

IDC MarketScape

IDC MarketScape: Worldwide Distributed Energy Resource Management Systems Service Providers 2024 Vendor Assessment

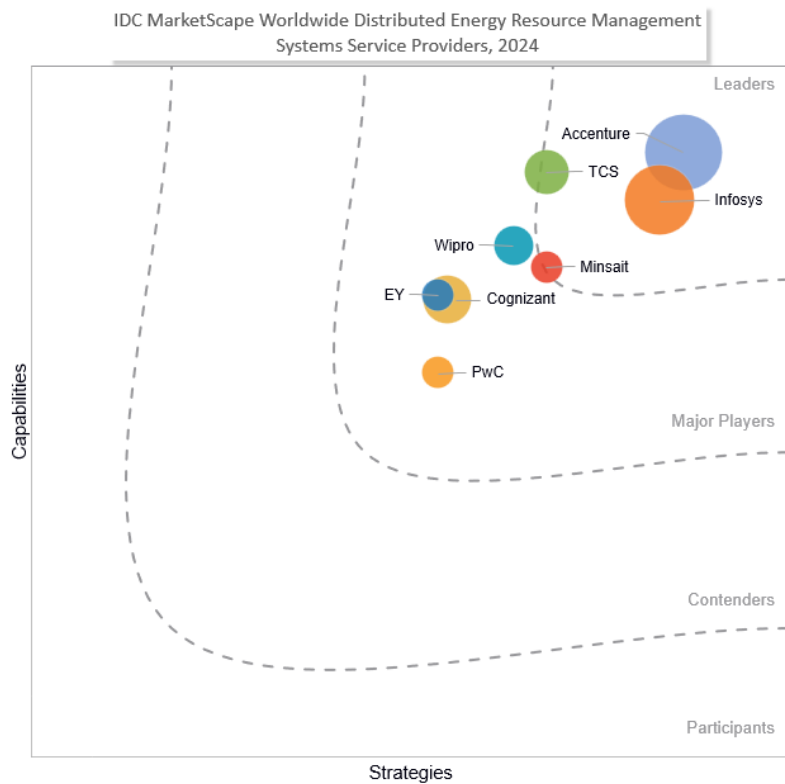
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THIS IDC MARKETSCAPE EXCERPT FEATURES ACCENTURE

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Distributed Energy Resource Management Systems Service Providers Vendor Assessment



Source: IDC, 2024

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Distributed Energy Resource Management Systems Service Providers 2024 Vendor Assessment (Doc # US50549124). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC study represents the vendor assessment of service providers in the area of distributed energy resource management systems (DERMS). This research is a quantitative and qualitative assessment of the characteristics of service providers and their capabilities and strategies going forward in the area of DERMS. This IDC MarketScape evaluates service providers actively working with clients in the area of DERMS, which can include but are not limited to thought leadership, integration capabilities, technology strategy and strategic road map assistance, application development, and overall technology strategy and guidance to customers that are investing in or contemplating investment in the area of DERMS. In addition, in this IDC MarketScape, customer perceptions of service providers are taken into account in several areas such as quality of service, customer service, grid management and DERMS expertise, innovation, and perceived value for money. Key findings in this IDC MarketScape includes:

- DERMS are still a nascent space in the utility sector but are making significant strides. DERMS are now becoming a top priority for utility executives as the utility and power sector is seeing a shift toward decarbonization efforts driven by the energy transition. The energy transition is a global movement and involves efforts to move away from traditional fossil fuel generation such as coal, oil, and natural gas and to decrease carbon emissions and build a cleaner energy future.
- DERMS continue to offer a wide range of capabilities. Although the energy transition and creating a greener energy future include utility-connected renewables such as wind and solar farms, DERMS, by IDC's definition, specifically focus on the management of behind-the-meter distributed energy resources (DERs) and the management of these resources such as rooftop solar, energy storage, electric vehicle (EV) charging, and demand response, as well as other behind-the-meter capabilities that electric consumers and producers can utilize to efficiently consume and produce power in a clean, efficient, and sustainable manner.
- The industry is now making a distinction between in front of the meter or utility-connected renewables and behind-the-meter DERs. This is providing the market with better clarity on the offerings available in the DERMS space. The nomenclature being used by the industry is grid-DERMS (the management of in front of the meter utility-connected renewables) and grid-edge DERMS (management of behind-the-meter customer-owned DERs). As previously mentioned, this document is primarily evaluating service providers' abilities to assist utilities and power market participants on how to best manage the power grid, which is being impacted by behind-the-meter customer-owned DERs.
- Whether it is creating a strategic DERMS technology road map, implementing and integrating DERMS, or serving as a strategic consultant and advisor to provide thought leadership and guidance on the best practices to manage DERs now or in the future, the service providers that are leaders in this study have demonstrated capabilities and strategies in helping their customers successfully navigate the energy transition and adapt to the rapid growth in

distributed energy resources. DERMS provide utilities with the ability to adjust and navigate the evolution of a more distributed and decentralized power system.

