

FLEXIBLE PURCHASING

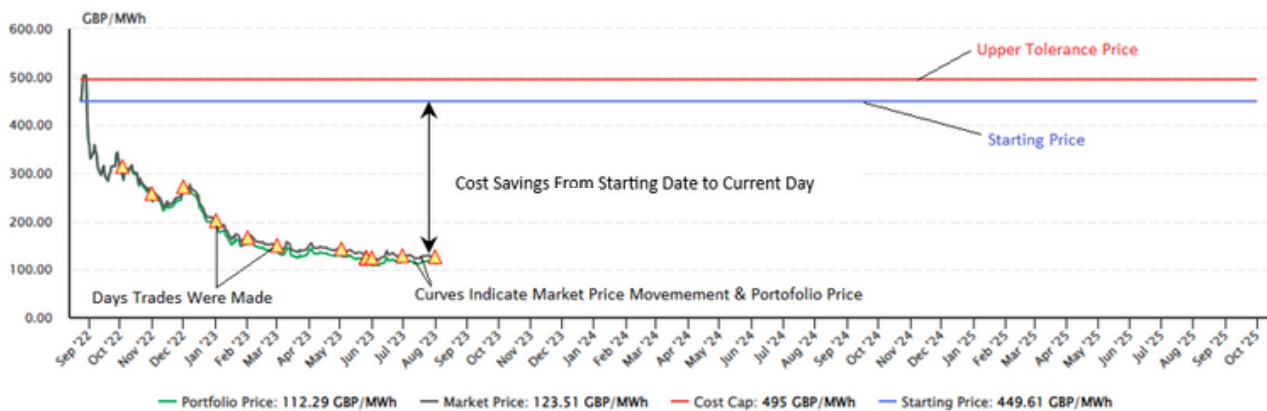
Energy Contracts

Allow us to Introduce Flexible energy purchasing, a risk-managed solution to securing your energy contracts.



INTRODUCTION

Instead of the traditional method of paying a fixed price monthly for your energy (which can be costly if bought at the wrong time), **Flexible purchasing empowers you to take advantage of dips in the market**, which allows you to reduce your energy bills and have more control over your costs. Prices will fluctuate over the duration of your agreement, and you are not obligated to the same expensive arrangement every month.



The **blue line** indicates the wholesale price on the date the contract was signed. This is the main benchmark we aim to buy below. **Black & green lines** indicate the price movement of the market & portfolio. **Yellow triangles** indicate when we have purchased. This scenario highlights the market drop and subsequent purchases we made, far lower than a day 1 fix.

HOW IT WORKS:

Unlike traditional fixed contracts where you typically buy 12, 24, or 36 months' worth of energy in one go, **with Flexible agreements your energy can be purchased before the delivery period or during the term of the contract, right through to the end and in tranches per each month.**

For example, instead of buying 12 months of energy for January - December 2025 all in December 2024 (fixed), you can buy tranches (%'s) each month. Therefore, rather than buying 100% of a month in one go (which we can do), we can purchase smaller %'s for each month every so often, when we deem the market to be at its optimum.

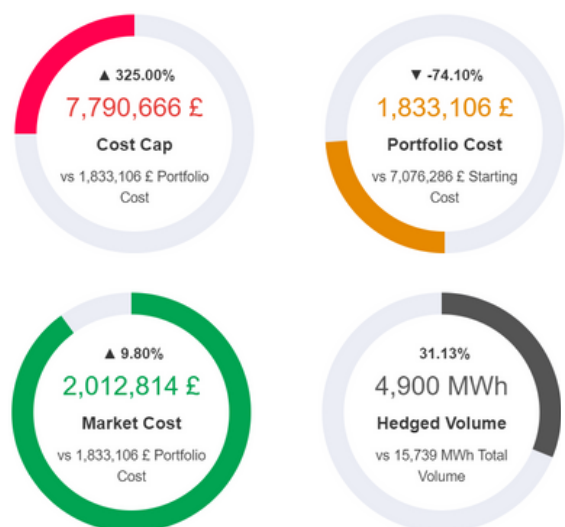
This mitigates any exposure to adverse market conditions, yet allows us to take advantage of the ever-moving market. All your purchases together form your fully delivered contract. Flexible purchasing can be applied to either one or both elements that make up your energy bill — your energy costs and your non-energy costs.

