



DB Energie

Energy Services:

Structured Gas Procurement

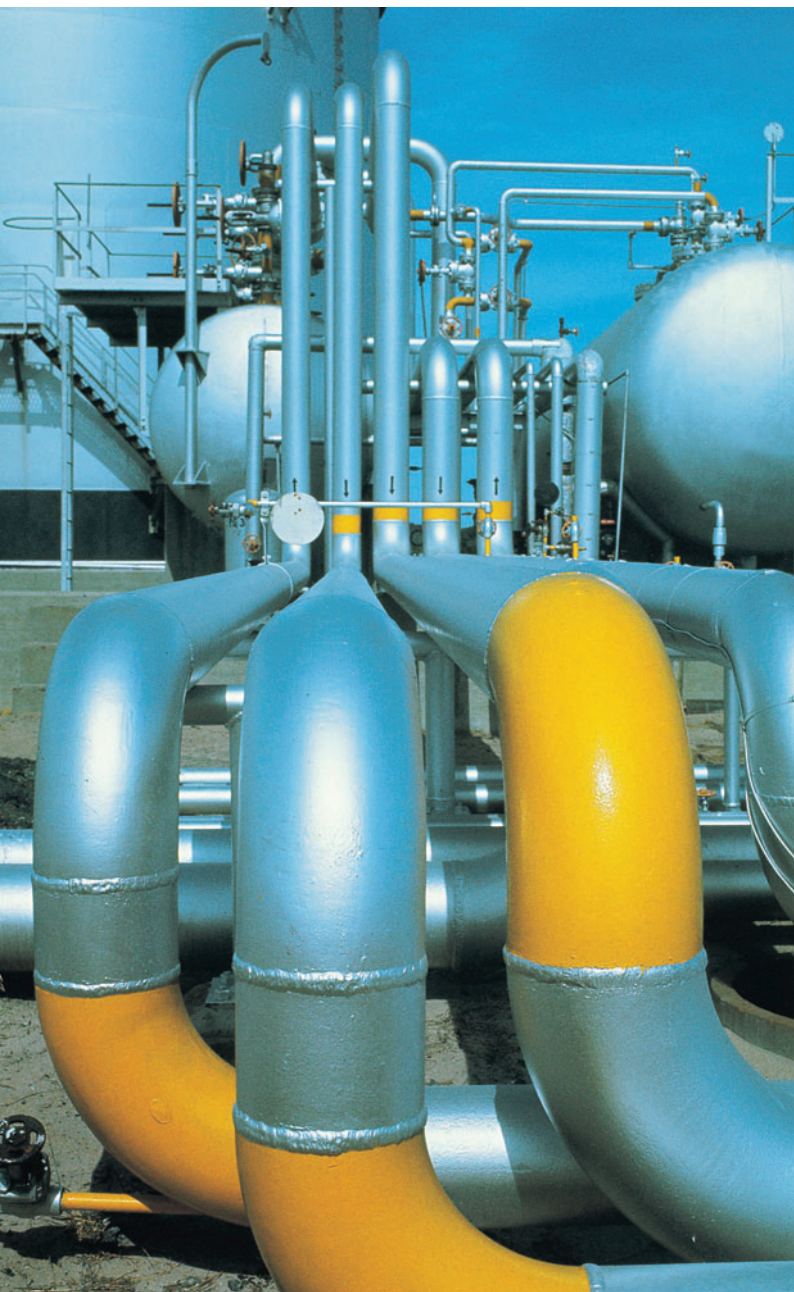
Product information

We've got the future covered. DB Netze.

New chances through market deregulation thanks to structured gas procurement

Constantly changing market conditions combined with highly volatile price developments result in even more complex gas procurement and risk management. Furthermore, fluctuating production utilisation and short-notice orders make it difficult to forecast your company's gas consumption. Structured gas procurement offers you the necessary flexibility and fair pricing to elaborate sustainable gas procurement strategies.

You too can profit from the new liquidity of the market and safeguard your chances with structured gas procurement.



Structured gas procurement: more **transparency**, efficient **cost minimisation** and access to solvent commercial markets

The full supply contracts currently available in the natural gas branch usually include a clause that ties the price to the oil index, together with minimum purchase quantities. These provisions are not ideal in situations that involve drastic fluctuations in demand together with volatile gas prices.

Structured gas procurement offers industrial companies with intensive energy consumption levels an opportunity to revert to procurement alternatives that are tailor-made to their needs and to the development status of the natural gas market. This entails covering the demand for gas through standard products at normal exchange conditions, fixed timetables or contracts with flexible quantities at fixed prices or tariffs tied to the oil price, at different points in time.

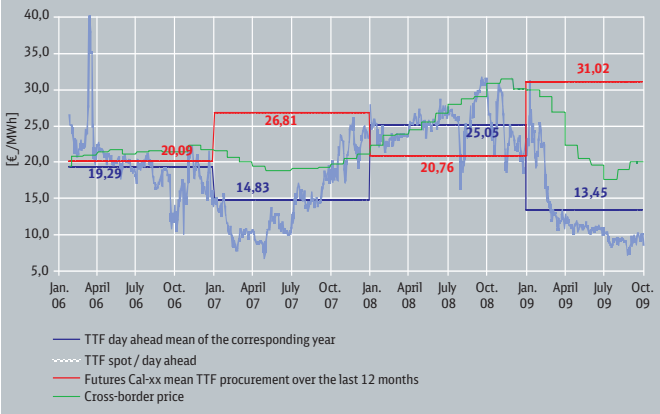


Sustainable optimisation of gas procurement costs and risks

For companies with a gas demand of more than 20 GWh, DB Energie acts as independent service provider, offering the entire process of gas purchasing and provision in the framework of structured gas procurement. Our experts help you to tap into new potential through access to wholesale markets with the following steps:

1. If you have had a full gas supply contract up to now, we help you to break your contracts down into separate grid usage and supply agreements. This gives you greater cost transparency, while at the same time providing the basis for structured gas procurement.
2. We work together with you to draw up an individual procurement strategy, stipulating the relevant quantities together with time and price limits.
3. We provide you with the necessary tools for sound procurement decisions and for a timely reaction to favourable market developments. These include the signals of our market indicator system and individual market reports. Back-to-back energy procurement is then carried out on your behalf after obtaining several bids.

Spot market versus futures market



Example for market evaluation (procurement development)

Comparison of the price negotiated at the TTF with cross-border prices tied to the oil index

4. Your portfolio is managed in an on-going process in terms of the current spot and futures prices, together with the forecast oil quotations. In doing so, the sales forecasts are compared with the procured gas quantities. Depending on price developments, differences are either neutralised on the spot market or taken from the flexible quantities contract.

The benefits for you:

The risk from changing prices and quantities is minimised by spreading the points in time at which procurements are made, and through the structure of the procurement products. Furthermore, portfolio effects are generated by pooling the energy procurement for several sites in one market region. Altogether, this brings you the greatest possible flexibility in terms of prices and quantities, based on the consumption behaviour.



Your benefit:

- Neutral support from an independent service provider
- Cost transparency by breaking power procurement down into its individual component parts
- Market transparency through continuous market reporting
- Risk minimisation and flexibility by spreading energy purchasing out over various points in time, various trading partners and various products
- Fair pricing through sound purchasing decisions while making use of the market advantage offered by pooling the demand of several companies through DB Energie
- Balanced mix of planning and flexibility
- Pooling the energy procurement for several sites to generate portfolio effects
- Comprehensive energy data management to reduce administrative and controlling tasks

We will gladly provide detailed information about our service modules in structured gas procurement:

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