

CCRO GENERAL MEETING - DAY ONE

(MEMBERS AND INVITED GUESTS ARE WELCOME)

Afternoon June 22, 2016

11:30 to 1:00 Central Time


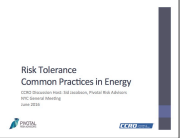

Welcome & Lunch, Located at Meeting Room

Meet & catch-up with CCRO members & guests before we get started

Location:

Reed Smith Offices
599 Lexington Avenue, 22nd Floor
New York, NY 10022

<p>1:00 Eastern Time, 15 min Meeting Starts -- Introductions, and agenda overview Introduce our guests and members; Anti-trust compliance, Review agenda</p>	<p>Opening & anti-trust statements: Bob Anderson, CCRO Exec. Dir. Paul Turner, Reed Smith, LLP</p>
<p>1:15 Eastern Time - 30 min Discussion CCRO and the CFTC's Market Risk Advisory Committee <i>Update for members regarding CFTC activity to date</i> The CFTC named the CCRO on this important committee. The CFTC has asked the CCRO to represent its member "end-user" company perspectives. Bob and Peter will briefly outline what this important CFTC committee has set-out to do, how CCRO members may leverage the CCRO's seat on the committee, and discuss relevant issues for members.</p>	<p>Discussion Hosts: Bob Anderson CCRO Executive Director By Phone: Peter Malyshev Reed Smith</p>
<p>1:45 - 45 min Discussion The Risk Metrics Working Group – Operative Risk & KRIs <i>Working group discussion of their initiative to develop an internal data stream for KRIs</i> Development of Recommended Key Risk Indicators for energy <i>New Project: Creating an internal stream of data for Operative Risk metrics.</i> The team is exploring how to modify a software tool currently used at major manufacturers for operations & safety – to create a desired stream of current operative risk information. The project holds promise of valuable operative risk KRIs and other metrics otherwise not available.</p>	<p><u>Working Group Co-Chairs</u> Garth Renne – Exelon Director of Risk Management Nigeria Bloczynski – WGL Holdings Director of Risk Management Jonathan Stein – Hess Corp Chief Risk Officer <u>Working Group Coordinators:</u> Chris Strickland, CEO, Lacima Ryan Lucas – SAE, WorldAPP</p>
<p>2:15 – 45 min Discussion CCRO's Commodity Risk Management Practices Survey <i>Interim Results and Discussion of Outreach to Participants</i></p> <ul style="list-style-type: none"> • The CCRO Survey 2016 has been opened to non-member companies now... • Status & preliminary results • Webcast discussions planned for members... <p><i>The survey is off to a great start & we need to press more to register during this Summer!</i></p>	<p>Discussion Hosts: Bob Anderson CCRO Executive Director Sid Jacobson Pivotal Risk Advisors James Rucki SBA WorldAPP Register now to take the survey: Click HERE</p>

