



Advanced Procurement for Universities and Colleges

***Delivering advanced procurement through partnership***

**Utilities UIG Meeting  
Wednesday 17 August 2016  
Rm 1.005  
Borders College – Galashiels Campus**

# Agenda

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- Welcome and Introduction by Pete Smith – Vice Principal, Borders College

## Utilities UIG

- Brief Market Update
  - Cat A Electricity and Gas Update
  - Cat A Water & Wastewater Discussion
    - Student Accommodation Charges update
  - Cat A Liquid Fuels Update
  - AOB
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- Break for Lunch

## Energy TSN

- Presentation and tour of SHARC Project Energy Centre
- Presentation on Non-domestic Energy Efficiencies Framework Agreement & Consultancy Support
- AOB

# Oil Prices

**CBV16 - Crude Oil Brent (ICE)**



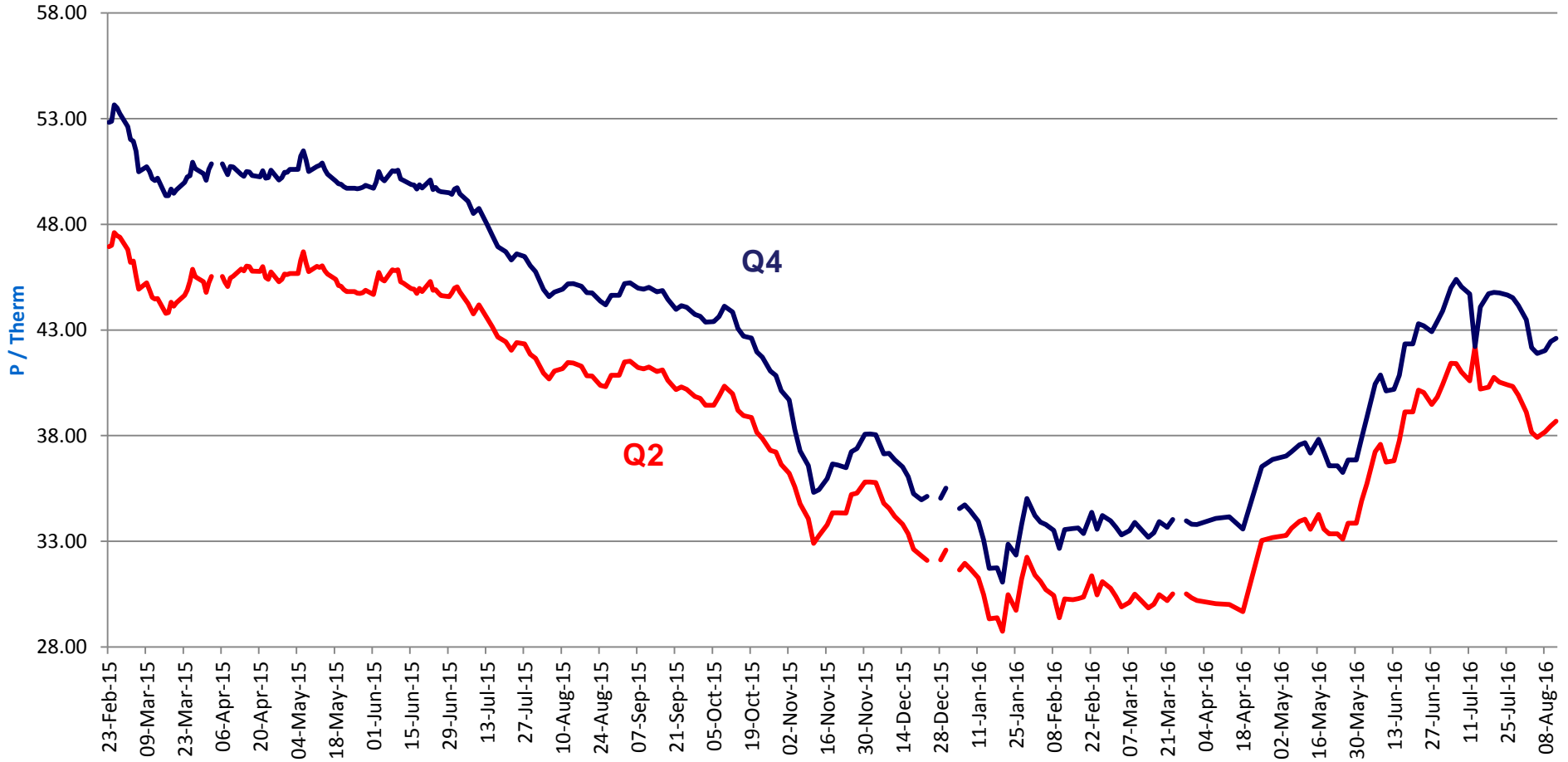
Prices over last 6 months have steadily risen from the **\$29** low in January 2016 and then dropped back before climbing slightly to close on Friday at **\$47**. They are still sitting below the **\$52** per barrel mark breached in June.

