over 1.5 million individual series) and the quote-driven nature of options markets, market makers are uniquely susceptible to such strategies. This essentially represents a risk-free profit for the taker whose true cost flows to all participants as market makers price such activity into their quoted spreads. This results in artificially wide markets that reduce trading opportunities to the detriment of all market participants.<sup>27</sup>

<sup>26</sup> See *infra* notes 206 and 208 and accompanying text.

<sup>27</sup> As the Commission has explained, latency arbitrage occurs in the securities markets "[i]n those rare moments when market prices are in transition, a race condition exists between liquidity providers who want to reprice their on-exchange displayed liquidity to reflect the changing market prices and

Since Commission approval as an exchange, and more recently of its D-Limit order type, IEX has grown in quote presence and market share as market participants increasingly choose to trade on its exchange, drawn by its innovative technology designed to protect all participants, including liquidity providers, from latency arbitrage. Comparing the third quarter of 2020 to the second quarter of 2025, IEX has experienced a dramatic increase in the time and size in which quotes entered on IEX are displayed on both sides of the NBBO (time increased from 1.1% to 27.9% while size increased from 0.6% to 11.6%), as well as a significant increase in traded volume and market share. IEX believes that these increases evidence that market participants value its protective innovations. Further, markouts for resting D-Limit orders on IEX, which measure the magnitude and direction of price moves after a trade, are substantially better when compared to other exchanges with at least 1% market share, evidencing D-Limit's narrowly tailored protection from latency arbitrage (\$0.0017 per share compared to –\$0.0030 per share).<sup>28</sup> And fill rates for orders attempting to trade with displayed orders on IEX have remained consistent.

In today's options marketplace, liquidity is primarily derived from market maker quotes and there are vastly more securities listed and traded than on equities exchanges; more than 1.5 million options series compared to approximately 10,000 National Market System ("NMS") securities. Because of the large number of options series, there are less likely to be investor limit orders resting displayed on an exchange in any one series at any given time, so prices are commonly set by registered market makers' quotes. Thus, the need for such protections is paramount to maintaining and increasing liquidity available in the marketplace. Options market makers, even more so than equities market

the liquidity takers who want to take before those updates can occur." See Securities Exchange Act Release No. 89686 (August 26, 2020), 85 FR 54438, at 54442 (September 1, 2020) (SR-IEX-2019-15) ("2020 SEC Approval Order"). Those liquidity providers who cannot react as fast to changing market conditions are subject to adverse selection of executions at stale prices. See *id.*; see also *Citadel Securities LLC v. Securities and Exchange Commission*, 45 F.4th 27, 31 (D.C. Cir. 2022) (explaining that exchanges experience latency whereby certain high-frequency traders can take securities at old-stale prices just before updated prices reach the exchange).

<sup>28</sup> Markouts are measured by comparing the trade price to the midpoint of the NBBO one second after the trade, expressed in mils/share, excluding any fees/rebates. (Source: NYSE Trade and Quote data and IEX market data.)

makers, are left highly vulnerable, particularly given the number of securities they are quoting, to latency arbitrage which has an impact on their quoting activity in each security.

IEX believes that implementing the proposed protective measures would enhance the fairness and orderliness of the market, support the integrity of the public price discovery process, and mitigate competitive imbalances consistent with Exchange Act goals.<sup>29</sup> The measures are designed to improve the execution quality experience of market participants that are affected by adverse selection and this improved execution quality could encourage more displayed liquidity and contribute to tighter spreads.<sup>30</sup> IEX further believes that the innovations, that have been proven to increase displayed liquidity in the equity markets, would be equally, if not more beneficial to the options market given the market structure described above.

Various tools provided by all options exchanges are designed to enable market makers to manage risks, including those presented by latency arbitrage, and to enhance quote accuracy on their markets (as described below). In IEX's continuing efforts to find innovative solutions to assist liquidity providers in managing risk, IEX seeks to extend its proven, innovative technology to further assist options market makers in managing such risks and thereby promote fairer markets and mitigate speed-based advantages on its platform. This business choice in exchange offerings supports the fostering of technological innovation and dynamic competition in the options markets, as envisioned by the Exchange Act.

### IEX Options Members

Pursuant to the proposed rules in Chapter 18 (Participation on IEX Options), the Exchange will authorize any Exchange Member that meets certain enumerated qualification requirements (any such Member, an "Options Member") and any Options Member's Sponsored Participants to obtain access to, and transact business on, IEX Options.<sup>31</sup>

<sup>29</sup> See *infra* note 163 discussing structural challenges facing market makers.

<sup>30</sup> See, e.g., Citadel Securities, *Market Lens*, July 2020 ("Market Lens") (explaining that "a wide array of market participants seek to lower their risk of inopportune executions by constantly updating their orders to reflect changing market conditions" and this can lead to higher quote cancellation rates and frequent quote updates to reflect accurate prices), available at [https://www.citadel.com/securities/wp-content/uploads/sites/2/2020/07/Market-Lens-Order-Cancellation-White-Paper\\_FINAL.pdf](https://www.citadel.com/securities/wp-content/uploads/sites/2/2020/07/Market-Lens-Order-Cancellation-White-Paper_FINAL.pdf).

<sup>31</sup> See proposed Rules 18.100, 18.110, 18.120, and 18.130.

There will be three types of Options Members—Options Order Entry Firms ("OEFs"), Options Market Makers, and Options Clearing Members. Options Members may act in one, two, or all such capacities. OEFs will be those Options Members representing Customer Orders as agent on IEX Options or trading as principal on IEX Options. Options Market Makers, in turn, will be eligible to participate as Registered Market Makers or Specialists, as set forth in Rule 23.100. Additionally, all Options Market Makers may participate as Directed Market Makers.<sup>32</sup> Clearing Members will be those Options Members that have been admitted to membership in the Clearing Corporation pursuant to the provisions of the Rules of the Clearing Corporation and are self-clearing or that clear IEX Options Transactions for other Options Members.

IEX proposes to issue different types of Trading Permits to Options Members that allow the Trading Permit Holders to: (i) trade one or more products authorized for trading on the Exchange; (ii) act in one or more trading functions authorized by the Rules of IEX Options; and/or (iii) act as a Clearing Member.<sup>33</sup> Trading Permits shall be for the types and terms as shall be determined by the Exchange from time to time, and subject to effectiveness of one or more rule filings pursuant to Section 19(b) of the Act. The proposed rule governing IEX's Trading Permits, Rule 18.140, is based on CBOE Rule 3.1.<sup>34</sup>

The rules governing Registered Market Makers and Specialists are substantially based on MIAx and CBOE rules.<sup>35</sup> To become an Options Market

<sup>32</sup> Directed Market Makers would be subject to enhanced quoting obligations (as compared to Registered Market Makers) as set forth in proposed Rule 23.150(e)(3), which is substantively identical to NYSE Amex Options Rule 964.1NYP.

<sup>33</sup> See proposed Rule 18.140.

<sup>34</sup> On CBOE, part of the process of applying to be a Trading Permit Holder is for a broker-dealer to qualify as a participant or member of the exchange. IEX's proposed rule therefore differs from CBOE Rule 3.1 because it does not include the membership qualification-related provisions that are addressed elsewhere in IEX's proposed Chapter 18. In particular, IEX is not proposing to incorporate CBOE Rule 3.1(a)(3)'s language regarding jurisdiction over Trading Permit Holders because it is covered by Rule 2.120 (requiring all IEX Members to consent to the Exchange's jurisdiction) and proposed Rule 18.140(e) (applying the Exchange's jurisdictional authority to all Options Members). In addition, CBOE's rule includes limitations on the number of trading permits the exchange may issue. IEX is not proposing such limitations.

<sup>35</sup> See MIAx Rules 600–609 (regarding market maker qualifications and obligations) and MIAx Rules 514(d), (e), and (g) (regarding market maker quoting and priority). The primary differences between these MIAx rules and IEX's proposed

Continued

Maker, an Options Member will be required to register by filing a written application and obtain any required trading permits.<sup>36</sup> The Exchange will not place any limit on the number of entities that may become Options Market Makers, the number of appointments an Options Market Maker may have, or the number of Options Market Makers that may have appointments in a class unless the Exchange determines to impose any such limit based on system constraints, capacity restrictions, or other factors relevant to protecting the integrity of the System. The Exchange will not impose any such limitations until it has submitted objective standards for imposing the limits to the Commission for its review and approval.<sup>37</sup>

As proposed, the Exchange shall appoint Registered Market Makers to one or more classes of options contracts traded on the Exchange. In making such appointments the Exchange shall consider the financial resources available to the Registered Market Maker, the Registered Market Maker's experience and expertise in market making or options trading, the preferences of the Registered Market Maker to receive appointments in specific options classes, and the maintenance and enhancement of competition among Registered Market Makers in each class of options contracts to which they are appointed.<sup>38</sup>

While there may be several Registered Market Makers appointed to a particular class of options contracts, the Exchange may appoint only one Specialist to each options class traded on the Exchange.<sup>39</sup> To be appointed as a Specialist, an Options Member must first satisfy the criteria for appointment as a Registered Market Maker set forth in Rule 23.120(a)(1) and then must participate

in the Specialist Qualification Process conducted by the Exchange and detailed in proposed Rule 23.130(b).<sup>40</sup> Factors to be considered for selection as a Specialist include, but are not limited to, representations regarding capital operations, personnel or technical resources.<sup>41</sup> After designating certain Market Makers as Specialists, the Exchange will conduct a process to determine which options classes to allocate to which Specialist, based upon which candidate appears best able to perform the functions of a Specialist in the designated options classes. Factors to be considered in the allocation of options classes to Specialists by the Exchange include, but are not limited to the following: experience with trading the options issue; adequacy of capital; willingness to promote the Exchange as a marketplace; operational capacity; support personnel; history of adherence to Exchange rules and securities laws; and evaluations made pursuant to proposed Rule 23.130(f).<sup>42</sup> The Exchange will also consider the number and quality of issues that have been allocated, reallocated or transferred to a Specialist and the Specialist's willingness to promote the Exchange as a marketplace.<sup>43</sup>

The Exchange will also evaluate the performance of Specialists, and upon a finding that a Specialist failed to meet minimum performance standards, may take adverse action against the Specialist; Specialists shall have the right to appeal any adverse actions against them pursuant to IEX Rule Series 9.500, which governs adverse actions.<sup>44</sup>

Quotations may only be entered by a Market Maker and only in classes of options contracts to which the Market Maker is appointed.<sup>45</sup> Market Makers may also submit orders in classes of options contracts to which the Market Maker is appointed, which shall

constitute a quote, and thus would help to satisfy the Market Maker's quoting obligation.<sup>46</sup> In addition, an Options Market Maker with an OEF trading permit may submit orders in classes of options in which the Market Maker has no appointment, provided that the total number of such orders executed by the Market Maker do not exceed 25% of all contracts the Market Maker executes on the Exchange in any calendar quarter.<sup>47</sup>

Options Market Makers will be required to electronically engage in a course of dealing reasonably calculated to contribute to the maintenance of fair and orderly markets.<sup>48</sup> IEX does not propose to incorporate MIAX's requirement that Market Makers refrain from purchasing an option at a price more than \$0.25 below parity,<sup>49</sup> because IEX does not believe the restriction is necessary to the maintenance of fair and orderly markets requirement, and notes that other exchanges do not include this restriction.<sup>50</sup> Market Makers will be required to maintain a two-sided market on a continuous basis<sup>51</sup> in at least 60% of the non-adjusted options series to which they are appointed as Registered Market Makers and at least 90% of the non-adjusted options series to which they are appointed as Specialists, provided the options classes have a time to expiration of less than nine months.<sup>52</sup> And, as noted above, Directed Market Makers are subject to enhanced quoting obligations compared to Registered Market Makers.<sup>53</sup> Market Makers and Specialists may use quotes and orders to meet the applicable quoting requirements. These obligations will not apply to an intra-day add-on series on the day during which such series was added for trading. Market Maker quotes must be firm quotes that comply with enumerated price and size rules.<sup>54</sup> These obligations also will not apply when an Options series is halted because the underlying security has entered a Limit or Straddle state.<sup>55</sup>

Market Maker rules are: (1) MIAX has three tiers of market makers, while IEX proposes to have two tiers; (2) MIAX puts Market Makers at a priority level above other non-Priority Customer interest, while IEX will not (IEX's proposed rules are substantively identical to the priority rules in CBOE Rule 5.32 as it pertains to CBOE's Preferred Market Makers); (3) IEX proposes to allocate participation entitlements for Specialists with a priority quote based on the amount of non-Priority customer interest (which is how CBOE Rule 5.32(a)(2)(B) allocates priority overlays), while MIAX only looks at the amount of other market maker interest; and (4) MIAX offers a Market Turner priority overlay which IEX is not proposing to adopt.

<sup>36</sup> See proposed Rules 23.100 and 18.140.

<sup>37</sup> This provision is substantively identical to MEMX Rule 22.2(c) and MIAX Rule 600(d).

<sup>38</sup> See proposed Rule 23.120(a)(1).

<sup>39</sup> See proposed Rule 23.130(g)(1)(A), which is substantively identical to NYSE Amex Options Rule 923NY(b). The language providing that the Exchange "may" appoint only one Specialist to each options class is based upon and substantively identical to NYSE Amex Options Rule 923NY(b).

<sup>40</sup> IEX based the proposed Specialist rule (23.130) on NYSE Amex Options Rules 927NY, 927.1NY, and 927.2NY because these rules provide clear instructions to prospective Specialist candidates about the manner in which the Exchange selects and evaluates Specialists, and detailed rules about Specialist rights and obligations.

<sup>41</sup> See proposed Rule 23.130(b)(1). This rule is substantively identical to NYSE Amex Options Rule 927NY, with the exception that IEX is not proposing to obligate Specialists to make FLEX quotes, because those are not offered by the Exchange.

<sup>42</sup> See proposed Rule 23.130(g). This rule is substantively identical to NYSE Amex Options Rule 927.2NY.

<sup>43</sup> *Id.*

<sup>44</sup> See proposed Rule 23.130(b)(2), and (f). These rules are substantively identical to NYSE Amex Options Rules 927NY(b)(2) and 927.1NY, respectively.

<sup>45</sup> See proposed Rule 23.150(a).

<sup>46</sup> See proposed Rule 17.100 (defining "Quote" to include orders entered by a Market Maker in the option series to which such Market Maker is registered).

<sup>47</sup> See proposed Rule 23.150(g).

<sup>48</sup> See proposed Rule 23.140(a).

<sup>49</sup> See MIAX rule 603(a).

<sup>50</sup> See, e.g., NYSE Arca Options Rule 6.37-O.

<sup>51</sup> "Continuous quoting" is defined as 90% of the time. See proposed Rule 23.150(e).

<sup>52</sup> See proposed Rule 23.150(e)(2) and (e)(1). Proposed Rule 23.150(e)(1) is based upon and substantively identical to NYSE Amex Options Rule 925.1NYP(b) and proposed Rule 23.150(e)(2) is based upon and substantively identical to NYSE Amex Options Rule 925.1NYP(c).

<sup>53</sup> See *supra* note 29.

<sup>54</sup> See proposed Rule 23.150(b) and (d).

<sup>55</sup> See Supplementary Material .01 to proposed Rule 23.150(h), which is substantively identical to MIAX Rule 530(f)(1).

Registered Market Makers and Specialists also must maintain minimum net capital in accordance with Commission and Exchange rules.<sup>56</sup> Substantial or continued failure by an Options Market Maker to meet any of its obligations and duties will subject the Options Market Maker to disciplinary action, suspension, or revocation of the Market Maker's registration as such or its appointment in one or more of its appointed options classes.<sup>57</sup>

As on other exchanges, Options Market Makers receive certain benefits for carrying out their duties. For example, a lender may extend credit to a broker-dealer without regard to the restrictions in Regulation T of the Board of Governors of the Federal Reserve System if the credit is to be used to finance the broker-dealer's activities as a specialist or market maker on a national securities exchange. Thus, an Options Market Maker has a corresponding obligation to hold itself out as willing to buy and sell options for its own account on a regular or continuous basis to justify this favorable treatment.

Every Options Member shall at all times maintain membership in another registered options exchange that is not registered solely under Section 6(g) of the Exchange Act or in the Financial Industry Regulatory Association ("FINRA").<sup>58</sup> OEFs and other Options Members that transact business with Public Customers must at all times be members of FINRA. Pursuant to proposed Rule 18.110(h), every Options Member will be required to have at least one registered Options Principal who satisfies the criteria of that rule, including the satisfaction of a proper qualification examination. An OEF may only transact business with Public Customers if such Options Member also is an Options Member of another registered national securities exchange or association with which the Exchange has entered into an agreement under Rule 17d-2 under the Exchange Act<sup>59</sup> pursuant to which such other exchange

or association shall be the designated options examining authority for the OEF.<sup>60</sup>

The proposed rules relating to qualification and participation on IEX Options as an Options Member (including as an OEF, Options Market Maker, or Clearing Member) are substantively identical to the relevant rules of MEMX Options.<sup>61</sup>

As provided in proposed Rule 17.110, existing Exchange Rules applicable to the IEX equities market contained in Chapters 1 through 16 of the Exchange Rules will apply to Options Members unless a specific Exchange Rule applicable to the IEX Options market (proposed Chapters 17 through 29 of the Exchange Rules) governs or unless the context otherwise requires. Options Members can therefore provide sponsored access to the IEX Options Exchange to a non-Member (*i.e.*, a Sponsored Participant) pursuant to Rule 11.130 of the Exchange Rules.

#### Definitions

The Exchange proposes to define a series of terms under proposed Rule 17.100 (Definitions), which are to be used in proposed Chapters 17 to 29 relating to the trading of options contracts on the Exchange. Unless otherwise indicated, all of the terms defined in proposed Rule 17.100 are either identical or substantially similar to definitions included in MEMX Rule 16.1. Any modifications to the MEMX definitions, or definitions based upon the rules of other exchanges are specifically indicated below.

The definitions under proposed Rule 17.100 are as follows:

- **ABBO.** The term "ABBO" or "Away Best Bid or Offer" means the best bid(s) or offer(s) disseminated by other Eligible Exchanges (as defined in Rule 28.100) and calculated by the Exchange based on market information the Exchange receives from OPRA.<sup>62</sup>

- **Aggregate Exercise Price.** The term "Aggregate Exercise Price" means the exercise price of an options contract multiplied by the number of units of the underlying security covered by the options contract.

- **American-Style Option.** The term "American-Style" option means an options contract that, subject to the provisions of Rule 24.100 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, may be exercised at any

time from its commencement time until its expiration.

- **Associated Person and Person Associated with an Options Member.** The terms "associated person" and "person associated with an Options Member" mean any partner, officer, director, or branch manager of an Options Member (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with an Options Member or any employee of an Options Member, except that any person associated with an Options Member whose functions are solely clerical or ministerial shall not be included in the meaning of such term for purposes of these Rules.

- **Bid.** The term "bid" means a Limit order to buy one or more options contracts.

- **Board.** The term "Board" means the Board of Directors of Investors' Exchange LLC.

- **Call.** The term "call" means an options contract under which the holder of the option has the right, in accordance with the terms of the option, to purchase from the Clearing Corporation the number of shares of the underlying security covered by the options contract.

- **Capacity.** The term "capacity" means the capacity in which a User submits an order, which the User specifies by applying the corresponding code to the order. The capacity codes available on IEX Options will be listed in publicly available specifications and published in a Regulatory Circular.

- **Class of Options.** The terms "class" or "class of options" mean all options contracts with the same unit of trading covering the same underlying security.

- **Clearing Corporation and OCC.** The terms "Clearing Corporation" and "OCC" mean The Options Clearing Corporation.

- **Clearing Member.** The term "Clearing Member" means an Options Member that is self-clearing or an Options Member that clears IEX Options Transactions for other Options Members.

- **Closing Purchase Transaction.** The term "closing purchase transaction" means an IEX Options Transaction that reduces or eliminates a short position in an options contract.

- **Closing Writing Transaction.** The term "closing writing transaction" means an IEX Options Transaction that reduces or eliminates a long position in an options contract.

- **Control.** The term "control" means the power to exercise a controlling influence over the management or

<sup>56</sup> See proposed Rule 23.180 (\$200,000 net capital requirement for Registered Market Makers), which is substantively identical to MEMX Rule 22.9 and proposed Rule 23.130(c)(1)(H) (\$1,000,000 net capital requirement for Specialists), which is substantively identical to Amex Options Rule 927NY(c)(10).

<sup>57</sup> See proposed Rule 23.120(f). NYSE Amex Options Rule 927.1NY(1)(B) specifies that NYSE Amex Options provides its specialists information related to their market share in allocated issues on a monthly basis as part of the evaluation process. IEX is not proposing to include this provision because it understands that Specialist firms are well-equipped to monitor their market share and performance on IEX and other markets.

<sup>58</sup> See proposed Rule 18.110(g).

<sup>59</sup> 17 CFR 240.17d-2.

<sup>60</sup> See proposed Rule 27.100.

<sup>61</sup> See MEMX Rulebook Chapters 17 and 22.

<sup>62</sup> IEX notes that this definition differs from the MEMX definition of ABBO by spelling out the phrase "Away Best Bid or Offer" that ABBO refers to for added clarity.

policies of a person, unless such power is solely the result of an official position with such person. Any person who owns beneficially, directly or indirectly, more than 20% of the voting power in the election of directors of a corporation, or more than 25% of the voting power in the election of directors of any other corporation which directly or through one or more affiliates owns beneficially more than 25% of the voting power in the election of directors of such corporation, shall be presumed to control such corporation.<sup>63</sup>

- **Covered Short Position.** The term “covered short position” means (i) an options position where the obligation of the writer of a call option is secured by a “specific deposit” or an “escrow deposit” meeting the conditions of Rules 610(f) or 610(g), respectively, of the Rules of the Clearing Corporation, or the writer holds in the same account as the short position, on a share-for-share basis, a long position either in the underlying security or in an options contract of the same class of options where the exercise price of the options contract in such long position is equal to or less than the exercise price of the options contract in such short position; and (ii) an options position where the writer of a put option holds in the same account as the short position, on a share-for-share basis, a long position in an options contract of the same class of options where the exercise price of the options contract in such long position is equal to or greater than the exercise price of the options contract in such short position.

- **Customer.** The term “Customer” means a Public Customer or a broker-dealer.

- **Customer Order.** The term “Customer order” means an agency order for the account of a Customer.

- **Directed Order.** The term “Directed Order” is an order entered into the System by an Options Member with a designation for a Market Maker in that class (referred to as a “Directed Market Maker” or “DMM”). To qualify as a Directed Order, an order must be entered on behalf of a Priority Customer.<sup>64</sup>

<sup>63</sup> This definition is substantively identical to the definition in CBOE Rule 1.1. IEX proposes to incorporate this definition, because the term is not specifically defined in the MEMX rulebook and IEX believes that term would provide helpful context to Options Members with respect to other rules that use the term, e.g., proposed IEX Rule 19.200.

<sup>64</sup> This definition is based upon the definition in MIAX Options Exchange (“MIAX”) Rule 100, with the distinction that IEX proposes to make any Market Maker eligible to receive a Directed Order, while MIAX only allows their Lead Market Makers (akin to IEX’s proposed “Specialists”) and Primary Lead Market Makers eligible; this aspect of IEX’s

- **Discretion.** The term “discretion” means the authority of a broker or dealer to determine for a Customer the type of option, the class or series of options, the number of contracts, or whether options are to be bought or sold.

- **European-Style Option.** The term “European-style option” means an options contract that, subject to the provisions of Rule 24.100 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, can be exercised only on its expiration date.

- **Exchange Act.** The term “Exchange Act” or “Act” means the Securities Exchange Act of 1934, as amended, or Rules thereunder.

- **Exercise Price.** The term “exercise price” means the specified price per unit at which the underlying security may be purchased or sold upon the exercise of an options contract.

- **He, Him, and His.** The terms “he,” “him” and “his” are deemed to refer to persons of female as well as male gender, and to include organizations, as well as individuals, when the context so requires.

- **IEX Exchange and Exchange.** The terms “IEX Exchange” and “Exchange” mean Investors’ Exchange LLC, a registered national securities exchange.

- **IEX Options.** The term “IEX Options” means IEX Options LLC, a Delaware limited liability company wholly owned by the Exchange, which operates as an options trading facility of the Exchange under Section 3(a)(2) of the Exchange Act.

- **IEX Options Book.** The term “IEX Options Book” means the electronic book of options orders maintained by the System.<sup>65</sup>

- **IEX Options Transaction.** The term “IEX Options Transaction” means a transaction involving an options contract that is effected on or through IEX Options or its facilities or systems.<sup>66</sup>

- **Individual Equity Option.** The term “individual equity option” means an options contract which is an option on an equity security.

- **Long Position.** The term “long position” means a person’s interest as the holder of one or more options contracts.

proposed rule change is based upon and substantially similar to CBOE Rule 5.32. Additionally, IEX proposes to include language in the last sentence of this definition based on NYSE Amex Rule 900.3NYP(i)(4) to clarify that an order submitted on behalf of a non-Priority Customer would be treated as a non-Directed Order.

<sup>65</sup> This definition is substantively identical to the equivalent definition in the MEMX rulebook, except that it refers to IEX, not MEMX.

<sup>66</sup> This definition is substantively identical to the equivalent definition in the MEMX rulebook, except that it refers to IEX, not MEMX.

- **Market Makers (and Options Market Makers).** The terms “Market Makers” or “Options Market Makers” refer collectively to Options Members registered, pursuant to Rule 23.100, as either a “Registered Market Maker” or a “Specialist”.<sup>67</sup>

- **MPID.** The term “MPID” means unique market participant identifier assigned to an Options Member.

- **NBB, NBO, and NBBO.** The term “NBB” means the national best bid, the term “NBO” means the national best offer, and the term “NBBO” means the national best bid or offer as calculated by IEX Options based on market information received by IEX Options from OPRA.

- **Offer.** The term “offer” means a Limit order to sell one or more options contracts.

- **OPRA.** The term “OPRA” means the Options Price Reporting Authority.

- **Opening Purchase Transaction.** The term “opening purchase transaction” means a IEX Options Transaction that creates or increases a long position in an options contract.

- **Opening Writing Transaction.** The term “opening writing transaction” means a IEX Options Transaction that creates or increases a short position in an options contract.

- **Options Contracts.** The term “options contract” means a put or a call issued, or subject to issuance by the Clearing Corporation pursuant to the Rules of the Clearing Corporation.

- **Options Market Close and Market Close.** The terms “options market close” and “market close” mean the time the Exchange specifies for the end of a trading session on the Exchange on that trading day.

- **Options Market Open and Market Open.** The terms “options market open” and “market open” mean the time the Exchange specifies for the beginning of a trading session on the Exchange on that trading day.

- **Options Member.** The term “Options Member” means a firm, or organization that is registered with the Exchange pursuant to Chapter 18 of these Rules for purposes of participating in options trading on IEX Options as an “Options Order Entry Firm”, “Options Market Maker”, or “Clearing Member.”

<sup>67</sup> This definition is substantively identical to the definition in the MIAX rulebook, except that MIAX has three classes of Market Makers (Registered Market Makers, Lead Market Makers, and Primary Lead Market Makers) while IEX proposes to have two classes of Market Makers: Registered Market Makers (equivalent to MIAX Registered Market Maker) and Specialists (which is based on MIAX’s Lead Market Maker and Primary Lead Market Maker rules). IEX proposes to incorporate this definition, because the Market Maker rules proposed herein are substantially based upon the rules of MIAX.

- Options Member Agreement. The term “Options Member Agreement” means the agreement to be executed by Options Members to qualify to participate on IEX Options.

- Options Order Entry Firm, Order Entry Firm, and OEF. The terms “Options Order Entry Firm” and “Order Entry Firm” or “OEF” mean those Options Members representing as agent Customer Orders on IEX Options and those non-Market Maker Members conducting proprietary trading.

- Options Principal. The term “Options Principal” means a person engaged in the management and supervision of the Options Member’s business pertaining to options contracts that has responsibility for the overall oversight of the Options Member’s options related activities on the Exchange.

- Order. The term “order” means a firm commitment to buy or sell options contracts as defined in Rule 22.100.

- Outstanding. The term “outstanding” means an options contract which has been issued by the Clearing Corporation and has neither been the subject of a closing writing transaction nor has reached its expiration date.

- Primary Market. The term “primary market” means the primary exchange on which an underlying security is listed.<sup>68</sup>

- Priority Customer and Priority Customer Order. The term “Priority Customer” means any person or entity that is not: (A) a broker or dealer in securities; or (B) a Professional. The term “Priority Customer Order” means an order for the account of a Priority Customer.

- Professional. The term “Professional” means any person or entity that (A) is not a broker or dealer in securities; and (B) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). All Professional orders shall be appropriately marked by Options Members.<sup>69</sup>

- Protected Quotation. The term “Protected Quotation” has the meaning provided in Rule 28.100.

- Public Customer and Public Customer Order. The term “Public Customer” means a person that is not a broker or dealer in securities. The term “Public Customer Order” means an

order for the account of a Public Customer.

- Put. The term “put” means an options contract under which the holder of the option has the right, in accordance with the terms and provisions of the option and the Rules of the OCC, to sell to the Clearing Corporation the number of units of the underlying security covered by the options contract, at a price per unit equal to the exercise price, upon the timely exercise of such option.

- Quarterly Options Series. The term “Quarterly Options Series” means a series in an options class that is approved for listing and trading on the Exchange in which the series is opened for trading on any business day and expires at the close of business on the last business day of a calendar quarter.

- Quote or Quotation. The terms “quote” or “quotation” means a bid or offer entered by a Market Maker as a firm order that updates the Market Maker’s previous bid or offer, if any. When the term order is used in these Rules and a bid or offer is entered by the Market Maker in the options series to which such Market Maker is registered, such order shall, as applicable, constitute a quote or quotation for purposes of these Rules. A quote or quotation may be canceled or repriced in accordance with Rules 22.250, 22.260, or 23.150, if so designated by the Market Maker to assist in its risk management.

- Registered Market Maker. The term “Registered Market Maker” means an Options Member registered with the Exchange for the purpose of making markets in securities traded on the Exchange, who is vested with the rights and responsibilities specified in Chapter 23 of these Rules with respect to Registered Market Makers.<sup>70</sup>

- Responsible Person. The term “Responsible Person” means a U.S.-based officer, director, or management-level employee of an Options Member, who is registered with the Exchange as an Options Principal, responsible for the direct supervision and control of associated persons of that Options Member.

- Rules of IEX Options. The term “Rules of IEX Options” mean the rules contained in Chapters 17 to 29 of the Investors Exchange Rules governing the trading of options on the Exchange.

