Portfolio management of oil and gas assets

8–11 June 2015, London, UK
El member £3,100.00 (£3,720.00 inc VAT)
Non-member £3,300.00 (£3,960.00 inc VAT)

About this course
Successful oil and gas organisations constantly review, value and risk their assets with a view to optimising the overall performance of their asset portfolio. This activity requires a strategic approach to managing uncertainty, exploiting synergies to ensure that the portfolio maintains a balanced and diversified mix of assets.

Modern portfolio techniques involve the construction of sophisticated models to value risk and characterise alternative combinations of assets. Such models can provide a range of graphical displays to aid decision-making, such as feasible envelopes and efficient frontiers defined in terms of financial and non-financial metrics over defined planning horizons. A combination of linear and non-linear optimisation algorithms are used to help select potentially high-performing asset combinations.

This course addresses portfolio management from theoretical and practical perspectives applicable to assets from along the oil and gas supply chain. Exercises concentrate mainly on upstream asset portfolios, but also address the involvement of midstream and downstream assets and other non-petroleum energy assets in the context of balanced portfolios. Course materials include presentations, exercises and discussions facilitating delegate participation. The course information should help delegates to identify and select appropriate portfolio management techniques to suit their particular mix of assets.

Course notes are issued in digital format.

Who should attend?
This course is designed for a multi-disciplined professional audience drawn from portfolio, economic, technical and strategic analysts and managers involved in portfolio management; corporate and asset team members involved in acquisitions, disposals and optimisation of oil and gas assets.

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Economic, technical and strategic analysts and managers involved in portfolio management; corporate and asset team members involved in acquisitions, disposals and optimisation of oil and gas assets.

Portfolio management of oil and gas assets – Topics include:

Day one:
Fundamentals of strategic portfolio management
• Why a portfolio approach is needed for asset and corporate management
• Exercise: diversifying risk
• Portfolio characterisation: special requirements of upstream asset portfolios
• Strategic dimensions to portfolio construction and business development
• Exercise: portfolio planning and rationalisation
• Capital allocation issues for asset portfolios
• Exercise: making choices using efficient frontiers
• Background to modern portfolio theory
• Exercise: asset correlation and risk
• Access to resources and sustainability scenarios
• Key success factors and winning portfolio combinations
• Exercise: rationalising an upstream portfolio based on risk and value
• Organisational issues associated with portfolio management teams

Day two:
Portfolio analysis techniques and tools
• Asset synergy: selecting assets to fit with an existing portfolio
• Exercise: recognising performance trends
• Portfolio approach to implementing a quantified strategy
• Portfolio uncertainty and probability of achieving key strategic targets
• Exercise: estimating under conditions of uncertainty
• Exercise: interpreting portfolio characteristics from statistical distributions
• Exercise: evaluating performance of alternative asset combinations
• Balanced scorecard technique as a portfolio management tool
• Exercise: bidding for assets in competitive situations
• Techniques to identify optimum portfolios
• Exercise: rank and cut optimisation
• Linear and non-linear optimisation techniques compared

Day three:
Asset, Portfolio and Corporate Risk Management
• Competitive bidding theory versus practice
• Risk preferences impact portfolio management decisions
• Exercise: identifying facets of uncertainty/risk
• Above-ground and sub-surface risks and opportunities
• Probabilities and expected values used to evaluate upstream assets
• Enterprise risk management: national oil company case
• Exercise: impact of optionality on decision-making
• Methodology for risked-portfolio-simulation models
• Simulation analysis of a hypothetical portfolio of upstream assets
• Exercise: simplistic Monte Carlo simulation analysis
• Combining simulation, optimisation and risk and strategy analysis
• Portfolio approach to acquisition and divestment decisions
• Portfolio challenges and pitfalls to mergers and acquisitions
• Exercise: global perceptions of individuals and organisations
• Taking a global perspective to cope with dynamic environments

