

October 11, 2012

VIA E-MAIL

Ms. Sauntia Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: Rule 40.2(a) Certification. Notification Regarding the Listing of 15 Natural Gas Futures for Trading on CME Globex and the NYMEX Trading Floor, and for Clearing through CME ClearPort
NYMEX Submission #12-330**

Dear Ms. Warfield:

The New York Mercantile Exchange, Inc. (“NYMEX” or the “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying the listing of 15 new financially settled natural gas futures contracts for trading on CME Globex and the NYMEX trading floor, and for submission for clearing through CME ClearPort beginning at 6:00 p.m. on Sunday, October 14, 2012, for trade date Monday, October 15, 2012.

The contract specifications are as follows:

Contract Name	Code	Rule Chapter	Listing Schedule	First Listed Month
Dominion, South Point Natural Gas (Platts IFERC) Fixed Price Futures	DSF	1275	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Columbia Gas TCO (Platts IFERC) Fixed Price Futures	CFS	1276	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Permian Natural Gas (Platts IFERC) Fixed Price Futures	PFS	1277	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
San Juan Natural Gas (Platts IFERC) Fixed Price Futures	XX	1278	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Henry Hub Natural Gas (Platts IFERC) Fixed Price Futures	HHS	1279	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Rockies Natural Gas (Platts IFERC) Fixed Price Futures	XR	1280	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Panhandle Natural Gas (Platts IFERC) Fixed Price Futures	XH	1281	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Waha Natural Gas (Platts IFERC) Fixed Price Futures	WFS	1282	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Houston Ship Channel Natural Gas (Platts IFERC) Fixed Price Futures	XJ	1283	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
NGPL Mid-Con Natural Gas (Platts IFERC) Fixed Price	NFS	1284	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next	November-12

Contract Name	Code	Rule Chapter	Listing Schedule	First Listed Month
Futures			five years.	
MichCon Natural Gas (Platts IFERC) Fixed Price Futures	MFS	1285	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12
Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily) Swing Futures	TZS	1287	The current month and the following month.	15-Oct-12
Transco Zone 5 Natural Gas (Platts Gas Daily) Swing Futures	TZ5	1288	The current month and the following month.	15-Oct-12
Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily /Platts IFERC) Index Futures	TZI	1293	36 consecutive months.	November-12
Transco Zone 6 Non-N.Y. Natural Gas (Platts IFERC) Basis Futures	TZ6	1295	<u>Globex</u> : 36 consecutive calendar months. <u>ClearPort and Floor</u> : Current year plus next five years.	November-12

- Contract Size:** The unit of trading shall be 2,500 MMBtu. For monthly contracts (i.e., fixed price, basis, and index contracts). Transaction size shall be restricted to whole number multiples of the number of days in the contract month, provided however this restriction on transaction size does not apply to Exchange for Related Position transactions pursuant to Exchange Rule 538.
- Minimum Price Fluctuation:** The minimum fluctuation shall be in multiples of one one-hundredth of one cent (\$0.0001) per MMBtu (\$0.25 per contract). Prices shall be quoted in dollars and cents per MMBtu.
- Last Trading Day:**

Fixed Price, Basis, and Index Contracts: The contract shall terminate on the last business day of the month prior to the contract month.

Swing Contracts: The contract shall terminate on the business day prior to the scheduled Publication Date.
- Trading Hours:**

Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. Chicago Time/CT).

CME Globex and CME ClearPort: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT).

Trading and Clearing Fees:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	\$0.54	\$0.54	\$0.61	\$0.67	
Globex	\$0.54	\$0.54	\$0.61	\$0.67	NA
ClearPort		\$0.54		\$0.67	
Processing Fees			Additional Fees and Surcharges		
	Member	Non-Member	EFS Surcharge	NA	
Cash Settlement	\$0.02	\$0.02	Block Surcharge	NA	
Futures from E/A	NA	NA	Facilitation Desk Fee	\$0.05	
	House Acct	Cust Acct			
Options E/A Notice	NA	NA			
Delivery Notice	NA	NA			

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the contracts into the Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the NYMEX Rulebook in relation to the listing of the new contracts. The terms and conditions establish the all month/any one month accountability levels, expiration month position limit, reportable level and aggregation allocation for the new contracts. In addition, the Exchange is self-certifying the insertion of the non-reviewable ranges (“NRR”) for the futures contracts into Rule 588.G

Exchange business staff responsible for the new products and the Exchange legal department collectively reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (the “Act” or “CEA”). During the review, Exchange staff identified that the new products may have some bearing on the following Core Principles:

- **Prevention of Market Disruption:** Trading in these contracts will be subject to the NYMEX rules (“Rulebook”) Chapters 4 and 7, which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group’s designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department.
- **Contracts not Readily Subject to Manipulation:** The new products are not readily subject to manipulation due to the deep liquidity and robustness in the underlying physical market, which provides diverse participation and sufficient spot transactions to support the final settlement indices reported by Platts (methodology provided in submission).
- **Compliance with Rules:** Trading in these contracts will be subject to the rules in Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading in these contracts will be subject to the full panoply of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group’s designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group’s Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.
- **Position Limitations or Accountability:** The spot-month speculative position limits for the contracts are set at less than the threshold of 25% of the deliverable supply in the underlying market.
- **Availability of General Information:** The Exchange will publish information on the contracts’ specifications on its website, together with daily trading volume, open interest, and price information.
- **Daily Publication of Trading Information:** Trading volume, open interest, and price information will be published daily on the Exchange’s website and via quote vendors.

- Financial Integrity of Contracts: All contracts traded on the Exchange will be cleared by the Clearing House of the Chicago Mercantile Exchange Inc., which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- Execution of Transactions: The new contracts are listed for trading on CME Globex, on the NYMEX trading floor, and for clearing through the CME ClearPort platform. The CME Globex platform provides a transparent, open, and efficient mechanism to electronically execute trades on screen. The CME ClearPort platform provides a competitive and open execution of transactions by brokers. In addition, the NYMEX trading floor is available as a venue to provide for competitive and open execution of transactions.
- Trade Information: All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- Protection of Market Participants: Rulebook Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of the Exchange's competitive trading venues and will be applicable to transactions in these products.
- Disciplinary Procedures: Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the Rulebook. Trading in these contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in these products are identified.
- Dispute Resolution: Disputes with respect to trading in these contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act. A description of the underlying cash markets for these new products is attached.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 930-8167 or Sean.Downey@cmegroup.com.

