ARCLIGHT
CAPITAL PARTNERS, LLC

April 12, 2011

BY ELECTRONIC SUBMISSION

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Mr. David A. Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF; File No. S7-05-11

Dear Ms. Murphy and Mr. Stawick:

ArcLight Capital Partners, LLC ("ArcLight") welcomes the opportunity to comment on the proposal from the Securities and Exchange Commission (the "SEC") and the Commodity Futures Trading Commission (the "CFTC," and together, the "Commissions") to implement systemic risk reporting requirements on Form PF. We support the objective of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") to address potential systemic risk and the Commissions' efforts to gather relevant data from private fund investment advisers.

ArcLight is a leading private equity investment firm with an experienced management team and a proven investment strategy focused on North American energy infrastructure assets. ArcLight has more than $7.2 billion under management across five separate partnerships. ArcLight, through its portfolio companies, currently employs more than 12,000 Americans in 38 different businesses.

We appreciate that the Commissions recognize that private equity funds have less potential to pose a systemic risk than other types of private funds, due to the private equity business model's reliance on long-term capital commitments from investors, lack of substantial debt at the fund level, and investments in a diverse range of operating companies.[1]

[1] See Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF, 76 Fed. Reg. 8068, 8075 (Feb. 11, 2011).

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Timing of Reports.

We recommend that the Commissions extend the timeframe for filing Form PF for large private fund advisers to 120 calendar days following the end of each quarter. As proposed, large private fund advisers, including many private equity fund advisers, would be required to file Form PF on a quarterly basis within 15 calendar days following the end of the quarter.

Form PF requests detailed information from private equity fund advisers, including substantial information at the portfolio company level. Like most private equity fund advisers, our portfolio investments generally consist of ownership interests in operating companies that are not traded in the public markets and accordingly require time to properly determine their value. The industry often relies on third-party valuation experts and other procedures in order to value private equity fund holdings, and given the nature of these assets the valuation process alone takes significantly longer than 15 days. Since these valuation results are necessary inputs into other Form PF questions which would require additional time and resources to compile, it is not possible to report accurate information on Form PF within a 15-day timeframe. Completing Form PF, especially on an accelerated timetable, would require a substantial investment of time and effort from our portfolio managers, which would take away from their time spent managing client investments. This would impose an undue burden and expense on private equity fund managers which is not justified given our low systemic risk profile.

Further, the proposed 15-day timeframe is a striking contrast to existing reporting standards. For example, under the SEC's custody rule, advisers are granted a period of 120 calendar days to conduct the annual audit of a private fund.[2] Given the complexity of Form PF, we believe this is an appropriate comparison and accordingly we recommend that advisers be permitted 120 calendar days in which to complete Form PF.

We respectfully request the Commissions extend the reporting timeframe to 120 calendar days following the end of each quarter. We believe this reporting timeframe would allow private equity fund managers sufficient time to prepare accurate valuations of portfolio investments while still providing the Commissions with timely information regarding potential systemic risk.

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[2] See Rule 206(4)-2 of the Investment Advisers Act of 1940.

We thank the Commissions for the opportunity to comment on proposed Form PF. Please do not hesitate to contact the undersigned at (617) 531-6300 if you have any questions or comments regarding ArcLight's views.

Sincerely,

Thomas G. Kilgore
Chief Risk Officer