SUBMISSION COVER SHEET

***IMPORTANT*: Check box if Confidential Treatment is requested** ☐

Registered Entity Identifier Code (optional): 14-121

Organization: New York Mercantile Exchange, Inc. (“NYMEX”)

Filing as a: ☒ **DCM** ☐ **SEF** ☐ **DCO** ☐ **SDR**

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 11/06/2014 Filing Description: Amendments to Four (4) Electricity Futures Contracts

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

☐	Certification	§ 40.6(a)
☐	Approval	§ 40.5(a)
☐	Notification	§ 40.6(d)
☐	Advance Notice of SIDCO Rule Change	§ 40.10(a)
☐	SIDCO Emergency Rule Change	§ 40.10(h)

Rule Numbers: _____

New Product **Please note only ONE product per Submission.**

☐	Certification	§ 40.2(a)
☐	Certification Security Futures	§ 41.23(a)
☐	Certification Swap Class	§ 40.2(d)
☐	Approval	§ 40.3(a)
☐	Approval Security Futures	§ 41.23(b)
☐	Novel Derivative Product Notification	§ 40.12(a)
☐	Swap Submission	§ 39.5

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

☒	Certification	§ 40.6(a)
☐	Certification Made Available to Trade Determination	§ 40.6(a)
☐	Certification Security Futures	§ 41.24(a)
☐	Delisting (No Open Interest)	§ 40.6(a)
☐	Approval	§ 40.5(a)
☐	Approval Made Available to Trade Determination	§ 40.5(a)
☐	Approval Security Futures	§ 41.24(c)
☐	Approval Amendments to enumerated agricultural products	§ 40.4(a), § 40.5(a)
☐	“Non-Material Agricultural Rule Change”	§ 40.4(b)(5)
☐	Notification	§ 40.6(d)

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: Chapters 776 and 776A, NYMEX Chapter 5 Position Limit Table

Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

November 6, 2014

VIA ELECTRONIC PORTAL

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

RE: CFTC Regulation 40.6(a) Certification. Notification of Amendments to Four (4) Electricity Futures.
NYMEX Submission No. 14-121

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is amending sizes of two MISO real-time electricity futures contracts. Specifically, the contracts are the MISO Michigan Hub Peak Calendar-Month LMP Futures (Code HM, Chapter 776) and MISO Michigan Hub Off-Peak Calendar-Month LMP Futures (Code HJ, Chapter 776A). The size of the MISO monthly peak real-time futures contract is changing from 2.5 megawatts (MW) multiplied by the number of peak hours in the contract month to 80 megawatt hours (MWh). The size of the MISO monthly off-peak real-time futures is changing from 2.5 MW multiplied by the number of off-peak hours in the contract month to 5 MWh. The amendments will be effective on Sunday, November 23 for trade date Monday, November 24, 2014 and are being implemented to align the contract terms and conditions with cash market trading practices. There is currently no open interest in the MISO Michigan Hub real-time monthly electricity contracts.

Also effective at the same time, the Exchange will amend the titles of the HM and HJ contracts are being to reflect the new 5 MW per hour flow rate and the fact that the contracts are based on real-time locational marginal prices (LMPs). The reference to Midwest Independent Transmission System Operator, Inc. is being updated to Midcontinent Independent System Operator, Inc., to reflect the organization's new name. As part of the amendments to the MISO Michigan Hub real-time monthly futures contracts, the chapter rules are being reformatted with the current style, including new rule numbers. In order to facilitate the presentation, the Exchange believes that it is best to strikeout the entire chapters and rewrite them in their entirety (Appendix A). A comparison of the rulebook chapters is provided in Appendix B. The revised fees for the two contracts are shown in Appendix C.

