



**Weds May 22<sup>nd</sup> -**  
**Arrivals begin 9:00 BST for coffee & greetings**























**REMOTE ZOOM LINK**

<https://us02web.zoom.us/j/2813822538?omn=85653878832>



**Kickoff: Welcome, Introductions, and Anti-trust**

<p>9:30 – 10:00 BST</p> <p>Meet the CCRO members and our guests as we go around the table. Paul will get us started again with the anti-trust statement...</p> <p>I'm excited to see our members together and to welcome our guests to the meeting!</p>	<div style="display: flex; flex-direction: column;"> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div style="font-size: 0.9em;"> <p><b>Bob Anderson</b> Executive Director at CCRO <i>CCRO Board Member</i></p> </div> </div> <div style="display: flex; align-items: center;">  <div style="font-size: 0.9em;"> <p><b>Paul Turner</b> Partner at Womble Bond Dickinson <i>CCRO Board Member</i></p> </div> </div> </div>
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**Model Risk Management, White Paper Draft**

<p>10:00 to 10:30 BST</p> <p><i>Draft Paper Expanded &amp; Opened for Additions/Editing</i></p> <p>This technical paper has gone through a few major expansions &amp; edit cycles, such that a very comprehensive draft is available. Let's work together to publish this insightful and timely paper.</p> <p>Introduction &amp; Background ..... 1</p> <p>What is a Model, or not? ..... 2</p> <p>Model Risk ..... 2</p> <p>End User Computing (EUC) Tools ..... 3</p> <p>Model Life Cycle ..... 3</p> <p>Model Risk Management Framework ..... 6</p> <p>Models are widely used ..... 6</p> <p>Models in the Energy Sector ..... 7</p> <p>Model Risk Management Framework Components ..... 8</p> <p style="padding-left: 20px;">Associated Organizational Structure for MRM (People) ..... 8</p> <p style="padding-left: 20px;">Recommendations: ..... 9</p> <p style="padding-left: 20px;">Delivery (Execution of Policy &amp; Procedures) ..... 9</p> <p style="padding-left: 20px;">Recommendations: ..... 9</p> <p style="padding-left: 20px;">Inventory ..... 9</p> <p style="padding-left: 20px;">Recommendations: ..... 9</p> <p style="padding-left: 20px;">Data ..... 10</p> <p style="padding-left: 20px;">Recommendations ..... 10</p> <p>Understanding Model Risk ..... 10</p> <p>Establishing Value to the Enterprise ..... 11</p> <p>Conclusion ..... 11</p> <p>Appendix A: Sample rigor expectations based on model risk tier ..... 12</p> <ul style="list-style-type: none"> <li><a href="#">Latest draft paper...</a></li> <li><a href="#">Video of update presentation from March 2023 meeting</a></li> </ul>	<div style="display: flex; flex-direction: column;"> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div style="font-size: 0.9em;"> <p><b>Bob Anderson</b> Executive Director at CCRO <i>CCRO Board Member</i></p> </div> </div> <div style="margin-top: 10px;"> <p>Interest Level: Very</p> <table border="1" style="width: 100%; border-collapse: collapse; font-size: 0.8em;"> <tr> <td style="width: 30%;"></td> <td style="width: 40%;">Haydee Vielma, Head of Commodity Risk, International Gas, BP Gas Marketing</td> <td style="width: 10%; text-align: center;">●</td> </tr> <tr> <td></td> <td>Mathieu Doucy, VP Trading Support, Total Energies</td> <td style="text-align: center;">●</td> </tr> <tr> <td></td> <td>Alessio pecorella, Head of Trade Control &amp; Operational Risk, Eni Trade and Biofuels</td> <td style="text-align: center;">●</td> </tr> <tr> <td></td> <td>Eugen Luja, Chief Risk Officer, Repsol Energy</td> <td style="text-align: center;">●</td> </tr> <tr> <td></td> <td>Eugenio Montrucchio, Head of Risk Control, Enel S.p.A.</td> <td style="text-align: center;">●</td> </tr> <tr> <td></td> <td>Joe Raia, COO, Abaxx Commodity Futures Exchange and Clearinghouse</td> <td style="text-align: center;">●</td> </tr> <tr> <td></td> <td>Sean O'Brien, Head of Commodities, OpenGamma</td> <td style="text-align: center;">●</td> </tr> </table> </div> </div>		Haydee Vielma, Head of Commodity Risk, International Gas, BP Gas Marketing	●		Mathieu Doucy, VP Trading Support, Total Energies	●		Alessio pecorella, Head of Trade Control & Operational Risk, Eni Trade and Biofuels	●		Eugen Luja, Chief Risk Officer, Repsol Energy	●		Eugenio Montrucchio, Head of Risk Control, Enel S.p.A.	●		Joe Raia, COO, Abaxx Commodity Futures Exchange and Clearinghouse	●		Sean O'Brien, Head of Commodities, OpenGamma	●
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### CCRO KRI Benchmarking

