97.txt

Message-ID: <7452188.1075855667684.JavaMail.evans@thyme>  
Date: Mon, 9 Oct 2000 07:16:00 -0700 (PDT)  
From: phillip.allen@enron.com  
To: keith.holst@enron.com  
Subject: Consolidated positions: Issues & To Do list  
Mime-Version: 1.0  
Content-Type: text/plain; charset=us-ascii  
Content-Transfer-Encoding: 7bit  
X-From: Phillip K Allen  
X-To: Keith Holst  
X-cc:   
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X-Folder: \Phillip\_Allen\_Dec2000\Notes Folders\All documents  
X-Origin: Allen-P  
X-FileName: pallen.nsf  
  
---------------------- Forwarded by Phillip K Allen/HOU/ECT on 10/09/2000   
02:16 PM ---------------------------  
  
  
Richard Burchfield  
10/06/2000 06:59 AM  
To: Phillip K Allen/HOU/ECT@ECT  
cc: Beth Perlman/HOU/ECT@ECT   
Subject: Consolidated positions: Issues & To Do list  
  
Phillip,  
 Below is the issues & to do list as we go forward with documenting the   
requirements for consolidated physical/financial positions and transport   
trade capture. What we need to focus on is the first bullet in Allan's list;   
the need for a single set of requirements. Although the meeting with Keith,   
on Wednesday, was informative the solution of creating a infinitely dynamic   
consolidated position screen, will be extremely difficult and time   
consuming. Throughout the meeting on Wednesday, Keith alluded to the   
inability to get consensus amongst the traders on the presentation of the   
consolidated position, so the solution was to make it so that a trader can   
arrange the position screen to their liking (much like Excel). What needs to   
happen on Monday from 3 - 5 is a effort to design a desired layout for the   
consolidated position screen, this is critical. This does not exclude   
building a capability to create a more flexible position presentation for the   
future, but in order to create a plan that can be measured we need firm   
requirements. Also, to reiterate that the goals of this project is a project   
plan on consolidate physical/financial positions and transport trade capture.   
The other issues that have been raised will be capture as projects on to   
themselves, and will need to be prioritised as efforts outside of this   
project.  
  
I have been involved in most of the meetings and the discussions have been   
good. I believe there has been good communication between the teams, but now   
we need to have focus on the objectives we set out to solve.  
  
Richard   
---------------------- Forwarded by Richard Burchfield/HOU/ECT on 10/06/2000   
08:34 AM ---------------------------  
  
  
Allan Severude  
10/05/2000 06:03 PM  
To: Richard Burchfield/HOU/ECT@ECT  
cc: Peggy Alix/HOU/ECT@ECT, Russ Severson/HOU/ECT@ECT, Scott   
Mills/HOU/ECT@ECT, Kenny Ha/HOU/ECT@ECT   
Subject: Consolidated positions: Issues & To Do list  
  
  
From our initial set of meetings with the traders regarding consolidated   
positions, I think we still have the following issues:  
We don't have a single point of contact from the trading group. We've had   
three meetings which brought out very different issues from different   
traders. We really need a single point of contact to help drive the trader   
requirements and help come to a consensus regarding the requirements.  
We're getting hit with a lot of different requests, many of which appear to   
be outside the scope of position consolidation.  
  
Things left to do:  
I think it may be useful to try to formulate a high level project goal to   
make it as clear as possible what we're trying to accomplish with this   
project. It'll help determine which requests fall under the project scope.  
Go through the list of requests to determine which are in scope for this   
project and which fall out of scope.  
For those in scope, work to define relative importance (priority) of each and   
work with traders to define the exact requirements of each.  
Define the desired lay out of the position manager screen: main view and all   
drill downs.  
Use the above to formulate a project plan.  
  
Things requested thus far (no particular order):  
Inclusion of Sitara physical deals into the TDS position manager and deal   
ticker.  
Customized rows and columns in the position manager (ad hoc rows/columns that   
add up existing position manager rows/columns).  
New drill down in the position manager to break out positions by: physical,   
transport, swaps, options, ...  
Addition of a curve tab to the position manager to show the real-time values   
of all curves on which the desk has a position.  
Ability to split the current position grid to allow daily positions to be   
shown directly above monthly positions. Each grouped column in the top grid   
would be tied to a grouped column in the bottom grid.  
Ability to properly show curve shift for float-for-float deals; determine the   
appropriate positions to show for each:  
Gas Daily for monthly index,  
Physical gas for Nymex,  
Physical gas for Inside Ferc,  
Physical gas for Mid market.  
Ability for TDS to pull valuation results based on a TDS flag instead of   
using official valuations.  
Position and P&L aggregation across all gas desks.  
Ability to include the Gas Price book into TDS:  
Inclusion of spread options in our systems. Ability to handle volatility   
skew and correlations.  
Ability to revalue all options incrementally throughout the trading day.   
Approximate delta changes between valuations using instantaneous gamma or a   
gamma grid.  
Valuation of Gas Daily options.  
A new position screen for options (months x strike x delta). TBD.  
Inclusion of positions for exotic options currently managed in spreadsheets.  
Ability to isolate the position change due to changed deals in the position   
manager.  
Ability to view change deal P&L in the TDS deal ticker. Show new deal terms,   
prior deal terms, and net P&L affect of the change.  
Eliminate change deals with no economic impact from the TDS deal ticker.  
Position drill down in the position manager to isolate the impact of   
individual deals on the position total in a grid cell.  
Benchmark positions in TDS.  
Deployment of TDS in Canada. Currency and volume uom conversions. Implicit   
and explicit position break out issues.  
  
-- Allan.  
  
PS: Colleen is setting up a meeting tomorrow to discuss the direction for   
transport. Hopefully we'll know much better where that part stands at that   
point.  
  
  
  
  
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