

Case Study: Access to Retail Market Provides Savings

OPPORTUNITY

A company that provides data center services contracted with Fellon-McCord to conduct an electricity RFP for its Cincinnati, Ohio location. This project was undertaken from an observation made by Fellon-McCord that the facility would reduce its electricity spend by contracting for third-party power supply rather than buying power from the local utility.



SOLUTION

Our energy sourcing experts were aware of changes in Ohio's market conditions, in which third-party supply became a feasible option. Due to our knowledge of the tariff

and retail market rates, we anticipated that our client would achieve significant cost benefits as a result of an electricity RFP. Our RFP process included:

- An analysis of the load data and development of a load forecast;
- A determination of purchasing strategy based upon the client's risk tolerance and Ohio market conditions;

- The solicitation of suppliers to meet the purchasing strategy;
- A review of quotes and selection of supplier; and
- The facilitation, negotiation and execution of the supply agreement.

RESULTS

Upon completion of the RFP, net savings of \$149,318 were identified, representing a 31 percent savings from what our client had previously paid. These savings were based solely on our client committing to a 21-month third-party supply contract.

CONCLUSION

Due to our ongoing research and market intelligence regarding changes in energy markets, Fellon-McCord was aware of third-party supply opportunities in Ohio. With this knowledge, we knew our client would achieve significant cost benefits by accessing the retail power market, thus taking advantage of changes in Ohio's electricity market.