

October 21, 2013

VIA E-MAIL

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: CFTC Regulation 40.6(a) Certification. Notification Regarding the Delisting of Two (2) In Delivery Month Certified Emission Reduction (CER) Contracts NYMEX Submission #13-505

Dear Ms. Jurgens,

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 delisting of two (2) In Delivery Month Certified Emission Reduction (CER) contracts effective immediately, as set out in the table below:

Product Name	Clearing Code	NYMEX Rule Chapter
In Delivery Month Certified Emission Reduction (CER) Futures	6S	1253
In Delivery Month Certified Emission Reduction (CER) Option	6P	1254

These contracts will be delisted from CME Globex and CME ClearPort, the venues on which they are currently listed. There is no open interest in these contracts.

NYMEX business staff responsible for the delisting of the contracts and the NYMEX Legal Department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX staff identified that the delisting of the contracts may have some bearing on the following Core Principles:

- Emergency Authority: There is no open interest in these contracts, and therefore there will be no market disruption related to their delisting.
- Availability of General Information: Notice will be made of the contracts' delisting, and upon delisting, the terms and conditions of these contracts will no longer be available to the marketplace.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Regulation 40.6(a), the Exchange hereby certifies that the delisting of these contracts complies with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or Christopher.Bowen@cmegroup.com.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments:

Appendix A – Amendments to NYMEX Position Limit Table (under separate cover)
Appendix B – NYMEX Rulebook Revision

Appendix A

Amendments to NYMEX Chapter 5 Position Limit Table
(Under Separate Cover)

Appendix B

(strikethrough indicates deletion)

~~Chapter 1253~~

~~In-Delivery Month Certified Emission Reduction (CER) Futures~~

~~1253100. SCOPE OF CHAPTER~~

~~This chapter is limited in application to In-Delivery Month Certified Emission Reduction (CER) futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7B shall be governed by the general rules of the Exchange.~~

~~The provisions of these rules shall apply to all Certified Emission Reductions, issued pursuant to Articles 12 and 17 of the Kyoto Protocol, bought or sold for future delivery on the Exchange with the Delivery at the Registry (UK).~~

~~The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. The seller's clearing member and buyer's clearing member may utilize a designee to perform their respective and necessary obligations with regard to transferring and accepting Certified Emission Reductions at the Registry (UK).~~

~~The term "CDM" or "Clean Development Mechanism" shall mean a mechanism established by Article 12 of the Kyoto Protocol for project based emission reduction activities in developing countries.~~

~~The term "Clean Development Mechanism Executive Board" or "CDM EB" shall mean the following: The CDM EB registers validated project activities as CDM projects, issues certified emission reductions to relevant projects participants, and manages series of technical panels and working groups meetings.~~

~~The term "EUTL" shall mean the independent transaction log provided for in Article 20(1) of the Directive, the operation of which is further detailed in the Registries Regulation.~~

~~The term "ITL" shall mean the International Transaction Log. All transactions between registries are maintained by transaction logs which verify the validity of transactions.~~

~~The term "Community Independent Transaction Log" or "CITL" shall mean the predecessor log to the EUTL provided for in Article 20(1) of the Directive, for the purpose of recording the issue, transfer and cancellation of CERs under the EU ETS and established, operated and maintained pursuant to Article 5 of the Registry Regulations. The EU Commission established and is the Administrator of the CITL for transfers involving EU Member States. Transfers involving EU Entities entail an additional step from the ITL to the CITL under the Kyoto Protocol for transfers of CERs between national Registries.~~

~~The term "Communication Link" shall mean the electronic exchange of messages/notifications (1) by which a buyer and seller communicate with a Registry, and/or (2) by which a Registry communicates with CITL or EUTL, and/or (3) by which CITL or EUTL communicates with the ITL (where applicable), and/or (4) by which a Registry communicates with the ITL (where Applicable), and/or (5) by which the UNFCCC communicates with the CDM Registry (where applicable), which in any case is necessary to facilitate a transfer.~~

