

Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

April 12, 2013

VIA E-MAIL

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule 40.6(a) Certification. Notification Regarding an Amendment to the Grade and Quality

Specifications to the New York Harbor ULSD Heating Oil Futures Contract Effective for the

May 2013 Contract Month and Beyond

NYMEX Submission #13-130

Dear Ms. Jurgens:

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 Rule 150101.B ("Grade and Quality Specifications") and Rule 150105 ("Delivery") of the New York Harbor ULSD Heating Oil Futures contract (chapter 150, commodity code HO). These rule amendments shall become effective on Monday, April 29, 2013 and be applicable starting with deliveries against the May 2013 contract month and beyond.

The Exchange is amending the grade and quality specifications under rules 150101.B and delivery rules under 150105 to provide additional clarity related to administrative requirements for deliveries against the New York Harbor ULSD Heating Oil Futures contract. These rule amendments will verify that deliveries shall comply with Colonial Pipeline's specifications for Grade 62 for on-road Ultra Low Sulfur Diesel ("ULSD"), including the requirement that the on-road ULSD must contain no renewable diesel or biodiesel. In addition, at the time of delivery, the seller will be required to provide the buyer a Product Transfer Document, and shall make available to the Exchange such documentation and any additional information as may be required by the Exchange upon request to verify tracking of the product. These rule amendments will be applicable for the May 2013 contract month and beyond, and there is no impact on contract value.

NYMEX business staff responsible for the rule amendments and the NYMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX staff identified that the rule amendments may have some bearing on the following Core Principles:

<u>Availability of General Information:</u> Pursuant to the Exchange's obligations under this core principle, on the
effective date of the rule amendments, the Exchange will publish the amended grade and quality
specifications for its contract. The rule amendments will be announced to the marketplace via Special
Executive Report.

Pursuant to Section 5c(c) of the CEA and CFTC Rule 40.6(a), the Exchange hereby certifies that the rule amendments comply with the CEA, including regulations under the CEA. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at http://www.cmegroup.com/market-regulation/rule-filings.html.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or Christopher.Bowen@cmegroup.com.

Sincerely,

/s/Christopher S. Bowen Managing Director, Chief Regulatory Counsel

Attachment: Appendix A – Rule Amendment

Appendix A

(bold/underline indicates addition; strikethrough indicates deletion)

Chapter 150 New York Harbor ULSD Heating Oil Futures

150101.B. Grade and Quality Specification Effective with the May 2013 Contract Month and Beyond – Ultra Low Sulfur Diesel ("ULSD")

The oil delivered shall be a pure hydrocarbon oil free from renewable fuel, biodiesel, alkali, mineral acid, grit, fibrous or other foreign matter, meeting the "Delivery" specifications of the Colonial Pipeline's Fungible Grade 62 for Ultra Low Sulfur Diesel, and being properly designated for sale in New York Harbor in accordance with U.S. Environmental Protection Agency (EPA) regulations. Delivery test results may vary by the smaller of ASTM reproducibility for a given test or any test tolerance as allowed for downstream parties by state or EPA regulations at the point of delivery. The ULSD delivered shall fully comply with specifications of the Colonial Pipeline Fungible Grade 62 for on-road ULSD, including the requirement that the on-road diesel fuel must contain no renewable diesel or biodiesel.

150105. DELIVERY

Delivery shall be made free-on-board ("F.O.B.") seller's ex-shore facility in New York Harbor with all duties, entitlements, taxes, fees and other charges imposed prior to, or as a result of, delivery paid by the seller. Delivery shall be made in accordance with applicable Federal, State and local laws. Buyer shall reimburse seller for any heating oil tax as had been or will be paid by the seller. At buyer's option, such delivery shall be made by any of the following methods:

- 1. By delivery into buyer's barge;
- 2. By delivery into buyer's tanker or pipeline, if buyer can take delivery in such manner at the facility used by seller;
- 3. By stock transfer of title to the buyer; if the facility used by seller allows such transfer;
- 4. By book transfer if the seller agrees to such transfer;
- 5. By intra-facility transfer ("pump-over"), if the facility used by seller allows such transfer; or
- 6. By inter-facility transfer ("pump-over"), if both facilities used by seller and buyer allow such transfer.

For purposes of these rules, any seller delivering an aggregate of twenty-five (25) contracts or less in a delivery month, shall deliver all such contracts into the same facility.

On-road ULSD Designation: At the time of delivery, the seller shall provide the buyer a Product Transfer Document, and shall make available to the Exchange such documentation and any additional information as may be required by the Exchange upon request, including documentation that will verify tracking of the product from receipt at origin to seller's facility.

For the purpose of these rules, New York Harbor shall extend from the East River west of Hunts Point; Gowanus Bay west of the Hamilton Avenue Bridge; the Hudson River south of the George Washington Bridge; the Upper Bay; the Narrows; the Lower Bay west of Morton Point; the Newark Bay; the Hackensack River south of the Witt-Penn Bridge; the Passaic River south of the Pulaski Skyway Bridge; the Kill Van Kull; the Arthur Kill and the Raritan River east of the Garden State Parkway Bridge.