

The Leader in Grid Modernization:
Advocate, Thought Leader, Facilitator

Strategic Plan 2023-2025

The GridWise Alliance
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Committed.
Credible.
Progressive.
Holistic.

The GridWise Alliance Strategic Plan

2023-2025

Vision / Recommended

To create a modern grid that supports the public good and a decarbonized advanced digital economy.

Mission / Recommended

To act as the champion for grid modernization in service to all.

Core Values / Suggested

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- As an advocate for grid modernization, GridWise is a leader on behalf of the public good, public safety, and public health.
 - Inclusive representation across the segments creating and supporting grid modernization leads to broader representation and stronger outcomes.
 - Energy is not just a utility. It is a vital component of modern life elevating society and the individuals in all communities across the country.
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GridWise's Commitment Statement | Recommended

GridWise will champion the principles, policies, and investments needed to transform the electricity grid. We will do this:

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- by understanding the diverse perspectives and priorities of all stakeholders
 - by crafting action plans and strategies that articulate the benefits of the changes required
 - by speaking as the voice of diverse publics connected to the grid
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Mission Critical Priorities

1. Develop a Member Retention Program: Supported by Goal 2
2. Diversify Revenue Streams: Supported by Goal 3
3. Create a Knowledge Management System: Supported by Goal 1 and Goal 3

Recommendation: Focus on critical priorities 1, 2, and 3 in the first 18 months of the new strategic plan (January 2023 – June 2024).

4. Expand the Member Recruitment Program to Increase Utilities and Renewable Energy Segments: Supported by Goal 2
5. Create a Research Program that generates 3 to 4 data tools annually (e.g., the Grid Modernization Index): Supported by Goal 1
6. Create a Leadership Development and Recruitment Program for Board members and potential Board members: Supported by Goal 3

Recommendation: Focus on critical priorities 4, 5, and 6 in the second 18 months of the new strategic plan (July 2024 – December 2025).

ADVANTAGE: GridWise is a trusted leader with a reputation of being mission focused rather than an industry representative.

Opportunities to Support the Mission

1. Position GridWise as THE trusted information resource on grid modernization, energy generation, and power transmission
2. Expand influence through continuing to lead the varied segments in the energy industry towards grid modernization
3. Leadership at the State level
4. Leadership internationally through coalitions and partnerships

Goal 1: THOUGHT LEADERSHIP

GridWise will expand its influence as a thought leader articulating the benefits of grid modernization

Our Strategies:

- Position GridWise as the leader in data collection, analysis, and distribution for grid modernization to inform policies and investments at the state and local level.
- Act as a facilitator of successful grid modernization implementation
- Build the reputation of the GridWise Alliance as the expert on strategies for grid modernization.
- Lead development of policies and implementation strategies to meet longer term reliability, resilience and decarbonization goals

Goal 2: GRID ECOSYSTEM COMMUNITY

GridWise will broaden its member community

Our Strategies:

- Expand GridWise membership into a representative community reflecting all segments of the grid ecosystem
- Demonstrate the Relevance of the work GridWise conducts on behalf of its members and stakeholders

Goal 3: STEWARDSHIP

GridWise will strengthen its foundation to ensure continued impact and influence

Our Strategies:

- Diversify revenue streams for the GridWise Alliance
- Build a reserve fund
- Build and retain a GridWise Alliance team with the knowledge, connections, and experience to represent the GridWise mission to all levels of government and the public

Tactics/Steps to Implementation

Goal 1: GridWise will expand its influence as a thought leader articulating the benefits of grid modernization

Strategy: Position GridWise as the leader in data collection, analysis, and distribution for grid modernization to inform policies and investments at the state and local level.

- Tactic: Promote current data communication tools
- Tactic: Identify new research areas that GridWise can lead

Strategy: Act as a facilitator of successful grid modernization implementation

- Tactic: Develop relationships with federal agencies other than Department of Energy (DOE) such as Department of Transportation (DOT)
- Tactic: Provide coordination within the grid ecosystem regarding technology connections between businesses and utilities
- Tactic: Deepen convening authority on grid modernization issues to demonstrate value of supporting GridWise activities

Strategy: Build the reputation of the GridWise Alliance as the expert on strategies for grid modernization.

