



Electricity Contract Management TIR GROUP

REF 240219 DATE February 2024

INTRODUCTION

Key Energy & Resources (KE&R) have been providing a number of services to help TIR group negotiate and manage their electricity contracts. Historically, the power of the group enabled us to negotiate favourable contracts and achieve substantial savings for each individual store.

In addition, our services include ongoing management of the electricity accounts, including reconciliation and monthly billing accuracy check of each account as well as annual check of the regulated network fees and advice on the least cost tariff.

The group's current contract with Shell will expire at the end of June 2024 and we would like to start the negotiation process as soon as possible. To that end, we are reaching out to seek your consent to join the group, remembering that we will achieve better results for each individual store as a larger group. We will need your consent to join the group by the 8th of March.

CONTRACT MANAGEMENT – SCOPE OF WORK

Our contract management services include:

- Preparation of tender documents to go to market as a group.
- Negotiation with short listed retailers.
- Managing the tendering process and agreements finalization.
- Data warehousing.
- Monthly reconciliation of invoices.
- Monthly usage and cost monitoring .
- Identification of billing errors and anomalies.
- Acting as your advocate with the retailer.
- Re-negotiation of your energy supply contract at an opportune time.

KEAP

Our in-house developed web application will be available for you to monitor your electricity usage and expenses as well as alerts for any deviations in either cost or energy use.

We collect, check, and store your energy use and billing data in our database and provide you with intuitive and easy to use tools for data mining and comparing information.

Basic KEAP includes:

- Data Warehousing
- Bill Reconciliation tool

- Monthly usage and cost data
- Budget
- Tariff Review

KEAP Pro includes:

- Usage and Cost comparison per site per period
- Export of detailed billing and usage data
- Alerts for excess/under usage per site, against expected energy use.

PROFESSIONAL FEES

Our professional fees including access to Basic KEAP is \$30 per month per store (NMI) with annual CPI escalation to be applied on 1 January of each year, based on the previous September CPI.

Upgrade to KEAP Pro is \$10 per month per store, provided that the whole group chooses this option.

These rates exclude GST, direct costs and travelling cost outside the Melbourne Metropolitan area. Direct costs are passed on as approved and travelling time is passed on at 50% of our standard rates. Key Energy & Resources invoice quarterly against work completed. These prices assume that suitable load profile and billing data are available.

Additional activities can be quoted on request, based on the following hourly rates:

- Principal Consultant..... \$280
- Executive Consultant \$220
- Administration/support..... \$80

COMMERCIAL TERMS

- Any advice or similar provided by KE&R is of a commercial and or technical nature. It should not be construed as legal advice and independent legal advice should be obtained.
- In part our advice is predicated on data provided to KE&R by our clients, energy providers and other third parties. KE&R cannot be held liable for errors in this data or consequential errors in our work.
- The cost of rework required as a consequence of errors, omissions or changes in the data provided to KE&R will be considered as a variation.
- It is understood that energy markets are highly volatile and impossible to predict. KE&R will not be liable for the consequences of energy market movements that swing against our advice.

- In no event shall KE&R be liable for any lost profits, cost, or special exemplary, consequential, or putative damages even if informed of the possibility of such damages.
- KE&R hold AFSL 281356, and work will be carried out in accordance with the regulatory requirements.
- All IP brought to the assignment by KE&R will remain the exclusive property of KE&R.
- All parties agree not to use any sensitive, privileged, or confidential information disclosed in the course of this assignment for any other purpose other than the intended use relevant to this assignment and any follow-on work.

KEY ENERGY & RESOURCES

Key Energy & Resources are an established energy consultancy with government, semi-government, and private sector clients across Australia. Our consultants have established processes that have been used to negotiate over \$5 billion worth of energy supply contracts.

Our consultants have had professional papers published by the Institute of Engineers, the Australian Purchasing and Supply Magazine, the Environmental Manager Handbook, and the Australian CPA (Chartered Professional Accountants) magazine amongst others. They have managed numerous energy efficiency programs, energy performance contracts and training programs.

Our core competencies include:

- Effective strategies for the negotiation of energy contracts, combined with proven skills that have provided our clients with optimum price and commercial conditions.
- Industry experience and developed contacts within the retail and wholesale markets.
- Extensive knowledge of future energy price paths, optimal contract length and timing of market entry.
- Flexible processes that have proven successful in a diverse range of energy management projects.
- Transparent and independent fee structure.
- Small consultancy teams that offer friendly, ethical, and technologically proficient service.

Key Energy & Resources hold Australian Financial Services Licence (AFSL) 281356.

FURTHER INFORMATION

Further information can be obtained from Jack Krispin of Key Energy & Resources on mobile 0434 320 715 or via e-mail at jackk@thekeygroup.com.au.