

Seven Women CEOs Look Forward

Alliant, CMS, CPS, Green Mountain,
Hawaiian, Portland, PNM

Conversations with Pat Kampling, recently retired CEO, Alliant Energy,
Patti Poppe, CEO, CMS Energy,
Paula Gold-Williams, CEO, CPS Energy,
Mary Powell, CEO, Green Mountain Power,
Connie Lau, CEO, Hawaiian Electric Industries,
Maria Pope, CEO, Portland General Electric,
Pat Vincent-Collawn, CEO, PNM Resources,
with co-questioners Jan Vrins, Navigant and *PUF*'s Steve Mitnick



As our industry attracts new and diverse talent at all levels, more women are rising to the top ranks of utilities, bringing with them unique perspectives and innovative strategies to get the job done.

Recently, *PUF's* Steve Mitnick and I talked with seven inspiring utility CEOs – all women – about their experience as leaders, their advice to today's rising stars (particularly those that are young women), and their company's challenges as they transform their organizations to navigate the energy transition, address climate change, and redefine our industry.

We heard from Pat Kampling, CEO, Alliant Energy, Patti Poppe, CEO, CMS Energy, Paula Gold-Williams, CEO, CPS Energy, Mary Powell, CEO, Green Mountain Power, Connie Lau, CEO, Hawaiian Electric Industries, Maria Pope, CEO, Portland General Electric, and Pat Vincent-Collawn, CEO, PNM Resources, on the personal and professional: from what it's like to be a CEO and what it means to mentor other women with leadership potential, to the kind of utility they want to lead, and what the greatest opportunities and threats are that they feel the industry is facing today.

While women are still underrepresented in the energy and utilities industries, these seven powerful leaders show that their voices are strong, their strategies with their customers, employees, and shareholders, are innovative and effective, and their long-term impact on the industry will be meaningful. We hope you find their perspectives inspiring and enjoy learning how their drive, commitment, and creativity continues to shape the sector's future.

— Jan Vrins, *Navigant*

Pat Kampling

CEO, Alliant Energy

PUF's Steve Mitnick: Talk about your experience as a CEO in this industry, but also as a female CEO over time.

Pat Kampling: Several of us women in the industry were all a little astonished when we became CEOs because we were not asked about our accomplishments, but instead, and it was mostly the media, kept asking us, how did a woman get to be CEO?

So, we had a nice chat about it and agreed that since there are so few of us, we stand out and people want to know more about us. They're curious, so we turned this into a positive story of the great careers we've had.

I've been fortunate that a lot of men and women supported me in every role I've had. I've taken a lot of chances with different companies and jobs and each opportunity was fantastic. I tell people being CEO is the most liberating job on the planet because if you don't like what's going on, you can change it.

As CEO, you have to set the vision and make sure your team's aligned. Alignment is a big part of being CEO. You also have to be good listener, because you can't have insight and vision without understanding what's going on in your organization.

You've also got to set a direction that guides your team. If an organization doesn't have a direction, not only on the strategy but the culture, the organization can get stuck. Setting the business strategy, and the culture is a key role of every CEO.

PUF: What kind of utility do you want your company to be?

Ten years ago, we went on this path to start decarbonizing our fleet. We were probably ahead of others because we realized our old, smaller coal plants were not economic.

We also received fair regulatory treatment on the early retirements, which was important as well. But we knew the cost benefit was there for our customers.

As we started the transition of energy resources, we knew that in our own backyard we had wind resources that were going to become more economic. We also had access to gas pipelines, which not a lot of regions have. Gas generation has become

Are you seventy-five to eighty percent there?

Pat Kampling: Ten years ago, we went on this path to start decarbonizing our fleet. We were probably ahead of others because we realized our old, smaller coal plants were not economic.

In the past, utilities would just keep running these assets. But we made tough business decisions as an organization and went down a path based on good economic decisions and realizing that the emission reductions were a reality.

an important part of our resource plan and having a balanced approach will serve our customers well.

But what we realized along the way, was that running a utility is not just about our physical assets. Our most important assets are our people, and that's what I'm most proud of. We are a people business. We serve the public. Our people are out there interacting with customers every day.

We also have new technologies to help serve customers better. Having this combination of a cleaner and more diverse energy mix, new technologies and creative people working together is a great foundation for any utility. We can't forget that it all starts with our people.

Jan Vrins, Navigant: With all of those changes, how have you then integrated new technologies with your people, with new business models, and new relationships? What does it take?

Pat Kampling: It's a little hard. We're a well-run company, and our employees take great pride in serving our customers. But it's only human, people like how they do their jobs today and they do it very well. Our regulators are also comfortable with the way things are done as well. We have to push the organization on how we operate as technology and customer expectations continue to evolve.

For example, we had a hundred percent smart meters in Wisconsin ten years ago. That was before they were even called smart meters.

But even the regulators were nervous on this new technology. They still wanted frequent inspections of the smart meters and they didn't want us to have the capability to use remote disconnects.

To answer your question, we've got to get our regulators to come along on this customer and technology journey. You've got to encourage your people to let go of the way they do things today and think about the future. Our people need to understand how to get the most out of the technology we have today, before we start adding to it.

Navigant: Do you feel now that you have established that culture?

Pat Kampling: Not yet, but we're getting closer, and that's still a journey. Going back to the people part of the business, we hire people that love to serve the public and having that added capability of embracing technology and change is something we're working on.

Navigant: Do you mean younger people like millennials?

Pat Kampling: Yes and no. I'll talk about my generation where we had to learn how to use computers, from mainframes to PCs. We had to learn how to program, and just think back to all the different software applications we used.

Some of the students coming out of school today know how to use programs and apps and they are very good with that. But when you start thinking about, what kind of applications do we need to develop, it's good to have the mix between the different

generations. Diversity is a great thing in the workplace.

PUF: What are your thoughts on diversity?

Pat Kampling: I've been a big advocate for diversity. Living in Wisconsin and Iowa, you don't have the diverse population that I'm used to. I grew up in New York, then worked in Philadelphia and Chicago. We needed to encourage more discussion on diversity and utilities can be leaders in this area.

At one of our leadership team meetings several years ago, we brought in a speaker to discuss unconscious bias and the different daily experiences men, women and people of color face. It was fascinating for our groups and it opened their eyes to some things they had not thought about.

I'll give you a funny example. After he spoke, I was the next speaker. I had a pearl necklace on, and the pearls were clanking on the microphone. I was thinking, the pearls have got to come off. For you guys, that's something you don't deal with. Simple things like that are good conversation starters.

Navigant: Does it start at the top, your leadership team?

Pat Kampling: Yes, it has to. Alliant Energy has been frequently recognized for diversity of our board, and that is something that should not be unique. It's kind of sad. When I became CEO and chair, over seven years ago, our board became fifty-fifty gender balanced. Before my appointment, it had been forty percent female for years. We care greatly about diversity on our board and in our organization, and that is

Alliant Energy has been frequently recognized for diversity of our board, and that is something that should not be unique.

something that the leadership team embraces.

Navigant: What are some of the big challenges and opportunities that you see ahead for your organization?

Pat Kampling: A big challenge for the industry is how we are regulated in serving customers.

Regulators should be encouraging and relying on us to develop better ways to serve customers. Even simple things like what the monthly bill and customer notices look like. We actively seek input from our customers and their expectations are changing. The regulators at times are slowing us down in providing new products and services that customers are looking for.

Navigant: Your customers are moving and they're not going to wait for you.

Pat Kampling: Exactly. The other item is we need price transparency. We're an industry that has been a convenient tax and fee collector, and policies that allow subsidization of costs. Our bills are quite complicated and it's really hard for our customers to understand them. It's all wrong, and this needs to change.

We need to get price transparency discussion out there, and if we're going to have subsidies, let's have an honest discussion about it because it's making the incumbent utility uncompetitive with other sources of self-generation. That's just not right. So those are my two big endeavors – price transparency and allowing the utilities to have more input and control in how we serve customers.

