

**Date of issuance:** April 29, 2014.
**Effective date:** As of its date of issuance and shall be implemented by 12 months from the date of issuance.
**Amendment No.:** 248. A publicly-available version is in ADAMS under Accession No. ML14055A023; documents related to this amendment are listed in the Safety Evaluation enclosed with the amendment.

**Renewed Facility Operating License No. DPR–46:** The amendment revised the Operating License and Technical Specifications.

**Date of initial notice in Federal Register:** November 26, 2012 (78 FR 70593). The supplements dated December 12, 2013; and January 17, February 18, and April 11, 2014, provided additional information that clarified the application, did not expand the scope of the application as originally noticed, and did not change the staff’s original proposed no significant hazards consideration determination.

The Commission’s related evaluation of the amendments is contained in a Safety Evaluation dated April 29, 2014. No significant hazards consideration comments received: No.

Virginia Electric and Power Company, et al., Docket Nos. 50–280 and 50–281, Surry Power Station, Units 1 and 2, Surry County, Virginia

**Date of application for amendments:** May 13, 2013, as supplemented by letters dated September 9, 2013, and March 13, 2014.

**Brief Description of amendments:** The amendments revise Surry, Units 1 and 2, Technical Specifications 4.17, “Shock Suppressors (Snubbers),” to delete detailed surveillance requirements for snubbers and add TS 6.4.T. “Inservice Examination, Testing, and Service Life Monitoring Program for Snubbers,” which requires the surveillance requirements for snubbers be in accordance with the ASME OM Code, Subsection ISTD, as provided in NRC regulations. The amendments also relocate the detailed surveillance requirements to the Surry, Units 1 and 2, Inservice Examination, Testing and Service Life Monitoring Program Plans for Snubbers.

**Date of issuance:** April 24, 2014. **Effective date:** As of the date of issuance and shall be implemented within 60 days.
**Amendment Nos.:** 281, 281. A publicly-available version is in ADAMS under Accession No. ML14073A405; documents related to this amendment are listed in the Safety Evaluation enclosed with the amendment.

**Renewed Facility Operating License Nos. DPR–32 and DPR–37:** Amendments change the licenses and the technical specifications.

**Date of initial notice in Federal Register:** July 9, 2013 (78 FR 41122). The supplements dated September 9, 2013 and March 13, 2014, provided additional information that clarified the application, did not expand the scope of the application as originally noticed, and did not change the staff’s original proposed no significant hazards consideration determination.

The Commission’s related evaluation of the amendments is contained in a Safety Evaluation dated April 24, 2014. No significant hazards consideration comments received: No.

Dated at Rockville, Maryland, this 5th day of May 2014.
For the Nuclear Regulatory Commission.
Michele G. Evans,
Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.

**Date of application for amendments:** May 29, 2013, as supplemented by letters dated September 9, 2013, and March 13, 2014.

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At times, changes in Commission priorities require alterations in the scheduling of meeting items.
For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551–5400. Dated: May 9, 2014.
Kevin M. O’Neill,
Deputy Secretary.

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**SEcurities and Exchange Commission**


**Self-Regulatory Organizations; NASDAQ OMX PHXL LLC; Notice of Filing of Proposed Rule Change Related to the Priority Afforded to In-Crowd Participants Respecting Crossing, Facilitation and Solicited Orders in Open Outcry Trading**

May 7, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) 1, and Rule 19b–4 thereunder,2 notice is hereby given that on April 23, 2014, NASDAQ OMX PHXL LLC (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to revise the priority afforded to in-crowd participants respecting crossing, facilitation and solicited orders in open outcry trading.

The text of the proposed rule change is available on the Exchange’s Web site at http://nasdaqomxphlx.echwallstreet.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements

