



Advisory Notice

Clearing House

TO: Clearing Firms
Back Office Managers

FROM: CME Clearing

ADVISORY #: 11-85

SUBJECT: **Contract Unit System Configuration for Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Futures Contracts**

DATE: March 10, 2011

Please be advised that the New York Mercantile Exchange, Inc. (NYMEX or the Exchange) is amending the contract unit system configuration for each of the PPEC contracts listed below such that the contract size will be 2,500 MMBtu and the minimum execution will be restricted to whole number multiples of the number of calendar days in the delivery period. The economic outcome of the new structure is identical to that of the current structure. The new structure will mimic the commercial practice.

- Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Daily/Weekend Futures (chapter 227; commodity code **PPD**);
- Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas BALMO Futures (chapter 228; commodity code **PPB**); and
- Pine Prairie Energy Center (PPEC) Physically Delivered Natural Gas Monthly Futures (chapter 229; commodity code **PPM**).

For operational purposes, in order to effect the change to the contract unit system configuration, the Exchange is deactivating the PPEC contracts from trading or clearing on the NYMEX trading floor, CME Globex and CME ClearPort venues as follows:

- The BALMO (**PPB**) and Monthly (**PPM**) futures contracts will be deactivated and unavailable for trading or clearing effective close of business on trade date Friday, March 11, 2011 through close of business on trade date Friday, April 8, 2011.
- The April 2011 contract month for the Monthly (**PPM**) futures contract will be delisted effective close of business on trade date Friday, March 11, 2011.
- No new BALMO (**PPB**) or Monthly (**PPM**) futures contracts will be listed from close of business on trade date Friday, March 11, 2011 through close of business on trade date Friday, April 8, 2011.
- The Daily/Weekend (**PPD**) futures contract will be deactivated and unavailable for trading or clearing effective close of business on trade date Friday, March 25, 2011, through close of business on trade date Friday, April 8, 2011.

- No new Daily/Weekend (**PPD**) futures contracts will be listed from close of business on trade date Friday, March 25, 2011, through close of business on trade date Friday, April 8, 2011.

The contract unit rule will be amended, effective trade date Monday, April 11, 2011, to reflect the new contract unit system configuration for the PPEC contracts. The rule amendment is provided below in blackline format.

(underline indicates addition; strikethrough indicates deletion)

XXX.04 CONTRACT UNIT

The Contract unit shall be 2,500 MMBtu ~~per day for the delivery period~~. Transaction size shall be restricted to whole number multiples of the number of calendar days in the delivery period.

In addition, effective close of business on trade date Friday, March 25, 2011, all PPEC contracts will be delisted from the NYMEX trading floor venue only.

If you have any questions, please contact the CME Clearing Deliveries Unit (312) 930-3172.