Navigant: You mentioned decarbonization, so renewables. What about transportation, buildings, industry, big opportunity, big threat for utilities?

Pat Kampling: It's great opportunity, not only for the electric sector, but also for our communities. I drive a Tesla and I absolutely love it.

Electric vehicles will increase sales, but as energy efficiency continues to make great strides, that will offset some of the EV benefits. I also believe that energy consumers will also become wiser as they will care more about their carbon footprint.

PUF: What would you say to women who are moving up fast in this industry?

Pat Kampling: I've gotten great advice throughout my whole career, but I would tell them, for anybody working in utility space, there are no career boundaries. I had an unconventional path as an engineer, and I ended up spending most of my career in finance. Take a risk on your experiences. Get some experience outside where you think your core strength is.

Somebody told me this about myself that I didn't appreciate until a couple of years ago. Make yourself valuable. It's not about your next job or the next step or your title. It's about making yourself valuable in the current job that you have, and people will see the qualities that you bring to the table.

These folks that you recognized in the Forty Under 40 edition are all incredible people. You can tell from the write-ups; they've got passion for the industry and enjoy being a part of this industry.



Our bills are quite complicated and it's really hard for our customers to understand them. It's all wrong, and this needs to change.

This is a complicated business. We have many stakeholders and it requires a lot of hard work to get things done.

But also surround yourself with people that support you. I've had great bosses, but I've had bosses that weren't necessarily easy to work for. Build your support network and especially those that are going to make you successful.

I took a lot of interesting jobs and assignments, but I always knew there was somebody watching to make sure I'd be successful. Take the chance knowing that somebody is going to be watching and supporting you. ○

Patti Poppe

CEO, CMS Energy

PUF: You're a female CEO and you're relatively new in the position, less than three years. What has been your experience?

Patti Poppe: First I am not alone. The utility industry certainly punches above our fighting weight in percent of woman CEOs in the industry. The largest representation of Fortune 500 Female CEOs comes out of the utility industry.

My board is made up of forty-five percent women and my officer team is about thirty-four percent women. It's not surprising at CMS Energy that a woman was named CEO because we have a lot of diversity in all of our ranks and I feel good about that.

PUF: When you started, you went everywhere to talk to everyone. Did that make a difference in your career?

Patti Poppe: Yes. It's extraordinarily important for leaders, especially in companies like ours that have a direct impact on our customers. They're customer-facing. I tell everyone all the time that as I grew up in manufacturing, in the auto industry, for fifteen years, our shop floor was contained. You could see the walls of the building.

But as a utility executive, I look out the window and there's our shop floor. The state of Michigan is my shop floor. It takes something different to have the kind of visibility into our daily work.

Spending time in the field is important. I did that as I was running operations but recently I was with our front line team in Kalamazoo hearing from them how their work is done, observing how their work is done, seeing the challenges they face, and watching their level of ownership of the work that we do increase through our implementation of our Consumer's Energy Way.

It's an important attribute. It's a lean operating system. One of the key tenets is this concept of go where the work is. We call it, go and see. It's a strong part of our management routine to go and see the work.

Being in a conference room, being reported out to about the performance of the work is one thing. There's a method to that. But there's no substitute for getting out and going and seeing.

Navigant: Car manufacturers are changing as well. They are looking beyond their walls and might be competitors of yours in the future because they might get into some of the storage services that a utility could provide.

Patti Poppe: There's a huge opportunity for us to partner with the automakers in this convergence of our industries. We feel blessed to be in the motor capital of the world here in Michigan. I have good relationships, exposure, and partnerships on lots of levels with the automakers and I see the convergence as an

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important transition for our industry and theirs. **PUF:** What kind of utility do you want your company to be? What's your ambition for what CMS Energy is going to be?

performance, we build that with our Consumer's Energy Way, our lean operating system where we get our work done safely, on time, eliminate waste in getting the work done, and get the work done right the first time.

Patti Poppe: First of all, CMS Energy believes in world class performance delivering hometown service. So, when you break that up into world class performance, we build that with our Consumer's Energy Way, our lean operating system where we get our work done safely, on time, eliminate waste in getting the work done, and get the work done right the first time.

Those key attributes of all of the work that we do are essential to who we want to be. We're three years into a full implementation of a lean operating system. When I was with one of my front-line teams recently, I heard them saying the lean attributes back to me. I thought, we're making progress. This is good.

That world class performance is the backbone that allows my team, my coworkers to deliver and create a culture where that team knows they are owners of the company. Having the team know that the work they do makes a difference and having teams know they are loved by their leaders is the culture we're trying to create. That results in their ability to deliver hometown service.

What is unique about our industry is that we do know our neighbors, our friends, and our family as our customers. They are familiar with one another often when they show up on a job site. And to help a customer in Michigan feel like they're getting hometown service from a world class performing team is the sweet spot.

There are a lot of world class performance companies and there are a lot of nice companies but we want to be both.

Navigant: You mentioned lean and reducing waste. Do you see the next iteration going into circular concepts, besides reducing waste and also reusing some of the things that the industry does?

Patti Poppe: We have not dug into the circular concepts per se. We have applied a lean lens to our energy system and we just

Patti Poppe, CEO, CMS with Jan Vrins, Navigant.



They tell us why they picked our service area was we could offer the reliability needed, our prices were competitive, and we were willing to offer one hundred percent renewable energy.

had our integrated twenty-year resource plan approved by our Public Service Commission. It'll be over ninety percent clean energy sources in 2040, and zero coal.

The circle I would describe in this case is the circle of the constituents who signed onto our plan. We settled the filing and then the Commission approved the settlement. But we had the Sierra Club sign on. This is the first time we've ever had the Sierra Club sign on to anything we have filed, and also our largest business customer.

The reality is that the ability to eliminate waste from our system matters and waste comes in many forms from the electric system. For example, the waste of having a system built for a peak summer day when that's almost double our daily average load. The system is oversized and that's expensive.

We can now use technology, like our smart meters, and our wireless communicating thermostats to shave the peak, level that load, and build less stuff as we're retiring our aging infrastructure. It's the opportunity of a generation.

We were able to get the Sierra Club and our largest business customers to all sign on to the plan and lots of people in between. We've never had that kind of support for a filing and it's because we have uniquely positioned that we can transition to a clean energy system that is also lean. That we can eliminate waste while we're making it cleaner.

There used to be a sucker's choice of clean and expensive energy or cheap and dirty stuff, take your pick. We don't have to make that choice anymore. We can have clean and affordable energy

when we approach it at this once in a generation time that we can retire those aging assets and replace them with what? And I say replace them with less.

Navigant: How do you integrate new capabilities, technologies, business models, regulatory models?

Patti Poppe: We've done this in sort of three phases. First, and it does go back to my early days as a CEO, we reflected on what would we like the next ten years to look like?

The senior management team, we'd had quite a bit of retirement, and so we had a new team who needed to co-author our ten-year look. We scrubbed our assumptions, that's where we landed on our triple bottom line of serving people, planet, and prosperity in equal measure.

With that mindset, we then designed the organization of the company and combined our electric supply team and our electric grid team to be led by one functional leader, our electric grid integration team, because our lines of supply and distribution were blurring. It's amazing how with single point leadership for the integration of the grid and supply, the kinds of ideas that came to the table, the prioritization of capital allocation, the modeling that went into our twenty year integrated plan, all informed by this distribution engineering team as opposed to just the supply team who traditionally would do the integrated resource plan.

Then we took what we're calling our double click into the corporate strategy for electric grid integration to dig into now we've got a twenty-year supply plan, the Commission had requested a ten-year distribution plan, we're integrating those

into the financial plan and the business plan as we speak.