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crossing 6, facilitation 7 and solicited 8 orders, regardless of order size. Deletion of 500 Contract Minimum Size Currently, Commentary .05(c)(i) to Phlx Rule 1014 provides that, in the event that a Floor Broker or specialist 9 presents a non-electronic order in which an RSQT is assigned or which is allocated to a Remote Specialist, and/or in which an SQT assigned in such option is not a crowd participant (collectively, “Non-Crowd Participants”), such Non-Crowd Participant may not participate in trades stemming from such a non-electronic order unless the non-electronic order is executed at the price quoted by the Non-Crowd Participant at the time of execution. However, if the non-electronic order is executed at the price quoted by the Non-Crowd Participant, the Non-Crowd Participant may participate in the trade unless the order was a crossing, facilitation or solicited order with a size of at least 500 contracts on each side.10 If the order is a crossing, facilitation or solicited order with a size of at least 500 contracts on each side, Commentary .05(c)(ii) gives priority to in-crowd participants (including, for purposes of Commentary .05(c)(ii) only, Floor Brokers) over Non-Crowd Participants and over out-of-crowd broker-dealer limit orders on the limit order book, but not over public customer orders.11 Such orders are allocated in accordance with Exchange rules. By affording priority to in-crowd participants over Non-Crowd Participants and out-of-crowd broker-dealer limit orders in crossing, facilitation and solicited orders with a size of at least 500 contracts represented and executed in open outcry, the Exchange encourages order flow providers to send such orders to the Exchange. The Exchange now proposes to further encourage order flow providers to send such orders to the Exchange by eliminating the 500 contract minimum order size from Commentary .05(c)(ii). As amended, the rule would afford priority to in-crowd participants over Non-Crowd Participants and out-of-crowd broker-dealer limit orders in crossing, facilitation and solicited orders regardless of the size of those orders. The current 500 contract minimum size requirement presents the possibility that one of the two sides of a Floor Brokered cross will not be fully executed on the trading floor. The size requirement was initially adopted by the Exchange in 2006 to foster the new electronic trading of options, by limiting participation of in-crowd participants in order to permit Non-Crowd Participants to participate in smaller (under five hundred contracts) Floor Broker crosses.12 Today, electronic options trading is well-established and no longer requires such special rules and incentives to develop further. The Exchange believes that by extending priority to in-crowd participants over Non-Crowd Participants and out-of-crowd broker-dealer limit orders in all crossing, facilitation and solicited orders represented and executed in open outcry, regardless of size, in-crowd participants such as Floor Brokers will be enabled to provide full service to their clients as they seek to execute such orders. By way of explanation, the size of orders given to Floor Brokers by member participants varies throughout the trading day, and generally those participants expect the same experience regardless of order size when evaluating priority of electronic quotes with respect to cross orders executed on the trading floor. Another options exchange does not have the same differentiation in the crowd and/or with a contra-side order it holds. 12 See Securities Exchange Act Release No. 54267 (August 3, 2006), 71 FR 45888 [August 10, 2006]. See also Securities Exchange Act Release No. 64401 (May 4, 2011), 76 FR 27105 [May 10, 2011] (amending the rule to state that in-crowd participants in such orders also have priority over out-of-crowd broker-dealer limit orders on the limit order book).
of priority for orders of fewer than 500 contracts, and the different priority for orders with a size under 500 contracts has become an impediment to Phlx members soliciting orders. By removing the 500 contract minimum size distinction, the Exchange would permit Floor Brokers to access in-crowd liquidity for all order sizes, thereby providing full order execution service to their clients.

To illustrate the application of the revised rule, assume the following ranking of bids on Phlx:

<table>
<thead>
<tr>
<th>Market</th>
<th>Bid</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSQT market</td>
<td>1.00</td>
<td>1000</td>
</tr>
<tr>
<td>In-crowd</td>
<td>1.00</td>
<td>200</td>
</tr>
<tr>
<td>Public</td>
<td>1.00</td>
<td>100</td>
</tr>
<tr>
<td>Broker-dealer</td>
<td>1.00</td>
<td>100</td>
</tr>
</tbody>
</table>

Assume a Floor Broker enters the trading crowd with a cross order. This cross order is an order to sell 10,000 contracts and a contra order to buy 10,000 contracts at 1.00. Under the current rule, after selling to all 1.00 public customer interest on the book (100 contracts) and to all 1.00 interest in the trading crowd (100 contracts), the Floor Broker is allowed to cross the remaining interest (9,800 contracts) at 1.00, with priority over RSQTs, out-of-crowd SQTs and broker-dealer limit orders on the book.

If in this example, however, the Floor Broker's order to sell and contra order to buy at 1.00 were only for 400 contracts, the Floor Broker would be unable to cross the 200 contracts remaining interest after selling to all 1.00 public customer interest on the book (100 contracts) and to all 1.00 interest in the trading crowd (100 contracts) because the current rule gives the Floor Broker no priority over RSQTs, out-of-crowd SQTs and broker-dealer orders on the book respecting orders less than 500 contracts. The rule as revised would remove the limitation of the 500 contract minimum. Thus, under the revised rule, the Floor Broker in the example could enter the trading crowd with an order to sell 400 contracts and a contra order to buy 400 contracts at 1.00. After selling to all 1.00 public customer interest on the book (100) and to all 1.00 interest in the trading crowd (100 contracts), the Floor Broker would be allowed to cross the remaining interest (200 contracts) at 1.00, with priority over RSQTs, out-of-crowd SQTs and broker-dealer orders on the book.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the provisions of Section 6 of the Act, in general, and with Section 6(b)(5) of the Act, in particular, which requires that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest, because it would encourage order flow providers to send additional crossing, facilitation and solicited orders to the Exchange, free of concerns that the order may not be completely executed by the trading crowd. As noted above, the size of orders given to Floor Brokers by member participants varies throughout the trading day, and generally those participants expect the same experience regardless of order size when evaluating priority of electronic quotes with respect to cross orders executed on the trading floor. By removing the 500 contract minimum size distinction, the Exchange would permit Floor Brokers to access in-crowd liquidity for all order sizes thereby enabling them to provide full service to member participants no matter the order size.

