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June 16, 2011

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 # 11-223:
Notification Regarding the Listing of Four (4) Petroleum Futures Contracts for
Trading on the NYMEX Trading Floor and for Clearing through 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 four (4) financially settled petroleum futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort beginning at 6:00 p.m. on Sunday, June 19, 2011, for trade date Monday, June 20, 2011.

The Exchange will allow the exchange for related position (EFRP) transactions to be submitted through CME ClearPort. EFRP transactions in these futures contracts will be governed by the provisions of Exchange Rule 538.

The specifications for the contracts are provided below for your convenience.

Contract	Code	Rulebook Chapter	First Listed Month	Listing Period
NY 3.0% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures	FOC	1086	Jul-11	36 consecutive months
NY 2.2% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures	NYC	1087	Jul-11	36 consecutive months
NY 0.7% Fuel Oil vs. NY 1.0% Fuel Oil (Platts) Swap Futures	NYI	1088	Jul-11	36 consecutive months
Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures	GCI	1098	Jul-11	36 consecutive months

- **Contract Size:** 1,000 Barrels
- **Termination of Trading:** Trading shall cease on the last business day of the contract month.
- **Minimum Price Tick:** \$0.001
- **Value per Tick:** \$1.00
- **Final Settlement Price:** Minimum settlement tick = \$0.001
- **Trading and Clearing Hours:**
 - CME ClearPort: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. Chicago Time/CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT).
 - Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. CT).

- **Trading and Clearing Fees:**

Contract	CME ClearPort Rates		NY Trading Floor Rates		Cash Settlement Fee	
NY 3.0% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.85
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$1.35
			Blended Floor	\$1.10		
NY 2.2% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.85
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$1.35
			Blended Floor	\$1.10		
NY 0.7% Fuel Oil vs. NY 1.0% Fuel Oil (Platts) Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.85
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$1.35
			Blended Floor	\$1.10		
Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures	Member	\$0.85	Member	\$0.85	Member	\$0.85
	Non-Member	\$1.35	Non-Member	\$1.35	Non-Member	\$1.35
			Blended Floor	\$1.10		

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. There were no substantive opposing views to this proposal. This submission will be made effective on trade date June 20, 2011.

Should you have any questions concerning the above, please contact Daniel Brusstar at (212) 299-2604, (917) 319-4119 or Daniel.brusstar@cmegroup.com or the undersigned at (212) 299-2207, (347) 463-5347 or Felix.Khalatnikov@cmegroup.com.

Sincerely,

/s/Felix Khalatnikov
Dir & Assoc General Counsel

Attachments: Contract terms and conditions
Cash Market Overview and Analysis of Deliverable Supply

Chapter 1086

NY 3.0% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures

1086.01. 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.

1086.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts Oilgram Price Report for New York No. 6 3.0%S Max Fuel Oil (Waterborne Cargo) minus the high and low quotations from Platts Oilgram Price Report for Gulf Coast No. 6 3.0%S (Waterborne) Fuel Oil price assessment for each business day that both are determined during the contract month.

1086.03. CONTRACT QUANTITY AND VALUE

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1086.04. CONTRACT MONTHS

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

1086.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

1086.06. TERMINATION OF TRADING

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

1086.07. 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.

1086.08. EXCHANGE FOR RELATED POSITIONS

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1086.09. DISCLAIMER

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Chapter 1087
NY 2.2% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures

1087.01. 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.

1087.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts Oilgram Price Report New York No.6 2.2%S Max Fuel Oil (Waterborne Cargo) minus the high and low quotations from Platts Oilgram Price Report for Gulf Coast No. 6 3.0%S (Waterborne) Fuel Oil price assessment for each business day that both are determined during the contract month.

1087.03. CONTRACT QUANTITY AND VALUE

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1087.04. CONTRACT MONTHS

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

1087.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

1087.06. TERMINATION OF TRADING

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

1087.07. 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.

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Chapter 1088
NY 0.7% Fuel Oil vs. NY 1.0% Fuel Oil (Platts) Swap Futures

1088.01. 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.

1088.02. FLOATING PRICE

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts Oilgram Price Report for New York No.6 0.7%S Max Fuel Oil (Waterborne Cargo) minus the high and low quotations from Platts Oilgram Price Report for New York No. 6 1%S Max Fuel (Waterborne Cargo) price assessment for each business day that both are determined during the contract month.

