

‘Energy is being changed into a luxury’: UrbanChain boss on green washing, creating jobs and going global

The part the rise in energy prices is playing to drive up the cost of living in the UK has not been far from the headlines over the last few weeks.

With [numerous suppliers going bust recently](#) and the energy cap set to be lifted in April, the strain on the finances of the public and businesses has never been greater.

However, one chief executive has said there is a solution and that it may not be too late to fix the “broken energy market”.

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Somayeh Taheri founded Manchester-based UrbanChain in 2017 after years as an academic at the University of Manchester, Iran University of Science & Technology and Persian Gulf University.

The company, which the CEO says is the first commercialised peer-to-peer energy exchange, using blockchain and AI to “decouple” renewable energy from the wholesale market and reduce the volatility of prices.

In an exclusive interview with BusinessLive, Somayeh Taheri has revealed her plans to expand UrbanChain’s reach across the globe and help create jobs.

But she has warned that energy is being changed into a luxury and that action needs to be taken soon to tackle the growing unaffordability of prices.

Asked what the main aim of UrbanChain is, she said: "It's about creating a unique and fair marketplace for renewables.

"I have been part of a number of research projects regarding fuel poverty, which means households can't afford to keep their home warm enough.

"When working on climate change projects, I found that the market is broken.

"As a result of that, the market is changing energy into a luxury and therefore it is not affordable for everybody.

"We are using blockchain AI to fix the broken energy market and make energy affordable.

"The market is very reliant on gas – these days it's a hot topic about the price of gas going up and how it has impacted suppliers and consumers but we never talk about businesses and how much they have to pay. Businesses have to pay significantly higher rates than expected.

"Even renewables are subject to the gas price. That's because the people who are bringing renewable energy are trading it to the gas markets and then buying amounts back.

"It's then green washed with the green certificate. That action is making renewable energy subject to the gas price and the consumer has to pay for it.

"In addition to unaffordability and linking to the gas, when the price is very volatile governments step in to introduce levies for green energy.

"But the consumer has to pay for the levy to make green energy more investable."



Electricity Pylons (Image: PA)

Somayeh Taheri has also spoken about what action can be taken to tackle what she sees as problems in the market and how the consumer and businesses can benefit from radical change.

She added: “The first action is to decouple renewable energy from the gas market.

“We did some research into why renewable energy is trading to the gas market.

“What we found was that the market function is quite old fashioned.

“It’s all about very manual processes and they are not suitable for renewable energy.

“So for solar or wind, you can not predict the generation of those types of energy with Excel sheets. You need a more

sophisticated way.

“We came up with a system that can predict and then decouple renewable energy from the wholesale market.

“We use an AI system to predict the behaviour of renewables and by doing so we can link it directly to the consumer.

“By doing that the consumer is stating the exact volume of what they need for their energy and renewables are meeting that volume.”



(Image: PA)

UrbanChain has deep roots in Manchester but is eyeing global expansion over the next few years.

While Somayeh Taheri has said it is unlikely that the company would be creating many direct jobs during that time, she did

reveal that the firm's plans are set to lead to numerous roles being established at partner businesses.

She said: "Our intention is to go global. We are a technology company and we do not want to be like a traditional supplier.

"We do not want to create too many administration jobs as we have automated a number of processes.

"In terms of headcount, I'm not planning on growing that too much because as the automation we have introduced gets better, the fewer additional people we need to hire.

"At the same time, we outsource a lot of jobs so we would expect to help create roles indirectly with external companies.

"We are going to scale up in the UK and then we will start some trials in a couple of other countries such as the UK, India and across Europe."

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