

Addendum – Conservation Law Foundation (CLF) Responses to Wholesale Investigation (IR 15-124)  
Initial Staff Questions of July 2, 2015

August 5, 2015

Instructions for responses: Please e-mail responses in PDF format to [alexander.speidel@puc.nh.gov](mailto:alexander.speidel@puc.nh.gov); responses will be promptly posted to the NHPUC website here:

[http://puc.nh.gov/Electric/Investigation\\_into\\_Potential\\_Approaches\\_to\\_Mitigate\\_Wholesale\\_Electricity\\_Prices.html](http://puc.nh.gov/Electric/Investigation_into_Potential_Approaches_to_Mitigate_Wholesale_Electricity_Prices.html)

6. Page 5. CLF reports that the “futures markets for wholesale electricity are predicting another moderately priced winter.” Are wholesale electricity futures prices a good predictor of future wholesale electricity prices? If yes, please provide the studies on which the claim is based.

**A. Wholesale electricity futures prices are an indicator of future electricity prices that are commonly relied upon and can help form the basis for decisions associated with energy pricing and contracting. The reliability of these prices as a predictor can vary and certainly various other factors such as market fundamentals, load, predicted weather, fuel commodity pricing can be considered in conjunction with futures pricing to provide a more precise and arguably more predictable measure of likely future prices.**