The Exchange believes that treating crossing, facilitation and solicitation orders of under 500 contracts on each side no differently from such orders of greater size creates no unfair disadvantage to investors. Elimination of the 500 contract minimum threshold size is just and equitable, because Non-Crowd Participants are not required to respond to a Floor Broker entering the crowd and requesting a market, whereas in-crowd participants are required to verbalize a market in response to such a request. The Exchange also believes that the proposal promotes just and equitable principles of trade by retaining public customer priority in all cases. The instant proposal will not affect public customer priority and the Exchange will continue to execute public customer limit orders up to their aggregate size at a particular price point.

B. Self-Regulatory Organization’s Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. To the contrary, it should provide greater incentive for order flow providers to submit crossing, facilitation and solicited orders to the Exchange, thus enabling the Exchange to compete with another exchange that has similar rules in effect. Further, with respect to intra-market competition between crowd participants and Non-Crowd Participants, the proposed rule change will not result in any burden on competition. The proposed rule change should actually bolster competition. For example, assume the following market:

<table>
<thead>
<tr>
<th>Market</th>
<th>Bid</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSQT market</td>
<td>2.00</td>
<td>200</td>
</tr>
<tr>
<td>Out-crowd</td>
<td>2.00</td>
<td>200</td>
</tr>
<tr>
<td>In-crowd</td>
<td>1.70</td>
<td>100</td>
</tr>
<tr>
<td>Public</td>
<td>1.70</td>
<td>100</td>
</tr>
</tbody>
</table>

Assume that a Floor Broker walks into the crowd with a cross order to buy 400 contracts at 2.00 and to sell 400 contracts at 2.00. Under the current rule, the Floor Broker would not have priority at 2.00 to allow the buy order of 400 contracts at 2.00 to participate. The seller would forego the liquidity of the 2.00 bid the Floor Broker was handling and would need to sell 400 to the RSQT and out-of-crowd SQT utilizing their posted liquidity, and likely moving the market of the 2.00 bid lower after the trade. The rule as proposed would, instead, permit utilization of the liquidity of the Floor Broker's 2.00 bid by giving the 2.00 bid priority over the RSQT and out of crowd SQT thus keeping the posted liquidity intact at the existing bid of 2.00. The Exchange believes the residual 2.00 bidders would have extra incentive to compete by either maintaining their bid hoping to trade with additional selling interest or to increase their bid in order to vie for participation in the next sell order. The Exchange also believes that affording priority in to-in-crowd participants regardless of size will attract additional smaller cross orders to the Exchange, creating an opportunity.
for in crowd market makers to compete for smaller crosses as well.\textsuperscript{19}

\textbf{C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others}

No written comments were either solicited or received.

\textbf{III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action}

Within 45 days of the date of publication of this notice in the \textit{Federal Register} or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will: (A) By order approve or disapprove such proposed rule change, or (B) institute proceedings to determine whether the proposed rule change should be disapproved.

\textbf{IV. Solicitation of Comments}

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. The Commission requests comments, in particular, on the following aspects of the proposed rule change:

\begin{enumerate}
  \item What are commenters’ views on how, if at all, the proposed rule change would affect: (1) Incentives to submit limit orders; (2) quoted spreads and quoted depth; and/or (3) transaction costs for orders under 500 contracts? Please elaborate.
  \item What are commenters’ views on how, if at all, orders for more than 500 contracts differ from orders for less than 500 contracts? Please elaborate. Are the underlying investors/traders or the investing/trading strategies different? Please explain. What types of investor or market participant, if any, would likely be significantly affected by the proposed rule change? Please explain.
  \item Commenters are requested to provide empirical data and other factual support for their views.
\end{enumerate}

Comments may be submitted by any of the following methods:

\textbf{Electronic Comments}

\begin{itemize}
  \item Use the Commission’s Internet comment form (http://www.sec.gov/rules/sro.shtml) or
  \item Send an email to rule-comments@sec.gov. Please include File Number SR-Phlx–2014–23 on the subject line.
\end{itemize}

\textbf{Paper Comments}

\begin{itemize}
  \item Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.
  \item All submissions should refer to File Number SR-Phlx–2014–23. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s Internet Web site (http://www.sec.gov/rules/sro.shtml).
\end{itemize}

Copies of the submission, all subsequent amendments, all written communications relating to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission’s Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-Phlx–2014–23 and should be submitted on or before June 3, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.\textsuperscript{20}

\textbf{Kevin M. O’Neill.}

\textbf{Deputy Secretary.}

\textbf{BILLING CODE 8011–01–P}

\begin{footnotesize}
\item[19] The Exchange notes that it is not proposing to eliminate the 500 contract minimum eligible order size in Rule 1064, Commentary .02. This provision entitles a Floor Broker to cross (after all public customer orders that were (1) on the limit order book and then (2) represented in the trading crowd at the time the market was established have been satisfied) 40% of the remaining contracts in an order of the eligible size, if the order traded at or between the best bid or offer given by the crowd in response to the Floor Broker’s initial request for a market. See Rule 1064, Commentary .02(iii). This aspect of intra-market competition in the context of orders under 500 contracts is being maintained.
\end{footnotesize}