CME Group

A CME/Chicago Board of Trade/NYMEX Company

October 29, 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

2009 OCT 30 PM 12:15
OFFICE OF THE SECRETARIAT
C.F.T.C.

RE: Rule Certification. New York Mercantile Exchange, Inc. Submission #09-255: Notification Regarding the Listing of Options on Futures Strips for Natural Gas, PJM Electricity, Crude Oil and Central Appalachian Coal on the NYMEX Trading Floor and CME ClearPort®

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 seven options that exercise into futures strips of varying lengths on four of its commodities: Natural Gas, Crude Oil Calendar Swaps, PJM Electricity, and Central Appalachian Coal effective trade date Monday, November 2, 2009. For Natural Gas, the Exchange is listing three options of varying strip lengths: Calendar, Summer and Winter. For Crude Oil, the Exchange is listing two options of varying strip lengths: Calendar and Quarterly. With regard to PJM Electricity and Central Appalachian Coal, each will have only one option on an annual futures strip. Each of these options will exercise into the underlying futures strip as well as trade competitively on the trading floor and be submitted for clearing through CME ClearPort.

Expiration dates vary by commodity. For the Natural Gas and Crude Oil options on strips, expiration will take place three business days prior to the first futures month in the underlying strip. For the PJM Electricity option, expiration will take place on the second Friday prior to the delivery month while for the Central Appalachian Coal, expiration will take place on the first business day in the month prior to the delivery month.

The options on futures strips will be listed for open outcry trading during the hours of 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays. The options on futures strips will also be listed for clearing through CME ClearPort for submission of an Exchange of Options for Options ("EOO") transaction pursuant to Exchange 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 contracts, commodity codes and rule chapters are:

Contract	Chapter	Option Commodity Code
Natural Gas Option On Calendar Futures Strip	351	6J
Natural Gas Option On Summer Futures Strip	352	4D
Natural Gas Option On Winter Futures Strip	353	6I
Crude Oil Option on Calendar Futures Strip	357	6F
Crude Oil Option on Quarterly Futures Strip	356	6E
PJM Electricity Option on Calendar Futures Strip	354	6O
Central Appalachian Coal Option on Calendar Futures Strip	358	6M

The initial contract listing schedule is as follows:

The first listed contract month for the Calendar Futures Strips and Quarterly Futures Strips shall be the January 2010 contract month. The first listed contract month for the Summer Futures Strip shall be the April 2010 contract month. The first listed contract month for the Winter Futures Strip shall be the November 2010 contract month. Options on Futures Strips will be listed in accordance with the following schedule:

- Options on Calendar Futures Strips for PJM, Crude Oil, and Natural Gas will list 5 consecutive years for the years 2010 through 2014. Upon expiration a new year will be listed.
- Options on Calendar Futures Strip for Central Appalachian Coal will list 4 consecutive years for the years 2010 through 2013. Upon expiration a new year will be listed.
- Crude Oil Option on Quarterly Futures Strip will list the nearest 4 consecutive quarters for January 2010 through March 2010, April 2010 through June 2010, July 2010 through September 2010, and October 2010 through December 2010 futures strips. Upon expiration, a new quarterly strip will be listed.
- Natural Gas will have 1 Summer Strip – 1 contract month for April 2010 through October 2010 futures strip. Upon expiration a seasonal strip will be listed.
- Natural Gas will have 1 Winter Strip – 1 contract month for November 2010 through March 2011 Futures Strip. Upon expiration a new seasonal strip will be listed.

These Option contracts will be listed for open outcry trading on the NYMEX trading floor beginning with trade date Monday, November 2, 2009. They will also be listed for clearing through CME ClearPort beginning at 6:00 p.m. (New York Prevailing time) on Sunday, November 1, 2009 for trade date Monday, November 2, 2009 and will be available during normal hours on CME ClearPort.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rules 40.2 and 40.6, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact Bob Biolsi at (212) 299-2610 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 351
Natural Gas Option on Calendar Futures Strip

351.01 EXPIRATION

A Natural Gas Option on Calendar Futures Strip contract shall expire three business days prior to the termination of the first underlying Henry Hub Swap Futures (NN) contract.

351.02 TYPE OPTION

A Natural Gas Option on Calendar Futures Strip is a European-style option contract.

351.03 TRADING UNIT

On expiration of a call option, the long position will be assigned twelve consecutive long futures months beginning with the underlying January month of long Henry Hub Swap Futures (NN) contracts at the strike price. On exercise of a put option, the long position will be assigned twelve consecutive short futures months beginning with the underlying January month of short Henry Hub Swap Futures (NN) contracts at the strike price.

351.04 HOURS OF TRADING

The Natural Gas Option on Calendar Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The Natural Gas Option on Calendar Futures Strip contract is available for clearing through CME ClearPort® 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.

351.05 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 average settlement price for the underlying Henry Hub Swap Futures strip of futures rounded off to the nearest five-cent increment, unless such settlement price is precisely midway between two five-cent increments in which case it shall be rounded off to the lower five-cent increment; (ii) the ten strike prices which are ten five-cent increments higher than the strike price described in section (i) of this Rule 351.05(A); and (iii) the ten strike prices which are ten five-cent increments lower than the strike price described in section (i) of this Rule 351.05(A).

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten five-cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 351.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Natural Gas Option on Calendar Futures Strip contract 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 Natural Gas Option on Calendar Futures Strip contract in which no new strike prices may be introduced.

351.06 TRADING MONTHS

Trading in Natural Gas Option on Calendar Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

351.07 PRICES

Prices shall be quoted in dollars and hundredths of cents per MMBtu. The minimum price increment will be one-hundredth of a cent ($0.0001) per MMBtu.

351.08 ABSENCE OF PRICE FLUCTUATION

Trading in Natural Gas Option on Calendar Futures Strip contract shall not be subject to price fluctuation limitations.

