

2018 Membership Report

Annual Meeting Summary

October 2018



2018 Membership Report

Agenda

Opening

Membership statistics

2018 membership activities review

2018 market analysis / trends / drivers

2019 membership focus

Closing

2018 Membership Report

Opening

Membership is CIBO's Lifeblood

- Membership Pursuit is a Full Time Job!
- Membership is Everyone's Job!
- Membership is a Recruiting Process!

2018 Membership Report

Opening

CIBO 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.

2018 Membership Report

Opening

CIBO 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.

2018 Membership Report

Opening

CIBO current “product” services: Provide relevant direction and answers to energy, technical and environmental issues in the ever-changing Political, Regulatory and Economic landscape.

CIBO Challenge: Is our current “products” and delivery methods still valid?

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Membership statistics

Members (74)

- Owners (37), Services & Equipment Suppliers (37)
- Active: (22), Small Entity Active (1), Associate: (37), University: (14)

Members Merged/Acquired, Cancelled

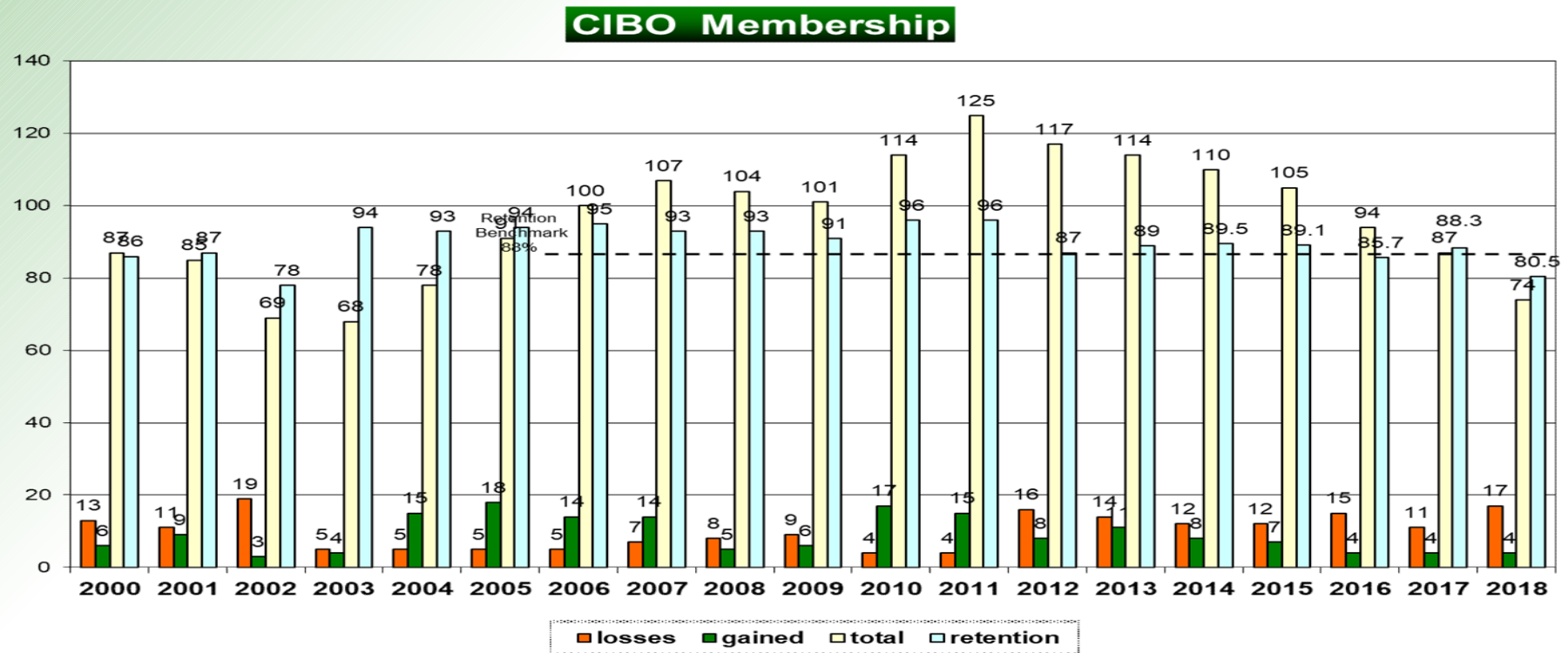
- Active (5), Small Entity Active (0), Associate (11), University (1)

