



Communicating Through Crises

During COVID-19, heatwaves and wildfires, publicly owned electric utilities bolstered their public outreach. Customers took notice.

By John Egan

In a survey conducted last summer in the midst of multiple once-in-a-generation crises, customers of California's publicly owned electric utilities gave them high marks for the quality and relevance of their communications. Respondents also said those communications conveyed sincere empathy for those struggling because of the pandemic.

In many dimensions, communications from California's publicly owned electric utilities got higher marks from customers than those served by the state's investor-owned utilities.

POUs solidified their position among customers by communicating important material, by serving customers despite many staffing and other challenges, and by showing empathy.

This was not an accident. Many publicly owned electric utilities quickly adapted their communications strategies to deal with the confluence of the pandemic, record-setting heat, the looming threat of brownouts and the constant risk of devastating wildfires.

CUSTOMERS GIVE CALIFORNIA POUS HIGH SCORES ON COMMUNICATIONS

Last August, as the pandemic and wildfires ravaged the Golden State, RKS Research & Consulting conducted its 11th biennial survey of California's municipal electric utility customer satisfaction and communications.

"We were blown away by the survey results," said David Reichman, the market research firm's CEO. "The survey was conducted under extremely challenging conditions, yet the results were some of the best we have seen since we first began surveying California POU customers in 2001."

It wasn't just COVID-19 upending Californians' world. In mid-August, wildfire smoke cut into renewable energy generation during a historic heatwave, forcing the California Independent System Operator to institute rolling blackouts for some portions of the state.

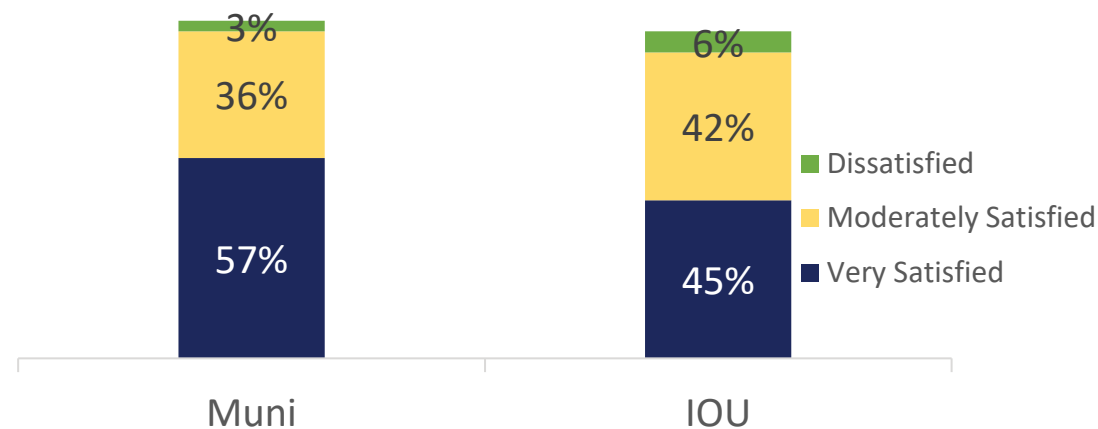
Despite these conditions, Reichman said he was amazed customers expressed no flood of negative views about their electric POUs. Muni customers gave high marks to their utilities on a wide range

of issues. Of particular note was the high scores POU customers gave their utilities on three critical dimensions of communications: effectiveness, credibility and message relevance. In all three dimensions, muni customers said their POU outperformed the communications of investor-owned utilities.

"The survey results make it clear customer communications are critical, and communications by the state's municipal electric providers are really doing a good job keeping customers informed about essential services," he said.

In fact, 57% of muni customers surveyed said they were very satisfied with communications from their utility, significantly ahead of the 42% of IOU customers who felt the same about communications from their utility. The question asked about COVID-19 communications as well as non-pandemic communications.

