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New York, NY 10055

**BY ELECTRONIC TRANSMISSION**

Submission No. 24-86  
June 21, 2024

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 Resolution No. 2 of Chapter 18 and Related Amendments -  
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), ICE Futures U.S., Inc. (“Exchange”) hereby certifies amendments to Resolution No. 2 of Chapter 18 of the Exchange’s Rulebook, as set forth in Exhibit A.

The amendments to Resolution No. 2 of Chapter 18 increase spot month position limits for one futures contract, California Low Carbon Fuels Standard Credit (OPIS) Future (“LFS”), and one option on futures contract, the Option on California Low Carbon Fuel Standard Credit (OPIS) Future (“LFT”), based on revised estimates of deliverable supply. The applicable contracts are *not* referenced contracts as that term is defined in CFTC Regulation 150.1. The amended spot month position limits will be increased to levels consistent with CFTC Regulation 150.5(b), which allows for exchange-set spot month position limits for derivative contracts not subject to CFTC Regulation 150.2 at levels no greater than 25 percent of the estimated spot month deliverable supply. The revised levels are consistent with such requirement and are based on the deliverable supply of LCFS credits generated. The contracts and amended levels are listed in Exhibit A. An analysis describing the methodology used to derive the revised spot month position limits is provided as Exhibit B.

Corresponding amendments increase the single and all-months-combined accountability levels for the aforementioned products. The amended levels are equivalent to the revised spot month position limit for the applicable product, consistent with CFTC Regulation 150.5(b)(2).

The Exchange will implement the spot month position limit, and single and all-months-combined accountability amendments effective beginning July 9, 2024. The amendments will be effective for all expiration months, including those with open interest.

## **Certifications**

The Exchange certifies that the amendments to the spot month position limits and single and all-months-combined accountability levels comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange is not aware of any opposing views with respect to the spot month position limit or and single and all-months-combined accountability levels increases. 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 amended spot month position limits and single and all-months-combined accountability levels for the LCFS futures and option on futures contracts are set forth in Resolution No. 2 of Chapter 18 and will be enforced by the Exchange. In addition, trading of these contracts is subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

### **CONTRACTS NOT READILY SUBJECT TO MANIPULATION**

The Exchange's LCFS futures and option on futures contracts are not readily subject to manipulation as they are based on established and liquid underlying cash markets. In addition, trading of the contracts will be monitored by the Market Regulation Department.

### **POSITION LIMITS OR ACCOUNTABILITY**

Positions in the LCFS futures and option on futures contracts will continue to be subject to position limits and accountability levels set by the Exchange. Such position limits are based upon the deliverable supply of LCFS credits.

### **FINANCIAL INTEGRITY OF CONTRACTS**

The LCFS futures and option on futures contracts 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. It may be accessed at: <https://www.theice.com/futures-us/regulation>. If you have any questions or need further information, please contact the undersigned at 312-836-6745 or at .

Sincerely,



Patrick Swartzter  
Director  
Market Regulation

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

**EXHIBIT A**

**Resolution No. 2 – Position Limit/Accountability Table**

<b>Rule</b>	<b>Contract Name</b>	<b>Commodity Code</b>	<b>Contract Size</b>	<b>Unit of Trading</b>	<b>Spot Month Limit</b>	<b>Single Month Accountability Level</b>	<b>All Month Accountability Level</b>	<b>Aggregate 1 (Positive Correlation)</b>	<b>Aggregate 2 (Negative Correlation)</b>
18.D.046	California Low Carbon Fuels Standard Credit (OPIS) Future	LFS	100	LCFS Credits (MT)	<del>[5,000]</del> <u>60,000</u>	<del>[5,000]</del> <u>60,000</u>	<del>[5,000]</del> <u>60,000</u>	LFS	
18.E.159	Option on California Low Carbon Fuel Standard Credit (OPIS) Future	LFT	100	LCFS Credits (MT)	<del>[5,000]</del> <u>60,000</u>	<del>[5,000]</del> <u>60,000</u>	<del>[5,000]</del> <u>60,000</u>	LFS	

**EXHIBIT B**

**[REDACTED]**