1088.03. CONTRACT QUANTITY AND VALUE

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1088.04. CONTRACT MONTHS

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

1088.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

1088.06. TERMINATION OF TRADING

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

1088.07. 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.

1088.08. EXCHANGE FOR RELATED POSITIONS

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1088.09. DISCLAIMER

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Chapter 1098
Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures

1098.01. 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.

1098.02. FLOATING PRICE

(A) The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts Oilgram Price Report for Gulf Coast No. 6 3.0%S (Waterborne) Fuel Oil minus the arithmetic average of the Brent Crude Oil (ICE) futures 1st nearby contract settlement prices, except as set forth in Section (B) below, for each business day that it is determined during the contract month (using non-common pricing).

(B) The settlement price of the 1st nearby contract month will be used except on the last day of trading for the expiring Brent Crude Oil futures contract when the settlement price of the 2nd nearby Brent Crude Oil Futures contract will be used.

1098.03. CONTRACT QUANTITY AND VALUE

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

1098.04. CONTRACT MONTHS

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

1098.05. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

1098.06. TERMINATION OF TRADING

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

1098.07. 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.

1098.08. EXCHANGE FOR RELATED POSITIONS

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

1098.09. DISCLAIMER

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CASH MARKET OVERVIEW

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is self-certifying the listing of the following four (4) financially settled residual fuel oil futures contracts for trading on the NYMEX trading floor and for clearing through CME ClearPort.

1. NY 3.0% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures
2. NY 2.2% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures
3. NY 0.7% Fuel Oil vs. NY 1.0% Fuel Oil (Platts) Swap Futures
4. Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures

These four new spread futures contracts are based on existing NYMEX futures contracts. The NY 3.0% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures is based on the existing NY 3.0% Fuel Oil (Platts) Swap Futures and Gulf Coast No. 6 Fuel Oil 3.0% Sulfur (Platts) Swap Futures contracts. The NY 2.2% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures is based on the existing NY 2.2% Fuel Oil (Platts) Swap Futures and Gulf Coast No. 6 Fuel Oil 3.0% Sulfur (Platts) Swap Futures contracts. The NY 0.7% Fuel Oil vs. NY 1.0% Fuel Oil (Platts) Swap Futures is based on the existing NY 0.7% Fuel Oil (Platts) Swap Futures and New York Harbor Residual Fuel 1.0% (Platts) Swap Futures contracts, while the Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures is based on the Gulf Coast No. 6 Fuel Oil 3.0% Sulfur (Platts) Swap Futures and Brent (ICE) Calendar Swap Futures contracts.

PRICE SOURCES

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts") is the price reporting service used for the final settlement of the four contracts except for the Brent (ICE) Calendar Swap futures leg of the Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures contract. 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 oil industry. Their pricing methodology¹ is derived from telephone surveys and electronic data collected from multiple market participants to determine

¹ <http://www.platts.com/IM.Platts.Content/methodologyreferences/methodologyspecs/usoilproductspecs.pdf>

market value. Platts has a long-standing reputation in the industry for price benchmarks that are fair and not manipulated. NYMEX is a party to license agreements with Platts to utilize their pricing data.

ICE: The Exchange does not have an information sharing agreement with the IntercontinentalExchange ("ICE"). The ICE Brent Crude Oil Futures contract is the source of the settlement price for one leg of the Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures. The ICE Brent Crude Oil Futures is regulated by the FSA. According to ICE, the average trading activity in the ICE Brent Futures contract represents more than 380,000 contracts traded per day. Based on our discussions with market participants, we believe that there are dozens of active participants in the ICE futures market and that their prices are determined competitively. Since the CFTC has reviewed the FSA regulatory structure and determined it to be comparable to that of the CFTC, the Exchange is assured in placing confidence in the disseminated settlement price for ICE Brent Crude Oil Futures contract.

