



Sean M. Downey
Director and Assistant General Counsel
Legal Department

April 26, 2012

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 40.2(a) Certification. Notification Regarding the Listing of Two Coal Option Contracts for Trading on the NYMEX Trading Floor and for Clearing through CME ClearPort
NYMEX Submission 12-121**

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 of two (2) new coal options for open outcry trading on the NYMEX trading floor and for submission for clearing through CME ClearPort® beginning at 6:00 p.m. on Sunday, April 29, 2012 for trade date Monday, April 30, 2012.

SPECIFICATIONS SUMMARY:

Contract Name	CSX Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip	Powder River Basin Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip
Commodity Code	CPF	RPF
Rule Chapter	1079	1080
Option Type	European style. Option will exercise into underlying futures upon expiration.	European style. Option will exercise into underlying futures upon expiration.
Underlying Futures	CSX Coal (Platts OTC Broker Index) Swap Futures	Powder River Basin Coal (Platts OTC Broker Index) Swap Futures
Contract Unit	3,000 tons	3,000 tons
Expiration	The option contract shall expire at the close of trading on the first business day of the month prior to the delivery month of the first underlying month of the CSX Coal (Platts OTC Broker Index) Swap futures contract.	The option contract shall expire at the close of trading on the first business day of the month prior to the delivery month of the first underlying month of the Powder River Basin Coal (Platts OTC Broker Index) Swap futures contract.
Minimum Tick Size	\$0.01 per ton	\$0.01 per ton
Strike Interval	\$0.25 per ton	\$0.25 per ton
First Listed Contract	July 2012	July 2012
Listing Convention	Current year plus next three years	Current year plus next three years

- **Trading Hours:**

Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. Chicago Time/CT).
CME ClearPort: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT).

- **Fee Schedule:**

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	\$9.75	\$9.75	\$10.50	\$11.25	
Globex	NA	NA	NA	NA	NA
ClearPort		\$9.75		\$11.25	

Processing Fees		
	Member	Non-Member
Cash Settlement	NA	NA
Futures from E/A	NA	NA
	House Acct	Cust Acct
Options E/A Notice	\$0.40	\$0.85
Delivery Notice	NA	NA

Additional Fees and Surcharges	
EFS Surcharge	NA
Block Surcharge	NA
Facilitation Desk Fee	\$1.00

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the two new coal option contracts into the Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the NYMEX Rulebook in relation to the listing of the new contracts. These terms and conditions establish the all month/any one month accountability levels, expiration month position limits, reportable levels and aggregation allocations for the new contracts.

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

- **Monitoring of Trading:** The new products will be subject to the same Exchange procedures currently in place for trade practice and market surveillance for all products traded on one of the Exchange’s competitive trading venues. This surveillance is performed by CME Group’s Market Regulation Department which is dedicated to performing market surveillance, investigating potential market misconduct and enforcing the Exchange’s rules;
- **Contracts not Readily Subject to Manipulation:** The new products are not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash market, which provides diverse participation and sufficient spot transactions;
- **Compliance with Rules:** Trading in the contracts will be subject to Chapter 4 of the Exchange rules which includes prohibitions against fraudulent, non-competitive, unfair and abusive practices and will

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be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department. The Market Regulation Department may use its investigatory and enforcement power where potential rule violations are identified during its regular surveillance reviews;

- Position Limitations or Accountability: The spot month position limits for the CSX coal option and the PRB coal option are set at conservative levels of 2.4% and 0.6%, respectively, of the monthly deliverable supply in the underlying markets. These options are set to aggregate into their respective underlying futures;
- Availability of General Information: The Exchange will publish information on the contracts' specification on its website, together with daily trading volume, open interest and price information;
- Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange's website and via quote vendors;
- Financial Integrity of Contracts: All contracts traded on the Exchange will be cleared by the CME Clearing House;
- Execution of Transactions: The new products are dually listed for clearing through the CME ClearPort platform and for open outcry trading on the NYMEX trading floor. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers. In addition, the NYMEX trading floor is available as a venue to provide for competitive and open execution of transactions;
- Trade Information: Trade information included in audit trail and sufficient for Exchange to monitor for market abuse;
- Protection of Market Participants: Chapter 4 contains multiple prohibitions precluding intermediaries from disadvantaging their customers and which apply to trading on all of the Exchange's competitive trading venues.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(a), the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. A description of the cash market for these new products is attached.

