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October 2, 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 #09-228: Notification Regarding the Listing of Four (4) New Natural Gas Liquids (NGLs) Average Price Option Contracts on CME ClearPort® and NYMEX Trading Floor

Dear Mr. Stawick:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of four (4) new average price option contracts on the NYMEX trading floor and CME ClearPort.

These new financially settled average price option contracts will be listed for open outcry trading on the NYMEX trading floor from 9:00 a.m. to 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays. They will also be listed for clearing through CME ClearPort for submission of an "exchange of Exchange energy options" for, or in connection with, an over-the-counter ("OTC") energy options product (hereinafter an exchange of options for options or "EOO") transaction pursuant to Rule 538, from 6:00 p.m. Sundays through 5:15 p.m. Fridays (New York Prevailing time), with a 45-minute halt in trading each day between 5:15 p.m. and 6:00 p.m., except on Exchange Holidays.

The Exchange will list the average price option contracts referenced below effective Sunday, October 11, 2009 for trade date Monday, October 12, 2009. The first contract month to be listed will be for the October 2009 contract month. The Exchange will list these contracts for 36 consecutive contract months. Upon each expiration, a new contract month will be listed such that there would be 36 consecutive contract months listed. The new contracts, corresponding rule chapters, commodity codes and underlying futures contracts codes are as follows:

New Average Price Option Contracts	Chapter	Code	Underlying Futures Code
Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option	409A	4H	B0
Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option	405A	4I	7Q
Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option	410A	4J	C0
Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option	411A	4K	D0

Reporting levels and Positions Limits/Accountability levels for these contracts are provided in a separate submission under separate cover.

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 trade date Monday, October 12, 2009.

Should you have any questions concerning the above, please contact Bob Biolsi (212) 299-2610, Dan Brusstar (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

Chapter 409A

Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option

409A.01. EXPIRATION

A Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option contract listed on the Exchange shall expire at the close of trading on the last business day of the calendar month. The expiration date shall be announced prior to the listing of the option contract.

409A.02. TRADING UNIT

A Mont Belvieu LDH Propane 5 Decimals (OPIS) average price call option traded on the Exchange represents the differential between the final settlement price of the underlying Mont Belvieu LDH Propane 5 Decimals (OPIS) Swap Futures contract less the strike price, or zero whichever is greater, multiplied by 42,000. A Mont Belvieu LDH Propane 5 Decimals (OPIS) average price put option represents the differential between the strike price and the final settlement price of the underlying Mont Belvieu LDH Propane 5 Decimals (OPIS) Swap Futures contract, or zero, whichever is greater, multiplied by 42,000.

409A.03. TRADING MONTHS

Trading in Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option contracts shall be conducted in the months as shall be determined by the Exchange. Trading shall commence on the day fixed by the resolution of the Exchange.

409A.04. HOURS OF TRADING

The contract is available for open outcry trading on the NYMEX trading floor Monday through Friday from 9:00 a.m. to 2:30 p.m. Eastern Prevailing Time/EPT (8:00 a.m. – 1:30 p.m. Central Prevailing Time/CPT), except on Exchange Holidays. The contract is cleared through CME ClearPort Sunday through Friday from 6:00 p.m. to 5:15 p.m. EPT (5:00 p.m. – 4:15 p.m. CPT) with a 45-minute break each day beginning at 5:15 p.m. EPT (4:15 p.m. CPT).

409A.05. STRIKE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Mont Belvieu LDH Propane 5 Decimals (OPIS) Swap Futures contracts in the corresponding delivery month rounded off to the nearest one-hundredth cent increment strike price unless such settlement price is precisely midway between two one-hundredth cent increment strike prices in which case it shall be rounded off to the lower one-hundredth cent increment strike price and (ii) the twenty one-hundredth cent increment strike prices which are twenty increments higher than the strike price described in (i) of this Rule 409A.05(A) and (iii) the twenty one-hundredth cent increment strike prices which are twenty increments lower than the strike price described in (i) of this Rule 409A.05

(B) Thereafter, on any business day prior to the expiration of the option (i) new consecutive one-hundredth cent increment strike prices for both puts and calls will be added such that at all times there will be at least twenty one-hundredth cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option contracts in which no new strike prices may be introduced.

409A.06. PRICES

Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of $.00001 per gallon. The minimum price increment will be $.00001.

409A.07. ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Mont Belvieu LDH Propane 5 Decimals (OPIS) Average Price Option contracts shall not be subject to price fluctuation limitations.

Chapter 405A
Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option

405A.01. EXPIRATION

A Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option contract listed on the Exchange shall expire at the close of trading on the last business day of the calendar month. The expiration date shall be announced prior to the listing of the option contract.

