



CASE STUDY - FORT MYER CONSTRUCTION CONTRACT RENEWAL

Diversegy is an energy advisory offering solutions tailored to your industry and business needs.

The Situation: Fort Myer Construction, based in Washington, DC is no newcomer to seeing the benefits of energy deregulation. In fact, the company has been working with the team of Diversegy energy experts for quite some time and has renewed two natural gas contracts since first becoming a client back in 2012, saving almost 21% versus the cost of supply from the local utility company. What was different this time around is that Fort Myer's consumption of natural gas in 3 out of 4 months in late 2015 exceeded their contracted NYMEX quantities and their 3-year average. The company projected this trend would continue, meaning significant cost implications.

The Diversegy Advantage: Taking advantage of natural gas trading at near historic lows, Diversegy proposed a strategic shift in procurement strategy and was able to continue favorable position, protecting savings and ensuring budget certainty, with a % of Fort Myer's load on an indexed supply priced product and a % on a traditional fixed rate plan. Supports were also put in place in anticipation of additional volumes during the upcoming shoulder seasons.

Testimonial: "Due to the nature of our business, a standard, fixed-rate agreement doesn't suit us," explains Chris Kerns, Vice President and Senior General Counsel, Fort Myer Construction. "With our consumption ramping up due to increased asphalt production demands, we were concerned, but Allison, our Diversegy account manager, took our company objectives and risk tolerance into account. She recommended a more sophisticated product which, when combined with Diversegy's active account management, provides us with a consistent savings against the utility, shields us from some risk, and still allows us to reap some benefit when the market drops below our fixed price."

Contact us for a free analysis

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