

AMERICAN PUBLIC POWER ASSOCIATION



## FOR THE



We were doing grid mod before it was cool.



Grid modernization is the latest industry catchphrase pushing better grid reliability, resiliency and security. At Sensus, this has been our sole purpose for over 20 years. Grid mod may be an industry trend-but we just call it "business as usual."

See how Sensus can help take your grid to the next level. Sensus.com/GridMod



What do these three major initiatives have in common?

- SMART GRID
- WRENEW BIEFEREN
- "STORM HARDENING"

They all require a robust underground primary cable system - such as our OKOGUARD EPR insulated cables.

**GOING STRONG FOR OVER 50 YEARS!** 



Okonite Cables...A higher Standard!







MAY - JUNE 2019

## LEADING FOR THE FUTURE

#### **4 Leadership in Adversity**

Association President and CEO Sue Kelly points out that in increasingly divisive times, public power leaders need to consider all sides of the complicated issues and technological changes we face in our communities — and must strive to find resolutions that work for everyone.

#### 6 A Leadership Road Map from Four American Presidents

Renowned presidential historian and Pulitzer Prize-winning author Doris Kearns Goodwin provides a roadmap for life and leadership based on the lives of Abraham Lincoln, Theodore Roosevelt, Franklin Roosevelt, and Lyndon Johnson.

#### **10** Leadership Lessons from Public Power Superstars

Winners of the 2019 American Public Power Association leadership and service awards share advice and outline the distinctive traits and abilities that drive leadership in public power.

#### **24 Excellence in Public Power Governance**

Veterans define what goes into a successful board-management relationship — trust, sharing, delineation of responsibilities, and more.

#### 30 Mayors Proclaim Pride in Public Power

Mayors from across the U.S. tell us how their communities are enriched by having a not-for-profit, community-owned electric utility.

#### **34 How Leaders Empower Excellence**

Four public power stalwarts describe how they've created a culture of excellence in their organizations and share what distinguishes successful public power leaders.

#### **48** Women in Leadership: Unique Strengths, Unique Challenges

Five prominent women in public power share their perspectives and tips on how women can recognize and leverage their strengths in a competitive world.

#### **52 Motivating Leaders to Invest in Cybersecurity**

Learn what the experts say about how to get your board vested in protecting your utility's critical systems and sensitive data from increasing cybersecurity threats.

#### 54 Leadership in Service: Light Up Navajo

Read about the unique nationwide mutual aid effort to bring electricity to hundreds of homes within the Navajo Nation for the first time.

#### **56 Passing the Leadership Baton**

The incoming and outgoing chair of the Association's board of directors trade advice and inspiration, and outline the challenges that lie ahead.



#### **SPONSORED CONTENT**

## **32** Leveraging Utility Enterprise Solutions for Outage Automation

Read how Pascoag Utility District is using technology to integrate their data and functions to run more efficiently and communicate effectively with customers.



#### **EDITORIAL TEAM**

Delia Patterson Sr. VP, Advocacy & Communications & General Counsel

Meena Dayak Vice President, Integrated Media & Communications

Paul Ciampoli News Director

Susan Partain Senior Editor & Content Strategist

Robert Thomas Creative Director Sharon Winfield Lead Designer, Digital & Print

Samuel Gonzales Director, Digital & Social Media

David Blaylock Senior Manager, Integrated Media & Communications

Tobias Sellier Director, Media Relations & Communications

Taelor Bentley Integrated Media & Communications Assistant

#### **INQUIRIES**

Editorial News@PublicPower.org 202-467-2900

Subscriptions
Subscriptions@PublicPower.org
202-467-2900

Advertising EHenson@Naylor.com 352-333-3443

Advertising is managed by Naylor LLC.

Public Power Magazine (ISSN 0033-3654) is published six times a year by the American Public Power Association, 2451 Crystal Drive, Suite 1000, Arlington, VA 22202-4804. ⊚ 2019, American Public Power Association. Opinions expressed in articles are not policies of the Association. Periodical postage paid in Arlington, Va., and additional mailing offices.

For permission to reprint articles, contact News@PublicPower.org

#### ABOUT THE AMERICAN PUBLIC POWER ASSOCIATION

The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. We advocate before federal government to protect the interests of the more than 49 million customers that public power utilities serve, and the 93,000 people they employ. Our association offers expertise on electricity policy, technology, trends, training, and operations. We empower members to strengthen their communities by providing superior service, engaging citizens, and instilling pride in community-owned power.

Postmaster, send all address changes to: American Public Power Association 2451 Crystal Drive, Suite 1000 Arlington, VA 22202

## **PUBLIC POWER LINES**

SUE KELLY, PRESIDENT & CEO, AMERICAN PUBLIC POWER ASSOCIATION

#### **Leadership in Adversity**

n this issue of *Public Power Magazine*, I am humbled and thrilled to be in the company of some of public power's brightest and best, as well as presidential historian and Pulitzer Prize-winning author Doris Kearns Goodwin.

I am a big Goodwin fan — my favorite book of hers is Team of Rivals, which is about President Abraham Lincoln and his cabinet. I am now reading her latest book, *Leadership in Turbulent Times*, in which she examines the lives of Lincoln, Theodore Roosevelt, Franklin Roosevelt, and Lyndon Johnson "through the exclusive lens of leadership."

In the foreword, Goodwin asks "How does adversity affect the growth of leadership? Do the times make the leader or does the leader shape the times? How can a leader infuse a sense of purpose and meaning into people's lives?" And then she proceeds to show us how the four presidents she profiles overcame jaw-dropping adversity (extreme poverty, debilitating illness, loss of loved ones, and much more) to inspire others and move our nation forward through some turbulent times, including the Civil War, the Great Depression, and World War II.

I hope you enjoy the interview with Goodwin in this issue of *Public Power Magazine*. Her leadership lessons, shared with all of us, can help us understand what public power leaders need to succeed in the turbulent times we are seeing in our own industry.

The public power award winners, visionaries, trendsetters, and policymakers also featured in this issue answer Goodwin's questions in their own ways. They share how they've made the most of their opportunities and the challenges they have surmounted as they work to raise the service bar in their respective communities.

President John F. Kennedy noted that "Leadership and learning are indispensable to each other." As I near the end of my own leadership journey here — you likely know that I am retiring from the Association at the end of 2019 — I am starting to look back on what I have learned. I think about what thoughts I can offer to those who come after me, who will have to deal with increasingly turbulent times.

If I have learned one thing during my time at the Association, it is that public power is blessed with an abundance of smart and dedicated leaders. I have traveled extensively to visit with our utility members. I am repeatedly impressed by the care and attention public power leaders pay to their mission of providing reliable, affordable, and environmentally responsible electric service in their respective communities.

However, more than that, their utilities are vital parts of their communities, reflecting the community's values and contributing in many ways, both very tangible (like economic development) and not-so-tangible (like offering their headquarters buildings for

community meetings, volunteering in schools and local causes, and helping to put on community events). They say that the first key to success is showing up, and public power leaders show up every day.

But in the increasingly divisive times in which we live, public power leaders need to see all sides of the complicated issues and technological changes we face in our communities. We must strive to find resolutions that work for everyone in them. It is hard but necessary work if we are going to remain a vital part of the cities and towns we serve.

utilities with a broad variety of fuel mixes and environmental challenges — I could go on cataloging all our differences.

However, our strength is in our numbers — 2,000 utilities serving 49 million customers in 49 states. Because of that, we have to hang together and continue to speak with one voice, so public power remains a force to be reckoned with in the decades ahead. "E pluribus unum" or "out of many, one," has to be our guiding motto in the turbulent times we face.

I see the Association's own leadership role as providing the national platform to bring public

"E pluribus unum" or "out of many, one," has to be our guiding motto in the turbulent times we face.

At the national level, public power utilities must understand our differences and surmount them to come together around our core values — affordability, reliability, environmental responsibility, and superior service to our communities.

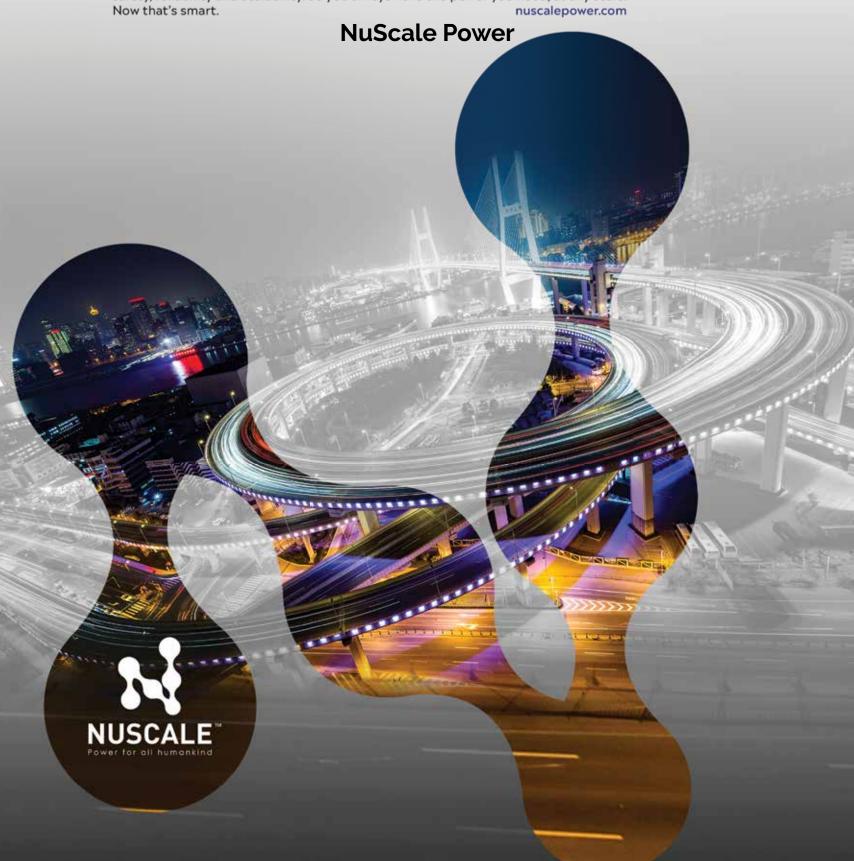
In our Association's utility membership, we have large and small utilities, urban and rural utilities, customers of the Power Marketing Administrations and the Tennessee Valley Authority, and utilities in regional transmission organization regions with centralized markets (I still cannot call them "organized" markets!),

power utilities together. Our purpose, as articulated by our board, is to partner with our members "to promote public power, helping community-owned utilities deliver superior services through joint advocacy, education, and collaboration." If we work with you to do this every day, we can achieve our vision of "shaping the future of public power to drive a new era of community-owned electric service."

I hope the leadership lessons shared in this issue will inspire you to be the leaders that public power needs in these turbulent times. Happy reading.



The future of energy starts with smart. NuScale's groundbreaking design allows us to reduce the size of our reactors and optimize operations staff to create a compact, carbon-free energy source that's as versatile and productive as it is safe. NuScale Power Modules provide flexible, dependable power delivery for multiple applications with unprecedented safety, reliability and scalability. So you always have the power you need, at any scale. Now that's smart.





## DORIS KEARNS GOODWIN

A Leadership Road Map from Four American Presidents

oris Kearns Goodwin is a world-renowned presidential historian, public speaker, and Pulitzer Prize-winning author. Her seventh book, *Leadership in Turbulent Times*, was published in September 2018 and became an instant New York Times best-seller. A culmination of Goodwin's five-

decade career of studying the American presidents — focusing on Presidents Abraham Lincoln, Theodore Roosevelt, Franklin Roosevelt, and Lyndon Johnson — the book provides a road map for leadership and life.

Goodwin is a keynote speaker at the American Public Power Association's National Conference, June 7–12 in Austin, Texas.

In Leadership in Turbulent Times, you note that on their paths to leadership, Abraham Lincoln, Lyndon Johnson, Franklin Roosevelt, and Teddy Roosevelt had to overcome dramatic setbacks in their personal lives. How important is it for aspiring leaders to have an inner resilience that can help them successfully meet life's inevitable challenges?

vercoming adversity is an extraordinarily important trait for a leader. If you've been through a serious setback and you've come through it successfully, it puts into perspective that life has its sorrows and its joys. The true test of character is how you meet those inevitable ups and downs. The paralysis from polio that crippled FDR's body expanded his mind and sensibilities. He seemed less arrogant, less smug, less superficial, more focused, more complex, more interesting. No

longer belonging to his old world in the same way, he came to empathize with the poor and the underprivileged, with people to whom fate had dealt a difficult hand.

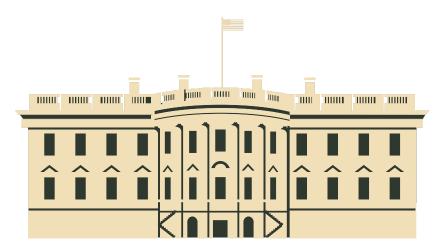
When people asked FDR, "How can you deal with all these pressures that you're under as president?" he laughed and answered, "If you have spent two years in bed trying to wiggle your big toe, everything else seems easy."

#### BY PAUL CIAMPOLI,

NEWS DIRECTOR, AMERICAN PUBLIC POWER ASSOCIATION The power industry is undergoing significant changes, testing utility leaders in new and sometimes unpredictable ways. What advice would you give to utility executives who are looking to be successful leaders in changing times, and what lessons can they take from leaders such as Lincoln, Johnson, Franklin Roosevelt, or Theodore Roosevelt?

am often asked which of our past presidents might be best suited for our current, changing times. No doubt it would be Theodore Roosevelt, for the changes at the turn of the 20th century most mirror ours today. The Industrial Revolution had shaken up the economy, much as the technological revolution and globalization have redefined our lives today. Big companies were swallowing up small companies. New inventions had quickened the

#### DORIS KEARNS GOODWIN: A LEADERSHIP ROAD MAP FROM FOUR AMERICAN PRESIDENTS



"I think the most undersated leadership skill is the ability to replenish energy and creativity..."

**DORIS KEARNS GOODWIN** 

pace of life to a frenzied degree. People in rural areas felt alienated. A menacing gap had opened between the rich and the poor.

Roosevelt had the capacity to adapt, change, and grow in office because he grew to know his limitations, because he developed the humility to acknowledge his mistakes. Changing times require an agility, an adaptability, patience, understanding, and timing.

In Team of Rivals, you detail how Lincoln handpicked and successfully led a cabinet that included several of his political opponents. How important is it for a leader to think outside of the box when he or she selects a team?

t is critically important for a leader to surround oneself with people, including rivals, who have their own strong egos and high ambitions; who feel free to question authority; and who are unafraid to offer differing opinions. For example, Abraham Lincoln brought Salmon Chase into his cabinet as treasury secretary and kept him there for three years, knowing full well that Chase craved the presidency with every fiber of his being and

knowing that Chase was undermining him all the time with cabinet members, Congress, and the rest of the country. So long as he was doing a good job at his post, that was more important than personal feelings, Lincoln would say.

But the idea is not just to put rivals in power — the point is that leaders must choose the best and most able people for their teams for the good of the company. When Lincoln came to power, the nation was in peril, and he had the intelligence, and the self-confidence, to know that he needed the best people by his side, people who were leaders in their own right and who were very aware of their own strengths. That's an important insight, whether you're the leader of a country or the CEO of a company.

If you had to pick one key attribute of a successful leader, what would it be and why?

think the most underrated leadership skill is the ability to replenish energy and creativity. When you look at the statistics of people today, it's astonishing: Half of Americans aren't using their vacation time; people fail to disconnect even when they are on vacation. And here you have Abraham Lincoln, in the middle of the Civil War, going to the theater 100 times. He said when he was in the theater, his mind could go back to Shakespeare and the War of the Roses, and he could forget for a few precious hours about the Civil War. FDR had a cocktail party every night where the rule was, you can't talk about the war. Teddy Roosevelt spent two hours every afternoon exercising. It could be a game of tennis or a wrestling match with his cabinet members.

