



Getting the best out of your IT Team

Energy Trading Week
September 2023





Agenda

Getting the best from your IT Team

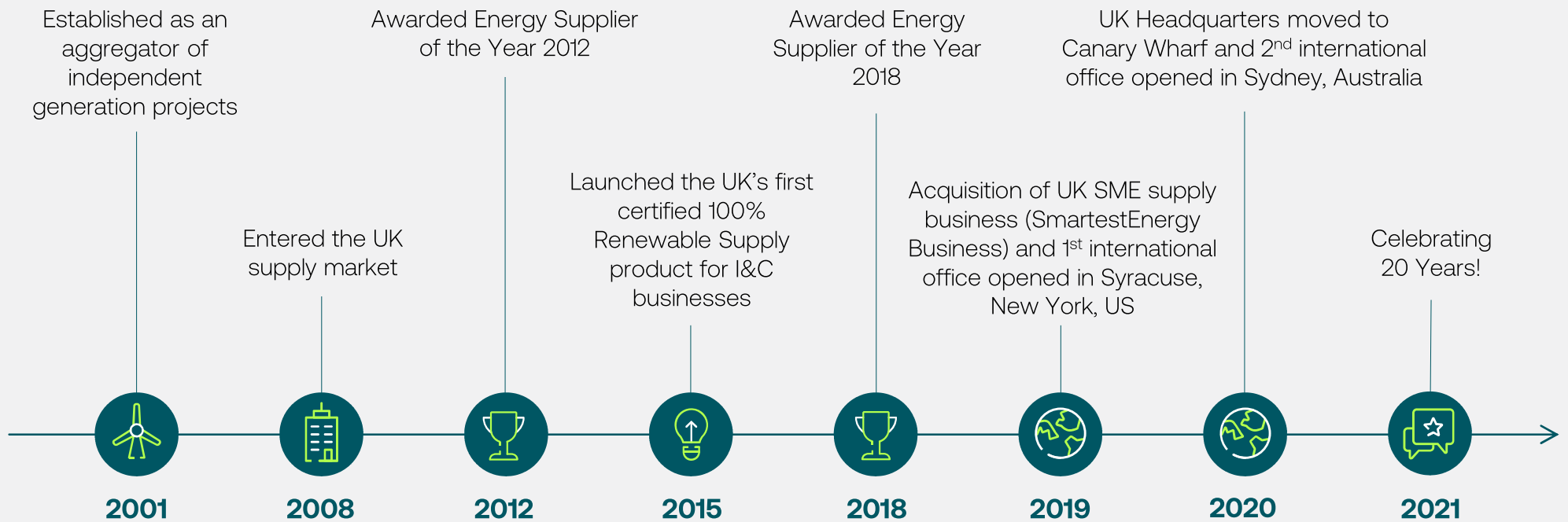
- The SmartestEnergy Context
- IT Operating Model Considerations
- IT versus OT
- Future Trends in Market Design
- Navigating the Energy Crisis
- Q&A

Context

Context is Everything



20 years of growth and customer focus



A 'flexibility backed' energy company



Key:

-  Renewable certificates
-  Energy capacity, flexibility



Continuing to shape the energy landscape for the next 20 years...



With a unique business model built on strong customer relationships and **trading expertise** in the gas and power markets



A continued focus on **technology development**, investing in our online platforms to provide a digitised customer experience



With the backing and financial strength of our parent company, Marubeni, making us a **bankable partner** you can trust

IT Operating Model Considerations

One size fits none.



Factors to consider in designing IT Operating Models

- Trading capabilities have different IT needs from customer facing organisations
- Supporting knowledge workers is different to supporting process workers
- Time on non-trading activities presents real financial opportunity cost
- Business understanding and trusted partners
- Digital skills are no longer the sole domain of the IT function
- Value is more important than cost



