

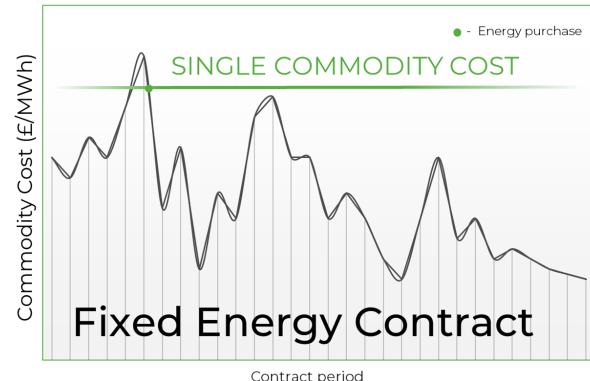


# Ultimate certainty

Fixed price energy contracts are so-called because they have a fixed contract length with a wholesale energy cost that is fixed for the duration.

Fixed price products represent the more traditional approach to energy purchasing. The primary benefit is that they are very simplistic. As the energy price is fixed for the contract term they provide budget certainty.

Because the wholesale energy cost is fixed at the point of contracting, fixed energy contracts are entirely subject to market conditions at that time. If the market subsequently rises they can provide an opportunity to outperform. However, if you lock in your contract when energy costs are high then you'll be stuck with uncompetitive prices for the contract term



## Managing your Fixed energy contract

### Contract options



Whilst the commodity element of your contract will be fixed, you may be able to choose to pass through your non commodity charges so that they are reconciled in line with actual industry costs.

This ensures you receive an accurate out-turned charge but it does remove some budget certainty. Depending on the cost item, some reconciliation timescales can also be lengthy.

### Renewable Energy



Most suppliers are now able to offer options to back your fixed energy contract with renewable power or biomethane gas. This typically comes at a premium and not all options are equally 'green'.

### Bill validation



Industry charging can be complicated. Dependant upon your meter type and chosen contractual options you may need to set aside additional time to validate your bill accordingly.

### Fixed contract pros and cons

- + Ultimate budget certainty at the point of contracting
- + Provides price protection in a rising wholesale market
- + Some suppliers will fix wholesale energy costs for 5 years
- + Simplicity for smaller energy consumers
- Limited options when market prices are high
- If you contract when the wholesale market is high, your costs will remain high for the contract term

### Adalta Energy can support your business with all aspects of your Fixed Energy Contract

- + Negotiating Contracts
- + Net Zero ambitions
- + Non-commodity charges & bill validation

Please contact us if you would like to know more

