



Sean M. Downey
Associate Director and Assistant General Counsel
Legal Department

February 9, 2012

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule 40.2(a) Certification. Notification Regarding the Listing of Eight (8) PJM ATSI Zone Futures Contracts on CME ClearPort® and the NYMEX Trading Floor NYMEX Submission 12-042

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of eight (8) new PJM ATSI Zone swap futures contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort beginning on Sunday, February 12, 2012, for trade date Monday, February 13, 2012.

PRODUCT SPECIFICATIONS

Title, Rule Chapter and Commodity Code

Contracts	Rule Chapter	Code
PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap Futures	1136	MPD
PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap Futures	1137	MPR
PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap Futures	1138	MOD
PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap Futures	1139	MOR
PJM ATSI Zone 5 MW Peak Calendar-Day Day-Ahead Swap Futures	1140	DPD
PJM ATSI Zone 5 MW Peak Calendar-Day Real-Time Swap Futures	1141	DPR
PJM ATSI Zone 5 MW Off-Peak Calendar-Day Day-Ahead Swap Futures	1142	DOD
PJM ATSI Zone 5 MW Off-Peak Calendar-Day Real-Time Swap Futures	1143	DOR

Listing Schedule

For the Calendar-Month (peak and off-peak) contracts, the first listed contract month shall be March 2012. The contracts will be listed for the current year plus the next five calendar years. A new calendar year will be added following the termination of trading in the December contract of the current year.

For the Calendar-Day (peak and off-peak) contracts, the first listed contract day shall be February 13, 2012. The daily contracts will list current month plus the next month.

Days and Hours

"Peak Days" shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. "Peak Hours" shall mean Hour Ending (HE) 0800 through 2300 Eastern Prevailing Time (EPT).

"Off-Peak Days & Hours" shall mean Monday through Friday HE 0100-0700 and 2400 EPT Saturday-Sunday HE 0100-2400 EPT including North American Electric Reliability Corporation holidays.

Contract Quantity

Peak monthly contract: The contract quantity shall be 80 Megawatt hours (MWh) and is based on 5 megawatts for peak daily hours. Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of peak days in the month. Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

Off-peak monthly contract: The contract quantity shall be 5 MWh. Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of off-peak hours in the month. Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

Peak daily contract: The contract quantity shall be 80 MWh and is based on 5 Megawatts for peak daily hours. Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of peak hours in the contract day. Each futures contract shall be valued at the contract quantity multiplied by the settlement price.

Off-peak daily contract: The contract quantity shall be 5 MWh. Transaction sizes for trading in any contract day shall be restricted to whole number multiples of the number of off-peak hours in the contract day. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

Prices and Fluctuations

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

Termination of Trading

Peak and Off-peak monthly contracts: Trading shall cease the last business day of the contract month.

Peak daily contracts: Trading shall cease on the business day that is a peak day. When a peak day is not a business day, trading shall cease on the previous business day.

Off-peak daily contracts: Trading shall cease on the business day that is an off-peak day. When an off-peak day is not a business day, trading shall cease on the previous business day.

Trading and Clearing Hours

CME ClearPort: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. Chicago Time/CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT).

Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. CT).

Fee Schedule

1. Fee Schedule for the new PJM ATSI Zone peak futures contracts:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	na	\$0.35	\$0.37	\$0.40	
Globex	na	na	na	na	na
ClearPort		\$0.35		\$0.40	

Processing Fees		
	Member	Non-Member
Cash Settlement	\$0.40	\$0.40
Futures from E/A	na	na

Additional Fees and Surcharges	
EFS Surcharge	na
Block Surcharge	na
Facilitation Desk Fee	\$0.02

2. Fee Schedule for the new PJM ATSI Zone off-peak futures contracts:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	na	\$0.02	\$0.03	\$0.03	
Globex	na	na	na	na	na
ClearPort		\$0.02		\$0.03	

Processing Fees		
	Member	Non-Member
Cash Settlement	\$0.02	\$0.03
Futures from E/A	na	na

Additional Fees and Surcharges	
EFS Surcharge	na
Block Surcharge	na
Facilitation Desk Fee	\$0.001

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the proposed contracts into the Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the NYMEX Rulebook in relation to the listing of the new contracts. These terms and conditions establish the all month/any one month accountability levels, expiration month position limit, reportable level and aggregation allocation for the new contract.

