

Register Today!
See Form Inside for Details

NATURAL GAS RISK MANAGEMENT

Presented by Energy Management Institute
September 17-18, 2014 | Regus Center | Houston, TX



*Learn how to manage your company's risk
in the Natural Gas market during this two-day
intensive course.*



Natural Gas Risk Management

September 17-18, 2014 - Regus Center - Houston, TX

Natural Gas Risk Management will help you understand what market factors impact your margins and why you need to manage your company's risk.

What You Will Learn

You'll examine: **Market macro and micro fundamentals • Natural gas purchasing and selling methodology • Processing and marketing • Futures and options for natural gas risk management • Over-the-counter swaps, options, forwards for natural gas risk management and trading • Techniques to put all of the above pieces together.**

Topics covered include:

- Establishing a CME NYMEX and ICE futures account
- Establishing an OTC account
- Establishing relationships with all suppliers
- Designing a risk management program
- Defining the hedge objectives of your company
- Determining the hedge strategies for your company
- Understanding the daily Marked to Market
- Monitoring and adjusting your hedge strategy
- Designating individual(s) responsible for hedging
- Defining your price/margin exposure
- Quantifying the volume of natural gas
- Qualifying the mix and quality of natural gas
- Reviewing the structure of your supply contracts
- Assessing the risk profile of your company
- Establishing your corporate risk policy
- Obtaining board approval of risk policy

There are no recommended or required prerequisites for this course. A fully accredited EMI Certificate in Natural Gas Risk Management will be awarded to individuals who have successfully completed this program.

Why You Should Attend

This course is designed for utilities, major oil and large independent processors, marketers, government agencies, end users, purchasers with responsibility for managing natural gas risk, futures and OTC Brokers.

CPE Credits



This course earns 14 CPE credits. EMI awards credit hours towards CPE and Certified Purchasing Manager status (CPM).

Course Times

8am - 4pm, September 17
8am - 4pm, September 18

Venue Location

**Regus Conference Center
Downtown Houston**

Two Allen Center
1200 Smith Street, 16th Floor
Houston, TX 77002
713.353.4600

Recommended hotels on registration form.

Registration Fees

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

Fee includes full course, expert instruction, course materials, continental breakfast & lunch.

3 Easy Ways to Register

1 Call PMA Conference Management at 201.871.0474 or send email to: register@pmaconference.com.

2 Complete & fax this form to 253.663.7224.

3 Complete & mail the form to: PMA Conference Management, POB 2303, Falls Church, VA 22042.

[Click Here to Register Online](#)



Natural Gas Risk Management

September 17-18, 2014 – Regus Center – Houston, TX

Course Syllabus – DAY ONE

Session 1: Overview of Macro and Micro World Natural Gas Market Fundamentals.

Macro supply and demand, micro supply and demand, processing problems, weather and more... This session will discuss all of the factors impacting natural gas margins today. We'll emphasize what to watch and when and how to identify which factors impact price and supply and risk management programs.

Session 2: Where Do All the Players Fit into the Natural Gas Infrastructure?

We continuously hear about exploration, producing, processing, supply and distribution, marketing, transportation and trading when describing the natural gas industry and the integrated energy companies. You will learn what this flow means, how it has evolved over the last 30 years and where the optimum entry and operating points are for each of the participants.

Session 3: Buy Low – Sell High: Let's Start with Traditional Buying Techniques and What Ever Happened to Bid Week?

Natural gas can be purchased at all levels of the infrastructure – Spot – Wholesale – Retail. Nat gas can be purchased using traditional and non-traditional methods. Products can be purchased from various types of suppliers – marketers – regulated utilities – unregulated utilities – traders – other jobbers. To compete in tomorrow's market environment and to manage price and margin risk, you will need the knowledge and capability to purchase in an ever-changing environment.

Session 4: Identifying Natural Gas Price/Margin Risk.

To effectively manage risk you have to identify and quantify the risk. Using typical fictional companies that operate at each level of the infrastructure (Producer - Marketer/Trader – Commercial/Industrial/Utility End-User), this session will identify and quantify their risk. Each attendee will fall into one or more of the categories providing you with the knowledge needed to identify and quantify your own risk. This is absolutely the first step in building an effective and long-lasting risk management strategy.

Session 5: A Walk Down the Risk Management Path.

The session will detail the design of a typical risk management program covering the corporate policies, procedures, board resolutions, FASB 133 requirements and checks and balances required that would meet the most diligent auditor's requirements. These steps are a prerequisite to moving to the tool identification and technique stage of managing price/margin risk.