# Oil Prices – Exchange Rates

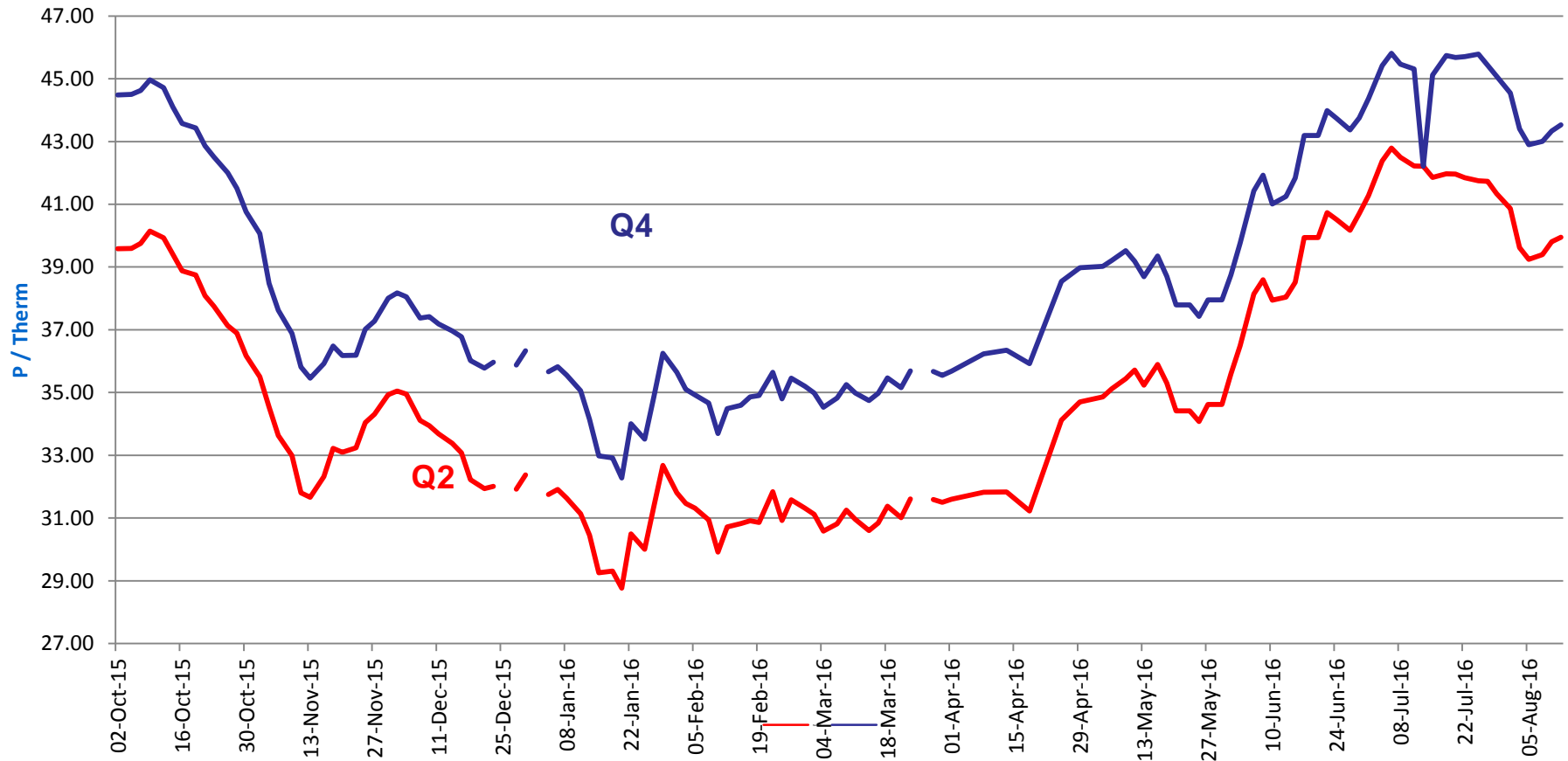


After a brief recovery the pound has fallen against the dollar, currently sitting at \$1.29/GBP, down \$0.22 from December 2015. This has accentuated recent rises in oil prices.

