hours per day (kWh/day), the refrigerated volume (V) in cubic feet ($ft^3$) used to demonstrate compliance with standards set forth in § 431.296, the ambient temperature in degrees Fahrenheit (°F), and the ambient relative humidity in percent (%) during the test.

[FR Doc. 2011–16143 Filed 6–29–11; 8:45 am]

BILLING CODE 6450–01–P

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 240

**[Release No. 34–64748; File No. S7–03–10]**

**RIN 3235–AK53**

## Risk Management Controls for Brokers or Dealers With Market Access

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rule; limited extension of compliance date for certain requirements.

**SUMMARY:** The Commission is extending the compliance date for certain recently adopted requirements of Rule 15c3–5 under the Securities Exchange Act of 1934 (''Exchange Act''). Specifically, the Commission is extending the compliance date, until November 30, 2011, for all of the requirements of Rule 15c3–5 for fixed income securities, and the requirements of Rule 15c3–5(c)(1)(i) for all securities. The compliance date remains July 14, 2011 for all provisions of Rule 15c3–5 not subject to this limited extension. Among other things, Rule 15c3–5 requires broker-dealers with access to trading securities directly on an exchange or alternative trading system (''ATS''), including those providing sponsored or direct market access to customers or other persons, and broker-dealer operators of an ATS that provide access to trading securities directly on their ATS to a person other than a broker-dealer, to establish, document, and maintain a system of risk management controls and supervisory procedures that, among other things, is reasonably designed to systematically limit the financial exposure of the broker-dealer that could arise as a result of market access, and ensure compliance with all regulatory requirements that are applicable in connection with market access.

The Commission is extending the compliance date for all of the requirements of Rule 15c3–5 for fixed income securities, and the requirements of Rule 15c3–5(c)(1)(i) for all securities to give broker-dealers with market access additional time to develop, test, and implement the relevant risk management controls and supervisory procedures required under the Rule.

**DATES:** The effective date for this release is June 30, 2011. The effective date for Rule 15c3–5 remains January 14, 2011. The compliance date is extended to November 30, 2011, for all of the requirements of Rule 15c3–5 for fixed income securities, and the requirements of Rule 15c3–5(c)(1)(i) for all securities. The compliance date remains July 14, 2011, for all provisions of Rule 15c3–5 not subject to the limited extension.

**FOR FURTHER INFORMATION CONTACT:** Theodore S. Venuti, Senior Special Counsel, at (202) 551–5658; Marc F. McKayle, Special Counsel, at (202) 551–5633; and Daniel Gien, Special Counsel, at (202) 551–5747, Division of Trading and Markets, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–7010.

**SUPPLEMENTARY INFORMATION:**

### I. Introduction

On November 3, 2010, the Commission adopted Rule 15c3–5 under the Exchange Act.[1] Among other things, Rule 15c3–5 requires each broker-dealer with access to trading securities [2] directly on an exchange or ATS, including a broker-dealer providing sponsored or direct market access to customers or other persons, and each broker-dealer operator of an ATS that provides access to trading securities directly on their ATS to a person other than a broker-dealer, to establish, document, and maintain a system of risk management controls and supervisory procedures that, among other things, is reasonably designed to (1) systematically limit the financial exposure of the broker-dealer that could arise as a result of market access,[3] and (2) ensure compliance with all regulatory requirements that are applicable in connection with market access.[4] The required financial risk management controls and supervisory procedures must be reasonably designed to prevent the entry of orders that exceed appropriate pre-set credit or capital thresholds,[5] or that appear to be erroneous.[6] The regulatory risk management controls and supervisory procedures must also be reasonably designed to prevent the entry of orders unless there has been compliance with all regulatory requirements that must be satisfied on a pre-order entry basis,[7] prevent the entry of orders that the broker-dealers or customer is restricted from trading,[8] restrict market access technology and systems to authorized persons,[9] and assure appropriate surveillance personnel receive immediate post-trade execution reports.[10]

