

SUBMISSION COVER SHEET

Registered Entity Identifier Code (optional)

Date: September 7, 2016

IMPORTANT: CHECK BOX IF CONFIDENTIAL TREATMENT IS REQUESTED.

ORGANIZATION

FILING AS A: DCM SEF DCO SDR ECM/SPDC

TYPE OF FILING

• Rules and Rule Amendments

- Certification under § 40.6 (a) or § 41.24 (a)
- “Non-Material Agricultural Rule Change” under § 40.4 (b)(5)
- Notification under § 40.6 (d)
- Request for Approval under § 40.4 (a) or § 40.5 (a)
- Advance Notice of SIDCO Rule Change under § 40.10 (a)

• Products

- Certification under § 39.5(b), § 40.2 (a), or § 41.23 (a)
- Swap Class Certification under § 40.2 (d)
- Request for Approval under § 40.3 (a)
- Novel Derivative Product Notification under § 40.12 (a)

RULE NUMBERS

40.6

DESCRIPTION

NGX is making this submission to advise the Commission that it is establishing, on a temporary basis, discounted transaction fees for certain physically settled gas futures products.

Natural Gas Exchange Inc.
Rule Amendments Submission 2016-01
September 7, 2016

1. Schedule A of the CPA is appended as Attachment A. The transaction fee to which the Temporary Discounted Fees (defined below) relate is highlighted in Attachment A.
2. The Temporary Discounted Fees will become effective October 1, 2016 and will remain in effect through December 31, 2016.
3. Attached, please find a certification that: (a) the Temporary Discounted Fees comply with the Commodity Exchange Act (the "Act"), and the Commission's regulations thereunder; and (b) concurrent with this submission, NGX posted on its website: (i) a notice of pending certification of the Temporary Discounted Fees with the Commission; and (ii) a copy of this submission.
4. A concise explanation and analysis of the operation, purpose, and effect of the Temporary Discounted Fees appears below.
5. There were no opposing views expressed regarding the Temporary Discounted Fees.
6. Confidential treatment is not requested.

CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE,
AND EFFECT OF THE RULE AMENDMENT AND ITS COMPLIANCE WITH
APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND
THE COMMISSION'S REGULATIONS THEREUNDER

Pursuant to Commission Rule 40.6(a)(7)(v), the following is a concise explanation and analysis of the operation, purpose, and effect of the Temporary Discounted Fees (defined below).

For transaction fees associated with physically settled gas futures products for "All other Canadian Products tenor of greater than one calendar month", set out in Schedule A of the CPA, NGX will offer, on a temporary basis, the following discounted fees (the "Temporary Discounted Fees") to contracting parties for the following subset of products, provided the products have a term of three months or greater:

<u>Products</u>	<u>Currency/Unit</u>	<u>Current Fee</u>	<u>Discounted Fee</u>
NGX Phys FUT, ID, 7a NGX (CA/GJ)	CAD/GJ	\$0.0011 CAD/GJ	\$0.00055 CAD/GJ
NGX Phys FUT, ID, 7a NGX (US/MM)	USD/MMbtu	\$0.0011 US/MM	\$0.00055 US/MM
NGX Phys FUT, ID, 5a NGX (CA/GJ)	CAD/GJ	\$0.0011 CAD/GJ	\$0.00055 CAD/GJ

<u>Products</u>	<u>Currency/Unit</u>	<u>Current Fee</u>	<u>Discounted Fee</u>
NGX Phys FUT, ID, 5a NGX (US/MM)	USD/MMbtu	\$0.0011 US/MM	\$0.00055 US/MM

The current transaction fee for such products is located in Schedule A of the CPA under “All other Canadian Products tenor of greater than one calendar month”, and has been appended as Attachment A of this submission for your convenience.

The Temporary Discounted Fees will become effective on October 1, 2016 and will remain in effect until December 31, 2016.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. §7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6,
17 C.F.R. §40.6

I hereby certify that:

- (1) the temporary changes to the fees in Schedule A – Fee Schedule of the "Contracting Party Agreement" comply with the Commodity Exchange Act, and the Commodity Futures Trading Commission's regulations thereunder; and
- (2) concurrent with this submission, Natural Gas Exchange Inc. posted on its website: (a) a notice of pending certification of these changes with the Commission; and (b) a copy of this submission.



