



Submission No. 16-88  
August 5, 2016

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 Massachusetts Compliance Renewable Energy Certificates Class 1 Vintage Future and Related Amendments (1 of 5)**  
**Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.2 and 40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Commission Regulations 40.2 and 40.6(a), ICE Futures U.S., Inc. (“Exchange”) submits, by written certification, new Rule 18.E.073 and amendments to 18.D.017-18.D.020, Resolutions 1 and 2 of Chapter 18, the Exchange’s No Cancellation Range (“NCR”), and the Exchange’s Block Trade Procedures, which are codified in the Exchange’s Block Trade FAQ, as set forth in Exhibit A. The new rules and amendments provide for four new environmental futures and one new environmental options contract, which will be listed on August 22, 2016.

#### **Massachusetts Compliance Renewable Energy Certificates Class 1 Vintage Future**

The Exchange is listing four new vintage-year contracts to supplement existing Massachusetts Class 1 Renewable Energy Certificates (“RECs”) futures contracts. These contracts call for the delivery of Massachusetts Class 1 RECs. Commencing in 2003, Massachusetts put in place legislation to require sellers of retail electricity to acquire certificates produced by renewable energy generation in amounts corresponding to their retail sales. Such certificates, known as RECs, are generated and physically traded on the electronic registry system maintained by the New England Power Pool (“NEPOOL”). The Exchange currently lists Massachusetts REC futures contracts which deliver annual vintages for the years 2015-2019. Amendments to Rule 18.D.017 list Massachusetts Compliance REC Class 1 Vintage futures contract for vintage-years 2020-2023.

All contract specifications for the new vintage-year contracts, such as the contract size, listing cycle, minimum price fluctuation, NCR (\$1.00), IPL Amount (\$10.00), IPL Recalculation Time (3 seconds), and IPL Hold Period (5 seconds) match those for the existing Massachusetts Compliance REC Class 1 Vintage futures currently listed by the Exchange. In addition, the block trade minimum size is 50 lots, matching the existing vintages. Spot month position limits for the new vintage-year contracts—3,500 lots—are being set at levels that are consistent with the spot month position limits for similar environmental contracts currently listed by the Exchange.

#### **New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future**

The Exchange is listing three new vintage-year contracts, which supplement existing New Jersey Compliance REC futures contracts. These contracts call for the delivery of New Jersey Class 1 RECs.

Like Massachusetts, New Jersey has a program which requires that retail sellers of electricity turn in a specified amount of RECs determined as a percentage of their retail sales. These RECs are generated and issued in the PJM Environmental Information System Generation Attribute Tracking System (“PJM GATS”). The Exchange currently lists New Jersey Compliance REC futures contracts which deliver annual vintages for the years 2015-2020. Amendments to Rule 18.D.018 list New Jersey Compliance REC Class 1 Vintage futures contracts for vintage-years 2021-2023.

All contract specifications for the new vintage-year 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 New Jersey Compliance REC Class 1 Vintage futures currently listed by the Exchange. In addition, the block trade minimum size is 50 lots, matching the existing vintages. Spot month position limits for the vintage-year 2021-2023 contracts—3,500 lots—are being set at levels that are consistent with the spot month position limits for similar environmental contracts currently listed by the Exchange.

### **Connecticut Compliance Renewable Energy Certificates Class 1 Vintage Future**

The Exchange is listing five new vintage-year contracts, which supplement existing Connecticut Compliance REC futures contracts. These contracts call for the delivery of Connecticut Class 1 RECs. Commencing in 2005, Connecticut issued legislation requiring sellers of retail electricity to acquire certificates produced by renewable generation for an amount corresponding to their retail sales. These RECs are generated and physically traded on the electronic registry system maintained by NEPOOL. The Exchange currently lists Connecticut Compliance REC futures contracts which deliver annual vintages for the years of 2015-2018. Amendments to Rule 18.D.019 list Connecticut Compliance REC Class 1 Vintage futures contracts for vintage-years 2019-2023.

