Flex Direct

SIF Discovery Phase

End of Phase Meeting

centre for sustainable energy

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Utility Week AWARDS 2023 UTILITY OF THE YEAR

Contents

Project Overview

Context: What is the challenge?

A Need for Energy Flexibility

There is a pressing need to **enhance energy flexibility** usage to meet peak hour energy demands efficiently. Sustain flexibility plays a crucial role in peak demand reduction and helps to defer costly network reinforcement. UK Power Network's Distribution System Operator(DSO) strategy outlines that their commitment to a **"flexibility first" approach** to network management will help to reduce £410m of capital investment on the primary and secondary network.

Extensive Centralised Funding for energy efficiency upgrades

There is a **vast amount of centralised funding** available to Local Authorities and Social Housing Providers to undertake energy efficiency retrofits across their region such as the: Home Upgrade Grant and; Social Housing Decarbonisation fund and ECO4 Flex. However, there is **no coordination** between these social landlords (who represent a large portion of vulnerable customers) and the flexibility supply chain, and what value this could provide both for end-consumers and network constraint management.

'Below Par' uptake of Sustain Flexibility and barriers

This has meant that the present uptake of Sustain flexibility is **significantly below par**. In the delivery year of 2023/24 55MW of UKPN's Sustain flexibility demand needs were not met*. Low awareness and commercial appeal of the energy efficiency flexibility product, technical constraints to accurate baselining, and limited safety mechanisms to protect vulnerable customers present major barriers that must be addressed to align the supply chain and unlock wider system benefits.

Flex Direct Solution

Flex Direct aims to develop **novel commercial models and coordinated market approaches** to enable to direct participation of Local Authorities and Social Housing Providers into flexibility markets, increase the uptake of the Sustain product and **facilitate engagement** of 'hard-to-reach' customers at scale.

**Source: UKPN DSO: Distribution Flexibility Services Procurement Report 2023 Appendix A*

Flex Direct Project Outcomes

Deliverables

- Work Package 1: Establish willingness, capacity and ability for Local Authorities and Social Housing Providers to participate in direct contractual relationships with the DSO through engagement.
- Work Package 2: Proposed contractual framework requirements.
- Work Package 3: Partnership ecosystem identified with proposed collaboration opportunities, and relative costs & benefits identified for key stakeholders.
- Work Package 4: Cost Benefit Analysis of the network at both UK Power Networks and GB level should the Flex Direct approach be scaled.

Benefits

- Future reductions in the cost of operating the network, and therefore cost savings per annum on energy bills for consumers.
- New processes for organisations to engage with the Flexibility market through the DSO.
- Improved access to revenues for Local Authorities and Social Housing providers, therefore contributing to greater social good for vulnerable consumers.

Flex Direct – Mapping Against Other Similar Flexibility SIF Projects

Flex Direct is uniquely focused on assessing the role that Local Authorities can play in providing flexibility response services at scale. We are aware of other innovation projects addressing similar issues and want to maximise knowledge sharing opportunities

CarbonFlex (UK Power Networks)

- Dynamically controlling electric heating in low-income households, to provide dynamic flexibility to the grid to manage local grid congestion and respond to grid carbon intensity.

Equiflex (Scottish Power Energy Networks)

- Barriers to access flexibility markets for all customers
- Building on previous work to investigate the opportunities around the electricity Local Area Energy Plans and Local Heat & Energy Efficiency Strategies

KnowMyFlex (UK Power Networks)

- Creating Energy Flexibility Certificates to provide a centralised view of a building's flexibility potential, improving customer and system operator understanding. Similar to Scottish and Southern Electricity Networks' *MaxFlex*.

RetroMeter (Electricity North West)

- Piloting new ways to accurately evaluate energy savings from energy efficiency measures.
- Will feed into any future energy efficiency market mechanism

Flex Direct

- Focus on 'Sustain' flexibility rather than Dynamic or Secure
- Novel commercial models for direct contract from Local Authorities to the Distribution System Operator
- Addressing barriers found in Socially Green trial
- Broader than only vulnerable customers
- Key enabler for "fabric-first approach" and integration of energy efficiency into flexibility markets

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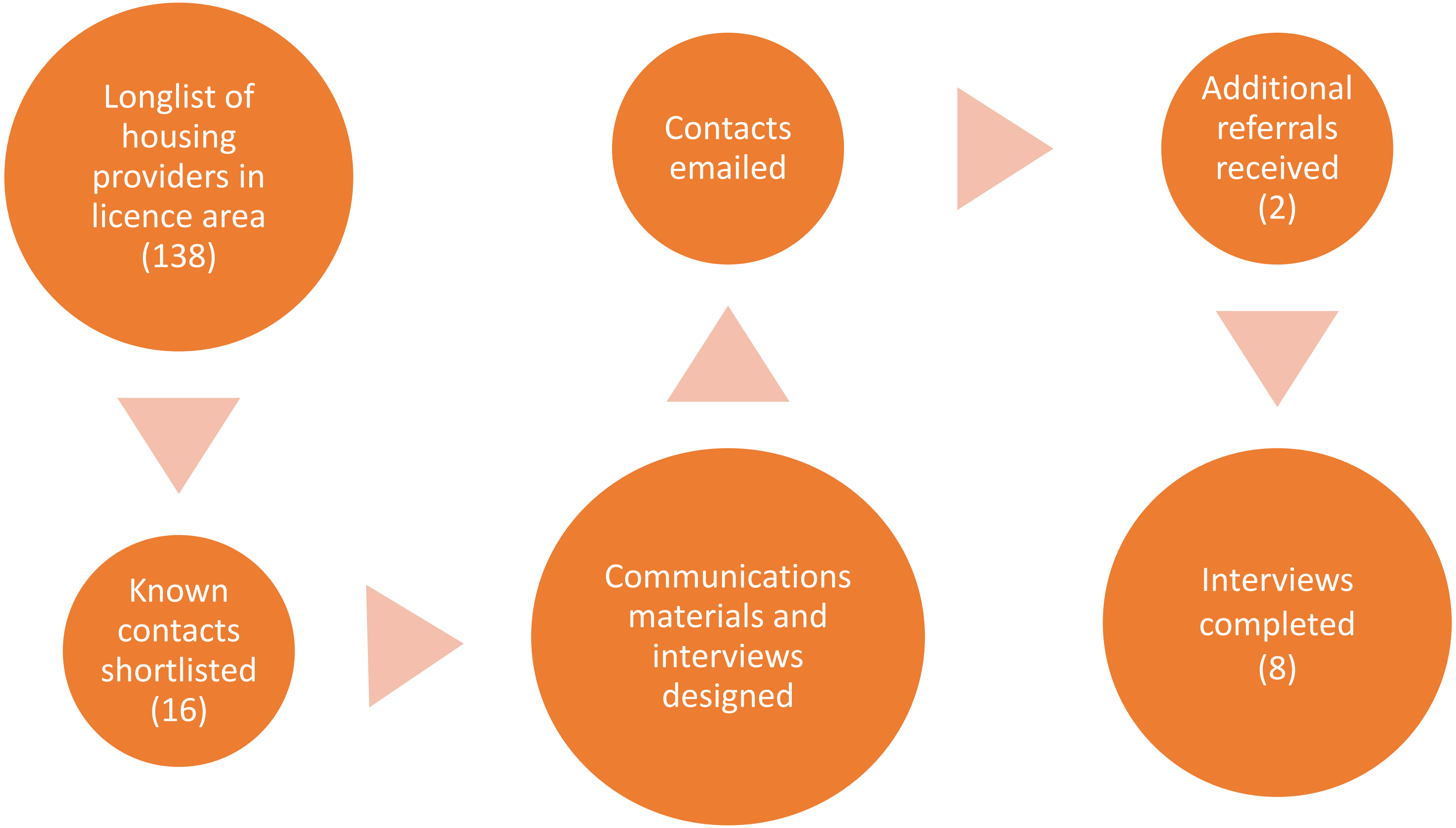
Project Outputs & Lessons Learned