We did have to wait to get approval on the supply plan through the integrated resource plan but it's kind of funny because traditional regulatory decision-making heuristics were borne out of those two separate entities and we're starting to bring an integrated plan so that they can see the potential distributed energy resources, a smarter grid, a customer-centricity around what the experience is interfacing with our products, as well as then the supply that makes up a big portion of that.

It's been interesting to see this idea of peak shaving being part of a supply chain. People have thought that in the past and we are fully embracing it because we have the opportunity to leverage the timeline of our retirement plans and adding the use of new technologies to truly, first time ever, optimize demand. We've been victims of demand until now, as we had to build for the worst-case scenario, plus eighteen percent reserve margin.

That's expensive and when you have a declining load and you have an opportunity to replace assets is it just one for one? Or do you reshape the infrastructure utilization and more right-size supply and demand and minimize the cost while at the same time improve customer experience?

Navigant: How important is change management?

Patti Poppe: Very important. A version of change management is enrolling my coworkers in believing in the mission and getting their best thinking and creating an environment. I like to be involved early and then let's determine where we're running to and then we'll be better aligned as the team runs as opposed to, bring a finished answer at the end and have me act as judge and jury.

Let me co-author with you early so that we know where you go.

It was a lot of fun to get this new management team to rally around what is the vision of the future. Co-author it together, push some traditional envelopes.

One of the things we did in our integrated resource plan was offer competitive bidding on all the new renewables. That was to some degree blasphemous because the utility has the right to build supply.

The utility needs to assure that the lowest cost supply is added to the system and if we're fighting to maintain our right to build as opposed to fighting for the right to serve the best, then we'll lose.

This right to serve at the lowest cost possible did address and create a new landscape of partnerships in Michigan who bring the lowest cost supply to the market.

Navigant: What other threats or opportunities do you see for the utility?

Patti Poppe: Missing the needs of customers. I spend a lot of time with our large industrial customers. We have a large industrial base in Michigan. I spend equal time with our large customers as well as with my coworkers.

In my conversations with our medium and large industrial customers, they are all asking about solar and, how can I do solar on my sites? And how can I be engaged in the energy system?

And we want to save money. And what are their goals in being able to design offerings that meet customers where they are?

A couple years ago for example, Switch data centers came to Michigan looking for a place to build a data center east of the Mississippi. It considered Michigan along with many other states.

They tell us why they picked our service area was we could offer the reliability they needed, our prices were competitive, and then we were willing to offer one hundred percent renewable energy.

When my team offered it, they had no idea how we were going to do it. We've got to say yes for our customers and they came back

We just had our integrated 20-year resource plan approved by our PSC. It'll be over 90% clean energy sources in 2040, and zero coal.

to HQ and said, this is what we just told this big potential customer, what are we going to do? They put their heads together and developed a green large customer renewable tariff.

We build the assets and then we wield power on their behalf. They pay a fixed price contract, they stay a full bundled customer, so we eliminated the risk of them

being disintermediated from us because somebody else was willing to offer.

Since then, General Motors fully subscribed to the program and we have a waiting list to build more for more customers. I feel great about that because it's a non-traditional utility offering that maintains the traditional utility relationship.

It takes a different kind of listening and we did some design thinking work with Stanford where we are learning how to listen to customers in a much more intensive way and creating this notion of challenging our own thinking. That's an important part of what's happening and the change management is opening our eyes to things outside of what we know inside our walls, what is the world saying?

Navigant: It's more of a partnership than a provider.

Patti Poppe: So much a partnership. The business relationships that we've formed quite intentionally, before we knew what we were going to do with them, as you don't build a relationship on a sales call. You build a relationship over time and then when you understand them you have something to sell them, right?

You have to know those customers, so over the years we've become quite close with many of our big customers and they've helped us to innovate our products and our offerings because we understand them better.



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Navigant: What about e-mobility?

Patti Poppe: A lot of people know I was a real doubter of the potential because as a driver of an electric vehicle, I always got the best parking spot in the garage because there weren't any others. No matter what time I got anywhere, I was the only one.

But after meeting with the automakers and because of my relationship with EEI and being on this electric transportation committee, I've had a chance to understand the goals of the automakers. The idea of the China mandate for electric vehicles is a game changer. It dwarfs the effect of CAFE standards in the U.S. because the most expensive part of a vehicle is its development.

If they're going to develop an electric power train for China, the largest growing market for their product, then you can bet they're going to try and sell it in the U.S. The idea that there will be electric transportation available is just a matter of time.

Combined with the customer demand for more autonomous features on a vehicle, which requires more electric power train, is a better combination with more autonomous driving. Not even level five but more autonomous features on vehicles.

That is the starting phase to say, let's believe there's going to be enough R&D in these electric power trains and the adoption of them, that it's going to have a new impact on the electric system.

The electric system, particularly in Michigan and it's not true everywhere but in my load profile for our Consumer's Energy service area, has massive excess supply every day but say twenty days of the year.

Twenty days of the year we have summer peak that we're serving residential air conditioning load. When I combine the residential air management opportunities with smart thermostats, combined with the addition of electric vehicles as base load demand. As long as they're not charging on peak, we've got lots of room to add more electric vehicles and more fully utilize our existing infrastructure, therefore reducing the unit cost of energy.

There's this idea that full benefits of, and the aspiration of, emission-free vehicles fueled by emission-free power is the holy grail. If we can address transportation emissions and power generation emissions, we have gone a long way to doing our part to preserving the planet.

It becomes a lofty but achievable ambition. We have ample space on the grid, the ability to do vehicle to grid is the next horizon. For the first time, I heard an automaker say he realized the batteries in their vehicles are so reliable they don't have to worry about those additional cycles, and they are looking at vehicle to grid seriously.

That's a big change. I'm hearing this from the source who would make that decision, so that's another big opportunity.

Navigant: Any advice for young female executives that are on the path to become CEO?

Patti Poppe: The best advice that I can offer to anyone but particularly young women and women of color is when they walk into a room, and look around and think, nobody looks like me, they have to say one thing to themselves, I guess I'm going to have to be first.

They cannot say, I must not belong. If you tell yourself I do not belong because nobody looks like me, then you will show up in a negative way that's self-reinforcing. Our beliefs about ourselves are so self-reinforcing, you can find all the cues that validate your point of view.

But if you walk into a room saying, I belong. I have something to offer. I may have a different point of view but that will improve the outcomes of this group. Then you will show up in that way and other people will believe that you belong. It so much hinges on what we tell ourselves.

That truly is a decision. If you hang on to that decision, then you'll show up in a way that's quite attractive to other people. Other people want to be around people who have conviction. ○

Paula Gold-Williams

CEO, CPS Energy

PUF: What has been your experience as a woman CEO?

Paula Gold-Williams: I've been working for more than thirty years, but when I started my career, I did not envision that one day I would become a CEO. Upon earning an undergrad degree in accounting years ago, I knew I loved business. I also knew that I did not want to become a sole proprietor, where I was the only employee. Back then, accountants often thought about opening their own accounting, audit, or consulting practice. It just wasn't personally appealing to me.

Conversely, I have always liked the concept of general business, particularly when it is broad and multi-faceted. I have always liked the fact that you can get a lot of different talented folks together and it is great when they are all open to driving value. Very early on, I realized that you've got to do a wide variety of things to keep your customers satisfied and grow your business. A talented, cohesive team increases your likelihood of being successful in business.

A broad business background was a part of my foundation when I was under consideration to become CPS Energy's president and CEO. I took over temporarily from a boss I truly admired, Doyle Beneby. When he moved on to lead a company that was driving the global penetration of renewable energy in emerging countries, our CPS Energy board explained that I would only have to take the helm for a couple of months.

The board initially decided not to promote from within when filling the CEO position. They believed the next successful CEO needed to be an engineer and thought they were looking for someone who had been in the industry for decades. In comparison, I had been in multiple different industries and had only been in the energy utility business for eleven years. I was not the profile they were looking for, at least not initially.

