



Submission No. 15-192  
November 25, 2015

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 SO<sub>2</sub> Group 2 Allowance Future Contract and Related Amendments (5 of 14)**  
**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 Rules 18.D.022 and 18.E.067 and amendments to 18.D.005 through 18.D.008, 18.D.011, 18.D.017, 18.D.018, 18.E.047, 18.E.059 through 18.E.062, Resolutions 1 and 2 of Chapter 18, 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 ten new environmental futures and seven new environmental options contracts, which will be listed on December 14, 2015.

**Cross State Air Pollution TR NO<sub>x</sub>**

The Cross State Air Pollution (“CSAPR”) TR NO<sub>x</sub> futures contracts call for the delivery of CSAPR TR NO<sub>x</sub> Trading Program Allowances. The Exchange currently lists futures and options on the CSAPR NO<sub>x</sub> Annual Allowance Future and the CSAPR NO<sub>x</sub> Ozone Season Allowance Future for vintage-year 2015. The term “vintage” identifies the compliance year for which an allowance is designated. Amendments to Exchange Rules 18.D.005 and 18.D.006 list futures for the 2016 vintage-year for both contracts. Amendments to Exchange Rules 18.E.059 and 18.E.060 list options on the 2016 vintage-year for these two contracts.

All contract specifications for the new CSAPR TR NO<sub>x</sub> 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 TR NO<sub>x</sub> futures vintages currently listed by the Exchange. The minimum block sizes of 4 lots for the new contracts are also set at the same level as 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 TR NO<sub>x</sub> futures contracts—6,000 lots for the Annual and 3,000 lots for the Ozone Season—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 CSAPR TR NO<sub>x</sub> options, such as the contract size, listing cycle, minimum price fluctuation (\$0.01 for screen and block trades), IPL Amount (\$60.00), IPL Recalculation Time (3 seconds), IPL Hold Period (5 seconds) and NCR (20% of Premium FMV up to 10.00) match those for the CSAPR TR NO<sub>x</sub> option vintages currently listed by the Exchange. The

minimum block sizes of 4 lots for the new contracts are also set at the same level as existing vintages. Both new CSAPR TR NO<sub>x</sub> options are subject to the position limit and accountability levels of the underlying futures contracts.

### **Cross State Air Pollution TR SO<sub>2</sub>**

The Cross State Air Pollution Rule TR SO<sub>2</sub> futures contracts call for the delivery of CSAPR TR SO<sub>2</sub> Trading Program Allowances. The Exchange currently lists a CSAPR SO<sub>2</sub> Group 1 Allowance Future and a CSAPR SO<sub>2</sub> Group 2 Allowance Future for vintage-year 2015. In addition, the Exchange currently lists options on both of those futures. Amendments to Exchange Rules 18.D.007 and 18.D.008 list futures for the 2016 vintage-year for these two contracts. Amendments to Exchange Rules 18.E.061 and 18.E.062 list options on the 2016 vintage-year for these two contracts.

All contract specifications for the new CSAPR SO<sub>2</sub> 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 SO<sub>2</sub> Group 1 and Group 2 Allowance futures vintages currently listed by the Exchange. The minimum block sizes of 4 lots for the new contracts are also set at the same level as 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 SO<sub>2</sub> 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.

All contract specifications for the new CSAPR SO<sub>2</sub> options, such as the contract size, listing cycle, IPL Amount (\$60.00), IPL Recalculation Time (3 seconds), IPL Hold Period (5 seconds) and NCR (20% of Premium FMV up to 10.00) match those for the CSAPR SO<sub>2</sub> Group 1 and Group 2 Allowance option vintages currently listed by the Exchange. The minimum block sizes of 4 lots for the new contracts are also set at the same level as 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. Both new CSAPR SO<sub>2</sub> options are subject to the position limit and accountability levels of the underlying futures contracts.

