

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-356

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): August 12, 2024 Filing Description: Implementation of the Japanese Power Futures Market Maker 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:

August 12, 2024

VIA ELECTRONIC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Implementation of the Japanese Power Futures Market Maker Program
NYMEX Submission No. 24-356**

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 implement the Japanese Power Futures Market Maker Program (“Program”). The proposed Program will become effective on September 1, 2024.

Exhibit 1 sets forth the terms of this Program.

The Exchange reviewed the designated contract market 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: Monitoring of Trading, Execution of Transactions, Protection of Market Participants, Compliance with Rules, Availability of General Information, and Recordkeeping.

The Program will 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, NYMEX has implemented systems to track Program participants’ volume to ensure proper distribution of earned incentives. The products included in this Program are listed for trading in the open and competitive market. Participants in the Program will be selected by Exchange 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 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.

The Exchange 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. 24-356 in any related correspondence.

Sincerely,

/s/ Timothy Elliott
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Japanese Power Futures Market Maker Program

Program Purpose

The purpose of this Program is to build liquidity in the products listed below. The resulting increase in central limit order book liquidity benefits all participant segments in the market.

Product Scope

Japanese Power (Day-Ahead) Tokyo Base-Load Futures (“JBT”), Japanese Power (Day-Ahead) Tokyo Peak-Load Futures (“JPT”), Japanese Power (Day-Ahead) Kansai Base-Load Futures (“JBK”), and Japanese Power (Day-Ahead) Kansai Peak-Load Futures (“JPK”) that are traded on the CME Globex Platform or cleared through CME ClearPort (“Products”).

Eligible Participants

There is no limit to the number of participants that may enroll in the Program. Participants may be NYMEX members or non-members.

Program Term

Start date is September 1, 2024. End date is August 31, 2025.

Obligations

In order to be eligible to receive the incentives, participants must quote two-sided markets in the Products, at predetermined average bid/ask spreads and minimum quote sizes during a certain percentage of time-in-market.

Incentives

Upon meeting all obligations, as determined by the Exchange, participants will be eligible to receive predetermined incentives.

Monitoring and Termination of Status

The Exchange shall monitor participants’ activity in the Products and retains the right to revoke participant status if it concludes from review that a participant no longer meets the obligations of the Program.