NYMEX business staff responsible for the new products and the NYMEX legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodities Exchange Act ("CEA"). During the review, NYMEX staff identified that the new products may have some bearing on the following Core Principles:

- Prevention of Market Disruption: Trading in these contracts will be subject to the NYMEX rules ("Rulebook") Chapters 4 and 7 which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on one of CME Group's designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department.
- Contracts not Readily Subject to Manipulation: The new contracts are not readily subject to manipulation due to the deep liquidity and robustness in the underlying cash market, which provides diverse participation and sufficient spot transactions to support the final settlement published by PJM.
- Compliance with Rules: Trading in these contracts will be subject to the rules in Rulebook Chapter 4 which includes prohibitions against fraudulent, noncompetitive, unfair and abusive practices. Additionally, trading in these contracts will also be subject to the full panoply of trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on one of CME Group's designated contract markets, activity in the new products will be subject to extensive monitoring and surveillance by CME Group's Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.
- Position Limitations or Accountability: The spot month position limits for the new products are set at conservative levels that are approximately 20% of the monthly deliverable supply in their underlying market.
- Availability of General Information: The Exchange will publish information on the contracts' specification on its website, together with daily trading volume, open interest and price information.
- Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange's website and via quote vendors.
- Financial Integrity of Contracts: All contracts traded on the Exchange will be cleared by the Clearing House of the Chicago Mercantile Exchange Inc. which is a registered derivatives clearing organization with the Commission and is subject to all Commission regulations related thereto.
- Execution of Transactions: The new contracts are dually listed for clearing through the CME ClearPort platform and on the NYMEX trading floor for open outcry trading. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers. In addition, the NYMEX trading floor is available as an additional venue to provide for competitive and open execution of transactions.

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- Trade Information: All required trade information is included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.
- Protection of Market Participants: Rulebook Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of the Exchange's competitive trading venues and will be applicable to transactions in these products.
- Disciplinary Procedures: Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the Rulebook. Trading in these contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in these products are identified.
- Dispute Resolution: Disputes with respect to trading in these contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Regulation 40.2, the Exchange hereby certifies that the attached contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal. A description of the cash market for these new products is attached. Please note that we have used power marketer filings as the basis of this cash market analysis. For future cash market analyses, the Exchange may use physical market and hub generation data instead of exclusively relying on the power marketer filings.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (312) 930-8167 or Sean.Downey@cmegroup.com.

Sincerely,

/s/Sean Downey
Associate Director and Assistant General Counsel

Attachments: Appendix A: Rule Chapters
Appendix B: Chapter 5 Table
Appendix C: Cash Market Overview and Analysis of Deliverable Supply

APPENDIX A

Rule Chapters

Chapter 1136

PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap Futures

1136100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1136101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the arithmetic average of the PJM ATSI Zone Day-Ahead LMP for peak hours provided by PJM Interconnection, LLC (PJM), for the contract month. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1136102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1136102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1136102.B. Trading Unit

The contract quantity shall be 80 Megawatt hours (MWh) and is based on 5 megawatts for peak daily hours. Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of peak days in the month.

Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1136102.C. Peak Days and Peak Hours

Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. Peak hour shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

1136102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1136102.E. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 10,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

1. the all-months accountability level shall be 70,000 contracts net long or net short in all months combined;
2. the any-one month accountability level shall be 50,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1136102.F. Termination of Trading

Trading shall cease on the last business day of the contract month.

1136102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1136103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1136104.

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Chapter 1137
PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap Futures

1137100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1137101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the arithmetic average of the PJM ATSI Zone Real-Time LMP for peak hours provided by PJM Interconnection, LLC (PJM), for the contract month. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1137102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1137102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1137102.B. Trading Unit

The contract quantity shall be 80 Megawatt hours (MWh) and is based on 5 megawatts for peak daily hours. Transaction sizes for trading in any contract month shall be restricted to whole number multiples of the number of peak days in the month.

Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1137102.C. Peak Days and Peak Hours

Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. Peak hour shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

1137102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1137102.E. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 7,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

3. the all-months accountability level shall be 49,000 contracts net long or net short in all months combined;
4. the any-one month accountability level shall be 35,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1137102.F. Termination of Trading

Trading shall cease on the last business day of the contract month.