MARKET OVERVIEW

The cash market overview contains a description of the following markets:

- I. New York Harbor and Gulf Coast Fuel Oil Markets
- II. Brent Crude Oil Market

I. NEW YORK AND GULF COAST FUEL OIL MARKETS

Fuel oil², also called residual fuel oil, is a liquid petroleum product less volatile than gasoline and is used as an energy source. It is generally used in the production of electric power, space heating, vessel bunkering, and various industrial purposes. Fuel oil is classified into six categories varying from number 1 through 6 according to its boiling point, composition and purpose.

A. New York Fuel Oil Market

Consumption, Production, Imports and Exports (PADD I)

The New York Harbor fuel oil market, located within Petroleum Administration Defense District I (PADD I), represents the largest hub in the Northeast for residual fuel oil, with extensive storage capacity

² <http://www.eia.doe.gov/tools/glossary/index.cfm?id=F>

and refining capacity. The U.S. Energy Information Administration (EIA) is the main source for data related to the underlying residual fuel oil cash markets. Table 1 below illustrates selected statistics for residual fuel oil. According to the EIA, the New York Harbor residual fuel oil market is an active trading and import hub, with fuel oil imports of approximately 212,000 barrels per day for the 2008 – 2010 average annual period. During this same period, the total average exports for residual fuel oil was over 70,000 barrels per day, while total average demand for fuel oil in PADD I was approximately 250,000 barrels per day.

Table 1: Selected Statistics for Residual Fuel Oil – PADD I

(Thousand Barrels per Day)

Residual Fuel Oil, PADD I	2008	2009	2010	Average 2008-2010
Consumption ³	271	224	259	251.3
Imports ⁴	200	191	245	212
Exports ⁵	67	84	59	70
4-Week Average	5/06/2011	5/13/2011	5/20/2011	5/27/2011
Weekly Refiner & Blender Net Production ⁶	52	58	63	65

The estimated daily trading volume of fuel oil in the New York Harbor cash market is 500,000 to 600,000 barrels.

Inventories

Table 2 below provides monthly EIA data for PADD I, which includes the Central Atlantic region and New York Harbor, inventories for residual fuel oil. The Central Atlantic region represents roughly two thirds of the stocks located within the PADD I region. Over the annual period of 2008 through January 2011, PADD I stocks varied from a high of over 18.5 million barrels in May 2010 to a low of approximately 10 million barrels in March 2011. According to the most recent EIA data, residual inventory levels were at 10 million barrels in March 2011.

³ EIA Consumption Data, http://www.eia.gov/dnav/pet/pet_cons_psup_dc_r10_mbbldpd_a.htm

⁴ EIA Import Data, http://tonto.eia.doe.gov/dnav/pet/pet_move_imp_dc_R10-Z00_mbbldpd_a.htm

⁵ EIA Export Data, http://tonto.eia.doe.gov/dnav/pet/pet_move_exp_dc_R10-Z00_mbbldpd_a.htm.

⁶ EIA Production Data, http://tonto.eia.doe.gov/dnav/pet/pet_pnp_wprodrb_dc_r10_4.htm.

Table 2: Stocks of Residual Fuel Oil – PADD I⁷

(Monthly – Thousand Barrels)

Month	2008	2009	2010	2011
Jan	15,667	12,413	14,411	13,030
Feb	14,911	14,221	14,257	11,516
Mar	13,457	14,704	14,641	10,071
Apr	14,817	14,161	15,918	-
May	16,252	15,638	18,500	-
Jun	15,423	14,911	15,979	-
Jul	13,779	13,915	16,468	-
Aug	13,990	12,999	14,802	-
Sep	14,105	14,004	14,938	-
Oct	14,077	14,624	14,659	-
Nov	14,150	14,103	14,515	-
Dec	13,261	13,003	14,114	-

B. Gulf Coast Fuel Oil Market**Consumption, Production, Imports and Exports (PADD III)**

The EIA provides detailed consumption, production, stocks, and trade statistics for Gulf Coast fuel oil. Table 3 below provides annual data for the U.S. Gulf Coast (PADD III) region for consumption, and imports/exports. According to the EIA, during the 2008 – 2010 average annual period, Gulf Coast consumption was approximately 115,000 barrels per day. Further, the EIA reported that during the average annual period of 2008 – 2010, exports of fuel oil were approximately 290,000 barrels per day, while imports were over 90,000 barrels per day for the same period.