- Rules of the Clearing Corporation and Rules of the OCC. The terms “Rules of the Clearing Corporation” and “Rules

of the OCC” mean the Certificate of Incorporation, the By-Laws and the Rules of the Clearing Corporation, and all written interpretations thereof, as may be in effect from time to time.

- SEC or Commission. The terms “SEC” or “Commission” mean the United States Securities and Exchange Commission.

- Series of Options. The terms “series” or “series of options” mean all options contracts of the same class that are the same type of options and have the same exercise price and expiration date.

- Short Position. The term “short position” means a person’s interest as the writer of one or more options contracts.

- Short Term Options Series. The term “Short Term Options Series” means a series in an options class that is approved for listing and trading on the Exchange in which the series is opened for trading on any Monday, Tuesday, Wednesday, Thursday or Friday that is a business day and that expires on the Monday, Tuesday, Wednesday, Thursday or Friday of the next business week, or, in the case of a series that is listed on a Friday and expires on a Monday, is listed one business week and one business day prior to that expiration. If a Tuesday, Wednesday, Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Tuesday, Wednesday, Thursday or Friday, respectively. For a series listed pursuant to this section for Monday expiration, if a Monday is not a business day, the series shall expire on the first business day immediately following that Monday.

- Specialist. The term “Specialist” means a Market Maker appointed by the Exchange to act as the primary lead Market Maker for the purpose of making markets in securities traded on the Exchange. The Specialist is vested with the rights and responsibilities specified in Chapter 23 of these Rules with respect to Specialists.<sup>71</sup>

- SRO. The term “SRO” means a self-regulatory organization as defined in Section 3(a)(26) of the Exchange Act.

- System. The term “System” means the automated trading system used by IEX Options for the trading of options contracts.

<sup>68</sup> This definition is based on the definition in CBOE Rule 1.1, because IEX believed the definition was more streamlined than the equivalent definition in the MEMX rulebook.

<sup>69</sup> See Supplementary Material .01 to proposed Rule 17.100, which sets forth the methodology for calculation of Professional orders.

<sup>70</sup> This definition is substantively identical to the definition in MIAX Rule 100. IEX proposes to incorporate this definition, because the Market Maker rules proposed herein are substantially based upon the rules of MIAX.

<sup>71</sup> This definition is substantively identical to the definition of Lead Market Makers and Primary Lead Market Makers in MIAX Rule 100. As discussed above, IEX proposes to incorporate the MIAX definitions for both Lead Market Makers and Primary Lead Market Makers into its definition for Specialists, because the Market Maker rules proposed herein are substantially based upon the rules of MIAX.

• **Timestamp.** The term “timestamp” means the effective time sequence assigned to an order for purposes of determining its priority ranking.

• **Trading Permit.** The term “Trading Permit” means a license issued by the Exchange to an Options Member that grants the Trading Permit Holder (“TPH”) the right to access one or more of the facilities of the Exchange for the purpose of effecting transactions in options traded on the Exchange without the services of another person acting as broker, and otherwise to access the facilities of the Exchange for purposes of trading or reporting transactions or transmitting orders or quotations in options traded on the Exchange, or to engage in other activities that, under the Rules of IEX Options, may only be engaged in by the TPH that satisfies any applicable qualification requirements to exercise those rights. A Trading Permit conveys no ownership interest in the Exchange, is only available through the Exchange, and is subject to the terms and conditions set forth in Rule 18.140.<sup>72</sup>

• **Trading Permit Holder.** The term “Trading Permit Holder” or “TPH” means the holder of a Trading Permit, as described in IEX Rule 18.140.<sup>73</sup>

• **Type of Option.** The term “type of option” means the classification of an options contract as either a put or a call.

• **Uncovered.** The term “uncovered” means a short position in an options contract that is not covered.

• **Underlying Security.** The term “underlying security” means the security that the Clearing Corporation shall be obligated to sell (in the case of a call option) or purchase (in the case of a put option) upon the valid exercise of an options contract.

• **User.** The term “User” means any Options Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.130 (Access).

#### Execution System

IEX Options will utilize a pro-rata allocation model with execution priority dependent on the size and capacity of an order; specifically, Priority Customer or non-Priority Customer, as well as status as a Registered Market Maker or

<sup>72</sup> This definition is substantively identical to the definition in CBOE Rule 1.1. IEX proposes to incorporate this definition, because its proposed Trading Permit rule (Rule 18.140), is substantively similar to the equivalent CBOE Rule (CBOE Rule 3.1).

<sup>73</sup> This definition is substantively identical to the definition in CBOE Rule 1.1. IEX proposes to incorporate this definition, because its proposed Trading Permit rule (Rule 18.140), is substantively similar to the equivalent CBOE Rule (CBOE Rule 3.1).

Specialist, as applicable. The proposed pro-rata allocation model is similar to the MIAX and NYSE Amex options exchanges.<sup>74</sup>

The Exchange will become an exchange member of the OCC. The System will be linked to OCC for the Exchange to transmit locked-in trades for clearance and settlement.<sup>75</sup>

IEX Options will include a *de minimis* delay on incoming order and quote messages designed to enable IEX to obtain the most accurate view of the market prior to processing orders and quotes, and an optional Market Maker quote parameter designed to protect Market Makers from excessive risk due to execution of quotes at stale prices, in addition to other risk protections substantially similar to those offered by other options exchanges.

**Anonymity.** As set forth in proposed Rule 22.190, aggregated and individual transaction reports produced by the System will indicate the details of a User’s transactions, including the contra party’s unique market participant identifier (“MPID”), capacity, and clearing firm account number.<sup>76</sup>

**Latency Mechanism.**<sup>77</sup> IEX’s proposal includes a *de minimis* hardware based latency mechanism (or speedbump) of 350 microseconds added to each incoming order and quote message<sup>78</sup> designed to enable IEX to obtain the most accurate view of the market prior to processing orders and quotes as well as to perform the Options Quote Indicator (“Indicator”) calculation, and effectuate any action, with current market data.<sup>79</sup> If the Exchange

<sup>74</sup> See *infra* note 96.

<sup>75</sup> Proposed Rule 22.220(a) notes that all Options transactions shall be submitted for clearance to the Clearing Corporation, and the Exchange shall assume no responsibility with respect to any unmatched trade or for any delays or errors in the reporting to it of trade information. This provision is based upon and substantively identical to MIAX Rule 524.

<sup>76</sup> The Exchange shall also reveal a User’s identity: (i) when a registered clearing agency ceases to act for a participant, or the User’s clearing firm, and the registered clearing agency determines not to guarantee the settlement of the User’s trades; and (ii) for regulatory purposes or to comply with an order of an arbitrator or court. See proposed Rule 22.190. The Exchange notes that proposed Rule 22.190 is identical to MEMX Rule 21.10.

<sup>77</sup> See proposed Rule 22.100(n).

<sup>78</sup> As it does for equities trading (which also applies an inbound latency of 350 microseconds), IEX will subject incoming order and quote messages to a *de minimis* delay using coiled optical fiber. See Rule 11.510(a). Due to force majeure events and acts of third parties, the Exchange does not guarantee that the delay will always be consistent. The Exchange will periodically monitor such latency and will make adjustments to the latency as reasonably necessary to achieve consistency with the latency targets as soon as commercially practicable.

<sup>79</sup> See *infra* for more information about the Indicator.

determines to change the duration of the delay, it will do so only pursuant to an effective rule filing submitted to the Commission pursuant to Section 19 of the Exchange Act.<sup>80</sup>

**Hours of Operation.** As provided in proposed Rule 22.110(a), the IEX Options System will begin accepting orders and quotes beginning at 8:00 a.m.<sup>81</sup> pursuant to the market opening procedures described in proposed Rule 22.160. Orders and bids and offers shall be open and available until 4:00 p.m. except for options contracts on Fund Shares, as defined in proposed Rule 20.120(i), which may close as of 4:15 p.m. The Proposed Hours of Operation rule is based on MEMX Rule 21.2, except that MEMX does not allow for submission of quotes before the market opens for trading; IEX notes that other exchanges begin accepting orders and quotes before the market opens, for example CBOE begins accepting quotes at 7:30 a.m.<sup>82</sup> Except as set forth above, IEX Options shall operate during the normal business days and hours set forth in the rules of the primary market trading the securities underlying options traded on IEX Options, absent unusual conditions as may be determined by the Exchange.<sup>83</sup> IEX Options will not be open for business on any holiday observed by the Exchange.<sup>84</sup>

**Units of Trading.** As stated in proposed Rule 22.120, the unit of trading in each series of options traded on IEX Options will be the unit of trading established for that series by the OCC pursuant to the rules of the OCC and the agreements of the Exchange with the OCC. The proposed determination of the unit of trading for a series of options traded on IEX Options is the same as on MEMX Options pursuant to MEMX Rule 21.3.

**Minimum Quotation and Trading Increments.** As stated in proposed Rule 22.140(a), the Exchange is proposing to apply the following quotation increments: (1) if the options series is trading at less than \$3.00, five (5) cents; (2) if the options series is trading at \$3.00 or higher, ten (10) cents; and (3) if the options series is trading pursuant

<sup>80</sup> The latency mechanism will not apply to outbound communications from the Exchange to a User, inbound and outbound communications between the Exchange and an Away Market regarding a routed order, inbound communications from data feeds, order processing and order execution on the IEX Options Order Book, outbound communications to the Exchange’s proprietary data feeds or OPRA.

<sup>81</sup> All times in this filing refer to the Eastern time zone.

<sup>82</sup> See CBOE Rule 5.7.

<sup>83</sup> See proposed IEX Rule 22.110(b).

<sup>84</sup> See proposed IEX Rule 22.110(c).

to the Penny Interval Program one (1) cent if the options series is trading at less than \$3.00, five (5) cents if the options series is trading at \$3.00 or higher, except for QQQ, SPY, or IWM where the minimum quoting increment will be one (1) cent for all series. In addition, as stated in proposed Rule 22.140(b), the Exchange is proposing that the minimum trading increment for options contracts traded on IEX Options will be one (1) cent for all series. Such proposed minimum quotation and trading increments are the same as on MEMX Options pursuant to MEMX Rules 21.5(a) and (b).

*Penny Interval Program.* As set forth in proposed Rule 22.140(c), the Exchange is proposing to adopt a Penny Interval Program that is substantially similar to the penny programs of other exchanges, including MEMX Options pursuant to MEMX Rule 21.5(d), which includes minimum quoting requirements for options classes listed under the Penny Interval Program. However, eligibility for inclusion in the Penny Interval Program will be limited to those classes already operating under penny programs of other options exchanges at the time IEX Options is launched. The list of options classes included in the Penny Interval Program will be announced by the Exchange via circular distributed to Options Members and published by the Exchange on its website.

*Order Types and Handling Instructions.* The System will make available to Users two Order Types (as defined in proposed Rule 22.100(d))—Limit orders and Market orders—as well as various order instructions and modifiers that can be appended to such orders. The characteristics and functionality of each Order Type is substantially similar to what is currently approved for use in the Exchange's equities trading facility or on other options exchanges, including MEMX Options, except where described below.

IEX Options will support bulk messages for Options Market Makers as specified in the description of each Order Type or other instruction. Proposed Rule 22.100(d) includes the following details with respect to Limit orders and Market orders:

- **Limit order.** Limit orders are orders (including bulk messages) to buy or sell an option at a specified price or better. A Limit order is marketable when, for a Limit order to buy, at the time it is entered into the System, the order is priced at the current inside offer or higher, or for a Limit order to sell, at the time it is entered into the System, the order is priced at the current inside bid or lower.

- **Market order.** Market orders are orders to buy or sell at the best price available at the time of execution. Market orders to buy or sell an option traded on IEX Options will be rejected if they are received when the underlying security is subject to a "Limit State" or "Straddle State" as defined in the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the "Limit Up-Limit Down Plan"). Bulk messages may not be Market orders.

Pursuant to Rule 22.100(d)(3), Users have the option to designate an order as "attributable" to that User's MPID. Attributable orders are Market or Limit orders which display the User's MPID for purposes of trading on the Exchange. Use of attributable orders is voluntary. Attributable orders may not be available for all Exchange processes. The Exchange will distribute a circular to Options Members specifying the processes for which the attributable order-type shall be available.<sup>85</sup>

The System will also make available to Users several additional instructions that can be designated on an order ("Handling Instructions"). A Handling Instruction applied to a bulk message applies to each bid and offer within that bulk message. The Handling Instructions available on IEX Options are described in proposed Rule 22.100(e) and will include the following:

- **Book Only.** Book Only is an instruction that an order is to be ranked and executed on the Exchange pursuant to proposed Rule 22.170 (Order Display and Book Processing) or to be repriced or cancelled, as appropriate, without routing away to another options exchange.

- **Post Only.** Post Only is an instruction that an order is to be ranked and executed on the Exchange pursuant to proposed Rule 22.170 (Order Display and Book Processing) or cancelled, as appropriate, without routing away to another options exchange except that the order will not remove liquidity from the IEX Options Book. The System reprices, cancels or rejects a bid (offer) designated as Post Only with a price that locks or crosses the Exchange's best offer (bid). A Market order cannot be designated as Post Only.

- **Intermarket Sweep Order ("ISO").** ISOs are orders that shall have the meaning provided in proposed Rule 28.100, which relates to intermarket trading. Such orders may be executed at

<sup>85</sup> The proposed definition is substantively identical to the definition in MIA Rule 516(e). IEX proposes to incorporate this definition and functionality, because MEMX Options does not have Attributable Orders.

one or multiple price levels in the System without regard to Protected Quotations at other options exchanges (*i.e.*, may trade through such quotations). The Exchange relies on the marking of an order as an ISO order when handling such order, and thus, it is the entering Options Member's responsibility, not the Exchange's responsibility, to comply with the requirements relating to ISOs. ISOs are not eligible for routing pursuant to proposed Rule 22.180. A Market order cannot be designated as an Intermarket Sweep Order. Users may not designate bulk messages as ISOs.

The Exchange notes that each of the proposed Order Types and Handling Instructions available on IEX Options are based upon and substantially similar to those of MEMX, with the exception of the Attributable Orders not offered by MEMX.

*Time-in-Force ("TIF") Designations.* Users entering orders into the System may designate such orders to remain in force and available for display and/or potential execution for varying periods of time. Unless cancelled earlier, once these time periods expire, the order (or the unexecuted portion thereof) is returned to the entering party. A TIF applied to a bulk message applies to each bid and offer within that bulk message. Unless otherwise specified in the Exchange Rules or the context indicates otherwise, the Exchange determines which of the following TIFs are available on a class or system basis. The TIF designations available on IEX Options are described in proposed Rule 22.100(g) and will include the following:

- **Immediate Or Cancel ("IOC").** IOC means, for an order so designated, an order that is to be executed in whole or in part as soon as such order is received. The portion not so executed immediately on the Exchange or another options exchange is cancelled and is not posted to the IEX Options Book. IOC orders that are not designated as Book Only and that cannot be executed in accordance with proposed Rule 22.170 on the System when reaching the Exchange will be eligible for routing away pursuant to proposed Rule 22.180.

- **Day.** Day means, for an order so designated, an order to buy or sell which, if not executed expires at market close. Market Makers may designate bulk messages as Day.

The Exchange notes that each of the proposed TIF designations available on IEX Options is identical to the same TIF designations available on MEMX Options, except that they are applied differently in one respect. Specifically, MEMX Options allows bulk messages to

have a TIF of IOC. IEX is proposing to only allow bulk messages to have a TIF of DAY so that Market Makers do not take liquidity with quotes submitted via bulk messages, and which are meant for liquidity provision by Market Makers, which by definition the Exchange believes constitutes orders resting on the Order Book.

*Anti-Internalization Qualifier (“AIQ”) Modifiers.* As with its equities market, the Exchange will allow Users to use certain AIQ modifiers, which are described in proposed Rule 22.100(h). Any incoming order designated with an AIQ modifier will be prevented from executing against a resting opposite side order also designated with an AIQ modifier and originating from the same MPID, Options Member identifier, trading group identifier, or Sponsored Participant identifier. The Exchange will offer the following AIQ modifiers: AIQ Cancel Newest, described in proposed Rule 22.100(h)(1); AIQ Cancel Oldest, described in proposed Rule 22.100(h)(2); AIQ Cancel Both, described in proposed Rule 22.100(h)(3); and AIQ Cancel Smallest, described in proposed Rule 22.100(h)(4). The Exchange notes that each of the proposed AIQ modifiers available on IEX Options is substantially similar to the same modifiers available on MEMX Options,<sup>86</sup> with the distinction that on MEMX a market maker may include the AIQ modifier on bulk messages, while IEX is proposing to not allow AIQ modifiers to be included on bulk messages because it would be meaningless on IEX where bulk messages will only be for liquidity adding quotes, and the AIQ modifier that dictates the AIQ interaction is determined by the liquidity removing order.<sup>87</sup>

*Re-Pricing Mechanism.* Like other options exchanges, the Exchange proposes to offer a re-pricing mechanism to Users to comply with the order protection and trade through restrictions of the Options Order Protection and Locked/Crossed Market Plan.<sup>88</sup> This re-pricing mechanism, described in proposed Rule 22.100(i), is referred to by the Exchange as Price Adjust and is substantially similar to the Price Adjust mechanism offered by MEMX Options pursuant to MEMX Rule 21.1(i), with the exception that IEX will

<sup>86</sup> MEMX does not offer an AIQ Cancel Smallest modifier, but it is offered by other exchanges such as CBOE. See CBOE Rule 5.6 (Match Trade Prevention Modifier—MTP Cancel Smallest).

<sup>87</sup> MEMX calls them “Match Trade Prevention” modifiers. See MEMX Rule 21.1(h).

<sup>88</sup> See Securities Exchange Act Release No. 60405 (July 30, 2009), 74 FR 39362 (Aug. 6, 2009) (File No. 4-546).

only allow the ranked price and displayed price of an order that has been repriced to be adjusted to a more aggressive price one additional time (unlike MEMX, which allows multiple adjustments).<sup>89</sup>

*MPIDs.* As proposed in Rule 22.100(j), the term “MPID” means the unique market participant identifier assigned to a User and shall refer to what the System uses to identify the User and the clearing number for the execution of orders and quotes submitted to the System with that MPID. Each MPID corresponds to a single User and a single clearing number of a Clearing Member with the Clearing Corporation. A User may obtain multiple MPIDs, which may be for the same or different clearing numbers. A User is able (in a form and manner determined by the Exchange) to designate which of its MPIDs may be used for each of its ports. If a User submits an order or quote through a port with an MPID not enabled for that port, the System cancels or rejects the order or quote. The Exchange notes that its proposed Rule 22.100(j) is identical to MEMX Rule 21.1(j) except that MEMX uses the term EFID rather than MPID.

*Ports and Bulk Messages.* Proposed Rule 22.100(k) defines two types of ports: (1) a “physical port,” which provides a physical connection to the System and may provide access to multiple logical ports; and (2) a “logical port” or “application session,” which provides Users with the ability within the System to accomplish a specific function through a connection, such as order entry, data receipt, or access to information. The Exchange notes that each of the proposed types of ports available on IEX Options is identical to the same types of ports on MEMX Options.

The term “bulk message” is proposed to mean a single electronic message a User submits with a Market Maker Capacity to the Exchange in which the User may enter, modify, or cancel up to an Exchange-specified number of bids and offers (which number the Exchange will announce via Exchange notice and publicly available technical specifications). The System handles a bulk message in the same manner as it handles an order or quote, unless the Exchange Rules specify otherwise.

Only Market Makers may submit bulk messages through a logical port in a class in which the Market Maker has an appointment. In addition, bulk messages have a default TIF of Day and a default

<sup>89</sup> The Exchange notes that this behavior is substantially similar to the “single price adjust” behavior in CBOE Rule 5.32(b)(2)(A).

designation of Post Only. As proposed, the System will cancel, reject, or reprice a Post Only bulk message bid (offer) with a price that locks or crosses the Exchange best offer (bid) or ABO<sup>90</sup> (ABB<sup>91</sup>).<sup>92</sup> These provisions are similar to the manner in which market maker bulk messages are handled by MEMX, which allows bulk messages to also have a TIF of IOC, a designation as book only, and post only bulk messages in unassigned classes.<sup>93</sup>

*Cancel Back.* The term “Cancel Back” is proposed to mean an instruction a User designates on an order (including bulk messages) to not be subject to the Price Adjust process pursuant to proposed Rule 22.100(i). The System cancels or rejects an order with a Cancel Back instruction (immediately at the time the System receives the order or upon return to the System after being routed away) if displaying the order on the Book would create a violation of proposed Rule 28.120, or if the order cannot otherwise be executed or displayed in the Book at its limit price. The System executes a Book Only—Cancel Back order against resting orders. The proposed definition of Cancel Back in proposed Rule 22.100(m) is substantively identical to a Cancel Back Order defined in MEMX Rule 21.1(m).

*Market Opening Procedures.* As proposed, the System will accept quotes, Limit orders with a TIF of DAY and Market orders for inclusion in the opening process (“Opening Process”) beginning at 8:00 a.m. or immediately upon trading being halted in an options series due to the primary listing market for the applicable underlying security declaring a regulatory trading halt, suspension, or pause with respect to such security (a “Regulatory Halt”), and will continue to accept Market and Limit orders and quotes until such time as the Opening Process is initiated in

<sup>90</sup> The term “ABO” means the best offer(s) disseminated by other Eligible Exchanges (as defined in proposed Rule 28.100) and calculated by the Exchange based on market information the Exchange receives from OPRA.

<sup>91</sup> The term “ABB” means the best bid(s) disseminated by other Eligible Exchanges (as defined in proposed Rule 28.100) and calculated by the Exchange based on market information the Exchange receives from OPRA.

<sup>92</sup> See proposed Rule 22.100.

<sup>93</sup> See MEMX Rule 21.1(l). IEX notes that the ability of the System to cancel or reject a post only order submitted on a bulk port with a price that locks or crosses the Exchange best offer (bid) or ABO (ABB) is substantively identical to MEMX Rule 21.1(l)(3); IEX will also allow the System to reprice a post only order submitted on a bulk port with a price that locks or crosses the Exchange best offer (bid) or ABO (ABB), which is substantively identical to the functionality in CBOE Rule 5.32(b)(1)(B).

that options series (the “Pre-open state”).<sup>94</sup>

After the first transaction on the primary listing market after 9:30 a.m. in the securities underlying the options as reported on the first print disseminated pursuant to an effective national market system plan or the Regulatory Halt has been lifted, the related options series will be opened automatically as described below. The Exchange will conduct its “Core Open Auction” for each series of options contracts upon receipt of an “Auction Trigger”, *i.e.*, the moment that the Primary Market for the underlying security first disseminates both a two-sided quote and a trade of any size that is at or within the quote (in the case of reopening after a Regulatory Halt, the Auction Trigger also includes notification that the underlying stock is no longer halted).<sup>95</sup> The Exchange will disseminate a message to market participants indicating the initiation of the opening process, conduct the opening auction, and then transition to continuous trading for each series of options contracts.<sup>96</sup> The proposed market opening procedures are substantially similar to the market opening procedures specified in NYSE Arca Options Rule 6.64P–O, subject to several differences, most notably that any imbalance would be allocated on a pro rata basis.<sup>97</sup>

**Order Display/Matching System.** The System will be based upon functionality currently approved for use in the Exchange’s equities trading system. Specifically, the System will allow Users to enter Market orders and priced Limit orders to buy (bids) and sell (offers). All bids or offers made and accepted on IEX Options in accordance with the Exchange Rules shall constitute binding contracts, subject to applicable requirements of the Exchange Rules and the Rules of the Clearing Corporation. Such orders are executable against

marketable contra-side orders in the System.<sup>98</sup> Resting quotes and orders on the IEX Options Book will be prioritized according to price. If there are two or more quotes or orders at the best price, then the options contracts will be allocated proportionally according to size (in a pro-rata fashion), rounded down to the nearest contract. If there are residual options contracts to be filled, the quote or order with the largest remaining size (based on the pro rata calculation) will receive the first contract, and each successive contract (if any) will be allocated to each subsequent quote or order based on size (largest to smallest). If there are two or more quotes or orders with the same remaining size, then the quote or order with the first time priority will be allocated the next options contract. Each successive options contract (if any) will be allocated in the same manner.<sup>99</sup>

**Routing.** IEX Options will offer a simple optional routing functionality to facilitate compliance with applicable regulations and will not offer other complex routing strategies. Options Members can designate orders that have not been executed in full by the System pursuant to proposed Rule 22.170 above as either available for routing or not available for routing.<sup>100</sup> IEX Options will support orders that are designated to be routed to the NBBO as well as orders that will execute only within IEX Options. Orders that are designated to execute at the NBBO will be routed to other options markets to be executed when the Exchange is not at the NBBO<sup>101</sup> consistent with the Options Order Protection and Locked/Crossed Market Plan.<sup>102</sup>

Subject to the exceptions contained in proposed Rule 28.110(b), the System will ensure that an order will not be executed at a price that trades through another options exchange. An order that is designated by an Options Member as routable will be routed in compliance with applicable trade-through restrictions. Any order entered with a price that would lock or cross a Protected Quotation that is not eligible for either routing or the price adjust process as defined in proposed Rule 22.100(i) will be cancelled. Bulk messages are not eligible for routing.

IEX Options will route orders in options via IEX Services LLC (“IEX Services”), which serves as the Outbound Router of the Exchange, as defined in Rule 2.220 (IEX Services LLC as Outbound Router).<sup>103</sup> The function of the Outbound Router will be to route orders in options listed and open for trading on IEX Options by transmitting such orders to one or more routing brokers that are not affiliated with the Exchange to other options exchanges (“Routing Services”) pursuant to the Exchange Rules on behalf of IEX Options.<sup>104</sup> The Outbound Router is subject to regulation as a facility of the Exchange, including the requirement to file proposed rule changes under Section 19 of the Exchange Act.<sup>105</sup> Parties that do not desire to use the Routing Services provided by the Exchange must designate orders as not available for routing.<sup>106</sup> The Exchange notes that the proposed rules relating to the routing of orders on IEX Options to away options markets are substantively identical to the MEMX Back-Up Order Routing Services described in MEMX Rule 21.9(e).<sup>107</sup>

**Priority of Routed Orders.** Orders that have been routed by the System to other options exchanges are not ranked and maintained in the IEX Options Book pursuant to proposed Rule 22.170, and therefore are not available to execute against incoming orders. Once routed by the System, an order becomes subject to the rules and procedures of the destination options exchange including, but not limited to, order cancellation. If a routed order is subsequently returned, in whole or in part, that order, or its remainder, shall receive a new time stamp reflecting the time of its return to the System.<sup>108</sup>

**Market Access.** In connection with the proposed rules regarding routing to away options exchanges, proposed Rule 22.180(e) provides that IEX Services has, pursuant to Rule 15c3–5 under the Act,<sup>109</sup> implemented certain tests designed to mitigate the financial and regulatory risks associated with providing the Exchange’s Users with access to such away options exchanges. Pursuant to the policies and procedures developed by IEX Services to comply

<sup>94</sup> See proposed Rule 22.160(a)(13).

<sup>95</sup> See proposed Rule 22.160(a)(5) and (7).

<sup>96</sup> See proposed Rule 22.160. IEX notes that pursuant to proposed Rule 22.160(b)(3), the priority overlays specified in proposed Rule 22.170(f)(2) and (3) will not be available during an Auction, but will resume once the Exchange has transitioned to continuous trading.

<sup>97</sup> See proposed Rule 22.160(b). Other differences include: IEX will begin accepting orders for the opening auction at 8:00 a.m., while NYSE Arca begins accepting orders for their opening auction at 6:00 a.m. See proposed Rule 22.160(a)(13)(A) versus NYSE Arca Options Rule 6.64P–O(a)(12)(A). Additionally, IEX will begin disseminating Auction Imbalance Information at 8:30 a.m., while NYSE Arca begins disseminating imbalance information at 8:00 a.m. See proposed Rule 22.160(c)(1) versus NYSE Arca Options Rule 6.64P–O(c)(1). Further, IEX does not define Far Clearing Price, because IEX does not propose to have Auction Only orders, to which the Far Clearing Price relates.

<sup>98</sup> See proposed Rule 22.170.

<sup>99</sup> See proposed Rule 22.170(b). This pro-rata allocation methodology is based upon the substantially similar methodology in MIAAX Rule 514(c)(2) and NYSE Amex Rule 964NYP(i)(2).

<sup>100</sup> See proposed Rule 22.180(a).

<sup>101</sup> As described *infra*, if the order is eligible for the Step-Up Mechanism (set forth in proposed Rule 22.270), the System will attempt to fill the order before routing it to an away market.

<sup>102</sup> See *supra* note 85.

<sup>103</sup> See proposed Rule 22.180(d).

<sup>104</sup> *Id.*

<sup>105</sup> *Id.*

<sup>106</sup> *Id.*

<sup>107</sup> MEMX also offers the option of using its outbound router, MEMX Execution Services, to route directly to other exchanges. See MEMX Rule 21.9(d). IEX is not proposing to adopt this functionality because it will only provide for routing through IEX Services to third party broker dealers.

<sup>108</sup> See proposed Rule 22.180(b).

<sup>109</sup> 17 CFR 240.15c3–5.

with Rule 15c3–5, if an order or series of orders are deemed to be erroneous or duplicative, would cause the entering User's credit exposure to exceed a preset credit threshold, or are non-compliant with applicable pre-trade regulatory requirements (as defined in Rule 15c3–5), IEX Services will reject such orders prior to routing and/or seek to cancel any orders that have been routed. This is consistent with the routing implementation of other options exchanges, and the Exchange notes that proposed Rule 22.180(e) is substantively identical to MEMX Rule 21.9(f).

**Order Priority.** After the opening, trades on the Exchange will occur when a buy order/quote and a sell order/quote match on the Exchange's order book. The System shall execute trading interest within the System in price priority, meaning it will execute all trading interest at the best price level within the System before executing trading interest at the next best price. Pursuant to proposed Rule 22.170, after considering price priority, all options contracts are allocated proportionally according to size (in a pro-rata fashion). If the executed quantity cannot be evenly allocated, the remaining options contracts will be distributed one at a time based upon price-size-time priority.

