

October 28, 2003

**Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581**

BY E-MAIL AND OVERNIGHT MAIL

SUBJECT: Request for Commission Approval: Proposed Amendment to Supplement No. 1 “Official List of Approved Brands and Markings” of the Copper Futures Contract. Submission No. 03-144.

Dear Ms. Webb:

Pursuant to Section 5c(c)(2) of the Commodity Exchange Act (the “Act”) and CFTC Rule 40.5 (“Voluntary Submission of Rules for Commission Review and Approval”), the New York Mercantile Exchange Inc. (“NYMEX” or the “Exchange”) hereby requests on a voluntary basis CFTC approval for a proposed amendment to Supplement No. 1, “Official List of Approved Brands and Markings” of the Grade 1 Copper Futures Contract.

The proposed amendment and a complete explanation of its operation, purpose and effect are attached hereto.

If you have any questions concerning this submission, please contact the undersigned at 212-299-2390 or Albert J. Getz at 212-299-2608.

Sincerely,

Robert A. Levin
Senior Vice President

cc: Richard Shilts, Division of Market Oversight
Allen Cooper, Eastern Region

I. EXPLANATION AND PURPOSE

The Exchange proposes to amend Supplement No. 1, "Official List of Approved Brands and Markings" of the Grade 1 Copper Futures Contract. The proposed amendment adds the copper brand "ZALDIVAR" produced by the Compania Minera Zaldivar as acceptable for delivery against the Exchange's COMEX Division Grade 1 Copper Futures Contract. The application meets the requirements of the Exchange.

BACKGROUND

Compania Minera Zaldivar ("CMZ") is wholly owned by Placer Dome Inc. of Vancouver, Canada. The CMZ copper deposit is located in northern Chile in the Atacama Desert approximately 175 kilometers northeast of the city of Antofagasta, Chile.

The ore body consists of both sulphide and oxide copper mineralization with approximately 79 percent being sulphide mineralization. As of December 31, 2001 proven ore reserves include 182 million tons grading 0.686% copper and 409 million tons of probable ore reserves grading 0.626% copper that represents over 3.8 million tons of contained copper. The mine has a projected mine life of approximately 20 years. Open pit mining methods are employed followed by a three stage crushing system. The discharge from the crushing system provides the feed to the bioleaching process. The pregnant leach solution from the bioleach process feeds the solvent extraction plant where concentration and purification of the pregnant solution takes place.

From the solvent extraction plant the pregnant liquor is fed to the electrowinning plant which employs the Mt. Isa permanent cathode technology with Wenmec design stripping machines. The cathodes produced by this process weigh approximately 40 kilograms (88 pounds) and are approximately 100 centimeters square and 5 millimeters thick. The cathodes, which may be shipped either flat or corrugated depending on the customer's request, are bundled in packages weighing approximately 2,500 kilograms. Each package is double labeled with identification stickers that include the production date, gross and net weight, and ID number with barcode. Banding clips with the brand insignia "ZALDIVAR" secure the steel strapping.

Production commenced in 1995 at the rate of 22,400 metric tons per year and has increased to 146, 300 metric tons in 2002. The average cash and total production cost for 2002 was \$0.45 and \$0.59 per pound, respectively.

APPLICATION REQUIREMENTS

The application for listing Grade 1 Copper Brands as good delivery against the COMEX Division Grade 1 Copper Futures Contract stipulates that the copper brand must be in continuous production for a minimum of six months at the rated plant capacity. The minimum level of production required is 10,000 short tons per year. The application also requires letters from three mutually acceptable copper rod manufacturers affirming that they have purchased

and tested the brand and that the brand is now acceptable for use in the manufacture of rod at their plant, and detailed assays from two mutually acceptable independent assayers. The “ZALDIVAR” brand of electrolytic copper cathodes meets these requirements.

REFERENCES

Compania Minera Zaldivar has submitted letters from the following wire rod manufacturers: Umicore, Pirelli Cables Ltd. and Pacific Electric Wire & Cable Co., Ltd. All have tested a minimum of two 200-ton lots from different months of production and have confirmed that the cathodes conform to the chemical specifications required by ASTM B115-00. Based on these tests all three wire rod manufacturers will accept the ZALDIVAR copper brand for purposes of manufacturing continuous cast copper rod at their plants and the brand has been added to their approved list of suppliers of copper cathode.

The chemical analysis from these wire rod manufacturers is within the specifications of ASTM B115-00, the quality specification for the Grade 1 Copper Futures Contract.

ASSAYS

Sampling of the ZALDIVAR copper cathodes was conducted under the supervision of Alfred H. Knight and Alex Stewart (Assayers) Ltd. The samples taken by each assayer were sealed and sent to the respective laboratories of Alfred H. Knight and Alex Stewart (Assayers) Ltd. for chemical analysis. Two different lots of production were assayed. The chemical analysis indicates that the ZALDIVAR brand copper cathodes conform to the chemical specifications outlined in ASTM B115-00 for Grade 1 Copper Cathodes.

GUARANTEE

Compania Mineraria Zaldivar has guaranteed that the “ZALDIVAR” brand of copper cathode conform to the ASTM Specification B115-00 for Grade 1 Copper Cathode as specified by ASTM and all other specifications for Grade 1 Copper Cathodes established pursuant to the By-Laws, Rules and Resolutions of the Exchange and any revisions or modifications thereto. The Guarantee and Opinion of Counsel are in the format required by the Exchange.

II. PROPOSED AMENDMENT

The proposed amendment is attached.

