

Tasks for the project PERM Business week #3 (Riga)

You as risk manager are responsible for risk management for Latvenergo AS object Hydropower Plant Kegums

*N.B.! In the very beginning each team receive **a specific risk** (risk group, focus point) that should be managed during the project week. We have 4 groups of Risks:*

- A. *Natural risks (incl. Hydrological Risk)*
- B. *Financial risks (incl. Revenue risk)*
- C. *Technological risk (incl. Machinery Breakdown)*
- D. *Human related risks*

Task 1 (the first day) The company's Goal identification and preparation

1. Identification of **Company's goal**
2. Modification of **Company's goal** according **SMART** principles
3. Establishing **Risk Survey Paper** for Latvenergo/Keguma site Visit (Visit in the next day)
4. Preparing questions for Latvenergo/Meteo representatives

Task 2 (the second day) Risk survey during visit in Hydropower Plant Kegums

Open your eyes and ears for:

1. **Observe the Object**, ask **questions**, fill out **You Survey Paper**.
2. During the visit **identify processes, objects** and related **risks** according your group focus point
3. Catching other valuable information, which can help you solve assignment

Task 3 (the third and fourth day) Using PERM Risk Management system

1. Define **Key Figures** of the Company
2. Define main **Activities** (3-5) of Company for achieving the goal.
3. Define main **Resources** (2-4 for each Activity) related with Activities
4. Identify Risks
 - a. General Risks (2-3)
 - b. Specific Risks related with certain Category (3-5)
5. Establish the context/link between identified Activities/Resources and Risks
6. Execute risk measurement (10 Risks):
 - a. Probability (Scoring 1-5; 1-min 5 –max)
 - b. Impact (Scoring 1-5; 1-min 5 –max)
 - c. Min. impact
 - d. Max. impact
 - e. Mean impact
7. Chose specific solutions (2 alternatives) for each risk
8. *Simulate several iteration (years) of risk management process*

Task 4 (fifth day) Final presentation

N.B.!

We have 4(3?) Specific Risk Groups and presentations is going on in 2 separate rooms: 6 teams in one room + 2-3 teachers+ representatives from Latvenergo. After each presentation, each teacher gives a mark, and one mark from others teams in the room, as well! So, we have 8 marks. In the end, we have two winners' teams. (Evaluation sheet)

1. Presentation should cover all main points (a time limit for the presentation is **10** minutes).
2. Suggestions what can be included in the presentation:
 - a. Company's goal via SMART principles,
 - b. Key facts from background analyses,
 - c. Few main activities, resources
 - d. Key risks,
 - e. Solutions
 - f. Results of simulation process.
3. Your task within the presentation is to present that your risk management plan help company achieve the goal better, then without this plan.

Documents, papers, info materials:

- About Latvenergo and Hydropower Plant Kegums
 - Latvenergo **web** site: <http://www.latvenergo.lv/eng/>
 - Investor Conference Webinar Presentation - **Latvenergo Group Unaudited Results 2016**
http://www.latvenergo.lv/files/news/2017.3.9_Latvenergo_webinar.pdf
 - Sustainability and **Annual (2016) Report**
http://www.latvenergo.lv/files/news/LE_sustainability_annual_report_2016.pdf
- Research papers according risks in hydropower plants
 - Risk assessment of river-type hydropower plants by using fuzzy logic approach:
<https://pdfs.semanticscholar.org/8a67/efa0be4494e26ecdc2cee8be17d6c2536dbe.pdf>
 - Perception and management of risk in hydropower projects:
http://ahec.org.in/ICHSD_2015/Presentations/papers_proceedings/Perception_and_Management_of_Risk_in_Hydropower_Projects.pdf

Keywords: Risk, Risks, Revenue, Kegums, Ķegums, Ķeguma HES, Hydropower Plant, Daugava HPPs, Balance Sheet, Statement of Profit or Loss, Cash flows, Society, Responsibility, Injury, Electricity balance sheet, Electricity generation, Electrical capacity, Water flow, Investments, Market share, Impact, Likelihood, ...