In addition, the Exchange supports multiple priority overlays that apply ahead of the default pro-rata allocation at a given price level. Pursuant to proposed Rule 22.170(f),<sup>110</sup> these priority overlays are made available at the Exchange's discretion on a class-by-class basis: (1) the Priority Customer overlay,<sup>111</sup> which provides resting interest from Priority Customers with priority over all non-Priority Customer interest at the same price, will always take priority over all other priority overlays; (2) the Specialist Participation Entitlement overlay,<sup>112</sup> which provides the Specialist with priority over interest from other non-Priority Customers for a certain percentage of contracts allocated at the same price (entitling the Specialist to 60% of the allocation if there is another non-Priority Customer

at the NBBO or 40% if there are two or more other non-Priority Customers at the NBBO<sup>113</sup>) when quoting at the NBBO, inclusive of the case in which the order is directed to the Specialist; (3) the Directed Market Maker Participation Entitlement overlay,<sup>114</sup> which provides a Directed Market Maker with priority over interest from other non-Priority Customers for a certain percentage of contracts allocated at the same price (entitling the DMM to 60% of the allocation if there is another non-Priority Customer at the NBBO or 40% if there are two or more other non-Priority Customers at the NBBO<sup>115</sup>) when quoting at the NBBO and always applies in place of the Specialist Participation Entitlement overlay when both are in effect and the order is directed to a Directed Market Maker other than the Specialist;<sup>116</sup> and (4) the Small-Size Order Entitlement overlay,<sup>117</sup> which provides a Specialist quoting at the NBBO the priority to execute against the entire size of an order or quote of five or fewer contracts that does not first execute against any Priority Customer orders at that price, provided that if an order subject to the Small-Size Order Entitlement is directed to a Directed Market Maker who is not the Specialist quoting at the NBBO, and the Directed Market Maker priority overlay is enabled in the series, then the Directed Market Maker Participation Entitlement priority overlay will apply instead of the Small-Size Order Entitlement priority overlay,<sup>118</sup> and in the case that an order subject to the Small-Size Order Entitlement is directed to the Specialist, the Small-Size Order Entitlement priority overlay will apply while the Specialist Participation Entitlement and Directed Market Maker Entitlement overlays will not.<sup>119</sup>

<sup>113</sup> These allocation entitlements are based on MIAX Rule 514(h)(1), after accounting for the additional priorities afforded market makers on MIAX, as set forth in MIAX Rule 514(e). See *supra* note 96 and accompanying text.

<sup>114</sup> See proposed Rule 22.170(f)(2). This overlay may only be in effect if the Priority Customer overlay is also in effect. See proposed Rule 22.170(f).

<sup>115</sup> These allocation entitlements are based on MIAX Rule 514(h)(1), after accounting for the additional priorities afforded market makers on MIAX, as set forth in MIAX Rule 514(e). See *supra* note 96 and accompanying text.

<sup>116</sup> Prioritizing the DMM entitlement over the Specialist entitlement in these circumstances is the same functionality offered by several other exchanges. See, e.g., NYSE Amex Options Rule 964NYP(h)(1).

<sup>117</sup> See proposed Rule 22.170(f)(3).

<sup>118</sup> See proposed Rule 22.170(f)(3)(A).

<sup>119</sup> See proposed Rule 22.170(f)(3)(B). This is functionally identical to how NYSE Amex Options allocates small-size Directed Orders that are directed to a Specialist. See NYSE Amex Options Rule 965NYP(h)(2)(B).

After executions resulting from the Priority Overlays described above, orders and quotes within the System for the accounts of non-Priority Customers, including Professional Customers, have next priority. If there is more than one highest bid or more than one lowest offer on the Options Order Book for the account of a non-Priority Customer, then such bids or offers will be afforded priority on a size pro-rata basis, as described above.

**Step Up Mechanism.** IEX proposes to offer Options Members an optional Step Up Mechanism ("SUM"), which is a feature within the System that provides automated order handling in designated classes trading for qualifying orders that are not automatically executed by the System.<sup>120</sup> The Exchange will determine eligibility of an order for the SUM (including order size, type, capacity, handling instructions, as well as which classes of options contracts). The Exchange will not initiate the SUM process if the NBBO is crossed.<sup>121</sup> SUM automatically processes upon receipt of an eligible order that is marketable against the BBO that is not the NBBO; or an eligible order that would improve the Exchange's BBO and that is marketable against the ABBO. This proposed functionality is substantively identical to the Step-Up Mechanism offered by CBOE, with the exception that IEX is not proposing to offer All or None orders.<sup>122</sup> IEX notes that the optional SUM mechanism is designed to benefit a routable order that is not immediately eligible for execution on the Exchange, but if routed to an away exchange might miss a potential execution on that exchange. And, because SUM is optional, a Member can choose not to have its order subject to the SUM mechanism if it determines that the functionality is not consistent with its objectives. Given the multitude of tradeable listed options securities (compared to listed equities) not all available liquidity is always reflected in an exchange's order book, and the SUM mechanism provides an opportunity to source such additional liquidity to the benefit of the order in question. Moreover, IEX notes as well that other options exchanges offer similar mechanisms, and order flow might be directed to such exchanges if IEX did not offer such a mechanism.

Upon receipt of a SUM eligible order, the System will expose the order at the NBBO upon receipt for a period of time

<sup>110</sup> Proposed Rule 22.170(f) is based upon and substantially similar to CBOE Rule 5.32(a)(2), except is different in one respect. Unlike CBOE, in the event that a Small-Size order is directed to a Specialist, the IEX Options trading system will apply the Small-Size Order Entitlement to the order and not the Directed Order guarantee, meaning the Specialist will have priority to execute against the entire size of the order that does not execute against any Priority Customer orders at that price.

<sup>111</sup> See proposed Rule 22.170(f)(1).

<sup>112</sup> See proposed Rule 22.170(f)(2). This overlay may only be in effect if the Priority Customer overlay is also in effect. See proposed Rule 22.170(f).

<sup>120</sup> See proposed Rule 22.270. IEX's proposed Step-Up Mechanism is substantively identical to CBOE Rule 5.35.

<sup>121</sup> See proposed Rule 22.270(a).

<sup>122</sup> See CBOE Rule 5.35.

determined by the Exchange on a class-by-class basis, which period of time may not exceed one second. All Users may submit responses to the exposure message, which must be limited to the size of the order being exposed, may be modified, cancelled or replaced any time during the exposure period, and are cancelled back at the end of the exposure period if unexecuted. Responses priced at the prevailing NBBO or better will immediately trade against the order in time priority. If during the exposure period the Exchange receives an unrelated order (or quote) on the opposite side of the market from the exposed order that could trade against the exposed order at the prevailing NBBO price or better, then the orders will trade at the prevailing NBBO price. The exposure period will not terminate if a quantity remains on the exposed order after such trade.

Responses that are not immediately executable based on the prevailing NBBO may become executable during the exposure period based on changes to the NBBO. In the event of a change to the NBBO and at the conclusion of the exposure period, the Exchange will evaluate remaining responses as well as the ABBO and execute any remaining portion of the exposed order to the fullest extent possible at the best price(s) by executing against responses and unrelated orders.

Following the exposure period, the Exchange will route the remaining portion of the exposed order to other exchanges, unless otherwise instructed by the User. Any portion of a routed order that returns unfilled shall trade against the Exchange's best bid/offer unless another exchange is quoting at a better price in which case new orders shall be generated and routed to trade against such better prices.

**Data Dissemination.** The Exchange will disseminate to OPRA the highest bid and the lowest offer, and the aggregate quotation size associated therewith that is available, in accordance with the requirements of Rule 602 of Regulation NMS under the Act.<sup>123</sup> The Exchange will also offer three data products: (1) IEX Options DEEP: an uncompressed data feed that offers depth of book quotations and execution information based on options orders entered into the System; (2) IEX Options TOPS: an uncompressed data feed that offers top of book quotations and execution information based on options orders entered into the System; and (3) DROP: an uncompressed data feed that offers information regarding

the options trading activity of a specific User.<sup>124</sup> DROP is only available to the User to whom the specific data relates and those recipients expressly authorized by the User.<sup>125</sup>

**Risk Controls.** The Exchange also proposes to offer to all Users of IEX Options the ability to establish certain risk control parameters and limits that are intended to assist Users in managing their market risk. All options exchanges recognize the essential role of risk controls in managing market maker exposure and IEX intends to offer comparable controls to allow for these risk management protections. The proposed risk controls are based, in part, on those of the NYSE Arca and CBOE options exchanges, with certain additions and differences described below. The proposed risk controls are designed to offer Users protection from entering orders outside of certain size and price parameters, as well as certain standard or Exchange-established parameters based on order type and market conditions.

The proposed risk controls include: (i) pre-trade risk controls; (ii) activity-based risk controls; and (iii) global risk controls, as set forth in proposed Rule 22.250.<sup>126</sup> Pre-trade, activity-based, and global risk controls may be set before the beginning of a trading day.<sup>127</sup> Pre-trade, activity-based, and global risk controls can be set at the MPID or MPID Group level,<sup>128</sup> or both, depending on the risk control.<sup>129</sup> Additionally, pre-trade risk controls to restrict the options class(es) transacted must be set per options class.<sup>130</sup> The following describes each category of risk protection mechanism:

**Pre-Trade Risk Controls.**<sup>131</sup> The pre-trade risk controls mechanism is a set of optional limits, each of which an Options Member may utilize with respect to its trading activity on the

Exchange. These controls include controls related to the maximum dollar amount for a single order to be applied one time and the maximum number of contracts that may be included in a single order before it can be traded. Additionally, there are optional controls related to the price of an order or quote (including percentage-based and dollar-based controls), controls related to the order types or modifiers that can be utilized, controls to restrict the options classes transacted, and controls to prohibit duplicative orders.

**Activity-Based Risk Controls.**<sup>132</sup> The Exchange also proposes to offer activity-based risk limits that may be applied to orders and quotes in an options class (when acting as a Market Maker, an Options Member is required to select at least one of the following controls<sup>133</sup>) based on specified thresholds measured over the course of a configurable time period ("Interval"). The Exchange will offer the following activity-based risk controls: (i) transaction-based risk limits, which are pre-established limits on the number of an Options Member's orders and quotes executed in a specified class of options per Interval; (ii) volume-based risk limits, which are pre-established limits on the number of contracts of an Options Member's orders and quotes that can be executed in a specified class of options per Interval; and (iii) percentage-based risk limits, which are pre-established limits on the percentage of contracts executed in a specified class of options as measured against the full size of an Options Member's orders and quotes executed per Interval. To determine whether an Options Member has breached the specified percentage limit, the Exchange calculates the percent of each order or quote in a specified class of options that is executed during an Interval (each, a "percentage"), and sums up those percentages. This risk limit will be breached if the sum of the percentages exceeds the pre-established limit.

**Global Risk Control.**<sup>134</sup> The Exchange also proposes to offer a global risk control, which is a pre-established limit on the number of times an Options Member may breach its activity-based risk controls per Interval.

**Automated Breach Actions.**<sup>135</sup> Proposed Rule 22.250(c) details the

<sup>124</sup> See proposed Rule 22.240(b).

<sup>125</sup> Data products will be subject to fees as specified in an effective Commission rule filing.

<sup>126</sup> Proposed Rule 22.250 is based upon and substantially similar to NYSE Arca Rule 6.40P-O.

<sup>127</sup> See proposed Rule 22.250(b)(1).

<sup>128</sup> MPID Groups, defined in proposed Rule 22.250(a)(5), are based upon CBOE Rule 5.34(c)(4)(A), which allows for the setting of risk control limits for EFID Groups, which are equivalent to MPID Groups. IEX notes that it proposes to retain the right to limit the number of MPID Groups an Options Member can configure based upon potential technical limitations.

<sup>129</sup> See proposed Rule 22.250(b)(2). IEX notes that while it allows these risk controls to be set at MPID or MPID Group levels, NYSE Arca allows the equivalent controls to be set at either the MPID or the MPID Sub-ID level (a more granular level than the MPID).

<sup>130</sup> See proposed Rule 22.250(b)(2).

<sup>131</sup> See proposed Rule 22.250(a)(1), which is substantively identical to NYSE Arca Rule 6.40P-O(a)(2).

<sup>132</sup> See proposed Rule 22.250(a)(2), which is substantively identical to NYSE Arca Rule 6.40P-O(a)(3).

<sup>133</sup> See proposed Rule 22.250(c)(2)(A).

<sup>134</sup> See proposed Rule 22.250(a)(3), which is substantively identical to NYSE Arca Options Rule 6.40P-O(a)(4).

<sup>135</sup> See proposed Rule 22.250(c), which is substantively identical to NYSE Arca Options Rule 6.40P-O(c).

<sup>123</sup> See proposed Rule 22.240(a).

“automated breach actions” the Exchange will take if any of the three above-described risk controls are breached. Based on User preference, these actions can include blocking new orders and quotes, canceling orders and quotes on the Order Book, or notifying the Options Member of the breach. With respect to the activity-based and global risk controls (as well as Kill Switch Actions described below), in order to remain consistent with the firm quote obligations of a broker-dealer pursuant to Rule 602 of Regulation NMS, any marketable interest that is executable against an order or quote that is received<sup>136</sup> prior to the time the applicable threshold is triggered and processed by the System will be automatically executed up to the size of the resting order or quote, regardless of whether the execution would cause the Options Member to exceed their pre-set risk threshold(s).<sup>137</sup>

**Kill Switch Actions.**<sup>138</sup> Additionally, Options Members may direct the Exchange to operate a “kill switch” to either cancel all unexecuted orders and quotes on the Order Book, block the entry of any new order and quote messages, or both.

**Limit Order Price Protection.**<sup>139</sup> The Exchange also proposes to offer price protection mechanisms, as set forth in proposed Rule 22.260.<sup>140</sup> These protections include Limit Order Price Protection, in which the System will reject an order or quote upon entry, or cancel at the conclusion of an auction, if its price exceeds a pre-established, Exchange-defined “specified threshold” amount above or below the reference price. The Reference Price for calculating Limit Order Price Protection for an order or quote to buy (sell) will be the NBO (NBB), provided that, immediately following an auction, the reference price will be the price at which the auction match occurred, or, if none, the upper (lower) auction collar price, or, if none, the NBO (NBB).

<sup>136</sup> The time of receipt for an order or quote is the time such message is processed by the Exchange’s order book.

<sup>137</sup> Pre-trade risk controls are implemented prior to an order or quote resting on the order book (or being placed on the book again following an auction) and therefore do not implicate firm quote obligations.

<sup>138</sup> See proposed Rule 22.250(e), which is substantively identical to NYSE Arca Options Rule 6.40P–O(e).

<sup>139</sup> See proposed Rule 22.260(a), which is substantively identical to NYSE Arca Options Rule 6.62P–O(a)(3).

<sup>140</sup> IEX notes that these proposed risk control mechanisms are based on similar rules of other options exchanges, in particular: NYSE Arca Options Rules 6.62P–O(a)(3) and 6.41P–O and CBOE Rules 5.34(a)(1), (2) and (4).

**Market Orders in No-Bid (Offer) Series.**<sup>141</sup> If the System receives a sell Market order in a series after it is open for trading with an NBB of zero and an NBO less than or equal to \$0.50, then the System converts the Market order to a Limit order with a limit price equal to the minimum trading increment applicable to the series and enters the order into the IEX Options. If the System receives a sell Market order in a series after it is open for trading with an NBB of zero and an NBO greater than \$0.50, then the System cancels or rejects the Market order, except if the sell Market order would be subject to the drill-through protection (as discussed below), in which case the order joins the ongoing drill-through process. If the System receives a buy Market order in a series after it is open for trading with an NBO of zero, the System cancels or rejects the Market order.

**Market Order NBBO Width Protection.**<sup>142</sup> If a User submits a Market order to the System when the NBBO width is greater than x% of the midpoint of the NBBO, subject to a minimum and maximum dollar value (the Exchange determines “x” and the minimum and maximum dollar values on a class-by-class basis), the System cancels or rejects the Market order.

**Price Reasonability Checks.**<sup>143</sup> Additionally, the Exchange will apply price reasonability checks to most Limit orders and quotes during continuous trading on each trading day. One price reasonability check, the “arbitrage check,” will reject order or quote messages to buy put options if the price of the order is equal to or greater than the strike price of the option and will reject (or cancel, if resting) order or quote messages to buy call options if the price of the order is equal to or greater than the price of the last trade in the underlying security plus an Exchange-defined specified threshold.<sup>144</sup> Another price reasonability check, the “intrinsic value check,” will assess the intrinsic value of an option based on the last sale price of the underlying security (for calls) or the strike price of the option (for puts), and reject or cancel certain orders or quotes if the price of the order is dislocated from the intrinsic value of

<sup>141</sup> See proposed Rule 22.260(b), which is substantively identical to CBOE Rule 5.34(a)(1).

<sup>142</sup> See proposed Rule 22.260(c), which is substantively identical to CBOE Rule 5.34(a)(2).

<sup>143</sup> See proposed Rule 22.260(d), which is substantively identical to NYSE Arca Options Rule 6.41P–O.

<sup>144</sup> See proposed Rule 22.260(d)(2), which is substantively identical to NYSE Arca Options Rule 6.41P–O(b).

the option by a certain Exchange-defined specified threshold.<sup>145</sup>

**Drill-Through Protection.** Another proposed price protection mechanism is drill-through protection, which will prevent an order from executing beyond a “buffer amount” determined based on a drill-through price.<sup>146</sup> This rule is based upon and substantially similar to CBOE Rule 5.34(a)(4), with the distinction that IEX’s Drill-Through Protection will have a finite, Exchange-defined number of iterations, that are communicated by a Trading Alert with at least 30 days prior notice.<sup>147</sup> IEX notes that other exchanges have also set a finite number of iterations for their Drill-Through Protection.<sup>148</sup>

**Options Risk Parameter.** In order to address structural challenges<sup>149</sup> that Market Makers face in the listed options market, and thereby incentivize deeper and tighter liquidity, IEX proposes to offer an optional quote parameter that would augment the standard risk tools that will be available to Options Market Makers referred to as the Options Risk Parameter, or ORP. Further, IEX believes that in addition to mitigating market maker risks from latency arbitrage strategies (irrespective of whether spreads tighten), the ORP can also help to reduce barriers to entry for market maker participation and thereby support competition and reduce market maker concentration risk. This is particularly important given the options markets’ reliance on market maker provision of liquidity. As proposed, the ORP will be a parameter that can be applied to a quotation that rests on the Order Book at the price designated by the Market Maker that entered the quotation. When the ORP is triggered based on pre-defined criteria, the relevant quotation(s) will be adjusted or canceled in a manner specified transparently in IEX’s rules, as described below.<sup>150</sup>

The ORP would leverage IEX’s proprietary mathematical formula—the

<sup>145</sup> See proposed Rule 22.260(d)(3), which is substantively identical to NYSE Arca Options Rule 6.41P–O(c). IEX notes that like NYSE Arca Options, the term “Automated Breach Action” is used in two of its risk controls with different meanings: first with respect to the intrinsic value risk checks for market makers, see NYSE Arca Options Rule 6.40P–O(d) and proposed Rule 22.260(d)(3)(E); and also with respect to activity based risk controls. See NYSE Arca Options Rule 6.41P–O(d) and proposed Rule 22.250(c).

<sup>146</sup> See proposed Rule 22.260(e).

<sup>147</sup> IEX notes that other exchanges also have the ability to change any exchange-determined parameters with a trading alert. See, e.g., CBOE Rule 1.5.

<sup>148</sup> See, e.g., Securities Exchange Act Release No. 86923 (September 10, 2019), 84 FR 48664 (September 16, 2019) (SR–CBOE–2019–057) with respect to CBOE’s prior functionality.

<sup>149</sup> See *infra* note 160.

<sup>150</sup> See proposed Rule 23.150(h).

Options Quote Indicator (the “Indicator”)—which is based on the preeminent Black-Scholes options pricing model. This Nobel-Prize-winning approach for evaluating the price of an options contract has been studied extensively, and is widely considered as a primary starting point for both academic and industrial options pricing applications.<sup>151</sup>

Proposed Rule 23.150(h) sets forth the application of the Indicator and optional ORP.<sup>152</sup> The ORP is designed to enable Market Makers to provide tighter and deeper quotes on IEX by providing protection from execution against quotes at stale prices by identifying when the best Protected Bid or best Protected Offer of the Away Markets (as defined in Proposed Rule 22.160(a)(8)) in a particular options series is sufficiently dislocated from the price of the underlying security to indicate that the best Protected Bid or best Protected Offer of the Away Markets in the options series is likely in transition. The Exchange believes that the protection provided by the ORP will thus enable market makers to provide tighter and deeper quotes on IEX to the benefit of all market participants.

The Exchange will determine on a class-by-class basis whether to make the ORP available, which determination will be communicated by Trading Alert.<sup>153</sup> This flexibility will therefore allow the Exchange to focus its technology resources in an impactful manner to ensure the ORP is available for those classes where its use will achieve its intended purpose, while excluding its use where it would likely provide minimal incremental value (for example, for classes with nonstandard characteristics).<sup>154</sup>

As proposed, the Exchange will utilize the Indicator, which is a fixed formula specified transparently in IEX’s rules, to assess the materiality of an imminent change to the current best Protected Bid<sup>155</sup> of the Away Markets to a lower price or of an imminent change to the current best Protected Offer<sup>156</sup> of the Away Markets to a higher price for

a particular listed options series (*i.e.*, an imminent adverse price change).<sup>157</sup>

The Indicator utilizes real time relative quoting activity of protected quotations from Signal Exchanges (as defined in IEX Rule 11.190(g)) in securities underlying each listed options series and a proprietary mathematical calculation (the “quote instability calculation”), as described in more detail below, to assess the impact of a price change in the underlying on the price of a particular options series. When the quote instability calculation identifies an imminent adverse price change to the best Protected Bid and/or best Protected Offer of the Away Markets in a particular listed options series, it will generate a quote instability determination. A quote instability determination may only be generated at least 200 microseconds after a prior quote instability determination for a particular options series on the same side of the market (*i.e.*, affecting resting bids or offers). If a quote instability determination is generated for an options series quoted by a Market Maker and the quote is above (below) the price level of the quote instability determination, the quote will be either cancelled or repriced to the price level of the quote instability determination, as instructed by the Market Maker.

As proposed, for two aspects of the formula—the Delta Bound Band<sup>158</sup> and the Quote Instability Threshold<sup>159</sup>—the Exchange will specify the possible range of values the Exchange may use for each aspect as well as the initial value for each aspect. The Exchange may determine to change such values, within the applicable specified range, based on

<sup>157</sup> See proposed Rule 23.150(h).

<sup>158</sup> See Supplementary Material .04(1)(q) to proposed Rule 23.150(h). Delta is a key metric in options trading that measures the sensitivity of an option’s price to changes in the price of the underlying asset. As proposed, the Delta Bound Band would restrict the ORP from triggering unless the option’s Delta is within the specified band. The initial value for the Delta Bound Band would be between 0–1, with the possible range of values between 0–1.

<sup>159</sup> See Supplementary Material .04(2)(e) to proposed Rule 23.150(h). As proposed, the possible Quote Instability Threshold range will be within a range of 0%–100%. If the Quote Instability Threshold is set at 100%, the expected change in the NBB/NBO of the option resulting from price movement in the underlying must be at least 100% of the current value of the NBB/NBO of the option for the ORP to trigger. If the Quote Instability Threshold is set at 0%, ORP would trigger if there is any expected change to the NBB/NBO of the option resulting from price movement in the underlying. As proposed, the initial value for the Quote Instability Threshold would be 0.1%. When triggered, ORP will only result in the repricing or cancellation of quotes if the change to the NBB/NBO of the option resulting from price movement in the underlying is to a different price level than the current NBB/NBO after rounding to the nearest minimum price variation.

its assessment of factors that could optimize effectiveness of the ORP. In such an event, the Exchange will submit a rule filing pursuant to Rule 19b–4(f)(1) under the Exchange Act<sup>160</sup> (or other appropriate rule filing type) specifying the new value, within the range of possible values specified in the applicable rule.<sup>161</sup> Such change to a value that falls within the range of possible values would constitute an interpretation with respect to the meaning of an existing rule, and IEX understands therefore that a filing pursuant to Rule 19b–4(f)(1) under the Exchange Act would be appropriate. When determining to modify values within the specified ranges, the Exchange will consider (as relevant) factors such as the distribution of quote instability determinations, the precision of quote instability determinations, system capacity and performance, fill rates, markout data, and client feedback. In modifying a value, the Exchange will aim to balance the interests of both liquidity takers and makers.

Similarly, as proposed, the frequency of calculation of implied volatility, which is used to calculate Delta will be calculated each half-hour of system operation.<sup>162</sup> If the Exchange determines to update the implied volatility computation more frequently, based on its assessment of relevant factors discussed above that would optimize application of the ORP, it will submit a rule filing pursuant to Rule 19b–4(f)(1) under the Exchange Act (or other appropriate rule filing type) specifying the new timing for implied volatility computation.

IEX believes that offering this optional risk protection for market makers is particularly important in the options markets where market makers are exposed to added risk given their continuous quoting obligations. Although equities and options exchanges share a number of similarities, a meaningful difference is that in the listed options market, liquidity is available only on-exchange and is primarily displayed and derived from market maker quotes, and options markets, when compared to equities markets, have a much higher quote to

<sup>160</sup> See 17 CFR 240.19b–4(f)(1). A rule filing pursuant to Rule 19b–4(f)(1) under the Exchange Act takes effect upon filing with the Commission.

<sup>161</sup> Should IEX determine that it needs to apply a value that falls outside of the range of values that are approved by the Commission pursuant to this rule filing and disclosed in the rule book, it would seek to change such value via a filing made pursuant to either Section 19(b)(3)(A) or Section 19(b)(2) of the Act.

<sup>162</sup> See Supplementary Material .05 to proposed Rule 23.150(h).

<sup>151</sup> See *Revolutionary Black-Scholes Option Pricing Model is Published by Fischer Black, Later a Partner at Goldman Sachs*, available at <https://www.goldmansachs.com/our-firm/history/moments/1973-black-scholes>.

<sup>152</sup> The quote instability calculation is set forth in Supplementary Material .04 to proposed Rule 23.150(h); the calculation of implied volatility is set forth in Supplementary Material .05 to proposed Rule 23.150(h).

<sup>153</sup> See proposed Rule 23.150(h)(1).

<sup>154</sup> The Exchange notes that it is not an equities listing exchange. The Exchange does not believe that making class-by-class determinations in this context or otherwise creates a conflict of interest.

<sup>155</sup> See proposed Rule 28.100(a)(19).

<sup>156</sup> *Id.*

trade ratio.<sup>163</sup> Exchange market makers in the listed options market play an essential role in providing liquidity. Moreover, given the sheer difference in magnitude of tradeable instruments in listed options as compared to equities (approximately 1.5 million listed options series compared to approximately 11,000 listed equity securities), the options exchanges often do not have the same sources of natural liquidity of buyers and sellers for each tradeable instrument as is generally the case for equities exchanges. Thus, options market makers are tasked with affirmative obligations to support the provision of liquidity to options exchanges through continuous two-sided quotes in large numbers of listed options series. As a result, IEX understands that options market makers can be subject to excessive risk of one or more quotes being executed at stale prices compared to equities market makers or other liquidity providers.<sup>164</sup> Because options market makers maintain hundreds (and sometimes thousands) of quotes on options for a given underlying security at any one time, a sudden market move in the underlying security can leave an options market maker vulnerable to being executed across multiple quotes that are stale and dislocated from the price of the underlying securities. Liquidity takers engaged in latency arbitrage can target one or more of these quotes at stale prices, with limited risk should they fail to execute (*i.e.*, lost opportunity vs. trading at a stale price), before the Market Makers are able to move their quotes (often hundreds or

more for a given underlying) to reflect the price change in the underlying securities, thereby exposing those Market Makers to potentially major losses. IEX understands that incurring such losses over time reduces a market maker's willingness to provide narrow and deep quotes, which decreases liquidity and price discovery in the market. Moreover, to the extent that such losses result in market making firms being less profitable (or unprofitable), they may cease market making activity or limit the options classes in which they compete, which can, over time, decrease competition and increase market maker concentration. IEX believes that by providing incremental risk reduction, the ORP could help to counter these impacts.<sup>165</sup>

More specifically, as discussed above, traders using these specific strategies can leverage technological and speed advantages to identify when options prices are in transition and react in microseconds before others and rapidly execute against resting orders at outdated, stale prices, before those orders can be modified or cancelled to reflect updated market conditions, and before others have a fair opportunity to adjust them. However, these technological and speed advantages are expensive and challenging to achieve and maintain, and therefore not readily available to all market participants. The optional ORP is designed to augment these risk protections with a transparent, rules-based formula that identifies when a market maker's quote is clearly mispriced based on a price change in the underlying security and reprice or cancel the quote in a manner with effects that are predictable to both market makers and other participants, who expect the price of an option to change in response to a material change in price of the underlying security because options are derivative securities whose prices are based in part on the price of their underlying security.

<sup>165</sup> IEX notes that such trends have been in place for some time. *See, e.g.*, Joint letter from CBOE, SIFMA and The STA to Brett Redfearn (Director, Division of Trading and Markets, Commission) dated June 4, 2018, available at [Cboe\\_Joint\\_Letter\\_with\\_SIFMA\\_and\\_The\\_STA\\_on\\_Options\\_Market\\_Structure.pdf](https://www.cboe.com/~/media/Files/Regulatory/2018/06/04/20180604_CBOE_SIFMA_STA_Letter_to_Director_of_Trading_and_Markets.pdf), noting that “. . . [i]n particular over the past several years, there has been wide discussion in the options industry regarding market metrics and it has been shown that quoted liquidity has decreased and spreads have widened. Further many market makers have consolidated their businesses, reduced their participation, or stopped making options markets entirely—there are approximately half as many registered market makers actively participating in the U.S. options markets than there were five years ago. This trend obviously has impacted market quality in the U.S. options markets.”

Without robust liquidity protection mechanisms to protect against these risks, market makers may be forced to widen their spreads, show less liquidity, or simply exit the market. Overall market quality could deteriorate as a result, and investors would suffer when it becomes too expensive to transact, or when there is insufficient liquidity to enable transacting altogether. Accordingly, liquidity protection mechanisms for market makers, which all options exchanges offer, and IEX proposes to offer, are vital for achieving a healthy balance between market makers and liquidity takers in the listed options market. These include, but are not limited to, activity-based risk controls, price reasonability checks, and functionality (such as bulk quoting and purge ports) to facilitate timely quoting, quote updates, and quote cancellation.

For each options series, the System will maintain a real-time estimate of the sensitivity of the series to changes in the midpoint of the best Protected Bid and best Protected Offer of the Signal Exchanges for the underlying security (based on a Black-Scholes assessment). When there is a change in the best Protected Bid or best Protected Offer of the Signal Exchanges for the underlying security, the System will use the quote instability calculation formula set forth in proposed IEX Rule 23.150(h) to calculate whether to generate a quote instability determination for each options series overlying the underlying security. The System independently assesses whether to generate a quote instability determination affecting resting bids or offers for each options series. A quote instability determination is generated by the System when, pursuant to the quote instability calculation, the quote instability factor is greater than the defined Quote Instability Threshold and the delta absolute value is within the Delta Bound Band.<sup>166</sup> As proposed, the Delta Bound Band would be uniformly applied across all options in order to more narrowly tailor deployment of the ORP to options series at the greatest risk of adverse selection based on the Exchange's assessment of relevant factors.

