

Power Profile



Navigant's Global Energy Practice Leader,
Jan Vrins, Talks Clouds



UF's Steve Mitnick: Jan, tell us about what you do day to day in Navigant's global Energy practice.

Jan Vrins: I'm the head of Navigant's global Energy practice. We work with a broad set of industry stakeholders: from utilities and energy companies, to manufacturers and technology providers, to large end users of energy, as well as the investors in this industry. We work with our clients on more than a thousand projects a year worldwide. I have about six hundred consultants on my team, and together, we are helping our clients navigate the energy transformation. We like to say that we're at the forefront of that.

The energy transformation includes changing policy and regulation, new products and services (driven by customer choice), revenue and business models, as well as the integration of new technologies like renewables, distributed energy resources, and others. Navigant has resources and expertise in all of these areas.

Day to day, we're focused on where technology meets policy and regulation, and its impact on organizations, business models and operations. It's extremely exciting with so much changing in our industry.

If you look at the energy transformation globally, it's even more interesting, because policies, regulations and market structures can determine the pace at which this transformation unfolds, as well as the price of some of these new technologies compared with local energy prices.

New York versus Florida, Texas versus California. North America compared to some of the European countries, compared to Australia. There are some very interesting similarities as well as differences across regions, countries and states.

PUF: Are you a manager, directing the work of various consulting teams? Or do you personally get involved in projects?

Jan Vrins: I've been consulting for a while now. I have always been a strong believer that you have to work with clients on actual engagements to stay connected with what's happening in the market and with your clients.

I'm a leader and a doer at the same time, and I lead by example. I engage in discussions with many of our clients at different levels. Not only with CEOs in the industry, but also with teams that are assigned by CEOs to accomplish certain things.

I'm on the road every week, visiting and meeting with clients and my teams. Some of the projects that I am really interested in revolve around creating a strategy and new business models for utilities. With all the changes that are happening, we help clients create value for their customers as well as their shareholders for the future. Those are the things that I write about and present about at several conferences every year.

Working with clients, and hearing what clients are thinking about, really helps us as thought leaders. It inspired us when we were putting together our most recent white paper on the

As the leader of Navigant's global Energy practice, **Jan Vrins** oversees one of the largest energy consulting teams focused on the energy transformation. He works with utility executives, advising them on strategies for long-term operational and financial success. He developed the Utility of the Future Framework to help clients understand how market trends and evolving business models can improve commercial and operational performance.

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Energy Cloud, which we just published. The paper describes how utility energy companies can capture business value through what we call disruptive energy platforms.

PUF: What's the fun part of your job? Is it working on new products like the Energy Cloud white paper? Or is it working person-to-

person with executives at the different companies?

Jan Vrins: For me, the fun part is the personal engagement with executives and our clients, as well as with their teams. The fun times are when we have an hour session, or sometimes half-day sessions, talking about what's happening in the market and how that impacts this specific utility or company.

What are the different pathways to building a strategy? How do you maintain your current business models successfully, but also develop new business models around new technologies, products and services, and platforms?

It's really the personal interaction in meetings, conversations, or workshops. I think the dialogue is interesting. Sure, we at Navigant have our perspectives on the future of the industry. But it gets so much better if you can have discussions and dialogues with your clients.

Often there are differences in how things play out for our diverse set of clients within each region around the globe.

PUF: What do you see as some of your challenges?

Jan Vrins: This is not a new challenge for consulting practices like ours, but how do we capture all of our collective knowledge? How do we share that knowledge? How do we take that to our clients on a day-to-day basis? That is a challenge, with over a thousand projects a year and six hundred professionals working in the practice globally.

We spend a lot of time on knowledge management and sharing of best practices across my teams. We talk a lot about bringing the best of Navigant to our clients. That is really the key thing for us.

I have a team that does full time research, Navigant Research. That team is trying to keep up with all the new technologies and changes in business models tied to those technologies, as well as new products and services. There are fifty researchers, and they are having a hard time keeping up.

There's so much going on, that our ability to share everything that is going on with our clients is a challenge. That's one.

And the second challenge is (I make jokes about this), I have two teenage boys at home. They have minds of their own. My wife and I are every day trying to make sure that we guide them in the right direction and in making the right decisions, which is not easy. I also have six hundred very smart, highly experienced professionals at work, and yes, they are opinionated as well. Staying focused on our clients' success and our collective success is an interesting challenge.



PUF: Do you feel you are having a positive impact?

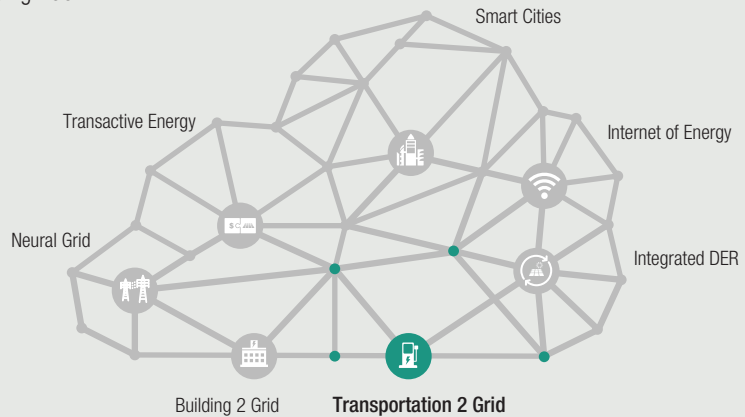
Jan Vrins: I do. I feel strongly that Navigant has an impact across the energy industry. The impact we have as a team, we get that from supporting our clients in their strategies, their pathways, and their success.