All contract specifications for the new vintage-year contracts, such as the contract size, listing cycle, minimum price fluctuation, NCR (\$1.00), IPL Amount (\$10.00), IPL Recalculation Time (3 seconds), and IPL Hold Period (5 seconds) match those for the existing Connecticut Compliance REC Class 1 Vintage futures currently listed by the Exchange. In addition, the block trade minimum size is 50 lots, matching the existing vintages. Spot month position limits for the new Connecticut Compliance REC Class 1 Vintage futures are being set at 3,800 contracts, which is consistent with the spot month position limits for similar physical environmental contracts currently listed by the Exchange.

### **PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Futures & Options**

The Exchange is listing two new vintage-year contracts to supplement the existing PJM Tri-Qualified Renewable Energy Certificates Class 1 Future contracts. The PJM Tri-Qualified REC futures contracts call for the delivery of Class 1 and Tier 1 RECs, where a REC is an electronic certificate issued by PJM GATS for generation simultaneously qualifying for the Pennsylvania, New Jersey and Maryland Class 1 portions of their respective Renewable Portfolio Standard programs. The Exchange currently lists PJM Tri-Qualified futures contracts which deliver annual vintages for the years 2015-2021. Amendments to Rule 18.D.020 list PJM Tri-Qualified futures contracts for the vintage years 2022 and 2023.

All contract specifications for the new 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 PJM Tri-Qualified Energy Certificates Class 1 futures currently listed by the Exchange. In addition, the block trade minimum size is 50 lots, matching the existing vintages. Spot month position limits for the new PJM Tri-Qualified Energy Certificates Class 1 Futures are being set at 5,000 contracts, which is consistent with the spot month position limits for similar physical environmental contracts currently listed by the Exchange.

The Exchange will also list seven new options contracts based on the PJM Tri-Qualified Renewable Energy Certificate Future contracts. The Option on PJM Tri-Qualified Energy Certificate Class 1 Future contracts—listed for Vintages 2017-2023—have a contract size of 1 PJM Tri-Qualified Energy Certificates Class 1 Future Contract. The minimum price fluctuation is \$0.01 for screen trades and \$0.01 for block trades. The standard listing cycle matches that of the underlying future. The NCR is 20% of Premium FMV up \$0.25. The block trade minimum size is 50 lots. Finally, the PJM Tri-Qualified REC options are subject to the position limit and accountability levels of the underlying futures contracts.

### **Certifications**

The new rules and rule amendments will become effective with the listing of the new physical environmental contracts on August 22, 2016. 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 contract complies with the following relevant Core Principles:

#### **COMPLIANCE WITH RULES**

The terms and conditions of the physical environmental contracts are set forth in new Rule 18.E.073 and amendments to 18.D.017-18.D.020, Resolutions 1 and 2 of Chapter 18, the Exchange's NCR, and the Exchange's Block Trade Procedures, 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 physical environmental futures and options 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 currently 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>).

If you have any questions or need further information, please contact me at 312-836-6746 or at [conor.weber@theice.com](mailto:conor.weber@theice.com).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Conor Weber', with a stylized flourish at the end.

Conor Weber  
Compliance Counsel  
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>
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<u>18.D.017</u>	<u>Massachusetts Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintages 2020-2023</u>	<u>\$0.01</u>	<u>\$0.01</u>
<u>18.D.019</u>	<u>Connecticut Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintages 2019-2023</u>	<u>\$0.01</u>	<u>\$0.01</u>
<u>18.D.018</u>	<u>New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintages 2021-2023</u>	<u>\$0.01</u>	<u>\$0.01</u>
<u>18.D.020</u>	<u>PJM Tri-Qualified Renewable Energy Certificates Class 1 Vintage Future - Vintages 2022-2023</u>	<u>\$0.01</u>	<u>\$0.01</u>
<u>18.E.073</u>	<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintages 2017-2023</u>	<u>\$0.01</u>	<u>\$0.01</u>

