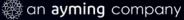
PCMG Energy Cost Recovery

James Paine Key Account Director

29th March 2017 EAUC Conference, Lancaster





PCMGAbout us – What we do

PCMG (Professional Cost Management Group) is a world-class, UK-based operating cost consultancy

- Established 1993
- 100 universities and colleges
- 200 NHS Trusts
- Over half the FTSF 100
- <u>£5m</u> recovered for Universities & Colleges over past 5 years, <u>£17m</u> for NHS
- Well over £300m in total recovered on behalf of our clients to date
- Multiple OJEU-compliant framework agreements
 - Education sector TEC



What is Energy Cost Recovery?

In-depth forensic analysis of up to 6 years' historical energy costs

- All elements of cost analysed in detail
- Errors identified across the whole energy supply chain:
 - Suppliers
 - Network operators
 - Meter operators
- Carrying out an audit is a three-stage process:
 - Data collation
 - 2. Analysis
 - 3. Report



Timescales & Potential Outcomes

Timescales

Utilities audit approx. 5 months

Potential Outcomes

- Clean bill of health
- Important information, i.e. under charges
- Multiple errors, which lead to a net refund, saving or both



Where can we achieve savings for you?

Adam Tuck Energy Analysis Team Leader



How are energy costs broken down?

Using the example of a university campus spending £1m per annum on electricity...



1.	•Energy Commodity (£450k)
2.	•DUoS (£200k)
3.	•Renewables Obligation (£150k)
4.	•Climate Change Levy (£60k)
5.	•TNUoS (£50k)
6.	•Feed In Tariff (£35k)
7.	• Distribution Losses (£22k)
8.	•BSUoS (£15k)
9.	•Supplier Margins (£10k)
10.	•Transmission Losses (£8k)



Case Study - University of Bristol

Audit of electricity and gas costs for main campus and 14 other locations

- Annual electricity spend of £5m
- Overcharges and ongoing savings uncovered by forensic review in areas including DUoS, Losses, CCL and VAT
- We secured refunds and first-year savings totalling £445,000
- Combining our knowledge of both regulatory change and the network to make an industry first recommendation, to make physical adjustments to energy supply, to radically reduce network costs.







Case Study - University of Roehampton

Audit of electricity and gas costs for five locations

- Annual electricity spend of £950,000
- Refunds of almost £100,000 and ongoing savings of more than £30,000 p.a.
- Achieved through <u>analysis of</u>
 <u>network diagrams and negotiations</u>

 <u>with the Network Operator</u> to ensure correct tariff being charged no physical change required.







Q&A