- Tactic: Build on expertise in transmission policies and issues
- Tactic: Collect data to demonstrate GridWise is the “go to” organization on grid modernization
- Tactic: Increase number of brand collateral offerings that are respected and used by the industry

Strategy: Lead development of policies and implementation strategies to meet longer term reliability, resilience and decarbonization goals

- Tactic: Connect with energy/grid influencers to promote GridWise as the leader in grid modernization
- Tactic: Increase relationships at the federal level with key stakeholder agencies to demonstrate value of GridWise as a partner
- Tactic: Develop outreach program to educate myriad publics about GridWise and the work it conducts on behalf of grid modernization

Goal 2: GridWise will broaden its member community

Strategy: Expand GridWise membership into a representative community reflecting all segments of the grid ecosystem

- Tactic: Focus on recruiting/retaining utilities of all types and sizes as members and demonstrating the GridWise value proposition
- Tactic: Expand membership segments to include more building and transportation organizations
- Tactic: Recruit more private power companies as members and encourage Board membership
- Tactic: Recruit Board members that represent the diversity of the grid ecosystem
- Tactic: Invite energy/grid influences to participate in GridWise Leadership
- Tactic: Unify the membership through facilitating connections among member segments
- Tactic: Create stronger ties to member organizations through expanded individual contacts beyond the primary organization representative
- Tactic: Develop relationships with international organizations to identify common areas of interest
- Tactic: Increase collaboration with similar organizations through coalitions and partnerships
- Tactic: Become a partner with smaller organizations that do not have the resources to take advantage of current and future funding resources
- Tactic: Become a partner with smaller organizations that do not have the resources to advocate on their own behalf

Strategy: Demonstrate the Relevance of the work GridWise conducts on behalf of its members and stakeholders

- Tactic: Identify metrics to measure results of GridWise programs, products, and activities
- Tactic: Communicate GridWise's performance to all stakeholders

Goal 3: GridWise will strengthen its foundation to ensure continued impact and influence

Strategy: Diversify revenue streams for the GridWise Alliance

- Tactic: Explore opportunities to apply for and receive grants from federal agencies and other grant makers such as foundations
- Tactic: Identify options within current product and service offerings to increase revenue opportunities
- Tactic: Partner with like-minded organizations to share resources in support of research projects
- Tactic: Develop relationships with benefactors to solicit donations and grants in support of GridWise activities

Strategy: Build a reserve fund

- Tactic: Set financial goals for quarterly deposits into the reserve fund to build a reserve of six (6) months operating expenses

Strategy: Build and retain a GridWise Alliance team with the knowledge, connections, and experience to represent the GridWise mission to all levels of government and the public.

- Tactic: Create a succession plan for senior staff leadership
- Tactic: Create an employee retention plan
- Tactic: Capture the knowledge of long-time staff and leaders
- Tactic: Capture, memorialize, and codify knowledge through writing, recording, and organizing knowledge for transfer to stakeholder audiences

The following section summarizes key findings in the research. It should be used to inform decisions and discussions regarding Strategic Plan implementation.

Observations from the Leadership Interviews |

Board members & Key Stakeholders Are Similar in their Views

Note: There was only one interview with a non-Board member company. There is not enough data to report trends or themes. Four (4) Key Stakeholder Interviews were held.

MISSION – [Agreement on GridWise’s Leadership](#)

- The Board: The GridWise Alliance is fulfilling its mission; but what is Mission 2.0?
- The Board & Stakeholders agree: GridWise has an advantage in leading advocacy efforts because it focuses on its mission, not serving a specific industry segment. It can speak as needed on topics affecting grid modernization, resilience, and integration of necessary technology.

MEMBERSHIP – [The Board’s View](#)

- Big Tent? Or Small Niche Group? Big Tent is the preferred approach but with service and engagement opportunities for the member segments.
- GridWise is seen as The Thought Leader in the area of grid modernization and an important thought leader within the industry.
- Much of the overall value proposition comes from thought leadership and advocacy activities.

GRIDWISE ALLIANCE PERCEPTION, ROLE & RELATIONSHIP – [Agreement from the Outside](#)

What the Board Sees: GridWise is seen as an organization that successfully advocates for its mission, represents its members, provides useful and thoughtful research, and is progressive in its search for solutions to grid modernization.

