

# Energy services supporting business models and systems

## *Task 25*



*For all the entrepreneurs developing Energy Efficiency Services out there...*

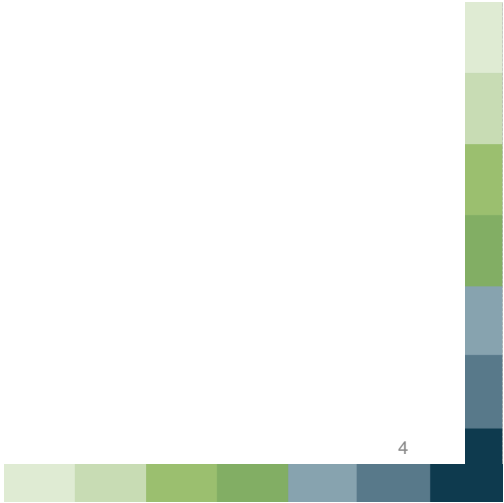


*There are three essential keys to become successful...*

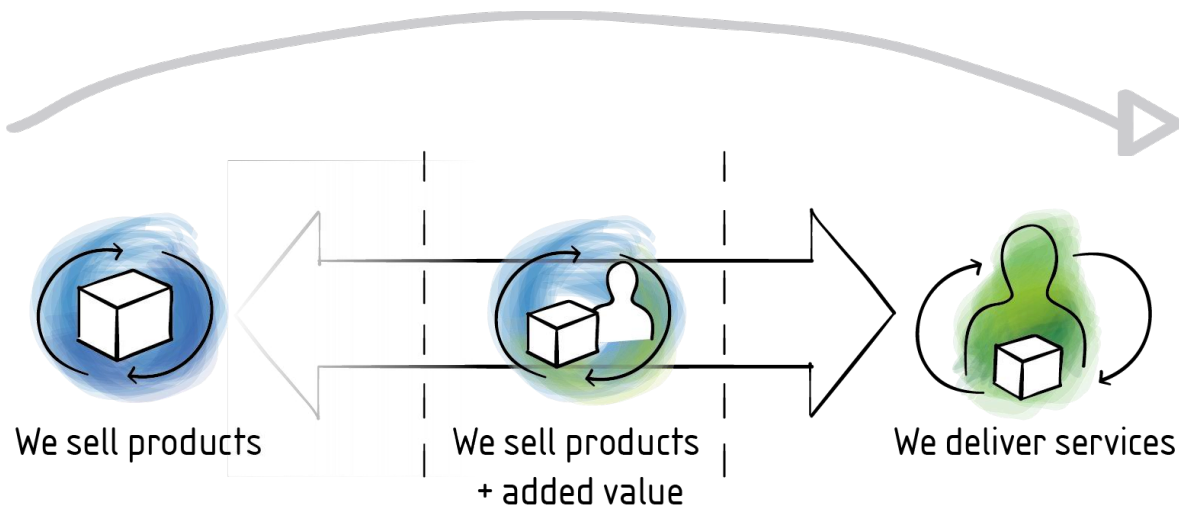




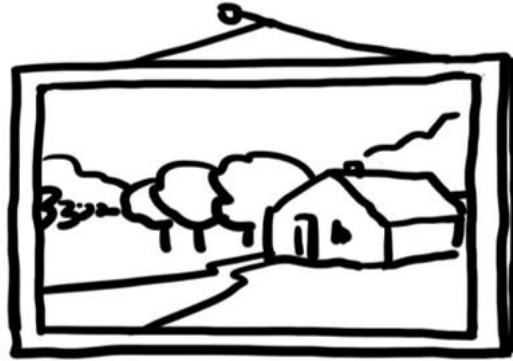
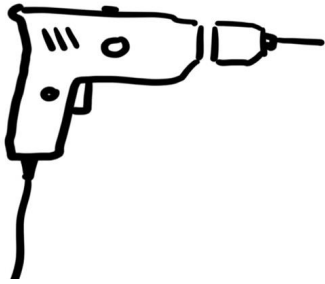
*And they are all about a transition*



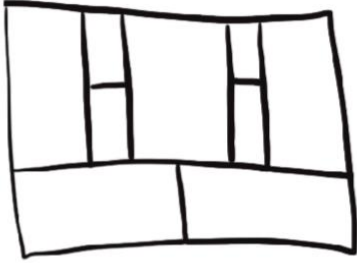
# From product to service logic= servitisation transition



