



CASE STUDY

Clyde's Grill and Bar Procurement Strategy

Challenge:

The primary challenge for Clyde's Grill & Bar, a well-regarded eatery in Walpole, Massachusetts, was reducing electricity costs while securing a fully fixed-rate contract. The restaurant needed favorable terms that allowed for usage variability while ensuring price stability. To determine the most beneficial procurement strategy, the business had to evaluate different supplier offers and contract options. Additionally, Clyde's had to navigate a volatile energy market and an uncertain regulatory landscape.

Solution:

Beacon Energy, through its consultant Kurt Matheson, conducted an energy auction that invited over a dozen suppliers to participate. The team at Beacon's pricing desk performed a thorough analysis and review of all terms and conditions. Stipulations, such as Material Adverse Change in usage or operations, were either avoided or removed. A final electricity procurement proposal featuring competitive fixed pricing options was presented to Clyde's ownership. The proposal outlined various contract terms (ranging from 12 to 36 or 48 months) with single-bill consolidation, allowing Clyde's to manage costs more effectively.

Results:



A secured fixed electricity rate starting at **\$0.12161 per kWh**, significantly reducing expenses.



Achieved projected savings of up to **23%**, optimizing operational costs.



Established long-term price stability, ensuring financial predictability for energy consumption.

Background:

Clyde's Grill & Bar, a local favorite known for its affordable and delicious dining, was seeking a reliable and cost-effective electricity procurement solution. With rising utility rates and an uncertain regulatory environment, the restaurant's ownership needed a strategic approach to secure competitive rates while ensuring flexibility and an uninterrupted energy supply. Clyde's decided to partner with Beacon Energy, a fellow member of the Massachusetts Restaurant Association. Beacon Energy Solutions is an energy advisory group with over 20 years of experience serving the restaurant industry. Beacon's expertise proved invaluable as it implemented a reverse auction process to secure the lowest possible price and the best possible terms for Clyde's.



Supplier Evaluation:

A reverse energy auction was scheduled, and over 10 energy suppliers serving behind Eversource in Massachusetts were invited to participate. NextEra Energy, Hudson Energy, and First Point Power were identified as the optimal suppliers based on their competitive rates and service reliability. The winning bid came from First Point Power, which was awarded the contract. First Point Power offered best-in-class pricing with flexible terms and conditions that allowed for variation in consumption, without the restrictive usage bands.



Rate Comparison:

Pricing structures were analyzed for different contract terms, highlighting potential savings when compared to the standard market rate of **\$0.1576 per kWh**.



Cost Savings Analysis:

The selected pricing model demonstrated savings ranging from **19% to 23%**, depending on the contract term.

