

## SUBMISSION COVER SHEET

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-010

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 01/22/20 Filing Description: Administrative Amendments to NE2 Canada Inc. (formerly, Net Energy Inc.) Futures and Option Contracts

### SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

#### Organization Rules and Rule Amendments

- |                          |                                     |            |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/> | Approval                            | § 40.5(a)  |
| <input type="checkbox"/> | Notification                        | § 40.6(d)  |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change         | § 40.10(h) |

#### Rule Numbers:

##### New Product

Please note only ONE product per Submission.

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

#### Official Product Name:

#### Product Terms and Conditions (product related Rules and Rule Amendments)

- |                                     |   |                      |
|-------------------------------------|---|----------------------|
| <input checked="" type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/>            | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/>            | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/>            | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/>            | Approval  | § 40.5(a)            |
| <input type="checkbox"/>            | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/>            | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/>            | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/>            | “Non-Material Agricultural Rule Change”                 | § 40.4(b)(5)         |
| <input type="checkbox"/>            | Notification  | § 40.6(d)            |

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

January 22, 2020

**VIA ELECTRONIC PORTAL**

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

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Administrative Amendments to NE2 Canada Inc. (formerly, Net Energy Inc.) Futures and Option Contracts. NYMEX Submission No. 20-010**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying administrative amendments to NE2 Canada Inc. (formerly, Net Energy Inc.) futures and option contracts (the “Contracts”) effective on Sunday, February 9, 2020 for trade date Monday, February 10, 2020 as more specifically described in the table and Exhibit A below.

It should be noted that the index price of the Contracts has been and will continue to be determined in the manner in which prices are quoted by NE2 Canada Inc. or its affiliates as applicable. Therefore, holders of open interest of the Contracts will in no manner be economically impacted. The Exchange is simply amending the rules to align with NE2 Canada Inc. as well as the Exchange’s current practice. In addition, the Exchange is implementing other conforming harmonization amendments at this time (collectively, the “Rule Amendments”). The Rule Amendments are provided in Exhibit A below in blackline format.

<b>Current Contract Title</b>	<b>Amended Contract Title</b>	<b>NYMEX Rulebook Chapter</b>	<b>Commodity Code</b>
Canadian C5+ Condensate Monthly Index (Net Energy) Average Price Option	Edmonton C5+ Condensate (NE2) Monthly Index Average Price Option	1308	CCO
Canadian C5+ Condensate Monthly Index (Net Energy) Futures	Edmonton C5+ Condensate (NE2) Monthly Index Futures	1299	CC5
Canadian Heavy Crude Oil (Net Energy) BALMO Futures	Hardisty Western Canadian Select (NE2) Daily Index BALMO Futures	1088	CHB

Canadian Heavy Crude Oil Index (Net Energy) Futures	Hardisty Western Canadian Select (NE2) Daily Index Futures	263	WCC
Canadian Light Sweet Oil (Net Energy) Index Futures	Edmonton Light Sweet (NE2) Daily Index Futures	1211	CIL
Canadian Sweet Synthetic Oil Index (Net Energy) Futures	Edmonton Sweet Synthetic (NE2) Daily Index Futures	1112	CSN
Clearbrook Bakken Sweet Crude Oil Monthly Index (Net Energy) Futures	Clearbrook Bakken Sweet (NE2) Monthly Index Futures	1298	CSW
Dakota Access Bakken (Net Energy) Monthly Index Futures	Dakota Access Bakken (NE2) Monthly Index Futures	1296	DAB
Guernsey Light Sweet Crude Oil Monthly Index (Net Energy) Futures	Guernsey Light Sweet (NE2) Monthly Index Futures	1297	GSW
Light Sweet Oil (Net Energy) Monthly Index Average Price Option	Edmonton Light Sweet (NE2) Monthly Index Average Price Option	1307	SWO
Light Sweet Oil (Net Energy) Monthly Index Futures	Edmonton Light Sweet (NE2) Monthly Index Futures	983	LSW
Synthetic Sweet Oil (Net Energy) Monthly Index Average Price Option	Edmonton Synthetic Sweet (NE2) Monthly Index Average Price Option	1306	SSO
Synthetic Sweet Oil (Net Energy) Monthly Index Futures	Edmonton Synthetic Sweet (NE2) Monthly Index Futures	984	SSW
Western Canadian Select Crude Oil (Net Energy) Monthly Index Average Price Option	Hardisty Western Canadian Select (NE2) Monthly Index Average Price Option	1151	WCI
Western Canadian Select Oil (Net Energy) Monthly Index Futures	Hardisty Western Canadian Select (NE2) Monthly Index Futures	982	WCW

