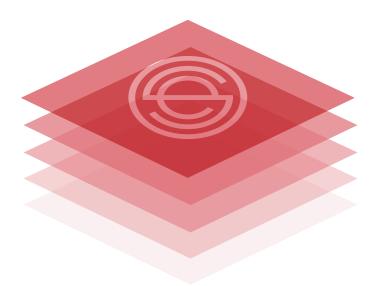
SAVANT ENERGY



WITH THE ENERGY MARKET AT A LOW BLEND-AND-EXTEND YOUR CONTRACT TO GET A LOWER RATE

Energy Costs are inevitable for all businesses, and for many they make up a large proportion of their cost base. The difference between securing an energy contract at the market peak vs. low can have a significant impact on a business's profitability and competitiveness.

Over the past year we have been fortunate to experience a massive reduction in commodity costs. As is the case with all volatile markets, some clients have been unlucky to secure long term contracts at the peak. At Savant Energy we get a lot of questions along the lines of, 'If I secured my contract before commodity prices plummeted, is there anything I can do to lower my costs?' So is there anything that can be done in the scenario Well the answer is...



Possibly.

Some suppliers are able to offer clients what is commonly referred to as a 'blend and extend' or 'mid-term review' type contact. Blend and extend contracts are very appealing in the current market, and most beneficial to clients who secured longer term contracts before prices tumbled. In essence, these contracts enable you to take advantage of the lower costs even though you are still under contract. By extending the original contract to cover and additional period of time, say a further 12 or 24 months, today's lower rates are blended with the original contract rates to reduce the electricity or gas bills immediately. When available, this type of contract instantly improves a consumers cash flow, helping them to improve their own competitiveness as they are no longer forced to pass on energy costs secured at the market peak.

Reasons to pursue a 'blend and extend' contract include:

Dilutes energy spend when a contract was

- booked at the peak
- Improves budget planning
- Reduces spend in the short term

Ideal for consumers who are struggling financially in the short term