



# Option on PJM PPL Day-Ahead Peak Fixed Price Future

## Contract Specifications

Description	A monthly Option on the corresponding Contract Period of the PJM PPL Zone Day-Ahead Peak Fixed Price Future
Contract Symbol	PPP
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 24 consecutive monthly Contract Periods, or as otherwise determined by the Exchange
Last Trading Day	At 2:30pm EPT on the second 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-PJM-PPL-DAY AHEAD
a) Ref Price A - Description	<p>"ELECTRICITY-PJM-PPL-DAY AHEAD" means that the price for a Pricing Date will be that day's Specified Price per MWh of electricity for Delivery on the Delivery Date, stated in U.S. Dollars, published by the PJM at <a href="http://pjm.com/markets-and-operations/energy/day-ahead/impda.aspx">http://pjm.com/markets-and-operations/energy/day-ahead/impda.aspx</a> , under the Headings "Daily Day-Ahead Locational Marginal Pricing(LMP): LMP Day-Ahead Data: PPL" or any successor headings, that reports Prices effective on the Pricing Date</p>
b) Ref Price A - Pricing Date	Each Monday through Friday, excluding NERC holidays, that prices are reported for the Delivery Date
c) Ref Price A - Specified Price	Average of LMPs for all hours ending 0800-2300 EPT
d) Ref Price A - Pricing calendar	PJM
e) Ref Price A - Delivery Date	Contract Period
Strike Price Intervals	<p>A minimum of ten Strike Prices in increments of \$0.50 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.</p>