

# Grid Edge raises £2.8m for AI software that helps cut energy costs and carbon

10 months ago



A UK company whose AI-powered software helps reduce carbon emissions and energy costs in commercial buildings has raised over £2.8m from the Midlands Engine Investment Fund II and Mercia Ventures, Centrica, bp Ventures and private investors.

[Grid Edge](#)'s platform is used in developments such as Birmingham's Bull Ring shopping centre and London's Royal Opera House, and by building owners and facilities management companies including Amey, Equans and OCS.

The platform collects data from multiple sources, including meters, sensors and building management systems and combines it with external data such as energy tariffs and weather feeds. Machine learning is then used to create a detailed picture of workplace operations and energy usage, making recommendations to optimise performance. The company claims it reduces costs and carbon emissions by an average of 20% and achieves a return on investment within six months.

The funding, which is subject to approval under the National Security and Investment Act (NSIA), will enable the company to take on more customers while continuing to develop the platform. It also plans to expand its 28-strong team by creating 15 new jobs in sales, customer support and technical roles.

Grid Edge, which is based in Birmingham, was founded in 2016 by energy specialists Jim Scott, Dan Wright and Tom Anderson, who met while working at Aston University. They were later joined by Richard Moore, who held senior roles at Deloitte in the US and Paul McCorquodale, who held senior roles at companies including EE and Amber Energy.

The company has increased annual recurring revenue (ARR) by 150% in the last year and is on course to

almost triple that again within two years and to increase the number of locations from 120 to 400 within the same period.

Paul McCorquodale, CEO, said: "Our mission is to simplify the complex world of energy and building management systems, empowering building operators to reduce carbon emissions and save money. Our focus on tangible results has led to a huge increase in demand from businesses to join the Grid Edge community. This funding will enable us to welcome more businesses on board, accelerating our growth and extending our reach and impact."

The funding round was led by Mercia Ventures, which was investing from the Midlands Engine Investment Fund II and its own EIS funds.

Beth Bannister, Senior Investment Manager at the British Business Bank, said: "The Midlands Engine Investment Fund II was established to support innovative and growing businesses based in the Midlands, just like Grid Edge. The fund's latest investment will enable this ambitious business to continue its impressive growth trajectory while also making a valuable contribution to the regional economy and collective transition to Net Zero."

Rafael Joseph of Mercia Ventures added: "Against a backdrop of rising energy prices, Grid Edge helps customers cut costs while achieving their sustainability targets. With future tariff changes set to introduce price fluctuations throughout the day, demand for Grid Edge's platform will only grow. Tightening carbon reporting requirements will drive further adoption. The business has been building strong momentum, and this funding will empower the team to accelerate growth and scale to the next level."

Peter Mayhew and Ross McGrath from Shakespeare Martineau provided legal advice to Mercia