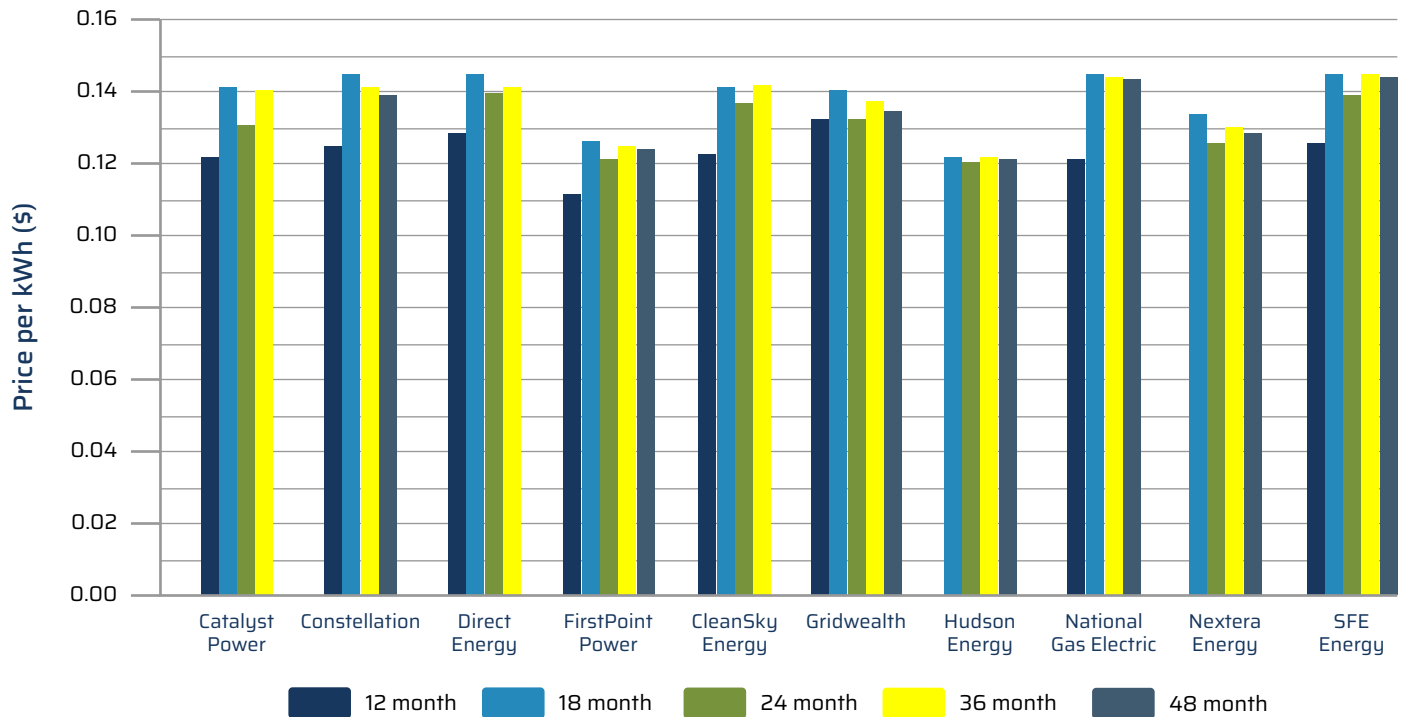


Contract Execution:

Clyde's Grill and Bar opted for a fixed-price contract with a term of 24 months, ensuring predictable costs and thereby mitigating market volatility risks.

Electric Pricing Fixed

Fixed Price (Includes: Energy, Capacity, Ancillaries, and Losses)



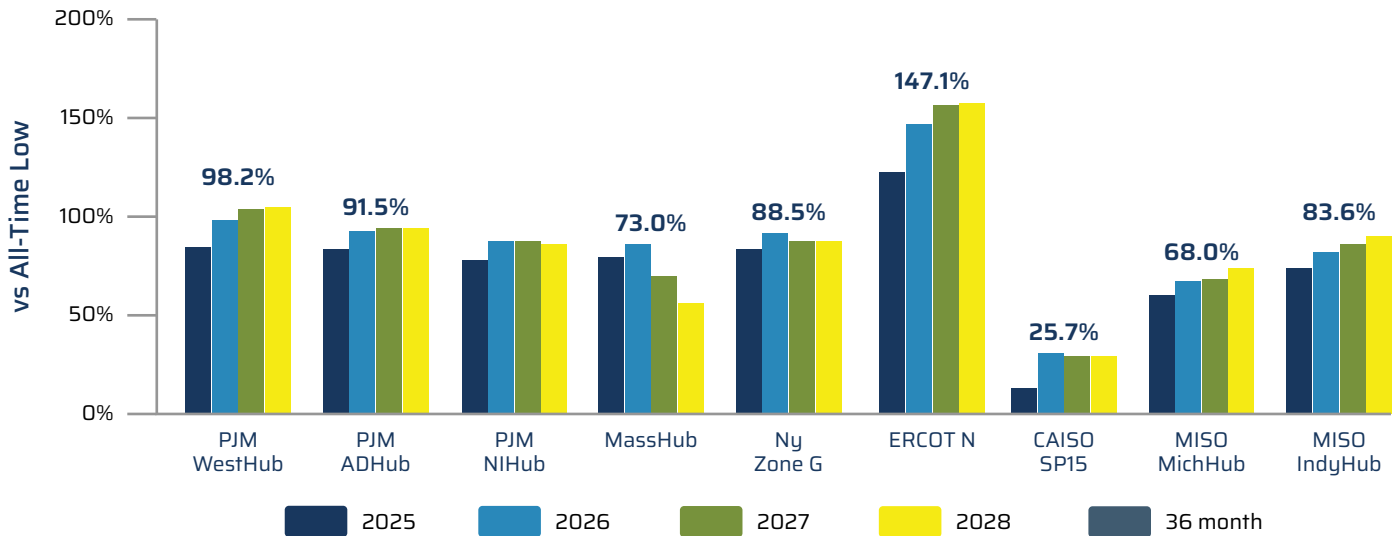
Single Bill - Supply & Delivery charges will be consolidated onto one bill.