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“Act” or “CEA”) and identified that the Rule Amendments may have some bearing on the following Core Principles:

- **Availability of General Information:** The Exchange will publish information on the changes via a Special Executive Report (“SER”) to notify the marketplace of these amendments. The SER will also be posted on the CME Group website.
- **Daily Publication of Trading Information:** The Exchange shall continue to make public daily information on settlement prices, volume, open interest, and opening and closing ranges for the Contracts.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A - Amendments to NYMEX Rulebook Chapters (blackline format)

**EXHIBIT A**  
**NYMEX Rulebook**

(additions are underscored; deletions ~~struckthrough~~)

**Chapter 263**  
**Canadian Heavy Crude Oil Index (Net Energy) Futures**

**263.01. SCOPE**

The provisions of these Rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Net Energy Canadian Daily Index (CDI) for Western Canadian Select (WCS) basis delivery at Hardisty, Alberta.

**263.02. INDEX PRICE**

The Index Price for each contract month is equal to the simple arithmetic average of the Net Energy Canadian Daily Index (CDI) for Canadian Heavy Crude Oil during the Index Pricing Period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

**263.03. CONTRACT QUANTITY AND VALUE**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

**263.04. CONTRACT MONTHS**

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

**263.05. PRICES AND FLUCTUATIONS**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

**263.06. TERMINATION OF TRADING**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20<sup>th</sup> calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge Pipeline prior to the start of each year, and will be posted on the Exchange website as part of the termination schedule.

**263.07. FINAL SETTLEMENT**

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Net Energy CDI price for the contract month.

**263.08. EXCHANGE FOR RELATED POSITION TRANSACTIONS**

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 538.

## **Chapter 263**

### **Hardisty Western Canadian Select (NE2) Daily Index Futures**

#### **263100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### **263101. CONTRACT SPECIFICATIONS**

The Index Price for each contract month is equal to the NE2 Canadian Daily Index (CDI) for WCS Hardisty during the Index Pricing Period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### **263102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

##### **263102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **263102.B. Trading Unit**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

##### **263102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

##### **263102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### **263102.E. Termination of Trading**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

#### **263103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Index Price. The final settlement price will be the Index Price calculated for each contract month.

## Chapter 982

### Hardisty Western Canadian Select Oil (Net Energy) (NE2) Monthly Index Futures

#### **982100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### **982101. CONTRACT SPECIFICATIONS**

The Index Price for each contract month is equal to the ~~Net Energy~~ NE2 Canadian Monthly Index (~~NEI~~) (CMI) for WCS Hardisty during the Index Pricing Period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### **982102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

##### **982102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **982102.B. Trading Unit**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

##### **982102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

##### **982102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### **982102.E. Termination of Trading**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

#### **982103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Index Price. The final settlement price will be the Floating Index calculated for each contract month.

