



Project Summary

Hermiston Generating Plant (HGP) is located in northeastern Oregon, nine miles south of the Columbia River. This 474 megawatt highly reliable 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 HGP explains the ownership structure 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. HGP needed an upgrade.

How Hermiston Generating Plant Gained Financial Flexibility and Agility with Sage EM (X3)

A Blytheco Case Story



Company: Hermiston Generating Company, LP

Location: Hermiston, OR

Industry: Power and Energy

Number of Employees: 25

Software Replaced: Sage50

Solution(s) Considered: Epicor, Sage Enterprise Management

Solution(s) Implemented: Sage Enterprise Management, Sage Enterprise Intelligence

Website: <http://www.perennialpower.net/Portfolio/Hermiston-Generation-Plant/>

Why Now?:

Two years ago, a new power purchase agreement required HGP to change their financial allocation model from one that allocated expenses equally to each of their two owners to a model that required them to provide information regarding financial results based on run hours (performance). This required complex calculations in order to provide that information to each of their owners. When the organization switched to this new financial and cost allocation model, they found their existing financial management system could not sustain their expanded requirements and was at the 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 much too big and complex for HGP's needs, so the search was on for a new solution.

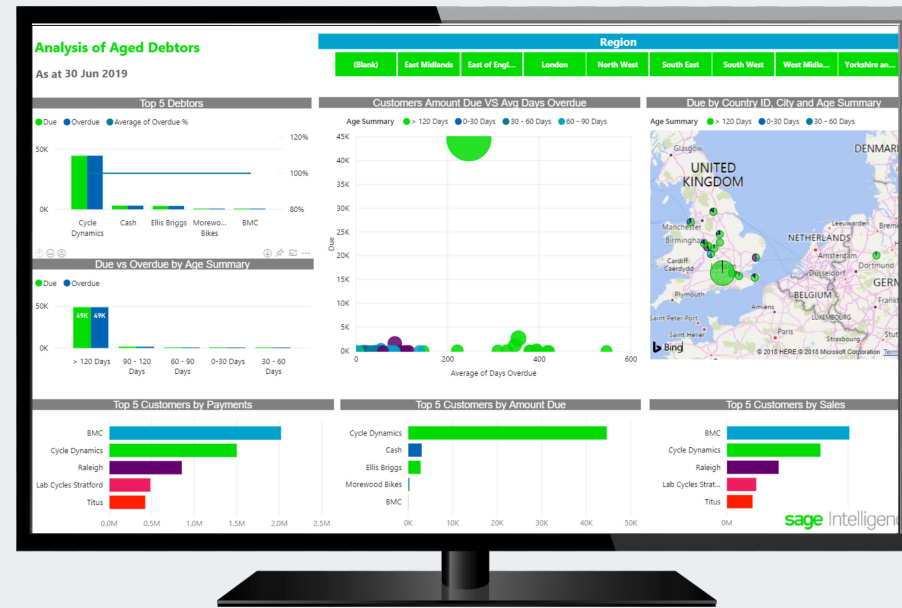


Challenges Faced:

- No automated ability to allocate expenses based on performance
- No performance-based expense allocation ability
- Reliance on manual workarounds
- Difficulty with data exports for manual reporting
- Insufficient support for systems to be integrated
- Issues with software maintenance and updates
- No roles-based access support

Solution:

- Sage Enterprise Intelligence meets reporting need
- Streamlined and automated workflows in place
- Reporting features minimize data exports
- Accounting & maintenance systems integrated
- Cloud-based solution for reliability/availability
- Automatic software updates through the cloud



sage Authorized Partner

Product Highlights:

- Flexible reporting capabilities
- Great support for data exports when needed
- Ability to automate workflows for efficiency
- Improved security and reliability with the cloud
- Automated system updates
- Simplified software maintenance
- Data Analytics capabilities

Key Results

Sage Enterprise Management, implemented and supported by Blytheco was a substantial savings - 25% of the cost of the next closest alternative

Ability to allocate expenses based on performance without manual workarounds, allowing HGP to be in compliance with their agreements

Ability to do more with less. Can manage the same processes and more complex reporting with 2/3 of the staff previously required

Words From Hermiston Generating Company

We moved to Enterprise Management 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 Enterprise Management is limited only 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!

"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 Enterprise Management, 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.

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