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OFFICE OF THE SECRETARIAT

**Via E-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 05.105: Notification of Amendments to NYMEX Rules 9.26, 9.27, 9.34, and 11.63 for two New Emissions Allowance Futures Contracts.**

Dear Ms. Jean Webb:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of amendments to NYMEX Rules 9.26, All Month/Any One Month Position Accountability; 9.27, Expiration and Current Delivery Month Position Limits or Position Accountability; 9.34, Reporting Levels; and 11.63, Electronic Trading Error Trade Procedures.

Effective for trade date June 20, 2005, these amendments include the addition of position limits, accountability levels, reporting levels, and electronic trading no bust ranges for two new Emissions Allowance Futures Contracts: NOX Emissions Allowance Futures Contract, and SO<sub>2</sub> Emissions Allowance Futures Contract. Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached rule amendment complies with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact Anthony V. Densieski, Senior Director, Market Surveillance, at (212) 299-2881, or Nicholas G. Galati, Director, Market Surveillance, at (212) 299-2920.

Very truly yours,

Nancy M. Minett  
Vice President  
Compliance Department

cc: Brian Regan  
Thomas LaSala

(Underlining in bold represents an addition, and strikethrough in bold a deletion)

**Rule 9.26, All Month/Any One Month Position Accountability**

Sections (A) through (C) remain unchanged.

(D) Except as provided in Rule 9.27, the any one month/all month position accountability levels for each futures contract traded on the Exchange are:

	<b>Net Futures or Futures- Equivalent Position Accountability Levels</b>
<b>I. Futures Contracts Listed for Open Outcry Trading</b>	
Light Sweet Crude Oil (also includes WTI Calendar Swap, NYMEX WTI-Brent Spread Calendar Swap, Crude Oil Average Price Options and Crude Oil Look-Alike Options)	20,000 contracts
NYMEX Brent Crude Oil (also includes NYMEX WTI-Brent Spread Calendar Swap and NYMEX Brent Calendar Swap)	20,000 contracts
New York Harbor Unleaded Gasoline (also includes Unleaded Gasoline Average Price Options and Unleaded Gasoline Look-Alike Options)	7,000 contracts
New York Heating Oil (also includes NY Harbor Calendar Swap, Heating Oil Average Price Options and Heating Oil Look-Alike Options)	7,000 contracts
Northwest Europe Gasoil	7,000 contracts
Natural Gas (also includes Henry Hub Swap, Henry Hub Natural Gas Penultimate Swap and Natural Gas Look-Alike Options)	12,000 contracts
Liquefied Propane Gas	1,500 contracts
Palladium	1,000 contracts
Platinum	1,500 contracts
Central Appalachian Coal	5,000 contracts
<b><u>SO<sub>2</sub> Emissions Allowance</u></b>	<b><u>2,500 contracts</u></b>
<b><u>NOX Emissions Allowance</u></b>	<b><u>2,500 contracts</u></b>

The Position Accountability levels for the PJM Calendar Month LMP Swap, PJM Calendar Week LMP Swap and the PJM Calendar Day Ahead LMP Swap shall be 5,000 contracts in the aggregate.

Remainder of the rule is unchanged.

**Rule 9.27, Expiration and Current Delivery Month Position Limits or Position Accountability**

Section (A) remains unchanged.

(B) The expiration position limits for energy contracts set forth below are effective on the open of trading of the last three trading days of the futures contract. The expiration position limits shall be calculated on a net futures-equivalent basis. For purposes of this rule, a Crude Oil e-miNY(sm) contract shall be deemed equivalent to .50 of a Crude Oil light sweet future cited below. A Natural Gas e-miNY(sm) shall be deemed equivalent to .50 of a Natural Gas future cited in (x) below.

