



# ENERGY RISK MANAGEMENT

Presented by Energy Management Institute



*Understand the critical risk management tools available for managing the impact to your margins and ongoing volatility.*

## COURSE DATES & LOCATIONS

- August 16-17, 2017: Houston, TX
- August 23-24, 2017: Calgary, Alberta
- September 20-21, 2017: Jersey City, NJ
- October 25-26, 2017: Houston, TX

**REGISTER TODAY!**

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DETAILS INSIDE



# ENERGY RISK MANAGEMENT

Presented by Energy Management Institute - [www.emi.org](http://www.emi.org)

Attend this 2-day in-depth course and gain comprehensive exposure to energy risk management tools and strategies, macro and micro market fundamentals, margin preservation, key drivers, manufacturing and marketing, and cutting-edge purchasing techniques that drive success in the energy markets.

## What You Will Learn

Topics covered during this course include:

- Learn the unique steps you should take NOW to reduce price exposure, manage risk, and guard against price spikes
- Define your price/margin exposure
- Quantify hedge base percentage
- Review the structure of your supply contracts
- Assess the risk profile of your company
- Learn how to implement hedge strategy
- Monitor and adjust your hedge strategy
- Establish your corporate risk policy and obtain board approval
- Establish an OTC account
- Design your risk management program
- Define the hedge objectives of your company
- Determine the appropriate hedge strategies for your company
- Develop daily mark-to-market

Specific purchasing and risk management objectives will be discussed along with expert hedging strategies and policies. This will allow you to develop specific hedge strategies most suited to meet the objectives of your company. The course will also elaborate on the corporate policies, procedures, board resolutions, FASB 133 requirements, and checks and balances required that would meet the most diligent auditor's requirements.

## Who Should Attend

Nat gas purchasers, analysts, traders, trade support staff, finance and auditing personnel. Entry-level to intermediate professionals from: Wholesale/Marketing companies, Utilities, Jobbers/Home Heating Oil Distributors, Fuel Purchaser, Back Office, Hedgers, Marketers, End-Users, Trucking Companies, and Government Agencies.

## CPE Credits

**This course earns 13 CPE credits.**



Energy Management Institute is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.



State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: [www.learningmarket.org](http://www.learningmarket.org).

## COURSE DATES & LOCATIONS

■ **August 16-17, 2017 - Houston, TX**  
Regus Conference Center  
8:30am - 4:30pm both days

■ **September 20-21, 2017 - Jersey City, NJ**  
Regus - Harborside Financial Center  
9:00am - 4:30pm both days

■ **October 25-26, 2017 - Houston, TX**  
Regus Conference Center Downtown  
8:30am - 4:30pm both days

*See last page for venue addresses.*

**REGISTER ONLINE**

## EMI CERTIFICATION CREDIT



This course earns 6 credits towards EMI Certification.

Not enrolled? Learn more about EMI's Certification Program and enroll today at [cert.emi.org](http://cert.emi.org)

## REGISTRATION FEES

1st delegate:	\$1,995
2nd delegate:	\$1,795
3rd delegate:	\$1,600



# ENERGY RISK MANAGEMENT

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## Course Syllabus - DAY ONE: Fundamentals & Risk

### Session 1: Overview of Macro & Micro World Energy Market Fundamentals

The factors impacting energy margins today including: OPEC, worldwide supply & demand, micro supply & demand, refinery problems, specification changes, events in Europe & Iraq, the War on Terrorism, etc.; When & how to identify which hedging strategy to employ with each of these factors.

### Session 2: How Energy Products are Purchased & Consumed

Purchasing at all levels of the energy infrastructure – Spot, Wholesale & Retail; Traditional & non-traditional purchasing methods; Physical product purchasing & risk management

### Session 3: Identifying Product Price/Margin Risk

Identify & quantify risk using typical fictional companies that operate at each level of the infrastructure – Producer, Wholesale, Retailer, and End-User.

