

# Introducing Lumina Flex

**The brand-new flexible energy  
purchasing solution for your business**

# Your energy, more flexibility

**There is now a way for your business to have more choice when it comes to energy purchasing by partnering with experts who monitor market conditions and help you take advantage of price fluctuations.**

**Lumina Flex** is our in-house flexible energy purchasing solution that's been specifically created for our business customers.

**Now there is a better way of buying energy with Lumina Flex!** Typically flexible buying in the energy market only caters for larger businesses; however our unique Lumina Flex product makes flexible energy purchasing available to businesses of all sizes. Lumina Flex will enable you to manage and reduce your energy costs more effectively.

## **What is Flexible energy buying?**

Put simply, it's taking your annual energy usage and buying it at various times across the year at optimal times to ensure the best possible price for your energy contract, compared with buying all your energy at once with a fixed price. We take all the market conditions and forecasts into account to buy your energy at the right times and often this will enable us to deliver a better overall price in a rapidly changing energy market.

This flexible buying approach is often restricted to businesses with large usage or multiple locations – whereas **Lumina Flex** is different. We group energy volumes from customers of all shapes and sizes together into a 'basket' to maximise value and get the best terms from suppliers. Having a basket means we can make a larger number of trades on the combined volumes rather than for individual customers.

## The Benefits of Flexible Procurement Compared to Fixed Contracts

Many businesses felt the pain of renewing their Fixed price contract during the energy market crisis in 2022. Let's take a look at how **Lumina Flex** compares with a Fixed price.

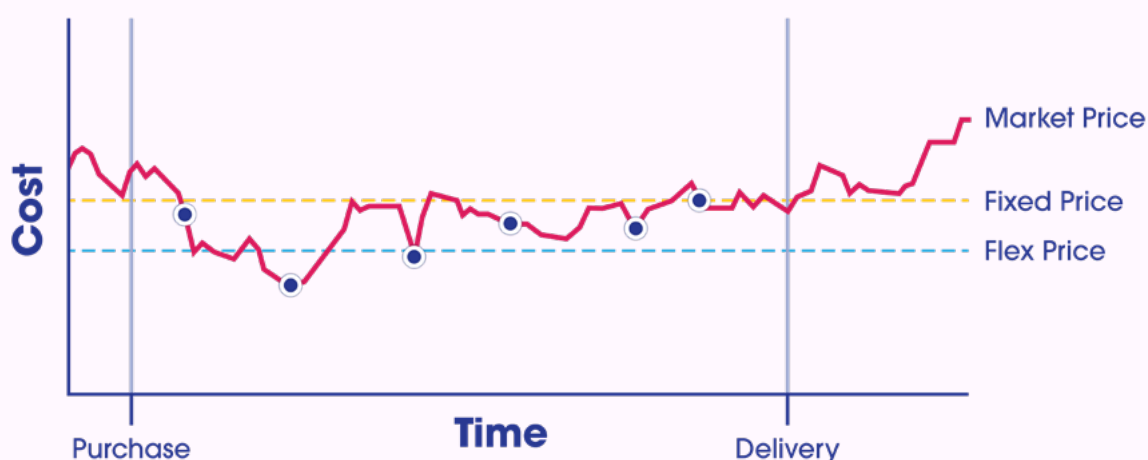
### Fixed

- Shorter buying window - most customers renew up to 6 months before their contract ends
- You buy all your energy in one go
- Risk of securing Fixed prices during market spikes
- Risk of missing out on lower market prices
- Volume tolerance levels apply to your usage alone

### Flexible

- Longer Term Buying Window – flexible purchasing can begin from 24 months in advance
- Increased Market Opportunity
- Avoid market spikes
- Take advantage of market lows
- Benefits of a group Basket
- Lower Supplier Management Fees
- Greater Volume Tolerance protection in a group basket

### Lumina Flex Framework



## How Lumina Flex works

### You spoke, we listened

After many conversations with our customers about the challenges of high energy prices in recent years, we wanted to create our own energy product to help businesses to take advantage of flexible energy purchasing and access more opportunities in the energy market.

### Here's how it works step by step:

#### 1. Understanding Your Energy Needs:

We will work with you to understand your energy needs, this will involve collating and verifying your energy data to understand your usage trends, including peak time usage, so we can manage your energy purchasing effectively.

