

# **Zenobē Energy's response to National Grid consultation on Last resort disconnection of Embedded Generation.**

**05<sup>th</sup> May 2020**

## 1. Introduction

Zenobē Energy (Zenobē) is the leading UK-based owner and operator of grid-connected batteries, financed by over £80 million of equity invested by the board, private investors a US-based early-stage infrastructure fund and Jera, a joint venture between TEPCO and CHUBU, the two largest generators in Japan. The company has built, owns and operates over 72 MW of 'In-Front-of-Meter' commissioned assets spread across eight sites. Its portfolio of batteries is contracted to supply services to National Grid, including Fast Reserve, FFR, Capacity Market T-1 and T-4.

In addition to providing services to National Grid and the EMR, Zenobē also provides its battery and financing expertise to support fleet operators to make the transition to electric vehicles. In May 2019, we launched up to £120 million of funding to accelerate the rollout of commercial electric vehicle fleets. Our site at Guildford for Stagecoach is the first battery and charger combination supporting the charging of EV buses with other schemes being built and commissioned by Zenobē in Newport, London, Birmingham, Leeds and Coventry. The services provided by Zenobē include the design financing, installation and operation of charging infrastructure as well as the financing of batteries and the chassis of the buses/fleet EV vehicles. Currently, the company has or is in the process of negotiating contracts to support a total of >100 EV buses and the associated charging infrastructure.

Zenobē also offers its battery and financing knowledge through a range of services to commercial and industrial companies including utility companies such as water companies, to support their efforts to reduce their environmental impact and improve the use of renewable electricity.

## Recommendations

Zenobē welcome National Grid's response to the COVID-19 emergency and the initiative to keep stakeholders informed in their weekly videoconference.

However, we urge Ofgem and National Grid to clarify how embedded generation will be rewarded if curtailed. The benchmark should be the cost of taking the same action in the BM.

National Grid should be able to disconnect embedded generation only as a measure of last resort, and the generators affected should be rewarded for providing a flexibility service.

National Grid ESO should procure sufficient capacity to respond to the forecast changes in demand. If an extraordinary event occurs, they should reward both BM and non-BM units.

If you or colleagues have any immediate queries regarding Zenobē's consultation response, please do not hesitate to contact us.

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