SAVINGS ANALYSIS

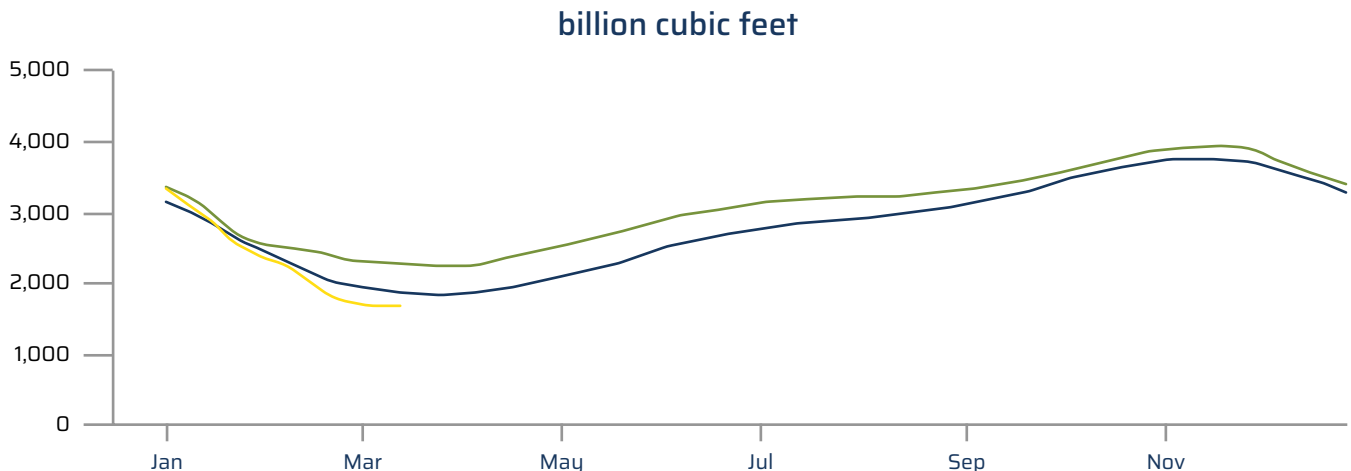
SAVINGS	SUPPLIER	PRICE	USAGE	ANNUAL SAVINGS	TERM SAVINGS	SAVINGS %
12 month	FIRSTPOINT POWER	\$0.12297	191,291 KWH	\$6,624	\$6,624	22%
18 month	FIRSTPOINT POWER	\$0.12758	286,936 KWH	\$4,307	\$8,614	19%
24 month	FIRSTPOINT POWER	\$0.12161	382,582 KWH	\$6,884	\$13,768	23%
36 month	FIRSTPOINT POWER	\$0.12544	573,873 KWH	\$6,152	\$18,456	20%
48 month	FIRSTPOINT POWER	\$0.12525	765,164 KWH	\$6,189	\$24,754	21%

PRICE TO COMPARE: \$0.1576

RTC Forward Power Prices versus All-Time Contract Lows



Lower 48 weekly working gas in underground storage



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Natural Gas:

U.S. natural gas prices have been higher this winter than we forecast in our Winter Fuels Outlook, included in our October 2024 STEO, as consumption increased more than expected. The U.S. benchmark Henry Hub spot price averaged \$4.19 per million British thermal units (MMBtu) in February, up from the January average of \$4.13/MMBtu. The average price for the first two months of this year was more than \$0.80/MMBtu higher than we forecast in October.



Electricity:

On an annual basis, we forecast total U.S. electricity sales in 2025 will be 3% higher than in 2024. The growth this year is especially strong in the residential and commercial sectors, reflecting the higher 1Q25 weatherrelated consumption along with strong continuing growth in electricity demand from commercial customers such as data centers. We expect electricity demand in the commercial sector will grow by 2% next year and that industrial sector demand will grow by 3%. Forecast residential demand in 2026 decreases by less than 1% as temperatures return to more normal levels.