



U.S. COMMODITY FUTURES TRADING COMMISSION

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DIVISION OF  
ECONOMIC ANALYSIS

January 12, 1999

Ms. Karen Klitzman  
Vice President, Research  
New York Mercantile Exchange  
One North End Avenue  
New York, NY 10282-2000

Re: Notice that the New York Mercantile Exchange Has Been Deemed Designated as a Contract Market in PJM Electricity Futures and Futures Option Contracts.

Dear Ms. Klitzman:

By a submission dated November 25, 1998, and received by the Commission on November 27, 1998, the New York Mercantile Exchange (NYMEX or Exchange) applied pursuant to Sections 4c and 6 of the Commodity Exchange Act (Act), 7 U.S.C. §§ 6c and 8, and Commission Regulation § 33.5, 17 C.F.R. § 33.5, for designation as a contract market in PJM electricity futures and futures option contracts, and for approval of the corresponding rules pursuant to Section 5a(a)(12) of the Act and Commission Regulation 1.41(b). The applications were submitted under the 45-day Fast Track procedure of Commission Regulation 5.1(b).

The Division has reviewed the materials submitted by the NYMEX and has determined that the applications appear to meet the Fast Track designation review requirements of Commission Regulation 5.1. Accordingly, you are advised that, as of the close of business on January 11, 1999, the NYMEX was deemed to have been designated as a contract market in PJM electricity futures and options pursuant to Sections 4c and 5 of the Act, 7 U.S.C. §§ 6c and 7. Additionally, on the same date, proposed rules 435.01 through 435.20 with respect to the futures contract, rules 393.01 through 393.07 with respect to the option contract, and amendments to rules 9.26, 9.27, and 9.34 were deemed approved pursuant to Section 5a(a)(12) of the Act, 7 U.S.C. § 7a(a)(12) and Regulation 1.41(b).

Sincerely,

*John R. Mielke*  
John R. Mielke  
Acting Director