

ELECTRICITY:

AS business
FOR business
IN business

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1

ELECTRICITY **AS BUSINESS:**
TRENDS

ELECTRICITY AS BUSINESS: TRENDS

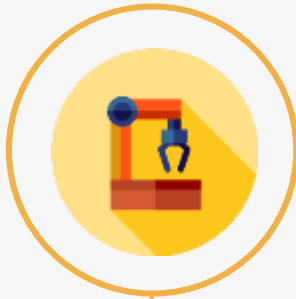
1.



OLD BUSINESS MODEL IS MORE AND MORE CHALLENGING

- Supply margins are shrinking, new entrants claiming market share;
- Gas, coal and nuclear fleet write-offs;
- RES and battery costs development showing signs of grid parity.

2.



NEW ENERGY ECONOMY IS BECOMING A REALITY

- RES is dominant, not alternative;
- Shift from centralised to decentralised system;
- IT makes it data business as much as energy business.

3.



NEW REALITY IS KEEPING THE NEED FOR INVESTMENT HIGH

- RES capacity to be increased further;
- Ageing infrastructure needs replacement;
- Distributed generation and e-mobility require smart grid solutions.

2

ELECTRICITY **FOR BUSINESS:** CHALLENGES

ELECTRICITY FOR BUSINESS: CHALLENGES

1.



PRICE STABILITY AND PREDICTABILITY

- Price for kWh going down, but longer-term trends are unclear;
- Infrastructure prices to go up with more investment;
- Political price component is becoming more important.

2.



QUALITY OF SERVICE AND REGULATION ARE LAGGING BEHIND

- Regulation is too conservative;
- Grid services lack flexibility;
- Self generation and system service options are too weak.

3.



ELECTRICITY COST FOR INDUSTRY NEEDS TO BE COMPETITIVE ON A REGIONAL BASE

- National policy decisions create barriers for investment;
- Cost distribution between consumer categories can reduce competitiveness;
- Lack of strategic approach is forcing to search for new locations.

3

ELECTRICITY **IN BUSINESS:**
OPPORTUNITIES

ELECTRICITY IN BUSINESS: OPPORTUNITIES

1.

Prosumers are picking-up in residential and public/ small-business sectors

3.

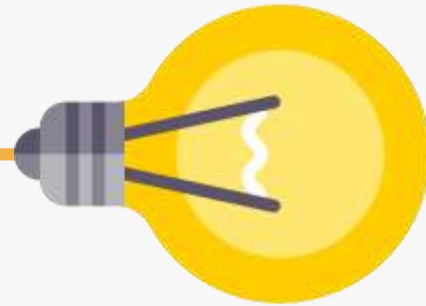
System services can become a new source of revenue


2.

Self-generation (100% RES) is becoming standard in some industries.

4.

New business models are enabled by new technologies - internet of energy (IoT, AI, BigData, etc.)





I could either watch it
happen or be part of it.

E. Musk