Whilst flexible procurement is typically considered a long-term purchasing strategy, we have worked with our suppliers to enable us to offer 12-month solutions to comply with Section 20* stipulations.

At Advantage Utilities, we continually monitor the energy market, looking at live market news, fundamentals and weather, all of which drive both the near-term and future prices. Additionally, we closely watch the wholesale prices that impact our customer portfolios. This assists us in determining the optimum time to hedge our volumes and for which months/quarters/seasons.

FLEX CONTRACT SOFTWARE

As the old saying goes: Knowledge is power!
Our cloud-based software will allow you to follow your contract and keep up-to-date on your progress. These reports can be sent daily if you require them. Check out more [here](#).



**The Section 20 Consultation is an essential legal process that private landlords, resident management companies, and their agents must adhere to when undertaking certain property works or agreements in the UK.*

FLEX PRODUCTS WE OFFER

Fully Flexible.

This gives you total freedom when you make your wholesale energy purchases including your non-energy costs.

Flexible baskets.

Pool your volume with other like-minded customers. This is usually more suited to SMEs or businesses with lower energy consumption.

WHY YOU SHOULD CONSIDER FLEXIBLE PURCHASING:

- ➔ Don't put all your energy eggs in one basket (a high-risk strategy). Flexible contracts ultimately offer more freedom.
- ➔ Take advantage of market drops in price that result in greater savings opportunities.
- ➔ To mitigate risk, we can hedge several times per each month.
- ➔ Take a hands-on approach or leave it to our experts at Advantage Utilities.
- ➔ Green options and frameworks are also available with Flexible energy contracts.
- ➔ Regular reporting to see your ongoing performance (and against the fixed alternative option).

SUPPORT FROM ADVANTAGE UTILITIES INCLUDES:

- Dedicated Account management
- Tailored strategy for your business
- Daily and/or weekly progress reports

A CLIENT CASE STUDY
THE RESULTS SPEAK FOR THEMSELVES.

Faraday Property Management signed this contract in March 2022 for 12 months of flexible purchasing and has since signed up for a further 12 months after they saw the potential savings in their monthly bills.

Date	Date	Usage	Standing Charge	Unit Rate
10/03/2022	31/03/2022	253059	48.76	12.77
01/04/2022	30/04/2022	313599	48.76	8.89
01/05/2022	31/05/2022	133045	48.76	6.25
01/06/2022	30/06/2022	104492	48.76	7.20
01/07/2022	31/07/2022	104301	48.76	8.46
01/08/2022	31/08/2022	101101	48.76	15.76
01/09/2022	30/09/2022	106892	48.76	12.01
01/10/2022	31/10/2022	202427	48.76	6.69
01/11/2022	30/11/2022	305613	48.76	7.26
01/12/2022	31/12/2022	454893	48.76	10.06

Their consumption for one gas meter is 3,398,189 kWh and if they had not signed a 12-month flexible contract in March 2022, the annual cost would have been £623,803.67! The fixed unit rate was 21.26 on the 10th of March 2022. The table shows the unit rates we achieved each month for this client.

So, in summary, for the 12 months they have paid £283,345.35 whereas if they had been on a fixed contract for this period, they would have paid £623,803.67! Which means they have made a **saving of £340,458.32 over twelve months.**

FOR ENQUIRIES, CONTACT US.

Get in touch today and our experts will be happy to help you understand if Flexible purchasing will be beneficial for your business and assist you with any energy and sustainability needs you have.

Contact us at info@advantageutilities.com or call us at **0208 131 4982**

**If you are a client of Advantage Utilities, then, please do not hesitate to contact your account manager who will talk you through Flexible purchasing further.*



YOUR COMPETITIVE ADVANTAGE

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