



March 22, 2019

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 Procedure 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 its Delivery Procedures (the “Delivery Procedures”)¹ discussed herein. The amendments are to 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 its Delivery Procedures to add a new Part EE regarding delivery procedures relating to a new natural gas futures contract, the ICE Endex Central European Gas Hub AG (“CEGH”) Austrian VTP Natural Gas Futures Contract (the “Contract”), that will be traded on ICE Endex and cleared by ICE Clear Europe.

Part EE sets out the delivery specifications and procedures for deliveries under the Contract. Delivery will be effected by the transfer of rights to natural gas at the virtual trading point (“VTP”) from a Transferor (nominated by the Seller and which may be the Seller) to the Clearing House and from the Clearing House (via its nomination agent) to a Transferee (nominated by the Buyer and which may be the Buyer) through the input of

¹ Capitalized terms used but not defined herein have the meanings specified in the ICE Clear Europe Delivery Procedures.

Trade Nominations into the CEGH electronic system. Under Part EE, Clearing Members will authorize the Clearing House to make Trade Nominations on their behalf. The amendments also establish certain timing requirements for exchange of futures for physical and swap transactions under exchange rules.

Part EE addresses certain responsibilities of the Clearing House and relevant parties for delivery under the Contracts, supplementing the existing provisions of the Rules. Specifically, the Clearing House will not be responsible for the performance of CEGH. Further, neither the Buyer nor the Seller, nor their Transferees or Transferors, will have any claim against the Clearing House for any loss incurred as a result of the condition or operation of the Transmission Network unless provided in the ICE Endex Rules.

Part EE addresses delivery contract security for the Buyer and Seller, invoicing with respect to the Contract and certain details of the delivery process, including processes relating to a failed delivery. Delivery under Contracts will be based on open contract positions at the cessation of trading and EFPs and EFSs posted up to one hour following the cessation of trading on the last trading day for which delivery is specified. The procedures will include a detailed timeframe for relevant notices of intent to deliver or receive, nominations of Transferors and Transferees, delivery confirmations, invoicing, provision of security and release of security following completion of delivery and other matters.

Part EE also describes certain reports produced by the Clearing House that are made available to Buyers and Sellers and their timing.

Compliance with the Act and CFTC Regulations

The rule amendments 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 amendments to the Delivery Procedures are intended to facilitate the clearing of a new physically settled Austrian natural gas futures contract that is being launched for trading by the ICE Endex exchange. The amendments set out the obligations and role of the Clearing House and relevant parties for delivery under the Contracts, supplementing the existing provisions of the Rules. ICE Clear Europe believes that its existing financial resources, risk management, systems and operational arrangements are sufficient to support clearing of such products (and to address physical delivery under such contracts) and to manage the risks associated with such contracts. 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 noted above, the amendments set out the delivery procedures with respect to Contracts and clearly set out the role and responsibilities of the Clearing House in the physical delivery process. The amended Delivery Procedures also set out the procedures for transferring rights to natural gas at the VTP through Transferors and Transferees through

the input of Trade Nominations into the CEGH electronic system. As a result, ICE Clear Europe believes the amendments are consistent with the requirements of Core Principle E and CFTC Rule 39.14.

As set forth herein, the amendments consist of changes to the Delivery Procedures, a copy of which is attached hereto.

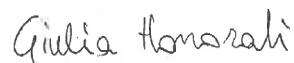
ICE Clear Europe hereby certifies that the amendments comply with the Act and the Commission's regulations thereunder.

ICE Clear Europe has received no substantive opposing views in relation to the proposed rule 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 Giulia.honorati@theice.com or +44 20 7429 7127.

Very truly yours,



Giulia Honorati
Manager Regulation & Compliance