

2009 JUN 12 AM 8 46
June 11, 2009

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 #09.106: Notification Regarding the Listing of Six
(6) New Petroleum Swap Futures Contracts on CME
ClearPort®**

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of six (6) new petroleum swap futures contracts for trading and for submission for clearing on CME ClearPort.

The six (6) new petroleum swap futures contracts, commodity codes and rule chapters are as follows:

<u>New Contracts</u>	<u>Code</u>	<u>Rule</u>
Gulf Coast Heating Oil (Argus) Swap Futures	4U	243
Gulf Coast Heating Oil (Argus) vs. Heating Oil Spread Swap Futures	7U	244
New York ULSD (Argus) Swap Futures	5Y	245
New York ULSD (Argus) vs. Heating Oil Spread Swap Futures	7Y	246
New York Jet Fuel (Argus) Swap Futures	4Y	247
New York Jet Fuel (Argus) vs. Heating Oil Spread Swap Futures	5U	248

These six (6) new petroleum swap futures contracts will be cash-settled and will be listed on the CME ClearPort beginning at 6:00 p.m. on Sunday, June 14, 2009 for trade date Monday, June 15, 2009.

The six (6) new petroleum swap futures contracts will be available during normal trading hours on CME ClearPort. Electronic trading is conducted from 6:00 p.m. Sunday until 5:15 p.m. Friday (New York Prevailing time) via the CME ClearPort. 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 the six (6) new petroleum swap futures contracts will be the July 2009 contract month. These petroleum swap futures contracts will be listed for up to 36 consecutive months.

In addition, the Exchange will allow exchange of futures for physical ("EFP") and exchange of futures for swap ("EFS") transactions to be submitted through CME ClearPort. 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 six (6) new petroleum 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 Daniel Brusstar at (212) 299-2604, or me at (312) 648-5422.

Sincerely,

/s/ Stephen M. Szarmack
Director and Associate General Counsel

Attachments: Contract Terms and Conditions
Supplemental Market Information

Gulf Coast Heating Oil (Argus) Swap Futures

243.01 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.

243.02 Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the high and low quotations from Argus Media for Gulf Coast Heating Oil (pipeline) for each business day that it is determined during the contract month.

243.03 Contract Quantity and Value

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

243.04 Contract Months

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

243.05 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

243.06 Termination of Trading

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

243.07 Final Settlement

Delivery under the 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.

243.08 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 (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

243.09 Disclaimer

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading of the contract.

NEITHER NYMEX AND ITS AFFILIATES NOR ARGUS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ASSESSMENT, TRADING BASED ON THE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX AND ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Gulf Coast Heating Oil (Argus) vs. Heating Oil Spread Swap Futures

244.01 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.

244.02 Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between the high and low quotations from Argus Media for Gulf Coast Heating Oil (pipeline) minus the NYMEX New York Harbor Heating Oil Futures first nearby contract month settlement price for each business day that both are determined during the contract month. For purposes of determining the Floating Price, the price will be rounded each day to the nearest thousandth of a cent.

244.03 Contract Quantity and Value

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

244.04 Contract Months

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

244.05 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

244.06 Termination of Trading

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

244.07 Final Settlement

Delivery under the 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.

244.08 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 (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

244.09 Disclaimer

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading of the contract.

NEITHER NYMEX AND ITS AFFILIATES NOR ARGUS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ASSESSMENT, TRADING BASED ON THE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX AND ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

New York ULSD (Argus) Swap Futures

245.01 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.

245.02 Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the high and low quotations from Argus Media for New York ULSD (barge) for each business day that it is determined during the contract month.

245.03 Contract Quantity and Value

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

245.04 Contract Months

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

245.05 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

245.06 Termination of Trading

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

245.07 Final Settlement

Delivery under the 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.

245.08 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 (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

245.09 Disclaimer

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading of the contract.

NEITHER NYMEX AND ITS AFFILIATES NOR ARGUS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ASSESSMENT, TRADING BASED ON THE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX AND ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

New York ULSD (Argus) vs. Heating Oil Spread Swap Futures

246.01 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.

246.02 Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between the high and low quotations from Argus Media for New York ULSD (barge) minus the NYMEX New York Harbor Heating Oil Futures first nearby contract month settlement price for each business day that both are determined during the contract month. For purposes of determining the Floating Price, the price will be rounded each day to the nearest thousandth of a cent.

246.03 Contract Quantity and Value

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

246.04 Contract Months

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

246.05 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

246.06 Termination of Trading

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

246.07 Final Settlement

Delivery under the 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.

246.08 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 (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

246.09 Disclaimer

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading of the contract.

NEITHER NYMEX AND ITS AFFILIATES NOR ARGUS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ASSESSMENT, TRADING BASED ON THE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX AND ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

New York Jet Fuel (Argus) Swap Futures

247.01 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.

247.02 Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the mid-point of the high and low quotations from Argus Media for New York Jet fuel (barge) for each business day that it is determined during the contract month.