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

The Exchange is listing one new vintage-year contract 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 2015-2018. Amendments to Rule 18.D.017 list a Massachusetts Compliance REC Class 1 Vintage futures contract for vintage-year 2019.

All contract specifications for the new 2019 vintage-year contract, 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 vintage-year 2019 contract—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 two 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 2015-2018. Amendments to Rule 18.D.018 list New Jersey Compliance REC Class 1 Vintage futures contracts for vintage-years 2019 and 2020.

All contract specifications for the new 2019 and 2020 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 2019 and 2020 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.

## **California Carbon Allowance**

The California Carbon Allowance (“CCA”) futures contracts are carbon emission allowance contracts. The Exchange currently lists futures contracts for the 2013 through 2018 vintage-years. New Exchange Rule 18.D.022 lists the 2019 and 2020 vintage-years for the futures, while new Exchange Rule 18.E.064 list the 2019 and 2020 vintage-years for the options.

Most contract specifications for the new 2019 and 2020 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. Similarly, the block trade minimum sizes of 10 lots are consistent with the minimum sizes for existing CCA vintages. The new contracts differ, however, from the contract under which existing vintages are listed in one respect. Specifically, the Exchange has removed provisions detailing the treatment of expiring contracts in the event the California Market Tracking System (“MTS”) were to be non-operational. In order to give the Exchange greater flexibility in achieving an equitable resolution, treatment of expiring vintage 2019 and 2020 futures contracts will be determined pursuant to Exchange Rule 6.01 if the California MTS becomes non-operational. The spot month position limits for the new CCA futures contracts—10,000 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 block sizes of 10 lots for the new contracts are also set at the same level as 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. Finally, the new CCA options are subject to the position limit and accountability levels of the underlying futures contracts.

## **Regional Greenhouse Gas Initiative**

The Regional Greenhouse Gas Initiative (“RGGI”) futures contracts are carbon emission allowance contracts. The Exchange currently lists RGGI futures contracts which deliver annual vintages for the years 2013-2016. Amendments to Exchange Rule 18.D.011 list a RGGI futures contract for the

vintage-year 2017. Amendments to Exchange Rule 18.E.047 list a RGGI options contract for the vintage-year 2017.

All contract specifications for the new 2017 vintage-year futures contract, such as the contract size, listing cycle, quotation basis, minimum price fluctuation, NCR (\$0.10), IPL Amount (\$1.00), IPL Recalculation Time (3 seconds), and IPL Hold Period (5 seconds) match those for the existing RGGI futures contracts currently listed by the Exchange. In addition, the Exchange Block Trade Procedures currently provide a minimum block size of 10 contracts for all RGGI futures. The spot month position limits for the new RGGI contracts—10,000 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 2017 vintage-year options contract, such as the contract size, listing cycle, quotation basis, minimum price fluctuation, NCR (20% of Premium FMV up to 0.10), IPL Amount (\$1.00), IPL Recalculation Time (3 seconds), and IPL Hold Period (5 seconds) match those for the existing RGGI futures contracts currently listed by the Exchange. In addition, the Exchange Block Trade Procedures currently provide a minimum block size of 10 contracts for all RGGI options contracts. The new RGGI option is subject to the position limit and accountability levels of the underlying futures contract.

## **Certifications**

The new rules and rule amendments will become effective with the listing of the new physical environmental contracts on December 14, 2015. 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 new physical environmental contracts are set forth in new Rules 18.D.022 and 18.E.067 and amendments to 18.D.005 through 18.D.008, 18.D.011, 18.D.017, 18.D.018, 18.E.047, 18.E.059 through 18.E.062, Resolutions 1 and 2 of Chapter 18, 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 new 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 for the new futures contracts are based upon existing levels set for substantially similar products. 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 212-748-4021 or at [jason.fusco@theice.com](mailto:jason.fusco@theice.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Jason V. Fusco". The signature is fluid and cursive, with a large loop at the end.

