

Managing Your Long-Term Energy Supply

Today's energy markets can be confusing and volatile, and energy buyers express one, or many, of four key concerns about energy purchasing –

- 1. How do I effectively manage risk and long-term budget predictability?
- 2. How do I know I'm making purchasing decisions at the right time?
- 3. What's the best way to get consensus from multiple decision-makers?
- 4. Where are the resources and data I need to make a good decision?

Companies seek long-term certainty in energy supply costs while pursuing strategic corporate goals.

Constellation's Minimize Volatile Pricing, MVPe, is a proven cost management program to address these concerns.

Manage Energy Through a Long-Term Strategy

MVPe is a program in which smaller percentages of your energy load are purchased at regularly scheduled intervals over a longer time horizon. This concept is similar to dollar cost averaging when investing for retirement and provides –



More long-term budget predictability than a point-in-time purchasing strategy might provide



Reduced anxiety over making purchasing decisions at the right time in a volatile market



A programmatic approach that eases resource constraints and helps build consensus across multiple decision makers



Stronger balance between budget risk and opportunity risk



Applying your Goals to Your Purchasing Strategy

Constellation will work with you to carefully examine your short and long-term needs, then you decide your purchasing parameters. Questions to consider include what percentage of your usage do you want to be locked? Do you want to manage summer vs. winter load? And more.

Once parameters are set, MVPe is a "hands off" program that makes strategic monthly purchases over a longer period of time, letting you and your business easily leverage energy markets and advantageous prices.

Energy Purchasing: Like an Investment Portfolio

MVPe is similar to dollar cost averaging in investing in that it is a structured, systematic plan that reduces exposure to electricity price volatility through a time-diversifying purchasing program.

Leverage the MVPe Program to Manage your Energy

- Removes the emotion and guesswork of making purchasing decisions.

 By utilizing a systematic approach to locking-in electricity. This frees you from trying to time the highs and lows of the market.
- Reduces price volatility and exposure to transaction risk.

 By having systematic purchases made over time, you mitigate the risk that your business could face had you taken a single "point-in-time" position and the market retreated.
- Uses time diversification to achieve a fixed price over time.

 Consistently purchasing up to 100% of your load monthly in advance of your power flow, you are able to leverage the power of the market and obtain price certainty.
- Helps achieve budget certainty and maintains flexibility in your purchasing strategy. You define the purchasing period, volumes, and components you wish to fix or pass-through. You control the parameters, MVPe executes on your behalf.



Energy made insightful.

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