



Chapter 4

Communicating the Value of Public Power

Good communication and public relations are vital long before a sellout attempt ever emerges. Many public power utilities have withstood takeover attempts because they enjoyed the strong support of their customer-owners. These utilities laid the groundwork for this customer loyalty long before the privatization attempt. Support comes from positive employee relations, a strong communication program and active involvement with customers and the community.

You should continually present a consistent, cohesive message to customer-owners on the value your utility provides the community. It is important for the community to understand the benefits of owning a public power utility and the non-utility services your utility provides, such as payments-in-lieu of taxes, hanging holiday decorations and participating in community events. In doing so, you develop goodwill before an outage occurs, a rate increase is proposed or the sale of the utility is suggested.

All stakeholders—including city officials, utility management, municipal employees and unions, residential and business customers, and the news media—should be included in the communication process to ensure they understand the benefits of public power and the utility’s contributions to the community.

Most importantly, develop a reputation for presenting information in a clear and straightforward manner, including both good news and bad. If your customers know they can trust the information you provide, then they will listen to your arguments in a sellout discussion.

Crafting Your Message

When communicating your utility’s value, crafting the right message is essential. Effective messages focus on these areas:

- Community values and how the electric utility upholds them

- Utility values and how they benefit your community
- Utility strengths and how they reinforce your values

One at a time

Have you ever noticed that when national brands change their advertising, they change everything at once? They might come out with three or four different commercials at the same time, but they all have the same theme (and usually the same tagline). If you see other ads for the brand—whether in magazines, billboards or over the radio—you will usually find that all those different ads still maintain the same basic look, theme, or tagline. This approach builds brand recognition—getting you to associate certain ideas with their brand. The more they can repeat and reinforce that same idea, the more likely it is to stick.

In building your utility’s brand, you want a message that is clear, concise and memorable. If you put out too much information at once, you will create information overload. When that happens, people will remember only one or two of your messages—or may tune out your communication entirely, absorbing none of it.

In crafting your message, find one that will resonate with your community. You can try different messages over time, but it’s best to keep your messaging simple. Just remember: one at a time.

Keep It Simple

Limit yourself to one message at a time. Don’t overwhelm your audience with too much information at once; a clear and concise message will be more digestible and memorable.



Community Values

What does your community value? And how does your utility uphold and support these values? Focusing on community values is a great way to show that the utility is an integral part of the community and reminds citizens that the utility is a community asset.

A few examples of community values, and how the utility might support these, include:

- **Independence and self-reliance.** Do your citizens pride themselves on being self-reliant? You might want to emphasize local control—your community meets its own energy needs because you have a public power utility.
- **Environmental stewardship and leadership.** Is your community “green”? Talk about ways your utility supports those goals—through conservation, energy efficiency or renewable energy programs, or through efforts to help minimize the impact you have on parks and waterways in your community.
- **Friendly and neighborly.** Does your community take pride in the fact that residents are friendly and always helping each other out? That’s a perfect opening to highlight your customer service and community

engagement activities. Talk about your customer outreach and the community activities you sponsor or participate in. You are not just another nameless corporation; you are a neighbor.

- **Future-looking and forward-thinking.** Is your community up-to-date on current events and fast to adopt new technologies? You could talk about what your utility is doing to prepare for the future—whether through new technologies or other changes to help the utility (and community) succeed over the next 10, 20 or 30 years.



MORE INFORMATION

Refer to the section on “Local Priorities” in Chapter 2 for more ideas on ways your utility may already be supporting your community’s values.



Speak Like a Customer, Not a Bureaucrat (or an Engineer)

Make sure you are using language your customers will understand. Many of the words and phrases we use every day have little meaning to those outside the electric utility industry. For example, customers do not talk about electric rates—they talk about electric bills.

