



# Viable business models

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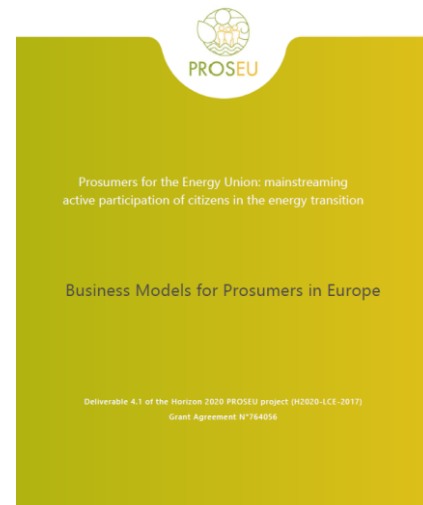






# What problems do we need to solve?

- Prosumer business models can be complex. How and why do 'we' earn money?
- How do we add value to the system?
- Should we be subsidised?



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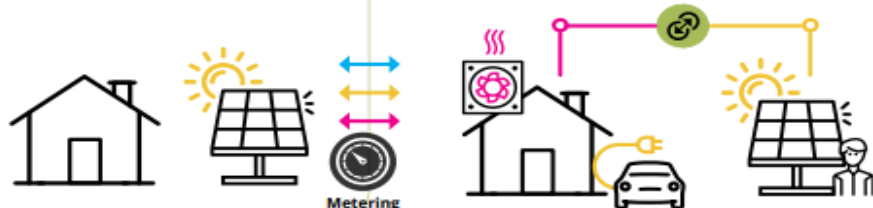
# PROSUMER BUSINESS MODELS



**PROSEU**  
prosumers for the energy transition

## BASIC PROSUMER

Basic self consumption: Household produces electricity and consumes it. Potentially sells some but also buys. Benefit: Save money, use renewables.



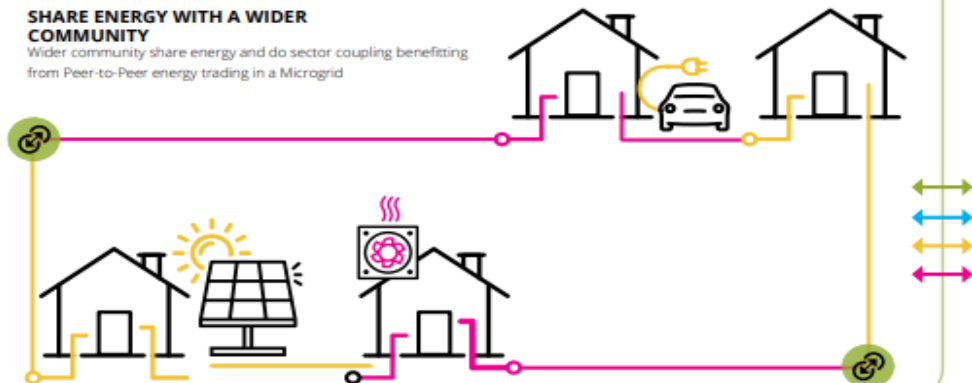
## SECTOR COUPLING IN THE HOME

Self consumption with the ability to do sector coupling internally.



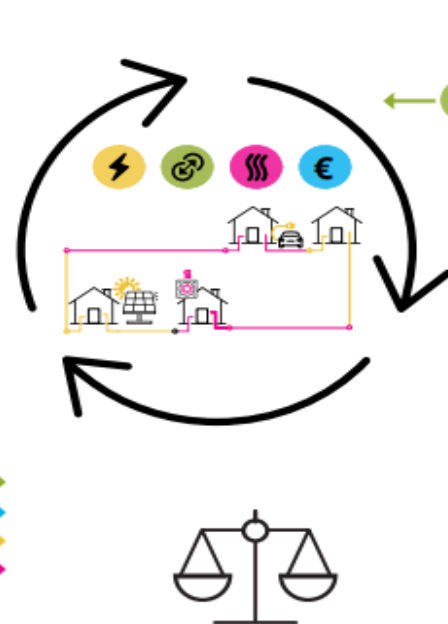
## SHARE ENERGY WITH A WIDER COMMUNITY

Wider community share energy and do sector coupling benefiting from Peer-to-Peer energy trading in a Microgrid



## BALANCING OF THE WIDER ENERGY SYSTEM

The combination of production and sector coupling in a wider community allows for providing flexibility to the entire grid. This provides added value for the green transition.