Work Package 1: Engagement process overview



Insights from five local authorities and three social housing providers on participating in Flex Direct

Benefits	Barriers
• Reduced energy bills for tenants and fuel poverty alleviation • Greater energy awareness among tenants • Increased tenant appetite for retrofits through providing evidence of reduced consumption • Housing providers working towards net zero targets • Evidence for future funding by demonstrating effective retrofit measures • Consolidated relationship with UK Power Networks • Financial reward received can subsidise future retrofit plans	• Data protection concerns of monitoring data on tenants' energy usage • Tenant scepticism towards monitoring technology (e.g. smart meters) • Resources (time and cost) required to measure demand reduction • Retrofit measures that are out of scope for Flex Direct, e.g. electrifying heat and heat networks • Risks of not being able to uphold the terms of the contract with UK Power Networks • Sitting on the border of the UK Power Networks' licence area and therefore not all properties qualifying

Key messages

What worked well in the engagement phase?

- Well-designed background information materials and comms
- Tailored contact with local authorities and social housing providers
- Most providers were already implementing energy efficiency retrofits
- Providers are open to a variety of funding streams for energy efficiency retrofits, which presents an opportunity to make the case for their monitoring requirements to align with those of Flex Direct

What is needed going forward?

- Guidance on terms of the Flex Direct contract, which should avoid penalising providers for failing to reach targets
- Clarity on what would constitute effective demand reducing measures that would be suitable for Flex Direct
- Information on the level of financial reward available to ensure participation in Flex Direct is worth the investment required to participate (especially in relation to demonstrating reduced demand)
- Guidance on best practice for data sharing in relation to demonstrating demand reduction

Work Package 2: Contractual Frameworks

Aim: Establish requirements for contractual frameworks with Local Authorities / Social Housing Providers, including potential length of contracts, establishing baselines for measurement, inclusive models, and technical requirements.

Success criteria: Framework requirements established that have been validated with stakeholders

1. Literature Review	2. Benchmark	3. Interviews with DSO team	4. Establish Data Requirements and process changes	5. Proof of Concept	6. Milestone complete
Evaluated current energy efficiency flexibility products and commercial arrangements, current barriers to uptake and opportunities for Flex Direct	**Review and benchmark** current processes against new arrangements including tools or levers applied to enable increased uptake energy efficiency flexibility	**Interviews with UK Power Networks' Distribution System Operator** to gain understanding on internal and technical barriers and prioritise areas for further investigation.	**Establish the data requirements** and internal process changes required to implement different options for the commercial arrangements	**Integrate relevant amendments** following DSO team engagement, assess each option against relevant criteria and develop a proof-of-concept framework	**Contractual framework options** and requirements established and validated.

Commercial Arrangement Options for Flex Direct

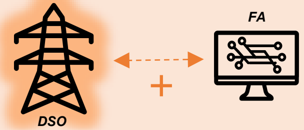
We have considered several different options for the novel commercial models and contractual frameworks to enable the direct provision of ‘sustain’ flexibility by Local Authorities and Social Housing Providers through energy efficiency upgrades.

Literature Review Findings: Key Barriers to Uptake	Possible Tools / Components
Low awareness	Targeted marketing in Constraint Management Zones
Limited commercial appeal	Longer Contract lengths
Baselining challenges	Alternative Baselining Approaches
No alignment with existing funding	Alignment with central energy efficiency funding
Neglected preventative network planning	Procurement Outside of Constraint Management Zones
Lack of Incentives	DNO Capital Incentives Ofgem Capital Incentives
Lack of whole systems planning	Centralised Flexibility Procurement

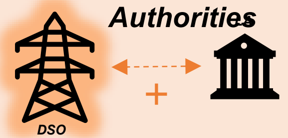
Increasing level of change to current system

Commercial Arrangement Options

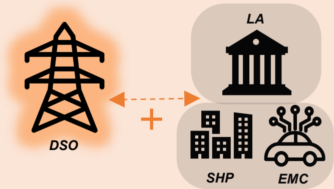
1 *Enhanced Business As Usual Scenario*



2 *Direct Contracting with Local Authorities*



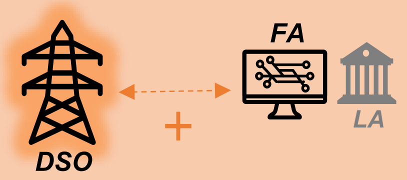
3 *Direct Contracting with Local Authorities, and wider supply chain*



Commercial arrangement options for Flex Direct

In Discovery, we have shortlisted three commercial arrangement options, each with varying stakeholder roles, responsibility and risk, to be explored for Alpha.

1. Enhanced business as usual Scenario

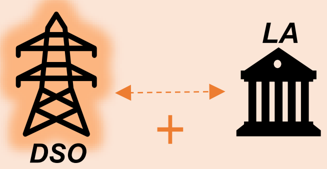


- Minor adjustments to current Sustain flexibility process to encourage further participation from Local Authorities and Social Housing Providers.
- Flexibility Aggregator is key party responsible
- Activities include: increased marketing, longer contracts, alternative baseline approaches and amended competition timelines.

Score

Alignment to DSO / RIIO- ED2 requirements:	High
Impact (benefit and scalability):	Medium
Complexity to Deliver (time and cost):	Medium
Risk (to delivery and competition):	Low

2. Direct contracting with local authorities

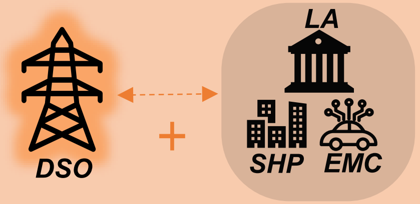


- Direct procurement from Local Authorities, adapting processes to engage more participants driven by service improvement
- Local Authority is key party responsible
- Activities include: (addition to Option 1 activities) in-depth support and engagement with LAs to upskill and determine incentive levels, contractual clauses amendments regarding under-utilisation.