However, the board was pleasantly surprised as they watched me function well as the interim CEO. Quite honestly, I surprised myself. Given the opportunity to lead so broadly, I considered it an honor to lead a great organization. This in turn actually fueled my confidence.

I took comfort in the fact that I knew our CPS Energy team members, and I had built a good foundation of industry knowledge. With a lot of specificity about CPS Energy, and a deep knowledge of business fundamentals, I was also comfortable taking on the increased risk of top leadership. Then with each passing day, I felt more confident to run the organization. In fact, the increasing complexity of the business served as a vivid

When I showed up to one of my first power conferences after becoming the permanent CEO, there were only two women CEOs in attendance, including me.

learning landscape for me. Finally, after six months of serving as the interim CEO, the board asked, since you are doing the job, do you want to be considered as a candidate for the permanent role? While I quickly said yes, I also asked them to evaluate me as they would any other candidate. I wanted to earn the right to lead the organization.

Very quickly, I personified the adage that you need to be careful what you wish for. The board fully immersed me into the interview selection process. They started asking me many questions like, how are you going to handle running this big, sophisticated engineering company when you're not an engineer? That was the most frequently asked question, and it was logical for the board to focus on this as being one of my primary challenges. This was especially relevant because all of my permanent predecessors were engineers and had been in the industry much longer.

I told the board that CPS Energy had many engineers who did great work every day. I would give them the appropriate latitude and decision rights, but most important I would hold myself, and all of our team members, including our engineers, accountable. I believe that you can't truly serve others well if you fail to hold yourself accountable.

Additionally, the question about not being an engineer had another broad implication. While it didn't directly manifest as a gender issue, indirectly it did. This is because engineering continues to be a male-dominated profession.

Even so, I was not daunted or dissuaded. Not being an engineer was just an issue I had to address head on and consistently.

I now have such clarity and a surprising fondness for the important interview experience. I remember responding with clarity, conveying how I had entered this industry about ten years earlier when a lot of things functioned the same way they had for decades. You knew the program that you would use to build a plant. You knew that you could reasonably project growth. You knew that most customers weren't thinking much about their energy bills until the statements were received in their mailboxes.

However, I witnessed the beginning of the energy evolution. This evolution was complicated by the fact that we did not have an updated federal energy policy. Further, the regulatory and legislative environments were backdrops of increasing ambiguity.

Many of the sophisticated problems ahead of us could not be solved solely with engineering. I further explained to the interviewers that I have engineers everywhere. They're brilliant. It was key to acknowledge though, that the next CEO was going to have to run the company in an evolving city, state, national and global landscape. I asserted how important it would be for the successful candidate to understand how to both approach and solve a wide range of business challenges.

While I was ultimately the successful candidate, it has been continually clear to me that my path forward was going to be steep and non-linear. For example, when I showed up to one of my first power conferences after becoming the permanent CEO, there were only two women CEOs in attendance, including me. The great news is every year I see more C-Suite women, especially in the utility energy industry.

PUF: What kind of utility do you want your company to be?

Paula Gold-Williams: At CPS Energy, we are evolving. However, I want our company to always be hungry to do better and improve operations in a way that is proactive and anticipatory.

We need to continually see how we can do, the Wayne Gretzky. How do we increasingly anticipate where the energy puck is going to go?

We cannot continue to be comfortable in reactive mode, even if we are good at it. We must not mire ourselves in the constraints of complexity, leaving our customers frustrated.

We've got to figure where the energy puck is going to go. We must improve our ability to anticipate where and how both customer preferences and the energy industry are growing. I want our utility and all of our employees to get used to that.

Now the challenge is that we also have to get and stay comfortable with ambiguity. That continues to be rather contrary to our industry's historical foundation. Since we are comprised, in part, by a bunch of engineers, analysts, and accountants, we primarily prefer to structure most everything. As an example, accountants, like myself, want everything to be in balance. There have to be rules. We always need our debits to equal our credits.

I now often ask, what if this industry needs something that we can't quite imagine? Trying to think that everything's going to be perfect, linear, and in balance, is not realistic. We must fight our inclination to avoid uncertainty, realizing we cannot stop change. The inertia of evolution will occur, whether we are ready or not.

So, I stress at CPS Energy that we must embrace ambiguity. The world functions in degrees of grey, not just black and white. I believe that the grey should set us free. It eliminates the feeling and perception of confinement.

Since nobody has figured out where exactly the industry is going, it means we all get a chance to shape the future. It is, therefore, important to me that we at CPS Energy embrace and reconfigure our industry challenges to become opportunities for improvement.

Navigant: How are you and your team integrating all these new technologies, new talent, new business models? How do you position yourselves in a different way going forward?

Paula Gold-Williams: One of the biggest things that we do is not believe that innovation will be completely solved internally. We are now opening up our creative and innovative channels. As an example, we have hosted tech competitions both inside our company and to our broader community.

We recently held an internal tech competition for permanent

We are all waiting for energy storage to be the catalyst in the industry. We all believe it's going to come.

employees that optimized external ideation. We held a reverse pitch tech competition for more than fifty interns. Our permanent employees explained existing business problems to diverse and small teams of interns. The intern groups were then given the tools, support, and freedom to develop solutions that they

presented in a room full of people.

The reverse pitch initiative was fascinating, and the teams did extremely well. The interns were a collage of students in high school, college, and craft programs. They collaborated well, and we hope events like these will ultimately lead upcoming talented people to be more interested in energy careers.

This complements our on-going efforts for interns to let them know that the utility energy industry is prime for anyone who is in learning and growing mode. Limited initial knowledge can definitely evolve quickly to where a person can have meaningful impact and influence.

Again, we are not saying that every aspect of innovation is going to come from our ideas. Since we are an operating company that has the obligation to run many systems 24/7/365, we can't take our eyes off of our everyday, normal work activities. We must leverage others who can be additional avenues for input and innovation.

This openness gets our employees more comfortable with understanding the new technological opportunity space. We need to create more pathways to identify, and ultimately integrate, new products and services that can and will benefit our customers.

Another new piece going forward is partnership. Navigant, for example, has been one of our main strategic partners for some time. It has been amazing to sit down with Jan Vrans, Navigant's Global Managing Energy Director, and talk about where the

industry is going. In fact, years ago he put the concept of a company playbook in my mind. Blending our strategies into a practical playbook keeps CPS Energy moving forward while each team member moves more deeply into optimal learning mode.

We think globally and apply locally.

For example, through broad partnerships initiated in 2011, we created a New Energy Economy or NEE. We now bring in companies to create jobs and make investments in our local community. This benefits economic development, including creating jobs and adding new educational funding. Our NEE partners also share research and innovative ideas with us, when applicable.

For example, two of our longest standing NEE partners are Greenstar, an LED lighting company, and OCI, a global conglomerate that operates partially in the solar assembly and supply business.

They both have extensive business and research programs that have benefited our San Antonio community.

As another example, we worked with several of our NEE partners, such as OCI, Itron, and Landis+Gyr, to create a new organization called EPIcenter. EPIcenter goes out and finds more companies that have innovative ideas. The EPIcenter team, as led by their President and CEO, Kimberly Britton, helps incubate those ideas. They also coach the creators into the development of their products, from their concept and beyond, into manageable pilots that can be grown into broad commercial launches.

Navigant: If you look at the industry as a whole, what are the biggest opportunities and threats faced during this transformation?

Paula Gold-Williams: The opportunities are enormous. When we go out and look at different places across the nation and the globe, we see people who are working on a lot of creative ideas.

A lot of it is unconstrained. Meaning to optimize it, we will ultimately need uniformity and standardization to reduce



We are excited to pursue these suggestions over the next 20 to 30 years, because whether you are a climate believer or denier, everybody wants clean air.

costs and increase efficiencies. At that point, a product or service becomes commercially attractive to consumers, which is important.

There are a lot of great things happening at universities. One of our local educational partners is the University of Texas at San Antonio. Our partnership has been a great way for us to leverage educational talent and resources that are in our backyard.

