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**RULE SELF-CERTIFICATION**

OFFICE OF THE  
SECRETARIAT

June 3, 2011

Office of the Secretary  
Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21<sup>st</sup> St., N.W.  
Washington, D.C. 20581

Re: Green Exchange LLC  
Reference File: GX-2011-11

Ladies and Gentlemen:

Pursuant to Section 40.6 of the regulations (the "CFTC Rules") promulgated by the Commodity Futures Trading Commission (the "Commission") under the Commodity Exchange Act, as amended (the "Act"), Green Exchange LLC ("GreenX"), a designated contract market under the Act, hereby submits this self-certification for the following:

1. GreenX is amending Rule 1401.08 to specify that RGGI CO2 allowances acceptable for delivery are those having a vintage usable for compliance in the control period associated with the calendar year of the contract expiration month or allowances having a vintage usable for compliance in any prior control period, and that all RGGI CO2 allowances acceptable for delivery must be eligible for compliance in participating RGGI states at the time of delivery.

At the time of this self-certification, there is no open interest in any of the Regional Greenhouse Gas Initiative (RGGI) Futures contracts.

2. GreenX is amending Rule 1401.11 (Validity of Documents) to remove Tender Allocation Notice from the list of documents for which the Exchange makes no representation as to authenticity, validity or accuracy.
3. GreenX is amending Rule 1401.13 (Late Performance, Failure to Perform and Force Majeure) to clarify references to the Assessment Appeal Panel and to conform procedures among contract specifications.
4. GreenX is issuing GreenX Advisory Notice #2011-08 describing the above rule changes.

GreenX hereby certifies that the rule amendments and GreenX Advisory Notice #2011-08 comply with the Act and the CFTC Rules. The effective date of the rule amendments is June 7, 2011. There were no opposing views among GreenX's Board of Directors, Participants or market participants regarding the rule amendments.

GreenX Advisory Notice #2011-08, attached hereto, contains the text of the rule amendments, showing deletions and additions.

If you have any further questions or comments about GreenX's actions, please contact me at 212-299-2510.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kari S. Larsen', with a long horizontal line extending to the right.

Kari S. Larsen  
Chief Regulatory Officer / General Counsel

cc: Bella Rozenberg  
Marshall Horn  
Michael Philipp

Attachment

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**Advisory Notice**

Subject: Amendment to Deliverable Allowances for Regional Greenhouse Gas Initiative (RGGI) Contracts

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To: Clearing Member Firms

From: Green Exchange ("GreenX")

Advisory Notice#: 2011-08

Notice Date: June 6, 2011

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Effective June 7, 2011, GreenX is amending the Deliverable Allowances section of the Regional Greenhouse Gas Initiative (RGGI) Futures contracts for administrative purposes and to reflect recent changes in the RGGI program. The following contracts are subject to the amendments:

Contract Name	ClearPort Code	Globex Code
Regional Greenhouse Gas Initiative (RGGI) Futures	RJ	RGI
Regional Greenhouse Gas Initiative (RGGI) Vintage 2009 Futures	98	98N
Regional Greenhouse Gas Initiative (RGGI) Vintage 2010 Futures	76	76X
Regional Greenhouse Gas Initiative (RGGI) Vintage 2011 Futures	86	86N
Regional Greenhouse Gas Initiative (RGGI) Vintage 2012 Futures	96	96X

At the time of this notice, there is no open interest in any of the Regional Greenhouse Gas Initiative (RGGI) Futures contracts.

On May 31, 2011, the State of New Jersey announced its intention to withdraw its participation in the Regional Greenhouse Gas Initiative (RGGI) effective December 31, 2011. [Source: [http://rggi.org/docs/New\\_Jersey\\_Letter.pdf](http://rggi.org/docs/New_Jersey_Letter.pdf)] In response to this program change, GreenX will modify the Deliverable Allowances section in the aforementioned RGGI contracts: *All RGGI CO2 allowances acceptable for delivery must be eligible for compliance in participating RGGI states at the time of delivery.*

GreenX is amending the Deliverable Allowances section (1401.08) as it pertains to contracts without a specified vintage year. Since banking of allowances is acceptable in the RGGI program, allowances issued during prior control periods would be usable for compliance in future control periods. Therefore, allowances issued during prior control periods would be acceptable for delivery in the Regional Greenhouse Gas Initiative (RGGI) Futures (RJ:RGI) contract.

In addition, administrative amendments are being made to sections 1401.11, Validity of Documents and 1401.13(d), Force Majeure, Late Performance and Failure to Perform.

**1401.08. DELIVERABLE ALLOWANCES**

(a) Contracts without a specific vintage year: RGGI CO2 allowances acceptable for delivery are those having a vintage usable for compliance in the control period associated with the calendar year of the contract

~~expiration month or allowances having a vintage usable for compliance in any prior control period. RGGI CO2 allowances acceptable for delivery must have a vintage applicable to compliance in the RGGI control period related to the calendar year of the contract month.~~

(b) Contracts with a specific vintage year: RGGI CO2 allowances acceptable for delivery are allowances with a vintage corresponding to the specified vintage year.

All RGGI CO2 allowances acceptable for delivery must be eligible for compliance in participating RGGI states at the time of delivery.

#### 1401.11. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any of ~~Tender Allocation Notice~~, Notice of Intention to Accept, Notice of Intention to Deliver, check or of any document or instrument delivered pursuant to these rules.

#### 1401.13. FORCE MAJEURE, LATE PERFORMANCE AND FAILURE TO PERFORM

##### (d) EXCHANGE ACTION

(i) Whenever a Buyer or a Seller is found by the Panel to be late in the performance of or to have failed to perform a delivery, the Exchange, represented by the Regulatory Oversight Department, shall issue a Notice of Assessment in accordance with subsection (2) of this Section, specifying the findings of the Panel with respect to the late or failed delivery.