Score

Alignment to DSO / RIIO- ED2 requirements:	High
Impact (benefit and scalability):	High
Complexity to Deliver (time and cost):	Medium
Risk (to delivery and competition):	Medium

3. Direct contracting with local authorities, and wider supply chain



- Direct procurement with private stakeholder support, emphasizing commercial viability and scalability through increased costs and expertise.
- Activities include: (addition to Option 1 activities) some upskilling support, reviewing of service fees, contractual clauses amendments regarding under-utilisation, sub-contracting and governance

Score

Alignment to DSO / RIIO- ED2 requirements:	High
Impact (benefit and scalability):	High
Complexity to Deliver (time and cost):	Medium
Risk (to delivery and competition):	Medium

Work Package 3: Partnership Ecosystem- Approach

Aim: Create a partnership ecosystem to align various stakeholders across the energy efficiency and flexibility value chain. This will seek opportunities for collaboration to address the problem, from a community of partners, with the aim of delivering improved outcomes by working together.

Success criteria: Mapping of stakeholders and design of partner ecosystem for further engagement in Alpha Phase

1. Desktop Research

Undertake desktop research on available energy efficiency funding sources for Local Authorities and Social Housing Providers (including size, specifications and funding timelines) across UK Power Networks' area

2. Vision Statement

Develop a vision statement "To create a partnership ecosystem that aligns relevant stakeholders across the energy efficiency and flexibility value chain to deliver improved outcomes for the network, supply chain and end-consumers"

3. Stakeholder Mapping

Map all stakeholders that could come together to solve this problem, including
Funding partners
Delivery partners
Data partners
Education partners

4. Determine needs and motivations

Define drivers, opportunities and responsibilities for each stakeholder group to be considered within the Partnership Ecosystem for Flex Direct.

5. Categorise Stakeholders

Categorise the stakeholders into tiers to determine who would be most relevant to participate in Flex Direct and why

6. Milestone complete

Complete a proof of concept for each partner in the ecosystem to be explored in Alpha and how to address current limitations

Work Package 3: Stakeholder Mapping

Key stakeholders across the energy efficiency and flexibility were mapped to determine whose business needs and likely level of influence could lead to favourable outcomes for Flex Direct

Key Questions to consider

Which stakeholders' own business needs align most strongly with Sustain (from Energy Efficiency) to increase the likelihood of favourable outcomes for the network and end-consumers?

Which stakeholders are key decision makers within the energy efficiency and flexibility supply chain who could readily mobilise solutions that will target the increased provision of energy efficiency flexibility?

Which stakeholders are likely to bring a greater level of impact, and lower level of risk to this initiative?

KEY

Tier 1: Tier 2: Tier 3:

Work Package 3: Stakeholder Prioritisation

Stakeholders were categorised based on their influence, strategic significance and impact on energy efficiency and flexibility markets to help focus efforts during further engagement in Alpha

Tier 1: Direct involvement

- Organisations that will have a primary role in increasing the uptake of energy efficiency flexibility due to their business needs, level of interest and strategic significance.
- Likely to be directly involved in the delivery of new commercial arrangements and will be prioritised for further engagement and participation during Alpha. Further details on the stakeholders outlined in this tier are covered on the next slide.

Example: DSOs, Local Authorities, Social Housing Providers, Energy Management Companies, Flexibility Providers

Tier 2: Wider Enablers

- Stakeholders with some interests and business needs that align with the key objectives of Flex Direct, but are likely to have limited impact or influence, and may therefore play an indirect role in increasing energy efficiency flexibility.
- Stakeholders in this tier will be engaged with at a high-level during the Alpha Phase.

Example: Government Agencies and Regulatory Bodies, Energy Efficiency Service Providers, Energy Suppliers

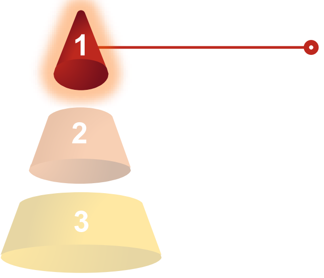
Tier 3: Third Party Support

- Third party organisations that are likely to have a limited influence or impact in increasing the uptake of energy efficiency flexibility and will therefore be involved in Flex Direct in a relatively restricted capacity.

Example: Community Energy Groups, Research Institutions and Think Tanks, Manufacturers of Energy Efficiency Technologies, Financial Institutions, Trade Associations and Non-Governmental Organisations

Work Package 3: Value Analysis

We conducted an analysis to show Tier 1 stakeholders the potential benefits of integrating energy efficiency and flexibility within a Partnership Ecosystem, compared to the current scenario, where these aspects are not considered together.



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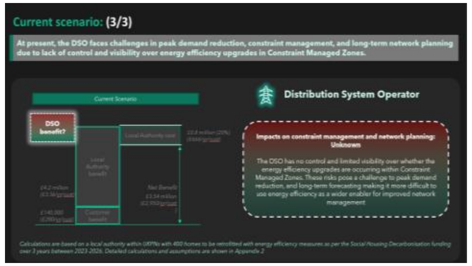
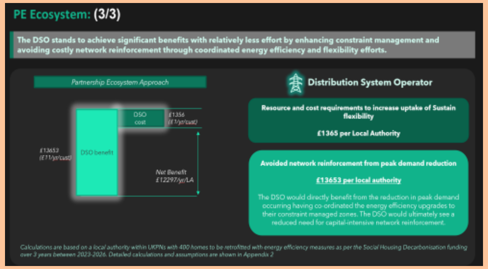
Example: DSOs, Local Authorities, Social Housing Providers, Energy Management Companies, Flexibility Providers





Added value within a Partnership Ecosystem

Value Analysis:

- We considered the example of a local authority within UKPN's network area, who has received funding from the Social Housing Decarbonisation Fund to undertake energy efficiency retrofits across 400 homes between 2023 and 2026.
- To estimate the added value that a Partnership Ecosystem could unlock for each key stakeholder, we reviewed factors such as:
  - Administration and Ancillary costs associated with bid writing and governance for a Local Authority
  - Total funding received from a centrally funded energy retrofit scheme to complete retrofits
  - DSO resource cost to procure additional energy efficiency flexibility
  - Added revenue generated for the Local Authority by providing flexibility services to the DSO

Work Package 3: Roles and Responsibilities for Tier 1 Stakeholders

Identified the roles of the most critical stakeholders that could come work together to define an impactful partnership ecosystem for energy efficiency flexibility

Distribution System Operators

1. Accurately establish and communicate network constraint needs to supply chain
2. Consulting with other Tier 1 stakeholders to understand their needs
3. Provide knowledge sharing and upskilling to allow new market entrants to provide sustain flexibility from energy efficiency
4. Defining of roles across the procurement supply chain
5. Changing procurement processes, timelines, contractual changes
6. Reviewing utilisation fees offered to new possible market entrant

