

The smart approach  
to energy





# Introduction

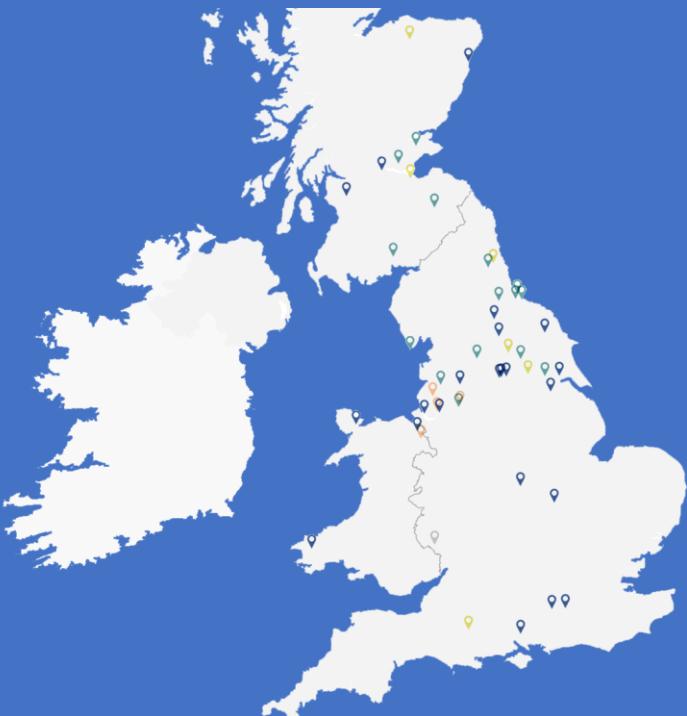
## **Simon Mitchell** **Head of Flexibility at Ylem Energy**

**Worked in the energy industry for over 17 years, firstly for a large energy consultancy before holding several roles for one of the big six energy suppliers.**

**Significant experience of the industry with particular focus on the shift from a centralised energy system to a decentralised energy system.**

**Including the responsibility for the commercial management of distribution connected assets, managing the entry of a distribution connected portfolio of assets into the UK Capacity Market and building Demand Side Response and Energy Storage Solutions for B2B customers.**

**Currently responsible for growing the flexibility side of the business and bringing new and innovative solutions for customers to the market**



Quarter of a century experience in operating generation systems

Operating assets all over the UK

From landfill gas engines to large scale  
Battery Energy Storage Systems

In house design, build, operate and maintain

Specialising in delivering fully financed smart and flexible generation and storage solutions



## Sample Customers

DIAGEO

**BVdairy**

greencore  
group





## Regulatory Impacts



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Ofgem are updating the charging regime

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Imminent changes have put off some customer looking at options now

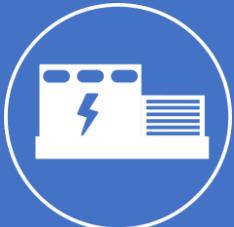
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Ylem take into account all upcoming changes into modelled savings – inc changes to Triads and DUoS

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Work with customers to understand regulatory impacts

# Rising Energy Costs



Historic low gas and power prices – however, not necessarily seen on invoices.

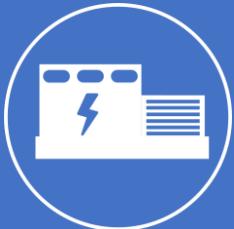
Wholesale costs now only accounting for approx. 40% of invoice

Continued increase in Third Party Costs on electricity invoices offsetting potential savings from low wholesale market

