

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 16-223

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): June 15, 2016 Filing Description: Modifications to the ~~Energy Natural Gas Cross-Venue Incentive Program for High Volume Participants Energy Financial Natural Gas Volume Incentive Program~~

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: Not Applicable

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

Official Name(s) of Product(s) Affected:

Rule Numbers:



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

June 15, 2016

VIA ELECTRONIC PORTAL

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

**RE: Modifications to the Energy Natural Gas Cross-Venue Incentive Program for High Volume Participants Energy Financial Natural Gas Volume Incentive Program
NYMEX Submission No. 16-223**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify its ~~Energy Natural Gas Cross-Venue Incentive Program for High Volume Participants~~ Energy Financial Natural Gas Volume Incentive Program ("Program"). The modifications to the Program will become effective on July 1, 2016.

Exhibit 1 sets forth the terms of the Program. Modifications appear below, with additions underscored and deletions ~~overstruck~~.

NYMEX reviewed the designated contract market core principles as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX staff identified the following Core Principles as potentially being impacted: Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants, Compliance with Rules, and Recordkeeping.

The Program does not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. The Exchange's market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, NYMEX has implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. NYMEX will select participants based on the criteria set forth in Exhibit 1. Chapter 4 of the NYMEX rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants must execute a contractual agreement in which each participant will expressly agree to comply with and be subject to, applicable regulations and NYMEX rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

The Exchange certifies that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please e-mail CMEGSubmissionInquiry@cmegroup.com or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our NYMEX Submission No. 16-223 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Energy Natural Gas Cross-Venue Incentive Program for High Volume Participants **Energy Financial Natural Gas Volume Incentive Program**

Program Purpose

The purpose of the Program is to incentivize higher levels of volume contribution in certain natural gas products ~~across NYMEX's trading and clearing venues~~ and build liquidity in the applicable products. Higher levels of volume and liquidity in the products listed below benefits all participants in the marketplace.

Product Scope

~~The Program will encompass the following products: All Henry Hub Natural Gas Last Day Financial Futures ("NN"), Natural Gas (Henry Hub) Last-day Financial Futures ("HH"), and Henry Hub Natural Gas Futures ("NG") NP, and HP products that are traded on Globex, the NYMEX trading floor, or submitted for clearing through CME ClearPort, and all NG products that are traded on Globex or submitted for clearing through CME ClearPort (collectively, the "Products").~~

Eligible Participants

Up to ~~three (3)~~ ten (10) participants may be selected for participation in the Program. Participants must be proprietary trading firms that are NYMEX members. The Exchange will use a variety of factors in determining whether a prospective participant is selected to participate in the Program, including the prospective participants' overall historical volume in the Products and the prospective participants' ability to commit to maintain a certain volume in the Products. ~~Participants may not be concurrently participating in the Core Globex Energy Tiers Incentive Program.~~ Notwithstanding the foregoing, NYMEX may modify the aforementioned factors in its sole discretion as it deems necessary.

Program Term

Start date is April 30, 2013. End date is ~~June 30, 2016~~ December 31, 2016.

Hours

N/A

Incentives

If a participant achieves certain volume levels in the Products, as determined by the Exchange, the respective participant may qualify to receive predetermined incentives in the Products.

Monitoring and Termination of Status

The Exchange shall monitor participants' activity in the Products and retains the right to revoke Program participant status if it concludes from review that a Program participant no longer meets the ~~eligibility~~ requirements of the Program.