



13-225

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers
Margin Managers

FROM: CME Clearing

SUBJECT: Performance Bond Requirements

DATE: Thursday, May 16, 2013

To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to

<http://www.cmegroup.com/newsletter/web2lead/web2sf-old.html>

and subscribe to the Performance Bond Rates Advisory Notice listserver.

As per the normal review of market volatility to ensure adequate collateral coverage, the Chicago Mercantile Exchange Inc., Clearing House Risk Management staff approved the performance bond requirements for the following products listed below.

The rates will be effective after the close of business on

Friday, May 17, 2013.

Current rates as of:

Thursday, May 16, 2013.

In this current advisory there are changes to the Short Option Minimum and/or the Volatility Scan Range. Below are descriptions of what each change affects:

The Short Option Minimum (SOM) is a charge that is applied only to portfolios concentrated in short options that do not generate a minimum margin requirement level when margins are calculated using the normal 16 SPAN scenarios. The SOM charge per short calls or short puts is a percentage of the outright margin on one underlying futures contract.

The volatility scan range is the change in implied volatility that is used in each of SPAN's 16 scenarios.

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
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Outright Rates

ELECTRICITY - Outright Rates

ALBERTA POWER POOL CAL DAY FUTURES (AOD)

AOD	Spec	Days 1-9	Decrease	CAD	1,650	1,500	330	300
AOD	Hedge/Member	Days 1-9	Decrease	CAD	1,500	1,500	300	300
AOD	Spec	Days 10-14	Decrease	CAD	110	100	22	20
AOD	Hedge/Member	Days 10-14	Decrease	CAD	100	100	20	20
AOD	Spec	Days 15+	Decrease	CAD	55	50	11	10
AOD	Hedge/Member	Days 15+	Decrease	CAD	50	50	10	10

ALBERTA POWER POOL CAL MONTH FUT (AOM)

AOM	Spec	Mth 1	Decrease	CAD	88	80	17	15
AOM	Hedge/Member	Mth 1	Decrease	CAD	80	80	15	15
AOM	Spec	Mths 2-6	Decrease	CAD	66	60	11	10
AOM	Hedge/Member	Mths 2-6	Decrease	CAD	60	60	10	10
AOM	Spec	Mths 7-11	Decrease	CAD	44	40	11	10
AOM	Hedge/Member	Mths 7-11	Decrease	CAD	40	40	10	10
AOM	Spec	Mths 12+	Decrease	CAD	44	40	11	10
AOM	Hedge/Member	Mths 12+	Decrease	CAD	40	40	10	10

DOW JONES MID-COLUMBIA FUTURE (DO)

DO	Spec	Mnth 1	Increase	USD	4,400	4,000	8,800	8,000
DO	Hedge/Member	Mnth 1	Increase	USD	4,000	4,000	8,000	8,000
DO	Spec	Mnths 2-6	Increase	USD	4,400	4,000	8,800	8,000
DO	Hedge/Member	Mnths 2-6	Increase	USD	4,000	4,000	8,000	8,000
DO	Spec	Mnths 7-11	Increase	USD	4,400	4,000	8,800	8,000
DO	Hedge/Member	Mnths 7-11	Increase	USD	4,000	4,000	8,000	8,000
DO	Spec	Mnths 12+	Increase	USD	4,400	4,000	8,800	8,000
DO	Hedge/Member	Mnths 12+	Increase	USD	4,000	4,000	8,000	8,000

ILLINOIS HUB PEAK MONTH FUT (OM)

OM	Spec	Mnth 1	Increase	USD	3,850	3,500	7,700	7,000
OM	Hedge/Member	Mnth 1	Increase	USD	3,500	3,500	7,000	7,000
OM	Spec	Mnths 2-6	Increase	USD	3,850	3,500	7,700	7,000
OM	Hedge/Member	Mnths 2-6	Increase	USD	3,500	3,500	7,000	7,000
OM	Spec	Mnths 7-11	Increase	USD	3,850	3,500	7,700	7,000
OM	Hedge/Member	Mnths 7-11	Increase	USD	3,500	3,500	7,000	7,000
OM	Spec	Mnths 12+	Increase	USD	3,850	3,500	7,700	7,000
OM	Hedge/Member	Mnths 12+	Increase	USD	3,500	3,500	7,000	7,000