If a Market Maker has opted to utilize the ORP and its quote in an options series that was the subject of a quote instability determination is at or above (below) the price level of the quote instability determination the System will either cancel the Market Maker's quote or reprice it to the price level of the quote instability determination,

<sup>166</sup> See discussion *supra* on how modifications to these values will be made.

<sup>163</sup> See Staff Report on Equity and Options Market Structure Conditions in Early 2021 (Oct. 14, 2021) at 4 (explaining that options market structure is broadly similar to equities market structure and noting a key difference that displayed liquidity is primarily derived from market maker quotes), available at <https://www.sec.gov/files/staff-report-equity-options-market-structure-conditions-early-2021.pdf>; see also Lehoczky, Sandor and Woods, Ellen and Russell, Matthew and Nguyen, Mina and Somers, James, *Dead Man's Switch: Making Options Markets Safer with Active Quote Protection* (May 2020) (“Dead Man's Switch”), at 2 (explaining that options markets “depend especially on market makers—who account for 99.9% of open orders—to connect buyers and sellers, due to a combinatorial explosion of expirations and strike prices”).

<sup>164</sup> See, e.g., *Protecting Liquidity in Options Markets*, Market Structure, Optiver, July 12, 2023 (“Protecting Liquidity”), (concluding that “liquidity protection improves options markets” by safeguarding market makers against “excessive risk” that results from “liquidity providers maintain[ing] hundreds of quotes on a given underlying at any one time [and] a sudden market move can leave them vulnerable to showing stale, or outdated, quotes,” thereby “exposing them to potentially major losses” if unable to amend or cancel quotes before executed), available at <https://optiver.com/insights/protecting-liquidity-in-options-markets/>.

pursuant to the Market Maker's instruction.<sup>167</sup> Regardless of whether it chooses to use the ORP, a Market Maker will be able to adjust the price of its quote in the same manner as other Market Makers' quotes that have not opted to use the ORP.<sup>168</sup>

#### *One Second Exposure Period.*

Proposed Rule 23.200 would require Options Members to expose their customers' orders on the Exchange for at least one second under certain circumstances before trading against such orders. During this one second exposure period, other Options Members will be able to enter orders to trade against the exposed order. In adopting a one second order exposure period, the Exchange is proposing a requirement that is consistent with the rules of other options exchanges.<sup>169</sup> Thus, the exposure period will allow Options Members that are members of other options exchanges to comply with proposed Rule 23.200 without programming separate time parameters into their systems for order entry or compliance purposes. The Exchange believes that market participants are sufficiently automated that a one second exposure period allows an adequate time for market participants to electronically respond to an order. Also, it is possible that market participants might wait until the end of the exposure period, no matter how long, before responding. Thus, the Exchange believes that any longer than one second would not further the protection of investors or market participants, but rather, would potentially increase market risk to investors and other market participants by creating a longer period of time for the exposed order to be subject to market risk.

#### Options Order Protection and Locked/Crossed Market Plan Rules

The Exchange will participate in the Options Order Protection and Locked/Crossed Market Plan (the "Plan"),<sup>170</sup> and therefore will be required to comply with the obligations of Participants under the Plan. The Exchange proposes to adopt rules relating to the Plan that are substantially similar to the rules in place on all of the options exchanges that are Participants to the Plan. The Plan essentially applies the Regulation NMS price-protection provisions to the options markets. Similar to Regulation NMS, the Plan requires the Plan

Participants to adopt rules "reasonably designed to prevent Trade-Throughs", while exempting ISOs from that prohibition. The Plan's definition of an ISO is essentially the same as under Regulation NMS. The remaining exceptions to the trade-through prohibition, discussed more specifically below, either track those under Regulation NMS or correspond to unique aspects of the options market, or both.

The proposed rules in Chapter 28 (Options Order Protection and Locked and Crossed Markets Rules) conform to the requirements of the Plan. Proposed Rule 28.100 sets forth the defined terms for use under the Plan. Proposed Rule 28.110 prohibits trade-throughs and exempts ISOs from that prohibition. Proposed Rule 28.110 also contains additional exceptions to the trade-through prohibition that track the exceptions under Regulation NMS or correspond to unique aspects of the options market, or both.

Proposed Rule 28.120 sets forth the general prohibition against locking/crossing other eligible exchanges as well as certain enumerated exceptions that permit locked markets in limited circumstances; such exceptions have been approved by the Commission for inclusion in the rules of other options exchanges. Specifically, the exceptions to the general prohibition on locking and crossing occur when: (1) the locking or crossing quotation was displayed at a time when the Exchange was experiencing a failure, material delay, or malfunction of its systems or equipment; (2) the locking or crossing quotation was displayed at a time when there is a Crossed Market; (3) the Options Member simultaneously routed an ISO to execute against the full displayed size of any locked or crossed Protected Bid or Protected Offer; or (4) with respect to a locking quotation, the order entered on the Exchange that will lock a Protected Bid or Protected Offer, is: (i) not a Customer order, and the Exchange can determine via identification available pursuant to the OPRA Plan that such Protected Bid or Protected Offer does not represent, in whole or in part, a Customer order; or (ii) a Customer order, and the Exchange can determine via identification available pursuant to the OPRA Plan that such Protected Bid or Protected Offer does not represent, in whole or in part, a Customer order, and, on a case-by-case basis, the Customer specifically authorizes the Member to lock such Protected Bid or Protected Offer.<sup>171</sup>

The Exchange notes that the proposed rules in Chapter 28 (Options Order Protection and Locked and Crossed Markets Rules) are substantively identical to the rules of MEMX Options.<sup>172</sup>

#### Securities Traded on IEX Options

*General Listing Standards.* The Exchange proposes to adopt listing standards for options traded on IEX Options as described in Chapter 20 (Securities Traded on IEX Options), which are substantively identical to the equivalent MEMX Options rules,<sup>173</sup> with the exception of: (i) some language in Supplementary Material .02 to proposed Rule 20.140 concerning the \$1 strike price program which is not included in the equivalent MEMX rule, and therefore borrowed from the equivalent MIAAX rule;<sup>174</sup> and (ii) the addition of language allowing the Exchange to list for closing transactions an Options series that is listed but restricted to closing transactions on another exchange.<sup>175</sup> The Exchange will join the Options Listings Procedures Plan and will list and trade options already listed on other options exchanges. The Exchange will gradually phase-in its trading of options, beginning with a selection of actively traded options.

#### Conduct and Operational Rules for Options Members

The Exchange proposes to adopt rules in Chapter 19 for IEX Options that are substantively identical to the rules of MEMX Options regarding: exercises and deliveries as described in Chapter 24 (Exercises and Deliveries); records, reports and audits as described in Chapter 25 (Records, Reports and Audits); minor rule violations as described in Chapter 26 (Discipline and Summary Suspensions); doing business with the public as described in Chapter 27 (Doing Business With the Public); and margin as described in Chapter 29 (Margin Requirements).<sup>176</sup> The Exchange also proposes to adopt rules that are substantively similar to most of MEMX's Chapter 18 (Business Conduct), with the exception of proposed Rules 19.160 (Position Limits), 19.170

<sup>172</sup> See MEMX Rule 27.1, 27.2, and 27.3.

<sup>173</sup> See MEMX Rules, Chapter 19. IEX notes that the MEMX Rules include Chapter 29: Index Rules. IEX is not proposing to adopt similar rules at this time, and any references to index options in MEMX Chapter 19 are not in proposed IEX Chapter 20.

<sup>174</sup> See MIAAX Rule 404 Interpretation and Policy .01.

<sup>175</sup> See Supplementary Material .01 to proposed Rule 20.130, which mirrors MIAAX Rule 403 Interpretation and Policy .01.

<sup>176</sup> See MEMX Rules, Chapters 23, 24, 25, 26 and 28.

<sup>167</sup> See proposed Rule 23.150(h)(1)(c).

<sup>168</sup> The Exchange will comply with Consolidated Audit Trail reporting requirements in accordance with applicable technical specifications.

<sup>169</sup> See, e.g., MEMX Rule 22.11; CBOE Rule 5.9; and MIAAX Options Rule 520(b).

<sup>170</sup> See *supra* note 85.

<sup>171</sup> See proposed Rule 28.120(b).

(Exemptions from Position Limits), 19.180 (Exercise Limits) that are substantively similar to MIAX Rules 307, 308, and 309, respectively.<sup>177</sup> IEX proposed to adopt MIAX's versions of these rules because they provided specificity about the types of position limits the Exchange will apply to Options Members (as opposed to the MEMX rules, which rely on position limits set by other exchanges).

#### National Market System

IEX Options will operate as a full and equal participant in the national market system for options trading established under Section 11A of the Exchange Act.<sup>178</sup> IEX Options will become a member of the Options Price Reporting Authority ("OPRA"), the Options Order Protection and Locked/Crossed Market Plan, the Options Regulatory Surveillance Authority ("ORSA"), and the Options Listing Procedures Plan ("OLPP"). The Exchange expects to participate in those plans on the same terms currently applicable to current members of those plans. The Exchange is in the process of contacting the leadership of each options-related national market system plan to begin the membership process.

#### Regulation

The Exchange will leverage many of the structures it established to operate a national securities exchange trading NMS equities securities, in compliance with Section 6 of the Exchange Act.<sup>179</sup> As described in more detail below, there will be three elements of that regulation: (1) the Exchange will join the existing options industry agreements pursuant to Section 17(d) of the Exchange Act prior to commencing operations,<sup>180</sup> as it did with respect to equities; (2) the Exchange's Regulatory Services Agreement ("RSA") with FINRA will be amended prior to commencing operations to provide that FINRA will perform regulatory surveillance, investigation, disciplinary and hearing services of options trading on IEX subject to oversight by IEX Regulation, just as it does for equities regulation; and (3) the Exchange will perform

options listing regulation, as well as authorize Options Members to trade on IEX Options. Section 17(d) of the Exchange Act and the related Exchange Act rules permit SROs to allocate certain regulatory responsibilities to avoid duplicative oversight and regulation. Under Exchange Act Rule 17d-1,<sup>181</sup> the SEC designates one SRO to be the Designated Examining Authority, or DEA, for each broker-dealer that is a member of more than one SRO. The DEA is responsible for the financial aspects of that broker-dealer's regulatory oversight. Because IEX Options Members also must be members of at least one other SRO, the Exchange would generally not expect to be designated as the DEA for any of its members.<sup>182</sup>

Exchange Act Rule 17d-2<sup>183</sup> permits SROs to file with the Commission plans under which the SROs allocate among each other the responsibility to receive regulatory reports from, and examine and enforce compliance with specified provisions of the Exchange Act and rules thereunder and SRO rules by, firms that are members of more than one SRO ("common members"). If such a plan is declared effective by the Commission, an SRO that is a party to the plan is relieved of regulatory responsibility as to any common member for whom responsibility is allocated under the plan to another SRO.

All of the options exchanges, FINRA, and NYSE have entered into the Options Sales Practices Agreement, a Rule 17d-2 agreement, and the Exchange intends to join this agreement prior to the commencement of operations for IEX Options. Under this Agreement, the examining SROs will examine firms that are common members of the Exchange and the particular examining SRO for compliance with certain provisions of the Exchange Act, certain of the rules and regulations adopted thereunder, certain examining SRO rules, and certain proposed IEX Options rules. In addition, the proposed IEX Options rules contemplate participation in this Agreement by requiring that any Options Member also be a member of at least one of the examining SROs. The Exchange and FINRA are also party to a bilateral Rule 17d-2 agreement that requires minor modifications due to the proposed launch of IEX Options. The Exchange intends to modify and seek Commission approval of the modified

bilateral Rule 17d-2 agreement prior to commencing of operations for IEX Options. Additionally, all of the options exchanges and FINRA have entered into the Options-Related Market Surveillance Agreement, a Rule 17d-2 agreement, and the Exchange intends to join this agreement prior to the commencement of operations for IEX Options.

For those regulatory responsibilities that fall outside the scope of any Rule 17d-2 agreements, the Exchange will retain full regulatory responsibility under the Exchange Act. However, the Exchange has entered into an RSA with FINRA, as discussed above, pursuant to which FINRA personnel operate as agents for the Exchange in performing certain of these functions. The Exchange and FINRA will continue to operate under the RSA that is currently in place but with modifications as necessary to accommodate the expanded scope of the relationship. The necessary modifications will be implemented prior to the commencement of operations of IEX Options. As is the case with the Exchange's equities market, the Exchange will oversee FINRA and continue to bear ultimate regulatory responsibility with respect to regulatory functions not subject to allocation to FINRA or another SRO pursuant to a Rule 17d-2 Agreement for the IEX Options Exchange.

Consistent with the Exchange's existing regulatory structure, the Exchange's Chief Regulatory Officer, reporting to the Regulatory Oversight Committee of the Exchange's board of directors, shall have general supervision of the regulatory operations of IEX Options, including responsibility for overseeing the surveillance, examination, and enforcement functions and for administering all regulatory services agreements applicable to IEX Options. Similarly, the Exchange's existing Regulatory Oversight Committee will be responsible for overseeing the adequacy and effectiveness of Exchange's regulatory and self-regulatory organization responsibilities, including those applicable to IEX Options.

As it does with equities, the Exchange will monitor trading on IEX Options, both through internal reports and FINRA surveillances for the purpose of maintaining a fair and orderly market. As it does with its equities trading, the Exchange will monitor IEX Options to identify unusual trading patterns and determine whether particular trading activity requires further regulatory investigation by FINRA.

Finally, the Exchange will oversee the process for determining and

<sup>177</sup> The Exchange also proposes to adopt provisions comparable to CBOE Rule 8.30 Interpretation .03(c)(4) in proposed Rule 19.160(f)(2)(D) (regarding control for purposes aggregating positions held by different accounts for purposes of applying the position limit rules) and CBOE Rule 8.30 Interpretation .09 in Supplementary Material .03 to proposed Rule 19.160 (regarding aggregation of positions in options contracts on the same underlying security for purposes of position limit rules).

<sup>178</sup> 15 U.S.C. 78k-1.

<sup>179</sup> 15 U.S.C. 78f.

<sup>180</sup> 15 U.S.C. 78q(d).

<sup>181</sup> 17 CFR 240.17d-1.

<sup>182</sup> If IEX were to be designated as the DEA for any of its members, FINRA would perform the DEA functions on behalf of IEX pursuant to the RSA.

<sup>183</sup> 17 CFR 240.17d-2.

implementing trade halts, identifying and responding to unusual market conditions, and administering the Exchange's process for identifying and remediating "obvious errors" by and among its Options Members.<sup>184</sup> The proposed rules in Chapter 21 (Regulation of Trading on IEX Options) regarding halts,<sup>185</sup> unusual market conditions, extraordinary market volatility, obvious errors, audit trail, and rules regarding prohibited and permissible transfers of options positions off the Exchange are substantively identical to the approved rules of MEMX Options.<sup>186</sup>

#### Minor Rule Violation Plan

The Exchange's disciplinary rules, including Exchange Rules applicable to "minor rule violations," are set forth in Chapter 9 of the Exchange's current Rules. Such disciplinary rules will apply to Options Members and their associated persons.

The Commission approved the Exchange's Minor Rule Violation Plan ("MRVP") in 2016.<sup>187</sup> The Exchange's MRVP specifies the uncontested minor rule violations that are included in the MRVP and have sanctions not exceeding \$2,500. Any violations that are resolved under the MRVP would not be subject to the provisions of Rule 19d-1(c)(1) under the Act<sup>188</sup> requiring that an SRO promptly file notice with the Commission of any final disciplinary action taken with respect to any person or organization.<sup>189</sup> The Exchange's

MRVP includes the policies and procedures included in Exchange Rule 9.216(b) and the violations included in Rule 9.218.

Under Rule 9.216(b), the Exchange may impose a fine (not to exceed \$2,500) and/or a censure on any Member or associated person with respect to any rule listed in IEX Rule 9.218. If the FINRA Department of Enforcement or the Department of Market Regulation, on behalf of the Exchange, has reason to believe a violation has occurred and if the Member or associated person does not dispute the violation, the Department of Enforcement or the Department of Market Regulation may prepare and request that the Member or associated person execute a minor rule violation plan letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive the Member's or associated person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right of appeal to the IEX Appeals Committee, the Board, the Commission, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter must describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction imposed will be a date to be determined by IEX Regulation staff. In the event the letter is not accepted by the Member or associated person, or is rejected by the Office of Disciplinary Affairs, the matter can proceed in accordance with the Exchange's disciplinary rules, which include hearing rights for formal disciplinary proceedings.

The Exchange proposes to amend its MRVP and Exchange Rule 9.218 to add certain rules relating to Options as set forth in proposed Rule 26.120 (Penalty for Minor Rule Violations) to the list of rules eligible for Minor Rule Violation Plan treatment.<sup>190</sup> The rules included in proposed Rule 26.120, as appropriate for disposition under the Exchange's MRVP, are: (a) position limit and exercise limit violations; (b) violations regarding the failure to accurately report position and account information; (c) Market Maker quoting obligations; (d) violations regarding expiring exercise declarations; (e) violations relating to

the failure to respond to the Exchange's requests for the submission of trade data; and (f) violations relating to noncompliance with the Consolidated Audit Trail Compliance Rule requirements. The rule violations included in proposed Rule 26.120 are the same as the rule violations included in the MRVPs of other options exchanges.<sup>191</sup>

Upon implementation of this proposal, the Exchange will include violations of the enumerated options trading rules, if any, in an applicable Exchange's quarterly report of any actions taken on minor rule violations under the MRVP.<sup>192</sup> A quarterly report would include: the Exchange's internal file number for the case, the name of the individual and/or organization, the nature of the violation, the specific rule provision violated, the sanction imposed, the number of times the rule violation has occurred, and the date of disposition. The Exchange's MRVP, as proposed to be amended herein, is consistent with Sections 6(b)(1), 6(b)(5) and 6(b)(6) of the Act, which require, in part, that an exchange have the capacity to enforce compliance with, and provide appropriate discipline for, violations of the rules of the Commission and of the exchange, 6(b)(6) provides that members and persons and associated members shall be appropriately disciplined for violation of the provisions of the rules of the exchange, by expulsion, suspension, limitation of activities, functions and operations, fine, censure, being suspended or barred from being associated with a member, or any other fitting sanction.<sup>193</sup> Rule violations listed in proposed Rule 26.120 are minor in nature and will be more appropriately disciplined through the Exchange's MRVP and therefore proposes to add them to the list of rules eligible for minor rule fine disposition.

In addition, because Rule 9.216(b) offers procedural rights to a person sanctioned for a violation listed in proposed Rule 26.120, the Exchange will provide a fair procedure for the disciplining of members and associated persons, consistent with Section 6(b)(7) of the Act.<sup>194</sup>

This proposal to include the rules listed in proposed Rule 26.120 in the Exchange's MRVP is consistent with the

<sup>184</sup> IEX notes that, like MEMX Rule 20.6, proposed Rule 21.150 authorizes the proposed Error Panel to review decisions made under this rule, which includes decisions to classify a transaction as a Catastrophic Error.

<sup>185</sup> Proposed Rule 21.120(b) states that during a trading halt, the Exchange shall process new and existing orders and quotes in a series in accordance with proposed Rule 22.160(g). Proposed Rule 22.160(g), which is substantively identical to NYSE Arca Options Rule 6.64P-O(g), states that during a trading halt, the Exchange will cancel all resting Market Maker quotes.

<sup>186</sup> See MEMX Rules, Chapter 20.

<sup>187</sup> See Securities Exchange Act Release No. 78474 (August 3, 2016), 81 FR 52717 (August 9, 2016) (Order Declaring Effective a Minor Rule Violation Plan) (File No. 4-701).

<sup>188</sup> 17 CFR 240.19d-1(c)(1).

<sup>189</sup> The Commission adopted amendments to paragraph (c) of Rule 19d-1 to allow SROs to submit for Commission approval plans for the abbreviated reporting of minor disciplinary infractions. See Release No. 34-21013 (June 1, 1984), 49 FR 23828 (June 8, 1984). Any disciplinary action taken by an SRO against any person for violation of a rule of the SRO which has been designated as a minor rule violation pursuant to such a plan filed with and declared effective by the Commission will not be considered "final" for purposes of Section 19(d)(1) of the Act if the sanction imposed consists of a fine not exceeding \$2,500 and the sanctioned person has not sought an adjudication, including a hearing, or otherwise exhausted his administrative remedies.

<sup>190</sup> In its proposal to adopt the MRVP, the Exchange requested that, going forward, to the extent that there are any changes to the rules applicable to the Exchange's MRVP, the Exchange requests that the Commission deem such changes to be modifications to the Exchange's MRVP.

<sup>191</sup> See, e.g., MEMX Rules, Chapter 25.

<sup>192</sup> To date, the Exchange has not taken any minor rule violation actions.

<sup>193</sup> 15 U.S.C. 78f(b)(1), 78f(b)(5) and 78f(b)(6).

<sup>194</sup> 15 U.S.C. 78f(b)(7). Rule 9.216(b) does not preclude an Options Member or person associated with an Options Member from contesting an alleged violation and receiving a hearing on the matter with the same procedural rights through a litigated disciplinary proceeding.

public interest, the protection of investors, or otherwise in furtherance of the purposes of the Act, as required by Rule 19d-1(c)(2) under the Act,<sup>195</sup> because it should strengthen the Exchange's ability to carry out its oversight and enforcement responsibilities as an SRO in cases where full disciplinary proceedings are unsuitable in view of the minor nature of the particular violation. In requesting the proposed change to the MRVP, the Exchange in no way minimizes the importance of compliance with Exchange Rules and all other rules subject to the imposition of fines under the MRVP. Minor rule fines provide a meaningful sanction for minor or technical violations of rules when the conduct at issue does not warrant stronger, immediately reportable disciplinary sanctions. The inclusion of a rule in the Exchange's MRVP does not minimize the importance of compliance with the rule, nor does it preclude the Exchange from choosing to pursue violations of eligible rules through the Exchange's disciplinary rules if the nature of the violation or prior disciplinary history warrants more significant sanctions. However, the MRVP provides a reasonable means of addressing rule violations that do not rise to the level of requiring formal disciplinary proceedings, while providing greater flexibility in handling certain violations.<sup>196</sup> The Exchange will continue to conduct surveillance with due diligence and make a determination based on its findings, on a case-by-case basis, whether a fine of more or less than the recommended amount is appropriate for a violation under the MRVP or whether a violation requires a formal disciplinary action.

#### Section 36 Exemption Request

The Exchange proposes to incorporate by reference as IEX Options rules certain rules of the Cboe Exchange, Inc. ("CBOE"), the New York Stock Exchange ("NYSE"), and FINRA. Specifically, proposed Rule 27.250 proposes to incorporate by reference the applicable rules of FINRA with respect to Communications with Public Customers, and proposed Rule 29.120 proposes to incorporate by reference initial and maintenance margin requirements of either CBOE or NYSE. Thus, for certain IEX Options rules, Exchange members will comply with a IEX Options rule by complying with the CBOE, NYSE, or FINRA rule referenced. Using its authority under Section 36 of the Act, the Commission has previously

exempted certain SROs from the requirement to file proposed rule changes under Section 19(b) of the Act when incorporating another SRO's rules by reference.<sup>197</sup> Each such exempt SRO has agreed to be governed by the incorporated rules, as amended from time to time, but, has not been required to file a separate proposed rule change with the Commission each time the SRO whose rules are incorporated by reference seeks to modify its rules. In addition, each SRO incorporated by reference only regulatory rules (*e.g.*, margin, suitability, arbitration), not trading rules, and incorporated by reference whole categories of rules (*i.e.*, did not "cherry-pick" certain individual rules within a category). Last, each exempt SRO had reasonable procedures in place to provide written notice to its members each time a change is proposed to the incorporated rules of another SRO in order to provide its members with notice of a proposed rule change that affects their interests, so that they would have an opportunity to comment on it.

In connection with this proposal, the Exchange respectfully requests, pursuant to Rule 240.0-12 under the Act,<sup>198</sup> an exemption under Section 36 of the Act from the rule filing requirements of Section 19(b) of the Exchange Act for changes to those IEX Options rules that are effected solely by virtue of a change to a cross-referenced CBOE, NYSE, or FINRA rule. The Exchange proposes to incorporate by reference categories of rules (rather than individual rules within a category) that are not trading rules. The Exchange also agrees to provide written notice to Options Members prior to the launch of IEX Options of the specific CBOE, NYSE, and FINRA rules that it will incorporate by reference. In addition, the Exchange will notify Options Members whenever CBOE, NYSE, or FINRA proposes a change to a cross-referenced CBOE, NYSE, or FINRA rule.<sup>199</sup> For the foregoing reasons, the

<sup>197</sup> See, *e.g.*, Securities Exchange Act Release No. 49260 (February 17, 2004), 69 FR 8500 (February 24, 2004). See also Securities Exchange Act Release Nos. 57478 (March 12, 2008), 73 FR 14521, 14539-40 (March 18, 2008) (order approving SR-NASDAQ-2007-004 and SR-NASDAQ-2007-080) and 53128 (January 13, 2006), 71 FR 3550, 3565-66 (January 23, 2006) (File No. 10-131) (approving The NASDAQ Stock Market LLC's exchange application).

<sup>198</sup> 17 CFR 240.0-12.

<sup>199</sup> The Exchange will provide such notice through a posting on the same website location where the Exchange will post its own rule filings pursuant to Rule 19b-4(f)(1) under the Exchange Act (or other appropriate rule filing type), within the time frame required by that rule. The website posting will include a link to the location on the

Exchange believes that its request for exemptive relief is consistent with prior requests for, and provision of, similar exemptive relief.

#### Amendments to Existing Exchange Rules

In addition to the rules of IEX Options proposed above, the Exchange proposes to amend certain of its existing Exchange Rules that currently apply to the Exchange's equities market in order to reflect the Exchange's proposed operation of IEX Options.

First, the Exchange proposes to amend Rule 2.160(i), which generally requires each Member to register at least two Principals with the Exchange subject to certain exceptions described therein, to provide that such paragraph (i) shall not apply to a Member that solely conducts business on the Exchange as an Options Member, however, Options Members must comply with the registration requirements set forth in proposed Rule 18.110. The Exchange notes that proposed Rule 18.110(h), which provides that every Options Member shall have at least one Options Principal and sets forth the Exchange's Options Principal registration requirements, is identical to MEMX Rule 17.2(g). In connection with this proposed change, the Exchange also proposes to amend Rule 2.160(n) to include Options Principal as a registration category and to set forth the Exchange's qualification requirements for an Options Principal, which are the same as those for an Options Principal on MEMX Options. Additionally, the Exchange proposes to amend Rule 2.160(p)(a)(4) to set forth the appropriate regulatory element continuing education module for reregistration as an Options Principal.

The Exchange also proposes to make three modifications to Rule 2.220 (IEX Services LLC as Outbound Router). First, IEX proposes to remove the word "directly" from the first sentence of subparagraph (a), because IEX Services will continue to route orders to away markets, but as described above, with respect to options routing, it will not route those order "directly" to the away markets. Second, consistent with the first change, IEX proposes to insert a new second sentence in subparagraph (a) that reads: "When routing options orders, as set forth in proposed Rule 22.180, IEX Services will transmit such orders to one or more routing brokers that are not affiliated with the Exchange; the routing brokers will in turn route the applicable options orders to other

CBOE, NYSE, or FINRA websites where the proposed rule change is posted.

<sup>195</sup> 17 CFR 240.19d-1(c)(2).

<sup>196</sup> See *supra* note 188 and accompanying text.

securities exchanges that trade options.” IEX proposes to make this change to reflect the different nature of how IEX Services will handle routing options orders from equities orders. And third, IEX proposes to modify subparagraph (a)(8) of this rule, which states that IEX Services shall maintain an error account for the purpose of addressing positions that are the result of an execution or executions that are not clearly erroneous under Rule 11.270 and result from a technical or systems issue at IEX Services, the Exchange, a routing destination, or a non-affiliate third-party routing broker that affects one or more orders (“Error Positions”). The proposed change to Rule 2.220(a)(8) would add a reference to the comparable provision to that which governs review and resolution of clearly erroneous equities transactions (*i.e.*, Rule 11.270) but for options transactions, namely proposed Rule 21.150, which governs review and resolution of options transactions that may qualify as obvious errors.

The Exchange also proposes to adopt Rule 21.220 (Limitation of Liability), which is almost identical to the Rule 11.260, the Limitation of Liability rule in IEX’s equities trading rules. The only difference is to reflect that proposed Rule 21.220 applies to IEX Options and options trading.

Lastly, the Exchange proposes to amend Rule 9.218 (Violations Appropriate for Disposition Under Plan Pursuant to Exchange Act Rule 19d–1(c)(2)), which contains the list of Exchange Rule violations and recommended fine schedule, to include a new paragraph (k) referencing proposed Rule 26.120 for the recommended fines for minor rule violations of the Exchange Rules applicable to IEX Options, which the Exchange notes are the same as those of MEMX Options.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act<sup>200</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>201</sup> in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in

general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As described above, the Exchange proposes to operate its options market much as it operates its equities market today and in a manner similar to that of other options exchanges, while leveraging IEX’s experience and expertise in understanding the needs of market makers to offer them additional tools designed to better manage risk and drive performance. As discussed in the Purpose section, IEX believes that the proposed enhanced liquidity protection mechanisms will result in market makers providing more competitive quotes which will benefit all market participants and thereby support the protection of investors and the public interest. Also as discussed in the Purpose section, most of the proposed IEX Options rules are based on the rules of other options exchanges, primarily MEMX, CBOE, MIAX, NYSE Amex, and NYSE Arca. Therefore, the Exchange does not believe these aspects of the proposed rule change that are substantively identical to other exchanges’ rules raise any new or novel issues that have not been previously considered by the Commission. Moreover, the Exchange believes that the proposed functionality is consistent with Section 6(b)(5) of the Act because the System is designed to be efficient and its operation transparent, thereby facilitating transactions in securities, removing impediments to and perfecting the mechanisms of a free and open national market system. As described above, the Exchange’s proposed rules, including the proposed Order Types and Handling Instructions, opening procedures, routing services, and order matching process are designed to provide a simplified suite of conventional features and to comply with all applicable regulatory requirements, including the obligations of the Options Order Protection and Locked/Crossed Market Plan.<sup>202</sup>

As discussed in the Purpose section, IEX’s proposal includes a *de minimis* latency mechanism (or speedbump) on incoming order and quote messages designed to enable IEX to obtain the most accurate view of the market prior to processing orders and quotes, and a robust suite of risk protections, including the ORP, which is designed to protect market makers from excessive risk due to execution of quotes at stale prices. IEX believes that the proposed latency mechanism will protect investors and the public interest in

several respects. First, by enabling IEX to obtain the most accurate view of market data prior to executing an order or quote, it thereby would support IEX’s ability to accurately account for contemporaneous market data. IEX notes that this aspect of its functionality is designed to facilitate market participants executing at current (*i.e.*, not “stale”) prices. Second, by enabling the System to perform the Indicator calculation with current market data, it supports operation of the ORP (as discussed herein), which is designed to provide Market Makers with an optional tool to avoid excessive risk that can arise from execution of a quote at a stale price. As discussed in detail above, IEX believes that this protection will encourage market makers to post aggressively priced and/or deeper quotes on the Exchange which will benefit all market participants. Thus, from a functional perspective, IEX believes that the operation of the latency mechanism is consistent with the Act. Further, and as explained below, the proposed latency mechanism of 350 microseconds is well within the geographic delays that exist among and between the data centers that IEX Options Members and other options exchanges use<sup>203</sup> and is consistent with the naturally occurring time indeterminism that exists in order processing.<sup>204</sup>

IEX also believes that the latency mechanism is consistent with the Commission Interpretation Regarding Automated Quotations Under Regulation NMS (“*de minimis* delay

<sup>203</sup> See [https://www.ice.com/publicdocs/ICE\\_Global\\_Network\\_Factsheet.pdf](https://www.ice.com/publicdocs/ICE_Global_Network_Factsheet.pdf) for a description of latencies between various data centers.