Jason V. Fusco  
Assistant General 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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18.D.005	Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2016	\$0.01	\$0.01
18.E.059	Option on Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2016	\$0.01	\$0.01
18.D.006	Cross State Air Pollution TR NOx Ozone Season Allowance Future - Vintage 2016	\$0.01	\$0.01
18.E.060	Option on Cross State Air Pollution TR NOx Ozone Season Allowance Future - Vintage 2016	\$0.01	\$0.01
18.D.007	Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2016	\$0.01	\$0.01
18.E.061	Option on Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2016	\$0.01	\$0.01
18.D.008	Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2016	\$0.01	\$0.01
18.E.062	Option on Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2016	\$0.01	\$0.01
18.D.017	Massachusetts Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2019	\$0.01	\$0.01
18.D.018	New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2019	\$0.01	\$0.01
18.D.018	New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2020	\$0.01	\$0.01
18.D.022	California Carbon Allowance Future - Vintage 2019	\$0.01	\$0.01
18.D.022	California Carbon Allowance Future - Vintage 2020	\$0.01	\$0.01
18.E.067	Option on California Carbon Allowance Future - Vintage 2019	\$0.01	\$0.01
18.E.067	Option on California Carbon Allowance Future - Vintage 2020	\$0.01	\$0.01
18.D.011	Regional Greenhouse Gas Initiative Future - Vintage 2017	\$0.01	\$0.01
18.E.047	Option On Regional Greenhouse Gas Initiative Future - Vintage 2017	\$0.01	\$0.01

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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
18.D.022	California Carbon Allowance Future - Vintage 2019	CAX	1,000	California Carbon Allowances	10,000	15,000	30,000	CAX		25
18.D.022	California Carbon Allowance Future - Vintage 2020	CAY	1,000	California Carbon Allowances	10,000	15,000	30,000	CAY		25
18.D.005	Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2016	NAN	25	US EPA TR NOx Annual Allowances	6,000	10,000	15,000	NAN		25
18.D.006	Cross State Air Pollution TR NOx Ozone Season Allowance Future - Vintage 2016	NOO	25	US EPA TR NOx Ozone Season Allowances	3,000	3,000	3,000	NOO		25
18.D.007	Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2016	SOP	25	US EPA TR SO2 Group 1 Allowances	10,000	10,000	10,000	SOP		25
18.D.008	Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2016	STN	25	US EPA TR SO2 Group 2 Allowances	5,000	5,000	5,000	STL		25
18.D.017	Massachusetts Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2019	MB9	100	Mwh of REC	3,500	6,000	12,000	MB9		25

18.D.018	New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2019	NCV	100	Mwh of REC	3,500	8,000	16,000	NCV		25
18.D.018	New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2020	NCW	100	Mwh of REC	3,500	8,000	16,000	NCW		25
18.E.067	Option on California Carbon Allowance Future - Vintage 2019	CAX	1,000	California Carbon Allowances	10,000	15,000	30,000	CAX		25
18.E.067	Option on California Carbon Allowance Future - Vintage 2020	CAY	1,000	California Carbon Allowances	10,000	15,000	30,000	CAY		25
18.E.059	Option on Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2016	NAN	25	US EPA TR NOx Annual Allowances	6,000	10,000	15,000	NAN		25
18.E.060	Option on Cross State Air Pollution TR NOx Ozone Season Allowance Future - Vintage 2016	NOO	25	US EPA TR NOx Annual Allowances	3,000	3,000	3,000	NOO		25
18.E.061	Option on Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2016	SOP	25	US EPA TR SO2 Group 1 Allowances	10,000	10,000	10,000	SOP		25
18.E.062	Option on Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2016	STN	25	US EPA TR SO2 Group 2 Allowances	5,000	5,000	5,000	STL		25
18.E.047	Option on Regional Greenhouse Gas Initiative Future -	RGP	1,000	RGGI Allowances	10,000	20,000	40,000	RGP		25



	Vintage 2017									
18.D.011	Regional Greenhouse Gas Initiative Future - Vintage 2017	RGP	1,000	RGGI Allowances	10,000	20,000	40,000	RGP		25

#### **18.D.005 Cross State Air Pollution TR NOx Annual Allowance Future**

**Contract Description:** Physically delivered EPA Cross State Air Pollution (“CSAPR”) TR NOx Annual Trading Program Allowances (“U.S. EPA CSAPR TR NOx Annual Allowances”).

