



September 1, 2025

Submitted via CFTC Portal

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**REsurety Markets LLC Certification under CFTC Regulation 40.2 of Virtual Power Purchase Agreements settled at settlement points within the operational boundaries of the ISO New England**

Dear Mr. Kirkpatrick,

REsurety Markets LLC ("**REsurety Markets**") hereby notifies the Commodity Futures Trading Commission ("**CFTC**" or "**Commission**"), pursuant to CFTC Regulation 40.2(a) of its intent to list Virtual Power Purchase Agreements ("**VPPAs**") with settled points located within the operational boundaries of the ISO New England ("**ISONE**", each such VPPA being a "**VPPA-ISONE**") for trading on REsurety Markets' swap execution facility ("**SEF**"). REsurety Markets intends to list VPPA-ISONEs for trading on Wednesday, September 3, 2025.

This submission letter contains the following attachments:

- ANNEX A, which provides a concise explanation and analysis of VPPA-ISONEs;
- ANNEX B, which provides a concise explanation and analysis of VPPA-ISONEs' compliance with applicable provisions of the Commodity Exchange Act ("**Act**"), including the Core Principles and the Commission's regulations thereunder ("**CFTC Regulations**"); and
- ANNEX C, which provides the contract specifications for VPPA-ISONE as published on REsurety Markets' website, in accordance with Rule 808 of REsurety Markets' Rulebook ("**Rulebook**").

Unless otherwise defined, capitalized terms in this notification and its Annexes have the meanings prescribed in Chapter 1 of the Rulebook.

Based on the foregoing, REsurety Markets certifies that the VPPA-ISONEs comply with the Act and CFTC Regulations. Additionally, REsurety Markets certifies that it has concurrently posted a copy of this submission letter and attachments hereto on its website at <https://resurety.com/cleantrade-regulatory-resources/>.

Queries in relation to this filing should be directed to the attention of William Robertson, Counsel and Chief Compliance Officer, REsurety Markets, [wrobertson@resurety.com](mailto:wrobertson@resurety.com), and Garrett Derbyshire, Director of Compliance, [gderbyshire@resurety.com](mailto:gderbyshire@resurety.com).

Sincerely,

*Sinéad Barry-O'Brien*

Sinéad Barry-O'Brien  
Chief Operating Officer  
REsurety Markets LLC

## ANNEX A – OVERVIEW OF VPPAs WITHIN ISONE

REsurety Markets intends to list VPPAs which are As-Generated Swaps for Electricity Price, a financial instrument designed for intermittent electric energy generators. The VPPAs that are the subject of this certification are settled at settlement points within the operational boundaries of the Independent System Operator, ISO New England.

An As-Generated Swap for Electricity Price is a cash-settled swap based on the difference between a pre-agreed Fixed Price and a Weighted Average Floating Price, applied to a Settlement Quantity. Its defining characteristic is that the volumes used for calculation are determined in arrears based on the actual, realized performance of the electric energy generation facility.

Key components of VPPAs include:

- Weighted-Average Floating Price: This value, in \$/MWh, is determined using the Market Price (adjusted) and the Generation Quantity (adjusted).
- Market Price: Based on publicly published data from the Independent System Operator, ISONE, across various settlement points or bilaterally consistent with ISONE's Resource Nodes, Load Zones, or Trading Hubs. Market Price Adjustments can be bilaterally agreed, such as a "Zero Floor Settlement" provision, which sets the adjusted price as the maximum of the Market Price and \$0.
- Generation Quantity: This is the quantity of electric energy, in MWh, measured by the RTO/ISO revenue meter at the relevant generation facility. Generation Quantity Adjustments can also be bilaterally agreed, such as a "Zero Floor Non-Settlement" provision, which adjusts the Generation Quantity to zero MWh when the Market Price is negative.
- The terms of these swaps are flexible, ranging from 1 month to 20 years, with typical terms of 10-15 years for pre-build projects and 1-5 years for post-build projects, to align with financing arrangements and operational risk management timelines, respectively.
- The product also allows for Affiliated Physical Environmental Attributes (such as Renewable Energy Credits or RECs) to be contracted either as a "bundled" transaction with the swap or as an "unbundled" transaction, offering flexibility for market participants.<sup>1</sup>
- Final settlement for the swap component is by cash settlement, while any Affiliated Physical Environmental Attributes are physically delivered. Due to the project-specific nature of "As-Generated" swaps, various other project-specific terms (e.g., marketing rights, allowed pre-construction delays, visitation rights) can be bilaterally confirmed between parties in the Pre-Trade Confirmation.

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<sup>1</sup> Note: As neither component of the contemplated transaction is a 'Required Transaction' for the purposes of § 37.9, a contract bundling a swap with an obligation to deliver RECs does not constitute a Package Transaction under § 37.9(d).

