



INDUSTRY

Education

LOCATION

Norway

Teesside University **saves £100K** with bespoke energy management plan



OVERVIEW

In 2013, World Kinect Energy Services was awarded the management of Teesside University's energy program. The tender covered 26GWh of gas and electricity in support of 144 supplies, with sites including lecture rooms, accommodation for 1,000 students, and plant rooms. Later, we were asked to create a risk strategy to protect the University against the volatility of fluctuating gas and electricity markets.

CUSTOMER CHALLENGE

Teesside University is a vibrant campus in northeast England with a history of environmentally-friendly practices, as evidenced by its Eco Campus Gold award. The University has launched its £300m Campus Masterplan, which provides a blueprint for how the campus will develop over the next decade. The Campus Masterplan will take spending on the campus infrastructure beyond half a billion pounds in recent years. The rapid growth expands the University's already complex energy requirements and they looked for an experienced partner to help. Teesside sought to streamline their energy management while continuing to reduce carbon emissions and provide more value to its growing student community.

"For six years, World Kinect Energy Services have provided us with the forward-thinking energy management services we've needed. They are flexible, quick to provide solutions, and share our vision for the campus. World Kinect have kept pace with our growth ambitions and reduced our energy costs at the same time, which really helps our wider remit of delivering great value to our students."

*Andrew McLaren
Assistant Director, Estates Services & Energy Procurement, Teesside University*

OUR SOLUTION

In partnership with Teesside, we've managed the University's Official Journal of the European Union (OJEU) tenders, a complex and time-consuming exercise required for public-sector energy bids. We ensured the University got the best possible energy supplier that would balance value and risk and meet their specific requirements.

We also sourced contracts to give Teesside the most attractive terms as well as completely transparent commodity and non-commodity costs without hidden extras.

To provide reassurance, we implemented an advanced procurement strategy to support Teesside with the move from long-term fixed positions to a more flexible procurement strategy. A critical part of this transition involved educating key university stakeholders on the rationale of the approach. We held a risk management workshop to discuss the strategy and the benefits, defined an acceptable level of risk, and confirmed all decisionmakers were aligned.

KEY BENEFITS

World Kinect Energy Services employed an Advanced Optimisation risk management technique within Teesside's procurement strategy. Advanced Optimisation focuses on actively managing the portfolio to achieve a portfolio price better than two of the reference prices agreed at the start of the contract. The university benefited greatly from this approach and **saved over £100k** in fiscal year 2016.

We also fully managed the detailed OJEU tender process every step of the way, saving the university **valuable time** and resources.



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SOLUTIONS LIKE THESE TO WORK FOR YOU**

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