

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 16-195

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): 05/26/16 Filing Description: Amendments to Reporting Levels of Twenty-Two (22) Financially-Settled Natural Gas Basis Futures and Option Contracts and Amendments to Accountability Levels of the Physically- Delivered Palladium and Platinum Futures Contracts

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- |                          |                                     |            |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/> | Approval                            | § 40.5(a)  |
| <input type="checkbox"/> | Notification                        | § 40.6(d)  |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change         | § 40.10(h) |

**Rule Numbers:**

**New Product**

Please note only ONE product per Submission.

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

**Official Product Name:**

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- |                                     |   |                      |
|-------------------------------------|---|----------------------|
| <input checked="" type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/>            | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/>            | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/>            | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/>            | Approval  | § 40.5(a)            |
| <input type="checkbox"/>            | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/>            | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/>            | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/>            | "Non-Material Agricultural Rule Change"                 | § 40.4(b)(5)         |
| <input type="checkbox"/>            | Notification  | § 40.6(d)            |

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

May 26, 2016

**VIA ELECTRONIC PORTAL**

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

**RE: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to Reporting Levels of Twenty-Two (22) Financially-Settled Natural Gas Basis Futures and Option Contracts and Amendments to Accountability Levels of the Physically-Delivered Palladium and Platinum Futures Contracts. NYMEX Submission No. 16-195**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to the NYMEX Rulebook Chapter 5 (“Trading Qualifications and Practices”) Position Limit, Position Accountability, and Reportable Level Table in order to: (1) Reduce the reporting levels for twenty-two (22) financially-settled Natural Gas Basis Futures and Option contracts, and (2) Reduce the single-month and all-month accountability levels of the physically-delivered Palladium and Platinum Futures contracts, effective on Monday, June 13, 2016.

The reporting levels for the twenty-two (22) Natural Gas Basis Futures and Option contracts listed in the table below shall be amended such that the current reporting level of 175 contract equivalents is reduced to 25 contract equivalents to bring the contracts in line with the Exchange’s existing Natural Gas Platts IFERC Basis complex.

Contract Name	Rulebook Chapter	Commodity Code	Type	Reporting Level
Henry Hub Natural Gas (Platts IFERC) Basis Futures	509	HB	Futures	<del>175</del> <b>25</b>
Chicago Natural Gas (Platts IFERC) Basis Futures	517	NB	Futures	<del>175</del> <b>25</b>
Panhandle Natural Gas (Platts IFERC) Basis Futures	525	PH	Futures	<del>175</del> <b>25</b>
MichCon Natural Gas (Platts IFERC) Basis Futures	619	NF	Futures	<del>175</del> <b>25</b>
Permian Natural Gas (Platts IFERC) Basis Futures	620	PM	Futures	<del>175</del> <b>25</b>
Columbia Gas TCO (Platts IFERC) Basis Futures	622	TC	Futures	<del>175</del> <b>25</b>
PG&E Citygate Natural Gas (Platts IFERC) Basis Futures	624	PC	Futures	<del>175</del> <b>25</b>
NGPL TexOk Natural Gas (Platts IFERC) Basis Futures	625	PD	Futures	<del>175</del> <b>25</b>
ANR, Oklahoma Natural Gas (Platts IFERC) Basis Futures	627	NE	Futures	<del>175</del> <b>25</b>
NGPL Mid-Con Natural Gas (Platts IFERC) Basis Futures	629	NL	Futures	<del>175</del> <b>25</b>
Demarc Natural Gas (Platts IFERC) Basis Futures	630	PE	Futures	<del>175</del> <b>25</b>
Ventura Natural Gas (Platts IFERC) Basis Futures	631	PF	Futures	<del>175</del> <b>25</b>

Contract Name	Rulebook Chapter	Commodity Code	Type	Reporting Level
Waha Natural Gas (Platts IFERC) Basis Futures	634	NW	Futures	<del>175</del> <b>25</b>
Columbia Gulf, Louisiana Natural Gas (Platts IFERC) Basis Futures	638	GL	Futures	<del>175</del> <b>25</b>
Transco Zone 3 Natural Gas (Platts IFERC) Basis Futures	639	CZ	Futures	<del>175</del> <b>25</b>
Henry Hub Natural Gas (Platts IFERC) Basis Option	509B	5E	Eu.Option	<del>175</del> <b>25</b>
Panhandle Natural Gas (Platts IFERC) Basis Option	525B	5K	Eu.Option	<del>175</del> <b>25</b>
MichCon Natural Gas (Platts IFERC) Basis Option	619B	4W	Eu.Option	<del>175</del> <b>25</b>
Columbia Gas TCO (Platts IFERC) Basis Option	622B	5D	Eu.Option	<del>175</del> <b>25</b>
NGPL TexOk Natural Gas (Platts IFERC) Basis Option	625B	5H	Futures	<del>175</del> <b>25</b>
NGPL Mid-Con Natural Gas (Platts IFERC) Basis Option	629B	5G	Eu.Option	<del>175</del> <b>25</b>
Waha Natural Gas (Platts IFERC) Basis Option	634B	5O	Eu.Option	<del>175</del> <b>25</b>

The single-month and all-month accountability levels for the physically-delivered Palladium and Platinum Futures contracts shall be amended such that the current single-month and all-month accountability levels for Palladium are decreased from 1,000 to 500 contract equivalents and the current single-month and all-month accountability levels for Platinum are decreased from 1,500 to 1,000 contract equivalents. Market Surveillance believes it is prudent to implement these amendments at this time.

Contract Name	Rule Chapter	Commodity Code	Type	Single Month Accountability Level Leg (1) / Leg (2)	All Month Accountability Level Leg (1) / Leg (2)
Platinum Futures	105	PL	Futures	<del>1500</del> <b>1,000</b>	<del>1500</del> <b>1,000</b>
Palladium Futures	106	PA	Futures	<del>1000</del> <b>500</b>	<del>1000</del> <b>500</b>

The proposed changes to the NYMEX Chapter 5 Position Limit, Position Accountability, and Reportable Level Table are also set forth in Appendix A which is attached under separate cover in blackline format.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“Act”) and identified that the amendments to NYMEX Rulebook Chapter 5 Position Limit, Position Accountability, and Reportable Level Table may have some bearing on the following Core Principle:

**Availability of General Information:** In order to ensure that market participants are apprised of the amendments to the NYMEX Chapter 5 Position Limit, Position Accountability, and Reportable Level Table, the Exchange will issue a CME Group Market Surveillance Notice to the marketplace notifying them of the implementation of these amendments in advance of the amendments becoming effective. The issuance of the Market Surveillance Notice constitutes compliance with this Core Principle.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange certifies that the amendments to the Chapter 5 Position Limit, Position Accountability, and Reportable Level Table of the NYMEX Rulebook comply with the Act and regulations thereunder. There were no substantive opposing views to the proposal.

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 (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Appendix A – Amendments to NYMEX Rulebook Chapter 5 Position Limit, Position Accountability, and Reportable Level Table (blackline format) (attached under separate cover)

## **Appendix A**

Amendments to NYMEX Rulebook Chapter 5  
Position Limit, Position Accountability, and Reportable Level Table

(Attached under separate cover)