## ANNEX B – CORE PRINCIPLE ANALYSIS

REsurety Markets has determined that VPPA-ISONEs bear upon the following Core Principles:

### **Core Principle 2: Compliance with Rules**

Trading in VPPA-ISONEs will be subject to the Rulebook and undertaken by entities that have consented to REsurety Markets' jurisdiction by executing a Broker Firm Agreement and/or Participant Agreement.

Trading in VPPA-ISONEs will be subject to Chapter 5 of the Rulebook which contains broad prohibitions against fraudulent, non-competitive, unfair and abusive practices. As with all Swaps listed on REsurety Markets SEF, VPPA-ISONEs will be subject to monitoring by REsurety Markets' Compliance Department and surveillance through automated and manual means. REsurety Markets has the authority to exercise investigative and enforcement powers where it identifies suspected rule violations. REsurety Markets may take steps to discipline, suspend or expel Participants or Broker Firms in the event violations related to VPPA-ISONEs are identified (see Chapter 6 of the Rulebook).

### **Core Principle 3: Swaps not readily susceptible to manipulation**

VPPA-ISONEs are not readily susceptible to manipulation primarily because of the transparent and liquid nature of the settlement point price, the regulatory oversight of the market, and the inherent design of the VPPA itself.

The market prices which serve as the floating price reflect the cost to serve the next megawatt of load at that specific location, considering generation costs, transmission constraints, and losses. ISONE operates a transparent, real-time energy market. ISONE uses a Locational Marginal Price system to determine the price of electricity at specific points on the grid. In the calendar year 2024 the average hourly load within ISONE was 13,924 MWh<sup>2</sup> and prices averaged \$39.30<sup>3</sup> equating to an annual total value of approximately \$4.8 billion. The price at each load zone reflects the dynamic balance of supply, demand, transmission constraints, and line losses across a large number of points on the grid. These prices are publicly available in real time, making it incredibly difficult for a single entity to alter the price without being detected. The sheer scale and complexity of the ISONE market also makes manipulation at major trading locations inherently difficult. A liquid market means no single actor has enough market share to significantly influence prices.

ISONE's market is subject to strict regulatory oversight by the Federal Energy Regulatory Commission ("FERC"). FERC has the authority to investigate and penalize market manipulation. ISONE also employs both an Internal Market Monitor (IMM) and an External Market Monitor (EMM). The IMM is a dedicated internal department that reports to the ISO-NE Board, while the EMM is an independent third-party firm. Both the IMM and EMM report their findings to FERC, which has a strong history of pursuing and penalizing market manipulation.

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<sup>2</sup> ISO New England. (2025, May 29). ISO-NE Market Monitor Issues 2024 Annual Markets Report. ISO Newswire. <https://isonewswire.com/2025/05/29/iso-ne-market-monitor-issues-2024-annual-markets-report/>

<sup>3</sup> REsurety, Inc. (2025). Project Explorer, REsurety Platform. Retrieved August 18, 2025, from <https://resurety.com/> (see Annex D)

Finally, the structure of a VPPA makes VPPA-ISONEs inherently difficult to manipulate. As noted above, a VPPA is a fixed-for-floating swap where settlement is based on the difference between the fixed price and the market price. If the market price is higher than the fixed price, the fixed price payer receives a payment from the generator. If the market price is lower, the fixed price payer pays the generator the difference. Because the settlement is tied to an independent, publicly known market price, neither party can unilaterally alter the financial outcome. The fixed price is agreed upon at the outset of the contract, and the market price is outside of their control. This makes it extremely difficult to manipulate the settlement value.

#### **Core Principle 4: Monitoring of Trading and Trade Processing**

REsurety Markets' Compliance Department will monitor trading in VPPAs to detect activity which constitutes a breach of the Rules. The Rulebook, and in particular Rule 409.A, grants it the authority to obtain sufficient information to perform its functions. This includes through the use of surveillance software and the monitoring of reference prices obtained from ISONE. REsurety Markets conducts real time monitoring of trading activity and its market surveillance software includes automated alerts for abnormal price movements and trading volumes.

#### **Core Principle 6: Position Limits or Accountability**

REsurety Markets has determined not to impose position limits for its initial contracts, including VPPAs, relying on CFTC Regulation 37.601, which allows for this approach for Permitted Transactions and aims to foster liquidity in VPPAs as new contract types. Although position limits have not been imposed at this point in time the Rulebook provides a framework for implementation of position limits and exemptions from position limits for bona fide hedging transactions (e.g., End-User Exception or Hedging-Affiliate Exception) (Rule 526). REsurety Markets is able to monitor individual Participants and Broker Firms executed Transactions, and will continuously assess the necessity of implementing position limits or accountability levels in the future based on market experience and data.

