



# **Electricity retailers**

- Innovative pricing plans and service offerings
- » Nimble, data rich, digital savvy
- Technology companies







- Technological innovation will lift NZ's productivity
- Our future lies in the unexplored niches
- Our tech sector is leading the way in R&D investment.





### **Business R&D is critical**

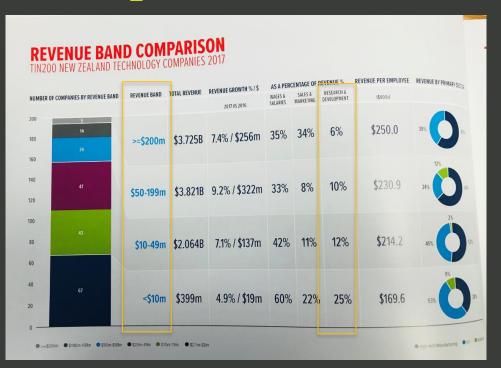
R&D SPENDING BY NEW ZEALAND BUSINESSES IN 2016



OF GDP COMPARED WITH OECD AVERAGE OF

1.6%

# TIN200 companies invest 6-25% in R&D





### Our Offer

#### What we do

**Deliver innovation services to businesses:** 



R&D



**Innovation skills** programmes



**Grants** 

#### Our expenditure

\$307.4m 2017/18 EXPECTED SPENDING

\$204.8m

\$45.7m

\$27.1m

SCIENCE PROJECTS **& SUBCONTRACTS** 

\$29.8m

#### Our reach



**Build New Zealand's** innovation capability



2473

**ORGANISATIONS ENGAGED WITH** US IN 2016/17

# **Energy is one of our priority sectors**



















# We help businesses succeed through technology

"Callaghan Innovation's support of Harmonic in the fields of innovation and R&D capability development have helped position us as the leading data science practitioner in specific industry sectors, such as energy, across Australasia."

Phil Shepherd, CEO, Harmonic Z

"Funding and support from Callaghan Innovation has enabled GoodMeasure to go from strength to strength, investing in R&D to further the development of cutting-edge meter-data communications technology in New Zealand."

Peter Sandston, Business & Channel Development Manager, GoodMeasure Z

## **Voice of the Energy Customer**

"Our team arose from software industry.... Lightning Lab helped us find an energy industry partner." Polyanio

"We've never been more productive, nor have we iterated so quickly as we did through the Lightning Lab Electric." emhTrade

"We have no need to engage with Callaghan."

"We're not good at promoting our work...."

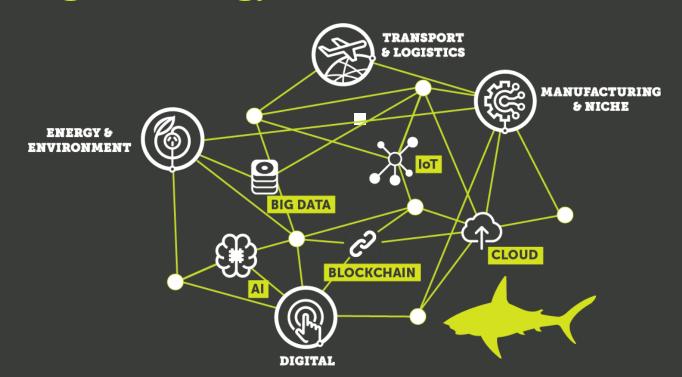
# **Voice of the Energy Customer**

"We want to revitalize our innovation.... we're talking to big players about their assets...we need to understand machine learning."

"We felt isolated whilst validating our IoT technology

"We've developed data analytics software but don't know how to commercialise." "We're trying to innovate, have lots of ideas...want to find out who to team up with"

# Digital Energy Hub



#### Callaghan Innovation















Innovate faster than your competition

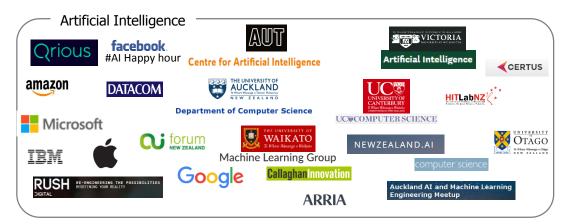


Innovation skills

# Data & Internet of Things



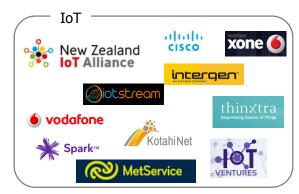
#### **Digital Energy – Example technology providers**













## Tech is exponential, culture is not.

- How will Blockchain affect my business?
- Over what timeframe?
- What next?

"The hurdle - users must be willing and able to change business processes and collaborate with customers, suppliers, and competitors in ways they never have before"

Ron Beatty Electricity Authority



#### How will Blockchain affect retailers?

- Reduce transaction costs
- Encourage service bundling
- Increased focus on data availability, privacy, security & accuracy
- Gradual erosion of volumes
- Less engaged customers

## NZ Electricity Sector and Blockchain

**Substitution Transformation Co-ordination & Complexity** Replaces how we do business Distributed energy P2P 2022/2023 Localization **Single Use** Less costly, focused solutions Bitcoin as payment option Internal database 2018 Low

Completely novel applications

Smart contracts, Transactive Grid

2027 +

Private network across organizations

- Bank, electricity retailer, telecom
- Retailer + distribution company 2019/2020

High

**Novelty** 



#### What next?

- Bring Blockchain into product roadmaps
- Double down on technology & innovation
- Connect with Callaghan Innovation



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