



## Liberty Utilities – New Hampshire

# Electric Customer Satisfaction Survey Final Report

January 10, 2013



# Contents

| Topic  | Slide # |
|--|---------|
| <b>Objectives and Methodology</b>              | 3       |
| <b>Key Findings and Recommendations</b>        | 6       |
| <b>Detailed Findings</b>                       |         |
| Awareness of Change to Liberty Utilities       | 19      |
| Overall Satisfaction with Company and Services | 21      |
| Customer Service                               | 28      |
| Customer Billing                               | 31      |
| Service Outage                                 | 33      |
| Communication                                  | 38      |
| Awareness of Energy Efficiency Programs        | 42      |
| <b>Respondent Profile</b>                      | 44      |

# OBJECTIVES AND METHODOLOGY

## Objectives &amp; Methodology

## Objectives & Methodology

### Objectives

- Establish the benchmark of current customer satisfaction levels for electricity services
- Analyze satisfaction at the overall level

### Methodology

- A total of 1,501 surveys from Liberty Utilities New Hampshire's electricity customers were completed
- Margin of error is +/- 2.5% at the 95% confidence level
- All interviews were completed through the phone
- The study was fielded from September 4<sup>th</sup> to October 22<sup>nd</sup>, 2012
- Scale conversion
  - 2012 used 5-point scales for satisfaction measurements
  - 2011 and previous years used 7-point scales for performance measurements
  - Existing scale usage literature suggests an optimal way to compare results from these two types of scales is to examine the "top box" rating calculated from each scale measurement (i.e., top three ratings for a 7-point scale and top two ratings for a 5-point scale) should there be a need to conduct comparative analysis for results from 2012 and previous years
  - It is important to note that the emphasis for conducting this research study is to allow for future performance measurement to be compared to the 2012 benchmark for Liberty Utilities

## Objectives &amp; Methodology

## Objectives & Methodology

- This study has been conducted as a baseline study to be used for future performance tracking for services rendered to Liberty Utilities' Eastern Region Electricity customers.
- Residential customers were randomly selected for participation in the survey. The survey sample is representative of Liberty Utilities' Eastern Region Electricity customers.
- Base counts throughout this report refer to total responding, eliminating those who were not asked the question due to a skip pattern.
- Sampling Error
  - As is the case in all survey samples, there is an element of sampling error that is known and measurable when making projections to the population of all Liberty East's Electricity customers. Sampling error varies inversely with the size of the sample.
  - With a sample size of 1,501 and a 95% level of confidence, the range of error for proportions observed in this survey is +/- 2.5 percentage points.

# KEY FINDINGS & RECOMMENDATIONS



## Key Findings &amp; Recommendations

## Overall Company and Services

Overall perceptions of Liberty were positive, with at least 8 out of 10 customers stating they were *Somewhat or Very satisfied* with Liberty Utilities as a company and with the services provided.

- 81% of customers were satisfied (top 2 box score, *Somewhat/Very satisfied*) with Liberty Utilities overall.
- 86% of customers were satisfied (top 2 box score, *Somewhat/Very satisfied*) with the services they received from Liberty Utilities when price was considered.
- 82% of customers were satisfied (top 2 box score, *Somewhat/Very satisfied*) with their services when price was not factored in.

The majority (64%) of those interviewed reported that their satisfaction levels for Liberty Utilities as a Company have *Remained the same* over the past year.

Overall, customers making over \$100K were less satisfied with the company and its services and were less likely to report that their satisfaction had increased over the past year.

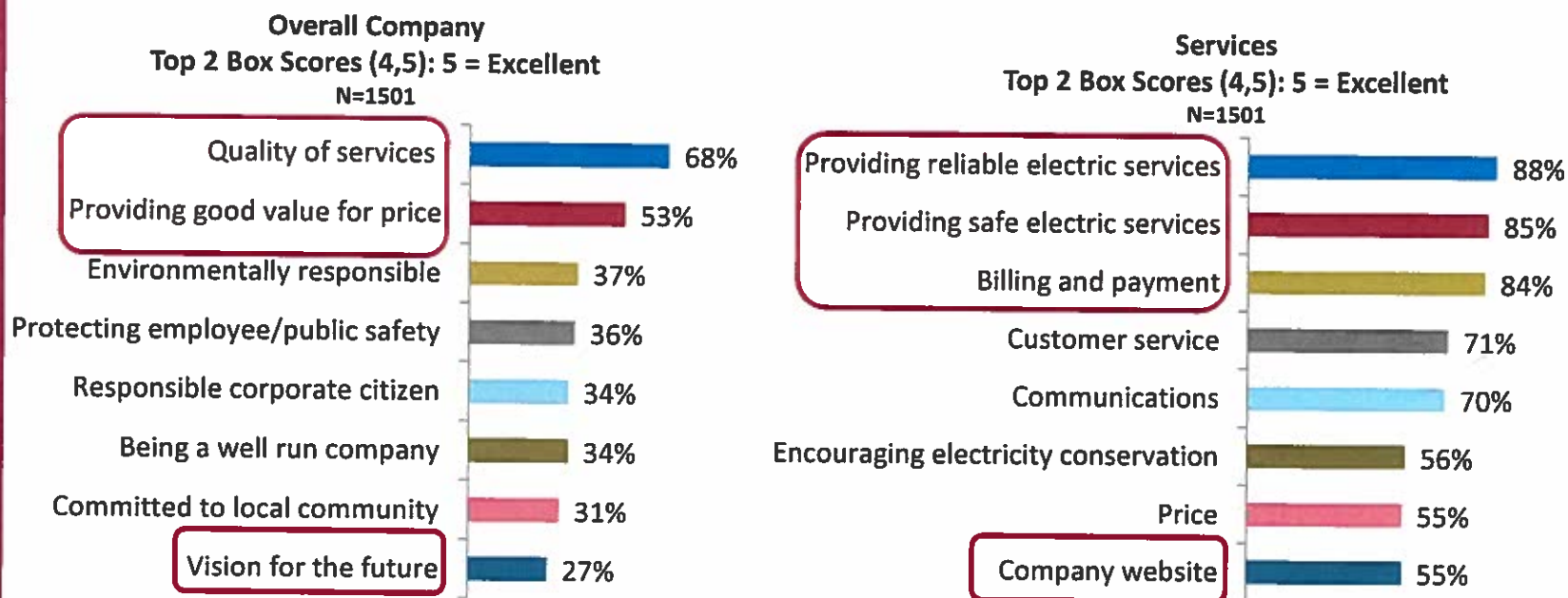
Customers 45-64 years (77%, top 2 box score *Somewhat/Very satisfied*) were the least satisfied with the company as a whole.

Those 65+ years old (90%, top 2 box score *Somewhat/Very satisfied*) and living at their current residence for more than 11 years (88%) were the most satisfied with the services provided by Liberty.

## Overall Company and Services

Though over 80% indicated they were satisfied with Liberty Utilities as an overall company, lower ratings were reported for the individual company attributes listed. Only *Quality of services* (68%) and *Providing good value for price* (53%) were rated positively by over half of the respondents. *Vision for the future* (27%) was rated the lowest among all of the attributes listed.

Most customers, as a whole, rated *Providing reliable electric services* (88%), *Providing safe electric services* (85%), and *Billing and payment* (84%) favorably, while only a little over half rated *Price* and *Company website* (both 55%) favorably.



Q5. Based on a scale from 1 to 5 where 1 is "Poor" and 5 is "Excellent", please rate how good a job Liberty Utilities does on each of the following items:  
Q2. Please rate your electric services in the following areas by using a 5-point scale with 5 being "Very Satisfied" and 1 being "Very Dissatisfied".



## Customer Service

A small portion of customers (18%) had contacted Liberty Utilities via phone in the past year.

Younger customers (26%), making less than \$100K a year (20% for those making \$50K-\$100K), who had lived at their current residence 10 years or less (24%) were more likely to call into Liberty Utilities.

Those who called in the past year gave Liberty's customer service, in general, very positive ratings for the services they received. Specifically, 79% rated overall customer service as *Excellent/Good* while 70-81% agreed with the various attributes tested for customer service.

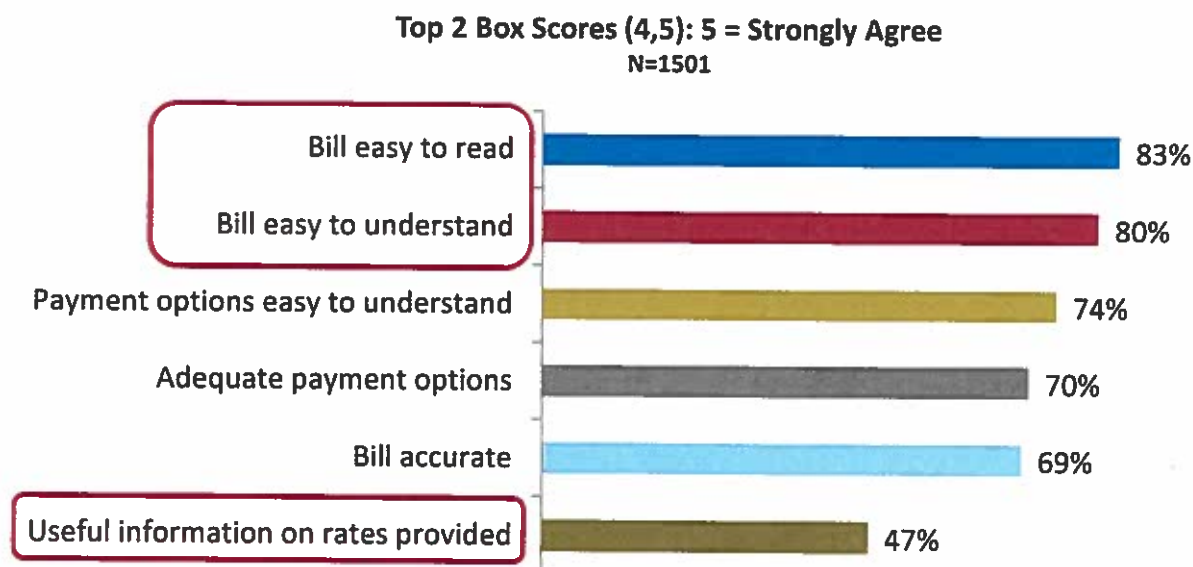
- Liberty Utilities' customers agreed most strongly with the statements indicating Liberty's customer service to be *Courteous/respectful* (81%) and *Easy to understand* (78%).
- Lowest agreement ratings were given to customer service for being *Knowledgeable* (73%), *Business hours are convenient* (73%) and *Reasonable waiting time* (70%).

## Customer Billing

Respondents demonstrated high levels of satisfaction with nearly all aspects of billing listed. At least eight out of ten surveyed agreed (top 2 box score, 5=Strongly agree) with *Bill easy to read* (83%) and *Bill easy to understand* (80%).

*Useful information on rates provided* (47%) was the only attribute where less than half of the respondents agreed.

Younger customers making less than \$50K a year who had lived in their current residence 10 years or less were the most likely respondents to have demonstrated the highest level of satisfaction with all aspects of customer billing.



Q9. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements.

## Key Findings &amp; Recommendations

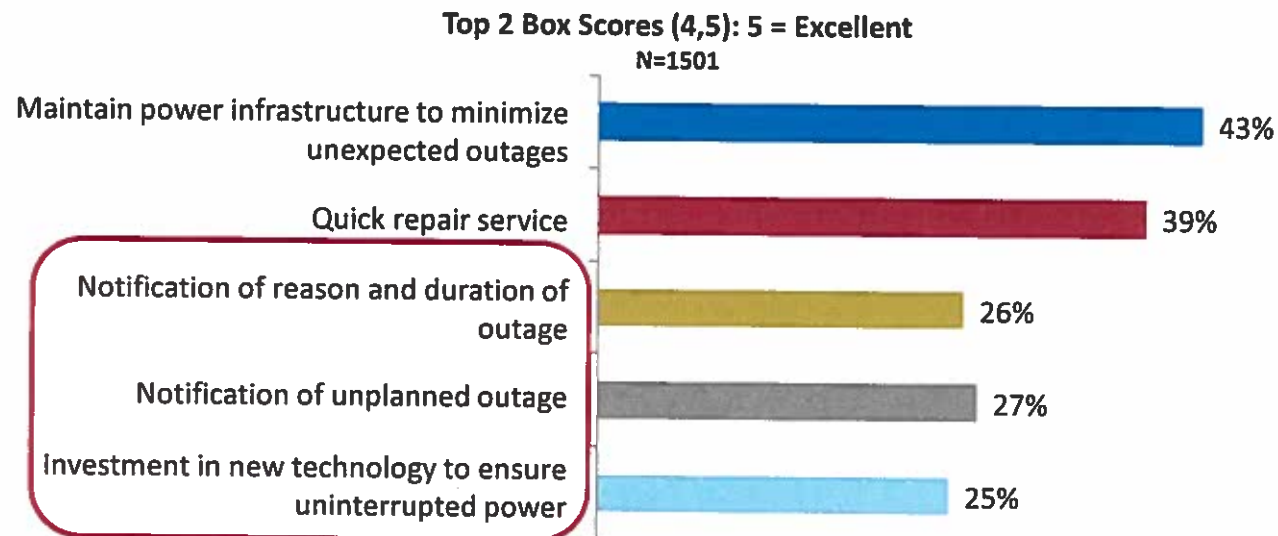
## Service Outage

The majority (72%) of customers stated they *Rarely or Never* experience power outages.

As a whole, 17% of respondents felt it is unacceptable to have any outages (only 0 outages was acceptable), half (47%) feel 1 to 2 outages per year is okay. The remaining 37% felt 3+ outages were acceptable.

Younger customers who had lived at their current residence for 10 years or less were more accepting of more power outages (20% of 18-44 year olds and 17% of those living in current residence 10 years or less accepting up to 4-5 outages a year).

Despite the rare occasion of power outages demonstrated by Liberty Utilities, respondents gave relatively low ratings (25%-43% top 2 box score ratings, 5=Excellent) to Liberty Utilities for attributes related to service outages. Particularly low ratings were given to *Notification of reason and duration of outage* and *Notification of unplanned outage* (27% and 26% of customers, respectively), and *Investment in new technology to ensure uninterrupted power* (25%).



Q10. Thinking about all of your experiences with Liberty Utilities, please rate how good a job they do on each of these items on a scale from 1 to 5, where 1 is "Poor" and 5 is "Excellent".

## Communication

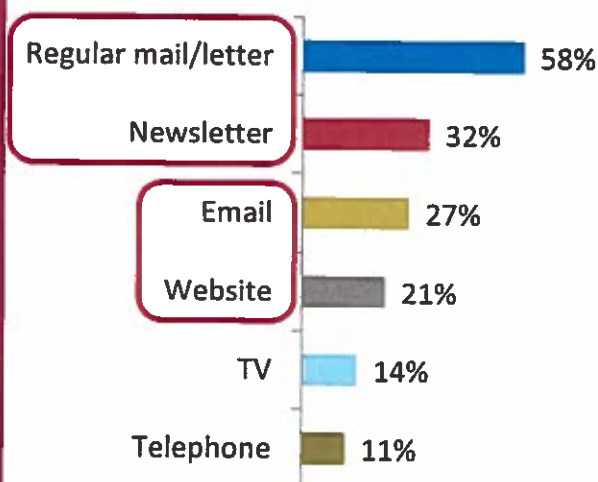
Half of the respondents (50%) read the informational newsletters inserted in their bill *Sometimes or Always*.

Customers preferred to receive their information through traditional mail methods followed by electronic methods.

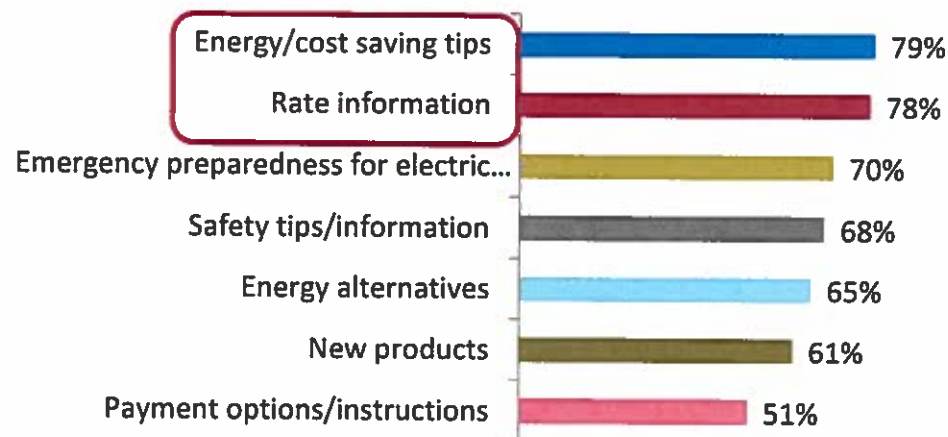
- *Regular mail/letter* was preferred by 58% of Liberty Utilities customers while 32% preferred *Newsletter*.
- *Email* was preferred by 27% of Liberty Utilities customers while 20% preferred the *Website*.
- Younger customers (age 18-44) were less likely to prefer to receive their information through traditional mail methods (46% *Regular mail/letter* and 22% *Newsletter*).

Respondents, in general, had a strong interest in obtaining all of the types of information listed in future publications (51%-79%). The most desired information was related to *Energy/cost saving tips* (79%) and *Rate information* (78%).

Prefer to Receive Information  
N= 1501



Information Preferred in Future Communications  
N=1501



Q12. How would you like to receive information from Liberty Utilities? Please select all that apply.

QEAST05. What types of information would you like Liberty Utilities to include in future communications? Please select all that apply.

