

IEA PSF/3DEN Workshop

David Sykes - Octopus Energy



Octopus Energy Group



Launched in 2016 as an energy retailer, now with businesses across technology licensing, “flexibility”, electric vehicles & energy services



Active in six countries:
UK, DE, AU, US, NZ and JP



1.9m UK Octopus customers
(400% CAGR since 2016)



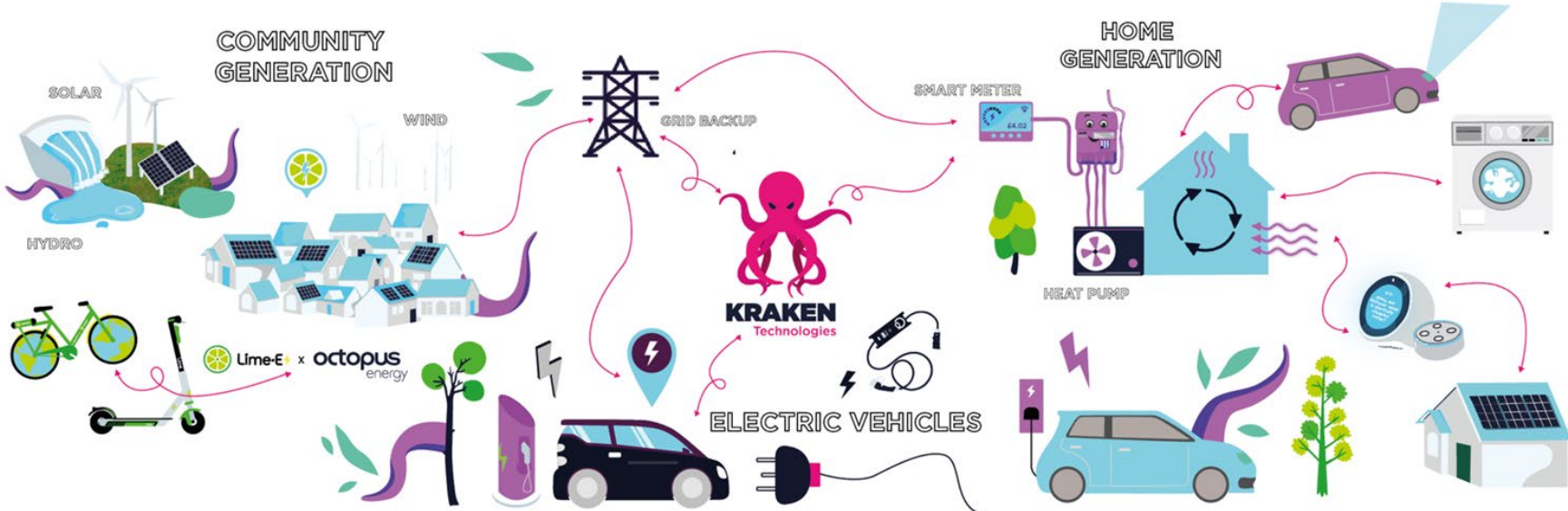
70% eNPS at the close of contract
4.7 star rating on TrustPilot
#1 rated on Which? for the last 4 years



c.1100 employees across 12 offices

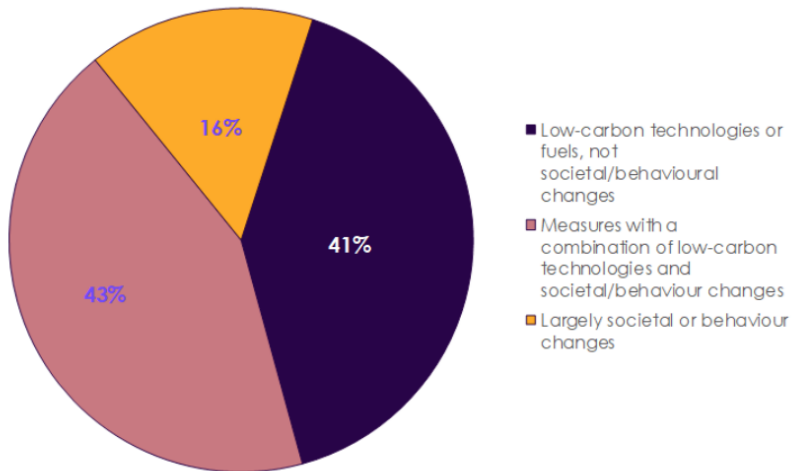


Enabled through our technology platform Kraken



For the UK, the next phase of decarbonisation requires deep levels of customer engagement

Figure B2.2 Role of societal and behavioural changes in the Balanced Net Zero Pathway (2035)



Source: CCC analysis.

