FellonMcCord™
Knowledge in Energy

Case Study:

Aggregating Load Shows Immediate ROI

OPPORTUNITY

As part of Fellon-McCord's new client on-boarding process for an international fast-food restaurant company, we carefully analyzed current energy supply contracts to ensure the client was receiving optimal market pricing and reliable delivery through reputable suppliers. Our contract examination identified multiple suppliers – all with different pricing for the client's Georgia restaurant locations. This resulted in an opportunity to aggregate load for economies-of-scale pricing.

SOLUTION

Our analysis discovered the client had more than 70 locations behind a single utility, each with unique pricing. We recommended an energy RFP be conducted to determine if aggregating the load would result in significant enough savings to warrant a change in energy contracts. The RFP process entailed confirmation of forecast load for each site, clear communication of client-specific needs for delivery to prospective suppliers and close scrutiny of the details of each RFP response.

RESULTS

Upon evaluation of the RFP responses, Fellon-McCord's energy analysts identified an opportunity to obtain consistent pricing across the 70+ locations while employing newly developed risk strategies to mitigate price fluctuation and assure price certainty. This resulted in one-time annualized savings of $86,875, representing a 34 percent savings from what the client had previously paid.

CONCLUSION

Fellon-McCord's expertise in analyzing complex energy contracts enabled us to quickly identify an opportunity for the client to aggregate its load. Upon receipt of the RFP responses, our keen understanding of various energy markets enabled us to provide a recommendation to the client based on the most reliable, contractually favorable and low-cost energy supply. Thus, Fellon-McCord was able to add value to the client's bottom line within the first three months of this relationship.

Fellon-McCord is a global energy and sustainability management firm headquartered in Louisville, Kentucky. To learn more, please visit our website at www.fellonmccord.com.