

# BY ELECTRONIC TRANSMISSION

Submission No. 15-256 December 10, 2015

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

Re: Amendments to Cocoa Rules 9.02(b) and 9.18(i) - Submission Pursuant to Section

5c(c)(1) of the Act and Regulation 40.6

Dear Mr. Kirkpatrick:

New York, NY 10055

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended, and Commission Regulation 40.6(a), ICE Futures U.S., Inc. (the "Exchange") is self-certifying the amendment of IFUS Rules 9.02(b) and 9.18(i), as specified in the attachment to this filing. The amendment to Rule 9.02, which will become effective commencing with the July 2017 contract month, revises the current definition of the New York delivery point to include all areas within five miles of the current boundary of the delivery point. The amendment to Rule 9.18 revises the description of certain cocoa deliverable from Ecuador.

Current Rule 9.02(b) defines the New York delivery point as "the district defined from time to time by the laws of New York and New Jersey . . ." As defined by those states, the delivery point has a generally triangular shape extending from roughly New Brunswick, New Jersey up to White Plains, New York and then to JFK airport. Over the past several years the number of licensed warehouse operators in the New York delivery point has declined, and there is now only one operator remaining. Certain warehousemen have indicated that commercial space within the delivery point has become prohibitively expensive, and that a modest expansion of the area would ameliorate this condition and would allow for more space to become licensed. The amendment to expand the New York delivery point was recommended by the Exchange's Cocoa Committee; two of nine Committee members voting on the amendment opposed it simply because they believe there is insufficient evidence to suggest that the proposed expansion will result in an increase of the number and capacity of commercial and Exchange licensed warehouses in the delivery point.

Although the Committee determined that the amendment would not affect the value of the cocoa contract, it recommended, and the Board determined, to implement the amendment commencing with the first contract month that is at least eighteen months after the date on which the amendment is filed with the Commission. The purpose of this delay is to allow sufficient time for both the current and potential new warehouse operators to obtain commercial space and prepare property in the expanded delivery point area without unduly penalizing any operators who had already secured property in the delivery point as currently defined.

With respect to the amendments regarding Rule 9.18(i), currently the rule includes two different origin descriptions for beans from Ecuador: CCN (Ecuador) and Arriba (Ecuador). Both are included in the set of Group B origins which are subject to the same \$80 per metric ton premium under the Rule. The amendment revises the "CCN (Ecuador)" description to read simply "Ecuador", while leaving the separate description "Arriba (Ecuador)" unchanged. The revised description "Ecuador" more closely matches commercial practice under which most beans from the country are traded under the more generic description that does not include either "CCN" or Arriba, while preserving the separate "Arriba (Ecuador)" description that some members of the trade prefer to use when dealing in lots comprised solely of Arriba beans.

The Exchange certifies that the amendments to the Rules comply with the requirements of the Commodity Exchange Act and the rules and regulations promulgated thereunder, by ensuring the integrity of the deliverable product under the Exchange's contract. The Exchange is not aware of any substantive opposing views other than those described above. The Exchange further certifies that concurrent with this filing, a copy of this submission was posted on the Exchange's website at (<a href="https://www.theice.com/notices/RegulatoryFilings.shtml">https://www.theice.com/notices/RegulatoryFilings.shtml</a>). If you have any questions or need further information, please contact me at 212-748-4083 or at audrey.hirschfeld@theice.com.

Sincerely,

Audrey R. Hirschfeld SVP and General Counsel

Audrey R. Ruschfell

cc: Division of Market Oversight

#### Exhibit A

(In the text of the amendments below, additions are shown underscored and deletions are shown bracketed and lined through.)

## Rule 9.02. Delivery Points

- (a) The delivery of Cocoa on Exchange Futures Contracts shall be made only from warehouses licensed by the Exchange located in the Port of New York District, the Delaware River Port District, the Port of Albany, the Port of Baltimore or the Port of Hampton Roads.
- (b) For purposes of this Rule, the Port of New York District [and the Port of Albany] shall mean the district defined from time to time by the laws of New York and New Jersey and all areas located with five (5) miles from the boundary of such district; the Port of Albany shall mean the district defined from time to time by the laws of New York; the Delaware River Port District shall mean the district defined from time to time by the laws of New Jersey and Pennsylvania; the Port of Baltimore shall mean the district defined from time to time by the laws of Maryland; and the Port of Hampton Roads shall mean the twenty-five (25) square mile harbor formed by the confluence of the James, Nansemond and Elizabeth Rivers, and the Chesapeake Bay eastward into the Atlantic Ocean, and including on its perimeter the port facilities located in the cities of Chesapeake, Newport News, Norfolk and Portsmouth, Virginia; provided, however, the Port of Hampton Roads shall also be deemed to include the city of Suffolk, Virginia.

(Balance of the Rule unchanged)

### Rule 9.18. Grading Cocoa for Exchange Delivery

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## (i) Growth and Description

The following Growths and Descriptions of Cocoa, as such Growths and Descriptions may from time to time be known in the trade, may be delivered at the premiums or at par as indicated below:

\* \* \*

# Group B—Addition of \$80—per metric ton

Arriba (Ecuador) Ivory Coast Salvador Bahai (Brazil) Jamaica Samoa

Cameroon Indonesia-Java Sanchez (Dominican Republic)

[CCN (]Ecuador[)]Liberia—Main CropSao ToméChiapas (Mexico)Masie NguemaSri LankaColombia(Fernando Poo)Surinam

Costa Rica New Guinea Tabasco (Mexico)

Ghana—Mid-Crop New Hebrides Trinidad
Grenada Nicaragua Venezuela
Guatemala Nigeria—Light Crop Victoria (Brazil)

Hispaniolas (Dominican Republic) Panama Zaire

(Balance of the Rule unchanged)