

Membership Fee Proposal - Information Webinar

MAY 2019

Outline

- Overview of what's happening and why
- Users Group programs and initiatives – current, new, pending, proposed and possible
- Why Increase the fees?
- Cash flow needs and projections
- Current proposed fee structure
- Value sets for utilities, suppliers and consultants/integrators
- Discussion
- Next steps



What's Happening?

- At the DNP Users Group Annual Meeting on February 24, 2019, the Directors of the DNP Users Group announced our intent to change the membership fee structure. Membership input was invited at that time.
- Fulfilling the needs of our users is no longer possible on a purely volunteer basis even though our dedicated volunteers consistently give 3000+ hours per year.
- Therefore, a new fee structure is necessary so that we can continue to function on a sustainable footing, support services for Conformance Test Reviews and enable further developments such as updated cyber security provisions.



Overview - Membership Fee Proposal

- Current fees are: \$300 for basic and \$1,000 for premium
- This is a preliminary proposal to seek input
- Period of input and discussion – February 24th to June 1, 2019
- Transparent process with lots of input
- Information webinars on May 14th and 16th (more if >5 people request)
- Release of new fee structure (for voting) on June 3, 2019
- Formal Users Group membership vote is on June 20, 2019
- New fee structure to take effect on January 1, 2020
- Possible appeal option for a further year to January 1, 2021 (hardship)



This is Difficult! This may be a two-pass deal

- The UG has done a decent job (while burning out volunteers, taking too long on key programs and being ineffective with our Conformance Test Review process) for many years at extremely low fees.
- There is a perception that “DNP is done” (except that it isn’t).
- We need to broaden our base so more people are informed of what we are doing for them.
- AND we need to increase our fee income to become sustainable.
- NOTE – We are doing our best to get this right the first time but a second fee adjustment may be necessary in the future. In addition, we are considering annual inflation adjustments.



Users Group Initiatives - Current

- Industry wide IEEE Std 1815™ (DNP3)
- New DNP3 Profile for DER Communications (proposed 2019-05 as a new IEEE standard) as referenced in IEEE 1547-2018
- New RFP Conformance Procurement Guideline
- Secure Authentication Version 5 (SAv5) – part of IEEE Std 1815-2012
- SAv5 Test Procedures
- Active Committees and Task Forces:
 - Technical Committee
 - Test Management Committee, SA Task Force,
 - Test Procedure Subcommittee
 - Secure Authentication Task Force
- Device Profile (Word and XML)
- Outstation Test Procedures
- Large library of guides, application notes, technical bulletins and security notices



Users Group Initiatives - New or Pending

- New Website – now active (with enhancements planned)
- On-going work to update IEEE Std 1815 – well underway
- New Conformance Test Review (CTR) process with paid staff – now in place
- Secure Authentication Version 6 (SAv6) – development underway
- DNP Key Management Protocol (DKMP) – development underway
- Master Station Test Procedures – Part 2 – development underway
- New Device Profile Guideline – development underway
- Users Forum based on the new website (re-boot) - pending

Pending

Proposed

Possible



Users Group Initiatives - Proposed

- SAv6 and DKMP Plug-fest and utility demonstration – fall 2020
- New Outstation Test Procedures
- Augmented User Forum
- Enhanced access to Technical Support
- New tools and information to the website such as summaries of our Application Notes, Security Notices and Technical Bulletins
- Master Station Test Procedures – Part 3
- Improved Communications and Marketing (e.g. expanded attendance at conferences such as PEAC)

Pending

Proposed

Possible



Users Group Initiatives - Possible

- SAv6 and DKMP Test Procedures
- Master Conformance Test Review service
- New White Papers (e.g. Security Guidance, Device Profile)
- Webinars / training (e.g. Security topics, CTR, Device Profile)
- Definition of new configuration methods and tools using DNP3 Device Profile
- New test tools
- Utility advisory council
- Vendor advisory council

Pending

Proposed

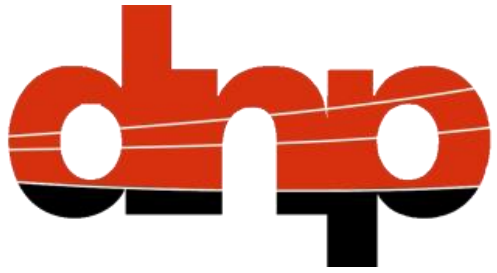
Possible



Why Increase the Membership Fees?

- Our cash flow needs and forecasts will be shared at the information sessions.
- Fulfilling the needs of our users is no longer possible on a purely volunteer basis even though our dedicated volunteers consistently give 3000+ hours per year.
- The bottom line; this change is necessary so that we can remain sustainable.
- To enable on-going developments such as updated cyber security provisions and new profiles and services such as our Conformance Test Review process.
- By not increasing the fees we may be:
 - Jeopardizing the viability of the Users Group
 - Risking further burn-out and possible loss of our talented volunteers
 - Unable to offer important services such as our Conformance Test Review process
 - Unable to support important on-going developments including security related provisions and new profiles such as the DER profile.





