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# Contents

Federal Register

Vol. 90, No. 154

Wednesday, August 13, 2025

## Agriculture Department

*See* Forest Service

*See* Natural Resources Conservation Service

## Alcohol and Tobacco Tax and Trade Bureau

### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals, 39035–39039

## Antitrust Division

### NOTICES

Changes under the National Cooperative Research and Production Act:

Cable Television Laboratories, Inc., 38999

OpenGMSL Association, 38998

PXI Systems Alliance, Inc., 38996

Research Group on ROS-Industrial Consortium Americas, 38997

The Institute of Electrical and Electronics Engineers, Inc., 38996–38997

Training and Readiness Accelerator II, 38997–38998

Z-Wave Alliance, Inc., 38998–38999

## Bureau of Safety and Environmental Enforcement

### RULES

Offshore Downhole Commingling Regulatory Updates, 38935–38938

## Centers for Medicare & Medicaid Services

### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals, 38981

## Coast Guard

### RULES

Security Zone:

Waters of the Coast Guard East District (formerly the Fifth Coast Guard District), Delaware River, Philadelphia, PA, 38942

Special Local Regulation:

Marine Events within the USCG East District (formerly USCG District 5); Bay Bridge Paddle, 38942

## Commerce Department

*See* Foreign-Trade Zones Board

*See* International Trade Administration

*See* National Oceanic and Atmospheric Administration

*See* Patent and Trademark Office

## Consumer Product Safety Commission

### NOTICES

Meetings; Sunshine Act, 38959

Public Playground Safety Handbook Update; Availability, 38959–38966

## Energy Department

*See* Federal Energy Regulatory Commission

### NOTICES

Hearings, Meetings, Proceedings, etc.:

Environmental Management Site-Specific Advisory Board, Oak Ridge, 38966–38967

Environmental Management Site-Specific Advisory Board, Paducah, 38966

## Environmental Protection Agency

### NOTICES

Guidance:

Financial Assurance for the Good Samaritan Remediation of Abandoned Hardrock Mines Act, 38975

## Federal Aviation Administration

### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals:

Infrastructure Investment and Jobs Act Competitive Grant Project Information, 39025

## Federal Communications Commission

### RULES

Television Broadcasting Services:  
Portland, OR, 38942–38943

### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals, 38975–38977

## Federal Energy Regulatory Commission

### NOTICES

Combined Filings, 38969–38971, 38974–38975

Environmental Assessments; Availability, etc.:

Ampersand Kayuta Lake Hydro LLC, 38967

Eastern Gas Transmission and Storage, Inc., Capital Area Project, 38968–38969

Gulf South Pipeline Co., LLC, 38969

Environmental Impact Statements; Availability, etc.:

Sabine Pass Liquefaction, LLC, Sabine Pass Liquefaction Stage V, LLC, et al.; Sabine Pass Stage 5 Expansion Project., 38971–38974

## Federal Highway Administration

### NOTICES

Guidance:

National Electric Vehicle Infrastructure Formula Program, 39025–39026

## Federal Labor Relations Authority

### NOTICES

Senior Executive Service Performance Review Board, 38977

## Federal Reserve System

### NOTICES

Change in Bank Control:

Acquisitions of Shares of a Bank or Bank Holding Company, 38977

## Federal Retirement Thrift Investment Board

### NOTICES

Hearings, Meetings, Proceedings, etc., 38977–38978

## Federal Trade Commission

### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals, 38978–38980

## Foreign Assets Control Office

### RULES

Publication of International Criminal Court-Related

Sanctions Regulations Web General License 1, 38940

Publication of International Criminal Court-Related Sanctions Regulations Web General License 8, 38940–38941

Publication of Syrian Sanctions Regulations Web General License 25, 38941–38942

#### Foreign-Trade Zones Board

##### NOTICES

Reorganization under Alternative Site Framework: Foreign-Trade Zone 12, McAllen, TX, 38949–38950

#### Forest Service

##### NOTICES

Issuance of Final Permanent Recreational Shooting Order: Southern Clear Creek, Northern Larimer and Grand County Areas in the Clear Creek, Canyon Lakes, and Sulphur Ranger Districts of the Arapaho and Roosevelt National Forests and Pawnee National Grassland, 38944

#### Health and Human Services Department

See Centers for Medicare & Medicaid Services  
See Health Resources and Services Administration

#### Health Resources and Services Administration

##### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals:  
Nurse Corps Loan Repayment Program, 38982–38983  
Substance Use Disorder Treatment and Recovery Loan Repayment Program and the Pediatric Specialty Loan Repayment Program, 38983–38985

#### Homeland Security Department

See Coast Guard

##### NOTICES

Hearings, Meetings, Proceedings, etc.:  
Federal Emergency Management Agency Review Council, 38985

#### Housing and Urban Development Department

##### NOTICES

Waivers and Alternative Requirements:  
Jobs Plus Initiative Program, 38985–38987

#### Interior Department

See Bureau of Safety and Environmental Enforcement  
See Land Management Bureau  
See Office of Natural Resources Revenue

#### International Trade Administration

##### NOTICES

Antidumping or Countervailing Duty Investigations, Orders, or Reviews:  
Common Alloy Aluminum Sheet from South Africa, 38950–38952

#### International Trade Commission

##### NOTICES

Antidumping or Countervailing Duty Investigations, Orders, or Reviews:  
Active Anode Material from China, 38993–38994  
Float Glass Products from China and Malaysia, 38991–38993  
Complaint, 38995–38996  
Investigations; Determinations, Modifications, and Rulings, etc.:  
Chlorinated Isocyanurates from China; Scheduling of an Expedited Five-Year Review, 38994–38995

#### Justice Department

See Antitrust Division

#### Land Management Bureau

##### NOTICES

Environmental Impact Statements; Availability, etc.:  
South Railroad Mine Project, Elko County, NV, 38988–38990  
Oil and Gas Lease:  
Las Animas and Weld Counties, CO, Proposed Reinstatement, 38987–38988

#### Management and Budget Office

##### NOTICES

Cumulative Report of Rescissions Proposals Pursuant to the Congressional Budget and Impoundment Control Act, 38999

#### National Aeronautics and Space Administration

##### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals:  
Applied Remote Sensing Training Program Follow-Up Survey, 38999–39000

#### National Highway Traffic Safety Administration

##### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals:  
Investigation-Based Crash Data Studies, 39026–39033

#### National Oceanic and Atmospheric Administration

##### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals:  
Capital Construction Fund Agreement, Certificate Family of Forms and Deposit/Withdrawal Report, 38952  
Hearings, Meetings, Proceedings, etc.:  
Gulf Council Fishery Management Council, 38953–38954  
Taking or Importing of Marine Mammals:  
Ferndale Refinery Dock Maintenance and Pile Replacement Project Activities in Ferndale, WA, 38954–38958

#### Natural Resources Conservation Service

##### NOTICES

Environmental Impact Statements; Availability, etc.:  
Black River Watershed in Butler County, MO, 38946–38949  
GreenThumb Gardens Water Supply Project Watershed Plan, New York, NY for Bronx, Kings, New York, Queens, and Richmond Counties; Recission, 38949  
St. Johns Watershed Project in Mississippi, New Madrid, and Scott Counties, MO, 38944–38946

#### Office of Natural Resources Revenue

##### RULES

Offshore Distribution Cap Changes, 38938–38940

#### Patent and Trademark Office

##### NOTICES

Agency Information Collection Activities; Proposals, Submissions, and Approvals:  
Patent Review and Derivation Proceedings, 38958–38959

**Pipeline and Hazardous Materials Safety Administration****NOTICES**

Agency Information Collection Activities; Proposals, Submissions, and Approvals:  
Pipeline Safety, 39033–39035

**Postal Regulatory Commission****NOTICES**

New Postal Products, 39000–39001

**Postal Service****NOTICES**

Change in Rates of General Applicability for Competitive Products, 39001–39004

International Product Change:

Priority Mail Express International, Priority Mail International and First-Class Package International Service Agreement, 39004–39005

**Securities and Exchange Commission****NOTICES**

Agency Information Collection Activities; Proposals, Submissions, and Approvals, 39007–39008, 39020

Self-Regulatory Organizations; Proposed Rule Changes:

Cboe BYX Exchange, Inc., 39017–39020

Cboe EDGA Exchange, Inc., 39005–39007

Cboe EDGX Exchange, Inc., 39015–39017

Cboe Exchange, Inc., 39008–39015

Miami International Securities Exchange, LLC, 39021–39025

Nasdaq PHLX LLC, 39042–39087

**Transportation Department**

*See* Federal Aviation Administration

*See* Federal Highway Administration

*See* National Highway Traffic Safety Administration

*See* Pipeline and Hazardous Materials Safety Administration

**Treasury Department**

*See* Alcohol and Tobacco Tax and Trade Bureau

*See* Foreign Assets Control Office

---

**Separate Parts In This Issue****Part II**

Securities and Exchange Commission, 39042–39087

---

**Reader Aids**

Consult the Reader Aids section at the end of this issue for phone numbers, online resources, finding aids, and notice of recently enacted public laws.

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**CFR PARTS AFFECTED IN THIS ISSUE**

---

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

**30 CFR**

250.....38935  
1219.....38938

**31 CFR**

528 (2 documents) .....38940  
542.....38941  
544.....38941  
561.....38941  
594.....38941  
597.....38941

**33 CFR**

100.....38942  
165.....38942

**47 CFR**

73.....38942

# Rules and Regulations

Federal Register

Vol. 90, No. 154

Wednesday, August 13, 2025

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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## DEPARTMENT OF THE INTERIOR

### Bureau of Safety and Environmental Enforcement

#### 30 CFR Part 250

[Docket ID: BSEE–2025–0134; EEEE500000 256E1700D2 ET1SF0000.EAQ000]

RIN 1014–AA68

#### Offshore Downhole Commingling Regulatory Updates

**AGENCY:** Bureau of Safety and Environmental Enforcement (BSEE), Interior.

**ACTION:** Direct final rule (DFR); request for comments.

**SUMMARY:** The Department of the Interior (DOI or Department), through the Bureau of Safety and Environmental Enforcement (BSEE), is revising the Outer Continental Shelf (OCS) downhole commingling regulations consistent with the “One Big Beautiful Bill Act” (OBBA). These administrative revisions update the regulations to ensure consistency with the OBBA when BSEE reviews a request for downhole commingling.

**DATES:** The final rule is effective October 14, 2025, unless significant adverse comments are received by September 12, 2025. If significant adverse comments are received, the Department will publish notice in the **Federal Register** before the effective date either withdrawing the rule or issuing a new final rule that responds to significant adverse comments.

**ADDRESSES:** You may submit comments on this rulemaking by any of the following methods. Please use the Regulation Identifier Number (RIN) 1014–AA68 as an identifier in your message.

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. In the entry entitled, Enter Keyword or ID, enter BSEE–2025–0134, then click search. Follow the instructions to submit public

comments and view supporting and related materials available for this rulemaking. BSEE may post all comments submitted.

- *Mail or hand-carry comments to the Department of the Interior; Bureau of Safety and Environmental Enforcement; Attention: Regulations and Standards Branch; 45600 Woodland Road, Sterling, Virginia 20166.* Please reference “Offshore Downhole Commingling Administrative Updates, 1014–AA68” in your comments and include your name and return address.

- *Send comments on the information collection in this rule to:* Interior Desk Officer 1014–AA68, Office of Management and Budget; by fax at 202–395–5806; or by email at [oir\\_submission@omb.eop.gov](mailto:oir_submission@omb.eop.gov). In addition, please send a copy of your comments to BSEE by one of the methods previously listed.

**Public Availability of Comments—** Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. In order for BSEE to withhold from disclosure your personal identifying information, you must identify any information contained in your comment submittal that, if released, would constitute a clearly unwarranted invasion of your personal privacy. You must also briefly describe any possible harmful consequence(s) of the disclosure of the information, such as embarrassment, injury, or other harm. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

**FOR FURTHER INFORMATION CONTACT:** For questions, contact Kirk Malstrom, Regulations and Standards Branch, (202) 258–1518, or by email: [regs@bsee.gov](mailto:regs@bsee.gov). Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

**SUPPLEMENTARY INFORMATION:** The Department is issuing this rule as a direct final rule. Although the Administrative Procedure Act (APA), 5 U.S.C. 551–559, generally requires agencies to engage in notice and comment rulemaking, section 553 of the APA provides an exception when the agency “for good cause finds” that notice and comment are “impracticable, unnecessary, or contrary to the public interest.” *Id.* 553(b)(B). The Department has determined that notice and comment are unnecessary because this rule is noncontroversial; of a minor, technical nature; and is unlikely to receive any significant adverse comments.<sup>1</sup> Significant adverse comments are those that oppose the revisions in the rule and raise, alone or in combination, (1) reasons why the rule is inappropriate, or (2) serious unintended consequences of the revisions. A comment recommending an addition to the rule will not be considered significant and adverse unless the comment sufficiently explains how this direct final rule would be ineffective without the addition.

#### Executive Summary

This direct final rule (DFR) revises the regulatory provisions in 30 CFR 250.1158 in response to the applicable provisions of the One Big Beautiful Bill Act of 2025 (OBBA) Public Law 119–21, which was signed into law on July 4, 2025, by the President. The Outer Continental Shelf Lands Act (OCSLA) authorizes the Secretary to promulgate regulations that carry out the provisions in OCSLA, including provisions that require lessees to produce any oil or gas, or both, at rates consistent with applicable law and orders to assure the maximum rate of production that may be sustained without loss of ultimate recovery of oil or gas, or both, under sound engineering and economic principles, and that is safe for the duration of the activity. BSEE performs technical analyses for downhole commingling to ensure that production methods meet OCSLA’s requirement for ultimate recovery and safety. This rule

<sup>1</sup> See, e.g., *Nat’l Nutritional Foods Ass’n. v. Kennedy*, 572 F.2d 377, 385 (2d Cir. 1978) (“‘Unnecessary’ means unnecessary so far as the public is concerned, as would be the case if a minor or merely technical amendment in which the public is not particularly interested were involved.”)

revises the BSEE regulations to reflect the offshore commingling language in the OBBB regarding safety and ultimate recovery and to clarify how BSEE will apply the OBBB's standards when reviewing commingling requests.

## Table of Contents

- I. Background
  - A. Statutory and Regulatory Authority and Responsibilities
  - B. Purpose and Summary of the Rulemaking
- II. Section-by-Section Discussion of Changes
- III. Procedural Matters

## I. Background

### A. Statutory and Regulatory Authority and Responsibilities

The Department's authority for this direct final rule is derived from OCSLA, codified at 43 U.S.C. 1331–1356a. OCSLA, enacted in 1953 and substantially revised in 1978, authorizes the Secretary of the Interior (Secretary) to regulate and administer mineral and oil and gas exploration, development, and production operations on the OCS. The Secretary has delegated authority to perform certain of these functions to BSEE under Secretary's Order 3299.<sup>2</sup>

To carry out its responsibilities, BSEE regulates offshore oil and gas and mineral operations to enhance the safety of oil and gas and mineral exploration, development, and production on the OCS, and to implement advancements in technology. BSEE also conducts onsite inspections to ensure compliance with regulations, lease terms, and approved plans and permits. Detailed information concerning the BSEE-administered regulations and guidance to the offshore oil and gas and mineral industries may be found on BSEE's website at: <https://www.bsee.gov/protection>.

BSEE administers a regulatory program that covers a wide range of OCS facilities and activities that offshore operators<sup>3</sup> perform throughout the OCS. See 30 CFR part 250. This DFR is applicable to requests for BSEE approval of downhole commingling operations.

<sup>2</sup> [https://www.doi.gov/sites/doi.gov/files/elips/documents/3299a2-establishment\\_of\\_the\\_bureau\\_of\\_ocean\\_energy\\_management\\_the\\_bureau\\_of\\_safety\\_and\\_environmental\\_enforcement\\_and\\_the\\_office\\_of\\_natural\\_resources\\_revenue.pdf](https://www.doi.gov/sites/doi.gov/files/elips/documents/3299a2-establishment_of_the_bureau_of_ocean_energy_management_the_bureau_of_safety_and_environmental_enforcement_and_the_office_of_natural_resources_revenue.pdf).

<sup>3</sup> The regulations at 30 CFR part 250 generally apply to "a lessee, the owner or holder of operating rights, a designated operator or agent of the lessee(s)" (30 CFR 250.105 (definition of "you") and "the person actually performing the activity to which the requirement applies" (30 CFR 250.146(c)). For convenience, this preamble will refer to these regulated entities as "operators" unless otherwise indicated.

### B. Purpose and Summary of the Rulemaking

Under section 50102 of the Act, it provides that the "Secretary of the Interior shall approve a request of an operator to commingle oil or gas production from multiple reservoirs within a single wellbore completed on the outer Continental Shelf in the Gulf of America Region unless the Secretary of the Interior determines that conclusive evidence establishes that the commingling—(1) could not be conducted by the operator in a safe manner; or (2) would result in an ultimate recovery from the applicable reservoirs to be reduced in comparison to the expected recovery of those reservoirs if they had not been commingled." OCSLA authorizes the Secretary to promulgate regulations that carry out the provisions in OCSLA, including provisions that require lessees to produce any oil or gas, or both, at rates consistent with applicable law and orders to assure the maximum rate of production which may be sustained without loss of ultimate recovery of oil or gas, or both, under sound engineering and economic principles, and that is safe for the duration of the activity. 43 U.S.C. 1344(a) and (g). BSEE performs technical analyses for downhole commingling to ensure that production methods meet OCSLA's requirement for ultimate recovery. This rule revises the BSEE regulations to align with the offshore commingling language in the OBBB to ensure that commingling will be conducted in a safe manner and the operation will not reduce ultimate recovery.

## II. Section-by-Section Discussion of Changes

### *How do I receive approval to downhole commingle hydrocarbons? (§ 250.1158)*

BSEE is revising paragraph (a) to include that, when reviewing the downhole commingling request, the Regional Supervisor will approve a request of an operator to commingle hydrocarbons unless he or she finds, based on conclusive evidence, that the commingling could not be conducted by the operator in a safe manner or that the commingling would reduce ultimate recovery from the applicable reservoirs. This revision implements the requirements related to downhole commingling in the OBBB, thereby clarifying the overall expectations for commingling operations.

## III. Procedural Matters

### *Regulatory Planning and Review (E.O. 12866) and Improving Regulation and Regulatory Review (E.O. 13563)*

Executive Order 12866 provides that the Office of Information and Regulatory Affairs (OIRA) in the Office of Management and Budget (OMB) will review all significant rules. OIRA has determined that this direct final rule is not significant.

Executive Order 13563 reaffirms the principles of Executive Order 12866, while calling for improvements in the Nation's regulatory system to promote predictability, reduce uncertainty, and use the best, most innovative, and least burdensome tools for achieving regulatory ends. Executive Order 13563 directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. Executive Order 13563 emphasizes further that agencies must base regulations on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. BSEE developed this direct final rule in a manner consistent with these requirements.

### *Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601–612) requires an agency to prepare a regulatory flexibility analysis for all rules unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish notice of a proposed rule. See 5 U.S.C. 603(a) and 604(a). The RFA does not apply because the Department is not required to publish a notice of proposed rulemaking for this direct final rule.

### *Congressional Review Act*

This direct final rule is not a major rule under the Congressional Review Act, 5 U.S.C. 804(2). Specifically, the direct final rule: (1) will not have an annual effect on the economy of \$100 million or more; (2) will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) will not have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-

based enterprises in domestic and export markets.

#### *Unfunded Mandates Reform Act of 1995*

This direct final rule would not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than \$100 million per year. The rule would not have a significant or unique effect on State, local, or tribal governments or the private sector. The rule merely revises the offshore commingling regulations to implement requirements in the OBBB. Therefore, a statement containing the information required by Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) is not required.

#### *Takings Implication Assessment (E.O. 12630)*

Under the criteria in E.O. 12630, this direct final rule does not have significant takings implications. The rule is not a governmental action capable of interference with constitutionally protected property rights. Therefore, a takings implication assessment is not required.

#### *Federalism (E.O. 13132)*

Under the criteria in E.O. 13132, this direct final rule will not have federalism implications. This rule will not substantially and directly affect the relationship between the Federal and State governments. To the extent that State and local governments have a role in OCS activities, this rule will not affect that role. Therefore, a federalism assessment is not required.

#### *Civil Justice Reform (E.O. 12988)*

This direct final rule complies with the requirements of E.O. 12988. Specifically, this rule:

- (1) Meets the criteria of section 3(a) requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and
- (2) Meets the criteria of section 3(b)(2) requiring that all regulations be written in clear language and contain clear legal standards.

#### *Consultation With Indian Tribes (E.O. 13175)*

BSEE strives to strengthen its government-to-government relationships with federally recognized Indian Tribes through a commitment to consultation with the Tribes and recognition of their right to self-governance and Tribal sovereignty. We are also respectful of our responsibilities for consultation with Alaska Native Claims Settlement Act (ANCSA) Corporations and the Native Hawaiian

Community. BSEE is committed to compliance with E.O. 13175, *Consultation and Coordination with Indian Tribal Governments* (dated November 6, 2000), DOI's Policy on Consultation with Indian Tribes, Policy on Consultation with Alaska Native Claims Settlement Act Corporations, and Policy on Consultation with the Native Hawaiian Community (512 Departmental Manual 4, dated November 30, 2022, 512 Departmental Manual 6, dated November 30, 2022, and 513 Departmental Manual 1, dated January 16, 2025, respectively), and DOI's Procedures for Consultation with Indian Tribes, Procedures for Consultation with Alaska Native Claims Settlement Act Corporations, and Procedures for Consultation with the Native Hawaiian Community (512 Departmental Manual 5, dated November 30, 2022, Departmental Manual 7, dated November 30, 2022, and 513 Departmental Manual 2, dated January 16, 2025, respectively). BSEE evaluated this direct final rule under Executive Order 13175 and the Department's consultation policies and procedures and determined that it has no substantial direct effects on Federally recognized Indian Tribes, ANCSA Corporations, or the Native Hawaiian Community and that consultation under the Department's consultation policies is not required.

#### *Paperwork Reduction Act (PRA) of 1995*

This rule does not contain any new information collection requirements, and a submission to the OMB under the PRA, 44 U.S.C. 3501 *et seq.*, is not required. BSEE may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number. Please reference, OMB Control Number 1014-0019 which covers BSEE's Information Collection under 30 CFR part 250; Subpart K, *Oil and Gas Production Requirements*.

#### *National Environmental Policy Act of 1969 (NEPA)*

This direct final rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the National Environmental Policy Act (NEPA, 42 U.S.C. 4321 *et seq.*) is not required because this rule is covered by a categorical exclusion applicable to regulatory functions "that are of an administrative, financial, legal, technical, or procedural nature." 43 CFR 46.210(i). In addition, BSEE has determined that this rule does not involve any of the extraordinary

circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA.

#### *Data Quality Act*

In developing this direct final rule, we did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. 106-554, app. C, sec. 515, 114 Stat. 2763, 2763A-153-154).

#### *Effects on the Nation's Energy Supply (E.O. 13211)*

This direct final rule is not a significant energy action under the definition in E.O. 13211 because the rule is not a significant regulatory action under E.O. 12866, and it is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required.

#### *Clarity of This Regulation*

We are required by E.O. 12866, E.O. 12988, and by the Presidential Memorandum of June 1, 1998, to write all rules in plain language. This means that each rule we publish must:

- (1) Be logically organized;
- (2) Use the active voice to address readers directly;
- (3) Use clear language rather than jargon;
- (4) Be divided into short sections and sentences; and
- (5) Use lists and tables wherever possible.

If you feel that we have not met these requirements, send us comments by one of the methods listed in the **ADDRESSES** section. To better help us revise the rule, your comments should be as specific as possible. For example, you should tell us the numbers of the sections or paragraphs that you find unclear, which sections or sentences are too long, or the sections where you feel lists or tables would be useful.

#### **List of Subjects in 30 CFR Part 250**

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Mineral resources, Oil and gas exploration, Penalties, Pipelines, Outer Continental Shelf—mineral resources, Outer Continental Shelf—rights-of-way, Reporting and recordkeeping requirements, Sulphur operations.

**Adam G. Suess,**

*Acting Assistant Secretary, Land and Minerals Management.*

For the reasons stated in the preamble, the Bureau of Safety and

Environmental Enforcement (BSEE) amends 30 CFR part 250 as follows:

## PART 250—OIL AND GAS AND SULFUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

- 1. The authority citation continues to read as follows:

**Authority:** 30 U.S.C. 1751, 31 U.S.C. 9701, 33 U.S.C. 1321(j)(1)(C), 43 U.S.C. 1334.

- 2. Amend § 250.1158 by revising paragraph (a) to read as follows:

### § 250.1158 How do I receive approval to downhole commingle hydrocarbons?

(a) Before you perforate a well, you must request and receive approval from the Regional Supervisor to commingle hydrocarbons produced from multiple reservoirs within a common wellbore. The Regional Supervisor will approve a request of an operator to commingle hydrocarbons unless he or she finds, based on conclusive evidence, that the commingling could not be conducted by the operator in a safe manner or that the commingling would reduce ultimate recovery from the applicable reservoirs. You must also include the service fee listed in § 250.125, according to the instructions in § 250.126, and the supporting information, as listed in the table in § 250.1167, with your request.

\* \* \* \* \*

[FR Doc. 2025–15327 Filed 8–12–25; 8:45 am]

BILLING CODE 4310–VH–P

## DEPARTMENT OF THE INTERIOR

### Office of Natural Resources Revenue

#### 30 CFR Part 1219

[Docket No. ONRR–2025–00034; DS6363400 DRT000000.CH7000 256D1113RT]

RIN 1012–AA41

### Offshore Distribution Cap Changes

**AGENCY:** Office of Natural Resources Revenue (“ONRR”), Interior.

**ACTION:** Direct final rule.

**SUMMARY:** ONRR disburses certain monies generated from offshore oil and gas production on the Outer Continental Shelf (“OCS”) in accordance with applicable laws. Through the enactment of the One Big Beautiful Bill Act (OBBA), Congress amended the offshore distribution caps for these disbursements. ONRR is therefore amending its regulations to be consistent with these statutory changes.

**DATES:** This rule is effective on August 13, 2025.

**FOR FURTHER INFORMATION CONTACT:** For regulatory and procedural questions,

contact Alexis Long, Regulations Supervisor, at (303) 231–3627 or by email at [Alexis.Long@onrr.gov](mailto:Alexis.Long@onrr.gov). For royalty valuation questions, contact Amy Lunt, Royalty Valuation and Regulations Program Manager, at (303) 231–3746, or by email at [Amy.Lunt@onrr.gov](mailto:Amy.Lunt@onrr.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The Outer Continental Shelf Lands Act (“OCSLA”), 43 U.S.C. 1331–1356a, governs the leasing of submerged lands on the OCS for oil and gas exploration and production. OCSLA authorizes the Secretary of the Interior (“Secretary”) to issue leases through competitive bidding and outlines various bidding systems, royalty structures, and conditions for lease agreements. Specific to this action, OCSLA, as amended by the Gulf of Mexico Energy Security Act of 2006, requires that the Secretary disburse a portion of the revenues generated from OCS lease production (“OCS revenues”) to certain States, Coastal Political Subdivisions (“CPSs”), and the Land and Water Conservation Fund (“LWCF”). OCSLA establishes a cap for a specified timeframe for the potential amount available for allocation to these States, CPSs, and the LWCF. *See* 43 U.S.C. 1331 note.

ONRR’s regulations at 30 CFR part 1219 govern the distribution and disbursement of OCS revenues pursuant to the requirements set forth in OCSLA. OCSLA’s disbursement provision was amended by the OBBA (Pub. L. 119–21) at Sec. 50102(e). As a result, ONRR is amending its regulations, at 30 CFR 1219.512, to accordingly raise the cap on the distribution of OCS revenues from \$500 million to \$650 million for fiscal years 2025 through 2034 and to \$500 million for fiscal years 2035 through 2055.

##### II. Procedural Matters

###### A. Regulatory Planning and Review (*Executive Orders 12866 and 13563*)

Executive Order (“E.O.”) 12866, as reaffirmed by E.O. 13563, provides that the Office of Information and Regulatory Affairs (“OIRA”) in the Office of Management and Budget (“OMB”) will review all significant rules. OIRA has determined this rule is not significant under E.O. 12866.

E.O. 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the United States’ regulatory system to promote predictability, reduce uncertainty, and use the most innovative and least burdensome tools for achieving

regulatory ends. E.O. 13563 directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. E.O. 13563 emphasizes that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. ONRR developed this rule in a manner consistent with these requirements.

###### B. Regulatory Flexibility Act

This rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (“RFA”), 5 U.S.C. 601, *et seq.*, because this rule only adjusts the cap for OCS revenue disbursed and distributed by ONRR. This rule is updating the distribution cap amount for the specified fiscal years outlined in its regulations to be consistent with recent statutory changes. Therefore, ONRR is not required to prepare a RFA analysis for this rulemaking.

###### C. Congressional Review Act

This rule is not a major rule under 5 U.S.C. 804(2), the Congressional Review Act. This rule:

(a) Does not have an annual effect on the economy of \$100 million or more;

(b) Will not cause a major increase in costs or prices for consumers; individual industries; Federal, State, local government agencies; or geographic regions; and

(c) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises.

###### D. Unfunded Mandates Reform Act

This rule does not impose an unfunded mandate on State, local, or Tribal governments or the private sector of more than \$100 million per year. This rule does not have a significant or unique effect on State, local, or Tribal governments or the private sector. Therefore, ONRR is not required to provide a statement containing the information set forth in the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*).

###### E. Takings (E.O. 12630)

This rule does not result in a taking of private property or otherwise have takings implications under E.O. 12630. Therefore, this rule does not require a takings implication assessment.

### F. Federalism (E.O. 13132)

Under the criteria in Section 1 of E.O. 13132, this rule does not have sufficient Federalism implications to warrant the preparation of a Federalism summary impact statement. The management of Federal oil and gas is the responsibility of the Secretary, and ONRR distributes all the royalties that it collects under Federal oil and gas leases as directed by the relevant disbursement statutes. ONRR does not anticipate this rule altering the relationship between the Federal and State governments as defined in E.O. 13132.

### G. Civil Justice Reform (E.O. 12988)

This rule complies with the requirements of E.O. 12988.

Specifically, this rule:

(a) Meets the criteria of section 3(a), which requires that ONRR review all regulations to eliminate errors and ambiguity and to write them to minimize litigation; and

(b) Meets the criteria of section 3(b)(2), which requires that ONRR write all regulations in clear language, using clear legal standards.

### H. Consultation With Indian Tribal Governments (E.O. 13175)

The Department of the Interior (“DOI”) strives to strengthen its government-to-government relationship with Indian Tribes through a commitment to consultation with Indian Tribes and recognition of their right to self-governance and Tribal sovereignty. Under the DOI’s consultation policy and the criteria in E.O. 13175, ONRR evaluated this rule and determined that it will have no substantial, direct effects on Federally recognized Indian Tribes and does not require consultation.

### I. Paperwork Reduction Act

This rule:

(a) Does not contain any new information collection requirements; and

(b) Does not require a submission to OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). See 5 CFR 1320.4(a)(2).

### J. National Environmental Policy Act of 1969 (“NEPA”)

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. ONRR is not required to provide a detailed statement under NEPA because this rule qualifies for categorical exclusion under 43 CFR 46.210(i) in that this rule is “. . . of an administrative, financial, legal, technical, or procedural nature . . . .” ONRR also has determined that this rule is not involved in any of the extraordinary

circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA.

### K. Effects on the Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211 and, therefore, does not require a Statement of Energy Effects.

### L. Clarity of This Regulation

ONRR is required by E.O. 12866 (section 1(b)(12)), E.O. 12988 (section 3(b)(1)(B)), and E.O. 13563 (section 1(a)), and by the Presidential Memorandum of June 1, 1998, to write all rules in plain language. This means that each rule ONRR publishes must:

- (1) Be logically organized;
- (2) Use the active voice to address readers directly;
- (3) Use common, everyday words and clear language rather than jargon;
- (4) Be divided into short sections and sentences; and
- (5) Use lists and tables wherever possible.

If you believe ONRR has not met these requirements, please send your comments to [ONRR.RegulationsMailbox@onrr.gov](mailto:ONRR.RegulationsMailbox@onrr.gov). Your comments should be as specific as possible. For example, you should identify the number of the sections or paragraphs that you find unclear, which sections or sentences are too long, the sections where you feel lists or tables would be useful, etc.

### M. Administrative Procedure Act (“APA”)

ONRR finds good cause to publish this rule without notice and comment. Pursuant to the APA at 5 U.S.C. 553(b)(B), good cause exists when an agency determines that notice and public comment procedures are impractical, unnecessary, or contrary to the public interest. This rule serves to implement statutory changes that are already in effect and that ONRR has no discretion to alter. A delay in the finality of this action would be contrary to public interest and would likely create confusion by unnecessarily maintaining outdated OCS revenue caps in ONRR’s regulations. Any confusion could result in unnecessary litigation further delaying implementation of the statutory changes. Additionally, delay could impede ONRR’s timely execution of its functions, namely accurate and timely distribution of the relevant funds. For these reasons, ONRR finds good cause to publish this rule without notice and comment.

ONRR also finds good cause for this rule to become effective immediately upon publication in the **Federal**

**Register** under 5 U.S.C. 553(d)(3). ONRR must publish this final rule to update its regulations to comply with recent statutory changes to the cap on the disbursement and distribution of OCS revenues. Because ONRR is only updating its regulations to reflect the statutory changes already in effect and any delay or confusion would be contrary to the public interest, ONRR determined good cause exists under the APA for this rule to become effective upon publication.

### List of Subjects in 30 CFR Part 1219

Government contracts, Indians—lands, Mineral royalties, Oil and gas exploration, Public lands—mineral resources.

**April L. Lockler,**

*Acting Director, Office of Natural Resources Revenue.*

### Authority and Issuance

For the reasons discussed in the preamble, ONRR amends 30 CFR part 1219 as set forth below:

### PART 1219—DISTRIBUTION AND DISBURSEMENT OF ROYALTIES, RENTALS, AND BONUSES

- 1. The authority citation for part 1219 continues to read as follows:

**Authority:** Section 104, Pub. L. 97–451, 96 Stat. 2451 (30 U.S.C. 1714), Pub. L. 109–432, Div. C, Title I, 120 Stat. 3000.

- 2. Amend § 1219.512 by:
  - a. Revising paragraph (b); and
  - b. Adding a new paragraph (c).

The revisions read as follows:

#### § 1219.512 How will ONRR divide the qualified OCS revenues (Phase II)?

\* \* \* \* \*

(b) For fiscal years 2017 through 2024 and 2035 through 2055, the Secretary of the Treasury will deposit 50 percent of the qualified OCS revenues (Phase II—capped) into a special U.S. Treasury account. The total amount of qualified OCS revenues (Phase II—capped) deposited in the special U.S. Treasury account and available for allocation to the Gulf producing States, the CPSs and the LWCF, under this subpart, cannot exceed \$500,000,000 for each of the fiscal years 2017 through 2024 and 2035 through 2055. After applying the cap, if applicable, ONRR will disburse 75 percent to the Gulf producing States and 25 percent to the LWCF. Of the revenues disbursed to a Gulf producing State, we will disburse 20 percent directly to the CPSs within that State. Each Gulf producing State will receive at least 10 percent of the qualified OCS revenues (Phase II—capped) available for

allocation to the Gulf producing States each fiscal year.

(c) For fiscal years 2025 through 2034, the total amount of qualified OCS revenues (Phase II—capped) deposited in the special U.S. Treasury account and available for allocation to the Gulf producing States, the CPSs and the LWCF, under this subpart, cannot exceed \$650,000,000 for each fiscal year. After applying the cap, if applicable, ONRR will disburse the amounts pursuant to paragraph (b) of this section.

[FR Doc. 2025–15385 Filed 8–12–25; 8:45 am]

BILLING CODE 4335–30–P

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### 31 CFR Part 528

#### Publication of International Criminal Court-Related Sanctions Regulations Web General License 1

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of a web general license.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing a general license (GL) issued pursuant to the International Criminal Court-Related Sanctions Regulations: GL 1.

**DATES:** GL 1 was issued on June 5, 2025. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or <https://ofac.treasury.gov/contact-ofac>.

#### **SUPPLEMENTARY INFORMATION:**

##### **Electronic Availability**

This document and additional information concerning OFAC are available on OFAC's website: <https://ofac.treasury.gov>.

##### **Background**

On June 5, 2025, OFAC issued GL 1 to authorize certain transactions otherwise prohibited by Executive Order 14203 of February 6, 2025 (90 FR 9369, "Imposing Sanctions on the International Criminal Court"). This GL was made available on OFAC's website (<https://ofac.treasury.gov>) when it was issued. The GL expired on July 8, 2025. On July 1, 2025, OFAC incorporated the prohibitions of E.O. 14203 into the International Criminal Court-Related Sanctions Regulations, 31 CFR part 528. The text of this GL is provided below.

## OFFICE OF FOREIGN ASSETS CONTROL

### Executive Order 14203 of February 6, 2025; Imposing Sanctions on the International Criminal Court

#### GENERAL LICENSE NO. 1

#### Authorizing the Wind Down of Transactions Involving Certain Persons Blocked on June 5, 2025

(a) Except as provided in paragraph (b) of this general license, all transactions prohibited by Executive Order (E.O.) 14203 that are ordinarily incident and necessary to the wind down of any transaction involving one or more of the following blocked persons are authorized through 12:01 a.m. eastern daylight time, July 8, 2025, provided that any payment to a blocked person is made into a blocked interest-bearing account located in the United States:

- (1) Solomy Balungi Bossa;
- (2) Luz Del Carmen Ibanez Carranza;
- (3) Reine Adelaide Sophie Alapini Gansou;
- (4) Beti Hohler; or
- (5) Any entity in which one or more of the above persons own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest.

(b) This general license does not authorize any transactions otherwise prohibited by E.O. 14203, including transactions involving any person blocked pursuant to E.O. 14203 other than the blocked persons described in paragraph (a) of this general license, unless separately authorized.

Lisa M. Palluconi,  
*Acting Director, Office of Foreign Assets Control.*

Dated: June 5, 2025.

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2025–15350 Filed 8–12–25; 8:45 am]

BILLING CODE 4810–AL–P

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

#### 31 CFR Part 528

#### Publication of International Criminal Court-Related Sanctions Regulations Web General License 8

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of a web general license.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets

Control (OFAC) is publishing a general license (GL) issued pursuant to the International Criminal Court-Related Sanctions Regulations: GL 8.

**DATES:** GL 8 was issued on July 9, 2025. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or <https://ofac.treasury.gov/contact-ofac>.

#### **SUPPLEMENTARY INFORMATION:**

##### **Electronic Availability**

This document and additional information concerning OFAC are available on OFAC's website: <https://ofac.treasury.gov>.

##### **Background**

On July 9, 2025, OFAC issued GL 8 to authorize certain transactions otherwise prohibited by the International Criminal Court-Related Sanctions Regulations, 31 CFR part 528. This GL has an expiration date of August 8, 2025. This GL was made available on OFAC's website (<https://ofac.treasury.gov>) when it was issued. The text of this GL is provided below.

## OFFICE OF FOREIGN ASSETS CONTROL

### International Criminal Court-Related Sanctions Regulations

#### 31 CFR Part 528

#### GENERAL LICENSE NO. 8

#### Authorizing the Wind Down of Transactions Involving Francesca Paola Albanese

(a) Except as provided in paragraph (b) of this general license, all transactions prohibited by the International Criminal Court-Related Sanctions Regulations (ICCSR), 31 CFR part 528, that are ordinarily incident and necessary to the wind down of any transaction involving Francesca Paola Albanese (Albanese), or any entity in which Albanese owns, directly or indirectly, a 50 percent or greater interest, are authorized through 12:01 a.m. eastern daylight time, August 8, 2025, provided that any payment to a blocked person is made into a blocked account in accordance with the ICCSR.

(b) This general license does not authorize any transactions otherwise prohibited by the ICCSR, including transactions involving any person blocked pursuant to the ICCSR other than the blocked persons described in paragraph (a) of this general license, unless separately authorized.

Lisa M. Palluconi,  
*Acting Director, Office of Foreign Assets Control.*

Dated: July 9, 2025.

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2025–15357 Filed 8–12–25; 8:45 am]

BILLING CODE 4810–AL–P

## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

**31 CFR Parts 542, 544, 561, 594, and 597**

### Publication of Syrian Sanctions Regulations Web General License 25

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Publication of a web general license.

**SUMMARY:** The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing a general license (GL) issued pursuant to multiple regulations, including the Syrian Sanctions Regulations: GL 25. This GL was previously made available on OFAC's website.

**DATES:** GL 25 was issued on May 23, 2025. See **SUPPLEMENTARY INFORMATION** for additional relevant dates.

**FOR FURTHER INFORMATION CONTACT:** OFAC: Assistant Director for Regulatory Affairs, 202–622–4855; or <https://ofac.treasury.gov/contact-ofac>.

#### SUPPLEMENTARY INFORMATION:

#### Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: <https://ofac.treasury.gov/>.

#### Background

On May 23, 2025, OFAC issued GL 25 to authorize certain transactions otherwise prohibited by the Syrian Sanctions Regulations, 31 CFR part 542; the Weapons of Mass Destruction Proliferators Sanctions Regulations, 31 CFR part 544; the Iranian Financial Sanctions Regulations, 31 CFR part 561; the Global Terrorism Sanctions Regulations, 31 CFR part 594; the Foreign Terrorist Organizations Sanctions Regulations, 31 CFR part 597; and Executive Order 13574 of May 23, 2011, “Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Sanctions Act of 1996, as Amended” (76 FR 30505, May 25, 2011). The GL was made available on OFAC's website (<https://ofac.treasury.gov/>) when it was issued. The text of this GL is provided below.

## OFFICE OF FOREIGN ASSETS CONTROL

### Syrian Sanctions Regulations

**31 CFR Part 542**

### Weapons of Mass Destruction Proliferators Sanctions Regulations

**31 CFR Part 544**

### Iranian Financial Sanctions Regulations

**31 CFR Part 561**

### Global Terrorism Sanctions Regulations

**31 CFR Part 594**

### Foreign Terrorist Organizations Sanctions Regulations

**31 CFR Part 597**

**Executive Order 13574 of May 23, 2011**

### Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Sanctions Act of 1996, as Amended

#### GENERAL LICENSE NO. 25

#### Authorizing Transactions Prohibited by the Syrian Sanctions Regulations or Involving Certain Blocked Persons

(a) Except as provided in paragraph (c) of this general license, all transactions prohibited by the Syrian Sanctions Regulations, 31 CFR part 542 (SySR), other than transactions involving blocked persons, are authorized.

(b) Except as provided in paragraph (c) of this general license, all transactions that are prohibited by the SySR, the Weapons of Mass Destruction Proliferators Sanctions Regulations, 31 CFR part 544, the Iranian Financial Sanctions Regulations, 31 CFR part 561, the Global Terrorism Sanctions Regulations, 31 CFR part 594, the Foreign Terrorist Organizations Sanctions Regulations, 31 CFR part 597, or Executive Order 13574 involving the following blocked persons are authorized:

(1) the Government of Syria, as defined by 31 CFR 542.308, as in existence on or after May 13, 2025;

(2) any blocked person listed in the Annex to this general license; or

(3) any entity in which one or more of the blocked persons listed in the Annex own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest.

**Note to paragraph (b)(1).** The Government of Syria includes Syrian President Ahmed al-Sharaa and his government.

(c) This general license does not authorize:

(1) Any transactions involving any individual or entity identified on the

Office of Foreign Assets Control's List of Specially Designated Nationals and Blocked Persons (SDN) that is not listed in the Annex of this general license, as well as any entity in which one or more of such SDNs own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest, unless separately authorized;

(2) The unblocking of any property or interests in property blocked pursuant to any part of 31 CFR chapter V as of May 22, 2025; or

(3) Any transactions for or on behalf of the Government of the Russian Federation, the Government of Iran, the Government of the Democratic People's Republic of Korea (DPRK), or related to the transfer or provision of goods, technology, software, funds, financing, or services to or from Iran, Russia, or the DPRK.

**Note to General License No. 25.** Nothing in this general license relieves any person from compliance with any other Federal laws or requirements of other Federal agencies, including the International Traffic in Arms Regulations (ITAR) administered by the Department of State and the Export Administration Regulations (EAR) administered by the Department of Commerce.

Dated: May 23, 2025.

Lisa M. Palluconi,

*Acting Director, Office of Foreign Assets Control.*

#### Annex—Blocked Persons Described in Paragraph (b)(2) of General License 25

List of Blocked Persons Described in Paragraph (b)(2) of General License 25 as of May 23, 2025:

#### Blocked Person

SYRIAN ARAB AIRLINES  
SYTROL  
AL-JAWLANI, Abu Muhammad  
KHATTAB, Anas Hasan  
COMMERCIAL BANK OF SYRIA  
CENTRAL BANK OF SYRIA  
GENERAL PETROLEUM CORPORATION  
SYRIAN COMPANY FOR OIL TRANSPORT  
SYRIAN GAS COMPANY  
SYRIAN PETROLEUM COMPANY  
REAL ESTATE BANK  
GENERAL ORGANIZATION OF RADIO AND TV  
BANIAS REFINERY COMPANY  
HOMS REFINERY COMPANY  
AGRICULTURAL COOPERATIVE BANK  
INDUSTRIAL BANK  
POPULAR CREDIT BANK  
SAVING BANK  
GENERAL DIRECTORATE OF SYRIAN PORTS  
LATTAKIA PORT GENERAL COMPANY  
SYRIAN CHAMBER OF SHIPPING  
SYRIAN GENERAL AUTHORITY FOR MARITIME TRANSPORT  
SYRIAN SHIPPING AGENCIES COMPANY  
TARTOUS PORT GENERAL COMPANY  
PUBLIC ESTABLISHMENT FOR REFINING AND DISTRIBUTION

SYRIAN MINISTRY OF PETROLEUM AND  
MINERAL RESOURCES  
SYRIAN MINISTRY OF TOURISM  
FOUR SEASONS DAMASCUS

**Bradley T. Smith,**

*Director, Office of Foreign Assets Control.*

[FR Doc. 2025–15346 Filed 8–12–25; 8:45 am]

**BILLING CODE 4810–AL–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 100

[Docket No. USCG–2025–0681]

#### Special Local Regulations; Marine Events Within the USCG East District (Formerly USCG District 5); Bay Bridge Paddle

**AGENCY:** Coast Guard, DHS.

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

**SUMMARY:** The Coast Guard will enforce a special local regulation for the Bay Bridge Paddle on September 14, 2025, to provide for the safety of life on navigable waterways during this event. Our regulation for marine events within the USCG East District (formerly USCG District 5) identifies the regulated area for this event as between Sandy Point State Park and Kent Island, MD. During the enforcement period, the operator of any vessel in the regulated area must comply with directions from the Patrol Commander or any Official Patrol displaying a Coast Guard ensign.

**DATES:** The regulations in 33 CFR 100.501 will be enforced for the Bay Bridge Paddle, which is listed in table 2 paragraph (i)(2) of 100.501, from 8 a.m. to 12 noon on September 14, 2025.

**FOR FURTHER INFORMATION CONTACT:** If you have questions about this notification of enforcement, call or email LCDR Kate M. Newkirk, Sector Maryland-National Capital Region, Waterways Management Division, U.S. Coast Guard; telephone 410–576–2596, email [MDNCRMarineEvents@uscg.mil](mailto:MDNCRMarineEvents@uscg.mil).

**SUPPLEMENTARY INFORMATION:** The Coast Guard will enforce a special local regulation in 33 CFR 100.501 for the Bay Bridge Paddle regulated area from 8 a.m. to 12 noon on September 14, 2025. This action is being taken to provide for the safety of life on navigable waterways during this event. Our regulation for marine events within the USCG East District (formerly USCG District 5), § 100.501(i)(2), specifies the location of the regulated area as between Sandy Point State Park and Kent Island, MD.

The table to paragraph (i)(2) indicates that this event is normally held on the first Saturday or Sunday in June, but a footnote indicates that enforcement periods are subject to change and that changes will be noticed in the **Federal Register**. During the enforcement periods, as reflected in § 100.501(g), the operator of a vessel in the regulated area must comply with directions from the Patrol Commander or any Official Patrol displaying a Coast Guard ensign.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard plans to provide notification of this enforcement period via the Local Notice to Mariners and marine information broadcasts.

Dated: July 28, 2025.

**Patrick C. Burkett,**

*Captain, U.S. Coast Guard, Captain of the Port, Sector Maryland-National Capital Region.*

[FR Doc. 2025–15356 Filed 8–12–25; 8:45 am]

**BILLING CODE 9110–04–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[Docket No. USCG–2025–0768]

#### Security Zone; Waters of the Coast Guard East District (Formerly the Fifth Coast Guard District), Delaware River, Philadelphia, PA

**AGENCY:** Coast Guard, DHS.

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

**SUMMARY:** The Coast Guard will enforce a security zone to escort a vessel on the Delaware River, from Philadelphia, PA to the Delaware Bay. During the enforcement period, the operator of any vessel will be prohibited from entering the security zone unless authorized by the Captain of the Port, Sector Delaware Bay or a designated representative.

**DATES:** The regulations in 33 CFR 165.518 will be subject to enforcement on August 17, 2025.

**FOR FURTHER INFORMATION CONTACT:** If you have questions about this notification of enforcement, call or email Petty Officer Dominick Dobridge, U.S. Coast Guard, Sector Delaware Bay, Waterways Management Division, telephone: 206–815–6688, Email: [SecDelBayWWM@uscg.mil](mailto:SecDelBayWWM@uscg.mil).

**SUPPLEMENTARY INFORMATION:** The Coast Guard will enforce a security zone in 33 CFR 165.518 for the escort of a vessel on the Delaware River, from Philadelphia,

PA to the Delaware Bay on August 17, 2025. Our regulation, “Security Zone; Waters of the Coast Guard East District (formerly Fifth Coast Guard District)” identifies the regulated area as a 500-yard radius around the escorted vessel, as defined at 33 CFR 165.518(a). During the enforcement period the operator of any vessel will be prohibited from entering the security zone unless authorized by the Captain of the Port, Sector Delaware Bay or a designated representative, as defined at 33 CFR 165.518(a). Mariners can contact the on-scene Coast Guard vessels via VHF channel 16 (156.800 MHz), VHF channel 13 (156.650 MHz) or via telephone at 215–271–4807.

In addition to this notification of enforcement in the **Federal Register**, the Coast Guard plans to provide notification of this enforcement period via broadcast notice to mariners, local notice to mariners, and on-scene patrol.

Dated: August 7, 2025.

**Kate F. Higgins-Bloom,**

*Captain, U.S. Coast Guard, Captain of the Port, Sector Delaware Bay.*

[FR Doc. 2025–15414 Filed 8–12–25; 8:45 am]

**BILLING CODE 9110–04–P**

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 73

[MB Docket No. 25–132; RM–12000; DA 25–690; FR ID 307244]

#### Television Broadcasting Services Portland, Oregon

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** This document amends the Table of TV Allotments (table) of the Federal Communications Commission’s (Commission) rules by substituting channel 12 for channel 21 at Portland, Oregon in response to a Petition for Rulemaking filed by Gray Television Licensee, LLC (Gray), the licensee of KP TV, Portland, Oregon. The staff engineering analysis finds that the proposal is in compliance with the Commission’s principal community coverage and technical requirements. The substitution of channel 12 for channel 21 in the table will allow the station to continue to operate on its licensed channel and provide uninterrupted service to its viewers.

**DATES:** Effective August 13, 2025.

**FOR FURTHER INFORMATION CONTACT:** Shaun Maher, Media Bureau, at [Shaun.Maher@fcc.gov](mailto:Shaun.Maher@fcc.gov), (202) 418–2324,

or Mark Colombo, Media Bureau, at *Mark.Colombo@fcc.gov*, (202) 418-7611.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission’s *Report and Order*, MB Docket No. 25-132; RM-12000; DA 25-690, adopted August 4, 2025, and released August 4, 2025. The proposed rule was published at 90 FR 12509 on March 18, 2025. The full text of this document is available online at <https://www.fcc.gov/edocs>.

This document does not contain information collection requirements subject to the Paperwork Reduction Act of 1995, Public Law 104-13. In addition, therefore, it does not contain any proposed information collection burden “for small business concerns with fewer than 25 employees,” pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, *see* 44 U.S.C. 3506(c)(4). Provisions of the Regulatory Flexibility Act of 1980, 5 U.S.C. 601-612, do not apply to this proceeding.

The Commission will send a copy of this *Report and Order* in a report to be sent to Congress and the Government Accountability Office pursuant to the Congressional Review Act, *see* 5 U.S.C. 801(a)(1)(A).

**List of Subjects in 47 CFR Part 73**

Television.  
Federal Communications Commission.

**Thomas Horan,**  
*Chief of Staff, Media Bureau.*

**Final Rule**

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR part 73 as follows:

**PART 73—RADIO BROADCAST SERVICES**

■ 1. The authority citation for part 73 continues to read as follows:

**Authority:** 47 U.S.C. 154, 155, 301, 303, 307, 309, 310, 334, 336, 339.

■ 2. In § 73.622, in the table in paragraph (j), under Oregon, revise the entry for “Portland” to read as follows:

**§ 73.622 Digital television table of allotments.**

\* \* \* \* \*  
(j) \* \* \*

Community	Channel No.
* * *	* * *
<b>Oregon</b>	
* * *	* * *
Portland .....	* 10, 12, 24, 25, 26, 32
* * *	* * *

[FR Doc. 2025-15349 Filed 8-12-25; 8:45 am]

**BILLING CODE 6712-01-P**

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

### Forest Service

#### Notice of Issuance of Final Permanent Recreational Shooting Order in the Southern Clear Creek, Northern Larimer and Grand County Areas in the Clear Creek, Canyon Lakes, and Sulphur Ranger Districts of the Arapaho and Roosevelt National Forests and Pawnee National Grassland

**AGENCY:** Forest Service, Agriculture.

**ACTION:** Notice.

**SUMMARY:** The Forest Service (Forest Service or Agency), U.S. Department of Agriculture, is issuing a final permanent order prohibiting recreational shooting, which covers approximately 94,900 acres in southern Clear Creek, northern Larimer and Grand Counties, Colorado, in the Clear Creek, Canyon Lakes, and Sulphur Ranger Districts of the Arapaho and Roosevelt National Forests and Pawnee National Grassland.

**ADDRESSES:** The final permanent recreational shooting order, map, justification for the final permanent order, and response to comments on the proposed permanent order are posted on the Arapaho and Roosevelt National Forests and Pawnee National Grassland's web page at [www.fs.usda.gov/r02/arp/recreation/shooting](http://www.fs.usda.gov/r02/arp/recreation/shooting).

**FOR FURTHER INFORMATION CONTACT:**

Reghan Cloudman, Public Affairs Specialist, 970–219–8391 or [reghan.cloudman@usda.gov](mailto:reghan.cloudman@usda.gov). Individuals who use telecommunications 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:** Section 4103 of the John D. Dingell, Jr. Conservation, Management, and Recreation Act of 2019 (16 U.S.C. 7913),

hereinafter “the Dingell Act,” requires the Forest Service to provide advance notice and opportunity for public comment before temporarily or permanently closing any National Forest System lands to hunting, fishing, or recreational shooting.

The Forest Service has completed the public notice and comment process required under the Dingell Act for the permanent order prohibiting recreational shooting in the southern Clear Creek, northern Larimer and Grand County areas in the Clear Creek, Canyon Lakes, and Sulphur Ranger Districts of the Arapaho and Roosevelt National Forests and Pawnee National Grassland. The Forest Service is issuing the final permanent order prohibiting recreational shooting. The final permanent recreational shooting order, map, justification for the final permanent recreational shooting order, and the response to comments on the proposed permanent recreational shooting order are posted on the Arapaho and Roosevelt National Forests and Pawnee National Grassland's web page at [www.fs.usda.gov/r02/arp/recreation/shooting](http://www.fs.usda.gov/r02/arp/recreation/shooting).

**Beatra Wilson,**

*Associate Deputy Chief, National Forest System.*

[FR Doc. 2025–15330 Filed 8–12–25; 8:45 am]

**BILLING CODE 3411–15–P**

## DEPARTMENT OF AGRICULTURE

### Natural Resources Conservation Service

[Docket No. NRCS–2025–0105]

#### Notice of Intent To Prepare an Environmental Impact Statement for the St. Johns Watershed Project in Mississippi, New Madrid, and Scott Counties, Missouri

**AGENCY:** Natural Resources Conservation Service, U.S. Department of Agriculture (USDA).

**ACTION:** Notice of intent (NOI) to prepare an environmental impact statement; notice of public meeting.

**SUMMARY:** The Natural Resource Conservation Service (NRCS) Missouri State Office announces its intent to prepare an Environmental Impact Statement (EIS) for the St. Johns Watershed plan, located within the

Lower North Cut Ditch, Sikeston Ridge—St. Johns Ditch, Maple Slough Ditch, Ash Ditch—St. Johns Ditch, and St. Johns Ditch—St. Johns Bayou Watershed in Mississippi, New Madrid, and Scott Counties, Missouri. The project area involves the St. Johns Bayou and St. James Ditches and adjacent lands on the west landward side of the setback levee to the watershed outlet at Mississippi River floodgates near New Madrid, Missouri. Closure of the Mississippi River floodgates prevents flood damage from the river at flood stage; however, when closed, it blocks the outlet of the watershed and causes flooding from impounded interior runoff. Residences, agricultural land, and developed land are impacted. NRCS is requesting that interested individuals, Federal and State agencies, and Tribes participate in the scoping process for the EIS by attending the initial public scoping meeting and by submitting comments as described below. The goal of scoping is for NRCS to obtain input on identifying significant issues, potential alternatives, information, and analyses relevant to the proposed action.

**DATES:** Initial Public Scoping Meeting Date—August 14, 2025, 6:30 p.m.

**Comments—**We invite you to submit comments in response to this notice. Please submit comments by September 12, 2025.

**ADDRESSES:** The initial public scoping meeting will be held at 127 E Main Street, East Prairie, Missouri 63845.

We invite you to submit comments in response to this notice. You may submit your comments through one of the methods below:

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov> and search for Docket ID NRCS–2025–0105. Follow the online instructions for submitting comments; or

- *Agency Website:* <https://www.nrcs.usda.gov/programs-initiatives/watershed-programs/missouri/watershed-programs-mo>.

Follow the instructions for sending comments on the St. Johns EIS; or

- *Mail:* USDA–NRCS Assistant State Conservationist for Water Resources and Easements, 601 Business Loop 70 West, Suite 250, Columbia, Missouri 65203. Specify St. Johns EIS in your correspondence; or

- *Hand-Deliver or Courier:* Natural Resources Specialist, Butler County

USDA Service Center, 4327 Highway 67 North, Poplar Bluff, MO 63901. Specify St Johns EIS in your correspondence.

All substantive comments received will be posted without change and made publicly available on the agency website or on [www.regulations.gov](http://www.regulations.gov) based on method received, including any personal information provided.

**FOR FURTHER INFORMATION CONTACT:**

Andy Rackers P.E. State Conservation Engineer, telephone: (573) 876-9376; email: [Andrew.rackers@usda.gov](mailto:Andrew.rackers@usda.gov). Specify the St. Johns EIS in your inquiry.

Individuals who require alternative means for communication should contact the U.S. Department of Agriculture (USDA) Target Center at (202) 720-2600 (voice and text telephone (TTY)) or dial 711 for Telecommunications Relay service (both voice and text telephone users can initiate this call from any telephone).

**SUPPLEMENTARY INFORMATION:**

**Purpose and Need**

The primary purpose of the proposed action is to develop measures that will prevent or reduce damage from flooding caused by degradation of the St. Johns Bayou Ditch and closure of the Mississippi River floodgates. The EIS is needed to address a range of issues caused by flooding, including property damage, reduced agricultural productivity and income, the socioeconomic impacts of traffic disruptions, delays in emergency response, and loss of life. Sedimentation of drainage canals is one contributing factor to the degradation that reduces the drainage capacity of the canals and contributes to flooding. This degradation leaves the surrounding area vulnerable to flooding that affects agricultural production, results in community isolation, and damaged transportation infrastructure. Excessive floodwater, created when the watershed outlet is closed, also compounds additional degradation of the regional drainage system, road infrastructure, and creates community hardship. Drainage water management is essential to the vitality of the region.

The EIS will develop and evaluate potential measures for addressing the range of issues caused by flooding. The EIS will be prepared as required by section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA) and NRCS regulations in 7 CFR Subtitle A Part 1b (7 CFR 1b).

The sponsoring local organizations (SLOs) for this project are St. Johns Levee and Drainage District (SJLDD) and St. Johns Bayou Basin Drainage District

(SJBDD). The drainage districts are granted authority under State of Missouri Title XV, Chapter 242 to organize, appoint a board, and levy taxes for improvements to drainage district infrastructure to benefit public health, convenience, and welfare of the local population.

**Preliminary Proposed Action and Alternatives, Including No Action**

The EIS will identify and evaluate all reasonable alternatives that include a range of measures to address the impacts of flooding caused by degradation of the drainage canal system and backwater flooding that occurs when the Mississippi River flood gates are closed. The EIS is expected to evaluate four alternatives: three action alternatives and one no-action alternative. The action alternatives, along with other scenarios, were evaluated in a 2023 Preliminary Investigation Feasibility Report conducted for NRCS by the NRCS Watershed Operations Program. Additionally, Alternative 3 was studied by the U.S. Army Corps of Engineers (USACE) through the development of an EIS in 2013; this alternative was determined to be feasible and to meet environmental scrutiny at the time of evaluation. The action alternatives may not be mutually exclusive and may not be limited to the preliminary alternatives described here, depending on public and agency input. The alternatives identified for preliminary consideration include the following:

*Alternative 1—No Action Alternative:* This alternative represents what would happen if no Federal assistance or funding were provided. In the No-Action Alternative, the existing degradation of drainage canals would not be addressed. Backwater flooding when the Mississippi River floodgates are closed would continue to occur. Flooding of agricultural land, roads, and communities would continue, and the local community would continue to face the risk of property damage, negative socioeconomic impacts, and public safety issues.

*Alternative 2—Proposed Action—Cleanout of Dry Run Ditch:* The proposed action would include restoring degraded areas of Dry Run Ditch to the flow capacity as originally designed and installing drop pipes where head cuts from the adjacent agricultural fields are present. Sedimentation from gully erosion would be reduced, and flow capacity of the drainage canal would be improved. Potential locations and extents of the canal cleanout will be evaluated during the EIS process.

*Alternative 3—Proposed Action—Construct flood control measures at the St. Johns Bayou Basin:* The proposed action would include channel modification and the installation of a 1,000-cubic feet per second (cfs) pumping station east of the existing outlet at the lower extent of St. Johns Bayou. Channel modification would include widening St. Johns Bayou on both banks from the outlet near New Madrid to the north approximately 4.5 miles, widening 8 miles of the Setback Levee Ditch on one bank, and widening 3.5 miles of St. James Ditch on one bank. Embankment dimensions would be designed to minimize erosion and allow for efficient water conveyance. Channel modification would improve drainage efficiency and installation of a pumping station at the watershed outlet would allow for the draw-down of floodwaters within the watershed when the Mississippi River floodgates are closed when the river is at flood stage. Potential cleanout methods and locations will be evaluated during the EIS process and would include the impacts of any channel, wetland, or habitat modifications.

*Alternative 4—Proposed Action—Growing flood-resistant crops and planting native grasses and forbs along drainage canals:* The proposed action would include establishing native grass and forb buffers to reduce erosion, improve streambank stability, trap sediments from adjacent land, and improve wildlife habitat. Additionally, crops that are more tolerant of flooding in areas that are particularly vulnerable to flooding would be grown to reduce economic impacts on farmers. Potential specific locations for native grass and forb buffers will be evaluated during the EIS process.

**Summary of Expected Impacts**

The natural resources and aspects of the human environment to be identified and addressed for potential impacts in the EIS include soils, farmland, erosion, surface and groundwater quality and quantity, wetlands, waterways, floodplains, air quality, endangered and threatened species, fish and wildlife habitats, migratory birds, riparian areas, invasive species, cultural and historic resources, socioeconomic, public health and safety, and transportation, among others.

The natural resources and aspects of the human environment that have more potential than others to be impacted—whether positively or negatively—include the socioeconomic of agricultural production and for landowners, wooded areas of drainage canals that may provide habitat for

endangered bats, and the ecosystem services provided by floodplains, wetlands, and riparian areas. The full list of concerns to be addressed for impacts will be developed through public scoping, agency consultations, and other components of the EIS process.

#### Anticipated Permits and Authorizations

The following permits and authorizations, among others, will be evaluated for relevance to this project:

- *Federal Emergency Management Agency, Floodplain Development Permit.* Implementation of the proposed action will require coordination with the local floodplain administrator and may require a Floodplain Development Permit to ensure all development and engineering requirements for construction within the Special Flood Hazard Areas are implemented.

- *Clean Water Act (CWA) and National Pollutant Discharge Elimination System (NPDES).* The project will require water quality certification under section 401 of the CWA, NPDES permitting under section 402 of the CWA, and section 404 of the CWA for potential impacts to wetlands.

- *Missouri State 401 Water Quality Certification.* The Missouri State 401 Water Quality certification will be required from the Missouri Department of Natural Resources if a US Army Corps of Engineers (USACE) individual permit is required. If the work is accomplished under USACE Nationwide Permits, then a programmatic Clean Water Section 401 certification may be granted, which specifies pre-established conditions.

- *National Historic Preservation Act (NHPA) Section 106.* Consultation with Tribal Nations and interested parties will be conducted as required by the NHPA.

- *Endangered Species Act (ESA) Section 7.* Consultation with the U.S. Fish and Wildlife Service will be conducted if needed based on ESA requirements.

#### Schedule of Decision-Making Process

Following the initial public scoping meeting and comment period described above, NRCS will prepare a Draft EIS (DEIS) and circulate it for review and comment by agencies, Tribes, consulting parties, and the public for 45 days.

Changes resulting from the DEIS public comments will be incorporated into the Final EIS, to be published within 24 months after publication of this NOI. A Record of Decision will be completed and will be publicly available. The Responsible Federal

Official and decision-maker for NRCS is the Missouri State Conservationist.

#### Public Scoping Process

In addition to the initial public scoping meeting and comment period described above, NRCS and the SLOs are planning to hold a second public meeting during preparation of the DEIS to provide an opportunity to review and comment on the alternatives that are developed. This second meeting will also be an opportunity to express concern or support and to gain further information regarding the proposed action.

NRCS will coordinate the scoping process to correspond with Section 106 of the NHPA (54 U.S.C. 306108) as allowed in 36 CFR 800.2(d)(3) and 800.8.

Comments received, including the names and addresses of those who commented, will become part of the public record. Scoping meeting presentation materials will be available for review and comment for 30 days following the meeting.

#### Identification of Potential Alternatives, Information, and Analyses

NRCS invites agencies, Tribes, consulting parties, and individuals that have special expertise, legal jurisdiction, or interest in the St. Johns Watershed project to provide written comments concerning the scope of the analysis and identification of potential alternatives, information, and analyses relevant to the proposed project.

The information about historic and cultural resources within the area potentially affected by the proposed project will assist NRCS in identifying and evaluating impacts to such resources in the context of both NEPA and NHPA.

NRCS will consult with Native American Tribes on a government-to-government basis in accordance with the regulations in 36 CFR 800.2 and 800.3, Executive Order 13175, and other policies. Tribal concerns, including impacts on Indian trust assets and potential impacts to cultural resources and historic properties, will be given due consideration.

#### Authorities

Watershed planning is authorized under the Watershed Protection and Flood Prevention Act of 1954 (Pub. L. 83–566), as amended, and the Flood Control Act of 1944 (Pub. L. 78–534).

#### Federal Assistance Programs

The title and number of the Federal Assistance Program as found in the

Assistance Listing,<sup>1</sup> to which this document applies is 10.904, Watershed Protection and Flood Prevention.

#### Executive Order 12372

E.O. 12372, “Intergovernmental Review of Federal Programs,” requires consultation with State and local officials that would be directly affected by proposed Federal financial assistance. The objectives of the Executive Order are to foster an intergovernmental partnership and a strengthened federalism, by relying on State and local processes for State and local government coordination and review of proposed Federal financial assistance and direct Federal development. This program is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials.

#### Nathan Goodrich,

*Acting Missouri State Conservationist,  
Natural Resources Conservation Service.*

[FR Doc. 2025–15345 Filed 8–12–25; 8:45 am]

BILLING CODE 3410–16–P

## DEPARTMENT OF AGRICULTURE

### Natural Resources Conservation Service

[Docket No. NRCS–2025–0137]

#### Notice of Intent To Prepare an Environmental Impact Statement for the Black River Watershed in Butler County, Missouri

**AGENCY:** Natural Resources Conservation Service, U.S. Department of Agriculture (USDA).

**ACTION:** Notice of intent (NOI) to prepare an environmental impact statement; notice of public meeting.

**SUMMARY:** The Natural Resources Conservation Service (NRCS) Missouri State Office announces its intent to prepare an Environmental Impact Statement (EIS) for a proposed action involving the segment of the Black River in Butler County, Missouri, that reaches from the city of Poplar Bluff south to the Missouri-Arkansas state line. This reach of the Black River intersects four adjacent watersheds: Little Hunting Slough-Black River, Catherine Slough, Blue Spring Slough, and Old Menorkenut Slough. Along this stretch of river are residences, agricultural land, developed land, and the Coon Island Conservation Area. NRCS is requesting that interested individuals, Federal and State agencies, and Tribes participate in

<sup>1</sup> See <https://sam.gov/content/assistance-listings>.

the scoping process for the EIS by attending the initial public scoping meeting and by submitting comments as described below. The goal of scoping is for NRCS to obtain input on identifying significant issues, potential alternatives, information, and analyses relevant to the proposed action.

**DATES:** Initial Public Scoping Meeting Date—August 20, 2025, 6:00 p.m. Comments—We invite you to submit comments in response to this notice. Please submit comments by September 12, 2025.

**ADDRESSES:** The initial public scoping meeting will be held at Ozark Foothills Regional Planning Commission, 3019 Fair Street, Poplar Bluff, Missouri 63901. We invite you to submit comments in response to this notice. You may submit your comments through one of the methods below.

- *Federal eRulemaking Portal:* Go to <http://www.regulations.gov> and search for Docket ID NRCS–2025–0137. Follow the online instructions for submitting comments; or

- *Agency Website:* <https://www.nrcs.usda.gov/programs-initiatives/watershed-programs/missouri/watershed-programs-mo>. Follow the instructions for sending comments on the Black River EIS; or

- *Mail:* USDA–NRCS Acting Assistant State Conservationist for Water Resources and Easements, 601 Business Loop 70 West, Suite 250, Columbia, MO 65203. Specify the Black River EIS in your correspondence; or

- *Hand-delivery or courier:* Natural Resources Specialist, Butler County USDA Service Center, 4327 Highway 67 North, Poplar Bluff, MO 63901. Specify the Black River EIS in your correspondence.

All substantive comments received will be posted without change and made publicly available on the agency website or on [www.regulations.gov](http://www.regulations.gov), based on method received, including any personal information provided.

**FOR FURTHER INFORMATION CONTACT:** Andy Rackers, P.E., State Conservation Engineer, telephone: 573–876–9376; email: [Andrew.rackers@usda.gov](mailto:Andrew.rackers@usda.gov). Specify the Black River EIS in your inquiry.

Individuals who require alternative means for communication should contact the USDA Target Center at (202) 720–2600 (voice and text telephone (TTY)) or dial 711 for Telecommunications Relay service (both voice and text telephone users can initiate this call from any telephone).

**SUPPLEMENTARY INFORMATION:**

### Purpose and Need

The primary purpose of the proposed action is to prevent or reduce damage that results from flooding of the Black River in Butler County, Missouri. Flooding along the Black River in recent years has damaged agricultural land and infrastructure, interfered with the production of agricultural commodities, and interrupted transit by inundating roads and bridges. Most of the damage occurs when the existing levee system breaches and sends floodwater onto the landscape. The most recent levee system breaches occurred in 2008, 2011, 2017, and 2024.

The EIS will develop and evaluate potential measures for addressing the range of issues caused by flooding, including property damage, reduced agricultural productivity and income, the socioeconomic impacts of traffic disruptions, delays in emergency response, and loss of life. The EIS will be prepared as required by section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA) and NRCS regulations in 7 CFR Subtitle A Part 1b (7 CFR 1b).

Watershed planning is authorized under the Watershed Protection and Flood Prevention Act of 1954 (Pub. L. 83–566), as amended, and the Flood Control Act of 1944 (Pub. L. 78–534).

Reorganized Butler County Drainage District No. 7 (DD7), North Inter-River Drainage District (IRDD), and Ring Levee Drainage District (RLDD) are the Sponsoring Local Organizations (SLOs) for the proposed action. The drainage districts are granted authority under State of Missouri Title XV, Chapter 243 to organize, appoint a board, and levy taxes for improvements to drainage district infrastructure to benefit public health, convenience, and welfare of the local population. In the National Levee Database, the authorization category for DD7 and IRDD is Locally Constructed, Locally Operated and Maintained; RLDD is in the category Federally Authorized by the U.S. Army Corps of Engineers (USACE) and Operated and Maintained by Another Entity (meaning RLDD).

### Preliminary Proposed Action and Alternatives, Including No Action

The EIS will identify and evaluate all reasonable alternatives for addressing the cause(s) of flooding in the Black River watershed and potential solutions for preventing or reducing damage. A known cause of flooding is deterioration of the levee infrastructure that has been in place for many decades. Other issues and opportunities may be identified during the EIS process.

The EIS is expected to evaluate four alternatives: three action alternatives and one no-action alternative, as described below. The action alternatives may not be mutually exclusive and may not be limited to the preliminary alternatives described here, depending on public and agency input going forward. The action alternatives, along with other scenarios, were explored in a 2023 hydrology study by USACE, which included local stakeholder input.<sup>1</sup>

*Alternative 1, No Action:* This alternative represents what would happen if no Federal assistance or funding were provided. In the No-Action Alternative, the levee system would continue to be vulnerable to breaches and consequent flooding of land surrounding the Black River. The local community would continue to face the risk of property damage, negative socioeconomic impacts, and public safety issues.

*Alternative 2, Proposed Action—Two-stage Ditches:* These are drainage canals that have been modified from the conventional trapezoidal cross-section by adding benches on either side of an inset channel. The benches serve as floodplains within the drainage canal, emulating natural fluvial form and process more closely than conventional drainage canals, leading to greater channel stability and reduced nutrient loading. As modeled in the USACE study, two-stage ditches reduced flood duration more than they reduced peak flood elevation. Potential specific locations and designs for two-stage ditches will be evaluated as part of the EIS.

*Alternative 3, Proposed Action—Standard Channel Cleanout or Maintenance with a Low-water Weir at Swift Ditch:* The standard channel cleanout or maintenance would be implemented from upstream of the Hargrove Pivot Bridge (where County Road 658 crosses the Black River) south to the state border with Arkansas. Swift Ditch runs roughly parallel to the Black River for a portion of this stretch. Combining channel cleanout or maintenance with a low-water weir at Swift Ditch would improve river efficiency and allow the river to naturally scour and increase carrying capacity with less risk than other scenarios causing head cutting and bank failures. This alternative would restrict flow in Swift Ditch and direct the river's energy back towards the Black River, removing much of the deposition that has occurred. Potential cleanout

<sup>1</sup> USACE. 2023. Hydrologic Analysis of the Black River in Southeast Missouri.

methods, weir designs, and specific locations for these measures will be evaluated as part of the EIS.

*Alternative 4, Proposed Action—Levee Setbacks:* The Black River is narrowly confined by levees that are close to the river on both sides. Relocating strategic sections of levee to a greater distance from the river's edge would provide more space for the river to flow. As modeled in the USACE study, levee setbacks reduced flood flows in duration and in peak flood elevation for nearly the full range of flows analyzed. Levee setbacks would also reduce the pressure and risk of failure on the existing levee layout. Potential specific locations and extents for levee setbacks will be evaluated as part of the EIS.

### Summary of Expected Impacts

The natural resources and aspects of the human environment to be analyzed in the EIS for potential impacts include soils, farmland, erosion, surface and groundwater quality and quantity, wetlands, waterways, floodplains, air quality, endangered and threatened species, fish and wildlife habitats, migratory birds, riparian areas, invasive species, cultural and historic resources, socioeconomics, public health and safety, and transportation, among others.

The natural resources and aspects of the human environment that have more potential than others to be impacted—whether positively or negatively—include the socioeconomics of agricultural production and for landowners, wooded areas of levees or drainage canals that may provide habitat for endangered bats, possible changes in the flood regime in the Coon Island Conservation Area, and the ecosystem services provided by floodplains, wetlands, and riparian areas. The full list of concerns to be analyzed for potential impacts will be developed through public scoping, agency consultations, and other steps in the EIS process.

### Anticipated Permits and Authorizations

The following permits and authorizations, among others, will be evaluated for relevance to the proposed action.

- *Federal Emergency Management Agency, Floodplain Development Permit.* Implementation of the proposed action will require coordination with the local floodplain administrator and may require a Floodplain Development Permit to ensure all development and engineering requirements for construction within Special Flood Hazard Areas are implemented.

- *Clean Water Act (CWA), National Pollutant Discharge Elimination System (NPDES), and Missouri State 401 Water Quality Certification.* Implementation of the proposed action will require NPDES permitting under section 402 of the CWA and section 404 of the CWA for potential impacts on the Black River and associated wetlands. If a USACE Individual Permit is required, water quality certification under section 401 of the CWA will be required from the Missouri Department of Natural Resources. If the work is accomplished under USACE Nationwide Permits, then a programmatic Clean Water Section 401 certification may be granted under specific pre-established conditions.

- *Rivers and Harbors Act.* Consultation with USACE will be conducted as required by Section(s) 10 and/or 14 the Rivers and Harbors Act.
- *National Historic Preservation Act (NHPA) Section 106.* Consultation with Tribal Nations and interested parties will be conducted as required by NHPA.
- *Endangered Species Act (ESA) Section 7.* Consultation with the U.S. Fish and Wildlife Service will be conducted based on ESA requirements.

### Schedule of Decision-Making Process

Following the initial public scoping meeting and comment period described above, NRCS will prepare a Draft EIS (DEIS) and circulate it for review and comment by agencies, Tribes, consulting parties, and the public for 45 days.

Changes resulting from the DEIS public comments will be incorporated into the Final EIS, to be published within 24 months after publication of this NOI. A Record of Decision will be completed after the required 30-day waiting period and will be publicly available. The Responsible Federal Official and decision-maker for NRCS is the Missouri State Conservationist.

### Public Scoping Process

In addition to the initial public scoping meeting and comment period described above, NRCS and the SLOs are planning to hold a second public meeting during preparation of the DEIS to provide an opportunity to review and comment on the alternatives that are developed. This second meeting will also be an opportunity to express concern or support and to gain further information regarding the proposed action. NRCS will coordinate the scoping process to correspond with Section 106 of NHPA (54 U.S.C. 306108) as allowed in 36 CFR 800.2(d)(3) and 800.8.

Comments received, including the names and addresses of those who comment, will become part of the public

record. Scoping meeting presentation materials will be available on the NRCS website during EIS development.

### Identification of Potential Alternatives, Information, and Analyses

NRCS invites agencies, Tribes, consulting parties, and individuals that have special expertise, legal jurisdiction, or interest in the EIS to provide written comments concerning the scope of the analysis and identification of potential alternatives, information, and analyses relevant to the proposed action. Information about historic and cultural resources within the area potentially affected by the proposed action will assist NRCS in identifying and evaluating impacts on such resources in the context of both NEPA and NHPA.

NRCS will consult with Native American Tribes on a government-to-government basis in accordance with the regulations in 36 CFR 800.2 and 800.3, Executive Order 13175, and other policies. Tribal concerns, including impacts on Indian trust assets and potential impacts on cultural resources and historic properties, will be given due consideration.

### Authorities

Watershed planning is authorized under the Watershed Protection and Flood Prevention Act of 1954 (Pub. L. 83-566), as amended, and the Flood Control Act of 1944 (Pub. L. 78-534).

### Federal Assistance Programs

The title and number of the Federal Assistance Program as found in the Assistance Listing,<sup>2</sup> to which this document applies is 10.904, Watershed Protection and Flood Prevention.

### Executive Order 12372

Executive Order 12372, “Intergovernmental Review of Federal Programs,” requires consultation with State and local officials that would be directly affected by proposed Federal financial assistance. The objectives of the Executive Order are to foster an intergovernmental partnership and a strengthened federalism, by relying on State and local processes for State and local government coordination and review of proposed Federal financial assistance and direct Federal development. This project is subject to the provisions of Executive Order 12372, which requires

<sup>2</sup> See <https://sam.gov/content/assistance-listings>.

intergovernmental consultation with State and local officials.

**Nathan Goodrich**,  
Acting NRCS State Conservationist,  
Columbia, Missouri Natural Resources  
Conservation Service.

[FR Doc. 2025–15342 Filed 8–12–25; 8:45 am]

BILLING CODE 3410–16–P

## DEPARTMENT OF AGRICULTURE

### Natural Resources Conservation Service

#### Rescinding the Notice of Intent To Prepare an Environmental Impact Statement for the GreenThumb Gardens Water Supply Project Watershed Plan, New York, NY for Bronx, Kings, New York, Queens, and Richmond Counties

**AGENCY:** Natural Resources Conservation Service (NRCS), United States Department of Agriculture (USDA).

**ACTION:** Notice; rescission.

**SUMMARY:** NRCS, in cooperation with the New York City (NYC) Parks and Recreation Department GreenThumb Network, is issuing this notice to advise Federal, State and local government agencies and the public that USDA NRCS is rescinding the Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for the GreenThumb Gardens Water Supply Project Watershed Plan which was published in the **Federal Register** on April 24, 2024. NRCS conducted an Environmental Evaluation (EE) and determined that the action has no reasonably foreseeable significant effect, and the action is identified within scope of a Categorical Exclusion (CE). NRCS is rescinding the NOI because these findings will satisfy the NEPA requirements for this project and an EIS is no longer necessary.

**DATES:** The NOI to prepare an environmental impact statement (EIS) published in the **Federal Register** on April 24, 2024 (FR Doc. 2024–08725), is rescinded as of August 13, 2025.

**FOR FURTHER INFORMATION CONTACT:** Anthony Capraro, USDA NRCS–NY Assistant State Conservationist for Field Operations—Southeast Area, telephone: (607) 865–7090, ext. 283; email: [anthony.capraro@usda.gov](mailto:anthony.capraro@usda.gov).

Individuals who require alternative means for communication should contact the U.S. Department of Agriculture (USDA) Target Center at (202) 720–2600 (voice and text telephone (TTY)) or dial 711 for Telecommunications Relay service (both

voice and text telephone users can initiate this call from any telephone).

**SUPPLEMENTARY INFORMATION:** NRCS, in cooperation with the NYC Parks and Recreation Department GreenThumb Network, is issuing this notice to advise the public that USDA NRCS will not be preparing an EIS for the GreenThumb Gardens Water Supply Project watershed plan located within the Five Borough Watershed in New York City, New York. NRCS New York State Office issued the NOI to prepare an EIS in the **Federal Register** on April 24, 2024, at 89 FR 31130.

The primary purpose of the watershed plan is to supply dependable and accessible water to the existing GreenThumb Community Gardens that produce food. Watershed planning is authorized under the Watershed Protection and Flood Prevention Act of 1954 (Pub. L. 83–566), as amended, and the Flood Control Act of 1944 (Pub. L. 78–534). The sponsoring local organization is the NYC Parks and Recreation Department GreenThumb Network, which supports the creation and maintenance of volunteer led community gardens within the NYC Parks and Recreation Department jurisdiction.

The GreenThumb Gardens Water Supply Project is essential for the establishment of a secure and reliable on-site agricultural water supply to address deficiencies in the existing water delivery systems to these food producing gardens. Improving on-site water infrastructure within the existing community gardens would strengthen the local food system, improve efficiency, contribute to the conservation and enhancement of natural resources, and lower barriers to food production. This action would implement water conservation activities on existing agricultural lands and would address solutions to insufficient water supply and quality for the community gardens. Based on further review of the project, an EE was conducted that indicates the action has no reasonably foreseeable significant effect, and the proposed action is within scope of CE found at 7 CFR 1b.4 (d)(23)(USDA–23d–NRCS): “Implementing water conservation activities on existing agricultural lands, such as minor irrigation land leveling, irrigation water conveyance (pipelines), irrigation water control structures, and various management practices.”

Any public comment received from the original NOI and scoping period will be considered during Watershed Plan development. Questions concerning this notice of rescission should be directed

to USDA NRCS through the contact provided above.

**Blake Glover**,  
New York State Conservationist, Natural  
Resources Conservation Service.

[FR Doc. 2025–15347 Filed 8–12–25; 8:45 am]

BILLING CODE 3410–16–P

## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

[B–39–2025]

#### Foreign-Trade Zone 12—McAllen, Texas; Application for Reorganization (Expansion of Service Area) Under Alternative Site Framework

An application has been submitted to the Foreign-Trade Zones (FTZ) Board by the McAllen Foreign Trade Zone Inc., grantee of Foreign-Trade Zone 12, requesting authority to reorganize the zone to expand its service area under the alternative site framework (ASF) adopted by the FTZ Board (15 CFR 400.2(c)). The ASF is an option for grantees for the establishment or reorganization of zones and can permit significantly greater flexibility in the designation of new subzones or “usage-driven” FTZ sites for operators/users located within a grantee’s “service area” in the context of the FTZ Board’s standard 2,000-acre activation limit for a zone. The application was submitted pursuant to the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a–81u), and the regulations of the FTZ Board (15 CFR part 400). It was formally docketed on August 8, 2025.

FTZ 12 was approved by the FTZ Board on October 23, 1970 (Board Order 84, 35 FR 16962, November 3, 1970) and reorganized under the ASF on August 11, 2017 (Board Order 2036, 82 FR 39560, August 21, 2017). The zone currently has a service area that includes Hidalgo County, Texas.

The applicant is now requesting authority to expand the service area of the zone to include Willacy County, as described in the application. If approved, the grantee would be able to serve sites throughout the expanded service area based on companies’ needs for FTZ designation. The application indicates that the proposed expanded service area is adjacent to the Hidalgo Customs and Border Protection Port of Entry.

In accordance with the FTZ Board’s regulations, Camille Evans of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case

record and to report findings and recommendations to the FTZ Board.

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary and sent to: [ftz@trade.gov](mailto:ftz@trade.gov). The closing period for their receipt is October 14, 2025. Rebuttal comments in response to material submitted during the foregoing period may be submitted through October 27, 2025.

A copy of the application will be available for public inspection in the "Online FTZ Information Section" section of the FTZ Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz). For further information, contact Camille Evans at [Camille.Evans@trade.gov](mailto:Camille.Evans@trade.gov).

Dated: August 11, 2025.

**Elizabeth Whiteman,**

*Executive Secretary.*

[FR Doc. 2025-15384 Filed 8-12-25; 8:45 am]

BILLING CODE 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-791-825]

#### Common Alloy Aluminum Sheet From South Africa: Preliminary Results of Antidumping Duty Administrative Review; 2023-2024

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The U.S. Department of Commerce (Commerce) preliminarily determines that common alloy aluminum sheet (aluminum sheet) from South Africa was not sold in the United States at below normal value during the period of review (POR), April 1, 2023, through March 31, 2024. We invite interested parties to comment on these preliminary results.

**DATES:** Applicable August 13, 2025.

**FOR FURTHER INFORMATION CONTACT:** Laurel LaCivita, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-4243.

#### SUPPLEMENTARY INFORMATION:

##### Background

On April 27, 2021, Commerce published the antidumping duty order on aluminum sheet from South Africa in the **Federal Register**.<sup>1</sup> On April 1, 2024,

we published in the **Federal Register** a notice of opportunity to request an administrative review of the *Order*.<sup>2</sup> On June 12, 2024, pursuant to section 751(a)(1) of the Tariff Act of 1930, as amended (the Act), Commerce initiated an administrative review of the *Order* on aluminum sheet from South Africa covering Hulamin Operations (Pty) Ltd. (Hulamin Operations).<sup>3</sup> On July 22, 2024, Commerce tolled the deadline for the preliminary results by seven days.<sup>4</sup> On December 9, 2024, Commerce tolled the deadline for the preliminary results for an additional 90 days.<sup>5</sup> On March 28, 2025, May 9, 2025, and June 12, 2025, Commerce extended the time period for issuing the preliminary results of this review until August 5, 2025.<sup>6</sup>

For a complete description of the events that followed the initiation of this review, see the Preliminary Decision Memorandum.<sup>7</sup> A list of topics discussed in the Preliminary Decision Memorandum is included in the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

*South Africa, Spain, Taiwan and the Republic of Turkey: Antidumping Duty Orders*, 86 FR 22139 (April 27, 2021) (*Order*).

<sup>2</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review and Join Annual Inquiry Service List*, 89 FR 22390 (April 1, 2024).

<sup>3</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 89 FR 49844 (June 12, 2024).

<sup>4</sup> See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings," dated July 22, 2024.

<sup>5</sup> See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Proceedings," dated December 9, 2024.

<sup>6</sup> See Memorandum, "Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated March 28, 2025; see also Memorandum, "Second Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated May 9, 2026; and Memorandum, "Third Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated June 12, 2025.

<sup>7</sup> See Memorandum, "Decision Memorandum for the Preliminary Results of the Administrative Review of the Antidumping Duty Order on Common Alloy Aluminum Sheet from South Africa; 2023-2024," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

##### Scope of the Order

The merchandise under review is common alloy aluminum sheet from South Africa. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

##### Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. Constructed export price was calculated in accordance with section 772 of the Act. Normal value was calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

##### Preliminary Results of Review

As a result of this review, we preliminarily determine the following estimated weighted-average dumping margin exists for the period April 1, 2023, through March 31, 2024:

Producer/exporter	Weighted-average dumping margin (percent)
Hulamin Operations (Pty) Ltd. ..	0.00

##### Disclosure

We intend to disclose the calculations performed to parties within five days after the date of publication of this notice in the **Federal Register**.<sup>8</sup>

##### Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance.<sup>9</sup> Pursuant to 19 CFR 351.309(c)(1)(ii), we have modified the deadline for interested parties to submit case briefs to Commerce no later than 21 days after the date of the publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the date for filing case briefs.<sup>10</sup> Interested parties who submit case briefs or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and, (2) a table of authorities.<sup>11</sup>

As provided under 19 CFR 351.309(c)(2) and (d)(2), in prior

<sup>8</sup> See 19 CFR 351.224(b).

<sup>9</sup> See 19 CFR 351.309(c)(1)(ii); see also 19 CFR 351.303 (for general filing requirements).

<sup>10</sup> See 19 CFR 351.309(d); see also *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Procedures*).

<sup>11</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>1</sup> See *Common Alloy Aluminum Sheet from Bahrain, Brazil, Croatia, Egypt, Germany, India, Indonesia, Italy, Oman, Romania, Serbia, Slovenia,*

proceedings we have encouraged interested parties to provide an executive summary of their briefs that should be limited to five pages total, including footnotes. In this review, we instead request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.<sup>12</sup> Further, we request that interested parties limit their public executive summary of each issue to no more than 450 words, not including citations. We intend to use the public executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final results in this administrative review. We request that interested parties include footnotes for relevant citations in the public executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).<sup>13</sup>

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system within 30 days of publication of this notice.<sup>14</sup> Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing at a time and location to be determined.<sup>15</sup> Parties should confirm by telephone the date, time, and location of the hearing no fewer than two days before the scheduled date. Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce will issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their case briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

### Assessment Rates

Upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the **Federal Register**. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

If the weighted-average dumping margin for Hulamin Operations is above *de minimis* (*i.e.*, 0.50 percent) in the final results of this review, we will calculate importer-specific *ad valorem* antidumping duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).<sup>16</sup> If the respondent has not reported entered values, we will calculate a per-unit assessment rate for each importer by dividing the total amount of dumping calculated for the examined sales made to that importer by the total quantity associated with those sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate calculated in the final results of this review is above *de minimis* (*i.e.*, 0.50 percent). Where either the respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>17</sup>

In accordance with Commerce's "automatic assessment" practice, for entries of subject merchandise during the POR produced by the respondent for which it did not know that the merchandise was destined for the

United States, we will instruct CBP to liquidate those entries at the all-others rate established in the original less-than-fair value (LTFV) investigation (*i.e.*, 8.85 percent)<sup>18</sup> if there is no rate for the intermediate company(ies) involved in the transaction.

### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of the final results of the administrative review for all shipments of common alloy aluminum sheet from South Africa entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results, as provided by section 751(a)(2) of the Act: (1) the cash deposit rate Hulamin Operations will be equal to the dumping margin established in the final results of this review, except if the ultimate rate is *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the producer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original LTFV investigation but the producer is, then the cash deposit rate will be the rate established for the most recently completed segment of the proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 8.85 percent, the all-others rate established in the antidumping duty investigation.<sup>19</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

<sup>12</sup> We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

<sup>13</sup> See APO and Service Procedures.

<sup>14</sup> See 19 CFR 351.310(c).

<sup>15</sup> See 19 CFR 351.310.

<sup>16</sup> In these preliminary results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012).

<sup>17</sup> See section 751(a)(2)(C) of the Act.

<sup>18</sup> See *Order*, 86 FR at 22142.

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

## Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213(h)(2), and 19 CFR 351.221(b)(4).

Dated: August 5, 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

### List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
  - II. Background
  - III. Scope of the Order
  - IV. Discussion of Methodology
  - V. Currency Conversion
  - VI. Recommendation
- [FR Doc. 2025-15383 Filed 8-12-25; 8:45 am]

**BILLING CODE 3510-DS-P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Capital Construction Fund Agreement, Certificate Family of Forms and Deposit/Withdrawal Report

The Department of Commerce will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. We invite the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. Public comments were previously requested via the **Federal Register** on March 31, 2025 during a 60-day comment period. This notice allows for an additional 30 days for public comments.

*Agency:* National Oceanic and Atmospheric Administration, Commerce.

*Title:* Capital Construction Fund Agreement, Certificate Family of Forms and Deposit/Withdrawal Report.

*OMB Control Number:* 0648-0041.

*Form Number(s):* NOAA Form 34-82 and 88-14.

*Type of Request:* Regular submission (extension of a current information collection).

*Number of Respondents:* 1,225.

*Average Hours per Response:* Capital Construction Fund: Deposit/Withdrawal Report—2 hours; Family of Forms—1.5 hours; and Application/Agreement—2 hours.

*Total Annual Burden Hours:* 2,020 hours.

*Needs and Uses:* This is a request for renewal of an approved information collection. The Merchant Marine Act of 1936, as amended by Public Law 91-469 and Public Law 99-514, provides for the administration of a Capital Construction Fund (CCF) Program by NOAA's National Marine Fisheries Service (NMFS). The law requires that applicants enter into formal Agreements with the Secretary of Commerce. The Agreement allows the fishermen to defer taxable income from operation of their fishing vessels if the money is placed into an account to fund the construction, reconstruction, or replacement of a fishing vessel. The program requirements are detailed at 50 CFR part 259. The Agreement is a contract between the Secretary of Commerce and the Agreement holder specifying the obligations of each party. Schedule A specifies the vessel which earned the income which is eligible for deposit into a CCF account. Schedule B specifies the construction, acquisition, or reconstruction objectives planned under the Agreement. The Certificate of Construction/Reconstruction certifies the total cost at completion of Schedule B objectives.

Under a CCF Agreement, the participant cannot deposit more than the amount specified at 46 U.S.C. 53505. NMFS must approve any withdrawals made before they take place. It is essential that a reasonably detailed record be kept of each participant's deposit/withdrawal activity. If withdrawn monies are not used for allowed purposes, the withdrawn amount (a nonqualified withdrawal) is considered income to the participant in the year withdrawn and taxed at the highest marginal tax rate for the entity involved.

Respondents will be commercial fishing industry individuals, partnerships, corporations and limited liability companies which entered into CCF agreements with the Secretary of Commerce. The information collected from applicants for the CCF Agreement (NOAA Form 88-14) is used to determine their eligibility to participate in the CCF Program. The information collected from agreement holders for the

Certificate Family of Forms is used to identify their program eligible vessels, their program projects, to certify the cost of a project at completion and to determine the remaining tax basis of the qualified vessel. The information collected on the Deposit/Withdrawal Report (NOAA Form 34-82) is required to ensure that agreement holders are complying with fund deposit/withdrawal requirements established in program regulations and properly accounting for fund activity on their Federal income tax returns. The information collected on the Deposit/Withdrawal Report must also be reported semi-annually to the Secretary of Treasury in accordance with Public Law 115-97.

The information collection previously listed as 'CCF Family of Forms' was broken into five separate collections in order to provide more granularity into the collection. These are not new requirements and do not change the information collected, rather they provide greater detail into the use and frequency of the information collected.

*Affected Public:* Businesses.

*Frequency:* Once for Application and Agreement, annually for Deposit/Withdrawal Report, and varied for CCF Family of Forms.

*Respondent's Obligation:* Required to Obtain or Retain Benefits.

*Legal Authority:* The Merchant Marine Act of 1936, as amended by Public Law 91-469 and Public Law 99-514.

This information collection request may be viewed at [www.reginfo.gov](http://www.reginfo.gov). Follow the instructions to view the Department of Commerce collections currently under review by OMB.

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 and entering either the title of the collection or the OMB Control Number 0648-0041.

**Sheleen Dumas,**

*Departmental PRA Compliance Officer, Office of the Under Secretary for Economic Affairs, Commerce Department.*

[FR Doc. 2025-15331 Filed 8-12-25; 8:45 am]

**BILLING CODE 3510-22-P**

**DEPARTMENT OF COMMERCE****National Oceanic and Atmospheric Administration**

[RTID 0648–XF090]

**Gulf Council Fishery Management Council; Public Meeting**

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

**ACTION:** Notice of hybrid meeting open to the public offering both in-person and virtual options for participation.

**SUMMARY:** The Gulf Fishery Management Council (Council) will hold a four-day meeting to consider actions affecting the Gulf of America fisheries in the exclusive economic zone (EEZ).

**DATES:** The meeting will convene Monday, August 25 through Thursday, August 28, 2025. Daily schedule as follows: Monday 8:30 a.m.–4:30 p.m., Tuesday 8:30 a.m.–5 p.m., Wednesday from 8:30 a.m.–4:30 p.m., and Thursday from 8:30 a.m.–3:15 p.m., CDT.

**ADDRESSES:** The meeting will take place at the Hilton Palacio del Rio (Riverwalk), located at 200 South Alamo Street, San Antonio, TX 78205, (210) 222–1400. If you prefer to “listen in,” you may access the log-on information by visiting our website at [www.gulfcouncil.org](http://www.gulfcouncil.org).

**Council address:** Gulf Fishery Management Council, 4107 W Spruce Street, Suite 200, Tampa, FL 33607; telephone: (813) 348–1630.

**FOR FURTHER INFORMATION CONTACT:** Dr. Carrie Simmons, Executive Director, Gulf Fishery Management Council; telephone: (813) 348–1630.

**SUPPLEMENTARY INFORMATION:**

**Monday, August 25, 2025; 8:30 a.m.–4:30 p.m., CDT**

The meeting will begin in FULL COUNCIL for the induction of New Council Members followed by Committee Sessions. The Administrative/Budget Committee will present the 2023–2024 Audit Report, review Final 2025 Funded Budget and Activities and discuss Statement of Organization Practices and Procedures (SOPPs) and Administrative Handbook updates.

The Gulf SEDAR Committee will provide a meeting summary from the August 2025 SEDAR Steering Committee meeting, provide an update on the Southeast Fisheries Science Center Resources and review the Gulf SEDAR Schedule.

The Sustainable Fisheries Committee will review and discuss the Advisory

Panel Summary Reports for Executive Order 14276 Restoring American Seafood Competitiveness and Executive Order 14192 Unleashing Prosperity through Deregulation. They will also review the Public Comment Summary Report on Executive Order Recommendations, organize and prioritize of Recommendations for the Executive Orders 14276 and 14192, receive an update from Louisiana and Texas on State Regulations for Wahoo, and discuss U.S. Coast Guard Safety Requirements to Carry Observers.

The Council will return to FULL COUNCIL for a CLOSED SESSION to discuss Scientific and Statistical Committee Membership.

**Tuesday, August 26, 2025; 8:30 a.m.–5 p.m., CDT**

The Council will begin with the *Reef Fish* Committee review of Final Action Items: Modifications to the Federal For-Hire *Red Snapper* Fishing Season, *Reef Fish* Amendment 58B: Modifications to *Deep-water Grouper* Management Measures and Draft Options: *Reef Fish* Amendment 58A: *Shallow-water Grouper* Complex Catch Level Management Considerations and for *Reef Fish* Amendment 62: Modifications to *Gulf Red Grouper* Management Measures. The Committee will review Recreational Initiative recommendations and prioritization and discuss Draft Options: *Reef Fish* Amendment 55/ *Snapper Grouper* Amendment 44: Modifications to *Mutton Snapper* and *Yellowtail Snapper* Management Measures.

**Wednesday, August 27, 2025; 8:30 a.m.–4:30 p.m., CDT**

The *Shrimp* Committee will review Draft *Shrimp* Amendment 19: *Shrimp* Permit Moratorium, receive a presentation on Protected Resources Bycatch in *Shrimp* Trawls: A summary review of data for Reinitiation of Section 7 Consultation.

The Council will reconvene at approximately 10:15 a.m., CDT with a Call to Order, Announcements and Introductions, Adoption of Agenda and Approval of Minutes.