Members Gained (4 Associates)

- Montrose Environmental Group
- Neundorfer, Inc.
- Satorius Stedim Data Analytics
- The Power Experts LLC

2018 Membership Report

Membership statistics



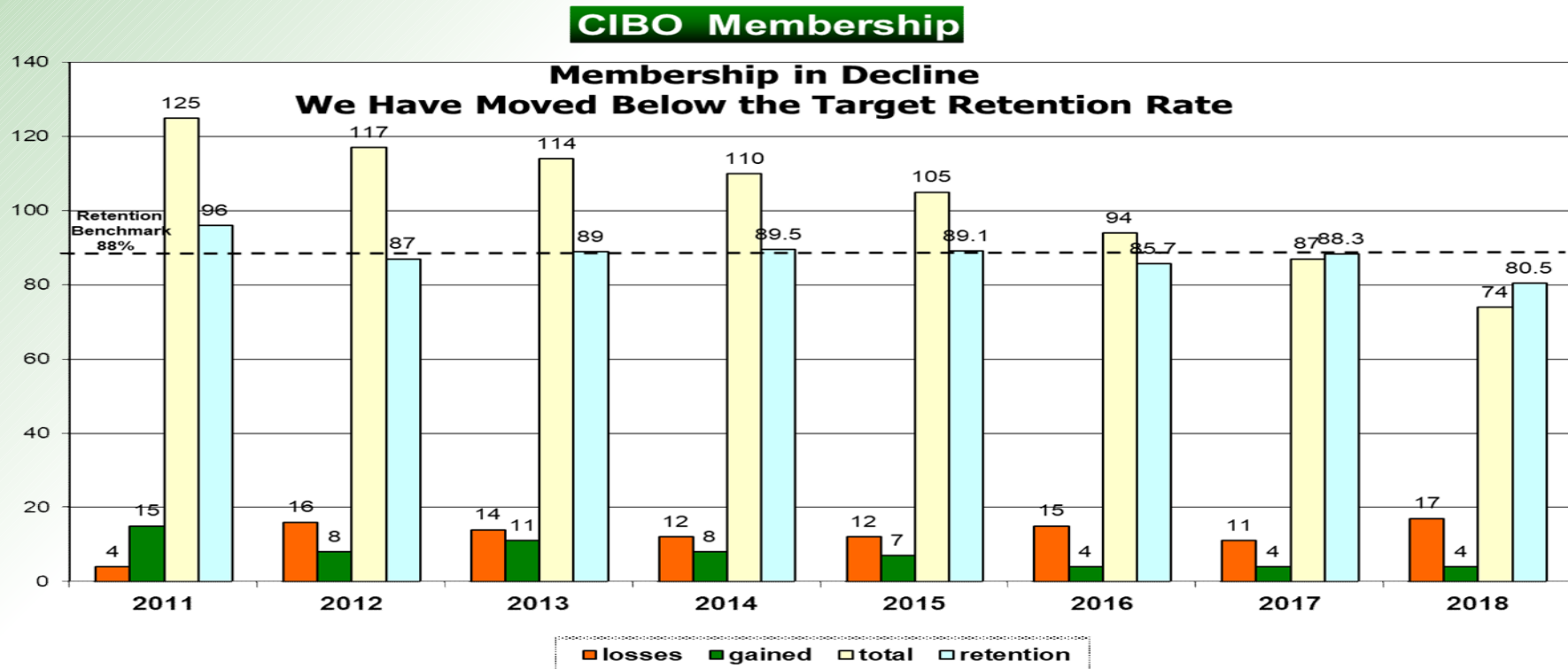
10/25/2018
Slide 9

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



2018 Membership Report

Membership statistics



10/25/2018
Slide 10

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2018 Membership activities review

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 (including biomass, coal fired and wood fired boiler systems)
- 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 Report

2018 Membership activities review

Expand prospect database

- 2017 Annual Meeting Call to Action: One Referral per Member
 - Received 13 Company Leads
 - Followed up with phone calls and Emails
 - Three (3) near term prospective members
- Request for operations contacts from existing owner members
 - Received 3 Company Operations Contacts
- Renewed Focus and Pursuit of Remaining Solid Fuel Fired Boiler Ownership (Data Base of sites/boilers, few contacts)
 - List of Remaining Solid Fuels Fired Boiler Installed Base Developed from CEDRI
 - Prospects Being Pursued as Typical CIBO Owner Membership Category