247.03 Contract Quantity and Value

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

247.04 Contract Months

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

247.05 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

247.06 Termination of Trading

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

247.07 Final Settlement

Delivery under the 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.

247.08 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 (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

247.09 Disclaimer

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading of the contract.

NEITHER NYMEX AND ITS AFFILIATES NOR ARGUS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ASSESSMENT, TRADING BASED ON THE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX AND ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

New York Jet Fuel (Argus) vs. Heating Oil Spread Swap Futures

248.01 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.

248.02 Floating Price

The Floating Price for each contract month is equal to the arithmetic average of the mid-point between the high and low quotations from Argus Media for New York Jet fuel (barge) minus the NYMEX New York Harbor Heating Oil Futures first nearby contract month settlement price for each business day that both are determined during the contract month. For purposes of determining the Floating Price, the price will be rounded each day to the nearest thousandth of a cent.

248.03 Contract Quantity and Value

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

248.04 Contract Months

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

248.05 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

248.06 Termination of Trading

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

248.07 Final Settlement

Delivery under the 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.

248.08 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 (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

248.09 Disclaimer

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading of the contract.

NEITHER NYMEX AND ITS AFFILIATES NOR ARGUS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE ASSESSMENT OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE ASSESSMENT, TRADING BASED ON THE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX AND ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX AND ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Supplemental Information

PRICE SOURCES

Argus Media

The price reporting services used for the final settlement of the six (6) new petroleum swap futures contracts attached herewith is Argus Media (“Argus”). The Argus price source is among major pricing services used in the over-the-counter (“OTC”) market for pricing of swap futures contracts, and their utilized methodology is well-known in the oil industry.

The New York Mercantile Exchange, Inc. (“NYMEX” or the “Exchange”) entered into license agreements with Argus and to utilize their pricing data. Argus determines their price services by conducting telephone surveys and collecting electronic data from multiple market participants. Argus price services are widely used and serve as benchmarks in the energy industry.

PETROLEUM MARKETS, PARTICIPANTS AND SPECULATIVE LIMITS

A. Gulf Coast Petroleum Products Market

Description

The Gulf Coast petroleum products market represents the largest physical market in the world, with capacity to produce 2.0 million to 2.5 million barrels per day of gasoline, and over one million barrels per day of distillate fuel, which includes heating oil and Ultra-low sulfur diesel fuel (ULSD). The daily production of heating oil in the Gulf Coast market is approximately 250,000 barrels. The market participation is diverse and includes many of the same commercial entities that are active in the New York Harbor market. The Gulf Coast gives market participants the opportunity to target their risk management coverage for gasoline traded on the Gulf Coast, the primary refining center. The Gulf Coast region is essential to gasoline refiners and retailers because it serves as one of two key trading centers in the cash market; the other being New York.

The Gulf Coast distillates market has daily trading activity of two million to three million barrels per day in heating oil, diesel fuel and jet fuel. The typical transaction size in the Gulf Coast distillates market is 25,000 barrels, with over 100 transactions per day. The trading volume is broken down as approximately half occurring as spot transactions, and half as forward deals. There is active trading in forward transactions on the Colonial and Explorer Pipelines. The bid/ask spreads are typically in increments of one-quarter cent. The Gulf Coast market is the main supply center for distillate fuel. Domestic U.S. demand for heating oil is approximately one million barrels per day.

The Energy Information Administration (“EIA”) refinery production data for Gulf Coast heating oil is found under the category of “Distillate Fuel Oil” of greater than 500 ppm sulfur (in Padd 3), as shown in the link below:

http://tonto.eia.doe.gov/dnav/pet/pet_pnp_wiup_dcu_r30_w.htm

The EIA data on stocks for Gulf Coast heating oil (under the heating distillate fuel oil of greater than 500 ppm sulfur) are available for Padd 3 at the link below:

http://tonto.eia.doe.gov/dnav/pet/pet_stoc_wstk_dcu_r30_w.htm

Market Participants

The Gulf Coast cash market and OTC market participants are diverse and number 40 to 50 commercial companies. A partial listing is as follows:

<u>Refiners</u>	<u>Traders/End Users</u>	<u>Brokers</u>	<u>Financial (Swaps)</u>
ConocoPhillips	Hess Energy Trading	GFI Starsupply	JPMorgan Chase
Valero	Vitol	First National	Deutsche Bank
Shell	Glencore	Echo Energy	Barclays
ExxonMobil	Trafigura	MOAB	BankAmerica
BP	Northville	United	
Giant Industries	Cargill	AE Bruggemann	
Amerada Hess	Morgan Stanley	ARC Oil	
Citgo	Goldman Sachs (J. Aron)	ICAP	
Marathon Ashland	Koch	TFS	
Koch Petroleum		Falcon Products	
UPS		Oil Brokers Inc.	
Chevron	Phibro		
Murphy Oil	Federal Express		
Tesoro			
Total			

Speculative Limits

The Exchange has set the expiration month limit for the Gulf Coast Heating Oil (Argus) Swap Futures contract at 1,000 contracts (equivalent to one million barrels) which is less than 13% of the monthly deliverable supply of heating oil. In addition, the Exchange has set the expiration month limit for the Gulf Coast Heating Oil (Argus) vs. Heating Oil Spread Swap Futures contract at 1,000 contracts (equivalent to one million barrels) which is less than 13% of the monthly deliverable supply.

