

The power to transform

Constellation Energy partners with HP to manage its imaging and printing infrastructure



“We had an environment ripe for managed print — with old printers, breaking printers, high printing costs and so it seemed like a logical first step.”

– Beth S. Perlman, Senior Vice President and CIO, Constellation Energy



HP customer case study: HP's Managed Print Services leads to big savings, improved efficiency, greater productivity and happy end users.

Industry: Energy

Objective:

Reduce user-to-device ratio and provide visibility to all imaging and printing costs.

Approach:

HP's Managed Print Services, with level pay option. HP evaluated the current state, made recommendations for updating and consolidating devices, and then worked with Constellation Energy to deploy the new devices, centralizing print management and service.

IT improvements:

- Printer/copier/fax fleet of 3,000 devices reduced to 1,000.
- Less IT staff time devoted to printer support issues.

Business benefits:

- Approximately 18 percent annual savings.
- Maintenance burden reduced by consolidating fewer devices and fewer models.
- Reduction in cost and number of supply items that have to be inventoried.
- Repair time reduced.
- Employee productivity increased with enhanced capabilities closer to the desktop, including scanning and network fax capability.
- Flexibility to make individual device or fleet changes in response to business needs.

Constellation Energy, an industry leader in the sale, distribution, and generation of electricity, did not have a centralized or strategic management system for its imaging and printing.

Business units were responsible for acquiring their own printers and consumables. The result was a wide range of models and manufacturers that created support headaches for helpdesk staff and space problems for the extensive inventory of spare parts and consumables needed to keep the aging fleet up and available. Copiers were no better. Contracts were often rolled without consideration for cost, past performance, or device suitability. Moreover, across the organization user-to-device ratios were inconsistent.

In short, Constellation Energy had an imaging and printing environment that Senior Vice President and CIO Beth Perlman suspected was costing the company money and productivity. Her solution: outsourcing.

“When we did the business case, I even had trouble identifying the extent of our problem because the costs for toner, service, and support were so deeply buried in other numbers,” explains Perlman.

Compelling business case in hand, Perlman selected HP Imaging and Printing Services to execute the proposed outsourcing strategy. “We really wanted to partner with a company we believed in. Hewlett-Packard is in the print business and so we felt it was a good match,” says Perlman.

Managed Print Services offering generates real interest

Constellation Energy needed to upgrade its imaging and printing infrastructure, but senior management also wanted the kind of ongoing optimization that would assure productivity and cost savings, even in the midst of change. HP's extended pay-per-use program fit the bill.

HP Imaging and Printing Services include standard and customized services. Both are designed to help enterprise organizations rein in costs. Constellation Energy needed a customized solution that combined HP products, service, and support with ongoing supervision, provided by a dedicated HP account manager.

Close working partnership ensures success of 18-month deployment

Constellation Energy and HP Services agreed to a 40-site deployment that included a wide range of facilities — from conventional office buildings to nuclear power plants.

Michele Wilker, HP Senior Project Manager, aided by HP Technical Consultant Walter Glenn, was responsible for analyzing the current print environment and making recommendations at each facility. Her Constellation Energy counterpart, Alison Wolf, presented the recommendations to business unit management, and incorporated management's comments into a final plan. Together they built the deployment schedule, supervised installation, and conducted end user training.

With a deployment of this scale, challenges are inevitable. At one point a series of issues, culminating with a delivery incident at a power plant, threatened to bring the project to a standstill. A timely response from Wilker supported by her solid working relationship with Wolfe saved the day. "Michele escalated our concerns to HP management, and we worked out a solution that kept the project on track," reports Wolf.

"From the project management team to the customer service manager to our sales team, HP's people really were our critical success factor."

Alison Wolf, Project Manager, Constellation Energy

"From the project management team to the customer service manager to our sales team, HP's people really were our critical success factor."

Constellation Energy reduces device fleet size while increasing capabilities

HP recommendations included retiring many of the company's aging, dedicated printers/copiers/fax machines and replacing them with HP LaserJet MFP series devices.

"We were able to reduce the size of our imaging and printing fleet from 3,000 to 1,000 devices," says Wolf. Wilker adds, "We never want to take away capabilities customers have today — we want to enhance those capabilities. So making certain we understand their requirements so we can design a solution that meets their needs is incredibly important."

