2020 ERP®
Candidate Guide
Contents

01 Introduction
   Becoming a Certified ERP
   Who Should Consider the ERP Certification

05 Using the ERP to Enhance Your Career
   Global Recognition
   Benefits of the ERP

06 Exam Development, Structure, and Content
   Exam Development
   Exam Structure
   Exam Content
Introduction

Since its launch in 2009, the Energy Risk Professional (ERP®) certification has set the global standard for energy risk management. As the world’s first and only designation developed both by and for energy risk practitioners, the ERP objectively benchmarks your skills and knowledge of the tools and techniques used to measure and manage energy risk.

The ERP challenges candidates to understand and apply a wide range of knowledge and skills necessary to effectively manage energy risk. Its curriculum is updated annually by a group of distinguished energy professionals and leading academics with diverse backgrounds, ensuring that the designation meets the evolving demands of the energy industry.

Currently, more than 1,800 certified ERPs are employed internationally in a range of industry sectors, including crude oil exploration, production, and refining; power generation and distribution; renewable energy project development; commodity trading; asset management; consulting; technology; and market regulation.

By earning your ERP certification, you will be joining a global network of professionals across the energy industry. Moreover, employers know that ERPs have the knowledge needed to anticipate and respond to critical issues, providing them with an edge in their career and professional development.

The ERP Exam Part I covers key topics related to commercial operations in the following energy markets:
- Crude Oil Markets and Refined Products
- Natural Gas Markets and LNG Trends
- Renewable Energy
- Electricity Markets and Coal

Building on the content areas covered in the ERP Exam Part I, the ERP Exam Part II explores risk management in practice:
- Market Risk
- Credit Risk and Liquidity Risk
- Financial Energy Products
- Risk Governance, Enterprise Risk Management, and Risk-adjusted Decision Making

THERE ARE CURRENTLY MORE THAN 1,800 PRACTICING ERPs ACROSS 75 COUNTRIES
BECOMING A CERTIFIED ERP

The first step to becoming an ERP is passing a rigorous, two-part exam. To enroll in the program, register for the ERP Exam online via the GARP website.

Both parts of the ERP Exam are offered twice a year, in May and November. However, due to the COVID-19 virus, we are offering them in October and November in 2020. GARP’s certification requirement policy states that candidates must pass the FRM/ERP Exam Part II within four years of passing the FRM/ERP Exam Part I. However, due to circumstances surrounding COVID-19, GARP will extend your program for an additional year. Therefore, you will be given until May 2021 to sit and pass the Part II Exam.

After passing both parts of the ERP Exam, you must demonstrate a minimum of two years of full-time work experience in energy risk management or a related field to complete your certification. Job titles that may reflect relevant work experience include: power generation manager, power contract specialist, energy economist, oil and gas trader, power trader, emissions trader, commodity reporting accountant, energy procurement manager, or compliance officer. If you have questions about whether your work experience qualifies, please contact memberservices@garp.com.

Once certified, ERPs are required to keep pace with the numerous forces impacting the global energy markets by participating in our Continuing Professional Development (CPD) Program. The program offers ERPs a framework for enhancing their skills and knowledge on an ongoing basis, and requires them to earn 40 credit hours every two years.

EARN YOUR ERP CERTIFICATION

1. ERP Exam Part I
   Four hours/80 questions

2. ERP Exam Part II
   Four hours/60 questions

3. Professional work experience
   Two years, full-time

4. Continuing Professional Development (CPD)
   40 hours/two years

“\The ERP has been crucial to allowing me to ask the right questions, carry on conversations with clients, and dig even further into the industry I love."

-JASON WILLIAMS, ERP COMMODITIES DERIVATIVES SPECIALIST, TRADITION ENERGY
WHO SHOULD CONSIDER THE ERP CERTIFICATION

ALL ENERGY PROFESSIONALS
The ERP helps professionals working in the energy markets to broaden their knowledge of the complex energy value chain and its interconnection with financial markets. It will sharpen your ability to identify, analyze and manage risk, and will help you keep pace with emerging industry trends, particularly in areas where direct professional experience is lacking.

If you are at the start of your career, earning your ERP is an excellent way to demonstrate that you possess the knowledge and skills necessary to take on additional challenges and responsibilities in the energy space, and to differentiate yourself from your peers.