Table 3: Selected Statistics for Residual Fuel Oil – PADD III

(Thousand Barrels per Day)

Residual Fuel Oil, PADD III	2008	2009	2010	Average 2008-2010
Consumption ⁸	143	100	103	115.3
Imports ⁹	109	95	79	94.3
Exports ¹⁰	255	301	324	293.3

⁷ EIA Stock Data - http://tonto.eia.doe.gov/dnav/pet/pet_stoc_typ_d_r10_SAE_mbbld_m.htm.⁸ EIA Consumption Data, http://www.eia.gov/dnav/pet/pet_cons_psup_dc_r30_mbbldpd_a.htm.⁹ EIA Import Data, http://tonto.eia.doe.gov/dnav/pet/pet_move_imp_dc_R30-Z00_mbbldpd_a.htm.¹⁰ EIA Export Data, http://tonto.eia.doe.gov/dnav/pet/pet_move_exp_dc_R30-Z00_mbbldpd_a.htm.

According to Table 4 below, the Gulf Coast is an active trading and production center, with residual fuel oil production of approximately 280,000 barrels per day for the four-week average period ranging from May 2008 to May 2011.

Table 4: Residual Fuel Production in U.S. Gulf Coast (Four-Week Average)¹¹
(Thousand Barrels per Day)

Month	2008	2009	2010	2011
Jan	-	259.6	352.0	279.8
Feb	-	256.0	336.3	300.0
Mar	-	234.8	292.5	320.8
Apr	-	218.0	259.0	299.6
May	341.0	228.0	294.0	301.5
Jun	324.5	290.3	254.3	-
Jul	296.3	295.2	221.8	-
Aug	265.8	330.0	184.3	-
Sep	201.8	306.0	252.3	-
Oct	217.8	341.4	249.8	-
Nov	273.0	345.3	233.0	-
Dec	277.0	350.3	266.8	-

The estimated daily trading volume of fuel oil in the Gulf Coast cash market is approximately 500,000 to 600,000 barrels per day.

Inventories

Table 5 below provides monthly EIA data for PADD III inventories for residual fuel oil. Over the monthly period beginning January 2008 through March 2011, PADD III stocks varied from a high of over 21.1 million barrels in December 2010 to a low of approximately 14.4 million barrels in January 2009. According to the most recent EIA data, residual inventory levels were at 19.9 million barrels in March 2011.

¹¹ EIA Production Data, <http://tonto.eia.doe.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=WRERPP32&f=4>

Table 5: Selected Statistics for Residual Fuel Oil – Stocks PADD III¹²

(Monthly – Thousand Barrels)

Month	2008	2009	2010	2011
Jan	16,285	14,387	19,871	19,141
Feb	17,679	17,662	20,454	16,719
Mar	18,612	16,991	19,175	19,915
Apr	16,649	14,444	20,702	-
May	16,888	16,922	20,051	-
Jun	18,894	15,825	20,024	-
Jul	16,649	15,712	18,513	-
Aug	17,594	14,417	17,425	-
Sep	18,408	15,551	18,681	-
Oct	18,489	14,640	19,805	-
Nov	18,025	17,108	20,156	-
Dec	16,442	18,719	21,078	-

Market Activity for New York and Gulf Coast Fuel Oil Markets

In the OTC swaps market, New York Harbor and Gulf Coast fuel oil are liquid derivative instruments, with trading volume of approximately one million to 1.5 million barrels per day. The typical OTC transaction size consists of 25,000 barrels. According to conversations with market participants, there are 40 to 50 transactions traded daily in the OTC swaps market. The bid/ask spreads are typically in increments of 10 cents to 20 cents per barrel, which reflects robust liquidity in the OTC market.

Market Participants for New York and Gulf Coast Fuel Oil Markets

The New York Harbor and Gulf Coast fuel oil markets are diverse and actively traded by refiners, traders, importers, and smaller distributors. Below is a list of the market participants that are active in the fuel oil cash market. The cash market and OTC market participants are diverse and number around 25 to 30 commercial companies. A partial listing is as follows:

¹² EIA Stock Data - <http://tonto.eia.doe.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MRESTP31&f=M>.

