NUCLEAR REGULATORY COMMISSION

[5101–2020–0001]

Sunshine Act Meetings


PLACE: Commissioners’ Conference Room, 11555 Rockville Pike, Rockville, Maryland.

STATUS: Public.

Week of November 9, 2020

Thursday, November 12, 2020

10:00 a.m. Affirmation Session (Public Meeting) (Tentative)

a. Exelon Generating Company, LLC (Peach Bottom Atomic Power Station, Units 2 and 3)—Beyond Nuclear’s Appeal Of LBP–19–5 (Tentative)


Additional Information: By a vote of 5–0 on November 7 and 9, 2020, the Commission determined pursuant to U.S.C. 552b(e) and ‘9.107(a) of the Commission’s rules that the above referenced Affirmation Session be held with less than one week notice to the public. The meeting will be held on November 12, 2020. Due to COVID–19, there will be no physical public attendance. The public is invited to listen to the Commission’s meeting live by telephone. The details may be found at the Web address—https://www.nrc.gov/

CONTACT PERSON FOR MORE INFORMATION:

For more information or to verify the status of meetings, contact Denise McGovern at 301–415–0681 or via email at Denise.McGovern@nrc.gov. The schedule for Commission meetings is subject to change on short notice.

The NRC Commission Meeting Schedule can be found on the internet at: https://www.nrc.gov/public-involve/public-meetings/schedule.html.

The NRC provides reasonable accommodation to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in these public meetings or need this meeting notice or the transcript or other information from the public meetings in another format (e.g., braille, large print), please notify Anne Silk, NRC Disability Program Specialist, at 301–287–0745, by videophone at 240–428–3217, or by email at Anne.Silk@nrc.gov. Determinations on requests for reasonable accommodation will be made on a case-by-case basis.

Members of the public may request to receive this information electronically. If you would like to be added to the distribution, please contact the Nuclear Regulatory Commission, Office of the Secretary, Washington, DC 20555 (301–415–1969), or by email at Tyesha.Bush@nrc.gov.

The NRC is holding the meetings under the authority of the Government in the Sunshine Act, 5 U.S.C. 552b.

Dated: November 9, 2020.

For the Nuclear Regulatory Commission.

Denise L. McGovern,
Policy Coordinator, Office of the Secretary.

[FR Doc. 2020–25154 Filed 11–9–20; 4:15 pm]

BILLING CODE 7590–01–P

SEcurities AND EXchangE cOMMISSION


Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Equity Transaction Fee Rebate Tiers

November 5, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”) and Rule 19b–4 thereunder, notice is hereby given that on November 2, 2020, Cboe BZX Exchange, Inc. (the “Exchange” or “BZX”) 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 BZX Exchange, Inc. (the “Exchange” or “BZX”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the fee schedule. 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/bzx/), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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 fee schedule applicable to its equities trading platform (“BZX Equities”) to: (1) Update the Supplemental Incentive Program Tiers; (2) update the Lead Market Maker (“LMM”) Add Volume Tiers and (3) eliminate the Non–Displayed Tape A Tier 1, effective November 2, 2020. The Exchange first notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. More specifically, the Exchange is only one of 16 registered equities exchanges, as well as a number of alternative trading systems and other off-exchange venues that do not have similar self-regulatory responsibilities under the Exchange Act, to which market participants may direct their order flow. Based on publicly available information, no single registered equities exchange has more than 18% of the market share. Thus, in such a low-concentrated and highly competitive market, no single equities exchange possesses significant pricing power in the execution of order flow. The Exchange in particular operates a “Maker-Taker” model whereby it pays credits to members that provide liquidity and assesses fees to those that remove liquidity. The Exchange’s fee schedule sets forth the standard rebates and rates applied per share for orders

that provide and remove liquidity, respectively. Currently, for orders priced at or above $1.00, the Exchange provides a standard rebate of $0.0020 per share for orders that add liquidity and assesses a fee of $0.0030 per share for orders that remove liquidity. For orders priced below $1.00, the Exchange provides a standard rebate of $0.0009 per share for orders that add liquidity and assesses a fee of 0.30% of total dollar value for orders that remove liquidity. Additionally, in response to the competitive environment, the Exchange also offers tiered pricing which provides Members opportunities to qualify for higher rebates or reduced fees where certain volume criteria and thresholds are met. Tiered pricing provides an incremental incentive for Members to strive for higher tier levels, which provides increasingly higher benefits or discounts for satisfying increasingly more stringent criteria.

