

 EUCI COURSE

DERIVATIVES ACCOUNTING FOR POWER AND ENERGY COMPANIES

*An Accounting Course on Derivative Instruments,
Hedging Activities, and Fair Value*

June 20 – 21, 2017
EUCI Conference Center
4601 DTC Blvd., B-100
Denver, CO



EUCI is authorized
by IACET to offer
1.0 CEUs for the
course

OVERVIEW

This one-and-a-half-day seminar addressing critical energy accounting issues is tailored to controllers, accounting and audit managers, credit/risk/portfolio analysts and front/mid/back office accounting personnel in the energy and power industries. It provides attendees with an opportunity to learn about the application of FASB Accounting Standards Codification (ASC) Topic 815, Derivatives and Hedging (formerly FAS 133), and related amendments and disclosures. This course will also cover FASB Accounting Standards Codification (ASC) Topic 820, Fair Value Measurements and Disclosures (formerly FAS 157), including a discussion of strategies for determining fair values for hard-to-value energy and power contracts. Finally, the course will include an overview of recently issued accounting standards on Revenue Recognition and Leases. An overview will include a summary of the standard itself, changes from existing accounting practices and a discussion of how these standards are expected to impact energy companies.

LEARNING OUTCOMES

Attendees will receive instruction and cover materials that will allow them to:

- Apply their understanding of ASC 815 (FAS 133) and 820 (FAS 157) requirements and its application to the energy industry
- Review the latest disclosure requirements for derivatives and hedging activities
- Discuss and evaluate application of fair value measurements
- Assess the implications of recently issued convergence standards, Revenue from Contracts with Customers (ASC 606) and Leases (ASC 842)

WHO SHOULD ATTEND

- Accountants
- Auditors
- Controllers
- Treasurers
- Financial analysts
- Asset and liability managers
- Credit derivatives
- Risk
- Structured credit
- Credit risk
- Portfolio managers
- Traders
- Front office
- Middle office
- Back office

REPRESENTATIVE INDUSTRIES

- Integrated electric utilities
- Market operators and transmission companies
- Public power
- Generation companies
- Retail power marketers
- Wholesale power trading and marketing companies
- Gas utilities and distribution companies
- Retail gas marketers
- Wholesale gas trading and marketing companies

This course is open to utilities, power and energy industry operating companies (see above), software vendors, consumer groups, and regulators only. Registrations received from other tax, accounting and consulting practitioners will be evaluated on a case-by-case basis and may not qualify for attendance. Questions re: the application of this restriction can be addressed to aschulte@euci.com. Any determination as to the fulfillment of a registration to attend this program shall reside solely with EUCI.

COURSE TIMING

TUESDAY, JUNE 20, 2017

8:00 – 8:30 am **Registration and Continental Breakfast**

8:30 am – 4:30 pm **Course Timing**

12:00 – 1:00 pm **Group Luncheon**

WEDNESDAY, JUNE 21, 2017

8:00 – 8:30 am **Continental Breakfast**

8:30 – 11:30 am **Course Timing**



“I’m new to this industry, and the course was an excellent opportunity to accelerate my transition.”

Accounting Manager,
Liberty Power

AGENDA

- Overview of ASC 815 Requirements for Energy and Power Companies
 - Definition of a derivative
 - Embedded derivatives
 - Hedge accounting documentation requirements
- Cash Flow Hedging Overview and Case Study
 - Review the documentation requirements for cash flow hedges
 - Effectiveness testing requirements
- Fair Value Hedging Overview and Case Study
 - Review the documentation requirements for fair value hedges
 - Effectiveness testing requirements
- Specialized Energy Transacting Issues
 - When is a power purchase agreement a derivative?
 - Other common derivative instruments
- Overview of Disclosure Requirements
- Updates on Recent Accounting Rule-Making Activity
 - Convergence Standards
 - Lease accounting, specific to energy
 - Revenue recognition, specific to energy
 - Other changes that may impact energy transacting
- Power and Energy Examples or Case Studies on the Following Accounting Issues:
 - How to get a hedge out of Accumulated Other Comprehensive Income (AOCI)
 - Cash flow hedging for options
 - Example of disclosure(s)
 - Structured deals (embedded derivative examples)
 - Changes in hedge documentation/de-designation
 - Bookout examples

AGENDA

- Illustrate Various Contracts, such as Operating Leases, Tolling Agreements and FTRs
 - Overview of ASC 820 requirements and application issues
 - Examine the requirements of ASC 820
 - Assess the difficulties and hurdles of applying the standard as financial markets remain volatile
 - Evaluate the disclosure requirements of the standard and recent amendments
- Power and Energy-Industry Examples of Accounting Issues Associated with...
 - Consideration of counterparty risk in valuation
 - Commodity pricing and forecast modeling as it relates to derivatives accounting
 - Reporting issues associated w/power markets (ISO/RTO) trading
 - Illustrative examples of hierarchy levels (1, 2, 3)
 - Financial transmission and congestion revenue rights (FTRs and CRRs)

COURSE INSTRUCTOR

Teresa Thomas

Teresa Thomas is a Senior Manager in the Financial Accounting & Reporting (FA&R) practice of Deloitte & Touche LLP. She has more than 15 years' experience in the Energy Industry. Ms. Thomas returned to Deloitte after working 10 years for a diversified energy company in a variety of roles including Controller of an Energy Trading subsidiary and Manager of Accounting Policy & Research. She has extensive experience reviewing and operationalizing accounting guidance for complex structured arrangements and implementing derivatives and consolidation accounting standards.

