



Submitted Electronically

Robert deV. Frierson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW.  
Washington, DC 20551

Re: Docket No. OP-1515  
Enhancements to Federal Reserve Bank Same-Day ACH Service

Dear Mr. Frierson:

Wells Fargo & Company respectfully submits the following comments to the Board of Governors of the Federal Reserve System ("Board") in response to the Board's request for comments ("Request for Comment") on enhancements that the Federal Reserve Banks (Reserve Banks) are considering to their same day automated clearinghouse (ACH) service. The Request for Comment solicits input on whether changes to conform the current optional FedACH Same-Day Service to NACHA's new rules for same day ACH would satisfy the criteria that must be met when the Board considers new services or major changes to existing Reserve Bank services. The changes, which would be incorporated into the Reserve Banks' Operating Circular 4 (Automated Clearing House Items), include mandatory participation by Receiving Depository Institutions ("RDFIs") and an interbank fee the Originating Depository Financial Institution ("ODFI") would pay the RDFI for each same day ACH transaction.

**Executive Summary**

We appreciate this opportunity to comment and have actively participated in and fully support NACHA's recently approved Same-Day ACH Rule. Wells Fargo is supportive of industry appeals to implement faster ACH payments in the United States and believes that the Same-Day Service is consistent with the Federal Reserve's *Strategies for Improving the U.S. Payment System* white paper.

Wells Fargo has been a firm advocate in NACHA's private-sector rule-making process and encourages the Board to support adoption of the NACHA Same-Day ACH Rule, including administration of the Same-Day Entry fee. While ODFIs have an option whether to offer the new same day origination service under the NACHA Same-Day ACH Rule, RDFIs are required to receive same day transactions. The NACHA Rule, therefore, provides an important mechanism for RDFIs to recover their increased costs due to the major enhancements associated with receipt of Same-Day ACH payments through the introduction of a Same-Day Entry fee.



### **Mandatory Participation of RDFIs**

Wells Fargo believes that NACHA's Same-Day ACH Rule will create value for end users by providing a ubiquitous same day clearing and settlement capability for virtually all ACH payments. Accordingly, Wells Fargo supports extending the NACHA Same-Day ACH Rule requirement that all RDFIs must receive same day ACH transactions under the FedACH Same-Day Service. We note that the low rate of participation by financial institutions in the FedACH Same-Day Service since its introduction in 2010 strongly suggests that ubiquity of receiving capability across RDFIs will be critical to the success of Same-Day ACH as a service.

### **Interbank Fee**

Wells Fargo also supports the approach used by NACHA in evaluating the introduction of an interbank fee. Over the past year NACHA has conducted an extensive fact-based research effort focused on developing a balanced view of costs and benefits for financial institutions using Same-Day ACH. This research concluded that a cost-recovery mechanism would be needed to allow RDFIs to recover their costs for enabling and supporting Same-Day ACH.

In accordance with NACHA's findings, Wells Fargo believes that a successful business model for Same-Day ACH will ensure a fair and appropriate sharing of costs, risk and benefits across payment system participants.

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To conclude, Wells Fargo agrees with NACHA and payment industry stakeholders that current ACH services should be enhanced to allow for expedited processing and settlement of ACH transactions. Wells Fargo urges the Board to consider full adoption of the NACHA Same-Day ACH Rule, ensuring a ubiquitous Same-Day ACH service in the United States. Wells Fargo believes that important strategic investments such as faster ACH services accompanied with appropriate alignment of costs between ODFIs and RDFIs will help promote the long-term viability of the ACH network.

Thank you for the opportunity to provide these comments. If you have any questions or wish to discuss Wells Fargo's comment letter, please do not hesitate to contact the undersigned at [keith.k.theisen@wellsfargo.com](mailto:keith.k.theisen@wellsfargo.com) or by telephone at 612-667-9958.

Sincerely,

A handwritten signature in dark ink that reads "Keith Theisen".

Keith Theisen  
Executive Vice President  
Treasury Management Head of Product  
Wells Fargo Bank, N.A.