## Quarter 2 & 4 2017 Gas Pricing



## Quarter 2 & 4 2018 Gas Pricing

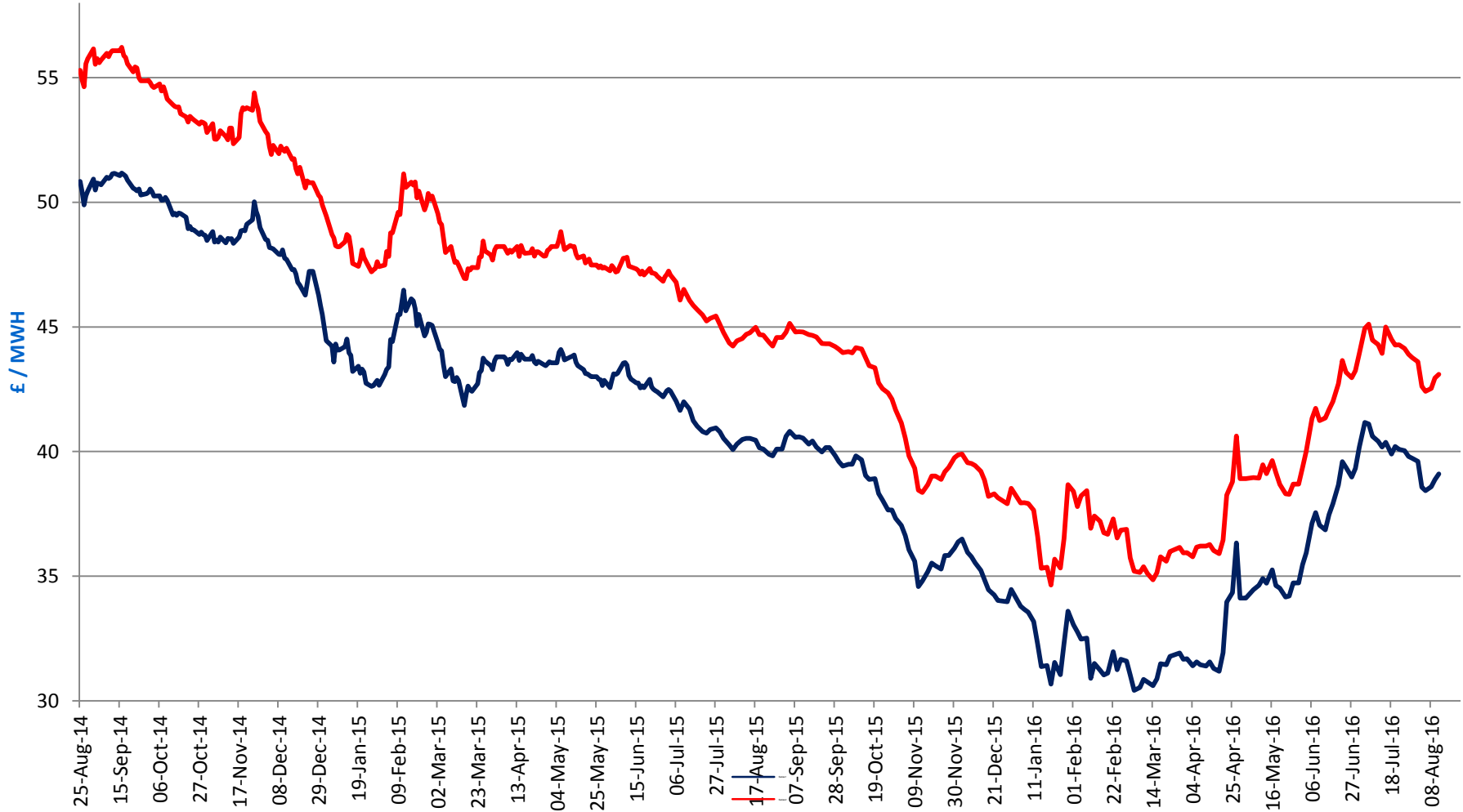


# Forward Natural Gas Prices

Period	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	2015	2015	2015	2016	2016	2016	2016	2017	2017	2017	2017	2018	2018	2018	2018
12-Sep-12	62.36	62.05	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
14-Dec-12	62.29	62.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11-Mar-13	65.47	64.43	73.01	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
25-Jun-13	62.79	62.29	67.3	70.34	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13-Dec-13	63.26	62.6	67.58	70.59	61.31	60.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
09-May-14	56.87	56.06	62.91	66.75	58.1	57.72	63.05	66.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A
02-Jul-15	43.86	43.21	48.42	51.42	44.8	43.95	48.58	51.69	45.04	45.04	45.04	52.33	45.14	N/A	N/A
11-Dec-15	N/A	N/A	N/A	36.02	33.32	32.77	36.81	38.9	34.19	34.19	34.19	39.03	33.68	33.68	37.19
18-Apr-16	N/A	N/A	N/A	N/A	N/A	26.47	31.23	33.81	29.66	29.23	33.58	36.24	31.22	31.6	35.93
12-Aug-16	N/A	N/A	N/A	N/A	N/A	N/A	40.26	44.21	38.68	37.73	42.61	45.15	39.95	38.86	43.53