<p>10:30 to 11:00</p> <p><b>Benchmarking Initiative Update &amp; Expansion</b></p> <ol style="list-style-type: none"> <li>Restart &amp; grow participation in existing CCRO benchmarking of Trade Operational Risk KRIs</li> <li>Inform members regarding CCRO’s proposed Payment Performance KRI program</li> <li>Explore new KRI ideas</li> </ol> <p>Trade Operations KRI Benchmarks We currently have data submission templates and an operational on-line viewer for the anonymous late &amp; edited trade KRIs. Members have requested we begin an update of data since our last update in 2019. <a href="#">Link to demo website with limited but actual data...</a></p> <p>Payment Performance KRI” Proposal Last year we proposed a program to create new payment performance KRIs. We want to be sure our newer members consider this opportunity. <a href="#">Video of first discussion exploring the Payment Performance KRI proposal...</a></p> <p>New KRI Ideas to Pursue We have several exciting potential KRI ideas to share and want to hear member responses and any additional ideas that might be raised for follow-up by this group...</p>	 <p><b>Bob Anderson</b> Executive Director at CCRO</p>									
 <p><b>Karl Sees</b> Global Head of Product Strategy At <b>Cube Logic</b></p>	<p>Interest Level: Very</p> <table border="1"> <tr> <td data-bbox="1031 546 1128 630"></td> <td data-bbox="1128 546 1364 630">Alessio pecorella, Head of Trade Control &amp; Operational Risk, Eni Trade and Biofuels</td> <td data-bbox="1364 546 1404 630">●</td> </tr> <tr> <td data-bbox="1031 630 1128 714"></td> <td data-bbox="1128 630 1364 714">Eugen Luja, Chief Risk Officer, Repsol Energy</td> <td data-bbox="1364 630 1404 714">●</td> </tr> <tr> <td data-bbox="1031 714 1128 798"></td> <td data-bbox="1128 714 1364 798">Adrian Carr, Business Development Manager, NASDAQ</td> <td data-bbox="1364 714 1404 798">●</td> </tr> </table>		Alessio pecorella, Head of Trade Control & Operational Risk, Eni Trade and Biofuels	●		Eugen Luja, Chief Risk Officer, Repsol Energy	●		Adrian Carr, Business Development Manager, NASDAQ	●
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	Eugen Luja, Chief Risk Officer, Repsol Energy	●								
	Adrian Carr, Business Development Manager, NASDAQ	●								

### Cyber Risk and the CRO

<p>11:00 – 11:30 (6:00am CST)</p> <p><b>Cyber Risk and the CRO</b></p> <p>Seeking Input regarding Proposed Work Products Later this Year We plan to develop a series of webinars to provide insights into this field that is quickly crossing into the purview of the CRO. Let’s explore our thoughts on how this develops</p>	 <p><b>Bill Lawrence [Remote]</b> Chief Delivery Officer at <b>Itegriti</b></p>
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### Solving Risk Staffing Challenges

