

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-206

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): 11/19/24 Filing Description: Initial Listing of the Gulf Coast UCO (Argus) (60,000 lb) Futures and the Gulf Coast UCO (Argus) Futures Contracts

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:

November 19, 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, DC 20581

Re: CFTC Regulation 40.2(a) Certification. Initial Listing of the Gulf Coast UCO (Argus) (60,000 lb) Futures and the Gulf Coast UCO (Argus) Futures Contracts. NYMEX Submission No. 24-206

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 Gulf Coast UCO (Argus) (60,000 lb) Futures and the Gulf Coast UCO (Argus) Futures contracts (the “Contracts”) for trading on the CME Globex electronic trading platform and for submission for clearing via CME ClearPort effective Sunday, December 15, 2024, for trade date Monday, December 16, 2024.

Contract Title	Gulf Coast UCO (Argus) (60,000 lb) Futures	Gulf Coast UCO (Argus) Futures
CME Globex and CME ClearPort Code	LBU	UCO
Rulebook Chapter	564	565
Price Quotation	U.S. cents per pound	U.S. dollars and cents per metric ton
Contract Size	60,000 pounds	100 metric tons
Minimum Price Fluctuation	\$0.0001	\$0.01
Value per Tick	\$6.00	\$1.00
Settlement Type	Financial	
CME Globex Matching Algorithm	F-FIFO	
Listing Schedule	Monthly contracts listed for 12 consecutive months	
Initial Listing	January 2025 – December 2025	
Termination of Trading	Trading terminates on the last business day of the contract month.	
Block Trade Minimum Threshold / Reporting Window	2 contracts / subject to a 15-minute reporting window	
Trading and Clearing Hours	CME Globex Pre-open: Sunday 4:00 p.m. – 5:00 p.m. Central Time/CT Monday – Thursday 4:45 p.m. – 5:00 p.m. CT 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	

CME ClearPort: Sunday 5:00 p.m. – Friday 4:00 p.m. CT with no reporting Monday – Thursday from 4:00 p.m. – 5:00 p.m. CT
--

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 Contracts may have some bearing on the following Core Principles:

- **Availability of General Information:** The Exchange will publish information on the Contracts’ specifications on its website, together with daily trading volume, open interest and price information.
- **Contracts Not Readily Subject to Manipulation:** The Contracts are based on a cash price series that is reflective of the underlying cash market and is commonly relied on and used as a reference price by cash market brokers and commercial market participants.
- **Compliance with Rules:** Trading in the Contracts will be subject to Chapter 4 of the Exchange rules which includes prohibitions against fraudulent, non-competitive, unfair and abusive practices and will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department. The Market Regulation Department may use its investigatory and enforcement power where potential rule violations are identified during its regular surveillance reviews.
- **Prevention of Market Disruption:** Trading in the Contracts will be subject to the Rules of NYMEX which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process. As with any new product listed for trading on a CME Group designated contract market, trading activity in the Contract proposed herein will be subject to monitoring and surveillance by CME Group’s Market Regulation Department.
- **Position Limitations or Accountability:** The speculative position limits for the Contracts as demonstrated in this submission are consistent with the Commission’s guidance.
- **Financial Integrity of Contracts:** The Contracts will be cleared by the CME Clearing House which is a registered derivatives clearing organisation with the Commission and is subject to all Commission regulations related thereto.
- **Execution of Transactions:** The Contracts will be listed for trading on the CME Globex electronic trading and for clearing through CME ClearPort. The CME Globex electronic trading venue provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity.
- **Trade Information:** All requisite trade information for the Contracts will be included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- **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 Exchange’s competitive venues and will be applicable to transactions in these Contracts.
- **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 Rulebook. Trading in the Contracts 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 these Contracts are identified.

- **Dispute Resolution:** Disputes with respect to trading in the Contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all non-members 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 non-member is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.
- **Daily Publication of Trading Information:** The Exchange will publish information regarding trading volume, open interest and price information daily on its website and through quote vendors for the Contracts.

Exhibit A provides the NYMEX Rulebook chapters. Exhibit B provides the Position Limit, Position Accountability and Reportable Level Table (under separate cover). 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 Analysis of Deliverable Supply (confidential treatment requested).

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(a), the Exchange certifies that the Contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this 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 Chapters
Exhibit B: Position Limit, 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 (confidential treatment requested)

Exhibit A

NYMEX Rulebook

Chapter 564 Gulf Coast UCO (Argus) (60,000 lb) Futures

564100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all 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.

564101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Argus Media for "UCO (used cooking oil) del US Gulf coast USC/lb" for each business day that it is determined during the contract month.

564102. TRADING SPECIFICATIONS

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

564102.A. Trading Schedule

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

564102.B. Trading Unit

The contract quantity shall be 60,000 pounds. Each contract shall be valued as the contract quantity (60,000) multiplied by the settlement price.

564102.C. Price Increments

Prices shall be quoted in U.S. cents per pound. The minimum price fluctuation shall be \$0.0001 per pound.

564102.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.

564102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

564103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. The final settlement price will be the Floating Price calculated for each contract month.

564104. DISCLAIMER

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

Chapter 565 Gulf Coast UCO (Argus) Futures

565100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all 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.

565101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Argus Media for "UCO (used cooking oil) del US Gulf coast USD/t" for each business day that it is determined during the contract month.

565102. TRADING SPECIFICATIONS

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

565102.A. Trading Schedule

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

565102.B. Trading Unit

The contract quantity shall be 100 metric tons. Each contract shall be valued as the contract quantity (100) multiplied by the settlement price.

565102.C. Price Increments

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

565102.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.

565102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

565103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. The final settlement price will be the Floating Price calculated for each contract month.

565104. 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	\$0.85	\$1.35
Block EFP EFR	\$0.85	\$1.35
Processing Fees		
	Member	Non-Member
Cash Settlement	\$0.10	\$0.10
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")
NYMEX Rule 588.H. – ("Globex Non-Reviewable Trading Ranges") Table
(additions underscored)**

Instrument	Globex Symbol	Outrights			Spreads	
		Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Minimum Ticks	NRR: Globex Format	NRR: Outright Minimum Ticks
<u>Gulf Coast UCO (Argus) (60,000 lb) Futures</u>	<u>LBU</u>	<u>1.00 cents per pound</u>	<u>1.00</u>	<u>100</u>	<u>N/A</u>	
<u>Gulf Coast UCO (Argus) Futures</u>	<u>UCO</u>	<u>\$10.00 per metric ton</u>	<u>1000</u>	<u>1000</u>	<u>N/A</u>	

Exhibit E

(CONFIDENTIAL TREATMENT REQUESTED)

ADDITIONAL SUPPLEMENTAL MARKET INFORMATION

[REDACTED]