Muni electric customers were more likely than their IOU counterparts to say communications from their utility demonstrated it cares a great deal



Overall satisfaction with customer communications, including those related to the COVID-19 pandemic. Chart courtesy of RKS Research & Consulting

about customers and had a great deal of empathy for customers who were having trouble paying their electric bills. As a result, muni customers expressed an extremely high level of confidence that their POU will be well prepared for whatever "unstated" future emergencies emerge, compared to IOUs.

The goal of customer communications is to inform customers about important issues, which shapes perceptions and reinforces positive impressions, Reichman said.

"Communications from POUs are hitting home," he said. "Messaging is important. When you stop messaging, the numbers fall."

DURING COVID, FOCUS ON COVID

In some ways, Joe Ramallo's job got easier during the pandemic.

"Prior to the pandemic, we were communicating on a wide variety of things, like energy efficiency, electric vehicles and so many other things," said the Los Angeles Department of Water and Power assistant general manager for communications and public affairs. "There were so many competing internal demands to communicate. But when COVID-19 arrived, we shut down communications

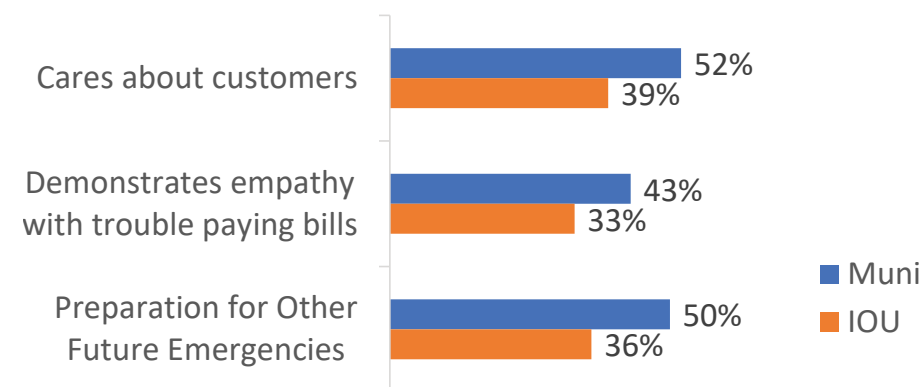
on everything else except the pandemic. That was just common sense.

"No one wanted to hear about electric vehicles and greenhouse gas emissions during the pandemic," he continued. "Our communications were totally focused on the issues tied to the pandemic, like reassuring customers their electric or water service would not be cut off for nonpayment, or their tap water was safe to drink."

Ramallo reflected that his job would get harder once the pandemic ends, as those internal demands for communications on nonpandemic topics would likely surge.

Catherine Elvert, communications manager for City of Palo Alto Utilities, also narrowed and increased her communications on COVID-19 during the early weeks and months of the pandemic.

CPAU helped ease community concerns by issuing a daily email newsletter focusing on COVID-19 and creating a new dedicated community resource call center with staffers who could field questions from the community. The city synthetically expanded its outreach efforts by asking furloughed workers with customer-facing jobs, such as librarians, to join the citywide emergency communications response team or assist CPAU and other departments in various roles to help the



Customers' evaluation of utility response to the COVID-19 pandemic. Chart courtesy of RKS Research & Consulting

community during this challenging time.

"They really helped us stand up our communications during the pandemic," Elvert said. "It was a highly collaborative communications effort."

The city broadcast virtual town halls featuring the mayor, city manager and other prominent members of the community. The citywide and utilities communications teams increased use of online video platforms—including Facebook Live, YouTube and Zoom—as well as posted more frequently to social media channels such as Twitter, Facebook and Nextdoor. CPAU amplified messaging about its moratorium on disconnections for nonpayment, and expanded financial and rate assistance programs to help customers struggling to pay their bills.

By meeting the public's voracious demand for information and ensuring the continuity of essential electric and water services, community-owned utilities were there when their customer-owners needed them.

