

PCMG Energy Cost Recovery

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PCMG

About 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 FTSE 100
- £5m recovered for Universities & Colleges over past 5 years, £17m 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:
 1. 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.



University of
BRISTOL



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 **analysis of network diagrams and negotiations with the Network Operator** to ensure correct tariff being charged – no physical change required.



Q&A