begun investigating different methods for gathering all of the data elements requested by the Commission.[2] There, the Postal Service noted that its investigation into the Commission's directive would have two distinct phases. *Id.* The Postal Service described the first phase as exploring whether the requisite data could be practically gathered and, if so, whether those data would be reliable and accurate. *Id.* It stated that the second phase was to determine whether it would be possible to use the obtained data to construct a single-equation city carrier letter route cost model for street time. *Id.* The Postal Service stated that it had only recently started to record the required data and that, therefore, it had just begun the first phase. *Id.*

In Docket No. ACR2015, the Postal Service reported that it had initiated an investigation into updating its city carrier Special Purpose Route (SPR) cost model for street time.[3] The Postal Service uses the SPR study data approved in Docket No. R97–1 in conjunction with current data from its In-Office Cost System (IOCS) to form SPRs street time cost pools and to develop attributable costs.[4] In its response to Order No. 2792, the Postal Service stated that it also was investigating the feasibility of using operational data to estimate variability equations for its parcel and collection route cost models.[5]

III. Public Inquiry

The Commission establishes PI2017–1 to obtain an update on the Postal Service's progress in investigating the data required for, and the viability of, a single equation city carrier letter route cost model as well as in reviewing the SPR cost model for street time.

Chairman's Information Request No. 1 is issued contemporaneously with this Notice and Order. It seeks an update to the Postal Service's Response to Order No. 2792 and further clarification on designated IOCS-estimated city carrier costs and City Carrier Cost System volumes.

Comments on these topics are due no later than August 29, 2017. Comments are to be submitted via the Commission's online filing system at *http://www.prc.gov,* unless a waiver is obtained. Information on how to obtain a waiver may be found by contacting the Commission's dockets office at 202–789–6846.

IV. Public Representative

Pursuant to 39 U.S.C. 505, Katalin K. Clendenin, is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

V. Ordering Paragraphs

It is ordered:

1. The Commission hereby establishes Docket No. PI2017–1 to review the Postal Service's progress towards the Commission directives in Order No. 2792 and to inquire about the current data and methodology used to estimate city carrier costs and City Carrier Cost System volumes.
2. Comments are due no later than August 29, 2017.
3. Pursuant to 39 U.S.C. 505, the Commission appoints Katalin K. Clendenin to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.
4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Stacy L. Ruble,

Secretary.

[FR Doc. 2017–11586 Filed 6–5–17; 8:45 am]

BILLING CODE 7710–FW–P

[2] Docket No. RM2015–7, Response of the United States Postal Service to Commission Order No. 2792, February 16, 2016, at 14 (Postal Service Response to Order No. 2792).

[3] *See* Docket No. ACR2015, Library Reference USPS–FY15–9, file ''USPS–FY15–9_Roadmap.pdf,'' December 29, 2015, at 122; Docket No. R97–1, Opinion and Recommended Decision, Volume 1, May 11, 1998, at 188 (Opinion and Recommended Decision).

[4] *See* Opinion and Recommended Decision at 188.

[5] The Commission's Order No. 2792 describes this as the cost model used to assign the costs of Sunday delivery hours and parcel routes. *See* Order No. 2792 at 66. The Postal Service describes this as the Parcel and Collection Route Models which are limited to non-Sunday city carrier SPR costs. Postal Service Response to Order No. 2792 at 16.

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Effective date:* June 6, 2017.

FOR FURTHER INFORMATION CONTACT: Elizabeth A. Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on May 31, 2017, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail Contract 323 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2017–138, CP2017–196.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2017–11581 Filed 6–5–17; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–80825; File No. SR–CHX–2017–06]

Self-Regulatory Organizations; Chicago Stock Exchange, Inc.; Order Granting Approval of a Proposed Rule Change To Shorten the Standard Settlement Cycle From Three Business Days After the Trade Date to Two Business Days After the Trade Date

May 31, 2017.

I. Introduction

On April 6, 2017, the Chicago Stock Exchange, Inc. (''CHX'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to conform its rules to an amendment adopted by the Commission to Rule 15c6–1(a) under the Act[3] to shorten the standard settlement cycle for most broker-dealer transactions from three business days after the trade date (''T+3'') to two business days after the trade date (''T+2'').[4] The Commission adopted the amendment to Rule 15c6–1(a) under the Act to shorten the standard settlement cycle to T+2 on March 22, 2017 and set a compliance date of September 5, 2017.[5] The Exchange's proposed rule change was published for comment in the **Federal Register** on April 21, 2017.[6] The Commission did not receive any comment letters on the proposed rule change. This order approves the proposed rule change.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] 17 CFR 240.15c6–1.

