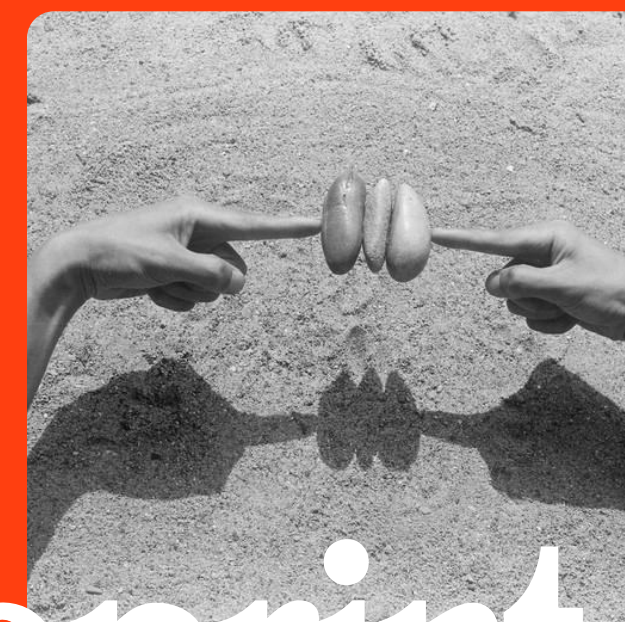




# A new energy blueprint.

**The first tem. report on British businesses' changing relationship with energy.**



## The quest:

For too long we have been made to believe that energy is too complex to master or change (and if you need proof, just take a look at your last energy bill).

We set out to better understand what British businesses make of it all, from fuel mix and breaking down costs, to their knowledge of 'clean' versus 'renewable' energy.



Because if we have any hope of accelerating the transition to a cleaner, low-carbon future, then business owners need to first know the **blindspots**.



## That's where we began.

The findings published in this report are based on data collected from over 500 independent UK business owners.

Go forth and digest and then let's talk about how we'll change it.

**Today's energy system is not just broken, it has been deliberately designed to keep the majority of businesses in the dark.**

**Living with 40 years of unchanged power dynamics, British businesses are calling for a NEW SHIFT in how we design energy systems.**



# “Today’s energy sector has been designed for the few, not the many...”

The sector has always favoured the big energy providers, who profiteer off a market that's remained unchanged since it was set up to sell oil and gas way back last century. Everyone is used to doing what has long been done and just accepting prices as they were, with no alternative.

That didn't sound right to us and this lack of innovation inspired us to build tem. - to give business leaders everywhere a traceable, affordable and direct alternative to going through the wholesale market.

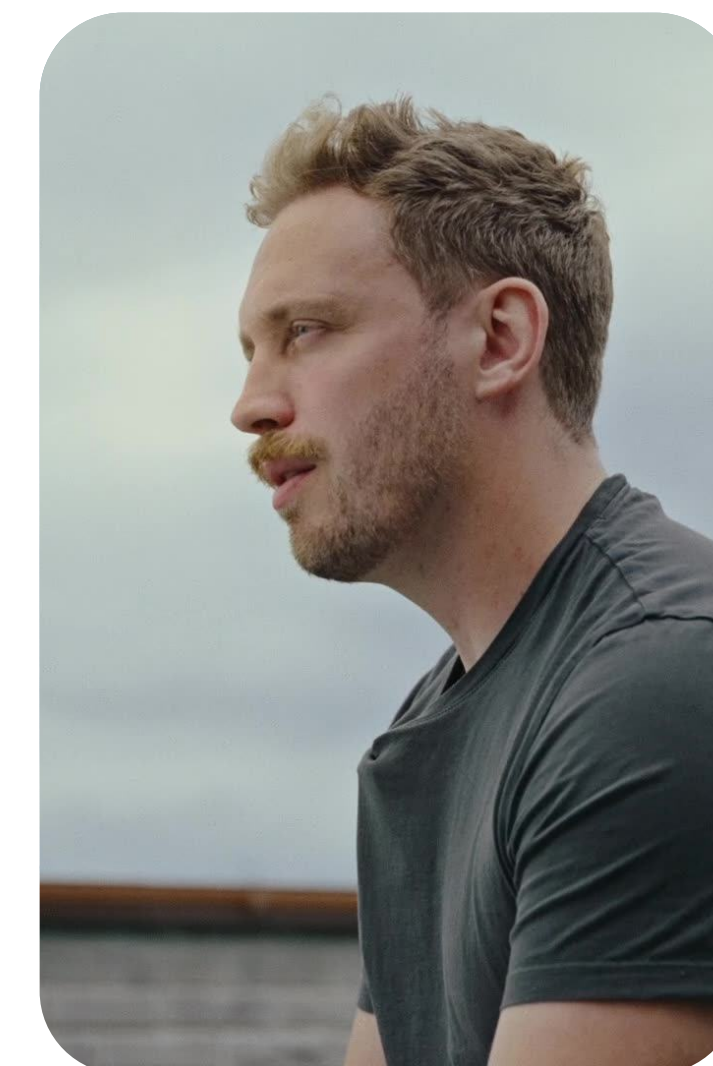
We commissioned research to understand where the blindspots are amongst UK businesses, and it revealed the huge misconceptions, myths, and hangover questions that come with buying energy today.

