

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-81899; File No. SR-OPRA-2017-01)

October 19, 2017

Options Price Reporting Authority; Notice of Filing and Immediate Effectiveness of Proposed Amendment to Modify the OPRA Fee Schedule to Amend the Professional Subscriber Device-Based Fee

Pursuant to Section 11A of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 608 thereunder,² notice is hereby given that on September 27, 2017, the Options Price Reporting Authority (“OPRA”) submitted to the Securities and Exchange Commission (“Commission”) an amendment to the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information (“OPRA Plan”).³ The OPRA Plan amendment would implement changes to the Professional Subscriber Device-Based Fee effective January 1, 2018. The Commission is publishing this notice to provide interested persons an opportunity to submit written comments on the OPRA Plan amendment.

I. Description and Purpose of the Plan Amendment

(a) Fee Schedule Amendments

The purpose of the proposed Fee Schedule amendments is to specify OPRA’s Professional Subscriber Device-Based Fee effective January 1, 2018 and make conforming changes in OPRA’s Enterprise Rate Professional Subscriber Fee. OPRA’s Enterprise Rate

¹ 15 U.S.C. 78k-1.

² 17 CFR 242.608.

³ The OPRA Plan is a national market system plan approved by the Commission pursuant to Section 11A of the Act and Rule 608 thereunder. See Securities Exchange Act Release No. 17638 (March 18, 1981), 22 S.E.C. Docket 484 (March 31, 1981). The full text of the OPRA Plan and a list of its fifteen participants are available at <http://www.opradata.com>. The OPRA Plan provides for the collection and dissemination of last sale and quotation information on options that are traded on the participant exchanges.

Professional Subscriber Fee is available to those Professional Subscribers that elect that rate in place of the regular OPRA device-based fees.⁴

Specifically, it is proposed, effective January 1, 2018: to increase the current \$30.50 monthly per device fee by \$1.00; to increase the Enterprise Rate, currently a monthly fee of \$30.50 times the number of a Professional Subscriber's U.S.-based registered representatives, to be a monthly fee of \$31.50 times the number of the Subscriber's U.S.-based registered representatives; and to make conforming changes to the minimum monthly fee under the Enterprise Rate. "Professional Subscribers" are persons who subscribe to OPRA data, do not qualify for the reduced fees charged to "Nonprofessional Subscribers," and do not redistribute the OPRA data to third parties. OPRA permits the counting of "User IDs" as a surrogate for counting "devices" for purposes of its Professional Subscriber Device-based Fees.⁵

The number of devices reported to OPRA as subject to Professional Subscriber Device-Based Fees has been steadily trending downwards over many years. In 2008, OPRA received device-based fees, including enterprise fees, with respect to approximately 210,500 devices. In 2015, OPRA received device-based fees, including enterprise fees, with respect to approximately 141,300 devices, and in 2016 OPRA received device-based fees, including enterprise fees, with respect to approximately 137,100 devices. OPRA is receiving device-based fees in the third calendar quarter of 2017 with respect to approximately 128,500 devices – already a reduction of approximately 6.3% from 2016. OPRA believes that this long-term downward trend is the result of the increasing use of trading algorithms and automated trading platforms and other

⁴ OPRA's Enterprise Rate is based on the number of a Professional Subscriber's U.S. registered representatives and independent investment advisers who contract with the Subscriber to provide advisory services to the Subscriber's customers.

⁵ See footnote 2 in the OPRA Fee Schedule and OPRA's Policies with respect to Device-based Fees.

fundamental changes in the securities industry, and OPRA anticipates that this trend is likely to continue.

The proposed increase in the Professional Subscriber Device-Based Fees is consistent with OPRA's past practice of making incremental \$1.00 increases in its monthly Professional Subscriber Device-Based Fees,⁶ and OPRA believes that OPRA's Professional Subscribers should not be surprised by the increase. The proposed increase in the Professional Subscriber Device-Based Fee – which is an increase of approximately 3.3% – will partially offset the impact on revenue of the reduction in the number of devices in 2017 as compared to 2016.

The text of the amendment to the OPRA Plan is available at OPRA, the Commission's Public Reference Room, the OPRA website at <http://opradata.com>, and on the Commission's website at www.sec.gov.

(b) Implementation of the OPRA Plan Amendment

Pursuant to paragraph (b)(3)(i) of Rule 608 of Regulation NMS under the Act, OPRA designated this amendment as establishing or changing fees or other charges collected on behalf of all of the OPRA participant exchanges in connection with access to or use of OPRA facilities. OPRA proposes to put the changes in the Professional Subscriber Device-Based Fee into effect as of January 1, 2018. Implementation of the changes in the Professional Subscriber Device-Based Fee on January 1 is consistent with OPRA's prior practice with respect to changes in this

⁶ The year 2015 was an exception: for 2015, OPRA implemented an increase of \$1.50 in its Professional Subscriber Device-Based Fee, because during 2015 one of OPRA's member exchanges initiated after-hours trading, causing OPRA to incur additional expenses associated with data dissemination during expanded trading hours. OPRA implemented \$1.00/month increases in its Professional Subscriber Device-Based Fee for each of the years 2008-2014 and for the years 2016 and 2017. See Securities Exchange Act Release Nos. 72826, 79 FR 48777 (August 18, 2014) (File No. SR-OPRA-2014-06), 77585, 81 FR 22668 (April 18, 2016) (File No. SR-OPRA-2015-02), and 79152, 81 FR 75462 (October 31, 2016) (File No. SR-OPRA-2016-01).

fee, and OPRA represents that this will provide ample opportunity to give persons subject to this fee advance notice of the change.

(c) Phases of Development and Implementation

Not applicable.

(d) Impact on Competition

OPRA believes that the proposed amendment will impose no burdens on competition that are not justified in light of the purposes of the Act.

(e) Written Understanding or Agreements Among the Plan Participants

Not applicable.

(f) Approval of the Proposed Amendment

OPRA represents that the proposed amendments to the OPRA Fee Schedule were approved in accordance with the provisions of the OPRA Plan.

The Commission may summarily abrogate the amendment within sixty days of its filing and require refiling and approval of the amendment by Commission order pursuant to Rule 608(b)(2) under the Act⁷ if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system, or otherwise in furtherance of the purposes of the Act.⁸

II. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the OPRA Plan amendment is consistent with the Act.

⁷ See 17 CFR 242.608(b)(2).

⁸ See 17 CFR 242.608(b)(3)(iii).

Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-OPRA-2017-01 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-OPRA-2017-01. This file number should be included on the subject line if e-mail 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 website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the OPRA Plan amendment that are filed with the Commission, and all written communications relating to the OPRA Plan amendment 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 website 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 such filing also will be available for inspection and copying at the principal office of OPRA. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available

publicly. All submissions should refer to File Number SR-OPRA-2017-01 and should be submitted on or before [insert 21 days from date of publication in the Federal Register].

By the Commission.

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Assistant Secretary