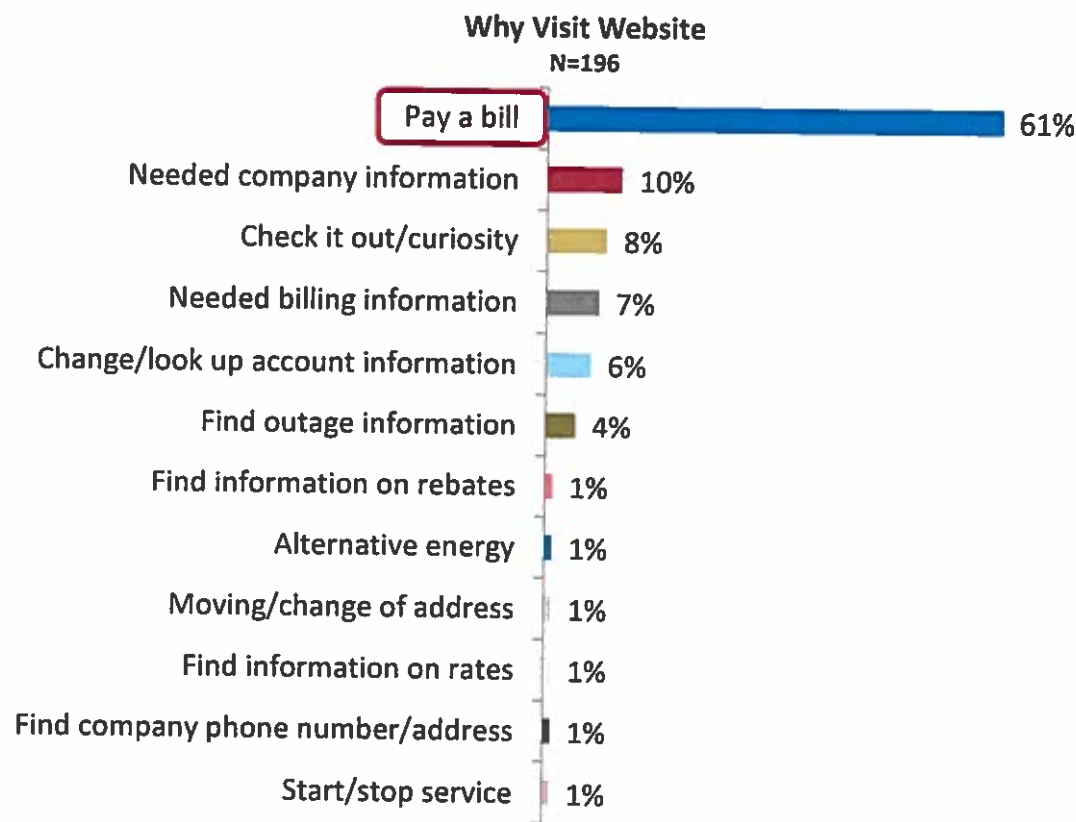
## Key Findings &amp; Recommendations

## Communication

Few (13%) customers reported that they visited Liberty's website in the past year.

The vast majority of those who visited the website (61%) indicated that they did so to *Pay a Bill*.

Of the respondents who had visited the website, 72% stated that they thought the website was *Somewhat or Very useful*.



Q14. For what reason(s) did you visit the website?

## Effectiveness of Communication

**Liberty Utilities was largely effective at communicating the change from National Grid to Liberty Utilities to their customers.**

- Over seven out of ten customers (73%) recalled the change to Liberty Utilities without prompting.
- Of those who were unable to recall the change to Liberty, 74% claimed to be aware of the change when prompted.

**Liberty Utilities, however, was largely ineffective at communicating the energy efficiency programs that they offer. Only 30% of customers were aware of these programs.**



## Key Findings &amp; Recommendations

## Recommendations

### Overall Company

- Overall satisfaction with Liberty Utilities as a company and the services they provide was generally high, though certain areas show room for improvement.
  - Those aspects of the company related to social responsibility were of primary concern to the customer. Particularly, attributes such as *Environmentally responsible*, *Protecting employee/public safety*, *Responsible corporate citizen*, *Committed to local community*, and *Encouraging electricity conservation* were among the lower rated aspects of the company and its services. Making efforts to project the company as more responsible to both the environment and the community is likely to bolster customer opinion of Liberty Utilities.
  - Actions taken toward improving social responsibility or any other aspect of the company have little effect on customer opinion if customers do not take notice. Low awareness of current energy efficiency programs is an indicator that improvement of the lines of communication between customer and company are needed. *Communications*, *Company website*, and conveying a clear *Vision for the future* were all among the lower ranked aspects of the company and its services. Improvement to these areas will strengthen the company's positive qualities in consumer perceptions.

### Customer Service

- Though few customers have called in, those that have called in have been very satisfied with the customer service office and, as a result, are typically those who are more satisfied with the company and its attributes.
  - The customer service office is likely to have considerable effects on soothing disgruntled customers and keeping them up to date on company information. It would be in Liberty's best interest to highlight those customers who have had positive experiences with customer service and leverage them as advocates to showcase Liberty's success with solving customer conflicts.

## Key Findings &amp; Recommendations

## Recommendations

### Communication

- Liberty Utilities' website and website usage were worth of special attention for future improvement.
  - The company website was the lowest rated of all the attributes concerning the company's services. This low rating, however, does not appear to be as much a reflection of its design but rather on the promotion of it. Those who have visited the website typically found it very useful. However, a very low percentage of customers have visited it and those who do typically only do so to *Pay a bill* and do not take advantage of the wealth of information available within it. Strong promotion of the website as a useful source of information should enhance its usage.
  - While promoting the website, efforts should continue to be taken to ensure that website navigation and services are easy to use and a viable alternative to other means of communication.
- Although electronic communication was not far behind, customers still preferred receiving information through traditional mail methods.
  - In light of the comfort customers seem to have with traditional mail methods, there is a need to continue to offer the delivery of information through mailing inserts or newsletters.
  - Though currently more comfortable with traditional mail methods, information can be relayed to the customers more quickly and efficiently via electronic methods. Transitioning to paperless options for billing services or to receive informational updates is highly recommended. The more comfortable Liberty customers become with electronic methods, the more effective these communication channels will become.

## Key Findings &amp; Recommendations

## Recommendations

### Electric Services

- A primary concern for customers was price.
  - *Rate information* and *Energy/cost saving tips* were the most desired information, indicating that price was at the forefront of customer concerns.
  - Acknowledging that, in many instances, reducing prices may not be an option, it is recommended that Liberty Utilities to continue to initiate comprehensive public relations campaigns to increase customer understanding and acceptance of the rates and any rate changes. Currently, *Useful information on rates provided* was the lowest rated attribute of Liberty's bills, implying that increasing customer understanding of rates is a noteworthy area for improvement.
- Though service outages are likely unavoidable, customers showed little tolerance for repeated interruptions in service and were highly sensitive to the measures taken by the company to not only reduce outages but also to keep the public informed of when and why they occur.
  - Despite experiencing a low prevalence of outages, customers continued to rate Liberty low on measures taken to reduce the occurrence and make quick repairs. Along with a majority acceptance of less than three outages a year, these results make it clear that reducing interruptions is of substantial concern to the customer and can be a primary area of interest to Liberty Utilities.
  - When outages are unavoidable, it is crucial to ensure that communication regarding outages is thorough and quick. To do this, Liberty can consider leveraging technology (email, website, SMS) for timely updates.
  - Low ratings on the speed of repair during interruptions in services are an indicator that Liberty can take action to improve their ability to address outages as quickly as possible and communicate any efforts being made to make repairs more rapidly to the customer.

## DETAILED FINDINGS

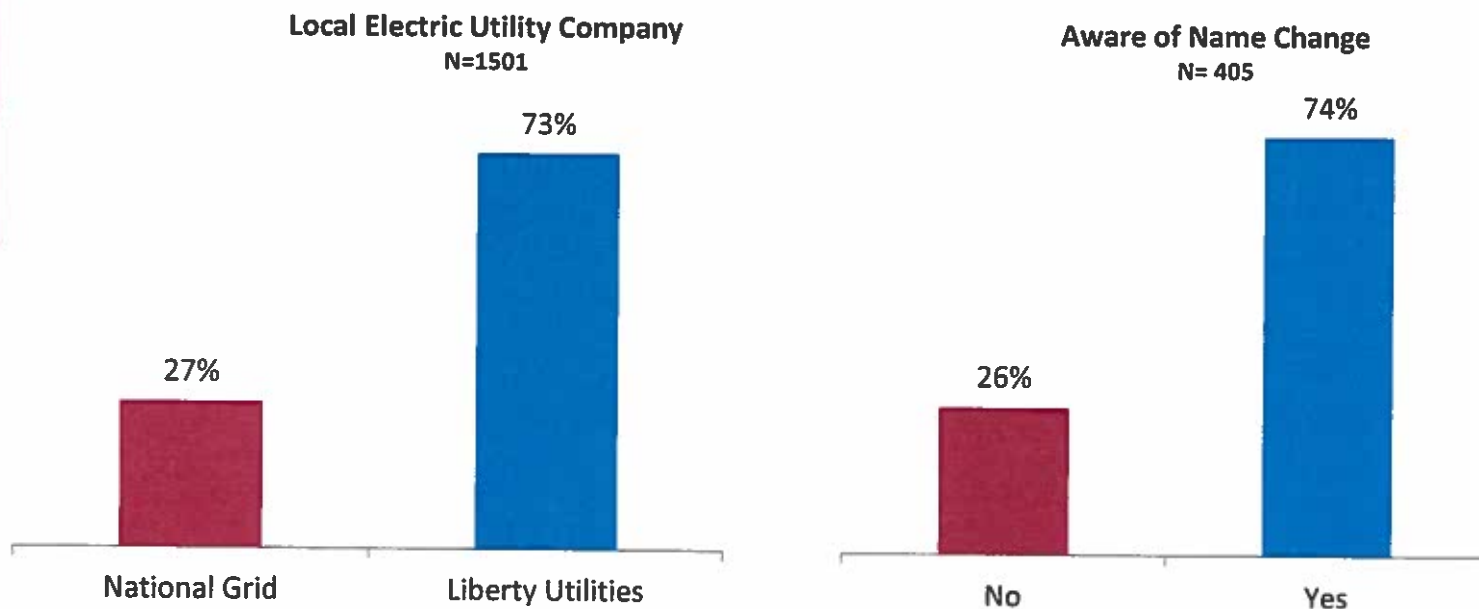
# AWARENESS OF CHANGE TO LIBERTY UTILITIES

## Detailed Findings

## Awareness

**Most customers were able to recall the change from National Grid to Liberty Utilities**

- More than seven out of ten customers were able to correctly recall the Liberty Utilities name (73%).
  - Those aged 65+ years (80%) were significantly more likely to indicate Liberty Utilities as their electric company than those aged 44-65 years (72%). Both of these age demographics, meanwhile, were significantly more likely than those aged 18-44 years (66%) to name Liberty Utilities.
- When prompted, 74% of those that first chose *National Grid* stated that they were aware of the name change to *Liberty Utilities*.
  - Again, significantly more 65+ year olds (80%) indicated they were aware of the name change when prompted as compared to 18-44 year olds (70%).



S3. Who is your local electric utility?

S4. Are you aware that your local utility provider for gas/electric service is now Liberty Utilities?



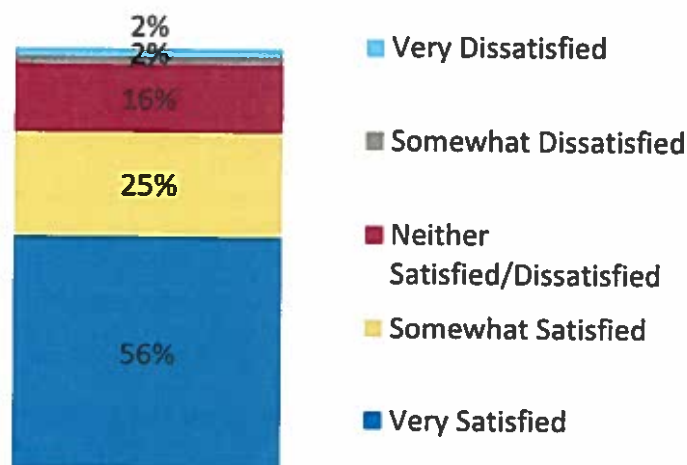
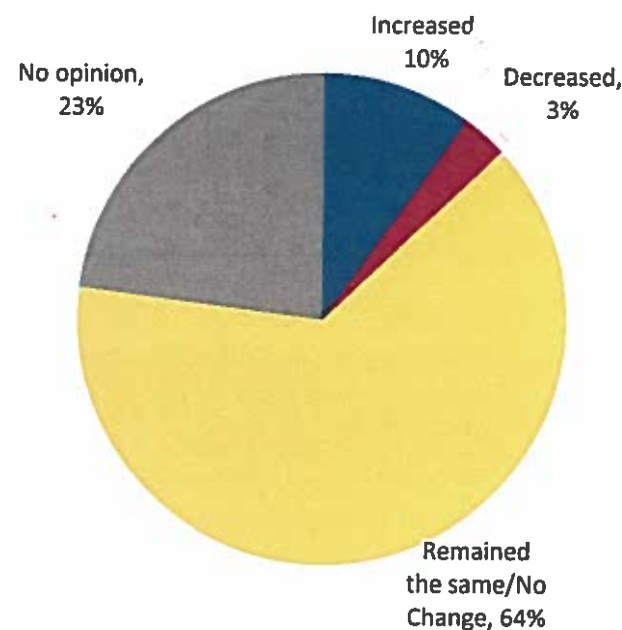
# OVERALL SATISFACTION WITH COMPANY AND SERVICES

## Detailed Findings

LUTH  
research

## Overall Satisfaction with Company

- Most customers (81%) were satisfied with Liberty Utilities overall (top 2 box, *Somewhat/Very satisfied*). Over half (56%) stated they were *Very satisfied* with Liberty Utilities overall.
- The majority indicated that their overall satisfaction *Remained the same* (64%) over the past year while 10% said their satisfaction *Increased* and 3% said their satisfaction *Decreased*.
  - Those who were between 18-44 years in age (14%) and earning less than \$100K a year (13% for those making less that \$50K and 12% for those making \$50-\$100K) were significantly more likely to indicate their overall satisfaction has increased over the past year.

Overall Satisfaction with Company  
N=1501Change in Satisfaction  
N=1501

Q3. Overall, how satisfied are you with Liberty Utilities?

Q4. Would you say that your overall satisfaction with Liberty Utilities has increased or decreased over the past year?

## Detailed Findings

## Satisfaction with Company

- Liberty customers gave the highest ratings to *Quality of services* (68%) and *Providing good value for price* (53%). They gave the lowest ratings to *Vision for the future* (27%).
- In general, middle-aged customers making over \$100K a year who have lived at their residence for more than 11 years were less satisfied with Liberty Utilities as a company.
  - Respondents age 18-44 years were significantly more likely to indicate they were satisfied with 4 out of 8 of the services listed than those 45-64 years old. Meanwhile, those aged 65+ years (58%) were significantly more likely to indicate they were satisfied with Liberty *Providing good value for the price* than those 45-64 years old (49%).
  - A trend existed such that the lower a person's income is, the more likely the customer was to be satisfied with each of the services tested.
  - Those living in their current residence 10 years or less were significantly more likely to be satisfied with 5 out of 8 of the services listed than those living in their current residence more than 11 years.



## Detailed Findings

## Reasons Satisfied/Dissatisfied with Liberty Utilities as a Company

- Over half of the respondents who were satisfied (top 2 box, *Very satisfied/Somewhat satisfied*) with Liberty Utilities indicated this was because they *Never had a problem/complaint* (47%) or because Liberty is *Reliable/receive services paid for/no service interruptions* (12%). Though indicating they were satisfied, 5% mentioned they were dissatisfied with the cost of the service.
- Of those dissatisfied (Bottom 2 box, *Very dissatisfied/Somewhat dissatisfied*) with Liberty Utilities, the most cited reasons were *Cost is Too High/Rate Increases* (35%) and *Not Reliable* (24%).

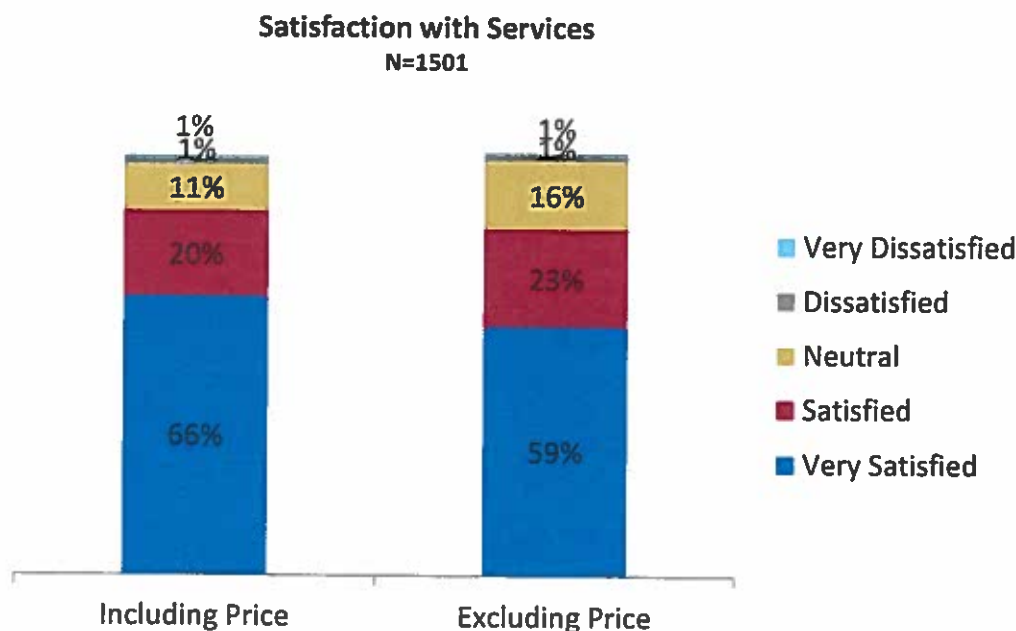
| Top Reasons for Satisfaction Ratings Given by Satisfied/Dissatisfied Customers | Percent Responded |
|--|-------------------|
| <b>Why Satisfied</b>   | <b>N=1211</b>     |
| Never Had a Problem/Complaint  | 47%               |
| Reliable/Receive Services Paid For/No Service Interruptions                    | 12%               |
| Cost is too high/rate increases  | 5%                |
| Service is Satisfactory/Good/Excellent   | 4%                |
| Good/Friendly/Courteous Customer Service                                       | 4%                |
| Cost is Reasonable   | 3%                |
| <b>Why Dissatisfied</b>  | <b>N=51</b>       |
| Cost is Too High/Rate Increases  | 35%               |
| Not Reliable   | 24%               |
| Poor/Unfriendly/Uncaring Customer Service                                      | 20%               |
| Poor Community Relations/Communication/Public Relations                        | 12%               |
| Billing is Confusing   | 12%               |
| Insufficient online services/payment options                                   | 6%                |

## Detailed Findings

LUTH  
research

## Overall Satisfaction with Services

- Interestingly, 86% of customers were satisfied with the services they received from Liberty Utilities when price was included while 82% were satisfied when price was excluded (top 2 box, *Satisfied/Very satisfied*). More specifically, 66% stated they were *Very satisfied* with services when price was included while 59% said they were *Very Satisfied* when prices was excluded.
- When price was included, those who were older than 65 years in age (90%), making less than \$100K a year (89% for those making less than \$50K and 88% for those making \$50-\$100K), and who lived in their current residence for more than 11 years (88%) were significantly more satisfied with the services they received.
- When price was excluded, those making less than \$50K (66%) a year were significantly more likely to say they were *Very Satisfied* than both those making \$50K-\$100K (60%) and those making \$100K+ (56%). In terms of age, those 44-65 years old (2%) were significantly more likely to say they were *Very dissatisfied* than those age 18-44 (1%) and those age 65+ years old (1%).