~~The term "Registry (UK)" shall mean the Registry under the jurisdiction of the United Kingdom (collectively being the holding accounts within the Union Registry that are under the jurisdiction of the United Kingdom).~~

~~The term "Registry" shall mean any registry in an EU Member State meeting the eligibility criteria and which has implemented the Linking Directive in a manner that authorizes private persons to hold CERs and has Person Holding Accounts established in order to ensure the accurate accounting of the issue of holding, transfer, acquisition, surrender, cancellation, and replacement of CERs under the EU ETS, and which has been identified as a Registry by the Clearing House from time to time for the purpose of this futures contract. For the avoidance of doubt, references to a Registry shall include (i) the Union Registry and (ii) collectively the holding accounts within the Union Registry that are under the jurisdiction of a single Member State. In the case of (ii), such holding accounts will together be deemed to be a Registry for that Member State.~~

~~The term "Registry Regulations" shall mean the EU Commission Regulation (EC) No 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council, as amended from time to time including by EU Commission Regulation (EC) No.916/2007.~~

~~The term "Union Registry" shall mean the Registry referred to as the "Community registry" in Article 19(1) of the Directive. For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the prevailing time in the United Kingdom.~~

~~1253101. CONTRACT SPECIFICATIONS~~

~~The contract specifications for delivery on futures contracts shall apply to all Certified Emission Reductions, issued pursuant to Articles 12 and 17 of the Kyoto Protocol, with delivery at the Registry (UK).~~

~~Certified Emission Reduction ("CER") shall mean a unit issued pursuant to Articles 12 and 17 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol which may be used for compliance purposes under the European Union Emissions Trading Scheme ("EU ETS") in accordance with Article 11a(3)(a) and (b) of the Directive 2003/87/EC (as amended from time to time) and the Linking Directive 2004/101/EC as implemented into Member State law. CERs from nuclear facilities, land use, land use change and forestry activities (LULUCF), and hydroelectric projects with generating capacities exceeding 20 MW are excluded from this definition.~~

1253102. TRADING SPECIFICATIONS

Trading in In-Delivery Month Certified Emission Reduction (CER) futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

1253102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

1253102.B. Trading Unit

The contract unit shall be one thousand (1,000) CERs for a delivery made by transfer through the Registry (UK).

1253102.C. Price Increments

The minimum price fluctuation shall be €0.01 per CER (€0.00 per contract). Prices shall be quoted in Euro and Euro cents per CER.

1253102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1253102.E. Termination of Trading

No trades in In-Delivery Month Certified Emission Reduction (CER) futures in the expiring contract month shall be made after the last Monday of the delivery month for such expiring contract. If the last Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the last Monday of the delivery month, trading shall cease on the penultimate Monday of the delivery month. If the penultimate Monday of the delivery month occurs on a UK Bank Holiday or, if a UK Bank Holiday occurs on any of the four (4) days following the penultimate Monday of the delivery month, trading shall cease on the antepenultimate Monday of the delivery month. Any contracts remaining open after the last day of trading must be either:

(a) Settled by delivery which shall take place in accordance with Rule 1253105; or

(b) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract at any time before 6:00 p.m. on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

1253103. DELIVERY

At the registry designation of the buyer's clearing member, CER delivery shall take place by electronic transfer of CERs at the Registry (UK). The registry will be designated by the buyer's clearing member, and it must satisfy "Eligibility Criteria" for international emissions trading specified in Article 17 of the Kyoto Protocol and Decision 11/CMP.1. Notwithstanding the use of a designee, all clearing members will remain ultimately responsible for performance of all applicable contract terms specific to sellers' clearing members and buyers' clearing members.

1253104. DELIVERY PROCEDURES

The Exchange is a party to all deliveries under this contract and will receive CERs from the seller's clearing member into the Clearing House Holding Account of the Registry (UK). Following receipt from the seller's clearing member, the Exchange will deliver CERs to the buyer's clearing member from the Clearing House Holding Account to the Registry (UK) Holding Account nominated by the buyer's clearing member.

