DUTTHE Capgemini invent CAPONIT How Energy Conservation unlocks

the power of change

Fuel to the fire

The Energy price shocks of the past two years remain with us. Wholesale prices are still around four times higher than they were in winter 2019-20. The immediate threat of blackouts appears to have passed, through rapid mobilization of gas storage and a fortunately warm winter. However, the structural issues that led to the energy crisis remain. And with government protection schemes being unwound in early 2023, now is the time for organizations to act.

Stakeholders now expect action from organizations. Customers expect businesses to be resilient and will quickly switch if operations are interrupted. Shareholders will expect a robust plan that protects their investment. Society needs organizations to participate in building a more sovereign energy system.

Harnessing Energy Conservation

This enables new thinking about how partnerships and ecosystems can be formed. Employees are critical to this implementation, committed people will drive the pace of change and the adoption of new solutions, this will start with simple changes like turning off lights, but will quickly develop into employee led transformations.

Directing energy where it matters most

The leaders of energy resilient organizations will address energy as a board and executive issue. They will have a deep understanding of where their energy comes from, how it flows through their organization, and what structural changes should be considered. It is time for senior accountability for energy to be clarified and the traditional split ownership across operations and procurement to be harmonized.

Optimizing Energy for Longevity







Energy Source

Energy Flow

Energy Infrastructure

Made to measure

Developing the capability for visibility and control of energy is an essential early step. The use of energy in every building, piece of equipment, and process should be tracked. Operational decision making will be informed by this information, and more sophisticated approaches will be developed to manage energy use. Our own experience shows that savings of above 25% are achievable.

Three keys to resilience

Relationships

How to create strong relationships with energy producers, networks, and suppliers, through mechanisms such as Power Purchase Agreements.

On-site solutions

Who to work with on development of your own solar, wind, and battery resources.

Flexibility

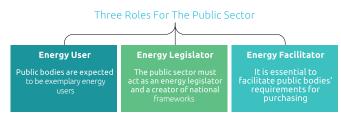
How to adapt and create value through more flexible use of energy, for example through participation in a demand response sceme.

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The Public Sector: Multiple Roles Make a Huge Impact

Multiple roles for public administrations

With the public sector performing so many different roles, it has a significant impact when it comes to energy conservation.



Improving its own energy efficiency: challenges to unlocking huge potential impact

In many ways, public buildings are just like any other building. But often, their unique age or history, uses (e.g., hospitals operating 24/7), and funding sources pose specific challenges for energy efficiency. The age of the building is always a key consideration. But there are other important factors, especially when it comes to digital's potential to support renovation.



How to accelerate the Public Sector

Several approaches must be carried out in parallel to make public buildings energy efficient. Energy savings can come from building improvements. This may seem counterintuitive but retrofitting often offers more economic incentives than hindrances¹. A data-based approach can also support this journey, providing a detailed view of the history of public buildings, targeting and prioritizing work to be carried out, and facilitating their financing and management.

The adaptation of uses is also vital for better energy efficiency. As government workers have less incentive to engage than private employees (their jobs or their firm's profits are on the line), shaping new behavior may involve dedicated change management. This can convince public workers that they can individually impact decreased energy consumption.

The optimization of operations and the maintenance of buildings are equally important levers. Smart systems can

also be relevant for the public sector. This is especially true of the flow of users to public areas – particularly for facilities operating 24/7. A system that enables the public sector to monitor optimization at several levels (building, administration, territory, and national) could be a game changer.

Pioneering national and long-term energy resiliency

Manufacturers and product and energy suppliers scrutinize the public procurement requirements of public bodies as buyers. This is because public agencies represent 10–20 percent² of the total market for energy-related products and services. By demanding energy-efficient products for their own use, government agencies will likely prompt manufacturers and suppliers to respond with more efficient products at competitive prices. To leverage this virtuous circle, public specifications must use crystal clear, consistent, and steerable energy conservation criteria.

As a national energy efficiency policy maker, the public sector has the upper hand in facilitating the deployment of renewables – driving greater energy independence – and encouraging the private sector to be more efficient. Moreover, energy savings could enable the public sector to devote more of its budget to decarbonization and ecological transition. Here, too, the ability of the State to measure progress is essential to pace the effort.

Capgemini leads the way

We work at the heart of energy. Our experts are already on this journey with organizations in all sectors, helping them build new resilient models. We also practice on ourselves and have developed our own advanced energy control center, which has delivered significant savings. We are energy sector experts, with over 600 people working for energy clients we bring a deep understanding of how energy markets work and how to manage energy. Our knowledge and experience working with Governments worldwide enable us to uniquely understand the specific challenges facing public administrations.

Get in touch

Find out how you can build a more sustainable and futureproof organization with Energy Conservation.

For more information, contact invent@capgemini.com

And scan the QR code to visit the Energy Conservation webpage's informative resources.



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¹ <u>Buildings IOT, UK (2021)</u>

² <u>Guide to Promoting an Energy Efficient Public Sector (PePS), 2015</u>

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Maelle Bouvier is the Director and Lead for Public Sector Sustainability at Capgemini Invent France. Maelle is an experienced director with a demonstrated history of working for ministry on sustainable topics. She is passionate about supporting the modernization of public administration and creating new value offers that optimize conservation of her clients

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