

SAN DIEGO

FEBRUARY 24-26, 2016



Education

Networking

BAHIA RESORT HOTEL

Taking in an amazing city and a top-notch educational program while enjoying time spent with your colleagues and peers in a relaxed and fun environment – pure and simple!

Professional
Development

The North American Power Credit Organization (NAPCO) endorses and will comply with the highest standards of professional conduct. NAPCO understands that these guidelines are for the protection of our individual companies and the Organization:

ANTITRUST COMPLIANCE STATEMENT

The antitrust law of the United States shall be strictly complied with in all respects by the Organization and each of its members. The object of NAPCO is the furthering of professional education and industry standards as well as providing an open forum for the exchange of information and ideas. It does not imply in any manner that the Organization recommends that any credit relationship be conducted or modified in any way. Neither prices nor credit term may be discussed. No future intention of members may be reported or discussed. Under no circumstances shall NAPCO members give advice or otherwise attempt to influence the independent judgment of other members in the extension of credit.

All discussions of credit practices and policies must be general in nature and not pertain to any particular customer or competitor, and discussion of specific company policies must be avoided.

ANTIDEFAMATION STATEMENT

Slandorous statements in NAPCO meetings must be carefully avoided; they may subject all NAPCO members to major damage suits by persons who consider themselves to have been defamed. Members must avoid giving opinions or making any statements which imply that any individuals are dishonest, fraudulent or immoral, since no specific damages need be proven in court to recover for these kinds of statements. Statements, which might be considered slanderous should not be used in meetings unless the member making the statement, can prove from clear evidence that the statement is true.

CONTINUING EDUCATION CREDITS: NAPCO 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 submitted to the National Registry of CPE Sponsors through its website: www.learningmarket.org.

CPE CREDITS: Earn up to 10.0 CPE. Upon completion of this meeting, participants interested in receiving CPE credits will receive a certificate of completion. Participants must be in attendance for the entirety of the conference to be eligible for the full amount of CPE Credits.



Delivery Method: Group Live

Prerequisites and Preparation: No prerequisites or advanced preparation are required for the seminars.

Program Level: Basic (B) to Intermediate (I), unless otherwise noted in the Program Agenda below.

Programs: Specialized Knowledge and Applications

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CURIOUS HOW ALL THIS GETS DONE? We have an awesome group of volunteers who commit their time, creativity and know-how in helping the organization. From finding quality speakers to brainstorming relevant topics, from organizing networking events and promoting the group to their peers, our volunteers make a positive and significant difference!! All of the efforts of our volunteers are at the core of the group's continuation!

THANK YOU to all of the members of our NAPCO Committees - we could not do it without YOU!

NAPCO Executive:

Mark Holler, Tenaska Power Services
Robin Griffin, Tennessee Valley Authority
Bill Lopez, Portland General Electric

Committee for Education and Learning ("CEL")

Mark Holler, Tenaska Power Services
Jimi Netniss, Modesto Irrigation District
Tanya Rohauer, Calpine Corporation
Mark Sherrill, Sutherland
Anna Wade, EWEB
Louise Waterhouse, NGX
Sue Wiersma, Chelan PUD

Committee for Activities & Networking (CAN):

Annette Sturgill, Iberdrola Renewables
(Co-Chair)
Mark Oosterman, SMUD (Co-Chair)
Casey Sorensen, Tucson Electric Power
Jason Wells, Paragon Energy Software

DO YOU WANT TO GET INVOLVED? We'd love it if you did! Volunteering is such a great way to get involved and help shape the future role of the organization. It is also a great way to mentor or to help with your own professional development. Please let us know if you have an interest in volunteering for any of the NAPCO committees.

OUR GENEROUS SPONSORS deserve a "THANK YOU" too for their generosity in providing an awesome and fun environment to network and learn. They also help keep registration fees highly reasonable. Please visit their websites for more information on the services and products they provide.