Sincerely,

/s/Sean M. Downey
Director and Assistant General Counsel

Attachments: Appendix A: Rule Chapter
Appendix B: Chapter 5 Table for Fixed Price Contracts
Appendix C: Rule 588.G. No Bust Ranges
Appendix D: Cash Market Overview and Analysis of Deliverable Supply

Chapter 1275

Dominion, South Point Natural Gas (Platts IFERC) Fixed Price Futures

1275100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1275101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for Appalachia found in Platts' Inside FERC ("IFERC") Gas Market Report under the "Dominion Transmission Inc." heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1275102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1275102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1275102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1275102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1275102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1275102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1275103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1275104. DISCLAIMER

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Chapter 1276
Columbia Gas TCO (Platts IFERC) Fixed Price Futures

1276100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1276101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for Appalachia found in Platts' Inside FERC ("IFERC") Gas Market Report under the "Columbia Gas Transmission Corp." heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1276102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1276102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1276102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1276102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu.

1276102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1276102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1276103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1276104. DISCLAIMER

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Chapter 1277
Permian Natural Gas (Platts IFERC) Fixed Price Futures

1277100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1277101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the Permian Basin found in Platts' Inside FERC ("IFERC") Gas Market Report under the "El Paso Natural Gas Co." heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1277102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1277102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1277102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1277102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1277102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1277102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1277103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1277104. DISCLAIMER

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Chapter 1278
San Juan Natural Gas (Platts IFERC) Fixed Price Futures

1278100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1278101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the San Juan Basin found in Platts' Inside FERC ("IFERC") Gas Market Report under the "El Paso Natural Gas Co." heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1278102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1278102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1278102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1278102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1278102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1278102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1278103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1278104. DISCLAIMER

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Chapter 1279
Henry Hub Natural Gas (Platts IFERC) Fixed Price Futures

1279100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1279101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the Henry Hub found in Platts' Inside FERC ("IFERC") Gas Market Report under the "South Louisiana" heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1279102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1279102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1279102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1279102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1279102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1279102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1279103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

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INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

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Chapter 1280
Rockies Natural Gas (Platts IFERC) Fixed Price Futures

1280100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1280101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the Rocky Mountains found in Platts' Inside FERC ("IFERC") Gas Market Report under the "Northwest Pipeline Corp." heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1280102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1280102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1280102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1280102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu.

1280102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1280102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1280103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1280104. DISCLAIMER

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Chapter 1281
Panhandle Natural Gas (Platts IFERC) Fixed Price Futures

1281100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1281101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for Texas, Oklahoma (mainline) found in Platts' Inside FERC ("IFERC") Gas Market Report under the "Panhandle Eastern Pipe Line Co." heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1281102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1281102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1281102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1281102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu.

1281102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1281102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1281103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1281104. DISCLAIMER

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Chapter 1282
Waha Natural Gas (Platts IFERC) Fixed Price Futures

1282100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1282101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for Waha found in Platts' Inside FERC ("IFERC") Gas Market Report under the "West Texas" heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1282102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1282102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1282102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1282102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu.

1282102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1282102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1282103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1282104. DISCLAIMER

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Chapter 1283
Houston Ship Channel Natural Gas (Platts IFERC) Fixed Price Futures

1283100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1283101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the Houston Ship Channel found in Platts' Inside FERC ("IFERC") Gas Market Report under the "East Texas" heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1283102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1283102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1283102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1283102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu.

1283102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1283102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1283103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

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Chapter 1284
NGPL Mid-Con Natural Gas (Platts IFERC) Fixed Price Futures

1284100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1284101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the Midcontinent zone found in Platts' Inside FERC ("IFERC") Gas Market Report under the "Natural Gas Pipeline Co. of America" heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1284102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1284102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1284102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1284102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu.

1284102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1284102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1284103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1284104. DISCLAIMER

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Chapter 1285
MichCon Natural Gas (Platts IFERC) Fixed Price Futures

1285100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1285101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek (average) price ("Bidweek Price") for the Mich Con citygate found in Platts' Inside FERC ("IFERC") Gas Market Report under the "Upper Midwest" heading in the "index" column of the table entitled "Prices of Spot Gas Delivered to Pipelines" for the corresponding contract month.

1285102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1285102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1285102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1285102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1285102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1285102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1285103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1285104. DISCLAIMER

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Chapter 1287
Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily) Swing Futures

1287100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1287101. CONTRACT SPECIFICATIONS

The Floating Price for each contract day is equal to the Platts Gas Daily Transco Zone 6 non-N.Y. Midpoint. The Platts Gas Daily Midpoint to be used can be found in the Platts Gas Daily publication under table titled "Daily Price Survey".

"Flow Date" shall mean a calendar day that corresponds to a contract day and will serve as the reference day for determining the Floating Price.

"Publication Date" shall mean the date that Platts Gas Daily publishes the Midpoint price for the Flow Date that corresponds to the contract day.

1287102. TRADING SPECIFICATIONS

The number of days open for trading at a given time shall be determined by the Exchange.

1287102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1287102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each contract shall be valued as the contract quantity multiplied by the settlement price.

1287102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1287102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1287102.E. Termination of Trading

Trading shall cease on the business day prior to the scheduled Publication Date.

1287103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract day, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract day.

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Chapter 1288
Transco Zone 5 Natural Gas (Platts Gas Daily) Swing Futures

1288100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1288101. CONTRACT SPECIFICATIONS

The Floating Price for each contract day is equal to the Platts Gas Daily Transco Zone 5. Midpoint. The Platts Gas Daily Midpoint to be used can be found in the Platts Gas Daily publication under table titled "Daily Price Survey".

"Flow Date" shall mean a calendar day that corresponds to a contract day and will serve as the reference day for determining the Floating Price.

"Publication Date" shall mean the date that Platts Gas Daily publishes the Midpoint price for the Flow Date that corresponds to the contract day.

1288102. TRADING SPECIFICATIONS

The number of days open for trading at a given time shall be determined by the Exchange.