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 (312) 930-8167 or at Sean.Downey@cmegroup.com.

Sincerely,

/s/Sean M. Downey
Director and Assistant General Counsel

Attachments: Appendix A: Rule Chapters
Appendix B: Chapter 5 Table
Appendix C: Cash Market Overview and Analysis of Deliverable

Chapter 1079**CSX Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip****1079100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on CSX Coal (Platts OTC Broker Index) Swap futures contract. In addition to the rules of this chapter, transactions in options on CSX Coal (Platts OTC Broker Index) Swap futures shall be subject to the general rules of the Exchange insofar as applicable.

1079101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1079101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1079101.B. Trading Unit

A CSX Coal (Platts OTC Broker Index) call option on quarterly futures strip traded on the Exchange represents an option to assume, at the strike price, one (1) long contract of the underlying CSX Coal (Platts OTC Broker Index) Swap futures in each month of the three consecutive months of the underlying quarter. A CSX Coal (Platts OTC Broker Index) put option on quarterly futures strip traded on the Exchange represents an option to assume, at the strike price, one (1) short contract of the underlying CSX Coal (Platts OTC Broker Index) Swap futures in each month of the three consecutive months of the underlying quarter.

1079101.C. Price Increments

Prices shall be quoted in dollars and cents per ton and the minimum price increment will be \$0.01 per ton.

1079101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in CSX Coal (Platts OTC Broker Index) Swap futures. Each position in the option contract will be deemed equivalent to one position in each month of the underlying quarter of the CSX Coal (Platts OTC Broker Index) Swap futures into which each option contract aggregates.

In accordance with Rule 559, no person shall own or control positions in excess of 200 (CSX Coal (Platts OTC Broker Index) Swap futures-equivalent) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 5,000 (CSX Coal (Platts OTC Broker Index) Swap futures-equivalent) contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 5,000 (CSX Coal (Platts OTC Broker Index) Swap futures-equivalent) contracts net long or net short in any single contract month combined excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1079101.E. Termination of Trading

The option contract shall expire at the close of trading on the first business day of the month prior to the delivery month of the first underlying month of the CSX Coal (Platts OTC Broker Index) Swap futures contract.

1079101.F. Type Option

The option is an European-style option which can only be exercised into the underlying futures on the expiration day.

1079102. EXERCISE PRICES

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's average settlement price for the strip of the underlying CSX Coal (Platts OTC Broker Index) Swap futures contracts rounded off to the nearest twenty-five cent increment strike price unless such settlement price is precisely midway between two twenty-five cent increment strike prices in which case it shall be rounded off to the lower twenty-five cent increment strike price and (ii) the strike price which is one twenty-five cent increment higher than the strike price described in subsection (A)(i) of this rule and (iii) the strike price which is one twenty-five cent increment lower than the strike price described in subsection (A)(i) of this rule.

(B) Thereafter, on any business day prior to the expiration of the option, (i) new consecutive strike prices for both puts and calls will be added such that at all times there will be at least one twenty-five cent increment

strike price above and below the at-the-money strike price available for trading in all option contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in subsection (A)(i) of this rule.

(C) Notwithstanding the provisions of subsections (A) and (B) of this rule, if the Exchange determines that trading in the option will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option in which no new strike prices may be introduced.

1079103.

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Chapter 1080

Powder River Basin Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip

1080100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Powder River Basin Coal (Platts OTC Broker Index) Swap futures contracts. In addition to the rules of this chapter, transactions in options on Powder River Basin Coal (Platts OTC Broker Index) Swap futures shall be subject to the general rules of the Exchange insofar as applicable.

1080101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1080101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1080101.B. Trading Unit

A Powder River Basin Coal (Platts OTC Broker Index) call option on quarterly futures strip traded on the Exchange represents an option to assume, at the strike price, one (1) long contract of the underlying Powder River Basin Coal (Platts OTC Broker Index) Swap futures in each month of the three consecutive months of the underlying quarter. A Powder River Basin Coal (Platts OTC Broker Index) put option on quarterly futures strip traded on the Exchange represents an option to assume, at the strike price, one (1) short contract of the underlying Powder River Basin Coal (Platts OTC Broker Index) Swap futures in each month of the three consecutive months of the underlying quarter.

1080101.C. Price Increments

Prices shall be quoted in dollars and cents per ton and the minimum price increment will be \$0.01 per ton.