Q1. How satisfied are you with the services you are receiving from Liberty Utilities?

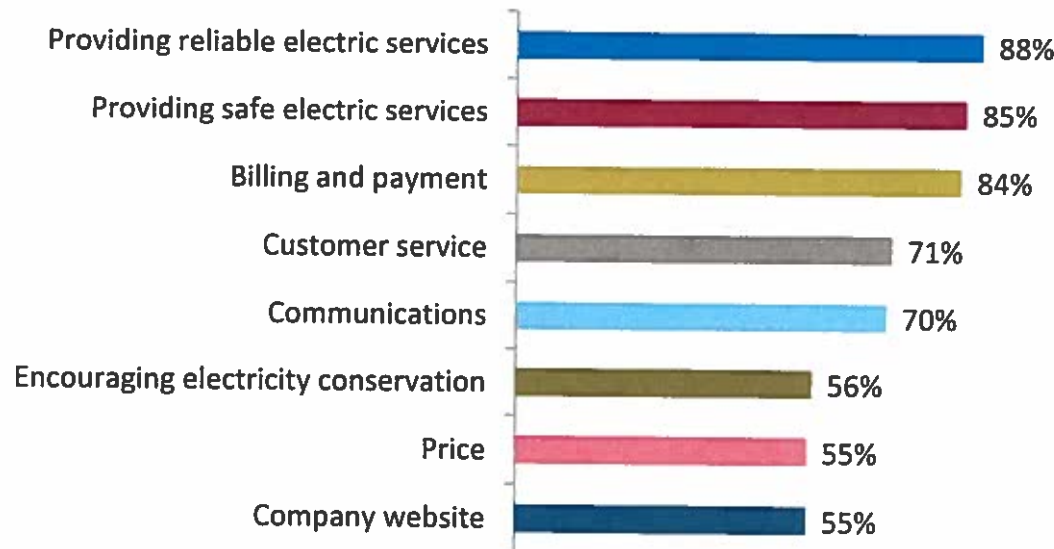
QEAST01. How satisfied are you with the services, excluding price, that you are receiving from Liberty Utilities?

## Detailed Findings

## Overall Satisfaction with Services

- Electric customers were most satisfied with Liberty Utilities *Providing reliable electric services* (86%), *Providing safe electric services* (85%), and *Billing and payment* (84%). Less were satisfied with *Customer service* (71%), *Encouraging electricity conservation* (56%), and *Company Website* (55%).
- In general, younger and lower income customers were more satisfied with their services from Liberty Utilities.
  - Those aged 65+ years gave significantly higher satisfaction scores for *Price* (59%) and *Customer service* (77%).
  - Those with incomes under \$50K gave significantly higher satisfaction scores for five of the eight factors tested while those with incomes of \$50K-\$100K had higher scores for four of the factors.

Top 2 Box Scores (4,5): 5 = Very Satisfied  
N=1501





## Reasons for Satisfied/Dissatisfied with Services Delivered by Liberty Utilities

- The primary reasons for respondents being satisfied (top 2 box, *Very Satisfied/Somewhat Satisfied*) were *No problems* (52%) and *Reliable power/no outages* (14%). Though indicating they were satisfied, 3% thought that cost of service was too high.
- High rates/Expensive* (31%) was the most frequently given explanation for why customers were dissatisfied with the services provided by Liberty Utilities. This was followed by *Poor customer service* (18%).

| Top Reasons for Satisfaction Ratings Given by Satisfied/Dissatisfied Customers | Percent Responded |
|--|-------------------|
| <b>Why Satisfied</b>   | N=1288            |
| No Problems  | 52%               |
| Reliable Power/No Outages  | 14%               |
| Good Service   | 8%                |
| Fast Response  | 3%                |
| High Rates/Expensive   | 3%                |
| <b>Why Dissatisfied</b>  | N=48              |
| High Rates/Expensive   | 31%               |
| Poor Customer Service  | 18%               |
| Power Outages  | 12%               |
| Slow Response  | 10%               |
| Estimated Bill/Billing Problems  | 6%                |

Detailed Findings

# CUSTOMER SERVICE

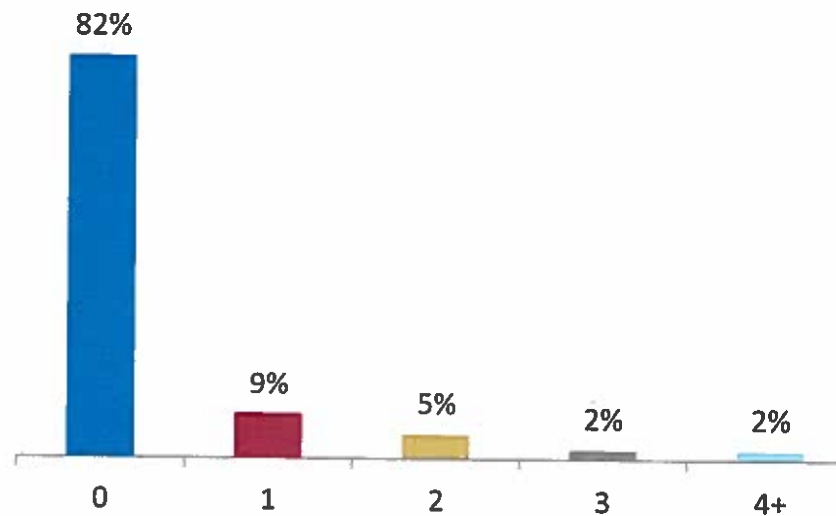
## Detailed Findings

## Customer Service - Calls

- Most customers had not called Liberty Utilities within the last year (82%). Those who had called within the last year, called an average of 1.86 times.
- Younger customers, making less than \$100K a year, who had lived at their current residence for less than 10 years were more likely to call into Liberty Utilities.
  - Those significantly more likely to call at least once were 18-44 years of age (26%), resided in their residence 10 years or less (24%), and with incomes under \$50K (22%) or \$50K-\$100K (20%).
  - In terms of mean number of times called, significantly more calls were made by 18-44 years (1.99), 45-64 years (1.99), and resided in their current residence 10 years or less (2.05).

Times Called Business Office  
N=1501

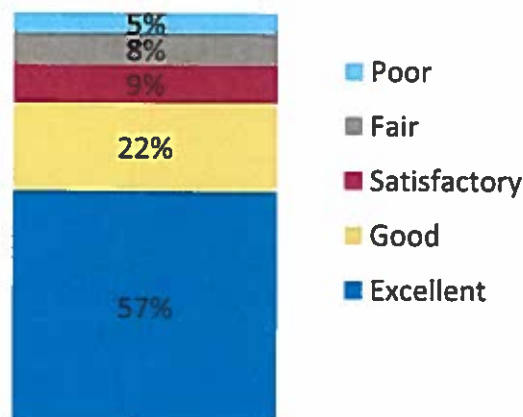
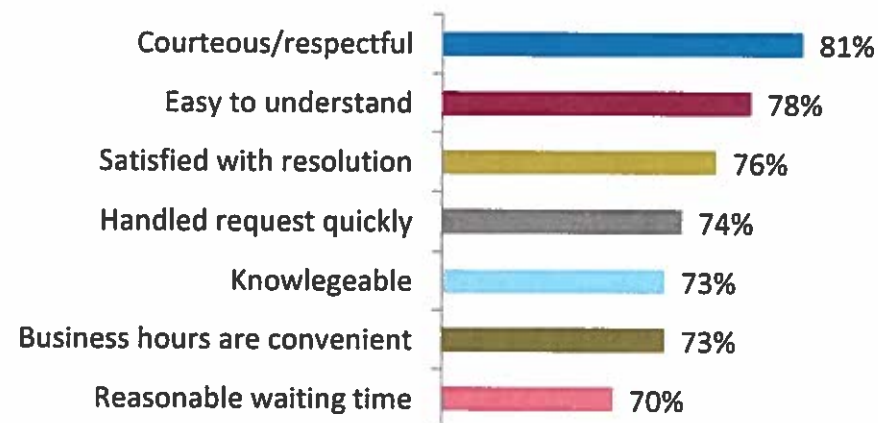
Mean (excluding zero)= 1.86



## Detailed Findings

## Customer Service

- Overall, 79% of Electric customers rated their experience with customer service above average (*Good/Excellent*). More specifically, customer service was rated as *Excellent* by over half (57%).
- Liberty Utilities' customer service received the most positive ratings for being *Courteous/respectful* (81%) and *Easy to Understand* (78%). Lowest ratings were given to *Knowledgeable* (73%), *Business hours are convenient* (73%) and *Reasonable waiting time* (70%).
- Middle-aged customers were generally the least likely to agree with customer service attributes listed.
  - Customers ages 18-44 were significantly more likely to agree with 5 out of 7 of the listed attributes. Those 65+ years old were significantly more likely to agree with *Customer service staff was easy to understand* than those 45-64 years of age (85% vs. 70%).

Satisfaction with customer service  
N=267Top 2 Box Scores (4,5): 5 = Strongly Agree  
N=267

Q8. Overall, how would you rate your experience with the customer service you received on a scale where 5 means excellent and 1 means poor? If you have called more than once in the last year, please think only about your last contact with Liberty Utilities.

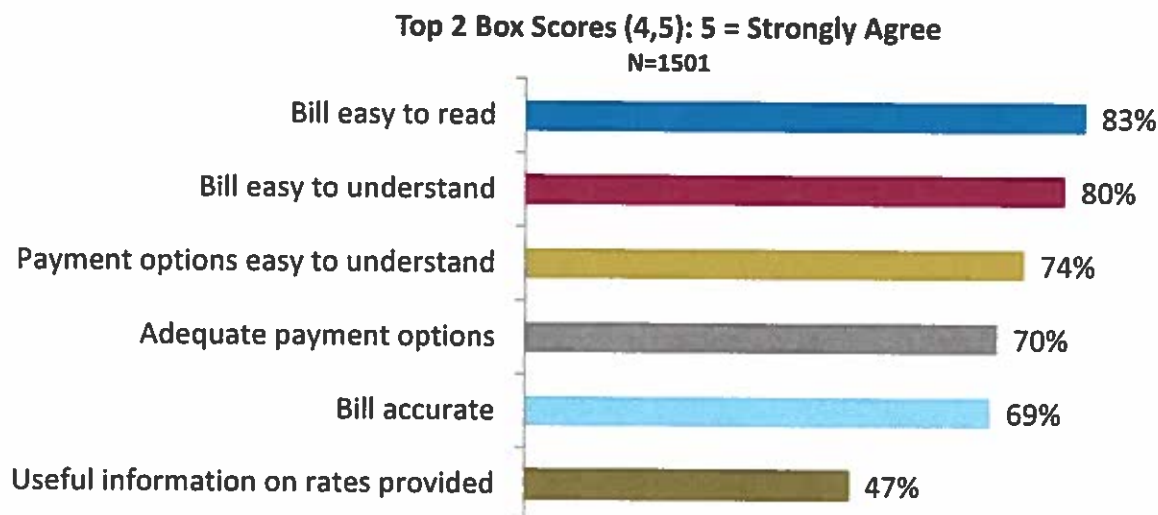
Q7. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements about Liberty Utilities' customer service. If you have called more than once since July 2012, please think only about your last contact with Liberty Utilities.

# CUSTOMER BILLING

## Detailed Findings

## Customer Billing

- At least 8 out of 10 customers agreed with *Bill easy to read* (83%) and *Bill easy to understand* (80%). Only 69% agreed with *Bill accurate*, while less than half of the respondents agreed with *Useful information on rates provided* (47%).
- Younger customers, those making less than \$50K a year, and lived in their residence 10 years or less were more likely to agree with the customer billing attributes listed.
  - Customers aged 18-44 were significantly more likely to agree with *Payment options are easy to understand and use* (80%), *Adequate payment options are provided* (79%), and *My bill is always accurate* (74%).
  - Those making less than \$50K a year were more likely to agree with 5 out of 6 of the attributes listed than those making over \$100K and significantly more likely than those making over \$50-\$100K (82%) to agree with *My bill easy to read*.
  - Customers living in their current residence for 10 years or less were significantly more likely to agree with half of the factors tested.



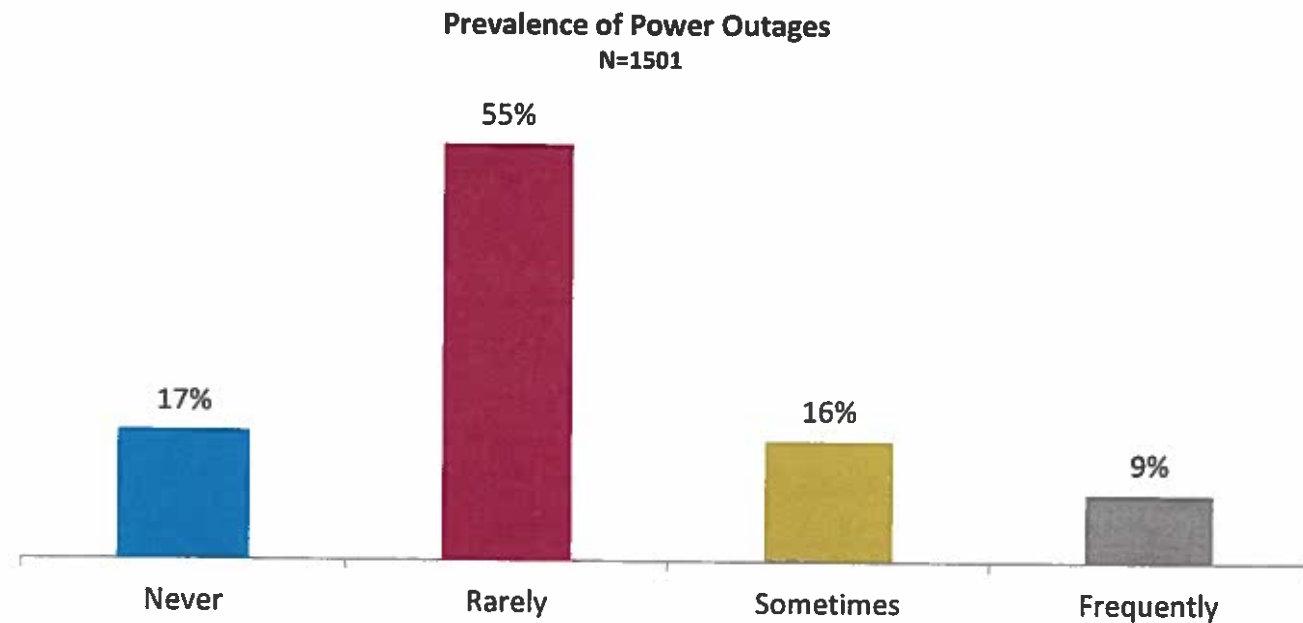
Q9. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements.



**SERVICE OUTAGE**

## Service Outage

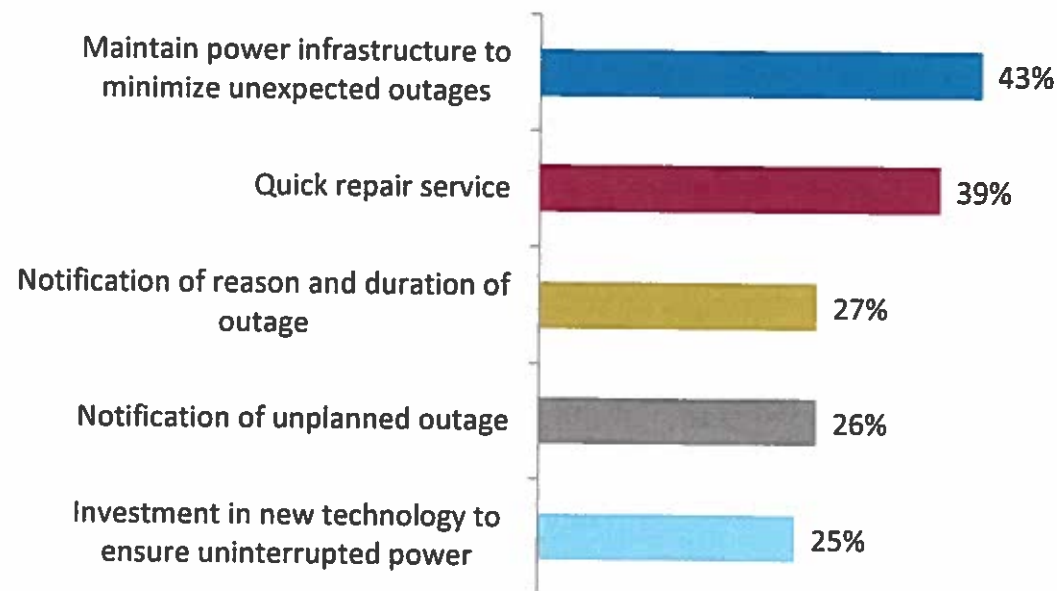
- Nearly three quarters of customers stated they *Rarely* (55%) or *Never* (17%) experience a service outage. Only 9% of customers indicated they *Frequently* experience service outages.
- Middle-aged customers earning more than \$100K a year were most likely to report experiencing service outages *Frequently*.
  - People aged 45-64 years said their power goes out *Frequently* significantly more than often (12%).
  - Customers earning more than \$100K+ a year were significantly more likely to report frequent power loss (16%).



## Service Outage

- Less than half of customers rated Liberty on their attributes related to service outages favorably (25%-43%). *Maintain power infrastructure to minimize unexpected outages* (43%) and to provide *Quick repair service* (39%) were rated most favorably. *Investment in new technology to ensure uninterrupted power* (25%) was rated least favorably.
- Those making over \$100K a year were significantly less likely to give positive ratings to nearly all the attributes listed concerning Liberty's handling of service outages (18%-40%).