## CURRENT MARKET



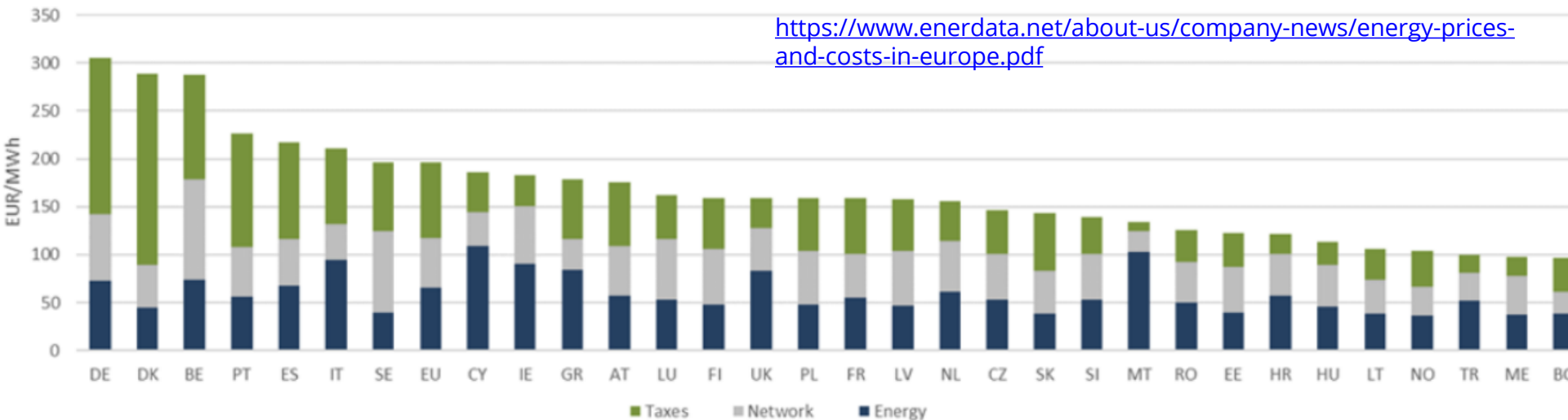
- ⚡ Electricity
- € Payments
- 🔥 Heat
- 🔗 Grid Flexibility

This infographic is a simplification of the current market. Find 15 detailed business models on [proseu.eu/business](https://proseu.eu/business)

Infographic by PROSEU project



# How do we earn money?



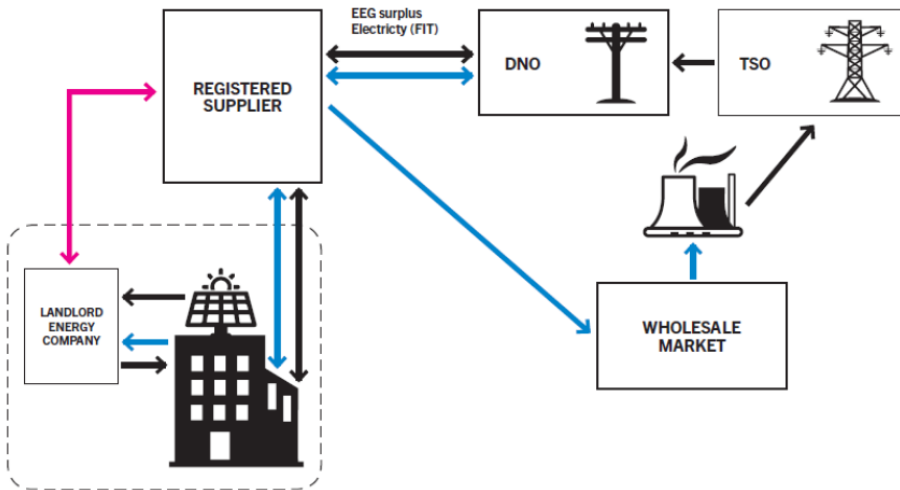
<https://www.enerdata.net/about-us/company-news/energy-prices-and-costs-in-europe.pdf>

The composition of prices differs in each nation. As does the level of feed in tariff, how much you can 'net meter', which network charges you have to pay for local energy, the export price you can get, the network charges you must pay and the payments for flexibility you might get.