Local Authorities/Social Housing Providers

1. Establish resource requirements, and minimum acceptable incentive levels to participate in energy efficiency flexibility
2. Aggregate relevant properties under their management portfolio to meet flexibility requirements
3. Use existing funding for efficiency upgrades to either:
   - Operate independently as flexibility service providers and provide sustain flexibility directly to the DSO
   - Or work closely with a Flexibility Aggregator to do the same

Energy Management Companies

1. Delivering energy efficiency retrofits
2. Undertaking baselining of historical consumption and be able to accurately calculate the aggregated volumes of sustain flexibility that may be provided to the DSO
3. Provide an end-to-end platform that includes asset monitoring, control and virtual power plants to readily provide increased volumes of sustain flexibility to the DSO
4. Establish resource requirements, and minimum acceptable incentive levels to participate in energy efficiency flexibility

Flexibility Aggregators

1. Continue to take primary role in the provision of Sustain flexibility to the DSO
2. Provide upskilling / knowledge share to the wider group of Tier 1 stakeholders to inform the Local Authorities / Social Housing Providers who wish to take on this role (less likely)
3. Establish resource requirements, and minimum acceptable incentive levels to participate in energy efficiency flexibility

Tier 2 and 3 organisations will have a role in enabling the wider supply chain to uptake energy efficiency flexibility and unlocking added benefits, and will also be engaged with during future phases of this project

Key Takeaways

Unlikely organic growth	Energy efficiency flexibility in its **current form is unlikely to lead to organic uptake**, by the market, due to limited awareness, insufficient incentive levels and a lack of co-ordination between key stakeholders across the supply chain.
The importance of local authorities	In the Flex Direct Partnership Ecosystem, **Local Authorities** (with or without Flexibility Aggregators) will play a **crucial role** in delivering energy efficiency flexibility, by leveraging **substantial government subsidies** for retrofits. Findings from Work Package 1 and 2 indicate Local Authorities' clear interest in participation but highlight the need to **reassess current commercial arrangements** to address concerns and enhance commercial viability.
Presently unfeasible arrangements	Considering present Sustain service fees and contract durations, the **resourcing costs** required for a Local Authority, a relatively inexperienced new market entrant, **presently outweigh the revenue** earnt by meeting the contract terms and providing agreed volumes of peak demand reduction to the DSO directly.
DSO to take the lead	If current commercial arrangements for energy efficiency sustain flexibility remain unchanged, the **DSO would need to take the lead,** providing knowledge sharing and upskilling support to supply chain stakeholders to enable direct participation in flexibility markets.

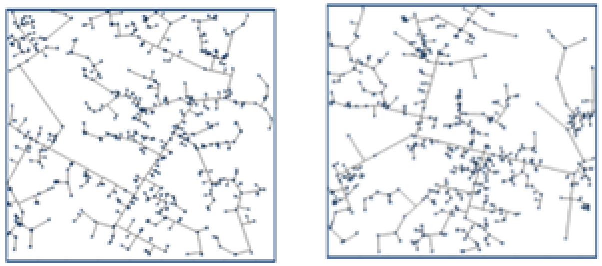
Work Package 4: Assess the benefits of scaling up Flex Direct

Producing a Cost Benefit Analysis (CBA) considering potential network, consumer, and environmental benefits of scaling the Flex Direct approach across UK Power Networks and Great Britain

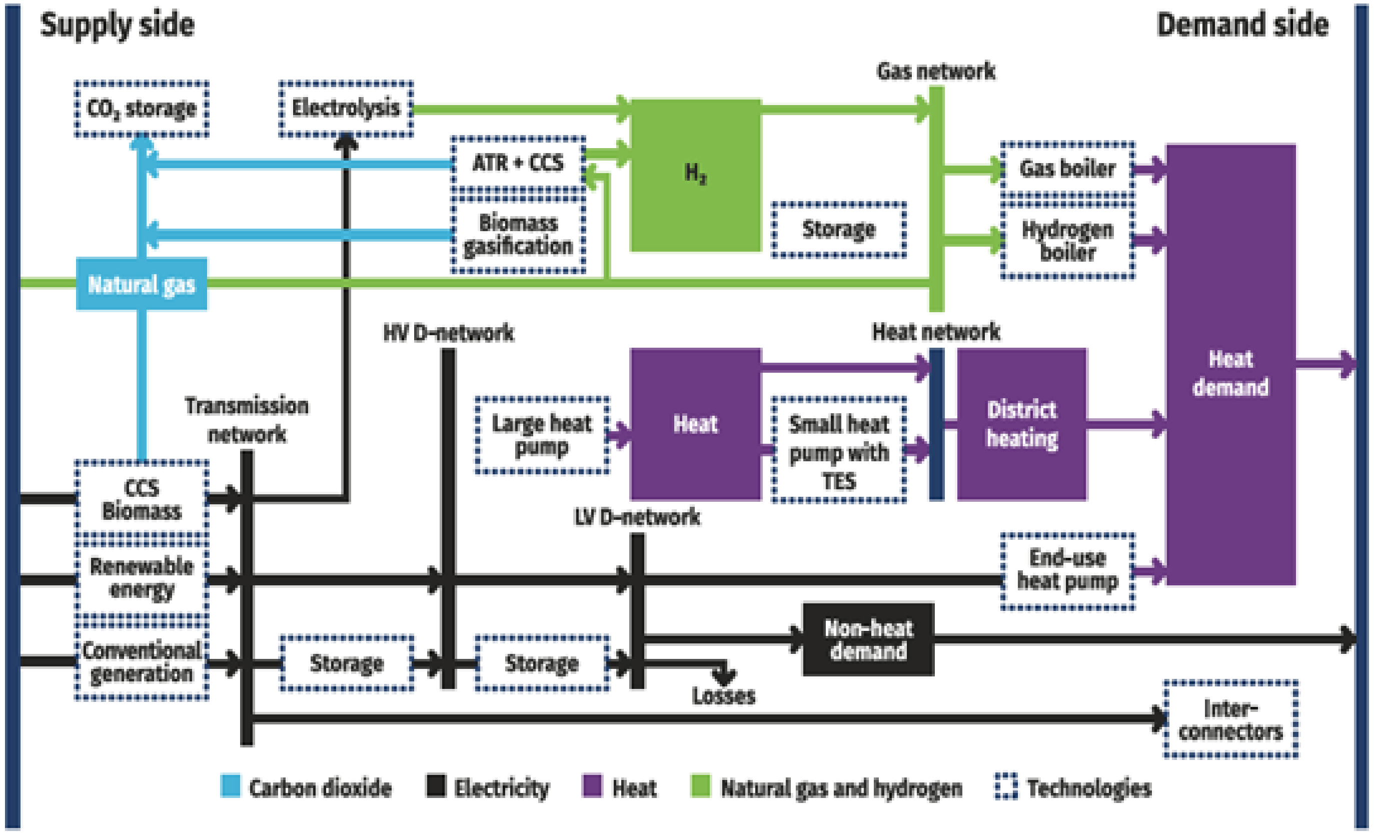
Future Energy Scenario

Identify and quantify the whole energy system benefits of social houses' energy efficiency improvement and participation in flexibility services using IWES