Lastly, and also effective at the same time, the position limits for the two MISO real-time power contracts, as well as two MISO day-ahead power contracts (MISO Michigan Hub 5 MW Peak Calendar-Month Day-Ahead Futures (Code HMW, Chapter 1134) and MISO Michigan Hub 5 MW Off-Peak Calendar-Month Day-Ahead Futures (Code HMO, Chapter 1135)) are being amended (Appendix E) based on an updated deliverable supply analysis (Appendix D).

Pursuant to Commission Regulation 40.6(a), NYMEX is separately self-certifying amendments to block trading minimum thresholds for the HM and HJ futures contracts in NYMEX Submission No. 14-400. Block transactions are governed by Rule 526. The minimum block level for the HM contract is increasing from the current level of 10 contracts to 95 contracts; the minimum block level for the HJ contract is increasing from the current level of 4 contracts to 100 contracts.

Contract	Clearing Code	Rulebook Chapter
MISO Michigan Hub Peak Calendar-Month LMP Futures	HM	776
MISO Michigan Hub Off-Peak Calendar-Month LMP Futures	HJ	776A
MISO Michigan Hub 5 MW Peak Calendar-Month Day-Ahead Futures	HMW	1134
MISO Michigan Hub 5 MW Off-Peak Calendar-Month Day-Ahead Futures	HMO	1135

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act"). During the review, NYMEX staff identified that the amendments to the contracts may impact the following Core Principles as follows:

- Contracts Not Readily Subject to Manipulation: The subject contracts are being amended to reflect cash market trading practices. Moreover, the spot-month speculative position limits have been either updated or verified to at or below 25 percent of the estimated deliverable supply for the appropriate underlying cash markets.

- Position Limitations or Accountability: All of the subject contracts have spot-month speculative position limits as well as all-months and any-one-month accountability levels. These position limits and accountability levels have either been updated or verified to be at or below 25 percent of deliverable supply for the appropriate underlying cash markets. (See also Appendix D)

- Availability of General Information: The Exchange will make publically available the details of the contracts' amendments by publishing a notice to the marketplace. Furthermore, the Exchange will update the NYMEX rulebook to reflect the amended terms and conditions of the contracts.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the amendments to the four (4) electricity contracts comply 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 (212) 299-2200 or via e-mail at Christopher.Bowen@cmegroup.com.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A – Amendments to Two (2) Electricity Futures Contracts
Appendix B – Comparison of Rulebook Chapters
Appendix C – Amended Fee Schedule
Appendix D – Deliverable Supply Analysis
Appendix E – Amendments to the Terms and Conditions in the Reportable Level Table located in the Interpretations and Special Notices Section of Chapter 5 (attached under separate cover)

1 North End Avenue New York, NY 10282 T 212 299 2200 F 212 299 2299 christopher.bowen@cmegroup.com cmegroup.com

Appendix A

~~Chapter 776~~
~~MISO Michigan Hub Peak Calendar-Month LMP Futures~~

~~776.01. SCOPE~~
~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Prices.~~

~~776.02. FLOATING PRICE~~
~~A Daily Floating Price will be determined for each peak day of each contract month. Each Daily Floating Price will be equal to the arithmetic average of the Michigan Hub Real Time LMP for peak hours provided by Midwest Independent Transmission System Operator, Inc. (MISO), for the peak day. For settlement of this contract, the prices provided by MISO will be considered final on the payment day stated in Rule 776.10. and will not be subject to any further adjustment.~~

~~776.03. PEAK DAYS~~
~~"Peak day" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.~~

~~776.04. PEAK HOURS~~
~~From Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT~~

~~776.05. CONTRACT QUANTITY AND VALUE~~
~~The contract quantity is based on 2.5 megawatts per hour for each peak hour of the contract month. The daily total is 40 Megawatt Hours (MWH). One contract shall equal the daily total multiplied by the number of peak days in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.~~

~~776.06. CONTRACT MONTHS~~
~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

~~776.07. 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.~~

~~776.08. TERMINATION OF TRADING~~
~~Trading shall cease on the last business day of the contract month.~~

~~776.09. FINAL SETTLEMENT~~
~~Delivery 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.~~

~~776.10. PAYMENT DATE~~
~~Ten (10) business days following each contract month.~~

Chapter 776
MISO Michigan Hub Real-Time Peak Calendar-Month 5 MW Futures

776100. 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.

