

# Case Study: Utility Achieves Impressive Savings with Chemicals Auction

*Using an online auction hosted by Pantellos Dynamic Services, FirstEnergy achieved savings ranging from 16 percent to 40 percent on three categories of chemicals used in company operations.*



## Opportunity

Recognizing the potential cost savings and efficiency gains available through online auctions, the Supply Chain Department at First Energy began actively investigating auction opportunities. Together with Pantellos, sourcing specialists within the company conducted external research and discussions with the business units to identify suitable commodities. The teams identified the chemicals category—including caustic soda, sulfuric acid and bleach—as a prime auction candidate.

## Solution

After researching the market and evaluating the amount of chemicals needed, FirstEnergy chose a Pantellos Dynamic Services auction to procure caustic soda, sulfuric acid and bleach. The Pantellos Dynamic Services team provided support throughout the process, initially conducting market analysis, developing RFQs using Pantellos RFX services, assisting in the selection of participating bidders, and finally, conducting the auction event.

## Results

Savings for FirstEnergy ranged from 16 percent to more than 40 percent on the various chemicals. Such significant savings help deliver measurable earnings per share—an important gauge of success in the energy marketplace.

## Service Overview

*Pantellos Dynamic Services is an electronic sourcing service that uses online auctions to provide the best possible market prices and reduce procurement cycle times. Auction participants have reported an average savings of approximately 20 percent with a ROI of 30 to 1.*

### For More Information:

Pantellos Support Center:  
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