

June 28, 2006

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U.S. DEPARTMENT OF COMMERCE

**Via E-Mail**

Office of the Acting Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: Rule Certification. NYMEX Submission 06.79: Notification of Amendments to NYMEX Rule 11G.23 ("EFBs"), Rule 11G.22, ("EFMs"), and Deletion of Rule 6.21E, ("EFMs")**

Dear Ms. Eileen A. Donovan:

The New York Mercantile Exchange ("NYMEX" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") of amendments to NYMEX Rule 11G.23, Exchange of NYMEX Cash-Settled "Penultimate Big" Futures for, or in Connection with, NYMEX "Physical" Futures Transactions ("EFBs"); Rule 11G.22, Exchange of NYMEX miNY Futures for, or in Connection with, NYMEX Futures Transactions ("EFMs"); and deletion of Rule 6.21E, Exchange of NYMEX miNY Futures for, or in Connection with, NYMEX Futures Transactions.

Effective June 29, 2006, the changes seek to allow for the posting of any eligible EFMs or EFBs available at a differential to the prior day's settlement price in addition to the settlement price itself. Further, the amendments seek to allow these transactions to be posted through expiration day of the underlying miNY or cash-settled "big" contracts. The Exchange is deleting Rule 6.21E as this Rule is mirrored in Rule 11G.22. The changes are housekeeping in nature, and in keeping with prior determinations of the NYMEX Board of Directors. Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rule 40.6, the Exchange hereby certifies that the attached rule amendments comply with the Act, including regulations under the Act.

Should you have any questions, please direct them to the undersigned (212) 299-2897, and Nancy Minett, Vice President, Compliance, at (212) 299-2940.

Very truly yours,

Thomas LaSala  
Senior Vice President  
Compliance and Risk Management

cc: Nancy Minett  
Brian Regan

(Bold/underlined indicates additions; bold/strikethrough indicates deletions.)

**Rule 11G.23, Exchange of NYMEX Cash Settled “Penultimate Big” Futures for, or in Connection with, NYMEX “Physical” Futures Transactions**

(A) General Requirements. An exchange of futures for, or in connection with, cash settled “Penultimate Big” futures (EFB) consists of two discrete, but related transactions; a purchase (sale) transaction in a NYMEX cash settled Penultimate Big futures contract and a sale (purchase) transaction in the related NYMEX “Physical” futures contract. At the time such transaction is effected, the buyer (seller) of the NYMEX cash settled Penultimate Big shall be the seller (buyer) of the related NYMEX Physical futures contract.

(B) Final Deadline for Transactions. An EFB involving an expiring NYMEX cash settled Penultimate Big futures contract month is permitted at any time up to and must be reported to the Exchange by the close of trading ~~one business day preceding~~ **on** the expiration date of the NYMEX cash settled Penultimate Big Crude, Natural Gas, Heating Oil and RBOB Gasoline contracts.

(C) Contract Month and Quantity. An EFB transaction may only be effected for the same contract month in both of the applicable NYMEX futures contracts.

(D) Transaction Price. An EFB transaction may **only** be transacted at the settlement price for the Physical NYMEX futures contract for the trading session in which the EFB transaction was reported to the Exchange **or at a differential to the settlement price for the Physical NYMEX futures contract for the trading session preceding the session in which the EFB transaction was reported to the Exchange.**

(E) Floor Reporting Requirements and Deadlines. A report of each EFB transaction must be given and notice thereof must be posted on the Floor of the Exchange. The report of an EFB transaction must be given on the Floor prior to the end of the trading session on the day that the agreement was made, or if such agreement was made after the close of trading, then during the trading session on the next business day and otherwise in compliance with section (B) above.

(F) Clearing. EFB transactions shall be cleared through the Exchange in accordance with normal procedures, shall be clearly identified and marked in the manner provided by the Exchange, and shall be recorded by the Exchange and by the Clearing Members involved.