Top 2 Box Scores (4,5): 5 = Excellent  
N=1501

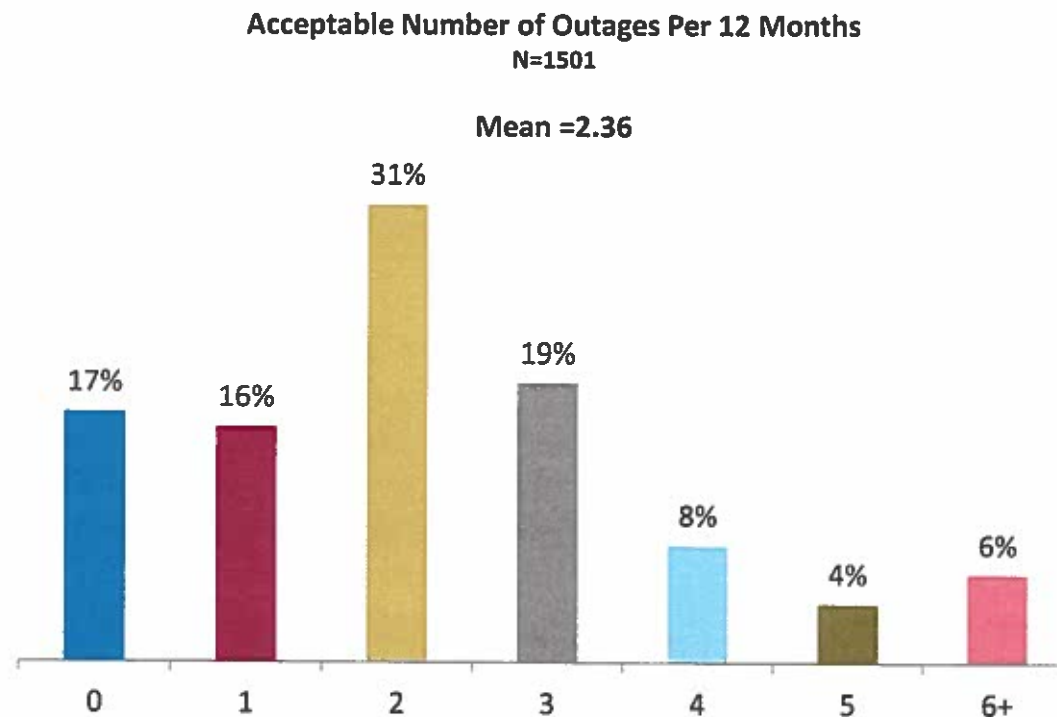


Q10. Thinking about all of your experiences with Liberty Utilities, please rate how good a job they do on each of these items on a scale from 1 to 5, where 1 is "Poor" and 5 is "Excellent".

Detailed Findings

## Acceptable Number of Outages Over a 12 Month Period

- The majority of customers (31%) cited 2 *outages* as an acceptable number of outages to expect in a 12-month period. Less than one fifth (18%) of respondents found 4+ outages acceptable. Conversely, a similar number (17%) felt it was only acceptable if there were no outages.
- Younger customers living at their residence for fewer years were more accepting of power outages.
  - Those 18-44 years were significantly more tolerant of outages than both 45-64 year olds and 65+ year olds (with 12% finding 4 outages acceptable and 8% finding 5 outages acceptable).
  - Those 65+ years old (22%) and those living in their residence for 11 or more years (19%) were significantly more likely to cite that no outages were acceptable.

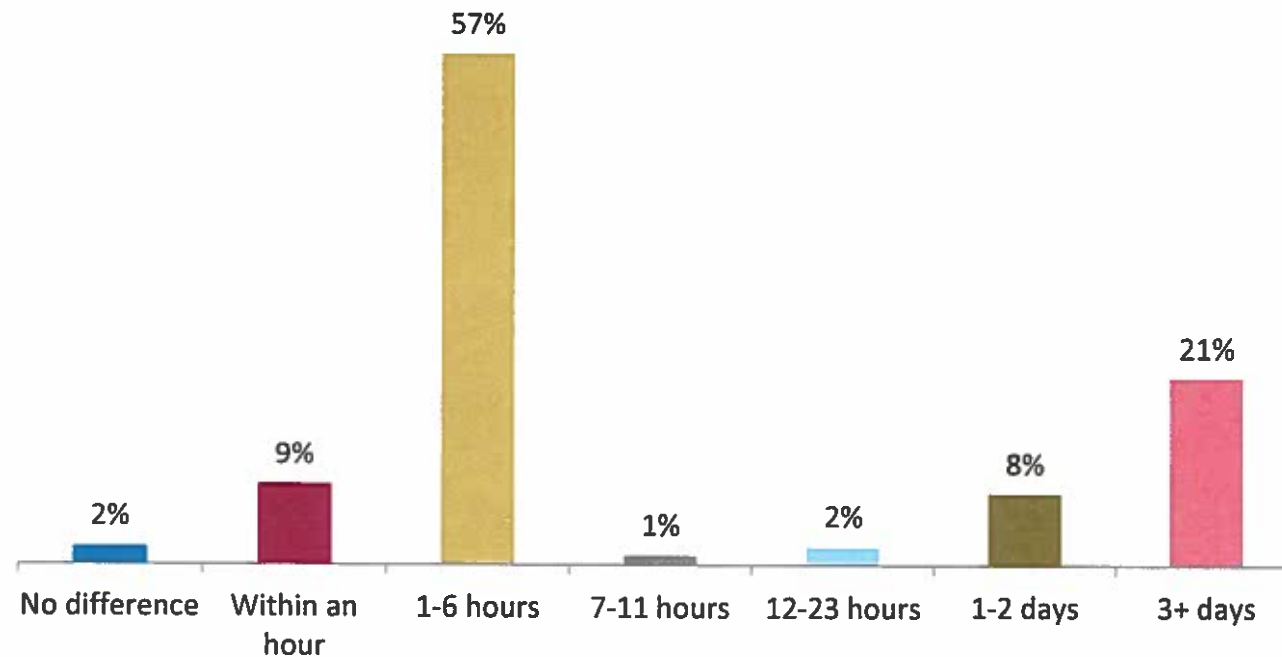


QEAST04 Recognizing that electric outages happen periodically, how many are acceptable over a 12-month period?

## Restoration Time

- Seven out of ten respondents (69%) indicated they would expect the actual restoration time to be within a day (24-hour period) of the estimation given.
- Over half (57%) felt that a discrepancy of 1-6 hours was reasonable.

How Close Restoration Estimates Should be to Actual Restoration Times  
N=1501



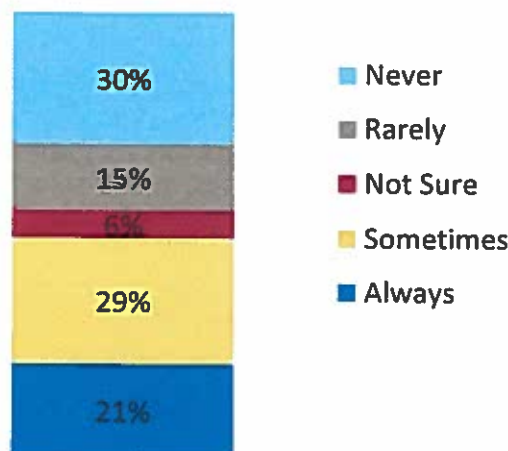
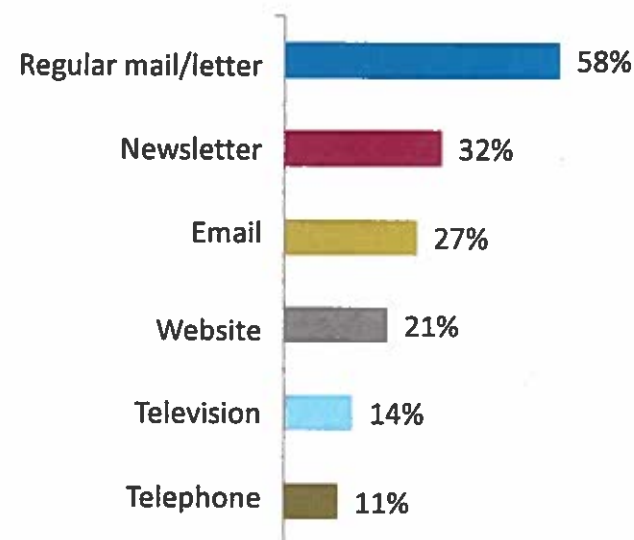
# COMMUNICATION



## Detailed Findings

## Communication Channels: Overview

- Three out of ten customers *Never* (30%) read the informational newsletters inserted into their monthly bill. Half of Liberty Utilities customers read them *Sometimes* (29%) or *Always* (21%).
- Middle aged customers who make less money and have lived in their current residence for more than 11 years were more likely to read the inserts.
  - The likelihood to *Always/Sometimes* read the inserts increased significantly with age (49% 45-64 years and 61% 65+ years).
  - Likelihood to read the inserts was significantly higher among lower income groups (59% under \$50K and 49% \$50K-\$100K).
  - Residents with 10 years or less of residence at their current address (41%) were significantly less likely than those with 11 years or more (56%) to read the inserts.
- The majority of customers prefer to receive information via *Regular mail/letter* (58%) or *Newsletter* (32%).
- Few people preferred to receive information through the *Television* (14%) or *Telephone* (11%).

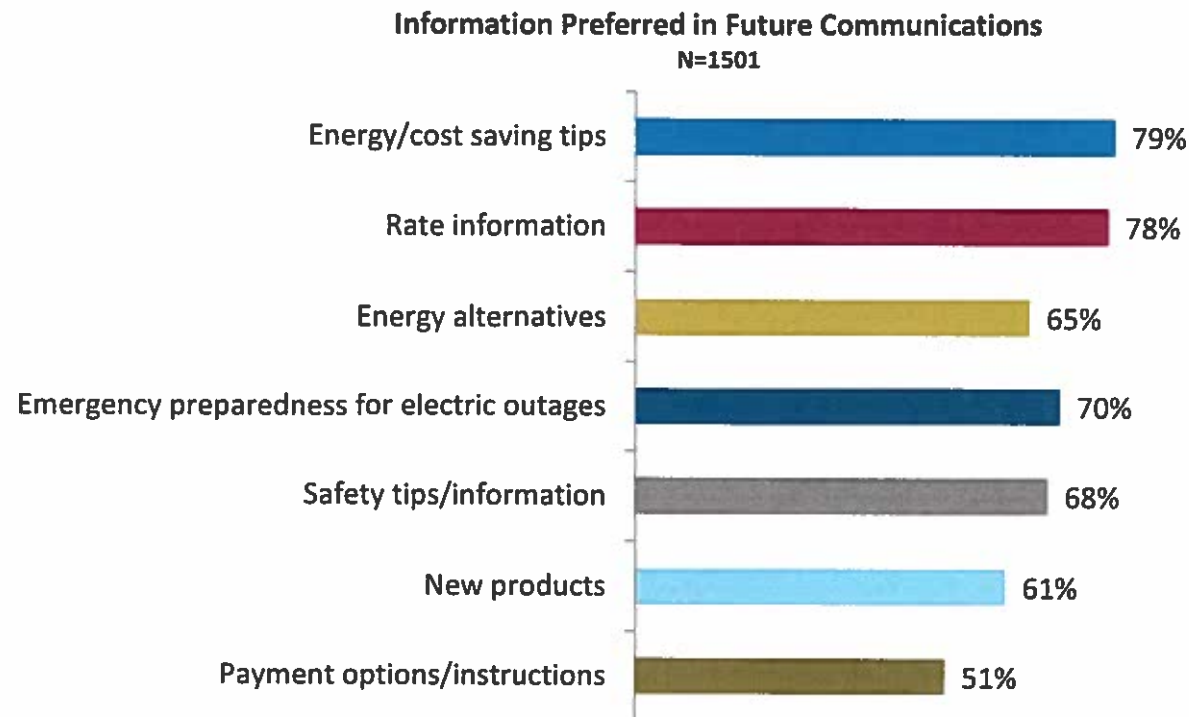
How Often Read Inserts  
N=1501Prefer to Receive Information  
N= 1501

Q11. Liberty Utilities inserts informational newsletters into their customers' monthly bill. How often do you read the informational inserts included in your bill?

Q12. How would you like to receive information from Liberty Utilities? Please select all that apply.

## Communication Channels: Overview

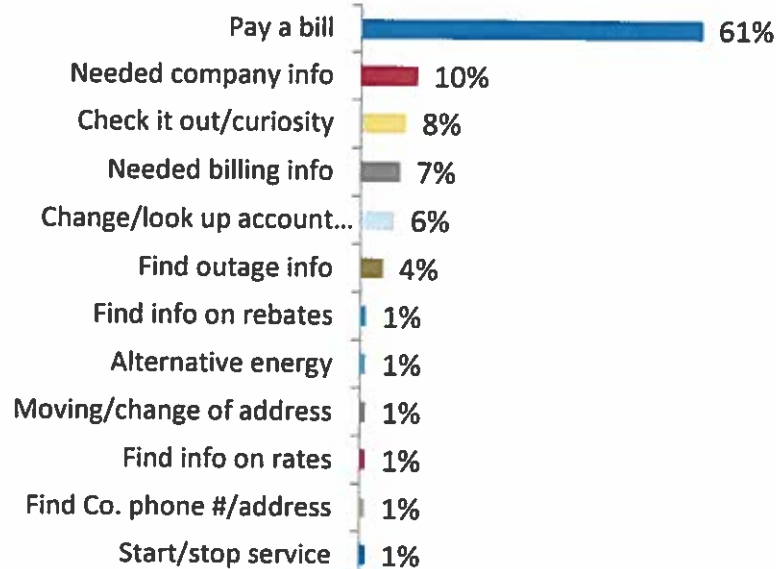
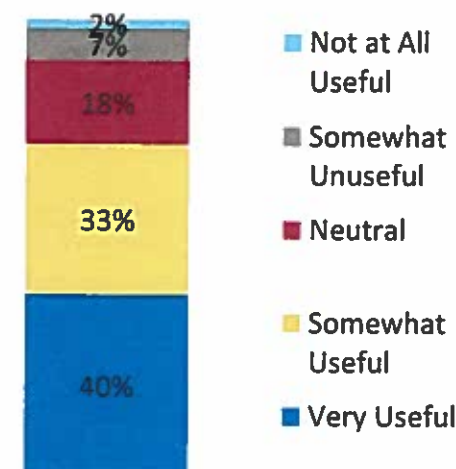
- Customers most wanted to receive *Energy/cost saving tips* (79%) and *Rate information* (78%) in future communications. *Payment options/instructions* (51%) was the least requested type of information.
  - Customers 45-64 years old (58%-83%) were significantly more interested than 18-44 year olds (58%-77%) for 4 out of 7 of the listed informational categories and significantly more than 65+ year olds (37%-77%) for 6 out of 7 types of information.



## Detailed Findings

## Communication Channels: Website

- Only 13% of customers have accessed the website.
  - Not surprisingly visitation levels were lowest for 65+ year olds (4%) and highest for 18-44 year olds (26%).
  - Respondents making \$50K-\$100K (18%) visited the website more than those making \$100K+ (13%).
  - Visitation levels were significantly higher for those living in their residence 10 years or less (21%).
- Among those who did visit, the reason for the large majority of website visits was to *Pay a bill* (61%).
- Over three quarters of customers gave positive feedback for the website's usefulness. Of the respondents who had visited the website, 72% stated that they thought the website was *Somewhat* or *Very useful*.
  - There were no significant differences between subgroups on how useful they found the website to be.

Why Visit Website  
N=196How Useful Website  
N=196

Q13. Have you ever visited the Liberty Utilities website?

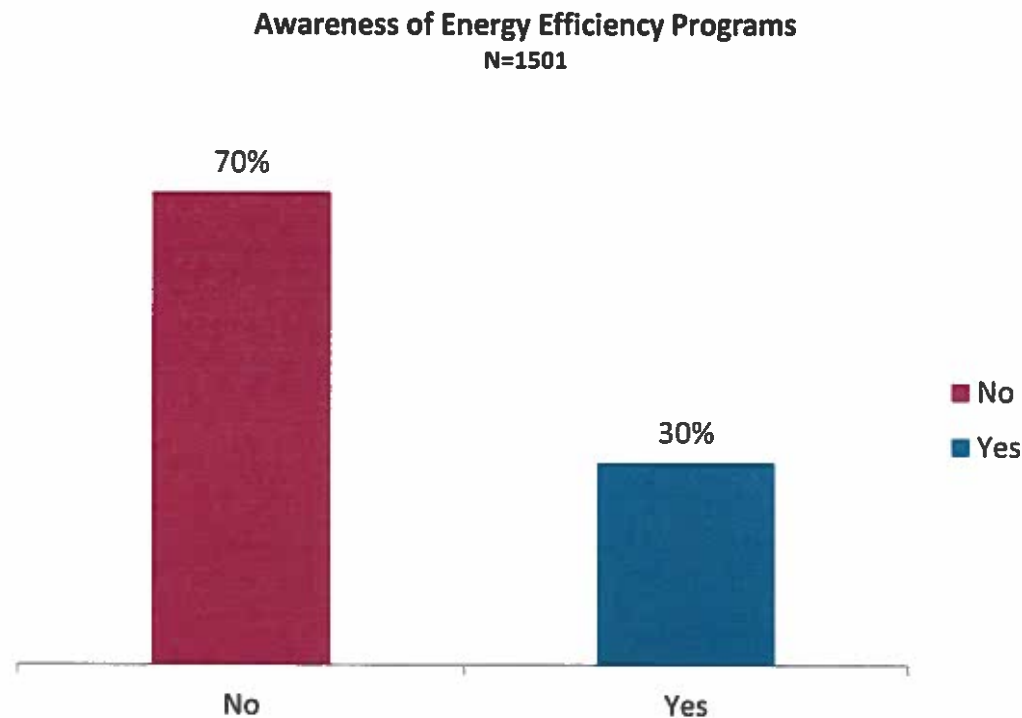
Q14. For what reason(s) did you visit the website?

Q15. Please rate the usefulness of Liberty Utilities website using a scale from 1 to 5, where 1 is "not at all useful" and 5 is "very useful".

# AWARENESS OF ENERGY EFFICIENCY PROGRAMS

## Awareness of Energy Efficiency Programs

- The majority of customers (70%) were unaware that Liberty Utilities offers energy efficiency programs to help reduce energy costs.