# Can we collectively self consume beyond more than one user?

Business model #3: Simplified 'Mieterstrom', or 'tenant electricity' Germany



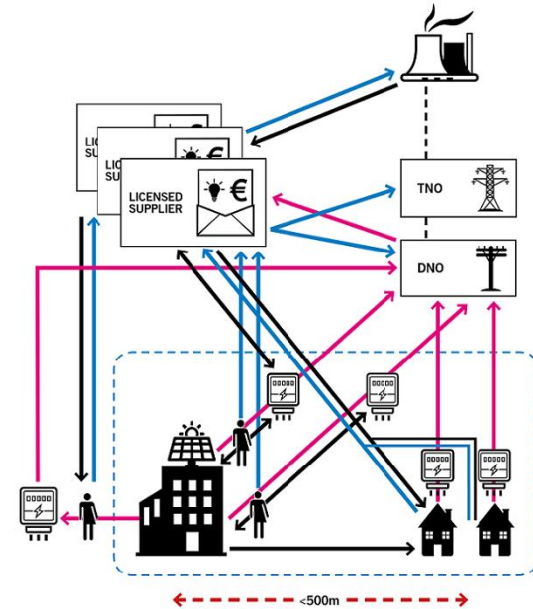
## Legend

DNO ..... Distribution Network Operator  
TNO ..... Transmission Network Operator

Electricity  
Payments  
Data



Business Model #4: Collective auto consumption Spain



## Legend

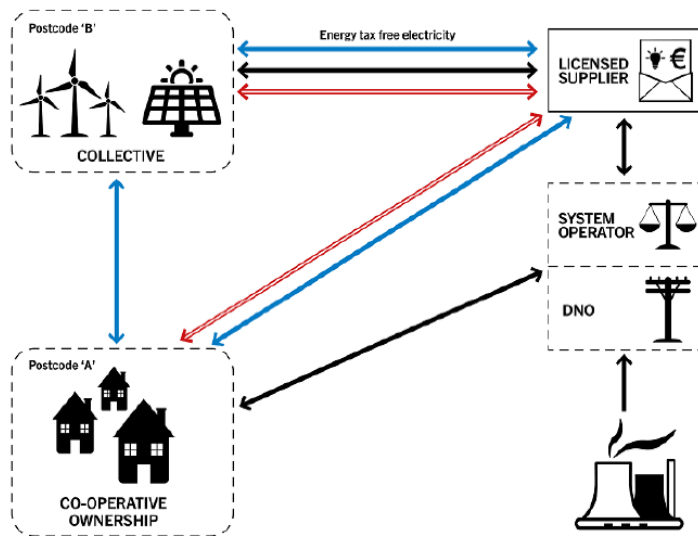
DNO ..... Distribution Network Operator  
TNO ..... Transmission Network Operator

Electricity  
Payments  
Meter Data  
Participants





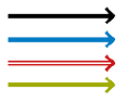
## Business Model #5: The 'Postcoderoos' or 'Post Code Rose' model, Netherlands



### Legend

DNO Distribution Network Operator  
TNO Transmission Network Operator

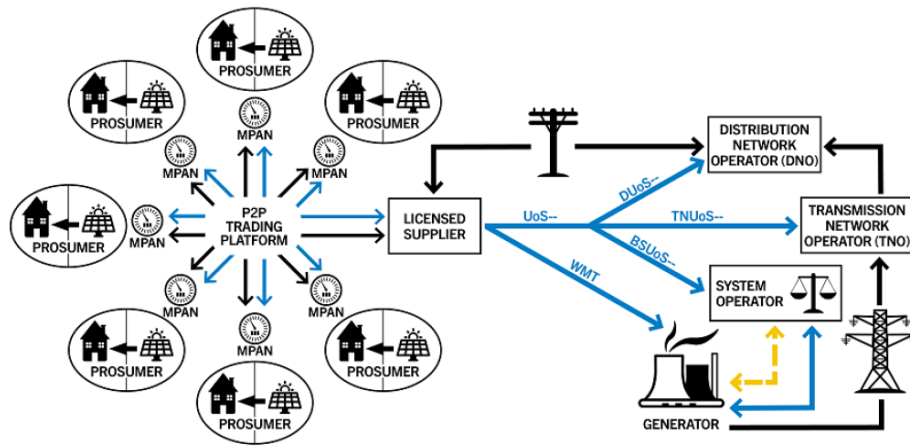
Electricity  
Payments  
Services  
Balancing