<p>11:30 to 12:00 (6:30am CST)</p> <p><b>Proposal: A New “Risk Staffing Advisory Board”</b></p> <p>As we have been discussing, finding qualified risk staff is a major challenge. For some, this is one of the most critical operational risks being faced today.</p> <p>We want to explore ways to strengthen our recruiting positions when searching for experienced, but early career staff. We want to explore some new ideas for a CCRO Advisory board in this area.</p> <p>Additional Online Resources to Look at: <a href="#">Initiative web page with videos &amp; survey results...</a></p>	 <p><b>Nigeria Bloczynski [Remote]</b> Managing Director at <b>Prism Risk</b></p>
 <p><b>Morgan Davies [Remote]</b> Director Strategic Risk at <b>The Energy Authority</b> CCRO Board Member</p>	

**BREAK FOR LUNCH 12:00 to 1:00**

### Energy Transition Working Group

1:00 to 1:45 BST (7:00am CST)

#### Updates and new plans for this year

Our CCRO community of energy companies recognizes that to transition from hydrocarbon reliance, many new risks and opportunities must be understood & managed. For example, renewable asset deployments require significant capital investments and operational changes, may result in stranded costs, and are often developing more rapidly than related markets, corporate strategies, or hedge instruments.

This group aims to address these diverse challenges so as to bring understanding and establish best practices that lead to advancement of our industry's risk management.

This session will include:

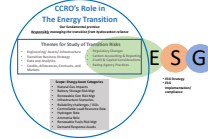
1. Working Group Review of 2023
2. Regulatory Update
  - a. SEC Rule highlights (JP)
  - b. EU/UK highlights
3. New Markets
  - a. Hydrogen Update
4. Survey Discussion
  - a. Working Group survey strategy (in-person, virtual)

#### S&P survey review

- b. Commence in-person survey
5. 2024 Plan Forward
  - a. Survey results and observations
  - b. Upcoming webinars
  - c. Join the Group

...Be sure to check out these webinar video links available here:

[Landing page for the group, with links to webinar videos to date...](#)



**Jamila Piracci, [Remote]**  
Principal  
at **Roos Innovations**  
Co-Project Manager



**Mike Prokop, [Remote]**  
Managing Director  
at **Alliance Risk**  
Co-Project Manager



**Tom Birmingham, [Remote]**  
Former VP Compliance  
at **Emera**  
Co-Project Manager

Interest Level: Very



Adrian Coleridge,  
Chief Risk Officer,  
RWE Supply & Trading GmbH



Adrian Carr,  
Business Development  
Manager,  
NASDAQ



Paul Turner,  
Partner, Leader Energy  
Commodities and Trading  
Practice,..



Joe Raia,  
COO,  
Abaxx Commodity Futures  
Exchange and Clearinghouse



### Risk Management in Global LNG

1:45 to 2:30 BST (7:45am CST)

#### Scope & Working Group Plan of Action

This CCRO initiative's goals are to support development of more favorable industry conditions & resources that support the advancement of LNG risk practices.

#### LNG Transaction Reporting

CCRO member companies impacted by European LNG transaction reporting requirements have drawn attention to the need for reporting best practices within the context of an effective risk management program. What's more, this need is only increased by additional reporting requirements on the horizon for other market regions including the US and Australia.

#### Framework for Comprehensive View of LNG Business Risks

Recent discussions have shed light on the need for a high-level LNG risk framework that brings organization & clarity to numerous potential working group study topics. A widely shared viewpoint is that one can't use the same risk approach used for natural gas or crude oil when considering LNG. We must look at multiple risks at the same time if we seek robust risk assessments of the LNG business. With this high-level framework defined, we can address many component risk topics with confidence that we avoid double-counting, apply appropriate types of risk measures, and communicate risk insights clearly.

