

Opportunities for Cooperatives to Lead Transformational Change Through Energy Innovation (November 2019)

The electric utility industry continues to evolve, and electric cooperative leaders are seeing the writing on the wall. Finding solutions to challenges confronting the electric industry has been a primary objective for REMDC members, and considerable change occurring within the electric industry and throughout the national marketplace has prompted development of new strategic plans, as well as consideration for restructuring conventional service delivery methods that are more responsive to diverging consumer expectations and service needs.

The term **Energy Innovation** was adopted many years ago and marked the beginning of a proactive effort to promote consumer awareness in personal energy management and a new approach in member service. The scope of Energy Innovation continues to expand and evolve and now includes concepts such as **Distributed Energy Resources (DERs)**, **Energy as a Service (EaaS)** and **Distribution System Operator (DSO)** to allow more room for innovation at the edge of new and developing service opportunity trends.

A recent study (see link below) conducted among REMDC member electric cooperative leaders, concluded the long-term success of electric cooperatives in the future will hinge on a host of factors that include:

- ***Tapping into new technologies to serve increasingly sophisticated consumers;***
- ***Expanding opportunities to capture more value from DER and community energy projects;***
- ***Experimenting with new business models that provide more flexibility in managing power supply and costs;***
- ***Shifting resources, methods and planning to provide for the introduction or enhancement of new behind-the-meter products and services members desire.***

By developing and adding new options, applications and approaches to existing core services that benefit members today, cooperatives can further leverage the trusted relationship they have with members and open new member engagement opportunities by being more attentive to evolving member service expectations.

It is clear that cooperatives have certain competencies within their organizations that enable them to meet member needs today. With the industry change that is undoubtedly occurring, these competencies must shift in order to meet the needs of members well into the future. Simply said, ***the workforce and skillsets of the cooperative today will not be successful for the cooperative tomorrow.*** Changes will affect every department and division within the cooperative. Some cooperatives have no current workforce today in areas that will be required in the future. This requires planning and execution by the leadership teams at cooperatives across the country.

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Download the full REMDC study here: www.remdc.org.

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