The Council will receive updates from the following supporting agencies: South Atlantic Council Liaison, Texas Law Enforcement Efforts, NOAA Office of Law Enforcement (OLE) Report and Presentation, Gulf States Marine Fisheries Commission, U.S. Coast Guard, U.S. Fish and Wildlife Service Department of State.

Following lunch, the Council will hold public testimony from 1 p.m. to 4:30 p.m., CDT for FINAL ACTION Items (a). Modifications to the Federal

For-Hire *Red Snapper* Fishing Season and (b). *Reef Fish* Amendment 58B: Modifications to *Deep-water Grouper* Management Measures; Recommendations: E.O. 14276 Restoring American Seafood Competitiveness and E.O. 14192 Unleashing Prosperity through Deregulation and open testimony on other fishery issues or concerns. Public comment may begin earlier than 1 p.m. CDT but will not conclude before that time. Persons wishing to give public testimony in-person must register at the registration kiosk in the meeting room. Persons wishing to give public testimony virtually must sign up on the Council website on the day of public testimony. Registration for virtual testimony closes one hour (12 p.m. CDT) before public testimony begins.

**Thursday, August 28, 2025; 8:30 a.m.–3:15 p.m., CDT**

The Council will receive Committee reports from Administrative/Budget, Gulf SEDAR, *Shrimp*, Sustainable Fisheries and *Reef Fish*.

The Council will discuss Council Planning and Primary Activities, and Other Business items, if any.

The Council will hold an Election for Council Chair and Vice-Chair. —Meeting Adjourns

The meeting will be a hybrid meeting; both in-person and virtual participation available. You may register for the webinar to listen-in only by visiting [www.gulfcouncil.org](http://www.gulfcouncil.org) and click on the Council meeting on the calendar.

The timing and order in which agenda items are addressed may change as required to effectively address the issue, and the latest version along with other meeting materials will be posted on the website as they become available.

Although other non-emergency issues not contained in this agenda may come before this group for discussion, in accordance with the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), those issues may not be the subject of formal action during these meetings. Actions will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided that the public has been notified of the Council’s intent to take final-action to address the emergency.

**Special Accommodations**

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aid or

accommodations should be directed to Kathy Pereira, (813) 348-1630, at least 15 days prior to the meeting date.

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

Dated: August 11, 2025.

**Key Israel Marquez,**

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

[FR Doc. 2025-15367 Filed 8-12-25; 8:45 am]

BILLING CODE 3510-22-P

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

[RTID 0648-XF095]

#### Takes of Marine Mammals Incidental to Specified Activities; Taking Marine Mammals Incidental to Ferndale Refinery Dock Maintenance and Pile Replacement Project Activities in Ferndale, Washington

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

**ACTION:** Notice; issuance of renewal of incidental harassment authorization.

**SUMMARY:** In accordance with the regulations implementing the Marine Mammal Protection Act (MMPA), as amended, notification is hereby given that NMFS has issued a renewal incidental harassment authorization (IHA) to Phillips 66 to incidentally harass marine mammals incidental to Ferndale Refinery Dock Maintenance and Pile Replacement Project Activities in Ferndale, Washington.

**DATES:** This renewal IHA is valid from August 9, 2025 until August 8, 2026.

**ADDRESSES:** Electronic copies of the original application, renewal request, and supporting documents (including NMFS **Federal Register** notices of the original proposed and final authorizations, and the previous IHA), as well as a list of the references cited in this document, may be obtained online at: <https://www.fisheries.noaa.gov/permit/incidental-take-authorizations-under-marine-mammal-protection-act>. In case of problems accessing these documents, please call the contact listed below.

**FOR FURTHER INFORMATION CONTACT:** Jennifer Gatzke, Office of Protected Resources, NMFS, (301) 427-8401.

#### SUPPLEMENTARY INFORMATION:

#### Background

The MMPA prohibits the “take” of marine mammals, with certain exceptions. Section 101(a)(5)(A) and (D)

of the MMPA (16 U.S.C. 1361 *et seq.*) directs the Secretary of Commerce (as delegated to NMFS) to allow, upon request, the incidental, but not intentional, taking of small numbers of marine mammals by U.S. citizens who engage in a specified activity (other than commercial fishing) within a specified geographical region if certain findings are made and either regulations are promulgated or, if the taking is limited to harassment, an incidental harassment authorization is issued.

Authorization for incidental takings shall be granted if NMFS finds that the taking will have a negligible impact on the species or stock(s) and will not have an unmitigable adverse impact on the availability of the species or stock(s) for taking for subsistence uses (where relevant). Further, NMFS must prescribe the permissible methods of taking and other “means of effecting the least practicable adverse impact” on the affected species or stocks and their habitat, paying particular attention to rookeries, mating grounds, and areas of similar significance, and on the availability of such species or stocks for taking for certain subsistence uses (referred to here as “mitigation measures”). NMFS must also prescribe requirements pertaining to monitoring and reporting of such takings. The definition of key terms such as “take,” “harassment,” and “negligible impact” can be found in the MMPA and NMFS’s implementing regulations (see 16 U.S.C. 1362; 50 CFR 216.103).

NMFS’ regulations implementing the MMPA at 50 CFR 216.107(e) indicate that IHAs may be renewed for additional periods of time not to exceed 1 year for each reauthorization. In the notice of proposed IHA for the initial IHA, NMFS described the circumstances under which we would consider issuing a renewal for this activity, and requested public comment on a potential renewal under those circumstances. Specifically, on a case-by-case basis, NMFS may issue a one-time 1-year renewal IHA following notice to the public providing an additional 15 days for public comments when (1) up to another year of identical, or nearly identical, activities as described in the Detailed Description of Specified Activities section of the initial IHA issuance notice is planned, or (2) the activities as described in the Description of the Specified Activities and Anticipated Impacts section of the initial IHA issuance notice would not be completed by the time the initial IHA expires and a renewal would allow for completion of the activities beyond that described in the **DATES** section of the notice of issuance of the initial IHA,

provided all of the following conditions are met:

1. A request for renewal is received no later than 60 days prior to the needed renewal IHA effective date (recognizing that the renewal IHA expiration date cannot extend beyond 1 year from expiration of the initial IHA).

2. The request for renewal must include the following:

- An explanation that the activities to be conducted under the requested renewal IHA are identical to the activities analyzed under the initial IHA, are a subset of the activities, or include changes so minor (*e.g.*, reduction in pile size) that the changes do not affect the previous analyses, mitigation and monitoring requirements, or take estimates (with the exception of reducing the type or amount of take).

- A preliminary monitoring report showing the results of the required monitoring to date and an explanation showing that the monitoring results do not indicate impacts of a scale or nature not previously analyzed or authorized.

3. Upon review of the request for renewal, the status of the affected species or stocks, and any other pertinent information, NMFS determines that there are no more than minor changes in the activities, the mitigation and monitoring measures will remain the same and appropriate, and the findings in the initial IHA remain valid.

An additional public comment period of 15 days (for a total of 45 days), with direct notice by email, phone, or postal service to commenters on the initial IHA, is provided to allow for any additional comments on the proposed renewal. A description of the renewal process may be found on our website at: <https://www.fisheries.noaa.gov/national/marine-mammal-protection/incidental-harassment-authorization-renewals>.

#### History of Request

On August 9, 2024, NMFS issued an IHA to Phillips 66 to take marine mammals incidental to construction activities at the Ferndale Refinery Dock in Ferndale, Washington (89 FR 66057; August 14, 2024), effective from August 9, 2024 through August 8, 2025.

On May 29, 2025, NMFS received an application for the renewal of that initial IHA. Phillips 66 submitted a revised version on June 5, 2025, which was deemed adequate and complete. As described in the application for renewal, the activities for which incidental take was requested are nearly identical to those covered in the initial authorization. As required, the

applicant also provided a monitoring report (available at <https://www.fisheries.noaa.gov/action/incidental-take-authorization-phillips-66-cos-ferndale-refinery-dock-maintenance-and-pile>), which confirms that the applicant has implemented the required mitigation and monitoring, and which also shows that no impacts of a scale or nature not previously analyzed or authorized have occurred as a result of the activities conducted. The report indicates that harbor porpoise (10 animals) and harbor seal (7 animals) were the only species sighted within the estimated zones, and at far fewer numbers than estimated (447 and 157 respectively). The notice of the proposed renewal IHA was published on July 21, 2025 (90 FR 34240), beginning a supplementary 15-day comment period.

**Description of the Specified Activities and Anticipated Impacts**

The purpose of the project is to strengthen the existing timber and steel pier that has long served as a petroleum loading facility, and replace it with a new steel structure that meets current industry best practices. The continuing project will require vibratory pile installation and is expected to take 15 intermittent days between August 1, 2025 and October 31, 2025, since marine conditions are expected to be relatively calm during this period. This IHA renewal will be valid for a period

of 1 year from August 9, 2025, through August 8, 2026.

The planned work is nearly identical to the activities analyzed for this IHA and the same monitoring plan will be implemented during pile driving to minimize impacts to marine mammals in the project area. Relative to the initial construction plans, there are 54 piles of 116 remaining to drive. Phillips 66 also requested a minor change to add 4 additional piles to the project to complete all pile driving work on the causeway (58 piles total). These additional piles incorporate the maintenance of a foam building for fire suppression into the current approved Joint Aquatic Resources Permit Application for the causeway maintenance. NMFS reviewed the plan for the additional four piles at the terminal end of the dock and determined that it would not change our original analysis.

The additional piles are of the same size and materials, requiring only 48 minutes of additional vibratory driving time to complete installation. NMFS has determined that the amount of take authorized through this renewal IHA is sufficient to cover any marine mammal take likely to result from this insignificant incremental increase in pile driving activity.

A detailed description of the demolition and construction activities for which take is authorized may be found in the notices of the proposed and final IHAs for the initial authorization

(89 FR 53046, June 25, 2024; 89 FR 66057, August 14, 2024; 90 FR 34240, July 21, 2025). The location, timing, and nature of the activities, including the types of equipment planned for use, are nearly identical to those described in the previous notices. The activities are nearly identical, but are a subset of the initial work, except for the minor change of the addition of the four support piles.

*Potential Effects on Marine Mammals and Their Habitat*

A description of the marine mammals in the area of the activities for which take is authorized, including information on abundance, status, distribution, and hearing, may be found in the **Federal Register** notices of the proposed IHA for the initial authorization (89 FR 53046, June 25, 2024). NMFS has reviewed the monitoring data from the initial IHA, recent stock assessment reports (SARs), information on relevant unusual mortality events, and other scientific literature, and determined there is no new information that affects our initial analysis of impacts on marine mammals and their habitat. As noted in table 1, the 2024 NMFS Draft SARs lists the minimum population estimate (N<sub>min</sub>) for the Eastern North Pacific Southern Resident stock of killer whales as increased from 73 to 75 animals (NMFS 2024). No incidental take is here authorized for this species, and this does not change our initial analysis.

TABLE 1—SPECIES FOR WHICH TAKE COULD OCCUR IN THE PROJECT AREA

Common name	Scientific name	Stock	ESA/MMPA status; strategic (Y/N) <sup>1</sup>	Stock abundance (CV, N <sub>min</sub> , most recent abundance survey) <sup>2</sup>	PBR	Annual M/SI <sup>3</sup>
<b>Order Artiodactyla—Cetacea—Mysticeti (baleen whales)</b>						
<i>Family Balaenopteridae (rorquals):</i>						
Humpback Whale .....	<i>Megaptera novaeangliae</i> .....	Central America/Southern Mexico—CA/OR/WA.	E, D, Y	1,494 (0.171, 1,284, 2021) ....	3.5	14.9
Humpback Whale .....	<i>Megaptera novaeangliae</i> .....	Mainland Mexico—CA/OR/WA	T, D, Y	3,477 (0.101, 3,185, 2018) ....	43	22
Humpback Whale .....	<i>Megaptera novaeangliae</i> .....	Hawaii .....	-, -, N	11,278 (0.56, 7,265, 2020) ....	127	27.09
<b>Odontoceti (toothed whales, dolphins, and porpoises)</b>						
<i>Family Delphinidae:</i>						
Killer Whale .....	<i>Orcinus orca</i> .....	Eastern North Pacific Southern Resident.	E, D, Y	75 (N/A, 75, 2024) <sup>4</sup> .....	0.13	0
Killer Whale .....	<i>Orcinus orca</i> .....	West Coast Transient .....	-, -, N	349 (N/A, 349, 2018) .....	3.5	0.4
<i>Family Phocoenidae (porpoises):</i>						
Harbor porpoise .....	<i>Phocoena phocoena</i> .....	Washington Inland Waters .....	-, -, N	11,233 (0.37, 8,308, 2015) ....	66	≥7.2
<b>Order Carnivora—Pinnipedia</b>						
<i>Family Otariidae (eared seals and sea lions):</i>						
California Sea Lion .....	<i>Zalophus californianus</i> .....	U.S .....	-, -, N	257,606 (N/A, 233,515, 2014)	14,011	>321
Steller Sea Lion .....	<i>Eumetopias jubatus</i> .....	Eastern .....	-, -, N	36,308 (N/A, 36,308, 2022) ...	2,178	93.2
<i>Family Phocidae (earless seals):</i>						

TABLE 1—SPECIES FOR WHICH TAKE COULD OCCUR IN THE PROJECT AREA—Continued

Common name	Scientific name	Stock	ESA/ MMPA status; strategic (Y/N) <sup>1</sup>	Stock abundance (CV, N <sub>min</sub> , most recent abundance survey) <sup>2</sup>	PBR	Annual M/SI <sup>3</sup>
Harbor Seal .....	<i>Phoca vitulina</i> .....	Washington Northern Inland Waters.	- , - , N	16,451 (0.07, 15,462, 2019) ..	928	40

<sup>1</sup> Information on the classification of marine mammal species follows The Society for Marine Mammalogy's Committee on Taxonomy (<https://www.marinemammal.org/science-and-publications/list-marine-mammal-species-subspecies>). Endangered Species Act (ESA) status: Endangered (E), Threatened (T)/MMPA status: Depleted (D). A dash (-) indicates that the species is not listed under the ESA or designated as depleted under the MMPA. Under the MMPA, a strategic stock is one for which the level of direct human-caused mortality exceeds Potential Biological Removal (PBR) or which is determined to be declining and likely to be listed under the ESA within the foreseeable future. Any species or stock listed under the ESA is automatically designated under the MMPA as depleted and as a strategic stock.

<sup>2</sup> NMFS marine mammal stock assessment reports online at: <https://www.fisheries.noaa.gov/national/marine-mammal-protection/marine-mammal-stock-assessments>. CV is coefficient of variation; N<sub>min</sub> is the minimum estimate of stock abundance. In some cases, CV is not applicable.

<sup>3</sup> These values, found in NMFS' SARs, represent annual levels of human-caused mortality plus serious injury from all sources combined (e.g., commercial fisheries, vessel strike). Annual M/SI often cannot be determined precisely and is in some cases presented as a minimum value or range.

<sup>4</sup> NMFS Draft 2024 SARs available with updated number for Eastern North Pacific Southern Resident Killer whales.

**Estimated Take**

A detailed description of the methods and inputs used to estimate take for the specified activity are found in the **Federal Register** notice of the proposed IHA for the initial authorization (89 FR 53046, June 25, 2024). Specifically, the source levels, days of operation (reduced to 15 days in this renewal), and marine mammal density/occurrence

data applicable to this authorization remain unchanged from the previously issued IHA. The number of takes authorized is based on the subset of activities to be completed under this renewal IHA, and therefore represents a proportion of the initial authorized takes. These takes reflect the estimated remaining number of days of work and number of piles to be driven. Estimated take by Level B harassment for the

renewal was calculated using the same methodology as in the initial proposed and final IHAs (89 FR 53046, June 25, 2024; 89 FR 66057, August 14, 2024). Similarly, the stocks taken, methods of take, and types of take remain unchanged from the previously issued IHA. The number of takes, reduced to a subset of the initial IHA (smaller number of piles and days pile driving), are indicated below in table 2.

TABLE 2—AUTHORIZED TAKE OF MARINE MAMMALS BY LEVEL B HARASSMENT BY SPECIES, STOCK/REGION, ABUNDANCE, DENSITY, AND PERCENT OF TAKE BY STOCK FOR 15 DAYS OF PILE DRIVING

Common name	Stock (region characterized)	Stock abundance	Density (animals/km <sup>2</sup> )	Total proposed take	Proposed take as percentage of stock
Harbor porpoise .....	Washington Inland Waters (North Puget Sound).	11,233	2.16	192	1.71
Steller sea lion .....	Eastern U.S. (North Puget Sound/San Juan Islands (Fall)).	36,308	0.0027	15	0.03
California sea lion .....	U.S. (North Puget Sound/San Juan Islands (Fall)).	257,606	0.0179	45	0.02
Harbor seal .....	Washington Northern Inland (North Puget Sound/San Juan Islands (Fall)).	16,451	0.76	67	0.61

On October 24, 2024, NMFS published (89 FR 84872) its final Updated Technical Guidance (<https://www.fisheries.noaa.gov/national/marine-mammal-protection/marine-mammal-acoustic-technical-guidance-other-acoustic-tools>), which includes updated thresholds and weighting functions to inform auditory injury estimates and is replacing the 2018

Technical Guidance referenced in the notices of the proposed and final IHAs for the initial authorization (89 FR 53046, June 25, 2024; 89 FR 66057, August 14, 2024). In consideration of the best available science, NMFS conducted calculations using the 2024 Updated Technical Guidance and NMFS optional user spreadsheet, using the source levels and spreadsheet inputs

provided in the notices for the proposed and final IHAs (89 FR 53046, June 25, 2024; 89 FR 66057, August 14, 2024), for the purpose of understanding how Level A harassment (auditory injury) zones might change from the initial IHA. The updated marine mammal hearing groups and updated thresholds can be found in tables 3 and 4.

TABLE 3—MARINE MAMMAL HEARING GROUPS [NMFS 2024]

Hearing group	Generalized hearing range *
Low-frequency (LF) cetaceans (baleen whales) .....	7 Hz to 36 kHz.
High-frequency (HF) cetaceans (dolphins, toothed whales, beaked whales, bottlenose whales) .....	150 Hz to 160 kHz.
Very High-frequency (VHF) cetaceans (true porpoises, <i>Kogia</i> , river dolphins, Cephalorhynchid, <i>Lagenorhynchus cruciger</i> & <i>L. australis</i> ).	200 Hz to 165 kHz.
Phocid pinnipeds (PW) (underwater) (true seals) .....	40 Hz to 90 kHz.

TABLE 3—MARINE MAMMAL HEARING GROUPS—Continued  
[NMFS 2024]

Hearing group	Generalized hearing range *
Otariid pinnipeds (OW) (underwater) (sea lions and fur seals)	60 Hz to 68 kHz.

\* Represents the generalized hearing range for the entire group as a composite (i.e., all species within the group), where individual species' hearing ranges may not be as broad. Generalized hearing range chosen based on approximately 65 decibel (dB) threshold from composite audiogram, previous analysis in NMFS 2018, and/or data from Southall *et al.* 2007; Southall *et al.* 2019. Additionally, animals are able to detect very loud sounds above and below that "generalized" hearing range. Hertz (Hz) and kilohertz (kHz).

TABLE 4—ONSET OF AUDITORY INJURY (AUD INJ)  
[NMFS 2024]

Hearing group	AUD INJ onset thresholds* (received level)	
	Impulsive	Non-impulsive
Low-Frequency (LF) Cetaceans	Cell 1: $L_{p,0-pk,flat}$ : 222 dB; $L_{E,p,LF,24h}$ : 183 dB	Cell 2: $L_{E,p,LF,24h}$ : 197 dB.
High-Frequency (HF) Cetaceans	Cell 3: $L_{p,0-pk,flat}$ : 230 dB; $L_{E,p,HF,24h}$ : 193 dB	Cell 4: $L_{E,p,HF,24h}$ : 201 dB.
Very High-Frequency (VHF) Cetaceans	Cell 5: $L_{p,0-pk,flat}$ : 202 dB; $L_{E,p,VHF,24h}$ : 159 dB	Cell 6: $L_{E,p,VHF,24h}$ : 181 dB.
Phocid Pinnipeds (PW) (Underwater)	Cell 7: $L_{p,0-pk,flat}$ : 223 dB; $L_{E,p,PW,24h}$ : 183 dB	Cell 8: $L_{E,p,PW,24h}$ : 195 dB.
Otariid Pinnipeds (OW) (Underwater)	Cell 9: $L_{p,0-pk,flat}$ : 230 dB; $L_{E,p,OW,24h}$ : 185 dB	Cell 10: $L_{E,p,OW,24h}$ : 199 dB.

\* Dual metric thresholds for impulsive sounds: Use whichever results in the largest isopleth for calculating AUD INJ onset. If a non-impulsive sound has the potential of exceeding the peak sound pressure level thresholds associated with impulsive sounds, these thresholds are recommended for consideration.

**Note:** Peak sound pressure level ( $L_{p,0-pk}$ ) has a reference value of 1 micropascal (μPa), and weighted cumulative sound exposure level ( $L_{E,p}$ ) has a reference value of 1 μPa<sup>2</sup>s. In this Table, thresholds are abbreviated to be more reflective of International Organization for Standardization standards (ISO 2017). The subscript "flat" is being included to indicate peak sound pressure are flat weighted or unweighted within the generalized hearing range of marine mammals (i.e., 7 Hz to 165 kHz). The subscript associated with cumulative sound exposure level thresholds indicates the designated marine mammal auditory weighting function (LF, HF, and VHF cetaceans, and PW and OW pinnipeds) and that the recommended accumulation period is 24 hours. The weighted cumulative sound exposure level thresholds could be exceeded in a multitude of ways (i.e., varying exposure levels and durations, duty cycle). When possible, it is valuable for action proponents to indicate the conditions under which these thresholds will be exceeded.

When using the 2024 Updated Technical Guidance and the NMFS optional user spreadsheet (<https://www.fisheries.noaa.gov/national/>)

*marine-mammal-protection/marine-mammal-acoustic-technical-guidance-other-acoustic-tools*), the estimated Level A harassment zone sizes remain

functionally the same as those in the initial IHA, and are consistent with the intent of the measures prescribed through the initial IHA.

TABLE 5—SHUTDOWN AND HARASSMENT ZONES  
[Meters (m)]

Pile size, type, and method	Minimum shutdown zone			Level B harassment zone
	High-frequency	Phocid	Otariid	
20-in (51 cm) steel vibratory	10	10	10	1,585

*Description of Mitigation, Monitoring, and Reporting Measures*

The proposed mitigation, monitoring, and reporting measures included as requirements in this authorization are identical to those included in the **Federal Register** notice announcing the issuance of the initial proposed IHA, and the discussion of the least practicable adverse impact included in that document remains accurate (89 FR 53046, June 25, 2024; 89 FR 66057, August 14, 2024). The following measures apply to this renewal:

(a) The holder must employ protected species observers (PSOs) and establish monitoring locations. The holder must monitor the project area to the

maximum extent possible based on the required number of PSOs, required monitoring locations, and environmental conditions.

(b) Monitoring must take place from 30 minutes prior to initiation of pile driving activity (i.e., pre-start clearance monitoring) through 30 minutes post-completion of pile driving activity.

(c) Pre-start clearance monitoring must be conducted during periods of visibility sufficient for the lead PSO to determine that the shutdown zones are clear of marine mammals. Pile driving may commence following 30 minutes of observation when the determination is made that the shutdown zones are clear of marine mammals.

(d) If a marine mammal is observed entering or within the shutdown zones, pile driving activity must be delayed or halted. Pile driving must be commenced or resumed as described in condition 4(e) of this IHA.

(e) If pile driving is delayed or halted due to the presence of a marine mammal, the activity may not commence or resume until either the animal has voluntarily exited and been visually confirmed beyond the shutdown zone, or 15 minutes have passed without re-detection of the animal.

(f) Specific measures for avoiding take of killer whales and humpback whales:

(i) Prior to the start of pile driving activities each day, the Holder must

contact the Orca Network to obtain the latest sightings information for killer whales and humpback whales.

(ii) The holder must delay or halt pile driving activities if Southern Resident Killer Whale (SRKW), unidentified killer whale (*i.e.* transient), or humpback whales are sighted within the vicinity of the project area and are approaching the Level B harassment zones during in-water activities.

(iii) If a SRKW, unidentified killer whale, or humpback whale enters the Level B harassment zone undetected, in-water pile driving must be suspended immediately upon detection and must not resume until the animal exits the Level B harassment zone or 15 minutes have passed without re-detection of the animal.

(g) Pile driving activity must be halted (as described in condition 4(d) of initial IHA) upon observation of either a species for which incidental take is not authorized or a species for which incidental take has been authorized but the authorized number of takes has been met, entering or within the harassment zone.

(h) The Holder, construction supervisors and crews, PSOs, and relevant Phillips 66 staff must avoid direct physical interaction with marine mammals during construction activity. If a marine mammal comes within 10 m of such activity, operations must cease and vessels must reduce speed to the minimum level required to maintain steerage and safe working conditions, as necessary to avoid direct physical interaction.

#### Comments and Responses

A notice of NMFS' proposal to issue a renewal IHA to Phillips 66 was published in the **Federal Register** on July 21, 2025 (90 FR 34240). That notice either described, or referenced descriptions of, the Phillips 66's activity, the marine mammal species that may be affected by the activity, the anticipated effects on marine mammals and their habitat, estimated amount and manner of take, and proposed mitigation, monitoring, and reporting measures. NMFS received no public comments.

#### Determinations

The proposed action is nearly identical to that of the initial authorization in terms of effects. The minor change of four additional piles does not modify our findings. The same marine mammals are affected, and the potential effects and estimated take are a subset of the initial IHA. Mitigation and monitoring remain the same as the initial authorization. When considering

the updated NMFS acoustic guidance (NMFS, 2024), Level A harassment shutdown zone sizes remain comparable to those of the initial IHA, functionally resulting in no changes.

With a subset of estimated take, the extensive analysis, as well as the associated findings included in the prior documents remain applicable. We found that the previous IHA had a negligible impact, and with the issuance of a renewal, the taking would be small relative to population size.

NMFS has concluded that there is no new information suggesting that our analysis or findings should change from those reached for the initial IHA. Based on the information and analysis contained here and in the referenced documents, NMFS has determined the following: (1) the required mitigation measures will effect the least practicable impact on marine mammal species or stocks and their habitat; (2) the authorized takes will have a negligible impact on the affected marine mammal species or stocks; (3) the authorized takes represent small numbers of marine mammals relative to the affected stock abundances; (4) Phillip 66's activities will not have an unmitigable adverse impact on taking for subsistence purposes as no relevant subsistence uses of marine mammals are implicated by this action; and (5) appropriate monitoring and reporting requirements are included.

#### National Environmental Policy Act

To comply with the National Environmental Policy Act of 1969 (NEPA; 42 U.S.C. 4321 *et seq.*) and NOAA Administrative Order (NAO) 216-6A, NMFS must review our proposed action (*i.e.*, the issuance of a renewal IHA) with respect to potential impacts on the human environment.

This action is consistent with categories of activities identified in Categorical Exclusion B4 (incidental take authorizations with no anticipated serious injury or mortality) of the Companion Manual for NAO 216-6A, which do not individually or cumulatively have the potential for significant impacts on the quality of the human environment and for which we have not identified any extraordinary circumstances that would preclude this categorical exclusion. Accordingly, NMFS determined that the issuance of the initial IHA qualified to be categorically excluded from further NEPA review. NMFS has determined that the application of this categorical exclusion remains appropriate for this renewal IHA.

#### Endangered Species Act

Section 7(a)(2) of the Endangered Species Act (ESA) of 1973 (16 U.S.C. 1531 *et seq.*) requires that each Federal agency ensure that any action it authorizes, funds, or carries out is not likely to jeopardize the continued existence of any endangered or threatened species or result in the destruction or adverse modification of designated critical habitat. To ensure ESA compliance for the issuance of IHAs, NMFS consults internally whenever we propose to authorize take for endangered or threatened species. No incidental take of ESA-listed species is authorized for this activity. Therefore, NMFS has determined that formal consultation under section 7 of the ESA is not required for this action.

#### Renewal

NMFS has issued a renewal IHA to Phillips 66 for the take of marine mammals incidental to conducting Ferndale Refinery Dock Maintenance and Pile Replacement Project Activities in Ferndale, Washington, for 1 year from August 9, 2025 through August 8, 2026.

Dated: August 8, 2025.

**Kimberly Damon-Randall,**

*Director, Office of Protected Resources,  
National Marine Fisheries Service.*

[FR Doc. 2025-15334 Filed 8-12-25; 8:45 am]

**BILLING CODE 3510-22-P**

#### DEPARTMENT OF COMMERCE

##### Patent and Trademark Office

##### Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Patent Review and Derivation Proceedings

**AGENCY:** United States Patent and Trademark Office, Department of Commerce.

**ACTION:** Notice of information collection; request for comments.

**SUMMARY:** The United States Patent and Trademark Office (USPTO) will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The USPTO invites comments on the information collection renewal of 0651-0069 (Patent Review and Derivation Proceedings), which helps the USPTO assess the impact of its information collection requirements and minimize the public's reporting burden. Public

comments were previously requested via the **Federal Register** on May 21, 2025, during a 60-day comment period (90 FR 21757). This notice allows for an additional 30 days for public comments.

**DATES:** To ensure consideration, you must submit comments regarding this information collection on or before September 12, 2025.

**ADDRESSES:** Written comments and recommendations for this 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 and entering either the title of the information collection or the OMB Control Number, 0651–0069. Do not submit Confidential Business Information or otherwise sensitive or protected information.

**FOR FURTHER INFORMATION CONTACT:**

- This information collection request may be viewed at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Follow the instructions to view Department of Commerce, USPTO information collections currently under review by OMB.

- Email:* [InformationCollection@uspto.gov](mailto:InformationCollection@uspto.gov). Include “0651–0069 information request” in the subject line of the message.

- Mail:* Justin Isaac, Office of the Chief Administrative Officer, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313–1450.

- Telephone:* Michael P. Tierney, Vice Chief Administrative Patent Judge, 571–272–4676.

**SUPPLEMENTARY INFORMATION:**

*Title:* Patent Review and Derivation Proceedings.

*OMB Control Number:* 0651–0069.

*Abstract:* The Leahy-Smith America Invents Act, which was enacted into law on September 16, 2011, changed the procedures of the Patent Trial and Appeal Board (“PTAB” or “Board,” formerly the Board of Patent Appeals and Interferences). These changes included the introduction of *inter partes* review, post-grant review, derivation proceedings, and the transitional program for covered business method patents. Under these administrative trial proceedings, third parties may file a petition with the PTAB challenging the validity of issued patents, with each proceeding having different requirements regarding timing restrictions, grounds for challenging validity, and who may request review.

*Inter partes* review is a trial proceeding conducted at the Board to review the patentability of one or more claims in a patent, but only on a ground that could be raised under 35 U.S.C. 102 or 103, and only on the basis of prior art consisting of patents or printed publications. Post-grant review is a trial proceeding conducted at the Board to review the patentability of one or more claims in a patent on any ground that could be raised under section 282(b)(2) or (3). A derivation proceeding is a trial proceeding conducted at the Board to determine whether: (1) an inventor named in an earlier application derived the claimed invention from an inventor named in the petitioner’s application, and (2) the earlier application claiming such invention was filed without authorization. The transitional program for covered business method patents is a trial proceeding conducted at the Board to review the patentability of one or more claims in a covered business method patent. The covered business method program expired on September 16, 2020, and the Board no longer accepts new petitions related to this program, but continues to accept papers in previously-instituted proceedings.

The USPTO’s projections are based on data from the past year. The USPTO recognizes that the numbers may fluctuate given interim changes to the institution process. The USPTO has adjusted the estimated burden hours and the number of estimated filings based on recent changes to these proceedings.

This collection covers information submitted by the public to petition the Board to initiate an *inter partes* review, post-grant review, derivation proceeding, and the transitional program for covered business method patents, as well as any responses to such petitions, and the filing of any motions, replies, repositions, and other actions, after a review/proceeding has been instituted.

*Forms:* None.

*Type of Review:* Extension and revision of a currently approved information collection.

*Affected Public:* Private sector.

*Respondent’s Obligation:* Required to obtain or retain benefits.

*Frequency:* On occasion.

*Estimated Number of Annual Respondents:* 7,897 respondents.

*Estimated Number of Annual Responses:* 11,947 responses.

*Estimated Time per Response:* The USPTO estimates that the responses in this information collection will take the public approximately 18 minutes (0.30 hours) to 170 hours to complete. This includes the time to gather the

necessary information, create the document, and submit the completed item to the USPTO.

*Estimated Total Annual Respondent Burden Hours:* 590,630 hours.

*Estimated Total Annual Respondent Non-hourly Cost Burden:* \$76,099,956.

**Justin Isaac,**

*Information Collections Officer, Office of the Chief Administrative Officer, United States Patent and Trademark Office.*

[FR Doc. 2025–15361 Filed 8–12–25; 8:45 am]

**BILLING CODE 3510–16–P**

## CONSUMER PRODUCT SAFETY COMMISSION

### Sunshine Act Meetings

**TIME AND DATE:** Tuesday, August 12, 2025; 11:30 a.m.\*

**PLACE:** Hearing Room 420, Bethesda Towers, 4330 East West Highway, Bethesda, MD 20814.

**STATUS:** Commission Meeting—Closed to the Public.

**MATTER TO BE CONSIDERED:** Compliance Matter: Staff will brief the Commission on the status of enforcement matter.

**CONTACT PERSON FOR MORE INFORMATION:** Abioye Mosheim Oyewole, Acting Secretary, Division of the Secretariat, Office of the General Counsel, U.S. Consumer Product Safety Commission, 4330 East West Highway, Bethesda, MD 20814, (301) 504–7454.

\* The Commission unanimously determined by recorded vote that Agency business requires calling the meeting without seven calendar days advance public notice.

Dated: August 11, 2025.

**Abioye Mosheim Oyewole,**

*Acting Secretary.*

[FR Doc. 2025–15353 Filed 8–11–25; 11:15 am]

**BILLING CODE 6355–01–P**

## CONSUMER PRODUCT SAFETY COMMISSION

[Docket No. CPSC–2024–0030]

### Notice of Availability: Public Playground Safety Handbook Update

**AGENCY:** Consumer Product Safety Commission.

**ACTION:** Notice of availability.

**SUMMARY:** The U.S. Consumer Product Safety Commission (Commission or CPSC) is announcing the availability of final updates to its Public Playground Safety Handbook.

**ADDRESSES:** *Docket:* For access to the docket to read background documents

or comments received, go to: <https://www.regulations.gov>, and insert the docket number, CPSC–2024–0030, into the “Search” box, and follow the prompts.

**FOR FURTHER INFORMATION CONTACT:** Daniel Taxier, Children’s Program Manager, Division of Mechanical and Combustion Engineering, U.S. Consumer Product Safety Commission, 5 Research Place, Rockville, MD 20850–3213; email: [dtaxier@cpsc.gov](mailto:dtaxier@cpsc.gov); telephone: (301) 987–2211.

#### SUPPLEMENTARY INFORMATION:

### I. Introduction and Background

CPSC’s playground handbook (Handbook) is intended to provide information about playground safety to childcare personnel, school officials, parks and recreation personnel, equipment purchasers and installers, playground designers, and any other members of the general public (e.g., parents and school groups) concerned with playground safety and interested in evaluating their respective playgrounds. The Handbook also includes references to voluntary standards that contain technical requirements that are primarily intended for use by equipment designers and manufacturers, architects, and any others requiring more technical information. The Handbook is not a rule and does not establish legally enforceable responsibilities.

The Commission published the first Handbook for Public Playground Safety (the Handbook) in 1981. This original document was a two-volume set containing technical information intended to reduce deaths and injuries to children associated with playground equipment. In 1991, the Handbook was revised to a single volume, which contained recommendations based on a COMSIS Corporation report to the CPSC (COMSIS Human Factors Report).<sup>1</sup> Also in 1991, the first ASTM International

<sup>1</sup> The 1990 COMSIS report, *Development of Human Factors Criteria for Playground Equipment Safety*, is available in six parts on the CPSC website. Part 1 is available at: <https://www.cpsc.gov/content/Development-of-Human-Factors-Criteria-for-Playground-Equipment-Safety-Part-1>. Part 2 is available at: <https://www.cpsc.gov/content/Development-of-Human-Factors-Criteria-for-Playground-Equipment-Safety-Part-2>. Part 3 is available at: <https://www.cpsc.gov/content/Development-of-Human-Factors-Criteria-for-Playground-Equipment-Safety-Part-3>. Part 4 is available at: <https://www.cpsc.gov/content/development-human-factors-criteria-playground-equipment-safety-part-4>. Part 5 is available at: <https://www.cpsc.gov/content/Development-of-Human-Factors-Criteria-for-Playground-Equipment-Safety-Part-5>. Part 6 is available at: <https://www.cpsc.gov/content/development-human-factors-criteria-playground-equipment-safety-part-6>.

(ASTM) standard for playground safety, F1292: *Standard Specification for Impact Attenuation of Surface Systems Under and Around Playground Equipment*, was published. In 1993, ASTM F1487: *Standard Consumer Safety Performance Specification for Playground Equipment for Public Use* was published. CPSC published minor revisions to the Handbook in 1994. In 1997, the Handbook was updated based on ASTM F1487, a playground safety roundtable meeting held in October of 1996, and comments received in response to a May 1997 CPSC request.

Due to the lack of a Commission quorum at the time, 2008 revisions to the Handbook were released as a draft staff document. Later in 2008, members of ASTM’s voluntary standards committee on playground equipment and the International Play Equipment Manufacturers Association (IPEMA) identified areas where the voluntary standards and the Handbook did not align. In 2010, CPSC published a revised Handbook that resolved many of these issues.

Since 2010, ASTM has published new and revised public playground standards,<sup>2</sup> and new materials and equipment have been installed in playgrounds. Additionally, members of ASTM, the National Program for Playground Safety (NPPS), IPEMA, and members of the general public have requested clarifications and recommended an update to the Handbook.

Based on the current editions of the relevant ASTM standards, feedback from the public, and comments from ASTM and NPPS, CPSC published a revised draft Handbook with a focus on improvements to safety. The draft changes included updates relating to: (1) signage and labeling; (2) common hazards for supervisor awareness; (3) new impact attenuation testing for suspended elements in ASTM F1487; (4) an updated warning label on potential strangulation hazards; (5) safety recommendations concerning merry-go-rounds and other spinning equipment, consistent with requirements in ASTM F1487; and (6) several other minor revisions and corrections.

On October 1, 2024, CPSC published a Notice of Availability (NOA) in the **Federal Register** that presented its draft updates to the Playground Handbook. 89 FR 79901. The comment period closed on December 2, 2024. CPSC received 37 public comments.

<sup>2</sup> See section 1.4.1 of the Handbook for a list of relevant standards.

### II. Summary of the Final Updates to the Playground Handbook

The 2025 Handbook includes changes from the 2024 draft Handbook, and additional revisions made in response to public comments on the NOA.<sup>3</sup> The staff memorandum accompanying the Handbook, available at <https://www.cpsc.gov/content/Ballot-Vote-Notice-of-Availability-Public-Playground-Safety-Handbook-Update>, summarizes major revisions included in the final edition. The final edition contains the updates described above in the 2024 draft Handbook, with revisions made in response to public comments, which are addressed in Section III below.

The updated and final Handbook is available on the Commission’s website at: <https://www.cpsc.gov/safety-education/safety-guides/playgrounds/public-playground-safety-handbook>, and from the Commission’s Office of the Secretary, Consumer Product Safety Commission, 4330 East-West Highway, Bethesda, MD 20814; telephone: (301) 504–7479.

### III. Response to Public Comments

CPSC received thirty-seven public comments on the draft updates to its Handbook, in response to the NOA. This section summarizes those comments and provides the Commission’s responses.

#### A. General Comments on Technical Handbook Content (Various Sections)

*Comment:* Blue Imp Recreational Products, IPEMA, and a safety consultant commented that the technical information in the playground handbook is not of value to the audience, primarily the consumer. The commenters added that when CPSC and ASTM technical requirements are in conflict, it causes confusion in the marketplace. Another safety consultant stated that references to ASTM standards for technical content on signage are not helpful because consumers must pay for access to the standards.

*Response:* The Commission disagrees with the commenters that the technical information in the Handbook is not valuable to the intended audience. As described in section 1.2 of the Handbook, the intended audience includes childcare personnel, school officials, parks and recreation personnel, equipment purchasers and installers, playground designers, and any other members of the general public (e.g., parents and school groups)

<sup>3</sup> On August 5, 2025, the Commission voted (2–0) to publish this notice.

concerned with public playground safety and interested in evaluating their respective playgrounds. References to voluntary standards that contain technical requirements are primarily intended for use by equipment designers and manufacturers, architects, and any others requiring more technical information. Professionals generally have the ability to access the ASTM standards through their organizations and therefore can benefit both from the Handbook and the ASTM standards to see an explanation of the hazards and the steps that should be taken to mitigate those hazards. Non-technical audiences, including the general public, will benefit from the explanation of information in the Handbook, but likely do not require access to the technical information in the ASTM standards. In addition, free, read-only copies of some ASTM standards are available for viewing on the ASTM website at <https://www.astm.org/READINGLIBRARY/>.

The Commission acknowledges that there are some technical requirements in the Handbook that are not consistent with the ASTM standards. In this case, the Commission concludes that the recommendations in the Handbook provide a greater level of safety than a similar requirement in the ASTM standards. The Commission revisits these differences and the available safety information during each update process to determine whether conflicts can be resolved without reducing safety.

Every Handbook update balances technical and non-technical safety information, and in this instance, the Commission concludes that a reference to ASTM standards for technical content on signage is adequate because the general public are not responsible for designing playground signage. The Commission also notes that the Playground Handbook section on signage and labeling (section 2.2.6) refers to ASTM1487, *Standard Consumer Safety Performance Specification for Playground Equipment for Public Use*, and ASTM has made a free, read-only copy of this standard available viewing at <https://www.astm.org/READINGLIBRARY/>.

#### B. Photos (Various Sections)

*Comment:* NPPAS and IPEMA identified photographs on the front and rear cover of the Handbook and in section 2.2.7 and noted that the equipment shown does not follow recommendations in the Handbook or the requirements of ASTM standards. The commenters identified that the photographs included a slide that lacked a chute or hood at the top, an opening in a net climber that appeared

to be an entrapment hazard, and a photo of a bucket swing that appeared to have a leg opening that is too large.

Additionally, NPPAS recommended that pictures be consistent with having children or not having children present.

*Response:* The Commission thanks the commenters for their feedback and has changed the referenced photographs in the Handbook. The Commission intends for the Handbook to depict playground equipment both in and out-of-use by children to allow readers to see the equipment in various contexts, therefore, photographs were not changed to either have children or not have children present.

#### C. ASTM Standards References (Section 1.4)

*Comment:* Three commenters, NPPAS, an ASTM standard technical contact, and IPEMA, recommended general changes to the Handbook's references to ASTM standards. NPPAS recommended adding a brief description of ASTM in section 1.4 and moving all the bullet details and listing of standards to an appendix. The technical contact for ASTM F1292 *Standard Specification for Impact Attenuation of Surfacing Materials Within the Use Zone of Playground Equipment*, stated that ASTM F3351 *Standard Test Method for Playground Surface Impact Testing in Laboratory at Specified Test Height* will be incorporated into ASTM F1292 in 2025 and recommended not to include ASTM F3351 in the new Handbook. IPEMA recommended providing a reference to the ASTM F1487 standard rather than the specific sections, as section numbers may change in future revisions.

*Response:* The Commission lacks the resources to edit and reorganize the references in the Handbook as requested by NPPAS at this time but will consider them in future revisions. ASTM F3351 is only referenced once, with respect to laboratory testing; the testing is intended to provide more information to the manufacturer or owner/operator of the surface, rather than to meet a performance requirement; and the standard is likely to be incorporated into ASTM F1292. Therefore, the Commission agrees to remove the listing of ASTM F3351 in section 1.4 and the reference in section 2.4.

The Commission agrees that referenced section numbers could change but concludes that a simple reference to an ASTM standard would not be appropriate in all cases. Section numbers are replaced with section subjects, where applicable, to facilitate the public's ability to find the appropriate section.

#### D. Injury Data (Section 1.7)

*Comment:* IPEMA and Ape Studio commented that the reported incident data should be limited to public playgrounds only and should not include home playgrounds because it misrepresents the hazards of public playgrounds. IPEMA added that the reported emergency room-treated injuries from 2021–2023 are not sourced from a CPSC published document and are therefore difficult to verify.

*Response:* The Commission disagrees that the inclusion of all playground equipment-related incidents is misrepresentative of the hazard because home playgrounds and public playgrounds share common hazard patterns. Furthermore, because the location categories in the data do not delineate public playgrounds, the Commission concludes that attempting to report only public playground data would be overly burdensome.

The Commission confirms that the report of an average of over 190,000 estimated emergency room-treated injuries annually from 2021–2023 includes all playground equipment, including both home playgrounds and public playgrounds, and is based on publicly available data in the National Electronic Injury Surveillance System (NEISS).<sup>4</sup> This report is consistent with how incident data were analyzed and reported in the 2010 Handbook and in the 2017 playground injury statistics report, *Injuries and Investigated Deaths Associated with Playground Equipment 2009–2014*.<sup>5</sup> Staff conducted an analysis of more recent injuries because the most recent playground injury statistics report is based on data that are over 10 years old. A footnote is added to the NEISS data described in section 1.7 to clarify their source.

#### E. Definitions (Section 1.8)

*Comment:* NPPAS recommended defining the terms “playground,” “play component/play structure,” “shock absorbing,” “critical height,” “flangeless tube connections,” “impalement,” and “designated play surface” to avoid ambiguity and align the Handbook with other standards. National Recreation and Park Association (NRPA) also recommended defining the term “shock absorbing.”

*Response:* The final version of the Handbook adds descriptions of some of

<sup>4</sup> NEISS is a statistically valid injury surveillance system based on a nationally representative probability sample of hospitals in the U.S. and its territories.

<sup>5</sup> The report is available at: <https://www.cpsc.gov/content/Injuries-and-Investigated-Deaths-Associated-with-Playground-Equipment-2009-to-2014>.

the recommended terms, such as “playground,” “impalement,” and “shock absorbing,” that serve as definitions. The terms “critical height” and “designated play surface” are already defined in section 1.8. The terms “flangeless tube connections” and “play component” are no longer used in the Handbook, so formal definitions in section 1.8 of the Handbook are not needed. The term “play structure” is self-explanatory (*i.e.*, a structure for play) and is used contextually in several new and existing definitions, therefore, a formal definition is not needed.

#### *F. Thermal Burns and Shading (Sections 2.1 and 2.5)*

*Comment:* NPPAS and IPEMA recommended including a reference to CPSC publication 3200, *Burn Safety Awareness on Playgrounds*. NPPAS recommended emphasizing the importance of environmental hazards and the physical design elements that can influence the safety and thermal comfort of playgrounds. NRPA, IPEMA, and Blue Imp Recreational Products commented that the revised recommendations for shading are not feasible in the marketplace and will reduce access to playgrounds.

*Response:* The Commission agrees that including a reference to publication 3200 will be helpful. Publication 3200, which emphasizes the risk of thermal burns from playground equipment, was the impetus for many of the draft changes to the Handbook regarding burns and shading. The reference is added to section 2.1.1.

The new information on thermal burn hazards, including the reference to publication 3200, along with the pre-existing recommendations on shading considerations and the effects of extreme heat or cold on surfacing, are adequate to address the request to emphasize the importance of environmental hazards and physical design elements.

Shading is an important consideration for safety to mitigate burn hazards on playground equipment. The recommendations for shading allow playground designers to best address the need for shading and are not legally enforceable responsibilities. The phrasing of the recommendations in section 2.1.1 is revised to address the commenters’ concerns. Additionally, section 2.5.6, which provided recommendations for shading plastics, added no new information and is removed.

#### *G. Fencing (Section 2.1)*

*Comment:* IPEMA and NRPA recommended removing the year

designation that was added to ASTM F2049 for consistency with other referenced standards and to ensure that the latest version of the standard is reflected.

*Response:* The year designation (-11) was added to ASTM F2049 because of concerns that the standard would be revised to a guide, effectively reducing the level of safety it provides; CPSC staff voted negative on a ballot item aiming to do that.<sup>6</sup> To ensure consistency with other standards, the year designation is removed from ASTM F2049, and instead, specific recommendations for fencing are added in a new section, 2.1.2.

#### *H. Gates (Section 2.1)*

*Comment:* NPPAS and the Hummingbird Alliance recommended expanding the discussion of fence safety to include gate safety standards and to protect consumers from the risk of vehicular accidents, drownings, falling gates, and other adjacent hazards.

*Response:* The Commission agrees that gate safety is an important topic. The Hummingbird Alliance identified 13 fatalities related to gate incidents from September 2007 to May 2024 that would likely have been prevented by the newest revisions to the ASTM gate voluntary standards, including at least one incident at a playground. The relevant gate voluntary standards, ASTM F900, ASTM F1184, and ASTM F2200, have been updated over the past two years to protect consumers from the unreasonable risk of being crushed by a falling gate. These standards are now referenced in the Handbook in sections 1.4 and 2.1, alongside recommendations for fencing to address nearby hazards, as requested.

#### *I. Age Recommendations (Sections 2.2 and 5.3)*

*Comment:* IPEMA requested to remove the following sentence from section 2.2.6 because it is unclear whether it applies to playground design or labels: “If the playground is used by multiple age groups, special consideration should be made for protecting children in the youngest age group.” IPEMA also recommended adjusting the lowest recommended age for horizontal ladders from 4 years old to 2 years old. NPPAS recommended that horizontal ladders should not exceed 3–4 feet in height for younger children and consumers should be

cautious of purchasing horizontal ladders for preschool children.

*Response:* The Commission agrees that the referenced sentence in 2.2.6, which was included in the draft as an update, should not be included in the final update because age considerations are addressed in sections 2.2.2 and 2.2.3, and the added sentence did not provide clarity. The Commission disagrees with adjusting age or height recommendations for horizontal ladders, as most 2–3-year-olds lack the physical ability to use a horizontal ladder without risking injury, and the data used to support a maximum 3–4-foot height for young children is unclear.

#### *J. Supervision (Section 2.2.7)*

*Comment:* Richter Spielgeräte GmbH recommended adjusting supervision recommendations to allow walking barefoot. IPEMA recommended adding a statement to “limit children from running on, under, and around equipment,” to reduce the risk of children running into equipment.

*Response:* The Commission is aware of burn incidents on playgrounds due to children being barefoot (see publication 3200). Therefore, the Commission disagrees with revising the recommendation to make sure children are wearing footwear. While the Commission agrees in principle that limiting children from running on, under, and around the equipment could reduce injuries, caregivers may not have the practical ability to follow this recommendation, which could increase the likelihood that this advice is dismissed. Therefore, no recommendation is added to limit children from running on, under, and around equipment.

#### *K. Equipment Not Recommended (Section 2.3.1)*

*Comment:* IPEMA recommends rewriting the list of examples of heavy swinging and rotating equipment subject to suspended element impact attenuation testing in ASTM F1487 for the following reasons: swinging gates and doors are not subject to suspended element impact attenuation testing; giant strides are not subject to the testing and should still be included on the list of equipment not recommended; and tire swings are subject to suspended element impact attenuation testing, so should not be excepted from the examples. APE Studio and NRPA suggested that some multi-user swings should be allowed if they pass swing impact testing. NRPA added that public play areas have safely incorporated inclusive/generational swings. A safety

<sup>6</sup> Staff’s letter is available online at: <https://www.cpsc.gov/s3fs-public/2024-November-ASTM-F14-10-Playground-Fencing-Ballot-Response.pdf?VersionId=4xsADPjH7tNq2Yu zY1dBTrnkzVMP24wGA>.

consultant questioned how a consumer or an inspector would know if a product met the requirements in ASTM F1487, section 8.6.7.

*Response:* The Commission agrees that swinging gates, doors, and giant strides are not subject to suspended element impact attenuation testing and therefore removed this equipment from a list of examples for that testing. Giant strides are added back to the list of equipment not recommended because giant strides pose a unique impact and fall hazard to children using the equipment. The Commission also removed tire swings as an exception to suspended element impact attenuation testing and agrees that some multi-user swings should be allowed. However, the impact testing in ASTM F1487 does not appear to account for the mass of users of the swing. Therefore, the Commission cautions that because some multi-user swings, such as generational swings, are relatively new to public playgrounds, it is unclear whether they may pose unique hazards to users. The Commission will continue to monitor incident data for emerging hazards related to these products.

Playground operators are expected to know whether their equipment has been certified to meet ASTM F1487 before installation, and consumers and inspectors should be able to contact the equipment owner and/or manufacturer to obtain such information, if necessary.

#### *L. Surfacing—Loose-Fill Rubber (Section 2.4)*

*Comment:* Recycled Rubber Coalition (RRC), Recycled Materials Association (ReMA), U.S. Tire Manufacturer's Association (USTMA), and IPEMA commented that the discussion of rubber mulch as potentially "toxic" is inaccurate and is not based on scientific consensus; RRC and USTMA referred to the EPA's Federal Research Action Plan on tire crumb as supporting evidence for their comment. RRC added that all references that imply recycled rubber poses a risk, a hazard, or is toxic should be removed.

*Response:* The Commission has revised the short-hand for ASTM F3012 testing to accurately reflect the requirements of F3012 by stating "loose-fill rubber testing" instead of "toxic/hazardous metal testing," which has been deleted in sections 2.4 and 3.7. The Commission, however, disagrees with the statement that no recycled rubber poses a risk or a hazard. The testing in ASTM F3012 limits the concentration of hazardous metals (such as arsenic, chromium, and lead) and places a size limit on tramp metals to mitigate the potential hazards posed by

loose-fill rubber surfacing. Untested rubber mulch has not been verified to mitigate these hazards and should therefore be avoided. References to the risks or potential hazards of using such materials are clarified but remain in place.

#### *M. Surfacing—Recommended Surfacing Materials (Section 2.4)*

*Comment:* IPEMA, ReMA, RRC, and USTMA commented that it is inaccurate to single out the risks of rubber mulch compared to other loose-fill surfacing materials. IPEMA, NRPA, and ForeverLawn explained that the use of synthetic turf as a unitary play surface has been rapidly growing and should be referenced in the Handbook. Richter Spielgeräte GmbH and NPPAS suggested emphasizing maintenance of loose-fill surfacing. A safety consultant, IPEMA, and NRPA offered various edits for Figure 1 and Table 2, which they asserted conflict with ADA or ASTM standards or with other material in the Handbook.

*Response:* The Commission agrees that rubber mulch should not be singled out in comparison to other loose-fill surfacing materials, such as engineered wood fiber. Therefore, the Handbook is revised to discuss both ASTM F3012 and ASTM F2075, where appropriate. The Commission is aware that synthetic turf has seen increased use as playground surfacing in recent years and that ASTM is in the process of developing a proposed standard for synthetic turf for playground surfacing. At this time, CPSC does not have data on the installation and testing of synthetic turf supporting its inclusion in the Handbook. The Commission may consider this information in future editions, if the data becomes available.

The Commission appreciates the identification of discrepancies with Figure 1, Table 2, and the characterization of rubber mulch. These issues are addressed in section 2.4.

#### *N. Surfacing—Critical Height and Fall Height (Section 2.4)*

*Comment:* IPEMA recommended harmonizing the definition of "critical height" with ASTM F1292. NPPAS commented that there are inconsistencies in fall heights for different pieces of equipment.

*Response:* The definition of "critical height" in the Handbook aligns with the last sentence of the definition of "critical fall height" in ASTM F1292. This alignment avoids technical descriptions of the performance criterion in ASTM F1292 and is adequate for the purposes of the Handbook. The fall heights, identified

as being inconsistent by NPPAS, are two different hazard scenarios for different equipment types: one is a fall height from equipment onto the same equipment; the other is a fall height from equipment (e.g., embankment slides, balance beams) onto protective surfacing. In response, the Commission clarifies, in section 5.3.9, that composite structures should be considered one structure with a single critical height based on the highest fall height for the structure.

#### *O. Playground Hazards (Section 3)*

*Comment:* IPEMA commented that the Handbook should exempt any portions of equipment located more than 84 inches above any underlying designated play surface from the recommendations in section 3. NPPAS recommended adding an illustration for crush or shear hazards rather than directing consumers to ASTM F1487 for testing criteria. IPEMA recommended exempting partially bounded openings below 24 inches to align with major recognized playground standards including ASTM F1487, CSA Z614, and EN 1176. IPEMA also recommended including a reference to the sharp points and edges requirements in 16 CFR 1500.48 and 1500.49 to align with ASTM F1487. In addition, IPEMA recommended allowing chimes, tubes, and other musical instruments to have open ended tubes provided there are no sharp edges. NPPAS commented that the statement, "consider using plastic playground equipment that resembles tires," is unclear.

*Response:* The Commission disagrees that portions of equipment located more than 84 inches above any underlying designated play surface and that partially bounded openings below 24 inches should be explicitly exempted from the recommendations in the Handbook. These exemptions are a technical specification in ASTM F1487 that are based on the ASTM playground subcommittee's assessment that children are unlikely to reach 84 inches above play equipment and are unlikely to become entrapped in partially bounded openings less than 24 inches from the ground. The Handbook already refers to ASTM F1487 for technical specifications and tests. Similarly, the Commission concludes that the reference to ASTM F1487 testing criteria for crush/shear hazards is adequate, as the hazard can be specific to certain pieces of moving equipment (as discussed in section 3.1) and the reference is consistent with existing recommendations in the Handbook.

The Commission also disagrees that the testing in 16 CFR 1500.48 and

1500.49 for sharp points and edges should be referenced because the Handbook already describes practical ways that consumers can evaluate potential sharp points and edges, rather than relying on a specific test that most consumers will not be able to perform.

The Commission agrees that caps or plugs may not be appropriate for chimes, tubes, or other musical equipment with no sharp edges because caps or plugs will prevent such musical equipment from functioning. Section 3.4 is revised to allow musical equipment to have exposed open ends so long as the ends are rounded and are guarded from potential impalement and entrapment hazards. Additionally, to clarify the recommendation, the unclear statement on using “plastic playground equipment that resembles tires” is revised to refer to equipment that “simulates tires” as stated in the 2010 Handbook.

*P: Strangulation Hazards (Section 3.2)*

*Comment:* A safety consultant commented that the strangulation pictogram in section 3.2.1 is offensive and would be disturbing to children. NPPAS commented to state that the pictogram is a great addition. IPEMA recommended changing “scarves” to “neck scarves” in the text of the strangulation warning to not discriminate against cultures that wear head scarves.

*Response:* The Commission appreciates the support for the strangulation pictogram. An additional example warning label is added without the pictogram in section 3.2.1 for readers of the Handbook who think the example pictogram is not appropriate. The Commission agrees with the recommended change from “scarves” to “neck scarves,” which more accurately conveys the strangulation hazard, and revised the text accordingly.

*Q: Suspended Component Hazards (Section 3.5)*

*Comment:* IPEMA recommended modifying the suspended component hazard section to add multiple suspended components to the list of equipment to which the recommendations do not apply, and to align with the recently balloted corresponding section in ASTM F1487 which includes requirements for increased visibility of suspended hazards.

*Response:* The Commission concludes that the hazard mitigation steps listed in section 3.5 for suspended hazards apply to both single suspended components and multiple suspended components. This section is further clarified to state that other features, in addition to bright

colors or contrast with the surrounding equipment and surfacing, can be used to increase visibility of suspended hazards.

*R: Transfer Systems (Section 5.1.3)*

*Comment:* IPEMA and Richter Spielgeräte GmbH commented that the draft Handbook’s recommendation to label transfer points is unnecessary because it does not increase safety.

*Response:* The text in section 5.1.3 is revised to clarify that labeling of transfer points should be considered to help users identify them.

*S: Guardrails and Barriers (Section 5.1.3)*

*Comment:* IPEMA commented that upper body equipment, entry to stairways, and entry to ramps should be included among the equipment to which the guardrail and barrier recommendations do not apply. IPEMA also suggested that barriers on stairs should be treated differently than other types of equipment and should be required on all stairs greater than 48 inches above the protective surfacing.

*Response:* The Commission agrees that upper body equipment and entryways do not require barriers or guardrails and added them to the examples of equipment to which the recommendations do not apply in section 5.1.3. The revisions in the draft Handbook clarified that barriers are recommended on all elevated platforms, including stairs, greater than 48 inches above the protective surfacing (and lower on equipment for toddler and preschool age children). These revisions are included in this final update.

*T: Rungs (Section 5.2.2)*

*Comment:* IPEMA recommended removing the preference for a rung diameter of 1.25 inches for maximal grip because the recommended grip range is sufficient for design. IPEMA also recommended increasing the maximum rung spacing to 18 inches (similar to the maximum step height for adjacent platforms) in Table 6 for older children.

*Response:* The Handbook’s recommendations for a preferred rung diameter and rung spacing and the rationale for their inclusion is based on the COMSIS Human Factors Report. Therefore, the Commission is not revising this section.

*U: Handrails (Section 5.2.3)*

*Comment:* IPEMA commented that the handrail height of 22 inches to 26 inches for children ages 2 to 5 is overly restrictive and makes it difficult to meet guardrail and handrail recommendations and to meet entrapment space requirements. IPEMA

suggested that the recommended height range for school age children should be harmonized with ASTM (22 inches to 38 inches).

*Response:* The Commission continues to recommend a lower handrail height for 2- to 5-year-old children based on the COMSIS Human Factors report.

*V. Equipment Maximum Height (Section 5.3)*

*Comment:* NPPAS recommended providing a maximum height on different play components for children of different ages due to a growing body of research that connects equipment height and surfacing materials to injury.

*Response:* The Commission has not analyzed data which supports recommending specific maximum heights on different playground equipment. Maximum height recommendations should be considered by the ASTM playground subcommittees and could be considered in future revisions if supported by data analysis.

*W. Climbing Equipment Internal Fall Distance (Section 5.3.2)*

*Comment:* IPEMA recommended moving an arrow in Figure 9 to show where a child may fall.

*Response:* Figure 9 is updated to show arrows to measure the fall distance in locations where a child may fall.

*X. Flexible Climbers (Section 5.3.2.3)*

*Comment:* IPEMA suggested that the Handbook should not state that freestanding flexible climbers are not recommended for preschool children based on their assumption that there are flexible climbers that are functional for preschool age children. NPPAS stated that the Handbook should tell consumers to be cautious of purchasing freestanding flexible climbers for preschool children. Additionally, IPEMA recommended removing the reference to the perimeter of a net opening between 17 and 28 inches in Figure 13 asserting that it has no bearing on whether an opening creates an entrapment.

*Response:* Flexible climbers are recommended for preschool age children only if there is another method of egress from the equipment. Freestanding flexible climbers are not recommended for preschool age children because there is only a sole means of access to the equipment. If young children become unable or unwilling to climb down while near the top of the equipment, they will be more likely to jump or fall off, increasing the risk of injury. For this reason, freestanding flexible climbers will

continue to be not recommended for preschool age children.

The perimeter of net openings specified in Figure 13 is based on the perimeters of the small torso probe and large head probe (Figures B7 and B8, respectively) and is used to evaluate such openings to prevent head entrapment incidents. This information is added to the section 5.3.2.3.

*Y: Track/Trolley Rides (Section 5.3.2.7)*

*Comment:* A safety consultant and NPPAS recommended adding more information on seated track/trolley rides instead of directing the consumer to ASTM F1487. NPPAS recommended that equipment use zones for trolleys and other moving equipment should be addressed in the Handbook. IPEMA recommended clarifying that only the manufacturer's intended parts should ever be tied or attached to any moving part of the ride, rather than "nothing."

*Response:* The Commission concludes that the reference to ASTM F1487 is appropriate due to the many technical considerations included therein for the safety of seated track/trolley rides. The topic of equipment use zones and clearance zones or areas around the equipment that should remain clear of people or other equipment while in use spans multiple types of playground equipment which could span multiple sections of the Handbook, if addressed. These topics could be addressed in future editions of the Handbook, as the balance between technical and non-technical safety information is reconsidered. The Commission agrees with IPEMA's suggested clarification regarding manufacturer's intended parts and has removed "nothing" and replaced it with "only the intended equipment." The Commission, however, cautions that manufacturer's intended parts should not be hazardous, as described in section 3 of the Handbook and elsewhere in ASTM F1487.

*Z: Merry-Go-Rounds and Other Spinning Equipment (Section 5.3.4)*

*Comment:* NRPA and IPEMA recommended changing "Merry-go-rounds/Spinners" to "Rotating Equipment" for consistency with ASTM standards. Richter Spielgeräte GmbH and IPEMA stated that maximum requirements for platform heights in section 5.3.4 should not be required because there are design types that allow access for both preschool and school age children. These commenters also said that hand supports are not required for seat designs where the seating adequately secures children. Both commenters also asserted that the rotation speed formula in the draft

Handbook may not be accurate for all rotating equipment. In addition, IPEMA recommended removing the term "clearance zone" because it lacks a clear definition in the Handbook and has a specific use in ASTM F1487.

*Response:* Most consumers colloquially understand or use the terms "merry-go-round" and "spinner." Therefore, for ease of use, those terms will continue to be used in the Handbook. The Commission will retain the platform height recommendations because the platform height can affect both child access and fall height. The Commission agrees that some seat designs, such as sufficiently concave or contained seating, can be used without hand supports because such seats are designed to contain children's bodies at the maximum rotational speed of the equipment, and has revised section 5.3.4 of the Handbook accordingly. The Commission also agrees that the rotation speed formula added in the draft Handbook is not accurate for all rotating playground equipment. Therefore, the formula is removed in section 5.3.4.1. The maximum recommended rotation speed, however, is retained. The Commission agrees to remove the term "clearance zone" because clearance zones are not currently defined in the Handbook.

*AA. Seesaws (Section 5.3.5)*

*Comment:* IPEMA recommended that designers should determine whether footrests are necessary to include on spring-centered seesaws.

*Response:* The Commission agrees with the commenter. Some spring seesaws will move horizontally, like spring rockers and unlike fulcrum seesaws, and therefore should have footrests to assist users to stay on the equipment. Other spring seesaws will swing up and down like a fulcrum seesaw, in which case a footrest would be a potential crush hazard. This distinction is clarified in section 5.3.5.2.

*AB. Slides (Section 5.3.6)*

*Comment:* NPPAS requested an illustration for safety signage or labels and an illustration for embankment slides to clarify the recommended maximum height of 12 inches above the underlying ground surface. IPEMA recommended that the slide exit slope be harmonized with ASTM (0–10 degrees below horizontal) to get proper drainage. A safety consultant agreed with the existing slope recommendation (0–4 degrees below horizontal). IPEMA suggested harmonizing the recommendations for slide exit clearance zones with ASTM F1487. The safety consultant recommended that the

entanglement hazard on slides in section 5.3.6.7 should be described as a "narrowing gap" because "that is where a drawstring gets hung up."

*Response:* Generally, signage and labeling recommendations are addressed in the Signage and/or Labeling section, 2.2.6, and example strangulation warnings are addressed in the Strings, Straps, and Ropes section 3.2.1, which includes an illustration with a slide. The recommendations for embankment slides to have a maximum height of 12 inches above the underlying ground surface are clearly expressed and therefore the Commission finds that an additional illustration is unnecessary.

The Handbook's existing slide exit slope recommendation of 0–4 degrees below horizontal reduces the risk of injury from falls related to children exiting the slide too fast. CPSC is unaware of incident data which demonstrates that water at slide exits poses a risk of injury, and the Handbook's slide exit slope recommendations overlap with ASTM F1487's slide exit slope requirements. Therefore, the slide exit slope recommendations remain unchanged.

As described in other comment responses, "clearance zones" are not currently addressed as a specific topic in the Handbook. However, Figure B13 in the appendix describes recommended areas to test for slide entanglement protrusions and may address the commenter's concerns.

The Commission concludes that gaps at the tops of slides where the slide chute connects with the platform do not need to be "narrowing" to pose a strangulation hazard on slides, and that the recommendation to remove gaps that can entangle clothing or strings is adequate; therefore, the entanglement hazard description remains unchanged.

*AC. Swings (Section 5.3.8)*

*Comment:* IPEMA recommended that all swing seats should be impact tested per ASTM F1487, the use of the term "belt seats" should be changed to be "swing seats" in section 5.3.8.3., general to-fro swing seats should be allowed to be multi-user, bucket swing pivot point height recommendations should only apply to swings intended for toddlers, and a play area with only a single swing bay be allowed to have a full bucket seat with other seat types in the same bay. A safety consultant recommended that section 5.3.8.4 on multi-axis swings include other types of dish or saucer swings, not just tire swings.

*Response:* The Commission agrees that all swing seats should be impact tested in accordance with ASTM F1487

to reduce the severity of injury from swings impacting people on their paths; this is added in section 5.3.8.

The Commission concludes that the suggested change from “belt seat” to “swing seats” would require additional changes throughout the Handbook to adequately address safety issues. For instance, the examples of age-appropriate equipment in Table 1 describe the appropriateness of belt swings; Table 7 describes minimum clearance dimensions for belt swings; and the use zone for belt swings is described in section 5.3.8.3.3. Removing specific recommendations for belt swings in section 5.3.8.3.1 would raise a question about the specific mention of belt swings in these sections. Generalizing the recommendations in these other sections is not always logical. Therefore, the change will not be made. The Commission also rejects the recommendation to allow general to-fro swing seats to be multi-user because section 5.3.8.3.1 addresses belt seats only, and belt seats can only accommodate a single user safely.

In addition, the Commission will maintain the current pivot point height recommendations for bucket seats to ensure toddlers are protected from potentially hazardous falls because caregivers are unlikely to distinguish full bucket seats intended for toddlers from full bucket seats intended for older pre-school age children.

The Commission agrees that small playgrounds with only a single swing bay may include different types of swings in the same bay with reduced risk, the corresponding change is made in section 5.3.8.3.2 to state that “when possible,” full bucket seat swings should be in separate structures or bays. Section 5.3.8.4 on multi-axis swings is also revised to include all types of multi-axis swings, including tire swings.

**Abioye Mosheim Oyewole,**

*Acting Secretary, Consumer Product Safety Commission.*

[FR Doc. 2025–15374 Filed 8–12–25; 8:45 am]

**BILLING CODE 6355–01–P**

## DEPARTMENT OF ENERGY

### Environmental Management Site-Specific Advisory Board, Paducah

**AGENCY:** Office of Environmental Management, Department of Energy.

**ACTION:** Notice of open meeting.

**SUMMARY:** This notice announces an in-person/livestreamed meeting of the Environmental Management Site-Specific Advisory Board (EM SSAB),

Paducah. The Federal Advisory Committee Act requires that public notice of this meeting be announced in the **Federal Register**.

**DATES:** Thursday, September 18, 2025; 5:30–7 p.m. CDT.

**ADDRESSES:** West Kentucky Community and Technical College (WKCTC), Emerging Technology Center, Room 215, 5100 Alben Barkley Drive, Paducah, Kentucky 42001. This meeting will be held in-person at the WKCTC Emerging Technology Center, Room 215 and livestreamed. The meeting will be streamed on YouTube at <https://www.youtube.com/@ppoadvisoryboards8584>; no registration is necessary.

**FOR FURTHER INFORMATION CONTACT:** Zachary Boyarski at by Phone: (270) 441–6812 or Email: [Zachary.Boyarski@pppo.gov](mailto:Zachary.Boyarski@pppo.gov).

#### SUPPLEMENTARY INFORMATION:

**Purpose of the Board:** The purpose of the Board is to provide advice and recommendations concerning the following EM site-specific issues: clean-up activities and environmental restoration; waste and nuclear materials management and disposition; excess facilities; future land use and long-term stewardship. The Board may also be asked to provide advice and recommendations on other EM program components. The Board also provides an avenue to fulfill public participation requirements outlined in the National Environmental Policy Act (NEPA), the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), Federal Facility Agreements, Consent Orders, Consent Decrees and Settlement Agreements.

**Tentative Agenda:** (agenda topics are subject to change; please contact Zachary Boyarski for the most current agenda)

- Administrative Activities
- Public Comment Period

**Public Participation:** The meeting is open to the public and public comment can be given orally or in writing. Fifteen minutes are allocated during the meeting for public comment and those wishing to make oral comment will be given a minimum of two minutes to speak. Written comments received at least two working days prior to the meeting will be provided to the members and included in the meeting minutes. Written comments received within two working days after the meeting will be included in the minutes. For additional information on public comment and to submit written comment, please contact Zachary Boyarski at [Zachary.Boyarski@pppo.gov](mailto:Zachary.Boyarski@pppo.gov)

[pppo.gov](http://pppo.gov). The EM SSAB, Paducah, welcomes the attendance of the public at its meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Zachary Boyarski at least seven days in advance of the meeting.

**Meeting conduct:** The Designated Federal Officer is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business. Questioning of board members or presenters by the public is not permitted.

**Minutes:** Minutes will be available at the following website: <https://www.energy.gov/pppo/pgdp-cab/listings/meeting-materials>.

**Signing Authority:** This document of the Department of Energy was signed on August 8, 2025, by David Borak, Committee Management Officer, 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 August 8, 2025.

**Treena V. Garrett,**

*Federal Register Liaison Officer, U.S. Department of Energy.*

[FR Doc. 2025–15314 Filed 8–12–25; 8:45 am]

**BILLING CODE 6450–01–P**

## DEPARTMENT OF ENERGY

### Environmental Management Site-Specific Advisory Board, Oak Ridge

**AGENCY:** Office of Environmental Management, Department of Energy.

**ACTION:** Notice of open meeting.

**SUMMARY:** This notice announces an in-person/virtual meeting of the Environmental Management Site-Specific Advisory Board (EM SSAB), Oak Ridge. The Federal Advisory Committee Act requires that public notice of this meeting be announced in the **Federal Register**.

**DATES:** Wednesday, October 8, 2025; 6–8 p.m. EDT.

**ADDRESSES:** Department of Energy (DOE) Information Center, Office of Science

and Technical Information, 1 Science.gov Way, Oak Ridge, Tennessee 37831. This meeting will be held in-person at the DOE Information Center and virtually. To receive the virtual access information, please send an email to: [orssab@orem.doe.gov](mailto:orssab@orem.doe.gov) at least two days prior to the meeting.

**FOR FURTHER INFORMATION CONTACT:** Melyssa P. Noe, Deputy Designated Federal Officer, U.S. Department of Energy, Oak Ridge Office of Environmental Management (OREM), P.O. Box 4067, EM-94, Oak Ridge, TN 37831; Phone (865) 241-3315; or Email: [Melyssa.Noel@orem.doe.gov](mailto:Melyssa.Noel@orem.doe.gov).

**SUPPLEMENTARY INFORMATION:**

*Purpose of the Board:* The purpose of the Board is to provide advice and recommendations concerning the following EM site-specific issues: clean-up activities and environmental restoration; waste and nuclear materials management and disposition; excess facilities; future land use and long-term stewardship. The Board may also be asked to provide advice and recommendations on other EM program components. The Board also provides an avenue to fulfill public participation requirements outlined in the National Environmental Policy Act (NEPA), the Comprehensive Environmental Response, Compensation, and Liability Act (CERLA), the Resource Conservation and Recovery Act (RCRA), Federal Facility Agreements, Consent Orders, Consent Decrees and Settlement Agreements.

*Tentative Agenda:* (agenda topics are subject to change; please email [orssab@orem.doe.gov](mailto:orssab@orem.doe.gov) for the most current agenda).

- OREM Presentation to the Board
- Discussion
- Public Comment Period
- Board Business

*Public Participation:* The meeting is open to the public and public comment can be given orally or in writing. Fifteen minutes are allocated during the meeting for public comment and those wishing to make oral comment will be given a minimum of two minutes to speak. Written comments received at least two working days prior to the meeting will be provided to the members and included in the meeting minutes. Written comments received within two working days after the meeting will be included in the minutes. For additional information on public comment and to submit written comment, please email [orssab@orem.doe.gov](mailto:orssab@orem.doe.gov). The EM SSAB, Oak Ridge, welcomes the attendance of the

public at its meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Melyssa P. Noe at least seven days in advance of the meeting.

*Meeting Conduct:* The Designated Federal Officer is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business. Questioning of board members or presenters by the public is not permitted.

*Minutes:* Minutes will be available at the following website: <https://www.energy.gov/orem/listings/oak-ridge-site-specific-advisory-board-meetings>.

*Signing Authority:* This document of the Department of Energy was signed on August 8, 2025, by David Borak, Committee Management Officer, 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 August 8, 2025.

**Treena V. Garrett,**

*Federal Register Liaison Officer, U.S. Department of Energy.*

[FR Doc. 2025-15315 Filed 8-12-25; 8:45 am]

**BILLING CODE 6450-01-P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Project No. 5000-078]

#### Ampersand Kayuta Lake Hydro LLC; Notice of Intent To Prepare an Environmental Assessment

On December 17, 2024, Ampersand Kayuta Lake Hydro LLC, licensee, filed a surrender application for the Kayuta Lake Project No. 5000. The project is located on the Black River near Boonville, Oneida County, New York. The project does not occupy federal lands.

Following the 2022 filing of a Notice of Intent and Pre-Application Document

for relicensing the project and continued consultation with parties regarding potential licensing recommendations, the licensee ultimately determined that future licensing conditions would make the project uneconomic. Alternatively, the licensee proposes to surrender the project license. The project dam is owned by the New York State Canal Corporation (NYSCC) and would return to the NYSCC's jurisdiction. The licensee proposes to remove all generating equipment and leave in place the recreation facilities at the project. On March 12, 2025, the Commission issued a public notice for the proposed surrender, accepted the application for filing, and solicited comments, motions to intervene, and protests. Several filings were made in response to the Commission's notice. The current license expires on May 31, 2026.

This notice identifies Commission staff's intention to prepare an environmental assessment (EA) under the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*) for the project.<sup>1</sup> Commission staff plans to issue an EA by December 10, 2025. Revisions to the schedule may be made as appropriate. The EA will be issued for a 30-day comment period. All comments filed on the EA will be reviewed by staff and considered in the Commission's final decision on the proceeding.

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 to 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).

Any questions regarding this notice may be directed to Diana Shannon at 202-502-6136 or [diana.shannon@ferc.gov](mailto:diana.shannon@ferc.gov).

Dated: August 8, 2025.

**Debbie-Anne A. Reese,**

*Secretary.*

[FR Doc. 2025-15365 Filed 8-12-25; 8:45 am]

**BILLING CODE 6717-01-P**

<sup>1</sup> The unique identification number for documents relating to this environmental review is EAXX-019-20-000-1753881603.

**DEPARTMENT OF ENERGY****Federal Energy Regulatory Commission**

[Docket No. CP25–29–000]

**Eastern Gas Transmission and Storage, Inc.; Notice of Availability of the Environmental Assessment for the Proposed Capital Area Project**

EGTS states the purpose of the Project is to provide 67,500 dekatherms per day of natural gas firm transportation service to allow the Project's customer, Washington Gas Light Company to improve reliability and serve peak demand needs of Washington Gas' natural gas customers in Maryland, Virginia, and Washington, DC.

The EA assesses the potential environmental effects of the construction and operation of the Project in accordance with the requirements of the National Environmental Policy Act (NEPA). The FERC staff concludes that approval of the proposed project would not constitute a major federal action significantly affecting the quality of the human environment.

The Project would consist of the following modifications to EGTS facilities:

- adding one 6,130 horsepower (hp) gas-fired turbine compressor unit and ancillary facilities at the Centre Compressor Station in Centre County, Pennsylvania;
- adding one 11,110 hp gas-fired turbine compressor unit and installing ancillary facilities at the Chambersburg Compressor Station in Franklin County, Pennsylvania;
- adding one 5,000 hp electric-driven compressor unit and ancillary facilities at the Leesburg Compressor Station in Loudoun County, Virginia; and
- replacing gas coolers and headers and cold recycle piping, and installing new check valves, at the Finnefrock Compressor Station in Clinton County, Pennsylvania.

The Commission mailed a copy of the *Notice of Availability* of the EA to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American tribes; potentially affected landowners and other interested individuals and groups; and newspapers and libraries in the project area. The EA is only available in electronic format. It may be viewed and downloaded from the FERC's website ([www.ferc.gov](http://www.ferc.gov)), on the natural gas environmental documents page (<https://www.ferc.gov/industries-data/natural-gas/environment/environmental->

*documents*). In addition, the EA may be accessed by using the eLibrary link on the FERC's website. Click on the eLibrary link (<https://elibrary.ferc.gov/eLibrary/search>), select "General Search" and enter the docket number in the "Docket Number" field, excluding the last three digits (*i.e.* CP25–29). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at [FercOnlineSupport@ferc.gov](mailto:FercOnlineSupport@ferc.gov) or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

The EA is not a decision document. It presents Commission staff's independent analysis of the environmental issues for the Commission to consider when addressing the merits of all issues in this proceeding. Any person wishing to comment on the EA may do so. Your comments should focus on the EA's disclosure and discussion of potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure that the Commission has the opportunity to consider your comments prior to making its decision on this project, it is important that we receive your comments in Washington, DC, on or before 5:00 p.m. Eastern Time on September 8, 2025.

For your convenience, there are three methods you can use to file your comments to the Commission. The Commission encourages electronic filing of comments and has staff available to assist you at (866) 208–3676 or [FercOnlineSupport@ferc.gov](mailto:FercOnlineSupport@ferc.gov). Please carefully follow these instructions so that your comments are properly recorded.

(1) You can file your comments electronically using the eComment feature on the Commission's website ([www.ferc.gov](http://www.ferc.gov)) under the link to FERC Online. This is an easy method for submitting brief, text-only comments on a project;

(2) You can also file your comments electronically using the eFiling feature on the Commission's website ([www.ferc.gov](http://www.ferc.gov)) under the link to FERC Online. 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 must select the type of filing you are making. If you are filing a comment on a particular project, please select "Comment on a Filing"; or

(3) You can file a paper copy of your comments by mailing them to the Commission. Be sure to reference the

project docket number (CP25–29–000) on your letter. 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, Maryland 20852.

Filing environmental comments will not give you intervenor status, but you do not need intervenor status to have your comments considered. Only intervenors have the right to seek rehearing or judicial review of the Commission's decision. At this point in this proceeding, the timeframe for filing timely intervention requests has expired. Any person seeking to become a party to the proceeding must file a motion to intervene out-of-time pursuant to Rule 214(b)(3) and (d) of the Commission's Rules of Practice and Procedures (18 CFR 385.214(b)(3) and (d)) and show good cause why the time limitation should be waived. Motions to intervene are more fully described at <https://www.ferc.gov/how-intervene>.

Additional information about the project is available from the Commission's Office of External Affairs, at (866) 208–FERC, or on the FERC website ([www.ferc.gov](http://www.ferc.gov)) using the eLibrary link. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

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).

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. Go to <https://www.ferc.gov/ferc-online/overview> to register for eSubscription.

Dated: August 8, 2025.

**Debbie-Anne A. Reese,**  
Secretary.

[FR Doc. 2025–15363 Filed 8–12–25; 8:45 am]

BILLING CODE 6717–01–P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. CP25–219–000]

#### **Gulf South Pipeline Company, LLC; Notice of Schedule for the Preparation of An Environmental Assessment for the Southeast Compression Utility and Reliability Expansion Project**

On April 16, 2025, Gulf South Pipeline Company, LLC (Gulf South) filed an application in Docket No. CP25–219–000 requesting a Certificate of Public Convenience and Necessity pursuant to Section 7(c) of the Natural Gas Act to construct and operate certain natural gas pipeline facilities in Madison Parish, Louisiana and Jasper, Forrest, and Hinds Counties, Mississippi. The proposed project is known as the Southeast Compression Utility and Reliability Expansion (SECURE) Project, and would involve modifications at three existing compressor stations and construction of one new compressor station. The SECURE Project would provide 280,000 dekatherms per day (Dth/d) of firm transportation service to certain southeast markets on Gulf South's system, including power generation customers.

On April 28, 2025, the Federal Energy Regulatory Commission (Commission or FERC) issued its Notice of Application for the SECURE Project. Among other things, that notice alerted agencies issuing federal authorizations of the requirement to complete all necessary reviews and to reach a final decision on a request for a federal authorization within 90 days of the date of issuance of the Commission staff's environmental document for the project.

This notice identifies Commission staff's intention to prepare an environmental assessment (EA) for the project and the planned schedule for the completion of the environmental review.<sup>1</sup> The EA will be issued for a 30-day comment period.

#### **Schedule for Environmental Review**

Issuance of EA—December 29, 2025

<sup>1</sup> For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is EAXX–019–20–000–1754481444

90-day Federal Authorization Decision Deadline<sup>2</sup>—March 29, 2026

If a schedule change becomes necessary, additional notice will be provided so that the relevant agencies are kept informed of the project's progress.

#### **Project Description**

The SECURE project would consist of the following facilities:

- installation of one 27,677-horsepower (hp) Solar Titan 250 compressor unit at the existing Tallulah Compressor Station in Madison Parish, Louisiana;
- installation of one 13,290-hp Solar Mars 100 compressor unit at the existing Jasper Compressor Station in Jasper County, Mississippi;
- installation of one 16,997-hp Solar Titan 130 compressor unit and restaging the existing Solar Mars 100 compressor unit at the existing Forrest Compressor Station in Forrest County, Mississippi; and
- construction of the new Hinds Compressor Station, including one 27,667-hp Solar Titan 250 compressor unit, in Hinds County, Mississippi.

#### **Background**

On May 30, 2025, the Commission issued a *Notice of Scoping Period Requesting Comments on Environmental Issues for the Proposed SECURE Project* (Notice of Scoping). The Notice of Scoping was sent to affected landowners; federal, state, and local government agencies; elected officials; environmental and public interest groups; Native American tribes; other interested parties; and local libraries and newspapers. The Commission received comments from the Louisiana Department of Wildlife and Fisheries, Louisiana Department of Environmental Quality, Louisiana Ecological Services Office, and one potentially affected landowner. The primary issues raised by the commenters are noise, air quality, recreation, state and federally listed special status species, state emission standards and other potentially required state permits, solid and hazardous waste, water quality, groundwater, soil contamination, and alternative compressor station sites. All substantive comments will be addressed in the EA.

<sup>2</sup> The Commission's deadline applies to the decisions of other federal agencies, and state agencies acting under federally delegated authority, that are responsible for federal authorizations, permits, and other approvals necessary for proposed projects under the Natural Gas Act. Per 18 CFR 157.22(a), the Commission's deadline for other agency's decisions applies unless a schedule is otherwise established by federal law.

#### **Additional Information**

In order to receive notification of the issuance of the EA and to keep track of formal issuances and submittals in specific dockets, the Commission offers a free service called eSubscription. This service provides automatic notification of filings made to subscribed dockets, document summaries, and direct links to the documents. Go to <https://www.ferc.gov/ferc-online/overview> to register for eSubscription.

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).

Additional information about the project is available from the Commission's Office of External Affairs at (866) 208–FERC or on the FERC website ([www.ferc.gov](http://www.ferc.gov)). Using the “eLibrary” link, select “General Search” from the eLibrary menu, enter the selected date range and “Docket Number” excluding the last three digits (*i.e.*, CP25–219), and follow the instructions. For assistance with access to eLibrary, the helpline can be reached at (866) 208–3676, TTY (202) 502–8659, or at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov). The eLibrary link on the FERC website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rule makings.

Dated: August 8, 2025.

**Debbie-Anne A. Reese,**  
Secretary.

[FR Doc. 2025–15364 Filed 8–12–25; 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 accounting Request filings:

*Docket Numbers:* AC25–114–000.

*Applicants:* FirstEnergy Pennsylvania Electric Company.

*Description:* FirstEnergy Pennsylvania Electric Company submits supplemental proposed final accounting entries re the

consummation of the transfer of certain transmission facilities, etc.

*Filed Date:* 8/7/25.

*Accession Number:* 20250807–5136.

*Comment Date:* 5 p.m. ET 8/28/25.

Take notice that the Commission received the following exempt wholesale generator filings:

*Docket Numbers:* EG25–429–000.

*Applicants:* Long Point Solar, LLC.

*Description:* Long Point Solar, LLC submits Notice of Self–Certification of Exempt Wholesale Generator Status.

*Filed Date:* 8/7/25.

*Accession Number:* 20250807–5123.

*Comment Date:* 5 p.m. ET 8/28/25.

*Docket Numbers:* EG25–430–000.

*Applicants:* Green Mallard Solar, LLC.

*Description:* Green Mallard Solar, LLC submits Notice of Self–Certification of Exempt Wholesale Generator Status.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5142.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* EG25–431–000.

*Applicants:* Amite Energy Storage, LLC.

*Description:* Amite Energy Storage, LLC submits Notice of Self–Certification of Exempt Wholesale Generator Status.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5176.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* EG25–432–000.

*Applicants:* Forest Trace Solar, LLC.

*Description:* Forest Trace Solar, LLC submits Notice of Self–Certification of Exempt Wholesale Generator Status.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5177.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* EG25–433–000.

*Applicants:* Garden Wind Energy, LLC.

*Description:* Garden Wind Energy, LLC submits Notice of Self–Certification of Exempt Wholesale Generator Status.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5181.

*Comment Date:* 5 p.m. ET 8/29/25.

Take notice that the Commission received the following electric rate filings:

*Docket Numbers:* ER18–1266–004.

*Applicants:* Moxie Freedom LLC.

*Description:* Compliance filing: Moxie Freedom Schedule 2 Filing to be effective N/A.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5144.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER21–2818–011.

*Applicants:* Tri-State Generation and Transmission Association, Inc.

*Description:* Compliance filing: Revisions to Rate Schedule No. 281 in Compliance with the July 9 Order to be effective 11/1/2021.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5175.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3110–000.

*Applicants:* Rock Creek Solar, LLC.

*Description:* § 205(d) Rate Filing: Rock Creek Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5001.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3111–000.

*Applicants:* Amite Energy Storage, LLC.

*Description:* § 205(d) Rate Filing: Amite Energy Storage MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5002.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3112–000.

*Applicants:* Forest Trace Solar, LLC.

*Description:* § 205(d) Rate Filing: Forest Trace Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5003.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3113–000.

*Applicants:* Green Mallard Solar, LLC.

*Description:* § 205(d) Rate Filing: Green Mallard Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5004.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3114–000.

*Applicants:* Greenlee Solar, LLC.

*Description:* § 205(d) Rate Filing: Greenlee Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5005.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3115–000.

*Applicants:* Manila Solar, LLC.

*Description:* § 205(d) Rate Filing: Manila Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5006.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3116–000.

*Applicants:* Tupelo Brake Solar, LLC.

*Description:* § 205(d) Rate Filing: Tupelo Brake Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5007.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3117–000.

*Applicants:* Red Butte Wind, LLC.

*Description:* § 205(d) Rate Filing: Red Butte Wind MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5008.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3118–000.

*Applicants:* Garden Wind Energy, LLC.

*Description:* § 205(d) Rate Filing: Garden Wind Energy MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5009.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3119–000.

*Applicants:* Emmons-Logan Energy Storage, LLC.

*Description:* § 205(d) Rate Filing: Emmons-Logan Energy Storage MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5010.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3120–000.

*Applicants:* Three Waters Wind Farm, LLC.

*Description:* § 205(d) Rate Filing: Three Waters Wind Farm MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5011.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3121–000.

*Applicants:* Benton Solar, LLC.

*Description:* § 205(d) Rate Filing: Benton Solar MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5012.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3122–000.

*Applicants:* Garnet Energy Center, LLC.

*Description:* § 205(d) Rate Filing: Garnet Energy Center MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5013.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3123–000.

*Applicants:* Trelina Solar Energy Center, LLC.

*Description:* § 205(d) Rate Filing: Trelina Solar Energy Center MBR Application to be effective 10/8/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5014.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3125–000.

*Applicants:* Entergy Louisiana, LLC.

*Description:* § 205(d) Rate Filing: ELL-Concordia Transmission Interconnection Agreement to be effective 9/1/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5089.

*Comment Date:* 5 p.m. ET 8/29/25.

*Docket Numbers:* ER25–3126–000.

*Applicants:* Entergy Louisiana, LLC.

*Description:* § 205(d) Rate Filing: ELL–JDEC Transmission

Interconnection Agreement to be effective 9/1/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5091.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3127–000.  
*Applicants:* Entergy Louisiana, LLC.  
*Description:* § 205(d) Rate Filing: ELL–SLEMCO Transmission Interconnection Agreement to be effective 9/1/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5092.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3128–000.  
*Applicants:* ISO New England Inc., New England Power Pool Participants Committee.  
*Description:* § 205(d) Rate Filing: ISO New England Inc. submits tariff filing per 35.13(a)(2)(iii): ISO–NE/NEPOOL; Rev to Support Implementation of NECEC Transmission Line to be effective 10/7/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5103.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3129–000.  
*Applicants:* PJM Interconnection, L.L.C.  
*Description:* Tariff Amendment: Notice of Cancellation of ISA No. 6975; Queue Nos. AE2–020/AE2–021/AE2–022 to be effective 10/8/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5118.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3130–000.  
*Applicants:* Morgnec Road Solar, LLC.  
*Description:* Initial Rate Filing: Market-Based Rate Application to be effective 10/8/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5123.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3131–000.  
*Applicants:* Nimbus Wind Farm, LLC.  
*Description:* Initial Rate Filing: Market-Based Rate Application to be effective 10/8/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5134.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3132–000.  
*Applicants:* Entergy Arkansas, LLC.  
*Description:* § 205(d) Rate Filing: Forgeview Solar, LLC LBA Agreement to be effective 9/1/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5163.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3133–000.  
*Applicants:* Entergy Arkansas, LLC.  
*Description:* § 205(d) Rate Filing: New Madrid Solar, LLC LBA Agreement to be effective 9/1/2025.  
*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5164.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3134–000.  
*Applicants:* PJM Interconnection, L.L.C.  
*Description:* § 205(d) Rate Filing: Amendment to GIA, SA No. 7411; Project Identifier No. AF2–029 to be effective 10/8/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5167.  
*Comment Date:* 5 p.m. ET 8/29/25.  
*Docket Numbers:* ER25–3135–000.  
*Applicants:* Tampa Electric Company.  
*Description:* § 205(d) Rate Filing: Corporate Headquarters Address Change to be effective 8/8/2025.  
*Filed Date:* 8/8/25.  
*Accession Number:* 20250808–5184.  
*Comment Date:* 5 p.m. ET 8/29/25.

The filings are accessible in the Commission's eLibrary system (<https://elibrary.ferc.gov/idmws/search/fercensearch.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: August 8, 2025.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2025–15336 Filed 8–12–25; 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]

#### **Sabine Pass Liquefaction, L.L.C.; Sabine Pass Liquefaction Stage V, L.L.C.; Sabine Crossing, L.L.C.; Cheniere Creole Trail Pipeline, L.P.; Notice of Intent To Prepare an Environmental Impact Statement for the Proposed Sabine Pass Stage 5 Expansion Project, Request for Comments on Environmental Issues, and Schedule for Environmental Review**

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental impact statement (EIS) that will discuss the environmental impacts of the Sabine Pass Stage 5 Expansion Project, (Project) involving construction and operation of facilities by Sabine Pass Liquefaction, L.L.C., Sabine Pass Liquefaction Stage V, L.L.C., Sabine Crossing, L.L.C., and Cheniere Creole Trail Pipeline, L.P. (the Applicants) in Cameron, Beauregard, and Calcasieu Parishes, Louisiana; and Liberty, Jefferson, and Chambers Counties, Texas.<sup>1</sup> The Commission will use this environmental document in its decision-making process to determine whether the planned pipeline project is in the public convenience and necessity and if the planned liquified natural gas facility expansion is in the public interest. The schedule for preparation of the EIS is discussed in the *Schedule for Environmental Review* section of this notice.

As part of the National Environmental Policy Act (NEPA) review process, the Commission takes into account concerns the public may have about proposals and the environmental impacts that could result whenever it considers the issuance of a Certificate of Public Convenience and Necessity and authorization. This gathering of public input is referred to as “scoping.” By notices issued on October 6, 2023 and August 1, 2024 in Docket No. PF23–2–000, the Commission opened scoping periods during Sabine Pass Liquefaction, L.L.C., Sabine Pass Liquefaction Stage V, L.L.C. and Sabine Crossing, L.L.C.'s planning process for the Sabine Pass Liquefaction Stage 5 Expansion project and the Sabine

<sup>1</sup> For tracking purposes under the National Environmental Policy Act, the unique identification number for documents relating to this environmental review is EISX–019–20–000–1751972136.

Crossing Pipeline project and prior to filing a formal application with the Commission, a process referred to as “pre-filing.” The Applicants have now filed a joint application with the Commission, and staff intends to prepare an EIS that will address the concerns raised during the pre-filing scoping process and comments received in response to this notice.

By this notice, the Commission requests public comments on the scope of issues to address in the environmental document, including comments on potential alternatives and impacts, and any relevant information, studies, or analyses of any kind concerning impacts affecting the quality of the human environment. To ensure that your comments are timely and properly recorded, please submit your comments so that the Commission receives them in Washington, DC on or before 5:00 p.m. Eastern Time on September 8, 2025. Comments may be submitted in written form. Further details on how to submit comments are provided in the *Public Participation* section of this notice.

As mentioned above, during the pre-filing process, the Commission opened scoping periods for the Sabine Pass Liquefaction Stage 5 Expansion project and the Sabine Crossing Pipeline project which expired on November 6, 2023, and September 3, 2024 respectively; however, Commission staff continued to accept comments during the entire pre-filing process. Staff also held scoping sessions to take oral scoping comments. Those sessions were held in Cameron, Louisiana on October 24, 2023; Port Arthur, Texas on October 25, 2023; and Winnie, Texas, on August 28, 2024. All substantive written and oral comments provided during pre-filing will be addressed in the EIS. Therefore, if you submitted comments on this Project to the Commission during the pre-filing process in Docket No. PF23–2–000 you do not need to file those comments again.

If you are a landowner receiving this notice, a pipeline company representative may contact you about the acquisition of an easement to construct, operate, and maintain the proposed facilities. The company would seek to negotiate a mutually acceptable easement agreement. You are not required to enter into an agreement. However, if the Commission approves the Project, the Natural Gas Act conveys the right of eminent domain to the company. Therefore, if you and the company do not reach an easement agreement, the pipeline company could initiate condemnation proceedings in court. In such instances, compensation

would be determined by a judge in accordance with state law. The Commission does not grant, exercise, or oversee the exercise of eminent domain authority. The courts have exclusive authority to handle eminent domain cases; the Commission has no jurisdiction over these matters.

The Applicants provided landowners with a fact sheet prepared by the FERC entitled “An Interstate Natural Gas Facility On My Land? What Do I Need To Know?” which addresses typically asked questions, including the use of eminent domain and how to participate in the Commission’s proceedings. This fact sheet along with other landowner topics of interest are available for viewing on the FERC website ([www.ferc.gov](http://www.ferc.gov)) under the Natural Gas, Landowner Topics link.

#### Public Participation

There are three methods you can use to submit your comments to the Commission. The Commission encourages electronic filing of comments and has staff available to assist you at (866) 208–3676 or [FercOnlineSupport@ferc.gov](mailto:FercOnlineSupport@ferc.gov). Please carefully follow these instructions so that your comments are properly recorded.

(1) You can file your comments electronically using the eComment feature, which is located on the Commission’s website ([www.ferc.gov](http://www.ferc.gov)) under the link to FERC Online. Using eComment is an easy method for submitting brief, text-only comments on a project;

(2) You can file your comments 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 FERC Online. 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; a comment on a particular project is considered a “Comment on a Filing”; or

(3) You can file a paper copy of your comments by mailing them to the Commission. Be sure to reference the project docket numbers (CP24–75–001, CP25–505–000, and CP25–506–000) on your letter. 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, Maryland 20852.

Additionally, the Commission offers a free service called eSubscription. This service provides automatic notification of filings made to subscribed dockets, document summaries, and direct links to the documents. Go to <https://www.ferc.gov/ferc-online/overview> to register for eSubscription.

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).

#### Summary of the Proposed Project, the Project Purpose and Need, and Expected Impacts

The Applicants propose to expand the existing Sabine Pass Liquefied Natural Gas (SPLNG) Terminal facility in Cameron Parish, Louisiana; construct and operate a new, 48-inch-diameter, 55.6-mile-long natural gas pipeline (Sabine Crossing Pipeline) in Liberty and Jefferson Counties, Texas, and into the SPLNG Terminal; and as part of the existing Creole Trail Pipeline System, construct and operate the new greenfield Tarpon Compressor Station in Cameron Parish, Louisiana, expand the existing Gillis Compressor Station in Beauregard Parish, Louisiana, and modify an existing delivery meter station in Cameron Parish, Louisiana. The Sabine Crossing Pipeline would deliver up to 2.7 billion cubic feet per day (Bcf/d) of natural gas to the SPLNG Terminal facility. The Tarpon Compressor Station would help deliver approximately 908 million standard cubic feet per day (MMscf/d) of natural gas to the SPLNG Terminal facility. According to the Applicants, the Project would expand the Applicants’ liquified natural gas (LNG) production capabilities to meet immediate and future global demand for LNG.

The Project would consist of the following facilities:

- SPLNG Terminal Expansion
  - three Liquefaction Trains (Trains 7, 8 and 9) and appurtenant facilities; Sabine Crossing Pipeline
  - approximately 55.6 miles of 48-inch-diameter pipeline;
  - six-meter stations along the pipeline route;

- the new Hampshire Compressor Station along the pipeline route;
- four pig traps,<sup>2</sup> and three mainline valves along the pipeline route; Creole Trail Pipeline System
- two 23,470-horsepower compressor packages and appurtenant facilities at the Gillis Compressor Station;
- one 52,500-horsepower modular compressor package and appurtenant facilities at the new Tarpon Compressor Station; and
- one new 16-inch-diameter meter and flow control run, and one new filter within an existing meter station.