# RESPONDENT PROFILE



## Respondent Profile

## Respondent Profile

|   | Overall |
|---|---------|
| Total   | N=1501  |
| Gender  |         |
| Male  | 45%     |
| Female  | 55%     |
| Age   |         |
| 18 to 24 years                                | 3%      |
| 25 to 34 years                                | 10%     |
| 35 to 44 years                                | 14%     |
| 45 to 54 years                                | 19%     |
| 55 to 64 years                                | 22%     |
| 65 years or older                             | 33%     |
| Household Income                              |         |
| Under \$25,000                                | 12%     |
| \$25,000 - \$49,999                           | 19%     |
| \$50,000 - \$74,999                           | 16%     |
| \$75,000 - \$99,999                           | 11%     |
| \$100,000 - \$149,999                         | 9%      |
| \$150,000 or more                             | 7%      |
| Prefer not to say                             | 26%     |
| Ethnicity                                     |         |
| White/Caucasian                               | 86%     |
| Black/African-American                        | 1%      |
| Asian or Pacific Islander                     | 2%      |
| Native American/Alaska Native                 | 2%      |
| Hispanic/ Latino (White/Caucasian)            | 1%      |
| Hispanic/ Latino (Black/African-American)     | <1%     |
| Hispanic/ Latino (all other or multiple race) | <1%     |
| Other   | 2%      |
| Prefer not to say                             | 5%      |

## Respondent Profile

|   | Overall |
|---|---------|
| Total                                       | N=1501  |
| <b>Average Number Children in Household</b> |         |
| Under 3 years of age                        | 1.15    |
| 3 to 4 years of age                         | 1.03    |
| 5 to 9 years of age                         | 1.23    |
| 10 to 12 years of age                       | 1.10    |
| 13 to 17 years of age                       | 1.30    |
| <b>Education</b>                            |         |
| Less than high school                       | 3%      |
| High school/GED                             | 21%     |
| Professional school/training                | 6%      |
| Some college                                | 16%     |
| Associate's degree                          | 8%      |
| Bachelor's degree                           | 20%     |
| Some graduate school                        | 4%      |
| Graduate school degree                      | 19%     |
| Prefer not to say                           | 5%      |
| <b>Home Own Status</b>                      |         |
| Rent  | 21%     |
| Own   | 78%     |
| <b>Years In Current Residence</b>           |         |
| Less than 3 months                          | 2%      |
| 3 months to less than 6 months              | 3%      |
| 6 months to less than one year              | 3%      |
| 1 to 5 years                                | 21%     |
| 6 to 10 years                               | 14%     |
| 11 to 20 years                              | 22%     |
| More than 20 years                          | 34%     |

Respondent Profile

## Respondent Profile

## Respondent Profile

|                                  | Overall |
|----------------------------------|---------|
| Total                            | N=1501  |
| <b>Home Type</b>                 |         |
| Single family                    | 80%     |
| Multi-family/apartment           | 18%     |
| Other                            | 1%      |
| DK/Not Sure                      | 1%      |
| <b>Main Heat Source For Home</b> |         |
| Oil                              | 53%     |
| Natural Gas                      | 3%      |
| Propane Gas                      | 16%     |
| Electric                         | 11%     |
| Wood                             | 7%      |
| Kerosene                         | 1%      |
| Geothermal Heat Pump             | <1%     |
| Other                            | 4%      |

# Liberty Utilities – New Hampshire Electric Customer Satisfaction Final Report

December 2013

# Contents

| Topic  | Slide # |
|--|---------|
| Objectives and Methodology                     | 3       |
| Respondent Profile                             | 6       |
| Key Findings and Recommendations               | 10      |
| Detailed Findings                              | 22      |
| Awareness of Change to Liberty Utilities       | 23      |
| Overall Satisfaction with Company and Services | 25      |
| Customer Service                               | 32      |
| Customer Billing                               | 36      |
| Service Outage                                 | 38      |
| Communication                                  | 43      |
| Awareness of Energy Efficiency Programs        | 49      |

# OBJECTIVES AND METHODOLOGY



# Objectives & Methodology

## Objectives

- Compare current customer satisfaction levels with 2012.
- Analyze satisfaction at the overall level.

## Methodology

- A total of 1,501 surveys from Liberty NH Electricity customers were completed in 2013; 1,501 were completed in 2012.
- 66% of interviews were completed via phone and 34% were completed online in 2013. All interviews were completed over the phone in 2012.
- Interviews were conducted in New Hampshire, the Eastern Region of Liberty's service area.
- The study was fielded from October 30, 2013 to December 10, 2013.

## Objectives & Methodology

- This is the second year of performance tracking for services rendered to Liberty Utilities' Electric customers in New Hampshire. Data from 2013 is compared throughout the report to data from 2012, the baseline year.
- Residential customers were randomly selected from a sample provided by Liberty Utilities for participation in the survey. The survey sample was representative of Liberty Utilities' Eastern Region electric customers.
- Base counts throughout this report refer to total responding, eliminating those who were not asked the question due to a skip pattern.
- Sampling Error
  - As is the case in all survey samples, there is an element of sampling error that is known and measurable when making projections to the population of all Liberty Utilities' NH Electricity customers. Sampling error varies inversely with the size of the sample.
  - With a sample size of 1,501 and a 95% level of confidence, the range of error for proportions observed in this survey is +/- 2.53 percentage points.

# RESPONDENT PROFILE

# Respondent Profile

|  | 2012       | 2013       |
|--|------------|------------|
| Total  | N=1501     | N=1501     |
| Gender                                       |            |            |
| Male   | 45%        | 42%        |
| Female                                       | 55%        | 58%        |
| Age  |            |            |
| 18 to 24 years                               | 3%         | 2%         |
| 25 to 34 years                               | 10%        | 9%         |
| 35 to 44 years                               | <b>14%</b> | 11%        |
| 45 to 54 years                               | 19%        | 20%        |
| 55 to 64 years                               | 22%        | <b>25%</b> |
| 65 years or older                            | 33%        | 34%        |
| Household Income                             |            |            |
| Under \$25,000                               | 12%        | 12%        |
| \$25,000 - \$49,999                          | 18%        | 19%        |
| \$50,000 - \$74,999                          | 16%        | 16%        |
| \$75,000 - \$99,999                          | 11%        | 12%        |
| \$100,000 - \$149,999                        | 9%         | 10%        |
| \$150,000 or more                            | <b>7%</b>  | 5%         |
| Prefer not to say                            | 26%        | 26%        |
| Ethnicity                                    |            |            |
| White/Caucasian                              | 86%        | 87%        |
| Black/African-American                       | 1%         | 1%         |
| Asian or Pacific Islander                    | 2%         | 2%         |
| Native American/Alaska Native                | <b>2%</b>  | 1%         |
| Hispanic/Latino (White/Caucasian)            | 1%         | 1%         |
| Hispanic/Latino (Black/African-American)     | <1%        | 0%         |
| Hispanic/Latino (all other or multiple race) | <1%        | <1%        |
| Other  | 2%         | 2%         |
| Prefer not to say                            | 5%         | <b>7%</b>  |

## Respondent Profile

## Respondent Profile

|   | 2012   | 2013      |
|---|--------|-----------|
| Total                                       | N=1501 | N=1501    |
| <b>Average Number Children in Household</b> |        |           |
| Under 18 years of age                       | 1.73   | 1.69      |
| <b>Education</b>                            |        |           |
| Less than high school                       | 2%     | 2%        |
| High school/GED                             | 21%    | 22%       |
| Professional school/training                | 6%     | 5%        |
| Some college                                | 16%    | 16%       |
| Associate's degree                          | 8%     | 7%        |
| Bachelor's degree                           | 20%    | 19%       |
| Some graduate school                        | 3%     | <b>5%</b> |
| Graduate school degree                      | 19%    | 19%       |
| Prefer not to say                           | 5%     | 5%        |
| <b>Home Own Status</b>                      |        |           |
| Rent  | 21%    | 19%       |
| Own   | 78%    | 79%       |
| <b>Years In Current Residence</b>           |        |           |
| Less than 3 months                          | 2%     | 2%        |
| 3 months to less than 6 months              | 3%     | 4%        |
| 6 months to less than one year              | 3%     | 4%        |
| 1 to 5 years                                | 21%    | 22%       |
| 6 to 10 years                               | 14%    | 13%       |
| 11 to 20 years                              | 22%    | 20%       |
| More than 20 years                          | 34%    | 34%       |

NOTE: Bold red data indicates significant differences between the two years.

# Respondent Profile

|                                  | 2012       | 2013       |
|----------------------------------|------------|------------|
| Total                            | N=1501     | N=1501     |
| <b>Home Type</b>                 |            |            |
| Single family                    | 80%        | 80%        |
| Multi-family/apartment           | 18%        | 16%        |
| Other                            | 1%         | 4%         |
| DK/Not Sure                      | <1%        | <1%        |
| <b>Main Heat Source For Home</b> |            |            |
| Oil                              | <b>53%</b> | 49%        |
| Propane Gas                      | 16%        | <b>20%</b> |
| Electric                         | 11%        | 10%        |
| Wood                             | 7%         | <b>9%</b>  |
| Natural Gas                      | 3%         | 4%         |
| Kerosene                         | 1%         | 2%         |
| Geothermal Heat Pump             | <1%        | <1%        |
| Other                            | 4%         | 3%         |
| Don't Know / Not Sure            | <b>5%</b>  | 2%         |

Respondent Profile

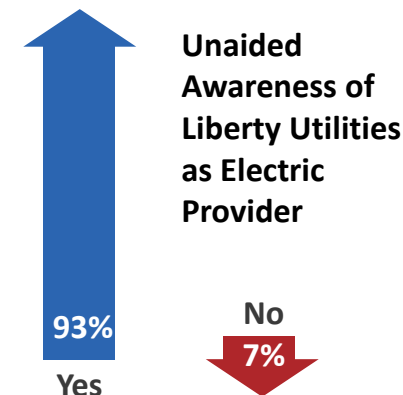


# KEY FINDINGS & RECOMMENDATIONS

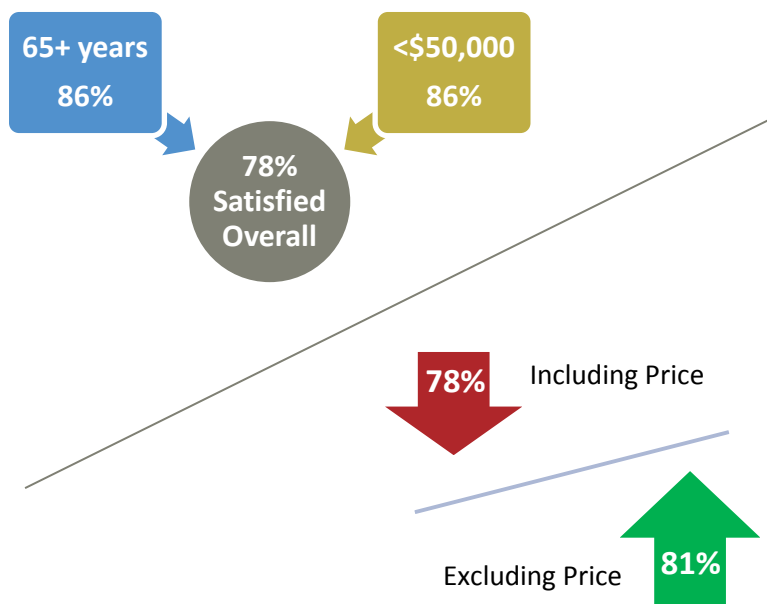
# Overall Services and Company

## Awareness of Liberty Utilities was high.

- More than nine out of ten customers were aware that Liberty Utilities was their electric utility company, with 93% citing awareness. This was a significant jump from 2012 (73%), perhaps a result of Liberty's communication efforts over the past year as well as customers having more time to learn the name of their provider.



## Seniors and lower income residents were most satisfied with Liberty Utilities NH Electric, although all customers' perceptions were affected by price.



- Overall satisfaction with Liberty Utilities was high in 2013 at 78%. While on par with that of 2012 (81%), there was a shift noted, in customers transitioning from being *Very Satisfied* (44% vs. 54% in 2012) to *Satisfied* (34% vs. 25% in 2012).
- Older (ages 65+) and lower income (less than \$50K) customers were more likely to say they were *Very Satisfied* with Liberty's services, while younger and higher income customers were more likely to express their dissatisfaction overall.
- Price did have an impact on satisfaction scores as overall satisfaction rose to 81% when customers were asked to exclude price as part of their evaluation. This compares to a score of 82% in 2012.

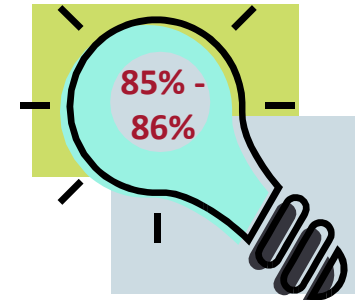
000069

# Overall Services and Company

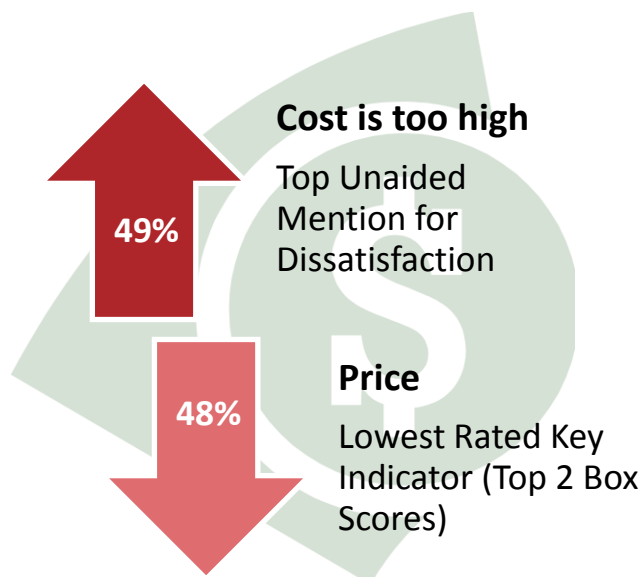
**Having consistent, dependable electric services proved to be the greatest source of satisfaction.**

- More than eight out of ten customers said they were satisfied with Liberty's *safe* and *reliable electric services*, the highest rated attributes of all key indicators (85%-86%).
- In fact, unprompted, about one in five customers cited *not having any problems/complaints* (23%) and *reliable electric services* (17%) as the top reasons why they were satisfied.

**Safe & Reliable  
Electric Services**



**Cost of service was the biggest source of discontent.**



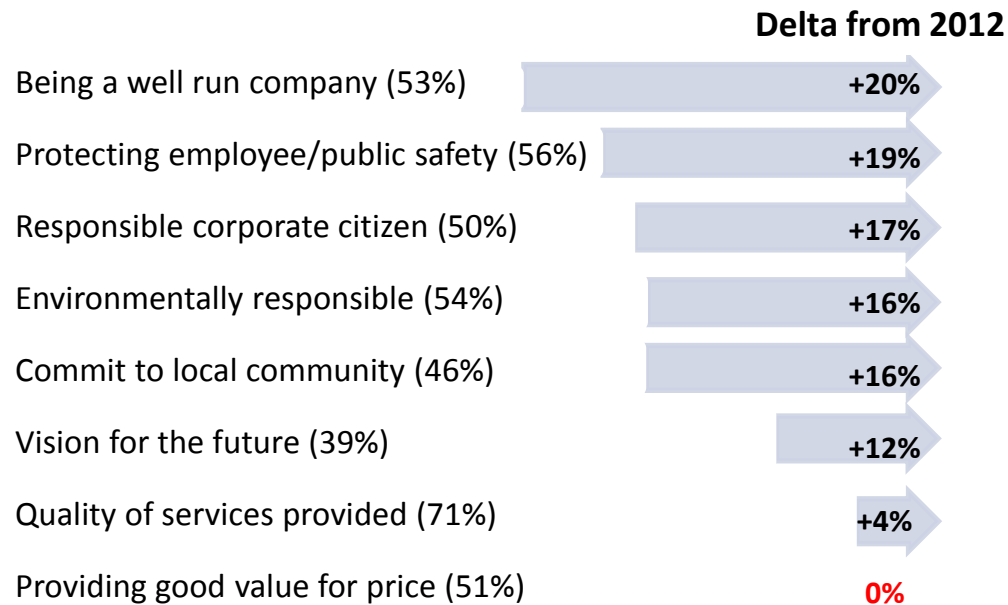
- The top complaint among dissatisfied customers was *cost is too high / rate increases*, cited by almost half of respondents (49%).
- This sentiment was confirmed through the Top 2 Box satisfaction scores for key indicators. The lowest scoring key indicator was *price*, with less than half of respondents say they were *Somewhat/Very Satisfied* with this aspect of their service (48%). This was also significantly lower than in 2012 (55%).
- Company website* was the second lowest rated key indicator (50%), presenting an opportunity to not only to improve the website, but also to use this medium as a way to provide rate information, and perhaps justification for rate increases.

000070

# Overall Services and Company

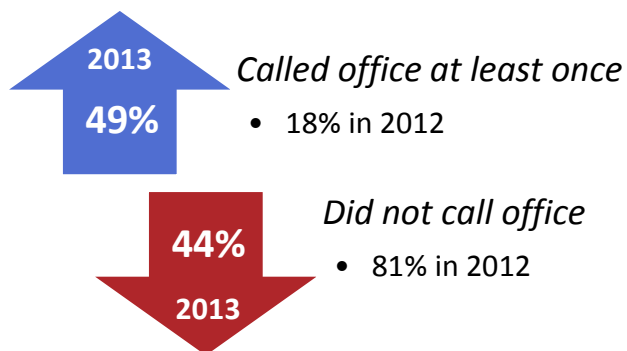
Customer satisfaction with the company as a whole improved tremendously since 2012, while *value for price* remained the same.

- Almost every attribute measuring satisfaction with the company as a whole received significantly higher scores in 2013, a true indication that development and improvement have been made in this area.
- Overall, customers were most satisfied with the *quality of services provided*, with more than seven out of ten customers saying they are *Somewhat/Very Satisfied* (71%).
- Interestingly, the only metric that did not see a significant improvement over the past year was *providing good value for the price*, which remained steady at 51%.



# Customer Service

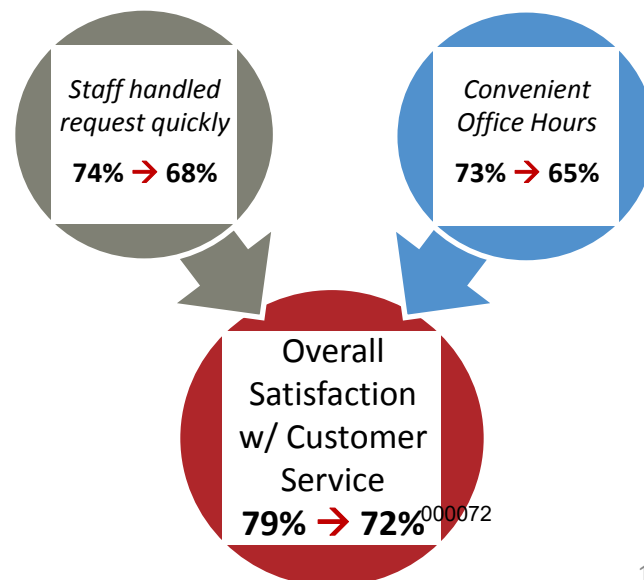
**Calls to customer service more than doubled since 2012.**



- The number of customers who called Liberty Utilities more than doubled since 2012, with 42% of customers saying they had called the business office at least once (compared to 19% in 2012). The primary reason for increased calls was most likely a result of customers clarifying or resolving any questions, issues and/or concerns that arose after the transition from National Grid.

