



CASE STUDY 304: ENERGY PROCUREMENT

The Time Capsule

STC BEAT CONSORTIUM BID BY £130,000

About The Time Capsule

The Time Capsule Monklands Trust Limited is the brainchild of the former Monklands District Council and is located within the heart of Lanarkshire.

The Time Capsule is one of Scotlands most prestigious leisure facilities. It incorporates an Ice Rink, Adventure Zone, 'Tiny Tots' Play Zone, Dry Sports Facilities, a state of the art Fitness Suite, together with a free form Leisure Pool and Swimming Pool.

In 2003 the Time Capsule was awarded Scottish Charitable Status. Over the past 3 years the Company has achieved a number of national awards including Quest for Sport and Leisure Management, Scottish Regional Winners 2004 of the Vision in Business for the Environment Award and the Department of Community Services Gold star Award for the Facility of the Year 2003 and the ISRM "Pool Safety Award" in 2005



Case History

Due to the Time Capsules' high demand for energy and their Charitable Status, volatility within the energy market was causing them great concern.

STC were commissioned in March 2007 to review their procurement strategy and analyse the market for potential savings.

Since 1997 the Time Capsule had procured its energy through a large buying consortium whose combined annual spend exceeded £50m. After reviewing the current strategy it was found that The Time Capsule did not benefit from the complexities of consortium tendering. This was because the tender received few bids, all sites were given a global price and The Time Capsule site was potentially subsidising smaller supplies within the group.

STC designed a new procurement strategy and used market intelligence to place The Time Capsule with most advantageous suppliers

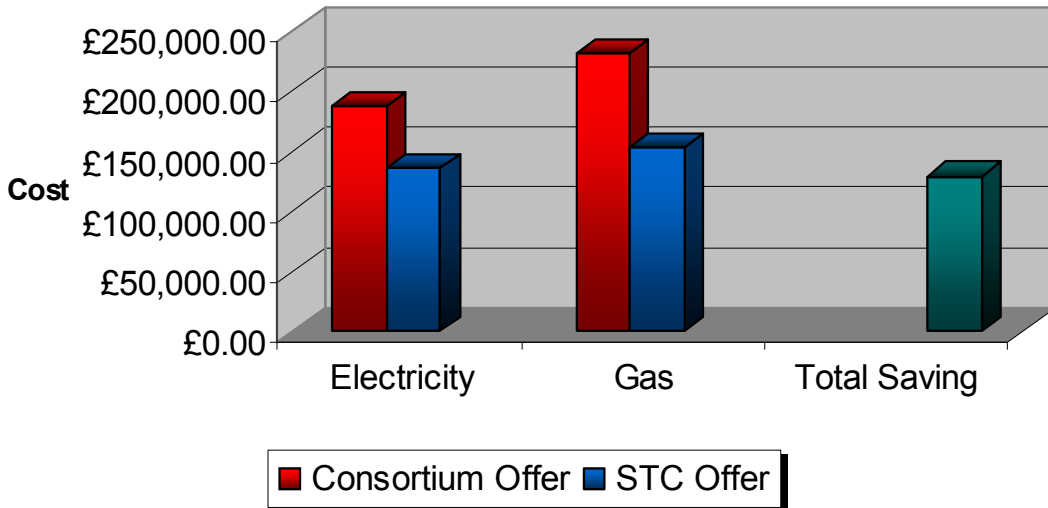
The tender returns for both gas and electricity were site specific and significantly advantageous when compared to their current consortium offer.

Key Achievements

- Tendered and registered contracts within **two weeks**.
- **STC's** offer produced total savings of **£130,000** p/a against the consortium offer.
- Negotiated a 2 year 100% green electricity contract with **27%** annual savings.
- Negotiated a 2 year gas contract with **33%** annual savings.

Results

STC vs Consortium



“BULK PURCHASING NO LONGER OFFERS BEST VALUE”

About STC Energy

STC has procured energy for some of the UK’s largest consumers and our expertise dates back to the deregulation of the Megawatt market in 1990.

STC offer a full and part managed procurement services for clients seeking fixed, flexible or energy only contracts.

STC’s success is derived from taking a holistic viewpoint on all problems relating to utility procurement, bill validation, M&T, software systems, supply metering and strategic carbon management.

“Energy price hikes became a great concern for the Time Capsule. After 10 years buying within a consortium it became evident that bulk purchasing no longer offers best value. STC were able to offer us a new procurement strategy which attracted more suppliers with keener site specific prices. The result was a much more efficient service with amazing savings.”

Craig Hamilton
Maintenance and Safety Manager

Contact Us

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