



Submission No. 18-9  
January 4, 2018

Mr. Christopher J. Kirkpatrick  
Secretary of the Commission  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: New Cross State Air Pollution TR NOx Annual Allowance Future  
and Related Amendments (6 of 18)  
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.2**

Dear Mr. Kirkpatrick:

Pursuant to Commission Regulations 40.2, ICE Futures U.S., Inc. (“Exchange”) submits, by written certification, new Rule 18.E.094, amendments to Subchapters 18D and 18E of Chapter 18, and amendments to Resolutions 1 and 2 of Chapter 18. The new rules and amendments provide for 10 new environmental futures contracts and eight new environmental options contracts, which will be listed on January 22, 2018.

**California Carbon Allowance Vintage Specific**

California Carbon Allowance Vintage Specific (“CCAVS”) futures contracts are carbon emission allowance contracts. The Exchange currently lists futures vintage-specific futures contracts for the 2017 through 2020 vintage-years. The term “vintage” identifies the compliance year for which an allowance is designated. The deliverable instruments for the existing CCAVS contracts are California Carbon Allowances equal to the contract size, delivered through the California MTS, which have a vintage corresponding to the specific vintage year only. The new CCAVS futures contract is for vintage year 2021. As shown below, the product specifications for the new vintage year are consistent with the existing CCAVS contracts:

Contract Name	Contract Code	Contract Size (Allowances)	Minimum Tick <sup>1</sup>	IPL Amount	IPL Recalc Time (Seconds)	IPL Hold Period (Seconds)	NCR	Spot Month Position Limit
California Carbon Allowance Vintage Specific Future - Vintage 2021	CC1	1,000	\$0.01	\$2.50	3	5	\$0.25	4,500
Option on California Carbon Allowance Vintage	CC0	1,000	\$0.01	\$2.50	N/A	N/A	20% of Premium FMV up to \$0.25	4,500

<sup>1</sup> The minimum price fluctuation is \$0.01 for both screen and block trades.

Specific 2020 Future								
Option on California Carbon Allowance Vintage Specific 2021 Future	CC1	1,000	\$0.01	\$2.50	N/A	N/A	20% of Premium FMV up to \$0.25	4,500

The standard listing cycle for CCAVS futures is monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years. The Standard Cycle is January, February, March, April, May, June, July, August, September, October, November and December. The spot month position limit for the 2021 Vintage of the California Carbon Allowance Vintage Specific Future is being set at 4,500, which is consistent with similar physical environmental contracts currently listed by the Exchange.

### **California Carbon Allowance**

California Carbon Allowance (“CCA”) futures contracts are carbon emission allowance contracts. The Exchange currently lists futures contracts for the 2013 through 2018 vintage-years. The deliverable instruments for the existing CCA contracts are California Carbon Allowances equal to the contract size, delivered through the California MTS which have a vintage corresponding to the specific vintage year or prior to the specific vintage year. Amendments to Exchange Rule 18.D.022 lists the 2021 vintage-year for the futures, while amendments to Exchange Rule 18.E.067 list the 2021 vintage-years for the options.

The contract specifications for the new 2021 vintage-year futures contracts, such as the contract size, listing cycle, minimum price fluctuation, NCR (\$0.25), IPL Amount (\$2.50), IPL Recalculation Time (3 seconds), and IPL Hold Period (5 seconds) match those for the existing CCA contracts listed by the Exchange. The spot month position limits for the new CCA futures contracts—25,000 lots—are set at levels that are consistent with the spot month position limits for similar environmental contracts currently listed by the Exchange.

All contract specifications for the new CCA options, such as the contract size, listing cycle, IPL Amount (\$2.50), IPL Recalculation Time (3 seconds), IPL Hold Period (5 seconds) and NCR (20% of Premium FMV up to 0.25) match those for the CCA option vintages currently listed by the Exchange. The minimum price fluctuation has been set at \$0.01 for screen and block trades, which is consistent with similar environmental contracts currently listed by the Exchange. Finally, the new CCA options are subject to the position limit and accountability levels of the underlying futures contracts.

