



Option on Palo Verde Day-Ahead Peak Fixed Price Future

Contract Specifications

Description	A monthly Option on the corresponding Contract Period of the Palo Verde Day-Ahead Peak Fixed Price Future.
Contract Symbol	PVM
Settlement Method	Exercise into Underlying Futures Contract
Contract Size	1 MW
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	Up to 50 consecutive monthly Contract Periods, or as otherwise determined by the Exchange
Last Trading Day	At 2:30pm EPT on the fifth Business Day prior to the first calendar day of the Contract Period
Option Style	American

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Exercise Procedure	<p>Manual on any Business Day, Automatic on Last Trading Day</p> <p>Clearing Members shall provide exercise and abandon instructions to the Clearing Organization in accordance with Clearing Organization Rules.</p> <p>Options which are "in the money", with respect to the average of the Reference Price A prices, exercise automatically into the Underlying Futures Contract with a contract price equal to the Strike Price. Options which are "out of the money" expire automatically.</p>
REFERENCE PRICE A	ELECTRICITY-PALO VERDE-DAY AHEAD-PEAK MONTHLY-ICE
a) Ref Price A - Description	"ELECTRICITY-PALO VERDE-DAY AHEAD-PEAK MONTHLY-ICE" means that the price for a Pricing Date will be that day's Specified Price per MWh of electricity on ICE of the CAISO PALO VERDE Day-Ahead Peak Fixed Price Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by ICE on that Pricing Date.
b) Ref Price A - Pricing Date	Five Business Days prior to the first calendar day of the Contract Period
c) Ref Price A - Specified Price	Settlement Price
d) Ref Price A - Pricing calendar	ICE
e) Ref Price A - Delivery Date	Contract Period
Strike Price Listing	A minimum of ten Strike Prices in increments of \$1.00 per MWh 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.