



## Special Executive Report

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**DATE:** April 24, 2017

**SER#:** 7896

**SUBJECT: Administrative Amendments to Five (5) California Carbon Allowance (CCA) Futures Contracts**

Effective on April 13, 2017, New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") implemented administrative, non-substantive amendments to the products listed in the table below (the "Contracts").

Contract Title	Commodity Code	Rulebook Chapter
CBL California Carbon Allowance Vintage-Specific 2016 Futures	C6C	1253
CBL California Carbon Allowance Vintage-Specific 2017 Futures	C7C	1254
CBL California Carbon Allowance Vintage-Specific 2018 Futures	C8C	1255
CBL California Carbon Allowance Vintage-Specific 2019 Futures	C9C	1257
CBL California Carbon Allowance Vintage-Specific 2020 Futures	CC0	1258

Specifically, amendments to the Termination of Trading rule of each of the Contracts are being implemented to clarify the rules' original intent. Termination of trading of the Contracts shall remain three (3) business day prior to the last business day of the contract month. The amendments are stylistic in nature, do not change the meaning of the rule, and simply conform with the Exchange's other similar termination of trading rules.

The amendments to the Contracts are provided in Appendix 1 in blackline format.

The Commodity Futures Trading Commission ("CFTC") was notified of the amendments of the Contracts during the week of April 17, 2017, via the weekly notification procedures set forth in Part 40 of the CFTC Regulations.

Appendix 1 summarizes the amendments in blackline format.

Please refer questions on this subject to:

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## **Appendix 1**

### **NYMEX Rulebook**

(Additions are shown in **bold underline**)

#### **Chapter 1253**

##### **1253102.E. Termination of Trading**

Trading shall cease on the third **business day prior** to **the** last business day of the contract month. Any contracts remaining open after the last day of trading must be

(a) Settled by delivery, which shall take place no later than the third business day after the termination of trading for the contract month, or

(b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

#### **Chapter 1254**

##### **1254102.E. Termination of Trading**

Trading shall cease on the third **business day prior** to **the** last business day of the contract month. Any contracts remaining open after the last day of trading must be

(a) Settled by delivery, which shall take place no later than the third business day after the termination of trading for the contract month, or

(b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for

either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

## **Chapter 1255**

### **1255102.E. Termination of Trading**

Trading shall cease on the third **business day prior** to **the** last business day of the contract month. Any contracts remaining open after the last day of trading must be

(a) Settled by delivery, which shall take place no later than the third business day after the termination of trading for the contract month, or

(b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

## **Chapter 1257**

### **1257102.E. Termination of Trading**

Trading shall cease on the third **business day prior** to **the** last business day of the contract month. Any contracts remaining open after the last day of trading must be

(a) Settled by delivery, which shall take place no later than the third business day after the termination of trading for the contract month, or

(b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

## Chapter 1258

### 1258102.E. Termination of Trading

Trading shall cease on the third **business day prior** to **the** last business day of the contract month. Any contracts remaining open after the last day of trading must be

(a) Settled by delivery, which shall take place no later than the third business day after the termination of trading for the contract month, or

(b) Liquidated by means of a bona fide Exchange for Related Position (EFRP), pursuant to Exchange Rule 538. An EFRP is permitted in the expiring futures contract no later than two hours after trading terminates on the last day of trading of the expiring futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.