



Chicago Climate Futures Exchange, LLC

Delivery Procedures Voluntary Renewable Energy Certificate Futures

**Version 1.0
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Overview

This document addresses the delivery process for the following Chicago Climate Futures Exchange, LLC (“CCFE”) product:

Voluntary Renewable Energy Certificates Futures (REC V)

Contract specifications for this product may be found on the Chicago Climate Exchange website at http://www.ccfex.com/about_ccfe/products.html and in the CCFE rulebook, also available on the website at http://www.ccfex.com/membership_ccfe/rulebook.html.

Delivery will occur only at the expiration of a contract. Market participants holding positions at the expiration will be required to participate in the delivery process. The Clearing Corporation (“CCCorp”), CCFE’s clearing service provider, will assign deliveries between clearing firms upon the expiration of a contract.

Eligibility to Participate in the Delivery Process

For CCFE REC V futures products delivered into any one of the Eligible Electronic Registries. The Eligible Electronic Registries are:

1. Midwest Renewable Energy Tracking System (M-RETS)
2. New England Power Pool Generation Information System (NEPOOL GIS)
3. PJM Interconnection Generation Attribute Tracking System (PJM GATS)
4. Western Renewable Energy Generation Information System (WREGIS)
5. Electric Reliability Council of Texas Renewable Energy Credit information tracking system (Texas Registry)
6. North American Renewables Registry (NARR)

CCFE clearing and non-clearing members and all their market participants that make or take delivery of REC futures products must have at least one account in the Eligible Electronic Registry(ies). Selling members must have at least one account in the Eligible Electronic Registry in which they will make delivery. Buying members must have accounts in all of the Eligible Electronic Registries to ensure their ability to take delivery.

Accounts in the Eligible Electronic Registries may be initiated at:

Eligible Electronic Registries	Location for Account Set Up	Contact Information for Questions
Midwest Renewable Energy Tracking System (M-RETS)	http://www.m-rets.org/resources/RegistrationDocuments.asp	408-986-2258 mrets_admin@apx.com
New England Power Pool Generation Information System (NEPOOL GIS)	https://www.nepoolgis.com/mymodule/reg/application.asp	408-517-2174 gis@apx.com
PJM Interconnection Generation Attribute Tracking System (PJM GATS)	http://www.pjm-eis.com/documents/downloads/terms-of-use.pdf	info@pjm-eis.com

Western Renewable Energy Generation Information System (WREGIS)	http://www.wregis.org/component/option,com_docman/task,doc_download/gid,285/	888-225-4213
Electric Reliability Council of Texas (ERCOT) Renewable Energy Credit (REC) information tracking system	https://www.texasrenewables.com/mymodule/reg/application.asp	512-248-3131
North American Renewables Registry (NARR)	http://narenewables.apx.com/resources/Registration.asp	201-222-1422 naradmin@apx.com

Delivery Process for Futures Contracts

Delivery is a three day process consisting of Position Day, Notice Day, and Delivery Day occurring over three consecutive Business Days.

Position Day. The first Business Day following a REC V futures contract's expiration day is the day that Clearing Members must report their long futures positions and tender delivery notices to the Clearing Service Provider.

Notice Day. On the Business Day after the Position Day, the Clearing Service Provider will make the appropriate delivery assignments. The seller Clearing Member must provide to the buyer Clearing Member(s) a description of the underlying RECs to be delivered. The buyer Clearing Member(s) provides account information to the seller Clearing Member(s). The information exchange is to be completed by 4:00p.m. U.S. Central Time. The seller Clearing Member must ensure the appropriate RECs are on deposit in its or its customer's Eligible Electronic Registry account by 5:00p.m. U.S. Central Time.

Delivery Day. CCFE Clearing Service Provider will issue payment instructions to the respective buyer clearing member for the full contract value based upon the expiration day's settlement price in a means and manner prescribed by the Clearing Service Provider. By 3:00 p.m. U.S. Central Time, the Seller Clearing Member must ensure that it or its customer has electronically submitted the REC instrument transfer instructions via the Eligible Electronic Registry system.

The assigned CCFE clearing members will exchange the following information (See Exhibit B):

1. The seller clearing member provides to the buyer clearing member(s) a description of the underlying RECs to be delivered, including a specification of the Eligible Electronic Registry and for deliveries from the Texas Registry the matching ID number of the generation facility from the list of tracking attestations provided on the Green-e[®] Energy website at http://www.green-e.org/tracking_attests_recd.html.
2. The buyer clearing member(s) will provide the following information to the seller clearing member (see Exhibit B):

- CCFE Clearing Member's or its customer's Account # and name in the Eligible Electronic Registry matching that of the selling clearing member
- Authorized Account Representative Name
- Authorized Account Representative email address
- Authorized Account Representative phone number

CCorp will invoice payment instructions to the respective buyer clearing member(s) for the full contract value based upon the expiration day settlement price.

Delivery Day

A. Buyer Clearing Member Pays for Delivery

At 6:40 a.m. CT, CCorp will issue payment instructions to the buyer clearing member for the full contract value in a means and manner prescribed by CCorp.

B. Positions

CCorp removes delivery positions from margined positions.

C. Delivery

No later than 3:00 p.m. CT, the seller clearing member or its customer must electronically submit the allowance transfer instructions via the Eligible Electronic Registry, which are available 24 hours a day, 7 days a week.

