ADVISORY

OTC Advisory
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Category:

Regulatory

Referenced Information:

CFTC Regulation Part 20

CFTC's September 16 Letter

Position Limit, Accountability and Reportable Levels

Summary of content:

Temporary Relief from CFTC Rules Regarding Large Trader Reporting for Commodity Swaps

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ICE OTC Markets – Update: Temporary Relief from CFTC Rules Regarding Large Trader Reporting for Commodity Swaps

On September 16, 2011 the Commodity Futures Trading Commission ("CFTC") issued a letter granting temporary and conditional relief from Large Swaps Trader Reporting Rules as detailed in CFTC Regulation Part 20. Part 20 requires Clearing Organizations, Clearing Firms and Swap Dealers to report daily positions for "paired" swaps and swap options that are directly linked, indirectly linked, priced at a differential, or partially settled to an economically equivalent DCM futures contract. Pursuant to the CFTC's September 16 Letter, implementation of the Part 20 Reporting Rules has been delayed from September 20, 2011 to **November 21, 2011** for cleared swaps and **January 20, 2012** for uncleared swaps. Accordingly, the Exchange is providing the same temporary relief from reporting related to Part 20.

Additional CFTC Part 20 Reportable Products

ICE has identified that the following 3 additional products are responsive to the "paired" swap definition as outlined by the CFTC Large Swaps Trader Reporting Rules:

- Heating Oil 1st Line vs. Low Sulphur Gasoil 1st Line Swap (MT) (ULL);
- Heating Oil 1st Line vs. Low Sulphur Gasoil 1st Line Swap (BBL) (ULM); and
- TETCO-ELA Financial Basis (TEB).

Please refer to the attached table for a complete listing of the 93 ICE OTC products reportable under the CFTC Large Swaps Trader Reporting Rules.

No Changes to Existing Exchange Reporting Requirements

Please note that the temporary relief detailed above only applies to Large Swaps Trader positions reported under Part 20 for "paired" swap contracts. Reporting requirements for the existing ICE OTC Significant Price Discovery Contracts ("SPDCs") and the 325 OTC natural gas and power products remain unchanged. Reporting of Large Swaps Trader positions to the Exchange for the 29 "paired" OTC Oil contracts listed below will not be required until November 21 for cleared swaps and January 20 for uncleared swaps.

For a complete list of ICE OTC reportable products, please refer to the Position Limit, Accountability and Reportable Levels table on our website.

Participant Feedback and Questions

Clearing Firms and Reporting Firms should address questions about large trader reporting to OTC Market Regulation or to one of the contracts listed in this Advisory.

ICE OTC Reportable Product List Responsive to CFTC Regulation Part 20

As of September 19, 2011

Contract Specification	Contract Code	CRP Code	Commodity Reference Price (CRP)	Paired Swap Basis	CFTC Reportable Level (in ICE Lots)	Exchange Reportable Level (in ICE Lots)
ICE OTC Crude Oil and Refined Products						
WTI Average Price Options	R	CL	NYMEX Crude Oil, Light Sweet	Directly linked	50	50
Crude - WTI 1st Line Swap	R	CL	NYMEX Crude Oil, Light Sweet	Directly linked	50	50
WTI Bullet Swap	WTB	CL	NYMEX Crude Oil, Light Sweet	Directly linked	50	50
European-Style WTI Cash Settled Options	WUL	CL	NYMEX Crude Oil, Light Sweet	Directly linked	50	50
WTI 1 Month Calendar Spread Option	TIA	CL	NYMEX Crude Oil, Light Sweet	Directly linked	50	50
WTI 12 Month Calendar Spread Option	TIZ	CL	NYMEX Crude Oil, Light Sweet	Directly linked	50	50
Crude Diff - WTI 1st Line/Brent 1st Line	BTD	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
ICE Argus Sour Crude Index (ASCI) Diff Calendar Swap	TAB	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
ICE Argus Sour Crude Index (ASCI) Diff Trade-Month Swap	TOB	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Gasoline Crack - RBOB Gasoline 1st Line vs WTI 1st Line Swap	RBW	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Heating Oil Crack - NYH Heating Oil 1st Line vs WTI 1st Line Swap	HBW	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Crude Diff - Argus LLS vs WTI 1st Line Swap	ARK	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Crude Diff - Argus LLS vs WTI Trade Month Swap	ARL	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Crude Diff - Argus Mars vs WTI 1st Line Swap	ARO	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Fuel Oil Crack - 1% NYH Cargo Swap vs WTI 1st Line Balmo Swap	***	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Fuel Oil Crack - Gulf Coast No. 6 3% Fuel Oil Crack Spread	GUF	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Fuel Oil Crack - New York 1% Fuel Oil Crack Spread	FOK	CL	NYMEX Crude Oil, Light Sweet	Priced as a differential	50	50
Gasoline Diff - RBOB Gasoline 1st Line vs. Argus EuroBOB OXY FOB Rotterdam Barge Swap	ROE	HU	NYMEX Gasoline Blendstock (RBOB)	Priced as a differential	50	50
Gasoline Crack - RBOB Gasoline 1st Line vs Brent 1st Line Swap	RBR	HU	NYMEX Gasoline Blendstock (RBOB)	Priced as a differential	50	50
Gasoline Outright - RBOB Gasoline 1st Line Swap	RBS	HU	NYMEX Gasoline Blendstock (RBOB)	Directly linked	50	50
Heating Oil 1st Line Swap	HOF	HO	NYMEX No. 2 Heating Oil, New York Harbor	Directly linked	50	50
Heating Oil/Gas Oil Arb Swap	HOG	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
HO GO Arb - Heating Oil 1st Line vs Gasoil 1st Line Swap (MT)	HOT	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
HO GO Arb - Heating Oil 1st line vs. Low Sulphur Gasoil 1st Line Swap (MT)	ULL	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
HO GO Arb - Heating Oil 1st line vs. Low Sulphur Gasoil 1st Line Swap (BBL)	ULM	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
Heating Oil Crack - NYH Heating Oil 1st Line vs Brent 1st Line Swap	HBT	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50

