

Project Summary

Hermiston Generating Company is located in northeastern Oregon, nine miles south of the Columbia River. This 474 megawatt modern natural gas-fueled power plant provides power for nearly 500,000 households in the Pacific Northwest. The plant also provides steam to Lamb-Weston's adjacent potato processing plant, supporting the production of the potatoes served by McDonald's and other national restaurants.

Shawn Lockwood, manager of the accounting department, explains, "The ownership structure is quite unique to power plants—it is not a partnership, but a plant that is owned by two different owners: Pacific Power and Sumitomo of Japan. This means that there are two different sets of reporting requirements—one for each owner. And the incumbent accounting system in place was not flexible enough to meet this need."

How Hermiston Generating Company Streamlined Operations with Sage X3

A Blytheco Client Story



Company: Hermiston Generating Company

Location: Hermiston, OR

Industry: Power and Energy

Number of Employees: 25

Software Replaced: Sage 50

Solution(s) Considered: Epicor and Sage X3

Solution(s) Implemented:

Sage X3 and Sage Enterprise Intelligence

Website: www.perennialpower.net

Why Now

Two years ago, a new power purchase agreement required HGC to change their financial allocation model. This change required complex calculations in order to provide the right information to their owners. HGC found that their existing financial management system could not sustain their expanded requirements and was at its breaking point.

Workarounds and manual processes were painful, time consuming, and insufficient to meet their needs. The managing owner, Sumitomo, used SAP for their accounting, but was far too big and complex for HGC's needs, so the search was on for a new solution



Challenges Faced

- 1. No ability to allocate expenses based on performance
- 2. Manual workarounds and error-prone data
- 3. Limited data visibility and drill downs
- 4. Difficulty exporting data to stakeholders
- 5. Time consuming upgrades, costly software maintenance, and manual updates
- 6. Inability to integrate external solutions
- 7. No clearly defined roles or established responsibilities

Our Solution

- 1. Automated expense management and easy allocations
- 2. System-wide automation and data controls
- 3. Robust financials, out-of-the-box reports, and performance dashboards
- 4. Ability to easily export data and customize reports
- 5. Automatic cloud-enabled updates
- 6. Integration flexibility and personalization
- 7. Increased security, role definitions, and departmental controls





Product Highlights

- Improved security and reliability
- Flexible reporting capabilities
- Robust out-of-the box reporting
- Customizable workflows
- Advanced data analytics
- Contract management
- Ability to easily export data

"Our old software was very frustrating, we'd have audits and we'd have to implement lots of workarounds that were very painful. Now that we're working with Sage X3, along with Sage Enterprise Intelligence, that's done. We've been using the new Sage solution for over a year and it's been a wonderful experience."

—Shawn Lockwood Accounting Manager Hermiston Generating Company, L.P.

Client Perspective

"We moved to Sage X3 because we needed the ability to report our financials in a different way than we had ever done before—by run performance across our two ownership entities. We also wanted an enterprise solution that would integrate with our maintenance system.

The solution we have now in Sage X3 is limited only to our imagination - it's so powerful and flexible! We've been able to do much more with less, and automate our processes.

Our security is tighter and the reliability of the system is better than an on-premise solution. I was apprehensive at first, but I've been very impressed—the system is always available.

Blytheco has been a great partner. They support us well and have taken the time to learn our business. They prepared us well for the upgrade process, so it was really smooth and it's worked perfectly!"

—Shawn Lockwood Accounting Manager Hermiston Generating Company, L.P.

Key Results

Final project costs came in 25% lower than the cost of the next closest alternative

Significantly reduced manual workarounds and achieved 100% compliance with their agreements

Achieved a 66% reduction in staff time required to complete standard operating processses

