

February 27, 2008

VIA E-MAIL AND FACSIMILE

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

RECEIVED
C.F.T.C.
2008 FEB 27 PM 4:07
OFFICE OF THE SECRETARIAT
C.F.T.C.

**Re: New York Mercantile Exchange, Inc. Submission #08.07:
Listing 8 New Monthly and Daily Electricity Futures Contracts
on NYMEX ClearPort® Trading and Clearing**

Dear Mr. David Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it will list eight new financially-settled monthly and daily electricity futures contracts related to the Texas ERCOT market: NYMEX ERCOT Broker Seller's Choice Index Peak (SNL Energy) Contract, NYMEX ERCOT Broker Seller's Choice Index Calendar Day Peak (SNL Energy) Contract, NYMEX ERCOT Broker Houston Index Peak (SNL Energy) Contract, NYMEX ERCOT Broker Houston Index Calendar Day Peak (SNL Energy) Contract, NYMEX ERCOT Broker North Index Peak (SNL Energy) Contract, NYMEX ERCOT Broker North Index Calendar Day Peak (SNL Energy) Contract, NYMEX ERCOT Broker South Index Peak (SNL Energy) Contract, and NYMEX ERCOT Broker South Index Calendar Day Peak (SNL Energy) Contract.

These new futures contracts will be listed on the NYMEX ClearPort® trading and clearing systems beginning at 6:00 pm on Sunday, March 9, 2008, for trade date March 10, 2008. Each of these new futures contracts will be available during the normal trading hours for NYMEX ClearPort® trading and clearing. In addition, the Exchange will allow Exchange of Futures for Product, and Exchange of Futures for Swaps to be submitted for clearing via NYMEX ClearPort® clearing pursuant to the terms of Rules 6.21 and 6.21A.

Daily settlement of futures is governed by NYMEX Rule Chapter 6.50A. Exchange staff will use all available market information. This will include daily trades, bid and offers from OTC brokers and information from commercial participants.

The first contract month will be April 2008. All contracts, with the exception of the NYMEX ERCOT Broker Seller's Choice Index Peak (SNL Energy) Contract, will initially be listed for trading and clearing with thirty-six consecutive contract months. The seller's choice contract will only be listed through November 2008 due to anticipated changes in the pricing of transmission congestion that are likely to be implemented by ERCOT December 1, 2008. The first contract listed for the daily contracts will be March 10, 2008. Daily contracts will be listed for each peak day for the current calendar month and the calendar month immediately following the current

calendar month. In connection with the launch of these new options contracts, the Exchange is also submitting the associated terms and conditions rule chapters, which are comprised of Rules 834.01 – 834.12 for NYMEX ERCOT Broker Seller's Choice Index Peak (SNL Energy) Contract, 834a.01 – 834a.12 for NYMEX ERCOT Broker Seller's Choice Index Calendar Day Peak (SNL Energy) Contract, 835.01 – 835.12 for NYMEX ERCOT Broker Houston Index Peak (SNL Energy) Contract, 835a.01 – 835a.12 for NYMEX ERCOT Broker Houston Index Calendar Day Peak (SNL Energy) Contract, 836.01 – 836.12 for NYMEX ERCOT Broker North Index Peak (SNL Energy) Contract, 836a.01 – 836a.12 for NYMEX ERCOT Broker North Index Calendar Day Peak (SNL Energy) Contract, 837.01 – 837.12 for NYMEX ERCOT Broker South Index Peak (SNL Energy) Contract, and 837a.01 – 837a.12 for NYMEX ERCOT Broker South Index Calendar Day Peak (SNL Energy) Contract.

