

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 14-554

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): December 11, 2014 **Filing Description:** Modifications to the Energy Options RFQ 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:

December 11, 2014

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 Options RFQ Incentive Program
NYMEX Submission No. 14-554**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") that it plans to modify its incentive program in support of certain crude, refined and natural gas energy products on Globex ("Program"). The modifications to the Program will become effective on January 1, 2015.

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

NYMEX reviewed the designated contract market core principles ("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, the Exchange has implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The Program does not impact the Exchange's order execution. Participants in the Program will be selected by NYMEX staff using criteria as further stated 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 with NYMEX 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.

NYMEX 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. 14-554 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Energy Options RFQ Incentive Program

Program Purpose

The purpose of this Program is to incentivize market makers to provide liquidity in the products listed below. The resulting central limit order book liquidity benefits all participants in the market.

Product Scope

WTI Options ("LO"), American Natural Gas Options ("ON"), Heating Oil Options ("OH"), and RBOB Gas Options ("OB"), Natural Gas European Options ("LN"), Brent Crude Oil Last Day Options ("OS"), WTI Crude Oil 1 Month Calendar Spread Options ("WA"), Light Sweet Crude Oil (WTI) Financial 1 Month Spread Options ("7A"), Natural Gas (Henry Hub) Last-day Financial 2 Month Spread Option ("G2"), Natural Gas (Henry Hub) Last-day Financial 3 Month Spread Options ("G3"), Natural Gas (Henry Hub) Last-day Financial 1 Month Spread Options ("G4"), Natural Gas (Henry Hub) Last-day Financial 5 Month Spread Option ("G5"), Natural Gas (Henry Hub) Last-day Financial 6 Month Spread Options ("G6"), Natural Gas (Henry Hub) Last-day Financial 12 Month Spread Option ("G7"), WTI-Brent Crude Oil Spread Options ("BV"), Natural Gas (Henry Hub) Daily Physical Options ("KD"), Light Sweet Crude Oil (WTI) Daily Physical Option ("CD"), Natural Gas Weekly Options Wk 1 ("ON1"), Natural Gas Weekly Options Wk 2 ("ON2"), Natural Gas Weekly Options Wk 3 ("ON3"), Natural Gas Weekly Options Wk 4 ("ON4"), Natural Gas Weekly Options Wk 5 ("ON5"), Crude Oil Weekly Options Wk 1 ("LO1"), Crude Oil Weekly Options Wk 2 ("LO2"), Crude Oil Weekly Options Wk 3 ("LO3"), Crude Oil Weekly Options Wk 4 ("LO4"), Crude Oil Weekly Options Wk 5 ("LO5"), NY Harbor ULSD Calendar Spread Option - 1 Month ("FA"), RBOB Gasoline 1 Month Calendar Spread Options ("ZA"), Brent Crude Oil European Financial Option ("BE") that are traded on Globex ("Products").

Eligible Participants

NYMEX may designate up to thirty (30) participants in the Program. Participants may be NYMEX members or non-members. When selecting participants for the Program, NYMEX will take into account: (i) the potential participant's historical volume traded in NYMEX products on Globex, and (ii) the potential participant's ability to respond to request for quotes ("RFQ"). NYMEX may, from time to time, add or subtract from the aforementioned requirements as it deems necessary.

Program Term

Start date is May 1, 2013. End date is June 30, 2015.

Hours

N/A

Program Incentives

Once accepted into the Program, participants may be eligible to receive predetermined incentives for trades executed in the Products.

Monitoring and Termination of Status

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