

Identifying the path to resilience in a shifting energy market

2 years ago



With EU support for energy set to conclude in 2024, facility and energy managers for businesses across Europe are beginning to implement energy strategies for the coming years. Chris Rason, head of energy services at Aggreko, draws on global insight to signpost the short-and long-term strategies that will hold the key to achieving resilience.

It would be fair to say the EU is rapidly approaching a sea change in regards to energy strategy. The introduction of price caps during the energy crisis has been paramount to protecting businesses from bearing the full brunt of oscillating market prices, though with these policies set to end in just a year's time, businesses must prepare to go it alone in a market that remains rife with uncertainty.

In the face of an increasingly unstable grid, a move to decentralised energy models is becoming more popular among European businesses. However, it is critical that facility managers have both short- and long-term strategies in mind in the interest of maintaining reliance and uptime. Moreover, with sustainability now higher on the agenda than ever, this must also be factored in to any immediate decision making.

Tackling the here and now

For critical issues threatening the uptime of a facility, short-term solutions are naturally the first port of call. This can be through a variety of formats, such as topping up energy supply during grid shortfalls, providing back-up generation during an outage, or introducing bridging solutions during maintenance periods or while an upgrade takes place. Factories are already being asked to voluntarily use less energy during peak periods next Winter, to ease pressure on the National Grid^[1]. Highlighting the impacts of an

already over-stretched power network.

With the conclusion of government support also rapidly approaching, many businesses are now looking to short-term decentralised energy contracts to help their own energy transition. The same can be said where the integration of renewables is concerned, which is proving to be a challenge in its own right.

To address these dual concerns, our company recently developed its [Greener Upgrades](#) business strategy, designed to help organisations satisfy their energy needs through innovative green technologies. For example, in Spain and Italy, where uptake of solar power remains high, battery storage can be integrated to help pick up the slack when the sun doesn't shine. Critically, procuring such solutions through short-term hire models allows companies to make immediate carbon savings without the need for the investment in new equipment, while long-term plans are put into place.

Looking to the horizon

As government support comes to an end, more and more businesses are now looking to put long-term plans into place in order to guarantee future resilience. Here, power purchase agreement (PPAs) are emerging as a possible solution, allowing businesses to access decentralised solutions on a long-term basis, while maintaining a crucial edge of flexibility.

Here, the agreement is centred around providing energy on the unit cost of energy, rather than equipment. As a direct benefit, this allows the specified solution to be adapted as power requirements shift or as technology evolves. The foundation for this will likely rest upon smart microgrids – a solution that makes use of innovative software to regulate the usage of renewables, decentralised solutions and the grid all in tandem, providing a more controlled approach to using and storing energy.

Enabling the energy transition

Resilience is a burgeoning issue that facility managers would do well to address sooner rather than later in the wider interests of their business' future energy security. While a move to decentralised energy models remains one of the most effective methods of doing so, wider industry challenges mean that this will not take place overnight.

In an effort to ease this transition, our company recently launched a report, [Race to Resilience](#), outlining the tangible solutions to help high energy users address both universal and sector-specific challenges. The report also highlights a number of tools developed by the company to help identify the optimum solution for their business, including the [Hire vs Buy](#), [Grid Compare](#), [Data Centre Power Selector](#) and [Greener Upgrades](#) calculators.

By specifying a tailored solution, operators can address the unique challenges facing their business and set themselves on the path to resilience ahead of time. Moreover, working with a specialist partner like Aggreko can help overcome the challenges posed by moving to a renewable decentralised model. Crucially, looking at energy requirements over the long-term and adopting a solutions-based approach retains adaptability, which has never been more key in a rapidly changing landscape.

<https://www.telegraph.co.uk/business/2023/06/17/national-grid-blackout-prevention-plan-business-energy-use/>