

January 8, 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: Modifications to the Cross-Venue Energy and Metals Incentive Program for High Volume Contributors
NYMEX/COMEX Submission No. 14-006**

Dear Ms. Jurgens:

New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify the Cross-Venue Energy and Metals Incentive Program for High Volume Contributors ("Program"). The proposed modifications to the Program will become effective on January 24, 2014.

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

The Exchanges reviewed the designated contract market core principles and the derivatives clearing organization core principles (collectively, the "Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX and COMEX 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 and proposed modifications will not impact the Exchanges' ability to perform their trade practice and market surveillance obligations under the CEA and Exchange market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. Additionally, NYMEX and COMEX have implemented systems to track Program participants' volume to ensure proper distribution of earned incentives. The products included in this Program are listed for trading in the open and competitive market. Participants who might meet the criteria for this Program generally perform complex trading strategies that include both on-exchange and off-exchange activities. The set of incentives encompassed by the Program have been developed to increase volume across all NYMEX venues through additional execution of these strategies, ultimately having a positive impact on the price discovery process taking place in the centralized market as the Program is designed to increase liquidity on that venue. Participants in the Program will be selected by NYMEX and COMEX 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/COMEX rules. The Program will be subject to the Exchanges' record retention policies which comply with the CEA.

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

The Exchanges certify that this submission has been concurrently posted on the Exchanges' 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/COMEX Submission No. 14-006 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Cross-Venue Energy and Metals Incentive Program For High Volume Contributors

Program Purpose

The purpose of this Program is to incentivize volume and liquidity in energy and metals products across NYMEX's and COMEX's trading venues. The resulting addition of liquidity for these products benefits all participants in the market.

Product Scope

All NYMEX/COMEX energy and metals futures, options and miNY® contracts that are traded on Globex®, and all over-the-counter ("OTC") energy and metals products that are cleared by the Clearing House with a base member rate exceeding fifteen cents (\$0.15) (collectively, the "Products").

Eligible Participants

NYMEX/COMEX may designate up to three (3) participants in the Program. A participant may be a NYMEX or COMEX member or non-member firm. In order to be considered for the Program, an applicant must (i) have, over a recent time period, achieved a significantly high combined cross-venue average daily volume in all NYMEX and COMEX products, (ii) have, over a recent time period, achieved a significantly high combined cross-venue average daily volume in all NYMEX and COMEX options products, (iii) ~~not currently be participating in another incentive program that includes the Products in order to be considered for participation in the Program.~~

Program Term

Start date is December 2, 2011. End date is ~~December 31, 2013~~ June 30, 2014.

Hours

N/A

Progressive Tiered Volume Incentives

Once accepted into the Program, participants will be eligible to receive the following incentives.

1. Fee Discounts. Participants will be eligible to receive predetermined fee discounts for certain NYMEX and COMEX energy and metals options products that are traded on Globex® and for certain NYMEX and COMEX futures products used to offset or hedge an options position.
2. Volume Incentives. Participants will be eligible to participate in tiered volume incentives whereby participants may be charged reduced fee rates in certain NYMEX and COMEX futures and miNY® contracts traded on Globex® and in certain OTC energy and metals products with a base member rate exceeding fifteen cents (\$0.15) that a participant submits for clearing to the Clearing House. The progressive tiered volume levels are predetermined by NYMEX and COMEX and are based on a participant's volume in the above-referenced products.

Monitoring and Termination of Status

The Exchanges shall monitor trading activity and participants' performance and shall retain the right to revoke Program participant status if they conclude from review that a Program participant no longer meets the eligibility requirements of the Program.