#### 2. Hand over to our Expert Traders:

Our team will look after all the trading on behalf of our customers. They use data from the basket, including usage pattern, and leading market intelligence to decide when to buy energy. This includes monitoring market pricing, forecasts and factors such as weather, gas storage figures and European gas and electricity plant maintenance schedules.

#### 3. We will manage market risk:

Our team will focus on managing market risk for the basket by spreading the trades rather than purchasing energy in one go. We will begin buying energy flexibly up to 24 months in advance of the supply start date. This means we are monitoring markets to try and maximise opportunities with falling prices and avoiding risk with market spikes and increases.

#### Flexible buying with budget certainty:

Did you know currently that on average for electricity only 50% of your price is made up of the energy commodity purchased from the wholesale market? The remaining 50% are non-commodity costs relating to mandated and regulated charges. To find the right balance of cost certainty and flexible buying in the market, **Lumina Flex** enables you to fix out the non-commodity cost for your full contract term. We then manage the commodity costs via flexible buying in 6-monthly seasonal periods, which helps maximise market opportunity and provides two access points to join the contract each year.

#### 4. Enhanced Volume Tolerance Protection:

All energy contracts include volume tolerance risk and suppliers can apply charges if your usages is under or over a volume tolerance threshold (typically +/- 10%). With our basket you have greater protection as the volume tolerance applies against the group basket volume. This is the only element of the billed energy price that may vary – however as we take time understanding your energy needs and verifying usages this will minimise the possibility of this happening.

### Data at your fingertips

We know how important it is to stay on top of everything, which is why with **Lumina Flex** you will also be given access to your own Lumina Energy Customer portal. Here you will be able to view meter, site and pricing data. This includes, where available, giving you access to usage data to help you understand and control your energy usage and costs.

## Why consider a Flexible strategy for your business?

### Access to Experts:

Our team monitor energy markets closely, using market leading systems, to ensure energy purchases are made at the right time.

### Risk Management:

Managing risk is a crucial aspect of flexible energy procurement and **Lumina Flex** assesses these risks and acts on your behalf, taking into consideration energy price fluctuations, regulatory changes, and supply disruptions.

### More Opportunities:

By offering an extended purchase window this means there are more buying opportunities available compared to more short-term strategies or a Fixed price contract where all energy is purchased in one go. Our analysis shows that over the past three years on average the pricing for Flexible contracts outperforms the average Fixed price contract by 6% and outperformed the market highs during the 2022 energy crisis by up to 80%.

### Budget Certainty:

Flexible buying comes in various strategies, we've deliberately designed **Lumina Flex** so that the 100% of the energy (the commodity) is purchased before each price period, and that non commodity costs are fixed, meaning our customers have greater budget certainty.

### Renewable Energy:

If your business is looking to incorporate renewable energy sources, such as solar or wind power, into your flexible purchasing contract there are options available for both green electricity and gas.





## Your Experts

At Lumina Energy, we're more than just an energy consultancy. We're your trusted partners on the journey to a brighter, more energy-efficient future. Our story is one of dedication, expertise, and unwavering commitment to your business.

Established in 2012, Lumina Energy has been a guiding light for businesses in navigating the ever-changing energy landscape. With a decade of experience, we've not only witnessed the industry evolve; we've ensured that our customers have the information and support they need when it comes to their business energy.

## Why do we do what we do?

It's simple. We believe in empowering businesses like yours. Your success is our success, and your energy journey is our passion. Our mission is clear: **to help UK businesses manage their energy more efficiently and effectively for a brighter future.**

Behind our mission stands a team of energy experts, ready to serve you. Our in-house procurement team is your dedicated ally in the complex world of energy purchasing. We're not just about making deals; we're about making the right deals for you. Our experts meticulously analyse your needs, staying ahead of market trends, and ensuring you receive the best energy solutions tailored to your business.

Transparency, honesty, and top-notch service are the cornerstones of our approach. We respect the relationships we build with our customers and are committed to maintaining customer retention and loyalty. We're not just here to make a sale; we're here to make your journey smoother and your business more efficient.

**So, let's embark on this energy-saving and energy-efficient voyage together.**

## Ready to Flex your energy?

If you're interested in finding out more about **Lumina Flex** and how it would work for your business, please contact our team and quote **FLEX** and we'll be happy to answer any questions and discuss the finer details of how our brand-new energy product works.