**Satisfaction with customer service was high, but the decline from 2012 may have been caused by dissatisfaction with speed of service.**

- Overall satisfaction with customer service declined in 2013, with 72% of customers reporting that their experience with customer service was *good/excellent*, down from 79% in 2012.
- While satisfaction scores were relatively consistent from 2012 across all specific customer satisfaction metrics, significant declines were noted for *staff handling requests quickly* (68% vs. 74% in 2012) and *convenient office hours* (65% vs. 73% in 2012). These may be two critical areas, therefore, worth improving.



NOTE: Orange circled data indicates significant differences between the two years..

# Customer Billing

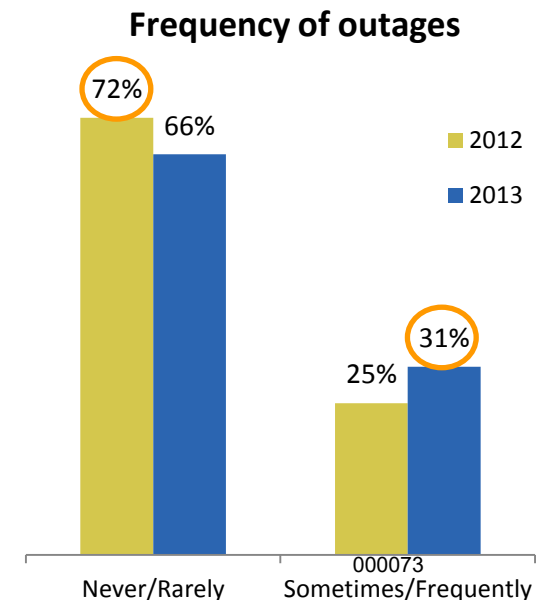
Satisfaction scores for customer billing improved over the last year.

- Overall, customers reported being most satisfied with their *bill being easy to read* (81%), *easy to understand* (78%) and *payment options* (73%-74%).
- While the provision of *useful rate information* was the lowest scoring attribute (57%), it is important to point out that a significant increase was observed regarding this aspect of billing since 2012 (47%) – a clear indication that an improvement has been made in Liberty’s ability to communicate and/or the customers’ reception of such information.

## Service Outages

Despite a reported increase in service disruptions, customers showed improved satisfaction scores relating to Liberty’s service outage efforts.

- Overall, customer satisfaction with service outages improved considerably since 2012, especially with regards to *maintenance* and *repair* efforts. Although notable improvements have been made for all metrics, *investing in new technology to ensure uninterrupted power* received the lowest satisfaction ratings in 2013 (46%), indicating an opportunity for Liberty to communicate the efforts they are pursuing to minimize service outages.
- In 2013, fewer customers reported *never/rarely* experiencing service outages (66%) than in 2012, while more customers said they *sometimes/frequently* experienced them (31%).
- Most customers said they would expect the actual restoration time to be within *one to six hours* of the estimation provided by Liberty. Interestingly, several customers shifted from saying *one to six hours* in 2012 to saying they *don’t know* what the time differential would be in 2013, perhaps due to a wider range in experiences in restoration time over the last year.



NOTE: Orange circled data indicates significant differences between the two years.



# Communications

## Engagement in company communications increased among NH electric customers.

- More customers reported reading their bill inserts in 2013 than in 2012 (62% *always/sometimes* vs. 49%), revealing a more engaged customer base that is seeking information from their utilities company.
- Interestingly, customers who were less engaged in the informational inserts – younger customers (50% 18-44 years) and higher income customers (47% \$100K+) – were also more likely to provide lower satisfaction scores on several metrics throughout the study.

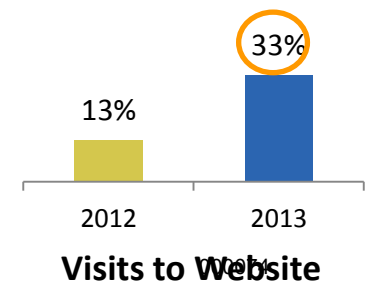
## The top preferred method of receiving information was regular mail/letter, followed by email.



- Not surprisingly, customers who said they were less likely to read their billing informational inserts – younger, higher income and newer residents – were also more likely to prefer receiving information via *email* (44%-49%) and *company website* (23%-31%).

## Visitation to the Liberty Utilities website more than doubled since 2012.

- There was a sharp increase in website visitation over the past year from 13% to 33%. Most visited to *pay a bill* (52%) and *for billing information* (15%).
- Perceived usefulness of the website, however, declined from 73% vs. 66% in 2012). Therefore, there is an opportunity to improve the functionality of the utility's website, especially as it relates to billing related activities.



NOTE: Orange circled data indicates significant differences between the two years.

# Communications & Energy Efficiency

**Rate information and energy/cost savings remain the most types of information that customers would like to receive from their utility company.**

- While there was an overall decline in the desire to receive all informational categories measured, *rate information* and *energy/cost saving tips* remained the most popular in 2013, with over two-thirds stating they would like to receive this type of information (67%-69%).

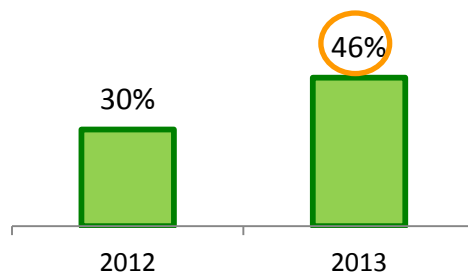


**Rate  
Information**  
69%



**Energy/Cost  
Saving Tips**  
67%

**Awareness of Liberty Utilities' energy efficiency programs significantly increased from 2012 to 2013.**



**Awareness of Energy  
Efficiency Programs**

- Almost half of customers said they were aware of Liberty's energy efficiency programs in 2013, a 16% increase since 2012.
- Liberty has therefore been effective in communicating these efforts to customers and should continue to promote such information.

000075

NOTE: Orange circled data indicates significant differences between the two years.

# Recommendations

## Overall Company

- Customers agreed that Liberty Utilities has provided them with *safe* and *reliable* electric services. In fact, this is one of the top reasons why customers say they are satisfied – reporting there have been very few issues/service interruptions, but when there are, Liberty promptly fixes the problem.
- Dissatisfied customers, on the other hand, cited *service interruptions* as one of the main sources of dissatisfaction with Liberty. This complaint was verified by the study's findings in terms of the increased frequency of outages reported. Therefore, this is a critical area in which Liberty NH Electric should focus attention and investments in order to make improvements.
- The biggest source of discontent, however, among both satisfied and dissatisfied customers, was *price*. This aspect of service received the lowest satisfaction rating of all key indicators. "*Cost is too high / rate increases*" was cited as the primary reason by almost half of dissatisfied customers, and was even mentioned by more than one in ten satisfied customers. While reducing prices may not be an option, it is recommended that Liberty Utilities continue to initiate comprehensive public relations campaigns to increase customer understanding and acceptance of rates and any rate changes.
- It is also recommended to improve outreach to younger, newer and higher income residents, as all three groups were more likely to report dissatisfaction on several attributes and key indicators. This objective is further addressed in the recommendations for Liberty's communications.
- Satisfaction around Liberty Utilities' corporate responsibility have improved dramatically since 2012, including metrics such as *operating in an environmentally responsible manner, protecting employee/public safety, commitment to the local community*, etc. Therefore, any steps that Liberty Utilities has taken to bolster awareness and/or perceptions of its socially responsible actions have proven successful and should be maintained.

# Recommendations

## Customer Service

- Customer service staff is clearly trained appropriately and adequately, with more than seven out of ten customers saying that the staff was *courteous/respectful, easy to understand, effective in resolving the problem* and *knowledgeable*. Liberty's efforts to provide quality customer service, therefore, should be maintained as this has proven highly effective in terms of the overall satisfaction results with customer service.
- A decline in satisfaction with customer service staff's ability to *handle requests quickly* was observed, perhaps as a result of the significant increase in call volume to the business center over the last year. Therefore, it is recommended that adequate resources be provided and necessary practices be put in place to ensure that the customer service staff can tend to the volume of service requests efficiently and effectively.
- A decline was also observed in customer satisfaction with *convenient office hours*. In addition to Liberty's promotion of new Customer Service Centers (as a result of the transition from National Grid), it may also be fruitful to expand office hours and inform customers of the current and/or expanded business hours/locations.

## Customer Billing

- Overall, satisfaction with billing has remained consistent since 2012. For that reason, Liberty Electric should maintain their bills' overall *legibility* as well as the *adequate/user friendly payment options* currently provided. Efforts to improve *billing accuracy* and *provide useful rate information* have also proved to be effective and consequently, should be continued (and perhaps augmented) in order to further improve the satisfaction around these lower rated aspects of customer billing.

# Recommendations

## Service Outages

- More customers in 2013 reported *sometimes/frequently* experiencing service outages than 2012, thus an area for focus and improvements by Liberty in 2014. Should outages occur, it is recommended that Liberty Electric work to lessen the gap between estimated restoration time and actual restoration time, as more customers shifted from providing an expected time estimate difference in 2012 to saying they did not know what the time differential would be in 2013 – perhaps due to a wider range of experiences in restoration time over the last year.
- Despite increased reports of service disruption, overall satisfaction with regard to outages improved considerably over the last year. Specifically, *repairs* and *maintenance* received the highest ratings, while *investing in new technology to ensure uninterrupted power* was rated least favorably. There is an opportunity, therefore, for Liberty to increase communication efforts regarding the avenues they are pursuing to minimize service interruptions.

## Communication

- While more customers reported reading their billing informational inserts in 2013, younger and high income residents – those who reported overall lower satisfaction ratings – were less likely to read the inserts. This was most likely due to their preference in receiving communication via email and the company website, as opposed to regular mail. Therefore, to further engage these customers, it is recommended that Liberty launch an electronic outreach campaign targeting these specific groups. Detailed, resourceful information should be provided through e-newsletters and the website.
- In terms of the types of information that these customers were interested in, *rate information* remained a top priority, followed by *energy/cost saving tips*. The electronic informational campaign could therefore be an opportunity to increase customer understanding and acceptance of rates and rate changes. Additionally, it could provide a means of communicating information on how Liberty is investing in new technology to ensure uninterrupted power for their customers.

## Energy Efficiency Programs

- Liberty Utilities should continue to promote its Energy Efficiency Programs, as customers have become increasingly aware of these options and maintained that this was a topic of interest to them. 000078

# Recommendations – Follow-up Research

## Improving satisfaction among specific demographic groups

- Research findings from the quantitative study revealed that younger and high income residents were more likely to express dissatisfaction with Liberty Utilities overall. This would be an area worth exploring through qualitative research to discover what the expectations are among these specific demographic groups and how their overall experience can be enhanced to meet those expectations.

## Investigating and improving perceptions surrounding price

- Price remained the lowest rated attribute among NH electric customers and received significantly lower ratings compared to 2012. In fact, high costs/rate increases were cited as a primary source of discontent by both satisfied and dissatisfied customers. In an effort to understand customers' pricing concerns and expectations, it would be beneficial to conduct qualitative research to explore customer perceptions of value and price in the context of electric services, as well as the best ways to augment customer understanding, and potentially acceptance, of their electric utility rates.

## Understanding experiences with service disruptions

- It was noted that more NH electric customers reported sometimes/frequently experiencing service outages in 2013. In addition, service interruptions were cited as one of the primary sources of dissatisfaction. Despite these findings, satisfaction metrics pertaining to service outages considerably improved since 2012. Therefore, it would be helpful to uncover through qualitative research the experiences that customers have had with service disruptions over the past year, why less customers are likely to speculate the difference in estimated vs. actual restoration time, and what Liberty has done to drive up perceptions regarding outages despite a reported increase in service disruption.

## Uncovering drivers of corporate perceptions

- Satisfaction around Liberty Utilities' community presence and corporate responsibility improved dramatically since 2012, a true indication that developments and improvements have been made in this area. It is important to note, however, that the resulting satisfaction ratings were relatively low when compared to other aspects of satisfaction (key indicators, customer service, customer billing). Therefore, it would be beneficial to discover, through qualitative research, which changes implemented by Liberty Utilities have bolstered awareness and/or perceptions of its social responsibility, and how Liberty can continue to augment satisfaction in this area.



# DETAILED FINDINGS

# **AWARENESS OF CHANGE TO LIBERTY UTILITIES**

# Awareness

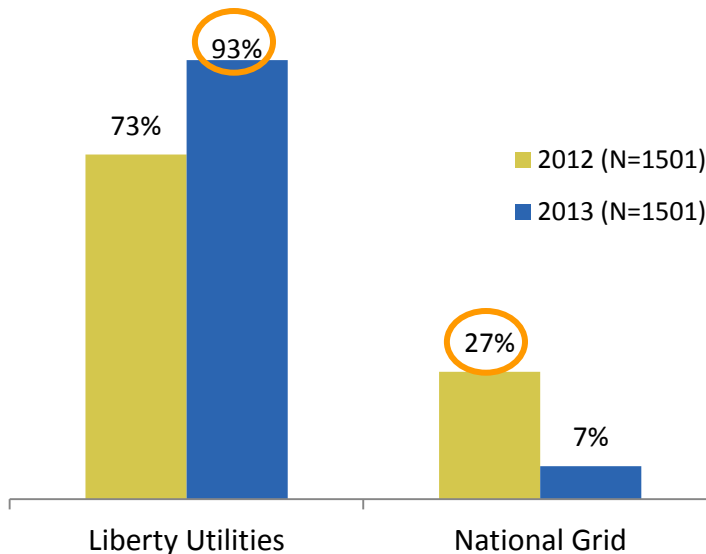
More than nine out of ten customers said they were aware that Liberty Utilities was their electric utility provider, a significant jump from 2012 when only seven out of ten were aware.

Of those who initially said *National Grid* was their electric utility company, almost three-quarters (74%) said they were aware of the name change to *Liberty Utilities*, while just over a quarter of these customers (26%) were still unaware.

Overall, older customers (65+ year olds) and lower income residents (<\$50K) had greater awareness that Liberty Utilities was their electric provider (95%-97%).

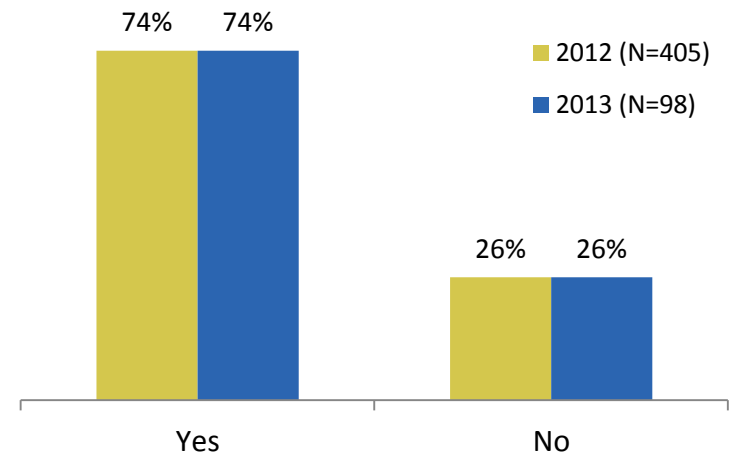
## Local Electric Utility Company

Base = Total Respondents



## Aware of Name Change

Base = Answered "National Grid" in QS3



NOTE: Orange circled data indicates significant differences between the two years.

S3. Who is your local electric utility?

S4. Are you aware that your local utility provider for electric service is now Liberty Utilities?

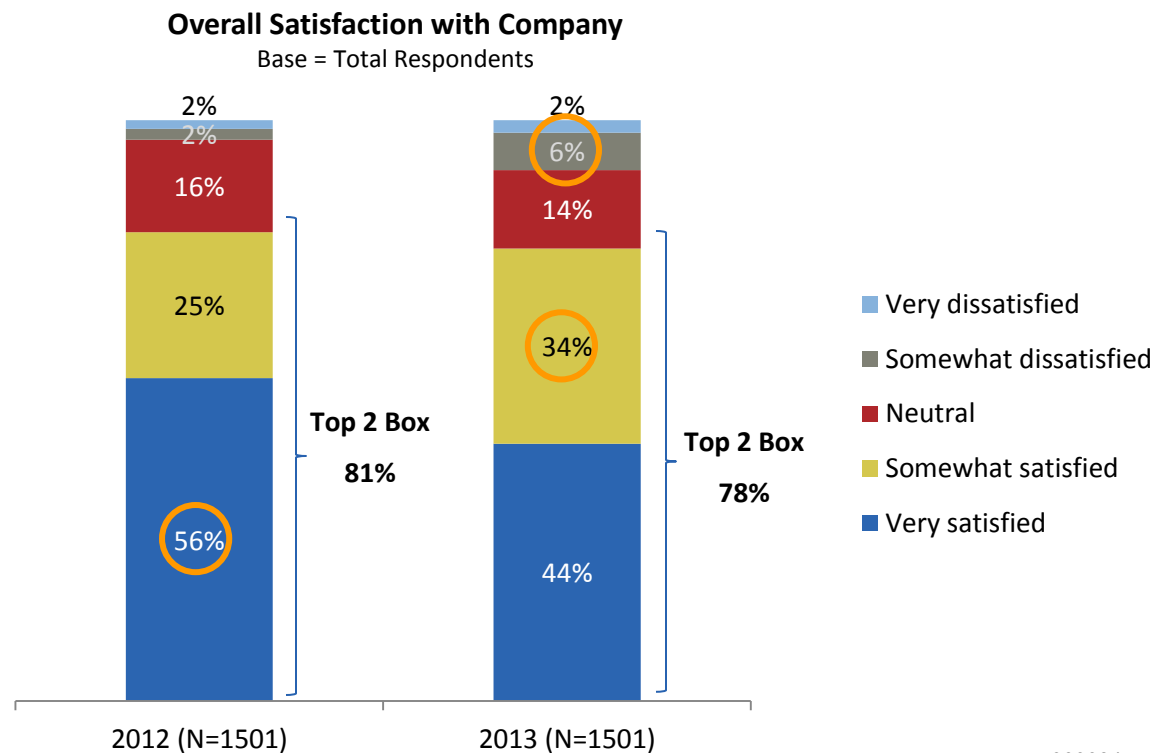
000082

# **OVERALL SATISFACTION WITH COMPANY AND SERVICES**

# Company Evaluation – Overall Satisfaction

Over three-quarters (78%) of New Hampshire electric customers said they were satisfied with Liberty Utilities in 2013. There was a significant shift noted, however, of customers transitioning from being *Very Satisfied* (44% vs. 56% in 2012) to *Satisfied* (34% vs. 25% in 2012). There was also a significant jump in those who said they were *Somewhat Dissatisfied* (6% vs. 2% in 2012), indicating a concrete change in overall perceptions that should be addressed and explored by Liberty.

