



# How the Reverse Auction Process Works



## Review your Requirements, Assess Options and Pre-Qualify for Auction

Basic billing information acquired from a recent electricity bill is reviewed to ensure your energy contract is suited to an online reverse auction, which is generally for clients investing more than \$25,000 per annum on electricity.



## Build Energy Contract Specifications for Strategic Buying

We then gather the necessary information with your permission to build a specification for your site. Energy Action understands the energy retailer's approach to their pricing, trading terms and strategic buying patterns. We know that they are able to offer sharper pricing when they can manage risk through "known load profiles", which are developed as part of building the site specifications.



## Set Auction Date and Invite Energy Retailers

Next we work with your business to negotiate a suitable auction date and distribute your site specifications to all energy retailers inviting them to participate in your auction. Prior to your auction, energy retailers will have logged in and begun building their "bids", with some energy retailers registering their interest to participate.



## Auction Commences

The Australian Energy Exchange auctions are scheduled to run initially for 10 minutes. Energy retailers begin bidding, with bids received in the final 3 minutes triggering a 5 minute extension, ensuring all energy retailers have adequate time to prepare counter bids. You are able to view your auction live through the Australian Energy Exchange online platform to see the progress of the auction. With all energy retailers invited to bid, maximum price tension is created around your energy requirements, so you can expect a competitive outcome as a result of the reverse auction.



## Auction Closed and Reports Developed

Once the auction has closed, the Energy Action team produce your detailed comparison reports, which are designed to help you understand and compare the bids relative to your requirements and make the most informed decision to select the best suited energy retailer and contract.



## Selecting your Energy Retailer and Signing Contracts

The option of choosing an energy retailer lies with you. Our detailed reports on the energy retailers provide all the relevant pricing & commercial information to make your choice. In most cases, there is a limited validity period on the contracts, which may mean sharper pricing, so having this information means you can act quickly. Once you choose an energy retailer, Energy Action facilitates the transfer of your contract to the energy retailer of your choice. Note only when the contract is executed by both parties is the offer binding.

Make a good decision

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