<sup>204</sup> Accounting for the latency mechanism or speedbump is no different than accounting for other geographical distances between exchanges. See Securities Exchange Act Release No. 78101 (June 17, 2016), 81 FR 41142, 41161 (June 23, 2016) (“2016 SEC Approval Order”) (approving IEX’s 350 microsecond speed bump in the registration of the IEX Exchange as “well within the range of geographic and technological latencies that market participants experience today” such that “latency to and from IEX will be comparable to—and even less than—delays attributable to other markets that currently are included in the NBBO,” and finding the delay to be *de minimis*, *i.e.*, so short as to not frustrate the purposes of the Exchange Act by impairing fair and efficient access to IEX’s quotation); see also 2020 SEC Approval Order, *supra* note 27, at 54441 (determining that IEX’s *de minimis* speed bump when routing displayed equity orders is “just like accounting for any other technological or geographic latency” and doing so is consistent with applicable rules and regulations); see also *Citadel*, 45 F.4th at 37 *supra* note 27 (ruling in favor of the SEC’s approval of IEX’s displayed equity order that traverses a speedbump and holding that IEX’s displayed equity order’s delay are “similar to the delay that traders’ communications already experience when traveling between various other exchanges across the country.”).

<sup>200</sup> 15 U.S.C. 78f(b).

<sup>201</sup> 15 U.S.C. 78f(b)(5).

<sup>202</sup> See *supra* note 85.

interpretation”).<sup>205</sup> Although options markets do not have the same automated quotation requirements as in equities, even if they were to apply, the Commission’s reasoning in the *de minimis* delay interpretation in the context of NMS automated quotations is instructive, as the latency mechanism IEX is proposing for the options exchange is a *de minimis* delay that does not impair fair and efficient access to an exchange’s quotation. Specifically, the Commission stated in issuing its interpretation that intentional delays that are well within the geographic and technological latencies experienced by market participants when routing orders are *de minimis* to the extent they would not impair a market participant’s ability to access a displayed quotation consistent with the goals of NMS Rule 611.<sup>206</sup> The Commission also noted that an intentional delay of any duration must be fully disclosed and codified in a written rule of the exchange, which, as described below, the latency mechanism will be fully disclosed and codified in IEX’s written rules.<sup>207</sup>

IEX believes that its proposed latency mechanism of 350 microseconds is fully consistent with the reasoning in the Commission’s *de minimis* delay interpretation.<sup>208</sup> First, the delay is less than the existing geographic latencies experienced by market participants when routing orders. For example, latency between and among the data centers located in New Jersey range up to several hundred microseconds, with additional latency introduced by technology processing on both sides of an order or quote route between these data centers.<sup>209</sup> Accordingly, the proposed latency mechanism is consistent with this aspect of the Commission’s *de minimis* interpretation.

The proposed latency mechanism also meets the additional prongs of the *de*

*minimis* interpretation, that it be fully disclosed and codified in a written rule of the exchange that has become effective pursuant to Section 19 of the Act; and that the exchange articulates how the purpose, operation, and application of the delay is consistent with the Act and the rules and regulations thereunder applicable to the exchange. The latency mechanism’s operation, as proposed, would be disclosed and codified in detail in IEX Rules 22.100(n) and 22.170(g). Those provisions specify that the latency mechanism shall mean a delay of 350 microseconds that is added to each incoming order and quote message from a User prior to processing by the System, and that will not apply to other communications between the Exchange and Users, Away Markets, data feeds, order processing and order execution on the IEX Options Book, and outbound communications to the Exchange’s proprietary data feeds and OPRA. As discussed above, the purpose of the latency mechanism is to provide adequate time for the IEX System to obtain the most accurate view of market data to enable it to accurately price orders as well as to perform the Indicator calculation with current market data.

Consequently, based on the foregoing, the Exchange believes that the latency mechanism is both *de minimis* and otherwise consistent with the Act.

The Exchange believes that the proposed ORP is consistent with Section 6(b) of the Act<sup>210</sup> in general, including furthering the objectives of Section 6(b)(5) of the Act,<sup>211</sup> as the proposed optional risk protection mechanism would remove impediments to and perfect the mechanism of a free and open market and a national market system and promote just and equitable principles of trade by providing an optional quote parameter, available to all IEX Options Market Makers, that is designed to assess the materiality of an adverse price change in a particular options series so that the System can effectuate the advance trading instructions provided by the Market Maker to cancel or reprice its quote to the price level of the quote instability determination, as selected by the Market Maker. The ORP is an optional, narrowly tailored approach designed to provide protection from excessive risk of execution of quotes at stale prices and thereby enable market makers to make tighter and larger quotes (*i.e.*, quotes at narrower spreads with greater size) thus enhancing the quality of the IEX

Options market, to the benefit of all market participants. The Exchange believes it is appropriate to provide market makers with the choice to utilize this reasonable quote protection, particularly given the continuous quoting obligations specific to market makers and their importance in providing liquidity in the listed options market. The Exchange further believes this risk functionality will encourage market makers to provide additional depth and liquidity to the Exchange’s markets, thereby removing impediments to and perfecting the mechanisms of a free and open market and a national market system and, in general, protecting investors and the public interest.

The Exchange believes that the ORP supports the protection of investors and public interest goals of the Act. As described in the Purpose section, based on the structural differences between equities and listed options markets, the options exchanges often do not have the same natural liquidity of buyers and sellers for each tradeable instrument (*i.e.*, options series) as is generally the case in equities. As a result, market makers with affirmative obligations play a central role in providing liquidity to options exchanges through continuous two-sided quotes in large numbers of listed options series, thereby enabling investors to transact in listed options in accordance with their investment objectives. Because options market makers are required to maintain hundreds (and sometimes thousands) of quotes on options overlying underlying securities at any one time, a sudden market move in the underlying security can leave them vulnerable to being executed on quotes at stale prices and dislocated from the price of the underlying security.<sup>212</sup> Liquidity takers engaged in latency arbitrage can target these quotes at stale prices, with limited risk should they fail, before the market maker has time to move its quotes to reflect the price change in the

<sup>205</sup> See Commission Interpretation Regarding Automated Quotations Under Regulation NMS, Exchange Act Release No. 34-78102, 81 FR 40,785, 40,792 (June 23, 2016).

<sup>206</sup> *Id.*

<sup>207</sup> *Id.*

<sup>208</sup> IEX notes that the D.C. Circuit Court also agreed with the Commission’s interpretation. The Court ruled entirely in favor of the SEC’s approval of IEX’s system that includes applying a speedbump and quote indicator to displayed equity orders. See *Citadel Securities*, 45 F.4th at 36, *supra* note 27 (concluding the SEC’s approval of a 350 microseconds intentional access delay for displayed orders to be “*de minimis*—*i.e.*, a delay so short as to not frustrate the purposes of Rule 611 by impairing fair and efficient access to an exchange’s quotations”); see also *id.* (“The SEC’s conclusion that mere *de minimis* delays do not cause an order to violate Regulation NMS’s immediacy requirement was therefore reasonable.”).

<sup>209</sup> See [https://www.ice.com/publicdocs/ICE\\_Global\\_Network\\_Factsheet.pdf](https://www.ice.com/publicdocs/ICE_Global_Network_Factsheet.pdf).

<sup>210</sup> 15 U.S.C. 78f(b).

<sup>211</sup> 15 U.S.C. 78f(b)(5).

<sup>212</sup> See, e.g., *Dead Man’s Switch*, *supra* note 154 (discussing the need for quote protection for market makers to allow for a deep and liquid listed options market and explaining that “race conditions” negatively impact pricing efficiency, “as market makers have been shown to quote wider spreads or step back instead of continually updating with price moves for fear of being “picked off.”); see also *Market Lens*, *supra* note 21 (explaining the need for risk management in electronic trading given that “traders who place limit orders—the foundation of public price discovery—are exposed to the risk that their quotations will be executed at an inopportune time, leading to potential losses” and that the “greater the risk of an inopportune execution, the more compensation is required, which leads to wider bid-ask spreads. Conversely, anything the trader can do to lower the risk of an inopportune execution will lower the compensation required, which leads to narrower bid-ask spreads.”).

underlying security exposing them to potentially major losses. Even high-speed market makers, due to the large number of quotes they are required to maintain, are susceptible to the risk of being unable to adjust their quotes fast enough to protect against strategies that can choose to send “aggressive” orders in specific options when they detect changing market conditions.<sup>213</sup>

The ORP is designed to supplement the standard proposed risk checks to provide augmented protection to address the inherent risks faced by market makers. The Exchange notes that, as proposed, ORP would be an incremental step in providing further risk protections to market makers consistent with exchanges’ long-standing practice of offering targeted risk protections to market makers in recognition of their obligations and the unique risks they face. IEX believes that the operation of the ORP is similar to price reasonability and activity-based risk checks offered by other options exchanges (and proposed by IEX herein), in terms of its impact on a resting quote.<sup>214</sup> Each of these risk controls provide that the exchange will cancel an order or quote pursuant to the member’s instructions when the control is triggered based on a determination that the price of the market maker’s quote is “unreasonable” because it is no longer reflective of the price of the underlying security and therefore likely stale (price reasonability check) or that the execution activity of a market maker’s quotes exceeds the market maker’s risk tolerance (activity-based controls). Additionally, the trading collar and limit order protection rules of other options exchanges and those similarly proposed by IEX provide for orders to be repriced.

Similarly, the ORP will enable IEX to cancel or reprice a Market Maker’s quote based on a trigger in the discrete moments when the mathematical relationship between the options quote and the underlying security’s price become substantially disconnected, as per the Indicator formula. However, IEX notes that the proposed ORP would be more transparent than the activity-based controls in determining when a market

maker quote is potentially subject to cancelation (or adjustment) because it is based on a transparent formula specified in IEX’s rules. Participants will know that any change in an options quote based on the ORP will only occur in the circumstances that are defined and in a predictable way based on the transparent formula. In contrast, those triggers for an activity-based control are nonpublic and set by each exchange member. Importantly, the ORP would not impact the effectiveness of these other risk tools. However, if Market Makers can better control the risks from latency arbitrage strategies through the narrowly tailored ORP, they may need to rely less on these other less transparent tools.

As discussed above, because of the lack of natural sources of liquidity across the multitude of listed options series, market makers are subject to affirmative obligations to maintain continuous two-sided quotes on hundreds or thousands of individual options series. While IEX proposes to offer bulk quoting and purge port functionality to market makers (in the same manner as other options exchanges), in a fast-moving market, the prices of their quotes can nonetheless become stale almost instantaneously. In those times, a sophisticated liquidity taker can target one or more market maker quotes at stale prices before the market maker can update its quotes, thereby exposing the market maker to potentially major losses. The ORP is designed to assist market makers with an option to manage this risk, similar to the other risk controls. While some overlap is expected, IEX believes that the Indicator would potentially identify additional instances of quotes at stale prices beyond those identified by the other price reasonability checks.

Further, IEX notes that the operation of the Indicator is similar to the manner in which IEX’s equities market (the “Equities System”) utilizes a “crumbling quote indicator” to encourage the provision of displayed liquidity by providing reasonably tailored protections against adverse executions.<sup>215</sup> As with the crumbling

quote indicator, the Indicator will be a transparent formula based on a pre-determined objective set of circumstances that will be specified in IEX’s rules to identify when the Protected Bid and/or Protected Offer in a particular options series is likely to move to a less aggressive price.

Moreover, the Options System will use the ORP in a manner similar to the way in which the Equities System applies the crumbling quote indicator to resting displayed liquidity, which reprices the applicable order or quote. The functional differences between the crumbling quote indicator and the Indicator reflect that options pricing is derivative.<sup>216</sup> Thus, the Indicator will trigger when it identifies that a Protected Bid or Protected Offer is likely to move to a less aggressive price, based on a price change in the underlying security, thereby exposing the market maker to excessive risk, but, unlike the crumbling quote indicator, would reprice the quote to the price level of the quote instability determination or cancel the impacted quote and not remain “on” for a period of time after triggering. IEX believes that this approach is appropriate in view of the derivative pricing of options and that it will contribute to more displayed liquidity through improved execution quality, enhance the public price discovery process, and promote just and equitable principles of trade.<sup>217</sup>

that the Exchange’s displayed order proposal that included a similar quote indicator is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange and that is designed to improve market quality, enhance price discovery, and promote just and equitable principles of trade).

<sup>216</sup> Because of this difference, the Indicator is designed to identify when the Protected Bid and/or Protected Offer in an option series is dislocated from the price of the underlying based on a price change in the underlying and therefore likely to be in transition to a less aggressive price, while the crumbling quote indicator utilizes changes in the protected quote in the security itself to make such a prediction.

<sup>217</sup> See, e.g., 2020 SEC Approval Order, *supra* note 18, at 54443 (concluding that IEX’s exchange functionality protects against adverse selection and incentivizes more displayed liquidity through improved execution quality for liquidity providers, which contributes “to fair and orderly markets” and supports “the public price discovery process”); at 54443 (finding that the Exchange’s speedbump and crumbling quote indicator promotes the interest of long term investors and inures to the “benefit of displayed markets, leading to increased displayed liquidity from which all market participants ultimately will benefit”); at 54451 (concluding that the Exchange’s order protection functionality “is designed to encourage market participants to post more priced limit orders, including displayed orders, on IEX, and thereby promotes just and equitable principles of trade, removes impediments to and perfects the mechanism of a free and open market and a national market, and, in general, protects investors and the public interest.”).

<sup>213</sup> See *id.*

<sup>214</sup> See, e.g., *Market-Maker Protections*, Market Structure, Optiver, July 17, 2023 (“Market Maker Protections”), available at <https://optiver.com/insights/market-maker-protections/> (explaining that exchanges implement robust market-maker protections to “assist market makers in coping with the risks of posting continuous, two-sided quotes in thousands of financial instruments” and to provide the ability to automatically pull or amend their quotes so that “all quotes falling within the scope of protection still resting on the book are prohibited from further execution”).

<sup>215</sup> In 2016, IEX received SEC approval of the IEX’s exchange system that provides a similar quote indicator for equities. See 2016 SEC Approval Order (approving IEX’s exchange system in its registration as a national securities exchange, which included the approval of IEX’s crumbling quote indicator that assesses quote instability by utilizing a real-time, based on pre-determined, objective set of conditions that protects orders from unfavorable executions when the market is moving against them), *supra* note 195. In 2020, IEX received SEC approval to apply the quote indicator to displayed orders in equities. See 2020 SEC Approval Order, *supra* note 18 (receiving unanimous support and concluding

Further, the ORP would be available, as a quote parameter, only to market makers and on an optional basis, because the Exchange believes that it is most appropriate as a tool to address market maker risk. IEX believes that this approach is appropriate because market makers are subject to affirmative obligations to provide continuous two-sided quotes and cannot back away or unduly widen their quotes during periods of price volatility, as can other liquidity providers.<sup>218</sup> By offering market makers this narrowly-tailored, optional tool, IEX believes it will attract additional displayed liquidity that will be available to all market participants.

IEX also believes that use of the Indicator in determining when to trigger the ORP is consistent with the protection of investors and the public interest because the Indicator is based on the well-recognized Black-Scholes options pricing model, which IEX believes is an appropriate methodology to identify when a Market Maker's quote in an option is dislocated from the price of the underlying security based on the mathematical relationship between the price of the underlying security and the overlying options. Thus, when the ORP is triggered, and IEX changes or cancels a Market Maker quote, such action would be in the expected time frame and direction based on a change that has already occurred in the price of the underlying security. ORP action would not be arbitrary or unexpected but would simply enable the Market Maker's quote to reflect the most accurate prices available in the market, which is what they endeavor to do themselves. The ORP action therefore will likely be more predictable than other risk-based tools, like "purge ports" that can result in wholesale canceling of quotes for reasons specific to the market maker. Further, the ORP action should not "surprise" market participants and if a potential counterparty is unable to trade with the quote, they should not have expected a guaranteed execution in a narrow time frame when other factors, including risk mitigation functionality alternatives, are available on other options exchanges.

Moreover, IEX believes that the latency mechanism<sup>219</sup> (as discussed above) will serve to enhance the accuracy of the Indicator by providing

<sup>218</sup> See, e.g., *Protecting Liquidity*, *supra* note 155 (explaining that without robust liquidity protection mechanisms for market makers to protect against the risks of displaying quotes at stale or outdated prices, "market makers may be forced to widen their spreads, show less liquidity or simply exit the market" and overall "market quality can deteriorate" with the result of investors suffering).

<sup>219</sup> See proposed Rule 22.170(g).

adequate time for the IEX System to update its Indicator calculation with current market data and to enable IEX to obtain the most accurate view of the market prior to processing orders and quotes. In this regard, as discussed earlier, IEX notes that the proposed latency of 350 microseconds is well within the geographic delays that exist among and between the data centers that IEX Options Members, and other options exchanges, use and is consistent with the naturally occurring time indeterminism that exists in order processing.

Further, IEX believes that limiting the availability of the ORP to resting market maker quotes is consistent with the Act for several reasons. As discussed in depth above, market makers are integral to providing liquidity on options exchanges, and at the same time subject to a potentially excessive level of risk from execution of one or more quotes at stale prices. Additionally, market makers' obligations apply across all series in their appointed class. Other liquidity providers are free to concentrate their efforts in a select number of series. Thus, market makers have greater exposure to latency arbitrage, take on greater risk, and incur more related capital charges than other liquidity providers. IEX determined to apply the functionality to resting quotes only as this approach will best achieve the purpose of protecting market makers from the excessive risk of executions at stale prices without disrupting market makers' ability to update their quotations.

IEX further believes that it is consistent with the fair access and nondiscriminatory standards of Section 6(b)(5) of the Exchange Act to offer the ORP for IEX Market Makers' quotes. As discussed above, only market makers are subject to affirmative quoting obligations which create unique risks of adverse selection. Market makers play a central role in the options markets and account for over 99% of all open orders and quotes.<sup>220</sup> Market makers, as opposed to proprietary traders as well as retail and institutional customers, are subject to disproportionate risk as a consequence of maintaining quotes in a large number of options. In contrast, IEX understands that retail customers' market risk is generally a function of individual trading strategies, without any broader market wide implications on liquidity in the market. Indeed, the Commission has recognized in a number of contexts that it is appropriate and consistent with the Act for exchanges to enhance market quality by providing

<sup>220</sup> See *Dead Man's Switch*, *supra* note 163.

functionality specific to market makers to help protect them from these risks in a manner that is balanced against the obligations to which market makers commit themselves.<sup>221</sup>

IEX further notes that market makers typically manage their financial exposure risks resulting from their continuous quoting obligations in very short-term time frames, often measured in micro-seconds. As such, consistent with the long-standing precedent of exchanges offering specific tools and benefits to market makers in recognition of their quoting obligations and concomitant significant risk exposure, the ORP is designed to mitigate these risks that are relevant in such high-speed environments. IEX also believes that because the ORP is designed specifically to mitigate systemic adverse selection risks faced by market makers that are subject to continuous quoting obligations in hundreds (and sometimes thousands) of options, the manner in which it would operate by repricing or canceling quotes would not generally be beneficial for customers who do not enter orders in the same scale.

The ORP has been designed as a risk tool for options market makers based on the unique risks they face in today's options market structure. Their decisions on whether and when to use the ORP may vary by class and will be affected by price of the option, the volatility of the option and underlying, the NBBO spread, and many other factors. Consequently, as is the case with other risk tools provided by exchanges, retail investors would not be positioned to determine whether or when to use the ORP or to monitor the impact of that decision on their executions. IEX believes that retail investors will benefit, however, from the availability of any additional liquidity and competition that results from the use of the ORP by market makers.

The Exchange also believes that applying the Indicator on a class-by-class basis would remove impediments to, and perfect the mechanism of, a free and open market and a national market system and promote just and equitable principles of trade. As discussed in the

<sup>221</sup> See discussion *supra* on prevalence of purge ports and activity-based risk controls for market makers. See also "Commission Guidance and Amendment to the Rules Relating to Organization and Program Management Concerning Proposed Rule Changes Filed by Self-Regulatory Organizations," Securities Exchange Act Release No. 34-58092 (July 3, 2008), 73 FR 40144, at 40148 (July 11, 2008) noting that "[m]arket makers can play an important role in providing liquidity to the market, and an exchange can appropriately reward them for that as well as the services they provide to the exchange's market, so long as the rewards are not disproportionate to the services provided."

Purpose section, applying the Indicator on a class-by-class basis would enable the Exchange to appropriately utilize the ORP for classes with a high potential for adverse selection, while excluding classes presenting lower risk of adverse selection (such as classes with relatively lower volumes). This flexibility will therefore allow the Exchange to focus its technology resources in an impactful manner to ensure the ORP is available for those classes where its use will achieve its intended purpose, while excluding its use where it would likely provide minimal incremental value (for example, for classes with nonstandard characteristics).

Moreover, IEX notes that the Commission has previously recognized the utility of IEX providing protection to liquidity providers through order types that leverage its crumbling quote indicator to appropriately protect market participants from the risks of transacting when the market is in transition and thereby incentivize the entry of liquidity providing orders. The Exchange believes that the proposed ORP is consistent with this history and is in furtherance of driving tighter and deeper displayed markets to the benefit of investors, as well as reducing barriers to entry for market maker participation and thereby support competition and reduce market maker concentration risk as discussed in the Purpose section.<sup>222</sup>

IEX also believes that the proposal is consistent with the firm quote obligations of a broker-dealer pursuant to Rule 602 of Regulation NMS.<sup>223</sup> Specifically, any marketable interest that is executable against a market maker's quote that has been received by the System prior to the time that a quote instability determination is received by System will be automatically executed, subject to processing of any prior messages, at the price and up to the size of the market maker's quote. When enabled by a Market Maker, the ORP will operate automatically when triggered, based on the publicly disclosed formula without input from the market maker.

IEX believes that the proposed ORP is consistent with the protection of investors and the public interest, fair and orderly markets, promotion of competition and innovation, and with the Exchange Act, including furthering the objectives of Section 6(b)(5) of the Act,<sup>224</sup> because it is a narrowly-tailored approach designed to appropriately balance the risks faced by market

makers with the legitimate objectives of liquidity takers by providing additional optional risk protection to market makers and thereby encourage aggressive quoting, reduce barriers to entry for market maker participation, support competition, and reduce market maker concentration risk.

IEX conducted data analysis on the expected frequency with which it estimates that the ORP would impact a quote on IEX. The Exchange replayed OPRA data through its system for all series of over a thousand options classes of varying levels of volume and activity for various dates in February 2025 to estimate how often the ORP would impact a quote on IEX. Among the dates reviewed in February were: the day with the highest volume, the day with the lowest volume, the day with the highest CBOE Volatility Index<sup>®</sup> 225 ("VIX") level, the two days with the largest interday change in VIX, and Fridays with monthly and non-monthly settlements.

The analysis set the ORP parameters to their most aggressive to maximize potential impact. Specifically, the Exchange set the Quote Instability Threshold to 0, the Delta Bound Band to its full range of 0–1, and assumed ORP was enabled across all options classes. Further, the analysis assumed that: (1) IEX's displayed quote in the options classes assessed was at the NBBO 100% of the time, (2) IEX's displayed quote in such options classes was composed exclusively of Market Maker quotes, and (3) all of those Market Maker quotes were enabled to be subject to ORP.<sup>226</sup> Based on the results of this analysis, the Exchange expects that the ORP would have a *de minimis* impact, but an impact that is narrowly tailored to provide protection from latency arbitrage strategies.

Across all classes reviewed, the Exchange estimates that the ORP would impact IEX Market Maker quotes on average per series significantly less than 0.001% of the trading day during regular trading hours (*i.e.*, between 9:30 a.m. to 4:00 p.m.). For options classes in the Penny Interval Program,<sup>227</sup> the analysis shows that the ORP would impact an IEX Market Maker's quote on

average for less than 0.01% of the trading day per series. ORP impact for options classes not in the Penny Interval Program averaged 0.0005% per option. Applying the analysis to the most active options class, the SPDR<sup>®</sup> S&P 500<sup>®</sup> ETF Trust ("SPY"),<sup>228</sup> ORP would impact an IEX Market Maker's quote for less than 0.2% of the trading day. Thus, the ORP is designed to be nearly imperceptible to all market participants who are not specifically seeking to engage in latency arbitrage to execute against a market maker's quote at a stale price, based on its speed-based advantage that enables the most technologically low-latency view of market prices. IEX believes that this analysis supports that the ORP is a narrowly tailored approach designed to provide appropriate protection to market makers.

The Exchange further believes that offering more risk management protections to Market Makers would mitigate their exposure to excessive risk. As discussed in detail above, Market Makers are required to continuously provide two-sided quotes in substantial numbers of listed options series that can create large, unintended positions exposing market makers to excessive risk. Market Maker quotes are critical to provide liquidity to the market and contribute to price discovery for investors. Without robust liquidity protection, market makers may be forced to widen their spreads, show less liquidity or simply exit the market, which can result in deterioration of market quality and adversely impact investors' and other liquidity takers' ability to transact in the options markets.<sup>229</sup> In sum, liquidity protection for options market makers is vital for achieving a healthy balance between liquidity providers and liquidity takers in the options market that will promote more displayed liquidity from which all market participants ultimately will benefit.

The Exchange believes that the manner in which it will determine certain of the values related to the Indicator formula (*i.e.*, Delta Bound Bands, the Quote Instability Threshold, and the frequency of calculation of implied volatility) provides an appropriate degree of transparency coupled with the ability to modify those values to respond to rapidly changing market conditions or system issues in a manner designed to enable the Exchange to optimize effectiveness of the ORP. All applicable values and potential ranges will be transparently

<sup>225</sup> The VIX is a benchmark index designed to measure the market's expectation of future volatility.

<sup>226</sup> This assumption overstates the estimated ORP impact because IEX does not believe that any options exchange has quotes at the NBBO 100% of the trading day in all underlying classes, nor are such quotes that are in effect comprised exclusively of market maker quotes. Additionally, IEX does not believe that all IEX Market Makers would necessarily enable ORP on all of their quotes.

<sup>227</sup> Excluding SPY, whose impact is described separately.

<sup>228</sup> SPY was also the class with the greatest observed ORP impact.

<sup>229</sup> See *supra* note 215.

<sup>222</sup> See *supra* notes 212 and 214 and accompanying text.

<sup>223</sup> See proposed Rule 23.140(d).

<sup>224</sup> 15 U.S.C. 78f(b)(5).

specified in IEX rules with any modifications within such ranges effectuated through a rule filing pursuant to Rule 19b-4(f)(1) under the Exchange Act (or other appropriate rule filing type), thereby removing impediments to and perfecting the mechanisms of a free and open market and a national market system and, in general, protecting investors and the public interest.

The Exchange believes that the proposed rules of IEX Options, as well as the proposed method of monitoring for compliance with and enforcing such rules is also consistent with the Act, particularly Sections 6(b)(1), 6(b)(5) and 6(b)(6) of the Act, which require, in part, that an exchange have the capacity to enforce compliance with, and provide appropriate discipline for, violations of the rules of the Commission and of the exchange. The Exchange has proposed to adopt rules necessary to regulate Options Members that are nearly identical to the approved rules of other options exchanges, as described above. The Exchange proposes to regulate activity on IEX Options in the same way it regulates activity on its equities market (and comparable to other options exchanges), through various Exchange specific functions, an RSA with FINRA, as well as participation in industry plans, including plans pursuant to Rule 17d-2 under the Exchange Act.

In conclusion, for the reasons discussed above, IEX believes that the proposed rule change is consistent with the investor protection and public interest purposes of Section 6 of the Act. Additionally, IEX believes that establishing a new options market that participates in all the current (and any future) national market system plans governing options trading is consistent with Section 11A of the Act relating to the establishment of the national market system for securities.<sup>230</sup> As proposed, IEX Options will offer a simple alternative to existing options exchanges that is designed to support competitive quoting to the benefit of all market participants.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the proposed rule change is designed to enhance competition by providing for an additional exchange market for the trading of listed options.

IEX believes that this proposal will enhance competition by allowing the Exchange to leverage its existing robust technology platform to provide a resilient, deterministic, and transparent execution platform for options. The proposed rule change will insert an additional competitive dynamic to the options landscape by allowing the Exchange to compete with existing options exchanges and will promote further initiative and innovation among market centers and market participants.

Further, the Exchange does not believe that the latency mechanism or optional Market Maker quote parameter aspect of the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, these features are designed to enhance IEX Options' competitiveness by incentivizing the entry of increased Market Maker liquidity. Also, because the proposed ORP would provide Market Makers with an additional risk management mechanism, it would potentially increase competition among market makers by encouraging more market makers to provide liquidity in the market, as discussed above.

The Exchange does not believe that the proposed rule change will impose any burden on intra-market competition because it will apply to all Options Members in the same manner and any Options Member can perform any specified function subject to meeting applicable requirements.

The Exchange also does not believe that the proposed latency mechanism will impose any burden on intra-market competition that is not necessary or appropriate because it will apply in the same manner to all incoming orders and quotes.