Contract Name	Contract Code	Contract Size (Allowances)	Minimum Tick <sup>2</sup>	IPL Amount	IPL Recalc Time (Seconds)	IPL Hold Period (Seconds)	NCR	Spot Month Position Limit
California Carbon Allowance Vintage 2021 Future	CAZ	1,000	\$0.01	\$2.50	3	5	\$0.25	25,000
Option on California Carbon Allowance	CAZ	1,000	\$0.01	\$2.50	N/A	N/A	20% of Premium FMV up to \$0.25	25,000

<sup>2</sup> The minimum price fluctuation for the futures contract is \$0.01 for both screen and block trades. The minimum price fluctuation for the options contract is \$0.001 for screen trades and \$0.01 for block trades.

Vintage 2021 Future								
------------------------	--	--	--	--	--	--	--	--

### **Cross State Air Pollution TR NOx**

The Exchange is both amending an existing rule and creating a new rule to supplement existing Cross State Air Pollution (“CSAPR”) NOx futures contracts listed by the Exchange. The Exchange currently lists futures and options on two separate CSAPR NOx programs for vintage-year 2016 and 2017: the CSAPR NOx Annual Allowance Future and the CSAPR NOx Ozone Season Allowance Future. With respect to the Annual Allowance Future, the Exchange is amending Exchange Rule 18.D.005 to list an additional vintage-year—2018—which mirrors the existing vintages. With respect to the Ozone Season Future, however, the Exchange is amending Rule 18.D.028, which also lists a 2018 vintage-year contract, but is based on a different deliverable instrument than the existing Ozone Season Allowance futures. Specifically, the new CSAPR Ozone Season Group 2 Allowance futures call for delivery of CSAPR *Group 2* NOx Ozone Season Trading Program Allowances.

New Rule 18.E.094 provides for the listing of the Option on Cross State Air Pollution NOx Ozone Season Group 2 Allowance Future - Vintage 2018 contract, whose specifications are described further below. Aside from the difference in deliverable instruments for the new CASPR NOx Ozone Season contracts, the basic contract specifications for both of the new CSAPR TR NOx 2018 vintage-year futures—Annual Allowance and Ozone Season—match those for the CSAPR TR NOx futures vintages currently listed by the Exchange. Specifically, the contract size, listing cycle, IPL Amount (\$60.00), IPL Recalculation Time (3 seconds), IPL Hold Period (5 seconds) and NCR (\$10.00) are consistent with the existing vintages. The minimum price fluctuation has been set at \$0.01 for screen and block trades, which is consistent with similar environmental contracts currently listed by the Exchange. The spot month position limits for the new CSAPR NOx Annual Allowance futures contracts—6,000 lots—are set at levels that are consistent with the spot month position limits for similar environmental contracts currently listed by the Exchange. The spot month position limits for the new CSAPR NOx Ozone Season Group 2 futures contracts are set at 4,000 lots, which is consistent with the spot month position limits for similar environmental contracts currently listed by the Exchange. Finally, the new CSAPR NOx Group 2 option is subject to the position limit and accountability levels of the underlying futures contracts.

<b>Contract Name</b>	<b>Contract Code</b>	<b>Contract Size</b>	<b>Minimum Tick<sup>3</sup></b>	<b>IPL Amount</b>	<b>IPL Recalc Time (Seconds)</b>	<b>IPL Hold Period (Seconds)</b>	<b>NCR</b>	<b>Spot Month Position Limit</b>
Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2018	NAQ	25	\$1.00	\$60.00	3	5	10.00	6,000
Cross State Air Pollution NOx Ozone Season Group 2 Allowance Future - Vintage 2018	NOT	25	\$1.00	\$60.00	3	5	10.00	4,000
Option on Cross State Air Pollution NOx Ozone Season Group 2 Allowance Future - Vintage 2018	NOT	25	\$1.00	\$60.00	N/A	N/A	20% of Premium FMV up to \$10.00	4,000

<sup>3</sup> The minimum price fluctuation is \$1.00 for both screen and block trades.

## **Cross State Air Pollution TR SO2**

The Cross State Air Pollution Rule TR SO2 futures contracts call for the delivery of CSAPR TR SO2 Trading Program Allowances. The Exchange currently lists a CSAPR SO2 Group 1 Allowance Future and a CSAPR SO2 Group 2 Allowance Future for vintage-years 2015, 2016 and 2017. Amendments to Exchange Rules 18.D.007 and 18.D.008 list futures for the 2018 vintage-year for these two contracts.