The Commission understands that, as broker-dealers with market access have worked to meet the July 14, 2011 compliance date, some have determined that additional time is needed to implement effective policies and procedures and complete the systems changes necessary to comply with certain requirements of Rule 15c3–5. The Financial Information Forum (''FIF''), the Securities Industry and Financial Markets Association (''SIFMA''), and the Wholesale Market Brokers' Association (''WMBA'') have submitted letters requesting that the Commission extend the compliance date for those requirements.[11] Specifically, FIF, SIFMA, and WMBA have indicated that more time is needed to comply with Rule 15c3–5(c)(1)(i), which requires the implementation of risk management controls and supervisory procedures that are reasonably designed to prevent the entry of orders that exceed appropriate pre-set credit or capital thresholds, because the type of controls required by the Rule are not currently in place at many broker-dealers, and developing and implementing appropriate controls in this area can be a complex exercise.[12] In addition, they have indicated that more time is needed generally to comply with the requirements under Rule 15c3–5 with respect to fixed income securities, because the type of pre-trade controls required by the Rule have generally not been used in the fixed income market, and developing and implementing controls that appropriately account for the differences in fixed income trading

[1] *See* Exchange Act Release No. 63241 (Nov. 3, 2010), 75 FR 69792 (Nov. 15, 2010) (''Rule 15c3–5 Adopting Release'').

[2] Rule 15c3–5 applies to trading in all securities on an exchange or ATS. *Id.* at 69765.

[3] *See* 17 CFR 240.15c3–5(c)(1).

[4] *See* 17 CFR 240.15c3–5(c)(2).

[5] *See* 17 CFR 240.15c3–5(c)(1)(i).

[6] *See* 17 CFR 240.15c3–5(c)(1)(ii).

[7] *See* 17 CFR 240.15c3–5(c)(2)(i).

[8] *See* 17 CFR 240.15c3–5(c)(2)(ii).

[9] *See* 17 CFR 240.15c3–5(c)(2)(iii).

[10] *See* 17 CFR 240.15c3–5(c)(2)(iv).

[11] *See* letter from Manisha Kimmel, Executive Director, Financial Information Forum, to David Shillman, Associate Director, Division of Trading and Markets (''Division''), Commission, dated April 15, 2011; *see also* letters from Sean Davy, Managing Director, *et al.*, Securities Industry and Financial Markets Association, to Robert Cook, Director, Division, Commission, dated April 21, 2011; and Stephen Merkel, Chairman, Wholesale Markets Brokers' Association, Americas, to Robert Cook, Director, Division, Commission, dated May 31, 2011.

[12] *Id.*

will require substantial effort.[13] SIFMA and WMBA requested that the compliance date for these provisions be extended until November 30, 2011, and FIF requested an extension until January 2012.

The Commission believes that providing a limited extension of the compliance date to November 30, 2011, for (1) all of the requirements of Rule 15c3–5 for fixed income securities, and (2) the requirements of Rule 15c3–5(c)(1)(i) for all securities, is reasonable to assure market participants have sufficient time to develop and implement the required risk management controls for activities where the application of these types of controls may not be widespread. Accordingly, the Commission is extending the compliance date to November 30, 2011, for (1) all of the requirements of Rule 15c3–5 for fixed income securities, and (2) the requirements of Rule 15c3–5(c)(1)(i) for all securities.

## II. Conclusion

For the reasons cited above, the Commission, for good cause, finds that notice and solicitation of comment regarding the extension of the compliance date set forth herein are impractical, unnecessary, or contrary to the public interest.[14] The Commission notes that the compliance date is quickly approaching, and that a limited extension of the compliance date for the reasons cited above will facilitate the orderly implementation of Rule 15c3–5. In light of time constraints, full notice and comment could not be completed prior to the July 14, 2011 compliance date. Broker-dealers with market access will have additional time to comply with the provisions of Rule 15c3–5 discussed above beyond the compliance date originally set forth in the Rule 15c3–5 Adopting Release. Further, the Commission recognizes that it is imperative for broker-dealers with market access to receive notice of the extended compliance date, and providing immediate effectiveness upon publication of this release will allow them to adjust their implementation plans accordingly.[15]

The Commission identified certain costs and benefits associated with the Rule in the Rule 15c3–5 Adopting Release. The extension of the compliance date for Rule 15c3–5 will delay benefits of the Rule, but the Commission believes that the limited extension is necessary and appropriate because it will provide broker-dealers with market access additional time to develop, test, and implement certain of the required risk management controls and supervisory procedures under the Rule. The extension also will delay the costs of complying with the Rule.[16] The Commission believes that the extension does not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act, because the extension will give broker-dealers with market access additional time to develop, test, and implement certain of the risk management controls and supervisory procedures that are required under the Rule.