Delivery is initiated by the selling clearing member through the Eligible Electronic Registry. The selling clearing member must select the buyer clearing members' account by name or number from a drop down list. The REC transfer is pending until it is accepted by the buyer clearing member. For all but the Texas Registry an electronic confirmation is sent to the seller and buyer once the REC transfer is accepted by the buyer. In the Texas Registry, the seller and buyer will see the completed transaction in the transaction report module.

If the seller clearing member's customer was responsible for providing the delivery instructions to the Eligible Electronic Registry(ies), the customer must forward the email confirmation to the seller clearing member.

For deliveries within the Texas Registry, the seller clearing member or its customer must also provide a designation of the ID number of the generation facility from the list of tracking attestations provided on the Green-e® Energy website at http://www.green-e.org/tracking_attests_recd.html.

D. Confirmation of Delivery to CCorp

The CCorp delivery confirmation requirements are as follows.

- The buying clearing member will create a separate CCFE Receipt of Delivery Confirmation form for each selling clearing member.
- No money will be released to the selling clearing member for any transfers not contained on the confirmation document.
- This form should be completed electronically and e-mailed to CSS at css@clearingcorp.com or faxed to 312-986-3444 and should be sent to CCorp by an authorized individual known by CSS. The buyer clearing member should contact CSS via telephone at 312-786-5718 to verify receipt of the e-mail.
CSS reserves the right to contact the buying clearing member to verify the validity of any form received from the buying clearing member.

Payment

CCorp will release the delivery proceeds to the seller clearing member on the following schedule:

- Confirmation documents received at CCorp by 12:30 p.m. will result in money released at midday. This time may be adjusted earlier if CCorp runs its midday process earlier.¹
- Confirmation documents received after 12:30 will result in money being released for end of day.
- If a confirmation document is not received at CCorp by 4:00 p.m. on the delivery day, the money will NOT be released to the Selling Clearing Member. The Buying Clearing Member should contact CCorp and CCFE ASAP if this deadline cannot be met. Failure to authorize the release of money on delivery day will be considered to be a default on delivery and will be referred to CCFE.

The CCFE Receipt of Delivery form is located at:

<http://www.clearingcorp.com/clearingmembers/SpecialForms/CCFE-Receipt-of-Delivery-Confirmation.html>

Underlying RECs Eligible for Delivery

The CCFE Rulebook and Member Advisories provide details regarding RECs eligible for delivery purposes.

Delivery Disputes and Resolutions

The CCFE Rulebook and Member Advisories address delivery disputes and resolutions.

Delivery Fees

CCFE and CCorp may assess transaction fees to CCFE clearing members for delivery transactions. Communication of such fees will be through CCFE Member Advisories and CCorp's communication process.

¹ On occasion, at CCorp's discretion, Mid-day Variations may be run earlier than CCorp's regularly scheduled mid-day settlement. CCorp will release delivery proceeds to a selling clearing member during the earlier mid-day settlement provided that CCorp receives the applicable confirmation sufficiently prior to the earlier mid-day settlement. Otherwise, CCorp will release the delivery proceeds at the 6:40 a.m. CT on the next business day.

CY 2009 RECs and specifies the Eligible Registry or combination of Eligible Registries for delivery.

2. Clearing Member B provides Clearing Member A with the account details of the matching Eligible Electronic Registry and contact information. Clearing Member A provides Clearing Member B with the account details of the matching Eligible Electronic Registry and contact information.
- 3.
4. Clearing Member A must have 100,000 CY 2009 RECs in its (or its customers) Eligible Electronic Registry(ies) account(s) by the close of business on Notice Day for delivery the next day. Clearing Member B must have 75,000 CY 2009 RECs in its (or its customers) Eligible Electronic Registry(ies) account(s) by the close of business on Notice Day for delivery the next day.

Delivery Day

1. CCorp issues payment instructions to the respective buyer clearing members for full contract value (\$350,000 and \$262,500) from Clearing Member A and B respectively based on final settlement price.
2. By 3:00 p.m. CT, Clearing Member A and B submit electronic transfer instructions to the Eligible Electronic Registry(ies). (Instructions include e-mail contact information for seller and buyer clearing members.)
3. Eligible Electronic Registry sends both parties (Clearing Members A and B) e-mail confirmation of transfer. In the case of the Texas Registry, the transaction report serves as confirmation of delivery
4. Buyer clearing member submits CCFE Receipt of Delivery Confirmation to CCorp.

Payment

CCorp remits delivery proceeds (\$350,000 and \$262,500) to Clearing Member A and B's non-segregated settlement account.



Exhibit B

**CHICAGO CLIMATE FUTURES EXCHANGE, LLC
RENEWABLE ENERGY CERTIFICATE ELIGIBLE ELECTRONIC REGISTRY
DELIVERY INSTRUCTIONS**

Date: _____

Futures Contract: REC V

Month (Circle one): December March June September

Seller Clearing Member Name: _____

To be Delivered: <u>Vintage</u>	<u>Quantity</u>	<u>Registry</u>	<u>Specific REC</u>	<u>ID No.in Registry</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Quantity:	_____			

Seller Clearing Member Representative: _____
 Phone Number _____
 Fax Number _____

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Buyer Clearing Member Name: _____

Registry Account Information (repeat sheet if multiple):

Account name: _____

Account # _____

Account Rep. email _____

Account Rep. phone # _____

Account Rep. fax # _____

Buyer Clearing Member Representative: _____
 (If different from Account Rep.)
 Phone Number _____
 Fax Number _____