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**Rule 11G.22, Exchange of NYMEX miNY Futures for, or in Connection with, NYMEX Futures Transactions**

(A) General Requirements. An exchange of futures for, or in connection with, mini futures (EFM) consists of two discrete, but related transactions; a purchase (sale) transaction in a

NYMEX miNY futures contract and a sale (purchase) transaction in the related NYMEX futures contract. At the time such transaction is effected, the buyer (seller) of the NYMEX miNY shall be the seller (buyer) of the related NYMEX futures contract in the ratio designated by the Board of Directors.

(B) Final Deadline for Transactions. An EFM involving an expiring NYMEX miNY futures contract month is permitted at any time up to and must be reported to the Exchange by the close of trading ~~one business day preceding on~~ the expiration date of the NYMEX miNY Crude and Natural Gas contracts.

(C) Contract Month and Quantity. An EFM transaction may only be effected for the same contract month in both of the applicable NYMEX futures contracts. The quantity of contracts to be exchanged in the EFM transaction must be consistent with the size ratio then in effect between the applicable NYMEX miNY NYMEX futures contract listed for trading on NYMEX ClearPort® Trading and the regular size NYMEX contract listed for trading at NYMEX

**(D) Transaction Price. An EFM transaction may be transacted at the settlement price for the Physical NYMEX futures contract for the trading session in which the EFM transaction was reported to the Exchange, or at a differential to the settlement price for the Physical NYMEX futures contract for the trading session preceding the session in which the EFM transaction was reported to the Exchange.**

(DE) Floor Reporting Requirements and Deadlines. A report of each EFM transaction must be given and notice thereof must be posted on the Floor of the Exchange. The report of an EFM transaction must be given on the Floor prior to the end of the trading session on the day that the agreement was made, or if such agreement was made after the close of trading, then during the trading session on the next business day.

(EF) Clearing. EFM transactions shall be cleared through the Exchange in accordance with normal procedures, shall be clearly identified and marked in the manner provided by the Exchange, and shall be recorded by the Exchange and by the Clearing Members involved.

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**Rule 6.21E, Exchange of NYMEX miNY™ Futures for, or in Connection with, NYMEX Futures Transactions**

~~(A) General Requirements. An exchange of futures for, or in connection with, mini futures (EFM) consists of two discrete, but related transactions; a purchase (sale) transaction in a NYMEX miNY futures contract and a sale (purchase) transaction in the related NYMEX futures contract. At the time such transaction is effected, the buyer (seller) of the NYMEX miNY shall be the seller (buyer) of the related NYMEX futures contract in the ratio designated by the Board of Directors.~~

~~(B) Final Deadline for Transactions. An EFM involving an expiring NYMEX miNY futures contract month is permitted at any time up to and must be reported to the Exchange by the close of trading one business day preceding the expiration date of the NYMEX miNY Crude and Natural Gas contracts.~~

~~(C) Contract Month and Quantity. An EFM transaction may only be effected for the same contract month in both of the applicable NYMEX futures contracts. The quantity of contracts to be exchanged in the EFM transaction must be consistent with the size ratio then in effect between the applicable NYMEX miNY NYMEX futures contract listed for trading on NYMEX ClearPort® Trading and the regular size NYMEX contract listed for trading at NYMEX~~

~~(D) Transaction Price. An EFM transaction may only be transacted at the settlement price for the regular size NYMEX futures contract for the trading session in which the EFM transaction was reported to the Exchange.~~

~~(E) Floor Reporting Requirements and Deadlines. A report of each EFM transaction must be given and notice thereof must be posted on the Floor of the Exchange. The report of an EFM transaction must be given on the Floor prior to the end of the trading session on the day that the agreement was made, or if such agreement was made after the close of trading, then during the trading session on the next business day.~~

~~(F) Clearing. EFM transactions shall be cleared through the Exchange in accordance with normal procedures, shall be clearly identified and marked in the manner provided by the Exchange, and shall be recorded by the Exchange and by the Clearing Members involved.~~