CONFUSING TERMS

CUSTOMER-FRIENDLY ALTERNATIVES

Rates	Bills, prices
Appropriate	Fair
Restructure	Change
Reliability	Keeping the lights on
Sustainability	Cleaner, safer, healthier
Power, kWh, MWh	Electricity, “juice”
Payment in lieu of taxes, transfer to the general fund	We invest in our community
Shared services, in-kind contributions	We help keep costs down for other city services
Local utility vs. private utility	Local government
Aesthetics, undergrounding of utility lines	Our beautiful town

This list is by no means comprehensive, but is intended to help you start thinking about how you can form your messages in a way that speaks to your community and stakeholders in a way that resonates with them.

Utility Values

Tell your utility's story. Define your utility's values and what they mean for the community.

You may think your community already knows who you are and what you do—after all, you have been doing it for years—but you cannot assume your customers know who you are.

The American Public Power Association surveyed 1,600 public power retail customers between December 2015 and January 2016 and found that most customers **do not** know what public power is, or what it means for them. According to the survey:

- Only 1 in 5 public power customers under age 55 knows that the utility is community-owned and not-for profit
- At least 30 percent of public power customers think their utility is profit driven
- Up to 28 percent think their utility is privately owned.

Clearly, public power utilities can and must do better at telling our story—and we have a good story to tell. Themes you may want to emphasize include:

- **Service-oriented** – The utility is owned by its customers and exists solely to serve those customers.
- **Community-owned** – Because it is owned by the community, the utility helps to advance the good of the whole community.
- **Local control and decision-making** – Decisions are made locally, reflecting the community's needs and values.
- **Not-for-profit** – Since it does not have separate shareholders to please, the utility can focus on its core operations of providing safe, reliable electricity to its customers with no divided interests.
- **Responsive** – Because you are part of the community, you react to its needs.

Utility Strengths

Another effective message is to focus on your strengths: let your community know what you do best. This type of messaging is most effective when paired with the values-based messaging discussed above, but even without that, promoting your strengths is a good way to communicate your value to the community.

Strengths-based communication may emphasize:

- **Electric rates** – If your rates are lower than other utilities—particularly compared to your neighboring utilities—let your customers know. Make sure you put the message in terms your customers can easily understand.

Most customers think about their utility bill; they do not think about the rate they pay per kilowatt-hour. Identify the average monthly savings your customers realize because they are served by your public power utility.

- **Reliability** – If your service is more reliable than nearby utilities—you have fewer outages and restore service faster—you have bragging rights. Customers think their electric bill is the most important thing until the lights go out. If you are providing more reliable service, let them know.
- **Customer service** – You pride yourself on your outstanding customer service, but if your customers interact with you only when they pay their monthly bills, they may not appreciate the value of your service. Let your customers know about the high-caliber customer service you offer—including what programs you offer and options for how customers can reach you.
- **Awards** – Winning an award or getting a utility-wide recognition is a perfect opportunity to reach out and let your customers know what you have done to achieve it. Whether it is recognition for your reliability, safety record, customer service, community service activities or for your sound governance or financial management, let your customers know about your achievement.

Communication Strategies

Carefully crafting your message is only part of effective communication; you also need to present your messages to the right audiences, in a way that is more likely to help your message break through.

It may be helpful to figure out who your target audience is and then develop a strategy to meet their needs and interests. Even if your target audience is “everyone,” different segments of your audience will want to receive the message in different ways, so you need to be thoughtful about the ways you build relationships with your various stakeholders.

Continuous Messaging

Sometimes it pays to repeat yourself. Do not assume that if you tell your stakeholders about your value once that they received your message and remember it. Customers move, board members change, and people forget. Commit to making communicating your value a regular part of all your stakeholder communication.



Communicating with Local Officials

It is essential that you communicate the value of your public power utility to your governing board, city council and other local officials.

Educating and communicating with your local officials presents a challenge. You must walk a fine line between overwhelming them with information and providing too

little information that they will struggle to understand key utility policies and the value you bring to your community. Most utility governing board members perform this role in addition to another full-time job. You'll have to compete for their time and attention with all of their other priorities—other city issues, their day jobs and even other utility issues.