### Session 4: A Walk Down The Risk Management Path

A detailed look at the design of a typical Risk Management program: Corporate policies, procedures, board resolutions, FASB 133 requirements, & check & balances.

### Session 5: Hedging Tool Identification 101

The three tool bags in the Risk Management arsenal: Physical Purchasing Methods, Regulated Futures Markets, Self-Regulated Over-the-Counter Markets; Macro view of all the tools available to the risk manager.

### Session 6: CME NYMEX Futures & Options...The Most Widely Discussed Tool Bag

How & why futures provide a simple & liquid market to trade & manage price & margin risk for all of the energies; Inner workings of the CME NYMEX: The players, contract details, back office & clearing operations.

### Session 7: How to Open the CME NYMEX Tool Bag

Setting up a CME NYMEX account; Choosing a broker; CME NYMEX fees & brokerage commissions; CME NYMEX transaction guarantees; Marked to Market 101. After this session you'll be ready to incorporate CME NYMEX into your hedge portfolio.

## Course Syllabus - DAY TWO: Financial Tools & Techniques

### Session 1: A Walk down Correlation Row

Examples of the relationships of various CME NYMEX instruments & real-life physical risks; Correlations of CME NYMEX vs. spot markets, wholesale (rack) & retail markets in variety of places around the US for various timeframes.

### Session 2: Self-Regulated Instruments: OTC & Derivatives Tool Bag

Explore the third tool bag in the hedger's arsenal. This session will cover hedging examples using various types of swaps, who the players are & how to get started.

### Session 3: Keeping All Your Options Open

Understand how functional & easy options are to incorporate into your trading & risk management portfolio; Two types of options; Four elements that go into the cost of an option; Effective option strategies using both options & CME NYMEX futures & OTC swaptions to hedge your price & margin risk.

### Session 4: Set up the Hedging Strategies for Fictional Companies

Market conditions & how price/margin is impacted; Tools & techniques available & how they correlate; Determining how much and how long each company will hedge and why.

### Session 5: Execution & Implementing the Hedging Strategies

Examples of hedges to manage outright price risk, absolute price & margin risk, & inventory management; Up-to-the-minute hedges will be applied to each fictional company incorporating the tools & techniques that are most cost effective based on current market conditions.

### Session 6: Hedging Evaluation & Optimization

Now that the fictional companies are hedged, how are the hedges working? A real-time marked to market to will be presented with real market prices. Adjustments & optimizations will be discussed & applied when & where applicable.



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## *Learn From the Experts that Experts Trust*

EMI experts are frequent editorial contributors to petroleum magazines & are trusted by today's leading news sources.

Our experts have been featured in:

Futures Magazine • The Wall Street Journal • USA Today • The New York Times • The Washington Post • Journal of Commerce • CNN • NBC • CBS • ABC • Bloomberg • Reuters

**EMI's leading industry experts** have an average of over 30 years of knowledge and experience in:

**Energy • Commodity trading • Risk management  
• Education • Consulting • Financial services**

Plus many years of managing marketing, international trading, manufacturing, consulting, start-up operations and project finance operations of well-known companies; integrated major oil companies as well as international trading companies.

EMI's industry experts have also provided risk and value management analysis, advice, information, and services to a variety of companies in the electric power industry. Clients have included power marketers, integrated utilities, retail power providers, hedge funds, and power plants.

**Highlights of our instructors' experience** include: • Developing a suite of models for a variety of power markets that quantify value and risk • Managing spark spread portfolios for hedge funds in the power markets • Operating in futures trading pits as a market observer in the power markets • Developing working papers for investigations and performing compliance audits in the power industry • Helping Texaco initiate its first use of futures exchanges as an integral part of hedging/trading strategy • Chief Operating Officer of Triwell Marketing and refining • Director of OPIS, Oil Price Information Service, a management-consulting and educational services group that solely focused on the downstream energy industry • Member of Board of Directors of Longview Refinery • Member of the New York Mercantile Exchange Petroleum Advisory Board • Expert witness for a hearing before the subcommittee on surface transportation for the Commerce, Science, and Transportation Committee of the US Senate • Supplied expert testimony to a US Senate sub-committee hearing on diesel petroleum product pricing • Supplied testimony to the Federal Highway Administration regarding fuel tax evasion • Expert witness in a MTBE litigation against the major oil companies • Publishers of The Daily Hedger, BTU's Daily Gas Wire and BTU's Daily Power Report, which advise thousands of petroleum professionals daily.

