



# CALPINE CORPORATION

December 13, 2016

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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. R-1547 and RIN 7100 AE-58

Dear Mr. Secretary,

Regarding the above-referenced rulemaking, Calpine Corporation is concerned about the prospective adverse effect on forward market liquidity. Specifically, Calpine relies on financial institutions as our company seeks to mitigate forward price risk. If banks are prevented from accessing the forward physical commodity markets via capital charge imposition or otherwise, our ability to mitigate business risk will be negatively impacted. Similarly, if banks decide to exit the commodities business entirely, the resulting lower levels of competition for hedge products will negatively impact our business. Finally, if banks decide to exit the commodities business, end-users such as ourselves we will likely have access to fewer credit-worthy counterparties.

For the above reasons, Calpine Corporation supports bank involvement in physical commodity activities and opposes additional restrictions on these activities.

Sincerely,

W.G. Griggs, III  
Executive Vice President, Chief Commercial Officer  
Calpine Corporation