Electric Utilities Management Simulation

Cesim SimPower is a 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 utility management programs in business and engineering schools, executive MBA programs and in-house programs.

**CASE SCENARIO**
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**
Cesim 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, 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 changes in customer preferences and shifts in demand should be taken into account.

**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 electric simulation exercise also gives practical experiences in team-work and problem solving and excites competitive spirits in a dynamically evolving marketplace.

**AVAILABLE LANGUAGES**
English, French, Italian, Mandarin Chinese, Portuguese (Brazilian), Spanish.

**KEY SUCCESS FACTORS**
The success of the teams is measured by their ability to generate sustainable shareholder returns. The returns are dependent on how 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.
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 any 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 OnService** is a service based business simulation that integrates the functional areas of HR management, capacity management, pricing and marketing.

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

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

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

### 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 in the hospitality industry setting.

- **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.

- **Cesim Retail** includes strategic and tactical pricing decisions, promotion campaigns, procurement and inventory management, store layout, operating hours, staffing, and cash flow management. Participants are in charge of one store or a franchise with multiple stores in a seasonal environment.

### Custom Business Simulations

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

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