By: Claude Cyr
Title: Managing Director
Date: September 7, 2016

Attachment A: Contracting Party Agreement – Schedule “A” – Fee Schedule

SCHEDULE "A" – FEE SCHEDULE¹

Subscription Fees - Monthly²

Subscription Fee per month – Contracting Party	\$2,500
Subscription Fee per month – Contracting Party Affiliate	\$1,000
Subscription Fee per month – Contracting Party, US Phys Products Only ³	\$1,500
Subscription Fee per month – Contracting Party Affiliate, US Phys Products Only ³	\$750

Transaction and Forward Transaction Fees—Physical Gas at Canadian Delivery Points – Business Days

All Yesterday Products	CAD/GJ	\$0.0025
All other Canadian Products tenor of less than one calendar month	CAD/GJ	\$0.0013
All other Canadian Products tenor of greater than one calendar month	CAD/GJ	\$0.0011
All other US Products tenor of less than one calendar month	USD/MMBtu	\$0.0013
All other US Products tenor of greater than one calendar month	USD/MMBtu	\$0.0011
TCPL Enbridge CDA, TCPL Enbridge EDA, TCPL GMI EDA, TCPL Iroquois, TCPL Niagara, TCPL Chippewa	USD/MMBtu	\$0.002
Spread Products		
All other Canadian Products tenor of less than one calendar month	CAD/GJ/leg	\$0.00065
All other Canadian Products tenor of greater than one calendar month	CAD/GJ/leg	\$0.00055
Spread Products to TCPL Enbridge CDA, TCPL Enbridge EDA, TCPL GMI EDA, TCPL Iroquois, TCPL Niagara, TCPL Chippewa	USD/MMBtu/leg	\$0.001
All other US Products tenor of less than one calendar month	USD/MMBtu/leg	\$0.00065
All other US Products tenor of greater than one calendar month	USD/MMBtu/leg	\$0.00055

Transaction and Forward Transaction Fees—Oil

Canadian Delivery Point – cleared	CAD/barrel	\$0.025
Canadian Delivery Point – Forward	CAD/barrel	\$0.01

Transaction and Forward Transaction Fees—Physical Gas at Canadian Delivery Points – Weekends and Non-Business Days

NGX AB-NIT Yesterday Fixed Price	CAD/GJ	\$0.0025
NGX AB-NIT Same Day Fixed Price	CAD/GJ	\$0.0025

¹ Note that all fees are subject to rebates as published from time to time on the Exchange's Website. Transactions involving an assignment and novation will be billed up to 50% at the amount posted in this Schedule "A". Please contact NGX's marketing department to determine the costs associated with a particular assignment and novation.

² Note that U.S.-based participants will be charged in USD.

³ US Phys products are products traded at any Hub in the United States.

NGX AB-NIT Same Day Index	CAD/GJ	\$0.0025
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Transaction and Forward Transaction Fees – Financial Power Futures Transactions

Alberta Hourly	CAD/MWh	\$0.10
All other Alberta Financial Power and Heat Rate	CAD/MWh	\$0.02
Ontario Financial Power and Heat Rate	CAD/MWh	\$0.02
EPCOR RRO	CAD/MWh	\$250 per 1% lot
ENMAX RRO – LFM	CAD/MWh	\$312.50 per 1% lot

Transaction Fees –Options Transactions (Gas)

Alberta –(Fixed and Alberta-Basis Futures) Put and Call Options	CAD/GJ	\$0.0011
Alberta Straddle Options	CAD/GJ/leg	\$0.00055

Clearing Fees –Physical Gas at US Delivery Points

Henry Hub, Katy Enstor, Michcon, Oasis-Waha and Houston Ship Channel	USD/MMBtu	\$0.003
Opal	USD/MMBtu	\$0.0035
All other US Delivery Points	USD/MMBtu	\$0.002

Clearing Fees –Physically Settled Oil Futures at US Delivery Points

United States Delivery Point	USD/barrel	\$0.015
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Clearing Fees – Futures Transactions at Canadian Delivery Points (Gas)

NGX AB-NIT Fixed for Floating	CAD/GJ	\$0.0011
All other Natural Gas Futures Products	USD/MMBtu	\$0.0011

Transaction Fees – Physical Power Futures Transactions

US POWER – tenor of less than one calendar month	USD/MWh	\$0.03
US POWER – tenor of one calendar month or longer	USD/MWh	\$0.0175
US POWER – tenor of one calendar month or longer spread	USD/MWh	\$.00875/leg
US POWER – tenor of one calendar year	USD/MWh	\$0.0175
US POWER – tenor of one calendar year or longer spread	USD/MWh	\$0.00875/leg

US POWER – tenor of three calendar months or longer	USD/MWh	\$0.0175
US POWER – tenor of three calendar months or longer spread	USD/MWh	\$0.00875/leg
US POWER – tenor of a two month period from July to August in one calendar year	USD/MWh	\$0.0175
US POWER – tenor of a two month period from July to August in one calendar year or longer spread	USD/MWh	\$0.00875/leg

Fees for Delivery Points located in Canada are subject to GST.