The seller's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respect material to the submission of the forms noted in this rule. The buyer's clearing member shall comply with such requirements and obligations imposed by or under applicable Registry Regulations in all respect material to ensure the acceptance of a valid transfer into its Holding Account. If a provision of the rules of this Chapter or the Exchange rules is inconsistent with a provision of the Registry Regulations, the provision of the rules of this Chapter and the Exchange rules shall prevail as between the buyer's clearing member, seller's clearing member, and the Exchange to the extent of such inconsistency and to the extent permitted by law.

By transferring CERs to the Exchange, the seller's clearing member represents and warrants that, at the time of delivery, it has good and marketable title to such CERs, and that such CERs are free and clear of all liens, security interests, claims, encumbrances and adverse claims.

1253104.A. Responsibilities of Clearing Members

1. Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name of the buyer, the number of contracts to be accepted, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

2. Notice of Intention to Deliver

Exchange-clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 10:00 p.m. on the final day of trading of the delivery month. The Notice of Intention to Deliver must be in the form prescribed by the Exchange, and must be properly completed, indicate the name of the seller, the number of contracts to be delivered, the Registry (UK) Account Number, the name, telephone number and e-mail address of the Authorized Representative(s) for that Registry account, and any additional information as may be required by the Exchange.

1253104.B. Final Settlement Price

The final settlement price shall be the basis for delivery.

1253104.C. Assignment Day The Clearing House shall allocate Notices of Intention to Accept and Notices of Intention to Deliver by matching positions, to the extent possible.

The Clearing House shall provide Assignment Notice Reports to the respective Clearing Members on the final day of trading of the delivery month.

1253105. TIMING OF DELIVERY

1. The seller's clearing member shall transfer CERs subject to delivery to the Clearing House Holding Account of the Registry (UK) by 6:30 p.m. on the first business day after the final day of trading of the delivery month.

2. For each buyer's clearing member that has satisfied its obligations under subsection (4) of this rule, the Clearing House shall initiate the process of transferring the CERs to the buyer's clearing member's account at the Registry (UK) by 7:00 p.m. on the first business day after the final day of trading of the delivery month.

3. The buyer's clearing member shall receive CERs from the Clearing House Holding Account of the Registry (UK) by 3:00 p.m. on the second business day after the final day of trading of the delivery month.

4. The buyer's clearing member shall deposit/transfer Euro currency equal to the full value of the product to the designated Clearing House bank account by 2:00 p.m. on the business day following the last day of trading of the delivery month.

5. For each seller's clearing member that has satisfied its obligations under subsection (1) of this rule, the Clearing House shall pay the seller's clearing member the full contract value by 3:00 p.m. on the second business day following the last day of trading of the delivery month.

1253106. DELIVERY MARGINS AND PAYMENT

1253106.A. Definitions

For purposes of this Rule 1253106,

"Payment Date" shall mean the date on which the Clearing House transfers Payment in connection with a delivery to a seller's clearing member.

"Payment" shall include the final settlement price times the number of contracts times 1,000.

1253106.B. Margin

The buyer's clearing member and seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Clearing House. Such margins shall be returned on the business day following notification to the Exchange that delivery and Payment have been completed.

1253106.C. Payment

Any Payment made on the Payment Date shall be based on CERs that the seller's clearing member is obligated to deliver pursuant to the applicable delivery.

1253107. VALIDITY OF DOCUMENTS

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

1253108. ALTERNATIVE DELIVERY PROCEDURE

A seller and buyer matched by the Exchange under Rule 1253104.C may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

Chapter 1254

In Delivery Month Certified Emission Reduction (CER) Option

1254100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on In Delivery Month Certified Emission Reduction (CER) futures contracts. In addition to the rules of this chapter, transactions in options on In Delivery Month Certified Emission Reduction (CER) futures shall be subject to the general rules of the Exchange insofar as applicable.

