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North American Utility Conference Research

October 2011

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Section	Page

Notices

The McDonnell Group, Inc.

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Message from Alain Récaborde

October 2011

Dear Utility Event Research Participant:

Thank you for joining with your peers in support of this research effort designed to help improve the focus and content of utility events and conferences in North America. The McDonnell Group completed this research at our cost in support of the industry. The larger goal is to help the industry at large focus on ways to not only share best practice information absent hype, but also to collaborate so we can hone a common voice around the need for investment in critical utility infrastructure.

We invited virtually every event company and association with a conference or event in North America to take part in this effort. While their study sponsorship was kept confidential during field data collection to avoid any bias, this effort was ultimately sponsored by six conference/event organizations that I would like to personally thank and recognize: Clasma, Energy Central, Jaguar, Spintelligent, Utilimetrics, and The Smart Grid Executive Forum. On the following pages of this report you will find links to all of the sponsors. We encourage you to click through and visit them and consider their commitment to this effort to collaborate and improve in service to you: the end utility engineers/executives who drive our industry forward.

I trust that you'll find the information in this report of value to your own planning efforts for 2012. Please note that this report and research content will not be resold for profit nor shared in detail beyond the sponsors and you the respondents. We ask that you limit distribution of this report to those within your utility department to ensure that during our next study we can reward participants with this information in recognition of their time and willingness to share and hopefully gain more inputs and participants. As always, you can trust that your individual responses and feedback are held confidential in keeping with our commitment to your privacy and our confidential research protocols. Only company names are included the report and neither the sponsors nor anyone will ever see your individual feedback.

Please feel free to contact me at 770-645-1445 or alain@themcdonnellgroup.com if we can be of service to you or your utility colleagues, or if you would like to discuss the results of the study by phone in additional detail to support your planning. We appreciate your willingness to share and collaborate and trust that you will find this information valuable and informative.

Regards,

Alain Récaborde

SVP Research

The McDonnell Group, Inc.

Study Sponsors

Please visit the study sponsors who provided funding to underwrite this research:

Clasma

www.clasma.com

Smart Grid RoadShow

www.jaguarexpo.com

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Energy Central

www.energycentral.com

SmartGrid Executive Forum

www.linkedin.com/groups?about=&gid=1715027&trk=anet_ug_grppro

Spintelligent

www.spintelligent.com

Utilimetrics

www.utilimetrics.org

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Executive Summary of Research Findings

Utility professionals are eager to exchange information with industry peers and gain knowledge at technical conferences, which are held throughout the year at locations across North America and around the globe. But growth in technological advances and regulatory complexities over recent years has also spurred a commensurate rise in trade events and conferences, leaving industry professionals to decide which conferences provides the best return on investment weighed against the strain on their time, the time of their personnel, and increasingly tight travel budgets.

The intent of this study was to assess the decision drivers to attend industry events and what the current perceptions were relative to these drivers. Data presented in this report reflect feedback and opinions of North American utility personnel (US and Canada) from ISOs, IOUs, municipals, and cooperatives who participated in the online survey. Survey questions asked them to identify which conference from a list of the top annual events they had attended in the past 24 months, what value they derived from these events, and any recommended improvements to conference agendas. The survey focused solely on conference attendees from end utility companies —not on exhibitors, vendors, speakers, or others — as the focus of this research is on better understanding the insight of the event and conference industry's primary customer: end utility staff attendees.

The detailed research findings contain information about the study's methodology, detailed information about respondents and the companies they work for, questions posed to respondents, and a sample of responses to given questions. Some of the summary key findings of the study include:

- A small majority of events are perceived as offering a value of *Very Good* or *Excellent*.
- As a result, only a little more than half of respondents would probably or definitely return to an event they have attended.
- An obvious impact on travel by the current economic climate, as most organizations project budgets to attend conferences and events to remain unchanged and nearly a third expect a decline in 2012.

This study was not intended to pit one conference against the next in terms of overall popularity, but rather to inform conference and event companies about what attendees valued most in conferences. With this knowledge, conference organizers can adjust aspects of their programs to improve service to their primary audience of end utility personnel.

Sample Summary:

The complete sample includes surveys from utilities accounting for about one third of the U.S and Canadian market based on number of electric customers served. Study participants are mostly decision makers (41%) or influencers (50%) when it comes to event decisions and budgets. Almost two thirds (64%) have over 20 years of experience in the industry with another 15% having over 10 years. In the past 24 months, these industry veterans have attended between 2 to 3 major industry events in the U.S. or Canada.

Benefits Sought From Events & Current Perceptions:

The top three most important rank ordered benefits sought from attendance at industry events and conferences included 'gathering lessons learned and hearing case studies from industry practitioners', 'staying current/educated on what is going on in the industry', and 'networking with peers and partners', in that order. The overall perceived value of events is fairly weak with only 62% rated as Very Good or Excellent. As a result, only 58% would probably or definitely return to an event they have attended (only 27% would definitely do so). Compounding this situation, and mostly due to the economic climate, event budgets are for the most part (61%) anticipated to stay the same in the next 12-18 months while about 30% expect a decline versus only 10% seeing an increase.

Summary Conclusions:

Based on the quantitative and qualitative results of the research, the overall market for utility events and conferences is likely to contract somewhat in 2012, as fewer end utility participants attend conferences and as a result sponsorship and participation from others decline.