The two-letter commodity symbol to be used by the Exchange will be as follows:

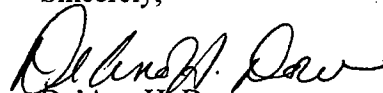
- NYMEX ERCOT Broker Houston Index Peak (SNL Energy) Contract: ZH
- NYMEX ERCOT Broker Houston Index Calendar Day Peak (SNL Energy) Contract: VH
- NYMEX ERCOT Broker North Index Peak (SNL Energy) Contract: ZF
- NYMEX ERCOT Broker North Index Calendar Day Peak (SNL Energy) Contract: VF
- NYMEX ERCOT Broker Seller's Choice Index Peak (SNL Energy) Contract: ZE
- NYMEX ERCOT Broker Seller's Choice Index Calendar Day Peak (SNL Energy) Contract: VB
- NYMEX ERCOT Broker South Index Peak (SNL Energy) Contract: ZT
- NYMEX ERCOT Broker South Index Calendar Day Peak (SNL Energy) Contract: VJ

Reporting levels and Positions Limits/Accountability levels for these contracts will be provided in submission number 08.26, under separate cover.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rules 40.2 and 40.6, the Exchange hereby certifies that the attached contracts all comply with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact the undersigned at (202) 715-8517 or Brad Leach at (212) 299-2609.

Sincerely,



De'Ana H. Dow

Senior Vice President and
Chief Legislative Counsel

Attachments: contract terms and conditions, supplementary information.

NYMEX ERCOT Broker Seller's Choice Index Peak (SNL Energy) Contract

834.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

834.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of all ERCOT Broker Seller's Choice Index "ERCOT-S.C." day-ahead peak volume weighted average prices published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract month. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 834.10 and will not be subject to any further adjustment.

834.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

834.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

834.05 Contract Quantity and Value

The contract quantity shall be 800 Megawatt Hours (MWH) and is based on 50 megawatts for peak daily hours.

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of peak days in that peak month.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

834.06 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

834.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

834.08 Termination of Trading

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

834.09 Final Settlement

Delivery under the NYMEX ERCOT Broker Seller's Choice Index Peak (SNL Energy) 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.

834.10 Payment Date

Five (5) business days following each contract month.

834.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

834.12 Disclaimer

SNL Financial LLC (SNL) licenses The New York Mercantile Exchange ("NYMEX") to use ERCOT broker price indices in connection with the trading of the contracts.

NEITHER NYMEX NOR SNL GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND SNL MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE NYMEX ERCOT BROKER SELLER'S CHOICE INDEX PEAK (SNL ENERGY) CONTRACTS, OR, FOR ANY OTHER USE. NYMEX AND SNL MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR SNL HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

NYMEX ERCOT Broker Seller's Choice Index Calendar Day Peak (SNL Energy) Contract

834a.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

834a.02 Floating Price

The Floating Price will be determined for each peak day. The Floating Price will be equal to the ERCOT Broker Seller's Choice Index "ERCOT-S.C." day-ahead peak volume weighted average price published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract day. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 834a.10 and will not be subject to any further adjustment.

834a.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

834a.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

834a.05 Contract Quantity and Value

The contract quantity is based on 50 megawatts for each peak hour of the contract day. The contract quantity shall be 800 MWH (Megawatt Hours). Each NYMEX ERCOT Broker Seller's Choice Index Calendar Day Peak (SNL Energy) Contract shall be valued as the contract quantity (800 MWH) multiplied by the settlement price.

834a.06 Contract Days

Trading shall be conducted in contracts in such days as shall be determined by the Board of Directors.

834a.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

834a.08 Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the next business day.

834a.09 Final Settlement

Delivery under the NYMEX ERCOT Broker Seller's Choice Index Calendar Day Peak (SNL Energy) Contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the peak day.

834a.10 Payment Date

Five (5) business days following the peak day.

834a.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

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NYMEX ERCOT Broker Houston Index Peak (SNL Energy) Contract

835.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

835.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of all ERCOT Broker Houston Index "ERCOT-Hou." day-ahead peak volume weighted average prices published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract month. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 835.10 and will not be subject to any further adjustment.

835.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

835.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

835.05 Contract Quantity and Value

The contract quantity shall be 800 Megawatt Hours (MWH) and is based on 50 megawatts for peak daily hours.

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of peak days in that peak month.

Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

835.06 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

835.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

835.08 Termination of Trading

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

835.09 Final Settlement

Delivery under the NYMEX ERCOT Broker Houston Index Peak (SNL Energy) 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.

835.10 Payment Date

Five (5) business days following each contract month.

835.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

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NYMEX ERCOT Broker Houston Index Calendar Day Peak (SNL Energy) Contract

835a.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

835a.02 Floating Price

The Floating Price will be determined for each peak day. The Floating Price will be equal to the ERCOT Broker Seller's Choice Index "ERCOT-Hou." day-ahead peak volume weighted average price published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract day. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 835a.10 and will not be subject to any further adjustment

835a.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

835a.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

835a.05 Contract Quantity and Value

The contract quantity is based on 50 megawatts for each peak hour of the contract day. The contract quantity shall be 800 MWH (Megawatt Hours). Each NYMEX ERCOT Broker Houston Index Calendar Day Peak (SNL Energy) Contract shall be valued as the contract quantity (800 MWH) multiplied by the settlement price.

835a.06 Contract Days

Trading shall be conducted in contracts in such days as shall be determined by the Board of Directors.

835a.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

835a.08 Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the next business day.

835a.09 Final Settlement

Delivery under the NYMEX ERCOT Broker Houston Index Calendar Day Peak (SNL Energy) Contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the peak day.

835a.10 Payment Date

Five (5) business days following the peak day.

835a.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

835a.12 Disclaimer

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ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR SNL HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

NYMEX ERCOT Broker North Index Peak (SNL Energy) Contract

836.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

836.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of all ERCOT Broker North Index "ERCOT-North." day-ahead peak volume weighted average prices published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract month. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 836.10 and will not be subject to any further adjustment.

836.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

836.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

836.05 Contract Quantity and Value

The contract quantity shall be 800 Megawatt Hours (MWH) and is based on 50 megawatts for peak daily hours.

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of peak days in that peak month.

Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

836.06 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

836.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

836.08 Termination of Trading

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

836.09 Final Settlement

Delivery under the NYMEX ERCOT Broker North Index Peak (SNL Energy) 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.

836.10 Payment Date

Five (5) business days following each contract month.

836.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

836.12 Disclaimer

SNL Financial LLC (SNL) licenses The New York Mercantile Exchange ("NYMEX") to use ERCOT broker price indices in connection with the trading of the contracts.

NEITHER NYMEX NOR SNL GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

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NYMEX ERCOT Broker North Index Calendar Day Peak (SNL Energy) Contract

836a.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

836a.02 Floating Price

The Floating Price will be determined for each peak day. The Floating Price will be equal to the ERCOT Broker North Index "ERCOT-North." day-ahead peak volume weighted average price published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract day. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 836a.10 and will not be subject to any further adjustment.

836a.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

836a.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

836a.05 Contract Quantity and Value

The contract quantity is based on 50 megawatts for each peak hour of the contract day. The contract quantity shall be 800 MWH (Megawatt Hours). Each NYMEX ERCOT Broker North Index Calendar Day Peak (SNL Energy) Contract shall be valued as the contract quantity (800 MWH) multiplied by the settlement price.

836a.06 Contract Days

Trading shall be conducted in contracts in such days as shall be determined by the Board of Directors.

836a.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

836a.08 Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the next business day.

836a.09 Final Settlement

Delivery under the NYMEX ERCOT Broker North Index Calendar Day Peak (SNL Energy) Contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the peak day.

836a.10 Payment Date

Five (5) business days following the peak day.

836a.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

836a.12 Disclaimer

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NEITHER NYMEX NOR SNL GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

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OTHER USE. NYMEX AND SNL MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR SNL HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

NYMEX ERCOT Broker South Index Peak (SNL Energy) Contract

837.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

837.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of all ERCOT Broker South Index "ERCOT-South" day-ahead peak volume weighted average prices published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract month. For settlement of this contract, the daily price provided by SNL Energy will be considered final on the payment date stated in Rule 837.10 and will not be subject to any further adjustment.

