



Submission No. 15-17
January 30, 2015

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

Re: New Tennessee Zone 4 300L Basis Future and Related Amendments (4 of 6)
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.2 and 40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Commission Regulations 40.2 and 40.6(a), ICE Futures U.S., Inc. (“Exchange”) submits, by written certification, new Rules 18.A.161 through 18.A.166, Resolutions 1 and 2 of Chapter 18, and the Exchange’s Block Trade Procedures, which are codified in the Exchange’s Block Trade FAQ, as set forth in Exhibit A. The new rules and amendments provide for six new financial natural gas futures contracts, which will be listed on February 16, 2015.

Transco Leidy

The Exchange is listing three new futures contracts which supplement the existing Transcontinental Gas Pipe Line’s (“Transco”) contracts. The Transco pipeline delivers natural gas through an interstate transmission pipeline system, extending from South Texas to New York City. Leidy covers deliveries from the Clinton and Potter counties, Pennsylvania to Hunterdon County, N.J. The Transco Leidy Basis Future contract is a monthly cash settled Exchange futures contract based upon the mathematical result of subtracting the price of the NYMEX Henry Hub Natural Gas Futures Contract from the monthly price published by Inside FERC for Transco Leidy. The Transco Leidy Swing Future contract is a daily cash settled Exchange Futures Contract based upon the daily price published by Gas Daily for Transco Leidy. The Transco Leidy Index Future is a monthly cash settled Exchange Futures Contract based upon the mathematical result of subtracting the monthly price published by Inside FERC for Transco Leidy, from the average of the daily prices published by Gas Daily for Transco Leidy.

| Contract Name | Contract Size | Minimum Tick ¹ | IPL Amount | IPL Recalc Time (Seconds) | IPL Hold Period (Seconds) | NCR ² | Minimum Block Size | Spot Month Position Limit |
|----------------------------|---------------|---------------------------|------------|---------------------------|---------------------------|------------------------------------|--------------------|---------------------------|
| Transco Leidy Basis Future | 2,500 | \$0.0005 | \$4.00 | 3 | 5 | 20% of Basis/Spread FMV up to 0.05 | 25 | 21,500 |

¹ The minimum price fluctuation is either \$0.0005 or \$0.0010 for screen trades and \$0.0001 for blocks and other trades outside the central limit order book.

² NCR for the Transco Leidy Index Future contract is \$0.04 during Bidweek (Prompt Month Only).

| | | | | | | | | |
|----------------------------|-------|----------|--------|---|---|------|----|--------|
| Transco Leidy Swing Future | 2,500 | \$0.0010 | \$4.00 | 3 | 5 | 0.05 | 25 | 21,500 |
| Transco Leidy Index Future | 2,500 | \$0.0005 | \$0.20 | 3 | 5 | 0.02 | 25 | 21,500 |

The listing cycle for the Transco Leidy Basis and Index Future contracts is up to 120 consecutive monthly contract periods. The listing cycle for the Transco Leidy Swing Future is up to 65 consecutive daily contract periods. Trading hours are 7:50PM to 6:05PM the next day. A Deliverable Supply Analysis detailing the methodology the Exchange used to determine the spot month position limits for the aforementioned contracts is attached hereto as Exhibit B.

Tennessee Zone 4

The Exchange is listing three new contracts to supplement the existing Tennessee Gas Pipeline Company (“TGP” or “Tennessee”) contracts. TGP is the owner of a pipeline that runs from the Gulf Coast to the Northeastern seaboard. TGP is divided into eight zones. Tennessee Zone 4 300 Leg includes deliveries from station 315 in Tioga County, Pa. to station 321 in Susquehanna County, Pa. The Tennessee Zone 4 300L Basis Future is a monthly cash settled Exchange Futures contracts based upon the mathematical result of subtracting the price of the NYMEX Henry Hub Natural Gas Futures Contract from the monthly price published by Inside FERC for Tennessee Gas Pipeline Co., Zone 4 300 Leg. The Tennessee Zone 4 300L Swing Future contract is a daily cash settled Exchange Futures Contract based upon the daily price published by Gas Daily for Tennessee, Zone 4 300 Leg. Lastly, the Tennessee Zone 4 300L Index Future is a monthly cash settled Exchange Futures contract based upon the mathematical result of subtracting the monthly price published by Inside FERC for Tennessee Gas Pipeline Co., Zone 4 300 Leg, from the average of the daily prices published by Gas Daily for Tennessee, Zone 4 300 Leg.

