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March 18, 2009

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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 Certification. New York Mercantile Exchange, Inc. Submission #09.34:
Notification Regarding the Listing of Ten (10) Electricity Swap Futures
Contracts on CME ClearPort® Clearing and Trading Systems**

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 the listing the ten (10) new electricity swap futures contracts for trading on CME ClearPort® trading system and for submission for clearing on CME ClearPort® clearing system.

The ten (10) new contracts, commodity codes and rule numbers are listed below.

- Midwest Independent Transmission System Operator Cinergy Hub 5 MW Off-Peak Calendar-Month Real-Time Swap Futures (code H4, Rules 803.01-803.10)
- Midwest Independent Transmission System Operator Cinergy Hub 5 MW Off-Peak Calendar-Month Day-Ahead Swap Futures (code K2, Rules 893.01-893.10)
- CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Day-Ahead LMP Swap Futures (code 4X, Rules 342.01-342.11)
- CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Month Day-Ahead LMP Swap Futures (code 9X, Rules 343.01-343.11)
- CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Day-Ahead LMP Swap Futures (code 3X, Rules 344.01-344.10)
- CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Day-Ahead LMP Swap Futures (code 5X, Rules 345.01-345.10)
- CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Day-Ahead LMP Swap Futures (code 3Z, Rules 346.01-346.11)
- CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Day-Ahead LMP Swap Futures (code 9Z, Rules 347.01-347.11)
- CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Day-Ahead LMP Swap Futures (code 2Z, Rules 348.01-348.10)
- CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Day-Ahead LMP Swap Futures (code 4Z, Rules 349.01-349.10)

The above-listed electricity swap futures contracts will be cash-settled and will be listed on the CME ClearPort electronic trading and clearing systems beginning at 6:00 p.m. on Sunday, March 22, 2009 for trade date Monday, March 23, 2009.

The contracts will be available during normal trading hours on CME ClearPort electronic clearing and trading systems. Electronic trading and clearing is conducted from 6:00 p.m. Sunday until 5:15 p.m.

Friday (New York Prevailing time) via the CME ClearPort electronic clearing and trading systems. There is a 45-minute break each day between 5:15 p.m. (current trade date) and 6:00 p.m. (next trade date).

The first listed month for these contracts will be May 2009. Monthly contracts will list current year plus the next five calendar years, consecutively. A new calendar year will be added following the termination of trading in the December contract of the current year. Daily contracts will list current month plus the next month.

In addition, the Exchange will allow exchange of futures for physical ("EFP") and exchange of futures for swap ("EFS") transactions to be submitted through the CME ClearPort electronic clearing system. The EFP and EFS transactions in these futures contracts will be governed by the provisions of Exchange Rules 6.21 and 6.21A, respectively.

Although the supplemental market information attached herewith includes the recommended position limits for the ten (10) new electricity swap futures contracts, a separate filing will be submitted to the Commission to self-certify those position limits.

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 comply with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact Brad Leach at (212) 299-2609, or the undersigned at (202) 638-3838.

Sincerely,



De'Ana H. Dow
Managing Director
Government Relations

Attachments: Contract Terms and Conditions
Supplemental Market Information

**Midwest Independent Transmission System Operator Cinergy Hub 5 MW
Off-Peak Calendar-Month Real-Time Swap Futures**

803.01 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.

803.02 Floating Price

The Floating Price will be determined for each contract month. The Floating Price will be equal to the arithmetic average of the Midwest Independent Transmission System Operator Cinergy Hub Real-Time LMP provided by Midwest Independent Transmission System Operator, Inc. (MISO) for all off-peak hours in the contract month. For settlement of this contract, the prices provided by MISO will be considered final on the payment day stated in Rule 803.09 and will not be subject to any further adjustment.

803.03 Off-Peak Days and Hours

Off-Peak Hours shall mean the hours ending 0100 through 0700 and 2400 Eastern Standard Time (EST), Monday through Friday (except when Daylight Savings Time is in effect, in which case Off-Peak Hours means the hours ending 0100 through 0600 and 2300 through 2400 EST) and the hours ending 0100 through 2400 EST, Saturday and Sunday, including North American Electric Reliability Corporation holidays.

803.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of off-peak hours in the contract month.

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

803.05 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

803.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

803.07 Termination of Trading

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

803.08 Final Settlement

Delivery under the Midwest Independent Transmission System Operator Cinergy Hub 5 MW Off-Peak Calendar-Month Real-Time Swap Futures 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.

803.09 Payment Date

Five (5) business days following each contract month.

