

UTILITY AUDITS- HAVE YOU BEEN OVERCHARGED?

October saw an increased number of requests for audits. We continue to discover a considerable number of charging errors, resulting in substantial financial claims being submitted to energy suppliers.

Our energy audits are carried out remotely and don't entail our having to visit your premises.

Errors located include incorrect-

- Unit Charges.
- EBRS discount.
- VAT & Climate Change Levies.
- Standing charges.
- Estimated bills.
- Feed In Tariff's.
- KVA charges.
- Faulty meters



Further details regarding utility audits can be obtained from the Care England website at careengland.org.uk/discounts-and-free-support-for-care-providers/

ENERGY QUOTES

We are often surprised by which supplier a provider has been placed with or recommended to renew with.

It is worth asking your broker why they are recommending a particular supplier, contract term and contract. Asking them to confirm by email, documents their recommendation and allows you to seek alternative quotes.

Has your broker asked you if you anticipate any changes to your consumption during the term of the contract? If not they should have as it can affect the clauses in the contract relating to consumption levels.

ENERGY PRICES

Wholesale energy prices have again been very volatile during October with prices for gas ending the month 44% higher than the lowest price and 12% lower than the highest price.

Fears are mounting about neighbouring countries being drawn into the conflict in Israel. Iran, one of the worlds largest crude exporters, has been warned by the U.S. to stay out of the fighting. With the conflict continuing to escalate, premiums will be priced into UK gas and electricity prices.

COAL

October ended with coal being burned to generate electricity, for the last 62 hours of the month.

Burning coal increases the price of electricity, the increased cost of electricity whilst burning coal in October is a concern for wholesale prices this winter.

	Burning Coal	Not Burning	Average Cost	% Increase
Jun-23	£105.43	£86.13	£91.22	22%
Jul-23	£70.32	£67.23	£68.45	5%
Aug-23	£96.25	£75.98	£79.68	27%
Sep-23	£83.47	£74.62	£81.47	12%
Oct-23	£109.40	£67.37	£94.07	62%

BUDGETS-GAS COST

Unlike electricity costs, the care sector's gas usage varies considerably throughout the year. Whilst a buildings construction, location and age makes a difference, the table alongside is a rough guide to usage by month as a percentage of the annual consumption.

January	13%
February	11%
March	12%
April	10%
May	6%
June	4%
July	5%
August	3%
September	5%
October	8%
November	10%
December	13%

Happy New Year?



Whilst it feels a little early to say happy new year, it certainly isn't too early here at Focus for us to look at discussing flexible procurement strategies for providers who are medium to larger users of energy and getting them into our electricity and gas baskets as soon as possible despite the baskets starting on 1st October 2024.

If it seems a little early please be assured it really is not - one of the many advantages of a basket for your energy is the fact that our partners who trade our wholesale energy baskets are always looking ahead for a keen price and the way the baskets are traded are by making hedges and purchases for you way in advance so there is a degree of cover and control over your on-going energy prices. Considering a basket when you have less than 6 months of your present contract to go is potentially missing out on the benefits of securing more favourable prices - and you don't pay for any of the procured energy until your contract starts and you actually start using it.

WHAT IS LNG –LIQUEFIED NATURAL GAS?

Gas can be cooled to make a liquid, shrinking its volume for easier, safer storage and shipping overseas. This process creates liquefied natural gas (LNG).

LNG is a clear, colourless and non-toxic liquid which forms when natural gas is cooled to -162°C (-260°F). The cooling process shrinks the volume of the gas by 600 times, making it possible to store and ship safely. In its liquid state, LNG will not ignite.

When LNG reaches its destination, it is turned back into a gas at regasification plants.



In 2022 European demand for Liquefied Natural Gas (LNG) surged as countries looked to move away from Russian gas. European imports rose 71 per cent on 2021, leading to high global prices. Conversely, Asian imports fell by 7 per cent due to high spot prices for cargoes and depressed gas demand in China. Qatar, Australia, and the USA were the largest exporters of LNG in 2022. Record US LNG exports were used to meet high global demand as new infrastructure came online. Increased US liquefaction capacity has enabled exports to more than double in the past three years. UK LNG imports hit a record high in 2022, up 74 per cent on the previous year. The UK holds significant regasification infrastructure, which meant the UK was used as a land-bridge for increased natural gas exports to Europe, while supporting domestic gas demand. The US supplied half of the UK's LNG in 2022, ending Qatar's 13-year period as the largest Import source to the UK.

Care England-Annual Luncheon

David Woodward is attending the Annual Luncheon and looking forward to meeting providers. If you would like to arrange to meet, he will be around after the lunch and early evening.



