



UK Power Networks and Open Utility to trial new energy trading platform

LONDON, January 16 - The UK's largest electricity distribution network, UK Power Networks, has partnered with software company Open Utility to develop and trial a groundbreaking online marketplace for local flexibility that will enable more low carbon energy into people's homes at lower cost.

The new 'Piclo' platform is another step towards the creation of a smart grid for all and builds on the expertise the network gained from its pioneering Flexibility service tender launched in August last year. The new platform will help open up new markets for a wide range of flexibility providers by making it easier for them to sell their services to help networks manage times of peak demand.

The project aims to digitise UK Power Networks' procurement process for customer flexibility, streamline the bidding process for service providers and optimise network investment decisions through improved matching of service providers with network needs.

UK Power Networks is transitioning from its traditional role as a Distribution Network Operator to a Distribution Systems Operator, so that it can enable and support the increase in local generation and rise of new technologies such as electric vehicles and electricity storage.

Backed by UK Government funding from the Energy Entrepreneurs Fund, Piclo simplifies the procurement process and opens up access to the growing community of flexibility providers - including aggregators, energy suppliers and distributed energy resources, effectively creating a new marketplace for local flexibility trading.

Last year UK Power Networks ran the UK's first flexibility services tender which invited expressions of interest from distributed energy operators capable of increasing generation or reducing consumption on request at the 10 locations across the network.

James Johnston, CEO of Open Utility, said: "We are incredibly excited to work with UK Power Networks. Following backing from BEIS, it is a hugely important milestone to sign up our first Distribution System Operator. We look forward to supporting the development of a smart grid in the UK."

Ian Cameron, Head of Innovation at UK Power Networks, said: "The way we generate, distribute and use energy is changing and UK Power Networks is in a great place to make the most of the opportunities this transformation offers for our customers. Distribution System Operators must collaborate with the technology sector to meet consumers' demands for

'connected living' and procure customer flexibility as a cost-effective alternative to network upgrades.

"Working with Open Utility to create this unique trading platform will make it quicker, easier and cheaper for our customers to supply their services to the market."

Open Utility's flexibility marketplace trial will run throughout 2018. The service is planned to launch in spring 2018 at which point flexibility providers will be able to register their assets and start to participate in local tenders.

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Notes to editors

1. Creating a smart grid

The electricity grid was conceived over 100 years ago. Power traditionally flowed one way from big power stations down the distribution networks to end customers.

Today, almost a million small scale generators are connected to the distribution grid.

2. Open Utility

Open Utility is an ambitious software company based in London with a mission to make electricity cheap, clean and abundant.

Open Utility has secured £2 million of funding, including grants from DECC and private investment from Ian Marchant, former CEO of SSE. Open Utility has been named by Bloomberg as one of the UK's top 50 Business Innovators and won Startup of the Year at European Utility Week. More information is available at: www.openutility.com/piclo

3. UK Power Networks

UK Power Networks is the country's biggest electricity distributor, making sure the lights stay on for more than eight million homes and businesses across London, the South East and the East of England.

Network operators aren't the same as energy suppliers; network operators manage local power lines and substations, while energy suppliers sell the electricity that runs through the power lines.

UK Power Networks is the first electricity distributor to be named in the Sunday Times' 25 Best Big Companies to Work For, and made industry history by becoming first company to win Utility of the Year two years running (2015 and 2016, also 2012).

The company invests more than £500 million in its electricity networks every year, offers extra help to vulnerable customers at times of need, and is undertaking trials to ensure that electricity networks support the transition to a low carbon future. It also moves cables and connects new electricity supplies. If you have a power cut ring 105, see www.ukpowernetworks.co.uk or tweet us @ukpn