ESTABLISH TRUST AND CONFIDENCE BEFORE A CRISIS

Effective communication often is less about making one earthshaking breakthrough than it is about making ongoing continuous improvements. Sound processes tend to produce good results.

The high scores customers gave for communications during the pandemic was the result of thought and effort invested by communicators long before the first case of coronavirus was publicly reported in January 2020.

"On an ongoing basis, our two-person CPAU communications team is always trying to find ways to become more effective," Elvert said. "That often comes down to making our message simpler, clearer and more compelling."

Each week, Elvert meets with her

Your tap water is safe to drink.

No need to stock-up on bottled water.



El agua de la llave es segura para beber.

No es necesario abastecerse de agua embotellada.



LADWP ran hundreds of paid advertisements and social media posts in the early weeks of the pandemic, seeking to match the communications channels with audience preferences. Ad courtesy of LADWP

communications coordinator, Jordan Cowman, to map out messages and communications opportunities. They maintain a rolling 12-month editorial calendar to ensure messages align and opportunities are captured. Twice a month, the team meets with about 10 subject-matter experts and program managers to review and update the editorial calendar.

These processes ensure CPAU's small communications team projects a consistent voice and ongoing presence while ensuring it gets all the mileage it can from its activities.

"We have found that if we're deliberate and holistic in our planning, we tend to get better results," Elvert said.

Planning like this also helps prevent communications bottlenecks that can happen when trying to run multiple campaigns or promote new programs coming

to market at the same time.

In place at CPAU long before the pandemic hit, this type of planning and coordination is simply good management. On an ongoing basis, whether there is a crisis or not, POUs want their customer-owners to trust them to provide reliable essential services such as power and water. The pre-crisis effort invested in planning and managing a public presence paid dividends during the pandemic. But the process requires time and effort.

GIVE THE CUSTOMER INFORMATION THEY WANT IN PREFERRED FORMATS

It may sound obvious, but communications effectiveness depends on speaking to people in terms they understand and using their preferred channels or languages. This was true before and during the pandemic. When COVID-19 recedes

in the rearview mirror, it will still be true.

LADWP's Ramallo said COVID-19 made it easier to reach customers using earned media—i.e., via news stories—because the public was so thirsty for information.

Still, LADWP didn't rely solely on the news media to carry critical messages to customers. Throughout a three-week period at the beginning of the pandemic, LADWP ran hundreds of paid ads and developed numerous social media posts letting customers know their tap water was safe to drink, the utility was willing to help customers having trouble paying their bills, and the utility worked to keep power and water flowing.

It's an eternal truth of communications that getting out the word requires the adroit use of all media channels: earned, paid and owned.

Ramallo said his team took longer for more complex messages about the utility's services during the pandemic and divided them into smaller pieces of content to be used on Instagram and other social media platforms.

Customers showed appreciation for the utility's efforts by retweeting and liking its posts on Twitter and Facebook.

In response to a tweet stating the POU would not shut off water or power for nonpayment, one customer replied, "Thank you from everyone in the San Fernando Valley. Lots of lost jobs, no work and no money! This will help a lot of people for the next few months."

Another customer posted seven hearts in reply to LADWP's post.

Ramallo said efforts to provide customers useful, targeted information in their preferred channels were rewarded in other ways. An email newsletter achieved open rates exceeding 35%, significantly higher than the average email open rate.

The phone app Nextdoor was another vital communications channel LADWP used. As a government agency, it was able to post to Nextdoor, an opportunity typically not available to profit-seeking entities.

MESSAGING OPPORTUNITY: ENERGY PRICES

With so many people either out of work or working from home—and given the long, hot summer of 2020—it's no surprise customers noticed an increase in their monthly electric bills.

