The State of the Power Sector in Europe
What is the current state of the utilities in Europe?

Different in Phase 1 and Phase 2 countries
• Achieving energy transitions which res policies are best applied when [http://projects.exeter.ac.uk/igov/paper-achieving-energy-transitions-which-res-policies-are-best-applied-when/] - now sent to Research Policy.
Where is there existential threat for incumbents? Ie Where are the changes most visible? And what have the drivers been?

Germany, Denmark – elsewhere?

• Early on, pragmatic flexible Government support
  – Priority access (in real sense)? / involvement of wider numbers of individuals?

• Governments prepared to follow through
  – Grew from small beginnings? Bricolage?
  – Attitudes to losers?
    – Knowledge / capacity – ensured reality rather than rhetoric

• Ownership
• Cultural/social attitude to environment / pragmatism / market?
What are the consequences for existing energy systems? Electricity utility structures? Institutional frameworks

• Clearly, in certain countries profits are down, shareholder prices are down, ownership is changing, business models are changing, knowledge of how to run a system with a high proportion of variable power is increasing, economics / technologies are changing etc etc

• Resistance will be stronger
  – Once practice proves economics, then change will come but if institutions are poor / resistors are strong then change is dampened and unclear how ‘disruption’ will happen in Phase 1 countries
Role of the State Should Change

- Role of State, institutions (ie regulator, SO etc) utilities, consumers / citizens / owners needs to be rethought
  - Institutional restructuring
  - State as a legitimiser
  - State as a practical integrator
Tension

  – Government’s can force through policies but they wont be successful if people dont want / dont connect with them
Key Indicators of Change

• General Phase 2 indicators:
  – A new mind set – across stakeholders (including Govt, households, communities, local authorities, businesses) supporting doing things differently
  – Institutions which are fit for purpose
  – Legitimate
  – Engaged customers / citizens
  – Ownership and business models
  – Embracing change and capturing of opportunities
  – Moving beyond RE electricity +supply to demand focused, heat, transport, integration