People are anxious about an impending energy crisis. They're confused about where their energy comes from, what makes up their bill, and what it takes to transition to renewables. And the cost of renewable energy is high on the agenda, but also hugely misunderstood.

**If we can encourage just one business to question their bill, question their source mix, and question the real cost of transitioning to renewables, then we've made progress.**

And if we can help one of them to switch to RED™ and access true renewable energy by paying less for it, then we've made a real step in solving the energy crisis and climate crisis in one.”

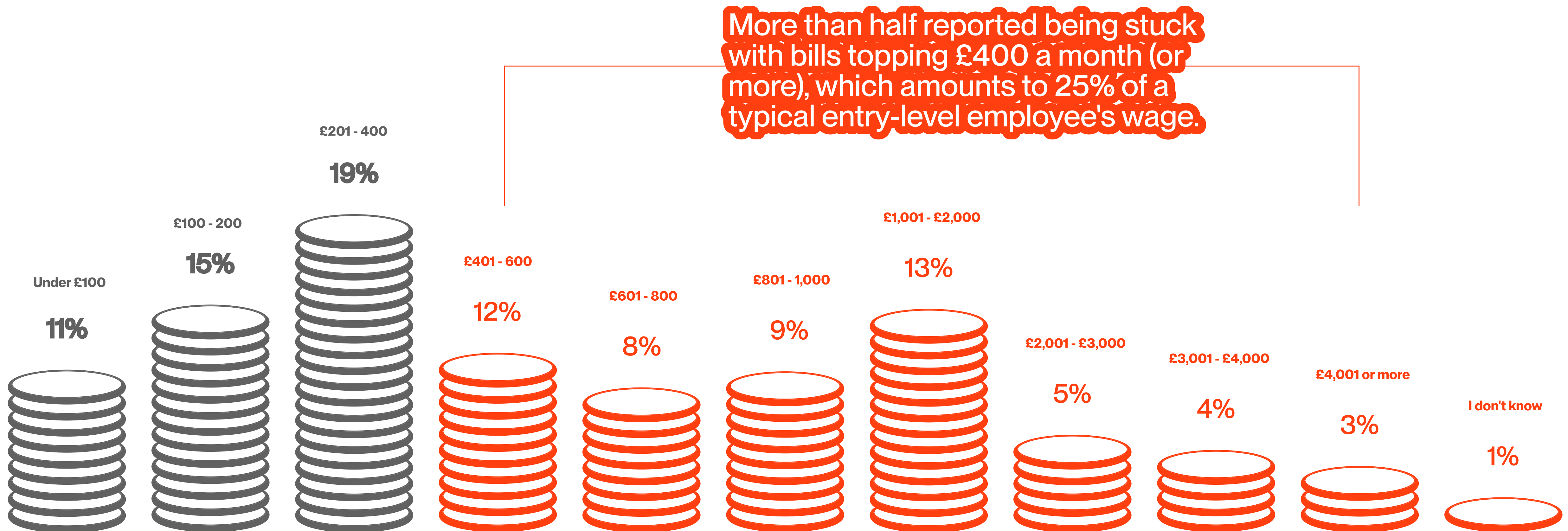
**Joe McDonald,**  
Co-Founder and CEO at tem.