405A.02. TRADING UNIT

A Mont Belvieu Natural Gasoline 5 Decimals (OPIS) average price call option traded on the Exchange represents the differential between the final settlement price of the underlying Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Swap Futures contract less the strike price, or zero whichever is greater, multiplied by 42,000. A Mont Belvieu Natural Gasoline 5 Decimals (OPIS) average price put option represents the differential between the strike price and the final settlement price of the underlying Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Swap Futures contract, or zero, whichever is greater, multiplied by 42,000.

405A.03. TRADING MONTHS

Trading in Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option contracts shall be conducted in the months as shall be determined by the Exchange. Trading shall commence on the day fixed by the resolution of the Exchange.

405A.04. HOURS OF TRADING

The contract is available for open outcry trading on the NYMEX trading floor Monday through Friday from 9:00 a.m. to 2:30 p.m. Eastern Prevailing Time/EPT (8:00 a.m. – 1:30 p.m. Central Prevailing Time/CPT), except on Exchange Holidays. The contract is cleared through CME ClearPort Sunday through Friday from 6:00 p.m. to 5:15 p.m. EPT (5:00 p.m. – 4:15 p.m. CPT) with a 45-minute break each day beginning at 5:15 p.m. EPT (4:15 p.m. CPT).

405A.05. STRIKE PRICES

Trading shall be conducted for option contracts with strike prices in increments as set forth below.

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Swap Futures contracts in the corresponding delivery month rounded off to the nearest one-hundredth cent increment strike price unless such settlement price is precisely midway between two one-hundredth cent increment strike prices in which case it shall be rounded off to the lower one-hundredth cent increment strike price and (ii) the twenty one-hundredth cent increment strike prices which are twenty increments higher than the strike price described in (i) of this Rule 405A.05(A) and (iii) the twenty one-hundredth cent increment strike prices which are twenty increments lower than the strike price described in (i) of this Rule 405A.05

(B) Thereafter, on any business day prior to the expiration of the option (i) new consecutive one-hundredth cent increment strike prices for both puts and calls will be added such that at all times there will be at least twenty one-hundredth cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option contracts in which no new strike prices may be introduced.

405A.06. PRICES

Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of $.00001 per gallon. The minimum price increment will be $.00001.

405A.07. ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Mont Belvieu Natural Gasoline 5 Decimals (OPIS) Average Price Option contracts shall not be subject to price fluctuation limitations.

Chapter 410A
Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option

410A.01. EXPIRATION

A Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option contract listed on the Exchange shall expire at the close of trading on the last business day of the calendar month. The expiration date shall be announced prior to the listing of the option contract.

410A.02. TRADING UNIT

A Mont Belvieu Ethane 5 Decimals (OPIS) average price call option traded on the Exchange represents the differential between the final settlement price of the underlying Mont Belvieu Ethane 5 Decimals (OPIS) Swap Futures contract less the strike price, or zero whichever is greater, multiplied by 42,000. A Mont Belvieu Ethane 5 Decimals (OPIS) average price put option represents the differential between the strike price and the final settlement price of the underlying Mont Belvieu Ethane 5 Decimals (OPIS) Swap Futures contract, or zero, whichever is greater, multiplied by 42,000.

410A.03. TRADING MONTHS

Trading in Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option contracts shall be conducted in the months as shall be determined by the Exchange. Trading shall commence on the day fixed by the resolution of the Exchange.

410A.04. HOURS OF TRADING

The contract is available for open outcry trading on the NYMEX trading floor Monday through Friday from 9:00 a.m. to 2:30 p.m. Eastern Prevailing Time/EPT (8:00 a.m. – 1:30 p.m. Central Prevailing Time/CPT), except on Exchange Holidays. The contract is cleared through CME ClearPort Sunday through Friday from 6:00 p.m. to 5:15 p.m. EPT (5:00 p.m. – 4:15 p.m. CPT) with a 45-minute break each day beginning at 5:15 p.m. EPT (4:15 p.m. CPT).

410A.05. STRIKE PRICES

Trading shall be conducted for options with strike prices in increments as set forth below.

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Mont Belvieu Ethane 5 Decimals (OPIS) Swap Futures contracts in the corresponding delivery month rounded off to the nearest one-hundredth cent increment strike price unless such settlement price is precisely midway between two one-hundredth cent increment strike prices in which case it shall be rounded off to the lower one-hundredth cent increment strike price and (ii) the twenty one-hundredth cent increment strike prices which are twenty increments higher than the strike price described in (i) of this Rule 410A.05(A) and (iii) the twenty one-hundredth cent increment strike prices which are twenty increments lower than the strike price described in (i) of this Rule 410A.05

(B) Thereafter, on any business day prior to the expiration of the option (i) new consecutive one-hundredth cent increment strike prices for both puts and calls will be added such that at all times there will be at least twenty one-hundredth cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option contracts in which no new strike prices may be introduced.

