



# Natural Gas LDC Operations Efficiency

## CHALLENGE

A large energy company with natural gas local distribution companies (LDCs) across the United States wanted to accelerate the identification of best practices and increase the standardization of gas LDC processes to reduce its cost of service. Because the LDCs were geographically dispersed, fostering interactions among peers, many for the first time, was vital to ensure alignment. With the help of ScottMadden, a workload-based assessment was performed with client teams, using a series of workshops to identify best practices and efficiency opportunities across the LDCs.

## PROCESS

- Met with representatives from each of the LDCs to define workload categories
- Allocated FTEs and quantified workload for each category
- Identified differences in workload due to true volume drivers
- Used unit rates to identify the best practices among the LDCs
- Applied a line management/peer group ownership model; had decisions and recommendations created by teams that own the function, not third-party analysis

## RESULTS

- Established a foundation for comparison across the LDCs
- Identified opportunities to create efficiencies across the LDCs through standardization and consolidation
- Senior management aligned on which recommendations to move forward with, as well as decisions on how to use improvements—harvest savings or redeploy to more important activities

## AT A GLANCE



Aligned multiple LDCs to maximize efficiencies



Built a platform to enable comparison of practices across LDCs, using a “common language”

ScottMadden has worked with a number of utilities to develop and scale their solar strategy. [Contact us](#) to learn how we can help support your renewable projects.

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