- Leading service providers in the area of DERMS need to have strategic forward vision to help meet specific needs of utilities related to DERs. Every utility will have its own unique footprint, challenges, and ambitions when it comes to managing DERs effectively. As this segment of the power and utility market grows, leaning on the innovation, thought leadership, and tactical guidance of services providers can help utilities when it comes to investing in technologies and strategies that can enhance the performance of the power grid.
- As the proliferation of DERs continues across the globe, utilities will collaborate with service providers as trusted partners and advisors when planning, implementing, integrating, and assisting in the orchestration of DERs in combination with synchronizing supply and demand from traditional utility generation resources.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

To be considered for this 2024 IDC MarketScape for worldwide distributed energy resource management systems service providers, vendors had to meet the following inclusion criteria:

- The service provider vendor had worked with utilities and engaged in projects in the area of DERMS.
- The service provider vendor must have supported DERMS projects in the power and utilities sector for at least two customers in at least two of the following regions: Europe, the Middle East, and Africa; Asia/Pacific; or the Americas.
- The service provider vendor must have provided a minimum of two customer references.

ADVICE FOR TECHNOLOGY BUYERS

This IDC MarketScape was created to support utilities when evaluating service provider vendors in the area of DERMS. This study analyzes vendors addressing specific utility DER management needs and outlines the criteria by which they were evaluated. As utilities and/or electric customers consider the options of service providers available to them in the market in the area of DERMS, utilities and/or electric customers should consider the following:

- **Power grid management and DERMS expertise.** Beyond having the necessary utility domain expertise, engage with a service provider that has superior power grid management and DERMS experience. Distributed energy resource management is a niche area of expertise and can still be a fairly new concept to many organizations in the power and utilities market. Working with a highly knowledgeable service provider that can provide guidance and quality work in the intricate area of distributed energy resource management is essential when considering service providers in this nascent but rapidly growing area of the industry.
- **Technology strategy and vision.** Consider service providers that have a comprehensive technology strategy to meet the needs and address the challenges your organization faces now and have the vision to get in front of potential future challenges when managing distributed energy resources. Choose a service provider that can create, guide, or validate technology road maps to successfully support the effective management of distributed energy resources.
- **Wide range of capabilities and services.** Be certain to engage with a service provider that has a wide range of capabilities and services in the area of DERMS. Each utility is unique when it

comes to the region in which the company operates, the makeup of the utility's customer base, and the electric supply and demand fundamentals within the utility's territory. In addition to the wide range of capabilities and services, ensure that the service provider also has vast depth and breadth in meeting the specific challenges you are looking to address regarding distributed energy resource management.

- **Experience with various communications and control protocols.** There are a number of communications and control protocols for DERs. Depending on your geographic location and the specific DERs you are trying to communicate with and control, the protocols can vary. Whether it is open automated demand response (Open ADR), IEEE 2030.5, open field message bus (Open FMB), SunSpec Mod Bus or others, be sure that your service provider has knowledge and experience in a wide variety of communications and control protocols in the area of DERMS. The ability to communicate and control behind-the-meter resources will be critical in successfully managing DERs.
- **Innovation and thought leadership.** Work with service providers that can enable innovation in your utility organization and that can provide thought leadership in the area of DERMS. As the energy transition evolves, and the area of DERMS continues to mature and gain traction in the market, it will be essential to collaborate with a trusted advisor that can help in navigating the ever-changing landscape in distributed energy management. Work with a service provider that can go beyond the foundational integration and implementation capabilities needed to manage DERs. Be certain to choose a service provider that can provide the role of a strategic consultant and help your organization to "think out of the box" when solving complex challenges that can be presented now and well into the future with regard to distributed energy resource management.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Accenture

Accenture is positioned in the Leaders category in this 2024 IDC MarketScape for worldwide distribution energy resource management systems service providers.

Accenture has offices and operations in over 200 cities and 49 countries globally. The company provides a wide range of consulting and engineering services in the area of DERMS. Specifically, Accenture provides DERMS-related offerings to clients for strategy and consulting services, which include value case, road map, and vendor assessment and selection; digital services, which include systems integration and platform implementation; IoT services; infrastructure services, including cloud and edge infrastructure; and user experience services.

