

January 12, 2021

**VIA PORTAL**

Commodity Futures Trading Commission  
Attention: Christopher Kirkpatrick, Secretary  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification: Submission of Amendments to the Nodal Exchange Rulebook**

Dear Mr. Kirkpatrick:

Nodal Exchange, LLC (“Nodal Exchange” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to the Nodal Exchange Rulebook (“Rules”) pursuant to Commission Regulation 40.6(a). The Exchange is amending Appendix A – Contract Specifications and Appendix C - Reporting Levels, Accountability Levels and Position Limits. The Exchange is updating the position limits for 6 environmental futures contracts and 6 environmental options contracts. The Exchange is attaching the deliverable supply analysis, which has been segregated as Exhibit B, for which confidential treatment is requested. The amended Rules are attached hereto and indicate the specific text in red that is being amended. The Exchange intends to implement the amended Rules in ten business days on January 27, 2021.

Exchange management has assessed the amendments to the Rules, and their compliance with applicable provisions of the Act, including the Commissions Regulations and the Core Principles. Nodal Exchange has identified that the amendments may affect the following Core Principles as follows:

**Core Principle 2 - Compliance with the Rules:** The amendments to the Rules provide clarity and consistency with the Act for compliance with the Rules. Appendix A and Appendix C are applicable to all Nodal Exchange Participants.

**Core Principle 4 - Prevention of Market Disruption:** All activity performed on Nodal is subject to the Nodal Exchange Rulebook Section VI, which prohibits disruptive trading behavior and manipulation, subject to monitoring and surveillance by the Exchange’s Division of Market Surveillance.

Core Principle 7 – Availability of General Information: The amendments to the Rules provide clarity to Exchange Participants. The amended Rules are available to market authorities, Participants, Authorized Brokers and the public on the Exchange website.

Core Principle 12 - Protection of Markets and Market Participants: Section VI of the Nodal Exchange Rulebook protects the market and market participants from abusive, disruptive, fraudulent, noncompetitive and unfair conduct and trade practices.

Core Principle 13 - Disciplinary Procedures: Section VII of the Nodal Exchange Rulebook describes the disciplinary procedures of the Exchange that authorize the Exchange to discipline, suspend, or expel anyone on the Exchange that violates these rules.

Pursuant to Section 5c(c) of the Act and the Commission's Regulation 40.6, the Exchange certifies that amended Rules comply with the Act and the Commission's Regulations thereunder. There have not been any opposing views expressed regarding the amendments to the Rules.

Nodal Exchange certifies that this submission has been concurrently posted on the Nodal Exchange website at [www.nodalexchange.com](http://www.nodalexchange.com).

If you have any question or need additional information regarding this submission, please contact me at 703-962-9853 or [Markotic@nodalexchange.com](mailto:Markotic@nodalexchange.com).

Sincerely,

/s/ Max Markotic

Director of Compliance

Attachment:

- Exhibit A: Nodal Exchange Appendix A - Contract Specifications Redline
- **Confidential** Exhibit B: Deliverable Supply Analysis (Confidential Treatment Requested)
- Exhibit C: Nodal Exchange Appendix C - Reporting Levels, Accountability Levels and Position Limits Redline