



Special Executive Report

DATE: November 17, 2010

SER#: 5477

SUBJECT: Listing of Twenty Four (24) New ERCOT Electricity Futures Contracts

Effective Sunday, December 5, 2010 for trade date Monday, December 6, 2010, the New York Mercantile Exchange, Inc. (NYMEX) will launch twenty four (24) new Electric Reliability Council of Texas (ERCOT) swap futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort. The contracts are listed with NYMEX, and subject to, the rules and regulations of NYMEX and Chicago Mercantile Exchange Inc. The new futures contracts will be cash-settled. The first listed month for the contracts will be the January 2011 contract month. The contracts will list current year plus the next five calendar years with a new calendar year added following the termination of trading in the December contract month of the current year. NYMEX will allow Exchange of Futures for Related Position ("EFRP") transactions to be submitted through CME ClearPort pursuant to the provisions of Exchange Rule 538.

On December 1, 2010, ERCOT is anticipated to transition from its current zonal pricing of transmission congestion to a nodal transmission congestion market. The installation of nodal transmission will also involve the development of an ERCOT day-ahead energy market. The redesigned grid will consist of more than 4,000 nodes, and will replace the current congestion management zones.

PRODUCT SPECIFICATIONS

Title, Rule Chapter and Commodity Code

Contract Name	Rule Chapter	Code
ERCOT Houston Competitive Load Zone Day-Ahead 5 MW Peak Swap Futures	1017	EHD
ERCOT West Competitive Load Zone Day-Ahead 5 MW Peak Swap Futures	1018	EWD
ERCOT North Competitive Load Zone Day-Ahead 5 MW Peak Swap Futures	1019	ERD
ERCOT South Competitive Load Zone Day-Ahead 5 MW Peak Swap Futures	1020	EUD
ERCOT Houston Competitive Load Zone Day-Ahead 5 MW Off-Peak Swap Futures	1021	EHY
ERCOT West Competitive Load Zone Day-Ahead 5 MW Off-Peak Swap Futures	1022	EWY
ERCOT North Competitive Load Zone Day-Ahead 5 MW Off-Peak Swap Futures	1023	ERY
ERCOT South Competitive Load Zone Day-Ahead 5 MW Off-Peak Swap Futures	1024	EUY
ERCOT Houston Competitive Load Zone Real-Time 5 MW Peak Swap Futures	1001	EHR
ERCOT West Competitive Load Zone Real-Time 5 MW Peak Swap Futures	1002	EWR
ERCOT North Competitive Load Zone Real-Time 5 MW Peak Swap Futures	1003	ERR

Contract Name	Rule Chapter	Code
ERCOT South Competitive Load Zone Real-Time 5 MW Peak Swap Futures	1004	EUR
ERCOT Houston Competitive Load Zone Real-Time 5 MW Off-Peak Swap Futures	1005	EHI
ERCOT West Competitive Load Zone Real-Time 5 MW Off-Peak Swap Futures	1006	EWI
ERCOT North Competitive Load Zone Real-Time 5 MW Off-Peak Swap Futures	1007	ERI
ERCOT South Competitive Load Zone Real-Time 5 MW Off-Peak Swap Futures	1008	ESI
ERCOT Houston 345 kV Hub Day-Ahead 5 MW Peak Swap Futures	1033	EHE
ERCOT West 345 kV Hub Day-Ahead 5 MW Peak Swap Futures	1034	EWE
ERCOT North 345 kV Hub Day-Ahead 5 MW Peak Swap Futures	1035	ERE
ERCOT South 345 kV Hub Day-Ahead 5 MW Peak Swap Futures	1036	EUE
ERCOT Houston 345 kV Hub Day-Ahead 5 MW Off-Peak Swap Futures	1037	EHP
ERCOT West 345 kV Hub Day-Ahead 5 MW Off-Peak Swap Futures	1038	EWK
ERCOT North 345 kV Hub Day-Ahead 5 MW Off-Peak Swap Futures	1039	ERU
ERCOT South 345 kV Hub Day-Ahead 5 MW Off-Peak Swap Futures	1040	ERA

Days and Hours

Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. From Hour Ending (HE) 0700 Central Prevailing Time (CPT) through HE 2200 CPT.

Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0600 and 2300 and 2400 Central Prevailing Time (CPT) and Saturday through Sunday HE 0100-2400 CPT including North American Electric Reliability Corporation holidays.

Contract Quantity

Peak contract: The contract quantity shall be 80 Megawatt hours (MWh) and is based on 5 Megawatts for peak daily hours. Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of peak days in the contract month. Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

Off-peak contract: The contract quantity shall be 5 Megawatt hours (MWh). Transaction sizes for trading any contract month shall be restricted to whole number multiples of the number of off-peak hours in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.01 per MWh. There shall be no maximum price fluctuation.

Termination of Trading

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

Fee Schedule

	Member	Non-Member	COMEX Blended
ClearPort (On-Peak)	\$0.35	\$0.40	NA
Floor (On-Peak)	\$0.35	\$0.40	\$0.37
Cash Settlement (On-Peak)	\$0.40	\$0.40	NA
ClearPort (Off-Peak)	\$0.02	\$0.03	NA
Floor (Off-Peak)	\$0.02	\$0.03	\$0.03
Cash Settlement (Off-Peak)	\$0.02	\$0.03	NA
EFS, EFP, Spreads, Strips and ex Pit trades are available at standard member and nonmember rates – no surcharges apply. Block fees apply at standard levels.			

Should you have any questions or require any further information, please contact Mike O'Neill (212) 299-2348 or Kristen Bauer at (713) 658-9294.