

Innovative business model for power sector

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KAPSARC

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Imagine

Energy transitions generate opportunities and present challenges to the power sector.

Imagine a case where consumers produce all the power they need and store it until the time of consumption.

Key questions

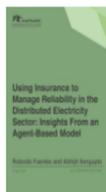
- What will be the role of the utility?
- What new opportunities and products will emerge?
- What new business models should the industry develop?

Our research suggests

- Creation of an **energy insurance market**
 - Internalizes household's preferences for risks.
 - Provides an alternative business model for the utility.

Energy Insurance Model

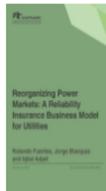
- **Utility sells insurance to energy self-sufficient households**
 - Idle capacity re-purposed as insurance
 - Charges a fixed fee that guarantees a stable revenue stream
 - Sells guaranteed services instead of kilowatt hours.



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July 21, 2019



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A market in which individuals pursue their own self-interest normally maximizes aggregate economic...

November 26, 2018

Thank you.

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