Chapter 922
PJM PSEG Zone Peak Calendar-Month Day-Ahead LMP 5 MW Option

922100. SCOPE OF CHAPTER
This chapter is limited in application to put and call options on PJM PSEG Zone Peak Calendar-Month Day-Ahead LMP 5 MW Futures (L6) contracts. In addition to the rules of this chapter, transactions in options on PJM PSEG Zone Peak Calendar-Month Day-Ahead LMP 5 MW Futures (L6) shall be subject to the general rules of the Exchange insofar as applicable.

922101. OPTION CHARACTERISTICS
The number of months open for trading at a given time shall be determined by the Exchange.
922101.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.
922101.B. Trading Unit
A PJM PSEG Zone Peak Calendar-Month Day-Ahead LMP 5 MW put or call option traded on the Exchange represents an option to assume a short or long position in the underlying PJM PSEG Zone Peak Calendar-Month Day-Ahead LMP 5 MW Futures (L6) contract at the strike price.
922101.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. The contract shall not be subject to price fluctuation limitations.
922101.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.
922101.E. Termination of Trading
The option contract shall expire on the second to last business day of the calendar month immediately preceding the contract month.
922101.F. Type Option
The option is an American-style option which can be exercised on any business day prior to and until expiration day.

922102. EXERCISE PRICES
Transactions shall be conducted for option contracts as set forth in Rule 300.20.

922103. DISCLAIMER
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