- Landlord tenant model is bureaucratic and marginal but possible
- collective self consumption is possible because of metering arrangements
- The postcode rose model is the only one that subsidises collective ownership



### Business Model #10: Peer to peer, UK example



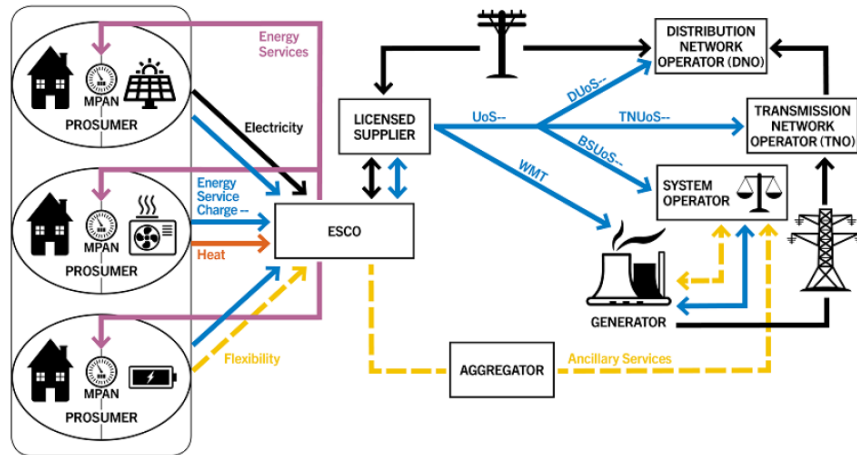
#### Legend

Electricity	
Payments	
Ancillary/Flexibility Service	

- In a peer to peer system local energy trades work
- what values of local prosumerism are being retained?
- Are we opening up new relations or entrenching a transactional mindset?



## Business Model #14: Energy Service Company UK



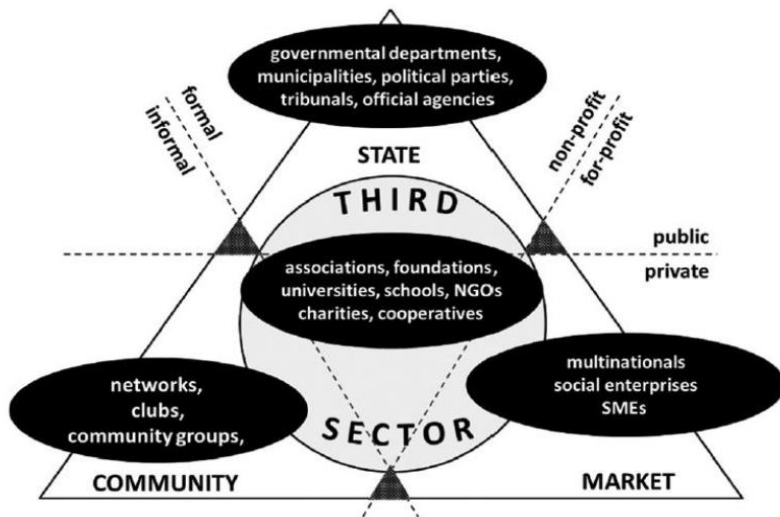
### Legend



- ESCO's bundle services together
- Can earn more money but expensive
- Difficult to contract
- The option to switch supplier enshrined in EU Law makes replicating these models to a mass market very difficult.
- Revenues from flexibility < capital needs of building retrofit.
- Best managed by an energy company... what elements of collective prosumerism remain?



# Making space for the collective



- These business models are possible
- We need to ask deeper political questions
- Do we subsidise collective ownership?
- Do we make collective ownership compete on market terms?

Avelino, F. and Wittmayer, J.M., 2016. Shifting power relations in sustainability transitions: a multi-actor perspective. *Journal of Environmental Policy & Planning*, 18(5), pp.628-649. <https://doi.org/10.1080/1523908X.2015.1112259>





# Thanks for your attention!



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drift for transition



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