Local district level

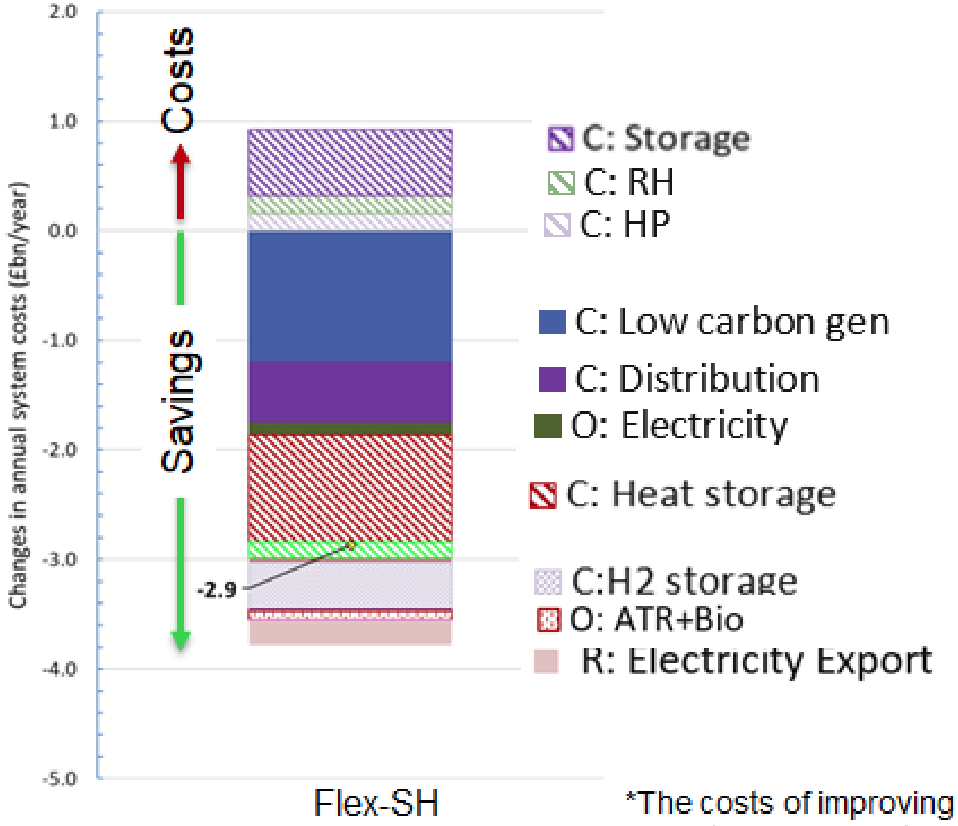


IWES – *Integrated Whole-Energy System model*



Work Package 4: Assess the benefits of scaling up Flex Direct

Potential savings that can be harnessed through Flex Direct



*The costs of improving insulation and smart control are excluded.

Load-Related Expenditure (LRE) and Cost-Benefit Analyses using the Ofgem template

Region	10-year NPV (£m)
UK Power Networks	**110**
Great Britain DNOs	**315**

Savings in low-carbon generation investment, distribution network reinforcement cost, electricity operational expenditure, heat storage, and other flexibility technologies .

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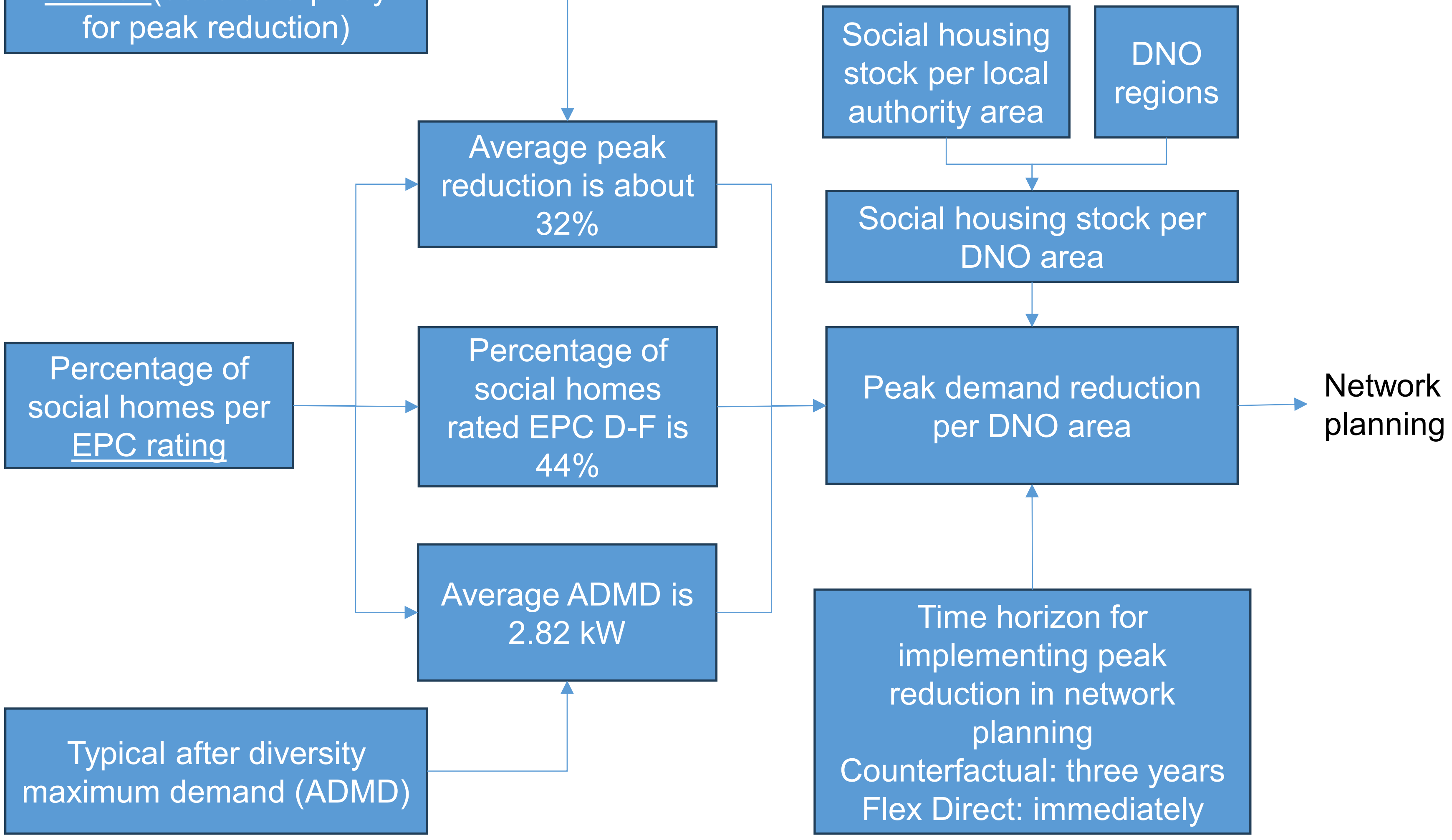
Peak Demand Reduction (LRE input)