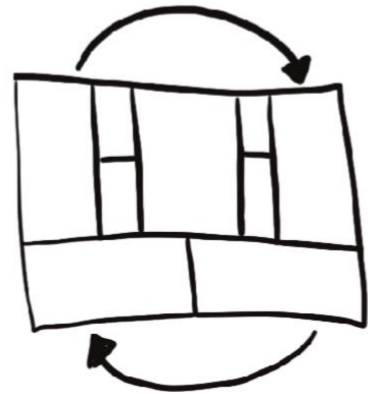
*1= From product to service business models*



# Different business models

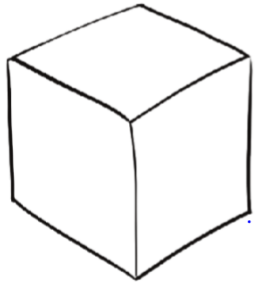


(traditional) product-oriented  
business models

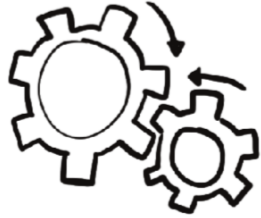


service-oriented  
business models

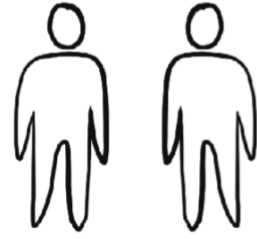
# Different relationships with partners and users