To retain and grow attendees, conference and event organizers must focus more attention on ensuring original content and best practices lessons learned are presented, preferably by end utility staff. Conferences and event organizers with highly commercialized formats, presentations and content mainly by vendors and consultants, and conferences and events with a "pay to play" approach are likely to suffer more in the pending contraction in the utility event and conference marketplace in the US and Canada.

Summary Conclusions (continued):

Conference and event organizers will be well advised to focus on better serving the needs of end utility attendees by facilitating the exchange of case studies, best practices and lessons learned by other utilities as well as supporting their needs for networking and education.

After a period of rapid growth and an explosion in the number and type of utility conferences and events in 2009-2011, mostly the result of hype associated with smart grid market developments, the total number of events and conferences will likely contract and even decline in 2012 as the market at large focuses a smaller overall investment budget on higher quality events and conferences.

Approach & Methodology

Based on repeated requests from many utility industry research contacts, conference organizers, and industry participants, in July 2011, The McDonnell Group's research division initiated a study of North American utility conferences and events. After completing secondary research and identifying a list of events and meetings, The McDonnell Group invited over 30 conference and event organizers to participate in support of a study designed to determine the event and conference needs and plans of end utility staff. Ultimately, six organizations joined with The McDonnell Group to fund the research study, which was completed in October 2011.

A web-based survey was designed and hosted by The McDonnell Group. Multiple invitations were extended to utility contacts from several contact databases, through placements and alerts by trade media, and in The McDonnell Group's e-Newsletter. Surveying began in late August and data collection was completed at the end of September.

To screen the sample, a self-qualification online screener asked potential participants to validate they were a full time end utility employee in the USA or Canada and to confirm they had attended at least one utility event or conference in the past 24 months.

In addition, a professional utility company email address was required to validate responses and participants received a confirmation email to verify their inclusion in the final completed research sample.

Ultimately, well over 100 responses were collected, however many were disqualified due to partial completion or the failure to provide a utility email/URL. The final sample analyzed for this report included 100 qualified participants. The specific identity of respondents is held confidential in keeping with the research protocol, however the names of utilities with at least one qualified response are included in this research report.

Participating Utilities

We validated and analyzed the first 100 qualified complete interviews from the following companies representing ~~more~~ an estimated one third of combined US and Canadian utility market based on the total number of customers served. Participating companies are included the following:

AEP
AES
Alliant Energy
Ameren
American Transmission Company
Association of Illinois Electric Cooperatives
Bonneville Power Administration
Cedar Falls Utilities
CenterPoint Energy
Citizens Energy Group
City of Burbank
City of East Grand Forks
City of Glendale Water & Power
Colorado Springs Utilities
Connexus
Constellation
CPS Energy
Cuivre River Electric Cooperative
DEMCO (Dixie Electric Membership Corporation)
District of Columbia Water and Sewer Authority
DMEA (Delta-Montrose Electric Association)
DTE Energy
ENMAX
Ercot
Eugene Water & Electric
Exelon
FERC
Flint Energies
Florida Power & Light
Fortis BC
Green Cove Springs
Hydro One
Idaho Power
Kansas City Power & Light
Madison Gas & Electric
Milton Hydro
Minnesota Valley Electric Cooperative
NES Nashville Electric Service
New York Power Authority
NineStar Connect
Northeast Utilities
OGE Energy
Omaha Public Power District
Orange and Rockland Utilities, Inc.
Pepco
Pepco Holdings
Portland General Electric
PPL
Pulaski Electric System
Sacramento Municipal Utility District
San Jose Water
Santee Cooper
SaskPower
Scana
Sempra Utilities
South Central Power Company
Southern California Edison
Southern Company
Southern Rivers Energy
Salt River Project
TID Water & Power
Toronto Hydro
USG&E
Vermont Electric Cooperative
We Energies
Westar Energy
Wire Services/Manitoba Hydro
Xcel Energy