410A.06. PRICES

Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of $.00001 per gallon. The minimum price increment will be $.00001.

410A.07. ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Mont Belvieu Ethane 5 Decimals (OPIS) Average Price Option contracts shall not be subject to price fluctuation limitations.

Chapter 411A
Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option

411A.01. EXPIRATION

A Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option contract listed on the Exchange shall expire at the close of trading on the last business day of the calendar month. The expiration date shall be announced prior to the listing of the option contract.

411A.02. TRADING UNIT

A Mont Belvieu Normal Butane 5 Decimals (OPIS) average price call option traded on the Exchange represents the differential between the final settlement price of the underlying Mont Belvieu Normal Butane 5 Decimals (OPIS) Swap Futures contract less the strike price, or zero whichever is greater, multiplied by 42,000. A Mont Belvieu Normal Butane 5 Decimals (OPIS) average price put option represents the differential between the strike price and the final settlement price of the underlying Mont Belvieu Normal Butane 5 Decimals (OPIS) Swap Futures contract, or zero, whichever is greater, multiplied by 42,000.

411A.03. TRADING MONTHS

Trading in Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option contracts shall be conducted in the months as shall be determined by the Exchange. Trading shall commence on the day fixed by the resolution of the Exchange.

411A.04. HOURS OF TRADING

The contract is available for open outcry trading on the NYMEX trading floor Monday through Friday from 9:00 a.m. to 2:30 p.m. Eastern Prevailing Time/EPT (8:00 a.m. – 1:30 p.m. Central Prevailing Time/CPT), except on Exchange Holidays. The contract is cleared through CME ClearPort Sunday through Friday from 6:00 p.m. to 5:15 p.m. EPT (5:00 p.m. – 4:15 p.m. CPT) with a 45-minute break each day beginning at 5:15 p.m. EPT (4:15 p.m. CPT).

411A.05. STRIKE PRICES

Trading shall be conducted for options with strike prices in increments as set forth below.

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Mont Belvieu Normal Butane 5 Decimals (OPIS) Swap Futures contracts in the corresponding delivery month rounded off to the nearest one-hundredth cent increment strike price unless such settlement price is precisely midway between two one-hundredth cent increment strike prices in which case it shall be rounded off to the lower one-hundredth cent increment strike price and (ii) the twenty one-hundredth cent increment strike prices which are twenty increments higher than the strike price described in (i) of this Rule 411A.05(A) and (iii) the twenty one-hundredth cent increment strike prices which are twenty increments lower than the strike price described in (i) of this Rule 411A.05

(B) Thereafter, on any business day prior to the expiration of the option (i) new consecutive one-hundredth cent increment strike prices for both puts and calls will be added such that at all times there will be at least twenty one-hundredth cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option contracts in which no new strike prices may be introduced.

411A.06. PRICES

Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of $.00001 per gallon. The minimum price increment will be $.00001.

411A.07. ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Mont Belvieu Normal Butane 5 Decimals (OPIS) Average Price Option contracts shall not be subject to price fluctuation limitations.

SUPPLEMENTAL MARKET INFORMATION

Price Source: OPIS

The final settlement of the four natural gas liquids average price option contracts is based on the final settlement of their respective underlying futures contracts. The price reporting service used for the final settlement of the underlying natural gas liquid (NGL) futures contracts is Oil Price Information Service (OPIS).

OPIS is the main pricing service that is used in the NGL market for pricing over-the-counter (OTC) swap contracts, and their methodology is well-known in the industry. The Exchange entered into a licensing agreement with OPIS to utilize their pricing data. OPIS has long-standing reputations in the industry for price benchmarks that are fair and not manipulated. The OPIS pricing methodology relies on telephone surveys and electronic data collected from dozens of market participants to determine market value. The OPIS pricing methodology is well-defined and is available at the link below (the OPIS methodology for propane and the various NGLs are listed under the Natural Gas Liquids section in the link): http://opisnet.com/methodology.asp#ngl

Propane and Natural Gas Liquids (NGLs) Market

The NGL complex, also called liquefied petroleum gases (LPGs), is composed of propane and other related natural gas liquids, ethane, and normal butane, and isobutane. The natural gasoline is also known as pentane. The NGLs are hydrocarbons that are not produced for their own sake, but are by-products of two other processes, natural gas processing and petroleum refining. Natural gas plant production of NGLs involves extracting materials such as propane and butane from natural gas to prevent these liquids from condensing and causing operational problems in natural gas pipelines. Similarly, when oil refineries make petroleum products such as gasoline and heating oil, some NGLs are produced as a by-product of those processes. It is important to understand that the by-product nature of NGL production means that the volume made available from natural gas processing and oil refining cannot be adjusted when prices and/or demand for NGLs fluctuate. In addition to these two processes, demand is met by imports of NGLs and by using stored inventories.

