

An Energy & Telecom Case Study – Solano County, CA

“The County is constantly looking for innovative ways to improve our day-to-day processes, enhance customer service and lower the cost of doing business. We found one with Cost Control Associates’ no-risk Cost Recovery and Reduction Program. This public-private partnership has given us more than \$85,000 in refunds and annual savings – all without any upfront risk.”

– Michael Johnson, Solano County Administrator



The Solano County Government Center in downtown Fairfield

BACKGROUND

Solano County is one of the original California counties created in 1850 at the time of statehood. Named for Chief Solano of the Suisunes Indians, Solano County today has a population of over 400,000 and is home to Travis Air Force Base and one of the most diverse arrays of business and industry in the Bay Area.

GOALS

The goals established for the Cost Control Associates’ (CCA) Team were to review the records for both the County’s energy and telecom bills to:

- ✓ Identify and obtain all refunds that might be due the County as a result of erroneous billing.
- ✓ Help put in place any cost-saving measures that might be available through rate and other reductions.

CCA’s program is a “no-risk approach,” meaning it is totally contingency fee based. If, for example, the review fails to produce refunds and savings, there is absolutely no cost to the County.

Since the County could simply “piggyback” on an existing national contract that had been awarded to CCA by Dallas County, Texas, contracting for CCA’s services was easy. The County also liked the fact that CCA’s programs are endorsed by both the National Association of Counties and the California State Association of Counties.

Solano County’s decision to have both its energy and telecom costs reviewed and analyzed by CCA turned out to be the right one. Substantial refunds and savings were discovered in both categories.

CONSTRAINTS

A unique challenge existed on the telecom side of the review. The County currently buys most of its services under a state contract called Calnet2. The County had recently transitioned from the old state contract (Calnet1) to the new one (Calnet2).

In the conversion from one contract to the other, the carrier (AT&T) discovered that they had been billing certain items incorrectly under the Calnet1 Agreement. The carrier corrected the mistakes when converting the services to Calnet2, but failed to make any refunds for these errors. CCA’s review revealed the errors, and CCA was successful in obtaining the refunds due.

RESULTS

CCA’s review and analysis of both Solano County’s energy and telecom costs have been very successful to date. The review has produced approximately \$40,000 in annual energy savings. The telecom portion of the review has produced about \$7,000 in refunds and over \$40,000 in annual cost savings. The combined savings to date are more than \$87,000.



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