

August 21, 2007

Via E-Mail

Office of the Acting Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

RECEIVED
CFTC
2007 AUG 22 AM 11:42
OFFICE OF THE SECRETARIAN

**Re: Rule Certification, New York Mercantile Exchange, Inc.
Submission No. 07-103: Supplement to Rule 11.70**

Dear Ms. Eileen A. Donovan:

The New York Mercantile Exchange, Inc. ("Exchange") is notifying the Commodity Futures Trading Commission ("Commission") that it is self-certifying a supplement to NYMEX Rule 11.70, which governs its market-maker program pertaining to electronic trading on the CME GLOBEX® system of certain NYMEX and COMEX options contracts listed on that trading venue. The market-maker program was originally implemented for COMEX Gold and Silver options contracts and NYMEX Crude Oil and Natural Gas options contracts. The purpose of this supplement is to expand the Exchange Options Market Maker Program to include NYMEX Heating Oil and RBOB options contracts. A copy of Rule 11.70 and the Exchange's Notice to Members dated August 21, 2007 are attached hereto.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the supplement described herein complies with the Act, including regulations under the Act. The supplement became effective as of trade date August 20, 2007. As discussed with Commission staff, the submission of this certification was inadvertently delayed by an administrative error.

Should you have any questions concerning this certification, please contact the undersigned at (212) 299-2897.

Very truly yours,

Thomas F. LaSala
Chief Regulatory Officer

Attachments

Notice No. 07-414
August 21, 2007

TO: All Exchange Members, Member Firms and Clearing Members

FROM: James E. Newsome, President

RE: **Expansion of the Options Market Maker Program to Include Heating Oil and RBOB Options**

The New York Mercantile Exchange, Inc. expanded the Options Market Maker Program pursuant to Exchange Rule 11.70 (below) to include Heating Oil and RBOB Options, effective on trade date August 20, 2007.

Any questions relating to this Notice can be directed to Thomas LaSala, Chief Regulatory Officer, at (212) 299-2897.

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Rule 11.70, Exchange Options Market Maker Program for Electronic Trading of NYMEX and/or COMEX Options Contracts

A. General Provisions.

The Exchange may establish an Options Market Maker Program ("the OMM Program") to remain in effect for such period of time as determined by the Exchange for one or more Exchange designated Option Market Makers ("OMM") to provide liquidity in certain NYMEX and/or COMEX options contracts as determined by the Exchange from time to time. The principal obligation of an OMM under the OMM Program is to post, on the Chicago Mercantile Exchange's Globex® electronic trading system, current and binding bids and offers of a specified maximum bid/offer spread and minimum quantity for specified NYMEX and/or COMEX options contracts, contract months, and strike prices, all as specified by the Exchange for such OMM. In addition, for each specified options contract, such market making activity generally must occur for a specified percentage of the applicable listed trading hours for electronic trading on Globex®. In consideration for an OMM's market making activity, the OMM shall be charged such transaction fee rates as provided by the Exchange for that OMM.

B. Additional OMM Program Terms and Conditions

In addition to the market making obligations noted above, each OMM will agree to: (1) comply with all applicable NYMEX and CME rules related to the electronic trading of Exchange contracts on Globex; and (2) consent to the jurisdiction of New York state and federal courts based in the Manhattan borough of New York City, provided that any alleged violation of NYMEX rules by the OMM shall be adjudicated in accordance with the disciplinary rules of NYMEX. The Exchange may terminate an OMM's participation in the OMM Program in the event of a material violation by the OMM of the NYMEX or CME rules or its failure to meet its specified market making obligations. Trading in the capacity of an OMM shall be limited to trading for the OMM's proprietary trading account, and the OMM must conduct all OMM Program trading in an account that has been identified to the Exchange.