



# The digital transformation of DSOs: a teaser

What every DSO should know about digital

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# Preview of the insights to come

## A five-themed research-based report reviewing the transformation into speedy digital DSOs

In this report you can expect to gain insights and find answers to questions that fall within each of these topics. The insights will deep dive into the challenges

felt across the sector. Supported by real experiences, the report focuses on how companies can successfully face these challenges for a strong future.



### Transformation of the DSO core business

Focusing on the core while adapting to digital trends means improved planning and operations of distribution networks beyond traditional measurement and control actions.

It is clear that changing operations is not merely a matter of putting sensors on all types of machines connecting them to the cloud; and analyzing the resulting flow of data. It goes beyond identifying ways to improve machine productivity and reliability of certain assets.



### New customer experience, new processes, and IT evolution

The creation of an umbrella reference: a digital program could be key in aligning digital efforts across the company to gain an overarching view which helps transform not only processes, but also allows technology to evolve.

*“In our case, we had to confront our board members with the exciting yet brutal reality of how much more advanced California was compared to France, compared to Europe. That’s why we went to LA to start a conversation with the brilliant people working at the cutting edge of the digital world. All other DSOs known to us were simply not a benchmark.”*

*Christian Buchel, Deputy-CEO, Chief Digital and International Officer, Enedis.*



### Transformation means cultural change

Digital is a new way of thinking, a new way of working that does not function well in traditional organizations. As a consequence the organization itself needs to evolve together with the people in it.

Right up at the top of the list connected to culture naturally seems to be bringing in new people for the new kind of tasks, to automatically import a new culture. It sounds like a very straight forward claim, but in reality this logic does not always strike through to manifest in reality.



### Reaching out to the entire energy ecosystem, including new players

Due to their legacy, DSOs have traditionally focused on relations with the regulator rather than their customers. The regulators do represent the interests of the customers, but DSOs also need to create a more direct link with their customers.

*“The Central Market System of the DSO’s in Belgium is not only driven by efficiency improvements in the way the market interacts with DSO’s. It also represents a platform where all stakeholders can come together and discuss about the future. The different regulatory bodies of Belgium, differing in geographical scope and reach, are present at this platform, the energy suppliers are there and of course also the DSO’s. This enables us to think ahead and exchange ideas about future possibilities.”*

*Donald Vanbeveren, Director Strategy and Regulation, Eandis*



### Data governance

If DSOs move into a role as data hub operator, they will gain a lot of experience in opening up customer data to market parties. How available that data will be is a trade-off between customer data protection and market innovation that will be made by the legislator. The DSOs own data is another story, here the companies can decide to be more or less open.

*“Our first interest is in getting the processes coordinated and up and running smoothly. We have to strike a balance between the efficiency of these processes functioning as a data hub on the one hand, but also being aware of all the other interests at stake here.”*

*Ruud Berndsen, Director of Regulatory Affairs, Alliander*

# About the study

With the support of KPMG, the Vlerick Energy Centre has conducted a research project on “What every DSO should know about digital”. The study includes the results of interviews with leading European DSOs providing insights on how to prepare your organization to transform digital into an opportunity.

The research was conducted in two parts: a web-based survey of 108 executives from 24 countries on changes in the industry landscape by 2020, and a second part consisting of workshops, and in-depth interviews with progressive DSOs on digital transformation.

The focus is around five key themes, and each theme is supported with insights and experience from the DSOs interviewed. The final report with study results will be available by the end of 2016.

Stay tuned for the final report. If you have any questions in the meantime, don't hesitate to get in touch with our team.

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