<u>Refiners</u>	<u>Traders/Importers</u>	<u>Brokers</u>	<u>Financial (Swaps)</u>
ConocoPhillips	Statoil	Bruggemann	Citibank
Valero	Vitol	ICAP	Deutsche Bank
Shell	Glencore	Amerex	Barclays
ExxonMobil	Trafigura	PVM	Merrill Lynch
BP	Koch	United	BankAmerica
Sunoco	Cargill	TFS Brokers	
Amerada Hess	Morgan Stanley	GFI Starsupply	
Citgo	Goldman Sachs (J. Aron)		
Chevron	Irving Oil		
	Lukoil Getty		
	Global		
	Sprague		
	Hess Energy Trading		

II. BRENT CRUDE OIL MARKET

Production

The Brent market is comprised of four North Sea crude oil grades: Brent, Forties, Oseberg, and Ekofisk ("BFOE" or "Brent"). The standard cargo size in the BFOE market is 600,000 barrels. According to Consilience Energy Advisory Group, an oil industry consulting firm based in London, the BFOE accounts for daily crude oil production of over 1.5 million barrels. These four North Sea grades are segregated blends delivered at different locations in the North Sea, and each can be substituted by the seller in the 21-Day BFOE cash market.

Cash Market

The underlying Brent crude oil cash market is actively traded by dozens of commercial companies. The Brent spot market is known as Dated Brent, which refers to delivery of any of the BFOE grades within 7 to 21 days forward. The Dated Brent spot market assessment is used to price many grades of physical crude oil in the North Sea, Russia, and West Africa. There are hundreds of commercial and non-commercial participants actively trading in the Brent crude oil market, both in the underlying cash market and futures markets. There is an established futures market, under the regulation of the FSA, in Brent Crude Oil at ICE Futures Europe. The average daily trading volume through November 2007 for the Brent Crude Oil futures, listed on ICE Futures Europe, is approximately 240,000 contracts traded (each contract is 1,000 barrels in size). Further, the NYMEX Brent Crude Oil Last Day

Futures contract is currently trading on the CME Globex[®] platform under CFTC regulatory authority and utilizes the settlement price of Brent Crude Oil futures listed on ICE Futures Europe.

Prices

Table 6, below, reflects the final settlement prices provided by the ICE in U.S. dollars and cents per barrel for the ICE Brent Crude Oil Calendar Swap Futures contract. Over the annual period from January 2008 to May 2011, ICE Brent Crude Oil prices varied from a high of \$134.56 in July 2008 to a low of \$43.05 in December 2008. According to the most recent data provided by the ICE, the monthly average price for Brent Crude Oil was at \$114.52 for the month of May 2011.

Table 6: Selected Statistics for ICE Brent Crude Oil: Prices¹³

ICE Brent Crude Oil				
Month	2008	2009	2010	2011
Jan	91.91	45.71	77.01	96.91
Feb	94.66	43.87	74.79	104.03
Mar	102.87	47.42	79.93	114.67
Apr	110.43	51.39	85.75	123.09
May	124.68	58.59	77	114.52
Jun	133.74	69.27	75.66	-
Jul	134.56	65.75	75.36	-
Aug	115.24	73.06	77.12	-
Sep	100.79	68.15	78.42	-
Oct	73.68	73.93	83.54	-
Nov	54.75	77.58	86.16	-
Dec	43.05	75.21	92.25	-

OTC Brent Financial Market

Further, BFOE has active OTC physical and paper markets. The liquidity in the OTC Brent swaps market is robust, with an estimated average daily trading volume of 10 million to 20 million barrels. There are several OTC brokerage firms that are active in the Brent swaps markets, including PVM, Tullet Prebon, TFS, ICAP, Man Financial, Ginga Petroleum, and GFI Group. As discussed above, the OTC market participation is deep and diverse, and includes both cash market and OTC market players. The

¹³ ICE Brent Crude Oil Prices, Intercontinental Exchange, Inc.