Session 6: A Walk Down Correlation Row.

Not only does it make good business sense to make sure CME NYMEX and ICE financial instruments correlate to the risk you are hedging, and, in addition, FASB 133 requires it. This session will present examples of the relationships of various regulated exchange instruments and real-life physical risks. Correlations of futures versus spot markets, wholesale (hubs) markets, retail markets in a variety of places around the U.S. will be presented for various timeframes.

Session 7: Hedging Tool Identification 101.

There are three tool bags in the risk management arsenal – Physical Purchasing and Selling Methods – Regulated Futures Markets – Self-Regulated Over-the Counter Markets. This session sets the stage and presents a macro view of all of the tools available to the risk manager.



Natural Gas Risk Management

September 17-18, 2014 - Regus Center - Houston, TX

Course Syllabus - DAY TWO

Session 1: Most Widely Discussed Tool Bag – CME NYMEX and ICE Futures and Options.

What is the futures market? You will quickly realize why hundreds of thousands of contracts per day are transacted on the regulated exchanges, providing the risk manager and trader with a simple and liquid market to manage natural price and margin risk. This session will take you into the inner workings of the CME NYMEX and ICE exchanges, players, contract details, back office and clearing operation.

Session 2: How To Open the Regulated Exchange Tool Bag.

How do you set-up a futures account? How do you choose a broker to execute your hedges? What do you need to know about exchange fees and brokerage commissions? How are regulated exchange transactions guaranteed? Marked-to-Market 101. After this session you will be ready to incorporate futures and options into your hedge portfolio.

Session 3: Self-Regulated Instruments – OTC – Derivatives.

This is another avenue available to the risk professional. This tool bag is growing in leaps and bounds. The individual instruments, size of the contract and electronic exchanges are making these customized instruments a very cost effective tool for trading and hedging. Due to time constraints we will provide an overview of the derivatives market, the tools available, the mechanisms, electronic exchanges, type of contracts- ISDA. We will point out the similarities with the futures and options markets and how the OTC can provide similar ways to manage and trade energy. This session will go over a few examples (using the same data as in Day One, Session 6 so we can compare both approaches) with a marked-to-market calculated for each example

Session 4: Keeping All Your Options Open.

If you originally thought options were not a viable trading and hedging tool, you'll be surprised to see how functional and easy they are to incorporate into your trading and risk management portfolio. This session will provide the background you'll need to open up all of your options for the ensuing sessions. We'll introduce the vocabulary, arithmetic, characteristics and different styles of options. This session will bring all of the terminology together.

Session 5: Hedging Strategies for Our Three Fictional Companies.

What are the market conditions and how might price/margin be impacted? What tools and techniques are available and how do they correlate? How much and for how long will each company be hedged and why?

Session 6: Execution and Implementing an Evaluation Of The Hedging Strategies.

This session brings it all together. This session will provide you with many examples of hedges to manage outright price risk, absolute price and margin risk, and inventory management. Up-to-the-minute hedges will be applied to each fictional company incorporating the tools and techniques that are the most cost effective based on current market conditions. Now that the Big 3 companies are hedged, how are the hedges working? A real-time marked- to-market will be presented and updated with real market prices. Adjustments and optimizations will be discussed and applied when and where applicable.



Natural Gas Risk Management

September 17-18, 2014 - Regus Center - Houston, TX

Registration Fees

\$1,995 for full program

This fee includes expert instruction, course materials and lunch.

Discount for Additional Attendees

2nd delegate: \$1,795

3rd delegate: \$1,600

Enrollment Information (Please Print Clearly)

First Name: _____ Last Name: _____

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Email Address: _____

Payment Method

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

Mastercard Visa American Express

Card Number: _____ Expiration Date: / /

Card Holder Name: _____

Card Holder Signature: _____

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.

3 Easy Ways to Register

1 Call PMA Conference Management at 201.871.0474 or send email to: register@pmaconference.com.

2 Complete & fax this form to 253.663.7224.

3 Complete & mail the form to: PMA Conference Management, POB 2303, Falls Church, VA 22042.

[Click Here to Register Online](#)

Venue Location

Regus Conference Center Downtown Houston

Two Allen Center
1200 Smith Street, 16th Floor
Houston, TX 77002
713.353.4600

Recommended Hotels

Doubletree-Houston Downtown

400 Dallas St
Houston, Texas 77002
713-7590202
<http://doubletree.hilton.com/Houston-Texas>

Hyatt Regency-Houston

1200 Louisiana St
Houston, Texas 77002
713-6541234
<http://houstonregency.hyatt.com>