ILLINOIS OFF-PEAK MONTH FUT (OJ)

OJ	Spec	Mnth 1	Increase	USD	2,750	2,500	5,500	5,000
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SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
OJ	Hedge/Member	Mnth 1	Increase	USD	2,500	2,500	5,000	5,000
OJ	Spec	Mnths 2-6	Increase	USD	2,750	2,500	5,500	5,000
OJ	Hedge/Member	Mnths 2-6	Increase	USD	2,500	2,500	5,000	5,000
OJ	Spec	Mnths 7-11	Increase	USD	2,750	2,500	5,500	5,000
OJ	Hedge/Member	Mnths 7-11	Increase	USD	2,500	2,500	5,000	5,000
OJ	Spec	Mnths 12+	Increase	USD	2,750	2,500	5,500	5,000
OJ	Hedge/Member	Mnths 12+	Increase	USD	2,500	2,500	5,000	5,000
ISO NEW ENG MASS HUB DA OP DAILY (IDO)								
IDO	Spec		Increase	USD	143	130	286	260
IDO	Hedge/Member		Increase	USD	130	130	260	260
MINNESOTA OFF-PEAK MONTH FUT (LJ)								
LJ	Spec	Mnth 1	Increase	USD	3,850	3,500	7,700	7,000
LJ	Hedge/Member	Mnth 1	Increase	USD	3,500	3,500	7,000	7,000
LJ	Spec	Mnths 2-6	Increase	USD	3,850	3,500	7,700	7,000
LJ	Hedge/Member	Mnths 2-6	Increase	USD	3,500	3,500	7,000	7,000
LJ	Spec	Mnths 7-11	Increase	USD	3,850	3,500	7,700	7,000
LJ	Hedge/Member	Mnths 7-11	Increase	USD	3,500	3,500	7,000	7,000
LJ	Spec	Mnths 12+	Increase	USD	3,850	3,500	7,700	7,000
LJ	Hedge/Member	Mnths 12+	Increase	USD	3,500	3,500	7,000	7,000
MINNESOTA HUB PEAK MONTH FUT (LM)								
LM	Spec	Mnth 1	Increase	USD	3,850	3,500	7,700	7,000
LM	Hedge/Member	Mnth 1	Increase	USD	3,500	3,500	7,000	7,000
LM	Spec	Mnths 2-6	Increase	USD	3,850	3,500	7,700	7,000
LM	Hedge/Member	Mnths 2-6	Increase	USD	3,500	3,500	7,000	7,000
LM	Spec	Mnths 7-11	Increase	USD	3,850	3,500	7,700	7,000
LM	Hedge/Member	Mnths 7-11	Increase	USD	3,500	3,500	7,000	7,000
LM	Spec	Mnths 12+	Increase	USD	3,850	3,500	7,700	7,000
LM	Hedge/Member	Mnths 12+	Increase	USD	3,500	3,500	7,000	7,000
NEW ENGLAND HUB PEAK DAILY (CE)								
CE	Spec		Increase	USD	2,640	2,400	5,280	4,800
CE	Hedge/Member		Increase	USD	2,400	2,400	4,800	4,800
NEW YORK HUB ZONE J PEAK DAILY (JN)								
JN	Spec		Increase	USD	1,980	1,800	3,960	3,600
JN	Hedge/Member		Increase	USD	1,800	1,800	3,600	3,600
NYISO ZONE A DA OP DAILY (ZAO)								
ZAO	Spec		Increase	USD	66	60	132	120
ZAO	Hedge/Member		Increase	USD	60	60	120	120

