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December 16, 2016

Submitted via e-mail to: reqs.comments@federalreserve.gov

Mr. Robert deV. Frierson

Secretary, Board of Governors of the Federal Reserve System

20th Street and Constitution Avenue, N.W.

Washington, D.C. 20551

Re: Docket Nos.: R-1547 and RIN 7100 AE-58

Request for an Extension of the Public Comment Period on the

Board of Governors of the Federal Reserve System's Proposed Rulemaking,

"Regulations Q and Y; Risk-Based Capital and Other Regulatory Requirements

for Activities of Financial Holding Companies Related to Physical Commodities

and Risk-Based Capital Requirements for Merchant Banking Investments"

Dear Mr. deV. Frierson:

Clarke Mobile Counties Gas District (CMG) and its affiliate, the Black Belt Energy Gas District (Black Belt Energy), request that the public comment period for the Board of Governors of the Federal Reserve System's (Board) proposal, "Regulations Q and Y; Risk-Based Capital and Other Regulatory Requirements for Activities of Financial Holding Companies Related to Physical Commodities and Risk-Based Capital Requirements for Merchant Banking Investments," be extended through March 31, 2017.

CMG and Black Belt Energy are owned by three municipalities located in Southwest Alabama. Black Belt Energy was formed in 2008 by the municipal owners of CMG – the City of Jackson, the City of Thomasville, and the Town of Grove Hill. Thus, Black Belt Energy is a municipally owned corporation. It was created to acquire, sell, finance, and manage supplies of natural gas for other municipally owned gas districts and other municipalities. Like many of the approximately 900 public gas districts in the United States, CMC's customer base is largely rural and includes both residential and industrial customers.

The Board's proposed rule would place restrictions on physical commodity trading activities conducted by financial holding companies and amend risk-based capital requirements, among other actions. However, such changes impact not only financial holding companies, which play

a significant role in physical commodities markets, but also other participants in those markets, including municipally owned natural gas districts, like Black Belt Energy, who finance the purchase of natural gas via long term pre-paid purchase transactions. These transactions utilize the services and assistance of financial holding companies, and the nature of our business and the manner in which these transactions are structured necessitate the involvement of financial holding companies. The result in prior such transactions has been to secure the long term, stable availability of natural gas for discounted prices which benefits our customers.

Considering the potential implications of the proposed rule on the public natural gas industry, additional time is needed for stakeholders to develop substantive comments that will provide meaningful, constructive information to the Board. The current comment period is insufficient to allow our industry, and particularly our company, to fully analyze the potential implications of the Board's multiple proposals. Complicating matters is the fact that the comment period overlaps with the holiday season. CMG and Black Belt Energy therefore request additional time through March 31, 2017 to review the proposed rule, so that we and other interested parties may have sufficient time to provide meaningful substantive comments to the Board. Moreover, the Board has recognized the necessity of congressional action for some of its proposals that would require statutory changes. As the 115th Congress will convene in January 2017, sufficient time for members' input on the proposed rule would seem appropriate.

While CMG and Black Belt Energy believe this modest extension of time is appropriate, we reserve the right to submit substantive comments prior to the current deadline.

Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Sheldon A. Day', written in a cursive style.

Sheldon A. Day
Mayor, City of Thomasville
Chairman, The Black Belt Energy Gas District

cc: Scott G. Alvarez, General Counsel