

# REAL OPTIONS VALUATION

*Energy, Resources, Environment, Policy and Strategy*

**June 15-16, 2016 - Oslo, Norway**

**A revolutionary new paradigm for capitalizing on uncertainty in the new millenium...**

## Features

- *Practical presentations and case applications* by experts from leading corporations and universities
- *Roundtable (break-out) discussions by industry* where participants choose their area of interest and interact to address key issues & challenges (Energy, Resources & Environment; Technology, Strategy and Policy)
- *Tutorial and keynote presentations* from thought leaders
- *Networking reception* to interact with your peers in a relaxing atmosphere

## Benefits of Attending

- Learn how to make flexible step-by-step decisions and adapt to change to gain competitive advantage
- Take advantage of uncertainty to capitalize on upside while limiting downside risk
- Translate your corporate strategic plans into forward-looking real option value that enhances shareholder wealth and market price
- Understand and communicate the advantages of options analysis and dynamic thinking compared to discounted cash flow analysis
- Learn how to structure your decisions & agreements to maintain valuable flexibility
- Quantify the value of strategic investment opportunities and operating options
- Value innovation/technology investments and growth opportunities
- Learn about successful applications in Energy, Resources and the Environment, Project or Corporate Strategy and Policy applications
- Benefit from experiences of leading universities and corporations across the globe that are currently using real options
- Consider the benefits and challenges of adapting real options into your organization
- Meet and interact with international thought leaders and peers from leading universities and corporations

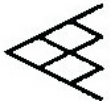
Organized by



UiO : **University of Oslo**

 **NTNU**

Norwegian University of  
Science and Technology



Wednesday June 15, 2016

DAY 1

ENERGY, RESOURCES, ENVIRONMENT & POLICY

8:15 Registration & Coffee

8:50 Welcome/Orientation

**PLENARY SESSION I**

9:00 Real Options: An Overview and Applications

Luiz Brandão, PUC-Rio, Brazil

**MANAGING RENEWABLE ENERGY**

9:20 Mechanism to Support Renewable Energy:  
Wind-Farm in Russia

Mariia Kozlova, Mikael Collan and Pasi Luukka  
(Lappeenranta U. of Technology, Finland)

9:40 Renewable Portfolio Standards and Investing  
in Hydroelectric Power

Stein-Erik Fleten, Johannes Mauritzen (NTNU,  
Norway), and Carl Ullrich (James Madison U., USA)

10:00 Alternative Sources of Renewable Energy

Luiz Brandão, Rafael Igrejas, Leonardo Lima (PUC-  
Rio) and Denis Oliveira (Diferencial Energia, Brazil)

10:20 Morning Coffee Break

**MANAGING RESOURCES**

10:40 Management of Desalination Infrastructure:  
Case Application in India

Daphne Rajenthiram and Thillai Rajan Annamalai  
(Indian Institute of Technology Madras, India)

11:00 Perennial Energy Crops Cultivation in  
Farming with Flexible Planting and Harvesting:  
An SRC Application in Germany

Alisa Kostrova, Wolfgang Britz, Utkur Djanibekov  
(Institute for Food and Resource Economics, U. of  
Bonn, Germany), and Robert Finger (ETH Zurich,  
Switzerland)

11:20 Natural Resource Extraction and Switching  
Boundaries

Wen Chen, Tanya Tarnopolskaya, Nicolas Langrené  
and Thomas Lo (Commonwealth Scientific and  
Industrial Research Organisation, Australia)

11:40 Sequential Resource Exploration with  
Geological Cluster Dependencies

Babak Jafarizadeh (Statoil, Norway)

12:00-2:00 Luncheon

**2:00 ROUNDTABLE DISCUSSIONS BY INDUSTRY**

**A. Energy, Resources & Environment Roundtable**

(L. Brandao and K. Linnerud)

**B. Technology, Strategy & Policy Roundtable**

(M. Collan and D. Paxson)

3:00 Afternoon Coffee Break

**MANAGING THE ENVIRONMENT**

3:40 Valuing Multi-stage Investment in Climate  
Mitigation: A Compound-option Application in Clean  
Development Mechanism (CDM)

Danny Cassimon, Linda Peters, Gert Van Hecken (U. of  
Antwerp, Belgium), and Peter Jan Engelen (U. of Utrecht,  
Netherlands)

4:00 Tradable Green Certificates and Feed-in Tariffs:  
Protection Against Price or Policy Risk

Kristin Linnerud (CICERO, Climate Research Institute,  
Norway)

**ENERGY/RESOURCE SWITCH OPTIONS**

4:20 Contractual Switch Reformulation in  
Hydropower Sales Contracts:

**An Application in the Brazilian Electricity Sector**

Gláucia Fernandes, Leonardo Gomes, Luiz Brandao and  
Gabriel Vasconcellos (PUC-Rio, Brazil)

4:40 Switching Option to Clean(er) Technologies in a  
Stochastic Environment

Alejandro Mosiño (U. de Guanajuato, Mexico) and Aude  
Pommeret (City U. of Hong Kong, Hong Kong)

**PLENARY SESSION II**

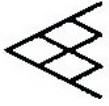
5:00 Energy Policy Options in the UK

Afzal Siddiqui (University College London, UK)

5:30 Closing Remarks

6:00-8:00PM Holmenkollen Ski Museum and  
Networking Reception

Sponsored by ROG, U. of Oslo and NTNU



Thursday June 16, 2016

DAY 2

APPLIED VALUATION AND STRATEGY

8:30 Coffee (& registration)

**APPLIED VALUATION: PROJECT ANALYSIS,  
MINING, LICENSING**

**9:00 Project Valuation: A Possibilistic Framework  
Using Downside Insurance**

Mikael Collan and Pasi Luukka (Lappeenranta U. of  
Technology, Finland)

**9:25 Valuing a Mining Company using Implied  
Binomial Trees and Simulation**

Oscar Miranda (PUCP-PUC-Rio, Peru) and Carlos  
Samanez (PUC-Rio, Brazil)

**9:50 Valuation of Licensing Contracts  
in Bio-pharma Ventures**

Yasuharu Imai (Normandie U., NIMEC-IAE Caen,  
France)

10:15 Morning Coffee Break

**STRATEGY: ACQUISITIONS, FRANCHISING &  
DIVERSIFICATION**

**10:45 Company Acquisitions: A Case Application  
from Real Estate in Brazil**

Arthur Sindoni and Arthur Rildolfo Neto (FGV-EAESP,  
Brazil)

**11:10 Franchising Strategies**

Francesco Baldi (LUISS "Guido Carli" U., Italy)

**11:35 Corporate Diversification: Conditions on the  
Nature of Risk and Return**

Arkadiy Sakhartov (Wharton School, U. of Pennsylvania,  
USA)

12:00 Managerial Keynote Address

**Twenty Years of Real Options:  
From Theory to Practice and Back**  
Kuno Huisman (Tilburg U., Netherlands)

12:40 Closing Remarks

2:00 Train to Trondheim  
(Academic conference continues)

# About the Conference

## Venue

The conference is hosted at the Georg Sverdrup Building, Blindern Campus, University of Oslo, Moltke Moes vei 39, Oslo  
Map: <http://www.uio.no/om/finn-fram/omrader/blindern/>

## Fees & Registration

Fees are €420 if register by April 18. Registration fees go up by 20% afterwards. Fees entitle participants to both the Managerial and the Academic parts of the conference. Registration should be made online via the conference website [www.realoptions.org](http://www.realoptions.org)

## Important Administrative Information

Registration fees include the conference program and other materials, coffee breaks, lunches, and reception. Cancellations made in writing by May 15 can be refunded, except for a 15% service charge. Those not attending or canceling after May 15 are responsible for the whole fee. The organizers reserve the right to make changes to the program without notice. Only registrations paid by April 18 are guaranteed to be confirmed and be included on the list of participants. For information on registration and other general-type conference-related inquiries contact Eugenia at e-mail [conference.registration@realoptions.org](mailto:conference.registration@realoptions.org), tel +357 22893605. For information on local logistics, U. of Oslo or Oslo contact Prof. Diderik Lund at email [diderik.lund@econ.uio.no](mailto:diderik.lund@econ.uio.no), tel +4790561682.

## Hotel, Airport/Transport, Visa

The recommended hotel is Scandic Holberg Hotel Holbergs plass 1, 0166 Oslo. For more info about the hotel, group rates and reservation, transportation from the airport to hotel or from the hotel to the conference venue (University of Oslo Blindern campus) see the conference website at <http://www.realoptions.org/venue2016/index.html>  
Norway is part of the Schengen area so no visa is required for citizens of Schengen area members, including the EU/EEA (EFTA). Otherwise please make advance provisions to obtain a timely visa.

## Who Should Attend?

**CEOs, CFOs, Heads of Strategy, Vice Presidents, Directors, Technology Officers, Investment Bankers, Energy Specialists, and Analysts in:**

- Energy & Natural Resources
- Strategic Planning
- Corporate Finance
- Risk and Portfolio Management
- Technology Management/Information Technology
- Marketing Strategy
- Manufacturing/Supply Chain/Contracting
- R&D/Innovation