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
NYISO ZONE A LBMP FUT (AN)								
AN	Spec		Increase	USD	1,980	1,800	3,960	3,600
AN	Hedge/Member		Increase	USD	1,800	1,800	3,600	3,600
NYISO ZONE G DA OP DAILY (ZGO)								
ZGO	Spec		Increase	USD	143	130	286	260
ZGO	Hedge/Member		Increase	USD	130	130	260	260
NYISO ZONE J DA OP DAILY (ZJO)								
ZJO	Spec		Increase	USD	66	60	132	120
ZJO	Hedge/Member		Increase	USD	60	60	120	120
PJM AEP DAYTON HUB DA OP DAILY (PEO)								
PEO	Spec		Increase	USD	50	45	99	90
PEO	Hedge/Member		Increase	USD	45	45	90	90
PJM AEP DAYTON HUB DA PEAK DAILY (PAP)								
PAP	Spec		Increase	USD	2,640	2,400	5,280	4,800
PAP	Hedge/Member		Increase	USD	2,400	2,400	4,800	4,800
PJM AEP DAYTON HUB RT OP DAILY (AOR)								
AOR	Spec		Increase	USD	77	70	154	140
AOR	Hedge/Member		Increase	USD	70	70	140	140
PJM NORTERN ILL HUB DA OP DAILY (PNO)								
PNO	Spec		Increase	USD	83	75	165	150
PNO	Hedge/Member		Increase	USD	75	75	150	150
PJM NORTERN ILL HUB DA PEAK DAILY (PNP)								
PNP	Spec		Increase	USD	2,475	2,250	4,950	4,500
PNP	Hedge/Member		Increase	USD	2,250	2,250	4,500	4,500
PJM NORTERN ILL HUB RT OP DAILY (NOC)								
NOC	Spec		Increase	USD	105	95	209	190
NOC	Hedge/Member		Increase	USD	95	95	190	190
PJM WESTERN HUB DA OP DAILY FUT (PWO)								
PWO	Spec		Increase	USD	105	95	209	190
PWO	Hedge/Member		Increase	USD	95	95	190	190
PJM WESTERN HUB DA PEAK DAILY (PWP)								
PWP	Spec		Increase	USD	3,850	3,500	7,700	7,000
PWP	Hedge/Member		Increase	USD	3,500	3,500	7,000	7,000

SPAN MINIMUM PERFORMANCE BOND REQUIREMENTS

CC	Rate Type	Description	Change	ISO	Current Initial	Current Maintenance	New Initial	New Maintenance
Outright Rates								
PJM WESTERN HUB RT OP DAILY (WOR)								
WOR	Spec		Increase	USD	143	130	286	260
WOR	Hedge/Member		Increase	USD	130	130	260	260

Rate Type	Tier Description	Change	Current Initial	Current Maintenance	New Initial	New Maintenance
Short Option Minimum (SOM) Rate						

ELECTRICITY - Short Option Minimum (SOM) Rate

ALBERTA POWER POOL CALENDAR DAY SWAP FUTURES (AOD) - SOM						
Clearing Member Rate		Decrease	55.00	50.00	11.00	10.00
ALBERTA POWER POOL CALENDAR MONTH SWAP FUTURES (AOM) - SOM						
Clearing Member Rate		Decrease	55.00	50.00	11.00	10.00
DOW JONES MID-COLUMBIA ELECTRICITY PRICE INDEX SWAP FUTURES (DO) - SOM						
Clearing Member Rate		Increase	33.00	30.00	55.00	50.00
ISO NEW ENGLAND INTERNAL HUB CALENDAR-DAY PEAK LMP SWAP FUTURES (CE) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
MIDWEST ISO ILLINOIS HUB OFF-PEAK CALENDAR-MONTH LMP SWAP FUTURES (OJ) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
MIDWEST ISO ILLINOIS HUB PEAK CALENDAR-MONTH LMP SWAP FUTURES (OM) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
MIDWEST ISO MINNESOTA HUB OFF-PEAK CALENDAR-MONTH LMP SWAP FUTURES (LJ) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
MIDWEST ISO MINNESOTA HUB PEAK CALENDAR-MONTH LMP SWAP FUTURES (LM) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
NYISO ZONE A CALENDAR-DAY PEAK LBMP SWAP FUTURES (AN) - SOM						
Clearing Member Rate		Increase	11.00	10.00	33.00	30.00
NYISO ZONE J CALENDAR-DAY PEAK LBMP SWAP FUTURES (JN) - SOM						
Clearing Member Rate		Increase	11.00	10.00	33.00	30.00
PJM AEP DAYTON HUB DAY-AHEAD PEAK CALENDAR-DAY 2.5 MW SWAP FUTURES (PAP) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
PJM NORTHERN ILLINOIS HUB DAY-AHEAD PEAK CALENDAR-DAY 2.5 MW SWAP FUTURES (PNP) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00
PJM WESTERN HUB DAY-AHEAD PEAK CALENDAR-DAY 2.5 MW SWAP FUTURES (PWP) - SOM						
Clearing Member Rate		Increase	11.00	10.00	55.00	50.00