1254101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1254101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1254101.B. Trading Unit

An In Delivery Month Certified Emission Reduction (CER) option traded on the Exchange represents an option to assume a short or long position in the underlying In Delivery Month Certified Emission Reduction (CER) futures contract at the strike price.

1254101.C. Price Increments

The minimum price fluctuation is ~~€~~0.01 per CER. Prices shall be quoted in Euros (€) and Euro cents (¢) per CER. A cabinet trade may occur at a price of €1.00 per contract, however, if it results in the liquidation of positions for both parties to the trade.

1254101.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1254101.E. Termination of Trading

The option contract shall expire at the close of trading three business days prior to the expiration of the underlying In Delivery Month Certified Emission Reduction (CER) futures contract.

1254101.F. Type Option

The option is a European style option which can only be exercised into the underlying futures on expiration day.

1254102. EXERCISE PRICES

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

1. 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 In Delivery Month Certified Emission Reduction (CER) futures contract in the corresponding delivery month rounded off to the nearest fifty cent increment strike price, (ii) the ten fifty cent increment strike prices which are ten increments higher than the strike price described in subsection (i) of this rule, and (iii) the ten fifty cent increment strike prices which are ten increments lower than the strike price described in subsection (i) of this rule.
2. Thereafter, on any business day prior to the expiration of the option contract, new consecutive strike prices for both puts and calls will be added such that there will be ten increments above and below the at the money option.
3. Notwithstanding the provisions of subsections (1) and (2) of this rule, if the Exchange determines that trading in the option contract will be facilitated thereby, the Exchange may 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 an option contract in which no new strike prices may be introduced.

Contract Name	Rule Chapter	Commodity Code	Contract Size	Contract Units	Type
In-Delivery Month Certified Emission Reduction (CER) Option	1254	6P	—1,000	Certified Emission	Eu-Option
In-Delivery Month Certified Emission Reduction (CER) Futures	1253	6S	—1,000	Certified Emission	Futures

					Spot-1			
Settlement	Group	Diminishing Balance Contract	Reporting Level	Spot-Month position comprised of futures and deliveries	Spot-Month	Spot-Month	Spot-Month	Spot-Month
					Aggregate Into Futures Equivalent Leg (1)	Aggregate Into Futures Equivalent Leg (2)	Aggregate Into Ratio Leg (1)	Aggregate Into Ratio Leg (2)
Exercises into Physical Future	Emissions		25		6\$		1-6P-1-6\$	
Physically Settled Futures	Emissions		25		6\$			

Month				Single Month					
Spot-Month Accountability Level	Initial Spot- Month Limit (In Net Futures Equivalents) Leg (1) / Leg (2)	Initial Spot- Month Limit Effective Date	Spot-Month Limit (In Contract Units) Leg (1) / Leg (2)	Single Month Aggregate Into Futures Equivalent Leg (1)	Single Month Aggregate Into Futures Equivalent Leg (2)	Single Month Aggregate Into Ratio Leg (1)	Single Month Aggregate Into Ratio Leg (2)	Single Month Accountability Level Leg (1) / Leg (2)	Single Month Limit (In Net Futures Equivalents) Leg (1) / Leg (2)
	8,700	For 6S: Close of	8,700,000	6S		1-6P: 1-6S		20,000	
	8,700	Close of trading	8,700,000	6S				20,000	

All Month

All Month Aggregate Into Futures Equivalent Leg (1)	All Month Aggregate Into Futures Equivalent Leg (2)	All Month Aggregate Into Ratio Leg (1)	All Month Aggregate Into Ratio Leg (2)	All Month Accountability Level Leg (1) / Leg (2)	All Month Limit (In Net Futures Equivalents) Leg (1) / Leg (2)
		1.6P : 1.6S		30,000	
6S				30,000	