

Year in review **2018/2019**

and 2019/20 strategic plan

BRISTOL
energy



Foreword



“Creating a sustainable energy company with social value at its heart.”

Three years since its creation, Bristol Energy is forging ahead with its plan to support Bristol City Council in creating a different kind of energy provider: one which has the community at its heart and focuses on driving profits for a purpose.

From local job creation to staff volunteer days, carbon reduction activities and well-being initiatives such as training mental health first aiders, we are proud to say the estimated value put back into the Bristol community is £7m this financial year (estimated £12m since inception). Over the past year, we've had some great results; we've grown our customer base and pushed forward with our social mission to grow our renewable fuel mix;

- Residential has grown to over 165,000 customer supply points
- Business to Business has grown to over 4,500 business supply points
- Over 54 contracts with independent, renewable generators – many of them community owned

The company's Fuel Good Fund has been gathering pace, supporting vulnerable residents around the city. We work in partnership with the Centre for Sustainable Energy and local charities to deliver meaningful impact to the lives of Bristol's citizens, who are struggling with fuel poverty.

In February 2019, Bristol Energy was the first energy supplier to trial selling 'Heat As A Service' with households in the UK (selling warmth, not kWh of gas). The 'Heat As A Service' trial was an important step in Bristol Energy's journey towards creating energy products and services which are fairly priced for everyone, support sustainable energy supply and advance the decarbonisation of homes and businesses.

Bristol Energy is committed to supporting Bristol to hit ambitious social and environmental goals set out in the One City Plan. Our strategy over the coming financial year is to focus on growing our customer base both locally and nationally and offering additional innovative energy services. We set out our key priorities for the years to come below.

This is the start of an exciting new phase of growth for Bristol Energy. My message to everyone in Bristol is; this is your energy company – join us to help us reinvest back into Bristol community.

A handwritten signature in black ink, appearing to read "Marek Majewicz".

Marek Majewicz
Managing Director, Bristol Energy



Our year in Review

BRISTOL
energy
2018/19



**Our year
in review**

 **Customer Numbers Growing**

CIRCA

165,000
customer supply points

CIRCA **4,500**
business supply points



Our Fuel Mix Is Getting Greener

54 independent renewable generators

Electricity
comes from
community
owned projects

 National Trust

CIRCA
75%
green supply
(up from 51%
in 2017/18)

Locally sourced gas or 'Poo Power'

Sewage waste from **1M Bristol people** turned into biomethane, a sustainable, virtually carbon neutral & environmentally friendly substitute for natural gas



Great Customer Service

★★★★

citizens advice **Top 10**

Which? Top 10



We're a Force for Social Good

OVER £25k
raised for our
Fuel Good Fund

OVER £2k
raised for charity by our staff



We accept payment
in Bristol Pounds



**BRISTOL
POUND**



**Working
with Partners
who Support
our Vision**



100
volunteering
staff

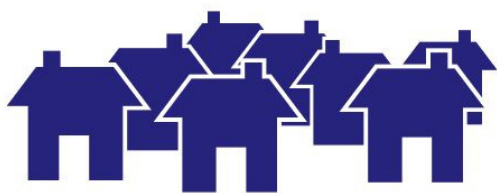


ESTIMATED

£7m

put back into
the local
Bristol
economy
via local job
creation,
supported staff
volunteer days,
carbon reduction
and mental health
first aiders to name a few

We have significantly grown our customer base



Our customer base has grown by 38% over the year reaching over 165,000 customer meter points, starting from 120,000 at the end of last financial year. We've also grown our business sites significantly and now supply over 4,500 business supply points, of which 2,192 are in Bristol.

We won the Bristol City Council energy contract

We were pleased to have been awarded Bristol City Council's electricity and supply contracts via a competitive tender processes.

All of Bristol City Council's sites including council offices, museums, council managed schools, libraries and care facilities are now supplied by Bristol Energy. The gas provided is local and green, supporting Bristol to stay ahead of its carbon reduction targets.



We've continued to provide great customer service



We've improved our customer service rankings in 2018/19, moving up to 6th place in the influential Citizen's Advice Supplier Rankings, moving from 11th to 8th in the annual Which? Energy Survey and maintained our 4* ranking for customer service on both Trustpilot and USwitch.



8th Customer
Satisfaction Survey



Currently 6th in
supplier ratings

Our Bristol based team are passionate experts



We are contactable via social media, email or by phone. You can also visit us in person at our Customer Service Point to talk to someone face to face, to get advice and support on your bills, smart meters, energy use and consumption. We resolve complaints quickly and are industry leading in the speed at which we resolve complaints; currently 93% are resolved within one working day.