What Stakeholders See: GridWise is seen as a leader in the industry and as a convener of stakeholders; in their role as a leader, they seek solutions, collaboration, and to support strong policy. GridWise is policy oriented with a technology edge.

Stakeholders look to GridWise to continue expanding their leadership role; most often information/research and advocacy for smart technology solution were mentioned. GridWise is seen as collaborative and as a partner by stakeholders.

GRIDWISE STRENGTHS & WEAKNESSES – [Stakeholders Speak](#)

Stakeholders share this view with each other: GridWise has strong credibility and is seen as having integrity (GridWise can be trusted). Their diverse membership and stakeholders support their reputation as advocating for the mission. This also supports the perception of GridWise as taking a holistic approach to grid modernization that informs their advocacy, research, and collaborative approach to partnerships.

Stakeholders would like to see more research from GridWise as well as to see GridWise become a more visible leader at the state level.

Stakeholders did not identify any weaknesses of GridWise, but they did share warnings and advice:

- GridWise needs to differentiate itself from its competitors. There are organizations doing similar work and activities to GridWise. This will continue to be a challenge for GridWise as decisions at the federal level become actions at the state level.
- GridWise is missing an opportunity to become more vocal about contingency planning for the grid, especially in response to extreme weather events. Other overlooked aspects of the grid are the impact of large-scale outages, the vulnerabilities within the grid, and the impact/interaction of areas that are reliant on oil and natural gas.
- GridWise could be the leader in defining and promoting clarity around the grid modernization discussion. There are many voices but no clear and consistent message.

GRID MODERNIZATION LEADERS – [Who do Stakeholders Look To?](#)

In the Stakeholder interviews, GridWise was named as a leader and one with more ability to speak on behalf of grid modernization because it serves a mission rather than an industry. GridWise is seen as holistic and as a convener, bringing many groups together.

Other noted groups included “the usual suspects” such as the Department of Energy (DOE); EEI, AAPA, RNECA, Wires, NARUC, FERC, and EPRI. Related to these groups: the Lab Consortium, Regulatory Assistance Project and NARUC’s National Regulatory Research Institute think tank.

Both Board members and Stakeholders see opportunities for GridWise: The type of organization that is seen as successful in the future is an organization that can communicate at the state level as well as federal. Decisions are being made locally and regionally and that is why a state-level influencer/connector would be valuable.

Other “value add” activities include helping utilities find funding sources, helping organizations capitalize on their investments, and helping define tax laws and tax benefits. Opportunities exist in the area of regulation for an organization that can understand rate design and influence its evolution, and in security related to cyber security and information security.

PRESSING ISSUES FOR POWER DELIVERY TO CONSUMERS – [Stakeholders Concerns & Hopes](#)

Stakeholders shared “future casting” ideas: Economic and social factors will have the most influence on the grid over the next 3 to 5 years. These will affect power transmission, delivery, cost, and reliability. Over the longer term, 6 – 10 years, the industry needs to focus on ameliorating climate change effects on power generation and find ways to transition to renewable energy sources.

In line with adapting to renewable energy sources, consumer behavior needs to be studied and understood. While younger generations are living without cars and some older generations (e.g., Generation X and Millennials) are changing to hybrid or electric vehicles, the widespread use of technology for supporting and informing lifestyle will be a major consideration for consumers and for the power industry as it works to create a modern grid for the 21st century and beyond. Trends indicate a need to re-create the energy generation and distribution system and how it supports energy consumers, both individuals and businesses/organizations.

Understanding the sophistication of 21st century energy users is key especially as electrification in the home environment becomes dominant (and in some US states is being legislated or regulated into existence). Consumers are more sophisticated about managing consumption and energy budgets; for example, savvy consumers understand time changes to energy charges. Getting younger generations on board with modern technology for fully transitioning to clean energy is where the energy delivery and consumption will continue to evolve. Lifestyles are changing and the energy industry will need to be aware of and responsive to these societal shifts as fewer people own cars and televisions and rely more heavily on public transportation or ride sharing services, and devices (e.g., tablets and smartphones) for work, personal development, and entertainment.

This relates directly to the critical issue of solving the problem of energy storage. Taking the lead on research and advocacy in this area is an opportunity for GridWise as it continues to support and advocate for the funds needed to develop increased system flexibility.

Another area of opportunity is predictive analytics as this is crucial to evaluating needs for areas with increased development or at risk of severe/extreme weather events such as hurricanes.

