

## Chapter 483

### PJM Northern Illinois Hub Real-Time Peak 1 MW Option on Futures Strip

#### **483100. SCOPE OF CHAPTER**

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

#### **483101. OPTION CHARACTERISTICS**

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

##### **483101.A. Trading Schedule**

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

##### **483101.B. Trading Unit**

A call option represents an option to assume one (1) long position in each of the twelve (12) monthly PJM Northern Illinois Hub Real-Time Peak Monthly 1 MW Futures contracts comprising the specified calendar strip at the strike price.

A put option represents an option to assume one (1) short position in each of the twelve (12) monthly PJM Northern Illinois Hub Real-Time Peak Monthly 1 MW Futures contracts comprising the specified calendar strip at the strike price.

##### **483101.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.

##### **483101.D. Position Limits and Position Accountability**

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.

##### **483101.E. Termination of Trading**

The option contract shall expire on the second to last Friday of the month prior to the first calendar day of the calendar strip of the underlying PJM Northern Illinois Hub Real-Time Peak Monthly 1 MW Futures contract. If the second to last Friday is an Exchange holiday, expiration will occur on the Business Day immediately preceding that day.

##### **483101.F. Type Option**

The option is a European-style option which can be exercised only on expiration day.

#### **483102. EXERCISE PRICES**

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