EUCI COURSE

BUSINESS ESSENTIALS FOR ENGINEERS

September 22-23, 2016
Hyatt Regency Phoenix
Phoenix, AZ

EUCI is authorized by IACET to offer 1.2 CEUs for the course.
OVERVIEW

For the past 20 years, utilities have gradually been transitioning from engineering-driven to business-driven decision-making. In the past, most top executives at utilities came from the engineering ranks and understood engineering issues in detail. Today, most top executives at utilities have business backgrounds and are primarily concerned with investor relations and “the bottom line.” One consequence of this shift is an increasing communications gap between utility executives and the engineers. Spending can no longer be justified with the argument “it makes good engineering sense.” Rather, spending must be justified with “it makes good business sense.” It is now the responsibility of the engineer to communicate engineering needs in terms of business goals and metrics. To do this, it is critical for utility engineers to be armed with the essential business skills covered in this two-day course.

The book Business Essentials for Utility Engineers, written by course instructor Richard Brown, will be included with the course materials.

LEARNING OUTCOMES

This course will review and discuss seven topics that are essential for utility companies transitioning from an engineering-based to a business-based paradigm:

• Accounting
• Economics
• Finance
• Risk management
• Utility ratemaking
• Business case justification
• Spending prioritization

WHO SHOULD ATTEND

This is a perfect course to balance the technical skills of engineering with the business skills of management. This course is ideal for utility planners, engineers, managers, and consultants who wish to learn the essentials of business through a rigorous and tailored approach.

INSTRUCTOR

Richard E. Brown / Practice Director / Exponent

Richard E. Brown is Director of the Engineering Management Consulting practice for Exponent. He has been on the leadership team for three successful startup organizations, has published more than 90 technical articles related to asset management and performance management, and is the author of the books Business Essentials for Utility Engineers and Electric Power Distribution Reliability. Prior to Exponent, he held executive positions with ABB, KEMA, Quanta Services, and WorleyParsons. Richard earned his BSEE, MSEE, and Ph.D. from the University of Washington in Seattle and his MBA from the University of North Carolina at Chapel Hill. He is a registered professional engineer and a Fellow of the IEEE.
AGENDA

Thursday, September 22, 2016

8:00 – 8:30 a.m.  Registration and Continental Breakfast

8:30 – 9:00 a.m.  Introduction: Why Engineers Need to Understand Business Issues
• Communications gaps
• Cultural gaps
• Perspective gaps

9:00 – 10:00 a.m.  Economics and Regulated Monopolies
• Microeconomic theory
• Vertically integrated utility regulation
• Vertically unbundled utility regulation
• Ratemaking process and the rate base

10:00 – 10:15 a.m.  Morning Break

10:15 – 11:45 a.m.  Basic Accounting
• Types of accounting
• Accounting principles
• Journals, ledgers, and accounts
• Depreciation, amortization, and the rate base depletion

11:45 a.m. – 12:45 p.m.  Group Luncheon

12:45 – 2:15 p.m.  Financial Statement Analysis
• Balance sheet
• Income statement
• Statement of cash flows
• Financial ratios

2:15 – 2:30 p.m.  Afternoon Break

2:30 – 4:00 p.m.  Finance and Capital Structure
• Company valuation
• Market efficiency
• Debt and equity financing
• Tax shields and bankruptcy effects

“...I learned a great deal over the two day course. The speaker was very knowledgeable and the material was incredibly robust. I would definitely attend another conference with EUCI and recommend these events to colleagues and friends.”

– Data Analyst, Xcel Energy
AGENDA

Friday, September 23, 2016

8:00 – 8:30 a.m.  Continental Breakfast

8:30 – 10:00 a.m.  Financial Risk Management
  •  Portfolio theory
  •  Beta and the capital asset pricing model
  •  Financial options and Black-Scholes pricing
  •  Real options

10:00 – 10:15 a.m.  Morning Break

10:15 – 11:45 a.m.  Utility Ratemaking
  •  Revenue requirements and the rate base
  •  Rate design
  •  Rate cases
  •  Rate base misconceptions

11:45 a.m. – 12:45 p.m.  Group Luncheon

12:45 – 2:15 p.m.  Business Case Justification
  •  Cost considerations
  •  Projects, programs, and blankets
  •  Benefit assessment
  •  Budget impact assessment

2:15 – 2:30 p.m.  Afternoon Break

2:30 – 3:45 p.m.  Budgeting and Spending Prioritization
  •  Utility budgeting process
  •  Marginal benefit-to-cost assessment
  •  Multiple performance targets
  •  Risk-based spending

3:45 – 4:00 p.m.  Summary and Conclusions

"This class was organized and easy to follow. I think it covered enough material to be helpful without getting overwhelming. I would take another class."
— Analyst, Eversource Energy

"As a mid-career utility engineer with very little exposure to business essentials, I thought the material was just what I needed to improve current job performance and give me a skillset that will make me more marketable for future positions."
— Engineer, Nuclear Fuel Procurement, Arizona Public Service

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INSTRUCTIONAL METHODS

PowerPoint presentations, classroom discussion, case studies, group exercises, and a mock hearing exercise will be used in the program.

PROCEEDINGS

The proceedings of the course will be published, and one copy will be distributed to each registrant at the course.

REQUIREMENTS FOR SUCCESSFUL COMPLETION OF PROGRAM

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

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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REGISTER 3 SEND 4TH FREE

Any organization wishing to send multiple attendees to these conferences may send 1 FREE for every 3 delegates registered. Please note that all registrations must be made at the same time to qualify.

EVENT LOCATION

A room block has been reserved at the Hyatt Regency Phoenix, 122 N 2nd Street, Phoenix, AZ 85004, for the nights of September 21-22, 2016. Room rates are $199, plus applicable tax. Call 1-602-252-1234 for reservations and mention the EUCI course to get the group rate. The cutoff date to receive the group rate is September 7, 2016, but as there are a limited number of rooms available at this rate, the room block may close sooner. Please make your reservations early.
BUSINESS ESSENTIALS FOR ENGINEERS
SEPTEMBER 22-23, 2016: US $1495
EARLY BIRD ON OR BEFORE SEPTEMBER 2, 2016: 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 ___________________________

Telephone ___________________________ Email ___________________________

List any dietary or accessibility needs here

CREDIT CARD

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 August 19, 2016 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 conference 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.