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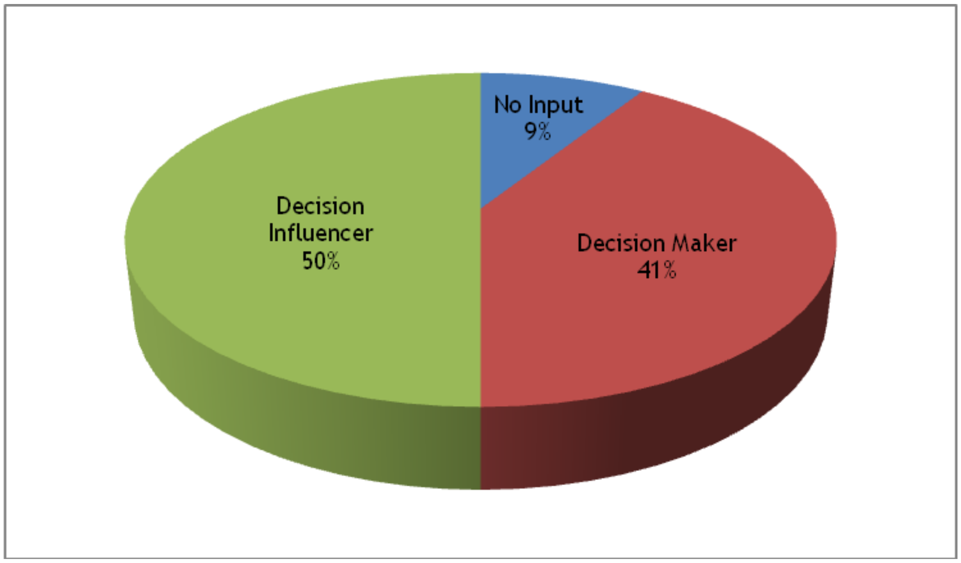
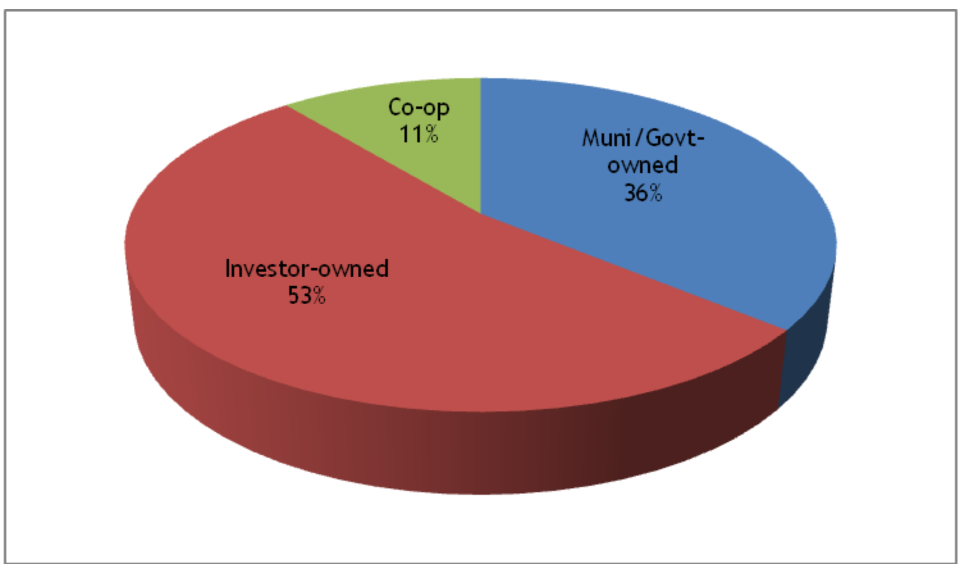
Survey Questions and Analysis

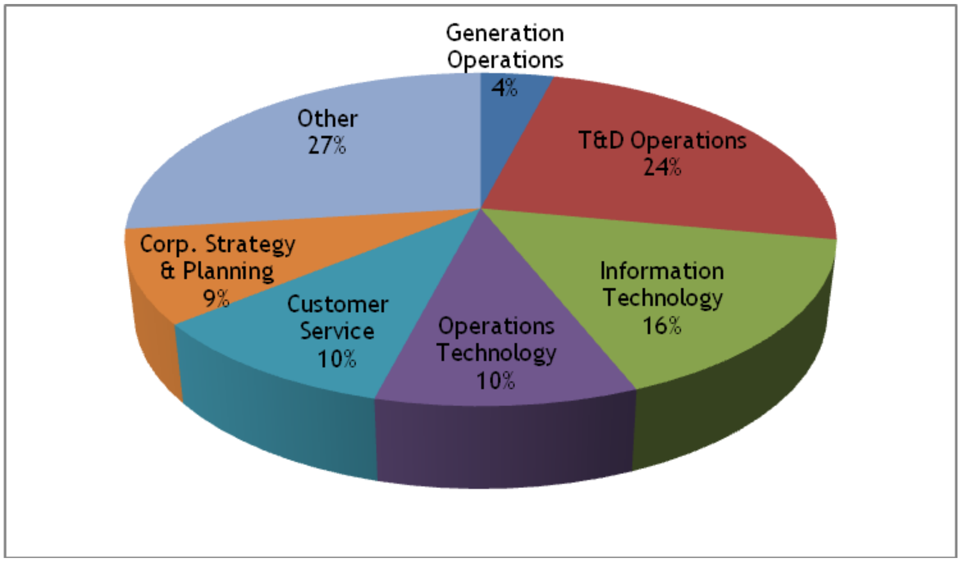
When it comes to decisions regarding budgets/attendance at industry events for your company or group/department, would you say you are:



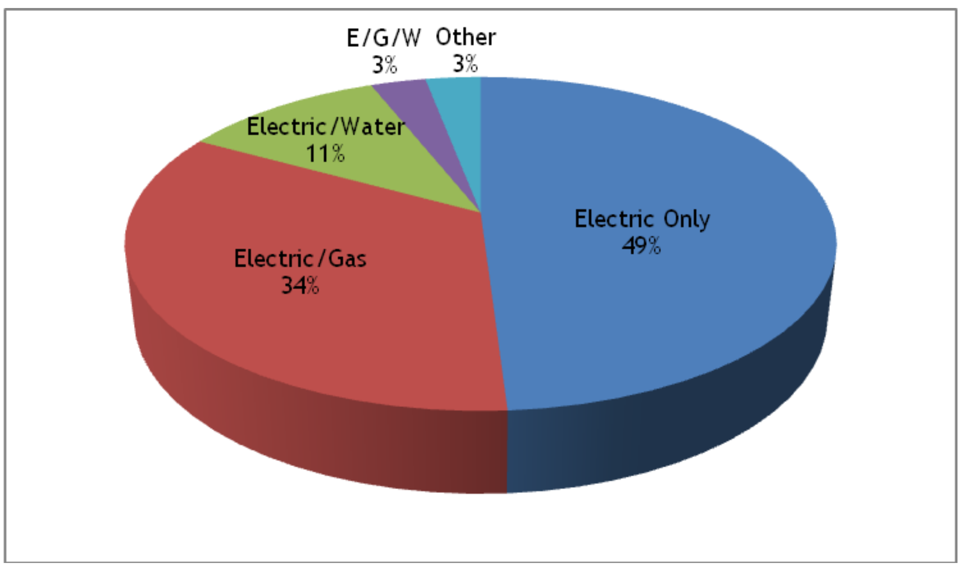
Which of the following type of organization do you work for:



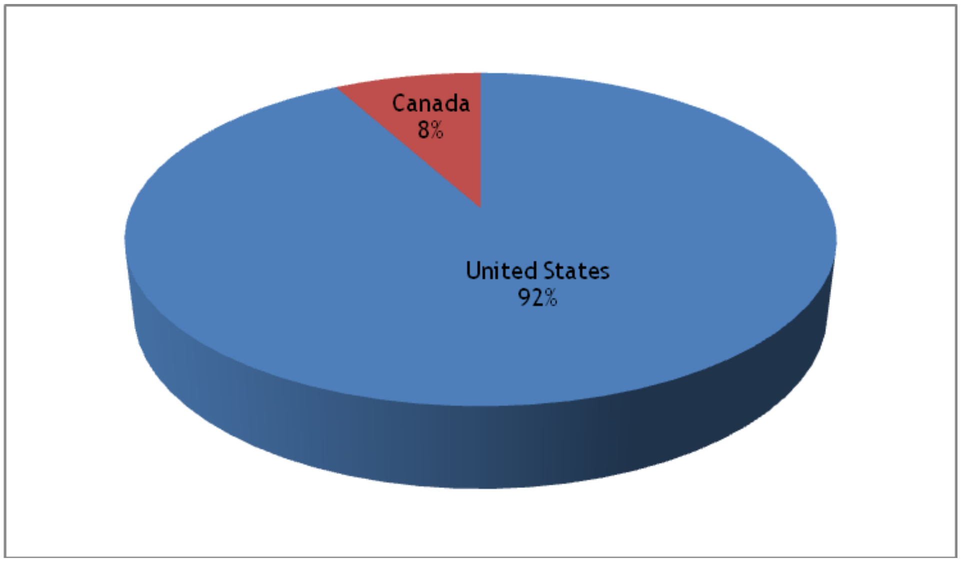
Which of the following best describes the department in which you work?



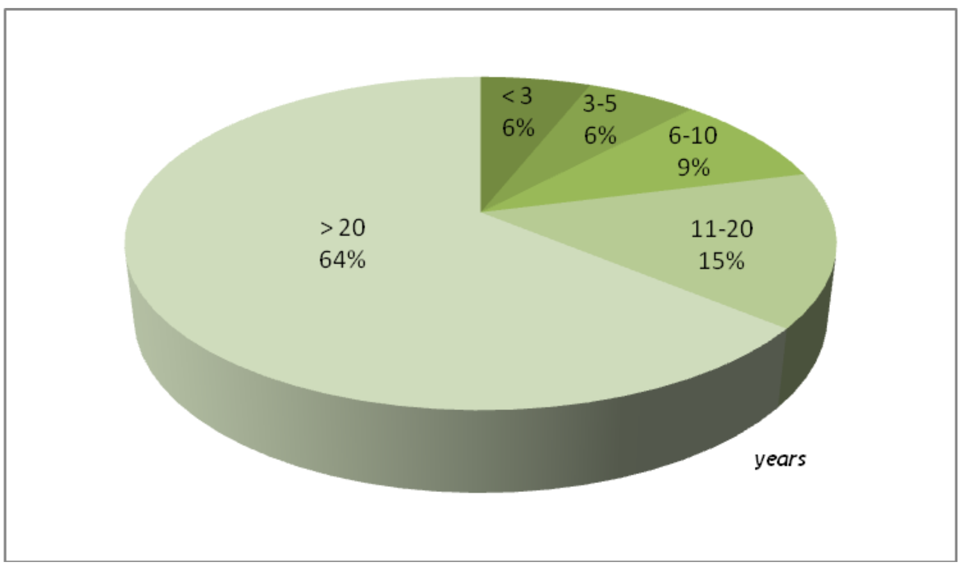
Which of the following markets does your company serve?



Are you currently based in:



How long have been working in the utility industry?



The following criteria were used to help finalize and determine which events were presented in the survey:

- Event must be recurring annual or biannual
- Events held multiple times annually are listed once
- Focus of event must be at least 50% electric grid and/or Smart Grid
- Must be in North America (US and Canada)
- Must be open to the public (not a closed member meeting)
- Must have at least 100 attendees typically

Based on these criteria, we included the following 40 industry events:

APPA National Convention
Autovation
Canadian Utilities Equipment & Engineering Show
Chartwell Smart Grid Summit
CIO Utilities Summit
Connectivity Week
CS Week
DistribuTECH
EEI Annual Convention
EEI Transmission, Distribution & Metering
EnergyBiz Leadership Forum
GreenNet
GridCom Forum
Grid Interop
GridWeek
GridWise Global Forum
IEEE PES Innovative Smart Grid Technology
IEEE Power & Energy Society Summer meetings
IEEE T&D Bi-annual Conference and Exposition
KEMA Utility of the Future
Knowledge
Metering America
NARUC
National Electricity Forum
National Town Meeting
Networked Grid
Open Smart Grid – OpenSG
Peak Load Management Alliance
Power Gen International
Renewable Energy World
SGIP Spring/Summer Meeting
Smart Energy Canada
Smart Energy International
Smart Energy Summit
Smart Grid Security Summit
Smart Grid Technology
SmartGrid Roadshow
TechAdvantage
UTC Convention
UTC Smart Grid Policy Summit

On average, participants were familiar with almost 8 events (7.7) and had attended between 2 and 3 industry events in the U.S. and Canada in the past 24 months.