# The tariff trap:

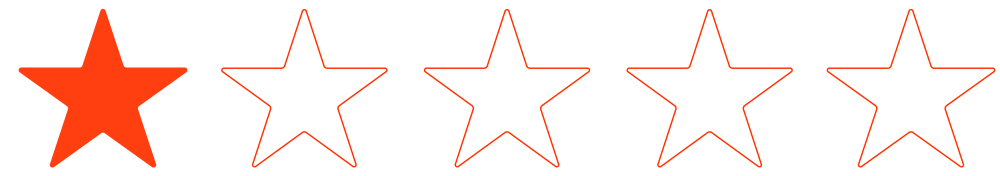
We first asked businesses how much they spend on their monthly energy bill.





# 71%

say their growth was affected by the 2022 energy crisis



**Just one in five (20%) wholeheartedly trusts their energy suppliers**



# 1 in 4

**(25%) think that energy providers benefited from the 2022 energy crisis**

(and they'd perhaps be right given many Big Energy companies made record profits that year, with those of Chevron, ExxonMobil, BP, Shell and TotalEnergies totalling \$200bn altogether)

# 47%

are not happy with the quality of service from energy suppliers

# 50%

expect renewable energy to be more costly



# 2 in 5

**(37%) don't know where their energy comes from**

# 61%

**believe their business cannot withstand another energy crisis**

# 97%

are unaware of the number of intermediary parties that drive up the cost of their energy bills

