

April 23, 2009

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule Certification. New York Mercantile Exchange, Inc. Submission #09.64: Notification Regarding the Listing of Eight (8) New Electricity Swap Futures Contracts on CME ClearPort® Clearing and Trading Systems

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing the eight (8) new electricity swap futures contracts for trading through CME ClearPort trading and for clearing through CME ClearPort clearing.

The eight (8) new contracts, commodity codes and rule numbers are listed below.

- CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures (code 1Y, Rules 264.01-264.11)
- CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures (code 1Z, Rules 265.01-265.11)
- CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures (code 2D, Rules 266.01-266.10)
- CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures (code 2E, Rules 267.01-267.10)
- CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures (code 2F, Rules 268.01-268.11)
- CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures (code 2H, Rules 269.01-269.11)
- CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures (code 2J, Rules 270.01-270.10)
- CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures (code 2K, Rules 271.01-271.10)

The above-listed electricity swap futures contracts will be cash-settled and will be listed on the CME ClearPort electronic trading and clearing systems beginning at 6:00 p.m. on Sunday, April 26, 2009 for trade date Monday, April 27, 2009.

The contracts will be available during normal trading hours on CME ClearPort electronic clearing and trading systems. Electronic trading and clearing is conducted from 6:00 p.m. Sunday until 5:15 p.m. Friday (New York Prevailing time) via the CME ClearPort electronic clearing and trading systems. There is a 45-minute break each day between 5:15 p.m. (current trade date) and 6:00 p.m. (next trade date).

The first listed month for these contracts will be June 2009. Monthly contracts will list current year plus the next five calendar years, consecutively. A new calendar year will be added following the termination of trading in the December contract of the current year. Daily contracts will list current month plus the next month.

In addition, the Exchange will allow exchange of futures for physical ("EFP") and exchange of futures for swap ("EFS") transactions to be submitted through the CME ClearPort electronic clearing system. The EFP and EFS transactions in these futures contracts will be governed by the provisions of Exchange Rules 6.21 and 6.21A, respectively.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rules 40.2 and 40.6, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act.

Should you have any questions concerning the above, please contact Brad Leach at (212) 299-2609, or contact me at (312) 648-5422.

Sincerely,

/s/ Stephen Szarmack
Director and Associate General Counsel

Attachments: Contract Terms and Conditions
Supplemental Market Information

CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures

264.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

264.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the NP15 EZ Gen Hub Real-Time LMP for peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 264.10 and will not be subject to any further adjustment.

264.03 Peak Days

"Peak day" shall mean a Monday through Saturday, excluding North American Electric Reliability Corporation holidays.

264.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

264.05 Contract Quantity and Value

The contract quantity shall be 80 Megawatt Hours (MWH) and is based on 5 megawatts for peak daily hours.

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of peak days in the contract month.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

264.06 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

264.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

264.08 Termination of Trading

Trading shall cease the last business day of the contract month.

264.09 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures 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.

264.10 Payment Date

Eight (8) business days following each contract month.

264.11 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures

265.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

265.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the SP15 EZ Gen Hub Real-Time LMP for peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 265.10 and will not be subject to any further adjustment.

265.03 Peak Days

"Peak day" shall mean a Monday through Saturday, excluding North American Electric Reliability Corporation holidays.

265.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

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Trading shall cease the last business day of the contract month.

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Eight (8) business days following each contract month.

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CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures

266.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

266.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the NP15 EZ Gen Hub Real-Time LMP for all off-peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 266.09 and will not be subject to any further adjustment.

266.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

266.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of off-peak hours in the contract month.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

266.05 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

266.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

266.07 Termination of Trading

Trading shall cease on the last business day of the contract month.

266.08 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures 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.

266.09 Payment Date

Eight (8) business days following each contract month.

266.10 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures

267.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

267.02 Floating Price

The Floating Price for each contract month will be equal to the arithmetic average of the SP15 EZ Gen Hub Real-Time LMP for all off-peak hours provided by California ISO (CAISO) for the contract month. For settlement of this contract, the prices provided by CAISO will be considered final on the payment date stated in Rule 267.09 and will not be subject to any further adjustment.

