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OFFICE OF THE SECRETARIAT

March 9, 2011

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

Re: Rule Amendments. New York Mercantile Exchange, Inc. Submission #11-097: Notification Regarding Amendments to Contract Unit, Listing Schedule, and Listed Venues for Three (3) Pine Prairie Energy Center Natural Gas Futures Contracts

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to Rules 227.04, 228.04, and 229.04 ("Contract Unit") in order to change the system configuration of the contract unit for each of:

- Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures (chapter 227; commodity code PPD);
- Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures (chapter 228; commodity code PPB); and
- Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures (chapter 229; commodity code PPM).

Under the current construct, the contract size is based on delivering 2,500 MMBtu per day for the delivery period. Under the new structure, the contract size will be 2,500 MMBtu and the minimum execution will be restricted to whole number multiples of the number of calendar days in the delivery period. The economic outcome of the new structure is identical to that of the current structure. The new structure mimics the commercial practice. Rules 227.04, 228.04, and 229.04 ("Contract Unit") are being amended to reflect the new structure. The amendments are provided in Appendix A herewith.

For operational purposes, in order to effect the change to the contract unit system configuration for the three contracts, the Exchange is notifying the CFTC that it is self-certifying amendments to the listing schedules for the three contracts pursuant to Rules 227.06, 228.06 and 229.06 ("Delivery Period"), respectively. The amendments to the listing periods for each of the three contracts will apply to all venues on which the contracts are listed. Those venues are NYMEX trading floor, CME Globex and CME ClearPort. The amendments to the listing periods for each of the three contracts are as follows:

- The BALMO (Chapter 228; code PPB) and Monthly (Chapter 229; code PPM) futures contracts will be deactivated and unavailable for trading or clearing effective close of business on trade date Friday, March 11, 2011 through close of business on trade date Friday, April 8, 2011.
- The April 2011 contract month for the Monthly (Chapter 229; code PPM) futures contract will be delisted effective close of business on trade date Friday, March 11, 2011.
- No new BALMO (Chapter 228; code PPB) or Monthly (Chapter 229; code PPM) futures contracts will be listed from close of business on trade date Friday, March 11, 2011 through close of business on trade date Friday, April 8, 2011.

- The Daily/Weekend (Chapter 227; code PPD) futures contract will be deactivated and unavailable for trading or clearing effective close of business on trade date Friday, March 25, 2011, through close of business on trade date Friday, April 8, 2011.
- No new Daily/Weekend (Chapter 227; code PPD) futures contracts will be listed from close of business on trade date Friday, March 25, 2011, through close of business on trade date Friday, April 8, 2011.

Please note that the Exchange will notify the CFTC of the new listing schedules for the contracts under separate filing.

In addition, the Exchange is notifying the CFTC that it is self-certifying the delisting of the three contracts from the NYMEX trading floor venue effective close of business on trade date Friday, March 25, 2011.

Please note that there currently is no open interest in any of the three contracts.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the rule amendments to the three Pine Prairie Energy Center Natural Gas futures contracts and the delisting of one of the competitive trading venues on which the contracts are listed comply with the Act, including regulations under the Act. There were no substantive opposing views to these proposals.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or Brad Leach at (212) 299-2609.

Very truly yours,

/s/Christopher K. Bowen
Managing Director & Regulatory Counsel

(underline indicates addition; strikethrough indicates deletion)

## Chapter 227 Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures

227.04

**CONTRACT UNIT** 

The Contract unit shall be 2,500 MMBtu-per day for the delivery period. <u>Transaction size shall be</u> restricted to whole number multiples of the number of calendar days in the delivery period.

## Chapter 228 Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures

228.04

**CONTRACT UNIT** 

The Contract unit shall be 2,500 MMBtu-per day for the delivery period. <u>Transaction size shall be</u> restricted to whole number multiples of the number of calendar days in the delivery period.

## Chapter 229

## Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures

229.04

**CONTRACT UNIT** 

The Contract unit shall be 2,500 MMBtu-per day for the delivery period. <u>Transaction size shall be restricted to whole number multiples of the number of calendar days in the delivery period.</u>