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June 20, 2016

VIA PORTAL

Commodity Futures Trading Commission
Attention: Christopher Kirkpatrick, Secretary
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: CFTC Regulation 40.6(a) Certification: Revisions to the Nodal Exchange Rulebook Appendices

Dear Mr. Kirkpatrick:

Nodal Exchange, LLC (“Nodal Exchange” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying several amendments to Appendix A (Contract Specifications) and Appendix C (Reporting Levels, Position Accountability Levels and Position Limits) of the Nodal Exchange Rulebook (collectively “Appendices”) pursuant to Commission Regulation 40.6(a). The amended Appendices are attached hereto and indicate the specific text in red that is being amended. This submission is effective immediately and the Exchange intends to implement the amended Appendices in 10 business days on July 5, 2016.

The amendments to the Appendices is to update the position limit amounts on 21 of the Exchange’s NYISO power futures contracts. The amendments to the position limits will match the position limits of comparable electric power futures contracts currently offered by a competing designated contract market. As set forth in Exhibit B, Nodal Exchange offers electric power futures contracts that are nearly identical in all respects to the electric power futures contracts currently listed by ICE Futures US.

Exchange management has assessed the amendments to the Appendices, and their compliance with applicable provisions of the Commodity Exchange Act (“Act”), including the Commissions Regulations and the Core Principles. Nodal Exchange has identified that the amendments may affect the following Core Principles as follows:

Core Principle 2 - Compliance with the Rules: Consistent with the Exchange’s Rules, these revisions to the Appendices provide accurate and current information to ensure compliance with Exchange Rules.

Core Principle 3 – Contracts not Readily Susceptible to Manipulation: These Nodal Exchange contracts settle to power prices published by NYISO. The NYISO markets are regulated by the Federal Energy Regulatory Commission (“FERC”) and are closely monitored by market monitors responsible to FERC. The day ahead and real time markets that generate the prices to which the Exchange contracts settle are directly related to the physical generation, and demand for, electricity as well as the physical capacity constraints of the grid. In addition, trading of the contracts will continue to be monitored by Nodal Exchange Surveillance.

Core Principle 5 – Position Limitations or Accountability: The NYISO power futures contracts will continue to be subject to position limits set by the Exchange. The position limits are set to match the limits of comparable electric power futures contracts currently offered by a competing designated contract market. The revised position limits are provided in attached Exhibit A and Exhibit C, which also includes the revised accountability levels.

Core Principle 7 - Availability of General Information: The Exchange posts the position limit and accountability levels for all Nodal Contracts in Appendix A (Contract Specifications) and Appendix C (Reporting Levels, Position Accountability Levels and Position Limits) of the Nodal Exchange Rulebook on the Exchange website: www.nodalexchange.com.

Pursuant to Section 5c(c) of the Act and the Commission’s Regulation 40.6, the Exchange certifies that amended Appendices comply with the Act and the Commission’s Regulations thereunder. There have not been any opposing views expressed regarding the amendments to the Appendices.

Nodal Exchange certifies that this submission has been concurrently posted on the Nodal Exchange website at www.nodalexchange.com. If you have any question or need additional information regarding this submission, please contact me at 703-962-9853 or markotic@nodalexchange.com.

Sincerely,

/s/ Max Markotic
Compliance Manager

Attachment:

- Exhibit A: Redline of Nodal Exchange Rulebook Appendix A – Contract Specifications
- Exhibit B: ICE Futures US Contracts and Nodal Exchange Equivalents
- Exhibit C: Redline of Nodal Exchange Rulebook Appendix C – Reporting Levels, Accountability Levels and Position Limits