Finally, the interview wouldn't be complete without a question about your beloved Red Sox. How do you think they will do this year?

ast year's success is certainly a hard act to follow, but it would be great if they could return to the playoffs and the World Series again this year. Even if they win many more games than they lose, that's good enough for me at my age — especially since this century has already seen four World Series victories. I'm not much for predictions, but I know we have a great team!



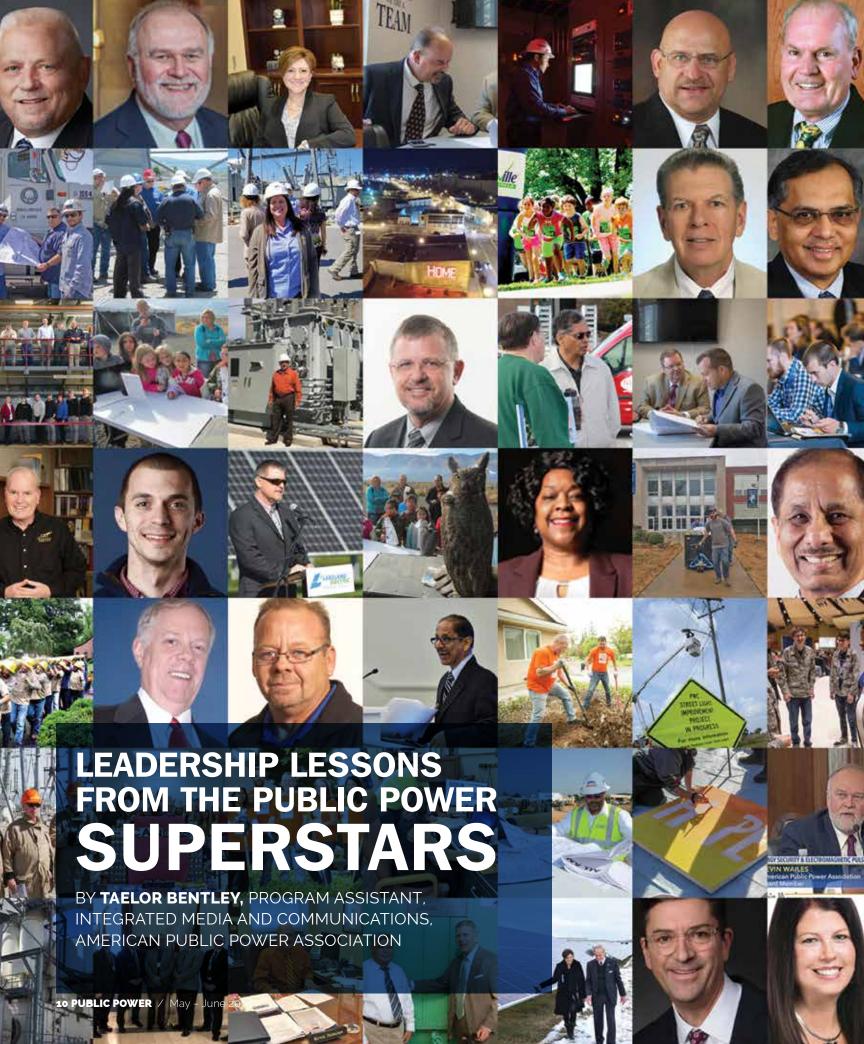
## There's no room for doubt when it comes to safety.

Tru-Break<sup>™</sup> switchgear module from Elastimold<sup>®</sup>.

Want to know with absolute certainty when a circuit is isolated and safe for your crews to do their jobs? Make the switch to the new, high visibility Tru-Break switchgear from ABB. Our latest solid dielectric advancement not only makes your systems safer with a large visible opening, it also further enhances your maintenance-free\* distribution system footprint. Contact your local sales representative to learn more about Tru-Break's safety breakthrough. Or visit **go.abb/trubreak.** 



<sup>\*</sup>The Elastimold Tru-Break switchgear module is considered maintenance-free because it contains no oil or gas to monitor or maintain.





## WINNERS OF THE **2019 AMERICAN PUBLIC POWER ASSOCIATION LEADERSHIP AND SERVICE AWARDS**

SHARE THEIR ADVICE FOR PUBLIC POWER LEADERS.



#### **ANDY BOATRIGHT**

ALEX RADIN DISTINGUISHED SERVICE AWARD

Andrew "Andy" Boatright has been in public power for more than 35 years. He is the general manager of Zeeland Board of Public Works in Michigan and has been chair of the American Public Power Association's board and president of the Ohio Energy Project board. Acknowledged as a leader by his peers, Andy encourages innovative thinking and professional growth for his staff.

#### What are three essential traits a public power leader should have? **ANDY:** "A public power leader:

- must be comfortable with 'living outside of one's comfort zone.' Getting out of one's comfort zone might be as simple as figuratively walking in someone else's shoes for a while and looking at issues from their perspective.
- must communicate effectively that is foundational to establish and maintain high-performing teams. Effective
  communication implies transparency and accountability and that there will be no surprises.
- must be willing to give credit in the good times and to take responsibility when times are bad."



ANDY BOATRIGHT



PAULA GOLD-WILLIAMS

#### PAULA GOLD-WILLIAMS

JAMES D. DONOVAN INDIVIDUAL ACHIEVEMENT AWARD

Paula Gold-Williams is the president and CEO of CPS Energy in San Antonio, Texas. She is described by her colleagues as a visionary and trailblazer. She maintains a "people first" philosophy to guide her team to success. She puts others first and is focused on serving customers and ensuring that every employee returns home safely each day.

#### Why should someone favor public power as a career path over for-profit options?

**PAULA:** "Public power is a great career opportunity for anyone interested in working for a purpose-driven organization. Those of us who are already team members at public power utilities make our customers, community, and employees our top priorities. At CPS Energy, we consider these three stakeholder groups to be the heart of our 'People First' ideals. With this in mind, we are intensely focused on redesigning our current infrastructure through innovation, creativity, and a passion to serve the cities in which we live, work, and play."



#### **ABOUT THE AWARDS**

BY MARY RUFE, INFORMATION SERVICES DIRECTOR, AMERICAN PUBLIC POWER ASSOCIATION



This award recognizes a utility official who has been active with the American Public Power Association for at least 10 years and has demonstrated exceptional leadership and dedication to public power.

Alex Radin was a public power stalwart and the Association's executive director from 1951 to 1986. He was a leading spokesman for electric consumers and the public interest throughout his Association tenure. He advocated for access to hydroelectric power, tax-exempt bonds, and preference power with five presidents from Truman to Reagan.



This award recognizes individuals who have made significant and sustained contributions to the electric utility industry and to public power.

James Donovan of Kansas City, Kansas, was one of the founders of the Association and its first president. He was the superintendent of the Kansas City Water and Light Utilities, one of the oldest public power systems in the United States. Donovan helped found the Kansas Association of Municipal Utilities and was its first president.



#### **JOEL IVY**

JAMES D. DONOVAN INDIVIDUAL ACHIEVEMENT AWARD

Joel Ivy began his public power career 30 years ago as a lineworker. His commitment to the principles of public power helped him become general manager of Lakeland Electric in Florida. Joel is highly regarded by his peers as a dedicated member of the public power community and is often called upon as a subject-matter expert for his extensive industry knowledge and experience.

#### Why should someone favor public power as a career path over for-profit options?

**JOEL:** "Having routine and direct access to both our board and regulators, usually in the same meetings, is a crucial benefit in public power. We are accountable to our customers and can create sustainable policies that can be vetted in real time. We provide reliable and competitively priced electricity, which gives the community stronger economic development opportunities. Local governance, direct accountability to our customers, and a community-first approach combine to make us affordable, dependable, and sustainable. To live and work where we serve is a privilege."





JOEL IVY

NILAKSH KOTHARI

#### **NILAKSH KOTHARI**

JAMES D. DONOVAN INDIVIDUAL ACHIEVEMENT AWARD

Described by his colleagues as a visionary leader, Nilaksh Kothari has been CEO and general manager of Manitowoc Public Utilities in Wisconsin for nearly 20 years. His long list of accomplishments includes completing an \$80 million construction of a 63.3-megawatt clean coal power plant. Nilaksh is also the managing director of Great Lakes Utilities, a wholesale power supply and service agency serving 12 public power utilities in Wisconsin and Michigan.

Why should someone favor public power as a career path over for-profit options?

**NILAKSH:** "Public power is all about local leadership. Few careers offer the chance to lead with a direct responsibility to your neighbors, community, policymakers, and regulators — this is my everyday reality. This means that all decisions have an immediate impact on the people you interact with every day. You have to provide so much more than electricity and water. You have to understand the needs of all the stakeholders and help meet those needs in the most cost-effective manner. And because you're part of the community, you get quick feedback. I've always loved it when community members come up to talk to me about utility services while I'm at the grocery store or one of my sons' ball games. The good, the bad, and the ugly work together to make you a better person every day."

# CAT

KEVIN G. WAILES

#### **KEVIN G. WAILES**

ALAN RICHARDSON STATESMANSHIP AWARD

Kevin G. Wailes has been an active member of the Association for more than 35 years. He also is the co-chair of the Electricity Subsector Coordinating Council. In 2017, Kevin testified before the Senate Energy and Natural Resources Committee on behalf of public power regarding energy security and electromagnetic pulse threats. As CEO of Lincoln Electric System in Nebraska, Kevin leads the utility to make decisions that align with the people and businesses it serves throughout the community. He challenges his team to find innovative ways to meet customers' current and future needs, while balancing low rates and reliable service with sustainability.

#### How can a leader forge consensus among audiences with diverse opinions when dealing with complex issues?

**KEVIN:** "We all know that it is often not possible to get consensus, but the most important part of the process is to get everyone to listen to all sides. It is critical that all sides have a common understanding of the issue and get a clear understanding of the different positions. With that foundation, commonalities in the positions and options for compromise may become clear. During this engagement, key leadership on the different sides of the issue may become apparent and provide an opportunity to work on compromise in a smaller, less confrontational group environment."







leaders who work successfully and tirelessly on the Association's behalf forging consensus on national issues that achieve public power's goals.

Alan H. Richardson served the Association for 30 years — 12 as president & CEO. Some important legislative measures for public power during his time included establishing Clean Renewable Energy Bonds for public power systems to invest in renewable resources and the open transmission policy in the Energy Policy Act of 1992.



This award recognizes managers in utilities with fewer than 2,500 electric meters who lead the way in seven areas — planning and design administration, public relations, field supervision, accounting, human resources, and community involvement.

Larry Hobart served the Association for 35 years and was executive director from 1986 to 1995. He was instrumental in promoting the creation of joint action agencies, which helped small public power systems join forces to meet power supply needs. Hobart also guided the creation of the Association's Demonstration of Energy Efficient Development research and development program for public power.



This award recognizes individuals who have made significant contributions toward the Association's goals and enhanced its prestige.

Harold Kramer of Loup River Public Power
District, Columbus, Nebraska, played a leading role
in forming the Association and served as its first
executive secretary and general manager from 1941 to
mid-1942. He wrote the first issue of Public Power, a
newsletter for the association.

John Preston, also of Loup River Public Power District, served as the first vice president of the Association. He was the chair of the Association's Legislative and Resolutions Committee and served on the board of the Mid-West Electric Consumers Association.



#### **RON FRITZ**

LARRY HOBART SEVEN HATS AWARD

As utility supervisor for Flora Municipal Utilities in Indiana, Ron Fritz is responsible for managing all planning and design aspects for four utilities — electric, water, wastewater, and street. Throughout his time as utility supervisor, Ron has planned a variety of projects aimed at upgrading the town's utility system and providing better service to the community of 2,000 people. Ron is known among his employees for leading by example.

#### How can you be most productive and effective when you have to juggle multiple roles in running a utility?

**RON:** "It can be difficult to juggle multiple roles, especially when overseeing a small utility. I have found that I am most productive and effective in doing my job when my utility crews are informed, trained, and working safely and efficiently to support their community. We take ownership of any issues that arise, and I instill this in my employees every day. My crews and I go beyond the call of duty for a simple reason: Our customers will see those efforts and take the same pride in their hometown utility as we do."







LARRY PAINE

#### LARRY PAINE

LARRY HOBART SEVEN HATS AWARD

Larry Paine has held the position of city administrator in the City of Hillsboro, Kansas, for nearly 12 years. During this time, he has been deeply involved in the planning and design of not only the electric distribution system, but also the city's water and wastewater systems. Larry is an outstanding leader in his community, and he supported the construction of a new hospital in the rural Kansas community.

#### How can you be most productive and effective when you have to juggle multiple roles in running a utility?

**LARRY:** "My chief technique to keep a pulse on the functions in the city is to have regular one-on-one meetings with department heads. Each department head gets regular uninterrupted time with me and can talk freely about things they might not share in a staff meeting. At the same time, I can cover tough issues that I wouldn't bring up in a larger meeting. The one-on-ones are a communication tool and give both of us a level of confidence and trust to freely discuss difficult operations and projects."

#### **JODY YOUNG**

LARRY HOBART SEVEN HATS AWARD

Jody Young is a true leader, having stepped up to take on the position of city manager for the City of Bushnell, Florida, after the sudden passing of her predecessor. While dealing with the loss of a leader and friend, Jody took the initiative to learn everything she could about negotiations, contracts, engineering plans, and territory maps to understand what needed to be accomplished at the utility. She goes above and beyond to ensure the success of the City of Bushnell.

#### How can you be most productive and effective when you have to juggle multiple roles in running a utility?

**JODY:** "For me, there are three keys to being the most productive and effective leader I can be — prioritizing, planning, and delegating. Prioritizing helps me plan to perform important tasks myself. It also helps me determine if some of the tasks can be delegated to trusted staff. By managing these three simple processes, I can ensure that I am focused enough to succeed in juggling multiple roles without creating added stress and pressure for myself."



**JODY YOUNG** 



ALLEN JOHNSON

#### **ALLEN JOHNSON**

HAROLD KRAMER-JOHN PRESTON PERSONAL SERVICE AWARD

Allen Johnson is the light and power director at Bountiful City Light & Power in Utah. He has been a champion for public power and the principles of local control and top-notch customer service. Allen has been an active member of the American Public Power Association for over a decade, frequently attending the National Conference and Legislative Rally. He is vice chair of the Association's Demonstration of Energy & Efficiency Developments (DEED) board.

#### What aspect of your local utility leadership experience has the greatest influence on your national contributions?

**ALLEN:** "I have come up through the public utility ranks over a 42-year period, starting as apprentice lineman and holding nearly every position possible in Bountiful City Light & Power. I believe active participation in public power organizations allows a utility leader to leverage experience at the local level to influence national issues and policy. As a champion for public power over my career, I've been involvement in numerous industry organizations. This includes the American Public Power Association, Intermountain Power Agency Statewide Mutual Aid Committee, and Utah Associated Municipal Power Systems boards. These experiences have provided stronger messaging in championing public power on Capitol Hill and have resulted in a better municipal power department."





This award recognizes elected or appointed members of utility boards or commissions or public power mayors who have contributed to the Association's goals.

Spence Vanderlinden of Harlan, Iowa, was the first chair of the Association's Policy Makers Council. He was chairman of the Association committee that produced a handbook for public power policymakers, and he taught seminars for public power board members. During his tenure on the Harlan Municipal Utilities board, he promoted low electric rates and long-range planning.



