



## ETRM Software Solution

Momentum3 offers an end-to-end cloud-based ETRM (Energy Trading Risk Management) software solution that is scalable for low, mid or enterprise level businesses trading in gasoline and diesel fuels. The M3 ETRM Suite is segregated by functionality to allow customers to purchase only what they need in order to lower costs, reduce risk and exposure while increasing profits of your business.

Below is an overview of the M3 ETRM Suite platform levels of system functionality:

### BASE

Designed for companies requiring a basic-level of functionality

- > **Master Data Management**
  - > Collect & manage all reference data
- > **Trade Capture**
  - > Capture all core deal attributes & related pricing for basic physical/ fixed price transactions
- > **Security**
  - > Integrated role-based security, auditing & SSO
- > **Basic Reporting**
  - > Position reporting

### ADVANCED

Designed for a mid to high-level company

- > **Contract Management**
  - > Manage counterparty contract & transportation contract master data sufficient to support contract generation & execution
- > **Trade Capture**
  - > Support risk management hedging activities as well as complex pricing scenarios
- > **Accounting Interface**
  - > Generate appropriate entries & interface with existing ERP system
- > **Triggers/Price Locks**
- > **Billing (Wholesale/Retail)**
- > **Actualization**
- > **Basic Risk Management**

### ENTERPRISE

Designed for large companies managing multiple locations, fuels and system integrations

- > **Settlements**
  - > Enables integration with various institutions to automate settlements for financial transactions
- > **Trade Capture – “What if?” Scenarios**
  - > Capture of all core deal attributes and related pricing to determine the impact of trades on overall portfolio
- > **Logistics (Scheduling)**
  - > Manage & track the movement of product across various types of transportation method
- > **Credit Management**
- > **Confirmations**
  - > Generate and manage confirmations based on custom templates
- > **Reporting**
  - > Hedge positions, physical position reports
- > **Risk Management**
- > **Auditing**
  - > Maintain a record of history and changes for transactions & security
- > **Custom Interfaces**
  - > Responsive & intuitive user interfaces
- > **Complex Pricing Strategies**

### Additional Options:

- > Crude Oil Commodities
- > Electricity Commodities
- > Natural Gas

## Hedging Case Study

**Problem:** Momentum3 was presented with a challenge from an existing customer that hedges their fuel and lubricant products in storage to protect against market moves. The client utilized a manual process that did not support their growth rate or desire for more timely information. The client desired to increase accuracy while executing their hedging strategy as well as more accurately report on and value their inventory in bulk storage facilities, consignment locations, and reserves (i.e. for hurricanes). From a sales perspective they also strived for the ability to better manage fixed price transactions with customers.

**Project Summary:** Momentum3 developed a solution to resolve their issues while capturing near real-time ticket and pricing information associated with product pick-up and delivery. This system integrates with the clients existing systems to efficiently automate timely collection of ticket information and market prices. Access to current WACOG information allows increased profits and cost-savings when executing sourcing decisions for product sales and delivery based on the cost of their product versus current rack prices.

The ticket information generates physical transactions in the system which are monitored by the Risk Manger so hedges may be put on or rolled off much more quickly, allowing for efficient and effective hedging. These financial transactions are captured and managed in the new system creating near real-time inventory physical positions, current weighted average cost of products in inventory, and more timely financial transactions to better manage their hedging strategy.

**Solution Benefits:** The new solution provides integration between systems, more efficient access to physical and financial trades, automated settlement of financial transactions, near real-time WACOG of product, and current inventory levels. All of which lead to more efficient operation of the hedging and risk management business.

Location Type	Current	Open	Net
Bulk Site	86,916	0	86,916
Harvey Plant	0	0	0
Harris Underground	53,890	0	53,890
Roadhead Plant	12,655	0	12,655

  

Product	Current	Open	Net	Wacog	Wacog	Pending Volume
Aggregated Products	14,655	0	14,655	\$1,241		
	14,655	0	14,655	\$1,241		

  

Quantity	Transid	Status	Company	Transaction Date	Buy/Sell	Volume	Price
33109	327	Closed	Wacog - Contract	7/14/2016 10:00:00 AM	Buy	3,000	\$1,907
33109	328	Closed	Roadhead Plant	7/14/2016 6:00:00 AM	Sell	1,900	\$1,971
33109	330	Closed	Roadhead Plant	7/14/2016 6:00:00 AM	Sell	2,500	\$1,971
33107	331	Closed	Roadhead Plant	7/14/2016 6:00:00 AM	Sell	3,000	\$1,971
33107	333	Closed	Roadhead Plant	7/14/2016 10:14:55 AM	Sell	1,150	\$1,971
33112	335	Closed	Wacog - Contract	7/15/2016 9:00:00 AM	Buy	3,000	\$1,969
33068	335	Closed	Roadhead Plant	7/15/2016 6:00:00 AM	Sell	3,000	\$1,969
33140	341	Closed	Roadhead Plant	7/15/2016 6:00:00 AM	Sell	800	\$1,370
33142	342	Closed	Roadhead Plant	7/15/2016 6:00:00 AM	Sell	800	\$1,370
33147	344	Closed	Roadhead Plant	7/15/2016 6:00:00 AM	Sell	800	\$1,370
33149	343	Closed	Roadhead Plant	7/15/2016 6:00:00 AM	Sell	4,500	\$1,370
33149	345	Closed	Roadhead Plant	7/15/2016 9:45:01 AM	Sell	300	\$1,370

Hedge Report Snapshot

Contact **Amy S. Haggard** to schedule your demo and complimentary consultation.  
 888.543.5531 xtn 707  
 ahaggard@momentum3.biz

