

FOOD MANUFACTURER

Case Study

GOAL

A low 24-month fixed rate which provided maximum protection from potential pass-thru charges.

CHALLENGE

EnergyObjective identified two leading suppliers to meet the client's price needs, though one was 2 mils (\$120,000) higher than the other. The client was concerned about the pass-thru language on the leading supplier's contract and was considering paying the \$120,000 premium to go with the second-place provider.

SOLUTION

We got creative to protect the client. EnergyObjective built an insurance policy which guaranteed that any pass-thru fees would be covered up to \$40,000. This was the solution the client was looking for to keep the company's budget in line and feel protected. As a bonus, it came at such a small price premium that it was absorbed by a single day of market movement! EnergyObjective had the customer's best interests in mind, understood the goal, and created a unique solution.

RESULTS

SUCCESS! In month 17 of the contract, there was a regulatory increase that affected all suppliers. This increase resulted in a \$13,000 pass-thru charge to the client that was completely covered by our insurance policy. The second-place supplier also passed through this charge to its clients, which means the benefit to the customer - \$120,000 in price savings and \$13,000 in pass-thru coverage - totaled **\$133,000**. This was a unique and quantifiable advantage to shopping for their electricity through EnergyObjective.

OUR OBJECTIVE

At Energy Objective, your priorities are our priorities - whether that be price, service, contract language, market knowledge, or something more specific to you. We begin every relationship with a simple question: **What's Your Objective?**