



Special Executive Report

DATE: July 8, 2010

SER#: 5308

SUBJECT: Launch of Four (4) New Dow Jones Electricity Swap Futures Contracts on CME ClearPort and NYMEX Trading Floor

Please be advised that effective Sunday, July 25, 2010, for trade date Monday, July 26, 2010, the New York Mercantile Exchange, Inc. (NYMEX or Exchange) will list four (4) new Dow Jones electricity swap futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort, a set of flexible clearing services open to over-the-counter (OTC) market participants to substantially mitigate counterparty risk and provide neutral settlement prices across asset classes.

The contracts are listed with, and subject to, the rules and regulations of NYMEX and Chicago Mercantile Exchange Inc.

These new futures contracts will be financially settled. The first listed month for these contracts will be the September 2010 contract month. Monthly contracts will list current year plus the next five calendar years, consecutively. A new calendar year will be added following the termination of trading in the December contract month of the current year.

The product specifications for these new contracts are as follows:

Title, Rule Chapter and Commodity Code

Contract	Rule Chapter	Code
Dow Jones Palo Verde Electricity Price Index 5 MW Peak Swap Futures	758	DSP
Dow Jones Palo Verde Electricity Price Index 5 MW Off-Peak Swap Futures	759	DSO
Dow Jones Mead/Marketplace Electricity Price Index 5 MW Peak Swap Futures	760	DMP
Dow Jones Mead/Marketplace Electricity Price Index 5 MW Off-Peak Swap Futures	761	DMO

Peak Hours and Days; Firm Energy

“Peak Hours” shall mean the Hours Ending (HE) 0700-2200 Prevailing Pacific Time, on Peak Days (as defined below).

“Peak Days” shall mean Monday through Saturday, excluding North American Electric Reliability Corporation (NERC) holidays. (Note that, although Firm On-peak Index daily prices are published for Sundays, Sundays are not included within the meaning of “Peak Days” for the purposes of the contract or in the calculation of the average of Peak Day daily prices or in the determination of permitted transaction sizes.)

“Firm Energy” shall meet minimum criteria of being financially firm and backed with liquidated damages.

Off-Peak Hours

“**Off-Peak Hours**” shall mean the Hours Ending (HE) 2300-0600 Prevailing Pacific Time, on Peak Days, together with the Hours Ending 0100-2400 on Sundays and NERC holidays. (Note that, in addition to the Firm Off-peak Index daily prices for Peak Days (each for an 8-hour block), Sundays and NERC holidays (each for a 24-hour block) also are included within the meaning of “Off-Peak Hours” for the purposes of the contract and in the calculation of the average of daily prices and the determination of permitted transaction sizes.)

Contract Quantity

Peak Contract Unit: 80 Megawatt hours (MWh) (5 MW per peak hour). The monthly transaction size is restricted to whole number multiples of the number of peak days in the contract month.

Off-Peak Contract Unit: 5 MWh (5 MW per off-peak hour). The monthly transaction size is restricted to the whole number multiples of the number of off-peak hours in the contract month.

Tick Size

The minimum price fluctuation shall be \$0.05 per MWh.

Termination of Trading

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

Fee Schedule

	Member	Non-Member	COMEX Blended
CPC (On-Peak)	\$.35	\$.40	NA
Floor (On-Peak)	\$.35	\$.40	\$.37
Cash Settlement (On-Peak)	\$.40	\$.40	NA
CPC (Off-Peak)	\$.02	\$.03	NA
Floor (Off-Peak)	\$.02	\$.03	\$.03
Cash Settlement (Off-Peak)	\$.02	\$.03	NA

The chapters setting forth the terms and conditions of these new electricity swap futures contracts will be available on the Exchange’s online rulebook. Margins and position limits will be announced in separate notices.

Should you have any questions or require any further information, please contact Michael O’Neill at 212.299.2348 or the Marketing hotline 212.299.2301.