



# The Smart Energy Opportunity Breakout Session









# Energy Local and demand shifting

# Dr Mary Gillie









## Energy Local – a quick recap

#### **Our Vision**

Energy Local's aim is to help 1000s of communities to get more value from renewable generation by using it locally.

By sharing local generation we can

- reduce electricity bills
- tackle fuel poverty,
- give local renewables a fair price for their power.
- keep financial benefit local to build stronger, fairer, more resilient communities.

#### **Energy Local**

Works with existing organisations as much as possible.

#### The problem

- If local generation is not used on site when generated, it is sold at~5p/kWh and neighbours buy it back at over twice the price.
- Domestic customers are not rewarded for matching local power or using power at cheaper times of day.
- Reduces income to local economy.
- Renewables are not as viable.









## Energy Local – by way of an example

- Ynni Ogwen (Ogwen Energy) raised funds for their community-owned hydro.
- They lose out with the status quo selling at 5-6p/kWh, buying at ~12p/kwh
- With Energy Local, households and the hydro form an Energy Local Club.
- Club members show the amount of power they use when the hydro is generating with a HH meter.
- Members agree the price for the hydro they use when it is generating, e.g. 7p/kWh.
- Households get cheaper power and the hydro receives more money.













#### Win for local groups

- Greater income for renewables potentially 30% uplift.
- Economic multiplier, Reduce bills 10-30%
- Everyone can be involved, not just share holders.
- Route to engagement not big brother.

#### Win for suppliers

- smoothing local curve, reduce the risk of imbalance
- low cost of sale,
- new relationship with customers

#### Win for DNOs

- A framework to encourage local balancing to optimise the network.
- Potential for new Use of system charges
   Benefits BOTH consumers and local generation.







## Energy Local – end to end trial

- Recruited 100 participants
- Switched to Coop Energy and formed an Energy Local Club.
- Fitted 'advanced meters'.
- Now have 80+ on the Energy Local tariff matching with the hydro output
- Created an 'Energy Dashboard' cydynni.org.uk
- Formed Energy Local CIC
- · Savings are seen in the bills!
- Need to get to a 'cookie cutter' process well a rubbery one.







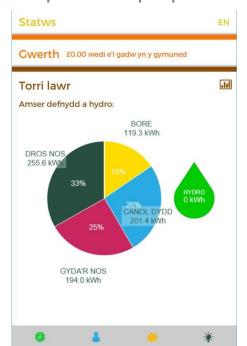


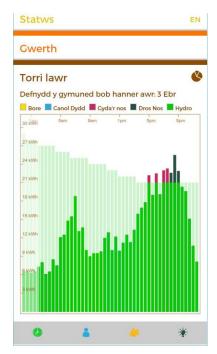




## The 'energy dashboard' - on a phone/laptop – somewhere useful!







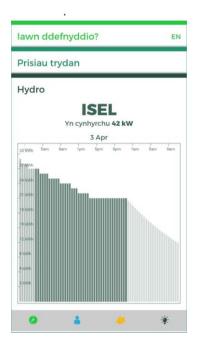






## The 'energy dashboard'







www.cydynni.org.uk









## Why demand shift?

- Balancing the local network reduces congestion increases capacity to connect generation.
- Smooths the demand curves and reduces inbalance nationally – helps renewables and reduces costs.
- With Energy Local it gives price incentive and retains income locally.
- Need advanced meters to get all the benefit.







## How to engage

- Local benefits and community working together are the greatest incentives.
- Comfy place to learn together
- Not 'big brother' household remain in control
- Local projects have much greater impact than a national supplier or similar promoting demand shifting.
- You have to take time......
- More work needed to finesse information, billing, 'how you are doing?'

