

via telephone, and the dial in number will be posted on the Commission's website at <http://www.prc.gov>. Part of the meeting will be closed.

**MATTERS TO BE CONSIDERED:** The agenda for the Commission's December 17, 2018 meeting includes the items identified below.

#### Portions Open to the Public

1. Report from the Office of Public Affairs and Government Relations.
2. Report from the Office of General Counsel.
3. Report from the Office of Accountability and Compliance.
4. Report from the Office of the Secretary and Administration.
5. Commissioners Vote to designate the Vice-Chairman of the Commission for calendar year 2019 pursuant to 39 U.S.C. 502(e).

#### Portions Closed to the Public

6. Discussion of pending litigation.

**CONTACT PERSON FOR MORE INFORMATION:** David A. Trissell, General Counsel, Postal Regulatory Commission, 901 New York Avenue NW, Suite 200, Washington, DC 20268-0001, at 202-789-6820 (for agenda-related inquiries) and Stacy L. Ruble, Secretary of the Commission, at 202-789-6800 or [stacy.ruble@prc.gov](mailto:stacy.ruble@prc.gov) (for inquiries related to meeting location, changes in date or time of the meeting, access for handicapped or disabled persons, the live-webcast, or similar matters). The Commission's website may also provide information on changes in the date or time of the meeting.

By direction of the Commission.

**Stacy L. Ruble,**  
Secretary.

[FR Doc. 2018-24617 Filed 11-6-18; 4:15 pm]

**BILLING CODE 7710-FW-P**

## POSTAL REGULATORY COMMISSION

[Docket No. CP2015-123]

### New Postal Product

**AGENCY:** Postal Regulatory Commission.  
**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning a negotiated service agreement. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* November 13, 2018.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>.

[www.prc.gov](http://www.prc.gov). Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

#### SUPPLEMENTARY INFORMATION:

#### Table of Contents

- I. Introduction
- II. Docketed Proceeding(s)

#### I. Introduction

The Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the market dominant or the competitive product list, or the modification of an existing product currently appearing on the market dominant or the competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (<http://www.prc.gov>). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3007.301.<sup>1</sup>

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern market dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3010, and 39 CFR part 3020, subpart B. For request(s) that the Postal Service states concern competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3015, and

<sup>1</sup> See Docket No. RM2018-3, Order Adopting Final Rules Relating to Non-Public Information, June 27, 2018, Attachment A at 19-22 (Order No. 4679).

39 CFR part 3020, subpart B. Comment deadline(s) for each request appear in section II.

#### II. Docketed Proceeding(s)

1. *Docket No(s):* CP2015-123; *Filing Title:* USPS Notice of Amendment to Priority Mail Express & Priority Mail Contract 20, filed Under Seal; *Filing Acceptance Date:* November 2, 2018, 2018; *Filing Authority:* 39 U.S.C. 3642, 39 CFR 3020.30 *et seq.*, and 39 CFR 3015.5; *Public Representative:* Christopher C. Mohr; *Comments Due:* November 13, 2018.

This Notice will be published in the **Federal Register**.

**Stacy L. Ruble,**  
Secretary.

[FR Doc. 2018-24444 Filed 11-7-18; 8:45 am]

**BILLING CODE 7710-FW-P**

## POSTAL REGULATORY COMMISSION

[Docket No. CP2015-61; Order No. 4870]

### New Postal Products

**AGENCY:** Postal Regulatory Commission.  
**ACTION:** Notice.

**SUMMARY:** The Commission is revising the comment due date.

**DATES:** *Comments are due:* November 5, 2018.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

#### SUPPLEMENTARY INFORMATION:

#### Table of Contents

#### I. Introduction

In Order No. 2480, the Commission approved the Priority Mail Express & Priority Mail Contract 18 negotiated service agreement (Existing Agreement).<sup>1</sup> On October 29, 2018, the Postal Service filed notice that it has agreed to the Amendment to the Existing Agreement.<sup>2</sup> On October 30,

<sup>1</sup> See Docket Nos. MC2015-49 and CP2015-61, Order Adding Priority Mail Express & Priority Mail Contract 18 to the Competitive Product List, May 12, 2015 (Order No. 2480).

<sup>2</sup> USPS Notice of Amendment to Priority Mail Express & Priority Mail Contract 18, Filed Under Seal, October 29, 2018 (Notice). The amendment is an attachment to the Notice (Amendment).

2018, the Commission issued a notice reopening this docket to consider the Amendment, appointing a Public Representative, and providing interested persons with an opportunity to comment.<sup>3</sup>

The Commission set the deadline for comments as November 6, 2018. Notice Initiating Dockets at 2. However, the Existing Agreement expires November 8, 2018,<sup>4</sup> and the Amendment extending the agreement, if approved, would not take effect until two days after the Commission completes its review. Notice, Attachment A at 1. Under the current schedule, the soonest the Commission could issue a decision on the Amendment is November 7, 2018, which would cause the Existing Agreement to expire before the Amendment could take effect.

