

# Gaia Communications

Specialists in Church and Charity Energy Agreements

Introduced by

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# Topics

- 1) Case Study: The United Reformed Church
- 2) How you can reduce your energy costs by understanding your bills and tariffs.
- 3) The need for diarisation and negotiation
- 4) Terms and conditions for terminations
- 5) VAT on bills
- 6) Energy brokers - what they do and what to look for
- 7) Understanding Green tariffs
- 8) The ARK (Additional Renewable Kilowatt) tariff



# 1) Case Study: The United Reformed Church

## GAS

**URC HO Tavistock Place  
London**

St Chg  
p.a. pence/kWh kWh/year

**Total Gas & Power** 01/12/2005 - 2009 4yrs      **£1,420** 2.4787      **158986**  
4 yr Cost **£21,443**

TG&P renewal price 2009 **3.5250**

Annual saving at year 4 **£243**

Example annual cost of gas prices at July  
2008

**£7027**      4.42

**£5,361**

Annual cost during contract

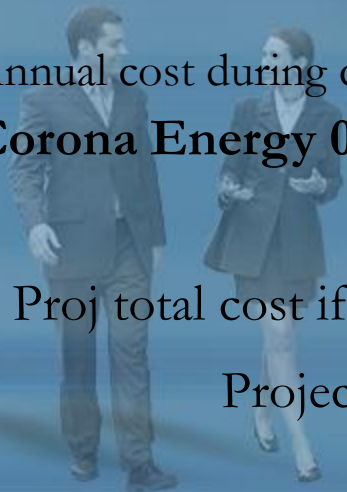
**(31%less)**      2.4787

**Corona Energy** 01/12/2009 -2011 2yrs      **2.543**      **158986**

2 yr Cost **£8,086**

Proj total cost if 10% increase. p.a. **£9,339**

Projected save over term **£1,253**



# 1) Case Study: The United Reformed Church

## ELECTRICITY

**Bury St Edmunds U R C**      BGB price 26/10/2007      BGB current      kWh/pa  
BGB 3 year contract with ARK tariff **3yrs**      **34,559**

St Charge      **77.09p/day**      **20.62**

Day      **8.72**      **9.92**

Night      **4.86**      **5.24**

Ev/W      **6.3**      **9.3**

3yr cost **£7,434**

Equivalent current price **£7,995**


**£561**

Current saving status **(7.5%)**

Christian Aid ARK tariff element **£414**



## Topic 2: How you can reduce your energy costs by understanding your bills and your tariffs

The background of the slide is a collage of various banknotes and coins, including a 20 Euro note, a 10 Euro note, and several coins, all slightly blurred and overlapping. The colors range from purple and green to yellow and brown.