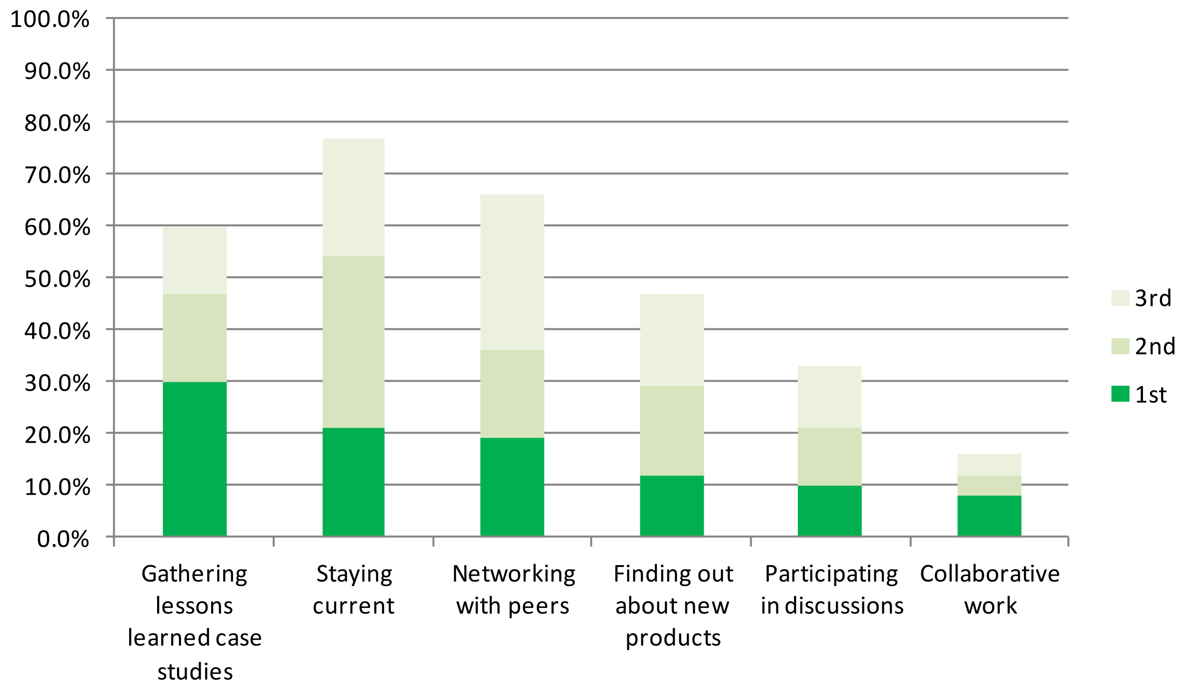
Other industry events mentioned by survey participants based on familiarity and past attendance:

AGA/EEI committee events
APPA Legal Meeting 2010
APPA Legislative Rally
APPA Legislative Rally - Washington DC - Feb 2011
AWWA - ACE
Chartwell EMACS
Cigre Canada
CMUA Spring Meeting
Doble Client Conference & Committee Meetings
Doble conference
Doble fall client meetings
Doble life of a transformer
DTI Summit
EEI Foundation Powering the People
EEI Supplier Diversity
Electric Power Conference
Electric Power convention
eMeter Smart Grid Leadership
Energy Council of the Northeast (ECNE) E&O Conf. (Mar-Oct)
Esourse
EUCI
EUCI Conferences
Fine Point Conference
GCPA
GE Smallworld
Geotec
Gita
GITA Annual event
Hexagon (Intergraph) Users conference

ICUEE Equipment Expo
ICUEE Show
IEEE PSCE
Interoperability Summit
ITRON Conference
Joint Action Agency Conferences & meetings
Landis + Gyr Exchange
LPPC-CIO
Marcus Evans - Distribution Summit
Marcus Evans (various)
Midwest Energy Efficiency Conference (Jan)
MIPSYCON
Municipal Smart Grid Summit
National Supplier Development Council
NAWC Annual meeting
NCPA Annual Meeting
NGU Summit
NRECA Finance 7/2011
NRECA-CRN Cleveland, Jul
Rural Smart Grid Summit
SAP for Utilities
SAP for Utilities - SG
SEE
SEPA Utilities Conference
SG Peer Review, Boulder, Dec
TechCON
WBR Field Service
Weidmann Technical Conference

