

February 22, 2013

VIA E-MAIL

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

**Re: Rule 40.6(a) Certification. Revised Notification Regarding Amending Aggregation of Positions for Sixteen (16) ERCOT Electricity Futures Contracts
NYMEX Submission #13-035R**

Dear Ms. Jurgens:

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying an amendment to the aggregation of positions for sixteen (16) ERCOT electricity futures contracts in anticipation of subsequent rule amendments that the Exchange intends to certify with the CFTC in the near term.

Please note that the Exchange is submitting NYMEX Submission No. 13-035R to include revisions to the original submission to further explain position limits and accountability levels, as requested by the Commission. A black-lined version of NYMEX Submission No. 13-035R is attached as Appendix B with additions underlined and deletions stricken through.

Effective March 10, 2013, for trade date March 11, 2013, the sixteen (16) contracts will aggregate into other 5 MW futures contracts. Currently, the sixteen (16) ERCOT 5 MW electricity futures contracts aggregate into other electricity futures contracts which are of 50 MW and, therefore, the current limits and accountability levels for the sixteen (16) ERCOT 5 MW electricity futures contracts are reflected in the contract unit size of the contracts into which they currently aggregate (i.e., 50 MW). The amendments provide that these sixteen (16) ERCOT 5 MW electricity futures contracts aggregate into their own respective contracts (i.e., 5 MW) and, as such, the all/any one month accountability levels, and expiration month limits have also been proportionately amended. Therefore, the aggregation amendments do not alter the current position limits and accountability levels of the sixteen (16) ERCOT 5 MW electricity futures contracts.

NYMEX business staff responsible for the rule amendment and the NYMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set for the in the Commodity Exchange Act ("CEA" or "Act"). During the review, NYMEX staff identified that the rule amendments may have some bearing on the following Core Principle:

- Availability of General Information: In anticipation of subsequent rule amendments that the Exchange intends to certify with the CFTC in the near term, the aggregation of sixteen (16) ERCOT electricity futures contracts is being changed. This amendment does not alter the existing position limits or accountability levels. The Exchange will continue to publish information on the contracts' specifications on its website, together with daily clearing volume, open interest, and price information.
- Prevention of Market Disruption: The change in the aggregation for the sixteen (16) ERCOT electricity futures contracts is being implemented now in order to prevent problems in aggregation once this rule amendment goes into effect.
- Contracts Not Readily Subject to Manipulation: The affected contracts are not readily subject to manipulation due to deep liquidity and robustness in the underlying physical markets. Moreover, the sixteen (16) ERCOT electricity contracts will continue to be subject to speculative position limits and accountability levels.

Pursuant to Section 5c(c) of the Act and CFTC Rule 40.6(a), the Exchange hereby certifies that the amendment complies with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

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. Please reference NYMEX Submission No. 13-035R in any related correspondence.

Sincerely,

/s/Sean M. Downey
Senior Director and Associate General Counsel

Attachment: Appendix A – Rulebook Chapter 5 - Position Limits, Accountability and Reportable Level Table
Appendix B – NYMEX Submission No. 13-035R (black-lined)

Appendix A

NYMEX Rulebook Chapter 5 Position Limit Table

The position limits for these sixteen (16) ERCOT electricity futures contracts have been set to aggregate into the respective contracts effective March 10, 2013, for the trade date of March 11, 2013.

(Bold/underlining indicates additions; strikethrough indicates deletion)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>All Month Accountability Level</u>	<u>Any One Month Accountability Level</u>	<u>Expiration Month Limit</u>	<u>Reporting Level</u>	<u>Aggregate Into (1)</u>
			<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>	
<u>ERCOT Reliability Council of Texas (ERCOT) Platts Megawatt Daily</u>							
ERCOT Houston 345 kV Hub 5 MW Peak Futures	276	I1	2,000 <u>20,000</u>	1,500 <u>15,000</u>	250 <u>2,500</u>	25	2N-I1
ERCOT Houston 345 kV Hub 5 MW Peak Calendar-Day Futures	278	I3	2,000 <u>20,000</u>	1,500 <u>15,000</u>	250 <u>2,500</u>	5	2N-I1
ERCOT Houston 345 kV Hub 5 MW Off-Peak Futures	277	I2	30,000 <u>300,000</u>	20,000 <u>200,000</u>	4,000 <u>40,000</u>	25	2W-I2
ERCOT Houston 345 kV Hub 5 MW Off-Peak Calendar-Day Futures	279	I4	30,000 <u>300,000</u>	20,000 <u>200,000</u>	4,000 <u>40,000</u>	25	2W-I2
ERCOT North 345 kV Hub 5 MW Peak Futures	280	I5	2,000 <u>20,000</u>	1,500 <u>15,000</u>	300 <u>3,000</u>	25	2P-I5
ERCOT North 345 kV Hub 5 MW Peak Calendar-Day Futures	282	I7	2,000 <u>20,000</u>	1,500 <u>15,000</u>	300 <u>3,000</u>	1	2P-I5
ERCOT North 345 kV Hub 5 MW Off-Peak Futures	281	I6	35,000 <u>350,000</u>	25,000 <u>250,000</u>	5,000 <u>50,000</u>	25	2X-I6

ERCOT North 345 kV Hub 5 MW Off-Peak Calendar-Day Futures	283	I8	35,000 <u>350,000</u>	25,000 <u>250,000</u>	5,000 <u>50,000</u>	5	2X-I6
ERCOT South 345 kV Hub 5 MW Peak Futures	284	I9	750-7,500	500-5,000	100 <u>1,000</u>	5	2Q-I9
ERCOT South 345 kV Hub 5 MW Peak Calendar-Day Futures	286	K1	750-7,500	500-5,000	100 <u>1,000</u>	1	2Q-I9
ERCOT South 345 kV Hub 5 MW Off-Peak Futures	285	J1	10,000 <u>100,000</u>	7,500 <u>75,000</u>	1,500 <u>15,000</u>	25	2Y-J1
ERCOT South 345 kV Hub 5 MW Off-Peak Calendar-Day Futures	287	M1	10,000 <u>100,000</u>	7,500 <u>75,000</u>	1,500 <u>15,000</u>	5	2Y-J1
ERCOT West 345 kV Hub 5 MW Peak Futures	288	N1	900-9,000	600-6,000	125 <u>1,250</u>	5	2R-N1
ERCOT West 345 kV Hub 5 MW Peak Calendar-Day Futures	290	R1	900-9,000	600-6,000	125 <u>1,250</u>	1	2R-N1
ERCOT West 345 kV Hub 5 MW Off-Peak Futures	289	O1	15,000 <u>150,000</u>	10,000 <u>100,000</u>	2,000 <u>20,000</u>	25	3D-O1
ERCOT West 345 kV Hub 5 MW Off-Peak Calendar-Day Futures	291	R4	15,000 <u>150,000</u>	10,000 <u>100,000</u>	2,000 <u>20,000</u>	25	3D-O1

Appendix B



Sean M. Downey
Senior Director and Associate General Counsel
Legal Department

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Please note that the Exchange is submitting NYMEX Submission No. 13-035R to include revisions to the original submission to further explain position limits and accountability levels, as requested by the Commission. A black-lined version of NYMEX Submission No. 13-035R is attached as Appendix B with additions underlined and deletions stricken through.

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