All contract specifications for the new CSAPR SO2 futures, such as the contract size, listing cycle, IPL Amount (\$60.00), IPL Recalculation Time (3 seconds), IPL Hold Period (5 seconds) and NCR (\$10.00) match those for the CSAPR SO2 Group 1 and Group 2 Allowance futures vintages currently listed by the Exchange. The minimum price fluctuation has been set at \$0.01 for screen and block trades, which is consistent with similar environmental contracts currently listed by the Exchange. The spot month position limits for the new CSAPR SO2 futures contracts—10,000 lots for Group 1 and 5,000 lots for Group 2—are set at levels that are consistent with the spot month position limits for similar environmental contracts currently listed by the Exchange.

<b>Contract Name</b>	<b>Contract Code</b>	<b>Contract Size</b>	<b>Minimum Tick<sup>4</sup></b>	<b>IPL Amount</b>	<b>IPL Recalc Time (Seconds)</b>	<b>IPL Hold Period (Seconds)</b>	<b>NCR</b>	<b>Spot Month Position Limit</b>
Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2018	SOR	25	\$0.10	\$60.00	3	5	\$10.00	10,000
Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2018	STQ	25	\$0.10	\$60.00	3	5	\$10.00	5,000

## **Ontario Carbon Allowance Vintage Future**

The Ontario Carbon Allowance Vintage Future contracts are physically delivered greenhouse gas emissions allowance contracts. The allowances, upon which the futures contracts are based, are issued by the Province of Ontario, or a linked program, and represent one metric ton of CO2 equivalent under the Ontario Climate Change Mitigation and Low-Carbon Economy Act and its associated regulations, rules and amendments. The Exchange currently lists futures corresponding to vintage-year 2017 and is amending Exchange Rules 10.D.027 and 18.E.074 to include futures and options contracts corresponding to vintage-years 2018 to 2021.

The Ontario Carbon Allowance Vintage Future contracts have a contract size of 1,000 Ontario Carbon Allowances. The minimum price fluctuation is one Canadian cent (“C\$0.01”) for both screen and block trades. The standard listing cycle is January, February, March, April, May, June, July, August, September, October, November and December. Also, the Exchange may list monthly contracts in the standard cycle or any other calendar month it determines for the current year and forward for up to ten years. The IPL Amount will be set at \$2.50, the IPL Recalculation Time will be set at 3 seconds and the IPL Hold Period is set at 5 seconds. The NCR is C\$0.25. Spot month position limits for the Ontario Carbon Allowance Vintage Future are being set at 10,000, a level consistent with similar environmental contracts currently listed by the Exchange.

---

<sup>4</sup> The minimum price fluctuation is \$0.10 for both screen and block trades.

The Option on Ontario Carbon Allowance Vintage Future contracts have a contract size of 1 Ontario Carbon Allowance Future Contract. The minimum price fluctuation is one Canadian cent (“C\$0.01”) for both screen and block trades. The standard listing cycle matches that of the underlying future. The NCR is 20% of Premium FMV up to \$0.25. Finally, the Ontario Carbon Allowance options contracts are subject to the position limit and accountability levels of the underlying futures contracts.

Contract Name	Contract Code	Contract Size	Minimum Tick <sup>5</sup>	IPL Amount	IPL Recalc Time (Seconds)	IPL Hold Period (Seconds)	NCR	Spot Month Position Limit
Ontario Carbon Allowance Vintage 2018 Future	OC8	1,000	C\$0.01	C\$2.50	3	5	C\$0.25	10,000
Ontario Carbon Allowance Vintage 2019 Future	OC9	1,000	C\$0.01	C\$2.50	3	5	C\$0.25	10,000
Ontario Carbon Allowance Vintage 2020 Future	OC0	1,000	C\$0.01	C\$2.50	3	5	C\$0.25	10,000
Ontario Carbon Allowance Vintage 2021 Future	OC1	1,000	C\$0.01	C\$2.50	3	5	C\$0.25	10,000
Option on Ontario Carbon Allowance Vintage 2018 Future	OC8	1,000	C\$0.01	C\$2.50	N/A	N/A	20% of Premium FMV up to 0.25	10,000
Option on Ontario Carbon Allowance Vintage 2019 Future	OC9	1,000	C\$0.01	C\$2.50	N/A	N/A	20% of Premium FMV up to 0.25	10,000
Option on Ontario Carbon Allowance Vintage 2020 Future	OC0	1,000	C\$0.01	C\$2.50	N/A	N/A	20% of Premium FMV up to 0.25	10,000
Option on Ontario Carbon Allowance Vintage 2021 Future	OC1	1,000	C\$0.01	C\$2.50	N/A	N/A	20% of Premium FMV up to 0.25	10,000

