

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-363

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): 09/26/24 Filing Description: Initial Listing of the WTI Ex-Pipe (Argus) vs. WTI Trade Month 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:

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: See filing.

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 26, 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 40.2(a) Certification. Initial Listing of the WTI Ex-Pipe (Argus) vs. WTI Trade Month Futures Contract. NYMEX Submission No. 24-363

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the initial listing of the WTI Ex-Pipe (Argus) vs. WTI Trade Month Futures contract (the “Contract”) for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing via CME ClearPort effective Sunday, October 13, 2024 for trade date Monday, October 14, 2024.

Contract Title	WTI Ex-Pipe (Argus) vs. WTI Trade Month Futures
Commodity Code	XTT
Rulebook Chapter	389
Contract Size	1,000 barrels
Price Quotation	US dollars and cents per barrel
Minimum Price Fluctuation	\$0.01
Value per Tick	\$10.00
Listing Schedule	Monthly contracts listed for the current year and next two calendar years. List new contracts following the termination of trading the December contract.
Initial Listing	November 2024 – December 2026
Floating Price	The Floating Price for each contract month is equal to the arithmetic average of the WTI ex-pipe Cushing differential (“Diff”) weighted average price from Argus Media for the Trade month period corresponding to the contract month. The Trade month period begins with the first business day after the 25th calendar day two months prior to the contract month through the last business day that falls on or before the 25th calendar day of the month prior to the contract month.
Block Trade Minimum Threshold / Reporting Window	5 contracts / subject to a 15-minute reporting window
Termination of Trading	Trading terminates on the 25th calendar day of the month prior to the contract month. If the 25th calendar day is not a business day, trading terminates on the business day prior to the 25th calendar day.
CME Globex Matching Algorithm	F-FIFO

Trading and Clearing Hours	<p>CME Globex Pre-open: Sunday 4:00 p.m. - 5:00 p.m. Central Time/CT Tuesday – Thursday 4:45 p.m. - 5:00 p.m. CT</p> <p>CME Globex: Sunday 5:00 p.m. – Friday 4:00 p.m. CT with a daily maintenance period from 4:00 p.m. - 5:00 p.m. CT</p> <p>CME ClearPort: Sunday 5:00 p.m. - Friday 4:00 p.m. CT with no reporting Tuesday - Thursday from 4:00 p.m. – 5:00 p.m. CT</p>
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Exhibit A provides NYMEX Chapter 389. Exhibit B provides the Position Limits, Position Accountability and Reportable Level Table. Exhibit C provides the Exchange fees. Exhibit D provides the NYMEX Rule 588.H. (“Globex Non-Reviewable Trading Ranges”) table. Exhibit E provides the Cash Market Overview and the Analysis of Deliverable Supply (confidential treatment requested).

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

- **Compliance with Rules:** Trading in the Contract will be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading in the Contracts will also be subject to the full panoply of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group Inc.’s (“CME Group”) designated contract markets, activity in the Contract will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.
- **Contract Not Readily Subject to Manipulation:** The Contract is not readily susceptible to manipulation and are based on the liquidity and robustness of the underlying cash markets.
- **Prevention of Market Disruption:** Trading in the Contract will be subject to the Rules of NYMEX which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group’s designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department.
- **Position Limitations or Accountability:** The speculative position limits for the Contract as demonstrated in this submission are consistent with the Commission’s guidance.
- **Availability of General Information:** The Exchange will publish on its website information regarding contract specifications, terms and conditions, as well as daily trading volume, open interest and price information for the Contract.
- **Daily Publication of Trading Information:** The Exchange will publish information on contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contract.
- **Execution of Transactions:** The Contract will be listed for trading on the CME Globex electronic trading and for clearing through CME ClearPort. The CME Globex trading venue provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity.
- **Trade Information:** All required trade information for the Contract will be included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.

- **Financial Integrity of Contract:** The Contract will be cleared by the CME Clearing House, which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- **Protection of Market Participants:** NYMEX Rulebook Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of the Exchange's competitive trading venues and will be applicable to transactions in the Contract.
- **Disciplinary Procedures:** Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the rules. Trading in the Contract will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in the Contract is identified.
- **Dispute Resolution:** Disputes with respect to trading in the Contract will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. The rules in Chapter 6 allow all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to the rules in Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Contract complies with the Act, including regulations under the Act. 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 (312) 466-7478 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Timothy Elliott
 Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: NYMEX Rulebook Chapter 389
 Exhibit B: Position Limits, Position Accountability and Reportable Level Table in Chapter 5 of the NYMEX Rulebook (attached under separate cover)
 Exhibit C: Exchange Fees
 Exhibit D: NYMEX Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”) Table
 Exhibit E: Cash Market Overview and Analysis of Deliverable Supply (attached under separate cover) (Confidential Treatment Requested)

Exhibit A

NYMEX Rulebook

Chapter 389

WTI Ex-Pipe (Argus) vs. WTI Trade Month Futures

389100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

389101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the WTI ex-pipe Cushing differential ("Diff") weighted average price from Argus Media for the Trade month period corresponding to the contract month. The Trade month period begins with the first business day after the 25th calendar day two months prior to the contract month through the last business day that falls on or before the 25th calendar day of the month prior to the contract month.

389102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

389102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

389102.B. Trading Units

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

389102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.01 per barrel.

389102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

389102.E. Termination of Trading

Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, trading shall cease on the first business day prior to the 25th calendar day.

389103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

389104. DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

Exhibit B

**NYMEX Rulebook
Chapter 5
("Trading Qualifications and Practices")
Position Limits, Position Accountability and Reportable Level Table
(attached under separate cover)**

Exhibit C

Exchange Fees

	Member	Non-Member
CME Globex	\$.85	\$1.35
Block	\$.85	\$1.35
EFR/EOO	\$.85	\$1.35

Processing Fees	
Cash Settlement	\$0.50
Facilitation Fee	\$0.60
Give-Up Surcharge	\$0.05
Position Adjustment/Position Transfer	\$0.10

Exhibit D
NYMEX Rulebook
Chapter 5
(“Trading Qualifications and Practices”)

Rule 588.H. (“Globex Non-Reviewable Trading Ranges”) Table

(additions underscored)

		Outrights			Spreads	
Instrument	Globex Symbol	Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Minimum Ticks	NRR: Globex Format	NRR: Minimum Ticks
<u>WTI Ex-Pipe (Argus) vs. WTI Trade Month Futures</u>	<u>XTI</u>	<u>\$1.00 per barrel</u>	<u>100</u>	<u>100</u>	<u>Each leg evaluated as an outright</u>	

Exhibit E

(CONFIDENTIAL TREATMENT REQUESTED)

ADDITIONAL SUPPLEMENTAL MARKET INFORMATION

[REDACTED]