1288102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1288102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units). Each contract shall be valued as the contract quantity multiplied by the settlement price.

1288102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1288102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1288102.E. Termination of Trading

Trading shall cease on the business day prior to the scheduled Publication Date.

1288103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract day, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract day.

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Chapter 1293
Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily/Platts IFERC) Index
Futures

1293100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1293101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the arithmetic average of the Platts Gas Daily Transco Zone 6 Non-N.Y. Midpoint ("Midpoint") minus the Platts Inside FERC's Gas Market Report ("Platts IFERC") Transco Zone 6 Non-N.Y. Index ("Index") published in the Platts IFERC publication under table titled " Market Center Spot Gas Prices" for the corresponding contract month calculated for all Gas Daily Flow Dates during the contract month and rounded to the nearest hundredth of a cent.

"Flow Date" shall mean a calendar date that corresponds to a published price used for determining the Floating Price.

1293102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1293102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1293102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1293102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1293102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1293102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1293103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1293104. DISCLAIMER

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Chapter 1295
Transco Zone 6 Non-N.Y. Natural Gas (Platts IFERC) Basis Futures

1295100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1295101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the bidweek price (average) for the Transco Zone 6 Non-N.Y. under the Northeast heading found in Platts Inside (FERC) Gas Market Report, "Market Center Spot Gas Prices" minus the NYMEX Henry Hub Natural Gas futures contract final settlement price for the corresponding contract month.

1295102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1295102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1295102.B. Trading Unit

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Each futures contract shall be valued as the contract quantity (2,500) multiplied by the settlement price.

1295102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu.

1295102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1295102.E. Termination of Trading

The contract shall terminate on the last business day of the month prior to the contract month.

1295103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

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Appendix B

NYMEX Rulebook Chapter 5 Position Limit Table: Fixed Price Contracts
(Bold/underline indicates additions)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>All Month Account-ability Level</u>	<u>Any One Month Account-ability Level</u>	<u>Expira-tion Month Limit</u>	<u>Report-ing Level</u>	<u>Aggre-gate Into (1)</u>	<u>Aggre-gate Into (2)</u>
			<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>		
<i>Natural Gas</i>								
<i>Inside FERC</i>								
<i>Columbia Gas Transmission Corp.</i>								
<u>Columbia Gas TCO (Platts IFERC) Fixed Price Futures</u>	<u>1276</u>	<u>CFS</u>	<u>10,000</u>	<u>10,000</u>	<u>2,500</u>	<u>25</u>	<u>CFS</u>	
<i>Dominion Transmission Inc.</i>								
<u>Dominion, South Point Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1275</u>	<u>DSF</u>	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>DSF</u>	
<i>East Texas</i>								
<u>Houston Ship Channel Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1283</u>	<u>XJ</u>	<u>10,000</u>	<u>10,000</u>	<u>7,500</u>	<u>25</u>	<u>XJ</u>	
<i>El Paso Natural Gas Co.</i>								
<u>San Juan Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1278</u>	<u>XX</u>	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>XX</u>	
<u>Permian Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1277</u>	<u>PFS</u>	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>PFS</u>	
<i>Natural Gas Pipeline Co. of America</i>								
<u>NGPL Mid-Con Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1284</u>	<u>NFS</u>	<u>10,000</u>	<u>10,000</u>	<u>500</u>	<u>25</u>	<u>NFS</u>	

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<i>Northwest Pipeline Corp.</i>								
<u>Rockies Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1280</u>	<u>XR</u>	<u>10,000</u>	<u>10,000</u>	<u>7,500</u>	<u>25</u>	<u>XR</u>	
<i>Panhandle Eastern Pipe Line Co.</i>								
<u>Panhandle Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1281</u>	<u>XH</u>	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>XH</u>	
<i>South Louisiana</i>								
<u>Henry Hub Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1279</u>	<u>HHS</u>	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>25</u>	<u>HHS</u>	
<i>Upper Midwest</i>								
<u>MichCon Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1285</u>	<u>MFS</u>	<u>10,000</u>	<u>10,000</u>	<u>500</u>	<u>25</u>	<u>MFS</u>	
<i>West Texas</i>								
<u>Waha Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1282</u>	<u>WFS</u>	<u>10,000</u>	<u>10,000</u>	<u>5,000</u>	<u>25</u>	<u>WFS</u>	
<i>Transcontinental Gas Pipe Line Co.</i>								
<u>Transco Zone 6 Non-N.Y. Natural Gas (Platts IFERC) Basis Futures</u>	<u>1295</u>	<u>TZ6</u>	<u>10,000</u>	<u>10,000</u>	<u>5,000</u>	<u>25</u>	<u>TZ6</u>	
<u>Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily/Platts IFERC) Index Futures</u>	<u>1293</u>	<u>TZI</u>	<u>5,000/10,000</u>	<u>2,000/10,000</u>	<u>150/5,000</u>	<u>25</u>	<u>TZS</u>	<u>TZ6</u>

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Platts								
Citygates								
<u>Transco Zone 5 Natural Gas (Platts Gas Daily) Swing Futures</u>	<u>1288</u>	<u>TZ5</u>	<u>5,000</u>	<u>2,000</u>	<u>500</u>	<u>25</u>	<u>TZ5</u>	
<u>Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily) Swing Futures</u>	<u>1287</u>	<u>TZS</u>	<u>1,000</u>	<u>500</u>	<u>150</u>	<u>25</u>	<u>TZS</u>	

Appendix C

RULE 588.G.
(Bold/underline Indicates Additions)

NAME	Non-Reviewable Range (NRR) in Globex Format	NRR Including Unit of Measure	NRR Ticks
<u>Dominion, South Point Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Columbia Gas TCO (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Permian Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>San Juan Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Henry Hub Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Rockies Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Panhandle Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Waha Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Houston Ship Channel Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>NGPL Mid-Con Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>MichCon Natural Gas (Platts IFERC) Fixed Price Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily) Swing Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Transco Zone 5 Natural Gas (Platts Gas Daily) Swing Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily /Platts IFERC) Index Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>
<u>Transco Zone 6 Non-N.Y. Natural Gas (Platts IFERC) Basis Futures</u>	<u>1000</u>	<u>\$.10 per MMBtu</u>	<u>1000</u>

CASH MARKET OVERVIEW

The Exchange will use Platts *Inside FERC* (“Platts IFERC”) and Platts *Gas Daily* as the third-party references in connection with determining final settlement for the subject futures contracts. Platts is one of the major price-reporting services used in the OTC market for pricing financial instruments, and the methodology utilized by Platts is well-known in the natural gas industry. Platts has a long-standing reputation in the natural gas industry for price benchmarks that are fair and representative of cash market activity. NYMEX is a party to a licensing agreement with Platts to utilize their pricing data for settlement purposes.

