



PROMISE AND PERILS OF TECHNOLOGY DISRUPTION

Technology Innovation & Policy Forum 2018











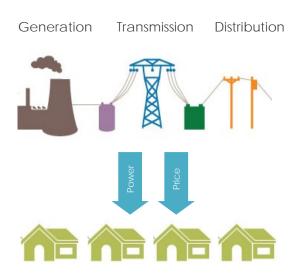






GLOBAL ENERGY NETWORK EVOLUTION

YESTERDAY



One-way pipeline model

- One-way "pipeline" model from centralized generation through to transmission and distribution
- Largely passive consumers
- Asset-based bricks and mortar platform (poles & wires)

TODAY



Distributed energy resources integration

- Increased adoption of distributed energy resources (DERs), e.g. generation, storage, demand, microgrids)
- DER accommodation to integration
- Friction between utilities/DER businesses
- Data-driven smart grid platform

TOMORROW



Multi-way transactive platform model

- Business and customer model transformation
- Utility as a service platform for DERs
- Integrative markets for win-win between utility/DER revenue models
- Value-based transactive platform

"5 D's" megatrend: decentralization, decarbonization, digitization, deregulation, democratization

INEVITABLE SHIFT TOWARDS A SERVICE PLATFORM

YESTERDAY

Utilities as data &

information platform

TOMORROW



Utilities as two-way energy & services transaction platform between prosumers & the grid

Utilities as poles & wires platform

DISTRIBUTION GRID AS A PLATFORM



Bulk Power

Aggregation & resource integration



Distribution Grid as a Platform

Grid 1.0: Electron Platform - Poles & Wires

Grid 2.0: Data Platform - Smart Grid

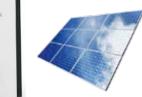
Grid 3.0: Transactive Platform - Value Exchange

Unlock customer service & stacked value models



Value Stacking













DERs at the Edge

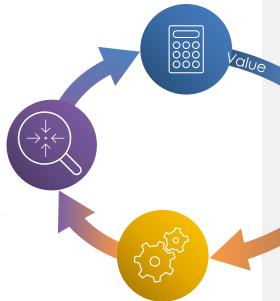
REVOLUTIONIZING THE UTILITY-CUSTOMER RELATIONSHIP

Grid/DER Valuation

DER locational and temporal valuation and price generation (if required), based on emerging economic/regulator models

Visibility, Control, Optimization

Power flow results on every node across the distribution network, dynamic hosting capacity, optimal power flow controls



Grid Investments & Operations

Utilities modernize grid investment planning and operations given the added value from DERs

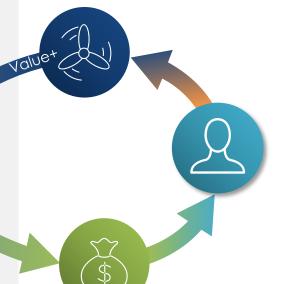
TRANSACTIVE ENERGY (TE)

"A system of
economic and
control
mechanisms that
allows the
dynamic balance
of supply and
demand
across the entire
electrical
infrastructure
using value as a
key operational
parameter."

GridWise Architecture Council

Customer Value-Add to Grid

Engaged customers are incented to align operations to the benefit of the greater grid