Cash flow needs and projections

Principles for (Preliminary) Fee Proposal

- Establish new fees in line or with reference to with other similar industry groups
- Based on our current and expected future operating costs
- Transparency with lots of input
- Membership levels established according to annual revenues that are associated with the use of DNP. Viewed to be the fairest approach as a proxy for the number of devices supplied or deployed that use DNP.
- Utilities – straight annual revenue
- Suppliers – annual revenue for products or systems where the customer uses DNP
- Suppliers may choose a level based on plant, business unit or corporation revenues
- Consultants – straight annual revenue



Preliminary Fee Proposal – Version 1.0

DNP Users Group - Proposed Fee Structure			
Updated: February 27, 2019			
Level	Annual Revenue (USD)	New DNP Membership Fee	Accounts
1	Emeritus Member	\$0	1
2	Individual Member *	\$300	1
3	Individual Member Premium	\$500	1
4	< \$1 Million *	\$500	1
5	< \$1 Million Premium	\$1,000	1
6	\$1 to \$10 Million	\$2,000	10
7	\$10 to \$100 Million	\$4,000	20
8	\$100 Million to \$1 Billion	\$5,000	50
9	\$1 to \$10 Billion	\$6,000	100
10	\$10 to \$50 Billion	\$8,000	100
11	\$50 to \$100 Billion	\$12,000	250
12	Over \$100 Billion	\$15,000	250
13	Platinum	\$20,000	Unlimited
Non-member Categories			
14	Research	\$1	1
15	Student	\$1	1
16	Invited contributors	SA Task Force only	
17	Email distribution list	\$0	



Preliminary Fee Proposal – Version 4.0

DNP Users Group - Proposed Fee Structure

Updated: May 14, 2019

Version 4.0

Fees - Version 1

DNP Membership Fees - Version 4.0

Level	Annual Revenue (USD)	Core Member Fee	Core Member Fee	Partner - Innovation and Development	Partner - Sustaining	Partner - CTR	Partner - Special	Accounts	Listed as:
1	Emeritus Member	\$0	\$0						
2	Individual Member	\$300	\$400					1	Person
3	Small utility (< \$1billion)	\$4000 to \$5,000	\$1,000	\$2,000	\$2,000	\$2,000		5	Company
4	Large utility	\$6,000 to \$12,000	\$2,000	\$4,000	\$4,000	\$4,000		10	Company
5	Micro vendor (0-\$1 million)	\$500	\$500					1	Company
6	Small vendor (1-\$20 million)	\$1,000 to \$2000	\$1,000	\$2,000	\$2,000	\$2,000		5	Company
7	Medium vendor (\$20 to 75 million)	\$4,000	\$2,000	\$3,000	\$3,000	\$3,000		10	Company
7	Large Vendor (> \$75 million)	\$4000 to \$12,000	\$3,000	\$4,000	\$4,000	\$4,000		20	Company
8	Premium and CTR adder	\$4,000	\$1,000						Company
14	Platinum Level	\$20,000	\$25,000					Unlimited	Company
15	NRECA and Other		\$25,000					Unlimited	Company

Notes: (1) Individual members will be listed by their name and not affiliation (2) Access to our Conformance Test Review (CTR) process requires the Premium Adder



Users Group Value Proposition - Utilities

- Opportunity to contribute meaningfully to important industry initiatives (e.g. cyber security)
- Access to security notices and documents such as application notes for RFP wording and DER profile
- Access to updates to IEEE Std 1815™ and new standards
- Users Group hosted Forum
- Webinar updates and training opportunities (planned)
- Greater visibility of the Users Group in the industry – increased participation at conferences etc.
- Number of accounts – depends on the level
- Access to Technical Committee support
- Participation on Utility Council (proposed)
 - Lessons learned
 - Updates from Users Group
 - Sharing and discussion on medium and long term development plans
 - Input on other initiatives
- Corporate Listing on our website
- Additional training / support options

To assist utilities, vendors and the industry as a whole, the DNP Users Group has just publicly released our AN2018-002 – DNP3 Conformance Procurement Guidelines.