Day four:
Integrating portfolio valuation, risk and the human dimension
• Portfolio analysis tools: software options
• Video: complexity of some offshore assets
• Portfolio requirements of unconventional oil and gas assets
• Exercise: key performance indicators at asset level
• Assessing third party portfolio performance and value
• Exercise: valuing IOCs by extrapolating balance sheet metrics
• Overcoming human resistance to portfolio management
• Challenges to successful portfolio management
• Dealing with an asset crisis
• Portfolio impacts of extreme asset risks and catastrophes
• The importance of midstream infrastructure in balancing risk
• Embracing modern portfolio management techniques

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EI Institute
Registration form

To register, by post or fax, please complete this registration form in BLOCK CAPITALS and return it to the address below, together with payment of all fees.

Nick Wilkinson, EI Oil and Gas Training
Energy Institute, 61 New Cavendish Street
London W1G 7AR, UK
f: +44 (0)20 7255 1472

to register by email, please provide the same contact details (shown below), together with the relevant course details and send to: nwilkinson@energyinst.org
To book online, visit: www.energyinst.org

I am/my employer is a member of the EI and entitled to the EI member's rate.

EI Membership Number:

Mr/Mrs/Miss/Ms/Dr/Other:

Name:

Date of Birth if under 19 years of age:

Job title:

Organisation:

Name and address against which an invoice should be raised:

t: ____________________________
e: ____________________________

Mailing address for joining instructions (if different to invoice address above):

Please indicate if you have any particular dietary requirements:

I confirm that I have read and agree to the conditions of registration as specified in the General Information section.

Signature: ___________________________________________ Date: _______________________

Course Title: _____________________________________________

Course date: _____________________________________________

Cost of course: £ _______________________

Less 10% discount for each subsequent delegate from the same company attending the same course on the same date £ _______________________

Payment

Cheque

I enclose my remittance, made payable to the Energy Institute, for: Total Payment £ ______________________ inc. VAT.

The total amount may be paid by Sterling Cheque or Draft drawn on a bank in the UK.

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To pay by Credit, Debit or Charge Card, tick appropriate card name and give card details below:

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Data Protection Act The EI will hold your personal data on its computer database. This information may be accessed, retrieved and used by the EI and its associates for normal administrative purposes. It will not be distributed to third parties. If you are based outside the European Economic Area (the "EEA"), information about you may be transferred outside the EEA.

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General information

Entry Requirements
Whilst no formal qualifications are required in order to participate in our training courses, it is likely that applicants will have been educated to senior school level. In addition, applicants should have a reasonable ability to understand spoken and written English.

The ability to write in English would be useful but not essential.

Payment
Full payment must be received before a place can be guaranteed. Please note that VAT may be liable to amendment. All prices are correct at the time of going to press, but may be subject to change without prior notice.

Acknowledgement of registration
Confirmation of registration and a VAT receipt will be sent to all delegates. Joining instructions will be sent out prior to the start date of the course. If you have not received your acknowledgement seven days prior to the start date of the course, please contact EI Oil and Gas Training to confirm your booking.

Language and course materials
All presentations, course materials and supporting documentation will be presented in English. Audio-visual recording of presentations is strictly forbidden. Course materials cannot be purchased by non-attendees.

Cancellation
In the event of a delegate cancelling, a refund of the registration fee less a 20% administration charge will be made provided that notice is received in writing at least 28 days before the date of the course. No refunds will be paid after that date. However, course papers, as supplied to attendees, will be provided after the event.

Substitution
If you are unable to attend, a substitute delegate may attend in your place, provided that EI Oil and Gas Training team is notified in advance.

Enquiries
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UK Entry Visas
Please note that there have been recent changes to the UK Entry Visa application system.
Given this, it now takes a minimum of 15 working days/3 weeks, to process any applications. If you wish to attend a course and need a visa, you are urged to apply at least 1 calendar month prior to the start date of the course.

Full information at: www.gov.uk/check-uk-visa