# Octopus Energy spins off Kraken Technologies to accelerate global growth and innovation



UK energy powerhouse Octopus Energy is accelerating the global expansion of its technology arm, Kraken Technologies, by spinning it off as an independent company. Kraken, an AI-driven platform initially developed for Octopus’s operations, now serves more than 70 million household and business accounts worldwide, including major clients such as EDF, National Grid US, TalkTalk, and Tokyo Gas. This separation aims to allow Kraken to pursue growth and innovation more freely, while minimizing potential conflicts of interest among its diverse utility customers.

According to Octopus Energy’s announcement, Kraken has secured around £369 million ($500 million) in annual committed revenues through licensing deals, a figure that has quadrupled in just three years. Its CEO, Amir Orad, stressed that the formal spin-off reflects Kraken’s evolution into an independent, globally successful company, and will enable further investment and expansion. To support this transition, Tim Wan, former CFO at the US software firm Asana, has been appointed as Kraken’s new CFO.

Industry observers estimate Kraken’s valuation could reach as high as £11 billion (approximately $13.6 billion), with the company reportedly considering an initial public offering in London or New York within the next year. This move aligns with Octopus’s broader growth trajectory, having recently become the UK’s largest domestic electricity supplier by customer numbers after acquiring Shell Energy and expanding its operations into 18 countries. Investor confidence is reflected in recent funding rounds, pushing Octopus Energy’s valuation to around $9 billion, backed by heavyweight shareholders like Generation Investment Management and the Canada Pension Plan Investment Board.

Kraken’s technology leverages advanced analytics, artificial intelligence, and machine learning to manage green energy assets and optimise utility operations. The platform currently oversees the management of over 6 gigawatts of capacity across 45,000 energy assets, growing at a rapid monthly rate, with ambitions to double this scale in asset count and capacity by the end of 2023. One notable recent deal includes Kraken’s first US licensing agreement with Tenaska Power Services, targeting enhanced grid stability and revenue optimisation for customers in Texas.

EDF is another significant Kraken client, having migrated more than five million UK meter points onto the platform in collaboration with Accenture, aiming to create a more integrated and customer-centric energy business. Kraken combines electricity and gas data to provide utilities and consumers with better tools to manage energy use and costs, aligning with ongoing trends toward smarter, more flexible energy systems globally.

Octopus Energy’s founder, Greg Jackson, is bullish about Kraken’s future, setting ambitious goals to surpass servicing 100 million accounts by 2027 and eventually aiming to reach a billion users over the next decade. The spin-off represents a strategic shift designed to amplify Kraken’s market reach and technological innovation, underpinning Octopus’s vision of transforming the energy landscape and meeting fast-evolving customer and regulatory demands worldwide.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/money/markets/article-15112415/Energy-giant-Octopus-spin-11bn-technology-arm-Kraken-ask-seeks-speed-global-expansion.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.reuters.com/business/energy/uks-octopus-energy-spin-off-technology-arm-kraken-2025-09-18/), [[3]](https://octopus.energy/press/octopus-energy-group-to-spin-off-kraken/), [[7]](https://www.the-independent.com/tech/london-new-york-national-grid-talktalk-edf-b2828994.html)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/money/markets/article-15112415/Energy-giant-Octopus-spin-11bn-technology-arm-Kraken-ask-seeks-speed-global-expansion.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.reuters.com/business/energy/uks-octopus-energy-spin-off-technology-arm-kraken-2025-09-18/), [[3]](https://octopus.energy/press/octopus-energy-group-to-spin-off-kraken/), [[7]](https://www.the-independent.com/tech/london-new-york-national-grid-talktalk-edf-b2828994.html)
* Paragraph 3 – [[1]](https://www.dailymail.co.uk/money/markets/article-15112415/Energy-giant-Octopus-spin-11bn-technology-arm-Kraken-ask-seeks-speed-global-expansion.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[5]](https://octopus.energy/press/Octopus-Energy-valuation-increases-to-9bn-following-further-commitments-from-existing-investors/), [[7]](https://www.the-independent.com/tech/london-new-york-national-grid-talktalk-edf-b2828994.html)
* Paragraph 4 – [[4]](https://octopus.energy/press/energy-tech-giant-kraken-lands-first-us-licensing-deal-with-energy-manager-tenaska-power-services/)
* Paragraph 5 – [[6]](https://newsroom.accenture.com/news/2024/edf-teams-with-accenture-and-kraken-technologies-to-accelerate-customer-transformation)
* Paragraph 6 – [[1]](https://www.dailymail.co.uk/money/markets/article-15112415/Energy-giant-Octopus-spin-11bn-technology-arm-Kraken-ask-seeks-speed-global-expansion.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[3]](https://octopus.energy/press/octopus-energy-group-to-spin-off-kraken/), [[7]](https://www.the-independent.com/tech/london-new-york-national-grid-talktalk-edf-b2828994.html)