Chapter 352
Natural Gas Option on Summer Futures Strip

352.01 EXPIRATION

A Natural Gas Option on Summer Futures Strip contract shall expire three business days prior to the underlying April NYMEX Henry Hub Natural Gas Swap (NN) contract.

352.02 TYPE OPTION

A Natural Gas Option on Summer Futures Strip is a European-style option.

352.03 TRADING UNIT

On expiration of a call option, the long position will be assigned seven consecutive long futures months beginning with the underlying April month of long Henry Hub Natural Gas Swap (NN) contracts at the strike price. On exercise of a put option, the long position will be assigned seven consecutive short futures months beginning with the underlying April month Henry Hub Natural Gas Swap (NN) contracts at the strike price.

352.04 HOURS OF TRADING

The Natural Gas Option on Summer Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The Natural Gas Option on Summer Futures Strip contract is available for clearing through CME ClearPort® 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.

352.05 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 average settlement price for the underlying Henry Hub Natural Gas Swap strip of futures rounded off to the nearest five-cent increment, unless such settlement price is precisely midway between two five-cent increments in which case it shall be rounded off to the lower five-cent increment; (ii) the ten strike prices which are ten five-cent increments higher than the strike price described in section (i) of this Rule 352.05(A); and (iii) the ten strike prices which are ten five-cent increments lower than the strike price described in section (i) of this Rule 352.05(A).

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten five-cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 352.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Natural Gas Option on Summer Futures Strip 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 Natural Gas Option on Summer Futures Strip in which no new strike prices may be introduced.

352.06 TRADING MONTHS

Trading in Natural Gas Option on Summer Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

352.07 PRICES

Prices shall be quoted in dollars and hundredths of cents per MMBtu. The minimum price increment will be one-hundredth of a cent ($0.0001) per MMBtu.

352.08 ABSENCE OF PRICE FLUCTUATION

Trading in Natural Gas Option on Summer Futures Strip contract shall not be subject to price fluctuation limitations.

Chapter 353
Natural Gas Option on Winter Futures Strip

353.01 EXPIRATION

A Natural Gas Option on Winter Futures Strip contract shall expire three business days prior to the termination of the first underlying NYMEX Henry Hub Natural Gas Swap (NN) contract.

353.02 TYPE OPTION

A Natural Gas Option on Winter Futures Strip is a European-style option.

353.03 TRADING UNIT

On expiration of a call option, the long position will be assigned five consecutive months beginning with the underlying November month of long Henry Hub Natural Gas Swap (NN) contracts at the strike price. On exercise of a put option, the long position will be assigned five consecutive months beginning with the underlying November month of short Henry Hub Natural Gas Swap (NN) contracts at the strike price.

353.04 HOURS OF TRADING

The Natural Gas Option on Winter Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The Natural Gas Option on Winter Futures Strip contract is available for clearing through CME ClearPort® 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.

353.05 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 average settlement price for the underlying Henry Hub Natural Gas Swap strip of futures rounded off to the nearest five-cent increment, unless such settlement price is precisely midway between two five-cent increments in which case it shall be rounded off to the lower five-cent increment; (ii) the ten strike prices which are ten five-cent increments higher than the strike price described in section (i) of this Rule 353.05(A); and (iii) the ten strike prices which are ten five-cent increments lower than the strike price described in section (i) of this Rule 353.05(A).

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten five-cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 353.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Natural Gas Option on Winter Futures Strip 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 Natural Gas Option on Winter Futures Strip in which no new strike prices may be introduced.

353.06 TRADING MONTHS

Trading in Natural Gas Option on Winter Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

353.07 PRICES

Prices shall be quoted in dollars and hundredths of cents per MMBtu. The minimum price increment will be one-hundredth of a cent ($0.0001) per MMBtu.

353.08 ABSENCE OF PRICE FLUCTUATION

Trading in Natural Gas Option on Winter Futures Strip contract shall not be subject to price fluctuation limitations.

Chapter 354
PJM Electricity Option on Calendar Futures Strip

354.01 EXPIRATION

A PJM Electricity Option on Calendar Futures Strip contract shall expire on the second to last Friday of the month prior to the first underlying PJM Interconnection LLC Swap (JM) contract. If the second to last Friday is an Exchange holiday, expiration will occur on the business day immediately preceding that day.

354.02 TYPE OPTION

A PJM Electricity Option on Calendar Futures Strip is a European-style option.

354.03 TRADING UNIT

On expiration of a call option, the long position will be assigned twelve consecutive months beginning with the underlying January month of long PJM Interconnection LLC Swap contracts at the strike price. On exercise of a put option, the long position will be assigned twelve consecutive months beginning with the underlying January month of short PJM Interconnection LLC Swap contracts at the strike price.

354.04 HOURS OF TRADING

The PJM Electricity Option on Calendar Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The PJM Electricity Option on Calendar Futures Strip contract is available for clearing through CME ClearPort® 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.

354.05 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 average settlement price for the underlying PJM Interconnection LLC Swap strip of futures rounded off to the nearest fifty cent increment, unless such settlement price is precisely midway between two fifty cent increments in which case it shall be rounded off to the lower fifty cent increment; (ii) the ten strike prices which are ten fifty cent increments higher than the strike price described in section (i) of this Rule 354.05(A); and (iii) the ten strike prices which are ten fifty cent increments lower than the strike price described in section (i) of this Rule 354.05(A)

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten fifty cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 354.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in PJM Electricity Option on Calendar Futures Strip 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 PJM Electricity Option on Calendar Futures Strip in which no new strike prices may be introduced.

354.06 TRADING MONTHS

Trading in PJM Electricity Option on Calendar Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

354.07 PRICES

Prices shall be quoted in dollars and cents per Megawatt hour (MWh). The minimum price increment will be one cent ($0.01) per MWh.