Prices based on ICEs Closing price in p/Therm

## Summer 17 & Winter 17/18 Electricity Pricing





## Summer 2018 / Winter 2018/19 Electricity Pricing



# Forward Electricity Prices

Period	S 14	W 14/15	S 15	W 15/16	S 16	W 16/17	S 17	W 17/18	S18	W	S19	W	S20
										18/19		19/20	
10-May-12	50.51	56.06	53.85	60.34	56.57	62.68	N/A	N/A	N/A	N/A	N/A	N/A	N/A
12-Sep-12	52.42	56.44	56.19	59.95	57.43	61.65	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17-Dec-12	51.42	55.7	54.3	60.08	56.98	61.4	58.18	N/A	N/A	N/A	N/A	N/A	N/A
13-Mar-13	51.77	56.98	56.09	62.39	58.04	62.26	58.98	N/A	N/A	N/A	N/A	N/A	N/A
25-Jun-13	48.68	54.8	52.39	58.02	54.42	60.72	56.31	60.91	N/A	N/A	N/A	N/A	N/A
13-Dec-13	50.07	55.89	52.36	58.28	52.86	59.53	55.97	61.05	58.16	N/A	N/A	N/A	N/A
09-May-14	N/A	50.28	49.96	55.53	51.1	55.65	50.22	54.82	49.99	N/A	N/A	N/A	N/A
02-Jul-15	N/A	45.98	42.42	47.07	42.43	47.08	43.31	48.13	45.98	42.42	N/A	N/A	N/A
14-Dec-15	N/A	N/A	N/A	N/A	35.79	40.1	35.23	39.21	33.79	37.48	33.88	37.68	33.84
18-Apr-16	N/A	N/A	N/A	N/A	37.21	31.3	36.03	31.2	35.85	30.96	35.56	31.21	36.26
12-Aug-16	N/A	N/A	N/A	N/A	45.81	39.10	43.10	37.30	40.79	36.07	41.24	36.12	41.31