1080101.D. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in Powder River Basin Coal (Platts OTC Broker Index) Swap futures. Each position in the option contract will be deemed equivalent to one position in each month of the underlying quarter of the Powder River Basin Coal (Platts OTC Broker Index) Swap futures into which each option contract aggregates.

In accordance with Rule 559, no person shall own or control positions in excess of 200 (Powder River Basin Coal (Platts OTC Broker Index) Swap futures-equivalent) contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 5,000 (Powder River Basin Coal (Platts OTC Broker Index) Swap futures-equivalent) contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 5,000 (Powder River Basin Coal (Platts OTC Broker Index) Swap futures-equivalent) contracts net long or net short in any single contract month combined excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1080101.E. Termination of Trading

The option contract shall expire at the close of trading on the first business day of the month prior to the delivery month of the first underlying month of the Powder River Basin Coal (Platts OTC Broker Index) Swap futures contract.

1080101.F. Type Option

The option is an European-style option which can only be exercised into the underlying futures on the expiration day.

1080102. EXERCISE PRICES

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's average settlement price for the strip of the underlying Powder River Basin Coal (Platts OTC Broker Index) Swap futures contracts rounded off to the nearest twenty-five cent increment strike price unless such settlement price is precisely midway between two twenty-five cent increment strike prices in which case it shall be rounded off to the lower twenty-five cent increment strike price and (ii) the strike price which is one twenty-five cent increment higher than the strike price described in subsection (A)(i) of this rule and (iii) the strike price which is one twenty-five cent increment lower than the strike price described in subsection (A)(i) of this rule.

(B) Thereafter, on any business day prior to the expiration of the option, (i) new consecutive strike prices for both puts and calls will be added such that at all times there will be at least one twenty-five cent increment strike price above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in subsection (A)(i) of this rule.

(C) Notwithstanding the provisions of subsections (A) and (B) of this rule, if the Exchange determines that trading in the option will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of an option in which no new strike prices may be introduced.

1080103.

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NYMEX Rulebook Chapter 5 Position Limit Table
(Bold/underline indicates additions)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>All Month Accountability Level</u>	<u>Any One Month Accountability Level</u>	<u>Expiration Month Limit</u>	<u>Reporting Level</u>	<u>Aggregate Into (1)</u>
			<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>	
<i>Coal</i>							
<u>CSX Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip</u>	<u>1079</u>	<u>CPF</u>	<u>5,000</u>	<u>5,000</u>	<u>200</u>	<u>25</u>	<u>QX</u>
<u>Powder River Basin Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip</u>	<u>1080</u>	<u>RPF</u>	<u>5,000</u>	<u>5,000</u>	<u>200</u>	<u>25</u>	<u>QP</u>

CONTRACT OVERVIEW

The New York Mercantile Exchange, Inc. (NYMEX or Exchange) is self-certifying the listing of physically settled CSX Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip and Powder River Basin Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip contracts. The contracts are European-style options and upon exercise, will result in positions in the underlying CSX Coal (Platts OTC Broker Index) Swap Futures and Powder River Basin Coal (Platts OTC Broker Index) Swap Futures positions respectively.

CASH MARKET OVERVIEW

Types of Coal

Coal is classified into four main types or ranks (anthracite, bituminous, sub-bituminous, and lignite), depending on the amounts and types of carbon it contains and on the amount of heat energy it can produce. The rank of a deposit of coal depends on the pressure and heat acting on the plant debris as it sank deeper and deeper over millions of years. For the most part, the higher ranks of coal contain more heat-producing energy.

Anthracite

Anthracite contains 86-97% carbon, and generally has a heating value slightly higher than bituminous coal. It accounts for less than 0.5% of the coal mined in the United States. All of the anthracite mines in the United States are located in northeastern Pennsylvania.

Bituminous coal

Bituminous coal contains 45-86% carbon. Bituminous coal was formed under high heat and pressure. Bituminous coal in the United States is between 100 to 300 million years old. It is the most abundant rank of coal found in the United States, accounting for about half of U.S. coal production. Bituminous coal is used to generate electricity and is an important fuel and raw material for the steel and iron industries. West Virginia, Kentucky, and Pennsylvania are the largest producers of bituminous coal.

