



Anglian Water partners with Enel to lower costs, earn revenue and beat regulatory targets and corporate sustainability goals

Anglian Water is the largest supplier of water and recycling services in England and Wales by geographic area, operating and maintaining over 110,000 km of water mains and sewer pipes, 140 water treatment works, and over 1,000 water recycling centers across 27,500 square km. Serving more than 6M domestic and business customers – at a rate of almost 1.2B liters of water every day – Anglian is one of the largest energy users in the East of England.

The challenge

Sustainability

Anglian Water recognizes that climate change will be one of the biggest risk factors to both their business and community over the next 25 years. Minimizing both the carbon emissions created by everyday operations and the “capital” carbon used in building assets is vital to reducing the company’s overall impact on climate change.

In this pursuit, Anglian has already been recognized with the Queen’s Award for Enterprise – the UK’s highest accolade for business success – for its contribution to setting new standards for sustainability and embedding sustainability throughout its operations.

Compliance

Though privatized, Anglian Water remains a government-licensed entity and as such is subject to a high level of compliance requirements. One such compliance requirement is the prices Anglian can charge, which the Office of Water Services (OFWAT) regulates. These price ceilings require Anglian to look inward to increase competitive advantage.



CASE STUDY



Industry

Water supplier and recycling



Location

United Kingdom (England and Wales)



Solution

Utility data management and demand side response



Results

- Over £3.2million in savings identified in 2015
- Improved enterprise-wide cost control
- Faster reporting to comply with regulations and meet carbon reduction standards
- Wide adoption of the system across the enterprise

Risk management

Anglian Water lacked visibility into reliable data, creating internal and external challenges. Internally, staff had a limited understanding of operational needs and management had insufficient information to plan and budget long-term solutions.

Externally, Anglian's participation in the Carbon Reduction Commitment (CRC) and Government emissions reduction reporting requires comprehensive data and accurate and easy-to-use reporting tools.

The solution

Better management of energy, a top operating cost for any organization, was a perfect place to look.

Centralized utility data management

In 2003, Tom Lee, Energy Contract and Information Manager for Anglian, needed help establishing a centralized, comprehensive program for managing utility data across 400 sites.

With the help of Enel's professional services team, Mr. Lee quickly identified errors and gained deep operational insight from past utility data. Anglian has since rolled out this program for managing utility data across 7,200 sites; they use it to process and manage around 50,000 utility invoices annually as well as monitor and target further carbon reduction goals.

Leveraging demand side response

In 2016, Anglian Water took their energy management one step further, partnering again with Enel to help their more flexible sites participate in demand side response (DSR), the scheme that pays large energy consumers money for their ability to be flexible in response to signals from the grid system.

Enel's team helped Mr. Lee develop a participation strategy that maximizes revenue without disrupting core business processes. Today, Anglian is both a direct and indirect participant in the Capacity Market. Enel supports the indirect participation through aggregating 5 MW of curtailment from sites that are too small to participate individually.

The results

Anglian Water leverages the additional visibility that Enel offers to benchmark and monitor energy efficiency targets. From a central place, they can track performance with a high level of granularity and create simple, straightforward reports. These tools help Anglian make better operational and maintenance decisions, prioritize opportunities for efficiency improvements, and find more ways to save on

“

Experienced partners like Enel are one more set of eyes and ears to help beat our regulatory targets and save money for the customer and shareholder. But it's not every day your partner pays you as part of that service.”

— Tom Lee, Energy Contract and Information Manager, Anglian Water Services

costs. As of 2016, Anglian's energy efficiency savings have exceeded £20 million.

Mr. Lee can also automatically spot utility data errors and mitigate over-charges. For example, the Government's removal of the Climate Change Levy exemption for electricity from renewable sources required changes to supplier tariffs. Enel's 66-step bill validation process identified that the supplier had not invoiced on the amended tariff, prompting Anglian to request a rebilling that resulted in an additional £200K reimbursement. With assistance from Enel's Customer Success team, Lee evaluated the organization's historical utility data and identified consistent errors in about 10-15% of £9.75 million worth of total energy bills.

In addition to the cost savings generated by the increased visibility into past and current energy data, Anglian Water's energy management strategy has also earned them money. When you consider that Anglian's DSR participation is often executed using network charge avoidance (i.e., Triads, Red bands) tactics – yet another cost cutting measure – Anglian Water's energy management delivers a one-two punch in the battle against the energy cost line item.

A valued partnership

Energy management – how you buy it, how much you use, and when you use it – is complex. It involves several departments within an organization that often have completely different goals and may not communicate with one another very often.

Even the most seasoned and savvy energy management teams – like the team at Anglian Water – leverage partner tools and expertise to augment their results. “Experienced partners like Enel are one more set of eyes and ears to help beat our regulatory targets and save money for the customer and shareholder. But it's not every day your partner pays you as part of that service,” said Mr. Lee.