



DB Energie **Energy Services:** Structured Power Procurement

Product information

We've got the future covered. DB Netze.

New chances in turbulent economic times

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

Many industrial companies with intensive energy demands from a wide range of different branches, franchise chains and re-distributors already benefit from the tailor-made power modules by DB Energie.



Competitive ability and **sustainable business success:** A question of optimising costs

Together with full power supply from one single supplier as an “all-inclusive package” with fixed prices, the liberalisation of the energy markets also offers large-scale consumers in different branches in particular the possibility of using structured power procurement to breakdown their portfolio into its various elements for individual negotiation and procurement. The corresponding results can consist in attractive cost advantages, for example by revealing concealed margins or by making clever use of market fluctuations.

This is where our experts come in, working together with you to elaborate a procurement strategy based on your demand and tailor-made to your requirements in terms of quantity flexibility, planning reliability and diversification of risks. Initially your power procurement is broken down into different points in time. This is followed by an agreement on time limits, with determination of the relevant standard products to cover your power portfolio, such as base load or peak load as annual, quarterly or monthly products on the OTC market. DB Energie enables access to numerous trading partners on the wholesale level. You define the degree of quantity flexibility by the share of additionally purchased quantities on the spot market (“day ahead”) on the EEX in Leipzig.

Quantity-weighted average price vs. arithmetic mean



Example of a market-to-market evaluation (in the course of procurement)
Generating cost advantages compared to the arithmetic mean

Your milestones for **long-term price hedging** and **short-term quantity flexibility**

Our specialists support you step-by-step in optimising your power portfolio:

1. Introduction to structured power procurement

If you have had a full supply contract up to now, we help you to break your contracts down into grid usage and power supply. You conclude only the grid connection and grid usage contract with your distribution grid operator. This is followed by gathering your site related consumption data and forming your aggregation level.

2. Detailed portfolio analysis

An analysis of historical load profiles is used to forecast future power demand and draw up an individual procurement strategy, taking account of the identified risks and savings potential.

3. Sound procurement decision process

Your power demand is broken down into partial timetables and/or standard products and undergoes regular evaluation on the wholesale market. We provide you with the necessary decision-making aids for sound purchasing decisions that also enable you to react promptly to favourable market conditions. These aids include e.g. the signals of our market indicator system (limit system), regular mark-to-market evaluations, fundamental and chart-based analysis, together with individual market reports on request. This is followed by back-to-back power procurement on your behalf after obtaining several bids.

4. Power provision

The quantities of energy needed for your company every day are adapted as required for the specific site on a day-to-day basis. Greater or lesser quantities are itemised separately every month.

5. Portfolio controlling

You receive a weekly Commodity Market Report as part of a continuous process. Furthermore, you can also order a customised quarterly market report with all the important information for your power portfolio. Our web portal gives you the possibility of direct access to historical load profile data and forecasts for your production sites.





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 power procurement:

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