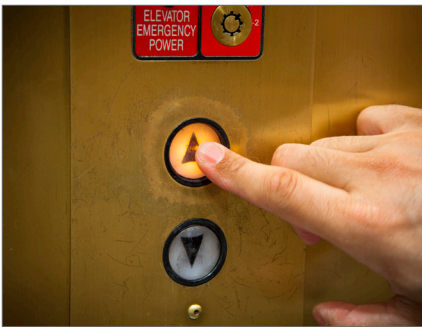


Streamlining Procurement

Real estate firm streamlines procurement activity, creates efficiency and reduces costs



Tradition Energy's streamlined procurement processes resulted in annual savings between 10-20% on average.

Services Provided

- Market Research & Intelligence
- Strategic Risk Management
- Supply Management & Procurement: Electricity and Natural Gas
- Sustainability Services: Renewable Energy Certificates

Opportunity

- Our client, a real estate property manager for over 180 properties in eight states across the country, needed a streamlined process to manage their energy procurement for common spaces. The client required research-based recommendations that could be presented to the asset owners, cost minimization, budget certainty with an accountability component and in some instances, assistance with sustainability efforts.

Approach

- Due to the large number of accounts in a diverse portfolio spanning multiple power and gas markets, Tradition developed recommendations tailored to each property's geographic location, regional energy market price outlook and ownership's risk tolerance. We evaluated multiple procurement options including fixed and index pricing structures, short and long-term agreements and the default utility service.
- Tradition recommended the procurement option that served each of the properties' best interest and supported each recommendation with a rationale document. These documents are used by our client to clearly articulate the procurement recommendation to property ownership and obtain the necessary approvals for its implementation.

Results

- Tradition provided the client with cost saving analysis reports for each transaction, weekly status updates and performance reports. Where agreements were in place, Tradition's performance reports evaluated how the transacted rate compared to the default utility for the duration of the contract. Our weekly updates and streamlined processes resulted in timely execution and **increased annual savings on average between 10-20% on the energy budget**. Tradition continues to communicate on a weekly basis with our main points of contact and quarterly we present new market research affecting procurement decisions.
- With Tradition's market intelligence, advisory service and energy procurement efforts, the client has substantially reduced energy costs during the past two years. Additionally, Tradition has helped the client meet sustainability goals through the procured Renewable Energy Certificates for certain properties.