1137102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1137103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1137104. DISCLAIMER

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Chapter 1138

PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap Futures

1138100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1138101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the arithmetic average of the PJM ATSI Zone Day-Ahead LMP for Off-Peak hours provided by PJM Interconnection, LLC (PJM), for the contract month. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1138102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1138102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1138102.B. Trading Unit

The contract quantity shall be 5 Megawatt hours (MWh). Transaction sizes for trading any contract month shall be restricted to whole number multiples of the number of off-peak hours in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1138102.C. Off-Peak Days and Off-Peak Hours

Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) and Saturday-Sunday HE 0100-2400 EPT including North American Electric Reliability Corporation holidays.

1138102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1138102.E. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 170,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

5. the all-months accountability level shall be 1,190,000 contracts net long or net short in all months combined;
6. the any-one month accountability level shall be 850,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1138102.F. Termination of Trading

Trading shall cease on the last business day of the contract month.

1138102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1138103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1138104. DISCLAIMER

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Chapter 1139
PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap Futures

1139100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1139101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month will be equal to the arithmetic average of the PJM ATSI Zone Real-Time LMP for Off-Peak hours provided by PJM Interconnection, LLC (PJM), for the contract month. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1139102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

1139102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1139102.B. Trading Unit

The contract quantity shall be 5 Megawatt hours (MWh). Transaction sizes for trading any contract month shall be restricted to whole number multiples of the number of off-peak hours in the contract month. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1139102.C. Off-Peak Days and Off-Peak Hours

Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) and Saturday-Sunday HE 0100-2400 EPT including North American Electric Reliability Corporation holidays.

1139102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1139102.E. Position Limits and Position Accountability

In accordance with Rule 559, no person shall own or control positions in excess of 110,000 contracts net long or net short in the spot month.

In accordance with Rule 560:

7. the all-months accountability level shall be 770,000 contracts net long or net short in all months combined;
8. the any-one month accountability level shall be 550,000 contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1139102.F. Termination of Trading

Trading shall cease on the last business day of the contract month.

1139102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1139103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

1139104. DISCLAIMER

NYMEX, ITS AFFILIATES AND PJM MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR

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Chapter 1140
PJM ATSI Zone 5 MW Peak Calendar-Day Day-Ahead Swap Futures

1140100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1140101. CONTRACT SPECIFICATIONS

The Floating Price for each contract day will be equal to the arithmetic average of the PJM ATSI Zone Day-Ahead LMP for peak hours provided by PJM Interconnection, LLC (PJM), for the contract day. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1140102. TRADING SPECIFICATIONS

The number of days open for trading at a given time shall be determined by the Exchange.

1140102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1140102.B. Trading Unit

The contract quantity shall be 80 Megawatt hours (MWh) and is based on 5 megawatts for peak daily hours. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1140102.C. Peak Days and Peak Hours

Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. Peak hour shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

1140102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1140102.E. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap futures. Each position in the contract will be calculated as a single position in the PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 10,000 (PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

9. the all-months accountability level shall be 70,000 (PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap futures) contracts net long or net short in all months combined;
10. the any-one month accountability level shall be 50,000 (PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap futures) contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1140102.F. Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the previous business day.

1140102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1140103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract day, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract day.

1140104. DISCLAIMER

NYMEX, ITS AFFILIATES AND PJM MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND PJM MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR PJM HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Chapter 1141
PJM ATSI Zone 5 MW Peak Calendar-Day Real-Time Swap Futures

1141100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1141101. CONTRACT SPECIFICATIONS

The Floating Price for each contract day will be equal to the arithmetic average of the PJM ATSI Zone Real-Time LMP for peak hours provided by PJM Interconnection, LLC (PJM), for the contract day. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1141102. TRADING SPECIFICATIONS

The number of days open for trading at a given time shall be determined by the Exchange.

1141102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1141102.B. Trading Unit

The contract quantity shall be 80 Megawatt hours (MWh) and is based on 5 megawatts for peak daily hours. Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1141102.C. Peak Days and Peak Hours

Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. Peak hour shall mean from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

1141102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1141102.E. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap futures. Each position in the contract will be calculated as a single position in the PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 7,000 (PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

11. the all-months accountability level shall be 49,000 (PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap futures) contracts net long or net short in all months combined;
12. the any-one month accountability level shall be 35,000 (PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap futures) contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1141102.F. Termination of Trading

Trading shall cease on the business day that is the peak day. When the peak day is not a business day, trading shall cease on the previous business day.

1141102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1141103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract day, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract day.