PLANNING FOR GRID MODERNIZATION – [Board Views & Stakeholders' Views Dovetail](#)

Board members outlined the detailed tactics required for grid modernization and how GridWise is on the cutting edge of this knowledge. Stakeholders had broader comments that support the Board view of what need to be done.

GridWise knows that within the energy industry, stakeholders must balance reliability with affordability. One interviewee noted that the grid is currently 99.9% reliable but it's the .1% that makes it affordable. If it was 100% reliable no one could afford the electricity.

As activities and services in the 21st century continue to increase the need for power, specifically electricity, grid modernization takes on a central role in planning for the middle of the current century.

There needs to be a better planning process and a goal of a “future proofed” grid. In light of the relatively short life of transmission lines and power plants, which can last 40 to 60 years, and meters in residences lasting about the same amount of time, planning for upgraded technology for the grid and the locations where it delivers power is necessary for survival.

Technology is already an integral part of our lives and the life of society but this relies on the availability of affordable and reliable energy. Energy generation, distribution, and delivery to consumers will increasingly be strained without the policies and investments necessary to continue grid modernization of the future.

Considering that technology is always advancing, we must keep in mind that it also becomes quickly obsolete. This reality will impact costs and how quickly they increase, or how quickly technology needs to be upgraded as the rate of technology changes continues to increase.

New technology is more expensive and must be upgraded more frequently, thus, these investments become “stranded costs” because the technology upgrades are obsolete before recovering the cost. The consumer bears the costs as companies pass these expenses to their customers.

Protecting the grid, or “hardening the grid,” is something consumers would like to see where they live because it will protect transmission lines (it also looks better without lines in the air and poles along roads). A line in the air is vulnerable, but a buried line is protected. However, to bury the lines costs about 5 times more; will consumers support these costs that will be passed along on their energy bills? Could this be balanced by the reduction in downed power lines and overtime pay after major weather events?

GridWise has an opportunity to take the lead on grid reliability by engaging at the state level with policy makers in energy offices and working with them on forward-looking policies. States are moving forward on these areas and at times more quickly than at the federal level. GridWise could have a stronger impact on grid modernization by working on specific regions of the US over the next 3 to 5 years.

The utilities are engaging with state energy regulators on a regular basis, which means GridWise could focus on state policy makers while collaborating with utilities. An avenue of opportunity is data collection, analysis, and management in support of utilities’ planning and investment needs.

Stakeholders note that utilities should invest more in technology development and deployment; this can be difficult because most utilities do not have research departments. Working with the Energy Policy Research Institute (EPRI) is a recommendation that GridWise can champion to assist utilities. GridWise should consider partnering with EPRI on research projects that are specific to grid modernization for utilities.

This partnership (GridWise/EPRI) could be the game changer when it comes to addressing tight supply and demand for electricity in many regions. Together, GridWise, EPRI and the utilities could solve the problem of energy scarcity.

THE FUTURE OF GRIDWISE – [The Board Looks to the Horizon](#)

Board members share concern for the future but also see positive outcomes and opportunities.

GridWise has strong connections at the federal level, mainly at the DOE, but continued focus on grid modernization leadership at the federal level will require improving/elevating relationships with other federal agencies.

This relates to thought leadership as GridWise must be aware of NOT becoming mediocre and doing “the same old, same old.” By elevating these relationships, the organization will be better positioned to receive government grants in larger amounts. A major benefit is protecting the grid from bad policy.

GridWise should recognize the importance of the integration of Communication Technology issues that affect the grid and integrate it into advocacy and education efforts. For example, broadband is now a utility and is an integral part of power delivery and how the grid is managed. The grid is a complex organism and GridWise could be a leader in promoting that position. This could include consumer-oriented issues and activities.

Concluding Statement

GridWise has the opportunity to become and advocate for improving the public perception of utilities and the related companies that deliver energy to consumers. While often perceived negatively, no one knows better the importance of affordable, reliable power than the people who keep the lights on for everyone. These are people GridWise represents and collaborates with and this type of communication leadership can set GridWise apart in a crowded market segment.

Working on behalf of grid modernization will go on for several decades, despite the goal of 2030. GridWise will be sharing successes and lessons learned regarding grid modernization as it continues to strengthen its relationships and solidify its thought leadership position.