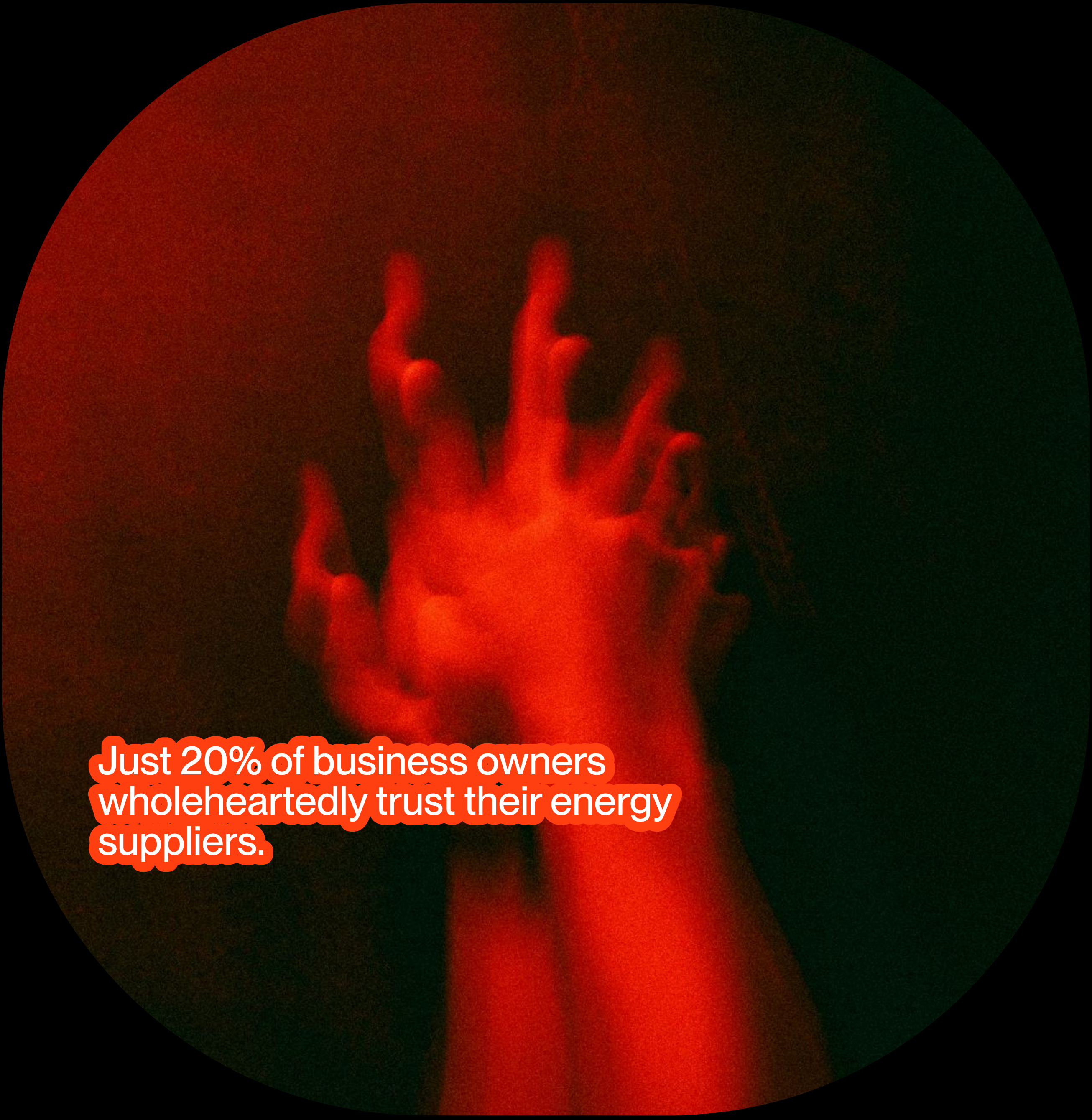


# Flickering faith

When asked, 47% of British business owners are not happy with the quality of the service they receive from their energy suppliers.

40% of business owners believe they pay too much for their energy, and it's impacting their bottom lines. In fact, almost all (95%) of businesses say that these costs directly affect how competitive their businesses are able to be.

While Big Energy profits continue to soar, the businesses they're supposed to serve are left with subpar service and shrinking margins. It's clear that trust in energy providers is fizzling out.



Just 20% of business owners wholeheartedly trust their energy suppliers.



# The bottom line

We asked businesses how high energy costs impact their businesses, if at all.

58%

said it reduces their profit margins

39%

said it increases prices for their customers

28%

said it reduces the level of investment into their business

22%

said it increases their level of debt

continued





**61% of business owners are unsure whether their businesses would survive another energy crisis.**

## **Burned by the system:**

Plus, many are still reeling from the 2022 energy crisis, which caused hundreds of thousands of UK businesses to close their doors and stunted the growth of 71%, according to our research.

One in four (25%) actually believe that British energy companies benefited from it themselves, which – given Big Energy companies' record profits that year raking in £1 billion every week – is understandable.

Although the cause of this crisis, namely Russia's invasion of Ukraine, was widely reported at the time, many business owners felt their energy suppliers didn't do enough to support them.



This is just one symptom of British businesses' disillusion with the current system, which, instead of meeting supply with demand, encourages volatility to drive bigger profits for energy companies.