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

Rule	Contract Name	Commodity Code	Contract Size	Unit of Trading	Spot Month Limit	Single Month Accountability Level	All Month Accountability Level	Aggregate 1 (Positive Correlation)	Aggregate 2 (Negative Correlation)	Exchange Reportable Level
<u>18.D.019</u>	<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2019</u>	<u>CC9</u>	<u>100</u>	<u>MWh of REC</u>	<u>3,800</u>	<u>3,800</u>	<u>3,800</u>	<u>CC9</u>		<u>25</u>
<u>18.D.019</u>	<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2020</u>	<u>CR0</u>	<u>100</u>	<u>MWh of REC</u>	<u>3,800</u>	<u>3,800</u>	<u>3,800</u>	<u>CR0</u>		<u>25</u>
<u>18.D.019</u>	<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>CR1</u>	<u>100</u>	<u>MWh of REC</u>	<u>3,800</u>	<u>3,800</u>	<u>3,800</u>	<u>CR1</u>		<u>25</u>
<u>18.D.019</u>	<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>CR2</u>	<u>100</u>	<u>MWh of REC</u>	<u>3,800</u>	<u>3,800</u>	<u>3,800</u>	<u>CR2</u>		<u>25</u>
<u>18.D.019</u>	<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>CR3</u>	<u>100</u>	<u>MWh of REC</u>	<u>3,800</u>	<u>3,800</u>	<u>3,800</u>	<u>CR3</u>		<u>25</u>
<u>18.D.017</u>	<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2020</u>	<u>MB0</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>6,000</u>	<u>12,000</u>	<u>MB0</u>		<u>25</u>

<u>18.D.017</u>	<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>MB1</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>6,000</u>	<u>12,000</u>	<u>MB1</u>	<u>25</u>
<u>18.D.017</u>	<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>MB2</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>6,000</u>	<u>12,000</u>	<u>MB2</u>	<u>25</u>
<u>18.D.017</u>	<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>MB3</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>6,000</u>	<u>12,000</u>	<u>MB3</u>	<u>25</u>
<u>18.D.018</u>	<u>New Jersey Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>NCX</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>8,000</u>	<u>16,000</u>	<u>NCX</u>	<u>25</u>
<u>18.D.018</u>	<u>New Jersey Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>NCY</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>8,000</u>	<u>16,000</u>	<u>NCY</u>	<u>25</u>
<u>18.D.018</u>	<u>New Jersey Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>NCZ</u>	<u>100</u>	<u>Mwh of REC</u>	<u>3,500</u>	<u>8,000</u>	<u>16,000</u>	<u>NCZ</u>	<u>25</u>
<u>18.E.073</u>	<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2017</u>	<u>TQC</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQC</u>	<u>25</u>
<u>18.E.073</u>	<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2018</u>	<u>TQD</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQD</u>	<u>25</u>

<u>18.E.073</u>	<u>Option on PJM Tri- Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2019</u>	<u>TQE</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQE</u>	<u>25</u>
<u>18.E.073</u>	<u>Option on PJM Tri- Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2020</u>	<u>TQF</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQF</u>	<u>25</u>
<u>18.E.073</u>	<u>Option on PJM Tri- Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>TQG</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQG</u>	<u>25</u>
<u>18.D.020</u>	<u>PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>TQH</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQH</u>	<u>25</u>
<u>18.E.073</u>	<u>Option on PJM Tri- Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>TQH</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQH</u>	<u>25</u>
<u>18.D.020</u>	<u>PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>TQI</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQI</u>	<u>25</u>
<u>18.E.073</u>	<u>Option on PJM Tri- Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>TQI</u>	<u>100</u>	<u>MWh</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>TQI</u>	<u>25</u>



### **18.D.017 Massachusetts Compliance Renewable Energy Certificate[s] Class 1 Vintage Future**

**Contract Description:** Physically delivered Massachusetts Class 1 Renewable Energy Certificates (“Massachusetts Class 1 REC”) where a REC is an electronic certificate issued by NEPOOL GIS for qualifying generation.