| Contract Name | Contract Size (MMBtu) | Minimum Tick ³ | IPL Amount | IPL Recalc Time (Seconds) | IPL Hold Period (Seconds) | NCR ⁴ | Minimum Block Size | Spot Month Position Limit |
|------------------------------------|-----------------------|---------------------------|------------|---------------------------|---------------------------|------------------------------------|--------------------|---------------------------|
| Tennessee Zone 4 300L Basis Future | 2,500 | \$0.0005 | \$4.00 | 3 | 5 | 20% of Basis/Spread FMV up to 0.05 | 25 | 19,900 |
| Tennessee Zone 4 300L Swing Future | 2,500 | \$0.0010 | \$4.00 | 3 | 5 | 0.05 | 25 | 19,900 |
| Tennessee Zone 4 300L Index Future | 2,500 | \$0.0005 | \$0.20 | 3 | 5 | 0.02 | 25 | 19,900 |

The listing cycle for the Tennessee Zone 4 300L Basis and Index contracts is up to 120 consecutive monthly contract periods. The listing cycle for the Tennessee Zone 4 300L Swing contract is up to 65 consecutive daily contract periods. Trading hours are 7:50PM to 6:05PM the next day. A Deliverable Supply Analysis detailing the methodology the Exchange used to determine the spot month position limits for the aforementioned contracts is attached hereto as Exhibit B.

³ The minimum price fluctuation is either \$0.0005 or \$0.0010 for screen trades and \$0.0001 for blocks and other trades outside the central limit order book.

⁴ NCR for the Tennessee Zone 4 300L Index Future is \$0.04 during Bidweek (Prompt Month Only).

Certifications

The new rules and rule amendments will become effective with the listing of the new financial natural gas contracts on February 16, 2015. The Exchange is not aware of any substantive opposing views to the new financial natural gas contracts. The Exchange certifies that the rule amendments comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has determined that the listing of the contract complies with the following relevant Core Principles:

COMPLIANCE WITH RULES

The terms and conditions of the new financial natural gas futures contracts are set forth in new Rules 18.A.161 through 18.A.166, Resolutions 1 and 2 of Chapter 18, and the Exchange's Block Trade Procedures, and will be enforced by the Exchange. In addition, trading of the contracts is subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

CONTRACTS NOT READILY SUBJECT TO MANIPULATION

The new financial natural gas futures contracts are not readily subject to manipulation as they are based on established and liquid underlying cash markets. In addition, trading of the new contracts will be monitored by the Market Regulation Department.

POSITION LIMITS OR ACCOUNTABILITY

Positions in the new financial natural gas futures contracts will be subject to position limits set by the Exchange. As described above, such position limits are based upon existing levels set for substantially similar products or are based upon the deliverable supply in the cash market. A Deliverable Supply Analysis is attached hereto as Exhibit B.

FINANCIAL INTEGRITY OF CONTRACTS

The new financial natural gas futures contracts will 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 and may be accessed at (<https://www.theice.com/futures-us/regulation#Rule-Filings>).

If you have any questions or need further information, please contact me at 212-748-4021 or at jason.fusco@theice.com.

Sincerely,



Jason V. Fusco
Assistant General Counsel
Market Regulation

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

EXHIBIT A

Resolution No. 1-Minimum Price Fluctuation Table

The following minimum price fluctuations shall be applicable to Energy Contracts.

| Rule Number | Product | Minimum Price Fluctuation | |
|-------------|---------|---------------------------|--|
| | | Screen | Blocks and other trades outside the central limit order book |

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|----------|------------------------------------|----------|----------|
| 18.A.161 | Transco Leidy Basis Future | \$0.0005 | \$0.0001 |
| 18.A.162 | Transco Leidy Swing Future | \$0.0010 | \$0.0001 |
| 18.A.163 | Transco Leidy Index Future | \$0.0005 | \$0.0001 |
| 18.A.164 | Tennessee Zone 4 300L Basis Future | \$0.0005 | \$0.0001 |
| 18.A.165 | Tennessee Zone 4 300L Swing Future | \$0.0010 | \$0.0001 |
| 18.A.166 | Tennessee Zone 4 300L Index Future | \$0.0005 | \$0.0001 |