A huge part of the problem here is that many traditional utilities providers are powerless to help as they're beholden to the big players in the energy wholesale market, who, instead of focusing on the needs of businesses, prioritise shareholder profit time and again.



**57% don't think that their suppliers are doing enough to protect them from another rise in their bills.**



# Source, not found

Businesses still emit the vast majority of carbon into the atmosphere. And as our research reveals, the current system of energy supply is failing to encourage them to support or transition to renewable sources quickly enough – or inform them at all about the sources of the energy they consume.

A small proportion of respondents (18%) claim that the majority of their energy comes from renewable sources (including wind, solar, and biomass). But our research also shows that the largest proportion of UK businesses (37%), don't actually know where their energy comes from.



**1 in 3 reported that their energy providers are not clear about its source.**

## The crux

**Giving businesses the power of choice would accelerate adoption of renewables. However, this isn't possible in the current wholesale market because low-carbon and fossil-fuel based electricity are tied together within the same transaction system. It all feeds through the National Grid and then you read it in the smallprint of your energy bill.**



# Roadblocks to renewable:

We asked businesses to share what's holding them back from using renewable energy today. Here's what they told us.





**BIG ENERGY HAS LEFT US  
WITH BIG QUESTIONS**





A photograph of two young boys running across a grassy hill. The boy in the foreground is wearing a white t-shirt and black shorts, while the boy behind him is wearing a striped shirt and tan shorts. They are both running towards the left side of the frame. The background shows a vast, green, hilly landscape under a clear blue sky.

