

NAVIGATING THE NET ZERO ENERGY TRANSITION AND WHAT IT MEANS FOR YOUR BUSINESS

PART 2: TAKE CONTROL OF YOUR ENERGY, NOW



TABLE OF CONTENTS

Navigating a changing energy landscape	1
What's happening within the energy industry	2
Adopt a new energy mindset	3
Supercharge your energy transition with good quality data	4
Take a different approach to electricity procurement	6
Talk to your electricity supplier	6
Consider optimisation technologies	8
Take the next step	10

NAVIGATING A CHANGING ENERGY LANDSCAPE



Over the past year, businesses have faced a variety of acute and immediate challenges as a result of high energy costs and a volatile market. This has inevitably drawn their focus away from sustainability and, understandably, many businesses may be struggling to balance long- and short-term priorities. However, we believe that both the energy and climate crises can be tackled together - there are actions businesses can take right now that will also positively contribute towards long-term goals.

These practical actions will help businesses in both navigating the current situation and accelerating their own sustainability journeys. By **adopting a new mindset**, you can develop the habit of considering not just the amount of energy you use, but when and how you use it.

Making use of good quality data is something that can supercharge your energy transition – and in most cases, can be done with the equipment and assets you already use. Having the right **conversations with your energy supplier**, about your next contract and identifying inefficiencies can put you ahead. We also recommend considering taking a **different approach to electricity procurement**, in times of uncertainty taking the “usual” route may not be the best way. Additionally, it’s worth knowing that your sustainability transition doesn’t need to be a huge upheaval of machines or retraining of staff – your energy-using equipment can be **optimised** to give you better insight into your consumption.

All this is achievable with the right partner – and there are more actions you can take than you might think to confidently take control of your energy, now.





WHAT'S HAPPENING WITHIN THE ENERGY INDUSTRY?

Wholesale energy prices have increased, largely driven by rising gas prices and uncertainty around its supply. Originally, the UK's energy system was designed around the use of fossil fuels, such as gas and coal, to generate electricity. This model placed greater reliance on international energy markets, leaving us susceptible to the impacts of geopolitical and economic events. For example, Russia's invasion into the Ukraine caused gas prices to soar and, when coupled with potential electricity shortages across Europe, drove up electricity prices in the UK.

But **an energy transition is taking place**. We are moving away from a dependence on fossil fuels across heating, transport, and energy use in buildings and industry, towards a net zero emissions future powered by renewable alternatives. At Bryt Energy, we believe the energy transition will be filled with new opportunities, and our vision is an energy sector in which consumers are empowered to actively engage with, support and benefit from this sustainable system.

Read on to discover 4 ways your business can take control of its energy right now, navigate the current landscape and become future-ready.



“ENERGY SECURITY IS A POWERFUL DRIVER FOR A LOW CARBON EMISSIONS SCENARIO¹”.



1. ADOPT A NEW ENERGY MINDSET

In order to support this transition and achieve the UK's target of reaching net zero carbon emissions by 2050, businesses will need to play their part. Businesses are going to need to be more involved in the energy system, with smarter consumption that's more aligned with system needs. **In a net zero system, responsible consumption isn't just about using less energy; it's equally about when you use it.**

Embracing this mindset will require businesses to understand their own energy profiles and volume. Not only will this allow businesses to unlock flexibility within their operations, but also to more accurately forecast usage, and help shield themselves from the full effects of a volatile market. For example, one of the big risks both suppliers and customers witnessed in winter 2022, and expect going forwards, is customers buying much more or far less volume than they ultimately need, which must then be sold back or bought short-term from the market. This can be costly and result in the supplier looking to change some of their contract structures to make sure that risk is fairly aligned between themselves and the customer.

Accurate insight will be everything in an energy strategy, and today businesses are much better equipped to get a strong handle on what they expect to consume and when they expect to consume it. Collaborating closely with suppliers, businesses can execute a purchasing strategy that better reflects their consumption pattern, enabling them to react to the current market and navigate the transition, all whilst retaining a high level of control over their energy usage.



2. SUPERCHARGE YOUR ENERGY TRANSITION WITH GOOD QUALITY DATA

In order to take the steps required to embrace the transition, your actions must be data driven and well planned. With good quality data being used in the right way, everything else – conversations with suppliers, getting onto the right contract and using your energy as efficiently as possible – can stem from there. Technologies such as smart meters and data visualisation platforms enable businesses to access data to see how much energy is being used and when, and which equipment is using the most electricity.

HOW TO PUT YOUR DATA TO BEST USE:

High-quality, accurate data benefits everyone – consumers and suppliers – and can be used by both parties to properly understand your usage, helping you to:

Find the best contract

Data can give you and your supplier the clearest picture of how much energy you use, as well as where and when you use it. This enables a more accurate prediction of your usage and, therefore, can be used to draw up the most suitable contract options. Because the contract structure is then based on your exact usage, you're more likely to avoid costs and risks associated with a mismatched consumption pattern.

60–70% of data available to businesses goes unused for analytics² – tapping into this is key to the Net Zero energy transition.



2 www.forbes.com/sites/forbestechcouncil/2022/02/25/eight-trends-predicted-to-define-data-analytics-in-2022/?sh=37dfd01affd7

Protect against market volatility

High quality data can ensure your organisation has the right information to inform its energy purchasing strategy. By knowing your business's energy usage and needs, the right mechanisms can be built into your contract to help you take advantage of the rise and fall in energy prices and any changes in your usage.



Find areas for efficiencies

Data visualisation tools are able to provide information on which assets are using energy, and can inform

decisions around energy efficiency measures. This could include what time of day might be best to use a specific device or machine, or whether it should be running at all, helping to reduce waste usage and reduce costs.

