

Chapter 524

Rockies Basis Swap (Platts IFERC) Futures

524.01 SCOPE

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

524.02 FLOATING PRICE

The Floating Price for each contract month will be equal to the Platts Inside FERC's Gas Market Report ("Platts IFERC") Northwest Pipeline Corp., Rocky Mountains 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 Henry Hub Natural Gas Futures contract final settlement price for the corresponding contract month.

524.03 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 Rockies Basis Swap (Platts IFERC) Futures contract shall be valued as the contract quantity (2,500 MMBtu) multiplied by the settlement price.

524.04 CONTRACT MONTHS

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

524.05 PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.0025 per MMBtu. There shall be no maximum price fluctuation.

524.06 TERMINATION OF POSTING OF TRANSACTIONS

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

524.07 FINAL SETTLEMENT

Delivery under the Rockies 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.

524.08 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.

524.09**DISCLAIMER**

Platts, a division of The McGraw-Hill Companies, Inc. ("Platts"), licenses The New York Mercantile Exchange ("NYMEX") to use various Platts' price assessments in connection with the trading or posting of the contracts.

NEITHER NYMEX NOR PLATTS GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

NYMEX AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE INDEX, TRADING BASED ON THE INDEX, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE NYMEX TRANSCO ZONE 6 BASIS SWAP (PLATTS IFERC) CONTRACTS, OR, FOR ANY OTHER USE. NYMEX AND PLATTS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX OR PLATTS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.