The Exchange also does not believe that the proposed ORP will impose any burden on intra-market competition that is not necessary or appropriate because it will be available in the same manner to all Market Makers and any Options Member could become a Market Maker, subject to meeting applicable requirements. The ORP is designed to mitigate Market Makers' exposure to excessive risk and thereby enable them to provide more competitive quotes to the benefit of all market participants. The Exchange also believes that limiting the ORP functionality to Market Makers will not impose any burden on intra-market competition that is not necessary and appropriate because Market Makers are subject to robust affirmative quoting obligations and thus can uniquely benefit from the protections to be provided by the ORP. The Exchange thus believes it is reasonable to provide

Market Makers with an additional tool to manage their risk parameters, particularly given their unique and critical role in the listed options market and the obligations that Market Makers must satisfy. As discussed in the Purpose and Statutory Basis sections, the proposed ORP will protect resting market-maker quotes (which are subject to quoting obligations) from executions at potentially stale prices, which the Exchange believes will reduce their risk and encourage Market Makers to provide more competitive markets on the Exchange, thereby benefitting all market participants through additional execution opportunities at prices that reflect the then-current market conditions. The Exchange expects the proposed rule change to increase liquidity and enhance competition in the market because Market Makers may be able to quote more aggressively with added productions from exposure to execution risk, thereby remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange also does not believe that the proposal will impose any burden on inter-market competition that is not necessary or appropriate. Competing exchanges are free to adopt similar functionality, subject to the Commission rule filing process.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

Written comments were neither solicited nor received.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 45 days of the date of publication of the original notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.<sup>231</sup>

<sup>231</sup> See supra note 7 (citing to the Commission's order instituting proceedings to determine whether to disapprove the proposed rule change). July 20, 2025 is the date by which the Commission shall issue an order approving, disapproving, or

<sup>230</sup> 15 U.S.C. 78k-1.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning Amendment No. 3, including whether the proposed rule change as modified by Amendment No. 3 is consistent with the Act. Comments may be submitted by any of the following methods:

##### *Electronic Comments*

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-IEX-2025-02 on the subject line.

##### *Paper Comments*

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-IEX-2025-02. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-IEX-2025-02 and should be submitted on or before July 9, 2025.

extending the period for not more than 60 days. See 15 U.S.C. 78s(b)(2)(B)(ii).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>232</sup>

**Sherry R. Haywood,**  
*Assistant Secretary.*

[FR Doc. 2025-11525 Filed 6-23-25; 8:45 am]

**BILLING CODE 8011-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0391]

#### Submission for OMB Review; Comment Request; Extension: Form T-6

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Form T-6 (17 CFR 269.9) is an application for eligibility for a corporation or other person organized under the laws of a foreign government to act as trustee under an indenture qualified under the Trust Indenture Act of 1939 (15 U.S.C. 77aaa *et seq.*). Form T-6 provides the basis for determining whether a corporation or other person organized under the laws of a foreign government is eligible to serve as a trustee for a qualified indenture. The information required by Form T-6 is mandatory. This information is publicly available on EDGAR. We estimate that Form T-6 takes approximately 17 hours per response and that there is an average of one response annually. We estimate that 25% of the 17 burden hours per response is prepared by the filer for an internal burden of 4 hours ((0.25 × 17) hours per response × 1 response).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of

the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-011](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-011) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**  
*Assistant Secretary.*

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**BILLING CODE 8011-01-P**

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103289; File No. SR-LCH SA-2025-005]

#### Self-Regulatory Organizations; LCH SA; Order Approving Proposed Rule Change Relating To Revisions to Its Rule Book and FCM/BD Regulations Related To Clearing Member Testing Requirements

June 18, 2025.

##### I. Introduction

On April 17, 2025, Banque Centrale de Compensation, which conducts business under the name LCH SA ("LCH SA"), filed with the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b) of the Securities Exchange Act of 1934 ("Exchange Act")<sup>1</sup> and Rule 19b-4<sup>2</sup> thereunder, a proposed rule change to amend its CDS Clearing Rule Book ("Rule Book") and Futures Commission Merchants and Broker-Dealer ("FCM/BD") CDS Clearing Regulations ("FCM/BD Regulations") (the "Proposed Rule Change"). The Proposed Rule Change was published for comment in the **Federal Register** on May 5, 2025.<sup>3</sup> The Commission did not receive comments regarding the Proposed Rule Change. For the reasons discussed below, the

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Self-Regulatory Organizations; LCH SA; Notice of Filing of Proposed Rule Change Relating to Revisions to Its Rule Book and FCM/BD Regulations Related To Clearing Member Testing Requirements, Exchange Act Release No. 102955 (Apr. 29, 2025), 90 FR 19020 (May 5, 2025) ("Notice").

<sup>232</sup> 17 CFR 200.30-3(a)(12).

Commission is approving the Proposed Rule Change.

## II. Description of the Proposed Rule Change

LCH SA is a clearing agency registered with the Commission. Through its CDSClear business unit, LCH SA provides central counterparty services for security-based swaps, including credit default swaps and options on credit default swaps. LCH SA is an affiliate of LCH Ltd, through common ownership by LCH Group. LCH SA's ultimate parent company is London Stock Exchange Group. As a clearing agency registered with the Commission, LCH SA is subject to Commission regulations, including Exchange Act Rule 1004 ("Rule 1004")<sup>4</sup> and Exchange Act Rule 17ad-26(a)(8)(i) ("Rule 17ad-26(a)(8)(i)")<sup>5</sup>.

The Proposed Rule Change has two categories. The first provides that each Clearing Member<sup>6</sup> must participate in the testing of LCH SA's business continuity and disaster recovery ("BCDR") plans and LCH's recovery and orderly wind-down ("RWD") plans pursuant to Rule 1004<sup>7</sup> and Rule 17ad-26(a)(8)(i),<sup>8</sup> and the second incorporates the margin adequacy requirements pursuant to Commodity Exchange Act ("CEA") Rule 1.44.<sup>9</sup>

### A. Requirement of Clearing Members To Participate in Testing of BCDR and RWD Plans

LCH SA is proposing to amend the Rule Book<sup>10</sup> to provide that each Clearing Member must participate in testing of LCH's BCDR plans and RWD plans in order to comply with its regulatory obligations pursuant to Rule 1004<sup>11</sup> and Rule 17ad-26(a)(8)(i).<sup>12</sup>

LCH SA already currently engages select participants to assist with functional and performance testing of its Systems Compliance and Integrity ("SCI") systems as part of its overall BCDR program.<sup>13</sup> To ensure that it has the authority to designate select

participants to engage in BCDR testing, LCH SA is proposing to specify in its Rule Book that it has the authority to designate participants to assist with BCDR testing in accordance with LCH's regulatory obligations under Reg 1004<sup>14</sup> and, in LCH SA's opinion, to ensure it can maintain fair and orderly markets in the event that such BCDR plans are activated.<sup>15</sup> In addition to confirming LCH SA's authority to designate participants as described above, LCH SA is additionally proposing to update its Rule Book to clarify that Clearing Members will be required to participate in the testing of its RWD plans if they are designated by LCH to do so. This requirement will be in addition to its authority to designate Clearing Members to participate in default management testing.

Specifically, LCH SA proposes to amend Article 2.2.8.1 of the Rule Book to provide that each Clearing Member must participate in functional and performance testing of the operation of LCH SA's BCDR and RWD plans, in the manner and frequency specified by LCH SA, which it proposes to do with one month's notice via member notification sent by email. LCH SA states that this is necessary to comply with its applicable regulatory obligations. This proposed requirement would be in addition to the existing requirements of Clearing Members to participate in any other technical and operational tests to ensure the continuity and orderly functioning of LCH SA's CDS Clearing Service.<sup>16</sup> New Article 2.2.8.1 provides that each Clearing Member must participate in the testing in the manner and frequency specified by LCH SA. LCH SA stated in the notice that it will require the testing once every 12 months.<sup>17</sup>

LCH SA states that it already has the authority to designate Clearing Members to participate in default management testing as a condition of membership pursuant to its Rule Book, and that the proposed new rule is similar to its existing authority for the purposes of

conducting default management testing.<sup>18</sup> To distinguish the pre-existing requirements from the new requirements, LCH SA proposes to clarify within sub-paragraph (i) of Article 2.2.8.1 that the proposed new rule would not affect LCH SA's existing authority to require Clearing Members to participate in other technical and operational tests, including for purposes of default management.

### B. Treatment of Separate Accounts by FCM/BDs

LCH SA is also proposing to revise Regulation 6 of the FCM/BD CDS Clearing Regulations<sup>19</sup> by adding provisions on the treatment of separate accounts by FCM/BDs pursuant to Commodity Exchange Act ("CEA") Rule 1.44, which was promulgated by the Commodities Futures Trading Commission ("CFTC") and, as described further below, allows for separate treatment of certain accounts by Clearing Members for purposes of margin.<sup>20</sup>

LCH SA proposes to amend Regulation 6 of the FCM/BD Regulations to reflect the adoption of Rule 1.44. Specifically, LCH proposes to add a new paragraph (f) related to the withdrawal of Cleared Swaps Customer Funds.

Pursuant to the new paragraph, and under Article 6.2.6.2 of the Rule Book, each FCM/BD Clearing Member must ensure that no Cleared Swaps Customer withdraws collateral from its Cleared Swaps Customer Account (as those terms are defined by CEA Rule 22.1)<sup>21</sup> unless its "net liquidating value," plus any remaining funds in the Cleared Swap Customer's account after the withdrawal, is enough to satisfy the collateral amount required by LCH (under Article 6.2.6.1 of the Rule Book) for all FCM/BD cleared transactions entered into on behalf of that Cleared Swaps Customer. LCH SA defines the term "net liquidating value" by reference to Part 39 of the CFTC Regulations.<sup>22</sup>

Additionally, LCH SA proposes to include language in paragraph (f) clarifying that a single beneficial owner can have multiple "Cleared Swaps Customer Accounts" that are treated separately under certain conditions, although each account must still independently satisfy LCH SA's

<sup>4</sup> 17 CFR 242.1004.

<sup>5</sup> 17 CFR 240.17ad-26(a)(8)(i).

<sup>6</sup> All capitalized terms not defined herein have the same meaning as in the Rule Book in its version as available on LCH SA's website: <https://www.lseg.com/en/post-trade/clearing/clearing-resources/rulebooks/lch-sa#t-over-the-counter-credit-default-swaps>.

<sup>7</sup> 17 CFR 242.1004.

<sup>8</sup> 17 CFR 240.17ad-26(a)(8)(i).

<sup>9</sup> 17 CFR 1.44.

<sup>10</sup> LCH SA's CDS Clearing Rule Book can be found on LCH SA's public website: [https://www.lseg.com/content/dam/post-trade/en\\_us/documents/lch/rulebooks/lch-sa/lch-sa-cdsclear-rule-book-12162024.pdf](https://www.lseg.com/content/dam/post-trade/en_us/documents/lch/rulebooks/lch-sa/lch-sa-cdsclear-rule-book-12162024.pdf).

<sup>11</sup> 17 CFR 242.1004.

<sup>12</sup> 17 CFR 240.17ad-26(a)(8)(i).

<sup>13</sup> Notice, 90 FR at 19021.

<sup>14</sup> 17 CFR 242.1004.

<sup>15</sup> Notice, 90 FR at 19021.

<sup>16</sup> LCH Rule Book 2.2.8.1 currently reads as follows: "Each Clearing Member must participate in technical and operational tests, organised reasonably at the discretion of LCH SA, in order, amongst other things, to ensure the continuity and orderly functioning of the CDS Clearing Service."

<sup>17</sup> Notice, 90 FR at 19021. *See also* 17 CFR 242.1004(b) (requiring that an SCI entity "[d]esignate members or participants . . . and require participation by such designated members or participants in scheduled functional and performance testing of the operation of [business continuity and disaster recovery plans], in the manner and frequency specified by the SCI entity, provided that such frequency shall not be less than once every 12 months).

<sup>18</sup> Notice, 90 FR at 19021.

<sup>19</sup> LCH SA's FCM/BD CDS Clearing Regulations can be found on LCH SA's public website: [https://www.lseg.com/content/dam/post-trade/en\\_us/documents/lch/rulebooks/lch-sa/lch-sa-cdsclear-fcm-bd-cds-regulations.pdf](https://www.lseg.com/content/dam/post-trade/en_us/documents/lch/rulebooks/lch-sa/lch-sa-cdsclear-fcm-bd-cds-regulations.pdf).

<sup>20</sup> 17 CFR 1.44.

<sup>21</sup> 17 CFR 22.1.

<sup>22</sup> *See* 17 CFR 39.13(g)(8)(iii).

collateral requirements. Specifically, paragraph (f) will note that Cleared Swaps Customers with multiple accounts who make a separate accounts election, and comply with the requirements of CFTC Rule 1.44, are excluded from having all their Cleared Swap accounts considered cumulatively when referring to “Cleared Swaps Customer Account.”

LCH SA states that this proposed new rule is appropriate because of the CFTC’s adoption of Rule 1.44,<sup>23</sup> which allows FCMs to treat separate accounts of a single beneficial owner as accounts of different legal entities for purposes of the CFTC’s margin adequacy requirements.<sup>24</sup> The CFTC rule codifies an earlier CFTC no-action position found in CFTC Letter No. 19–17.<sup>25</sup> LCH SA therefore also proposes to remove references to this CFTC Letter from paragraph (e) of Regulation 6 of the FCM/BD Regulations, because it is now superceded by Rule 1.44, and to consequently renumber the paragraphs of Regulation 6 while updating any cross-references in the FCM/BD Regulations.

### III. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act requires the Commission to approve a proposed rule change of a self-regulatory organization if it finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the organization.<sup>26</sup> Under the Commission’s Rules of Practice, the “burden to demonstrate that a proposed rule change is consistent with the Exchange Act and the rules and regulations issued thereunder . . . is on the self-regulatory organization [‘SRO’] that proposed the rule change.”<sup>27</sup>

The description of a proposed rule change, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding,<sup>28</sup> and any failure of an SRO to provide this information may result in the Commission not having a sufficient basis to make an affirmative finding that a proposed rule change is consistent

with the Exchange Act and the applicable rules and regulations.<sup>29</sup> Moreover, “unquestioning reliance” on an SRO’s representations in a proposed rule change is not sufficient to justify Commission approval of a proposed rule change.<sup>30</sup>

After carefully considering the Proposed Rule Change, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to LCH SA. More specifically, for the reasons given below, the Commission finds that the Proposed Rule Change is consistent with Section 17A(b)(3)(A) of the Act,<sup>31</sup> and Rules 17ad–22(e)(1),<sup>32</sup> 17ad–26(a)(8)(i),<sup>33</sup> and Rule 1004.<sup>34</sup>

#### A. Consistency With Section 17A(b)(3)(A) of the Act

Section 17A(b)(3)(A)<sup>35</sup> of the Act requires, among other things, that LCH SA have the capacity to be able to safeguard securities and funds in its custody or control or for which it is responsible. Based on a review of the Proposed Rule Change, and for the reasons discussed below, the Proposed Rule Change is consistent with 17A(b)(3)(A).

As discussed above, LCH SA is proposing to require its Clearing Members to participate in testing of its BCDR and RWD plans. Specifically, new proposed article 2.2.8.1(i) would allow LCH SA to require its Clearing Members to assist in certain testing of these plans, in the manner and frequency specified by LCH SA. Regular testing of these plans will help LCH SA identify and resolve any potential issues with the plans and help ensure that LCH SA and its Clearing Members know how to execute the plans if ever required to do so. Thus, regular testing of these plans will help ensure that the plans work and function as intended.

A recovery, wind-down, or business disruption could lead to the failure of LCH SA’s business operations, which could, in turn, inhibit the safeguarding of securities and funds that LCH SA controls. Because the plans would facilitate the continuity and orderly functioning of LCH SA’s CDS Clearing Service in the case of a recovery, wind-down, or business disruption, the plans should help ensure that LCH SA can

continue to safeguard securities and funds in those situations. Likewise, requiring Clearing Members to participate in functional and performance testing of recovery and wind down plans also would help in safeguarding Clearing Member securities and funds. For these reasons, the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(A) of the Act.<sup>36</sup>

#### B. Consistency With Rule 17ad–22(e)(1)

Rule 17ad–22(e)(1) requires that covered clearing agencies<sup>37</sup> establish, implement, maintain and enforce written policies and procedures reasonably designed to, as applicable, provide for a well-founded, clear, transparent, and enforceable legal basis for each aspect of its activities in all relevant jurisdictions.<sup>38</sup>

The change in treatment for margin across multiple accounts was instituted in response to the CFTC’s adoption of Rule 1.44, the “Margin Adequacy and Treatment of Separate Accounts.”<sup>39</sup> As a covered clearing agency regulated by the Commission, LCH is bound by Commission rules, specifically Rule 17ad–22(e)(1), to provide for a well-founded, clear, transparent, and enforceable legal basis for each aspect of its activities in all relevant jurisdictions.<sup>40</sup> Consequently, LCH must establish, implement, maintain and enforce written policies and procedures to provide for a well-founded, clear, transparent, and enforceable legal basis for each aspect of its activities in all relevant jurisdictions, and this applies to changes in margin treatment as contemplated by CEA Rule 1.44.<sup>41</sup>

Accordingly, LCH has provided the legal basis of its new rule on margin treatment across accounts belonging to the same Clearing Members, namely compliance with a newly adopted CFTC rule, and has thereby provided the legal basis for the rule, which is consistent with Commission Rule 17ad–22(e)(1).<sup>42</sup>

<sup>23</sup> 17 CFR 1.44.

<sup>24</sup> Notice, 90 FR at 19021.

<sup>25</sup> CFTC Letter No. 19–17, Advisory and Time-Limited No-Action Relief with Respect to the Treatment of Separate Accounts by Futures Commission Merchants (July 10, 2019).

<sup>26</sup> 15 U.S.C. 78s(b)(2)(C).

<sup>27</sup> Rule 700(b)(3), Commission Rules of Practice, 17 CFR 201.700(b)(3).

<sup>28</sup> *Id.*

<sup>29</sup> *Id.*

<sup>30</sup> *Susquehanna Int’l Group, LLP v. Securities and Exchange Commission*, 866 F.3d 442, 447 (D.C. Cir. 2017).

<sup>31</sup> 15 U.S.C. 78q–1(b)(3)(A).

<sup>32</sup> 17 CFR 240.17ad–22(e)(1).

<sup>33</sup> 17 CFR 240.17ad–26(a)(8)(i).

<sup>34</sup> 17 CFR 242.1004.

<sup>35</sup> 15 U.S.C. 78q–1(b)(3)(A).

<sup>36</sup> 15 U.S.C. 78q–1(b)(3)(A).

<sup>37</sup> LCH SA is a covered clearing agency because it is a registered clearing agency that provides the services of a central counterparty. *See* 17 CFR 240.17ad–22(a).

<sup>38</sup> 17 CFR 240.17ad–22(e)(1).

<sup>39</sup> 17 CFR 1.44.

<sup>40</sup> 17 CFR 17ad–22(e)(1).

<sup>41</sup> 17 CFR 17ad–22(e)(1).

<sup>42</sup> 17 CFR 17ad–22(e)(1). To be clear, the Commission is not opining on the requirements of Rule 1.44 or concluding that the proposed change in treatment for margin across multiple accounts is consistent with Rule 1.44, only that LCH SA has identified the legal basis for the proposed change (*i.e.*, Rule 1.44), and therefore the proposed rule change is consistent with Rule 17ad–22(e)(1).

### C. Consistency With Rule 17ad-26(a)(8)(i)

Rule 17ad-26(a)(8)(i) requires that a covered clearing agency's plans for recovery and wind-down referenced in Rule 17ad-22(e)(3)(ii)<sup>43</sup> must "include procedures for testing the covered clearing agency's ability to implement the recovery and orderly wind-down plans at least every 12 months, including by requiring the covered clearing agency's participants and, when practicable, other stakeholders to participate in the testing of its plans."<sup>44</sup>

By mandating that LCH SA's Clearing Members participate in testing of its RWD plans, in the manner and frequency specified by LCH SA, new Article 2.2.8.1 is consistent with Rule 17ad-26(a)(8)(i).<sup>45</sup>

### D. Consistency With Rule 1004

Rule 1004 requires that an SCI entity,<sup>46</sup> with respect to its business continuity and disaster recovery plans,<sup>47</sup> among other things, "[d]esignate members or participants . . . and require participation by such designated members or participants in scheduled functional and performance testing of the operation of such plans, in the manner and frequency specified by the SCI entity, provided that such frequency shall not be less than once every 12 months."<sup>48</sup>

New Article 2.2.8.1 provides that each Clearing Member must participate in the testing in the manner and frequency specified by LCH SA. LCH SA is therefore able to mandate testing not less than once every 12 months. By mandating that LCH SA's Clearing Members participate in testing of its BCDR plans, in the manner and frequency specified by LCH SA, new Article 2.2.8.1 is consistent with Rule 1004.<sup>49</sup>

## IV. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Exchange Act, and in particular, the requirements of Section 17A of the Exchange Act<sup>50</sup> and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Exchange Act,<sup>51</sup> that the Proposed Rule Change (SR-LCH SA-2025-005) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>52</sup>

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025-11524 Filed 6-23-25; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0111]

### Submission for OMB Review; Comment Request; Extension: Form T-2—Statement of Eligibility Under the Trust Indenture Act of 1939 of an Individual Designated To Act as a Trustee

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Form T-2 (17 CFR 269.2) is a statement of eligibility of an individual trustee under the Trust Indenture Act of 1939. The information is used to determine whether the individual is qualified to serve as a trustee under the indenture. The information required by Form T-2 is mandatory. Form T-2 is publicly available on EDGAR. We estimate that Form T-2 takes approximately 9 hours per response and that there is an average of approximately 9 responses annually. We estimate that 25% of the 9 hours per response is prepared by the filer for an internal burden of 18 hours ((0.25 × 9) hours per response × 9 responses).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper

impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

<sup>51</sup> 15 U.S.C. 78s(b)(2).

<sup>52</sup> 17 CFR 200.30-3(a)(12).

performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-007](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-007) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025-11518 Filed 6-23-25; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0645]

### Submission for OMB Review; Comment Request; Extension: Interactive Data

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

The "Interactive Data" collection of information requires issuers filing registration statements under the Securities Act of 1933 (15 U.S.C. 77a *et seq.*) ("Securities Act") and reports under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) ("Exchange Act") to submit specified financial information to the Commission in interactive data format using eXtensible Business Reporting Language (XBRL). This collection of information is located primarily in registration statement and report exhibit provisions, which require interactive data, and Rule 405 of

<sup>43</sup> 17 CFR 240.17ad-22(e)(3)(ii).

<sup>44</sup> 17 CFR 240.17ad-26(a)(8)(i).

<sup>45</sup> *Id.*

<sup>46</sup> LCH SA, as a registered clearing agency, is a SCI entity. *See* 17 CFR 242.1000.

<sup>47</sup> SCI Rule 1001 requires LCH SA to establish, maintain, and enforce certain written policies and procedures including, among other things, business continuity and disaster recovery plans. *See* 17 CFR 242.1001.

<sup>48</sup> 17 CFR 242.1004.

<sup>49</sup> 17 CFR 242.1004.

<sup>50</sup> In approving the Proposed Rule Change, the Commission has considered the proposed rules'

Regulation S–T (17 CFR 232.405), which specifies how to submit interactive data. The exhibit provisions are in Item 601(b)(101) of Regulation S–K (17 CFR 229.601(b)(101)), Form F–10 under the Securities Act (17 CFR 239.40), and Forms 20–F, 40–F, and 6–K under the Exchange Act (17 CFR 249.220f, 17 CFR 249.240f, and 17 CFR 249.306).

In interactive data format, financial statement information can be downloaded directly into spreadsheets and analyzed in a variety of ways using commercial off-the-shelf software. The specified financial information already is and will continue to be required to be submitted to the Commission in traditional format under existing requirements. The purpose of the interactive data requirement is to make financial information easier for investors to analyze and assist issuers in automating regulatory filings and business information processing. The information required by the Interactive Data collection is mandatory. This information is publicly available on EDGAR. We estimate that 8,218 respondents per year will each submit an average of 4.5 responses per year for an estimated total of 36,981 responses annually. We further estimate an internal burden of 53.11111 hours per response for a total internal burden of 1,964,102 hours (53.11111 hours per response  $\times$  36,981 responses).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-014](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-014) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025–11509 Filed 6–23–25; 8:45 am]

BILLING CODE 8011–01–P

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0404]

### Submission for OMB Review; Comment Request; Extension: Form F–80—Canadian Securities

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Form F–80 (17 CFR 239.41) is a registration form used by certain large, publicly traded Canadian issuers to register securities to be issued in an exchange offer or in connection with a business combination requiring the vote of shareholders of the participating companies. The information collected is intended to provide U.S. investors in relevant Canadian securities with material information concerning the registered securities and the Canadian foreign private issuer(s) so that investors can make informed voting and investment decisions. The information required by Form F–80 is mandatory, and the information is made publicly available on EDGAR.

We estimate that Form F–80 takes approximately 2 hours per response and is filed by approximately 4 respondents annually. The estimated burden of 2 hours per response is based upon the amount of time necessary to compile the registration statement using the existing Canadian disclosure document(s) plus any additional information required by the Commission. We estimate that 100% of the burden is carried by outside professionals retained by the company to assist in the preparation of the form, and thus that 0% of the burden is carried out internally by the company. We estimate a cost of \$600 per hour for outside professionals used in connection with public company reporting. Based on our estimates, we calculate a total annual reporting burden of zero hours ((2 hours per

response  $\times$  0%)  $\times$  4 responses annually) and a total annual cost burden of \$4,800 (\$600 per hour  $\times$  (2 hours per response  $\times$  100%)  $\times$  4 responses annually).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-013](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-013) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**  
Assistant Secretary.

[FR Doc. 2025–11511 Filed 6–23–25; 8:45 am]

BILLING CODE 8011–01–P

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0105]

### Submission for OMB Review; Comment Request; Extension: Form T–3 Application for Qualification of an Indenture Under the Trust Indenture Act of 1939

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget this request for extension of the previously approved collections of information discussed below.

Form T-3 (17 CFR 269.3) is an application for qualification of an indenture under the Trust Indenture Act of 1939 (15 U.S.C. 77aaa *et seq.*). The information provided under Form T-3 is used by the Commission to determine whether to qualify an indenture relating to an offering of debt securities that is not required to be registered under the Securities Act of 1933 (15 U.S.C. 77a *et seq.*). The information required by Form T-3 is mandatory. Form T-3 is publicly available on EDGAR. We estimate that Form T-3 takes approximately 43 hours per response and that there is an average of 8 responses annually. We estimate that 25% of the 43 burden hours per response is prepared by the filer for an internal burden of 88 hours ( $(0.25 \times 43)$  hours per response  $\times$  8 responses).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-006](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-006) or send an email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-11515 Filed 6-23-25; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0056]

### Submission for OMB Review; Comment Request; Extension: Form 8-A

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget this request for extension of the previously approved collection of information discussed below.

Form 8-A (17 CFR 249.208a) is a registration statement used to register a class of securities under Section 12(b) or Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(b) and 78l(g)) ("Exchange Act"). Section 12(a) (15 U.S.C. 78l(a)) of the Exchange Act makes it unlawful for any member, broker, or dealer to effect any transaction in any security (other than an exempted security) on a national securities exchange unless such security has been registered under the Exchange Act (15 U.S.C. 78a *et seq.*). Exchange Act Section 12(b) establishes the registration procedures. Exchange Act Section 12(g) requires an issuer that is not a bank or bank holding company to register a class of equity securities (other than exempted securities) within 120 days after its fiscal year end if, on the last day of its fiscal year, the issuer has total assets of more than \$10 million and the class of equity securities is "held of record" by either (i) 2,000 persons, or (ii) 500 persons who are not accredited investors. An issuer that is a bank or a bank holding company, must register a class of equity securities (other than exempted securities) within 120 days after the last day of its first fiscal year ended after the effective date of the JOBS Act if, on the last day of its fiscal year, the issuer has total assets of more than \$10 million and the class of equity securities is "held of record" by 2,000 or more persons. Form 8-A is the special form for the registration of additional classes or series of securities by an issuer that is required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. Form 8-A does not

require as detailed disclosure as Form 10 concerning the issuer's business because the use of Form 8-A by an issuer presupposes that more detailed information is or will be available through periodic reports pursuant to Section 13 or 15(d). The form requires disclosure of information concerning the particular class of securities being registered (such as dividend and voting rights in connection with common stock). This information may be provided by incorporation by reference to a comparable description contained in any other filing with the Commission. The information required on Form 8-A is mandatory. Form 8-A is publicly available on EDGAR. We estimate that Form 8-A takes approximately 3 hours per response and that there is an average of approximately 1,052 responses annually. We estimate that 100% of the 3 hours per response is prepared by the issuer for an internal burden of 3,156 hours (3 hours per response  $\times$  1,052 responses).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

*Written comments are invited on:* (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202502-3235-004](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202502-3235-004) or email comment to [MBX.OMB.OIRA.SEC\\_desk\\_officer@omb.eop.gov](mailto:MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov) within 30 days of the day after publication of this notice, by July 25, 2025.

Dated: June 18, 2025.

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025-11507 Filed 6-23-25; 8:45 am]

**BILLING CODE 8011-01-P**

**SECURITIES AND EXCHANGE COMMISSION**

[OMB Control No. 3235–0131]

**Proposed Collection; Comment Request; Extension: Rule 17a–7**

*Upon Written Request, Copies Available From:* Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE, Washington, DC 20549–2736

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 *et seq.*), the Securities and Exchange Commission (“Commission”) is soliciting comments on the proposed collection of information provided for in Rule 17a–7 (17 CFR 240.17a–7) under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) (the “Exchange Act”).

Rule 17a–7 requires a non-resident broker-dealer (generally, a broker-dealer with its principal place of business in a place not subject to the jurisdiction of the United States) registered or applying for registration pursuant to Section 15 of the Exchange Act to maintain—in the United States—complete and current copies of books and records required to be maintained under any rule adopted under the Exchange Act and furnish to the Commission a written notice specifying the address where the copies are located. Alternatively, Rule 17a–7 provides that non-resident broker-dealers may file with the Commission a written undertaking to furnish the requisite books and records to the Commission upon demand within 14 days of the demand.

The Commission estimates that there are approximately 53 non-resident broker-dealers. Based on the Commission’s experience, the Commission estimates that the average amount of time necessary to comply with Rule 17a–7 is one hour per year per respondent. Accordingly, the Commission estimates that the total industry-wide reporting burden is approximately 53 hours per year. Assuming an average cost per hour of approximately \$344 for a compliance manager, the total internal cost of compliance for the respondents is approximately \$18,232 per year.<sup>1</sup>

An agency may not conduct or sponsor, and a person is not required to

<sup>1</sup> \$344 per hour for a compliance manager is from SIFMA’s *Management & Professional Earnings in the Securities Industry 2013*, modified by Commission staff for an 1800-hour work-year, multiplied by 5.35 to account for bonuses, firm size, employee benefits, and overhead, and adjusted for inflation.

respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

*Written comments are invited on:* (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the Commission’s estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Please direct your written comments on this 60-Day Collection Notice to Austin Gerig, Director/Chief Data Officer, Securities and Exchange Commission, c/o Tanya Ruttenger via email to [PaperworkReductionAct@sec.gov](mailto:PaperworkReductionAct@sec.gov) by August 25, 2025. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: June 18, 2025.