Summer (June) 2022 Board Survey Summary

Recruiting Members

- Join the GridWise Alliance because it is a group of committed focused industry leaders and staff influencing policy and legislation through advocacy and education at the state and federal level. We are leaders in transforming and modernizing the grid and mitigating climate change in service to our communities.
- Plus, members have access to useful tools like the Grid Modernization Index (GMI) and reports.
- GridWise collaborates, facilitates, and cross-pollinates ideas and information across the industry and to decision makers.

Retaining Members

- Maintain your membership in GridWise to continue participation in influencing policy and legislation as a group; our voices matter but are stronger together.
- Members receive information from all over the world about successes and failures – this content informs our continued work.
- GridWise has a unique mission: to represent a highly regulated industry. It does this by providing access to key decision makers at events such as GridConnex.

Serving the Industry

- GridWise is a thought leader advocating for the public good in the area of grid modernization.
- It is a single voice advocating for the diverse stakeholders in the industry to policy and decision makers.

Opportunities

- Grid Modernization: infrastructure, reliability, consumer/customer education and service
- IJIA implementation and demonstration of its impact
- Continued advocacy on behalf of the industry in areas of workforce, new business models, mitigating climate change (decreased carbon emissions via modern grid)
- Membership: expand to include new energy stakeholders such as EV charging and battery storage

Relevant comments from the August 2022 Member Survey

In your opinion, what is the most important work that GridWise does for the industry?

- GridWise brings together utility companies, industry vendors and technology companies to share thinking and align ideas to enable the industry to provide a common voice on matters related to Grid Modernization, Decarbonization and the Energy Transition.
- The technology reviews/state of the industry are extremely helpful primers for folks who aren't involved in the technical side of the industry but who wants to better understand how everything fits together.
- Advocacy for the larger transmission system, but with the dawn of DERs that advocacy will have to continue and delve into distribution as well.
- [U]nderstanding the complex federal legislation, agency activity and streamlining the thinking of like-minded members to provide valuable feedback to these efforts

- Being the industry's thought leader within the Administration and Congress on grid modernization, both distribution and transmission
- Education for stakeholders, including Congressional members, and coordination among industry participants on policy matters and opportunities to advance mutual goals.

What is GridWise not doing currently that you believe it should do?

- Greater focus on distribution grid modernization for flexible load management, and steps that will create a stronger market foundation for new business models (especially grid/usage/tariff/customer data access)
- Given the unique membership of GWA, it would be very helpful to have GWA operate a portal where utility members could go to learn more about the technology focused GWA members and what services they offer/provide. So if a utility was looking to learn more about resilience, a portal could match different aspects of resilience (i.e. monitoring technologies, vegetation management, undergrounding) and GWA member companies that provide those services would be highlighted so that the utility knows who they could potentially reach out to learn more
- There have been instances where competing priorities or interests among members has led to GridWise adopting a less vocal approach on some important, innovative topics. The need for agreement among members for GridWise to speak with one voice is arguably slowing innovation. I appreciate the desire for a singular voice, but perhaps we can have subgroups within GridWise that are less bound by the need for complete agreement. An "innovation task force" might be able to bring new topics forward without the need for complete agreement.

OTHER COMMENTS

- While we understand the focus of GWA has traditionally been on the distribution grid, grid modernization also entails the transmission grid and both are needed -- we would like to see GWA more engaged on transmission issues and willing to work with organizations that focus on transmission (i.e. the WATT Coalition, Advanced Energy Economy's new transmission campaign, etc)
- I think GridWise could be the honest broker of information to public constituencies and environmental organizations who have well-meaning intent but do not understand how the system works to maintain reliability, etc.

What's Next?

The GridWise Alliance has an opportunity to expand its influence and leadership on the issue of grid modernization especially in light of its commitment to mission over a specific industry. Its strengths are its reputation, its track record of success, and its leadership on both the board and staff level.

However, GridWise does not currently have the resources to make a “giant leap” forward as it needs money to increase its staff and implement new programs and expand current ones.

The initial steps of the new strategic plan should focus on solidifying the organization’s base, such as member retention, filling the vacant Board seats, and finding additional revenue sources. Its continued focus on advocacy will keep it front and center on the issue of grid modernization, but it needs to differentiate itself from this crowded field.