Different Perspectives on Ways of Working



Trading Lens



IT Lens

Coding Mathematician

Software Engineer



Built for Now

Built to Last



Stream of Consciousness

Structured Requirements

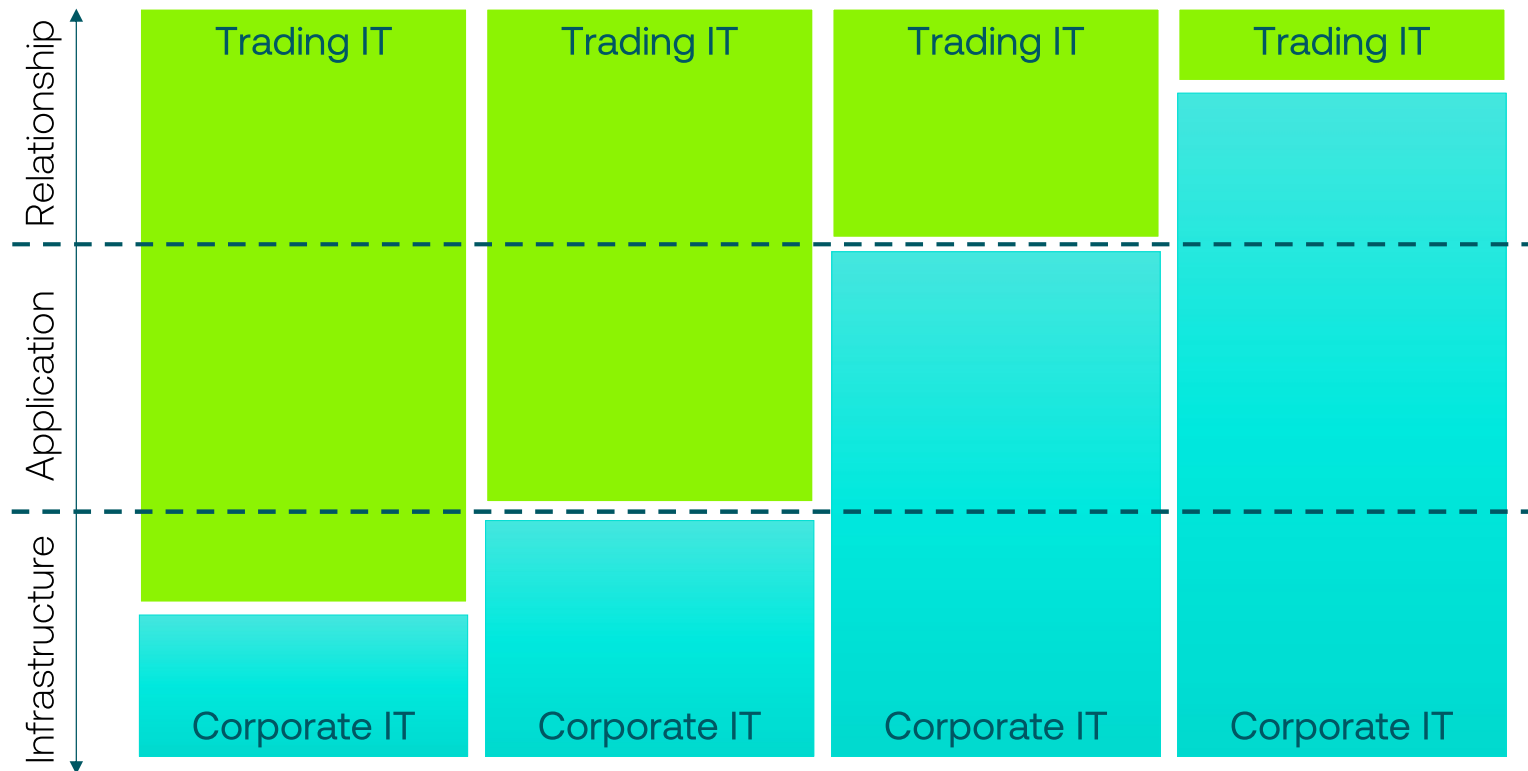


Iterative Delivery

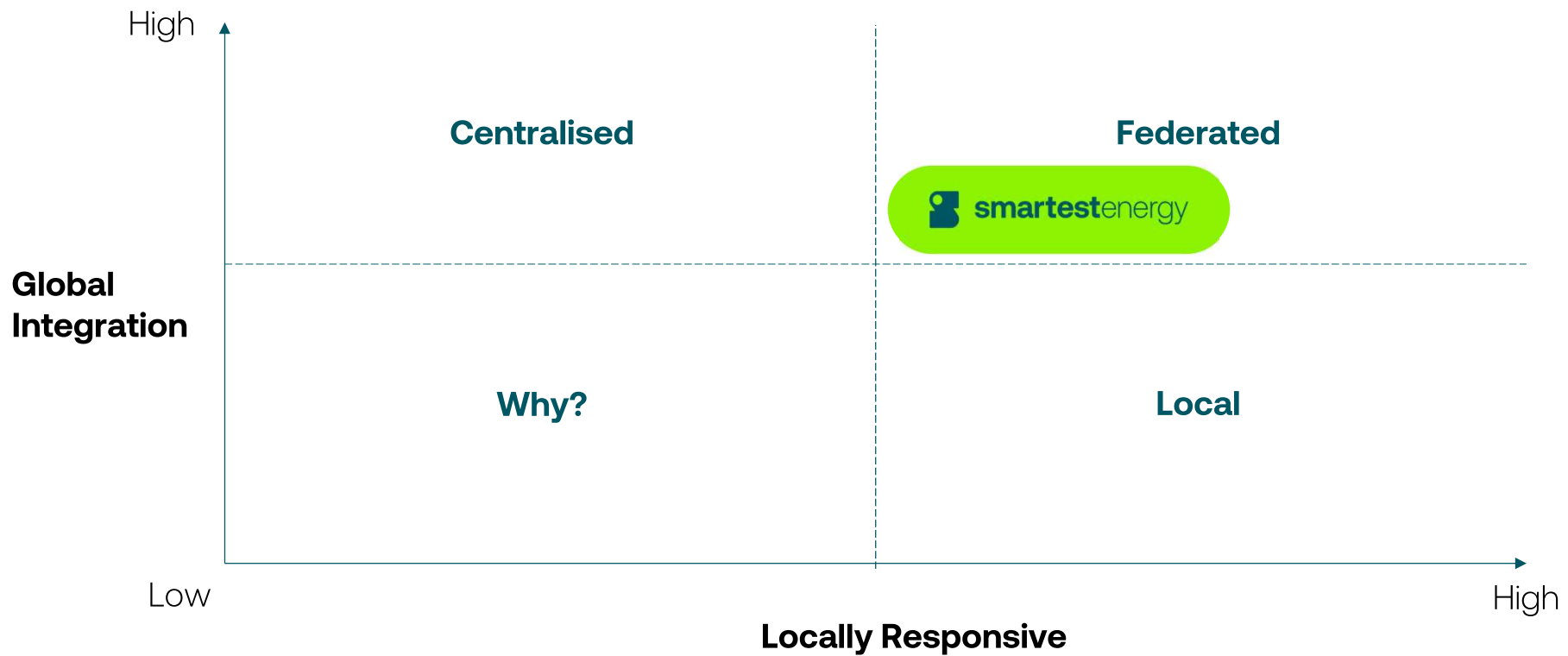
Waterfall Delivery



What to Centralise, What to Localise



Global versus Local IT Operating Models