## **Certifications**

The new rule amendments will become effective with the listing of the new physical environmental contracts on January 22, 2018. The Exchange is not aware of any substantive opposing views to the new physical environmental contracts. The Exchange certifies that the rule amendments comply with the requirements of the Act and the rules and regulations promulgated thereunder. The Exchange has reviewed the designated contract market core principles ("Core Principles") as set forth in the Act and has determined that the listing of the contracts complies with the following relevant Core Principles:

### **COMPLIANCE WITH RULES**

The terms and conditions of the new physical environmental contracts are set forth in new Exchange Rule 18.E.094, amendments to Subchapters 18D and 18E, and Resolutions 1 and 2 of

<sup>5</sup> The minimum price fluctuation is \$0.01 for both screen and block trades.

Chapter 18, and will be enforced by the Exchange. In addition, trading of the contracts is subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

**CONTRACTS NOT READILY SUBJECT TO MANIPULATION**

The new physical environmental futures contracts are not readily subject to manipulation as they are based on established and liquid underlying cash markets. In addition, trading of the new contracts will be monitored by the Market Regulation Department.

**POSITION LIMITS OR ACCOUNTABILITY**

Positions in the new physical environmental futures and options contracts will be subject to position limits set by the Exchange. As described above, such position limits are based upon existing levels set for substantially similar products or are based upon the deliverable supply in the cash market. Positions in the options will be aggregated with the underlying futures contracts and subject to the position limits in place for the underlying futures contracts.

**FINANCIAL INTEGRITY OF CONTRACTS**

The new physical environmental contracts will be cleared by ICE Clear Europe, a registered derivatives clearing organization subject to Commission regulation, and carried by registered futures commission merchants qualified to handle customer business.

The Exchange further certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange's website and may be accessed at (<https://www.theice.com/futures-us/regulation#rule-filings>).

If you have any questions or need further information, please contact me at 312-836-6745 or at [patrick.swartz@theice.com](mailto:patrick.swartz@theice.com).

Sincerely,



Patrick Swartz  
Manager  
Market Regulation

Enc.  
cc: Division of Market Oversight  
New York Regional Office

## EXHIBIT A

### Resolution No. 1-Minimum Price Fluctuation Table

The following minimum price fluctuations shall be applicable to Energy Contracts.

<b>Rule Number</b>	<b>Product</b>	<b>Minimum Price Screen</b>	<b>Fluctuation Blocks and other trades outside the central limit order book</b>
--------------------	----------------	-----------------------------	---

\* \* \*

18.D.022	California Carbon Allowance Future - Vintage 2021	\$0.01	\$0.01
18.E.067	Option on California Carbon Allowance Future - Vintage 2021	\$0.001	\$0.01
18.E.072	Option on California Carbon Allowance Vintage Specific Future - Vintage 2020	\$0.01	\$0.01
18.D.024	California Carbon Allowance Vintage Specific Future - Vintage 2021	\$0.01	\$0.01
18.E.072	Option on California Carbon Allowance Vintage Specific Future - Vintage 2021	\$0.01	\$0.01
18.D.005	Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2018	\$0.01	\$0.01
18.D.028	Cross State Air Pollution Rule NOx Ozone Season Group 2 Allowance Future - Vintage 2018	\$0.01	\$0.01
18.E.046	Option on Cross State Air Pollution Nox Ozone Season Group 2 Allowance Future - Vintage 2018	\$0.01	\$0.01
18.D.007	Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2018	\$0.01	\$0.01
18.D.008	Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2018	\$0.01	\$0.01
18.D.027	Ontario Carbon Allowance Future - Vintage 2018	\$0.01	\$0.01
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2018	\$0.001	\$0.01
18.D.027	Ontario Carbon Allowance Future - Vintage 2019	\$0.01	\$0.01
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2019	\$0.001	\$0.01
18.D.027	Ontario Carbon Allowance Future - Vintage 2020	\$0.01	\$0.01
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2020	\$0.001	\$0.01
18.D.027	Ontario Carbon Allowance Future - Vintage 2021	\$0.01	\$0.01
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2021	\$0.001	\$0.01