837.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

837.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

837.05 Contract Quantity and Value

The contract quantity shall be 800 Megawatt Hours (MWH) and is based on 50 megawatts for peak daily hours.

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of peak days in that peak month.

Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

837.06 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

836.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

837.08 Termination of Trading

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

837.09 Final Settlement

Delivery under the NYMEX ERCOT Broker South Index Peak (SNL Energy) 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.

837.10 Payment Date

Five (5) business days following each contract month.

837.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

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NYMEX ERCOT Broker South Index Calendar Day Peak (SNL Energy) Contract

837a.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

837a.02 Floating Price

The Floating Price will be determined for each peak day. The Floating Price will be equal to the ERCOT Broker South Index "ERCOT-South" day-ahead peak volume weighted average price published in SNL Energy Power Daily in the table titled "ERCOT Broker Index" for the contract day. For settlement of this contract, the daily price

provided by SNL Energy will be considered final on the payment date stated in Rule 837a.10 and will not be subject to any further adjustment.

837a.03 Peak Days

"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

837a.04 Peak Hours

From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

837a.05 Contract Quantity and Value

The contract quantity is based on 50 megawatts for each peak hour of the contract day. The contract quantity shall be 800 MWH (Megawatt Hours). Each NYMEX ERCOT Broker South Index Calendar Day Peak (SNL Energy) Contract shall be valued as the contract quantity (800 MWH) multiplied by the settlement price.

837a.06 Contract Days

Trading shall be conducted in contracts in such days as shall be determined by the Board of Directors.

837a.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.01 per MWH. There shall be no maximum price fluctuation.

837a.08 Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the next business day.

837a.09 Final Settlement

Delivery under the NYMEX ERCOT Broker South Index Calendar Day Peak (SNL Energy) Contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the peak day.

837a.10 Payment Date

Five (5) business days following the peak day.

837a.11 Exchange of Futures for, or in Connection with Product and Exchange of Futures for, or in Connection with Swap Transactions

Any Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection with Swap Transactions (EFS) shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

837a.12 Disclaimer

SNL Financial LLC (SNL) licenses The New York Mercantile Exchange ("NYMEX") to use the ERCOT broker price indices in connection with the trading of the contracts.

NEITHER NYMEX NOR SNL GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND SNL MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE NYMEX ERCOT BROKER SOUTH INDEX CALENDAR DAY PEAK (SNL ENERGY) CONTRACTS, OR, FOR ANY OTHER USE. NYMEX AND SNL MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR SNL HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Supplementary Information

SNL Financial LC.

SNL Financial LC, founded in 1987, is a multi-sector information and research firm in the financial information marketplace. SNL Financial collects, standardizes and disseminates corporate, financial, market and M&A data — plus news and analysis — for the energy, banking, specialized financial services, insurance, real estate, and media/communications industries. SNL Financial publishes the following newsletters related to the electricity industry: Power Daily, Generation Markets Week, Electric Utility Report, Electric Transmission Week, Renewable Energy Week, M&A Review and Power Week Canada. SNL is headquartered in Charlottesville, VA. The SNL weblink below provides further information about SNL Financial.

http://www.snl.com/snl_corp_broc.pdf

SNL NYMEX License Agreement

NYMEX has established a 10-year license agreement to use the ERCOT Broker indices published by SNL for futures market settlements. This agreement became effective on October 7, 2007.

ERCOT Broker Index Methodology

The ERCOT Broker Index methodology described in this section is available through the SNL website link below. SNL has a standing reputation in the energy industry as a provider of pricing benchmarks that are fair and accurate. The Broker Indexes were first published by SNL Energy on September 8, 2006. The information below describing the SNL ERCOT Broker Index methodology is provided on the SNL Energy website. SNL Energy has recently revised the ERCOT Broker Index methodology regarding price reporting when trades are unavailable. Under its revised policy, SNL will provide a notional price for any ERCOT Broker Index without submitted daily trades. The notional price is based on the current price relationship among the zones.

