

About Energy Supply contracts, and their Negotiations

Arranging Energy contracts

The first thing we need to do is establish the contract status of each supply.

To do this, all we need is a copy of the latest supplier invoice for each gas and electricity meter/supply (all pages of each invoice supplied). This gives us the information we need to approach the suppliers and:

- Ask for details such as contract end dates, current unit rates etc
- Obtain annual consumption figures / annual spend and correct if necessary
- Give termination notice on the clients behalf
- Ensure correct VAT and CCL charges are being charged
- Request corrections on an account should it have been charged incorrectly.

Letter of Authority - LOA

Suppliers require an LOA to show that we are authorised to act on a client's behalf.

There are 2 signature sections on the LOA.

The first gives us permission to deal with suppliers on behalf of the client regarding obtaining contract information and quotes, giving termination notices etc.

The second 'optional' authority gives us permission to sign contracts on behalf of the client, having obtained their requirements, without further consultation, and advise them once the deal has been completed.

We would only ever sign a contract if we truly believe it is in the best interest of our client to do so.

This proves to be very useful when dealing with gas contracts, considering the short timescale we often have in which to accept an offer – see below.

There are no contract fees for negotiating contracts for Churches and Small Medium Enterprises.

Any additional work such as achieving a refund or compensation from suppliers, or separate accounting work, may involve a fee, the level of which will be discussed and agreed beforehand

Quotes from CESC Ltd

All the quotes we send to clients contain the actual prices to be paid for the supply.

Quotes are obtained and supplied without obligation to accept, but are given in strict commercial confidence and must not be disclosed to third parties.

Termination Notice

This is the notice given to a current supplier to inform them that the client may not wish to remain with that supplier at the end of a supply contract.

As the end of a supply contract approaches there is a specified timescale in which termination notice can be given.

If termination notice is not given, the suppliers can tie the client into a further contract, of between 1 and 2 years, at rates far in excess of those being quoted at the time for new contracts.

Giving termination notice does not stop the client remaining with the supplier should they prove to be the best option. It just gives the client the freedom to choose their own contract.

Different suppliers have different termination periods. E.g. British Gas require 90 days notice, others require 60 days, or 1 calendar month.

Electricity quotes

Prices quoted for electricity contracts are usually valid for around a week, although they can be withdrawn at any time prior to receiving written acceptance if the market changes dramatically.

Gas quotes

These are often only valid on the day they are given.

Quotes often do not arrive until 1-2pm, and some expire at 3pm, and most by 4pm, which leaves little time to consult with the client.

Due to the tight timescale, contract offers have to be accepted by fax or email, with either the client's signature, or ours if we have permission to sign.

Permission can be given in the way detailed above in the LOA section, or, if the client requires more control, specific permission can be given via email detailing the offer chosen by the client.

Suppliers' offers can be changed or withdrawn at any time prior to receiving written acceptance if the market changes dramatically.