Our instructors are frequent expert speakers for numerous petroleum industry events and trade associations including: • DOE DESC World Energy Conference • OPIS Fleet Fueling • CME NYMEX • Fuel Management University • NATSO • ATA • AAA • Dairy Distribution • eyeforEnergy eCommerce • OPIS Supply Summit • CIOMA • American Society of Mechanical Engineers • American Society of Lubricating Engineers • Ambrust Aviation • NACHA.

Over the years EMI has developed a series of intensive courses covering all aspects of Energy from production all the way to managing the impact price and volatility on the margin of end-users, resellers, traders, marketers, shippers, retailers and refiners. Our instructors have had the privilege to instruct thousands of professionals representing all aspects of the energy industry, including every major oil company (i.e. Exxon Mobil, BP, Shell, Equilon, Motiva) major power utilities (i.e. Sempra, Edison Mission, Berkley, Toronto Hydro, Dominion, Conectiv) small marketers (i.e. Sprague, Getty, Southern Counties, Western Petroleum) trucking fleets from 50 to 10,000 (i.e. UPS, U.S. Postal Service, Yellow, Pepsi, Werner), gasoline-powered fleets hyper-markets (i.e. The Pantry, Wawa, BJs Wholesale) and many fortune 500 energy consumers.



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**REGISTER ONLINE**

## Registration Fees:

1st Attendee: \$1,995 for full program

2nd Attendee: \$1,795

3rd Attendee: \$1,600

## 1 CHOOSE YOUR COURSE DATE/LOCATION

**August 16-17, 2017**  
**Regus Conference Center**  
800 Town and Country Blvd.  
Suite 300  
Houston, TX 77024  
PH: 832.431.3000

**August 23-24, 2017**  
**Regus Business Center**  
**Sun Life Plaza West Tower**  
144-4 Avenue SW  
Suite 1600  
Calgary, Alberta T2P 3N4  
PH: 403.716.3636

**September 20-21, 2017**  
**Regus**  
**Harborside Financial Center**  
2500 Plaza 5  
25th Floor  
Jersey City, NJ 07311  
PH: 201.484.7200

**October 25-26, 2017**  
**Regus Conference Center**  
Downtown Houston  
Two Allen Center  
1200 Smith Street, 16th Floor  
Houston, TX 77002  
PH: 713.353.4600

Hotel recommendations for select course locations available online at [www.energyinstitution.org/hotels](http://www.energyinstitution.org/hotels)

## 2 ENTER ENROLLMENT DETAILS

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email Address: \_\_\_\_\_

## 3 MAKE PAYMENT CHOICE

Please invoice my company (payment must be received prior to course date)

Pay by credit card (circle one):    Mastercard    Visa    American Express

Card Number: \_\_\_\_\_ Expiration Date:    /    /

Card Holder Name: \_\_\_\_\_

Card Holder Signature: \_\_\_\_\_

## 4 SUMBIT REGISTRATION FORM

EMAIL:    Send form to [register@pmaconference.com](mailto:register@pmaconference.com).

TEL:    Call PMA Conference Management at 201.871.0474

FAX:    253.663.7224

POST:    PMA Conference Management  
POB 2303  
Falls Church, VA 22042

### REFUND/CANCELLATION POLICY

Attendees may reschedule for a different date or course with no penalty. Attendees may substitute a colleague in place of themselves as long as prior notice is given to EMI.

Course fees are 100% refundable up to 14 days prior to course date, 80% refundable up to 5 days prior to course date and 50% refundable up to 2 days prior to course date. Cancellations are non-refundable thereafter.