At the same time, we have a long-standing relationship with the Electric Power Research Institute, which explores energy technology issues and finds solutions for them. In addition to focused thought leadership, EPRI spearheads collaborative research projects that

allow new ideas to be piloted and refined to full-scale deployment. We participate in these projects, whenever we can.

EPRI, UTSA, interns, employees, and the regional tech community are just some of the great partnerships that we optimize to benefit our community. It in turn, gives us breathing room to focus on the nexus point between energy and environment. In fact, we often talk with some of our environmentalist friends who have a lot of suggestions for us.

We are excited to pursue these suggestions over the next twenty to thirty years, because whether you are a climate believer or denier, everybody wants clean air. We have to apply innovation to everything we do.

I do have faith that even the oil and gas industry is going to find ways to optimize its main business and look for more new technological improvements. The opportunities are broad. There are technologies in the future that we can't even envision.

We are all waiting for energy storage to be the catalyst in the industry. We all believe it's going to come. While lithium technology continues to develop, we are curious about other chemistries and modes of energy storage that could also be real game changers.

It's not a one and done. It's not just about the destination. It is about the journey. A couple years ago, we created a strategic path forward. It is a way for us to leverage where our community is today and the assets it owns, while we stay open to new technologies. The Flexible Path allows us to lean right sometimes and left other times, as long as we are going forward.

As new technologies become more ambitious and more economical, there's a point where things shift. We are looking for those technologies that we can efficiently get to scale while the price comes down. That is important because we have to keep our services affordable.

Navigant: What would you tell female stars in our industry? What's the best advice?

Paula Gold-Williams: One, it is a hard journey. You need to make sure that you have a support system, whatever that is, because life is complicated. This industry takes a lot of time and effort.

Whether you are an emerging leader or sitting in the CEO seat and regardless if you are a man or a woman, this industry is tough, because at the end of the day there are customers at the center of everything we do, 24/7/365. It is not an easy business and it is not likely to get any easier in the foreseeable future.

A woman shouldn't think that the more you progress, the easier it's going to become. Nobody should think that. This is where the real hard work is. Also, don't be discouraged. Don't put an, I've got to do this in a year, or, if I didn't get this done in a year I'm behind and it's not going to happen. Don't overthink it.

Be present in the moment for opportunity, which leads me to

A couple years ago, we created a strategic path forward. It is a way for us to leverage where our community is today and the assets it owns, while we stay open to new technologies.

what I often say, when opportunity knocks, just say yes. Don't question whether it is the right time or obsess over not getting a job description. As a matter of fact, you should be happy if your job description isn't fully locked down. You might get the chance to build more context to your position. This can especially help women resist their preconceived ideas about needing to be a perfect match for a position.

I was recently at a Federal Reserve conference with Carine M. Feyton, the President of Texas Women's University. While on a panel about disruptive technology, she said, we

raise our young men for bravery, yet we raise our young women for perfection. I think we need to raise our young women and men for perfect bravery. They need to be brave enough to just say yes, and then go figure it out. If someone tells you, no, you are not going to turn into a pillar of salt and dissolve. Look at it as they missed out on you and your awesomeness and keep progressing forward. ○

When it opened, it was the world's largest power plant. It's capacity was 108 megawatts. It was 1911 when Norsk Hydro put into service the Vemork hydro plant in central Norway. In the 1930's much of the power that Vemork produced went to the only factory making heavy water. This was an obscure industrial product until the late thirties, when physicists discovered heavy water was a key to developing an atomic bomb.

When war erupted in Europe, the French purchased all the heavy water there and snuck it out to England, despite the best efforts of Nazi agents. Then Germany occupied Norway and used Vemork to build the bomb. England and Norwegian resistance fighters raided Vemork and temporarily destroyed critical equipment. Their heroism was detailed most recently in Sam Kean's new book on keeping the bomb from Adolf Hitler, entitled *The Bastard Brigade*.

Mary Powell

CEO, Green Mountain Power

PUF: Talk about your experience as a woman CEO in our industry.

Mary Powell: It's always a pleasure to talk about leadership in this industry, particularly at the time we're in from a climate perspective. There has never been a more important time to be in a leadership position in an industry that exists for the public good, and there's no greater public good than tackling the climate crisis that we're facing.

My experience as a CEO in this industry has been that it has been incredibly important to be bold, courageous, loving, and it's an honor, as I've been CEO since 2008. When I first became CEO, there were very few women. I'm pleased that now the industry's up to maybe twenty+percent female, something like that. It has changed a lot.

I've always felt, in my life, in a positive way, like an outlier. So being a woman CEO and being an outlier did not bother me, it in fact is incredibly freeing to be an outlier in some ways. When you're an outlier, how I've always chosen to view it, is it gives you great freedom to not be a conformist.

PUF: What kind of utility do you want your company to be?

Mary Powell: I still bristle when I hear the word utility because I spent the entire first half of my career in this space transforming the organization to become the un-utility and then focused on becoming the energy transformation company. We view ourselves as an energy transformation company, that our role and our purpose is delivering on our obsession and our love of the customers that we serve and doing that in a way that also delivers on our love of the planet and our need to transform to a zero-carbon future.

So, we truly see ourselves as an energy transformation company, and we've always worked hard to be the un-utility because I believe utility stood for bureaucracy, for silos, for process over action, and we transformed our whole culture many years ago to be fast, fun, and effective.

PUF: Your definition of the un-utility and the energy transformation company, is that different from ten years ago? What's your vision for the company?

Mary Powell: We've been the un-utility ever since I became COO, eighteen years ago. The part that has evolved tremendously, to your point, has been our vision of what it looks like to provide energy to Vermonters, and it started when I became CEO and relaunched what was then this spurring of net-metering in Vermont.

We view ourselves as an energy transformation company, that our role is delivering on our obsession and love of customers and doing that in a way that delivers on our love of the planet and need to transform to a zero-carbon future.

Mary Powell: We have had a relentless obsession not just with customers, but with innovating for them to deliver the energy future that we would like for their values. We have sought and done a number of interesting programs with a lot of strategic partners to, again, change the entire relationship that customers have touched with us, and that they have with energy.

We're well known for being the first utility in America to partner with Tesla on their Powerwall. We now have over two thousand customers that on one hot summer day can save upward of close to a million dollars for all our other customers by getting and buying less dirty, high-priced energy off the market.

As well as creating many more resilient homes. So, we have everything from the resilient home pilot to the work we're doing with EV chargers in people's homes and we were incenting the adoption of electric vehicles.

A lot of our big leap toward what we call an obsession with a community-, home- and business-based energy system of the future, was around a complete redo we did in a working-class neighborhood of Rutland, Vermont where we demonstrated. It was the site of the visit from DOE Secretary Moniz and our delegation, because it was showing the complete and absolute energy transformation. So, weatherization, efficiency, smart technology, solar on the roof.

We had a vision to get to a low carbon, cost effective and incredibly reliable energy future built on local energy, wherever possible, so we launched a solar adder and we encouraged customers to move toward distributed generation. So, the energy transformation company part of being the un-utility has really evolved a lot over the last, I would say, four or five years in particular.

Navigant: How are you and your team integrating new technology, new talent, new capabilities, new regulatory and business models?

We were able to strip out carbon from the home and then leveraging on DOE financing. We were able to do what we called our energy home of the future, in a way that proved that it can be economically viable for working class Vermonters who wanted to transform. We've done thousands of transformations with Vermonters around some version of a piece of that.

We've done a lot with moving to smart electrification to dramatically reduce carbon from heating sources, toward not just incenting EVs, but coming up with creative ways to share charging technology with the customers. We're ensuring that the vehicle is being charged when the cost of power is low, and the source is low carbon. As well as many other different programs around, again, resiliency and building out toward the community-, business- and home-based energy system.

Our big picture is how do we accelerate a consumer-led revolution to a community-, home- and business-based energy system, that will also then help Vermonters be much more resilient in the face of massive climatic events.

