

Open Letter to Pixie Project Participants

I trust you had a restful and enjoyable break.

I managed to meet in most cases with all our sponsors and participants ahead of Christmas, but thought I'd set out a brief end of term report as we head into the new year, and highlight some immediate priorities.

We moved the Energy Market Innovation Project on considerably during 2017. The year started with our response to the Smart, Flexible Energy call for evidence, in which we restated the need to address local market issues if wider policy goals around energy system transformation are to be realised.

The response and the confidence it helped build among our stakeholders led us to refocus the work onto East Anglia, and we went through a further round of building support and sponsorship. UKPN came on board, and were joined by suppliers Greenstar Energy and Flow Energy. This supplements the support we have enjoyed previously from Plutus PowerGen, Cornwall Insight, Haven Energy, Local Partnerships, Norfolk County Council and NFPA. Several local authorities in the three core counties (Norfolk, Suffolk and Cambridgeshire) and a number of solution providers, including Powervault, Electron, Future Transport Solutions and RenEnergy, have actively participated in our meetings and project planning.

The revamped project was launched publicly in July at Norwich Cathedral, and we set out our plans to develop our website and a regional data hub. Shortly thereafter, we obtained support from three regional LEPs – Greater Cambridge Greater Peterborough, New Anglia, and Hertfordshire – for the data hub. The website is now live [here](#) and is supported by daily news feeds and tweets.

Over the summer Pixie Energy continued to develop a wide-range of workstreams, with the following noteworthy developments:

- Submitting a tender response to Innovate UK on behalf of Suffolk stakeholders around the Sproughton development site
- Scoping a possible smart grid project on the Norwich “Western Research Cluster”
- Developing a potential innovation project with UKPN that explores a community based collaboration to share distribution access rights and potentially limiting future network reinforcement costs.

Since then, we have:

- Submitted a proposal to BEIS for a local flexibility assessment in the Suffolk area, which we intend to replicate for Norwich
- Launched our Smarter Norwich project in October and scoped a number of local streams to crystallise engagement by local energy users in the market and by community schemes
- Heard that we fell narrowly short of success in the Innovate UK contest, but we have been encouraged to make a further submission into a further funding round this spring
- Been asked by Energy Systems Catapult to support their assessment for optimising energy consumption and development in parts of the Western Research Cluster as a pilot project that could be rolled out in the public estate more widely

- Initiated projects for the development of market support services that could see us developing a role for Pixie as a FiT aggregator and also launching a crowd-funding platform.

In the round I think this represents significant progress.

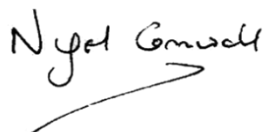
Looking ahead into the new year, we have already hit the ground running. We have:

- Just heard of our success in the BEIS flexibility markets competition, which means we are now updating and extending our local supply community model, which can incorporate half hourly settlement at the individual customer level, as well as time of use pricing
- Begun engagement with local large users and generators around the “distribution community” project in Cambridgeshire, to better understand the options
- Begun planning our further tender for the Sroughton Development project
- Moved into the latter stages of our data hub project ahead of roll-out in April. We are already actively scoping extension of the portal more widely across East Anglia and adjacent areas
- Launched a new monthly publication discussing and reporting on New Energy Markets.

Of course, with a new financial year approaching, I am now also embarking upon a new round of funding to seek continuing support from our existing and prospective new partners.

We will continue with our monthly review meetings with project sponsors and participants, but also intend to introduce a bi-monthly stakeholder forum initially focussed on local authorities. Both of these meetings will take place on the third Wednesday of the month (with the Forum being on alternative months starting in February).

I am confident 2018 will be a watershed for our project and will allow us to take the project forward, delivering a real impetus to local market innovation, regionally and more widely. I am looking forward to an exciting new year, and wish us all every success in this and all our other endeavours.

A handwritten signature in black ink that reads "Nigel Cornwall". The signature is written in a cursive style and includes a long, sweeping underline that extends to the right.

Nigel Cornwall

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