

Nodal Exchange achieves new records with 65% growth in power and 10% growth in environmental futures

WASHINGTON, DC – October 5, 2023

Nodal Exchange today announced significant growth in both power and environmental futures in the month of September. In power, Nodal set a calendar month record for September 2023 with 224.1 million MWh of traded power futures volume in the month, up 65% from the prior year. Nodal continues to be the market leader in North American power futures having the majority of the open interest with 1.240 billion MWh at the end of September.

September 2023 environmental volume was 28,769 lots, up 10% from 26,190 lots in September 2022. For Q3 2023, Nodal reported environmental futures and options volume of 84,745 lots, up 27% from 66,984 lots in Q3 2022. Environmental markets on Nodal ended September with more than 270,000 lots of open interest, up 32% from a year earlier.

Some highlights from the environmental markets include:

Open interest in PJM-related open interest ended the month at 120,482 contracts, up nearly 15% from a year earlier. Texas CRS wind and CRS solar RECs continued to climb, with 49,851 lots of open interest, up 34% from a year earlier, while NEPOOL-related contracts ended September with just over 43,057 lots, up 108% from a year earlier.

September was also a strong month for the Pennsylvania Tier 2 REC contract, where Nodal posted more than 7,000 lots. Open interest in Pennsylvania Tier 2 RECs rose to 28,966 lots, up more than 300% from a year earlier.

In carbon, RGGI (Regional Greenhouse Gas Initiative) futures ended September at 20,250 lots of open interest. It has been a steady build in RGGI open interest on Nodal in 2023, almost doubling open interest since January 1.

Washington Carbon Allowance products edged higher, ending the month at 3,712 lots of open interest, a new end-of-month high. Nodal, in collaboration with IncubEx, has been building out the Washington State contracts, with the listing of Washington Vintage Specific futures and Washington Clean Fuels Program futures in August. In addition, Washington Carbon Allowance options contract with futures-style margining traded in Q3, thus marking another step in the development of markets on the exchange. Futures-style margining (FSM), offered on Nodal since July, allows firms to trade options using the same initial and variation margin concepts they are accustomed to with futures. Nodal Exchange's FSM options offered across power, environmental and gas contracts give traders access to more capital-efficient options contracts.



And, in California LCFS (Low Carbon Fuel Standard) futures, open interest rose to 15,850 contracts, up 890% from a year earlier.

“Nodal Exchange is pleased to see continued growth in our power and environmental markets and appreciates the ongoing support of its community,” said Paul Cusenza, Chairman and CEO of Nodal Exchange and Nodal Clear. “Managing risk in these markets is increasingly important and we will continue to seek to best meet the evolving needs of the participants we serve.”

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ABOUT NODAL

Nodal Exchange is a derivatives exchange providing price, credit and liquidity risk management solutions to participants in the North American commodities markets. Nodal Exchange is a leader in innovation, having introduced the world’s largest set of electric power locational (nodal) futures contracts and the world’s largest set of environmental contracts. As part of EEX Group, a group of companies serving international commodity markets, Nodal Exchange currently offers over 1,000 contracts on hundreds of unique locations, providing the most effective basis risk management available to market participants. In addition, Nodal Exchange offers natural gas and environmental contracts. All Nodal Exchange contracts are cleared by Nodal Clear which is a CFTC registered derivatives clearing organization. Nodal Exchange is a designated contract market regulated by the CFTC. www.nodalexchange.com