The general location of the Project facilities is shown in appendix 1.<sup>3</sup>

Based on the environmental information provided by the Applicants, construction of the proposed facilities for the SPLNG Terminal Expansion would disturb about 263.5 acres of new land outside of the existing SPLNG facility, and operation of these facilities would maintain about 248.7 acres outside the existing SPLNG facility. Construction of facilities for the Sabine Crossing Pipeline would require about 1209.5 acres of land, while the operation of these facilities would require 431.5 acres of land. About 35.6 miles (64 percent) of the Sabine Crossing Pipeline would be collocated with existing pipelines. Construction of aboveground facilities along the Creole Trail Pipeline System would affect 54 acres during construction, including 6.1 acres of overlap with the existing SPLNG facility. Operation of the facilities for the Creole Trail Pipeline System would require 52.5 acres of land.

Based on an initial review of the Applicants' proposal and public comments received during the pre-filing process, Commission staff have identified several expected impacts that deserve attention in the EIS. The Project would affect 614 acres of wetlands during construction and would result in the loss of 91.9 acres of wetlands. It would also result in 52.3 tons of total hazardous air pollutant emissions.

<sup>2</sup> A "pig" is a tool that the pipeline company inserts into and pushes through the pipeline for cleaning the pipeline, conducting internal inspections, or other purposes. A pig trap is an ancillary item of pipeline equipment, with associated pipework and valves, for introducing a pig into a pipeline or removing a pig from a pipeline.

<sup>3</sup> The appendices referenced in this notice will not appear in the **Federal Register**. Copies of the appendices were sent to all those receiving this notice in the mail and are available at [www.ferc.gov](http://www.ferc.gov) using the link called "eLibrary". For instructions on connecting to eLibrary, refer to the last page of this notice. For assistance, contact FERC at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov) or call toll free, (888) 208-3676 or TTY (202) 502-8659.

### The NEPA Process and the EIS

The EIS issued by the Commission will discuss impacts that could occur as a result of the construction and operation of the proposed Project under the relevant general resource areas:

- geology and soils;
- water resources and wetlands;
- vegetation and wildlife;
- threatened and endangered species;
- cultural resources;
- land use and socioeconomics;
- air quality and noise; and
- reliability and safety.

Commission staff will also make recommendations on how to lessen or avoid impacts on the various resource areas. Your comments will help Commission staff focus its analysis on the issues that may have a significant effect on the human environment.

The EIS will present Commission staff's independent analysis of the issues. The U.S. Army Corps of Engineers, U.S. Department of Transportation, U.S. Coast Guard, the National Oceanic and Atmospheric Administration—National Marine Fisheries Service, and the U.S. Department of Energy are cooperating agencies in the preparation of the EIS.<sup>4</sup> Staff will prepare a draft EIS which will be issued for public comment. Commission staff will consider all timely comments received during the comment period on the draft EIS and revise the document, as necessary, before issuing a final EIS. Any draft and final EIS will be available in electronic format in the public record through eLibrary<sup>5</sup> and the Commission's natural gas environmental documents web page (<https://www.ferc.gov/industries-data/natural-gas/environment/environmental-documents>). If eSubscribed, you will receive instant email notification when the environmental document is issued.

### Alternatives Under Consideration

The EIS will evaluate reasonable alternatives that are technically and economically feasible and meet the purpose and need for the proposed action. Alternatives currently under consideration include:

- the no-action alternative, meaning the Project is not implemented;
- LNG terminal site alternatives;
- pipeline system alternatives;
- pipeline route alternatives; and
- compressor station aboveground facility site alternatives.

<sup>4</sup> Cooperating agency responsibilities are addressed in Section 107(a)(3) of NEPA (42 U.S.C. 4336(a)(3)).

<sup>5</sup> For instructions on connecting to eLibrary, refer to the last page of this notice.

With this notice, the Commission requests specific comments regarding any additional potential alternatives to the proposed action or segments of the proposed action. Please focus your comments on reasonable alternatives (including alternative facility sites and pipeline routes) that meet the Project objectives, are technically and economically feasible, and avoid or lessen environmental impact.

### Consultation Under Section 106 of the National Historic Preservation Act

In accordance with the Advisory Council on Historic Preservation's implementing regulations for section 106 of the National Historic Preservation Act, the Commission is using this notice to initiate section 106 consultation for the Project with the applicable State Historic Preservation Office(s), and other government agencies, interested Indian tribes, and the public to solicit their views and concerns regarding the Project's potential effects on historic properties.<sup>6</sup> The Project EIS will document findings on the impacts on historic properties and summarize the status of consultations under section 106.

### Schedule for Environmental Review

On June 18, 2025, the Commission issued its Notice of Application for the Project. Among other things, that notice alerted other agencies issuing federal authorizations of the requirement to complete all necessary reviews and to reach a final decision on the request for a federal authorization within 90 days of the date of issuance of the Commission staff's final EIS for the Project. This notice identifies the Commission staff's planned schedule for completion of the final EIS for the Project, which is based on an issuance of the draft EIS in April 2026, opening a 45-day comment period.

Issuance of Notice of Availability of the final EIS—September 25, 2026  
90-day Federal Authorization Decision Deadline<sup>7</sup>—December 24, 2026

If a schedule change becomes necessary for the final EIS, an additional

<sup>6</sup> The Advisory Council on Historic Preservation's regulations are at Title 36, Code of Federal Regulations, Part 800. Those regulations define historic properties as any prehistoric or historic district, site, building, structure, or object included in or eligible for inclusion in the National Register of Historic Places.

<sup>7</sup> The Commission's deadline applies to the decisions of other federal agencies, and state agencies acting under federally delegated authority, that are responsible for federal authorizations, permits, and other approvals necessary for proposed projects under the Natural Gas Act. Per 18 CFR 157.22(a), the Commission's deadline for other agency's decisions applies unless a schedule is otherwise established by federal law.

notice will be provided so that the relevant agencies are kept informed of the Project’s progress.

**Permits and Authorizations**

The table below lists the anticipated permits and authorizations for the Project required under federal law. This

list may not be all-inclusive and does not preclude any permit or authorization if it is not listed here. Agencies with jurisdiction by law and/or special expertise may formally cooperate in the preparation of the Commission’s EIS and may adopt the

EIS to satisfy its NEPA responsibilities related to this Project. Agencies that would like to request cooperating agency status should follow the instructions for filing comments provided under the *Public Participation* section of this notice.

Agency	Permit
FERC .....	Section 3 of the Natural Gas Act. Section 7 of the Natural Gas Act.
U.S. Department of Energy .....	LNG Export Authorization.
U.S. Army Corps of Engineers .....	Section 404 of the Clean Water Act. Section 10 of the Rivers and Harbors Act.
U.S. Fish and Wildlife Service .....	Section 7 of the Endangered Species Act Consultation.
U.S. Coast Guard .....	Letter of Intent. Ports and Waterways Safety Assessment.
National Oceanic and Atmospheric Administration—National Marine Fisheries Service.	Section 7 of the Endangered Species Act Consultation.  Magnuson-Stevens Fishery Conservation Management Act Consultation. Marine Mammal Protection Act Consultation.
Louisiana Department of Environmental Quality .....	Title V and Prevention of Significant Deterioration of the Clean Air Act.
Railroad Commission of Texas .....	Section 401 Water Quality Certification.
Louisiana Department of Natural Resources .....	Section 401 Water Quality Certification.
Louisiana Department of Culture, Recreation, and Tourism .....	Coastal Use Permit.
Texas Historical Commission .....	Section 106 of the National Historic Preservation Act.
Federal Aviation Administration .....	Section 106 of the National Historic Preservation Act.
U.S. Department of Transportation—Pipeline and Hazardous Materials Safety Administration.	Notice of Proposed Construction or Alteration of Navigable Airspace. Letter of Determination.
U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS)—Louisiana.	Farmland Protection Policy Act.
USDA NRCS—Texas .....	Farmland Protection Policy Act.

**Environmental Mailing List**

This notice is being sent to the Commission’s current environmental mailing list for the Project which includes federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American Tribes; other interested parties; and local libraries and newspapers. This list also includes all affected landowners (as defined in the Commission’s regulations) who are potential right-of-way grantors, whose property may be used temporarily for Project purposes, or who own homes within certain distances of aboveground facilities, and anyone who submits comments on the Project and includes a mailing address with their comments. Commission staff will update the environmental mailing list as the analysis proceeds to ensure that Commission notices related to this environmental review are sent to all individuals, organizations, and government entities interested in and/or potentially affected by the proposed Project. State and local government representatives should notify their constituents of this proposed project

and encourage them to comment on their areas of concern.

If you need to make changes to your name/address, or if you would like to remove your name from the mailing list, please complete one of the following steps:

- (1) Send an email to [GasProjectAddressChange@ferc.gov](mailto:GasProjectAddressChange@ferc.gov) stating your request. You must include the docket number CP24–75–001, CP25–505–000, and CP25–506–000 in your request. If you are requesting a change to your address, please be sure to include your name and the correct address. If you are requesting to delete your address from the mailing list, please include your name and address as it appeared on this notice. This email address is unable to accept comments.

OR

- (2) Return the attached “Mailing List Update Form” (appendix 2).

**Additional Information**

Additional information about the Project is 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. Click on the eLibrary link, click on “General Search” and enter the docket number in the “Docket Number”

field, excluding the last three digits (*i.e.*, CP25–505). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at [FercOnlineSupport@ferc.gov](mailto:FercOnlineSupport@ferc.gov) or (866) 208–3676, or for TTY, contact (202) 502–8659. The eLibrary link also provides access to the texts of all formal documents issued by the Commission, such as orders, notices, and rulemakings.

Public sessions or site visits will be posted on the Commission’s calendar located at <https://www.ferc.gov/news-events/events> along with other related information.

Dated: August 8, 2025.

**Debbie-Anne A. Reese,**  
*Secretary.*

[FR Doc. 2025–15362 Filed 8–12–25; 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:* RP25–1062–000.

*Applicants:* National Fuel Gas Supply Corporation.

*Description:* § 4(d) Rate Filing: Negotiated Rate for Citadel Energy Marketing to be effective 9/1/2025.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5029.

*Comment Date:* 5 p.m. ET 8/20/25.

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:* RP24–780–000.

*Applicants:* Maritimes & Northeast Pipeline, L.L.C.

*Description:* Refund Report: Maritimes RP24–780 Refund Report to be effective N/A.

*Filed Date:* 8/8/25.

*Accession Number:* 20250808–5067.

*Comment Date:* 5 p.m. ET 8/20/25.

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: August 8, 2025.

**Carlos D. Clay,**

*Deputy Secretary.*

[FR Doc. 2025–15337 Filed 8–12–25; 8:45 am]

**BILLING CODE 6717–01–P**

**ENVIRONMENTAL PROTECTION AGENCY**

**[EPA–HQ–OLEM–2025–0586; 12864–01–OLEM]**

**Financial Assurance Guidance for the Good Samaritan Remediation of Abandoned Hardrock Mines Act of 2024**

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

**ACTION:** Notice.

**SUMMARY:** In the Good Samaritan Remediation of Abandoned Hardrock Mines Act of 2024, as part of the permit application, Good Samaritan applicants must provide financial assurance for every project. This document provides guidance in drafting and fulfilling the financial assurance components of Good Samaritan permits. This guidance defines relevant terms, discusses initial and modified cost estimates and financial assurance mechanisms, and describes how financial assurance may be accessed and released by the Environmental Protection Agency (EPA).

**DATES:** Comments must be received on or before September 12, 2025.

**ADDRESSES:** Submit your comments, referencing Docket ID No. EPA–HQ–OLEM–2025–0586 to EPA online using <https://www.regulations.gov> (our preferred method), or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW, Washington, DC 20460. EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

**FOR FURTHER INFORMATION CONTACT:**

Jamey Watt, Office of Mountains, Deserts and Plains, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Mail Code 5106P, Washington, DC 20460; telephone number: (202) 566–0196; email address: [watt.jamey@epa.gov](mailto:watt.jamey@epa.gov).

**SUPPLEMENTARY INFORMATION:** The Good Samaritan Remediation of Abandoned

Hardrock Mines Act of 2024 (the Act) establishes a pilot program authorizing the Administrator of the EPA, among other things, to grant up to 15 Good Samaritan permits for low-risk projects designed to remediate abandoned hardrock mine sites. The Administrator may grant a permit only if, among other considerations, the applicant for that permit has demonstrated to the satisfaction of the Administrator that the applicant has, or has access to, the financial resources to complete the project or has established a third-party financial assurance mechanism. In the event a Good Samaritan does not complete permit requirements, financial assurance funds secured under a third-party mechanism are intended to provide funding to complete the permitted work and for the purpose of carrying out the Act without the use of taxpayer funds.

**Lee Zeldin,**

*Administrator.*

[FR Doc. 2025–15352 Filed 8–12–25; 8:45 am]

**BILLING CODE 6560–50–P**

**FEDERAL COMMUNICATIONS COMMISSION**

**[OMB 3060–1022; FR ID 308191]**

**Information Collection Being Submitted for Review and Approval to Office of Management and Budget**

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice and request for comments.

**SUMMARY:** As part of its continuing effort to reduce paperwork burdens, as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal Agencies to take this opportunity to comment on the following information collection. Pursuant to the Small Business Paperwork Relief Act of 2002, the FCC seeks specific comment on how it might “further reduce the information collection burden for small business concerns with fewer than 25 employees.”

The Commission may not conduct or sponsor a collection of information unless it displays a currently valid Office of Management and Budget (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 comments and recommendations for the proposed information collection should be submitted on or before September 12, 2025.

**ADDRESSES:** Comments should be sent 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. Your comment must be submitted into [www.reginfo.gov](http://www.reginfo.gov) per the above instructions for it to be considered. In addition to submitting in [www.reginfo.gov](http://www.reginfo.gov) also send a copy of your comment on the proposed information collection to Nicole Ongele, FCC, via email to [PRA@fcc.gov](mailto:PRA@fcc.gov) and to [Nicole.Ongele@fcc.gov](mailto:Nicole.Ongele@fcc.gov). Include in the comments the OMB control number as shown in the **SUPPLEMENTARY INFORMATION** below.

**FOR FURTHER INFORMATION CONTACT:** For additional information or copies of the information collection, contact Nicole Ongele at (202) 418-2991. To view a copy of this information collection request (ICR) submitted to OMB: (1) go to the web page <http://www.reginfo.gov/public/do/PRAMain>, (2) look for the section of the web page called “Currently Under Review,” (3) click on the downward-pointing arrow in the “Select Agency” box below the “Currently Under Review” heading, (4) select “Federal Communications Commission” from the list of agencies presented in the “Select Agency” box, (5) click the “Submit” button to the right of the “Select Agency” box, (6) when the list of FCC ICRs currently under review appears, look for the Title of this ICR and then click on the ICR Reference Number. A copy of the FCC submission to OMB will be displayed.

**SUPPLEMENTARY INFORMATION:** As part of its continuing effort to reduce paperwork burdens, as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3520), the FCC invited the general public and other Federal Agencies to take this opportunity to comment on the following information collection. Comments are requested concerning: (a) 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; (b) the accuracy of the Commission’s burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or

other forms of information technology. Pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, see 44 U.S.C. 3506(c)(4), the FCC seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

*OMB Control Number:* 3060–1022.

*Title:* Sections 101.1403, 101.103(f), 101.1413, 101.1440, 101.1417 and 25.139 (MVDDS reporting, recordkeeping and third-party disclosures; NGSO FSS and DBS recordkeeping and third-party disclosures).

*Form Number:* N/A.

*Type of Review:* Extension of a currently approved collection.

*Respondents:* Business or other for-profit entities.

*Number of Respondents:* 18 respondents; 2,238 responses.

*Estimated Time per Response:* 0.25 hour-40 hours.

*Frequency of Response:* Annual and on occasion reporting requirements; 5- and 10-years reporting requirements; third party disclosure requirement; recordkeeping requirement.

*Obligation to Respond:* Required to obtain or retain benefits. 47 U.S.C. 154(i), 157(a), 301, 303(c), 303(f), 303(g), 303(r), 308, and 309(j).

*Total Annual Burden:* 5,316 hours.

*Total Annual Cost:* No cost.

*Needs and Uses:* This collection includes a Part 25 rule and various rules in Part 101 that govern record retention, reporting, and third-party disclosure requirements related to satellite and terrestrial sharing of the 12.2–12.7 GHz band. The satellite operators are Non-Geostationary Orbit Fixed Satellite Service (NGSO FSS) and Direct Broadcast Satellite (DBS) Service. The terrestrial operators are Multichannel Video Distribution and Data Service (MVDDS). The following information collected will assist the Commission in analyzing trends and competition in the marketplace. Section 25.139 requires NGSO FSS licensees to maintain a subscriber database in a format that can be readily shared to enable MVDDS licensees to determine whether a proposed MVDDS transmitting antenna meets the minimum spacing requirement relative to qualifying, existing NGSO FSS subscriber receivers (set forth in § 101.129, FCC Rules). Section 101.1403 requires certain MVDDS licensees that meet the statutory definition of Multichannel Video Programming Distributor (MVPD) to comply with the broadcast carriage requirements located 47 U.S.C. 325(b)(1). Any MVDDS licensee that is an MVPD must obtain the prior express

authority of a broadcast station before retransmitting that station’s signal, subject to the exceptions contained in § 325(b)(2) of the Communications Act of 1934. Section 101.103(f) requires MVDDS licensees to provide notice of intent to construct a proposed antenna to NGSO FSS licensees operating in the 12.2–12.7 GHz frequency band and to establish and maintain an internet website of all existing transmitting sites and transmitting antenna that are scheduled for operation within one year including the “in service” dates. Section 101.1413, as a construction requirement, requires MVDDS licensees to file a showing of substantial service at five and ten years into the initial license term. Substantial service is defined as a “service that is sound, favorable, and substantially above a level of mediocre service which might minimally warrant renewal.” The Commission set forth a safe harbor to serve as a guide to licensees in satisfying the substantial service requirement, as well as additional factors that it would take into consideration in determining whether a licensee satisfies the substantial service standard. Section 101.1440 requires MVDDS licensees to collect information and disclose information to third parties. Therefore, the reporting and disclosure requirements are as follows: Section 101.1440 requires MVDDS licensees to conduct a survey of the area around its proposed transmitting antenna site to determine the location of all DBS customers of record that may potentially be affected by the introduction of its MVDDS service. At least 90 days prior to the planned date of MVDDS commencement of operations, the MVDDS licensee must then provide specific information to the DBS licensee(s). Alternatively, MVDDS licensees may obtain a signed, written agreement from DBS customers of record stating that they are aware of and agree to their DBS system receiving MVDDS signal levels in excess of the appropriate Equivalent Power Flux Density (EPFD) limits. The DBS licensee must thereafter provide the MVDDS licensee with a list of only those new DBS customer locations that have been installed in the 30-day period following the MVDDS notification that the DBS licensee believes may receive harmful interference or where the prescribed EPFD limits may be exceeded. If the MVDDS licensee determines that its signal level will exceed the EPFD limit at any DBS customer site, it shall take whatever steps are necessary, up to and including finding a new transmitter site. Section 101.1417 requires MVDDS licensees to file an annual report. The

MVDDS licensees must file with the Commission two copies of a “licensee information report” by March 1st of each year for the preceding calendar year. This “licensee information report” must include name and address of licensee; station(s) call letters and primary geographic service area(s); and statistical data for the licensee’s station.

Federal Communications Commission.

**Marlene Dortch,**

*Secretary, Office of the Secretary.*

[FR Doc. 2025–15375 Filed 8–12–25; 8:45 am]

**BILLING CODE 6712–01–P**

## FEDERAL LABOR RELATIONS AUTHORITY

### Senior Executive Service Performance Review Board

**AGENCY:** Federal Labor Relations Authority.

**ACTION:** Notice.

**SUMMARY:** The Federal Labor Relations Authority (FLRA) publishes the names of the persons selected to serve on its SES Performance Review Board (PRB) and Executive Resources Board (ERB). This notice supersedes all previous notices of the PRB and ERB membership.

**DATES:** Upon publication.

**ADDRESSES:** Written comments about this final rule can be mailed to the Case Intake and Publication Office, Federal Labor Relations Authority, 1400 K Street NW, Washington, DC 20424. All written comments will be available for public inspection during normal business hours at the Case Intake and Publication Office.

**FOR FURTHER INFORMATION CONTACT:** Michael Jeffries, Executive Director, Federal Labor Relations Authority, 1400 K St. NW, Washington, DC 20424, (771) 444–5868, [mjeffries@flra.gov](mailto:mjeffries@flra.gov).

**SUPPLEMENTARY INFORMATION:** Section 4314(c) of Title 5, U.S.C. requires each agency to establish one or more PRBs. The PRB shall review and evaluate the initial appraisal of a senior executive’s performance by the supervisor, along with any response by the senior executive, and make recommendations to the final rating authority relative to the performance of the senior executive.

The persons named below have been selected to serve on the FLRA’s PRB.

PRB Chairman:

Michael Jeffries, Executive Director, FLRA

PRB Members:

Kimberly Moseley, Executive Director,  
Federal Service Impasses Panel  
Thomas Tso, Solicitor, FLRA

James J. Daley, Deputy General Counsel,  
FLRA  
Karen Gorman, Principal Deputy Special  
Counsel, OSC  
Leslie C. Bayless, Chief Operating Officer,  
Federal Mine Safety and Health Review  
Commission

Section 3393(b) of Title 5, U.S.C. requires each agency to establish one or more ERBs. ERBs shall conduct merit staffing processes for career appointees, including reviewing the executive qualifications of each candidate for a position to be filled by a career appointee; and making written recommendations to the appropriate appointing authority concerning such candidates.

The persons named below have been selected to serve on the FLRA’s ERB.

ERB Chairman:

Colleen Duffy Kiko, Chairman, FLRA

ERB Members:

Anne Wagner, Member, FLRA  
Thomas Tso, Solicitor, FLRA  
James J. Daley, Deputy General Counsel,  
FLRA

Dated: August 11, 2025.

**Rebecca J. Osborne,**

*Federal Register Liaison.*

[FR Doc. 2025–15389 Filed 8–12–25; 8:45 am]

**BILLING CODE 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 August 28, 2025.

*A. Federal Reserve Bank of St. Louis* (Holly A. Rieser, Senior Manager) P.O. Box 442, St. Louis, Missouri 63166–2034. Comments can also be sent electronically to

[Comments.applications@stls.frb.org](mailto:Comments.applications@stls.frb.org):

1. *Farmers Bank and Trust Company 401(k) Employee Stock Ownership Plan and Trust, Marion, Kentucky, Christopher E. Cook and Sandra Stephens, both of Marion, Kentucky, and J. Wade Berry, Eddyville, Kentucky, all as trustees*; as a group acting in concert, to retain voting shares of Farmers Bancorp, Inc. of Marion, Kentucky, and thereby indirectly retain voting shares of Farmers Bank & Trust Company, both of Marion, Kentucky.

Board of Governors of the Federal Reserve System.

**Michele Taylor Fennell,**

*Associate Secretary of the Board.*

[FR Doc. 2025–15368 Filed 8–12–25; 8:45 am]

**BILLING CODE P**

## FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

### Notice of Board Meeting

**DATES:** August 26, 2025 at 10:00 a.m. ET.

**ADDRESSES:** Telephonic. Dial-in (listen only) information: Number: 1–202–599–1426, Code: 820 586 67#; or via web: <https://www.frtib.gov/>.

**FOR FURTHER INFORMATION CONTACT:** James Kaplan, Director, Office of External Affairs, (202) 864–7150.

### SUPPLEMENTARY INFORMATION:

#### Board Meeting Agenda

##### Open Session

1. Approval of the July 22, 2025, Board Meeting Minutes
2. Monthly Reports
  - (a) Participant Report
  - (b) Investment Report
  - (c) Legislative Report

3. Quarterly Reports (d) Metrics
4. Internal Audit Update
5. FY 2025 FISMA Report
6. OCFO Office Presentation

*Closed Session*

7. Information covered under 5 U.S.C. 552b (c)(9)(B).

(Authority: 5 U.S.C. 552b (e)(1).)

Dated: August 11, 2025.

**Dharmesh Vashee,**

*General Counsel, Federal Retirement Thrift Investment Board.*

[FR Doc. 2025-15378 Filed 8-12-25; 8:45 am]

**BILLING CODE P**

**FEDERAL TRADE COMMISSION**

**Agency Information Collection Activities; Proposed Collection; Comment Request; Extension**

**AGENCY:** Federal Trade Commission.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995 (PRA), the Federal Trade Commission (FTC or Commission) is seeking public comment on its proposal to extend for an additional three years the FTC's portion of the information collection requirements contained in the Consumer Financial Protection Bureau's Regulation N (the Mortgage Acts and Practices—Advertising Rule). The FTC generally shares enforcement of Regulation N with the Consumer Financial Protection Bureau (CFPB). The current clearance expires on February 28, 2026.

**DATES:** Comments must be filed by October 14, 2025.

**ADDRESSES:** Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write "Regulation N, PRA Comment, P085405," on your comment, and file your comment online at <https://www.regulations.gov> by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Suite CC-5610 (Annex J), Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Carole L. Reynolds, Attorney, Division of Financial Practices, Bureau of Consumer Protection, Federal Trade Commission, (202) 326-3230; [creynolds@ftc.gov](mailto:creynolds@ftc.gov).

**SUPPLEMENTARY INFORMATION:**

*Title:* Mortgage Acts and Practices—Advertising (Regulation N), 12 CFR part 1014.

*OMB Control Number:* 3084-0156.

*Type of Review:* Extension of a currently approved collection.

*Abstract:* The FTC and the CFPB generally share enforcement authority for Regulation N and thus the two agencies share burden estimates for Regulation N.<sup>1</sup> Regulation N's recordkeeping requirements constitute a "collection of information" for purposes of the PRA.<sup>2</sup> The Rule does not impose a disclosure requirement.

Regulation N requires covered persons to retain: (1) copies of materially different commercial communications and related materials, regarding any term of any mortgage credit product, that the person made or disseminated during the relevant time period; (2) documents describing or evidencing all mortgage credit products available to consumers during the relevant time period; and (3) documents describing or evidencing all additional products or services (such as credit insurance or credit disability insurance) that are or may be offered or provided with the mortgage credit products available to consumers during the relevant time period. A failure to keep such records would be an independent violation of the Rule.

Commission staff believes the recordkeeping requirements pertain to records that are usual and customary and kept in the ordinary course of business for many covered persons, such as mortgage brokers, lenders, and servicers; real estate brokers and agents; home builders, and advertising agencies.<sup>3</sup> As to these persons, the

<sup>1</sup> As background, the FTC's Mortgage Acts and Practices—Advertising Rule, 16 CFR part 321, was issued by the FTC in July 2011, 76 FR 43826 (July 22, 2011), and became effective on August 19, 2011. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) transferred to the CFPB the Commission's rulemaking authority under section 626 of the 2009 Omnibus Appropriations Act on July 21, 2011. As a result, the CFPB republished the Mortgage Acts and Practices—Advertising Rule, at 12 CFR part 1014, which became effective December 30, 2011. 76 FR 78130. Thereafter, the Commission rescinded its Rule, effective April 13, 2012. 77 FR 22200. Under the Dodd-Frank Act, the FTC retains its authority to bring law enforcement actions to enforce Regulation N.

<sup>2</sup> Section 1014.5 of the Rule sets forth the recordkeeping requirements. See 44 U.S.C. 3502(3)(A).

<sup>3</sup> Some covered persons, particularly mortgage brokers and lenders, are subject to state recordkeeping requirements for mortgage advertisements. See, e.g., Fla. Stat. 494.00165 (2024); Ind. Code 23-2.5-8.5 (2024); Kan. Stat. Ann. 9-2208 (2024); Minn. Stat. 58.14 (2024); Wash. Rev. Code 19.146.060 (2024), and WAC 208-660-450 (2023). Many mortgage brokers, lenders (including

retention of these documents does not constitute a "collection of information," as defined by OMB's regulations that implement the PRA.<sup>4</sup> Certain other covered persons such as lead generators and rate aggregators may not currently maintain these records in the ordinary course of business.<sup>5</sup> Thus, the recordkeeping requirements for those persons would constitute a "collection of information."

The information retained under the Rule's recordkeeping requirements is used by the Commission to substantiate compliance with the Rule and may also provide a basis for the Commission to bring an enforcement action. Without the required records, it would be difficult either to ensure that entities are complying with the Rule's requirements or to bring enforcement actions based on violations of the Rule.

*Likely Respondents:* Lead generators and rate aggregators.

*Estimated Annual Hours Burden:* 1,500 hours.

- Derived from 1,000 likely respondents × approximately 3 hours for each respondent per year to do these tasks = 3,000 hours.

- Since the FTC shares enforcement authority with the CFPB for Regulation N, the FTC's allotted PRA burden is 1,500 annual hours.

*Estimated Annual Labor Cost Burden:* \$31,515, which is derived from 1,500 hours × \$21.01 per hour.

As required by section 3506(c)(2)(A) of the PRA, 44 U.S.C. 3506(c)(2)(A), the FTC is providing this opportunity for public comment before requesting that OMB extend the existing clearance for the information collection requirements contained in Regulation N.

finance companies), and servicers are subject to state recordkeeping requirements for mortgage transactions and related documents, and these may include descriptions of mortgage credit products. See, e.g., Mich. Comp. Laws Serv. 445.1671 (2024); N.Y. Banking Law 597 (Consol. 2024); Tenn. Code Ann. 45-13-206 (2024). Lenders and mortgagees approved for Federal Housing Administration programs must retain copies of all print and electronic advertisements and promotional materials for a period of two years from the date the materials are circulated or used to advertise. See 24 CFR part 202. Various other entities, such as real estate brokers and agents, home builders, and advertising agencies can be indirectly covered by state recordkeeping requirements for mortgage advertisements and/or retain ads to demonstrate compliance with state law. See, e.g., 76 Del. Laws, c. 421, sec. 1.

<sup>4</sup> See 44 U.S.C. 3502(3)(A); 5 CFR 1320.3(b)(2).

<sup>5</sup> See, e.g., *United States v. Intermundo Media, LLC, dba Delta Prime Refinance*, No. 1:14-cv-2529 (D. Colo. Oct. 7, 2014) (stipulated order for permanent injunction and civil penalty judgment), available at <https://www.ftc.gov/system/files/documents/cases/140912deltaprimestiporder.pdf>. The complaint charged this lead generator with numerous violations of Regulation N, including recordkeeping, and of other federal mortgage advertising mandates.

## Burden Statement

*Estimated total annual hours burden:* 1,500 hours (for the FTC).

Commission staff estimates that the Rule's recordkeeping requirements will affect approximately 1,000 persons<sup>6</sup> who would not otherwise retain such records in the ordinary course of business. As noted, this estimate includes lead generators and rate aggregators that may provide commercial communications regarding mortgage credit product terms.<sup>7</sup> Although the Commission cannot estimate with precision the time required to gather and file the required records, it is reasonable to assume that covered persons will each spend approximately 3 hours per year to do these tasks, for a total of 3,000 hours (1,000 persons × 3 hours). Since the FTC generally shares enforcement authority with the CFPB for Regulation N, the FTC's allotted PRA burden is 1,500 annual hours.<sup>8</sup>

*Estimated labor costs:* \$31,515.

Commission staff derived labor costs by applying appropriate hourly cost figures to the burden hours described above. Staff further assumes that office support file clerks will handle the Rule's record retention requirements at an hourly rate of \$21.01.<sup>9</sup> Based upon the above estimates and assumptions, the total annual labor cost to retain and

file documents, for the FTC's allotted burden, is \$31,515 (1,500 hours × \$21.01 per hour).

Absent information to the contrary, staff anticipates that existing storage media and equipment that covered persons use in the ordinary course of business will satisfactorily accommodate incremental recordkeeping under the Rule. Accordingly, staff does not anticipate that the Rule will require any new capital or other non-labor expenditures.

## Request for Comment

Pursuant to section 3506(c)(2)(A) of the PRA, the FTC invites comments on: (1) whether the disclosure and recordkeeping requirements are necessary, including whether the information will be practically useful; (2) the accuracy of our burden estimates, including whether the methodology and assumptions used are valid; (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.

For the FTC to consider a comment, we must receive it on or before October 14, 2025. Your comment, including your name and your state, will be placed on the public record of this proceeding, including the <https://www.regulations.gov> website.

You can file a comment online or on paper. Due to heightened security screening, postal mail addressed to the Commission will be subject to delay. We encourage you to submit your comments online through the <https://www.regulations.gov> website.

If you file your comment on paper, write "Regulation N, PRA Comment, P085405," on your comment and on the envelope, and mail it to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Suite CC-5610 (Annex J), Washington, DC 20580.

Because your comment will become publicly available at <https://www.regulations.gov>, you are solely responsible for making sure that your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information, such as your or anyone else's Social Security number; date of birth; driver's license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, such as medical records or other individually

identifiable health information. In addition, your comment should not include any "trade secret or any commercial or financial information which . . . is privileged or confidential"—as provided by Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2)—including, in particular, competitively sensitive information, such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must (1) be filed in paper form, (2) be clearly labeled "Confidential," and (3) comply with FTC Rule 4.9(c). In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. See FTC Rule 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted publicly at [www.regulations.gov](http://www.regulations.gov), we cannot redact or remove your comment unless you submit a confidentiality request that meets the requirements for such treatment under FTC Rule 4.9(c), and the General Counsel grants that request.

The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before October 14, 2025. For information on the Commission's privacy policy, including routine uses permitted by the Privacy Act, see <https://www.ftc.gov/site-information/privacy-policy>.

**Josephine Liu,**

*Assistant General Counsel for Legal Counsel.*

[FR Doc. 2025-15323 Filed 8-12-25; 8:45 am]

BILLING CODE 6750-01-P

## FEDERAL TRADE COMMISSION

### Agency Information Collection Activities; Submission for OMB Review; Comment Request; Extension

**AGENCY:** Federal Trade Commission.

**ACTION:** Notice and request for comment.

**SUMMARY:** The FTC requests that the Office of Management and Budget (OMB) extend for three years the current Paperwork Reduction Act (PRA)

<sup>6</sup> No general source provides precise numbers of the various categories of covered persons. Commission staff, therefore, has used the following sources and inputs to arrive at this estimated total: 1,000 lead generators and rate aggregators, based on staff's administrative experience.

<sup>7</sup> The Commission does not know what percentage of these persons are, in fact, engaged in covered conduct under the Rule, *i.e.*, providing commercial communications about mortgage credit product terms. For purposes of these estimates, the Commission has assumed all of them are covered by the recordkeeping provisions and are not retaining these records in the ordinary course of business.

<sup>8</sup> This estimate reflects the same burden compared to prior FTC estimates, because many entities can be indirectly covered by state recordkeeping requirements for mortgage advertisements and/or retain ads to demonstrate compliance with state law, as discussed above. See *supra* note 3. The FTC notes that the CFPB's recent information collection filing with OMB for Regulation N also reflects the view that, in large part, most entities either retain records in the ordinary course of business or to demonstrate compliance with other laws. See generally Bureau of Consumer Financial Protection, Agency Information Collection Activities: Submission for OMB Review; Comment Review, 87 FR 40513 (July 7, 2022), available at <https://www.govinfo.gov/content/pkg/FR-2022-07-07/pdf/2022-14474.pdf>.

<sup>9</sup> This estimate is based on mean hourly wages for office support file clerks provided by the Bureau of Labor Statistics. See U.S. Bureau of Labor Statistics, Occupational Employment and Wages—May 2024, table 1 ("National employment and wage data from the Occupational Employment Statistics survey by occupation"), released April 2, 2025, available at <https://www.bls.gov/news.release/pdf/ocwage.pdf>.

clearance for information collection requirements contained in the agency's Mail, internet, or Telephone Order Merchandise Rule (MITOR or Rule). That clearance expires on August 31, 2025.

**DATES:** Comments must be filed by September 11, 2025.

**ADDRESSES:** Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. 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.

**FOR FURTHER INFORMATION CONTACT:** Michelle Schaefer, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Mail Code CC-6316, 600 Pennsylvania Avenue NW, Washington, DC 20580, (202) 326-3515.

**SUPPLEMENTARY INFORMATION:**

*Title of Collection:* Mail, internet, or Telephone Order Merchandise Rule (MITOR or Rule), 16 CFR part 435.

*OMB Control Number:* 3084-0106.

*Type of Review:* Extension of currently approved collection.

*Affected Public:* Businesses engaged in the sale of merchandise by mail, internet or telephone.

*Estimated Annual Burden Hours:* 4,003,250 hours [(68,358 established businesses × 50 hours) + (2,545 new entrants × 230 hours)].

*Estimated Annual Labor Costs:* \$104,084,500 (4,003,250 hours × \$26.00/hour).<sup>1</sup>

*Estimated Annual Non-Labor Costs:* \$0.

*Abstract:* Generally, the MITOR requires a seller (or merchant) to: (1) have a reasonable basis for any express or implied shipment representation made in soliciting the sale (if no express time period is promised, the implied

shipment representation is 30 days); (2) notify the buyer (or consumer) and obtain the buyer's consent to any delay in shipment; and (3) make prompt and full refunds when the buyer exercises a cancellation option or the seller is unable to meet the Rule's other requirements.

**Request for Comment**

On April 25, 2025, the FTC sought public comment on the information collection requirements associated with the Rule. 90 FR 17436 (Apr. 25, 2025) ("April 2025 Notice"). The Commission received one germane comment. The commenter suggested that the OMB control number for this collection was improperly changed in violation of OMB's regulations. However, the OMB control number (3084-0106) for this collection has not changed since it was initially approved. In regard to the commenter's statement that "The Federal Trade Commission is not part of the rule making process in the OMB system as well,"<sup>2</sup> the Commission notes that E.O. 14215<sup>3</sup> requires all agencies, including independent agencies, to submit their proposed and final significant regulatory actions to OMB for review before they are published in the **Federal Register**. This E.O. does not apply retroactively to previously published FTC rulemaking documents or notices requesting comment on PRA collections. Thus, the commenter's concerns regarding the OMB control number for this collection (3084-0106) and the FTC's participation in E.O. 12866's OMB review process are unfounded.

This commenter also referenced contractual burdens created by the need for consent from telephone orders, and the cost to taxpayers created by these burdens since 1995. The specific relevance of this comment in the context of renewing the Rule's Paperwork Reduction Act clearance is unclear. To the extent this commenter suggests MITOR's information collection requirements related to telephone sales create unique circumstances because of the "need for consent," the Rule does not require extra consent just because orders are placed over the phone. It does, however,

require consent to delays and post-sale changes—which applies equally to mail, phone, and online orders.<sup>4</sup> Therefore, telephone orders do not create exceptional circumstances that would impact the FTC's analysis seeking renewal of pre-existing clearance for the Rule.

Pursuant to OMB regulations, 5 CFR part 1320, that implement the PRA, 44 U.S.C. 3501 *et seq.*, the FTC is providing this second opportunity for public comment while seeking OMB approval to renew the pre-existing clearance for the Rule. For more details about the Rule's requirements and the basis for the calculations summarized above, see 90 FR 17436.

Your comment—including your name and your state—will be placed on the public record of this proceeding. Because your comment will be made public, you are solely responsible for making sure that your comment does not include any sensitive personal information, such as anyone's Social Security number; date of birth; driver's license number or other state identification number or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for ensuring that your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any "trade secret or any commercial or financial information which is . . . privileged or confidential"—as provided in Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2)—including, in particular, competitively sensitive information, such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

**Josephine Liu,**

*Assistant General Counsel for Legal Counsel.*

[FR Doc. 2025-15316 Filed 8-12-25; 8:45 am]

**BILLING CODE 6750-01-P**

<sup>1</sup> The hourly wage rates for sales and related workers are based on the hourly mean wage rates provided by the Bureau of Labor Statistics. See U.S. Bureau of Labor Statistics, Occupational Employment and Wages—May 2024, table 1 ("National employment and wage data from the Occupational Employment Statistics survey by occupation"), released April 2, 2025, <https://www.bls.gov/news.release/ocwage.htm>.

<sup>2</sup> Kelly Moore Cmt. on FTC Agency Information Collection Activities; Proposed Collection; Comment Request; Extension, Jun. 24, 2025, <https://www.regulations.gov/comment/FTC-2025-0032-0012>.

<sup>3</sup> E.O. 14215, Ensuring Accountability for All Agencies, 90 FR 10477 (Feb. 24, 2025).

<sup>4</sup> There is no requirement in MITOR that a customer affirmatively consent before placing any order, be it through the telephone, mail, or internet. For telephone sales, like any distance sale, the seller must be clear about the delivery timeframe at point of sale. At the time of sale, sellers must have a reasonable basis to expect they can ship the goods within the advertised time or within 30 days if no time is stated. 16 CFR 435.2(a)(1). Consent comes into play after purchase if there are delays and customers must be notified and agree to wait or cancel. 16 CFR 435.2(b).

**DEPARTMENT OF HEALTH AND HUMAN SERVICES****Centers for Medicare & Medicaid Services**

[Document Identifier: CMS–10755 and CMS–265–11]

**Agency Information Collection Activities: Submission for OMB Review; Comment Request****AGENCY:** Centers for Medicare & Medicaid Services, Health and Human Services (HHS).**ACTION:** Notice.

**SUMMARY:** The Centers for Medicare & Medicaid Services (CMS) is announcing an opportunity for the public to comment on CMS' intention to collect information from the public. 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, including each proposed extension or reinstatement of an existing collection of information, and to allow a second opportunity for public comment on the notice. Interested persons are invited to send comments regarding the burden estimate or any other aspect of this collection of information, including the necessity and utility of the proposed information collection for the proper performance of the agency's functions, the accuracy of the estimated burden, ways to enhance the quality, utility, and clarity of the information to be collected, and the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

**DATES:** Comments on the collection(s) of information must be received by the OMB desk officer by September 12, 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.

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/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing>.

**FOR FURTHER INFORMATION CONTACT:** William Parham at (410) 786–4669.

**SUPPLEMENTARY INFORMATION:** Under the Paperwork Reduction Act of 1995 (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. The term "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. Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3506(c)(2)(A)) requires federal agencies to publish a 30-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice that summarizes the following proposed collection(s) of information for public comment:

1. *Type of Information Collection Request:* Revision of a currently approved collection; *Title of Information Collection:* Medicare Part D Electronic Prescribing Tools (42 CFR 423.128(d)(4)–(5) and 423.160(b)(1)); *Use:* The NCPDP SCRIPT standard is utilized to electronically transmit prescriptions for Part D drugs for Part D eligible individuals, as required at 42 CFR 423.160(b)(1). This standard also includes a series of transactions which enable ePA to take place when the electronically prescribed drug requires PA. The ePA transactions within the NCPDP SCRIPT standard enable the secure exchange of information relevant to ePA between the prescriber's electronic health record (EHR) and the insurer, specifically providing standardized information fields that are relevant for medication use, mandatory questions, transaction messaging, and standardized ePA data elements exchanging the PA questions and answers between prescribers and payers.

Beneficiaries can access the real-time benefit tools (RTBTs) online or by phone from the plan's call center. Although a goal of requiring a

beneficiary RTBT is to ensure beneficiaries can readily access their formulary and benefit information, we retained a requirement for Part D sponsors to provide the same information by phone for beneficiaries who are less comfortable with computer or mobile access to their plan information.; *Form Number:* CMS–10755 (OMB control number: 0938–1396); *Frequency:* Yearly; *Affected Public:* Private and Businesses or other for-profits; *Number of Respondents:* 1,001; *Total Annual Responses:* 700,865; *Total Annual Hours:* 11,880. (For policy questions regarding this collection contact Craig Miner at 410–786–7937 or [craig.miner@cms.hhs.gov](mailto:craig.miner@cms.hhs.gov).)

2. *Type of Information Collection Request:* Extension of a currently approved collection; *Title of Information Collection:* Independent Renal Dialysis Facility Cost Report; *Use:* Under the authority of sections 1815(a) and 1833(e) of the Act, CMS requires that providers of services participating in the Medicare program submit information to determine costs for health care services rendered to Medicare beneficiaries. CMS requires that providers follow reasonable cost principles under 1861(v)(1)(A) of the Act when completing the Medicare cost report (MCR). Regulations at 42 CFR 413.20 and 413.24 require that providers submit acceptable cost reports on an annual basis and maintain sufficient financial records and statistical data, capable of verification by qualified auditors.

ESRD facilities participating in the Medicare program submit these cost reports annually to report cost and statistical data used by CMS to determine reasonable costs incurred for furnishing dialysis services to Medicare beneficiaries and to affect the year-end cost settlement for Medicare bad debts. *Form Number:* CMS–265–11 (OMB control number: 0938–0236); *Frequency:* Annually; *Affected Public:* Private Sector, Business or other for-profits, State, Local, or Tribal Governments); *Number of Respondents:* 7,329; *Total Annual Responses:* 7,329; *Total Annual Hours:* 483,714. (For questions regarding this collection contact Keplinger, Jill C. at 410–786–4550.)

**William N. Parham, III,**

*Director, Division of Information Collections and Regulatory Impacts, Office of Strategic Operations and Regulatory Affairs.*

[FR Doc. 2025–15386 Filed 8–12–25; 8:45 am]

**BILLING CODE 4120–01–P**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Health Resources and Services Administration**

**Agency Information Collection Activities: Submission to OMB for Review and Approval; Public Comment Request; Nurse Corps Loan Repayment Program, OMB No. 0915-0140—Revision**

**AGENCY:** Health Resources and Services Administration (HRSA), Department of Health and Human Services.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995, HRSA submitted an Information Collection Request (ICR) to the Office of Management and Budget (OMB) for review and approval. Comments submitted during the first public review of this ICR will be provided to OMB. OMB will accept further comments from the public during the review and approval period. OMB may act on HRSA’s ICR only after the 30-day comment period for this notice has closed.

**DATES:** Comments on this ICR should be received no later than September 12, 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 Review—Open for Public Comments” or by using the search function.

**FOR FURTHER INFORMATION CONTACT:** To request a copy of the clearance requests submitted to OMB for review, email Samantha Miller, the HRSA Information Collection Clearance Officer, at [paperwork@hrsa.gov](mailto:paperwork@hrsa.gov) or call (301) 443-3983.

**SUPPLEMENTARY INFORMATION:**

*Information Collection Request Title:* Nurse Corps Loan Repayment Program, OMB No. 0915-0140—Revision.

*Abstract:* The Nurse Corps Loan Repayment Program (LRP) assists in the recruitment and retention of professional Registered Nurses (RNs), including Advanced Practice Registered Nurses (APRNs), by decreasing the financial barriers associated with pursuing a nursing education. RNs in this instance include APRNs (e.g., nurse practitioners, certified registered nurse anesthetists, certified nurse-midwives, and clinical nurse specialists) dedicated to working at eligible health care facilities with a critical shortage of nurses (i.e., a Critical Shortage Facility) or working as nurse faculty in eligible, accredited schools of nursing. The Nurse Corps LRP provides loan repayment assistance to these nurses to repay a portion of their qualifying educational loans in exchange for a minimum of 2 years of full-time service at a public or private Critical Shortage Facility or in an eligible, accredited school of nursing.

A 60-day notice published in the **Federal Register** on May 15, 2025, vol. 90, No. 93; pp. 20679-80. There were no public comments. After publication of the 60-day notice, HRSA determined that the Disadvantaged Background Form is not needed for purposes of this information collection request. This determination was made because the Nurse Corps LRP Application already verifies that at least 50 percent of students enrolled in the school where nurse faculty participants will serve are from a disadvantaged background. Removing this form will decrease applicant burden and prevent confusion about program requirements. The estimated burden table below has been revised accordingly.

*Need and Proposed Use of the Information:* Individuals must submit an application in order to participate in the program. The application asks for personal, professional, educational, and financial information required to

determine the applicant’s eligibility to participate in the Nurse Corps LRP. An Employment Verification Form verifies the applicant’s name and address of the Critical Shortage Facility or eligible school of nursing where they will serve their service commitment, which must be completed by the appropriate official or authorized point of contact at the Critical Shortage Facility or school of nursing. This information collection is used by the Nurse Corps program to make award decisions about Nurse Corps LRP applicants and to monitor a participant’s compliance with the program’s service requirements. The Nurse Corps LRP is requesting a revision and is seeking to use the previously approved forms. There is a decrease in the estimated annual burden due to the elimination of the Disadvantaged Background Form and fewer anticipated respondents among Nurse LRP applicants.

*Likely Respondents:* Professional RNs or APRNs who are interested in participating in the Nurse Corps LRP, and official representatives at their service sites.

*Burden Statement:* Burden in this context means the time expended by persons to generate, maintain, retain, disclose, or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install, and utilize technology and systems for the purpose of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden hours estimated for this ICR are summarized in the table below.

The estimates of reporting for applicants are as follows:

**TOTAL ESTIMATED ANNUALIZED BURDEN HOURS FOR THE STAR LRP**

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Nurse Corps LRP Application * .....	6,450	1	6,450	2.00	12,900
Authorization to Release Information Form ** .....	6,450	1	6,450	0.10	645
Employment Verification Form ** .....	6,450	1	6,450	0.10	645
Confirmation of Interest Form .....	989	1	989	0.20	198
<b>Total for Applicants .....</b>	<b>6,450</b>	<b>.....</b>	<b>20,339</b>	<b>.....</b>	<b>14,388</b>

\* The burden hours associated with this instrument account for both new and continuation applications.

\*\* The same respondents are completing these instruments.

The estimates of reporting for Participants are as follows:

TOTAL ESTIMATED ANNUALIZED BURDEN HOURS FOR THE PEDIATRIC SPECIALTY LRP

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
In Service Verification Form .....	989	2	1,978	0.50	989
Nurse Corps Critical Shortage Facility Verification Form .....	989	1	989	0.10	99
Nurse Corps Nurse Faculty Employment Verification Form .....	388	1	388	0.20	78
Total for Participants .....	989	.....	3,355	.....	1,166

The total estimates for Applicants and Participants are as follows:

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Total for Applicants and Participants .....	7,439	.....	23,694	.....	15,554

**Maria G. Button,**  
 Director, Executive Secretariat.  
 [FR Doc. 2025-15358 Filed 8-12-25; 8:45 am]  
 BILLING CODE 4165-15-P

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Health Resources and Services Administration**

**Agency Information Collection Activities: Proposed Collection: Public Comment Request; Information Collection Request Title: Substance Use Disorder Treatment and Recovery Loan Repayment Program and the Pediatric Specialty Loan Repayment Program—OMB No. 0906-0058—Revision**

**AGENCY:** Health Resources and Services Administration (HRSA), Department of Health and Human Services.

**ACTION:** Notice.

**SUMMARY:** In compliance with the requirement for opportunity for public comment on proposed data collection projects of the Paperwork Reduction Act of 1995, HRSA announces plans to submit an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). Prior to submitting the ICR to OMB, HRSA seeks comments from the public regarding the burden estimate, below, or any other aspect of the ICR.

**DATES:** Comments on this ICR should be received no later than October 14, 2025.

**ADDRESSES:** Submit your comments to [paperwork@hrsa.gov](mailto:paperwork@hrsa.gov) or mail the HRSA

Information Collection Clearance Officer, Room 14NWH04, 5600 Fishers Lane, Rockville, Maryland 20857.

**FOR FURTHER INFORMATION CONTACT:** To request more information on the proposed project or to obtain a copy of the data collection plans and draft instruments, email [paperwork@hrsa.gov](mailto:paperwork@hrsa.gov) or call Samantha Miller, the HRSA Information Collection Clearance Officer, at (301) 443-3983.

**SUPPLEMENTARY INFORMATION:** When submitting comments or requesting information, please include the ICR title for reference.

*Information Collection Request Title:* Substance Use Disorder Treatment and Recovery Loan Repayment Program and the Pediatric Specialty Loan Repayment Program, OMB No. 0906-0058—Revision.

*Abstract:* The Substance Use Disorder Treatment and Recovery (STAR) Loan Repayment Program (LRP) is authorized by section 781 of the Public Health Service Act (42 U.S.C. 295h). This program allows HRSA to provide the repayment of eligible education loans to individuals working in an eligible full-time substance use disorder treatment job that involves direct treatment or recovery support of patients with or in recovery from a substance use disorder and which is located in either a Health Professional Shortage Area (HPSA) designated for Mental Health, or a county (or municipality, if not contained within any county) where the average drug overdose death rate per 100,000 people over the past 3 years for which official data is available from the State, is higher than the most recent

available national average overdose death rate per 100,000 people, as reported by the Centers for Disease Control and Prevention. The Pediatric Specialty LRP is authorized by section 775 of the Public Health Service Act (42 U.S.C. 295f). This program allows HRSA to provide the repayment of education loans to eligible providers working full-time in or serving a HPSA, medically underserved area (MUA), or medically underserved population (MUP).

The Department of Health and Human Services agrees to make payment of up to \$250,000 for the repayment of eligible educational loans in return for 6 years of obligated service through the STAR LRP, and up to \$100,000 in return for 3 years of obligated service through the Pediatric Specialty LRP.

Eligible disciplines for the STAR LRP include, but are not limited to physicians, psychologists, psychiatric nurses, marriage and family therapists, social workers, counselors, and substance use disorder counselors. The Pediatric Specialty LRP may make awards to applicants participating in an accredited pediatric medical subspecialty, pediatric surgical specialty, and child and adolescent mental health subspecialty residency or fellowship employed as a pediatric medical subspecialist, pediatric surgical specialist, or child and adolescent mental health professional.

Eligible facilities or sites for the STAR LRP and Pediatric Specialty LRP include, but are not limited to: School-Based Clinics, Community Health Centers, Inpatient Programs/ Rehabilitation Centers, Federally

Qualified Health Centers, Centers for Medicare & Medicaid Services-approved Critical Access Hospitals, American Indian Health Facilities (Indian Health Service Facilities, Tribally-Operated 638 Health Programs, and Urban Indian Health Programs), inpatient rehabilitation centers, and psychiatric facilities. STAR LRP facilities must be located in a mental health HPSA or a county where the average drug overdose death rate exceeds the national average, as described above. Pediatric Specialty LRP sites must provide pediatric medical subspecialty care, pediatric surgical specialty care, or child and adolescent mental and behavioral health care in or to a HPSA, MUA, or MUP. HRSA will approve and activate sites for the Pediatric Specialty LRP if:

(1) The facility is already approved for the National Health Service Corps, Nurse Corps, or STAR LRP and located in or serves a HPSA, MUA or MUP; or

(2) During the Pediatric Specialty LRP application cycle, the facility submits to HRSA the site type and the point of contact(s) to *PS\_LRP\_Sites@hrsa.gov*.

HRSA will review and approve eligible new facilities during the respective application cycle for the STAR LRP and the Pediatric Specialty LRP, or upon request by a STAR LRP participant. New facilities must submit to HRSA the facility type and the recruitment contact(s). HRSA will use the information collected to determine eligibility of the facility for participants in the respective program. *Note:* Despite the similarity in the titles, the STAR LRP is not the existing National Health

Service Corps Substance Use Disorder Workforce LRP (OMB #0915–0127), which is authorized under Title III of the Public Health Service Act. The STAR LRP is authorized under Title VII of the Public Health Service Act and has different service requirements, loan repayment protocols, and authorized employment facilities.

*Need and Proposed Use of the Information:* The need and purpose of this information collection is to obtain information that is used to assess an applicant’s eligibility and qualifications for the STAR LRP and the Pediatric Specialty LRP, and to obtain information for eligible facilities or sites. Clinicians interested in participating in the STAR LRP or the Pediatric Specialty LRP must apply to the applicable program to participate. The forms utilized by the STAR LRP and the Pediatric Specialty LRP include the following: the STAR LRP or Pediatric Specialty LRP Application, respectively, the Authorization for Disclosure of Loan Information form, the Privacy Act Release Authorization form, and the electronic Employment Verification form, if applicable. The forms collect information needed for selecting participants and repaying eligible educational loans.

Additionally, health care facilities located in high overdose death rate areas or mental health HPSAs must submit the facility type and the site point(s) of contact(s) for HRSA to determine the facility’s eligibility to participate in the STAR LRP. Similarly, sites located in or serving a HPSA,

MUA, or MUP must submit the site type and the site point(s) of contact(s) for HRSA to determine the sites’ eligibility to participate in the Pediatric Specialty LRP. The STAR LRP and the Pediatric Specialty LRP application asks for personal, professional, and financial information needed to determine the applicant’s eligibility to participate in either of the programs. In addition, applicants must provide information regarding the loans for which repayment is being requested.

*Likely Respondents:* Licensed medical, mental, and behavioral health providers who are employed or seeking employment and are interested in serving underserved populations; and health care facilities or sites interested in becoming approved for the STAR LRP and/or the Pediatric Specialty LRP.

*Burden Statement:* Burden in this context means the time expended by persons to generate, maintain, retain, disclose, or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install, and utilize technology and systems for the purpose of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden hours estimated for this ICR are summarized in the table below.

TOTAL ESTIMATED ANNUALIZED BURDEN HOURS FOR THE STAR LRP

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
STAR LRP Application .....	1,700	1	1,700	0.50	850
Authorization for Disclosure of Loan Information Form .....	1,700	1	1,700	0.50	850
Privacy Act Release Authorization Form .....	1,700	1	1,700	0.50	850
Employment Verification Form .....	1,700	1	1,700	0.50	850
Total .....	1,700	.....	6,800	.....	3,400

TOTAL ESTIMATED ANNUALIZED BURDEN HOURS FOR THE PEDIATRIC SPECIALTY LRP

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Pediatric Specialty LRP Application .....	500	1	500	0.50	250
Authorization for Disclosure of Loan Information Form .....	500	1	500	0.50	250
Privacy Act Release Authorization Form .....	500	1	500	0.50	250
Employment Verification Form .....	500	1	500	0.50	250
Total .....	500	.....	2,000	.....	1,000

HRSA specifically requests comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions, (2) the accuracy of the estimated burden, (3) ways to enhance the quality, utility, and clarity of the information to be collected, and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

**Maria G. Button,**

*Director, Executive Secretariat.*

[FR Doc. 2025-15348 Filed 8-12-25; 8:45 am]

**BILLING CODE 4165-15-P**

## DEPARTMENT OF HOMELAND SECURITY

[Docket No. DHS-2025-0250]

### Federal Emergency Management Agency Review Council; Notice of Meeting

**AGENCY:** Office of Partnership and Engagement, Department of Homeland Security.

**ACTION:** Notice of Open Federal Advisory Committee meeting.

**SUMMARY:** The Office of Partnership and Engagement is publishing this notice that the Federal Emergency Management Agency Review Council ("Council") will meet in person on Thursday, August 28, 2025. This meeting will be open virtually to members of the public. This meeting will be led by the Secretary of Homeland Security and the Secretary of Defense to provide updates from the Council Members.

**DATES:** *Meeting Registration:* Registration to attend the meeting is required and must be received via email no later than 5 p.m. Eastern Daylight Time on Wednesday, August 27, 2025. The meeting is scheduled for Thursday, August 28, 2025, from 11:00 a.m. to 12:15 p.m. Eastern Daylight Time. Members of the public will be able to attend the meeting virtually. The meeting may end early if the Council has completed its business.

**ADDRESSES:** The Council meeting location is Oklahoma City, Oklahoma. Members of the public may attend virtually following the process outlined below. For those attending the meeting you will be in listen-only mode.

*Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

• *Email:* [FEMAreviewcouncil@hq.dhs.gov](mailto:FEMAreviewcouncil@hq.dhs.gov). Include Docket No. DHS-

2025-0250 in the subject line of the message.

• *Mail:* Patrick Powers, Designated Federal Officer of the Federal Emergency Management Agency Review Council, Office of Partnership and Engagement, Mailstop 0385, Department of Homeland Security, 2707 Martin Luther King Jr. Ave. SE, Washington, DC 20032.

*Instructions:* All submissions received must include the words "Department of Homeland Security" and "DHS-2025-0250", the docket number for this action. Comments received will be posted without alteration at <http://www.regulations.gov>, including any personal information provided. You may wish to review the Privacy and Security Notice found via a link on the homepage of [www.regulations.gov](http://www.regulations.gov).

*Docket:* For access to the docket to read comments received by the Council, go to <http://www.regulations.gov>, search "DHS-2025-0250," "Open Docket Folder" to view the comments.

**FOR FURTHER INFORMATION CONTACT:** Patrick Powers, Designated Federal Officer, President's Federal Emergency Management Agency Review Council at (202) 891-2283 or [FEMAreviewcouncil@hq.dhs.gov](mailto:FEMAreviewcouncil@hq.dhs.gov).

**SUPPLEMENTARY INFORMATION:** On January 24, 2025, the President established the Federal Emergency Management Agency Review Council through Executive Order 14180, "Council to Assess the Federal Emergency Management Agency." <https://www.whitehouse.gov/presidential-actions/2025/01/council-to-assess-the-federal-emergency-management-agency>.

Notice of this meeting is given under Section 10(a) of the Federal Advisory Committee Act, Public Law 117-286 (5 U.S.C. Ch. 10), which requires each advisory committee meeting to be open to the public unless the President, or the head of the agency to which the advisory committee reports, determines that a portion of the meeting may be closed to the public in accordance with 5 U.S.C. 552b(c).

*Agenda:* The Council will meet in an open session from 11:00 a.m. to 12:15 p.m. Eastern Daylight Time. The meeting will include: (1) Remarks and updates from Council leadership; (2) open panel discussion.

*Meeting instructions for virtual attendance:* Members of the public may register to participate in this Council meeting under the following procedures. Each individual can register to attend by entering their full legal name and email address into forms link by 5 p.m. Eastern Daylight Time on

Wednesday, August 27, 2025. To receive the link please email Patrick Powers, Designated Federal Officer of the President's Federal Emergency Management Agency Review Council at [FEMAreviewcouncil@hq.dhs.gov](mailto:FEMAreviewcouncil@hq.dhs.gov). Members of the public who have registered to participate will be provided the agenda, draft report, and virtual link. For more information about the Council, please visit our website: <https://www.dhs.gov/federal-emergency-management-agency-review-council>.

The Council is committed to ensuring all participants have equal access regardless of disability status. If you require a reasonable accommodation due to a disability to fully participate, please contact Patrick Powers at [FEMAreviewcouncil@hq.dhs.gov](mailto:FEMAreviewcouncil@hq.dhs.gov) as soon as possible.

Dated: August 11, 2025.

**Patrick Powers,**

*Designated Federal Officer, Federal Emergency Management Agency Review Council, Department of Homeland Security.*

[FR Doc. 2025-15354 Filed 8-12-25; 8:45 am]

**BILLING CODE 9112-FN-P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-6515-N-01]

### Waivers and Alternative Requirements for the Jobs Plus Initiative Program

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Notice.

**SUMMARY:** Since Fiscal Year (FY) 2014, the Jobs Plus Pilot initiative program (commonly known as Jobs Plus or "JP") has provided competitive grants to partnerships between public housing authorities (PHAs), local workforce investment boards established under section 117 of the Workforce Investment Act of 1998, and other agencies and organizations that provide support to help public housing residents obtain employment and increase earnings. On March 29, 2018, HUD published a **Federal Register** notice announcing waivers and alternative requirements for Jobs Plus. This notice establishes a new rent incentive structure in accordance with the Housing Opportunity Through Modernization Act of 2016 (HOTMA) (approved July 29, 2016), for FY 2025 and future Jobs Plus grants. This notice also states that Jobs Plus grants awarded for FY2023-2024 and prior FYs are subject to 24 CFR 960.255(e)(2) and must continue to implement the Jobs Plus rent incentive in accordance with

the Jobs Plus Earned Income Disregard (JPEID) structure.

**DATES:** *Applicability Date:* August 13, 2025.

**FOR FURTHER INFORMATION CONTACT:** To assure a timely response, please electronically direct requests for further information to this email address: [JobsPlus@hud.gov](mailto:JobsPlus@hud.gov). Requests may also be directed to the following address: Ms. Jody Moses, Office of Public and Indian Housing, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 5151, Washington, DC 20410; telephone number (202) 402-5788 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as from individuals with speech or 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**

Jobs Plus promotes economic empowerment in low-income areas by providing funding to PHAs to develop locally-based, job-driven approaches to increase earnings and advance employment outcomes of public housing residents through work readiness, employer linkages, job placement, educational advancement, technology skills, and financial literacy. The Jobs Plus model relies on three components: (1) employment-related services; (2) community support for work; and (3) a financial incentive (*i.e.*, rent incentive), which currently excludes from the family rent calculation 100 percent of a participating resident's incremental earned income for a period of up to 48 months or the end of the grant term (whichever is sooner). The rent incentive is the focus of the notice and removes a major disincentive to employment by neutralizing any rent increase due to increasing earned income.

Congress first appropriated funds for the program in the Consolidated Appropriations Act of 2014, (Pub. L. 113-76, approved January 17, 2014), and continued to appropriate funds for the program in each subsequent fiscal year. The most recent appropriation is the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119-4, approved March 14, 2025). Each year, the appropriations act provisions pertaining to Jobs Plus have remained substantially similar and provide HUD the authority to waive rent

and income limitation requirements under sections 3 and 6 of the United States Housing Act of 1937, as amended, (the Housing Act), (42 U.S.C. 1437a, 1437d), and provide alternative requirements implementing the Jobs Plus rent incentive.

As part of the implementation of the Jobs Plus program, HUD has published two prior **Federal Register** notices to announce waivers and alternative requirements for Jobs Plus, specifically concerning the rent incentive. The first notice, "Jobs-Plus Pilot Initiative program," was published on March 13, 2015 at 80 FR 13415 (the 2015 notice). The 2015 notice was replaced by a second notice, "Waivers and Alternative Requirements for the Jobs Plus Initiative Program," which was published on March 29, 2018 at 83 FR 13506 (the 2018 notice). Under the 2015 and 2018 notices, the Jobs Plus Earned Income Disregard (JPEID) was largely established by HUD waiving section 3(d) of the United States Housing Act of 1937 (42 U.S.C. 1437a) and its implementing regulations at 24 CFR 960.255. The 2018 notice continues to apply to FY2023-2024 and prior Jobs Plus grantees (as described below) but not to FY2025 and subsequent FY Jobs Plus grantees.

This notice, referred to as the 2025 notice, is essential to comply with the statutory requirements established by the Housing Opportunity Through Modernization Act of 2016 (HOTMA) (Pub. L. 114-201, 13 Stat. 782) (approved July 29, 2016). HOTMA removed the standard public housing Earned Income Disregard (EID), which was the foundation for JPEID and the 2015 and 2018 notices. Specifically, section 102(a)(2) of HOTMA eliminated section 3(d) of the Housing Act (42 U.S.C. 1437a(d)), which allowed for the exclusion of earned income increases from annual income calculations for a limited time period for determining rent. Due to the removal of the EID provision, the Jobs Plus incentive will no longer be applicable for grants in FY2025 and subsequent fiscal years. As a result, HUD is using the authority granted in the most recent authorization, the Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119-4, approved March 14, 2025), to waive sections 3 and 6 of the Housing Act, as explained in Appendix 2, to establish a new Jobs Plus rent incentive for FY2025 and subsequent FY grants.

Subsequently, HUD implemented HOTMA via the "Housing Opportunity Through Modernization Act of 2016: Implementation of Sections 102, 103, and 104", 88 FR 9600 (Feb. 14, 2023)

(HOTMA final rule) revising 24 CFR 960.255(e)(2) (Self-sufficiency incentives), effective January 1, 2024. The final rule permits families "eligible to receive the Jobs Plus program rent incentive pursuant to the Jobs Plus FY2023 notice of funding opportunity (NOFO) or earlier appropriations and distributed through prior Jobs Plus NOFOs," to continue to receive the disallowance of increase in annual income (*i.e.*, they may continue to use the rent incentive structure associated with those years, which is the JPEID). The FY2023 Jobs Plus NOFO was reopened on December 12, 2023, to include FY 2024 funds, solicit additional applications under the FY2023 NOFO, and to obligate the bulk of FY2023 and FY2024 Jobs Plus funding within the fiscal year.

Accordingly, HUD's implementation of HOTMA as explained above applies to grants (and the families they serve) awarded under the reopened FY2023 NOFO and prior years' NOFOs, as described in Appendix 1 of this notice. However, families eligible to receive the Jobs Plus rent incentive in connection with FY2025 and future appropriations/NOFOs and grants awarded thereunder are subject to the new rent incentive, the Jobs Plus Deduction (JPD), as described in Appendix 2 of this notice.

HUD will announce any other revisions to waivers and alternative requirements for Jobs Plus in future **Federal Register** notices.

**II. Environmental Review**

This Notice involves administrative and fiscal requirements related to income limits and exclusions regarding the calculation of rental assistance which do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this Notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

**Heidi Frechette,**

*General Deputy Assistant Secretary for Public and Indian Housing.*

**Appendix 1—Jobs Plus Waivers and Alternative Requirements for FY2023-2024 and Prior Fiscal Years' Jobs Plus Grants**

Appendix 1 applies to Jobs Plus grants serving individuals eligible to receive the Jobs Plus program rent incentive pursuant to the Jobs Plus reopened FY2023 (2023-2024) and prior FYs' NOFOs.

The HOTMA final rule revised 24 CFR 960.255(e)(2) to state: "This section [Self-sufficiency incentives—Disallowance of

increase in annual income'] applies to a family that is: . . . Eligible to receive the Jobs Plus program rent incentive pursuant to the Jobs Plus FY2023 NOFO or earlier appropriations and distributed through prior Jobs Plus NOFOs." Accordingly, Jobs Plus grants awarded for FY2023–2024 and prior FYs are subject to 24 CFR 960.255(e)(2) and must continue to implement the Jobs Plus rent incentive in accordance with the JPEID structure of the disregard/disallowance. Grantees administering FY2023–2024 or prior Jobs Plus grants must not change to the newly established Jobs Plus Deduction structure (described in Appendix 2). As such, FY2023–2024 and prior FYs' grants must continue following the 2018 notice, their respective NOFO, grant agreement(s), and using guidance and any applicable tools provided by HUD for their specific grant(s).

### Appendix 2—Jobs Plus Waivers and Alternative Requirements for FY2025 and Subsequent Fiscal Years' Jobs Plus Grants

Appendix 2 applies to Jobs Plus grants serving individuals eligible to receive the Jobs Plus program rent incentive pursuant to the Jobs Plus FY2025 and subsequent FYs' NOFOs. FY2025 and subsequent FYs' grantees must not implement the JPEID structure used by FY2023–2024 and prior grants (described in Appendix 1). FY2025 and subsequent FYs' grantees must, instead, follow the new Jobs Plus rent incentive established in this Appendix 2. Effective January 1, 2024, section 102(a)(2) of HOTMA eliminated the Earned Income Disregard (EID) in Section 3(d) of the U.S. Housing Act of 1937, as explained above in the 2025 notice. The new Jobs Plus rent incentive is called the Jobs Plus Deduction (JPD). Implementation of the Jobs Plus program and the JPD should be considered in the context of conforming to HOTMA requirements, while also considering policies that support the Jobs Plus program intent to support resident wellbeing, build communities with a culture of work, increase earnings and advance employment outcomes of public housing residents.

A PHA awarded a Jobs Plus grant for FY2025 or subsequent FYs shall establish a written policy for the JPD that must be included in its agency policies and administer it accordingly. The records associated with the calculated deducted amounts shall be provided to HUD per the terms and conditions of the Grant Agreement, and any applicable HUD requirements. Additional instructions for the JPD, including submission of records, will be provided at a later date.

The Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119–4, approved March 14, 2025) authorizes HUD to waive or alter the rent and income limitation requirements under Sections 3 and 6 of the United States Housing Act of 1937 as necessary to implement the Jobs Plus grant program. The list of waivers and alternative requirements for these grants is as follows:

#### I. Review of Family Income Waivers and Alternative Requirements

*Provisions waived:* Section 6(c)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437d), Sections 3(a)(6)(A)(ii), (iii), (iv) of the United States Housing Act of 1937 (42 U.S.C. 1437a), Section 3(a)(7)(A–C) of the United States Housing Act of 1937 (42 U.S.C. 1437a), 24 CFR 5.609(c)(1), 24 CFR 960.257(a)(1)–(2), and 24 CFR 960.257(b)(1)–(3).

*Alternative requirements:* The PHA shall calculate the adjusted income for Jobs Plus participants enrolled in the JPD separately from other income deductions for the purposes of determining the amount to be deducted in connection with the JPD. After the earned income baseline has been set, the PHA must not conduct additional income examinations, for purposes of rent calculation, when a JPD participant's earned income increases until the end of a resident's JPD participation. The PHA shall conduct income examinations at the beginning of a resident's participation in the JPD (*i.e.*, when the resident enrolls in JPD) to set the participant's earned income baseline, and at end of a resident's JPD participation period identified in section II below. The PHA shall conduct income examinations requested by JPD participants when their earned income decreases regardless of the amount. Any income examination completed after the earned income baseline is set must not reset the participants' earned income baseline.

#### II. Adjusted Income/Additional Deduction Alternative Requirements

*Provisions affected:* Section 3(b)(5)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a) and 24 CFR 5.611(b). While HUD is not waiving section 3(b)(5)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a) nor 24 CFR 5.611(b), it is creating alternative requirements.

*Alternative requirements:* The PHA shall adopt a deduction specifically for JPD, to be used only when calculating any Jobs Plus participant's adjusted income under a grant made pursuant to the FY2025 or subsequent FYs' NOFOs. Per 24 CFR 5.611, adjusted income is calculated by subtracting mandatory and additional deductions from the annual income (as determined under 24 CFR 5.609) of the members of the family. The PHA must establish a written policy for the deduction. The JPD must deduct from a JPD participant's annual income during rent calculations at any income examination or reexamination—all incremental increases in earned income due to employment for a period of up to 48 months, beginning on the date on which the public housing resident enrolls in the JPD, and ending after 48 months, at the end of the grant period, or at the end of the applicable grace period for participants determined to be over-income for public housing, whichever is soonest. All residents in a Jobs Plus project are eligible to receive the JPD benefit, even if they do not actively participate in other Jobs Plus activities, but they must choose to enroll (documentation determined by PHA) in the JPD portion of the Jobs Plus program.

As JPD is an individual benefit, only individual members of a family in a Jobs Plus public housing project that have enrolled in

JPD may receive the benefit of the JPD for their rent calculation. Grantee PHAs shall document the JPD enrollment, including the enrollment date. Each JPD participant's income must be verified by the PHA to set the participant's baseline earned income for the purpose of rent calculation during their JPD participation. Residents transitioning from a prior earned income incentive to JPD may choose to retain their earned income baseline set when they began the prior financial incentive. Residents must be able to choose whether they want to enroll in JPD or enroll/continue in another financial incentive that is available to them (*e.g.*, FSS escrow). Residents may only benefit from one financial incentive at a time (*e.g.*, a resident cannot participate in both JPD and FSS escrow at the same time). The PHA shall not automatically enroll residents in the Jobs Plus program, the JPD, nor set up Individual Savings Accounts in lieu of providing the JPD.

Grantee PHAs are not eligible for an increase in Capital Fund and Operating Fund formula grants based on the application of the JPD. Any compensation to the PHA for lost rent revenues will be manually adjusted by HUD to prevent overpayment of Public Housing Operating funds to grant recipients. PHAs shall use funds received through their Jobs Plus grant funds to account for lost rental revenue due to the application of the JPD. To facilitate such reimbursements, grantees shall calculate and document each JPD participant's Family Rent at the time of income examination, both before and after the application of the JPD. The difference between these two rents is the amount to be reimbursed to the PHA due to the JPD.

There shall be no phase-in or phase-out period for families participating in Jobs Plus. Upon the resident's completion of the JPD period, the resident's adjusted income will be re-calculated at the next annual or interim income examination accounting for all earned income, in accordance with 24 CFR part 5, subpart F.

[FR Doc. 2025–15376 Filed 8–12–25; 8:45 am]

BILLING CODE 4210–67–P

## DEPARTMENT OF THE INTERIOR

### Bureau of Land Management

[A2407–014–004–065516; #O2412–014–004–047181.1]

### Proposed Reinstatement of Terminated Oil and Gas Leases in Las Animas and Weld Counties, CO

**AGENCY:** Bureau of Land Management, Interior.

**ACTION:** Notice of lease reinstatements.

**SUMMARY:** In accordance with the Mineral Leasing Act of 1920, Longs Peak Resources, LLC, Las Animas Leasing, Inc., and Bison IV Properties Colorado, LLC, timely filed with the Bureau of Land Management (BLM) a petition for reinstatement of competitive oil and gas

leases, located in Las Animas and Weld Counties, Colorado. The lessees paid the required rentals that accrued from the date of termination. The BLM has not issued new leases that affect these lands prior to receiving the petitions. The BLM proposes to reinstate these leases because they meet the requirements of the Mineral Leasing Act and BLM regulations and are in conformance with the existing Eastern Resource Management Plan, signed on January 9, 2024.

**FOR FURTHER INFORMATION CONTACT:** Scott Curtis, Supervisory Land Law Examiner, Fluid Minerals Adjudication, Bureau of Land Management Colorado State Office, P.O. Box 151029, DFC—Bldg., 40, Lakewood, CO 80215, (303)

239–3600, email: *BLM\_CO\_LeaseSale@blm.gov*. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

**SUPPLEMENTARY INFORMATION:** The lessees agreed to the new lease terms for rentals and royalties of \$20 per acre, or fraction thereof, per year, and 20 percent respectively. The lessees paid the required \$500 administrative fee for lease reinstatement and the \$151 cost of publishing this notice. The lessees met

the requirements for reinstatement of the leases per sec. 31(d) and (e) of the Minerals Leasing Act of 1920 (30 U.S.C. 188). Additionally, in accordance with the requirements of IM 2018–010, the BLM Royal Gorge Field Office associated with this lease has reviewed conformance with the existing resource management plan and supported the Field Office decision to reinstate, informed by an environmental assessment.

The BLM proposes to reinstate the leases referenced below, effective with their respective termination dates, under the original terms and conditions of the leases and the increased rental and royalty rates cited above.

Lease No.	Lessee	Termination date	County	Acres
COCO105724678 (COC79160) .....	Longs Peak Resources, LLC .....	1/1/2020	Weld .....	315.80
COCO105672635 (COC79892) .....	Las Animas Leasing, Inc .....	1/1/2021	Las Animas .....	2081.160
COCO105672641 (COC79898) .....	Las Animas Leasing, Inc .....	1/1/2021	Las Animas .....	1680.0
COCO105674901 (COC79921) .....	Las Animas Leasing, Inc .....	1/1/2021	Las Animas .....	2320.0
COCO105294898 .....	Bison IV Properties Colorado, LLC .....	8/1/2023	Weld .....	120

(Authority: 30 U.S.C. 188(e)(4) and 43 CFR 3108.23)

**Kemba K. Anderson,**  
*Fluid Minerals Branch Chief.*

[FR Doc. 2025–15360 Filed 8–12–25; 8:45 am]

**BILLING CODE 4331–16–P**

**DEPARTMENT OF THE INTERIOR**

**Bureau of Land Management**

[A2407–014–004–065516; #O2412–014–004–047181.1]

**Notice of Intent To Prepare an Environmental Impact Statement for the Proposed South Railroad Mine Project, Elko County, Nevada**

**AGENCY:** Bureau of Land Management, Interior.

**ACTION:** Notice of intent.

**SUMMARY:** In compliance with the National Environmental Policy Act of 1969, as amended (NEPA), and the Federal Land Policy and Management Act of 1976, as amended, the Bureau of Land Management (BLM) Elko District, Tuscarora Field Office, Elko, Nevada, intends to prepare an environmental impact statement (EIS) to consider the effects of authorizing Gold Standard Ventures (US) Inc.’s South Railroad Mine Project in Elko County, Nevada. This notice announces the beginning of the scoping process to solicit public comments and identify issues.

**DATES:** The BLM requests that the public submit comments concerning the scope of the analysis, potential alternatives, and identification of relevant information, and studies by September 12, 2025. Public meetings will be held September 3, 2025, from 2:00 to 4:00 p.m. PST and again on the same date from 6:00 to 8:00 p.m. PST at the California Trail Center, 1 Interpretive Center Way, Elko, NV 89801. To afford the BLM the opportunity to consider comments in the EIS, please ensure your comments are received prior to the close of the 30-day scoping period or 15 days after the last public meeting, whichever is later.

**ADDRESSES:** You may submit comments related to the South Railroad Mine Project by any of the following methods:

- Website: <https://eplanning.blm.gov/eplanning-ui/project/2038636/510>.
- Email: *BLM\_NV\_ELDO\_SOUTHRAILROADMINE\_EIS@blm.gov*.
- Mail: BLM Tuscarora Field Office, Attn: South Railroad EIS, 3900 East Idaho Street, Elko, NV 89801.

Documents pertinent to this proposal may be examined online at <https://eplanning.blm.gov/eplanning-ui/project/2038636/510> and at the Tuscarora Field Office at the above address or during the in-person public meetings at the California Trail Center, 1 Interpretive Way, Elko, NV 89801.

**FOR FURTHER INFORMATION CONTACT:** Evan Allen, Planning and Environmental Coordinator, telephone: (775) 861–6593; address: 1340 Financial

Boulevard, Reno, Nevada 89502; email: *esallen@blm.gov*. Contact Mr. Allen to have your name added to our mailing list. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services for contacting Mr. Allen. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

**SUPPLEMENTARY INFORMATION:** The BLM will consider authorizing Gold Standard Ventures (US) Inc.’s Plan of Operations for the South Railroad Mine Project located in the Piñon Range, approximately 25 miles southwest of Elko, Nevada, in Elko County. The Proposed Action would include construction, operation, reclamation, and closure of a new gold and silver mine and its associated facilities.

The Plan of Operations boundary would include approximately 8,548 acres, of which, approximately 4,624 acres are on BLM-administered lands and approximately 3,924 acres are on private lands. The total life of the Proposed Action is estimated to be 16.5 years.

**Purpose and Need for the Proposed Action**

The BLM’s purpose for the action is to respond to Gold Standard Ventures (US) Inc.’s proposal as described in their

Plan of Operations for the South Railroad Mine Project and to analyze the potential environmental effects associated with the Proposed Action and alternatives to the Proposed Action, consider reasonable alternatives, and develop and consider mitigation when necessary to mitigate environmental effects. The BLM's need for the action is established by its responsibilities under section 302 of the Federal Land Policy Management Act and the BLM Surface Management Regulations at 43 CFR subpart 3809, and by the BLM's responsibility to ensure that operations under the General Mining Law of 1872 prevent unnecessary or undue degradation of public lands.

### Preliminary Proposed Action and Alternatives

The Proposed Action is to construct, operate, reclaim, and close a new gold and silver mine from which ore would be extracted using conventional surface mining techniques and associated facilities. The Plan of Operations boundary would cover approximately 8,548 acres on approximately 4,624 acres of BLM-administered lands and approximately 3,924 acres of private land.

The access road would include a portion of Lucky Nugget 2 Road, BLM Road 1119, County Road 720 (Bullion Road), and BLM Road 1053.

The proposed life of the Project is approximately 16.5 years and includes construction for approximately 1.5 years, mine operations for approximately 10 years, and reclamation and closure for approximately 5 years. Monitoring would continue, as necessary. Construction is estimated to employ up to 600 people, and mine operations would employ approximately 300 people.

The Proposed Action facilities include:

- Four open pits (Dark Star North, Dark Star Main, Pinion North, Pinion Main), 2 of which would require dewatering and result in pit lakes after mine closure;
- Three Waste Rock Disposal Facilities;
  - A limestone quarry;
  - An ore crushing and conveying system;
  - Lime and cement silos and ore agglomeration facility;
  - Ore, clay, and growth media stockpiles;
  - An on-site power plant and substation;
  - A heap leach facility with solution channels, associated process solution tanks, and ponds;

- A water supply and dewatering system;
- Stormwater diversion ditches and stormwater sediment basins;
- A water treatment plant;
- Processing facilities composed of pumps and pipelines; adsorption, desorption, and recovery plant; refinery; and an assay laboratory;
- Access and haul roads;
- Ancillary facilities composed of the following: ready line; maintenance area; reagent and fuel storage; storage and laydown yards; explosive magazines; meteorological station; warehouse; truck maintenance shop; truck wash; offices; workshop; changing and lunch facilities; administration and security building; and solid and hazardous waste management facilities; and
- Evapotranspiration cells developed during reclamation and closure.

Existing surface disturbance associated with the previously authorized South Railroad Exploration Plan of Operations would be overlapped by the proposed mine features within the mine area. As such, the existing disturbance would be incorporated into the Proposed Action. The South Railroad Exploration Plan of Operations would remain authorized for up to 500 acres of exploration disturbance.

While the proposed Plan of Operations boundary would cover approximately 8,548 acres, the proposed surface disturbance within that boundary for mine facilities and access would result in 1,770 acres of surface disturbance. Of this, approximately 931 acres are on BLM-administered lands and approximately 839 are on private land. Approximately 1,267 acres of the surface disturbance would be temporary/reclaimed and 503 acres of permanent disturbance would remain when the mine is closed.

The BLM welcomes comments on all preliminary alternatives as well as suggestions for additional alternatives.

### Summary of Expected Impacts

The analysis in the EIS will focus on potential effects to air quality; cultural resources; water resources; hazardous materials and solid waste; livestock grazing; noise and vibration; recreation and wilderness; social and economic values; soils and reclamation; transportation and access; vegetation resources; visual resources; threatened and endangered species; wildlife resources; paleontology; geology and minerals; lands and realty; and Native American traditional values.

The following bullet points summarize some of the anticipated impacts:

- Cultural Resources: There are 35 sites that are eligible or unevaluated under the National Register of Historic Places and may be affected by the Proposed Action; 18 of them are within the physical area of potential effects and 17 are within the visual, auditory, and atmospheric area of potential effects.

- Water Resources: The Proposed Action involves groundwater pumping (dewatering) to allow mining below the water table at the Dark Star North Pit and Dark Star Main Pit and would result in 2 pit lakes forming. No dewatering requirements are anticipated for the Pinion North Pit and Pinion Main Pit, mining of these pits would occur entirely above the natural water table and as a result pit lakes are not expected to form after closure. Potential impacts to seep, spring, and stream flow may occur within the maximum extent of 10-foot drawdown from the proposed dewatering operations if the source of the water is connected to the regional aquifer feeding these surface water features. Additionally, during years two through five of mine operations, dewatering rates are predicted to exceed consumptive demands and excess water would be treated and released to the unnamed tributary that flows into Dixie Creek. Groundwater pumping for pit dewatering and the release of excess water to the unnamed tributary would end in year five of mine operations and groundwater would only be extracted to support consumptive use from that point forward. A monitoring and mitigation plan will be developed to address impacts. Sedimentation and erosion may also occur due to Project-related disturbance, but this would be addressed through appropriate mine design requirements.

- Livestock Grazing: The Proposed Action would result in an impact to available acres of land for livestock to graze within the El Jiggs, Pine Mountain, Dixie Flats, White Flats FFR, Emigrant Springs, River, Tonka, and Indian Springs allotments. The eight allotments total 136,709 acres of BLM grazing lease acreage, with 30,715 permitted Animal Unit Months (18,543 active Animal Unit Months). Effects to livestock grazing would include a potential reduction in Animal Unit Months by 446 during operations and 87 post-closure due to a loss of forage availability from surface disturbance and reduced access to a portion of an allotment from fencing.

- Transportation and Access: Approximately 17 miles of the proposed access road is comprised of existing roads; however, approximately 0.2 miles of new road would be constructed where the access road enters the Plan of

Operations boundary. The primary access route would start by traveling southeast on State Route 227, then south on State Route 228, west on an unnamed road, northwest on Lower South Fork Road, west and north on County Road 715B (Casway Road, Sherman Avenue, Lucky Nugget Road), and southwest on BLM Road 1119, County Road 720 (Bullion Road), and BLM Road 1053. Approximately seven miles of the primary access route near South Fork Reservoir would pass through residential areas near the South Fork State Recreation Area. The Proposed Action includes the maintenance, improvement, and realignment of the access road. Improvement and maintenance of the access road would be conducted by Gold Standard Ventures (US) Inc. and/or its contractors, in coordination with the Elko County Road Department via a required agreement with Elko County. The Proposed Action includes, where necessary, improving and widening the access road to accommodate two travel lanes, and installation of culverts and other drainage management features along the access road. The Proposed Action would add an estimated 86 total vehicle trips per day to the transportation system within the area of analysis during mine operations. Traffic during the construction and reclamation period is expected to be greater than traffic levels during the mine operations period due to increased deliveries, construction traffic, and equipment removal.

- **Threatened and Endangered Species:** Federally listed species that have been documented or may be present in the Project Area include Lahontan cutthroat trout and whitebark pine. No impacts to whitebark pine are anticipated. Impacts to Lahontan cutthroat trout and its habitat are expected due to increased sediment input into the Dixie Creek, changes to water quantity and quality due to discharge of pumped water during dewatering activities, and loss of riparian areas from the disturbance area and dewatering activities. Compliance with section 7 of the Endangered Species Act (16 United States Code 1536) will be required to address potential impacts to the Lahontan cutthroat trout and its habitat.

- **Wildlife Resources:** Impacts to greater sage-grouse habitat are expected to include 892 acres (586 temporary, 306 permanent) of priority habitat removal; 18 leks impacted by noise from construction, mine operations, reclamation, and closure; and 1 inactive lek from surface disturbance associated with the access road. Gold Standard

Ventures (US) Inc. would participate in the required Nevada Conservation Credit System, implement required design features from the 2015 Approved Resource Management Plan Amendments for the Greater Sage-Grouse, and include applicant-committed environmental protection measures in its Plan of Operations to mitigate habitat impacts from the Proposed Action to ensure an overall net conservation gain for the species, while allowing for mine development.

#### Anticipated Permits and Authorizations

- Plan of Operations—BLM
- Industrial Artificial Pond Permit—Nevada Department of Wildlife
- CCS Certification of Mitigation—Nevada Department of Conservation and Natural Resources; Division of State Lands; Sagebrush Ecosystem Council
- County Road Use and Maintenance License and Agreement—Elko County Public Works and Natural Resources Departments
- County and Public Road Use and Maintenance Agreement—Eureka County Public Works Department
- All other State and County required permits

#### Schedule for the Decision-Making Process

Consistent with the NEPA process, the BLM anticipates the final EIS will be released winter 2025–2026 with a record of decision during winter 2025–2026.

#### Public Scoping Process

This notice of intent initiates the scoping period. The BLM will be holding two in-person public scoping meetings on the following dates at the following locations: September 3, 2025, from 2:00 to 4:00 p.m. PST and again on the same date from 6:00 to 8:00 p.m. PST. Both meetings will be in-person and will occur at the California Trail Center, 1 Interpretive Way, Elko, NV 89801. The date(s) and location(s) of any additional scoping meetings will be announced in advance through local newspaper publications and the BLM National NEPA Register Project page at <https://eplanning.blm.gov/eplanning-ui/project/2038636/510>.

#### Responsible Official

Jared M. Bybee, District Manager, Elko District Office

#### Nature of Decision To Be Made

The BLM's decision relative to the EIS that will be prepared for the South Railroad Mine Project will consider the following: (1) approval of the proposed

Plan of Operations to authorize the proposed activities without modifications or additional mitigation measures; (2) approval of the proposed Plan of Operations with additional mitigation measures that the BLM deems necessary to prevent unnecessary or undue degradation of public lands; (3) approval of the Plan of Operations with one of the alternatives analyzed in the EIS; or (4) denial of the proposed Plan of Operations and associated activities.

#### Additional Information

The BLM will utilize and coordinate the NEPA process to help support compliance with applicable procedural requirements under the Endangered Species Act (16 U.S.C. 1536) and section 106 of the National Historic Preservation Act (54 U.S.C. 306108) as provided in 36 CFR 800.2(d)(3), including public involvement requirements of section 106. The information about historic and cultural resources and threatened and endangered species within the area potentially affected by the proposed project will assist the BLM in identifying and evaluating impacts to such resources.

The BLM will consult with Indian Tribal Nations on a government-to-government basis in accordance with Executive Order 13175, BLM Manual 1780, and other Departmental policies. Tribal concerns, including impacts on Indian trust assets and potential impacts to cultural resources, will be given due consideration. Federal, State, and local agencies, along with Indian Tribal Nations and other stakeholders that may be interested in or affected by the proposed South Railroad Mine Project that the BLM is evaluating, are invited to participate in the scoping process and, if eligible, may request or be requested by the BLM to participate in the development of the environmental analysis as a cooperating agency.

Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

(Authority: 43 CFR 46.435)

**Jared M. Bybee,**  
District Manager, Elko District Office.

[FR Doc. 2025–15310 Filed 8–12–25; 8:45 am]

**BILLING CODE 4331–21–P**

## INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-748-749 and 731-TA-1726-1727 (Final)]

### Float Glass Products From China and Malaysia; 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-748-749 and 731-TA-1726-1727 (Final) pursuant to the Tariff Act of 1930 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 float glass products from China and Malaysia, provided for in subheadings 7005.10.80, 7005.21.10, 7005.21.20, 7005.29.18, 7005.29.25, 7006.00.40, 7007.19.00, 7007.29.00, 7008.00.00, 7009.91.50, and 7009.92.50 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:** July 15, 2025.

**FOR FURTHER INFORMATION CONTACT:** Kristina Lara (202-205-3386), 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 "articles of soda-lime-silica glass that are manufactured by floating a continuous strip of molten glass over a smooth bath of tin (or another liquid metal with a density greater than molten glass),

cooling the glass in an annealing lehr, and cutting it to appropriate dimensions. For purposes of the investigation, float glass products have an actual thickness of at least 2.0 mm (0.0787 inches) and an actual surface area of at least 0.37 square meters (4.0 square feet).

The country of origin of each float glass product is determined by the location where the soda-lime-silica glass is first manufactured by floating a continuous strip of molten glass over a smooth bath of tin and cooling the glass in an annealing lehr, regardless of the location of any downstream finishing or fabrication operations.

Prior to being subjected to further treatment, finishing, or fabrication, float glass products meet the requirements of Type I under ASTM-C1036 of the American Society for Testing and Materials (ASTM). Float glass products may be clear, stained, tinted, or coated with one or more materials. Examples of coated float glass products include Low-E architectural glass (*i.e.*, glass with a low emissivity coating to limit the penetration of radiant heat energy) and frameless mirrors (*i.e.*, flat glass with a silver, aluminum, or other reflective layer) such as mirror stock sheet.

Float glass products may be annealed, chemically strengthened, heat strengthened, or tempered to achieve a desired surface compression, pursuant to ASTM-C1048, ASTM-C1422/C1422M, or other similar specifications.

Float glass products include tub and shower enclosures (*i.e.*, doors and panels) made of tempered glass, which may be sold with attached or unattached hardware. In such cases, the scope covers only the tempered glass, to the exclusion of any non-glass hardware.

The only float glass product assemblies included within the scope are: (1) articles consisting of two or more sheets of float glass that are bonded together using a polymer interlayer (*i.e.*, laminated glass); (2) insulating glass units (IGUs), which consist of two or more sheets of float glass separated by a spacer material and hermetically sealed together at the edge in order to create a thermal barrier using air or one or more gases but excluding any non-float glass components (other than the spacer and insulating materials) that may be mounted within the space between sheets of float glass (*e.g.*, blinds, wrought iron cores, and camed patterned glass), as such non-float glass components are deemed outside the scope and not subject to duties; and (3) LED mirrors (*i.e.*, float glass mirrors with one or more light-emitting diodes attached to or integrated with the mirror, as well as framed float glass

mirrors with one or more light emitting diodes attached to or integrated with the mirror or the mirror frame, but without other electronic functionality such as digital or video displays or audio circuitry).

Float glass products covered by the scope may meet one or more of the ASTM-C162, ASTM-C1036, ASTM-C1048, ASTM-C1172, ASTM-C1349, ASTM-C1376, ASTM-C1422/C1422M, ASTM-C1464, ASTM-C1503, ASTM-C1651, ASTM-E1300, and ASTM-E2190 specifications, definitions, and/or standards.

Float glass products may be further worked, including, but not limited to, operations such as: cutting; beveling; edging; notching; drilling; etching; bending; curving; chipping; embossing; engraving; surface grinding; or polishing; and sandblasting (*i.e.*, using high velocity air to stream abrasive particles and thereby impart a frosted aesthetic to the glass surface). A float glass product which undergoes further work remains within the scope so long as the soda-lime-silica glass originally satisfied the requirements of ASTM-C1036 Type I and was first manufactured in a subject country, regardless of where it is further worked.

Excluded from the scope are: (1) wired glass (*i.e.*, glass with a layer of wire mesh embedded within); (2) patterned flat glass (*i.e.*, rolled glass with a pattern impressed on one or both sides) meeting the requirements of Type II under ASTM-C1036, including greenhouse glass and patterned solar glass (*i.e.*, photovoltaic glass with a textured surface); (3) safety glazing materials for vehicles certified to American National Standards Institute (ANSI) Standard Z26.1; (4) vacuum insulating glass (VIG) units, which consist of two or more sheets of float glass separated by a spacer material, with at least one hermetically sealed compartment that uses a gas-free vacuum as a thermal barrier; (5) framed mirrors without any LEDs integrated with the mirror or the mirror frame; (6) unframed "over-the-door" mirrors that are ready for use as imported without undergoing after importation any processing, finishing, or fabrication; and (7) heat-strengthened washing machine lid glass with an actual surface area less than 6.0 square feet (0.56 square meters).

Also excluded from the scope of the investigation are: (1) soda-lime-silica glass containing less than 0.01 percent iron oxide by weight, annealed with a surface compression less than 3,500 pounds per square inch (PSI), having a transparent conductive oxide base coating (*e.g.*, tin oxide), and with an

actual thickness less than or equal to 4.0 mm (0.1575 inches) (*i.e.*, “coated solar glass”); and (2) heat treated soda-lime-silica glass with a surface compression between 3,500 and 10,000 PSI, containing two or more drilled holes, and having an actual thickness less than 2.5 mm (0.0984 inches) (*i.e.*, “clear back solar glass”). Solar glass products (also known as photovoltaic glass) are designed to facilitate the conversion of solar energy into electricity.

Also excluded are metal-camed glass products (*i.e.*, panels of glass joined together with metal banding) where the constituent glass panels would otherwise be excluded by reason of their size (*e.g.*, an actual surface area less than 0.37 square meters, or 4.0 square feet) and/or by reason of consisting of patterned flat glass (*i.e.*, rolled glass with a pattern impressed on one or both sides) meeting the requirements of Type II under ASTM-C1036.

Also excluded from the scope of the investigation are any products already covered by the scope of any extant antidumping and/or countervailing duty orders, including Aluminum Extrusions from the People’s Republic of China: Antidumping Duty Order, 76 FR 30650 (May 26, 2011), and Aluminum Extrusions from the People’s Republic of China: Countervailing Duty Order, 76 FR 30653 (May 26, 2011).”

**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 and Malaysia of float glass products, 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 November 21, 2024, by Vitro Flat Glass, LLC, Cheswick, Pennsylvania, and Vitro Meadville Flat Glass, LLC, Cochranton, Pennsylvania (“Vitro”).

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 November 10, 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 November 25, 2025. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission on or before November 19, 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 November 21, 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 November 20, 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 November 18, 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 December 2, 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 December 2, 2025. On December 15, 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 December 18, 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: August 11, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025-15343 Filed 8-12-25; 8:45 am]

BILLING CODE 7020-02-P

## INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701-TA-752 and 731-TA-1730 (Final)]

### Active Anode Material 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-752 and 731-TA-1730 (Final) pursuant to the Tariff Act of 1930 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 active anode material from China, provided for in subheadings 2504.10.10, 2504.10.50, 3801.10.50, and 3801.90.00 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:** July 22, 2025.

**FOR FURTHER INFORMATION CONTACT:** Calvin Chang ((202) 205-3062), 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 active anode material, which is an anode grade graphite material with a graphite minimum purity content of 90 percent carbon by weight, whether containing synthetic graphite, natural graphite, or a blend of synthetic and natural graphite; with or without coating. Subject merchandise may be in the form of powder, dry, liquid, or block form and is covered irrespective of the form in which it enters. Subject merchandise typically has a maximum size of 80 microns when in powder form. Subject merchandise has an energy density of 330 milliamp hours per gram or greater and a degree of graphitization of 80 percent or greater, where graphitization refers to the extent of the graphite crystal structure.

Subject merchandise is covered regardless of whether it is mixed with silicon based active materials, e.g., silicon-oxide (SiOx), silicon-carbon (SiC), or silicon, or additives such as carbon black or carbon nanotubes. Subject merchandise is covered regardless of the combination of compounds that comprise the graphite material. Subject merchandise is covered regardless of whether it is imported independently, as part of a compound, in a battery, as a component of an anode slurry, or in a subassembly of a battery such as an electrode. Only

the anode grade graphite material is covered when entered as part of a mixture with silicon based active materials, as part of a compound, in a battery, as a component of an anode slurry, or in a subassembly of a battery such as an electrode.

*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 active anode material, 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 18, 2024, by the American Active Anode Material Producers, the members of which are Anovion Technologies, Sanborn, New York; Syrah Technologies LLC, Vidalia, Louisiana; NOVONIX Anode Materials LLC, Chattanooga, Tennessee; Epsilon Advanced Materials, Leland, North Carolina; and SKI US, Inc., Marietta, Georgia.

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 November 14, 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 December 4, 2025. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission on or before November 24, 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 3:00 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 December 3, 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 December 3, 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 November 21, 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 December 11, 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 December 11, 2025. On December 29, 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 December 31, 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: August 11, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025-15351 Filed 8-12-25; 8:45 am]

**BILLING CODE 7020-02-P**

## INTERNATIONAL TRADE COMMISSION

[Investigation No. 701-TA-501 (Second Review)]

### Chlorinated Isocyanurates From China; Scheduling of an Expedited Five-Year Review

**AGENCY:** United States International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission hereby gives notice of the scheduling of an expedited review pursuant to the Tariff Act of 1930 ("the Act") to determine whether revocation of the countervailing duty order on chlorinated isocyanurates from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.