Prices based on ICEs Closing price in £/MWh



# National Energy Contracts Update

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# Cat A Electricity

## Purchase Position – As of August 2016

**Budget forecast information has been redacted due to Commercial Sensitivity.**

**A copy is available on request from APUC**

### Electricity Third Party Support Budget Guidance

These charges cover market information, database costs and risk management reporting and advice.

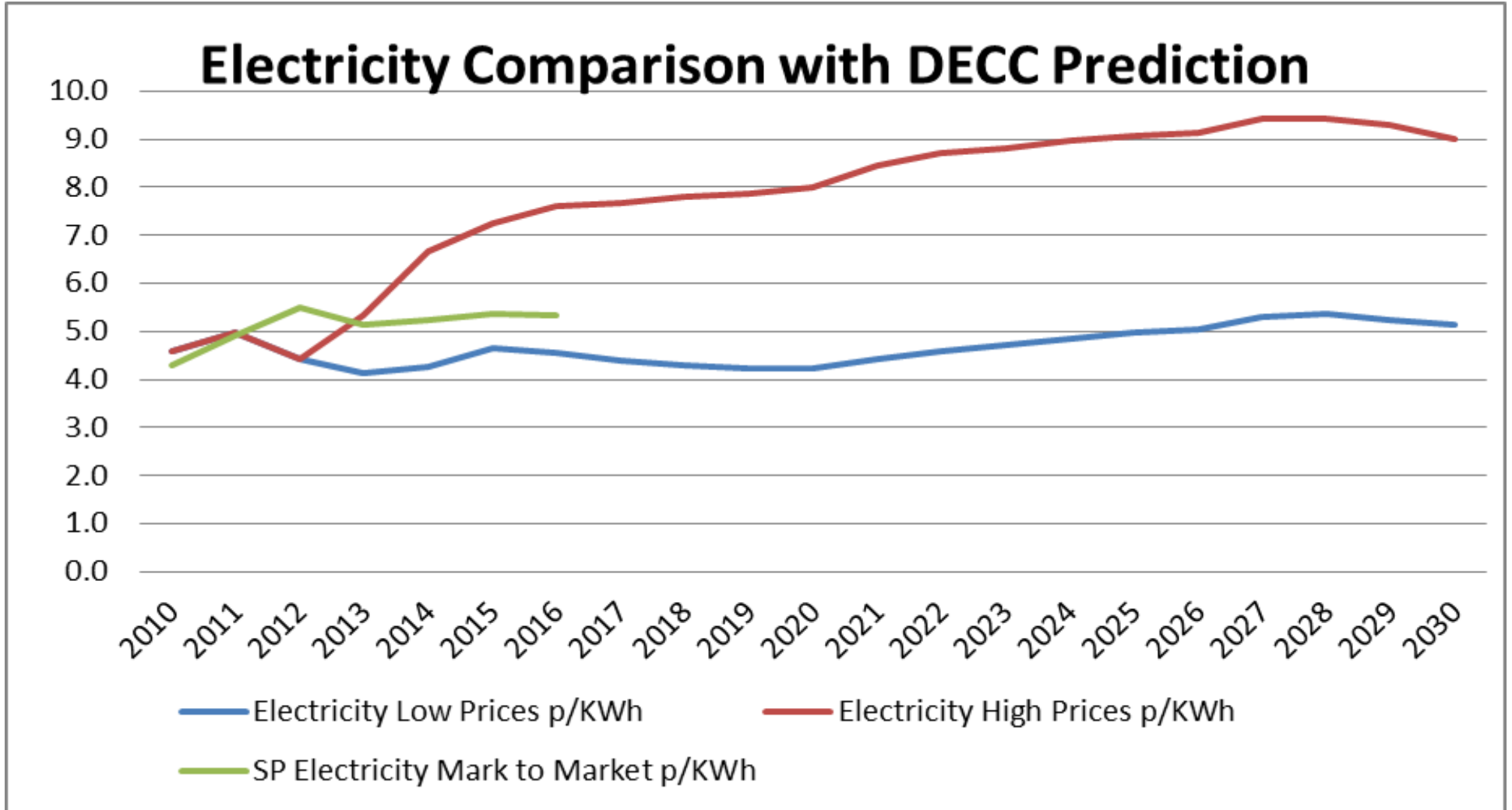
Sub 100kw sites (01/02 profile)	£5/site/per annum
Sub 100kw sites	£12/site/per annum
Over 100kw sites	£30/site /per annum