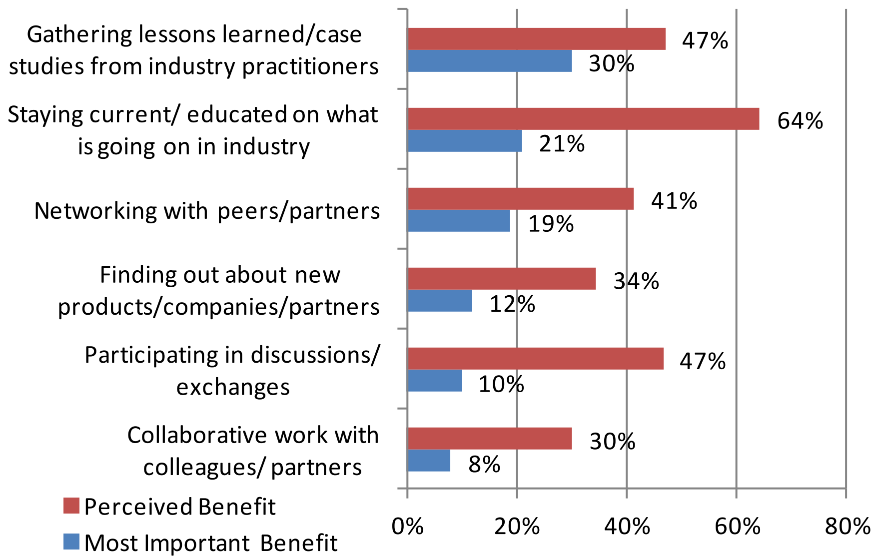
Survey Response & Analysis

When attending utility industry events, please rank the top 3 benefits from your perspective:



Among the choices offered, participants clearly identified the most important benefit when attending industry events to be the ability to **'Gather lessons learned/Case studies from industry practitioners'** (30% first choice and 60% top 3 choices). The next most important benefits were **'Staying current/educated on what is going on in the industry'** (20% first choice and 77% top 3 choices) followed by **'Networking with peers/partners'** (20% first choice and 66% top 3 choices).

For each event you attended, please indicate the main benefit(s) you associate with that event:



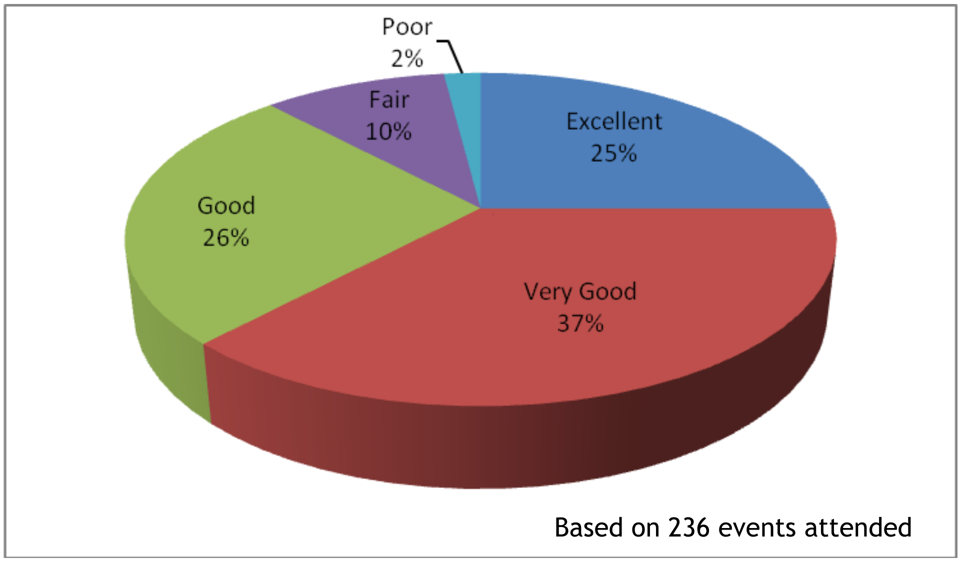
When asking what benefits participants derived from these shows, we see that across all events, the highest perceived benefit is in helping them ***'Stay current/ educated on what is going on in the industry'*** (64%). However, ***'Gathering lessons learned/Case studies from industry practitioners'*** ***(***47%) and ***'Networking with peers/partners'*** (41%) are among key benefits expected from events, but the industry does not deliver as well on these.

Analysis of event benefits (importance versus perception)

Event Benefits	Importance	Perception	Action
Gathering lessons learned/case studies from industry practitioners.	**Highest**	**High**	Focus
Staying current/educated on what is going on in industry.	**High**	**Highest**	Maintain
Networking with peers/partners.	**High**	**High**	Focus
Finding out about new products/companies/partners.	Lower	Lower	
Participating in discussions/exchanges.	Lower	High	Maintain
Collaborative work with colleagues/partners.	Lower	Lower	

To summarize, it would appear that when looking at the perceived importance of key benefits and event perception on these benefits, today's events should focus on improving, in particular, the sharing of lessons learned and presenting case studies from peers. Events and conferences do a good job at promoting networking with peers/partners, but could do more. At the same time staying current and participating in discussions and exchanges remain benefits that events should continue delivering. While the reality of revenue derived from sponsorship of conferences and events dictates that vendor exhibitions and vendor presentations will comprise an important part of events in the future, organizers that maintain a careful balance between content/presentations versus commercial exhibitions/presentations will better serve the needs and desires of end utility participants.

Based on your experience attending these events, please rate the value you place on that event?