Sources: England, Welsh and Scottish governments: social housing stock, and LSOA/DZ and local authority lookup
Office for National Statistics and Scottish Government: OA, LSOA, and DZ boundary map
The NG ESO: GIS boundaries for GB DNO licence regions



Assumptions

- Resistive heating replaced with heat pumps
- Three-year network planning horizon
- All social hosing providers participate in Flex Direct
- Constant efficiency implementation over years
- All social houses are EPC-C by 2028

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Load Related Expenditure Results

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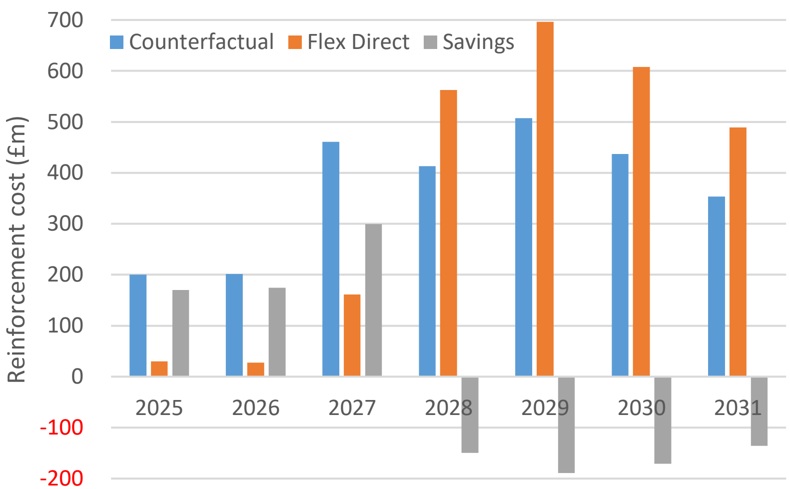
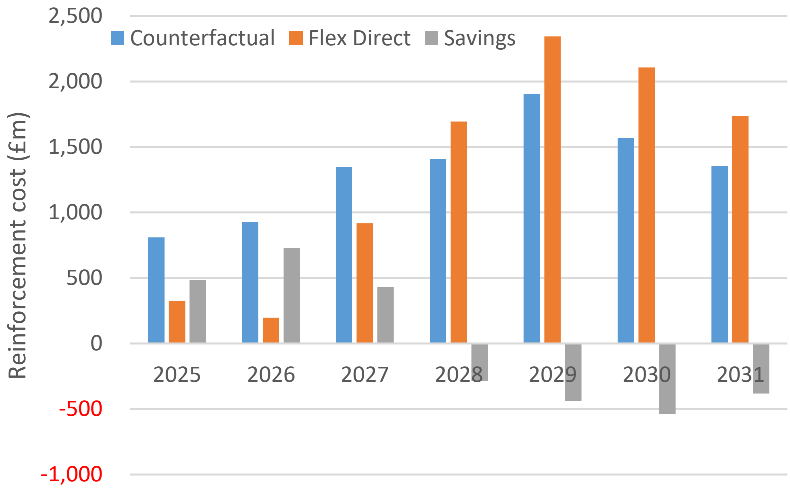
These modelling results demonstrate the potential benefits that Flex Direct could bring to the electricity networks should it be implemented as soon as 2025. Further in-depth modelling and subsequent trials will be required to validate these results.

UK Power Networks' Network

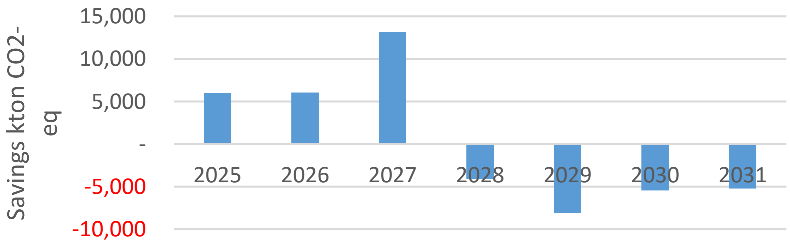
All GB DNO Networks

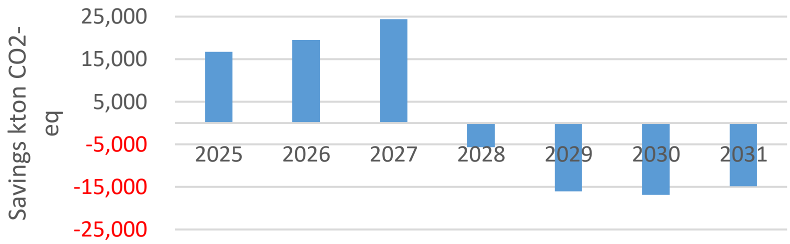
FlexDirect defers distribution network reinforcement to later years





FlexDirect has indirect carbon benefits as it defers network reinforcement.