**DATES:** July 7, 2025.

**FOR FURTHER INFORMATION CONTACT:** Alexis Yim (202-708-1446), 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 this proceeding may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>.

**SUPPLEMENTARY INFORMATION:**

**Background.**—On July 7, 2025, the Commission determined that the domestic interested party group response to its notice of institution (90 FR 14378, April 1, 2025) of the subject five-year review was adequate and that the respondent interested party group response was inadequate. The Commission did not find any other circumstances that would warrant conducting a full review.<sup>1</sup> Accordingly, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act (19 U.S.C. 1675(c)(3)).

For further information concerning the conduct of this review 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, D, E, and F (19 CFR part 207).

**Staff report.**—A staff report containing information concerning the subject matter of the review has been placed in the nonpublic record, and will be made available to persons on the Administrative Protective Order service list for this review on September 4, 2025. A public version will be issued thereafter, pursuant to § 207.62(d)(4) of the Commission's rules.

**Written submissions.**—As provided in § 207.62(d) of the Commission's rules, interested parties that are parties to the review and that have provided individually adequate responses to the notice of institution,<sup>2</sup> and any party other than an interested party to the review may file written comments with the Secretary on what determination the Commission should reach in the review. Comments are due on or before 5:15 p.m. on September 9, 2025 and may not contain new factual information. Any person that is neither a party to the five-year review nor an interested party may submit a brief written statement (which shall not contain any new factual information) pertinent to the review by September 9, 2025. However, should the Department of Commerce ("Commerce") extend the time limit for its completion of the final results of its review, the deadline for comments (which may not contain new factual information) on Commerce's final results is three business days after the issuance of

Commerce's results. If comments contain business proprietary information (BPI), they must 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.

In accordance with §§ 201.16(c) and 207.3 of the rules, each document filed by a party to the review must be served on all other parties to the review (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.

**Determination.**—The Commission has determined this review is extraordinarily complicated and therefore has determined to exercise its authority to extend the review period by up to 90 days pursuant to 19 U.S.C. 1675(c)(5)(B).

**Authority:** This review is being conducted under authority of title VII of the Act; this notice is published pursuant to § 207.62 of the Commission's rules.

By order of the Commission.

Issued: August 11, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025–15377 Filed 8–12–25; 8:45 am]

**BILLING CODE 7020–02–P**

## INTERNATIONAL TRADE COMMISSION

### Notice of Receipt of Complaint; Solicitation of Comments Relating to the Public Interest

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *Certain Vaporizer Devices, Cartridges Used Therewith, and Components Thereof, DN 3843*; the Commission is soliciting comments on any public interest issues raised by the complaint or complainant's filing pursuant to the Commission's Rules of Practice and Procedure.

**FOR FURTHER INFORMATION CONTACT:** Lisa R. Barton, Secretary to the Commission, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 205–2000. The public version of the complaint can be

accessed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email [EDIS3Help@usitc.gov](mailto:EDIS3Help@usitc.gov).

General information concerning the Commission may also be obtained by accessing its internet server at United States International Trade Commission (USITC) at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's Electronic Document Information System (EDIS) at <https://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

**SUPPLEMENTARY INFORMATION:** The Commission has received a complaint and a submission pursuant to § 210.8(b) of the Commission's Rules of Practice and Procedure filed on behalf of JUUL Labs, Inc. on August 8, 2025. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain vaporizer devices, cartridges used therewith, and components thereof. The complaint names as respondents: NJOY, LLC of Scottsdale, AZ; NJOY Holdings, Inc. of Scottsdale, AZ; Altria Group, Inc. of Richmond of VA; Altria Group Distribution Company of Richmond, VA; and Altria Client Services LLC of Richmond, VA. The complainant requests that the Commission issue a limited exclusion order, cease and desist orders, and impose a bond upon respondents' alleged infringing articles during the 60-day Presidential review period pursuant to 19 U.S.C. 1337(j).

Proposed respondents, other interested parties, members of the public, and interested government agencies are invited to file comments on any public interest issues raised by the complaint or § 210.8(b) filing. Comments should address whether issuance of the relief specifically requested by the complainant in this investigation would affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or United States consumers.

In particular, the Commission is interested in comments that:

- (i) explain how the articles potentially subject to the requested remedial orders are used in the United States;
- (ii) identify any public health, safety, or welfare concerns in the United States

<sup>1</sup> A record of the Commissioners' votes, the Commission's statement on adequacy, and any individual Commissioner's statements will be available from the Office of the Secretary and at the Commission's website.

<sup>2</sup> The Commission has found the responses submitted on behalf of Bio-Lab, Inc., Innovative Water Care, LLC, and Occidental Chemical Corporation to be individually adequate. Comments from other interested parties will not be accepted (see 19 CFR 207.62(d)(2)).

relating to the requested remedial orders;

(iii) identify like or directly competitive articles that complainant, its licensees, or third parties make in the United States which could replace the subject articles if they were to be excluded;

(iv) indicate whether complainant, complainant's licensees, and/or third party suppliers have the capacity to replace the volume of articles potentially subject to the requested exclusion order and/or a cease and desist order within a commercially reasonable time; and

(v) explain how the requested remedial orders would impact United States consumers.

Written submissions on the public interest must be filed no later than by close of business, eight calendar days after the date of publication of this notice in the **Federal Register**. There will be further opportunities for comment on the public interest after the issuance of any final initial determination in this investigation. Any written submissions on other issues must also be filed by no later than the close of business, eight calendar days after publication of this notice in the **Federal Register**. Complainant may file replies to any written submissions no later than three calendar days after the date on which any initial submissions were due, notwithstanding § 201.14(a) of the Commission's Rules of Practice and Procedure. No other submissions will be accepted, unless requested by the Commission. Any submissions and replies filed in response to this Notice are limited to five (5) pages in length, inclusive of attachments.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above. Submissions should refer to the docket number ("Docket No. 3843") in a prominent place on the cover page and/or the first page. (See Handbook for Electronic Filing Procedures, Electronic Filing Procedures<sup>1</sup>). 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. Persons with questions

regarding filing should contact the Secretary at [EDIS3Help@usitc.gov](mailto:EDIS3Help@usitc.gov).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel,<sup>2</sup> solely for cybersecurity purposes. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.<sup>3</sup>

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and of §§ 201.10 and 210.8(c) of the Commission's Rules of Practice and Procedure (19 CFR 201.10, 210.8(c)).

By order of the Commission.

Issued: August 8, 2025.

**Lisa Barton,**

*Secretary to the Commission.*

[FR Doc. 2025-15326 Filed 8-12-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—PXI Systems Alliance, Inc.

Notice is hereby given that, on July 8, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), PXI Systems Alliance, Inc. ("PXI Systems") has filed

<sup>2</sup> All contract personnel will sign appropriate nondisclosure agreements.

<sup>3</sup> Electronic Document Information System (EDIS): <https://edis.usitc.gov>.

written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Sigma Advanced Systems Private Limited, Telangana, REPUBLIC OF INDIA, has been added as a party to this venture.

Also, Stelight Instrument Co., Ltd., Jiangsu, PEOPLE'S REPUBLIC OF CHINA; Power Value Technologies Co., Ltd., Shanghai, PEOPLE'S REPUBLIC OF CHINA; and JX Instrumentation, Shanghai, PEOPLE'S REPUBLIC OF CHINA, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and PXI Systems intends to file additional written notifications disclosing all changes in membership.

On November 22, 2000, PXI Systems filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on March 8, 2001 (66 FR 13971).

The last notification was filed with the Department on April 15, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on June 11, 2025 (90 FR 24669).

**Suzanne Morris,**

*Deputy Director Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025-15379 Filed 8-12-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—The Institute of Electrical and Electronics Engineers, Inc.

Notice is hereby given that, on June 24, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), The Institute of Electrical and Electronics Engineers, Inc. ("IEEE") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing additions or changes to its standards development activities. The notifications were filed

<sup>1</sup> Handbook for Electronic Filing Procedures: [https://www.usitc.gov/documents/handbook\\_on\\_filing\\_procedures.pdf](https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf).

for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Specifically, 57 new standards have been initiated and 20 existing standards are being revised. More detail regarding these changes can be found at: <https://standards.ieee.org/about/sasb/sba/28may2025/>, <https://standards.ieee.org/about/sasb/sba/19jun2025/>. The following pre-standards activities associated with IEEE Industry Connections Activities were launched or renewed: <https://standards.ieee.org/about/bog/cag/approvals/june202/>.

On September 17, 2004, IEEE filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on November 3, 2004 (69 FR 64105).

The last notification was filed with the Department on April 10, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on April 23, 2025 (90 FR 17079).

**Suzanne Morris,**

*Deputy Director Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025-15381 Filed 8-12-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—Research Group on ROS-Industrial Consortium Americas

Notice is hereby given that, on June 18, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Southwest Research Institute—Cooperative Research Group on ROS-Industrial Consortium-Americas (“RIC-Americas”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Edison Welding Institute, Columbus, OH; and Zachry Corporation, San Antonio, TX, have been added as parties to this venture.

Also, Tormach, Inc., Madison, WI, has withdrawn as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research

project remains open, and RIC-Americas intends to file additional written notifications disclosing all changes in membership.

On April 30, 2014, RIC-Americas filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 9, 2014 (79 FR 32999).

The last notification was filed with the Department on August 29, 2023. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on November 20, 2023 (88 FR 80763).

**Suzanne Morris,**

*Deputy Director of Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025-15382 Filed 8-12-25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—Training & Readiness Accelerator II

Notice is hereby given that, on June 5, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), Training & Readiness Accelerator II (“TRex II”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Infiltron Software Suite LLC, Warner Robins, GA; Space Information Laboratories LLC, Santa Maria, CA; Duality Robotics, Inc., San Mateo, CA; Recon RF, Inc., San Diego, CA; Exponent, Inc., Menlo Park, CA; Oceanit Laboratories, Inc., Honolulu, HI; Bluedrop USA, Inc., Orlando, FL; Data Squared USA, Inc., Wilmington, DE; Park-Tours, Inc. dba Left Coast Engineering, Escondido, CA; System Dynamics International, Inc., Huntsville, AL; FRAUNHOFER USA, INC., Riverdale, MD; Gradient Marine, San Diego, CA; Taiga Ventures LLC, Chesterfield, MO; Genuen LLC, Lenexa, KS; Solers Research Group, Inc., Sanford, FL; Applied Research Solutions, Inc., Beavercreek, OH; T2S LLC, Belcamp, MD; Episensors, Inc., Bolingbrook, IL; Command and Control

Technologies Corp., Titusville, FL; ATA Engineering, Inc., San Diego, CA; HY-SET LLC, Kennedale, TX; Air Space Intelligence Federal, Inc., Washington, DC; The Curators of the University of Missouri, Columbia, MO; Nightwing Intelligence Solutions LLC, Indialantic, FL; Covan Group, Fredericksburg, VA; Intelligent Training Innovations LLC, Doylestown, PA; Atmospheric & Space Technology Research Associates LLC dba Orion Space Solutions, Louisville, CO; Sensing Strategies, Inc., Pennington, NJ; HigherEchelon, Inc., Huntsville, AL; Bohemia Interactive Solutions, Inc., Orlando, FL; Herrick Technical Laboratories, Inc., Manchester, NH; Mission Driven Research, Inc., Huntsville, AL; The University of Tennessee Space Institute, Tullahoma, TN; 6th Dimension, Inc., Madison, AL; Space Coast Intelligent Solutions, Inc., Melbourne, FL; Anduril Industries, Inc., Costa Mesa, CA; SCATR Corp., Cleveland, OH; iGov Technologies, Inc., Tampa, FL; NextGen Federal Systems LLC, Morgantown, WV; Cougaar Software, Inc., Fairfax, VA; Training Center Pros dba EOD Gear, Franklin, TN; Defense Unicorns, Inc., Colorado Springs, CO; Discovery Machine, Inc., Williamsport, PA; Cloudera Government Solutions, Tysons, VA; Battle Road Digital, Inc., Meridian, ID; Phoenix Operations Group, Woodbine, MD; Torch Research LLC, Leawood, KS; MORSECORP, Inc., Cambridge, MA; Inhance Digital Corporation, Los Angeles, CA; Thompson Gray, Inc., Huntsville, AL; Design Interactive, Inc., Orlando, FL; Mantel Technologies, Inc., Fort Collins, CO; AI Strategy Corp, Babylon, NY; Exergi Predictive, Hugo, MN; Onebrief, Honolulu, HI; General Atomics Aeronautical Systems, Inc., Poway, CA; Synergistic, Inc., New Baltimore, MI; Dex Tech LLC, Blue Bell, PA; Vertex Solutions LLC, Niceville, FL; Ace Electronics Defense Systems LLC, Aberdeen, MD; and Credence Management Solutions LLC, McLean, VA, have been added as parties to this venture.

Also, Integrated Consultants, Inc., San Diego, CA; JackTech LLC, Washington, DC; JIRACOR LLC, Orlando, FL; Open Source Systems LLC, Suwanee, GA; Terida LLC, Pinehurst, NC; Symbiosis.io LLC, Smyrna, GA; Third Coast Federal, Inc., South Bend, IN; Technology Solution Providers, Inc., Reston, VA; VMware, Inc., Palo Alto, CA; NAG LLC dba NAG Marine, Norfolk, VA; Goldbelt Hawk LLC, Newport News, VA; Rocket Technology, Inc., Richmond, VA; Iron EagleX, Inc., Tampa, FL; BAE Systems Space & Mission Systems, Inc., Boulder,

CO; Air-Quality Remote-Sensing Consulting LLC, Madison, AL; Applied Intuition, Inc., Mountain View, CA; Atlantic Diving Supply, Inc. dba ADS, Inc., Virginia Beach, VA; BCG Federal Corp., Bethesda, MD; Chimaera Science LLC dba Adaptive Immersion Technologies, Tampa, FL; Defense Unicorns, Inc., Colorado Springs, CO; Coherent Aerospace and Defense, Inc., Murrieta, CA; Concordia Technologies, Inc., Huntsville, AL; F3EA, Inc., Savannah, GA; Elcomm LLC, Sugar Hill, GA; Problem Solutions LLC, Johnstown, PA; Liberty Business Associates LLC, Ladson, SC; REDLattice, Inc., Chantilly, VA; Synertex LLC, Purcellville, VA; Wegmann USA, Inc., Lynchburg, VA; Vectrus Systems Corp., Colorado Springs, CO; The Pennsylvania State University—Applied Research Laboratory, University Park, PA; WaveLink, Inc., Huntsville, AL; Via Science, Inc., Somerville, MA; Wright Brothers Institute, Dayton, OH; Yulista Integrated Solutions LLC, Huntsville, AL; Torrey Pines Logic, Inc., San Diego, CA; Trex Enterprises Corp., El Cajon, CA; Tybram LLC, Jacksonville, FL; Response AI Solutions LLC, Great Falls, VA; Platform Systems, Inc. dba Platform Aerospace, Hollywood, MD; Sciumo, Inc., Odenton, MD; Semantic AI, Inc., San Diego, CA; Shearwater Technology, Inc., Washington, IL; SimIS, Inc., Portsmouth, VA; Snowflake, Inc., Bozeman, MT; Lukos LLC, Tampa, FL; Meroxa, Inc., San Jose, CA; Nebula Compute, Inc., Wilkes-Barre, PA; MICROWAVE APPLICATIONS GROUP, Santa Maria, CA; MORSECORP, Inc., Cambridge, MA; Quantum Ventura, Inc., San Jose, CA; Noble Supply & Logistics LLC, Boston, MA; IEC Infrared Systems LLC, Middleburg Heights, OH; Immobiley, Inc., Kent, OH; Industrial Smoke & Mirrors, Inc., Orlando, FL; Inhance Digital Corp., Los Angeles, CA; JTEK Data Solutions LLC, Bethesda, MD; Kent Optronics, Inc., Hopewell Junction, NY; Kratos Unmanned Aerial Systems, Inc., Sacramento, CA; KRI at Northeastern University LLC, Burlington, MA; Kutta Technologies LLC, Phoenix, AZ; Electronics Service LLC, Great Mills, MD; Emelody Worldwide, Inc., Peachtree Corners, GA; EngeniusMicro, Huntsville, AL; Eoptic, Inc., Rochester, NY; Ether Form, Inc., McMinnville, OR; EWA Warrior Services LLC, Herndon, VA; GenXComm, Austin, TX; Dynepic, Inc., Reno, NV; CymSTAR LLC, Broken Arrow, OK; DAGER Technology LLC, Fairfax, VA; Compendium Federal Technology (CFT), Lexington Park, MD; Delta Development Team, Inc., Tucson, AZ; Cognitive Medical Systems, Inc.,

San Diego, CA; Belcan Government Solutions, Inc., Sterling, VA; Bishop Ascendant, Inc., Caldwell, NJ; BlueHalo Labs LLC, Albuquerque, NM; CACI, Inc.—Federal, Chantilly, VA; CDW Government LLC, Vernon Hills, IL; BAE Systems Technology Solutions & Services, Inc., Rockville, MD; Barbaricum LLC, Washington, DC; Adjacent Link LLC, Bridgewater, NJ; AI Strategy Corp, Babylon, NY; NTS Technical Systems LLC, Columbia, MO; and Park-Tours, Inc. dba Left Coast Engineering, Escondido, CA, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and TRex II intends to file additional written notifications disclosing all changes in membership.

On February 17, 2023, TRex II filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 13, 2023 (88 FR 38536).

The last notification was filed with the Department on February 7, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on March 7, 2025 (90 FR 11551).

**Suzanne Morris,**

*Deputy Director Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025–15380 Filed 8–12–25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—OPENGMSL ASSOCIATION

Notice is hereby given that, on June 30, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), OpenGMSL Association (“OpenGMSL”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties to the venture and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act’s provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Pursuant to section 6(b) of the Act, the identities of the parties to the venture are: Aptiv, Warren, OH; Coilcraft, Cary, IL; indie, Aliso Viejo, CA; Denso Corporation, Aichi, JAPAN; Ethernovia, Inc., San Jose, CA; GlobalFoundries U.S. Inc., Malta, NY; Keysight Technologies, Santa Rosa, CA; Rohde & Schwarz GmbH & Co. KG, Munich, FEDERAL REPUBLIC OF GERMANY; Rosenberger Hochfrequenztechnik GmbH & Co.KG, Fridolfing, FEDERAL REPUBLIC OF GERMANY; TZ Electronic Systems GmbH, Niefern-Oeschelbronn, FEDERAL REPUBLIC OF GERMANY; Analog Devices Inc., Wilmington, MA; Granite River Labs, Santa Clara, CA; Qualcomm Incorporated, San Diego, CA; and Sony Semiconductor Solutions Corporation, Atsugi, JAPAN. The general areas of OpenGMSL’s planned activity are to (a) establish Gigabit Multimedia Serial Link, known as “GMSL” technology, as a worldwide standard for SerDes transmission of video and/or data; (b) establish and maintain compatibility of GMSL and its iterative standards, including GMSL2 and GMSL3 for ease of adoption; (c) collaborate on continuous improvement for GMSL capabilities to best serve video and data link markets globally; (d) leverage these technologies to other industries, at the discretion of the Board of Directors; and (e) undertake such other activities as may from time to time be appropriate to further the purposes and achieve the goals set forth above. Membership in OPENGMSL remains open and OPENGMSL intends to file additional written notifications disclosing all changes in membership.

**Suzanne Morris,**

*Deputy Director of Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025–15371 Filed 8–12–25; 8:45 am]

**BILLING CODE P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—Z-Wave Alliance, Inc.

Notice is hereby given that, on June 18, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (the “Act”), Z-Wave Alliance, Inc. (the “Joint Venture”) filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act’s provisions limiting the recovery of

antitrust plaintiffs to actual damages under specified circumstances.

Specifically, Copeland Comfort Control LP, St. Louis, AL; Saya Life Inc, Los Angeles, CA; Hubbell Incorporated, Shelton, CT; Shenzhen iSurpass Technology Co., Ltd., Shenzhen, PEOPLE'S REPUBLIC OF CHINA; HELTUN Inc., Yerevan, REPUBLIC OF ARMENIA; RYSE Inc., Toronto, CANADA; and FireAvert, LLC, Springville, UT have been added as parties to this venture.

Also, Canny Electrics, Melbourne, COMMONWEALTH OF AUSTRALIA; Nexa Trading AB, Askim, KINGDOM OF SWEDEN; and Shenzhen Longzhiyuan Technology Co., Ltd. Shenzhen, PEOPLE'S REPUBLIC OF CHINA have withdrawn as parties to this venture.

No other changes have been made in either the membership or the planned activity of the venture. Membership in this venture remains open, and the Joint Venture intends to file additional written notifications disclosing all changes in membership.

On November 19, 2020, the Joint Venture filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on December 1, 2020 (85 FR 77241).

The last notification was filed with the Department on March 14, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on April 21, 2025 (90 FR 16701).

**Suzanne Morris,**

*Deputy Director Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025-15369 Filed 8-12-25; 8:45 am]

**BILLING CODE 4410-11-P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### Notice Pursuant to the National Cooperative Research and Production Act of 1993—Cable Television Laboratories, Inc.

Notice is hereby given that, on July 3, 2025, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (“the Act”), CABLE TELEVISION LABORATORIES, INC. (“CableLabs”) has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of

antitrust plaintiffs to actual damages under specified circumstances.

Specifically, CableVideo Digital S.A., Buenos Aires, ARGENTINA has been terminated as a party to this venture.

No other changes have been made in either the membership or the planned activity of the venture. Membership in this venture remains open and CableLabs intends to file additional written notifications disclosing all changes in membership.

On August 8, 1988, CableLabs filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on September 7, 1988 (53 FR 34593).

The last notification was filed with the Department on March 20, 2025. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on April 21, 2025 (90 FR 16705).

**Suzanne Morris,**

*Deputy Director Civil Enforcement Operations, Antitrust Division.*

[FR Doc. 2025-15372 Filed 8-12-25; 8:45 am]

**BILLING CODE P**

## OFFICE OF MANAGEMENT AND BUDGET

### Cumulative Report of Rescissions Proposals Pursuant to the Congressional Budget and Impoundment Control Act of 1974

**AGENCY:** Office of Management and Budget, Executive Office of the President.

**ACTION:** Notice of monthly cumulative report pursuant to the Congressional Budget and Impoundment Control Act of 1974.

**SUMMARY:** Pursuant to the Congressional Budget and Impoundment Control Act of 1974, OMB is issuing a monthly cumulative report (for August 2025) from the Director detailing the status of rescission proposals that were previously transmitted to the Congress on June 3, 2025.

**DATES:** Release Date: August 8, 2025.

**ADDRESSES:** The August 2025 cumulative report is available on-line on the OMB website at: <https://www.whitehouse.gov/omb/information-resources/legislative/supplementals-amendments-and-releases/>.

**FOR FURTHER INFORMATION CONTACT:** Jason Hoffman, 252 Eisenhower Executive Office Building, Washington, DC 20503, Email address: [Jason.M.Hoffman@omb.eop.gov](mailto:Jason.M.Hoffman@omb.eop.gov), telephone number: (202) 456-1414.

Because of delays in the receipt of regular mail related to security screening, respondents are encouraged to use electronic communications.

**Russell T. Vought,**

*Director.*

[FR Doc. 2025-15328 Filed 8-12-25; 8:45 am]

**BILLING CODE 3110-01-P**

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 25-028]

### Name of Information Collection: NASA Applied Remote Sensing Training Program Follow-Up Survey

**AGENCY:** National Aeronautics and Space Administration (NASA).

**ACTION:** Notice of information collection.

**SUMMARY:** NASA, as part of its continuing effort to reduce paperwork and respondent burden, under the Paperwork Reduction Act, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections.

**DATES:** Comments are due by September 12, 2025.

**ADDRESSES:** Written comments and recommendations for this 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.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to NASA PRA Clearance Officer, Stayce Hoult, NASA Headquarters, 300 E Street SW, JC0000, Washington, DC 20546, phone 256-714-8575, or email [hq-ocio-pra-program@mail.nasa.gov](mailto:hq-ocio-pra-program@mail.nasa.gov).

#### SUPPLEMENTARY INFORMATION:

##### I. Abstract

All participants of Applied Remote Sensing Training program (ARSET) trainings will be invited to complete an online survey. Participation is optional and no personal identifiers are collected. The follow-up survey will be used to assess participant perceptions of the long-term benefits of training in earth observation tools and data, improve understanding how remote sensing data and tools are used by stakeholders, identify barriers to data

and tool use, and gather suggestions for training improvement, including future training needs.

This data collection supports the Earth Action program within the Earth Science Division. NASA is committed to effectively performing the Agency's communication function in accordance with the Space Act Section 203 (a)(3) to "provide for the widest practicable and appropriate dissemination of information concerning its activities and the results thereof," and to enhance public understanding of, and participation in, the nation's aeronautical and space program in accordance with the NASA Strategic Plan.

## II. Methods of Collection

Online survey.

## III. Data

*Title:* NASA Applied Remote Sensing Training Program Follow-Up Survey.

*OMB Number:* 2700–xxxx.

*Type of Review:* New collection of information.

*Affected Public:* Individuals.

*Estimated Annual Number of Activities:* 17.

*Estimated Number of Respondents per Activity:* 106.

*Annual Responses:* 1,812.

*Estimated Time per Response:* 17 minutes.

*Estimated Total Annual Burden Hours:* 512 hours.

## IV. Request for Comments

Comments are invited on: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of NASA, including whether the information collected has practical utility; (2) the accuracy of NASA's estimate of the burden (including hours and cost) of the proposed collection of information; (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 automated collection techniques or the use of other forms of information technology.

Comments submitted in response to this notice will be summarized and included in the request for OMB approval of this information collection. They will also become a matter of public record.

### Stacey Hoult,

*PRA Clearance Officer, National Aeronautics and Space Administration.*

[FR Doc. 2025–15332 Filed 8–12–25; 8:45 am]

**BILLING CODE 7510–13–P**

## POSTAL REGULATORY COMMISSION

[Docket Nos. MC2025–1600 and K2025–1592; MC2025–1605 and K2025–1597; MC2025–1606 and K2025–1598]

### New Postal Products

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning a negotiated service agreement. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* August 18, 2025.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <https://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202–789–6820.

### SUPPLEMENTARY INFORMATION:

#### Table of Contents

- I. Introduction
- II. Public Proceeding(s)
- III. Summary Proceeding(s)

#### I. Introduction

Pursuant to 39 CFR 3041.405, the Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to Competitive negotiated service agreement(s). The request(s) may propose the addition of a negotiated service agreement from the Competitive product list or the modification of an existing product currently appearing on the Competitive product list.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (<http://www.prc.gov>). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3011.301.<sup>1</sup>

Section II identifies the docket number(s) associated with each Postal Service request, if any, that will be reviewed in a public proceeding as defined by 39 CFR 3010.101(p), the title of each such request, the request's

<sup>1</sup> See Docket No. RM2018–3, Order Adopting Final Rules Relating to Non-Public Information, June 27, 2018, Attachment A at 19–22 (Order No. 4679).

acceptance date, and the authority cited by the Postal Service for each request. For each such request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 and 39 CFR 3000.114 (Public Representative). The Public Representative does not represent any individual person, entity or particular point of view, and, when Commission attorneys are appointed, no attorney-client relationship is established. Section II also establishes comment deadline(s) pertaining to each such request.

The Commission invites comments on whether the Postal Service's request(s) identified in Section II, if any, are consistent with the policies of title 39. Applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3035, and 39 CFR part 3041. Comment deadline(s) for each such request, if any, appear in Section II.

Section III identifies the docket number(s) associated with each Postal Service request, if any, to add a standardized distinct product to the Competitive product list or to amend a standardized distinct product, the title of each such request, the request's acceptance date, and the authority cited by the Postal Service for each request. Standardized distinct products are negotiated service agreements that are variations of one or more Competitive products, and for which financial models, minimum rates, and classification criteria have undergone advance Commission review. See 39 CFR 3041.110(n); 39 CFR 3041.205(a). Such requests are reviewed in summary proceedings pursuant to 39 CFR 3041.325(c)(2) and 39 CFR 3041.505(f)(1). Pursuant to 39 CFR 3041.405(c)–(d), the Commission does not appoint a Public Representative or request public comment in proceedings to review such requests.

#### II. Public Proceeding(s)

1. *Docket No(s).*: MC2025–1600 and K2025–1592; *Filing Title:* USPS Request to Add Priority Mail Express International, Priority Mail International & First-Class Package International Service Contract 85 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* August 8, 2025; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative:* Samuel Robinson; *Comments Due:* August 18, 2025.

2. *Docket No(s).*: MC2025–1605 and K2025–1597; *Filing Title:* USPS Request to Add Priority Mail Contract 917 to the

Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: August 8, 2025; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative*: Jennaca Upperman; *Comments Due*: August 18, 2025.

3. *Docket No(s)*.: MC2025–1606 and K2025–1598; *Filing Title*: USPS Request to Add Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 1399 to the Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date*: August 8, 2025; *Filing Authority*: 39 U.S.C. 3642, 39 CFR 3035.105, and 39 CFR 3041.310; *Public Representative*: Kenneth Moeller; *Comments Due*: August 18, 2025.

### III. Summary Proceeding(s)

None. See Section II for public proceedings.

This Notice will be published in the **Federal Register**.

**Erica A. Barker**,  
*Secretary*.

[FR Doc. 2025–15355 Filed 8–12–25; 8:45 am]

**BILLING CODE 7710–FW–P**

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### POSTAL SERVICE

#### Change in Rates of General Applicability for Competitive Products

**AGENCY**: Postal Service.

**ACTION**: Notice of a change in rates of general applicability for competitive products.

**SUMMARY**: This notice sets forth time-limited changes in rates of general applicability for competitive products.

**DATES**: *Effective date*: October 5, 2025.

**FOR FURTHER INFORMATION CONTACT**:  
Elizabeth Reed, 202–268–3179.

**SUPPLEMENTARY INFORMATION**: On August 8, 2025, pursuant to their authority under 39 U.S.C. 3632, the Governors of the Postal Service established time-limited price changes for competitive products. The Governors' Decision and the record of proceedings in connection with such decision are reprinted below in accordance with section 3632(b)(2). Mail Classification Schedule language containing the new prices can be found at [www.prc.gov](http://www.prc.gov).

**Matthew W. Tievsky**,  
*Attorney, Ethics and Legal Compliance*.

**BILLING CODE 7710–12–P**

**DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON CHANGES  
IN RATES OF GENERAL APPLICABILITY FOR COMPETITIVE PRODUCTS (GOVERNORS'  
DECISION No. 25-5)**

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August 7, 2025

**STATEMENT OF EXPLANATION AND JUSTIFICATION**

Pursuant to authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices of general applicability for certain domestic shipping services (competitive products), and concurrent classification changes to effectuate the new prices. These prices shall be in effect at 12:00am CDT on October 5, 2025, until 12:00am CST on January 18, 2026, at which time prices will be restored to the levels that were in effect prior to these increases. The changes are described generally below, with a detailed description of the changes in the attachment. The attachment includes the draft Mail Classification Schedule sections with the new prices that will take effect on October 5 displayed in the price charts, as well as the Mail Classification Schedule sections with the prices that will be restored on January 18.

As shown in the nonpublic annex being filed under seal herewith, the changes we establish should enable each competitive product to cover its attributable costs (39 U.S.C. § 3633(a)(2)) and should result in competitive products as a whole complying with 39 U.S.C. § 3633(a)(3), which, as implemented by 39 C.F.R. § 3035.107(c), requires competitive products collectively to contribute a minimum of 8.0 percent to the Postal Service's institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise (39 U.S.C. § 3633(a)(1)). We therefore find that the new prices are in accordance with 39 U.S.C. §§ 3632-3633 and 39 C.F.R. § 3035.102.

## I. Domestic Products

### A. Priority Mail Express

Overall, the Priority Mail Express price change represents a 5.6 percent increase. The existing structure of zoned Retail and Commercial price categories is maintained. Retail prices will increase 5.7 percent on average, while the Commercial price category will increase 4.9 percent on average.

### B. Priority Mail

On average, Priority Mail prices will be increased by 5.6 percent. The existing structure of zoned Retail and Commercial price categories is maintained. Retail prices will increase 5.8 percent on average, while the Commercial price category will increase 5.2 percent on average.

### C. USPS Ground Advantage

USPS Ground Advantage, introduced in July 2024, is the Postal Service's flagship ground package product. USPS Ground Advantage prices will increase 5.2 percent on average. The existing structure of zoned Retail and Commercial price categories is maintained. Retail prices will increase 5.1 percent on average, while the Commercial price category will increase 5.3 percent on average. The Alaska Limited Overland Routes (LOR) price category will see a 6.1 percent increase.

### D. Parcel Select Destination Entry

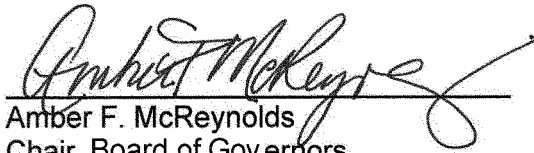
On average, Parcel Select Destination Entry prices will increase overall by 5.6 percent, with different percentages allocated across weight classes.

No price changes are being made to Special Services or International competitive products.

## ORDER

The changes in prices set forth herein shall be effective at 12:00 A.M. on October 5, 2025, and will be rolled back to current levels at 12:00 A.M. on January 18, 2026. We direct the Secretary of the Board of Governors to have this decision published in the *Federal Register* in accordance with 39 U.S.C. § 3632(b)(2), and direct management to file with the Postal Regulatory Commission appropriate notice of these changes.

By The Governors:

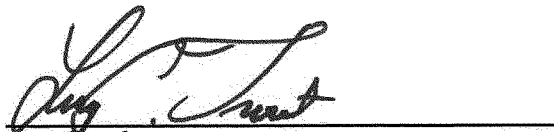


Amber F. McReynolds  
Chair, Board of Governors

**UNITED STATES POSTAL  
SERVICE OFFICE OF THE BOARD OF  
GOVERNORS**

**CERTIFICATION OF GOVERNORS' VOTE ON  
GOVERNORS' DECISION NO. 25-5**

Consistent with 39 U.S.C. § 3632, I hereby certify that, on August 7, 2025, the Governors voted on adopting Governors' Decision No. 25-5, and that a majority of the Governors then holding office voted in favor of that Decision.



Lucy E. Trout

Acting Secretary of the Board of Governors

**Date: August 7, 2025**

[FR Doc. 2025-15366 Filed 8-12-25; 8:45 am]

BILLING CODE 7710-12-C

**POSTAL SERVICE**

**International Product Change—Priority Mail Express International, Priority Mail International & First-Class Package International Service Agreement**

**AGENCY:** Postal Service.

**ACTION:** Notice.

**SUMMARY:** The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a Priority Mail Express International, Priority Mail International & First-Class Package International Service contract to the list of Negotiated Service Agreements in the Competitive Product List in the Mail Classification Schedule.

**DATES:** Date of notice: August 13, 2025.

**FOR FURTHER INFORMATION CONTACT:** Christopher C. Meyerson, (202) 268-7820.

**SUPPLEMENTARY INFORMATION:** The United States Postal Service hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on August 7, 2025, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Express International, Priority Mail International & First-Class Package International Service Contract*

88 to Competitive Product List. Documents are available at [www.prc.gov](http://www.prc.gov), Docket Nos. MC2025–1599 and K2025–1591.

**Matthew W. Tievsky,**  
Attorney, Ethics and Legal Compliance.  
[FR Doc. 2025–15359 Filed 8–12–25; 8:45 am]  
BILLING CODE 7710–12–P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103664; File No. SR–CboeEDGA–2025–024]

### Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fee Schedule To Provide a Temporary Discount for EDGA Historical Depth Data

August 8, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on July 30, 2025, Cboe EDGA Exchange, Inc. (the “Exchange” or “EDGA”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

Cboe EDGA Exchange, Inc. (the “Exchange” or “EDGA”) proposes to amend its Fee Schedule to provide a temporary 20% discount on fees assessed to EDGA Members and non-Members that purchase \$20,000 or more of or more of ad hoc purchases of EDGA Historical Depth Data. 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/edga/](http://markets.cboe.com/us/equities/regulation/rule_filings/edga/)) and at the Exchange’s Office of the Secretary.

#### 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.

#### A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

The Exchange proposes to update its Fee Schedule to provide a temporary 20% discount on fees assessed to EDGA Members (“Members”)<sup>3</sup> and non-Members that purchase \$20,000 or more of or more of ad hoc purchases of EDGA Historical Depth Data (“Historical Depth Reports”), effective July 30, 2025 through September 30, 2025.

By way of background, the Exchange currently makes available for purchase Depth Data, which is a daily archive of the Exchange’s depth of book real-time feed, which provides depth-of-book quotations and execution information based on equity orders entered into the System. The Exchange also offers Historical Depth Data, which offers such data on a historical basis, *i.e.* T+1 or later. The Historical Depth Report is a completely voluntary product, in that the Exchange is not required by any rule or regulation to make this data available and that potential customers may purchase it on an ad-hoc basis only if they voluntarily choose to do so.

Cboe LiveVol, LLC (“LiveVol”), a wholly owned subsidiary of the Exchange’s parent company, Cboe Global Markets, Inc., makes the Historical Depth Report available for purchase to Users on the LiveVol DataShop website ([datashop.cboe.com](http://datashop.cboe.com)). The Historical Depth Data is available for purchase to Members and Non-Members; the Exchange charges a fee per month of historical data of \$1,000. The Historical Depth Report provided on a historical basis is only provided to data recipients for internal use only, and thus, no redistribution will be permitted. The Exchange notes that the

<sup>3</sup> See Rule 1.5(n) (“Member”). 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.

Historical Depth Report is subject to direct competition from other exchanges, as other exchanges offer similar products for a fee.<sup>4</sup>

The Exchange’s affiliated equities and options exchanges (*i.e.*, Cboe Exchange, Inc. (“Cboe Options”), Cboe C2 Exchange, Inc. (“C2 Options”), Cboe EDGX Exchange, Inc. (“EDGX”), Cboe BZX Exchange, Inc. (“BZX”), and Cboe BYX Exchange, Inc. (“BYX”), (collectively, “Affiliates”) also offer similar data products.<sup>5</sup> Particularly, each of the Exchange’s Affiliates offer a daily and historical archive of their depth of book real-time feed with execution information based on their trading activity that is substantially similar to the information provided by the Exchange through its Depth Data products.

The Exchange proposes to provide a temporary pricing incentive program in which Members or Non-Members that purchase Historical Depth Reports will receive a percentage fee discount where specific purchase thresholds are met. Specifically, the Exchange proposes to provide a 20% discount for ad-hoc purchases of Historical Depth Data of \$20,000 or more.<sup>6</sup> The proposed program will apply to all market participants irrespective of whether the market participant is a new or current purchaser; however, the discount cannot be combined with any other discounts offered by the Exchange. The Exchange intends to introduce the discount program beginning July 30, 2025, with the program remaining in effect through September 30, 2025. The Exchange also notes that it previously adopted similar discount programs for other historical data products offered by the Exchange.<sup>7</sup>

##### 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

<sup>4</sup> See *e.g.*, <https://www.nasdaqtrader.com/Trader.aspx?id=DPPPriceListOptions#nom>; and [https://www.nyse.com/publicdocs/nyse/data/NYSE\\_Market\\_Data\\_Fee\\_Schedule.pdf](https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Fee_Schedule.pdf).

<sup>5</sup> See *e.g.*, EDGX Fee Schedule, BZX Fee Schedule, BYX Fee Schedule.

<sup>6</sup> The discount will apply on an order-by-order basis. The discount will apply to the total purchase price, once the \$20,000 minimum purchase is satisfied (for example, a qualifying order of \$25,000 would be discounted to \$20,000, *i.e.* receive a 20% discount of \$5,000).

<sup>7</sup> See *e.g.*, Securities Exchange Act Release No. 88195 (December 14, 2023), 88 FR 88193 (December 20, 2023) (SR–CboeEDGA–2023–021) and Securities Exchange Act Release No. 100334 (June 14, 2024), 89 FR 52161 (June 21, 2024) (SR–CboeEDGA–2024–024).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

Section 6(b) of the Act.<sup>8</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>9</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>10</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>11</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities.

In adopting Regulation NMS, the Commission granted self-regulatory organizations (“SROs”) and broker-dealers increased authority and flexibility to offer new and unique market data to the public. It was believed that this authority would expand the amount of data available to consumers, and also spur innovation and competition for the provision of market data. The Exchange believes that the proposed fee changes will further broaden the availability of U.S. equity market data to investors consistent with the principles of Regulation NMS. The Exchange believes the dissemination of historical depth of book data via Historical Depth Reports benefits investors through increased transparency and may promote better informed trading, as well as research and studies of the equities industry. Nevertheless, the Exchange notes that such data is not necessary for trading and as noted above, is entirely optional. Moreover, several other exchanges offer a similar data product which offer the same type of data content through similar reports.<sup>12</sup>

The Exchange operates in a highly competitive environment. Indeed, there are currently 16 registered equities

exchanges that trade equities. Based on publicly available information, no single equities exchange has more than 15% of the equity market share.<sup>13</sup> The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Particularly, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>14</sup> Making similar data products available to market participants fosters competition in the marketplace, and constrains the ability of exchanges to charge supercompetitive fees. In the event that a market participant views one exchange’s data product as more attractive than the competition, that market participant can, and often does, switch between similar products. The proposed fees are a result of the competitive environment of the U.S. equities industry as the Exchange seeks to adopt fees to attract purchasers of Historical Depth Reports.

The Exchange believes that the proposed incentive program for any Member or non-Member who purchases Historical Depth Reports is reasonable because such purchasers would receive a 20% discount for purchasing \$20,000 or more worth of Historical Depth Reports. The Exchange believes the proposed discount is reasonable as it will give purchasers the ability to use and test the Historical Depth Reports at a discounted rate, prior to purchasing additional months or a monthly subscription, and will therefore encourage users to purchase Historical Depth Reports. Further, the proposed discount is intended to promote increased use of the Exchange’s Historical Depth Reports by defraying some of the costs a purchaser would ordinarily have to expend before using the data product. The Exchange believes that the proposed discount is equitable and not unfairly discriminatory because it will apply equally to all Members and non-Members who purchase Historical Depth Reports. Lastly, the purchase of this data product is discretionary and not compulsory. Indeed, no market

participant is required to purchase the Historical Depth Reports, and the Exchange is not required to make Historical Depth Reports available to all investors. Potential purchasers may request the data at any time if they believe it to be valuable or may decline to purchase such data. As noted above, the Exchange previously adopted similar discount programs for other historical data products offered by the Exchange.<sup>15</sup>

#### *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 operates in a highly competitive environment in which the Exchange must continually adjust its fees to remain competitive. Because competitors are free to modify their own fees in response, including the adoption of similar discounts to those fees, the Exchange believes that the degree to which fee changes (including discounts and rebates) in this market may impose any burden on competition is extremely limited. As discussed above, the Exchange’s Historical Depth Reports offering is subject to direct competition from several other options exchanges that offer similar data products. Moreover, purchase of Historical Depth Reports is optional. It is designed to help investors understand underlying market trends to improve the quality of investment decisions, but is not necessary to execute a trade.

The proposed rule changes are grounded in the Exchange’s efforts to compete more effectively. In this competitive environment, potential purchasers are free to choose which, if any, similar product to purchase to satisfy their need for market information. As a result, the Exchange believes this proposed rule change permits fair competition among national securities exchanges. Further, the Exchange believes that these changes will not cause any unnecessary or inappropriate burden on intermarket competition, as the proposed incentive program applies uniformly to any purchaser of Historical Depth Reports.

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> *Id.*

<sup>11</sup> 15 U.S.C. 78f(b)(4).

<sup>12</sup> See *supra* note 4.

<sup>13</sup> See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (July 29, 2025), available at [https://www.cboe.com/us/equities/market\\_statistics/](https://www.cboe.com/us/equities/market_statistics/).

<sup>14</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

<sup>15</sup> See *e.g.*, Securities Exchange Act Release No. 88195 (December 14, 2023), 88 FR 88193 (December 20, 2023) (SR-CboeEDGA-2023-021) and Securities Exchange Act Release No. 100334 (June 14, 2024), 89 FR 52161 (June 21, 2024) (SR-CboeEDGA-2024-024).

*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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>16</sup> and paragraph (f) of Rule 19b-4<sup>17</sup> thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change 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-CboeEDGA-2025-024 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-CboeEDGA-2025-024. 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 filing 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-CboeEDGA-2025-024 and should be submitted on or before September 3, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025-15320 Filed 8-12-25; 8:45 am]

BILLING CODE 8011-01-P

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235-0311]

### Agency Information Collection Activities; Submission for OMB Review; Comment Request; Extension: Rule 7d-1

*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") is soliciting comments on the collection of information discussed below

Section 7(d) of the Investment Company Act of 1940 (15 U.S.C. 80a-7(d)) (the "Act" or "Investment Company Act") requires an investment company ("fund") organized outside the United States ("foreign fund") to obtain an order from the Commission allowing the fund to register under the Act before making a public offering of its securities through the United States mail or any means of interstate commerce. The Commission may issue an order only if it finds that it is both legally and practically feasible effectively to enforce the provisions of the Act against the foreign fund, and that the registration of the fund is consistent with the public interest and protection of investors.

Rule 7d-1 (17 CFR 270.7d-1) under the Act, which was adopted in 1954, specifies the conditions under which a Canadian management investment company ("Canadian fund") may request an order from the Commission permitting it to register under the Act.

Although rule 7d-1 by its terms applies only to Canadian funds, funds in other jurisdictions generally have agreed to comply with the requirements of rule 7d-1 as a prerequisite to receiving an order permitting the fund's registration under the Act.

The rule requires Canadian funds that propose to register under the Act to file an application with the Commission that contains various undertakings and agreements by the fund. The requirement of the Canadian fund to file an application is a collection of information under the Paperwork Reduction Act. Certain of the undertakings and agreements, in turn, impose the following additional information collection requirements:

(1) the fund must file with the Commission agreements between the fund and its directors, officers, and service providers requiring them to comply with the fund's charter and bylaws, the Act, and certain other obligations relating to the undertakings and agreements in the application;

(2) the fund and each of its directors, officers, and investment advisers that is not a U.S. resident, must file with the Commission an irrevocable designation of the fund's custodian in the United States as agent for service of process;

(3) the fund's charter and bylaws must provide that (a) the fund will comply with certain provisions of the Act applicable to all funds, (b) the fund will maintain originals or copies of its books and records in the United States, and (c) the fund's contracts with its custodian, investment adviser, and principal underwriter, will contain certain terms, including a requirement that the adviser maintain originals or copies of pertinent records in the United States;

(4) the fund's contracts with service providers will require that the provider perform the contract in accordance with the Act, the Securities Act of 1933 (15 U.S.C. 77a), and the Securities Exchange Act of 1934 (15 U.S.C. 78a), as applicable; and

(5) the fund must file, and periodically revise, a list of persons affiliated with the fund, its investment adviser, and principal underwriter.

As noted above, under section 7(d) of the Act, the Commission may issue an order permitting a foreign fund's registration only if the Commission finds that "by reason of special circumstances or arrangements, it is both legally and practically feasible effectively to enforce the provisions of the (Act)." The information collection requirements are necessary to ensure that the substantive provisions of the Act may be enforced as a matter of contract right in the United States or

<sup>16</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>17</sup> 17 CFR 240.19b-4(f).

<sup>18</sup> 17 CFR 200.30-3(a)(12).

Canada by the fund's shareholders or by the Commission.

Rule 7d-1 also contains certain information collection requirements that are associated with other provisions of the Act. These requirements are applicable to all registered funds and are outside the scope of this request. The Commission staff estimates that one foreign fund is registered under the Act pursuant to rule 7d-1 and is currently active. The burden hours under the rule associated with the fund's compliance with the Act's requirements are reflected in the information collection burdens applicable to those requirements for all registered funds. If

a fund were to file an application under rule 7d-1 to register under the Act, the Commission estimates that the rule would impose initial information collection burdens (for example, for filing an application, preparing the specified charter, bylaw, and contract provisions, designations of agents for service of process, and an initial list of affiliated persons, and establishing a means of keeping records in the United States) of approximately 90 hours for the fund and its associated persons. As noted above, after registration, a Canadian fund may file a supplemental application seeking special relief designed for the fund's particular

circumstances. Rule 7d-1 does not mandate these applications. The Commission is not including these applications in its calculation of the annual burden because no fund has applied to register under the Act pursuant to rule 7d-1 in the last three years.

These estimates of average burden hours are made solely for the purposes of the Paperwork Reduction Act. These estimates are not derived from a comprehensive or even a representative survey or study of Commission rules. Commission staff estimates the burden of the rule as set forth in Table 1 below:

	Number of affected funds	Internal annual burden hours	Wage rate	Internal time costs	Annual external cost burden
Rule 7d-1 .....	1	5	\$1,910	\$9,550	\$5,256
Total Annual Burden .....	.....	5	.....	9,550	5,256

Cost burden is the cost of goods and services purchased to comply with rule 7d-1, such as legal and accounting services. As outlined in the table above, we estimate the total external cost burden to comply with rule 7d-1 to be \$5,256.

If a Canadian or other foreign fund in the future applied to register under the Act under rule 7d-1, the fund initially might have capital and start-up costs (not including hourly burdens) of an estimated \$20,000 to comply with the rule's initial information collection requirements. These costs include legal and processing-related fees for preparing the required documentation (such as the application, charter, bylaw, and contract provisions, designations for service of process, and the list of affiliated persons). Other related costs would include fees for establishing arrangements with a custodian or other agent for maintaining records in the United States, copying and transportation costs for records, and the costs of purchasing or leasing computer equipment, software, or other record storage equipment for records maintained in electronic or photographic form.

The Commission expects that the fund and its sponsors would incur these costs immediately, and that the annualized cost of the expenditures would be \$20,000 in the first year. Some expenditures might involve capital improvements, such as computer equipment, having expected useful lives for which annualized figures beyond the first year would be meaningful. These

annualized figures are not provided, however, because, in most cases, the expenses would be incurred immediately rather than on an annual basis. As indicated above, a Canadian or foreign fund may file a supplemental application seeking special relief designed for the fund's particular circumstances. Rule 7d-1 does not mandate these applications. The Commission is not including these costs because no fund has applied made an application under rule 7d-1 in the last three years.

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 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 imposed by the collection of information; (c) ways to enhance the quality, utility, and clarity of the information 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.

The public may view and comment on this information collection request at: [https://www.reginfo.gov/public/do/PRAViewICR?ref\\_nbr=202505-3235-017](https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202505-3235-017) 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 September 15, 2025.

Dated: August 8, 2025.

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

[FR Doc. 2025-15313 Filed 8-12-25; 8:45 am]

BILLING CODE 8011-01-P

**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-103663; File No. SR-CBOE-2025-056]

**Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Rules Regarding the Position and Exercise Limits for Options on the iShares Bitcoin Trust ETF, Grayscale Bitcoin Trust ETF, Grayscale Bitcoin Mini Trust BTC, and the Bitwise Bitcoin ETF**

August 8, 2025.

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> notice is hereby given that on August 6, 2024, Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") filed with the Securities and Exchange Commission ("Commission") a proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

solicit comments on the proposed rule change from interested persons.

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe Exchange, Inc. (the "Exchange" or "Cboe Options") proposes to amend its Rules regarding the position and exercise limits for options on iShares Bitcoin Trust ETF ("IBIT"), Grayscale Bitcoin Trust ETF ("GBTC"), Grayscale Bitcoin Mini Trust BTC ("BTC"), and the Bitwise Bitcoin ETF ("BITB") (collectively, the "Bitcoin ETFs"). 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://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), and at the Exchange's Office of the Secretary.

### 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.

#### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

The Exchange proposes to amend its Rules regarding the position and exercise limits for options on the Bitcoin ETFs. Specifically, the proposed rule change amends Rule 8.30, Interpretation and Policy .10 to delete the 25,000 contract position limit for each Bitcoin ETF option. As a result, the position limit for each Bitcoin ETF option would be determined in accordance with Rule 8.30, Interpretation and Policy .07 and be based on trading in each Bitcoin ETF during the most-recent six-month period.<sup>3</sup>

<sup>3</sup> Pursuant to Rule 8.42, Interpretation and Policy .02, the exercise limits for options on the Bitcoin ETFs are equivalent to the position limits prescribed for such options in current Rule 8.30, Interpretation and Policy .10. Therefore, currently, the exercise limit for each Bitcoin ETF option is 25,000 contracts. The proposed rule change would modify the exercise limit for each Bitcoin ETF

Each Bitcoin ETF is an exchange-traded fund ("ETF") that holds Bitcoin and is listed on a national equities exchange.<sup>4</sup> On November 22, 2024, the Securities and Exchange Commission (the "Commission") noticed the Exchange's filing and immediate effectiveness of a proposed rule change to list and trade IBIT, GBTC, BTC, and BITB options.<sup>5</sup> The position and exercise limits for each Bitcoin ETF option are 25,000 contracts, the lowest limit available in equity options.<sup>6</sup>

Per the Commission "rules regarding position and exercise limits are intended to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options positions."<sup>7</sup> For this reason, the Commission requires that "position and exercise limits must be sufficient to prevent investors from disrupting the market for the underlying security by acquiring and exercising a number of options contracts disproportionate to the deliverable supply and average trading volume of

option to be equivalent to the position limit prescribed in Rule 8.30, Interpretation and Policy .07 (which may be 25,000, 50,000, 75,000, 200,000, or 250,000, depending on the six-month trading volume or the six-month trading volume and outstanding shares of the Bitcoin ETF).

<sup>4</sup> Nasdaq received approval to list and trade Bitcoin-Based Commodity-Based Trust Shares in IBIT pursuant to Rule 5711(d) of Nasdaq. See Securities Exchange Act Release No. 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024) (SR-NASDAQ-2023-016) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, To List and Trade Bitcoin-Based Commodity-Based Trust Shares and Trust Units). IBIT started trading on January 11, 2024. NYSE Arca received approval to list and trade Bitcoin-Based Commodity-Based Trust Shares in GBTC, BTC, and BITB pursuant to NYSE Arca Rule 8.201-E(c)(1). See Securities Exchange Act Release Nos. 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024) (Order Granting Accelerated Approval of Proposed Rule Changes, as Modified by Amendments Thereto, to list and trade options on, among other ETFs, GBTC) (SR-NYSEARCA-2021-90); 100610 (July 26, 2024) (order approving listing and trading of Commodity-Based Trust Shares of BTC, among other ETFs), 89 FR 62821 (August 1, 2024) (SR-NYSEARCA-2023-45); and 99306 (January 10, 2024), 89 FR 3008 (January 17, 2024) (order approving listing and trading of Commodity-Based Trust Shares of BITB, among other ETFs) (SR-NYSEARCA-2021-90).

<sup>5</sup> See Securities Exchange Act Release No. 101711 (November 22, 2024), 89 FR 94846 (November 29, 2024) (SR-CBOE-2024-051) ("Bitcoin ETF Options Notice").

<sup>6</sup> See Rules 8.30, Interpretation and Policy .10 and 8.42, Interpretation and Policy .02.

<sup>7</sup> See Securities Exchange Act Release No. 101128 (September 20, 2024), 89 FR 78942, 78946 (September 26, 2024) (SR-ISE-2024-03) (Notice of Filing of Amendment Nos. 4 and 5 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 1, 4, and 5, To Permit the Listing and Trading of Options on the iShares Bitcoin Trust) ("IBIT Options Approval Order").

the underlying security."<sup>8</sup> Based on its review of the data and analysis provided by the Exchange, the Commission concluded that the 25,000 contract position limit for non-FLEX Bitcoin ETF options satisfied these objectives.<sup>9</sup>

While the Exchange proposed a 25,000 contract position limit for each Bitcoin option in its rule filings to list and trade these options, the Exchange nonetheless believed that evidence existed to support a much higher position limit. Specifically, when initially approving Bitcoin ETF options trading, the Commission considered and reviewed data and analysis of Nasdaq ISE, LLC ("ISE") (with respect to IBIT options) and NYSE American, LLC ("NYSE American") (with respect to GBTC, BTC, and BITB options) when initially approving for listing the Bitcoin ETF options that the exercisable risk associated with a position limit of 25,000 contracts represented only 0.4% of the outstanding shares of IBIT;<sup>10</sup> 0.9% of the outstanding shares of GBTC; 0.7% of the outstanding shares of BTC; and 3.6% of the outstanding shares of BITB.<sup>11</sup> The Commission also considered and reviewed ISE's and NYSE American's statements, as applicable, that with a position limit of 25,000 contracts on the same side of the market for each Bitcoin ETF option: (1) with 611,040,000 shares of IBIT outstanding, 244 market participants would have to simultaneously exercise their positions to place IBIT under stress;<sup>12</sup> (2) with 284,570,100 shares of GBTC outstanding, 114 market participants would have to simultaneously exercise their positions to place GBTC under stress; (3) with 366,950,100 shares of BTC outstanding, 147 market participants would have to simultaneously exercise their positions to place BTC under stress; and (4) with 68,690,000 shares of BITB outstanding, 27 market participants would have to simultaneously exercise their positions to place BITB under stress.<sup>13</sup> Based on the Commission's review of this information and analysis, the Commission concluded that the 25,000-contract position and exercise limit for each of IBIT, GBTC, BTC, and BITB options were designed to prevent

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

<sup>9</sup> *Id.*; Securities Exchange Act Release Nos. 101386 (October 18, 2024), 89 FR 84960 (October 24, 2024) (SR-NYSEAMER-2024-49) (the "GBTC, BTC, and BITB Options Approval Order").

<sup>10</sup> See IBIT Options Approval Order, at 78946 (data as of August 12, 2024).

<sup>11</sup> See GBTC, BTC, and BITB Options Approval Order, at 84970 (data as of August 30, 2024).

<sup>12</sup> See IBIT Options Approval Order, at 78946 (data as of August 12, 2024).

<sup>13</sup> See GBTC, BTC, and BITB Options Approval Order, at 84971 (data as of August 30, 2024).

investors from disrupting the market for the underlying security by acquiring and exercising a number of options contracts disproportionate to the deliverable supply and average trading volume of the underlying security, and to prevent the establishment of options positions that can be used or might

create incentives to manipulate or disrupt the underlying market so as to benefit the options position.<sup>14</sup>

Each Bitcoin ETF option would currently qualify for the 250,000 contract position (and exercise) limit pursuant to the criteria in Rule 8.30, Interpretation and Policy .02, which

requires that, for the most recent six-month period, trading volume for the underlying security be at least 100 million shares.<sup>15</sup> As of November 25, 2024, the market capitalization and average daily volume (“ADV”) for the preceding three months<sup>16</sup> for each Bitcoin ETF was:

Bitcoin ETF	Market capitalization	Three-month ADV (shares)
IBIT .....	\$46,783,480,800	39,421,877
GBTC .....	20,661,316,542	3,829,597
BTC .....	3,496,748,882	2,036,369
BITB .....	4,095,157,000	2,480,478

Therefore, each Bitcoin ETF is well-above the requisite 100,000,000 shares necessary to qualify for the 250,000,000 contract position and exercise limit. Also, as of November 25, 2024, there were 19,787,762 Bitcoins in circulation.<sup>17</sup> At a price of \$94,830,<sup>18</sup> that equates to a market capitalization of greater than \$1.876 trillion. If a position limit of 250,000 contracts were considered, the exercisable risk would represent 2.89%,<sup>19</sup> 9.13%,<sup>20</sup> 30.14%,<sup>21</sup> and 31.27%<sup>22</sup> of IBIT, GBTC, BTC, and BITB shares outstanding, respectively. Given each Bitcoin ETF’s liquidity, the current 25,000 contract position and exercise limit for each Bitcoin ETF option is extremely conservative.

Position and exercise limits are designed to limit the number of options contracts traded on the exchange in an underlying security that an investor, acting alone or in concert with others directly or indirectly, may control. These limits, which are described in Rules 8.30 and 8.42, are intended to address potential manipulative schemes and adverse market impacts surrounding the use of options, such as disrupting the market in the security underlying the options. Position and exercise limits must balance concerns regarding mitigating potential

manipulation and the cost of inhibiting potential hedging activity that could be used for legitimate economic purposes.

To achieve this balance, the Exchange proposes to remove each Bitcoin ETF from the table of position limits in Rule 8.30, Interpretation and Policy .10 to permit options on each Bitcoin ETF to trade similar to all other ETF options for which the Exchange does not have other Rules that increase the position (and exercise) limits of ETF options to levels outside of the limits set forth in Rules 8.30, Interpretations and Policies .02 and 8.42. As a result of removing the Bitcoin ETFs from the table in Rule 8.30, Interpretation and Policy .10, the position and exercise limits for each Bitcoin ETF option from 25,000 to 250,000 contracts based on the parameters in Rule 8.30, Interpretation and Policy .02. By removing the Bitcoin ETFs from the table in Rule 8.30, Interpretation and Policy .10, each Bitcoin ETF would be subject to subsequent six-month reviews to determine future position and exercise limits similar to all other options subject to Rules 8.30, Interpretation and Policy .02 and 8.42.

With respect to IBIT options, in its filing proposing to amend the position and exercise limits of IBIT options,<sup>23</sup>

ISE considered IBIT’s market capitalization and ADV measured against those of other underlying securities, as well as the position limit of 250,000 contracts in relation to the position limits of other options. In measuring IBIT against other securities, ISE aggregated market capitalization and volume data for securities that have defined position limits utilizing data from The Options Clearing Corporations (“OCC”).<sup>24</sup> This pool of data took into consideration 3,897 options on single stock securities, excluding broad based ETFs.<sup>25</sup> Next, ISE aggregated the data based on market capitalization and ADV and grouped option symbols by position limit utilizing statistical thresholds for ADV, based on 90 days, and market capitalization that were one standard deviation above the mean for each position limit category (*i.e.*, 25,000, 50,000 to 65,000, 75,000, 100,000 to less than 250,000, and 250,000.<sup>26</sup> Rule 8.30 sets out position limits for various contracts. For example, on the Exchange, like ISE, a 25,000 contract position limit applies to options with an underlying security that does not meet the requirements for a higher options contract position limit. ISE performed an exercise to demonstrate the IBIT options position limit relative to other

<sup>14</sup> See IBIT Options Approval Order, at 78946; and GBTC, BTC, and BITB Options Approval Order, at 84971.

<sup>15</sup> Rule 8.30, Interpretation and Policy .02(e) provides that to be eligible for the 250,000 contract limit, either the most recent six-month trading volume of the underlying security must have totaled at least 100,000,000 shares or the most recent six-month trading volume of the underlying security must have totaled at least 75,000,000 shares and the underlying security must have at least 300,000,000 shares currently outstanding.

<sup>16</sup> The market capitalization for each Bitcoin ETF was determined by multiplying a settlement price (IBIT—\$54.02, \$75.42—GBTC, \$42.16—BTC, \$51.70—BITB) by the number of shares outstanding (IBIT—866,040,000, GBTC—273,950,100, BTC—82,939,964, BITB—79,950,100). IBIT data was acquired from <https://www.ishares.com/us/products/333011/ishares-bitcoin-trust-etf>, and GBTC, BTC, and BITB data acquired from FactSet.

<sup>17</sup> See <https://www.coingecko.com/en/coins/bitcoin>.

<sup>18</sup> This is the approximate price of Bitcoin from 4:00pm ET on November 25, 2024.

<sup>19</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 866,040,000 shares outstanding).

<sup>20</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 273,950,100 shares outstanding).

<sup>21</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 82,939,964 BTC shares outstanding).

<sup>22</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 79,950,100 BITB shares outstanding).

<sup>23</sup> See Securities Exchange Act Release No. 102682 (March 14, 2025), 90 FR 13233, 13235–13237 (March 20, 2025) (SR–ISE–2024–62).

<sup>24</sup> The computations are based on OCC data from November 25, 2024. Data displaying zero values in market capitalization or ADV were removed.

<sup>25</sup> IBIT has one asset and therefore is not comparable to a broad-based ETF where there are typically multiple components.

<sup>26</sup> Rule 8.30, Interpretation and policy .02 sets out position limits for various contracts. For example, at 25,000 contract limit applies to those options having an underlying security that does not meet the requirements for a higher options contract limit. The Exchange notes that position limits may also be higher due to corporate actions in the underlying equities, such as a stock split. See <https://www.theocc.com/market-data/market-data-reports/series-and-trading-data/position-limits>. As a result, ISE’s pool of data considered higher position limits than 250,000 contracts, where applicable.

options symbols in terms of market capitalization and ADV. For reference, the market capitalization for IBIT was \$46,783,480,800<sup>27</sup> with an ADV, for the preceding three months prior to November 25, 2024, of 39,421,877 shares. By comparison, if IBIT were compared to the 1,934 stocks underlying options that have position limits of 250,000 contracts (and less than 500,000 contracts), IBIT would rank in the 88th percentile for market capitalization and the 99th percentile for ADV.

ISE also analyzed a position limit of 250,000 contracts for IBIT by regressing the market capitalization figures and 90-day ADV of all non-ETF equities, against their respective position limit figures. From this regression, ISE indicated it determined the implied coefficients to create a formulaic method for determining an appropriate position limit. In this case, the modeled position limit was 565,796 contracts.<sup>28</sup> Based on this analysis, the Exchange believes the proposed rule change that would result in a 250,000 contract position and exercise limit for IBIT is appropriate.

Second, ISE reviewed IBIT's data relative to the market capitalization of the entire Bitcoin market in terms of exercise risk and availability of deliverables. Utilizing data as of November 25, 2024, there were 19,787,762 Bitcoins in circulation.<sup>29</sup> ISE took a price of \$94,830,<sup>30</sup> which equates to a market capitalization of greater than \$1.876 trillion. If a position limit of 250,000 contracts were considered, the exercisable risk would represent only 2.89%<sup>31</sup> of the outstanding shares of IBIT. Since IBIT has a creation and redemption process managed through the issuer, the position limit sought to the total market capitalization of the entire Bitcoin market. In this case, the exercisable risk for options on IBIT would be less than 0.072% of the market capitalization of all outstanding Bitcoin.<sup>32</sup> Assuming a scenario where

all options on IBIT shares were exercised given a 250,000 contract per same side position (and exercise) limit, this would have a virtually unnoticed impact on the entire Bitcoin market. This ISE analysis demonstrates that a position (and exercise) limit of 250,000 same side contracts for IBIT is appropriate for IBIT options given its liquidity.

Third, ISE reviewed a position (and exercise) limit of 250,000 contracts for IBIT options by comparing it to position limits for derivative products regulated by the Commodity Futures Trading Commission ("CFTC"). While the CFTC, through the relevant Designated Contract Markets, only regulates options positions based upon delta equivalents (creating a less stringent standard), ISE examined equivalent Bitcoin futures position limits. In particular, ISE looked at the CME Bitcoin futures contract that has a position limit of 2,000 futures.<sup>33</sup> On October 22, 2024, CME Bitcoin futures settled at \$94,945.<sup>34</sup> On October 22, 2024, IBIT settled at \$54.02, which would equate to greater than 17,557,898 shares of IBIT if the CME notional position limit was utilized. Since substantial portions of any distributed options portfolio is likely to be out of the money on expiration, an options position limit equivalent to the CME position limit for bitcoin futures (considering that all options deltas are  $\leq 1.00$ ) should be a bit higher than the CME implied 175,578 limit. Of note, unlike options contracts, CME position limits are calculated on a net futures equivalent basis by contract and include contracts that aggregate into one or more base contracts according to an aggregation ratio(s).<sup>35</sup> Therefore, if a portfolio includes positions in options on futures, CME would aggregate those positions into the underlying futures contracts in accordance with a table published by CME on a delta equivalent value for the relevant spot month, subsequent spot month, single month and all month position limits.<sup>36</sup> If a position exceeds position limits because of an option assignment, CME permits

market participants to liquidate the excess position within one business day without being considered in violation of its rules. Additionally, if at the close of trading, a position that includes options exceeds position limits for futures contracts, when evaluated using the delta factors as of that day's close of trading, but does not exceed the limits when evaluated using the previous day's delta factors, then the position shall not constitute a position limit violation. Based on the aforementioned ISE analysis, the Exchange believes that the proposed 250,000 contracts for position and exercise limits is appropriate.

Fourth, ISE analyzed a position and exercise limit of 250,000 for IBIT options against other options on ETFs with an underlying commodity, namely SPDR Gold Shares ("GLD"), iShares Silver Trust ("SLV"), and ProShares Bitcoin ETF ("BITO").<sup>37</sup> GLD has a float of 306.1 million shares<sup>38</sup> and a position limit of 250,000 contract. SLV has a float of 520.7 million shares<sup>39</sup> and a position limit of 250,000 contract. Finally, BITO has 107.65 million shares outstanding<sup>40</sup> and a position limit of 250,000 contract. As previously noted, position and exercise limits are designed to limit the number of options contracts traded on the exchange in an underlying security that an investor, acting alone or in concert with others directly or indirectly, may control. A position limit exercise in GLD would represent 8.17% of the float of GLD; a position limit exercise in SLV would represent 4.8% of the float of SLV, and a position limit exercise of BITO would represent 23.22% of the float of BITO. In comparison, a 250,000 contract position limit in IBIT would represent 2.89% of the float of IBIT.

Consequently, a 250,000 position and exercise limit is more conservative than the standard applied to GLD, SLV and BITO, and thus appropriate.

Fifth, ISE noted that IBIT options began trading in penny increments as of January 2, 2025 pursuant to the Penny Interval Program.<sup>41</sup> The Commission

<sup>27</sup> The market capitalization was determined by multiplying a settlement price of (\$54.02) by the number of shares outstanding (866,040,000). This figure was acquired as of November 25, 2024. See <https://www.ishares.com/us/products/333011/ishares-bitcoin-trust-etf>.

<sup>28</sup> ISE stated it utilized this formula to arrive at the number of contracts:  $((46,783,380,800 \text{ mkt cap} * 0.000002630 \text{ market cap coefficient}) + (39,421,877 \text{ ADV} * 0.0140402219 \text{ ADV coefficient}))$ .

<sup>29</sup> See <https://www.coingecko.com/en/coins/bitcoin>.

<sup>30</sup> This is the approximate price of Bitcoin from 4:00pm ET on November 25, 2024.

<sup>31</sup> This percentage is arrived at with this equation:  $(250,000 \text{ contract limit} * 100 \text{ shares per option} / 866,040,000 \text{ shares outstanding})$ .

<sup>32</sup> This number was arrived at with this calculation:  $((250,000 \text{ limit} * 100 \text{ shares per option}$

$* \$54.02 \text{ settle}) / (19,787,762 \text{ Bitcoin outstanding} * \$94,830 \text{ Bitcoin price})$ .

<sup>33</sup> See CME Rulebook Chapter 350 (description of CME Bitcoin Futures) and Chapter 5, Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices. Each CME Bitcoin futures contract is valued at five Bitcoins as defined by the CME CF Bitcoin Reference Rate ("BRR"). See CME Rule 35001.

<sup>34</sup> 2,000 futures at a 5 Bitcoin multiplier (per the contract specifications) equates to \$949,450,000 (2000 contracts \* 5 Bitcoin per contract \* \$94,945 price of November Bitcoin future) of notional value.

<sup>35</sup> See <https://www.cmegroup.com/education/courses/market-regulation/position-limits/position-limits-aggregation-of-contracts-and-table.htm>.

<sup>36</sup> *Id.*

<sup>37</sup> GLD, SLV and BITO each hold one asset in trust similar to IBIT.

<sup>38</sup> See <https://www.ssga.com/us/en/intermediary/etfs/spdr-gold-shares-gld>.

<sup>39</sup> See <https://www.ishares.com/us/products/239855/ishares-silver-trust-fund>.

<sup>40</sup> See <https://www.marketwatch.com/investing/fund/bitco>.

<sup>41</sup> The Exchange may add to the Penny Program a newly listed option class provided that (i) it is among the 300 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in its first full calendar month of trading and (ii) the underlying security is priced below \$200 or the underlying index is at an index

noted that evidence contained in both the Exchanges' Report and the Cornerstone analysis demonstrates that the Penny Pilot has benefitted investors and other market participants in the form of narrower spreads.<sup>42</sup> The most actively traded options classes are included in the Penny Program based on certain objective criteria (trading volume thresholds and initial price tests). As noted in the Penny Approval Order, the Penny Program reflects a certain level of trading interest (either because the class is newly listed or a class that experience a significant growth in investor interest) to quote in finer trading increments, which in turn should benefit market participants by reducing the cost of trading such options.<sup>43</sup> IBIT options are among a select group of products that have achieved a certain level of liquidity that have garnered it the ability to trade in finer increments. Failing to increase position and exercise limits for IBIT options, now that it is trading in finer increments, may artificially inhibit liquidity and create price inefficiency.

With respect to GBTC, BTC, and BITB, the Exchange reviewed data presented by NYSE Arca, Inc. ("NYSE Arca") in its filings to amend the position and exercise limits for GBTC, BTC, and BITB options.<sup>44</sup> First, the Exchange reviewed NYSE Arca's comparison of the market capitalization of each of these three Bitcoin ETFs relative to the market capitalization of the entire Bitcoin market in terms of

level below \$200. Any option class added under this provision will be added on the first trading day of the month after it qualifies and will remain in the Penny Program for one full calendar year, after which it will be subject to the Annual Review described in Rule 5.4(d). The Exchange may add any option class to the Penny Program, provided that (i) it is among the 75 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in the past six full calendar months of trading and (ii) the underlying security is priced below \$200 or the underlying index is at an index level below \$200. Any option class added under this provision will be added on the first trading day of the second full month after it qualifies and will remain in the Penny Program for the rest of the calendar year, after which it will be subject to the Annual Review as described in Rule 5.4(d). See Rule 5.4(d).

<sup>42</sup> See Securities Exchange Act Release No. 88532 (April 1, 2020), 67 FR 19545, 19548 (April 7, 2020) (File No. 4-443) (Joint Industry Plan; Order Approving Amendment No. 5 to the Plan for the Purpose of Developing and Implementing Procedures Designed To Facilitate the Listing and Trading of Standardized Options To Adopt a Penny Interval Program) ("Penny Approval Order").

<sup>43</sup> *Id.* at 19548.

<sup>44</sup> See Securities Exchange Act Release Nos. 102402 (February 11, 2025), 90 FR 9765, 9767 (SR-NYSEArca-2025-07) (notice of filing regarding position and exercise limits for GBTC options); and 102441 (February 18, 2025), 90 FR 10518, 10520-10521 (notice of filing regarding position and exercise limits for BTC and BITB options).

exercise risk and availability of deliverables. As noted above, as of November 25, 2024, there were 19,787,762 Bitcoins in circulation.<sup>45</sup> At a price of \$94,830 per Bitcoin,<sup>46</sup> that equates to a market capitalization of greater than \$1.876 trillion. If a position (and exercise) limit of 250,000 contracts were considered, the exercisable risk would represent 9.13%,<sup>47</sup> 30.14%,<sup>48</sup> and 31.27%<sup>49</sup> of GBTC, BTC, and BITB shares outstanding, respectively. Since each of GBTC, BTC, and BITB has a creation and redemption process managed through the issuer (whereby Bitcoin is used to create shares of each such Bitcoin ETF), the position and exercise limit can be compared to the total market capitalization of the entire Bitcoin market, and in that case, the exercisable risk for options on GBTC, BTC, and BITB would represent less than 0.10%,<sup>50</sup> 0.06%,<sup>51</sup> and 0.07%,<sup>52</sup> respectively, of all Bitcoin outstanding. The Exchange notes that if each of GBTC, BTC, and BITB options were subject to a 250,000-contract position and exercise limit (based on each ETF's trading volume), and if all options on GBTC, BTC, or BITB shares were exercised at once, this occurrence would have a virtually unnoticed impact on the entire Bitcoin market. This NYSE Arca analysis demonstrates that a 250,000-contract position (and exercise) limit for each of GBTC, BTC, and BITB options would be appropriate given each of these Bitcoin ETF's liquidity.

As ISE did with respect to IBIT options, NYSE Arca compared a position and exercise limit of 250,000 contracts to the position limit of CME Bitcoin futures, which as noted above, have a position limit of 2,000 futures. On October 22, 2024, CME Bitcoin futures settled at \$94,945. On October

<sup>45</sup> See <https://www.coingecko.com/en/coins/bitcoin>.

<sup>46</sup> This is the approximate price of Bitcoin from 4:00pm ET on November 25, 2024.

<sup>47</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 273,950,100 shares outstanding).

<sup>48</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 82,939,964 shares outstanding).

<sup>49</sup> This percentage is arrived at with this equation: (250,000 contract limit \* 100 shares per option / 79,950,100 BITB shares outstanding).

<sup>50</sup> This number was arrived at with this calculation: ((250,000 limit \* 100 shares per option \* \$75.42 settle) / (19,787,762 Bitcoin outstanding \* \$94,830 Bitcoin price)).

<sup>51</sup> This number was arrived at with this calculation: ((250,000 limit \* 100 shares per option \* \$42.16 settle) / (19,787,762 Bitcoin outstanding \* \$94,830 Bitcoin price)).

<sup>52</sup> This number was arrived at with this calculation: ((250,000 limit \* 100 shares per option \* \$51.70 settle) / (19,787,762 Bitcoin outstanding \* \$94,830 Bitcoin price)).

22, 2024, GBTC settled at \$53.64, BTC settled at \$29.90, and BITB settled at \$36.74, which would equate to greater than 17,700,410 shares of GBTC, 31,754,180 shares of BTC, and 25,842,406 shares of BITB, if the CME notional position limit was utilized.<sup>53</sup> Since substantial portions of any distributed options portfolio re likely to be out of the money at expiration, an options position limit equivalent to the CME position limit for Bitcoin futures (considering that all options deltas are  $\leq 1.00$ ) should be a bit higher than the CME implied 175,578 limit.

The Exchange notes, unlike options contracts, CME position limits are calculated on a net futures-equivalent basis by contract and include contracts that aggregate into one or more base contracts according to an aggregation ratio(s).<sup>54</sup> Therefore, if a portfolio includes positions in options on futures, CME would aggregate those positions into the underlying futures contracts in accordance with a table published by CME on a delta equivalent value for the relevant spot month, subsequent spot month, single month and all month position limits.<sup>55</sup> If a position exceeds position limits because of an option assignment, CME permits market participants to liquidate the excess position within one business day without being considered in violation of its rules. Additionally, if at the close of trading, a position that includes options exceeds position limits for futures contracts, when evaluated using the delta factors as of that day's close of trading but does not exceed the limits when evaluated using the previous day's delta factors, then the position shall not constitute a position limit violation. Considering CME's position limits on futures for Bitcoin, the Exchange believes that the proposed position and exercise limits for GBTC, BTC, and BITB options are appropriate.

Finally, as ISE did, NYSE Arca also compared a position and exercise limit of 250,000 contracts for GBTC, BTC, and BITB against the position and exercise limits for GLD and SLV options. GLD has a float of 306.1 million shares<sup>56</sup> and a position and exercise limit of 250,000 contract. SLV has a float of 520.7 million shares<sup>57</sup> and a position and

<sup>53</sup> 2,000 futures at a 5-Bitcoin multiplier (per the contract specifications) equates to \$949,450,000 (2000 contracts \* 5 Bitcoin per contract \* \$94,945 price of November Bitcoin future) of notional value.

<sup>54</sup> See CME Rulebook Chapter 5, Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices.

<sup>55</sup> *Id.*

<sup>56</sup> See <https://www.ssga.com/us/en/intermediary/etfs/spdr-gold-shares-gld>.

<sup>57</sup> See <https://www.ishares.com/us/products/239855/ishares-silver-trust-fund>.

exercise limit of 250,000 contracts. As previously noted, position and exercise limits are designed to limit the number of options contracts traded on the exchange in an underlying security that an investor, acting alone or in concert with others directly or indirectly, may control. A position limit exercise in GLD would represent 8.17% of the float of GLD; and a position limit exercise in SLV would represent 4.8% of the float of SLV. In comparison, a 250,000-contract position limit would represent 9.13% of the GBTC float, 30.14% of the BTC float, and 31.27% of the BITB float. A 250,000 contract position and exercise limit for each of GBTC, BTC, and BITB is comparable with the standard applied to GLD and SLV and is therefore appropriate.

The Exchange believes the above information demonstrates that each Bitcoin ETF option has more than sufficient liquidity to garner an increased position and exercise limit of 250,000 contracts. The Exchange believes that any concerns related to manipulation and protection of investors are mollified by the significant liquidity provision in each Bitcoin ETF. The Exchange states that, as a general principle, increases in active trading volume and deep liquidity of the underlying securities do not lead to manipulation and/or disruption.

The Exchange believes the proposed rule change would lead to a more liquid and competitive market environment for the Bitcoin ETF options, which will benefit customers that trade these options. Further, the reporting requirement for such options would remain unchanged. Thus, the Exchange will still require that each TPH organization that maintains positions in impacted options on the same side of the market, for its own account or for the account of a customer, report certain information to the Exchange. This information includes, but would not be limited to, the options' positions, whether such positions are hedged and, if so, a description of the hedge(s). Market-Makers would continue to be exempt from this reporting requirement, however, the Exchange may access Market-Maker position information.<sup>58</sup> Moreover, the Exchange's requirement that TPH organizations file reports with

<sup>58</sup> OCC through the Large Option Position Reporting ("LOPR") system acts as a centralized service provider for Trading Permit Holder ("TPH") compliance with position reporting requirements by collecting data from each TPH or TPH organization, consolidating the information, and ultimately providing detailed listings of each TPHs report to the Exchange, as well as Financial Industry Regulatory Authority, Inc. ("FINRA"), acting as its agent pursuant to a regulatory services agreement ("RSA").

the Exchange for any customer who held aggregate large long or short positions on the same side of the market of 200 or more option contracts of any single class for the previous day will remain at this level and will continue to serve as an important part of the Exchange's surveillance efforts.<sup>59</sup>

The Exchange also has no reason to believe that the growth in trading volume in Bitcoin ETF options will not continue. Rather, the Exchange expects continued options volume growth in the Bitcoin ETFs as opportunities for investors to participate in the options markets increase and evolve. The Exchange believes that the current position and exercise limits applicable to the Bitcoin ETF options are restrictive and may hamper the listed options markets from being able to compete fairly and effectively with the over-the-counter ("OTC") markets. OTC transactions occur through bilateral agreements, the terms of which are not publicly disclosed to the marketplace. As such, OTC transactions do not contribute to the price discovery process on a public exchange or other lit markets. The Exchange believes that without the proposed changes to position and exercise limits for Bitcoin ETF options, market participants will find the 25,000 contract position and exercise limit an impediment to their business and investment objectives as well as an impediment to efficient pricing. As such, market participants may find the less transparent OTC markets a more attractive alternative to achieve their investment and hedging objectives, leading to a retreat from the listed options markets, where trades are subject to reporting requirements and daily surveillance. However, the Exchange notes each Bitcoin ETF option's position (and exercise) limits would be reviewed on a six-month basis, pursuant to Rule 8.30, Interpretation and Policy .02, similar to other options.

Today, the Exchange has an adequate surveillance program in place for options.<sup>60</sup> Additionally, the Exchange is a member of the Intermarket Surveillance Group ("ISG") under the Intermarket Surveillance Group Agreement. ISG members work together to coordinate surveillance and investigative information sharing in the stock, options, and futures markets. Further, Cboe has an RSA with FINRA for certain market surveillance,

<sup>59</sup> See Rule 8.43(a).

<sup>60</sup> The surveillance program includes surveillance patterns for price and volume movements as well as patterns for potential manipulation (e.g., spoofing and marking the close).

investigation and examinations functions. Pursuant to a multi-party 17d-2 joint plan, all options exchanges allocate amongst themselves and FINRA responsibilities to conduct certain options-related market surveillance that are common to rules of all options exchanges.<sup>61</sup> The Exchange also has reviews in place to identify continued compliance with the Exchange's listing standards.

## 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>62</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>63</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>64</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes the proposed rule change will remove impediments to and perfect the mechanism of free and open market and a national market system, and, in general, protect investors and the public

<sup>61</sup> Section 19(g)(1) of the Act, among other things, requires every self-regulatory organization ("SRO") registered as a national securities exchange or national securities association to comply with the Act, the rules and regulations thereunder, and the SRO's own rules, and, absent reasonable justification or excuse, enforce compliance by its members and persons associated with its members. See 15 U.S.C. 78q(d)(1) and 17 CFR 240.17d-2. Section 17(d)(1) of the Act allows the Commission to relieve an SRO of certain responsibilities with respect to members of the SRO who are also members of another SRO ("common members"). Specifically, Section 17(d)(1) allows the Commission to relieve an SRO of its responsibilities to: (i) receive regulatory reports from such members; (ii) examine such members for compliance with the Act and the rules and regulations thereunder, and the rules of the SRO; or (iii) carry out other specified regulatory responsibilities with respect to such members.

<sup>62</sup> 15 U.S.C. 78f(b).

<sup>63</sup> 15 U.S.C. 78f(b)(5).

<sup>64</sup> *Id.*

interest, because it will provide market participants with the ability to more effectively execute their trading and hedging activities. Also, based on current trading volume, the resulting increase in the position (and exercise) limits for each Bitcoin ETF option may allow Market-Makers to maintain their liquidity in these options in amounts commensurate with the continued high consumer demand in each Bitcoin ETF option. Subjecting the Bitcoin ETF options to the position limits in Rule 8.30, Interpretation and Policy .02 and corresponding exercise limits in Rule 8.42 may also encourage other liquidity providers to continue to trade on the Exchange rather than shift their volume to OTC markets, which will enhance the process of price discovery conducted on the Exchange through increased order flow. The Exchange notes the proposed rule change would further allow institutional investors to utilize Bitcoin ETF options for prudent risk management purposes.

In support of the proposed rule change, the Exchange cites the in-depth analysis of each of ISE and NYSE Arca did in their respective filings, as noted above, each of ISE and NYSE Arca considered, among other things: (1) applicable Bitcoin ETF's market capitalization and ADV, and a 250,000 contract position and exercise limit in relation to the position limits of options on other securities; (2) market capitalization of the entire Bitcoin market in terms of exercise risk and availability of deliverables; and (3) comparing a 250,000 contract position limit to position limits for derivative products regulated by the CFTC. Based on the Exchange's review of these analyses, the Exchange believes that subjecting the Bitcoin ETF options to the position (and exercise) limits set forth in Rule 8.30, Interpretation and Policy .02 (which may go up to 250,000 contracts) is more than appropriate. The proposed position and exercise limits reasonably and appropriately balance the liquidity provisioning in the market against the prevention of manipulation. The Exchange believes these proposed limits are effectively designed to prevent an individual customer or entity from establishing options positions that could be used to manipulate the market of the underlying as well as the Bitcoin market.<sup>65</sup>

<sup>65</sup> See Securities Exchange Act Release No. 39489 (December 24, 1997), 63 FR 276 (January 5, 1998) (SR-CBOE-1997-11).

### *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 does not believe the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because all TPHs would be subject to the same position and exercise limit for each Bitcoin ETF option, as set by Rules 8.30, Interpretation and Policy .02 and 8.42. The Exchange does not believe the proposed rule change will impose any burden on intermarket competition, and may benefit competition, as the proposed rule change is identical proposed rule changes of other options exchanges recently approved by the Commission.<sup>66</sup> The Exchange believes that the proposed rule change may provide additional opportunities for market participants to continue to efficiently achieve their investment and trading objectives for the Bitcoin ETF options.

### *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 written comments on the proposed rule change.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>67</sup> and Rule 19b-4(f)(6) thereunder.<sup>68</sup> Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>69</sup> and

<sup>66</sup> See Securities Exchange Act Release Nos. 103564 (July 29, 2025) (SR-ISE-2024-62) (order approving ISE proposed rule change to amend position and exercise limits for IBIT options); 103567 (July 29, 2025) (SR-NYSEARCA-2025-07) (order approving NYSE Arca proposed rule change to amend position and exercise limits for GBTC options); and 103568 (July 29, 2025) (SR-NYSEARCA-2025-10) (order approving NYSE Arca proposed rule change to amend position and exercise limits for BTC and BITB options).

<sup>67</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>68</sup> 17 CFR 240.19b-4(f)(6).

<sup>69</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>70</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>71</sup> under the Act does not normally become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>72</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission previously approved the removal of the 25,000 contract position and exercise limit for IBIT, BTC, GBTC, and BITB, such that those funds will be subject to the position and exercise limits as determined for equity options for which no set limit has been otherwise established on that exchange.<sup>73</sup> The Exchange is proposing similarly to remove of the 25,000 contract position and exercise limit for IBIT, BTC, GBTC, and BITB, such that those funds will be subject to the position and exercise limits as determined by the position limit rules at Rule 8.30, Interpretation and Policy .10. The Exchange has provided information regarding IBIT, BTC, GBTC, and BITB, including, among other things, information regarding trading volume, and the market capitalization of IBIT, BTC, GBTC, and BITB and surveillance procedures that will apply. The Commission notes that the proposal raises no new or novel legal issues and would simply provide an additional venue for trading IBIT, BTC, GBTC, and BITB with position and exercise limits that may be higher than 25,000 contracts. Therefore, the Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change as operative upon filing.<sup>74</sup>

At any time within 60 days of the filing of the proposed rule change, the

<sup>70</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied the pre-filing requirement.

<sup>71</sup> 17 CFR 240.19b-4(f)(6).

<sup>72</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>73</sup> See *supra* note 66.

<sup>74</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change 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-CBOE-2025-056 on the subject line.

##### *Paper Comment*

- 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- CBOE-2025-056. 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 filing 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-CBOE-2025-056 and should be submitted on or before September 3, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>75</sup>

**J. Matthew DeLesDernier,**  
Deputy Secretary.

[FR Doc. 2025-15321 Filed 8-12-25; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103665; File No. SR-CboeEDGX-2025-063]

### Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fee Schedule To Provide a Temporary Discount for EDGX Historical Depth Data

August 8, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 30, 2025, Cboe EDGX Exchange, Inc. (the "Exchange" or "EDGX") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Cboe EDGX Exchange, Inc. (the "Exchange" or "EDGX") proposes to amend its Fee Schedule to provide a temporary 20% discount on fees assessed to EDGX Members and non-Members that purchase \$20,000 or more of ad hoc purchases of EDGX Historical Depth Data. 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/options/regulation/rule\\_filings/edgx/](http://markets.cboe.com/us/options/regulation/rule_filings/edgx/)) and at the Exchange's Office of the Secretary.

#### 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.

#### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

The Exchange proposes to update its Fee Schedule to provide a temporary 20% discount on fees assessed to EDGX Members ("Members")<sup>3</sup> and non-Members that purchase \$20,000 or more of ad hoc purchases of EDGX Historical Depth Data ("Historical Depth Reports"), effective July 30, 2025 through September 30, 2025.

By way of background, the Exchange currently makes available for purchase Depth Data, which is a daily archive of the Exchange's depth of book real-time feed, which provides depth-of-book quotations and execution information based on equity orders entered into the System. The Exchange also offers Historical Depth Data, which offers such data on a historical basis, *i.e.* T+1 or later. The Historical Depth Report is a completely voluntary product, in that the Exchange is not required by any rule or regulation to make this data available and that potential customers may purchase it on an ad-hoc basis only if they voluntarily choose to do so.

Cboe LiveVol, LLC ("LiveVol"), a wholly owned subsidiary of the Exchange's parent company, Cboe Global Markets, Inc., makes the Historical Depth Report available for purchase to Users on the LiveVol DataShop website ([datashop.cboe.com](http://datashop.cboe.com)). The Historical Depth Data is available for purchase to Members and Non-Members; the Exchange charges a fee per month of historical data of \$1,000. The Historical Depth Report provided on a historical basis is only provided to data recipients for internal use only, and thus, no redistribution will be permitted. The Exchange notes that the Historical Depth Report is subject to direct competition from other exchanges, as other exchanges offer similar products for a fee.<sup>4</sup>

The Exchange's options platform ("EDGX Options") and affiliated equities and options exchanges (*i.e.*, Cboe BZX Exchange, Inc. ("BZX"), Cboe

<sup>3</sup> See Rule 1.5(n) ("Member"). 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>4</sup> See *e.g.*, <https://www.nasdaqtrader.com/Trader.aspx?id=DPPPriceListOptions#nom>; and [https://www.nyse.com/publicdocs/nyse/data/NYSE\\_Market\\_Data\\_Fee\\_Schedule.pdf](https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Fee_Schedule.pdf).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>75</sup> 17 CFR 200.30-3(a)(12), (59).

Exchange, Inc. (“Cboe Options”), Cboe C2 Exchange, Inc. (“C2 Options”), Cboe EDGA Exchange, Inc. (“EDGA”), and Cboe BYX Exchange, Inc. (“BYX”) (collectively, “Affiliates”) also offer similar data products.<sup>5</sup> Particularly, each of the Exchange’s Affiliates offer a daily and historical archive of their depth of book real-time feed with execution information based on their trading activity that is substantially similar to the information provided by the Exchange through its Depth Data products.

The Exchange proposes to provide a temporary pricing incentive program in which Members or Non-Members that purchase Historical Depth Reports will receive a percentage fee discount where specific purchase thresholds are met. Specifically, the Exchange proposes to provide a 20% discount for ad-hoc purchases of Historical Depth Data of \$20,000 or more.<sup>6</sup> The proposed program will apply to all market participants irrespective of whether the market participant is a new or current purchaser; however, the discount cannot be combined with any other discounts offered by the Exchange. The Exchange intends to introduce the discount program beginning July 30, 2025, with the program remaining in effect through September 30, 2025. The Exchange also notes that it previously adopted similar discount programs for other historical data products offered by the Exchange.<sup>7</sup>

## 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>8</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>9</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>10</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>11</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities.

In adopting Regulation NMS, the Commission granted self-regulatory organizations (“SROs”) and broker-dealers increased authority and flexibility to offer new and unique market data to the public. It was believed that this authority would expand the amount of data available to consumers, and also spur innovation and competition for the provision of market data. The Exchange believes that the proposed fee changes will further broaden the availability of U.S. equity market data to investors consistent with the principles of Regulation NMS. The Exchange believes the dissemination of historical depth of book data via Historical Depth Reports benefits investors through increased transparency and may promote better informed trading, as well as research and studies of the equities industry. Nevertheless, the Exchange notes that such data is not necessary for trading and as noted above, is entirely optional. Moreover, several other exchanges offer a similar data product which offer the same type of data content through similar reports.<sup>12</sup>

The Exchange operates in a highly competitive environment. Indeed, there are currently 16 registered equities exchanges that trade equities. Based on publicly available information, no single equities exchange has more than 15% of the equity market share.<sup>13</sup> The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining

prices, products, and services in the securities markets. Particularly, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>14</sup> Making similar data products available to market participants fosters competition in the marketplace, and constrains the ability of exchanges to charge supercompetitive fees. In the event that a market participant views one exchange’s data product as more attractive than the competition, that market participant can, and often does, switch between similar products. The proposed fees are a result of the competitive environment of the U.S. equities industry as the Exchange seeks to adopt fees to attract purchasers of Historical Depth Reports.

The Exchange believes that the proposed incentive program for any Member or non-Member who purchases Historical Depth Reports is reasonable because such purchasers would receive a 20% discount for purchasing \$20,000 or more worth of Historical Depth Reports. The Exchange believes the proposed discount is reasonable as it will give purchasers the ability to use and test the Historical Depth Reports at a discounted rate, prior to purchasing additional months or a monthly subscription, and will therefore encourage users to purchase Historical Depth Reports. Further, the proposed discount is intended to promote increased use of the Exchange’s Historical Depth Reports by defraying some of the costs a purchaser would ordinarily have to expend before using the data product. The Exchange believes that the proposed discount is equitable and not unfairly discriminatory because it will apply equally to all Members and non-Members who purchase Historical Depth Reports. Lastly, the purchase of this data product is discretionary and not compulsory. Indeed, no market participant is required to purchase the Historical Depth Reports, and the Exchange is not required to make Historical Depth Reports available to all investors. Potential purchasers may request the data at any time if they believe it to be valuable or may decline to purchase such data. As noted above, the Exchange previously adopted similar discount programs for other

<sup>5</sup> See e.g., EDGA Fee Schedule, BYX Fee Schedule, BZX Fee Schedule.

<sup>6</sup> The discount will apply on an order-by-order basis. The discount will apply to the total purchase price, once the \$20,000 minimum purchase is satisfied (for example, a qualifying order of \$25,000 would be discounted to \$20,000, i.e. receive a 20% discount of \$5,000).

<sup>7</sup> See e.g., Securities Exchange Act Release No. 99185 (December 14, 2023), 88 FR 88182 (December 20, 2023) (SR–CboeEDGX–2023–072) and Securities Exchange Act Release No. 100333 (June 14, 2024), 89 FR 52115 (June 21, 2024) (SR–CboeEDGX–2024–034).

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> *Id.*

<sup>11</sup> 15 U.S.C. 78f(b)(4).

<sup>12</sup> See *supra* note 4.

<sup>13</sup> See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (July 29, 2025), available at [https://www.cboe.com/us/equities/market\\_statistics/](https://www.cboe.com/us/equities/market_statistics/).

<sup>14</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

historical data products offered by the Exchange.<sup>15</sup>

### *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 operates in a highly competitive environment in which the Exchange must continually adjust its fees to remain competitive. Because competitors are free to modify their own fees in response, including the adoption of similar discount to those fees, the Exchange believes that the degree to which fee changes (including discounts and rebates) in this market may impose any burden on competition is extremely limited. As discussed above, the Exchange's Historical Depth Reports offering is subject to direct competition from several other options exchanges that offer similar data products. Moreover, purchase of Historical Depth Reports is optional. It is designed to help investors understand underlying market trends to improve the quality of investment decisions, but is not necessary to execute a trade.

The proposed rule changes are grounded in the Exchange's efforts to compete more effectively. In this competitive environment, potential purchasers are free to choose which, if any, similar product to purchase to satisfy their need for market information. As a result, the Exchange believes this proposed rule change permits fair competition among national securities exchanges. Further, the Exchange believes that these changes will not cause any unnecessary or inappropriate burden on intermarket competition, as the proposed incentive program applies uniformly to any purchaser of Historical Depth Reports.

### *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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)

of the Act<sup>16</sup> and paragraph (f) of Rule 19b-4<sup>17</sup> thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change 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-CboeEDGX-2025-063 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-CboeEDGX-2025-063. 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 filing 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-CboeEDGX-2025-063 and should be submitted on or before September 3, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

[FR Doc. 2025-15319 Filed 8-12-25; 8:45 am]

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## **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-103666; File No. SR-CboeBYX-2025-024]

### **Self-Regulatory Organizations; Cboe BYX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fee Schedule To Provide a Temporary Discount on BYX Historical Depth Data**

August 8, 2025.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on July 30, 2025, Cboe BYX Exchange, Inc. (the "Exchange" or "BYX") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### **I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

Cboe BYX Exchange, Inc. (the "Exchange" or "BYX") proposes to amend its Fee Schedule to provide a temporary discount on fees assessed to BYX Members and non-Members that purchase \$20,000 or more of ad hoc purchases of historical BYX Historical Depth Data. 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/)) and at the Exchange's Office of the Secretary.

#### **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

<sup>15</sup> See e.g., Securities Exchange Act Release No. 99185 (December 14, 2023), 88 FR 88182 (December 20, 2023) (SR-CboeEDGX-2023-072) and Securities Exchange Act Release No. 100333 (June 14, 2024), 89 FR 52115 (June 21, 2024) (SR-CboeEDGX-2024-034).

<sup>16</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>17</sup> 17 CFR 240.19b-4(f).

<sup>18</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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.

*A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

The Exchange proposes to update its Fee Schedule to provide a temporary discount on fees assessed to BYX Members ("Members")<sup>3</sup> and non-Members that purchase \$20,000 or more of ad hoc purchases of historical BYX Historical Depth Data ("Historical Depth Reports"), effective July 30, 2025 through September 30, 2025.

By way of background, the Exchange currently makes available for purchase Depth Data, which is a daily archive of the Exchange's depth of book real-time feed, which provides depth-of-book quotations and execution information based on equity orders entered into the System. The Exchange also offers Historical Depth Data, which offers such data on a historical basis, *i.e.* T+1 or later. The Historical Depth Report is a completely voluntary product, in that the Exchange is not required by any rule or regulation to make this data available and that potential customers may purchase it on an ad-hoc basis only if they voluntarily choose to do so.

Cboe LiveVol, LLC ("LiveVol"), a wholly owned subsidiary of the Exchange's parent company, Cboe Global Markets, Inc., makes the Historical Depth Report available for purchase to Users on the LiveVol DataShop website ([datashop.cboe.com](https://datashop.cboe.com)). The Historical Depth Data is available for purchase to Members and Non-Members; the Exchange charges a fee per month of historical data of \$1,000. The Historical Depth Report provided on a historical basis is only provided to data recipients for internal use only, and thus, no redistribution will be permitted. The Exchange notes that the Historical Depth Report is subject to direct competition from other

<sup>3</sup> See Rule 1.5(n) ("Member"). 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.

exchanges, as other exchanges offer similar products for a fee.<sup>4</sup>

The Exchange's affiliated equities and options exchanges (*i.e.*, Cboe Exchange, Inc. ("Cboe Options"), Cboe C2 Exchange, Inc. ("C2 Options"), Cboe EDGX Exchange, Inc. ("EDGX"), Cboe BZX Exchange, Inc. ("BZX"), and Cboe EDGA Exchange, Inc. ("EDGA")), (collectively, "Affiliates") also offer similar data products.<sup>5</sup> Particularly, each of the Exchange's Affiliates offer a daily and historical archive of their depth of book real-time feed with execution information based on their trading activity that is substantially similar to the information provided by the Exchange through its Depth Data products.

