

## Special Executive Report

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**DATE:** December 21, 2010

**SER#:** 5496

**SUBJECT:** Listing of Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures, Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures and Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures

Pending Federal Energy Regulatory Commission (FERC) approval of modifications to the Pine Prairie Energy Center's FERC Gas Tariff seeking to add new pooling services for the delivery of the three contracts, beginning on Sunday, January 23, 2011, for trade date Monday, January 24, 2011, the New York Mercantile Exchange, Inc. (NYMEX) will list for open outcry trading and for clearing through CME ClearPort three new natural gas futures contracts physically delivered at Pine Prairie Energy Center (PPEC).

The three new contracts are (i) Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures, (ii) Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures and (iii) Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures.

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

### **SUMMARY OF CONTRACT SPECIFICATIONS:**

#### **Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures**

- **Commodity Code:** PPD
- **First Listed Contract:** 25-Jan-11
- **Delivery Period:**

The delivery period shall be for delivery over the next Day. Transactions conducted on Friday are for delivery on Saturday, Sunday, and Monday inclusive. Transactions conducted on the Business Day prior to an Exchange holiday shall include delivery through and including the next Business Day after the Holiday.

When the last day of a calendar month occurs during a weekend (Saturday, Sunday and, when it applies, Holiday Friday or Holiday Monday) then, for the weekend delivery Days and following Business Day, the following shall apply:

For delivery Days for the remainder of current month, transactions conducted on two Business Days immediately prior to the start of the weekend are for delivery through the remainder of the current month.

For delivery Days for the next month, transactions conducted on the Business Day immediately prior to the start of the weekend are for delivery from the first calendar day of the next month through the first Business Day of the next month.

- **Listing Period:** Up to 5 contracts for a week
- **Contract Size:** 2,500 MMBtu per day.
- **Termination of Trading:** Trading shall cease at 11:30 a.m. (Eastern Prevailing Time) on the business day prior to first day of the delivery period.
- **Minimum Price Fluctuation:** \$0.0025 per MMBtu.
- **Rule Chapter:** 227

### **Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures**

- **Commodity Code:** PPB
- **First Listed Contract:** 25-Jan-11
- **Delivery Period:**  
The delivery period shall be for delivery starting the Day following the contract date (the “Following Day”), through the end of the Month (as defined in the PPEC Tariff), whereby transaction sizes for trading in any balance-of-month Contract shall be the whole number multiples of the number of calendar days starting with the Following Day through and including the last Day of the calendar Month.
- **Listing Period:** 1 for Current Month
- **Contract Size:** 2,500 MMBtu per day.
- **Termination of Trading:** Trading shall cease at 11:30 a.m. (Eastern Prevailing Time) on the business day prior to first day of the delivery period.
- **Minimum Price Fluctuation:** \$0.0025 per MMBtu.
- **Rule Chapter:** 228

### **Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures**

- **Commodity Code:** PPM
- **First Listed Contract:** Feb-11
- **Delivery Period:**  
The delivery period shall be for delivery over a specified calendar Month, as provided in the PPEC Tariff, whereby transaction sizes for trading in any specified calendar month shall be the whole number multiples of the number of calendar days in a specified calendar month.
- **Listing Period:** 1 for Next Month
- **Contract Size:** 2,500 MMBtu per day.
- **Termination of Trading:** Trading shall cease at 11:30 a.m. (Eastern Prevailing Time) on the business day prior to first day of the delivery period.
- **Minimum Price Fluctuation:** \$0.0025 per MMBtu.
- **Rule Chapter:** 229

### **Trading Hours for PPEC Contracts:**

Open Outcry: Monday – Friday 9:00 a.m. – 11:30 a.m. (8:00 p.m. – 10:30 a.m. Chicago Time/CT).

CME ClearPort: Sunday 6:00 p.m. – Monday 11:30 a.m. (5:00 p.m. – 10:30 a.m. Chicago Time/CT),  
Monday – Friday 2:00 p.m. – 10:30 a.m. with a 45-minute break each day beginning at 5:15 p.m.  
(4:15 p.m. CT).

**Fee Schedule for PPEC Contracts:**

Product	Pit Exchange Fee				ClearPort Exchange Fee	
	Member Day	Member Overnight	Cross Division	Non Member	Member	Non Member
Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25

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