Sub-bituminous

Sub-bituminous coal has a lower heating value than bituminous coal. Sub-bituminous coal typically contains 35-45% carbon. Most sub-bituminous coal in the United States is at least 100 million years old. About

47% of the coal produced in the United States is sub-bituminous. Wyoming is the leading source of sub-bituminous coal.

Lignite

Lignite is the lowest rank of coal with the lowest energy content. Lignite coal deposits tend to be relatively young coal deposits that were not subjected to extreme heat or pressure, containing 25%-35% carbon. Lignite is crumbly and has high moisture content. There are 20 lignite mines in the United States, producing about 7% of U.S. coal. Most lignite is mined in Texas and North Dakota. Lignite is mainly burned at power plants to generate electricity.

CSX coal is categorized as bituminous coal and Powder River Basin (PRB) coal is categorized as sub-bituminous coal.

Index Provider

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts") is the price reporting service used for the final settlement of the coal option contracts. Platts is one of the major pricing services used in the over-the-counter (OTC) market for the pricing of swap contracts, and the methodology utilized by Platts is well-known in the energy industry. Their pricing methodology is derived from telephone surveys and electronic data collected from multiple market participants to determine market value. Platts has a long-standing reputation in the industry for price benchmarks that are fair and not manipulated. CME Group is a party to license agreements with Platts to utilize their pricing data.

The Platts CSX OTC index is sourced from any rail load-out located on the CSX rail road within Kanawha Rate District or the Big Sandy Rate District. Based on the rate district maps provided by CSX Corporation¹, the two districts include Cabell, Putnam, Kanawha, Lincoln, Boone, Fayette, Mingo, Logan and Raleigh counties in West Virginia for Kanawha coal rate district, as well as Johnson, Floyd, Pike, Knott and Dickson counties in Kentucky for Big Sandy coal rate district. As for the PRB OTC index, it is sourced from any rail load-out located in the southern Powder River Basin within Converse or Campbell counties, Wyoming.

¹ http://www.csx.com/share/wwwcsx_mura/assets/File/Customers/Commodities/Coal/Kanawha.pdf
http://www.csx.com/share/wwwcsx_mura/assets/File/Customers/Commodities/Coal/Big_Sandy.pdf

Production

Table 1, below, presents selected statistics of U.S. coal production by state, county and mine type for the year 2010. The average monthly total production was approximately 8.3 million tons for CSX coal and 35.7 million tons for PRB coal, or about 8,300 and 35,000 futures contract units, respectively.

Table 1. Selected Statistics of Coal Production and Number of Mines by State, County and Mine Type, 2010²

(Thousand short tons)

Coal-Producing State and County	Underground		Surface		Total	
	# of Mines	Production	# of Mines	Production	# of Mines	Production
CSX						
Kentucky						
Floyd	9	559	9	1,015	18	1,574
Johnson	-	-	5	154	5	154
Knott	17	2,600	11	2,091	28	4,691
Letcher	22	3,719	10	394	32	4,113
Pike	45	8,527	43	7,233	88	15,760
Big Sandy Coal Rate District					171	26,292
West Virginia						
Boone	26	10,135	12	12,317	38	22,452
Fayette	6	2,066	6	4,401	12	6,467
Kanawha	12	7,190	11	2,798	23	9,988
Lincoln	2	1,042	1	665	3	1,707
Logan	12	7,280	10	8,605	22	15,885
Mingo	14	3,800	11	5,088	25	8,888
Raleigh	12	4,638	6	2,884	18	7,523
Kanawha Coal Rate District					141	72,910
CSX Total						99,202
PRB						
Wyoming						
Campbell	-	-	11	392,528	11	392,528
Converse	-	-	1	35,908	1	35,908
PRB Total					12	428,436

Consumption

Table 2, below, presents selected U.S. Coal Consumption by End Use Sector, by Census Division and State, for 2010 and 2009. In 2010, the average monthly consumption was approximately 6.4 million tons for West

²<http://www.eia.gov/coal/annual/pdf/table2.pdf>

Virginia and Kentucky, where Kanawha Rate District and Big Sandy Rate District are located, respectively. The average monthly consumption for Wyoming in which Powder River Basin is located, was about 2.3 million tons.