The Exchange proposes to provide a temporary pricing incentive program in which Members or Non-Members that purchase Historical Depth Reports will receive a percentage fee discount where specific purchase thresholds are met. Specifically, the Exchange proposes to provide a 20% discount for ad-hoc purchases of Historical Depth Data of \$20,000 or more.<sup>6</sup> The proposed program will apply to all market participants irrespective of whether the market participant is a new or current purchaser; however, the discount cannot be combined with any other discounts offered by the Exchange. The Exchange intends to introduce the discount program beginning July 30, 2025, with the program remaining in effect through September 30, 2025. The Exchange also notes that it previously adopted similar discount programs for other historical data products offered by the Exchange.<sup>7</sup>

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>8</sup> Specifically,

<sup>4</sup> See *e.g.*, <https://www.nasdaqtrader.com/Trader.aspx?id=DPPriceListOptions#nom>; and [https://www.nyse.com/publicdocs/nyse/data/NYSE\\_Market\\_Data\\_Fee\\_Schedule.pdf](https://www.nyse.com/publicdocs/nyse/data/NYSE_Market_Data_Fee_Schedule.pdf).

<sup>5</sup> See *e.g.*, EDGX Fee Schedule, BZX Fee Schedule, EDGA Fee Schedule.

<sup>6</sup> The discount will apply on an order-by-order basis. The discount will apply to the total purchase price, once the \$20,000 minimum purchase is satisfied (for example, a qualifying order of \$25,000 would be discounted to \$20,000, *i.e.* receive a 20% discount of \$5,000).

<sup>7</sup> See *e.g.*, Securities Exchange Act Release No. 99181 (December 14, 2023), 88 FR 88176 (December 20, 2023) (SR-CboeBYX-2023-017) and Securities Exchange Act Release No. 100331 (June 13, 2024), 89 FR 51916 (June 20, 2024) (SR-CboeBYX-2024-022).

<sup>8</sup> 15 U.S.C. 78f(b).

the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>9</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>10</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also believes the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>11</sup> which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and other persons using its facilities.

In adopting Regulation NMS, the Commission granted self-regulatory organizations ("SROs") and broker-dealers increased authority and flexibility to offer new and unique market data to the public. It was believed that this authority would expand the amount of data available to consumers, and also spur innovation and competition for the provision of market data. The Exchange believes that the proposed fee changes will further broaden the availability of U.S. equity market data to investors consistent with the principles of Regulation NMS. The Exchange believes the dissemination of historical market depth data via Historical Depth Reports benefits investors through increased transparency and may promote better informed trading, as well as research and studies of the equities industry. Nevertheless, the Exchange notes that such data is not necessary for trading and as noted above, is entirely optional. Moreover, several other exchanges offer a similar data product which offer the same type of data content through similar reports.<sup>12</sup>

The Exchange operates in a highly competitive environment. Indeed, there are currently 16 registered equities exchanges that trade equities. Based on publicly available information, no single

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> *Id.*

<sup>11</sup> 15 U.S.C. 78f(b)(4).

<sup>12</sup> See *supra* note 4.

equities exchange has more than 15% of the equity market share.<sup>13</sup> The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Particularly, in Regulation NMS, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”<sup>14</sup> Making similar data products available to market participants fosters competition in the marketplace, and constrains the ability of exchanges to charge supercompetitive fees. In the event that a market participant views one exchange’s data product as more attractive than the competition, that market participant can, and often does, switch between similar products. The proposed fees are a result of the competitive environment of the U.S. equities industry as the Exchange seeks to adopt fees to attract purchasers of Historical Depth Reports.

The Exchange believes that the proposed incentive program for any Member or non-Member who purchases Historical Depth Reports is reasonable because such purchasers would receive a 20% discount for purchasing \$20,000 or more worth of Historical Depth Reports. The Exchange believes the proposed discount is reasonable as it will give purchasers the ability to use and test the Historical Depth Reports at a discounted rate, prior to purchasing additional months or a monthly subscription, and will therefore encourage users to purchase Historical Depth Reports. Further, the proposed discount is intended to promote increased use of the Exchange’s Historical Depth Reports by defraying some of the costs a purchaser would ordinarily have to expend before using the data product. The Exchange believes that the proposed discount is equitable and not unfairly discriminatory because it will apply equally to all Members and non-Members who purchase Historical Depth Reports. Lastly, the purchase of this data product is discretionary and not compulsory. Indeed, no market participant is required to purchase the Historical Depth Reports, and the

Exchange is not required to make Historical Depth Reports available to all investors. Potential purchasers may request the data at any time if they believe it to be valuable or may decline to purchase such data. As noted above, the Exchange has previously adopted similar discount programs.<sup>15</sup>

#### *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 operates in a highly competitive environment in which the Exchange must continually adjust its fees to remain competitive. Because competitors are free to modify their own fees in response, including the adoption of similar discounts to those fees, the Exchange believes that the degree to which fee changes (including discounts and rebates) in this market may impose any burden on competition is extremely limited. As discussed above, the Exchange’s Historical Depth Reports offering is subject to direct competition from several other options exchanges that offer similar data products. Moreover, purchase of Historical Depth Reports is optional. It is designed to help investors understand underlying market trends to improve the quality of investment decisions, but is not necessary to execute a trade.

The proposed rule changes are grounded in the Exchange’s efforts to compete more effectively. In this competitive environment, potential purchasers are free to choose which, if any, similar product to purchase to satisfy their need for market information. As a result, the Exchange believes this proposed rule change permits fair competition among national securities exchanges. Further, the Exchange believes that these changes will not cause any unnecessary or inappropriate burden on intermarket competition, as the proposed incentive program applies uniformly to any purchaser of Historical Depth Reports.

#### *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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>16</sup> and paragraph (f) of Rule 19b-4<sup>17</sup> thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change 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-CboeBYX-2025-024 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-2025-024. 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 filing 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-2025-024

<sup>13</sup> See Cboe Global Markets, U.S. Equities Market Volume Summary, Month-to-Date (July 29, 2025), available at [https://www.cboe.com/us/equities/market\\_statistics/](https://www.cboe.com/us/equities/market_statistics/).

<sup>14</sup> See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

<sup>15</sup> See e.g., Securities Exchange Act Release No. 99181 (December 14, 2023), 88 FR 88176 (December 20, 2023) (SR-CboeBYX-2023-017) and Securities Exchange Act Release No. 100331 (June 13, 2024), 89 FR 51916 (June 20, 2024) (SR-CboeBYX-2024-022).

<sup>16</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>17</sup> 17 CFR 240.19b-4(f).

and should be submitted on or before September 3, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>18</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025–15318 Filed 8–12–25; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

[OMB Control No. 3235–0035]

### Agency Information Collection Activities; Proposed Collection; Comment Request; Extension: Rule 17a–13

*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 (“SEC” or “Commission”) is soliciting comments on the proposed collection of information.

Rule 17a–13(b) (17 CFR 240.17a–13(b)) generally requires that at least once each calendar quarter, all registered brokers-dealers physically examine and count all securities held and account for all other securities not in their possession, but subject to the broker-dealer’s control or direction. Any discrepancies between the broker-dealer’s securities count and the firm’s records must be noted and, within seven days, the unaccounted for difference must be recorded in the firm’s records. Rule 17a–13(c) (17 CFR 240.17a–13(c)) provides that under specified conditions, the count, examination, and verification of the broker-dealer’s entire list of securities may be conducted on a cyclical basis rather than on a certain date. Although Rule 17a–13 does not require broker-dealers to file a report with the Commission, discrepancies between a broker-dealer’s records and the securities counts may be required to be reported, for example, as a loss on Form X–17a–5 (17 CFR 248.617), which must be filed with the Commission under Exchange Act Rule 17a–5 (17 CFR 240.17a–5). Rule 17a–13 exempts broker-dealers that limit their business

to the sale and redemption of securities of registered investment companies and interests or participation in an insurance company separate account and those who solicit accounts for federally insured savings and loan associations, provided that such persons promptly transmit all funds and securities and hold no customer funds and securities. Rule 17a–13 also does not apply to certain broker-dealers required to register only because they effect transactions in securities futures products.

Rule 17a–13 requires the recording of only those differences in the broker-dealer’s records that remain unresolved seven business days after the date of the examination, count, and verification. The Commission or the self-regulatory organization (“SRO”) designated as the broker-dealer’s examining authority may examine these recorded discrepancies in a broker-dealer’s records to determine whether they are the result of the firm’s inability to maintain control of its business.

The information obtained from Rule 17a–13 is used as an inventory control device to monitor a broker-dealer’s ability to account for all securities held in transfer, in transit, pledged, loaned, borrowed, deposited, or otherwise subject to the firm’s control or direction. Discrepancies between the securities counts and the broker-dealer’s records alert the Commission and applicable SROs to those firms experiencing back-office operational issues.

As of December 2024, there were approximately 3,342 active broker-dealers registered with the Commission. However, given the variability in their businesses, it is difficult to quantify how many hours per year each broker-dealer spends complying with Rule 17a–13. As noted, Rule 17a–13 requires a broker-dealer to account for all securities in its possession or subject to its control or direction. Many broker-dealers hold few, if any, securities, while others hold large quantities. Therefore, the time burden of complying with Rule 17a–13 will depend on respondent-specific factors, including size, number of customers, and proprietary trading activity. The staff estimates that the average time spent per respondent is 100 hours per year on an ongoing basis to maintain the records required under Rule 17a–13. This estimate takes into account the fact that more than half of the 3,342 respondents—according to financial reports filed with the Commission—may

spend little or no time complying with Rule 17a–13, given that they do not do a public securities business or do not hold inventories of securities. For these reasons, the staff estimates that the total recordkeeping burden per year is approximately 334,200 hours (3,342 respondents × 100 hours/respondent).

The records required to be made by Rule 17a–13 are available only to Commission examination staff, state securities authorities, and applicable SROs. Subject to the provisions of the Freedom of Information Act, 5 U.S.C. 522, and the Commission’s rules thereunder (17 CFR 200.80(b)(4)(iii)), the Commission does not generally publish or make available information contained in any reports, summaries, analyses, letters, or memoranda arising out of, in anticipation of, or in connection with an examination or inspection of the books and records of any person or any other investigation.

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.

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 Ruttenberg via email to [PaperworkReductionAct@sec.gov](mailto:PaperworkReductionAct@sec.gov) by October 14, 2025. There will be a second opportunity to comment on this SEC request following the **Federal Register** publishing a 30-Day Submission Notice.

Dated: August 8, 2025.

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025–15312 Filed 8–12–25; 8:45 am]

**BILLING CODE 8011–01–P**

<sup>18</sup> 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103641; File No. SR-MIAX-2025-27]

### Self-Regulatory Organizations; Miami International Securities Exchange, LLC; Order Approving a Proposed Rule Change To Amend the Exchange's Index Options Rules To Allow the Exchange To List and Trade Options on Micro Narrow-Based Indexes

August 8, 2025.

#### I. Introduction

On June 25, 2025, Miami International Securities Exchange, LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”) <sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposal to amend the Exchange’s index option rules to permit the listing and trading of options on micro narrow-based indexes. The proposed rule change was published for comment in the **Federal Register** on July 8, 2025.<sup>3</sup> The Commission received no comments on the proposed rule change. This order grants approval of the proposed rule change.

#### II. Description of the Proposed Rule Change

The Exchange proposes to amend its listing rules for index options, as set forth in Chapter XVIII of its rules, to permit, as other exchanges do already, the listing and trading of micro narrow-based index options. Specifically, consistent with the rules of other exchanges, the Exchange proposes to (1) adopt a definition of a micro narrow-based index; (2) establish initial listing standards and maintenance standards for micro narrow-based indexes; and (3) adopt rules regarding position limits and exercise limits for options on micro narrow-based indexes. The specific changes are discussed below.

##### A. Definition of Micro-Narrow Based Index

The Exchange proposes to add Rule 1801(m) defining micro narrow-based index as an industry or narrow-based index that meets the specific criteria provided under Rule 1802(f), which sets forth the proposed initial listing criteria

for micro narrow-based indexes.<sup>4</sup> The Exchange states that the proposed definition is identical to the definition of micro narrow-based indexes in the rules of Cboe Exchange, Inc. (“Cboe”).<sup>5</sup>

##### B. Proposed Initial Listing Criteria

The Exchange proposes in Rule 1802(f) to set forth the initial listing standards for a micro narrow-based index. In addition, the Exchange proposes to permit trading of options on a micro narrow-based index pursuant to Rule 19b-4(e)<sup>6</sup> under the Act if several conditions are satisfied.<sup>7</sup>

Specifically, proposed Rule 1802(f)(1) requires that the index is a security index (i) that has nine or fewer component securities; (ii) in which a component security comprises more than 30% of the index’s weighting; (iii) in which the five highest weighted component securities in the aggregate comprise more than 60% of the index’s weighting; or (iv) in which the lowest weighted component securities comprising, in the aggregate, 25% of the index’s weighting have an aggregate dollar value of average daily trading volume of less than \$50,000,000 (or in the case of an index with 15 or more component securities, \$30,000,000) except that if there are two or more securities with equal weighting that could be included in the calculation of the lowest weighted component securities comprising, in the aggregate, 25% of the index’s weighting, such securities shall be ranked from lowest to highest dollar value of average daily trading volume and shall be included in the calculation based on their ranking starting with the lowest ranked security.<sup>8</sup>

Proposed Rule 1802(f)(2) requires the index to be capitalization-weighted, modified capitalization-weighted, price-weighted, share weighted, equal dollar-weighted, approximate equal-dollar weighted, or modified equal-dollar weighted.<sup>9</sup> Proposed Rule 1802(f)(2)(i) defines an approximate equal-dollar weighted index, for the purposes of proposed Rule 1802(f), as composed of

one or more securities in which each component security will be weighted equally based on its market price on the index’s selection date, and the index must be reconstituted and rebalanced if the notional value of the largest component is at least twice the notional volume of the smallest component for 50% or more of the trading days in the three months prior to December 31 of each year.<sup>10</sup> The proposed rule provides that reconstitution and rebalancing are also mandatory if the number of components in the index is greater than five at the time of rebalancing, and that the Exchange reserves the right to rebalance quarterly at its discretion.<sup>11</sup> Proposed Rule 1802(f)(2)(ii) defines a modified equal-dollar weighted index as an index in which each underlying component represents a pre-determined weighting percentage of the entire index.<sup>12</sup> A modified equal-dollar weighted index will be balanced quarterly.<sup>13</sup> Proposed Rule 1802(f)(2)(iii) proposes that a share-weighted index is calculated by multiplying the price of the component security by an adjustment factor.<sup>14</sup> The proposed rule states that the value of the index is calculated by adding the weight of each component security and dividing the total by an index divisor, calculated to yield a benchmark index level as of a particular date.<sup>15</sup> The proposed rule further provides that a share-weighted index is not adjusted to reflect changes in the number of outstanding shares of its components and that a share-weighted micro narrow-based index will not be re-balanced.<sup>16</sup> If a share-weighted micro narrow-based index fails to meet the maintenance listing standards set forth in proposed Rule 1802(g), the Exchange will restrict trading in existing option series to closing transactions and will not issue additional series for that index.<sup>17</sup> Proposed Rule 1802(f)(2)(iv) permits the Exchange to rebalance any micro narrow-based index on an interim basis if warranted as a result of

<sup>10</sup> *Id.* For purposes of this provision, the “notional value” would mean the market price of the component times the number of shares of the underlying component in the index. *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.* The Exchange explains that each component is assigned a weight that takes into account the relative market capitalization of the securities comprising the index. *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> *Id.* Adjustment factors are chosen to reflect the investment objective deemed appropriate by the designer of the index and will be published by the Exchange as part of the contract specifications. *Id.*

<sup>15</sup> *Id.*

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

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

<sup>4</sup> Notice, *supra* note 3, at 30178. See *infra* Section II.B for discussion of the initial listing standards proposed in Rule 1802(f).

<sup>5</sup> *Id.* at 30178 n.4 (citing the definition of a micro narrow-based index at Cboe Rule 4.11). To reflect the addition of subparagraph (m), the Exchange also proposes to renumber current subparagraphs (m)–(t) of Rule 1801 as subparagraphs (n)–(u). *Id.*

<sup>6</sup> 17 CFR 240.19b-4(e).

<sup>7</sup> *Id.* at 30178–79. The Exchange states that its proposed initial listing standards are substantially similar to the initial listing standards set forth in Cboe and MEMX LLC (“MEMX”) rules. See *id.* at 30179 n.6 and accompanying text. See also Cboe Rule 4.10(d) and MEMX Rule 29.6(d).

<sup>8</sup> *Id.* at 30178.

<sup>9</sup> *Id.*

<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. 103376 (July 2, 2025), 90 FR 30177 (SR-MIAX-2025-27) (“Notice”).

extraordinary changes in the relative values of the component securities.<sup>18</sup>

Proposed Rule 1802(f)(3) requires that each component security in the index has a minimum market capitalization of at least \$75 million, except that each of the lowest weighted securities in the index that in the aggregate account for no more than 10% of the weight of the index may have a minimum market capitalization of only \$50 million.<sup>19</sup> Proposed Rule 1802(f)(4) requires that the average daily trading volume in each of the preceding six months for each component security in the index is at least 45,500 shares, except that each of the lowest weighted component securities in the index that in the aggregate account for no more than 10% of the weight of the index may have an average daily trading volume of only 22,750 shares for each of the last six months.<sup>20</sup> Proposed Rule 1802(f)(5) requires that in a capitalization-weighted index, the lesser of: (i) the five highest weighted component securities in the index each have had an average daily trading volume of at least 90,000 shares over the past six months; or (ii) the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of component securities in the index each have had an average daily trading volume of at least 90,000 shares over the past six months.<sup>21</sup> Proposed Rule 1802(f)(6) requires that subject to proposed Rules 1802(f)(4) and (5), the component securities that account for at least 90% of the total index weight and at least 80% of the total number of component securities in the index must meet the requirements of MIA X Rule 402, which sets forth generally the criteria applicable to individual underlying securities.<sup>22</sup>

Proposed Rule 1802(f)(7)(i) requires that each component security in the index is an “NMS Security” as defined in Rule 600 of Regulation NMS under the Exchange Act; and proposed Rule 1802(f)(7)(ii) requires that foreign securities or ADRs that are not subject to comprehensive surveillance sharing agreements do not represent more than 20% of the weight of the index.<sup>23</sup> Proposed Rule 1802(f)(8) requires the current underlying index value to be reported at least once every 15 seconds

during the time the index options are traded on the Exchange.<sup>24</sup> Proposed Rule 1802(f)(9) requires an equal dollar-weighted index to be rebalanced at least once every quarter.<sup>25</sup> Proposed Rule 1802(f)(10) requires the underlying index, if it is maintained by a broker-dealer, to be calculated by a third party who is not a broker-dealer, and requires the broker-dealer to have in place an information barrier around its personnel who have access to information concerning changes in and adjustments to the index.<sup>26</sup> Proposed Rule 1802(f)(11) requires that each component security in the index is registered pursuant to Section 12 of the Exchange Act; and proposed Rule 1802(f)(12) requires that cash settled index options are designated as A.M.-settled options.<sup>27</sup>

The Exchange also proposes to amend Rule 1802(a) to permit the Exchange, if the initial listing standards set forth above are satisfied, to list and trade micro narrow-based indexes without filing a proposed rule change pursuant to Section 19(b) to be approved by the Commission.<sup>28</sup>

### C. Proposed Maintenance Listing Criteria

The Exchange further proposes maintenance listing standards that would apply to each class of options on micro narrow-based indexes that met the initial listing criteria. An index must satisfy the criteria set forth in proposed Rule 1802(g) to remain listed on the Exchange.<sup>29</sup> Specifically, proposed Rule 1802(g)(1) requires the index to meet the initial listing standards in proposed Rule 1802(f)(1).<sup>30</sup> Proposed Rule 1802(g)(2) states that subject to proposed Rules 1802(g)(9) and (10), discussed below, the component securities that account for at least 90% of the total index weight and at least 80% of the total number of component securities in the index must meet the requirements of MIA X Rule 402.<sup>31</sup> Proposed Rule 1802(g)(3) provides that

each component security in the index has a market capitalization of at least \$75 million, except that each of the lowest weighted component securities that in the aggregate account for no more than 10% of the weight of the index may have a market capitalization of only \$50 million.<sup>32</sup> Proposed Rule 1802(g)(4) requires each component security in the index to be an “NMS Security” as defined in Rule 600 of Regulation NMS under the Exchange Act.<sup>33</sup> Proposed Rule 1802(g)(5) requires that foreign securities or ADRs not subject to comprehensive surveillance sharing agreements cannot represent more than 20% of the weight of the index.<sup>34</sup> Proposed Rule 1802(g)(6) requires the current underlying index value to be reported at least once every 15 seconds during the time the index options are traded on the Exchange.<sup>35</sup> Proposed Rule 1802(g)(7) requires that if the underlying index is maintained by a broker-dealer, the index is calculated by a third party who is not a broker-dealer, and the broker-dealer has in place an information barrier around its personnel who have access to information concerning changes in and adjustments to the index.<sup>36</sup> Proposed Rule 1802(g)(8) states that the total number of component securities in the index may not increase or decrease by more than 33 1/3% from the number of component securities in the index at the time of its initial listing.<sup>37</sup> Proposed Rule 1802(g)(9) requires that trading volume of each component security in the index must be at least 500,000 shares for each of the last six months, except that for each of the lowest weighted component securities in the index that in the aggregate account for no more than 10% of the weight of the index, trading volume must be at least 400,000 shares for each of the last six months.<sup>38</sup> Proposed Rule 1802(g)(10) requires that in a capitalization-weighted index and a modified capitalization weighted index, the lesser of the five highest weighted component securities in the index or the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of stocks in the index each have had an average monthly trading volume of at least 1,000,000 shares over the past six months.<sup>39</sup> Proposed Rule 1802(g)(11)

<sup>18</sup> *Id.* The proposed rule further states that to the extent investors with open positions must rely upon the continuity of the options contract on the index, outstanding contracts are unaffected by rebalancings. *Id.*

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

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

<sup>21</sup> *Id.*

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> *Id.* at 30179.

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> *Id.* at 30179. Rule 1802(a) currently permits the trading of narrow-based indexes and broad-based indexes that meet the initial listing criteria set forth in Rule 1802(b) and (d), respectively, without filing a proposed rule change to be approved by the Commission under Section 19(b) of the Act. *Id.*

<sup>29</sup> *Id.* at 30179–80. The Exchange states that its proposed maintenance listing standards are substantially similar to the maintenance standards set forth in the Cboe and MEMX rules. *Id.* at 30180 n.7. See also Cboe Rule 4.10(e) and MEMX Rule 29.6(e).

<sup>30</sup> *Id.* at 30179. See *supra* section II.B for a description of proposed Rule 1802(f)(1).

<sup>31</sup> *Id.*

<sup>32</sup> *Id.*

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

<sup>35</sup> *Id.*

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

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

requires each component security in the index to be registered pursuant to Section 12 of the Exchange Act. Proposed Rule 1802(g)(12) requires that in an approximate equal-dollar weighted index, the index must be reconstituted and rebalanced if the notional value of the largest component is at least twice the notional volume of the smallest component for 50% or more of the trading days in the three months prior to December 31 of each year.<sup>40</sup> The proposed rule would provide that reconstitution and rebalancing are also mandatory if the number of components in the index is greater than five at the time of rebalancing and that the Exchange reserves the right to rebalance quarterly at its discretion.<sup>41</sup> Proposed Rule 1802(g)(13) requires that in a modified equal-dollar weighted index the Exchange will re-balance the index quarterly.<sup>42</sup> Proposed Rule 1802(g)(14) states that in a share-weighted index, if a share-weighted micro narrow-based index fails to meet the maintenance listing standards under proposed Rule 1802(g), the Exchange will not re-balance the index, will restrict trading in existing option series to closing transactions, and will not issue additional series for that index.<sup>43</sup> Finally, proposed Rule 1802(g)(15) states that in the event a class of index options listed on the Exchange fails to satisfy the maintenance listing standards, the Exchange will not open for trading any additional series of options of that class unless such failure is determined by the Exchange not to be significant and the Commission concurs in that determination, or unless the continued listing of that class of index options has been approved by the Commission under Section 19(b)(2) of the Exchange Act.<sup>44</sup>

#### D. Proposed Position and Exercise Limits

The Exchange proposes to adopt Rule 1805B concerning position limits for micro narrow-based index options. Specifically, proposed Rule 1805B(a) would require Members<sup>45</sup> to comply

with applicable Cboe rules with respect to position limits for micro narrow-based index options traded on both the Exchange and Cboe, or with the applicable Exchange rules for industry index options traded on the Exchange but not on Cboe.<sup>46</sup> Proposed Rule 1805B(b) would require that index option contracts not be aggregated with options contracts on any stocks whose prices are the basis for the calculation of the index.<sup>47</sup> Proposed Rule 1805B(c) would require positions in reduced-value index options to be aggregated with positions in full-value index options. For such purposes, ten (10) reduced-value options would equal one (1) full-value contract.<sup>48</sup>

The Exchange also proposes to amend Rule 1807(a) to provide that exercise limits for micro narrow-based index options shall be equivalent to the position limits for micro narrow-based index options with the nearest expiration date in proposed Rule 1805B.<sup>49</sup> The Exchange states that this approach is consistent with the Exchange's approach for determining exercise limits for broad-based index options, industry index options, and foreign currency index options.<sup>50</sup> The Exchange further states that this approach would impose limits on the aggregate number of options contracts a Member could exercise, which would minimize the potential for mini-manipulations and corners or squeezes of the underlying market.<sup>51</sup>

The Exchange represents that it has in place adequate surveillance procedures to monitor trading in micro narrow-based index options to ensure the maintenance of fair and orderly markets and that it will apply these program procedures to trading in micro narrow-based index options.<sup>52</sup> The surveillance program includes real-time patterns for price and volume movements and post-trade surveillance patterns (e.g., spoofing, marking the close, ping, and phishing).<sup>53</sup> The Exchange represents that it will review activity in the underlying components of the micro narrow-based indexes when conducting

surveillances for market abuse or manipulation in options on micro narrow-based indexes.<sup>54</sup> The Exchange additionally states that it is a member of the Intermarket Surveillance Group ("ISG") under the Intermarket Surveillance Group Agreement, through which ISG members coordinate surveillance and investigative information sharing in the stock, options, and futures markets.<sup>55</sup> Thus, in addition to obtaining surveillance data from the Exchange's affiliates, MIAX PEARL, LLC ("MIAX Pearl"), MIAX Emerald, LLC ("MIAX Emerald"), and MIAX Sapphire, LLC ("MIAX Sapphire"), the Exchange states it will be able to obtain information from Cboe, NYSE American LLC ("NYSE American"), and other markets through ISG.<sup>56</sup> The Exchange states that it also has a Regulatory Services Agreement with Financial Industry Regulatory Authority ("FINRA") and that pursuant to a multi-party 17d-2 joint plan, all options exchanges allocate regulatory responsibilities to FINRA to conduct certain options-related market surveillance that are common to rules of all options exchanges.<sup>57</sup>

#### III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.<sup>58</sup> Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(1) of the Act,<sup>59</sup> which requires, among other things, that the Exchange to be so organized and have the capacity to be able to carry out the purposes of the Act and to enforce compliance by its members and persons associated with its members with the provisions of the Act, Commission rules and regulations thereunder, and its own rules. The Commission also finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>60</sup> which requires that the rules of a national securities exchange be designed, among other things, to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and

<sup>40</sup> *Id.* Proposed Rule 1802(g)(12) defines, for purposes of this provision, "notional value" as the market price of the component times the number of shares of the underlying component in the index.

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Id.*

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

<sup>45</sup> *Id.* at 30180. The term "Member" means an individual or organization approved to exercise the trading rights associated with a Trading Permit. Members are deemed "members" under the Exchange Act. *See id.* at 30180 n.8 (citing the definition of "Member" in Exchange Rule 100).

<sup>46</sup> *Id.* The Exchange proposes to incorporate by reference Cboe rules relating to position limits. *See infra* Section IV.

<sup>47</sup> *See* Notice, *supra* note 3, at 30180.

<sup>48</sup> *Id.* The Exchange cites as MEMX Rule 29.7 as setting forth substantially similar requirements. *Id.* at n.10. *See also* Nasdaq Stock Market LLC Options 4A, Section 7. *Id.*

<sup>49</sup> *See* Notice, *supra* note 3, at 30180.

<sup>50</sup> *Id.* at 30180–81. The Exchange also cites MEMX Rule 29.9(a) and Cboe BZX Exchange, Inc. Rule 29.9 as setting forth similar requirements. *Id.* at 30181 n.15.

<sup>51</sup> *See id.* at 30181.

<sup>52</sup> *Id.*

<sup>53</sup> *Id.*

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> *Id.*

<sup>58</sup> In approving this proposed rule change the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

<sup>59</sup> 15 U.S.C. 78f(b)(1).

<sup>60</sup> 15 U.S.C. 78f(b)(5).

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. The proposed rule change would permit the Exchange to list and trade, pursuant to Rule 19b-4(e) under the Act, options on micro narrow-based security indexes that meet the listing criteria in the proposed rules.

Permitting the listing and trading of micro narrow-based index options on the Exchange provides investors with an additional vehicle through which they can gain and hedge exposure to micro narrow-based indexes. The availability of these products may encourage market makers to trade options on micro narrow-based indexes, potentially resulting in greater liquidity and more competitive quoting on the Exchange. In addition, the proposal will permit the Exchange to compete for order flow with Exchanges that already have rules in place to list and trade options on these indexes. Moreover, the Commission believes that the listing and trading of micro narrow-based index options does not raise unique regulatory concerns. Trading of options on such products is not novel and the proposed initial and continuing listing requirements, as well as the proposed rules regarding position and exercise limits for micro narrow-based index options, are consistent with the requirements currently in effect on Cboe and MEMX.<sup>61</sup>

Further, as noted above, the Exchange represents that it has an adequate surveillance program in place for micro narrow-based options that includes monitoring real-time patterns for price and volume movements as well as post-trade surveillance patterns. The Exchange also represents that it will review activity in the component securities of the micro narrow-based indexes when conducting surveillance for market abuse or manipulation of options on micro narrow-based indexes. In addition, the Exchange represents that as a member of ISG the Exchange

<sup>61</sup> See Notice, *supra* note 3, at 30180 n. 4, 6, 7, 10, and 15. As a result of adding paragraph (m) to Rule 1801, which defines micro narrow-based index options, the Exchange proposes to renumber current subparagraphs (m)–(t) or Rule 1801 to subparagraphs (n)–(u). The Exchange also proposes to amend Rule 1802(a) to allow trading on the Exchange of options on micro narrow-based indexes without filing a proposed rule change with the Commission pursuant to Section 19(b) of the Act. The Commission believes that these proposed changes will add clarity to the Exchange's definitions and rule filing requirements applicable to index options.

will be able to obtain surveillance data from other markets, as well as from its affiliate exchanges.

In light of the foregoing, the Commission believes that the proposal is consistent with Sections 6(b)(1) and 6(b)(5) of the Act.<sup>62</sup>

#### IV. Exemption From Section 19(b) of the Act With Regard to Cboe Rules Incorporated by Reference

The Exchange proposes to incorporate by reference as MIAx rules certain rules of Cboe. Specifically, MIAx Rule 1805B proposes to incorporate by reference the applicable rules of Cboe with respect to position limits for micro-narrow based index options traded on MIAx and also on Cboe.<sup>63</sup> Thus, for certain MIAx rules, Exchange members will comply with a MIAx rule by complying with the Cboe rule referenced. In connection with its proposal to incorporate Cboe rules by reference, the Exchange requests, pursuant to Rule 240.0-12 under the Act,<sup>64</sup> an exemption under Section 36 of the Act<sup>65</sup> from the rule filing requirements of Section 19(b) of the Act for changes to those Exchange rules that are effected solely by virtue of a change to a Cboe rule with respect to position limits on micro narrow-based index options.<sup>66</sup> The Exchange proposes to incorporate by reference categories of rules (rather than individual rules within a category) that are not trading rules. The Exchange agrees to provide written notice to Members of the specific Cboe rules that it is incorporating by reference.<sup>67</sup> In addition, the Exchange represents that it will notify Members whenever Cboe proposes a change to a cross-referenced Cboe rule concerning position limits on micro narrow-based index options.<sup>68</sup>

The Commission previously has exempted, pursuant to its authority under Section 36 of the Act, SROs from the requirement to file proposed rule changes under Section 19(b) of the Act in circumstances similar to those presented here.<sup>69</sup> Each such exempted

<sup>62</sup> 15 U.S.C. 78f(b)(1); 15 U.S.C. 78f(b)(5).

<sup>63</sup> See Notice, *supra* note 3, at 30180.

<sup>64</sup> 17 CFR 240.0-12.

<sup>65</sup> 15 U.S.C. 78mm.

<sup>66</sup> See Notice, *supra* note 3, at 30180.

<sup>67</sup> *Id.*

<sup>68</sup> The Exchange represents that it will provide such notice through a regulatory circular posted on the Exchange's website. See *id.* at 30180 n.13.

<sup>69</sup> See, e.g., Securities Exchange Act Release No. 49260 (February 17, 2004), 69 FR 8500 (February 24, 2004) (granting application for exemptions pursuant to Section 36(a) under the Act by the American Stock Exchange LLC, the International Securities Exchange, Inc., the Municipal Securities Rulemaking Board, the Pacific Exchange, Inc., the Philadelphia Stock Exchange, Inc., and the Boston Stock Exchange, Inc.). See also, e.g., Securities Exchange Act Release Nos. 75760 (August 7, 2015)

SRO is governed by the incorporated rules, as amended from time to time, but is not 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 exempted 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). Each exempted SRO had 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.

The Commission is granting the Exchange's request for an exemption, pursuant to Section 36 of the Act, from the rule filing requirements of Section 19(b) of the Act with respect to the Cboe rules that the Exchange proposes to incorporate by reference into its rules. The Commission believes that this exemption is appropriate in the public interest and consistent with the protection of investors because it will promote more efficient use of Commission and SRO resources by avoiding duplicative rule filings based on simultaneous changes to identical rule text sought by more than one SRO. Consequently, the Commission grants the Exchange's exemption request. This exemption is conditioned upon the Exchange providing written notice to its Members whenever Cboe proposes to change a rule that the Exchange has incorporated by reference.

#### IV. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>70</sup> that the proposed rule change (SR-MIAx-2025-27) be, and hereby is approved.

It is further ordered, pursuant to Section 36 of the Act,<sup>71</sup> that the Exchange shall be exempted from the rule filing requirements of Section 19(b)

80 FR 48600 (August 13, 2015) (SR-EDGX-2015-18) (approving the operations of EDGX Options Exchange, which included exemptive relief pursuant to Section 36(a) under the Act); 57478 (March 12, 2008), 73 FR 14521 (March 18, 2008) (order approving SR-NASDAQ-2007-004 and SR-NASDAQ-2007-080, which included exemptive relief pursuant to Section 36(a) under the Act) and 53128 (January 13, 2006); 95445 (August 8, 2022), 87 FR 49894 (August 12, 2022) (SR-MEMX-2022-10) (approving MEMX to adopt rules to govern the trading of options on the Exchange for a new facility called MEMX Options).

<sup>70</sup> See *id.*

<sup>71</sup> 15 U.S.C. 78mm.

of the Act<sup>72</sup> with respect to the Cboe rules that the Exchange proposes to incorporate by reference in MIAX Rule 1805B, subject to the conditions specified in this Order.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>73</sup>

**J. Matthew DeLesDernier,**

*Deputy Secretary.*

[FR Doc. 2025–15322 Filed 8–12–25; 8:45 am]

BILLING CODE 8011–01–P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

[Docket No. FAA–2025–0653]

#### Agency Information Collection

#### Activities: Requests for Comments; Clearance of a Renewed Approval of Information Collection: Infrastructure Investment and Jobs Act (IIJA) Competitive Grant Project Information

**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 **Federal Register** Notice with a 60-day comment period soliciting comments on the following collection of information was published on May 23, 2025. The collection involves soliciting project information for the Infrastructure Investment and Jobs Act (IIJA) Airport Terminal, Tower and Airport Infrastructure Grant Funding Reallocation Programs. The information to be collected will be used to determine projects to be awarded IIJA competitive grants.

**DATES:** Written comments should be submitted by September 12, 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.

**FOR FURTHER INFORMATION CONTACT:** Jesse Carriger, Office of Airport

Planning and Programming, by email at: [iijairports@faa.gov](mailto:iijairports@faa.gov); phone: (202) 674–2806.

#### 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.

**OMB Control Number:** 2120–0806.

**Title:** Infrastructure Investment and Jobs Act (IIJA) Competitive Grant Project Information.

**Form Numbers:** 5100–144.

**Type of Review:** Renewal of an information collection.

**Background:** The **Federal Register** Notice with a 60-day comment period soliciting comments on the following collection of information was published on May 23, 2025 (90 FR 22151). The FAA uses this collection to solicit the information necessary to evaluate and select airport projects for funding under the Infrastructure Investment and Jobs Act (IIJA), signed on November 15, 2021. The IIJA provides about \$1,020,000,000 annually, for five years, to award competitive grants for airport terminal and tower development. Of this amount, about \$1,000,000,000 annually, for five years, is for the Airport Terminal Program; \$20,000,000 annually, for five years, is for an Airport-owned Contract Tower Program. Additionally, the IIJA directs funds that are unobligated at the end of the fourth fiscal year after first made available under the Airport Infrastructure Grant (AIG) program to be converted to a new competitive funding program for the fifth and final fiscal year of availability. Of the amounts converted, the first \$100,000,000 is set aside to augment the IIJA’s Airport-owned Contract Tower Program grant program. Funds exceeding \$100,000,000 are then awarded through the new competitive grant program, called the Airport Infrastructure Grant Funding Reallocation Program (AFR). The information collected is based on grant considerations and priorities outlined in the IIJA. Project consideration areas include increasing terminal capacity and passenger access; replacing aging infrastructure; achieving compliance with the Americans with Disabilities Act (42 U.S.C. 12101, *et seq.*); improving airport access for historically disadvantaged populations; improving

energy efficiency; improving airfield safety through terminal relocation; encouraging actual and potential competition; impact on the National Airspace System; reducing emissions; reducing noise impact to the surrounding community; reducing dependence on the electrical grid; and providing general benefits to the surrounding community. The information FAA is collecting will include general airport information, a project overview, and narratives on project consideration areas as outlined in the IIJA. Airport owners and managers who want to pursue funding and obtain benefits from the IIJA Programs will submit information via FAA Form 5100–144 to compete for grants. Approximately 3,075 airports are eligible to compete for this funding, but, based on previous-year submissions, the FAA expects only a small subset of eligible airports to submit project information through this competitive grant process.

**Respondents:** Approximately 655 airports.

**Frequency:** Annually.

**Estimated Average Burden per Response:** 6 hours.

**Estimated Total Annual Burden:** 3,930 hours for all respondents.

Issued in Washington, DC, on August 11, 2025.

**Jesse Carriger,**

*Acting Director, Office of Airport Planning and Programming.*

[FR Doc. 2025–15333 Filed 8–12–25; 8:45 am]

BILLING CODE 4910–13–P

## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

[Docket No.: FHWA–2025–0010]

RIN 2125–ZA30

#### National Electric Vehicle Infrastructure Formula Program Guidance

**AGENCY:** Federal Highway Administration (FHWA), U.S. Department of Transportation (DOT).

**ACTION:** Notice; Request for comments.

**SUMMARY:** This notice announces the availability of FHWA’s revised National Electric Vehicle Infrastructure (NEVI) Formula Program Interim Final Guidance. This Interim Final Guidance updates the existing NEVI Formula Program Guidance to align with clear and express statutory language in order to streamline and provide flexibility for implementation of the program. This Interim Final Guidance is effective immediately while FHWA seeks

<sup>72</sup> 15 U.S.C. 78s(b).

<sup>73</sup> 17 CFR 200.30–3(a)(12) and 17 CFR 200.30(a)(76).

comment on what further changes may be appropriate.

**DATES:** This Interim Final Guidance document is effective on August 13, 2025. Comments must be received on or before August 27, 2025. Late-filed comments will be considered to the extent practicable.

**ADDRESSES:** To ensure that you do not duplicate your docket submissions, please submit comments by only one of the following means:

- *Federal eRulemaking Portal:* [www.regulations.gov](http://www.regulations.gov). This website allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the online instructions for submitting comments.

- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590-0001.

- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590 between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays. The telephone number is (202) 366-9329.

- *Instructions:* You should identify the agency name and the docket number at the beginning of your comments. Late comments will be considered to the extent practicable. Note that all comments received will be posted without change to [www.regulations.gov](http://www.regulations.gov), including any personal information provided.

**FOR FURTHER INFORMATION CONTACT:** Mr. Gary Jensen, Office of Natural Environment, (202) 763-4330, [gary.jensen@dot.gov](mailto:gary.jensen@dot.gov), or Ms. Dawn Horan, Office of Chief Counsel, (202) 366-9615, [Dawn.m.Horan@dot.gov](mailto:Dawn.m.Horan@dot.gov). Office hours are from 9:00 a.m. to 5:00 p.m., ET, Monday through Friday, except Federal holidays.

**SUPPLEMENTARY INFORMATION:**

**Electronic Access**

A copy of the Guidance is available for download and public inspection through [www.regulations.gov](http://www.regulations.gov) using the docket number listed above. Electronic retrieval assistance and guidelines are also available at [www.regulations.gov](http://www.regulations.gov). An electronic copy of this document also may be downloaded from the Office of the Federal Register's website at: [www.FederalRegister.gov](http://www.FederalRegister.gov) and the U.S. Government Publishing Office's website at: [www.GovInfo.gov](http://www.GovInfo.gov).

**Background**

The Infrastructure Investment and Jobs Act (IIJA), Public Law 117-58,

established the NEVI Formula Program. The Program was authorized under paragraph (2) under the Highway Infrastructure Program heading in title VIII of division J of the IIJA.

The Program provides \$5 billion of funding to States to deploy electric vehicle (EV) charging infrastructure and establish an interconnected network to facilitate data collection, access, and reliability. Initially, funding under the Program is directed to infrastructure acquired or installed along designated electric vehicle (EV) Alternative Fuel Corridors (AFCs). When the State determines and the Secretary certifies that AFCs in a State are fully built out, funding may be used for EV charging infrastructure on any public road or in other publicly accessible locations.

Since the passage of the IIJA, FHWA has issued a number of guidance documents to implement the NEVI Formula, including but not limited to:

- December 11, 2024, Build Out Certification—NEVI Formula Program Guidance
- June 11, 2024, NEVI Formula Program Guidance
- February 27, 2024, Method for Submitting Electric Vehicle Charger Data under 23 CFR 680.112
- State EV Deployment Plan Exception Requests
- State Plan/State Plan Update for EV Infrastructure Deployment Template

Consistent with President Trump's commitment to ending unlawful, unnecessary, and onerous requirements, FHWA is reviewing its existing regulations and guidance documents for alignment with law and Administration priorities. This Interim Final Guidance aligns with Executive Order 14154 "Unleashing American Energy," to eliminate previous mandates for EV charging infrastructure and potential burdens. In addition, per the January 29, 2025, memorandum from the Secretary of Transportation on the Implementation of Executive Orders Addressing Energy, Climate Change, Diversity, and Gender, this Guidance rescinds previous guidance and policy that is not required by clear and express statutory language. FHWA believes that this Interim Final Guidance provides flexibility to the States for implementation of the program.

**Summary of Changes**

FHWA made several changes to the previously released NEVI guidance document dated June 11, 2024. Changes include, but are not limited to:

- Minimizing the content required in State plans to statutory and regulatory requirements.

- Simplifying the plan approval process.

- Aligning community engagement requirements with regulatory requirements and reducing the consultation requirements to advance projects.

- Providing States with the flexibility to determine the appropriate distance between stations along alternative fuel corridors to allow for reasonable travel.

- Minimizing requirements for States to consider electric grid integration, renewable energy, and alignment with electric distribution interconnection processes, except where required by regulation.

- Encouraging selection of charging locations where the charging station owners are also the site host to accelerate project delivery.

- Eliminating requirements for States to address consumer protections, emergency evacuation plans, environmental siting, resilience and terrain considerations.

- Providing States with more flexibility in determining when their system is built out allowing NEVI funds to be used on public roads statewide.

**Request for Comments**

Although the Interim Final Guidance is effective immediately, FHWA invites comments on this Guidance, which is available in the docket for this notice. FHWA will consider substantive comments received on the Interim Final Guidance and will consider whether any further changes are needed based on comments received.

*Authority:* Public Law 117-58, title VIII of division J.

**Gloria M. Shepherd,**

*Executive Director, Federal Highway Administration.*

[FR Doc. 2025-15370 Filed 8-12-25; 8:45 am]

**BILLING CODE 4910-22-P**

**DEPARTMENT OF TRANSPORTATION**

**National Highway Traffic Safety Administration**

[Docket No. NHTSA-2025-0025]

**Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Request for Comment; Investigation-Based Crash Data Studies**

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

**ACTION:** Notice and request for comments on an extension with

modification of a currently approved information collection.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 (PRA), this notice announces that the Information Collection Request (ICR) summarized below will be submitted to the Office of Management and Budget (OMB) for review and approval. The ICR describes the nature of the information collection and its expected burden. This document describes a currently approved collection of information for which NHTSA intends to seek approval from OMB for extension with modification on NHTSA's Investigation-Based Crash Data Studies: Crash Investigation Sampling System (CISS), Special Crash Investigation (SCI) and Special Study Data Collection. A **Federal Register** Notice with a 60-day comment period soliciting comments on the following information collection was published on April 10, 2025. NHTSA received comments from four individuals/entities.

**DATES:** Comments must be submitted on or before September 12, 2025.

**ADDRESSES:** Written comments and recommendations for the proposed information collection, including suggestions for reducing burden, should be submitted to the Office of Management and Budget at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). To find this particular information collection, select "Currently under Review—Open for Public Comment" or use the search function.

**FOR FURTHER INFORMATION CONTACT:** For additional information or access to background documents, contact John Brophy, Crash Investigation Division (NSA-110), (202) 366-0318, National Highway Traffic Safety Administration, W53-301, U.S. Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590. Please identify the relevant collection of information by referring to its OMB Control Number 2127-0706.

**SUPPLEMENTARY INFORMATION:** Under the PRA (44 U.S.C. 3501 *et seq.*), a Federal agency must receive approval from the Office of Management and Budget (OMB) before it collects certain information from the public and a person is not required to respond to a collection of information by a Federal agency unless the collection displays a valid OMB control number. In compliance with these requirements, this notice announces that the following information collection request will be submitted OMB.

*Title:* Investigation-Based Crash Data Studies.

*OMB Control Number:* 2127-0706.  
*Form Number:* Form 1278, 1280, 2046, 2047, 2048, 2049, HS Form 433D.

*Type of Request:* Request for extension with modification of a currently approved information collection.

*Type of Review Requested:* Regular.  
*Length of Approval Requested:* 3 years from date of approval.

*Summary of the Collection of Information:* NHTSA is authorized, under 49 U.S.C. 30182 and 23 U.S.C. 403 to collect data on motor vehicle traffic crashes to aid in the identification of issues and the development, implementation, and evaluation of motor vehicle and highway safety countermeasures. For decades, NHTSA has been investigating crashes and collecting crash data through its Investigation-Based Crash Data Studies, namely the Crash Investigation Sampling System (CISS), Special Crash Investigation (SCI), and specific issue-based Special Study data collection studies. Although each of these systems satisfy different purposes and collect data in different manners, they all utilize the same core variables (*e.g.*, forms), procedures and protocols for data collection.

On November 15, 2021, the Infrastructure Investment and Jobs Act (Pub. L. 117-58) was signed into law. The Crash Data section (section 24108) authorizes the Secretary of Transportation (NHTSA by delegation) to use funds to enhance the collection of data under CISS by, among other things, including additional data collection sites and data collection types. NHTSA is seeking approval to modify the existing information collection to: (1) Increase the number of data collection sites to 73; (2) Expand the type of crashes investigated to include non-motorists, motorcycles and large vehicles (over 10,000 pounds gross vehicle weight rating) for 2025 and future years. NHTSA has also adjusted estimates to include the burden incurred by tow yards, hospitals, and law enforcement agencies in responding to the collections from the currently approved 56 to 73 data collection sites over the next three years. The Infrastructure Investment and Jobs Act requested that the Crash Investigation Sampling System (CISS) expand the number of data collection sites; include more crash types (non-motorists, motorcycles and large vehicles) and explore on-scene response. The current approval for Investigation-Based Crash Data Studies collection indicated a total annual 12,063 burden hours; this request increases the total annual burden hours to 17,521. The combined

impact is an increase of 5,458 hours overall total annual burden from the currently approved information collection.

The CISS is a nationally representative sample of passenger vehicle crashes which focus on detailed investigation of passenger vehicle crashes, pedestrian crashes and motorcycle crashes. It provides nationally representative data on fatal and nonfatal motor vehicle, pedestrian and motorcycle crashes for use in developing and evaluating federal motor vehicle safety standards and other safety countermeasures. The CISS began implementation in 2015 and by 2024 was collecting crash data from forty (40) fully operational sites. In 2024 the CISS started collecting data on pedestrian crashes. The CISS will start collecting data on motorcycle crashes in 2025 and large vehicle crashes in 2026. The CISS collects data at both the crash level through scene analysis and vehicle level through vehicle damage assessment together with injury source evidence and standardized coding.

The SCI Program is used to provide NHTSA with the most in-depth and detailed level of crash investigation data collected by the Agency. Generally, SCI investigations are conducted for crashes of special interest, such as those involving new or emerging safety technologies (*e.g.*, those involving vehicles equipped with crash avoidance technologies or Automated Driving Systems (ADS)), school buses, motorcoaches, alternative fuel and hybrid vehicles, adaptive control equipped vehicles, fires, child restraints, and those relevant to safety defect investigations. The crash investigations are conducted to document crash circumstances, identify injury sources, evaluate safety countermeasure effectiveness and support Agency rulemaking actions. Investigations are also conducted to provide early detection of alleged or potential vehicle safety defects. Reports are generated from investigations and all are made available to the public. The crashes chosen for SCI investigation may be chosen throughout the year as they arise, or be part of a planned effort to look into a particular type of crash (such as crashes involving air bag deployment-related fatalities and injuries).

In addition to the above-referenced CISS and SCI data collections, NHTSA also conducts investigation-based special studies using the CISS and SCI infrastructure to answer questions on a specific topical aspect of vehicle and highway safety. In the special study cases, data is typically gathered

remotely where documents and investigation details are requested from investigating agencies and the data is compiled, coded, and reported on collectively in a summary report detailing the issue. These special studies will utilize the same infrastructure CISS and SCI, as well as the same core variables (e.g. forms) and procedures and protocols. The cases may be selected from an agency's data set (i.e., CISS, SCI, or Fatality Analysis Reporting System (FARS)) or through other means (i.e., internet searches, news articles, and public notification). The cases may or may not be selected to provide a nationally representative sample of crashes. In the past, using the National Automotive Sampling System-Crashworthiness Data System (NASS-CDS) infrastructure, NHTSA conducted several investigation-based special studies, including studies on child occupant protection, air bag effectiveness, and pedestrian safety among others. NASS-CDS, operated from 1979 through 2015, and was the predecessor to CISS. Two recently completed special studies collected information on crashes that involved medium-duty trucks (trucks between 10,001 and 26,000 lbs.), pedestrians or pedalcyclists, and one in-progress special study is on first responders or construction or maintenance workers struck while performing official duties on the road.

NHTSA will also use the information collected through the CISS infrastructure to support NHTSA's Non-Traffic Surveillance (NTS). CISS Technicians review over a hundred and fifty thousand crash reports each year, and some of these reports are not applicable to the CISS program, but they may be applicable to the NTS data collection. NTS is a virtual data collection system designed to provide counts and details regarding fatalities and injuries that occur in non-traffic crashes and in non-crash incidents. Non-traffic motor vehicle crashes are a class of crashes that occur off the public trafficways. These crashes, subsequently referred to as "non-traffic crashes," are mostly single-vehicle crashes on private roads, two vehicle crashes in parking facilities, or collisions with pedestrians in driveways. In addition, there are non-traffic incidents such as a vehicle falling on a person underneath or an unintentional carbon monoxide poisoning inside the vehicle. Non-traffic crash data is obtained through NHTSA's CISS, SCI, Crash Reporting Sampling System (CRSS), and FARS.

For the standard investigation-based crash data studies acquisition process, once a crash has been selected for

investigation, crash technicians locate, visit, measure, and photograph the crash scene; locate, visit, inspect, and photograph involved vehicle(s); conduct a telephone or personal interview with the involved individuals or a surrogate (another person who can provide occupant or crash information, such as parents for a minor or parent or spouse for a deceased individual); and obtain and record crash injury information received from various medical data sources. These data are used to describe and analyze circumstances, mechanisms, and consequences of a cross section of towed, light passenger motor vehicle crashes in the United States. The collection of interview data aids in this effort.

For the special studies, the data is typically gathered following similar procedures, but is targeted to a specific issue (e.g., child occupant protection, crash causation factors) as opposed to an entire investigation. Special Studies investigations also typically only involve obtaining information from law enforcement, who provide access to and a copy of the crash report where the data is not electronic. They do not involve interviewing people involved in crashes, obtaining medical records or inspecting the vehicles. Each special study has specific requirements (i.e., types of crashes and/or data collected); however, the gathering of crash reports for these studies is similar to the gathering of crash reports in the CISS and SCI programs.

*Description of the Need for the Information and Proposed Use of the Information:* NHTSA investigates real-world crashes and collects detailed crash data through CISS, SCI, and Special Studies data collection programs to identify the primary factors related to the source of crashes and their injury outcomes. These detailed factors are utilized to develop and evaluate effective safety countermeasures including the establishment and enforcement of motor vehicle regulations that reduce the severity of injury and property damage caused by motor vehicle crashes. The data collected also give motor vehicle researchers an opportunity to specify areas in which improvements may be possible, design countermeasure programs, and evaluate the effects of existing and proposed safety measures.

**60-Day Notice:** A **Federal Register** notice with a 60-day comment period soliciting public comments on the following information collection was published on April 10, 2025 (90 FR 15384). NHTSA received comments from four individuals/entities on the 60-day notice. None of the comments

necessitate a revision of the scope of the information collection or the estimates of the annual cost or burden hours.

An anonymous commenter recommended collecting comprehensive data on all motorized, non-motorized, and autonomous vehicles, with thorough scrutiny for all manufacturers. NHTSA replied that it is expanding data collection to cover a broader range of vehicle types and applies consistent scrutiny across all vehicle technologies.

#### **Comments From Jocelyn Crowell and NHTSA's Responses**

Jocelyn Crowell endorsed expanding crash data collection to more sites and crash types, emphasizing its importance for traffic safety, addressing rising fatalities—particularly pedestrian deaths—and enabling better policymaking. NHTSA responded, noting the expansion aligns with IJA requirements and will improve data for safety initiatives.

#### **Comments From David Viano and NHTSA's Responses**

The comments from David Viano were highly critical of the CISS program and did not, in the agency's opinion, reflect the current program or its operations. CISS offers vast improvements over its predecessor program in many areas such as sample design, IT infrastructure, and injury data. Additionally, CISS delivers stakeholders more precise scene and vehicle information, which was one of the major requests of modernizing our data systems. The commenter's observations are addressed in detail below.

*The commenter observed that "[s]ampling frequencies for crash selection are incorrect," asserting that the current CISS crash sampling frequencies underrepresent older vehicles. Sampling is based on vehicle age (10% new, 6% mid-aged, 6% old) rather than injury severity, which the commenter alleges leads to database-wide bias. The commenter suggested that an alternative distribution—5%:5%:12%—would better capture crashes involving older vehicles, which he argues are critical for understanding the influence of socioeconomic status and driver behavior.*

*NHTSA's Response:* Prior to the planned CISS expansion, the sampling frame covered all towed passenger vehicle crashes involving newer or older vehicles and resulting in all levels of injures or no injures. The CISS target sample allocations (sampling frequencies) were valid prior to the program's expansion and remain so after adjustments required by the addition of

new crash types. It was determined based on the data needs from the agency and outside stakeholders. Prior to the development of CISS, NHTSA completed a data needs assessment which included seeking input from the agency and outside stakeholders through the **Federal Register** and conducting a listening session to gain additional insight (see NHTSA–2012–0084 at [www.regulations.gov](http://www.regulations.gov)). The feedback received from the assessment indicated high interests in crashes involving newer vehicles and/or serious injuries which are rare in the crash population. Please refer to NHTSA’s Review of the National Automotive Sampling System: Report to Congress for more information.<sup>1</sup> To meet these analytic objectives, NHTSA established ten analysis domains and the target sample allocation that oversamples crashes involving newer vehicles and/or serious injuries. The original target sample allocation was 10%, 6%, 6% for domains 2, 5, and 8, respectively. This allocation was revised to 8%, 6%, 6% in 2020 because NHTSA increased the number of sampled cases per site, but crash population for domain 2 did not have enough cases to be selected. For more detailed information on the target sample allocation, refer to the Crash Investigation Sampling System (CISS) 2023 Analytical User’s Manual.<sup>2</sup> To account for the unequal selection probabilities and other complex sample design features such as stratification and clustering, NHTSA applies a multi-step weighting process to produce unbiased, nationally representative estimates. For more information on the CISS sample design and weighting, please refer to Crash Investigation Sampling System: Sample Design and Weighting.<sup>3</sup>

*The commenter asserts that “[w]eighting factors for serious injury are incorrect, particularly for some multi-vehicle crashes,” pointing out that NHTSA gives the same weight to all vehicles in a crash, even if the injury severity is very different. The commenter argues that doing so can overrepresent minor injuries in newer cars and underrepresent serious injuries in older ones.*

*NHTSA’s Response:* CISS selects cases (crashes) through a three-stage sample design. The case weight is calculated by taking the inverse of the selection probability for each sampled case. The case weights are used to make nationally representative estimates for

CISS crashes as well as the vehicles and persons involved in those crashes. Therefore, all vehicles and persons involved in a crash have the same case weight.

The high case weights are valid. CISS has a small sample size (~3,000 cases) and uses an unequal selection probability sample design. The weight is determined by the police crash report (PCR) selection probability, which includes the oversampling factor, as well as other stage sampling components such as the primary sampling unit (PSU) selection probability and police jurisdiction (PJ) selection probability. For cases with extremely high case weights, NHTSA implements truncation adjustment in the weighting process. The example provided would be a domain 3 case. Typically, crashes in this domain do not have high weights. In 2023 CISS, the highest case weight for domain 3 is about 3,000. The maximum case weight in the 2023 CISS is around 20,000.

*The commenter stated that “NASS–CDS estimates of fatalities do not match census counts in FARS,” and asserted that the same problems presumably exist with CISS.*

*NHTSA’s Response:* NHTSA is seeking approval only for the data collections specified in this request. NASS–CDS is not a data collection within this ICR. This assertion regarding NASS–CDS falls outside the scope of this ICR.

The purpose of CISS is to support in-depth analysis of crashes involving towed passenger vehicles nationwide. Correspondingly, the CISS target population represents crashes where at least one passenger vehicle is towed from the scene (for any reason). NHTSA achieves this representation by calibrating CISS case weights to the population crash counts by the ten analysis domains (domain 1: fatal crashes, domain 2, 5, 8: serious injury crashes, domain 3, 6, 9: injury crashes, 3, 7, 10: no injury crashes) to address potential coverage errors or bias due to the small sample size. These population crash counts are collected from all police jurisdictions (sampled or non-sampled) in the sampled PSUs.

NHTSA’s decision to stop investigating older vehicles in 2009 was made in relation to the NASS–CDS, a legacy system that is no longer operational. CISS makes effort to access and inspect all vehicles involved in the sampled cases regardless of the vehicle age and towed reason.

*The commenter argues that the complex statistical methods used, like Pareto sampling and Jackknife weights, lack proper validation especially at the*

*PSU level. He believes these methods rely on unproven assumptions and are applied without a practical understanding of real-world crash deaths and serious injuries.*

*NHTSA’s Response:* CISS uses a complex sample design that is based on valid methods such as multi-stage clustering, stratification, and unequal selection probability sampling. The PSU sample is selected by stratified probability proportion to size (PPS) sampling which is the most common and validated sampling method. The PSU sample is a scalable sample which has allowed NHTSA to seamlessly expand data collection sites, as specified in the IIJA legislation. Please refer to the Crash Investigation Sampling System: Sample Design and Weighting<sup>4</sup> for more detailed information on the CISS PSU sample.

NHTSA calibrates PSU weights to the U.S. residential population count to address the population shifts. The second stage (PJ) sample is selected using a stratified Pareto sampling. The Pareto sampling method is approximately PPS and provides flexibility to address annual PJ frame changes. The third stage (Police Crash Report) sample also uses Pareto sampling method to select replacement cases when NHTSA is unable to access the vehicle for investigation. Replacement case selection framework greatly increases the vehicle acquisition rates thereby producing more useful cases for analysis in CISS.

For variance estimation, NHTSA provides the adjusted Jackknife replicate weights to capture the gain in efficiency due to the weight adjustments. Users can also use the Taylor Series method, Jackknife method, or other variance estimation methods provided in statistical software such as SAS. Please refer to the Crash Investigation Sampling System: Design Overview, Analytic Guidance, and FAQs<sup>5</sup> for more information on using other variance estimation methods.

*The commenter claims that CISS “[m]ethods lack common sense validation of sampling methods, procedures and results,” asserting that these methods haven’t been compared to known data sources—like matching CISS or NASS–CDS fatality estimates with FARS data or comparing serious injury estimates with hospital records. He argues that these checks should have been done both nationwide and at individual PSU sites.*

<sup>1</sup> <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812128>.

<sup>2</sup> <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/813664>.

<sup>3</sup> <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812804>.

<sup>4</sup> <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812804>.

<sup>5</sup> <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812801>.

*NHTSA's Response:* NHTSA's sampling methods used to select a nationally representative sample of towed passenger vehicle crashes are valid. NHTSA also uses statistically sound methodology to produce weights and estimates. CISS case weights are calibrated to the CISS population crash counts by the ten analysis domains (domain 1: fatal crashes, domain 2, 5, 8: serious injury crashes, domain 3, 6, 9: injury crashes, 3, 7, 10: no injury crashes) to address potential coverage errors or bias due to the small sample size. The population crash counts are collected from all police jurisdictions (sampled or non-sampled) within the sampled PSUs.

*The commenter claims that CISS produces "[p]oorer quality case investigations compared to the earlier NASS-CDS," stating that "CISS cases fail to: (a) adequately photograph vehicle structural damage, (b) measure intrusion at the seating area of injured occupants, (c) adequately photograph interior contact points for each injured occupant and (d) describe the precrash movements of vehicles, violations of traffic signs/signal. Overall, CISS cases are a degradation from NASS-CDS case files. There is large variability in quality among different PSU sites, demonstrating a lack of oversight and quality assurance across PSUs."*

*NHTSA's Response:* Each of the items in this part of comment will be addressed below. In response to claims that "CISS cases fail to . . ."

(a) *adequately photograph vehicle structural damage:* The CISS crash investigations publish much more highly detailed information than the NASS-CDS, relying on program protocols developed with input from law enforcement and salvage yards. Highly trained investigators make every effort to document crash-involved vehicles and produce high-quality images whenever they are accessible. Furthermore, documenting vehicle structural damage is not permitted as investigators are prohibited from removing or altering vehicle components during their inspections.

(b) *measure intrusion at the seating area of injured occupants:* CISS measures intrusion, defined as any inward displacement of the internal boundary surface of the passenger compartment caused by direct or indirect damage resulting from external crushing forces applied to the vehicle, on all available vehicles. Intrusions measuring less than three centimeters are not considered significant and are therefore excluded from documentation.

When a CISS-applicable vehicle is towed from the crash scene, a thorough

interior inspection is required. This inspection must include intrusion documentation for all sectors of the vehicle's interior, as well as an overall intrusion value for adjacent cargo areas. Seat positions are not used to define intrusion sectors (although seats are contained within these sectors); instead, each row is divided into equidistant zones, allowing for the assessment of areas that may lack a designated seat position (e.g., center zone of the first row).

Intrusion measurements are recorded for each sector along the longitudinal, lateral, and vertical axes. In cases where law enforcement imposes restrictions—such as prohibiting technicians from touching or entering the vehicle—estimated intrusions are determined as accurately as possible dependent on unique circumstances.

(c) *adequately photograph interior contact points for each injured occupant:* The prevention of deaths and reduction of injuries are the primary goals of the CISS program—identifying occupant contact points within vehicles is a critically important part of this process. Identifying contact points and injury involved physical components provide valuable insight into which body regions may have sustained injuries during crashes.

When crash technicians identify evidence that occupant contact points/injury involved physical components, these vehicle components are carefully documented and photographed. Established CISS protocols emphasize thorough inspections of photographs of vehicle interiors to locate all potential occupant contact points.

Accurately identifying occupant contact evidence is a specialized skill developed over time. This process can be complicated by factors such as post-crash extrication, lag times between the crash and inspection dates, and vehicle storage practices at salvage yards.

(d) *describe the precrash movements of vehicles, violations of traffic signs/signals:* CISS crash data collections capture detailed information about vehicle movement leading up to a crash, using the following precrash variables:

- i. Driver's Distraction/Inattention to Driving (Prior to Recognition of Critical Event)
- ii. Pre-Event Movement (Prior to Recognition of Critical Event)
- iii. Critical Precrash Category
- iv. Critical Precrash Event
- v. Attempted Avoidance Maneuver
- vi. Pre-Impact Stability
- vii. Pre-Impact Location
- viii. Crash Type

These precrash variables are designed to identify the following:

- i. What was this vehicle doing just prior to the critical precrash event?
- ii. What made this vehicle's situation critical?
- iii. What was the avoidance response, if any, to this critical situation?
- iv. What was the movement of the vehicle just prior to impact?

It is important to note that CISS does not assess driver culpability. While some scenarios may suggest fault, any such implication is coincidental and not intentional within the design of the program.

Sub comment in part (d): *Overall, CISS cases are a degradation from NASS-CDS case files. There is large variability in quality among different PSU sites, demonstrating a lack of oversight and quality assurance across PSUs.*

Data quality remains NHTSA's priority and CISS represents a significant advancement over NASS-CDS across several key program areas:

1. *Statistical Improvement:* CISS features improved statistical methodologies, including better weighting due to the larger number of sites. Additionally, all collected data is incorporated into the SAS file, with many more datasets available. In contrast, NASS often collected more data, but a substantial portion was not included in the statistical files. More comprehensive explanations of the sample design and statistical methods used in CISS are provided in the responses to the commenter's above assertions. Additional details regarding the CISS sample design and weighting methodology are also available online.<sup>6 7</sup>

2. *Enhanced Data Collection:* The acquisition rates for towed vehicles and Event Data Recorder (EDR) data are significantly improved, leading to less missing data and more comprehensive datasets overall.

3. *More Detailed Injury Coding:* CISS implements a more complex and refined injury coding scheme, offering a greater level of detail and accuracy in injury classification.<sup>8</sup>

4. *Advanced Field Data Collection:* CISS employs superior data collection techniques, such as total station

<sup>6</sup> Zhang, F., Subramanian, R., Chen, C.-L., & Young Noh, E.Y. (2019, September; Revised 2024, October). Crash Investigation Sampling System: Design overview, analytic guidance, and FAQs (Report No. DOT HS 812 804). National Highway Traffic Safety Administration.

<sup>7</sup> Zhang, F., Noh, E.Y., Subramanian, R., & Chen, C.-L. (2019, September). Crash Investigation Sampling System: Sample design and weighting (Report No. DOT HS 812 804). Washington, DC: National Highway Traffic Safety Administration.

<sup>8</sup> Documenting Injuries in NHTSA's CISS Program, ESV Paper Number 17-0173, Mynatt, et. al.

measurements, replacing the older methods of roller wheels and tape measures. This enhances both the precision and reliability of field data.<sup>9</sup>

5. *Expanded EDR Manufacturer Support:* CISS supports a broader range of EDR manufacturers, including Hyundai/Kia and Tesla, which were not available in NASS. This enables more comprehensive data collection across different vehicle models.

#### Comments From IMMI and NHTSA's Responses

IMMI, a manufacturer of passive safety products for heavy vehicles, supports NHTSA's expansion of crash data collection to include heavy vehicle crashes. IMMI highlights the importance of this data for improving occupant safety by better understanding crash dynamics and injury causes. NHTSA acknowledges and agrees with IMMI that expanded data collection for heavy vehicles is essential for advancing safety and understanding injury mechanisms specific to these crashes.

#### Program: CISS

*Affected Public:* People involved in select motor vehicle crashes, law enforcement jurisdictions that provide access to and a copy of the crash report where the data is not electronic; hospitals that provide a copy of the injured occupant's medical treatment of injuries; and tow or salvage lot facilities that provide access to the storage facility to inspect the vehicle.

*Estimated Number of Respondents:* 37,157.

*Frequency:* On Occasion.

*Estimated Number of Responses:* 92,095 (32,850 + 21,424 + 1,550 + 21,763 + 14,508).

*Estimated Total Annual Burden Hours:* 17,245 hours (10,950 + 1,071 + 388 + 3,627 + 1,209).

The CISS crash data acquisition system includes 5 information collections. The first information collection covers the collection of information from individuals involved in crashes via interview. The estimated number of interview respondents is obtained by multiplying the approximate number of crashes investigated each year by the average number of interviews per crash. Based on existing data, each CISS crash involves an average of approximately 2.25 individuals. NHTSA estimates that CISS conducts investigations on 14,600 crashes per year. Therefore, NHTSA estimates that there will be 32,850

respondents per year (14,600 crashes × 2.25 respondents per crash).

The respondents are contacted only once; however, in rare circumstances follow-up questions may be needed to clarify data. The interview requires approximately 20 minutes of a respondent's time on average. CISS conducts interviews for approximately 14,600 crashes per year, which NHTSA estimates takes about 45 minutes per crash (2.25 respondents × 20 minutes). Therefore, the estimated total annual burden hours for the collection of information from individuals involved in crashes for CISS is 10,950 hours ((14,600 crashes × 45 minutes) ÷ 60 minutes/hour).

In addition to interviews, crash technicians and investigators must obtain official records to initiate and complete the cases. These records include police crash reports and medical records. The second information collection under CISS is for the collection of crash records from sampled police jurisdictions. NHTSA estimates that there are 412 sample police jurisdictions annually. To estimate the burden to sampled police jurisdictions, NHTSA multiplied the average number of visits per year by the average burden per visit and the number of police jurisdictions. On average, each of the 412 sampled police jurisdictions are queried weekly (or 52 times per year) and each query is estimated to take 3 minutes. Accordingly, NHTSA estimates the total annual burden for sampled police jurisdictions to be 2.6 hours per respondent (3 minutes × 52 visits) and 1,071 hours for all respondents (2.6 hours × 412 police jurisdictions = 1,071.2 hours).

The third information collection under CISS is for the collection of crash records from non-sampled police jurisdictions. Based on existing CISS data, there are 775 non-sampled jurisdictions annually. To estimate the burden to non-sample police jurisdictions, NHTSA multiplied the average number of visits per year by the average burden per visit and the number of non-sampled police jurisdictions. On average, each of the 775 non-sampled police jurisdictions are visited twice annually and each query is estimated to take 15 minutes. Accordingly, NHTSA estimates the total burden for non-sampled police jurisdictions to be 30 minutes per respondent (15 minutes × 2 visits) and 388 hours for all respondents ((30 minutes × 775 non-sampled police jurisdictions) ÷ 60 minutes/hour) = 388 hours).

The fourth information collection under CISS is for the collection of medical records from hospitals. Based

on existing data, CISS collects an average of 21,763 records each year from an average of 628 hospitals. NHTSA estimates that a hospital spends 10 minutes for each record requested. Accordingly, NHTSA estimates the total annual burden to be 3,627 hours ((21,763 records × 10 minutes) ÷ 60 minutes/hour) and estimates that each hospital will, on average, spend 5.78 hours providing the requested information each year (3,627 hours ÷ 628 hospitals).

The fifth information collection under CISS is for the collection from tow yards necessary to gain access to and locate a vehicle that was involved in a crash. Typically, a tow facility operator just needs to give the crash technician permission to enter the yard to inspect the vehicle and involves approximately 5 minutes of staff time. CISS data shows an average of 14,508 visits to tow facilities per year, and NHTSA estimates 2,510 tow facilities will be visited annually. Accordingly, NHTSA estimates the total annual burden to be 1,209 hours ((14,508 visits × 5 minutes) ÷ 60 minutes/hour) and estimates that each tow facility will, on average, spend 28.91 minutes providing the requested information each year ((1,209 hours × 60 minutes) ÷ 2,510 facilities).

Accordingly, NHTSA estimates that the total burden associated with the CISS data acquisition system is 17,245 hours (10,950 + 1,071 + 388 + 3,627 + 1,209).

*Estimated Total Annual Burden Cost:* \$0.

There are no capital, start-up, or annual operation and maintenance costs involved in this collection of information. The respondents would not incur any reporting costs from the information collection beyond the opportunity or labor costs associated with the burden hours. The respondents also would not incur any recordkeeping burden or recordkeeping costs from the information collection.

#### Program: Special Crash Investigation (SCI)

*Affected Public:* People involved in select motor vehicle crashes, law enforcement jurisdictions that provide access to and a copy of the crash report where the data is not electronic; hospitals that provide a copy of the injured occupant's medical treatment of injuries; and tow or salvage lot facilities that provide access to the storage facility to inspect the vehicle.

*Estimated Number of Respondents:* 500.

*Frequency:* On occasion (typically once per year).

<sup>9</sup>Improved Field Measurement in NHTSA's CISS Program, ESV Paper Number 17-0174, Mynatt, et. al.

*Estimated Number of Responses:* 500 (200 + 100 + 100 + 100).

*Estimated Total Annual Burden Hours:* 109 hours (67 + 17 + 17 + 8).

The SCI crash data acquisition system includes 4 information collections. The first information collection covers the collection of information from individuals involved in crashes via interview. The estimated number of interview respondents is obtained by multiplying the approximate number of crashes investigated each year by the average number of interviews per crash. Based on existing data, each SCI crash involves an average of approximately 2 individuals. NHTSA estimates that SCI conducts investigations on approximately 100 crashes per year. Therefore, NHTSA estimates that there will be 200 respondents per year (100 crashes × 2 respondents per crash).

The respondents are contacted only once; however, in rare circumstances follow-up questions may be needed to clarify data. The interview requires approximately 20 minutes of a respondent’s time on average. SCI conducts interviews for approximately 100 crashes per year, which NHTSA estimates takes about 40 minutes per crash (2 respondents × 20 minutes). Therefore, the estimated total annual burden hours for the collection of information from individuals involved in crashes for SCI is approximately 67 hours ((100 crashes × 40 minutes) ÷ 60 minutes/hour = 66.67).

In addition to interviews, crash technicians and investigators must obtain official records to initiate and complete the cases. These records include police crash reports and medical records. The second information collection under SCI is for the collection of crash records from police jurisdictions. The SCI investigators contact an estimated 100 police jurisdictions once per year and require approximately 10 minutes of staff time per police jurisdiction. To estimate the burden to these police jurisdictions, NHTSA multiplied the average number of visits per year by the average burden per visit and the number of police jurisdictions. Accordingly, NHTSA estimates the total annual burden for police jurisdictions to be 10

minutes per respondent (10 minutes × 1 query per year) and 17 hours for all respondents ((10 minutes × 100 police jurisdictions) ÷ 60 minutes/hour = 16.67 hours).

The third information collection under SCI is for the collection of medical records from hospitals. Based on existing data, SCI collects an average of 100 records each year from 100 hospitals (1 request per hospital per year). NHTSA estimates that a hospital spends 10 minutes for each record requested. Accordingly, NHTSA estimates the total annual burden to be 17 hours ((100 records × 10 minutes) ÷ 60 minutes/hour = 16.67 hours) and estimates that each hospital will, on average, spend 10 minutes providing the requested information each year (10 minutes × 1 record request per year).

The fourth information collection under SCI is for the collection from tow yards necessary to gain access to and locate a vehicle that was involved in a crash. Typically, a tow facility operator just needs to give the crash technician permission to enter the yard to inspect the vehicle and involves approximately 5 minutes of staff time. SCI conducts approximately 100 visits to tow facilities per year, and NHTSA estimates that 100 tow facilities will be visited annually (1 request per facility per year). Accordingly, NHTSA estimates the total annual burden to be 8 hours ((100 visits × 5 minutes) ÷ 60 minutes/hour = 8.33 hours) and estimates that each tow facility will, on average, spend 5 minutes providing the requested information each year.

Accordingly, NHTSA estimates that the total burden associated with the SCI data acquisition system is 109 hours (67 + 17 + 17 + 8).

*Estimated Total Annual Burden Cost:* \$0.

There are no capital, start-up, or annual operation and maintenance costs involved in this collection of information. The respondents would not incur any reporting costs from the information collection beyond the opportunity or labor costs associated with the burden hours. The respondents also would not incur any recordkeeping costs from the information collection.

**Program: Special Studies**

*Affected Public:* Law enforcement jurisdictions that provide access to and a copy of the crash report where the data is not electronic.

*Estimated Number of Respondents:* 1,000.

*Frequency:* On occasion (typically once per year).

*Estimated Number of Responses:* 1,000.

*Estimated Total Annual Burden Hours:* 167 hours.

There is only one information collection for Special Studies in this ICR. This ICR only covers special studies involving remote-level investigations.<sup>10</sup> Accordingly, these remote-level investigations do not involve interviews of individuals involved in crashes, collection of medical records from hospitals, or visits to tow facilities. Instead, these special studies only involve the collection of information from police jurisdictions.

NHTSA estimates that the special studies will involve, on average, 1,000 police jurisdictions each year and require approximately 10 minutes of staff time per police jurisdiction. The total annual hour burden on jurisdictions for special studies information is estimated to be 167 hours (1 visit × 10 minutes × 1,000 jurisdictions ÷ 60 minutes/hour = 166.67).

*Estimated Total Annual Burden Cost:* \$0.

There are no capital, start-up, or annual operation and maintenance costs involved in this collection of information. The respondents would not incur any reporting costs from the information collection beyond the labor costs associated with the burden hours. The respondents also would not incur any recordkeeping burden or recordkeeping costs from the information collection.

*Estimated Total Annual Burden Hours All Programs:* 17,521 hours.

The total estimated annual burden hours to all respondents for this ICR is 17,521 hours. The table below provides a summary of the estimated annual burden hours.

Information collection title	Number of respondents	Number of responses (per respondent)	Burden per response (min)	Burden per respondent	Total annual burden (hours)
CISS: Interviews with Individuals Involved in Crashes .....	32,850	32,850 (1)	20	20 minutes	10,950

<sup>10</sup> If NHTSA intends to conduct a special study that is not remote, it will seek separate clearance.

Information collection title	Number of respondents	Number of responses (per respondent)	Burden per response (min)	Burden per respondent	Total annual burden (hours)
CISS: Collection of Police Records from Sampled Jurisdictions .....	412	21,424(52)	3	156 minutes (2.6 hours)	1,071
CISS: Collection of Police Records from Non-Sampled Jurisdictions .....	775	1,550 (2)	15	30 minutes	388
CISS: Collection of Medical Records .....	628	21,763 (34.665)	10	5.78 hours	3,627
CISS: Access to Tow Yards .....	2,510	14,508 (5.78)	5	28.9 minutes	1,209
SCI: Interviews with Individuals Involved in Crashes .....	200	200 (1)	20	20 minutes	67
SCI: Collection of Police Records .....	100	100 (1)	10	10 minutes	17
SCI: Collection of Medical Records .....	100	100 (1)	10	10 minutes	17
SCI: Access to Tow Yards .....	100	100 (1)	5	5 minutes	8
Special Studies: Collection of Police Records .....	1,000	1000 (1)	10	10 minutes	167
<b>Total:</b> .....	<b>38,675</b>	.....	.....	.....	<b>17,521</b>

*Estimated Total Annual Burden Cost All Programs:* \$0.

There is no capital, start-up, or annual operation and maintenance costs involved in this collection of information. The respondents would not incur any reporting costs from the information collection beyond the labor costs associated with the burden hours. The respondents also would not incur any recordkeeping burden or recordkeeping costs from the information collection.

*Public Comments Invited:* You are asked to comment on any aspects of this information collection, including (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, including the validity of the methodology and 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 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.

(Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended; 49 CFR 1.49; and DOT Order 1351.29A.)

**Chou-Lin Chen,**

*Associate Administrator, National Center for Statistics and Analysis.*

[FR Doc. 2025-15373 Filed 8-12-25; 8:45 am]

**BILLING CODE 4910-59-P**

**DEPARTMENT OF TRANSPORTATION**

**Pipeline and Hazardous Materials Safety Administration**

[Docket No. PHMSA-2025-0021]

**Pipeline Safety: Information Collection Activities**

**AGENCY:** Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), this notice announces that the information collection request abstracted below is being forwarded to the Office of Management and Budget (OMB) for review and comment. PHMSA plans to revise the instructions for Form PHMSA F 7100.2 INCIDENT REPORT—GAS TRANSMISSION, GAS GATHERING, AND UNDERGROUND NATURAL GAS STORAGE FACILITIES to provide clarity on reporting the intentional release of gas through relief valves and emergency shutdown devices. A **Federal Register** notice with a 60-day comment period soliciting comments on this information collection revision was published on December 17, 2020.

**DATES:** Interested persons are invited to submit comments on or before September 12, 2025.

**ADDRESSES:** The public is invited to submit comments regarding these information collection requests, including suggestions for reducing the burden, to Office of Management and Budget (OMB), Attention: Desk Officer for the Office of the Secretary of Transportation, 725 17th Street NW, Washington, DC 20503. Comments can also be submitted electronically at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain).

**FOR FURTHER INFORMATION CONTACT:** Angela Hill by email at [Angela.Hill@dot.gov](mailto:Angela.Hill@dot.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Title 5, Code of Federal Regulations section 1320.8(d), requires the Pipeline and Hazardous Materials Safety Administration (PHMSA) to provide interested members of the public and affected agencies the opportunity to comment on information collection and recordkeeping requests before they are submitted to OMB for approval. In accordance with this regulation, on December 17, 2020 PHMSA published a **Federal Register** notice with a 60-day comment period soliciting comments on its intent to revise the instructions for Form PHMSA F 7100.2 INCIDENT REPORT—GAS TRANSMISSION, GAS GATHERING, AND UNDERGROUND NATURAL GAS STORAGE FACILITIES which is under OMB Control Number 2137-0635.

The proposed revisions included changes to the instructions to Form PHMSA F 7100.2 to remove the requirement for operators to report relief valve lifts and compressor station emergency shutdown (ESD) events when the systems function as expected. In a subsequent 30-day notice, published in the **Federal Register** on May 14, 2021, PHMSA decided to delay proposed revisions and consider the comments in a future information collection change.

PHMSA is again proposing to revise to the instructions for Form PHMSA F 7100.2 to clarify how operators should treat the reporting of intentional gas releases. The current instructions state that the intentional and controlled release of gas for the purpose of maintenance or other routine operating activities is not to be reported. However, the instructions for Section A7, specify

“When ESDs or relief valves are activated as the result of a safety condition that has occurred, the volume released should be included in the “unintentional” category, even if safety equipment performed as designed . . .” In the December 2020 notice, PHMSA proposed to revise the instructions to indicate that when gas is released through a relief valve or a compressor station during an ESD event, and devices open and close at the specified set points, the release of gas is considered intentional.

One of the commenters (the Associations)<sup>1</sup> to the December 2020 notice suggested that the proposed language be clarified to specify that a relief valve or ESD system need not “close” at the specified setpoint for the event to be considered intentional, because a relief device may not perfectly “close” (*i.e.*, reseal) completely following a relief event. The Associations specified that if the relief valve or ESD opens at the specified set point and relieves gas through the intended pathway, then the relief valve has functioned as designed. The Associations also suggested that PHMSA clarify that when determining whether a relief valve opened at the specified setpoint, the operator should consider the relief valve manufacturer’s specified tolerances. The Associations noted that relief valves are commonly designed to begin partially opening before the set point is reached to reduce the risk of overpressure. The Associations also noted that ESD systems may be designed to activate in response to a “condition” rather than a “set point” (*e.g.*, gas detection). The Associations concluded by specifying that it is illogical to classify manual ESD activations as unintentional since such events are intentional actions taken by trained operator personnel.

The Associations proposed the following language for the general instructions, “When gas is released through a relief valve or a compressor station has an emergency shutdown (ESD) system and devices open at the specified set points (considering the manufacturer’s specified tolerances) or conditions, release of gas is considered intentional.”

The Associations proposed the following language for the A7 instructions, “The volume released during a relief valve activation is considered intentional when the device

opens at the specified setpoint, considering the manufacturer’s specified tolerances. The volume released during an emergency shutdown (ESD) that is activated by a station safety device is considered intentional. The volume released during an ESD in which one or more valves in the release pathway do not properly open is considered unintentional.”

PHMSA acknowledges the concerns of the Associations and, based on the additional information provided, agrees with the proposed revisions. PHMSA does not intend to collect data on events that are not associated with equipment failure or malfunctions as those events do not represent safety risks to the public. The elimination of this data will provide a more accurate representation of the safety of gas transmission pipelines, allowing both operators and regulators to better identify and address safety concerns.

While PHMSA is proposing that the release of gas from a relief valve or ESD device is not a reportable incident as defined by pipeline safety regulations, it may qualify as an abnormal operation or safety related condition. Section 192.605 requires the operator’s operations and maintenance manual to include procedures for the handling of abnormal operations. Under § 192.605(c)(1)(iv), operators are required to respond to, investigate, and correct the cause of the operation of any safety device. Under § 191.23(a)(10), operators of gas transmission pipelines are also required to submit a safety related condition report for each exceedance of the maximum allowable operating pressure that exceeds the margin (build-up) allowed for operation of pressure-limiting or control devices as specified in the applicable requirements of §§ 192.201, 192.620(e), and 192.739.

PHMSA notes that relief device activations may also be subject to reporting under other Federal or state laws. (See, *e.g.*, Environmental Protection Agency’s Greenhouse Gas Reporting Program, 40 CFR 98 subpart W).

## II. Summary of Impacted Collection

As section 1320.8(d) of Title 5 of the CFR requires PHMSA to provide interested members of the public and affected agencies the opportunity to comment on information collection and recordkeeping requests before they are submitted to OMB for approval, this notice identifies an information collection request that PHMSA will submit to OMB for revision.

The following information is provided for this information collection request:

(1) Title of the information collection; (2) OMB control number; (3) Current expiration date; (4) Type of request; (5) Abstract of the information collection activity; (6) Description of affected public; (7) Estimate of total annual reporting and recordkeeping burden; and (8) Frequency of collection.

PHMSA will request a three-year term of approval for this information collection activity. PHMSA requests comments on the following information:

*Title:* “Incident Reports for Natural Gas Pipeline Operators”.

*OMB Control Number:* 2137–0635.

*Current Expiration Date:* 06/30/2026.

*Abstract:* Operators of natural gas pipelines, underground natural gas storage (UNGS), and liquefied natural gas (LNG) facilities are required to report incidents to PHMSA per the requirements in 49 CFR part 191. This mandatory information collection covers the collection of incident report data from natural gas pipeline, UNGS, and LNG operators. The reports contained within this information collection support the Department of Transportation’s strategic goal of safety. This information is an essential part of PHMSA’s overall effort to minimize failures on natural gas transmission, gathering, and distribution pipelines, and UNGS and LNG facilities. PHMSA proposes to revise the instructions for Form PHMSA F 7100.2 INCIDENT REPORT—GAS TRANSMISSION, GAS GATHERING, AND UNDERGROUND NATURAL GAS STORAGE FACILITIES to provide clarity on reporting the intentional release of gas through relief valves and emergency shutdown devices.

*Affected Public:* Operators of certain PHMSA-regulated pipelines, UNGS facilities, and LNG facilities.

*Annual Reporting and Recordkeeping Burden:*

*Total Annual Responses:* 840.

*Total Annual Burden Hours:* 2,927.

*Frequency of Collection:* On occasion.

*Comments are invited on:*

(a) The need to review and revise these collections of information for the proper performance of Agency functions, including whether the information will have practical utility.

(b) The accuracy of the Agency’s estimate of the burden required to collect information, including the validity of the methodology and assumptions used.

(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 the use of appropriate automated, electronic,

<sup>1</sup> The Associations include: The American Gas Association, American Petroleum Institute, American Public Gas Association, GPA Midstream Association, and Interstate Natural Gas Association of America (<https://www.regulations.gov/comment/PHMSA-2019-0172-0006>).

mechanical, or other technological collection techniques.

**Authority:** The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended; and 49 CFR 1.48.

Issued in Washington, DC, on August 8, 2025, under authority delegated in 49 CFR 1.97.

**Linda Daugherty,**

*Acting Associate Administrator for Pipeline Safety.*

[FR Doc. 2025–15329 Filed 8–12–25; 8:45 am]

**BILLING CODE 4910–60–P**

## DEPARTMENT OF THE TREASURY

### Alcohol and Tobacco Tax and Trade Bureau

[Docket No. TTB–2025–0004]

#### Proposed Information Collections; Comment Request (No. 96)

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau (TTB); Treasury.

**ACTION:** Notice and request for comments.

**SUMMARY:** As part of our continuing effort to reduce paperwork and respondent burden, and as required by the Paperwork Reduction Act of 1995, we invite comments on the continuing or proposed information collections listed below in this document.

**DATES:** We must receive your written comments on or before October 14, 2025.

**ADDRESSES:** You may send comments on the information collections described in this document using one of these two methods:

- *Internet*—To submit comments electronically, use the comment form for this document posted on the “*Regulations.gov*” e-rulemaking website at <https://www.regulations.gov> within Docket No. TTB–2025–0004.

- *Mail*—Send comments to the Paperwork Reduction Act Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Box 12, Washington, DC 20005.

Please submit separate comments for each specific information collection described in this document. You must reference the information collection’s title, form number or recordkeeping requirement number (if any), and OMB control number in your comment.

You may view copies of this document, the relevant TTB forms, and any comments received at <https://www.regulations.gov> within Docket No. TTB–2025–0004. TTB has posted a link to that docket on its website at <https://www.ttb.gov/rrd/information-collection-notices>.

You also may obtain paper copies of this document, the listed forms, and any comments received by contacting TTB’s Paperwork Reduction Act Officer at the addresses or telephone number shown below.

**FOR FURTHER INFORMATION CONTACT:** Michael Hoover, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW, Box 12, Washington, DC 20005; 202–453–1039, ext. 135; or complete the Regulations and Rulings Division contact form at <https://www.ttb.gov/contact-rrd>.

#### SUPPLEMENTARY INFORMATION:

##### Request for Comments

The Department of the Treasury and its Alcohol and Tobacco Tax and Trade Bureau (TTB), as part of a continuing effort to reduce paperwork and respondent burden, invite the general public and other Federal agencies to comment on the proposed or continuing information collections described below, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Comments submitted in response to this document will be included or summarized in our request for Office of Management and Budget (OMB) approval of the relevant information collection. All comments are part of the public record and subject to disclosure. Please do not include any confidential or inappropriate material in your comments.

We invite comments on: (a) Whether an information collection is necessary for the proper performance of the agency’s functions, including whether the information has practical utility; (b) the accuracy of the agency’s estimate of the information collection’s burden; (c) ways to enhance the quality, utility, and clarity of the information collected; (d) ways to minimize the information collection’s burden 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 the requested information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information has a valid OMB control number.

#### Information Collections Open for Comment

Currently, we are seeking comments on the following forms, letterhead

applications or notices, recordkeeping requirements, questionnaires, or surveys:

*OMB Control No. 1513–0010*

*Title:* Formula and Process for Wine.  
*TTB Form Number:* TTB F 5120.29.

*Abstract:* In addition to imposing Federal excise taxes on wines produced or imported into the United States, the Internal Revenue Code (IRC) places formula requirements on certain wines and authorizes the Secretary of the Treasury (Secretary) to issue regulations regarding the production of wines. This includes 26 U.S.C. 5386, which requires special natural wine to be made pursuant to an approved formula, and 26 U.S.C. 5361, 5362(d), 5387, and 5388(b), which authorize the Secretary to issue regulations governing the production of wines other than natural wines.

Under those IRC authorities, the Alcohol and Tobacco Tax and Trade Bureau (TTB) regulations in 27 CFR parts 24 and 26 require proprietors intending to produce special natural wine, agricultural wine, other than standard wine, or nonbeverage wine to submit, and obtain TTB’s prior approval of, the formula by which the product is to be made. While TTB has issued a form for use for any beverage alcohol formula, TTB continues to allow in its regulations the use of a separate form, TTB F 5120.29, for submitting formulas for wine.

TTB uses the collected information to ensure that the relevant tax provisions of the IRC are appropriately applied and to determine whether the products comply with production, labeling, and ingredient safety requirements.

*Current Actions:* There are no program changes or adjustments to this information collection, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 30.
- *Average Responses per Respondent:* 5.
- *Number of Responses:* 150.
- *Average Per-response Burden:* 2 hours.
- *Total Burden:* 300 hours.

*OMB Control No. 1513–0012*

*Title:* User’s Report of Denatured Spirits.

*TTB Form Number:* TTB F 5150.18.

*Abstract:* The IRC at 26 U.S.C. 5214 allows the tax-free withdrawal of

denatured distilled spirits from a distilled spirits plant (DSP), while 26 U.S.C. 5275 requires persons that procure, deal in, or use specially denatured (SDS), or that recover specially denatured or completely denatured distilled spirits, to maintain records and file reports as the Secretary requires by regulation. Under this IRC authority, the TTB regulations in 27 CFR part 20 require persons who use or recover SDS or articles, or who use recovered completely denatured spirits or articles, to file a report once annually, or when discontinuing business, using TTB F 5150.18 to account for their use of such denatured spirits in specific approved formulas. The collected information accounts for the use of untaxed distilled spirits and is necessary to ensure that the tax provisions of the IRC are appropriately applied.

*Current Actions:* There are no program changes or adjustments associated with this information collection, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 650.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 650.
- *Average Per-response Burden:* 18 minutes.
- *Total Burden:* 195 hours.

#### OMB Control No. 1513-0014

*Title:* Power of Attorney.

*TTB Form Number:* TTB F 5000.8.

*Abstract:* The IRC at 26 U.S.C. 6061 provides that persons must sign any return, statement, or document submitted under the IRC's provisions in accordance with forms and regulations prescribed by the Secretary. In addition, the Federal Alcohol Administration Act (FAA Act) at 27 U.S.C. 204(c) authorizes the Secretary to prescribe the manner and form of applications for permits issued under the Act. Under those authorities, the TTB regulations in 27 CFR chapter I require individuals to have specific authority to sign documents and forms filed with TTB on behalf of an applicant or principal. To delegate such authority to an individual and report that delegation to TTB, respondents complete form TTB F 5000.8, Power of Attorney. TTB uses the collected information to determine who legally represents a person doing business with TTB.

*Current Actions:* There are no program changes associated with this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to changes in agency estimates, TTB is decreasing the number of annual respondents, responses, and total burden hours associated with this collection, but is increasing the average number of responses per respondent.

TTB notes that it has received OMB approval of two non-substantive changes to TTB F 5000.8, Power of Attorney, form to better identify the appointed attorney and their redelegation authority, if any. Specifically, TTB has revised Item 6 on the form to include separate data fields for the appointed attorney's name, telephone number, and email address, and TTB is adding a data field for the appointed attorney's date of birth. The TTB is making this change to separate the collected information for clarity and to better identify the appointed attorney, particularly in cases of persons with the same or similar names. In Item 8a, the power of attorney designation, TTB has added two check boxes to allow the principal to clearly state if the appointed attorney does or does not have power to redelegate their designated authorities. TTB believes that these minor changes to its Power of Attorney form do not affect its per-respondent or total annual burden.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 3,690.
- *Average Responses per Respondent:* 2,071.
- *Number of Responses:* 7,642.
- *Average Per-response Burden:* 20 minutes.
- *Total Burden:* 2,547 hours.

#### OMB Control No. 1513-0029

*Title:* Certificate of Tax Determination—Wine.

*TTB Form Number:* TTB F 5120.20.

*Abstract:* The IRC at 26 U.S.C. 5062 authorizes drawback (refund) of the Federal excise tax on distilled spirits and wines exported from the United States, under regulations requiring evidence of the product's tax payment or determination and exportation. Under that authority, the TTB regulations in 27 CFR part 28 require drawback claims filed by wine exporters to be accompanied by the producer's or bottler's certification, filed on TTB F 5120.20, that the listed wines were tax determined upon withdrawal or taxpaid

upon receipt for bottling. The collected information is necessary to ensure that the tax provisions of the IRC are appropriately applied, as it assists in preventing the payment of unverified drawback claims or in supporting enforcement, as needed, after claims have been paid.

*Current Actions:* There are no program changes or adjustments associated with this information collection at this time, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 22.
- *Average Responses per Respondent:* 300.
- *Number of Responses:* 6,600.
- *Average Per-response Burden:* 0.5 hour.
- *Total Burden:* 3,300 hours.

#### OMB Control No. 1513-0045

*Title:* Distilled Spirits Plants—Excise Taxes (TTB REC 5110/06).

*TTB Recordkeeping Number:* TTB REC 5110/06.

*Abstract:* Under chapter 51 of the IRC, distilled spirits produced or imported into the United States are subject to Federal excise tax, which is determined at the time the spirits are withdrawn from bond and which is paid by return, subject to regulations prescribed by the Secretary. In addition, a credit may be taken against that tax for the portion of a distilled spirits product's alcohol content derived from wine or flavors. The TTB regulations in 27 CFR parts 19 and 26 require distilled spirits excise taxpayers to keep certain records in support of the information provided on their excise tax returns, including information on the distilled spirits removed from their premises and the products' applicable tax rates, as well as records related to nontaxable removals, shortages, and losses. TTB uses the collected information to ensure that the relevant provisions of the IRC are appropriately applied, verify claims for refunds or remission of tax, and account for the transfer of certain distilled spirits excise taxes to the governments of Puerto Rico and the U.S. Virgin Islands.

*Current Actions:* There are no program changes associated with this information collection at this time, and TTB is submitting it for extension purposes only. As for adjustments, due to changes in agency estimates resulting from continued growth in the number of distilled spirits plants in the United

States, TTB is increasing the number of annual respondents, responses, and total burden hours associated with this collection.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 5,672.
- *Average Responses per Respondent:* 9.
- *Number of Responses:* 51,048.
- *Average Per-response Burden:* 1 hour.
- *Total Burden:* 51,048 hours.

#### OMB Control No. 1513-0049

*Title:* Distilled Spirits Plant Denaturation Records, and Monthly Report of Processing (Denaturing) Operations.

*TTB Form Number:* TTB F 5110.43.  
*TTB Recordkeeping Number:* TTB REC 5110/04.

*Abstract:* The IRC, at 26 U.S.C. 5207, requires DSP proprietors to maintain records and submit reports of their production, storage, denaturation, and processing activities, and, at 26 U.S.C. 5214, the IRC authorizes the withdrawal of denatured distilled spirits from a DSP tax-free for certain specified uses, all subject to regulations prescribed by the Secretary. Under those authorities, the TTB regulations in 27 CFR part 19 require DSP proprietors to keep certain records regarding their production, receipt, loss, transfer, and withdrawal of denatured spirits. Those regulations also require DSP proprietors to submit a monthly report of their daily denaturing (processing) activities to TTB using form TTB F 5110.43. Because DSP proprietors may remove denatured spirits free of tax, a full accounting of their denaturation operations is necessary to ensure that the tax provisions of the IRC are appropriately applied and prevent diversion of untaxed spirits to taxable uses.

*Current Actions:* There are no program changes associated with this information collection at this time, and TTB is submitting it for extension purposes only. As for adjustments, due to changes in agency estimates, TTB is increasing the number of annual respondents, responses, and total burden hours associated with this collection.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 490.

- *Average Responses per Respondent:* 12.
- *Number of Responses:* 5,880.
- *Average Per-response Burden:* 1 hour.
- *Total Burden:* 5,880 hours.

#### OMB Control No. 1513-0060

*Title:* Letterhead Applications and Notices Relating to Tax Free Alcohol.  
*TTB Recordkeeping Number:* TTB REC 5150/4.

*Abstract:* While the IRC at 26 U.S.C. 5001 generally imposes a Federal excise tax on all distilled spirits produced in or imported into the United States, 26 U.S.C. 5214 provides for the tax-free withdrawal of distilled spirits from DSPs for nonbeverage purposes, including for use by educational institutions, laboratories, and medical facilities, and by State, local, and tribal governments. At 26 U.S.C. 5271-5275, the IRC also sets permit, bond, formula submission, recordkeeping, and reporting requirements for the use of tax-free distilled spirits, subject to regulations prescribed by the Secretary. Under those authorities, the TTB regulations in 27 CFR part 22 require users of tax-free alcohol to submit certain letterhead applications and notices, which serve as qualifying documents for specific regulated activities or as amendments to previously filed documents. The collected information is necessary to ensure that the provisions of the IRC related to tax-free distilled spirits are appropriately applied.

*Current Actions:* There are no program changes associated with this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to changes in agency estimates, TTB is increasing the number of annual respondents, responses, and total burden hours associated with this collection.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits; Not for profit institutions; State, local, and tribal governments.

#### Estimated Annual Burden

- *Number of Respondents:* 320.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 320.
- *Average Per-response Burden:* 0.5 hours.
- *Total Burden:* 160 hours.

#### OMB Control No. 1513-0066

*Title:* Retail Liquor Dealers Records of Receipts of Alcoholic Beverages and Commercial Invoices (TTB REC 5170/03).

