

## SettleCast®

Forecasts designed specifically for weather hedges where settlement is based on forecast values rather than observed values.

For the past decade, Speedwell Settlement Services has provided weather observations to the weather risk community for settlement of conventional weather contracts. We have assisted with large and small transactions, settling contracts totaling billions of dollars in notional value.

We are now seeing demand for weather risk products where settlement is based on **forecasted values** rather than the observed values. This market development stems from energy purchase agreements linked to a day ahead forecasts. Outside of the energy markets we are seeing a need for these products whereas companies are realizing that the anticipated weather (forecast) can negatively impact business operations as much, if not more than the observed weather.

### Available Forecast Models

- ECMWF Operational (raw forecast)
- ECMWF Ensemble (raw forecast)
- ECMWF Operational (Speedwell downscaled forecast)
- ECMWF Ensemble (Speedwell downscaled forecast)
- GFS Operational (raw forecast)
- GFS Ensemble (raw forecast)
- GFS Operational (Speedwell downscaled forecast)
- GFS Ensemble (Speedwell downscaled forecast)

### Weather Variables

- Daily maximum and minimum temperature
- Daily average temperature (T24) - Gas Market
- Daily precipitation
- Hourly temperature forecasts

## SettleCast Highlights

Speedwell Settlement Services is equipped to provide the information and services needed for a successful hedge. All aspects of the service are customizable to meet client needs.

**Archived Forecasts** Speedwell maintains an archive of past forecast that can be used for pricing hedges.

**Forecast Verification** Forecast verification statistics are available for all forecasts and variables on request.

**Model Consistency** Speedwell “freezes” the downscaling parameters such that the downscaled forecast model does not change during the life of the transaction. Speedwell works to maintain feeds of past versions of the ECMWF and GFS in order to maintain consistency during the transaction. This is all necessary such that counterparties can be confident that the historic forecast data used to price the transaction will be consistent with the forecast used to settle it.

**Documentation** The Settlement Data Specification documents all data processing details

- Weather variable definition
- Forecast model version tracking
- Speedwell downscaling methodology
- Settlement Data Methodology
- Forecast publication schedule

**Independence** Speedwell acts as an independent third party. We are focused on ensuring the reliability / quality of data for your transaction.

**Contact:** For additional information concerning the service or to view a sample Settlement Data Contract / Settlement Specifications please contact us at [info@speedwellsettlementservices.com](mailto:info@speedwellsettlementservices.com), or +1 843 737 4843.

## Speedwell Settlement Services

Speedwell Settlement Services Limited is registered in England number 10135203. Its registered address is Mardall House, 9-11 Vaughan Road, Harpenden, Hertfordshire AL5 4HU. Speedwell Settlement Services Ltd is registered as a benchmark administrator under the EU benchmark regulation (Regulation (EU) 2016/1011)

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