Three main challenges for customers:

1. Decarbonise heating
2. Decarbonise transport
3. Adjust demand to **maximise the use of green electrons**
4. Whilst **minimising constraints in the networks**

To do this you need....great service and trust



Uswitch
Supplier
of the Year
Winner 2020



THE ASSOCIATION
FOR RENEWABLE ENERGY
& CLEAN TECHNOLOGY
COMPANY OF THE YEAR
WINNER 2019

Fair prices for everyone

That's why, over the past year, the difference between our **fixed and standard price** was less than 1%

We won't leave you hanging

We've answered your calls within **2 minutes** on average over the past year

100% green

All our electricity comes from **100% renewable sources** like sun, wind and water



Rated 5 stars for customer service from 47,885 reviews.

★ Trustpilot



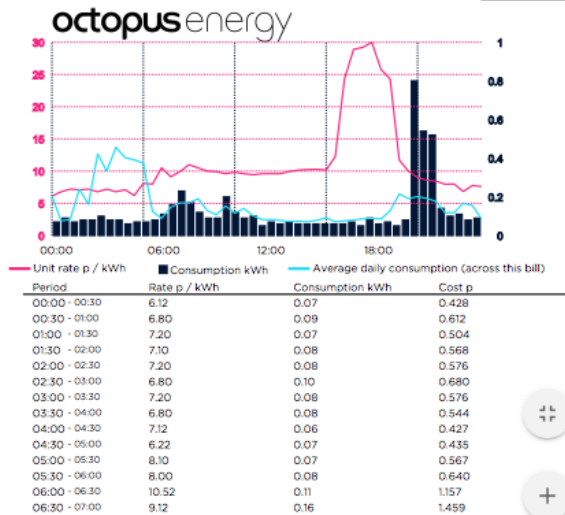
To do this you need....to build engaging products

- Open APIs enable rapid integration with any smart appliance
- Give customers clear price signals available on whatever device they want to use
- Give customers clear bills so they can understand how much they spend and save



Wednesday
6th November 2019

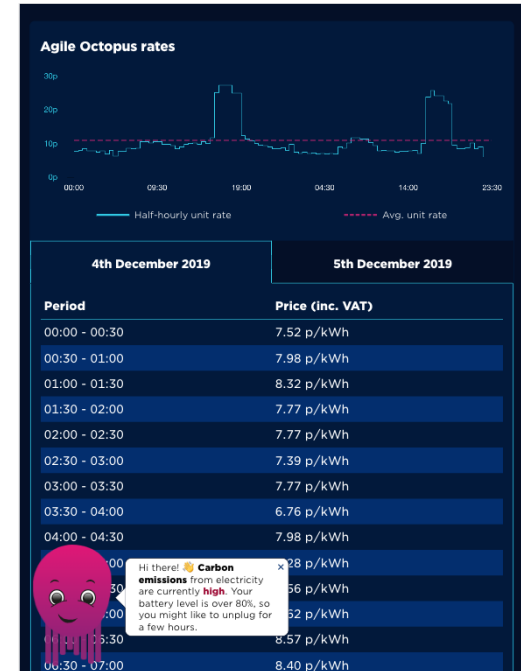
For electricity meter 17P3001648



Total cost
£ 0.59

Total consumption
5.87 kWh

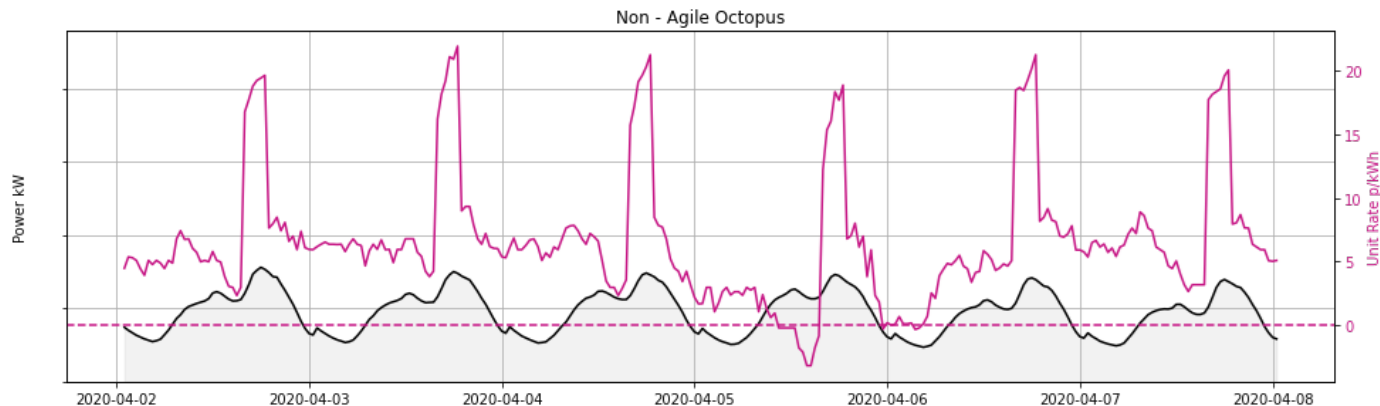
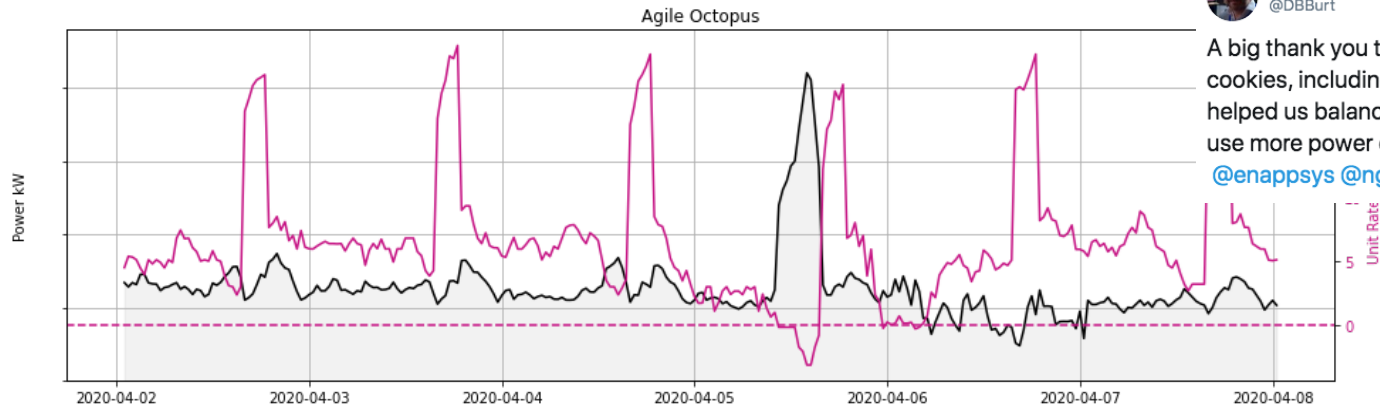
Weighted average unit rate
10.12 p / kWh