**Chapter 983**  
**Edmonton Light Sweet Oil Net Energy (NE2) Monthly Index Futures**

**983100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**983101. CONTRACT SPECIFICATIONS**

The Index Price for each contract month is equal to the ~~Net Energy~~ NE2 Canadian Monthly Index (~~NEI~~) (CMI) for SW Edmonton Light Sweet during the Index Pricing Period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

**983102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

**983102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**983102.B. Trading Unit**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

**983102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

**983102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**983102.E. Termination of Trading**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

**983103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Index Price. The final settlement price will be the Floating Index calculated for each contract month.



## Chapter 984

### Edmonton Synthetic Sweet Oil (Net Energy) (NE2) Monthly Index Futures

#### 984100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### 984101. CONTRACT SPECIFICATIONS

The Index Price for each contract month is equal to the ~~Net Energy~~ NE2 Canadian Monthly Index (~~NEI~~) (CMI) for SYN + Edmonton Synthetic Sweet during the Index Pricing Period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### 984102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

##### 984102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

##### 984102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

##### 984102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

##### 984102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### 984102.E. Termination of Trading

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

#### 984103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Index Price. The final settlement price will be the Floating Index calculated for each contract month.

**Chapter 1088**  
**Hardisty Western Canadian Select Oil Canadian Heavy Crude Oil (Net Energy)**  
**(NE2) Daily Index BALMO Futures**

**1088100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Index Price for the balance-of-month period. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**1088101. CONTRACT SPECIFICATIONS**

The Index Price for each contract month is equal to the balance-of-month (BALMO) ~~arithmetic average of the Net Energy NE2 Canadian Daily Index (CDI) for Canadian Heavy Crude Oil WCS Hardisty~~ during the Index Pricing Period for the contract month, starting from the selected start date through the last day of trading, inclusively, which occurs one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

**1088102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

**1088102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**1088102.B. Trading Unit**

The contract size shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

**1088102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel.

**1088102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**1088102.E. Termination of Trading**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge Pipeline prior to the start of each year, and will be posted on the Exchange website as part of the termination schedule.

**1088103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the ~~Floating Index~~ Price. The final settlement price will be the ~~Floating Index~~ calculated for each contract month.

## Chapter 1112

### Edmonton Canadian Sweet Synthetic Oil (NE2) Daily Index (Net Energy) Futures

#### 1112100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### 1112101. CONTRACT SPECIFICATIONS

The Floating Index Price for each contract month is equal to the ~~simple arithmetic average of the Net Energy NE2 Canadian Daily Index (CDI) for Sweet Synthetic Crude Oil SYN+ Edmonton~~ during the pricing period for the contract month. The pricing period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### 1112102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

##### 1112102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

##### 1112102.B. Trading Unit

The contract quantity shall be 1,000 barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price. There shall be no maximum price fluctuation.

##### 1112102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel.

##### ~~1112102.D. Position Limits and Position Accountability~~ Position Limits, Exemptions, Position Accountability and Reportable Levels

~~For purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.~~

~~In accordance with Rule 559, no person shall own or control positions in excess of 1,000 contracts net long or net short in the spot month.~~

~~In accordance with Rule 560:~~

- ~~1. the all months accountability level shall be 20,000 futures contracts net long or net short in all months combined;~~
- ~~2. the any one month accountability level shall be 10,000 futures contracts net long or net short in any single contract month excluding the spot month.~~

~~Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.~~

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### 1112102.E. Termination of Trading

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for NOS dates will be made publicly available by the Enbridge Pipeline.

**1112103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the ~~Floating~~ Index Price. The final settlement price will be the Index Price calculated for each contract month.

## Chapter 1151

### **Hardisty Western Canadian Select Oil (Net Energy) (NE2) Monthly Index Average Price Option**

#### **1151100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on Hardisty Western Canadian Select Oil (NE2) Monthly Index Futures (WCW) contract. In addition to the rules of this chapter, transactions in options on Hardisty Western Canadian Select Oil (NE2) Monthly Index Futures (WCW) shall be subject to the general rules of the Exchange insofar as applicable.

#### **1151101. OPTION CHARACTERISTICS**

The number of months open for trading at a given time shall be determined by the Exchange.

