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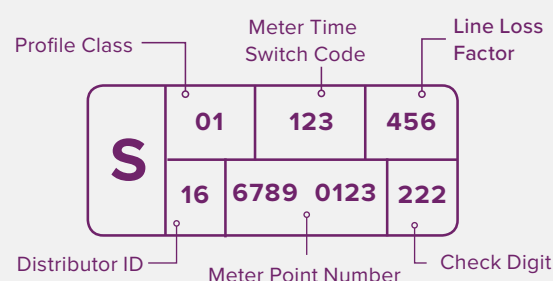
UTILITY PRICES

Have you considered them
before entering an agreement?

A

Knowledge and understanding

Companies think obtaining new contract prices for electricity and gas is simple – **it's not.**



MPAN / S-Number
Meter Point Administration Number

A similar number is used for Gas.

B

Using Broker

Some companies that use a broker are most likely speaking to or meeting with them over a short period of time (maybe 4-6 weeks) before the contract renewal date. This is like getting into action one minute before midnight; it's too late to get good rates. To make this work you should be continuously looking at prices, what affects them and get advice in a timely manner.

Some brokers may tell customers they can aggregate or are aggregating their customer's electricity and gas volume to obtain better pricing. This won't be true. One cannot aggregate the volume, as each customer has an MPAN (Meter Point Administration Number) or S-Number, the number used to identify the individual specific electricity supply point.



Using internal resource

If your organisation obtains utility prices using in-house resources, while individuals may have been doing this for a number of years and may be perceived to have good knowledge (bearing in mind that he/she would be doing it once every 12-24 months or more), it is unlikely they will have the in-depth understanding of current market information, change in government regulations and possible opportunities for rebates that affect the utility prices when obtaining a good deal.

Some other points to consider

Are you aware that 80-90% of contract anniversary dates fall within September/October or March/April? This creates high demand during these periods, producing high prices, which are good for providers but not for users.

Utility Market Prices

Utility wholesale prices behave like a stock share market and are therefore very volatile – so to know when to buy is very important.

Trick of the trade(Brokers)

Utilities volumes cannot be aggregated to obtain better prices.

Some suppliers will price 2x Summers and 1x Winter to show low prices (Summer prices of course being lower than Winter) – therefore, customers pay higher price going forward.

Whilst the price may look good initially, as some of the rates are lumped together, this will give the supplier the opportunity to increase the price at the first opportunity, or whenever they want.

Type Of contract

There are many types of contracts. You need to pick the one that most suits your organisation.

Are you aware that while your contract anniversary date may be a long time into the future, you are able to negotiate now for when your contract anniversary is due?

Your organisation's hours of operation are very important:

- Do you operate on a shift basis?
- What are your daily operating hours?
- What about weekend work?
- Day rates and night rates?
- Peak/off-peak operation?

Prices & Rates

There are many factors that effects organisation's prices and rates.

Are you aware there are many price profiles? An organisation should be matching their electricity/gas profile to their business profile.

The level of prices can also depend on the risk that one is willing to take. Low risk will fix the contract for 12-24 months or more. Medium risk could be a combination of a fixed contract and daily negotiated prices, and high risk could be daily negotiated prices.

Which one suits your organisation?

Do you have a climate change agreement in place?

Are you actively analysing your usage to reduce it and to reduce your carbon footprint?

Revenue & Grand Aid

Do you have a generator on standby? If you have one of sufficient size, you could be generating valuable revenue.

You may qualify for Utilities grant support Aid that applies to your type of business.

If you're a manufacturing organisation, are you aware you could be entitled to receive high value rebates from the government?

If you're a large energy user, are you aware you may be able to generate revenue?

Do you have and use solar or wind power?

J6 Efficiency is a 'demand response aggregator', providing you with the opportunity to unlock additional revenue where specific conditions are met.

Your Invoice

There are 20 components that make up the rates which need to be individually analysed.

On your invoice, many of the rates are lumped together. Knowing and understanding each of the rates will help you reduce costs.

Are you aware of your current carbon footprint and how this could affect the rates you're paying?

If you're operating from many locations; is each location on a different contract renewal date and/or the service provided by different suppliers?

Are your invoices being validated before payments are being made?

Your Broker

Do you know your broker's pricing structure? Is it transparent? How do they earn their fee? For instance, some will charge a management fee, others will add their fee to the rate you're paying and some will have both – which one is yours?

Are the brokers able to give you a written warranty that they will receive no undisclosed commission?



We are a third party specialist who works 100% on your behalf in an honest, open and transparent way.

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If you want to know your current situation, need advice or **want a second opinion** on how to reduce your utility prices, then get in touch.