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OFFICE OF THE SECRETARIAT

November 17, 2008

**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 #08.109:  
Notification of Amendments to Rules 873.07, 873.08, 873.09, 873.10 and 874.01, and  
Expansion of Listed Months for Regional Greenhouse Gas Initiative ("RGGI") CO<sub>2</sub>  
Allowance Futures and Option Contracts**

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 following rule amendments: 873.07 Termination of Trading; 873.08 Product Placement; 873.09 Delivery Procedures; 873.10 Delivery Period; and 874.01 Expiration of Regional Greenhouse Gas Initiative ("RGGI") CO<sub>2</sub> Allowance Option Contract. These amendments change the termination of trading and option expiration of the RGGI CO<sub>2</sub> Allowance Futures and Option contracts to reflect the over-the-counter practice. They will be made effective Sunday, November 23, 2008 for trade date Monday, November 24, 2008.

The Exchange is also notifying the CFTC that it is self-certifying the expansion of its listed months for the RGGI CO<sub>2</sub> Allowance Futures and Option contracts. Beginning on Sunday, November 23, 2008 for trade date Monday, November 24, 2008, the Exchange will list monthly contracts from January 2009 through November 2010, and from January 2011 through November 2011 for its RGGI CO<sub>2</sub> Allowance Futures, and will list an Option for every listed RGGI CO<sub>2</sub> Allowance Futures contract beginning on trade date Tuesday, November 25, 2008. This is being done in accordance with Exchange Rule 873.05 and 874.03, which grants the Exchange power to set trading months.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached rule amendments and the expansion of list trading months comply with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact Brad Leach at (212) 299-2609 or the undersigned at (202) 715-8517.

Sincerely,

A handwritten signature in black ink, appearing to read "De'Ana H. Dow". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

De'Ana H. Dow  
Managing Director  
Government Relations

Attachment

**Bold** indicates insertion, and ~~strikethrough~~ indicates deletion

**NYMEX Regional Greenhouse Gas Initiative (RGGI) CO<sub>2</sub> Allowance Futures Contract**

**873. 07 Termination of Trading**

Trading in the current delivery month shall cease at termination of the ~~third business day prior to the first~~ **last** business day of the contract month.

**873. 08 Product Placement**

(1) Certification:

For purposes of Rule 9.19, the Seller and Buyer shall have fulfilled its respective contractual obligation on a maturing contract only if by 12:00 pm on the 10<sup>th</sup> business day prior to the ~~first~~ **last** business day of the delivery month, such Seller and Buyer have received RGGI CO<sub>2</sub> Allowance Tracking System account certification from its customer, in the form prescribed by the Exchange stating that:

- (a) If a buyer, the Buyer's Customer has an account with RGGI CO<sub>2</sub> Allowance Tracking System; or
- (b) If a seller, the Seller's Customer has an account with RGGI CO<sub>2</sub> Allowance Tracking System. The receipt of such certification shall not relieve the Seller or Buyer or their respective Customers of any obligations under any Rule other than Rule 9.19.

**873. 09 Delivery Procedures**

**(A) RESPONSIBILITIES OF CLEARING MEMBERS HAVING OPEN LONG POSITIONS**

**(1) NOTICE OF INTENTION TO ACCEPT**

By 4:30 p.m. on the ~~second business day prior to the first~~ business day of an expiring delivery month, a Buyer having an open position shall file with the Exchange a properly completed and signed Notice of Intention to Accept. The Notice of Intention to Accept shall be in the form prescribed by the Exchange and shall include: name of the Buyer's Customer, number of contracts to be accepted, RGGI CO<sub>2</sub> Allowance Tracking System account number; Name, phone number and e-mail address of the authorized account representative for that RGGI CO<sub>2</sub> Allowance Tracking System account, and any additional information as may be required by the Exchange;

**(B) RESPONSIBILITIES OF CLEARING MEMBERS HAVING OPEN SHORT POSITIONS**

**(1) NOTICE OF INTENTION TO DELIVER**

By 4:30 p.m. on the ~~second business day prior to the~~ first business day of an expiring delivery month, a Seller having an open short position shall file with the Exchange a properly completed and signed Notice of Intention to Deliver. The Notice of Intention to Deliver shall be in the form prescribed by the Exchange and shall include: name of the Seller's Customer, number of contracts to be delivered, RGGI CO<sub>2</sub> Allowance Tracking System Account Number, name, phone number and e-mail address of the authorized account representative for that RGGI CO<sub>2</sub> Allowance Tracking System account, Any additional information as may be required by the Exchange.

**(D) Notice Day**

- (1) The Clearing House shall allocate Notices of Intention to Deliver and Notices of Intention to Accept by matching size of positions, to the extent possible.
- (2) The Clearing House shall provide Tender Allocation Notices to the respective Clearing Members on the **second** ~~last business day prior to the first~~ business day of the delivery month.
- (3) The day the Tender Allocation Notices are provided to the Clearing Members shall be referred to as "Notice Day". Tender Allocation Notices are not transferable.

**873. 10 Delivery Period**

Delivery shall take place on the ~~first~~ **third** business day of the delivery month.

**NYMEX Regional Greenhouse Gas Initiative (RGGI) CO<sub>2</sub> Allowance Option Contract**

**874.01 Expiration of Regional Greenhouse Gas Initiative (RGGI) CO<sub>2</sub> Allowance Option Contract**

A Regional Greenhouse Gas Initiative (RGGI) CO<sub>2</sub> Allowance Option Contract shall expire on the close of trading on **the 15<sup>th</sup> day of the contract month. If the 15<sup>th</sup> day is not a business day, the Regional Greenhouse Gas Initiative (RGGI) CO<sub>2</sub> Allowance Option Contract shall expire on the business day prior to the 15<sup>th</sup>.** ~~the third business day immediately preceding the expiration of the underlying Regional Greenhouse Gas Initiative (RGGI) CO<sub>2</sub> Allowance futures contract.~~