



Submission No. 17-185
October 3, 2017

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

**Re: New Weekly PJM Western Hub Real-Time Peak Average Price Future
and Related Amendments
Submission Pursuant to Section 5c(c)(1) of the Act and Regulation 40.2**

Dear Mr. Kirkpatrick:

Pursuant to Commission Regulation 40.2, ICE Futures U.S., Inc. (“Exchange”) submits, by written certification, new Rule 18.B.339, and amendments to Resolutions 1 and 2 of Chapter 18, as set forth in Exhibit A. The new rule and amendments provide for one new financial power futures contract, which will be listed on October 5, 2017.

PJM

PJM Interconnection (“PJM”) coordinates the movement of electricity through all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia. PJM is responsible for the following transmission zones: Atlantic Electric Power Company, Inc. (AECO), American Electric Power (AEP), Allegheny Power Systems (APS), American Transmission Systems, Inc. (ATSI), Baltimore Gas and Electric Company (BGE), ComEd (COMED), Dayton Power and Light Company (DAY), Duke Energy Ohio/Kentucky (DEOK), Dominion (DOM), Duquesne Delmarva Power and Light Company (DPL), Light (DUQ), Eastern Kentucky Power Cooperative (EKPC), Jersey Central Power and Light Company (JCPL), Metropolitan Edison Company (METED), PECO Energy (PECO), Pennsylvania Electric Company (PENELEC), Potomac Electric Power Company (PEPCO), PPL Electric Utilities (PPL), Public Service Electric and Gas Company (PSEG), and Rockland Electric Company (RECO). PJM publishes hourly load and locational marginal pricing for those transmission zones as well as the following trading hubs: AEP GEN (AEP GEN), AEP-Dayton (AEP-DAY), ATSI GEN (ATSI GEN), Chicago GEN (CHI GEN), Chicago (CHI), Dominion (DOM), Eastern (East), N. Illinois (N-ILL), New Jersey (NJ), Ohio (OHIO), West INT (W-Int), and Western (West).

As set forth in the table below, the Exchange is now listing a new futures contract to supplement an existing PJM contract—the Weekly Average Price Option on PJM Western Hub Real-Time Peak Fixed Price Future (“PJH Option”)—which was listed by the Exchange on September 18, 2017 (*see* Submission No. 17-150). There is currently no Open Interest in the PJH Option contract. The Weekly PJM Western Hub Real-Time Peak Average Price Future (“PJH Future”), which the Exchange is now listing, is a weekly cash settled Exchange futures contract based upon the mathematical average of peak hourly electricity prices published by PJM for

Western Hub. Effective for this week's expiration and moving forward, the PJH Option will exercise into the PJH Future.

Contract Name	Contract Code	Contract Size	Minimum Tick ¹	IPL Amount	IPL Recalc Time (Seconds)	IPL Hold Period (Seconds)	NCR ²	Spot Month Position Limit
Weekly PJM Western Hub Real-Time Peak Average Price Future	PJH	800 Mwh (multiplied by the number of Peak days in the week)	\$0.05	\$120.00	3	5	\$5.00	3,750

The listing cycle is up to 52 consecutive weekly Contract Periods, or as otherwise determined by the Exchange. The spot month position limit for the new PJM contract has been set consistent with the spot month position limits for substantially similar power contracts currently listed by the Exchange and matches the current limit for the options contract that will exercise into it.

Certifications

The new rules and rule amendments will become effective with the listing of the new financial power contract on October 5, 2017. The Exchange is not aware of any substantive opposing views to the new financial power contract. 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 new financial power contract is set forth in Rules 18.B.339, and amendments to Resolutions 1 and 2 of Chapter 18, and will be enforced by the Exchange. In addition, trading of the contract is subject to all relevant Exchange rules which are enforced by the Market Regulation Department.

CONTRACTS NOT READILY SUBJECT TO MANIPULATION

The new financial power futures contract is not readily subject to manipulation as it is based on established and liquid underlying cash markets. In addition, trading of the new contract will be monitored by the Market Regulation Department.

POSITION LIMITS OR ACCOUNTABILITY

Positions in the new financial power futures contract 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.

FINANCIAL INTEGRITY OF CONTRACTS

The new financial power futures contract 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.

¹ The minimum fluctuation for the above PJM contracts is \$0.05 for screen trades and \$0.01 for block trades.

² The NCR for BalDay, NextDay and Balweek contracts is \$5.00. The NCR for Weekly and Balmo contracts is \$2.00.

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) 836-6746 or at conor.weber@theice.com.

Sincerely,



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.

Rule Number	Product	Minimum Price Fluctuation		
		Screen	Blocks and other trades outside the central limit order book	
		*	*	*
18.B.339	Weekly PJM Western Hub Real-Time Peak Average Price Future	\$0.05	\$0.01	
		*	*	*

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
18.B.339	Weekly PJM Western Hub Real-Time Peak Average Price Future	PJH	800	MWh	3,750	5,000	15,000	PJM		1

18.B.339 Weekly PJM Western Hub Real-Time Peak Average Price Future

Description: A weekly cash settled Exchange Futures Contract based upon the mathematical average of peak hourly electricity prices published by PJM for the location specified in Reference Price A

Contract Symbol: PJH

Settlement Method: Cash settlement

Contract Size: 800 MWh's multiplied by the number of Peak days in the week

Currency: USD

Min Price Flux: 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 52 consecutive weekly Contract Periods, or as otherwise determined by the Exchange

Last Trading Day: At the end of the Trading Session on the last Business Day of the Contract Period

Final Settlement: Reference Price A

Reference Price A: ELECTRICITY-PJM-WESTERN HUB-REAL TIME

- a) **Description:** "ELECTRICITY-PJM-WESTERN HUB-REAL TIME" 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 <http://pjm.com/markets-and-operations/energy/real-time/lmp.aspx>, under the Headings "Daily Real-Time Locational Marginal Pricing(LMP): LMP Real-Time Data: WESTERN HUB" or any successor headings, that reports Prices effective on the Pricing Date
- b) **Pricing Date:** Each Monday through Friday, excluding NERC holidays, that prices are reported for the Delivery Date
- c) **Specified Price:** Average of LMPs for all hours ending 0800-2300 EPT
- d) **Pricing calendar:** PJM
- e) **Delivery Date:** Contract Period

Final Payment Date: The second Clearing Organization business day following the Last Trading Day

[REMAINDER OF RULE UNCHANGED]