GENERAL ORDER 96-505

Exemption from derivatives reporting requirements in Multilateral Instrument 96-101 – *Trade Repositories and Derivatives Data Reporting* for certain electricity-based derivatives

IN THE MATTER OF
THE SECURITIES ACT, 1988

ORDER

WHEREAS the Financial and Consumer Affairs Authority of Saskatchewan (the Authority) has assigned to the Director of the Securities Division (the Director) the power to make exemption orders under the provision of *The Securities Act, 1988* (the Act) including orders of general application;

AND WHEREAS terms defined in the Act, in National Instrument 14-101 *Definitions*, in Multilateral Instrument 91-101 *Derivatives: Product Determination* or in Multilateral Instrument 96-101 *Trade Repositories and Derivatives Data Reporting* (MI 96-101) have the same meaning in this Order;

AND WHEREAS in this Order:

"CFTC" means the United States Commodity Futures Trading Commission;

"FERC" means the United States Federal Energy Regulatory Commission;

"ERCOT" means the Electric Reliability Council of Texas;

"IESO" means the Ontario Independent Electricity System Operator;

"ISO/RTO" means either of the following:

  (i) a person or company regulated by FERC as an independent system operator for electrical power or as a regional transmission organization for electrical power; or

  (ii) ERCOT;

"OSC" means the Ontario Securities Commission;

"PUCT" means the Public Utility Commission of Texas;

"Report" means, in respect of derivatives data relating to a specified derivative, to report, update, amend or supplement, each in accordance with MI 96-101;

AND WHEREAS the staff of the Authority have applied to the Director for an Order pursuant to section 160 of the Act exempting local counterparties from certain requirements under MI 96-101;

AND WHEREAS:

1. Part 3 of MI 96-101 requires a reporting counterparty to Report derivatives data relating to a specified derivative;

2. Local counterparties in Saskatchewan enter into derivatives with IESO and ISO/RTOs that are subject to a requirement to be reported under Part 3 of MI 96-101;

3. The OSC exempts certain derivatives transacted with IESO on the IESO platform from trade reporting requirements under Part 3 of OSC Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (the IESO Order);

4. The CFTC exempts certain derivatives of ISO/RTOs from certain provisions of the United States Commodity Exchange Act, including requirements to report those derivatives to a swap data repository. Each of these exempt derivatives are offered or sold on a platform administered by an ISO/RTO pursuant to a tariff or protocol that has been approved or permitted to take effect by FERC or, in the case of ERCOT, PUCT (the CFTC Order);

5. The OSC exempts certain derivatives by Ontario Power Generation Inc. and Ontario Power Generation Energy Trading, Inc. with an ISO/RTO from trade reporting requirements under Part 3 of OSC Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (the OSC Order);
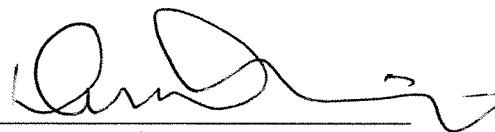
AND WHEREAS the Director is of the opinion that it would not be prejudicial to the public interest to make this Order;

IT IS HEREBY ORDERED pursuant to section 160 of the Act, that local counterparties are exempt from the requirement under Part 3 of MI 96-101 to Report derivatives data relating to a specified derivative if and for so long as the derivative is exempt from reporting requirements under any of the following:

(a) the CFTC Order;

(b) the OSC Order; or

(c) the IESO Order;

AND IT IS FURTHER ORDERED that this order shall come into effect on July 28, 2016 and shall expire on November 30, 2016.

Dated at Regina, Saskatchewan on July 28, 2016.

Dean Murrison
Director
Securities Division