Proposed Amendment. Underlining indicates additions; [] bracketing indicates deletions.
 Copper Supplement
 No. 1

COMMODITY EXCHANGE, INC.
GRADE 1 COPPER CATHODES

OFFICIAL LIST OF APPROVED BRANDS AND MARKINGS

	<u>COMPUTER CODE</u>	<u>BRAND NAME(1)</u>
ASARCO Incorporated-----	ATR	ATR
ASARCO Incorporated Ray Unit -----	RAY	ASARCO RAY GRADE 1
Atlantic Copper S.A. -----	FMS	FMS
BHP Copper Inc.-----	PINT	*PINTO
BHP Copper Inc.-----	BHPC	BHP Copper
BHP Copper Inc.-----	BHPX	BHP Copper/SXEW
BHP Copper Inc.-----	BHPP	BHP Copper/Pinto
Cobre de Mexico, S.A.-----	CDM	CDM
Codelco-Chile---Corporacion Nacional del-----	AE	AE
Cobre de Chile	CCC	CCC
	ASXW	AE SX-EW
	CSBL	cCc SBL
	CHUI	CHUQUI-P
Compania Minera Cerro Colorado Ltda-----	CMCC	CMCC
Compania Minera Dona Ines de Collahuasi SCM--	COLL	COLL
<u>Compania Minera Zaldivar</u> -----	<u>ZALD</u>	<u>ZALDIVAR</u>
Dowa Mining Co. Ltd.-----	DOWA	DOWA
Empresa Nacional De Minería-----	NAMI	ENM
Falconbridge Limited, Kidd Creek Division-----	FKA	FKA
Huttenwerke Kayser AG-----	HKAG	HK
INCO Limited-----	ORCO	ORC
Kennecott Utah Copper Corporation-----	KUCU	KUC

Proposed Amendment. Underlining indicates additions; [] bracketing indicates deletions.

COMMODITY EXCHANGE, INC.
 COPPER BRANDS AND MARKINGS
 PAGE 2
 GRADE 1 CATHODE COPPER (Cont.)

<u>PRODUCER</u>	<u>COMPUTER CODE</u>	<u>BRAND NAME (1)</u>
LG-Nikko Copper Inc. -----	ONSN	ONSAN
Metallo-Chimique International N.V.-----	SME	SME
Minera Escondida Limitada -----	ESOX	ESOX
Mitsubishi Materials Corporation-----	MTSB	MITSUBISHI
Mitsui Mining & Smelting Co. Ltd.-----	MITS TAMA	MITSUI TAMANO
Nippon Mining & Metals Co., Ltd-----	HM SR	HM SR
Noranda Metallurgy Inc. - Copper-----	CCRL	CCR
Norddeutsche Affinerie AG-----	NAEN	NA-ESN
Onahama Smelting & Refining CO. Ltd.-----	OSR	OSR
Phelps Dodge Corporation-----	PD PDSR PDSS BCCC PDMI CBCC CMMC TWIN	P*D SANTA RITA PDSS BCCC ("BURRO CHIEF") PDMI CBCC CMMC ER CTB
Philippine Associated Smelting & Refining Corp.--	PSAR	PASAR
Sociedad Contractual Minera El Abra-----	ABRA	ABRA
Sociedad Minera Cerro Verde S.A.-----	SMCV	SMCV
Southern Peru Copper Corp.-----	SPCC	SPCC-ILO

Proposed Amendments. Underlining indicates additions; [] bracketing indicates deletions.

COMMODITY EXCHANGE, INC.
COPPER BRANDS AND MARKINGS
PAGE 3
GRADE 1 CATHODE COPPER (Cont.)

<u>PRODUCER</u>	<u>COMPUTER CODE</u>	<u>BRAND NAME (1)</u>
Southern Peru Copper Corporation/ Southern Peru Copper Ltd.-----	SPLX	SPCC-SXEW
Sumitomo Metal Mining Co. Ltd.-----	SUMI	SUMIKO
White Pine Copper Refinery, Inc.-----	WPCR	White Pine Copper
Zambia Consolidated Copper Mines		
Mufulira Copper Refining-----	MCM	MCM
Nkana Copper Refinery-----	REC	REC

(1) Copper Cathodes do not bear a brand marking. Accordingly, a written declaration of brand pursuant to Rule 11.16(f) of the Comex By-Laws must accompany all deliveries.

*No Longer Produced

III. EXCHANGE ACTION

The proposed amendment was approved by the NYMEX Board of Directors at a regularly scheduled meeting. No anti-competitive effects are anticipated or are apparent. There were no substantive opposing views concerning this amendment.

As the proposed amendment adding the copper brand "ZALDIVAR" produced by Compania Minera Zaldivar as acceptable for delivery against the COMEX Division Grade 1 Copper Futures Contract affects a "Special Matter" under the COMEX By-Laws, notice was provided to the owners of COMEX Division Memberships who were provided with 10 days to submit a petition signed by owners of 155 COMEX Division Memberships requesting a vote of the COMEX Division to disapprove the amendments, pursuant to the procedures set forth under COMEX By-Law 205(D). No petitions were received.

While there are open positions in the Copper Futures Contract, this amendment will not have an economic impact on positions or prices in the market.

The Exchange intends to implement the proposed amendment the day after it receives notification of Commission approval, or notification that such approval is not necessary.

In addition to the notification of the proposed amendment to add the copper brand "ZALDIVAR" produced by Compania Minera Zaldivar as acceptable for delivery against the COMEX Division Grade 1 Copper Futures Contract pursuant to COMEX By-Law 205(D), given October 7, 2003, the Membership was informed in a Notice to Membership dated October 28, 2003, that the Exchange intends to amend Supplement No. 1, "Official List of Approved Brands and Markings" of the Grade 1 Copper Futures Contract by adding the "ZALDIVAR" copper brand as acceptable for delivery, pending notification from the Commission.