267.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

267.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of off-peak hours in the contract month.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

267.05 Contract Months

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

267.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

267.07 Termination of Trading

Trading shall cease on the last business day of the contract month.

267.08 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures 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.

267.09 Payment Date

Eight (8) business days following each contract month.

267.10 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures

268.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

268.02 Daily Floating Price

A Daily Floating Price will be determined for the peak day. The Floating Price will be equal to the arithmetic average of the hourly real-time Locational Marginal Prices (LMP) for NP15 EZ Gen Hub provided by the California ISO (CAISO) for the peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 268.10 and will not be subject to any further adjustment.

268.03 Peak Days

"Peak day" shall mean a Monday through Saturday, excluding North American Electric Reliability Corporation holidays.

268.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

268.05 Contract Quantity and Value

The contract quantity shall be 80 Megawatt Hours (MWH) and is based on 5 megawatts for peak daily hours.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

268.06 Contract Days

Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

268.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

268.08 Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the previous business day.

268.09 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the peak day.

268.10 Payment Date

Eight (8) business days following the peak day.

268.11 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures

269.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

269.02 Daily Floating Price

A Daily Floating Price will be determined for the peak day. The Floating Price will be equal to the arithmetic average of the hourly real-time Locational Marginal Prices (LMP) for SP15 EZ Gen Hub provided by the California ISO (CAISO) for the peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 269.10 and will not be subject to any further adjustment.

269.03 Peak Days

"Peak day" shall mean a Monday through Saturday, excluding North American Electric Reliability Corporation holidays.

269.04 Peak Hours

From Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.

269.05 Contract Quantity and Value

The contract quantity shall be 80 Megawatt Hours (MWH) and is based on 5 megawatts for peak daily hours.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

269.06 Contract Days

Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

269.07 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

269.08 Termination of Trading

Trading shall cease on the business day that is the peak day. When the business day is not the peak day, trading shall cease on the previous business day.

269.09 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the peak day.

269.10 Payment Date

Eight (8) business days following the peak day.

269.11 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures

270.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

270.02 Daily Floating Price

A Daily Floating Price will be determined for the off-peak day. The Floating Price will be equal to the arithmetic average of the hourly real-time Locational Marginal Prices (LMP) for NP15 EZ Gen Hub provided by the California ISO (CAISO) for the off-peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 270.09 and will not be subject to any further adjustment.

270.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

270.04 Contract Quantity and Value

The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of off-peak hours in the day.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

270.05 Contract Days

Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

270.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

270.07 Termination of Trading

Trading shall cease on the business day that is the off-peak day. When the off-peak day is not a business day, trading shall cease on the previous business day.

270.08 Final Settlement

Delivery under the CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the off-peak day.

270.09 Payment Date

Eight (8) business days following the off-peak day.

270.10 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures

271.01 Scope

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

271.02 Daily Floating Price

A Daily Floating Price will be determined for the off-peak day. The Floating Price will be equal to the arithmetic average of the hourly real-time Locational Marginal Prices (LMP) for SP15 EZ Gen Hub provided by the California ISO (CAISO) for the off-peak day. For settlement of this contract, the prices provided by CAISO will be considered final on the payment day stated in Rule 271.09 and will not be subject to any further adjustment.

271.03 Off-Peak Days and Hours

Off-Peak shall mean Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.

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The contract quantity shall be 5 Megawatts Hours (MWH). Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of off-peak hours in the day.

Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

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Trading shall be conducted in contracts for such days as shall be determined by the Exchange.

271.06 Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

271.07 Termination of Trading

Trading shall cease on the business day that is the off-peak day. When the off-peak day is not a business day, trading shall cease on the previous business day.

271.08 Final Settlement

Delivery under the CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures contract shall be by cash settlement. The cash-settlement price will be based on the Daily Floating Price which is determined for the off-peak day.

271.09 Payment Date

Eight (8) business days following the off-peak day.