354.08 ABSENCE OF PRICE FLUCTUATION

Trading in PJM Electricity Option on Calendar Futures Strip contract shall not be subject to price fluctuation limitations.

Chapter 356
Crude Oil Option on Quarterly Futures Strip

356.01 EXPIRATION

A Crude Oil Option on Quarterly Futures Strip contract shall expire three business days prior to the first underlying Crude Oil Calendar Swap Futures (CS) contract.

356.02 TYPE OPTION

A Crude Oil Option on Quarterly Futures Strip is a European-style option.

356.03 TRADING UNIT

On expiration of a call option, the long position will be assigned three consecutive long futures months beginning with the underlying month of long Crude Oil Calendar Swap contracts at the strike price. On exercise of a put option, the long position will be assigned three consecutive short futures months beginning with the underlying month of short Crude Oil Calendar Swap contracts at the strike price.

356.04 HOURS OF TRADING

The Crude Oil Option on Quarterly Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The Crude Oil Option on Quarterly Futures Strip contract is available for clearing through CME ClearPort® 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.

356.05 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 average settlement price for the underlying Crude Oil Calendar Swap strip of futures rounded off to the nearest fifty cent increment, unless such settlement price is precisely midway between two fifty cent increments in which case it shall be rounded off to the lower fifty cent increment; (ii) the ten strike prices which are ten fifty cent increments higher than the strike price described in section (i) of this Rule 356.05(A); and (iii) the ten strike prices which are ten fifty cent increments lower than the strike price described in section (i) of this Rule 356.05(A)

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten fifty cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 356.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Crude Oil Option on Quarterly Futures Strip 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 Crude Oil Option on Quarterly Futures Strip in which no new strike prices may be introduced.

356.06 TRADING MONTHS

Trading in Crude Oil Option on Quarterly Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

356.07 PRICES

Prices shall be quoted in dollars and cents per barrel. The minimum price increment will be one cent ($0.01) per barrel.

356.08 ABSENCE OF PRICE FLUCTUATION

Trading in Crude Oil Option on Quarterly Futures Strip contract shall not be subject to price fluctuation limitations.

Chapter 357
Crude Oil Option on Calendar Strip

357.01 EXPIRATION

A Crude Oil Option on Calendar Futures Strip contract shall expire three business days prior to the first underlying Crude Oil Calendar Swap Futures (CS) contract.

357.02 TYPE OPTION

A Crude Oil Option on Calendar Futures Strip is a European-style option.

357.03 TRADING UNIT

On expiration of a call option, the long position will be assigned twelve consecutive long futures months beginning with the underlying month of long Crude Oil Calendar Swap contracts at the strike price. On exercise of a put option, the long position will be assigned twelve consecutive short futures months beginning with the underlying month of short Crude Oil Calendar Swap contracts at the strike price.

357.04 HOURS OF TRADING

The Crude Oil Option on Calendar Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The Crude Oil Option on Calendar Futures Strip contract is available for clearing through CME ClearPort® 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.

357.05 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 average settlement price for the underlying Crude Oil Calendar Swap strip of futures rounded off to the nearest fifty cent increment, unless such settlement price is precisely midway between two fifty cent increments in which case it shall be rounded off to the lower fifty cent increment; (ii) the ten strike prices which are ten fifty cent increments higher than the strike price described in section (i) of this Rule 357.05(A); and (iii) the ten strike prices which are ten fifty cent increments lower than the strike price described in section (i) of this Rule 357.05(A)

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten fifty cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 357.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Crude Oil Option on Calendar Futures Strip 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 Crude Oil Option on Calendar Futures Strip in which no new strike prices may be introduced.

357.06 TRADING MONTHS

Trading in Crude Oil Option on Calendar Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

357.07 PRICES

Prices shall be quoted in dollars and cents per barrel. The minimum price increment will be one cent ($0.01) per barrel.

357.08 ABSENCE OF PRICE FLUCTUATION

Trading in Crude Oil Option on Calendar Futures Strip contract shall not be subject to price fluctuation limitations.

Chapter 358
Central Appalachian Coal Option on Calendar Futures Strip

358.01 EXPIRATION

A Central Appalachian Coal Option on Calendar Futures Strip contract shall expire on the first business day in the month prior to the termination of the first underlying Central Appalachian Coal Futures (QL) contract.

358.02 TYPE OPTION

A Central Appalachian Coal Option on Calendar Futures Strip is a European-style option.

358.03 TRADING UNIT

On expiration of a call option, the long position will be assigned twelve consecutive long futures months beginning with the underlying month of long Central Appalachian Coal Futures contracts at the strike price. On exercise of a put option, the long position will be assigned twelve consecutive short futures months beginning with the underlying month of short Central Appalachian Coal Futures contracts at the strike price.

358.04 HOURS OF TRADING

The Central Appalachian Coal Option on Calendar Futures Strip contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The Central Appalachian Coal Option on Calendar Futures Strip contract is available for clearing through CME ClearPort® 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.

358.05 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 average settlement price for the underlying Central Appalachian Coal Futures strip of futures rounded off to the nearest fifty cent increment, unless such settlement price is precisely midway between two fifty cent increments in which case it shall be rounded off to the lower fifty cent increment; (ii) the ten strike prices which are ten fifty cent increments higher than the strike price described in section (i) of this Rule 358.05(A); and (iii) the ten strike prices which are ten fifty cent increments lower than the strike price described in section (i) of this Rule 358.05(A).

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least ten fifty cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 358.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Central Appalachian Coal Option on Calendar Futures Strip 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 Central Appalachian Coal Option on Calendar Futures Strip in which no new strike prices may be introduced.

358.06 TRADING MONTHS

Trading in Central Appalachian Coal Option on Calendar Futures Strip contracts shall be conducted in the months determined by the Exchange. Trading shall commence on the day fixed by resolution of the Exchange.