776101. CONTRACT SPECIFICATIONS
The Floating Price for each contract month will be equal to the arithmetic average of the Michigan Hub Real Time LMP provided by Midcontinent Independent System Operator, Inc. (MISO), for all peak hours in the contract month. For settlement of this contract, the prices provided by MISO will be considered final on the Payment Date and will not be subject to any further adjustment.

776102. TRADING SPECIFICATIONS
The number of months open for trading at a given time shall be determined by the Exchange.

776102.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.

776102.B. Trading Unit
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 as the contract quantity multiplied by the settlement price.

776102.C. Peak Days and Peak Hours
“Peak day” shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

“Peak hours” shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

776102.D. Price Increments
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.

776102.E. 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.

776102.F. Termination of Trading
Trading shall cease on the last business day of the contract month.

776102.G. Payment Date
Ten (10) business days following each contract month.

776103. FINAL SETTLEMENT
Delivery 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.

~~Chapter 776A~~
~~MISO Michigan Hub Off-Peak Calendar-Month LMP Futures~~

~~776A.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 Prices.~~

~~776A.02. FLOATING PRICE~~
~~The Floating Price will be determined for each contract month. The Floating Price will be equal to the arithmetic average of the Michigan Hub Real Time LMP for off-peak hours provided by Midwest Independent Transmission System Operator, Inc. (MISO), for all off-peak hours in the contract month.~~

~~776A.03. OFF-PEAK DAYS AND HOURS~~
~~Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) Saturday-Sunday HE 0100-2400 EPT including North American Electric Reliability Council holidays and excluding any hour lost or gained by transition into or out of Daylight Saving Time.~~

~~776A.04. CONTRACT QUANTITY AND VALUE~~
~~The contract quantity is based on 2.5 megawatts per hour for each off-peak hour of the contract month. One contract shall equal 2.5 megawatts per hour multiplied by the number off-peak hours in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.~~

~~776A.05. CONTRACT MONTHS~~
~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

~~776A.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.~~

~~776A.07. TERMINATION OF TRADING~~
~~Trading shall cease on the last business day of the contract month.~~

~~776A.08. FINAL SETTLEMENT~~
~~Delivery 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.~~

~~776A.09. PAYMENT DATE~~
~~Ten (10) business days following each contract month~~

Chapter 776A
MISO Michigan Hub Real-Time Off-Peak Calendar-Month 5 MW Futures

776A100. 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.

776A101. CONTRACT SPECIFICATIONS
The Floating Price for each contract month will be equal to the arithmetic average of the Michigan Hub Real Time LMP provided by Midcontinent Independent System Operator, Inc. (MISO), for all off-peak hours in the contract month. For settlement of this contract, the prices provided by MISO will be considered final on the Payment Date and will not be subject to any further adjustment.

776A102. TRADING SPECIFICATIONS
The number of months open for trading at a given time shall be determined by the Exchange.
776A102.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.
776A102.B. Trading Unit
The contract quantity shall be 5 Megawatt hours (MWh).

Each futures contract shall be valued as the contract quantity multiplied by the settlement price.
776A102.C. Off-Peak Days and Off-Peak Hours
“Off-Peak” shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) as well as Saturday and Sunday HE 0100-2400 EPT, including North American Electric Reliability Council holidays.
776A102.D. Price Increments
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.
776A102.E. 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.
776A102.F. Termination of Trading
Trading shall cease on the last business day of the contract month.
776A102.G. Payment Date
Ten (10) business days following each contract month.

776A103. FINAL SETTLEMENT
Delivery 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.

