

# Fixed + Standard

Electricity supply contracts explained  
for large business customers

20 July 2020



# How do our fixed price contracts compare?

		 Fixed + Peace of Mind	 Fixed + Standard	 Fixed + Reflective
<b>ENERGY COSTS</b>				
	Wholesale cost	Fixed	Fixed	Fixed
	Volume tolerance	Unlimited	Unlimited as standard**	Unlimited
<b>THIRD PARTY COSTS</b>				
Delivery	AAHEDC	Fixed	Fixed	Fixed
	Elexon	Fixed	Fixed	Fixed
	BSUoS + RCRC	Fixed	Fixed at forecast*	Pass-through
	DUoS	Fixed	Fixed at forecast*	Pass-through
	TNUoS	Fixed	Fixed at forecast*	Pass-through
	Tloss	Fixed	Fixed	Fixed
	Dloss	Fixed	Fixed	Pass-through
New generation incentives	RO	Fixed	Fixed at forecast*	Pass-through
	FITs	Fixed	Fixed at forecast*	Pass-through
	CfD	Fixed	Fixed at forecast*	Pass-through
	CM	Fixed	Fixed at forecast*	Pass-through
<b>AVAILABLE FOR:</b>				
	HH Meters	Yes	Yes	Yes
	NHH Meters	Yes	Yes	No
	Duration	Up to 24 months	Up to 36 months	Up to 36 months
	Start date	Any	Any	Any
	Volume	0-50GWh	0-50GWh	2-50GWh

\*Fixed at point of contract signing. Can be varied for unforeseen events.

\*\* Contracts over 20GWh may have volume tolerance.

# Fixed + Standard explained

Fixed + Standard is similar to many of the other fixed offerings in the market, which makes comparing our prices easy.

Your wholesale energy costs are fixed at the start of your contract, protecting you from market fluctuations. There is also no volume tolerance as standard.

Non-energy costs are 'fixed at forecast'. Your price includes our forecast view of non-energy costs at the point of signing. In ordinary circumstances this will remain fixed but if an unforeseen event occurs then we may vary your charge.

That's how you benefit from a lower unit price than our all-inclusive Fixed + Peace of Mind contract and while having greater budget certainty than our Fixed + Reflective contract.

## How is Fixed + Standard different from Fixed + Peace of Mind?

We use the same forecast for both our Fixed + Peace of Mind and Fixed + Standard contracts.

Fixed + Peace of Mind is fully fixed apart from when something exceptional happens, like a change in law. We take the risk of variation in non-energy costs for you but this comes at a premium. We will always aim to avoid passing on costs due to exceptional circumstances for customers with Fixed + Peace of Mind contracts.

This is why we have honoured our fixed price commitment for COVID-19 impacts. Fixed + Peace of mind will also stay fixed for Target Charging Review (TCR) changes as well as the impact of the CMP308 modification on BSUoS for contracts signed after 20th July 2020.

Both products have no volume tolerance restriction as standard.

## The advantages of Fixed + Standard

- EDF purchases your wholesale energy when you sign your contract. So if the wholesale energy market rises you will be safe in the knowledge that your energy prices won't change.
- As you take the risk of the costs for unforeseen events occurring during your contract, your unit rate starts lower than our Fixed + Peace of Mind contract where EDF takes all the risk.
- With unlimited volume tolerance as standard you can use energy as you need to without worrying about a surcharge cost for exceeding a volume tolerance threshold.
- You can reduce your carbon emissions from your electricity purchases to zero by choosing one of our low-carbon supply options: Blue for Business and Renewable for Business.

## What to look out for in the Fixed + Standard Terms & Conditions

You should always read your Terms and Conditions before signing a contract. Please refer to provision 9.1 of the specific Standard Terms and Conditions for more information.

## What are Blue for Business and Renewable for Business?

**Blue for Business** guarantees your electricity supply is backed by low-carbon nuclear generation\* for the same price as our standard electricity. Choosing Blue as part of your fixed price contract means you can report zero carbon emissions from your business's electricity purchases and improve your low-carbon credentials without paying a penny more.

Make a positive change to your organisation's sustainability credentials and achieve your environment goals with **Renewable for Business**. For a full range of renewable energy options, including Power Purchase Agreements (PPAs), contact EDF on 0800 328 9030.

## What are third party costs?

Your electricity bill is made up of two main elements; the cost of electricity purchased on the wholesale market, which can be fixed by buying volume at a specific point in time, and third party costs.

These third party costs are related to the delivery of your electricity and investment in future generation. They sit outside your energy supplier's control. In recent years these costs have been rising and also becoming increasingly more difficult to predict.

The following sections briefly explains what these costs cover.

### Third party costs for the delivery of electricity

**Distribution Loss (Dloss)** - These represent the electricity normally lost as heat in conductors and transformers as power runs through the distribution network.

**Distribution Use of System (DUoS) costs** - The costs charged by the distribution network companies for transporting electricity from the transmission system, and some directly connected generators, to customers.

**Transmission Loss (Tloss)** - These represent the electricity normally lost as heat in conductors and transformers as power runs through the transmission network.

**Transmission Network Use of System (TNUoS)** - The costs charged by the transmission network companies for transporting electricity across the transmission system to the distribution networks, directly connected generators and customers.