*TTB Recordkeeping Number:* TTB REC 5170/03.

*Abstract:* Under the authority of the IRC at 26 U.S.C. 5122, the TTB regulations in 27 CFR part 31 require retail alcohol beverage dealers to keep records showing the quantities of all distilled spirits, wines, and beer received, including information on from whom and when the products were received. Those regulations also require dealers to keep records of all alcohol beverage sales of 20 or more wine gallons made to the same person at the same time. At the respondent's discretion, those records may consist of usual and customary business records such as commercial invoices, unless the respondent prefers maintaining the information by other means, maintained at their place of business or at an alternate location under the dealer's control approved by TTB. Additionally, under the IRC at 26 U.S.C. 5123, the TTB regulations require retail dealers to maintain those records for at least 3 years, available for TTB inspection during business hours. TTB uses the required information to ensure that the relevant provisions of the IRC are appropriately applied.

*Current Actions:* There are no program changes associated with this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to a change in agency estimates, TTB is increasing the estimated number of respondents and responses to this collection. However, there is no corresponding increase in the burden hours for this collection as it consists of usual and customary business records, which impose no additional burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2).

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 480,000.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 480,000.
- *Average Per-response and Total Burden:* None. Per the Office of Management and Budget (OMB) regulations at 5 CFR 1320.3(b)(2), regulatory requirements to keep usual and customary business records impose no added burden on respondents.

#### OMB Control No. 1513-0067

*Title:* Wholesale Alcohol Dealer Recordkeeping Requirement Variance Requests and Approvals.

*TTB Recordkeeping Number:* TTB REC 5170/6.

*Abstract:* Under the authority of the IRC at 26 U.S.C. 5121, the TTB regulations in 27 CFR part 31 require wholesale alcohol dealers to keep daily records of their receipt and disposition of distilled spirits. Specific to this information collection, and as authorized by the IRC at 26 U.S.C. 5555, the TTB regulations in part 31 allow wholesale alcohol dealers to submit letterhead applications to TTB requesting approval of variations in the type and format of such records, and for variations in the place of retention for those records. TTB review of such applications is necessary to determine that such variances would not jeopardize the revenue, be contrary to any provisions of law, or unduly hinder the effective administration of the relevant TTB regulations.

*Current Actions:* There are no program changes or adjustments associated with this information collection, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 130.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 130.
- *Average Per-response Burden:* 0.5 hour.
- *Total Burden:* 65 hours.

#### OMB Control No. 1513-0068

*Title:* Records of Operations—Manufacturer of Tobacco Products or Processed Tobacco (TTB REC 5210/1).

*TTB Recordkeeping Number:* TTB REC 5210/1.

*Abstract:* The IRC at 26 U.S.C. 5741 requires manufacturers of tobacco products, cigarette papers or tubes, or processed tobacco to keep records as the Secretary prescribes by regulation. Under that authority, the TTB regulations in 27 CFR part 40 require such manufacturers to keep daily records regarding products manufactured, removed, returned, consumed, transferred, destroyed, lost, or disclosed as shortages. Those regulations provide that manufacturers may use usual and customary commercial records, where possible, to keep and maintain the required data, which must be maintained for 3 years, subject to TTB inspection upon request. TTB uses the required information to ensure compliance with the tax

provisions of the IRC regarding tobacco products and processed tobacco.

*Current Actions:* There are no program changes or adjustments associated with this information collection, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits; and Individuals or households.

#### Estimated Annual Burden

- *Number of Respondents:* 235.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 235.
- *Average Per-response Burden:* 2 hours.
- *Total Burden:* 470 hours.

#### OMB Control No. 1513-0070

*Title:* Tobacco Export Warehouse—Records of Operations (TTB REC 5220/1).

*TTB Recordkeeping Number:* TTB REC 5220/1.

*Abstract:* In general, chapter 52 of the IRC imposes Federal excise tax on all tobacco products and cigarette papers and tubes manufactured in, or imported into, the United States, while exempting such products removed for export, as well as all processed tobacco, from that tax. Export warehouses receive and store such non-taxpaid products until they are removed without payment of tax for export to a foreign country, Puerto Rico, or the U.S. Virgin Islands, or for consumption beyond the internal revenue laws of the United States. As authorized by the IRC at 26 U.S.C. 5741, the TTB regulations in 27 CFR part 44 require export warehouse proprietors to keep usual and customary business records showing the date, kind, quantity, and manufacturer of all tobacco products, cigarette papers and tubes, and processed tobacco received, removed, transferred, destroyed, lost, or returned to the manufacturer or to a customs bonded warehouse proprietor. TTB uses the collected information to ensure untaxed products are accounted for to detect diversion of untaxed products.

*Current Actions:* There are no program changes associated with this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to a change in agency estimates, TTB is decreasing the estimated number of respondents and responses to this collection. However, there is no change in the burden hours for this collection as it consists of usual and customary business records, which impose no

burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2).

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 65.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 65.
- *Average Per-response and Total Burden:* None. Per the OMB regulations at 5 CFR 1320.3(b)(2), regulatory requirements to keep usual and customary business records impose no additional burden on respondents.

#### OMB Control No. 1513-0082

*Title:* Alternate Methods or Procedures and Emergency Variations from Requirements for Exports of Liquors.

*TTB Recordkeeping Number:* TTB REC 5170.7.

*Abstract:* The IRC at 26 U.S.C. 7805 authorizes the Secretary to issue all needful regulations to implement the IRC. Under that authority, the TTB regulations in 27 CFR part 28 allow alcohol exporters to apply for TTB approval of proposed alternate methods or procedures to, or emergency variances from, the requirements of that part, other than the giving of a bond or the payment of tax. Such applications provide alcohol exporters with operational flexibility and allow such exporters to meet emergency circumstances. TTB review of such applications is necessary to determine that the proposed alternative or variance would not jeopardize the revenue, be contrary to any provisions of law, or unduly hinder the effective administration of the relevant TTB regulations.

*Current Actions:* There are no program changes associated with this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to changes in agency estimates, TTB is decreasing the number of annual respondents, responses, and total burden hours associated with this collection.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits.

#### Estimated Annual Burden

- *Number of Respondents:* 200.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 200.
- *Average Per-response Burden:* 36 minutes.

- *Total Burden:* 120 hours.

*OMB Control No. 1513–0097*

*Title:* Notices Relating to Payment of Firearms and Ammunition Excise Tax by Electronic Funds Transfer.

*Abstract:* Under the IRC at 26 U.S.C. 6302, TTB collects the firearms and ammunition excise tax imposed by 26 U.S.C. 4181 on the basis of a return that taxpayers file on a quarterly basis. That section also authorizes the Secretary to issue regulations concerning the payment of taxes by electronic funds transfer (EFT). Under the TTB regulations in 27 CFR part 53, persons who elect to begin or discontinue payment of firearms and ammunition excise taxes by EFT must submit a written notice to TTB regarding such actions. TTB uses those notifications to administer the firearms and ammunition excise tax payment provisions related to the use of EFT.

*Current Actions:* There are no program changes or adjustments associated with this information collection, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits.

Estimated Annual Burden

- *Number of Respondents:* 10.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 10.
- *Average Per-response Burden:* 24 minutes.
- *Total Burden:* 4 hours.

*OMB Control No. 1513–0100*

*Title:* Applications, Notices, and Permits Relative to Importation and Exportation of Distilled Spirits, Wine and Beer, Including Puerto Rico and the Virgin Islands.

*Abstract:* Chapter 51 of the IRC imposes Federal excise taxes on alcohol beverages imported into the United

States, while exports of such products are not generally subject to tax. In addition, the IRC at 26 U.S.C. 7652 applies an equal tax to such products from Puerto Rico or the U.S. Virgin Islands imported into the United States, but that section also requires deposit of most of the collected taxes to the Treasuries of those islands' governments. As a result, the TTB regulations in 27 parts 26, 27, and 28 require persons exporting or importing alcohol beverages from Puerto Rico and the U.S. Virgin Islands to file certain letterhead applications and notices, and to keep certain records, regarding such activities. The collected information is necessary to ensure that the tax provisions of the IRC related to Puerto Rican and U.S. Virgin Islands products are appropriately applied.

*Current Actions:* There are no program changes or adjustments associated with this information collection, and TTB is submitting it for extension purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profits; and Individuals or households.

Estimated Annual Burden

- *Number of Respondents:* 20.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 20.
- *Average Per-response Burden:* 9 hours.
- *Total Burden:* 180 hours.

*OMB Control No. 1513–0106*

*Title:* Record of Operations—Importer of Tobacco Products or Processed Tobacco.

*Abstract:* The IRC at 26 U.S.C. 5741 requires all manufacturers and importers of tobacco products, processed tobacco, and cigarette papers and tubes, and all export warehouse proprietors to keep records as the Secretary prescribes by regulation.

Under that authority, the TTB regulations in 27 CFR part 41 require importers of tobacco products or processed tobacco to maintain the usual and customary business showing the receipt and disposition of imported tobacco products or processed tobacco. TTB uses the collected information to ensure that importers' activities comply with the IRC and that processed tobacco, which is not taxed, is not diverted to taxable tobacco product manufacturing.

*Current Actions:* There are no program changes to this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to a change in agency estimates, TTB is increasing the estimated number of respondents and responses to this collection. However, there is no corresponding increase in the burden hours for this collection as it consists of usual and customary business records, which impose no additional burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2).

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profits.

Estimated Annual Burden

- *Number of Respondents:* 3,445.
- *Average Responses per Respondent:* 1 (one).
- *Number of Responses:* 445.
- *Average Per-response and Total*

*Burden:* None. Per the Office of Management and Budget (OMB) regulations at 5 CFR 1320.3(b)(2), regulatory requirements to keep usual and customary business records impose no added burden on respondents).

Dated: August 8, 2025.

**Amy R. Greenberg,**  
*Acting Assistant Administrator, Headquarters Operations.*

[FR Doc. 2025–15324 Filed 8–12–25; 8:45 am]

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Part II

## Securities and Exchange Commission

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Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend PIXL and Adopt New Auctions; Notice

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103667; File No. SR–Phlx–2025–35]

### Self-Regulatory Organizations; Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend PIXL and Adopt New Auctions

August 8, 2025.

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> notice is hereby given that on August 5, 2025, Nasdaq PHLX LLC (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

In connection with a technology migration to an enhanced Nasdaq, Inc. (“Nasdaq”) functionality, to adopt the following new auctions: Block Order Mechanism, Facilitation Mechanism and Solicited Order Mechanism in Options 3, Section 11. The Exchange also proposes to permit Customer Cross Orders at Options 3, Section 12(a) and Complex Cross Orders at Options 3, Section 12(b) to transact outside of the current Price Improvement XL (“PIXL”) mechanism where these orders currently transact. The Exchange proposes to amend Qualified Contingent Cross (“QCC”) Orders and Complex QCC Orders at Options 3, Section 12 and Options 3, Section 30 to align these rules to ISE Options 3, Section 12(a) and (b). The Exchange proposes to amend the PIXL rules at Options 3, Section 13 to align certain functionality to Nasdaq ISE LLC (“ISE”) PIM at Options 3, Section 13. Finally, the Exchange proposes amendments to Options 3, Section 7, Types of Orders and Order and Quote Protocols; Options 3, Section 10, Electronic Execution Priority and Processing in the System; Options 3, Section 14, Complex Orders; Options 3, Section 16, Complex Order Risk Protections; and Options 3, Section 22, Limitations on Order Entry, in connection with the aforementioned changes. The Exchange also proposes an amendment to Options 2, Section 10,

Directed Orders and Options 5, Section 4, Order Routing.

The text of the proposed rule change is available on the Exchange’s website at <https://listingcenter.nasdaq.com/rulebook/phlx/rulefilings>, and at the principal office of the Exchange.

#### 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.

##### A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

In connection with a technology migration to an enhanced Nasdaq functionality which will result in higher performance, scalability, and more robust architecture, the Exchange proposes to amend and adopt functionality identical to the functionality on ISE.

The Exchange proposes to adopt the following new auctions: Block Order Mechanism, Facilitation Mechanism and Solicited Order Mechanism in Options 3, Section 11. The proposed Block Order Mechanism at Options 3, Section 11(a) is identical to ISE’s Block Order Mechanism at ISE Options 3, Section 11(a). Phlx’s proposed Facilitation Mechanism and Solicited Order Mechanism at Options 3, Section 11 are substantively identical to ISE’s Facilitation Mechanism and Solicited Order Mechanism at Options 3, Section 11. With respect to Phlx’s proposed Facilitation Mechanism and Solicited Order Mechanism, the Exchange will allocate interest pursuant to Phlx Options 3, Section 10<sup>3</sup> whereas ISE allocates pursuant to its allocation rules at Options 3, Section 10.<sup>4</sup>

<sup>3</sup> Phlx recently amended Options 3, Section 10. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR–Phlx–2024–71). SR–Phlx–2024–71 is effective but not yet operative. SR–Phlx–2024–71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>4</sup> Phlx’s allocation model is different than ISE’s in that Phlx allocates to Market Makers before

The Exchange also proposes relocating its Customer Cross Orders at Options 3, Section 12(a) and Complex Cross Orders at Options 3, Section 12(b) to transact outside of the current PIXL mechanism where these orders currently transact. The Exchange proposes to adopt rule text that is identical to ISE Options 3, Section 12(a) and (b).<sup>5</sup>

The Exchange proposes to amend its Qualified Contingent Cross or “QCC” Orders and Complex QCC Orders at Options 3, Section 12 and Options 3, Section 30 to adopt rule text that is identical to ISE Options 3, Section 12(a) and (b). The proposed changes to QCC Orders at Options 3, Section 12 and Complex QCC Orders at Options 3, Section 12 would apply equally to electronic QCC Orders and Floor QCC Orders. The Exchange is not amending the System handling of electronic QCC Orders. With respect to Floor QCC

allocating to all other market participants pursuant to Phlx Options 3, Section 10 while ISE does not have an additional allocation to Market Makers before all other market participants pursuant to ISE Options 3, Section 10.

<sup>5</sup> Phlx rules are identical to ISE rules except for the use of certain terms. Phlx’s Public Customer, defined at Phlx Options 1, Section 1(b)(46), provides that the term “Public Customer” means a person or entity that is not a broker or dealer in securities and is not a Professional as defined within Options 1, Section (b)(45). This term has the same meaning as ISE’s Priority Customer, defined at ISE Options 1, Section 1(a)(37). The term “Priority Customer” means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). Also, Phlx utilizes the terms “member” and “member organization.” The term “member” means a permit holder which has not been terminated in accordance with the By-Laws and these Rules of the Exchange. A member is a natural person and must be a person associated with a member organization. Any references in the rules of the Exchange to the rights or obligations of an associated person or person associated with a member organization also includes a member. See General 1, Section 1(a)(16) The term “member organization” means a corporation, partnership (general or limited), limited liability partnership, limited liability company, business trust or similar organization, transacting business as a broker or a dealer in securities and which has the status of a member organization by virtue of (i) admission to membership given to it by the Membership Department pursuant to the provisions of General 3, Sections 5 and 10 or the By-Laws or (ii) the transitional rules adopted by the Exchange pursuant to Section 6–4 of the By-Laws. References herein to officer or partner, when used in the context of a member organization, shall include any person holding a similar position in any organization other than a corporation or partnership that has the status of a member organization. See General 1, Section 1(a)(17). ISE utilizes the term “Electronic Access Member” which is the equivalent of Phlx’s term “member organization.” The term “Electronic Access Member” or “EAM” means a Member that is approved to exercise trading privileges associated with EAM Rights. See General 1, Section 1(a)(6). The Exchange utilizes the term “identical” throughout this rule proposal despite these definitional differences.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

Orders, the System handling will remain the same except that the Exchange is amending the minimum increments at proposed Options 8, Section 30(e).

The Exchange proposes to amend the PIXL rules at Options 3, Section 13 so that its rules are similar to ISE PIM at Options 3, Section 13.<sup>6</sup>

The Exchange proposes amendments to Options 3, Section 7, Types of Orders and Order and Quote Protocols, to adopt order types identical to ISE Options 3, Section 7.

The Exchange proposes adopting applicability language in Options 3, Section 10, Electronic Execution Priority and Processing in the System, at subsection (b) that is identical to ISE Options 3, Section 10(a)(2).

The Exchange proposes adopting a Complex Facilitation Order type and a Complex SOM Order at Options 3, Section 14(b)(16) and (17) that are identical to order types at ISE Options 3, Section 14(b)(16) and (17).

The Exchange proposes to make non-substantive technical amendments at Options 3, Section 15, Simple Order Risk Protections.

The Exchange proposes to amend Options 3, Section 16, Complex Order Risk Protections, at subsection (b), to add proposed new order types identical to the rule text at ISE Options 3, Section 16(b).

The Exchange proposes to amend Options 3, Section 22, Limitations on Order Entry, to add the new auctions proposed herein to the rule text so that the rule text is identical to ISE Options 3, Section 22.

The Exchange proposes to amend Options 8, Section 30, Crossing,

<sup>6</sup> The Exchange notes that it will adopt certain aspects of ISE's PIM but not all aspects of the rule. Phlx proposed PIXL entry checks at Options 3, Section 13(b)(1)–(3) are identical to ISE Options 3, Section 13(b)(1)–(3). Phlx proposed Options 3, Section 13(b)(1)(A) related to PAN responses is substantially similar to Options 3, Section 13(d)(7). Phlx Options 3, Section 13(b)(1)(B) related to Surrender proposes a configurable Surrender provision that is substantially similar to ISE Options 3, Section 13(e)(5)(iii). Phlx proposed Options 3, Section 13(b)(1)(C) concerning a PAN proposes to disseminate “price” in addition to size, and options series similar to ISE Options 3, Section 13(c). Phlx proposed Options 3, Section 13(b)(1)(H) regarding capping a PAN response size is substantially similar to ISE Options 3, Section 13(c)(2). The proposed Complex early termination provisions in Phlx Options 3, Section 13(b)(2)(C)(2) are identical to ISE Options 3 Sections 13(e)(4)(iv)(C), (e)(4)(iv)(D), (e)(5)(iv). The proposed trade halt rule text at Phlx Options 3, Section 13(b)(3) is substantially similar to Options 3, Section 13(d)(5). Phlx proposed rule text to amend the System allocation to the Initiating member after Public Customer orders have been allocated in Options 3, Section 13(b)(5)(B)(i) is identical to ISE Options 3, Section 13(d)(3) and Options 3, Section 13(e)(5)(iii).

Facilitation and Solicited Orders, to amend its Floor QCC rules to align to the changes in its electronic QCC Order rule at Options 3, Section 12. The Exchange notes that while Phlx has a trading floor, ISE does not have a trading floor. The Options 3 rule amendments only apply to electronic orders and do not otherwise amend the trading floor rules which are located in Options 8. Specifically, the proposed amendments to Options 8, Section 30, related to the trading floor, would align to proposed Options 3, Section 12.<sup>7</sup>

The Exchange also proposes an amendment to Options 2, Section 10, Directed Orders, and Options 5, Section 4, Order Routing. Each of the aforementioned rule changes are described below.

Options 2, Section 10

The Exchange previously amended<sup>8</sup> Options 2, Section 10(a)(ii) related to Directed Orders to amend the sentence to replace the words “Exchange’s best price” with “better of the internal PBBO or the NBBO.” The Exchange previously conformed the rule text with language throughout the Options 3 trading rules that describe the Exchange’s best price with references to the internal PBBO and NBBO. Pursuant to Options 3, Section 5, the System automatically executes eligible orders using the Exchange’s displayed best bid and offer (“PBBO”) or the Exchange’s non-displayed order book (“internal PBBO”) if there are non-displayed orders on the order book or the best bid and/or offer on the Exchange has been repriced pursuant to Options 3, Section 5(d) or

<sup>7</sup> In 2011, Phlx proposed to establish a Floor QCC based on the precedent of ISE’s QCC Order. PHLX previously established an electronic QCC Order set forth in PHLX Rule 1080(o). See Securities Exchange Act Release No. 64249 (April 7, 2011), 76 FR 20773 (April 13, 2011) (SR–Phlx–2011–047). As part of that rule change, Phlx analyzed the application of Section 11(a) to various Exchange systems and order types. In analyzing Floor QCC Orders, the Exchange has concluded that the entry and execution of Floor QCC Orders raises no novel issues under Section 11(a) and the rules thereunder from a compliance, surveillance or enforcement perspective. In other words, Exchange Floor Brokers are currently required to comply and the Exchange surveils for compliance with Section 11(a) and the rules thereunder when using Exchange systems to effect transactions using existing order types, and they will be required to comply with Section 11(a) and the rules thereunder when using the Floor QCC Order. See Securities Exchange Act Release No. 64415 (May 5, 2011), 76 FR 27732 (May 12, 2011) (SR–Phlx–2011–56) (Notice of Filing of Proposed Rule Change To Establish a Qualified Contingent Cross Order for Execution on the Floor of the Exchange).

<sup>8</sup> See Securities Exchange Act Release No. 100599 (July 25, 2024), 89 FR 61550 (July 31, 2024) (SR–Phlx–2024–26) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Options 2, Sections 5 and 10 and Options 3, Section 15).

Options 3, Section 4(b)(6) which describes trade-through compliance and locked and crossed markets. At that time, the Exchange inadvertently did not amend Options 2, Section 10(a)(iii) in a similar manner. Options 2, Section 10(a)(iii) describes when the opposite side of the market from the Directed Order is inferior to the internal PBBO or the NBBO. The Exchange should have amended Options 2, Section 10(a)(ii) in a similar manner. At this time, the Exchange proposes to amend the rule text of Options 2, Section 10(a)(iii) to state, “When the Exchange’s disseminated price is the NBBO, and the quotation disseminated by the Directed Lead Market Maker, RSQT, or SQT on the opposite side of the market from the Directed Order is inferior to the internal PBBO or the NBBO at the time of receipt of the Directed Order, the Directed Order shall be automatically executed and allocated to those quotations and orders at the NBBO in accordance with Options 3, Section 10(a)(1).”

Options 3, Section 11

Block Order Mechanism

The Exchange proposes to adopt several auctions within Options 3, Section 11, which is currently reserved. The Exchange proposes to entitle Option 3, Section 11 “Auction Mechanisms.”

The Exchange proposes adopting a new Block Order Mechanism in Options 3, Section 11(a). Today, Phlx does not have a Block Order Mechanism. The proposed Block Order Mechanism in Options 3, Section 11 would be identical to ISE’s Block Order Mechanism at Options 3, Section 11(a).

The proposed mechanism will provide a means for handling “block-sized orders” (*i.e.*, orders for fifty (50) contracts or more), and will be identical to the Block Order Mechanism currently offered by the Exchange’s affiliate, ISE. Specifically, proposed Options 3, Section 11(a) will state that the Block Order Mechanism is a process by which a member can obtain liquidity for the execution of block-size orders (“Block Order”). The Block Order Mechanism is for single leg transactions only. As discussed above, Options 3, Section 11 will further define block-size orders as orders for fifty (50) contracts or more. These provisions are consistent with ISE Options 3, Section 11(a).

Proposed subparagraph (a)(1) of Options 3, Section 11 would provide that upon entry of an order into the Block Order Mechanism, a broadcast message would be sent that includes the series, and may include price, size and/

or size, as specified by the member<sup>9</sup> entering the Block Order, and members would be given an opportunity to enter Responses with the prices and sizes at which they would be willing to trade with the Block Order.<sup>10</sup> This proposal is identical to ISE's process at Options 3, Section 11(a)(1). The Exchange also proposes to add identical definitions of "broadcast message" and "Response" within this rule. Specifically, for purposes of the Rule, a "broadcast message" will mean an electronic message that is sent by the Exchange to all members, and a "Response" will mean an electronic message that is sent by members in response to a broadcast message. Further, Responses represent non-firm interest that can be canceled or modified at any time prior to execution. Responses are not displayed to any market participants. Also, for purposes of this Rule, the time given to members to enter Responses for any of the below auction mechanisms shall be designated by the Exchange via an Options Trader Alert, but no less than 100 milliseconds and no more than 1 second.<sup>11</sup> These definitions would apply to any auction in Options 3, Section 11.<sup>12</sup>

Proposed subparagraph (a)(2) would provide that at the conclusion of the time given to members entering Responses, either an execution would occur automatically, or the Block Order would be cancelled. Proposed subparagraph (a)(2)(A) to Options 3, Section 11 explains the price at which orders entered into the Block Order Mechanism are executed. Specifically, Responses, orders, and quotes would be executed at a single block execution price that is the price for the Block Order at which the maximum number of contracts can be executed consistent with the member's instruction. Bids (offers) on the Exchange at the time the Block Order is executed that are priced

higher (lower) than the block execution price, as well as Responses that are priced higher (lower) than the block execution price, would be executed in full at the block execution price up to the size of the Block Order. This is identical to how ISE's Block Orders are priced at execution pursuant to ISE Options 3, Section 11(a)(2)(A).

Proposed subparagraph (a)(2)(B) describes the proposed auction allocation methodology. At the block execution price, Public Customer Orders and Public Customer Responses will be executed first in price time priority, and then quotes, non-Public Customer Orders, and non-Public Customer Responses will participate in the execution based upon the percentage of the total number of contracts available at the block execution price that is represented by the size of the quote, non-Public Customer Order, or non-Public Customer Response. This is functionally identical to ISE's Block Order Mechanism allocation methodology.<sup>13</sup> Identical to ISE, the proposed Block Order Mechanism is designed to provide an opportunity for members to receive liquidity for their Block Orders, and will therefore trade at a price that allows the maximum number of contracts of the Block Order to be executed against both Responses entered to trade against the order and unrelated interest on the Exchange's order book.

#### Example 1

A member enters a Block Order to buy 100 contracts at \$1.00  
Response A to sell 50 contracts at \$0.90  
Response B to sell 40 contracts at \$0.95

The block execution price would be 90 contracts at \$0.95 as this is the price at which the maximum number of contracts could be executed. The Block Order and both Responses would then be executed at this single block execution price. Responses A and B would be executed in full since there is sufficient size to execute both Responses against the Block Order.

If two other members also enter Responses C (a Public Customer) and D (a Firm), to sell at \$0.98 for 10 contracts each, the block execution price would be \$0.98 as additional contracts could be executed at that price. In that instance, Responses A and B, which are priced better than the block execution price, would be executed in full at \$0.98, while Responses C and D, which are priced at the block execution price, would participate in accordance with the allocation methodology

<sup>13</sup> See ISE Options 3, Section 11(a)(2)(B). The reference to "Professional" interest in ISE's rule refers to non-Priority Customer interest as compared to Priority Customer interest. See ISE Options 1, Section 1(a)(39) which defines a Professional Order as an order that is for the account of a person or entity that is not a Priority Customer.

described in the proposed rule—*i.e.*, the remaining 10 contracts would go to Response C, which is the Public Customer Response.

The Exchange proposes in subparagraph (a)(3) that if a trading halt is initiated after an order is entered into the Block Order Mechanism, such auction will be automatically terminated without execution. ISE Options 3, Section 11(a)(3) has identical rule text. Lastly, the Exchange proposes to amend Options 3, Section 7(v) to add Block Orders to the list of order types and provide, "A Block Order is an order entered into the Block Order Mechanism as described in Options 3, Section 11(a)." ISE Options 3, Section 7(v) identically defines Block Order as an order type.

The Exchange also proposes to note that at proposed Supplementary .05 to Options 3, Section 11 that orders and Responses may be entered into the Block Order Mechanism and receive executions at penny increments. Orders and quotes in the market that receive the benefit of the block execution price pursuant to Options 3, Section 11(a)(2)(A) may also receive executions at penny increments. ISE has identical language at Supplementary .05 to Options 3, Section 11.

#### Facilitation Mechanism

The Exchange proposes to amend Options 3, Section 11(b) and (c) to adopt a new proposed Facilitation Mechanism. Today, Phlx does not offer a Facilitation Mechanism. The proposed Facilitation Mechanism will be substantively identical to ISE's Facilitation Mechanism except that the Facilitation Mechanism will allocate pursuant to Phlx Options 3, Section 10<sup>14</sup> as explained below.

The proposed Facilitation Mechanism will provide a Phlx member with the ability to enter a block size order and execute the order as principal. A Phlx member is not otherwise permitted to execute an agency order as principal unless the order is first permitted to interact with other interest on the Exchange pursuant to Options 3, Section 22(b).<sup>15</sup> Proposed Options 3,

<sup>14</sup> See *supra* note 3.

<sup>15</sup> Currently, Options 3, Section 22(b) provides that member organizations may not execute as principal against orders on the Limit Order book they represent as agent unless: (i) agency orders are first exposed on the Limit Order book for at least 1 second; (ii) the member has been bidding or offering on the Exchange for at least 1 second prior to receiving an agency order that is executable against such order; (iii) the orders are entered into Price Improvement XL or "PIXL" pursuant to Options 3, Section 13; (iv) the orders are entered into the Complex Order Live Auction or "COLA" pursuant to Options 3, Section 14(e); or (v) the orders are entered into the Qualified Contingent

<sup>9</sup> The term "member" means a permit holder which has not been terminated in accordance with the By-Laws and these Rules of the Exchange. A member is a natural person and must be a person associated with a member organization. Any references in the rules of the Exchange to the rights or obligations of an associated person or person associated with a member organization also includes a member. See Phlx General 1, Section 1(a)(16). Of note, ISE General 1, Section 1(a)(13) defines a "Member" as to mean an organization that has been approved to exercise trading rights associated with Exchange Rights.

<sup>10</sup> The Exchange notes that similar to current ISE functionality, the proposed functionality on Phlx will allow all members, except for the initiating member, to respond to the Block Order Mechanism.

<sup>11</sup> See proposed Options 3, Section 11. See also ISE Options 3, Section 11.

<sup>12</sup> The Exchange is proposing a Facilitation Mechanism, Complex Facilitation Mechanism, Solicited Order Mechanism and Complex Solicited Order Mechanism within Options 3, Section 11 within this proposal.

Section 11(b) would provide for a Facilitation Mechanism that would permit a Phlx member to execute a transaction wherein the member seeks to facilitate a block-size order it represents as agent (“agency order”), and/or a transaction wherein the member solicited interest to execute against a block-size order it represents as agent (“Facilitation Order”). This mechanism allows members the flexibility to represent a transaction where the member is facilitating only a portion of the order and has solicited interest from other parties for the other portion of the order. Members must be willing to execute the entire size of orders entered into the Facilitation Mechanism.

With respect to orders entered into the Facilitation Mechanism, the orders are required to be entered at a price that is (A) equal to or better than the NBBO and the internal PBBO<sup>16</sup> on the same side of the market as the agency order unless there is a Public Customer order on the BBO or internal PBBO on the same side of the market as the agency order, in which case the order must be entered at an improved price over the Public Customer order; and (B) equal to or better than the ABBO on the opposite side. Orders that do not meet these requirements would not be eligible for the Facilitation Mechanism and would be rejected.<sup>17</sup>

Thereafter, once an order is entered into the Facilitation Mechanism, the Exchange will send a facilitation broadcast to crowd participants. The broadcast message is anonymous and informs participants of the proposed transaction. The broadcast message would include the series, price and size of the agency order, and whether it is to buy or sell. Members would be given an opportunity to enter Responses with the prices and sizes at which they want to participate in the facilitation of the order.<sup>18</sup> The recipients of the broadcast would have a designated amount of time, set by the Exchange,<sup>19</sup> to respond.<sup>20</sup> Responses may be priced at the price of the order to be facilitated or at a better price and will only be considered up to the size of the order to be facilitated. Responses must be entered at a price that is equal to or

better than the better of the internal PBBO or the NBBO: (1) on the same side of the market at the start of the Facilitation Mechanism; and (2) on the opposite side of the market at the time the Response is received.<sup>21</sup>

#### Example 2

Assume the NBBO and the Phlx PBBO is \$1.00 bid and \$2.00 offered and the CBOE is the next best exchange quote with \$0.75 bid and \$2.25 offered. An agency order to buy 50 contracts at \$2.05 is entered into the Facilitation Mechanism by the initiating member with a contra-side sell order.

If no responses are received, the agency order executes with the resting 50 lot quote @ \$2.00. In this instance, the agency order is able to be crossed with the contra side Phlx PBBO because in execution, the resting 50 lot quote @ \$2.00 is able to provide price improvement to the agency order.

By utilizing the better of the internal PBBO or the NBBO at the start of the auction, the Exchange believes that better priced Responses would be permitted to trade with the order to be facilitated. This proposal would permit a Response to these auctions to be entered at a price that is equal to or better than the better of the internal PBBO or the NBBO on the same side of the market at the start of the auction and on the opposite side of the market at the time the Response is received, thereby preventing potential auction manipulation which can occur when an order/quote is entered at a price that improves the price of the order to be facilitated. Other Responses to that auction may be entered at a price that improves the price of the order to be facilitated, but are inferior to such other quote/order Responses which improved upon the internal PBBO or NBBO. Utilizing the price of the market at the start of the auction, for the same side check, would prevent an order or quote from potentially manipulating the final auction price by changing the internal PBBO/NBBO while not fully satisfying the agency order, thus preventing Responses from being entered at a price that improves the stop price of the auction, but remains inferior to the price of such initial order or quote. The entry checks differ for the same and opposite sides of the market because manipulation may not occur on the opposite side of the Response because only interest on the same side of the Response will be eligible to trade with the auctioned order. The proposed amendments would allow orders to be facilitated to potentially trade at improved prices.

#### Example 3

Assume the NBBO is \$1.10 bid and \$1.35 offered while the internal PBBO is \$1.15 bid and \$1.30 offered. An agency order to sell 100 contracts at \$1.18 is entered into the Facilitation Mechanism by the initiating member.

If Order 1 is entered to buy 1 contract @ \$1.25 and then Auction Response 1 is entered to buy 100 contracts at \$1.20. With the entry check modification, Auction Response 1 is accepted based on the market at the start of the auction of \$1.15 bid and \$1.30 offered.

Auction would conclude and partially trade with Order 1 at \$1.25 and then trade the remainder of the agency order at a price of \$1.20 based off of the acceptance of Auction Response 1.

At the end of the period given for the entry of Responses, the agency order would be automatically executed.<sup>22</sup> With respect to the allocation of the Facilitation Order, Public Customer Orders and Public Customer Responses to buy (sell) at the time the Facilitation Order is executed that are priced higher (lower) than the facilitation price will be executed at the facilitation price, unless there is sufficient size to execute the entire Facilitation Order at a better price. The Exchange believes that this proposal will both protect Public Customer limit orders on the order book and provide Public Customers with the benefit of price improvement. Thereafter, non-Public Customer Orders and non-Public Customer Responses to buy (sell) and Market Maker quotes at the time the Facilitation Order is executed that are priced higher (lower) than the facilitation price will be executed at their stated price, thereby providing the order being facilitated a better price for the number of contracts associated with such higher bids (lower offers). The Exchange believes that the proposal is consistent with the public interest, and that it promotes just and equitable principles of trade by ensuring that Market Makers will be able to compete in a fair and equitable manner, based on the competitiveness of their quotes, for that portion of an order remaining after Public Customer interest and the member’s facilitation allocation. The Facilitation Order will be cancelled at the end of the exposure period if an execution would take place at a price that is inferior to the Exchange best bid (offer), or if there is a Public Customer Order on the same side at the same price as the agency order unless the Facilitation Order can execute at a price that is better than the same side Public Customer Order.<sup>23</sup> The Exchange’s

Cross or “QCC” mechanism pursuant to Options 3, Section 12 or Options 8, Section 30(e).

<sup>16</sup> The internal PBBO (also known as the internal BBO) represents the Exchange’s non-displayed order book. See Options 3, Section 4(b)(7).

<sup>17</sup> See proposed Options 3, Section 11(b).

<sup>18</sup> See proposed Options 3, Section 11(b)(2).

<sup>19</sup> See proposed Options 3, Section 11.

<sup>20</sup> The Exchange proposes to set the Facilitation Mechanism broadcast message timer to 100 milliseconds.

<sup>21</sup> See proposed Options 3, Section 11(b)(3).

<sup>22</sup> See proposed Options 3, Section 11(b)(4).

<sup>23</sup> See proposed Options 3, Section 11(b)(4)(A).

allocation methodology ensures that executions in Facilitation Auctions comply with the general prohibition on trade-throughs in Options 5, Section 2(a).

The facilitating member will be allocated up to forty percent (40%) (or such lower percentage requested by the member) of the original size of the agency order after better-priced Responses, orders and quotes, as well as Public Customer Orders and Public Customer Responses at the facilitation price, are executed in full at such price point. Thereafter, quotes, non-Public Customer Orders, and non-Public Customer Responses will execute pursuant to the priority allocations in Options 3, Section 10(a)(1)(E) and (F).<sup>24</sup> This allocation methodology is the same allocation methodology utilized for order book allocation at Options 3, Section 10.<sup>25</sup> Phlx will utilize its allocation methodology at Options 3, Section 10 whereas ISE's Facilitation Mechanism utilizes ISE's allocation methodology at ISE Options 3, Section 10. Specifically, Phlx's allocation methodology differs from ISE's allocation methodology in that Phlx will allocate to Market Makers ahead of all other non-Public Customer interest whereas ISE does not have a separate market maker allocation. This is consistent with the Exchange's standard allocation methodology in its PIXL auction. Phlx believes it is consistent with the Act to retain its allocation model in these auctions in the same way that it utilizes its allocation model in its PIXL auction in Phlx Options 3, Section 13 and ISE utilizes its allocation model in its PIM auction in ISE Options 3, Section 13. Phlx's allocation model is consistent with the Act as it maintains the priority of orders and protects Public Customer orders by allocating them prior to other interest.

The Exchange offers an auto-match functionality, which provides an enhanced price improvement opportunity for the agency order by permitting the contra-side order to further participate in the cross by auto-matching the price and size of competing interest providing price improvement from other market participants. Proposed Options 3, Section 11(b)(4)(C) notes that upon entry of an order into the Facilitation Mechanism, the facilitating member can elect to automatically match the price and size of orders, quotes and Responses received during the exposure period up to a specified limit price or without specifying a limit price. In this

case, if the facilitating member auto-matches, it will be allocated the aggregate size of all competing quotes, orders, and Responses at each price point, or at each price point up to the specified limit price if a limit is specified, until a price point is reached where the balance of the order can be fully executed. At such price point, the facilitating member shall be allocated up to forty percent (40%) (or such lower percentage requested by the member) of the original size of the agency order, but only after Public Customer Orders and Public Customer Responses at such price point. Thereafter, non-Public Customer Orders, non-Public Customer Responses and quotes will execute pursuant to the priority allocations in Options 3, Section 10(a)(1)(E) and (F),<sup>26</sup> which is the same allocation methodology utilized for transactions in the Exchange's order book at Options 3, Section 10. The Exchange notes that an election to automatically match better prices cannot be cancelled or altered during the exposure period.<sup>27</sup>

#### Example 4

Assume the NBBO is \$10.60 bid and \$10.70 offered. An agency order to sell 50 contracts at \$10.65 is entered into the Facilitation Mechanism by the initiating member with a contra-side buy order that has an auto-match limit of \$10.70:

If one Response is received for 10 contracts to buy at \$10.70, the agency order will receive 20 contracts at \$10.70 (10 against the Response and 10 against the contra-side order) and 30 contracts at \$10.65 (against the contra-side order).

If there is one Response for 10 contracts to buy at \$10.70 and two Responses each for 5 contracts to buy at \$10.65, the agency order will receive 20 contracts at \$10.70 (10 against the Response and 10 against the contra-side order), and then the balance of the 30 contracts will be allocated between the contra-side order and the two Responses at \$10.65 as follows: 20 contracts would be allocated to the contra-side order (40% of the initial order); and 5 contracts would be allocated to each of the responding participants.

The proposed auto-match feature benefits the agency order because it sells additional contracts at the better price. When the initiating member selects the auto-match feature prior to the start of an auction, the available liquidity at improved prices is increased and competitive final pricing is out of the initiating member's control.

The Exchange proposes to state at proposed Options 3, Section 11(b)(4)(D) that under no circumstances will the facilitating member receive an allocation percentage, at the final price

point, of more than 40% of the original size of the Facilitation Order with one or multiple competing quote(s), order(s), or Response(s), except for rounding, when competing quotes, orders, or Responses have contracts available for execution.

Finally, the Exchange notes that if a trading halt is initiated after an order is entered into the Facilitation Mechanism, such auction will be automatically terminated without execution.<sup>28</sup>

The Exchange proposes to state in proposed Supplementary Material .01 to Options 3, Section 11 that it would be a violation of a member's duty of best execution to its customer if it were to cancel a Facilitation Order to avoid execution of the order at a better price. A member continues to have its best execution obligations even when transacting an order in the Facilitation Mechanism and therefore must seek the best price for its customer. To this end, the Exchange makes clear that if a member were to cancel a Facilitation Order when there was a superior price available on the Exchange and subsequently re-enter the Facilitation Order at the same facilitation price after the better price was no longer available without attempting to obtain that better price for its customer, there would be a presumption that the member did so to avoid execution of its customer order in whole or in part by other brokers at the better price. Additionally, any solicited contra orders entered by members into the Facilitation Mechanism to trade against agency orders may not be for the account of a Phlx Market Maker that is assigned to the options class.

The Exchange proposes to note in Options 3, Section 7(w) that a facilitation order is a paired order entered into the Facilitation Mechanism as described in Options 3, Section 11(b).

#### Complex Facilitation Mechanism

The Exchange proposes a new Complex Facilitation Mechanism which will be substantively identical to ISE's Complex Facilitation Mechanism except that the Complex Facilitation Mechanism will allocate pursuant to Phlx Options 3, Section 10<sup>29</sup> as explained below.

The Complex Facilitation Mechanism is a process by which a member can execute a transaction wherein the member seeks to facilitate a block-size Complex Order it represents as agent, and/or a transaction wherein the member solicited interest to execute against a block-size Complex Order it

<sup>24</sup> See *supra* note 3.

<sup>25</sup> *Id.*

<sup>26</sup> See *supra* note 3.

<sup>27</sup> See proposed Options 3, Section 11(b)(4)(C).

<sup>28</sup> See proposed Options 3, Section 11(b)(5).

<sup>29</sup> See *supra* note 3.

represents as agent. Members must be willing to execute the entire size of Complex Orders entered into the Complex Facilitation Mechanism.<sup>30</sup> Pursuant to proposed Options 3, Section 11(c), members may use the Facilitation Mechanism in proposed sub-paragraph (b) to Options 3, Section 11 to execute block-size Complex Orders at a net price. The Exchange requires each options leg of a Complex Order entered into the Complex Facilitation Mechanism to meet the minimum contract size requirement.

Proposed Options 3, Section 11(c) describes certain criteria for transacting Complex Facilitation Orders. Pursuant to proposed Options 3, Section 11(c)(1), Complex Orders entered into the Complex Facilitation Mechanism must be priced within the parameters described below. Complex Orders that do not meet these requirements are not eligible for the Complex Facilitation Mechanism and will be rejected. Pursuant to proposed Options 3, Section 11(c)(2), Complex Options Orders must be entered into the Complex Facilitation Mechanism at a price that is (A) equal to or better than the best bid or offer on the Complex Order Book on the same side of the market as the agency order; and (B) equal to or better than the best net price achievable from the best Phlx bids and offers for the individual legs on the same side of the market as the agency order; provided that, if there is a Public Customer order on the best bid or offer for any leg, the order must be entered at an improved price consistent with Options 3, Section 14(c)(2).<sup>31</sup>

<sup>30</sup> See proposed Options 3, Section 11(c).

<sup>31</sup> SR-Phlx-2025-17 proposed a new Options 3, Section 14(c)(2) that provides, Complex strategies will not be executed at prices inferior to the best net price achievable from the best Exchange bids and offers for the individual legs. Notwithstanding the provisions of Options 3, Section 10: (i) a Complex Options Strategies may be executed at a total credit or debit price with one other member organization without giving priority to bids or offers established on the Exchange that are no better than the bids or offers in the individual options series comprising such total credit or debit; provided, however, that if any of the bids or offers established on the Exchange consist of a Public Customer Order, the price of at least one leg of the complex strategy must trade at a price that is better than the corresponding bid or offer on the Exchange by at least one minimum trading increment for the series as defined in Options 3, Section 3. (ii) The option leg of a Stock-Option Strategy has priority over bids and offers for the individual options series established on the Exchange by Professional Orders and market maker quotes that are no better than the price of the options leg, but not over such bids and offers established by Public Customer Orders. (iii) The options legs of a Stock-Complex Strategy are executed in accordance with subparagraph (c)(2)(i). See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-

With respect to the Complex Facilitation Mechanism, the entry check is different for Complex Options Orders and Complex Orders that have a stock component (*i.e.*, Stock-Option Orders and Stock-Complex Orders) since Stock-Option Orders and Stock-Complex Orders entered into the Complex Facilitation Mechanism are not eligible to trade with bids and offers for the individual legs. With respect to Stock-Option Orders and Stock-Complex Orders, these orders must be entered into the Complex Facilitation Mechanism at a price that is (A) equal to or better than the best bid or offer on the Complex Order Book on the same side of the market as the agency order; and (B) equal to or better than the best net price achievable from the best Phlx bids and offers for the individual legs on both sides of the market; provided that, if there is a Public Customer order on the best bid or offer for any leg, the order must be entered at an improved price consistent with Options 3, Section 14(c)(2).<sup>32</sup>

A Complex Order entered into the Complex Facilitation Mechanism will be rejected if any component of the Complex Order has not opened for trading, or if there is a trading halt in any series underlying the Complex Order. Identical to the single-leg Facilitation Mechanism at proposed Options 3, Section 11(b)(5), if a trading halt is initiated after the order is entered into the Complex Facilitation Mechanism, such auction will be automatically terminated without execution.<sup>33</sup>

Identical to the single-leg Facilitation Mechanism at proposed Options 3, Section 11(b)(4)(C), upon the entry of a Complex Order into the Complex Facilitation Mechanism, a broadcast message that includes the net price, side and size of the Agency Complex Order will be sent and members will be given an opportunity to enter Responses with the net prices and sizes at which they want to participate in the facilitation of the Agency Complex Order.<sup>34</sup>

Responses are only executable against the Complex Order with respect to which they are entered, and will only be considered up to the size of the Complex Order to be facilitated.

2025-17 proposed the same operative date as this rule change as they are both part of the same technology migration.

<sup>32</sup> See proposed Options 3, Section 11(c)(3). See *supra* note 31.

<sup>33</sup> See proposed Options 3, Section 11(c)(4).

<sup>34</sup> See proposed Options 3, Section 11(c)(5). The time given to members to enter Responses shall be designated by the Exchange via Options Trader Alert, but will be no less than 100 milliseconds and no more than 1 second.

Responses must be entered in the increments provided in Options 3, Section 14(c)(1)<sup>35</sup> at the facilitation price or at a price that is at least one cent better for the agency order.<sup>36</sup> Responses in the Complex Facilitation Mechanism submitted by members shall not be visible to other auction participants during the exposure period and can be modified or deleted before the exposure period has ended. At the end of the period given for the entry of Responses, the Facilitation Order will be automatically executed.<sup>37</sup>

Identical to the single-leg Facilitation Mechanism at proposed Options 3, Section 11(b)(4)(A), unless there is sufficient size to execute the entire Facilitation Order at a better net price, Public Customer Complex Orders and Public Customer Responses to buy (sell) at the time the Facilitation Order is executed that are priced higher (lower) than the facilitation price will be executed at the facilitation price. Non-Public Customer Complex Orders and non-Public Customer Responses to buy (sell) at the time the Facilitation Order is executed that are priced higher (lower) than the facilitation price will be executed at their stated price, thereby providing the Complex Order being facilitated a better price for the number of contracts associated with such higher bids (lower offers).<sup>38</sup>

Also, identical to the single-leg Facilitation Mechanism at proposed Options 3, Section 11(b)(4)(B), the facilitating member will be allocated up to forty percent (40%) (or such lower percentage requested by the member) of the original size of the agency order, but

<sup>35</sup> SR-Phlx-2025-17 proposed a new Options 3, Section 14(c)(1) which describes minimum increments. Specifically, SR-Phlx-2025-17 proposed the following text at Options 3, Section 14(c)(1), Bids and offers for Complex Options Strategies may be expressed in one cent (\$0.01) increments, and the options leg of Complex Options Strategies may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order. Bids and offers for Stock-Option Strategies or Stock-Complex Strategies may be expressed in any decimal price determined by the Exchange, and the stock leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in any decimal price permitted in the equity market. The options leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>36</sup> See proposed Options 3, Section 11(c)(6).

<sup>37</sup> See proposed Options 3, Section 11(c)(7).

<sup>38</sup> See proposed Options 3, Section 11(c)(7)(A).

only after better-priced Responses, Complex Orders, as well as Public Customer Complex Orders as well as Public Customer Complex Orders at the facilitation price, are executed in full. Thereafter, non-Public Customer Complex Orders and non-Public Customer Responses will execute pursuant to the priority allocations in Options 3, Section 10(a)(1)(E) and (F).<sup>39</sup> An election to automatically match better prices cannot be cancelled or altered during the exposure period.

The Complex Facilitation Mechanism will also offer the opportunity for auto-match, so that upon entry of a Complex Order into the Complex Facilitation Mechanism, the facilitating member can elect to automatically match the net price and size of Complex Orders and Responses received during the exposure period up to a specified limit price or without specifying a limit price. This election will also automatically match the net price available from the Phlx best bids and offers on the individual legs for the full size of the order; provided that with notice to members the Exchange may determine whether to offer this option only for Complex Options Orders, Stock-Option Orders, and/or Stock Complex Orders. If a member elects to auto-match, the facilitating member will be allocated the aggregate size of all competing Complex Orders and Responses at each price point, or at each price point up to the specified limit price if a limit is specified, until a price point is reached where the balance of the order can be fully executed. At such price point, the facilitating member will be allocated up to forty percent (40%) (or such lower percentage requested by the member) of the original size of the agency order, but only after Public Customer Orders and Public Customer Responses at such price point. Thereafter non-Public Customer Complex Orders and non-Public Customer Responses will execute pursuant to the priority allocations in Options 3, Section 10(a)(1)(E) and (F).<sup>40</sup> An election to automatically match better prices cannot be cancelled or altered during the exposure period.<sup>41</sup>

With respect to bids and offers for the individual legs of a Complex Order entered into the Complex Facilitation Mechanism, the priority rules applicable to the execution of Complex Orders that are entered into the Complex Order Book in Options 3, Section 14(c)(2)<sup>42</sup> would apply and may prevent the execution of a Complex

Order entered into the Facilitation Mechanism, in which case the transaction will be cancelled. If an improved net price for the Complex Order being executed can be achieved from Complex Orders, Responses and, for Complex Options Orders, the Phlx best bids and offers on the individual legs, the agency order will be executed against such interest.<sup>43</sup>

Finally, as is the case for the Facilitation Mechanism in proposed Options 3, Section 11(b)(4)(D), under no circumstances will the facilitating member receive an allocation percentage, at the final price point, of more than 40% of the original size of the Complex Facilitation Order with one or multiple competing Complex Order(s) or Response(s), except for rounding, when competing Complex Orders or Responses have contracts available for execution.<sup>44</sup>

The following examples illustrate how complex orders are transacted in the Exchange's crossing mechanisms and their interaction with individual bids and offers (while the examples below are for Complex Orders entered into the Facilitation Mechanism, these orders would interact similarly with individual bids and offers when entered into the Solicited Order Mechanism and the PIXL):

#### Example 5

Suppose the following market in option class A:

Phlx BBO: 10 @1.00 × 10 @1.05

Suppose further the following market in option class B:

Phlx BBO: 10 @2.00 × 10 @2.05

A complex order is entered into the Complex Facilitation Mechanism in the complex order book for a strategy buying 1 option class A and buying 1 option class B: Agency Complex Order: Buy 50 @3.05  
Contra Side Complex Order: Sell 50 @3.05

A broadcast message is sent announcing the start of the auction. During the exposure period, the following orders and quotes are received:

Public Customer 1 Complex Order: Sell 5 @ 3.05

Non-Public Customer 1 Complex Response: Sell 50 @3.05

Non-Public Customer 2 Complex Response: Sell 50 @3.05

At the end of the exposure period, the following orders/Responses trade with the Complex agency order:

Public Customer 1 Complex Order: 5 @3.05  
Contra Side Complex Order: 20 @3.05 (40% of 50)

Non-Public Customer 1 Complex Response: 13 @3.05 (Pro-Rata)

Non-Public Customer 2 Complex Response: 12 @3.05 (Pro-Rata)

#### Example 6

Suppose the following market in option class A:

Phlx BBO: 10 @1.00 × 10 @1.05

Suppose further the following market in option class B:

Phlx BBO: 10 @2.00 × 10 @2.05.

A complex order is entered into the Complex Facilitation Mechanism in the complex order book for a strategy buying 1 option class A and buying 1 option class B: Agency Complex Order: Buy 50 @3.05  
Contra Side Complex Order: Sell 50 @3.05

A broadcast message is sent announcing the start of the auction. During the exposure period, the following orders and quotes are received:

Public Customer 1 Complex Order: Sell 5 @ 3.05

Non-Public Customer 1 Complex Response: Sell 50 @3.05

Non-Public Customer 2 Complex Response: Sell 50 @3.05

Public Customer 2 Regular Order: Sell 5 Option Class A @1.02

Public Customer 3 Regular Order: Sell 5 Option Class B @2.03

At the end of the exposure period, the Complex Facilitation transaction is canceled since a trade at 3.05 with counter side orders/Responses will violate the priority rules<sup>45</sup> for Public Customer 2 and Public Customer 3 Regular Orders.<sup>46</sup>

#### Example 7

Suppose the following market in option class A:

Phlx BBO: 10 @1.00 × 10 @1.05

Suppose further the following market in option class B:

Phlx BBO: 10 @2.00 × 10 @2.05.

A complex order is entered into the Complex Facilitation Mechanism in the complex order book for a strategy buying 1 option class A and buying 1 option class B: Agency Complex Order: Buy 50 @3.05  
Contra Side Complex Order: Sell 50 @3.05

A broadcast message is sent announcing the start of the auction. During the exposure period, the following orders and quotes are received:

Public Customer 1 Complex Order: Sell 5 @ 3.05

Non-Public Customer 1 Complex Response: Sell 50 @3.05

Non-Public Customer 2 Complex Response: Sell 50 @3.05

Non-Public Customer 3 Regular Order: Sell 40 Option Class A @1.02

Non-Public Customer 4 Regular Order: Sell 40 Option Class 5 @2.02

<sup>39</sup> See proposed Options 3, Section 11(c)(2).

<sup>40</sup> In Example number 6, Public Customer orders 2 and 3 do not execute against the Agency Order because the Complex Order's Responses and the Public Customer orders for the individual legs do not provide an improved next price for the Complex agency order. See proposed Option 3, Section 11(c)(7)(D).

<sup>39</sup> See *supra* note 3.

<sup>40</sup> See *supra* note 3.

<sup>41</sup> See proposed Options 3, Section 11(c)(7)(C).

<sup>42</sup> See *supra* note 31.

<sup>43</sup> See proposed Options 3, Section 11(c)(7)(D).

<sup>44</sup> See proposed Options 3, Section 11(c)(7)(E).

Non-Public Customer 5 Complex Response:  
Sell 10 @3.03

At the end of the exposure period, the following orders/Responses trade with the Complex agency order:

Non-Public Customer 5 Complex Response:  
Sell 10 @3.03

Non-Public Customer 3 Regular Order: Sell  
40 Option Class A @1.02

Non-Public Customer 4 Regular Order: Sell  
40 Option Class 5 @2.02

In the above example, the Response and bids and offers on the individual legs together with the Non-Public Customer Complex Order Response to sell @3.03 can provide price improvement for the full size of the Complex Agency Order, hence the Complex agency order trades at improved price(s).<sup>47</sup>

The Exchange proposes to note in Options 3, Section 14(b)(16), that a Complex Facilitation Order is an order entered into the Complex Facilitation Mechanism as described in Options 3, Section 11(c).<sup>48</sup>

#### Solicited Order Mechanism

The Exchange proposes to amend Options 3, Section 11(d) and (e) to adopt a new proposed Solicited Order Mechanism or “SOM”. Today, Phlx does not offer a SOM. The proposed SOM will be substantively identical to ISE’s SOM except that the SOM will allocate pursuant to Phlx Options 3, Section 10<sup>49</sup> as explained below.

The SOM is a process by which a member can attempt to execute orders of 500 or more contracts it represents as agent (the “Agency Order”) against contra orders that it solicited. Each order entered into the SOM shall be designated as all-or-none.<sup>50</sup> The Exchange proposes to establish a new SOM at proposed Options 3, Section 11(d).

The Exchange would require that orders be entered into the SOM at a price that is equal to or better than the NBBO and the internal PBBO on both sides of the market; provided that, if there is a Public Customer order on the BBO or internal PBBO, the order must be entered at an improved price over the Public Customer order. Orders that do not meet these requirements are not eligible for the SOM and will be

rejected.<sup>51</sup> The proposed rule ensures that the SOM complies with the general prohibition on trade-throughs in Options 5, Section 2(a). Additionally, with respect to a Public Customer order, the requirement that the order must be entered at an improved price over the Public Customer order ensures price improvement, provided there is a Priority Customer order on the BBO or internal PBBO.

Once the two-sided order is entered into the SOM at a proposed execution price, a broadcast message that includes the series, price and size of the Agency Order, and whether it is to buy or sell, will be sent and members will be given an opportunity to enter Responses with the prices and sizes at which they would be willing to participate in the execution of the Agency Order.<sup>52</sup> Responses must be entered at a price that is equal to or better than the better of the internal PBBO or the NBBO: (1) on the same side of the market at the start of the auction; and (2) on the opposite side of the market at the time the Response is received.<sup>53</sup> These entry checks would prevent potential auction manipulation which can occur when an order/quote is entered at a price that improves the price of the Agency Order but does not have enough size to satisfy the Agency Order. By utilizing the better of the internal PBBO or the NBBO at the start of the auction, the Exchange believes that better priced Responses would be permitted to trade with the Agency Order. Other Responses to that auction may be entered at a price that improves the price of Agency Order, but is inferior to such other quote/order Responses which improved upon the internal PBBO or NBBO. Utilizing the price of the market at the start of the auction, for the same side check, would prevent an order or quote from potentially manipulating the final auction price by changing the internal PBBO/NBBO while not fully satisfying the Agency Order, thus preventing Responses from being entered at a price that improves the stop price of the auction, but remains inferior to the price of such initial order or quote. The entry checks differ for the same and opposite sides of the market because manipulation may not occur on the opposite side of the Response because only interest on the same side of the

Response will be eligible to trade with the auctioned order. The proposed amendments would allow Agency Orders to potentially trade at improved prices. The proposed rule is intended to prevent potential auction manipulation which can occur when an order/quote is entered at a price that improves the price of the order to be solicited.<sup>54</sup> At the end of the period given members to enter Responses, the Agency Order will be automatically executed in full or cancelled.<sup>55</sup>

If at the time of execution there is insufficient size to execute the entire Agency Order at an improved price (or prices), the Agency Order will be executed against the solicited order at the proposed execution price so long as, at the time of execution: (i) the execution price is equal to or better than the best bid or offer on Phlx, and (ii) there are no Public Customer Orders or Public Customer Responses on the Exchange that are priced equal to the proposed execution price. The execution would comply with the general prohibition on trade-throughs in Options 5, Section 2(a). If there are Public Customer Orders or Public Customer Responses on Phlx on the opposite side of the Agency Order at the proposed execution price and there is sufficient size to execute the entire size of the Agency Order, the Agency Order would be executed against the bid or offer, and the solicited order will be cancelled.<sup>56</sup> The aggregate size of all orders, quotes and Responses at the bid or offer will be used to determine whether the entire Agency Order can be executed. Both the solicited order and Agency Order would be cancelled if an execution would take place at a price: (1) that is inferior to the best bid or offer on the Exchange; (2) if there is a Public Customer Order or Public Customer Response on the Exchange at the proposed execution price but there is insufficient size on Phlx to execute the entire Agency Order; (3) if there is a Public Customer Order on the same side Exchange best bid (offer) at the same price as the solicitation price unless the Solicited Order can execute at a price that is better than the same side Public Customer Order.

However, if at the time of execution there is sufficient size to execute the entire Agency Order at an improved price (or prices), the Agency Order will

<sup>47</sup> See proposed Options 3, Section 11(c)(7)(D).

<sup>48</sup> The Exchange proposed amendments to Options 3, Section 14 in SR-Phlx-2025-17. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>49</sup> See *supra* note 3.

<sup>50</sup> See proposed Options 3, Section 11(d).

<sup>51</sup> See proposed Options 3, Section 11(d)(1).

<sup>52</sup> See proposed Options 3, Section 11(d)(2). The time given to members to enter Responses shall be designated by the Exchange via Options Trader Alert, but will be no less than 100 milliseconds and no more than 1 second.

<sup>53</sup> See proposed Options 3, Section 11(d)(2). ISE added an identical sentence to ISE Options 3, Section 11(d)(2).

<sup>54</sup> See *supra* Example 2, which applies to orders entered into the Solicited Order Mechanism as well.

<sup>55</sup> See proposed Options 3, Section 11(d)(3). The time given to members to enter Responses shall be designated by the Exchange via Options Trader Alert, but will be no less than 100 milliseconds and no more than 1 second.

<sup>56</sup> See proposed Options 3, Section 11(d)(3)(A).

be executed at the improved price(s), provided the execution price is equal to or better than the best bid or offer on Phlx, and the solicited order will be cancelled. The aggregate size of all orders, quotes and Responses at each price will be used to determine whether the entire agency order can be executed at an improved price (or prices).<sup>57</sup>

The Exchange notes that when executing the Agency Order against the bid or offer in accordance with subparagraph (A) of Options 3, Section 11(d)(3), or at an improved price in accordance with subparagraph (B) of Options 3, Section 11(d)(3), Public Customer Orders and Public Customer Responses will be executed first. Thereafter, non-Public Customer Orders, non-Public Customer Responses, and quotes will execute pursuant to the priority allocations in Options 3, Section 10(a)(1)(E) and (F),<sup>58</sup> as is the case with transactions on the order book at Options 3, Section 10.<sup>59</sup> This allocation methodology is the same allocation methodology utilized for order book allocation at Options 3, Section 10.<sup>60</sup> Phlx will utilize its allocation methodology whereas ISE's SOM utilizes ISE's allocation methodology in ISE Options 3, Section 10. Phlx's allocation methodology differs from ISE's allocation methodology in that Phlx will allocate to Market Makers ahead of all other non-Public Customer interest whereas ISE does not have an additional market maker allocation. This is consistent with the Exchange's standard allocation methodology in its PIXL auction. Phlx believes it is consistent with the Act to retain its allocation model in these auctions in the same way that it utilizes its allocation model in its PIXL auction in Phlx Options 3, Section 13 and ISE utilizes its allocation model in its PIM auction in ISE Options 3, Section 13. Phlx's allocation model is consistent with the Act as it maintains the priority of orders and protects Public Customer orders by allocating them prior to other interest.

Identical to all other auctions on Phlx, if a trading halt is initiated after an order is entered into the SOM, such auction will be automatically terminated without execution.<sup>61</sup> Prior to entering Agency Orders into the SOM on behalf of a customer, members must deliver to the customer a written notification informing the customer that its order may be executed using the

Phlx's SOM. Such written notification must disclose the terms and conditions contained in this rule and must be in a form approved by the Exchange.<sup>62</sup>

The Exchange proposes adding text at proposed Supplementary Material .03 to Options 3, Section 11 to make clear that the SOM provides a facility for members that locate liquidity for their customer orders, and that members may not use the SOM to circumvent Exchange rules limiting principal transactions as provided for in Options 3, Section 22(b).<sup>63</sup> This would include a member entering contra-orders that are solicited from affiliated broker-dealers or broker-dealers with which the member has an arrangement that allows the member to realize similar economic benefits from the solicited transaction as it would achieve by executing the order in whole or in part as principal. Finally, any solicited contra orders entered by members to trade against Agency Orders may not be for the account of a Phlx Market Maker that is assigned to the options class.

The Exchange proposes to note in Options 3, Section 7(x) that a SOM order is a paired order entered into the SOM as described in Options 3, Section 11(d).<sup>64</sup>

#### Complex Solicited Order Mechanism

The Exchange proposes to offer a Complex SOM that is substantially identical to ISE's Complex SOM except that Phlx will allocate the Complex SOM pursuant to Options 3, Section 10<sup>65</sup> as explained below.

The Complex SOM is a process by which a member can attempt to execute Complex Orders it represents as agent (the "Agency Complex Order") against contra orders that it solicited according to subparagraph (d), the SOM, of Options 3, Section 11. Each Complex

Order entered into the SOM shall be designated as all-or-none, and each options leg must meet the minimum contract size requirement contained in subparagraph (d) of the SOM.<sup>66</sup>

Proposed Options 3, Section 11(e)(1) describes certain criteria for transacting Complex Solicited Orders. Proposed Options 3, Section 11(e)(1) provides that, Complex Orders must be entered into the Complex SOM at a price that is (A) equal to or better than the best bid or offer on the Complex Order Book on both sides of the market; and (B) equal to or better than the best net price achievable from the best Phlx bids and offers for the individual legs on both sides of the market; provided that, if there is a Public Customer order on the best bid or offer for any leg, the order must be entered at an improved price consistent with Options 3, Section 14(c)(2).<sup>67</sup> Complex Orders that do not meet these requirements are not eligible for the Complex SOM and will be rejected.<sup>68</sup>

Proposed Options 3, Section 11(e)(2) provides that a Complex Order entered into the Complex SOM will be rejected if any component of the Complex Order has not opened for trading, or if there is a trading halt in any series underlying the Complex Order. If a trading halt is initiated after the order is entered into the Complex SOM, such auction will be automatically terminated without execution. This is identical to the proposed treatment of halts in a single-leg SOM at Options 3, Section 11(d)(4).

Identical to a single-leg SOM at proposed Options 3, Section 11(d)(2), upon entry of both orders into the Complex SOM at a proposed execution net price, a broadcast message that includes the net price, side and size of the Agency Complex Order will be sent and members will be given an opportunity to enter Responses with the net prices and sizes at which they would be willing to participate in the execution of the Agency Complex Order.<sup>69</sup> The time given to members to enter Responses shall be designated by the Exchange via Options Trader Alert, but will be no less than 100 milliseconds and no more than 1 second, which is identical to the proposed single-leg SOM. Responses are only executable against the Complex Order with respect to which they are entered, and will only be considered up to the size of the Agency Complex Order identical to the proposed single-leg SOM. Responses must be entered in the

<sup>57</sup> See proposed Options 3, Section 11(d)(5).

<sup>58</sup> Currently, Options 3, Section 22(b) provides that member organizations may not execute as principal against orders on the Limit Order book they represent as agent unless: (i) agency orders are first exposed on the Limit Order book for at least 1 second; (ii) the member has been bidding or offering on the Exchange for at least 1 second prior to receiving an agency order that is executable against such order; (iii) the orders are entered into Price Improvement XL or "PIXL" pursuant to Options 3, Section 13; (iv) the orders are entered into the Complex Order Live Auction or "COLA" pursuant to Options 3, Section 14(e); or (v) the orders are entered into the Qualified Contingent Cross or "QCC" mechanism pursuant to Options 3, Section 12 or Options 8, Section 30(e).

<sup>59</sup> Options 3, Section 7 was revised by SR-Phlx-2024-71. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>60</sup> See *supra* note 3.

<sup>61</sup> See proposed Options 3, Section 11(e).

<sup>62</sup> See *supra* note 31.

<sup>63</sup> See proposed Options 3, Section 11(e)(1).

<sup>64</sup> See proposed Options 3, Section 11(d)(3).

<sup>57</sup> See proposed Options 3, Section 11(d)(3)(B).

<sup>58</sup> See *supra* note 3.

<sup>59</sup> See proposed Options 3, Section 11(d)(3)(C).

<sup>60</sup> *Id.*

<sup>61</sup> See proposed Options 3, Section 11(d)(4).

increments provided in Options 3, Section 14(c)(1)<sup>70</sup> at the proposed execution net price or at a price that is at least one cent better for the Agency Order.<sup>71</sup>

Responses submitted by members shall not be visible to other auction participants during the exposure period and can be modified or deleted before the exposure period has ended. At the end of the period given for the entry of Responses, the Agency Complex Order will be automatically executed in full, as explained further below, or cancelled.<sup>72</sup>

First, if at the time of execution there is insufficient size to execute the entire Agency Complex Order at an improved net price(s) pursuant to paragraph (e)(4)(C) as discussed below, the Agency Complex Order will be executed against the solicited Complex Order at the proposed execution net price so long as, at the time of execution: (i) the execution net price is equal to or better than the best net price achievable from the best Phlx bids and offers for the individual legs, (ii) the Complex Order can be executed in accordance with Options 3, Section 14(c)(2)<sup>73</sup> with respect to the individual legs, (iii) the execution net price is equal to or better than the best bid or offer on the Complex Order Book, and (iv) there are no Public Customer Complex Orders or Responses that are priced equal to or better than the proposed execution price.<sup>74</sup>

Second, if there are Public Customer Complex Orders or Responses on the opposite side of the Agency Complex Order at the proposed execution net price and there is sufficient size to execute the entire size of the Agency Complex Order, the Agency Complex Order will be executed against such interest, and the solicited Complex Order will be cancelled, provided that: (i) the execution net price is equal to or better than the best net price achievable from the best Phlx bids and offers for the individual legs, and (ii) the Complex Order can be executed in accordance with Options 3, Section 14(c)(2)<sup>75</sup> with respect to the individual legs. The aggregate size of all Complex Orders, Responses and, for Complex Options Orders, the aggregate size available from the best bids and offers for the individual legs, will be used to determine whether the entire Agency Complex Order can be executed as is the

case for the proposed SOM at Options 3, Section 11(d)(3)(A).<sup>76</sup>

Third, if at the time of execution there is sufficient size to execute the entire Agency Complex Order at an improved net price(s), the Agency Complex Order will be executed at the improved net price(s), and the solicited Complex Order will be cancelled, provided that: (i) the execution net price is equal to or better than the best net price achievable from the best Phlx bids and offers for the individual legs, and (ii) the Complex Order can be executed in accordance with Options 3, Section 14(c)(2)<sup>77</sup> with respect to the individual legs. The aggregate size of all Complex Orders, Responses, and the aggregate size available from the best bids and offers for the individual legs for a Complex Options Order, will be used to determine whether the entire Agency Complex Order can be executed as is the case for the proposed SOM at Options 3, Section 11(d)(3)(A).<sup>78</sup>

Fourth, as is the case for the SOM at Options 3, Section 11(d)(3)(C) when executing the Agency Complex Order against other interest in accordance with Options 3, Section 14(d)(2)(ii), Public Customer Complex Orders and Public Customer Responses will be executed first. Thereafter, non-Public Customer Complex Orders, and non-Public Customer Responses will execute pursuant to the priority allocations in Options 3, Section 10(a)(1)(E) and (F).<sup>79</sup> Finally, for Complex Options Orders, bids and offers for the individual legs will be executed pursuant to Options 3, Section 10 and the Supplementary Material thereto.<sup>80</sup> Non-Public Customer Complex Orders and non-Public Customer Responses participate in the execution of the Agency Complex Order based upon the percentage of the total number of contracts available at the best price that is represented by the size of the non-Public Customer Complex Order or non-Public Customer Response.

Identical to proposed rule text in the single-leg SOM at Options 3, Section 11(d)(5), prior to entering Agency Orders into the Complex SOM on behalf of a customer, members must deliver to the customer a written notification informing the customer that its order may be executed using Phlx's SOM. Such written notification must disclose the terms and conditions contained in

Section 11(d)(5) and must be in a form approved by the Exchange.<sup>81</sup>

The Exchange proposes to note in Options 3, Section 14(b)(17) that a Complex SOM Order is an order entered into the Complex SOM as described in Options 3, Section 11(e).

#### Split Prices

The Exchange proposes to add rule text at Supplementary Material .04 to Options 3, Section 11 related to Split Prices, which is identical to ISE Supplementary Material .04 to Options 3, Section 11.

The proposed rule text for Split Price would permit Orders and Responses to be entered into the Facilitation and Solicited Order Mechanisms and receive executions at the mid-price between the standard minimum trading increments for the options series ("Split Prices"). This means that orders and Responses for options with a minimum increment of 5 cents may be entered into the Facilitation and Solicited Order Mechanisms and receive executions in 2.5 cent increments (*e.g.*, \$1.025, \$1.05, \$1.075, etc.), and that orders and Responses for options with a minimum increment of 10 cents may be entered into the Facilitation and Solicited Order Mechanism and receive executions at 5 cent increments (*e.g.*, \$4.05, \$4.10, \$4.15). The Exchange notes that Orders and Responses in the market that receive the benefit of the facilitation price under subparagraph (b)(3)(i) of Options 3, Section 11 may also receive executions at Split Prices. Orders executed at a Split Price would be reported to the Options Price Reporting Authority ("OPRA") and cleared by The Options Clearing Corporation ("OCC") at the Split Price. The Exchange believes that the ability to utilize split price would provide members with greater flexibility in the pricing of their auction trades and allow a greater opportunity for price improvement for large-size orders. Additionally, the proposed rule change would provide for mechanisms that are competitive with floor-based exchange models, such as Phlx's trading floor, where Split Prices are permitted.<sup>82</sup>

<sup>81</sup> See proposed Options 3, Section 11(d)(5).

<sup>82</sup> See Phlx Options 8, Section 25(m), which states that Floor brokers are able to achieve split price priority in accordance with Options 8, Section 25(a)(2), provided, however, that a floor broker who bids (offers) on behalf of a non-market-maker Phlx member broker-dealer ("Phlx member BD") must ensure that the Phlx member BD qualifies for an exemption from Section 11(a)(1) of the Exchange Act or that the transaction satisfies the requirements of Exchange Act Rule 11a2-2(T), otherwise the floor broker must yield priority to orders for the accounts of non-members.

<sup>70</sup> See *supra* note 35.

<sup>71</sup> See proposed Options 3, Section 11(d)(3).

<sup>72</sup> See proposed Options 3, Section 11(d)(4).

<sup>73</sup> See *supra* note 31.

<sup>74</sup> See proposed Options 3, Section 11(d)(4)(A).

<sup>75</sup> See *supra* note 31.

<sup>76</sup> See proposed Options 3, Section 11(d)(4)(B).

<sup>77</sup> *Id.*

<sup>78</sup> See proposed Options 3, Section 11(d)(4)(C).

<sup>79</sup> See *supra* note 3.

<sup>80</sup> See proposed Options 3, Section 11(d)(4)(D).

## ISO

The Exchange proposes to add a Facilitation ISO order at Options 3, Section 11(b) that is identical to ISE's Facilitation ISO order at ISE Options 3, Section 11(b).

The Exchange proposes to permit a Facilitation ISO order to be entered into the Facilitation Mechanism for single-leg orders, identical to ISE Options 3, Section 11(b), at Supplementary Material .06 to Options 3, Section 11.<sup>83</sup> An ISO is defined in Options 3, Section 7(b)(4) as a limit order that meets the requirements of Options 5, Section 1(h) and trades at allowable prices on the Exchange without regard to the ABBO. Simultaneously with the routing of the ISO to the Exchange, one or more additional ISOs, as necessary, are routed to execute against the full displayed size of any Protected Bid, in the case of a limit order to sell, or any Protected Offer, in the case of a limit order to buy, for the options series with a price that is superior to the limit price of the ISO.<sup>84</sup> A member may submit an ISO to the Exchange only if it has simultaneously routed one or more additional ISOs to execute against the full displayed size of any Protected Bid, in the case of a limit order to sell, or Protected Offer, in the case of a limit order to buy, for an options series with a price that is superior to the limit price of the ISO.

The Exchange proposes to accept a Facilitation ISO into the Facilitation Mechanism provided the order adheres to the current order entry requirements for the Facilitation Mechanism as set forth in proposed Options 3, Section 11(b)(1),<sup>85</sup> but without regard to the

<sup>83</sup> A Facilitation ISO order ("Facilitation ISO") is the transmission of two orders for crossing pursuant to paragraph (b) above without regard for better priced Protected Bids or Protected Offers (as defined in Options 5, Section 1) because the member transmitting the Facilitation ISO to the Exchange has, simultaneously with the transmission of the Facilitation ISO, routed one or more ISOs, as necessary, to execute against the full displayed size of any Protected Bid or Protected Offer that is superior to the starting Facilitation auction price. Any execution(s) resulting from such sweeps shall accrue to the agency order.

<sup>84</sup> "Protected Bid" or "Protected Offer" means a Bid or Offer in an options series, respectively, that: (a) is disseminated pursuant to the Options Order Protection and Locked/Crossed Market Plan; and (b) is the Best Bid or Best Offer, respectively, displayed by an Eligible Exchange. See Options 5, Section 1(o).

<sup>85</sup> Proposed Options 3, Section 11(b)(1) provides that orders must be entered into the Facilitation Mechanism at a price that is (A) equal to or better than the NBBO and the internal BBO on the same side of the market as the agency order unless there is a Public Customer order on the BBO or internal BBO on the same side of the market as the agency order, in which case the order must be entered at an improved price over the Public Customer order; and (B) equal to or better than the ABBO on the

ABBO (identical to a regular ISO in Options 3, Section 7(b)(4)). Therefore, Facilitation ISOs must be entered at a price that is equal to or better than the Exchange best bid or offer on the same side of the market as the agency order unless there is a Public Customer order on the same side Exchange best bid or offer, in which case the Facilitation ISO must be entered at an improved price. The Exchange does not check the Exchange best bid or offer on the opposite side of the Facilitation ISO because the underlying Facilitation Mechanism does not check the opposite side Exchange best bid or offer. As discussed above, the Facilitation Mechanism only requires that the opposite side of the agency order be equal to or better than the ABBO.<sup>86</sup> The Facilitation Mechanism does not check the opposite side Exchange best bid or offer because any interest that is available on the opposite side of the market would allocate against the Facilitation agency order and provide price improvement. As an example of the current underlying Facilitation Mechanism:

Assume the following market:  
Exchange BBO:  $1 \times 2$  (also NBBO)  
CBOE:  $0.75 \times 2.25$  (next best exchange quote)

Agency order is entered to buy 50 contracts @2.05

No Responses are received.

The agency order executes with resting 50 lot quote @2. In this instance, the agency order is able to be crossed with the contra side Exchange BBO because in execution, the resting 50 lot quote @2 is able to provide price improvement to the agency order.

Given that the Facilitation ISO is accepted so long as it adheres to the order entry requirements of the underlying Facilitation Mechanism, but without regard to the ABBO, the Exchange believes that it is appropriate and logical to align the order entry checks of the Facilitation ISO in the manner discussed above.

The Exchange processes the Facilitation ISO in the same manner that it processes any other Facilitation Orders, except that it will initiate a Facilitation Mechanism without protecting prices away. Instead, the member entering the Facilitation ISO will bear the responsibility to clear all better priced interest away simultaneously with submitting the Facilitation ISO to the Exchange. The Exchange believes that offering this

opposite side. Orders that do not meet these requirements are not eligible for the Facilitation Mechanism and will be rejected.

<sup>86</sup> *Id.*

order type is beneficial for members as it provides them with an efficient method to initiate a Facilitation Mechanism while preventing trade-throughs.

The following example illustrates how Facilitation ISO operates:

## Example 8

Assume:  
ABBO:  $1 \times 1.20$   
Exchange BBO:  $0.90 \times 1.30$

A member enters Facilitation ISO with Agency side to buy 50 @1.25 and simultaneously routes multiple ISOs to execute against the full displayed size of any Protected Bids priced better than the starting Facilitation Mechanism price.

Facilitation ISO auction period concludes with no Responses arriving.

Facilitation ISO executes with contra side 50 @1.25 because the away market Best Offer of 1.20 has been cleared by the ISOs clearing the way for the Agency side to trade with the counter-side order at 1.25.

The Exchange proposes adding a Solicitation ISO order at Options 3, Section 11(d) that is identical to ISE's Solicitation ISO order at ISE Options 3, Section 11(d).

The Exchange proposes to amend Supplementary Material .07 to Options 3, Section 11 to permit a Solicitation ISO Order ("Solicitation ISO") to be entered into the SOM for single-leg orders, identical to ISE Options 3, Section 11(d). A Solicitation ISO is the transmission of two orders for crossing pursuant to proposed paragraph (d) of Options 3, Section 11 without regard for better priced Protected Bids or Protected Offers (as defined in Options 5, Section 1) because the member transmitting the Solicitation ISO to the Exchange has, simultaneously with the transmission of the Solicitation ISO, routed one or more ISOs, as necessary, to execute against the full displayed size of any Protected Bid or Protected Offer that is superior to the starting Solicited auction price and has swept all interest in the Exchange's book priced better than the proposed auction starting price. Any execution(s) resulting from such sweeps shall accrue to the Agency Order.

The Exchange proposes to accept a Solicitation ISO provided the order adheres to the current order entry requirements for the SOM as set forth in Options 3, Section 11(d)(1),<sup>87</sup> but

<sup>87</sup> Proposed Options 3, Section 11(d)(1) states, orders must be entered into the Solicited Order Mechanism at a price that is equal to or better than the NBBO and the internal BBO on both sides of the market; provided that, if there is a Public Customer order on the BBO or internal BBO, the order must be entered at an improved price over the Public Customer order. Orders that do not meet these requirements are not eligible for the Solicited Order Mechanism and will be rejected.

without regard to the ABBO (similar to a regular ISO in Options 3, Section 7(b)(4)). Therefore, Solicitation ISOs must be entered at a price that is equal to or better than the Exchange best bid or offer on both sides of the market; provided that, if there is a Public Customer order on the Exchange best bid or offer, the Solicitation ISO must be entered at an improved price.

The Exchange would process the Solicitation ISO in the same manner that it processes other orders entered in the SOM, except that it would initiate a Solicited Order auction without protecting away prices. Instead, the member entering the Solicitation ISO will bear the responsibility to clear all better priced interest away simultaneously with submitting the Solicitation ISO to the Exchange. The Exchange believes that offering this order type is beneficial for members as it provides them with an efficient method to initiate an auction in the SOM while preventing trade-throughs. The following example illustrates how the Solicitation ISO operates:

#### Example 9

Assume:

ABBO:  $1 \times 1.20$

Exchange BBO:  $0.90 \times 1.30$

A member enters Solicitation ISO with Agency side to buy 500 @1.25 and simultaneously routes multiple ISOs to execute against the full displayed size of any Protected Bids priced better than the starting Solicitation auction price.

Solicitation ISO auction period concludes with no Responses arriving.

Solicitation ISO executes with contra side 500 @1.25.

Note that in the case a Solicitation ISO was entered with the Agency side to buy 500 @ 1.35, it would be rejected because it was not at or better than the NBBO on both sides (which is inclusive of an Exchange book check). While the 1.20 away Best Offer was cleared by the simultaneously routed ISOs, the Exchange Best Offer of 1.30 would now be viewed as the National Best Offer for purposes of the Solicitation ISO.

Further note that a Facilitation ISO entered with the agency side to buy 50 @1.35 can start in the same example above because it does not have a contra-side (from the agency order perspective) Exchange book check to begin. The Facilitation ISO would go on to allocate against the 1.30 offer on the Exchange book upon the conclusion of the auction.

The Exchange proposes to amend Options 3, Section 7(b)(2) to note that ISOs may be entered into the Facilitation Mechanism or SOM pursuant to Supplementary Material .06 and .07 to Options 3, Section 11. ISE Options 3, Section 7(b)(2) has identical rule text.

#### Complex Facilitation and Complex SOM Orders With Stock/ETF Components

The Exchange proposes to add rule text at Supplementary Material .08 to Options 3, Section 11 related to Complex Facilitation and Complex SOM Orders with stock/ETF components which is identical to ISE Supplementary Material .08 to Options 3, Section 11. The Exchange proposes to state,

(a) members may only submit Complex Facilitation Orders, Complex SOM Orders, and/or Responses with a stock/ETF component if such orders/Responses comply with the Qualified Contingent Trade Exemption from Rule 611(a) of Regulation NMS. members submitting such orders with a stock/ETF component represent that such orders comply with the Qualified Contingent Trade Exemption. Members of FINRA or The Nasdaq Stock Market (“Nasdaq”) are required to have a Uniform Service Bureau/Executing Broker Agreement (“AGU”) with Nasdaq Execution Services, LLC (“NES”) in order to trade orders containing a stock/ETF component; firms that are not members of FINRA or Nasdaq are required to have a Qualified Special Representative (“QSR”) arrangement with NES in order to trade orders containing a stock/ETF component.

(b) Where one component of a Complex Facilitation Order, Complex SOM Order, and/or Response is the underlying security, the Exchange shall electronically communicate the underlying security component of a Complex Facilitation Order or Complex SOM Order to NES, its designated broker-dealer, for immediate execution. Such execution and reporting will not occur on the Exchange and will be handled by NES pursuant to applicable rules regarding equity trading. The execution price must be within a certain price from the current market, as determined by the Exchange pursuant to Options 3, Section 16(a). If the stock price is not within these parameters, the Complex Facilitation Order, Complex SOM Order, and/or Response is not executable and would be cancelled.

(c) When the short sale price test in Rule 201 of Regulation SHO is triggered for a covered security, NES will not execute a short sale order in the underlying covered security component of a Complex Facilitation Order, Complex SOM Order and/or Response if the price is equal to or below the current national best bid. However, NES will execute a short sale order in the underlying covered security component of a Complex Facilitation Order, Complex SOM Order and/or Response if such order is marked “short exempt,” regardless of whether it is at a price that is equal to or below the current national best bid. When a Response or an unrelated limit complex order on the complex order book includes a short sale order in the underlying covered security, NES will execute such order at (1) its stated limit price if the facilitating member’s contra order or the contra-side solicited Complex Order does not include a short sale order in the underlying security; or (2) its stated limit price or better if the facilitating member’ contra order or the solicited contra-side Complex Order includes

a short sale order in the underlying covered security. If NES cannot execute the underlying covered security component of a Complex Facilitation Order, Complex SOM Order and/or Response in accordance with Rule 201 of Regulation SHO, the Exchange will cancel back the Complex Facilitation Order, Complex SOM Order and/or Response to the entering member. For purposes of this paragraph, the term “covered security” shall have the same meaning as in Rule 201(a)(1) of Regulation SHO.

Today, on Phlx NES performs the same functions with respect to execution, reporting and submission of the underlying stock or ETF component of a Complex Order that it would perform with these amendments for the underlying stock or ETF component of a Complex Order that is entered into any of the proposed new auction mechanisms. The proposed language describing NES is not new language, rather the existing NES language in Options 3, Section 13 regarding PIXL and Options 3, Section 14 regarding Complex Orders is simply being extended to other auction mechanisms to make clear that NES would likewise execute, report and submit of the underlying stock or ETF component of a Complex Order for those auctions. By way of background, NES is a registered broker-dealer and member of various exchanges and the Financial Industry Regulatory Authority (“FINRA”). Today, NES is responsible for the proper execution, trade reporting, and submission to clearing of the underlying stock or ETF component of a Complex Order for Phlx members transacting Complex Orders with a stock or ETF component.<sup>88</sup> Because these trades with a stock component occur off-exchange, the principal regulator is FINRA;<sup>89</sup> the execution and reporting of the stock/ETF piece occur otherwise than on Phlx

<sup>88</sup> In particular, NES has in place policies and procedures designed to prevent the misuse of material non-public information related to stock-tied executions. Of note, NES only receives information about the stock or ETF portion of the order from the Exchange. Today, NES is responsible for the proper execution, trade reporting, and submission to clearing of the underlying stock or ETF component of a Complex Order on Phlx.

<sup>89</sup> NES is responsible for compliance with FINRA rules generally and is subject to examination by FINRA. Specifically, NES is subject to FINRA Rule 3110, which generally requires that the policies and procedures and supervisory systems of a broker-dealer be reasonably designed to achieve compliance with applicable securities laws and regulations and with applicable FINRA rules, including those relating to the misuse of material non-public information. To this end, today, NES has in place policies related to confidentiality and the potential for informational advantages relating to its affiliates, intended to protect against the misuse of material nonpublic information. Phlx establishes and maintains procedures and internal controls reasonably designed to adequately restrict the flow of confidential and proprietary information between the Exchange and NES.

or any other exchange. The stock execution is handled by NES pursuant to applicable rules regarding equity trading,<sup>90</sup> including the rules governing trade reporting, trade-throughs and short sales. Specifically, NES reports the trades to the Trade Reporting Facility.<sup>91</sup> Firms that are members of FINRA are required to have a Uniform Service Bureau/Executing Broker Agreement (“AGU”) with NES in order to trade Complex Orders containing a stock/ETF component. Firms that are not members of FINRA are required to have a Qualified Special Representative (“QSR”) arrangement with NES in order to trade Complex Orders containing a stock/ETF component. This requirement is codified in proposed Supplementary Material .08 to Options 3, Section 11. Accordingly, this process is available to all Phlx members and the stock/ETF component of a Complex Order, once executed, is properly processed for trade reporting purposes. Phlx has identical requirements within its current Options 3, Sections 13(b)(10) and current 14(a)(i) with respect to PIXL and Complex Orders.<sup>92</sup>

With respect to trade-throughs, the Exchange believes that the stock/ETF component of a Complex Order is eligible for the Qualified Contingent Trade Exemption from Rule 611(a) of Regulation NMS. A Qualified Contingent Trade is a transaction consisting of two or more component orders, executed as agent or principal, that satisfy the six elements in the Commission’s order exempting Qualified Contingent Trades (“QCTs”) from the requirements of Rule 611(a),<sup>93</sup> which requires trading centers to establish, maintain, and enforce written policies and procedures that are reasonably designed to prevent trade-throughs.<sup>94</sup> The Exchange believes that

the stock/ETF portion of a Complex Facilitation or Solicited Order under this proposal complies with all six requirements. Moreover, as explained below, Phlx’s System would validate compliance with each requirement such that any matched order received by NES under this proposal has been checked for compliance with the exemption, as follows:

(1) At least one component order is in an NMS stock: The stock/ETF component must be an NMS stock, which is validated by the System;

(2) all components are effected with a product or price contingency that either has been agreed to by the respective counterparties or arranged for by a broker-dealer as principal or agent: A Complex Order, by definition consists of a single net/debit price and this price contingency applies to all the components of the order, such that the stock price computed and sent to NES allows the stock/ETF order to be executed at the proper net debit/credit price based on the execution price of each of the option legs, which is determined by the Phlx System;

(3) the execution of one component is contingent upon the execution of all other components at or near the same time: Once a Complex Order is accepted and validated by the System, the entire package is processed as a single transaction and each of the option leg and stock/ETF components are simultaneously processed;

(4) the specific relationship between the component orders (e.g., the spread between the prices of the component orders) is determined at the time the contingent order is placed: Complex Orders, upon entry, must have a size for each component and a net debit/credit, which the System validates and processes to determine the ratio between the components; an order is rejected if the net debit/credit price and size are not provided on the order;

(5) the component orders bear a derivative relationship to one another, represent

Exemption Order”). The QCT Exemption applies to trade-throughs caused by the execution of an order involving one or more NMS stocks that are components of a “qualified contingent trade.” As described more fully in the QCT Exemptive Order, a qualified contingent trade is a transaction consisting of two or more component orders, executed as principal or agent, where: (1) At least one component order is an NMS stock; (2) all components are effected with a product or price contingency that either has been agreed to by the respective counterparties or arranged for by a broker-dealer as principal or agent; (3) the execution of one component is contingent upon the execution of all other components at or near the same time; (4) the specific relationship between the component orders (e.g., the spread between the prices of the component orders) is determined at the time the contingent order is placed; (5) the component orders bear a derivative relationship to one another, represent different classes of shares of the same issuer, or involve the securities of participants in mergers or with intentions to merge that have been announced or since cancelled; and (6) the Exempted NMS Stock Transaction is fully hedged (without regard to any prior existing position) as a result of the other components of the contingent trade.

different classes of shares of the same issuer, or involve the securities of participants in mergers or with intentions to merge that have been announced or since cancelled: under this proposal, the stock/ETF component must be the underlying security respecting the option legs, which is validated by the System; and

(6) the transaction is fully hedged (without regard to any prior existing position) as a result of the other components of the contingent trade: Under this proposal, the ratio between the options and stock/ETF must be a conforming ratio (8 contracts per 100 shares), which the System validates, and which under reasonable risk valuation methodologies, means that the stock/ETF position is fully hedged.<sup>95</sup>

Furthermore, proposed Supplementary Material .08 to Options 3, Section 11, provides that members may only submit Complex Facilitation or Solicitation Orders with a stock/ETF component if such orders comply with the Qualified Contingent Trade Exemption. Members submitting such Complex Facilitation or Solicitation Orders with a stock/ETF component represent that such orders comply with the Qualified Contingent Trade Exemption. Thus, the Exchange believes that Complex Facilitation or Solicitation Orders consisting of a stock/ETF component will comply with the exemption and that Phlx’s System will validate such compliance to assist NES in carrying out its responsibilities as agent for these orders. The Exchange proposes to add this rule text at Supplementary Material .08 to Options 3, Section 11 to reflect that this requirement to comply with the Qualified Contingent Trade Exemption would be applied to Complex Facilitation or Solicitation Orders the same way it applies today with respect to all other Complex Orders executed on Phlx.

With respect to short sale regulation, the proposed handling of the stock/ETF component of a Complex Facilitation or Solicited Order under this proposal should not raise any issues of compliance with the currently operative provisions of Regulation SHO.<sup>96</sup> When a Complex Facilitation or Solicited Order

<sup>95</sup> A trading center may demonstrate that an Exempted NMS Stock Transaction is fully hedged under the circumstances based on the use of reasonable risk-valuation methodologies. See Initial QCT Exemption Order at footnote 9. The Initial QCT Exemption Order stated that, “To effectively execute a contingent trade, its component orders must be executed in full or in ratio at its predetermined spread or ratio.” See Initial QCT Exemption Order, 71 FR at 52830. The Initial QCT Order further stated that, “In ratio” clarifies that component orders of a contingent trade do not necessarily have to be executed in full, but any partial executions must be in a predetermined ratio.” See *id* at footnote 11.

<sup>96</sup> 17 CFR 242.200 *et seq.*

<sup>90</sup> Once the orders are communicated to the broker-dealer for execution, the broker-dealer has complete responsibility for determining whether the orders may be executed in accordance with all of the rules applicable to execution of equity orders.

<sup>91</sup> Specifically, the trades will be reported to the FINRA/Nasdaq TRF which is a facility of FINRA that is operated by Nasdaq, Inc. and utilizes Automated Confirmation Transaction (“ACT”) Service technology.

<sup>92</sup> The Exchange amended Complex Orders in SR-Phlx-2025-17. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>93</sup> 17 CFR 242.611(a).

<sup>94</sup> See Securities Exchange Act Release No. 57620 (April 4, 2008), 73 FR 19271 (April 9, 2008) (“QCT Exemptive Order”). See also Securities Exchange Act Release No. 54389 (August 31, 2006), 71 FR 52829 (September 7, 2006) (“Initial QCT

has a stock/ETF component, members must indicate, pursuant to Regulation SHO, whether that order involves a long or short sale. The System will accept Complex Facilitation or Solicitation Orders with a stock/ETF component marked to reflect either a long or short position; specifically, orders not marked as buy, sell or sell short will be rejected by Phlx's System.<sup>97</sup> The System will electronically deliver the stock/ETF component to NES for execution. Simultaneous with the options execution on Phlx's System, NES will execute and report the stock/ETF component, which will contain the long or short indication as it was delivered by the member to Phlx's System. Accordingly, NES, as a trading center under Rule 201, will be compliant with the requirements of Regulation SHO. Of course, broker-dealers, including both NES and the members submitting orders to Phlx with a stock/ETF component, must comply with Regulation SHO. NES' compliance team currently updates, reviews and monitors NES' policies and procedures including those pertaining to Regulation SHO on an annual basis and it will continue to review and monitors NES' policies and procedures annually.

Further, proposed Supplementary Material .08(c) to Options 3, Section 11 provides that when the short sale price test in Rule 201 of Regulation SHO<sup>98</sup> is triggered for a covered security, NES will not execute a short sale order in the underlying covered security component<sup>99</sup> of a Complex Order if the price is equal to or below the current national best bid. However, NES will execute a short sale order in the underlying covered security component of a Complex Facilitation or Solicited Order if such order is marked "short exempt," regardless of whether it is at a price that is equal to or below the current national best bid. If NES cannot execute the underlying covered security component of a Complex Facilitation or Solicited Order in accordance with Rule 201 of Regulation SHO, the Exchange will hold the Complex Facilitation or Solicited Order on the Complex Order Book, if consistent with member instructions (members may always elect to cancel the order).<sup>100</sup> The order may

execute at a price that is not equal to or below the current national best bid.<sup>101</sup> Phlx will not cancel back the Complex Order to the entering member unless the member requests that the order be cancelled. However, NES will execute a short sale order in the underlying covered security component of a Complex Facilitation Order, Complex Solicited Order and/or Response if such order is marked "short exempt," regardless of whether it is at a price that is equal to or below the current national best bid.<sup>102</sup> Further, if NES cannot execute the underlying covered security component of a Complex Facilitation Order, Complex Solicited Order and/or Response in accordance with Rule 201 of Regulation SHO, the Exchange will cancel back the Complex Facilitation Order, Complex SOM Order and/or Response to the entering member.

When a member submits a Complex Facilitation or Complex Solicitation auction Response that includes a short sale order, their short sale order will execute at its stated limit price, but not at a better price if the facilitating member's contra-order or the solicited contra-side Complex Order does not include a short sale order. However, their short sale order will execute at its stated limit price or better if the facilitating member's contra-order or the solicited contra-side Complex Order includes a short sale order. Thus, whether a short sale order included in a Facilitation or Solicitation auction Response receives its stated limit price, or potentially receives a better price than its limit price, depends on whether the contra-side order submitted to the auction with an agency order also included a short sale order. Although the availability of the potential for price improvement for the responder's short sale order will vary, depending on whether the contra-order also included a short sale order, the Exchange notes that for the reasons described below the alternative would be to exclude auction orders that include a short sale order from the Complex Facilitation or Complex Solicitation altogether, which

Regulation SHO will be cancelled back and will not rest on the Complex Order Book as provided in Supplementary Material .08 to Options 3, Section 11 and Supplementary Material .09 to Options 3, Section 13.

<sup>101</sup> Options 3, Section 16(e) was amended by SR-Phlx-2025-17. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>102</sup> See ISE Supplementary Material .08(c) to Options 3, Section 11 and ISE Supplementary Material .09(c) to Options 3, Section 13.

would decrease competition in the auction and potentially reduce opportunities for the agency order to receive price improvement in the auctions. Below are some examples of Complex Facilitation Auction Responses executing within a Complex Facilitation Auction.<sup>103</sup>

#### Example 10

Complex Facilitation Auction utilizing stated limit price  
Phlx BBO for option leg is  $0.05 \times 0.10$   
Underlying equity NBBO is  $1.05 \times 1.10$   
Reg SHO short sale price test is triggered in the underlying  
Stock-Option Strategy is created to buy 1 put, buy 100 shares (cBBO for this strategy is  $1.10 \times 1.20$ )  
Complex Facilitation to buy strategy, 100 @ 1.13 (buy stock @1.08 and options @ 0.05)<sup>104</sup>; Counter-Side Order does not include a short sale order  
Response 1 is a Public Customer Order to sell, sell short stock leg, 100 @1.11 (sell stock @1.06 and options @0.05)  
Response 2 to sell, sell short stock leg, 100 @1.12 (sell stock @1.07 and options @0.05)  
Complex Facilitation auction timer concludes  
Response 1 trades with Complex Facilitation agency order, option @0.05 and stock @1.06 for net price of 1.11. Response 1 may not trade the underlying equity at 1.05 because it cannot execute a short sale order at a price that is equal to the NBB of the underlying equity.

#### Example 11

Complex Facilitation Auction utilizing stated limit price  
Phlx BBO for option leg is  $0.05 \times 0.10$   
Underlying equity NBBO is  $1.05 \times 1.10$   
Reg SHO short sale price test is triggered in the underlying  
Stock-Option Strategy is created to buy 1 put, buy 100 shares (cBBO for this strategy is  $1.10 \times 1.20$ )  
Complex Facilitation to buy strategy, 100 @ 1.13 (buy stock @1.08 and options @0.05); Counter-Side Order does not include a short sale order  
Response 1 is a Public Customer Order to sell, sell short stock leg, 100 @1.10 (sell stock @1.05 and options @0.05)  
Response 2 to sell, sell short stock leg, 100 @1.12 (sell stock @1.06 and options @0.06)  
Complex Facilitation auction timer concludes  
Response 2 trades with Complex Facilitation agency order, option @0.06 and stock @1.06 for net price of 1.12. Since the Counter-Side Order does not include a short

<sup>103</sup> The same examples apply to a Complex Solicitation Order Mechanism.

<sup>104</sup> The Exchange notes that different combinations of stock and options prices could determine the strategy prices in this Example 1 as well as Examples 2 and 3. The Exchange is assuming the noted prices for the examples, however the Exchange notes that multiple price points could achieve the net prices in these examples. In this particular case in Example 1, the agency order could buy stock @1.07 and buy options @0.06 in lieu of the prices noted.

<sup>97</sup> The Exchange also accepts short sell exempt orders as described herein.

<sup>98</sup> See Securities Exchange Act Release No. 61595 (February 26, 2010), 75 FR 11232 (March 10, 2010) ("Rule 201 Adopting Release").

<sup>99</sup> For purposes of this paragraph, the term "covered security" shall have the same meaning as in Rule 201(a)(1) of Regulation SHO.

