

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
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December 19, 2017

Mr. Wesley Allen
CEO
Red Wolf Energy Trading
3600 Camp Mangum Wynd
Raleigh, NC 27612

Dear Mr. Allen:

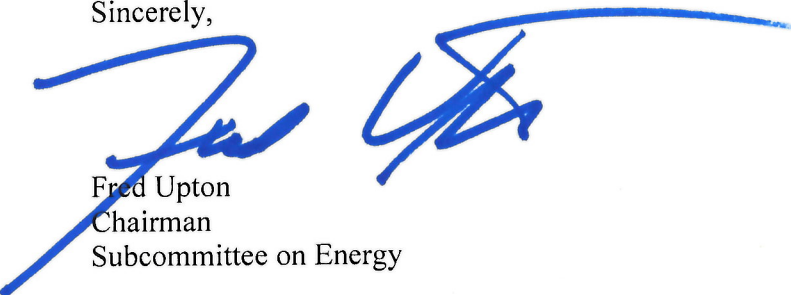
Thank you for appearing before the Subcommittee on Energy on November 29, 2017, to testify at the hearing entitled "Powering America: Examining the Role of Financial Trading in the Electricity Markets."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Tuesday, January 9, 2017. Your responses should be mailed to Allie Bury, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to Allie.Bury@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Fred Upton
Chairman
Subcommittee on Energy

cc: The Honorable Bobby L. Rush, Ranking Member, Subcommittee on Energy

Attachment

Attachment—Additional Questions for the Record

The Honorable Fred Upton

1. What potential market or regulatory reforms should Congress or FERC be considering in order to increase the market benefits associated with financial trading?
2. In your testimony, you stated that competitive markets should be allowed to operate with minimal government intervention, such as out-of-market subsidies. If such intervention occurs, how is financial trading affected? Do you have any recent examples?
3. In theory, the benefits associated with financial transactions appear to make the markets more efficient. However, quantifying these benefits versus the costs is not easy because there are so many variables in the markets. What is your best argument to convince me that the value you bring to the market is more than the value that you extract from it?
4. In your testimony you mentioned that Financial Market Participants are the only stakeholders working to ensure that electricity markets provide useful price signaling for short-term and long-term decision making.
 - a. Will you explain how financial market participants improve price signals and the effect that this has on industry investment decisions?