

NODAL EXCHANGE CONTRACT SPECIFICATION

Renewable Natural Gas Certificate Future

ITEM	SPECIFICATION
Contract Description	Physically delivered electronic Renewable Thermal Certificates (RTCs™) issued by the Midwest Renewable Energy Tracking System (M-RETS®) for qualifying renewable natural gas (RNG) or biomethane injection into a distribution or interstate natural gas pipeline in the United States.
Contract Code	RTC
Settlement Method	Physical Delivery
Hours of Trading	As defined at http://www.nodalexchange.com
Unit of Trading	1 lot
Lot Size	1,000 Dekatherm (dth) representing 1,000 RTCs
Currency	US Dollars
Minimum Tick	\$0.01 per dth
Settlement Price Precision	\$0.01 per dth
Last Trading Day	Three Business Days prior to the last Business Day of the delivery month
Delivery Day	Three Business Days after the Last Trading Day (Last Business Day of the delivery month)
Contract Series	Quarterly contracts for the current year plus two additional years and annual December contracts for up to an additional 3 years. The exchange may list any other calendar month contract set off the standard listing cycle.
Deliverable Product	<p>Renewable Thermal Certificates (RTCs) eligible to be delivered must be issued by the Midwest Renewable Energy Tracking System (M-RETS®) for renewable natural gas or biomethane injection into a distribution or interstate natural gas pipeline in the United States for volumes equal to the contract size.</p> <p>To be recognized as renewable natural gas for the purpose of M-RETS registration and deliverability into this contract, the biomethane must be produced from the anaerobic decomposition of organic material, including co-digestion at a landfill, livestock manure digester or wastewater treatment plant; or, produced from the non-combustion thermal conversion of any of the following materials:</p> <ol style="list-style-type: none"> (1) Agricultural crop residues. (2) Bark, lawn, yard, and garden clippings. (3) Leaves, silvicultural residue, and tree and brush prunings. (4) Wood, wood chips, and wood waste. (5) Nonrecyclable pulp or nonrecyclable paper materials. (6) Livestock waste. (7) Municipal sewage sludge or biosolids

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	<p>Eligibility for delivery of RNG-based RTCs from anaerobic decomposition (including co-digestion) at landfills, livestock manure digesters and wastewater facilities is automatic.</p> <p>For RNG RTCs produced from the non-combustion thermal conversion of biomass, eligible volumes must be accompanied by a carbon intensity report registered with M-RETS confirming a lifecycle carbon intensity of no more than 40 gCo2e/MJ at the point of injection into the distribution or interstate pipeline system. Acceptable models include GHG Genius, California Air Resources Board’s Low Carbon Fuel Standard CA-GREET and Argonne National Laboratory’s GREET.</p> <p>Eligible RNG-based RTCs for delivery must be verified by an Independent Reporting Entity that is registered with M-RETS and authorized by the Exchange based on verified volumes of RNG injected into the distribution or interstate pipeline system using revenue grade meters.</p> <p>Consistent with the definition included in Center for Resource Solutions’ (CRS) Green-e® Renewable Fuel Standard, the eligible generation year of the RNG deliverable into this contract is determined by the transaction year of the RTCs where the transaction year is the year of the expiring contract.</p>
Registry	Midwest Renewable Energy Tracking System (M-RETS)
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded contracts, as appropriate
Final Settlement Price	The Daily Settlement Price on the Last Trading Day
Delivery	On the Last Trading Day, the Exchange will provide the Clearing House with information identifying the Participants with delivery obligations for the purpose of issuing Tender and invoice notices in accordance with Section IX (Physical Delivery and Settlement) of the Nodal Clear Rulebook.
Final Settlement (Payment) Date	Three or four Business Days after the Last Trading Day on the successful delivery of the underlying instruments (if the delivery confirmation is available by 11:30am on the third Business Day after the Last Trading Day, the payment will be made on the same day during the Midday Margin Cycle; if it is available after 11:30am, the payment will be made on the next Margin Cycle which will be the next Business Day)
Position Limit	https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF
Margin Unit	US Dollars