803.10 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.

**Midwest Independent Transmission System Operator Cinergy Hub 5 MW
Off-Peak Calendar-Month Day-Ahead Swap Futures**

893.01 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.

893.02 Floating Price

The Floating Price will be determined for each contract month. The Floating Price will be equal to the arithmetic average of the Midwest Independent Transmission System Operator Cinergy Hub Day-Ahead LMP provided by Midwest Independent Transmission System Operator, Inc. (MISO) for all off-peak hours in the contract month. For settlement of this contract, the prices provided by MISO will be considered final on the payment day stated in Rule 893.09 and will not be subject to any further adjustment.

893.03 Off-Peak Days and Hours

Off-Peak Hours shall mean the hours ending 0100 through 0700 and 2400 Eastern Standard Time (EST), Monday through Friday (except when Daylight Savings Time is in effect, in which case Off-Peak Hours means the hours ending 0100 through 0600 and 2300 through 2400 EST) and the hours ending 0100 through 2400 EST, Saturday and Sunday, including North American Electric Reliability Corporation holidays.

893.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of off-peak hours in the contract month.

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

893.05 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

893.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

893.07 Termination of Trading

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

893.08 Final Settlement

Delivery under the Midwest Independent Transmission System Operator Cinergy Hub 5 MW Off-Peak Calendar-Month Day-Ahead Swap Futures 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.

893.09 Payment Date

Five (5) business days following each contract month.

893.10 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.

CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Day-Ahead LMP Swap Futures

342.01 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.

342.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the NP15 EZ Gen Hub Day-Ahead LMP for peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 342.10 and will not be subject to any further adjustment.

342.03 Peak Days

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

342.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

342.05 Contract Quantity and Value

The contract quantity shall be 80 Megawatt Hours (MWH) and is based on 5 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 the contract month.

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

342.06 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

342.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

342.08 Termination of Trading

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

342.09 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Day-Ahead LMP Swap Futures 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.

342.10 Payment Date

Eight (8) business days following each contract month.

342.11 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.

CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Month Day-Ahead LMP Swap Futures

343.01 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.

343.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the SP15 EZ Gen Hub Day-Ahead LMP for peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 343.10 and will not be subject to any further adjustment.

343.03 Peak Days

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

343.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

343.05 Contract Quantity and Value

The contract quantity shall be 80 Megawatt Hours (MWH) and is based on 5 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 the contract month.

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

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Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

343.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

343.08 Termination of Trading

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

343.09 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Month Day-Ahead LMP Swap Futures 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.

343.10 Payment Date

Eight (8) business days following each contract month.

343.11 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.

CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Day-Ahead LMP Swap Futures

344.01 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.

344.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the NP15 EZ Gen Hub Day-Ahead LMP for all off-peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 344.09 and will not be subject to any further adjustment.

344.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

344.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of off-peak hours in the contract month.

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

344.05 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

344.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

344.07 Termination of Trading

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

344.08 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Day-Ahead LMP Swap Futures 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.

344.09 Payment Date

Eight (8) business days following each contract month.

344.10 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.

CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Day-Ahead LMP Swap Futures

345.01 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.

345.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the SP15 EZ Gen Hub Day-Ahead LMP for all off-peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 345.09 and will not be subject to any further adjustment.

345.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

345.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of off-peak hours in the contract month.

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

345.05 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

345.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

345.07 Termination of Trading

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

345.08 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Day-Ahead LMP Swap Futures 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.

345.09 Payment Date

Eight (8) business days following each contract month.

345.10 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.

CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Day-Ahead LMP Swap Futures

346.01 Scope

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

346.02 Daily Floating Price

A Daily Floating Price will be determined for the peak day. The Floating Price will be equal to the arithmetic average of the hourly day-ahead Locational Marginal Prices (LMP) for NP15 EZ Gen Hub provided by the California ISO (CAISO) for the peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 346.10 and will not be subject to any further adjustment.

346.03 Peak Days

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

346.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

346.05 Contract Quantity and Value

The contract quantity shall be 80 MWH (Megawatt Hours) and is based on 5 megawatts for peak daily hours.

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

346.06 Contract Days

Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

346.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

346.08 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 previous business day.

346.09 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Day-Ahead LMP Swap Futures 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.

346.10 Payment Date

Eight (8) business days following the peak day.

346.11 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.

CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Day-Ahead LMP Swap Futures

347.01 Scope

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

347.02 Daily Floating Price

A Daily Floating Price will be determined for the peak day. The Floating Price will be equal to the arithmetic average of the hourly day-ahead Locational Marginal Prices (LMP) for SP15 EZ Gen Hub provided by the California ISO (CAISO) for the peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 347.10 and will not be subject to any further adjustment.

347.03 Peak Days

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

347.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

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The contract quantity shall be 80 MWH (Megawatt Hours) and is based on 5 megawatts for peak daily hours.

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

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Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

347.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

347.08 Termination of Trading

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

347.09 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Day-Ahead LMP Swap Futures 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.

347.10 Payment Date

Eight (8) business days following the peak day.

347.11 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.

CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Day-Ahead LMP Swap Futures

348.01 Scope

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

348.02 Daily Floating Price

A Daily Floating Price will be determined for the off-peak day. The Floating Price will be equal to the arithmetic average of the hourly day-ahead Locational Marginal Prices (LMP) for NP15 EZ Gen Hub provided by the California ISO (CAISO) for the off-peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 348.09 and will not be subject to any further adjustment.

348.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

348.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of off-peak hours in the day.

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

348.05 Contract Days

Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

348.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

348.07 Termination of Trading

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

348.08 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Day-Ahead LMP Swap Futures contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the off-peak day.

348.09 Payment Date

Eight (8) business days following the off-peak day.

348.10 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.

CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Day-Ahead LMP Swap Futures

349.01 Scope

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

349.02 Daily Floating Price

A Daily Floating Price will be determined for the off-peak day. The Floating Price will be equal to the arithmetic average of the hourly day-ahead Locational Marginal Prices (LMP) for SP15 EZ Gen Hub provided by the California ISO (CAISO) for the off-peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 349.09 and will not be subject to any further adjustment.

349.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

349.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of off-peak hours in the day.

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

349.05 Contract Days

Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

349.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

349.07 Termination of Trading

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

349.08 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Day-Ahead LMP Swap Futures contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the off-peak day.

349.09 Payment Date

Eight (8) business days following the off-peak day.

349.10 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.

SUPPLEMENTAL MARKET INFORMATION

A. REGIONAL DESCRIPTION

I. Midwest ISO Market

The Midwest Independent Transmission System Operator, Inc. (Midwest ISO) is a non-profit, member-based organization committed to being the leader in electricity markets by providing our customers with valued service, reliable, cost-effective systems and operations, dependable and transparent prices, open access to markets, and planning for long-term efficiency.

The Midwest ISO operates Day-Ahead and Real-Time Energy Markets to develop a joint transmission service and energy schedule of operation on a Day-Ahead basis (Day-Ahead Schedule) and a dispatch schedule in Real-Time. These markets are based on centralized dispatch, using a Locational Marginal Pricing (LMP) methodology to optimize power flows. The Financial Transmission Rights (FTR) Market provides market participants with an opportunity to hedge against Day-Ahead congestion costs calculated by the LMP methodology. After the Operating Day, Market Settlements processes all settlements related to the Day-Ahead, Real-Time, and FTR activities. This provides market participants with all associated charges related to market activities. The Midwest ISO manages these activities for the market participants via the Web Portal, programmatic interfaces, and ICCP.

Cinergy Hub

The Cinergy Hub, developed by the Midwest ISO is a well established transaction location in the U.S. market. This hub includes 330 nodes within the Midwest ISO located in Southwestern Ohio, Northern Kentucky, and Indiana.

Day-Ahead Market

The Day-Ahead Market is a forward market in which hourly clearing prices are calculated for each hour of the next Operating Day based on the concept of LMP. The Day-Ahead Energy Market is cleared using Security-Constrained Unit Commitment (SCUC) and Security-Constrained Economic Dispatch (SCED) computer programs to satisfy energy demand bid requirements (including Fixed Demand Bids, Price-Sensitive Demand Bids, and Virtual Demand Bids) and supply requirements (Fixed Supply Offer, Price-Sensitive Supply Offers, and Virtual Supply Offers) of the Day-Ahead Energy Market. The results of the Day-Ahead Energy Market clearing include hourly LMP values, hourly demand and supply quantities, and hourly Balancing Authority (BA) Net Scheduled Interchange (NSI).

Real-Time Market

The Real-Time Energy Market is a "balancing" market in which the LMPs are calculated every five minutes, based on Midwest ISO dispatch instructions and actual system operations. The same SCED program used in the Day-Ahead Market is used in Real-Time to identify dispatch signals to be sent to generating units. Generators that are available but not selected in the Day-Ahead Energy Market may alter their Offers for use in the Real-Time Energy Market.

