



Special Executive Report

DATE: March 3, 2017
SER#: 7850
SUBJECT: Amendments to the NY Harbor ULSD and RBOB Gasoline Futures Contracts

Effective Sunday, March 26, 2017 for trade date Monday, March 27, 2017, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange, Inc. (“NYMEX” or the “Exchange”) will amend Rules 150101. and 190101. of the NY Harbor ULSD Futures and RBOB Gasoline Futures contracts (the “Contracts”), respectively, as set forth in the table below.

Specifically, NYMEX is inserting language within the Contracts’ product chapters to address the Exchange’s actions in the event the Environmental Protection Agency (“EPA”) issues a temporary waiver which impacts fuel standards at NYMEX-approved terminals in the New York Harbor.

| Contract Title | Commodity Code | Rulebook Chapter |
|------------------------|----------------|------------------|
| NY Harbor ULSD Futures | HO | 150 |
| RBOB Gasoline Futures | RB | 191 |

The Contracts are listed for trading on CME Globex and for submission for clearing through CME ClearPort. Appendix 1 provides the rulebook chapter amendments in blackline format.

For additional information, please contact:

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APPENDIX 1

NYMEX Rulebook

(additions are underscored)

Chapter 150 NY Harbor ULSD Futures

150101. **CONTRACT SPECIFICATIONS**

The oil delivered shall be a pure hydrocarbon oil free from renewable fuel, biodiesel, alkali, mineral acid, grit, fibrous or other foreign matter, meeting the "Delivery" specifications of the Colonial Pipeline's Fungible Grade 62 for Ultra Low Sulfur Diesel, and being properly designated for sale in New York Harbor in accordance with U.S. Environmental Protection Agency (EPA) regulations. Delivery test results may vary by the smaller of ASTM reproducibility for a given test or any test tolerance as allowed for downstream parties by state or EPA regulations at the point of delivery. The ULSD delivered shall fully comply with specifications of the Colonial Pipeline Fungible Grade 62 for on-road ULSD, including the requirement that the on-road diesel fuel must contain no renewable diesel or biodiesel. **In the event that EPA issues a temporary waiver which impacts fuel standards at Exchange-approved terminals in New York Harbor, the Exchange, in its sole discretion, will review the provisions of the waiver on a case-by-case basis to determine whether to modify the existing delivery requirements for ULSD to comply with such waiver.**

Chapter 191 RBOB Gasoline Futures

191101. **CONTRACT SPECIFICATIONS**

5. (a) RBOB deliveries shall comply with EPA requirements **for RBOB designated gasoline** at all times, including the minimum and maximum standards set forth in 40 C.F.R. Part 80 as are in effect for downstream parties at the time and place of delivery, and shall be adjusted by the amount of any increase or decrease in such standards as required by EPA for RBOB sold and distributed for consumption in the New York Harbor area. RBOB deliveries shall comply with State and Federal requirements for oxygen content for RBOB sold for consumption as are in effect at the time and place of delivery. **In the event that EPA issues a temporary waiver which impacts fuel standards at Exchange-approved terminals in New York Harbor, the Exchange, in its sole discretion, will review the provisions of the waiver on a case-by-case basis to determine whether to modify the existing delivery requirements for RBOB-designated gasoline to comply with such waiver.**