SNL ERCOT Broker Index Methodology

SNL methodology follows the recommendations of the Committee of Chief Risk Officers (CCRO) regarding Best Practices for Energy Price Indexes regarding this and other energy price indexes. Visit www.ccro.org for more information on the CCRO. The ERCOT Broker Index calculations are based on the volume weighted average trade prices for the respective delivery points as submitted by the contributing brokers. Outliers are excluded using a two standard deviation method. The outlying trades are not part of any index calculation, but are included in the daily low and high price for each location. Only standard on-peak (1x16) and off-peak(1x8) deals for 25 megawatts or greater for delivery the next business day are included in the index calculation. Deals for delivery on multiple days or around the clock trades are also excluded. All

trades must have been completed by 11:30 AM EST for delivery the following day to be included. Resubmissions for trades meeting all of the preceding criteria will be reposted by 4:00 PM EST each day the index is published. Double counting is effectively eliminated from these index calculations since they are being submitted only by brokers who generally handle both sides of a transaction.

Revision Policy and Challenge Mechanism

SNL sometimes receives revisions to the transaction data after the index is published. SNL will revise the index and update the price or prices on its Web site. Prices are final on the third business day after the transaction date. No revisions will be accepted after three business days.

Any party involved in contributing to an index or using an index may challenge the indexes within a period of three business days after publication. Upon receipt of a written request of the date and location in question, SNL Energy will examine its data and calculations to determine if errors or omissions occurred.

If discrepancies are found and the correct index differs, the index will be republished and the challenging party will be notified.

The challenging party may immediately file a written second challenge for power prices if it can provide additional verified trades that SNL Energy did not have at the time of publication. The burden of providing this additional verified information is entirely upon the challenging party. This information must come from the mid-office of trading entities, and SNL Energy must be given the contact information for the appropriate individuals at these entities. Indexes from other publications, clearing or matching services, or electronic platforms will not be considered.

ABOUT AMEREX

Amerex is a leading over-the-counter energy brokerage offering services in electricity, natural gas, crude oil, fuel oil, petroleum products, coal, gas liquids, freight, emission credits and allowances and energy data services. Founded in 1978, Amerex has offices in Houston, New Jersey, London, Monaco, Singapore and Tokyo. Amerex offers liquidity and timely execution to meet the needs of a global client network of more than 1,000 firms including thousands of traders and risk management professionals. For additional information, please visit www.amerexenergy.com.

ABOUT ICAP ENERGY

ICAP Energy is the energy-focused commodity arm of ICAP plc, providing specialist intermediary execution and clearing services for base and precious metals, emission credits, crude oil and oil products, electricity, natural gas, coal, freight and weather derivatives. ICAP Energy is a leading global energy broker with operations in ten centers throughout the world. For additional information, please visit www.icapenergy.com.

ICAP is the world's largest inter-dealer broker and following the acquisition of the BrokerTec fixed income securities businesses is the world's leading electronic broker of fixed income securities with a daily average transaction volume in excess of \$1 trillion, 50% of which is

electronic. The Group is active in the wholesale market for OTC derivatives, fixed income securities, money market products, foreign exchange, energy, credit and equity derivatives.

ABOUT PREBON ENERGY

Prebon Energy is a leading global energy broker providing power marketers, utilities, producers, risk managers and institutions with a single comprehensive source for price information and liquidity in a broad and expanding range of energy markets, including natural gas, oil and power. Prebon Energy is a division of Tullett Prebon, the inter dealer broker and part of Collins Stewart Tullett plc. Tullett Prebon operates as an intermediary in wholesale financial markets facilitating the trading activities of its clients, in particular commercial and investment banks. The business now covers seven major product groups: Volatility, Rates, Non Banking & Sterling Cash, Treasury, Energy, Credit & CDS, and Equities. Tullett Prebon's electronic trading platform, TradeBlade™, was launched in January 2006 and currently trades two products, US Dollar Repos and US Treasuries. For additional information, please visit www.tullettprebon.com.

