

# Relationships and service is the key to success for nBS and Scottish Water

Scottish Water has been a long standing customer of npower Business Solutions (nBS), and in 2015 agreed a 24-year framework agreement with the energy supplier. The framework is comprised of four 6-year tranches which align to Scottish Water's regulatory periods. nBS was delighted to successfully extend the contract into Tranche 2 of the framework, meaning that Scottish Water now have a firm term out to March 2027.

The nature of Scottish Water's flexible supply contract means it can source electricity from the wholesale market or directly from renewable generators. The extended term has supported Scottish Water's price risk management strategy. In September 2019, nBS facilitated two corporate Power Purchase Agreements (PPAs), ensuring that Scottish Water was able to secure 40% of its electricity needs until March 2027.

As explained by Julie McKinney, Scottish Water's Energy Strategy, Policy and Regulation Specialist: "nBS and a renewable generator have helped Scottish Water to secure long-term price certainty to help protect Scottish customers' bills from volatile price rises seen in the energy market".

Since early 2019, Scottish Water has been benefiting from utilising nBS's risk management product suite, particularly its Direct Budget Management (DBM) Gold product, provided by nBS's award-winning Optimisation Desk.

This product has supported Scottish Water to better manage price risk in the UK power market. The DBM product has performed exceptionally well over the last 18 months and has enabled Scottish Water to better manage its exposure to the UK power prices whilst still being able to take advantage of opportunities when presented by the market.

"Staff at the nBS Optimisation Desk work extremely hard to get the best wholesale price trades for Scottish Water's portfolio. I find them all very helpful and willing to help at short notice and provide bespoke information and analysis to help us manage our wholesale price risk", Julie added.

Moving forward, nBS is now exploring further ways in which it can grow its relationship with Scottish Water, such as enabling Scottish Water to generate new income streams from utilising flexibility within its portfolio. nBS's wider energy solutions capabilities means that exciting value-adding opportunities around Demand Side Response (DSR) help ensure that nBS continues to grow its mutually beneficial partnership with Scottish Water.



## Contact us



0800 193 6866



nbs@npower.com

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energy-hq.co.uk



@npower\_nbs



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