1141104. DISCLAIMER

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Chapter 1142
PJM ATSI Zone 5 MW Off-Peak Calendar-Day Day-Ahead Swap Futures

1142100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1142101. CONTRACT SPECIFICATIONS

The Floating Price for each contract day will be equal to the arithmetic average of the PJM ATSI Zone Day-Ahead LMP for Off-Peak hours provided by PJM Interconnection, LLC (PJM), for the contract day. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1142102. TRADING SPECIFICATIONS

The number of days open for trading at a given time shall be determined by the Exchange.

1142102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1142102.B. Trading Unit

The contract quantity shall be 5 Megawatt hours (MWh). Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1142102.C. Off-Peak Days and Off-Peak Hours

Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) and Saturday-Sunday HE 0100-2400 EPT including North American Electric Reliability Corporation holidays.

1142102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1142102.E. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap futures. Each position in the contract will be calculated as a single position in the PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 170,000 (PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

13. the all-months accountability level shall be 1,190,000 (PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap futures) contracts net long or net short in all months combined;
14. the any-one month accountability level shall be 850,000 (PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap futures) contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1142102.F. Termination of Trading

Trading shall cease on the business day that is the off-peak day. When the off-peak day is not a business day, trading shall cease on the previous business day.

1142102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1142103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract day, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract day.

1142104. DISCLAIMER

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Chapter 1143
PJM ATSI Zone 5 MW Off-Peak Calendar-Day Real-Time Swap Futures

1143100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

1143101. CONTRACT SPECIFICATIONS

The Floating Price for each contract day will be equal to the arithmetic average of the PJM ATSI Zone Real-Time LMP for Off-Peak hours provided by PJM Interconnection, LLC (PJM), for the contract day. For settlement of this contract, the prices provided by PJM will be considered final on the Payment Date and will not be subject to any further adjustment.

1143102. TRADING SPECIFICATIONS

The number of days open for trading at a given time shall be determined by the Exchange.

1143102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1143102.B. Trading Unit

The contract quantity shall be 5 Megawatt hours (MWh). Each futures contract shall be valued as the contract quantity multiplied by the settlement price.

1143102.C. Off-Peak Days and Off-Peak Hours

Off-Peak shall mean Monday through Friday Hour Ending (HE) 0100-0700 and 2400 Eastern Prevailing Time (EPT) and Saturday-Sunday HE 0100-2400 EPT including North American Electric Reliability Corporation holidays.

1143102.D. Price Increments

Prices shall be quoted in U.S. dollars and cents per MWh. The minimum price fluctuation shall be \$0.05 per MWh.

1143102.E. Position Limits and Position Accountability

For purposes of calculating compliance with position limits, each contract will be aggregated with positions held in PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap futures. Each position in the contract will be calculated as a single position in the PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap futures contract.

In accordance with Rule 559, no person shall own or control positions in excess of 110,000 (PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap futures) contracts net long or net short in the spot month.

In accordance with Rule 560:

15. the all-months accountability level shall be 770,000 (PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap futures) contracts net long or net short in all months combined;
16. the any-one month accountability level shall be 550,000 (PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap futures) contracts net long or net short in any single contract month excluding the spot month.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1143102.F. Termination of Trading

Trading shall cease on the business day that is the off-peak day. When the off-peak day is not a business day, trading shall cease on the previous business day.

1143102.G. Payment Date

Payment Date shall be five (5) business days following termination of trading.

1143103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract day, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract day.

1143104. DISCLAIMER

NYMEX, ITS AFFILIATES AND PJM MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND PJM MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR PJM HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

APPENDIX B

Chapter 5 Table

(**Bold/underline** indicates additions)