##### **1151101.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **1151101.B. Trading Unit**

The Call Option traded on the Exchange represents the differential between the final settlement price of the underlying Hardisty Western Canadian Select (NE2) Oil Monthly Index Futures (WCW) contract less the strike price, or zero whichever is greater, multiplied by 1,000 barrels. A Put Option represents the differential between the strike price and the final settlement price of the underlying Hardisty Western Canadian Select (NE2) Oil Monthly Index Futures (WCW) contract, or zero, whichever is greater, multiplied by 1,000 barrels.

##### **1151101.C. Price Increments**

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of \$0.001 per barrel. The minimum price increment will be \$0.001.

##### **1151101.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### **1151101.E. Termination of Trading**

The option contract shall expire along with the underlying Hardisty Western Canadian Select (NE2) Oil Monthly Index Futures (WCW) contract. Trading of the underlying futures ceases one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge Pipeline prior to the start of each year, and will be posted on the Exchange website as part of the termination schedule.

##### **1151101.F. Type Option**

The option is a European-style option which can be exercised only on the expiration day.

#### **1151102. EXERCISE PRICES AND CHARACTERISTICS**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

## Chapter 1211

### Edmonton Canadian Light Sweet Oil (Net Energy) (NE2) Daily Index Futures

#### 1211100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### 1211101. CONTRACT SPECIFICATIONS

The Floating Index Price for each contract month is equal to the ~~simple arithmetic average of the Net Energy NE2~~ Canadian Daily Index (CDI) for "~~NE2 Sweet~~" SW Edmonton during the pricing period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### 1211102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

##### 1211102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

##### 1211102.B. Trading Unit

The contract quantity shall be 1,000 barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

##### 1211102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel.

##### 1211102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### 1211102.E. Termination of Trading

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge. The official schedule for NOS dates will be made publicly available by the Enbridge Pipeline.

#### 1211103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement following the termination of trading for a contract month will be based on the Floating Index Price. The final settlement price will be the Index Price calculated for each contract month.

## Chapter 1296

### Dakota Access Bakken ~~Net Energy~~ (NE2) Monthly Index Futures

#### 12961040.      **SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the ~~Floating Index~~ Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### 12961021.      **CONTRACT SPECIFICATIONS**

The Index Price for each contract month is equal to the ~~Net Energy NE2~~ Canadian Monthly Index (~~NEI~~) (CMI) for Bak-DAPL during the Index Pricing Period for the contract month. The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### 12961032.      **TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

##### **1296102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **1296102.B. Trading Unit**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

##### **1296102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

##### **1296102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### **1296102.E. Termination of Trading**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

#### 12961041.      **FINAL SETTLEMENT**

~~Delivery~~ Final Settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the ~~Floating Index~~ Price. The final settlement price will be the ~~Floating Index~~ Price calculated for each contract month.

**Chapter 1297**  
**Guernsey Light Sweet Crude Oil (NE2) Monthly Index (Net Energy) Futures**

**1297100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**1297101. CONTRACT SPECIFICATIONS**

The Floating Index Price for each contract month is equal to the ~~Net Energy NE2 US Monthly Index (USMI) for Light Sweet Crude Oil at Guernsey, Wyoming Lt. SW Guernsey~~ during the Index Pricing Period for the contract month. ~~The USMI is based on the volume-weighted average of all light sweet crude oil transactions reported during the entire Index Pricing Period.~~ The Index Pricing Period shall extend from the first business day after the 25th calendar day two months prior to the contract month through the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, the Trade month period shall end on the first business day prior to the 25th calendar day. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

**1297102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

**1297102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**1297102.B. Trading Unit**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

**1297102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

**1297102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**1297102.E. Termination of Trading**

Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, trading shall cease on the first business day prior to the 25th calendar day.

**1297103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Index Price. The final settlement price will be the Floating Index calculated for each contract month.



