



C.F.T.C.
OFFICE OF THE SECRETARIAT

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July 21, 2010

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 #10-174: Notification Regarding the Listing of Four (4) New Electricity Contracts on CME ClearPort[®] and the NYMEX Trading Floor

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 four Dow Jones electricity futures contracts, listed below, for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort.

The four (4) new contracts, commodity codes and rule numbers are listed below.

Contract	Rule Chapter	Code
Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures	758	DSP
Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures	759	DSO
Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures	760	DMP
Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures	761	DMO

The above-listed electricity swap futures contracts are financially settled. The first listed month for these contracts will be the September 2010 contract month. Monthly contracts will list current year plus the next five calendar years, consecutively. A new calendar year will be added following the termination of trading in the December contract month of the current year.

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

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. The listing of these contracts will become effective on Sunday, July 25, 2010, for trade date Monday, July 26, 2010.

Should you have any questions concerning the above, please contact Brad Leach at (212) 299-2609, or the undersigned at (312) 648-5422.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

Attachments: Contract Terms and Conditions
Cash Market Overview and Analysis of Deliverable Supply

8361

Chapter 758

Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures

758.01. SCOPE

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Prices (as defined in Rule 758.02).

758.02. FLOATING PRICE

The "Floating Price" will be determined for each contract month as follows:

The Floating Price will be equal to the arithmetic average of all daily prices in the contract month of the Dow Jones Palo Verde Electricity Price IndexSM (the "Index"), as published by CME Group Index Services LLC, for Firm Energy traded during Peak Hours (each as defined in Rule 758.03) (the "Firm On-peak Index").

The Firm On-peak Index averages together blocks of power sold in bilateral, wholesale, physical transactions for power (from both Palo Verde and Westwing in Arizona) on a day-ahead pre-scheduled basis, and does not include real-time power. Transactions included in the Firm On-peak Index are limited to power traded in 16-hour blocks during Peak Hours. Transactions are quoted in dollars per megawatt hour (\$/MWH). The daily price of the Firm On-peak Index corresponds to transactions for power delivered on such date.

758.03. PEAK HOURS AND DAYS; FIRM ENERGY

"Peak Hours" shall mean the Hours Ending (HE) 0700-2200 Prevailing Pacific Time, on Peak Days (as defined below).

"Peak Days" shall mean Monday through Saturday, excluding North American Electric Reliability Corporation (NERC) holidays. (Note that, although Firm On-peak Index daily prices are published for Sundays, Sundays are not included within the meaning of "Peak Days" for the purposes of the contract or in the calculation of the average of Peak Day daily prices and in the determination of permitted transaction sizes.)

"Firm Energy" shall meet minimum criteria of being financially firm and backed with liquidated damages.

758.04. CONTRACT QUANTITY AND VALUE; TRANSACTION SIZES

The contract quantity shall be 80 megawatt hours (MWH) and is based on 5 megawatts (MW) for Peak Hours.

Each futures contract shall be valued at the contract quantity multiplied by the final settlement price (as per Rule 758.08).

Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of Peak Days in the month.

758.05. CONTRACT MONTHS

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

758.06. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

758.07. TERMINATION OF TRADING

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

758.08. FINAL SETTLEMENT

Delivery under the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures 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 for a contract month will be the Floating Price as calculated for that contract month.

758.09. PAYMENT DATE

Five (5) business days following each contract month.

758.10. EXCHANGE FOR RELATED POSITION TRANSACTIONS

Any exchange for related position ("EFRP") transactions shall be governed by the provisions of Exchange Rule 538.

758.11. DISCLAIMER

The "Dow Jones Palo Verde Electricity Price IndexSM" is a product of Dow Jones Indexes, is a licensed trademark of CME Group Index Services LLC ("CME Indexes"), and has been licensed for use. "Dow JonesSM", "Dow Jones Palo Verde Electricity Price IndexSM" and "Dow Jones Indexes" are service marks of Dow Jones Trademark Holdings, LLC ("Dow Jones") and have been licensed to CME Indexes and sublicensed for use for certain purposes by New York Mercantile Exchange, Inc. ("NYMEX").

The Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures are not sponsored, endorsed, sold or promoted by Dow Jones, its affiliates or CME Indexes. Dow Jones, its affiliates and CME Indexes make no representation or warranty, express or implied, to the owners of the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures or any member of the public regarding the advisability of investing in securities generally or trading in the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures particularly. The only relationship of Dow Jones and its affiliates to NYMEX is the licensing of certain trademarks, trade names and service marks of Dow JonesSM, which is determined, composed and calculated by CME Indexes without regard to NYMEX or the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures. Dow Jones and CME Indexes have no obligation to take the needs of NYMEX or the owners of the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures into consideration in determining, composing or calculating Dow Jones Palo Verde Electricity Price IndexSM. Dow Jones, its affiliates and CME Indexes are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures to be listed or in the determination or calculation of the equation by which the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures are to be converted into cash. Dow Jones, its affiliates and CME Indexes have no obligation or liability in connection with the administration, marketing or trading of the Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures.

DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES PALO VERDE ELECTRICITY PRICE INDEXSM OR ANY DATA INCLUDED THEREIN AND DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY NYMEX, OWNERS OF THE DOW JONES PALO VERDE ELECTRICITY PRICE INDEX 5 MW PEAK SWAP FUTURES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES PALO VERDE ELECTRICITY PRICE INDEXSM OR ANY DATA INCLUDED THEREIN. DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DOW JONES PALO VERDE ELECTRICITY PRICE INDEXSM OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES, CME INDEXES, NYMEX OR THEIR RESPECTIVE AFFILIATES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN CME INDEXES AND NYMEX, OTHER THAN THE LICENSORS OF CME INDEXES.

Chapter 759

Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures

759.01. SCOPE

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Prices (as defined in Rule 759.02).

759.02. FLOATING PRICE

The "Floating Price" will be determined for each contract month as follows:

The Floating Price will be equal to the arithmetic average of all daily prices in the contract month of the Dow Jones Palo Verde Electricity Price IndexSM (the "Index"), as published by CME Group Index Services LLC, for Firm Energy traded during Off-Peak Hours (each as defined in Rule 759.03) (the "Firm Off-peak Index").

The Firm Off-peak Index averages together blocks of power sold in bilateral, wholesale, physical transactions for power (from both Palo Verde and Westwing in Arizona) on a day-ahead pre-scheduled basis, and does not include real-time power. Transactions included in the Firm Off-peak Index are limited to power traded, (A) on Peak Days, in 8-hour blocks during Off-Peak Hours, and (B) on Sundays, in 24-hour blocks. Transactions are quoted in dollars per megawatt hour (\$/MWH). The daily price of the Firm Off-peak Index corresponds to transactions for power delivered on such date.

