**Medium term locked product**

The medium term locked product procurement strategy is to start buying energy 12 months before the start of delivery. Purchasing will stop up to 2 months in advance of delivery to provide a fully-built up price well ahead of delivery.

**Key product features**

- Trading will take place over a maximum of 10 months and will conclude at least 2 months prior to delivery.
- Traders enter the market multiple times during this period.
- Prices will be known before the first delivery month begins.
- Once all volume has been bought, your price will be set for the entire delivery year.
- Price Cap in place to protect budgets.

**Product benefits**

- CCS has a longer period to buy your requirements (compared to our shorter-term product), giving greater opportunities to accelerate purchasing when prices are low and decelerate when prices are high (potentially avoiding short term shocks).
- Receive your prices well in advance of the delivery period, helping with budget setting.
- Provides price certainty before the delivery period begins.
- All customer volumes are aggregated together, allowing more buying opportunities across the window to smooth out market volatility.
- Suppliers will be tasked with adding non-commodity costs without including risk premiums.
- Customers avoid any volatile changes in market prices during the delivery period.
- A sell-back facility allows traders to improve your price.
- Fully risk managed product - a price cap is applied at the start of the purchasing period, meaning budgets are protected. CCS also employ a host of additional controls and measures to monitor and manage volatility.

**Who should choose this product?**

This product is right for you if you want to receive a fixed price earlier in order to help you manage your budget in advance of the delivery year.

**How is this product different to existing CCS products?**

- Purchasing stops in advance of delivery to allow suppliers to create invoice rates, so you’ll know what you’re paying before you start using.
- Slightly longer purchase window than our standard short term locked product, hopefully smoothing out year on year volatility.
- Slightly longer customer commitment required compared with short term locked product, from 6 months to 12 months.

**How does this product work?**

1. Purchasing begins
2. Delivery begins
3. Purchasing ends
4. Delivery year ends