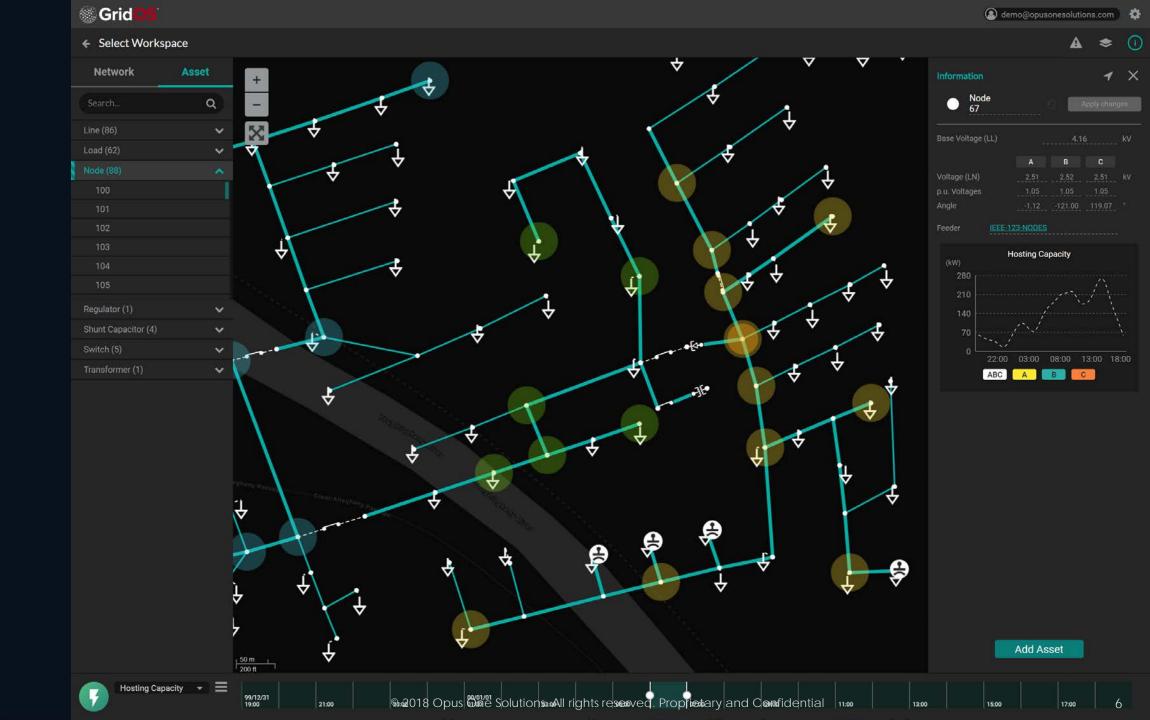


Customer Engagement

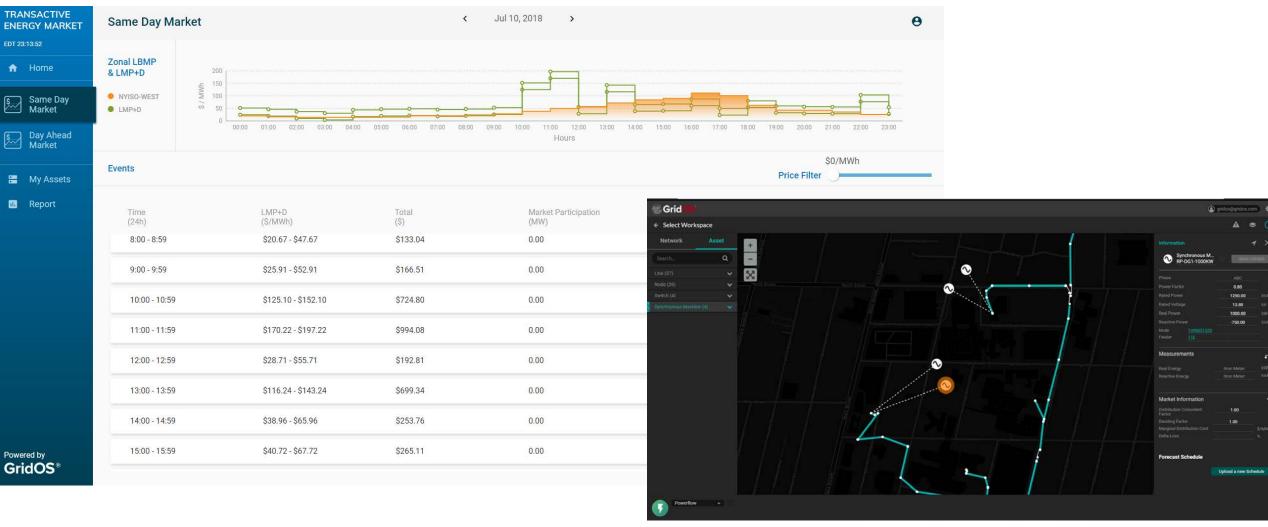
Empowered customers can transact value with each other, enabled by the utility with the grid as a platform

New Platform Business Models

DER/energy efficiency values enable integrated energy/service markets and win-win business models between utilities and empowered customers



TRANSACTIVE ENERGY - VISION TO REALITY















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