II. California ISO Market

The California Independent System Operator (CAISO) is an unbiased, not-for-profit corporation responsible for operating the majority of California's high-voltage wholesale power grid. On March 31, 1998, CAISO assumed computerized command of the long-distance, high-voltage power lines which deliver electricity throughout California and between neighboring states and Mexico. The California power grid (a transmission system made up of high-voltage power lines supported by 100 to 150 foot towers) is a network of long-distance, high-voltage transmission lines and substations that carry bulk electricity to local utilities for distribution to their customers. The California power grid delivers 164

billion kilowatt hours of electricity each year, or enough power to serve the annual energy needs of 27 million current customers of investor-owned utilities. In addition, the California grid provides transmission services to third-party customers.

Market Redesign and Technology Upgrade

Upon the anticipated launch of the Market Redesign and Technology Upgrade (MRTU), a comprehensive program that enhances grid reliability and fixes flaws in the ISO markets, which is scheduled for March 31, 2009, CAISO will begin to utilize this program in order to remain compatible with market designs employed throughout North America. MRTU will replace aging technology with modern computer systems that keep pace with the dynamic needs of California's energy industry. MRTU will enable, among other things, the following features: a day-ahead energy market; revised hour-ahead scheduling timelines; locational marginal pricing; a new congestion management system with long-term firm transmission rights; redesigned market power mitigation measures; and resource adequacy backstop provisions that would allow CAISO to procure power to meet forecasted load. The MRTU tariff would also provide for gradual increases of the energy bid cap.

The EZ Gen Trading Hubs

Trading hubs are used to facilitate bilateral physical and financial transactions between energy buyers and sellers and may be used to share price risks between buyers and sellers. CAISO developed Existing Zone Generator Trading Hubs (EZ Gen Hubs) for Zones NP15, SP15 and ZP26 in order to accommodate for the implementation of locational marginal cost pricing. The development of CAISO trading hubs is part of the implementation of LMP and is a standard element in the establishment of LMP similar to the efforts of other ISOs such as PJM Interconnection LLC, ISO New England, Midwest ISO and Electric Reliability Council of Texas (ERCOT). The futures contracts contained in this submission relate to Zones NP 15 and SP15. NP15 and SP15 are actively traded market locations and are defined by the proximity to Path 15. Historically, Path 15 has been subject to periodic transmission constraints due to load and generation conditions. NP15 and SP15 are each comprised of all generator pricing nodes located within the existing congestion zones. NP15 and SP15 are geographically located north and south of Path 15, which represents an 84-mile transmission corridor in the Central Valley of California and connects Northern and Southern California.

NP15 Hub

The NP15 EZ Gen Trading Hub includes 414 generation nodes. This hub is located in California, north of Path 15.

SP15 Hub

The SP15 EZ Gen Trading Hub includes 204 generation nodes. This hub is located in California, south of Path 15.

B. CASH MARKET/OTC MARKET

Exchange staff has reviewed both the relevant cash and over-the-counter (OTC) financial derivatives markets for these products. In general, it appears that the OTC financial derivatives markets for these products are less developed than the physical cash markets. That stated, we believe that the cash markets are sufficiently robust to provide underlying support for the listing of futures contracts. The contract locations are directly relevant to electricity generators and marketers and to customers with facilities in the locations. These contracts will enhance risk management strategies of electricity sellers and buyers. In addition, the location volume used to establish the position limits is derived from quarterly power marketing volumes which are required to be filed with the Federal Energy Regulatory Commission (FERC). These quarterly filing reports are obtained by Platts who subsequently publishes the aggregation of those reports. The spot month position limits below reflect the position limits which are subject to the

operative 25% entity deliverable supplies limit. We believe that these volume information sources are the best means to assess the establishment of contract position limits.

C. POSITION LIMITS

The following points explain the analysis applied to develop the spot limits:

- For each contract, the underlying unit is 5 megawatts per hour. The peak contract is the financial equivalent of 5 MW per hour for each peak hour of a peak day—16 hours in total—leading to a contract size of 80 megawatt-hours (MWH). The off-peak contract is structured as one off-peak hour with a contract size of 5 MWH.
- Restrictions are placed on transaction sizes for peak and off-peak contracts. Peak contract transactions must be conducted in multiples of the number of peak days in the contract month. This can range from 19 to 23 peak days. Off-peak contract transactions are restricted to the total number of off-peak hours in the transaction month (approximately 380 hours depending on the month). The combination of contract size and these transaction conditions will provide market participants with futures contracts that satisfy the need for a lower unit and a monthly commercial contract structure.
- MISO off peak hours cover the hours ending 0100 through 0700 and 2400 Eastern Standard Time (EST), Monday through Friday (except when Daylight Savings Time is in effect, in which case Off-Peak Hours means the hours ending 0100 through 0600 and 2300 through 2400 EST) and the hours ending 0100 through 2400 EST, Saturday and Sunday, including North American Electric Reliability Corporation holidays.
- CAISO off-peak hours cover Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.
- CAISO peak hours cover Hour Ending (HE) 0200 Pacific Prevailing Time (PPT) through HE 2200 PPT.
- FERC power marketer reports based on required quarterly filings of power marketing volume are used in the calculation of the position limits of the contracts contained herein. The position limits represent less than 25% of the reported activity for the respective hubs. Reporting of market-based activity to FERC includes both cash and OTC markets. These filing reports contain the total MWH volume and do not segment the reported transactions by peak/off-peak or transaction duration.
- Day-Ahead load represents approximately 60% of total system load as opposed to 40% for Real-Time.
- In all instances, the limits were conservatively set at levels below 25% of the underlying market which was calculated either in terms of physical throughput or commercial activity.

1. MISO Cinergy Contracts

The following table reflects Day-Ahead adjustment for the MISO Cinergy position limits:

| | 2008 | MWh Per Month | E/2 | Day-Ahead Adjustment 60% | Peak 80 MWh | Off-Peak 5 MWh | Peak 25% | Off-Peak 25% | Peak Position Limits Recommended | Off-Peak Position Limits Recommended |
|---------|------------|---------------|-----------|--------------------------|-------------|----------------|----------|--------------|----------------------------------|--------------------------------------|
| Cinergy | 28,546,843 | 9,515,614 | 4,757,807 | 2,854,684 | 35,684 | 570,937 | 8,921 | 142,734 | 2,000 | 40,000 |

The following table reflects Real-Time adjustment for the MISO Cinergy position limits:

| | 2008 | MWh Per Month | E/2 | Real-Time Adjustment 40% | Peak 80 MWh | Off-Peak 5 MWh | Peak 25% | Off-Peak 25% | Peak Position Limits Recommended | Off-Peak Position Limits Recommended |
|---------|------------|---------------|-----------|--------------------------|-------------|----------------|----------|--------------|----------------------------------|--------------------------------------|
| Cinergy | 28,546,843 | 9,515,614 | 4,757,807 | 1,903,123 | 23,789 | 380,625 | 5,947 | 95,156 | 2,000 | 40,000 |

2. California ISO Contracts

Day-Ahead Hub Contracts

2Q08 Power Marketers Filing Volume MW *350

| Contract | MWh | MWh Per Month | MW*350 Hrs in Month | Day-head Adjustment 60% | Peak 80 MWh | Off-Peak 5 MWh | Peak 25% | Off-Peak 25% | Hub Peak Position Limits Recommended | Hub Off-Peak Position Limits Recommended |
|----------|------------|---------------|---------------------|-------------------------|----------------|-------------------|-------------|-----------------|--------------------------------------|--|
| NP15 | 49,217,674 | 16,405,891 | 8,202,946 | 4,921,767 | 61,522 | 984,353 | 15,381 | 246,088 | 5,000 | 60,000 |
| SP15 | 75,536,313 | 25,178,771 | 12,589,386 | 7,553,631 | 94,420 | 1,510,726 | 23,605 | 377,682 | 6,000 | 75,000 |

The spot limits, accountability, and reporting levels for the monthly and daily contracts are identical since the peak and off peak monthly and daily contracts have the same MWH unit.

D. MARKET PARTICIPANTS

| Market Participants | Brokers |
|---|----------------|
| Allegheny Energy & Affiliates | Prebon |
| American Electric Power Service | Amerax |
| Atlantic Power Holdings | Spectron |
| Broadway Generating | TFS |
| Brookfield Power | ICAP |
| CAMP Grove Wind Farm | |
| Cfirstenergy Solutions & Affiliates | |
| Cibstellation Engery Commodities & Affiliates | |
| Conective Engery Supply & Affiliates | |
| Constellation Energy Commodities & Affiliates | |
| Dayton Power & Light | |
| Direct Energy Affiliates | |
| Dominion Resources | |
| Domtar | |
| DPL Energy | |

References:

<http://www.caiso.com/>

<http://www.midwestiso.org/home>