

The Transformation of the Utility Business Model

Why would utilities change something that is still working? Simply put, they must evolve their business model in order to ensure the long-term viability of the industry.

Zpryme surveyed 150 industry professionals to understand their perspectives on how the utility business model is changing in the short term and the impacts of digitalization. This infographic explores how utilities can use data, IIoT systems and partnerships to modernize the grid effectively.

It's not as if utilities have been sitting on their hands. Digital transformation has been a slog in a fog of uncertainty. And it's not done yet.

Even after all this modernization, almost 2/3 of all utilities report the biggest challenge they face in modernization is balancing the Energy Trilemma.

After **10 years** of grid modernization through



POLICY CHANGES



REGULATORY REFORM

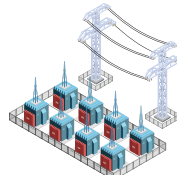


IT UPHEAVAL

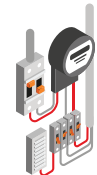
major utility systems have now been broadly deployed.



SCADA
Supervisory Control And Data Acquisition



OMS
Outage Management



AMI
Advanced Metering Infrastructure

Utilities must provide reliability, sustainability and affordability.

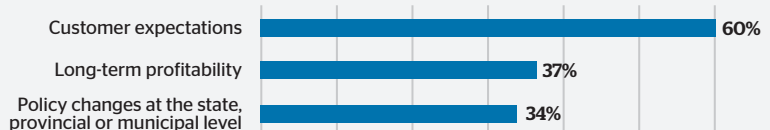
The need for change is driven by how utilities will meet customer expectations now and into the future.



61%

Balancing reliability, sustainability and financial viability poses the greatest challenge to modernization.

What are the top three key forces driving any modernization/transformation efforts at your utility?



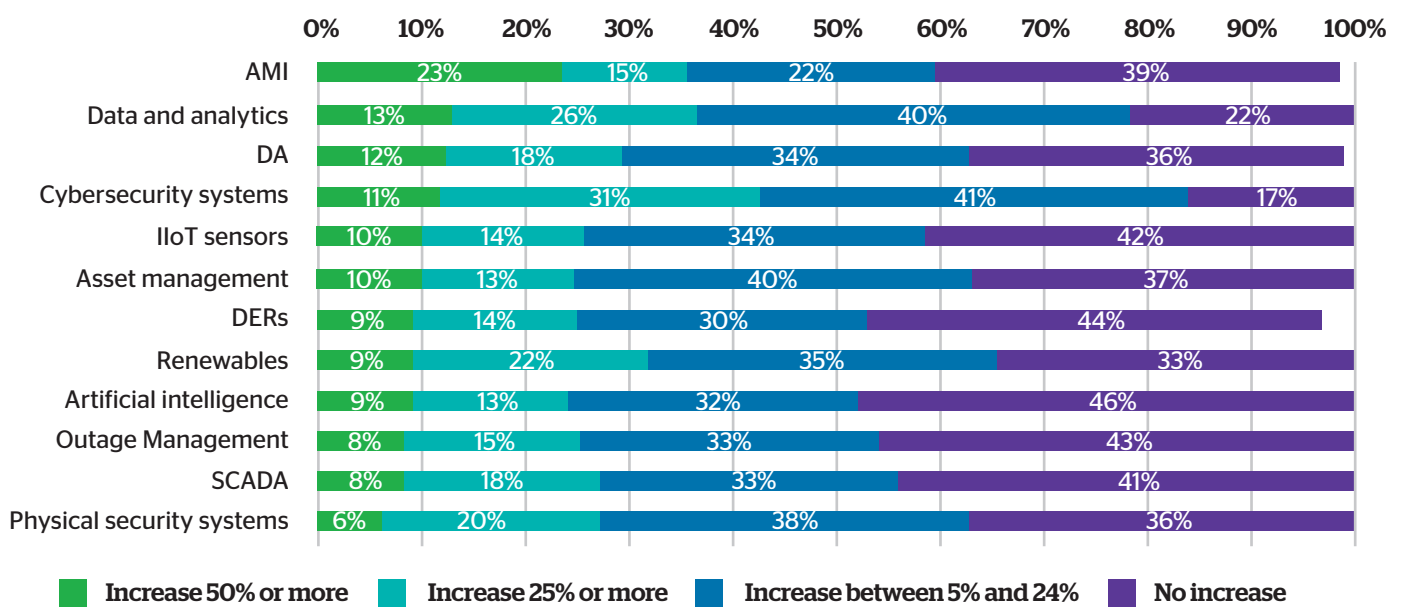
The next **12-36 months** will see a **RAPID** implementation of



Utilities cannot just pay lip-service to the idea of digital transformation. The majority of utilities plan to increase their investment in key systems over the next 36 months.

What are your plans for investment in the following areas over the next 36 months?

Data Analytics, Cybersecurity, and Renewables see the most significant investment across the board. AMI will see the largest increase in business spending.



The utility **business model** is changing.

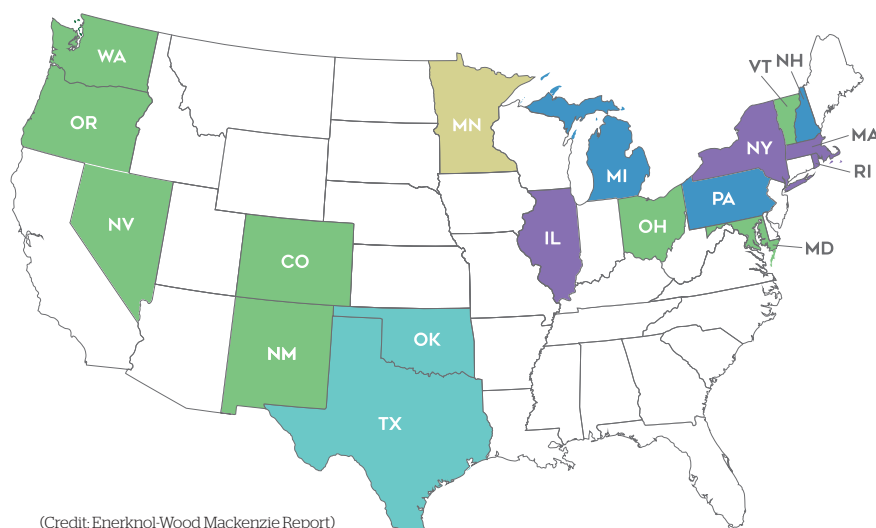
States' progress in grappling with PBR is uneven.

A combination of drivers are advancing PBR in 19 states and D.C.

19 states + D.C.

Already moving toward performance-based ratemaking.

- Early Exploration:** Initial inquiries often marked by a report examining PBR option
- Initial Stakeholder Engagement:** Soliciting comments and/or conducting workshops assessing PBR options
- Advanced Stakeholder Engagement:** Soliciting comments and/or conducting workshops in discussing specifics of PBR options
- Implementation:** Decisions have been made or are close to being made to deploy PBR options
- Conclusion of Inquiry:** Decisions have been made not to consider the PBR framework



(Credit: Enerknol-Wood Mackenzie Report)

See how utilities are handling the changing business model and the five steps that will help smooth your transition.

[CLICK HERE](#)

Read the full white paper on the Transformation of the Utility business model by Zpryme and Atos

For nearly 40 years, Atos has worked with 200+ energy and utility companies around the globe to help them optimize resources, improve performance and create new business models. [Learn more here.](#)

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