



A *lightbulb* moment

According to Ofgem, energy prices have doubled since 2006, and are set to double again by 2020. Together with regulatory imperatives, such as the Carbon Reduction Commitment (CRC), there is now considerable focus on the consumption of energy at both an individual and organisational level. This brings an opportunity to consider how to reduce energy use, and therefore costs, while meeting sustainability requirements. But what is the nature of the support available to realise any improvements? In the case of Get Smarter Energy (GSE), a joint venture between Smart Carbon Control and Get Solutions, the leadership team are looking at a mutually beneficial partnership.

Led by Matt Pumfrey, GSE is rooted in fair and ethical values and seeks to maintain a transparent relationship from the outset. Matt has spent 20 years in the sustainability industry, latterly as managing director for Sercos energy services business. It was from this experience that the concept for GSE was formed, as Matt observes:

“We wanted to address the relatively new issue of energy efficiency. The reality is that most companies know they need to engage in this area but don’t have the time, resources or expertise. The fact is, the dramatic increase in energy costs and legislative drivers, such as the CRC, has moved the energy issue up the board agenda. There are also other industry specific accreditations impacting businesses around the green agenda.

“All of these factors are forcing businesses to address the issue of carbon and energy. There are a number of consultants in the space, but they don’t offer a service solution. GSE does.

We are a service delivery company focused on delivering energy and carbon reduction and the inherent financial savings that brings.”

GSE works with companies to deliver cost savings to the bottom line. By having a greater level of understanding of energy consumption across a site/estate a business can do something about reducing it. A hotel spending £500,000 per year on energy will see this figure double by 2020. However, by using a clear end to end energy demand management process, initial savings of up to 30 percent could be delivered. As GSE grows to understand the specific qualities of their clients’ estates, further actions and savings can be prioritised and delivered driving this percentage up further. So how does this work? Matt says, “Many people think that reducing energy costs is about buying cheaper energy, but this is not the case. The core challenge is to drive energy demand reduction into an estate and therefore use fewer kilowatt hours. After all the cheapest watt of energy is the watt you don’t use – the negawatt.

“We have a unique funding model which enables clients to drive energy efficiency into their estate without the need for direct or third party capital investment.”

GSE is a Tier 1 energy broker that reinvests all income derived from procuring our client’s energy onto their estate. This process is done with complete transparency. In one case, a client was spending in excess of £400,000 per annum on electricity and gas. By using GSE, the client enabled the generation of £150,000 of investment monies over a five year contract. This money is now being used to deploy our energy demand management operational platform on site, which has already been successfully deployed with clients including



Reducing energy expenditure is not just about changing procurement but reducing energy use. So how can businesses realise this objective? *EP* spoke with **MATT PUMFREY**, managing director, Get Smarter Energy to find out about their approach

Barclays, Goodrich, LloydsTSB and United Utilities, delivering between 20 to 30 percent energy demand reduction.

So what does this platform do? The platform is a hardware and software tool that is deployed across an entire estate. A simple example of the output from such an analysis would be to ensure that, on a warm day, boilers do not automatically turn on in the morning. However, as Matt observes, energy infrastructure is far more complex:

“What it brings to a business is a degree of real time asset intelligence that they did not have before. The platform operates seamlessly in the background delivering savings in multiple ways, recording and reporting as required. At Barclays, our platform delivered independently verified savings of 34 percent on their energy demand across 350 sites.”

The system also offers a level of reporting that incorporates CRC functionality, and there are broader metrics available, depending on what a business needs. In the hotel industry, for instance, the system can compare energy demand in one part of the country versus another to provide an extra layer of information that is used to tailor strategic energy demand reduction activity to ensure the best return on investment across an estate.

GSE operates a transparent gain share model that ensures both parties drive the efficiency programme forward. As Matt says, “GSE only makes money when our clients save money.”

The proportion of the gain share is flexible depending on the

client, the length of the contract and the size of the level of energy spend. Realistically a business needs to be spending a minimum of around £200,000 per annum or more to enable of the financial mechanism to work. .

GSE officially launched in March this year and the feedback has been very positive. Perhaps understandably, given how much energy costs and consumption are rising. Contracts have already been won in the education, hospitality and facilities management sectors, as well as the most recent contract win with a well-known Formula 1 team. Matt says,

“Within the hospitality industry there is a significant opportunity. The industry has had a difficult time over the past few years and operational efficiency is being delivered in a wide range of areas. We believe the GSE offering will be financially attractive to many in the industry.

“As a company we are looking to partner with our clients over a number of years,

not just sign a contract and walk away. Delivering energy demand reduction is a journey with clear steps and we work with our clients to deliver a clear road map and deliver behind that. ”

For many years there has been an increasing emphasis on sustainability agenda and the focus continues to rise, despite the ongoing economic downturn. This is especially relevant given the impact of increasing prices in society, and it is evident that suppliers such as GSE are seeking to make sustainable advancement in energy in a financially intelligent way. ●

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