

# Natural Gas Utility Peaking/Storage Operations Analysis

understand. collaborate. implement.

A Service-focused Current-state Analysis project to develop a comprehensive strategic roadmap to set the improvement path for the Natural Gas Utility Peaking/Storage Operations organization for the next 3-5 years, including the identification and evaluation of current service offerings, and the processes, IT systems, assets and resources that support them.

## Overview

- Analyze the health, strength, and asset-based services related to distribution and storage systems' infrastructures
- Identify near- and long-term business risks / gaps not visible at based on lack comprehensive service-specific data
- Develop a strategic plan to address the issue of asset-based service applications that tend to be tightly coupled using hard-to-maintain, fault-prone, point-to-point links, system changes and maintenance costly

## Participants

- Executive VP, Engineering & Operations
- Vice President, Gas Operations
- Director, Peaking Operations
- Managing Director, Safety & Crisis Management
- Manager, Gas Control
- Manager, Operations Systems Support
- Supervisor, LNG Plants

## Approach

- Determine business needs, gaps, constraints, dependencies, priorities, and issues / risks across Services and business owners (based on quantitative and qualitative data)
- Develop a standardized definition of a service to be used across the Peaking Operations organization
- Document suppliers, inputs, processes, outputs, and customers (SIPOC) for each service
- Analyze performance, financial and operational data and processes
- Determine technical capabilities and challenges and potential impacts to the business
- Identify initiatives required to move from current-state to future-state
- Define 2010/2011 Business Process Excellence Strategy Roadmap through prioritization and filtering of initiatives
- Conduct financial analysis comparing the total cost for each Peaking Operations service delivery to its inherent risk scoring and the total number of annual deliveries

## Results

- Identified \$7,906,956 in total services performed with \$22,188 as the average cost per service delivery and recommended areas for potential cost savings
- Quantified risk level of all services and processes enabling the prioritization of required risk mitigation planning and future continuous improvement initiatives based upon identified inherent risk scores
- Ensured strategic alignment between corporate-level, business unit-level, functional unit-level, and operational unit-level business objectives and programs
- Quantified maturity level of all services and processes revealing the quality level of social/business process documentation, extent of standardization, and ability to track service-level performance against customer requirements
- Identified all critical suppliers, inputs, processes, outputs, and customers detailing the lifecycle of each service