**Appropriate tariff**  
**Longer term contracts**  
**Regular meter reads**  
**Gas therms/kwh**

# Topics 3 and 4) Diarisation, Termination, Negotiation

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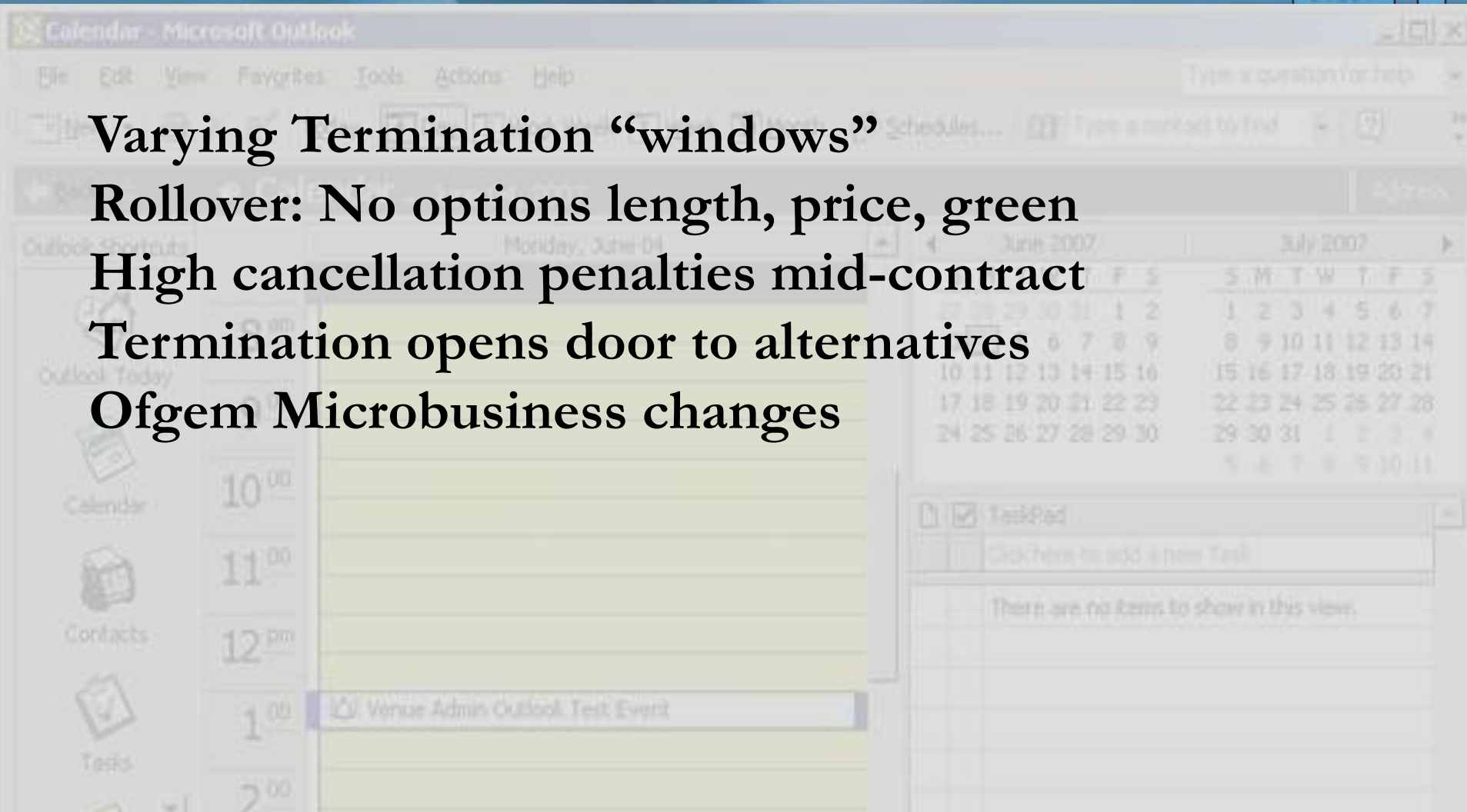
**Varying Termination “windows”**

**Rollover: No options length, price, green**

**High cancellation penalties mid-contract**

**Termination opens door to alternatives**

**Ofgem Microbusiness changes**



## 5) VAT on bills

**VAT always 5% regardless of volume usage**

**HMRC 60% mixed charity/business use rule :**



If 60% or more of the fuel or power is for qualifying use, you should treat the whole supply as for qualifying use and charge tax at the reduced rate.

If less than 60% of the fuel or power is for qualifying use, you should charge VAT: at the reduced rate on that portion which is for qualifying use; and at the standard rate on that portion which is for non-qualifying use.

# 6) Energy brokers - what they do and what to look for

Save money on Energy procurement

Contract Management;  
Diarisation/Termination/Negotiation , Letter of Authority

Disputes with energy suppliers

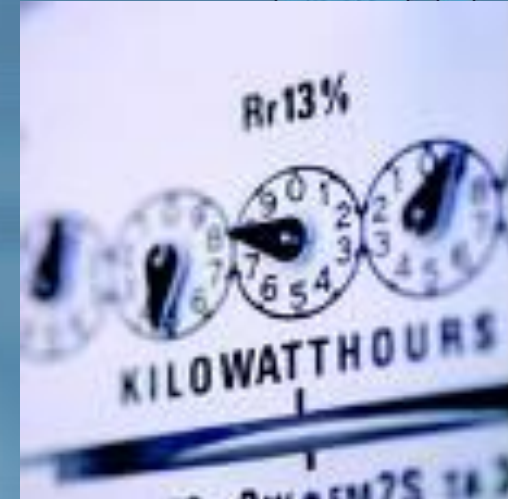
Meter readings

Creative solutions e.g. ARK tariff, Group Agreements, High/Low usage

Favourable renewal terms

Fees. Most brokers are remunerated by the energy companies and shouldn't charge a fee.

Membership or associate membership of Third Party Intermediary association such as the UIA (Utilities Intermediaries Association )



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## 7) Understanding Green tariffs

Green Electricity Certification scheme, Feb 2010.

**Additionality-** avoids repackaging of renewable energy that suppliers are legally required to sell under European rules and calling it “green”

Carbon offsets?

Large Scale/Small Scale Hydro

CRC Energy Efficiency Scheme



8) The ARK (Additional Renewable Kilowatt) tariff

ARK tariff Electricity 0.4p/kwh uplift

ARK tariff Gas 0.08p/kwh uplift

Renewable Energy projects in Mali



# On behalf of Gaia Communications

THANK YOU for listening

I will be available at the end of the session to answer any questions.



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