<http://www2.snl.com/energy/ercot/methodology.asp>

ERCOT Supply and Demand Information

According to EIA, total 2006 Texas summer generation capacity was 100,754 Megawatts. Net 2006 generation was 400,582 Gigawatt hours (GWh). This is equivalent to 500,729 NYMEX 800 MWh contracts. EIA does not provide generation information for the ERCOT zones that are referenced in this submission. Regarding demand, 2006 total retail sales were 342,732 GWh or 428,405 NYMEX equivalent contracts. As with generation, EIA does not provide zonal retail sales information. Based on information from market participants, each of the individual zones—Houston, North and South—constitutes a robust market on their own both in terms of underlying fundamental factors and participation. It should be noted that this generation is available to all zones; production crosses zones every moment of every day. Demand, *per se*, is not broken-down by actual consumption for each zone but is by coincident peak demand—see the table below. We estimate zone demand by applying the percentages associated with coincident peak demand for each of Houston, North and South which translates to a monthly average of: 10,000 NYMEX contract equivalents for Houston, 16,000 for North and 10,000 for South. Sellers's choice embodies all zones (including West) and, accordingly is more than 40,000 NYMEX contract equivalents per month.

These contract equivalents are the estimates for both physical market supply and base-level cash-market activity since they represent sales within the system. In addition, there are hundreds of active participants (and thousands of participants) in Texas' Retail electricity market. Some of the most active electricity market participants are listed under "Texas Electricity Market Participants" below.

http://www.eia.doe.gov/cneaf/electricity/st_profiles/texas.html

ERCOT Zone Demand Information

The ERCOT Independent System Operator has delineated the following geographic congestion zones: North, South, Houston and West. The congestion zone demand information below was provided by ERCOT. This information indicates the distribution of total monthly megawatts during system peak periods by ERCOT zone. This peak information is provided as an indication of the relative ERCOT zone activity. Due to limited activity, the West Zone is not proposed as a futures contract.

Net Zone Demand Coincident with ERCOT System Peak

Megawatts

<i>Congestion Zone</i>	Annual	Avg Mo	Percent
North	285,136	23,761	43%
South	173,203	14,434	26%
West	44,334	3,695	7%
Houston	168,229	14,019	25%
Total	670,903	55,909	

Texas Retail Choice

On January 1, 2002, electricity choice began in Texas. At present there are 100 retail electricity providers in the Texas electricity market. Within demand categories, 58% of residentials, 85% of small business, and 100% of large business customers buy electricity through retail choice suppliers. Texas is widely acknowledged to be both one of the most competitive and active retail-participation electricity markets in the U.S.

http://www.aect.net/documents/2007/20070212_PR_RetailStats.pdf

Texas Electricity Market Participants

Retail Providers

Reliant Energy Retail Services
 TXU Energy Retail Co.
 Constellation NewEnergy
 San Antonio City of
 Entergy Gulf States

Generation Operators

Entergy Gulf States

Lower Colorado River Authority
NRG Texas
STP Nuclear Operating Co.
TXU Generation Co.

Marketers

Constellation Energy Group
British Petroleum
NRG Texas
Entergy Koch
Green Mountain Energy

Financial Participants

Merrill Lynch
Goldman Sachs
Deutsche Bank
UBS
JP Morgan

OTC Brokers

Amerex
ICAP
Prebon
IVG
TFS

SNL Broker Index Volume

The SNL indices are based on transactions brokered by the Participating Brokers listed above. The table below provides monthly NYMEX-equivalent volumes of brokered transactions (based on the contract unit of 800 megawatt hours) from which the indices were derived over the most recent 17 months. The ERCOT Sellers Choice (ERCOT-S.C.) market has had the highest level of monthly activity with an average 1,346 NYMEX-equivalent contracts per month during the 17 months of activity identified below. The sellers choice market prices reflect transactions that sellers deliver anywhere on the ERCOT transmission system. The ERCOT-Houston zone follows with an average 359 contracts during the period. ERCOT-North and ERCOT-South account for 376 and 237 contracts per month during the reported time period. (As previously indicated, the West Zone is not included as a futures contract. *The NYMEX Equivalent Monthly Volume in the table below was derived from a comprehensive daily worksheet that was provided by SNL Energy. This worksheet is included with this submission.*

