



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

November 8, 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

CONFIDENTIAL TREATMENT  
REQUESTED

**RE: NYMEX Member Power Option Incentive Program  
NYMEX Submission No. 13-527**

Dear Ms. Jurgens:

New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") hereby notifies the Commodity Futures Trading Commission ("Commission") that it plans to implement an incentive program in support of Power Options traded on Globex, the NYMEX trading floor, and submitted for clearing through CME ClearPort ("Program"). The proposed Program will become effective on December 1, 2013.

Exhibit 1 sets forth the terms of the Program.

NYMEX business staff responsible for the proposed Program 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 the following Core Principles as potentially being impacted; Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants, Compliance with Rules and Recordkeeping.

NYMEX believes that the incentive structure for the proposed Program, as set forth in the Exhibit 1 below, does not incentivize manipulative trading or market abuse and will not otherwise impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. NYMEX's market regulation staff will monitor trading in the proposed Program's products to prevent manipulative trading and market abuse. Additionally, the Exchange has implemented systems to track Program participants' obligations and rankings to ensure proper distribution of earned incentives. The proposed Program does not impact the Exchange's order execution. Chapter 4 of the Exchange rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The proposed Program will be subject to the Exchange's record retention policies, which comply with the CEA.

NYMEX certifies that the proposed Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program.

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

If you require any additional information regarding this submission, please contact Tim Elliott at 312-466-7478 or via e-mail at [tim.elliott@cmegroup.com](mailto:tim.elliott@cmegroup.com), or contact me at 212-299-2200. Please reference our NYMEX Submission No. 13-527 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1



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**Re: FOIA Confidential Treatment Request**

Dear Ms. Jurgens:

By e-mail dated today, November 8, 2013, New York Mercantile Exchange, Inc. ("NYMEX" or the "Exchange") submitted a supplemental rule certification filing (Submission No. 13-527S) to the Commodity Futures Trading Commission ("CFTC" or "Commission"). This supplemental filing includes an appendix ("Appendix A"), which is attached.

Pursuant to Sections 8 and 8(a) of the Commodity Exchange Act ("CEA"), as amended, and Commission Regulation 145.9(d), the Exchange requests confidential treatment of Appendix A on the grounds that Appendix A contains confidential commercial information of the submitter (NYMEX). A detailed written justification supporting this request is attached hereto as Exhibit 1. Pursuant to Commission Regulation 145.9(d)(5), the Exchange requests that confidential treatment be maintained for Appendix A until further notice from the Exchanges. We also request that the Commission notify the undersigned immediately after receiving any FOIA request for said Appendix A or any other court order, subpoena or summons for same. Finally, we request that we be notified in the event the Commission intends to disclose such Appendix A to Congress or to any other governmental agency or unit pursuant to Section 8 of the CEA. The Exchange does not waive its notification rights under Section 8(f) of the CEA with respect to any subpoena or summons for such Appendix A.

Please contact the undersigned at (212) 299-2200 should you have any questions concerning this letter.

Sincerely,

/s/ Christopher K. Bowen  
Managing Director and Chief Regulatory Counsel

Enclosure: Exhibit 1