Note: CCL is now **0.559ppKwh.**

This will rise to **0.568ppKWh** from April 2017

**Scottish Procurement will next issue updated budget guidance in November 2016**

# Cat A Electricity



# Cat A Natural Gas

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**Purchase Position – As of November 2015**

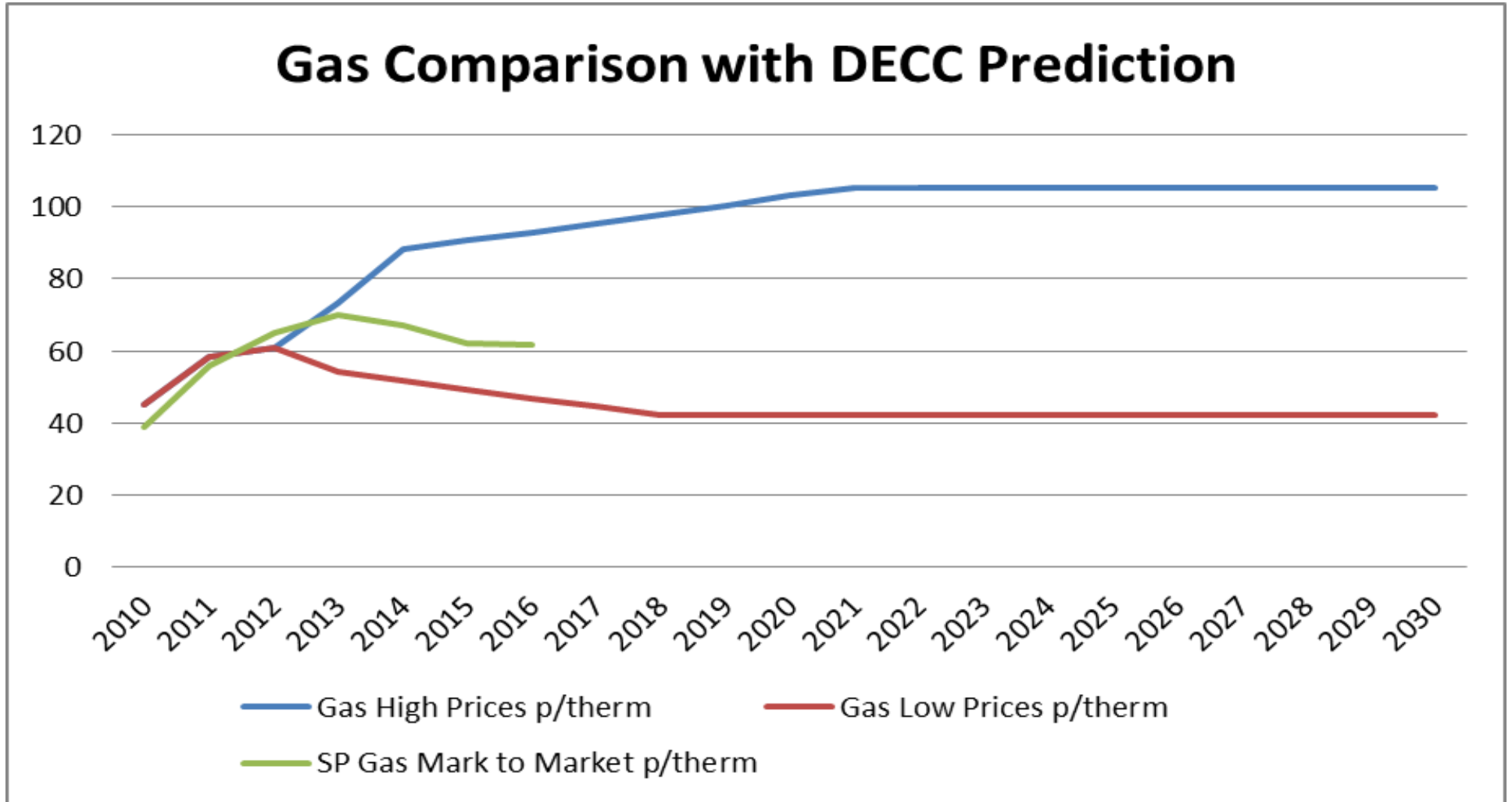
**Budget forecast information has been redacted due to Commercial Sensitivity.**