<u>Contract Name</u>	<u>Rule Chapter</u>	<u>Commodity Code</u>	<u>All Month Account-ability Level</u>	<u>Any One Month Account-ability Level</u>	<u>Expira-tion Month Limit</u>	<u>Report-ing Level</u>	<u>Aggre-gate Into (1)</u>
			<u>Rule 560</u>	<u>Rule 560</u>	<u>Rule 559</u>	<u>Rule 561</u>	
<i>Electricity</i>							
<i>PJM Interconnection LLC</i>							
<i>ATSI Zone</i>							
<u>PJM ATSI Zone 5 MW Peak Calendar-Month Day-Ahead Swap Futures</u>	<u>1136</u>	<u>MPD</u>	<u>70,000</u>	<u>50,000</u>	<u>10,000</u>	<u>25</u>	<u>MPD</u>
<u>PJM ATSI Zone 5 MW Peak Calendar-Day Day-Ahead Swap Futures</u>	<u>1140</u>	<u>DPD</u>	<u>70,000</u>	<u>50,000</u>	<u>10,000</u>	<u>25</u>	<u>MPD</u>
<u>PJM ATSI Zone 5 MW Peak Calendar-Month Real-Time Swap Futures</u>	<u>1137</u>	<u>MPR</u>	<u>49,000</u>	<u>35,000</u>	<u>7,000</u>	<u>25</u>	<u>MPR</u>
<u>PJM ATSI Zone 5 MW Peak Calendar-Day Real-Time Swap Futures</u>	<u>1141</u>	<u>DPR</u>	<u>49,000</u>	<u>35,000</u>	<u>7,000</u>	<u>25</u>	<u>MPR</u>
<u>PJM ATSI Zone 5 MW Off-Peak Calendar-Month Day-Ahead Swap Futures</u>	<u>1138</u>	<u>MOD</u>	<u>1,190,000</u>	<u>850,000</u>	<u>170,000</u>	<u>25</u>	<u>MOD</u>
<u>PJM ATSI Zone 5 MW Off-Peak Calendar-Day Day-Ahead Swap Futures</u>	<u>1142</u>	<u>DOD</u>	<u>1,190,000</u>	<u>850,000</u>	<u>170,000</u>	<u>25</u>	<u>MOD</u>
<u>PJM ATSI Zone 5 MW Off-Peak Calendar-Month Real-Time Swap Futures</u>	<u>1139</u>	<u>MOR</u>	<u>770,000</u>	<u>550,000</u>	<u>110,000</u>	<u>25</u>	<u>MOR</u>
<u>PJM ATSI Zone 5 MW Off-Peak Calendar-Day Real-Time Swap Futures</u>	<u>1143</u>	<u>DOR</u>	<u>770,000</u>	<u>550,000</u>	<u>110,000</u>	<u>25</u>	<u>MOR</u>

APPENDIX C

Cash Market Overview and Analysis of Deliverable Supply

CASH MARKET OVERVIEW

PJM

PJM Interconnection LLC (PJM) is an independent Regional Transmission Organization (RTO) that plays a vital role in the U.S. electric system by providing its membership opportunities for buying and selling power, arranging transmission service, and allowing the use of larger and more efficient generating units. PJM also manages a sophisticated regional planning process for generation and transmission expansion. PJM coordinates the movement of electricity in 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. With the implementation of the PJM Open Access Transmission Tariff on April 1, 1997, PJM began operating the nation's first regional, bid-based hourly energy market. PJM enables participants to buy and sell energy, schedule transactions and reserve transmission service. PJM provides accounting and billing services for these transactions using information supplied by each member utility. In addition, it operates the competitive wholesale energy market for the region and facilitates open access to transmission. Electricity suppliers who sell electricity to customers within the PJM zones must become Load Serving Entity (LSE) members of PJM, or contract with a third party LSE. The PJM Energy Market comprises all types of energy transactions, including the sale or purchase of energy in PJM's Day-Ahead and Real-Time energy markets, bilateral and forward markets and self-supply. These markets provide key benchmarks against which market participants may measure results of transactions in other markets. The Exchange already offers PJM day-ahead and real-time futures contracts listed on its platforms.

PJM offers two basic energy markets for electricity participants: spot or real-time; and energy forward market which is known as the day-ahead market. In the real-time market, market participants enter bids and offers which are matched by PJM. Market clearing prices are generated by PJM which are posted on the PJM website. The day-ahead market operates through bids and offers for delivery during hours in the next day. PJM provides a market clearing function related to the submitted bids and offers and posts 24

hourly prices for the next PJM day. The real-time and day-ahead PJM markets are interrelated as actual generation and load may differ from forecasted generation and load expressed in the day-ahead market. Bids and offers in the real-time market provide the mechanism for the forecasted/actual differences.

ATSI Zone

On behalf of American Transmission Systems, Inc. (ATSI), FirstEnergy Service Company filed with Federal Energy Regulatory Commission (FERC) on August 17, 2009 to move its transmission assets, which were referred to commercially as FirstEnergy Hub of Midwest ISO (MISO), from MISO to PJM. The ATSI Zone was created by PJM effective June 1, 2011 to integrate the transmission assets of ATSI, the generation assets of First Energy Solutions Corporation and other generation owners, and a number of the distribution affiliates of First Energy and other load serving entities into PJM. Upon integration, the ATSI Zone became part of the PJM Balancing Authority.

