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BY ELECTRONIC TRANSMISSION

Submission No. **23-02**
May 2, 2023

Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Listing of Commodity Swaps and Related Rule Amendments- Submission Pursuant to Section 5c(c)(1) of the Act and Regulations 40.2(a) and 40.6(a)

Dear Ms. Jurgens:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “CEA”) and the Commodity Futures Trading Commission (the “Commission”) Regulations 40.2(a) and 40.6(a), ICE Swap Trade, LLC (“IST” or “SEF”) submits by written certification the terms and conditions for one new cash-settled contract (the “Energy Contract”). The Energy Contract will be listed as a permitted contract for trading on May 08, 2023 (based on an acknowledged filing date of May 02, 2023). The Energy Contract is a monthly cash-settled swap.

The contract terms and conditions are set forth in Chapter 13 of the ICE Swap Trade Rulebook (“Rules”) and in related amendments to existing Rules, as specified in **Exhibit A**. The underlying cash market analysis for the new Energy Contract is contained in **Exhibit B**. A copy of the revised Rulebook marked to show changes against the Rulebook submitted to the Commission with an effective date of May 08, 2023, is attached as **Exhibit C**, and a clean copy of the revised Rulebook is attached as **Exhibit D**. The SEF is listing the Energy Contracts as noted in the table below:

Rule	Code	Contract Name
13147	DBI	Dubai First Line Swap

Certifications

IST certifies that the rules and amendments related to the listing of the Energy Contracts comply with the requirements of the CEA and the rules and regulations promulgated by the Commission thereunder. IST has reviewed the Core Principles and has determined that the listing of the Energy Contracts impacts the following relevant Core Principles:

COMPLIANCE WITH RULES (Principle 2): The terms and conditions of the Energy Contracts are set forth in Chapter 13 of the Rules, which will be enforced by IST. Trading of the Energy Contracts is subject to all relevant IST rules which are enforced by the Market Regulation Department.

SWAPS NOT READILY SUSCEPTIBLE TO MANIPULATION (Principle 3): In accordance with the guidelines set forth in Appendix C to Part 38 of the CEA, the Energy Contract should not be readily subject to manipulation as it is based on a liquid cash market and widely accepted benchmark as demonstrated in the analysis included in **Exhibit B**. The contract size, listing cycle, quotation basis, final settlement and minimum price fluctuation for the Energy Contracts are common amongst related contracts listed by other SEFs and DCMs. In addition, the Energy Contracts will be subject to market surveillance by IST Market Regulation staff to detect attempted manipulation.

Platts, the administrator of the referenced indices, has established comprehensive rules governing assessment prices and price reporting structures that is publicly available, transparent, and widely accepted and understood by market participants. The prices included in all of Platts' indices are subjected to a rigorous series of quality control processes. Platts publishes benchmark price assessments for liquefied natural gas markets and its price reporting is well known in the industry as fair and accurate. The liquefied natural gas indexes Platts publishes are based on original reporting that is collected by Platts from actual buyers and sellers. Platts also employs a comprehensive compliance review of submissions and its methodologies to ensure the published prices accurately reflect physical deals. Platts' rules, index descriptions and pricing methodology for liquefied natural gas is publicly available on its website¹.

MONITOR OF TRADING AND TRADE PROCESSING (Principle 4): All contracts listed for trading by IST are subject to prohibitions against abusive trading practices as set forth in Chapter 5 of the IST Rulebook. The Market Regulation staff actively monitors all IST markets to detect abusive practices.

ABILITY TO OBTAIN INFORMATION (Principle 5): IST has rules and procedures in place that allow for the collection of non-routine data from Participants and Customers. In addition, IST has agreements in place with other regulatory, data repository and reporting services.

TIMELY PUBLICATION OF TRADING INFORMATION (Principle 9): IST will publish on its website and distribute through quote vendors contract trading volume, open interest levels, and daily price information in accordance with Part 16. IST will also adhere to the reporting requirements as detailed in Part 43 and 45² of the Commission's Rules. Prior to the commencement of trading, the terms and conditions for the Energy Contracts will be available on IST's website. In addition, IST will publish on a daily basis the settlement prices, volume, open interest and the opening and closing ranges for actively traded contracts.