3:00 – 3:30		30 min Break	
<p>3:30 Eastern Time – 90 min Discussion</p> <p style="text-align: center;">New Risk Topics Nominated by Members:</p> <p>1) Understanding and Measuring Financial Liquidity Risk <i>A discussion about one framework for measuring liquidity risk</i> Haibin will be first presenting a framework for financial liquidity risk, followed by a discussion with members:</p> <p>Financial Liquidity Risk; Theory, Practice, Challenges</p> <ul style="list-style-type: none"> • Short term monitoring • Long term planning • Proactive commercial strategy • Open Discussion w members 		<p><i>Topic Discussion Hosts</i> Haibin Sun Exelon (Constellation)</p> 	
<p>2) Understanding and Measuring Risk Appetite & Tolerance <i>The continuing challenge this risk issue presents to practical implementation</i> <i>A discussion and sharing of current practices with members:</i> Presentation, Risk Tolerance: Common Practices in the Energy Industry</p> <ul style="list-style-type: none"> • Common Risk Language • Definitions of Risk Tolerance • Risk Tolerance in Organizational Strategy • Current CCRO materials related • Challenges & approaches in practice at member companies • Methods to Identify Risk Tolerance • Application of Risk Tolerance 		<p><i>Topic Discussion Hosts</i> Sid Jacobson Pivotal Risk Advisors Joe Pokalski Alruis Consulting</p>  <p>Open discussion with attendees</p>	
<p>3) Understanding and Measuring Reputational Risk <i>A discussion about perspectives on this risk issue and management of it</i> <i>A discussion and sharing of current practices with members:</i></p> <ul style="list-style-type: none"> • Theory: Sources of, Impacts • Practices: member experiences • Challenges & solutions: external contracted response teams? 		<p><i>Topic Discussion Host</i> Nigeria Bloczynski WGL Holdings</p> <p>Tentative: Guest from Alvarez & Marsal</p> <p>Open discussion with attendees</p>	
<p><i>Time Permitting</i></p> <p>New Business: A Look at New CCRO Initiatives <i>A discussion about new growth initiatives</i></p> <ul style="list-style-type: none"> • Issues w DER & Risk Management • The European CCRO initiative • The Retail Power & Gas Sector • The Municipal Utilities Sector • The E&P Sector 		<p>Bob Anderson CCRO Executive Director Hosts: Various members</p> <p>The objective is to bring member awareness to these initiatives & get some ideas & feedback...</p>	
<p>5:30 - Today's Wrap-up & Meeting Day One Concludes -</p>			
<p>6:00 Happy hour – 7:30 dinner Members Happy Hour & Dinner – Sponsored by CCRO Advocates: Reed Smith and Alvarez & Marsal Lychee House 141 East 55th St., New York, NY 10022 212.753.3900 http://www.lycheehouse.com/</p> 			

CCRO GENERAL MEETING - DAY TWO

(MEMBERS AND INVITED GUESTS ARE WELCOME)

Morning June 23, 2016

599 Lexington Avenue 22nd Floor
New York, NY 10022

<p>8:00 – 9:00 Eastern time Coffee - Welcome, introductions, and agenda overview</p>	
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PART ONE: 9:00 – 11:30

FOCUS ON: The Role and Perspectives of CROs in Cyber/Data Security



Measuring and Monitoring Risks from IT Security, including Data Security Risks

While the topic of IT security from a CIO viewpoint has been well addressed in many industry conferences in recent years, the related specifics from the perspective of the roles and duties for a Chief Risk Officer have not. The risk professionals of the CCRO membership would like to begin addressing the latest thinking about cyber/data security risk and how to position it alongside other risks such as credit and market risks.

We want to thank the discussion hosts we have invited here for bringing their expertise to our CCRO member’s request for a ‘deep dive’ into this challenging issue for risk professionals in energy companies of all types...

1. Who has responsibility for measurement, monitoring, reporting on the "\$ at risk" for IT and data security failures?
2. Who has responsibility for managing/mitigating that same risk? (presumably CIO?)
3. What tools are available for 1) ?
4. How can IT Security risk be integrated into the ERM framework and decision making?

Most conferences talk about 2) and maybe 3). None seem to address 1)

<p>Mark Melodia, Partner, Reed Smith LLC, Founder of the firm’s Information Technology, Privacy & Data Security Group; <i>Cyber Security and Energy Companies</i></p> <ul style="list-style-type: none"> • Energy companies face a wide array of cyber threats: • Some of the most significant cyber-attacks in 2015 targeted the energy sector • The consequences are significant: Business impacts and legal impacts • Systems at risk: Industrial control systems and IT data • How can we define/quantify the risk? • Managing the legal risks: • The energy sector is heavily reliant on eco-system of third parties relationships • Other considerations – Cyber insurance & the Safety Act 	 <p>Biography</p>
<p>Rich Moore, Managing Director, Alvarez and Marsal, Expert in designing, leading, and maintaining the implementation and assurance frameworks for organizational information; <i>Cyber Security Issues for CROs</i></p> <ul style="list-style-type: none"> • Cybersecurity is a Business Risk at the end of the day, that can be leveraged by the Operational Risk Management framework • Can approaches to measuring operational risk be applied for cyber risk measurement? • We have all read the news about the cyber risks that vendors bring to an organization, what about the costs and liabilities for a merger or acquisition with poor cybersecurity? • Many times cyber insurance is incorrectly purchased, not appropriately claimed, or not useful at all. Do you know if you’re covered? 	 <p>Biography</p>