#### **Core Principle 7: Financial Integrity of Transactions**

REsurety Markets requires all Participants to qualify as Eligible Contract Participants (ECPs). REsurety Markets monitors members annually to ensure their continued ECP status (Rule 301(d)). While REsurety Markets does not currently list swaps that are required to be cleared or support voluntary clearing, it is aware of the requirements for routing transactions to Derivatives Clearing Organizations (DCOs) should its clearing posture change in the future.

#### **Core Principle 8: Emergency Authority**

REsurety Markets has Emergency Rules (Rule 210) that allow for immediate action in response to an "Emergency," which is broadly defined to cover various market disruptions. Such actions can include suspending or curtailing trading, modifying price or position limits, or altering settlement terms. Implementation of Emergency Rules typically requires a vote by the Regulatory Oversight Committee, though the Chief Compliance Officer or Director of Compliance can act without Board action in urgent situations. REsurety Markets uses reasonable efforts to notify the CFTC prior to or within 24 hours of implementing, modifying, or terminating any Emergency Rule. The decision-making process for such actions is thoroughly documented.

#### **Core Principle 9: Timely Publication of Trading Information**

REsurety Markets reports all required swap data electronically to a registered Swap Data Repository (SDR), specifically ICE Trade Vault, LLC. It reports Swap Transaction and Pricing Data (Part 43) as soon as technologically practicable after execution and Required Swap Creation Data (Part 45) by the end of the next business day. REsurety Markets also publishes daily market volume data, opening, high, and low prices by tenor on its website, adhering to Part 16 requirements. The system captures execution and reporting timestamps for all data.

## ANNEX C

### Swap Specifications

#### Renewable Energy VPPA – ISO New England

<b>Description</b>	A cash settled swap based on i) the difference between the Fixed Price and the Weighted Average Floating Price, and ii) the Settlement Quantity.
<b>Weighted-Average Floating Price</b>	The value, expressed in US dollars per megawatt-hour (\$/MWh) as determined using i) the Market Price, as amended by the Market Price Adjustment(s) and ii) the Generation Quantity, as amended by the Generation Quantity Adjustment(s)
<b>Market Price</b>	<ul style="list-style-type: none"> <li>● NEMA/Boston Load Zone Day-Ahead</li> <li>● NEMA/Boston Load Zone Real-Time</li> <li>● SEMA Load Zone Day-Ahead</li> <li>● SEMA Load Zone Real-Time</li> <li>● WCMASS Load Zone Day-Ahead</li> <li>● WCMASS Load Zone Real-Time</li> <li>● Connecticut Load Zone Day-Ahead</li> <li>● Connecticut Load Zone Real-Time</li> <li>● Maine Load Zone Day-Ahead</li> <li>● Maine Load Zone Real-Time</li> <li>● New Hampshire Load Zone Day-Ahead</li> <li>● New Hampshire Load Zone Real-Time</li> <li>● Rhode Island Load Zone Day-Ahead</li> <li>● Rhode Island Load Zone Real-Time</li> <li>● Vermont Load Zone Day-Ahead</li> <li>● Vermont Load Zone Real-Time</li> </ul> <p>As determined bilaterally consistent with ISONE’s Resource Nodes, Load Zones or Trading Hubs.</p> <p>Market prices are published by the Independent System Operator, the ISO New England (“<b>ISONE</b>”).</p>
<b>Market Price Adjustment(s)</b>	Adjustments, if any, to the Market Price value(s) as determined bilaterally.
<b>Settlement Quantity</b>	The quantity of electric energy, expressed in megawatt-hours (MWh) reflecting the sum of the Generation Quantity, as amended by the Generation Quantity Adjustment(s).
<b>Generation Quantity</b>	The quantity of electric energy, expressed in megawatt-hours as measured by the RTO/ISO revenue meter, generated by the relevant wind or solar project and associated with the swap.
<b>Generation Quantity Adjustment(s)</b>	Adjustments, if any, to the Generation Quantity value(s) as determined bilaterally.
<b>Term</b>	A minimum of 1 month to a maximum of 20 years.
<b>Contract Units</b>	U.S. Dollars (\$)
<b>Trading Hours</b>	09:00 – 17:00 Monday-Friday; Eastern Time except for trading holidays as notified on <a href="https://resurety.com/cleantrade-regulatory-resources/">https://resurety.com/cleantrade-regulatory-resources/</a> or its

	successor website.
<b>Affiliated Physical Environmental Attributes</b>	As determined bilaterally.
<b>Final Settlement</b>	Delivery under the contract shall be by cash settlement. In addition to such cash settlement of the swap, physical delivery of any Affiliated Physical Environmental Attributes shall occur.
<b>Other Terms</b>	To be confirmed directly between the parties in their full Confirmation.

**ANNEX D**

**[REDACTED]**