RECORDKEEPING AND REPORTING (Principle 10): IST has rules and procedures in place to require Participants and Customers to maintain records of their trading and provide for the recording and storage of the requisite trade information sufficient for the Market Regulation Department to detect and prosecute customer and market abuses.

DISCIPLINARY PROCEDURES (Principle 13): Pursuant to Chapters 8 of the IST Rulebook, the Market Regulation Department has the authority to sanction, suspend or expel members and market participants that violate SEF rules.

DISPUTE RESOLUTION (Principle 14): Participants may arbitrate claims arising from trading of IST's contracts in accordance with Chapter 9 of the IST Rulebook. Such arbitration is mandatory for claims

¹ <https://www.spglobal.com/platts/plattscontent/assets/files/en/our-methodology/methodology-specifications/lngmethodology.pdf>

² 17 CFR Part 43 Real-Time Public Reporting of Swap Transaction Data and 17 CFR Part 45 Swap Data Recordkeeping and Reporting Requirements.



by customers against SEF Participants and for claims by SEF Participants against each other. Non-Participants with claims arising from trading of IST's contracts may also opt for SEF arbitration.

IST not aware of any substantive opposing views expressed with respect to the rules and the amendments. IST further certifies that concurrent with this filing, a copy of this submission was posted on its website, which may be accessed at: (<https://www.theice.com/swap-trade/regulation>).

If you have any questions or need further information, please contact the undersigned at (913) 323-8500 or Robert.Laorno@theice.com.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Laorno", with a stylized flourish at the end.

Robert J. Laorno
Chief Compliance Officer

cc: Division of Market Oversight

Exhibit A

Rule 13147. ~~Reserved~~ Dubai First Line Swap

Contract Description: A monthly cash settled swap based on the Platts daily assessment price for Dubai Crude.

Contract Symbol: DBI

Contract Size: 100 metric tonnes

Unit of Trading: Any multiple of 100 metric tonnes

Currency: US Dollars and cents

Trading Price Quotation: One tenth of cent (\$0.001) per metric tonne

Last Trading Day: Trading shall cease on the 15th calendar day of the calendar month prior to the contract month. If the 15th calendar day is not a business day, then trading shall cease on the next preceding business day.

Final Settlement Price: In respect of final settlement, the Floating Price will be a price in USD and cents per barrel based on the average of the mean of the high and low quotations appearing in "Platts Crude Oil Marketwire" under the heading "Key benchmarks (\$/bbl)" for "Dubai" prompt month for each business day (as specified below) in the determination period.

Contract Series: Up to 2 consecutive monthly contracts, or as otherwise determined by the Exchange

Final Payment Dates: Fourteen (14) Calendar Days after each settlement date via wire transfer or Federal funds

Business Days: Publication days for Platts Crude Oil Marketwire

Other Terms: To be confirmed directly between the parties in their full form of contract. The terms reflected in such contracts shall be controlling.

EXHIBIT B

I. Dubai First Line Swap

Platts Dubai is the default benchmark for pricing Middle East crude sales to Asia along with Asian cargoes.

II. Underling Cash Market for Dubai First Line Swap

Platts Dubai benchmark is underpinned by Platts Market on Close assessment methodology. More details on the Platts Dubai crude methodology can be found at:

https://www.spglobal.com/commodityinsights/plattscontent/_assets/_files/en/our-methodology/methodology-specifications/apag-crude-methodology.pdf

III. Cash Market Analysis for Dubai First Line Swap

The market for physical Platts Dubai has seen a consistent and growing market presence. As a result to the exposure in the physical product, Dubai derivative contracts have grown substantially over the years to meet the demand for hedging the physical market participants.

Several market participants have approached Platts with desire to trade cleared Dubai derivatives contracts in the MOC process where there is the added ability to trade partials. The demand for these Swap contracts is to manage exposure efficiently and in a more time-sensitive manner.

Similarly, market participants currently trade Dubai derivatives through the MOC Dubai first line futures TAPS contract--they are primarily used for hedging physical exposure. The financial contract settles on a daily basis and has seen consistent and steady market volume. Currently, the futures market has at least eight active participants while an additional handful will become active once there is the cleared contract parallel. The open interest in the equivalent Dubai First Line Future for the next strip to settle has an open interest of over 115,000 and the following strip has over 85,000 in open interest. Additionally, for 2023 strips, there are over 250 orders active in the futures markets.