

Responses from BSPWG to SGFAC on Business Plan

- The NIST SGFAC, NRECA, APPA, EEI, Southern Company and GWAC have all expressed concern that the mission of SGIP 2.0 has expanded beyond the role given to NIST in EISA 2007 – specifically into regulatory and business issues. The SGIP Plenary Leads suggest that the BSP use more general language regarding the advancement of interoperability for enabling the integration of smart grid devices and systems.

Response: As an on-going, self-sustaining organization, SGIP 2.0 expects to continue to support NIST in fulfillment of their EISA direction. More generally, the mission of SGIP 2.0 is to support the acceleration of the deployment of Smart Grid capabilities by advancing interoperability. Aspects concerning technology development, business, financial, regulatory, and market factors are listed as items for further development in BSP version 2.0. In addition, any wording regarding advocacy has been removed or replaced with notions of “inform” and “educate”.

- The NIST SGFAC feels that the case for SGIP 2.0 is not strongly made.

Response: Articulating (and delivering) the value proposition is crucial for the transition. This critical activity is ongoing.

- The NIST SGFAC, NRECA and APPA state that the SGIP should not be “the primary organization that brings federal and state regulators in the industry together to informally discuss all aspects of the Smart Grid development and the appropriate economics to make Smart Grid a reality.” GWAC points out that many of the sections go well beyond the problems associated with identifying the requirements for interoperability standards to support smart grid implementation.

Response: Consistent with the response to the comments on the SGIP’s mission, updates are made to BSP version 2.0 to focus the statement of mission and see that the rest of the wording is consistent with those statements. Aspects concerning informing and educating others on technology development, business, financial, regulatory, and market factors are listed as items for further development in BSP version 2.0.

- The NIST SGFAC, EEI, NRECA, APPA, DTE and Southern Company feel that the Regulatory Advisory Council should not be considered further or implemented until it is more fully vetted with the regulatory utility community.

Response: The section is removed from BSP version 2. Aspects concerning informing and educating others on technology development, business, financial, regulatory, and market factors are listed as items for further development in BSP version 2. Discussions continue with the U.S. regulatory community and a proposal may be made for SGIP 2.0 Board of Director consideration.

- The NIST SGFAC, EEI, DTE, Southern Company, APPA and NRECA feel that having platinum, gold and silver membership categories are inconsistent with EISA’s ideals of “cooperation” and “consensus” and NIST’s belief that “openness, transparency and balance are keys to consensus building around smart grid standards.” DTE suggest having a two-tiered structure that combines the platinum and gold tiers. EEI suggest that everyone pays the same fee or that there is a graduated scale of fees based on an objective and transparent criteria with the same rights for all members.

Response: BSP version 2 reflects a 2 tier model and recognizes significant continuity with the

participating and observing categories in the present SGIP. Privileges have been reviewed to address balance and openness issues.

- The NIST SGFAC, EEI, NRECA and APPA feel that funding SGIP 2.0 through an electric surcharge is unacceptable and should be deleted from the BSP.

Response: This revenue option was removed from BSP version 2.

- The NIST SGFAC, NRECA, APPA, Southern Company are not supportive of advertising, logo items, etc. as they would likely prove to be a distraction of SGIP leadership who instead should rely on membership fees, conference fee and available government grant funding.

Response: Sponsorships, advertising, etc. are all revenue sources routinely associated with conferences hosted by non-profit groups, such as the SGIP. Membership recruitment needs options as we move to SGIP 2.0. If sponsorship can be monetized, for the benefit of the membership, in a way that is not disruptive to the conduct of the SGIP 2.0 business, then it will be pursued as a part of the implementation phase.