



## Special Executive Report

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**DATE:** April 2, 2024

**SER#:** 9354

**SUBJECT: Harmonization Amendments to the NY Ethanol (Platts) Futures and the NY Ethanol (Platts) Average Price Option Contracts**

Effective on Monday, April 29, 2024, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") will implement harmonization amendments to the NY Ethanol (Platts) Futures and the NY Ethanol (Platts) Average Price Option contracts (the "Contracts").

Contract Title	Rulebook Chapter	CME ClearPort Code	CME Globex Code
NY Ethanol (Platts) Futures	583	NVP	NVP
NY Ethanol (Platts) Average Price Option	423	EZ	AEZ

Specifically, the Exchange is implementing harmonization amendments to the Contracts to mirror the format with other NYMEX rulebook product chapters (collectively, the "Rule Amendments"). The Rule Amendments are administrative in nature and there is no economic impact as a result of these changes.

The Rule Amendments are provided in Exhibit A below in blackline format.

Please refer questions on this subject to:

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## Exhibit A

### **NYMEX Rulebook**

(additions underscored; deletions ~~struck through~~)

## **Chapter 583** **NY Ethanol (Platts) Futures**

### **583100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

### **583101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from S&P Global Platts for "Ethanol NYH Barge" for each business day that it is determined during the contract month.

### **583102. TRADING SPECIFICATIONS**

The number of months open for trading at a given time shall be determined by the Exchange.

#### **583102.A. Trading Schedule**

The hours for trading for this contract shall be determined by the Exchange.

#### **583102.B. Trading Unit**

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

#### **583102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon.

#### **583102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5. A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

#### **583102.E. Termination of Trading**

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

### **583103. FINAL SETTLEMENT**

Final settlement under the contract shall be by cash settlement. The final settlement price will be the Floating Price calculated for each contract month.

### **583104. DISCLAIMER**

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

## **Chapter 423**

### **NY Ethanol (Platts) Average Price Option**

#### **423100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call average price options on the NY Ethanol (Platts) Futures contract. In addition to the rules of this chapter, transactions in options on NY Ethanol (Platts) Futures shall be subject to the general rules of the Exchange insofar as applicable.

#### **423101. OPTION CHARACTERISTICS**

The number of contract months open for trading at a given time shall be determined by the Exchange.

##### **423101.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

##### **423101.B. Trading Units**

A NY Ethanol (Platts) Average Price put option traded on the Exchange represents the cash difference between the exercise price and the settlement price of the NY Ethanol (Platts) Futures multiplied by 42,000, or zero, whichever is greater. A NY Ethanol (Platts) Average Price call option traded on the Exchange represents the cash difference between the settlement price of the NY Ethanol (Platts) Futures and the exercise price multiplied by 42,000, or zero, whichever is greater.

##### **423101.C. Price Increments**

Prices shall be quoted in U.S. dollar and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon.

##### **423101.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

##### **423101.E. Termination of Trading**

A NY Ethanol (Platts) Average Price Option contract shall expire on the last business day of the contract month.

##### **423101.F. Type of Option**

The option is a European-style option cash settled on expiration day. The option cannot be exercised prior to expiration.

#### **423102. EXERCISE PRICES AND CHARACTERISTICS**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

## **Chapter 583**

### **NY Ethanol (Platts) Futures**

#### **583.01 SCOPE**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

#### **583.02 FLOATING PRICE**

The Floating Price for each contract month is equal to the arithmetic average of the high and low quotations from Platts for New York Ethanol (Barge) for each business day that it is determined during the contract month.

#### **583.03 CONTRACT QUANTITY AND VALUE**

The contract quantity shall be 42,000 gallons. Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

#### **583.04 CONTRACT MONTHS**

Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

#### **583.05 PRICES AND FLUCTUATIONS**

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon. There shall be no maximum price fluctuation.

#### **583.06 TERMINATION OF TRADING**

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

#### **583.07 FINAL SETTLEMENT**

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

#### **583.08 RESERVED**

#### **583.09 DISCLAIMER**

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.

## **Chapter 423**

### **NY Ethanol (Platts) Average Price Option**

#### **423.01 EXPIRATION**

~~A NY Ethanol (Platts) Average Price Option on the Exchange shall expire at the close of trading on the last business day of the calendar month. The expiration date shall be announced prior to the listing of the option contract.~~

#### **423.02 TRADING UNIT**

~~A NY Ethanol (Platts) Average Price Call Option traded on the Exchange represents the differential between the final settlement price of the underlying NY Ethanol (Platts) Swap Future less the strike price, or zero whichever is greater, multiplied by 42,000 gallons. A NY Ethanol (Platts) Average Price Put Option represents the differential between the strike price and the final settlement price of the underlying NY Ethanol (Platts) Swap Futures, or zero, whichever is greater, multiplied by 42,000 gallons.~~

#### **423.03 TRADING MONTHS**

~~Trading in NY Ethanol (Platts) Average Price Option shall be conducted in the months as shall be determined by the Exchange.~~

#### **423.04 STRIKE PRICES**

~~Transactions shall be conducted for option contracts as set forth in Rule 300.20.~~

#### **423.05 PRICES**

~~Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of \$0.0001 per gallon. The minimum price increment will be \$0.0001. A cabinet trade may occur at a price of \$0.0000238 per gallon, or \$1 per contract.~~

#### **423.06 ABSENCE OF PRICE FLUCTUATION LIMITATIONS**

~~Trading in NY Ethanol (Platts) Average Price Option shall not be subject to price fluctuation limitations.~~

#### **423.07. DISCLAIMER**

~~See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.~~