<sup>100</sup> See proposed Options 3, Section 16(e). In contrast, Complex Orders in an auction mechanism that cannot be executed in accordance with

sale order, Response 1 is considered for execution at its stated limit price of 1.10; since it cannot trade at 1.10 (specifically it cannot sell the stock @1.05) due to Reg SHO, it does not trade with the Complex Facilitation agency order.

#### Example 12

Complex Facilitation Auction where Counter-Side is also short selling Phlx BBO for option leg is  $0.05 \times 0.10$  Underlying equity NBBO is  $1.05 \times 1.20$  Counter-Side Order includes a short sale order  
Reg SHO short sale price test is triggered in the underlying  
Stock-Option Strategy is created to buy 1 put, buy 100 shares (cBBO for this strategy is  $1.10 \times 1.30$ )

Complex Facilitation to Buy strategy, 100 @1.13, Counter-Side Order is a Market Order that is willing to auto-match at any price point within Reg SHO price restriction bound and has 'sell short' stock leg instructions and therefore cannot trade the stock component at any price less than or equal to the underlying best bid of 1.05. In this example, if the Counter-Side Order did not have a "sell short" instruction it would not be required to trade at a price that is better than the NBB for security (1.05) and could execute at a price equal to or less than the underlying best bid of 1.05. The price of 1.10 is the cBB (net of option and underlying NBB).

Response 1 is to sell, sell short stock leg, 100 @1.10 (selling stock at 1.05 and options at 0.05; note it cannot trade at 1.10 (specifically it cannot sell stock @1.05) due to Reg SHO)  
Response 2 to sell, sell short stock leg, 100 @1.12 (selling stock at 1.06 and options at 0.06)

Complex Facilitation auction timer concludes

The Complex Facilitation agency order first executes 40 contracts with the Counter-Side Market Order, the option leg at 0.05 and stock leg at 1.06 for a net price of 1.11. The remaining 60 contracts from the Complex agency order then execute with Response 1 at the same price. In this example, both the Complex Counter-Side Order and the Response are marked short sale, which permits the Response to trade at a price that is better than its stated limit price.

In this example, Response 1 traded at its next available price in lieu of its stated limit price because both the Counter-Side Order and the Response included a short sale order in the underlying component security. In contrast, if the Counter-Side Order did not include a short sale order then the Counter-Side Order and Response 2 would trade with the Complex Facilitation agency order for a net price of 1.12 (option @0.06 and stock @ 1.06).

In such case where a Response or an unrelated limit complex order on the complex order book includes a short sale order in the underlying covered security, NES would execute the order at its stated limit price if the facilitating member's contra order or contra-side solicited Complex Order does not include a short sale order in the

underlying covered security because the Exchange desires to foster competition by including Responses that have a short sale order in the underlying covered security. In this scenario, the Exchange would consider all prices submitted by responders at which the auction may execute because the member's contra order or contra-side solicited Complex Order does not need to comply with the short sale price test in Rule 201 of Regulation SHO because the order is not short. By using the order's stated limit price in this case, the Exchange would allow the responder with a short sale order to participate in the relevant auction and allocate the best price possible to the agency order while complying with the short sale price test.<sup>105</sup> The Exchange believes that including Responses with a short sale order in the underlying covered security may create additional competition in the Complex Facilitation and Complex Solicitation auction while also providing additional opportunity for potential price improvement for the agency order.

When a Response or an unrelated limit complex order on the complex order book includes a short sale order in the underlying covered security, NES would execute the order at its stated limit price or better if the facilitating member contra order or solicited contra-side Complex Order includes a short sale order in the underlying security component. In this case, each short sale compliant price would be considered in determining the price at which the auction order may execute, which would be at its stated limit price or better. In this scenario, because the facilitating member's contra order or solicited contra-side Complex Order are short, the Exchange will only consider prices that comply with the short sale price test in Rule 201 of Regulation SHO. In this case, all prices that are compliant with the short sale price test are considered when allocating the auction, and both the agency order and responders may receive a better price.

<sup>105</sup> For example, utilizing a Complex Facilitation auction with a BBO of  $0.05 \times 0.10$  and an NBBO for the underlying security component of  $1.05 \times 1.10$ , if the Initiating Member submitted an agency order to buy @1.13 and a contra-order to sell @1.13, with auto-match at any price point, and Responder 1 was long @1.10, and Responder 2 was short @1.10 (in this scenario 1.10 would not comply with the short sale price test), pursuant to the proposed amendment, the agency order would receive a price improvement allocation @1.10. In this scenario the improved price of 1.11 would not be allocated to the responder with a short sale rather the price improvement would be applied to the agency order. The Exchange believes it is important to offer price improvement to the agency order over the responder to the auction. Of note, Response 2 that was short @1.10 would be cancelled.

The auction would allocate at the agency order's stated limited price or better depending on the prices of the Responses. The auction Responses may execute at their stated limited price or better depending on the final auction price. This is in contrast to the prior scenario where the facilitation member's contra order or contra-side solicited Complex Order does not need to comply with the short sale price test. Utilizing the proposed stated limit price or better where a facilitating member's contra order or contra-side solicited Complex Order includes a short sale order allows the Exchange to potentially provide price improvement opportunity to the agency order.

For these reasons, the processing of the stock/ETF component of a Facilitation or Solicited Complex Order under this proposal will comply with applicable rules regarding equity trading, including the rules governing trade reporting, trade-throughs and short sales. NES's responsibilities respecting these equity trading rules will be documented in NES's written policies and procedures. NES's compliance team currently updates, reviews and monitors NES's policies and procedures regarding equity trading rules on an annual basis and will continue to do so. NES is regulated by FINRA and as such, NES policies and procedures are subject to review and examinations by FINRA. Offering a seamless, automatic execution for both the options and stock/ETF components of a Facilitation or Solicited Complex Order is an important feature that should promote just and equitable principles of trade and remove impediments to and perfect the mechanism of a free and open market and a national market system by deeply enhancing the sort of complex order processing available on options exchanges today. Nevertheless, members could, in lieu of this proposed arrangement with NES, choose, instead, the following alternatives: (i) avoid using a Facilitation or Solicited Complex Order that involves stock/ETFs, (ii) use a trading floor to execute a Complex Order with stock, or (iii) go to another options venue, several of which offer a similar feature.<sup>106</sup>

The Exchange proposes to amend Options 3, Section 10 to add an applicability section identical to ISE Options 3, Section 10(c) at subparagraph (b).<sup>107</sup> This paragraph would make clear

<sup>106</sup> Existing Complex Order mechanisms at Cboe, Inc. ("Cboe") offers a similar end result. See Cboe 5.33(l).

<sup>107</sup> The Exchange would re-letter Options 3, Section 10(b) to "c."

that auctions are not subject to Options 3, Section 10 allocation unless Options 3, Section 10 is specifically referenced in the auction rule. Specifically, the Exchange proposes to state “Applicability. This rule does not apply to the Block Order Mechanism described within Options 3, Section 11(a), the Facilitation Mechanism described within Options 3, Section 11(b), the Solicited Order Mechanism described within Options 3, Section 11(d), PIXL described within Options 3, Section 13, and orders described within Options 3, Section 12, unless Options 3, Section 10 is specifically referenced within ISE rules applicable to the aforementioned functionality.”

The Exchange proposes to add rule text about concurrent auctions at Options 3, Section 11(f) that is identical to ISE Options 3, Section 11(f). Specifically, the Exchange proposes to note at Options 3, Section 11(f) the limitations on concurrent Complex Strategy auctions as follows:

Only one Exposure Auction at Supplementary Material .01 to Options 3, Section 14, Complex PIXL auction at Options 3, Section 13, Complex Facilitation Mechanism auction at Options 3, Section 11(c), or Complex Solicited Order Mechanism auction at Options 3, Section 11(e), respectively, will be ongoing at any given time in a Complex Strategy, and such auctions will not queue or overlap in any manner. The Exchange will not initiate an Exposure Auction, Complex PIXL auction, Complex Facilitation Mechanism auction, or Complex Solicited Order Mechanism auction in a Complex Strategy while another Exposure Auction, Complex PIXL auction, Complex Facilitation Mechanism auction, or Complex Solicited Order Mechanism auction in that Complex Strategy is ongoing. If a Complex PIXL auction, Complex Facilitation Mechanism auction, or Complex Solicited Order Mechanism auction for a Complex Strategy has been initiated, an Exposure Auction for that Complex Strategy will not be initiated, and an Exposure Only Complex Order for the Complex Strategy will be cancelled back to the member. An Exposure Order for the Complex Strategy will be processed as an order that is not marked for price improvement.

These proposed limitations are identical to limitations in ISE at Options 3, Section 11(f).

The Exchange proposes to add rule text about concurrent Complex Order and single-leg auctions at Options 3, Section 11(g) that is identical to ISE Options 3, Section 11(g). Specifically, the Exchange proposes to add the following rule text to Options 3, Section 11(g),

Concurrent Complex Order and single leg auctions. An auction in the Block Order Mechanism at Options 3, Section 11(a), Facilitation Mechanism at Options 3, Section

11(b), Solicited Order Mechanism at Options 3, Section 11(d), or PIXL at Options 3, Section 13, respectively, for an option series may occur concurrently with a Complex Order Exposure Auction at Supplementary Material .01 to Options 3, Section 14, Complex Facilitation Auction at Options 3, Section 11(c), Complex Solicited Order Auction at Options 3, Section 11(e), or Complex PIXL auction at Options 3, Section 13, respectively, for a Complex Order that includes that series. To the extent that there are concurrent Complex Order and single leg auctions involving a specific option series, each auction will be processed sequentially based on the time the auction commenced. At the time an auction concludes, including when it concludes early, the auction will be processed pursuant to Options 3, Section 11(a), (b), (d), or Section 13, as applicable, for the single option, or pursuant to Supplementary Material .01 to Options 3, Section 14, Options 3, Section 11(c), 11(e), Options 3, Section 13, as applicable, for the Complex Order, except as provided for at Options 3, Section 13.

This proposed new rule text makes clear that the Exchange will not permit multiple Complex Order auctions to be ongoing in a complex strategy, but will permit concurrent Complex Order strategy auctions to be ongoing with single leg auctions as explicitly noted in the new rule text. The Exchange believes that permitting single leg auctions to occur at the same time as a Complex Order auction as specified above would encourage market participants to utilize the single leg order auction mechanisms as well as the Complex Order mechanisms and, thereby remove impediments to, and perfect the mechanism of, a free and open market and national market system. A member that has auction-eligible interest to execute when another Complex Order auction is ongoing can either re-submit that order to the Exchange after the auction has concluded, or submit the order to another options market that provides similar auction functionality. Phlx market data feeds provide information to members about when a Complex Order auction is ongoing, and members can therefore use this information to make appropriate routing decisions.

With the adoption of the Facilitation and Solicited Order Mechanisms, the Exchange proposes to amend Options 3, Section 16, Complex Order Risk Protections.<sup>108</sup> The proposed Complex

<sup>108</sup> SR-Phlx-2025-17 proposed rule text at Options 3, Section 16(b) that provides, Strategy Protections. The following protections will apply throughout the trading day, including pre-market, during the Opening Process and during a trading halt. The protections will not apply to Complex Orders being auctioned and auction responses in PIXL within Options 3, Section 13. Additionally, the following protections will not apply when a Complex Order includes at least one P.M.-settled

Order Risk Protections are identical to ISE Options 3, Section 16. Specifically, the Exchange proposes to provide that the strategy protections in Options 3, Section 16(b), which includes a Vertical Spread Protection, a Calendar Spread Protection, a Butterfly Spread Protection, and a Box Spread Protection, will not apply to Complex Orders being auctioned and auction Responses in the Facilitation Mechanism, Solicited Order Mechanism within Options 3, Section 11. This rule text is identical to ISE Options 3, Section 16(b). Complex orders executed in these mechanisms are two-sided orders where the contra-side order is willing to trade with the agency order at an agreed upon price thus removing the risk that the order was executed erroneously outside its intrinsic value.

Options 3, Section 12

Options 3, Section 12 is currently titled, “Electronic Qualified Contingent Cross Order.” The Exchange proposes to retitle the section “Crossing Orders” identical to the title of ISE Options 3, Section 12.

Customer Cross Orders

The Exchange proposes a Customer Cross Order at Options 3, Section 12 that is identical to ISE Options 3, Section 12. Currently, the Exchange offers market participants the ability to enter Public Customer-to-Public Customer Cross Order via its PIXL Mechanism at Options 3, Section 13(a) and (f) (“Public Customer-to-Public Customer Cross Order”). At this time, the Exchange proposes to relocate the placement of this functionality to Options 3, Section 12, identical to ISE. The Exchange believes that placing the Public Customer-to-Public Customer Cross Order with other crossing mechanisms in Options 3, Section 12 will make the functionality easier to locate in the Rulebook. The Exchange is not amending the current functionality of Public Customer-to-Public Customer Cross Order, rather the functionality is being relocated and the rule text is being harmonized to ISE’s Customer Cross Order rules.<sup>109</sup>

leg and at least one A.M.-settled leg. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>109</sup> Of note, the proposed Customer Cross Order and current Public Customer-to-Public Customer Cross Order do not require exposure like a PIXL Order. Placing this order type in a new rule where other order types that do not require order exposure

Currently, the execution of a PIXL Order that is comprised of a Public Customer order to buy and a Public Customer to sell at the same price and for the same quantity is governed by Options 3, Section 13(a) and (f).<sup>110</sup> The Exchange proposes to remove the ability to enter such Public Customer-to-Public Customer Cross Orders directly into the PIXL auction for automatic execution. These orders would continue to be entered through FIX<sup>111</sup> but would not execute as a PIXL cross order. The Exchange notes that it recently adopted an “Ouch to Trade Options” or “OTTO” order entry protocol<sup>112</sup> that Phlx members may utilize to submit orders. Customer Cross Orders will also be able to be entered through the new OTTO protocol as well. Today, a Public Customer-to-Public Customer Cross Order may only be entered into PIXL and will receive the treatment described within current Options 3, Section 13(f).<sup>113</sup> With this proposal, the manner in which Public Customer-to-Public Customer Cross Order are being processed by the System is changing in that they will not execute through PIXL. Members would otherwise receive the same executions with a Customer Cross Order that Public Customer-to-Public Customer Cross Orders receive today when entered through PIXL.

The Exchange proposes to amend Options 3, Section 12, which is currently reserved, to adopt the title

are located will reduce confusion as to the order type.

<sup>110</sup> See current Options 3, Section 13.

<sup>111</sup> “Financial Information eXchange” or “FIX” is an interface that allows members and their Sponsored Customers to connect, send, and receive messages related to orders and auction orders and responses to and from the Exchange. Features include the following: (1) execution messages; (2) order messages; and (3) risk protection triggers and cancel notifications. See Options 3, Section 7(a)(i)(A).

<sup>112</sup> OTTO was adopted in SR-Phlx-2025-05. See Securities Exchange Act Release No. 102337 (February 4, 2025), 90 FR 9267 (February 10, 2025) (SR-Phlx-2025-05). SR-Phlx-2025-05 will be implemented at the same time as this proposal.

<sup>113</sup> In lieu of the procedures in paragraphs (a)–(b) of Options 3, Section 13, an Initiating member may enter a PIXL Order for the account of a Public Customer paired with an order for the account of a Public Customer and such paired orders will be automatically executed without a PIXL Auction, provided there is not currently an Auction in progress in the same series or same strategy, in which case the orders will be rejected. The execution price for such a PIXL Order (except if it is a Complex Order) must be expressed in the quoting increment applicable to the affected series. Such an execution may not trade through the better of the NBBO or Reference BBO or at the same price as any resting Public Customer order. The execution price for such a Complex Order PIXL may be in .01 increments and may not trade at a price equal to or through the cPBBO including Reference BBO or at the same price as a resting Public Customer Complex Order. See current Options 3, Section 13(f).

“Crossing Orders” to describe this process. The Exchange proposes to adopt Customer Cross Orders, within Options 3, Section 12(a), which is identical to ISE Options 3, Section 12(a).

In particular, the Exchange proposes to add a definition of a Customer Cross Order at Options 3, Section 7(i) specifying that a Customer Cross Order is comprised of a Public Customer Order to buy and a Public Customer Order to sell at the same price and for the same quantity and such order will trade in accordance with Options 3, Section 12(a). This definition is identical to ISE Options 3, Section 7(i). The Exchange proposes to adopt Options 3, Section 12(a) to specify that Customer Cross Orders are automatically executed upon entry provided that the execution is at or between the best bid and offer on the Exchange and (i) is not at the same price as a Public Customer Order on the Exchange’s limit order book and (ii) will not trade through the NBBO. Further, Customer Cross Orders will be automatically canceled if they cannot be executed. Customer Cross Orders may only be entered in the regular trading increments applicable to the options class under Options 3, Section 3. Current Options 3, Section 22(b)(1)<sup>114</sup> describes the entry and execution of Customer Cross Orders.

With this proposal, the execution of a Customer Cross Order would continue to neither execute at the same price as a Public Customer Order on the Exchange’s limit order book, nor trade through the NBBO. In connection with this proposed change, the Exchange proposes to remove the last sentence of the first paragraph of Options 3, Section 13 that notes that the execution of a PIXL Order that is comprised of a Public Customer order to buy and a Public Customer is governed by Options 3, Section 13(a) and (f). The Exchange also proposes to remove the sentence in current Options 3, Section 13(a) that states, “Pursuant to paragraph (f), the

<sup>114</sup> Current Options 3, Section 22(b)(1) prevents a member from executing agency orders to increase its economic gain from trading against the order without first giving other trading interest on the Exchange an opportunity to either trade with the agency order or to trade at the execution price when the Member was already bidding or offering on the book. However, the Exchange recognizes that it may be possible for a member to establish a relationship with a customer or other person (including affiliates) to deny agency orders the opportunity to interact on the Exchange and to realize similar economic benefits as it would achieve by executing agency orders as principal. It will be a violation of this Rule for a member to be a party to any arrangement designed to circumvent this Rule by providing an opportunity for a customer or other person (including affiliates) to regularly execute against agency orders handled by the member immediately upon their entry into the System.

Exchange will allow a Public Customer-to-Public Customer PIXL Order to trade on either the bid or offer, if the NBBO is \$0.01 wide, provided (1) the execution price is equal to or within the NBBO, (2) there is no resting Public Customer at the execution price, and (3) \$0.01 is the Minimum Price Variation (MPV) of the option.” Finally, the Exchange proposes to remove current Options 3, Section 13(f) which describes the manner in which a PIXL Order for the account of a Public Customer paired with an order for the account of a Public Customer and such paired orders will be automatically executed without a PIXL Auction.

The Exchange would re-letter Options 3, Section 13(g) as “f.” The Exchange is eliminating current Options 3, Section 13(f) because paired Public Customer Orders would no longer be entered as PIXL Orders. The Exchange notes that Customer Cross Orders would continue to be executed in the same manner as today within PIXL with paired Public Customer Orders. Today, the execution price may not trade through the better of the NBBO or Reference BBO or at the same price as any resting Public Customer order. Today, the execution price for such a PIXL Order must be expressed in the quoting increment applicable to the affected series or stated otherwise, the minimum increments noted in Options 3, Section 3. Finally, today the paired Public Customer Orders would cancel if not executed.

The prohibition expressed within current Phlx Options 3, Section 13(f) provided that a paired Public Customer Order may be entered provided there is not currently an Auction in progress in the same series or same strategy.<sup>115</sup> Today, to initiate the Auction, the Initiating member must mark the PIXL Order for Auction processing. With this proposal, paired Public Customer Orders would not be tagged as a PIXL Auction. The paired Public Customer Orders would be entered as a separate cross and therefore would not potentially cause more than one PIXL Auction to occur in the same series. In conjunction with this change, Phlx proposes to add Customer Cross Orders to Options 3, Section 22(b) and (c) as an exception to the rules for limitations on principal transactions and solicitation orders, which require members to expose trading interest to the market before executing agency orders as principal or before executing agency orders against orders that were solicited from other broker-dealers.

The Exchange proposes to add a sentence to the end of current Options

<sup>115</sup> *Id.*

3, Section 22(b)(1), which currently exists within Options 3, Section 13(f).<sup>116</sup> Specifically, the Exchange proposes to add “Further, it would be a violation of this Rule for an Options Participant to circumvent this Rule by providing an opportunity for (A) a Public Customer affiliated with the Participant, or (B) a Public Customer with whom the Participant has an arrangement that allows the Participant to realize similar economic benefits from the transaction as the Participant would achieve by executing agency orders as principal, to regularly execute against agency orders handled by the firm immediately upon their entry as Public Customer-to-Public Customer immediate crosses.” The addition of this sentence to Options 3, Section 22(b)(1) will continue to make clear the type of behavior that is prohibited when executing Customer Cross Orders and for any other functionality in Phlx’s rules. The Exchange would surveil Customer Cross Orders in the same fashion that it already surveils for these orders on ISE. ISE Supplementary Material .01 to Options 3, Section 22 and proposed Phlx Options 3, Section 22(b)(1) both prevent a executions of agency orders to increase its economic gain from trading against the order without first giving other trading interests on the exchange an opportunity to either trade with the agency order or to trade at the execution price when a market participant was already bidding or offering on the book.

Additionally, the Exchange proposes to offer Complex Customer Cross Orders at proposed Options 3, Section 12(b) that is identical to ISE Options 3, Section 12(b).

Today, Complex paired Public Customer Orders are executed in PIXL. With this proposal, similar to single-leg Customer Cross Orders, the Exchange proposes to remove the ability to enter Complex paired Public Customer orders as a PIXL cross although they will continue to be entered through FIX (and OTTO as noted above) directly as Complex Customer Cross Orders.

As is the case today within PIXL, with this proposal Complex Customer Cross Orders would be automatically executed upon entry so long as: (i) the price of the transaction is at or within the best bid and offer for the same complex strategy on the Complex Order Book; (ii) there are no Public Customer Complex Orders for the same strategy at the same price on the Complex Order Book; and (iii) the options legs can be executed at prices that comply with the provisions of Options 3, Section 14(c)(2).<sup>117</sup>

Complex Customer Cross Orders will be rejected if they cannot be executed. As is the case for single-leg Customer Cross Orders, Options 3, Section 22(b)(1) applies to Complex Customer Cross Orders.

As is the case for any Complex Order with a stock/ETF component, and as described in this proposal, members may only submit Complex Customer Cross Orders with a stock/ETF component if such orders comply with the Qualified Contingent Trade Exemption from Rule 611(a) of Regulation NMS. Members submitting such orders with a stock/ETF component represent that such orders comply with the Qualified Contingent Trade Exemption. Members of FINRA or The Nasdaq Stock Market (“Nasdaq”) are required to have a Uniform Service Bureau/Executing Broker Agreement (“AGU”) with Nasdaq Execution Services, LLC (“NES”) in order to trade orders containing a stock/ETF component; firms that are not members of FINRA or Nasdaq are required to have a Qualified Special Representative (“QSR”) arrangement with NES in order to trade orders containing a stock/ETF component.

Also, as described herein with respect to any Complex Order with a stock/ETF component, where one component of a Complex Customer Cross Order is the underlying security, the Exchange shall electronically communicate the underlying security component of a Complex Customer Cross Order to NES, its designated broker-dealer, for immediate execution. Such execution and reporting will not occur on the Exchange and will be handled by NES pursuant to applicable rules regarding equity trading. The execution price must be within a certain price from the current market, as determined by the Exchange. If the stock price is not within these parameters, the Complex Customer Cross Order is not executable. Finally, as described in this proposal, when the short sale price test in Rule 201 of Regulation SHO is triggered for a covered security, NES will not execute a short sale order in the underlying covered security component of a Complex Customer Cross Order if the price is equal to or below the current national best bid. However, NES will execute a short sale order in the underlying covered security component of a Complex Customer Cross Order if such order is marked “short exempt,” regardless of whether it is at a price that is equal to or below the current national best bid. If NES cannot execute the underlying covered security component of a Complex Customer Cross Order in accordance with Rule 201 of Regulation

SHO, the Exchange will cancel back the Complex Customer Cross Order to the entering member. For purposes of this paragraph, the term “covered security” shall have the same meaning as in Rule 201(a)(1) of Regulation SHO.

With the adoption of Customer Cross Orders, the Exchange proposes to amend Options 3, Section 16, Complex Order Risk Protections.<sup>118</sup> Specifically, the Exchange proposes to provide that the strategy protections in Options 3, Section 16(b), which include a Vertical Spread Protections, a Calendar Spread Protection, a Butterfly Spread Protection, and a Box Spread Protection, will not apply to Complex Customer Cross Orders pursuant to Options 3, Section 12. This rule text is identical to ISE Options 3, Section 16(b). A Customer Cross Order is a two-sided order where the contra-side order is willing to trade with the agency order at an agreed upon price. The Exchange believes that because paired orders are negotiated in advance by both parties it is unlikely that the parties would agree to transact at prices that would necessitate these protections.

#### Qualified Contingent Cross Orders

The Exchange proposes to relocate and amend the description of a Qualified Contingent Cross Order or “QCC Order” from Options 3, Section 7(b)(8) which states that a QCC Order is as that term is defined in Options 3, Section 12. The Exchange proposes to harmonize the rule text at Options 3, Section 12 to ISE Options 3, Section 12.

Specifically, the Exchange proposes to provide more detail and instead provide at Options 3, Section 7(j), that a Qualified Contingent Cross Order is comprised of an originating order to buy or sell at least 1000 contracts that is identified as being part of a qualified contingent trade, as that term is defined in Supplementary Material .01 below, coupled with a contra-side order or orders totaling an equal number of contracts. QCC Orders will trade in accordance with Options 3, Section 12(c). QCC Orders may only be entered through FIX. This description is identical to ISE Options 3, Section 7(j), except that Phlx does not offer Precise and ISE offers that Precise in addition to FIX.

The Exchange proposes aligning its QCC functionality to that of ISE at

<sup>118</sup> Options 3, Section 16 was amended in SR-Phlx-2025-71. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this rule change as they are both part of the same technology migration.

<sup>116</sup> *Id.*

<sup>117</sup> See *supra* note 31.

Options 3, Section 12. Today, Phlx offers QCC Orders electronically and on its trading floor. The amendments to Options 3, Section 12 solely relate to electronic trading. The amendments to Options 3, Section 8 apply to floor trading. Phlx separately received approval for electronic QCC Orders<sup>119</sup> and Floor QCC Orders.<sup>120</sup> Phlx will describe its Floor QCC below.

Phlx's QCC Order facilitates the execution of stock/option Qualified Contingent Trades that satisfy the requirements of the trade through exemption in connection with the QCT Trade Exemption. A Phlx member may effect a QCC Order provided the QCC Order: (i) is at least 1,000 contracts, (ii) meets the QCT Trade Exemption, (iii) is executed at a price at or between the better of the PBBO<sup>121</sup> or the NBBO; and (iv) is rejected if a Public Customer order is resting on the Exchange book at the same price. Phlx Options 3, Section 12(a) currently provides that,

A Qualified Contingent Cross Order is comprised of an originating electronic order to buy or sell at least 1,000 contracts that is identified as being part of a qualified contingent trade, as that term is defined in subsection (3) below, coupled with a contra-side order or orders totaling an equal number of contracts.

(1) Qualified Contingent Cross Orders are immediately executed upon entry into the System by an Order Entry Firm provided that (i) no Public Customer orders are at the same price on the Exchange's Limit Order book and (ii) the price is at or between the better of the PBBO and the NBBO.

(A) Qualified Contingent Cross Orders will be automatically cancelled if they cannot be executed.

(B) Qualified Contingent Cross Orders may only be entered in the regular trading increments applicable to the options class under Options 3, Section 3.

(2) Qualified Contingent Cross Orders shall only be submitted electronically from off the Floor to the System. Order Entry Firms must maintain books and records demonstrating that each Qualified Contingent Cross Order was routed to the Exchange System from off of the Floor. Any Qualified Contingent Cross Order that does not have a corresponding record required by this subsection shall be deemed to have been entered from on the Floor in violation of this Rule.

Current Options 3, Section 12(a)(3) describes a "qualified contingent trade."

<sup>119</sup> See Securities Exchange Act Release No. 64249 (April 7, 2011), 76 FR 20773 (April 13, 2011) (SR-Phlx-2011-47) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change by NASDAQ OMX PHLX LLC To Establish a Qualified Contingent Cross Order).

<sup>120</sup> See Securities Exchange Act Release No. 64415 (May 5, 2011), 76 FR 27732 (May 12, 2011) (SR-Phlx-2011-56) (Notice of Filing of Proposed Rule Change To Establish a Qualified Contingent Cross Order for Execution on the Floor of the Exchange).

<sup>121</sup> The PBBO represents Phlx's best bid and offer.

The Exchange proposes to relocate the QCT Trade Exemption described in Options 3, Section 12(a)(3) to Supplementary Material .01 to Options 3, Section 7<sup>122</sup> without change. ISE also describes the QCT Trade Exemption in Supplementary Material .01 to Options 3, Section 7. The QCT Trade Exemption applies to trade-throughs caused by the execution of an order involving one or more NMS stocks that are components of a "qualified contingent trade." The Exchange also proposes to amend Options 8, Section 30(e)(3), related to a Floor QCC, to refer to the description of a "qualified contingent trade" at proposed Supplementary Material .01 to Options 3, Section 7. Also, current Supplementary Material .01 to Options 3, Section 12 notes that Stop Orders which have not been elected are not protected orders and are thus not considered for the acceptance or execution of QCC Orders.

Options 8, Section 32(e) describes a Floor QCC Order as a Floor Qualified Contingent Cross Order comprised of an originating order to buy or sell at least 1,000 contracts, as provided in Options 8, Section 30(e), that is identified as being part of a qualified contingent trade, as that term is defined in subsection Options 8, Section 30(e)(3), coupled with a contra-side order or orders totaling an equal number of contracts. Phlx Options 8, Section 30(e) similarly provides that a Floor QCC Order is comprised of an originating order to buy or sell at least 1,000 contracts that is identified as being part of a qualified contingent trade, coupled with a contra-side order or orders totaling an equal number of contracts. Also, Options 8, Section 30(e)(1) provides that Floor QCC Orders are immediately executed upon entry into the System by an Options Floor Broker provided that (i) no Public Customer Orders are at the same price on the Exchange's limit order book and (ii) the price is at or between the better of the PBBO and the NBBO. Floor QCC Orders shall be submitted into the System by Floor Brokers on the Floor or remotely via the Options Floor Based Management System. Pursuant to Options 8, Section 30(e)(1)(a), a Floor Broker does not have to be present on the Exchange's Trading Floor to submit a Floor QCC Order to the System. A Floor Broker may remotely submit a Floor QCC Order to the System through the Options Floor Based Management System. Pursuant to Options 8, Section 30(e)(1)(b), Floor QCC Orders will be automatically cancelled if they cannot be executed. Pursuant to Options 8,

<sup>122</sup> See *supra* note 94.

Section 30(e)(1)(c), Floor QCC Orders may only be entered in the regular trading increments applicable to the options class under Options 3, Section 3.

Pursuant to Options 8, Section 30(e)(2), Options Floor Brokers may not enter Floor QCC Orders for their own account, the account of an associated person, or an account with respect to which it or an associated person thereof exercises investment discretion. Options Floor Brokers must maintain books and records demonstrating that each Floor QCC Order was not entered for a prohibited account. Any Floor QCC Order that does not have a corresponding record required by this subsection shall be deemed to have been entered for a prohibited account in violation of Options 8, Section 30(e)(2).

At this time, the Exchange proposes to remove the rule text at Options 3, Section 12(a) related to a QCC Order as well as the rule text in Supplementary Material .01 to Options 3, Section 12 and replace that language in new Options 3, Section 12(c) with rule text identical to ISE Options 3, Section 12(c) as follows:

*Qualified Contingent Cross Orders.* Qualified Contingent Cross Orders are automatically executed upon entry provided that the execution (i) is not at the same price as a Public Customer Order on the Exchange's limit order book and (ii) is at or between the better of the internal PBBO or the NBBO.

(1) Qualified Contingent Cross Orders will be automatically canceled if they cannot be executed.

(2) Qualified Contingent Cross Orders may only be entered in the regular trading increments applicable to the options class under in Options 3, Section 3.

The Exchange notes that QCC Orders that are currently offered on Phlx are identical to QCC Orders offered on ISE. The Exchange seeks to harmonize the rule text across its Nasdaq affiliated exchanges to reflect the harmonized functionality. Phlx would continue to comply with its current QCC Order requirements.

With respect to QCC Complex Orders, the Exchange proposes to adopt rule text identical to ISE Options 3, Section 12(d) which provides,

*Complex Qualified Contingent Cross Orders.* Complex Options Orders may be entered as Qualified Contingent Cross Orders, as defined in Options 3, Section 7(j). Such orders will be automatically executed upon entry so long as: (i) the price of the transaction is at or within the best bid and offer for the same complex options strategy on the Complex Order Book; (ii) there are no Public Customer Complex Options Orders for the same strategy at the same price on the Complex Order Book; and (iii) the options

legs can be executed at prices that (A) are at or between the better of the internal PBBO or the NBBO for the individual series, and (B) comply with the provisions of Options 3, Section 14(c)(2)(i), provided that no legs of the Complex Options Order can be executed at the same price as a Public Customer Order on the Exchange in the individual options series. Complex Qualified Contingent Cross Orders will be rejected if they cannot be executed. Complex Qualified Contingent Cross Orders may be entered in one cent increments. Each leg of a Complex Options Order must meet the 1,000 contract minimum size requirement for Qualified Contingent Cross Orders.

As proposed, Phlx Complex QCC Orders would automatically be executed upon entry so long as: (i) the price of the transaction is at or within the best bid and offer for the same complex options strategy on the Complex Order Book; (ii) there are no Public Customer Complex Options Orders for the same strategy at the same price on the Complex Order Book; and (iii) the options legs can be executed at prices that (A) are at or between the better of the internal PBBO or the NBBO for the individual series, and (B) comply with the provisions of Options 3, Section 14(c)(2)(i),<sup>123</sup> provided that no legs of the Complex Options Order can be executed at the same price as a Public Customer Order on the Exchange in the individual options series. Complex QCC Orders will be rejected if they cannot be executed. Also, each leg of a Complex Options Order must meet the 1,000 contract minimum size requirement for QCC Orders. The Exchange notes that Complex QCC Orders that are currently offered on Phlx are identical to Complex QCC Orders offered on ISE with one distinction, with this proposal, Complex QCC Orders may be entered in one cent increments.<sup>124</sup>

Today, Complex QCC Orders may only be entered in the regular trading

<sup>123</sup> Phlx Options 3, Section 14(c)(2)(i) states, a Complex Options Strategy may be executed at a total credit or debit price with one other member without giving priority to bids or offers established on the Exchange that are no better than the bids or offers in the individual options series comprising such total credit or debit; provided, however, that if any of the bids or offers established on the Exchange consist of a Public Customer Order, the price of at least one leg of the complex strategy must trade at a price that is better than the corresponding bid or offer on the Exchange by at least one minimum trading increment for the series as defined in Options 3, Section 3. Phlx separately filed a proposal to adopt Complex Order functionality identical to ISE Options 3, Section 14 with SR-Phlx-2025-17. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>124</sup> See ISE Options 3, Section 12(b).

increments applicable to the options class under Options 3, Section 3, Minimum Increments.<sup>125</sup> The Exchange proposes to amend the minimum increments for Complex QCC Orders from the minimum increments standard within Options 3, Section 3 to the minimum increments allowable for Complex Orders at Options 3, Section 14(c)(1),<sup>126</sup> which permit bids and offers for Complex Options Strategies to be expressed in one cent (\$0.01) increments, and the options leg of Complex Options Strategies may be executed in one cent (\$0.01) increments. The Exchange notes that Cboe Rule 5.4(b) similarly permits a Complex QCC Order<sup>127</sup> to trade in \$0.01 increments. The Exchange's proposed Complex QCC Orders should be permitted to be entered in \$0.01 increments, identical to ISE Options 3, Section 14(c)(1). This amendment would place Complex QCC Orders on the same footing as other types of Complex Orders that would trade on Phlx and with Complex QCC Orders traded on Cboe and ISE.<sup>128</sup> The pricing of a Complex Order, whether or not it is a QCC Order, is based on the relative price of one option leg to another (as opposed to the outright price of a single option). In this case the standard increment of trading of the individual legs of a Complex Order is less relevant to the pricing of the Complex Order. In addition, each option leg of a Complex QCC Order would continue to meet the same requirements as today for execution as a Complex QCC Order. The Exchange proposes to harmonize the rule text across its Nasdaq affiliated exchanges to reflect the harmonized functionality.

The proposed changes to QCC Orders at Options 3, Section 12 and Complex QCC Orders at Options 3, Section 12

<sup>125</sup> Options 3, Section 3(a) provides, except as provided in Supplementary Material to Options 3, Section 3 below, all options on stocks, index options, and Exchange Traded Fund Shares trading at a price of \$3.00 or higher shall have a minimum increment of \$.10, and all options on stocks and index options trading at a price under \$3.00 shall have a minimum increment of \$.05.

<sup>126</sup> Phlx separately filed a proposal to adopt Complex Order functionality identical to ISE Options 3, Section 14 with SR-Phlx-2025-17. See also *supra* note 35.

<sup>127</sup> Cboe defines a Complex QCC Order as a QCC Order with more than one option leg. See Cboe 5.6(b).

<sup>128</sup> See Cboe Rule 5.4(b) and ISE Options 3, Section 3. Phlx separately filed a proposal to adopt Complex Order functionality identical to ISE Options 3, Section 14 with SR-Phlx-2025-17. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

would apply equally to electronic QCC Orders and Floor QCC Orders. The proposal will not amend the System handling of Floor QCC Orders other than to amend the minimum increments as described above for electronic QCC Orders.

Further, the Phlx Floor QCC order granting approval<sup>129</sup> noted that Phlx analyzed the application to Floor QCC Orders of Section 11(a) of the Act<sup>130</sup> and the rules thereunder. Section 11(a)<sup>131</sup> contains multiple exemptions, including exemptions for those acting in the capacity of market makers, as odd-lot dealers, and those engaged in stabilizing conduct; there are also rule-based exemptions such as the "effect vs. execute" exception under SEC Rule 11a2-2(T)<sup>132</sup> under the Act. In analyzing Floor QCC Orders, the Commission found that the proposed rule change to establish a Floor QCC Order was consistent with Section 11A(a)(1)(C)<sup>133</sup> of the Act.<sup>134</sup> The Exchange notes that it will continue to prohibit Options Floor Brokers from entering Floor QCC Orders for their own accounts, the account of an associated person, or an account with respect to which it or an associated person thereof exercises investment discretion.<sup>135</sup> Phlx Options 8, Section 30(e)(2)<sup>136</sup> continues to be designed to remove even a theoretical time and place advantage available to an Options Floor Broker on the Floor of the Exchange that is reflected in the prohibitions of Section

<sup>129</sup> See Securities Exchange Act Release No. 64688 (June 16, 2011), 76 FR 36606 (June 22, 2011) (SR-Phlx-2011-56) Order Granting Approval of Proposed Rule Change Establishing a Qualified Contingent Cross Order for Execution on the Floor of the Exchange).

<sup>130</sup> 15 U.S.C. 78k(a)(1). Generally, Section 11(a)(1) of the Act restricts any member of a national securities exchange from effecting any transaction on such exchange for: (i) the member's own account, (ii) the account of a person associated with the member, or (iii) an account over which the member or a person associated with the member exercises discretion, unless a specific exemption is available.

<sup>131</sup> *Id.*

<sup>132</sup> See 17 CFR 240.11a2-2(T).

<sup>133</sup> 15 U.S.C. 78k-1(a)(1)(C).

<sup>134</sup> 76 FR 36606 at 36607.

<sup>135</sup> See Options 8, Section 30(e)(2).

<sup>136</sup> Options 8, Section 30(e)(2) states, Options Floor Brokers shall not enter Floor Qualified Contingent Cross Orders for their own account, the account of an associated person, or an account with respect to which it or an associated person thereof exercises investment discretion. Options Floor Brokers must maintain books and records demonstrating that each Floor Qualified Contingent Cross Order was not entered for a prohibited account. Any Floor Qualified Contingent Cross Order that does not have a corresponding record required by this subsection shall be deemed to have been entered for a prohibited account in violation of Options 8, Section 30(e)(2).

11(a)<sup>137</sup> of the Exchange Act and the rules thereunder. The Floor QCC Order does not differ from the electronic QCC Order due to the Options Floor Broker's presence on the Floor.

At this time, the Exchange proposes to remove the current rule text in Options 8, Section 30(e) and (e)(1), (e)(1)(b) and (c), applicable to Floor QCC Orders and provide that a Floor QCC Order shall be transacted as specified in Options 3, Section 12(c) and (d). The Exchange proposes to retain the rule text in Options 8, Section 30(e)(1)(a) and renumber that rule text as Options 8, Section 30(e)(1). The Exchange also proposes to retain the rule text at Options 8, Section 30(e)(2) and (3) with the change noted above for the citation to the qualified contingent trade description to Supplementary Material .01 to Options 3, Section 7. The Exchange believes these amendments to Options 8, Section 30(e) will harmonize the electronic and floor rule text related to QCC functionality.

Finally, the Exchange notes that it is removing the rule text concerning Stop Orders from Supplementary Material .01 to Options 3, Section 12 and Supplementary Material .03 to Options 8, Section 30 that address QCC Order and Floor QCC Order. Today, Stop Orders which have not been elected are not protected orders and are thus not considered for acceptance or execution. Stop Orders behave in this manner across all functionalities on Phlx, not just QCC functionalities. For this reason, the Exchange proposed to adopt the descriptions of Stop Order and Stop Limits Order identical to ISE Options 3, Section 7(d) and (e) in a separate rule change.<sup>138</sup> The election process for a Stop Order is described in Options 3, Section 7(d) and therefore the rule text in Supplementary Material .01 to Options 3, Section 12 and Supplementary Material .03 to Options 8, Section 30 is unnecessary, as a Stop Order behaves the same throughout all trading functionalities.

#### Options 3, Section 13

The Exchange proposes to amend certain rule text in Options 3, Section 13, related to PIXL, to align its rule ISE Options 3, Section 13 in certain respects.<sup>139</sup>

In the first paragraph of Options 3, Section 13, the Exchange proposes to amend the reference to sub-paragraph (a)(6) to (a)(7) as explained further below. The Exchange already noted that it was removing references to Options 3, Section 13(a) and (f) in connection with its proposal to adopt Customer Crossing Orders at Options 3, Section 12.

The Exchange proposes to amend its order entry check for PIXL Orders for less than 50 options contracts at Options 3, Section 13(a)(1) to align this entry check to ISE Options 3, Section 13(b)(1). Today, on Phlx, if the PIXL Order (except if it is a Complex Order) is for less than 50 option contracts, and if the difference between the National Best Bid and National Best Offer ("NBBO") is \$0.01, the Initiating Member must stop the entire PIXL Order at a price that is: (A) \$0.01 better than the NBBO on the opposite side of the market from the PIXL Order, and (B) on the same side of the market as the PIXL Order, (i) equal to or better than the NBBO and (ii) better than any Limit Order on the Limit Order book. If the PIXL Order is for a Non-Public Customer, the PIXL Order must also be better than any quote on the same side of the market as the PIXL Order.

At this time, the Exchange proposes to instead provide, that if the PIXL Order (except if it is a Complex Order) is for less than 50 option contracts, and if the difference between the National Best Bid and National Best Offer ("NBBO") or the difference between the internal best bid and the internal best offer ("internal PBBO") is \$0.01, the Initiating Member must stop the entire PIXL Order at a price that is: (A) equal to or better than the NBBO and the internal market PBBO on the opposite side of the market from the PIXL Order, and (B) on the same side of the market as the PIXL Order, (i) equal to or better than the NBBO and (ii) better than any Limit Order on the Limit Order book. If the PIXL Order is for a Non-Public Customer, the PIXL Order must also be better than any quote on the same side of the market as the PIXL Order. Today, Phlx re-prices orders that would otherwise lock or cross an away market.<sup>140</sup> Specifically, an order will be

<sup>140</sup> See current Phlx Options 3, Section 5(d), an order will not be executed at a price that trades through another market or displayed at a price that would lock or cross another market. An order that is designated by the member as routable will be routed in compliance with applicable Trade-Through and Locked and Crossed Markets restrictions. An order that is designated by a member as non-routable will be re-priced in order to comply with applicable Trade-Through and Locked and Crossed Markets restrictions. If, at the time of entry, an order that the entering party has elected not to make eligible for routing would cause

re-priced to the current national best offer (for bids) or the current national best bid (for offers) as non-displayed and displayed at one MPV above (for offers) or below (for bids) the national best price.<sup>141</sup> With this re-pricing, an Exchange order could be available at a price that is better than the NBBO, but is non-displayed (*i.e.*, the Exchange's non-displayed order book or "internal PBBO"). Accordingly, the Exchange proposes to add the concept of the internal best bid and the internal best offer or "internal PBBO" in the order entry checks for a PIXL Auction in Options 3, Section 13(a)(1) to account for a non-displayed better price that may be available on the Exchange order book. The Exchange proposes a similar change to Options 3, Section 13(a)(1)(A) which currently provides, "(A) \$0.01 better than the NBBO on the opposite side of the market from the PIXL Order . . .". The Exchange would also add "and the internal PBBO."

#### Example 13

Assume Phlx Market Maker quotes an option series at 1.09 (10) × 1.15 (10)

Next assume ABBO quotes that option series at 1.10 (10) × 1.11 (10)

Assume an order locks the ABBO quote with a buy order in that options series of 5 @ 1.11

With the proposed repricing, this order would book at 1.11 and display 1 MPV (Penny in this case) away at 1.10 on the order book

In this scenario:

- the PIXL to buy 49 @1.10 would be rejected because it is not priced better than the limit order on the limit order book on the same side of the market
- the PIXL to buy 49 @1.11 would be rejected because it is not priced better than the limit order on the limit order book on the same side of the market;
- the PIXL to sell 49 @1.10 would be rejected because it is not priced better than the NBBO or internal BBO on the opposite side of the market; and
- the PIXL to sell 49 @1.11 would be rejected because it is not priced better than the internal BBO on the opposite side of the market

The Exchange proposes similar changes within Options 3, Section 13(a)(2), if the PIXL Order is for the account of a Public Customer and such order is for 50 options contracts or more, to add references to "difference between the internal PBBO."

Additionally, the Exchange proposes to remove the words "Reference BBO" as

a locked or crossed market violation or would cause a trade-through violation, it will be re-priced to the current national best offer (for bids) or the current national best bid (for offers) as non-displayed, and displayed at one minimum price variance above (for offers) or below (for bids) the national best price.

<sup>141</sup> *Id.*

<sup>137</sup> 15 U.S.C. 78k(a)(1).

<sup>138</sup> Options 3, Section 7(d) was revised by SR-Phlx-2024-71. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>139</sup> See *supra* note 6.

that term is no longer necessary. This proposed change aligns Phlx Options 3, Section 13(a)(2) to ISE Options 3, Section 13(b)(2). Below is an example of how the System would treat an order for 50 contracts or more where the internal PBBO is greater than the NBBO with respect to the rule text within Options 3, Section 13(a)(2).

#### Example 14

Assume Phlx Market Maker quotes an option series at 1.09 (10) × 1.15 (10)

Next assume ABBO quotes that option series at 1.10 (10) × 1.11 (10)

Assume an order locks the ABBO quote with a buy order in that option series at 5 @1.11. With the proposed repricing this order would book at 1.11 and display 1 MPV (penny in this case) away at 1.10 on the order book

In this scenario:

- the PIXL to buy 50 @1.10 would be rejected because it is not priced better than the limit order on the limit order book on the same side of the market.
- the PIXL to buy 50 @1.11 would be rejected because it is not priced better than the limit order on the limit order book on the same side of the market.
- the PIXL to sell 50 @1.10 would be rejected because it is not priced equal to better than the internal BBO on the opposite side of the market; and
- the PIXL to sell 50 @1.11 would be accepted because it is equal to the internal BBO on the opposite side of the market and would begin a PIXL auction.

Assuming no other interest arrives during the PIXL auction timer, this order would trade at the end of the auction timer, thereby filling the order 5 @1.11 and the remainder would allocate to the contra side/counter side order.

Finally, the Exchange proposes to also amend Options 3, Section 13(a)(3) for a PIXL Order for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more. Similar to the proposed changes to Options 3, Section 13(a)(1), (a)(1)(A) and (a)(2), the Exchange would add references to “difference between the internal PBBO” and remove the term “Reference BBO.” Further, with respect to Options 3, Section 13(a)(3), the Exchange proposes to align the rule text to ISE Options 3, Section 13(b)(3) for the same side entry checks. The Exchange proposes to state, if the PIXL Order (except if it is a Complex Order) is for the account of a broker dealer or any other person or entity that is not a Public Customer and such order is for 50 option contracts or more, or if the difference between the NBBO or the difference between the internal PBBO is greater than \$0.01, the Initiating Member must stop the entire PIXL Order (except if it is a Complex Order) at a price that is: . . . on the same side

of the market as the PIXL Order (i) *at least* \$0.01 better than any Limit Order or quote on the Phlx order book, and (ii) equal to or better than the NBBO. With this proposed change, the Exchange is relocating “the better of” and the reference to the \$0.01 to proposed Options 3, Section 13(a)(3)(B)(i). This proposal aligns Phlx Options 3, Section 13(a)(3) to ISE Options 3, Section 13(b)(3).

The Exchange proposes to amend Options 3, Section 13(a)(4) to remove a reference to conforming ratios because that requirement is covered in Options 3, Section 13(b)(4)(B). The Exchange also proposes to amend Options 3, Section 13(b)(4)(A) and (B) to add the phrase “on both sides of the market” to the Complex Order entry checks. Today, Phlx’s System checks to see if a PIXL Order is at a price that is better than the best net price (debit or credit) available on the Complex Order Book on both sides of the market, regardless of the Complex Order book size, and also improves the net price that is achievable from the best Phlx bids and offers for the individual options on both sides of the market. The System check on both sides of the market ensures a robust entry price to start a Complex PIXL Auction. Also, the Exchange believes that noting “both sides of the market” in the entry check provides greater transparency as to the current System functionality. Additionally, the Exchange proposes to remove the phrase “provided in either case that such price is equal to or better than the PIXL Order’s limit price” in Options 3, Section 13(b)(4)(B). The Exchange notes that this rule text is unnecessary because with any two-sided order, it is a given that the prices must be marketable to allow for execution of both sides.

Today, pursuant to Options 3, Section 13(a)(7), PIXL Orders submitted during the final two seconds of the trading session in the affected series are not eligible to initiate an Auction and will be rejected. The Exchange proposes to remove this rule text and not restrict the submission of a PIXL Order in the final two seconds of trading.<sup>142</sup> The Exchange believes that permitting orders in the final two seconds would allow for the execution of additional PIXL auction orders in a manner identical to ISE. To remain competitive with these other options markets (ISE and Nasdaq MRX, LLC), Phlx would no longer restrict these executions. The Exchange

<sup>142</sup> ISE Options 3, Section 13 PIM functionality does not restrict the submission of a PIXL Order in the final two seconds of trading.

proposes to renumber current Options 3, Section 13(a)(8) as “7.”

Currently, Phlx Options 3, Section 13(b)(1)(A) provides that once commenced, an Auction may not be cancelled and shall proceed as follows: (1) Auction Period and PIXL Auction Notification (“PAN”).

To initiate the Auction (except if it is a Complex Order), the Initiating Member must mark the PIXL Order for Auction processing, and specify either: (i) a single price at which it seeks to execute the PIXL Order (a “stop price”); (ii) that it is willing to automatically match as principal or as agent on behalf of an Initiating Order the price and size of all PAN responses, and trading interest (“auto-match”) in which case the PIXL Order will be stopped at the better of the NBBO or the Reference BBO on the Initiating Order side; or (iii) that it is willing to either: a) stop the entire order at a single stop price and auto-match PAN responses and trading interest at a price or prices that improve the stop price to a specified price (a “Not Worse Than” or “NWT” price); b) stop the entire order at a single stop price and auto-match all PAN responses and trading interest at or better than the stop price; or c) stop the entire order at the better of the NBBO or Reference BBO on the Initiating Order side, and auto-match PAN responses and trading interest at a price or prices that improve the stop price up to the NWT price. In all cases, if the PBBO on the same side of the market as the PIXL Order represents a Limit Order on the book, the stop price must be at least \$0.01 better than the booked Limit Order’s limit price. Once the Initiating Member has submitted a PIXL Order for processing pursuant to this subparagraph, such PIXL Order may not be modified or cancelled. Under any of the circumstances described in subparagraphs (i)–(iii) above, the stop price or NWT price may be improved to the benefit of the PIXL Order during the Auction, but may not be cancelled. Under no circumstances will the Initiating Member receive an allocation percentage, at the final price point, of more than 50% with one competing quote, order or PAN response or 40% with multiple competing quotes, orders or PAN responses, when competing quotes, orders or PAN responses have contracts available for execution.

Today, a member may specify (1) a single price at which it seeks to execute the PIXL Order, (2) an instruction to auto-match at the market price, or (3) an instruction to auto-match at a specified limit price. The current language provides these options, but then goes on to specify the variety of limit prices at which the order would stop the PIXL Order.

With these amendments, Phlx proposes to simplify this language, which is currently overcomplicated. The Exchange proposes to amend Options 3, Section 13(b)(1)(A) to instead provide that to initiate the Auction (except if it is a Complex Order), the Initiating member must mark the PIXL

Order for Auction processing, and specify either: (i) a single price at which it seeks to execute the PIXL Order (a “stop price”); or (ii) that it is willing to either: (a) stop the entire order at a single stop price and automatically match as principal or as agent on behalf of an Initiating Order the price and size of all PAN responses and trading interest (“auto-match”); or (b) stop the entire order at a single stop price and auto-match PAN responses and trading interest at a price or prices that improve the stop price to a specified price (a “Not Worse Than” or “NWT” price). The Exchange believes that this amended language is clear and concise.

As is the case today, if the PBBO on the same side of the market as the PIXL Order represents a Limit Order on the book, the stop price must be at least \$0.01 better than the booked Limit Order’s limit price. Once the Initiating member has submitted a PIXL Order for processing pursuant to this subparagraph, such PIXL Order may not be modified or cancelled. Today, under any of the circumstances described in subparagraphs (b)(i)–(iii) of Options 3, Section 13(b)(1)(A), the stop price or NWT price may be improved to the benefit of the PIXL Order during the Auction, but may not be cancelled. The Exchange proposes to amend this sentence to provide, “Under any of the circumstances described in subparagraphs (i)–(ii)<sup>143</sup> above, the NWT price may be improved to the benefit of the PIXL Order during the Auction, but may not be cancelled.” The Exchange proposes to remove the words “stop price” because this sentence is referring to auto-match instructions being able to be modified to the benefit of the PIXL Agency Order. Because the auto-match instructions cannot be canceled, the Exchange believes it is more accurate to refer to NWT price only, as that is the price that will be used when auto-matching.

The Exchange proposes to amend Phlx Options 3, Section 13(b)(1)(A) to clarify that, under no circumstances will the Initiating member receive an allocation percentage, at the final price point, of more than 50% with one competing quote, order or PAN response or 40% with multiple competing quotes, orders or PAN responses, except for rounding, when competing quotes, orders or PAN responses have contracts available for execution. The Exchange notes that rounding is an exception to the applicable maximum percentage. This proposed rule text aligns to current

ISE PIM functionality. The Exchange also proposes to note at proposed new Supplementary Material .01 to Options 3, Section 13 that if an allocation would result in less than one contract, then one contract will be allocated. This new rule text aligns to ISE Supplementary .03 to Options 3, Section 13. Of note, ISE rounds up identical to Phlx’s proposal. ISE Options 3, Section 13(d)(7) notes that under no circumstances will the Initiating Member receive an allocation percentage, at the final price point, of more than 40% of the original size of the PIM Order with one or multiple competing quote(s), order(s), or Improvement Order(s), except for rounding, when competing quotes, orders, or Improvement Orders have contracts available for execution.

The Exchange proposes to amend Options 3, Section 13(b)(1)(B) to amend the sentence which states, “Under any of the circumstances described in subparagraphs (i)–(ii) above, the stop price or NWT price may be improved to the benefit of the PIXL Order during the Auction, but may not be cancelled.” The Exchange proposes to remove the words “stop price” because this sentence is referring to auto-match instructions being able to be modified to the benefit of the PIXL Agency Order. Because the auto-match instructions cannot be canceled, the Exchange believes it is more accurate to refer to NWT price only, as that is the price that will be used when auto-matching.

The next paragraph within Options 3, Section 13(b)(1)(B) concerns Surrender. When starting an Auction, the Initiating member may submit the Initiating Order with a designation of “surrender” to the other PIXL participants (“Surrender”), which will result in the Initiating member forfeiting the priority and trade allocation privileges which the participant is otherwise entitled to as per Options 3, Section 13(b)(5)(B)(i) and (ii). If Surrender is specified, the Initiating Order will only trade if there is not enough interest available to fully execute the PIXL Order at prices which are equal to or improve upon the stop price. The Surrender function will never result in more than the maximum allowable allocation percentage to the Initiating member than that which the Initiating member would have otherwise received in accordance with the allocation procedures set forth in Options 3, Section 13. Surrender information will not be available to other market participants and may not be modified.

The Exchange proposes to amend the first sentence of the above-referenced paragraph to describe “Surrender.” The Exchange proposes to state, “For

purposes of this Rule, Surrender shall mean the target allocation percentage the contra-side requests to be allocated from 0% to 39%. If the Initiating member requests 40% for the contra-side, then the contra-side order would receive its full priority and trade allocation provisions that it would be entitled to pursuant to Section 13(b)(5)(B)(i) and (ii).” The Exchange believes that this proposed rule text will make clear the manner in which the System will handle the proposed configurable percentage designation. The Exchange then proposes to amend the next sentence to provide, “When starting an Auction, the Initiating member may submit the Initiating Order with a percentage designation (a percentage from 0% up to 40% as noted above) of “Surrender”, which will result in the Initiating member being allocated its designated percentage pursuant to Section 13(b)(5)(B)(i) and (ii).” This proposed rule text would permit an Initiating member to submit an Initiating Order with a percentage for “Surrender” up to 40%, although the percentage may be lower. Today, the System permits a member to have either a Surrender of 0% or 40%. Today, ISE Options 3, Section 13(e)(5)(iii) related to PIM Complex Orders, has a configurable Surrender provision.<sup>144</sup> The proposed

<sup>144</sup> See ISE Options 3, Section 13(e)(5)(iii) which provides, in the case where the Counter-Side Complex Order is at the same net price as Professional interest on the Complex Order Book in (ii) above, the Counter-Side Complex Order will be allocated the greater of one (1) contract or forty percent (40%) (or such lower percentage requested by the Member) of the initial size of the Agency Complex Order before other Professional interest on the Complex Order Book are executed. Upon entry of Counter-Side Complex Orders, Members can elect to automatically match the price and size of Complex Orders, Improvement Complex Orders received on the Complex Order Book during the exposure period up to a specified limit net price or without specifying a limit net price. This election will also automatically match the net price available from the ISE best bids and offers on the individual legs for the full size of the order; provided that with notice to Members the Exchange may determine whether to offer this option only for Complex Options Orders, Stock-Option Orders, and/or Stock Complex Orders. If a Member elects to auto-match, the Counter-Side Complex Order will be allocated its full size at each price point, or at each price point within its limit net price if a limit is specified, until a price point is reached where the balance of the order can be fully executed. At such price point, the Counter-Side Complex Order shall be allocated the greater of one contract or forty percent (40%) (or such lower percentage requested by the Member) of the original size of the Agency Complex Order, but only after Public Customer Complex Orders and Improvement Complex Orders at such price point are executed in full. Thereafter, all Professional Complex Orders and Improvement Complex Orders at the price point will participate in the execution of the Agency Complex Order based upon the percentage of the total number of contracts available at the price that is represented by the size of the

<sup>143</sup> The Exchange proposes a technical amendment to change “(iii)” to “(i)” given the amendments to the rule text.

text indicates that the percentage could be 40% or a lower percentage for priority and allocation by stating, “. . . which will result in the Initiating member being allocated its designated percentage pursuant to (b)(5)(B)(i).”

By way of example, an Initiating member may submit an Initiating Order with a “Surrender” percentage designation of up to forty percent (40%). If a surrender percentage designation of 40% is submitted, this would indicate no surrender.<sup>145</sup> If a surrender percentage designation between 0–39% is elected, this would indicate the Initiating member has surrendered their full 40% allocation entitlement and would retain only a lesser percentage designation that the member elected (between 0% and 39%). In this instance, the Initiating member will not be eligible to receive the highest possible allocation of fifty percent (50%) unless there are contracts left after including all orders, quotes, and responses. The 50% allocation is possible if only one other quote, or PAN response matches the stop price and the Initiating member has not chosen to designate any percentage designation of “Surrender.” A designation of Surrender will result in the Initiating member forfeiting all or a portion of their 40% enhanced allocation carve out to the other PIXL participants. The percentage that is being submitted represents the percentage of allocation being requested by the contra-side party.

The Exchange proposes to amend the current rule text, within Options 3, Section 13(b)(1)(B), which provides, “. . . forfeiting the priority and trade allocation privileges which he is otherwise entitled to as per . . .”. This rule text is being removed in favor of simply citing directly to the allocation provisions (Options 3, Section 13(b)(5)(B)(i)). Also, the current rule text, “with a designation of “surrender” to the other PIXL participants (“Surrender”)” is being removed because the proposed rule text defines “Surrender” as the percentage designation, which the Exchange believes more accurately defines “Surrender” within the rule text.

The Exchange is revising the second sentence of Options 3, Section

13(b)(1)(B), which currently provides, “If Surrender is specified the Initiating Order will only trade if there is not enough interest available to fully execute the PIXL Order at prices which are equal to or improve upon the stop price.” The Exchange proposes to instead provide, “If zero (0%) is specified, the Initiating Order will only trade if there is not enough interest available to fully execute the PIXL Order at prices which are equal to or improve upon the stop price.” The Exchange believes that explaining if no percentage were elected for Surrender (0%) more clearly describes the remainder of the sentence which provides that the Initiating Order will only trade if there is not enough interest available to fully execute the PIXL Order at prices which are equal to or improve upon the stop price, in light of the ability to configure the Surrender percentage with this proposal. The Exchange also proposes to remove the sentence that states, “Surrender will not be applied if both the Initiating Order and PIXL Complex Order are Public Customer orders.” The Exchange noted in the Customer Cross Orders section that Public Customer to Public Customer Orders currently executed pursuant to PIXL would be executed pursuant to proposed Options 3, Section 12, instead of in the PIXL mechanism, as proposed.

The Exchange proposes to amend Options 3, Section 13(b)(1)(C) to add “price” as a detail which is specified today for a PIXL Auction Notification or “PAN.” Current Options 3, Section 13(b)(1)(C) states, “When the Exchange receives a PIXL Order for Auction processing, a PAN detailing the side, size, and options series of the PIXL Order will be sent over the Exchange’s TOPO data feed pursuant to Options 3, Section 23(a)(1) and the Exchange’s Specialized Quote Feed pursuant to Options 3, Section 7(a)(i)(B).” The Exchange is amending the current functionality of PIXL to disseminate “price” in addition to side, size, and options series identical to ISE Options 3, Section 13(c). Adding “price” to the list of details will provide members with greater transparency and could encourage more competition in PIXL and greater opportunity for potential price improvement in PIXL. The Exchange also amended the name of the TOPO data feed and relocated the Specialized Quote Feed or “SQF” protocol in a separate rule change.<sup>146</sup>

<sup>146</sup> See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR–Phlx–2024–71). SR–Phlx–2024–71 is effective but not yet operative. SR–Phlx–

The TOPO data feed was amended to the Phlx Orders data feed. Additionally, the SQF protocol was relocated to Supplementary Material .03(C) to Options 3, Section 7.

The Exchange proposes to amend Options 3, Section 13(b)(1)(G)(ii) which states, “The minimum price increment for PAN responses and for an Initiating member’s stop price and/or NWT price in the case of a Complex Order shall be \$0.01.” The revised rule will state that the minimum price increments for PAN responses and for an Initiating member’s stop price and/or NWT price in the case of a Complex Order shall be entered in the increments provided in Options 3, Section 14(c)(1). The Exchange recently adopted Options 3, Section 14(c)(1) in a separate filing.<sup>147</sup> Proposed Options 3, Section 13(b)(1)(G)(ii) is consistent with ISE Options 3, Section 13(e)(4)(i) which states that Improvement Complex Orders in a Complex PIM Auction must be entered in the increments provided in ISE Options 3, Section 14(c)(1).<sup>148</sup> The Exchange also proposes to add “Responses that improve the stop price must improve the price by at least \$0.01.” ISE has a similar rule at Options 3, Section 13(e)(4)(i).

Today, Phlx Options 3, Section 13(b)(1)(H) provides that a PAN response size at any given price point may not exceed the size of the PIXL Order. A PAN response with a size greater than the size of the PIXL Order will be immediately cancelled. The Exchange proposes to amend this functionality to align it to ISE Options 3, Section 13(c)(2) which provides that Improvement Orders may be entered by all members in one-cent increments at the same price as the Crossing Transaction or at an improved price for

2024–71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>147</sup> See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR–Phlx–2025–17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR–Phlx–2025–17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>148</sup> Options 3, Section 14(c)(1) states that bids and offers for Complex Options Strategies may be expressed in one cent (\$0.01) increments, and the options leg of Complex Options Strategies may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order. Bids and offers for Stock-Option Strategies or Stock-Complex Strategies may be expressed in any decimal price determined by the Exchange, and the stock leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in any decimal price permitted in the equity market. The options leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order.

Professional Complex Order or Improvement Complex Order on the Complex Order Book.

<sup>145</sup> Initiating members may submit a percentage for Surrender into the System, prior to submitting paired orders into PIXL. If the Initiating member submitted a percentage of 40% into the System, the member would receive its full priority and trade allocation provisions that it would be entitled to pursuant to Section 13(b)(5)(B)(i). Of note, if the Initiating member does not select a percentage, the System will populate the field with 40%, the default Surrender percentage.

the Agency Order, and will only be considered up to the size of the Agency Order. With this proposed change, the System will not cancel a PAN response that exceeds the size of the PIXL Order as it does today, rather, the Exchange will cap the size of the PAN response to the auction size for purposes of the allocation methodology. With this change, better priced interest gets executed in full only if there is sufficient size to execute against such interest and Public Customer interest would continue to execute first in price time priority. This proposed change would continue to ensure a fair and orderly market by maintaining and protecting the priority of Public Customer orders while still affording the opportunity for all market participants to seek liquidity and potential price improvement. The Exchange proposes this amendment to align its functionality across the Nasdaq affiliated markets.

The Exchange proposes to amend Options 3, Section 13(b)(1)(I) to amend the current System behavior with respect to the handling of a PAN response. Today, a PAN response must be equal to or better than the displayed NBBO on both sides of the market at the time of receipt of the PAN response.<sup>149</sup>

Specifically, the Exchange proposes to amend the System behavior to permit a response to these auctions to be entered at a price that is equal to or better than the better of the internal PBBO or the NBBO on the same side of the market at the start of the auction and on the opposite side of the market at the time the PAN response is received. Utilizing the price of the market at the start of the auction, for the same side check, would prevent an order or quote from potentially manipulating the final auction price by changing the internal PBBO/NBBO while not fully satisfying the Agency Order, thus preventing PAN responses from being entered at a price that improves the stop price of the auction, but remains inferior to the price of such initial order or quote. The entry checks differ for the same and opposite sides of the market because manipulation may not occur on the opposite side of the response because only interest on the same side of the response will be eligible to trade with the auctioned order. The proposed amendment is intended to prevent potential auction manipulation, which can occur when an order/quote is entered at a price that improves the price of the Agency Order.

The Exchange proposes to amend the current rule because, in certain cases, the current rule prevents other responses to that auction to be entered at a price that improves the price of the PIXL Agency Order, but is inferior to such other quote/order responses which improved upon the internal PBBO or NBBO. By way of example, during an auction, once an order or quote is received on the opposite side of the PIXL Agency Order which is marketable with the Agency Order, it changes the internal PBBO and potentially the NBBO. If such initial order or quote does not comprise enough size to fully satisfy the PIXL, since it has changed the internal PBBO/NBBO, it now prevents PAN responses which improve the stop price of the auction from being entered at a price that is inferior to the initial order or quote, despite such initial order or quote's inability to satisfy the full volume of the Agency Order at an improved price. By utilizing the better of the internal PBBO or the NBBO at the start of the relevant PIXL auction, the Exchange believes that better priced responses would be permitted to trade with the Crossing Transaction. Today, those better priced responses would be rejected. This proposal would permit a response to these auctions to be entered at a price that is equal to or better than the better of the internal PBBO or the NBBO on the same side of the market at the start of the auction and on the opposite side of the market at the time the Response is received, thereby preventing potential auction manipulation which can occur when an order/quote is entered at a price that improves the price of the Crossing Transaction. This amendment would allow other responses to that auction to be entered at a price that improves the price of the Crossing Transaction, but is inferior to such other quote/order responses which improved upon the internal PBBO or NBBO. Utilizing the price of the market at the start of the PIXL auction, for the same side check, would prevent an order or quote from potentially manipulating the final auction price by changing the internal PBBO/NBBO while not fully satisfying the Agency Order, thus preventing PAN responses from being entered at a price that improves the stop price of the auction, but remains inferior to the price of such initial order or quote. The entry checks differ for the same and opposite sides of the market because manipulation may not occur on the opposite side of the response because only interest on the same side of the response will be eligible to trade with the auctioned order. The proposed

amendments would allow Agency Orders to potentially trade at improved prices.

Below are examples of this functionality change.

#### Example 15

Internal BBO—\$1.15 × \$1.30  
NBBO—\$1.10 × \$1.35

PIXL Order to sell is entered with Customer on agency side selling 100 contracts with a stop price of \$1.18.

Order 1 is entered to Buy 1 @ \$1.25—accepted based on market at start of auction \$1.15 × \$1.30.

Auction Response 1 is entered to Buy 100 @ \$1.20—With entry check modification, accepted based on market at start of auction \$1.15 × \$1.30.

Under current System entry checks, PIXL Auction Response 1 would be rejected because the System would look at the market of \$1.25 × \$1.30, and the PIXL Auction would conclude after the timer has run the full 100 milliseconds and partially trade with Order 1 at \$1.25 and with a final auction price of \$1.18. The remainder of the agency order would trade with the contra-side order at \$1.18.

Under new System entry checks, the PIXL Auction would conclude and partially trade with Order 1 at \$1.25 and then trade the remainder of the agency order at a price of \$1.20 based off of the acceptance of Auction Response 1.

#### Example 16

Internal BBO—\$23.90 × \$28.50  
NBBO—\$23.90 × \$28.50 (Singly listed on Phlx)

PIXL Order to sell is entered with Customer on agency side selling 100 contracts with an agency order price of \$26.20.

Quote is entered to buy 1 contract @ \$27.40 (updating NBBO to \$27.40 × \$28.50)

Auction Response 1 is entered to Buy 100 @ \$26.72—With entry check modification, accepted based on market at start of auction \$23.90 × \$28.50.

Under current System entry checks, Auction response 1 would be rejected because the System would look at the market of \$27.40 × \$28.50, and the PIXL Auction would conclude after the timer has run the full 100 milliseconds and partially trade with quote @ \$27.40 and with contra at a final auction price of \$26.20.

Under new System entry checks, the PIXL Auction would conclude and partially trade with quote @ \$27.40 and with Auction Response and contra (assuming the contra elected to automatically match the response) at a final auction price of \$26.72 based off of the acceptance of Auction Response 1.

To align the treatment of Complex Order PAN responses with the treatment of single-leg PAN responses, the Exchange proposes to delete the sentence which states, “A Complex Order PAN response must be equal to or better than the cPBBO, as defined in Options 3, Section 14(a) at the time of receipt of the PAN response.”

<sup>149</sup> An identical change was made at ISE Options 3, Section 13(c)(2).

Additionally, the Exchange proposes to delete the current sentence in that same paragraph which states, “A Complex Order PAN response submitted with a price that is outside the cPBBO will be rejected.” As a result, Complex Order PAN responses will no longer need to be submitted at a price that is equal to or greater than the best net price achievable from the best bids and offers for the individual legs at the time of receipt of the PAN response.” Like the proposed changes to single-leg PAN responses, the changes to Complex Order PAN responses are designed to prevent an order or quote from potentially manipulating the final auction price by changing the internal best net price achievable from the best bids and offers for the individual legs while not fully satisfying the PIXL Order, thus preventing PAN Responses from being entered at a price that improves the stop price of the auction, but remains inferior to the price of such initial order or quote.

Finally, the Exchange proposes to amend the last sentence of that paragraph to add the phrase “cancelled at the conclusion of the PIXL Auction” to the end of the sentence. The Exchange notes that the PAN responses are accepted and then cancelled back at the conclusion of the PIXL Auction. This would be a change from the current behavior where the PAN responses are immediately cancelled.

The Exchange proposes a similar change to Options 3, Section 13(b)(1)(f) to change the word “cancelled” to “rejected.” The proposed new sentence would state, “PAN responses on the same side of the market as the PIXL Order are considered invalid and will be rejected.” This change is not substantive.

The Exchange proposes to amend Options 3, Section 13(b)(1)(K) to add language regarding PAN responses in a PIXL Auction. Today, multiple PAN responses from the same member may be submitted during the PIXL auction. Multiple PAN responses at a particular price point submitted by a member in response to an exposure period may not exceed, in the aggregate, the size of the PIXL Order. However, a member using the same badge<sup>150</sup>/mnemonic<sup>151</sup> may only submit a single PAN response per

<sup>150</sup> A “badge” means an account number, which may contain letters and/or numbers, assigned to Lead Market Makers and Market Makers. A Lead Market Maker or Market Maker account may be associated with multiple badges. See Options 1, Section 1(b)(6).

<sup>151</sup> A “mnemonic” means an acronym comprised of letters and/or numbers assigned to members. A member account may be associated with multiple mnemonics. See Options 1, Section 1(b)(29).

auction ID for a given auction. If an additional PAN response is submitted for the same auction ID from the same badge/mnemonic, then that PAN response will automatically replace the previous PAN response. The Exchange proposes to make clear in its rules that it would not allow members to submit multiple PAN responses using the same badge/mnemonic and would also not aggregate all of those PAN responses at the same price. The Exchange proposes to make clear that additional PAN responses from the same badge/mnemonic for the same auction ID will automatically replace the previous PAN responses. This handling of PAN responses is consistent with the current System handling of PAN responses.<sup>152</sup>

With respect to Complex PIXL Auctions, the Exchange proposes to amend its rules to align certain rules for a Complex PIXL Auction to that of ISE Options 3, Section 13(e) and the proposed Complex Order rules that the Exchange adopted in a separate rule change.<sup>153</sup>

#### Early Termination

Specifically, the Exchange proposes to remove the current early termination provision in Options 3, Section 13(b)(2)(C) that provides, “any time the cPBBO including Reference BBO or the Complex Order book crosses the PIXL Order stop price on the same side of the market as the PIXL Order.” Additionally, the Exchange proposes to add the following conditions in proposed Options 3, Section 13(b)(2)(C), (D) and (E) which are based on the early termination provisions in ISE Options 3, Section 13(b)(4)(iv)(B), (C) and (D): (1) upon receipt of a Complex Order in the same complex strategy on either side of the market that is marketable against the Complex Order Book or bids and offers for the individual legs; (2) upon the receipt of a non-marketable Complex Order in the same complex strategy on the same side of the market as the Complex PIXL Order that would cause the execution of the Complex PIXL Order to be at or outside of the best bid

<sup>152</sup> An identical change was made in ISE Options 3, Section 13(c)(2). See Securities Exchange Act Release No. 102424 (February 13, 2025), 90 FR 10024 (February 20, 2025) (SR-ISE-2025-07) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Various Options Rules). The change is effective but not yet operative.

<sup>153</sup> Phlx adopted Complex Order rules in Options 3, Section 14 that are identical to ISE Options 3, Section 14 rules. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

or offer on the Complex Order Book; and (3) when a resting Complex Order in the same complex strategy on either side of the market becomes marketable against the Complex Order Book or bids and offers for the individual legs. The Exchange currently early terminates a Complex PIXL Auction when there is trading halt in the affected series and will continue to early terminate such auctions.

Today, Options 3, Section 13(b)(2), Conclusion of Auction, provides the circumstances in which a PIXL Auction would conclude. The provisions currently include (1) end of Auction period, (2) any time the BBO crossed the PIXL Order stop price on the same side of the market as the PIXL Order; (3) for a Complex PIXL Order, any time the cPBBO including Reference BBO or the Complex Order book crosses the PIXL Order stop price on the same side of the market as the PIXL Order; and (4) any time there is a trading halt on the Exchange in the affected series.

At this time, the Exchange is proposing to add additional scenarios that would cause the early termination of a Complex Order PIXL Auction so that Phlx Options 3, Section 13(b)(2) will be aligned with ISE Options 3, Section 13(e)(4)(iv) as explained above.<sup>154</sup> While the rule text is substantially similar to ISE Options 3, Section 13(e)(4)(iv), the Exchange is adding rule text at proposed Phlx Options 3, Section 13(b)(2)(C)(ii) which is not contained in ISE Options 3, Section 13(e)(4)(iv). Also, the Exchange notes that the rule text at proposed Phlx Options 3, Section 13(b)(2)(C)(i) is substantially similar to ISE Options 3, Section 13(e)(5)(iv). Additionally, the Exchange proposes to change the term “Reference BBO” in Options 3, Section 13(a)(2)(B) and Options 3, Section 13(b)(6) to “internal PBBO” to align to the rule text utilized in Options 3, Section 5(d).

<sup>154</sup> ISE Options 3, Section 13(e)(4)(iv) states, the exposure period will automatically terminate (A) at the end of the time period designated by the Exchange pursuant to subparagraph (4)(i) above, (B) upon the receipt of a Complex Order in the same complex strategy on either side of the market that is marketable against the Complex Order Book or bids and offers for the individual legs, (C) upon the receipt of a non-marketable Complex Order in the same complex strategy on the same side of the market as the Agency Complex Order that would cause the execution of the Agency Complex Order to be outside of the best bid or offer on the Complex Order Book; (D) when a resting Complex Order in the same complex strategy on either side of the market becomes marketable against the Complex Order Book or bids and offers for the individual legs; or (E) if a trading halt is initiated after the order is entered into the Complex Price Improvement Mechanism, such auction will be automatically terminated without an execution.

Currently, Options 3, Section 13(b)(2)(C) provides, “For a Complex Order PIXL Auction, any time the cPBBO including Reference BBO or the Complex Order book crosses the PIXL Order stop price on the same side of the market as the PIXL Order (defined for these purposes as a “Complex PIXL Order” or, as the context requires, a “PIXL Order”).” The Exchange proposes to remove this rule text and make it identical to ISE rule text as described below.

First, the Exchange proposes to replace this rule text with rule text identical to ISE Options 3, Section 13(e)(5)(iv). The Exchange proposes to state at Options 3, Section 13(b)(2)(C)(i),

When a marketable Complex Order on the opposite side of the Complex PIXL Order ends the exposure period, it will participate in the execution of the Complex PIXL Order at the price that is mid-way between the best counter-side interest and the same side best bid or offer on the Complex Order Book or net price from Exchange’s best bid or offer on the individual legs, whichever is better, so that both the marketable Complex Order and the Complex PIXL Order receive price improvement. Transactions will be rounded, when necessary, to the \$0.01 increment that favors the Complex PIXL Order.

Example 17

- Leg A quote is \$4.20 × \$4.50
- Leg B quote is \$4.00 × \$4.10
- Complex BBO for Strategy A–B is \$0.10 × \$0.50
- Order 1 is a Complex Order to buy 1 A–B @\$0.08
- Order 2 is a Complex PIXL Order to buy 50 A–B @\$0.15

During the Complex PIXL Auction, Order3 is a Complex Order entered to sell 50 A–B @\$0.08. This Order3 is marketable with a Complex Order resting on Complex Order Book (Order1). Order3 causes the Complex PIXL Auction to early terminate.

In this case, the Complex PIXL Order will trade with the Order3 Complex Order that was submitted mid-auction. The execution price will be the mid-point of \$0.10 (net price best bid from single-leg quotes) and \$0.15 (best counter-side interest from Initiating Order) that is rounded to benefit of Complex PIXL Order = 0.12 (Leg A @4.21 and Leg B @4.09).

Further, the Exchange proposes to state at Options 3, Section 13(b)(2)(C)(ii),

(ii) When a marketable Complex Order on the same side of the Complex PIXL Order ends the exposure period, the Complex PIXL Order will trade pursuant to Options 3, Section 13(b)(8).

The Exchange notes that the execution prices of the Complex PIXL Order are not impacted when a marketable Complex Order on the same side of the Complex PIXL Order ends the exposure period because the marketable Complex Order would not

trade with the Agency Order because it is on the same side.

Second, the Exchange proposes to provide at Options 3, Section 13(b)(2)(D), that a Complex PIXL Auction will terminate early upon the receipt of a non-marketable Complex PIXL Order in the same complex strategy on the same side of the market as the Complex PIXL Order that would cause the execution of the Complex PIXL Order to be at or outside of the best bid or offer on the Complex Order Book. This provision is identical to ISE Options 3, Section 13(e)(4)(iv)(C), except for the addition of “at or” in Section 13(b)(2)(C)(2) which is not contained in ISE Options 3, Section 13(e)(4)(iv)(C). Specifically, the addition of “at or” to the early termination provision will allow the Complex PIXL Order to execute by early terminating the auction upon the receipt of a non-marketable Complex Order in the same complex strategy on the same side of the market as the PIXL Complex Order that would cause the execution of the Complex PIXL Order to be at or outside of the best bid or offer on the Complex Order Book. Without this change, the Complex PIXL Order would not be able to execute at the conclusion of the PIXL Auction. This change aligns with the Exchange’s proposal at Options 3, Section 13(b)(8) that requires Complex PIXL Orders to trade in at least one minimum price variation (as provided in Options 3, Section 14(c)(1)) better than the price of a Complex Order on the Complex Order Book on the same side of the market.

Third, the Exchange proposes to provide at Options 3, Section 13(b)(2)(e), that for a Complex Order PIXL Auction will terminate early when a resting Complex Order in the same complex strategy on either side of the market becomes marketable against the Complex Order Book or bids and offers for the individual legs. This provision is identical to ISE Options 3, Section 13(e)(4)(iv)(D).

Fourth, the Exchange proposes to re-letter current Options 3, Section 13(b)(2)(D), related to a trading halt, from “D” to new “F” which provision is substantially similar to ISE Options 3, Section 13(e)(4)(iv)(E). Further, the Exchange proposes to amend rule text in Phlx Options 3, Section 13(b)(3) to provide, in the case of a trading halt on the Exchange in the affected series, the entire PIXL Order would be executed at the stop price solely against the Initiating Order. This rule text is substantially similar to ISE Options 3, Section 13(d)(5). Any unexecuted PAN responses will be cancelled. If a trading halt is initiated after the order is entered

into the Complex PIXL, such auction will be automatically terminated without an execution. This rule text is substantially similar to ISE Options 3, Section 13(e)(4)(iv)(E).<sup>155</sup> As amended Options 3, Section 13(b)(2) would state, “Conclusion of Auction. The PIXL Auction shall conclude at the earlier to occur of (A) through (F) below, with the PIXL Order executing pursuant to paragraph (2)(A) through (D) below.”

With these proposed amendments, a Complex PIXL would be subject to early termination upon the receipt of a Complex Order or quote for the same complex strategy on either side of the market that is marketable against the Complex Order book or bids and offers for the individual legs or upon the receipt of a non-marketable Complex Order or quote for the same complex strategy on the same side of the market that would cause the price of the Complex Order being auctioned to be outside of the best bid or offer for the same complex strategy on the Complex Order book. This text is identical to ISE Options 3, Section 13(e)(4)(iv)(A).<sup>156</sup> The Exchange proposes to add the ability to early terminate a Complex PIXL upon the receipt of a Complex Order in the same complex strategy on either side of the market that is marketable against the Complex Order Book or bids and offers for the individual legs because without early terminating the auction the marketable Complex Order would not be able to trade until the end of the Complex PIXL Auction. Eligible interest remaining on the Complex Order Book after any auction trades, may trade with subsequent auctions, including any Complex Order auction, as those are processed.

The Exchange proposes to remove the remainder of the current rule text in Phlx Options 3, Section 13(b)(3) which states,

If the situations described in subparagraphs (2)(B), (C), or (D) above occur, the entire PIXL Order will be executed at: (A) in the case of the Reference BBO crossing the PIXL Order stop price, the best response price(s) or, if the stop price is the best price in the Auction, at the stop price, unless the best response price is equal to or better than

<sup>155</sup> ISE Options 3, Section 13(e)(4)(iv)(E) states that the exposure period will automatically terminate. . . . (E) if a trading halt is initiated after the order is entered into the Complex Price Improvement Mechanism, such auction will be automatically terminated without an execution.

<sup>156</sup> ISE Options 3, Section 13(e)(4)(iv)(A) states that the exposure period will automatically terminate. . . . (B) upon the receipt of a Complex Order in the same complex strategy on either side of the market that is marketable against the Complex Order Book or bids and offers for the individual legs. . . .”

the price of a Limit Order resting on the PHLX book on the same side of the market as the PIXL Order, in which case the PIXL Order will be executed against that response, but at a price that is at least \$0.01 better than the price of such Limit Order at the time of the conclusion of the Auction; (B) in the case of the cPBBO or the Complex Order book crossing the Complex PIXL Order stop price on the same side of the market as the Complex PIXL Order, the stop price against executable PAN responses and executable Complex Orders using the allocation algorithm in subparagraph (5)(B)(iv)(a) through d); or (C). . .

The Exchange notes that the rule text currently at Options 3, Section 13(b)(3)(A) is not necessary as current Options 3, Section 13(b)(7) provides that if the execution PIXL Auction price (except if it is a Complex Order) would be the same or better than an order on the Limit Order book represented in the PBBO on the same side of the market as the PIXL Order, the PIXL Order may only be executed at a price that is at least \$0.01 better than the resting order's limit price pursuant to Options 3, Section 13(b)(7). If such resting order's limit price is equal to or crosses the stop price, then the entire PIXL Order will trade at the stop price with all better priced interest being considered for execution at the stop price. The Exchange notes that this language would continue to apply to an early termination for a PIXL Auction (except if it is a Complex Order), any time the internal PBBO crosses the PIXL Order stop price on the same side of the market as the PIXL Order. The Exchange is amending Phlx's functionality such that the execution described in current Options 3, Section 13(b)(3)(B) will not execute in this manner because the Exchange is removing the early termination provision in current Options 3, Section 13(b)(2)(C) which describes the cPBBO including Reference BBO or the Complex Order book crossing the PIXL Order stop price on the same side of the market as the PIXL Order. As noted above, the proposed new rule text in Options 3, Section 13(b)(3) explains how a PIXL Order would execute in the case of a trading halt which applies to current Options 3, Section 13(b)(2)(D). Today, the Exchange early terminates a PIXL Auction in the affected series when there is a trading halt. The Exchange will continue to early terminate a PIXL Auction in the affected series for a trading halt.

The Exchange proposes to remove the second sentence from current Options 3, Section 13(b)(4) which states, "In the case of a Complex PIXL Auction, an unrelated market or marketable limit Complex Order on the opposite side of

the market from the Complex PIXL Order as well as interest for the individual components of the Complex Order received during the Auction will not cause the Auction to end early and will execute against interest outside of the Auction." The Exchange has amended the early termination provisions to permit a resting Complex Order in the same complex strategy on either side of the market that becomes marketable against the Complex Order Book or bids and offers for the individual legs to early terminate a PIXL Auction. Therefore, this sentence is being removed for consistency.

The Exchange proposes to amend the System allocation to the Initiating member after Public Customer orders have been allocated in Options 3, Section 13(b)(5)(A) by adding additional language explaining how the System would handle bids and offers for the individual legs of a Complex Order. Identical to ISE Options 3, Section 13(e)(5)(v), with respect to bids and offers for the individual legs of a Complex Order entered into the Complex PIXL, the priority rules applicable to the execution of Complex Orders contained in Options 3, Section 14(c)(2)<sup>157</sup> will continue to be applicable and may prevent the execution of a Complex Order entered into the Complex PIXL, in which case the transaction will be cancelled. If an improved net price for the Complex Order being executed can be achieved from Complex Orders, PAN Responses and, for Complex Options Orders, the Phlx best bids and offers on the individual legs, the Complex PIXL Order will be executed against such interest. The Exchange believes that this additional rule text will provide clarity to the priority checks that are applicable to Complex Orders, whether on the Complex Order Book or in Complex Order auctions. The Exchange noted similar checks in proposed Options 3, Section 11(c)(7)(D) and proposed Options 3, Section 11(e)(4).

#### Order Allocation

The Exchange proposes to amend Options 3, Section 13(b)(5)(B) to provide that for Complex PIXL Orders, the priority rules applicable to the execution of Complex Orders contained in Options 3, Section 14(c)(2)<sup>158</sup> would apply to the individual legs of a Complex Order entered into the Complex PIXL and may prevent the execution of a Complex Order entered into the Complex PIXL. Phlx Options 3, Section 13(e)(5)(B) further provides that

if an improved net price for the Complex Order being executed can be achieved from Complex Orders, PAN responses and, for Complex Options Orders, the Phlx best bids and offers on the individual legs, the PIXL Complex Order will be executed, against such interest. The Exchange also proposes to amend Options 3, 13(b)(5)(B)(i) to (vi) to provide that: (1) the Surrender provision may be at a percentage from 0% to 40% of the initial size of the PIXL Order (2) provide the allocation methodology that would be applicable to other quotes, orders and PAN responses at the final price point; (3) amend the rounding from "down" to "up"; (4) provide the execution price to be within a certain price from the current market pursuant to Options 3, Section 16(a),<sup>159</sup> as determined by the Exchange for Complex PIXL Orders with stock/ETF components; and (5) provide the manner in which a PAN response or an unrelated limit complex order on the complex order book includes a short sale order in the underlying covered security will be executed by NES.

The Exchange proposes to amend the System allocation to the Initiating member after Public Customer orders have been allocated in Options 3, Section 13(b)(5)(B)(i). This rule text currently states, "If the Initiating member selected the single stop price option of the PIXL Auction (except if it is a Complex Order), PIXL executions will occur at prices that improve the stop price, and then at the stop price with up to 40% of the remaining contracts after Public Customer interest is satisfied being allocated to the Initiating member at the stop price." The Exchange instead proposes to state, "If the Initiating member selected the single stop price option of the PIXL Auction (except if it is a Complex Order), PIXL executions will occur at prices that improve the stop price, and then at the stop price with up to 40% (or such lower percentage requested by the Initiating member) of the initial size of the PIXL Order after Public Customer interest is satisfied being allocated to the Initiating member at the stop price."

<sup>159</sup> SR-Phlx-2025-17 proposed a new Options 3, Section 16(a)(1) that provides that the System will reject orders for a complex strategy where all legs are to buy if entered at a price that is less than the minimum net price, which is calculated as the sum of the ratio on each leg of the complex strategy multiplied by the minimum increment applicable to that leg pursuant to Options 3, Section 14(c)(1). See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this rule change as they are both part of the same technology migration.

<sup>157</sup> See *supra* note 31.

<sup>158</sup> See *supra* note 31.

If the member requests a lower allocation percentage, the contra-side order would receive an allocation consistent with the percentage requested by the member. Regardless of the member's request, the contra-side order would still be responsible for executing up to the full size of the agency order if there is not enough interest to execute the agency order at a particular price. ISE has identical language at Options 3, Section 13(d)(3) and ISE has similar language for Complex Orders at Options 3, Section 13(e)(5)(iii). The Exchange also proposes to amend the foregoing sentence to base the 40% or lower percentage on the initial size of the PIXL Order after Public Customer interest is satisfied, instead of the remaining contracts. The caveat in the second sentence also accounts for Surrender. Further, the Exchange proposes to state, "However, if only one other participant matches the stop price, then the Initiating member may be allocated up to 50% of the contracts executed at such price, provided the Initiating member had not designated a percentage designation of "Surrender" when initiating the Auction." Identical to other changes made in this proposal, the remaining contracts shall be allocated according to the allocation methodology in Options 3, Section 10(a)(1)(E) and (F)<sup>160</sup> so that it is identical to the allocation methodology in other Phlx auctions. The Exchange also proposes identical changes to Options 3, Section 13(b)(5)(B)(ii), 13(b)(5)(B)(iii)(a) and (b), 13(b)(5)(B)(iv), and 13(b)(5)(B)(v)(b). The Exchange also proposes to add a cross cite in Options 3, Section 13(b)(5)(B)(iii) to Options 3, Section 13(b)(1)(B)(ii)(A) to note where the "stop and NWT" option is described. The proposed changes do not impact the manner in which the Exchange allocates pursuant to size pro-rata and auto-match.

#### Example 18

The NBBO and Phlx BBO are both 1 x 1.50 PIXL to buy 1000 is submitted with an Initiating Order to stop the PIXL Order at 1.20

PIXL begins. During the PIXL Auction: Public Customer PAN arrives to sell 600 @ 1.20

Firm 1 PAN to sell 1000 @1.20 arrives  
Firm 2 PAN to sell 1000 @1.20 arrives

Current rule: Public Customer allocated 600 @1.20, contra-side allocated 160 @1.20, Firm 1 and 2 each allocated 170 @1.20 (in this case contra-side allocated 40% of 400 contracts which remained after Public Customer allocation of 600 contracts, for a remainder of 160 contracts)

Proposed rule: Public Customer allocated 600 @1.20 and contra-side allocated 400 @

1.20 (in this case contra-side allocated 40% of 1000 contracts (initial size of the Initiating Order) which is 400 contracts)

#### Example 19

Additional example to illustrate "initial size" allocation with auto-match to NWT utilizing size pro-rata allocation  
The NBBO and PBBO are both 1 x 1.50 PIXL to buy 1000 is submitted with an Initiating Order to stop the PIXL Order at 1.20, and the Initiating Order auto-match to NWT price of 1.19 and a 40% allocation was elected

PIXL begins. During the PIXL Auction: Public Customer PAN arrives to sell 200 @ 1.19

Firm 1 PAN to sell 1000 @1.20 arrives  
Firm 2 PAN to sell 1000 @1.20 arrives

Current rule: Public Customer allocated 200 @1.19, contra-side allocated 200 @1.19, contra-side allocated 240 @1.20 (40% of remaining 600), Firm 1 allocated 180 @1.20, Firm 2 allocated 180 @1.20

Proposed rule: Public Customer allocated 200 @1.19, contra-side allocated 200 @1.19, contra-side allocated 400 @1.20 (40% of initial 1000), Firm 1 allocated 100 @1.20, Firm 2 allocated 100 @1.20.

Finally, the Exchange proposes to amend Options 3, Section 13(b)(5)(B)(i) to change the reference to Options 3, Section 10(a)(1)(G) to Options 3, Section 10(a)(1)(E) and (F).<sup>161</sup> The Exchange filed a separate rule change that amended Options 3, Section 10 and as a result the citation is being updated to reflect the amended rule text.<sup>162</sup> Identical changes are proposed to Options 3, Section 13(b)(5)(B)(iii)(a) and (b) where the Exchange proposes to amend a citation to Options 3, Section 10(a)(1)(A) and (E)-(G) to "(E)-(F)."

The Exchange proposes to amend Phlx Options 3, Section 13 universally to replace the term "cPBBO" with "best net price achievable from the best bids and offers for the individual legs." The proposed new language is identical with terminology utilized in ISE Options 3, Section 13. The Exchange also proposes to replace the word "pro-rata basis" in Options 3, Section 13(b)(5)(B)(iv) with the term "size pro-rata basis" which aligns usage of that term in Options 3, Section 10. The Exchange is removing the rule text that explains size pro-rata because size pro-rata allocation is explained in Options 3, Section 10 which is referred to in the rule text. The Exchange proposes to remove references to "SQT, RSQT and Floor Market Maker" in two places. Instead, the Exchange proposes to solely reference a Market Maker. Options 1, Section 1(b)(2) defines a Market Maker to be an SQT or RSQT.<sup>163</sup> The Exchange is also

specifically referencing the non-Public Customer response allocation model in this paragraph.

The Exchange proposes to amend rounding in Options 3, Section 13(b)(5)(B)(vi) from down to up and remove the following rule text,

If rounding would result in an allocation of less than one contract, then one contract will be allocated to the Initiating member only if the Initiating member did not otherwise receive an allocation. If there are contracts remaining, such contracts shall be allocated for simple interest after rounding by randomly assigning all Market Makers an order of allocation each trading day, and allocating orders, quotes and sweeps in accordance with the trading day's order assignment, provided the Market Maker is at the best price at which the order, quote or sweep is being traded, except with respect to Complex Orders, which allocation is described in Options 3, Section 14. In the event that there are remaining contracts to be allocated for interest after rounding, such remaining contracts will be allocated in time priority, provided the off-floor broker-dealers are at the best price at which the order is being traded. Remaining shares will be allocated in time priority for Complex Orders.

Today, Phlx PIXL rounds down to the nearest integer when it allocates. The Exchange is amending the rounding methodology to round up to the nearest integer. Options 3, Section 10 was amended in a separate rule change to reflect rounding up on Phlx.<sup>164</sup> As a result of changing the rounding methodology, residual odd lots will no longer exist. If the result of an allocation is not a whole number, it will now be rounded up to the nearest whole number instead of down. Finally, with respect to rounding, because Phlx would round up, the provisions which describe allocations for remainders of less than one contract cannot occur and, therefore, this rule text is being removed because such remainders would not be possible. The Exchange proposes to provide market participants with transparency as to the number of contracts that they are entitled to receive as the result of rounding. Further, the Exchange believes that this methodology produces an equitable outcome during allocation that is consistent with the protection of investors and the public interest because all market participants are aware of the methodology that will be utilized to calculate outcomes for allocation purposes. Additionally, the Exchange proposes to eliminate the references to Odd Lot Allocation in this

<sup>161</sup> See *supra* note 3.

<sup>162</sup> See *supra* note 3.

<sup>163</sup> See Options 1, Section 1(b)(2), "A "Market Maker" means a Streaming Quote Trader or a

Remote Streaming Quote Trader who enters quotations for his own account electronically into the System."

<sup>164</sup> See *supra* note 3.

<sup>160</sup> See *supra* note 3.

paragraph. The Exchange previously eliminated the Odd Lot Allocation at Phlx Options 3, Section 10(a)(1)(F) in a separate rule change<sup>165</sup> because Phlx will round up with this technology migration throughout its rules. As a result, there would be no remaining contracts to be allocated after rounding. There is no net benefit or negative to electing to round up versus utilizing any other method of rounding (down, banker's rounding, etc.) provided the rounding is handling uniformly and applied in the same manner to each trade executed by the System. The Exchange will uniformly apply its proposed rounding methodology, rounding up, to all transactions executed on Phlx.

Finally, the Exchange proposes that after Public Customer interest on the Complex Order Book and PAN responses at a given net price, non-Public Customer interest on the Complex Order Book and PAN responses will participate in the execution of the Complex PIXL Order based upon the percentage of the total number of contracts available at the price that is represented by the size of such interest pursuant to Options 3, Section 10(a)(1)(E) and (F).<sup>166</sup> This allocation methodology is the same allocation methodology utilized for order book allocation at Options 3, Section 10. Phlx will utilize its allocation methodology whereas ISE's PIM utilizes ISE's allocation methodology in ISE Options 3, Section 13(e)(5). Phlx's allocation methodology differs from ISE's allocation methodology in that Phlx allocates first to Public Customers and then Market Makers ahead of all other non-Public Customer interest whereas ISE does not have a separate market maker allocation. This is consistent with the Exchange's single-leg allocation methodology in its PIXL auction. Phlx believes it is consistent with the Act to retain its allocation model which is consistent with the Act as it maintains the priority of orders and protects Public Customer orders by allocating them prior to other interest.

The Exchange proposes to amend Options 3, Section 13(b)(7) to relocate the word "execution" so that the sentence is easier to understand. The proposed new sentence would provide, "If the PIXL Auction price (except if it is a Complex Order) would be the same or better than an order on the Limit Order book represented in the PBBO on the same side of the market as the PIXL Order, the PIXL Order may only be

executed at a price that is at least \$0.01 better than the resting order's limit price."

The Exchange proposes to amend Options 3, Section 13(b)(8) which currently provides,

If the execution Complex Order PIXL Auction price would be the same or better than a Complex Order on the Complex Order Book on the same side of the market as the PIXL Order, the PIXL Order may only be executed at a price that is at least \$0.01 better than the resting order's limit price. If such resting order's limit price is equal to or crosses the stop price, then the entire PIXL Order will trade at the stop price with all better priced interest being considered for execution at the stop price.

The Exchange proposes to amend Options 3, Section 13(b)(8) to instead provide that, "If the execution Complex Order PIXL Auction price would be the same or better than a Complex Order on the Complex Order Book on the same side of the market as the PIXL Order, the PIXL Order may only be executed at a price that is *at least one minimum price variation (as provided in Options 3, Section 14(c)(1))* better than the resting order's limit price." Options 3, Section 14(c)(1) provides: that bids and offers for Complex Options Strategies may be expressed in one cent (\$0.01) increments, and the options leg of Complex Options Strategies may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order. Bids and offers for Stock-Option Strategies or Stock-Complex Strategies may be expressed in any decimal price determined by the Exchange, and the stock leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in any decimal price permitted in the equity market. The options leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order. The Exchange believes that this amendment will prevent the Complex PIXL order from executing at a price where there is a resting Complex Order on the same side of the market while still allowing the Complex PIXL order to execute and receive price improvement.

