



Edison Electric
INSTITUTE

Via E-Mail (rule-comments@sec.gov)

March 22, 2022

Vanessa A. Countryman, Esq.
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Modernization of Beneficial Ownership Reporting, Release Nos. 33-11030 and 34-94211; File No. S7-06-22

Dear Ms. Countryman:

Thank you for the opportunity to provide comments on the proposed amendments. We applaud the ongoing efforts of the Commission to modernize the disclosure of beneficial ownership required under Section 13 of the Exchange Act.

The Edison Electric Institute (“EEI”) is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for 220 million Americans and operate in all 50 states and the District of Columbia. As a whole, the electric power industry supports more than 7 million jobs in communities across the United States. In addition to our U.S. members, EEI has more than 60 international electric companies as International Members, and hundreds of industry suppliers and related organizations as Associate Members. Organized in 1933, EEI provides public policy leadership, strategic business intelligence, and essential conferences and forums.

The hallmark principle of U.S. securities laws is transparency. The statutes and rules are designed to provide investors and the SEC with the disclosures that they need in order to make informed decisions. The same is true with respect to the beneficial ownership reporting required under Section 13 of the Exchange Act. The members of EEI strongly support the increased transparency in beneficial ownership reporting contemplated by the Commission’s proposal. By tightening filing deadlines, the proposed amendments would provide more timely information to shareholders and other market participants and further enhance investor protection.

Proposed Amendments to Rules 13D-1 and 13D-2

We support the proposed amendment to shorten the initial filing deadline from 10 days to 5 days for Schedule 13D filers, as well as the amendments shortening the initial filing deadlines for

Schedule 13G filers. We agree with the Commission's concerns that the current 10-day filing deadline allows the opportunity for market participants to withhold market moving information from other shareholders for a period of 10 days after crossing the 5% threshold.

However, we are concerned with the tightening of the deadlines for amendment filings. The proposed changes would shorten the amendment filing deadline to one business day for Schedule 13D filers and Schedule 13G passive investor filers who exceed 10% beneficial ownership or a 5% increase or decrease in beneficial ownership of a covered class of securities. While we agree that the technology in today's financial markets means filers need less time to compile the necessary data for the preparation and transmittal of Schedules 13D and 13G, we believe the Commission is too optimistic in proposing a one-day deadline. We place a high premium on the accuracy of every filing, and we are concerned that a one-day filing deadline may compromise accuracy and also would not allow for the possibility that a necessary approver or signer may not be available. We suggest that the Commission adopt a minimum of a two business day deadline for amendment filings. We believe that adopting a two business day deadline would be less onerous for investors yet would ensure the accuracy and transparency of the information in their filings.

Conclusion

As noted above, we commend the Commission for its efforts to modernize beneficial ownership reporting and appreciate the opportunity to comment on the proposals. EEI strongly supports the tightening of filing deadlines, reflecting the evolution of technology in the financial system. To the extent that the Commission tightens filing deadlines, we believe that it should shorten amendment filing deadlines to a minimum of two business days. EEI and its officers would be happy to discuss any questions at the Commission's convenience.

Respectfully submitted,



Richard F. McMahon, Jr.
Senior Vice President, Energy Supply & Finance
Edison Electric Institute

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