



# Energy service supporting business models and systems

*Task 25 discussion on policy recommendations*





## *Set up new frameworks related to the flexibility market on value calculation, ownership models, roles and risk distribution*

Benefits and costs of flexibility services and ancillary services focused on reduced loss factors occur at different scales and the calculation of that value is not taking place effectively, equitably or transparently.

With the new roles and engagement forms of households in the network operation, ownership structures and responsibility structures shift. This requires new contracts and new partnership models and new models for risk distribution, e.g. in the event of black-outs.

### **Evidence: Case analysis/literature**

SWE: Ngenic: there is no incentive for peak reduction in Sweden, no real demand. Apart from a few experiments (initiated by the Ngenic Founder)

IRE: SOLO: Software platform, has a close relation with Irish DSO and therefore options to experiment with aggregator.

AUS: Yackadanda, Bruny Island and Memo Monash case

NLD: Netbeheer NL, Techniek NL

All: there is no 'leader' who 'fixes' this market.





## *Follow the highly skilled, savvy ‘institutional’ entrepreneurs to learn about market design and reforms that are needed*

The institutional entrepreneur type is able to make business out of the uncertainty, complexity, lacking ownership etc. typical for a transitioning system. All these entrepreneurs are able to 'unravel' the system, deal with each individual actor, have a clear vision on their market and their businessmodel. They also operate as boundary spanners: able to communicate and collaborate with different 'cultures and languages' and create new concepts that cross / span existing boundaries and answer to uncertainty. This is to a large part thanks to specific (soft) skills these entrepreneurs have, which are not easily transferable.

We can learn from this type how their business models look like and train the peloton of entrepreneurs  
We can also follow them closely, and identify what they try to change as issues that need solving quickly to allow for the peloton of entrepreneurs that is willing but not yet able to follow

### **Evidence: case analysis/literature**

Sweden: Ngenic

Ireland: Urban Volt

Netherlands: Van Hout, Schouten

Australia: MEMO, Yackadanda





## *Help build scale and feasibility of EPC intermediaries and models*

Challenge for new business models around EPC in Ireland is not around finance but around risks, insurance issues and trust issues wrt the process.

Policy can help by helping create (trust in) intermediaries that act as agnostics and neutral parties  
Organize transfer of knowledge from other countries and cases, i.e. task 16 work.

### **Evidence: case analysis and earlier TCP work**

Task 16 work

preliminary findings in Irish case analysis





## *Create new incentives and multistakeholder collaboration to engage the peloton of entrepreneurs*

The skilled institutional entrepreneurs do experiment and are able to finance failure (learning money). Other entrepreneurs feel they don't have the means to contribute, and cannot bear the upfront costs and transaction costs relating to not aligned language, regulation, goals, metrics, accountability etc.

Organizing the necessary aligning of stakeholders in collaborative dialogues and programmes to diminish the transaction costs might help engage the peloton.

In addition many entrepreneurs think of existing subsidy schemes and incentives as disturbing the market (and even question the existence of a market), subsidies are too much material or product focused, not enough focused on process and service support.

### **Evidence: case analysis**

Sweden: general observation national expert

Ireland: Urban Volt, CVPP Community Power

Australia: Yackadanda, MEMO, Bruny Island

Netherlands: Hoog Dalem, Talis, Loenen, TechniekNL collaboration

# Any Questions?

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