Crown Commercial Service

Short Term Locked Product

The short term locked product procurement strategy is to buy energy in the 6 months before the start of delivery. This gives you some price certainty to help you set and manage budgets ahead of the delivery year.

Key product features

- 6 month purchase window up to the point of delivery
- traders enter the market multiple times during this period
- all purchasing is completed before the first delivery month begins
- once all volume has been bought, your monthly commodity price will be set for the entire delivery year

Product benefits

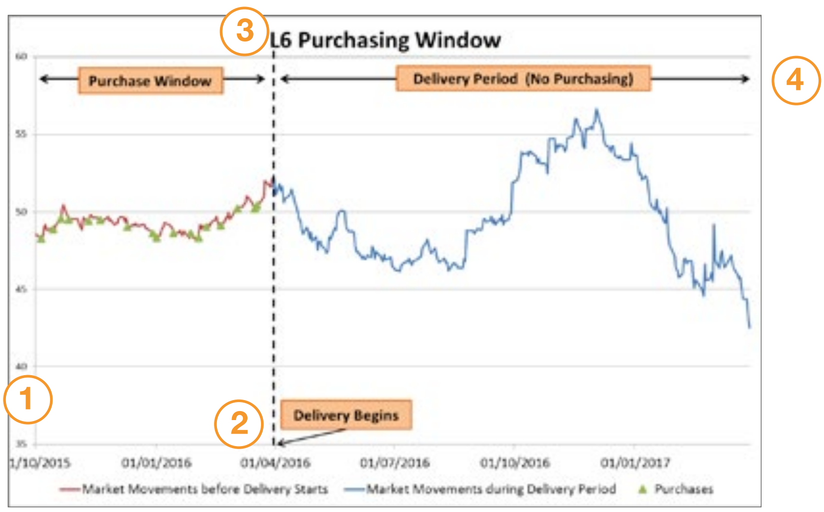
- all customer volumes are aggregated together, allowing more buying opportunities across the window to smooth out market volatility
- provides price certainty before the delivery period begins, enabling you to set yearly budgets
- customers avoid any volatile changes in market prices during the delivery period
- a sell-back facility allows traders to improve your price
- fully risk managed product - a price cap is applied at the start of the purchasing period, meaning budgets are protected

Who should choose this product?

This product is right for you if you want a fixed price to help you manage your budget.

How does this product work?

The chart below shows an example of how the short term locked product operates:



1. purchasing begins
2. delivery begins
3. purchasing ends
4. delivery year ends

*This is an example. It is not based on past performance, actual market conditions or when purchases were made by the trading team.

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Short Term Variable Product

Our short term variable procurement strategy gives you the ability to optimise your price as buying begins 6 months before delivery and continues throughout the delivery year.

Key product features

- 18 month purchase window gives the traders a longer period to buy your energy
- traders enter the market multiple times during the purchase window
- our traders are able to buy day-ahead and intra-month, meaning we can adapt our purchasing to reflect our customers' actual demand and changing weather conditions
- for power, a small and usually untradeable element is taken to day-ahead purchasing
- prices change on a monthly basis

Product benefits

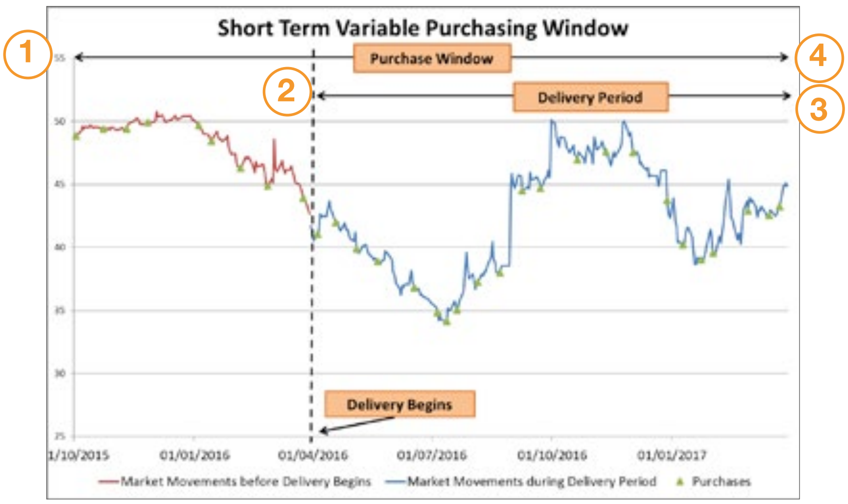
- all customer volumes are aggregated allowing more buying opportunities across the window to smooth out market volatility
- traders may be able to secure lower prices when purchasing energy during the delivery period as market risk premiums can be removed
- a longer trading window gives the traders a greater chance of avoiding market spikes
- a sell-back facility allows traders to improve your price
- fully risk managed product - a price cap is applied meaning budgets are protected