We're delighted when customers take the time to share their experiences



4 Mar 2019

Great service from Liam & the team

Great service from Liam & the team. For a couple of weeks now they have helped managed my energy transition end-to-end (including with old provider objections, direct debit etc) and gave me peace of mind with my medical condition.



25 Feb 2019

One of the best !

Just the best energy company I have ever dealt with! Bills make sense, I can do all my stuff online and whenever I need to call I get through to a nice honest person and we can have a chat about how to sort it. Well done Bristol Energy - top of the pile for me



We've taken action to reduce fuel poverty in Bristol

We established our Fuel Good Fund in 2018 to help reduce fuel poverty in Bristol.

So far, we've raised over £25,000 which is being used to support our partners at the Centre for Sustainable Energy deliver the WHAM (Warmer Homes Advice & Money) project.

This pioneering project brought together multi-disciplinary support for vulnerable citizens who may need help with energy efficiency measures, debt advice and payment plans. We are proud to be contributing to the city's plan to ensure that no one suffers a cold home by 2030 and we will continue to work towards this goal.

We voluntarily offer the Warm Home Discount to around 3280 customers this year meaning that those people who need extra help with their energy bills, and qualify, will receive a one off, annual rebate.

We have also led a cross city initiative 'No Cold Homes' which brings together the city's leaders from housing, healthcare, energy and community groups to work together to develop collaborative plans to tackle all the facets that contribute to fuel poverty.

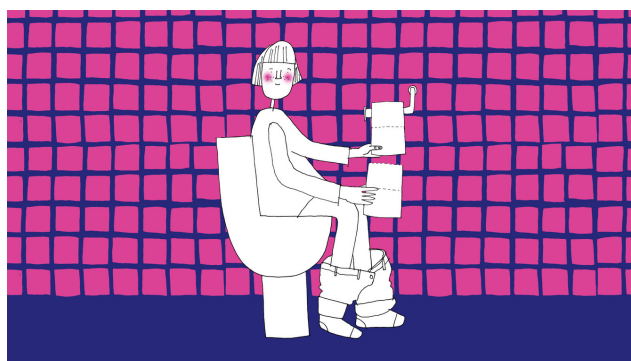


We're getting greener



Our fuel mix is getting greener, with the introduction of more local renewable generators adding wind, solar and hydro to the mix. We work directly with over 54 renewable generators supporting more renewables onto the grid. 31% of this renewable generation is sourced directly from the Bristol area. In partnership with Geneco, a local energy innovator, waste from one million Bristol people is turned into biomethane, a sustainable, virtually carbon neutral and environmentally friendly substitute for fossil fuel natural gas. We supply our domestic customers with 15% green gas and businesses up to 100% green gas.

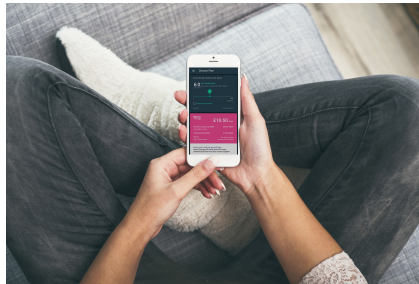
Circa 75% of our electricity currently comes from renewables



We have trialled new customer led, energy service innovations

This year, we trialled the UK's first 'heat as a service' system. This trial starts our journey to learn more about how customers want heat and warmth delivered, moving away from a traditional gas supply model of purchasing kWhs rather than the easier to understand concept of 'warm hours'.

We've secured innovation funding



Working with Innovate UK, the arm's length government innovation funding body, we have created the Bristol Energy Smart System Transformation (BESST) project. This consortium brings together Bristol City Council, three local community groups (Bristol Energy Network, SevernNet, Bristol Community Transport), Regen and Upside Energy to explore the best ways in which to design a local energy system in North West Bristol.

This innovative project explores how we design new services for our customers, helping prepare ready for a changing energy world. One in which customers begin to take more control of their energy use and supply, with a move to electric vehicles, battery storage systems and need to decarbonise heat.

We're collaborating with community owned renewable generators Gower Power and the technology company Origami to develop a local energy system, installing a new solar and storage facility at their existing 1MW solar farm. This will enable smart grid management and demand matching for local electricity supply, using smart meters.



We're working with even more partners to deliver our purpose



During the last year we've established and strengthened our partnerships with local charities that help vulnerable people in our community, including FareShare SW, Feeding Bristol, LinkAge and Caring in Bristol. We've had staff volunteering at events, donated food other in demand items such as toiletries, have supported charities with joint marketing and social media and raised money through charity auctions, cake sales and affiliate programmes.