Older (65+ year olds) and lower income (<\$50K) residents were more likely to say they were *Very Satisfied* (55%), while younger, higher income customers were more likely to express their neutrality and/or dissatisfaction.



NOTE: Orange circled data indicates significant differences between the two years.

Q3. Overall, how satisfied are you with Liberty Utilities?

000084

# Company Evaluation – Overall Satisfaction

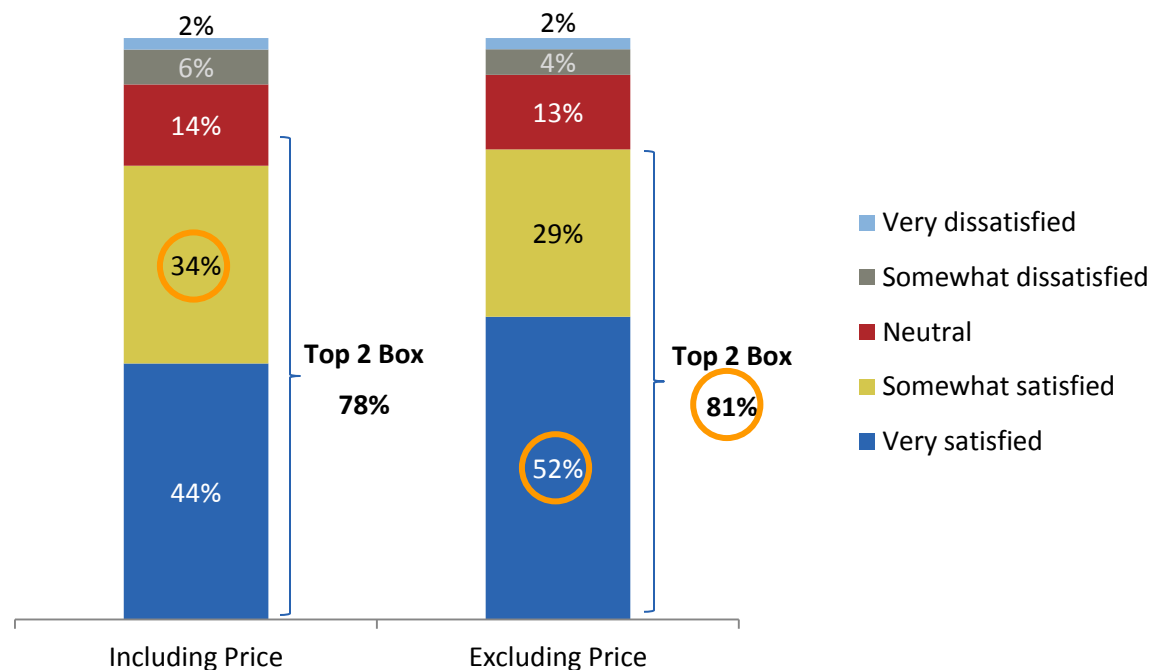
## Excluding Price

Customers were more likely to report higher satisfaction scores when asked to consider Liberty's services *excluding price*. Those who reported being *Very Satisfied* increased from 44% to 52%, a clear indication that price plays a role in the satisfaction levels among NH electric customers.

Once again, older and lower income customers gave higher ratings than any other age/socioeconomic group, with six out of ten customers in each group reporting they were *Very Satisfied* with the services they are receiving from Liberty Utilities.

### 2013 Overall Satisfaction with Services – Impact of Price

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years.

QEAST01. Using a scale where 5 is "very satisfied" and 1 is "very dissatisfied", how satisfied are you with the services, excluding price, that you are receiving from Liberty Utilities?

000085

# Reasons for Satisfaction/Dissatisfaction

There were many shifts in the reasons behind customers' satisfaction with Liberty Utilities in 2013. While *never having a complaint* remained the top reason (23%), little/no interactivity proved to be less of a source for satisfaction, while other reasons moved up on the list, including *prompt, considerate repair service* (9% increase since 2012) and *reliability* (5% increase since 2012).

The top reason for dissatisfaction was *high cost/rate increases*, cited by almost half of dissatisfied customers (49%), a significant increase from 2012. Interestingly, even satisfied customers mentioned *high cost/rate increases* more in 2013, an 8% increase from 2012.

| Suggestions for Improvements                                    | 2012 Total    | 2013 Total    | Difference from 2012 |
|---|---------------|---------------|----------------------|
| <b>Why Satisfied</b>  | <b>N=1211</b> | <b>N=1169</b> |                      |
| Never had a problem/complaint                                   | 47%           | 23%           | <b>-24%</b>          |
| Reliable/Receive services paid for/No service interruptions     | 12%           | 17%           | <b>5%</b>            |
| Prompt, considerate repair service                              | 3%            | 12%           | <b>9%</b>            |
| Cost is too high/rate increases                                 | 4%            | 12%           | <b>8%</b>            |
| Service is satisfactory/good/excellent                          | 4%            | 9%            | <b>5%</b>            |
| Cost is reasonable  | 3%            | 8%            | <b>5%</b>            |
| Don't know/Don't know much about them/no interaction/experience | 17%           | 5%            | <b>-12%</b>          |
| No problems with billings/payments                              | 3%            | 5%            | <b>2%</b>            |
| <b>Why Dissatisfied</b>   | <b>N=51</b>   | <b>N=129</b>  |                      |
| Cost is too high/rate increases                                 | 35%           | 49%           | <b>14%</b>           |
| Service interruptions*  | 24%           | 22%           | -2%                  |
| Poor/unfriendly/uncaring customer service                       | 20%           | 16%           | -3%                  |
| Insufficient online services/payment options                    | 6%            | 14%           | 8%                   |
| Poor communication/response/unable to contact*                  | 12%           | 13%           | 1%                   |
| Poor repair service/response to outages                         | 4%            | 9%            | 5%                   |
| Billing is confusing/problematic                                | 12%           | 7%            | -5%                  |
| Not enough rebates/tips for green energy use                    | -             | 5%            | 5%                   |

NOTE: Bold red data indicates significant differences between the two years. Data is only shown for 5%+ mentions in 2013

000086

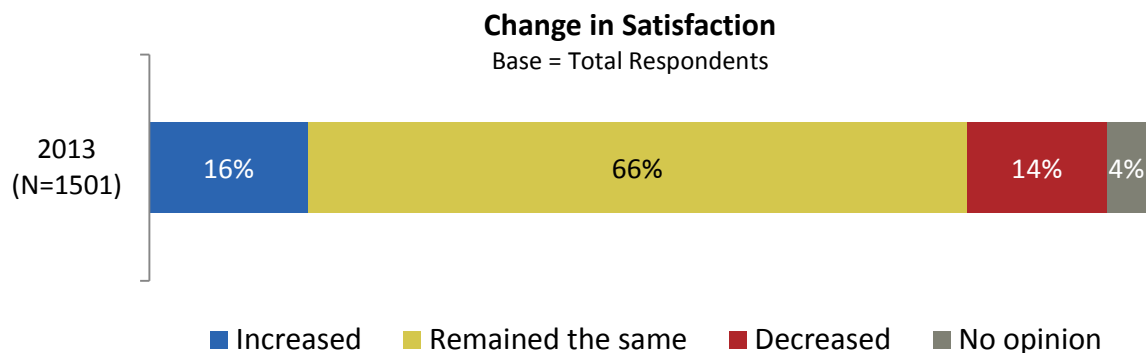
\* Service interruptions was coded as "not reliable" in 2012; "poor communication" was coded as "poor community relations/communication/PR" in 2012

Q3B. Being as specific as possible, why did you say you are [INSERT FROM Q3] with Liberty Utilities?



# Company Evaluation – Overall Change in Satisfaction

Two thirds of New Hampshire electric customers (66%) said that their overall satisfaction with Liberty Utilities *remained the same* over the past year. In terms of customers who had a change in their satisfaction level, approximately the same amount reported an *increase* in satisfaction (16%) as those who reported a *decrease* (14%).



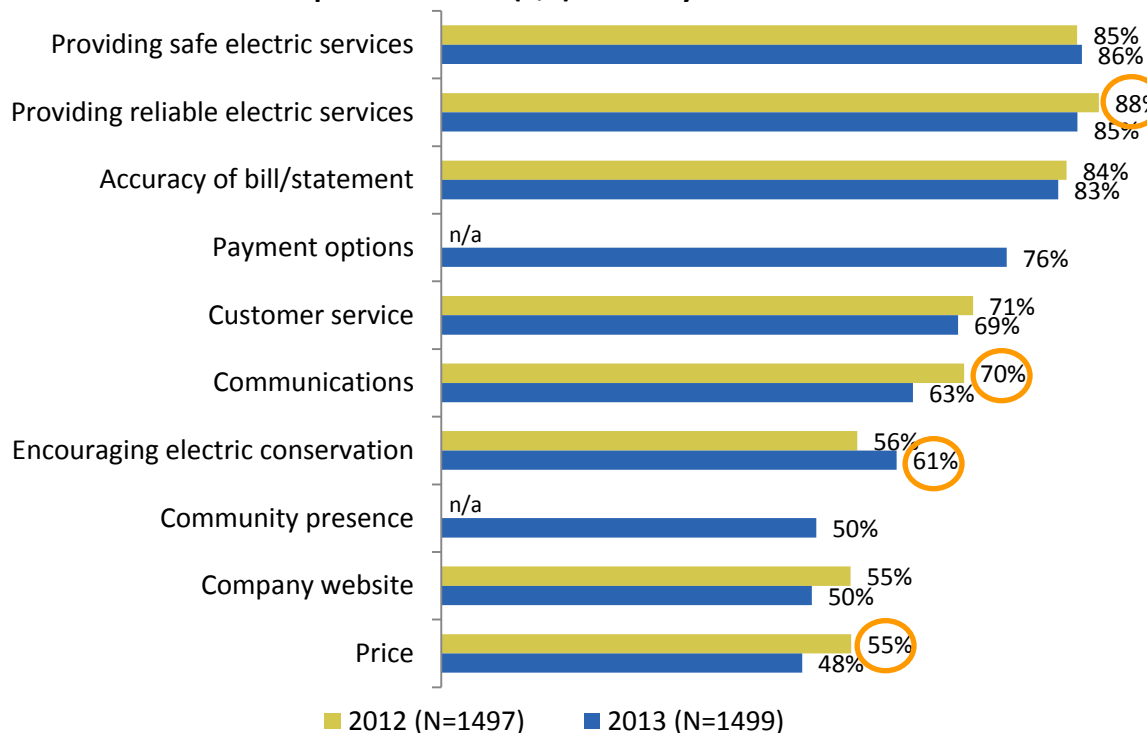
# Key Indicators – Satisfaction

New Hampshire electric customers were evidently most satisfied with the *safety* and *reliability* of their electric services (85%-86%). In addition, they also expressed high satisfaction with the *accuracy of their bills* (83%).

*Price*, on the other hand, remained the lowest rated attribute and furthermore, experienced a significant decrease since 2012 (48% vs. 55% in 2012), indicating a clear need to address this aspect of Liberty's service. Other areas for improvement include the *company website* (50%), *community presence* (50%) and *encouraging electric conservation* (61%); although it is worth noting that satisfaction with Liberty's conservation support improved over the last year.

Seniors (ages 65+ years) and lower income residents (<\$50K) provided significantly higher scores than their counterparts on almost every key indicator.

## Top 2 Box Scores (4,5): 5 = Very Satisfied



NOTE: Orange circled data indicates significant differences between the two years; Data excludes those who responded "NA".

"Accuracy of bill/statement" was asked as "Billing and payment" in 2012; "Payment Options" was only asked in 2013.

Q2. Please rate Liberty Utilities in the following areas by using a 5-point scale with 5 being "Very Satisfied" and 1 being "Very Dissatisfied".

000088

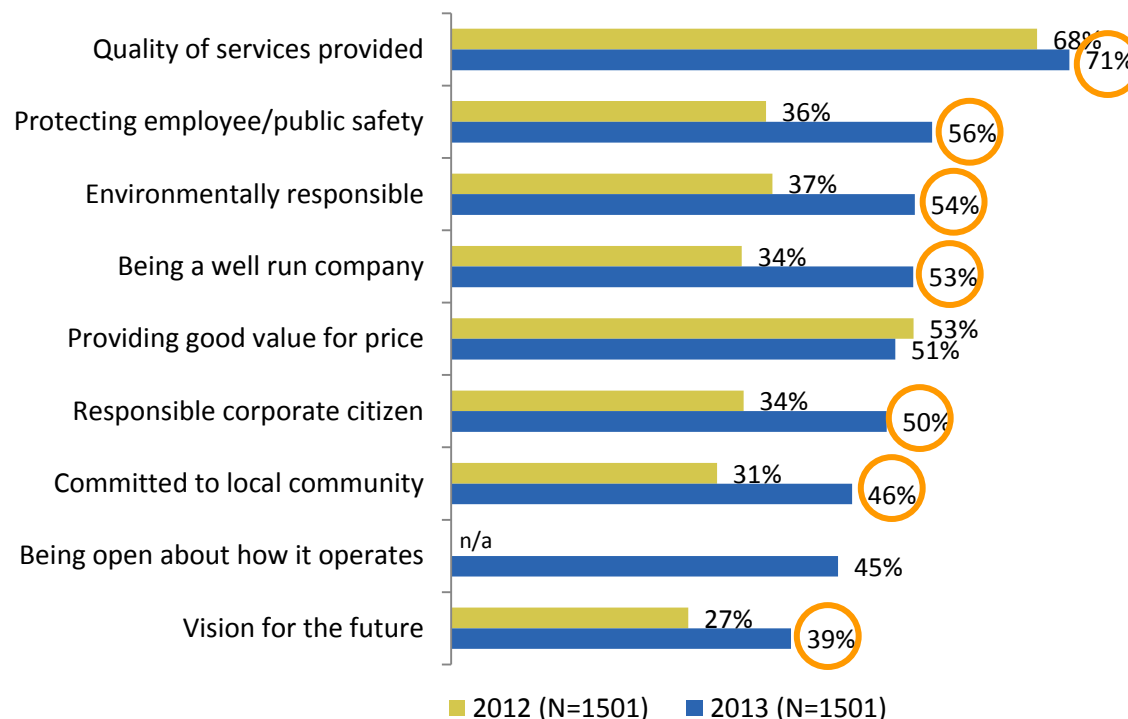
# Satisfaction with Company

Customer satisfaction surrounding Liberty Utility's corporate responsibility improved tremendously since 2012, with almost every attribute receiving significantly higher scores in 2013 – a true indication that development and improvement has been made in this area.

Overall, customers were most satisfied with the *quality of services provided*, with more than seven out of ten customers saying they were *Somewhat/Very Satisfied* (71%). The only metric that did not see a significant improvement over the past year was *providing good value for the price*, which remained steady at 51%.

Seniors (ages 65+ years) and lower income customers (<\$50K) were the primary drivers behind the high scores received.

Top 2 Box Scores (4,5): 5 = Excellent



NOTE: Orange circled data indicates significant differences between the two years.

Q5. Based on a scale from 1 to 5 where 1 is "Poor" and 5 is "Excellent", please rate how good a job Liberty Utilities does on each of the following items:

000089

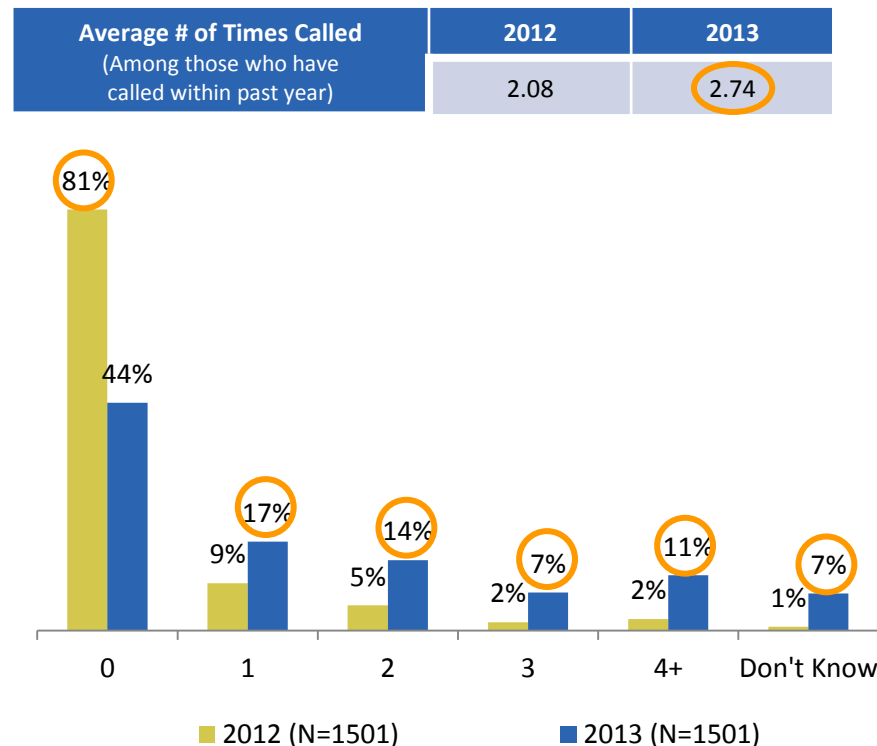
# CUSTOMER SERVICE

# Customer Service - Calls

The number of customers who called Liberty Utilities Electric in the past year more than doubled, with 49% of customers saying they had called the business office at least once (compared to 18% in 2012). Increased calls could perhaps be a result of customers clarifying or resolving any residual questions, issues and/or concerns that arose after the transition from National Grid.

Customers 18-64 years old were more likely to call the business office, with over half (52%-56%) reporting that they called at least once.

**Times Called Business Office**



NOTE: Orange circled data indicates significant differences between the two years..

Q6. To the best of your recollection, how many times have you called Liberty Utilities within the last year?