Users Group Value Proposition - Suppliers

- Access to our CTR process
- Corporate and product listing(s) on our website including link to your website
- Website analytics data (planned)
- Product Features on the homepage (quarterly)
- Banner Ads
- Use of DNP Logo
- Access to Technical Committee support
- Users Group hosted Forum
- Webinar updates and training opportunities (planned)
- Opportunity to contribute visibly to important industry initiatives (e.g. conformance test)
- Access to security notices and documents such as application notes for implementation guidance and DER profile
- Access to updates to IEEE Std 1815™ and new standards
- Participation on Supplier Council (proposed)
 - Lessons learned
 - Updates from Users Group
 - Sharing and discussion on medium and long term development plans
 - Input on other initiatives



Users Group Value Proposition – Consultants and Integrators

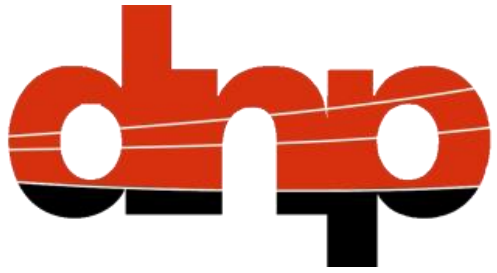
- Corporate and product listing(s) on our website including link to your website
- Website analytics data (planned)
- Service Offering Features on the homepage (quarterly)
- Banner Ads
- Use of DNP Logo
- Access to Technical Committee support
- Users Group hosted Forum
- Webinar updates and training opportunities (planned)
- Opportunity to contribute visibly to important industry initiatives (e.g. conformance test)
- Access to security notices and documents such as application notes for implementation guidance and DER profile
- Access to updates to IEEE Std 1815™ and new standards



Other Ideas Proposed (Surveys)

- Annual Users Group meeting
 - Updates
 - Training
- Support posting of white papers by topic
- Hosted utility lessons learned – could be part of the Forum
- Host monthly webinars – regularly scheduled
- Offer a “Certified DNP Tester” program
- Offer a “Certified DNP Integrator” program
- Separate non-member pricing for key documents (DER profile)





Discussion

Discussion Topics – 1 of 2

- Is there clarity on the need to change the fee structure?
- If not, what are ways we could make it more clear?
- Degree of satisfaction with:
 - Current or new services and offerings
 - Pending level of services and offerings
 - Proposed and possible services and offerings
- Suggestions on new services and offerings?



Discussion Topics – 2 of 2

- Are you satisfied (on balance) with the new proposed fee structure?
- Do you have suggestions on how we might improve the fee structure?
- If this fee structure is approved by the membership in June, do you see issues with your company continuing as members?
- Other discussion and comments?



Preliminary Fee Proposal – Next Steps

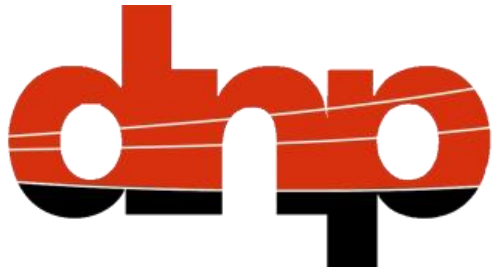
- We want to hear from you!
 - Is the fee proposal viable for you?
 - Additional services and values?
 - How can we retain and grow our membership including renewals?
- Please complete our survey posted on our website.
- Two planned web meetings:
 - May 14th and 16th
 - More will be called if necessary
- All membership voting meeting on June 20, 2019



A Word About the June 20, 2019 Vote

- Normally it is (only) the people that have issues with a proposal, that show up to a meeting like this. We get that, we are all busy.
- Clearly that won't work in this case!
- Please attend the meeting on June 20th or send a person in your place.





Back-up

Preliminary Fee Proposal Comparisons

DNP Users Group - Proposed Fee Structure							
Updated: February 27, 2019							
Level	Annual Revenue (USD)	UCAiug	DNP (Proposed)	OpenADR	SunSpec	Modbus	Profibus
1	Emeritus Member		\$0				
2	Individual Member *	\$350	\$300		\$3,000	\$60	
3	Individual Member Premium		\$500				
4	< \$1 Million *	\$1,375	\$500	\$1,500	\$3,000	Integrator or Mfr \$500	\$700
5	< \$1 Million Premium	\$1,375	\$1,000	\$1,500	\$3,000	Integrator or Mfr \$500	\$700
6	\$1 to \$10 Million	\$2,750	\$2,000	\$3,000	\$3,000	< 100 Employees \$1,500	11-50 Employees \$1,800
7	\$10 to \$100 Million	\$4,125	\$4,000	\$5,000	\$3,000	100 - 1000 Employees \$2,500	50 - 100 Employees \$3,500
8	\$100 Million to \$1 Billion	\$5,500	\$5,000	(>100M) \$7,500	\$3,000	1000+ Employees \$3,500	100+ Employees \$7,000
9	\$1 to \$10 Billion	\$6,875	\$6,000	\$7,500	\$3,000		
10	\$10 to \$50 Billion	\$10,450	\$8,000	\$7,500	\$3,000		
11	\$50 to \$100 Billion	\$16,000	\$12,000	\$7,500	\$3,000		
12	Over \$100 Billion	\$20,000	\$15,000	\$7,500	\$3,000		
13	Platinum	\$25,000	\$20,000	(Sponsor)	\$3,000	\$40,000	
Non-member Categories							
14	Research	\$1	\$1	(Adopter)	\$1,500		
15	Student	\$1	\$1				
16	Invited contributors	\$0	SA Task Force only				
17	Email distribution list		\$0				

