

Egnida presented as a "disruptive innovator" at the OFGEM Energy of the Future - Energy Conference in February. There was much debate around innovation and whether it would be helpful or otherwise for the fuel poor and vulnerable and as it was such an engaged and knowledgeable audience we felt it was worth sharing the views from ourselves and these stakeholders in relation to OFGEM's Forward Work Programme for 2019-2021.

As some brief background, Egnida Group is one of the leading innovators in future smart energy and mobility markets including integrating "cross vector" and "cross industry" solutions such as Vehicle to Grid (V2G) where electric and potentially gas vehicles can operate as useful energy assets. We work with all types of customers from private to public sector to help them manage the risks of the rapidly transitioning markets and capture the opportunities arising. In addition, we also work with social housing providers, devolved government, local government and regulated utilities in an attempt to apply innovation to help the fuel poor and vulnerable. As part of this work we often access innovation funding from sources such as Innovate UK, BEIS and the network innovation competitions and corresponding fuel poor related funding initiatives.

A brief summary of feedback from ourselves and interested stakeholders that OFGEM may wish to consider, including from the OFGEM event as highlighted above, is as follows:

- innovation and investment in smart energy and mobility solutions is increasing at pace and targeted at both domestic and non-domestic customers;
- as the above markets are generally attractive to investors due to the inherent ability to sell new products and services to customers they are specifically targeted at the more affluent and so very few solutions are being developed that will benefit the fuel poor and vulnerable;
- there is a general concern that most of the above customers targeted for innovative solutions will benefit from reduced energy costs whereas the fuel poor and vulnerable will be unable to access these benefits and therefore will bear a disproportionate amount of energy industry costs as a result (known as the "poverty premium");
- OFGEM have useful initiatives that encourage innovation and support for the fuel poor and vulnerable separately but it is notoriously difficult to combine these to use innovation funding to target solutions that help the fuel poor and vulnerable specifically;
- discouraging or slowing down innovation in general is clearly not in anyone's interests but making it attractive or at least easier to drive innovation more quickly to benefit the fuel poor and vulnerable

would be incredibly useful and have no apparent disbenefit to a wider range of customers as a result.

On a positive note, Egnida is working with a wide range of interested stakeholders, including energy network operators, on applying innovation specifically to benefit the fuel poor and vulnerable but in a way that provides wider cost savings to customers in general. However, this is far from an obvious route for stakeholders to take and any actions OFGEM can take to encourage or at least not inadvertently prevent such developments would be positively received.

I trust you find this helpful. Please feel free to contact me if you have any questions or you would like more details to support the above points.

Kind regards

Andrew

**Andrew Padmore**  
Chief Executive