The value used to cash settle each fixed price futures contracts will be the monthly bidweek price associated with the cash market location specified in the terms and conditions of the contract. Platts defines bidweek as the last five business days of the month. During that period, Platts collects voluntarily-reported transaction information submitted by market participants regarding their next-month delivery of natural gas at various cash market locations. The monthly bidweek index for a given trading point typically is computed by Platts as the volume-weighted average price based on the submitted physical market transactions that took place during that period at that hub. The bidweek survey results are published in the Platts IFERC *Gas Market Report*.

The fixed price contracts are being listed for trading in order to provide market participants with a simpler method of hedging natural gas price risk at regional trading centers. Currently, traders are able hedge such price risk with existing NYMEX contracts that are listed on the Exchange. To currently do so, a trader must combine a position in the basis futures contract for the local hub with the Henry Hub Natural Gas Last Day Financial futures contract to price natural gas at that point. (A basis contract is defined as the Platts bidweek price index for a specific trading point minus the final settlement price of the Henry Hub Natural Gas Last Day Financial futures contract.) By way of example, to go long natural gas at the Permian Basin, one would need to take long positions in both the NYMEX Permian (Platts IFERC) basis futures contract and the Henry Hub Natural Gas Last Day Financial futures contract. In trading both contracts, the two Henry Hub prices cancel out, leaving the trader with just the natural gas price at the Permian Basin. Using the subject futures contracts would eliminate the need for trading two separate contracts to price natural gas in a given local market.

The value used to cash settle the subject basis futures contracts is the difference between the bidweek price for natural gas at the specified location minus the final settlement price of the Henry Hub Natural Gas Last Day Financial futures contract for the same month. The value used to cash settle the index futures contract is the difference between the average of the daily gas price during the contract month at the specified trading point, as published in *Gas Daily*, and the Platts monthly bidweek price for the same location. Lastly, the swing contracts are cash settled based on the daily natural gas price published by Platts in its *Gas Daily* publication.

Platts' methodology is organized to reflect the content of the Federal Energy Regulatory Commission's (FERC's) policy statement on price indices for natural gas. Platts also employs compliance staff who are independent of the staff who conduct the survey. Platts IFERC has been an industry standard-bearer with respect to price reporting since the early days of wellhead price deregulation in natural gas during the late 1980s.

Platts subjects its collected data to a series of statistical tests to ensure the quality and completeness of the survey sample for each pricing point or geographical location. These tests include: (i) the identification and consideration of anomalous or outlying transactions; (ii) a comparison of volume-weighted average prices for each data submitter; and (iii) the calculation of a number of overall measures of central tendency, including the volume-weighted average, the median, the simple average, the mode and the midpoint. These procedures safeguard the price series against manipulation.

Methodology¹

1. *Platts Gas Daily: Daily Market*

For the daily price survey which is included in *Gas Daily*, Platts reports all fixed-priced physical deals completed prior to the North American Energy Standards Board ("NAESB") nomination deadline (11:30 am Central Prevailing Time) for next-day delivery. Transactions done on Friday usually are for gas flow on Saturday, Sunday, and Monday inclusive. Trading patterns may vary in the case of holidays or the end of a month that occurs on a weekend. *Gas Daily* includes three price components: the midpoint (*Gas Daily* average), the common range, and the absolute range. The new swing and index contracts will be

¹http://www.platts.com/IM.Platts.Content/MethodologyReferences/MethodologySpecs/na_gas_methodology.pdf

settled using the midpoint, which is the volume-weighted average of all the deals reported to Platts, excluding any data outliers for each location. In the absence of reported deals, the survey shows only dashes instead of carrying over the data from the previous day. The daily survey relies solely on a volume-weighted average of reported transactions and assessments are not included in the calculation. A formula is used to calculate the common range. In most markets, the formula establishes the common range at 50% of the absolute range and builds the range around the volume-weighted average price (the midpoint). In the case of a point where a single price is reported and therefore there is no absolute range, a common range is not constructed.

2. *Platts IFERC: Monthly Bidweek Market*

Platts publishes monthly natural gas prices for a large number of trading locations, either as an index or as an assessment. Bidweek prices are published on the first business day of the month in which the gas flows. The current format for the monthly bidweek survey has been in place since March 1986, and Platts has reported monthly index prices since January 1988. For cash market locations where liquidity is sufficiently large, Platts calculates the bidweek indexes as the volume-weighted average price for trades that occur during the bidweek period and are voluntarily submitted to Platts for consideration. For low-liquidity points where few or, in some cases, no transactions are reported, Platts may perform assessments. Those prices are clearly marked with an asterisk (*) to make clear an assessment process has been used.² If insufficient market information is available at a point, Platts does not publish a price (N.A.)

In July 2003, Platts adopted a three-tier system grouping points in its monthly survey by the reported volumes and number of trades. Tier 1 includes points with volumes of at least 100,000 MMBtu/day and at least 10 trades; Tier 2 includes points with volumes of 25,000 to 99,999 MMBtu/day and at least five trades; and Tier 3 includes points with volumes below 25,000 MMBtu/day and/or fewer than five trades. In August 2004, Platts began publishing volumes and the number of transactions for points in Tiers 1 and 2. Because of increased liquidity and data reporting by market participants, Platts added volumes and transactions for Tier 3 points effective February 2007. With regard to the cash

² As a note, none of the cash markets underlying the subject contracts are considered to be illiquid.

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markets underlying the subject futures contracts, all of the locations are considered liquid as Platts generally ranks these markets in Tier 1 each month.