Navigant: Your relentless focus is on providing value to your customers and taking them with you on this transformation and decarbonizing the Vermont economy. How do you get the other stakeholders aligned with this vision?

Mary Powell: The good news is we serve Vermonters. And because this was all born out of our customer obsession, no shock, customers love what we're doing. It helps when you're trying to build transformation and build support around that transformation, to be doing it in a way that your customers love and that drives your satisfaction.

We just got our customer satisfaction results again and they always blow me away, because it's like ninety-four percent. Not only just ninety-four percent satisfaction with their most recent contact with us, but ninety-four percent trust and satisfaction in us as a company.

All of our work started out of becoming the un-utility, becoming obsessed with customers, loving customers, meeting them where they are. Then that started to build this well of trust, that then bled over into the regulatory environment, and the political environment. As we were launching ideas and innovations, it became much easier to build support for those, because it was on the foundation of the trust and satisfaction of our customers.

Then as we've tried different things, the customer reaction has been positive. That feeds that same environment. At the investor level too, we act autonomously. We're lucky that we have an investor that believes in a highly distributed model of governance.



We're ensuring that the vehicle is being charged when the cost of power is low, and the source is low carbon.

We have a board that is made up mostly of Vermonters, and the board has been supportive of the direction.

PUF: What is the secret sauce? Is it you're a smaller utility so you're fairly agile?

Mary Powell: Yes. Agility is key. But if I were to say one thing, like one magic, it's love. At the end of the day, our foundation of our dramatic culture change was our obsession with Vermonters and bringing a sense of love and commitment to our work for them. That sped up our agility, because then we saw that to deliver in a way that customers appreciated, you needed to be fast, fun, and effective.

You needed to drill bureaucracy, silos, and crazy process out your system, and you needed to meet customers where they were. That was the secret sauce that then led us to be able to do these other things.

One of the things I did was dramatically change the size of the organization. I'm a big fan of lean metabolisms in organizations, because they also help agility, they help with honesty and directness. Because when you're operating in a lean way, you don't have as much time for fluff or for a lot of indirection conversation. You have to get to the heart of things.

Navigant: What advice would you give rising female executives in our industry?

Mary Powell: I do mentor a lot of amazing stars. I feel fortunate that over fifty percent of our officers at Green Mountain Power are women. That's an area where we might stand out a lot.

Sometimes, there is a confidence gap. So, when I talk with folks and when I mentor other women, I find that mostly what I'm doing is affirming how brilliant and awesome they are.

I feel like so much of it is just saying, you go girl, you got this, go with it. Our authentic selves, our vulnerability, is one of our most powerful assets as leaders. We can do our best work when we're, again, shedding conformity.

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week to reduce carbon. We're doing innovative projects with some commercial customers to help them dramatically reduce fossil fuel use. We need bold leadership now more than ever. So, on my theme of not conforming, maybe that'll work for women, that we'll feel confident, not worrying about conforming. We'll feel emboldened to make the change we want to see. ○

Of course, we have to conform at times. The women I've mentored, and I've seen, I find them super impressive and I find that mostly what I can do is just say, you got this. So, go and I'm here for you, and I'll help in any way.

We're doing a carbon countdown, and we're changing how we report to each other what we've done every

Connie Lau

CEO, Hawaiian Electric Industries

PUF: What's been your experience at Hawaiian Electric Industries?

Connie Lau: I've been very fortunate that executive management and the boards at HEI were very focused a long time back on diversity and promoting women. When I joined in the mid-80s, there was only one female manager and only one executive of color. Now today, about forty percent of our executives are women.

I'm glad to see that the entire industry has progressed as well. In 2006, when I became CEO, less than two percent of the CEOs were women. Today, there are twenty-two percent female CEOs – that's huge progress.

I was fortunate that HEI provided me a number of on-the-job experiences, including financial and line management, and made me CEO of one of our major subsidiaries to prepare me for the CEO job at the public company.

Navigant: Is your board diverse?

Connie Lau: It is today. For the longest time it's just been Peggy [Fowler, former CEO of Portland General Electric] and me. But we just added three new directors and two of them are women. We now have four out of eleven.

In the early days when there weren't that many women, there would always be the expectation that I would take up women's causes. I would have to remind people that once you become CEO, you're CEO for the entire corporation. You can't single out one group or another. You have to be thinking about

In 2006, when I became CEO, less than 2% of the CEOs were women. Today, there are 22% female CEOs – that's huge progress.

the entire workforce and entire customer base.

PUF: You've been active in the industry overall. When you were in those rooms and it was mostly males, how was that experience?

Connie Lau: Since I grew up with that, you learn to be comfortable

being the only woman and to speak up and share the way anybody else would. A lot of it is not only making sure that the other people treat you the same and equal, but that you also exhibit those behaviors.

Maybe it's because I was trained as a lawyer and practiced as a lawyer. You learn to speak up, and you learn to advocate. There was one point in my career when I thought, should I really be a lawyer? Lawyers are advocates. If you're not going to speak up, you shouldn't be a lawyer. Put another way, one of my mentors said, we've put you on the field, so decide to play or get off! I played.

PUF: If you and the president of Hawaiian Electric had been present less frequently at industry meetings on the mainland, people

wouldn't have been surprised, but you all are very active. Is that something you consciously decided?

Connie Lau: In the early days, for me, it was if you are a board member, you're expected to be there. My expectation was always that I needed to be there because I was on the board. And for us as a company, the industry is changing so rapidly and Hawaii is very far away, that we felt we needed to know what was happening across the industry so we could pressure test what we were doing in the islands to be sure we are on the leading edge.

PUF: What kind of company do you want HEI to be?

Connie Lau: Our mission statement is to be a catalyst for a better Hawaii. We want our company to be a catalyst for growth in our state to help improve the quality of life, to help preserve the wonderful environment that is so important not only to the people who live there, but is one of the key reasons that our major industry, tourism, is one of the best in the world.

Our bank is also committed to be a catalyst. The bank chose to build its new campus in a historically challenged area of Honolulu and is helping revitalize that surrounding community.

Hawaii has always balanced social and economic issues, and now we've added the most aggressive environmental policy goals in the nation, and we're proud to be helping make them a reality.

Navigant: How do you integrate new technologies into the organization, and into the community? What does it require?

Connie Lau: Everybody talks about being customer-centric or customer focused. My approach is a bit different than others. I don't think it is about technology,

Technology is another tool; it is about your particular business and customer base. The example I'll use is from our banking side. When I became bank CEO in 2001, we were transforming from a simple thrift to a full-service community bank. We used to just serve retail customers and we put in place a strategy to serve business customers as well.

I was talking with my head of commercial and we were looking at bringing in a cash management product for our customers. In those days, and it's still the case, you have huge IT providers that can enable you to offer your customers a wide range of cash management products, but the key is, what products will appeal to your particular customer segment?



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I've always thought from the mind of the customer, what is the value proposition? And what is the customer willing to pay for?

You could offer them a whole range of technologies, and a whole range of bells and whistles, but what is the sweet spot for your particular customer base? You have to get into the mind of your customer to be successful.

PUF: You have mandates. Certain customers are happy with what they have. They just want the lights on. Others have bigger goals about sustainability. You have to balance that.

Connie Lau: Yes, our first proposal on smart meters, the Commission turned down. So, we went out to our customers and other stakeholders to solicit their input.

That led to a proportional rollout of smart meters to those customers who wanted to take advantage of time-of-use rates, or EV charging, or whatever it was. It's like your phone. You can

either buy basic service, bigger data plans, or faster internet speeds.

Our industry has to continue down the path of understanding customers and what the customer is willing to pay for, and what's that value proposition that appeals to particular customer segments.

Navigant: What would be the biggest opportunity for you and maybe the biggest challenge going forward?