\* \* \*

**Resolution No. 2 – Position Limit/Accountability Table**

<b>Rule</b>	<b>Contract Name</b>	<b>Commodity Code</b>	<b>Contract Size</b>	<b>Unit of Trading</b>	<b>Spot Month Limit</b>	<b>Single Month Accountability Level</b>	<b>All Month Accountability Level</b>	<b>Aggregate 1 (Positive Correlation)</b>	<b>Aggregate 2 (Negative Correlation)</b>	<b>Exchange Reportable Level</b>
18.D.022	California Carbon Allowance Future - Vintage 2021	CAZ	1,000	California Carbon Allowances	25,000	25,000	30,000	CAZ		25
18.E.067	Option on California Carbon Allowance Future - Vintage 2021	CAZ	1,000	California Carbon Allowances	25,000	25,000	30,000	CAZ		25
18.E.072	Option on California Carbon Allowance Vintage Specific Future - Vintage 2020	CC0	1,000	California Carbon Allowances	4,500	4,500	4,500	CC0		25
18.D.024	California Carbon Allowance Vintage Specific Future - Vintage 2021	CC1	1,000	California Carbon Allowances	4,500	4,500	4,500	CC1		25
18.E.072	Option on California Carbon Allowance Vintage Specific Future - Vintage 2021	CC1	1,000	California Carbon Allowances	4,500	4,500	4,500	CC1		25
18.D.005	Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2018	NAQ	25	US EPA TR NOx Annual Allowances	6,000	6,000	6,000	NAQ		25



18.D.028	Cross State Air Pollution Rule NOx Ozone Season Group 2 Allowance Future - Vintage 2018	NOT	25	US EPA Group 2 NOx Ozone Season Allowances	4,000	4,000	4,000	NOT	25
18.E.046	Option on Cross State Air Pollution NOx Ozone Season Group 2 Allowance Future - Vintage 2018	NOT	25	US EPA Group 2 NOx Ozone Season Allowances	4,000	4,000	4,000	NOT	25
18.D.007	Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2018	SOR	25	US EPA TR SO2 Group 1 Allowances	10,000	10,000	10,000	SOR	25
18.D.008	Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2018	STQ	25	US EPA TR SO2 Group 2 Allowances	5,000	5,000	5,000	STQ	25
18.D.027	Ontario Carbon Allowance Future - Vintage 2018	OC8	1,000	Allowances	10,000	10,000	10,000	OC8	25
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2018	OC8	1,000	Allowances	10,000	10,000	10,000	OC8	25
18.D.027	Ontario Carbon Allowance Future - Vintage 2019	OC9	1,000	Allowances	10,000	10,000	10,000	OC9	25
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2019	OC9	1,000	Allowances	10,000	10,000	10,000	OC9	25

18.D.027	Ontario Carbon Allowance Future - Vintage 2020	OC0	1,000	Allowances	10,000	10,000	10,000	OC0		25
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2020	OC0	1,000	Allowances	10,000	10,000	10,000	OC0		25
18.D.027	Ontario Carbon Allowance Future - Vintage 2021	OC1	1,000	Allowances	10,000	10,000	10,000	OC1		25
18.E.074	Option on Ontario Carbon Allowance Future - Vintage 2021	OC1	1,000	Allowances	10,000	10,000	10,000	OC1		25

## **Subchapter 18D – Physical Environmental Futures Contracts**

\*\*\*

### **18.D.005 Cross State Air Pollution TR NO<sub>x</sub> Annual Allowance Future**

**Contract Description:** Physically delivered EPA Cross State Air Pollution (“CSAPR”) TR NO<sub>x</sub> Annual Trading Program Allowances (“U.S. EPA CSAPR TR NO<sub>x</sub> Annual Allowances”).