Strategies to communicate the value of public power—and your utility in particular—to **local officials**

- Build the information in to the formal orientation process for new utility board/city council members. The board member orientation should include information on the value of the utility (and benefits of public power); information about their duties and responsibilities; the specific tools and resources they need to perform those responsibilities; and information to get them up-to-speed on current utility issues.
- Schedule regular meetings or conversations with local officials and their key staff to discuss utility issues and any concerns. Offer support, special analysis and research, when appropriate. Use the opportunity to ensure they know the value of the utility.
- Participate in city council or utility board meetings. Attend meetings so you understand the other issues they are dealing with and are not caught unaware when other issues impact the utility. Give presentations on the utility's value and any major issues it is facing.
- Involve your board and local officials in utility activities. Give them opportunities to participate in employee events, and help them get to know all the functioning components of your utility.
- Educate your board and local officials to keep them up-to-date on utility issues. Remember, they have other jobs or commitments—it is your job to make sure they understand as much as possible about your utility and the industry. Make sure they attend conferences and receive industry reading material. The American Public Power Association offers many educational opportunities for governing boards—including conferences, webinars and in-house training opportunities—to help your officials better understand their roles, the industry and become more engaged.
- Participate in local legislative events. If your state or national legislators visit your community—or if your local officials go to them each year—make sure you are a part of the activities. Get to know your legislators (and make sure they know who you are, and what you are doing for your community) before you need them.
- Maintain relationships with local, county and state officials and members of Congress.

Communicating with Residential Customers

Getting the word out about your utility's value to your residential customers is important. As a public power utility, your customers are also your owners. While

you cannot expect your customers to have a truly comprehensive understanding of the utility's value, you can make sure they know the basics:

- They are served by a public power utility.

- Because it is public power, your utility is locally owned and operated, not-for-profit, and dedicated to serving the community.
- Your utility makes the town a better place to live because of the many benefits it brings to its customers and the community.

Getting this message out to your customers can be tricky; your customers are diverse and may have little (if any) contact with you outside of getting their monthly bills. You need to try multiple communication strategies to

increase your odds of reaching as many customers as possible.

Keep your message simple. Your customers are already your customers; they do not want or need a sales pitch and your efforts may backfire if they feel you are spending too much time or money on self-promotion.

Often actions speak louder than words: instead of just telling your customers how you support the community, show them. Be a visible part of community events.

Strategies to communicate your utility's value to **residential customers**

- Infuse the public power message using every customer touch-point (telephone, emails, web, etc.). For example, customer service representatives can answer the phone by saying "Thank you for calling ABC, your community-owned utility," and all employees can add a tagline to their email signatures promoting this message.
- Post information on your website about the value of your utility and answers to frequently asked questions.
- Include a different, quick "did you know" fact about the utility each month on the utility bill.
- If there is no space on the bill, print your message on the bill envelope.
- Use bill stuffers to include a little more information about what it means to be served by public power, your utility's programs or how you are supporting the local community.
- Make use of social media outlets like Facebook and Twitter to promote your value. The American Public Power Association has some communication templates you can use to start promoting your value to your customers over social media.
- Create a video about your utility to post on YouTube and promote via email and social media.
- If the utility or city has a regular customer newsletter, include information about the value of the utility and public power in that space.
- Introduce the utility to new customers. If you already have welcome kits or packets for new customers, be sure to include information on what it means to be served by a public power utility and how the utility helps the community. If not, include information in their first bill, confirmation of new service or other written communication from the utility.
- Make utility personnel available to speak to community groups. Teach schoolchildren about electrical safety, energy efficiency or careers in energy (or STEM careers in general). Speak to adult education classes, senior citizen groups or other community groups about utility programs and priorities or strategies to lower monthly bills.
- Get involved in community events. Community fairs, charity walks, farmers markets or other events may present an opportunity to distribute information about your programs and let people know what you are doing in the community.
- Try to get recognition whenever you are supporting community events. Include your logo on banners and brochures for events you are helping to sponsor or support so customers recognize your role in making those events happen.
- Do not hide your trucks when they are not in use—put them to work. If you are supporting a local parade, perhaps your utility trucks (with your logo on the side) can pull floats. Give children an opportunity to go up in a bucket truck at local festivals or school carnivals. If electric vehicles are part of your fleet, show them off at local car shows or other community events.