B. New York Harbor Diesel and Jet Fuel Market

Description

The New York Harbor distillate fuel market is diverse and actively traded by refiners, traders, importers, and smaller distributors. Below is a list of the market participants, including the New York Harbor diesel and jet fuel distributors that are active in the cash market. The EIA is the main source for data related to the underlying cash markets.

The New York Harbor cash market is an active trading and import hub for distillate fuel, which includes Ultra-low sulfur diesel (ULSD), jet fuel, and heating oil.

The metropolitan New York-New Jersey-Connecticut area consumes approximately 150,000 barrels per day of jet fuel. In addition, jet fuel imports are transshipped through New York Harbor to other points in the Northeast, including Upstate New York and Connecticut. The New York Harbor has jet fuel imports of over 50,000 barrels per day. The daily trading volume of jet fuel in the New York Harbor cash market is approximately 200,000 barrels per day.

The EIA data on stocks for jet fuel and ULSD are available by Padd including the Central Atlantic region (where the New York Harbor is located) at the link below:

http://tonto.eia.doe.gov/dnav/pet/pet_stoc_wstk_dcu_nus_w.htm

The EIA demand data on a state-by-state basis can be viewed at the link below:

http://tonto.eia.doe.gov/dnav/pet/pet_cons_prim_dcu_nus_m.htm

The weekly EIA imports data are available by Padd at the link below:

http://tonto.eia.doe.gov/dnav/pet/pet_move_wkly_dc_R10-Z00_mbbldpd_w.htm

The demand for diesel fuel in the New York metropolitan area amounts to 175,000 to 200,000 barrels per day. The diesel segment consists of the on-road fuel with less than 15 parts per million (PPM) sulfur, while heating oil consists of the higher sulfur quality for off-road use, mainly heating usage. The sources of distillate supply include local refineries, imports, and the Colonial Pipeline from Houston. The trading volume in the New York Harbor diesel cash market is approximately 500,000 barrels per day. The

typical transaction size in the diesel cash market is 25,000 barrels. Most of the cash deals are spot transactions. The typical bid/ask spread is one-quarter cent (i.e., 25 points or \$0.0025). There are extensive data available on stocks and imports from the American Petroleum Institute (“API”) and the EIA.

The sources of diesel and jet fuel supply include local refineries, imports, and the Colonial Pipeline from Houston, Texas. The typical transaction size in the diesel cash market is 25,000 barrels. The typical bid/ask spread is one-quarter cent (i.e., 25 points or \$0.0025).

The OTC swaps market is utilized by several market participants to manage their fuel price risk (see the list below). The liquidity in these OTC swaps is robust, with an average daily trading volume exceeding 150,000 barrels in both diesel and jet fuel swaps. The typical OTC transaction size is 25,000 barrels, with very narrow bid/ask spreads of one-eighth cent to one-quarter cent (i.e., \$0.00125 to \$0.0025).

Market Participants

The New York Harbor cash market and OTC market participants are diverse and include around 25 to 30 commercial companies. A partial listing is as follows:

Refiners	Traders/End Users	Brokers	Financial (Swaps)
ConocoPhillips	Statoil	GFI Starsupply	Citibank
Valero	Vitol	First National	Deutsche Bank
Shell	Glencore	Echo Energy	Barclays
ExxonMobil	Northville	PVM	BNP Paribas
BP	Koch	United Energy	AIG
Sunoco	Cargill	ICAP	
Amerada Hess	Morgan Stanley	ARC Oil	
Citgo	Goldman Sachs (J. Aron)	Allied Fuels	
Chevron	Irving Oil	Oil Brokers Inc.	
	Lukoil Getty	MOAB	
	Global		
	Sprague		
	Hess Energy Trading		
	George E. Warren		
	Total		

Speculative Limits

The Exchange has set the expiration month limit for the New York Jet Fuel (Argus) Swap Futures contract at 250 contracts (equivalent to 250,000 barrels) which is less than 8% of the monthly deliverable supply of jet fuel. In addition, the Exchange has set the expiration month limit for the New York Jet Fuel (Argus) vs. Heating Oil Spread Swap Futures contract at 250 contracts (equivalent to 250,000 barrels) which is less than 8% of the monthly deliverable supply.

Further, the Exchange has set the expiration month limit for the New York ULSD (Argus) Swap Futures contract at 1,000 contracts (equivalent to one million barrels) which is less than 17% of the monthly deliverable supply of diesel fuel. In addition, the Exchange has set the expiration month limit for the New York ULSD (Argus) vs. Heating Oil Spread Swap Futures contract at 1,000 contracts (equivalent to one million barrels) which is less than 17% of the monthly deliverable supply.