Appendix B

Comparison of Rulebook Chapters

Chapter 776
MISO Michigan Hub Real-Time Peak Calendar-Month ~~LMP~~5 MW Futures

~~776.01.~~776100. 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 ~~Prices.~~

~~776.02. FLOATING PRICE~~

~~A Daily Floating~~ Price ~~will be determined~~. 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.

776101. CONTRACT SPECIFICATIONS
The Floating Price for each ~~peak day of each~~ contract month~~. Each Daily Floating Price~~ will be equal to the arithmetic average of the Michigan Hub Real Time LMP ~~for peak hours~~ provided by ~~Midwest~~Midcontinent Independent ~~Transmission~~ System Operator, Inc. (MISO), for ~~the~~all peak ~~day~~hours in the contract month. For settlement of this contract, the prices provided by MISO will be considered final on the ~~payment day stated in Rule 776.10.~~Payment Date and will not be subject to any further adjustment.

~~776.03. PEAK DAYS~~

"

776102. TRADING SPECIFICATIONS
The number of months open for trading at a given time shall be determined by the Exchange.
776102.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.
776102.B. Trading Unit
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 as the contract quantity multiplied by the settlement price.
776102.C. Peak Days and Peak Hours
"Peak day~~"~~" shall mean a Monday through Friday, excluding North American Electric Reliability Council holidays.

~~776.04. PEAK HOURS~~

~~From Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT~~

~~776.05. CONTRACT QUANTITY AND VALUE~~

~~The contract quantity is based on 2.5 megawatts per hour for each peak hour of the contract month. The daily total is 40 Megawatt Hours (MWH). One contract shall equal the daily total multiplied by the number of peak days in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.~~

~~776.06. CONTRACT MONTHS~~

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

~~776.07. PRICES AND FLUCTUATIONS~~

"Peak hours" shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

776102.D. Price Increments

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

~~776.08. TERMINATION OF TRADING~~

~~Trading on CME Globex shall cease at 23:59 EPT on the last calendar day of the month preceding the contract month,~~776102.E. Position Limits, Exemptions, Position Accountability and ~~if CME Globex is not available at that time, trading on CME Globex shall cease at~~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 ~~normal termination time on~~Market Regulation Department on forms provided by the ~~nearest business day on or before~~Exchange, and the ~~last calendar day~~Market Regulation Department may grant qualified exemptions in its sole discretion.

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

776102.F. Termination of Trading

Trading ~~on the trading floor venue, as well as submission of all block transactions,~~ shall cease on the last business day of the contract month.

776102.G. Payment Date

Ten (10) business days following each contract month.~~776.09.~~

776103. FINAL SETTLEMENT

Delivery 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.

Chapter 776A

MISO Michigan Hub Real-Time Off-Peak Calendar-Month ~~LMP~~5 MW Futures

~~776A.01.~~

776A100. 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 ~~Prices~~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.

~~776A.02. FLOATING PRICE~~

776A101. CONTRACT SPECIFICATIONS

The Floating Price ~~will be determined~~ for each contract month~~. The Floating Price~~ will be equal to the arithmetic average of the Michigan Hub Real Time LMP ~~for off-peak hours~~ provided by ~~Midwest~~Midcontinent Independent ~~Transmission~~ System Operator, Inc. (MISO), for all off-peak hours in the contract month. For settlement of this contract, the prices provided by MISO will be considered final on the Payment Date and will not be subject to any further adjustment.

~~776A.03. OFF-PEAK DAYS AND HOURS~~

776A102. TRADING SPECIFICATIONS

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

776A102.A. Trading Schedule

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

776A102.B. Trading Unit

The contract quantity shall be 5 Megawatt hours (MWh).

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

776A102.C. Off-Peak Days and Off-Peak Hours

"Off-Peak" shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) as well as Saturday~~-~~ and Sunday HE 0100-2400 EPT, including North American Electric Reliability Council holidays~~ and excluding any hour lost or gained by transition into or out of Daylight Saving Time~~.