Paragon Energy Software www.paragon-consulting.net develops and licenses the Paragon Credit Risk Management System. From counterparty onboarding to advanced credit analytics, Paragon combines state of the art technology with a rich feature set to deliver the most powerful credit risk management system available. Paragon offers a variety of licensing models to accommodate companies of any size. Primary Contact: **Jason Wells** jason.wells@paragon-consulting.net



NGX www.ngx.com provides electronic trading, central counterparty clearing and data services to the North American natural gas, crude oil and electricity markets. Since 1994, NGX's unique market model has provided traders with one of the most highly liquid, secure and efficient environments available for trading and clearing physical energy commodities. With offices in Calgary and Houston, NGX is wholly owned by TMX Group Inc. which collectively manages all aspects of Canada's senior and junior equity markets. Primary Contact: **Louise Waterhouse** louise.waterhouse@ngx.com



RMG Financial Consulting www.rmgfinancial.com provides credit reporting, credit scoring and credit risk consulting services to clients throughout North America. For more than a decade and half, RMG has acted as a trusted advisor, helping its clients to assess and manage their credit risks through counterparty evaluation, contract negotiation support, policy development, compliance review and other consulting services. Primary Contact: **Reid Grossmann** grossmann@rmgfinancial.com



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Thursday, February 25, 2016

Breakfast & Registration Check-In: 7:30 am – 9:00 am

Session 1: 8:00 am – 8:45 am

Money Market Mutual Fund Reforms:

The U.S. Securities and Exchange Commission is implementing new money market mutual fund rules in 2016 which are designed to protect shareholders but may limit access to certain money market mutual funds in the event of a market disturbance. This presentation will describe these changes and their potential impact on cash deposits held in money market mutual funds as well as how these impacts may affect corporate investment and credit policy. *Learning Objectives (B/I): Identify how changes in the money market mutual funds will impact credit.*

Kevin King, California ISO

Break: 8:45 am – 9:00 am

Session 2: 9:00 am – 10:15 am

Early Warning Signs of Financial Distress:

An overview of the red flags that signal credit deterioration with a focus on the utility and project finance sectors. This presentation will provide both a framework to identify red flags as well a few examples from past experiences. *Learning Objectives (B/I): Examine financial metrics to identify credit deterioration.*

Clifford Kim, Moody's Investors Service

Break: 10:15 am – 10:30 am

Session 3: 10:30 am – 11:45 am

An Update and Overview of U.S. and Canadian Derivatives Reform:

An overview of the new derivatives reporting rules in Canada as well as an overview of the various proposed rules including proposals on mandatory clearing, derivatives dealer registration, and derivatives margin requirements in the U.S. *Learning Objectives (I): Assess the various regulatory developments associated with derivatives reform in Canada and the U.S.*

Alexander Holtan, Sutherland

NAPCO Business Meeting and General Q&A: 11:45 am – 12:00 pm

Lunch: 12:00 pm – 1:00 pm

Session 4: 1:00 pm – 2:15 pm

US Natural Gas Market Update:

An update on the domestic natural gas markets – which has seen a degree of volatility in recent years. This presentation will focus on the state of oversupplied markets, expectations for growing demand markets in LNG, exports to Mexico, and power demand, and its effect on price outlook. *Learning Objectives (B): Examine factors that are affecting prices in the domestic natural gas markets.*

Thad Walker, Bentek Energy, a division of Platts

Beach Volleyball Tournament: 2:30 pm

Group Networking Dinner: Café Sevilla 7:00 pm*

*Transportation will be provided. Buses will leave from hotel lobby at 6:30 pm to Café Sevilla. Return transportation to the hotel will be provided at 9:00 pm and 10:00 pm from the restaurant.

