

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-422

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): 09/27/24 Filing Description: Declaration of Force Majeure – Amendment to Rule 191101.4. (“Contract Specifications – Distillation”) of the RBOB Gasoline Futures Contract

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: See filing.

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:

September 27, 2024

VIA ELECTRONIC PORTAL

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

Re: CFTC Regulation 40.6(a)(6) Emergency Rule Certification. Declaration of Force Majeure – Amendment to Rule 191101.4. (“Contract Specifications – Distillation”) of the RBOB Gasoline Futures Contract. NYMEX Submission No. 24-422

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”), pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a)(6), hereby certifies to the Commission that effective on September 27, 2024, it has declared Force Majeure pursuant to NYMEX Rule 701. (“Declarations of Force Majeure”) and implemented an amendment to Rule 191101.4. (“Contract Specifications - Distillation”) of the RBOB Gasoline Futures contract (Commodity Code: RB; Rulebook Chapter: [191](#)) (the “Contract”) to reduce the Buckeye Pipeline specification for T50 minimum requirement from 150°F to 145°F degrees (the “Rule Amendment”). The Rule Amendment is provided below in blackline format.

NYMEX Rulebook

(additions **underscored**; deletions ~~struck through~~)

Chapter 191
RBOB Gasoline Futures
[Effective September 27, 2024]

191101. CONTRACT SPECIFICATIONS

4. Distillation: RBOB shall comply with the Colonial Pipeline distillation requirements, except for the T50 minimum requirement during the winter season when RBOB shall meet the T50 minimum requirement (for 50% by volume Evaporation) at ~~450~~ **145** degrees Fahrenheit, as required by Buckeye Pipeline Grade 542. Deliveries against the March contract month shall meet the Buckeye Pipeline Grade 542 requirements for the minimum T50 distillation standard and the minimum temperature for meeting the Vapor/Liquid Ratio (V/L) in effect for wintertime RBOB.

[Remainder of Rule Unchanged.]

The marketplace has been informed of the declaration of Force Majeure and Rule Amendment via CME Group Special Executive Report (“SER”) SER-9438 dated September 27, 2024. A copy of SER-9438 appears in Exhibit A. SER-9438 notifies market participants of modifications being made to the Contract in response to a notification by Buckeye Pipeline that it would be relaxing its minimum T50 specifications from 150 degrees Fahrenheit to 145 degrees Fahrenheit. Exhibit B provides the notice from Buckeye Pipeline.

Specifically, Buckeye Pipeline announced that taking effect at 12:01 a.m. EDT on September 27, 2024, it had modified the T50 specifications on Eastern Products (E), Long Island (I), Paulsboro (P), and Laurel (L) pipeline systems to 145.0°F minimum for Class-D and Class-E gasoline (Grades 317, 318, 357, 358, 542, 545, 582, 585). The notice further serves as a waiver for the current 150°F minimum T50 specification, allowing Class-D and Class-E gasoline (Grades 317, 318, 357, 358, 542, 545, 582, 585) meeting 145.0°F minimum T50 requirement to be nominated on the foregoing pipeline systems.

The Exchange issued SER-9438 on September 27, 2024, to inform the marketplace of Buckeye Pipeline’s action and its impact on the Contract’s distillation specifications. Namely, based on (i) the ready supply of RBOB gasoline in New York Harbor, (ii) potential significant delivery and settlement disruptions that could be caused by permitting the delivery of otherwise non-conforming fuel and fuel blends against RBOB Gasoline futures, (iii) the need to promote uniformity in contract specifications and delivery standards for the duration of the delivery period, and (iv) in order to maintain and ensure convergence with the underlying commodity, the Exchange implemented the Rule Amendment to adopt the Buckeye Pipeline specification for T50.

For reference, the relevant portion of Rule 701. that applies is provided below:

If a determination is made by the Chief Executive Officer, Chairman, Chief Operating Officer, or Chief Regulatory Officer, or their delegate, that delivery or final settlement of any contract cannot be completed as a result of Force Majeure, he shall take such action as he deems necessary under the circumstances, and his decision shall be binding upon all parties to the contract.

The Exchange has reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or the “Act”) and has identified that the declaration of Force Majeure and Rule Amendment may have some bearing on the following Core Principles:

- **Emergency Authority**: The declaration of Force Majeure by NYMEX is an emergency circumstance, and, as such, requires prompt notice to be provided to the Commission under both Commission Regulations and NYMEX Rule 701. The declaration of Force Majeure with respect to the Contract was made pursuant to NYMEX Rule 701.
- **Availability of General Information**: The Exchange published SER-9438 on September 27, 2024, to provide notice to the marketplace of the declaration of Force Majeure and Rule Amendment. In addition to being emailed to all market participants subscribed to receive SERs via email, the SER has also been uploaded to the CME Group website.