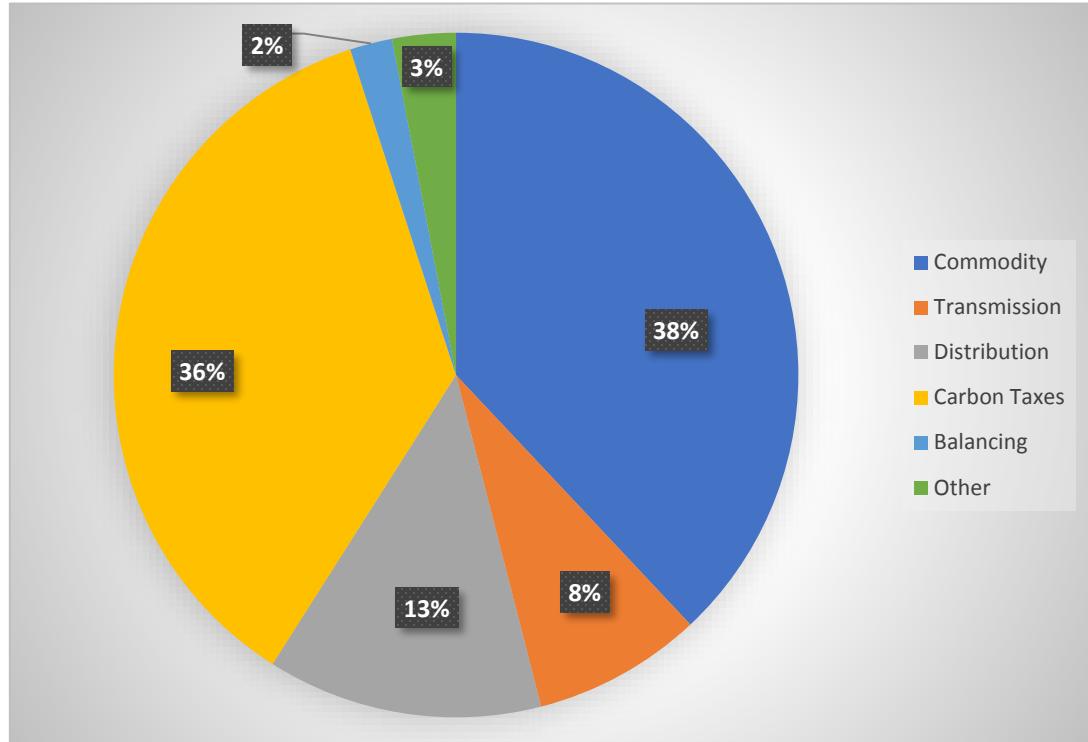
Common consensus these Third Party Costs will continue to rise

Potential to reduce these costs through self generation

## Third Party Costs



2020 breakdown of electricity costs (UK average)







# Behind-the-Meter Gas Generation



Supporting the transition to a localised energy system

Installed through our Dynamic Power Purchase Agreement (DPPA)

Opportunities to participate in Demand-Side Response

Complete design and installation service

Operation and maintenance included for life of asset

Units installed with heat exchanger to utilise heat



# Dynamic Power Purchasing Agreement



Ylem Energy will own and operate the asset

Typical 10 year PPA agreement in which Ylem sells the power generated to the customer at discounted rate to whole sale price

PPA covers full installation plus operating and maintenance costs

Zero Capex or ongoing Opex to the customer

The operational risk of the asset is with Ylem – if is it is not running customer does not pay

## Benefits



Significant reductions in energy costs

Reduce reliance on grid

Potential to generate income through Demand Side Response and wholesale optimisation

Platform for energy transition and other technologies – such as EV, Energy Storage.

Utilise the heat for either heating or processes

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YLEM

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ENERGY  
STORAGE



# Battery Energy Storage



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Sized from 250kW upwards

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Improves resilience

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Reduces costs

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Income generation - Balances  
the grid





Questions???

ENERGY  
STORAG

A photograph of an industrial facility featuring several shipping containers. In the foreground, a grey container has the 'YLEM' logo on its side. Behind it, a green container has large white letters spelling 'ENERGY' and 'STORAGE'. To the left, there are more industrial structures, including a tall grey cylinder and a green metal frame. The sky is blue with some white clouds.

flexibility@ylemenergy.co.uk

[www.ylemenergy.com](http://www.ylemenergy.com)