Table 2. Selected Statistics of U.S. Coal Consumption by End Use Sector, by Census Division and State, 2010, 2009³

(Thousand short tons)

Census Division and State	2010				2009			
	Electric Power	Other Industrial	Coke	Commercial and Institutional	Electric Power	Other Industrial	Coke	Commercial and Institutional
West Virginia	32,752	930	NA	-	29,255	764	NA	-
Kentucky	41,891	1,181	NA	44	39,271	1,026	NA	48
Subtotal	74,643	2,111	NA	44	68,526	1,790	NA	48
Wyoming	26,102	1,580	-	NA	25,501	1,553	-	NA

Historical Final Settlement Prices

Table 3 below provides front month contract monthly average prices for the two underlying futures, CSX Coal (Platts OTC Broker Index) Swap Futures and Powder River Basin Coal (Platts OTC Broker Index) Swap Futures, front month contracts from January 2010 through March 2012. In 2011, the monthly average prices ranged from a low of \$68.31 per ton to a high \$78.32 per ton for CSX Coal (Platts OTC Broker Index) Swap Futures. The price range was \$11.66 per ton to \$14.38 per ton for the Powder River Basin Coal (Platts OTC Broker Index) Swap Futures for the same period.

Year	Month	CSX Coal (Platts OTC Broker Index) Swap Futures	Powder River Basin Coal (Platts OTC Broker Index) Swap Futures
2010	Jan	\$ 53.29	\$ 9.42
2010	Feb	\$ 55.55	\$ 10.32
2010	Mar	\$ 55.92	\$ 11.61
2010	Apr	\$ 57.64	\$ 11.55
2010	May	\$ 64.83	\$ 11.38
2010	Jun	\$ 65.00	\$ 11.73
2010	Jul	\$ 65.68	\$ 12.91
2010	Aug	\$ 71.42	\$ 14.82
2010	Sep	\$ 67.94	\$ 14.48
2010	Oct	\$ 68.15	\$ 14.31

³<http://www.eia.gov/coal/data.cfm#consumption>

Year	Month	CSX Coal (Platts OTC Broker Index) Swap Futures	Powder River Basin Coal (Platts OTC Broker Index) Swap Futures
2010	Nov	\$ 67.28	\$ 13.17
2010	Dec	\$ 69.38	\$ 12.96
2011	Jan	\$ 73.54	\$ 13.23
2011	Feb	\$ 73.26	\$ 14.06
2011	Mar	\$ 70.76	\$ 13.44
2011	Apr	\$ 69.64	\$ 12.36
2011	May	\$ 68.31	\$ 11.66
2011	Jun	\$ 74.60	\$ 12.87
2011	Jul	\$ 77.99	\$ 14.03
2011	Aug	\$ 77.16	\$ 14.21
2011	Sep	\$ 77.06	\$ 14.24
2011	Oct	\$ 78.32	\$ 14.38
2011	Nov	\$ 75.38	\$ 13.62
2011	Dec	\$ 69.87	\$ 12.57
2012	Jan	\$ 64.55	\$ 11.44
2012	Feb	\$ 59.63	\$ 9.46
2012	Mar	\$ 57.89	\$ 8.09

ANALYSIS OF DELIVERABLE SUPPLY

Using data supplied from Energy Information Administration ("EIA") in Table 1 above, production data is used to estimate the supply of CSX coal and PRB coal. According to Table 1, above, during 2010, production of Big Sander Coal Rate District and Kanawha Coal Rate District combined for CSX coal averaged about 99.2 million tons. The production of Campbell and Converse counties combined for Powder River Basin coal was about 428.4 million tons. The contract size of both CSX Coal (Platts OTC Broker Index) Swap Futures and Powder River Basin Coal (Platts OTC Broker Index) Swap Futures are 1,000 tons. Therefore, during 2010, the monthly average deliverable supply amounted to approximately 8.3 million tons, or 8,300 futures equivalents per month for CSX coal, and 35.7 million tons, or 35,700 futures equivalents per month for PRB coal.

The underlying futures contract of the proposed options and their current spot-month position limits are as follows:

CSX Coal (Platts OTC Broker Index) Swap Futures	200 contracts
Powder River Basin Coal (Platts OTC Broker Index) Swap Futures	200 contracts

The Exchange proposes the spot month position limits to be the same as, and aggregate into, the underlying futures contract. The proposed spot month position limits for the CSX Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip and Powder River Basin Coal (Platts OTC Broker Index) Option on Quarterly Futures Strip contracts represent approximately 2.4% and 0.6%, respectively, of the average monthly deliverable supply.