

Special Executive Report

S-4999

September 10, 2009

Launch of Eighteen (18) New Electricity Swap Futures Contracts on CME ClearPort® and NYMEX Trading Floor

Please be advised that beginning on Sunday, September 20, 2009 for trade date Monday, September 21, 2009, the Exchange will launch eighteen (18) new ERCOT and PJM, peak and off-peak electricity 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 are subject to, the rules and regulations of NYMEX and Chicago Mercantile Exchange Inc.

These new futures contracts will be cash-settled. With regard to the PJM DOM and ERCOT monthly contracts (R5, U1, I1, I2, I5, I6, I9, J1, N1 and O1), the first listed month for these contracts will be the October 2009 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 of the current year. With regard to the ERCOT daily contracts (I3, I4, I7, I8, K1, M1, R1 and R4), the first listed day shall be the September 21, 2009 contract day. The daily contracts will list current month plus the next month.

In addition, the Exchange will allow exchange of futures for physical ("EFP") and exchange of futures for swap ("EFS") transactions to be submitted through CME ClearPort clearing. The EFP and EFS transactions in these futures contracts will be governed by the provisions of Exchange Rule 538.

The product specifications are as follows:

PJM DOM Zone

Title, Commodity Code and Rule Chapter

Contract	Code	Chapter
PJM DOM Zone Peak Calendar-Month Day-Ahead LMP Swap Futures	R5	274
PJM DOM Zone Off-Peak Calendar-Month Day-Ahead LMP Swap Futures	U1	275

Peak Days and Hours. Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. Peak Hours shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

Off-Peak Days and Hours. Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) Saturday-Sunday HE 0100-2400 EPT 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 delivery month shall be restricted to whole number multiples of the number of peak days in the contract month.

Off-peak contract: The contract quantity shall be 5 Megawatt hours (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 tick size is \$0.05.

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

PJM DOM Zone 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
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.			

ERCOT***Title and Commodity Code***

Contract	Code	Chapter
ERCOT Houston Zone MCPE 5 MW Peak Swap Futures	I1	276
ERCOT Houston Zone MCPE 5 MW Off-Peak Swap Futures	I2	277
ERCOT Houston Zone MCPE 5 MW Peak Calendar-Day Swap Futures	I3	278
ERCOT Houston Zone MCPE 5 MW Off-Peak Calendar-Day Swap Futures	I4	279
ERCOT North Zone MCPE 5 MW Peak Swap Futures	I5	280
ERCOT North Zone MCPE 5 MW Off-Peak Swap Futures	I6	281
ERCOT North Zone MCPE 5 MW Peak Calendar-Day Swap Futures	I7	282
ERCOT North Zone MCPE 5 MW Off-Peak Calendar-Day Swap Futures	I8	283
ERCOT South Zone MCPE 5 MW Peak Swap Futures	I9	284
ERCOT South Zone MCPE 5 MW Off-Peak Swap Futures	J1	285
ERCOT South Zone MCPE 5 MW Peak Calendar-Day Swap Futures	K1	286
ERCOT South Zone MCPE 5 MW Off-Peak Calendar-Day Swap Futures	M1	287
ERCOT West Zone MCPE 5 MW Peak Swap Futures	N1	288
ERCOT West Zone MCPE 5 MW Off-Peak Swap Futures	O1	289
ERCOT West Zone MCPE 5 MW Peak Calendar-Day Swap Futures	R1	290
ERCOT West Zone MCPE 5 MW Off-Peak Calendar-Day Swap Future	R4	291

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

Off-Peak Days and Hours. 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.**1. Monthly Contracts:**

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.

2. Daily Contracts:

Peak Contract Unit: The contract quantity shall be 80 MWh and is based on 5 Megawatts for peak daily hours. Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of peak hours in the contract day.

Off-Peak Contract Unit: The contract quantity shall be 5 MWh. Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of off-peak hours in the contract day.

Tick Size. The minimum tick size is \$0.01.

Termination of Trading

1. Monthly Contracts:

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

2. Daily Contracts:

Peak Contract: Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the previous business day.

Off-Peak Contract: Trading shall cease on the business day that is the off-peak day. When the off-peak day is not a business day, trading shall cease on the previous business day.

ERCOT 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
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.			

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.