The Exchange proposes to amend Options 3, Section 13(b)(10)(ii) which describes Complex PIXL Orders with stock/ETF components as explained above for the Facilitation Mechanism and SOM. Today, where one component of a Complex PIXL Order, Initiating Order, Complex Order, or PAN response is the underlying security, the Exchange

shall electronically communicate the underlying security component of a Complex PIXL Order (together with the Initiating Order, Complex Order, or PAN response, as applicable) to NES, its designated broker-dealer, for immediate execution. Such execution and reporting will occur otherwise than on the Exchange and will be handled by NES pursuant to applicable rules regarding equity trading. The Exchange recently adopted Options 3, Section 16 in a separate rule change.<sup>167</sup> The Exchange proposes to add a new sentence to Options 3, Section 13(b)(10)(ii) that provides that the execution price must be within a certain price from the current market pursuant to Options 3, Section 16(a),<sup>168</sup> as determined by the Exchange. If the stock price is not within these parameters, the Complex PIXL Order and/or PAN response is not executable and would be cancelled. As noted above, the Complex PIXL Orders would be subject to the same rules that govern other Complex Orders.

The Exchange also proposes to add language to Options 3, Section 13(b)(10)(iii), similar to language added to the Facilitation and Solicitation auctions as noted in this proposal, to describe the manner in which the System will execute a PAN response or an unrelated limit complex order on the complex order book that includes a short sale order in the underlying covered security. Today, Phlx's rule provides that if NES cannot execute the underlying covered security component of a Complex PIXL Order, Initiating Order, Complex Order, or PAN response in accordance with Rule 201 of Regulation SHO, the Exchange will cancel back the Complex PIXL Order, Initiating Order, Complex Order, and/or PAN response to the entering member.

<sup>167</sup> See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>168</sup> Options 3, Section 16(b) provides for certain Strategy Price Protections that prevent certain Complex Order Strategies from trading at prices outside of pre-set standard limits. SPP applies to Vertical Spreads as defined in Options 3, Section 16(b)(1), Calendar Spreads as defined in Options 3, Section 16(b)(2), as well as Butterfly Spreads and Box Spreads as defined at Options 3, Section 16(b)(3) and (4), respectively. SR-Phlx-2025-17 amended Options 3, Section 16 and with this amendment the Vertical Spread will be located in Options 3, Section 16(b)(1) and the Time Spread will be located in Options 3, Section 16. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this rule change as they are both part of the same technology migration.

<sup>165</sup> *Id.*

<sup>166</sup> See *supra* note 3.

For purposes of this paragraph, the term “covered security” shall have the same meaning as in Rule 201(a)(1) of Regulation SHO. In order to align Phlx’s System functionality with that of ISE at Supplementary Material .09 to Options 3, Section 13, the Exchange proposes to state at Options 3, Section 13(b)(10)(iii) that,

[w]hen a PAN response or an unrelated limit complex order on the complex order book includes a short sale order in the underlying covered security, NES will execute such order at (1) its stated limit price if the Initiating Order does not include a short sale order in the underlying security; or (2) its stated limit price or better if the Initiating Order includes a short sale order in the underlying covered security. If NES cannot execute the underlying covered security component of a Complex PIXL Order and/or PAN response in accordance with Rule 201 of Regulation SHO, the Exchange will cancel back the Complex PIXL Order and/or PAN response to the entering member. For purposes of this paragraph, the term “covered security” shall have the same meaning as in Rule 201(a)(1) of Regulation SHO.<sup>169</sup>

By using the order’s stated limit price in this case, the Exchange would allow the responder with a short sale order to participate in the relevant auction and allocate the best price possible to the Agency Order while complying with the short sale price test.<sup>170</sup> The Exchange believes that including PAN responses with a short sale order in the underlying covered security may create additional competition in the Complex PIXL auction while also providing additional opportunity for potential price improvement for the Agency Order.

#### Corresponding Changes to Options Rules

The Exchange proposes adopting a new Supplementary Material .02(d)(4) to Options 3, Section 7 that is identical to ISE Supplementary Material .02(d)(4) to Options 3, Section 7. Specifically proposed Supplementary Material

<sup>169</sup> See *supra* Examples 10–19 which apply equally to PIXL functionality.

<sup>170</sup> For example, utilizing a Complex Facilitation auction with a BBO of 0.05 × 0.10 and an NBBO for the underlying security component of 1.05 × 1.10, if the Initiating Order submitted an agency order to buy @1.13 and a contra-order to sell @1.13, with auto-match at any price point, and Responder1 was long @1.10, and Responder2 was short @1.10 (in this scenario 1.10 would not comply with the short sale price test), pursuant to the proposed amendment, the agency order would receive a price improvement allocation @1.10. In this scenario the improved price of 1.11 would not be allocated to the responder with a short sale rather the price improvement would be applied to the agency order. The Exchange believes it is important to offer price improvement to the agency order over the responder to the auction. Of note, the responder that was short @1.10 would be cancelled.

.02(d)(4) to Options 3, Section 7 would state,

Block Orders, Facilitation Orders, Complex Facilitation Orders, SOM Orders, Complex SOM Orders, PIXL Orders, Complex PIXL Orders, QCC Orders, QCC Complex Orders, Customer Cross Orders, and Customer Cross Complex Orders are considered to have a TIF of IOC. By their terms, these orders will be: (1) executed either on entry or after an exposure period, or (2) cancelled.

The Exchange proposes to make clear that these order types are Immediate-or-Cancel Orders.

#### Options 3, Section 22

The Exchange is amending certain rule text in Phlx Options 3, Section 22, Limitations on Order Entry, to make that rule text identical to ISE Options 3, Section 22.

Generally, the Exchange proposes to amend Options 3, Section 22 to change any references to “member” to “member organization.”<sup>171</sup> ISE utilizes the term “Electronic Access Member”<sup>172</sup> which is the equivalent of Phlx’s term “member organization.” Also, the Exchange also proposes to capitalize the defined term “market maker.”<sup>173</sup>

The Exchange proposes to amend Options 3, Section 22(b), Limitations on Principal Transactions to account for the new auction mechanisms that are exceptions to the order exposure requirements in this rule. The Exchange proposes to revise Options 3, Section 22(b) to state, “Member organizations may not execute as principal against orders on the Limit Order book they represent as agent unless: . . . (iii) the member organization utilizes the Facilitation Mechanism pursuant to Options 3, Section 11(b) and (c).” Further the Exchange proposes to also amend Options 3, Section 22(b) to state,

<sup>171</sup> The term “member organization” means a corporation, partnership (general or limited), limited liability partnership, limited liability company, business trust or similar organization, transacting business as a broker or a dealer in securities and which has the status of a member organization by virtue of (i) admission to membership given to it by the Membership Department pursuant to the provisions of General 3, Sections 5 and 10 or the By-Laws or (ii) the transitional rules adopted by the Exchange pursuant to Section 6–4 of the By-Laws. References herein to officer or partner, when used in the context of a member organization, shall include any person holding a similar position in any organization other than a corporation or partnership that has the status of a member organization. See General 1, Section 1(a)(17).

<sup>172</sup> The term “Electronic Access Member” or “EAM” means a Member that is approved to exercise trading privileges associated with EAM Rights. See General 1, Section 1(a)(6).

<sup>173</sup> A “Market Maker” means a Streaming Quote Trader or a Remote Streaming Quote Trader who enters quotations for his own account electronically into the System. See Options 1, Section 1(b)(28).

Member organizations may not execute as principal against orders on the Limit Order book they represent as agent unless . . . (iv) the member organization utilizes the PIXL pursuant to Options 3, Section 13; (v) the member organization utilizes Qualified Contingent Cross Orders pursuant to Options 3, Section 12(c) and (d); (vi) the member organization utilizes a Customer Cross Order pursuant to Options 3, Sections 12(a) or (b); or (vii) the member organization utilizes a Complex Order Exposure pursuant to Supplementary Material .01 to Options 3, Section 14.<sup>174</sup>

Finally, the Exchange proposes to add a final sentence to Options 3, Section 22(b) that states, as noted in the description of the Solicited Order Mechanism, “Member organizations may not execute as principal orders they represent as agent within the Solicitation Mechanism pursuant to Options 3, Section 11(d) and (e).” The Exchange proposes to add this sentence to the end of Options 3, Section 22(b) to make clear that this restriction exists for the Solicited Order Mechanism. The proposed rule text in Options 3, Section 22(b) is identical to ISE Options 3, Section 22(b).

The Exchange proposes to amend Options 3, Section 22(b)(1) to amend the term “member” to instead state “member organization” which conforms the definition to the remainder of Options 3, Section 22. Further, as noted above in the Customer Cross Orders description, the Exchange relocated rule text from Options 3, Section 13(f) to the end of Options 3, Section 22(b)(1).

These limitations were also proposed at Options 3, Section 22(c) with respect to Solicitation Orders. The Exchange revised Options 3, Section 22(c) to note,

Member organizations may not execute orders they represent as agent on the Exchange against orders solicited from member organizations and non-member organization broker-dealers to transact with such orders unless . . . (ii) the member organization utilizes the Solicited Order Mechanism pursuant to Options 3, Section 11(e), (iii) the member organization utilizes the Facilitation Mechanism pursuant to Options 3, Section 11(d); (iv) the member organization utilizes PIXL pursuant to Options 3, Section 13; (v) the member organization utilizes Qualified Contingent Cross Orders pursuant to Options 3, Section 12(c) and (d); (vi) the member organization utilizes a Customer Cross Order pursuant to Options 3, Sections 12(a) or (b); or (vii) the

<sup>174</sup> SR–Phlx–2025–17 proposed Complex Order Exposure at proposed Supplementary Material .01 to Options 3, Section 14. See Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR–Phlx–2025–17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx’s Complex Order Functionality). SR–Phlx–2025–17 proposed the same operative date as this proposal as they are both part of the same technology migration.

member organization utilizes a Complex Order Exposure pursuant to Supplementary Material .01 to Options 3, Section 14.

This rule text is identical to ISE Options 3, Section 22(c).

The Exchange proposes to add a new Supplementary Material .01 to Options 3, Section 22 which provides,

Options 3, Section 22(b) prevents member organizations from executing agency orders to increase its economic gain from trading against the order without first giving other trading interest on the Exchange an opportunity to either trade with the agency order or to trade at the execution price when the member was already bidding or offering on the book. However, the Exchange recognizes that it may be possible for a member organization to establish a relationship with a customer or other person (including affiliates) to deny agency orders the opportunity to interact on the Exchange and to realize similar economic benefits as it would achieve by executing agency orders as principal. It will be a violation of Options 3, Section 22(b) for a member organization to be a party to any arrangement designed to circumvent Options 3, Section 22(d) by providing an opportunity for a customer or other person (including affiliates) to regularly execute against agency orders handled by the member organization immediately upon their entry into the System.

This proposed rule text is identical to ISE Supplementary Material .01 to Options 3, Section 22. This proposed rule text prohibits member organizations from executing agency orders to increase its economic gain from trading against the order if they do not first expose the order. The Exchange makes clear that it is a violation of Options 3, Section 22(b) for a member organization to be a party to any arrangement designed to circumvent the information barriers in Options 3, Section 22(d)<sup>175</sup> by providing an opportunity for a customer or other person (including affiliates) to regularly execute against agency orders handled by the member organization immediately upon their entry into the System.

The Exchange proposes to add a new Supplementary Material .02 to Options 3, Section 22<sup>176</sup> concerning Reserve Orders which provides that with respect to the non-displayed reserve portion of a Reserve Order, the exposure

<sup>175</sup> Phlx Options 3, Section 22(d) states that prior to or after submitting an order to Phlx, a member cannot inform another member or any other third party of any of the terms of the order for purposes of violating Options 3, Section 22.

<sup>176</sup> Proposed Supplementary Material .02 to Options 3, Section 22 provides that with respect to the non-displayed reserve portion of a Reserve Order, the exposure requirement of paragraphs (b) and (c) are satisfied if the displayable portion of the Reserve Order is displayed at its displayable price for one second.

requirement of paragraphs Options 3, Section 22(b) and (c) are satisfied if the displayable portion of the Reserve Order is displayed at its displayable price for one second. The rule text at Supplementary Material .02 to Options 3, Section 22 is identical to ISE Supplementary Material .02 to Options 3, Section 22.

The Exchange also proposes to add a new Supplementary Material .03 to Options 3, Section 22 which provides,

The exposure requirement of paragraph (b) applies to the entry of orders with knowledge that there is a pre-existing unexecuted agency, proprietary, or solicited order on the Exchange. Member organizations may demonstrate that orders were entered without knowledge by providing evidence that effective information barriers between the persons, business units and/or systems entering the orders onto the Exchange were in existence at the time the orders were entered. Such information barriers must be fully documented and provided to the Exchange upon request.

This proposed rule text at proposed Supplementary Material .03 to Options 3, Section 22 is identical to ISE Supplementary Material .03 to Options 3, Section 22. The proposed rule text expands on the exposure obligations for limitations on principal transactions and informs member organizations about the necessary information barriers that should exist to prevent leakage of information about certain orders.

#### Other Rule Changes

The Exchange proposes to amend Options 3, Section 7(g) that describes a Reserve Order.<sup>177</sup> At this time, the Exchange proposes to state that “Market Makers may not enter a Reserve Order pursuant to Options 2, Section 6.” The Exchange previously amended Options 2, Section 6, to restrict a Market Maker to enter a Reserve Order in SR-Phlx-2024-71.<sup>178</sup> By also stating in Options 3, Section 7(g) that Market Makers may not enter Reserve Orders, the Exchange would bring additional transparency to the restrictions regarding Market Makers. ISE has an identical sentence in Options 3, Section 7(g). Additionally, the Exchange’s proposal to add the

<sup>177</sup> The Exchange added Reserve Order to the list of order types in SR-Phlx-2024-71. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>178</sup> See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

following sentence to new Supplementary Material .02 to Options 3, Section 22 with respect to Reserve Orders, “With respect to the non-displayed reserve portion of a Reserve Order, the exposure requirement of paragraphs (b) and (c) are satisfied if the displayable portion of the Reserve Order is displayed at its displayable price for one second” is consistent with the Act because the sentence will describe the exposure requirements of a Reserve Order given it has both displayed and non-displayed interest. This proposed sentence is identical to ISE Supplementary Material .02 to Options 3, Section 22.

The Exchange proposes to amend Supplementary Material .03 to Options 3, Section 7, regarding the SQF Protocol,<sup>179</sup> to note that an Immediate-or-Cancel or “IOC” Order entered by a Market Maker through SQF will not be subject to the Complex Order Price Protection. The Exchange recently added the same language to Supplementary Material .02(d) to Options 3, Section 7 in describing an IOC Order.<sup>180</sup> The Exchange proposes to add the same language to Supplementary Material .03 to Options 3, Section 7 for greater transparency. ISE Supplementary Material .03 to Options 3, Section 7 has identical rule text.

The Exchange proposes to amend rule text in the Acceptable Trade Range at Options 3, Section 15(b)(1)(B) so that

<sup>179</sup> “Specialized Quote Feed” or “SQF” is an interface that allows Lead Market Makers, Streaming Quote Traders (“SQTs”) and Remote Streaming Quote Traders (“RSQTs”) to connect, send, and receive messages related to quotes, Immediate-or-Cancel Orders, and auction responses into and from the Exchange. Features include the following: (1) options symbol directory messages (e.g., underlying and complex instruments); (2) system event messages (e.g., start of trading hours messages and start of opening); (3) trading action messages (e.g., halts and resumes); (4) execution messages; (5) quote messages; (6) Immediate-or-Cancel Order messages; (7) risk protection triggers and purge notifications; (8) opening imbalance messages; (9) auction notifications; and (10) auction responses. The SQF Purge Interface only receives and notifies of purge requests from the Lead Market Maker, SQT or RSQT. Lead Market Makers, SQTs and RSQTs may only enter interest into SQF in their assigned options series. Immediate-or-Cancel Orders entered into SQF are not subject to the Order Price Protection, the Market Order Spread Protection, or Size Limitation in Options 3, Section 15(a)(1), (a)(2) and (b)(2), respectively. See Supplementary Material .03(B) to Options 3, Section 7.

<sup>180</sup> Supplementary Material .02(d) to Options 3, Section 7 was amended in SR-Phlx-2024-71. See Options 3, Section 23(a)(2). SR-Phlx-2204-71 renamed the PHLX Orders Feed to the Nasdaq Phlx Order Feed. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

the rule text is identical to ISE Options 3, Section 15(a)(2)(A)(iii). The proposed amendments are not substantive, rather they are intended to bring additional clarity to the rule text.

The Exchange proposes clarifying a member's ability to have interest returned if their quote or order would post at the outer limit of the Acceptable Trade Range. The current sentence provides, "If the order/quote remains unexecuted after the Posting Period, a New Acceptable Trade Range will be calculated and the order/quote will execute, route, or post up to the new Acceptable Trade Range Threshold Price, unless a member has requested that their quotes or orders be returned if posted at the outer limit of the Acceptable Trade Range (in which case, the quote/order will be returned)." The revised sentence would provide, "If the order/quote remains unexecuted after the Posting Period, a New Acceptable Trade Range will be calculated and the order/quote will execute, route, or post up to the new Acceptable Trade Range Threshold Price, unless a member organization has requested that their quotes or orders be returned if the quotes or orders would post at the outer limit of the Acceptable Trade Range (in which case, the quotes/orders will be returned)." The revised language is intended to clarify that the interest posting at the outer limit of the Acceptable Trade Range would trigger the return of that interest.

The Exchange proposes to amend Options 5, Section 4 regarding a FIND Order. The Exchange previously amended<sup>181</sup> Options 5, Section 4(a)(iii)(B)(5) which currently provides,

A FIND Order received after an Opening Process that is marketable against the internal PBBO when the ABBO is equal to the internal PBBO will be traded at the Exchange at the internal PBBO. If the FIND Order has size remaining after exhausting the PBBO, it will initiate a Route Timer, and expose the FIND Order at the ABBO to allow market participants an opportunity to interact with the remainder of the FIND Order. During the Route Timer, the FIND Order will be included in the PBBO at a price one MPV away from the ABBO. If, during the Route Timer, any new interest arrives opposite the FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price. If during the Route Timer, the ABBO markets

move such that the FIND Order is no longer marketable against the ABBO, it may: (i) trade at the next PBBO price (or prices) if the FIND Order price is locking or crossing that price (or prices), and/or (ii) be entered into the Order Book at its limit price if not locking or crossing the PBBO.

At the time, the Exchange inadvertently failed to remove the following sentence, "If, during the Route Timer, any new interest arrives opposite the FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price." The Exchange noted in SR-Phlx-2024-71 that it proposed to amend Phlx Options 5, Section 4(a)(iii)(B)(5) to remove sentences that were relocated to Phlx Options 5, Section 4(a)(iii)(B)(2) as noted above.<sup>182</sup> The Exchange should have removed the aforementioned sentence which is covered by Phlx Options 5, Section 4(a)(iii)(B)(2) and does appear in ISE Options 5, Section 4(a)(iii)(B)(5). The Exchange notes in SR-Phlx-2024-71 that it was harmonizing Options 5, Section 4 to ISE Options 5, Section 4. The Exchange notes that Phlx Options 5, Section 4(a)(iii)(B)(2) states,

If, during the Route Timer, any new interest arrives opposite the FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price, unless the ABBO is improved to a price which crosses the FIND Order's already displayed price, in which case the incoming order will execute at the previous ABBO price as the away market crossed a displayed price.

At this time, the Exchange proposes to remove the aforementioned sentence in Phlx Options 5, Section 4(a)(iii)(B)(5) that was inadvertently not removed in SR-Phlx-2024-71 as the sentence is represented in Phlx Options 5, Section 4(a)(iii)(B)(2). The removal of this sentence will make Phlx Options 5, Section 4(a)(iii)(B)(5) identical to ISE Options 5, Section 4(a)(iii)(B)(5) as intended by SR-Phlx-2024-71. The Exchange also proposes a technical amendment to remove a stray word, "including," at the end of Options 5, Section 4(a)(iii)(C)(8) that was inadvertently not removed in SR-Phlx-2024-71.

#### Implementation

The Exchange will implement this rule change on or before December 20, 2025. Phlx would commence its implementation with a limited symbol migration and continue to migrate symbols over several weeks. The Exchange will issue an Options Trader Alert

to members to provide notification of the symbols that will migrate and the relevant dates.<sup>183</sup>

#### 2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,<sup>184</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>185</sup> in particular, in that it is designed 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. The Exchange's proposal to align a number of Phlx rules to other Nasdaq affiliated markets, thereby harmonizing rules, will result in greater uniformity, and ultimately less burdensome and more efficient regulatory compliance by market participants. As such, the proposed rule change will foster cooperation and coordination with persons engaged in facilitating transactions in securities and will remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange also believes that more consistent rules will increase the understanding of the Exchange's operations for market participants that are members on multiple Nasdaq affiliated markets, thereby contributing to the protection of investors and the public interest.

#### Options 2, Section 10

The Exchange's proposal to amend Options 2, Section 10(a)(iii) to add the words "the internal PBBO or" before NBBO, similar to Options 2, Section 10(a)(ii) is consistent with the Act. The proposed amendment will conform the rule text with language throughout the Options 3 trading rules that describe the Exchange's best price with references to the internal PBBO and NBBO. Additionally, the Exchange's amendment will protect investors and the general public by adding clarity to current rule text as well as harmonizing the rule text with Options 3 language.

#### Options 3, Section 11

##### Block Order Mechanism

The Exchange's proposal to adopt a new, optional, Block Order Mechanism in Options 3, Section 11(a), that is identical to ISE's Block Order Mechanism at Options 3, Section 11(a), and is consistent with the Act as the

<sup>181</sup> Options 5, Section 4 was modified in SR-Phlx-2024-71. See Options 3, Section 23(a)(2). SR-Phlx-2204-71 renamed the PHLX Orders Feed to the Nasdaq Phlx Order Feed. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>182</sup> See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 at 106911 (December 30, 2024) (SR-Phlx-2024-71).

<sup>183</sup> See <https://www.nasdaqtrader.com/MicroNews.aspx?id=OTA2024-17>.

<sup>184</sup> 15 U.S.C. 78f(b).

<sup>185</sup> 15 U.S.C. 78f(b)(5).

mechanism will offer market participants with additional functionality for seeking out liquidity for larger-sized orders. The Exchange believes the new mechanism will promote and foster competition because it should minimize the market impact of large orders and allow members to efficiently execute these orders which may result in increased liquidity available at improved prices for members' orders. The proposed Block Order Mechanism will provide equal access to Block Orders for all market participants, as all members that subscribe to the Exchange's data feeds will have the opportunity to interact with Block Orders entered through this mechanism.<sup>186</sup> Further, the Exchange believes that the proposed rule change will remove impediments to and perfect the mechanism of a free and open market and a national market system because the Block Order Mechanism will be functionally identical to the mechanism currently available on the ISE. The Exchange believes that the consistency will benefit investors by promoting a fair and orderly national options market system. The proposed priority and allocation rules for the Block Order Mechanism are similar to the Exchange's current Public Customer priority size pro-rata allocation methodology that gives priority to Public Customer orders. The Exchange believes this will ensure a fair and orderly market by maintaining priority of orders and quotes and protecting Public Customer orders, while still affording the opportunity to seek liquidity during each Block mechanism commenced on the Exchange. By keeping the priority and allocation rules for a Block mechanism similar to the standard allocation used on the Exchange, the proposed rule change will reduce the ability of market participants to misuse this mechanism to circumvent standard priority rules in a manner designed to prevent fraudulent and manipulative acts and practices, and to promote just and equitable principles of trade on the Exchange. The proposed execution and allocation rules will allow Block Orders to interact with interest on the Exchange's order book in an efficient and orderly manner. The Exchange believes this interaction of

<sup>186</sup> Auction notifications will be disseminated through Nasdaq Phlx's Order Feed data feed. See Options 3, Section 23(a)(2). SR-Phlx-2204-71 renamed the PHLX Orders Feed to the Nasdaq Phlx Order Feed. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR-Phlx-2024-71). SR-Phlx-2024-71 is effective but not yet operative. SR-Phlx-2024-71 would be operative at the same time as this rule change as they are both part of the same technology migration.

orders will benefit investors by increasing the opportunity for options orders to receive executions.

Finally, the proposal to set a timer for members to enter Responses to the Block Order Mechanism, Facilitation Mechanism or Solicited Order Mechanism for no less than 100 milliseconds and no more than 1 second is consistent with the Act. Today, Phlx's PIXL Auction has a response timer set at no less than 100 milliseconds and no more than 1 second. Additionally, ISE, GEMX and MRX also utilize this same time period for entering responses for PIMs, Block Order Mechanisms, Facilitation Mechanisms and Solicited Order Mechanisms. The Exchange believes that a timeframe of no less than 100 milliseconds and no more than 1 second is a reasonable timeframe that has permitted market participants to enter responses in the aforementioned auctions.

#### Facilitation and Solicited Order Mechanisms

The proposed Facilitation Mechanism and SOM, that are identical to ISE's Facilitation Mechanism and SOM in Options 3, Section 11(b)-(e), are consistent with the Act and promote and foster competition by providing members with the opportunity to seek liquidity and potential price improvement for larger sized orders. Both mechanisms allow members to enter two-sided orders for execution with the possibility of the agency order receiving price improvement. In both mechanisms, an agency order is submitted to the Exchange by an initiating member with a matching contra-side order equal to the full size of the agency order. The agency side of the two-sided order is then exposed to market participants during an auction timer allowing all market participants an opportunity to compete and participate in the execution of the agency order. Both mechanisms allow for broad participation in their competitive auctions by all types of market participants.<sup>187</sup> The Exchange believes that these proposals remove impediments to and perfect the mechanism of a free and open market and a national market system by (1) increasing competition on the Exchange by introducing new auctions; (2) providing more options contracts with opportunity for price improvement; and (3) incentivizing market participants to initiate auctions, particularly given the

<sup>187</sup> All market participants are able to receive the auction broadcast and may respond by submitting competing interest (*i.e.*, responses, orders and quotes).

opportunity for allocation. Increases in the number of auctions initiated on the Exchange using the mechanisms will directly correlate with an increase in the number of agency orders that are provided with the opportunity to receive price improvement over the NBBO. The Exchange believes this interaction of orders will benefit investors by increasing the opportunity for options orders to receive executions.

With respect to orders entered into the Facilitation Mechanism, the orders are required to be entered at a price that is (A) equal to or better than the NBBO and the internal PBBO<sup>188</sup> on the same side of the market as the agency order unless there is a Public Customer order on the BBO or internal PBBO on the same side of the market as the agency order, in which case the order must be entered at an improved price over the Public Customer order; and (B) equal to or better than the ABBO on the opposite side. With respect to the SOM, the Exchange would require that orders be entered into the SOM at a price that is equal to or better than the NBBO and the internal PBBO on both sides of the market; provided that, if there is a Public Customer order on the BBO or internal PBBO, the order must be entered at an improved price over the Public Customer order. These order entry checks promote a fair and orderly national options market system by preventing trade-throughs. The proposed priority and allocation rules for the Facilitation Mechanism and SOM are similar to the Exchange's current customer priority size pro-rata allocation methodology as both give priority to Public Customer orders. The Exchange believes that these allocation models are consistent with the Act because they are intended to incentivize participation in these auctions. The Exchange does not believe that utilizing Phlx's Options 3, Section 10 allocation methodology will erode competition as the same allocation methodology currently applies to Phlx's PIXL allocations. Providing Market Makers with the ability to receive enhanced allocations in these auction mechanisms would bring liquidity to these auctions in the same way that liquidity is incentivized on Phlx's order book. More liquidity drives price competition and encourages Market Makers to quote tighter in order to execute against the liquidity which encourages interaction on the part of other market participants. Market Makers, unlike other market participants, have quoting

<sup>188</sup> The internal BBO represents the Exchange's non-displayed order book. See Options 3, Section 4(b)(7).

obligations.<sup>189</sup> Finally, the Exchange notes that its proposal permits the facilitating member to be allocated up to forty percent (40%), thereby incentivizing the facilitating member to bring liquidity to Phlx.

The Exchange believes this will ensure a fair and orderly market by maintaining priority of orders and quotes and protecting Public Customer orders, while still affording the opportunity to seek liquidity and for potential price improvement during each auction commenced on the Exchange. By keeping the priority and allocation rules for an auction similar to the standard allocation used on the Exchange with respect to Public Customer priority, the proposed rule change will reduce the ability of market participants to misuse this mechanism to circumvent standard priority rules in a manner designed to prevent fraudulent and manipulative acts and practices, and to promote just and equitable principles of trade on the Exchange. As proposed in Supplementary Material .01 to Options 3, Section 11, it will be a violation of a Member's duty of best execution to its customer if it were to cancel a Facilitation Order to avoid execution of the order at a better price. Finally, as proposed in Supplementary Material .03 to Options 3, Section 11 Members may enter contra orders that are solicited and any solicited contra orders entered by a member to trade against Agency Orders may not be for the account of a Phlx Market Maker that is assigned to the options class. The Exchange believes that the proposed rule change will remove impediments to and perfect the mechanism of a free and open market and a national market system because the Facilitation Mechanism and SOM will be identical to the mechanisms currently available on ISE except for the allocation methodology as noted above. The Exchange believes that the consistency will benefit investors by promoting a fair and orderly national options market system.

The proposed execution and allocation rules will allow orders entered into the Facilitation Mechanism and SOM to interact with interest on the Exchange's order book in an efficient and orderly manner. The Exchange believes this interaction of orders will benefit investors by increasing the opportunity for options orders to receive executions.

<sup>189</sup> See Options 2, Section 5 for intra-day quoting obligations. Lead Market Makers also have quoting obligations during the Opening Process pursuant to Options 3, Section 8.

With respect to the Complex Facilitation Mechanism and the Complex SOM, the Exchange believes that these mechanisms may provide opportunities for Complex Orders to receive price improvement thereby perfecting the mechanism of a free and open market and a national market system. Additionally, the introduction of a Complex Facilitation Mechanism and the Complex SOM may increase competition in the auctions by offering additional choices to market participants for executing Complex Orders on Phlx. Finally, the introduction of a Complex Facilitation Mechanism and the Complex SOM provides more options contracts with price improvement, and incentivizes market participants to initiate more auctions, particularly given the auto-match feature.

The Exchange's proposal at Supplementary Material .04 to Options 3, Section 11 to permit Orders and Responses that are entered into the Facilitation or Solicited Order to receive executions at the mid-price between the standard minimum trading increments for the options series ("Split Prices") is consistent with the Act and perfects the mechanism of a free and open market and a national market system because it would provide members with greater flexibility in the pricing of their auction trades and allow a greater opportunity for price improvement for large-size orders. Additionally, the proposed rule change would provide for mechanisms that are competitive with floor-based exchange models, such as Phlx's trading floor, where Split Prices are permitted.<sup>190</sup>

The Exchange believes that the proposal to adopt Facilitation ISOs and Solicitation ISOs in Supplementary Material .06 and .07 to Options 3, Section 11 is consistent with the Act and promotes fair competition by providing an additional and efficient method to initiate a Facilitation or Solicited Order auction while preventing trade-throughs. The entering member, simultaneous with the transmission of the Facilitation ISO or Solicitation ISO to the Exchange, remains responsible for routing one or more ISOs, as necessary, to execute

<sup>190</sup> See Phlx Options 8, Section 25(m), which states that Floor brokers are able to achieve split price priority in accordance with Options 8, Section 25(a)(2), provided, however, that a floor broker who bids (offers) on behalf of a non-market-maker Phlx member broker-dealer ("Phlx member BD") must ensure that the Phlx member BD qualifies for an exemption from Section 11(a)(1) of the Exchange Act or that the transaction satisfies the requirements of Exchange Act Rule 11a2-2(T), otherwise the floor broker must yield priority to orders for the accounts of non-members.

against the full displayed size of any Protected Bid or Protected Offer that is superior to the starting Facilitation or Solicitation auction price, and for Solicitation ISO, has swept all interest in the Exchange's book priced better than the proposed auction starting price. ISE has identical order types at Supplementary Material .06 and .07 to Options 3, Section 11. Additionally, the Exchange believes that the proposed changes to the definition of ISOs in Options 3, Section 7(b)(4) are consistent with the Act as they would align the level of detail in the ISO rule with ISE's ISO rule at Options 3, Section 7(b)(4) by specifying how ISOs may be submitted. As such, the Exchange believes that its proposal will promote transparency in the Exchange's rules and consistency across the rules of the Nasdaq affiliated options exchanges.

The Exchange's proposes to add rule text at Supplementary Material .08 to Options 3, Section 11 related to Complex Facilitation and Complex SOM Orders and to add similar rule text in Options 3, Section 13(b)(10)(iii) with respect to PIXL Orders with stock/ETF components is consistent with the Act. With respect to short sale regulation, the proposed handling of the stock/ETF component of a Complex Order under this proposal does not raise any issues of compliance with the currently operative provisions of Regulation SHO<sup>191</sup> and, therefore, the proposal promotes just and equitable principles of trade. When a Complex Order has a stock/ETF component, members must indicate, pursuant to Regulation SHO, whether that order involves a long or short sale. NES, as a trading center under Rule 201, is compliant with the requirements of Regulation SHO. Of course, broker-dealers, including both NES and the members submitting orders to ISE with a stock/ETF component, must comply with Regulation SHO. NES' compliance team updates, reviews and monitors NES' policies and procedures including those pertaining to Regulation SHO on an annual basis.

Identical to Supplementary Material .09 of ISE Options 3, Section 13, in the case where a response, PAN response, or an unrelated limit complex order includes a short sale order in the underlying covered security, executing such order at its stated limit price when the facilitating member's contra order, contra-side Complex Order, or Counter-Side Order does not include a short sale order in the underlying security would protect investors and the public interest by considering all prices at which the auction could execute. Under these

<sup>191</sup> 17 CFR 242.200 *et seq.*

circumstances, the Response, Complex Order PAN response, or unrelated Limit Complex Order would be considered for execution at its stated limit price (provided the limit price is compliant with the short sale price test in Rule 201 of Regulation SHO) while the member's contra order, contra-side solicited Complex Order, or Counter-Side Order does not need to comply with the short sale price test in Rule 201 of Regulation SHO because the order is not short. Utilizing the order's stated limit price in this case allows the responder with a short sale order to participate in the auction while the agency order is allocated the best price possible while complying with the short sale price test. The Exchange believes that this behavior is consistent with the protection of investors and the public interest because it attempts to afford price improvement to the agency order over the responder to the auction. Finally, the Exchange believes that including responses with a short sale order in the underlying covered security may create additional competition in the Complex SOM, Complex Facilitation and Complex PIXL auction and provides the agency order with additional opportunities for potential price improvement.

In contrast, when the facilitating member's contra order, contra-side Complex Order, or Counter-Side Order includes a short sale order in the underlying covered security, the auction must be allocated at a price that is short sell compliant. In this case, each short sale compliant price would be considered in determining the price at which the Complex SOM, Complex Facilitation and Complex PIXL auction may execute and, because the member contra order, solicited contra-side Complex Order, or Counter-Side Order are short, the Exchange will only consider prices that comply with the short sale price test in Rule 201 of Regulation SHO. As a result, the auction may allocate at the agency order's stated limited price or better depending on the prices of the Responses. Also, the auction Responses may execute at their stated limit price or better depending on the final auction price. The Exchange believes its proposal is consistent with the Act and the protection of investors because both the agency order and responders may receive a better price in this case. This is in contrast to the prior scenario where the member's contra order, contra-side solicited Complex Order, or Counter-Side Order does not need to comply with the short sale price test. Utilizing the proposed stated limit price or better where a member's contra

order, contra-side solicited Complex Order, or Counter-Side Order includes a short sale order allows the Exchange to potentially provide a price improvement opportunity to the agency order and to the auction Response. With the proposed amendments, Complex SOM, Complex Facilitation, and Complex PIXL auction responders who submit a Response would be aware of the auction price that would comply with the short sale price test in Rule 201 of Regulation SHO. The proposed amendment allows members to participate in auctions with a short sale Response and such participation facilitates competition in these auctions. This proposed approach is in lieu of prohibiting members whose auction Responses or resting Limit Complex Orders include a short sale order from responding to these auctions, which would limit competition in the auction. By allowing additional Responses to participate in the auction, the Exchange believes that the proposal would benefit investors and the public interest because the additional interest may increase competition in these auctions, which may lead to better prices.

The Exchange's proposal to amend Options 3, Section 10(c) to add an applicability section identical to ISE Options 3, Section 10(c) is consistent with the Act as this additional information will make clear to members that the order book allocation rules do not apply to specific auction mechanisms such as the Block Order Mechanism described within Options 3, Section 11(a), the Facilitation Mechanism described within Options 3, Section 11(b), the Solicited Order Mechanism described within Options 3, Section 11(d), PIXL described within Options 3, Section 13. The Exchange notes that its proposed rules provide for the allocation methodology in each mechanism thereby protecting investors and the public interest by specifying the allocation methodology for the order book separately from each auction mechanism.

The Exchange's proposal at Options 3, Section 11(f) and (g) to permit certain auctions for complex strategies to operate concurrently with auctions for a single option series that is a component of the complex strategy is consistent with the Act as it provides for the orderly processing of concurrent complex and single leg auctions. The Exchange believes that permitting single leg auctions to occur at the same time as a Complex Order auction as specified above would encourage market participants to utilize the single leg order auction mechanisms as well as the Complex Order mechanisms and,

thereby remove impediments to, and perfect the mechanism of, a free and open market and national market system. A member that has auction-eligible interest to execute when another Complex Order auction is ongoing can either re-submit that order to the Exchange after the auction has concluded, or submit the order to another options market that provides similar auction functionality. Phlx market data feeds provide information to members about when a Complex Order auction is ongoing, and members can therefore use this information to make appropriate routing decisions. ISE has identical rules at Options 3, Section 11(f) and (g).

Amending Options 3, Section 16, Complex Order Risk Protections, to provide that the strategy protections in Options 3, Section 16(b), which include a Vertical Spread Protections, a Calendar Spread Protection, a Butterfly Spread Protection, and a Box Spread Protection, will not apply to Complex Orders being auctioned and auction Responses in the Facilitation Mechanism, Solicited Order Mechanism within Options 3, Section 11 is consistent with the Act because Complex Orders executed in these mechanisms are two-sided orders where the contra-side order is willing to trade with the agency order at an agreed upon price thus removing the risk that the order was executed erroneously outside its intrinsic value. This rule text is identical to ISE Options 3, Section 16(b).

#### Options 3, Section 12 Customer Cross Orders

The adoption of Customer Cross Orders, that is identical to ISE Options 3, Section 12, is consistent with the Act because this proposal would permit members to continue to enter and execute paired Public Customer orders, while also protecting Public Customer Orders on the book at the same price. Today, the Exchange permits an Initiating member to enter a PIXL Order for the account of a Public Customer paired with an order for the account of a Public Customer and such paired orders will be automatically executed without a PIXL Auction.<sup>192</sup> The Exchange's proposal would continue to permit the ability to enter paired Public Customer Orders paired orders to be automatically executed, however, not

<sup>192</sup> See Phlx Options 3, Section 13(f). The execution price for such a PIXL Order (except if it is a Complex Order) must be expressed in the quoting increment applicable to the affected series. Such an execution may not trade through the better of the NBBO or Reference BBO or at the same price as any resting Public Customer order.

through PIXL. Today, a paired Public Customer Order is subject to execution pursuant to Options 3, Section 13(i) and (ii). The Exchange is removing the current provisions within Options 3, Section 13(b)(5) with this proposed rule change. The Exchange's proposal would require executions to be at or between the best bid and offer on the Exchange and not at the same price as a Public Customer Order on the Exchange's Order Book. Finally, the execution may not be through the NBBO the same as any other order entered into the Exchange's order book. All members would be able to continue executing paired Public Customer Orders and such orders will be rejected if they cannot be executed, as is the case today. Finally, paired Public Customer Orders may only be entered in the regular trading increments applicable to the options class under Options 3, Section 3, as is the case today.

Additionally, the Exchange's proposal to offer Complex Customer Cross Orders at proposed Options 3, Section 12(b) is consistent with the Act as members will continue to be able to execute Complex paired Public Customer Orders as they do today. With this proposal, similar to Customer Cross Orders, the Exchange proposes to remove the ability to enter Complex paired Public Customer Orders as a PIXL cross. Complex Customer Cross Orders would be automatically executed upon entry so long as: (i) the price of the transaction is at or within the best bid and offer for the same complex strategy on the Complex Order Book; (ii) there are no Public Customer Complex Orders for the same strategy at the same price on the Complex Order Book; and (iii) the options legs can be executed at prices that comply with the provisions of Options 3, Section 14(c)(2).<sup>193</sup> Complex Customer Cross Orders will be rejected if they cannot be executed.

This proposal is not changing the manner in which a Complex Order with a stock/ETF component is treated today on Phlx. This proposal is consistent with today's treatment of Complex Orders with a stock/ETF component. As is the case for any Complex Order with a stock/ETF component, and as described in this proposal, members may only submit Complex Customer Cross Orders with a stock/ETF component if such orders comply with the Qualified Contingent Trade Exemption from Rule 611(a) of Regulation NMS as described above for the Facilitation and Solicited Order Mechanisms. Members submitting such orders with a stock/ETF component

represent that such orders comply with the Qualified Contingent Trade Exemption. Members of FINRA or The Nasdaq Stock Market ("Nasdaq") are required to have a Uniform Service Bureau/Executing Broker Agreement ("AGU") with Nasdaq Execution Services, LLC ("NES") in order to trade orders containing a stock/ETF component; firms that are not members of FINRA or Nasdaq are required to have a Qualified Special Representative ("QSR") arrangement with NES in order to trade orders containing a stock/ETF component. This proposed language is an existing requirement that is being added to the rule text to make explicit the obligation of members to submit orders that comply with the QCT exemption.

Also, with the adoption of Customer Cross Orders, the Exchange proposes to amend Options 3, Section 16, Complex Order Risk Protections.<sup>194</sup> Specifically, the Exchange proposes to provide that the strategy protections in Options 3, Section 16(b), which include a Vertical Spread Protections, a Calendar Spread Protection, a Butterfly Spread Protection, and a Box Spread Protection, will not apply to Customer Cross Orders pursuant to Options 3, Section 16. As described above with other auctions, a Customer Cross Order is a two-sided order where the contra-side order is willing to trade with the agency order at an agreed upon price. The Exchange believes that because paired orders are negotiated in advance by both parties it is unlikely that the parties would agree to transact at prices that would necessitate these protections. This rule text is identical to ISE Options 3, Section 16(b).

#### Qualified Contingent Cross Orders

The Exchange's proposal to relocate and amend the description of a Qualified Contingent Cross Order or "QCC Order" from Options 3, Section 7(b)(8) which states, a QCC Order is as that term is defined in Options 3, Section 12, that is identical to ISE Options 3, Section 12, is consistent with the Act. Similar to today, a QCC Order would be comprised of an originating order to buy or sell at least 1000 contracts that is identified as being part of a qualified contingent trade, as that term is relocated Supplementary Material .01 to Options 3, Section 7, coupled with a contra-side order or orders totaling an equal number of contracts. QCC Orders would trade in accordance with Options 3, Section 12(c) and continue to be entered through FIX. This description is

identical to ISE Options 3, Section 7(j). The Exchange's proposal to align its QCC functionality to ISE will provide market participants with a harmonized approach to entering QCC Orders on all Nasdaq affiliated markets. Today, Phlx offers QCC Orders electronically and on its trading floor. The Exchange also proposes to amend Options 8, Section 30(e)(3), related to a Floor QCC, to refer to the description of a "qualified contingent trade" at proposed to Supplementary Material .01 to Options 3, Section 7 and to refer to the proposed QCC Order rules in proposed Options 3, Section 12.<sup>195</sup> QCC Orders that are currently offered on Phlx are identical to QCC Orders offered on ISE. The Exchange proposal to harmonize the rule text across its Nasdaq affiliated exchanges to reflect the harmonized functionality will remove impediments to and perfect the mechanism of a free and open market and a national market system. Phlx would continue to comply with its current QCC Order requirements.

The Exchange's proposal to adopt rule text identical to ISE Options 3, Section 12(d) with respect to Complex QCC Orders is consistent with the Act. Today, Phlx offers members the ability to enter Complex QCC Orders. Similar to today, Complex QCC Orders would automatically executed upon entry so long as: (i) the price of the transaction is at or within the best bid and offer for the same complex options strategy on the Complex Order Book; (ii) there are no Public Customer Complex Options Orders for the same strategy at the same price on the Complex Order Book; and (iii) the options legs can be executed at prices that (A) are at or between the better of the internal PBBO or the NBBO

<sup>195</sup> Phlx Options 8, Section 30(e) similarly provides that a Floor QCC Order is comprised of an originating order to buy or sell at least 1,000 contracts that is identified as being part of a qualified contingent trade, coupled with a contra-side order or orders totaling an equal number of contracts. Also, Options 8, Section 30(e)(1) provides that Floor QCC Orders are immediately executed upon entry into the System by an Options Floor Broker provided that (i) no Public Customer Orders are at the same price on the Exchange's limit order book and (ii) the price is at or between the better of the PBBO and the NBBO. Floor QCC Orders shall be submitted into the System by Floor Brokers on the Floor or remotely via the Options Floor Based Management System. Pursuant to Options 8, Section 30(e)(1)(a), a Floor Broker does not have to be present on the Exchange's Trading Floor to submit a Floor QCC Order to the System. A Floor Broker may remotely submit a Floor QCC Order to the System through the Options Floor Based Management System. Pursuant to Options 8, Section 30(e)(1)(b), Floor QCC Orders will be automatically cancelled if they cannot be executed. Pursuant to Options 8, Section 30(e)(1)(c), Floor QCC Orders may only be entered in the regular trading increments applicable to the options class under Options 3, Section 3.

<sup>193</sup> See *supra* note 31.

<sup>194</sup> See *supra* note 118.

for the individual series, and (B) comply with the provisions of Options 3, Section 14(c)(2)(i),<sup>196</sup> provided that no legs of the Complex Options Order can be executed at the same price as a Public Customer Order on the Exchange in the individual options series. Complex QCC Orders will be rejected if they cannot be executed. Also, each leg of a Complex Options Order must meet the 1,000 contract minimum size requirement for QCC Orders.

With this proposal, Phlx would continue to offer Complex QCC, however, Phlx would permit Complex QCC Orders be entered in one cent increments. Today, ISE permits Complex QCC Orders to be offered in one cent increments set forth in Options 3, Section 14(c)(1) as explained below in greater detail. As amended, the rule text pertaining to Complex QCC Orders at proposed Options 3, Section 22(d) would be identical to ISE.

Today, QCC Orders may only be entered in the regular trading increments applicable to the options class under Options 3, Section 3, Minimum Increments.<sup>197</sup> The Exchange's proposal to amend the minimum increment for Complex QCC Orders from the minimum increments standard within Options 3, Section 3 to the minimum increments allowable for Complex Orders at Options 3, Section 14(c)(1),<sup>198</sup> which permit bids and offers for Complex Options Strategies to be expressed in one cent (\$0.01) increments, and the options leg of Complex Options Strategies to be executed in one cent (\$0.01) increments,

is consistent with the Act. The pricing of a Complex Order, whether or not it is a QCC Order, is based on the relative price of one option leg to another (as opposed to the outright price of a single option). In this case the standard increment of trading of the individual legs of a Complex Order is less relevant to the pricing of the Complex Order. In addition, each option leg of a Complex QCC Order would continue to meet the same requirements as today for execution as a Complex QCC Order. Further, the Exchange notes that the parties to a contingent trade are focused on the spread or ratio between the transaction prices for each of the component instruments (*i.e.*, the net price of the entire contingent trade), rather than the absolute price of any single component. Under the requirements of the QCT Trade Exemption,<sup>199</sup> the spread or ratio between the relevant instruments must be determined at the time the order is placed, and this spread or ratio stands regardless of the market prices of the individual orders at their time of execution.<sup>200</sup> As the Commission noted in the QCT Trade Exemption, "the difficulty of maintaining a hedge, and the risk of falling out of hedge, could dissuade participants from engaging in contingent trades, or at least raise the cost of such trades."<sup>201</sup> Thus, the Commission found that, if each stock leg of a qualified contingent trade were required to meet the trade-though provisions of Rule 611 of Regulation NMS, such trades could become too risk and costly to be employed successfully and noted that the elimination or reduction of this trading strategy potentially could remove liquidity from the market.

In approving Cboe's proposal,<sup>202</sup> the Commission found that QCC Orders could facilitate the execution of qualified contingent trades, which the Commission previously had found to be beneficial to the market as a whole by contributing to the efficient functioning of the securities markets and the price

discovery process. The Commission noted that QCC Orders would provide assurance to parties to stock-option qualified contingent trades that their hedge would be maintained by allowing the options component of the qualified contingent trade to be executed as a clean cross.<sup>203</sup>

By allowing QCC Orders with more than one option leg to trade in \$0.01 increments, rather than in the standard increment applicable to simple leg orders in the options class, the proposal could facilitate the execution of QCC Orders with multiple option legs by providing additional price points at which these orders would be able to be executed, which, in turn, could facilitate the execution of qualified contingent trades. As discussed above, the Commission previously found that transactions that meet the specified requirements of the NMS QCT Trade Exemption could benefit the market as a whole by contributing to the efficient functioning of the securities markets and the price discovery process. Further, as discussed above, QCC Orders provide assurance to the parties to a stock-option qualified contingent trade that their hedge will be maintained by allowing the options component of the order to be executed as a clean cross. By allowing QCC Orders with multiple option legs to be executed in \$0.01 increments, the proposal could further facilitate the execution of the option component of a stock-option qualified contingent trade. ISE Complex QCC Orders are permitted to be entered in \$0.01 increments pursuant to Options 3, Section 14(c)(1). This amendment would place Complex QCC Orders on the same footing as other types of Complex Orders that would trade on Phlx and with Complex QCC Orders traded on ISE.<sup>204</sup> The proposed changes to QCC Orders and Complex QCC Orders would apply equally to electronic and floor trading. Therefore, the Exchange proposes to remove the current rule text in Options 8, Section 30(e) and (e)(1), (e)(1)(b) and (c), applicable to Floor QCC Orders and instead provide that a Floor Qualified Contingent Cross Order shall be

<sup>196</sup> Proposed Phlx Options 3, Section 14(c)(2)(i) states, a Complex Options Strategies may be executed at a total credit or debit price with one other member without giving priority to bids or offers established on the Exchange that are no better than the bids or offers in the individual options series comprising such total credit or debit; provided, however, that if any of the bids or offers established on the Exchange consist of a Public Customer Order, the price of at least one leg of the complex strategy must trade at a price that is better than the corresponding bid or offer on the Exchange by at least one minimum trading increment for the series as defined in Options 3, Section 3. Phlx separately filed a proposal to adopt Complex Order functionality identical to ISE Options 3, Section 14 with SR-Phlx-2025-17. *See* Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

<sup>197</sup> Options 3, Section 3(a) provides, except as provided in Supplementary Material to Options 3, Section 3 below, all options on stocks, index options, and Exchange Traded Fund Shares trading at a price of \$3.00 or higher shall have a minimum increment of \$.10, and all options on stocks and index options trading at a price under \$3.00 shall have a minimum increment of \$.05.

<sup>198</sup> *See also supra* note 35.

<sup>199</sup> *See* Initial QCT Exemption Order. *See also* QCT Exemptive Order.

<sup>200</sup> *See* Securities Exchange Act Release No. 63955 (February 24, 2011), 76 FR 11533, 11540 (March 2, 2011) (SR-ISE-2010-73) (Order Granting Approval of a Proposed Rule Change To Modify Qualified Contingent Cross Order Rules).

<sup>201</sup> The QCC order type facilitates the execution of stock/option Qualified Contingent Trades that satisfy the requirements of the trade through exemption in connection with Rule 611(d) of Regulation NMS ("QCT Trade Exemption"). *See also* Initial QCT Exemption Order. *See* Initial QCT Exemption Order. *See also* QCT Exemptive Order.

<sup>202</sup> *See* Securities Exchange Act Release No. 64653 (June 13, 2011), 76 FR 35491, 35492 (June 17, 2011) (order approving CBOE-2011-041) ("CBOE QCC Approval Order").

<sup>203</sup> *See* CBOE QCC Approval Order at 35492.

<sup>204</sup> Phlx separately filed a proposal to adopt Complex Order functionality identical to ISE Options 3, Section 14 with SR-Phlx-2025-17. *See* Securities Exchange Act Release No. 102862 (April 15, 2025), 90 FR 16731 (April 21, 2025) (SR-Phlx-2025-17) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Phlx's Complex Order Functionality). SR-Phlx-2025-17 proposed the same operative date as this proposal as they are both part of the same technology migration.

transacted as specified in Options 3, Section 12(c) and (d).

The Exchange's proposal to remove the rule text concerning Stop Orders and their election in Supplementary Material .01 to Options 3, Section 12 and Supplementary Material .03 to Options 8, Section 30 is consistent with the Act because all Stop Orders whether they are trading on the Exchange's order book or in an auction, which have not been elected are not protected orders and are thus not considered for the acceptance or execution. The Exchange proposes to adopt the descriptions of Stop Order and Stop Limits Order identical to ISE Options 3, Section 7(d) and (e) in a separate rule change.<sup>205</sup> The election process for a Stop Order is described in Options 3, Section 7(d) and therefore the rule text in Supplementary Material .01 to Options 3, Section 12 and Supplementary Material .03 to Options 8, Section 30 is unnecessary.

#### Options 3, Section 13

The Exchange proposes to amend certain rule text in Options 3, Section 13, related to PIXL, to align its rule with that of ISE. Generally, the Exchange proposes to amend the PIXL rule to change references to "member organization" to "member" to align to ISE's term.

The Exchange's proposal to amend its order entry checks for PIXL Orders at Options 3, Section 13(a)(1)–(3) to align those entry check to ISE Options 3, Section 13 (b)(1)–(3) is consistent with the Act. With respect to order entry check for PIXL Orders for less than 50 options contracts in Options 3, Section 13(a)(1), if the PIXL Order is for a Non-Public Customer, the PIXL Order must also be better than any quote on the same side of the market as the PIXL Order. Today, Phlx re-prices orders that would otherwise lock or cross an away market.<sup>206</sup> The Exchange proposes to

<sup>205</sup> See *supra* note 3.

<sup>206</sup> Specifically, an order will be re-priced to the current national best offer (for bids) or the current national best bid (for offers) as non-displayed and displayed at one MPV above (for offers) or below (for bids) the national best price. See current Phlx Options 3, Section 5(d), an order will not be executed at a price that trades through another market or displayed at a price that would lock or cross another market. An order that is designated by the member as routable will be routed in compliance with applicable Trade-Through and Locked and Crossed Markets restrictions. An order that is designated by a member as non-routable will be re-priced in order to comply with applicable Trade-Through and Locked and Crossed Markets restrictions. If, at the time of entry, an order that the entering party has elected not to make eligible for routing would cause a locked or crossed market violation or would cause a trade-through violation, it will be re-priced to the current national best offer (for bids) or the current national best bid (for offers) as non-displayed, and displayed at one minimum

add the concept of "internal PBBO" in the order entry checks for a PIXL Auction in Options 3, Section 13(a)(1) and Section 13(a)(1)(A) to account for a non-displayed better price that may be available on the Exchange order book. This proposal would perfect the mechanism of a free and open market and a national market system because, with this re-pricing, an Exchange order could be available at a price that is better than the NBBO, but is non-displayed (*i.e.*, the Exchange's non-displayed order book or "internal PBBO"). The Exchange proposes similar changes within Options 3, Section 13(a)(2) and (3) to add references to "difference between the internal PBBO." The additional changes to Phlx Options 3, Section 13(a)(3) align the rule text to ISE Options 3, Section 13(b)(3) without a substantive change.

The Exchange's proposal to remove rule text at to Options 3, Section 13(a)(7) which provides that PIXL Orders submitted during the final two seconds of the trading session in the affected series are not eligible to initiate an Auction and will be rejected is consistent with the Act because it would allow for the execution of additional PIXL auction orders similar to ISE Options 3, Section 13 which does not restrict the submission of a PIXL Order in the final two seconds of trading. The removal of this restriction would allow Phlx to compete with ISE when executing similar orders. The Exchange is renumbering (a)(8) as new (a)(7) and is amending a cross citation in the introductory paragraph of Options 3, Section 13 to cite to proposed (a)(7).

The proposed amendments to Phlx Options 3, Section 13(b)(1)(A), which describe the choices that a member has when providing execution instructions for a PIXL Auction, are non-substantive amendments intended to simply the current rule language, that is currently overcomplicated. The Exchange believes that these amendments are designed for the protection of investors and the public interest in that they set forth the available choices with respect to price instructions in a PIXL Auction which thereby benefits market participants who elect to utilize this mechanism. As is the case today, if the PBBO on the same side of the market as the PIXL Order represents a Limit Order on the book, the stop price must be at least \$0.01 better than the booked Limit Order's limit price. Once the Initiating member has submitted a PIXL Order for processing pursuant to this

price variance above (for offers) or below (for bids) the national best price.

subparagraph, such PIXL Order may not be modified or cancelled. Under any of the circumstances described in subparagraphs (b)(i)–(iii) of Options 3, Section 13(b)(1)(A), the stop price or NWT price may be improved to the benefit of the PIXL Order during the Auction, but may not be cancelled.

The Exchange's proposal to amend Phlx Options 3, Section 13(b)(1)(A) to clarify that, unless there are remaining contracts after including all quote(s), order(s) or PAN responses, under no circumstances will the Initiating member receive an allocation percentage, at the final price point, of more than 50% with one competing quote, order or PAN response or 40% with multiple competing quotes, orders or PAN responses, when competing quotes, orders or PAN responses have contracts available for execution, except when rounding is non-substantive. If there were no remaining contracts, the order would be allocated to the contra-side and this scenario would not exist. This proposed rule text aligns PIXL to current PIM functionality at ISE Options 3, Section 13(d)(7).

The Exchange's proposal to amend Options 3, Section 13(a)(4)(A) and (B) to add the phrase "on both sides of the market" to the Complex Order entry checks is consistent with the Act because the Exchange's Complex Order entry check ensures that the Initiating member stops the entire Complex PIXL order at a price that is better than the best net price (debit or credit) available on the Complex Order Book on both sides of the market and also improves the net price that is achievable from the best Phlx bids and offers for the individual options on both sides of the market. This check represents current System functionality and serves to ensure that Complex PIXL Auctions start at improved prices. In addition, this check is consistent with the Complex Order entry check in ISE's PIM auction at ISE Options 3, Section 13(e)(2). The Exchange believes that noting "both sides of the market" in the entry check provides greater transparency as to the System functionality. Removing the phrase "provided in either case that such price is equal to or better than the PIXL Order's limit price" in Options 3, Section 13(a)(4)(B) is consistent with the Act given that this rule text is unnecessary because price improvement is required on both sides of the market pursuant to Options 3, Section 13(a)(4).

The Exchange's proposal to amend the Surrender provisions at Options 3, Section 13(b)(1)(B) is consistent with the Act because an Initiating member will be able to submit an Initiating

Order with a configurable percentage designation of “Surrender” up to 40% or such lower percentage requested by the member. Today, the System permits an Initiating member to elect to receive either the full 40% allocation entitlement or no allocation at all. The Exchange believes that the proposed feature will provide an Initiating member with more flexibility to choose its priority allocation percentage, similar to functionality currently offered on ISE, at Options 3, Section 13(e)(5)(iii). Any Initiating member may elect to use the PIXL Surrender feature. The Exchange’s proposal to amend Options 3, Section 13(b)(1)(B) to remove the following rule text, “. . . forfeiting the priority and trade allocation privileges which he is otherwise entitled to as per . . .”, is consistent with the Act, because the proposed text defines “Surrender” as the percentage designation, which the Exchange believes more accurately defines “Surrender.” This rule text is being removed in favor of simply citing directly to the allocation provisions (Options 3, Section 13(b)(5)(B)(i)).

The Exchange’s proposal to amend the second sentence of Options 3, Section 13(b)(1)(B), to instead provide, “If zero (0%) is specified, the Initiating Order will only trade if there is not enough interest available to fully execute the PIXL Order at prices which are equal to or improve upon the stop price,” is consistent with the Act. The proposed text makes clear that if no percentage were elected for Surrender (0%) then the Initiating Order will only trade if there is not enough interest available to fully execute the PIXL Order at prices which are equal to or improve upon the stop price.

The Exchange’s proposal to amend Options 3, Section 13(b)(1)(C) to add “price” to the PIXL Auction Notification or “PAN,” as part of the technology migration, is consistent with the Act because adding “price” to the list of details will provide Participants with greater transparency with respect to the PIXL and could encourage more competition in PIXL and greater opportunity for potential price improvement in PIXL. This rule change is similar to the behavior of PAN responses on ISE Options 3, Section 13(c).<sup>207</sup>

<sup>207</sup> The Exchange also amended the name of the TOPO data feed and relocated the Specialized Quote Feed or SQF Protocol in a separate rule change. The TOPO data feed was amended to the Phlx Orders data feed. Additionally, the SQF protocol was relocated to Supplementary Material .03(c) to Options 3, Section 7. See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 (December 30, 2024) (SR–

The Exchange’s proposal to amend Options 3, Section 13(b)(1)(G)(ii) which states, “The minimum price increment for PAN responses and for an Initiating member’s stop price and/or NWT price in the case of a Complex Order shall be entered in the increments provided in Options 3, Section 14(c)(1). Responses that improve the stop price must improve the price by at least \$0.01” is consistent with the Act. This proposed amendment is identical to ISE Options 3, Section 13(e)(4)(i). The Exchange proposes to note that the minimum price increment for PAN responses and for an Initiating member’s stop price and/or NWT price in the case of a Complex Order shall be entered in the increments provided in Options 3, Section 14(c)(1)<sup>208</sup> and to also make clear that responses must improve the stop price by \$0.01.

The Exchange’s proposal to amend Options 3, Section 13(b)(1)(H) to conform the rule text to ISE Options 3, Section 13(c)(2) is consistent with the Act. With this proposed change, the System will not cancel a PAN response that exceeds the size of the PIXL Order as it does today, rather, the Exchange will cap the size of the PAN responses to the auction size for purposes of the allocation methodology. With this change, better priced interest gets executed in full only if there is sufficient size to execute against such interest and Public Customer interest would continue to execute first in price time priority. This proposed change would continue to ensure a fair and orderly market by maintaining and protecting the priority of Public Customer orders, while still affording the opportunity for all market participants to seek liquidity and potential price improvement.

The Exchange’s proposal to amend Options 3, Section 13(b)(1)(I) with respect to the handling of a PAN response is consistent with the Act because the proposed rule change is intended to protect investors and the public interest. By way of example, during a PIM auction, similar to the proposals for the Facilitation Mechanism and SOM, once an order or quote is received on the opposite side of the PIM Agency Order which is marketable with the Agency Order, it changes the internal PBBO and potentially the NBBO. If such initial order or quote does not comprise enough size to fully satisfy the PIM

Phlx–2024–71). SR–Phlx–2024–71 is effective but not yet operative. SR–Phlx–2024–71 would be operative at the same time as this rule change as they are both part of the same technology migration.

<sup>208</sup> See also *supra* note 35.

Agency Order, since it has changed the internal PBBO/NBBO, it now prevents PAN responses which improve the stop price of the auction from being entered at a price that is inferior to the initial order or quote, despite such initial order or quote’s inability to satisfy the full volume of the Agency Order at an improved price. By utilizing the better of the internal PBBO or the NBBO at the start of the relevant PIXL auction, the Exchange believes that better priced responses would be permitted to trade with the Crossing Transaction. Today, those better priced responses would be rejected. This proposal would permit a response to these auctions to be entered at a price that is equal to or better than the better of the internal PBBO or the NBBO on the same side of the market at the start of the auction and on the opposite side of the market at the time the Response is received, thereby preventing potential auction manipulation which can occur when an order/quote is entered at a price that improves the price of the Crossing Transaction. This amendment would allow other responses to that auction to be entered at a price that improves the price of the Crossing Transaction, but is inferior to such other quote/order responses which improved upon the internal PBBO or NBBO. Utilizing the price of the market at the start of the auction, for the same side check, would prevent an order or quote from potentially manipulating the final auction price by changing the internal PBBO/NBBO while not fully satisfying the Agency Order, thus preventing PAN responses from being entered at a price that improves the stop price of the auction, but remains inferior to the price of such initial order or quote. The entry checks differ for the same and opposite sides of the market because manipulation may not occur on the opposite side of the response because only interest on the same side as the response will be eligible to trade with the auctioned order. The proposed amendments would allow Agency Orders to potentially trade at improved prices.

The Exchange’s proposal to amend Options 3, Section 13(b)(1)(J) to replace the words “immediately cancelled” with “rejected” is a non-substantive technical amendment. Non-eligible and non-compliant orders that are submitted into PIXL are rejected as those orders are reviewed for compliance with Exchange rules, these orders are not immediately cancelled, as technically there is time, however miniscule, between the submission of the order and the rejection of the order. The Exchange

believes this non-substantive change adds more clarity to the rule text.

The Exchange's proposal to amend Options 3, Section 13(b)(1)(K) to add language regarding PAN responses in a PIXL Auction is consistent with the Act and protects investors and the public interest by making clear the current handling of PAN responses by not allowing members to submit multiple PAN responses using the same badge/mnemonic and would also not aggregate all of those PAN responses at the same price. Further, additional PAN responses from the same badge/mnemonic for the same auction ID will automatically replace the previous PAN responses.

The Exchange's proposal to change the term "Reference BBO" in Options 3, Section 13(b)(2)(B) and Options 3, Section 13(b)(6) to "internal PBBO" to align to the rule text utilized in Options 3, Section 5(d) is a non-substantive change, both terms mean the same thing.

The Exchange's proposal to amend Options 3, Section 13(b)(2)(C) to amend and add scenarios that would cause the early termination of a Complex Order PIXL Auction is consistent with the Act. The Exchange's proposal addresses situations where a marketable Complex Order is received, a non-marketable Complex Order is received and the scenario where the Complex PIXL Order may execute against an unrelated order. These additional scenarios are identical to ISE Options 3, Section 13(e)(5)(iv), ISE Options 3, Section 13(e)(4)(iv)(D), and ISE Options 3, Section 13(e)(4)(iv)(C). In the case of a trading halt on the Exchange in the affected series, the entire PIXL Order would be executed at the stop price solely against the Initiating Order. This rule text is similar to ISE Options 3, Section 13(d)(5). Any unexecuted PAN responses will be cancelled. If a trading halt is initiated after the order is entered into the Complex PIXL, such auction will be automatically terminated without an execution. This rule text is identical to ISE Options 3, Section 13(e)(4)(iv)(E). The Exchange proposes to early terminate the Complex PIXL Auctions in proposed Options 3, Section 13(b)(2)(C)(i) and (ii) to permit executions that would otherwise be outside of the complex order book. The Exchange proposes to early terminate the Complex PIXL Auctions in proposed Options 3, Section 13(b)(2)(D) to avoid executions which are outside of the complex order book. The Exchange proposes to early terminate the Complex PIXL Auctions in proposed Options 3, Section 13(b)(2)(E) to provide executions for resting orders. Finally,

proposed Options 3, Section 13(b)(2)(F) (formally Options 3, Section 13(b)(2)(D)) would continue to provide that a PIXL Auction will early terminate any time there is a trading halt on the exchange in the affected series.

With these proposed amendments, a Complex PIXL is subject to early termination on the receipt of a Complex Order or quote for the same complex strategy on either side of the market that is marketable against the Complex Order book or bids and offers for the individual legs or the receipt of a non-marketable Complex Order or quote for the same complex strategy on the same side of the market that would cause the price of the Complex Order being auctioned to be outside of the best bid or offer for the same complex strategy on the Complex Order book. This text is identical to ISE Options 3, Section 13(e)(4)(iv)(B) and (C).<sup>209</sup> The Exchange proposes to add the ability to early terminate a Complex PIXL upon the receipt of a Complex Order in the same complex strategy on either side of the market that is marketable against the Complex Order Book or bids and offers for the individual legs because without early terminating the auction the marketable Complex Order would not be able to trade until the end of Complex PIXL Auction. Eligible interest remaining on the Complex Order Book after an auction trades may trade with subsequent auctions, including any Complex Order auction, as those are processed.

The Exchange's proposal to remove the remainder of the rule text in Phlx Options 3, Section 13(b)(3) is consistent with the Act because the rule text is unnecessary. Current Phlx Options 3, Section 13(b)(7) provides that if the execution PIXL Auction price (except if it is a Complex Order) would be the same or better than an order on the Limit Order book represented in the PBBO on the same side of the market as the PIXL Order, the PIXL Order may only be executed at a price that is at least \$0.01 better than the resting order's limit price. If such resting order's limit price is equal to or crosses the stop price, then the entire PIXL Order will trade at the stop price with all better

<sup>209</sup> ISE Options 3, Section 13(e)(4)(iv)(B and (C) state that the exposure period will automatically terminate . . . (B) upon the receipt of a Complex Order in the same complex strategy on either side of the market that is marketable against the Complex Order Book or bids and offers for the individual legs, (C) upon the receipt of a non-marketable Complex Order in the same complex strategy on the same side of the market as the Agency Complex Order that would cause the execution of the Agency Complex Order to be outside of the best bid or offer on the Complex Order Book.

priced interest being considered for execution at the stop price. The Exchange notes that this language would continue to apply to an early termination for a PIXL Auction (except if it is a Complex Order), any time the internal PBBO crosses the PIXL Order stop price on the same side of the market as the PIXL Order. The Exchange is amending Phlx's functionality such that the execution described in current Options 3, Section 13(b)(3)(B) will not execute in this manner because the Exchange is removing the early termination provision in current Options 3, Section 13(b)(2)(C) which describes the cPBBO including Reference BBO or the Complex Order book crossing the PIXL Order stop price on the same side of the market as the PIXL Order. As noted above, the proposed new rule text in Options 3, Section 13(b)(3) explains how a PIXL Order would execute in the case of a trading halt which applies to current Options 3, Section 13(b)(2)(D).

The Exchange's proposal to remove the second sentence from current Options 3, Section 13(b)(4) is consistent with the Act because the Exchange has amended the early termination provisions to permit a resting Complex Order in the same complex strategy on either side of the market that becomes marketable against the Complex Order Book or bids and offers for the individual legs to early terminate a PIXL Auction. Therefore, this sentence is being removed for consistency.

The Exchange's proposal to amend the System allocation to the Initiating member after Public Customer orders have been allocated in Options 3, Section 13(b)(5)(B)(i) based on the initial size of the PIXL Order instead of remaining contracts after Public Customer interest is satisfied is consistent with the Act because allocating based on the "initial size of the PIXL Order" provides an expectation for members that respond to PIXL Orders, whether that allocation is size pro-rata or auto-match. With this proposed change, the Exchange believes that members are better able to determine their allocation when responding with a PAN if the Initiating member's allocation is based on the initial size of the PIXL Order after Public Customer interest is satisfied, rather than the remaining contracts after Public Customer interest is satisfied. The Exchange's proposal provides greater transparency to market participants in that when they respond to a PIXL Auction they are aware of the initiating size, as compared to an undetermined remaining size which is unknown as responses are not visible to

all market participants. The Exchange's proposal is similar to ISE Options 3, Section 13(d)(3).

Replacing the term "cPBBO" with "best net price achievable from the best bids and offers for the individual legs" throughout Options 3, Section 13 is consistent with the Act because the proposed new text is utilized in ISE Options 3, Section 13 to describe the best price for the individual legs. Replacing the term "pro-rata basis" in Options 3, Section 13(b)(5)(B)(iv) with the term "size pro-rata basis" aligns usage of that term in Options 3, Section 10. The Exchange is removing the rule text that explains size pro-rata because size pro-rata allocation is explained in Options 3, Section 10 which is referred to in the rule text.<sup>210</sup>

Amending the rounding in Options 3, Section 13(b)(5)(B)(vi) from down to up is consistent with the Act because this methodology produces an equitable outcome during allocation that is consistent with the protection of investors and the public interest because all market participants are aware of the methodology that will be utilized to calculate outcomes for allocation purposes. Today, Phlx PIXL rounds down to the nearest integer when it allocates. Options 3, Section 10 was amended in a separate rule change to reflect rounding up on Phlx.<sup>211</sup> As a result of changing the rounding methodology, residual odd lots will no longer exist. If the result of an allocation is not a whole number, it will now be rounded up to the nearest whole number instead of down. Finally, with respect to rounding, because it is rounding up, the provisions which describe allocations for remainders of less than one contract cannot occur and, therefore, this rule text is being removed because such remainders would not be possible. Additionally, the Odd Lot Allocation within Phlx Options 3, Section 10(a)(1)(F) was eliminated in a separate rule change<sup>212</sup> because Phlx will round up which would not result in remaining contracts to be allocated after rounding. There is no net benefit or negative to electing to round up versus utilizing any other method of rounding (down, banker's rounding, etc.) provided the rounding is handling uniformly and applied in the same manner to each trade executed by the System. The Exchange will uniformly

apply its proposed rounding methodology, rounding up, to all transactions executed on Phlx. Finally, similar to ISE Options 3, Section 13(e)(5)(ii),<sup>213</sup> the Exchange proposes that after Public Customer interest on the Complex Order Book and PAN responses at a given net price, non-Public Customer interest on the Complex Order Book and PAN responses will participate in the execution of the Complex PIXL Order based upon the percentage of the total number of contracts available at the price that is represented by the size of such interest.

Amending Options 3, Section 13(b)(8) to amend the first sentence to provide "one minimum price variation (as provided in Options 3, Section 14(c)(1))" in lieu of "\$0.01" is consistent with the Act because it will prevent the Complex PIXL order from executing at a price where there is a resting Complex Order on the same side of the market while still allowing the Complex PIXL order to execute and receive price improvement. Bids and offers for Stock-Option Strategies or Stock-Complex Strategies may be expressed in any decimal price determined by the Exchange, and the stock leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in any decimal price permitted in the equity market. The options leg of a Stock-Option Strategy or Stock-Complex Strategy may be executed in one cent (\$0.01) increments, regardless of the minimum increments otherwise applicable to the individual options legs of the order.

#### Options 3, Section 22

The Exchange's proposal to amend Options 3, Section 22 to account for the new auction mechanisms that are exceptions to the order requirements in this rule is consistent with the Act because the new text will inform member organizations where exceptions exist for order exposure in the rules. The Exchange's proposal to add a new Supplementary Material .01 to Options 3, Section 22 is consistent with the Act and will protect investors and the general public because it would prevent member organizations from executing agency orders to increase its economic gain from trading against the order if they do not first expose the order.

Further, the rule states that it is a violation of Options 3, Section 22(b) for a member organization to circumvent the information barriers in Options 3, Section 22(d) by providing an opportunity for a customer or other person (including affiliates) to regularly execute against agency orders handled by the member organization immediately upon their entry into the System. This proposed rule text is identical to ISE Supplementary Material .01 to Options 3, Section 22. The Exchange's proposal to add a new Supplementary Material .03 to Options 3, Section 22 is consistent with the Act because the proposed rule text expands on the exposure obligations for limitations on principal transactions and informs member organizations about the necessary information barriers that should exist to prevent leakage of information about certain orders. The proposed changes are identical to rule text in Options 3, Section 22.

#### Corresponding Changes to Options Rules

The Exchange proposes to adopt a new Supplementary Material .02(d)(4) to Options 3, Section 7 to make clear that these order types are Immediate-or-Cancel Orders is consistent with the Act as this language aligns with the proposed auction mechanism wherein the order is cancelled if not executed. ISE has identical language at Supplementary Material .02(d)(4) to Options 3, Section 7.

Amending Options 3, Section 22, Limitations on Order Entry, is consistent with the Act as the mechanisms that are being added are exceptions to the order exposure rule, which requires member organizations to expose trading interest to the market before executing agency orders as principal or before executing agency orders against orders that were solicited from other broker-dealers. ISE has identical rule text at Options 3, Section 22.

#### Section 11(a) Analysis

The Exchange believes that the proposed Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, and Complex SOM in Options 3, Section 11 are consistent with Section 11(a)(1) of the Act<sup>214</sup> and the rules promulgated

<sup>210</sup> The Exchange proposes to remove the phrase, "with Public Customer interest being satisfied first in time priority, then to SQT, RSQT, and Floor Market Maker interest satisfied on a size pro-rata basis, and lastly to non-market maker off-floor broker-dealers on a size pro-rata basis."

<sup>211</sup> See *supra* note 3.

<sup>212</sup> *Id.*

<sup>213</sup> ISE Options 3, Section 13(e)(5)(ii) states, after Priority Customer interest on the Complex Order Book at a given net price, non-Priority Customer interest on the Complex Order Book will participate in the execution of the Agency Complex Order based upon the percentage of the total number of contracts available at the price that is represented by the size of such interest.

<sup>214</sup> 15 U.S.C. 78k(a). Section 11(a)(1) prohibits a member of a national securities exchange from effecting transactions on that exchange for its own account, the account of an associated person, or an account over which it or its associated person exercises investment discretion unless an exception applies.

thereunder. Generally, Section 11(a)(1) of the Act restricts any member of a national securities exchange from effecting any transaction on such exchange for (i) the member's own account, (ii) the account of a person associated with the member, or (iii) an account over which the member or a person associated with the member exercises investment discretion (collectively referred to as "covered accounts"), unless a specific exemption is available. Examples of common exemptions include the exemption for transactions by broker dealers acting in the capacity of a market maker under Section 11(a)(1)(A),<sup>215</sup> the "G" exemption for yielding priority to non-members under Section 11(a)(1)(G) of the Act and Rule 11a1-1(T) thereunder,<sup>216</sup> and the "Effect vs. Execute" exemption under Rule 11a2-2(T) under the Act.<sup>217</sup> The "Effect vs. Execute" exemption permits an exchange member, subject to certain conditions, to effect transactions for covered accounts by arranging for an unaffiliated member to execute transactions on the exchange. To comply with Rule 11a2-2(T)'s conditions, a member: (i) must transmit the order from off the exchange floor; (ii) may not participate in the execution of the transaction once it has been transmitted to the member performing the execution;<sup>218</sup> (iii) may not be affiliated with the executing member; and (iv) with respect to an account over which the member has investment discretion, neither the member nor its associated person may retain any compensation in connection with effecting the transaction except as provided in Rule 11a2-2(T). For the reasons set forth below, the Exchange believes that members entering orders and Responses into the Block Order Mechanism pursuant to Options 3, Section 11(a), Facilitation Mechanism pursuant to Options 3, Section 11(b), Complex Facilitation Mechanism pursuant to Options 3, Section 11(c), SOM pursuant to Options 3, Section 11(d), and Complex SOM pursuant to proposed Options 3, Section 11(e) would satisfy the requirements of Rule 11a2-2(T).

Rule 11a2-2(T)'s first requirement is that orders for covered accounts be transmitted from off the exchange floor. While the Exchange does operate a physical trading floor, the proposed

Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, and Complex SOM are electronic auctions and are not eligible for floor trading. In the context of automated trading systems, the Commission has found that the off-floor transmission requirement is met if a covered account order is transmitted from a remote location directly to an exchange's floor by electronic means.<sup>219</sup> The Exchange represents that the System and the proposed Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, and Complex SOM auctions described above will receive all orders and Responses electronically through remote terminals or computer-to-computer interfaces. The Exchange represents that auction orders and Responses, for covered accounts from members, will be transmitted from a remote location directly to the proposed respective auction mechanism described above by electronic means.

The second condition of Rule 11a2-2(T) requires that neither a member nor an associated person participate in the execution of its order once the order is transmitted to the floor for execution. The Exchange represents that, upon submission to the Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, and Complex SOM, an order or Response will be executed automatically pursuant to the rules set forth in proposed Options 3, Section 11(a) for Block Order Mechanism, Options 3, Section 11(b) for Facilitation Mechanism, Options 3, Section 11(c) for Complex Facilitation Mechanism, Options 3, Section 11(d) for SOM, and Options 3, Section 11(e) for Complex SOM. In particular, execution of an order (including an order entered into the Block Order Mechanism, a Facilitation Order or a Solicited Order, as applicable) or a Response sent to the applicable auction mechanism depends

not on the member entering the respective order or Response, but rather on what other interest is present and the priority of that interest. Thus, at no time following the submission of a respective order or a Response is a member or any associated person of such member able to acquire control or influence over the result or timing of the order or Response execution.<sup>220</sup> Once the order (including an order entered into the Block Order Mechanism, a Facilitation Order or a Solicited Order, as applicable) has been transmitted, the member that transmitted such order into the Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, or Complex SOM, (as applicable) will not participate in the execution of the respective order. Members submitting the orders (including an order entered into the Block Order Mechanism, a Facilitation Order or a Solicited Order, as applicable) into the applicable mechanism will relinquish control to cancel their orders entered into the auction, or modify or cancel their order entered into the Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, or Complex SOM (as applicable).<sup>221</sup> Further, no member, including the member submitting the order into the applicable auction mechanism described above, will see Responses submitted into any of the auction mechanisms and therefore will not be able to influence or guide the execution of their orders or Responses, as applicable.

Rule 11a2-2(T)'s third condition requires that the order be executed by an exchange member who is unaffiliated with the member initiating the order. The Commission has stated that the requirement is satisfied when automated exchange facilities, such as the Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, or

<sup>219</sup> See, e.g., Securities Exchange Act Release Nos. 95445 (August 8, 2022), 87 FR 49894 (August 12, 2022) (SR-MEMX-2022-10) (approving options trading on MEMX Options); 61419 (January 26, 2010), 75 FR 5157 (February 1, 2010) (SR-BATS-2009-031) (approving BATS options trading); 59154 (December 23, 2008), 73 FR 80468 (December 31, 2008) (SR-BSE-2008-48) (approving equity securities listing and trading on BSE); 57478 (March 12, 2008), 73 FR 14521 (March 18, 2008) (SR-NASDAQ-2007-004 and SR-NASDAQ-2007-080) (approving NOM options trading); 53128 (January 13, 2006), 71 FR 3550 (January 23, 2006) (File No. 10-131) (approving The Nasdaq Stock Market LLC); 44983 (October 25, 2001), 66 FR 55225 (November 1, 2001) (SR-PCX-00-25) (approving Archipelago Exchange); 29237 (May 24, 1991), 56 FR 24853 (May 31, 1991) (SR-NYSE-90-52 and SR-NYSE-90-53) (approving NYSE's Off-Hours Trading Facility); and 15533 (January 29, 1979), 44 FR 6084 (January 31, 1979) ("1979 Release").

<sup>220</sup> Responses to the Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM or Complex SOM represent non-firm interest that can be canceled or modified at any time prior to execution. See Options 3, Section 11 in the introductory paragraph. Therefore, for these auctions, a member may not cancel or modify an order entered into the Block Order Mechanism, a Facilitation Order or a Solicited Order after it has been submitted into the respective auction. The Commission has stated that the nonparticipation requirement does not preclude members from cancelling or modifying orders, or from modifying instructions for executing orders, after they have been transmitted so long as the modifications or cancellations are also transmitted from off the floor. See Securities Exchange Act Release No. 14563 (March 14, 1978), 43 FR 11542, 11547 (the "1978 Release").

<sup>221</sup> See *id.*

<sup>215</sup> 15 U.S.C. 78k(a)(1)(A).

<sup>216</sup> 15 U.S.C. 78k(a)(1)(G) and 17 CFR 240.11a1-1(T).

<sup>217</sup> 17 CFR 240.11a2-2(T).

<sup>218</sup> The member may, however, participate in clearing and settling the transaction.

Complex SOM are used, as long as the design of these systems ensures that members do not possess any special or unique trading advantages in handling their orders after transmitting them to the exchange.<sup>222</sup> The Exchange represents that the Block Order Mechanism, Facilitation Mechanism, Complex Facilitation Mechanism, SOM, or Complex SOM are designed so that no member has any special or unique trading advantage in the handling of its orders after transmitting its orders to the applicable auction mechanism.

Rule 11a2-2(T)'s fourth condition requires that, in the case of a transaction effected for an account with respect to which the initiating member or an associated person thereof exercises investment discretion, neither the initiating member nor any associated person thereof may retain any compensation in connection with effecting the transaction, unless the person authorized to transact business for the account has expressly provided otherwise by written contract referring to Section 11(a) of the Act and Rule 11a2-2(T) thereunder.<sup>223</sup> The Exchange recognizes that members relying on Rule 11a2-2(T) for transactions effected pursuant to the proposed auction rules, and in particular through the applicable auction mechanisms described above, must comply with this condition of the rule and the Exchange will enforce this requirement pursuant to its obligations under Section 6(b)(1) of the Act to enforce compliance with federal securities laws.

<sup>222</sup> In considering the operation of automated execution systems operated by an exchange, the Commission noted that, while there is not an independent executing exchange member, the execution of an order is automatic once it has been transmitted into the system. Because the design of these systems ensures that members do not possess any special or unique trading advantages in handling their orders after transmitting them to the exchange, the Commission has stated that executions obtained through these systems satisfy the independent execution requirement of Rule 11a2-2(T). See 1979 Release.

<sup>223</sup> See 17 CFR 240.11a2-2(T)(a)(2)(iv). In addition, Rule 11a2-2(T)(d) requires a member or associated person authorized by written contract to retain compensation, in connection with effecting transactions for covered accounts over which such member or associated persons thereof exercises investment discretion, to furnish at least annually to the person authorized to transact business for the account a statement setting forth the total amount of compensation retained by the member in connection with effecting transactions for the account during the period covered by the statement which amount must be exclusive of all amounts paid to others during that period for services rendered to effect such transactions. See also 1978 Release, at 11548 (stating "[t]he contractual and disclosure requirements are designed to assure that accounts electing to permit transaction-related compensation do so only after deciding that such arrangements are suitable to their interests").

The Exchange therefore believes that the proposed rules in Options 3, Section 11 governing the Block Order Mechanism, the Facilitation Mechanism, the Complex Facilitation Mechanism, SOM, and Complex SOM, are consistent with Rule 11a2-2(T).

#### Other Rule Changes

The Exchange's proposal to amend Options 3, Section 7(g) to state that "Market Makers may not enter a Reserve Order pursuant to Options 2, Section 6" is a non-substantive change. Options 2, Section 6 restricts a Market Maker from entering a Reserve Order. This amendment is non-substantive. The Exchange is reiterating the restriction in Options 3, Section 7(g) solely to bring additional transparency to the restrictions regarding Market Makers. ISE has an identical sentence in Options 3, Section 7(g). Additionally, the Exchange proposes to add the following sentence to new Supplementary Material .02 to Options 3, Section 22 with respect to Reserve Orders, "With respect to the non-displayed reserve portion of a Reserve Order, the exposure requirement of paragraphs (b) and (c) are satisfied if the displayable portion of the Reserve Order is displayed at its displayable price for one second." This sentence is identical to ISE Supplementary Material .02 to Options 3, Section 22 and would make clear the exposure obligation for a Reserve Order.

The Exchange's proposal to amend Supplementary Material .03 to Options 3, Section 7, regarding the SQF Protocol,<sup>224</sup> to note that an Immediate-or-Cancel or "IOC" Order entered by a Market Maker through SQF will not be subject to the Complex Order Price Protection as defined in Options 3, Section 16(c)(1) is consistent with the Act. The Exchange recently added the same language to Supplementary Material .02(d) to Options 3, Section 7 in describing an IOC Order.<sup>225</sup> The Exchange proposes to add the same language to Supplementary Material .03 to Options 3, Section 7 for greater transparency. ISE Supplementary Material .03 to Options 3, Section 7 has identical rule text.

The Exchange's proposal to amend the Acceptable Trade Range at Options 3, Section 15(b)(1)(B) to clarify a member's ability to have interest returned if their quote or order would post at the outer limit of the Acceptable Trade Range is a non-substantive

<sup>224</sup> See *supra* note 3.

<sup>225</sup> Immediate-or-Cancel. An order entered with a TIF of "IOC" that is to be executed in whole or in part upon receipt. Any portion not so executed is to be treated as cancelled. See Supplementary Material .02(d) to Options 3, Section 7.

amendment. The Exchange is amending this rule text so that it aligns with ISE Options 3, Section 15(a)(2)(A)(iii). The revised language is intended to clarify that the interest posting at the outer limit of the Acceptable Trade Range would trigger the return of that interest.

The Exchange's proposal to remove the following sentence, "If, during the Route Timer, any new interest arrives opposite the FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price" that the Exchange inadvertently failed to remove in SR-Phlx-2024-71 is consistent with the Act. The Exchange noted in SR-Phlx-2024-71 that it proposed to amend to amend Phlx Options 5, Section 4(a)(iii)(B)(5) to remove sentences that were relocated to Phlx Options 5, Section 4(a)(iii)(B)(2) as noted above.<sup>226</sup> The Exchange should have removed the aforementioned sentence which is covered by Phlx Options 5, Section 4(a)(iii)(B)(2) and does appear in ISE Options 5, Section 4(a)(iii)(B)(5). The Exchange notes in SR-Phlx-2024-71 that it was harmonizing Options 5, Section 4 to ISE Options 5, Section 4. The proposed sentence that is to be removed is represented in Phlx Options 5, Section 4(a)(iii)(B)(2). The removal of this sentence will make Phlx Options 5, Section 4(a)(iii)(B)(5) identical to ISE Options 5, Section 4(a)(iii)(B)(5) as intended by SR-Phlx-2024-71. The Exchange also proposes a technical amendment to remove a stray word, "including," at the end of Options 5, Section 4(a)(iii)(C)(8) that was inadvertently not removed in SR-Phlx-2024-71.

#### 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 not necessary or appropriate in furtherance of the purposes of the Act. As discussed above, the Exchange is re-platforming its System in connection with the technology migration to enhanced Nasdaq functionality, which the Exchange believes would promote competition among options exchanges by potentially attracting additional order flow to the Exchange with the enhanced trading platform. The basis for the majority of the proposed rule changes are the rules of the Nasdaq affiliated options exchanges, which have been previously filed with the Commission as consistent with the Act.

<sup>226</sup> See Securities Exchange Act Release No. 101989 (December 30, 2024), 89 FR 106888 at 106911 (December 30, 2024) (SR-Phlx-2024-71).

## Options 2, Section 10

The Exchange's proposal to amend Options 2, Section 10(a)(iii) to add the words "the internal PBBO or" before NBBO, similar to Options 2, Section 10(a)(ii) does not impose an undue burden on competition because the amendment conforms the rule text with references to the internal PBBO and NBBO. The Exchange's amendment will add clarity to current rule text.

## Options 3, Section 11

The proposed auctions in Options 3, Section 11 will impose any burden on intramarket competition.

As it relates to the proposed Block Order Mechanism, the proposed functionality is designed to increase competition for order flow on the Exchange in a manner intended to be beneficial to investors seeking to effect block-sized orders with an opportunity to access additional liquidity and potentially receive price improvement. The Exchange will offer this mechanism to all members, and use of the proposed functionality will be completely voluntary.

As it relates to the proposed Facilitation Mechanism and SOM, the proposed functionality is designed to increase competition in the auctions, provide more options contracts with price improvement, and incentivize market participants to initiate more auctions, particularly given the auto-match feature. Increases in the number of auctions initiated on the Exchange using these mechanisms will directly correlate with an increase in the number of agency orders that are provided with the opportunity to receive price improvement over the NBBO. The Exchange believes this interaction of orders will benefit investors by increasing the opportunity for options orders to receive executions.

As it relates to inter-market competition, the Exchange notes that these proposed rules are identical to ISE Options 3, Section 11 rules, which have been previously filed with the Commission, and therefore promotes fair competition among the options exchanges. The Exchange anticipates that the proposed Block Order Mechanism, the Facilitation Mechanism and the SOM will create new opportunities for the Exchange to attract new business and compete on an equal footing with other options exchanges with similar auctions. The Exchange also notes that market participants on other exchanges are welcome to become participants on the Exchange if they determine if this proposed rule change

has made Phlx a more attractive or favorable venue.

## Options 3, Section 12

The proposed auctions in Options 3, Section 12 as well as Options 8, Section 30, will impose any burden on intramarket competition.

As it relates to the proposed Customer Cross Orders and Complex Customer Cross Orders, the Exchange believes that market participants will continue to enter and execute paired Public Customer Orders automatically outside of a PIXL Auction. All members may utilize this functionality which is completely voluntary.

As it related to the proposed QCC Orders and Complex QCC Orders, the Exchange believes that market participants will continue to enter and execute these order types on Phlx. All Phlx members will be uniformly required to enter Complex QCC Orders in one cent (\$0.01) increments as well as the options leg of Complex Options Strategies. All members may utilize this functionality which is completely voluntary.

As it relates to inter-market competition, the Exchange notes that these proposed rules are identical to ISE Options 3, Section 2 rules, which have been previously filed with the Commission, and therefore promotes fair competition among the options exchanges. The Exchange anticipates that the proposed Customer Cross Orders, Complex Customer Cross Orders, QCC Orders and Complex QCC Orders will continue to attract order flow to Phlx and allow it to compete on an equal footing with other options exchanges with similar functionality.

## Options 3, Section 13

The proposed PIXL Auction in Options 3, Section 13 will impose any burden on intramarket competition.

All members may continue to utilize the proposed PIXL Auction which is completely voluntary for an opportunity to receive price improvement.

As it relates to inter-market competition, the Exchange notes that the proposed amendments are substantially similar to ISE Options 3, Section 13 rule text, which have been previously filed with the Commission, and therefore promotes fair competition among the options exchanges. The Exchange anticipates that the proposed PIXL Auction will continue to attract order flow to Phlx and allow it to compete on an equal footing with other options exchanges with similar functionality.

## Options 3, Section 22

The Exchange's proposal to amend Options 3, Section 22 to account for the new auction mechanisms that are exceptions to the order requirements and add new Supplementary Material .01 and .03 to require exposure, prohibit circumvention of information barriers and prevent leakage of information about certain orders do not impose any burden on intramarket competition, rather the requirements promote just and equitable principals of trade.

The Exchange's proposal to amend Options 3, Section 22 to account for the new auction mechanisms that are exceptions to the order requirements and add new Supplementary Material .01 and .03 to require exposure, prohibit circumvention of information barriers and prevent leakage of information about certain orders do not impose any burden on intermarket competition as all exchanges subject their members to similar rules. ISE has identical rules at Options 3, Section 22.

## Corresponding Changes to Options Rules

The proposed amendments to Options 3, Sections 7, 10, 14, 16 and 22 do not impose any burden on intramarket competition. All members are subject to the proposed amendments at Options 3, Sections 7, 10, 14, 16 and 22.

As it relates to inter-market competition, the Exchange notes that the proposed amendments to Options 3, Sections 7, 10, 14, 16 and 22 are identical to ISE rule text, which have been previously filed with the Commission, and therefore promotes fair competition among the options exchanges.

The Exchange's proposal to remove the following sentence, "If, during the Route Timer, any new interest arrives opposite the FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price" that the Exchange inadvertently failed to remove in SR-Phlx-2024-71 does not impose any burden on intramarket competition as the sentence is represented in Phlx Options 5, Section 4(a)(iii)(B)(2). The removal of this sentence will make Phlx Options 5, Section 4(a)(iii)(B)(5) identical to ISE Options 5, Section 4(a)(iii)(B)(5) as intended by SR-Phlx-2024-71.

The Exchange's proposal to remove the following sentence, "If, during the Route Timer, any new interest arrives opposite the FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price" that the

Exchange inadvertently failed to remove in SR–Phlx–2024–71 does not impose any burden on intermarket competition as ISE has identical rule text. The Exchange’s proposal to remove a stray word, “including,” at the end of Options 5, Section 4(a)(iii)(C)(8) is a non-substantive amendment.

*C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

No written comments were either solicited or received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>227</sup> and subparagraph (f)(6) of Rule 19b-4 thereunder.<sup>228</sup>

<sup>227</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>228</sup> 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

*Electronic Comments*

- Use the Commission’s internet comment form (<http://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–Phlx–2025–35 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Vanessa Countryman, Secretary,

change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to file number SR–Phlx–2025–35. 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 filing 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–Phlx–2025–35 and should be submitted on or before September 3, 2025.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>229</sup>

**J. Matthew DeLesDernier,**  
*Deputy Secretary.*

[FR Doc. 2025–15317 Filed 8–12–25; 8:45 am]

**BILLING CODE 8011–01–P**

<sup>229</sup> 17 CFR 200.30–3(a)(12).

# Reader Aids

Federal Register

Vol. 90, No. 154

Wednesday, August 13, 2025

## CUSTOMER SERVICE AND INFORMATION

<b>Federal Register/Code of Federal Regulations</b>	
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Executive orders and proclamations	<b>741-6000</b>
<b>The United States Government Manual</b>	<b>741-6000</b>
<b>Other Services</b>	
Electronic and on-line services (voice)	<b>741-6020</b>
Privacy Act Compilation	<b>741-6050</b>

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## FEDERAL REGISTER PAGES AND DATE, AUGUST

36101-36372.....	1
36373-37372.....	4
37373-37780.....	5
37781-38000.....	6
38001-38392.....	7
38393-38602.....	8
38603-38704.....	11
38705-38934.....	12
38935-39088.....	13

## CFR PARTS AFFECTED DURING AUGUST

At the end of each month the Office of the Federal Register publishes separately a List of CFR Sections Affected (LSA), which lists parts and sections affected by documents published since the revision date of each title.

<b>3 CFR</b>	48.....	38212
<b>Proclamations:</b>	71.....36400, 38421, 38614, 38615, 38618, 38716	
10960.....	36369	89.....38212
10961.....	36371	91.....38212
10962.....	37727	107.....38212
10963.....	38919	108.....38212
<b>Executive Orders:</b>		119.....38212
14256 (superseded in part by EO 14324).....	37775	133.....38212
14323.....	37739	135.....38212
14324.....	37775	137.....38212
14325.....	37957	141.....37815, 37816
14326.....	37963	146.....38212
14327.....	37993	<b>15 CFR</b>
14328.....	38597	921.....38001
14329.....	38701	922.....38001
14330.....	38921	923.....38001
14331.....	38925	<b>21 CFR</b>
14332.....	38929	73.....37793
<b>Administrative Orders:</b>		1308.....38396
<b>Memorandums:</b>		<b>Proposed Rules:</b>
Memorandum of June 30, 2025.....	38913	1.....38084
<b>Notices:</b>		146.....37817
Notice of July 15, 2025.....	37371	<b>22 CFR</b>
Notice of August 4, 2025.....	37999	41.....37378, 38610
Notice of August 6, 2025.....	38601	<b>Proposed Rules:</b>
<b>5 CFR</b>		42.....37437
213.....	38604	<b>26 CFR</b>
315.....	38604	<b>Proposed Rules:</b>
362.....	38603	1.....37824
537.....	38604	<b>29 CFR</b>
<b>7 CFR</b>		2550.....38909
245.....	38393	<b>30 CFR</b>
460.....	38607	250.....36106, 38935
<b>12 CFR</b>		551.....38705
<b>Proposed Rules:</b>		585.....37386
1090.....	38409, 38412, 38415, 38418	1219.....38938
<b>14 CFR</b>		<b>Proposed Rules:</b>
29.....	37373	926.....36402, 36404, 36406, 36407
33.....	36373, 36375	<b>31 CFR</b>
39.....	37376, 37781, 37786, 37787	528.....38940
71.....	36101, 36102, 36104, 38393	542.....38941
97.....	38394	544.....38941
<b>Proposed Rules:</b>		561.....38941
33.....	38076	594.....38941
36.....	38212	597.....38941
39.....	37432, 37434, 37808, 37810, 38078, 38081, 38713	<b>32 CFR</b>
43.....	38212	516.....38398
45.....	38212	<b>33 CFR</b>
		100.....36378, 37793, 38942
		117.....36109
		165.....36111, 36378, 36379,

36381, 37793, 38399, 38401, 38942  
 207.....38403  
 326.....38403  
**Proposed Rules:**  
 100.....38423  
 110.....36409  
 165.....36412, 37829  
**38 CFR**  
**Proposed Rules:**  
 17.....36415  
**39 CFR**  
**Proposed Rules:**  
 111.....38716  
**40 CFR**  
 52 .....37386, 37389, 38005, 38009, 38406  
 81.....38406  
 174.....37797  
 180.....37800  
**Proposed Rules:**  
 52 .....38088, 38093, 38095

81.....38095  
 85.....36125, 36288  
 86.....36125, 36288  
 180.....38426  
 257.....38619  
 600.....36125, 36288  
 1036.....36125, 36288  
 1037.....36125, 36288  
 1039.....36125, 36288  
**42 CFR**  
 412 .....36536, 37628, 37678  
 413.....37310  
 418.....37404  
 495.....36536  
 512.....36536  
**43 CFR**  
 2800.....36111  
 3100 .....36114, 36117, 36118  
 3120.....36118  
 3170.....36120  
 3470.....36122

**45 CFR**  
 170.....36536  
**47 CFR**  
 0.....36383  
 1.....36385, 36396  
 2.....38045  
 8.....38406  
 15.....38045  
 20.....38406  
 24.....36396  
 27.....36385  
 51.....38406  
 63.....36396  
 73.....38942  
 79.....36396  
**48 CFR**  
 Ch. 1.....38206, 38209  
 32.....38208  
 43.....38208  
 52.....38206, 38208  
**49 CFR**  
 227.....38071

**Proposed Rules:**  
 192.....38429  
 1540.....38212  
 1544.....38212  
**50 CFR**  
 217.....38001  
 218.....38001  
 222.....38001  
 223.....38001  
 224.....38001  
 226.....38001  
 229.....38001  
 300.....38001, 38610  
 600.....38001  
 622.....37804, 38001  
 635 .....38001, 38708, 38709  
 648.....38612  
 679.....38711  
 697.....38001  
**Proposed Rules:**  
 17.....37445  
 679.....37831

---

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**LIST OF PUBLIC LAWS**

---

**Note:** No public bills which have become law were received by the Office of the Federal Register for inclusion

in today's **List of Public Laws**.

Last List August 5, 2025

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