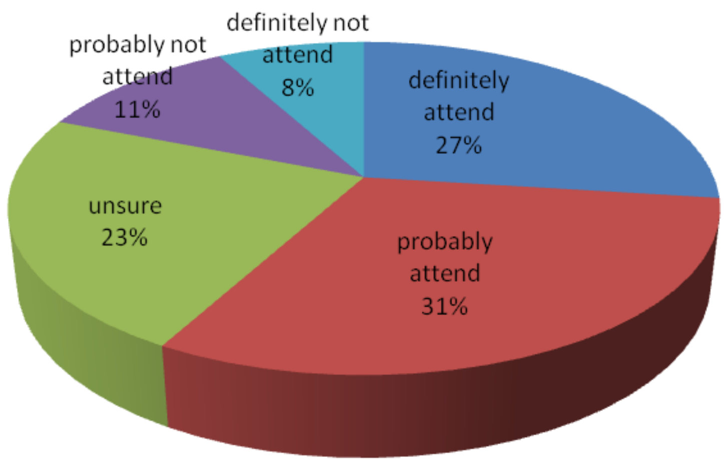


Almost two thirds (62%) of participants rate the overall value of events they have attended as either very good or excellent. This leaves almost 40% wanting better events. On the following pages, participants offered their suggestions to improve events. Many of these suggestions revolve around the key benefits highlighted earlier especially around sharing best practices and success stories.

If you could have some input into upcoming events in the next 12-18 months, what will you expect to get from these events that you might not have gotten to date?
Accounting for new technologies - SCADA, Net Metering, AMI, Smart Grid
Again, we are far ahead of most utilities. Most of the time I speak at these events.
Case studies about problems with managing large assets in the T&D area of electric utilities.
Closed door sessions where we could have open dialogue about vendor product/services performance
Collaboration and sharing of ideas and new ways of achieving our goals and objectives.
Contacts, business leads
Even more on AMI, electric car charger technology and how it will affect utilities, better line design, transformer accessory improvements
Focus to date has been on the Distribution to end user connection. There is activity on the Transmission side that needs to be better publicized. In particular, an entire meeting could be devoted to the IEC-61850 Standard - the 'one ring to unite them all.' This is a critical effort, essential to unifying the grid, achieving efficiencies and invoking the kind of smarts that the bulk grid will need. Also, the move towards IP-ethernet over TDMA protocols such as SONET. Would also benefit by discussion on how to better promote integrated end-user systems that include generation, storage, control and management, and communications - and the new utility business model that is essential to preserving the interconnection infrastructure in a paradigm where it is all about less revenue generation for utilities from power sales.
From a cyber security standpoint, it seems like all of the conferences/meetings use the same people with no new material. It would be great to have a world-class security summit.
Future trends!!
Greater understanding of utility experience and utilization of Smart Grid Technologies, especially related to SGIG projects
I prefer to have a full agenda to make productive use of my time while at national conferences and no longer need much time for socializing or sightseeing since my family does not accompany me. Get in, get to work, and get home is my preference.
I would expect to see significant information on new technology and programs with respect to Smart Grid Technology and Distribution Automation.
I would like to continue to learn more about Smart Grid penetration and practical benefits that utilities are gaining from Smart Meter implementations.
Industry updates on communications technology and metering/AMR/AMI communications
Knowledge of other utility experiences. New/emerging projects/products for the industry.
Lessons learned from other utilities who have installed AMI and the Scheduling of Communications to the customers
Lower cost?
Making good quality videos of the keynote address as well as the best sessions available to the participants
More in depth detail rather than high level overview.
More info on what's working with Demand Response programs and energy storage.
More information on how AMI is being interfaced with Customer Systems.

If you could have some input into upcoming events in the next 12-18 months, what will you expect to get from these events that you might not have gotten to date?
More 'lessons learned' from others' Smart Grid implementations
More lessons learned, actual experiences. Transition from project to operations - optimizing smart grid and extracting additional value in the real world Start looking ahead toward the next 10 years - what's next?
More mature smart grid technologies
More pamphlet information
More peer-to-peer interactions.
More tangible discussion on Smart Grid impacts on the electric grid (Distribution Automation) versus beyond the meter dialogue that most folks want to talk about
Need better discussions on real life applications and issues
New developments in the industry and inside info on experiences and deployments
Nothing at this time
Nothing to add.... have been boxed out by budget reductions the last 2-3 years...
Provide an accurate abstract of the instructional or informative sessions so it helps me determine which sessions to attend when I'm limited to time.
Right now, there are too many conferences going on with the same people attending and a lot of the same topics. Can't do much about the people, but the topics could certainly change as well as the presenters.
Smart Grid Interoperability practices.
Speakers should not speak in platitudes, but provide concrete solutions. What has worked, what has not worked, what are the economics, what are the risks/problems. What products were chosen and why, etc.
Strategic advice on change management especially in helping customers and regulators understand changes going on in our industry. Ways to reduce operating costs in order to reduce rates.
The latest developments and results from smart grid implementation by others.
There are too many utility conferences that cover the same material. It's unlikely I'll attend any non-EEI or industry driven conferences in 2012. There is not sufficient new or relevant content that can't be obtained through other lower cost and lower time intensive means.
Travel is difficult for many utilities at this time. More local smaller events might be better. My company will not send folks to Vegas, Florida, or other "hot spots."
Updated info and new products and new issues out there.
Utility design practices and workflow management / data change control practices
What are the results from those that have fully implemented? What are some of the other ideas on how to use the technology installed? What kind of monitoring are you doing to resolved production data gaps?
Where is the leading edge thinking? That is scalable? Is anyone doing anything interesting about engaging with the customer?
Would look for more educational content that is of a practical nature for me to take back and apply at work. Also, seek the networking that is so critical to understanding what other utilities are doing.