A real example - Agile Octopus



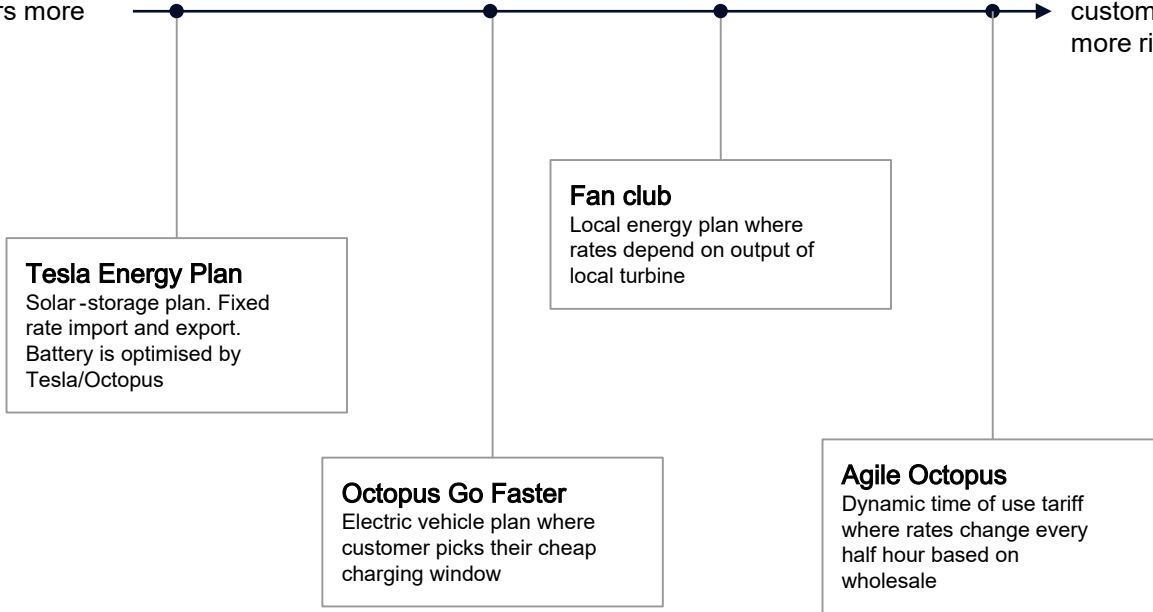
A big thank you to all those #EV drivers and smart cookies, including everyone on #OctopusAgile, who helped us balance the GB grid last night. Getting paid to use more power on a windy night! @octopus_energy @enappsys @ng_eso



It's not one size fits all...

More controlled,
retailer bears more
risk

More dynamic,
customer bears
more risk



To do this you need....some system change

- Energy and network costs need to reflect **local context** and in **real time**
- Move from system operators **internalising** all their optimisation and socialising costs to **externalising** optimisation through price signals and markets
- Real time markets and signals need to be enabled by **rapid digitalisation** of networks
- Digitalisation without markets and price signals will continue to leave system operators as the **sole gatekeepers of innovation**