



An Energy Efficiency Workshop & Exposition

Palm Springs, California

Get Connected!

Vickie Tilley-Moore

President

Dynamic Energy Concepts, Inc.



So the bills have arrived - or maybe not!

- *Do you have an extravagant database . . . Or do you keep your bill copies in a shoebox under the desk?*
- *Are you receiving service at the lowest rate possible . . . Or the rate the facility was put on 20 years ago, and never reviewed again?*
- *What about bill accuracy . . . Cost avoidance, or cost recovery?*



A Day in the Life of a Federal Facility Manger

- ❑ Constant fire-fighting prohibits proactive management of key issues.
- ❑ Expectations and needs have increased in light of recent energy price fluctuations.
- ❑ Responsibilities for short-staffed facility management teams continue to multiply.
- ❑ Requires extensive knowledge base in order to make energy supply side decisions due to the dynamics of the energy market place.
- ❑ Budget impacts of volatile energy markets means decisions receive more scrutiny and hindsight review.
- ❑ Predicting the future with limited data to access.



Billing Issues and Concerns

- ❑ Thousands of rate structures in both regulated and restructured markets.
- ❑ Thousands of bill formats - no generic utility bill format, some include multiple line items.
- ❑ Full of complex coding structures.
- ❑ Incorrect meter reads or usage data.
- ❑ Even incorrect accounts or facilities.
- ❑ Invoice verification becomes complex - even in regulated markets.
- ❑ All adds up to additional workload for existing manpower - not always easy to come by.



Supply Issues in Deregulated Markets

- What are my options
 - Individual facilities
 - Combined facilities
- Price of default service, if any available
- Which suppliers are credit worthy
- Which suppliers are experienced
- When is best time to enter the market
- What is negotiable
 - Price and price structure
 - Contract terms
- Are others getting better offers/deals



How do you tackle these problems?

- **Get a database**
 - Must contain a minimum of 12 months of historical data
 - Get utility rates, riders, adjustments, etc.
 - Web based database versus Software purchase
 - Ability to handle the incoming and ongoing utility data
- **Manage the database**
 - Interpretation
 - Auditing
 - Data entry
- **Hire or retain energy expertise**



So you've arrived?

- ❑ You have your data
- ❑ It's pretty and interpretable
- ❑ Manpower has been assigned or out-sourced to manage the data
- ❑ Staff has been trained, or energy expertise retained
- ❑ What are you going to do with it?



Take advantage of opportunities in the markets

- Potential savings for demand and supply
- Possible energy efficiency upgrades through utility incentives
- Rate structures
- Power factor correction
- Interruptible contracts
- Distributed Generation
- Fuel Switching
- LDC/Pipeline Bypass
- Aggregation options
- Master metering/IDR metering
- Purchasing Groups



Regulated Market - Electricity

- **Utility Rates**
 - Are you on the right rate
 - Interruptible rate
 - Master metering
- **Accounting and Billing**
 - Meter read dates don't mesh
 - Demand meters are NOT reset
 - Calculations are incorrect
 - Line items included that shouldn't be
 - Duplicate invoicing



Regulated Market - Natural Gas

□ **Utility Rates**

- Are you on the right rate and tariff
- Fixed rate options
- Correct pressure/temperature conversion factors
- Are gas cost adjustments reasonable
- Are additional adjustment correct

□ **Supply Alternatives**

- LDC by-pass options
- Back-up sources when curtailed
- Transportation rates available
- Leverage to negotiate with LDC



Restructured Market - Electricity

□ **Utility Rates**

- Fixed or indexed prices
- Non-bypassable charges (wires, stranded costs, taxes, etc.)
- Rate freeze expirations, if haven't switched
- Are you on the right wires rate

□ **Accounting and Billing**

- Bandwidths
 - Usage outside of bandwidths
 - Price for usage outside of bandwidths
- Application of market indexes
- True-up estimated bills
- Data problems rampant



Deregulated Market - Natural Gas

□ **Utility Rates**

- **Correct transportation service rate**
- **Fixed or indexed prices**
- **Firm vs Interruptible**
- **Seasonal discount rates**

□ **Accounting and Billing**

- **Customer classification error**
- **Incorrect volume calculations**
- **Penalties for imbalances**
- **Incorrect pressure factors**
- **Correct fuel and storage adjustments & fees**



Conclusion

- Before you can take advantage of opportunities . . .
You have to understand your utility bills and the market!
- Don't be overcharged . . . *Never assume the bills are ALWAYS correct!*
- Be aggressive and take advantage of opportunities .
. . . *Opportunity doesn't always knock on your door, sometimes you have to knock on opportunities door!*
- Utilize market intelligence . . . *If you don't have it - get it!*



**Vickie Tilley-Moore, President
Dynamic Energy Concepts, Inc.
P.O. Box 6958**

Sherwood, Arkansas 72124

501-729-9715

email: vtm@dynamicenergyconcepts.com

website: www.dynamicenergyconcepts.com

