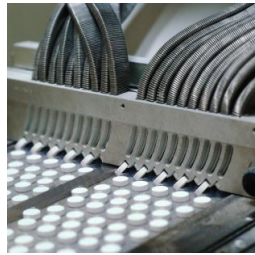


Case Study:

Market Intelligence Identifies New Retail Supply Opportunities

OPPORTUNITY

A pharmaceutical manufacturing company became a Fellon-McCord client in 2007. In 2009, we identified a newly opened retail supply opportunity for one of its eight manufacturing facilities. This came about through our ongoing monitoring of the wholesale market and tariff supply.



SOLUTION

In late-2009, our energy sourcing experts became aware of changes in Ohio's energy market conditions, in which third-party supply became a feasible option. We knew our client's Ohio facility was eligible to take advantage of these market changes. To identify potential energy supply options, we conducted a request for proposal (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, which

included product selection and length of contract;

- The solicitation of suppliers to meet the purchasing strategy and credit requirements;
- 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 \$634,486 were identified, representing a 21 percent savings from what our client had previously paid. These savings were based on our client committing to a 12-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.