# Can we incentivise our way out of the mess and into a low-carbon future?

We are facing ambitious 2050 targets ahead of us, and a redesigned energy system here in the UK could be the missing piece. Yet, a third (33%) of business owners report that their energy providers do nothing to encourage their transition to green energy sources.

For those with energy providers that do encourage it, a wide range of options are on the table including renewable energy tariffs, carbon offset programs, and energy audits that help them understand their consumption.

But these options are not getting much take-up. And they come at additional cost and complexity, making them unviable for many businesses, especially those already struggling. Either they're not enticing enough, not marketed well enough, or they're the wrong solution altogether.



So why aren't British businesses doing more to support the transition to renewable energy sources?

**There might be the will, but there's not the way.**

Our research shows that one major barrier stands above the rest: cost. Over half of all UK business owners (52%) believe that transitioning to cleaner energy sources would increase their bills. And this makes sense given that 69% believe that renewable energy should cost the same or more than fossil fuels.

**But this is far from the reality.**

Without the inefficiencies of the wholesale market, the nominal cost of the renewable electron could be a fraction of the cost of a fossil fuel one. Take away the layers of intermediaries that drive up costs, and decouple renewables from the total energy mix, and we can start to see a clear, true picture of what it costs to use renewable energy.



**Do we even  
know what we're  
paying for?**



**Only 1 in 5  
business  
owners  
report being  
satisfied  
with their  
current  
energy  
sources.**

**Why should the rest put  
up with what they're  
given?**





# Calling for a new blueprint

The research spotlights that business anxieties are climbing, and something needs to change. That something is the system itself.

**Aside from a government energy cap, reform in how energy is bought and sold was business owners' most popular demand in our research (38%) – more popular than direct government funding (36%).**



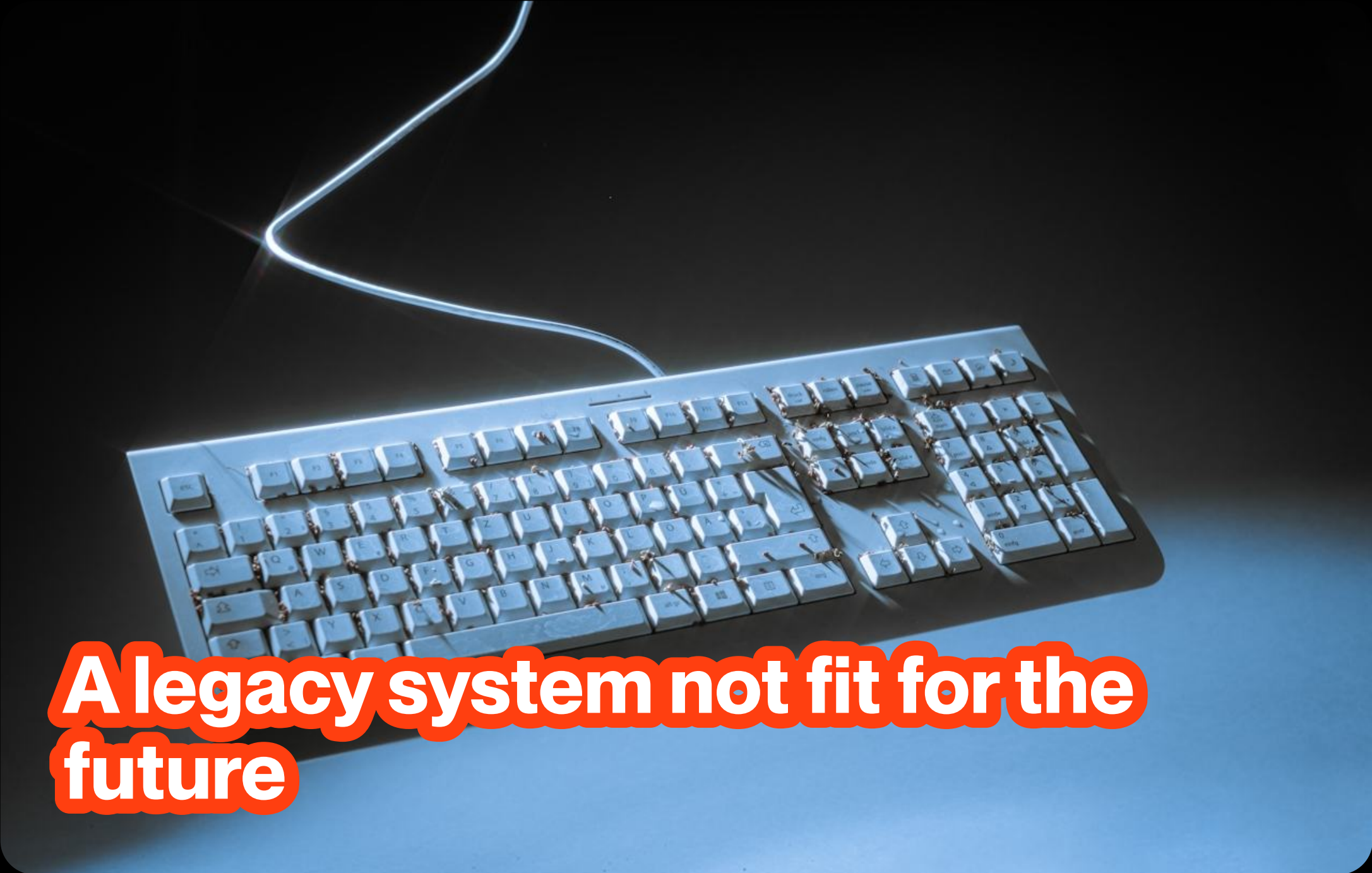
# So, why now?