**Chapter 1298**  
**Clearbrook Bakken Sweet Crude Oil (NE2) Monthly Index (Net Energy) Futures**

**1298100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**1298101. CONTRACT SPECIFICATIONS**

The Floating Index Price for each contract month is equal to ~~the Net Energy~~ NE2 Canadian Monthly Index (NEI) (CMI) for ~~Bakken Sweet Crude Oil at Clearbrook, Minnesota~~ UHC Clearbrook during the Index Pricing Period for the contract month. ~~The NEI for Bakken Sweet Crude Oil is based on the volume-weighted average of all Bakken Sweet Crude Oil transactions reported during the entire Index Pricing Period.~~ The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential versus the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

**1298102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

**1298102.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**1298102.B. Trading Unit**

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

**1298102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

**1298102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**1298102.E. Termination of Trading**

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

**1298103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Index Price. The final settlement price will be the Floating Index calculated for each contract month.

## Chapter 1299

### Edmonton Canadian C5+ Condensate (NE2) Monthly Index (Net Energy) Futures

#### 1299100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Index Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

#### 1299101. CONTRACT SPECIFICATIONS

The Floating Index Price for each contract month is equal to the Net Energy NE2 Canadian Monthly Index (NEI) (CMI) for C5+ (CFT) Edmonton C5+ Condensate during the Index Pricing Period for the contract month. ~~The NEI for Edmonton C5+ Condensate is based on the volume-weighted average of all C5+ Condensate transactions reported during the entire Index Pricing Period.~~ The Index Pricing Period shall extend from the first Canadian business day of the month through the last Canadian business day prior to Notice of Shipments (NOS) date on the Enbridge Pipeline. The Index is expressed as a differential to the Calendar Month Average (CMA) of the NYMEX Light Sweet Crude Oil futures settlement price.

#### 1299102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

##### 1299102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

##### 1299102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1000) multiplied by the settlement price.

##### 1299102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be \$0.001 per barrel. There shall be no maximum price fluctuation.

##### 1299102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### 1299102.E. Termination of Trading

Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge.

#### 1299103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Index Price. The final settlement price will be the Floating Index calculated for each contract month.

## Chapter 1306

### Edmonton Synthetic Sweet Oil (Net Energy) (NE2) Monthly Index Average Price Option

#### 1306100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Edmonton Synthetic Sweet Oil (Net Energy) (NE2) Monthly Index Futures contract. In addition to the rules of this chapter, transactions in options on Edmonton Synthetic Sweet Oil (Net Energy) (NE2) Monthly Index Futures shall be subject to the general rules of the Exchange insofar as applicable.

#### 1306101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

##### **1306101.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **1306101.B. Trading Unit**

An Edmonton Synthetic Sweet Oil (Net Energy) (NE2) Monthly Index Average Price Option is a cash-settled option. On expiration of a call option, the value will be the difference between the settlement price of the underlying Edmonton Synthetic Sweet Oil (Net Energy) (NE2) Monthly Index Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater. On expiration of a put option, the difference between settlement price of the underlying Synthetic Sweet Oil (Net Energy) Monthly Index Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater.

##### **1306101.C. Price Increments**

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of \$0.001 per barrel. The minimum price increment will be \$0.001.

##### **1306101.D. Position Limits and Position Accountability**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### **1306101.E. Termination of Trading**

The option contract shall expire along with the underlying Edmonton Synthetic Sweet (NE2) Monthly Index Futures contract. Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge Pipeline prior to the start of each year, and will be posted on the Exchange website as part of the termination schedule.