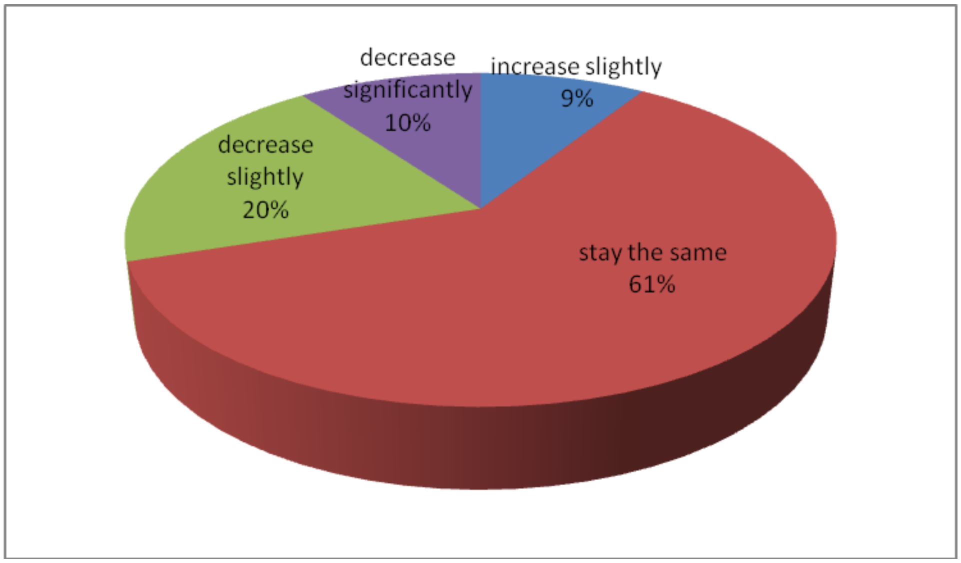
Focusing on the coming 12-18 months, what are your plans for attending these upcoming events? (asked of events previously attended)



Based on 236 events attended

As a result, and based on a relatively weak overall perceived value or experience, plans to return to these events are not very high. One fourth (27%) are planning to definitely return to these events. Almost 60% will probably or definitely be returning. Almost 20% will likely not come back and another fourth (23%) is not sure.

Thinking of the coming 12-18 months, do you think that your company budgets in support of industry events and conferences will likely:



Compounding the lack of overall enthusiasm shown about returning to events is the fact that not surprisingly most budgets in support of industry events and conferences are likely to remain the same of decrease. Actually, almost a third of the participants report an expected decrease in the coming 12-18 months. The main reason for this anticipated decline is the general state of the economy as can be seen on the comments shown next page.

Events and conferences budget trend	*What would you say are the key drivers and reasons behind this trend?*
Increase slightly	Changes in technology and importance of keeping up with changes (mobility, smart grid, etc.)
Increase slightly	Economy improving, more budget. Younger workforce needs training/experience. Recent failures prompts executive management to search for answers.
Increase slightly	Increased regulation requiring input from staff
Increase slightly	The industry is becoming more complex, making education more vital.
Increase slightly	The need of our group (to remain a highly trained and knowledgeable department within our company) requires on-going exposure to industry seminars and meetings.
Increase slightly	We are leaders in Smart Grid.
Increase slightly	…will spend more money on “Smart Grid Initiatives,” want to make sure that we are making the proper investments.
Increase slightly	Young workers not experienced need to see more broadly
Decrease slightly	Bad economy, need to show constraint in costs.
Decrease slightly	Economic pressures
Decrease slightly	Economy
Decrease slightly	Economy and member perceptions of waste
Decrease slightly	Federal budget cuts
Decrease slightly	Keeping costs down. Restructuring.
Decrease slightly	Limitation of travel.
Decrease slightly	Mainly due to overall budget constraints.
Decrease slightly	Municipal budgets tied to ad valorum tax base being held low, transfers from electric fund to general fund continue to increase to make up for revenue gaps, smaller electric muni's have limited budget opportunities for travel …
Decrease slightly	O & M budgets, company merger uncertainty.
Decrease slightly	Pressure from local general fund government on municipal utilities to share the pain of cut backs in spite of the benefits to the utility of participating in utility industry events.
Decrease slightly	pressure to reduce spending

Events and conferences budget trend	*What would you say are the key drivers and reasons behind this trend?*
Decrease slightly	Short staffing is preventing employees from taking time to attend events.
Decrease slightly	Slower economy and drive to keep rates lowest.
Decrease slightly	State of the economy
Decrease slightly	The economy
Decrease significantly	Economy
Decrease significantly	Economy and pressure on rates
Decrease significantly	Lack of human resources
Decrease significantly	Not enough value derived from conferences.
Decrease significantly	Poor economy driving rate cases. Regulator is looking at all expenditures
Decrease significantly	PUC uncertainty
Decrease significantly	Revenues are down.
Decrease significantly	The EPA is putting a significant burden on utilities and we cannot afford to do everything. The NRC continues to put pressures on utilities requiring significant investment and oversight. NERC continues to pour additional requirements and regulation on utilities requiring significant investment.
Decrease significantly	The need to reduce O & M budgets

About The McDonnell Group

The McDonnell Group delivers a unique trilogy of energy and technology focused marketing services: Research, Strategy, and Public Relations. We provide expert insight and specialized knowledge—of the people, the trends, and the technologies unique to the utility and enterprise software markets. With our Focus on Practical Methods™, we work closely with your executive team to deliver strategy and advisory services, research-based marketing, and public relations to help you grow and guide your business in a way few can match. For more information visit: www.themcdonnellgroup.com.

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