759.03. OFF-PEAK HOURS AND DAYS; FIRM ENERGY

"Off-Peak Hours" shall mean the Hours Ending (HE) 2300-0600 Prevailing Pacific Time, on Peak Days, together with the Hours Ending 0100-2400 on Sundays and North American Electric Reliability Corporation (NERC) holidays. (Note that, in addition to the Firm Off-peak Index daily prices for Peak Days (each for an 8-hour block), Sundays and NERC holidays (each for a 24-hour block) also are included within the meaning of "Off-Peak Hours" for the purposes of the contract and in the calculation of the average of daily prices and the determination of permitted transaction sizes.)

"Peak Days" shall mean Monday through Saturday, excluding NERC holidays.

"Firm Energy" shall meet minimum criteria of being financially firm and backed with liquidated damages.

759.04. CONTRACT QUANTITY AND TRANSACTION SIZES

The contract quantity shall be 5 megawatt hours (MWH).

Each futures contract shall be valued at the contract quantity multiplied by the settlement price (as per Rule 759.08).

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of Off-Peak Hours in the month.

759.05. CONTRACT MONTHS

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

759.06. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

759.07. TERMINATION OF TRADING

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

759.08. FINAL SETTLEMENT

Delivery under the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures 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 for a contract month will be the Floating Price as calculated for that contract month.

759.09. PAYMENT DATE

Five (5) business days following each contract month.

759.10. EXCHANGE FOR RELATED POSITION TRANSACTIONS

Any exchange for related position ("EFRP") transactions shall be governed by the provisions of Exchange Rule 538.

759.11. DISCLAIMER

The "Dow Jones Palo Verde Electricity Price IndexSM" is a product of Dow Jones Indexes, is a licensed trademark of CME Group Index Services LLC ("CME Indexes"), and has been licensed for use. "Dow Jones[®]", "Dow Jones Palo Verde Electricity Price IndexSM" and "Dow Jones Indexes" are service marks of Dow Jones Trademark Holdings, LLC ("Dow Jones") and have been licensed to CME Indexes and sublicensed for use for certain purposes by New York Mercantile Exchange, Inc. ("NYMEX").

The Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures are not sponsored, endorsed, sold or promoted by Dow Jones, its affiliates or CME Indexes. Dow Jones, its affiliates and CME Indexes make no representation or warranty, express or implied, to the owners of the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures or any member of the public regarding the advisability of investing in securities generally or trading in the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures particularly. The only relationship of Dow Jones and its affiliates to NYMEX is the licensing of certain trademarks, trade names and service marks of Dow JonesSM, which is determined, composed and calculated by CME Indexes without regard to NYMEX or the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures. Dow Jones and CME Indexes have no obligation to take the needs of NYMEX or the owners of the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures into consideration in determining, composing or calculating Dow Jones Palo Verde Electricity Price IndexSM. Dow Jones, its affiliates and CME Indexes are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures to be listed or in the determination or calculation of the equation by which the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures are to be converted into cash. Dow Jones, its affiliates and CME Indexes have no obligation or liability in connection with the administration, marketing or trading of the Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures.

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Chapter 760

Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures

760.01. SCOPE

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Prices (as defined in Rule 760.02).

760.02. FLOATING PRICE

The "Floating Price" will be determined for each contract month as follows:

The Floating Price will be equal to the arithmetic average of all daily prices in the contract month of the Dow Jones Mead/Marketplace Electricity Price IndexSM (the "Index"), as published by CME Group Index Services LLC, for Firm Energy traded during Peak Hours (each as defined in Rule 760.03) (the "Firm On-peak Index").

The Firm On-peak Index averages together blocks of power sold in bilateral, wholesale, physical transactions for power on a day-ahead pre-scheduled basis, and does not include real-time power. Transactions included in the Firm On-peak Index are limited to power traded in 16-hour blocks during Peak Hours. Transactions are quoted in dollars per megawatt hour (\$/MWH). The daily price of the Firm On-peak Index corresponds to transactions for power delivered on such date.

760.03. PEAK HOURS AND DAYS; FIRM ENERGY

"Peak Hours" shall mean the Hours Ending (HE) 0700-2200 Prevailing Pacific Time, on Peak Days (as defined below).

"Peak Days" shall mean Monday through Saturday, excluding North American Electric Reliability Corporation (NERC) holidays. (Note that, although Firm On-peak Index daily prices are published for Sundays, Sundays are not included within the meaning of "Peak Days" for the purposes of the contract or in the calculation of the average of Peak Day daily prices and in the determination of permitted transaction sizes.)

"Firm Energy" shall meet minimum criteria of being financially firm and backed with liquidated damages.

760.04. CONTRACT QUANTITY AND VALUE; TRANSACTION SIZES

The contract quantity shall be 80 megawatt hours (MWH) and is based on 5 megawatts (MW) for Peak Hours.

Each futures contract shall be valued at the contract quantity multiplied by the final settlement price (as per Rule 760.08).

Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of Peak Days in the month.

760.05. CONTRACT MONTHS

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

760.06. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

760.07. TERMINATION OF TRADING

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

760.08. FINAL SETTLEMENT

Delivery under the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures 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 for a contract month will be the Floating Price as calculated for that contract month.

760.09. PAYMENT DATE

Five (5) business days following each contract month.

760.10. EXCHANGE FOR RELATED POSITION TRANSACTIONS

Any exchange for related position ("EFRP") transactions shall be governed by the provisions of Exchange Rule 538.

760.11. DISCLAIMER

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The Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures are not sponsored, endorsed, sold or promoted by Dow Jones, its affiliates or CME Indexes. Dow Jones, its affiliates and CME Indexes make no representation or warranty, express or implied, to the owners of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures or any member of the public regarding the advisability of investing in securities generally or trading in the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures particularly. The only relationship of Dow Jones and its affiliates to NYMEX is the licensing of certain trademarks, trade names and service marks of Dow JonesSM, which is determined, composed and calculated by CME Indexes without regard to NYMEX or the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures. Dow Jones and CME Indexes have no obligation to take the needs of NYMEX or the owners of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures into consideration in determining, composing or calculating Dow Jones Mead/Marketplace Electricity Price IndexSM. Dow Jones, its affiliates and CME Indexes are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures to be listed or in the determination or calculation of the equation by which the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures are to be converted into cash. Dow Jones, its affiliates and CME Indexes have no obligation or liability in connection with the administration, marketing or trading of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures.

DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES MEAD/MARKETPLACE ELECTRICITY PRICE INDEXSM OR ANY DATA INCLUDED THEREIN AND DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY NYMEX, OWNERS OF THE DOW JONES MEAD/MARKETPLACE ELECTRICITY PRICE INDEX 5 MW PEAK SWAP FUTURES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES MEAD/MARKETPLACE ELECTRICITY PRICE INDEXSM OR ANY DATA INCLUDED THEREIN. DOW JONES, CME INDEXES, NYMEX AND THEIR RESPECTIVE AFFILIATES MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DOW JONES MEAD/MARKETPLACE ELECTRICITY PRICE INDEXSM OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES, CME INDEXES, NYMEX OR THEIR RESPECTIVE AFFILIATES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN CME INDEXES AND NYMEX, OTHER THAN THE LICENSORS OF CME INDEXES.

