

European Gas Market Forum:

Supply, Origination, Trading,
Pricing, and Contract Optimisation

6-8th March 2012 | Berlin | Germany

The Forum will be of interest to senior managers and directors including:

- Directors / VP's / Heads of Gas Trading and / or Supply
- VP's / Directors / Heads of Supply and Trading
- VP's / Directors / Heads of Business Development
- Sales and Marketing Directors
- CEO's and Presidents
- Commercial Directors
- Gas Originators / Negotiators / Marketers
- General Managers
- Gas Traders / Brokers
- Head of Contract Structuring and Price Formations
- Contract Directors

The Forum will attract a mixture of multi-national and independent companies that are involved in:

- Energy and Gas Operators
- Exchanges and Hubs
- Energy Traders
- Gas Shippers / LNG Terminal Operators
- Banks / Investors / Financial Institutes
- Legal and Consultancy Firms
- Storage System Operators
- Transmission and Distribution System Operators
- Brokerage, Derivative and Clearing Houses
- Governments and Regulators
- Large Industrial End-Users
- Legal and Consultancy Firms

Testimonials

*"Attending allows you to set up important meetings with present customers and prospective new clients without travelling the world. One ticket provides access to a lot of people!" - ConocoPhillips**

*"Gastech enables commercial and technical to share our common interests and develop a clearer vision for the future of gas." - Wood Mackenzie**

*Testimonials refer to previous Gastech events

Day One, Tuesday, 6th March 2012

08:30 - 09:00

Registration and Coffee

09:00 - 09:10

Chairperson's Opening Remarks

Morning Chairperson:

Howard Rogers, Senior Research Fellow, **Oxford Institute for Energy Studies**

09:10

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09:40

Understanding the Complexity of European Gas Markets: Where are We Now and What Steps Must be Taken to Make it Fully Integrated and Interoperable

- Market evolution and current supply demand fundamentals
- Security of supply and EU's objectives for 2020 and 2050
- Effect of the economic recession on trade and the market flow of businesses
- Impact of environmental and CO2 abatement policies on natural gas demands
- How has the nuclear freeze/fade-out affected future gas demand?
- Emergence and role of new markets in Eastern Europe: Poland, Czech, Republic, Slovakia, Hungary, Romania
- How realistic is overall market integration by 2014?
- What will the impact of the dramatic rise in European gas-fired power generation be on the market?

Speaking at this session:

Andreas Holzer, Vice-Chairman, **EFET German Gas Task Force**

09:40 - 10:40

Panel Discussion: Challenges of the European Gas Trading Markets in a Global Context -

Assessing the future dynamics of: LNG vs. pipeline gas vs. renewables, unconventional, etc.

LNG:

- State of the European energy market in respect of the global LNG changes
- Scope of the surge of new LNG supplies from Australia, US and North Africa
- Examining the probabilities of project slippages: past experiences, lessons learnt and future forecasts
- Increasing gas consumption and major imports in countries like China, Japan and India
- Is short term pricing discouraging LNG exports from North America and Qatar?
- How the business model for LNG is changing (less long term destination contracts – more speculative optionality for the producers etc)

Pipelines:

- Role of Caspian, Mediterranean and Middle Eastern Gas
- Interplay between Nabucco, Southstream and Nordstream pipelines: Political or economical?

Other/New Resources:

- Role of renewable energy in influencing gas prices
- Can trading serve as a viable solution for markets undergoing transition?
- The European unconventional gas phenomenon and other new gas discoveries: A prognosis on supply, trading, pricing and beyond

Speaking at this session:

Helmut Hammerschmid, Head of LNG North Africa, **RWE Supply & Trading**

Nitin Shukla, Managing Director & Chief Executive Officer, **Hazira LNG and Port Companies**
(part of Shell India)

Marcel Kramer, Chief Executive Officer, **South Stream**

Dr. A K Balyan, Managing Director & Chief Executive Officer, **Petronet LNG**

Christophe Malet, Director of LNG Trading, **Excelerate Energy**

10:40 - 11:00

Morning Coffee and Refreshments

11:00 - 11:45

Assessing the Scope of New Policies & Regulation, their Implementation and Direct Implications on the Gas Traders

- Framework guidelines of the 3rd energy package and its impact on gas trading
- Understanding issues with cross-border trade and transmission
- Ensuring gas can flow across national borders and overcoming barriers related to intercontinental agreements
- Identifying issues and risks to overcome liquidity and achieve transparency in the European markets
- REMIT: Its significance and effect on the whole trading business
 - Extent of obligations on contract disclosure and other information sharing
 - Will there still be a forward market?
- The role of MIFID II, BASEL III, MAD and EMIR in future market activity and governance
- What will be their impact on derivatives trading?
- What is the threshold going to be for trading in the bilateral market?
- Effects of regulatory developments on global derivatives trading
- Would new regulation drive arbitrage opportunities in gas trading?