## ROBERT E. ROUNDTREE RISING STAR AWARD

This award recognizes an up-and-coming public power leader and supports the further development of leaders in public power.

Robert E. Roundtree served public power for more than 50 years before retiring as CEO of City Utilities of Springfield, Missouri. He was president of the Association in 1992–93 and served as treasurer from 1994 to January 2000. At City Utilities, he focused on long-term supply planning and developing a communications network for local government agencies.



#### MARK CRISSON LEADERSHIP AND MANAGERIAL EXCELLENCE AWARD

This award recognizes managers at any level who bring their organizations to new levels of excellence, lead by example, and inspire employees and staff to improve processes, services, and operations.

Mark Crisson was the CEO/director of utilities at Tacoma Public Utilities, Washington, from 1993–2007. He served as the American Public Power Association's president & CEO from 2007 to 2014. Crisson led the Association through an era of many new federal regulations, particularly in the financial, risk management, and environmental arenas.



#### **JAMES WELSH**

HAROLD KRAMER-JOHN PRESTON PERSONAL SERVICE AWARD

James "Jim" Welsh has served as president and general manager of Kissimmee Utility Authority in Florida since 1982. Under his leadership, KUA has been honored for reliable electric operations, storm restoration efforts, and community service. The utility received numerous awards for excellence in financial reporting, workplace safety and communications. Jim served on the American Public Power Association's board from 1997–2003.

#### What aspect of your local utility leadership experience has the greatest influence on your national contributions?

"Leadership is the ability and willingness to take ownership of an organization, combined with a drive to do what is best for the organization. In my 36 years of utility leadership, I have found that collaboration, building consensus, and establishing partnerships have helped move our utility forward to make a difference at the local level. Taking those same skills to a national level has helped build a stronger Association and public power brand."







HOMER NICHOLSON

#### **HOMER NICHOLSON**

SPENCE VANDERLINDEN PUBLIC OFFICIAL AWARD

Homer Nicholson, mayor of Ponca City, Oklahoma, has been on the American Public Power Association's Policy Maker's Council since 2016. He has been active at both the state and federal level in engaging Ponca City's legislators and educating them on the value of public power, with an emphasis on local control. Over the years, Homer has educated Oklahoma's national and state leaders on the value, benefits, and importance of public power.

#### What is the one best contribution a governing board or council member can make to the utility and the community?

**HOMER:** "The one best contribution a governing board or council member can make to the utility and the community is education. Elected officials and utility leaders have a responsibility and opportunity to market the utility name and available services to their customers. Recent surveys show some utility users are not sure who provides their power, especially if they have multiple providers in the area. We must continuously promote the many benefits not-for-profit public power utilities provide to the community, beyond electricity."

#### **TED OLSON**

#### SPENCE VANDERLINDEN PUBLIC OFFICIAL AWARD

Ted Olson has been an active member of the Association for three decades. Since 1978, he has served as an appointed member of the Ephraim City, Utah, utility board. Ted is a staunch advocate for public power and is heavily involved in the Ephraim City community as a professor at Snow College and as Ephraim City's representative to Intermountain Power Agency, which operates two generating units in Utah.

#### What is the one best contribution a governing board or council member can make to the utility and the community?

**TED:** "Ensuring the most reliable electric service at the lowest cost should be the overarching goal for all of public power. This requires carefully balancing politics, regulation, and technology, all of which have become more complex in recent years. No one person can be an expert in all of these areas. Therefore, it is imperative that boards and councils surround themselves with the most talented experts available and trust their recommendations. Trust can create a synergy of productivity. Trusting others does not mean shying away from tough questions, issues, or becoming informed. It does require recognizing your own limitations."

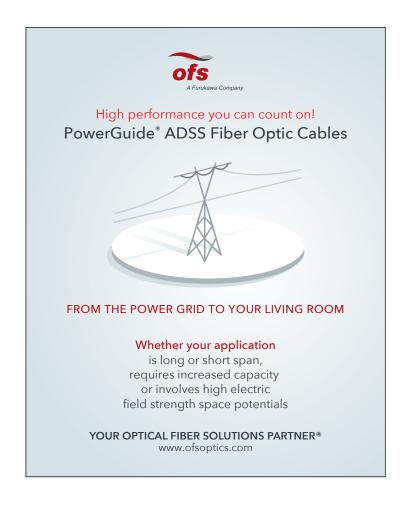


TED OLSON

"In my 36 years of utility leadership, I have found that collaboration, building consensus, and establishing partnerships have helped move our utility forward to make a difference at the local level."

#### **JAMES "JIM" WELSH**

PRESIDENT AND GENERAL MANAGER KISSIMMEE UTILITY AUTHORITY







#### E.F. SCATTERGOOD SYSTEM ACHIEVEMENT AWARD

This award honors recognizes public power utilities with a track record of sustained achievement and outstanding service to their customer-owners.

E.F. Scattergood of the Los Angeles Department of Water and Power played a vital role in the Association's formation and served as its president in 1947. Scattergood is considered "the father of municipal power" in Los Angeles. He was instrumental in the development of the Hoover Dam and the transmission of power from the dam through what was one of the longest transmission lines at that time.

#### **COMMUNITY SERVICE AWARD**

This award recognizes "good neighbor" activities that demonstrate the commitment of the utility and its employees to enhancing the quality of life in the community it serves.

#### **DEED ACE AWARD**

The Award of Continued Excellence recognizes a DEED member utility that has demonstrated continued commitment to DEED program ideals through involvement in grants and scholarships, pursuit of energy efficiency, use of renewable resources, and support of public power.

The American Public Power Association's Demonstration of Energy & Efficiency Development program funds research, pilot projects, and education to improve the operations and services of public power utilities.



#### **DEVON TREMONT**

ROBERT E. ROUNDTREE RISING STAR AWARD

Devon Tremont is an energy analyst at Taunton Municipal Lighting Plant in Massachusetts. He has consistently demonstrated his willingness to assist those in need with his problem-solving skills and thoughtful strategies for achieving success. Devon is a leader who follows through on his commitments and looks to continually grow his knowledge and experiences within the public power industry.

#### When faced with many career options, what do you think would make a leader stay in public power?

**DEVON:** "Public power employees and leaders often have responsibilities that go beyond their job titles. We try to get the most out of our employees in the interest of providing stable and competitive rates, so cross-training is often used to ensure that a team will always be available for a project, regardless of the lead time. A well-rounded career with multiple areas of focus is great for building a sound understanding of this industry. Public power offers this career path."





**DEVON TREMONT** 

RAJ RAO

#### **RAJ RAO**

MARK CRISSON LEADERSHIP AND MANAGERIAL EXCELLENCE AWARD

Raj Rao has been a member of the Association since 1982 and has 37 years of experience in public power. He is president and CEO of Indiana Municipal Power Agency, which serves 61 public power communities. Under Raj's leadership, IMPA has extended power supply resources to several new public power communities, energized three solar parks in member communities, completed construction of a new conference center adjacent to its office, and hosted safety and training programs for members. Raj sets the bar high at IMPA and encourages employees to reach for the highest level of success.

#### What is the single biggest challenge in running a public power utility today, and how do you overcome it?

**RAJ:** "Working for a joint action agency creates an interesting challenge to leadership and governance. IMPA is led by me and our management team but is governed by our Board of Commissioners comprising representatives from each of our 61 member communities. The key to achieving success is through constant communication and making our goals one and the same. Through constant communication with our board members, we identify challenges, devise solutions, address concerns, and eventually land on a unified decision that is in the best interest of all involved. Keeping in sight the end goal of economic, reliable and environmentally responsible power for our public power communities helps us stay on the right path and focus on the good of the organization."

KIMBERLY SCHLICHTING

#### KIMBERLY SCHLICHTING

MARK CRISSON LEADERSHIP AND MANAGERIAL EXCELLENCE AWARD

Kimberly Schlichting is senior vice president of operations and power supply and chief operating officer at Delaware Municipal Electric Corporation. She serves on the board and several committees at DEMEC, American Municipal Power, and the American Public Power Association. She is a member of many political, professional, and charitable associations. Kimberly's innovative ideas, organizational skills, and leadership have helped DEMEC thrive as a joint action agency.

#### What is the single biggest challenge in running a public power utility today, and how do you overcome it?

**KIMBERLY:** "Image development and education and training are the biggest requirements in public power. DEMEC staff alone cannot represent our membership in all the various forums throughout the state. By empowering our members to become knowledgeable and informed ambassadors, we can more effectively share the good story of our highly reliable public power utilities, many of which have successfully been providing service to their communities for over 100 years.

"Through education and training, we enable our members to stay current on the latest technologies and best practices that will enable them to continue providing the highly reliable electric service our customers expect for the next 100 years and beyond."

#### CITY OF DANVILLE UTILITIES

E.F. SCATTERGOOD SYSTEM ACHIEVEMENT AWARD

Danville Utilities in Virginia is a regional public power leader, an active participant in the American Public Power Association Legislative Rally, and a member of the American Municipal Power board of trustees. The utility has many programs and projects to provide reliable energy, a diverse power supply portfolio, and other benefits to the community and its customer-owners. Its most recent success is the Kentuck Solar Project — a 6-megawatt solar array that brings renewable resources to the community.

#### What are the top three areas of business/operations that an electric utility striving for excellence and resilience should pay attention to?

**JASON GREY, director of utilities:** "More than 70% of a utility's costs are associated with the generation and delivery of electric supply to its distribution system. Utilities are becoming more creative in finding ways to provide the lowest-cost power supply solution for their customers.

"Public power utilities are having a difficult time attracting younger generations to work for us. More needs to be done in the schools and two-year colleges to tell students about public power careers. At Danville Utilities, we have an apprenticeship program that covers the cost of the training for any electric employee and allows them to move up on the pay scale at an accelerated rate compared to annual pay-for-performance increases. We've partnered with the Virginia Community College system on their linemen training program. We're also participating in career fairs and high school events.

"We must adapt to newer technologies and incorporate them into utility business processes. Our customers want more information to make decisions about their energy usage and communicate with the utility during outages. The City of Danville has a robust customer portal to show electric, water, and gas consumption based on the average temperature for that day or month. We're also posting outage updates on Facebook and other social media platforms. We will also be using our AMI system to proactively notify customers of electric outages."



CITY OF DANVILLE UTILITIES

#### **FAYETTEVILLE PUBLIC WORKS COMMISSION**

E.F. SCATTERGOOD SYSTEM ACHIEVEMENT AWARD

Fayetteville Public Works Commission in North Carolina has been recognized statewide 13 times since 2004 with the United Way of North Carolina's Spirit Award for its community support and involvement. A strategic priority at Fayetteville PWC is increasing the visibility of public power and showing its value to the community. PWC's extensive list of accomplishments includes completing a systemwide conversion of streetlights to LED, beginning the installation of North Carolina's first public power solar farm, and installing four electric vehicle charging stations throughout the Fayetteville area that can be used by the public at no cost.

#### What are the top three areas of business/operations that an electric utility striving for excellence and resilience should pay attention to?

**DAVID TREGO,** CEO/general manager: "First, you must communicate your value as a public power provider to your customers. It's critical to have customer buy-in to provide service excellence. More often than not, providing excellence involves dollars. Having your customers understand the value of those investments, as well as the local leadership making investment decisions on behalf of their community, is essential.

"Public power utilities must foster a culture of continuous improvement across the organization. Whether its infrastructure to improve reliability or technology to enhance the customer experience, a successful organization always learns from the past but looks to the future.

"We need to place a high value on customer service. As a public power utility, our customers are our shareholders. This does not mean always giving customers what they want; rather, it's making sure that all employees and actions have a customer-centric focus and approach."



FAYETTEVILLE PUBLIC WORKS COMMISSION



**SMUD** 

#### **SMUD**

#### E.F. SCATTERGOOD SYSTEM ACHIEVEMENT AWARD

SMUD in Sacramento, California, focuses on meeting customers' expectations for safe, reliable, affordable, and environmentally responsible energy. For the 17th straight year, SMUD was the top-rated California utility for residential customer satisfaction in the J.D. Power survey. For the J.D. Power commercial customers study, SMUD was the top-ranked utility in the West Midsize Segment and placed sixth in the nation among all utilities. The utility recently partnered with D.R. Horton to build more than 100 new all-electric homes in the Sacramento area. SMUD has created an online platform for customers to shop for energy-efficient products and partnered with Uber on an electric vehicle program. It is one of the first utilities to use a light detection and ranging (LiDAR) system to keep aerial tabs on 4,000 miles of distribution power lines.

#### What are the top three areas of business/operations that an electric utility striving for excellence and resilience should pay attention to?

**ARLEN ORCHARD,** general manager and CEO: "Customers and community are at the heart of all we do at SMUD. We've excelled at getting the basics right — delivering safe, reliable power at some of the lowest rates in California — for more than 70 years. But we know it's not enough. Successful utilities must do much more than deliver electrons.

"Our purpose is to improve the quality of life for our customers and community. Sustainability and supporting inclusive economic development are also core to achieving our purpose. It means pursuing aggressive carbon reduction goals to make our region a healthier place to live for all and supporting underserved people, organizations, and communities in a sustainable and equitable way."





ANAHEIM PUBLIC UTILITIES

#### **ANAHEIM PUBLIC UTILITIES**

**COMMUNITY SERVICE AWARD** 

Anaheim Public Utilities in California has been working to balance the need for maintaining the quality of life for Anaheim residents and businesses with the responsibility to help homeless individuals with care and compassion. The City of Anaheim partnered with the Salvation Army to establish a temporary emergency construction of a 224-bed, low-barrier homeless shelter in 79 days to provide a temporary home and wraparound services to help address homelessness in Anaheim. The shelter includes a community dining and lounge area, storage for personal property, space for pets, laundry facilities, on-site security, and an open space for walking and recreation.

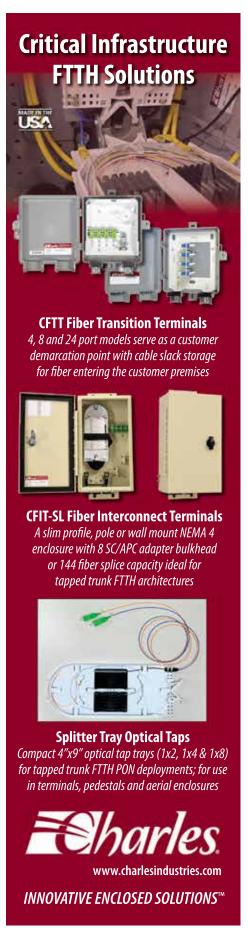
#### Why should a public power utility care about the community, and how can you make a difference for the people you serve?

**DUKKU LEE,** general manager: "Public power utilities like Anaheim aren't just providing essential services to the residents and businesses in the city — we are an integral part of the community. That means assisting those that may be going through a rough time, offering programs to help make a difference in homes, and helping businesses become more successful.

"Anaheim citizens are more than customers, they are owners of this utility. Listening to their issues and concerns and working alongside the community to resolve matters is something we take pride in. Anaheim Public Utilities is truly Anaheim-owned and Anaheim-focused."



Join the public power leadership hall of fame. All American Public Power Association members are eligible to apply for our annual leadership and service awards. Applications are usually accepted from November through January. Watch your email and our website at www.PublicPower.org/Awards for deadlines and online entry forms.



#### PADUCAH POWER SYSTEM

**COMMUNITY SERVICE AWARD** 

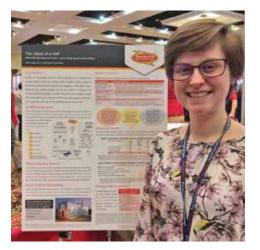
Paducah Power System in Kentucky uses its annual "Christmas in the Park" event to get involved and help its community. Christmas in the Park is a five-week event that generates thousands of dollars and several tons of canned goods for four area social services agencies. This event touches thousands of lives in the community, including volunteers, school children, businesses and those who receive the donations. It is also marked by a beautiful holiday lighting display containing approximately 500,000 twinkling bulbs in Paducah's largest city park. Paducah believes that this event demonstrates the mission of public power to serve its communities beyond delivering power.