Chapter 761

Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures

761.01. SCOPE

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Prices (as defined in Rule 761.02).

761.02. FLOATING PRICE

The "Floating Price" will be determined for each contract month as follows:

The Floating Price will be equal to the arithmetic average of all daily prices in the contract month of the Dow Jones Mead/Marketplace Electricity Price IndexSM (the "Index"), as published by CME Group Index Services LLC, for Firm Energy traded during Off-Peak Hours (each as defined in Rule 761.03) (the "Firm Off-peak Index").

The Firm Off-peak Index averages together blocks of power sold in bilateral, wholesale, physical transactions for power (from both Mead/Marketplace and Westwing in Arizona) on a day-ahead pre-scheduled basis, and does not include real-time power. Transactions included in the Firm Off-peak Index are limited to power traded, (A) on Peak Days, in 8-hour blocks during Off-Peak Hours, and (B) on Sundays, in 24-hour blocks. Transactions are quoted in dollars per megawatt hour (\$/MWH). The daily price of the Firm Off-peak Index corresponds to transactions for power delivered on such date.

761.03. OFF-PEAK HOURS AND DAYS; FIRM ENERGY

"Off-Peak Hours" shall mean the Hours Ending (HE) 2300-0600 Prevailing Pacific Time, on Peak Days, together with the Hours Ending 0100-2400 on Sundays and North American Electric Reliability Corporation (NERC) holidays. (Note that, in addition to the Firm Off-peak Index daily prices for Peak Days (each for an 8-hour block), Sundays and NERC holidays (each for a 24-hour block) also are included within the meaning of "Off-Peak Hours" for the purposes of the contract and in the calculation of the average of daily prices and the determination of permitted transaction sizes.)

"Peak Days" shall mean Monday through Saturday, excluding NERC holidays.

"Firm Energy" shall meet minimum criteria of being financially firm and backed with liquidated damages.

761.04. CONTRACT QUANTITY AND TRANSACTION SIZES

The contract quantity shall be 5 megawatt hours (MWH).

Each futures contract shall be valued at the contract quantity multiplied by the settlement price (as per Rule 761.08).

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of Off-Peak Hours in the month.

761.05. CONTRACT MONTHS

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

761.06. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

761.07. TERMINATION OF TRADING

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

761.08. FINAL SETTLEMENT

Delivery under the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures 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 for a contract month will be the Floating Price as calculated for that contract month.

761.09. PAYMENT DATE

Five (5) business days following each contract month.

761.10. EXCHANGE FOR RELATED POSITION TRANSACTIONS

Any exchange for related position ("EFRP") transactions shall be governed by the provisions of Exchange Rule 538.

761.11. DISCLAIMER

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The Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures are not sponsored, endorsed, sold or promoted by Dow Jones, its affiliates or CME Indexes. Dow Jones, its affiliates and CME Indexes make no representation or warranty, express or implied, to the owners of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures or any member of the public regarding the advisability of investing in securities generally or trading in the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures particularly. The only relationship of Dow Jones and its affiliates to NYMEX is the licensing of certain trademarks, trade names and service marks of Dow JonesSM, which is determined, composed and calculated by CME Indexes without regard to NYMEX or the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures. Dow Jones and CME Indexes have no obligation to take the needs of NYMEX or the owners of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures into consideration in determining, composing or calculating Dow Jones Mead/Marketplace Electricity Price IndexSM. Dow Jones, its affiliates and CME Indexes are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures to be listed or in the determination or calculation of the equation by which the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures are to be converted into cash. Dow Jones, its affiliates and CME Indexes have no obligation or liability in connection with the administration, marketing or trading of the Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures.

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CASH MARKET OVERVIEW

Dow Jones Indexes¹ is a full-service index provider that develops, maintains and licenses indexes for use as benchmarks and as the basis of investment products. In addition to offering the Dow Jones Industrial Average, Dow Jones Indexes offers more than 130,000 equity indexes as well as fixed-income and alternative indexes, including measures of hedge funds, commodities and real estate. Dow Jones Indexes is part of CME Group Index Services LLC, a joint venture company which is owned 90 percent by CME Group Inc., parent company of New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") and 10 percent by Dow Jones & Company Corporation. The price for the proposed peak and off-peak electricity futures contracts contained in this submission will be based on the Dow Jones electricity indices. NYMEX has a license arrangement in place with Dow Jones Indexes for the use of Dow Jones Indexes' electricity indices.

1. Index Methodology²

Participants provide Dow Jones Indexes with price and volume information, which, in turn, is used to calculate the indexes. Participants in the hourly indexes are asked to provide Dow Jones with data by 10 a.m. prevailing time on the day after the transacted power moves. For the daily indexes, participants are asked to provide Dow Jones with data by 10 a.m. prevailing time on the power flow date. Although some Dow Jones U.S. Electricity Indexes are calculated for 365 days a year, publication occurs once a day on business days. If a holiday falls during the week, data is transmitted to Dow Jones on the first business day following a break. A confidentiality disclosure agreement with an audit provision is signed by both the participants and Dow Jones Indexes before the data is used. This agreement gives Dow Jones Indexes the ability to insist on a third party audit of the data to ensure that it is sound. Data submissions are used only to calculate the indexes and are not shared with other data providers or index users. This agreement also safeguards the privacy of the information submitted to Dow Jones Indexes and encourages index participants to submit accurate data. All indexes are volume weighted averages of bilateral, wholesale transactions which take place at defined delivery points. The two index points related to the proposed contracts under this submission are Dow Jones Palo Verde and Dow Jones Mead/Marketplace.

¹ <http://www.djindexes.com/aboutus/>

² The methodology description is available at <http://www.djindexes.com/literature/?index=transactionbased>

i. **Dow Jones Palo Verde³**

The Dow Jones Palo Verde Electricity Price IndexSM is comprised of volume weighted averages of specifically-defined bilateral, wholesale, physical transactions quoted in either dollars per megawatt hour (\$/MWh) or dollars per megawatt (\$/MW). Calculations for these indexes average power transactions from both Palo Verde and Westwing in Arizona.

Index participants provide Dow Jones with their itemized bilateral transactions and volume for eligible electricity products sold at Palo Verde and Westwing, as well as with any purchases made from entities not contributing to the indexes.

Participants are asked to provide Dow Jones with daily index data by 10 a.m. prevailing time at Palo Verde on the power flow date. Although some Dow Jones Electricity Indexes are calculated for 365 days year, publication occurs only on business days. If a holiday falls during the week, data is transmitted to Dow Jones on the first business day following a break.

The following definitions have been designed to insure that each index category represents a specific power product. Since each category has a unique definition, no single transaction can be included in more than one category. If a transaction does not precisely fit into an index category, it will not be included in the index calculations.