things



technology



people



(customer) value



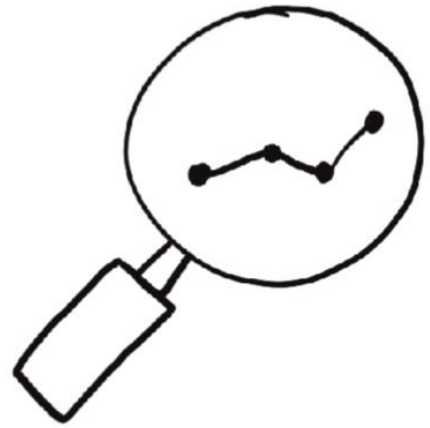
outcome



## Different value and outcomes



KPIs defined



KPIs unclear  
beforehand & vary per  
business

## 2= Service supporting capabilities needed



**Sensing user needs, context, system**



**conceptualising**



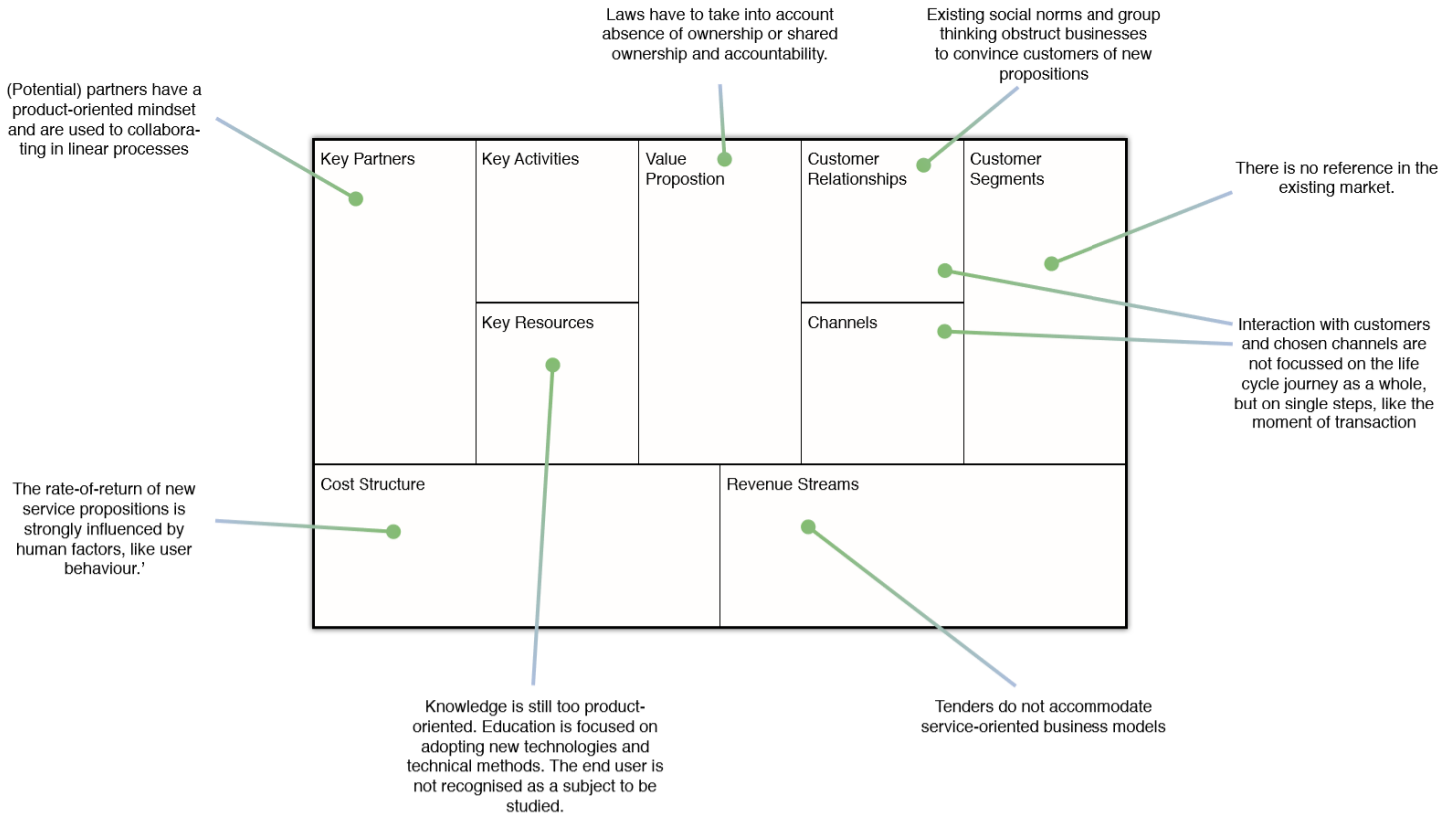
**orchestration**



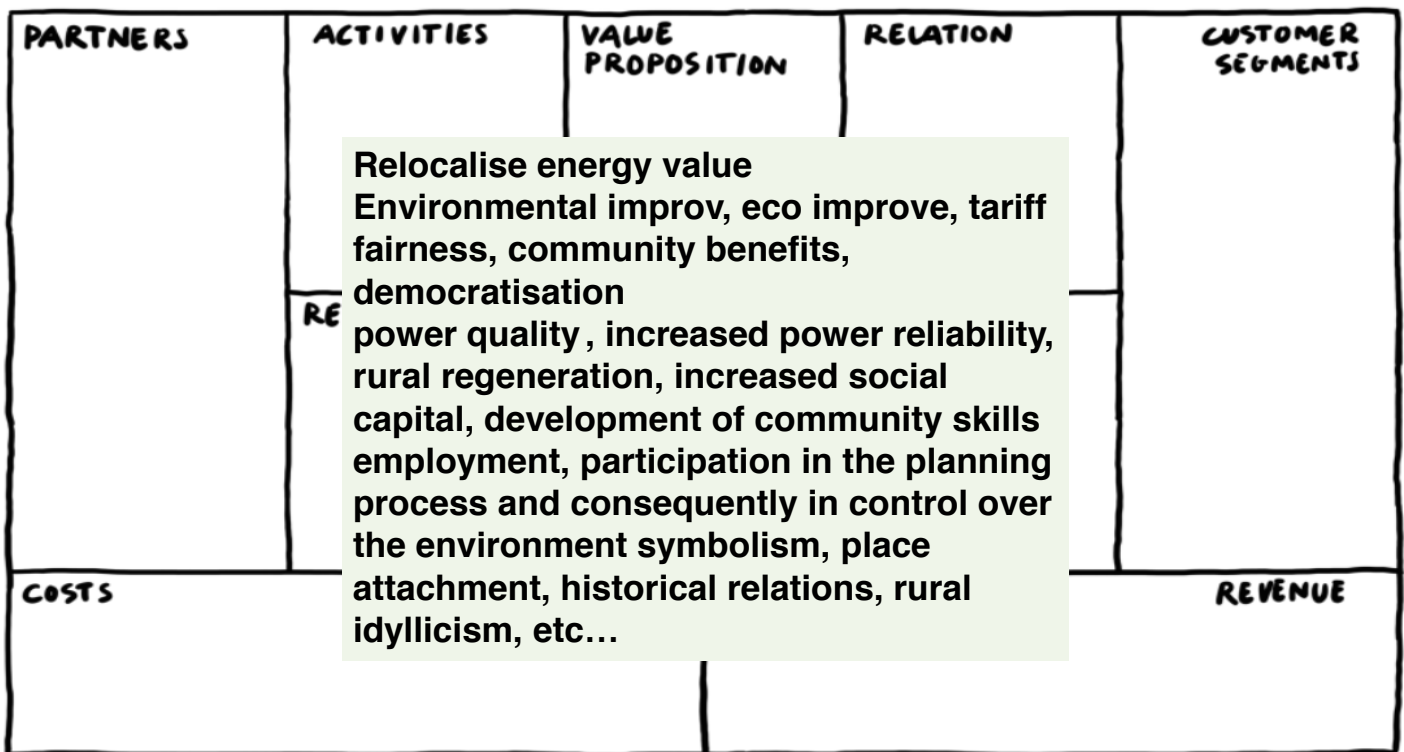
**Scaling and stretching**



# 3= Towards a service supporting system..



# BUSINESS MODEL



# BUSINESS MODEL

<p><b>PARTNERS</b></p> <ul style="list-style-type: none"> <li>• Community members</li> <li>• Technology developers</li> <li>• Third Party Licensing Supplier</li> <li>• Intermediary that can act as aggregator</li> <li>• Intermediary that can provide legal, financial., negotiation, mgt and other support</li> <li>• Or partnering with public authorities, housing associations, social enterprises</li> </ul>	<p><b>ACTIVITIES</b></p> <ul style="list-style-type: none"> <li>• Utility/Aggregated loads Power Purchase Agreement (PPA) with Third Party Licensed Supplier</li> <li>• National supply</li> <li>• Grid as storage</li> <li>• Smart intermediating tech (local DR, P2P platforms)</li> <li>• Creating complex high-tech system</li> <li>• Wider set of activities, including DR, DSM activities</li> <li>• Customer recruitment! (more needed because of DSM/DR)</li> </ul> <p><b>RESOURCES</b></p> <ul style="list-style-type: none"> <li>• Paid Staff</li> <li>• Outsourcing management to intermediary that can provide access to regulation and market info and offer.</li> <li>• + understands industry codes</li> </ul>	<p><b>VALUE PROPOSITION</b></p> <ul style="list-style-type: none"> <li>• Primary capacity,</li> <li>• Secondary capacity</li> <li>• Reserve capacity</li> <li>• reliability, network services, grid investment deferral, whole-sale arbitrage, flexibility/avoiding balancing