

National Charity Tender



Agenda

Market overview

What do I need to think about when renewing my energy contracts?

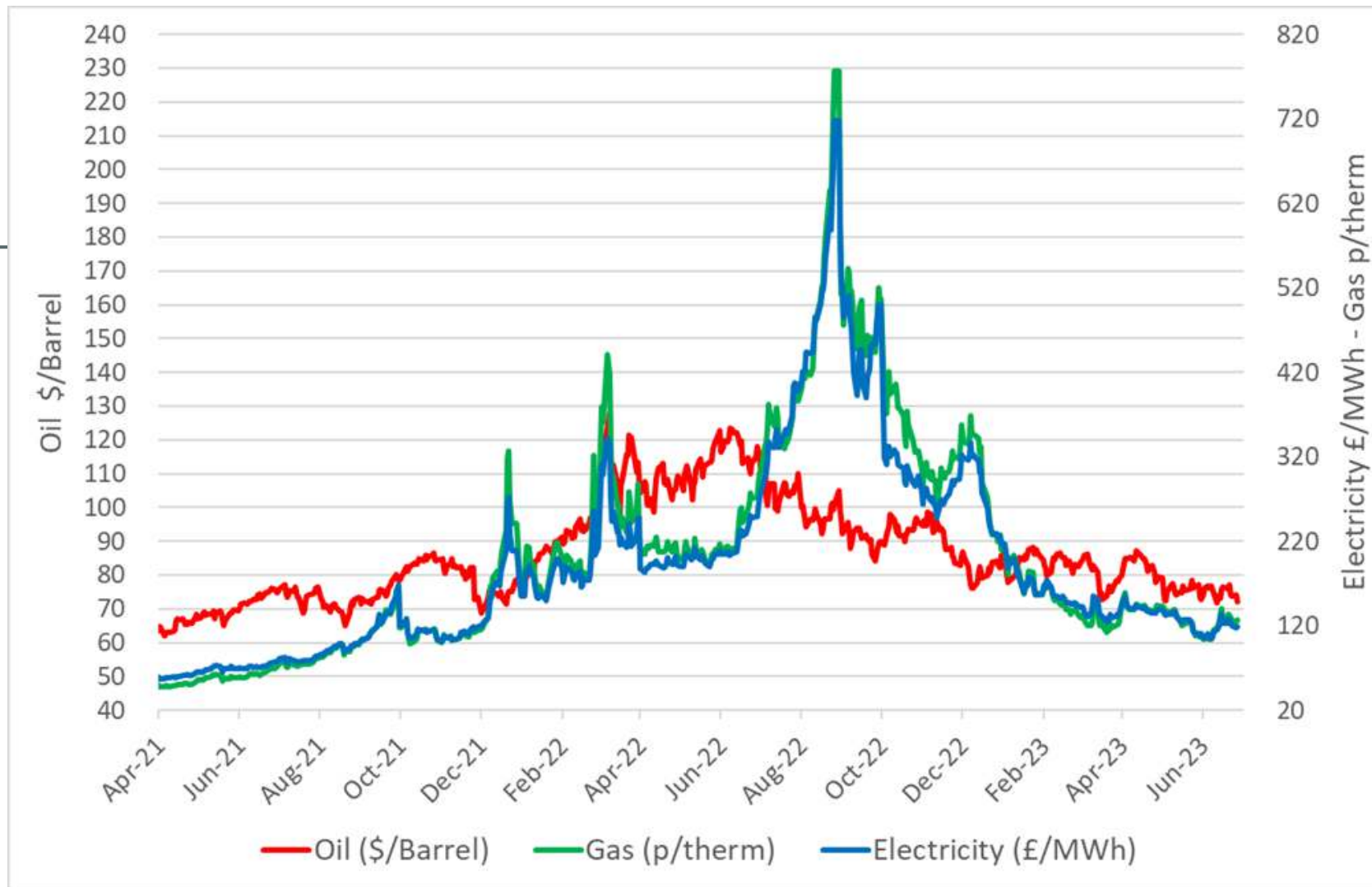
National Charity Tender

Q&A



Market overview



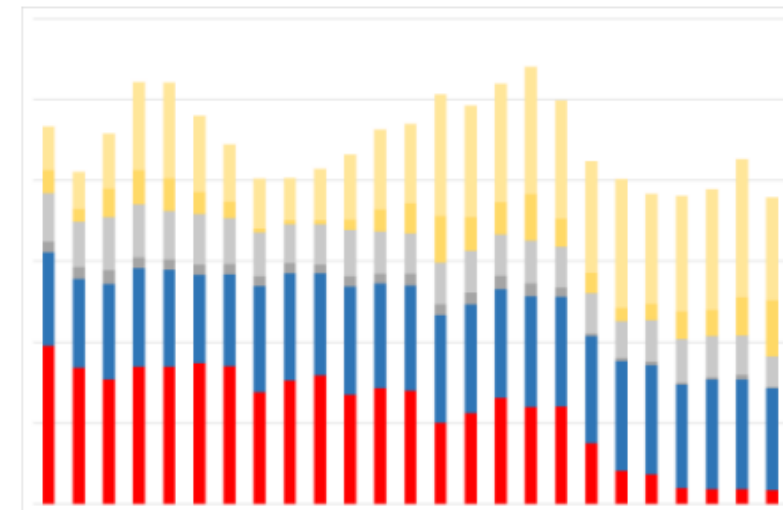


The graph above shows the price history for oil, gas and power since the beginning of **2021**, charting the unprecedented highs through **2022** to the current 'new normal'. Last year's unprecedented price rises were the direct result of panic following Russia's invasion of Ukraine and subsequent cessation of its gas supplies into Europe. Since Russia normally supplies around **30%** of Europe's winter requirements, the action caused serious concern over potential shortages.

