



\$125,000

annual savings compared
to original offer

\$500,000

contract term savings
compared to original offer

22%

reduction in costs due to
competition

48-month

electric supply contract

New York Ski Area Reduces Supply Costs Through Competition

Usource used a competitive bidding process to secure a new electricity supply contract for a ski area facing high winter energy costs, saving \$500,000 over four years compared to their previous sole-source arrangement.

With winter approaching and snow gun season upon them, a large New York ski area worried about rising electricity costs. Previously reliant on a single supplier's pricing, they reached out to Usource to explore a competitive bidding process and potentially lower their significant annual electric bill.

Challenge

A large ski area in New York approached Usource to run a request for proposal process for their electric load. They had previously been provided pricing directly from their supplier and were interested in finding out the value that a competitive process would bring. With an estimated annual electric supply spend of \$600,000 for their eight million kWh of electricity, the managing and forecasting of supply costs are a high priority when budgeting.

Ski areas' energy loads are typically winter-heavy with minimal usage during the off season. With the ski area being on a roll-over rate, as their prior contract had lapsed, Usource wanted to get them into a new supply contract before they turned on their snow guns. Using our proprietary bidding platform, Usource issued a request for proposal to our supplier network.



*Savings may vary.

Solution

Having received responses from numerous suppliers, Usource determined that a fully fixed product was best for the ski area. The product allowed for the mountain manager to manufacture snow without having to worry about hourly price spikes. This brought about budget stability in what could have been a volatile market. To take full advantage of the state's community solar program and cut down on the number of invoices, a utility billed product was advised over dual billing.

Result

By issuing a request for proposal, suppliers responded back with their best and final offer, knowing that there is zero tolerance for a game of back and forth when it comes to price. Through this process the incumbent supplier that had previously provided pricing for the ski area reduced their offering by two cents per kilowatt hour, resulting in an annual savings of \$125,000. Contracted for a four-year term, the mountain will save \$500,000 through competition as opposed to sole sourcing of electricity. This savings accounts for a 22% reduction in costs when compared to the original sole source offer.



About Us

Usource is an unbiased, independent energy consulting firm for large businesses and organizations in the U.S. With a focus on market intelligence and comprehensive energy solutions that support a smart, forward-looking energy management strategy, Usource provides a comprehensive suite of energy consulting services to its clients.

Usource, a member of the NextEra Energy family of companies, serves as a trusted advisory group. With a firm commitment to objectivity, Usource leverages the vast resources and expertise of NextEra Energy, the world's largest producer of wind and solar energy, to offer customized energy consulting services to large commercial, industrial, institutional and governmental organizations. Clients can trust Usource to deliver tailored solutions and unparalleled support in their energy-related goals.