CAREER CHANGERS
If you are considering a career in energy, becoming an ERP can accelerate your transition. Professionals from non-finance, non-risk, or non-energy roles become ERPs in order to develop specialized, practical knowledge that can be applied in the global energy market. Undertaking the rigorous course of study to become an ERP signals your commitment to understanding energy markets to potential employers.

STUDENTS
If you are a student interested in a career in the energy industry, you may elect to sit for the ERP Exam during or after completing your studies. The ERP Program can complement your prior coursework or help you develop a foundation of specialized knowledge that goes beyond your university curriculum. Engaging with the ERP Program underscores your dedication to learning about the energy marketplace to prospective hiring managers.

COMPANIES EMPLOYING THE MOST ERPS

<table>
<thead>
<tr>
<th>Shell Trading &amp; Supply // EDF // FERC // EY // ENGIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BP // Sapient // PwC // Deloitte // TransAlta</td>
</tr>
</tbody>
</table>

Introduction
Using the ERP to Accelerate Your Career

The ERP certification is by far the best known and most respected designation for energy risk. As an ERP, you’ll have a competitive advantage that can help you stand out to employers in the growing energy field. By earning your certification, you’ll demonstrate that you possess the knowledge and tools necessary to assess and manage challenges in both the financial and physical energy markets.

BENEFITS OF THE ERP

- **Demonstrate your knowledge**
  Earning your certification shows that you have mastered the knowledge bases necessary to effectively assess and manage risk.

- **Highlight your experience**
  The designation testifies that you have worked in the field for at least two years, signaling to employers that you have the experience necessary to succeed.

- **Join an elite group**
  You’ll be part of a network of like-minded professionals, allowing you to expand your career opportunities.

- **Underscore your reliability**
  All ERPs are expected to adhere to the GARP Code of Conduct, letting employers know that they will help safeguard the reputations of their firms.

GLOBAL RECOGNITION

Mastering the ERP curriculum represents a significant commitment to the energy profession. Because of this, ERPs are considered industry leaders with a strong dedication to excellence. The National Recognition Information Centre (NARIC) for the United Kingdom, an independent benchmarking organization, determined that the ERP is equivalent to a master’s degree in 10 education systems. This cross-border recognition sets you apart in a crowded market, and demonstrates that you possess the knowledge and tools necessary to succeed in the global energy field.

INDUSTRY OPPORTUNITIES FOR ERPS

The knowledge and skills developed while earning the ERP can be applied across a diverse set of roles within the energy market, including:

- Risk management within integrated petroleum companies, electricity generators, power utilities, and renewable energy companies
- Commodity trading, scheduling, structuring, and origination
- Consulting
- Research and investment management
- Financial control
- Treasury
- Audit
- Regulatory compliance
EXAM DEVELOPMENT

Development of the ERP Exam and its underlying curriculum is guided by GARP’s Energy Oversight Committee (EOC), a panel of senior practitioners and academics with practical market experience. Readings and topics covered in the curriculum are updated annually, in conjunction with the EOC, to ensure the Exam remains a timely and accurate assessment of the knowledge and skills required of an energy risk practitioner. To further align with industry needs, the ERP Exam is created in close consultation and collaboration with practicing ERPs active across a variety of disciplines and geographies. Exam questions combine theory and real-world work experience drawn from market insights shared by EOC members and practicing ERPs.

EXAM STRUCTURE

Completion of the self-study curriculum culminates with candidates sitting for the ERP Exam, a two-part, multiple-choice exam. The ERP Exam Part I and the ERP Exam Part II are comprised of 80 and 60 questions, respectively. Candidates are allotted four hours to complete each Exam and have the option to complete both parts in one or two exam cycles. Due to risk and uncertainties associated with the COVID-19 virus, in 2020 the Exams will be offered in October and November at more than 100 exam sites around the world.
EXAM CONTENT

The ERP Exam is a comprehensive, practice-oriented assessment, spanning the physical and financial energy markets. Successful candidates demonstrate a basic understanding of key energy concepts across several broad areas of study. The 2020 ERP Exam topics include:

**ERP EXAM PART I**

*Physical Energy Commodity and Electricity Markets (80 Questions)*

**Exam topic areas and weight allocation**

- Crude Oil Markets and Refined Products | 30%
- Natural Gas Markets and LNG Trends | 30%
- Renewable Energy | 10%
- Electricity Markets and Coal | 30%