**Contract Symbol:** NAK: Vintage 2012, NAL: Vintage 2015, NAN: 2016 NAP: Vintage 2017, [NAQ - Vintage 2018](#)

Settlement Method: Physical delivery

**Contract Size:** 25 U.S. EPA CSAPR TR NO<sub>x</sub> Annual Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per U.S. EPA TR NO<sub>x</sub> Annual Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Spec:** Allowances acceptable for delivery are those designated as U.S. EPA CSAPR TR NO<sub>x</sub> Annual Allowances as promulgated under CSAPR having a vintage corresponding to the specified vintage and allowances having a vintage of any year prior to the specified vintage-year.

**Registry:** CAMD ATS

**MIC Code:** IFED

**Clearing Venue:** ICEU

## **18.D.028 Cross State Air Pollution NOx Ozone Season Group 2 Allowance Future**

**Contract Description:** Physically delivered EPA Cross State Air Pollution Rule (“CSAPR”) Group 2 NOx Ozone Season Trading Program Allowances (“U.S. EPA CSAPR Group 2 NOx Ozone Season Trading Program Allowance”).

**Contract Symbol:** NOS: Vintage 2017, NOT - Vintage 2018

**Settlement Method:** Physical delivery

**Contract Size:** 25 U.S. EPA CSAPR Group 2 NOx Ozone Season Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per U.S. EPA CSAPR Group 2 NOx Ozone Season Trading Program Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Spec:** Allowances acceptable for delivery are those designated as U.S. EPA CSAPR Group 2 NOx Ozone Season Trading Program Allowances as promulgated under the CSAPR Update having a vintage corresponding to the specified vintage of the expiring contract.

**Registry:** CAMD ATS

**MIC Code:** IFED

**Clearing Venue:** ICEU

### **18.D.007 Cross State Air Pollution TR SO2 Group 1 Allowance Future**

**Contract Description:** Physically delivered EPA Cross State Air Pollution Rule (“CSAPR”) TR SO2 Group 1 Trading Program Allowances (“U.S. EPA CSAPR TR SO2 Group 1 Trading Program Allowance”).

**Contract Symbol:** SOM: Vintage 2015, SOP: Vintage 2016, SOQ: Vintage 2017, [SOR - Vintage 2018](#)

**Settlement Method:** Physical delivery

**Contract Size:** 25 U.S. EPA CSAPR TR SO2 Group 1 Trading Program Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per U.S. EPA CSAPR TR SO2 Group 1 Trading Program Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Spec:** Allowances acceptable for delivery are those designated as U.S. EPA CSAPR TR SO2 Group 1 Trading Program Allowances as promulgated under CSAPR having a vintage corresponding to the specified vintage and allowances having a vintage of any year prior to the specified vintage-year.

**Registry:** CAMD ATS

**MIC Code:** IFED

**Clearing Venue:** ICEU

## **18.D.008 Cross State Air Pollution TR SO2 Group 2 Allowance Future**

**Contract Description:** Physically delivered EPA Cross State Air Pollution Rule (“CSAPR”) TR SO2 Group 2 Trading Program Allowances (“U.S. EPA CSAPR TR SO2 Group 2 Trading Program Allowance”).

**Contract Symbol:** STK, STL: Vintage 2015, STN: Vintage 2016, STP: Vintage 2017, [STQ: Vintage 2018](#)

**Settlement Method:** Physical delivery

**Contract Size:** 25 U.S. EPA CSAPR TR SO2 Group 2 Trading Program Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per U.S. EPA CSAPR TR SO2 Group 2 Trading Program Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Spec:** Allowances acceptable for delivery are those designated as U.S. EPA CSAPR TR SO2 Group 2 Trading Program Allowances as promulgated under CSAPR having a vintage corresponding to the specified vintage and allowances having a vintage of any year prior to the specified vintage-year.

**Registry:** CAMD ATS

**MIC Code:** IFED

**Clearing Venue:** ICEU

## **18.D.022 California Carbon Allowance Future - Vintage 2019 and After**

**Contract Description:** Physically delivered greenhouse gas emissions allowances where each is an allowance issued by the California Air Resources Board or a linked program ("California Carbon Allowance") representing one metric ton of CO<sub>2</sub> equivalent under California Assembly Bill 32 "California Global Warming Solutions Act of 2006" and its associated regulations, rules and amendments, all together known as the "California Cap and Trade Program".