Why should a public power utility care about the community, and how can you make a difference for the people you serve?

**ANDREA UNDERWOOD,** director of human resources & community relations: "Our employees live and work in the community we serve, so they are vested in making Paducah better for our children, grandchildren, friends, and neighbors. We have the ability to improve our community, sometimes in very simple ways. We've put nearly a million pounds of food on the shelves of local food pantries through Christmas in the Park, and we've saved hundreds of lives with our community blood drives. During the 2011 flood, we collected three semi-trailers full of cleanup supplies for the Red Cross, just by asking people to drop off items at our parking lot. It's amazing, to me, what can be accomplished with minimal resources and a little creativity. Why would we not do those things when it's that easy!"



PADUCAH POWER SYSTEM



**AUSTIN ENERGY** 

#### **AUSTIN ENERGY**

DEED ACE AWARD

Austin Energy in Texas has been an active member of the American Public Power Association's Demonstration of Energy and Efficiency Developments research and development program for 35 years — garnering innovation grants, furnishing board members, and encouraging other utilities to join the program. Over the years, the utility earned 14 DEED innovation grants and has been a sponsor and mentor for 31 DEED scholarship students in energy-related disciplines. Austin Energy interns sponsored through the DEED program have worked on charging station rollouts, led initiatives to bring electric vehicle charging to local school districts, launched a program for electric pedicabs, managed a solar forecasting project, performed economic modeling for a U.S. Department of Energy-led grant, and done extensive marketing and outreach to the utility's customers.

#### Why are innovation and R&D important for a utility?

**DEBBIE KIMBERLY,** vice president of customer energy solutions and corporate communications: "Innovation and forward thinking are essential to achieve our mission of being customer driven and community focused. As new ways to serve our customers emerge, public power utilities need to have the ability to adapt. New ways of thinking and doing business will help us improve our safety, reliability, and affordability as we strive to reduce our carbon footprint. By investing in research and development, public power utilities can embrace new technologies into legacy systems at a manageable pace. Creating and testing scalable models for new initiatives and technologies is essential for maintaining excellent customer service and an engaged workforce. Innovation can keep current employees engaged while improving the acquisition of new talent."

#### **GRANT COUNTY PUD**

**COMMUNITY SERVICE AWARD** 

With nearly 4,000 miles of electric grid and two Columbia River dams, Grant County PUD serves a vast agricultural and industrial region in rural central Washington state. Grant County PUD has many ongoing efforts to serve the community, including a holiday food drive for Grant County food banks, support for Seattle Children's Hospital, and "Archaeology Days" at the community's Wanapum Heritage Center. Grant PUD remains an outstanding and compassionate partner across its communities' social, cultural, educational, and economic fronts.

Why should a public power utility care about the community, and how can you make a difference for the people you serve?

**CHRISTINE PRATT,** public affairs: "Grant PUD exists because the people of Grant County created us 80 years ago to generate and deliver electricity efficiently and reliably. That makes us both a provider of an essential service and a prominent member of this rural central Washington community. We all want our customers — who are also our friends, family, and neighbors — to grow and prosper. That culture of volunteerism is part of us. It comes from our employees' hearts. They make a difference by caring and acting on a need. And they do a lot of it, because that's what good neighbors do."



**GRANT COUNTY PUD** 



## EXCELLENCE IN PUBLIC POWER GOVERNANCE

**BY JOHN EGAN,**CONTRIBUTING WRITER

The evolving electric utility business environment places special demands on public power governance. However, public power veterans and policymakers agree that the more things change, the more they remain the same.

## COMPETITIVE FORCES RESHAPE THE ELECTRICITY BUSINESS

"The pace of change in the electricity business is unprecedented," said Tim Blodgett, president and CEO of Hometown Connections and governance training instructor for the American Public Power Association. "Technology is pushing us, and customers are pulling us. That's one of the reasons we're seeing such a strong increase in interest among members of the American Public Power Association on governance training and governance excellence."

In today's dynamic electricity business, Blodgett continued, "board governance could be a public power utility's greatest strength or its weakest link. I've seen both ends of that continuum."

In the Association's book, Governing for Excellence — Raising the Bar on Public Power Governance, author Jeff Tarbert notes that "today's (industry) evolution is driven not by anti-monopoly-leaning economists or the philosophical preferences of regulators. The prime movers today are new technologies, changing markets, innovative non-utility entrants, and changing customer expectations. Customer expectations will sustain this transition."

Declining electric sales, increasing penetration of renewable energy, and community choice aggregation are three other forces stretching the industry and public power governance models.

## DIFFERENT GOVERNANCE MODELS AND TRADEOFFS

There are two main public power utility governance models, and each has its own strengths and drawbacks. A 2015 survey by the Association showed that smaller public power utilities tended to be governed by city councils, while larger members more often are governed by independent or semi-independent boards, which could be elected or appointed.

"Either of these models could work well or break down," said John Miner, president of Collaborative Learning – Collaboration Unlimited and governance training instructor for the Association. "It all comes down to the quality of the people on the board, the policies in place, and the capabilities each member brings or develops while serving."

As Barry Moline of the California Municipal Utilities Association commented, "Communities have distinct personalities, and they have to decide what they want to do."

In one model, the utility is a unit of city government. The city council functions as the utility governing board and regulator, setting electric prices and deciding on important matters. In the other model, the utility is governed by an independent or semi-independent board, which can be elected or appointed. Depending on the board's enabling legislation, an independent board may have the authority to set electric prices, or it may be limited to making recommendations on electric prices to a panel of elected officials.

A strength of the city council model is that it represents the will of the community. Each community has its own dynamics and priorities, and being able to elect representatives who will implement the will of the community is a notable strength. Does the community want to move toward 100% carbon-free electricity, or is it more concerned with keeping electric bills as low as possible?

The city council model offers a public power utility's customer-owners the opportunity to vote for candidates who will ensure that the community's views are implemented. Having to face the voters on election day nurtures accountability.

But the city council governance model has some possible drawbacks. One is the potential for more frequent turnover compared to the independent or semi-independent board. Another is that the utility must compete with other city departments — such as police, fire, libraries, parks and recreation, streets, and sanitation — for the council members' attention. That's a lot to ask of elected officials who, in most cases, serve on a part-time basis. It also limits the council's ability to develop expertise in the increasingly complex energy industry.

If board members with strong divisive viewpoints serve together on a utility board, it can have a negative impact on the board's functioning and on the utility's management.

"Good governance practices can help weather those kinds of things," commented Tony Cannon, general manager and CEO at Greenville Utilities Commission, which serves about 68,000 customers in North Carolina.

But he added, "With elected boards, it can be hard to think past the next election. At GUC, our appointed board gets us out of the political realm so we can do more strategic planning."

#### **EXCELLENCE IN PUBLIC POWER GOVERNANCE**



#### **TONY CANNON**

GENERAL MANAGER AND CEO
GREENVILLE UTILITIES COMMISSION

#### **KEYS TO SUCCESS**

"For a successful board-management relationship, trust has to be at the top of the list," said Miner. "There also must be open sharing of information back and forth, and there must be a clear delineation of the board's and management's respective responsibilities."

"Board members should subscribe to the concept of NIFO (Noses in, fingers out)." recommends Bill Slaton, a former SMUD board member, past chair of the American Public Power Association's Policy Makers Council, and currently a senior consultant with Leading Resources Inc. A board needs to focus on setting broad strategic goals and holding management accountable. It is management's job to determine how best to meet those goals. Crossing those lines can lead to trouble. "Good governance means a board doesn't stick their fingers in the operations. Know your lane and stay in it," he said.

Cannon believes board members need to bring some business acumen to their positions, along with a willingness to learn and collaborate with other board members as well as management. "Be prepared to participate," he said.

"Please don't bring your personal agenda to a board," he urged. "And don't think one size fits all. Small business owners sometimes think a public power utility should be run like a small business. It should not."

Community involvement and ongoing education are critical if a board wants to function optimally. "Governing board members must be proactively involved in their community and be committed to education on an ongoing basis," said Moline.

"Board members can have a tremendous impact on state legislation when they share their viewpoints with state elected officials," he continued. "Public power utilities don't have a lot of money, but we have an army of elected and appointed officials who can have a real impact when they engage."

Having a service ethos is another critical ingredient for a governing board's success, according to Ron Skagen, a commissioner on Public Utility District No. 1 of Douglas County, Washington. "Like any community-based organization, board members want to give back to the community."

the all new...

## tallmanequipment.com

It's the most important tool in your toolbox.



ALLMAN EQUIPMENT CO., INC. EMPLOYEE OWNED

#### TEN TIPS FOR GOVERNANCE EXCELLENCE

Bill Slaton, a former SMUD board member, past chair of the American Public Power Association's Policy Makers Council and currently a senior consultant with Leading Resources Inc., offers 10 tips for public power governance excellence.

- The board steps back from managing how things get done and focuses on desired results.
- The board speaks as one with written policies. Board members recognize that their power only rests with the board as a body.
- The CEO has the authority to push back if individual board members try to manage his or her work.
- The board holds the CEO accountable for achieving the desired results by regularly receiving reports.
- The CEO is empowered to reasonably interpret the board's policies.
- The board regularly reviews the written strategic directives to ensure they are still appropriate.
- The board regularly evaluates the CEO's performance as well as its own performance.
- The roles of the board members, the board chair and committee chairs are all spelled out in writing.
- Board agendas are clearly prepared, as is the process for items being placed on an agenda.
- All board members need to be engaged in developing, refining and monitoring the board's policies.

"Chemistry and attitude also are critical," Skagen continued. "Sometimes things go sideways and strains emerge, just like in a family or a marriage. It takes work to keep everything functioning smoothly."

A willingness to collaborate is another critical ingredient for a successful board. The board-general manager relationship should be one of trust-based collaboration. When that happens, the positive effects cascade down an organization. Where that relationship is strained, the board and the utility underperform. And when policies need to be updated, boards and general managers should be full partners in that effort.

To ensure management recommendations are directly tied to strategic initiatives adopted by the board, Cannon recommends that each agenda item that comes before a board be directly connected to an agreed-upon strategic initiative.

"A clear sign something is amiss is if, after a board meeting, there is no agreement about what the board wants to see happen," said Slaton, who served for 16 years on the governing board of SMUD. "When boards are not clear about directions, we see senior management spend an inordinate amount of time after board meetings trying to figure out what the board wants."

To ensure all parties leave a board meeting with a clear, shared understanding of next steps and expectations, Slaton recommends that the last item on all board meetings be a summary of action items. "The board and the GM need to agree on next steps," he said. "You can't have a situation where Board Member A wants to see X happen, while Board Member B thinks Y is going to take place, and Board Member C believes Z will occur."

Slaton also recommends that public power boards review their governance policies at least annually and review recently enacted policies more frequently. "Governance documents must be a living document. You can't put them on a shelf and forget about them."

In Cannon's experience, a review of governance policies every three years is appropriate. "Review doesn't mean change," said Skagen. For example, the dramatic growth of renewables in many regions is an important reason for a board to periodically revisit its governing policies.

In the same way that governance policies evolve, boards must also evolve, said Slaton. His firm has a model showing that boards go through five stages of change. Understanding the evolutionary trajectory of a board can help make board members and general managers more effective, he observed.

#### **EXCELLENCE IN PUBLIC POWER GOVERNANCE**

#### **ONGOING BOARD EDUCATION**

"Governing board education is a marathon that never ends," Moline said. "But building a board's intellectual infrastructure is time well spent."

Moline and others urge governing board members to take advantage of professional development opportunities offered by their state associations, joint action agencies, regional public power groups and the American Public Power Association.

Education can start at home. Moline said each meeting of CMUA's board has an educational component in which a staff member or outside subject-matter expert briefs the board on an important industry topic such as cybersecurity, renewables, energy efficiency or customer service.

"Boards function better when their members stay abreast of industry changes," commented Skagen. "At our three-member commission, everyone shares their expertise, and we're all trying to learn and improve."



#### "Boards function better when their members stay abreast of industry changes"

#### **RON SKAGEN,**

COMMISSIONER
PUBLIC UTILITY DISTRICT NO. 1 OF
DOUGLAS COUNTY, WASHINGTON

He continued: "The general manager needs to continually mentor board members. That helps build trust and positive relationships. General managers stay, but board members rotate. The general manager is a subject-matter expert on the utility business, while his or her board typically is not."



www.spiegelmcd.com 202.879.4000



## MAYORS PROCLAIM PRIDE IN PUBLIC POWER

**BY DAVID BLAYLOCK,** SENIOR MANAGER, INTEGRATED MEDIA AND COMMUNICATIONS, AMERICAN PUBLIC POWER ASSOCIATION

We invited mayors of public power communities to tell us how their communities are enriched by having a not-for-profit community-owned electric utility.



"Having our local utility be a municipally owned public power organization means that decisions are made locally, not

in a corporate boardroom where the main concern is to please shareholders. The people shaping the future of our utility, regarding everything from rates to special projects to support of local commerce and industry via economic development ventures, are people we know and trust, people we see every day and can pick up the phone and call anytime. AUB's motto to the community is, 'We're Your Neighbor. Your Utility.' By being locally owned and operated with full transparency as a public power provider, everybody in town knows that is not just a motto for our hometown utility, it's a fact."

#### MAYOR CHUCK BURRIS ATHENS, TENNESSEE



"The Columbia City Municipal Electric Utility has enabled the city to improve and enhance the lives of our citizens. Whether it is the flexibility to

partner with local businesses and organizations, or providing vital community services like lighting enhancements and tree cutting, having our own electric utility allows us to control our destiny."

MAYOR RYAN DANIEL, COLUMBIA CITY, INDIANA

#### MAYOR MARK SALIBA, DOTHAN, ALABAMA

"As a member of the Alabama Municipal Electric Agency, the City of Dothan takes great pride in being able to reinvest savings back into our community. And because we're a member of a public power provider, Dothan's citizens are the 'shareholders' who reap the benefits of those dividends. Dothan Utilities' partnership with a not-for-profit, community-owned entity not only means our customers pay nearly 15% less than those powered by private utilities, it also means a



quicker response time during an outage. Being able to provide a great product at a lower price is a business model I can support!"

#### MAYOR WADE TROXELL, FORT COLLINS, COLORADO

"Fort Collins Utilities is committed to providing world class services for an exceptional community that is committed to a sustainable future. As a locally owned and managed public power agency, our utility values innovation, economic vitality, and environmental stewardship. We demonstrate leadership by providing safe, reliable power



through operational excellence, exceptional customer interactions, and a culture of innovation in the midst of rapid transformation."



"The value of public power to the Seaford community is tremendous; it allows us to be more responsive much faster and more flexible with

economic development projects, which gives us an advantage. We employ local utility professionals whose customers are their neighbors, and they strive every day to provide exemplary service.

Public power helps make us "The perfect place to start!"

MAYOR DAVID GENSHAW, SEAFORD, DELAWARE



"The Town of Middletown benefits from both the value of public power as well as the power of joint action as a

member of the Delaware Municipal Electric Corporation. By keeping decision-making local, we were able to make the most economical decisions and bring savings to our community by aggregating our power needs with other community-owned electric utilities in the state. We can quickly respond to the needs of our customers and bring in new businesses to further economic development through a streamlined permitting process and infrastructure that's ready for growth. Over the past decade, our electric load has increased 1,600% due to the addition of businesses like Amazon. Seeing such growth is a true testament to the value of being a hometown public power utility."

