

Flex | Connect Electricity

Overview

Flex | Connect presents clients with the opportunity to purchase flexibly - spreading risk through multiple purchases and reducing supplier margins - without the requirements for larger volume thresholds and higher costs that exist with Flex I Bespoke.

Why Smartest Energy?

Following an extensive tender process covering fees, billing performance, innovation and tradable products, we are confident that Smartest Energy are best able to deliver on Optimised Energy's vision for a truly renewable collective approach. They offer a cost-effective, flexible and future-proofed solution whilst providing proven high service levels and accurate invoicing.

Utility	Electricity (Half Hourly & Non-Half Hourly)
Supplier	Smartest Energy
Risk Profile	Closest to fixed price alternative
Energy Purchasing Window	In advance of delivery period commencing
Energy Delivery Window	October-September
Reference Price Basis	Market prices for the purchase window
Last entry point	31 May
Third-Party Costs	Client's choice
Sell Back	Subject to chosen strategy
Market contracts/products	Subject to chosen strategy

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Key Features

- 100% REGO backed renewable energy
- Access to highly experienced dedicated trading team and analysts
- Reduce risk by spreading buying decisions into multiple tranches throughout the year
- Transparency of market levels achieved for energy component of bill
- Non-commodity elements can be fixed or passed through depending on client's preference
- Can buy years ahead (subject to signed contract)
- Reduced management fees and risk premiums through Optimised Energy negotiated contracts All transactions reviewed by third-party governance
- Direct live market access
- Reduced Optimised Energy service costs compared with Flex | Bespoke option

Renewable Credentials

The electricity purchased under the Flex | Connect electricity product is 100% Renewable Energy Guarantees Origin (REGO)-backed natural renewable energy from wind and solar sources, with no biomass. The source can be fully traced, and renewable energy certificates will be provided by Smartest Energy.

Who should utilise this solution?

- **Clients who may not be able to access a bespoke flexible purchasing strategy based on their volume or the costs involved**
- **Clients seeking a predetermined risk management strategy, either:**
 - **Strategy 1** - designed to mirror a fixed approach except that the commodity is purchased across multiple transactions, thus reducing the risk of buying at (or near to) the top of the market. It is focused on securing budget certainty. 100% of volume purchased ahead of delivery year commencing
 - **Strategy 2** - purchasing under a more advanced and savings-orientated approach. Will suit clients that are less constrained by the need to have guaranteed annual energy costs ahead of delivery commencing

FAQs

If I choose to fix non-commodity elements, when will this be fixed and when will I know the rates?

Where non-commodity elements are fixed, fixing will occur closer to delivery to increase forecast accuracy. The rates will be confirmed with you 30 days in advance of delivery and will be updated every 12 months.

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FAQs

Will my company be affected if another basket participant has poor credit?

Each participant is individually credit checked. A participant would never be negatively affected by a fellow participant with bad credit.

If a prospective client does have bad credit, our partnership approach with the supplier allows for a more flexible and pragmatic approach to credit decisions.

Can I switch risk management strategy part-way through the contract term?

Yes, you can switch between Risk Management Strategies once per annum. To do this, you must notify Optimised Energy by the end of the May preceding the next delivery period. E.g. 31/05/2020 for delivery starting 01/10/2020.

When you switch strategies, any volume that has been hedged will be carried over so the full effects of switching strategies may not become apparent for several months.

Will my company be penalised if another participant breaches the volume tolerance level?

Breaching volume tolerance should be avoided by all participants as you can reforecast your volume at any point.

In the case that volume tolerance is breached, only the participant breaching will be affected. However, purchasing as part of a larger group offers protection as one participant's volume is only a portion of the overall volume.

**About
Optimised
Energy**

Discover how Optimised Energy's specialists can help your business find new energy efficiencies. Call us on + 44 (0) 1253 209 000