**Contract Symbol:** CAX: Vintage 2019, CAY Vintage 2020, [CAZ: Vintage 2021](#)

**Settlement Method:** Physical delivery

**Contract Size:** 1,000 California Carbon Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Instruments:** The deliverable instruments are California Carbon Allowances equal to the contract size delivered through the California MTS.

California Carbon Allowances acceptable for delivery are those issued as a limited authorization to emit up to one metric ton of CO<sub>2</sub> or CO<sub>2</sub> equivalent in the California Cap and Trade Program having a vintage corresponding to the calendar year of the expiring contract and allowances having a vintage of any year prior to the calendar year of the expiring contract.

If the specified vintage year allowances do not exist in the California MTS at contract expiry, allowances of any prior vintage year or allowances of the earliest vintage year available in the California MTS shall be delivered.

**Registry:** California MTS

**MIC Code:** IFED

**Clearing Venues:** ICEU

## **18.D.024 California Carbon Allowance Vintage Specific Future**

**Contract Description:** Physically delivered greenhouse gas emissions allowances where each is an allowance issued by the California Air Resources Board or a linked program (“California Carbon Allowance”) representing one metric ton of CO<sub>2</sub> equivalent under California Assembly Bill 32 "California Global Warming Solutions Act of 2006" and its associated regulations, rules and amendments, all together known as the "California Cap and Trade Program".

**Contract Symbol:** CA7: CCAS Vintage 2017, CA8: CCAS Vintage 2018, CA9: CCAS Vintage 2019, CC0: CCAS Vintage 2020, [CC1: Vintage 2021](#)

**Settlement Method:** Physical delivery

**Contract Size:** 1,000 California Carbon Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per California Carbon Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Instruments:** The deliverable instruments are California Carbon Allowances equal to the contract size delivered through the California MTS.

California Carbon Allowances acceptable for delivery are those issued as a limited authorization to emit up to one metric ton of CO<sub>2</sub> or CO<sub>2</sub> equivalent in the California Cap and Trade Program having a vintage corresponding to the specified vintage year only.

**Registry:** California MTS

**MIC Code:** IFED

**Clearing Venues:** ICEU



## 18.D.027 Ontario Carbon Allowance Vintage Future

**Contract Description:** Physically delivered greenhouse gas emissions allowances where each is an allowance issued by the Province of Ontario or a linked program (“Ontario Carbon Allowance”) representing one metric ton of CO2 equivalent under the Ontario Climate Change Mitigation and Low-carbon Economy Act and its associated regulations, rules and amendments, all together known as the "Ontario Cap and Trade Program".

**Contract Symbol:** OC7 Vintage 2017, [OC8 Vintage 2018](#), [OC9 Vintage 2019](#), [OC0 Vintage 2020](#), [OC1 Vintage 2021](#)

**Settlement Method:** Physical delivery

**Contract Size:** 1,000 Carbon Emissions Allowances

**Currency:** CAD

**Minimum Price Fluctuation:** The price quotation convention shall be One CAD cent (\$0.01) per Allowances; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** Three Business Days prior to the last Business Day of the delivery month

**Deliverable Instruments:** The deliverable instruments are Ontario Carbon Allowances equal to the contract size delivered through the Compliance Instrument Tracking System Service (CITSS).

Ontario Carbon Allowances acceptable for delivery are those having a vintage corresponding to the calendar year of the expiring contract and allowances having a vintage of any year prior to the calendar year of the expiring contract.

Ontario Carbon Allowances acceptable must be able to be delivered into CITSS accounts registered in Ontario.

**Registry:** CITSS

**MIC CODE:** IFED

**CLEARING VENUE:** ICEU

**18.E.094 Option on Cross State Air Pollution NOx Ozone Season Group 2 Allowance Future**

**Contract Description:** An Option on the corresponding month of the U.S. EPA Cross State Air Pollution “CSAPR” Rule Group 2 NOx Ozone Season Trading Program Allowance Future.

**Contract Symbol:** NOT - Vintage 2018

**Settlement Method:** Exercise into Underlying Futures Contract

**Contract Size:** 1 Cross State Air Pollution Rule Group 2 NOx Ozone Season Allowance Future Contract

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$1.00 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

**Last Trading Day:** At 4:00 pm EPT on the 15th calendar day of the delivery month. Where the 15th calendar day is not a Business Day, the Last Trading Day shall be the first Business Day following the 15th calendar day of the delivery month.