MAYOR KEN BRANNER, MIDDLETOWN, DELAWARE

#### MAYORS PROCLAIM PRIDE IN PUBLIC POWER

#### MAYOR REBECCA CASPER, IDAHO FALLS, IDAHO

"Public power provides maximum value to Idaho Falls' citizens. In addition to providing some of the lowest power rates in the country, the power generation resources our local utility owns are 100% carbon-free. And the



new power and broadband resources we are developing are cutting-edge and innovative. Why? Because we live here, too. Local, public ownership of our power utility translates into management that is completely responsive to residents, businesses and other citizens in our community who rely on the services we provide. Our customers are our neighbors."

#### MAYOR GERI MCCALEB, GRAND HAVEN, MICHIGAN

"The City of Grand Haven is fortunate to have a community-owned public power facility. There is

**MAYOR ANDY SCHOR,** 

LANSING, MICHIGAN



a lot of community pride in having our own facility, and the reliability of our power and the customer service is second to none."

#### MAYOR JOSE ALVAREZ KISSIMMEE, FLORIDA

"Public power enriches the lives of our community by providing low-cost electricity and governance of the provider at the local level. Additionally, revenue generated by a municipal utility, such as the Kissimmee Utility Authority, is invested back



into the community through infrastructure improvements and various community engagement and outreach programs."

## 35

"Our community is enriched by having a municipal utility in a number of ways. Local governmental control over the utility means that citizens have more control over their utility. Additionally, BWL's residential rates are typically much lower than an investor-owned utility. As the largest municipal utility in the state of Michigan, BWL not only provides water and

electricity, but employs over 700 people living across our region. BWL is an organization with a purely local scope, and all investments BWL makes go directly back to the community in the form of upgraded infrastructure."

"The highest value that we place on having a public electric utility in Manitowoc is that the citizens own and operate

all aspects of the utility. Each and every citizen is a shareholder and continually reaps the benefits. Benefits range from low rates (not a single rate increase since I was first elected 10 years ago), to the payment in lieu of taxes the utility pays to the city to lower our property tax burden. Our electric utility has also started many economic development programs to incentivize businesses to locate in Manitowoc. It truly is one of our greatest assets."

MAYOR JUSTIN NICKELS, MANITOWOC, WISCONSIN



#### MAYOR DENNY SPINNER, HUNTINGBURG, INDIANA

"As a community served by a public power agency, the City of Huntingburg has received many benefits. Our citizens have safe, reliable energy at a low cost. But we also have a voice with regard to the decisions being made about the future of our energy supply. Having local control on such a vital resource is very beneficial. And we have been able to leverage our utility as an engine for



economic development. The locally controlled rates and quality service provided to our residents are a big advantage in attracting and retaining local development."

#### MAYOR BRIAN BAGLEY, LONGMONT, COLORADO

"Longmont Power & Communications puts the community first, providing solid reliability, some of Colorado's lowest electric rates, and a dedicated team. In a recent major snowstorm, LPC



restored power in less than two hours. Nearby private utilities needed three days. Public power enriches our whole community and helps it thrive."

#### **MAYORS PROCLAIM PRIDE IN PUBLIC POWER**



"New Braunfels Utilities provides a resilient power supply in one of the fastest-growing areas of the country. They are

committed to keeping the lights on and the rates are amongst the lowest in the region. NBU is well prepared to meet the needs of our community for generations to come."

MAYOR BARRON CASTEEL, NEW BRAUNFELS, TEXAS

#### MAYOR JOHN E. DAILEY, TALLAHASSEE, FLORIDA

"As the fourth largest municipal electric utility in Florida and the 27th largest in the United States, Tallahassee's community-owned utility provides affordable and reliable power, delivered with the highest level of customer service. As a public power utility, we have the ability to make decisions locally that reflect the values of our residents.



For instance, the City Commission recently adopted a Clean Energy Resolution that was created with input from the community. The resolution outlines the goal and sets milestones for moving our organization and community to 100 percent renewable energy by 2050. We are already reaching milestones such as planning for a second solar farm, reducing emissions beyond the 2020 Paris Accord and Kyoto protocol, and helping residents conserve energy."



"Not only does Provo Power provide safe and reliable electricity to our residents and businesses with competitive electric rates, they contribute financially to our community by transferring 11% of revenues to the city's general fund, which helps support vital city functions. They also offer many community benefits, including an energy efficiency rebate program, an annual

tree giveaway [and] community events, and sponsor additional city events, which offers economic boosts for our community, among others. Without the partnership and coordination with Provo Power, our city and the community would lack in critical services and opportunities for growth."

MAYOR MICHELLE KAUFUSI, PROVO, UTAH



"When we think of our local power utility, maybe we think of flipping a switch

or plugging something in. But as a public power utility, Sioux Center Municipal Utilities does more than just provide essential services. It also powers the success of our community. Our utilities are governed locally, keeping decision-making closer to where customers live and closer to their best interests. Our municipal utilities employ people here and give back to the community in many ways, investing in local growth. Because employees are based here, they have real accountability to customers. They are safety-minded and use environmentally conscious practices. Sioux Center is their home, and they take pride in serving it well."

MAYOR DENNIS WALSTRA, SIOUX CENTER, IOWA

#### MAYOR BILL ACEE, SHERBURNE, NEW YORK

Our public power system gives our community ownership of an asset that produces a tangible benefit for them every day; it builds a sense of community. We branded ourselves as a public



power community, and now it is the reason some select it as the community to raise a family; it's a vital link to economic development."

#### MAYOR NEWELL CLARK, LEXINGTON, NORTH CAROLINA

"When people ask me about public power and



what it means, I say the definition of public power is exceptional reliability and superior service."

#### MAYOR GARY FULLER, OPELIKA, ALABAMA

"Opelika Power Services has been owned by our citizens for over 100 years. As a not-for-profit, locally owned and operated utility, everything we do is for the benefit of our citizens and customers. Revenues are invested back in our community,



supporting Opelika City schools, parks, and public safety. Because we're public power, our rates are substantially lower than the co-ops or investor-owned utilities."

#### MAYOR MATT WATKINS, PASCO, WASHINGTON

"Pasco, Washington, is powered 100% by public power from Franklin PUD. We've long valued the partnership we have with our community-owned and locally regulated utility district. Franklin PUD is 94% clean — having nearby and plentiful hydropower as its main source of power. We value the benefits of hydropower in the Pacific Northwest because it is reliable, renewable, and produces



almost zero greenhouse gas emissions. Plus, we need our hydro to back up our other renewable resources, including wind and solar."

## Leveraging Utility Enterprise Solutions for Outage Automation

or years, Pascoag Utility District wrestled with aging and fragmented software systems for billing and customer care. Today, by converting to National Information Solutions Cooperative's (NISC) enterprise software, the utility is running much more efficiently and communicating effectively with customers. After one year with NISC, they increased their credit card payments by 42 percent, while reducing their customer disconnects by an impressive

34 percent. All possible because Pascoag is leveraging technology to integrate their data and functions.



Pascoag Utility District is a public power district in northwestern Rhode Island. The utility provides service to about 5,000 electric customers and 1,200 water customers.

Pascoag's General Manager, Mike Kirkwood, said that their old software systems were cumbersome, and staff had to perform all kinds of gyrations to make them work. That was frustrating and kept them from being able to deliver optimal customer service.

Pascoag staff confirmed that the previous software systems made it time consuming to complete daily billing and other administrative tasks. It was also difficult to gather data to communicate with customers.

In early 2013, the utility initiated an effort to replace the various systems with a single, integrated software solution that would allow customers easy access to their accounts online, allowing them to pay bills, track their electric and water usage, and stay informed about interruptions in services.

Desarae Dolan, Pascoag's supervisor of administration, said that after considering a half-dozen potential service providers, the utility zeroed in on the flexible, integrated package offered by NISC, a member-owned information technology company.

#### Three-in-one solution

he partnership with NISC provides a user-friendly platform that can perform several tasks including accounting, customer care, and operations support. NISC's solutions are helping improve customers' experience interacting with the utility on billing, service hook-ups, and disconnects and outages.

For example, one core offering is SmartHub, which provides customers with real-time account access and two-way communication either online or via mobile devices. Customers can use the SmartHub

portal to notify the utility of outages and also to view information about their utility usage. Furthermore, customers can set up recurring payments, get paperless bill statements and sign-up to receive emails or texts — via NISC's Messenger service — about planned outages or billing issues. A closely related solution is CallCapture — a comprehensive interactive voice response program that allows Pascoag to send phone messages to specific groups of customers — such as those that face disconnects if they do not pay their bills, or those in an area where electric or water service needs to be temporarily interrupted.

Dolan noted that implementation of SmartHub, Messenger and CallCapture has resulted in improved and quicker bill collection as well as a big drop in the number of disconnects. Customers have come to expect a high level of customer service and now we can meet those expectations.

#### Enhancing for the future

Pascoag is currently expanding their NISC enterprise solutions by implementing MapWise Mapping and Outage Management solutions. MapWise Mapping is an intelligent mapping solution that will help Pascoag eliminate paper maps and visualize distribution system data to identify relationships and trending.

Paired with Outage Management, Pascoag will have the ability to quickly and efficiently respond to both minor and severe outages. Pascoag will be able to also leverage NISC's SmartHub Messenger solution to enable and manage outage notifications by communicating with consumers based on their preferred channels, including text messages, emails, letters, push notifications and phone calls.

Kirkwood said that the integrated solutions are making customer interactions easier and more productive, and as a result customer satisfaction has been on the rise. Customer service call volumes are down, billing is more efficient and with the new solutions, outage management will be optimized.

Before NISC, Pascoag was paying a considerable cost for bad service that frustrated customers and staff, Kirkwood said. With NISC services, costs have not greatly increased, but the positive results definitely have, he added.

To learn more about NISC enterprise software solutions, visit NISC's website at www.NISC.coop.

## HOW LEADERS EMPO





### **FEATURING**



**TIMOTHY BURKE,** president & CEO, Omaha Public Power District. Nebraska

Burke has over two decades of experience in managing all areas of public power — public policy, economic development, safety and technical training, marketing, and more.



**DAVID KOSTER**, general manager, Holland Board of Public Works, Michigan

Koster has led his communityowned electric, water, wastewater, and broadband utility to win broad local and national recognition for excellence.



**DEBRA SMITH,** CEO/general manager, Seattle City Light, Washington

Smith is only the second woman to lead her utility in its more than 100-year history and is tasked with positioning her organization to thrive in the new energy era.



**LYNNE TEJEDA**, general manager & CEO, Keys Energy Services, Florida

Tejeda has a track record as a business leader, with dedicated service to her utility for three decades.

# IN JUNE 2019,

four public power

leaders from utilities across the country will come together in a panel discussion at the American Public Power Association's National Conference on how to build a culture of excellence in public power. In advance of the discussion, they shared with *Public Power* Magazine insights on how to confront daunting challenges and be the best possible leader one can be.

"We built something more than a power plant — Holland Energy Park is an educational resource for our community in a setting people can enjoy."

DAVID KOSTER

GENERAL MANAGER
HOLLAND BOARD OF PUBLIC WORKS. MICHIGAN

Describe a memorable experience from which you've learned and grown in your public power career.

BURKE. At Omaha Public Power District, we had to make a deci; osion about shutting down our Fort Calhoun Nuclear Generating Station, and it was not easy. Our management theme was we had to do the right thing, but do it in the right way. We had to get the senior team and board aligned around the decision process. We also had to make sure the decision aligned not only with our business objectives but also with our head, heart, and soul.

We had the smallest nuclear plant in the American fleet. It was relatively high-cost, and we had to begin to think about how we were going to redo our generation mix. We were able to shut down the nuclear plant and begin our decommissioning process with no general rate increases for five years. It gave us the opportunity to start building our renewables portfolio.

There were 700 employees at Fort Calhoun — some were impacted right away, but we needed to keep the remaining employees engaged. And we were able to treat them really well. We just didn't give people their papers on a Friday and say, "Don't come back to work on Monday; your severance policy will be emailed to you," which often happens in the private sector. We worked for 30 days or so with those employees to transition them to what they wanted to do.

### KOSTER: At Holland Board of Public

Works, we went through a similar process to shut down our aging 60-megawatt coal plant as we faced stringent environmental regulations and the need to add significant capital to keep the plant viable.

What was most fulfilling was the public process that we went through to make this decision. It was an A to Z stakeholder-driven process to envision what our electric supply portfolio was going to look like in the future. It was all part of a 40-year community energy plan with three main goals: Protect the environment, be competitive in our energy supply, and be attractive to business along the way. We built something more than a power plant — Holland Energy Park is an educational resource for our community in a setting people can enjoy.

Early on, the direction we were heading in as a utility wasn't aligned with what everyone in the community wanted. We realized that we had to be better about our engagement. Our decisions were embraced because of the stakeholder-driven process. The way this allowed us to move forward as a community has been very gratifying for me.

As a result of Holland Energy Park, last year, we lowered rates by 6 percent. We're not seeing any rate increases over the next five years. And we've been able to build our reserves up in our electric utility so that we can actually retire debt early. Our investment will allow us to further lower rates going forward and keep us nimble.

The most challenging and fulfilling experience — at all three public power utilities I've worked at [Eugene Water and Power Board, Central Lincoln Peoples Utility District, and now Seattle City Light] — has been helping people embrace change.

Right now, I've completed two of eight allstaff meetings at Seattle City Light that started yesterday and finish at the end of next week. I'm talking to our employees about change.

Change is hard. Some people get jazzed about it and don't mind living in the ambiguity. They're excited about moving forward and change boosts their energy level. Other people really don't like change. I'm convinced that our personal response to change isn't really something we choose — some people just naturally gravitate toward it, and others don't.

When you're leading change in an organization, you're trying to be responsive, thoughtful, and kind to both groups of people. When you're successful, it's really fulfilling and feels great. However, change is not easy to navigate.

For people who don't find change, in and of itself, to be rewarding, we need to make the change relevant to them and help them understand why it's in their best interest. We need to be patient with each other so that we don't have internal friction about the speed or even



"Today, I don't think
we have the luxury of
separating customers
and policymakers.
Customers are much
more energy savvy
and know what
they want."

#### **DEBRA SMITH**

CEO/GENERAL MANAGER
SEATTLE CITY LIGHT, WASHINGTON

the need for change. However, even as we take individuals' needs into account, we have to be really clear about expectations and timing. We have to connect people to change in ways that are meaningful and relevant.

I think all leaders in public power right now are change agents — they need to be.

TEJEDA: Every time we go through a hurricane recovery, it is by far the most fulfilling time for our utility. There's an energy that all the employees get. We are focused on a common goal. Everyone is dedicated, fully committed to moving forward and getting every customer back in service as quickly as we can.

It's the time where you see the most dedication, commitment, and teamwork. Hurricane Irma in 2018 is still fresh in our memory, but I recall Hurricane George back in 1998.

It's great to work as a team with everyone pulling together. In addition, the community appreciates the utility as a whole and the individuals. That's the time where you really see hometown heroes.

# What are the most important qualities a public power leader must have?

A leader has to be willing to shape the direction. You may get input from the board, customers, government agencies, and a number of other stakeholder groups. But you have to shape that input into direction for the future and figure out how you're going to get your organization there. You have to make the direction livable every single day and know why you're doing what you're doing.

Collaboration and partnership building is another important leadership skill. We have to ask "How are we, as an organization, going to collaborate better to do the things we need to do to live up to the direction that we're shaping for our community?" We must look to build partnerships within and outside our organizations — labor groups, union leadership, community groups, etc., to do the right thing for the community.

