




2017 Membership Report

ANNUAL MEETING SUMMARY

October 18-20, 2017



Agenda

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- Update of Membership Statistics
 - 2017 Membership Review
 - 2017 Annual Survey Review
 - 2018 Membership Focus



Membership Pursuit is a Full Time Job!

Membership is Everyone's Job!

Membership is a Recruiting Process!

Membership is CIBO's Lifeblood



CIBO's Vision

CIBO is dedicated to ensuring that non-utility industrial, commercial and institutional energy producers can continue to provide safe, cost effective and reliable energy to sustain a strong and globally competitive economy.



CIBO's Mission

- CIBO represents the interests of America's non-utility energy producers and users. It is the organization of choice for accurate information and advocacy to achieve safe and cost-effective solutions for industrial energy, technology and environmental issues.
- CIBO activities are designed to:
 - Provide for the focused exchange of accurate technical information among organizational members, government and the public concerning policies, laws and regulations that impact industrial energy systems
 - Provide a forum for the continued education of organizational members, and the broader industrial energy community on advances in technology and operations to improve the reliability, cost-effectiveness and environmentally safe production and use of energy.



Our Challenge

Provide Relevant Direction and Answers
to Energy, Technical and Environmental
Issues in the Ever-changing Political,
Regulatory and Economic Landscape