~~776A.04. CONTRACT QUANTITY AND VALUE~~

~~The contract quantity is based on 2.5 megawatts per hour for each off-peak hour of the contract month. One contract shall equal 2.5 megawatts per hour multiplied by the number off-peak hours in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.~~

~~776A.05. CONTRACT MONTHS~~

~~Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.~~

~~776A.06. PRICES AND FLUCTUATIONS~~

776A102.D. Price Increments

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

~~776A.07. TERMINATION OF TRADING~~

~~**Trading on CME Globex shall cease at 23:59 EPT on the last calendar day of the month preceding**~~**776A102.E. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the ~~**contract month, and if CME Globex is not available at that time, trading on CME Globex**~~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 ~~**cease at the normal termination time on the nearest business day on or before**~~apply to the ~~**last calendar day of**~~ Market Regulation Department on forms provided by the ~~**month**~~

~~**preceding**~~Exchange, and the ~~**contract month.**~~ 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.

776A102.F. Termination of Trading ~~on the trading floor venue, as well as submission of all block transactions,~~

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

776A102.G. Payment Date

Ten (10) business days following each contract month.~~776A.08.~~

776A103. FINAL SETTLEMENT

Delivery 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.

~~776A.09. PAYMENT DATE~~

~~Ten (10) business days following each contract month.~~

Appendix C

Contract Fees

Exchange Fees for MISO Michigan Hub Peak Calendar Month LMP Futures (HM)				
	Member	Cross Division	Non-Member	IIP
Pit	~~$4.00~~ $0.35	~~$4.00~~ $0.37	~~$4.00~~ $0.40	
Globex	~~$4.00~~ $0.35	~~$4.00~~ $0.37	~~$4.00~~ $0.40	~~$4.00~~ $0.37
ClearPort	~~$4.00~~ $0.35		~~$4.00~~ $0.40	

Other Processing Fees		
	Member	Non-Member
Cash Settlement	~~$4.00~~ $0.105	~~$4.00~~ $0.12

Additional Fees and Surcharges	
Facilitation Desk Fee	~~$0.05~~ $0.02

Exchange Fees for MISO Michigan Hub Off-Peak Calendar-Month LMP Futures (HJ)				
	Member	Cross Division	Non-Member	IIP
Pit	~~$4.00~~ $0.0263	~~$4.00~~ $0.0281	~~$4.00~~ $0.03	
Globex	~~$4.00~~ $0.0263	~~$4.00~~ $0.0281	~~$4.00~~ $0.03	~~$4.00~~ $0.0281
ClearPort	~~$4.00~~ $0.0263		~~$4.00~~ $0.03	

Other Processing Fees		
	Member	Non-Member
Cash Settlement	~~$4.00~~ $0.0079	~~$4.00~~ $0.009

Additional Fees and Surcharges	
Facilitation Desk Fee	~~$0.05~~ $0.0015

Appendix D

MARKET SUMMARY

MIDCONTINENT ISO: Midcontinent Independent System Operator (MISO) is a not-for-profit, member-based regional transmission organization (RTO) that administers the wholesale electricity market in its service area. MISO provides its customers with valued service; reliable, cost-effective systems and operations; dependable and transparent prices; open access to markets; and planning for long-term efficiency. The MISO service area covers all or parts of 15 states – Montana, North Dakota, South Dakota, Minnesota, Wisconsin, Michigan, Iowa, Illinois, Indiana, Missouri, Kentucky, Arkansas, Mississippi, Louisiana, and Texas. MISO also provides reliability services for those states (or parts thereof), as well as the Canadian province of Manitoba. MISO's market area has a generation capacity of 176,454 megawatts (MW) and maintains 65,787 miles of transmission lines. MISO prices power for various hubs, including the Indiana, Illinois, Michigan, and Minnesota Hubs.