(ii) (A) Each day of Late Performance shall result an assessment against the party for 3% of the Contract value, but not less than \$500 per Contract.

(B) When a Party has failed to perform, the Regulatory Oversight Department shall issue a Notice of Assessment assessing penalties of twenty percent (20 %) of the Contract value, but not less than \$2000 a Contract, in addition to any penalties assessed pursuant to subparagraph (2) hereof, to be paid to the Exchange.

(iii) (A) A Party may appeal a Notice of Assessment by filing a Notice of Appeal with the Exchange's Market Regulation Counsel, within two Business Days of receipt of the Notice of Assessment from the Regulatory Oversight Department. The Party filing the appeal ("Appellant") shall file, within twenty (20) days after filing the Notice of Appeal, a Memorandum of Appeal setting forth the factual and legal basis for the appeal. The Memorandum of Appeal must be filed with the Regulatory Oversight Department and a copy of the same served upon the Exchange's Market Regulation Counsel.

(B) The Regulatory Oversight Department may file with the Appellant an Answering Memorandum to the Memorandum of Appeal within ten (10) days of receipt of that memorandum.

(C) Failure by the Party to file a Notice of Appeal or a Memorandum of Appeal within the time specified in subsection (D)(4)(a) of this Rule shall constitute a waiver, and the penalties set forth in the Notice of Assessment shall be paid within five days to the Exchange. Failure to pay such penalties in accordance with this Rule shall subject the party to the sanctions set forth in Exchange rules. In the event a Party fails to appeal, or waives the opportunity to appeal, a Notice of Assessment, the Assessment and Findings of the Emissions Allowance Delivery Committee shall constitute a final disciplinary action of the Exchange.

(iv) Within ten (10) days after receipt of the Regulatory Oversight Department's reply, the Appellant shall be entitled to examine all books, documents and other tangible evidence in possession or under the control of the Exchange that are to be relied upon by the Regulatory Oversight Department or are otherwise relevant to the matter.

(v) In the event of an appeal by a Party, the ~~Regulatory Oversight Department~~Chief Executive Officer, or its designee, shall appoint a ~~Performance~~Assessment Appeal Panel to hear and

decide the appeal. No member of the ~~Performance Appeal Panel~~ may have a direct or indirect interest in the matter under the appeal. Each Panel Member shall disclose to the ~~Regulatory Oversight Department~~ Chief Executive Officer, or its designee, any such interest which might preclude such Panel Member from rendering a fair and impartial determination. The formal Rules of Evidence shall not apply to such appeal, and the ~~Performance Appeal Panel~~ shall be the sole judge with respect to the evidence presented to it. Exchange outside counsel shall advise the ~~Performance Assessment~~ Appeal Panel.

(vi) The procedures for the hearing of the appeal before the ~~Performance Assessment~~ Appeal Panel shall be as follows:

(A) At a date to be set by order of the Assessment Appeal Panel, and prior to such hearing, the Appellant and the Regulatory Oversight Department shall furnish each other with a list of witnesses expected to be called at the hearing, and a list of documents and copies thereof expected to be introduced at the hearing.

(B) At such hearing, ~~the~~ The Appellant may appear personally and may be represented by ~~counsel~~ counsel or other representative of ~~his~~ his choice at the appeal.

(C) The Regulatory Oversight Department shall be entitled to offer evidence relating to the delivery and shall be entitled to call witnesses and introduce documents in support thereof. It shall be the burden of the Regulatory Oversight Department to demonstrate, by the weight of the evidence, the appropriateness of the sanction set forth in the Notice of Assessment.

(D) The Appellant shall be entitled to rebut the Regulatory Oversight Department's evidence and shall be entitled to call witnesses and introduce documents in support thereof.

(E) The Regulatory Oversight Department and the Appellant shall be entitled to cross-examine any witness called by the opposing Party at the hearing.

(F) The Notice of Assessment, the Notice of Appeal, the Memorandum of Appeal, any Answering Memorandum, the stenographic transcript of the appeal, any documentary evidence or other material presented to and accepted by the ~~Performance Assessment~~ Appeal Panel by ~~either party~~ shall collectively constitute the record of the hearing. The decision of the ~~Performance Appeal Panel~~ shall be based upon the record of the hearing.

(G) The ~~Performance Assessment~~ Appeal Panel shall have the power to impose a penalty against any person who is within the jurisdiction of the Exchange and whose actions impede the progress of a hearing.

(H) The ~~Performance Assessment~~ Appeal Panel shall issue a written decision in which it may affirm, reduce, or waive the charges assessed against the Appellant and shall state the reasons therefore.

(I) The decision of the ~~Performance Assessment~~ Appeal Panel shall be a final decision of the Exchange and shall constitute a final disciplinary action of the Exchange. The fine is payable on the effective ~~date~~ day of the decision or as specified. The effective ~~date~~ day shall be fifteen (15) days after a copy of the written decision has been delivered to the ~~Appellant~~ appellant and to the CFTC.

(vii) The ~~Performance Assessment~~ Appeal Panel shall consider, and make recommendations to the ~~Exchange~~ Chief Executive Officer, or his designee concerning acceptance or rejection of, any offer of settlement submitted by Appellant. In the case of an offer of settlement, acceptance by the ~~Exchange~~ Chief Executive Officer shall constitute the final disciplinary action of the Exchange.

Please refer questions on this subject to:

**Managing Director, Global Product Development:**

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