Speaking at this session:

Inge Bernaerts, Head of Unit -Electricity and Gas, **European Commission**

Dr. Karl Peter Horstmann, Head of Markets Regulation, **RWE Supply & Trading**

11:45 - 12:15

Assessing the Role of Gas Storage in Enhancing Market Flexibility

- Role of "Strategic Storage" in meeting Europe's gas needs and ensuring long term security of supply
- How has gas storage promoted the development of hubs?
- Using storage as a real option for trading to manage seasonality and volatility in gas prices
- Understanding the effect of volumetric limitations and mean reversion
- Gas storage valuation and financial optimisation

Speaking at this session:

Vaclav Lerch, Gas Supply Portfolio, Logistics & Storage Director, **VEMEX**

12:15 - 13:00

Enabling Gas Trade from Re-Export Facilities for LNG Traders, Producers, or Gas Utilities

- Fostering trade through an Access Condition System : The new paradigm of a multi-terminal, multi-shipper, multi-access conditions setting
- Looking at the different usage patterns of LNG regasification terminals in Europe
- Understanding the norms of Third Party Access (TPA) to improve liquidity in trading
- Diversifying your LNG trade schemes to ensure development of European regasification capacity

Speaking at this session:

Francisco P.de la Flor, Director of Regulation, **Enagas**

13:00 - 14:00

Networking Lunch

Afternoon Chairperson:

Jan-Willem Schapink, Head (SVP) of Pricing, Structuring & Forecasting, **Essent**

14:00 - 14:45

Auctioning of Transport Capacity at Nabucco: Lessons Learnt from Early Experiences

- Strategic objectives and performance measures
- Evaluation of different designs and their performance
- The Nabucco Open Season: Early experiences and way forward

Speaking at this session:

Dr. Matthias J. Pickl, Manager - Capacity Trading, **Nabucco Gas Pipeline**

14:45 - 15:30

Europe's Hybrid Gas Pricing System: Examining the Links and Implications of Oil-Indexed and Hub-Based Pricing

- When and how did the shift come about and is it sustainable?
- Price mechanisms in the Asian and American markets
- Short and midterm view on price movements and fundamentals
- What are the best mechanisms to manage price volatility?
- Short term vs. long term trading
- Is a move away from oil indexation improving the development of liquidity in European gas markets?
- Which pricing system will prevail in the long term?
- Exploring effective ways to balance the gas markets

Speaking at this session:

Sergei Komlev, Head of Directorate, Contract Structuring and Price Formation, **Gazprom**

15:30 - 15:50

Afternoon Tea and Refreshments

15:50 - 16:30

The Recent Development of Hubs: Analysing whether any of The European Hubs can Transform into a True Pricing Reference Point for the Future

- History of European hubs including reasons for their success or failure
- Current contractual structure for gas trading in Europe
- Arguments for and against long term contracts and market pricing
- Transition from oil indexation to market pricing
- What will a market priced world look like?

Speaking at this session:

Patrick Heather, Senior Research Fellow, **Oxford Institute for Energy Studies**

16:30 - 17:10

Optimal Gas Portfolio Allocation between Oil-Indexed Contracts and Spot Market

- Commodity, flexibility, imbalance and quality conversion costs
- Cost distribution based on historical weather and load data
- Maximizing risk-adjusted expected profit based on Monte Carlo simulations
- Gas Portfolio allocation depending on risk aversion

Speaking at this session:

Mahmoud Hamada, Visiting Professor, HEC University of Geneva & Executive Director-Commodity Trading and Risk Management, **Ernst & Young**

17:10 - 17:50

What Gas Market Would the Gas Power Plant Operators Like?

- Do the long term contracts have a place in sourcing portfolios?
- Which pricing structures of the gas supply contracts are interesting?
- How can the gas target model influence the power plant operators?
- What is brought by the 3rd legislative package framework guidelines to the power plant operators?

Speaking at this session:

David Viduna, Head of Long Term Origination, **CEZ**

17:50 - 18:20

Legal protection for LNG Liquefaction and Regasification Facilities

- Investment protection through bilateral and multilateral investment treaties
- The Energy Charter Treaty's investment protection and transit regime
- The specific situation of LNG port facilities

Speaking at this session:

Graham Coop, General Counsel, **Energy Charter Secretariat**

18:20 - 18:30

Chairperson's Closing Remarks and End of Day One

Day Two, Wednesday, 7th March 2012

08:30

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09:00

Re-Registration and Coffee

09:00 - 09:10

Chairperson's Opening Remarks

Morning Chairperson:

Mahmoud Hamada, Visiting Professor, HEC University of Geneva & Executive Director-Commodity Trading and Risk Management, **Ernst & Young**

09:10 - 09:45

Role of Central European Gas Hub in serving as a major gas hub linking Eastern and Western Europe

- Improving liquidity to create transparent, less volatile, and competitive spot markets
- What mechanisms must be used to achieve transparency at interconnection points
- How will the price integration happen at CEGH with new gas interconnections?
- Coping with long term regulations, tariffs, contracts and agreements
- Launch of a new trading system
- Growth of CEGH as a major European gas hub

Speaking at this session:

Bernhard Seiberl, Chief Operating Officer, **Central European Gas Hub**

09:45 - 10:40

The Concept of Virtual Gas Hubs, Their Capacity Regimes and Gas Balancing Systems in the European Region:

- NBP
- GASPOOL
- PEGs

Speaking at this session:

Jean-Raymond Rastoul, Deputy Head of Gas & Power Trading, **Société Générale**

Dr. Dirk Bessau, Managing Director, **GASPOOL**

Sébastien Chiffaut, Head of Trading & Optimisation, **Poweo**

10:40 - 11:00

Morning Coffee and Refreshments

11:00 - 11:40

The Changing Role of Exchanges in the European Gas Trading Markets

- Why is gas trading on exchanges expanding?
- The roles of spot and futures
- How does hedging work on exchanges?
- Examining the future of derivatives and forward trading
- What are the implications for energy risk management professionals?

