ALLEGHENY TECHNOLOGIES INCORPORATED (ATI)

Contract Details

**Contract Type:** Electric Supply Procurement; Natural Gas Procurement; Energy Price Risk Management; Rate Optimization; Bill Administration

Facility Size:
- More than 100 buildings
- Over 1 million sq. feet

Summary

ATI is one of the largest and most diversified producers of specialty metals in the world. ATI needed to aggressively manage their energy expenditures – on both the supply side and the demand side. Ameresco was selected after a competitive bid process.

Customer Benefits

Allegheny Technologies Incorporated (ATI) has benefited by lower utility, transportation, and energy costs, reduced price risk and lower General and Administrative expenses. As a result of this relationship, ATI has reinvested significant annual savings back into process and infrastructure improvements. As an additional benefit, Ameresco worked with ATI to manage power usage during peak periods resulting in the receipt of significant load response payments while simultaneously reducing annual demand costs.

Accolades

“As a result of Ameresco’s efforts, ATI has saved millions of dollars in energy expenses, helping us to remain a global leader in the specialty alloy metals business.”

- Eric Larson, Corporate Energy Manager
  ATI

Services Provided

Ameresco was responsible for the development and execution of an energy cost optimization plan for ATI. Through the plan, ATI also sought to coordinate accounting, strategic procurement, and price risk management efforts. The plan integrates five strategic management efforts, and Ameresco’s experts apply them to over 400 utility accounts for facilities located in every region of the United States.

Ameresco manages an electric portfolio representing millions of dollars per month. Core deliverables include strategic planning to leverage the competitive market for power, supplier competitive bidding, contract structure and negotiations, as well as power/demand cost-management.

Ameresco manages a gas supply portfolio representing millions of dollars per month in gas expenditures for ATI. The core deliverables associated with...
About ATI
ATI is a specialty metals company with operations, service centers and sales offices located worldwide. Its products include titanium and titanium alloys, nickel–based alloys and superalloys, grain-oriented electrical steel, stainless and specialty steels, zirconium, hafnium, niobium, tungsten materials, forgings, castings, and fabrication and machining capabilities.

Learn more at www.atimetals.com.

About Ameresco
Ameresco, Inc. (NYSE:AMRC) is one of the leading energy efficiency and renewable energy services providers. Our energy experts deliver long-term customer value, environmental stewardship, and sustainability through energy efficiency services, alternative energy, supply management, and innovative facility renewal all with practical financial solutions. Ameresco and its predecessors have constructed billions in projects throughout North America.

For more information about Ameresco and our full-range of energy efficiency and renewable energy solutions, please visit www.ameresco.com.

Services Provided (cont.)
Ameresco’s service include strategic planning for load growth and contraction at specific sites, creating and leveraging competitive fuel alternatives, supplier competitive bidding, contract structuring and negotiations.

To limit their exposure to commodity market volatility, ATI maintains a multi-year planning horizon consistent with their corporate risk management plan and employs a number of price risk management tools including the purchase of NYMEX swaps to reduce energy market volatility. Ameresco evaluates market conditions and regularly provides insight and risk mitigation recommendations to ATI.

Ameresco has identified, recommended, and implemented a number of rate optimization savings opportunities for ATI. Among these is a demand response program with a regional transmission organization that has provided ATI with several million dollars in power expenditure savings.

The program requires daily operations monitoring, energy load planning, and communications which Ameresco conducts on ATI’s behalf. Ameresco identified another opportunity involving an electric service class/rate switch and implemented the switch, which has netted ATI thousands of dollars in savings. ATI has benefitted by knowing that a team of experts has conducted a detailed analysis designed to ensure that all sites are optimally positioned within each utility’s tariff menu.

Ameresco receives, processes, and validates all of ATI’s energy bills before payment; the results have been significant. Through the validation process, Ameresco has identified, captured, and corrected significant billing errors during the term of our contract. Ameresco also provides ATI with sales tax exemption coordination, water and sewage bill management, utility account set-up, emergency notice services and audit assistance.