



# Energy Company Business Simulation

*Cesim SimPower is a browser-based power utility management simulation game that combines the dynamics of power markets, production, and risk management. It also includes decisions and policies regarding sustainable development.*



## FOCUS

Energy industry, strategic management, risk management, regulation, power utilities, commodities.



## USED IN

Integrative courses at energy and commodities related programs in business and engineering schools, executive MBA programs and in-house programs.



## FEATURES

Teams manage a power utility that has its own production with coal-fired, gas-fired, and eolic power plants and a solid customer base consisting of both industrial and residential customers. The company uses forward contracts for hedging against market price fluctuations and it operates in markets where greenhouse gas regulations and carbon emissions trading take place.



## PARTICIPANT TASKS

The task for the teams is to manage the sales, production, risk management, and finance functions of a power utility. Teams make decisions regarding pricing, marketing, plant investments and divestments, capacity utilization and operational improvements, renewable energy, risk management

policy, funding, and profit redistribution.



## KEY LEARNING AREAS

SimPower familiarizes participants with the whole decision-making environment for a power utility; including electricity sales, procurement, renewable energy investments, sustainable development policies, risk-management, financials, and their relationship with each other. During the rounds the participants experience how variations in the electricity spot price impact their profitability, how they should take those price variations into account when pricing to their own customers, what types of power plants to use under different conditions, what kind of risk-management policies they should apply, how different regulatory aspects influence the company's operations, and how the changing customer preferences and shifts in demand should be taken into account.



## KEY SUCCESS FACTORS

The success of the teams is measured by their ability to generate sustainable shareholder returns. The returns are dependent on how the teams are able to incorporate the impact of regulatory policies in their investment decisions,

how they address the preferences of different customer segments, and how successful they are in their risk management and financial decisions.



## EXPECTED OUTCOME

Participants develop capabilities in formulating, implementing, and adapting business strategies in a dynamic competitive environment. In addition, they will enhance their fact-based decision-making skills and improve their financial knowledge through linking operational decisions to cash flows and bottom line performance. The simulation exercise also gives practical experiences in team-work and problem solving and excites competitive spirits in a dynamically evolving marketplace.



## AVAILABLE LANGUAGES

English, Spanish, Portuguese (Br), French, Italian



## The Most Intuitive Business Simulations

*All Cesim Business Simulations are built on an easy to use, scalable and highly automated online platform that allows instructors to run their courses on a web browser from anywhere, anytime.*

### Business, Strategy and Management Simulations

When you would like to increase participant engagement and hands-on business learning in your course.



**Cesim Global Challenge** has been designed to improve the understanding and knowledge of the complexity of global business operations in a dynamic, competitive environment.



**Cesim SimFirm** is a product based business simulation that integrates the functional areas of production, marketing and logistics.



**Cesim OnService** is a service based business simulation that integrates the functional areas of HR management, capacity management, pricing and marketing.



**Cesim SimBrand** develops the understanding and command of the whole marketing decision-making process.



**Cesim Project** has been designed to capture the essence of project management in a collaborative and competitive environment.

### Industry Specific Simulations

When your course or training requires the setting of a particular industry.



**Cesim Hospitality** is an interactive and fun learning environment that improves the participants' business competencies and employability.



**Cesim Bank** facilitates the understanding of the front and back office operations of a bank, and their interaction in a competitive environment.



**Cesim SimPower** is a browser-based power utility management simulation that combines the dynamics of power markets, production, and risk management.



**Cesim Connect** is a telecom operator simulation where teams manage mobile, broadband and entertainment services for residential customers and communications and IT services for corporate customers.

### Custom Business Simulations

When you need a simulation tailored specifically to the needs of your course or training.

Examples: Retail, Steel, Packaging, Real Estate Management, Public Broadcasting, and Contract Manufacturing.