## EL club is an exciting new way of working









#### Community Benefit and motivation

- Motivations are varied but generally in this order
  - community,
  - climate change,
  - intrigued.
  - savings on bills,
- Many people are interested in how electricity is generated and used their own community is a comfy place to learn.
- ullet Vehicle for other work e.g. energy efficiency, finding those who should be on the priority services register.
- Getting to know each other inclusion is a big win.
- · Empowering people to speak, get new skills
- Economic multiplier, cutting costs with clusters of generators, local jobs as well as purely cutting bills



Not big brother -

householders

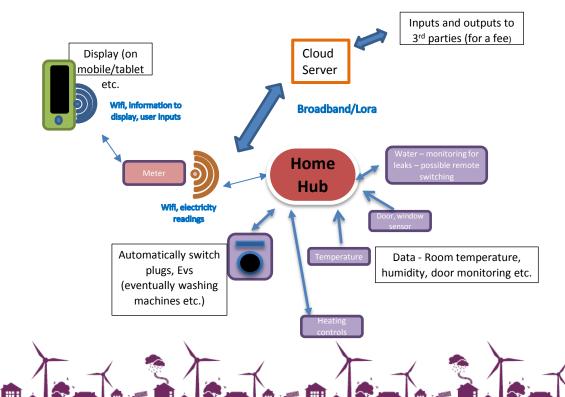
remain in control

of scheduling





#### The Home Hub – next step for demand shifting









## Where we want to go

1000s of Energy Local clubs saving money, supporting local economy with viable renewables

A network of 'facilitators' supporting the clubs in their region.

Knowledge sharing and tool kit to make the process easy

Network operators working with Energy Local Clubs to optimise the network and develop a smart grid

Supplier developing new tariffs and services to harness flexibility and demand side management for a low carbon energy system

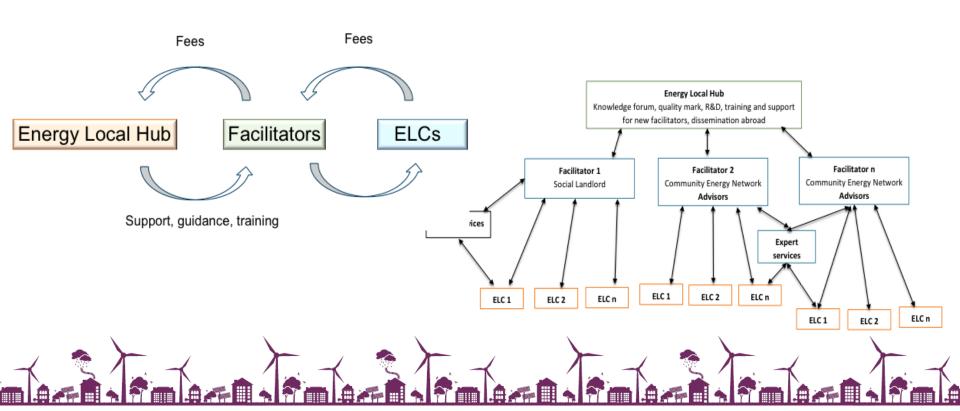








### Roll out framework - Roles and Responsibilities









# For more information

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## **Powering Together**



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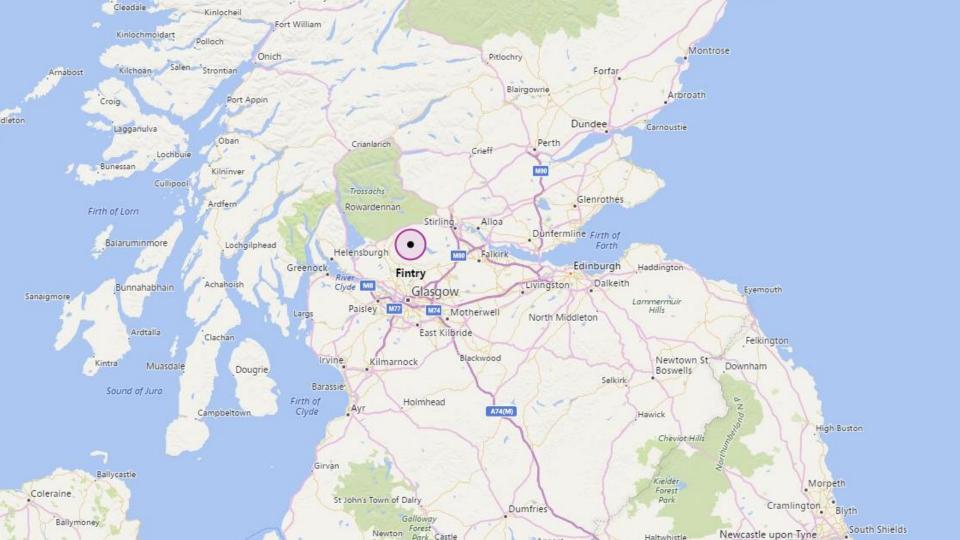