**Contract Symbol:** NAL: Vintage 2015, [NAN: Vintage 2016](#)

**Settlement Method:** Physical delivery

**Contract Size:** 5 U.S. EPA CSAPR TR NOx Annual Allowances (Vintage 2012)

25 U.S. EPA CSAPR TR NOx Annual Allowances (Vintage 2015 and after)

**Currency:** USD

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

**Listing Cycle:** 1. Standard-cycle contract listings: Annual December expirations for the current year and forward for up to five consecutive years.  
2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

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

**Deliverable Instruments:** Allowances acceptable for delivery are those designated as U.S. EPA CSAPR TR NOx 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.

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

Applicable for contracts with a 2015 vintage designation, allowances deliverable are only those having a 2015 vintage.

**Registry:** CAMD ATS

**18.E.059 Option on Cross State Air Pollution Rule TR NO<sub>x</sub> Annual Allowance Future - Vintage 2015 and After**

**Contract Description:** An Option on the corresponding month of the U.S. EPA Cross State Air Pollution Rule NO<sub>x</sub> Annual Allowance Future.

**Contract Symbol:** NAL: [Vintage 2015](#), NAN: [Vintage 2016](#)

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

**Contract Size:** 1 Cross State Air Pollution Rule TR NO<sub>x</sub> Annual Allowance Futures

**Currency:** USD

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

**Listing Cycle:** 1. Standard-cycle contract listings: Annual December for the current year and forward three years.  
2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$5.00 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 \$5.00 increments.

**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 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

#### **18.D.006 Cross State Air Pollution TR NOx Ozone Season Allowance Future**

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

**Contract Symbol:** NON: Vintage 2015, NOO: Vintage 2016

**Settlement Method:** Physical delivery

**Contract Size:** 5 U.S. EPA CSAPR TR NOx Ozone Season Trading Program Allowances (Vintage 2012)

25 U.S. EPA CSAPR TR NOx Ozone Season Trading Program Allowances (Vintage 2015 and after)

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per U.S. EPA CSAPR TR 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. Standard-cycle contract listings: Annual December expirations for the current year and forward for up to five consecutive years.

2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

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

**Deliverable Instruments:** Allowances acceptable for delivery are those designated as U.S. EPA CSAPR TR NOx Ozone Season 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.

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

Applicable for contracts with a 2015 vintage designation, allowances deliverable are only those having a 2015 vintage.

Registry: CAMD ATS

**18.E.060 Option on Cross State Air Pollution Rule TR NOx Ozone Season Allowance Future -  
Vintage 2015 and After**

**Contract Description:** An Option on the corresponding month of the U.S. EPA Cross State Air Pollution Rule NOx Ozone Season Allowance Future.

**Contract Symbol:** NON: [Vintage 2015](#), NOO: [Vintage 2016](#)

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

**Contract Size:** 1 Cross State Air Pollution Rule TR NOx Ozone Season Allowance Futures

**Currency:** USD

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

**Listing Cycle:** 1. Standard-cycle contract listings: Annual December expirations for the current year and forward three years.

2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$5.00 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 \$5.00 increments.

**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 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

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

**Contract Description:** Physically delivered EPA Cross State Air Pollution (“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

**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. EPACSA PR 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. Standard-cycle contract listings: Annual December expirations for the current year and forward for up to five consecutive years.  
2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

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

**Deliverable Instruments:** 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.

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

Applicable for contracts with a 2015 vintage designation, allowances deliverable are only those having a 2015 vintage.