Speaking at this session:

Jean -François Conil-Lacoste, Chief Executive Officer, Powernext & Chairman, **EUROPEX**

11:40 - 12:20

Understanding New Challenges of the Forward Trading Markets

- State of the forward trading market in Europe
- Is the forward market liquid enough to hedge price and volume exposure?
- Are there any arbitrage opportunities between different forward market hubs?

Speaking at this session:

Cristiano Campi, Head of Gas, Power & Coal Sales-Origination, **Credit Agricole** - in partnership with EDF Trading

12:20 - 13:00

Opportunities for Gas in the Wake of Fukushima

- Changes in the political and regulatory framework and consequences for the energy market, especially Gas to Power
- Reflections on appropriate pricing schemes
- Crucial drivers for the future development of the market

Speaking at this session:

Bernhard Blumberg, Senior Manager Gas Supply and Portfolio Management, **EnBW Gas Midstream GmbH**

13:00 - 14:00

Networking lunch

14:00 - 14:35

Risk Management Challenges that Arise from High Gas Price Volatility: A Leading Utility's Perspective

Generation side:

- Gas price impact on clean spark spreads and clean dark spreads (i.e. gas-fired and coal-

- fired stations)
- Correlations between gas and power in the UK
- Hedging strategies

Retail side:

- Impact of high volatility on industrial customers - how do they respond
- Impact on domestic customers
- Interaction of weather, gas prices and customer demand and ways to manage their unpredictability

Speaking at this session:

George Axiotis, Head of Risk Control, **RWE npower**

14:35 - 15:10

Fundamental Drivers in Forming Gas Price Outlooks

- Past drivers in gas prices
- Changing market conditions
- Forming outlook scenarios

Speaking at this session:

Gabrielle Seeling-Hochmuth, Head of Gas Strategy / Gas Competence Centre, **Vatenfall**

15:10 - 15:30

Afternoon Tea and Refreshments

15:30 - 16:30

Breakout Think Tank Groups

Delegates will be divided into three focus groups, each lead by an industry expert. The speakers would give a presentation for the first 40 minutes followed by a group discussion.

Optimising Contracts for Profitability and Competitive Advantage: Best Practices for Negotiating Long Term Supply Contracts

- What changes must be made in the long term contracts?
- How long will the trend continue for?
- Types of formulas to use for hedging and optimising your contracts
- How to price a contract that has low volatility and low liquidity?
- The price review practice in Europe
- Analysing underlying factors that arise disputes in long term contracts
- Recent cases of arbitration on long term and inflexible terms of gas pricing
- Role of gas swing contracts in managing flexibility and increasing profitability

Speaking at this session:

Jose Simon, Director Gas Supply and Portfolio Management, **Iberdrola**

Alejandro Navarro, Legal Counsel, Global Energy Division, **Gunvor International**

Marco Lorefice, Senior Lawyer Gas Supply and Logistics Contracts, **Edison SpA**

16:30 - 17:10

Devising Best Practices in Forward Curve Building

- Addressing common practitioner complaints
- Identifying what is important
- Overcoming the lack of data
- A review of modelling techniques for both price and volatility

Speaking at this session:

Kevin Kindall, Director of Quantitative Analysis, **ConocoPhillips**

17:10 - 17:20

Chairperson's Closing Remarks and Close of the Conference

Day Three, Thursday, 8th March 2012

Post-Forum Workshop Agenda

Attend the Following Interactive Workshop

09:00 - 09:30

Coffee and Refreshments

09:30 – 12:30

Understanding the role of MIFID II, BASEL III, MAD and EMIR in gas markets and how that will impact future trading

Speaking at this session:

Valeria Palmisano, EU Energy and Climate Policy Adviser, **Edison SpA**

Karen Sund, Founder, **Sund Energy**

08:30 - 09:00

Coffee and refreshments

09:00 - 09:10

Introduction and aims of the workshop

09:10 - 09:25

An overview of the International obligations and EU regulation in an evolving industry

09.25 - 10:30

MIFID Directive: status update on the EU negotiation

EMIR Regulation: status update on the EU negotiation and international overview of the G20 commitment implementation amongst major economies

MAD Directive: status update on the EU negotiation

The impact of BASEL III for gas industry and trading

10:30 - 11:00

Coffee and Networking Break

11:00 - 12:30

Addressing liquidity, trading and risk management issues in a changing environment

12:30 - 12:40

Conclusions and close of the workshop

Contact Us

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