271.10 Exchange of Futures for, or in Connection with, Product and Exchange of Futures for, or in Connection with, Swap Transactions

Any exchange of futures for, or in connection with, product (EFP) or exchange of futures for, or in connection with, swap (EFS) transactions shall be governed by the provisions of Rules 6.21 and 6.21A, respectively.

SUPPLEMENTAL MARKET INFORMATION

A. SUMMARY

The Exchange is launching eight (8) new California Independent System Operator (CAISO) real-time electricity swap futures contracts for trading and clearing on CME ClearPort[®]. The new contracts and corresponding commodity codes are as follows:

- CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures (code 1Y)
- CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Month Real-Time LMP Swap Futures (code 1Z)
- CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures (code 2D)
- CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Month Real-Time LMP Swap Futures (code 2E)
- CAISO NP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures (code 2F)
- CAISO SP15 EZ Gen Hub 5 MW Peak Calendar-Day Real-Time LMP Swap Futures (code 2H)
- CAISO NP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures (code 2J)
- CAISO SP15 EZ Gen Hub 5 MW Off-Peak Calendar-Day Real-Time LMP Swap Futures (code 2K)

B. CALIFORNIA ISO MARKET DESCRIPTION

The CAISO is an unbiased, not-for-profit corporation responsible for operating the majority of California's high-voltage wholesale power grid. On March 31, 1998, CAISO assumed computerized command of the long-distance, high-voltage power lines which deliver electricity throughout California and between neighboring states and Mexico. The California power grid (a transmission system made up of high-voltage power lines supported by 100 to 150 foot towers) is a network of long-distance, high-voltage transmission lines and substations that carry bulk electricity to local utilities for distribution to their customers. The California power grid delivers 164 billion kilowatt hours of electricity each year, or enough power to serve the annual energy needs of 27 million current customers of investor-owned utilities. In addition, the California grid provides transmission services to third-party customers.

Market Redesign and Technology Upgrade

The Market Redesign and Technology Upgrade (MRTU), a comprehensive program that enhances grid reliability and fixes flaws in the ISO markets, was launched on April 1, 2009. The MRTU replaced aging technology with modern computer systems in order to better accommodate the dynamic needs of California's energy industry.

On April 1, 2009, CAISO began to utilize this program in order to remain compatible with market designs employed throughout North America. MRTU enables, among other things, the following features: a real-time energy market; locational marginal pricing; a new congestion management system with long-term firm transmission rights; redesigned market power mitigation measures; and resource adequacy backstop provisions that allow CAISO to procure power to meet forecasted load. The MRTU tariff also provides for gradual increases of the energy bid cap.

The EZ Gen Trading Hubs

Trading hubs are used to facilitate bilateral physical and financial transactions between energy buyers and sellers and may be used to share price risks between buyers and sellers. CAISO developed Existing Zone Generator Trading Hubs (EZ Gen Hubs) for Zones NP15, SP15 and ZP26 in order to accommodate for the implementation of locational marginal cost pricing. The development of CAISO trading hubs is part of the implementation of LMP and is a standard element in the establishment of LMP similar to the efforts of other ISOs such as PJM Interconnection LLC, ISO New England, Midwest ISO and Electric Reliability Council of Texas (ERCOT).

The futures contracts contained in this submission relate to Zones NP 15 and SP15. NP15 and SP15 are actively traded market locations and are defined by the proximity to Path 15. Historically, Path 15 has been subject to periodic transmission constraints due to load and generation conditions. NP15 and SP15 are each comprised of all generator pricing nodes located within the existing congestion zones. NP15 and SP15 are geographically located north and south of Path 15, which represents an 84-mile transmission corridor in the Central Valley of California and connects Northern and Southern California.

NP15 Hub

The NP15 EZ Gen Trading Hub includes 414 generation nodes. This hub is located in California, north of Path 15.

SP15 Hub

The SP15 EZ Gen Trading Hub includes 204 generation nodes. This hub is located in California, south of Path 15.

