

Digital Utilities Transformation

Generating a digital advantage. Improving customer experience, operating and business models through disruptive technologies



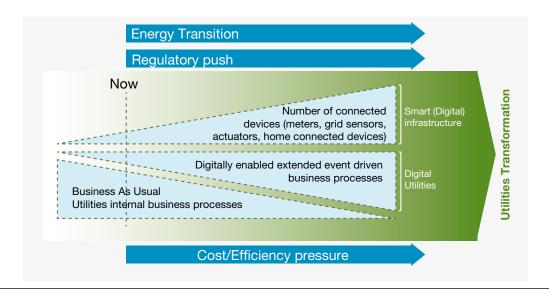
Capgemini Consulting and the MIT Center for Digital Business have been partnering on a 3-year research program on digital transformation. Our research, with over 400 companies worldwide, shows how those organizations that have succeeded in delivering a fundamental transformation of their business through digital technologies benefit from a considerable 'Digital Advantage' and demonstrate significantly better financial performance than their peers. We also identify common patterns for how leading companies build their digital advantage - a 'Digital DNA'.

Modernization of the grid enabling better management of energy demand, power generation shifting from centralized to decentralized and all channel experience are major trends that Utilities currently have to address and turn into opportunities to harness the energy transition toward a sustainable, low carbon economy. Utilities have to rethink profoundly their business and operating models, transforming not only the way they interact with customers, communities, stakeholders, but also how they manage internal capabilities.

Capgemini's integrated **Digital Utilities Transformation** framework empowers traditional utilities to re-invent themselves and to acquire mastery in leveraging disruptive digital technologies such as Social, Mobility, Analytics and Cloud, to acquire a digital advantage at optimized investment. Our approach will drive utilities to become customers and communities centric and to totally rethink the way they run their internal organization; rethink the role of line workers, whilst it will drive down their cost. Moreover, we can help utilities to expand on new services like Home Energy Management and energy efficiency programs or communities programs.

We have applied our in-depth experience and knowledge to develop the Digital Utilities Transformation framework, gained through decades of Consulting, Technology and Outsourcing services to Utilities worldwide. Furthermore, Capgemini Consulting gains best practice perspectives on the state of digital transformation around the world through our joint research program with the MIT Center for Digital Business and benchmarks. These programs allow us to understand better the profound impact of the digital technological shifts and further refine our framework and approach.

Figure 1: An industry in transformation



Capgemini's Digital Utilities Transformation Framework

Capgemini's Digital Utilities Transformation framework is composed of key services which are detailed in the following.

Digital Utilities Maturity Assessment

The starting point of the digital transformation journey is an assessment of the Utilities current maturity on the digital agenda. We embed benchmarking on several essential business processes in the assessment to quantify tangible performance results.

Digital Utilities Phase 1

This phase allow Utilities to analyze the current business and operational model, design how digital technologies deliver the digital vision and plan the Digital Transformation roadmap based on estimated business benefits. This is done for the defined scope covering processes and functional areas.

Customer & Communities Experience Transformation

To become customer and community centric while reducing the cost of operations, all customer journeys have to be reassessed and all channels and offers realigned to provide an All-Channel-Experience to the customer. Capgemini helps Utilities to rethink completely their marketing, sales and service processes to reach lean, error-free processes, leveraged through **Business Process Management**. Data customer analytics provide right insight to fine tune cost to acquire, churn management and cost to serve.

Our offers include: Customer analytics, Social CRM, Time of Use billing, customers and communities web apps, Integrated Marketing Management, Home Energy Management and Energy Efficiency, Business Process Management

Digital Asset Management

Through Digital Asset Management it is possible to capture and analyze all data which are necessary to plan, build and operate assets on near real time basis. This will deeply change the economics around the asset life cycle and provide optimization of economic return on assets. It also enables Smart Grid or Digital Plants.

Our offers include: Asset Investment Planning (AIP), Asset Life Management, Advanced outage Management, Super Network Operation control, Digital Plant, near real-time analytics, Complex Event processing

Digital Utilities Enterprise Architecture

Capgemini provides services around the design of enterprise architectures starting with discovery of the digital business requirements and consequently incorporating digital technologies like mobility, cloud, big data and BPMS to establish an agile, intelligent interaction layer, whilst preserving your IT foundation for transactional processes and IT investments.

The Transformation Journey

Each utility will travel along its unique digital transformation journey with the individual starting point depending on her digital maturity and the direction set by her strategy and ambitions.



Discover The Discovery Workshop is a one day collective session between experts and

key decision makers from the Utility and Capgemini. At the end of the day, the case for change is drafted based on exchanges around worldwide trends and current assessment in the Utilities.

Prove the value

A short investigation around the case for change, developed during "Discover" . Phase, is performed based on our Digital Utilities Maturity Assessment. The value is proven through factual evidences and value models. The case for change is completed with a documented business case.

Deliver the vision The next phase consists in piloting real case implementations on isolated situations, while transformation maps are established. This phase also comprises the assessment of the impacts on the operating model and

organizational changes.

Transform Several transformation waves will be launched with clear milestones after

| Figure 2: Phases of the Transformation Journey | | | | |
|--|-----------------------|---|---|--------------|
| Know | Discover | Prove the Value | Deliver The Vision | Transform |
| 1 meeting | 1day | 4-6 weeks | 8-10 weeks | short cycles |
| CXO 2+ hours meeting | Discovery Workshop | Maturity Assessment & Reference Architecture | Live pilot - real time learning and refinements Vision Operating Model & Roadmap - etc. | C |



Our Digital Utilities Transformation journey gives you access to the full power of the Capgemini Group, combining the strength of Capgemini Consulting, Application Services, Business Process Outsourcing, Infrastructure Services as well as our partner alliances.

Our network of **Digital Utilities open-innovation factories** is currently providing fresh ideas and innovative services to leading edge utilities that already started the journey towards energy transition, smart meters, smart grid, mobile loads, decentralized generation and customer centricity.

Contact us to start your transformation journey towards a fully digital utility.

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About Capgemini

With around 125,000 people in 44 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2012 global revenues of EUR 10.3 billion. Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

More information is available at

www.capgemini.com/digital-utilities

About Capgemini Consulting

Capgemini Consulting is the global strategy and transformation consulting organization of the Capgemini Group, specializing in advising and supporting enterprises in significant transformation, from innovative strategy to execution and with an unstinting focus on results. With the new digital economy creating significant disruptions and opportunities, our global team of over 3,600 talented individuals work with leading companies and governments to master Digital Transformation, drawing on our understanding of the digital economy and our leadership in business transformation and organizational change.

Find out more at:

www.capgemini-consulting.com