[4] *See* Securities Exchange Act Release No. 80295 (March 22, 2017), 82 FR 15564 (March 29, 2017) (''SEC Adopting Release'').

[5] *See id.*

[6] *See* Securities Exchange Act Release No. 80467 (April 17, 2017), 82 FR 18800.

II. Description of the Proposal

The Exchange proposes to amend Article 1, Rule 2(e) and Article 9, Rule 7 to conform to the Commission's amendment to Rule 15c6–1(a) under the Act [7] which shortens the standard settlement cycle from T+3 to T+2 for most broker-dealer transactions.

Current Article 1, Rule 2(e)(1) relating to order settlement terms defines ''Regular Way Settlement'' as ''a transaction for delivery on the third full business day following the day of the contract.'' The Exchange proposes to shorten the ''third full business day'' time period to ''second full business day.''

Current Article 1, Rule 2(e)(2)(C) defines ''Seller's Option'' as ''a transaction for delivery within the time specified in the option, which time shall not be less than four (4) full business days nor more than 60 days following the day of the contract; except that the Exchange may provide otherwise in specific issues of stocks or classes of stocks.'' The Exchange proposes to shorten the ''four (4) full business days'' time period to ''three (3) full business days.''

Current Article 9, Rule 7(a) governing ex-dividend transactions provides in part that transactions in stocks shall be ex-dividend or ex-rights two full business days immediately preceding the date of record fixed by the corporation for the determination of stockholders entitled to receive such dividends or rights, except when such record date occurs upon a holiday or half-holiday, transactions in the stock shall be ex-dividend or ex-rights three full business days immediately preceding the record date. The Exchange proposes amendments to shorten the ''two full business days'' time period to a ''business day'' under Rule 7(a) and the ''three full business days'' time period to ''two full business days'' under Rule 7(a)(1).

The Exchange proposes similar changes to current Article 9, Rule 7(b) pertaining to ex-warrants that provides, in pertinent part, that transactions in securities which have subscription warrants attached (except those made for ''cash'') shall be ex-warrants on the second full business day preceding the date of expiration of the warrants, except when the day of expiration occurs on a holiday or Sunday, the transactions shall be ex-warrants on the third full business day preceding the day of expiration. The Exchange proposes to shorten the ''second full business day'' time period to a ''business day'' under Rule 7(b) and the ''third full business day'' time period to ''second full business day'' under Rule 7(b)(1).

[7] *See id; see also supra* note 4.

III. Discussion and Commission's Findings

After careful review of the proposed rule change, the Commission finds that the proposal is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange.[8] Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,[9] which requires that the rules of a national securities exchange be designed, among other things, to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest.

The Commission notes that the proposed rule change would amend Exchange rules to conform to the amendment that the Commission has adopted to Rule 15c6–1(a) under the Act [10] and support a move to a T+2 standard settlement cycle. In the SEC Adopting Release, the Commission stated its belief that shortening the standard settlement cycle from T+3 to T+2 will result in a reduction of credit, market, and liquidity risk,[11] and as a result, a reduction in systemic risk for U.S. market participants.[12] The compliance date for the amendment to Rule 15c6–1(a) under the Act is September 5, 2017.[13] The Exchange has represented that the operative date of the proposed rule change would correspond to the compliance date of the amendment to Rule 15c6–1(a) under the Act.

For the reasons noted above, the Commission finds that the proposal is consistent with the requirements of the Act and would 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 protect investors and the public interest.

[8] In approving this proposed rule change the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[9] 15 U.S.C. 78f(b)(5).

[10] *See* SEC Adopting Release, *supra* note 4.

[11] Credit risk refers to the risk that the credit quality of one party to a transaction will deteriorate to the extent that it is unable to fulfill its obligations to its counterparty on settlement date. Market risk refers to the risk that the value of securities bought and sold will change between trade execution and settlement such that the completion of the trade would result in a financial loss. Liquidity risk describes the risk that an entity will be unable to meet financial obligations on time due to an inability to deliver funds or securities in the form required though it may possess sufficient financial resources in other forms. *See id.*, 82 FR at 15564 n. 3.

[12] *See id.*, 82 FR at 15564.

[13] *See id.*

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[14] that the proposed rule change, (SR–CHX–2017–06), be and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2017–11609 Filed 6–5–17; 8:45 am]

BILLING CODE 8011–01–P

[14] 15 U.S.C. 78s(b)(2).

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–80822; File No. SR–BatsBZX–2017–38] Self-Regulatory

Organizations; Bats BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use on Bats BZX Exchange, Inc.

May 31, 2017.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on May 23, 2017, Bats BZX Exchange, Inc. (the ''Exchange'' or ''Bats'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act [3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposed rule change effective upon filing with the Commission. The Commission is publishing this notice to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).