**Option Style:** European

**Exercise Method:** Automatic

**Exercise procedure:** Clearing Members shall provide exercise and abandon instructions to the Clearing Organization in accordance with the Clearing Organization rules

**Exercise time:** 5:30 pm EPT on the Last Trading Day

**MIC Code:** IFED

**Clearing Venue:** ICEU

## 18.E.067 Option on California Carbon Allowance Future - Vintage 2019 and After

**Contract Description:** An Option on the corresponding month of the California Carbon Allowance Future.

**Contract Symbol:** CAX: Vintage 2019, CAY: Vintage 2020, [CAZ: Vintage 2021](#)

**Settlement Method:** Exercise into Underlying Futures Contract

**Contract Size:** 1 California Carbon Allowances Futures

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One tenth of one cent (\$0.001) per Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$0.05 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 \$0.05 increments

**Last Trading Day:** At 4:00 pm EPT on the 15th calendar day of the delivery month. Where the 15th calendar day is not a Business Day, the Last Trading Day shall be the first Business Day following the 15th calendar day of the delivery month.

**Option Style:** European

**Exercise Method:** Automatic

**Exercise procedure:** Clearing Members shall provide exercise and abandon instructions to the Clearing Organization in accordance with the Clearing Organization rules

**Exercise time:** 5:30 pm EPT on the Last Trading Day

**MIC Code:** IFED

**Clearing Venue:** ICEU

## 18.E.072 Option on California Carbon Allowance Vintage Specific Future

**Contract Description:** An Option on the corresponding month of the California Carbon Allowance Vintage Specific Future.

**Contract Symbol:** CA7: CCAS Vintage 2017, CA8: CCAS Vintage 2018, CA9 CCAS Vintage 2019, [CC0: Vintage 2020](#); [CC1: Vintage 2021](#)

**Settlement Method:** Exercise into Underlying Futures Contract

**Contract Size:** 1 California Carbon Allowances Futures

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$0.05 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 \$0.05 increments

**Last Trading Day:** At 4:00 pm EPT on the 15th calendar day of the delivery month. Where the 15th calendar day is not a Business Day, the Last Trading Day shall be the first Business Day following the 15th calendar day of the delivery month.

**Option Style:** European

**Exercise Method:** Automatic

**Exercise procedure:** Clearing Members shall provide exercise and abandon instructions to the Clearing Organization in accordance with the Clearing Organization rules

**Exercise time:** 5:30 pm EPT on the Last Trading Day

**MIC Code:** IFED

**Clearing Venue:** ICEU

### **18.E.074 Option on Ontario Carbon Allowance Vintage Future**

**Contract Description:** An Option on the corresponding month of the Ontario Carbon Allowance Future.

**Contract Symbol:** OC7 Vintage 2017; OC8 Vintage 2018; OC9 Vintage 2019; OC0 Vintage 2020; OC1 Vintage 2021

**Settlement Method:** Exercise into Underlying Futures Contract

**Contract Size:** 1 Ontario Carbon Allowance Future Contract

**Currency:** CAD

**Minimum Price Fluctuation:** The price quotation convention shall be One tenth of one CAD cent (\$0.001) per Allowances; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$0.05 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 \$0.05 increments.

**Listing Cycle:** 1. The Exchange may list monthly contracts in the Standard Cycle or any other calendar month it determines for the current year and forward for up to ten years.  
2. The Standard Cycle is: January, February, March, April, May, June, July, August, September, October, November and December

**Last Trading Day:** At 4:00pm EPT on the 15th calendar day of the delivery month. Where the 15th calendar day is not a Business Day, the Last Trading Day shall be the first Business Day following the 15th calendar day of the delivery month.

**Option Style:** European

**Exercise Procedure:** Clearing Members shall provide exercise and abandon instructions to the Clearing Organization in accordance with the Clearing Organization rules

**Exercise Time:** 5:30 pm EPT on the Last Trading Day

**MIC Code:** IFED

**Clearing Venue:** ICEU

**[REMAINDER OF RULE UNCHANGED]**