## Public sentiment is fast changing

Until recently, there was little talk of systemic change, since Big Energy's tight grip on the market made it difficult for anyone to look past it to a better future. Due to businesses' prolific distrust of the system, there were nerves that a significant change to the way energy is distributed would only make things worse. However, the energy crisis has created a renewed desire from businesses and investors to create a new status quo.







## A legacy system not fit for the future

The UK's current system of energy supply runs on a complex and opaque network of energy generators, brokers, traders, wholesalers, and providers. This legacy system – which was designed when coal and gas were the most common forms of power generation – is inefficient and raises costs for businesses, all while making it more difficult to directly manage and trace the distribution of renewable energy.



## An expensive chain

A major reason why the current energy system remains so expensive is because of transaction fees, which more than a quarter (27%) of business owners reported knowing nothing about.

Instead of passing straight from generators to end users, the energy is traded along a chain of middlemen – each taking their own small cut. This adds up significantly and is why businesses end up paying 35% more for their electricity than the price at origin.

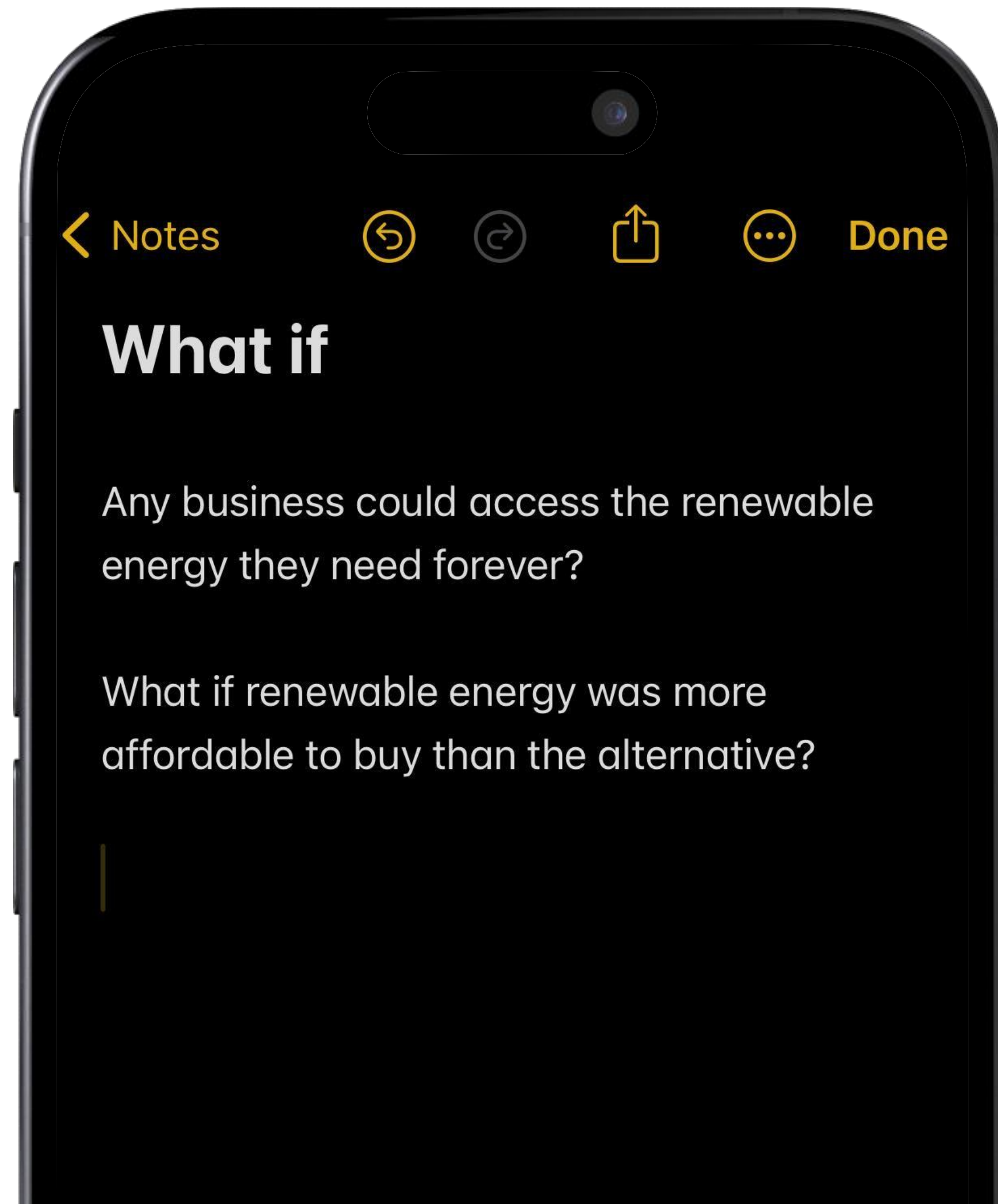


## Technology is carving out new possibilities

AI and advanced data science have been changing the game in every sector, and now it's time for the energy sector to see the same benefits. The engine that tem. uses to match businesses with its network of renewable energy generators, for example, could never have existed three years ago.



# The question we asked ourselves...





## Introducing RED™

Renewable Energy Direct™ is tem.'s alternative to buying and selling through the wholesale market. Instead of relying on the network of middlemen, RED™ helps businesses to buy their energy directly from renewable energy generators.

