



Chicago Climate Exchange®

190 South LaSalle Street, Suite 800  
Chicago, Illinois 60603

T 312.554.3350  
F 312.554.3370

February 9, 2011

Mr. David Stawick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

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SECRETARIAT

Re: **Chicago Climate Futures Exchange, LLC  
Submission No. 11-04**

Dear Mr. Stawick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the "Act") and Part 40.6 of the regulations promulgated by the Commodity Futures Trading Commission ("CFTC") under the Act, Chicago Climate Futures Exchange, LLC ("CCFE") hereby submits a clarification regarding CCFE's market maker program.

On February 3, 2011, CCFE submitted Submission 11-03 to announce the terms of the market maker program. At this time CCFE is submitting a clarification to those terms and has attached a modified summary of the program. The attached summary is marked to show the changes made from CCFE's prior submission (11-03).

CCFE certifies that the terms of this market maker program neither violate nor are inconsistent with any portion of the Act or of the rules thereunder.

Should you require additional information regarding this submission, please contact me at 312.229.5163. Please reference our submission number 11-04 in any related correspondence.

Very truly yours,

Eric J. Nield  
General Counsel

enc.

cc: Riva Adriance  
Nancy Markowitz  
Jon Hulquist  
Irina Leonova

[www.chicagoclimateexchange.com](http://www.chicagoclimateexchange.com)

## CCFE Market Maker Program

February 2011

Chicago Climate Futures Exchange (CCFE) is announcing the terms of a new Market Maker Incentive Program.

**Eligible Participants:** Any Trading Privilege Holders, Clearing Members or other applicants accepted by CCFE. Interested parties should contact the individuals identified below.

**Term:** The CCFE Market Maker Program will run through June 30, 2011.

**Eligible Contracts:** Regional Greenhouse Gas Initiative ("RGGI") Futures and options contracts and Sulfur Financial Instrument ("SFI") Futures Contracts (collectively, the "eligible contracts") ~~on emission allowances and other environmental products listed on CCFE.~~

### **Obligations:**

With respect to ~~some or all of~~ the eligible contracts, each participant market maker is required to provide bids and offers within a specified bid-ask spread and for a minimum specified quantity for a minimum specified percentage of a defined trading period for which confidential treatment is requested.

### **Benefits:**

**Fee Rebate** – Participant market makers who fulfill their market making obligations will receive a rebate for any exchange and clearing fees paid by the market maker.

**Revenue Share** – Each participant market maker who fulfilled its market making obligations will be eligible to share in a revenue pool that shall not exceed 50% the net revenues earned by CCFE in the eligible contracts. Such revenue share will be measured monthly, and each qualifying market maker will participant pro rata based on (i) the percentage of market hours each qualifying market maker was in compliance with its market making obligations during the month, and (ii) the trading volume percentage attributable to such market maker of the aggregate market maker trading volume during the time period. For purposes of determining the aggregate market maker trading volume, and the percentage attributable to each market maker, transactions between participant market makers shall not be included.

**Additional Information:** For additional information regarding the CCFE Market Maker Program, please contact either: Michael MacGregor (312-836-6735; [Michael.Macgregor@theice.com](mailto:Michael.Macgregor@theice.com)) or Dan Scarbrough (312-836-6738; [Daniel.Scarbrough@theice.com](mailto:Daniel.Scarbrough@theice.com)).