Dated: June 27, 2011.
By the Commission.

**Elizabeth M. Murphy,**

*Secretary.*

[FR Doc. 2011–16467 Filed 6–29–11; 8:45 am]

**BILLING CODE 8011–01–P**

[13] *Id.*

[14] *See* Section 553(b)(3)(B) of the Administrative Procedure Act (5 U.S.C. 553(b)(3)(B)) (stating that an agency may dispense with prior notice and comment when it finds, for good cause, that notice and comment are ''impractical, unnecessary, or contrary to the public interest''). This finding also satisfies the requirements of 5 U.S.C. 808(2), allowing the rules to become effective notwithstanding the requirement of 5 U.S.C. 801 (if a Federal agency finds that notice and public comment are ''impractical, unnecessary or contrary to the public interest,'' a rule ''shall take effect at such time as the Federal agency promulgating the rule determines''). Also, because the Regulatory Flexibility Act (5 U.S.C. 601—612) only requires agencies to prepare analyses when the Administrative Procedures Act requires general notice of rulemaking, that Act does not apply to the actions that we are taking in this release.

[15] The compliance date extensions set forth in this release are effective upon publication in the **Federal Register**. Section 553(d)(1) of the Administrative Procedure Act allows effective dates that are less than 30 days after publication for a ''substantive rule which grants or recognizes an exemption or relieves a restriction.'' 5 U.S.C. 553(d)(1).

[16] The Commission identified in the Rule 15c3–5 Adopting Release certain ongoing costs associated with Rule 15c3–5. Because of the extension of the compliance date, certain costs may be avoided from July 14, 2011 to November 30, 2011.

## DEPARTMENT OF THE INTERIOR

## Bureau of Ocean Energy Management, Regulation and Enforcement

## 30 CFR Parts 250 and 253

**[Docket ID: BOEM–2010–0070]**

**RIN 1010–AD74**

## Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Civil Penalties

**AGENCY:** Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), Interior.

**ACTION:** Final rule.

**SUMMARY:** The Outer Continental Shelf Lands Act (OCSLA) requires the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) to review the maximum daily civil penalty assessment for violations of regulations implementing the OCSLA at least once every 3 years (43 U.S.C. 1350). Similarly, a review and adjustment process is required at least once every 4 years for the maximum daily civil penalty assessment allowable under the Oil Pollution Act (OPA) of 1990 for violations of regulations governing financial responsibility (28 U.S.C. 2461). These reviews ensure that the maximum penalty assessments reflect any increases in the Consumer Price Index (CPI) as prepared by the Bureau of Labor Statistics, U.S. Department of Labor, and therefore keep up with inflation. BOEMRE conducted these reviews in October 2010 for the OCSLA regulations and in January 2011 for the OPA regulations. BOEMRE determined that the maximum daily civil penalty assessment for violations of its OCSLA regulations should be increased to $40,000, and the maximum daily civil penalty assessment for violations of its financial responsibility regulations should be increased to $30,000.

**DATES:** *Effective Date:* This rule becomes effective on August 1, 2011.

**FOR FURTHER INFORMATION CONTACT:** Joanne McCammon, Safety and Enforcement Branch at (703) 787–1292 or email at *Joanne.McCammon@boemre.gov.*

**SUPPLEMENTARY INFORMATION:**

### Background

The goal of BOEMRE's Outer Continental Shelf (OCS) Civil Penalty Program is to help promote safe and environmentally sound operations on the OCS. The program is designed to encourage compliance with statutes and regulations that apply to activities on the OCS by facilitating the assessment and collection of civil penalties. OCSLA authorizes the Secretary of the Interior to assess civil penalties under certain conditions for violations of any provision of OCSLA; any term of a lease, license, or permit; or any regulation or order implementing OCSLA.

Not all violations warrant a review to initiate civil penalty proceedings. Review is only triggered by violations that an operator fails to correct after notice and an opportunity to correct, or violations that constitute a threat of serious, irreparable, or immediate harm or damage to life, property, any mineral