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Friday, February 26, 2016

Breakfast: 7:30 am – 9:00 am

Session 5: 8:30 am – 9:45 am

Standards for an Effective Risk Management Program...Anywhere:

In the energy industry today, a daunting myriad of risks challenge the risk management programs of large and small entities alike. Taking on this challenge, you are much more likely to succeed if you are aware of best practices and of lessons-learned from others before you. This session will use CCRO published best practices and industry-wide survey results to explore the characteristics that your risk program should aspire to for success. In addition to outlining universal framework principles, we will be addressing important nuances that make this framework effective at the smallest or the largest of organizations. *Learning Objectives (B/I): Identify best practices associated with risk programs.*

Morgan Davies of the Alliance Risk Group and Bob Anderson of the Committee of Chief Risk Officers

Break: 9:45 am – 10:00 am

Session 6: 10:00 am – 10:50 am

The WSPP Contract – An Update on Things To Know:

This session will provide an overview of the WSPP contract as well as providing detailed information in regards to specific areas of the contract that have seen changes over the past few years. *Learning Objectives (B): Examine specific sections and terms contained within the WSPP contract.*

Jeremy Weinstein of the Law Offices of Jeremy D. Weinstein

Break: 10:50 am – 11:00 am

Session 7: 11:00 am – 12:00 pm

Roundtable Discussion – Hedging Principles and Strategies:

This session is intended to provide a forum for attendees to ask questions and discuss their practices associated with hedging. This discussion will be led by the expertise of INTL FCStone and will focus on general hedging component principles which would apply to any company looking to hedge energy risk. *Learning Objectives (B): Examine general hedging components and strategies.*

Michele Owens, INTL FCStone

Closing Remarks: 12:00 pm

Presentation materials from this program that have been made available to us by the speakers will be posted on the NAPCO/RMG website or distributed to attendees via email. Please note that not all presentations can be distributed to attendees and/or posted to the website due to the sensitive nature of the materials or for various other legal reasons. www.rmgfinancial.com/napco-2016-february-conference

NAPCO reserves the right to alter this program without prior notice. Please note that the opinions of the speakers are entirely their own and do not necessarily represent those of NAPCO, RMG Financial, or our Sponsors. Any meeting related complaints should be directed to the acting NAPCO Chairperson for prompt action and resolution. NAPCO is a member run organization. All complaints will be addressed at the discretion of the NAPCO Executive Committee. NAPCO Chairperson: Mark Holler of Tenaska Power Services at (817) 303-1113 or mholler@tnsk.com

NAPCO is facilitated by RMG Financial Consulting, Inc.

CREDIT CONFERENCE

About Our Speakers

NAPCO would like to thank our speakers for taking time out of their busy schedules to be a part of this conference. We are honored to have such a distinguished list of speakers and industry experts. Their participation enables NAPCO to offer a high quality educational program at a very reasonable registration fee.

ROBERT (BOB) ANDERSON

Executive Director, COMMITTEE OF CHIEF RISK OFFICERS www.ccro.org

Bob is the Executive Director of the Committee of Chief Risk Officers and has over 20 years management experience with the design, implementation, and operations of risk management in the energy industry. Bob brings a unique combination of leadership experience at two of the most sophisticated energy trading entities, advisory experience with a prominent management consulting firm, and experience as chief executive at the premier industry group for risk management practices. Bob holds a Masters degree in Business Administration from Duke's Fuqua School of Business, and an engineering degree from Vanderbilt University.

MORGAN DAVIES

Managing Director, The ALLIANCE RISK GROUP www.thealliancerisk.com

Morgan is a Managing Director of the Alliance Risk Group and brings more than 20 years of experience in the areas of risk management primarily in the energy and financial services industries. Morgan has been responsible for leading and developing credit risk practices and liquidity enhancing structures for leading energy companies (IPP, regulated utility, unregulated utility subsidiary) and has significant Big 4 public accounting experience within the financial services industry. Morgan is a CPA in South Carolina and a Chartered Accountant in Canada. Morgan holds a double major BA in Management Economics from the University of Guelph in Ontario.

