



## Option on ERCOT North 345KV Real-Time 2x16 Fixed Price Future

### Contract Specifications

|                           |   |
|---------------------------|---|
| Description               | A monthly Option on the corresponding Contract Period of the ERCOT North 345KV Real-Time 2x16 Fixed Price Future.   |
| Contract Symbol           | ER2   |
| 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 second Business Day prior to the first calendar day of the Contract Period   |
| Option Style              | American  |

# Contract Specifications

|                                   |  |
|-----------------------------------|--|
| Exercise Procedure                | <p>Manual; 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 Reference Price A, 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> <p>Exercise Day is manual on any Business Day, Automatic on Last Trading Day</p> |
| REFERENCE PRICE A                 | ELECTRICITY-ERCOT-NORTH 345KV HUB-REAL TIME 2x16 MONTHLY-ICE   |
| a) Ref Price A - Description      | "ELECTRICITY-ERCOT-NORTH 345KV HUB-REAL TIME 2x16 MONTHLY-ICE" 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, as made public by ICE on that Pricing Date.  |
| b) Ref Price A - Pricing Date     | Two 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.  |