



## **LNG Trading and Risk Summit**

**Presented by Alpha Insight & the CCRO**

**March 18-19**

**9:00am-12:30pm**

**Singapore and Houston Times**

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### **Part One - March 18, 2021: The Outlook and Uncertainties**

Please connect to our virtual conference early to avoid any connection problems. We will have the link active by 8:30am. **Show link:** <https://www.ettlive.com/stream>

#### **9:00 – Welcome and Introductions**

Howard Walper, President, Alpha Insight

#### **9:05 – Opening Keynote: LNG Trading and Risk Management Challenges**

Ivan Tan, Director of Trade and Business Services Division of Enterprise Singapore (ESG)

What does Enterprise Singapore see as the outlook for LNG Trading? How will Enterprise Singapore help to bring risk management in LNG industry to the fore?

#### **9:15 – Risk-Based Look at Energy Transition**

David Thomas, President, nwyda

David presents an insightful look into the primary areas that shape the outlook for LNG trading and risk management:

- Broad energy outlook
- Paris accord and US re-joining – the 2050 zero carbon target
- LNG as a transition fuel
- Carbon emissions along the value chain

#### **9:40 – Geopolitical and Legal Risk Facing LNG Facility Developments**

(20) Robert Stibolt, Managing Director, Hamilton Clark

Bob takes a close look at how different classes of LNG projects reflect the risk seen in LNG development. LNG Projects are comparatively much larger scale, and more complex, bringing amplified risks. How can you be prepared to manage risks better?

#### **10:00 - Panel: LNG Market Price Indexes: What Does the Future Hold?**

**Panelists:**

Ciaran Roe, Global Director – LNG, S&P Global, Platts

Ed Cox, Global LNG Editor, ICIS

Jason Feer, Global Head of Business Intelligence, Poten & Partners

Phil Shaw, COO, General Index

This panel of price reporting agencies and market intelligence providers brings insights into progress and challenges that LNG price indexes face today. How will they develop going forward? How might risk managers leverage them for more effective hedging?

**Short Break:** And now a word from our sponsors...

**11:05 – Digitalization of LNG Market Trading and Associated Benefits**

Janine McArdle, CEO, Apex Strategies

In a one-on-one discussion, Janine talks about digitalization of LNG markets and how its challenges can be met:

- The benefits of digitalization
- Accommodating nuances of LNG transactions
- Relationships with customers or suppliers
- Confidence in fair value
- Consolidation into one trading platform

**11:30 – Panel: What are the Gaps Between Today and a Commoditized LNG Market?****Panelists:**

Doug Gyani, President, Principia Consulting

David Thomas - President, nwyda

Doug and David discuss insights into the gaps that they see in today's LNG market versus the commoditized market of the future, including:

- The current LNG risk landscape
- The evolution of JKM
- Is US price indexing an enabler or a deterrent to exports
- Monetization of standardizations
- The use of trading platforms
- Moving towards a zero-carbon industry

**Conference Part One Concludes**

**Part Two - March 19, 2021:  
What's Next? Technology, Contracts, Data, and More**

Please connect to our virtual conference early to avoid any connection problems. We will have the link active by 8:30am. **Show link:** <https://www.ettlive.com/stream>

**9:00 – Welcome and Introductions**

Howard Walper, President, Alpha Insight

**9:05 – Panel: LNG and Derivative Products: Weather Derivatives**

**Panelists:**

Tom Paylor, Meteorologist/Trader, Munich Re

Brian Beebe, Head of Origination Americas, Swiss Re Corporate Solutions

Dr. Craig Pirrong, University of Houston GEMI

Dr. Pirrong hosts this discussion involving Q&A between the two largest providers of weather derivative products. They set the stage by explaining how weather derivatives are an important tool for the LNG risk manager to understand and deploy. Some example products are discussed and the challenges for the growth in weather derivative use are also presented for the audience to consider.

**9:35 – Panel: Standardizing Contract Terms for LNG Transactions**

**Panelists:**

Kieth Sappenfield - Chair of WGQ Contract Subcommittee, NAESB

Ruchdi Maalouf – LNG Consultant based in Singapore

Paul Turner – Partner, Womble Bond LLC

Three senior experts in energy trading contracts make the case for a new initiative to bring the risk management benefits of standardized terms & conditions to LNG markets. First, the evolution and current state of LNG contracts is presented. Then the group delve into the advantages of standardization and key legal issues. Finally, a call to action is made of the audience to get involved in this important LNG industry initiative.

**10:20 – Panel: Resolving Challenges Managing Credit Risk in LNG markets**

**Panelists:**

Eric Twombly, Director Credit Risk, Golden Pass LNG

Reza Simchi, CEO Graviton Global Investments

Reza, an expert in credit quantitative analysis, and Eric Twombly, an experienced risk professional now managing LNG credit, bring practical insights into the conduct of credit risk management in LNG today. An example application of Potential Future Exposure (PFE) is

provided. Then, the challenges to PFE use in LNG are pointed out, with discussion around interim approaches to address them. Finally, recommendations are offered for an effective credit risk management process in LNG.

**Short Break:** And now a word from our sponsors...

### **10:50 – Freight Rate Risk and Associated Challenges**

Ben Woodbridge, Poten & Partners – London

Ben brings insights into risk presented by LNG freight rates and how important they are for the risk manager to address. Opportunities for some new products that are designed to help with managing freight rate risks are presented.

### **11:15 – Cargo Optimization**

Reza Simchi, CEO Graviton Global Investments

LNG Cargos Optimization requires a confluence of different functional departments such as Trading, Operations, Legal, Shipping and a few others. Moreover, LNG's unique features make any optimization path, mode and time dependent. The present talk reviews such features and provides practical methods to accommodate them.

### **11:35 - KWA (Technology Panel): Leveraging Technology for the Transitioning LNG Markets**

Phil Walsh and Kevin Wagner present a series of case studies on technical solutions to address the evolving challenges of trading, risk and operational management of LNG. Topics covered include: portfolio optimisation, small scale LNG and carbon emission offsetting.

#### **Panelists:**

Kevin Wagner, Director, KWA Analytics Singapore

Phil Walsh, Director, KWA Analytics London

### **12:10 - Digitization – Best Practices for a Digitized Trading Platform**

Mike Mackey, Founder & COO, COMET

Mike takes us into the concepts of automation regarding manual bespoke markets such as LNG. He discusses best practices with respect to transaction automation and provides COMET as an example of implementation of them. Key areas such as an audit trail, handling ETRM data, and other factors to consider when evaluating automated LNG trading platforms are all discussed.

**Conference Part 2 Concludes**