



For information please contact:

Chicago Climate Exchange  
Contact - Rafael Marques  
+1 312-554-3384  
[rmarques@chicagoclimateexchange.com](mailto:rmarques@chicagoclimateexchange.com)

## **CCX<sup>®</sup> Announces Launch of Futures Subsidiary** *Exchange to Offer Sulfur Dioxide Cash Market by the End of 2004*

**(Burgstock, September 9, 2004)** - Chicago Climate Exchange,<sup>®</sup> Inc. (CCX<sup>®</sup>), the world's first multi-national and multi-sector marketplace for the reduction and trading of greenhouse gas emissions, announced today the creation of its futures subsidiary, Chicago Climate Futures Exchange (CCFE). CCX also unveiled plans to launch a cash market for sulfur dioxide allowances by the end of 2004. CCX currently offers a cash market for carbon financial instruments (CFIs).

Details on the creation of the futures subsidiary are subject to approval from the Commodity Futures Trading Commission (CFTC). CCFE has applied for "designated contract market" (DCM) status with the CFTC. CCX has entered into an agreement with National Futures Association (NFA) as the regulatory services provider for the self-regulation of CCFE. The Clearing Corporation will provide clearing services for CCFE. IntercontinentalExchange, Inc. will continue to provide and service CCX's electronic trading platform for both the cash market and the futures market.

The new cash market product will be called a Sulfur Financial Instrument<sup>®</sup> (SFI<sup>®</sup>). SFIs are based on emission allowances used for compliance with the Acid Rain Program established by the Clean Air Act of 1990. Currently there is only an over-the-counter market for sulfur dioxide allowances.

Dr. Richard L. Sandor, Chairman and CEO of CCX, said, "Exchange-traded spot contracts on CCX SFIs will offer participants the ease, transparency and standardization of an organized exchange. This announcement marks a new frontier in the development of CCX as the leader in environmental derivatives."

### **About Chicago Climate Exchange,<sup>®</sup> Inc.**

CCX is a self-regulatory exchange that administers the world's first multi-national and multi-sector marketplace for reducing and trading greenhouse gas emissions. CCX represents the first legally binding commitment by a cross-section of North American corporations, municipalities and other institutions to establish a rules-based market for reducing greenhouse gas emissions. CCX enables members to receive credit for reductions, and to buy and sell credits to determine

the most cost-effective means of achieving emission reductions. For more information, please see [www.chicagoclimateexchange.com](http://www.chicagoclimateexchange.com).

### **About The Clearing Corporation**

The Clearing Corporation, a stockholder-owned, Delaware Corporation now in its 79<sup>th</sup> year of business, is the only active independent futures clearinghouse in the world. Additional information on The Clearing Corporation is available at [www.clearingcorp.com](http://www.clearingcorp.com).

### **About IntercontinentalExchange, Inc.**

IntercontinentalExchange (ICE) operates global marketplaces for the trading of commodities on its Internet-based Interchange® trading platform. Its subsidiary, the International Petroleum Exchange of London (IPE) is Europe's leading energy futures and options exchange, providing regulated open-outcry and electronic marketplaces where participants use futures and options to manage their price risk exposure in the physical energy markets. Intercontinental is headquartered in Atlanta, with offices in Chicago, Houston, London, New York and Singapore. For more information, please see [www.theinterchange.com](http://www.theinterchange.com).

### **About National Futures Association**

National Futures Association (NFA) is the premier independent provider of innovative and efficient regulatory programs that safeguard the integrity of the derivatives markets. Learn more about NFA at [www.nfa.futures.org](http://www.nfa.futures.org).

### **About the Acid Rain Program**

The U.S. sulfur dioxide (SO<sub>2</sub>) emission allowance trading program was established by Title IV of the 1990 Clean Air Act Amendments (CAAA). The program is intended to reduce the environmental and human health impacts associated with the release of sulfuric emissions from coal-fired electric power plants. It requires electric utilities to reduce their SO<sub>2</sub> emissions by about 50% from 1980 levels. Total electricity sector SO<sub>2</sub> emissions were approximately 18 million tons in 1980, and the emission reduction target is approximately 9 million tons per year. The U.S. Environmental Protection Agency (USEPA) was directed to implement a phased-in program that first targeted 110 high emitting plants (which comprise over 400 fuel-consuming power plant units) for the years 1995-1999. Starting in 2000, Phase II extended the limits to all fossil-fueled power plants larger than 25 megawatts capacity, with over 3,200 units now regulated.