**Sherry R. Haywood,**

*Assistant Secretary.*

[FR Doc. 2025–11517 Filed 6–23–25; 8:45 am]

**BILLING CODE 8011–01–P**

**SMALL BUSINESS ADMINISTRATION****Data Collection Available for Public Comments**

**ACTION:** 60-Day notice and request for comments.

**SUMMARY:** The Small Business Administration (SBA) intends to request approval, from the Office of Management and Budget (OMB) for the collection of information described below. The Paperwork Reduction Act (PRA) requires federal agencies to publish a notice in the **Federal Register** concerning each proposed collection of information before submission to OMB, and to allow 60 days for public comment in response to the notice. This notice complies with that requirement.

**DATES:** Submit comments on or before August 25, 2025.

**ADDRESSES:** Send all comments to Michael Donadieu, National Director, Examinations Unit, OII, Small Business Administration, Washington, DC 20416.

**FOR FURTHER INFORMATION CONTACT:** Michael Donadieu, Senior Examiner, Office of SBIC Examinations, OII, 202–

255–1007, [michael.donadieu@sba.gov](mailto:michael.donadieu@sba.gov), or Shauniece Carter, Interim Agency Clearance Officer, 202–205–6536, [shauniece.carter@sba.gov](mailto:shauniece.carter@sba.gov).

**SUPPLEMENTARY INFORMATION:** Form 857 is used by SBA examiners to obtain information about financing provided by small business investment companies (SBICs). This information, which is collected directly from the financed small business, provides independent confirmation of information reported to SBA by SBICs, as well as additional information not reported by SBICs.

**OMB Control Number 3245–0109**

*Title:* “Request for Information Concerning Portfolio Financing”.

*Description of Respondents:* Small Business Investment Companies.

*Form Number:* 857.

*Annual Responses:* 2,250.

*Annual Burden:* 2,250.

**Shauniece Carter,**

*Interim Agency Clearance Officer.*

[FR Doc. 2025–11535 Filed 6–23–25; 8:45 am]

**BILLING CODE 8026–03–P**

**SURFACE TRANSPORTATION BOARD**

[Docket No. EP 748]

**Indexing the Annual Operating Revenues of Railroads**

The Surface Transportation Board (Board) is publishing the annual deflator factor and inflation-adjusted railroad revenue thresholds for 2024. The deflator factor is used by the railroads to adjust their gross annual operating revenues for classification purposes. This indexing methodology ensures that railroads are classified based on real business expansion and not on the effects of inflation. Classification is important because it determines the extent to which individual railroads must comply with the Board’s reporting requirements.

The Board’s annual deflator factor is based on the annual average of the Producer Price Index (PPI) industry data for line-haul railroads published by the Bureau of Labor Statistics (BLS) and is used to deflate revenues for comparison with established revenue thresholds.

Application of the annual deflator factors for 2020–2024 results in the following annual revenue thresholds:

RAILROAD REVENUE THRESHOLDS <sup>1</sup>

Year	Factor	Class I	Class II
2020 <sup>2</sup>	1.0000	900,000,000	40,400,000
2021	0.9535	943,898,958	42,370,575
2022	0.8721	1,032,002,719	46,325,455
2023	0.8541	1,053,709,560	47,299,851
2024	0.8375	1,074,600,816	48,237,637

The annual inflation-adjusted deflator factor and revenue thresholds for 2024 are effective January 1, 2024. Notice of this decision will be published in the **Federal Register**.

By the Board, Kristen Monaco, Ph.D., Director, Office of Economics.

**Zantori Dickerson,**  
Clearance Clerk.

[FR Doc. 2025-11508 Filed 6-23-25; 8:45 am]

**BILLING CODE 4915-01-P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

[Docket No.: **FAA-2025-0906**]

**Experimental Aircraft “All Makes and Models” Program**

**AGENCY:** Federal Aviation Administration (FAA), Department of Transportation (DOT).

**ACTION:** Notice; reopening of comment period.

**SUMMARY:** This action reopens the comment period for notice published on May 9, 2025, titled “Experimental Aircraft All Makes and Models Program.” The notice informed operators of certain experimental aircraft of a new program that enables certain pilots to receive authorization to act as pilot in command (PIC) of certain

experimental aircraft by completing aircraft-specific ground and flight training without taking a practical test. The FAA implements this program in accordance with Section 806 of the FAA Reauthorization Act of 2024. The FAA is reopening the comment period to allow commenters an additional opportunity to provide feedback.

**DATES:** The comment period for this notice published on May 9, 2025, at 90 FR 19778, and closed on June 9, 2025, is reopened until July 9, 2025.

**ADDRESSES:** Send comments identified by docket number FAA-2025-0906 using any of the following methods:  
*Federal eRulemaking Portal:* Go to <http://www.regulations.gov> and follow the online instructions for sending your comments electronically.

*Mail:* Send comments to Docket Operations, M-30; U.S. Department of Transportation, 1200 New Jersey Avenue SE, Room W12-140, West Building Ground Floor, Washington, DC 20590-0001.

*Hand Delivery or Courier:* Take comments to Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*Fax:* Fax comments to Docket Operations at (202) 493-2251.

*Privacy:* In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to <http://www.regulations.gov>, as described in the system of records notice (DOT/ALL-14 FDMS), which can be reviewed at <http://www.dot.gov/privacy>.

*Docket:* Background documents or comments received may be read at <http://www.regulations.gov> at any time. Follow the online instructions for accessing the docket or go to the Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue SE, Washington, DC 20590-0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** David Menzimer at (202) 267-1100, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591.

**SUPPLEMENTARY INFORMATION:**

**Background**

On May 9, 2025, the FAA published a notice titled “Experimental Aircraft All Makes and Models Program,” in the **Federal Register** (90 FR 19778). Commenters were instructed to provide comments on or before June 9, 2025 (*i.e.*, 30 days from the date of publication of the notice).

On June 9, 2025, the FAA received one request to extend the comment period of the notice. The FAA grants the request for extension and finds that an additional fifteen (15) days will provide sufficient opportunity for the public to comment. Therefore, the comment period for this notice is reopened until July 9, 2025.

Issued in Washington, DC.

**Hugh J. Thomas**

*Acting Deputy Executive Director, Flight Standards Service.*

[FR Doc. 2025-11521 Filed 6-23-25; 8:45 am]

**BILLING CODE 4910-13-P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

[Docket No. **2025-1127**]

**Agency Information Collection Activities: Requests for Comments; Clearance of a Renewed Approval of Information Collection: Recording of Aircraft Conveyances and Security Documents.**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, FAA invites public comments about our intention to request the Office of Management and Budget (OMB) approval to revise and renew an information collection. The collection

<sup>1</sup> In *Montana Rail Link, Inc., & Wisconsin Central Ltd., Joint Petition for Rulemaking with Respect to 49 CFR part 1201*, 8 I.C.C.2d 625 (1992), the Board’s predecessor, the Interstate Commerce Commission, raised the revenue classification level for Class I railroads from \$50 million (1978 dollars) to \$250 million (1991 dollars), effective for the reporting year beginning January 1, 1992. The Class II threshold was also raised from \$10 million (1978 dollars) to \$20 million (1991 dollars). In *Montana Rail Link, Inc.—Petition for Rulemaking—Classification of Carriers*, EP 763 (STB served Apr. 5, 2021), the revenue classification level for Class I railroads was raised from \$250 million (1991 dollars) to \$900 million (2019 dollars), and the Class II threshold was converted and rounded from \$20 million (1991 dollars) to \$40.4 million (2019 dollars), effective for the reporting year beginning January 1, 2020.

<sup>2</sup> The 2020 and subsequent values are based on the thresholds established in Docket No. EP 763, and the deflator factor is indexed with a base year of 2019. As the PPI industry index for Line-haul railroads remained the same from 2019 to 2020, the annual deflator factor for 2020 was 1.0000.

involves a security holder completing an AC Form 8050–98, Aircraft Security Agreement and returning a completed AC Form 8050–41, Notice of Recordation—Aircraft Security Conveyance with Part II—Release to the Civil Aviation Registry, Aircraft Registration Branch (Registry). The information is used to record a security interest in an aircraft and eligible engines, propellers, or spare part locations and release that interest when the debt is satisfied.

**DATES:** Written comments should be submitted by August 22, 2025.

**ADDRESSES:** Please send written comments:

*By Electronic Docket:*  
www.regulations.gov (Enter docket number into search field).

*By mail:* Natalie Wilkowske, Acting Manager, Aircraft Registration Branch, P.O. Box 25504, Oklahoma City, OK 73125.

*By fax:* 405–954–8068.

**FOR FURTHER INFORMATION CONTACT:**

Shantel Young by email at: [shantel.young@faa.gov](mailto:shantel.young@faa.gov); phone: 405–954–7077.

**SUPPLEMENTARY INFORMATION:**

*Public Comments Invited:* You are asked to comment on any aspect of this information collection, including (a) Whether the proposed collection of information is necessary for FAA's performance; (b) the accuracy of the estimated burden; (c) ways for FAA to enhance the quality, utility and clarity of the information collection; and (d) ways that the burden could be minimized without reducing the quality of the collected information. The agency will summarize and/or include your comments in the request for OMB's clearance of this information collection.

*OMB Control Number:* 2120–0043.

*Title:* Recording of Aircraft Conveyances and Security Documents.  
*Form Numbers:* AC Form 8050–98 and AC Form 8050–41.

*Type of Review:* Revision and renewal of an information collection.

*Background:* Title 49 U.S.C. 44108 provides for establishing and maintaining a system for the recording of security conveyances affecting an interest in U.S. civil aircraft and eligible engines, propellers, and spare part locations, and for recording releases of those conveyances. Federal Aviation Regulation 14 CFR part 49 establishes procedures for implementation of 49 U.S.C. 44108 and describes what information must be contained in a security conveyance and release of that conveyance for the FAA to record and release a security interest.

A security holder submits a security conveyance against aircraft and eligible

engines, propellers, and/or spare part locations to the Registry for recording. The Registry provides the AC Form 8050–98 for security holders to use to show their security interest. The security holder may use their own form providing it meets recording requirements. The Registry records the security conveyance and sends an AC Form 8050–41, Notice of Recordation—Aircraft Security Conveyance, to the security holder. When the security conveyance is ready for release, the lienholder completes Part II—Release at the bottom of the form and returns it to the Registry as official notification that the debt has been satisfied. The security holder may also use their own form to release the security conveyance.

The AC Form 8050–98, Security Agreement, was moved from OMB collection 2120–0042—Aircraft Registration since it is not a form required for aircraft registration.

*Respondents:* 25,216 security conveyances and 18,252 release notifications were filed in FY2024.

*Frequency:* On occasion.

*Estimated Average Burden per Response:* 45 minutes and 15 minutes.

*Estimated Total Annual Burden:* 23,475 hours.

Issued in Oklahoma City, OK, on May 30, 2025.

**Shantel Young,**

*Management and Program Analyst, Civil Aviation Registry, Aircraft Registration Branch, AFB–710.*

[FR Doc. 2025–11530 Filed 6–23–25; 8:45 am]

**BILLING CODE 4910–13–P**

**DEPARTMENT OF TRANSPORTATION**

**Federal Aviation Administration**

[Docket No. 2025–1125]

**Agency Information Collection Activities: Requests for Comments; Clearance of Renewed Approval of Information Collection: Dealer's Aircraft Registration Certificate Application**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, FAA invites public comments about our intention to request the Office of Management and Budget (OMB) approval to renew an information collection. The collection involves submission of an AC Form 8050–5, Dealer's Aircraft Registration Certificate Application, by companies or

individuals to obtain a Dealer's Aircraft Registration Certificate, which allows operation of an aircraft in lieu of obtaining a permanent aircraft registration certificate. The information collection is necessary for a dealer to operate an aircraft without a permanent aircraft registration certificate.

**DATES:** Written comments should be submitted by August 25, 2025.

**ADDRESSES:** Please send written comments:

*By Electronic Docket:*  
www.regulations.gov (Enter docket number into search field).

*By mail:* Natalie Wilkowske, Acting Manager, Aircraft Registration Branch, AFB–710, P.O. Box 25504, Oklahoma City, OK 73125.

*By fax:* 405–954–8068.

**FOR FURTHER INFORMATION CONTACT:**

Shantel Young by email at: [shantel.young@faa.gov](mailto:shantel.young@faa.gov); phone: 405–954–7077.

**SUPPLEMENTARY INFORMATION:**

*Public Comments Invited:* You are asked to comment on any aspect of this information collection, including (a) Whether the proposed collection of information is necessary for FAA's performance; (b) the accuracy of the estimated burden; (c) ways for FAA to enhance the quality, utility and clarity of the information collection; and (d) ways that the burden could be minimized without reducing the quality of the collected information. The agency will summarize and/or include your comments in the request for OMB's clearance of this information collection.

*OMB Control Number:* 2120–0024.

*Title:* Dealer's Aircraft Registration Certificate Application.

*Form Numbers:* AC Form 8050–5.

*Type of Review:* Renewal of an information collection.

*Background:* Public Law 103–272 states that all aircraft must be registered before being flown. Federal Aviation Regulation 14 CFR part 47, subpart C, outlines the requirements for dealers to obtain a dealer's aircraft registration certificate to operate aircraft in lieu of obtaining a permanent aircraft registration certificate. Any individual or company engaged in manufacturing, distributing, or selling aircraft who want to operate aircraft without a permanent aircraft registration certificate may apply. Applicants complete the AC Form 8050–5, Dealer's Aircraft Registration Certificate Application. A dealer's certificate is valid for one year from the issuance date. A dealer must re-apply annually to maintain their certificate.

*Respondents:* 3,453 applicants in FY2024.

*Frequency:* Annually to maintain a certificate.

*Estimated Average Burden per Response:* 30 minutes.

*Estimated Total Annual Burden:* 1,727 hours.

July 29, 2025.

Issued in Oklahoma City, OK, on May 30, 2025.

**Shantel Young,**

*Management and Program Analyst, Civil Aviation Registry, Aircraft Registration Branch, AFB-710.*

[FR Doc. 2025-11531 Filed 6-23-25; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

[Docket No. 2025-1126]

#### Agency Information Collection Activities: Requests for Comments; Clearance of Renewed Approval of Information Collection: FAA Entry Point Filing Form—International Registry

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, FAA invites public comments about our intention to request the Office of Management and Budget (OMB) approval to renew an information collection. The collection involves submission of an FAA Entry Point Filing Form—International Registry with the Civil Aviation Registry. The information collected will be used to obtain a unique authorization code for transmitting information to the International Registry in Dublin, Ireland.

**DATES:** Written comments should be submitted by August 25, 2025.

**ADDRESSES:** Please send written comments:

*By Electronic Docket:*  
[www.regulations.gov](http://www.regulations.gov) (Enter docket number into search field).

*By mail:* Natalie Wilkowske, Acting Manager, Aircraft Registration Branch, P.O. Box 25504, Oklahoma City, OK 73125.

*By fax:* 405-954-8068.

#### FOR FURTHER INFORMATION CONTACT:

Shantel Young by email at: [shantel.young@faa.gov](mailto:shantel.young@faa.gov); phone: 405-954-7077.

#### SUPPLEMENTARY INFORMATION:

*Public Comments Invited:* You are asked to comment on any aspect of this

information collection, including (a) Whether the proposed collection of information is necessary for FAA's performance; (b) the accuracy of the estimated burden; (c) ways for FAA to enhance the quality, utility and clarity of the information collection; and (d) ways that the burden could be minimized without reducing the quality of the collected information. The agency will summarize and/or include your comments in the request for OMB's clearance of this information collection.

*OMB Control Number:* 2120-0697.

*Title:* FAA Entry Point Filing Form—International Registry.

*Form Numbers:* AC Form 8050-135.

*Type of Review:* Renewal of an information collection.

*Background:* The information collected is necessary to obtain an authorization code for transmission of information to the International Registry. The Convention on International Interest in Mobile Equipment, as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (Cape Town Treaty), provides for the creation and sustainment of the International Registry. The International Registry is an electronic registry system that works in tandem with the current system operated by the Federal Aviation Administration, Civil Aviation Registry, Aircraft Registration Branch (Registry) for the United States.

Congress has designated the Registry as the exclusive United States Entry Point for transmissions to the International Registry. To transmit certain types of interests or prospective interests to the International Registry, interested parties must file a completed FAA Entry Point Filing Form—International Registry, AC Form 8050-135, with the Registry. Upon receipt of the completed form, the Registry issues a unique authorization code. The submission of the information in question is not an FAA requirement for aircraft registration or recording of conveyances. Its sole purpose is to create authorization for filing with the International Registry.

*Respondents:* 20,876 filings in FY2024.

*Frequency:* On occasion.

*Estimated Average Burden per Response:* 30 minutes.

*Estimated Total Annual Burden:* 10,438 hours.

Issued in Oklahoma City, OK, on May 30, 2025.

**Shantel Young,**

*Management and Program Analyst, Civil Aviation Registry, Aircraft Registration Branch, AFB-710.*

[FR Doc. 2025-11532 Filed 6-23-25; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

[Docket No. FAA-2025-1270]

#### Agency Advisory Circular: Informed Consent Requirements for Crew and Space Flight Participants

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** FAA invites public comments about our intention to publish advisory material for Title 14 Code of Federal Regulation (CFR) Part 450. This Draft Advisory Circular (AC) provides guidance on meeting informed consent requirements for crew and space flight participants in accordance with Title 14 of the Code of Federal Regulations (CFR) § 460.9, Informing crew of risk, and § 460.45, Operator informing space flight participant of risk. An operator must inform, in writing, each space flight participant and any individual serving as crew, that the United States Government has not certified the launch vehicle and/or any reentry vehicle as safe for carrying flight crew or space flight participants in accordance with §§ 460.9 and 460.45. An operator must inform each space flight participant, in writing, about the risks of the launch and reentry, including the safety record of the launch or reentry vehicle type. The operator must also provide the space flight participant with an opportunity to ask questions orally to acquire a better understanding of the hazards and risks of the mission. In return, each space flight participant must then provide consent, in writing, to participate in a launch and/or reentry of a commercial space vehicle in accordance with § 460.45.

*Link to Draft AC:* [https://www.faa.gov/space/legislation/regulationguidance/draft\\_docs/ac](https://www.faa.gov/space/legislation/regulationguidance/draft_docs/ac).

**DATES:** Written comments should be submitted by July 24, 2025.

**ADDRESSES:** Please send written comments.

*By Electronic Docket:*  
[www.regulations.gov](http://www.regulations.gov) (Enter docket number into search field).

By email: 9-ast-asz210-directives@faa.gov. Please include the Draft AC number/title in the subject line.

**FOR FURTHER INFORMATION CONTACT:** James Hatt by email at: James.A.Hatt@faa.gov; phone: 202-549-2325.

**James A. Hatt,**

Space Policy Division Manager, Commercial Space Transportation, Federal Aviation Administration.

[FR Doc. 2025-11565 Filed 6-23-25; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF TRANSPORTATION

[OMB Control No. 2105-0583; Docket No. DOT-OST-2020-0084]

### Notice of Information Collection; Improving Customer Experience (OMB Circular A-11, Section 280 Implementation)

**AGENCY:** United States Department of Transportation.

**ACTION:** Notice; request for comment.

**SUMMARY:** The United States Department of Transportation, as part of its continuing effort to reduce paperwork and respondent burden, is announcing an opportunity for public comment on a proposed extension of a collection of information by the Agency. Under the Paperwork Reduction Act of 1995 (PRA), Federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, and to allow 30 days for public comment in response to the notice after a 60-day public comment period. This notice solicits comments on an extension of an existing collection proposed by the Agency.

**DATES:** Submit comments on or before: July 24, 2025.

**ADDRESSES:** Submit comments identified by Information Collection 2105-0583, Improving Customer Experience (OMB Circular A-11, Section 280 Implementation), by any of the following methods:

- **Federal eRulemaking portal:** <https://www.regulations.gov>. Follow the instructions for submitting comments. Comments submitted electronically, including attachments to <https://www.regulations.gov>, will be posted to the docket unchanged.

- **Mail:** Docket Management Facility, U.S. Department of Transportation, 1200 New Jersey Ave. SE, West Building Ground Floor, Room W12-140, Washington, DC 20590-0001.

**Instructions:** Please submit comments only and cite Information Collection 2105-0583, Improving Customer Experience (OMB Circular A-11,

Section 280 Implementation), in all correspondence related to this collection. To confirm receipt of your comment(s), please check [regulations.gov](https://www.regulations.gov), approximately 2-3 business days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information should be directed to Karyn Gorman, Chief Privacy Officer, Office of the Chief Information Office, Office of the Secretary, US Department of Transportation, 1200 New Jersey Ave. SE, Washington, DC 20590, or via email to [DOTPRAsupport@dot.gov](mailto:DOTPRAsupport@dot.gov).

#### SUPPLEMENTARY INFORMATION:

##### A. Purpose

Under the PRA, (44 U.S.C. 3501-3520) 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(c) and includes Agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. The PRA requires Federal agencies to provide a 30-day notice in the **Federal Register**, after publishing a 60-day notice, concerning each proposed collection of information, including each proposed extension of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, the agency is publishing notice of the proposed collection of information set forth in this document.

Under the Government Service Delivery Improvement Act<sup>1</sup> and the 21st Century Integrated Digital Experience Act,<sup>2</sup> along with OMB guidance, agencies are obligated to continually improve the services they provide the public and to collect qualitative and quantitative data from the public to do so.

The purpose of this request is to facilitate the agency’s ability to collect feedback from the public to continue to improve its services, thereby facilitating its compliance with statutory requirements and general principles of good governance.

The agency will only submit collections if they meet the following criteria.

- The collections are voluntary;
- The collections are low-burden for respondents (based on considerations of

total burden hours or burden-hours per respondent) and are low-cost for both the respondents and the Federal Government;

- The collections are non-controversial;
- Any collection is targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the near future;
- Personally identifiable information (PII) is collected only to the extent necessary and is not retained;
- Information gathered is intended to be used for general service improvement and program management purposes;
- The agency will follow the procedures specified in any relevant OMB guidance for the required reporting to OMB of data from surveys;
- Outside of the reporting mentioned in the bullet immediately above, if the agency intends to release journey maps, user personas, reports, or other data-related summaries stemming from this collection, the agency must include appropriate caveats around those summaries, noting that conclusions should not be generalized beyond the sample, considering the sample size and response rates. The agency must submit the data summary itself (e.g., the report) and the caveat language mentioned above to OMB before it releases them outside the agency. OMB will engage in a passback process with the agency.

#### Method of Collection

The agency will collect this information by electronic means when possible, as well as by mail, fax, telephone, technical discussions, and in-person interviews. The agency may also utilize observational techniques to collect this information.

#### Data

**Form Number(s):** OMB Control No. 2105-0583.

**Type of Review:** Extension of an existing collection.

#### B. Annual Reporting Burden

**Affected Public:** Collections will be targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the near future. For the purposes of this request, “customers” are individuals, businesses, and organizations that interact with a Federal Government agency or program, either directly or via a Federal contractor. This could include individuals or households; businesses or other for-profit organizations; not-for-profit institutions; State, local or tribal

<sup>1</sup> 5 U.S.C. 321-24.

<sup>2</sup> 44 U.S.C. 3501 note.

governments; Federal government; and universities.

*Estimated Number of Respondents:* 1,101,500.

*Estimated Time per Response:* Varied, dependent upon the data collection method used. The possible response time to complete a questionnaire or survey may be 3 minutes or up to 1.5 hours to participate in an interview.

*Estimated Total Annual Burden Hours:* 100,800.

### C. Public Comments

The agency invites comments on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: April 3, 2025.

**Karyn Gorman,**

*Chief Privacy Officer.*

[FR Doc. 2025-11523 Filed 6-23-25; 8:45 am]

**BILLING CODE 4910-9X-P**

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## DEPARTMENT OF THE TREASURY

### Community Development Financial Institutions Fund

#### Notice of Information Collection and Request for Public Comment

**ACTION:** Notice and Request for Public Comment.

**SUMMARY:** The U.S. Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Community Development Financial Institutions Fund (CDFI Fund), U.S. Department of the Treasury, is soliciting

comments concerning the Certification of Material Events Form.

**DATES:** Written comments must be received on or before August 25, 2025 to be assured of consideration.

**ADDRESSES:** Submit your comments via email to Heather Hunt, Office of Compliance Monitoring and Evaluation (OCME) Program Manager, CDFI Fund, at [ccme@cdfi.treas.gov](mailto:ccme@cdfi.treas.gov).

**FOR FURTHER INFORMATION CONTACT:** Heather Hunt, OCME Program Manager, CDFI Fund, U.S. Department of the Treasury, 1500 Pennsylvania Avenue NW, Washington, DC 20220. The Certification of Material Events Form may be obtained from the CDFI Fund's website at <https://www.cdfifund.gov/news>. Other information regarding the CDFI Fund and its programs may be obtained through the CDFI Fund's website at <https://www.cdfifund.gov>.

**SUPPLEMENTARY INFORMATION:**

*Title:* Certification of Material Events Form.

*OMB Number:* 1559-0037.

*Abstract:* This information collection captures information related to specified Material Events that Certified CDFIs, Recipients and/or Allocatees are required to report per applicable Certification, Assistance, Award, Allocation, or Bond Loan Agreement for Bank Enterprise Award Program, Capital Magnet Fund Program, CDFI Bond Guarantee Program, CDFI Equitable Recovery Program, CDFI Rapid Response Program, New Markets Tax Credit Program, Small Dollar Loan Program, and/or CDFI Program/Native American CDFI Assistance Program, including Technical Assistance, Financial Assistance, Healthy Food Financing Initiative Financial Assistance Disability Funds Financial Assistance, Persistent Poverty Counties Financial Assistance and Housing Production Financial Assistance. The revised form requires entities to indicate their Material Event, explain the event, and describe their organization's response.

*Type of Review:* Regular Review.

*Affected Public:* CDFIs and CDEs; including business or other for-profit institutions, non-profit entities, and State, local and Tribal entities participating in CDFI Fund programs.

*Estimated Number of Respondents:* 325.

*Estimated Annual Time per Respondent:* 0.25 hours.

*Estimated Total Annual Burden Hours:* 81.25 hours.

*Requests for Comments:* Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All

comments will become a matter of public record. Comments are invited on: (a) whether the collection of information is necessary for the proper performance of the functions of the CDFI Fund, including whether the information shall have practical utility; (b) the accuracy of the CDFI Fund's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

*Authority:* 12 U.S.C. 4701 *et seq.*; 26 U.S.C. 45D.

**Pravina Raghavan,**

*Director, Community Development Financial Institutions Fund.*

[FR Doc. 2025-11514 Filed 6-23-25; 8:45 am]

**BILLING CODE 4810-70-P**

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## DEPARTMENT OF THE TREASURY

### Office of the Comptroller of the Currency

#### Agency Information Collection Activities; Information Collection Revision; Comment Request; Bank Secrecy Act/Money Laundering Risk Assessment

**AGENCY:** Office of the Comptroller of the Currency (OCC), Treasury.

**ACTION:** Notice and request for comment.

**SUMMARY:** The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites comment on a continuing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning a revision to its information collection titled, "Bank Secrecy Act/Money Laundering Risk Assessment," also known as the Money Laundering Risk (MLR) System.

**DATES:** Comments must be submitted by August 25, 2025.

**ADDRESSES:** Commenters are encouraged to submit comments by email, if possible. You may submit comments by any of the following methods:

- Email: [prainfo@occ.treas.gov](mailto:prainfo@occ.treas.gov).
- Mail: Chief Counsel's Office,

Attention: Comment Processing, Office of the Comptroller of the Currency, Attention: 1557-0231, 400 7th Street SW, Suite 3E-218, Washington, DC 20219.

• Hand Delivery/Courier: 400 7th Street SW, Suite 3E-218, Washington, DC 20219.

- Fax: (571) 293-4835.

**Instructions:** You must include "OCC" as the agency name and "1557-0231" in your comment. In general, the OCC will publish comments on [www.reginfo.gov](http://www.reginfo.gov) without change, including any business or personal information provided, such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Following the close of this notice's 60-day comment period, the OCC will publish a second notice with a 30-day comment period. You may review comments and other related materials that pertain to this information collection beginning on the date of publication of the second notice for this collection by the method set forth in the next bullet.

• **Viewing Comments Electronically:** Go to [www.reginfo.gov](http://www.reginfo.gov). Hover over the "Information Collection Review" tab and click on "Information Collection Review" from the drop down menu. From the "Currently under Review" drop-down menu, select "Department of Treasury" and then click "submit." This information collection can be located by searching OMB control number "1557-0231" or "Bank Secrecy Act/Money Laundering Risk Assessment." Upon finding the appropriate information collection, click on the related "ICR Reference Number." On the next screen, select "View Supporting Statement and Other Documents" and then click on the

link to any comment listed at the bottom of the screen.

• For assistance in navigating [www.reginfo.gov](http://www.reginfo.gov), please contact the Regulatory Information Service Center at (202) 482-7340.

**FOR FURTHER INFORMATION CONTACT:** Shaquita Merritt, OCC Clearance Officer, (202) 649-5490, Chief Counsel's Office, Office of the Comptroller of the Currency, 400 7th Street SW, Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

**SUPPLEMENTARY INFORMATION:** Under the PRA (44 U.S.C. 3501 *et seq.*), Federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor. "Collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include 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 title 44 generally requires Federal agencies to provide a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, the OCC is publishing notice of the revision of this collection.

**Title:** Bank Secrecy Act/Money Laundering Risk Assessment.  
**OMB Control No:** 1557-0231.  
**Type of Review:** Regular.  
**Affected Public:** Business or other for-profit.

**Description:** The MLR System enhances the ability of examiners and bank management to identify and evaluate Bank Secrecy Act/Money Laundering and Office of Foreign Asset Control (OFAC) sanctions risks associated with banks' products, services, customers, and locations. As new products and services are introduced, existing products and services change, and banks expand through mergers and acquisitions,

banks' evaluation of money laundering and terrorist financing risks should evolve as well. Consequently, the MLR risk assessment is an important tool for the OCC's Bank Secrecy Act/Anti-Money Laundering and OFAC supervision activities because it allows the agency to better identify those institutions, and areas within institutions, that pose heightened risk and allocate examination resources accordingly. This risk assessment is critical for protecting U.S. financial institutions of all sizes from potential abuse from money laundering and terrorist financing. An appropriate risk assessment allows applicable control to be effectively implemented for the lines of business, products, or entities that would elevate Bank Secrecy Act/Money Laundering and OFAC compliance risks.