CASE STUDY:

Quick action and customer education make the difference

MT. PLEASANT CITY, UTAH • 2016

LESSONS LEARNED:

- *The earlier you can make your case to your customers and stakeholders, the better. Don't wait for sellout proponents to get a foothold in your community.*
- *Public opinion matters. Build goodwill with your customers, and demonstrate your value to them. Local officials are far less likely to proceed if public opinion is for retaining ownership of the utility.*

Mt. Pleasant City, Utah, was facing a budget crisis. Between existing loans and upcoming projects to repair roads and the water and sewer systems, the city needed \$19.5 million for all its infrastructure needs; the city's capital fund had only \$750,000.²¹ The mayor supported selling the electric utility to cover the costs of these needed infrastructure upgrades.

After much pushing from the utility's superintendent, the mayor agreed to hold a city council meeting, where the sole agenda item would be the proposed sale of the utility to Rocky Mountain Power, a neighboring investor-owned utility. The superintendent was influential in getting public support and attendance at the city council meeting; the city chambers were overflowing with standing-room only.

At the meeting, the superintendent emphasized that the utility belonged to the citizens, and focused on the benefits of public power. Key themes were the value of

local control; the utility's high service reliability and quick outage response time; the utility's direct and indirect financial contributions to the municipal government and community; and how the utility supports the local economy.

At the end of the meeting, the mayor took a straw vote of the citizens present to see where public opinion stood. Only four citizens favored continuing to investigate a sale; the rest overwhelmingly voted against any further consideration. So strong was the demonstration of public support for the utility that the issue was set aside and the city continues to own and operate its successful public power utility.

²¹ Ray LaFollette, "Mt. Pleasant considers power department sale," *The Pyramid*, December 15, 2016.

Communicating with Business Customers

Your business customers are a key constituency. Reach out and let them know your value and how you are helping them.

Consider tailoring your message for commercial customers to focus on those things that specifically benefit them. For example, you might focus on your low rates, high reliability, or your programs and services that specifically target business customers.

Strategies to communicate effectively with **business customers**

- Establish a key accounts program to develop strong relationships with large commercial and industrial customers to ensure they receive the best service possible.
- Devote a section on your website to business customers, focusing on programs and services you offer them. Incorporate information on how your utility is good for local businesses.
- Identify and build alliances with community and business organizations, including the Chamber of Commerce, union leaders, and Rotary and Kiwanis clubs.
- Make utility personnel available to speak to local business groups, including the Chamber of Commerce, union leaders, and Rotary and Kiwanis clubs.
- Touch base with key customers regularly to learn about their needs and concerns.
 - Try a mix of group events—like quarterly breakfasts or lunches with your largest customers and local officials—and individual visits or phone calls to get to know your customers, and let them get to know you.
 - Use the opportunity to let them know about new utility programs and services or other developments at the utility that may impact them. Even if the news is not welcome—for instance, a rate increase—your honesty will be, and you can use the opportunity to build your relationship by reminding them of your energy-efficiency programs, or offering to conduct an energy audit, etc.

Communicating with Employees

Communicating the utility's value to your employees is essential. Your employees are also members of the community. More than just customers, they are also ambassadors for your utility, representing the utility both on the job and off. Do not assume that your employees know everything your utility is doing to help the community.