358.07 PRICES

Prices shall be quoted in dollars and cents per ton. The minimum price increment will be one cent ($0.01) per ton.

358.08 ABSENCE OF PRICE FLUCTUATION

Trading in Central Appalachian Coal Option on Calendar Futures Strip contract shall not be subject to price fluctuation limitations.

Supplemental Market Information

The Exchange is self-certifying the listing of options on futures strips for natural gas, PJM Electricity, crude oil and coal.

Options on futures strips (also known as swaptions) represent the right, but not the obligation, to exercise into a consecutive monthly strip of futures. Such options are economically efficient because producers and consumers of a given commodity can lock in the right to buy or sell futures on a given multi-period time horizon with a single premium for a single expiration date. This is in contrast to a strip of options that usually have the same exercise price but would have multiple expiration dates and different premiums for each month. The options on futures strips are generally less expensive than buying individual options for each month for the same strike price. The options on futures strips allow greater flexibility in whether or not to exercise over the course of the entire time period.

Options on futures strips are employed by commercial entities in the energy industry to hedge fixed price (swap) agreements. By exercising into a strip of futures contracts, the option on futures strips allows commercial hedgers some flexibility as to the fixed price into which they may enter. Specifically, if the price at option expiration is better than the strike price on the option contract, then commercial hedgers can exercise into the prevailing market price by abandoning their option. Alternatively, if the prevailing price is worse than the option strike price, commercial hedgers can exercise into the average at the strike price. While the Exchange currently lists options on each of natural gas, PJM Electricity, crude oil and coal, the existing options are designed to provide an effective hedge for a single month in the future. The new options on futures strips for these commodities are designed to allow for hedging multiple months with a single option. Hence, options on futures strips can be considered to be a more cost efficient instrument for commercial entities attempting to lock in the right to a fixed price over multiple months at a single, known date.

I. NATURAL GAS

Natural Gas Futures contracts are highly liquid. Settlement prices for the first nearby futures contract, including the proposed expiration day of these options, are determined by a weighted average price based on substantial volume. As such, it is very difficult for settlement prices to be distorted by manipulative trading. The table below reflects the closing range volume over the past twelve months for the Natural Gas Futures contract on its termination date.

Proposed Expiration	Expiration Month	Closing Range Volume
7/24/08	Aug-08	605
8/22/08	Sep-08	816
9/22/08	Oct-08	929
10/24/08	Nov-08	496
11/19/08	Dec-08	451
12/23/08	Jan-09	1,117
1/23/09	Feb-09	488
2/20/09	Mar-09	665
3/24/08	Apr-09	849
4/23/09	May-09	772
5/26/09	Jun-09	1,466
6/24/09	Jul-09	650
	Average	**775**

Production

The NYMEX Division Natural Gas Futures contract is widely used as a national benchmark price. National production of Natural Gas consists of approximately 700 million British thermal units (MMBtu) per month. The Natural Gas Futures contract trades in units of 10,000 MMBtu.

Cash Market

The Natural Gas contract price is based on delivery at the Henry Hub in Erath, Louisiana. This hub, which is owned by Sabine Pipe Line LLC, a wholly-owned subsidiary of Chevron, is widely regarded as the key to natural gas delivery in the United States because of its geographical location. The Henry Hub is

located at the nexus of 16 intra- and interstate natural gas pipeline systems that draw supplies from the region's prolific gas deposits. The pipelines serve markets throughout the East Coast, the Gulf Coast, the Midwest and up to the Canadian border. The Natural Gas Futures contract is traded by dozens of commercial companies and approximately 60 to 70 financial companies. In 2008, the average daily volume of NYMEX's physically delivered Natural Gas Futures contracts traded was 153,086 contracts in unit of 10,000 MMBtu, and the average daily volume of financially settled look-alike Natural Gas Futures contracts traded was 43,235 contracts.

Over-The-Counter Market

There is an active over-the-counter (OTC) forward market in natural gas. In the OTC market, the typical trade size of a natural gas contract is 2,500 MMBtu per day for a calendar year. The liquidity in the OTC swaps market is robust as it has been estimated to trade at an average daily volume of 500-600 million MMBtu for NYMEX Natural Gas. There are numerous participants in the natural gas OTC market including, but not limited to, commercial participants, trading firms, and financial intermediaries. A select group representing the aforementioned categories of participants is listed below:

COMMERCIAL PARTICIPANTS	TRADING FIRMS	FINANCIAL INTERMEDIARIES (SWAPS)
Concord Energy LLC	Cargill Nat Gas	Citibank N.A.
ConocoPhillips Company	SIG Energy LLLP.	Bank of Montreal
Hess Energy Trading Company LLC	Chevron USA, Inc.	Bank of Oklahoma
ONEOK Energy Services Company, LP	Campbell & Company	Barclays Bank PLC
BP Corporation North America, Inc.	ConocoPhillips Company	Saracen Energy LP
Natural Gas Pipeline Company of America	Exelon Generation Co., LLC	Bank of America NA
Chevron USA, Inc.	NJR Energy Services Company	MBF Clearing Corp.
Bromley Energy LLC	Integrys Energy Services, Inc.	Bank of Nova Scotia
Laclede Gas Company	ONEOK Energy Services Company, LP	National Trading II
Anadarko Petroleum Corp.	BP Corporation North America, Inc.	BNP Paribas CIT Group
Exelon Generation Co., LLC	Enterprise Products Operating L.P.	Calyon Global Trading
Masefield Natural Gas Inc.	JP Morgan Ventures Energy Corporation	Koch Supply & Trading L.P.
New Jersey Natural Gas Co.	Total Gas & Power North America, Inc.	Louis Dreyfus Corporation
Calpine Energy Services, LP	Natural Gas Pipeline Company of America	Sempra Energy Trading LLC
NJR Energy Services Company	Constellation Energy Commodities Group Inc.	JP Morgan Chase Bank, Inc.
PowerSouth Energy Cooperative	Nicor Gas	Merrill Lynch Commodities Inc.
Enterprise Products Operating L.P.	Cargill Nat Gas	Morgan Stanley Capital Group Inc.
Louis Dreyfus Energy Services L.P.	Nestle Food Company	Black River Energy Commodity Fund LLC
Municipal Gas Authority of Georgia	Anadarko Petroleum Corp.	Citadel Energy Investments, Ltd
CenterPoint Energy Gas Services, Inc.	EnergySouth Services Inc.	
Total Gas & Power North America, Inc.	New Jersey Natural Gas Co.	
Northern Indiana Public Service Company	Conectiv Energy Supply, Inc.	
	South Jersey Resources Group	
	Municipal Gas Authority of Georgia	
	CenterPoint Energy Gas Services, Inc.	