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Resolution No. 2 – Position Limit/Accountability Table

| Rule | Contract Name | Commodity Code | Contract Size | Unit of Trading | Spot Month Limit | Single Month Accountability Level | All Month Accountability Level | Aggregate 1 (Positive Correlation) | Aggregate 2 (Negative Correlation) | Exchange Reportable Level |
|----------|------------------------------------|----------------|---------------|-----------------|------------------|-----------------------------------|--------------------------------|------------------------------------|------------------------------------|---------------------------|
| 18.A.164 | Tennessee Zone 4 300L Basis Future | DMR | 2,500 | MMBtu | 19,900 | 19,900 | 19,900 | DMR | | 25 |
| 18.A.166 | Tennessee Zone 4 300L Index Future | DMQ | 2,500 | MMBtu | 19,900 | 19,900 | 19,900 | DMS | DMR | 25 |
| 18.A.165 | Tennessee Zone 4 300L Swing Future | DMS | 2,500 | MMBtu | 19,900 | 19,900 | 19,900 | DMS | | 25 |
| 18.A.161 | Transco Leidy Basis Future | YQB | 2,500 | MMBtu | 21,500 | 21,500 | 21,500 | YQB | | 25 |
| 18.A.163 | Transco Leidy Index Future | YQI | 2,500 | MMBtu | 21,500 | 21,500 | 21,500 | YQS | YQB | 25 |
| 18.A.162 | Transco Leidy Swing Future | YQS | 2,500 | MMBtu | 21,500 | 21,500 | 21,500 | YQS | | 25 |

18.A.161 Transco Leidy Basis Future

Contract Description: A monthly cash settled Exchange Futures Contract based upon the mathematical result of subtracting the price of the NYMEX Henry Hub Natural Gas Futures Contract, as defined in Reference Price B, from the monthly price published by Inside FERC for the location specified in Reference Price A.

Contract Symbol: YQB

Settlement Method: Cash settlement

Contract Size: 2500 MMBtus

Currency: USD

Minimum Price Fluctuation: The price quotation convention shall be One hundredth of a cent (\$0.0001) per MMBtu; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

Listing Cycle: Up to 120 consecutive monthly Contract Periods

Last Trading Day: The last Business Day prior to the first calendar day of the Contract Period

Final Settlement: Reference Price A minus Reference Price B

Reference Price A: NATURAL GAS-TRANSCONTINENTAL GAS PIPE LINE, LEIDY LINE RECEIPTS-INSIDE FERC

- a) **Description:** "NATURAL GAS-TRANSCONTINENTAL GAS PIPE LINE, LEIDY LINE RECEIPTS-INSIDE FERC" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Market Center Spot Gas Prices(\$/MMBtu): Transcontinental Gas Pipe Line: Leidy Line receipts: Index" in the issue of Inside FERC that reports prices effective on that Pricing Date.
- b) **Pricing Date:** First publication date of Contract Period
- c) **Specified Price:** Index
- d) **Pricing calendar:** Inside FERC
- e) **Delivery Date:** Contract Period

Reference Price B: NATURAL GAS-NYMEX

- a) **Description:** "NATURAL GAS-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per MMBtu of natural gas on the NYMEX of the Henry Hub Natural Gas Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

- b) **Pricing Date:** Last scheduled trading day of the NYMEX Henry Hub Natural Gas Futures Contract for the Delivery Date
- c) **Specified Price:** Settlement price
- d) **Pricing Calendar:** NYMEX
- e) **Delivery Date:** Contract Period

Final Payment Date: The third Clearing Organization business day following the Last Trading Day

18.A.162 Transco Leidy Swing Future

Contract Description: A daily cash settled Exchange Futures Contract based upon the daily price published by Gas Daily for the location specified in Reference Price A.

Contract Symbol: YQS

Settlement Method: Cash settlement

Contract Size: 2500 MMBtus

Currency: USD

Minimum Price Fluctuation: The price quotation convention shall be One hundredth of a cent (\$0.0001) per MMBtu; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

Listing Cycle: Up to 65 consecutive daily Contract Periods

Last Trading Day: The Business Day prior to the Contract Period

Final Settlement: Reference Price A

Reference Price A: NATURAL GAS-APPALACHIA, TRANSCO, LEIDY LINE RECEIPTS-GAS DAILY

- a) **Description:** "NATURAL GAS-APPALACHIA, TRANSCO, LEIDY LINE RECEIPTS-GAS DAILY " means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Daily price survey (\$/MMBtu): Appalachia: Transco, Leidy Line receipts: Midpoint" in the issue of Gas Daily that reports prices effective on that Pricing Date.
- b) **Pricing Date:** Each day that prices are reported for the Delivery Date

- c) **Specified Price:** Midpoint
- d) **Pricing calendar:** Gas Daily
- e) **Delivery Date:** Contract Period

Final Payment Date: The third Clearing Organization business day following the Last Trading Day

18.A.163 Transco Leidy Index Future

Contract Description: A monthly cash settled Exchange Futures Contract based upon the mathematical result of subtracting the monthly price published by Inside FERC, as defined in Reference Price B, from the average of the daily prices published by Gas Daily, as defined in Reference Price A.

