

February 16, 2007

Via E-Mail

Office of the Acting Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

RECEIVED
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OFFICE OF THE SECRETARY

Re: Rule Certification. NYMEX Submission 07.27: Notification of Procedures Related to Holiday Schedule and Unanticipated Closure.

Dear Ms. Eileen Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of procedures related to Holiday schedule and unanticipated closures.

The purpose of Notice No. 07-98 (copy attached) is to give the market clarity of when and how NYMEX will handle settlements on both announced Holidays and also unanticipated closures. Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached notification filing complies with the Act, including regulations under the Act.

If you have any questions, please contact me at (212) 299-2897.

Sincerely,

Thomas F. LaSala
Chief Regulatory Officer

cc: Brian Regan

Notice No. 07-98
February 16, 2007

TO: All NYMEX and COMEX Division Members, Clearing Members and Member Firms

FROM: James E. Newsome, President

RE: **Procedures Related to Holiday Schedule and Unanticipated Closure**

By Notice No. 06-525 dated October 12, 2006, the New York Mercantile Exchange ("NYMEX" or "Exchange") published its approved Holiday schedule for 2007. NYMEX wishes to make clear its policies on an on-going basis for such dates, as well as unanticipated closures of the trading floor(s).

Related to approved Holidays as detailed in the Notice cited above, NYMEX will either be closed completely (i.e., New Years day, Good Friday and Christmas), or will provide electronic trading through CME Globex® and NYMEX ClearPort® (all other approved holidays) in all markets that are generally available through these venues. Where electronic trading occurs during these Holidays, such activity shall clear as part of the next available business day's activity. These approved Holidays shall not be considered a formal trade date for clearing and settlement purposes, and there will **NOT** be any calculation of a daily settlement price for markets which may have electronic trading conducted on those dates.

It shall be the policy of NYMEX that with regard to all other days which were **NOT** approved Holidays and where a decision is made to not conduct floor trading ("Unanticipated Closure"), the following will occur:

- 1) Electronic trading on CME Globex® will occur during hours announced by the Exchange.
- 2) Settlement prices in all futures markets will be determined for the markets available for electronic trading on CME Globex® during time periods for settlement consistent with the time periods for settlement for existing floor trading hours, or other time periods as determined and announced by NYMEX. The determination of such settlement prices shall be derived from values available from trading on CME Globex® and otherwise in accordance with existing settlement rules.
- 3) All NYMEX ClearPort® markets will be settled using information gathered by the Exchange as per its normal procedures.

- 4) All options markets will be settled utilizing the settlement prices in underlying futures contracts cited in #1 above, loaded into the Exchange approved model which shall have relevant data (volatilities, skews, pivots) carried over from the prior business day.

Any questions regarding this Notice can be directed to Thomas LaSala, Chief Regulatory Officer, at (212) 299-2897, or exchangeinfo@nymex.com.