The Exchange hereby certifies that the action described herein complies with the Act, including regulations under the Act. There were no substantive opposing views to this action.

The Exchange certifies that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 466-7478 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Timothy Elliott
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: SER-9438 dated September 27, 2024
Exhibit B: Buckeye Pipeline Notice



EXHIBIT A

Special Executive Report

DATE: September 27, 2024

SER#: 9438

SUBJECT: Amendment to Rule 191101.4. (“Contract Specifications - Distillation”) of the RBOB Gasoline Futures Contract

Buckeye Pipeline announced changes to the New York minimum T50 specification for Class-D and Class-E gasoline.

Effective immediately, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”), pursuant to Exchange Rule 701. (“Declarations of Force Majeure”), implemented an amendment to Rule 191101.4. (“Contract Specifications - Distillation”) of the RBOB Gasoline Futures contract (Commodity Code: RB; Rulebook Chapter: [191](#)) (the “Contract”) to reduce the Buckeye Pipeline specification for T50 minimum requirement from 150°F to 145°F degrees (the “Rule Amendment”).

Based on (i) the ready supply of RBOB gasoline in New York Harbor, (ii) potential significant delivery and settlement disruptions that could be caused by permitting the delivery of otherwise non-conforming fuel and fuel blends against RBOB Gasoline futures, (iii) the need to promote uniformity in contract specifications and delivery standards for the duration of the delivery period and (iv) in order to maintain and ensure convergence with the underlying commodity, the Exchange implemented the Rule Amendment to adopt the Buckeye Pipeline specification for T50.

By way of background, Buckeye Pipeline has begun the process of relaxing the T50 spec on their Eastern Products (E), Long Island (I), Paulsboro (P), and Laurel (L) pipeline systems to 145.0°F minimum for Class-D and Class-E gasoline (Grades 317, 318, 357, 358, 542, 545, 582, 585).

In light of this amendment, Buckeye Pipeline concurrently issued a waiver for the current 150°F minimum T50 specification, allowing Class-D and Class-E gasoline (Grades 317, 318, 357, 358, 542, 545, 582, 585) meeting 145.0°F minimum T50 to be nominated on their Eastern Products (E), Long Island (I), Paulsboro (P), and Laurel (L) pipeline systems.

This waiver took effect at 12:01 a.m. EDT on September 27, 2024, and will continue through the publication of the associated revisions to the Buckeye Shipper Notebook, or until otherwise revoked by a rescinding T4 notice.

The Rule Amendment is provided below in Appendix A in blackline format.

Please refer questions on this subject to:

Elizabeth Hui elizabeth.hui@cmegroup.com +1 212 299 2623

Vish Subramanian vish.subramanian@cmegroup.com +1 312 338 2604

**APPENDIX A
NYMEX Rulebook**

(additions underscored; deletions ~~struck through~~)

**Chapter 191
RBOB Gasoline Futures**

[Effective September 27, 2024]

191101. CONTRACT SPECIFICATIONS

4. Distillation: RBOB shall comply with the Colonial Pipeline distillation requirements, except for the T50 minimum requirement during the winter season when RBOB shall meet the T50 minimum requirement (for 50% by volume Evaporation) at ~~150~~ **145** degrees Fahrenheit, as required by Buckeye Pipeline Grade 542. Deliveries against the March contract month shall meet the Buckeye Pipeline Grade 542 requirements for the minimum T50 distillation standard and the minimum temperature for meeting the Vapor/Liquid Ratio (V/L) in effect for wintertime RBOB.

[Remainder of Rule Unchanged.]

EXHIBIT B

Buckeye Pipeline Notice

In response to the New York Enforcement Discretion Letter that aligns the New York minimum T50 specification for Class-D and Class-E gasoline with ASTM D4814-24a, Buckeye has begun the process of relaxing the T50 spec on our Eastern Products (E), Long Island (I), Paulsboro (P), and Laurel (L) pipeline systems to 145.0°F minimum for Class-D and Class-E gasoline (Grades 317, 318, 357, 358, 542, 545, 582, 585).

This notice will also serve as a waiver for the current 150°F minimum T50 specification, allowing Class-D and Class-E gasoline (Grades 317, 318, 357, 358, 542, 545, 582, 585) meeting 145.0°F minimum T50 to be nominated on our Eastern Products (E), Long Island (I), Paulsboro (P), and Laurel (L) pipeline systems. This waiver will go into effect at 12:01 am EDT on September 27, 2024 and continue through the publication of the associated revisions to the Buckeye Shipper Notebook, or until otherwise revoked by a rescinding T4 notice.