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New York, NY 10055

**BY ELECTRONIC TRANSMISSION**

Submission No. 15-115

June 5, 2015

Mr. Christopher J. Kirkpatrick  
Secretary of the Commission  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: Amendments to No Cancellation Range, Reasonability Limit and Interval Price Limit Levels for Certain Physical Environmental and Financial Power Contracts - Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“Exchange”) hereby certifies amendments to the No Cancellation Range (“NCR”), Reasonability Limit (“RL”) and Interval Price Limit (“IPL”) levels for certain physical environmental and financial power futures and options contracts, as set forth in Exhibit A.

**Amendments to the NCR, RL and IPL levels for certain Physical Environmental and Financial Power Futures Contracts**

The amendments decrease the NCR, RL and IPL levels for the California Carbon Allowance (“CCA”) futures and options contracts listed by the Exchange. The Exchange is also reducing the NCR levels for the ERCOT Capacity Responsive Reserve, Non-Spinning Reserve, Regulation UP and Regulation DOWN futures contracts. As liquidity has increased and price-discovery has become more efficient, the Exchange has determined that it is appropriate to tighten the NCR, RL and IPL levels for the aforementioned physical environmental and financial power futures and options contracts. Additionally, given that the aforementioned ERCOT contracts are monthly contracts, the Exchange is removing the daily NCR levels currently provided. The Exchange will implement the NCR, RL and IPL amendments on June 22, 2015.

## **Certifications**

The Exchange certifies that the amendments to the NCR, RL and IPL levels comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has determined that the amendments comply with the following relevant Core Principles:

### **COMPLIANCE WITH RULES**

The amended NCR, RL and IPL levels for the financial power and physical environmental futures and options contracts are set forth on the Exchange's website and will be enforced by the Exchange. In addition, trading of these contracts is still subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

### **CONTRACTS NOT READILY SUBJECT TO MANIPULATION**

The Exchange's financial power and physical environmental contracts are not readily subject to manipulation as they are based on established and liquid underlying cash markets. In addition, trading of the contracts will continue to be monitored by the Market Regulation Department.

### **POSITION LIMITS OR ACCOUNTABILITY**

Positions in the aforementioned physical environmental and financial power futures and options contracts will continue to be subject to position limits set by the Exchange. Such position limits are based upon the deliverable supply in the cash market.

### **FINANCIAL INTEGRITY OF CONTRACTS**

The aforementioned physical environmental and financial power futures and options contracts will continue to be cleared by ICE Clear Europe, a registered derivatives clearing organization subject to Commission regulation, and carried by registered futures commission merchants qualified to handle customer business.

The Exchange further certifies that, concurrent with this filing, a notice of pending certification was posted on the Exchange's website as well as a copy of this submission, which may be accessed at (<https://www.theice.com/futures-us/regulation#Rule-Filings>).

If you have any questions or need further information, please contact me at 212-748-4021 or at [jason.fusco@theice.com](mailto:jason.fusco@theice.com).

Sincerely,



Jason V. Fusco  
Assistant General Counsel  
Market Regulation

Enc.

cc: Division of Market Oversight  
New York Regional Office

**EXHIBIT A**

(In the text of the amendments below, additions are underlined and deletions are bracketed and lined out.)

**ICE Futures U.S., Inc. Reasonability Limits and No Cancellation Ranges –**

**As of April 27, 2015**

**ICE Futures U.S. – Energy Division No Cancellation Ranges**

**(Maximum Number of Ticks from Market Value expressed as Price Difference)**

<b>Financial Gas</b>	<b>Day</b>	<b>Spread</b>	<b>Month</b>	<b>Spread</b>	<b>Season</b>	<b>Spread</b>	<b>Calendar</b>	<b>Spread</b>
Henry Hub	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Non-Henry Fixed Price	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Index			0.02	0.02	0.02	0.02	0.02	0.02
Index Bidweek (Prompt Month Only)			0.04	0.04	0.04	0.04	0.04	0.04
EIA Financial Weekly Index	10 BCF	10 BCF	10 BCF	10 BCF	10 BCF	10 BCF	10 BCF	10 BCF
EIA End of Draw / Storage Index	250 BCF	250 BCF	250 BCF	250 BCF	250 BCF	250 BCF	250 BCF	250 BCF
Basis	20% of Basis/Spread FMV up to 0.05				Min/Max Range = 0.02/0.05			
Options	20% of Premium FMV up to 0.05				Min/Max Range = 0.005/0.05			
<b>Natural Gas Liquid</b>	<b>Day</b>	<b>Spread</b>	<b>Quarter</b>	<b>Spread</b>	<b>Calendar</b>	<b>Spread</b>		
TMX C5 1B	0.5	0.1	0.2	0.08	0.1	0.08		
<b>Financial Power</b>	<b>BalDay/ NextDay/ BalWeek</b>	<b>Spread</b>	<b>Weekly &amp; Balmo</b>	<b>Spread</b>	<b>Month &amp; Season</b>	<b>Spread</b>	<b>Quarter &amp; Calendar</b>	<b>Spread</b>
PJM WHRT, Indiana RT, Nepool DA	5.00	5.00	2.00	2.00	0.60	0.60	0.40	0.40
All other contracts	5.00	5.00	2.00	2.00	1.00	1.00	0.60	0.60
Post Daily LMP Publish	0.05	0.05						
Capacity Responsive Reserve	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del> <u>1.00</u>	<del>[5.00]</del> <u>1.00</u>	<del>[5.00]</del> <u>0.60</u>	<del>[5.00]</del> <u>0.60</u>
Non-Spinning Reserve	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del> <u>1.00</u>	<del>[5.00]</del> <u>1.00</u>	<del>[5.00]</del> <u>0.60</u>	<del>[5.00]</del> <u>0.60</u>
Regulation	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del>	<del>[5.00]</del> <u>1.00</u>	<del>[5.00]</del> <u>1.00</u>	<del>[5.00]</del> <u>0.60</u>	<del>[5.00]</del> <u>0.60</u>

