



Client Case Study

Peabody Utilises DPS & Energy Auction To Lock Away £990k Savings

Our Client

Peabody owns and manages more than 66,000 homes across London and the South East.

Their estates consist of around 4,200 gas and electricity meters which typically consume more than 89 GWs of gas and power.

Energy procurement and energy management is vital to minimise the upkeep of Peabody's offices, housing stock, communal lighting and landlord supplies.



Our Challenge

In July 2020, Peabody reviewed their procurement options by assessing the variety of frameworks within the energy market. Having procured energy for many years using the same public buying organisation, the Asset and Energy Team were curious to know what value, services and innovations were available from other OJEU frameworks.

The tender was complex because of the breadth of the estates and the timing constraints permitted to complete the tender during one of the COVID lockdowns.

Beond

Building 11, Chiswick Business Park
566 Chiswick High Rd,
London, W4 5YS

T: +44 208 634 7533
E: info@beondgroup.com
www.beondgroup.com

**Pushing the
boundaries in
energy design**

Our Objectives

The tender was bespoke and required:

- Obtaining better value for the next renewal contracts
- Maximizing competition for site level bids
- Negotiating bespoke volume tolerance requirements
- Assistance with legacy supplier issues to help with mobilisation
- Obtaining 100% green electricity contracts

The Results

Peabody managed to secure the results below:

- The bespoke tender reduced the energy expenditure by £990k (12.5%) against current rates
- Beond's software evaluated 72,654 offers at meter level for:
 - i. 3,846 NHH meters
 - ii. 270 gas meters
 - iii. 51 HH meters
 - iv. 21 UMS meters
- 15 DPS approved suppliers participated:
 - i. 10 suppliers bid for the NHH auction
 - ii. 8 suppliers bid for the gas auction
 - iii. 6 suppliers bid for the HH auction
 - iv. 4 suppliers bid for the UMS auction
- Incorporating the reverse auction software into the OJEU process created significant procurement efficiency gains by automatically assessing all the supplier's tariff elements on a like-for-like basis instantly, allowing suppliers to rebid to win the business
- All electricity tenders secured 100% green energy at no additional premium

Testimonial

"The use of Beond's innovations and their OJEU Dynamic Purchasing System option created more choice and transparency than traditional procurement baskets.

We found Beond to be very knowledgeable and helpful with resolving historic issues and managing the OJEU procurement process with our procurement team. We are also very pleased with the hands on after-care services they have provided."

Richard Ellis, Asset Director

For further information about any of our services please call Beond on 0208 634 7533 or email info@beondgroup.com

About Beond

With over **800** major energy consumers under our management we have an excellent track record in delivering measurable success.

10

Different suppliers bid for the business

12.5%

Savings delivered using a bespoke competitive tender

£990k

Savings using eAuction Software

15

Number of approved energy suppliers on the OJEU DPS framework

6

Energy lots were run simultaneously

100%

Green electricity at no additional premium