

Case Study:

Comprehensive Energy Review Identifies Substantial Savings

OPPORTUNITY

In 2010, a national senior assisted living community company engaged Fellon-McCord to provide energy management services for 128 facilities. Although the client had previously worked with another energy management firm, we were able to identify a variety of incremental cost-savings and cost-avoidance opportunities.



SOLUTION

Fellon-McCord's energy team performed a comprehensive review of all facets of the client's energy management program. As part of our analysis, we reviewed:

- Gas, electric and fuel contracts to determine expiration, terms, pricing and fair market value;
- Invoices to ensure correct charges were being billed to the right accounts and to clean up any outstanding issues; and
- Existing energy procurement processes, hedging strategy and site-level market positions.

RESULTS

Our comprehensive review of our client's energy management program enabled us to add value to their bottom line within the first year of our relationship. Fellon-McCord's energy team identified approximately \$1.9 million in savings from a variety of sources including invoice error correction, a change in risk management strategy and a recommendation that the client put its current energy contracts out for competitive bid.

CONCLUSION

With Fellon-McCord's knowledge and expertise in analyzing energy strategies, procedures and positions, we were able to complete a comprehensive review for each of our client's 128 facilities. Our energy team evaluated a multitude of energy-related issues to identify opportunities for cost savings and/or cost avoidance. Even though the client had previously used an energy management firm, the client was able to realize significant additional savings based on our comprehensive approach to energy management.

