



ENERGY TRADING RISK MANAGEMENT

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SolArc provides insight and control

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SolArc, Inc. is a global provider of enterprise commodity management solutions. SolArc's integrated software solution offers customers greater insight and control over complex commodity supply, marketing and trading environments, delivering increased operational effectiveness and profitability at lower risk.

SolArc was founded in 1991 by three Andersen Consulting (now Accenture) colleagues to offer consulting services and customized software solutions to the energy and insurance industries. In 1994, SolArc revolutionized the liquid hydrocarbon trading industry with its flagship RightAngle™ integrated application suite – a software solution that integrates trading, scheduling, accounting and risk management. Within four years, more than 70 percent of the natural gas liquids (NGL) market was traded using SolArc RightAngle.

Based on the rapid adoption and success of its NGL solution, SolArc began building its Supply and Trade Management vision to serve all energy commodities from a single, unified platform. In 2000, the company launched a newly enhanced version of SolArc RightAngle. The new suite featured rich functionality and a scalable architecture capable of supporting multiple energy-commodity classes from a unified platform with the same depth and granularity as its predecessors. The software now integrated trading, risk management, pricing, scheduling, movement actualization, invoicing, interfaces to financial/ERP systems and more. In today's volatile global marketplace, effective commodities management requires enhanced visibility into the entire commodity and risk trading process. With its history of success and depth of expertise, SolArc is the only provider with the physical commodity management capabilities to support the full trading and supply value chain and improve operational efficiency.

SolArc is trusted by market-leading corporations around the world across a wide range of vertical industries, including energy, transportation, finance, aviation, agriculture and consumer goods. Coal, crude oil, refined products, fuels, natural gas liquids, natural gas, and other discrete physical commodities can all be traded using a single, unified SolArc solution. In addition

to various industries taking advantage of SolArc's integrated suite, SolArc offers several applications that meet the individual company's unique needs.

For example, RiskCenter handles all of the needs of a risk manager or a chief risk officer at a corporate level, while giving traders detailed and timely information about their tactical activities. Volumetric positions for spot and forward months, valued and partially valued deals, profit and loss analysis and P&L shift analysis give traders and commercial floor managers near-real-time information on where they stand. Rigorous correlation and variance/covariance tools provide CRO's with multiple ways to analyze (and handle) the worst case scenario.

CreditCenter is a credit management solution that integrates seamlessly to leverage all the high quality transactional data generated by the system, ensuring that CreditCenter has a full picture of the activities going on across the enterprise. It gives customers the flexibility to define new credit instruments and the rules about how these instruments are applied to exposures. This empowers each company to customize CreditCenter to meet its individual needs. CreditCenter also assists credit managers with scoring of customers, both in automated ways – downloading financial data from publishing houses – and in manual ways – for companies perhaps too small to publish direct financial data.

All the characteristics that have contributed to SolArc's dynamic growth since 1991 have continued to keep us at the forefront of our industry.

LogisticsCenter assists with the labor-intensive process of checking every bill of lading or fuel ticket, matching every invoice quantity to ticket quantity, and matching every billed price to the original contract. Using LogisticsCenter, incoming fuel tickets or bill of lading data can be booked into actuals, matched against the appropriate purchase/sale contract and priced automatically, within seconds of being received. Also, the processing required to automatically book transactions, price them against the appropriate deal, calculate the taxes and other costs and create the invoices is very complex.

Many SolArc customers purchase crude oil at multiple leases and use commercial software and/or legacy royalty systems to manage lease movements and pricing. LeaseCenter helps these customers efficiently provide lease-level information to the Society of Risk Analysis for inclusion in their trade management processes. LeaseCenter maximizes the control, flexibility and transparency over lease operations. It can track and manage complex lease arrangements across the supply chain, update data for multiple leases, forecast lease volumes and auto-match run tickets.

The SolArc solution for natural gas is the industry's most dependable, proven commodity management and basic risk application for the natural gas industry. Developed based on years of industry experience, technology expertise, and proven capabilities, the SolArc solution for natural gas supports all roles in the natural gas value chain, including producer, producer services, gatherer, processor, gas marketer and shipper, storage and pipeline operator, local distribution company, and end user.

By combining our strengths in providing full commercial management of natural gas from the wellhead to burner tip with SolArc's cutting-edge trading, physical product handling and risk management capabilities, we can offer customers a world-class solution across their entire natural gas value chain. SolArc consolidates the functions necessary to support the business requirements for each of the identified perspectives. In fact, the solution has been developed from a design perspective that reflects how the individual within that part of the value chain needs to work, making it easy to learn and intuitive for professionals to utilize in their day-to-day business.

Technological Leadership

The SolArc enterprise commodity trade management solution is recognized as the tested and proven platform that integrates with customer's existing business systems. SolArc is certified by the SAP Integration and Certification Center to integrate with the SAP NetWeaver platform, providing assurance to customers that the two systems can be integrated quickly and at a reduced cost.

SolArc is a Microsoft Gold Certified Partner which recognizes companies that demonstrate consistent, high-quality delivery of solutions built on Microsoft technology. SolArc continues its history of innovation and technological leadership by releasing new solutions on the Microsoft .NET development platform. SolArc is the only vendor of commodity supply, trading and risk management solutions that is developing and releasing solutions on the latest version of .NET.

SolArc is committed to customer success and we remain the leader because our customers know they can trust us to provide the insight and control necessary to better manage supply, trading and risk management operations across the enterprise. Since 1991, SolArc has become a trusted solution provider for an international clientele of more than 60 leading corporations across a range of vertical industries, including energy, aviation and transportation, banking and finance, agriculture and consumer goods.

After more than 17 years of successfully implementing commodity and risk trading software solutions for high profile customers in a variety of industries, SolArc has built a reputation for success unsurpassed in the industry. When a customer chooses SolArc, they can count on a successful implementation and greater enterprise visibility and control for enhanced profitability and operational effectiveness. SolArc is headquartered in Houston and has offices in Dallas, Tulsa, London and Singapore. For more information, please visit www.solarc.com.



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Are you just reacting to market changes? You need more Insight and Control.



Commodity pricing has never been more volatile. Markets today move in real time.

You need a powerful, real-time commodity supply, trading and risk management system that helps you understand not only your current positions, but also gives you visibility into where you may be in the future.

Only one solution provider offers you the Insight and Control™ you need to respond to rapidly changing market conditions. Only one provider gives you the ability to maximize your profitability while better managing your risk: SolArc.

Since 1991, SolArc has been the global leader in delivering Commodity Trading and Risk Management solutions to the Crude Oil, Petroleum and Natural Gas industries.

If you're ready to stop reacting and take charge, it's time to put SolArc's market-proven software solution and expertise to work for you.

To find out more or to contact us for a product demonstration, go to www.solarc.com.

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