**Contract Symbol:** MB5: Vintage 2015, MB6: Vintage 2016, MB7: Vintage 2017,  
MB8: Vintage 2018, MB9: Vintage 2019, MB0: Vintage 2020,  
MB1: Vintage 2021, MB2: Vintage 2022, MB3: Vintage 2023

**Settlement Method:** Physical delivery

**Contract Size:** 100 MWh representing 100 Massachusetts Class 1 RECs

**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:** 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:** Massachusetts Class 1 RECs eligible for delivery are those representing Class 1 renewable energy (defined in Massachusetts General Law c.25A, 11F(c)) eligible to meet the Class I requirement of the Renewable Energy Portfolio Standard promulgated under Massachusetts General Law c.25A 11F and issued by NEPOOL GIS having a vintage or energy year designation that corresponds to the specified vintage of the expiring contract.

**Registry:** NEPOOL GIS

### 18.D.018 New Jersey Compliance Renewable Energy Certificate[s] Class 1 Vintage Future

**Contract Description:** Physically delivered New Jersey Class 1 Renewable Energy Certificates (“New Jersey Class 1 REC”) where a REC is an electronic certificate issued by the PJM Environmental Information System Generation Attribute Tracking System (“PJM GATS”) for qualifying generation.

**Contract Symbol:** NCR: Vintage 2015, NCS: Vintage 2016, NCT: Vintage 2017,  
NCU: Vintage 2018, NCV: Vintage 2019, NCW: Vintage 2020,  
[NCX: Vintage 2021, NCY: Vintage 2022, NCZ: Vintage 2023](#)

**Settlement Method:** Physical delivery

**Contract Size:** 100 MWh representing 100 New Jersey Class 1 RECs

**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:** 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:** New Jersey Class 1 RECs eligible for delivery are those which are eligible to meet the Class I Renewable Energy minimum requirements specified in N.J.A.C. 14:8-2-3 under the New Jersey Renewable Energy Portfolio Standard promulgated under N.J.A.C. 14:8 verified and qualified by the NJ Board of Public Utilities having a vintage or energy year designation that corresponds to the specified vintage of the expiring contract.

**Registry:** PJM GATS

### **18.D.019 Connecticut Compliance Renewable Energy Certificate[s] Class 1 Vintage Future**

**Contract Description:** Physically delivered Connecticut Class 1 Renewable Energy Certificates (“Connecticut Class 1 REC”) where a Connecticut Class 1 REC is an electronic certificate issued by the NEPOOL GIS for qualifying generation.

**Contract Symbol:** CC5 Vintage 2015, CC6 Vintage 2016, CC7 Vintage 2017,  
CC8 Vintage 2018, CC9: Vintage 2019, CR0: Vintage 2020,  
CR1: Vintage 2021, CR2: Vintage 2022, CR3: Vintage 2023

**Settlement Method:** Physical delivery

**Contract Size:** 100 MWh representing 100 Connecticut Class 1 RECs

**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:** 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:** Connecticut Class 1 RECs eligible for delivery are those representing Class 1 renewable energy (defined in General Statutes of Connecticut, Title 16, c. 277, §16-1(26)) eligible to meet Class I requirement of the Renewable Energy Portfolio Standard promulgated under General Statutes of Connecticut (Title 16, c. 283, §16-245a) and issued by NEPOOL GIS having a vintage or energy year designation that corresponds to the specified vintage of the expiring contract.

**Registry:** NEPOOL GIS

#### 18.D.020 PJM Tri-Qualified Renewable Energy Certificate[s] Class 1 Future

**Contract Description:** Physically delivered Class 1 and Tier 1 Renewable Energy Certificates (“Class 1 RECs”) where a REC is an electronic certificate issued by the PJM Environmental Information System Generation Attribute Tracking System (“PJM GATS”) for generation simultaneously qualifying for the Pennsylvania, New Jersey and Maryland Class 1 portions of the Renewable Portfolio Standard programs.