Firm Daily Indexes: The firm daily indexes average together blocks of power sold on a one-day forward pre-scheduled basis. No real-time power is included in these indexes. Transactions are limited to power traded in 16-hour blocks during on-peak hours and 8-hour blocks for off-peak. Transactions which call for delivery for more than one day are not included in calculations for these indexes. Transactions which call for delivery for more than one day are not included in calculations for these indexes except for the standard multi-day trading that occurs on Thursdays and Fridays and North American Electric Reliability Corporation (NERC) holidays. Multi-day trading that occurs as a result of schedulers' conferences or month end trading is also included. Trading must follow the standard Western Electricity Coordinating Council (WECC) trading schedule. Volume should be reported to Dow Jones as total megawatts transacted per hour.

³ The methodology description is available at <http://www.djindexes.com/mdsidx/?event=energyPaloVerdeD>

Firm Sunday and NERC Holidays Index: A 24-hour firm index will be published for Sundays and NERC holidays. Transactions included in this index are limited to power traded in 24-hour pre-scheduled blocks.

Non-firm Daily Indexes: The non-firm indexes combine one day ahead pre-scheduled transactions with real-time transactions. The non-firm indexes follow the same convention as the firm indexes with respect to single day delivery. Volumes reported for these indexes should reflect the total number of MWh transacted for the entire ON- or OFF-PEAK reporting period.

Revisions: Participants are encouraged to report any errors or revisions to submitted data promptly. Please note the revision and the reasons the revision are made.

Confidential Disclosure Agreement: A confidential disclosure agreement must be signed by both parties before participants data can be used for the calculation of this index.

Terminology

On-peak Hours: Hours ending 0700 - 2200 (6 a.m. - 10 p.m.) Pacific Time at Palo Verde, six (6) days a week including NERC holidays.

Off-peak Hours: Hours ending 2300 - 0600 (10 p.m. - 6 a.m.) Pacific Time at Mid-Columbia, six (6) days a week including NERC holidays.

Sunday & NERC 24 Hour: Energy delivered firm on Sundays and NERC holidays, hours ending 0100 - 2400 (12:00 midnight to 12:00 midnight).

NOTE: Since Arizona does not observe Daylight Savings Time, time-related definitions are based on Palo Verde prevailing time.

Firm Energy: Firm energy is defined as meeting minimum criteria of being financially firm and backed with liquidating damages.

Non-firm Energy: Non-firm energy is defined as being subject to interruption at any time for any reason. Any recall provision would be for less than one hour from the scheduled start of service.

Index Dates

Daily Indexes: INDEX DATE = POWER DELIVERY DATE

The date on a daily index corresponds to the date the power is delivered. For example, prescheduled power transacted on Monday for delivery on Tuesday is averaged to form Tuesday's index. For indexes that include real-time power, Monday's prescheduled transactions are combined with Tuesday's real-time transactions to form Tuesday's index.

ii. **Dow Jones Mead/Marketplace⁴**

The Dow Jones Mead/Marketplace Electricity Price IndexSM is comprised of volume weighted averages of specifically-defined bilateral, wholesale, physical transactions quoted in either dollars per megawatt hour (\$/MWh) or dollars per megawatt (\$/MW). Calculations for these indexes average power transactions from Eldorado, Marketplace, McCullough and Mead located in the Las Vegas region of the southwestern United States.

Index participants provide Dow Jones with their itemized bilateral transactions and volume for eligible electricity products sold at the Mead/Marketplace delivery points, as well as with any purchases made from entities not contributing to the indexes.

Participants are asked to provide Dow Jones with daily index data by 10 a.m. Pacific Time on the power flow date. Although some Dow Jones Electricity Indexes are calculated for 365 days year, publication occurs only on business days. If a holiday falls during the week, data should be transmitted to Dow Jones on the first business day following a break.

The following definitions have been designed to insure that each index category represents a specific power product. Since each category has a unique definition, no single transaction can be included in more than one category. If a transaction does not precisely fit into an index category, it will not be included in the index calculations.

Firm Daily Indexes: The firm daily indexes average together blocks of power sold on a one-day forward pre-scheduled basis. No real-time power is included in these indexes. Transactions are limited to power traded in 16-hour blocks during on-peak hours and 8-hour blocks for off-peak. Transactions which call for delivery for more than one day are not included in calculations for these indexes. Transactions which call for delivery for more than one day are not included in calculations for these indexes except for

⁴ The methodology description is available at <http://www.djindexes.com/mdsidx/?event=energyPaloVerdeD>

the standard multi-day trading that occurs on Thursdays and Fridays and NERC holidays. Multi-day trading that occurs as a result of schedulers' conferences or month end trading is also included. Trading must follow the standard WECC trading schedule. Volume should be reported to Dow Jones as total megawatts transacted per hour.

Firm Sunday and NERC Holidays Index: A 24-hour firm index will be published for Sundays and NERC holidays. Transactions included in this index are limited to power traded in 24-hour pre-scheduled blocks.

Non-firm Daily Indexes: The non-firm indexes combine one day ahead pre-scheduled transactions with real-time transactions. The non-firm indexes follow the same convention as the firm indexes with respect to single day delivery. Volumes reported for these indexes should reflect the total number of MWh transacted for the entire ON- or OFF-PEAK reporting period.

Revisions: Participants are encouraged to report any errors or revisions to submitted data promptly. Please note the revision and the reasons the revision are made.

Confidential Disclosure Agreement: A confidential disclosure agreement must be signed by both parties before participants data can be used for the calculation of this index.

Terminology

On-peak Hours: Hours ending 0700 - 2200 (6 a.m. - 10 p.m.) prevailing time at Market Place, seven (7) days a week including NERC holidays.

Off-peak Hours: Hours ending 2300 - 0600 (10 p.m. - 6 a.m.) prevailing time at Market Place, seven (7) days a week including NERC holidays.

Sunday & NERC 24 Hour: Energy delivered firm on Sundays and NERC holidays, hours ending 0100 - 2400 (12:00 midnight to 12:00 midnight).

NOTE: Since Arizona does not observe Daylight Savings Time, time-related definitions are based on Palo Verde prevailing time.

Firm Energy: Firm energy is defined as meeting minimum criteria of being financially firm and backed with liquidating damages.

Non-firm Energy: Non-firm energy is defined as being subject to interruption at any time for any reason. Any recall provision would be for less than one hour from the scheduled start of service.

Index Dates

Daily Indexes: INDEX DATE = POWER DELIVERY DATE

The date on a daily index corresponds to the date the power is delivered. For example, prescheduled power transacted on Monday for delivery on Tuesday is averaged to form Tuesday's index. For indexes that include real-time power, Monday's prescheduled transactions are combined with Tuesday's real-time transactions to form Tuesday's index.

- The Mead/Market Place on-peak and off-peak daily indexes are calculated seven days a week, including NERC holidays.
- The Mead/Market Place 24-Hour FIRM index will be calculated for Sundays and NERC Holidays.

2. Description of Delivery Points (Palo Verde and Mead Marketplace)

The Federal Energy Regulatory Commission (FERC) has jurisdiction over 150 utilities in different regions including the Southwest power market which includes Arizona, New Mexico, Colorado and parts of Nevada, Wyoming and South Dakota. Among the main switchyards in the Southwest market are Palo Verde and Mead/Marketplace.

