

## Special Executive Report

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S-5115

January 20, 2010

### **Launch of Two (2) New NYISO Zone E Electricity Swap Futures Contracts on CME ClearPort<sup>®</sup> and NYMEX trading floor**

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Beginning on Sunday, February 7, 2010 for trade date Monday, February 8, 2010, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) will launch two (2) new NYISO Zone E, 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 subject to, the rules and regulations of NYMEX and CME.

These new futures contracts will be cash-settled. The first listed month for these contracts will be the March 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 of the current year.

NYMEX will allow Exchange for Related Position (“EFRP”) transactions to be submitted through CME ClearPort. EFRP transactions in these futures contracts will be governed by the provisions of Exchange Rule 538.

The two (2) new contracts, commodity codes, and rule chapter are listed below:

<b>Contract</b>	<b>Chapter</b>	<b>Code</b>
NYISO Zone E 5 MW Peak Calendar-Month Day-Ahead LBMP Swap Futures	966	55
NYISO Zone E 5 MW Off-Peak Calendar-Month Day-Ahead LBMP Swap Futures	967	58

The product specifications for both NYISO Zone E contracts are as follows:

#### ***Peak Days and Hours***

Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. 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) and Saturday through Sunday HE 0100-2400 EPT including North American Electric Reliability Corporation holidays.

#### ***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.

The fees for the new contracts are listed below:

	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.