Customer solution at a glance

Primary applications

Printing, faxing, copying, scanning

Primary hardware

- HP Color LaserJet 3800 printer
- HP Color LaserJet 4650 printer
- HP LaserJet 3380 MFP
- HP LaserJet 3390 MFP
- HP LaserJet 4345 MFP
- HP LaserJet 9040 MFP

Primary software

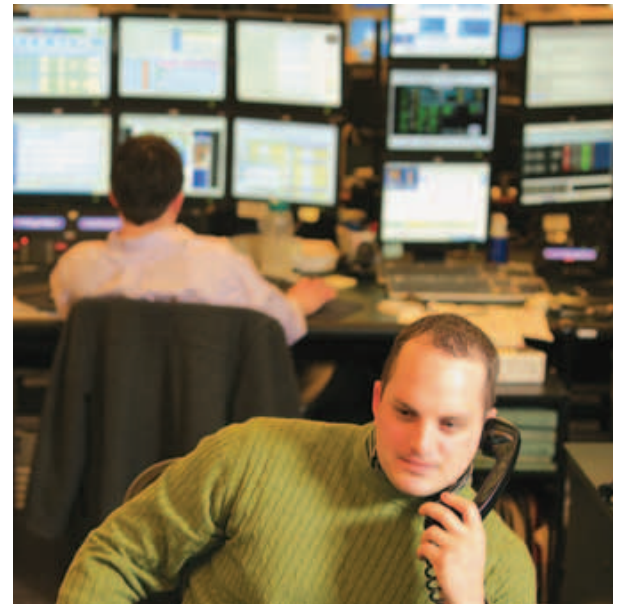
- HP Digital Sending Software

HP Services

- HP Imaging and Printing

“It’s really important to be a business partner and to actually marry what you’re looking to sell with trying to solve my business problem. We’ve done that with HP.”

Beth Perlman, Senior Vice President and CIO,
Constellation Energy



Deployment plan for Constellation Energy’s facilities included:

- Reducing the user-to-device ratio to a minimum of 10-to-1.
- Replacing underutilized stand-alone copiers and many of the older printers with networked HP devices strategically located closer to user groups.
- Ensuring access to the capabilities end users need to conduct business processes, including 11” by 17”, high-volume black-and white, color, privacy printing, and scanning.
- Eliminating redundancy and the added expense of supplying and maintaining (and supplying toner and paper for) copiers, printers, faxes, and digital senders.
- Utilizing scan-to-email, and digital sending capabilities.

Standardizing on fewer models eases the IT staff’s burden by reducing the number and variety of consumables and spare parts that have to be inventoried.

Transforming business processes

In the wake of the deployment, scanning has proved to be a transformative technology at Constellation Energy. “As a company we weren’t very mature in terms of

electronic routing for approval,” explains Perlman. “Now with our MFP I can scan and route documents for approval, which really expedites the decision-making process.”

“Our associates, who are actually the brains behind the process, are able to spend more time in creative thought in improving our product than they are spending time mechanically generating paper — and that’s a powerful thing.”

Brian Daschback, Manager BGE Gas and Electric New Business

There have been significant process improvements in other areas as well.

For example, at Baltimore Gas and Electric, the unit responsible for approving and installing new service for residential construction has cut its processing time down from 180 to 150 days — a significant reduction that has helped push customer satisfaction numbers through the roof.

Brian Daschback, Manager BGE Gas and Electric New Business, sees another benefit. “Our associates, who are actually the brains behind the process, are able to spend more time in creative thought in

Customer at a glance

Constellation Energy, a FORTUNE 200 company with 2006 revenues of \$19.3 billion, is the nation's largest competitive supplier of electricity to large commercial and industrial customers and the nation's largest wholesale power seller. Constellation Energy also manages fuels and energy services on behalf of energy intensive industries and utilities. It owns a diversified fleet of 78 generating units located throughout the United States, totaling approximately 8,700 megawatts of generating capacity. The company delivers electricity and natural gas through the Baltimore Gas and Electric Company (BGE), its regulated utility in Central Maryland.



www.constellation.com

improving our product than they are spending time mechanically generating paper — and that's a powerful thing."

Constellation Energy is no longer in the dark when it comes to costs

HP services keep devices up and available, end users productive, and Constellation Energy management in the know.

Monthly reports on device utilization, consumable costs, and service history are provided by an HP account manager. With accurate data at hand, issues

can be identified and acted upon quickly and easily, often delivering bottom-line benefits.

And that is exactly what Beth Perlman had in mind.

"It's really important to be a business partner and to actually marry what you're looking to sell with trying to solve my business problem. We've done that with HP," says Perlman. "I really feel they're not trying to sell me something and walk away. They really want to make sure it's used effectively and it adds value to my business because they know that's how they're going to get the next deal and the next deal after that."

To learn more, visit www.hp.com

© 2007 Hewlett-Packard Development Company, L.P. The information contained herein is subject to change without notice. The only warranties for HP products and services are set forth in the express warranty statements accompanying such products and services. Nothing herein should be construed as constituting an additional warranty. HP shall not be liable for technical or editorial errors or omissions contained herein.

4AA1-3425ENW, June 2007