Palo Verde: Palo Verde comprises the switchyard at the Palo Verde nuclear power station west of Phoenix, Arizona. The plant is owned by different individual utilities.

Mead: Mead comprises the switchyard at the Hoover Dam on the Colorado River, forming Lake Mead near Las Vegas, Nevada. Its grid operators are different individual utilities.

Both Palo Verde and Mead/Marketplace are a switchyard in the Western Electricity Coordinating Council (WECC). WECC⁵ is the Regional Entity responsible for coordinating and promoting bulk electric system reliability in the Western Interconnection. In addition, WECC is the successor to the Western Systems Coordinating Council (WSCC), which was formed in 1967 by 40 electric power systems serving all or part of the 14 Western States in the U.S., the two Canadian Provinces of British Columbia and

⁵ http://www.naspi.org/meetings/workgroup/2010_february/presentations/phasor_elements/wecc_wisp_pdc_rfi.pdf

Alberta, and a portion of the Baja Peninsula in Mexico. WECC was formed on April 18, 2002 by the merger of the WSCC, Southwest Regional Transmission Association, and Western Regional Transmission Association. WECC is geographically the largest and most diverse of the eight Regional Entities that have Delegation Agreements with the North American Electric Reliability Corporation (NERC). WECC's service territory includes the entire Western Interconnection, which comprises the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, New Mexico and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of CFE's system in Baja California in Mexico.

3. Generation Supply and Demand

Based on data provided by the U.S. Energy Information Administration (EIA), net generation in the Mountain region which includes Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming decreased 3.5% in March 2010 compared to March 2009. Net generation in the Pacific Contiguous region which encompasses California, Oregon, and Washington decreased 1.6% in March 2010 compared to March 2009. Table 1 below provides net generation by state in the Mountain and Pacific Contiguous regions.

Table 1: Net Generation by State⁶ (Thousand MWh)

Census Division and State	Total (All Sectors)		
	March 2010	March 2009	Percent Change
Mountain	28,268	29,282	-3.5
Arizona	8,187	8,188	0
Colorado	4,003	4,219	-5.1
Idaho	783	767	2.1
Montana	2,320	2,379	-2.5
Nevada	2,868	3,062	-6.4
New Mexico	2,535	3,099	-18.2
Utah	3,630	3,601	0.8
Wyoming	3,942	3,966	-0.6
Pacific Contiguous	28,836	29,300	-1.6
California	16,015	15,704	2
Oregon	4,824	5,165	-6.6
Washington	7,998	8,431	-5.1

⁶ http://www.eia.doe.gov/cneaf/electricity/epm/table1_6_a.html

Pacific Noncontiguous	1,404	1,397	0.5
U.S. Total	311,933	310,941	0.3

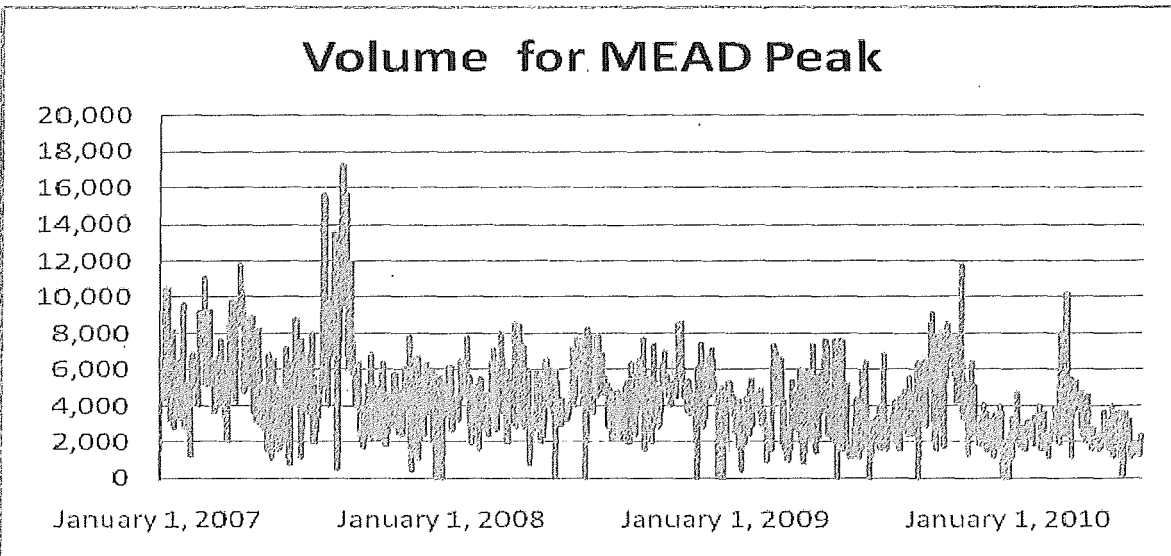
Source: EIA

According to FERC data⁷ which reports only 2005 levels, the generating capacity of the Southwest region was 45,459 MW. The capacity reserve was 8,940 MW. The region has a surplus of generating capacity, with much of the generation in Arizona and the Four Corners area. Transmission capacity to the California market is often fully utilized in the high load periods of the summer. In 2005, the regional reserve margin decreased from 2004 as demand growth outpaced supply additions. Peak demand was 36,519 MW which is an increase of 3.5% compared to the previous year.

4. Reported Transactions

Charts 1 through 4 below reflect transaction volume provided by Dow Jones & Company, Inc. for peak/off peak hours for both Mead and Palo Verde. The peak MWHS volume averages were 4,309 and 13,403 for Mead and Palo Verde, respectively. The off peak MWHS volume averages were 2,042 and 3,930 for Mead and Palo Verde, respectively.