Accenture has an extensive customer base globally in the area of DERMS including over 100 engagements across transmission and distribution utilities, retail energy providers, and aggregator entities, with a concentration of customers in Central and Eastern Europe, North America, Western Europe, and Asia/Pacific. The company has approximately 1,000 subject matter experts who are solely dedicated to DERMS-related activities.

Accenture's work around distributed energy resources has a core focus on helping utility companies meet their net-zero emissions goals while supporting grid reliability and modernization. Some innovation initiatives in the DERMS space the company is investing in are the Accenture's Houston Innovation Hub, which supports utilities with energy transition and net-zero initiatives; the Accenture

High Performance Utilities Model (HPUM), which is a repository of Accenture's latest thinking across the global utilities space and spans over 500 utility clients and projects; and a DER management business case accelerator, which provides use cases, estimates, and methodologies to help clients evaluate the cost of staffing and implementing new processes, the technologies, and the tech partnerships needed to invest in for DER program mobilization and implementation.

Strengths

- Accenture offers comprehensive DERMS thought leadership, technology strategy, and road mapping for its clients. The company's wide reach of customers and DERMS implementations globally enables Accenture to have a clear understanding of and identify DERMS applications that can meet the needs of several specific utility business types including transmission and distribution utilities, retail energy providers, and aggregator entities.
- Accenture's DER design offering supports utilities through developing DERMS strategies tailored toward specific types of utility customers. Accenture has the ability to meet the needs across all utility customer segments (i.e., the residential, commercial, and industrial sectors). Accenture can help utilities with evaluating and adopting DER technologies and operating models including support of regional regulatory strategies and financial incentives that can help utilities and their customers achieve energy reliability, resiliency, and sustainability goals.

Challenges

- Being one of the largest service providers in the utilities space globally, Accenture's pricing can demand higher prices for services. That said, higher pricing has not created any significant barriers to gaining or retaining clients due to the quality of service delivered.
- As DERMS continue to be an evolving market, Accenture is continuously working to bridge the gap between talent acquisition and the skill sets needed to meet the increasing demand of DERMS services. This includes bridging the gap between DERMS subject matter experts and cross-functional expertise such as IT/operational technologies (OT) convergence skill sets to help meet the needs in the developing landscape of DERMS.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company, products, and services today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents IDC Energy Insights' estimate of the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and vendor positions in the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

This IDC MarketScape evaluated service provider vendors working with utilities in the area of distributed energy resource management systems (DERMS). DERMS help utilities manage and control distributed energy resources providing clean, efficient energy while ensuring reliability to utility power systems. DERMS will help utilities adapt to the changes in regional power markets globally with the increased efforts and momentum toward decarbonization, digitalization, and the evolution of decentralized power systems.

For this IDC MarketScape, IDC evaluated service providers with a worldwide perspective on DERMS that can help utilities with the visualization, planning, operations, control, and customer engagement activities related to distributed energy resources. In addition, service providers in this study were evaluated on the breadth and depth of capabilities and services offered to utilities in the area of DERMS. DERs for the purposes of this study are defined as behind-the-meter resources, which can include but are not limited to demand response, solar, energy storage, electric vehicles, microgrids, and other distributed energy technologies.

LEARN MORE

Related Research

- *IDC MarketScape: Worldwide Field Service Management Solutions for Utilities 2023-2024 Vendor Assessment* (IDC #US50036233, November 2023)
- *IDC FutureScape: Worldwide Utilities 2024 Predictions* (IDC #US50062023, October 2023)
- *Utility Digital and Technology Investments to Support Grid Modernization* (IDC #US50863123, June 2023)
- *IDC MarketScape: Worldwide Distributed Energy Resource Management Systems 2022 Vendor Assessment* (IDC #US47455621, April 2022)

Synopsis

This IDC study represents the vendor assessment of service providers in the area of distributed energy resource management systems (DERMS).

"The proliferation of distributed energy resources (DERs) globally has spurred investment and research and development (R&D) efforts in creating innovative strategies and technologies that can enable utility distribution networks to manage dispersed and cleaner forms of energy in the most optimal and economical manner. DERMS are still a nascent space in the utility sector but is making significant strides. DERMS are now becoming a top priority for utility executives as the utility and power sector is seeing a shift toward decarbonization efforts driven by the energy transition. Distributed energy resource management systems are becoming essential software offerings to assist utilities in managing a cleaner and more efficient power grid," said John Villali, senior research director, IDC Energy Insights.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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