

Chapter 758

PJM Western Hub Real-Time Off-Peak Calendar-Month 50 MW Option on Calendar Futures Strip

758100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on the PJM Western Hub Real-Time Off-Peak Calendar-Month 5 MW Futures (N9) contract. In addition to the rules of this chapter, transactions in options on the PJM Western Hub Real-Time Off-Peak Calendar-Month 5 MW Futures (N9) contract shall be subject to the general rules of the Exchange insofar as applicable.

758101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

758101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

758101.B. Trading Unit

A call option traded on the Exchange represents an option to assume ten (10) long positions per off-peak hour in the entire calendar strip of the underlying PJM Western Hub Real-Time Off-Peak Calendar-Month 5 MW Futures (N9) contract at the strike price. A put option traded on the Exchange represents an option to assume ten (10) short positions per off-peak hour in the entire calendar strip of the underlying PJM Western Hub Real-Time Off-Peak Calendar-Month 5 MW Futures (N9) contract at the strike price.

758101.C. Price Increments

Prices shall be quoted in dollars and cents per megawatt hour (MWh). The minimum price increment shall be \$0.01 per MWh.

758101.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

758101.E. Termination of Trading

The option contract shall expire at the close of trading on the second to last Friday of the month prior to the delivery month of the first underlying month of the PJM Western Hub Real-Time Off-Peak Calendar-Month 5 MW Futures (N9) contract in the strip.

758101.F. Type Option

The option is a European-style option.

758102. EXERCISE PRICES

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

758103. DISCLAIMER

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