

Chapter 519

San Juan Basis Swap (Platts IFERC) Futures

519.01 SCOPE

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

519.02 FLOATING PRICE

The Floating Price for each contract month will be equal to the Platts Inside FERC's Gas Market Report ("Platts IFERC") El Paso Natural Gas Co., San Juan Basin Index ("Index") published in the table titled "Prices Of Spot Gas Delivered To Pipelines" in the first regular issue of the contract month minus the NYMEX (Henry Hub) Natural Gas Futures contract final settlement price for the corresponding contract month.

519.03 CONTRACT QUANTITY AND VALUE

The contract quantity shall be 2,500 MMBtu (million British thermal units).

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of calendar days in that contract month, provided however this restriction on transaction size does not apply to either Exchange of Futures for, or in Connection with Product (EFP) or Exchange of Futures for, or in Connection With Swap Transactions (EFS).

Each futures contract based on the San Juan Basis Swap (Platts IFERC) Futures contract shall be valued as the contract quantity (2,500 MMBtu) multiplied by the settlement price.

519.04 CONTRACT MONTHS

Posting of transactions shall be conducted in contracts in such months as shall be determined by the Board of Directors.

519.05 PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0001 per MMBtu. There shall be no maximum price fluctuation.

519.06 TERMINATION OF POSTING OF TRANSACTIONS

Posting of transactions shall cease on the last business day of the month prior to the contract month.

519.07 FINAL SETTLEMENT

Delivery under the San Juan Basis Swap (Platts IFERC) 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, provided, however, that in the event that the Floating Price is not available to the Exchange for any reason, the President or the President's designee, based on the best information available to the Exchange at the time, will determine a final settlement price, which in the judgment of staff, is intended to serve as the best substitute for the Floating Price.

519.08 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 Transactions (EFS) shall be governed by the provisions of Rules 538 and 538A, respectively.

519.09**DISCLAIMER**

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