

New opportunities for community energy

We had a great day in Cardiff at our Flexibility Markets for Beginners event at the start of July, this is a key area for communities to engage as we transition to a more decarbonised and democratic energy system.

A flexibility market means that rather than selling power you generate, you can sell the ability to shift when you use or generate power to help the system. These markets at a local level are new, developing fast, and are currently unregulated, so communities need to be involved early, and keep up to speed to influence and grasp the opportunities to:

- Enable more low carbon generation to be connected by unlocking local network capacity
- Generate additional income by providing flexibility to the network (by turning up generation, discharging storage, and reducing demand)
- Manage low carbon generation and energy demand locally to make it more efficient, which will also help in the future as we move towards local supply and peer to peer trading
- Collaborate more with Distribution Network Operators (DNOs) through pilots, innovation trials, and live calls for [flexible power](#) in specific areas.

If you missed the event last week, come along to the next free training event for communities in [Nottingham](#) next week. Or have a look at these cool animations we have made with Western Power Distribution (WPD) to help communities get their heads around [electric vehicles, the shift to Distribution System Operator and the role of local flexibility markets](#).

You can talk directly to DNOs like WPD as they start calling for new suppliers of flexible power in some areas, see their latest call [here](#). DNOs are driven by the need to defer network upgrades that cost millions, and the need to have more visibility and control of power flows on the system, making it smart and optimising the efficiency. This impacts our energy bills, as we pay for the cost of using and reinforcing the network through our energy bills, so using what we have more efficiently is in our financial interests.

At the same time as DNOs are procuring flexibility directly, new platforms are being developed like Piclo, Electron and the Cornwall Local energy market, to simplify and help people participate in this new market. These platforms could also be used in the future for peer to peer trading and local supply. Piclo's presentation highlighted that although they started out as a software company trying to solve the energy trilemma by doing peer to peer trading, regulation and the way the network is paid for meant there was no value for them in doing this now. They have decided to focus on developing flexibility platforms instead, where they can realise some value now. Think of these platforms as the match.com of the flexibility world, connecting people who can deliver flexibility with DNOs who need to manage the network to maximise its efficiency. The people with flexibility are those with the ability to generate power, store and put it back on the network at specific times, or the ability to reduce the amount of power they are using through turning off demand. If you provide these services you could be 'matched' through a platform and the same platform would manage the settlement process, think about this as the eBay, where you get paid for what you provide.

In Wales we are seeing some very innovative new community energy projects emerging, supported with funding and a helpful policy environment. We heard from Westmill Community Energy about their vision for the future of a smart power station, linking up their PV and wind farm with energy from waste, hydrogen and storage. They also talked about the challenges of getting all the right partners on board to make this ambitious project happen.

Flexibility markets are an early sign of the transformation of our energy system, as DNOs roll these out across their network, there will be more possibilities to develop local energy markets. If you want to learn more about the future of our energy system and how you can get involved, see the slides from the [Cardiff](#) event, or watch one of the new [animations](#).