DAY-AHEAD VERSUS REAL-TIME MARKET

RTOs and independent system operators (ISOs) offer two basic energy markets for physical market participants: a real-time (or spot) market and a day-ahead market. The real-time and day-ahead markets are interrelated as the day-ahead market is a forward market for pricing power that is delivered during a given hour on the following day. In contrast, the real-time market prices electricity that flows during a particular hour on the same day. Each hour has a separate auction in the day-ahead and real-time markets. Moreover, the day-ahead and real-time markets adopt a competitive auction process developed by the stakeholders from both the generation and load sides. Hourly market-clearing prices or locational marginal prices (LMPs) are published for both the day-ahead and real-time markets to reflect dynamic and competitive pricing and are publicly available on a timely basis to ensure competiveness and transparency.

OVERSIGHT AND SUSCEPTIBILITY TO MANIPULATION

ISO and RTO markets are highly competitive and, except for the Electric Reliability Council of Texas (ERCOT), were established following Federal Energy Regulatory Commission (FERC) orders. FERC Order No. 888 identified barriers to competitive wholesale electricity markets and required that those barriers be removed. FERC Order No. 889 established open access to system information. FERC Order No. 2000 provided the framework for the formation of ISO/RTO markets. Under FERC oversight, MISO and other ISOs/RTOs operate and monitor their respective market to ensure the competitiveness and reliability of the electricity system. Specifically, FERC monitors and investigates energy markets with respect to manipulation, and it enforces regulatory requirements through imposition of civil penalties and other means. Specifically, the Office of Enforcement within FERC ensures compliance with FERC statutes, rules, and orders. In this regard, the enforcement office monitors energy markets and gathers relevant data to prohibit market manipulation, fraud, and violations of electric reliability standards. It also takes remedial measures when these cases happen and imposes penalty on the parties involved.

ISOs/RTOs are also monitored by the North American Electric Reliability Corporation (NERC), a non-profit organization made up of stakeholders responsible for developing reliability standards (both seasonal and long term) and ensuring compliance with those standards. NERC has various committees, sub-committees, task forces, and working groups investigating and analyzing system disruptions to prevent market manipulation. NERC is subject to oversight by FERC.

Besides governmental and industry organizations, each ISO/RTO is monitored by an independent market monitor. The market monitors regularly evaluate the competitiveness of their respective markets, recommend improvements plans, and review the implementation of those plans. Market monitors publish quarterly and annual market reports to raise public awareness of the state of their respective markets.

DELIVERABLE SUPPLY CALCULATIONS

The deliverable supply estimate for the Michigan Hub is based on the maximum hourly load in the MISO system (109,194 MW) over the three-year period January 22, 2011 to January 21, 2014. Because MISO only reports load by reliability region and not by hub, the Michigan Hub deliverable supply was determined using the percentage of MISO's total load (20.3%) attributable to Michigan, as reported by MISO itself. It was assumed that there are 368 peak hours and 424 off-peak hours in a given month.

POSITION LIMITS

The spot-month speculative position limit for the MISO Michigan Hub Peak Calendar-Month LMP Futures (Code HM, Chapter 776) and the MISO Michigan Hub 5 MW Peak Calendar-Month Day-Ahead Futures (Code HMW, Chapter 1134) is set at 25,490 contracts. The spot-month speculative position limit for the MISO Michigan Hub Off-Peak Calendar-Month LMP Futures (Code HJ, Ch. 776A) and the MISO Michigan Hub 5 MW Off-Peak Calendar-Month Day-Ahead Futures (Code HMO, Chapter 1135) is set at 469,915 contracts. All of the position limit values are 25% of the appropriate deliverable supply estimate.

Location	Period	Contract Size (MW)	Monthly Deliverable Supply (MW)	Position Limit (contracts)
MISO				
Michigan	Peak	80	8,157,088	25,490
	Off-Peak	5	9,398,384	469,915
	Peak	80	8,157,088	25,490
	Off-Peak	5	9,398,384	469,915

<u>Appendix E</u>

NYMEX Rulebook Chapter 5 Position Limit Table

(Attached Under Separate Cover)