

Electricity Procurement Checklist

Contact

SCA (Qld)
Ph 07 3839 3011
info.qld@strata
community.org.au

Watt Utilities
Ph 1300 734 088
info@wattutilities.com.au

This fact sheet
provides general
information only and
does not substitute
legal advice.

Watt Utilities are
electricity brokers and
provide energy
management services.

Strata Community
Australia (Qld) Limited
(SCA Qld) is the peak
industry body for Body
Corporate and
Community Title
Management in
Queensland.

Membership includes
body corporate
managers, support
staff, committee
members and
products and services
providers to the
sector.



Smart procurement is knowing what type of customer you are and how to leverage your position for maximum savings. Electricity bills are based on how much you use.

There are 2 types of accounts and each is negotiated differently.

- ◆ Tariff Accounts (< 100 MWh QLD < 160 MWh in NSW/VIC/SA)
- ◆ Contestable Accounts, anything larger than the above usage.

Tariff Accounts

Ask these questions when contacting your retailer to ensure the best service for your needs

- ◇ Is the discount calculated off regulated tariffs, or are they using a different rate?
- ◇ Is the % discount off the whole bill, or a specific part of the bill?
- ◇ Are there any administration or account fees?
- ◇ Are there any fees for paying by Credit Card and what are your payment options?
- ◇ Are there any fees for late payment and what are they?
- ◇ Are there any discounts for paying bills on time or by direct debit?
- ◇ Are there any benefits if you have a gas and electricity bill. Some retailers will offer a bundle deal in these cases.

◇ What is the length of the contract? Longer term contracts can result in better discounts.

◇ What are the exit costs or break fees?

◇ If the contract is changed by the retailer, what are your options? Please explain...

How to negotiate large market contracts

- ◆ Never let your contracts expire. You will fall into default or spot market which means you will be at the mercy of the market and possibly high rates.
- ◆ Forward procurement – secure forward dated contracts when markets are low.
- ◆ Include in by-laws clauses that will allow the committee to make decisions quickly in relation to contracts (contracts from retailers only have 3-7 days validity).
- ◆ Seek professional advice from a company that understands strata title and the energy market.

Does your site have a generator?

If you have a generator over 250 KVA on your site this may be worth money to your body corporate for standby generation.

You could be paid a monthly revenue + fuel + switchboard upgrade if your generator is suitable and your area is under high network demand.

Tips

- Be very careful of lock in/ fixed bills. Retailers charging you a flat fee per month usually have clauses in some of these contracts where if you use more than estimated per annum they can bill you the difference, but if you use less, this is your bad luck.
- Always write down a reference number or contact name and location of the person you spoke with in the call centre, together with a note about your conversation.
- Always confirm the rates you have been offered and CHECK your bills to make sure the offer has been applied correctly.