In addition to the groups of participants listed above, there is an extensive network of brokers, including those listed below, that are active participants in the natural gas OTC market.

BROKERS
Prebon Energy
McNamara Trading
ICAP Energy LLC
TFS Energy LLC
Elite Brokers Inc.
CGS - Blue Flame Brokerage
Choice! Energy L.P.
INFA Energy Brokers LLC
IVG Energy, Ltd.
Coquest Inc.
SCS OTC Corp
Power Merchants Group
Black Barrel Energy L.P.
DRW Execution Services LLC
GA Global Markets LLC
UBS-ABNN

II. CRUDE OIL

The Crude Oil benchmark (West Texas Intermediate) is actively traded by dozens of commercial companies. The benchmark West Texas is a major source of refining capacity for the United States because of its high quality content. There are hundreds of commercial and non-commercial participants actively trading in the West Texas Intermediate crude oil market, both in the underlying cash market and futures markets.

Production

The West Texas Intermediate ("WTI") crude oil market, also called "domestic sweet", is traded at the hub in Cushing, Oklahoma which consists of storage facilities and major pipelines for distribution of crude oil from West Texas to refineries in the Midcontinent. The production of domestic sweet WTI is mainly centered in West Texas. According to estimates from Purvin & Gertz, an independent energy industry consultancy, and other industry sources, daily deliverable supply of domestic sweet WTI is comprised of approximately 500,000 barrels. The demand for WTI crude oil is supplied by refineries located in Texas, Oklahoma, and the Midcontinent.

The estimated trading volume of WTI crude oil in the Cushing cash market is approximately 4.0 million to 5.0 million barrels per day. The typical transaction size is 30,000 barrels, with hundreds of separate transactions conducted daily. In addition, all domestic crude oil grades, such as LLS, Mars and WTS, are traded and priced at a differential to WTI, and consequently, every physical crude oil transaction in the U.S. crude oil market involves a buy/sell transaction with WTI as one leg in the cash transaction. Typically, the crude oil cash market uses WTI as a unit of currency to establish a differential between WTI and other domestic grades. The volume of spot transactions is more than half of all cash transactions, and the balance of trades are longer-term contracts.

OTC Financial Market

The NYMEX Crude Oil contract has an active OTC physical and paper market. The liquidity in the OTC swaps market is robust, with an estimated average daily trading volume of 20 million to 30 million barrels for NYMEX Crude Oil. There are several OTC brokerage firms that are active in both the NYMEX Crude Oil market, including PVM, Amerex, Spectron, Tullet Prebon, Ginga Petroleum, and GFI Group. As

discussed above, the OTC market participation is deep and diverse, and includes both cash market and OTC market players. The West Texas Intermediate cash market and OTC market participants number 50 to 70 commercial companies. A partial list of participants is as follows:

Refiners	Traders/End Users	Brokers	Financial (Swaps)
ConocoPhillips	Hess Energy Trading	GFI Starsupply	Citibank
Valero	Vitol	PVM	Deutsche Bank
Shell	Glencore	Man Financial	Barclays
ExxonMobil	Total	ICAP	BankAmerica
BP	Northville	Aspen Oil	JP Morgan
Total	Cargill	GFI Spectron	
Koch Petroleum	Morgan Stanley	TFS	
Repsol	Goldman Sachs	Amerex	
CEPSA	RWE Trading	Tullet Prebon	
Netherlands Refining	Mabanaft	United	
OMV	Phibro		
Lukoil (Russia)	Arcadia		
Statoil (Norway)	Mercuria		
MOL Hungary	Sempra		

The Exchange believes the underlying futures contracts are highly liquid and would be extremely difficult to manipulate the financial settlement process.

III. PJM INTERCONNECTION LLC (PJM)

PJM is an independent Regional Transmission Organization (RTO) that plays a vital role in the U.S. electric system by providing its membership opportunities for buying and selling power, arranging transmission service, and allowing the use of larger and more efficient generating units. PJM also manages a sophisticated regional planning process for generation and transmission expansion. PJM coordinates the movement of electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. With the implementation of the PJM Open Access Transmission Tariff on April 1, 1997, PJM began operating the nation's first regional, bid-based hourly energy market. PJM enables participants to buy and sell energy, schedule transactions and reserve transmission service. PJM provides accounting and billing services for these transactions using information supplied by each member utility. In addition, PJM operates the competitive wholesale energy market for the region and facilitates open access to transmission. Electricity suppliers who sell electricity to customers within the PJM zones must become Load Serving Entity (LSE) members of PJM, or contract with a third party LSE.

The PJM Energy Market comprises all types of energy transactions, including the sale or purchase of energy in PJM's Day-Ahead and Real-Time Energy Markets, bilateral and forward markets and self-supply. These markets provide key benchmarks against which market participants may measure results of transactions in other markets.

