

Advisory Notice

Clearing House

08-209

TO: Clearing Member Firms

FROM: CME Clearing

SUBJECT: **Update on August 2008 and September 2008 NYMEX Natural Gas Deliveries**

DATE: September 3, 2008

(also published as an Update to NYMEX Notice to Members #458)

A Delivery Committee panel (the "Committee") which has been reviewing the conditions at the Henry Hub relating to NYMEX Natural Gas (NG) delivery obligations for August and September 2008 convened today, Wednesday, September 3, 2008. The Committee notes that in prior Notices that a Force Majeure determination was made by the Committee in light of the circumstances at the Henry Hub, as well as Sabine's Force Majeure declaration that became effective at 6:00 AM CST Sunday August 31, 2008.

The Committee further considered Sabine's September 2, 2008 notice that Sabine's Force Majeure declaration was lifted on a significant number of receipt and delivery points and that Sabine would be accepting nominations for the intra-day 2 cycle for gas flow beginning at 9:00 PM September 2, 2008 but maintained its position of Force Majeure relative to the NYMEX commitments in light of non-material confirmations and flows at Henry Hub for gas day September 3, 2008.

Based upon the information newly available relating to confirmed nominations for gas day September 4, 2008 and in conformance with its authority as prescribed in Rule 220.18, the Committee has determined that it is lifting the Force Majeure condition for both the August and September 2008 NYMEX delivery obligations effective for gas day Friday September 5, 2008. All participants who have outstanding obligations for these delivery months should commence nomination procedures in conformance with prescribed practices of Sabine and all eligible interconnecting pipelines for gas day Friday September 5, 2008.

All August and September 2008 NYMEX NG obligations which were subject to the Force Majeure and all other September 2008 NYMEX NG obligations should commence and complete ratable delivery in the calendar month of September 2008.

Timing of payment as it relates to all flows up until the 6:00 AM Central time on August 31, 2008 in the August 2008 NYMEX deliveries will be per standard NYMEX terms.

Timing of payment for the August delivery related to the Force Majeure that is being completed in September shall be moved to that which would otherwise be applicable under the rules for September 2008 payment.

Payment with regard to September 2008 NYMEX deliveries will be conducted as per standard contract terms.

All parties have available now, as always, the ability to mutually agree to execute an alternative delivery procedure pursuant to NYMEX Rule 220.17(A) for the August and September 2008 delivery obligations.

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Please note that Sabine posts updates regarding the details of the conditions of their system at www.sabinepipeline.com. Click on the topic heading "Informational Postings," then "Notices" from the drop down menu, and finally on "Critical."

Please address any questions regarding this matter to either Thomas LaSala, NYMEX Chief Regulatory Officer, at (212) 299-2897, Brad Leach, NYMEX Research, at (212) 299-2609, or for clearing specific questions, Anthony DiBenedetto at (212) 299-2152.