Identify new opportunities

Installing low carbon technologies such as electric vehicle (EV) chargers, battery storage and solar PV panels are simple ways businesses can generate and use energy more sustainably – but accurate data can help you take advantage of the cost-saving benefits of these technologies by, for example, helping you determine the ideal setup for generating solar power on your site.

Unlock flexibility within operations

Accurate data can also allow you to identify flexibility in your consumption, across your sites and assets, to help you develop an energy plan capable of adapting to changing generation. With variability between generation and demand inherent in a Net Zero energy system, the ability to adjust your demand in line with this and system needs will enable new revenue streams, whilst also supporting a faster transition to a renewable future.



3. TAKE A DIFFERENT APPROACH TO ELECTRICITY PROCUREMENT

Up until now, many businesses were used to waiting until near the end of their contract period before making a decision on their preferred supplier. In the current volatile market, businesses will need to be more proactive and start thinking about their next contract earlier. With better insight into their energy usage, and enough time to review the options, businesses can work with their supplier to establish a contract that truly meets their requirements.

TALK TO YOUR ELECTRICITY SUPPLIER

A good business energy strategy can give you a holistic view of your business operations and energy assets, and help you understand the time and resources you will need for your transition journey. But you don't need to do it on your own - something as simple as talking to your supplier can make all the difference. As we navigate a rapidly changing industry, it's increasingly important for suppliers to know exactly how and when you're using electricity. This helps suppliers get a good understanding of your business operations, so they can work to support you in creating a more accurate forecast and get the most from your contract.

WHAT DOES YOUR SUPPLIER NEED TO KNOW?

You can help your supplier by letting them know:

- What you are expecting to use and when
- If you're planning on changing anything – from installing low carbon technology such as on-site PV, to changing shift patterns
- If you're expecting any periods of dramatically increased or decreased usage – i.e. closure of premises for a length of time





CHOOSE THE CONTRACT THAT'S RIGHT FOR YOU

Working with your supplier, it's important to choose the right electricity contract to suit your business's needs.

TRADITIONAL SUPPLY CONTRACTS

On a **fixed contract**, there's a one-day window to purchase energy for the duration of that agreement – if that date falls when prices are high, you could end up locked into an expensive contract long-term. Meanwhile, with a **flexible contract** you can take advantage of lower prices when the wholesale price of electricity falls.

FIXED CONTRACT

- +** Fixed price providing a **high level of budget certainty**
 - Set rate per unit of energy, providing **protection against market spikes**
-
- A **one-day window to purchase energy** could be risky if contracts renew when prices are high
 - Unable to take advantage** of market price falls
 - No allowance for changes** in your consumption volume or profile

FLEXIBLE CONTRACT

- +** Make **multiple purchasing decisions** throughout the contract period
 - Take **advantage of fluctuations** in the market and maintain a level of control
 - A more **market reflective price**, as market risk is shared more equally
 - Allows for changes** in consumption volume
-
- **Less budget certainty** and more exposure to market changes
 - Requires **more complex purchasing decisions** and accurate meter readings

CONTRACTS FIT FOR THE FUTURE

When considering contract options, it's important to consider long-term strategy and what your electricity usage may look like in the future. Traditionally, businesses have chosen between variations on fixed and flex supply contracts, however these options alone may not allow businesses to achieve net zero goals while remaining agile as the energy market evolves.

The uptake of transitional technologies will change businesses' electricity usage, resulting in volume and profile changes. Traditional contracts don't allow for such changes, leaving both businesses and suppliers exposed within a volatile market. As a result, businesses may risk facing additional fees or premiums. To thrive in a net zero future, businesses need to choose a contract that will suit them both now and going forwards.

4. CONSIDER OPTIMISATION TECHNOLOGIES

With better insight into energy operations and a contract tailored to your business's needs, what can you do next and how can you bring it altogether?

The next step in supporting a net zero system is to look at being smarter and more responsible with your electricity use and, through technology and behavioural change, optimise your consumption in line with the system's needs. In doing so, you can avoid potential energy cost increases and fees, and access new revenue streams whilst supporting a sustainable future - one step further to being a 'good grid citizen'.

With the world becoming more electric and renewable generation being more distributed, intermittent and less dispatchable than traditional models, balancing our energy system will become more challenging – after all the sun won't always be shining at the moment we need to power up. Therefore, consumers will need to play their part by being intelligent and sustainable with their consumption, making sure there is enough energy for everyone who needs it and reducing stress on the network.



It's not just about using less electricity, but also when you use it.



Combining industry-leading technology providers with our understanding of your business and the energy marketplace, Bryt Energy's optimisation solutions seamlessly integrate with customers' assets and buildings, using data tools to remotely understand and control devices. This enables businesses to unlock value from their operations and to be rewarded for supporting the clean energy transition – all without impacting their business activities. The technologies and the knowhow required for these solutions are available now, and it's likely your existing energy-using assets can already take advantage.

WHAT IS A 'GOOD GRID CITIZEN'?

Being a 'Good Grid Citizen' is about changing our mindsets from that of a 'consumer' to a 'citizen' - an engaged participant rather than simply taking what we want.

It involves using the electricity network responsibly and contributing to the reliable and affordable operation of the grid so that it works for everyone.





TAKE THE NEXT STEP

At Bryt Energy, we understand the challenge ahead - and the fact that we're in it together. Our purpose is to lead Britain towards a net zero, sustainable energy future; having a positive impact on business, communities and the planet.

Why not make sure your business is part of the change? Whether you're planning ahead early or looking to renew your contract, we can support your business on its sustainability energy journey. Call us on 0330 053 8620 or email heretohelp@brytenergy.co.uk.

SO WHAT NOW?

Look out for Part 3, explaining what a sustainable energy industry could look like and how to get your operations future-ready to take advantage of the opportunities available.