**Contract Symbol:** Vintage 2015: TQA, Vintage 2016: TQB, Vintage 2017: TQC,  
Vintage 2018: TQD, Vintage 2019: TQE, Vintage 2020: TQF,  
Vintage 2021: TQG, TQH: Vintage 2022, TQI: Vintage 2023

**Settlement Method:** Physical delivery

**Contract Size:** 100 MWh representing 100 Qualifying Class 1 RECs

**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:** 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:** Class 1 RECs eligible for delivery are those which are eligible to meet the Class 1 requirements in each of the states of Pennsylvania, New Jersey and Maryland where; the Pennsylvania requirements are specified in Pennsylvania Statutes Title 73 Chapter 18F; the New Jersey requirements are specified in N.J.A.C. 14:8-2-3; and the Maryland requirements are specified in Maryland Annotated Code, Public Utility Companies Article, § 7-701 – 7-713 and in the Code of Maryland Regulations as implemented through Title 20, Subtitle 61.

Class 1 RECs acceptable for delivery are those having a vintage year designation that corresponds to the specified vintage year of the expiring contract. Applicable to the Maryland vintage-year designation only and only for the expiry months of January through July, sellers have the option to deliver a vintage designation that corresponds to the specified vintage year of the expiring contract or one that is one year earlier.

**Registry:** PJM GATS

**18.E.073 Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future**

**Contract Description:** An Option on the corresponding month and vintage of the PJM Tri-qualified renewable energy certificate future.

**Contract Symbol:** TQC Vintage 2017, TQD Vintage 2018, TQE Vintage 2019,  
TQF Vintage 2020, TQG Vintage 2021, TQH Vintage 2022,  
TQI Vintage 2023

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

**Contract Size:** 1 PJM Tri-Qualified Renewable Energy Certificates Class 1 Vintage Futures Contract

**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:** 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 \$0.25 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

**[REMAINDER OF RULE UNCHANGED]**

## ICE FUTURES U.S. BLOCK TRADE – FAQs

\* \* \*

Contract Name	Commodity Code	Contract Size	Unit of Trading	Block MQR (in Lots)
<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2020</u>	<u>MB0</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>MB1</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>MB2</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Massachusetts Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>MB3</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2019</u>	<u>CC9</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2020</u>	<u>CR0</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>CR1</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>CR2</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Connecticut Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>CR3</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>New Jersey Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>NCX</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>New Jersey Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>NCY</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>New Jersey Compliance Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>NCZ</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2017</u>	<u>TQC</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2018</u>	<u>TQD</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2019</u>	<u>TQE</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2020</u>	<u>TQF</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2021</u>	<u>TQG</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>PJM Tri-Qualified Renewable Energy Certificate Vintage Class 1 Future - Vintage 2022</u>	<u>TQH</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2022</u>	<u>TQH</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>PJM Tri-Qualified Renewable Energy Certificate Vintage Class 1 Future - Vintage 2023</u>	<u>TQI</u>	<u>100</u>	<u>MWh</u>	<u>50</u>
<u>Option on PJM Tri-Qualified Renewable Energy Certificate Class 1 Vintage Future - Vintage 2023</u>	<u>TQI</u>	<u>100</u>	<u>MWh</u>	<u>50</u>

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## ICE FUTURES U.S. Energy Division No Cancellation Ranges

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US Environmental	Month	Option	Min/Max Range
RGGI	0.10	20% of Premium FMV up to 0.10	0.05/0.10
CAR-CRT, CFI-US & REC-NJ	0.25	20% of Premium FMV up to 0.25	0.05/0.25
CCA	0.25	20% of Premium FMV up to 0.25	0.01/0.25
SFI	0.50	20% of Premium FMV up to 0.50	0.05/0.50
CT & MA REC	1.00	20% of Premium FMV up to 1.00	0.05/1.00
CSAPR SO2 & NOX	10.00	20% of Premium FMV up to 10.00	0.50/10.00
RIN	0.05	20% of Premium FMV up to 0.05	0.01/0.05
MA, MD, NJ & PA SREC, MA SREC Carve Out	5.00	20% of Premium FMV up to 5.00	0.50/5.00
TX REC	0.25	20% of Premium FMV up to 0.25	0.05/0.25
CAIR NOX	5.00	20% of Premium FMV up to 5.00	0.50/5.00
PJM TRI - QEC	0.25	[N/A] 20% of Premium FMV up to 0.25	[N/A] 0.01/0.25

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