

CUSTOM SMART GRID PERFORMANCE SEMINAR FOR REGULATORS & ADVOCATES

The Wired Group makes its unique and relevant primary and secondary research expertise conveniently available, helping regulators and advocates ensure utilities are maximizing the customer benefits from smart grid investments.

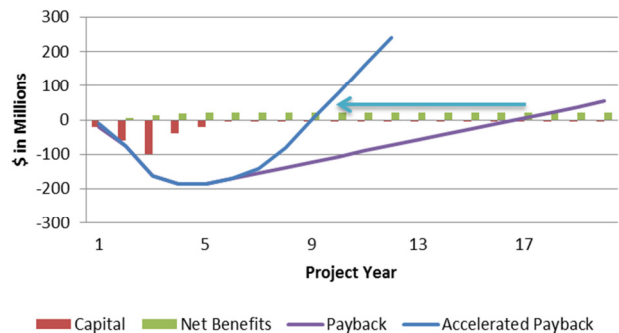
Regulators, advocates, and customers want to know: how can we ensure our utility is maximizing the value of smart grid investments?

Historically, distribution investments have had predictable outcomes. Increased investment led to improved grid reliability and efficiency, and regulators approved routine grid investments without much scrutiny. Unfortunately, Wired Group research indicates the correlation between smart grid investment and customer value is much weaker than has historically been the case.

Our experience indicates the value delivered by smart grid investments varies widely from utility to utility. In fact, we believe customer benefit-to-cost ratios to be negative in a majority of deployments, and that smart grid equipment does not directly create customer value. Rather, *the value created by smart grid investments is directly related to how well utility organizations utilize the capabilities and data delivered by smart equipment.* Regulators, advocates, and utilities have much work to do if the full potential of smart grid capabilities are to be realized for customers.

Wired Group Smart Grid Seminars help regulators and advocates separate smart grid hype from reality and hold utilities accountable for performance

How to Accelerate Payback?



The Opportunity

Regardless of deployment status, a Wired Group Smart Grid Seminar can help regulators and advocates answer many challenging questions:

- What roles do we want distribution grids and utilities to fulfill for our state in the future?
- On what capabilities and outcomes should utilities be focused given smart grid costs?
- How can we ensure spending is appropriate and customer benefits are being optimized?

Seminar Deliverables

Seminar topics are determined by each audience, but a partial list is presented below.

(Continued on reverse)

(Customized Smart Grid Seminar, continued)

How Distribution Automation Creates Value

- Fault Location, Fault Isolation, IVVC, and Customer-Sited Generation

Maximizing Benefits for Customers

- Designing TOU Rates and Introduction to Optimize the “Impact vs Risk” Conundrum
- Prepayment: Program Designs that Optimize Participation while Avoiding Coercion
- Critical Considerations in Smart Meter Communications Technology Selection
- The Role of Change Management in Smart Grid Benefit Maximization
- Applying the Classic Product Development Process to Smart Grid Innovation

Deployment Benefits, Costs, and Risks

- Average per Customer Costs of AMI and DA
- Direct Benefit-to-Cost Ratios for Customers
- Risks Borne by Customers: Capital, Obsolescence, and Cybersecurity
- Managing capital and deployment risk

Customer Engagement

- Customers & the Smart Meter Business Case
- Marketing the Smart Grid – Starting Off Strong and Maximizing Program Participation

Regulatory and Ratemaking Impediments

- Customer Benefit Maximization and the Lost Revenue Challenge
- Customer Benefit Maximization and the Rate Case Timing Challenge
- Decoupling and the Lost Revenue Challenge

Performance-Based Ratemaking and Reforms

- Best Practice Distribution Performance Metrics
- The UK’s RIIO Model -- The Holy Grail of IOU-Customer Incentive Alignment?

In addition the Wired Group modifies content to address and accommodate state-specific characteristics, concerns, and interests:

- The current status of any utility deployments
- Unique legislation and regulatory rules
- Regional market dynamics (wholesale/retail market structures, distributed generation, etc.)
- Local interest topics (RPS, net metering, data privacy/security, prepay, etc.)

Wired Group smart grid seminars are generally 8 hours long and incorporate pre-read materials, lectures, and structured work sessions.

Experience

Wired Group Customized Smart Grid Seminars are led by company president Paul Alvarez, author of *“Smart Grid Hype and Reality: A Systems Approach to Maximizing Customer Return on Utility Investment”*. He has led the only two comprehensive, independent reviews of smart grid deployment performance, including:

- **SmartGridCity™ (Boulder, Colorado) for Xcel Energy**
- **Duke Energy’s Cincinnati deployment for the Ohio Public Utilities Commission.**

In addition, the Wired Group has conducted multiple secondary research reviews to guide evaluation protocol development, validate results, and synthesize best practices in smart grid design and optimization. Examples prepared for the Smart Grid Consumer Collaborative include:

- **Smart Grid Economic and Environmental Benefits – A Review and Synthesis of Available Research**
- **Technical and Economic Concepts Related to the Smart Grid – A Guide for Consumers**

All of these materials are in the public domain and can be downloaded at www.wiredgroup.net.