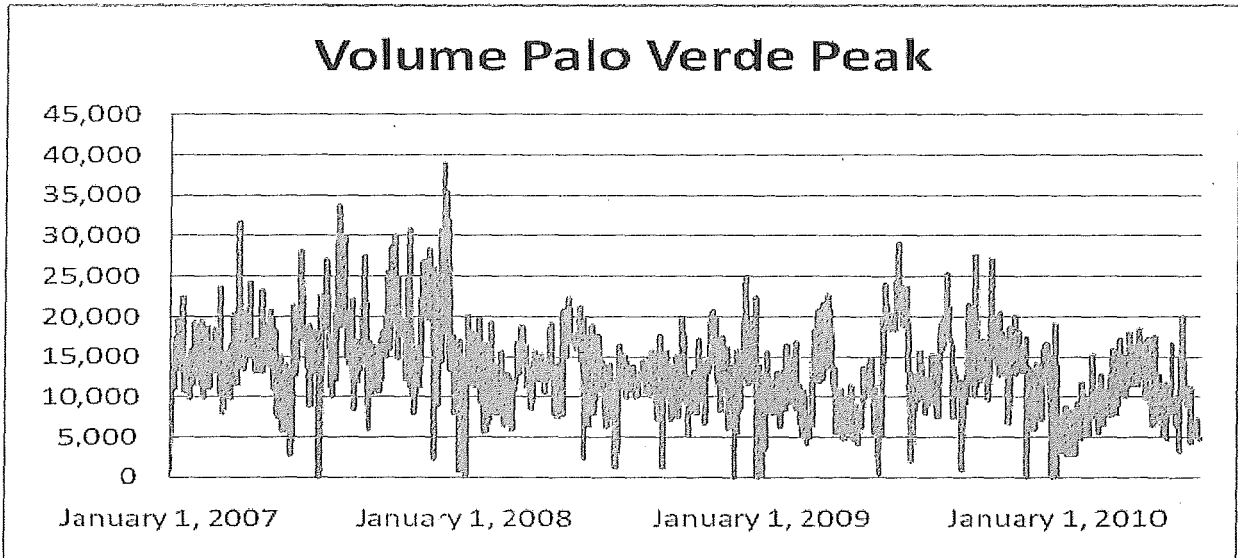
Chart 1: Volume for Peak Mead



Source: Dow Jones & Company, Inc.

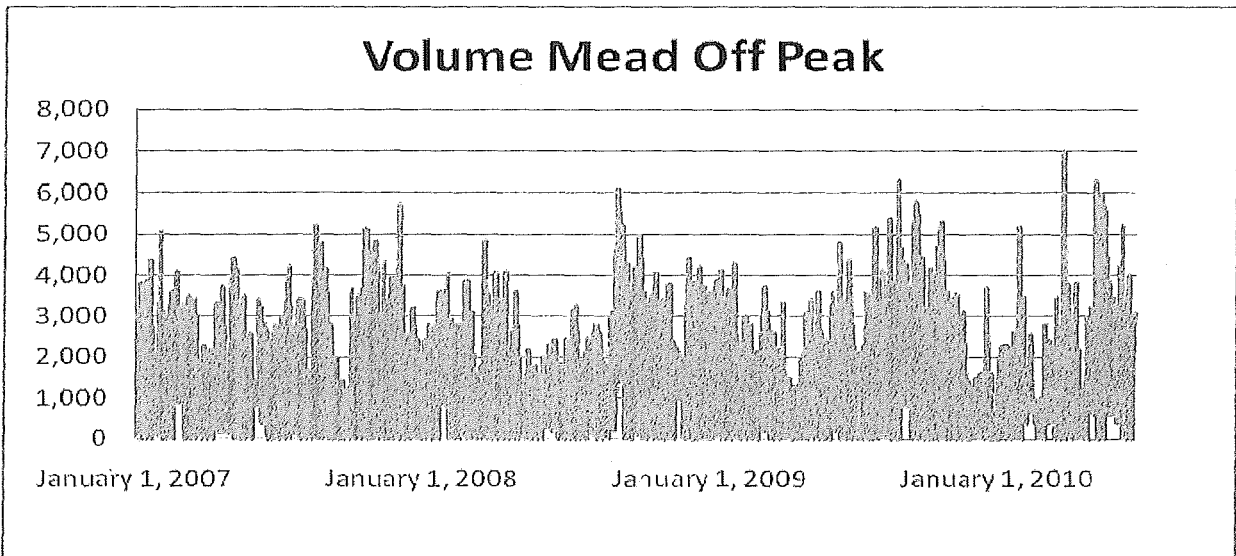
⁷ <http://www.ferc.gov/market-oversight/mkt-electric/southwest.asp>

Chart 2: Volume for Peak Palo Verde



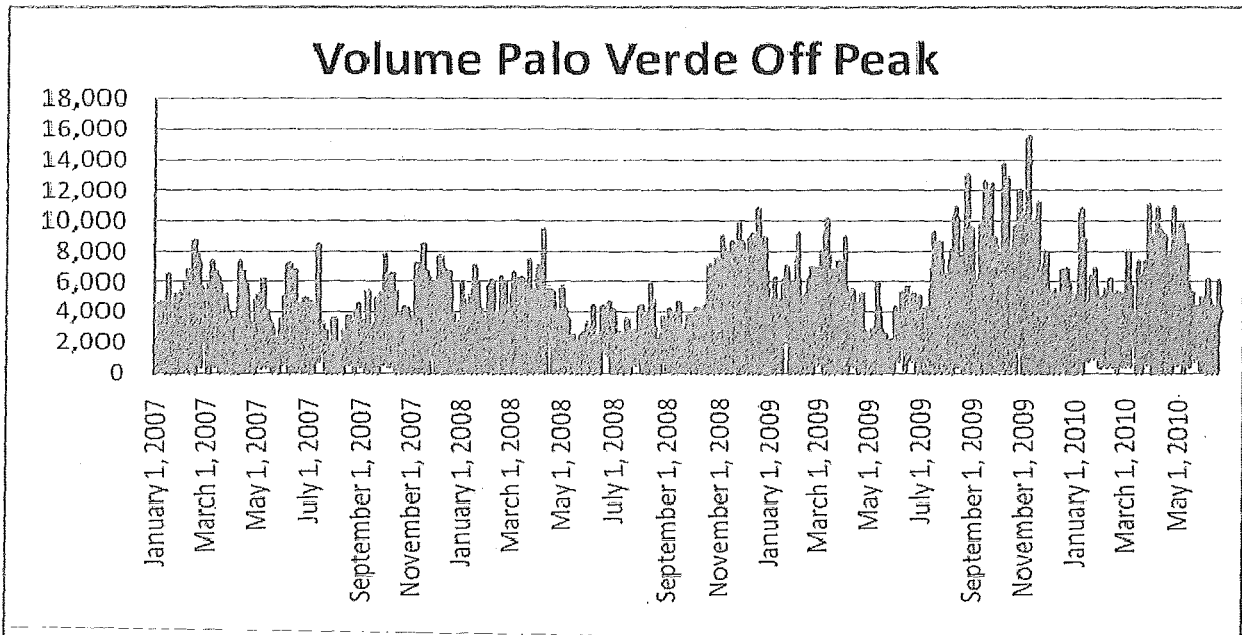
Source: Dow Jones & Company, Inc.

Chart 3: Volume for Off-Peak Mead



Source: Dow Jones & Company, Inc.

