



DISTRIBUTION & TRANSMISSION COST REVIEWS

MAKING THE COMPLEX SIMPLE



DISTRIBUTION AND TRANSMISSION COST REVIEWS

Every customer pays distribution and transmission (D&T) costs for the supply of electricity and natural gas to its facilities. Although D&T costs are regulated, they have been steadily increasing in recent years, particularly for electricity, and now make up a significant portion of your energy bill, sometimes totaling over **60% of the final billing amount.**

D&T costs are expected to continue to rise well into the future. It is important for businesses to understand the D&T billing components as there are **potential savings opportunities** that lie within this expense line. Potential areas of review include:

- Rate classifications
- Billed/contracted demand levels
- Rate riders
- Metering irregularities
- Peak demand levels
- Efficiency of power usage

Any savings that can be realized within the D&T component of your energy bill can be used to offset the increased costs that you will incur as a result of the **new carbon tax** that takes effect January 2017.

OUR REVIEW PROCESS IS SIMPLE

Our focus is to make the complex simple which means 8760 will do all of the heavy lifting when it comes to completing this review. Here is how it works.

- Customer signs a consulting services agreement outlining scope, reporting obligations, fee arrangements and confidentiality requirements
- 8760 will prepare all authorization letters/forms required by the regulated delivery providers that enable 8760 to obtain required information for the detailed review.
- 8760 will review the D&T data for selected sites, identify potential opportunities, calculate potential savings, and make initial inquiries with the delivery providers.
- 8760 will prepare a written report outlining identified opportunities, potential annual savings, related 8760 contingency fees, and the recommended course of action
- If approved by the customer, 8760 will work with the delivery providers to complete negotiations and implement the agreed upon recommendation(s).
- 8760 will validate the savings, calculate any fees owing, and present various payment options.

IT'S THAT EASY!



WHAT IS THE COST OF THIS REVIEW?

8760 keeps payment terms simple as well.

- If no cost saving opportunities are identified, or if identified opportunities are not approved for implementation, no fees are payable to 8760.
- If cost saving opportunities are implemented, 8760 will quantify the savings and service fees owing to 8760 will be calculated on a contingency basis for the first three years using a predetermined percentage. After three years, 100% of the savings will flow to your bottom line.
- 8760 will also provide various payment options depending upon the amount of fees owing.

WHAT'S IN IT FOR YOU?

Based on 8760's experience in this area, there are potential costs savings available within this important part of your energy bill. In some cases, savings could be as high as 10-20% of your D&T charges. In other cases, the D&T review will confirm that all is in order and no cost reductions will be available.

Either way, it is a win-win situation for your organization. If savings are found, you always come out ahead. If no savings are realized, you can take comfort in knowing that your D&T costs have been professionally reviewed for accuracy and appropriateness.

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EXPENSE MANAGEMENT

WHAT ARE THE REVIEW TIMELINES?

ACTIVITY	TIMELINES
Receive signed authorization forms and request data from delivery providers	3 weeks
Analyze data from delivery providers to determine opportunities	2 weeks
Make initial inquiries with delivery providers regarding identified opportunities	Timelines vary depending on provider
Provide initial detailed report including identified opportunities, potential annual savings and recommended course of action	2-3 weeks
Finalize strategies with client and begin implementation process with delivery providers	Timelines will vary
For implemented strategies, quantify annual savings and calculate contingency fees and billing options	1-2 months after implementation
Post implementation review	6-12 months after implementation

GET YOUR REVIEW STARTED CONTACT US TODAY!

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