PJM Trading Hubs Description

PJM Trading Hubs are defined by PJM as reference points at which standard energy products can be traded. The PJM Trading Hubs are fixed weighted averages of the Locational Marginal Prices at a set of representative nodes for the designated region. Hub prices are representative of the PJM market, are intended to be relatively stable under various system conditions, and resistant to distortion by local transmission limits or system topology changes. For additional information, please see LMP Model Information at http://www.pjm.com/markets/energy-market/lmp-model.html.

The underlying futures contract for the PJM Electricity Option on Calendar Futures Strip is based on the Western Hub.

Western Hub

The Western Hub was the first defined PJM hub and is one of the most active trading points in the U.S. The Western Hub includes nodes from Erie, PA to Washington, D.C. The Western Hub includes 109 PJM nodes. This total consists of 78 load nodes and 31 generation nodes. The Western Hub was implemented by PJM in 1998.

Market Structure

PJM Interconnection LLC offers two basic energy markets for electricity participants: spot or real-time; and energy forward market which is known as the day-ahead market. In the real-time market, market participants enter bids and offers which are matched by PJM. Market clearing prices are generated by PJM which are posted on the PJM website. The day-ahead market operates through bids and offers for delivery during hours in the next day. PJM provides a market clearing function related to the submitted bids and offers and posts 24 hourly prices for the next PJM day. The real-time and day-ahead PJM markets are interrelated as actual generation and load may differ from forecasted generation and load expressed in the day-ahead market. Bids and offers in the real-time market provide the mechanism for the forecasted/actual differences.

Cash Market/OTC Market Data

The PJM OTC derivatives markets are less developed than the cash markets. That stated, the Exchange believes that the cash markets are sufficiently robust to provide underlying support for the listing of futures contracts. With regard to OTC activity, we should note that there is a disparity in available data. Unlike other zones and Hub locations for PJM, OTC derivatives market is very active at the Western Hub. The Western Hub is a vibrant market that includes off-exchange and Intercontinental Exchange (ICE) activity. ICE does not regularly report its activity, but it is our estimate that they trade in the thousands of 800 MWh contracts per day.

The table below provides a partial listing of market participants:

Market Participants	Brokers
Allegheny Energy & Affiliates	Prebon
American Electric Power Service	Amerax
Atlantic Power Holdings	Spectron
Bear Stearns Companies	TFS
Broadway Generating	ICAP
Brookfield Power	
CAMP Grove Wind Farm	
Constellation Energy Commodities & Affiliates	
Dayton Power & Light	
Direct Energy Affiliates	
Dominion Resources	
DPL Energy	

The volume information provided in the table below reflects robust cash and OTC markets' activity for the PJM Western Hub. 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 reports transactions by peak/off-peak or transaction duration. Platts obtains the quarterly filings and publishes the aggregation.

Real-Time Western Hub Contracts				Real-Time Adj	Peak	Off-Peak	Peak	Off Peak
Contract	MWh	MWh Per Month	MW*350 Hrs in Month	40%	80 MWh	5 MWh	25%	25%
Western Hub	49,513,201	16,504,400	8,252,200	3,300,880	41,261	660,176	10,315	165,044

IV. COAL

Coal is considered the largest single power generating fuel in the United States; the once relatively sedate cash markets for coal have become more volatile and very strong market forces. Thus, electric utilities are no longer eager to enter into long-term coal supply contracts that once were the industry

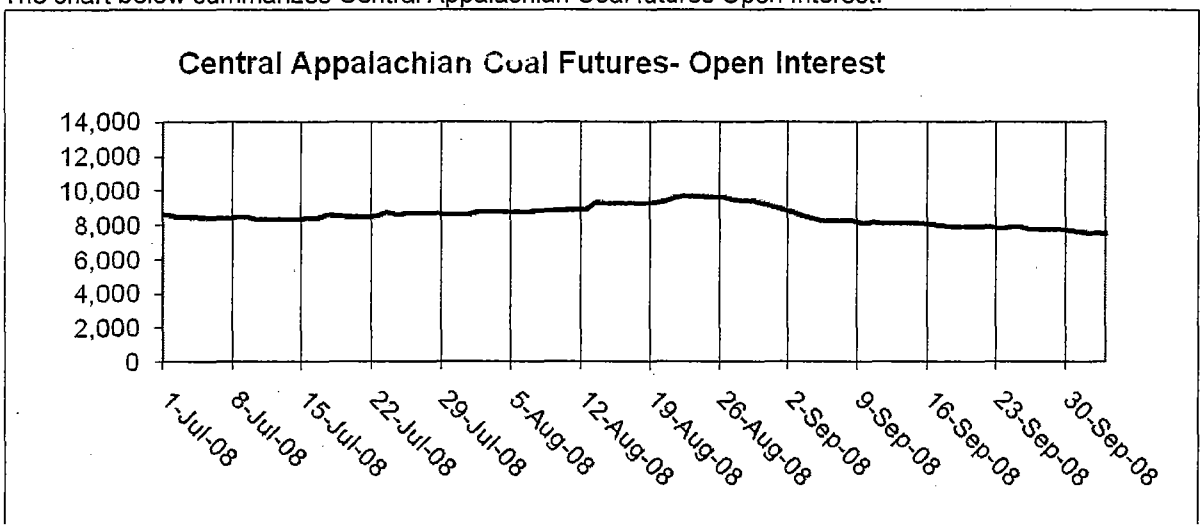
norm. Instead, there now is a preference for short-term and more price-flexible contracts that rely more on cash market purchases as power producers try to reduce their inventory holding levels.

U.S. coal exports, chiefly Central Appalachian bituminous, make up a significant percentage of the world export market and are a relevant factor in world coal prices. Because coal is a bulk commodity, transportation is an important aspect of its price and availability.