##### **1306101.F. Type Option**

The option is a European-style option which can be exercised only on the expiration day. ~~At expiry, automatic exercise occurs for those options that are one or more ticks in the money. Options that are at the money at expiration lapse.~~

#### 1306102. EXERCISE PRICES AND CHARACTERISTICS

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

## Chapter 1307

### Edmonton Light Sweet Oil (Net Energy) (NE2) Monthly Index Average Price Option

#### 1307100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Edmonton Light Sweet Oil (Net Energy) (NE2) Monthly Index Futures contract. In addition to the rules of this chapter, transactions in options on Edmonton Light Sweet Oil (Net Energy) (NE2) Monthly Index Futures shall be subject to the general rules of the Exchange insofar as applicable.

#### 1307101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

##### 1307101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

##### 1307101.B. Trading Unit

An Edmonton Light Sweet Oil (Net Energy) (NE2) Monthly Index Average Price Option is a cash-settled option. On expiration of a call option, the value will be the difference between the settlement price of the underlying Edmonton Light Sweet Oil (Net Energy) (NE2) Monthly Index Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater. On expiration of a put option, the difference between settlement price of the underlying Edmonton Light Sweet Oil (Net Energy) (NE2) Monthly Index Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater.

##### 1307101.C. Price Increments

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of \$0.001 per barrel. The minimum price increment will be \$0.001.

##### 1307101.D. Position Limits and Position Accountability

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### 1307101.E. Termination of Trading

The option contract shall expire along with the underlying Edmonton Light Sweet (NE2) Monthly Index Futures contract. Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge Pipeline prior to the start of each year, and will be posted on the Exchange website as part of the termination schedule.

##### 1307101.F. Type Option

The option is a European-style option which can be exercised only on the expiration day. ~~At expiry, automatic exercise occurs for those options that are one or more ticks in the money. Options that are at the money at expiration lapse.~~

#### 1307102. EXERCISE PRICES AND CHARACTERISTICS

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

**Chapter 1308**  
**Canadian Edmonton C5+ Condensate (NE2) Monthly Index (Net Energy) Average Price Option**

**1308100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on ~~Canadian~~ Edmonton C5+ Condensate (NE2) Monthly Index ~~(Net Energy)~~ Futures contract. In addition to the rules of this chapter, transactions in options on ~~Canadian~~ Edmonton C5+ Condensate Monthly Index ~~(Net Energy)~~ (NE2) Futures contract shall be subject to the general rules of the Exchange insofar as applicable.

**1308101. OPTION CHARACTERISTICS**

The number of months open for trading at a given time shall be determined by the Exchange.

**1308101.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

**1308101.B. Trading Unit**

An ~~Edmonton Canadian~~ C5+ Condensate (NE2) Monthly Index ~~(Net Energy)~~ Average Price Option is a cash-settled option. On expiration of a call option, the value will be the difference between the settlement price of the underlying ~~Edmonton Canadian~~ C5+ Condensate (NE2) Monthly Index ~~(Net Energy)~~ Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater. On expiration of a put option, the difference between settlement price of the ~~Edmonton Canadian~~ C5+ Condensate (NE2) Monthly Index ~~(Net Energy)~~ Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater.

**1308101.C. Price Increments**

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of \$0.001 per barrel. The minimum price increment will be \$0.001.

**1308101.D. Position Limits and Position Accountability**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**1308101.E. Termination of Trading**

The option contract shall expire along with the underlying Edmonton C5+ Condensate (NE2) Monthly Index Futures contract. Trading shall cease one Canadian business day prior to the Notice of Shipments (NOS) date on the Enbridge Pipeline. The NOS date occurs on or about the 20th calendar day of the month, subject to confirmation by Enbridge Pipeline. The official schedule for the NOS dates will be made publicly available by Enbridge Pipeline prior to the start of each year, and will be posted on the Exchange website as part of the termination schedule.

**1308101.F. Type Option**

The option is a European-style option which can be exercised only on the expiration day. ~~At expiry, automatic exercise occurs for those options that are one or more ticks in the money. Options that are at the money at expiration lapse.~~

**1308102. EXERCISE PRICES AND CHARACTERISTICS**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.