CARE ENGLAND
Representing independent care providers
Annual Luncheon
Hosted by Care England & DP Business Events

DP BUSINESS EVENTS

Martin Green
Dir. Care England

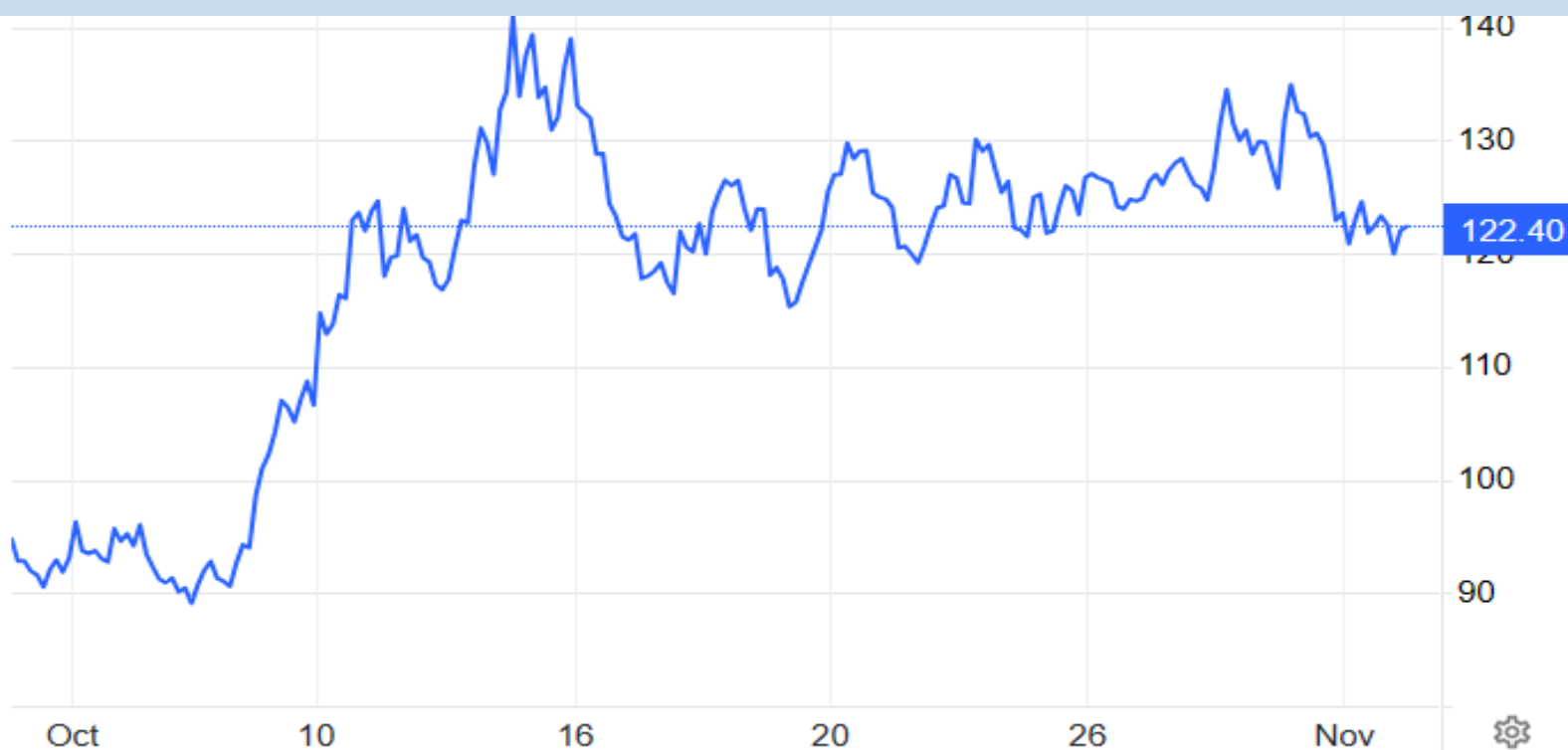
Bringing together Care Sector Providers, Operators and Specialist Suppliers to enjoy a fantastic 3-course meal including key note speaker sessions and the opportunity to network with like minded professionals.

Crowne Plaza, Stratford-upon-Avon

10 10th November 2023

The banner features the Care England logo on the left, a circular inset photo of Martin Green speaking at a podium on the right, and event details at the bottom right. A teal wave graphic runs across the middle.

Natural Gas Prices –October 2023



If you have a question please send it to info@focusenergyservices.co.uk

Our website www.focusenergyservices.co.uk has regular updates and testimonials from providers we have helped.