charges, reducing network congestion, balancing sectorial supply and demand, improve load forecasting, simplifying communication by aggregator</li> </ul>	<p><b>RELATION</b></p> <ul style="list-style-type: none"> <li>• Mediated through technology</li> <li>• Distant</li> <li>• Formal</li> </ul>	<p><b>CUSTOMER SEGMENTS</b></p> <ul style="list-style-type: none"> <li>• DNOs, DSOs</li> <li>• National energy users</li> <li>• The government: buying an energy system that meets policy goals (UKERC)</li> </ul>
<p><b>COSTS</b></p> <ul style="list-style-type: none"> <li>• All costs in other BM +</li> <li>• High capital costs (assets fixed), for many more needed customers/assets</li> <li>• Ongoing costs</li> <li>• Wage expenditure or</li> <li>• contracting costs for admin, maintenance etc.</li> </ul>			<p><b>CHANNELS</b></p> <ul style="list-style-type: none"> <li>• Digital</li> <li>• Mass communication</li> </ul>	<p><b>REVENUE</b></p>

Energy sales contract

Incentive schemes

Sale of goods and or services (DR, DSM, EE), installing insulation or appliances

All the value proposition listed in the ideal BM

## *First findings*

- ✓ Energy system in participating countries designed to allow only for 'traditional' business model
- ✓ Radical business models need to change to survive and scale
- ✓ New business models are therefore not challenging, not novel... rather compliant and aiming for a fit.
- ✓ "we will help you deal with the system".. Not: lets learn how to change the system
- ✓ Instead of promoting more sustainable energy the system is reiterating and optimising itself?

## *Participating countries and other details*

- Task runs from October 2018 till end of 2020
- 4 countries participating: Netherlands, Sweden, Australia and Ireland
- Welcome to join!



# Any Questions?

<http://www.ieadsm.org/task/task-25-business-models-for-a-more-effective-uptake/>

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