Business Sustainment Plan (V2.0)

Roadmap to the Future of Smart Grid Interoperability
Today’s Presentation

- Introduction/Opening Remarks
- Brief Background
- BSP Version 1.0 Comment Resolution
- Key Changes in Plan
- Items that Require More Work
- Implementation Plan Highlights
- Next Steps
Introduction/Opening Remarks

- John McDonald - Chairman SGIP Governing Board
- George Arnold - National Coordinator for Smart Grid Interoperability NIST
- Steve Widergren - Plenary Chairman
SGIP 2.0 Principles

• Appropriate Openness
  – Digital and Face-to-Face Opportunities for Engagement by All
  – Access defined by Membership Commitment Level

• Balance
  – An equal seat at the table available to each and all industry categories
  – Voting Rights and Access defined by Membership Commitment Level

• Aiming for Consensus
  – Every effort made to gain general agreement on issues
  – Vote taken if required for timely decisions

• Harmonization of Standards
  – Seamless interoperability of standards is our goal
SELF-SUFFICIENCY & SUSTAINABILITY REQUIRES

Clearly defined and compelling value propositions for stakeholders

More direct involvement by the membership

Multiple revenue streams
**SGIP 2.0 Mission**

The mission of the SGIP is to provide a strong framework for coordination of all stakeholders of the Smart Grid to accelerate standards harmonization and development. The SGIP does not write standards, but instead develops and reviews use cases, identifies requirements, identifies gaps and overlaps on existing standards affecting the smart grid and proposes action plans for achieving coordination.
**SGIP 2.0 Mission**

The SGIP has five principal responsibilities:

1. To provide the technical guidance necessary to facilitate standards development and coordination for the Smart Grid

2. To identify and specify the necessary testing and certification requirements, including providing the underlying rationale, to assess the achievement of interoperability using Smart Grid Standards

3. To oversee the performance of these activities to maintain momentum and achievement

4. To proactively inform and educate smart grid industry stakeholders on the definition of and the benefits attributable to interoperability

5. To conduct an outreach to similar organizations in other countries to help establish global interoperability alignment
Day-to-Day Management

**SGIP 1.0**

- NIST
- SGIP Governing Board
- NIST Contractor / Program Administrator

**SGIP 2.0**

- Board of Directors / Executive Committees
- Executive Director
- Small Staff / Outsourced Services
Role of Executive Director

• Manages the day-to-day operations of the SGIP
  – Staff
  – Outsourced resources

• Serves as the Chief Spokesperson on behalf of the SGIP
  – Educate and Inform re: Interoperability
  – Chief Revenue Generator
  – Membership Campaign Chairman
SGIP 2.0 Governance

Board of Directors

- Executive Committee
- Technical Committee
- Audit Committee
- Nominations and Governance Committee
- Membership and Marketing Committee

Executive Director

- Small Staff
- Outsourced Services
SGIP 2.0 Business Plan V1 Comment Resolution

Timeline

- April 20 – May 4
  - V1 Business Plan Presented to Plenary
  - Comments Accepted

- May 7 – June 8
  - Comment Resolution
  - V2 Business Plan Development

- June 8 – June 20
  - V2 Business Plan Posted
  - V1 Comment Resolutions Posted

COMMENT THEMES

- Revenue and expense budget needs additional detail & modeling
- Government funding and support expectations are vague and need better definition
- Two-tier rather than three-tier membership structure preferred
- Mission needs to remain tightly linked to NIST EISA requirements
- More thought is required to include financial and market factors for interoperability discussions
- Lack of clear funding for Technical Champions is concerning
- More compelling value propositions statements are needed
Key Changes to Business Plan

- More detailed budget for 2013
- Two-tier membership fee structure (Participating and Observing members)
- Reduced membership fee structure
- Additional voting rights for Observing members
- 501(C)(3) legal entity under Delaware law instead of 501(C)(6)
- Refinement of SGIP 2.0 mission
- Removal of proposed Regulatory Advisory Committee
- Org chart included
Items That Require Further Development and Consideration

1. Relationship between NIST and SGIP 2.0
2. “Balanced voting” and gaining consensus
3. Compelling value propositions
4. Detailed staffing assessment (amount and staff vs outsourced)
5. Best method for increased inclusion of ‘financial’ and ‘market’ factors
6. Methodologies for accepting and allocating supplemental funding
7. Mapping of relevant Smart Grid related organizations and establishment of “cooperative agreements”
# Membership Fee Schedule