As noted above, Platts editors calculate the bidweek prices for liquid trading points as the volume-weighted average of submitted trades conducted during that time period. Bidweek prices for Tier 1 locations are computed in this manner. Because reported trading at any individual pricing point can vary under different market conditions, the volume-weighted average alone is not always an adequate indicator of average dealmaking over the five-day bidweek period. The amount of reported transactions can vary with participation levels and the completeness of data elements reported. In a thinner and/or very volatile market, a single party with one or two large-volume deals reported at an extreme end of the market's price range can significantly move the volume-weighted average away from the average value at which most parties traded. In these situations, Platts editors consider the median of the price series, which tends to represent the centerpoint of trading better than the volume-weighted average. (At points where trading is robust and the distribution of reported transactions is generally normal, the volume-weighted average and the median are usually aligned with each other.) When the two measures (i.e., the median versus the volume-weighted average) significantly diverge, an analysis of the data set typically is performed to determine the reason. If the analysis finds that the characteristics of the survey sample creates an unrepresentative skew of the volume-weighted average, either the median is used as the index or the average of the median and the volume-weighted average is used.

In limited instances of thin, illiquid (Tier 3) markets (which do not apply to the cash markets underlying the subject futures contracts), it may not be appropriate to calculate the bidweek index values as traditional volume-weighted averages. Instead, Platts may use an assessment methodology that incorporates market information other than reported transactions to help provide market transparency. First, Platts editors make a determination as to whether the reported transactions reflect a representative central value for the bidweek time period based on current market conditions at the trading point and a comparison with other related and more deeply traded locations. If the reported data for such a point produces an average that substantially correlates with those of other related and more deeply traded points, Platts will establish its index using just the reported data. If, however, the reported transactions at the illiquid point do not produce an average that substantially correlates with those at more liquid related

points, then Platts will make an assessment if adequate alternative market information is available on which to base an assessment. Assessments, which are clearly designated by asterisks in price tables, may incorporate any transactional data reported or may be based solely on other information, including an analysis of bid/ask spreads, basis relationships to values at related liquid pricing points, implied physical values derived from financial swaps and derivative index deals, and daily market trading at the point during bidweek. Assessments are based on objective factual information in addition to actual transactions, not on editors' subjective judgments of where markets would have traded or industry participants' opinions on prices. If insufficient other market information is available, Platts editors may elect not to publish a bidweek price for that point designated as "N.A." Except in the case of corrections, Platts does not revise prices after the fact — once an N.A. is published for a month, no price will be published even if additional information is subsequently provided.

Safeguards for Reported Daily Prices and Bidweek Indexes

In order to maintain the integrity of the daily prices and bidweek indexes, Platts takes steps to minimize their susceptibility to manipulation. Platts subjects the bidweek transaction data volunteered by traders to rigorous analysis in order to ensure that they are representative to cash market activity at the respective locations. A number of data sorts, statistical calculations, and tests are performed on the collected bidweek transactional data. These tests typically include an analysis of the quality and completeness of each pricing point's survey sample; the identification and consideration of anomalous or outlying deals; a comparison of volume-weighted average prices for each data submitter; and the calculation of a number of overall measures of central tendency, including the volume-weighted average, the median, the simple average, the mode and the midpoint. Other statistical and analytical tools are also used to examine the reported data, including identification and consideration of the price series' skew, its standard deviation and distribution, the relationship between series data and that of related trading points, and the track record of the survey participants reporting prices at the point.

Platts employs other procedures to strengthen the quality of the daily prices and bidweek values. Traders who voluntarily report transaction information are required to submit data on all trades – that is, not be selective as to which ones are submitted. The identities of counterparties must be disclosed. Furthermore, Platts upholds the quality of the data by requiring that the transaction information be sent

from noncommercial departments of the reporting firms. In addition, Platts mandates that reporting companies supply the names of internal contacts who can verify the data and answer questions about the reported transactions. Suspect trades, particularly outliers and transactions made under duress, which cannot be verified by Platts editors may be excluded from the calculation of the reported daily price or bidweek index. Platts' methodology is organized to reflect the content of the FERC's policy statement on price indices for natural gas. Finally, Platts employs compliance staff who is independent of the staff who conduct the survey.

The potential to manipulate a bidweek price index also decreases over time throughout the bidweek period because as the days progress, an increasing number of transactions is used to calculate the index. A change in a single cash price in a relatively liquid market is not likely to have a significant effect on the resulting index value because the difference relative to the other prices would be diluted. As a result, the final settlement price for the corresponding outright futures contract likely would not be appreciably affected. Successful manipulation of the bidweek index in a liquid market likely would require distorting a number of transaction prices over an extended period of time. Such an attempt likely would be apparent to the Platts editorial staff.

Trading Points

According to Platts' specification guide,³ Dominion Transmission Inc.'s Appalachia point refers to deliveries into two Dominion Transmission main lines. One runs northeast from Warren County, OH, midway between Cincinnati and Dayton and merges with the second line just northeast of Pittsburgh, PA. The second line runs from Buchanan County, VA, on the Virginia/West Virginia border north to the end of the zone at Valley Gate in Armstrong County, PA. Major stations in the South Point system include interconnections with the ANR Pipeline (Lebanon station), Columbia Gas Transmission (Windbridge and Loudoun stations), Tennessee Gas Pipeline (Cornwell station), Transcontinental Gas Pipe Line (Nokesville station), and Texas Eastern Transmission (Lebanon, Oakford, Chambersburg, Perulack, and Windridge stations). Storage pools in the South Point system include South Bend, Murrysville, Oakford, Gamble, Hayden, Webster, Colvin, North Summit, Bridgeport, Lost Creek, Kennedy, Fink, and Rocket Newberne.

³ http://www.platts.com/IM.Platts.Content/MethodologyReferences/MethodologySpecs/na_gas_methodology.pdf

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Columbia Gas Transmission Co.'s Appalachia point refers to deliveries into Columbia Gas Transmission in eastern Kentucky, eastern Ohio, West Virginia, Pennsylvania, northern Virginia, and western New York. The Appalachian pool for deliveries into Columbia Gas begins downstream of the Leach, KY, interconnection with Columbia Gulf Transmission; deliveries at Leach are not included. Columbia Gas operates supply pool and market-area storage facilities within this northern Appalachia region, which also has local production. Prices include deliveries system wide at pools, interconnects, and on-system points.

The Permian Basin refers to deliveries into El Paso Natural Gas in the Permian Basin from three pools: the Waha plant south (Waha pool), the Keystone station south to Waha (Keystone pool), and the Plains station south to Keystone (Plains pool).

