

### LUPC Heads of Procurement 10<sup>th</sup> March 2020 Steve Creighton Head of Member Services



ENERGY & EDUCATION CONNECTED





### Who we are

We are a team of energy experts and procurement professionals delivering services in energy procurement, data reporting and risk and cost management on a not-for-profit basis.

#### **OUR MISSION & VALUES**

Our mission, above all else, is to champion the interests if the education sector by delivering cost-reduction and sustainable energy solutions for our members. We are OPEN in all our practices & our Performance, DEDICATED to providing the best Service for our members, GENEROUS with our time, expertise & knowledge, COLLABORATIVE and we work with our members to effect change.





### **TEC - Today in numbers...**

**140** Institutions (still growing) 92% of Members from Education **£47.2 million** reported savings since August 2014 **£199M+** annual collaborative spend **9TWh** Volume under Active Risk Management **7,500+** Meters (Gas & Power) **100%** transparency on all Commission/Fees and frozen until OCT - 2021

UK First Renewable Aggregated PPA in the Public Sector – OCT 19





# **Our Strategic Partners**

OfS Office for **Students** 



british universities finance directors group









for Universities & Colleges



















### **Procurement Compliance**

- TEC are legally constituted as an "Other Contracting Authority"
- TEC meet TECKAL requirement (PCR 2015)
- Specification developed with & responses evaluated by Members
- Shared Services for procurement via LUPC, fully managed and auditable procurement.
- The procurement method should aligned to best outcome and not just shortest route.





### **UK Gas & Power April Annual Prices**

**UK Gas and Electricity April Annual Prices** 



- Gas - Electricity





## So "What" am I "Buying"?



Your energy is split into two sections:

#### Commodity:

This is the actual electricity/ gas you use, and the part you can influence through the purchasing strategy you select.

#### Non-Commodity: (everything else)

These are all the added extras that cannot be controlled through a purchasing strategy. This includes the following:

- FiT (Feed in Tariff)
- RO (Renewables Obligation)
- CfD (Contracts for Difference)
- BSUOS, TNUOS and DUOS (Transmission & Distribution system charges)



### **Commodity Hits the Headlines..**









## Sustainability of energy supply

- C£7 million sector benefit (\*current prices)
- Support renewable generation in the UK.
- Assist HEI's to achieve carbon reduction commitments.
- Support domestic and global carbon reduction targets.
- Commitment set at a level to allow flexibility in future estate/energy consumption.



#### Energy industry UK universities in landmark deal to buy energy direct from windfarms

Twenty institutions including Newcastle and Exeter club together in 10-year deal worth  $\pounds50\mathrm{m}$ 

#### Jillian Ambrose

Mon 7 Oct 2019 01.01 EDT





### **Member Benefits**



