



# Option on PJM Western Hub Day-Ahead Peak Daily Fixed Price Future

## Contract Specifications

|                           |  |
|---------------------------|--|
| Description               | A daily Option on the corresponding Contract Period of the PJM Western Hub Day-Ahead Peak Daily Fixed Price Future   |
| Contract Symbol           | PDA  |
| Settlement Method         | Exercise into Underlying Futures Contract  |
| Contract Size             | 800 MWh  |
| Currency                  | USD  |
| Minimum Price Fluctuation | The price quotation convention shall be One cent (\$0.01) per MWh; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18 |
| Listing Cycle             | Up to 365 consecutive daily Contract Periods, excluding Saturdays, Sundays and NERC Holidays, or as otherwise determined by the Exchange.                                |
| Last Trading Day          | At the end of the Trading Session on the last Business Day prior to the Contract Period  |
| Option Style              | European   |

# Contract Specifications

|                                   |  |
|-----------------------------------|--|
| Exercise Procedure                | <p>Automatic Only</p> <p>Manual exercise or abandon is not permitted</p> <p>Options which are "in the money", with respect to the average of the Reference Price A prices, exercise automatically into the Underlying Futures Contract with a contract price equal to the Strike Price. Options which are "out of the money" expire automatically.</p> <p>Exercise Day is the third Clearing Organization business day following the Last Trading Day</p>  |
| REFERENCE PRICE A                 | ELECTRICITY-PJM-WESTERN HUB-DAY AHEAD  |
| a) Ref Price A - Description      | "ELECTRICITY-PJM-WESTERN HUB-DAY AHEAD" means that the price for a Pricing Date will be that day's Specified Price per MWh of electricity for Delivery on the Delivery Date, stated in U.S. Dollars, published by the PJM at <a href="http://www.pjm.com/markets/energy-market/day-ahead.html">http://www.pjm.com/markets/energy-market/day-ahead.html</a> , under the Headings "Daily Day-Ahead Locational Marginal Pricing(LMP): LMP Day-Ahead Data: WESTERN HUB" or any successor headings, that reports Prices effective on the Pricing Date |
| b) Ref Price A - Pricing Date     | Each day that prices are reported for the Delivery Date  |
| c) Ref Price A - Specified Price  | Average of LMPs for all hours ending 0800-2300 EPT   |
| d) Ref Price A - Pricing calendar | PJM  |
| e) Ref Price A - Delivery Date    | Contract Period  |
| Strike Price Intervals            | A minimum of ten Strike Prices in increments of \$1.00 per MWh above and below the at-the-money Strike Price. Strike Price boundaries are adjusted according to futures price movements. User-defined Strike Prices are allowed in \$0.25 increments   |