

# Ontario Smart Grid Forum

**DRAFT** Discussion Paper:

## Establishment of the “Smart Grids Partners Committee”

For discussion at the December 14<sup>th</sup>, 2009 meeting of the Ontario Smart Grid Forum

### **Background:**

The Terms of Reference of the Ontario Smart Grid Forum has contemplated the establishment of a Smart Grids Partners Committee. Specifically section 5 of the Terms of Reference states that:

*“Consideration will be given to establishing an advisory group to afford an avenue for industry expertise in competitive fields such as; consulting, manufacturing, equipment suppliers, and retailers to provide the Forum with necessary insight.”*

Amongst the objects of the Ontario Smart Grid Forum outlined in section 2 of the Terms of References is one to:

*“Promote and support economic development by Ontario industry organizations and corporations and the export of smart grid expertise and knowledge.”*

The need to establish a Smart Grids Partners Committee was most recently discussed at the November 24<sup>th</sup> meeting of the Smart Grid Forum, where this need was reaffirmed.

### **Purpose of this paper:**

This paper briefly outlines some of the more prominent first and second order questions for the Ontario Smart Grid Forum, surrounding the establishment of the Smart Grids Partners Committee. Resolution of these initial questions will provide guidance for the drafting of a more formal Terms of Reference and developing a logistical plan for the establishment of the Smart Grids Partners Committee.

### **First Order Questions: Objects and Independence**

What exactly will be Smart Grids Partners Committee’s goals (objects)? Intertwined with this question, is the nature of its potential relationship with the Ontario Smart Grid Forum and the degree of independence it may have.

At one end of the spectrum of independence options, the Smart Grids Partners Committee could be established as a self-organized, independent organization with a broad mandate to represent the community of Smart Grid technology and service providers. Under this scenario, its only obligation to the Ontario Smart Grid Forum would be to provide advice on certain topics when asked, but otherwise conduct its own affairs and advocate issues that are of pressing interest to its membership. An independent organization of this nature may become an influential force unto itself in shaping smart grids policy in the province and may not necessarily share all of the views and opinions of the Ontario Smart Grid Forum.

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At the other end of the independence spectrum, the Smart Grids Partners Committee could be a sub-committee of the Ontario Smart Grid Forum with a tightly-controlled mandate and be limited to providing advice to the Forum. Under this scenario, the Ontario Smart Grid Forum would continue to play the principal advocacy role while the Smart Grids Partners Committee would have little or no mandate to formulate policy options and viewpoints on its own.

Is either of these options appropriate? Alternatively, perhaps the mandate of the Smart Grids Partners Committee lies somewhere between these two ends of the spectrum. Setting an appropriate level of independence for the Smart Grids Partners Committee is an important first-order question for the Ontario Smart Grid Forum to consider because it directly drives its objects and ultimately, the specific activities it will undertake.

**Table – Varying degrees of independence for the Smart Grids Partners Committee and their associated characteristics:**

Very Independent	Neutral/Controlled Level of Influence	Entirely controlled by SGF
<ul style="list-style-type: none"> <li>• Advocates its own issues with policy makers</li> <li>• Determines its own Terms of Reference and membership requirements</li> <li>• Determines its own work activities</li> <li>• Self-funding</li> <li>• Only relationship with SGF is to provide advice when asked.</li> <li>• Indefinite lifespan</li> <li>• Ability to conduct independent peer review of applications for smart grid funding at arm’s-length from SGF</li> </ul>	<ul style="list-style-type: none"> <li>• Terms of Reference partially controlled by SGF insofar as its relationship with SGF is concerned</li> <li>• Membership must be from a set of industry sectors required by the SGF</li> <li>• Only provides policy alternatives of its own when asked by the SGF to do so.</li> <li>• SGF maintains some degree of oversight over activities to ensure they adhere to Terms of Reference</li> <li>• Jointly funded by SGF and Committee members</li> </ul>	<ul style="list-style-type: none"> <li>• Strictly an advisory body with no public advocacy of its own.</li> <li>• Terms of Reference established and controlled by SGF</li> <li>• Work plan set out by SGF</li> <li>• SGF oversight for membership selection</li> <li>• Provides expertise and advice</li> <li>• Funding largely provided and controlled by SGF</li> <li>• work activities and priorities strictly determined by the SGF</li> <li>• Lifespan determined by SGF</li> </ul>
<p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>• APPrO,</li> <li>• AMPCO</li> <li>• EDA</li> </ul>	<p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>• Various standards development efforts (e.g. NIST smart grids interoperability standards project)</li> </ul>	<p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>• “Plug ‘N Drive” Partnership organized by Ontario Centres of Excellence</li> <li>• Issue-specific stakeholder consultations carried out by IESO and OEB</li> </ul>

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## Second-Order Questions:

Once the SGF determines an appropriate level of independence for the Smart Grids Partners Committee there are several second-order topic areas that will need to be addressed:

### **Governance:**

- How will SGF member organizations be safeguarded from any real or perceived conflict of interest with respect to procurements of smart grid components from Smart Grids Partners Committee member organizations?
- Who will be allowed to amend the Terms of Reference: The SGF? The Smart Grids Partners Committee? both?
- Who will determine the membership selection criteria?
- Who will select the members?
- What exactly is the nature of the relationship with the SGF?

### **Logistics:**

- How will the activities of the Smart Grids Partners Committee be facilitated and administered? By whom?

### **Lifespan:**

- Will the Smart Grids Partners Committee be a standing organization with an indefinite mandate?
- Tied to the life of the SGF? Some other timeline?

### **Funding:**

- From SGF members?
- From Smart Grids Partners Committee members?
- Both? Other?

### **Priorities and Planning:**

- What will be the first priorities of the Smart Grids Partners Committee once it is established?
- How are the work plans established and by whom?
- What exactly are the deliverables that the SGF is expecting from the Smart Grids Partners Committee?