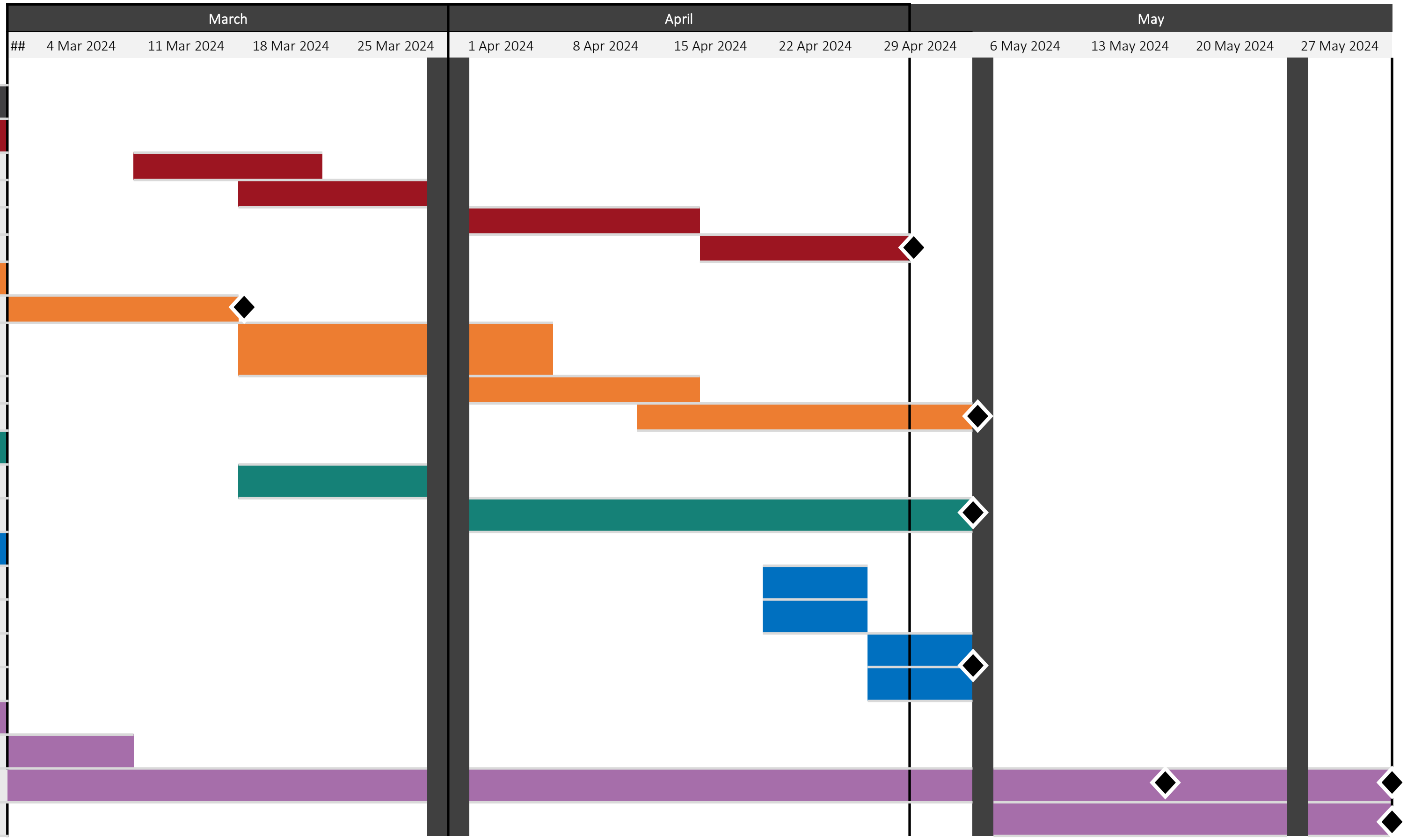




Project Plan Update

Project Plan - Planned

	Work Package (WP) and task description
WP1	Engagement with local authorities and social housing providers
1.1	Establish the precursors (capacity and opportunity) to engagement.
1.2	Develop and prioritise contacts list for targetted engagement.
1.3	Develop and pilot capacity building tools and process by working with LA or SHP champions
1.4	Compile and analyse results into an intermediate report
WP2	Establish requirements for contractual framework
2.1	Literature review of current energy efficiency flexibility producsts and commercial frameworks
2.2	Workshops with UKPN flex & data teams to gain understanding on commercial and technical/data and document barriers and prioritise opporunities for investegation
2.3	Establish and design data requirements and internal process mapping
2.4	Develop a proof of concept framework for direct contracting with the DSO.
WP3	Develop partnership ecosystem framework
3.1	Undertake desktop research on available energy efficiency funding sources for LAs & SHPs
3.2	Design a partnership ecosystem framework across the Energy Efficiency Flexibility Value Chain
WP4	Assess the benefits and opportunity to scale
4.1	Estimate the volume of additional flexibility that can be achieved by Flex-Direct approach
4.2	Simulate the future GB energy system with and without Flex-Direct solution
4.3	Evaluate the whole-system gross benefits of the Flex-Direct solutions
4.4	Analyse the implications to the system capacity and other flexibility requirements.
WP5	Project Management
5.1	Plan (identify and agree on key milestones under each workstream, risks, dependencies, and review process)
5.3	Monitor progress and learning with fortnightly team meetings, Show & Tell webinar and end of phase meeting
5.4	Produce end of phase reporting



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Project Plan - Actual

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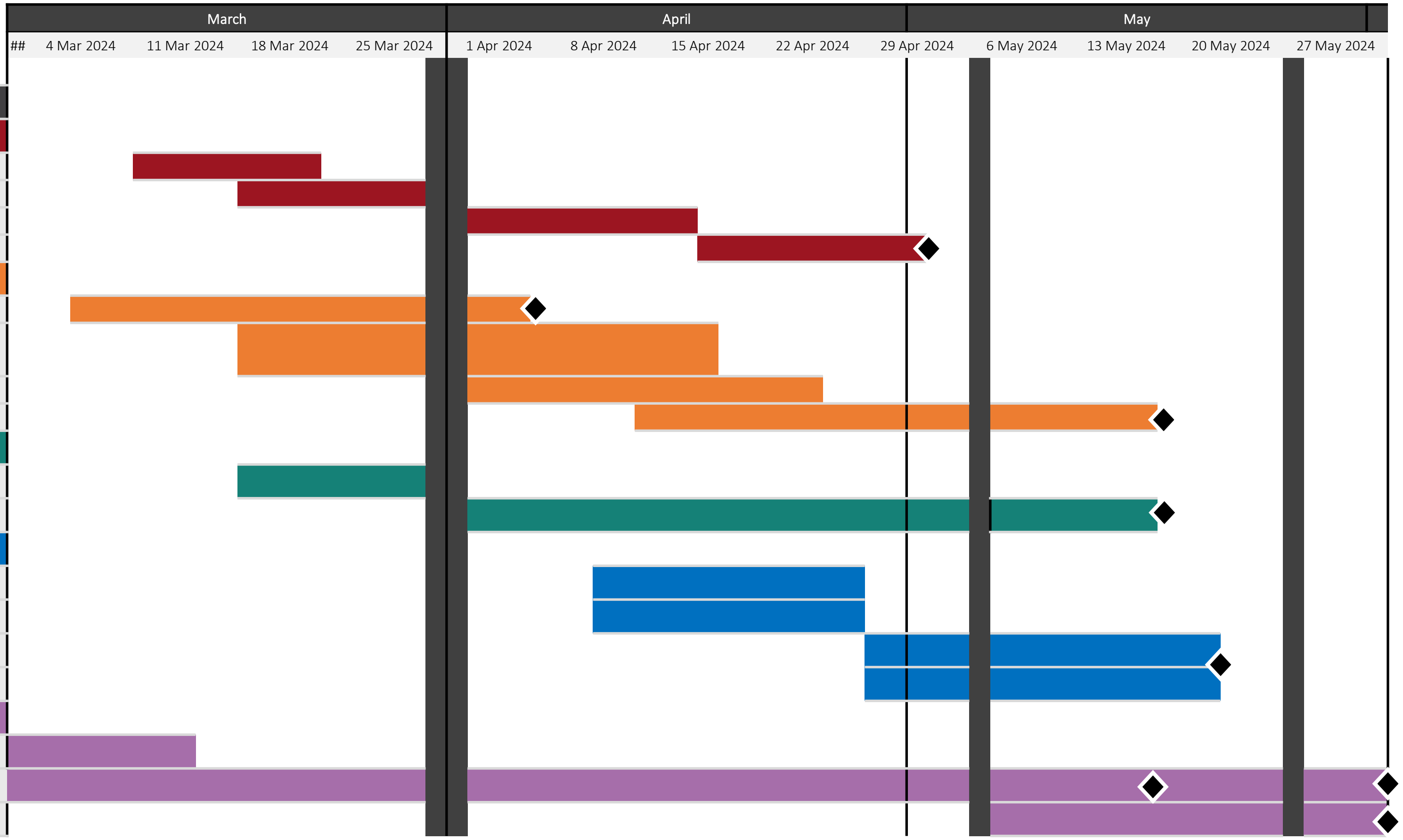

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Progress to Plan - Summary

Delivery of all work packages are on track to be completed by the end of May.