PART TWO: 12:00 – 3:00

**Retail Risk Management Standards Working Group:
Current Business Outlook and Associated Risks**

A Discussion with Experts regarding the risks faced by today's energy retailers

The CCRO currently is underway developing risk management guidelines for retailers in a new white paper. The participants of that CCRO group would like to take this opportunity in NY to have a 'deep-dive' into recent changes in markets for retail power and gas and what the implications are for REPs as well as their credit providers & suppliers...

This extended session is proposed to delve into issues impacting the NY market from our expert speakers, as well as inviting the audience to get involved in the CCRO retail Risk White Paper Effort:

<p>During Lunch 12:00 – 1:00: Craig Enochs, Partner, Reed Smith LLC, Legal expert in credit & commercial issues for retail energy businesses</p> <p><i>Presentations and discussion focus areas</i></p> <ul style="list-style-type: none"> • <i>What are the latest developments in New York related to retail energy and ESCOs?</i> • <i>Status of the injunction</i> • <i>The Clean Energy Standard and the New York Governor's recent directive to the New York PSC</i> • <i>The REV Process (Renewing the Energy Vision)</i> <p>Join in this discussion of the latest regulatory developments and the legal perspective of risks that these developments bring. Paul and Craig's firm, Reed Smith, is a CCRO Advocate company that has been working with us on this retail project for some time, so they bring a very relevant legal perspective on risks.</p>	<p>Craig Enochs</p>  <p>Biography</p>
<p>Following Lunch 1:30 - 3:30 Amir Andani, VP of Risk & Chief Risk Officer, Just Energy Group Michael Lordi, VP of Supply, RRH Energy Services Christine Galaty, Head of Risk, EDF Energy Services CCRO Working group leaders, <i>Introduction to the CCRO retail working group and its current and planned activities for the summer/fall</i></p> <p>The CCRO has begun drafting their white paper for recommended practices in risk management at retail energy suppliers. In addition, a series of webcasts, will be providing convenient opportunity for all working group participants to join in discussions and contribute to the content of this comprehensive white paper. Amir and Michael are two of the group's Co-chairs, and will be discussing their outreach to invite additional companies to participate in this constructive industry initiative.</p> <p>We invite you to join them in this discussion and find out how to get involved.</p> <ul style="list-style-type: none"> • <i>The current working group participant companies</i> • <i>The current draft paper, scope and objectives</i> • <i>Upcoming webcasts: What should retail risk managers be doing to be effective?</i> <ul style="list-style-type: none"> ○ <i>Topics</i> ○ <i>Objectives</i> ○ <i>How to get involved in the CCRO working group</i> • <i>Open discussion with attendees</i> 	<p>Amir Andani</p>  <p><i>Chief Risk Officer, Just Energy</i></p> <p>Michael Lordi</p>  <p><i>VP of Supply, RRH Energy Services (Kiwi Energy, Spring Power & Gas, Arrow Energy)</i></p> <p>Christine Galaty</p>  <p><i>Head of Risk, EDF Energy Services</i></p>