Leaders must excel in delivery. We must have stamina and gut to stick with the course, even when it's tough. I've seen so many organizations that can get 80 percent of the way there, but they're not willing to do the remaining 20 percent of the really tough stuff. That's where a leader has to be willing to engage and help the team live up to its stated goals.

KOSTER, A leader must be a good

communicator. Probably the most important part of that is being a good listener — whether it's listening to your community or your workforce. You have to listen to understand their interests, desires, and concerns. And you have to be able to convey information to your city leaders and your community to let them know you've got a good handle on what they need and will bring them outstanding quality of services.

You have to have a passion for service to your community and to your employees. I love that when I talk to my staff and ask what brought them to Holland BPW, they say it's the ability to impact the community from a quality of life and economic development standpoint. This passion for community service pervades the entire organization.

Leaders must have an unwavering desire for continuous improvement. You have to be able to assess the opportunities, measure what's important, and continually set the bar a little bit higher. You always have to do a little bit more to bring an excellent quality of service to the community.

Leaders must have a vision that is inclusive and customer-focused. When I first came to public power 24 years ago, there was much discussion about the role of the public in public power. Does the board directly represent what constituents want or make decisions in the best interest of constituents? And sometimes having your customers' best interests at heart meant having a long-term view — like investing in renewables and energy efficiency — that didn't translate to low rates right away.

Today, I don't think we have the luxury of separating customers and policymakers. Customers are much more energy savvy and know what they want. I've got Google, Microsoft, and Amazon as customers here in Seattle — if I don't meet their needs and provide products and services in the way they choose, someone else will.

Leaders must focus on the end and not get stuck on the means. Personally, I'm an eyes-on-the-horizon kind of person. I'm able to find a place where I'm going, and then I'm pretty flexible in terms of how I get there. I'm inclusive — I've talked to a ton of people in my first six months at Seattle City Light to test my assumptions, gather information, and hear from customers, employees, and stakeholders.

In public power, leaders must be empathetic and really connected to employees. We all know that we're competing for a limited job market, and public power usually isn't able to compete financially. So, it's important that we talk to employees and understand what they want and need. We must talk to them in their language. Leaders right now are mostly baby boomers or Gen Xers. But we have to be listening to millennials and Nexters or we won't attract them to the workforce.

TEJEDA: Leaders must empower the teams they work with. In any utility, there is such a diversity of tasks. You need to have a strong finance team, strong customer service team, strong engineering team, and a strong field force. As a leader, you can't do everything or even know enough about all the different areas needed to make the utility run well. You need a great team, and you have to stand back and let them do their work.

You can't micromanage. You have to ask the right questions and know when to push, but at the end of the day, you have to believe in your team and give them the ability to do their jobs. You have to trust and empower.





### **DAVID KOSTER**

GENERAL MANAGER
HOLLAND BOARD OF PUBLIC WORKS,
MICHIGAN

### Where do you anticipate we'll see the greatest change in our industry in the next five years?

BURKE: The change will be in how we are integrated with our customers. Historically, I think we've seen ourselves being the deliverer of services to our customers. I see our future role as far more integrative — on the commercial, industrial, and residential sides. We may build partnerships with other providers.

While the integration may be about energy and reliability, it will also be about embracing our customers and integrating their needs, desires, and wants into how we serve them. This integration is going to have to happen faster than we all think. For example, several OPPD customers really wanted to have 100 percent renewable energy. One of them was Facebook, which has a large data center in our territory. We created a rate structure that allowed the customer to build or buy 100 percent of its energy requirements through renewable energy, and we would give it market pricing (and meet our needs through fixed cost recovery). It became one of the most creative and productive green rates in the nation and has driven a lot of other conversations.

We're working with customers that have their own necessary backup generation, but we may take advantage of opportunities to sell that capacity and energy into the market when it isn't being used.

OPPD also goes into new buildings to recommission them from an energy perspective. And we can save those companies 30 percent

on energy, and sometimes even water, by just going in and making sure systems are talking to each other and reoptimizing. And we partner with private contractors and local engineers to implement these projects for our customers.

KOSTER: We are seeing continuous

change in the relationships with our customers. They want more say about the portfolio of resources supplying their energy. We must continue to establish ourselves as trusted energy advisors to our customers to help them find solutions.

We've been service providers for years, but we need to think about how to be solution providers — sometimes, that means that we're going to have more of a direct relationship with



When asked why Central Service Association and Professional Computer Systems united, the answer is simple:

### We are better together.

While each of us have products and unique services that the other's customers could well find helpful, one major trait is dominant: we are relationship people,

### committed to exceptional service.

CSA, a member-owned cooperative, is celebrating 80 years serving the needs of utilities primarily in the Mid-South, while PCS has 40 years of history and clients in 22 states plus Bermuda. Together we are over 175 employees strong. Together we are over 160 utilities united. Together we have over 120 years of service to public utilities. Together we are over 50 products and services designed solely for utilities.

Combining our vision, resources, services and products gives us even more to offer our clients – like the ideal solution you have been seeking but not found yet. We invite you to come see for yourself.

Billing • Financials • Work Management • Meter Data Management • GIS • Cyber Security • Employee Benefit Plans • and more...

#### **Central Service Association**

Toll free 877.842.5962 / www.csa1.com

Professional Computer Solutions, LLC www.pcsco.com / Toll free 888.843.3106

"We have to make sure that we always have the right amount of capacity and that we're still able to serve those who are not 100 percent, all-requirement customers. That's going to be a big challenge for many utilities."

#### LYNNE TEJEDA

GENERAL MANAGER & CEO KEYS ENERGY SERVICES, FLORIDA



our customers. We have to walk side by side with them and find ways to add value, even if we're not playing the same role we were in the past.

There may be opportunities and partnerships as distributed energy resources become more important to our customers in satisfying some of their goals. Maybe we as utilities can play a role in being an operator or even an owner of distributed resources to help customers reach the solutions they're looking for.

At Holland BPW, we look for opportunities to help customers overcome hurdles in reaching some of their long-term energy goals. We know that sometimes, upfront investments in energy efficiency can be tough for customers. We provide some residential customers an on-bill financing opportunity for deep home energy retrofits. We've invested over \$1 million to improve the housing stock and make homes more comfortable and energy efficient throughout the Holland community. I can see us doing that with more of our commercial and industrial customers as well — providing incentives to help them overcome hurdles to becoming energy efficient.

SMITH: The biggest changes will be around technology, electrification, and the continuing changes in customer expectations.

Technology is a driver for change in itself and an enabler for other changes in the business environment. Even at Seattle City Light, we have not been quick to adopt advanced metering. But now we're at the stage where we'll put that system to work for the benefit of our customer-owners, and that's exciting.

Electrification is another critical change — it's the bridge between continuing to aggressively encourage our customers to use energy products and services in efficient ways so they conserve resources and keeping our products and service affordable for all.

Distributed generation, smart grids, and smart cities are other big changes and, ultimately, they all change customer expectations.

TEJEDA. Our biggest threat is probably going to be distributed generation, and essentially grid defection. We're going to have customers who leave the utility for their own generation, or only use us for backup. That will cause challenges with our rates and fixed cost recovery.

Grid defection will also cause reliability concerns. We have to make sure that we always have the right amount of capacity and that we're still able to serve those who are not 100 percent, all-requirement customers. That's going to be a big challenge for many utilities.

In Florida, we're usually lagging behind the rest of the nation because we don't have tough state mandates on renewables. This gives us the opportunity to take a "wait and see" attitude and learn from what's happening in other states. We're very watchful as to what's happening with distributed generation and the proliferation of renewables, especially in California and a few other states.

At Keys Energy, we tend to be conservative. We don't do a lot of research and development with ratepayers' dollars because we already have some of the highest rates in Florida. We're very cautious about how we spend money.

But we are early adopters of new technology that has proven itself. For example, we were very active early on in social media and having a digital presence. We jumped in and embraced social media because it was important for our customers to have that kind of access to us.

We had to resolve some voltage problems (because we're at the end of a radial line) and we put in dynamic VAR compensation and series capacitors. I think we're the only utility that has the series capacitors on the East Coast. That really helped us with reliability and power quality, while also increasing our import capability from 240MW up to 320MW through our transmission line.

# Where does our greatest competition come from? What threats should public power leaders be alert to?

BURKE: I would say we are our own worst competitors. If we don't change our mindset about who we are, what we are, and what our role is in the communities that we serve, we will be our worst competitor. If we are not focused on providing value to our customers and stakeholders, then we hurt ourselves.

I don't worry about privatization threats. If we do what we need to do for our customer-owners, that will speak for itself. But if we get away from providing affordable, reliable, and environmentally sensitive energy, others will fill that gap quickly.

es may appear to be a threat, but if embraced correctly, they also represent an opportunity. You can be in a win-win situation with your customers if you help them achieve their goals.

Another challenge is maintaining our workforce. Here in Michigan, it's very easy for a journeyman lineman to find employment without having to relocate as we have investor-owned utilities that surround our geographic area. We need to reshape our thought process on compensation and benefit levels, obviously, but also on culture. We have to look at how our public power utilities can add quality of life differentials to make us the employer of choice. If our utility is governed by a city council, it may be harder to get across that if we don't make changes in workforce development, we will suffer in the long run. But we have to make sure we don't stand in our own way.

One more threat is the level of literacy on energy issues within your community. People may not know that as community-owned enterprises, we have a responsibility to the community first. It's in our interest to make sure our customers are as knowledgeable as they can be on energy issues and on the value proposition our utility brings to the community in the long term.

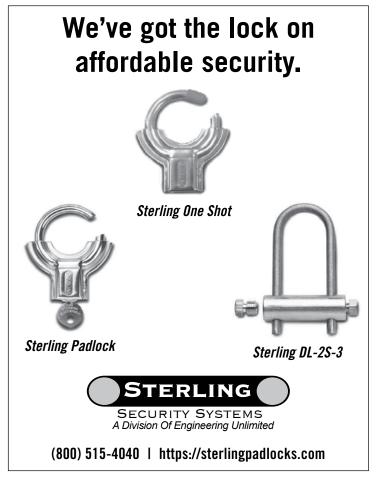
Our competition comes from the likes of Amazon and Apple, entities that have already established strong relationships and trust with customers. The recently formed Renewable Energy Buyers Alliance that brings together businesses and organizations seeking to procure renewable energy across the U.S. is a competi-

tor. It has 200 large energy buyers and more than 150 clean energy developers and service providers as members. REBA is like the large commercial version of a community choice aggregator and could substantially change our role as utilities. In this scenario, building customer trust and connections is critical.

"If we are not focused on providing value to our customers and stakeholders, then we hurt ourselves."

### **TIMOTHY BURKE**

PRESIDENT & CEO OMAHA PUBLIC POWER DISTRICT, NEBRASKA





TEJEDA. In Key West today, I don't see specific threats, but when I look around at what's been happening in the state, there's always the possibility that another utility could be interested in a takeover.

Competition could come from a corporation that wants to be all things to all people, like a Google or an Amazon.

We can't ever assume that it's going to be status quo, that a municipal utility like Keys Energy will always be the service provider for this area. We have to act like there is competition and build relationships with our customers today. If we lay the foundation right, customers will want to stay with us if competition does come.

How do you build a resilient organization that stands strong in the face of all the change?

BURKE: We have an innovation team that we bring staff into so they can work on innovative concepts and ideas. That's been incredibly valuable. We've developed several new products and services. People who serve on these teams go back to their previous work with a completely different sense of ownership, capability, idea generation, and energy.

The resiliency piece of that is about cascading those behaviors and expectations down through the organization. We're engaging the unions around crew leader training. We're saying, "Here's how you live out these behaviors that we have in our leadership framework, and here's what that means to be a crew leader."

We do accelerated leadership development groups. We take about nine people in a group, immerse them in our leadership behavior framework concepts, and say, "You have executive-level potential. We really want you to explore what that means to you and how you can play at a different level in this organization." We're seeing so many positive things come out of that.

When you train people and continually reinforce leadership development in the organization, you begin to build resiliency. You have to be able to bring people in and give them experiences, and then allow them to go out, test it, feel it, and execute it.



"When you train people and continually reinforce leadership development in the organization, you begin to build resiliency."

### **TIMOTHY BURKE**

PRESIDENT & CEO
OMAHA PUBLIC POWER DISTRICT, NEBRASKA

"Staff may have distinct ideas about the direction they want to go, but governing body members bring you back to the reality of what the community wants."

### LYNNE TEJEDA

GENERAL MANAGER & CEO KEYS ENERGY SERVICES, FLORIDA We're creating cross-functional teams to help us explore strategic opportunities and make us more resilient through innovation and process improvement. We usually have about 10-12 tactical action teams working at any given time, and none of the leaders are executives. We help team leaders develop leadership skills and work with different areas of

One team is working on battery storage technology and possible applications for the utility and our customers. Another team is looking at all of our distributed generation policies and how we might want to incentivize some of that as other resources retire and we need to supplement our portfolio.

the organization that they might not normally

work with.

We're looking at our records management processes and knowledge capture — at what we can be doing differently to ensure that we have good processes in place and that we're being as efficient and effective as we can.

We're looking at our infrastructure all the time. Having a capital plan focused on the best return in terms of the added reliability and resiliency in our infrastructure is very important. We came up with an asset ranking system so we could look at the risk and consequences of failure of any one of our assets — electric, water, wastewater, and broadband. It helps us evaluate where we can invest to reduce some of those risks in the organization. It makes us stronger, and reliability is the No. 1 attribute that our customers value us for.

SMTH. Utilities focus a great deal on emergency preparedness. To withstand the threat of natural disasters, you have to build flexibility into your infrastructure — like a substation with flexible busing. In Japan, building foundations are laid to withstand earthquakes. Each piece of the foundation is moveable and flexible, not one

large piece of concrete that can't withstand the movement in the earth. That same principle holds true here, in any aspect of our business.

To withstand competition, we have to be more flexible. We have to be willing to fail fast and fail forward. We have to be willing to make mistakes and learn from them. We need to be faster, and that's hard for public power in many ways. We typically don't want to be the cutting edge, but we want to be fast followers, and we want to be prepared so that when the switch flips, we're there. But we can't wait, because I guarantee you Amazon is not waiting.

Resilience comes down to the people. It would be easy to say that you need the money to throw at projects, but at the end of the day, it's always the people who are going to conceive the projects and turn them into reality. Our employees make our utility what it is.

No matter how much money you have in your budget, you're not going to go anywhere if you don't have people who care, who have dreams and ideas, and who take time to think about the future of the utility.

## What is your advice to up-and-coming public power leaders?

BURKE: Be incredibly intentional about what you do. Be very clear about what you need, what you want, and what you believe in. Then, connect all that to the organizational strategy and the mission, vision, and values — and you do it with care.

Know that as you go higher up in an organization, life becomes less black and white and far more grey. You have to get comfortable with being uncomfortable. Go in with the mindset of "I really don't know what the future holds but if I do these things, it will prepare me for a variety of alternatives."

heart for your passion. If your passion really is to serve your community and your employees, then you're in the right place.

Then identify what's important to your organization, communicate effectively, and measure and reward success. Those are the things that are going to help build culture and the outcomes you want in your utility.

SMTH: Work really hard to figure out what you're good at. Take the time to understand what your personal values are and what makes you tick. And try to work in an environment where the organization's values are not incompatible with your personal values. If the two sets of values are in conflict, people really struggle.

For example, my personal values are faith, family, fun, friends, and hard work. I need to be able to work around people and interact. If I worked in an environment where I had to be quiet all day, that would be hard for me, and I wouldn't be effective. But if I'm having fun, all is well.

We are most successful when we get in there and do our very best every day. Take every lateral assignment that you are ever offered and learn about the organization you're in.

