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**BY ELECTRONIC TRANSMISSION**

Submission No. 17-216  
December 4, 2017

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 Rule 6.20 (Conditional Limits and Spot Month) - Submission Pursuant to Commodity Futures Trading Commission Regulation 40.6(a)**

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“IFUS” or “Exchange”) hereby certifies amendments to Rule 6.20(c), as set forth in Exhibit A. The amendments to Rule 6.20: (i) allow participants to request a Conditional Limit in the Henry Hub LD1 Futures that will not expire for up to one year from the submission of such request; and (ii) make the grant of such Conditional Limit effective upon receipt of a completed application form.

IFUS Rule 6.20(c) allows the Exchange to grant what is known as a Conditional Limit to market participants in the Henry Hub LD1 Fixed Price Futures Contract, which allows the trader to hold a position that is up to five (5) times the spot month position limit during the period that such limits are in effect. As a condition to being granted a Conditional Limit, the trader must agree not to hold or control a position in the corresponding CME contract during the last three (3) days of trading of the expiring contract month, and must also agree to provide certain information about those positions to the Exchange.

Currently, traders must apply for the Conditional Limit each month by submitting an application that is reviewed and granted by the Market Regulation staff. The review process is highly repetitive and unnecessary as the grant of the limit is based upon representations relating to future obligations (the applicant’s agreement not trade CME contracts during the last 3 trading days and the applicant’s agreement to provide information to the Exchange about related positions upon request). To remove the needless burden associated with the current process, the Exchange is amending Rule 6.20(c) in two respects. First, an applicant will now be able to request a Conditional Limit for multiple months which will not expire for up to one year from the submission date; and second, the granting of the Conditional Limit will now be effective upon filing of the application with the Exchange, without the need for a formal “grant” letter to be issued each month. Market Regulation staff will continue to monitor for compliance by reviewing account statement positions to confirm adherence to the terms under which the Conditional Limit is granted.

The Exchange certifies that the amendments to Rule 6.20(c), which will become effective on December 19, 2017, 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 Condition Limit levels and associated obligations set forth in Rule 6.20 will be enforced by the Exchange.

**CONTRACTS NOT READILY SUBJECT TO MANIPULATION**

The Exchange's Henry Hub LD1 Futures Contract is not readily subject to manipulation as it is based on established and liquid underlying cash market. In addition, trading of the contracts will continue to be monitored by the Market Regulation Department.

**POSITION LIMITS OR ACCOUNTABILITY**

Positions in Henry Hub LD1 Futures Contract will continue to be subject to position limit and accountability levels set by the Exchange.

**FINANCIAL INTEGRITY OF CONTRACTS**

The Henry Hub LD1 Futures Contract 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 copy of this submission was posted on the Exchange's website, 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

## Exhibit A

### Rule 6.20. Position Limits, Conditional Limits and Position Accountability for Energy Contracts

(c) A Conditional Limit in the Henry Hub LD1 Fixed Price Future of up to five (5) times the spot month position limit may be granted for the period that spot month position limits are in effect. To be eligible for a Conditional Limit under this Rule, a Person must submit A an application, in the form specified by the Exchange, in which the applicant agrees: ~~completed Conditional Limit Request Form to the Exchange and agree:~~

(i) not to establish, hold or control a position in the corresponding CME/NYMEX Natural Gas Futures contract (CME/NYMEX contract code NG) during the last three days of trading of a contract month;

(ii) to, upon request of the Exchange, to provide the Exchange with information on all positions related to Henry Hub Contracts , and such other information as the Exchange may request; and

(iii) to provide such other information as may be requested by the Exchange to report to the Exchange any position established, whether by trading or otherwise, in the spot month CME/NYMEX Henry Hub Natural Gas Futures contract during the last three days of trading of a contact month.

An application for a Conditional Limit shall be effective upon receipt by the Exchange. A Conditional Limit will be effective each spot month until the expiration date specified in the application for such limit, which shall be no later than one year following the submission date. Nothing in this Rule shall in any way limit the Exchange from altering or revoking a Conditional Limit.