

Chapter 618

NYISO Zone J Peak LBMP Swap Futures

618.01. SCOPE

The provisions of these rules shall apply to all contracts bought or the Exchange for cash settlement based on the Floating Prices.

618.02. FLOATING PRICE

The Floating Price **will be** determined for each contract month. The Floating Price will be equal to the arithmetic average of the hourly day ahead Locational Based Marginal Prices (LBMP) for Zone J published by the New York Independent System Operator (NYISO) for all peak hours in the contract month. For settlement of this contract, the prices provided by NYISO will be considered final on the payment day stated in Rule 618.10. and will not be subject to any further adjustment.

618.03. PEAK DAYS

Monday through Friday excluding NERC Holidays

618.04. PEAK HOURS

From Hour Ending ("HE") 0800 Eastern Prevailing Time ("EPT") through HE 2300 EPT

618.05. CONTRACT QUANTITY AND VALUE

The contract quantity shall be 400 MWH (Megawatt Hours).

Transaction sizes for trading in any delivery month shall be restricted to whole number multiples of the number of peak days in that contract month.

Each futures contract based on the NYMEX NYISO Zone J Calendar-Month Daily-LMP Swap contract shall be valued as the contract quantity (400 MWH) multiplied by the settlement price.

618.06. CONTRACT MONTHS

Trading shall be conducted in contracts in such months as shall be determined by the Board of Directors.

618.07. PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MWH. The minimum price fluctuation shall be \$0.05 per MWH. There shall be no maximum price fluctuation.

618.08. TERMINATION OF POSTING OF TRANSACTIONS

Posting of transactions shall cease on the last business day of the contract month.

618.09. FINAL SETTLEMENT

Delivery under the NYISO Zone J Peak LMP Swap Futures contract shall be by cash settlement. Final settlement, following termination of posting for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

618.10. PAYMENT DATE

Ten (10) business days following each contract month.

618.11. EXCHANGE OF FUTURES FOR, OR IN CONNECTION WITH PRODUCT AND EXCHANGE OF FUTURES FOR, OR IN CONNECTION WITH SWAP TRANSACTIONS

Any exchange of futures for, or in connection with product (EFP) or exchange of futures for, or in connection with swap transactions (EFS) shall be governed by the provisions of rules 538 and 538A, respectively.