

24-483: Modifications to the NYMEX Japanese Power Fee Waiver Program



Timothy Elliott
Managing Director and Chief Regulatory Counsel
Legal Department

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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 NYMEX Japanese Power Fee Waiver Program
NYMEX Submission No. 24-483**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify the NYMEX Japanese Power Fee Waiver Program ("Program"). The modifications to the Program will become effective on February 1, 2025.

Exhibit 1 sets forth the terms of this Program. Modifications appear below, with additions underlined and deletions ~~overstruck~~.

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act"). 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 is a general fee waiver that applies to all market participants. A general fee waiver does not incentivize manipulative trading or market abuse. 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 products that are included in the Program to prevent manipulative trading and market abuse. The general fee waiver in the Program does not impact the Exchange's order execution. All market participants that execute trades in the products shall be entitled to participate. Chapter 4 of the Exchange rules includes prohibitions against fraudulent, non-competitive, unfair, or abusive practices. The Program is subject to these rules and NYMEX records retention policies that 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.

Sincerely,

/s/ Timothy Elliott
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

NYMEX Japanese Power Fee Waiver Program

Program Purpose

The purpose of this Program is to incentivize market participants to support the development of the products below. The resulting increase in liquidity benefits all participant segments of the market.

Product Scope

Japanese Power (Day-Ahead) Kansai Base-Load Futures (“JBK”), Japanese Power (Day-Ahead) Tokyo Base-Load Futures (“JBT”), Japanese Power (Day-Ahead) Kansai Peak-Load Futures (“JPK”), and Japanese Power (Day-Ahead) Tokyo Peak-Load Futures (“JPT”) (“Products”).

Eligible Participants

There is no limit to the number of participants in the Program. Participants may be members or non-members. The incentives described below will be automatically applied to all transactions in the Products made by market participants.

Program Term

Start date is September 1, 2021. End date is ~~January 31, 2025~~ January 31, 2026, or the date on which the Exchange determines to modify, extend, or terminate the Program. Participants will be given notice of any changes to the Program Term.

Hours

N/A

Incentives

Fee Waivers: All market participants will receive fee waivers for all transactions in the Products executed on Globex or cleared through CME ClearPort.