

Energy & Commodities – Gas and Power Trade and Risk Management Case Study  
**GLOBAL PROVIDER OF FOOD, AGRICULTURE, FINANCIAL  
 AND ENERGY PRODUCTS**

## Strategic Migration: Transforming Gas and Power Trading Business with FIS' Aligne

### The company

The North American gas and power trading business of a global food, agriculture, financial and energy products provider deals in a wide range of energy commodities across multiple regions using a variety of trading and other applications. This high-volume trading operation wanted to optimize its trading strategies, and manage and offset price and cost exposures by buying commodities to hedge exposure and generating revenue through proprietary trading. The company also wanted to create a trading operation for commodities it consumes for its facilities.

### The challenge

The company's strategic imperative was to transform the operations of its North American energy business by consolidating multiple systems, and accelerate time to market while reducing total cost of ownership (TCO) of its IT assets. With numerous trading desks acquired over the years, leading to a disparate array of trading and related systems, the business faced inefficiencies in sharing large amounts of data within applications and across multiple trading desks. The company wanted to be able to share middle- and back-office information across trading desks and scale to growth.

### THE OBJECTIVES

- Reduce IT costs by eliminating a large, costly ecosystem of legacy applications and spreadsheets
- Simplify, enhance and optimize the entire commodity trading lifecycle
- Improve quality, transparency and speed of trading operations through a consolidated system framework
- Ensure high data quality to drive centralized credit, management and regulatory reporting
- Gain a consolidated view of risk across multiple products and trading desks

### THE SOLUTION

- An end-to-end ETRM platform delivered in a cost-effective, fully hosted environment
- System of record for all power and gas trading, power scheduling, position and P&L data generation, and financial settlements
- Fully automated integration with trading exchanges, as well as the company's pricing database, general ledger, and systems for enterprise credit and regulatory reporting
- Gas logistics functionality, middle-office enhancements and full back-office functionality for physical transactions, as well as facilitates data transformation

## The solution

The company migrated its disparate trading systems onto FIS' Aligne, a modern, end-to-end, mission-critical solution that consolidates all trading and risk functions onto a single hosted platform. Aligne provides a comprehensive ETRM platform in a managed services environment to reliably and securely support company's front-, middle- and back-office requirements for its North American gas and trading business.

With the implementation of Aligne in a hosted environment, the company virtually eliminated the need for internal IT to support the application and infrastructure, which significantly reduced its overall IT cost. In addition, Capco, an FIS' company, provided system integration, enabling the trading business to source all software, hosting and systems integration needs through one vendor.

## The results

FIS' Aligne helped the company achieve a consolidated view of risk across multiple products and trading desks, which led to improved trading decisions, performance and revenues. Complete with audit trails for reporting, the system also enabled the business to operate in a fully compliant manner.

With its trading operations consolidated onto the single Aligne hosted platform, the company eliminated the need to develop and maintain costly, complex system customizations and ultimately plans to reduce its IT costs by 50 percent per year. The Aligne implementation was completed with no significant deviations to budget and scope, setting a new company standard for good IT project delivery.

## About FIS Solutions for Energy & Commodities

FIS solutions for energy and commodities help utilities and retailers, pipeline and storage operators, marketers and traders as well as integrated energy companies compete efficiently in global markets by streamlining and integrating the trading, risk management and operations of physical commodities and their associated financial instruments. Through real-time data, connectivity and analysis, FIS solutions help you achieve transparency and regulatory compliance, optimize end-to-end transaction and operational lifecycles, and meet time-to-market needs with flexible deployment options. As your technology partner, we can help take advantage of the latest innovation and explore new opportunities.

## About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 55,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS, visit [www.fisglobal.com](http://www.fisglobal.com).



[www.fisglobal.com](http://www.fisglobal.com)



[twitter.com/fisglobal](https://twitter.com/fisglobal)



[getinfo@fisglobal.com](mailto:getinfo@fisglobal.com)



[linkedin.com/company/fisglobal](https://linkedin.com/company/fisglobal)