Who should choose this product?

This product is right for you if you want to take advantage of potentially lower market prices throughout the delivery period and can manage your bills varying month-on-month.

How does this product work?

The chart below shows an example of how the short term variable product operates:



1. purchasing begins
2. delivery begins
3. purchasing ends
4. delivery year ends

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Long Term Variable Product

Our long term variable procurement strategy gives you potential access to lower market prices closer to the delivery start date. Managing your volume over a longer period of time also allows our traders to reduce your exposure to unfavourable market conditions.

Key product features

- the purchasing window is 42 months; commencing 30 months before the point of delivery and continuing throughout the delivery year
- traders enter the market multiple times during the purchase window
- our traders are able to buy day-ahead and intra-month, meaning we can adapt our purchasing to reflect our customers actual demand and changing weather conditions
- for power, a small and usually untradeable element is taken to day-ahead of purchasing
- prices change on a monthly basis

Product benefits

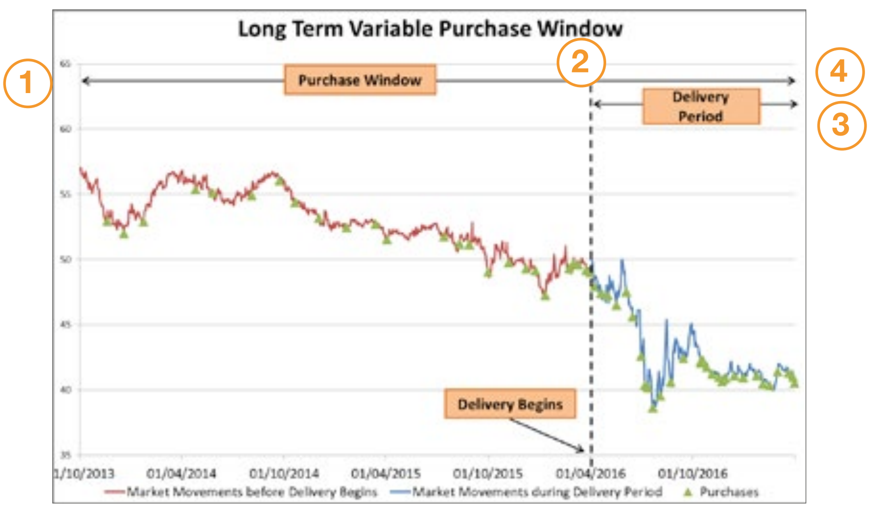
- all customer volumes are aggregated allowing more buying opportunities across the window to smooth out market volatility
- because the traders are managing your market exposure in multiple years, you should experience greater year-on-year price stability
- a longer trading window gives the traders a greater chance of avoiding market spikes
- traders are able to secure lower prices years in advance of delivery and during the delivery period when market risk premiums can be removed
- a sell-back facility allows traders to improve your price
- fully risk managed product - a price cap is applied meaning budgets are protected

Who should choose this product?

In exchange for longer commitment and monthly price variation, this product is for you if you want to avoid market spikes, take advantage of market lows, and want an element of price stability year-on-year. This also helps with those requiring longer-term budget management.

How does this product work?

The chart below shows an example of how the long term variable product operates:



1. purchasing begins
2. delivery begins
3. purchasing ends
4. delivery year ends

*This is an example. It is not based on past performance, actual market conditions or when purchases were made by the trading team.