



SIEMENS

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Energy Procurement

Improve your purchasing power while lowering your risks and energy costs

Companies can increase their resource efficiency by tapping into Siemens global energy procurement expertise.

Today's energy markets are volatile and the factors that affect energy prices are numerous and complex. Often, organizations pay more than they should for energy due to limited leverage and insufficient market expertise.

Siemens understands the challenges facing energy consumers and has developed world-class procurement services designed to maximize market competition and drive down supplier premiums. By bringing our deep market knowledge, large buying

portfolio, and buyer-friendly contracting experience to the table, our customers achieve lower costs and better contract terms that will best meet their needs.

Our procurement process is designed to solicit contract structures that our customers want, not those that give the supplier the highest profit. We are able to conduct the entire process online which makes it easy for suppliers to participate and clients to monitor activities.

Answers for infrastructure and cities.



As part of our procurement solution, we provide:

- Analysis of requirements including risk profile, usage trends, flexibility, and predictability
- Structuring of contract terms from simple fixed prices to complex tranches and portfolio pricing
- Administration of procurement events including supplier qualification, online RFPs, reverse auctions and contract execution
- Comparison of supplier quotes on a common basis to evaluate the best mix of price certainty and market risk for a given customer's cost and budget objectives
- Development and management of price hedging policies to ensure energy prices are as low as possible and held under defensive tolerances
- Credit term mitigation to reduce cash outlays and minimize exposure to supplier credit concerns

- Negotiation of contract terms following contract award to ensure the terms of the deal are balanced and reflective of the structure sought during the procurement event

Working with our energy procurement experts brings you value:

- An independent agent acting on behalf of the clients to identify optimal energy sourcing options and buying opportunities
- Access to the lowest energy prices in the market by leveraging supplier relationships forged over 35 years across a procurement portfolio with 15,000 locations and an annual spend in excess of \$15 billion
- Track record of reducing premiums and hidden cost components by removing penalty language and other unnecessary seller protections
- Ability to serve large energy intensive customers as well as smaller customers on an aggregated basis

Highlights

- Develop and execute procurement strategy
- Optimize price risk management
- Streamline and improve budgeting/forecasting
- Professionalize contract negotiations
- Check alternative supply options