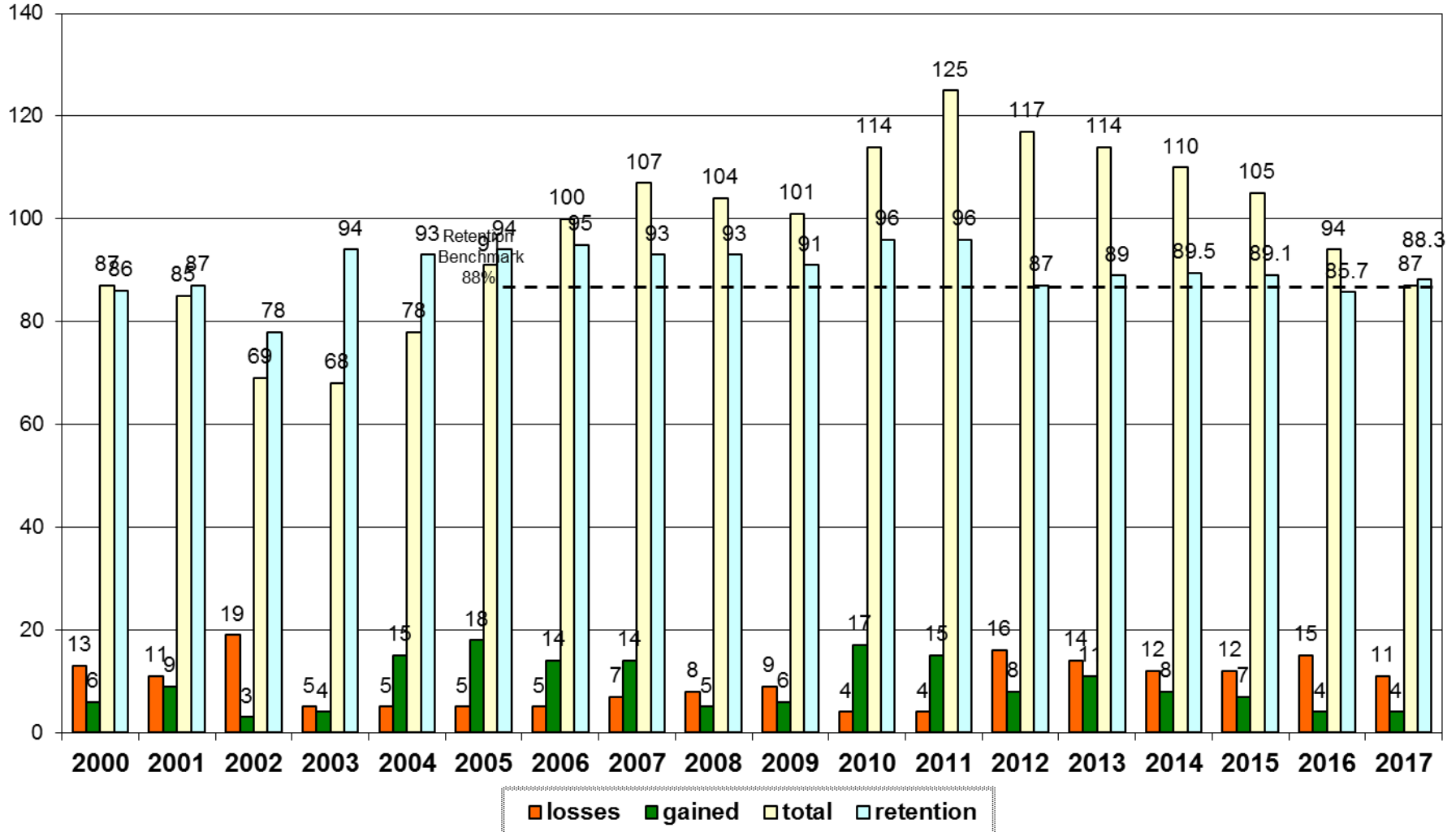


Membership Statistics

- Members (87), Owners (43), Services & Equipment Suppliers (44)
Active: (27), Small Entity Active (1), Associate: (44), University: (15)
- Members Merged/Acquired, Cancelled
 - Active (5), Small Entity Active (0), Associate (6), University (0)
- Members Gained (4)
 - **Accordant Energy**
 - **Air Monitor Corporation**
 - **Stanley Consultants**
 - **Ware, Inc.**



CIBO Membership



Retention Benchmark Source: Association Management & Marketing Resources (AMMR)



2017 CIBO Activities

Key Topics

- Membership Outreach
- Fuel Switching (Natural Gas) Issues & Challenges
- Alternate Fuels are Critical to Survival of Many Plants
- Energy Efficiency is a Major Focus Going Forward
- Water use the Next Big Environmental Issue
- Climate Change rule making is here
- Combined Heat and Power (CHP) and Microgrids
- Environmental Groups and their State and Local focus
- Corporate Sustainability Support
- BMACT Implementation Experience Networking



2017 CIBO Focus

To Be Steady Voice of Reason in Energy and Technology

Promote CIBO's Leadership in: Energy Efficiency, Fuel Diversity, and Rule Making Support to Meet Ongoing Regulatory, Energy and Technology Challenges, including:

- Serve as the Lead for Defining the Climate Change Discussions Agenda
- Forum for Member's Experience in Comparative BMACT Implementation
- One Stop Resource for current direction in Energy & Environmental Issues and Technology Development
- Develop Bridges with Stakeholders, e.g. APPA, SBA, OTC



Membership Committee

- To be the primary CIBO staff support in developing and implementing programs, materials and activities to attract new members, retain existing members and recover former members – to expand CIBO membership to meet the energy and environmental objectives of the association
- Members:
 - Chairman: Denis Oravec, AAI/JMP Engineering
 - Vice Chairman: Mark Bitto, ABB
 - Member Services Consultant: Bob Corbin, Honeywell International (retired)
 - Bob Bessette: CIBO
 - Gail Bessette: CIBO
 - Carl Bozzuto: Consultant, Alstom (retired)
 - Bernie Evans: ERM
 - Fred Fendt: DowDuPont
 - Chuck Hallier: Cargill
 - Eric Hallman: Cargill
 - Jay Hofmann: Trinity Consultants
 - Bob Langstine: Zecco
 - Amber LeClair: B&W
 - Candy Marriott: CIBO
 - Amy Marshall: AECOM
 - Gary Merritt: Inter-Power/AhlCon Partner
 - Bill Testa: Nationwide Boiler



2017 Membership Focus

Strengthen Membership Focused Activities

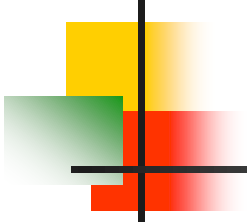
- Increase Communication and Promotional Activities w/Emphasis on the Benefits to Members
- Continued Focus on Member Retention
- Greater Focus on Group Meetings
 - Leverage Topics Based on Member Input
 - Increase the Use of Webinars
- Continue to Solicit Input from Membership
 - Validate CIBO Direction and Actions as we move forward
 - Grow Member Participation in Conferences & Meetings



2017 Membership Activities

New Member Development

- Gained 4 New Members
- Expand Owner Prospects Through the Opportunities Created by Selective Vacatures and EPA Remands: 16 added potential members for "sales" pursuit
- Diversify Outreach to Alternative Fuels Energy Sector
- Seek Alternate Membership Categories
- **Independent Consultant (Recommended to BOD for Member vote later)**
- Small Business Classification Pursuit
- Encourage Prospect Referrals from Members
 - 4 member referrals for "sales" pursuit



