



## Special Executive Report

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**DATE:** September 14, 2011

**SER#:** 5935

**SUBJECT: Amendment to Final Settlement Reference for NYMEX Cinergy Hub Contracts**

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") currently offers nine (9) electricity futures and option contracts, identified below, that settle against the Cinergy Hub day-ahead and real-time LMP posted by Midwest ISO ("MISO"). These contracts are listed on the New York trading floor and for submission for clearing through CME ClearPort.

Please be advised that conditioned on state regulatory approvals, Duke Ohio and Duke Kentucky will withdraw from MISO and become a part of PJM Interconnection ("PJM") effective January 1, 2012. Due to this, MISO will cease the calculation and posting of Cinergy Hub real-time and day-ahead prices on January 1, 2012 or other effective MISO withdrawal date of the Duke Ohio and Duke Kentucky subsidiaries. MISO made this decision to cease Cinergy Hub pricing because the Duke Ohio and Kentucky subsidiaries account for 40% of the nodes that define the Cinergy Hub. The potential elimination of Cinergy Hub MISO pricing required the development of a Cinergy Hub replacement. The MISO Trading Hubs Task Force ("THTF") met in the fall of 2010 with the objective of developing a replacement hub that would provide the best statistical fit with Cinergy Hub day-ahead and real-time prices. At its January 4, 2011 meeting, the MISO Market Subcommittee accepted the THTF recommendation and voted to approve the calculation and posting of the Indiana Hub which was the single Cinergy Hub replacement recommendation of the THTF. Since March 1, 2011, MISO has been calculating and posting day-ahead and real-time prices for the Indiana Hub on its website.

NYMEX proposes to amend the contracts below to delete the final settlement reference to Cinergy Hub and add the Indiana Hub as the final settlement real-time or day-ahead prices. As stated, the effective date of this change will be the formal date of MISO Duke Ohio and Duke Kentucky subsidiary withdrawal from MISO.

Special Executive Report (SER) 5539, issued on December 22, 2010, advised that on trade date December 29, 2010, NYMEX would halt the listing of new contract months for the Cinergy Hub contracts due to the likely withdrawal of Duke Ohio and Duke Kentucky from MISO. SER 5539 can be found at the following link: <http://www.cmegroup.com/tools-information/lookups/advisories/market-regulation/SER-5539.html>.

**NYMEX will host a conference call on Tuesday, September 20, 2011, from 3:00 – 3:30 pm Eastern time to discuss these proposed Cinergy Hub contract amendments. We encourage all interested market participants to participate in this call to discuss the Cinergy Hub Indiana Hub transition. The conference call information is as follows:**

Telephone: (800) 201-2375  
(469) 759-7753

Passcode: 248634

NYMEX currently offers Indiana Hub peak and off-peak, calendar-month and calendar-day, day ahead and real-time futures contracts for trading on the New York trading floor and for submission for clearing on CME ClearPort.

Please contact Brad Leach at (212) 299-2609 or Joe Hawrysz at (312) 341-7750 with any questions related to this advisory.

#### Cinergy Hub Futures and Option Contracts

<b>Code</b>	<b>Name</b>
K2	Midwest ISO Cinergy Hub 5MW Off-Peak Calendar-Month Day-Ahead Swap Futures
H4	Midwest ISO Cinergy Hub 5 MW Off-Peak Calendar Month Real-Time Swap Futures
OY	Midwest ISO Cinergy Hub Peak Calendar-Month LMP Swap Options
H5	Midwest ISO Cinergy Hub 5 MW Peak Calendar-Month Day-Ahead Swap Futures
H3	Midwest ISO Cinergy Hub 5 MW Peak Calendar-Month Real-Time Swap Futures
EM	Midwest ISO Cinergy Hub Peak Calendar-Month LMP Swap Futures
EJ	Midwest ISO Cinergy Hub Off-Peak LMP Swap Futures
OEM	Midwest ISO Cinergy Hub Peak Option on Calendar Futures Strip
CC	Midwest ISO Cinergy Hub Calendar-Day Peak LMP Swap Futures