

MEMO# 35688

April 26, 2024

ICI Submits Reply Letter to FERC in response to Initial Comments on its Notice of Inquiry on Blanket Authorizations for Investment Companies

[35688]

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TO: ICI Members SUBJECTS: Investment Advisers RE: ICI Submits Reply Letter to FERC in response to Initial Comments on its Notice of Inquiry on Blanket Authorizations for Investment Companies

On Thursday, April 25, 2024, ICI submitted the attached comment letter to the Federal Energy Regulatory Commission ("FERC" or the "Commission") in response to initial comments regarding its Notice of Inquiry on Federal Power Act Section 203 Blanket Authorizations for Investment Companies ("NOI").^[1] The NOI sought comments on whether the Commission should revise its current policy on providing blanket authorizations for investment companies under the Federal Power Act. ICI's letter addressed some of the initial comments received on the NOI and urged the Commission to maintain its current policy on providing blanket authorizations. Specifically, the letter made the following three points:

- The current blanket authorization policy should be maintained as-is because it continues to meet FERC's policy goals (this reiterates the first letter's message, but also cites to the numerous other comment letters that FERC received that express the same view).
- Common ownership, which certain commenters cite as an underlying concern, is an unsubstantiated hypothesis that FERC should not consider in assessing its blanket authorization policy (including citations to many academic studies casting doubt on the validity of the common ownership theory).
- Certain comment letters suggest possible ideas for revising the current policy, but the Commission needs to carefully consider any such ideas and (1) identify the problem to be solved and gathering relevant data and analysis; (2) assess the costs and benefits of making any such changes; and (3) engage with ICI and its members to further

discuss, including through formal rulemaking.

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Notes

[1] Notice of Inquiry, Federal Power Act Section 203 Blanket Authorizations for Investment Companies, 88 Fed. Reg. 89,346 (Dec. 27, 2023) available at <https://www.federalregister.gov/documents/2023/12/27/2023-28665/federal-power-act-section-203-blanket-authorizations-for-investment-companies>.

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