



## Top 12 Datapoint Categories Needed for Energy Quotes

Prepared by EnergyWindow,® Inc.

Many companies with large gas and electricity requirements are throwing money away by NOT seeking out competitive energy bids in deregulated markets. Why? It's a complex and time-consuming task to know where and when to request competitive quotes, and from who. It also takes considerable time to prepare requests for competitive energy bids – and the great bulk of them are still done manually.

Often, when tasked with dealing with the crisis of the moment, in-house energy managers will put out the most immediate “fire” and simply not bother with trying to obtain competitive energy bids. This can lead to over-dependence on a small set of suppliers and, ultimately, higher energy costs.

For example, think about what typically occurs when a consumer tries to wade through complex, obtuse plans for telecom services. The fine print makes no sense. The plan billing conditions seem to be written in Basque. Thus, many consumers simply default to the biggest local phone company because it's easier and requires no time and research. This is very similar to the situation faced by many time-pressed energy managers and procurement personnel. They simply don't have the resources to research market conditions, deregulation tariffs and requirements, active suppliers and more. And so they default to their current energy supplier, whether they are offering the best deal or not.

However, with EnergyWindow's automated, online request for quote and energy bid system, energy buyers can leave the “driving” to someone else. They simply need to set the parameters of what they are seeking and provide some routine energy usage information – and the automated Request/Bid System will do the rest.

An online, automated system for energy quotes and bids truly simplifies and speeds the process. To take advantage of competitive bid situations, however, energy buyers must have some data at hand, ranging from general facility information to utility tariff rates. Savvy energy buyers who want to take advantage of competitive energy bids in deregulated markets need to gather several types of information BEFORE they request quotes and seek competitive energy bids.

The following categories cover the basic information that must be provided to energy SUPPLIERS, so that they can provide an accurate bid for gas and electricity.

### **Category 1: General Company Information**

This one is easy. You simply need to have company information ready to go, including address of parent company, location of facilities, and DUNS numbers or other financial information.

### **Category 2: Facility Operation**

What kind of operation is located in each facility? Is it a manufacturing plant or a commercial site like a retail store or office building? Does it operate at the same level year-round or is it seasonal (like ski lodges or water parks)? Is it a three-shift or 9-to-5 operation? These issues impact the suppliers' costs and, thus, their cost to you?

### **Category 3: On-site Generation Capacity**

Does your facility have on-site generating capabilities? (i.e. cogeneration, back-up power, peak-load generation?) Would this electricity be available to minimize peaks or self-supply? (What does this mean?)



#### **Category 4: Specific Terms and Conditions**

Given the nature of your business, are there any terms and conditions that you **MUST** have in an energy contract? For example, what kind of payment terms are you seeking? How long of a term do you want? Can you accommodate volume restrictions? Must you have a fixed price, no matter what?

#### **Category 5: Degree of Demand Control Needed**

Do you have a facility that requires a certain level of power at all times? Or do you have the flexibility to opt for controllable or interruptible power (for which suppliers may grant a reduced rate)?

#### **Category 6: Service Classifications**

Suppliers need to know your facility rate code to provide an accurate energy quote. If you don't know your facility code, check a recent bill, which usually includes this code somewhere on the document. Be sure to note any special provisions or riders found on the bill.

#### **Category 7: Billing Preferences**

In many deregulated markets, you will have a choice of receiving a single bill containing both regulated and unregulated charges, or two bills – one each from the utility and the competitive supplier for their charges. In other areas, you may have to accept two bills as part of the ability to choose a new supplier.

#### **Category 8: Historical Energy Usage**

Suppliers will need to know the quantity of electricity or natural gas you typically use. In general, they will require 12 months of actual billing data to determine their price for you.

#### **Category 9: Load Factors**

Load factor is a measure of the maximum peak-to-actual power use over time. This also is an important element for suppliers to have when you shop for electricity. Most suppliers will calculate this automatically from the data you have given them. You also can visit the EnergyWindow Web site ([www.energywindow.com](http://www.energywindow.com)) in the Request/Bid section for a guide to calculating this.

#### **Category 10: Price Structure**

Most suppliers also will ask you to specify the price structure best for your company. This may be a flat rate per unit regardless of season, or it also could be a variable rate that changes with the time and/or month of use. Each pricing structure has its merits and needs to be considered by regions and type of operation you run.

#### **Category 11: Maximum Bid**

You will need to know the rate you would be charged if you were to remain on your current service. You then know the maximum bid you will accept from a competitive supplier. In some areas, you can determine this from your previous bills, or you can refer to published tariff rates. Many suppliers, consultants and, of course, EnergyWindow, stand ready to help you with this step as well.

#### **Category 12: Reserve Price**

The reserve price is the undisclosed, maximum price you will accept. Knowing your maximum rate and setting a reserve price allows you to intelligently and quickly weigh offers and ensure that you meet minimum expectations for your unregulated energy purchase.

*For more information, or for help any part of the energy procurement process, please call the energy experts at EnergyWindow at (877) 444-0087, or [www.energywindow.com](http://www.energywindow.com)*

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