

## Summary

This guide :

- provides parishes with an easy way of checking whether there is opportunity to save on electricity and gas by switching to a non-contracted supplier
- identifies suppliers of green energy that parishes may wish to use
- enables access to other utility pricing information on phone and broadband.

Suppliers identified in this guide are not necessarily the best or cheapest provider, but provide an easy way of benchmarking against current costs.

Following the Procurement Group's '*Parish Buying Guide - Electricity & Gas*' sent to dioceses earlier this year, we have been developing a way of providing parish treasurers with utility pricing information. We believe there is an opportunity at the present time for many parishes to take advantage of currently falling utility prices as an alternative to fixed price contracts. The energy marketplace does change rapidly, and parishes are recommended to review their energy deal regularly.

The business energy industry is particularly 'opaque', and In October 2008 OFGEM, the energy regulator, reported to the government that businesses (which includes our parish churches) are "appallingly served by the energy industry". It is virtually impossible to obtain reliable comparative pricing information, and in the current market, energy companies that are both 'generators' and 'suppliers' change price quotes on a daily basis when challenged on their tariffs.

Whilst fixed price contracts can be useful when energy prices are forecast to rise steeply, evidence from one diocese is that only 15% of parishes benefited financially from entering into fixed price contracts during 2008. We believe that the Utility Warehouse Discount Club (UWDC - <https://www.utilitywarehouse.co.uk/home/index.taf?exref=C28864> ) could currently be an attractive alternative provider for many of our parishes. The UWDC was judged by 'Which?' magazine in both October 2008 and again in April 2009, to be 'The Best Supplier of Electricity and Gas in the UK', and provides a triple guarantee that:

- For Gas, their prices across the UK will always be cheaper than British Gas.
- For Electricity, their prices will always be cheaper than those charged by the regional electricity supplier for the area.
- Additionally, they will continually benchmark 'The Big Six' energy companies to ensure their continued competitiveness.

Although these guarantees are given to domestic customers, we have yet to find a PCC on a lower-priced uncontracted energy tariff than that provided by the UWDC.

We have a UWDC 0800 Freephone number that can be called by all parish treasurers to obtain an uncontracted comparative price on their energy. If worthwhile savings are identified during this exercise, the parish treasurer will be guided through the switching process so that the savings can be realised. The same Freephone number can also be

used by clergy and parishioners to obtain a comparative price on their domestic utility costs. Any parishes or individuals who save costs through using this service, will also benefit The Church Urban Fund, as the UWDC will pay a small commission to CUF. However, parishes should only switch when it is in their interest to do so - the CUF commission would be an extra bonus arising as a result of switching.

The UWDC charges a monthly 'membership' fee of £2, which is equivalent to 6.5p per day standing charge; and you should add this on when making the comparison. Over 100 parishes in the Chelmsford Diocese are already using the UWDC services, with annual savings averaging £730 per parish. Building size and frequency of use are key factors which determine the actual saving.

### **USING THE UWDC FREEPHONE SERVICE**

To access the information required to compare the UWDC's energy and telephony broadband costs and services with those currently provided you should:

- Ascertain whether or not any of the utility services you wish to check are 'in contract'. If so, note the end of contract date.
- Ensure that you have to hand a copy of a recent bill for each utility you would like checked.
- Call **0800 131 3000** and be guided through the service by the UWDC.
- Ensure that you mention the Church Urban Fund (CUF) - Number **C28864**, when asked who 'introduced' you to the service. Then if you subsequently realise savings through switching to the UWDC, CUF will also benefit.

### **PHONE/BROADBAND AND THE UWDC**

Although this note has concentrated on energy savings, we know that many parishes also have significant telephony and broadband expenditure. This is another area in which worthwhile savings can be achieved, especially if the parish is served by an exchange that has been 'unbundled'. The UWDC Freephone number will also provide treasurers with information on telephony and broadband savings and whether or not the local exchange has been 'unbundled'. Clergy and parishioners using the service may also be interested to know that 'Which?' also made the UWDC's Home Telephone/Broadband service their 'Best Buy' in the February 2009 issue.

### **GREEN ENERGY ALTERNATIVES**

Some parishes will prefer to opt for a green energy alternative, and will expect to pay a slight premium to do so. To find out which green tariffs are available in your area, just how green they are, and what you might expect to pay, we recommend that you visit [www.greenelectricity.org](http://www.greenelectricity.org), the green electricity marketplace. GEM is one of the leading switching websites for green electricity tariffs, and unlike most other switching sites it is not just part of a general switching site, and as a specialist in renewable energy provides its own perspective on green tariffs.

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This guide has been produced by the Procurement Group - a task group representing dioceses and the national church, who seek to enable the church to carry out their purchasing more effectively. Thanks are also acknowledged to Noel Muddiman, Director of Charity Funding Solutions for his help and advice.

