

August 28, 2003

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Via Fax and US Mail

Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: Rule Certification. NYMEX Submission 03.123 - Notification of
Amendment to NYMEX Division Rule 6.51.**

Dear Ms. Jean Webb:

The New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC") of an amendment to NYMEX Division Rule 6.51, Settlement Price Committee.

The amendment will go into effect September 1, 2003. The amendment will have the effect of making permanent the prior amendment of this Rule (see Submission 03.73), which originally was adopted as a three-month pilot program. Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the new amendment complies with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact the undersigned at 212-299-2940.

Very truly yours,

Nancy M. Minett
Vice President
Compliance Department

Attachments

cc: Thomas LaSala
Brian Regan

6.51 Settlement Price Committee

ADDITIONS UNDERLINED, DELETIONS ~~STRIKETHROUGH~~

(A) Except as provided in Subsection (B) below, the Settlement Price Committee, which shall be a Regular Committee, shall consist of such members or permittees as the Chairman shall appoint with the consent of the Board. The Committee shall be divided into sub-committees for each futures and options contract traded. To the extent possible, each sub-committee shall consist of at least three (3) Members, at least one of whom shall be a Floor Broker, one of whom shall be a Floor Trader, and one of whom shall represent trade interests (either personal, of his employer, or of a substantial customer base). In addition, the President shall designate a staff member for each commodity, except natural gas, who shall assist the Committee in gathering information relevant to the establishment of settlement prices and who shall be responsible to assure that written records of the settlement process are prepared, in accordance with the Rules. On any day on which there is insufficient representation of any group on a subcommittee, the Chairman or a Vice Chairman of the Settlement Committee, or their designee, shall supervise the settlement price determination for that contract.

(B)(1) For crude oil, heating oil, gasoline futures contracts and for all option contracts, the Settlement Price Committee shall consist of such Members or Non-Member representatives of Member Firms, such as Member Firm employees, as the Chairman shall appoint with the consent of the Board provided further. For the coal futures contract, the Settlement Price Committee shall also consist of representatives of Non-Member Firms. For the PJM electricity futures contract, the Settlement Price Committee also shall consist of representatives of Non-Member Firms and additionally shall include one (1) Exchange employee dedicated to service as a voting member on this committee. For Calendar Spread Options and Crack Spread Options, the Settlement Price Committee also shall include one (1) Exchange employee dedicated to service as a voting member on this Committee.

(1) ~~(2)~~ Futures and Option Contracts Traded Solely on the Trading Floor or Traded on the Trading Floor and on (as applicable) NYMEX ACCESS® or NYMEX ClearPort(sm) Trading. For each such futures and option contract, to the extent possible, each sub-committee shall consist of at least six (6) Committee members who shall be designated by the Chairman of the Committee to establish settlement prices for such contract and of whom at least three of the six Committee members shall be Floor traders and three shall represent trade or other off-the-floor customer interests except that the PJM Electricity Settlement Committee additionally shall include one Exchange employee. Finally, in any case in which the Committee members designated by the Chairman to establish settlement prices are unable to do so by agreement of a majority, the Chairman or a Vice Chairman of the Settlement Price Committee, or their designee, shall have the authority to establish such settlement price. Notwithstanding the above, with respect to the PJM Electricity, the Calendar Spread Options and the Crack Spread Options Settlement Committees, the Exchange employee serving as a voting member of that committee also shall serve as the Chairman of the PJM, Calendar Spread Options and Crack Spread Options Settlement Price Committees and further shall have final authority in all instances to veto and to

override price determinations made by that committee.

(2) (3) Futures and Option Contracts Traded Solely on NYMEX ACCESS®. For each such futures and option contract, to the extent possible, each sub-committee shall consist of at least three (3) Committee members who shall be designated by the Chairman of the Committee to establish settlement prices for such contract and of whom at least two of the three Committee members shall be Electronic Traders and one shall represent trade or other off-the-floor customer interests. Finally, in any case in which the three Committee members designated by the Chairman to establish settlement prices are unable to do so by agreement of a majority, the Chairman or a Vice Chairman of the Settlement Price Committee, or their designee, shall have the authority to establish such settlement price.

~~(4) All references to Calendar Spread Options and Crack Spread Options in this section (B) shall be in effect on a pilot basis and effective as per the directive of the Board of Directors.~~

(C) At the conclusion of the RTH trading session on the Exchange Floor each day, settlement prices shall be determined for every contract listed.

(D) The Settlement Price Committee, or any subcommittee thereof, shall have the authority to request from any member representing that certain market information should be considered in the determination of a settlement price, such documentation as it deems appropriate including, but not limited to, trading cards and order tickets.