Chart 4: Volume for Off-Peak Palo Verde

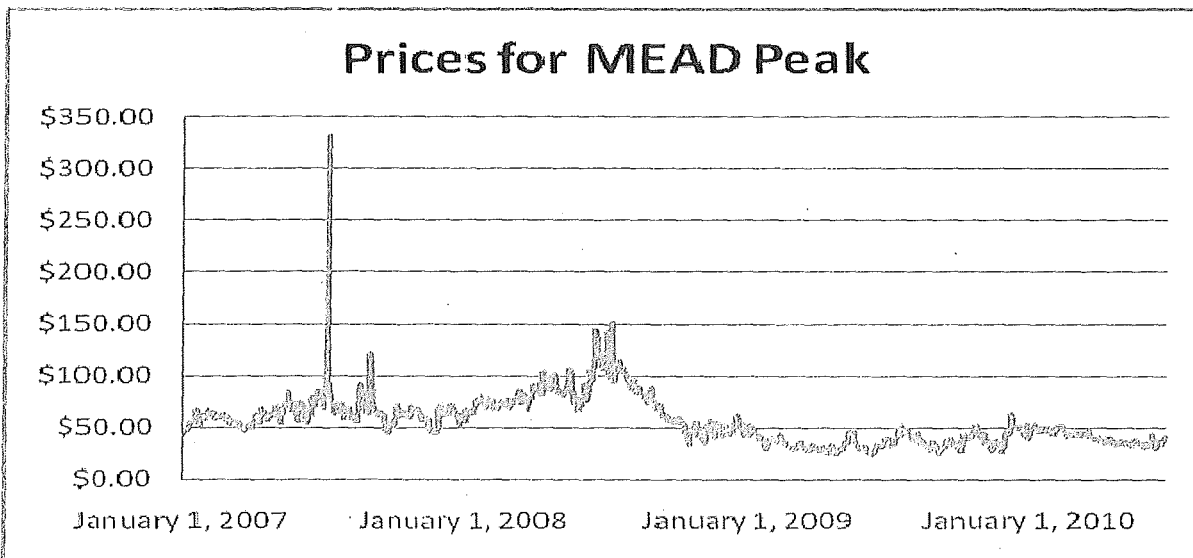


Source: Dow Jones & Company, Inc.

5. Prices

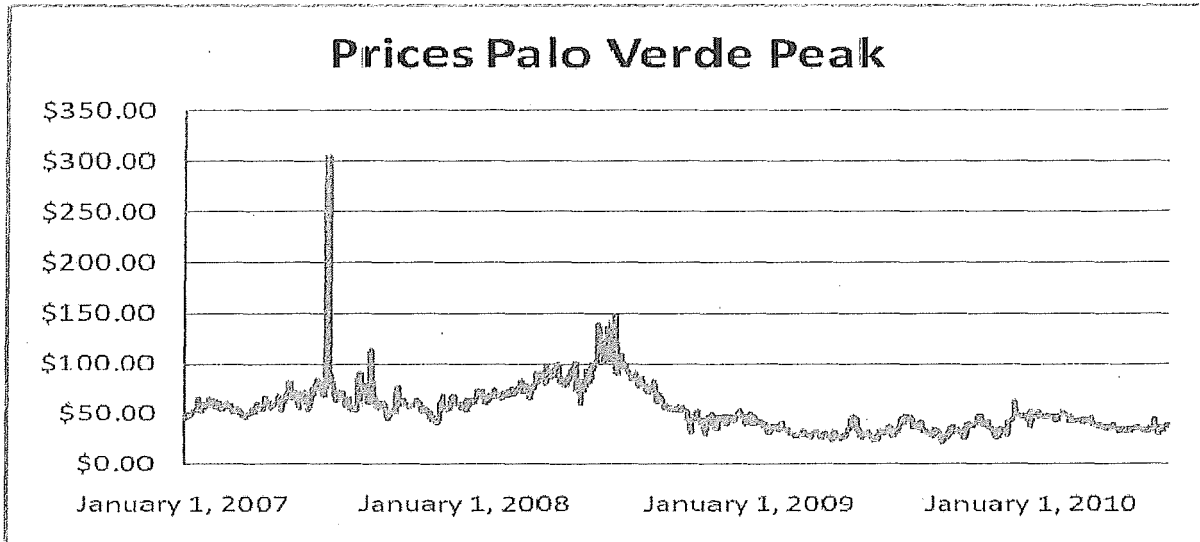
Charts 5 through 8 below reflect prices provided by Dow Jones & Company, Inc. for peak/off peak hours for both Mead and Palo Verde. The peak MWH price averages were \$56.42 and \$54.25 for Mead and Palo Verde, respectively. The off peak MWH price averages were \$39.58 and \$37.44 for Mead and Palo Verde, respectively.

Chart 5: Prices for Mead Peak



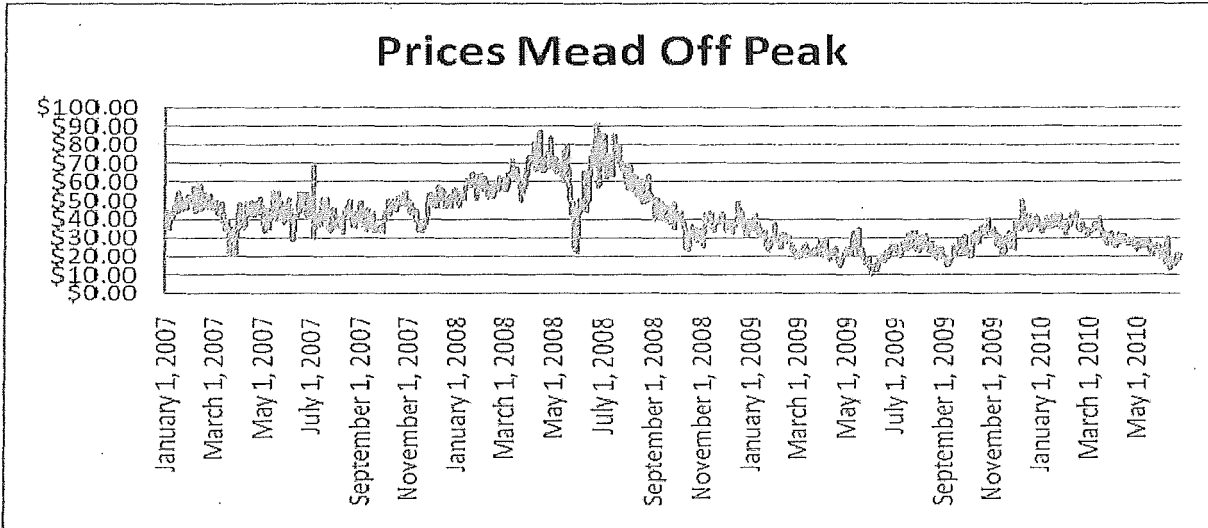
Source: Dow Jones & Company, Inc.