2018 Membership Report

2018 Membership activities review

Member retention and new member development

- CIBO President Contacting/Visiting Members
- Gained 4 New Associate Members
- Independent Consultant Membership Category Created
 - Two prospects identified and are being pursued
- Prospect Database Expanded From Above Activities
- Prospect Distribution Materials Updated
- Continued to Encourage Prospect Referrals from Members
 - Three Successful Conferences – Based Upon Member Survey
 - Boiler Operations, Maintenance and Performance
 - Industrial Emissions Control Technology
 - Implementing Sustainability – Management and Best Practices **(New)**

2018 Membership Report

2018 Membership activities review

Develop business analysis for CIBO's target market

- Market analysis input requested of members
- Results compiled and analyzed
- Market analysis summary presentation

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Market analysis input summary:

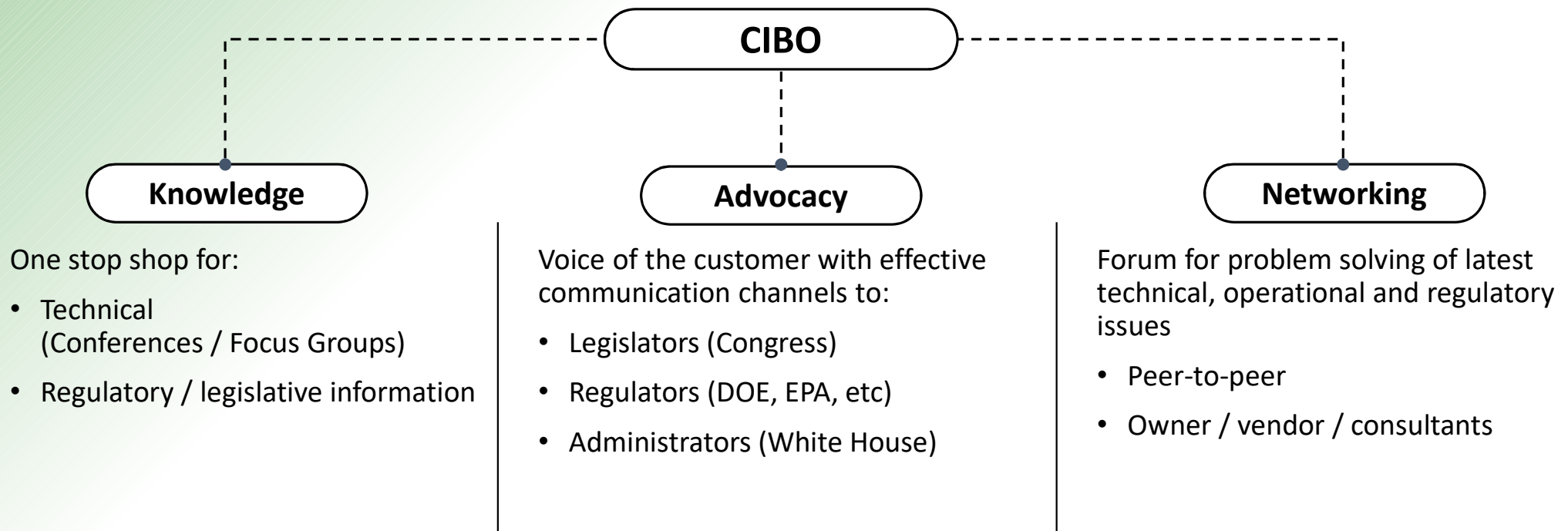
External trends / drivers that threaten CIBO status quo

- Declining installed base of solid fuel fired boilers
- Increase in gas fired steam generation installations
- Owners feedback that gas fired units require lower level of support or services
- Currently no major environmental Issues to address
- Administration is dismantling many of environmental rules
- Many companies in cost cutting / retrenchment / survival mode
- Mergers / acquisitions / joint ventures / divestitures / bankruptcies

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

2018 Membership Report

Market analysis input summary (Strengths)



2018 Membership Report

Market analysis input summary (Opportunities / Threats)