Educating your employees about your utility's value should not stop with your communication department, or your front-line staff. After hours, your employees may go to the grocery store or run errands before changing out of their uniform or other utility-branded attire. Their friends and neighbors may ask them questions about the utility. Be sure your employees are prepared to answer questions.

Strategies to help empower your **employees** to understand (and explain!) the value of your utility

- Train all employees on the value of public power, why you are in business, and how your utility benefits the community. Build this into your employee orientation for new employees, and schedule presentations to reach your current employees. Make sure all employees—not just managers—participate.
- Use employee newsletters, your intranet, bulletin boards in the break room, or other means to remind employees continuously about the value your utility provides. A quick “did you know...” item highlighting one aspect of your value may be enough to remind them about your utility's value—and to make them feel good about working for a utility that makes a difference in the community!
- Build a culture of trust and confidence. This is a necessary foundation for your employees to believe you and want to share your utility's value. It will also be critical to keeping employees motivated and engaged if a sellout is proposed. Your organizational culture should promote accountability and honest, open and transparent communication between employees and leadership.
- Equip employees with easily understandable responses to common questions they might hear while out in the community. Provide fact sheets or wallet-sized cards they can carry when they are off-duty.

Communicating with the Media

Your local media has the ability to shape the opinions of all your key stakeholders—local officials, employees, residential and commercial customers—so it is vital to establish and maintain good relations, and make sure they know the value of the utility, long before your utility enters the news.

Tips to help you establish and maintain a good working relationship with the **media** and to educate them about your utility

- Help news media personnel do their jobs. When they reach out to you, respect their deadlines and be responsive to their questions and requests for quotes. When appropriate, offer to enlist the help of state and national public power advocates (state, regional and national associations or joint action agencies) to provide quotes, data, or other assistance.
- Local media does not just mean newspapers. Maintain contact with print, radio and television media.
- Provide media contacts with press releases to highlight utility programs, achievements, and ways the utility is participating in the greater community. Give your news releases exciting headlines that will get readers' (and media) attention. Provide visuals (photos, charts/graphs, even video) whenever it makes sense.
- Become a news source. Provide robust content on your website, and update it regularly. This will give members of the media (not to mention your customers) reason to visit your site regularly—which can help them learn more about what your utility is doing. For instance, you could provide information on energy information, safety tips, storms and outages, and features to humanize the utility—focusing on your community involvement and human-interest stories involving your employees.
- If not strictly prohibited, support local media by purchasing advertising.



MORE INFORMATION

Refer to Chapter 8 for more strategies for communicating with stakeholders specifically in a sellout evaluation.

Continuous Messaging

Communicating the value of your utility should be an ongoing effort. The media you use to communicate, the message you try to get out, and how often that message goes out will all impact the efficacy of your communication efforts. Consistent, positive messaging delivered through multiple communication channels over a sustained period will be necessary to get your message across.

Building goodwill

Your ongoing campaign to extol the benefits and advantages of public power should go hand-in-hand with an effort to build goodwill with customers. While goodwill is intangible, it is built on concrete practices that cultivate customer loyalty day-by-day.

You build loyalty when you visit your large customers regularly to learn more about how you can help their businesses succeed; when you take time to talk to your customers about why their bill is higher this month, or how they can save on next month's bill; when you set up a booth at the local fair to talk about electric safety or energy efficiency. You foster goodwill when your goal is to ensure that every customer receives a bit more than expected for the money paid, and that each and every customer transaction is a positive one.

Public Power Week

Public Power Week in October is an excellent opportunity for public power utilities to open their doors to customers and community leaders. Through Public Power Week activities, utilities can show their customers how the utility benefits them and that customers have a voice in utility decisions.

The American Public Power Association has materials to assist municipal utilities with Public Power Week and other communication efforts throughout the year. These materials include sample speeches and guest columns, letters to business customers, Public Power Week proclamations, letters to public officials and candidates, salutes to employees, news releases and radio spots. For more information on Public Power Week, visit www.PublicPower.org under "Education & Events."