Then, bigger picture, we have an impact in driving the energy transformation forward globally. We've been doing energy efficiency work for twenty years. We've been doing renewable energy work for eighteen years.

Fig. 1

EVs ADD SIGNIFICANT LOAD TO GRID

Electric vehicles will be the single largest addition of energy demand to the grid globally, exceeding 200 TWh.



Source: Navigant Consulting Inc., all rights reserved

We've been doing things like storage and electrification of transportation for eight years. We have been at the forefront for these leading-edge technologies that are now seriously impacting our clients' business. We want to continue doing that.

Not only do we want to understand these technologies and the regulations and policies that go with them, but also, we want to help our clients develop their strategy and business models, or evolve their business models, so that they can continue to be successful in the industry. Incumbent utilities in North

America face new competition from non-utility competitors, but also from some of the European energy companies that are operating more globally, as well as some oil and gas companies that are moving into the utility space.

We talk to many of our utility clients about potential threats and what they should be doing to provide the right services to their customers to lay the foundation for long-term success.

So yes, we are having an impact. We have achieved a lot of energy efficiency savings through the work that we have done. We've implemented or helped implement

the development of a lot of renewables. We are helping our clients modernize the grid and strengthen it against some of the emerging threats (cyber, weather and long-term climate risks).

Those are all things we believe have an impact. Applying our expertise to our clients' businesses in an efficient and effective way, so that they still can provide value to their customers, regulators and to their shareholders, we have done a lot in the last twenty years.

PUF: What's your aspiration for the next three to five years?

Jan Vrins: I think one of the things we are trying to achieve in the next three to five years is to become even more global. We believe that the energy industry is becoming more global. We see more companies moving from one continent to another, from one country into another country.

As energy is becoming more global, we want to be more global as a practice as well. We now have about four hundred people here in North America and two hundred people in Europe and the Middle East, and we see ourselves expanding into other regions also. That's one.

Two, back to impact, we want to have a bigger impact on our clients' business. I think consulting has changed a lot over time. From when you and I were young, where we were doing consulting work, and clients paid us for being a consultant.

More and more clients now are expecting more than just

advice and consultancy. They expect outcomes and results. In the next three to five years, I'm hoping to provide these outcomes and these results to our clients, including putting skin in the game ourselves. Tying some of our rewards to the outcomes and results we are achieving for our clients.

So, from just consulting or building a strategy, or building a plan, more and more, you want to engage in actual implementation, achieving outcomes and results.

For example, we believe that we can help utilities increase adoption levels for electric vehicles in their territory. We believe we can accelerate progress and can create additional revenue streams. We are willing to build EV platforms, run EV adoption programs, and we are willing to tie some of our rewards to the outcomes of achieving more revenue. That is what I mean by getting paid for outcomes and results. **PUF**

Gas Naturals

(Cont. from p. 49)

To produce offshore and to have offshore wind turbines that directly produce hydrogen, then you would use the existing offshore and onshore gas pipeline system to transport that to the customers. So, there are many interesting ideas about how natural gas and renewables can be better related. There can be synergies.

PUF: How do you hope to impact the debate? What do you hope to learn?

Dolf Gielen: The gas markets have very strong regional components. North America is quite unique with all the shale gas development. You don't have a similar development in Europe.

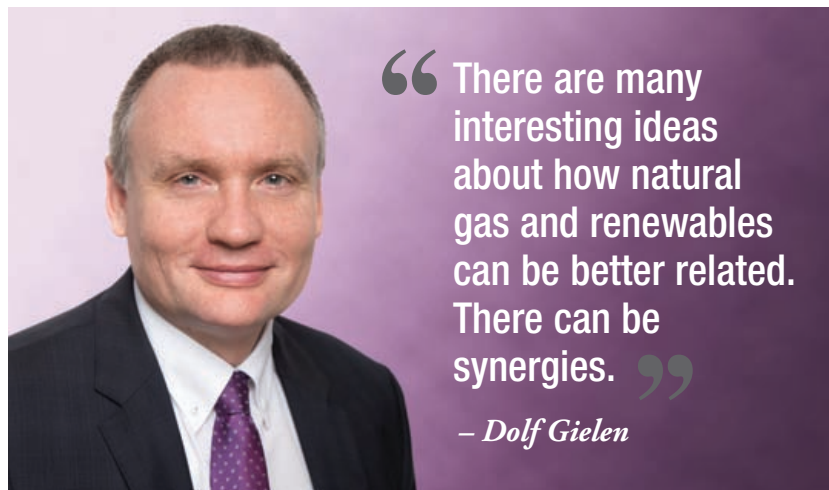
Then, in Europe, it's very much a debate about taking pipeline gas from Russia, and to some extent, supplementing it with LNG. If you go to Japan, it's purely an LNG discussion.

The conditions of this region and of these countries is very different. Therefore, the interaction of gas and renewables is very different.

I gave a few examples of the topics which are currently being discussed in Europe. I hope through this upcoming conference to get a much better sense of whether this is now a very specific European discussion, or has this got a broader global relevance. And to learn how the role of gas as a transition fuel is looked at in other parts of the world.

PUF: Look out into the future and say maybe three, five years from now, what do you think the International Renewable Energy Agency will be doing? What are your goals?

Dolf Gielen: We just agreed on a new work program for the coming two years, and a new midterm strategy for the next four to five years.



The new elements are energy transition and energy transformation: they have been given a much more important role. We think that renewables can play a very important role in this, but it's clear that renewables alone cannot bring an energy transition.

You need to also have energy efficiency on board. And probably there's also an important role for natural gas in that energy transition. Understanding better how we can shape such a transition is an important objective for the coming years. And working together with other industry participants to make this happen. **PUF**