The expiration position limits for energy futures contracts listed below are:

**Futures Contracts****Net Futures or Futures-  
Equivalent Expiration  
Position Limits****I. Futures Contracts Listed for Open Outcry Trading**

Light, Sweet Crude Oil (also includes WTI Calendar Swap, NYMEX WTI-Brent Spread Calendar Swap, Crude Oil Average Price Options, and WTI Crude Oil Look-Alike Options)	2,000 contracts
New York Harbor Unleaded Gasoline (also includes NY Harbor Calendar Swap, Unleaded Gasoline Average Price Options, and New York Harbor Unleaded Gasoline Look-Alike Options)	1,000 contracts
New York Heating Oil (also includes NY Harbor Calendar Swap, Heating Oil Average Price Options, and New York Harbor Heating Oil Look-Alike Options)	1,000 contracts
Northwest Europe Gasoil	1,000 contracts
Natural Gas (also includes Henry Hub Swap, Henry Hub Natural Gas Penultimate Swap and Natural Gas Look-Alike Option Contracts)	1,000 contracts
Liquefied Propane Gas	250 contracts
Central Appalachian Coal	200 contracts
<b><u>SO<sub>2</sub> Emissions Allowance</u></b>	<b><u>200 contracts</u></b>
<b><u>NOX Emissions Allowance</u></b>	<b><u>200 contracts</u></b>

Remainder of the rule is unchanged.

**Rule 9.34, Reporting Levels**

(A) The quantities fixed for the purposes of filing a report under Rule 9.33 are:

**Commodity**

Crude Oil Light Sweet	350 contracts
NYMEX Brent Crude Oil	350 contracts
PJM Calendar-Month-LMP Swap (PJM Interconnection, LLC)	1 contract
PJM Calendar-Week-LMP Swap (PJM Interconnection, LLC)	1 contract
PJM Calendar Day-Ahead-LMP Swap (PJM Interconnection, LLC)	1 contract
New York Harbor Unleaded Gasoline	150 contracts
New York Heating Oil	250 contracts
Northwest Europe Gasoil	25 contracts
Liquefied Propane Gas	25 contracts
Natural Gas	175 contracts
Palladium	25 contracts
Platinum	50 contracts
Central Appalachian Coal	25 contracts
<b><u>SO<sub>2</sub> Emissions Allowance</u></b>	<b><u>25 contracts</u></b>
<b><u>NOX Emissions Allowance</u></b>	<b><u>25 contracts</u></b>

Remainder of the rule is unchanged.

**NYMEX Rule 11.63, Electronic Trading Error Trade Procedures**

(A) Whenever an Electronic Trader or Authorized Terminal User believes that he or she executed a trade through NYMEX ACCESS® or through an Alternative Electronic Trading System in error as a result of an error ("Error"), the Electronic Trader or Authorized Terminal User or a representative of the firm that is a party to the trade must contact the NYMEX Customer Service Call Center ("NCSCC") immediately. For the purposes of this rule, the term "Alternative Electronic Trading System" shall mean any electronic trading system other than NYMEX ACCESS® on which NYMEX Division or COMEX Division products are traded, but not including GLOBEX®.

(B) Except as provided in Section (F) below, if a potential user Error is observed by or brought to the attention of the NCSCC within ten (10) minutes after the trade occurs, the following procedures will apply:

(1) The NCSCC staff will determine whether the trade price is less than the number of ticks set forth below away from the fair market value as determined by the NCSCC. In determining the fair market value, the NCSCC will consider the notional settlement price, the actual settlement price, the last traded price, a better bid or offer price, or any other information the NCSCC staff deems relevant. If the trade price is within the relevant range, then the trade will stand.

Contract Outrights	# Ticks From Market	Minimum Tick Size	\$ per Tick
CL	10	0.01	10.00
SC	10	0.01	10.00
HO	25	0.0001	4.20
HU	25	0.0001	4.20
GR	4	.25	25.00
NG	20	0.001	10.00
PN	25	0.0001	4.20
PL	20	0.10	5.00
PA	10	0.05	5.00
QL	10	0.01	15.50
GC	10	0.10	10.00
SI	4	0.005	25.00
HG	10	0.0005	12.50
AL	5	0.0005	22.00
JM	12	0.05	42.00
<b><u>RS</u></b>	<b><u>4</u></b>	<b><u>0.25</u></b>	<b><u>25.00</u></b>
<b><u>RN</u></b>	<b><u>2</u></b>	<b><u>25.00</u></b>	<b><u>250.00</u></b>

Remainder of the rule is unchanged.