**A copy is available on request from APUC**

Note: CCL is now **0.195 p/kwh**  
This will rise to **0.198 ppKWh** in April 2017

**Scottish Procurement will next issue updated budget guidance in November 2017**

# Cat A Natural Gas



# Key Summary Points

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- **Electricity Contract extended for 12 months to 2018**
- **Change in clause to prevent / restrict non-legislative charge revision**
- **Consumption Tolerance reduced promoting reduced management fees**
- **EDF Blue energy option (non-fossil fuel) to be discussed at next RMC meeting**
- **Extended Market Horizon Option (Electricity)**
- **Metric to be identified to track progress against other Contracts still outstanding**



# Liquid Fuels & Biomass Overview

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## Heating & Vehicle Fuels

- Scot Gov Call-off Contract from Crown Commercial Services (CCS) Framework Agreement (RM1013) – went live October 2015
  - 10 Lots
    - 4 Heating Fuel lots (North, East, South & West) – Certas Energy T/A Scottish Fuels
    - 4 Automotive Fuel Lots (North, East, South & West) – Certas Energy T/A Scottish Fuels & Highland Fuels
    - 1 Marine Fuel (National) – Henty Oils
    - 1 Aviation Fuels (National) - Certas Energy T/A Scottish Fuels
  - 9 Institutions Accessing Contract

Senior Portfolio Specialists– Tony Aitken

## Biomass - Two Frameworks

- Energy Supply Agreements (Design, Build, Finance and Operate; Design, Build, and Operate or Operate)
  - Commenced 7 December 2012 and due to expire 6 December 2016 – **This will not be re-tendered**
  - 9 Service providers (Following mergers and Acquisitions)
  - **All call-off by mini-competition**
  - Contact Scottish Procurement if using Framework Agreement
- Supply of Consumables (Wood Pellets only)
  - Framework Agreement commenced 1 September 2013
  - Will be extended for 12 months to 31<sup>st</sup> August 2017 – **This will not be re-tendered**
  - 4 appointed suppliers
  - **All call-off by mini-competition**

Senior Portfolio Specialists– Ann Hoyland & Senior Portfolio Manager Graeme Cook

# Water & Wastewater Services Contract

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- Revised Billing format being rolled out by Anglian Water Business
- Aware some sites / SPIDS not transferred - AWB advise they are working on this
- Arranging a meeting with AWB at end of August, please advise any outstanding issues before then.

## Student Accommodation Charges

- Should now be no sites still paying water charges for Student Accommodation where separate or sub-metering in some form
- Template issued for non-fulltime student and commercial occupation
- To be returned by **31<sup>st</sup> October 2016**



# AOB

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**LUNCH**



# EAUC Scotland / Energy TSN

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# **EAUC Scotland / Energy TSN**

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## **Borders College & Sharc Heat Recovery Project**

## Non-Domestic Energy Efficiency Framework Agreement



# AOB

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