I also value what my dad once said to me: "They [your leaders] have the right to make whatever decisions they think are best, and your job is to make sure that they know the impacts of their decisions." I've always taken that with me, especially when it comes to relations with my utility governing body members. As long as I have a voice, and I get the opportunity to share my concerns and my thoughts, then once elected officials make a decision, I'll go execute on it. They are responsible to do what they think is best for their constituents, and I respect their role.

TEJEDA: Keep the lines of communication open in both directions with employees, elected officials, your community, joint action agency, and state and national associations.

Over-communicate with your governing body, whether it's your board or city council. Keep them completely in the loop on everything, especially issues you are going to ask them to vote on. Have one-on-one conversations with them so that they're aware of what's happening and can ask questions when they hear from a customer or employee who has concerns.

Invest in strategic planning as a highly collaborative process between the staff and the governing body. Staff may have distinct ideas about the direction they want to go, but governing body members bring you back to the reality of what the community wants. It's a per-

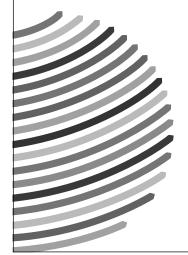
fect balance when you have the people who are in the trenches and know how to make the utility succeed, and you have elected officials who are closer to the community and ground us in customer expectations.

READ MORE OF WHAT THESE LEADERS HAVE TO SAY IN THE DIGITAL VERSION OF THE MAGAZINE AT WWW.PUBLICPOWER.ORG/ PUBLIC-POWER-MAGAZINE

Dentons: Named "Energy Firm of the Year" by *Who's Who Legal*, 2015–2017.

Clinton A. Vince Chair, US Energy practice Co-Chair, Global Energy sector +1 202 408 8004 clinton.vince@dentons.com





#### dentons.com

© 2018 Dentons. Dentons is a global legal practice providing client services worldwide through its member firms and affiliates. Please see dentons.com for Legal Notices.



omen have long played a prominent role in public power leadership. Under its strategic initiative to "support workforce planning," the American Public Power Association provides many networking and professional development opportunities for women to grow and contribute in public power. We asked five women who serve on the Association's board of directors to share their perspectives and tips on how women can recognize and leverage their strengths in a competitive world.

### **FEATURING**

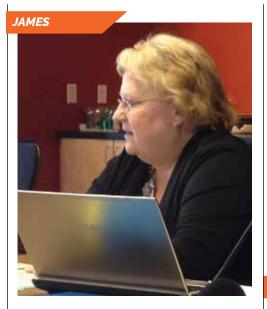
**LESLIE JAMES,** executive director, Colorado River Energy Distributors Association, Arizona

**LAURIE MANGUM,** energy director, City of St. George, Utah

**KIMBERLY SCHLICHTING,** chief operating officer-senior vice president, power supply, Delaware Municipal Electric Corporation, Inc., Delaware

**JOLENE THOMPSON**, executive director, Ohio Municipal Electric Association, and executive vice president of member services and external affairs, American Municipal Power Inc.

**JACKIE SARGENT,** general manager, Austin Energy, Texas











#### WOMEN IN LEADERSHIP: UNIQUE STRENGTHS. UNIQUE CHALLENGES

How has the public power community evolved over time to provide a path for women interested in pursuing leadership roles?

JAMES: I would characterize it as opportunities more than as a path. My perspective is based on 40 years of experience in the utility industry, which has traditionally been male-dominated. Until women became more interested in public power careers and trades, we didn't see clear paths for involvement and advancement. It has been more about individual managers and supervisors providing guidance and leadership to women on a one-on-one basis.

MANGUM: I have witnessed many changes in the industry in the 42 years since my first day as an operator in training at a California utility. I realized later that I was hired to meet affirmative action requirements, although at the time I was in awe of myself beating over 350 applicants. On the first day, I was asked to meet the personnel manager in a parking lot one mile from my work site because they didn't want me to feel threatened by the affirmative action protesters — men, women, and children bearing signs with messages of unfair hiring practices toward men with families.

Back then, for a woman to get a job in the utility industry other than office work was an anomaly. I was only the second woman hired

"Until women became more interested in public power careers and trades, we didn't see clear paths for involvement and advancement."

**LESLIE JAMES** 

for the apprenticeship program in this large utility. Even 22 years ago, sitting in board meetings around the state of Utah, I was the only woman in the room besides the administrative help. I was intimidated, and my comments were often ignored. But because of my education and background, the members at the table started to listen. As time passed, I gained much respect and my confidence grew.

Well, that was then, and many things have changed since. Women are now hired for their dedication, abilities, and the value they bring. They are educated, creative multitaskers with strong analytical abilities.

It's still not easy for women to get into leadership positions. Today, I am the only female electric utility director in Utah, and I don't see many other women following my lead.

**SARGENT:** Today, we are seeing more women in leadership roles than ever before. However, the road has been long. Austin Energy will soon be celebrating 125 of success in serving our customers and the community, yet I am the first women to serve as general manager. Sue Kelly as president and CEO of the American Public Power Association is viewed as a role model. Getting more women into leadership positions helps pave the way for more to follow. Congratulations to all of you rock stars out there — you can do it!

**SCHLICHTING:** Public power has been a leader for over 100 years in many different aspects of the industry. Therefore, it's no surprise that we would be encouraging and welcoming to women. We've engaged with community schools and youth groups to promote and encourage girls to enter STEM careers. As more women gravitate to what was traditionally considered a male-dominated industry, public power entities have a much more diverse pool of candidates to consider than ever before. This is a win for both public power and women seeking employment in public power.

"Back then, for a woman to get a job in the utility industry other than office work was an anomaly."

**LAURIE MANGUM** 

**THOMPSON:** The presence of women has certainly increased in the 30 years that I've worked in public power. However, looking back through the lens of AMP, OMEA, and the American Public Power Association, public power has long been welcoming of women leaders. Vera Claussen was chair of the Association's board of directors in 1996-1997; Janine Moon was an executive at AMP/OMEA in the 1990s; and there were a number of female mayors and community leaders in our membership. As I started my career, observing these women in key leadership roles meant that I didn't doubt the potential for moving forward. I've also had the good fortune at AMP to work for and with leaders who have provided valuable mentoring and encouragement for their teams on an equal basis.

Is there more that public power can do to offer leadership opportunities for women?

JAMES: I've seen and heard of women-directed rotational and networking opportunities within the public power community, and maybe public power organizations that have had experience in these areas could be encouraged to share their insight and recommendations with others. sector to go out and find the talent. You can't wait for the women to come to you. Go to the community and talk to people about how women can help by getting an education and working in the public sector. Work on team building and mentoring the women when they have been hired, to encourage them to succeed.

### WOMEN IN LEADERSHIP: UNIQUE STRENGTHS, UNIQUE CHALLENGES

**SARGENT:** Encourage and support. It is one thing to move into a supervisor or manager role, and it is another thing to be successful. As with all employees, it is important to ensure that women have the training and support to be successful in their current positions and have opportunities to grow. Identify stretch assignments so that employees are empowered and can experience all that they can be. Encourage participation in industry organizations such as the Association. Join a working group and take on leadership responsibilities — learning to get work done through others who don't report to you is an important skill.

**SCHLICHTING:** While women have come a long way in the industry, they still have a ways to go. Public power's current leadership sets the stage for its success in embracing the ideal of a diverse workforce. Most recently public power demonstrated its openness and support by hiring its first female president and CEO of the Association in 2014. Leadership from the top down must continue to recognize the strengths and advantages of creating a diverse culture that is inclusive of women. Embracing diversity might not come naturally, and therefore it should be an initiative that is planned for and acted upon. I was fortunate enough to have a male mentor who saw my potential and not my gender. Because he encouraged me, I was afforded the opportunity to grow and thrive in the industry.

"Public power's current leadership sets the stage for its success in embracing the ideal of a diverse workforce."

KIMBERLY SCHLICHTING



### WOMEN IN LEADERSHIP: UNIQUE STRENGTHS, UNIQUE CHALLENGES

**THOMPSON:** Advancing women in public power leadership roles begins with increasing the awareness of careers in public power at the high school and college levels. The service aspect of public power will resonate with the types of future leaders — both female and male — that we need in our industry. There are terrific opportunities for aspiring leaders in public power to grow and broaden their skills, as well as to build networks with their peers through the conferences, training programs, and committees offered by the Association, joint action organizations, and state associations.

What unique advantages do women have in making a contribution to the public power community?

**JAMES:** I believe that women in general have a great ability to be good communicators and multitaskers. Those are characteristics that are essential in community-centered organizations, large or small.

**MANGUM:** There is a vast, untapped pool of women who haven't had the opportunity to use their education and knowledge to potential. Until more of them are hired, the advantages are unknown.

"Understand what gaps you may have — education, experience, skills and abilities.
Develop a plan to fill in the gaps."

JACKIE SARGENT

"I would give the same advice to anyone who aspires to a leadership role — show up every day."

**JOLENE THOMPSON** 

**SARGENT:** Women provide another perspective. Having diversity on our teams helps to make sure that we don't suffer from "group think," that we truly consider all of the possibilities and, in the end, make well-informed decisions.

**SCHLICHTING:** Studies have shown that men and women tend to have differing viewpoints. Therefore, gender diversity provides companies with a wider lens through which to address issues and solve problems. As public power serves a diverse customer base, having a gender-diverse workforce should be our priority. While women are labeled for our soft side, we do have inner strength and an assertive side that we use as needed to advance our work and motivate those around us.

**THOMPSON:** Embracing diversity throughout an organization and bringing different perspectives to the table allows public power to more effectively relate to and connect with customers for a stronger end result.

What would be the one piece of advice you would give to women who aspire to leadership roles in public power?

**JAMES:** Treat everyone, regardless of gender, the way you want to be treated. Take a moment, every day, to do one act of kindness.

**MANGUM:** You must know what you're talking about, and don't be afraid to talk and be heard. Ask questions, get involved, and be interactive.

**SARGENT:** Identify where it is that you want to go. Be self-aware, honestly assess your current capabilities, and research the job positions you are interested in. Understand what gaps you may have — education, experience, skills and abilities. Develop a plan to fill in the gaps. Sometimes we have to take a step back to move forward. Rather than thinking about a ladder to the top, think about a lattice to move up, down, right, and left to ensure you have a broad base of knowledge and experience across all areas of the organization. But, most of all, don't be afraid to try something new and different that challenges you and takes you out of your comfort zone.

**SCHLICHTING:** Embrace the fact that you are a wonderfully created, multitalented and multidimensional human being. Trust your inner strength and know that you bring a uniqueness to the table that only you can bring. When choosing a career path, make sure you love what you do and do what you love. Only true passion will spring you forward toward success. Public power is a wonderful industry whereby you can serve and provide a most essential service to better the quality of life and the community in which you work. And oh, by the way, if you love what you do, it won't feel like a job but a satisfying and rewarding way of life.

**THOMPSON:** I would give the same advice to anyone who aspires to a leadership role — show up every day. That means listening, learning, engaging, having passion for what we do and who we serve, and not being afraid to take on new challenges.

### Motivating Leaders to Invest in Cybersecurity

**BY ROB MORSE,** DIRECTOR OF INFORMATION TECHNOLOGY, PLATTE RIVER POWER AUTHORITY; **MATT LEE,** INFORMATION SECURITY ANALYST, PLATTE RIVER POWER AUTHORITY; **CAMI DODGE-LAMM,** CONSULTANT, BEAM REACH CONSULTING GROUP

FROM THE AMERICAN PUBLIC POWER ASSOCIATION'S BLOG AT WWW.PUBLICPOWER.ORG

ou need to implement appropriate security controls to protect your utility's critical systems and sensitive data from increasing cybersecurity threats. However, this requires resources and support from your utility board and leadership team. Not an easy feat, considering all the competing interests the board must attend to. How do public power leaders address this issue? Here are three key suggestions:

### 1. Keep it simple.

When presenting to the board, keep your message simple. State the issue in high-level, non-technical terms and the solution in a few simple objectives, such as compliance, monitoring, and response. Be sure to start with the basics. What is cybersecurity? Why is it important? Why does information technology/operational technology need a strategy for security? Not getting into the weeds will keep things clear for your board members and help underscore the key messages you're trying to convey.

### 2. Have a plan.

The conversation with your board members will go a lot further if you start with a plan that has been reviewed by key staff members. Then, constructive discussions about budgets and funding can follow.



Your plan could include:

- Milestones to help set concrete goals (short-term and over the next two to three years)
- Metrics to help measure and provide an accurate picture of progress
- An employee engagement strategy
- Criteria for identifying risks
- Methods to prioritize risks

While discussing the plan, define a pace of implementation that is appropriate for your organization. For most, it's a measured approach that takes one step at a time, prioritizes the needs of your utility, and is implemented over a medium- to long-term horizon.

Look for "quick wins" that can be addressed early on to show value to the board.

Board members will have more confidence in your plan if they know that you've done your homework. Consider reviewing existing guidance, frameworks, and policies such as the American Public Power Association's Cybersecurity Scorecard, the full Cybersecurity Capability Maturity Model included in the scorecard, the Association's Cybersecurity Roadmap, and the Large Public Power Council's Cybersecurity Principles.

Look at similar programs being implemented at other public power utilities so you're prepared to answer the question, "Where are we compared to our peer utilities?"

### 3. Bring employees into the loop.

You can't fully realize or implement a cybersecurity strategy without the support of your employees. Unless employees are trained and attuned to possible risks, breaches can persist — or even worse, increase. Your plan should include an employee engagement strategy and build a culture of cybersecurity.

You might already have training and incentive programs for your employees to help safeguard against cyberattacks. If so, highlight for your board the program metrics — such as the percentage of employees who have participated in training modules — and explain planned exercises and incentives.

Don't have an employee engagement strategy? Download the Association's cybersecurity video library to start an awareness campaign. Now is the time to bring employees into the fold and make them a focal point of your plan.

Remembering to keep it simple, have a plan, and involve your employees will put you on the right track to gain the support of your board members. They will appreciate your holistic approach to cybersecurity. And remember that you are not alone in this – the Association's Cybersecurity Scorecard and Cybersecurity Roadmap are valuable resources you can count on.

All Association resources mentioned in this article can be accessed from www.PublicPower.org/
Cybersecurity when you log in as a member.



### Leadership in Service: Light Up Navajo

MIKE HYLAND, SENIOR VICE PRESIDENT, ENGINEERING AND OPERATIONS, AND ALEX HOFMANN, DIRECTOR OF ENERGY AND ENVIRONMENTAL SERVICES, AMERICAN PUBLIC POWER ASSOCIATION

"The first and most important choice a leader makes is the choice to serve, without which one's capacity to lead is severely limited."

-Robert Greenleaf

t is incredible that today, we have thousands of homes in the United States that have never been connected to electricity. And 75% of those homes are in the Navajo Nation.

The 27,000-square-mile Navajo Nation is the largest Native American territory in the U.S., with an estimated population of 300,000. Among the 55,000 homes located there, about 15,000 do not have electricity.

The good news is that the Navajo Nation is served by a public power utility, Navajo Tribal Utility Authority. For years, NTUA has been working on its own to remedy this situation and has connected about 3,000 homes to electricity in the past decade. However, electrifying the Nation is a mission they cannot accomplish unaided.

Because NTUA is part of the national public power family, they are not alone. Wally Haase, the general manager of NTUA and immediate past board chair of the American Public Power Association, has been raising awareness of the challenges of the Navajo people at various Association conferences and gatherings over the

past few years. After every session, people came up and told him that it was unreal to them that thousands of American families do not have electric power. As public power entities, they felt they needed to do something to correct this wrong. That's how the Light Up Navajo initiative was born.

In April and May 2019, NTUA and the Association are running Light Up Navajo as a sixweek pilot project that will guide future electrification efforts on the Navajo Nation.

