



Return on Investment

Articulating the Benefits of Your Environmental Information Project

EN2014

Background

- EIPAS – Energy and Environment Information and Public Access System
- 5 year, \$40M+ project
- Transform more than 100 applications across 7 energy and environmental agencies

IT Project Funding

- Massachusetts funds large IT projects through a central IT organization using capital dollars.
- Projects compete for \$\$ based on a variety of factors: agency readiness, need, public benefit, etc.
- Return on Investment (ROI) evaluation now a requirement for all IT capital funded projects.

Return on Investment

Components of Return on Investment (ROI):

- Identify, quantify and prioritize benefits
- Identify and quantify project costs
 - One time
 - Recurring
- Likelihood of Success

The Challenge

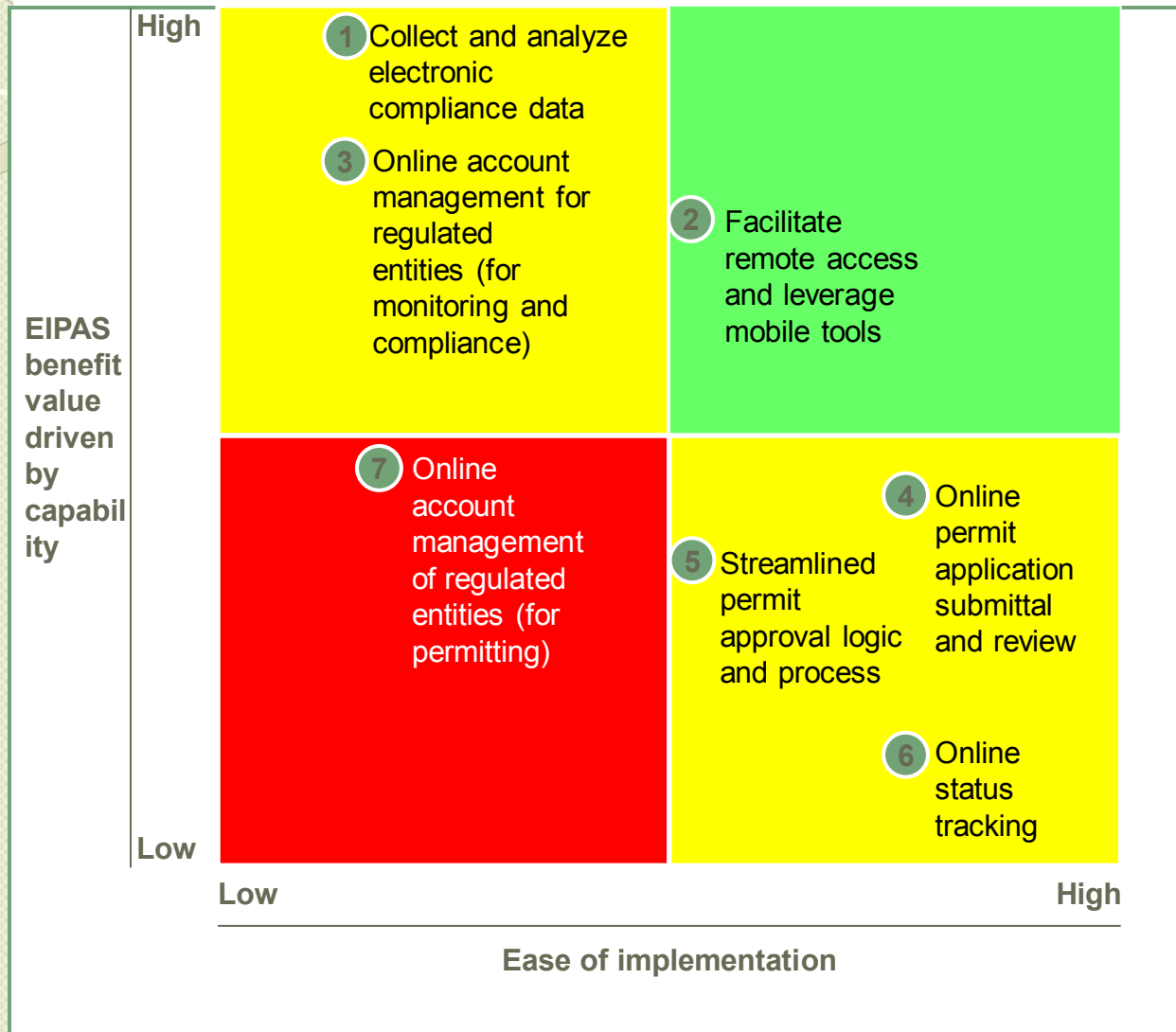
How to identify, quantify and prioritize benefits in a meaningful, reproducible and defensible way?

Benefits

- Direct Financial
 - Increased revenue for Commonwealth
- Indirect Financial
 - Efficiencies for Commonwealth, Regulated Entities and Constituents
- Non-financial
 - Environmental benefits (cleaner water/air, etc.)

Benefit Mapping

ILLUSTRATIVE



Implications

- The EIPAS project team must consciously weigh the trade-offs between developing capabilities that most directly drive EIPAS benefits, and capabilities that represent lower technical complexity
- In order to delay the development of the highest value capabilities, there should be a compelling reason for prioritizing other capabilities (e.g., provides quick win and training opportunity, fits key strategic priority)

Prioritized Benefits

- Improved ability to prevent environmental damage via more intelligent inspection practices and enhanced ability to leverage data
- Streamlined compliance efforts for regulated entities (e.g., online data submission, online compliance guides)
- Quicker speed to market for constituents given streamlined permit application process

Prioritized Benefits (con't)

- Reduced administrative costs for Commonwealth (e.g., data entry, public records requests, paper file reviews)
- Improved collection of compliance and penalty fees
- Lower cost of monitoring & compliance via more targeted site visits, remote sensing, GPS and GIS mapping, mobile tools
- Reduced constituent costs for administrative visits and file reviews

ROI Evaluation

EIPAS represents significant value for the Commonwealth, generating ~\$17-24M in adjusted annual benefits across all energy and environmental agencies and a broad range of constituents

Questions?

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