The OCC will collect MLR information for community banks and trust banks supervised by the OCC. The OCC's annual Risk Summary Form (RSF) is fully automated making data entry quick and efficient and providing an electronic record for all parties. For 2025, the RSF will include three significant changes to the products, services, and customers (PSCs) collected:

1. The addition of one new PSC: bank-fintech partnerships.
2. The deletion of one existing PSC: payable through accounts.
3. The consolidation of fourteen existing PSCs into the following seven: Payable Upon Proper Identification (PUPID) wire transfers (domestic and international), foreign/international remote deposit capture, prepaid card program managers and providers, reloadable prepaid cards and card programs, non-reloadable prepaid cards and card programs, prepaid card programs—bank sponsored, and prepaid cardholders.

The net reduction of seven PSCs decreases the number of data collection points from 71 to 68 as shown in the table below (\* PSC changes are denoted in **bold**):

Number	Existing PSCs	Number	New PSCs
1	Cash Transactions	1	Convenience Stores.
2	Marijuana Related Businesses	2	Liquor Stores.
3	ATM Operators	3	Independent ATM Owners/Operators.
4	Crypto-Assets Custody	4	Domestic Charitable Organizations.
5	Stablecoin Issuance	5	Jewelry, Gem & Precious Metal Dealers.
6	Stablecoin Payments	6	Casinos.
7	Convenience Stores	7	Car Dealers.
8	Liquor Stores	8	Domestic Private Bankings.
9	Domestic Charitable Organizations	9	Domestic Commercial Letters of Credits.
10	Jewelry, Gem and Precious Metals Dealers	10	Stand-by Letters of Credits.
11	Casinos	11	Marijuana Related Businesses.

Number	Existing PSCs	Number	New PSCs
12	Car Dealers	12	Customers/Accounts opened through the Internet, Mail, Wire or Phone (non-branch).
13	Domestic Private Banking	13	Domestic Deposit Brokers.
14	Domestic Commercial Letters of Credit	14	Travel Agencies.
15	Stand-by Letters of Credit	15	Broker Dealers.
16	Customers/Accounts opened through the Internet, Mail, Wire or Phone (non-branch).	16	Telemarketers.
17	Domestic Deposit Brokers	17	Remotely Created Check Customers.
18	Travel Agencies	18	Domestic Remote Deposit Capture Customers.
19	Broker Dealers	19	Third Party Senders.
20	Telemarketers	20	Cash Transactions.
21	Remotely Created Check Customers	21	Issuance of Traveler's Checks, Official Bank Checks & Money Orders.
22	Domestic Remote Deposit Capture Customers	22	Domestic Wire Transfers.
23	Third Party Senders	23	<b>PUPID Wire Transfers (Domestic and International).</b>
24	Issuance of Traveler's Checks, Official Bank Checks & Money Orders.	24	ACHs.
25	Domestic Wire Transfers	25	Remotely Created Checks.
26	Domestic PUPID Wire Transfers	26	Domestic Remote Deposit Captures.
27	ACH	27	Non-Resident Alien Accounts.
28	Remotely Created Checks	28	Politically Exposed Persons.
29	Domestic Remote Deposit Capture	29	Foreign Off-Shore Corporations.
30	Non-Resident Alien Accounts	30	Foreign Deposit Brokers.
31	Politically Exposed Persons	31	Foreign Charitable Organizations.
32	Foreign Off-Shore Corporations	32	Import/Exports.
33	Foreign Deposit Brokers	33	<b>Foreign/International Remote Deposit Capture.</b>
34	Foreign Charitable Organizations	34	Foreign Correspondent Accounts.
35	Import/Export	35	Pouch Services.
36	Foreign Remote Deposit Capture Customers	36	Foreign Bank Affiliate (e.g., Parallel Banks).
37	Foreign Correspondent Accounts	37	International Departments.
38	<b>Payable Through Accounts</b>	38	International Private Bankings.
39	Pouch Services	39	Embassy & Consulate Bankings.
40	Foreign Bank Affiliate	40	International Commercial Letters of Credits.
41	International Department	41	International Bank Drafts.
42	International Private Banking	42	International Wire Transfers.
43	Embassy & Consulate Banking	43	Remittance Products.
44	International Commercial Letters of Credit	44	Cross-Border ACHs.
45	International Bank Drafts	45	Domestic Casas de Cambio/Currency Exchanges.
46	International Wire Transfers	46	Foreign Casas de Cambio/Currency Exchanges.
47	International PUPID Wire Transfers	47	Money Transmitters.
48	Remittance Products	48	Check Cashers.
49	Cross-Border ACH	49	Issuers or Sellers of Traveler's Checks or Money Orders.
50	International Remote Deposit Capture	50	<b>Prepaid Card Providers and Managers.</b>
51	Domestic Casas de Cambio/Currency Exchange	51	Sellers of Prepaid Access.
52	Foreign Casas de Cambio/Currency Exchange	52	<b>Bank-Fintech Partnerships.</b>
53	Money Transmitters	53	<b>Reloadable Prepaid Cards and Card Programs.</b>
54	Check Cashers	54	<b>Non-Reloadable Prepaid Cards and Card Programs.</b>
55	Issuers or Sellers of Traveler Checks or Money Orders	55	<b>Prepaid Card Programs—Bank Sponsored (Reloadable and Non-Reloadable).</b>
56	Providers of Prepaid Access	56	<b>Prepaid Cardholders (Reloadable and Non-Reloadable).</b>
57	Sellers of Prepaid Access	57	Domestic Charitable Trusts & Foundations.
58	Prepaid Cards	58	Foreign Charitable Trusts & Foundations.
59	Prepaid Card Programs—Third Party Sponsored	59	Custodial Accounts.
60	Prepaid Card Programs—Bank Sponsored	60	Investment Advisory Accounts.
61	Prepaid Cardholders	61	Revocable Trusts.
62	Prepaid Card Program Managers	62	Foreign Grantor or Beneficiaries.
63	Domestic Charitable Trusts & Foundations	63	Loans to Closely Held Corporations.
64	Foreign Charitable Trusts & Foundations	64	Brokerage Department/Operations.
65	Custodial Accounts	65	Investment Advisory/Managements.
66	Investment Advisory Accounts	66	Crypto-Assets Custodys.
67	Revocable Trusts	67	Stablecoin Issuances.
68	Foreign Grantor or Beneficiaries	68	Stablecoin Payments.
69	Loans to Closely Held Corporations.		
70	Brokerage Department/Operations.		
71	Investment Advisory/Management.		

The OCC estimates the burden of this collection of information as follows:

**Estimated Burden**

Community bank population:  
 Estimated Number of Respondents:  
 609.

Estimated Number of Responses: 609.

Frequency of Response: Annually.

Estimated Annual Burden: 3,350 hours.

Comments submitted in response to this notice will be summarized and included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility;

(b) The accuracy of the agency's estimate of the burden of the collection of information;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

**Patrick T. Tierney,**

*Assistant Director, Office of the Comptroller of the Currency.*

[FR Doc. 2025-11545 Filed 6-23-25; 8:45 am]

**BILLING CODE 4810-33-P**

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### Notice of OFAC Sanctions Actions

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Notice.

**SUMMARY:** The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the names of one or more persons that have been placed on OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) based on OFAC's determination that one or more applicable legal criteria were satisfied. All property and interests in property subject to U.S. jurisdiction of these persons are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

**DATES:** This action was issued on June 18, 2025. See **SUPPLEMENTARY INFORMATION** section for relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Associate Director for Global Targeting, 202-622-2420; Assistant Director for Sanctions Compliance, 202-622-2490; or <https://ofac.treasury.gov/contact-ofac>.

**SUPPLEMENTARY INFORMATION:**

#### Electronic Availability

The SDN List and additional information concerning OFAC sanctions programs are available on OFAC's website: <https://ofac.treasury.gov>.

#### Notice of OFAC Action

On June 18, 2025, OFAC determined that one or more persons identified below meet one or more of the criteria for the imposition of sanctions set forth in section 1(a)-(c) of Executive Order 14059 of December 15, 2021, "Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade," 86 FR 71549 (E.O. 14059). OFAC has selected to impose blocking sanctions pursuant to section 2(a)(i) of E.O. 14059 on the persons identified below.

OFAC further determined that the persons identified below meet one or more of the criteria for designation pursuant to Executive Order 13224 of September 23, 2001, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism," 66 FR 49079, as amended by Executive Order 13886 of September 9, 2019, "Modernizing Sanctions To Combat Terrorism," 84 FR 48041 (E.O. 13224, as amended).

As a result, the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authorities listed below.

#### Individuals

1. OSEGUERA CERVANTES, Ruben (a.k.a. OSEGUERA CERVANTES, Nemesio; a.k.a. "El Mencho"; a.k.a. "El Senor de los Gallos"), Jalisco, Mexico; DOB 17 Jul 1966; POB Michoacan de Ocampo, Mexico; nationality Mexico; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; C.U.R.P. OEGR660717HMNSRB00 (Mexico) (individual) [SDNTK] [SDGT] [ILLCIT-DRUGS-EO14059] (Linked To: CARTEL DE JALISCO NUEVA GENERACION).

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

2. CASTILLO RODRIGUEZ, Julio Alberto (a.k.a. "El Chorro"), Colima, Mexico; DOB 11 Oct 1976; POB Michoacan de Ocampo, Mexico; nationality Mexico; Gender Male; Secondary sanctions risk: section 1(b) of

Executive Order 13224, as amended by Executive Order 13886; C.U.R.P. CARJ761011HMNSDL06 (Mexico) (individual) [SDNTK] [SDGT] [ILLCIT-DRUGS-EO14059] (Linked To: CARTEL DE JALISCO NUEVA GENERACION).

Designated pursuant to section 1(b)(iii) of E.O. 14059 for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 14059.

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

3. FLORES SILVA, Audias (a.k.a. RAIGOSA PLASCENCIA, Gabriel; a.k.a. "Jardinero"), Zacatecas, Mexico; Jalisco, Mexico; DOB 19 Nov 1980; POB Michoacan de Ocampo, Mexico; nationality Mexico; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; C.U.R.P. FOSA801119HMNLLD09 (Mexico) (individual) [SDNTK] [SDGT] [ILLCIT-DRUGS-EO14059] (Linked To: CARTEL DE JALISCO NUEVA GENERACION).

Designated pursuant to section 1(b)(iii) of E.O. 14059 for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 14059.

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

4. MENDOZA GAYTAN, Gonzalo (a.k.a. "El 90"; a.k.a. "El Sapo"), Puerto Vallarta, Jalisco, Mexico; DOB 02 Oct 1988; POB Michoacan de Ocampo, Mexico; nationality Mexico; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; C.U.R.P. MEGG881002HMNNYN02 (Mexico) (individual) [SDNTK] [SDGT] [ILLCIT-DRUGS-EO14059] (Linked To: CARTEL DE JALISCO NUEVA GENERACION).

Designated pursuant to section 1(b)(iii) of E.O. 14059 for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 14059.

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

5. RUIZ VELASCO, Ricardo (a.k.a. “Doble R”; a.k.a. “El RR”; a.k.a. “El Tripa”), Mexico; DOB 13 Sep 1984; POB Jalisco, Mexico; nationality Mexico; Gender Male; Secondary sanctions risk: section 1(b) of Executive Order 13224, as amended by Executive Order 13886; C.U.R.P. RUVR840913HJCZLC06 (Mexico) (individual) [SDGT] [ILLCIT-DRUGS-EO14059] (Linked To: CARTEL DE JALISCO NUEVA GENERACION).

Designated pursuant to section 1(b)(iii) of E.O. 14059 for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in

property are blocked pursuant to E.O. 14059.

Designated pursuant to section 1(a)(iii)(A) of E.O. 13224, as amended, for being owned, controlled, or directed by, or having acted or purported to act for or on behalf of, directly or indirectly, Cartel de Jalisco Nueva Generacion, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

**Lisa M. Palluconi,**

*Acting Director, Office of Foreign Assets Control.*

[FR Doc. 2025-11533 Filed 6-23-25; 8:45 am]

**BILLING CODE 4810-AL-P**

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### Notice of OFAC Sanctions Action

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Notice.

**SUMMARY:** The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) is publishing the names of one or more persons and vessels that have been placed on OFAC’s Specially Designated Nationals and Blocked Persons List (SDN List) based on OFAC’s determination that one or more applicable legal criteria were satisfied.

Additionally, OFAC is providing an updated **Federal Register** notice for two persons previously designated by OFAC. All property and interests in property subject to U.S. jurisdiction of these persons and this vessel are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

**DATES:** This action was issued on June 20, 2025. See **SUPPLEMENTARY INFORMATION** for relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Associate Director for Global Targeting, 202-622-2420; Assistant Director for Licensing, 202-622-2480; Assistant Director for Sanctions Compliance, 202-622-2490 or <https://ofac.treasury.gov/contact-ofac>.

#### SUPPLEMENTARY INFORMATION:

##### Electronic Availability

The SDN List and additional information concerning OFAC sanctions programs are available on OFAC’s website: <https://ofac.treasury.gov>.

##### Notice of OFAC Action

On June 20, 2025, OFAC determined that the property and interests in property subject to U.S. jurisdiction of the following persons are blocked under the relevant sanctions authority listed below.

**BILLING CODE 4810-AL-P**

**Individual:**

1. ZHANG, Yanbing (Chinese Simplified: 张艳兵), China; DOB 02 Oct 1982; POB Hebei, China; nationality China; Additional Sanctions Information - Subject to Secondary Sanctions; Gender Male; Passport EJ4090952 (China) expires 20 Apr 2031 (individual) [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of Executive Order (E.O.) 13382 of June 28, 2005, "Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters," 70 FR 38567, 3 CFR, 2005 Comp., p. 170 (E.O. 13382) for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

**Entities:**

1. ATHENA SHIPPING CO LTD (a.k.a. ATHENA SHIPPING CO LIMITED; a.k.a. ATHENA SHIPPING COMPANY LIMITED), Unit 1208, Building B 1, Wanda Plaza, 8, Aojiang Lu, Taijiang Qu, Fuzhou, Fujian 350009, China; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 21 Nov 2023; Identification Number IMO 6465772; Business Registration Number 75933747 (Hong Kong) [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

2. DONGGUAN ZANYIN MACHINERY AND EQUIPMENT CO LTD (a.k.a. DONGGUAN ZANYIN MACHINERY EQUIPMENT CO LTD (Chinese Simplified: 东莞市赞引机械设备有限公司)), Floor 1, No. 5 Yiheng Road, Bulong Industrial Zone,

Yantian Village, Fenggang Town, Dongguan, Guangdong 523000, China (Chinese Simplified: 布垌工业区 一横路 5 号 一楼, 凤岗镇雁田村, 东莞市, 广东省 523000, China); Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 08 Dec 2014; Registration Number 441900002272822 (China); Unified Social Credit Code (USCC) 91441900324741681E (China) [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

3. EDISA DIS TICARET LIMITED SİRKETİ (Latin: EDİSA DIŞ TİCARET LİMİTED ŞİRKETİ), Barbaros Hayrettin Pasa Mah, Schitler Cad.gumus, Rez. 8/189, Esenyurt, Turkey; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 16 Jan 2019; Tax ID No. 3240825875 (Turkey); Turkish Identification Number 0324082587500001 (Turkey); Chamber of Commerce Number 1165227 (Turkey); Registration Number 175445-5 (Turkey) [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

4. FUTECH CO LTD (a.k.a. BEIJING ZHENGYUXING TECHNOLOGY CO LTD (Chinese Simplified: 北京正宇兴科技有限公司)), 1502, Floor 12, Building 9, No 88 Courtyard, Jianguo Road, Chaoyang District, Beijing 100000, China (Chinese Simplified: 9 号楼 12 层 1502, 朝阳区建国路 88 号园, 北京市 100000, China); Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 04 Nov 2022; Unified Social Credit Code (USCC) 91110105MAC3H8E48T (China) [NPWMD] [IFSR] (Linked To: RAYAN FAN KAV ANDISH CO).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN FAN KAV ANDISH CO, a person whose property and interests in property are blocked pursuant to E.O. 13382.

5. SHENZHEN XINXIN SHIPPING CO LTD (Chinese Simplified: 深圳市欣欣船务有限公司), Room 616, Floor 6, Factory Building C5, Zhonghao Industrial City, Xiangjiaotang Community, Bantian Sub-District, Longgang District, Shenzhen, Guangdong 518129, China (Chinese Simplified: C5 栋厂房 6 层 616 室, 象角塘社区中浩工业城, 龙岗区坂田街道, 深圳市, 广东省 518129, China); Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 31 Jul 2023; Registration Number 440300220105794 (China); Unified Social Credit Code (USCC) 91440300MACT2EAU3H (China) [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in

support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

6. TOWSE SANAYE NIM RESANAYE TARASHE (a.k.a. ANZALI FREE ZONE SEMICONDUCTOR CHIP INDUSTRIES DEVELOPMENT COMPANY (Arabic: شركة توسعه صنایع نیم رسانای تراشه منطقه آزاد انزلی)), Ground Floor, Building No. 1, Banafsheh Street, Golpar St., Anzali Industrial Zone, Bander-e Port Anzali Industrial Town, Licharegi-ye Hasn Rud Rural District, Central District, Bander-e Anzali County, Gilan Province 4333179345, Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 24 Jul 2023; National ID No. 14012436025 (Iran); Registration Number 4202 (Iran) [NPWMD] [IFSR] (Linked To: HAKEMZADEH, Farshad; Linked To: PARSAJAM, Mohsen).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, HAKEMZADEH, Farshad, a person whose property and interests in property are blocked pursuant to E.O. 13382.

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, PARSAJAM, Mohsen, a person whose property and interests in property are blocked pursuant to E.O. 13382.

7. UNICO SHIPPING CO LTD (a.k.a. UNICO SHIPPING COMPANY LIMITED), Room D07, 8th Floor, Phase 2, Kai Tak Factory Building, 99, King Fuk Street, San Po Kong, Hong Kong, China; Unit 1208, Building B 1, Wanda Plaza, 8, Aojiang Lu, Taijiang Qu, Fuzhou, Fujian 350009, China; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 07 Feb 2024; Identification Number IMO 6484539 [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

8. V-SHIPPING PTE LTD, Paya Lehar Square, 60 Paya Lehar Road #11-53, Singapore 409051, Singapore; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 22 Dec 2017; Tax ID No. 201736800W (Singapore) [NPWMD] [IFSR] (Linked To: RAYAN ROSHD AFZAR COMPANY).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, RAYAN ROSHD AFZAR COMPANY, a person whose property and interests in property are blocked pursuant to E.O. 13382.

On June 20, 2025, OFAC also identified the following vessels as

property in which a blocked person has

an interest under the relevant sanctions authority listed below.

**Vessel:**

1. SHUN KAI XING (3E5884) Bulk Carrier Panama flag; Additional Sanctions Information - Subject to Secondary Sanctions; Vessel Year of Build 1999; Vessel Registration Identification IMO 9187368; MMSI 352003792 (vessel) [NPWMD] [IFSR] (Linked To: UNICO SHIPPING CO LTD).

Identified as property in which UNICO SHIPPING CO LTD, a person whose property and interests in property are blocked pursuant to E.O. 13382, has an interest.

On June 20, 2025, OFAC published the following revised information for entries on the SDN List for the following persons and property blocked under the relevant sanctions authority listed below.

**Entities:**

1. RAYAN FAN KAV ANDISH CO (Arabic: رایان فن کاو اندیش) (a.k.a. RAYAN FAN GROUP), North Sohrevardi South West Side Seyyed Khandan Bridge Barzandeh, Number 16, Second Floor, Tehran, Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 03 Jun 2009; National ID No. 10103974666 (Iran); Registration Number 350871 (Iran) [NPWMD] [IFSR] (Linked To: PARSAJAM, Mohsen).

Designated pursuant to section 1(a)(iv) of E.O. 13382 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, PARSAJAM, Mohsen, a person whose property and interests in property are blocked pursuant to E.O. 13382.

2. RAYAN ROSHD AFZAR COMPANY (Arabic: شرکت رایان رشد افزار) (a.k.a. ARIOTEK (Arabic: آریوتک); a.k.a. RAYAN ROSHD COMPANY; a.k.a. "RAYAN ROSHD"), No. 16, Barzandeh St., North Sohrevardi St., Seyyed Khandan, Tehran, Iran; Number 24 Barzandeh St., North Sohrevardi Ave., Tehran, Iran; North Unit, Third Floor, Plaque 2, South Yasman Street, Fourth Yas Street, Railway Town, Central District, Tehran, Iran; Additional Sanctions Information - Subject to Secondary Sanctions; Organization Established Date 27 May 2001; National ID No. 10102168390 (Iran); Registration Number 174449 (Iran) [NPWMD] [IFSR] (Linked To: ISLAMIC REVOLUTIONARY GUARD CORPS).

Designated pursuant to section 1(a)(iii) of E.O. 13382 for having provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, ISLAMIC REVOLUTIONARY GUARD CORPS, a person whose property and interests in property are blocked pursuant to E.O. 13382.

**Lisa M. Palluconi,**  
*Acting Director, Office of Foreign Assets Control.*

[FR Doc. 2025-11566 Filed 6-23-25; 8:45 am]

BILLING CODE 4810-AL-C



# FEDERAL REGISTER

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Vol. 90

Tuesday,

No. 119

June 24, 2025

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Part II

## The President

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Executive Order 14310—Further Extending the TikTok Enforcement Delay  
Notice of June 20, 2025—Continuation of the National Emergency With  
Respect to North Korea  
Notice of June 20, 2025—Continuation of the National Emergency With  
Respect to the Western Balkans



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# Presidential Documents

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Title 3—

Executive Order 14310 of June 19, 2025

The President

## Further Extending the TikTok Enforcement Delay

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

**Section 1. Extension.** (a) The enforcement delay specified in section 2(a) of Executive Order 14166 of January 20, 2025 (Application of Protecting Americans from Foreign Adversary Controlled Applications Act to TikTok), as extended by Executive Order 14258 of April 4, 2025 (Extending the TikTok Enforcement Delay), is further extended until September 17, 2025. During this period, the Department of Justice shall take no action to enforce the Protecting Americans from Foreign Adversary Controlled Applications Act (the “Act”) (Public Law 118–50, Div. H) or impose any penalties against any entity for any noncompliance with the Act, including for distributing, maintaining, or updating (or enabling the distribution, maintenance, or updating) of any foreign adversary controlled application as defined in the Act. In light of this direction, even after the expiration of the above-specified period, the Department of Justice shall not take any action to enforce the Act or impose any penalties against any entity for any conduct that occurred during the above-specified period or any period prior to the issuance of this order, including the period of time from January 19, 2025, until the date of this order.

(b) The Attorney General shall take all appropriate action to issue written guidance to implement the provisions of subsection (a) of this section.

(c) The Attorney General shall further issue a letter to each provider stating that there has been no violation of the statute and that there is no liability for any conduct that occurred during the above-specified period, as well as for any conduct from the effective date of the Act until the date of this order.

(d) Because of the national security interests at stake and because section 2(d) of the Act vests authority for investigations and enforcement of the Act only in the Attorney General, attempted enforcement by the States or private parties represents an encroachment on the powers of the Executive. The Attorney General shall exercise all available authority to preserve and defend the Executive’s exclusive authority to enforce the Act.

**Sec. 2. General Provisions.** (a) Nothing in this order shall be construed to impair or otherwise affect:

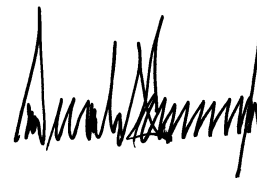
(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) The costs for publication of this order shall be borne by the Department of Justice.

A handwritten signature in black ink, appearing to be 'Donald Trump', located in the upper right quadrant of the page.

THE WHITE HOUSE,  
*June 19, 2025.*

[FR Doc. 2025-11682  
Filed 6-23-25; 11:15 am]  
Billing code 4410-CW-P

## Presidential Documents

Notice of June 20, 2025

### Continuation of the National Emergency With Respect to North Korea

On June 26, 2008, by Executive Order 13466, the President declared a national emergency with respect to North Korea pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the existence and risk of the proliferation of weapons-usable fissile material on the Korean Peninsula. The President also found that it was necessary to maintain certain restrictions with respect to North Korea that would otherwise have been lifted pursuant to Proclamation 8271 of June 26, 2008, which terminated the exercise of authorities under the Trading With the Enemy Act (50 U.S.C. App. 1 *et seq.*) with respect to North Korea.

On August 30, 2010, the President signed Executive Order 13551, which expanded the scope of the national emergency declared in Executive Order 13466 to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States posed by the continued actions and policies of the Government of North Korea, manifested by its unprovoked attack that resulted in the sinking of the Republic of Korea Navy ship *Cheonan* and the deaths of 46 sailors in March 2010; its announced test of a nuclear device and its missile launches in 2009; its actions in violation of United Nations Security Council Resolutions 1718 and 1874, including the procurement of luxury goods; and its illicit and deceptive activities in international markets through which it obtains financial and other support, including money laundering, the counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking, which destabilize the Korean Peninsula and imperil United States Armed Forces, allies, and trading partners in the region.

On April 18, 2011, the President signed Executive Order 13570 to take additional steps to address the national emergency declared in Executive Order 13466 and expanded in Executive Order 13551 that would ensure implementation of the import restrictions contained in United Nations Security Council Resolutions 1718 and 1874 and complement the import restrictions provided for in the Arms Export Control Act (22 U.S.C. 2751 *et seq.*).

On January 2, 2015, the President signed Executive Order 13687 to expand the scope of, and to take further steps with respect to, the national emergency declared in Executive Order 13466, as expanded in Executive Order 13551, and addressed further in Executive Order 13570, to address the threat to the national security, foreign policy, and economy of the United States constituted by the provocative, destabilizing, and repressive actions and policies of the Government of North Korea, including its destructive, coercive cyber-related actions during November and December 2014, actions in violation of United Nations Security Council Resolutions 1718, 1874, 2087, and 2094, and commission of serious human rights abuses.

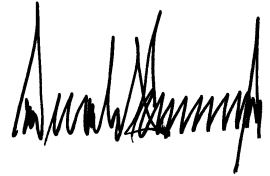
On March 15, 2016, the President signed Executive Order 13722 to take additional steps with respect to the national emergency declared in Executive Order 13466, as modified in scope and relied upon for additional steps in subsequent Executive Orders, to address the Government of North Korea's continuing pursuit of its nuclear and missile programs, as evidenced by

its February 7, 2016, launch using ballistic missile technology and its January 6, 2016, nuclear test in violation of its obligations pursuant to numerous United Nations Security Council resolutions and in contravention of its commitments under the September 19, 2005, Joint Statement of the Six-Party Talks, that increasingly imperils the United States and its allies.

On September 20, 2017, the President signed Executive Order 13810 to take further steps with respect to the national emergency declared in Executive Order 13466, as modified in scope and relied upon for additional steps in subsequent Executive Orders, to address the provocative, destabilizing, and repressive actions and policies of the Government of North Korea, including its intercontinental ballistic missile launches of July 3 and July 28, 2017, and its nuclear test of September 2, 2017; its commission of serious human rights abuses; and its use of funds generated through international trade to support its nuclear and missile programs and weapons proliferation.

The existence and risk of the proliferation of weapons-usable fissile material on the Korean Peninsula and the actions and policies of the Government of North Korea continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. For this reason, the national emergency declared in Executive Order 13466, expanded in scope in Executive Order 13551, addressed further in Executive Order 13570, further expanded in scope in Executive Order 13687, and under which additional steps were taken in Executive Order 13722 and Executive Order 13810, must continue in effect beyond June 26, 2025. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for 1 year the national emergency declared in Executive Order 13466 with respect to North Korea.

This notice shall be published in the *Federal Register* and transmitted to the Congress.



THE WHITE HOUSE,  
*June 20, 2025.*

## Presidential Documents

Notice of June 20, 2025

### Continuation of the National Emergency With Respect to the Western Balkans

On June 26, 2001, by Executive Order 13219, the President declared a national emergency with respect to the Western Balkans pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions of persons engaged in, or assisting, sponsoring, or supporting, (i) extremist violence in the former Republic of Macedonia (what is now the Republic of North Macedonia) and elsewhere in the Western Balkans region, or (ii) acts obstructing implementation of the Dayton Accords in Bosnia or United Nations Security Council Resolution 1244 of June 10, 1999, in Kosovo. The President subsequently amended that order in Executive Order 13304 of May 28, 2003, to take additional steps with respect to certain actions that obstruct implementation of, among other things, the Ohrid Framework Agreement of 2001 relating to the former Republic of Macedonia (what is now the Republic of North Macedonia).

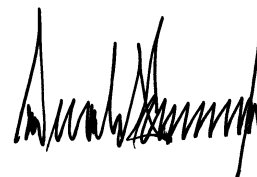
On June 8, 2021, the President signed Executive Order 14033, which expanded the scope of the national emergency declared in Executive Order 13219, as amended, finding that the situation in the territory of the former Socialist Federal Republic of Yugoslavia and the Republic of Albania (the Western Balkans), over the past two decades, including the undermining of post-war agreements and institutions following the breakup of the former Socialist Federal Republic of Yugoslavia, as well as widespread corruption within various governments and institutions in the Western Balkans, stymies progress toward effective and democratic governance and full integration into transatlantic institutions, and thereby constitutes an unusual and extraordinary threat to the national security and foreign policy of the United States.

On January 8, 2025, the President signed Executive Order 14140, in view of events in the Western Balkans, including continued attempts by individuals to challenge the sovereignty and territorial integrity of Western Balkans nations, to undermine post-war agreements and institutions, to engage in significant corruption that erodes the rule of law and trust in democratic governance, and to evade United States Government sanctions, and in order to take additional steps with respect to the national emergency with respect to the Western Balkans.

The actions of persons threatening the peace and international stabilization efforts in the Western Balkans, including acts of extremist violence and obstructionist activity, and the situation in the Western Balkans, which stymies progress toward effective and democratic governance and full integration into transatlantic institutions, continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. For this reason, the national emergency declared in Executive Order 13219, under which additional steps were taken in Executive Order 13304, which was expanded in scope in Executive Order 14033, and under which additional steps were taken in Executive Order 14140, must continue in effect beyond June 26, 2025. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for

1 year the national emergency declared in Executive Order 13219 with respect to the Western Balkans.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

A handwritten signature in black ink, appearing to be a stylized name, possibly "Donald Trump", written in a cursive style.

THE WHITE HOUSE,  
*June 20, 2025.*

[FR Doc. 2025-11684  
Filed 6-23-25; 11:15 am]  
Billing code 3395-F4-P

# Reader Aids

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**S.J. Res. 13/P.L. 119–19**

Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Office of the Comptroller of the Currency of the Department of the Treasury relating to the review of applications under the Bank Merger Act. (June 20, 2025; 139 Stat. 70)

**S.J. Res. 31/P.L. 119–20**

Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Environmental Protection Agency relating to “Review of Final Rule Reclassification of Major Sources as Area Sources Under Section 112 of the Clean Air Act”. (June 20, 2025; 139 Stat. 71)

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