



8065 Leesburg Pike, 3<sup>rd</sup> Floor  
Vienna, VA 22182  
**Phone** (703) 962 9800  
**Fax** (703) 962 9850  
[www.nodalexchange.com](http://www.nodalexchange.com)

November 25, 2013

**VIA EMAIL (submissions@cftc.gov)**

Commodity Futures Trading Commission  
Attention: Melissa Jurgens, Secretary  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification: Submission of Amendment to Appendix C of the Nodal Exchange Rulebook**

Dear Ms. Jurgens:

Nodal Exchange, LLC (“Nodal Exchange” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying an amendment to Appendix C of the Nodal Exchange Rulebook (Reporting Levels, Accountability Levels and Position Limits) pursuant to Commission Regulation 40.6(a). The amended Appendix C is attached hereto, indicating the specific data that is being deleted and added for this amendment. The Exchange intends to implement the amended Appendix C in 10 business days on December 10, 2013.

Specifically, Appendix C contains position limits, accountability levels, and reporting levels of the Exchange’s contracts, aggregated to describe the underlying cash market in accordance with the Commission’s regulations. The amendments to Appendix C consist of three revisions: (1) aggregating Day Ahead LMP contracts with Day Ahead Congestion + Energy contracts; (2) aggregating MISO and MISO-RTO contracts that are based on the same location; these contracts are nearly identical except that for during five months of the year when the on-peak and off-peak hours are defined slightly differently resulting in a one hour difference due to daylight savings time; and (3) minor corrections to position limits for 11 MISO contracts and one PJM contract for which deliverable supply data has been revised due to spreadsheet errors. Exchange management has assessed the amendments to Appendix C and its compliance with applicable provisions of the Commodity Exchange Act (“Act”), including the Commissions Regulations and the Core Principles. Nodal Exchange has identified that amended Appendix C may affect the following Core Principles as follows:

**Compliance with the Rules:** Consistent with the Exchange’s Rules, the amendments to Appendix C provides accurate information to enable participants to comply with

the Exchange's rules regarding position limits, position accountability, and reporting requirements. The information in Appendix C is referenced for compliance with the Exchange's Rule 6.5 (Position Limits), Rule 6.6 (Position Accountability), Rule 6.7 (Reports of Large Positions), Rule 6.8 (Aggregation of Positions), and Rule 6.9 (Reporting Levels, Position Accountability Levels, and Position Limits).

Core Principle 3 – Contracts Not Readily Subject to Manipulation: Consistent with the Exchange's Rules, the amendments to Appendix C provides an accurate representation of the underlying cash market of the applicable futures contracts offered on the Exchange. The amended information further demonstrates that the Exchange's contracts are not readily susceptible to manipulation.

Core Principle 5 – Position Limitations or Accountability: Consistent with the Exchange's Rules, the amendments to Appendix C reduce the position limits and position accountability levels thereby further reducing the potential threat of market manipulation or congestion.

Pursuant to Section 5c(c) of the Act and the Commission's Regulation 40.6, the Exchange certifies that amended Appendix C complies with the Act and the Commission's Regulations thereunder. There have not been any opposing views expressed regarding the amendments to Appendix C.

Nodal Exchange certifies that this submission has been concurrently posted on the Nodal Exchange website at [www.nodalexchange.com](http://www.nodalexchange.com).

If you have any question or need additional information regarding this submission, please contact me at 703-962-9835 or [Herrera@nodalexchange.com](mailto:Herrera@nodalexchange.com).

Sincerely,



Anita Herrera  
Chief Regulatory Officer

**Attachments:**

- Submission Cover Sheet
- Nodal Exchange Appendix C, revisions indicated