We have formally established our relationship with the Centre for Sustainable Energy to provide funding for their WHAM project. This innovative project provides advice on energy and money for those who need it, as well as carrying out home repairs to improve energy efficiency.

We are also really excited to be a part of the local business community, such as working with Bristol Water and the Better Food Company. We have been working to establish partnerships with local business networks focusing on the environment, society and our local economy, including the Bristol Green Capital Network, Future Economy Network and our local Chamber of Commerce, run by Business West.

We've reshaped our team



We believe our people are the key to delivering our ambitious plan. We've reshaped our senior team to reflect this and to provide the right leadership and expertise to help us match the change in the energy sector and to drive a renewed focus on our purpose.

Our new senior leadership team brings a mix of expertise from the public and private sectors, including all important energy industry and retail knowledge, as we begin to better understand our customers' needs and requirements.

We met our plans and targets

We have continued to perform within the range of our business plan and targets set by our shareholder, Bristol City Council.

Our company growth continues at pace, our customer base is growing and we're delivering significant social value to the city. As we begin to engage with City Leap, we expect to see that social impact develop even further as we work together with Bristol City Council to realise some of the aims set out in the recently published One City Plan.






Our Plan 2019/2020

Our Vision

"We will create a sustainable energy company that has social value at its heart."



Our Objectives

- To create 'profit for purpose'.
 - To be a commercially efficient business that will in turn, provide an income stream for Bristol City Council
 - To support our vulnerable citizens with major social challenges, such as fuel poverty, by creating new products and services which leverage new technologies and innovations.
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Our Strategy

- Increase total shareholder returns in both financial and social value
- Improve business efficiency and effectiveness by creating economically sound and sustainable business model
- Diversify to become an energy services company with multiple products and services to support the vision.

Our Values



Be purposeful

Our sole reason for being is to create profit for purpose. We are relentlessly focused on our purpose and have a clear direction to help us get there. We take care to create exceptional work which focuses on the customer at all times.

Be curious and brave

We dare to be different. We are brave enough to ask questions and challenge the status quo. We are courageous; embracing new opportunities and trying new and creative ways of doing things.

Be connected

Our community is connected across teams, cultures and geographies. Online, over the phone and face to face, we come together and collaborate to solve problems. Together, we will help to forge a sustainable and environmental legacy for Bristol and beyond.

We will strengthen our core business, growing our customer base and focusing on Bristol

Our marketing and sales teams will focus on growing our customer base firstly in Bristol and then, nationally. In 2019/20, we will continue to work closely with Bristol City Council, Bristol community groups and local partners to better understand our customer needs and to develop services which better serve them.

We will reach our customers, and potential new customers, through local events, social media, digital and telephony channels. We will continue to offer fair and transparent energy tariffs, priced sustainably to ensure we are not selling energy at a lower price than it costs us to buy it, but will also build our product offering to include additional products and services.

Our Refer a Friend Campaign continues for 2019/20, allowing our loyal customers to be rewarded for sharing their Bristol Energy experiences with others, helping us to build our community of energy consumers with social value at their heart. We look forward to our Fuel Good Fund growing and being able to deliver a meaningful impact to those living in fuel poverty in Bristol.

In 2019/20 we will implement a number of new strategic initiatives to create better experiences for our customers, which at the same time will help us reduce our cost to serve them.

We will improve our great customer service, adding some automated systems to back office tasks giving our people more time to interact with customers. We will invest in new digital platforms including our first version of an app that will give our customers a new way to understand their energy use and self-serve information for both traditional and smart meters.

The app will grow and build over the year to include innovative and useful features which will help our customers to manage their energy consumption, usage, generation and save money on their bills.

We're proud to be pioneering a new remote digital team of UK based workers who will support our in-house customer care team, working outside of usual office hours at evenings and weekends, to speak to customers about their energy service at a time which is convenient to them. We're pleased to be able to pilot this approach and support people who are looking for an alternative way to return to work.

Finally, as we continue to grow our customer base, we're excited to be developing our customer community and will use this group to help us learn about what energy products and services our customers want. We hope this will become a self-supporting community who will answer questions, share interests and support our vision of creating a company which has social value at its heart.



We will diversify into energy services

The energy market continues to evolve.

Traditional energy supply is giving way to energy services – a new way to describe additional energy products and offers which energy companies can provide to customers to support their energy use, management and even generation.

Power and control is moving to the customer as technology rapidly advances and information is more readily available. Smart meters, electric vehicles and solar panels are all becoming more mainstream. In addition, a growing ethical and environmental consciousness in British consumers means people want to do business with companies who are purposeful and have the greater good in mind.

