

CUB Reduction Reward Scheme

Frequently Asked Questions



Why is this scheme needed?

Local and national grid operators face an ongoing challenge to balance the incoming load from generators of power with the outgoing load from energy users. Historically this has been a simple model as electricity usage has been quite predictable, and generation has been relatively consistent from Fossil Fuel plants that provide a baseload at a steady level.

As more of our power is generated from renewable sources such as wind and solar and more power is being used by transport (e.g. EV cars) and heat (e.g. air source heat pumps), the model is becoming more complex to manage, and therefore the "smart grid" is needed to balance the equation.

The CUB Reduction Reward scheme allows businesses to participate in the smart grid while earning revenue¹.

Is this for electricity only?

Yes, currently this service is for electricity only.

How does the scheme work?

Our RR scheme utilises flexibility schemes from organisations such as National Grid ESO, UK Power Networks, National Grid ED and all other DNOs/DSOs, as well as suppliers who offer schemes through their wholesale balancing process.

1. CUB assesses your energy usage data and provides an expected income level through CUB RR.
2. CUB bid into any appropriate scheme on your behalf – taking care of the whole process.
3. A Reduction Reward event takes place– you reduce (or increase!) your energy usage where possible – for as little as ½ hour or as long as 24 hours.
4. CUB pay you for any flexibility you have provided to the appropriate scheme on a monthly basis.

Who can participate?

If you have an electricity meter capable of half-hourly readings, you can participate!

CUB will work with you to understand how much flexibility you have within your electricity usage by analysing your data and can estimate how much you should expect to earn from the scheme. We have found many situations where customers assume they have no flexibility in their usage, but upon closer inspection, we have highlighted this for them.

We have also helped many of our clients generate revenue to offset the loss of TRIAD benefit's ending. If you used to avoid TRIAD costs previously, you have proven flexibility!

¹ <https://www.iea.org/reports/smart-grids>

Why work with CUB?

Market access – In our experience, these schemes are either aimed at domestic users or very large flexible assets such as owners and operators of batteries or generation plants. We are giving access to anyone with a half-hourly enabled meter.

Experience - CUB has helped customers manage their energy usage since 1994, and we are proud to be leading the pack in our market with our RR scheme. In Winter 22, CUB was the only energy broker/consultant approved as a provider of the Demand Flexibility Service. Therefore, our experience in this sector is unrivalled.

Service - Thanks to the family ownership of CUB, you can rest assured that once you work with us, you will receive a level of care and attention that you won't find anywhere else.

How much could I earn?

It depends on how much you use and how much you reduce your usage. Taking an average usage across our portfolio of 40kwh and assuming a 25% reduction achieved per session with an average session length of 2 hours, we expect you will earn somewhere in the region of £600 per annum. However, this could differ wildly depending on your usage level, with some of our clients' seeing income of over £100k per annum!

How can I reduce my consumption?

Some ideas – if you have cold storage on site, ensure the doors are closed throughout the Reduction event and consider overchilling before the event. Turn off air conditioning/electric heaters and any non-essential electricity usage. Time your shift breaks in line with a Reduction Reward event.

We suggest that you use our scheme as an opportunity to highlight areas for electricity reduction across the whole business. For example, one of our clients saved £8k per annum by highlighting out-of-hours energy usage.

When will the Reward Reduction events take place?

A CUB RR event could occur at any time; however, they are likely to fall in the highest usage hours of 4-7 pm or 9-10 am. If we are asking you to increase power usage, this is likely to be spread throughout the entire day and night.

If you have any further questions, please get in touch on customercare@c-u-b.com