# **SMART Fintry**

Gordon Cowtan
Fintry Development Trust













# Fintry Development Trust

- FDT Background
  - Been in existence for over 10 years
  - Shared ownership at Earlsburn windfarm
  - Variety of projects
  - Long held aspiration to supply electricity







## **SMART Fintry**

- Match local electricity supply with demand to create a local energy economy
- Reduce electricity costs to end users by addressing UK market charges and mitigating peak demand
- Reduce the local carbon impact of the Fintry community
- Produce a blueprint and policy guidance for other similar community projects in the UK









# **SMART Fintry Structure**

Partners











Two-year Local Energy Challenge Fund project













## Progress to Date

#### Year 1

- Initial meeting with Ofgem
- SMART Fintry Local Tariff has been launched
- Local generators have now joined the project and are supplying Fintry with 100% renewable electricity
- Each end user has a smart meter installed
- Network communications creating a virtual link between producers and consumers enabling the transfer of generation and demand data

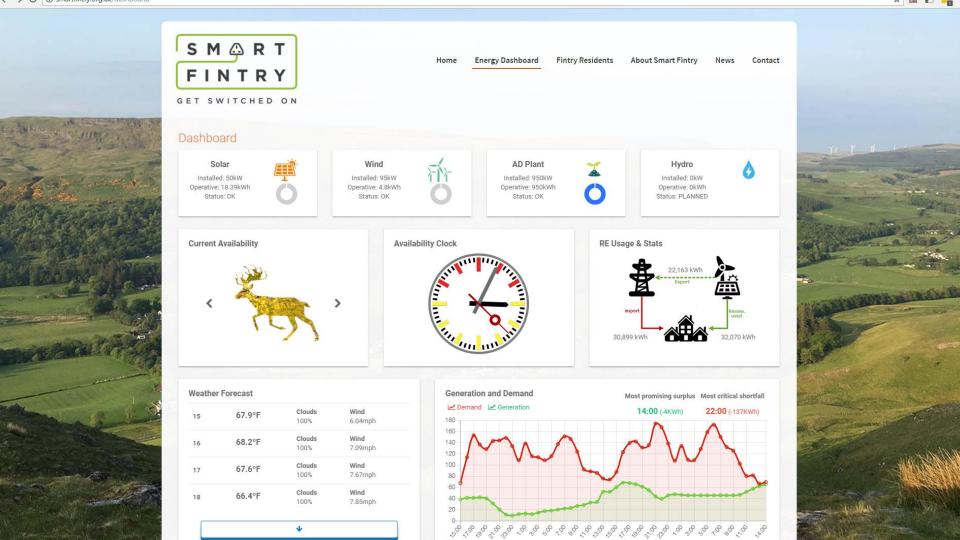






## Plans – Year 2

- Over 100 homes have now signed up
- Replicability very important
- Four innovation areas -
  - Community Capacity
  - Active Energy Customers
  - Regulatory Changes
  - Demand Side Response
- Create a report outlining policy guidance for future UK projects









# For more information

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# Q&A





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