Economic	Sustainability
<ul style="list-style-type: none"> Continued cost & headcount reductions emphasize lost knowledge replacement with pressure to utilize outside sources for engineering & maintenance Rising Cost of Fuel and Purchased Electricity Impacting Cost of Goods Sold Fuel switching continuing stress on associate membership commitments (especially back end controls) Tariff war Shift to Asset Management Business Model Capital Availability & Allocation 	<ul style="list-style-type: none"> Connecting the dots to Social consciousness / responsibility successes Workforce training and availability Craft labor availability putting pressure on projects Safety Technology disruption (IIoT as an enabling technology) Regulatory understanding and compliance Supply chain management of carbon
<ul style="list-style-type: none"> Gas Infrastructure (Approvals, Court Battles) Fuel Switching Alternate energy sources (Renewables, CHP, Microgrids, etc.) Electrification of previously steam based plant functions Energy Efficiency Operations Integration and Efficiency (IIoT as an enabling technology) Will Tariffs and Political Change Impact Energy Prices? 	<ul style="list-style-type: none"> BMACT Reconsideration Criteria Air Pollutants/NAAQS Water: Cooling Intake, groundwater, NPDS Discharge, Quality Standards, Shortages, Thermal Discharge, WOTUS Coal Ash Utility MATS Climate Change/Global Warming Legislation/111d regulation/Carbon Tax Ambient Air Assessments (Modeling/Monitoring) Citizens Enforcement (ENGO Involvement) Permitting/ Title V NSR / PSD reform
Energy	Environmental

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Market analysis input summary (Opportunities / Threats)

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<ul style="list-style-type: none">• Connecting the dots to Social consciousness / responsibility successes• Workforce training and availability• Craft labor availability putting pressure on projects• Safety• Technology disruption (IIoT as an enabling technology)• Regulatory understanding and compliance• Supply chain management of carbon	
Energy	Environmental

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Market analysis input summary (Weaknesses / White spots)

CIBO current “product” white spots	
Natural gas (NG) members	<ul style="list-style-type: none">• Focused NG technical programs• Proactive identification / communication of pending NG unit member challenges
Solid fuels members	<ul style="list-style-type: none">• Communications: Supporting solid fuel boilers to counteract regular misinformation• Communications: Promote successes (Economic, Energy, Environment, Sustainability)
Technical programs	<ul style="list-style-type: none">• A strategy is needed to develop meaningful technical programs (Most recent Hershey conference was a good start)• Up front planning and earlier agenda release
Membership	<ul style="list-style-type: none">• Current assumption is that CIBO is primarily focused on regulatory / government affairs and related issues with lesser focus on technical or operational functions)• Broader membership involvement beyond environmental• Limited diversity within CIBO membership

2018 Membership Report

Market analysis results: Critical overriding questions

What Makes CIBO Viable into the Future?

Do CIBO current “product” (services) support membership retention and growth

On what “products” (services) beyond current offerings should CIBO focus going forward?

How can CIBO Maximize the Extent of Its Focus Beyond Environmental and into Plant Management, Operations and Engineering?

How does CIBO replace the retirements (brain drain) of the member participants who supported our “product” (services) delivery?

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2019 Membership Plan

Member Retention and New Member Development

Broader Marketing in CIBO Technical and Operations Expertise to Members and Non-Members

Expand Focus on the Needs of Gas Fired Units

Exploit CIBO Higher Logic Community

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2019 Membership Plan

Member Retention and New Member Development

- Broaden marketing of CIBO's technical & operations expertise
- 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)

2018 Membership Report

2019 Membership Plan

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 “members only” Higher Logics “database” with discussion items and then market these to members and potential members
- Re-offer Technical Focus Meeting support as webinar to member and potential member companies....Consider re-scheduling
- Consider development of an Operations and Maintenance committee
- Continued pursuit of non-combustion Balance of Plant areas in the ICI “Powerhouse”

2018 Membership Report

2019 Membership Plan

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

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The next 40 years...what does CIBO do?



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Closing: Critical overriding questions

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Membership....

A Strong diverse CIBO is sustained
by a robust and growing membership

Membership Pursuit is a Full Time Job!

Membership is Everyone's Job!

Membership is a Recruiting Process!

Membership is CIBO's Lifeblood