**ERP EXAM PART II**

*Financial Energy Products and Risk Management (60 Questions)*

**Exam topic areas and weight allocation**

- Market Risk | 20%
- Credit Risk and Liquidity Risk | 30%
- Financial Energy Products | 30%
- Risk Governance, Enterprise Risk Management and Risk-adjusted Decision Making | 20%

THE ERP WAS DEEMED EQUIVALENT TO A MASTER’S DEGREE IN:

- UNITED STATES
- CANADA
- UNITED KINGDOM
- EUROPEAN UNION
- HONG KONG
- SINGAPORE
- AUSTRALIA
- INDIA
- UNITED ARAB EMIRATES
- SOUTH AFRICA
The 2020 ERP Exam will be offered on October 24 and November 21. The cost to register for the Exam varies based on the registration period. You can register on our website.

### EXAM PRICING

<table>
<thead>
<tr>
<th>Registration Period</th>
<th>Exam Registration Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1, 2020 — Jul. 31, 2020**</td>
<td>USD 475</td>
</tr>
<tr>
<td>Feb. 1, 2020 — Feb. 29, 2020*</td>
<td>USD 475</td>
</tr>
<tr>
<td>Aug. 1, 2020 — Aug. 31, 2020**</td>
<td>USD 650</td>
</tr>
<tr>
<td>Mar. 1, 2020 — Apr. 15, 2020*</td>
<td></td>
</tr>
<tr>
<td>Sep. 1, 2020 — Oct. 15, 2020**</td>
<td></td>
</tr>
</tbody>
</table>

*For October Exam administration  
**For November Exam administration

Other fees may apply.

Please note that due to uncertainties associated with COVID-19, Exam dates and deadlines for 2020 are subject to change.

### ENROLLMENT FEE

The ERP Exam requires a program enrollment fee of USD 400, which is payable when a candidate initially registers for the ERP Exam Part I. The enrollment fee is not charged again, unless the candidate has not passed the ERP Exam Part II within four years of passing the ERP Exam Part I.

Upon enrollment, all new candidates are given a one-year Individual Membership to GARP, a value of USD 195.

### PAYMENT

Fees can be paid in one of three ways: via secure online payment, by check (if drawn on a US bank and payable in US dollars), or by wire transfer.

---

There were over 1,200 ERP Candidate Registrations in 2019
EXAM LOCATIONS

The ERP Exam Part I and Part II are offered in person at more than 100 exam sites around the world. While the cities generally remain the same, locations within each city may change from year to year. A complete list of exam sites is available on the GARP website.

DEFERRALS

An ERP candidate may only defer each exam registration once to the next exam date. Please note:

• A deferral to the next exam date must be submitted by the last day of registration. For example, the last day to defer for the October Exam is April 15, and for the November Exam, the last day to defer is October 15.
• There is an administrative processing fee* of USD 150 that accompanies each exam deferral. This fee is payable by credit card at the time of your deferral request. The deferral fee is also payable by wire transfer or check for an additional processing fee of USD 50.
• Readings are updated every year. Deferring your Exam may require obtaining a new set of study materials.

YOUR GARP PROFILE

During registration, you will be asked to fill out a profile, which will include your identification, contact information and current company and job title. Upon successfully completing the program, you may select the option to allow GARP to contact your supervisor announcing your achievement.

*There is no fee for the October 2020 Exam
Study Resources

GARP provides study resources, practice exams and information on third-party Exam Preparation Providers to help you get ready for the Exam. Due to the sizable amount of material covered in the Exam, we suggest that you use a weekly study schedule. A recommended study plan is available for free online. Please note that all of the readings listed in the Study Guide are part of the curriculum and will be tested. This includes listed readings that are made available online on the GARP website.

Preparation time will vary based on your prior professional experience, academic background and familiarity with the curriculum’s concepts. Preparing for the Exam at the last minute is strongly discouraged.

STUDY MATERIALS

- The ERP Study Guide summarizes all recommended readings for the ERP Exam. Key concepts are listed as bullet points at the beginning of each section, and are intended to help you identify the major themes and categories associated with a particular section.

- The ERP Learning Objectives contain information and approximate weightings for each of the broad knowledge domains covered by the Exam, specific curriculum readings associated with each knowledge domain, and individual learning objectives for each reading. Every ERP Exam question maps to at least one learning objective, making the ERP Learning Objectives document a vital study resource that should be consulted regularly during exam preparation.