Contract Symbol: YQI

Settlement Method: Cash settlement

Contract Size: 2500 MMBtus

Currency: USD

Minimum Price Fluctuation: The price quotation convention shall be One hundredth of a cent (\$0.0001) per MMBtu; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

Listing Cycle: Up to 120 consecutive monthly Contract Periods

Last Trading Day: The Business Day prior to the Contract Period

Final Settlement: Reference Price A

Reference Price A: NATURAL GAS-APPALACHIA, TRANSCO, LEIDY LINE RECEIPTS-GAS DAILY

- a) **Description:** "NATURAL GAS-APPALACHIA, TRANSCO, LEIDY LINE RECEIPTS-GAS DAILY " means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Daily price survey (\$/MMBtu): Appalachia: Transco, Leidy Line receipts: Midpoint" in the issue of Gas Daily that reports prices effective on that Pricing Date.
- b) **Pricing Date:** Each day that prices are reported for the Delivery Date
- c) **Specified Price:** Midpoint
- d) **Pricing calendar:** Gas Daily

e) **Delivery Date:** Contract Period

Reference Price B: NATURAL GAS-TRANSCONTINENTAL GAS PIPE LINE, LEIDY LINE RECEIPTS-INSIDE FERC

- a) **Description:** “NATURAL GAS-TRANSCONTINENTAL GAS PIPE LINE, LEIDY LINE RECEIPTS-INSIDE FERC” means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Market Center Spot Gas Prices(\$/MMBtu): Transcontinental Gas Pipe Line: Leidy Line receipts: Index" in the issue of Inside FERC that reports prices effective on that Pricing Date.
- b) **Pricing Date:** First publication date of Contract Period
- c) **Specified Price:** Index
- d) **Pricing calendar:** Inside FERC
- e) **Delivery Date:** Contract Period

Final Payment Date: The third Clearing Organization business day following the Last Trading Day

18.A.164 Tennessee Zone 4 300L Basis Future

Contract Description: A monthly cash settled Exchange Futures Contract based upon the mathematical result of subtracting the price of the NYMEX Henry Hub Natural Gas Futures Contract, as defined in Reference Price B, from the monthly price published by Inside FERC for the location specified in Reference Price A.

Contract Symbol: DMR

Settlement Method: Cash settlement

Contract Size: 2500 MMBtus

Currency: USD

Minimum Price Fluctuation: The price quotation convention shall be One hundredth of a cent (\$0.0001) per MMBtu; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

Listing Cycle: Up to 120 consecutive monthly Contract Periods

Last Trading Day: The last Business Day prior to the first calendar day of the Contract Period

Final Settlement: Reference Price A minus Reference Price B

Reference Price A: NATURAL GAS-TENNESSEE GAS PIPELINE CO., ZONE 4-300 LEG-INSIDE FERC

- a) **Description:** "NATURAL GAS-TENNESSEE GAS PIPELINE CO., ZONE 4-300 LEG-INSIDE FERC" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Market Center Spot Gas Prices(\$/MMBtu): Tennessee Gas Pipeline Co.: Zone 4-300 leg: Index" in the issue of Inside FERC that reports prices effective on that Pricing Date.
- b) **Pricing Date:** First publication date of Contract Period
- c) **Specified Price:** Index
- d) **Pricing calendar:** Inside FERC
- e) **Delivery Date:** Contract Period

Reference Price B: NATURAL GAS-NYMEX

- a) **Description:** "NATURAL GAS-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per MMBtu of natural gas on the NYMEX of the Henry Hub Natural Gas Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.
- b) **Pricing Date:** Last scheduled trading day of the NYMEX Henry Hub Natural Gas Futures Contract for the Delivery Date
- c) **Specified Price:** Settlement price
- d) **Pricing Calendar:** NYMEX
- e) **Delivery Date:** Contract Period

Final Payment Date: The third Clearing Organization business day following the Last Trading Day

18.A.165 Tennessee Zone 4 300L Swing Future

Contract Description: A daily cash settled Exchange Futures Contract based upon the daily price published by Gas Daily for the location specified in Reference Price A.