In 2018, the board of directors for the Association's Demonstration of Energy & Efficiency Developments (DEED) program approved a \$125,000 grant to support NTUA and Association staff in assessing the feasibility of providing electric line extensions to Navajo homes.

In September 2018, we held a planning meeting with representatives from nearly two dozen utilities and joint action agencies in Window Rock, Arizona. We discussed project logistics, required resources, and travel plans. Time has flown by, and the vision and planning are now being translated to reality.

More than 100 volunteers from 24 utilities across the country are teaming up with NTUA crews and spending a week or two each to build electric lines to connect hundreds of families. We think of this as a unique mutual aid initiative. Just as public power utilities are always ready to roll up their sleeves and help their neighbors near and far in the wake of storms, they are now coming together to power their fellow Americans in need.

In just the first two weeks, the hardworking crews have connected many homes. It is truly a once-inalifetime experience to see families celebrate as the lights go on in their homes. For the first time, their children can do homework or enjoy a frozen treat at home, and in many cases family members can take hot showers. Flashlights and candles can be stored for use in emergencies instead of being everyday necessities.

We are humbled by this amazing effort that reflects the true spirit of public power. After this experience, it's hard for us to take for granted the flow of electrons through our lines. We will remember the people on the Navajo Nation — and the hundreds of public power professionals who helped them — every time we flip a switch. Each person involved in this effort is a true leader in service.

However, the work will be far from finished at the end of the pilot. Thousands more are waiting to enter the 21st century. And the public power family will continue to help. Together, we can shine a light in the dark.

### Thank You Public Power

Heroes from these public power utilities participated in the Light Up Navajo pilot in April and May 2019. We thank them for their service.

Conway Corporation, Arkansas

Delaware Municipal Electric Corporation: Town of Smyrna and City of Milford, Delaware Farmington Electric Utility System, New Mexico

Grand River Dam Authority, Oklahoma



Fannie Shorthair, one of the citizens connected to electricity for the first time as part of the initiative.



Volunteers from Grand River Dam Authority at work in Chinle, AZ.

Greenville Electric Utility System, Texas

Heber Light & Power, Utah

Lawrenceburg Municipal Utilities, Indiana

Lehi City Power, Utah

Littleton Light Department, Massachusetts

Murray City Power, Utah

Painesville Electric Department, Ohio

Paxton Municipal Light Department, Massachusetts

Piqua Power System, Ohio

Rochelle Municipal Utilities, Illinois

Sacramento Municipal Utility District, California



Salt River Project, Arizona

City of Santa Clara, Utah

City of Scottsburg, Indiana

Sterling Municipal Light
Department, Massachusetts

City of St. George, Utah

City of Wadsworth, Ohio

Washington City Power, Utah

West Boylston Municipal Light Plant, Massachusetts





**BY MEENA DAYAK,** VICE PRESIDENT, INTEGRATED MEDIA AND COMMUNICATIONS, AMERICAN PUBLIC POWER ASSOCIATION

n June 2019, Coleman Smoak, general manager of Piedmont Municipal Power Agency in South Carolina, will complete a year as chair of the American Public Power Association's board. He will pass the baton to Decosta Jenkins (DJ), president and CEO of Nashville Electric Service in Tennessee. These two leaders talked to Public Power Magazine as they traded advice and inspiration, recounted the Association's accomplishments, and outlined the challenges that lie ahead.

### What has been the Association's most significant accomplishment in your term as chair so far?

**SMOAK:** Several things come to mind. The most gratifying accomplishment was the response of the membership to the plight of thousands in the Navajo Nation who are without electric service. About two dozen community-owned utilities from around the country are sending crews this spring and summer in a pilot project to "Light Up Navajo." I hope this sets a trend of annual projects to assist these people. Additionally, in March 2019, we had great visits with all the ratings agencies and many of the bankers in New York. It was nice to see how highly public power is regarded. Finally, the 2019 Legislative Rally was fruitful this year, and we were well received on Capitol Hill.

### What are your top priorities as you take the baton from Coleman in June?

**JENKINS:** As chair-elect, my biggest challenge is to put in place new leadership at the Association. My greatest accomplishment is that I convinced Coleman to serve as chairman of the board selection committee for this.

As we recruit a new CEO, we must ensure a smooth transition. We must not lose momentum with our work on the Hill. We must continue to offer the type of programs that members view to be of value. We've got to make sure we maintain and improve our operating results. And we've got to continue our momentum on the strategic plan. The executive committee and the other members of the board must provide the type of support and leadership for the new CEO so all these things continue seamlessly.

### What advice do you have for your successor?

**SMOAK:** After DJ has been chair for a while, I think he's going to be even more impressed with an extremely efficient and knowledgeable Association staff. They've made my work as chair so easy, answering every request I've ever had. They're right on the money when it comes to answering my questions and the questions of others across the nation.

DJ is going to be exposed to so many more people in public power than he has been in the past. He will go to meetings where he's going to meet accounting, IT, customer service, and PR folks, lineworkers, and many others. And the more he deals with these people, the more he's going to realize that there's a real optimism about public power. These people are working hard, and I am inspired by their enthusiasm.

"...there's a real optimism about public power. These people are working hard, and I am inspired by their enthusiasm."

#### **COLEMAN SMOAK,**

GENERAL MANAGER OF PIEDMONT MUNICIPAL POWER AGENCY, SOUTH CAROLINA



"Customers, particularly the younger generations, want to manage all their needs using their mobile device, and so we've got to embrace that technology. Whether it's billing, outage reporting, or project tracking, we have to figure out how to let them manage everything through their phones."

#### **DECOSTA JENKINS**

PRESIDENT AND CEO
NASHVILLE ELECTRIC SERVICE, TENNESSEE

### What leadership lessons have you learned from your predecessors?

**JENKINS:** I'm honored to follow great leaders like Coleman and other chairs before him. I'm blessed to have this opportunity. When you look back at all the past chairs — their hard work and the commitment of time, energy, and resources — they all had one common goal, and that was to make the Association just a little bit better than it was the day that they took over as chair. That is what I hope to do as well.

Following Coleman is a tall order. He has vision and understands the importance of culture. I hope to mirror that as I move forward because I'm going to be supporting new leadership. Earlier, the board had to continue to block and tackle and run the plays. Coleman was a little more challenged in a year of transition. He had to make sure we had a playbook that would meet our needs going forward and that we had enough buy-in.

One of the first things I'll need to do, along with the other members of the board, is to sit down with the new CEO and see how they feel about the vision. Where do they see the Association being in the next five years? Then we have to talk about culture. With both members and staff, there is a culture — a chemistry — that seems to generate morale. How can we maintain that? What does the board need to put in place to help the leadership make sure we don't lose any of that?

As a leader, you've got to lead and set clear direction. You must have clear expectations and not surprise your CEO or the staff. At the same time, you've got to interact with members and make sure that you understand their needs and balance them with staff resources.

### What do you think are the industry's biggest challenges today?

**JENKINS:** We're looking at drastic changes in an industry that's very slow moving. First is the distributed generation discussion — as technology moves forward, we're going to have to decide what products we as electric utilities are going to offer. Earlier, we could tell everyone we were offering safety, comfort, and security through electrons, but now much is happening at a level closer to the end-use customer. We have to understand solar, battery storage, and other new technologies and find out where we fit in this market.

Customers, particularly the younger generations, want to manage all their needs using their mobile device, and so we've got to embrace that technology. Whether it's billing, outage reporting, or project tracking, we have to figure out how to let them manage everything through their phones.

The use or leasing of electric poles by telecom providers is a big issue. In the next two years, they will be making significant investments in infrastructure so that they can start deploying 5G. We need to understand where that's headed and how it impacts us. For those that don't have broadband in their community, is broadband a market they can get into?

From a political standpoint, this country has moved to the extremes. Either you're a Republican or a Democrat, and there doesn't seem to be much room for anything in between. So, depending on who's elected, the policies shift dramatically, and as an industry, we've never had that before. Take, for example, the previous administration's Clean Power Plan and then the immediate change of direction with this administration. And the next administration may go with something totally different.

### What else should be keeping us up at night?

**SMOAK:** I agree with DJ's assessment that customer expectations are just going to increase. We're now expected to react in the way they want to deal with us, whereas in the past, we dictated the way we dealt with them.

I'm concerned about the cyber and physical security of this industry as well. Though I realize that it would be very hard for someone to bring down the entire grid, I hope public power won't be the point of entry into the system. We're going to have to continue to be vigilant in this area.

With regard to what DJ said about legislative matters and energy policy, we have to keep demonstrating public power's relevance in this industry.

I'm concerned about the shifting mood of politics also. Many believe every industry should be a private business enterprise, and government and the people should not be involved in owning and operating their electric utilities. But we must remember that public power started because the private businesses would not serve many communities. So, we've got to know what our story is — why we were established and why we should remain in this business. We must continue to tell our story and emphasize that we're community-based and community-owned.

## In the face of all these challenges, what are public power's strengths? What makes us resilient?

**JENKINS:** What makes public power relevant is that it starts with local control, and that story resonates. It's important that we continue to tell that story — that we are your local power provider, controlled by the local governing body, whether it's the mayor, council, or electric power board.

Public power, as Coleman said, was formed to meet an unmet need and continues to do that.

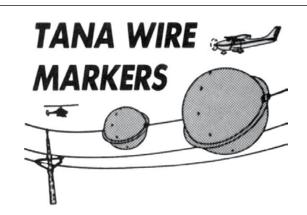
The Association must keep on reminding members to tell that story and help us message it right — you've already done a great job with that. We're a bunch of propeller heads and bean counters and need help packaging the messages and delivering the elevator speech that everyone gets.

### How did you get to the leadership positions you're in today?

**SMOAK:** I went to work full time for the local utility straight out of college and had already worked there during breaks while in college. So, public power is pretty much all I've ever done.

The thing I had to learn about leadership was that to lead, you have to serve. That you actually have to be a servant of your customers, a servant of your employees, a servant of your governing board, and that "you cannot push a rope." If you're going to lead, you can't do it from behind. You've got to actually get out front and try to move an organization in a strategic direction.

You can't lead in a vacuum. You have to make sure that all who work with you understand where you're going and what you're trying to accomplish. Make sure everybody understands the big picture.



- Meets FAA Specifications! Color Size Shape! International Orange
- · Tested and approved by major power companies!
- · Thousands still in service after 40 years
- · Universal attaching! Fits any wire .1" to 1"!
- · Installs in 5 minutes!
- · Withstands hail!
- No maintenance! Does not slip, oscillate, chafe, cause electrolysis or harmonic vibration.
- · Ships in halves nested. 9, 12, 20, 24, 30, and 36" balls

### Call now 573-796-3812 | Fax 573-796-3770

www.tanawiremarker.com
TANA WIRE MARKERS
P.O. Box 370, California, MO 65018

"Leadership means to lead, and first you've got to have vision, because if you don't know where you're going, any road will take you there."

#### **DECOSTA JENKINS**

PRESIDENT AND CEO NASHVILLE ELECTRIC SERVICE, TENNESSEE

**JENKINS:** My background is that I'm a recovering CPA. I was with a firm (now called Deloitte) for 11 years, and Nashville Electric Service was a client. They needed a VP of finance, and I took that position so we could stay in Nashville. I served in that role until 2004, when I was promoted to president. I went back to school and got an associate's degree in electrical engineering in December 2011.

Leadership means to lead, and first you've got to have vision, because if you don't know where you're going, any road will take you there. You must communicate that vision, and you can hold people accountable to help you get to where you want to be.

Is there a secret to juggling so many responsibilities — as leaders of your own organizations, involvement with state and regional organizations, and with the national Association?

**SMOAK:** You've got to be able set priorities. You've got to know what the No. 1 matter is at the time. And just as you learn in school, you have to do more than eight hours of work a day. You have to be willing to do your homework.

**JENKINS:** When you get into a role like this, there's much expected of you. As Coleman says, you have to set priorities. Then, you've got to make sure you're prepared, because the worst thing you can do is not be prepared when you go into a meeting — it's a disservice to you and to the organization.

### What is a book you've been inspired by and would recommend to up-and-coming leaders?

**SMOAK:** I'd recommend Peter Senge's *The Fifth Discipline*. Senge talks about the five disciplines of life and how we need to develop personal mastery and the skills to be the best at our jobs.

Senge helped me understand the idea of mental models and that my view of the world may not be someone else's view. He helped me suspend my thoughts momentarily so that I could listen to other people's points of view.

He also talked about systems thinking. You can't cut a cow apart and have two cows — all you have is hamburger. All the pieces of an organization work together, and if you tweak one, you might affect another one. There may be unintended consequences you had just not thought about. That shaped a lot of my leadership — understanding that you are part of a whole, of something that's larger than you.

**JENKINS:** I suggest *Good to Great* by Jim Collins. At NES, we've adopted a big, hairy, audacious goal as he recommends. We're trying to "get the right people on the bus," and we believe that some of the concepts he suggests in that book are the things that make us a little better than others, and we like to think we are.

## What is your advice to other public power utilities on how they should be involved with the Association?

**SMOAK:** Take all your key people and get them involved in the correct place with the Association. It's not just a place for CEOs. And make sure you take advantage of all the webinars, education opportunities, conferences, workshops, and more, so you can truly build a better team.

**JENKINS:** The Association is a tremendous resource. Spend some time with the Association staff, understand a little bit more about the types of resources that are available, and take advantage of them.

If you don't have the resources you need internally, all the more reason to turn to the Association. That's what we do here at NES. Whether we're working on safety or a 5G issue, we first see what's available through the Association so we know what we're talking about and where to go.

### THE ACADEMY | AMERICAN PUBLIC POWER ASSOCIATION

# Get the knowledge, skills and connections to perform at the highest level

#### **REGISTER NOW**

### National Conference

June 7 - 12 | Austin, Texas

Connect with partners and peers at public power's largest event – drawing over 1,000 attendees – while learning about the complex issues facing public power utilities. Dive deeper with 12 full and half-day preconference seminars. Get critical information and insights on the key issues you're facing and share solutions with peers around the country.

### **Business & Financial Conference**

September 15 - 18 | Minneapolis, Minnesota

Join over 400 managers and senior executives for updates on accounting and finance, customer accounting and services, human resources and training, information technology, pricing and market analysis, and risk management and insurance. From interactive breakout sessions to informal roundtables and receptions, you'll have plenty of opportunities to compare notes, discover best practices, and learn from case studies.

### Fall Education Institute

September 30 - October 4 | San Antonio, Texas

Enhance your industry knowledge through in-depth, interactive courses on accounting, cost of service and rate design, overhead distribution systems, overhead line design, customer service and executive leadership training. Featuring 13 courses and one certificate program.

### PARTICIPATE FROM YOUR OWN OFFICE

A convenient and cost-effective way to get timely information on key industry topics. Check the schedule and register at www.PublicPower.org under Education & Events:

- Accounting for Leases: Practical Implementation Issues: June 4
- Transmission Rates 101: June 27
- Economic Development Series (5 webinars):
   July 8 August 26
- Upcoming series TBA:
  - Pole Attachments
  - Financial Planning
  - Workforce Issues

### In-House Trainings

We can bring any of our courses to you, or customize an agenda based on your needs. For details, contact EducationInfo@PublicPower.org or call 202-467-2921.

Learn more and register for all events at www.PublicPower.org/Academy





Stay connected and in communication during a public safety response. FirstNet gives energy, utilities and infrastructure personnel the confidence to stay connected during a public safety response with fast, secure, always-on communication. From the ability to coordinate with first responders to the ability to securely connect to key infrastructure and utilities personnel. Trusted by first responders across the country for all the reasons you should trust it, too. Get the facts at firstnet.com.