Gasoil Diff - Gulf Coast ULSD vs Heating Oil 1st Line Swap	GOH	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
Heating Oil 1st Line vs Low Sulphur GO 1st Line Swap (MT)	ULL	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
Heating Oil 1st Line vs Low Sulphur GO 1st Line Swap (BBL)	ULM	HO	NYMEX No. 2 Heating Oil, New York Harbor	Priced as a differential	50	50
ICE OTC North American Financial Natural Gas						
Henry Financial LD1 Fixed Price	H	NG	NYMEX Natural Gas	Directly linked	200	200
Henry Financial Penultimate Fixed Price	PHH	NG	NYMEX Natural Gas	Directly linked	200	200
Henry Financial Penultimate Equity Options	PHE	NG	NYMEX Natural Gas	Directly linked	200	200
Henry Financial LD1 Fixed Price Same Day	SDH	NG	NYMEX Natural Gas	Directly linked	200	25
Henry Financial LD1 Fixed Price Same Day Options	SDH	NG	NYMEX Natural Gas	Directly linked	200	25
Henry Financial LD4 Fixed Price	QHH	NG	NYMEX Natural Gas	Directly linked	200	25
Henry Financial LD4 Fixed Price Option	QHH	NG	NYMEX Natural Gas	Directly linked	200	25
Henry Financial Penultimate 1-Month Calendar Spread Options	HHM	NG	NYMEX Natural Gas	Directly linked	200	25
Henry Financial Penultimate 3-Month Calendar Spread Options	HMT	NG	NYMEX Natural Gas	Directly linked	200	25
Henry Financial Swing	HHD	NG	NYMEX Natural Gas	Indirectly linked	200	25
Henry Financial Index	HIS	NG	NYMEX Natural Gas	Indirectly linked	200	25
Henry Financial Basis	HEN	NG	NYMEX Natural Gas	Priced at a differential	200	25
Union Dawn Financial Basis	DWN	NG	NYMEX Natural Gas	Priced at a differential	200	25
Tennessee Zone 0 Financial Basis	TZZ	NG	NYMEX Natural Gas	Priced at a differential	200	25
Trunkline LA Financial Basis	TRL	NG	NYMEX Natural Gas	Priced at a differential	200	25
Sonat Financial Basis	SON	NG	NYMEX Natural Gas	Priced at a differential	200	25
Transco Zone 6 (non-N.Y.) Financial Basis	TPB	NG	NYMEX Natural Gas	Priced at a differential	200	25
AB-NIT Financial Basis	AEC	NG	NYMEX Natural Gas	Priced at a differential	200	25
NGPL TXOK Financial Basis	NTO	NG	NYMEX Natural Gas	Priced at a differential	200	25
Waha Financial Basis	WAH	NG	NYMEX Natural Gas	Priced at a differential	200	25
Socal Border Financial Basis	SCL	NG	NYMEX Natural Gas	Priced at a differential	200	25
CIG Rockies Financial Basis	CRI	NG	NYMEX Natural Gas	Priced at a differential	200	25
HSC Financial Basis	HXS	NG	NYMEX Natural Gas	Priced at a differential	200	25
Malin Financial Basis	MLN	NG	NYMEX Natural Gas	Priced at a differential	200	25
PG&E Citygate Financial Basis	PGE	NG	NYMEX Natural Gas	Priced at a differential	200	25
Chicago Financial Basis	DGD	NG	NYMEX Natural Gas	Priced at a differential	200	25
NWP Rockies Financial Basis	NWR	NG	NYMEX Natural Gas	Priced at a differential	200	25
NWP Sumas Financial Basis	NSU	NG	NYMEX Natural Gas	Priced at a differential	200	25
TETCO M3 Financial Basis	TMT	NG	NYMEX Natural Gas	Priced at a differential	200	25
Panhandle Financial Basis	PAN	NG	NYMEX Natural Gas	Priced at a differential	200	25
EP San Juan Financial Basis	SNJ	NG	NYMEX Natural Gas	Priced at a differential	200	25
TCO Financial Basis	TCO	NG	NYMEX Natural Gas	Priced at a differential	200	25