Registry: CAMD ATS

**18.E.061 Option on Cross State Air Pollution Rule TR SO2 Group 1 Allowance Future - Vintage 2015 and After**

**Contract Description:** An Option on the corresponding month of the U.S. EPA Cross State Air Pollution Rule SO2 Group 1 Allowance Future.

**Contract Symbol:** SOM: [Vintage 2015](#), SOP: [Vintage 2016](#)

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

**Contract Size:** 1 Cross State Air Pollution Rule TR SO2 Group 1 Allowance Futures

**Currency:** USD

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

**Listing Cycle:** 1. Standard-cycle contract listings: Annual December expirations for the current year and forward three years.

2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$5.00 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 \$5.00 increments.

**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 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

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

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

**Contract Symbol:** STL: Vintage 2015, STN: Vintage 2016

**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. Standard-cycle contract listings: Annual December expirations for the current year and forward for up to five consecutive years

2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

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

**Deliverable Instruments:** 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.

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

Applicable for contracts with a 2015 vintage designation, allowances deliverable are only those having a 2015 vintage.

Registry: CAMD ATS



**18.E.062 Option on Cross State Air Pollution Rule TR SO2 Group 2 Allowance Future - Vintage 2015 and After**

**Contract Description:** An Option on the corresponding month of the U.S. EPA Cross State Air Pollution Rule SO2 Group 2 Allowance Future.

**Contract Symbol:** STL: [Vintage 2015](#), STN: [Vintage 2016](#)

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

**Contract Size:** 1 Cross State Air Pollution Rule TR SO2 Group 2 Futures

**Currency:** USD

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

**Listing Cycle:** 1. Standard-cycle contract listings: Annual December expirations for the current year and forward 3 years.

2. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

**Strike Price Intervals:** A minimum of ten Strike Prices in increments of \$5.00 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 \$5.00 increments.

**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 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

### **18.D.017 Massachusetts Compliance Renewable Energy Certificates 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

**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. Standard-cycle contract listings: January, February, April, May, July, August, October and November contracts for the current year and forward for up to 10 consecutive years.  
2. The Exchange may list any other calendar month contract set off the standard-cycle listing schedule through the last expiring contract set.

**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 Certificates 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

**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. Standard-cycle contract listings: Monthly contract sets through the current year and forward up to 10 consecutive years.  
2. The Exchange may list any other calendar month contract set off the standard-cycle listing schedule through the last expiring contract set.

**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.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

**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. Standard-cycle contract listings: Monthly contract sets for the current year + 3 years.

2. Annual December contract sets through 2020

3. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

**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 and allowances having a vintage of any year prior to the specified vintage-year.

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

**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

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

**Contract Size:** 1 California Carbon Allowance Futures 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:** Standard-cycle contract listings: Monthly contract sets for the current year + 3 years.

2. Annual December contract sets through 2020.

3. The Exchange may list any other calendar month contract sets off the standard-cycle listing schedule through the last expiring contract set.

**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

### **18.D.011 Regional Greenhouse Gas Initiative Future**

**Contract Description:** Monthly physically delivered contract on Regional Greenhouse Gas Initiative ("RGGI") CO<sub>2</sub> allowances ("RGGI CO<sub>2</sub> Allowances").

**Contract Symbol:** Vintage 2013: RGL, Vintage 2014 RGM, Vintage 2015: RGN,  
Vintage 2016: RGO, Vintage 2017: RGP

**Settlement Method:** Physical delivery

**Contract Size:** 1,000 RGGI CO<sub>2</sub> Allowances

**Currency:** USD

**Minimum Price Fluctuation:** The price quotation convention shall be One cent (\$0.01) per RGGI CO<sub>2</sub> Allowance; minimum price fluctuation may vary by trade type. Please see Table in Resolution 1 to this Chapter 18.

