

CASE STUDY ANALYSIS GRID

Situation	Needs, Objectives, Considerations	Alternatives	Selection & Explanation
<p><i>In clear, concise but complete bullet points, describe what the situation of the business is as discussed in the case. In other words, what is the state of the business at the time of the case and how did it get to this point?</i></p> <ul style="list-style-type: none"> ● Barriers: <ul style="list-style-type: none"> ○ Industry governance <ul style="list-style-type: none"> ■ Entry and trading <ul style="list-style-type: none"> ● Sharing of energy and ownership ● Interconnection with larger infrastructure - licensing, grid access rights, grid safety issues, islanding protocols, energy infrastructure ○ Competition <ul style="list-style-type: none"> ■ Liberalization ○ Adaptable business model <ul style="list-style-type: none"> ■ Focus had been on refining and demonstrating the potential of their technology platform rather than applying it to generate sustainable revenue ■ Proposed B2B revenue model sought to offer their platform as 	<p><i>As a result of the situation described in the case, what are the needs, objectives and key considerations the business is encountering? What are its needs? What must it overcome? What considerations does it need to take into account?</i></p> <ul style="list-style-type: none"> ● Considerations: <ul style="list-style-type: none"> ○ FIT rates had declined globally, in some markets creating an opportunity for P2P trading and aggregation and resale by virtual power plants (VPP) as alternative channels for renewable energy ● Alliances and partner networks: <ul style="list-style-type: none"> ○ ACCESS ○ PEEA ○ Power for All ○ Alliance for Rural Electrification ○ Energy for All ○ CLEAN Energy Access Network ○ Qtum Foundation ○ Energy Blockchain Labs ○ TusStar ○ TellHow ○ RHT Law Taylor Wessing 	<p><i>In order to address its needs, fulfill its objectives or pursue its opportunities, what strategic alternatives are worth considering. Generate a few options to consider. You will pick one of these in the column to follow.</i></p> <p>Case-study proposals:</p> <ol style="list-style-type: none"> 1. persevere with the current business model until the firm either reached the break-even point or failed 2. abandon the Energo effort and return to developing the public blockchain 3. find a way to combine the two projects in a way that would preserve the key members of his team, and satisfy the expectations of early-stage investors <ul style="list-style-type: none"> ● Leverage the partner networks ● Look towards financing to keep the company afloat till they figure out a plan for their model ● Are there places where regulatory barriers won't be an issue? 	<p><i>From the list of strategic alternatives you listed in the preceding column, select the one you believe is best and explain why.</i></p> <ul style="list-style-type: none"> ● Leveraging the partner networks may help in multiple ways <ul style="list-style-type: none"> ○ Customers <ul style="list-style-type: none"> ■ Cash flow ○ Financing <ul style="list-style-type: none"> ■ Cash flow

<p>software-as-a-service, tailored to meet the needs of smart meter providers, microgrid owner/operators, and utility companies</p> <ul style="list-style-type: none"> ○ Reorganization of team <ul style="list-style-type: none"> ■ Over 30 full-time employees ■ Tasks and roles shifted ■ Market facing tasks gained importance as company grew ○ Finances - might not carry the startup to the point where revenue exceeded expenses ● Technology: <ul style="list-style-type: none"> ○ Blockchain ○ TSL ○ Watt ○ Exchange ○ Smart Meter 	<ul style="list-style-type: none"> ○ Berlin Partner ○ PowerArkSolar ○ PreAngel funding network 		
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Case study listed challenges:

Challenge 1: Despite its prior successes, Energo had yet to fulfill its aspirations to establish commercially viable projects based on its technology.

Challenge 2: Although Energo had successfully implemented proof-of-concept projects, it had yet to overcome the regulatory barriers to significant expansion of these projects beyond their initial scope.

Challenge 3: Despite an emerging trend for main grid operators in advanced economies to adopt microgrid and related energy storage technologies as solutions to edge-of-grid demand growth and peak shaving issues, few utility companies in Asia currently sought to explore this alternative.

Challenge 4: Recent cryptocurrency thefts suggested that the blockchain might be vulnerable to hacking, despite the inherent security derived from its underlying cryptography. Some security experts agree.

Challenge 5: In terms of current capabilities, while the Energo platform enabled electricity trading, it did not address the fulfillment issue; physical delivery of electrical power from the seller to purchaser.

Challenge 6: The lack of an interface between the many models of microgrid controller and the Energo trading platform represented a major barrier to its widespread adoption.

Challenge 7: Although certain features of the current Qtum blockchain model were clearly superior to its more mainstream Ethereum competitor, blockchain technology development was accelerating, and there was a risk that Energo might find itself stranded on a path, as did Sony's Betamax, that ultimately leads nowhere.

Challenge 8: The length of Energo's startup "runway" (the date at which the company's cash reserves would be exhausted) was uncertain, due partly to the volatility of the cryptocurrency holdings from its successful ICO.

Challenge 9: Pivot window was rapidly closing as cash reserves decline.

Challenge 10: As part of a broader crackdown on activities related to digital currency, the Chinese government was poised to block more than 100 foreign cryptocurrency exchanges. 33 Meanwhile, messaging apps in China such as WeChat had become fertile grounds for mobile payment processing with over 75% share of online payments.