

Organization Check Up

The demands of the new energy economy, emerging technologies, changing regulatory requirements, changing customer expectations and demographics and hiring challenges are pressing public power managers to examine all aspects of utility management and operations. For guidance on utility best practices from professionals who have worked with hundreds of public power organizations, bring in the staff of Hometown Connections to conduct an Organization Check Up (OCU).

With expertise in the energy industry and municipal governance, Hometown Connections offers guidance from a trusted entity with public power's best interests in mind.

Many public power systems are struggling to contend with the demands of daily operations while delaying the setting of long-term goals and priorities. Senior staff members are retiring faster than many utilities can replace them. The advantages of new technologies often seem out of reach due to costs and complexity. Customer service practices may be out of touch with community changes. The staff of Hometown Connections has worked with hundreds of public power systems tackling these same issues and more, creating realistic blueprints for future success. Hometown's consulting services include the OCU, strategic planning, business planning, governance development, and customer research.

Through the OCU, Hometown Connections staff members with vast knowledge of public power best practices provide a quick and cost-effective assessment of key areas of utility management and operations. A typical OCU includes 2 days onsite at the utility followed by a written report that documents strengths, weaknesses, opportunities, and threats, as well as specific recommendations for improvement.

An OCU is a low cost, quick strength/weakness assessment of the utility's full range of business processes:

- customer service, community outreach
- utility programs
- power supply
- distribution operations
- administration, accounting and finance
- strategic planning
- human resources, employee safety
- governance
- technology

Hometown Connections designs the OCU for individual utilities as well as joint action agencies/state associations. The process is positive in tone, organized around team building exercises for boards and staff. Hometown's easy-to-read report presents achievable recommendations which are practical, realistic, and economical. The Hometown staff has conducted OCU's for more than 50 public power utilities. Pricing is based on utility size.

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Using Organization Check Ups to Improve Utility Policies, Procedures & Planning

Committed to incorporating the best industry practices for a municipal utility, the City of New Bern in North Carolina brought in the team from Hometown Connections to conduct an Organization Check Up (OCU) twice in the past four years. “We began with the OCU to determine what we were doing well and what areas needed improvement,” said Jon Rynne, Director of Utilities. “We also needed to share with our newly elected governing board validation from a neutral third party that our Electric Utility is operating in a professional and efficient manner.”

The City of New Bern selected Hometown Connections for the organization assessment because the Hometown staff has an extensive amount of experience working with municipal utilities. “We wanted a group that had exposure to a lot of municipal utilities and a good understanding of the public power business model,” Rynne said.



During the first OCU, New Bern and Hometown officials tackled numerous issues regarding customer payment policies, implementation of new technology, and fiscal planning. Four years later the City brought Hometown back for a second OCU to confirm they were implementing suggested changes correctly and to ensure the utility is moving in the right direction.

The City arranged for the senior staff and many front line employees to participate in the OCUs. Included in the process were representatives from the Electric, Water and Sewer Operations; the Utility Business Office; the City Finance Department; and the City IT Departments. Two members from the New Bern City Council and the City Manager also participated in the process.

In preparation for the first OCU, Jon Rynne circulated to all participants the list of topics and some suggested questions specific to the Utility, to get everyone thinking about the issues in advance of the OCU sessions. For the second check up, everyone received the report from the first OCU and a list of new topics for the group to review.

“Our participants were excited to discuss with Hometown what they do and how they do it,” Rynne noted. “We have been making a lot of changes at the utility and the OCU validated for our staff that we are doing the right things. Everyone agreed it was a great experience. Hometown’s staff did a superior job as facilitators. They kept the sessions on topic and provided helpful feedback about the issues that were discussed in each meeting. Hometown provided excellent examples of best practices in each functional area that they had observed at other public power entities.”

Based on the results of the first OCU, the City of New Bern implemented the next phase of its advanced metering deployment and utility technology upgrades. They have deployed an AMI system for electric and water metering, completed a GIS map of the electric system, and upgraded its SCADA system. Today, the City is working towards obtaining an OMS/IVR solution to work with all of the new information systems now in

place. In addition, based on the first OCU, the City changed drastically its policies for payment arrangements, late payments and deposit requirements. “We have seen tremendous results in the reduction of liability of non-paid accounts over the past fiscal year,” Rynne stated.

Steven Anderson, Utility Business Office Division Manager, added, “The OCU is a great opportunity to do a self-assessment of a municipal utility. Having Hometown conduct the OCU provides the opportunity to validate that the initiatives that are present at the utility are in keeping with best industry practices. And, Hometown can provide great insight from other utilities as to what areas need improvement and how to improve them. The OCU provides a valuable roadmap to continuous improvement of a municipal utility and has helped us tremendously.”

For more information:

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