

## COMPLIANCE AND REGULATORY RISK IN ENERGY TRADING

This one-day workshop covers how the FERC and CFTC regulations affect the energy trading industry. Workshop participants will gain a practical knowledge of anti-manipulation and anti-fraud regulations as to energy trading. The application of these regulations will be illustrated via case studies based on real market experience. We will review recent development in U.S. energy markets such as recent legislative initiatives, and enforcement actions by the CFTC and the FERC.

### Overview of Compliance in Energy Trading

- The role of the regulators
- The role of the compliance manager
- Understanding the costs of non-compliance
- Reputational risk and compliance failures

### Commodity Futures Trading Commission

- Jurisdiction of the CFTC
- CFTC Commissioners and Enforcement Staff
- Use of Inside Information and Front Running
- Market Manipulation and Fraud
- Commodity Futures Modernization Act of 2000
- Overview of Current CFTC Litigation
- Case study: CFTC case against BP for alleged manipulation of propane markets
- Case study: Oversight of OTC energy derivatives markets.
- Case study: Was Amaranth trying to manipulate Natural Gas prices?

### Federal Energy Regulatory Commission

- Jurisdiction of the FERC
- FERC Commissioners and Enforcement Staff
- Gas and Power Regulation
- Capacity Release Rules
- Anti-Manipulation Rule under EPA of 2005
- Case study: Uncovering Market manipulation
- Case study: Enron's market manipulation of the California Electricity Market.

### Managing Compliance Risk in Energy Trading

- Incorporating compliance issues in Risk policies and procedures
- Establishing a 'compliant-friendly' environment
- Training the traders on compliance rules