ALEXANDER (ALEX) HOLTAN

Associate, SUTHERLAND ASBILL & BRENNAN www.sutherland.com

Alex Holtan is a Counsel at Sutherland Asbill & Brennan. He counsels energy industry clients on investment and trading in commodity derivatives as well as compliance with the Commodity Exchange Act and the Dodd-Frank Act. Over the past six years, Alex has been heavily involved in advocating before the U.S. Congress and commenting on the CFTC's most critical rulemakings, including the definition of "swap," the definition of "swap dealer," and position limits. In these proceedings and many others, Alex has been an integral part of the Sutherland team that represents a working group of commercial energy firms, the foremost group advocating the interest of energy end-users before the CFTC, other federal agencies, and Congress. Alex also advises a group of commercial energy companies on the ongoing derivatives reform efforts in Canada. Alex counsels energy firms, commercial end users, investment banks and pooled investment vehicles on an array of derivatives transactions. He also advises clients on commodities-related enforcement matters and internal investigations and assists companies in developing comprehensive derivatives trading compliance programs. Prior to entering the private bar, Alex served as a law clerk for the U.S. Senate Banking, Housing and Urban Affairs Committee. He received his J.D. from the University of Virginia School of Law, an M.B.A. from the University of Virginia Darden School of Business, and a B.A. from Georgetown University.

CLIFFORD KIM

Vice President – Senior Analyst, MOODY'S INVESTORS SERVICE www.moodys.com

Clifford is a Vice President-Senior Analyst in Moody's Global Infrastructure Finance Group. His responsibilities include assigning new ratings to power and infrastructure projects. He also serves as the lead analyst for a portfolio of public power issuers mostly located in the U.S. Pacific Northwest and project issuers primarily in the power and energy space. He has also authored Moody's US Joint Action Agencies methodology and the 'Breezing Past P50' special comment on wind projects. Prior to joining Moody's, he was an Associate Director in the WestLB AG's Credit Risk Management group and was responsible for the infrastructure, power, metals & mining, and hospitality sectors. Clifford holds a B.S. in economics from the Wharton School, University of Pennsylvania with a dual concentration in finance and management and is a CFA charterholder.

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About Our Speakers (continued)

KEVIN KING

Manager of Treasury & Credit, CALIFORNIA ISO www.caiso.com

Kevin has been in a leadership position in the credit group at the California ISO for over 10 years. As Manager of Treasury & Credit, he directs a team responsible for establishing and administering ISO credit policies. In addition, Kevin oversees the ISO's Treasury function, the corporate insurance program and financial analysis in support of the ISO's transmission competitive solicitation process. Prior to joining the ISO, he held significant positions in project management and enterprise risk management at the Imperial Irrigation District. Kevin holds an M.B.A. from Saint Mary's College of California.

MICHELE OWENS

Director of Consulting Services, INTL FCSTONE FINANCIAL INC www.intlfcstone.com

Michele joined Risk Management Incorporated, now part of INTL FCStone Financial Inc., FCM Division, in 1999 to help grow the company's client base and manage the company's price and credit risk management consulting work. Through her work with utilities and municipalities and in compiling annual customer hedge survey results, Michele has gained an expertise in price and credit risk management infrastructure development and implementation. She has extensive experience in assessing the relation of a utility's current risk management program to energy industry best practices and in customizing policy/procedures and hedge plan documents to best fit an organization's needs. Earlier in her career, she worked at CSXT Transportation and rose to the level of National Accounts Manager. In that capacity, she provided logistics management value for accounts such as Amoco and Morton International. Michele holds a BA and MBA from Vanderbilt University.