Brent cash market and OTC market participants include 50 to 70 commercial companies. A partial list of participants is as follows:

<u>Refiners</u>	<u>Traders/End Users</u>	<u>Brokers</u>	<u>Financial (Swaps)</u>
ConocoPhillips	Hess Energy Trading	GFI Starsupply	Deutsche Bank
Statoil	Vitol	PVM	Barclays
Shell	Glencore	Man Financial	BankAmerica
ExxonMobil	Total	ICAP	
BP	Northville	Aspen Oil	
Total	Cargill	Tullet Prebon	
AGIP (Italy)	Morgan Stanley	TFS	
Repsol	Goldman Sachs		
CEPSA	RWE Trading		
Chevron	Mabanaft		
OMV	Phibro		
Lukoil (Russia)	Arcadia		
	Mercuria		

ANALYSIS OF DELIVERABLE SUPPLY

The spot month position limits for the four new petroleum contracts will be aggregated with and into the existing position limits for their respective underlying futures contracts.

Please note that, at this time, the Exchange is not including stocks data in its analysis of deliverable supply. Stocks data tend to vary and, at least upon launch of products, we would rather not condition recommended position limits based on stock data. Further, the Exchange has determined not to adjust the deliverable supply estimate based on the spot availability because spot market liquidity is not restrictive and tends to vary depending on the market fundamentals of demand and supply. The typical term agreement in the cash market allows flexibility for re-trading of the contracted quantity in the spot market, so the term agreements do not restrict the potential deliverable supply. Also, the spot trading is not restricted in that it could increase if the market demand increases. Therefore, we believe that it is not necessary to adjust the deliverable supply estimate on the basis of spot trading activity as it does not restrict the deliverable supply, and spot trading volume can expand to allow for more supply to flow if needed in the spot market.

With regard to the Gulf Coast Fuel Oil market, in its analysis of deliverable supply, the Exchange concentrated on data for the Gulf Coast (PADD III) refinery production for residual fuel oil, which is the main production and trading center for the U.S. market. For the NY 3.0% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures, NY 2.2% Fuel Oil vs. Gulf Coast No. 6 Fuel Oil 3.0% (Platts) Swap Futures, and the Gulf Coast No.6 Fuel Oil 3.0% (Platts) vs. Brent Crack Spread Swap Futures, the Exchange will aggregate the Gulf Coast fuel oil leg of the spreads into the existing Gulf Coast No. 6 Fuel Oil 3.0% Swap Futures contract. With regard to the Gulf Coast fuel oil leg of the spreads, the Exchange has set the position limits at 1,000 contracts. Based on the refinery production data provided by the EIA in Table 4, the total residual fuel supply in the Gulf Coast area from January - May 2011 was 300,000 barrels per day, which is equivalent to 9.0 million barrels per month or 9,000 contract equivalents (contract size: 1,000 barrels). Thus, the spot month position limits of 1,000 contract units, which is equivalent to one million barrels, is approximately 11% of the total monthly supply.

With regard to the NY fuel oil contracts, as noted above, the spot month position limits for each of the legs of the spread contracts will aggregate into its underlying outright swap futures. In its analysis of deliverable supply, the Exchange concentrated on the total average demand for fuel oil in PADD I due to its importance as a demand area. According to EIA data in Table 1 above, consumption in PADD I was approximately 250,000 barrels per day for the 2008 -- 2010 average annual period, which is equivalent to 7.5 million barrels per month or 7,500 contract equivalents (contract size of 1,000 barrels). The Exchange determined to set the spot month limit for the New York 1.0 % Fuel Oil leg of the spread contract at 1,000 contract units, which is equivalent to one million barrels, or 13% of the 7,500 contract equivalents of monthly supply. With regards to the NY 3.0% Fuel Oil, NY 2.2% Fuel Oil, and NY 0.7% Fuel Oil legs of the spread contracts, the Exchange has set a spot limit at 300 contract units which is equivalent to 4% of the 7,500 contract equivalents of monthly supply. These position limits are consistent with the existing listed underlying products and reflect our estimation of the corresponding physical market liquidity for each of these products.

With regard to the Brent Crude Oil market, in its analysis of deliverable supply, the Exchange concentrated on production data for Brent-related (BFOE) crude oil. To be conservative, the Exchange has set the position limits at 2,000 contracts for the Brent leg of the spread contract, with aggregation into the Exchange's existing underlying Brent futures contract. The production of Brent crude oil is approximately 1.5 million barrels per day, which is equivalent to 45 million barrels per month or 45,000 contract equivalents (contract size: 1,000 barrels). Thus, the spot month position limits of 2,000 contract units, which is equivalent to two million barrels, is less than 5% of the 45,000 contract equivalents of monthly supply.