

MEMORANDUM

TO: Public File – Notice of Proposed Rulemaking: Standardized Approach for Calculating the Exposure Amount of Derivative Contracts

FROM: Catherine Wood
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DATE: May 30, 2019

SUBJECT: April 26, 2019 Meeting with Representatives from Edison Electric Institute, American Gas Association, American Public Power Association, Electric Power Supply Association, and American Wind Energy Association (“Commercial End Users”)

Staff of the Federal Deposit Insurance Corporation (“FDIC”), the Office of the Comptroller of the Currency (“OCC”), and the Board of Governors of the Federal Reserve System (“Board”) (collectively, “agencies”) met in-person and via conference call with representatives the various Commercial End Users on April 26, 2019 to discuss comments submitted by the organizations on the interagency notice of proposed rulemaking that proposed to implement the standardized approach for counterparty credit risk to calculate the exposure amount of derivative contracts under the agencies’ regulatory capital rule (“NPR” or “proposal”). This NPR was published for comment in the Federal Register on December 17, 2018 (83 FR 64660).

The primary topic covered in the meeting was the comments submitted by the respective organizations regarding the impact of the NPR on commercial end users, especially with respect to the capital treatment under the proposal involving derivative transactions between banking organizations and non-financial end-users.

Representatives from Edison Electric Institute, American Gas Association, American Public Power Association, Electric Power Supply Association, and American Wind Energy Association were: Lopa Parikh, Mark Agen, Jack Cashin, Sharon Theodore, and John Hensley. Representatives from the FDIC included Irina Leonova, Peter Yen, James Haas, Catherine Wood and Michael Phillips.

Attachments