Daily Load Forecast	5,000 MW		
Options	20% of Premium FMV up to 5.00	Min/Max Range = 0.50/5.00	
Heat Rate Spread	Month	Quarters	Calendar
Heat Rate	0.30	0.30	0.30
DART	0.60	0.40	0.40
US Environmental	Month	Option	Min/Max Range
RGGI	0.10	20% of Premium FMV up to 0.10	0.05/0.10
CAR-CRT, CFI-US & REC-NJ	0.25	20% of Premium FMV up to 0.25	0.05/0.25
<u>CCA</u>	<u>0.25</u>	<u>20% of Premium FMV up to 0.25</u>	<u>0.01/0.25</u>
<del>[CCA &amp;]</del> SFI	0.50	20% of Premium FMV up to 0.50	0.05/0.50
CT & MA REC	1.00	20% of Premium FMV up to 1.00	0.05/1.00
CSAPR SO2 & NOX	10.00	20% of Premium FMV up to 10.00	0.50/10.00
RIN	0.05	20% of Premium FMV up to 0.05	0.01/0.05
MA & NJ SREC	5.00	20% of Premium FMV up to 5.00	0.50/5.00
TX REC	0.25	20% of Premium FMV up to 0.25	0.05/0.25
CAIR NOX	5.00	20% of Premium FMV up to 5.00	0.50/5.00
PJM TRI - QEC	0.25	N/A	N/A

### ICE Futures U.S. – Energy Division Reasonability Limit Levels

U.S. Environmentals	Reasonability Limit(s)	Reasonability Limit(s) Exceptions
RGGI	\$0.50	N/A
CAR-CRT, CFI-US & REC-NJ	\$1.25	N/A
<u>CCA</u>	<u>\$1.25</u>	<u>N/A</u>
<del>CCA</del> & SFI	\$2.50	N/A
CT & MA REC	\$5.00	N/A
CSAPR SO2 & NOX	\$30.00	N/A
RIN	\$0.25	N/A
MA & NJ SREC	\$15.00	N/A
TX REC	\$1.25	N/A
CAIR NOX (Annual and Ozone)	\$15.00	N/A
PJM TRI - QEC	\$1.25	N/A

## INTERVAL PRICE LIMIT FUNCTIONALITY

With IPL levels as of 4/27/15

**Power and Emissions contracts:**

Futures Contract	IPL Amount (in \$ terms)	IPL Exceptions (in \$ terms)	Recalc Time (secs)	Hold Period (secs)
Financial Power	\$30.00	N/A	3	5
Capacity Responsive Reserve	\$30.00	N/A	3	5
Non-Spinning Reserve	\$30.00	N/A	3	5
Regulation	\$30.00	N/A	3	5
All Daily Power Contracts	\$120.00	N/A	3	5
All Daily Load Forecast	50,000 MW	N/A	3	5
All ERCOT Contracts	\$100.00	All ERCOT Daily contracts - \$120.00	3	5
RGGI	\$1.00	N/A	3	5
CAR-CRT, CFI-US & REC-NJ	\$2.50	N/A	3	5
<u>CCA</u>	<u>\$2.50</u>	<u>N/A</u>	<u>3</u>	<u>5</u>
<del>[CCA &amp;]</del> SFI	\$5.00	N/A	3	5
CT & MA REC	\$10.00	N/A	3	5
CSAPR SO2 & NOX	\$60.00	N/A	3	5
RIN	\$0.50	N/A	3	5
MA & NJ SREC	\$30.00	N/A	3	5
TX REC	\$2.50	N/A	3	5
CAIR NOX (Annual and Ozone)	\$30.00	N/A	3	5
PJM TRI - QEC	\$2.50	N/A	3	5