Poll

How would you describe your main Trading IT team

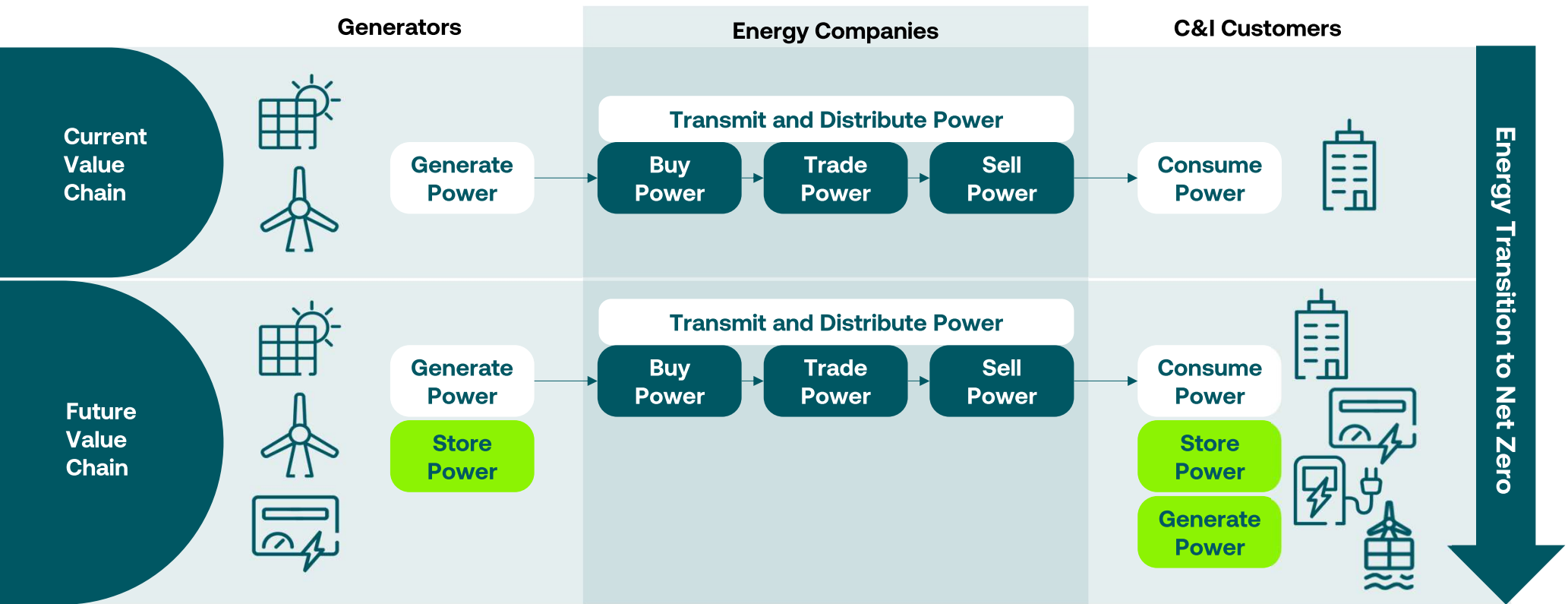
- Rogue One -> Ring-fenced to Trading, Separate to Corporate IT
- Changeling -> Part of Corporate IT, but dedicated to Trading
- Assimilated by the Borg -> Fully integrated with Corporate IT

IT versus OT

Two worlds converge

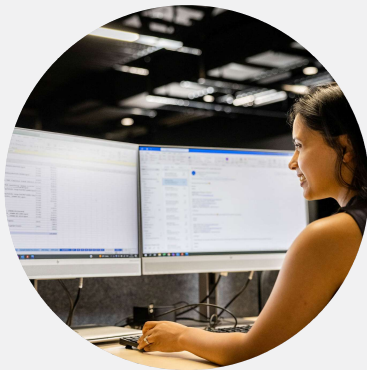


The Energy Transition Drives Transformational Change



Information Technology versus Operational Technology

IT



- User Centric
- Software Engineering
- Office Based
- Low Latency Broadband
- Virtual Devices
- Critical Resilient and Recoverable Systems

OT



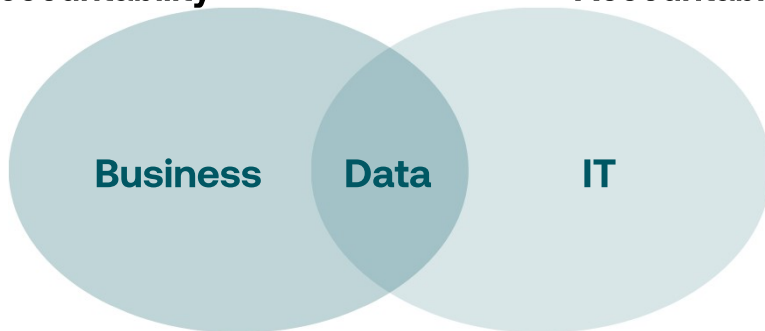
- Infrastructure Centric
- Electrical Engineering
- Remote Locations
- Connection Constraints
- Physical Devices
- Critical Infrastructure