幫助您「在家更安全」

在新冠肺炎疫情這段不明朗期間，洛杉磯市水電局希望您知道：我們正在全天候為您服務，維持水電的正常供應。

我們的員工會立即處理停水停電，請致電或上網頁 ladwp.com/outages 通報。

您的自來水可以安全飲用。無需購買瓶裝水。新冠病毒沒有感染您的飲用水。

我們的團隊是市政府重要的員工，持續確保安全措施努力工作。

需要協助支付您的帳單嗎？我們可以幫助您。請上網頁 ladwp.com/financialassistance 或撥打 1-800-DIAL-DWP。

我們不會因為沒有付帳單而斷您水電。

我們在此為您服務

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洛杉磯市水電局



A paid ad in Korean run by LADWP focused on steps the POU was taking to ensure customers were safer at home.

Ad courtesy of LADWP

While most of those surveyed said bills were on the rise because more people were in the household for more time, a sizable minority—about 28%—said bills were rising because their POU increased the price of electricity.

In fact, no POUs increased their electric prices during the pandemic.

This misconception suggests POUs have a messaging challenge ahead of them: informing or reminding customers their electric bill is the product of two factors: electric prices and customer use.

To a large degree, customer use is driven by weather, which cannot be controlled.

"It certainly didn't help that more people were at home during the worst heat wave," LADWP's Ramallo said. "And, as usage rose, some customers got pushed into higher-cost tiers.

"Communicating value is a continual challenge. We like to focus on what can be controlled and what we're doing with customers' money, such as offering energy-efficiency rebates. We have very generous rebate programs. Prior to the pandemic, a lot of our communications promoted those rebates."

LADWP likes to highlight the opportunities customers have, through behavioral changes, to lower their bills with no cost, such as turning off unused appliances, running full loads of laundry and dishes, and lowering the temperature on their water heater.

CPAU also stepped up its outreach on

conservation and efficiency during the summer, Elvert said.

"As often as we could, across as many platforms as possible, we would point people to resources on how they could lower their bill," she said. "We created new webpages, posted to social media, created bill inserts, sent out emails and held webinars."

The POU began sending a sustainability newsletter to about 20,000 children during the summer. Elvert said the effort was very well received.

CPAU also took out paid advertisements on energy efficiency and pursued earned article placements in local media. A series of op-ed articles in a local Palo Alto newspaper featuring interviews with the utility's sustainability experts gained greater visibility through the reporter's social media postings.

There's no silver bullet POUs can use to educate their customers about prices and bills. But there is a wide range of ways to help get the job done. When bills rise—no matter the reason—it's common for customers to assume a utility is increasing prices. Frequent communication and education can minimize that belief.

It may be true that customers don't think about their electricity provider until a high bill arrives or when the lights go out. Communicators should capitalize on those opportunities to inform and empower customers about the important role they can play in managing their electric use. **CWP**

CRISIS COMMUNICATIONS BEGINS BEFORE A CRISIS

"All communications, but particularly communications during a crisis like the pandemic, need to follow four simple rules: Tell the truth, tell it fast, tell it first and tell it all," said Tom Fladung, a veteran crisis communicator and managing partner at Hennes Communications. "If you consistently tell the truth to your customers and stakeholders, you're more likely to survive a crisis with your reputation intact. But know this: The truth will come out, and you will get in trouble if you are less than fully candid and try to spin your way out of a problem."

POUs have insurance for their physical assets such as power plants and transformers, but their greatest uninsured asset is their credibility, Fladung said. He echoed Warren Buffett's famous quip, "It takes 20 years to build a reputation and five minutes to ruin it."

POUs enjoy several advantages over IOUs when it comes to customer communications, and they should continually accentuate them.

"First of all, you have to be well-run," Fladung said. "If you are, you can build on that by emphasizing the fact that you're on the ground locally and therefore closer to your customers compared to an IOU. That's what any business wants—to be close to its customers.

"Local choice and local control are at the heart of a POU's value proposition. Continually remind your customer-owners, 'We're local and we're your neighbors.' Embrace that. Make sure you fulfill that. That, plus generally lower prices, are the keys to successful communications with customer-owners before, during and after a crisis."