

Saving energy, saving money

Energy costs can account for a substantial proportion of a business's overheads, which means that finding ways to reduce energy expenditure can quickly deliver significant savings.

Award-winning energy consultants Power Direct Ltd aim to help you achieve savings on your most basic business need – and, most importantly, to make sure that you only pay for what you use.

Promote energy-saving habits among your staff

The Gloucestershire-based firm says there are innovative ways in which any SME can encourage its staff to make small changes that drive down energy consumption. For example, delivering a training session on ways in which staff can save energy can give them the confidence to make a change.

And you can encourage them further through incentives, or create competitions based on reducing consumption, with rewards on offer and the prospect of exposure in staff bulletins and on social media. This, in turn, supports your corporate social responsibility agenda.

Select the right energy buying strategy

Selecting the appropriate energy buying strategy is largely driven by the level of risk that your business is willing to take as part of the procurement process.

There are five broad buying options, but whether you can purchase using some of the most flexible options will depend on how much energy you consume. Each option will present a balance between potentially lower rates and a higher level of uncertainty, so you need to consider whether you are in a position to divert resources if needed, in a worst case scenario.

Questions to consider when choosing which type of contract to select are how much variability you can manage in your monthly spending, and whether you need or want to financially plan more than a year in advance.

Working with experts, like energy brokers, can help to ensure you are looking at the whole market and ensure you are paying the most competitive prices.

Only pay for what you need – and what is yours!

This might sound like common sense, but you may be surprised at just how common it is for energy bills to be wrong.

Checking and validating invoices before payment can ensure that any errors are identified and can be quickly rectified ahead of any payment being taken.

By monitoring your consumption, you can ensure that the information on your bill is correct, and you remain within the consumption tolerance of your contract. Estimated bills can mean that you are paying out money unnecessarily and, whilst you might get it back at some point, it is obviously better to only pay for what you use as you use it.

Tracking that you are actually receiving your bills can avoid a situation where you receive a large catch up bill that you haven't budgeted for.

For small and moderate users, gas bills are more likely to be wrong than electricity, simply because of the way in which meters measure the through put of gas and how that is converted to be a kwh, which is the unit charged by suppliers. It really is worth asking the experts to look over your bills.

Assess

Plan

Manage