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## Bibliography

1. <https://www.dailymail.co.uk/money/markets/article-15112415/Energy-giant-Octopus-spin-11bn-technology-arm-Kraken-ask-seeks-speed-global-expansion.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.reuters.com/business/energy/uks-octopus-energy-spin-off-technology-arm-kraken-2025-09-18/> - Octopus Energy has announced the spin-off of its technology division, Kraken Technologies, to focus on its core energy operations. Kraken, which supplies software to major energy firms like EDF, National Grid US, and Tokyo Gas, has secured $500 million in annual licensing revenue. The separation aims to provide Kraken with greater independence, enabling investment and expansion while reducing potential conflicts of interest among clients. Kraken CEO Amir Orad stated that the company has operated independently for some time, and formal separation was the logical next step. Tim Wan, former CFO at Asana, will become Kraken’s CFO. While specific spin-off details weren’t provided, previous reports estimated Kraken’s valuation could reach £10 billion ($13.63 billion). The move is also expected to benefit Origin Energy, which holds a 23% stake in Octopus Energy.
3. <https://octopus.energy/press/octopus-energy-group-to-spin-off-kraken/> - Octopus Energy Group has announced the spin-off of its technology company, Kraken, aiming to accelerate the platform’s global expansion. Kraken’s AI-powered platform now serves over 70 million household and business accounts worldwide. The spin-off is a strategic milestone, allowing Kraken to invest in technology, expand into new energy markets, and drive innovation while building on its utility roots. Tim Wan has been appointed as the new CFO of Kraken, joining from US software leader Asana.
4. <https://octopus.energy/press/energy-tech-giant-kraken-lands-first-us-licensing-deal-with-energy-manager-tenaska-power-services/> - Kraken Technologies has signed its first deal in the US with energy manager Tenaska Power Services (TPS). The initial implementation will manage certain TPS customer battery sites in Texas but could expand across the company’s US portfolio. This collaboration aims to provide TPS with greater operational flexibility, enhance grid stability, and optimize its customers’ revenue streams in an increasingly dynamic energy landscape. Kraken is currently contracted to manage over 6 GW across more than 45,000 green energy assets, growing 30% month-on-month, and is targeting the management of 200,000 assets and 10 GW of energy capacity by the end of 2023.
5. <https://octopus.energy/press/Octopus-Energy-valuation-increases-to-9bn-following-further-commitments-from-existing-investors/> - Octopus Energy's valuation has increased by 15% to $9 billion following two shareholders amplifying their investments in the company. Generation Investment Management now holds a 13% stake, while the Canada Pension Plan Investment Board has increased its stake to 12%. Recently becoming Britain's largest domestic electricity supplier by customer numbers after acquiring Shell Energy, Octopus Energy plans to use the investments to expand its Kraken energy software technology into U.S. markets. Since its inception eight years ago, the company has raised over $2 billion from global investors and expanded its operations into 18 countries.
6. <https://newsroom.accenture.com/news/2024/edf-teams-with-accenture-and-kraken-technologies-to-accelerate-customer-transformation> - EDF has partnered with Accenture and Kraken Technologies to accelerate the migration of customers to its new platform, enabling them to effectively manage their energy use and costs. EDF has migrated over five million meter points in the UK onto Kraken, the technology behind Octopus Energy. Kraken integrates electricity and gas customers and operating data using advanced analytics, AI, and machine learning. This collaboration aims to reimagine a simpler, customer-centric business, equipping customers to make better energy choices.
7. <https://www.the-independent.com/tech/london-new-york-national-grid-talktalk-edf-b2828994.html> - UK energy giant Octopus has announced the spin-off of its software arm Kraken Technologies. The demerger aims to speed up Kraken's global expansion, with the firm’s AI-powered platform already connected to more than 70 million household and business accounts. Reports suggest Kraken could go public with a stock market listing, likely in London or New York, in the next 12 months, with a valuation of up to £11 billion. Kraken was initially built for use by Octopus but has since acquired other utilities clients, including EDF, E.ON Next, TalkTalk, and National Grid US. The company has $500 million of committed annual revenues through these licensing deals, quadrupling contracted revenues over the past three years.