

ELECTRICITY

Utilities rebuild an aging lexicon to keep pace with change

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The nation's investor-owned electric utilities have settled on a new customer-friendly vocabulary that they hope will influence how their rapidly changing business is perceived.

Dubbed the "Lexicon Project," the effort by the Edison Electric Institute began in 2014 when a group of senior media relations executives from the largest utilities met during the EEI annual meeting in Las Vegas.

As much as it is directed at electricity customers, the project could also help the industry redefine the terms of crucial state-by-state conversations over regulation, the grid, rates and clean energy.

"Look at the way we talk as an industry," said Stephanie Voyda, EEI executive director of communications.

"We use of all of these acronyms, all of this jargon. Some of us use the same words but define them differently or we use different words to mean the same thing," she said.

The industry's lexicon -- largely a product of lawyers, engineers, accountants and regulators -- began to evolve several years ago, when some CEOs stopped referring to those who paid the monthly bills as ratepayers.

And that transition to a new way of speaking was on full display last month in Chicago where EEI held its annual meeting. There, industry leaders tossed around terms such as "universal solar," the lexicon's updated term to use in the place of "utility-scale solar," which is used to describe the large photovoltaic power plants that utilities have been building at a record pace as the price of solar technology keeps falling.

Then there's "rooftop solar," common parlance for the solar panels that homeowners are installing to make their own electricity and take less utility-generated power off the grid.

The Lexicon Project would prefer that people call rooftop solar "private solar," which serves as a subtle nod to utility arguments made in states where solar is expanding rapidly and where net metering and rate policies are being hotly debated. Electric utilities say the rising number of "private" owners of rooftop solar panels is eroding the revenue base needed to maintain their regional power grids. Solar advocates say homeowners should be compensated for extra solar power they generate and return to the grid.

Likewise, distributed generation is passé. The better term is private generation, according to a cheat sheet produced by EEI.

"What does utility-scale solar actually mean to a customer?" asked Tim Fitzpatrick, vice president for corporate communications at Pacific Gas and Electric Co. The new terminology is not a "judgment" on the discarded words, "it's just that we want to be clear."

The project began by surveying national and local media coverage to identify the 100 most-used terms related to the electricity sector. The list was narrowed to 25, and at that point, EEI hired Maslansky + Partners to conduct interviews with EEI member company personnel and focus groups in Denver; Charlotte, N.C.; and Washington, D.C. That was followed by a nationwide survey of 1,000 consumers.

Energy Talk: Words Matter	
We share common goals to deliver an energy future that is smarter, cleaner and stronger. And, it's important that customers understand the work we are doing to benefit them, which means communicating in language that is customer-friendly. Below is a cheat sheet of customer-tested language to lose and language to use.	
Lose	Use
The basics	
Electricity or power	Energy
Utility, power company, electric company	Energy company
Grid or network	Smart grid (energy grid if smart grid is inaccurate)
Ratepayer	Customer
The future of the energy grid	
Evolving distribution system, grid transformation, etc.	Building a smarter energy infrastructure
Advanced, modern, 21st century grid, etc.	smart grid
Utility of the future	Next generation energy company
Advanced meter	Smart meter
Leading the way on clean energy	
De-carbonization	Reducing carbon footprint
Fuel mix	Balanced energy mix
Low-carbon energy	Clean energy
Green energy	Renewable energy
Intermittent sources	Variable sources
Utility-scale solar	Universal solar
Rooftop solar	Private solar
Solar installation	Solar power plant
Distributed generation	Private generation (where appropriate)
Net metering	Private solar credits
Wholesale rate	Competitive rate
Baseload generation	24/7 power sources

"We started from this premise that it is not what you say that matters, it's what your audience hears. And very often, there's a gap," said Michael Maslansky, CEO of the polling and consulting group.

Redefining the meaning of power

"Smart" was identified as the "most positive single word for the industry to own," a presentation by Maslansky said, as it "speaks to innovation, efficiency and continuous improvement."

The word "opens up a conversation about what does it mean to be smart about energy, to give customers control, choice and convenience," he said. And it helps to tell customers "how their money is being spent when they're paying for their energy."

Dale Heydlauff, American Electric Power Co. Inc.'s vice president for corporate communications, said the discussion about solar "really captured everybody's attention, the contrast between privately owned rooftop solar and its exclusive nature predominantly owned by rich business owners or rich homeowners, and universal solar, which says we're providing solar to everyone."

"We're trying to communicate more simply, in a more understandable language, but in a way that also reflects this fundamental change in how we want the industry to be viewed going forward," he said.

PG&E's Fitzpatrick and his fellow senior communicators agreed that rewriting an industry's language "obviously needs all of the players to be signed up. PG&E can't redefine the language of an industry by itself."

"It's not very often you get an opportunity to change the language of an entire industry that has been shaped over decades. It's a tall order," he said.

Rob Gould is the chief communications officer for NextEra Energy Inc. and leads the EEI group of senior communicators. "For too long, the industry thought it knew better how to talk to our customers, often with terms that had no meaning or frankly can send the wrong message," Gould said.

"If we can truly get them to think of us as a trusted adviser," Gould said, "it will be easier to sell value-added service to customers that will make them more efficient and save them money."

Thinking about 'energy'

But the new lexicon is meant also to reach other audiences, such as federal and state regulators, legislators, Wall Street, the media, and competitors, according to the utility officials.

"This is a great example of the industry pulling together, and I'm not sure we all believed we could at first," Gould said.

Berkshire Hathaway Energy Co. already is incorporating the lexicon into its communications, said Julie White, vice president for corporate communications at the holding company. The transition to a new way of talking about its business has been "fairly smooth," she said, underscoring the importance of explaining the research behind the language to executives.

EEI has a program underway to educate the employees of its member companies, using webinars and other internet-based tools. And there has already been a meeting to discuss the next changes to the industry's lexicon. "This is not a one-and-done thing," Gould said.

Also, EEI is reaching out to the trade associations for electric cooperatives and municipal utilities, sharing the research in the hopes that the lexicon can be adopted industrywide.

The EEI work product still has to be presented to the leadership of the National Rural Electric Cooperative Association, said Debbie Wing, the group's director of media and public relations. "As an industry, it makes sense that we're all on the same page," she said.

"We're at the starting line," said PG&E's Fitzpatrick. "Language isn't static, so we need to change and evolve the language as the business changes and evolves."

He applauded EEI member CEOs for embracing the new lexicon.

In particular, he cited their support for changing the vernacular from utility, power company or electric company to energy company.

The project's research and focus groups had shown that customers "thought more about energy than electricity or power."

"There's the potential for some confusion," he said, given that oil companies also refer to themselves as energy companies.

"Still, it was a powerful day when the CEOs at the Edison *Electric* Institute said, 'Yes, we agree with that,'" Fitzpatrick said.

Generation capacity	Power capacity
Fundamentals of rates	
Rate case	Regulatory rate review
Rate	Bill (preferred) or rate
Demand response	Smart usage rewards
Distribution charge	Energy delivery charge

The Edison Electric Institute's chart above lists its top 25 most-used terms relating to electricity. Through its "Lexicon Project," EEI is urging utilities to change the words and terms they use to describe the industry. The new language is meant to cut jargon, bring greater clarity to energy terms and to tweak industry messaging when policy fights break out in state capitals. Courtesy of the Edison Electric Institute.

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