Connie Lau: The biggest opportunity for us is to be perceived as a trusted partner for Hawaii. It's to be able to realize the dreams of the people who live in our islands and also the policy dreams of our leaders.

The challenge is also to be perceived as the trusted partner and to demonstrate that the utility is the best enabler of a cleaner, greener, more sustainable and more robust environment and economy.

PUF: How do you build trust? That's not always easy.

Connie Lau: Number one is being accessible, having conversations continually, and being transparent. You build trust by dialogue and being an active listener; it can't just be about you.

Put yourself in the shoes of the other person. You have to be not only an active listener, but you have to have the capability to understand what the other person is saying. Early on, I learned that there are many people on what some might say is, the other side, and oftentimes they are viewed as adversaries. I learned early on that they believe as strongly in what they are

Our industry has to continue down the path of understanding customers and what the customer is willing to pay for, and what's that value proposition that appeals to particular customer segments.

PUF: There's a number of women moving up the line to be CEOs of our industry or other senior leaders. What advice would you give them?

Connie Lau: When asked, step up. Often, women hesitate to accept promotions or lateral rotations which are important on the way to the CEO-suite. We seem to hold ourselves back for any number of reasons.

And when asked, trust that management would not have asked you if they didn't think you could do it, so have confidence that you can do it because management has confidence in you. ○

saying as we believe in what we're saying about siting a power plant, a transmission line or a solar farm, for example.

It's not that we're right and they're wrong. We both are right and we both truly believe what we believe. The only way you bring two disparate sides together is by listening to each other and trying to find common ground.

Maria Pope

CEO, Portland General Electric

PUF's Steve Mitnick: Tell us a little about your experience in your first year or so as CEO.

Maria Pope: I've been in my role for just over a year and a half. In that time, we've seen significant changes in the industry and customer expectations. People are more concerned about electricity and our carbon impact, but they're also expecting new and greater uses as electricity is increasingly recognized as the cleanest form of energy.

Today we're forty percent renewable, with hydro, wind, and a little bit of solar. By the end of next year, we'll be fifty percent, and we're rapidly scaling up over the next couple of decades.

Reliability and affordability remain essential, and we must also be green and sustainable. We're in demand and people expect us to help transform not just our own industry, but industry in general. It's an opportunity we haven't had for a very long time.

PUF: Is it a fun job?

Maria Pope: Yes! People care passionately about what we

Today we're forty percent renewable, with hydro, wind, and a little bit of solar. By the end of next year, we'll be fifty percent, and we're rapidly scaling up over the next couple of decades.

do. I have an incredible opportunity to bring together different interests to create a more sustainable future. At PGE, we believe it's not just the right thing to do – we feel we have a moral imperative. It's an exciting and meaningful challenge.

In many ways, the challenge is easier than I anticipated because our customers have a

broad appreciation for the threat of climate change. They agree something needs to be done.

This awareness allows us to be at the center of the conversation in a way that wasn't possible in years past.

PUF: What kind of utility do you want your company to be?

Maria Pope: We want PGE to be known as an electric company that is respected for its reliable, affordable service, for successfully bringing together a transformative vision, and as a company that serves everyone.

We're transforming through partnerships with some of the world's most innovative digital companies and tech companies. At the same time, we have to thoughtfully serve every community, leaving no one behind in the transformation. To accomplish this, we're partnering with other utilities across the West. We intend to be an example of transformative leadership in a green energy future. This is very much in line with Oregonians' values, which gives us a unique advantage.

Navigant: With so much transformation, how do you and your team integrate new technologies, new business models, and new regulation?

Maria Pope: We're really focused on the why. We're clear on what is important about what we're doing. Now we're segmenting projects into definable areas with clear deliverables and a clear point of accountability.

We know where our North Star is, and we're breaking things into smaller pieces and identifying where partnerships are needed.

We just returned from having our executive management and board of directors in Silicon Valley, talking to some of the largest and most innovative companies as well as early startups all focused on technology innovation to change the energy industry. We're figuring out how to incorporate the best of what everyone is doing and bringing it to PGE in service to our customers.

Navigant: You have a lot of opportunities. What's your biggest opportunity? On the flip side, what is your biggest challenge going forward?

Maria Pope: In terms of the opportunity, we see three main



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areas. First, rapidly decarbonizing our energy supply. Second, transforming our grid into a more reliable bi-directional grid – one that incorporates distributed energy resources and balances the intermittency of renewables in a seamless fashion.

We also have room to improve how we serve our customers. We're determined to have a truly customer-focused culture, one that's grounded in operational excellence. Those are the three main areas for us – decarbonize, transform our grid, and better serve customers.

PUF: You're not a very large utility. Does it make that harder or easier?

Maria Pope: It makes it much easier. First, our values and

our goals are very much aligned with where our customers, our communities, and our state leaders want us to be.

Next, we have the scale to be able to accomplish complex partnerships and to deploy capital. Our size allows us to be more agile than others. We can get things done for customers through internal and external collaboration.

Finally, we know our customers extremely well. It's important that we listen to what they want, and that we move at their pace. We have some customers that want rapid decarbonization and a hundred percent renewables. There are other customers who want a smarter grid and distributed energy resources.

As we move through these different paths, we need to do so with an eye toward providing great customer experiences and delivering competitive products and services.

PUF: Do the regulatory and policy models that exist allow you to do what you need to do?

Maria Pope: We need to modify some of our regulations and some of the ways we do things. Fortunately, our Commission has asked us to be an active participant in how we do this going forward.

We need to lead these changes as we hear from customers every day. We share this information with our regulators and other stakeholders and work collectively and in partnership to

The result was a tariff for our Green Future Impact product, that was introduced in May and sold out in 98 seconds.

May and sold out in ninety-eight seconds.

PUF: There are a lot of women in our industry who are heading toward senior leadership. What advice would you give to them?

Maria Pope: Have a deep expertise in your core area of competency, but also get to know and learn diverse areas. If you're a financial person, get to know the customer area, the generation area, and the distribution area. If you're an engineer or in operations, get to know the financial or customer areas.

Utilities are uniquely complex. In many ways, we're like multiple businesses in one. It's important that you have an appreciation and respect for the complexity across all aspects of your business. ○

determine how best to move forward in serving customers.

Recently, many of our cities have been asking for a product that allows them to go one hundred percent green, so we began a dialogue on how to make it happen. The result was a tariff for our Green Future Impact product, that was introduced in

Pat Vincent-Collawn

CEO, PNM Resources

PUF: Talk about your experience as a woman CEO.

Pat Vincent-Collawn: I have been lucky in life. I was raised in a military family and I didn't realize until I got to college that there were things you weren't supposed to be able to do because you were female. I had three stepbrothers and we all split the chores inside and outside.

As a female CEO, in general, the skills that women have better than men are empathy, consensus building, and relationship building.

I believe that is where a lot of this industry is going. It used to be either engineering or finance dominated and now it's about partnerships, it's about working with the regulators, it's about working with your stakeholders.

I know some men that are very good at those skills and there are some women that may not be as good, but those kinds of skills that I'm lucky to have, were helpful. And I also have been lucky that I've had great mentors that were men. Wayne Brunetti, former CEO at Xcel Energy, and Jeff Sterba, former CEO of PNM Resources.

We're changing the world in our industry, and if you go to a country that doesn't have reliable, affordable, clean power, life is very different.

what you're not when he's giving you a promotion. And he goes, yeah Pat, I know, but you know how to ask questions and you know how to manage people. You'll be fine.

PUF: What is your vision of the utility you want to build?

Pat Vincent-Collawn: Jeff had done a great job at PNM Resources, both in Texas and New Mexico, in building up the company. We had, however, gotten into some of the unregulated businesses, which for a small company was tough on the balance

I remember the day Wayne promoted me to run transmission and distribution along with customer experience. I said, Wayne, you know I'm not an engineer. And note to self, never tell your boss

sheet. Focusing on a fully regulated business has been important for me.

