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OFFICE OF THE SECRETARIAT

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November 19, 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 #09-281:  
Notification of Amendments to NYMEX Rules 559 and 560 to Establish Hard  
Expiration Position Limits for Certain Natural Gas Financially Settled 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 amendments to NYMEX Rules: 559, Position Limits and Exemptions; and 560, Position Accountability. These amendments establish hard expiration position limits for the following contracts:

Henry Hub Natural Gas Last Day Financial Futures (Chapter 823, code HH)  
Henry Hub Natural Gas Swap Futures (Chapter 508, code NN)  
Henry Hub Natural Gas Last Day Financial Option (Chapter 375, code E7)

The genesis of the amendments stem from a request by the Commodity Futures Trading Commission ("CFTC") to apply expiration limits in lieu of the pre-existing expiration accountability levels to certain NYMEX financially settled natural gas products comparable to those of other available financially settled natural gas contracts that were the subject of recent significant price discovery contract ("SPDC") rulemaking applicable to Exempt Commercial Markets ("ECMs"). These issues were previously addressed in NYMEX Submissions 09-103 dated June 2, 2009, and 09-103R dated August 28, 2009. The effected ECM has recently served notice of an effective date for such limits citing the February 2010 contract month and the NYMEX implementation will be comparable. The amendments are reflected in the attached Chapter 5, Position Limits, Accountability Levels and Reportable Levels Table.

Additionally, Rule 559 is being amended to provide for the ability to apply for a conditional limit from the limits which will be in place for the NYMEX Natural Gas Last Day Financial Contracts provided that market participants can demonstrate that they have no activity or position in the physically settled Natural Gas contract and can additionally provide information on OTC positions during the last three trading days of such contract.

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 comply with the Act, including regulations under the Act. These amendments will be effective with the February 2010 contract month for the contracts listed above.

Should you have any questions concerning the above, please contact Thomas LaSala, Managing Director, NYMEX Chief Regulatory Officer, at (212) 299-2897, Anthony V. Densieski, Director, Market Surveillance, at (212) 299-2881, or me at (312) 648-5422.

Sincerely,

/s/ Stephen M. Szarmack  
Director and Associate General Counsel

Attachment

**NOTIFICATION OF AMENDMENTS TO NYMEX RULES 559 and 560.27**

(bold/underline indicates additions; strikethrough indicates deletions)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>All Month Account-ability Level</u>	<u>Any One Month Account-ability Level</u>	<u>Expiration Month Limit</u>	<u>Expiration Account-ability Level Last Day Contract</u>	<u>Reporting Level</u>	<u>Aggregate Into (1)</u>	<u>Aggregate Into (2)</u>
			<b>Rule 560</b>	<b>Rule 560</b>	<b>Rule 559</b>	<b>Rule 560</b>	<b>Rule 561</b>		
<b>Natural Gas</b>									
<b>USA</b>									
Henry Hub Natural Gas Last Day Financial Futures	823	HH	12,000	12,000	<b>1,000</b>	<del>-1,000</del>	100	HH	
Henry Hub Natural Gas Swap Futures	508	NN	12,000	12,000	<b>1,000</b>	<del>-1,000</del>	175	HH	
Henry Hub Natural Gas Last Day Financial Option	375	E7	12,000	12,000	<b>1,000</b>	<del>-1,000</del>	100	HH	

**559.F. Conditional Limit in NYMEX Natural Gas Last Day Financial Contracts**

The Market Regulation Department may grant a Conditional limit in Natural Gas Last Day Financial contracts of up to the equivalent of five thousand (5,000) NYMEX Physical Natural Gas Contracts (NG) during the period that position limits are applicable. Any participant seeking such exemption must agree: (1) not to hold a position in the NG contract during the last three days of trading; (2) provide the Exchange information on the complete book of all positions related to the Henry Hub; and (3) any other information/documentation required by the Exchange.

**559.FG. Violations**

Violations of position limits and approved exemption limits are subject to the provisions of Rule 443.