C. CASH MARKET/OTC MARKET

Exchange staff has reviewed both the relevant cash and over-the-counter (OTC) financial derivatives markets for these products. In general, it appears that the OTC financial derivatives markets for these products are less developed than the physical cash markets. That stated, we believe that the cash markets are sufficiently robust to provide underlying support for the listing of futures contracts. The contract locations are directly relevant to electricity generators and marketers and to customers with facilities in the locations. These contracts will enhance risk management strategies of electricity sellers and buyers. In addition, the location volume used to establish the position limits is derived from quarterly power marketing volumes which are required to be filed with the Federal Energy Regulatory Commission (FERC). These quarterly filing reports are obtained by Platts who subsequently publishes the aggregation of those reports. The spot month position limits below reflect the position limits which are subject to the operative 25% entity deliverable supplies limit. We believe that these volume information sources are the best means to assess the establishment of contract position limits.

D. POSITION LIMITS

The following points explain the analysis applied to develop the spot limits:

- For each contract, the underlying unit is 5 megawatts per hour. The peak contract is the financial equivalent of 5 MW per hour for each peak hour of a peak day—16 hours in total—leading to a contract size of 80 megawatt-hours (MWH). The off-peak contract is structured as one off-peak hour with a contract size of 5 MWH.
- Restrictions are placed on transaction sizes for peak and off-peak contracts. Peak contract transactions must be conducted in multiples of the number of peak days in the contract month. This can range from 24 to 27 peak days. Off-peak contract transactions are restricted to the total number of off-peak hours in the transaction month (approximately 304 hours depending on the month). The combination of contract size and these transaction conditions will provide market

participants with futures contracts that satisfy the need for a lower unit and a monthly commercial contract structure.

- CAISO off-peak hours cover Monday through Saturday Hour Ending (HE) 0100-0600 and 2300 through 2400 Pacific Prevailing Time (PPT) and Sunday HE 0100-2400 PPT including North American Electric Reliability Corporation holidays.
- CAISO peak hours cover Hour Ending (HE) 0700 Pacific Prevailing Time (PPT) through HE 2200 PPT.
- FERC power marketer reports based on required quarterly filings of power marketing volume are used in the calculation of the position limits of the contracts contained herein. The position limits represent less than 25% of the reported activity for the respective hubs. Reporting of market-based activity to FERC includes both cash and OTC markets. These filing reports contain the total MWH volume and do not segment the reported transactions by peak/off-peak or transaction duration.
- In the western electricity market, average peak hours in the month account for 58% of total hours due to the inclusion of Saturday as a peak day. Off-peak hours account for 42% of total hours in the average month.
- Real-Time load represents approximately 40% of total system load as opposed to 60% for Day-Ahead.
- In all instances, the limits were conservatively set at levels below 25% of the underlying market which was calculated either in terms of physical throughput or commercial activity.

California ISO Contracts

2Q08 Power Marketers Filing Volume

Contract	MWH	MWH Per Month	Peak % in Month 58%	Peak Real-Time Adjustment 40%	Peak (80 MWH)	Off-Peak % in Month 42%	Off-Peak Real-Time Adjustment 40%	Off-Peak (5 MWH)	Peak (25%)	Off-Peak (25%)
NP15	49,217,674	16,405,891	9,515,417	3,806,167	47,577	6,890,474	2,756,190	551,238	11,894	137,809
SP15	75,536,313	25,178,771	14,603,687	5,841,475	73,018	10,575,084	4,230,034	846,007	18,255	211,502

E. MARKET PARTICIPANTS

Market Participants	Brokers
Allegheny Energy & Affiliates	Prebon
American Electric Power Service	Amerax
Atlantic Power Holdings	Spectron
Broadway Generating	TFS
Brookfield Power	ICAP
CAMP Grove Wind Farm	
Cfirstenergy Solutions & Affiliates	
Cibstellation Engery Commodities & Affiliates	
Conective Engery Supply & Affiliates	
Constellation Energy Commodities & Affiliates	
Dayton Power & Light	
Direct Energy Affiliates	
Dominion Resources	
Domtar	
DPL Energy	

References:

<http://www.caiso.com/>