

FUTURES TRADING SIMULATION GAME

Power plant marketing on the futures market

In the board game version of the simulation game Futures Trading, you take on the procurement of electricity for a given sales load profile. They can draw on generation capacities in the form of a coal-fired power plant or electricity deliveries (forwards). In addition to electricity trading, you learn how to manage a coal storage facility and have to react to price developments in various commodity markets.

Your contents

Marketing of a power plant

- Introduction to OTC trading
- Sale of electricity for one quarter
- Purchase of fuel for one quarter
- Calculating the full costs of a power plant

Dealing with price risks

- Selling electricity while purchasing fuel for one year
- Compliance with risk requirements
- Dealing with counterparty risks

Extension of trading period and unplanned events

- Simultaneous trading of several forward market products with different maturities
- Trading of four quarterly bands
- Hedging risks
- Arbitrage and speculation



Photo: Energy Brainpool

TARGET GROUP

- Specialists and managers from the grid management, corporate planning and development, procurement, sales and trading departments
- Direct marketers and operators of renewable energy plants
- Investors and project developers
- Representatives of politics and associations

YOUR BENEFITS

After this simulation game you will be able to:

- better apply your theoretical knowledge in practice,
- illustrate price formation on the futures market,
- better deal with counterparty and market price risk, and
- develop hedging strategies for fuel purchases and electricity sales.

The simulation game is the ideal complement to the seminar on **Techniques of electricity price forecasts** and **Sustainable procurement strategies**.