

## Letting you focus on your business

Your business is important. Planning your energy purchasing strategically allows you to meet more of your business goals, whatever they may be. Energy costs are a large expense to your business. It makes sense to consider how and where you spend money. Partnering with Patriot Energy Group provides you with the overall resources to manage your energy spend and to mitigate energy risk allowing you to focus on your business.

## Offerings that work for you and your organization

We offer you solutions to support your personal preferences, whether you are comfortable with price risk, want to hedge your future energy purchases or prefer guaranteed budget stability. Our strategies offer varying degrees of risk tolerance. Nation-wide coverage with localized regional support allows you to consolidate and easily manage your energy procurement at different locations.

## The Power of Choice

At Patriot Energy Group you will find unique offerings designed to meet the needs of different types of clients and organizations. We were founded over ten years ago to give clients guidance on their choices around how and when they purchased energy. With the many suppliers that we work with, we are able to deliver unique offerings and competitive programs to fit changing market, environment and budgetary needs.

## Expertise and client-side orientation

Acting as your advocate, we partner with you to execute your energy purchasing strategy. Our energy procurement expertise takes the guesswork out of this process. We educate and enable you to make decisions that are right for your company. With Patriot Energy, you have the comfort of partnering with an industry leader with experience in sourcing and negotiating energy programs for our clients.

## Ongoing support

You will experience a high level of client care with one point of contact, simplifying your energy procurement. We take the time to ask questions and listen to your needs in order to develop the energy strategy that best meets your business goals. We remain vigilant as we follow the constantly changing energy markets. We will reach out to help you take advantage of new energy procurement strategies when they present themselves.

Expertise	Transparency	Reliability	Flexibility	Client Care	Advocacy
Gain insight into which energy options fit your goals and preferences	Explore clearly defined energy products that fit your usage and risk profile	Obtain information and responses quickly. Strategies & opportunities delivered in a timely manner	Hybrid products and hedges help you to ride out market fluctuations	Interact with accessible, knowledgeable professionals focused on your client experience	Receive ongoing analysis and guidance to set future purchasing strategies
<b>CLIENT NEEDS</b>					

# Product Suite

## Which strategy works for you?

As one of your largest expenses, energy is an integral part of your business. Patriot Energy Group secures energy hedges for our clients. Hedging is a method used to guard and protect against unexpected and/or seasonal rises in the price of electricity and natural gas. Clients choose a strategy (one of our hedging products) to reduce the risk of future undesirable price situations. Our approach seeks to reduce or counteract the probability of loss from commodity price fluctuations. A more highly hedged strategy is best employed when clients are uncomfortable with potential market fluctuations.

At Patriot Energy we have a wide variety of offerings that generally fit into the following categories:

**Fixed** When budget stability is your paramount focus, our fully hedged products will provide you with the certainty you need to allocate funds within your business.

**Hybrid** These products are designed to mitigate some of the risks associated with both fixed and index buying. Clients will have the ability to hedge a percentage of their energy at a fixed price and buy the remaining portion on an hourly index (Philadelphia) or by allocating their load in fixed price or index strategy on a seasonal basis (Franklin).

**Index** When energy markets are declining and you have the ability to be a bit more aggressive with your purchasing strategy, or if you are comfortable with swings in price, or your usage patterns are typically in off-peak seasons or times, an Index product could be a great fit.

**Aggregation** Combining customer usage profiles allows for more efficient purchasing. Patriot Energy has developed products that will allow you to hedge your purchasing with similar energy consumers. By joining one of these groups, clients can take advantage of buying in bulk with an elite group of buyers.

## Electricity Strategies

 Green Energy Options Available

### Freedom Plan Fixed Strategy

The Freedom Plan provides a fixed price for a given volume of electricity usage over a selected term and enables clients to predict their future costs.

### Bunker Hill Portfolio Plan Winter Power Hedging

The Bunker Hill Portfolio Plan uses aggregation as a means to secure the best possible hedge for its client's winter power, thus offering protection from high winter energy costs.

### Hancock Portfolio Plan Seasonal Peak Power Hedging

The Hancock Portfolio uses aggregation as a means to secure the best possible hedge for its client's summer and winter peak power, thus offering protection from seasonal energy spikes.

### Independence Plan Variable Strategy

The Independence Plan allows clients to purchase their hourly electricity at prices derived from the ISO exchanges creating an opportunity for clients to avoid credit and risk premiums associated with fixed-rate strategies.

### Liberty Plan Hybrid Strategy

The Liberty Plan is designed to take advantage of the powers of aggregation and seasonality, assembling a select group of buyers to participate in an aggregated hedge during seasons that typically have lower prices.

### Patriot Plan Structured Strategy

The Patriot Plan capitalizes on the benefits of market-based, wholesale hourly index-based pricing, combined with calendar month billing, electricity is purchased in a method similar to that used by wholesale suppliers.

