January 4, 2011

Technical Director
Financial Accounting Standards Board
401 Merritt 7
Post Office Box 5116
Norwalk, Connecticut 06856-5116


Dear Board Members and FASB Staff:

The Edison Electric Institute (EEI) appreciates the opportunity to comment on the above-referenced Discussion Paper. EEI is the association of the United States shareholder-owned electric companies. Our members provide service to 95 percent of the ultimate customers in the shareholder-owned segment of the industry, and represent approximately 70 percent of the United States electric power industry.

Based on our initial review of this paper, we believe it will be difficult to provide fulsome comments by the due date of January 31, 2011. In view of the importance and complexity of the questions to be addressed, we respectfully request an extension of the comment period. We believe that additional time is necessary to allow our members to consider the issues thoughtfully and fully, and would be helpful in preparation of a thorough response. While we will continue to work to provide the best comments possible by the January 31 deadline, an extension would improve the nature, detail, and completeness of our response.

We believe that a significant amount of detailed work will be necessary in order to provide a substantive, integrated response to the paper. Unlike exposure drafts for which comments on proposed changes in accounting can be made from a theoretical or conceptual perspective, this request for comment requires investigation of very
practical, detailed implementation issues with numerous groups outside the accounting department. Based upon the specific information requested, we will need to obtain input from Operational Accounting, Financial Reporting, Internal Controls, Operations, IT, Tax, and others for each project. Then, we will need to consolidate this information and consider the overall impacts and interdependencies between the affected groups, systems, processes, and controls. We will be doing this for projects that are not yet final and for which substantive changes from the proposals in the Exposure Drafts are possible as a result of redeliberations over the next six months. In summary, the effort and coordination to provide FASB specific, useful information will be quite significant.

We believe additional time to comment on this Discussion Paper also is warranted based on factors that reduce our, and perhaps others', ability to focus on its provisions. While the Discussion Paper was published in mid-October, the actual time available for robust analysis is quite limited due to third-quarter and annual reporting activities, substantial resources committed to the analysis and preparation of comment letters on other significant exposure drafts, and year-end holidays.

Given the importance of addressing the Discussion Paper’s questions and the abbreviated time effectively available to do so, we request a minimum extension of the comment period through March 31, 2011, and ideally through June 30, 2011. We recognize that the FASB may desire to debate and incorporate these provisions in the other standards being finalized by June 30. However, just as the discussion paper was issued separately, we believe the effective dates and transition methods similarly could be issued in a separate document without compromising the implementation of the standards. In fact, given that the FASB will redeliberate these other projects during the first half of 2011, we think a delay in the comment period may be a more realistic reflection of the ultimate effort needed to complete these projects and will be beneficial overall by allowing constituents to provide better information.

Finally, we are aware of views published this year by two international accounting firms addressing the volume and timing of proposed changes in standards. These documents express concerns about the current timetable for completing the convergence standards and the importance of assuring that the standards are of
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high quality. Our request for an extension of the comment period for this Discussion Paper is consistent with the spirit of the views in those documents. This extension would allow for more meaningful feedback to the Board, resulting in issuance of thorough and robust standards.

Thank you for your consideration of our request.

Sincerely,

[Signature]

Richard F. McMahon  
Executive Director