Additional Online Resources to Look at:

- [Link to more group info at CCRO website...](#)
- [Most recent slide deck...](#)



**Eugen Luja [Remote]**  
CRO  
at **Repsol**  
Group Co-chair



**Haydee Vielma**  
Head of Commodity Risk,  
International Gas  
At **BP**



**Adrian Coleridge**  
Chief Risk Officer  
**RWE Supply and Trading**



**Joe Raia**  
Chief Commercial Officer  
at **Abaxx Exchange**



**David Thomas**  
President  
At **Nwyda Ltd**

### Industry Credit Risk Best Practices

2:30 to 3:00 BST (8:30am CST)

#### Draft chapters

This project seeks to publish a comprehensive white paper, currently planned to include ten chapters. Chapter ten is complete, with other chapters currently in a draft form.

We will go over the sections, discussing our proposed approach to engage many credit managers at member companies to contribute to the editing process. We want to urge each CCRO member to have their credit risk manager get involved in this group as we finalize the draft chapters...

	00) Introduction to Credit White Paper.do...	April 15	Nigeria Bloczynski	Developed
	01) Governance Draft.docx	3 minutes ago	Robert Anderson	Well Developed
	02) On-Boarding Draft.docx	April 10	Twombly, Eric	Developed
	03) Ancillary Draft.docx	About a minute ago	Robert Anderson	Started
	04) Measurement Draft.docx	About a minute ago	Robert Anderson	Well Developed
	06) Mitigation Draft.docx	About a minute ago	Robert Anderson	Well Developed
	07) Outline Contractual Terms.docx	February 27	Robert Anderson	Outline
	10) Credit IT Final.docx	A few seconds ago	Robert Anderson	Completed

#### Online Resources to Look at:

- [Collection of Chapters available for editing & commenting \(via your CCRO Sharepoint\)](#)
- [Landing page for the working group...](#)



**Nithya Venkatesan [Remote]**  
First VP – Risk  
**Navitas Assurance Partners**  
CCRO Board Member

#### Interest Level: Very

	Adrian Coleridge, Chief Risk Officer, RWE Supply & Trading GmbH	●
	Haydee Vielma, Head of Commodity Risk, International Gas, BP Gas Marketing	●
	Jeroen Vangerven, Head of Credit & Transversal Risk, Engie Europe	●
	Eugen Luja, Chief Risk Officer, Repsol Energy	●
	Eugenio Montrucchio, Head of Risk Control, Enel S.p.A.	●
	Karl Sees, Global Head of Product Strategy, Cubelogic	●

### Advancing "Risk" Front/Mid/Back Office Best Practices

3:00 to 3:30 BST (9:00am CST)

Our survey results bring direction to our discussion.

Most members believe that the Back Office for commodity trading is a very essential control tool which is complex and unique, requiring an understanding of the commodity trading business. Therefore, in their opinion, the Back Office, as a part of our CCRO recommended "Front/Mid/Back" office model, should be subject to performance benchmarking among trading organizations, rather than financial accounting in general.

So, we hosted a poll of members to address the fundamental question of:

A) Should we think about Back Office as a generic accounting function?  
...or ...

B) Should it be a specialized group with commodity business knowledge, understanding commodity invoices, CTRM knowledge, ability of creating shadow invoices, and disputing them with counterparties?

This discussion will review the poll results and start the conversation into some ideas about what the CCRO members can do together to advance best practices in this critical area of a commodity trading business...

[Draft Survey Results & Analysis](#)



**Alex Zhukovsky [Remote]**  
Director, Energy Portfolio  
Risk Management  
**National Grid**

#### Interest Level: Very

	Adrian Coleridge, Chief Risk Officer, RWE Supply & Trading GmbH	●
	Alessio Pecorella, Head of Trade Control & Operational Risk, Eni Trade and Biofuels	●
	Eugen Luja, Chief Risk Officer, Repsol Energy	●

**15 Minute Break**

### Scenario Analysis Practices for Risk Management

3:30 to 4:00 (9:30am CST)

#### A Resurgence in Interest Given the Scope of Industry Change

In recent CCRO meetings, we have discussed the enormous market, technological and regulatory uncertainties facing the industry sectors in which our membership operates. These uncertainties have far reaching implications for risk management and the strategic decisions our organizations face.

