

Natural Gas Procurement

Athens Housing Authority utilizes OMNIA Partners to reduce natural gas costs 15% and increase procurement efficiency



Athens Housing Authority, with more than 1000 residences, saves 15% on its annual natural gas costs.

Services Provided

- Market Research & Intelligence
- Strategic Risk Management
- Supply Management & Procurement: Natural Gas

When the Athens Housing Authority needed help procuring natural gas in a complex, volatile energy market, we turned to OMNIA Partners and Tradition Energy. Their expert knowledge of market trends and well-informed guidance gave us the help we needed to make a smart purchasing decision....and all done in complete compliance with HUD procurement regulations. Easy, fast and cost-effective...we highly recommend taking the time to talk to Tradition Energy!

-Jody Daniels, Procurement Manager

Opportunity

- Athens Housing Authority in Georgia was paying an average of \$300,000 annually in natural gas costs to fuel over 1000 residences.
- Since the natural gas deregulation of 1998, the Athens Housing Authority self-managed their natural gas procurement using a competitive bid award process. This effort always outperformed the general pricing market resulting in considerable savings to the Authority.
- With the ever-changing complexity and volatility of the energy industry and a desire to remain informed and fiscally responsible, the Authority was interested in learning about Tradition Energy's services that are available through the OMNIA Partners, Public Sector, cooperative agreement and the potential to further reduce their natural gas costs.

Approach

- Tradition Energy and OMNIA Partners, Public Sector, explained the benefits of utilizing Tradition's publicly awarded cooperative contract to the Authority, including that it met all required HUD contracting rules.
- Tradition Energy's advisor worked with the Athens Housing Authority to evaluate their historical procurement practices and identify new opportunities to improve supplier competition and procurement timing.
- A natural gas procurement strategy was developed based on Tradition's Regional Market Outlook, the Authority's procurement goals and risk tolerance and Tradition's proprietary wholesale market pricing research.

Results

- Tradition's procurement strategy, access to all local vetted natural gas suppliers and procurement timing recommendation **resulted in a 15% reduction in the Athens Housing Authority's natural gas costs each year** and **over \$191,000 in savings** projected over the 5-year contract term.
- Additionally, the partnership removed the burden and internal cost of self-managing a highly complex, financially critical procurement process in complete compliance with HUD regulations.

New ideas. Better communities.



For more information on Tradition Energy's Comprehensive Energy Consulting and Management Services cooperative contract #2018-017, visit <https://www.omniapartners.com/publicsector/suppliers/tradition-energy/overview>