**Balancing Services Use of System (BSUoS)** - BSUoS allows National Grid to recover the money it spends to balance the electricity system, which it needs to do for every second of the day. This maintains the quality and security of your electricity supply.

**Residual Cashflow Reallocation Cashflow (RCRC)** - RCRC is a debit or credit to all suppliers and generators ensuring that the total imbalance charge, set out by the Balancing and Settlement Code (BSC), is zero across all parties.

**Assistance for Areas with High Electricity Distribution Costs (AAHEDC)** - AAHEDC, previously referred to as the Hydro Levy, is a charge levied on all supply customers to subsidise the cost of distributing electricity in sparsely populated areas of the UK.

**Elexon** - This covers Elexon's costs for administering the wholesale electricity balancing and settlement arrangements and the associated documentation to comply with the Balancing and Settlement Code (BSC) for Great Britain.

### Third party costs for investment in future electricity generation

**Renewables Obligation (RO)** - A charge for supporting commercial scale renewable electricity projects in the UK.

**Feed in Tariff (FITs)** - A charge for the government programme designed to promote the uptake of a range of small-scale renewable and low carbon electricity generation technologies.

**Contracts for Difference (CfD)** - A charge for the government initiative that encourages new investment in low-

carbon generation by providing investors a guaranteed income for the electricity they generate.

**Capacity Market (CM)** - A charge for supporting both generators, who invest and agree to generate electricity, and large users, who agree to reduce electricity consumption, to ensure there is enough capacity at times when demand is high and the network needs it the most.

**Energy Intensive Industries Exemption (EII)** - A cost related to the new 85% exemption from RO and FITs for businesses in energy intensive industries.

### Like to know more?

If you would like more information about this contract, please contact EDF Energy on 0800 328 9012 or email [edfenergybusinesssales@edfenergy.com](mailto:edfenergybusinesssales@edfenergy.com).



[edfenergybusinesssales@edfenergy.com](mailto:edfenergybusinesssales@edfenergy.com)

0800 328 9012

## We're proud to be a low carbon supplier

Every year we must publish details of the fuel sources that have been used to generate the electricity we supply to our customers. The information in the table below covers our supply licence for EDF Energy Customers Ltd for the period from April 2019 to March 2020. Our customers' electricity is sourced from our own UK power stations, the wholesale energy market and other independent power generators. We are a major supporter of independent renewable generators.

	Coal	Gas	Nuclear	Renewable	Other	CO <sup>2</sup> g/kWh	Radioactive waste g/kWh
EDF Energy's fuel mix	3.50%	9.30%	66.60%	20.50%	0.10%	70	0.0047
Contribution to our carbon emissions	49.00%	49.30%	0.00%	0.00%	1.70%		
UK average fuel mix	3.90%	39.40%	16.60%	37.90%	2.20%	198	0.0012

The figures for UK average fuel mix are provided by the Department for Business, Energy & Industrial Strategy (BEIS). Depending on the tariff you are on, the fuel source and carbon emissions associated with the generation of your electricity may vary. For more information on our fuel mix, visit [edfenergy.com/fuelmix](https://edfenergy.com/fuelmix)

EDF Energy's fuel mix per tariff or product	Coal	Gas	Nuclear	Renewable	Other	CO <sup>2</sup> g/kWh	Radioactive waste g/kWh
Blue (1)	0.00%	0.00%	100.0%	0.00%	0.00%	0	0.0070
Renewable (2)	0.00%	0.00%	0.00%	100.0%	0.00%	0	0.0000
All other (3)	9.10%	24.40%	55.30%	10.90%	0.30%	183	0.0039

<sup>(1)</sup> Low Carbon tariffs and products – includes residential tariffs sold since 7th June 2019, Blue+ tariffs and Blue for Business.

<sup>(2)</sup> All renewable tariffs and products (includes EV tariff)

<sup>(3)</sup> All other tariffs and products - tariffs not referred to as Low Carbon or Renewable

The low-carbon electricity that we buy for Residential, Blue or Renewable tariffs and products is supplied into the National Grid. Customers receive that electricity through the National Grid, not directly from low-carbon generators.

## e-factsheet - a better way of working

Why an e-factsheet? At EDF we are committed to using the most sustainable working practices wherever possible and this includes when delivering communications to our customers.

E-factsheets significantly reduce the volume of printed material we need, reducing our carbon footprint.

Our customers appreciate e-factsheets because they offer timely delivery of easy to access information in an ideal format for the modern screen based working environment.

**[edfenergy.com/largebusiness](https://www.edfenergy.com/largebusiness)**

To view our fuel mix visit [edfenergy.com/fuel-mix](https://www.edfenergy.com/fuel-mix)

EDF Energy Customers Ltd with registered number 2228297. EDF Energy 1 Limited with registered number 3986835.  
Registered offices at 90 Whitfield Street, London, W1T 4EZ Incorporated in England and Wales. EDF Energy 1 Limited acts as agent of EDF Energy Customers Ltd for the purposes of collecting all payments in connection with its supply contracts. The responsibility for performance of supply obligations rests with EDF Energy Customers Ltd.

