PSE&G Applied RouteSmart to Optimize Operational Efficiency

PSE&G, the largest utility in New Jersey, used RouteSmart to optimize manual and AMR routes for 3 million gas and electric meters across the state and discovered multiple ways to leverage RouteSmart to create greater efficiencies.

THE COMPANY

Utility industry leader PSE&G implemented RouteSmart to increase meter read rates, consolidate routes, and increase savings. In addition to reaching these goals, the company used RouteSmart to help optimize several other business initiatives.

THE CHALLENGE

With 6,100 employees, PSE&G's territory covers 2,600 square miles. They maintain approximately 3.9 million meters — 1.8 million gas and 2.1 million electric meters — across nine meter reading district offices, and read the meters manually or electronically.

Previously, meter readers sketched the massive routes on a map with a highlighter and made changes manually, but PSE&G wished to increase their overall efficiency by implementing technology, personnel and routing changes. They formulated three important routing goals surrounding its meter reading operations:

- Increase total meters read on a daily basis
- Consolidate routes for efficiency
- Increase savings in meter reading division

THE SOLUTION

PSE&G selected RouteSmart to tackle these challenges. Rob Morrero, a member of the Operational Support Group, said, **"We wanted efficiency in our routes and RouteSmart helped us achieve those efficiencies in large quantities — and helped maintain them."**

Although the utility had rerouted locally, the organizational restructuring provided the opportunity to look at the entire state of New Jersey representing rural, suburban and urban areas. The team chose to start with their southern territory because the manager was very familiar with several technology products, including RouteSmart.

Getting buy-in from other important stakeholders was their first step, and they took the time to get it right. The Operational Support Group showed all key departments, including Billing, Inquiry, Collections and Payment Assistance Outreach, how RouteSmart would benefit them. They worked especially close with Billing to make sure that routing changes wouldn't impact customer bills.

> **RouteSmart helped us achieve efficiencies in large quantities — and helped maintain them**
>
> – Rob Morrero, *Operational Support Group Member*

THE SOLUTION (Continued)

"I think it was key to get stakeholders in other parts of the business involved to move forward because if you don't have everyone's buy-in it can cause gaps and inefficiencies in the process," said Morrero.

RouteSmart was deployed in two phases:

○ **Phase 1 Regrouping:** All routes statewide were consolidated but remained on the same cycle day.

○ **Phase 2 Shifting Cycles:** Customers were moved to new cycle days to gain further efficiencies.

Once RouteSmart was implemented, the Operational Support Group needed the meter readers' support, so they worked with union officials and traveled to the districts to explain the new program, prove its effectiveness and field questions.

> **RouteSmart delivered what we expected, and more. We used RouteSmart tools to help out where we never thought it initially could be beneficial.**

Mike Cullen, Operations Manager for the Operational Support Group, sums up his experience by noting, "RouteSmart delivered what we expected, and more. We used RouteSmart tools to help out where we never thought it initially could be beneficial. It has provided others chances to analyze our opportunities and make some decisions." He also benefited from attending the RouteSmart INTERSECT User Conference, where he interacted with other utilities. "People were talking about what their routing issues were and the light bulbs were going off in a lot of the areas."

THE RESULTS

Over 3 million meters across New Jersey have been rerouted, regrouped or otherwise optimized through RouteSmart. The team controls the software from a central location and provides routing services when district offices request them.

PSE&G is now exceeding their goals.

Increasing Meter Read Rates

To date, RouteSmart generated a significant ROI for PSE&G by increasing the meters read per book (route) and decreasing the overall number of books from 330 to 295. "We're probably at an 11:1 cost-benefit ratio and I think this is significant and pretty impressive. We've seen our manual read rate be consistently above target for our operations," notes Cullen.

Consolidating Routes for Efficiency

Routes hadn't been optimized where district offices were combined, but with RouteSmart, the team built routes that covered tighter clusters of meters and aligned towns under supervisors and on the same read day. This greatly increased efficiency. Additionally, they've decreased the number of complaints due to shifting cycle dates because they implemented an efficient phased system.

Increasing Efficiency and Savings

PSE&G was able to achieve significant savings reading their 3.9 million meters every month by optimizing their routes. Rob Zimmerman, Operational Support Group member, notes, **"There was a lot of wasted driving, a lot of wasted walking, a lot of wasted time just going to different towns to read our meters. We had a lot of pieces of routes all over the place so once RouteSmart put that together the savings fell into our laps."**

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