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BEFORE THE COMMODITY FUTURES TRADING
COMMISSION

Natural Gas Exchange Inc
Application for Registration as a
Foreign Board of Trade Pursuant to
17 C.F.R. Part 48

February 17, 2012

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Natural Gas Exchange Inc. (“NGX”) hereby applies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) for registration as a Foreign Board of Trade (“FBOT”) pursuant to Part 48 of the Commission’s Rules, 17 C.F.R. Part 48. NGX is a board of trade located outside of the U.S. and is applying for registration with the Commission as a FBOT in order to provide its identified participants located in the United States with direct access to its electronic trading and order matching system.

NGX is a trading and clearing system for energy products in the North American market and provides electronic trading, central counterparty clearing and data services to the North American natural gas and electricity markets traded through the Ice Platform. NGX operates an electronic marketplace through which NGX contracting parties (“Participants”) may enter into (i) spot and forward physically settled natural gas and oil contracts for delivery at various Canadian and U.S. pipeline hubs and oil locations and (ii) swap and option contracts relating to natural gas and electricity and oil swaps referencing various Canadian and U.S. pricing points. NGX DCO provides clearing services through which it acts as central counterparty for transactions entered into on the NGX electronic marketplace, transactions executed in the OTC market and transactions entered into on a third party exempt commercial market (“ECM”) pursuant to section 2(h)(3) of the Commodity Exchange Act.

As discussed in greater detail below, it is important to note that NGX has operated within the U.S. as an exempt commercial market (“ECM”) since 2002 and currently offers its U.S. participants direct access to the NGX market under that status. By submission dated September 13, 2010, NGX petitioned the Commission under Section 723(c)(2) of Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) for an Order permitting NGX and its Participants and their Authorized Representatives to continue operating subject to section 2(h) of the Commodity Exchange Act (7 U.S.C. §2(h)) as in effect prior to the date of enactment of the Dodd-Frank Act. The Commission granted NGX’s Petition permitting it to continue operating as an ECM until July 16, 2012. The Commission’s Order was conditioned upon NGX’s submission of an application to operate in another market category within 60 days of the Commission’s adoption of rules establishing the application procedures for the various regulated markets. NGX is submitting this application for registration as a FBOT in fulfillment of that condition. In this regard, NGX also notes that the period of relief for NGX to continue operating as an ECM expires under the Commission’s Order on July 15, 2012. NGX requests that the Commission complete its consideration of this Application within a time frame which will permit a seamless transition to NGX’s operation as a registered FBOT.

Sincerely,



Paul M. Architzel