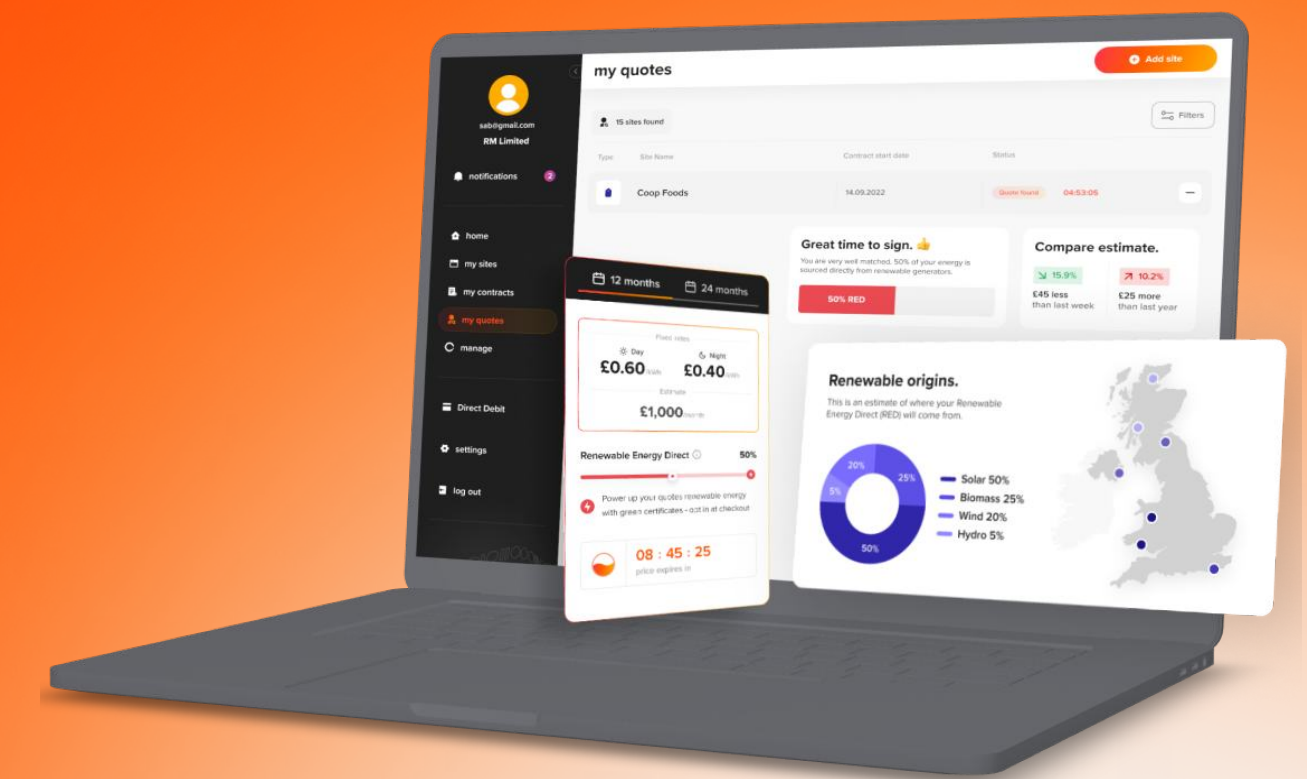
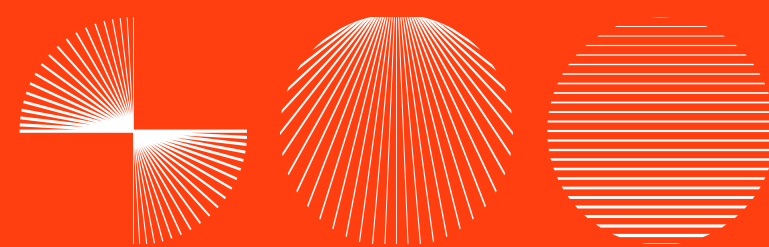
## Why this matters

RED™ reduces costs on every bill and makes it possible to trace energy directly back to the source, ensuring that the energy they consume truly is renewable.

At the other end, RED™ also puts more money back into the pockets of the renewable generators, incentivising investment in the sector.

Businesses can also calculate exactly how much of their money is going to renewable generators, and exactly which generators it is going to, making it much easier to calculate their carbon footprints.

# A new era revolutionising business energy transactions





**Our mission is to democratise renewable energy for 99% of businesses and accelerate the clean energy transition faster than ever before.**

**We want to create a world where any business can access the renewable energy they need forever. We want to balance the playing field of energy, away from ‘Big Energy wins’ towards ‘all businesses win’. We won’t stop until that’s done.**





tem. was founded in 2021 by four former Limejump employees; Joe McDonald, Jason Stocks, Bartlomiej Szostek, and Ross Mackay, who saw first-hand the inefficiencies and inflated costs of transacting through the wholesale market.

tem.'s platform matches any business with multiple renewable energy generators across the day and night, optimised to drive fairer prices for businesses and generators and first-of-its-kind traceability. This bypasses the wholesale market, cutting out the raft of middlemen who inflate the cost of energy. That means guaranteed better, fairer prices for businesses and generators.





**Thanks for reading this to the end.  
It means a lot.**

One last thing... we're committed to enabling any business to run on affordable and 100% traceable, renewable energy. If you are ready to switch to RED, head to [tem.energy](https://tem.energy).

Or if you want to go direct to our team, we'll be here at  
**[hello@tem.energy](mailto:hello@tem.energy)**