The San Juan Basin refers to deliveries into El Paso Natural Gas south of the Bondad compressor station in the San Juan Basin, including gas from the Blanco, Chaco, Rio Vista, Milagro, and Valverde plants in New Mexico.

The Henry Hub refers to deliveries into interstate and intrastate pipelines from the outlet of Henry Hub on the Sabine Pipe Line in Vermilion Parish, LA. Pipelines include Gulf South Pipeline, Southern Natural Gas, Natural Gas Pipeline Co. of America, Texas Gas Transmission, Sabine Pipe Line, Columbia Gulf Transmission, Transcontinental Gas Pipe Line, Trunkline Gas, Jefferson Island Pipeline, and Acadian Gas.

Rocky Mountains refers to deliveries into Northwest Pipeline's mainline in Wyoming, Utah, and Colorado between the Kemmerer and Moab stations. Deliveries at Ignacio, CO, and elsewhere in zone MO are excluded. Transactions done at Opal, WY, and at the Muddy Creek compressor station — where Northwest interconnects with Kern River Gas Transmission, Questar Pipeline, and Colorado Interstate Gas — are used in both the Kern River, WY, and Northwest Pipeline-Rocky Mountain monthly postings because gas traded at those points often isn't for nomination into a specific pipeline.

The Panhandle (Platts IFERC) futures contract calls for deliveries into Panhandle Eastern Pipe Line on two laterals running from the Texas and Oklahoma panhandles, southwestern Kansas, and

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northwestern Oklahoma upstream of the Haven, KS, compressor station. Deliveries to Panhandle at the Haven pooling point — the demarcation between Panhandle's field and market zones — are not included.

Waha refers to deliveries into interstate and intrastate pipelines at the outlet of the Waha header system and in the Waha vicinity in the Permian Basin in West Texas. Pipelines include El Paso Natural Gas, Transwestern Pipeline, Natural Gas Pipeline Co. of America, Northern Natural Gas, Delhi Pipeline, Oasis Pipeline, EPGT Texas, and Lone Star Pipeline.

The Houston Ship Channel refers to deliveries to end-users and pipelines that serve them in the Houston Ship Channel region, an industrial area extending from the east side of Houston to Galveston Bay and northeastward to the Port Arthur/Beaumont area. Gas is delivered in this area by numerous pipelines, including Kinder Morgan Texas Pipeline, Kinder Morgan Tejas Pipeline, Houston Pipe Line, and the former EPGT and Channel pipelines.

The Midcontinent zone refers to deliveries into Natural Gas Pipeline Co. of America (NGPL) starting at compressor station 155 in Wise County, TX, west to the Amarillo mainline at station 112 in Moore County in the Texas Panhandle, and then north to the Trailblazer Pipeline interconnection in Gage County, NE. Included are deliveries into NGPL at all Oklahoma points west of station 801, as well as those in North Texas north and east of station 170 and in Kansas south of station 103.

MichCon citygate refers to deliveries into all city-gates of Michigan Consolidated Gas, which serves the Detroit and Grand Rapids areas and much of north and northeast Michigan. The main MichCon city-gates are located at interconnects with ANR Pipeline at Willow Run and Wolkfork, MI, Panhandle Eastern Pipe Line at River Rouge, Great Lakes Gas Transmission at Belle River, Union Gas at St. Clair Pipeline, and Consumers Energy at Northville. MichCon also receives in-state production at Kalkaska.

Transco Zone 6 Non N.Y. refers to natural gas "Deliveries from Transcontinental Gas Pipe Line from the start of zone 6 at the Virginia/Maryland border to the Linden, N.J., compressor station and on the 24-inch pipeline to the Wharton, Pa., station. The non-New York point does not include deliveries to Public Service Electric and Gas in New Jersey, whose supply is taken downstream of Linden."

Transco Zone 5 refers to natural gas “Deliveries from Transcontinental Gas Pipe Line on the 30-inch, 36-inch and 42-inch lines from the Georgia/South Carolina border to the Virginia/Maryland border. Deliveries into Transco at the Pleasant Valley receipt point near Fairfax, VA, from Dominion’s Cove Point LNG terminal are not included”. Transco Zone 5 is located between downstream point Transco Zone 4 and upstream point Transco Zone 6 N.Y.

Cash Market Volumes

Table 1 below provides the natural gas volumes (in NYMEX contract equivalents) at the various cash market locations for various trading locations underlying the subject fixed price futures contracts that are reported by Platts in its bidweek survey for each month from June 2011 through May 2012. The data are available in Platts’ *Liquidity in North American Monthly Gas Monthly Gas Markets*⁴ report. The monthly volume at the Dominion-Appalachia hub ranged from 6,244 contract equivalents in May 2012 to 14,382 contract equivalents in June 2011, with the average monthly volume being 9,494 contract equivalents. The monthly volume at the Columbia Gas TCO-Appalachia hub ranged from 2,585 contract equivalents in February 2012 to 7,404 contract equivalents in July 2011, with the average monthly volume being 4,938 contract equivalents. The monthly volume at the Permian Basin ranged from 3,894 contract equivalents in April 2012 to 11,087 contract equivalents in November 2011, with the average monthly volume being 7,190 contract equivalents. The monthly volume at the San Juan Basin ranged from 3,335 contract equivalents in August 2011 to 13,411 contract equivalents in November 2011, with the average monthly volume being 7,324 contract equivalents. The monthly volume at the Henry Hub ranged from 363 contract equivalents in October 2011 to 9,336 contract equivalents in May 2012, with the average monthly volume being 3,479 contract equivalents. The monthly volume at the Rockies hub ranged from 7,012 contract equivalents in August 2011 to 17,795 contract equivalents in December 2011, with the average monthly volume being 11,937 contract equivalents. The monthly volume at the Panhandle hub ranged from 1,857 contract equivalents in November 2011 to 8,047 contract equivalents in December 2011, with the average monthly volume being 4,776 contract equivalents. The monthly volume at the Waha hub ranged from 690 contract equivalents in January 2012 to 5,658 contract equivalents in December 2011, with the average monthly volume being 2,658 contract equivalents. The monthly volume at the Houston

⁴ <http://www.platts.com/MethodologyAndSpecifications/NaturalGas>

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Ship Channel ranged from 840 contract equivalents in February 2012 to 11,216 contract equivalents in September 2011, with the average monthly volume being 5,241 contract equivalents. The monthly volume at NGPL Mid-Con ranged from 1,009 contract equivalents in October 2011 to 4,094 contract equivalents in September 2011, with the average monthly volume being 2,626 contract equivalents. The monthly volume at the MichCon hub ranged from 3,093 contract equivalents in May 2012 to 8,721 contract equivalents in April 2012, with the average monthly volume being 5,298 contract equivalents.