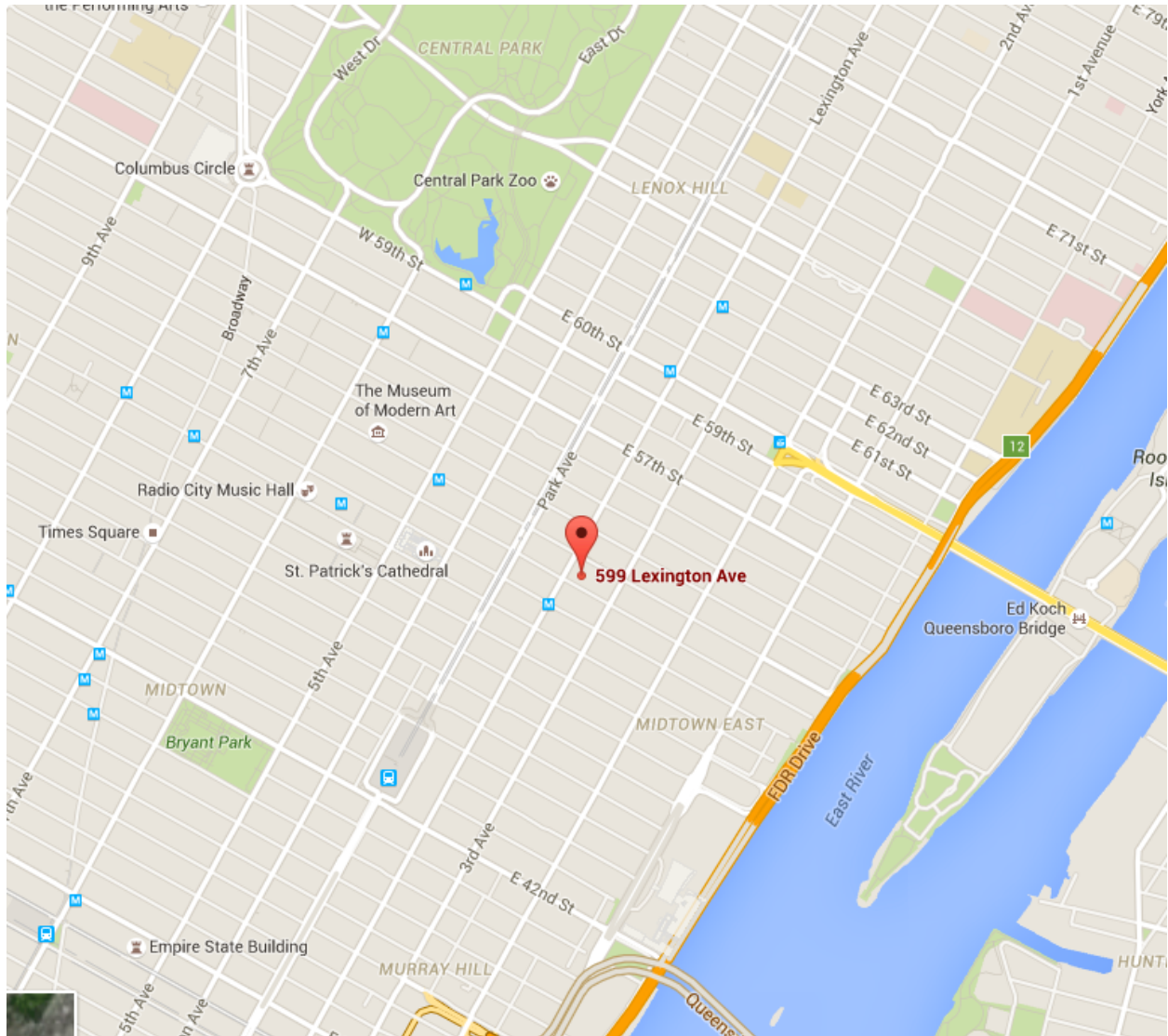
Expected Meeting Attendees (as of June 20)