Scenario analysis is an essential tool designed to explicitly incorporate uncertainty into strategic decision making and risk management. Possessing insightful scenarios is essential to broadening thinking about the range of potential future outcomes and identifying potential strategic alternatives. Scenarios are particularly important in multi-stakeholder situations in that they enable stakeholders to have a shared understanding and a shared vocabulary for discussing the future.

We'd like to advance our thinking with respect to how to best implement this method to be effective for the risk officer. For example:

1. Developing effective scenarios and creating management buy-in
2. CCRO standard nomenclature
  - o Develop consensus and publish terminology to avoid confusion
  - o Encourage shared scenario examples
3. Having impact on decision making
  - o Examples of ways to ensure the analyses' impact
  - o "In-crisis" workflow examples

Interested? Pre-Meeting Online Resources to Look Into:

[Initiative web page with background and videos](#)










**Chris Dann [Remote]**  
Former Senior Managing Director at Publicis Sapient  
**Member Emeritus**



**Brian O'Neal [Remote]**  
Former Partner at KPMG  
**Member Emeritus**



**Eric Twombly [Remote]**  
Director of Credit  
**At Golden Pass LNG**

Interest Level: Very		
	Adrian Coleridge, Chief Risk Officer, RWE Supply & Trading GmbH	●
	Haydee Vielma, Head of Commodity Risk, International Gas, BP Gas Marketing	●
	Alessio pecorella, Head of Trade Control & Operational Risk, Eni Trade and Biofuels	●
	Eugen Luja, Chief Risk Officer, Repsol Energy	●
	Paul Haythornthwaite, Head of Risk for Energy, Gunvor Group Ltd	●
	Sean O'Brien, Head of Commodities, OpenGamma	●
	Joe Raia, COO, Abaxx Commodity Futures Exchange and Clearinghouse	●

**Power Market Developments & Risk**

4:00 to 4:30 BST (10:00am CST)

**Emerging Challenges & Opportunities**

Since our initial work to publish a paper providing guidance for ISOs concerning the best practice principles for effective risk management, there is a new team of members coming together to explore recent developments and associated challenges.

Some of the topics that we want to invite members to share their insights include:

- **Are ISOs acting more like an exchange?**
  - Must stay on top of collateral margining
  - Timeliness of collateral flows
  - Conduct KYC in a timely fashion
  - 24 hour market operations

- **Info to be Expected to Validate that a Risk Policy is Bonified**

**Discussion:**  
**Info to be Expected to Validate that a Risk Policy is Bonified**

- Inconsistency across ISOs could be a source of confusion and added cost for market participants
- The CCRO might clarify this area of controversy, as an adjunct to our best practice risk policy components white paper?
- Thoughts?

Best Practices @ CCRO <small>A few examples</small>	Commercially Sensitive <small>A few examples</small>
Capital adequacy numbers	Heat rates
Reporting audience titles	Audience names
Reporting frequency details	Minutes from meetings
Portfolio valuation	Models/forward curves
Hedging methodologies	Hedging strategies & tactics
Portfolio/trader/Concentration Limits	VaR/Position/Stop Loss Limits
Approved products/locations	Locational/Hub Trading

www.ccro.org

For power markets internationally, there are also market liquidity and rule changes that we want to explore



**Nigeria Bloczynski**  
Managing Director  
at Prism Risk



**Morgan Davies**  
Director Strategic Risk  
at The Energy Authority  
CCRO Board Member

Interest Level: Very

	Adrian Coleridge, Chief Risk Officer, RWE Supply & Trading GmbH	●
	Jeroen Vangerven, Head of Credit & Transversal Risk, Engie Europe	●
	Mathieu Doucy, VP Trading Support, Total Energies	●
	Eugen Lujá, Chief Risk Officer, Repsol Energy	●
	Paul Haythornthwaite, Head of Risk for Energy, Gunvor Group Ltd	●
	Paul Turner, Partner, Leader Energy Commodities and Trading Practice,..	●
	Sean O'Brien, Head of Commodities, OpenGamma	●

**Battery Storage Assets and Risk Management**

4:30 to 5:00 BST (10:30am CST)

**Propose Next Steps?**

We've had several rounds of discussions about the risk issues with battery storage assets & trading around them. We'll continue our ongoing discussion of ideas on where our initiative should focus for a valuable deliverable that members will benefit from:

- How can batteries be used as risk mitigation measures, specifically in portfolios heavy in intermittent renewables? How does one go about valuing a battery storage asset? What are the key drivers of value and the risks inherent in such a valuation?
- What are the financial alternatives to batteries that can convey similar benefits without the obligation to schedule a physical asset? Other areas to focus?