Proposed Updates to the Supplemental Incentive Program Tiers

The Exchange currently offers three different Supplemental Incentive Program Tiers under footnote 1 of the Fee Schedule, wherein a Member may receive an additional rebate for qualifying orders where a Member adds a certain Tape ADAV 4 as a percentage of that Tape’s TCV. Specifically, the Supplemental Incentive Program Tiers offered are as follows:

- Supplemental Incentive Program—Tape A Tier offers an additional rebate of $0.0001 for orders yielding fee code V 5 where a Member has a Tape A ADAV greater than or equal to 0.30% of the Tape A TCV;
- Supplemental Incentive Program—Tape B Tier offers an additional rebate of $0.0001 for orders yielding fee code B 6 where a Member has a Tape B ADAV greater than or equal to 0.30% of the Tape B TCV; and
- Supplemental Incentive Program—Tape C Tier offers an additional rebate of $0.0001 for orders yielding fee code Y 7 where a Member has a Tape C ADAV greater than or equal to 0.30% of the Tape C TCV.

The proposed rule change amends the tiers’ criteria by increasing the percentage of Tape ADAV over Tape TCV from 0.30% to 0.40% for Supplemental Incentive Program—Tape A and Tape C Tiers, and from 0.30% to 0.50% for Supplemental Incentive Program—Tape B Tier. The proposed rule change to the Supplemental Incentive Program Tiers does not alter any of the additional rebate amounts currently offered. Although the proposed changes to the thresholds result in more stringent criteria, Members still have an opportunity to receive the additional rebate if they meet the applicable tier threshold. Moreover, the proposed changes are designed to encourage Members to increase their Displayed liquidity in Tape A, B, and C securities on the Exchange, thereby contributing to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.

Proposed Updates to the LMM Add Volume Tiers

Under the Exchange’s LMM Program, the Exchange offers daily incentives for LMMs in securities listed on the Exchange for which the LMM meets certain Minimum Performance Standards.8 Such daily incentives are determined based on the number of Cboe-listed securities for which the LMM meets such Minimum Performance Standards and the average auction volume across such securities. Generally, the more LMM Securities for which the LMM meets the Minimum Performance Standards and the higher the auction volume across those securities, the greater the total daily payment to the LMM. Currently, the Exchange offers three LMM Add Volume Tiers [sic] under footnote 14 of the Fee Schedule, which provides an additional rebate for applicable LMM orders. Specifically, the Supplemental Incentive Program Tiers currently offered are as follows:

- LMM Add Volume Tier 1 provides an additional rebate of $0.0001 for orders yielding fee codes B, V, and Y where an LMM (1) has an ADAV greater than or equal to 0.20% of the TCV, (2)

- LMM Add Volume Tier 2 provides an additional rebate of $0.0006 for orders yielding fee codes V and “HV” 10 where an LMM (1) is enrolled in at least 50 LMM Securities, and (2) has a Tape A ADAV greater than or equal to 0.10% of the Tape A TCV;
- LMM Add Volume Tier 3 provides an additional rebate of $0.0003 for orders yielding fee codes B and “HB” 11 where an LMM (1) is enrolled in at least 50 LMM Securities, and (2) has a Tape B ADAV greater than or equal to 0.20% of the Tape B TCV;
- LMM Add Volume Tier 4 provides an additional rebate of $0.0006 for orders yielding fee codes Y and “HY” 12 where an LMM (1) is enrolled in at least 50 LMM Securities, and (2) has a Tape C ADAV greater than or equal to 0.10% of the Tape C TCV.

The Exchange proposes to update the TCV thresholds in LMM Add Volume Tiers 2, 3 and 4 as follows below. The Exchange notes that the additional rebates currently provided in each tier remain the same, as do the remaining criteria for each tier.

- To meet the proposed criteria in Tier 2, a Member must add a Tape A ADV greater than or equal to 0.20% (instead of 0.10%) of the Tape A TCV.
- To meet the proposed criteria in Tier 3, a Member must add a Tape B ADV greater than or equal to 0.35% (instead of 0.20%) of the Tape B TCV.
- To meet the proposed criteria in Tier 4, a Member must add a Tape C ADV greater than or equal to 0.20% (instead of 0.10%) of the Tape C TCV.

Although the proposed changes to these thresholds result in more stringent criteria, Members will still have an opportunity to receive the additional rebates for meeting the applicable tier thresholds. Moreover, the proposed changes are designed to encourage LMMs to increase both their Displayed and Non-Displayed liquidity in Tape A, B and C securities on the Exchange, thereby contributing to a deeper and more liquid market, which benefits all market participants and provides greater execution opportunities on the Exchange.
non-displayed add volume tape A tier 1

the objectives of section 6 of the act, the proposed rule change is consistent with the exchange therefore no longer wishes to reach this tier in several months and the exchange therefore no longer wishes to, nor is it required to, maintain such tiers.

