



CASE STUDY

ENERGY PROCUREMENT AUDIT



By **Gavin Davis**
Head of Group Property and
Facilities Management



Background

The Saga Group is always looking to maximise savings on its group electricity and natural gas purchase costs.

“ We wanted an independent third party to look at whether or not we were securing market competitive prices from our electricity and natural gas suppliers, via our external brokerage, and also we were also on the look-out for fresh ideas on how we could make additional cost savings in this area.”

“Carbon Credentials’ in-depth understanding of the Saga Group’s existing costs and energy consumption enable them to make a thorough assessment of the potential opportunities for further energy savings”

Gavin Davis
Head of Group Property and
Facilities Management



Process

Carbon Credentials, using a Saga Group **“letter of authority”** collated and analysed cost data for a sample of 15 sites for electricity supply and also a sample of 13 sites for natural gas supply in order to develop an evidence-based assessment of recent electricity and natural gas costs.

Carbon Credentials also:-

- **Completed a detailed comparative analysis of supply costs from cost data for third party sites with equivalent energy consumption cost data covering around 75% of industrial gas sales and 60% of industrial electricity sales.**
- **Engaged with 2 leading supply companies to provide supply quotes to forecast future costs for electricity and natural gas costs.**
- **Reviewed all historic invoices and half hourly consumption data for the sample sites to understand cost savings opportunities.**



Outcome

Carbon Credentials provided a clear analysis on Saga's electricity and natural gas costs – overall both fuels benchmarked below the market average on a recent 12 month period and cost savings in p/kWh, percentage and £ terms were provided.

The project also provided additional savings opportunities from:-

- a) Switching gas supplier at 2 sites.
- b) Reviewing and amending electricity supply capacity charges at 6 larger consumption sites.
- c) Providing detailed evidence of the savings available from a decision to bring forward the Group's natural gas tender.

“ *We got exactly what we wanted from this successful procurement audit- we gained a very clear answer on whether or not we were paying competitive prices for our utilities and we also secured cost savings that easily covered the project cost. Overall a pleasing result!*

Gavin Davis
Head of Group Property and Facilities Management

SAVINGS OF

£13,164 PER year



**Overall
Carbon Credentials
identified annual
savings of £19,616
and additional
on-going savings of
£13,164 per year.**



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