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## **CFENERGÍA DEPLOYS ALLEGRO'S CLOUD-ENABLED CTRM**

*Mexican Energy Leader Adopts Proven Commodity Management Capabilities to Meet the Challenges of a Deregulating Market*



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### *Mexican Energy Leader Adopts Proven Commodity Management Capabilities to Meet the Challenges of a Deregulating Market*

MÉXICO CITY, April 5, 2018 – Allegro Development Corp. and Essentia Advisors are proud to announce the successful go-live of Allegro's cloud-compatible commodity trading and risk management (CTRM) software, Allegro Horizon, for their joint client in México, CFenergía, the national fuels marketing and trading affiliate of México's Comisión Federal de Electricidad (CFE).

As deregulation of the México energy market continues, Mexican businesses with significant energy commodity exposure must implement proven trading and risk management practices that will enable them to meet challenges and succeed in the new market. Recently, CFenergía launched an evaluation of technology capabilities that could support the company's business strategy. The need for a commodity trading and risk management (CTRM) platform that could provide real-time, centralized reporting on energy positions, insight into the various elements of risk exposure, and visibility into profit and loss became apparent. After careful evaluation of multiple CTRM solutions, Allegro's platform was ultimately selected because of the software's comprehensive capabilities, proven past performance, easy adaptability to the Mexican Energy Market, and its support for all energy commodities in CFenergía's business - natural gas, LNG, refined fuels, and coal.

After selecting Allegro's Horizon platform, the Essentia consulting team was chosen to assist in the configuration and deployment of the software's capabilities because of Essentia's extensive experience in designing, deploying, and implementing business processes and technology solutions to support trading and risk management for commodities in México.

Following an initial six-month deployment of the Allegro natural gas capabilities, CFenergía's liquefied natural gas (LNG) portfolio was recently added to the platform. Now, as market prices, currencies and other conditions change, the Allegro platform automatically provides CFenergía with updated insight in real time throughout the trading day. With the natural gas and LNG business now managed inside Allegro, additional functionality is now being configured such that CFenergía's coal, diesel and other petroleum fuel trading activities are added into the customer's position reports. The comprehensive insight which will result from having all energy commodities in the platform will ensure that CFenergía is optimally equipped to succeed in the new market.

Also underway is the configuration and deployment of advanced market simulation capabilities, which will show the impacts of potential future currency exchange rates and commodity price changes. This "stress testing" of the business against these future risk factors will provide powerful intelligence of potential risks to the business, as well as future profitable opportunities.

To ensure continuous business operations in the event of a major disaster, the Allegro and Essentia team configured the solution to feature sophisticated, cloud-based high availability capabilities. The Allegro deployment features real-time replication of trading data across two geographically separate and redundant platforms. This ensures that the market leader's mission-critical operations in the Allegro platform for natural gas, LNG, and other fuels trading in México are never interrupted and always continuously available.

**Axel Vera, Chief Information Officer, CF Energía**

“We are thrilled to announce the successful implementation of Allegro for CF Energía. We needed an Energy Trading and Risk Management platform that would make daily execution easier and Allegro certainly delivers. In partnership with Essentia, we now have a system to streamline risk management and trading decisions. Our partnership was a great success with our go-live beginning just 6 months after project inception!”

**Corwin Moczygamba, Partner, Essentia Advisors**

“Our team at Essentia is proud and excited to have supported CF Energía in their efforts to implement Allegro as their trading and risk solution. This platform will be a key technology enabler of their trading and fuel supply functions throughout México. The solution delivered by Allegro performs very well in our cloud based, high availability solution architecture and continues to scale as CF Energía expands its business into other commodities beyond natural gas.”

**Frank Brienzi, CEO, Allegro Development**

“We are pleased to announce that CF Energía, one of the first México market adopters of an enterprise CTRM solution, has successfully gone live on our platform. CF Energía's strategic selection of Allegro's CTRM to manage its portfolio will streamline the company's processes while providing it with a competitive advantage in a deregulating market.”

**About CF Energía**

CF Energía is CFE's subsidiary company engaged in the commercialization, import, export, contracting of transport, storage, purchase and sale of natural gas, LNG, coal, diesel and any other fuel as well as the administration of assets and fuels within the territory of México and abroad.

CF Energía is in charge of commercializing fuels to CFE's GenCo's, as well as to industrial, petrochemical and other electricity generators in México.

**About Essentia Advisors**

Essentia Advisors is a consulting firm headquartered in Houston, Texas. Our firm provides management advisory and technology implementation services to clients in North American Energy and other commodities markets. Essentia provides assistance to clients for enablement of processes and technology that are essential to support of commercial activities such as marketing, trading and risk management. We provide solutions to manage risk, optimize performance and navigate through constantly evolving markets. Essentia's clients range from high-growth emerging companies to the large Fortune 500. Our services are driven by our client's business activities related to acquisitions, new business lines or needs for process and technology improvements. To learn more about Essentia Advisors, visit <http://www.essentiaap.com/>.

**About Allegro Development, Corp.**

Allegro is a global leader in commodity management software for companies who buy, sell, produce or consume commodities. For over 30 years, Allegro has delivered position visibility, risk management, comprehensive controls and regulatory compliance through a forward compatible, next-generation architecture that is built for your business. Headquartered in Dallas, Texas, Allegro has offices in Calgary, Dubai, Houston, Jakarta, London, Singapore and Zurich, along with a global network of partners. Visit Allegro's website at <http://www.allegrodev.com>.



[allegrodev.com](http://allegrodev.com)

[info@allegrodev.com](mailto:info@allegrodev.com)



[allegrodev.com](http://allegrodev.com)



[info@allegrodev.com](mailto:info@allegrodev.com)