2017 Annual Survey

Members Feedback

October 18-20, 2017



Feedback Items

- Response
- Top Legislative, Environmental, Energy, and Technical Issues
- Top Member Services
- Major Benefits of Membership
- Areas That Need Improvement
- Things Would Like To See Added



Response

- 28 Respondents (32% of Members)
- Response Breakdown
 - 16 Actives (59%)
 - Chemicals: 3
 - Food: 6
 - Forest Products: 2
 - Manufacturing (consumer goods): 2
 - Metals: 1
 - Utilities (CHP/District Energy/IPP): 2
 - 6 Associates (13%)
 - 2 Universities (14%)



2017 Annual Survey Results Summary

- Legislative Issues
 - Industrial Energy Policy Moved Up
 - Regulatory Overreach Reform & Streamlining Moved Down
- Environmental Regulatory Issues
 - Environmental Litigation and Water Issues Moved Up
 - BMACT Slate of Rules Moved Down
- Energy Regulatory Issues
 - National Energy Strategy and Fuels Moved Up
 - Natural Gas Supply Moved Down
- Technical Interests and Concerns
 - Energy Efficiency, Safety and Burners Moved Up
 - CEMS Moved Down
- Member Services
 - Annual Meeting Moved Up
 - Industry Issue Identification Moved Down



2017 Annual Survey Results Legislative Issues

Clean Air Act Review & Amendments	4.71
Environmental Issues Support	4.42
Energy & Environmental Regulatory Oversight	4.21
Industrial Energy Policy	4.21
Regulatory Overreach Reform & Streamlining	4.07
Energy Efficiency	3.85
Clean Water Act Amendments	3.85
Global Climate Change	3.14
Thermal Energy Support	3.14
Fuel Supply/Flexibility	2.92



New





2017 Annual Survey Results Environmental Regulatory Issues

NAAQS	4.42
Environmental Litigation	4.21
Boiler MACT Slate of Rules	4.07
Water Issues	4.03
New Source Review Reform	4.00
EPA Next Generation Enforcement Policy	3.96
GHG Regulations	3.92
Title V Permitting	3.85
Emissions Monitoring	3.53
Ozone Transport SIPs (State SIPs, EGU/non EGU)	3.50



New





2017 Annual Survey Results Energy Regulatory Issues

National Energy Strategy	4.00	↑
Combined Heat & Power Cogeneration Opportunities	3.92	↓
Energy Efficiency	3.85	↓
Fuels	3.59	↑
Natural Gas Supply	3.42	↓
Water Availability	3.23	New
Energy Project Evaluation	3.07	
Corporate Sustainability Support	3.00	↑
Utility Regulation	2.92	New
National Energy Policy ACT/Permitting	2.85	New



2017 Annual Survey Results Technical Interests & Concerns

Energy Efficiency (condensing economizers, Ideas)	4.14
Emission Control Systems	4.00
Safety	3.85
Combined Heat and Power	3.70
Burners	3.77
CEMS (state-of-the art, upgrades)	3.64
Emissions Monitoring and Reporting	3.61
Boiler Operation and Performance Optimization	3.57
Alternative Fuels	3.37
Performance Benchmarking	3.35



New



2017 Annual Survey Results Member Services

Networking with Other Members	7.88
Annual Meeting	7.68
Industry Issue Identification	7.64
Email Notices and Reports Distribution	7.64
Technical Conferences	7.45
Conferences and Meetings	7.33
Committee Meeting Minutes & Summaries	7.29
Response to Request for Information	7.25
Issue Information Availability	7.10
Proceedings and Publications	7.04



New



Summary Owner Feedback Benefits of Membership

- Staying Current on Ever Changing Regulatory, Legislative, and Policy Issues; Environmental Regulations Watchdog
 - Access To:
 - Inner Circle Current Information and Intelligence
 - In-Depth Analysis on Key Environmental, Energy and Technical Issues
 - Technical Information and Expertise (conferences, focus groups/forums, meetings)
- Networking/Interacting w/Peers/Customers/Vendors/Consultants
- Active Advocacy/Involvement & Access to Influence Environmental Regulations; Forum for Making Regulatory Comments
- Having an Organized, Technically Based Voice Addressing Issues of Concern to Our Industry