<table>
<thead>
<tr>
<th>Member Category</th>
<th>Global Revenue</th>
<th>Participating</th>
<th>Observing</th>
</tr>
</thead>
<tbody>
<tr>
<td>For profit</td>
<td>$&gt;1 billion</td>
<td>$22,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>For profit</td>
<td>$500M to $1B</td>
<td>$15,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>For profit</td>
<td>$100M to $500M</td>
<td>$12,500</td>
<td>$2,750</td>
</tr>
<tr>
<td>For profit</td>
<td>$50M to $100M</td>
<td>$7,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>For profit</td>
<td>$10M to $50M</td>
<td>$3,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>For profit</td>
<td>$500K to $10M</td>
<td>$1,500</td>
<td>$500</td>
</tr>
<tr>
<td>For profit</td>
<td>$&lt;$500,000</td>
<td>$750</td>
<td>$250</td>
</tr>
<tr>
<td>Non-Profit</td>
<td>$&gt;10 million</td>
<td>$3,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Non-Profit</td>
<td>$500K to $10M</td>
<td>$1,500</td>
<td>$500</td>
</tr>
<tr>
<td>Non-Profit</td>
<td>$&lt;$500K</td>
<td>$750</td>
<td>$250</td>
</tr>
<tr>
<td>Universities</td>
<td>ALL</td>
<td>$3,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Foreign Gov’t</td>
<td>n/a</td>
<td>$3,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Federal Gov’t</td>
<td>n/a</td>
<td>$3,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>State Gov’t</td>
<td>n/a</td>
<td>$1,500</td>
<td>$500</td>
</tr>
<tr>
<td>Municipal Gov’t</td>
<td>n/a</td>
<td>$750</td>
<td>$250</td>
</tr>
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</table>
# Privileges by Membership Commitment Level

<table>
<thead>
<tr>
<th>Privileges</th>
<th>Participating</th>
<th>Observing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Voting &amp; Governance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right to stand for Board of Directors</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Vote for Board of Directors</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Nominate Board of Directors</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Observe Board of Directors Meetings</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Access to Board materials</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Representatives per membership (but only one vote)</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Vote on technical issues in committees, work groups and the general membership</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Vote on general issues presented to the membership</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>Participation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right to stand for membership committee chair election</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Right to stand for membership committee vice chair election</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Right to stand for membership committee secretary election</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Right to participate in membership committees</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Right to propose creation of subcommittees (e.g., DEWGs/PAPs)</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Right to stand for membership of Board Committees: Technical and Marketing &amp; Membership, and Nominating &amp; Governance Board Committees</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Eligible for invitation to participate in Technical, Marketing &amp; Membership, and Nominating &amp; Governance Board Committees</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Eligible to be a full member in Board Committee working groups or task forces</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Right to serve as liaison to SDOs/alliances</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>SGIPortal Online Account</td>
<td></td>
<td>X</td>
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## Privileges (continued)

<table>
<thead>
<tr>
<th>Privileges</th>
<th>Participating</th>
<th>Observing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing and Materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complimentary Membership meeting registration</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Discounted Membership meeting registration</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Right to sponsor at membership meetings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discounted booth space at Membership meetings</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Complimentary publications</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Discounted publications</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Receive regulatory updates</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Participation in monthly analyst briefing</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Relevant press release inclusion on SGIPortal</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Logo inclusion on SGIPortal</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Membership recognition on SGIPortal</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Use of SGIP member logo (within guidelines)</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Right to advertise on SGIPortal (both public and member only websites)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Priority rights to provide sponsorships at meetings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free inclusion in SGIPortal online solutions source (product/service listings)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Right to be billed as “Founding Member” (if joining at inception)</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Receive twice monthly SGIP newsletter</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
Implementation Plan – High Level

• Form initial legal entity [501(c)(3)]
  – Secure “start-up” funding
  – Retain resources to execute transition/BSP implementation
• Items that require further development and consideration
• Launch Campaign to secure SGIP 2.0 Revenue sources
  – Membership recruitment
  – Grants - foundations/endowments
  – Government support
  – Sponsorships
• Define, Secure/Build SGIP 2.0 Business Infrastructure
  – Personnel (staff and outsourced)
  – Modify/adapt business systems/process
  – Detailed expense budget
  – Charter, bylaws, etc.

TARGET:
January 1, 2013
Start SGIP 2.0 operations
Next Steps for

• Business Sustainment Plan
  – Version 2.0 comment period ends: 6/20/12 11:59 pm
  – Version 3.0 – proposal to Governing Board: 6/25/12
  – Version 3.0 – approved by Governing Board: 7/9/12

• SGIP 2.0 Membership Campaign
  – Official “Ambassador Recruitment” launch at July F2F meeting
BSP Review/Approval Timeline

**FINAL COMMENT PERIOD**
All Stakeholders

BSP version 2.0

- Publish: 6/8/2012
- Webinar: 6/15/2012
- Comments Due: 6/20/2012

**APPROVAL PERIOD**
Governing Board

BSP version 3.0

- Publish: 6/25/2012
- 7/9

Process comments & prepare BSP v.3
Questions?

Thank You for Attending.

V2.0 can be found on the Twiki by clicking the orange button in the lefthand side bar.