2. statutory basis

the exchange believes that the proposed rule change is consistent with the objectives of section 6 of the act, in general, and furthers the objectives of section 6(b)(4), in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members, issuers and other persons using its facilities. the exchange operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. the proposed rule changes reflect a competitive pricing structure designed to incentivize market participants to direct their order flow to the exchange, which the exchange believes would enhance market quality to the benefit of all members. the exchange notes that relative volume-based incentives and discounts have been widely adopted by exchanges, including the exchange, and are reasonable, equitable and non-discriminatory because they are open to all members on an equal basis and provide additional benefits or discounts that are reasonably related to (i) the value to an exchange’s market quality and (ii) associated higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns. additionally, as noted above, the exchange operates in highly competitive market. the exchange is only one of several equity venues to which market participants may direct their order flow, and it represents a small percentage of the overall market. it is also only one of several maker-taker exchanges. competing equity exchanges offer similar tiered pricing structures, including schedules of rebates and fees that apply based upon members achieving certain volume and/or growth thresholds, as well as assess similar fees or rebates for similar types of orders, to that of the exchange. these competing pricing schedules, moreover, are presently comparable to those that the exchange provides, including the pricing of comparable criteria and/or fees and rebates.

regarding the proposed updates to the supplemental incentive and lmm add volume tiers, the exchange believes that the proposed tiers are reasonable because each of the tiers, as modified, continue to be available to all members and provide members an opportunity to receive an additional rebate, albeit using more stringent criteria. additionally, the exchange also believes that the tiers, even as amended, are reasonable, equitable and not unfairly discriminatory because competing equity exchanges offer similar tiered pricing structures with comparable criteria to that of the supplemental incentive add volume tier. the exchange also believes that the current additional rebates continue to be commensurate with the proposed criteria. that is, the additional rebates reasonably reflect the difficulty in achieving the corresponding criteria as amended.

the exchange further believes that the proposed criteria and corresponding additional rebates per tier are reasonable and equitable. generally, tape b experiences less variability in terms of broader market share, whereas tape a and c tend to experience more volatility. as a result, the exchange has observed that members generally submit less tape volume in connection with tape a and tape c. for example, the average tape adav as a percentage of tape tcv in tape a and tape c from lmm members in the last month was lower than their average tape adav over tape tcv in tape b. as a result, the exchange believes members are more easily able to meet a volume requirement for tape b, and therefore, it is equitable to provide for a slightly higher adav tape b threshold of tape b tcv than that for tape a and c. the exchange believes the proposed changes are also a reasonable means to incentivize members to continue to provide liquidity adding, displayed volume (supplemental incentive tiers)

35 see nyse price list, “credit applicable to supplemental liquidity providers (“slps”)” and nasdaq equity 7, section 118(a)(1).
36 see e.g., nasdaq phlx equity 7 pricing schedule, section 3(c), which provides up to an additional credit of $0.0003 for various order and quoting volume thresholds for the exchange’s qualified market makers (“qmm”).
satisfy LMM Add Volume Tier 3 (as amended) and one Member will be able to satisfy LMM Add Volume Tier 4 (as amended). The Exchange also notes that the proposed tiers will not adversely impact any Member’s ability to qualify for other rebate tiers. Rather, should a Member not meet the proposed criteria for a tier, the Member will merely not receive the corresponding additional rebate.

Finally, the Exchange believes the proposed amendment to remove Non-Displayed Add Volume Tape A Tier 1 is reasonable because no Member has achieved this tier in several months. Moreover, the Exchange is not required to maintain this tier and Members still have a number of other opportunities and a variety of ways to receive enhanced rebates for Non-Displayed liquidity, including the enhanced rebates under the Non-Displayed Add Volume Tiers under footnote 1 of the fees schedule. The Exchange believes the proposal to eliminate these tiers is also equitable and not unfairly discriminatory because it applies to all Members.

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. Rather, as discussed above, the Exchange believes that the proposed change would encourage the submission of additional order flow to a public exchange, thereby promoting market depth, execution incentives and enhanced execution opportunities, as well as price discovery and transparency for all Members. As a result, the Exchange believes that the proposed change furthers the Commission’s goal in adopting Regulation NMS of fostering competition among orders, which promotes “more efficient pricing of individual stocks for all types of orders, large and small.”