To permit the Commission time to review the comments and issue an order on the Amendment at least two days before the Existing Agreement expires, the deadline for comments is revised to November 5, 2018.

*It is ordered:*

1. The deadline to submit comments is revised to November 5, 2018.

2. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

**Stacy L. Ruble,**

*Secretary.*

[FR Doc. 2018–24392 Filed 11–7–18; 8:45 am]

**BILLING CODE 7710–FW–P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84524; File No. SR–OCC–2018–014]

### Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change, as Modified by Partial Amendment No. 1, Related to The Options Clearing Corporation's Margin Methodology for Incorporating Variations in Implied Volatility

November 2, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”),<sup>1</sup> and Rule 19b–4 thereunder,<sup>2</sup> notice is hereby given that on October 22, 2018, The

Options Clearing Corporation (“OCC”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by OCC. On October 30, 2018, OCC filed Partial Amendment No. 1 to the proposed rule change.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change is filed in connection with proposed changes to enhance OCC's model for incorporating variations in implied volatility within OCC's margin methodology (“Implied Volatility Model”), the System for Theoretical Analysis and Numerical Simulations (“STANS”).<sup>4</sup> The proposed changes to OCC's Margins Methodology document are contained in confidential Exhibit 5 of the filing. Material proposed to be added is marked by underlining and material proposed to be deleted is marked by strikethrough text. The proposed changes are described in detail in Item 3 below. The proposed rule change does not require any changes to the text of OCC's By-Laws or Rules. The proposed rule change is available on OCC's website at <https://www.theocc.com/about/publications/bylaws.jsp>. All terms with initial capitalization that are not otherwise defined herein have the same meaning as set forth in the OCC By-Laws and Rules.<sup>5</sup>

#### II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

<sup>3</sup> In Partial Amendment No. 1, OCC corrected errors in Exhibits 1A and 5 without changing the substance of the proposed rule change.

<sup>4</sup> OCC also has filed an advance notice with the Commission in connection with the proposed changes. See SR–OCC–2018–804.

<sup>5</sup> OCC's By-Laws and Rules can be found on OCC's public website: <http://optionsclearing.com/about/publications/bylaws.jsp>.

(A) *Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

##### (1) Purpose

##### Background

##### STANS Overview

STANS is OCC's proprietary risk management system for calculating Clearing Member margin requirements.<sup>6</sup> The STANS methodology utilizes large-scale Monte Carlo simulations to forecast price and volatility movements in determining a Clearing Member's margin requirement.<sup>7</sup> STANS margin requirements are calculated at the portfolio level of Clearing Member accounts with positions in marginable securities and consists of an estimate of two primary components: A base component and a stress test add-on component. The base component is an estimate of a 99% expected shortfall<sup>8</sup> over a two-day time horizon. The concentration/dependence stress test charge is obtained by considering increases in the expected margin shortfall for an account that would occur due to (i) market movements that are especially large and/or in which certain risk factors would exhibit perfect or zero correlations rather than correlations otherwise estimated using historical data or (ii) extreme and adverse idiosyncratic movements for individual risk factors to which the account is particularly exposed. The STANS methodology is used to measure the exposure of portfolios of options and futures cleared by OCC and cash instruments in margin collateral.<sup>9</sup>

The econometric models underlying STANS currently incorporate a number of risk factors. A “risk factor” within OCC's margin system is defined as a product or attribute whose historical data is used to estimate and simulate the risk for an associated product. The majority of risk factors utilized in the

<sup>6</sup> See Securities Exchange Act Release No. 53322 (February 15, 2006), 71 FR 9403 (February 23, 2006) (SR–OCC–2004–20). A detailed description of the STANS methodology is available at <http://optionsclearing.com/risk-management/margins/>.

<sup>7</sup> See OCC Rule 601.

<sup>8</sup> The expected shortfall component is established as the estimated average of potential losses higher than the 99% value at risk threshold. The term “value at risk” or “VaR” refers to a statistical technique that, generally speaking, is used in risk management to measure the potential risk of loss for a given set of assets over a particular time horizon.

<sup>9</sup> OCC notes that, pursuant to OCC Rule 601(e)(1), OCC also calculates initial margin requirements for segregated futures accounts using the Standard Portfolio Analysis of Risk Margin Calculation System (“SPAN”). No changes are proposed to OCC's use of SPAN because the proposed changes do not concern futures. See Securities Exchange Act Release No. 72331 (June 5, 2014), 79 FR 33607 (June 11, 2014) (SR–OCC–2014–13).

<sup>3</sup> Notice Initiating Docket(s) for Recent Postal Service Negotiated Service Agreement Filings, October 30, 2018 (Notice Initiating Dockets).

<sup>4</sup> USPS Notice of Extension of Priority Mail Express & Priority Mail Contract 18, July 27, 2018, at 1.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.