THADDEUS ("THAD") WALKER

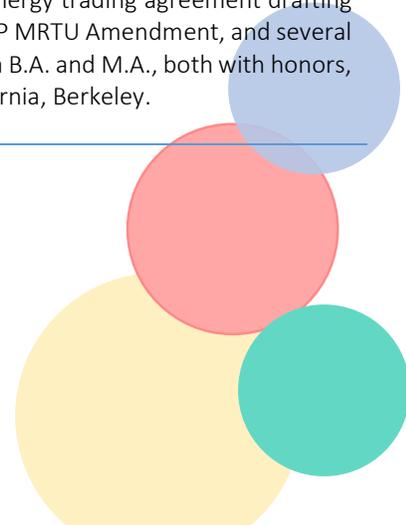
Energy Analyst, PLATTS BENTEK PRODUCTS www.bentekenergy.com

Thad is Bentek Energy's West energy analyst on the company's North American Natural Gas Analytics Team. Over the past two years, he has also covered supply and demand fundamentals in the Southeast, Texas, and Northeast regions. In his current role, Thad is responsible for publishing Bentek's West Daily and Weekly Observer reports, contributing analysis to Platts' Gas Daily, and delivering market updates to clients. Thad joined Bentek after earning a Bachelor of Arts degree in Economics from Washington and Lee University.

JEREMY WEINSTEIN

Attorney, LAW OFFICES OF JEREMY D WEINSTEIN www.bentekenergy.com

Jeremy has for over 25 years representing major energy companies in energy and environmental commodity trading and derivatives, resource procurement, and bankruptcy-related issues. He is an active member of several standard energy trading agreement drafting committees, and chaired or co-chaired the subcommittees that drafted the WSPP Exhibit C-SS, the WSPP MRTU Amendment, and several other standard trading annexes. He has three law degrees: a J.D. from the University of California, and a B.A. and M.A., both with honors, from Trinity Hall, Cambridge University, UK; and a B.A., summa cum laude, from the University of California, Berkeley.



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A QUICK REFERENCE...SCHEDULE OF EVENTS

WEDNESDAY, FEBRUARY 24:

6:00 pm to 7:00 pm...say "Hello" and catch-up with your fellow attendees over a **Sponsored Cocktail**...be sure to take in the fabulous panorama of beach and ocean outside the reception room. The rest of the evening is yours to explore the beautiful city of San Diego – so grab a colleague (or two, or three...) and turn it into an adventure!

THURSDAY, FEBRUARY 25:

7:30 am to 9:00 am....**Breakfast and registration check-in** makes it all very official.

8:00 am to 2:15 pm....**Education sessions**

2:30 pm to 5:30 pm....**Beach Volleyball Tournament** where you should expect lots of fun and high-fives! Refreshments and bevies will also be available....so join in the fun! Tournament brought to you by the NAPCO CAN group and sponsored by Paragon Energy Software.

7:00 pm to 9:00 pm....**Dinner, cocktails and live Flamenco guitar at Café Sevilla** in the GasLamp Quarter. Cocktails are generously sponsored by NGX and music is sponsored by RMG. Bus leaves the hotel lobby at 6:30 pm, be there or miss the bus. Return transportation to the hotel is also provided, departing at 9:00 pm and 10:00 pm. The GasLamp offers a range of fun nightlife, so if you miss the 10:00 pm curfew, that's okay, but be warned, transportation is on your own. Of course...we'd love to hear the stories of your night's adventures!

FRIDAY, FEBRUARY 26:

7:30 am to 8:30 am....**Breakfast**

8:30 am to 12:00 pm....**Education sessions**

THANK YOU FOR YOUR ATTENDANCE!

We were absolutely delighted you could join us here in San Diego, and we hope to see you at the next conference!

If you enjoyed the conference, please let us know if there is a colleague or industry peer that you think might benefit from NAPCO's awesome networking and educational content!

Email Rachel: reisenauer@rmgfinancial.com

And a final (and important) question...

HOW'D WE DO? Your input is absolutely vital to us for the development of future programs and agenda topics. Please fill out and return a conference evaluation form – it's the only way we'll know!