- The ERP Books, available digitally and in print, cover readings and themes that make up the core curriculum. Exam questions are based solely on the material in the current year’s curriculum and Learning Objectives, making the books essential for exam preparation.

AVAILABLE ON GARP.ORG/ERP/STUDY-MATERIALS
“Having an ERP demonstrates that a candidate has the necessary skills to better understand risks in the energy supply chain and how these interact with the financial market and regulatory environment.”

-SUNILKUMAR RAMAKRISHNAN, ERP, PRINCIPAL AND HEAD OF COMMODITIES AND ENERGY TRADING RISK MANAGEMENT, KPMG

- The Additional Required Readings, available online, supplement the books. They are a required part of the ERP curriculum.

- The ERP Practice Exams give examples of the types of questions featured on the Exam, and will allow you to estimate how much time you can expect to spend on each question. Each Practice Exam contains questions, answer keys, and detailed explanations for all answers. It is strongly recommended that candidates replicate exam-day conditions when taking a Practice Exam.

- A recommended Study Module offers a customizable sample framework. We encourage you to use this study module as a foundation and modify it based on your study schedule and areas of strength or weakness.

- The GARP Study Center app allows you to structure your study time, track your progress and take practice questions.

EXAM PREPARATION PROVIDERS (EPP)

You may wish to study with the assistance of an ERP EPP, an officially recognized organization that may offer courses online or in person. GARP provides a list of approved EPPs on our website as a service to ERP candidates.* Visit garp.org/erpepp to learn more.

STUDY GROUPS

While the ERP curriculum is designed to be a self-study program, many find that studying with their peers positively impacts their exam preparation. You can connect with other candidates to form study groups by joining our Facebook or LinkedIn groups. In addition, the Exam Candidate Group in the online GARP Community supports virtual collaboration.

*Please note that GARP does not endorse, promote, review, or warrant the accuracy of the products or services offered by providers of ERP-related information, nor does it endorse any pass rates claimed by an EPP. Further, GARP is not responsible for any fees or costs paid by the user to an EPP.
WHAT TO BRING ON EXAM DAY

- Printed Exam Admission Ticket (a digital Admission Ticket will not be accepted).
- Current (non-expired), original, valid, government-issued passport or driver’s license with a photo.
- Approved calculator with cleared memory. If you use an unauthorized calculator, your Exam may not be graded.

IDENTIFICATION

Only a current, valid, original, government-issued passport or driver’s license, which must include your photograph, will be accepted for identification purposes on exam day. The name on your passport or driver’s license must be exactly the same as the name on your Admission Ticket.

OPTIONAL ITEMS

The following items may be carried in your pockets or in transparent plastic bags, which must be placed under your chair and may be accessed during the Exam: wallet (or money purse), extra calculator, batteries and calculator case, eyeglasses, earplugs, medicine, tissues, other medically necessary items.

You do not need to bring pencils. Two pencils will be provided at the start of the Exam and more will be provided if necessary.

Food and drink containers may not be opened in the exam room. All food and drinks must be consumed outside the exam room.

EXAM TECHNOLOGY POLICY

All clocks, watches, electronic devices and wearable technology (including FitBits and Google glasses) must be stored in an area designated by the proctor prior to the start of the Exam.

A candidate may bring one (1) cellular phone into the exam room. It must be turned completely off (airplane mode is not sufficient) and placed facedown under the candidate’s seat.
If a candidate’s cellular phone emits any type of noise (ring, beep, etc.) during the Exam, the candidate will not be allowed to continue with the Exam, the candidate’s answer sheet will be collected (and will not be graded) and the proctor will escort the candidate from the exam room. This will apply if the cellular phone is in the exam room or in the designated personal belonging area.

PROHIBITED ITEMS

In order to maintain the integrity of the exam process, no electronics — including wearable technology — are permitted inside the exam room. Additionally, baggage of any kind, writing instruments, and pencil cases may not be brought into the exam room. A designated area for these items will be provided. You will not have access to them during the Exam. A full list of permitted and prohibited items, as well as what to expect on exam day, can be found on the GARP website.

EXAM DURATION

Each part of the ERP Exam is four hours long. The ERP Exam Part I consists of 80 multiple-choice questions and Part II consists of 60 multiple-choice questions. Part I is offered in the morning session and Part II in the afternoon session of each exam administration. For more information, visit our website.

