

## Chapter 459

### PJM Western Hub Real-Time Peak Monthly 1 MW Option

#### **459100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on PJM Western Hub Real-Time Peak Monthly 1 MW Futures contract. In addition to the rules of this chapter, transactions in options on-PJM Western Hub Real-Time Peak Monthly 1 MW Futures shall be subject to the general rules of the Exchange insofar as applicable.

#### **459101. OPTION CHARACTERISTICS**

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

##### **459101.A. Trading Schedule**

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

##### **459101.B. Trading Unit**

A call option traded on the Exchange represents an option to assume one (1) long position in the underlying PJM Western Hub Real-Time Peak Monthly 1 MW Futures contract at the strike price. A put option traded on the Exchange represents an option to assume one (1) short position in the underlying PJM Western Hub Real-Time Peak Monthly 1 MW Futures contract at the strike price.

##### **459101.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 option contract shall not be subject to price fluctuation limitations.

##### **459101.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.

##### **459101.E. Termination of Trading**

Trading shall cease two Business Days prior to the first calendar day of the contract month.

##### **459101.F. Type Option**

The option is an American-style option which can be exercised on any Business Day prior to and until expiration day.

#### **459102. EXERCISE PRICES**

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