Organising for Data Management

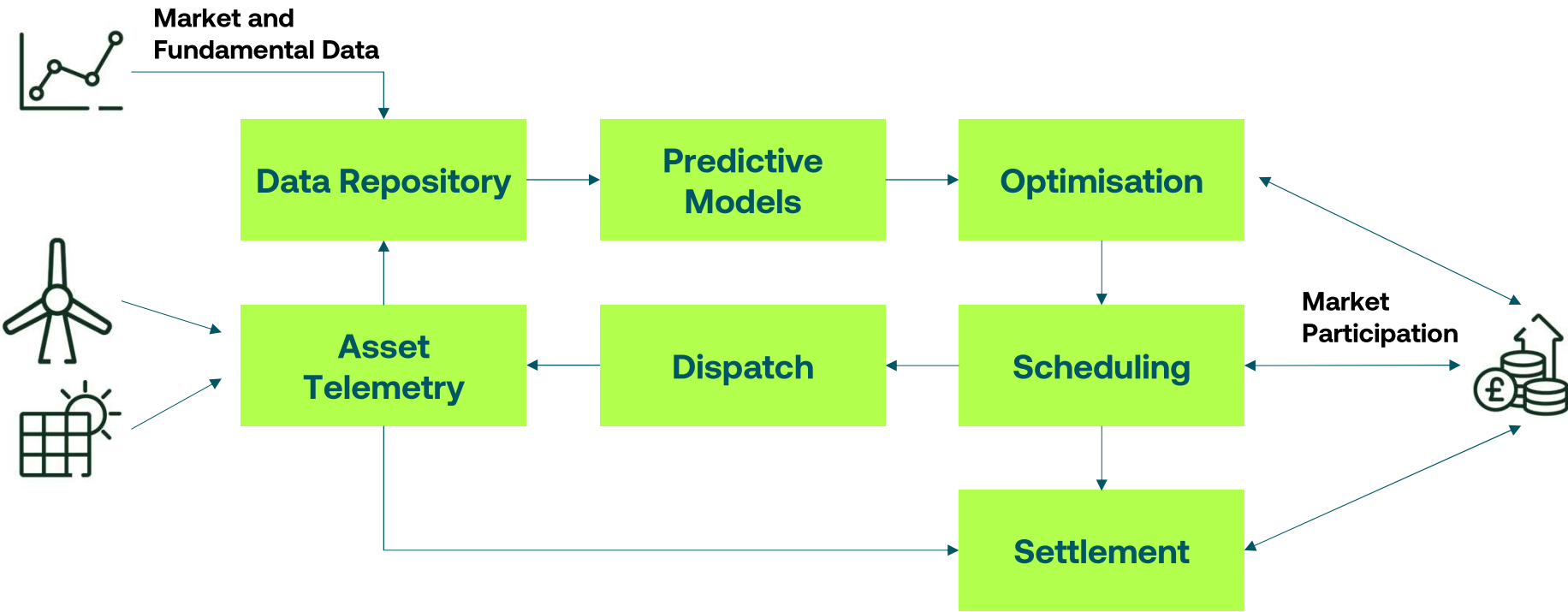
- Accurate data is a key success factor for digital trading
- Many Excel solutions are “data” solutions
- Data Governance on its own does has limited impact

**Commercial
Accountability**

**Technology
Accountability**



Building Blocks for Asset Optimisation



Skills and Operating Model are linked to Build versus Buy



Master Builders

Competitive differentiation through proprietary technology

Sophisticated Consumer

Value creation through effective deployment and use of technology



Future Trends in Power Market Design

The end of



Transition to Data Centric Business Models

- It's not about blockchain!
- No longer just about transaction processing and automation
- Data Insights have intrinsic value in their own right
- Shift from cost centre mindset to profit centre
- Requirement to service both internal and external customers changes support models
- Increasing proportion of revenues derived from digital services
- We can learn from digital disruption in other industries



Soft Skills

- Business Development
- Product Management
- Design Thinking
- Commerciality
- Customer Success



Technical Focus

- Reusable architecture
- Real-time processing
- Data Analytics
- AI / ML
- UX / Reducing Friction

Poll

Do you expect your organisation to generate material revenue from digital services within the next 5 years

- Yes
- Maybe
- No

Navigating the Crises

What have we learnt?



Learnings



Things can be done fast when there is no option



**How to swarm a problem
Collaboration and cross functional working are essential**



Co-location is less important than Collaboration



Resilience by design

Closing Thoughts

- It's not about the technology but how you use it to deliver change
- Business context is everything
- The operating model must balance accountability, decision making rights and consequences
- Digital skills are required across the organisation, not just in IT
- Continued blurring as to what is IT and not IT
- Strategic workforce and capability planning is required



Understanding the context is critical in defining what success means.

Q&A

Any Questions?