Table 1: Volumes from Platts Liquidity in North American Monthly Gas Monthly Gas Markets Report for Fixed Price Contracts

Month	Dominion	Columbia Gas TCO	Permian	San Juan	Henry Hub	Rockies	Panhandle	Waha	Houston Ship Channel	NGPL Mid-Con	MichCon
11-Jun	14,382	5,229	4,547	4,457	2,051	12,725	4,935	4,776	1,920	3,365	6,800
11-Jul	12,258	7,404	6,445	4,998	1,622	8,856	3,410	3,072	7,201	3,731	6,177
11-Aug	12,760	6,292	8,194	3,335	2,438	7,012	1,978	1,200	5,266	2,737	4,539
11-Sep	6,801	2,668	10,574	8,981	7,283	12,009	3,218	1,734	11,216	4,094	6,126
11-Oct	11,989	5,590	9,296	6,458	363	8,636	2,657	2,694	7,621	1,009	4,841
11-Nov	6,749	3,203	11,087	13,411	4,530	8,428	1,857	3,840	2,521	1,285	3,722
11-Dec	8,079	6,085	8,399	12,293	4,002	17,795	8,047	5,658	9,850	1,808	5,170
12-Jan	7,146	4,963	4,757	4,643	3,280	10,377	5,647	690	4,080	1,425	5,287
12-Feb	6,756	2,585	8,287	6,568	956	14,099	5,059	2,820	840	1,746	4,172
12-Mar	11,952	5,134	6,642	4,797	1,295	13,350	6,818	2,580	2,881	3,024	5,835
12-Apr	6,867	4,632	3,894	8,256	1,800	16,299	5,665	2,640	3,812	2,341	8,721
12-May	6,244	5,083	4,398	12,403	9,336	16,808	5,393	2,700	6,123	4,017	3,093

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Table 2 below provides the volume reported by Platts in its bidweek surveys for each month from January 2011 through December 2011 for Transco Zone 6 non-N.Y. Again, the data is available under Platts *Liquidity in North American Monthly Gas Monthly Gas Markets*⁵ report. The monthly data was adjusted to reflect NYMEX contract equivalents (contract size is 2,500 MMBtu). As illustrated in Table 2, below, the monthly volume ranges from 975 contract equivalents in February 2010 to 2,325 contract equivalents in November 2011. The average monthly volume is 1,530 contract equivalents.

Table 2: Volumes from Platts Liquidity in North American Monthly Gas Monthly Gas Markets Report for Basis, Index, and Swing Contracts

(All Volumes are in NYMEX Equivalents (2,500 MMBtu))

	Volume (x 1,000 MMBtu/day)	Monthly Volume MMBtu	NYMEX Contract Equivalent
Month	Transco, Zone 6 non-N.Y.	Transco, Zone 6 non-N.Y.	Transco, Zone 6 non-N.Y.
Jan-11	103	3,094,590	1,238
Feb-11	81	2,437,260	975
Mar-11	162	4,860,937	1,944
Apr-11	110	3,313,410	1,325
May-11	142	4,271,310	1,709
Jun-11	125	3,738,300	1,495
Jul-11	141	4,228,110	1,691
Aug-11	115	3,445,050	1,378
Sep-11	94	2,811,690	1,125
Oct-11	181	5,416,830	2,167
Nov-11	194	5,813,580	2,325
Dec-11	82	2,471,460	989

Table 3 below provides the volume reported by Platts in its bidweek surveys for each month from January 2011 through December 2011 for Transco Zone 6 N.Y. and Transco Zone 4. Volume data at Transco Zone 4 and Transco Zone 6 N.Y. are used to estimate the deliverable supply at Transco Zone 5 as Zone 5 is not reported in Platts' survey. The data is available under Platts *Liquidity in North American Monthly Gas Monthly Gas Markets*⁶ report. The monthly data was adjusted to reflect NYMEX contract

⁵ <http://www.platts.com/MethodologyAndSpecifications/NaturalGas>

⁶ <http://www.platts.com/MethodologyAndSpecifications/NaturalGas>

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equivalents (contract size is 2,500 MMBtu). As illustrated in Table 3, below, the average of both locations monthly volume for Transco Zone 5 ranges from 4,203 contract equivalents in December 2011 to 7,322 contract equivalents in August 2011. The average monthly volume is 6,005 contract equivalents.

Table 3: Volumes from Platts Liquidity in North American Monthly Gas Monthly Gas Markets Report to Estimate Transco Zone 5

(All Volumes are in NYMEX Equivalents (2,500 MMBtu))

Month	Volume (x 1,000 MMBtu/day)		Monthly Volume MMBtu		NYMEX Contract Equivalent		Average of Transco Zone 4 and Zone 6 - N.Y
	Transco, Zone 6 - N.Y.	Transco Zone 4	Transco, Zone 6 - N.Y.	Transco Zone 4	Transco, Zone 6 - N.Y.	Transco Zone 4	
Jan-11	139	262	4,158,240	7,857,750	1,663	3,143	2,403
Feb-11	275	672	8,246,850	20,162,383	3,299	8,065	5,682
Mar-11	298	829	8,934,270	24,860,520	3,574	9,944	6,759
Apr-11	225	889	6,739,260	26,678,610	2,696	10,671	6,684
May-11	308	894	9,235,650	26,812,380	3,694	10,725	7,210
Jun-11	325	750	9,753,000	22,509,300	3,901	9,004	6,452
Jul-11	264	910	7,911,570	27,309,990	3,165	10,924	7,044
Aug-11	502	719	15,045,810	21,563,250	6,018	8,625	7,322
Sep-11	378	684	11,340,030	20,529,090	4,536	8,212	6,374
Oct-11	355	645	10,646,910	19,337,670	4,259	7,735	5,997
Nov-11	339	650	10,167,090	19,505,130	4,067	7,802	5,934
Dec-11	205	495	6,163,410	14,850,780	2,465	5,940	4,203

ANALYSIS OF DELIVERABLE SUPPLY

Table 4 (below) indicates the average monthly volume of natural gas (in NYMEX contract equivalents) at the various trading points specified by the subject fixed price futures contracts.

