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COMMENT

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August 16, 1999

VIA FACSIMILE, FEDERAL EXPRESS AND ELECTRONIC MAIL

Ms. Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Proposed Rulemaking Concerning Exchange Rule Amendments 64
FR 38159 (July 15, 1999)

Dear Ms. Webb:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") appreciates the opportunity to comment, on its own behalf and on behalf of its wholly-owned subsidiary, Commodity Exchange, Inc. ("COMEX"), on the Commodity Futures Trading Commission's ("CFTC" or the "Commission") rule proposal ("Proposal") to revise certain of its review procedures pertaining to exchange rule submissions.

NYMEX is a not-for-profit corporation organized under the laws of the State of New York. It has been designated by the Commission as a contract market for the trading of numerous commodity futures and commodity futures option contracts. NYMEX is the largest exchange in the world for the trading of futures and option contracts based on physical commodities. Public investors in our markets include institutional and commercial producers, processors, marketers and users of energy and metals products.

This Rule Proposal has several components. First, the CFTC is proposing to expand the category of rule changes that the Commission deems to be approved upon adoption by an exchange. This category of rule changes currently includes typographical, renumbering and other types of non-material changes. The CFTC is proposing to expand this category to include most changes in trading hours and trading months.¹ The CFTC is further proposing to include in this category certain routine,

¹Commission regulations currently provide that most changes in trading hours and trading months are approved, respectively, one business day and within ten days

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anticipated changes to an index, other than a stock index, used as the settlement of a futures contract and that is compiled by a third party. While rule changes in this expanded category still would be filed with the CFTC, the Proposal would provide that, rather than filing a separate notice for each amendment, a summary filing could be made of all such rule amendments adopted by an exchange during the preceding week.

The Proposal also would create a new category of rule changes that would be deemed to be approved three days after receipt by the Commission; this category would include certain amendments to the terms and conditions of major currency futures contracts, to the cabinet trade provisions of option contracts, and to terms relating to minimum price fluctuation and daily price limits of futures contracts. Finally, the Proposal would reorganize CFTC rules on review procedures into paragraphs reflecting the time permitted the Commission for review: a 180-day review period; 45-day fast track review; ten or three-day expedited review; and rules deemed approved upon adoption by an exchange.

As outlined in its June 25, 1999 petition for exemption filed under Section 4(c) of the Commodity Exchange Act, in several recent comment letters to the Commission and in recent Congressional testimony, the Exchange continues to believe that more comprehensive changes are necessary in the CFTC's rule review process in order for domestic exchanges to remain competitive globally. However, NYMEX encourages any effort, however limited, by the Commission and its staff to streamline the rule review process, and we support each of the changes contained in this Proposal.

* * * *

NYMEX thanks the Commission for the opportunity to submit comments concerning the Proposal and would be pleased to furnish additional information in this

following submission to the CFTC.

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regard. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. Patrick Thompson". The signature is written in a cursive style with a large initial "R" and "T".

R. Patrick Thompson
President

cc: Chairman William J. Rainer
Commissioner Barbara P. Holum
Commissioner James E. Newsome
Commissioner David D. Spears