



Commodity Purchase of Electric and Natural Gas

Fifteen states now have deregulated electric and gas commodity markets, with Ohio recently joining the market. One of the most difficult aspects of the deregulated market is whether you are getting the best price in a constantly changing energy environment.

In some instances you may qualify for additional utility discounts depending on where your business is located.

Energy Economic and Service Advisors

Sugarloaf uses its utility experience to assist businesses with the purchase of their commodity from a Third Party Supplier. We review your bills to make sure you're on the correct tariff billing rate and suggest a strategy to purchase commodity. The most challenging financial decision is which supplier offers the best price for meeting your business's financial goals for purchasing energy, even if you have been with one supplier for a number of years.

After reviewing your prior year bills we'll provide a strategy to purchase electricity and gas commodity.

Sugarloaf Associates, LLC bids out your energy requirements to several commodity suppliers providing assurance you are receiving the best price available. At no cost Sugarloaf will demonstrate the savings and identify and explain terms and obligations prior to signing with a TPS. This gives you an apple to apple comparison to your prior year's usage. Once you decide on a TPS we make the switch to a new provider seamless and perform ongoing monthly reviews of your utility bills for accuracy.

A recent example of a small and large customer;

Recent Actual Bid Results for a mid-Size Client

	TPS 1	TPS 2	TPS 3	TPS 4	TPS 5	TPS 6	TPS 7	TPS 8	Utility BGS Supply
									\$0.094/kWh Avg.
12 Month Fixed Price Bid:	\$0.0887	\$0.078E	\$0.0773	\$0.080E	\$0.080E	\$0.076E	\$0.081E	\$0.0808	\$0.0940
Annual kWh	3,055,821	3,055,821	3,055,821	3,055,821	3,055,821	3,055,821	3,055,821	3,055,821	3,141,50E
Annual kWh Cost	\$270,960.21	\$235,023.1E	\$236,214.9E	\$247,154.80	\$246,360.8E	\$234,962.63	\$249,141.0E	\$246,818.6E	\$295,301.47
Savings over Utility	\$24,311.2E	\$60,278.2E	\$59,086.51	\$48,146.67	\$48,910.62	\$60,308.84	\$46,160.3E	\$48,482.81	\$0.00
% Savings	8%	20%	20%	16%	17%	20%	16%	16%	0%

Notes: (1) Pricing is based on current market conditions and is subject to change.
 (2) Fixed Pricing includes 7% NJ Sales & Use Tax.
 (3) Pricing includes an administration Fee.
 (4) Offer contingent upon credit approval and execution of an agreement with supplier.

Bids are received from multiple sources at no cost for an apple to apple comparison.



Depending where your business is located you may also qualify for additional energy delivery savings from your utility company.

Three ways to purchase energy

Fixed Pricing

The customer pays a pre-established set price throughout the term of their contract; one, two or three year contracts are offered. Depending on the energy market you may save more money if energy prices rise and save less if energy prices decrease compared to the utility default service rate.

Floating

The customer has variable pricing which provides the cost of energy to rise or fall hourly or on a monthly basis reflecting the wholesale pricing of energy. The price is a percentage of the wholesale cost of energy and has built in guaranteed savings regardless of the rise or fall of wholesale energy pricing.

Hybrid

This is a combination of fixed and floating pricing models. The customer pays a fixed price for percentage of the consumption and a floating price for the remainder.

NOTICE TO LARGE UTILITY CUSTOMERS

If you use more than **5 MW of demand monthly** there is another option Wholesale Energy Procurement with savings that exceed the standard TPS method.

- Additional Savings
- Able to purchase from multiple suppliers
- Commodity Hedging
- Purchase in commodity blocks

Special Billing Rates

Some utilities offer Economic Development Service rates for selected communities. These discounted rates, designed to encourage Economic Development, are sometimes overlooked and can save you additional money on your utility bills.

Contact us at: info@sugarloafassociates.com

About Our Team

Sugarloaf Associates LLC is an affiliate of Biggins Lacy Shapiro & Co., headed by Tim Comerford. As the energy consulting practice of BLS, Sugarloaf provides comprehensive energy services and procurement strategies, including utility relocation, energy procurement, utility rate tariff and billing issues, green building requirements associated with economic development incentive awards, renewable energy installations, and electric and gas infrastructure assessments with a specialized capability in mission-critical facilities. Sugarloaf advises on local utility infrastructure in support of a range of project types, including optimizing utility service design to minimize project cost, determining tariff issues that affect annual operating costs, minimizing utility relocation expenses and ensuring cost effective operations.