Table 4: Deliverable Supply Estimates for the Fixed Price Contracts

Location	Average Volume (as reported by Platts)	Total Volume All Index Providers	Total Cash Market Volume	25% of Total Cash Market Volume
Dominion	9,494	18,616	143,198	35,799
Columbia Gas TCO	4,938	9,682	74,480	18,620
Permian	7,190	14,098	108,446	27,112
San Juan	7,324	14,361	110,468	27,617
Henry Hub	3,479	6,822	52,474	13,118
Rockies	11,937	23,406	180,045	45,011
Panhandle	4,776	9,365	72,036	18,009
Waha	2,658	5,212	40,090	10,023
Houston Ship Channel	5,241	10,276	79,050	19,762
NGPL Mid-Con	2,626	5,149	39,608	9,902
MichCon	5,298	10,388	79,910	19,977

According to Platts IFERC editorial staff, Platts captures 51% of the volume reported to index providers. The third column of Table 4 provides the estimated average monthly cash market trading volume captured by all index providers for the various trading locations.

Based on the Energy Policy Act of 2005, the Federal Energy Regulatory Commission ("FERC") issued Order No. 704, which imposed an annual reporting requirement on certain natural gas market participants. FERC collected information using its Form 552 entitled "Annual Report of Natural Gas Transactions." The data collected for 2009 shows that the respondents who reported fixed price transactions to index publishers accounted for 11% to 13% of the total natural gas volumes reported by

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all Form 552 respondents. The “FERC imputed average” (fourth column in Table 4) reflects the estimated physical market size based on the 13% figure for all 11 natural gas cash markets. As indicated in Table 4, the largest of the 11 cash markets is the Rockies, which had an average monthly trading volume of 180,045 contract equivalents. In contrast, the smallest cash market in terms of trading volume is NGPL Mid-Con, which has an average monthly volume of 39,608 contract equivalents. The spot-month speculative position limit for the Dominion, South Point Natural Gas (Platts IFERC) Fixed Price futures contract is 2,000 contracts, which represents 1% of the monthly FERC-imputed cash market volume. For the Columbia Gas TCO (Platts IFERC) Fixed Price futures contract, the spot-month speculative position limit is 2,500 contracts, which represents 3% of the monthly FERC-imputed cash market volume. The position limit for the Permian Natural Gas (Platts IFERC) Fixed Price futures and San Juan Natural Gas (Platts IFERC) Fixed Price futures contracts is 2,000 contracts, which represents 2% of the respective monthly FERC-imputed cash market volumes. As for the Henry Hub Natural Gas (Platts IFERC) Fixed Price futures contract, the spot-month speculative position limit is 2,000 contracts, which represents 4% of the monthly FERC-imputed cash market volume. The position limit for the Rockies Natural Gas (Platts IFERC) Fixed Price futures contract is 7,500 contracts, representing 4% of the monthly FERC-imputed cash market volume. The position limit for the Panhandle Natural Gas (Platts IFERC) Fixed Price futures contract is 2,000 contracts, which represents 3% of the monthly FERC-imputed cash market volume. For the Waha Natural Gas (Platts IFERC) Fixed Price futures contract, the spot-month speculative position limit is 5,000 contracts, which represents 12% of the monthly FERC-imputed cash market volume. The spot-month speculative position limit for the Houston Ship Channel Natural Gas (Platts IFERC) Fixed Price futures contract is 7,500 contracts, which represents 9% of the monthly FERC-imputed cash market volume. For the NGPL Mid-Con Natural Gas (Platts IFERC) Fixed Price futures and MichCon Natural Gas (Platts IFERC) Fixed Price futures contracts, the spot-month speculative position limit is 500 contracts, which represents 1% of the respective monthly FERC-imputed cash market volumes. The spot-month speculative position limits are lower than the estimated trading volumes in the respective physical markets.

In terms of the deliverable supply for the basis, index, and swing contracts, as illustrated in Table 2 (above), the average monthly volume is 1,530 contract equivalents. Based on the Platts market share estimate of 51% of the volume reported to Platts relative to other index providers, the estimated total

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index market is 3,060 contract equivalents for Transco Zone 6 Non-N.Y. Using the same percentage of firms that report to any price-reporting firm, the “FERC imputed average” reflects the estimated physical market size based on 13% for Transco Zone 6 Non-N.Y market. The estimate is 21,421 contract equivalents.

The position limit for Transco Zone 6 Non-N.Y. Natural Gas (Platts IFERC) Basis futures is 5,000 contracts, which represents 23% of the FERC imputed monthly volume. The position limit for Transco Zone 6 Non-N.Y Natural Gas (Platts Gas Daily) Swing futures is 150 contracts, totaling 21% of daily deliverable supply. The position limit for Transco Zone 6 Non-N.Y. Natural Gas (Platts Gas Daily /Platts IFERC) Index futures contract is 150/5,000 contracts. Positions in the Transco Zone 6 Non-N.Y index futures contract aggregate into both the Transco Zone 6 Non-N.Y swing futures contract and the Transco Zone 6 Non-N.Y basis futures contract. All of the spot-month limits for the Transco Zone 6 Non-N.Y related futures contracts are lower than the estimated size of the physical market.

As illustrated in Table 3 (above), the average monthly volume is 6,005 contract equivalents. According to the *Platts* IFERC editorial staff, Platts captures 51% of the volume reported to index providers. The estimated average total index market is 12,011 contract equivalents for the average of Transco Zone 6 N.Y and Zone 4. The “FERC imputed average” reflects the estimated physical market size based on 13% for Transco Zone 5 market. The estimate is 84,074 contract equivalents. The spot month position limits for the Transco Zone 5 Natural Gas (Platts Gas Daily) Swing futures contract is set at 500 lots which represents 0.6% of monthly deliverable supply.