



FOIA CONFIDENTIAL TREATMENT REQUESTED

April 6, 2023

VIA CFTC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st St., N.W.
Washington, D.C. 20581

Re: Amendment to ICE NGX Canada Inc. Rules - Submission Pursuant to Section 5c(c)(1) of the Commodity Exchange Act and CFTC Regulation § 40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, ("Act") and Commodity Futures Trading Commission ("Commission") Regulation 40.6(a), ICE NGX Canada Inc. ("ICE NGX") is submitting this self-certification of amendments to the ICE NGX Risk Management Framework ("RMF"). The RMF is a "rule" as that term is defined under Commission Regulation 40.1(i). ICE NGX intends to implement these amendments on April 24, 2023, or such later date as ICE NGX may designate.

1. Overview

ICE NGX is making this submission to implement certain changes (the "Amendments") to the ICE NGX RMF.

2. Details of Rule Changes

The Amendments are primarily designed to update descriptions to reflect current practices and procedures, and to update or improve drafting including non-substantive and conforming changes. Among other things, the Amendments update:

- the Introduction section to reflect current practices;
- the membership requirements section to reflect current practices;
- the description relating to the financial resources to reflect current practices;
- the description of counterparty credit risk management to reflect current practices, including relating to the internal credit rating model;

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- certain descriptions relating to bank concentration risk monitoring and collateral letter of credit limits;
- the description relating to holding of cash collateral to reflect current practices;
- certain descriptions relating to Variation Margin to ensure accuracy; and
- descriptions of the margin call triggers to better align with the ICE NGX Contracting Party Agreement.

3. Compliance with Core Principles

ICE NGX reviewed the Amendments and determined that they comply with the rules and regulations of the Commission. In this regard, ICE NGX reviewed the derivatives clearing organization (“DCO”) core principles (each a “Core Principle”) and determined that the Amendments are potentially relevant to the following Core Principles and applicable regulations of the Commission thereunder.

Compliance (Core Principle A): The Amendments are consistent with Core Principle A - Compliance and Commission Regulation 39.10, as the Amendments clarify, enhance and update ICE NGX’s policies and procedures for complying with Commission regulations and internal policies.

Financial Resources (Core Principle B): The Amendments are consistent with Core Principle B - Financial Resources and Commission Regulation 39.11(d), as the Amendments update certain descriptions relating to Financial Resources and Liquidity Resources to reflect current practice relating to ICE NGX’s financial resources.

Participant and Product Eligibility (Core Principle C): The Amendments are consistent with Core Principle C - Participant and Product Eligibility and Commission Regulation 39.12(a) as the Amendments update descriptions relating to participant application and onboarding.

Risk Management (Core Principle D): The Amendments are consistent with Core Principle D - Risk Management and the following Commission Regulations:

- § 39.13(b), as the Amendments update ICE NGX’s risk management framework to reflect current practices, including the descriptions relating to identification, monitoring and management of counterparty credit risk;
- § 39.13(e), as the Amendments update the descriptions relating to management of credit risk;



- § 39.13(f), as the Amendments update the descriptions relating to margin calls, as part of limiting exposure to potential losses arising from a default by a Contracting Party;
- § 39.13(g)(10), as the Amendments clarify the description of ICE NGX's risk management practices relating to letters of credit provided as collateral.

Treatment of Funds (Core Principle F): The Amendments are consistent with Core Principle F - Treatment of Funds and Commission Regulation 39.15(a) as the Amendments update descriptions relating to the holding of clearing participant cash collateral.

4. Certifications

ICE NGX certifies that the proposed Amendments discussed in this submission comply with the Commodity Exchange Act, including the Core Principles and the Regulations of the Commission thereunder. ICE NGX is not aware of opposing views expressed regarding these amendments. ICE NGX further certifies that, concurrent with this filing, a copy of this submission was posted to ICE NGX's website.

If you have any questions or require further information, please do not hesitate to contact me at (403-479-4639 (mobile) or martin.mcgregor@ice.com) or Greg Abbott, ICE NGX President & COO (403-974-1701 or greg.abbott@ice.com).

Yours truly,

A handwritten signature in black ink, appearing to read "Martin McGregor", is positioned above a horizontal line.

Martin McGregor
General Counsel & CCO
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