### Philadelphia Plan Managed Strategy

The Philadelphia Plan is a blended electricity portfolio (of fixed and index products) designed to mitigate the risk associated with either a fully hedged or a fully indexed product.

## Natural Gas Strategies

### Freedom Plan Fixed Strategy

The Freedom Plan provides a fixed price for a given volume of natural gas usage over a selected term and enables clients to predict their future costs.

### Franklin Plan Hybrid Strategy

Seasonal natural gas users can benefit from our Franklin Plan by hedging only their winter usage and utilizing a variable, market-based strategy in the typically lower priced summer months.

### Independence Plan Variable Strategy

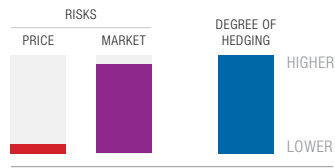
The Independence Plan allows clients to purchase their natural gas at prices derived from the NYMEX and Gas Daily exchanges, creating an opportunity for clients to avoid credit and risk premiums associated with fixed-rate strategies.



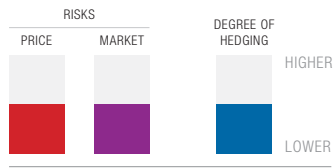
# Hedging Risk

Patriot offers a variety of products to offset risk and to minimize expenses. Review the options below to help you choose a product:

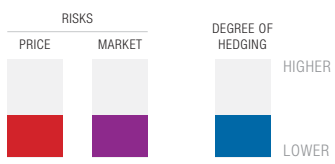
## Electricity Strategies



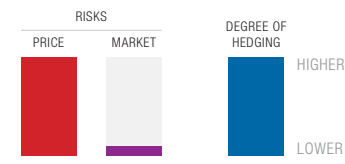
Freedom Plan



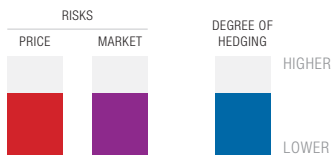
Liberty Plan



Bunker Hill Portfolio Plan



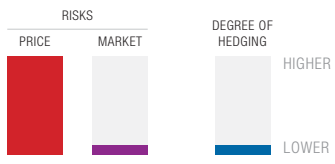
Patriot Plan



Hancock Portfolio Plan

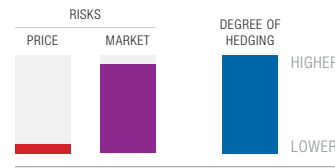


Philadelphia Plan

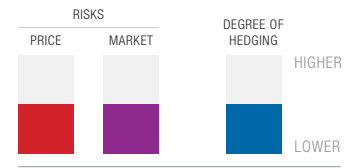


Independence Plan

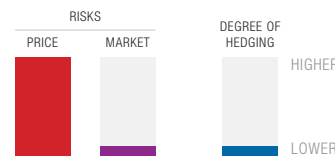
## Natural Gas Strategies



Freedom Plan



Franklin Plan



Independence Plan

- Price Risk:** The degree of price fluctuation a client can tolerate
- Market Risk:** The risk of the client's retail rate exceeding the overall average Day Ahead Locational Marginal Price from the Regional Transmission Organizations (RTOs) and Independent System Operators (ISOs)
- Degree of Hedging:** Hedging is a strategy used to guard and protect against unexpected and/or seasonal rises in the price of electricity and natural gas

## Volumetric Risk



Volumetric risk is the risk related to the fluctuation of the amount of energy a company actually uses compared to their expected historical usage. When a client's actual consumption falls outside of their expected historical usage the supplier may charge an additional cost as a result of the difference.



# Things to Consider

There are many different components that make up the cost of energy some can be fixed into the competitive supply rate or passed through. Below are some of the components and how they can affect you along with additional concepts to keep in mind.

## Cost Components

These components may either be passed through or included in the supply rate, allowing clients to further vary the degree of risk tolerance they are comfortable with.

**Ancillary Services:** Small when broken down by line item, as a collective group they have a large impact

**Administrative:** Supports supplier day to day operations, billing platform, customer service, and broker fees

**Capacity:** Having a high capacity tag can in some instances negatively impact pricing

**Line Loss:** Charges for energy loss which occurs when electricity flows across lines

**Renewables:** Businesses conscious of their overall energy impact on the environment this is especially important

**RMR:** Facilities that are necessary in order to maintain the reliability of the power systems

**LFR:** Utility charges assessed based on the geographical location of a business in a utility

**NITS:** Based on upgrades to the PJM ISO system which has a significant impact within the utilities' service territories

**Taxes:** Paid by both electric distribution companies and electric generation suppliers (not in all States)

## Contract Provisions

**Band:** How consistent your usage is can drastically affect your price

**MAC:** Protects the supplier in case the client's usage deviates

## Additional Risks

**Credit Risk:** The higher the credit risk, the higher the rate potentially will be of the competitive supply customer

**Regulatory Risk:** Changes in laws or regulations made by the government or a regulatory body can increase energy costs

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