



8 March 2022

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: ICE Clear Europe Self-Certification Pursuant to Commission Rule 40.6 –
Delivery Procedures Amendments

Dear Mr. Kirkpatrick:

ICE Clear Europe Limited (“ICE Clear Europe” or the “Clearing House”), a registered derivatives clearing organization under the Commodity Exchange Act, as amended (the “Act”), hereby submits to the Commodity Futures Trading Commission (the “Commission”), pursuant to Commission Rule 40.6 for self-certification, the amendments to Part H of the ICE Clear Europe Delivery Procedures to cover ICE Endex German THE Natural Gas Daily Futures Contracts (the “Contracts”), natural gas futures contracts that will be traded on ICE Endex and cleared by ICE Clear Europe. The proposed updates also make certain conforming changes elsewhere in the Delivery Procedures.¹ The amendments will become effective on the first business day following the tenth business day after submission, or such later date as ICE Clear Europe may determine.

Concise Explanation and Analysis

ICE Clear Europe is amending Part H of the Delivery Procedures, which currently addresses delivery under ICE Endex German THE Natural Gas Futures Contracts (the “Monthly Contract”), to also include the Contracts, which are a daily futures contract with respect to the same underlying commodity. The amendments also make certain

¹ Capitalized terms used but not defined herein have the meanings specified in the ICE Clear Europe Clearing Rules (the “Rules”) or in the Delivery Procedures.

conforming changes elsewhere in the Delivery Procedures. The amended Delivery Procedures provide the delivery specifications and processes related to delivery under the Contracts. Other minor drafting clarifications and updates have also been made.

The amendments provide that for the Contracts, the price at which the contract is delivered is the Exchange Delivery Settlement Price (EDSP) for the Business Day immediately prior to the calendar day on which the Delivery Day for the Contracts commences in accordance with ICE Endex Rules.

The amended Delivery Procedures state the cessation of trading for the Contracts; specifically, the Contracts cease trading at 18:00 hours on the Business Day which is one Business Day prior to the Delivery Day, in accordance with ICE Endex Rules.

With respect to Exchange for Physicals (EFPs) and Exchange for Swaps (EFSs), the amendments provide that, for the Contracts, EFPs and EFSs may be posted up to thirty minutes following the cessation of trading.

In the delivery timetable for routine deliveries of the current Monthly Contract, a minor correction has been made regarding timing specifications related to the nomination of a Transferor or Transferee. The related MPFE report made available to Clearing Members will be made available after (and not by) 12:30 CET.

A new delivery timetable has been added for routine deliveries under the Contracts and failed delivery under the Contracts. The routine delivery timetable sets out, among other matters, deadlines for submissions of delivery intentions and nominations and other notifications, provision of buyer's and seller's security, confirmation of delivery and payment. The timetable relating to failed deliveries addresses, among other matters, additional margin requirements and invoicing of payments for failed deliveries.

In the delivery documentation summary timetable for the current Monthly Contract, a minor correction has been made regarding timing of the confirmation report. When available, a copy of such report must be provided by Buyers and Sellers to the relevant Transferor(s) and Transferee(s) by 12:30 CET (not 14:00 CET).

A new delivery documentation summary timetable for the Contracts has been added which describes the certain reports to be made available to Clearing Members by the Clearing House with respect to the Contracts and certain other forms, as well as timing specifications.

Compliance with the Act and CFTC Regulations

The amendments to the Delivery Procedures are potentially relevant to the following core principles: (C) Participant and Product Eligibility and (E) Settlement Procedures and the applicable regulations of the Commission thereunder.

- *Product Eligibility.* The proposed changes to the Delivery Procedures are designed to establish delivery procedures relating to the Contracts, which will be traded on ICE Endex and cleared at ICE Clear Europe. The amendments set out delivery specifications related to the Contracts, including the settlement

price, delivery timing and delivery documentation, in line with Delivery Procedures for the Monthly Contract and other types of deliverable energy futures contracts cleared by ICE Clear Europe. Contracts will be cleared by the Clearing House in the substantially same manner as the existing Monthly Contract and other types of deliverable energy futures contracts and will be supported by ICE Clear Europe's existing F&O financial resources, risk management systems and operational arrangements. As a result, ICE Clear Europe believes that the amendments are consistent with the requirements of Core Principle C and Commission Rule 39.12(b).

- *Settlement Procedures.* As discussed above, the amendments modify Part H of the Delivery Procedures to add procedures applicable to the delivery and settlement of the Contracts. The procedures address, among other matters, delivery specifications for such contracts and certain other documentation and timing matters, consistent with the requirements of the Clearing House. The amendments will, in ICE Clear Europe's view, facilitate the operation of the physical settlement process for the Contracts and clarify the obligations of the Clearing House and Clearing Members with respect to physical delivery. As a result, ICE Clear Europe believes the amendments are consistent with the requirements of Core Principle E and Commission Rule 39.14.

As set forth herein, the amendments consist of the amendments to Part H of the ICE Clear Europe Delivery Procedures, a copy of which is attached hereto.

ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission's regulations thereunder.

ICE Clear Europe received no substantive opposing views in relation to the proposed amendments.

ICE Clear Europe has posted a notice of pending certification and a copy of this submission on its website concurrent with the filing of this submission.

If you or your staff should have any questions or comments or require further information regarding this submission, please do not hesitate to contact the undersigned at George.milton@theice.com or +44 20 7429 4564.

Very truly yours,



George Milton
Head of Regulation & Compliance