



**BY ELECTRONIC TRANSMISSION**

Submission No. 18-466  
September 13, 2018

Mr. Charles 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: Extension of ICE Futures Physical Environmental Product Program -  
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6, ICE Futures U.S., Inc. (“Exchange”) submits, by written certification, notice that the Exchange is extending the term of the ICE Futures U.S. Physical Environmental Product Program (“the Program”) through September 30, 2020, as set forth in Exhibit A. The Exchange believes that the Program, which was launched on October 15, 2012 and set to expire on September 30, 2018, will continue to promote liquidity in the covered products. All other terms remain unchanged.

The Exchange certifies that the Program complies with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder. In particular, the amendments comply with Core Principle 4 (Monitoring of Trading), Core Principle 9 (Execution of Transactions) and Core Principle 12 (Protection of Market Participants). The Program is structured so that they do not create incentives for participants to engage in market abuses such as manipulative trading or wash sales. In addition, the Exchange’s Market Regulation Department actively monitors for trading abuses using electronic exception reports and will take appropriate action against any participants engaging in market abuses. The Program does not impact order execution priority or otherwise give participants any execution preference or advantage.

The Exchange further certifies that, concurrent with this filing, a notice of pending certification was posted on the Exchange’s website. A copy of this submission may be accessed at (<https://www.theice.com/futures-us/regulation#rule-filings>). The extension will become effective on October 1, 2018. The Exchange is not aware of any substantive opposing views with respect to the extension.

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,

A handwritten signature in black ink, appearing to read "Jason V. Fusco". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jason V. Fusco  
Assistant General Counsel  
Market Regulation

Enc.  
cc: Division of Market Oversight  
New York Regional Office

## EXHIBIT A

### ICE Futures U.S. Physical Environmental Product Program

#### Program Purpose

The purpose of the Program is to incentivize participants to increase central limit order book liquidity in the products listed below; this enhanced liquidity will benefit all participants in the marketplace.

#### Product Scope

Climate Action Reserve Forwards and Options, Carbon Financial Instrument US Forwards and Options, Regional Greenhouse Gas Initiative Forwards and Options, Connecticut, Massachusetts & New Jersey Compliance Reviewable Energy Certificates Class 1 Forwards, Sulfur Financial Instrument Forwards and Options, California Carbon Allowance Forwards and Options, Cross State Air Pollution Rule TR SO<sub>2</sub> (Groups 1 & 2) Allowance Forwards and Options, Cross State Air Pollution Rule TR NO<sub>x</sub> Annual Allowance Forwards and Options, and Cross State Air Pollution Rule TR NO<sub>x</sub> Ozone Season Allowance Forwards and Options.

#### Eligible Participants

IFUS may designate up to four participants in the Program [REDACTED]

#### Program Term

The Program shall end on September 30, 201~~48~~20, unless extended by the Exchange. The Exchange reserves the right to amend or end the program and/or to terminate any participant at any time prior to that date.

#### Obligations

[REDACTED]

#### Program Incentives

Participants shall be eligible to receive a non-transferable discount on Execution Fees for screen traded volume in Program contracts that is equal to their current CCFE trading privilege holder discount.

In addition Participants shall receive a credit on ICE Futures US execution fees for the contracts referenced in an equal amount to the remaining balance of the previously issued credit for ICE OTC Physical Environmental Contracts.

#### Monitoring and Termination of Status

The Exchange shall monitor trading activity and Participants' performance and shall retain the right to revoke Participants' status if it concludes from review that a Program Participant has failed to meet its obligations or no longer meets the eligibility requirements of this Program.