Areas That Need Improvement

- Conferences:
 - Considers ways to improve BMOP and IECT Conference Offerings
 - BMOP: Smart Manufacturing, IoT, Advanced Monitoring and Diagnostics
 - More Technical Case Studies (O&M, etc.) Especially by Owners (50/50 Owner/Vendor)
 - Increase Attendance and Involvement with CIBO by having Inactive Members Give Case Study Presentations
- Committees
 - Energy Committee
 - Needs More Focus on Current Issues With Natural Gas as Sole Source of Production
 - Emphasis on Conservation of Energy, Efficiency, and Alternate Sources (Especially Cutting Edge)
 - Membership Committee Needs to Appeal to Other Non Power Producing Entities That Would Benefit From CIBO Experience
- Issue with CIBO Information Access and Availability
 - Need searchable on-line database of policy and guidance



Things Members Would Like To See

- Hold a “Train-The-Trainer” Meeting on Higher Logic Program so Members can Train Plant Site Personnel
- Broader Focus on Environmental Topics Impacting Turbines, IC Engines, and Other Combustion Equipment Located at Owners Site
- Develop Operations and Maintenance Areas to include all types of boilers and fuels
- Natural Gas combustion oriented issues and regulations, controls, efficiency, monitoring, operation
- Energy Committee Discussion on Energy Savings Associated with Asset Management
- Maybe Opportunity to Modify NSR if EPA Goes from Clean Power Plan to Unit Energy Efficiency to Reduce GHG
- Benchmarking and Environmental Management Systems
- More Direct Access to Resources (Congress/Sub Committees) That Can Affect the Laws to Improve Our Ability to See CAA and CWA Modifications That Are Industry Focused



Market Environment/Trends/Drivers

- Economic

- Many Companies in Cost Cutting/Retrenchment/Survival Mode
- Mergers/Acquisitions/Joint Ventures/Divestitures/Bankruptcies
- Fuel Switching Continuing Stress on Associate Membership Commitments (especially Back End Controls)
- Shift to Asset Management Business Model
- Capital Availability & Allocation
- Slow Economic Growth Worldwide



Market Environment/Trends/Drivers

- Sustainability
 - Workforce Training and Availability
 - Continued Cost & Headcount Reductions Emphasize Lost Knowledge Replacement with Pressure to Utilize Outside Sources for Engineering & Maintenance
 - Craft Labor Availability Putting Pressure On Projects
 - Safety
 - Social Consciousness/Responsibility
 - Technology Disruption
 - Regulatory Understanding and Compliance
 - Supply Chain Management of Carbon



Market Environment/Trends/Drivers

- Environmental Laws & Regulations
 - BMACT Reconsideration
 - Criteria Air Pollutants/NAAQS
 - Water: Cooling Intake, NPDS Discharge, Quality Standards, Shortages, Thermal Discharge, WOTUS
 - Coal Ash
 - Utility MATS
 - Climate Change/Global Warming Legislation/111d regulation/Carbon Tax?
 - Trump Administration Clean Power Plan, Fossil Fuel Restrictions
 - Increasing Regulations on Fracking
 - Ambient Air Assessments (Modeling/Monitoring)
 - Citizens Enforcement (ENGO Involvement)
 - Permitting/ Title V
 - NSR



Market Environment/Trends/Drivers

- Energy
 - Combined Heat and Power (CHP)
 - Gas Infrastructure (Approvals, Court Battles)
 - Fuel Switching
 - Renewables
 - Electrification of previously steam based plant functions
 - Energy Efficiency
 - Microgrids
 - Operations Integration and Efficiency
 - IIoT as an enabling technology



Market Environment/Trends/Drivers

- Where We Are Now
 - Declining Installed Base of Solid Fuel Fired Boilers
 - Increase in Gas Fired Steam Generation Installations
 - Assumption by Some Owners That Gas Fired Units No Longer Require a High Level of Support or Services
 - Current Assumption That CIBO is Primarily Focused on Regulatory and Government Affairs and Related Issues, with Lesser Focus on Technical or Operational Functions

Given Above, CIBO Needs to Re-focus to Remain a Relevant and Viable Organization



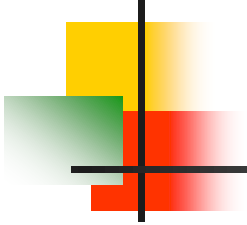
Critical Overriding Questions

- What Makes CIBO Viable into the Future?
- Which Plant Management, Operations and Engineering People at Your Company Should Be Aware of and Using CIBO's Technical Resources?
- What Role Can CIBO Play for Small Independent Power Producers?
- As Industrials Potentially Move to Outsource Their Power Block, What Should CIBO's Role Be?
- If CIBO Was to Extend Its Focus in Steam Plants to Areas Beyond Boilers, What Do You Think Would Be the Most Beneficial Area for CIBO to Address and Assist Industrial Plant Owners?