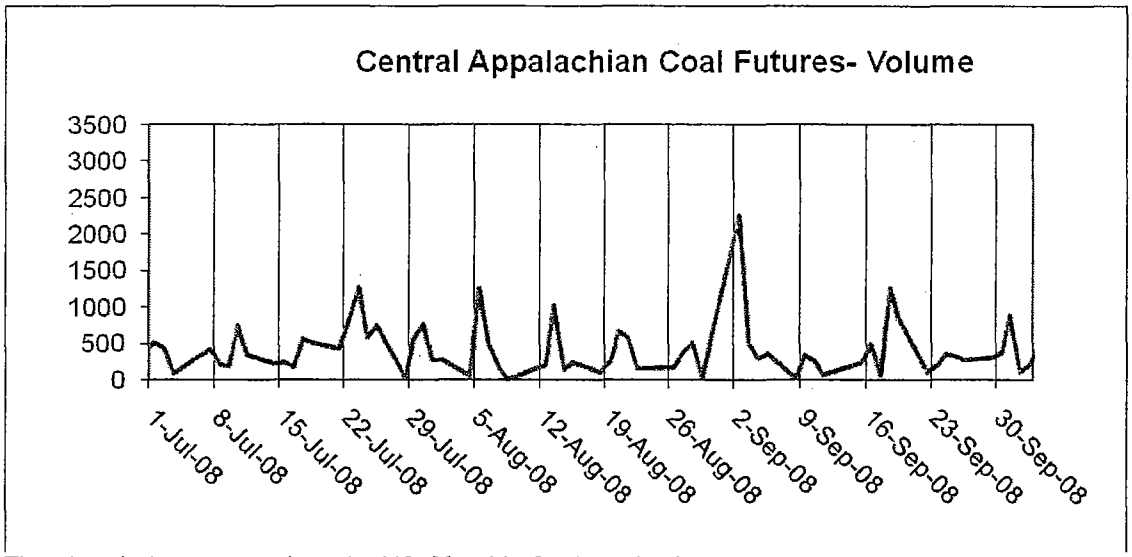
The Central Appalachian Coal Basin is the middle basin of three basins that comprise the Appalachian Coal Region of the eastern United States. It includes parts of Kentucky, Tennessee, Virginia, and West Virginia. It covers approximately 23,000 square miles, contains six major Pennsylvanian age coal seams, and contains an estimated 5 trillion cubic feet (Tcf) of coalbed methane. These coal seams typically contain multiple coalbeds that are widely distributed. The coals seams, from oldest to youngest (West Virginia/Virginia name), are the Pocahontas No. 3, Pocahontas No. 4, Fire Creek/Lower Horsepen, Beckley/War Creek, Sewell/Lower Seaboard, and Iager/Jawbone .The Pocahontas coal seams which include the Squire Jim and Nos. 1 to 7 and Nos. 3 and 4 are the thickest. The majority of the coalbed methane (2.7 Tcf) occurs in the Pocahontas seams. The highest potential for methane development is in a small, 3,000 square mile area in southwest Virginia and south central West Virginia, where target coal seams achieve their greatest thickness and occur at depths of about 1,000 to 2,000 feet.

According to the Energy Information Administration (EIA) statistics, the cash market size was around 19.8 million short tons during September 2008 as opposed to 17.4 short tons recorded in September 2007. The cash market is vibrant with a year maximum of 19.9 million short tons recorded in January 2008 and year minimum of 19.0 million short tons recorded in February 2008. The future market is active in the sense that it captures most of the forward market. The average daily volume is around 500 contracts.

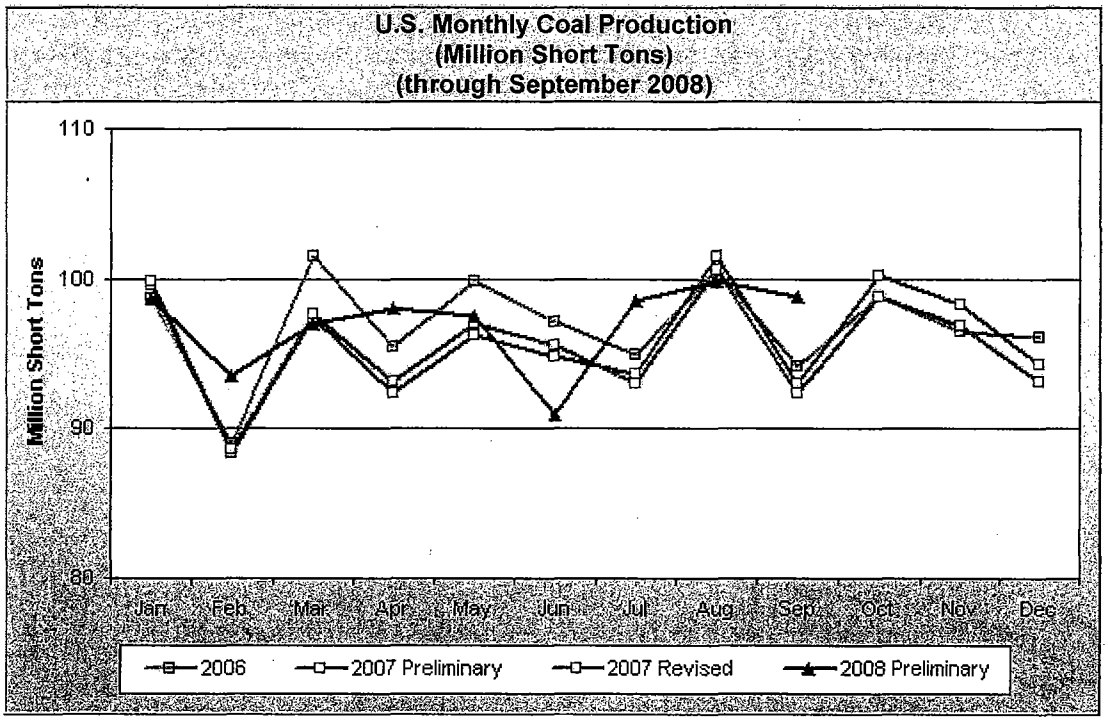
The chart below summarizes Central Appalachian Coal futures Open Interest:



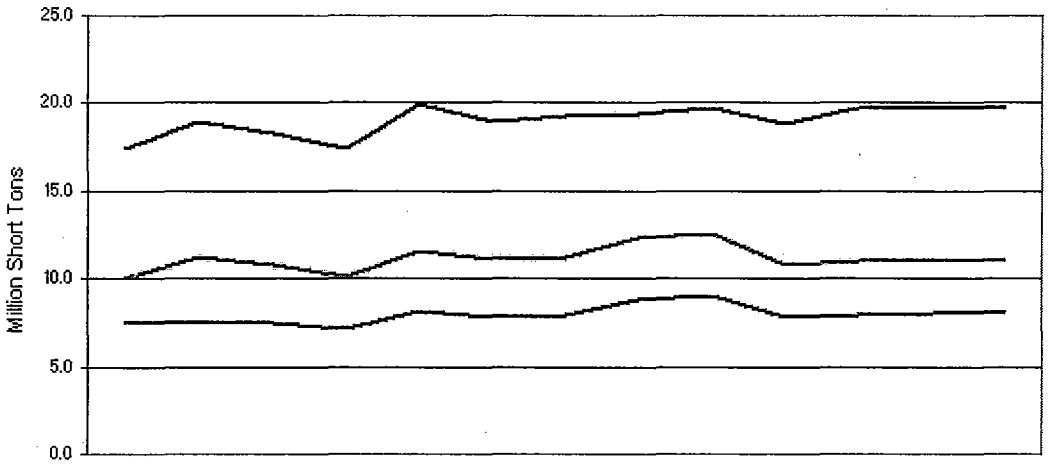
The chart below summarizes Central Appalachian Coal Futures Volume:



The chart below summarizes the US. Monthly Coal Production:



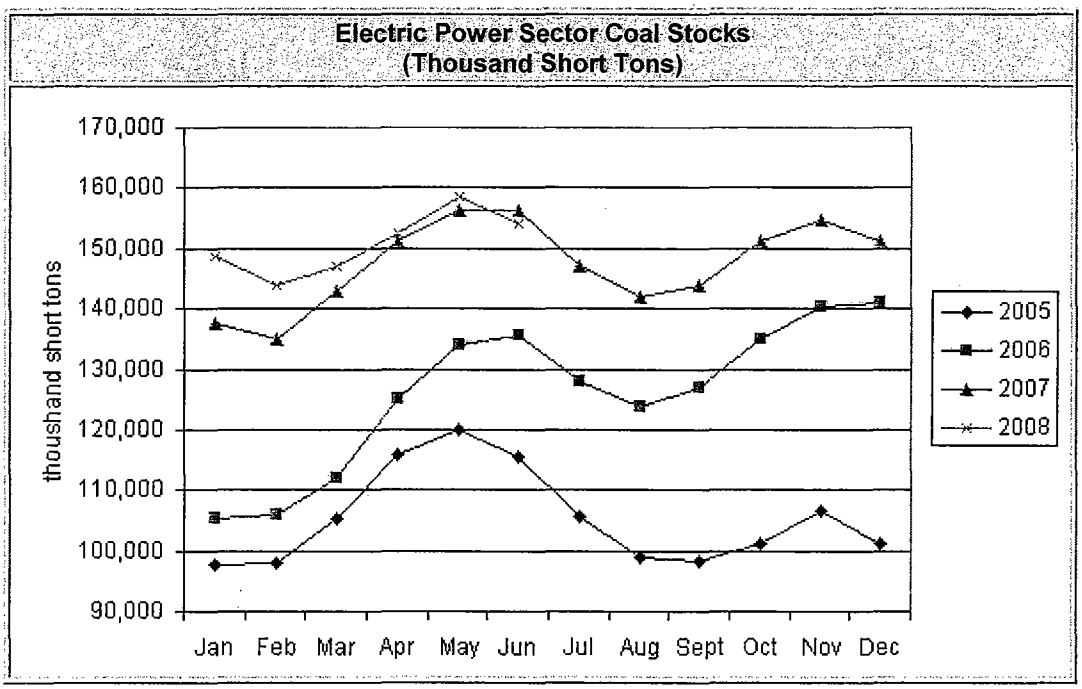
The chart below summarizes U.S. Eastern Coal Production:



	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Northern App	10.0	11.2	10.8	10.2	11.6	11.1	11.3	12.3	12.5	10.8	11.0	11.0	11.1
Central App	17.4	19.0	18.3	17.4	19.9	19.0	19.2	19.4	19.7	18.8	19.7	19.8	19.8
Illinois Basin	7.5	7.6	7.5	7.1	8.1	7.8	7.9	8.8	9.0	7.8	8.0	8.0	8.0

Note: January-March 2008 are initial estimates. January-December 2007 data are revised. All revisions are based on Mine Safety and Health Administration (MSHA) quarterly mine-level surveys. All 2006 data are final, based on MSHA's end-of-year final survey of all quarters' data.

The chart below summarizes Electric Power Sector Coal Stocks:



Market Participants

The market participation in Coal is diverse and includes the following:

Traders/End Users	Brokers
J Aron & Co.	Evolution Markets Inc.

Credit Suisse Energy LLC (2)	ICAP
Arch Energy Resources, LLC	TFS Energy
NRG Power Marketing, LLC	
Constellation Energy Commodities Group Inc.	
DTE Energy Trading, Inc.	
Louis Dreyfus Energy Services L.P.	
Duke Energy Ohio Inc.	
Traxys North America	
Sempra Energy Trading	
Merrill Lynch Commodities	
Coal Trade LLC	
Koch Carbon LLC	
Centaurus Energy Master	
Morgan Stanley Capital	
Vitol S.A. Geneva	
American Electric Power Service	
Oxbow Coal Americas	