



Key Findings:

S&C's 2018 State of Commercial & Industrial Power Reliability Report

An S&C report in collaboration
with Frost & Sullivan



2018 STATE OF U.S. COMMERCIAL & INDUSTRIAL POWER RELIABILITY

In S&C Electric Company's first State of Commercial & Industrial Power Reliability report, conducted in collaboration with Frost & Sullivan, facilities and energy managers of commercial and industrial businesses across the United States were surveyed to obtain their perspectives on power reliability and future energy needs.

Averaging \$4 billion in revenues, their companies comprise the majority of the metered revenues for the utilities serving them. Respondents' opinions authentically portray the industry's existing conditions, and their long-term needs heavily influence the future grid.

These respondents are the key decision-makers who select electricity commodity suppliers across the manufacturing, data center, health care, small franchise, and education sectors. Their companies represent a balance in size, with their monthly energy consumption ranging from 10 MWh to well more than 50 MWh.

THE SURVEY SET OUT TO ASSESS THE FOLLOWING:

- To what degree do commercial and industrial (C&I) companies accept the existing state of power reliability?
- What has been their experience with power outages, and do outages matter?
- What are the costs and business impacts of outages?
- Are commercial and industrial companies taking action on their own to improve their reliability condition?
- How receptive are commercial and industrial companies to raising the bar for reliability?

The survey concludes that, while commercial and industrial companies state that they're generally content with their power reliability, their behaviors and expectations suggest otherwise. The majority are taking their own actions to ensure reliability, and most support raising the bar for how the industry measures reliability.



KEY TAKEAWAYS

1. 52% of respondents expressed dissatisfaction with existing power-reliability levels. However, the extent of their dissatisfaction varied, indicating a gap in the overall perception of reliability.
2. Improving overall satisfaction is tied to a perceived ability of power providers to support the future business needs of the company. This includes an ability to control costs, minimize outages, and upgrade infrastructure—a proactive approach to meeting changing energy demand, weather conditions, and system age.
3. 71% of companies own or plan to develop alternative energy sources, supplementing their existing provider's generation and power reliability.
4. 67% of companies believe major events (weather or generation loss) and outages lasting less than 5 minutes should be included in reliability measurements.
5. 50% of companies experienced a power outage that lasted more than one hour in the past year.
6. 25% of companies experience a power outage at least once a month, and 86% of respondents have experienced at least one power outage in the last 12 months.
7. 18% of companies experienced a loss of more than \$100,000 as a result of the worst outage.
8. 70% of companies see power reliability as an existing cause for concern, and 40% would pay a premium to improve it.





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