Deloitte & Touche LLP

The course instructors are senior energy industry specialists from Deloitte & Touche LLP's Commodity Trading & Risk Management (CTRM) practice. Consisting of over 200 professionals, this group provides specialist consulting services to the world's leading energy companies and institutions in the areas of energy transacting and risk management. Leveraging deep industry experience, unsurpassed business acumen, and broad technical skills, Deloitte's CTRM practice provides an integrated suite of services that encompass risk strategy, technology and operations, regulatory compliance, credit advisory, accounting, and quantitative analytics.

The Deloitte U.S. firms provide Audit and Enterprise Risk services, Consulting services, Financial Advisory services, and Tax services for clients in a broad range of industries through 70,000 people in more than 80 U.S. cities. Deloitte serves approximately 97 percent of Fortune 500 energy companies.



“Presenters were very knowledgeable and willing to answer all questions — very helpful.”

Financial Services Coordinator, City of Garland (TX)

REQUIREMENTS FOR SUCCESSFUL COMPLETION OF PROGRAM

Participants must sign in/out each day and be in attendance for the entirety of the course to be eligible for continuing education credit.

INSTRUCTIONAL METHODS

Case studies and PowerPoint presentations will be used in the program.

IACET CREDITS



EUCI has been accredited as an Authorized Provider by the International Association for Continuing Education and Training (IACET). In obtaining this accreditation, EUCI has demonstrated that it complies with the ANSI/IACET Standard which is recognized internationally as a standard of good practice. As a result of their Authorized Provider status, EUCI is authorized to offer IACET CEUs for its programs that qualify under the ANSI/IACET Standard.

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EVENT LOCATION

EUCI Conference Center

4601 DTC Blvd., B-100
Denver, CO 80237

NEARBY HOTELS

Hyatt Regency Denver Tech Center

7800 E. Tufts Ave
Denver, CO 80237
Phone: 303-779-1234
0.3 miles away

Hilton Garden Inn Denver Tech Center

7675 E. Union Ave
Denver, CO 80237
Phone: 303-770-4200
0.6 miles away

Denver Marriott Tech Center

4900 S. Syracuse St
Denver, CO 80237
Phone: 303-779-1100
0.7 miles away

Hyatt Place Denver Tech Center

8300 E. Crescent Parkway
Greenwood Village, CO 80111
Phone: 303-804-0700
0.9 miles away



"This course is a must-have for all areas of derivative accounting and risk."

Senior Accountant, First Choice Power

REGISTRATION
to register [CLICK HERE](#) or

Call: 201 871 0474
fax: 253 663 7224
email: [register@pmaconference.com/](mailto:register@pmaconference.com)
web: <http://pmaconference.com/>
Mail: POB 2303 Falls Church Va 22042

Please make checks payable to: "PMA"

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See nearby hotels on page 5

PLEASE REGISTER

DERIVATIVES ACCOUNTING FOR POWER AND ENERGY COMPANIES COURSE:

June 20 – 21, 2017 | Denver, CO: US \$1495,
 Early bird on or before June 2, 2017: US \$1295

How did you hear about this event? (direct e-mail, colleague, speaker(s), etc.)

Print Name Job Title

Company

What name do you prefer on your name badge?

Address

City State/Province Zip/Postal Code Country

Phone Email

List any dietary or accessibility needs here

CREDIT CARD INFORMATION

Name on Card Account Number

Billing Address Billing City Billing State

Billing Zip Code/Postal Code Exp. Date Security Code (last 3 digits on the back of Visa and MC or 4 digits on front of AmEx)

OR Enclosed is a check for \$ _____ to cover _____ registrations.

Substitutions & Cancellations

Your registration may be transferred to a member of your organization up to 24 hours in advance of the event. Cancellations must be received on or before May 19, 2017 in order to be refunded and will be subject to a US \$195.00 processing fee per registrant. No refunds will be made after this date. Cancellations received after this date will create a credit of the tuition (less processing fee) good toward any other EUCI event. This credit will be good for six months from the cancellation date. In the event of non-attendance, all registration fees will be forfeited. In case of course cancellation, EUCI's liability is limited to refund of the event registration fee only. For more information regarding administrative policies, such as complaints and refunds, please contact our offices at (201) 871-0474.