First	Last	Title	Company
Amir	Andani	Director, Risk Management	Just Energy Group
Richard	Beamesderfer	CFO	Shibley Energy
Nigeria	Bloczynski	Director, Risk Management	WGL Holdings, Washington Gas
Steven	Brown	Director, Risk Management	Mansfield Oil Company
Christine	Galaty	Head of Risk, EDF Energy Svc.	EDF Trading, NA
Stacy	Havlicek	VP Electricity	North American Power
Michael	Hilbert	Senior Finance & Risk Analyst	Shibley Energy
Richard	Hunt	Hydrocarbon Risk Control and Compliance Manager	Motiva Enterprises
Cory	Kuchinsky	Director of Enterprise Risk Management	CPS Energy
Michael	Lordi	VP Supply	RRH Energy Services, (Kiwi Energy, Spring Power & Gas, Arrow Energy)
Soubhagya	Parija	SVP & Chief Risk Officer	New York Power Authority
Garth	Renne	VP of ERM Analytics	Exelon
William	Rust	Compliance Director	The Energy Authority
Thomas	Spencer	Sr. Director, Enterprise Risk Management	New York Power Authority
Gary	Taylor	BPEC CRO, NAGP Head of Power Risk	BP Energy Company
James	Waweru	Manager, Market Risk	WGL Holdings, Washington Gas
Joseph	Zappia	Senior Manager	EQT Corporation
Alex	Zhukovsky	Director of Risk Management	National Grid (Guest)
Nicholas	Goletti	Director of Risk Management	ConEd (Guest)
Michael	Sergeev	President & CoFounder	Deca Energy (Guest)
Haibin	Sun	Director of Risk Analytics	Exelon
David	Chesnick	Director of Supply & Risk Mitigation	RRH Energy Services
Matthew	Evans	Intern	RRH Energy Services
Paul	Turner	Partner	Reed Smith LLP
Russell	Battaglia	Senior Director	Alvarez & Marsal
Jeremy	Cusimano	Managing Director	Alvarez & Marsal
Morgan	Davies	Managing Director	The Alliance Risk Group
Kunal	Shah	Founder	Watchtower Risk
Roderick	Austin	Director of Risk Management	Cube Logic
Alan	Babb	Director of Credit Risk	Formerly of Talen
Brad	Leach	Consultant	Energy Advisory Services
Mark	Melodia	Partner	Reed Smith LLP (Guest Speaker)
Rich	Moore	Managing Director	Alvarez & Marsal (Guest Speaker)
David	Klein	Chief Operating Officer	Enerknol
Robert	Anderson	Executive Director	CCRO
...			

Recommended Hotels Near the Reed Smith Office:

<p>Pod 51 Hotel 230 East 51st Street, New York, NY 10022 Phone: +1.212.355.0300</p> <p>Insider info: least expensive but shared bathrooms!</p>	 <p>http://www.thepodhotel.com/</p>
<p>Carvi Hotel New York – 152 E. 55th Street, New York, NY 212-752-0600</p>	 <p>http://www.carvihotel.com/</p>
<p>Renaissance New York Hotel 57 130 East 57th St. New York, New York 10022 Phone 212-753-8841</p>	 <p>http://www.marriott.com/hotels/travel/nycbr-renaissance-new-york-hotel-57/</p>
<p>The Roosevelt Hotel – 45 E 45th Street, New York, NY Phone 212-661-9600</p>	 <p>http://www.theroosevelthotel.com/</p>
<p>Doubletree by Hilton: Hotel Metropolitan 569 Lexington Avenue, New York, NY 212-752-7000</p>	 <p>http://doubletree3.hilton.com/en/hotels/new-york/doubletree-by-hilton-hotel-metropolitan-new-york-city-NYCDTDT/index.html</p>
<p>The Kimberley Hotel - 145 E 50th Street, New York, NY 212-755-0400</p>	 <p>http://www.kimberlyhotel.com/</p>

Logistics for the meeting place:



Reed **Smith** LLP

599 Lexington Avenue 22nd Floor New York, NY 10022