



## Medium term locked product

The medium term locked product procurement strategy is to start buying energy 12 months before the start of delivery. Purchasing will stop up to 2 months in advance of delivery to provide a fully-built up price well ahead of delivery.

### Key product features

- trading will take place over a maximum of 10 months and will conclude at least 2 months prior to delivery
- traders enter the market multiple times during this period
- prices will be known before the first delivery month begins
- once all volume has been bought, your price will be set for the entire delivery year
- price Cap in place to protect budgets.

### Product benefits

- CCS has a longer period to buy your requirements (compared to our shorter-term product), giving greater opportunities to accelerate purchasing when prices are low and decelerate when prices are high (potentially avoiding short term shocks)
- receive your prices well in advance of the delivery period, helping with budget setting
- provides price certainty before the delivery period begins.
- all customer volumes are aggregated together, allowing more buying opportunities across the window to smooth out market volatility
- suppliers will be tasked with adding non-commodity costs without including risk premiums
- customers avoid any volatile changes in market prices during the delivery period
- a sell-back facility allows traders to improve your price
- fully risk managed product - a price cap is applied at the start of the purchasing period, meaning budgets are protected. CCS also employ a host of additional controls and measures to monitor and manage volatility

### Who should choose this product?

This product is right for you if you want to receive a fixed price earlier in order to help you manage your budget in advance of the delivery year.

### How is this product different to existing CCS products?

- purchasing stops in advance of delivery to allow suppliers to create invoice rates, so you'll know what you're paying before you start using.
- slightly longer purchase window than our standard short term locked product, hopefully smoothing out year on year volatility.
- slightly longer customer commitment required compared with short term locked product, from 6 months to 12 months.

### How does this product work?



1. purchasing begins
2. delivery begins
3. purchasing ends
4. delivery year ends