


# The Role of Alternative Suppliers of Energy

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[www.hvm-uk.com/smartgrids2014](http://www.hvm-uk.com/smartgrids2014)

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A photograph showing a herd of cows in the foreground, with a large pile of coal in the background. The cows are of various colors, including brown, white, and black. The coal pile is dark and occupies the left side of the frame. The background shows a line of trees with some autumn foliage. The text "You may not be able to see green energy. But you can tell it's green." is overlaid on the top right of the image.

You may not be able to see green energy.  
But you can tell it's green.

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Doug Stewart  
CEO

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# Grown by....

- Grown by recommendation
- Good use of the web
- Don't advertise
- Don't use switching sites
- Don't chase price
- To date electricity only – starting Gas

# Since 2001

- We think we do, what we do, well
- No outside investment or debt

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# Different models

- Huge market
- Oligopolistic players
- Room for everyone
- Faster growth in last 24 months

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Our energy is green.  
Our thinking is  
multicoloured.

# green energy

We won't change  
the world.  
But we will hurt it  
a little less.

Proud sponsor



energy to us.

[www.greenerenergy.co.uk](http://www.greenerenergy.co.uk)

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**The media have  
pronounced on most  
elements**

**Ed Miliband's  
speech**

**Political and Media  
Agenda**

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# Don't believe everything you read in the papers

- ComRes research
  - Over Half the market trust the Big 6
  - Competitive prices 94%
  - Easy to understand info 92%
  - 91% want suppliers to listen

# There are No Fields of Gold



- It might not be a popular stance but its not a fantastically profitable business
- £1.2bn profit
- 50m supply points
- Do the maths!

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Green is now  
mainstream

Greenest Govt ever  
is.....

Not so green

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# Energy Trilemma

- Affordability
- Security
- Sustainability



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# Energy is a Commodity

- It is inelastic
- We need it and we will pay for it
- If its morally repugnant to look at gas and electricity that way think
  - Petrol
  - Diesel



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# How do We Ensure the Consumer isn't Exploited

- Nationalise
- (Over) Regulate
- Introduce more choice and competition.

# Alternative Suppliers

- More Choice
- More Competition
- Innovate
- Route to market for small scale generation
- Provide higher levels of service



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# Our job

1. Keep the market honest!
2. Push for energy security
3. Move the sustainability agenda forward

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# Price war

- Good for SOME consumers
- Not necessarily good for all stakeholders.
- Unfortunately you and me, we are all stakeholders.
- Our stake is trying to stop the lights from going out

# Price freeze

- Ed Miliband is many things
- But he is treading a path well worn by King Canute if he thinks he can halt price rises
- Our appetite for fossil fuels causes the rising tide in prices



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# If prices continue to rise?

- Doesn't mean we can't reduce our bills
- Shouldn't focus solely on price
- Energy independence
- Energy efficiency
- Demand side factors



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# Business models

Race to the bottom on price

Quality of the energy

The distribution of profits

The clarity of bills

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# 'Too cheap to meter'

- Wrongly attributed to Walter Marshall a pioneer of nuclear power in the UK
- Actually coined by Lewis Strauss of the US atomic energy commission.

# • **Actual quote ....**

‘Our children will enjoy in their homes electrical energy too cheap to meter... It is not too much to expect that our children will know of great periodic regional famines in the world only as matters of history, will travel effortlessly over the seas and under them and through the air with a minimum of danger and at great speeds, and will experience a lifespan far longer than ours, as disease yields and man comes to understand what causes him to age

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**HS2**

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We won't change the world.  
But we will hurt it a little less.

# The ForseeableFuture

- Innovation
- Competition
- Fairness

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**Any questions?**

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