Partner	Work Package	Deliverable	Progress
Centre for Sustainable Energy	1: Engagement with Local Authorities & Social Housing Providers	• Report on insights gathered from Local Authorities & Social Housing Providers, to establish willingness, capacity and ability to participate in direct contractual relationship with the DSO to deliver flexibility	*First draft delivered*
Sia Partners	2: Establish framework requirements	• Report compiling proposals and establishing requirements for contractual frameworks with LAs/SHPs.	*First draft delivered*
Sia Partners	3: Develop partnership framework	• Report compiling proposals and defining a partnership ecosystem to align various stakeholders across the energy efficiency and flexibility value chain. • Additional: identifying LAs that are more or less likely to be engaged on flexibility due to financial status and resources.	*First draft delivered*
Imperial College Consultants	4: Cost Benefit Analysis of scaling	• Produce CBA considering potential network, consumer and environmental benefits of scaling the Flex Direct approach across UKPN's network area and GB.	*First draft delivered*

Progress to Plan

Deliverables	Outcome
Finances	On target
Risk management	On target
Project communications	On target
Project specific conditions	Complete
Show and tell	Session booked, preparations underway

Risks

Ref	Risk Description	Likelihood (Low/Medium/High)	Impact (Low/Medium/High)	Outcome	Status
R1	Staff being unavailable due to sickness, absence etc	**Low**	**High**	• There were no significant absences • Annual leave and bank holidays were proactively managed	Closed
R2	Availability of Local Authorities, Social Housing Providers and Community Energy Groups for engagement	**Medium**	**High**	• Partners collaborated to reach out to a wide number of organisations, to ensure enough stakeholders were engaged with to provide significant feedback • Engagement sessions were efficiently planned to make the most of the time available	Closed
R3	Availability of data for CBA modelling	**Medium**	**Medium**	• Partners shared insight and undertook further research to help shape the CBA modelling and identify trusted publicly available data sources where partner-owned data was not enough.	Closed

Lessons Learnt

- Visibility and engagement with other partners work packages can aid deeper understanding of interconnectivity of work packages across the project
- Testing assumptions with other partners can help to effectively shape deliverables
- Having a firm understanding of factual vs counterfactual (i.e. in this case, a world with or without the Flex Direct proposal) can help to focus the understanding of benefits and impact

Project Specific Conditions

Project Specific Conditions

Condition	Description	Update
1	The Funding Party must not spend any SIF Funding until contracts are signed with the Project Partners.	Complete
2	The Funding Party must report on the financial contributions made to the Project as set out in its Application. Any financial contributions made over and above that stated in its Application should also be reported and included within the Project costs template.	On track
3	The Funding Party must participate in all meetings related to the Project that they are invited to by Ofgem, UKRI and BEIS during the Project Phase.	On track

Project Specific Conditions

Condition	Description	Update
4	Prior to the completion of the Discovery Phase the Funding Party must present an updated Project plan to the Monitoring Officer assessing impacts on housing tenants, networks and markets.	Project plan updated to include: • WP1: Considering impact on housing tenants • WP2 & WP3: Considering impact on networks and markets • WP4: Considering impact on GB networks Updated project plan will be shared as evidence.
5	Prior to the completion of the Discovery Phase the Funding Party must provide evidence to the Monitoring Officer to show linkages and to understand the duplication risk or knowledge sharing opportunity of the scope of this Project against Discovery Round 3 Projects – EquiFlex and CarbonFlex.	Project managers of Flex Direct, Equiflex & CarbonFlex met to identify linkages, clarify different aims of projects and identify knowledge sharing opportunities. Document provided to evidence this.

Next Steps

UK Power Networks
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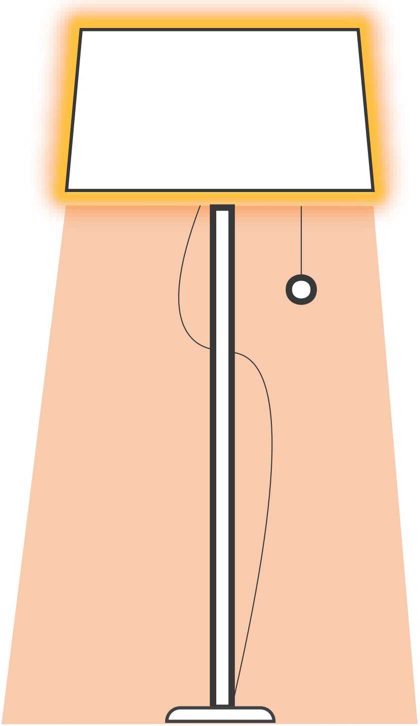
Next Steps

- The current Sustain* flexibility product is not seeing high uptake of energy efficiency measure use cases. The potential benefits of large-scale energy efficiency measures resulting in large-scale measurable avoided network reinforcement remains an untapped space. There will be value in UK Power Networks developing a large-scale trial to assess the potential whole-system benefits.

- If a large-scale Sustain energy efficiency trial is successful for both DSO and the housing provider, this can help to stimulate market-awareness as well as provide clarity on appropriate contractual duration and payment reward regimes.



1. Identify Flexibility Zones with multi-year flexibility requirements which may be appropriate for Sustain delivered from large-scale energy efficiency measures

2. Develop partnership with Social Housing Provider, Energy Management Company (covering social housing) or a Local Authority with large energy efficiency delivery portfolios (e.g. awarded £4m to improve energy efficiency for 1,000 dwellings over two years)

3. Target a joined-up delivery trial (e.g. minimum of 500 customers) which influences how a local authority, energy management company or social housing provider prioritises the delivery to align with flexibility requirements.

*Also known as Peak Demand Reduction

Alpha Phase Plan

Context

- Proposed contractual frameworks developed
- Partner Ecosystem with needs and motives identified
- Engagement with Local Authorities and Social Housing Providers has identified perceived benefits and barriers
- High level Cost Benefit Analysis delivered

Provisional Plan

- In-depth engagement with identified partner ecosystem with the proposed Flex Direct framework models
- Further development of framework models, quantifying barriers and opportunities. Narrow down to preferred option
- Continue to collate data and build insight to develop more in-depth Cost Benefit Analysis

Questions