Internally, focusing on the public service mantra of our business. People come to our industry because they have that special characteristic. You're running a business, you're a for-profit business, and you have shareholders.

But we all serve the communities in which we live and work, and especially if you're a monopoly, we have a special obligation to give back. That's empowering to people, and it's going to be helpful to us.

The outcome is helpful in trying to recruit the next generation, who is about public purpose, and they go to Google and to Facebook because they think they're going to change the world. You know what, we're changing the world in our industry, and if you go to a country that doesn't have reliable, affordable, clean power, life is very different.

So that's internally, and second, creating more of a stakeholder experience. We did this through the Energy Transition Act in New Mexico. We had the environmental community, the cities, the tribes, everybody on board. Trying to get more people involved, whether generation, transmission, or business planning, the more people we bring to the table, the better off we are. The more complicated it becomes.

The long answer of saying we want to build the utility that continues forward on that stakeholder, energy, policy, planning journey, while emphasizing the public service part of it inside.

PUF: Every service territory is different, but you have some rural communities, so that affects the service ethic.

Pat Vincent-Collawn: New Mexico is the second poorest state in the United States. In Texas, our territories tend to be more industrial, more affluent, and in Texas, we don't have end-use customers. But in New Mexico, we are financially challenged. We serve many Tribal communities in New Mexico. While we don't serve the Navajo Nation, we employ a lot of Navajos in our power plants.

A little story is that we had some of our linemen go to what's called Light Up Navajo. These guys were in Santa Fe and were stunned that there were people in the United States that don't



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have power. And seventy-five percent of the homes in the United States that don't have power are on the Navajo Nation.

These linemen, and our Director of Tribal Relations, bought a refrigerator out of their own pockets, to give to the first family that they electrified. They got interviewed on TV, and they showed how moved they were by being able to provide electricity to a family that had not had it before. That's part of our service.

For example, take our generation portfolio transformation. We just did securitization. We got securitization from our legislature, as a tool. We are going to securitize the remaining unappreciated costs of San Juan generating station, voluntarily.

So, some of my brother and sister utilities are unhappy because we're giving up a shareholder return on almost three hundred million dollars. Part of it is because we have a tough regulatory environment. We also live in the second poorest state in the nation. The minute that we retire San Juan our customers are going to save about six or seven dollars on their bills.

Los Alamos County is one of the most prosperous counties in the United States. We don't serve Los Alamos, but the majority of the state that we serve is financially challenged, so we have to think about that, and you know what? Our shareholders are okay with it because we think long-term and broadly. None of them have pushed back on the fact that we're securitizing that piece of San Juan because they get it.

Navigant: How do you integrate new business models with new technologies with the team, the people that you have in your company?

Pat Vincent-Collawn: A lot of our adoption of those things is going to be set by our regulators. For example, we don't have smart meters in New Mexico yet, because our regulators weren't ready to approve them.

The biggest management issue we have is managing the internal desire for new technology with our regulators' willingness to give it to our customers. In general, our customers probably aren't early adopters.

It's more about always reminding folks internally that we need to go where our regulators are going to go. We need to lead a little bit, but we consider ourselves followers as opposed to technology leaders for that reason. But when we look at this Energy Transition Act, we are going to be one hundred percent carbon free by 2040.

It's huge, and we're going to have to have some new technologies, some of which are not fully developed and deployed. You have to tell people that it's okay, and take a leap of faith, but that we're all going to jump off this cliff together, and we're going to make this commitment.

Navigant: Looking ahead to 2040, what will be the big challenge?

Pat Vincent-Collawn: Well it's twofold. One is internally because we have a group of folks who we charge with running the system perfectly every day, and it has to balance continuously. These are not necessarily the same technologies that we have been using for years, but others are using them, and we need to learn from others so that we can do it in our system. Those folks live and breathe what they do, and that's why we have such a great power system. So that's one challenge.

The second challenge is externally trying to put these technologies in terms of customer benefits.

You've got a smart meter, what's it going to do for the customer? And when your bills are already so low – our bills are some of the lowest in the nation – well are you going to save the customers money?

How much more reliable are you going to be? Within the customer base only a subset is excited by new technology. The rest of them are asking, what's in it for us?

PUF: You need it to make the cost-benefit case. And hopefully at some point you'll get those approvals.

Pat Vincent-Collawn: And I think we will, but part of it is you can quantify some of the savings, you can quantify how much faster you're going to get the power on, and how much that will save a manufacturing customer for example. One of your customers is going to want a little more control. Well, some customers want more choice and control, some don't.

Some of the benefits of a smart meter, for example, come from real-time pricing, but not every regulator is ready to give customers real-time pricing, especially mandatory real-time pricing. If you have voluntary real-time pricing, you usually get, I don't know if the term, free rider, is still used? Somebody has to pay for all that.

We get excited about technology sometimes, but maybe we don't do the best job of explaining to the regulators and our customers what's in it for me.

We are going to securitize the remaining unappreciated costs of San Juan generating station, voluntarily. Some of my brother and sister utilities are unhappy because we're giving up a shareholder return on almost three hundred million dollars.

Navigant: One of your passions is smart communities. Is that an opportunity?

Pat Vincent-Collawn: Yes, and one of the things we said in the smart communities' world, is every community has different goals and aspirations. For example, in Albuquerque, the first thing that they were looking at was street lighting. That was our first smart community goal and now we're working with Albuquerque to change all the lights to LEDs, and we did it first in the high-crime areas.

Now, Albuquerque is looking at trying to go one hundred percent renewable energy, and we're working toward that. So yes, but it was interesting in talking with Anthony Cox, Chief Policy Officer of Lyft.

We all have this vision of nirvana, right?

Electric transportation, no carbon footprint, all that, but getting there is going to displace a lot of stuff. Cars, some of our buildings, and some of it as Anthony and I talked about is, how do you explain to people it would be worse if you didn't do this?

The example is Denver. I don't know if you've been to Denver recently, it's still congested. But they've got light rail and you say, well it would have more congestion and more carbon without it.

Different cities are going to convert at different times, so our working with our cities on smart cities first is going to be around carbon, and low carbon, and when it will get

there and will enable the traffic lights, the energy efficient buildings, and more.

Navigant: The relationships are important.

Pat Vincent-Collawn: It's key. It's different because if you look at Santa Fe, the character of the city is colonial style, so if they got electric charging infrastructure and electric buses, they're skeptical. But we have to try to figure out how to work with them on solar and other technologies because you don't want to change the character of the place.

The whole idea of cities, if you were going to build one from scratch, it would be theoretically easier. It's sort of like if you go to Africa and other places, they're all on mobile phones and they're all on solar because they never went through that wires, stranded-asset kind of stuff.

PUF: What advice would you give to rising women in our industry?

Pat Vincent-Collawn: I always tell this to anybody, no matter what industry, is get some operational experience.

Get some line experience, when I was in Quaker Oats, it's good P&L experience. So, get some operational experience, you don't have to be an engineer to have operational experience. I'm a journalism major by training.

Second, is know how the company makes money. There are a surprising number of folks that don't know how a company

When we look at this Energy Transition Act, we are going to be one hundred percent carbon free by 2040. We're all going to jump off this cliff together.

I was still waiting for a mentor that looked like me, I'd be waiting. Her mentor was Ambassador Madeleine Albright's husband.

The other thing that I always say to women, is take care of your health, your finances, take care of yourself because you can't do a good job unless you're healthy. And you can't move around in companies and take risks unless you have a financial plan that says hey, if this doesn't work out, I'll be okay.

This is a generalization, but women tend to do most of the housework, take care of the kids, take care of everybody else before themselves. **PUF**

makes money, and I don't just mean put assets in the ground and have a rate-payer, but it's how it works, how the depreciation works, how ADIT works.

Understand how the company makes money.

Find a mentor. It does not have to be a female. Condoleezza Rice spoke at the finance convention in November, and I got to interview her. She said, if