[Web page with background & videos from recent discussions](#)



**Mike Kirschner [Remote]**  
US Managing Director  
Habitat Energy

Interest Level: Very

	Haydee Vielma, Head of Commodity Risk, International Gas, BP Gas Marketing	●
	Jeroen Vangerven, Head of Credit & Transversal Risk, Engie Europe	●
	Mathieu Doucy, VP Trading Support, Total Energies	●
	Adrian Carr, Business Development Manager, NASDAQ	●



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**Open Discussion – Other Topics?**

5:00 to close (11:00am CST)

We want to allow some time to for members to raise issue that we may not yet be focused on....

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**5:15-ish, MEETING CLOSES**

6:30 to 8:30

**Reception and Dinner at Origins Kensington**

(Ground floor of the Royal Garden Hotel)

2, 24 Kensington High St, London W8 4PT, United Kingdom
















[Google Map](#)

Join us to catch up with friends and continue explore the issues that we are discussing in the CCRO.








**Attendees – as of May 20**











**Confirmed Current Members**

Abaxx Commodity Futures Exchange and Clearinghouse		Joe Raia, COO	●
		Andrew Fedak, Chief Strategy Officer	●
BP Gas Marketing		Haydee Vielma, Head of Commodity Risk, International Gas	●
CCRO		Bob Anderson, Executive Director	●
CubeLogic		Karl Sees, Global Head of Product Strategy	●
		Natalia Hunik, Chief Revenue Officer	●
Enel S.p.A.		Eugenio Montrucchio, Head of Risk Control	●
Engie Europe		Jeroen Vangerven, Head of Credit & Transversal Risk	●
Eni Trade and Biofuels		Alessio Pecorella, Head of Trade Control & Operational Risk	●
Members Emeritus		Tom Lord, Formerly Sr. Risk Consultant at Norton Rose Fulbright	●
OpenGamma		Sean O'Brien, Head of Commodities	●
Publicis Sapient		Tom Jenden, Director, Trading and Risk Management	●
Repsol Energy		Eugen Luja, Chief Risk Officer	●
RWE Supply & Trading GmbH		Adrian Coleridge, Chief Risk Officer	●
Total Energies		Mathieu Doucy, VP Trading Support	●

**Confirmed Candidate Members**

Entron Wind		Bjornar Eide, CFO	●
Gunvor Group Ltd		Paul Haythornthwaite, Head of Risk for Energy	●
Linklaters		Chris Cowin, Director, Risk Advisory	●
		Chris Staples, Partner, Global Energy	●
NASDAQ		Adrian Carr, Business Development Manager	●
Nwyda Limited		David Thomas, President	●

**Remote Current Members**

Alliance Risk Group		Mike Prokop, Managing Director	●
		Steve Thomas, Senior Risk Consultant	●
Itegriti		Bill Lawrence, Chief Delivery Officer	●
Members Emeritus		Nigeria Bloczynski, Prism Risk, Founder and Principal	●
		Jamila Piracci, Roos Innovations, Principal	●
		Tom Birmingham, Former CCO for Emera	●
National Grid		Alex Zhukovsky, Director, Energy Portfolio Risk Management	●
Navitas Assurance Partners		Nithya Venkatesan, First VP, Risk	●
The Energy Authority		Morgan Davies, Director Strategic Risk	●
Womble Bond Dickinson (US) LLP		Paul Turner, Partner, Leader Energy Commodities and Trading Practice	●