Chart 6: Prices for Palo Verde Peak



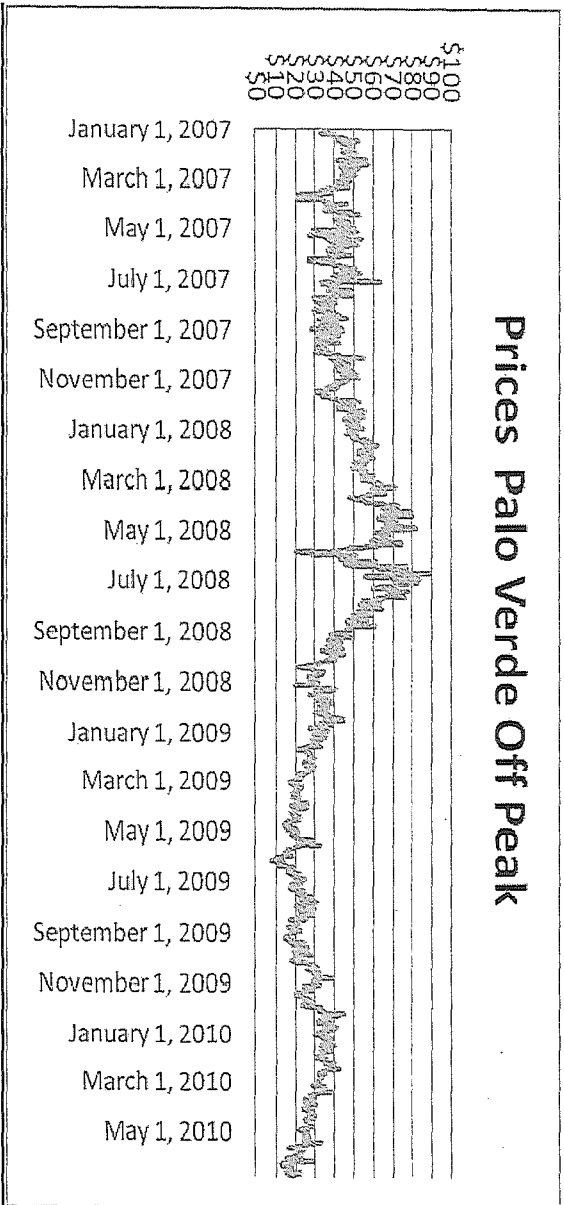
Source: Dow Jones & Company, Inc.

Chart 7: Prices for Mead Off-Peak



Source: Dow Jones & Company, Inc.

Chart 8: Prices for Palo Verde Off-Peak



Source: Dow Jones & Company, Inc.

ANALYSIS OF DELIVERABLE SUPPLY

Table I, below, provides the size of the Palo Verde, Mead and Marketplace physical and commercial markets for the fourth quarter of 2009. The data is derived from quarterly power marketer filings required by the Federal Energy Regulatory Commission (FERC). These filings report total MWh volume at named delivery locations. Reporting of market based activity to FERC includes both cash and OTC markets. The filings do not segment the reported transactions by peak/off-peak or transaction duration. Platts, a McGraw Hill Company, obtains the quarterly filings and publishes the aggregation. The Exchange, under subscription to Platts, receives the transaction volume based on the FERC filing reports.

There are two basic types of futures contracts proposed under this submission: peak and off-peak. For each, the underlying unit is 5 megawatts per hour. The peak contract is the financial equivalent of 5 MW per hour for each peak hour of a peak day—16 hours in total—leading to a contract size of 80 megawatt-hours (MWh). The off-peak contract is structured as one off-peak hour with a contract size of 5 MWh.

There are restrictions placed on transaction sizes of the peak contracts. Transactions of the peak contract must be conducted in multiples of the number of peak days in the contract month. This can range from 24-27 peak days. The combination of contract size and these transaction conditions will provide market participants with futures contracts that satisfy the need for a lower unit and a monthly commercial contract structure. Transactions of the off-peak contract are restricted to the total number of off-peak hours in the transaction month—approximately 288 hours depending on the month. The combination of contract size and these transaction conditions will provide market participants with futures contracts that satisfy the need for a lower unit and a monthly commercial contract structure.

“Peak Hours” shall mean the Hours Ending (HE) 0700-2200 Prevailing Pacific Time, on Peak Days (as defined below). “Peak Days” shall mean Monday through Saturday, excluding North American Electric Reliability Corporation (NERC) holidays. (Note that, although Firm On-peak Index daily prices are published for Sundays, Sundays are not included within the meaning of “Peak Days” for the purposes of the contract or in the calculation of the average of Peak Day daily prices and in the determination of permitted transaction sizes.)

"Off-Peak Hours" shall mean the Hours Ending (HE) 2300-0600 Prevailing Pacific Time, on Peak Days, together with the Hours Ending 0100-2400 on Sundays and NERC holidays. (Note that, in addition to the Firm Off-peak Index daily prices for Peak Days (each for an 8-hour block), Sundays and NERC holidays (each for a 24-hour block) also are included within the meaning of "Off-Peak Hours" for the purposes of the contract and in the calculation of the average of daily prices and the determination of permitted transaction sizes.)

Table I

Contract	MWh	MWh Per Month	Peak Adjustment (*0.56)	60% Day-Ahead Adjustment	Peak contract equiv 80 MWh	Off-Peak 5 MWh
Palo Verde	32,146,493	10,715,498	6,000,679	3,600,407	45,005	720,081
Mead	7,837,776	2,612,592	1,463,052	877,831	10,973	175,566
Marketplace	275,643	91,881	51,453	30,872	386	6,174
Mead/Marketplace	8,113,419	2,704,473	1,514,505	908,703	11,359	181,741

Source: 4Q09 Power Marketers Filing Volume in MWh

At the Palo Verde delivery point, according to the quarterly power marketer filings required by FERC for the fourth quarter of 2009 and provided by Platts, monthly power transactions (accounting for peak and day-ahead adjustments) was approximately 3.6 million megawatt hours. The monthly power marketer is equivalent to 45,005 peak contract units (peak contract size = 80 MWh) or 720,081 off-peak contract units (off-peak contract size = 5 MWh). Therefore, the Exchange has proposed to set spot month position limits for the peak futures contract at 3,500 contract units which represent approximately 7% of the peak and day ahead monthly adjustment at Palo Verde. For the off-peak futures contract, the Exchange has proposed to set spot month position limits at 60,000 contract units which represent approximately 8% of the peak and day ahead monthly adjustment at Palo Verde.

Platts does not aggregate power marketer megawatt hour at the Marketplace switchyard because of its lower liquidity compared to the other western market locations. Platts however identifies quarterly power transactions for Marketplace under individual company aggregations.

At the Mead/Marketplace delivery points, according to the quarterly power marketer filings required by FERC for the fourth quarter of 2009 and provided by Platts, monthly power transactions (accounting for peak and day-ahead adjustments) was approximately 877,831 megawatt hours. The monthly power marketer is equivalent to 11,359 peak contract units (peak contract size = 80 MWh) or 181,741 off-peak contract units (off-peak contract size = 5 MWh). Therefore, the Exchange has proposed to set spot month position limits for the peak futures contract at 2,000 contract units which represent approximately 18% of the peak and day ahead monthly adjustment at Mead. For the off-peak futures contract, the Exchange has proposed to set spot month position limits at 40,000 contract units which represent approximately 22% of the peak and day ahead monthly adjustment at Mead.

Market Participants

The following table highlights some of the more active participants in the Mead/Marketplace and Palo Verde markets.

Market Participants	Brokers
Morgan Stanley Capital Group	Prebon
Barclays Bank	Amerax
Cargill Power Markets	Spectron
Mirant Energy & Affiliates	TFS
Constellation Energy Commodities & Affiliates	ICAP
Credit Swiss Energy	
LS Power Development Affiliates	
Entegra Power Group	
Calpine Power & Affiliates	
Citigroup Energy	