2018 Membership Priorities

- Broader Marketing of CIBO Technical and Operations Expertise to Members and Non-Members
- Renewed Focus and Pursuit of Remaining Solid Fuel Fired Boiler Ownership
- Expand Focus to include the Needs of Gas Fired Units
- Coverage Beyond Boilers and Steam Generation
- Member Retention and New Member Development
- Promote and Expand Active Participation in the CIBO Higher Logic Community



2018

MEMBERSHIP PLAN

October 18-20, 201



2018 Membership Detailed Plans

- Broader Marketing in CIBO Technical and Operations Expertise to Members and Non-Members
 - Generate/Purchase a List of Key Operations and Maintenance Personnel at Both Members and Potential Members
 - Continue to Work Through Our Membership Representatives for Contacts at Their Plants Which Have Operations and Maintenance Focus
 - Actively Populate Our New Higher Logics "Database" with Discussion Items and Market to Our Members and Potential Members
 - Re-offer Technical Focus Meeting Support as Webinar to Member and Potential Member Companies....Consider Re-scheduling
 - Continued Pursuit of Non-combustion Balance of Plant Areas in the ICI "Powerhouse"



2018 Membership Detailed Plans

- Renewed Focus and Pursuit of Remaining Solid Fuel Fired Boiler Ownership
 - Take Necessary Actions to Define the List of Remaining Solid Fuels Fired Boiler Installed Base
 - Pursue as Typical CIBO Owner Membership Opportunity
- Redefine Focus on the Needs of Gas Fired Units
 - Define the issues facing Gas Fired Unit Owners where CIBO can help, including Focus on Operations and Maintenance
 - Generate Marketing Collateral to Support Gas Fired Unit Owner Member Pursuit
- Exploit CIBO Higher Logic Community
 - Promote and expand member participation in both populating and using the Higher Logic applications



2018 Membership Detailed Plans

- Coverage Beyond Boilers and Steam Generation
 - Examples for confirmation and inclusion
 - Microgrids/Electric Generation
 - Steam Turbines
 - Combustion Turbines
 - Reciprocating Engines
 - Wind Turbines
 - Solar
 - Battery
 - Others as Appropriate (Fuel Cells)
 - Pipeline Support Functions
 - Process Compressors
 - Generators: Gas Turbine, Reciprocating Engine
 - Large Data Centers



New Coverage - Decision Factors

- Is It Real?
 - Is the Market Real?
 - Is There a Need?
 - Is Market of Sufficient Size?
 - Is the Offering Real?
 - Do we have it?
 - Will it Satisfy the Market?
- Can We Win?
 - Can the Offering/Organization be Competitive?
 - On Features/Price/Promotion/# Competitors/Timing/Resources Required?
- Is it Worth IT?
 - Will It Be Profitable?
 - Can We Afford It?
 - Is Return Adequate?
 - Is Risk Acceptable?
 - Does it Satisfy Other Organizational Needs?



2018 Membership Detailed Plans

Member Retention and New Member Development

- Broaden Marketing of CIBO's Technical & Operations Expertise
- Pursue Remaining Solid Fuel Fired Boiler Owners
 - Expand Owner Prospects Through the Opportunities Created by BMACT Reconsideration
- Define Needs, Develop Marketing Collateral, and Pursue Gas Fired Unit Owners
- Develop Business Analysis for Targeted Area(s) Beyond CIBO's Traditional Boiler/Steam Generation Market
- Encourage Prospect Referrals from Members

A Call To Action – Request ONE Referral from Each Member

- Email Prospect's Contact Info to:
 - Candy Marriott (cmarriott@cibo.org)
 - Bob Corbin (corbinbob@aol.com)



Membership.....

**A strong diverse CIBO
is sustained by a
robust & growing
membership**



Membership Pursuit is a Full Time Job!

Membership is Everyone's Job!

Membership is a Recruiting Process!

Membership is CIBO's Lifeblood