

AN OPPORTUNITY FOR A FAMILY-OWNED WATER UTILITY.

Blue Topaz Utilities has a long history in Texas that dates back to the 1970s in both the construction and utility sectors. In the late 90s, the company started building water systems. Currently, the company has seven employees, operates 18 different systems, and serves 3,700 customers. The largest system has 850 connections and the smallest has under 20 connections, delivering water to “country subdivisions” across three counties just north of Houston.

According to Ron Payne, Blue Topaz Utilities general manager, the company was operating smoothly and the second-generation owners were not looking to sell. Although Blue Topaz had been approached by numerous interested parties in the past, none of the offers fully met the owners’ needs. In 2019 that changed when NW Natural Water reached out to Payne. It was apparent that if the two companies partnered, Blue Topaz Utilities could finance projects to support growth, upgrade systems to benefit customers, and provide a promising, stable and rewarding future to its employees. “Since working with NW Natural Water, we’ve been able to pursue capital improvements that would have taken us years to save up for,” Payne explains.

A well-run system invests in the future.

Since joining the NW Natural family, Blue Topaz Utilities has initiated several significant infrastructure improvements to upgrade existing systems and accommodate new subdivisions. For one of its largest and fastest-growing subdivisions, the company just completed the distribution system and first phase of the water plant – and recently started construction on the



Ron Payne

second phase of the water plant. Blue Topaz also has plans to start construction on a new system for another growing area in early 2021. Payne estimates the total cost of all these improvements will exceed half a million dollars. “We simply would not be able to do all this without NW Natural Water,” says Payne.

Adopting SCADA technology is also on Blue Topaz’s agenda. Once installed, the company’s employees will have a more comprehensive view of the system, enabling them to proactively target leaks and water pressure problems before they impact customer service. “With the new SCADA system, our staff can better assess what’s causing an issue, and determine if it originates in the water system or at a customer’s home,” Payne explains. “That could really help streamline – and potentially eliminate – unnecessary service calls and help minimize system downtime.”

Conducting business with shared values.

Blue Topaz Utilities and NW Natural Water both believe in treating employees well, and the new partnership has allowed Blue Topaz Utilities to enhance employee benefits – adding dental, vision, life and short-term and long-term disability insurance. The company has also established a 401(k) plan and is in process on implementing a formal safety program.

From a government relations standpoint, NW Natural Water understands that Blue Topaz Utilities has cultivated a positive reputation and strong relationships with regulators. That’s why after the acquisition was finalized, NW Natural Water’s executive team visited Texas to meet with PUC commissioners, with the intention of preserving and building on Blue Topaz’s legacy of constructive engagement with regulators.

A new partnership creates positive outcomes for all.

NW Natural Water’s sister company, NW Natural, is well regarded as a provider of critical natural gas infrastructure to growing communities, and a frequent winner of customer service awards. That, combined with the company’s collaborative approach to doing business, appealed to Blue Topaz Utilities and created an attractive opportunity for all parties involved. “During the negotiations, NW Natural Water was always professional and approachable – which helped things go smoothly,” Payne shares. “The result was a sound deal that led to positive outcomes for the owners, employees and customers.”

CRITICAL SUPPORT DURING UNPRECEDENTED TIMES.

At the start of the Covid-19 pandemic, NW Natural Water made sure Blue Topaz Utilities had what it needed to operate safely. The companies worked together to source critical PPE by utilizing centralized planning and purchasing functions, allowing operators to remain fully focused on system needs. “As the pandemic continues, knowing that NW Natural Water can provide sustained support throughout this difficult time has raised my comfort level,” says Payne.

NW Natural Water also worked with the utility to notify both customers and the Public Utility Commission (PUC) that Blue Topaz Utilities would suspend shutoffs and late fees; the PUC was appreciative and sent a note thanking both companies for taking proactive steps.