Entering 2023 we have seen wholesale energy prices dip in reaction to a warm winter and economic difficulties in China.

However, several sources report that high energy prices will be a feature for the next decade:


- Europe had allowed itself to become dependent on Russian gas.
- The chart (**bottom right**) shows where imports of gas have come from every month since the beginning of 2021.
- The red bars are imports from Russia, which have decreased. The blue bars are imports from Norway, which have remained fairly constant.
- We can see a significant increase in **Liquefied Natural Gas (LNG)** shipments.



Whilst this is encouraging and proves that we can survive entirely without Russian imports, it is important to note that LNG flows to the highest bidder.

- Storage capacity is also increasing – Centrica has recommissioned the North Sea Rough storage facility.
- This means higher demand for gas over the summer (to fill it up). Which suggests that overall prices are likely to be more stable but will remain **relatively high**.
- Gas-fired electricity generation still makes up some **40%** of the UK's electricity production. It sets the price for the market.
- On the positive side, the proportion of renewable generation continues to increase – and when the wind really picks up it becomes the highest single contributor!



A close-up photograph of a person's hands writing on a document with a silver pen. The person is wearing a light-colored sleeve. In the background, there is a white cup of coffee on a saucer and a pair of pink-rimmed glasses. The scene is set on a light-colored wooden desk. The text is overlaid on the left side of the image, underlined.

What do I need to think about when
renewing my energy contracts?

Things to consider when renewing your energy contracts

- Due to the volatility of the energy markets its best practice to start reviewing your options at least six months prior the contract end date.
- Check your contract type – is fully fixed?
- Check the terms of your contracts – does it include take or pay? Do you have plans to reduce consumption?
- Base your decision making on your appetite for risk – especially when choosing a contract duration
- Consider group purchasing, we are shortly launching a new offer for customers to join our National Charity Tender.

A close-up photograph of a person's hands writing on a document with a silver pen. The person is wearing a light-colored sleeve. In the background, there is a white cup of coffee on a saucer and a pair of pink-rimmed glasses on a wooden desk. The scene is brightly lit, suggesting a window nearby. A thin black horizontal line is drawn across the middle of the image, passing behind the text.

The National Charity Tender

What is the National Charity Tender?

Our NCT was created to group organisations to provide the lowest possible cost contracts with a range of excellent aftercare services that are provided to organisations that use Utility Aid as their broker.

- At Utility Aid, we manage 'baskets' of energy. By becoming a member of the NCT, we will group your organisation with others who are in the 'basket', and by doing so, we accumulate considerable purchasing power to be able to purchase your energy contracts at a discounted rate.
- This then allows Utility Aid to pass these savings onto our valued customers and results in all 'basket' members benefitting from brilliant contract deals and award-winning aftercare services!

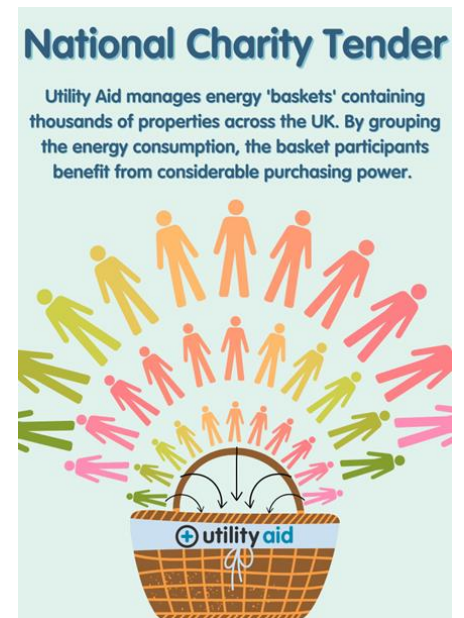


To explain this in another way (as I know it might sound a bit confusing!) is to think about household items that we all buy. Toilet paper (stay with me!), for example, if you were to go to your local shop, a pack of 4 toilet rolls could be £2.85, meaning each roll costs around 71p. But in that same shop, you would find a 24-pack of the same toilet paper for £12.50, reducing the cost per roll by 19p per roll.

The principle of this saving is exactly how the National Charity Tender works. By asking suppliers to quote thousands of properties in one go, we reduce the individual cost of your energy contracts, and it really is as simple as that!



- Many people are aware of the difficulties organisations are facing currently with their energy contracts, and charities and not-for-profit organisations potentially have been hit the hardest.
- High unit prices and short-duration contracts have caused many organisations to struggle, but the good news is, with the National Charity Tender, we are currently offering 24-month contracts, and are soon hoping to be able to get back up to our 36-month contracts to be able to offer the best deals.





Thank you

Do you have any questions?