



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

June 6, 2014

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: Extension of the NYMEX European Carbon Products Globex Incentive Program
NYMEX Submission No. 14-211**

Dear Ms. Jurgens:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to extend the European Carbon Products Globex Incentive Program ("Program") through December 31, 2014. The Program was set to expire on June 30, 2014. The extension of the Program will become effective on July 1, 2014. All other terms remain unchanged.

Exhibit 1 sets forth the terms of this Program. The modifications appear below, with additions underscored and deletions ~~overstruck~~.

NYMEX 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.

The Program does not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. NYMEX Market Regulation Staff will monitor trading in the Program's products for any manipulative trading and/or market abuse. Additionally, the Exchange has implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The incentives in the Program do not impact the Exchange's order execution. Participants in the Program will be selected by NYMEX staff using criteria as further stated in Exhibit 1. Chapter 4 of the NYMEX rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants must execute a contractual agreement with NYMEX in which each participant will expressly agree to comply with, and be subject to, applicable regulations and NYMEX rules. Additionally, the Program is subject to the Exchange's record retention policies, which comply fully with the CEA.

NYMEX certifies that the 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 Exchange's 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, or contact me at 212-299-2200. Please reference our NYMEX Submission No. 14-211 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

European Carbon Products Globex Incentive Program

Program Purpose

The purpose of this Program is to incentivize participants to increase Globex liquidity in the products listed below. A more liquid contract on the central limit order book benefits all participants in the marketplace.

Product Scope

European Union Allowance ("EUA") futures contracts, Certified Emission Reduction ("CER") futures contracts, and California Carbon Allowance ("CCA") futures contracts that are traded on Globex ("Products").

Eligible Participants

There is no limit to the amount of participants in this Program. Participants may be NYMEX members or non-members. Former GreenX shareholders are excluded from participation in the Program. When selecting participants, NYMEX will consider participants that have consistently traded significant monthly volume levels in the Products or any related products. Notwithstanding the foregoing, NYMEX, in its sole discretion, may add or subtract from the aforementioned criteria as it deems necessary.

Program Term

Start date is January 1, 2014. End date is ~~June 30, 2014~~ December 31, 2014.

Hours

ETH

Obligations

Reporting Requirements. Participants in the Program are required to provide NYMEX with information in an electronic format acceptable to NYMEX detailing Participants' trading activity under the Program, and NYMEX may require an additional third party verification report.

Incentives

Upon completing all obligations as determined by NYMEX, participants will be entitled to the following incentive:

1. *Transaction and Clearing Fee Rebates:*
 - a.) For all transactions in EUA, CER, and CCA futures contracts executed on Globex, if the trade results from the Program participant posting any bid or offer that is hit or lifted by another NYMEX customer not affiliated with the Program participant, the participant's rebate will be \$1.50.

- b.) For all transactions in EUA, CER, and CCA futures contracts executed on Globex, if the trade results from the Program participant hitting or lifting a resting order that is not affiliated with the Program participant, the participant's rebate will be \$1.00.

Monitoring and Termination of Status

The Exchange shall monitor trading activity and participants' performance and shall retain the right to revoke Program participant status if it concludes from review that a Program participant has failed to meet its obligations or no longer meets the eligibility requirements of the Program.