Bristol Energy is working to be at the forefront of this new energy world, using our home city of Bristol to test and pilot new and innovative products. Our 2019/20 business plan includes the new 'energy as a service' propositions, technology platforms and pilot innovations which we hope to be able to bring to market over the coming months and years.

These include...

Heat as a service

We were the UK's first energy supplier to trial 'Heat as a Service' with the Energy Systems Catapult and we will continue to develop this service offering as well as integrating a 'Power as a Service' offering

Heat retailing

As Bristol's heat network infrastructure grows, we will also begin retailing heat working with partners to ensure the best offer to customers.

Solar and battery propositions

Solar panels and batteries will support the Bristol City Council's aims to decarbonise and we will soon be trialling propositions to support our customers benefit from these technologies.

Energy Efficiency Products

The best way to reduce energy costs and carbon is to not use as much energy! We will launch services to help our customers better understand their usage and, in turn, reduce their consumption.

Transport and Electric Vehicles

As electric vehicles continue become more important to Bristol's decarbonisation goals, Bristol Energy will support ensuring the city's infrastructure and energy supply to match the new demands of the city.

More Renewables and Local Energy

Our ambition as part of our social contract with the city, is to work with local Bristol based communities and generators to deliver even more renewables. This means not only are we supporting Bristol's ambition to decarbonise the city but local communities and businesses are benefiting economically too.

We will support Bristol City Council with the City Leap programme to transform Bristol's energy system

City Leap is an ambitious programme being led by Bristol City Council.

The programme will transform Bristol's energy system and take a significant step towards Bristol's ambitions for Carbon Neutrality. As part of the City Leap programme, Bristol Energy aims to play a key role in the delivery of City Leap:

- Provide the interface between City Leap assets and customers, increasing the positive impact they on Bristol residents energy bills
- Integrate assets, infrastructure and technology to create compelling customer products and services.

- Provide a route to market for new and innovative consumer propositions to create and enhance value.
- Continue to build on our trusted brand to support customer engagement and delivery.

These activities will not only contribute to the success of City Leap, but also further enhance Bristol Energy's unique selling points and value. City Leap will help to unlock Bristol Energy's potential in the future, local energy system as a supplier of services.



We will drive innovation

With the support of our partners, we will develop new products and tariffs to meet these changing customer needs.

We will invest in trials that allow us to learn more about our customers, how they use our products and the data required to support them in the best way. As a council owned energy company, our mission is to drive technology innovation which benefits everyone. Whether they be in social housing or are using community facilities, we will create a local energy system that ensures everybody will benefit from sustainable clean growth in Bristol.

Our five year priorities



1. Double the social value created for Bristol
2. Support Bristol to meet its carbon neutral targets
3. Achieve profitability
4. Build service propositions that meet our customer needs and deliver additional value
5. Be recognised as a leader in distributed, local energy markets

“Creating a sustainable energy company with social value at its heart.”

Our Team



Marek Majewicz, Managing Director

Marek leads the Senior Leadership Team and business here at Bristol Energy. Marek has over 20 years' experience, operating in senior finance roles across various sectors predominately in oil & gas and energy, working for multi-national companies such as Shell and Orsted.



Nicola Lynn, Strategic Programme Director

Nicola leads teams responsible for structuring, planning and delivering Bristol Energy's portfolio of strategic projects. Nicola has 20 years of experience delivering complex programmes incorporating business systems implementation, process improvements and the associated change management in a range of organisations such as the NHS and Tribal Group.



Ian Parry, Director of Retail

Ian leads the customer focussed and facing teams at Bristol Energy, comprising our domestic products and services. Ian has 20 years of experience in the utilities and finance sectors including working in senior roles for businesses such as British Gas and First Utility and being involved in the launch of innovative energy entrants including Pure Planet.



Lisa Holmes, Chief Information Officer

Lisa leads Bristol Energy's IT and digital teams. Lisa has 25 years' experience working internationally on complex IT projects, including working with Middle East based broadcaster OSN.



Nick Haines, Director of Trading, Commercial and B2B

Nick leads teams who are responsible for pricing, forecasting, trading, origination and business to business sales at Bristol Energy. Nick brings with him over 15 years' experience in energy, sales and product development. Nick previously worked at Good Energy.



Samantha Nicol, Head of Innovation and Marketing

Samantha leads the innovations and marketing teams at Bristol Energy. Samantha has over 15 years' experience in developing and bringing new propositions and innovations to market, consulting for companies including E.ON and Centrica.



Dan Millard, Head of Finance

Dan leads Bristol Energy's finance team. Dan has over 15 years' experience managing commercial and operational finance teams across a range of businesses including Capita, Vodafone and Nationwide.