Transco Z6 (NY) Financial Basis	TZS	NG	NYMEX Natural Gas	Priced at a differential	200	25
Dominion-South Financial Basis	DOM	NG	NYMEX Natural Gas	Priced at a differential	200	25
EP-Permian Financial Basis	PER	NG	NYMEX Natural Gas	Priced at a differential	200	25
Transco-Z3 Financial Basis	STA	NG	NYMEX Natural Gas	Priced at a differential	200	25
TETCO-STX Financial Basis	SXT	NG	NYMEX Natural Gas	Priced at a differential	200	25
Michcon Financial Basis	NMC	NG	NYMEX Natural Gas	Priced at a differential	200	25
NGPL Midcont Financial Basis	MCO	NG	NYMEX Natural Gas	Priced at a differential	200	25
Demarc Financial Basis	DEM	NG	NYMEX Natural Gas	Priced at a differential	200	25
Ventura Financial Basis	NVE	NG	NYMEX Natural Gas	Priced at a differential	200	25
Centerpoint Financial Basis	CTP	NG	NYMEX Natural Gas	Priced at a differential	200	25
ANR-SW Financial Basis	ANO	NG	NYMEX Natural Gas	Priced at a differential	200	25
CG-Onshore Financial Basis	CON	NG	NYMEX Natural Gas	Priced at a differential	200	25
Socal Citygate Financial Basis	SCB	NG	NYMEX Natural Gas	Priced at a differential	200	25
Transco Zone 4 Financial Basis	TRZ	NG	NYMEX Natural Gas	Priced at a differential	200	25
NGPL South Texas Financial Basis	NSX	NG	NYMEX Natural Gas	Priced at a differential	200	25
ANR SE (Louisiana) Financial Basis	CGM	NG	NYMEX Natural Gas	Priced at a differential	200	25
Florida Gas Z3 Financial Basis	FTZ	NG	NYMEX Natural Gas	Priced at a differential	200	25
Tennessee-500L Financial Basis	TFL	NG	NYMEX Natural Gas	Priced at a differential	200	25
Texas Gas Transmission Zone SL Financial Basis	ZSL	NG	NYMEX Natural Gas	Priced at a differential	200	25
CG-Mainline Financial Basis	CGB	NG	NYMEX Natural Gas	Priced at a differential	200	25
Algonquin City-gates Financial Basis	ALQ	NG	NYMEX Natural Gas	Priced at a differential	200	25
ONEOK Gas Transportation Financial Basis	ONE	NG	NYMEX Natural Gas	Priced at a differential	200	25
Texas Gas Transmission Zone 1 Financial Basis	TGB	NG	NYMEX Natural Gas	Priced at a differential	200	25
Tennessee 800 L Financial Basis	TSB	NG	NYMEX Natural Gas	Priced at a differential	200	25
Southern Star TX-OK-KS Financial Basis	OUB	NG	NYMEX Natural Gas	Priced at a differential	200	25
TETCO-WLA Financial Basis	TWB	NG	NYMEX Natural Gas	Priced at a differential	200	25
Transco Station 30 (Zone 1) Financial Basis	TTB	NG	NYMEX Natural Gas	Priced at a differential	200	25
Transco Station 45 (Zone 2) Financial Basis	TNB	NG	NYMEX Natural Gas	Priced at a differential	200	25
TETCO-ELA Financial Basis	TEB	NG	NYMEX Natural Gas	Priced as a differential	200	25
OTC Agricultural Products						
Sugar No.11 Swap	SBC	SB	IFUS Sugar No. 11	Directly linked	50	100 (pending change)
Coffee Swap	KCC	KC	IFUS Coffee C	Directly linked	50	50
Cocoa Swap	CCC	CC	IFUS Cocoa	Directly linked	50	50