The main end-users for the various NGLs are the petrochemical and industrial companies, including plastics manufacturers. The manufacturing sector purchases the NGLs as inputs for their production process for plastic products and components. Ethane is a key input for the production of plastics. Butane is used as a gasoline-blending component in the wintertime to boost the RVP (Reid Vapor Pressure) to help with cold engine starts, and as a petrochemical feedstock. Natural gasoline is also used as a petrochemical feedstock and as a gasoline additive.

The EIA publishes monthly inventories data for the NGL or "Liquefied Petroleum Gases" market, with a detailed breakdown for each of the NGLs, including propane, ethane, normal butane, isobutene, and pentane (natural gasoline). The monthly EIA stocks can be viewed at the link below:
http://tonto.eia.doe.gov/dnav/pet/pet_stoc_typ_d_nus_SAE_mbbl_m.htm

The EIA provides production data on the NGL market under the heading of "propane/propylene" which refers to the NGL complex that includes propane, butane, ethane, isobutane, and natural gasoline. The total U.S. production of NGLs is currently around one million barrels per day. Gulf Coast NGL production is more than 600,000 barrels per day. The production of each of the NGLs (ethane, butane, isobutane, and natural gasoline) is estimated at around 100,000 to 150,000 barrels per day. The EIA refinery production data for NGLs for the U,S. and Gulf Coast area (known as Padd 3) appear at the link below:
http://tonto.eia.doe.gov/dnav/pet/pet_pnp_wiup_dcu_r30_w.htm

The EIA publishes weekly inventory and production data for propane at the link below:
http://tonto.eia.doe.gov/oog/info/hopu/hopu.asp

The main consumption areas for propane are in the Midwest and Northeast markets, which are supplied by the Louis Dreyfus pipeline from the Mont Belvieu hub in Houston via Conway, Kansas to the Midwest and New York markets. The monthly deliverable supply of propane in the Gulf Coast is around 8 million to 10 million barrels.

Although imports provide the smallest (about 10 percent) of domestic NGL supply, they are vital when consumption exceeds available domestic supplies. Propane and related NGLs can be imported via pipeline and rail car from Canada, and by sea from countries such as Algeria and Saudi Arabia.

The NGL market has an actively traded cash market trades primarily on the ICE Chemconnect platform. The average daily trading volume for each of the NGLs of ethane, butane, isobutane, and natural gasoline is approximately 150,000 to 200,000 barrels per day. The monthly deliverable supply for each of the NGLs is approximately 4 million barrels. The average size of the typical transaction in the cash market is 5,000 barrels. Forty to fifty transactions occur per day. There is diverse participation in the market.

In addition, there is a robust OTC swaps market in the NGL complex transacted by telephone brokers. The OTC market typically trades a cash-settled swap instrument based on the OPIS price assessment in increments of 42,000 gallons (or 1,000 barrels). The forward month activity in the OTC market is typically concentrated in the first 12 to 18 months. The key participants are refiners, traders, and financial companies, as listed below.

NGL Market Participants

The NGL cash market and OTC market participants are diverse and include 30 to 40 wholesalers and retailers. A partial listing is as follows:

Refiners	**Traders/Retailers**	**Brokers**	**Financial**
ConocoPhillips	Louis Dreyfus	Liquidity Partners	Barclays
Valero	Vitol	Nuevo	Citibank
Shell	Agway	Nordisco	JP Morgan
ExxonMobil	Koch	Houston Merc	Morgan Stanley
BP	Fortis	Echo Energy	Goldman Sachs
Sunoco	Cargill	Man Financial	
Hess	Blue Flame	Newedge Financial	
Lyondell	Amerigas	Lozier Energy	
	Transammonia		
	Suburban Propane		
	Sempra		

OTC Forward Markets

While it is not possible to document the OTC derivatives markets in Natural Gas Liquids, experience with the underlying futures contracts demonstrates an active forward markets. The Exchange believes that this represents the best estimate for OTC forward market activity. In 2008, the average daily volume for the underlying futures markets for the proposed average price options was as follows:

Similar Underlying Swaps	**2008 Average Daily Volume**
Mont Belvieu Normal Butane	203
Mont Belvieu Natural Gasoline	262
Mont Belvieu Ethane	231
Mont Belvieu Propane	262