Contract Symbol: DMS

Settlement Method: Cash settlement

Contract Size: 2500 MMBtus

Currency: USD

Minimum Price Fluctuation: The price quotation convention shall be One hundredth of a cent (\$0.0001) per MMBtu; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

Listing Cycle: Up to 65 consecutive daily Contract Periods

Last Trading Day: The Business Day prior to the Contract Period

Final Settlement: Reference Price A

Reference Price A: NATURAL GAS-APPALACHIA, TENNESSEE, ZONE 4-300 LEG-GAS DAILY

- a) **Description:** "NATURAL GAS-APPALACHIA, TENNESSEE, ZONE 4-300 LEG-GAS DAILY " means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Daily price survey (\$/MMBtu): Appalachia: Tennessee, zone 4-300 leg: Midpoint" in the issue of Gas Daily that reports prices effective on that Pricing Date.
- b) **Pricing Date:** Each day that prices are reported for the Delivery Date
- c) **Specified Price:** Midpoint
- d) **Pricing calendar:** Gas Daily
- e) **Delivery Date:** Contract Period

Final Payment Date: The third Clearing Organization business day following the Last Trading Day

18.A.166 Tennessee Zone 4 300L Index Future

Contract Description: A monthly cash settled Exchange Futures Contract based upon the mathematical result of subtracting the monthly price published by Inside FERC, as defined in Reference Price B, from the average of the daily prices published by Gas Daily, as defined in Reference Price A.

Contract Symbol: DMQ

Settlement Method: Cash settlement

Contract Size: 2500 MMBtus

Currency: USD

Minimum Price Fluctuation: The price quotation convention shall be One hundredth of a cent (\$0.0001) per MMBtu; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

Listing Cycle: Up to 120 consecutive monthly Contract Periods

Last Trading Day: The Business Day prior to the Contract Period

Final Settlement: Reference Price A

Reference Price A: NATURAL GAS-APPALACHIA, TENNESSEE, ZONE 4-300 LEG-GAS DAILY

- a) **Description:** "NATURAL GAS-APPALACHIA, TENNESSEE, ZONE 4-300 LEG-GAS DAILY " means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Daily price survey (\$/MMBtu): Appalachia: Tennessee, zone 4-300 leg: Midpoint" in the issue of Gas Daily that reports prices effective on that Pricing Date.
- b) **Pricing Date:** Each day that prices are reported for the Delivery Date
- c) **Specified Price:** Midpoint
- d) **Pricing calendar:** Gas Daily
- e) **Delivery Date:** Contract Period

Reference Price B: NATURAL GAS-TENNESSEE GAS PIPELINE CO., ZONE 4-300 LEG-INSIDE FERC

- a) **Description:** "NATURAL GAS-TENNESSEE GAS PIPELINE CO., ZONE 4-300 LEG-INSIDE FERC" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas for delivery on the Delivery Date, stated in U.S. Dollars, published under the heading "Market Center Spot Gas Prices(\$/MMBtu): Tennessee Gas Pipeline Co.: Zone 4-300 leg: Index" in the issue of Inside FERC that reports prices effective on that Pricing Date.
- b) **Pricing Date:** First publication date of Contract Period

- c) **Specified Price:** Index
- d) **Pricing calendar:** Inside FERC
- e) **Delivery Date:** Contract Period

Final Payment Date: The third Clearing Organization business day following the Last Trading Day

[REMAINDER OF RULE UNCHANGED]

ICE FUTURES U.S. BLOCK TRADE – FAQs

* * *

| Contract Name | Commodity Code | Contract Size | Unit of Trading | Block MQR (in Lots) |
|------------------------------------|----------------|---------------|-----------------|---------------------|
| Transco Leidy Basis Future | YQB | 2500 | MMBtu | 25 |
| Transco Leidy Swing Future | YQS | 2500 | MMBtu | 25 |
| Transco Leidy Index Future | YQI | 2500 | MMBtu | 25 |
| Tennessee Zone 4 300L Basis Future | DMR | 2500 | MMBtu | 25 |
| Tennessee Zone 4 300L Swing Future | DMS | 2500 | MMBtu | 25 |
| Tennessee Zone 4 300L Index Future | DMQ | 2500 | MMBtu | 25 |

* * *

EXHIBIT B

[EXHIBIT REDACTED]