EXAM POLICY VIOLATIONS

GARP takes every Exam Policy Violation Report filed on exam day under serious consideration. The following are a few of the violations that have resulted in a candidate’s Exam not being graded:

- Arriving with invalid identification
- Cellular device emitting any type of noise during the Exam
- Bringing in and using an unauthorized calculator
- Opening an exam booklet before being instructed to do so
- Writing before being instructed to do so
- Continuing to write after “STOP WRITING” has been announced
Scoring the Exam

There are no penalties for incorrect answers. You must pass the ERP Exam Part I first before the ERP Exam Part II will be graded.

EXAM RESULTS

Within six weeks of the Exam date, candidates are notified via e-mail of the availability of their Exam result. Candidates will receive only a pass/fail notification, including percentile ranges comparing their results to those of their peers. There is no numerical score available for review.

Frequently Asked Questions

Q. How much time do I need to prepare for the Exam?
A. Your preparation time will vary based on your experience and background, but on average, candidates spend about 250 hours studying. In a recent survey, individual reported studying times varied from less than 100 to more than 400 hours.

Q. How much work experience do I need to sit for the Exam?
A. No work experience is required to sit for the Exam; however, you must have at least two years of professional work experience to complete your certification and use the ERP designation.

Q. How quantitative is the Exam?
A. The ERP Exam does have a quantitative component, but the concepts are presented in real-world situations that risk managers face. The level of mathematical difficulty is on par with an advanced undergraduate or introductory graduate level finance course at most universities.

Q. Do you offer any exemptions for either part of the ERP Exam?
A. No, we do not offer exemptions and cannot accept other designations in partial fulfillment of our requirements. In order to obtain a true, objective representation of your risk management competency, we cannot rely on assessments performed by other designation-granting organizations.
Q. In what languages can I take the Exam?
A. The Exam is administered in American English only. We work hard to ensure all questions and instructions are written clearly and concisely, and to avoid the use of colloquialisms that might be unfamiliar to non-native American English speakers.

Q. Do I have to be a GARP Member to sit for the Exam?
A. No, you do not have to be a Member to register or sit for the Exam. As part of your initial enrollment in the ERP Program, you will receive a one-year GARP Individual Membership and all its privileges (except voting), which can be set to renew automatically during your registration. Certified ERPs are offered a discounted membership rate in recognition of their professional achievements and dedication to best practices in energy risk.

Q. How much time do I have to complete the ERP certification process?
A. You will have five years to submit your work experience after passing the ERP Exam Part II. If you do not complete the certification requirements within this timeframe, you will be required to re-enroll in the program, pay all applicable fees, and retake the ERP Exam Part I and the ERP Exam Part II. The application to submit your work experience, along with the paragraph describing your experience, must be completed in the “My Programs” section of your account on the GARP website.

Q. Is continuing education mandatory for certified ERPs?
A. Yes, a mandatory Continuing Professional Development (CPD) program helps to ensure certified ERPs remain up to date with industry developments, market trends, and best practices. ERPs participate in CPD by earning 40 credits for relevant educational activity every two years.

Q. Where do I find the most up to date information?
A. GARP will provide regular updates on garp.org and via email and social media, ensuring candidates are kept as informed as possible.
“It is increasingly important for professionals to understand the interconnectivity between the physical and financial energy markets. The ERP certifies that a candidate grasps the range of risks that can directly and indirectly impact the energy market.”

-WILLIAM MAY
GLOBAL HEAD OF CERTIFICATIONS AND EDUCATIONAL PROGRAMS, GARP

garp.org/erp
ABOUT GARP | The Global Association of Risk Professionals is a non-partisan, not-for-profit membership organization focused on elevating the practice of risk management. GARP offers role-based risk certification – the Financial Risk Manager® and Energy Risk Professional® – as well as the Sustainability and Climate Risk™ certificate and on-going educational opportunities through Continuing Professional Development. Through the GARP Benchmarking Initiative and GARP Risk Institute, GARP sponsors research in risk management and promotes collaboration among practitioners, academics and regulators.

Founded in 1996, governed by a Board of Trustees, GARP is headquartered in Jersey City, NJ, with offices in London, Washington, D.C., Beijing, and Hong Kong. Find more information on garp.org or follow GARP on LinkedIn, Facebook, and Twitter.