SNL Broker ERCOT ON-Peak Index NYMEX Equivalent Monthly Volume

DATE	ERCOT- Houston	ERCOT- North	ERCOT- S.C.	ERCOT- South	ERCOT- West
Sep-06	389	262	888	151	61
Oct-06	673	378	1868	332	97
Nov-06	513	592	1761	80	104
Dec-06	91	553	1006	19	70
Jan-07	135	261	1371	62	130
Feb-07	241	249	1348	50	26
Mar-07	251	331	1063	23	61
Apr-07	253	368	1240	384	26
May-07	543	282	1535	529	56
Jun-07	480	286	1255	255	44
Jul-07	508	521	1551	169	103
Aug-07	548	346	2231	431	218
Sep-07	376	238	1712	156	49
Oct-07	380	524	2219	561	59
Nov-07	304	328	732	338	10
Dec-07	190	519	533	289	25
Jan-08	227	361	579	192	13

Data not available for 11/20/07 and 12/12/07.

An analysis of the ERCOT Broker Index trade data provided average number of daily trades and average MW for each proposed futures contract location. This information was provided by SNL Energy and is provided on the public SNL Energy website. According to commercial sources, 20-25 companies are involved in daily ERCOT market trading. (Please note that the megawatts represent hourly peak flow for the combined transactions. The terms for each of the contracts differs. The table above includes that information.) The participants are well-distributed as sellers and buyers; not skewed to either side. NYMEX is confident that the transactions included in the index are arms-length transactions. Keep in mind that brokers match buyer and seller; the buyer and seller do not arrive at the broker pre-matched. NYMEX finds this to be a robust mechanism for calculating an index. *The Average Daily Trades and MW daily average were derived from the SNL Energy worksheet included with this submission.*

Location	Average Daily Trades	MW
North	11	940
South	7	659
Houston	10	908
Sellers Choice	40	3263

OTC Derivative Market

These futures contracts are not building on an existing OTC derivative market. By their very structure these futures contracts are closely tied to the cash-market; the chief use for the futures markets will be hedging and risk-management associated with the cash-market. Currently the cash-market is heavily dependent on the price discovery taking place in the short-term market—the term market relies on this as the key input for its transactions prices. This is the same price information that determines the SNL indices. Given the hundreds of substantial commercial market participants active in the cash-market and dozens which are active in the short-term market, each well-distributed between buyers and sellers, NYMEX staff believe that futures market participants would not incur any undue risk from liquidating futures positions under the wide range of anticipated market circumstances. This is because: 1) we expect the largest futures participants to be using futures to risk-manage offsetting cash-market positions to begin with; 2) a typical futures market participant would be able to seek outlets in the cash-market to offset unhedged futures positions; 3) there are many cash-market participants available to quickly and competitively respond to attractive price signals from the futures market; 4) the same brokers who report the price information for the SNL indices bring buyers and sellers together for OTC and futures transactions as an ordinary and productive part of their business; and 5) we are applying position limits with an express intent to prevent exercise of undue influence on price, however that influence could arise.

Transition from Zonal to Nodal transmission Congestion

On December 1, 2008, ERCOT is currently scheduled to transition from zonal to nodal transmission congestion management. (Note that scheduled implementation of nodal congestion has been previously postponed several times by the ERCOT Board of Directors.) As part of the nodal implementation, a day-ahead market will be introduced. At present, ERCOT is the only ISO authorized by the Federal Energy Regulatory Commission that does not provide a day-ahead market, therefore, regardless of whether it keeps to the current schedule, there is strong indication that it will eventually transition. As part of the transition, ERCOT has developed statistically generated hubs that mirror the current zone structure so the zones will continue to operate as commercial delivery points within the system. However, due to the implementation of nodal transmission congestion, NYMEX is not listing contract months for the Sellers Choice futures contract beyond November 2008. We are not certain that a sellers-choice commercial mechanism will be sustained under a nodal transmission framework.

www.nodal.ercot.com