**Listing Cycle:** 1. Standard-cycle contract listings: a. Monthly contract sets for the current and coming calendar year; b. December contracts for up to forward 5 years.  
2. The Exchange may list any other calendar month contract set off the standard-cycle listing schedule through the last annual December contract set.

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

**Deliverable Instruments:** The deliverable instruments are RGGI CO<sub>2</sub> Allowances equal to the contract size delivered through the RGGI CO<sub>2</sub> Allowance Tracking System ("RGGI-COATS").

1. Contracts with a control period specific vintage: RGGI CO<sub>2</sub> Allowances acceptable for delivery are those having a vintage usable for compliance in the control period associated with the calendar year of the contract expiration or RGGI CO<sub>2</sub> Allowances having a vintage usable for compliance in any prior control period.

2. For vintages 2009, 2010, 2011, and 2012: RGGI CO<sub>2</sub> Allowances acceptable for delivery are RGGI CO<sub>2</sub> Allowances having a vintage corresponding to the specified vintage-year.

For Vintage 2013 and later vintages, RGGI CO<sub>2</sub> Allowances acceptable for delivery are RGGI CO<sub>2</sub> Allowances having a vintage corresponding to the specified vintage-year and allowances having a vintage of any year prior to the specified vintage-year.

**Registry:** RGGI-COATS

### **Rule 18.E.047 Option on Regional Greenhouse Gas Initiative Future**

**Contract Description:** An Option on the corresponding month of the Regional Greenhouse Gas Initiative Future.

**Contract Symbol:** Vintage 2013: RGL Vintage 2014 RGM, Vintage 2015: RGN,  
Vintage 2016: RGO, Vintage 2017: RGP

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

**Contract Size:** 1 Regional Greenhouse Gas Initiative Futures Contract

**Currency:** USD

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

**Listing Cycle:** 1. Standard-cycle contract listings: a. Monthly contract set for the current and coming calendar year; b. December contract sets for up to forward 5 years.  
2. The Exchange may list any other calendar month contract set off the standard-cycle listing schedule through the last annual December contract set.

**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 4:00pm 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 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

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Contract Name	Commodity Code	Contract Size	Unit of Trading	Block MQR (in Lots)
Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2016	NAN	25	Allowances	4
Option on Cross State Air Pollution TR NOx Annual Allowance Future - Vintage 2016	NAN	25	Allowances	4
Cross State Air Pollution TR NOx Ozone Season Allowance Future - Vintage 2016	NOO	25	Allowances	4
Option on Cross State Air Pollution TR NOx Ozone Season Allowance Future - Vintage 2016	NOO	25	Allowances	4
Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2016	SOP	25	Allowances	4
Option on Cross State Air Pollution TR SO2 Group 1 Allowance Future - Vintage 2016	SOP	25	Allowances	4
Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2016	STN	25	Allowances	4
Option on Cross State Air Pollution TR SO2 Group 2 Allowance Future - Vintage 2016	STN	25	Allowances	4
Massachusetts Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2019	MB9	100	MWh	50
New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2019	NCV	100	MWh	50
New Jersey Compliance Renewable Energy Certificates Class 1 Vintage Future - Vintage 2020	NCW	100	MWh	50
California Carbon Allowance Future - Vintage 2019	CAX	1,000	Allowances	10
California Carbon Allowance Future - Vintage 2020	CAY	1,000	Allowances	10
Option on California Carbon Allowance Vintage Future - Vintage 2019	CAX	1,000	Allowances	10
Option on California Carbon Allowance Vintage Future - Vintage 2020	CAY	1,000	Allowances	10
Regional Greenhouse Gas Initiative Future - Vintage 2017	RGP	1,000	Allowances	10
Option on Regional Greenhouse Gas Initiative Future - Vintage 2017	RGP	1,000	Allowances	10

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