Table 1, below, indicates the size of the physical and commercial markets for the PJM ATSI Zone (or the prior MISO FirstEnergy Hub). The data of 2011 first quarter is derived from quarterly power marketer filings required by the FERC. These filings reports provide the total MWh volume at named delivery locations. Reporting of market-based activity to FERC includes both cash and OTC markets. The filings do not segment the reported transactions by peak/off-peak or transaction duration. Platts obtains the quarterly filings and publishes the aggregation. The report does not segment the reported transactions by peak/off-peak or transaction duration. That said, on average, Day-Ahead load represents approximately 60% of total system load as opposed to 40% for Real-Time, and of that, about 50% is for peak hour transaction. Peak day shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. Peak Hours shall cover from Hour Ending (HE) 0800 Eastern Prevailing Time (EPT) through HE 2300 EPT.

Table 1:

Contract	MWh	MWh Per Month	60% Day-Ahead	40% Real-Time
PJM ATSI Hub	42,820,315	14,273,438	8,564,063	5,709,375

PJM ATSI Zone Electricity Market Participants

Table 2 below includes some of the more active participants in the PJM ATSI market.

Table 2:

Retail Providers	Generation Operators	Marketers	Financial Participants	OTC Brokers
First Energy Solutions	First Energy Solutions	Constellation Energy Group	Merrill Lynch	ICAP
Constellation NewEnergy	Genon Energy	British Petroleum	Morgan Stanley	Prebon
Direct Energy	American Electric Power Service	DTE Energy & Affiliates	Deutsche Bank	
			UBS	
			JP Morgan	

ANALYSIS OF DELIVERABLE SUPPLY

According to the 2011 first quarter power marketer filings required by the FERC, the total volume at the former FirstEnergy Hub with MISO, or the current ATSI Zone with PJM, was approximately 42,820,315 megawatt hours (MWh). The average monthly volume was 14,273,438 MWh.

There are two basic types of futures contracts proposed under this submission: peak and off-peak. For each, the underlying unit is 5 MWh. The peak contract is the financial equivalent of 5 MW per hour for each peak hour of a peak day—16 hours in total—leading to a contract size of 80 MWh.

There are restrictions placed on transaction sizes of the contracts. Transactions in the peak contract must be conducted in multiples of the number of peak days in the contract month. This can range from 19-23 days. The combination of contract size and these transaction conditions will provide market participants with futures contracts that satisfy the need for a lower unit and a monthly commercial contract structure. Transactions in the off-peak contract are restricted to the total number of off-peak hours in the transaction month—approximately 390 hours, depending on the month. The combination of contract size and these transaction conditions will provide market participants with futures contracts that satisfy the need for a lower unit and a monthly commercial contract structure.

"Peak Days" shall mean a Monday through Friday, excluding North American Electric Reliability Corporation holidays. "Peak Hours" shall mean Hour Ending 0800 through 2300 Eastern Prevailing Time (EPT). "Off-Peak Days and Hours" shall mean the hours ending 0100 through 0700 and 2400 EPT, Monday through Friday and the hours ending 0100 through 2400 EPT, Saturday and Sunday, including North American Electric Reliability Corporation holidays.

As stated above, the average monthly volume is approximately 14,273,438 MWh. The average monthly day-ahead volume is 60% of the total or 8,564,063 MWh and the average monthly real-time volume is 40% of the total or 5,709,375 MWh.

The adjusted monthly peak load is 4,282,032 MWh for day-ahead and 2,854,688 MWh for real-time, which is equivalent to 53,525 and 35,684 NYMEX peak contracts, respectively. The proposed limit is 10,000 contracts for day-ahead peak contracts and 7,000 contracts for real-time peak contracts.

The adjusted monthly off-peak load is 4,282,032 MWh for day-ahead and 2,854,688 MWh for real-time, which is equivalent to 856,406 and 570,938 NYMEX off-peak contracts, respectively. The proposed limit is 170,000 contracts for day-ahead off-peak contracts and 110,000 contracts for real-time off-peak contracts.

The spot month position limits for the day-ahead and real-time, peak and off-peak contracts represent approximately 20% of the deliverable supply.