

Energy Action Group - What We Do

People familiar with the Energy Action Group (EAG) have enjoyed its benefits for many years but even they may be unaware of the different features available. Some know us purely as an Energy Buying Basket, and whilst that is one of our main functions, there are many other aspects to what we do.

To help members fully understand the extended benefits, we have prepared the guide below.

Q. What is the Energy Action Group?

A. The Energy Action Group was established in 2010 in response to the perception of unfair treatment and predatory pricing by energy suppliers and (some) disreputable energy brokers. It was set up as a partnership between Development Trusts Association Wales (DTAW) and Touchstone Energy Management Services. Subsequent years have seen additional organisations join, including Locality, the Association of Independent Museums and DTA Scotland.

Approximately 75% of the membership are from the charitable, community and museum sectors.

Q. How does the EAG help its members?

A. We help organisations of all sizes. We start by focusing on harnessing collective buying power through co-terminating contract end dates and aggregating consumption. This ensures all member's energy contracts start and finish on the same date within the calendar year and facilitates tendering large quantities of energy to interested suppliers. Historically this delivers more competitive energy tariffs and reduces administration costs.

Whilst we pursue the most competitive prices available, we also provide a range of energy consultancy services including Energy Management, Automatic Meter reading, Bill Validation, Site Surveys, Energy Savings Opportunity Scheme (ESOS) reporting, lighting and boiler issues and more. We can also assist with Energy Performance Certificates (EPC) and help members who want to reduce their energy consumption.

Q. What does it cost to join the EAG?

A. There is no charge to join or use the EAG. The energy basket derives its income solely from commission payments negotiated with suppliers.

Q. How do we join?

A. Simply provide us with a standard 'Letter of Authority' authorising us to talk with suppliers and other industry organisations. Secondly, send us copies of your latest gas and electricity bills. These provide all the details we need to review your supply arrangements and seek competitive alternatives at the appropriate time.

Q. What is a Letter of Authority and what does it commit me to?

A. Common tasks within the highly regulated energy industry can be surprisingly complex. These include metering, billing, data collection, changes of tenancy and a myriad of other

issues. Your Letter of Authority allows us to expedite a lot of the work required without constantly referring to you. You can be sure that if any significant issues arise we will always liaise with you, and not act without your consent.

Q. Do you do water as well?

A. Water supplies in Scotland and England are part of a de-regulated market. There is currently very little competition in water supplies with little price benefit to be gained by shopping around. However, the situation is expected to become more competitive over time so we continue to monitor the situation. If you have large water consumption and would like us to assist please don't hesitate to ask.

Q. When can we join?

A. You can join at any time. If your current contracts are not aligned with the basket, we can implement short-term bridging contracts and ensure that you will be in the next one.

Q. Our supplies are in contract for an extended period. Can we still join?

A. This is not uncommon but needn't present a problem. The important thing is to inform us about your current contracts and ensure they are terminated. This leaves you free to move to supplier at the end of the contract should you wish to do so. We can arrange the termination notice on your behalf. Existing contracts will run their term, and won't be affected.

Q. We already work with another consultancy/ energy basket. Can we still join?

A. You can still join the EAG. We will provide useful pricing which can help you compare offers. We can also explain the details, costs and benefits of each offer, which is increasingly important. This is due to the ever-increasing number and levels of non-energy costs that may appear on your bill but may not be clearly presented in the contract paperwork.

Q. Will joining the EAG save me money?

A. Our track record speaks for itself. Our buying strategy is based on time of year and group buying principals. The value of the annual EAG basket continues to attract the attention of energy suppliers and helps leverage improved pricing. We have been delivering exceptional rates since 2010. Over 92% of members renew their contracts via the EAG and our other services can help deliver additional savings.

Q. Am I obliged to accept quotations from the EAG?

A. The simple answer is no. The vast majority of members do renew their contracts through the EAG, however, there are occasions when specific supplies are kept out of the basket for reasons such as being part of an existing framework agreement or are subject to 3rd party requirements such as sub-leases. The basket is designed to be flexible and to meet member's needs.

Q. Can we obtain Renewable Energy quotations?

A. Fully certificated renewable energy contracts are available upon request and will be included in the 2018 basket.

Q. What kind of Energy Management advice can we obtain?

A. The purpose of Energy Management is to manage energy use and reduce consumption and water. There are many different ways of approaching this. The key principle is to understand the consumption trends for different buildings, as well as the building type and usage. Automated Meter Reading (AMR) is the foundation of an efficient Energy Management program.

Additional services include desktop and bill analysis including discussion with someone familiar with site buildings, processes and energy supplies. If necessary this can be followed up with on-site surveys to examine the gas, electricity and water supplies and usage and opportunities to achieve efficiencies.

Q. What are the benefits of Bill Validation?

A. The bill validation process provides peace of mind by monitoring bill accuracy on each and every utility bill. These can then be measured against known consumption data. Any errors are followed up and corrected with suppliers. There are obvious cash flow benefits by avoiding incorrect billing and the low cost of the service can be more than covered by the time saved and the uncovering of supplier billing errors. Monthly summary reports provide full visibility and greater billing clarity.

Q. Moving premises, adding new buildings, asset-transfers. Can I add the energy supplies to the EAG Basket?

A. The EAG can accommodate all new supplies, whether they are due to additions to property portfolios, asset transfers or new builds. The supplies can be added to other existing supplies and will form part of the basket going forward.

Q. I need to add, upgrade, downgrade or remove gas and/or electricity meters. Can the EAG help?

A. The EAG can manage and supervise all new connections and changes to supplies on behalf of members.

Q. My supplier wants to install a smart meter. What should I do?

A. Larger electricity supplies have been measured by Half Hourly Automated Meter Reading (AMR) meters for a long time. The UK Government has now mandated the installation of smart meters for all smaller commercial and domestic supplies, including gas. Suppliers are poised to begin installations from October 2018. Approximately 42 million smart gas and electric meters will be installed, with a completion date of approximately 2020. These meters are different from the AMR meter type. At this stage there is uncertainty about the availability and quality of consumption data and concerns that the smart meters may make it more difficult to transfer to a new, cheaper supplier when agreeing a new contract.

We believe that, in many cases, smart meters may benefit members, but there are exceptions. Automatic Meter Reading (AMR) operates at a different level to smart meters and provides enhanced reports and features. It is possible to host all gas, electricity and water supplies in one place, along with all Half-Hourly (HH) profile meters, something which smart meters will not do. We therefore recommend an AMR metering portfolio for larger

consumption and multi-site portfolio while the new Smart meters may prove effective for single sites with smaller consumption.

We therefore encourage you to discuss with us before accepting the default smart meter solution being proposed by suppliers, especially if you already have AMR meters.