The Exchange believes the proposed rule change does not impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Particularly, the proposed changes apply to all Members equally in that all Members continue to be eligible for the Supplemental Incentive Tiers and LMM Add Volume Tiers (and have the same opportunity to become an LMM Member), have a reasonable opportunity to meet the tiers’ criteria and will all receive the corresponding additional rebates if such criteria are met. Additionally, the proposed tier changes are designed to attract additional order flow to the Exchange. The Exchange believes that the updated tier criteria would incentivize market participants to direct liquidity adding order flow to the Exchange, bringing with it additional execution opportunities for market participants and improved price transparency. Greater overall order flow, trading opportunities, and pricing transparency benefits all market participants on the Exchange by enhancing market quality and continuing to encourage Members to send orders, thereby contributing towards a robust and well-balanced market ecosystem.

Next, the Exchange believes the proposed rule change does not impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. As previously discussed, the Exchange operates in a highly competitive market. Members have numerous alternative venues that they may participate on and direct their order flow, including 15 other equities exchanges and off-exchange venues and alternative trading systems. Additionally, the Exchange represents a small percentage of the overall market. Based on publicly available information, no single equities exchange has more than 18% of the market share. Therefore, no exchange possesses significant pricing power in the execution of order flow. Indeed, participants can readily choose to send their orders to other exchange and off-exchange venues if they deem fee levels at those other venues to be more favorable. Moreover, the Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. Specifically, 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.”

The fact that this market is competitive has also long been recognized by the courts. In NetCoalition v. Securities and Exchange Commission, the D.C. Circuit stated as follows: “[n]o one disputes that competition for order flow is ‘fierce.’ . . . As the SEC explained, ‘[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution’; and ‘[n]o exchange can afford to take its market share percentages for granted’ because ‘no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers’. . . . ‘”.

Accordingly, the Exchange does not believe its proposed fee change imposes any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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 and paragraph (f) of Rule 19b–4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission 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 (http://www.sec.gov/rules/sro.shtml); or
• Send an email to rule-comments@sec.gov. Please include File Number SR–CboeBZX–2020–078 on the subject line.


SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–90365; File No. SR–CboeEDGX–2020–052]

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Rule 14.10, Requirements for Securities Issued by the Exchange or Its Affiliates

November 6, 2020.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),1 and Rule 19b–4 thereunder,2 notice is hereby given that on October 28, 2020, 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 and II 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

The Exchange proposes to amend Rule 14.10 (Requirements for Securities Issued by the Exchange or its Affiliates) regarding the requirements for the listing of securities that are issued by the Exchange or any of its affiliates. The Exchange notes that the changes proposed herein are substantively identical to changes adopted on Cboe BZX Exchange, Inc. (“BZX”).3

The text of the proposed rule change is also available on the Exchange’s website (http://markets.cboe.com/us/options/regulation/rule_filings/edge/), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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 Rule 14.10 (Requirements for Securities Issued by the Exchange or its Affiliates) regarding the requirements for the listing of securities that are issued by the Exchange or any of its affiliates. The Exchange notes that the changes proposed herein are substantively identical to changes adopted on Cboe BZX Exchange, Inc. (“BZX”).4

Rule 14.10 sets forth certain monitoring requirements that must be met throughout the continued listing and trading of securities issued by the Exchange or its affiliates. More specifically, Rule 14.10(b) and (c) provide that:

• Throughout the continued listing and trading of an Affiliate Security5 on the Exchange, the Exchange shall prepare a quarterly report on the Affiliate Security for the Regulatory Oversight Committee ("ROC") of the Exchange’s Board of Directors that describes the Exchange’s monitoring of the Affiliate Security’s compliance with the Exchange’s listing standards (the “Quarterly Listing Report”);

• once a year, an independent accounting firm shall review the listing standards for the Affiliate Security to ensure that the issuer is in compliance with the listing requirements ("Annual Report"); and

• throughout the trading of an Affiliate Security on the Exchange, the Exchange shall prepare a quarterly report on the Affiliate Security for the Regulatory Oversight Committee of the Exchange’s Board of Directors that describes the Exchange’s monitoring of the trading of the Affiliate Security, including summaries of all related surveillance alerts, complaints, regulatory referrals, trades cancelled or adjusted pursuant to Exchange Rules, investigations, examinations, formal and informal disciplinary actions, exception reports and trading data used to ensure the Affiliate Security’s compliance with...

Footnotes:

4 As defined in Rule 14.10(a)(2), the term “Affiliate Security” means any security issued by a EDGX Affiliate or any Exchange-listed option on any such security, with the exception of Portfolio Depository Receipts as defined in Rule 14.6(d) and Investment Company Units as defined in Rule 14.2.

J. Matthew DeLesDernier,
Assistant Secretary.

[FR Doc. 2020–24962 Filed 11–10–20; 8:45 am]
BILLING CODE 8011–01–P