


YÜFLEX

TAILORED BUSINESS ENERGY PROCUREMENT

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what is YÜFLEX?

Flexible energy procurement enables businesses to monitor the wholesale energy market, purchasing energy when prices are low and avoiding surges. This approach spreads price risk across your contract term by aligning your purchasing strategy with market trends instead of opposing them.

By leveraging this strategy, businesses can potentially reduce energy costs—provided they employ effective risk management practices and adopt a purchasing model that suits their needs, such as seasonal or advance-month deals.

OFGEM advises businesses to collaborate with energy specialists to develop strategies that ensure purchases are made at the most advantageous times.

OUR FLEXIBLE PURCHASING SERVICES

If you choose a flexible energy contract, our experts are here to guide you every step of the way.

We'll help you:



Develop a procurement strategy tailored to your business.



Minimise risks associated with flexible contracts compared to fixed-price options.



Create a clear and actionable purchasing policy.

HOW DOES FLEXIBLE ENERGY PROCUREMENT WORK?

With flexible energy contracts, your business can buy energy at wholesale prices rather than committing to a fixed rate. This allows you to make smaller, more frequent purchases based on real-time market conditions, which often fluctuate daily.

This approach can help you capitalise on lower prices during times of reduced demand or oversupply. However, it requires careful management and a deep understanding of market dynamics.

FIXED VS. FLEXIBLE ENERGY CONTRACTS: WHICH COSTS MORE?

Flexible energy contracts can often be more cost-effective under favourable market conditions, especially with expert management. Fixed contracts, while predictable, may lead to higher costs when market prices drop—a risk that flexible contracts can help mitigate.

POTENTIAL SAVINGS WITH FLEXIBLE ENERGY PROCUREMENT

Businesses can achieve significant savings through flexible procurement, but these depend on several factors, including market conditions, your purchasing strategy, and external events like weather or geopolitical disruptions.

Expert guidance is key to maximising your savings and navigating the complexities of energy markets effectively.

UNDERSTANDING PROMPT AND CURVE PRICING



Prompt Pricing

The cost of energy for immediate delivery (next day or two), influenced by short-term factors like supply and demand.



Curve Pricing

Pricing for future energy delivery, based on market projections. This is often used to hedge against long-term price fluctuations.

IS FLEXIBLE ENERGY PROCUREMENT RIGHT FOR YOUR BUSINESS?

Deciding on flexible energy procurement requires evaluating:



Risk Tolerance

Can your business handle price fluctuations?



Financial Stability

Are you prepared for potential short-term price surges?



Management Capacity

Do you have the resources to actively monitor and respond to market changes?

For businesses with substantial energy needs and a proactive approach to energy management, flexible procurement can unlock significant value. If you're unsure, partnering with energy specialists can help you navigate this strategy and determine the best fit for your operations.

CAN SMALLER BUSINESSES BENEFIT?

Absolutely. Flexible energy procurement can offer smaller businesses cost savings and adaptability. However, success requires a commitment to understanding market trends or investing in expert advice and tools to make informed purchasing decisions.

MITIGATING RISKS IN FLEXIBLE ENERGY CONTRACTS

Balancing flexibility and stability is essential. Partnering with energy consultants ensures you're equipped with the right hedging strategies to protect against price spikes.


Consultants also provide insights into market trends and forecasts, enabling timely and informed decisions.




EXPLORE YOUR OPTIONS WITH YÜ

Our team is ready to help you craft a flexible energy procurement strategy that suits your needs, reduces risks, and maximises savings. Get in touch to learn more.

If you would like more information about our services, visit our website: www.yuenergy.co.uk

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