000091

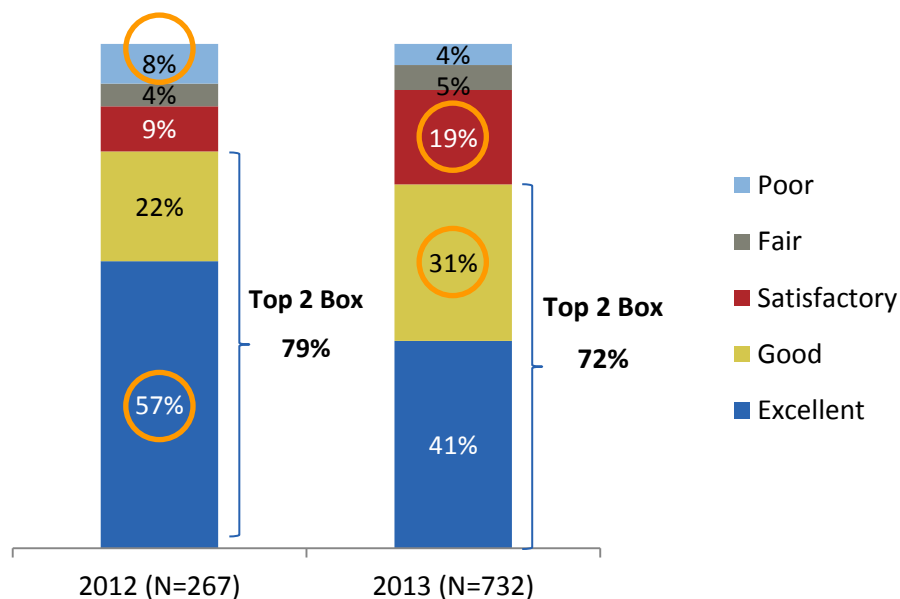
# Customer Services – Overall Experience

More than seven out of ten customers said they were satisfied with their customer service experience in 2013 (72% *Good/Excellent*).

Fewer customers were likely to say their experience was *Excellent* (41%) as compared to 2012 (57%), but rather rated their experience as *Good* or *Satisfactory* (31%, 19% in 2013 vs. 22%, 9% in 2012)

## Satisfaction With Overall Experience

Base = Respondents who Called Customer Service



NOTE: Orange circled data indicates significant differences between the two years..

000092

Q8. Overall, how would you rate your experience with the customer service you received? If you have called the office more than once in the last year, please think only about your last contact with Liberty Utilities.

# Customer Service – Satisfaction

Approximately eight out of ten customers felt that the customer service staff was *courteous/respectful* (79%), the highest rated attribute for customer service. Overall, satisfaction scores remained relatively stable across various metrics since 2012; however, a significant decline in satisfaction ratings was observed for *staff handling request quickly* (68% vs. 74% in 2012) and *convenient business hours* (65% vs. 73% in 2012), the lowest rated attribute regarding customer service.

## Top 2 Box Scores (4,5): 5 = Strongly Agree

Base = Respondents who Called Customer Service



NOTE: Orange circled data indicates significant differences between the two years..

000093

Q7. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements about Liberty Utilities' customer service. If you have called more than once within the last year, please think only about your last contact with Liberty Utilities.



# CUSTOMER BILLING

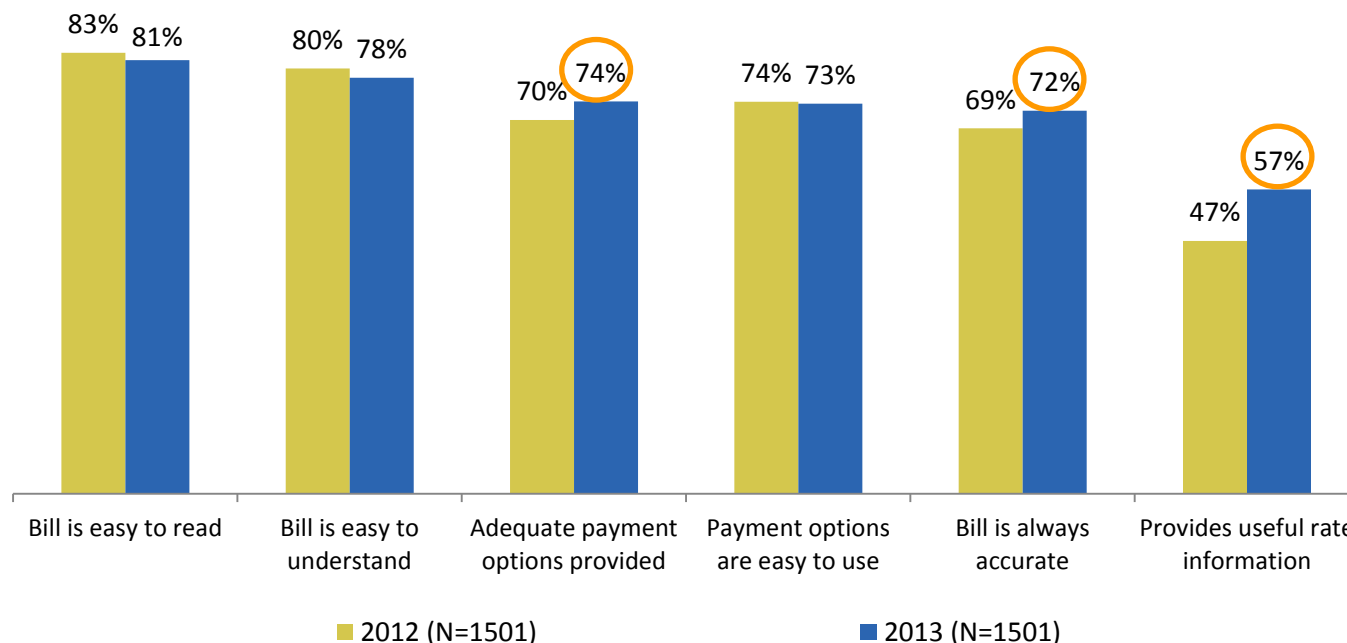
# Customer Billing – Satisfaction

Nearly three-quarters of New Hampshire electric customers agreed they were satisfied with almost all aspects of customer billing in 2013. Overall, customers reported being most satisfied with their *bill being easy to read* (81%), *easy to understand* (78%), as well as *adequate payment options* (74%), which received significantly improved ratings in 2013.

The two lowest scoring attributes – *accurate billing* and *receiving useful rate information* – also received significantly higher scores in 2013, implying that advancements have been made with regards to Liberty’s ability to communicate and/or with customers’ reception of such information.

## Top 2 Box Scores (4,5): 5 = Strongly Agree

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years.

Q9. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements.

# SERVICE OUTAGE

# Prevalence of Outages

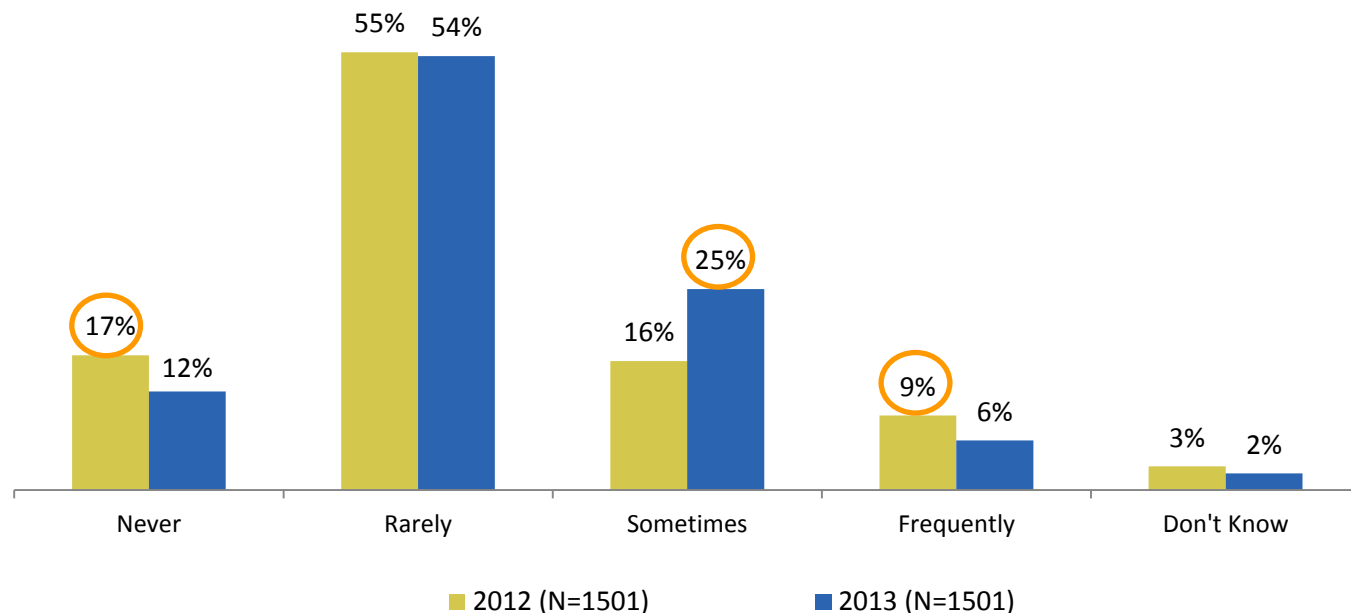
Two thirds of customers said they *rarely/never* experience service interruptions (66%), a drop from the 72% reported in 2012.

Fewer customers were likely to report *frequent* outages in 2013 (6% vs. 9% in 2012); however, there was an increase in those who said they *sometimes* experience service interruptions (25% vs. 16% in 2012).

Higher income (\$100K+) and long-term (11+ years) customers were significantly more likely to say they *sometimes/frequently* lose electricity (35%-40%) than were lower income customers and newer residents.

## Prevalence of Outages

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years.

QEAST03. Would you say that your power goes out...

000097

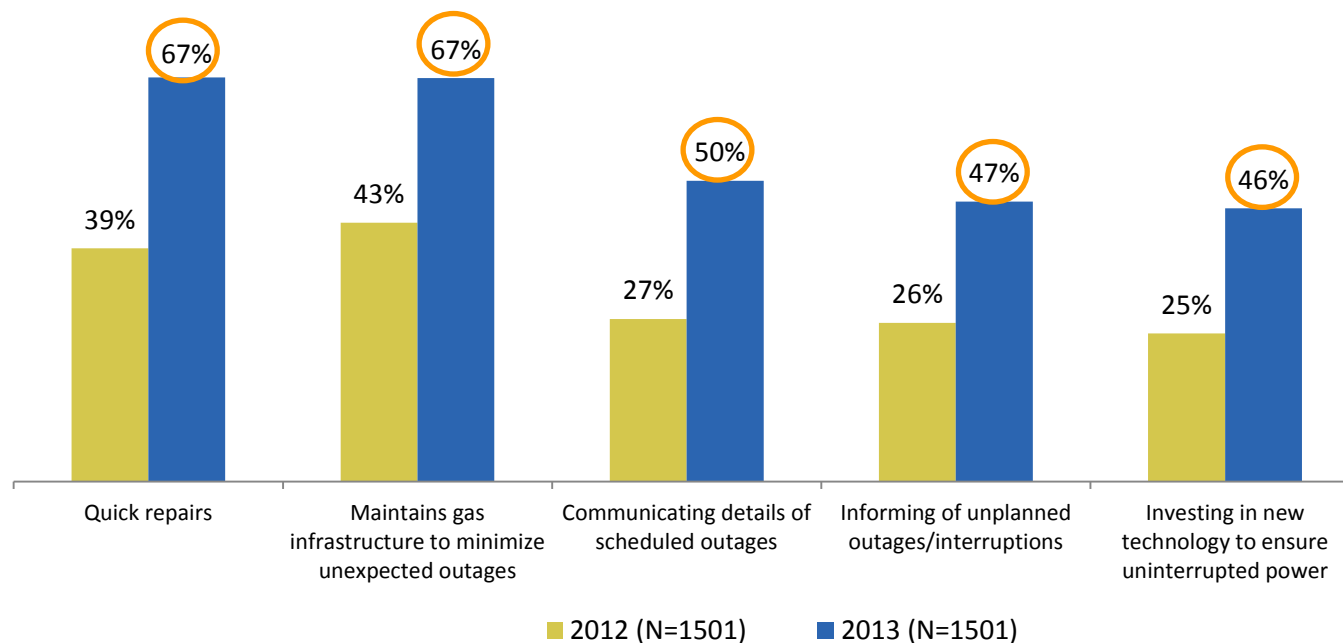
# Service Outages – Satisfaction

Customer satisfaction with regards to service outages improved considerably over the last year. Since 2012, all five metrics received at least a 20% increase in satisfaction ratings, pointing towards a concerted effort on Liberty's part to augment customer satisfaction in this area.

Liberty's *quick repairs* and *maintenance programs* were rated most favorably (67% each). *Investing in new technology to ensure uninterrupted power*, however, was rated less favorably (46%), indicating an opportunity for Liberty to communicate the progressive efforts they are pursuing to minimize service interruptions.

## Top 2 Box Scores (4,5): 5 = Excellent

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years.

000098

Q10. Thinking about all of your experiences with Liberty Utilities, please rate how good a job they do on each of these items on a scale from 1 to 5, where 1 is "Poor" and 5 is "Excellent".

# Acceptable Number of Outages Over a 12 Month Period

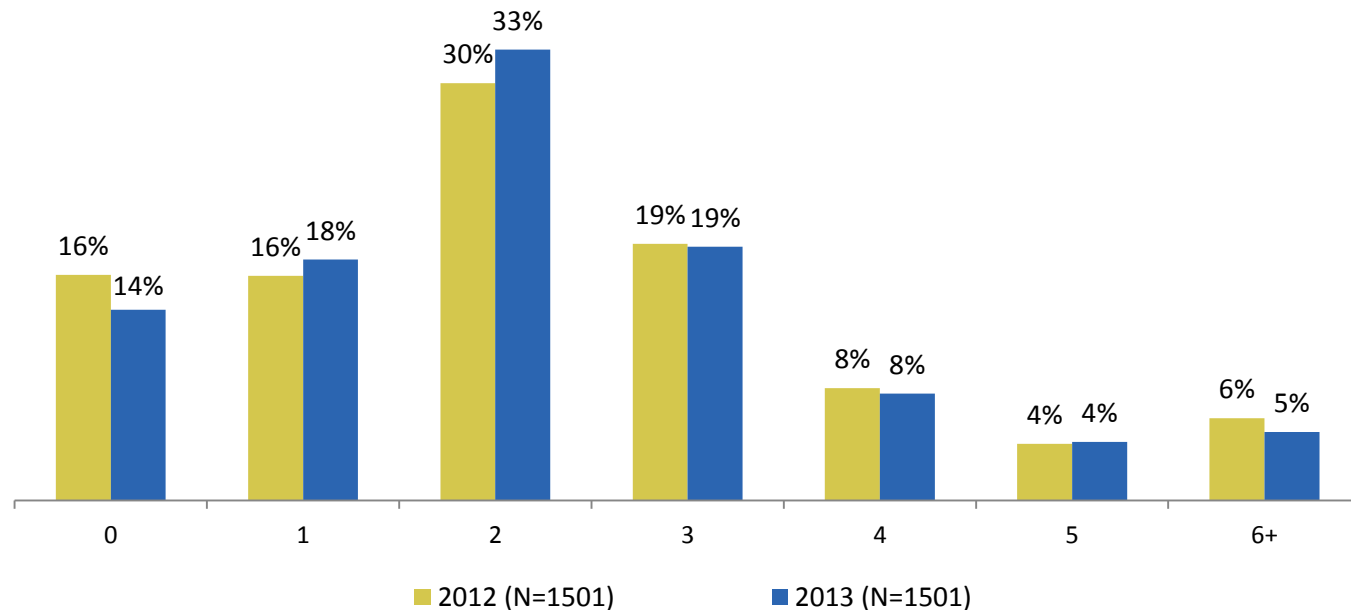
The largest proportion of customers (33%) cited *two outages* as the acceptable amount to expect within a 12 month period. Over two-thirds of customers fell within the range of accepting *one to three outages* (69%). This bell shaped curve remained relatively stable as compared to 2012.

Also similar to 2012, younger customers and newer residents were more accepting of power outages, significantly more likely to say they would accept at least one power outage a year.

## Acceptable Number of Outages Per 12 Months

Base = Total Respondents

| Average # of Acceptable Outages | 2012 | 2013 |
|---------------------------------|------|------|
|                                 | 2.36 | 2.32 |



NOTE: Orange circled data indicates significant differences between the two years..

QEAST04 Recognizing that electric outages happen periodically, how many are acceptable over a 12-month period?

000099

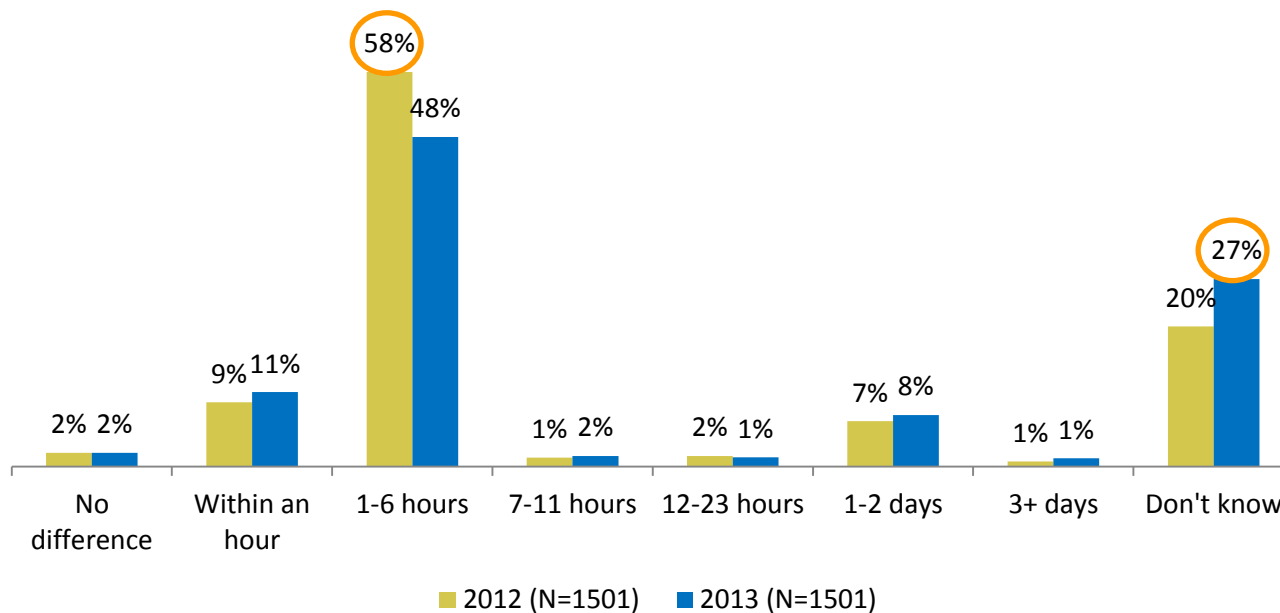
# Restoration Time

Nearly half of respondents (48%) said they would expect the actual restoration time to be within *one to six hours* of the estimation given.

Interestingly, customers were significantly more likely to say they *don't know* what the time differential should be in 2013, perhaps due to a wider range in experiences in restoration time over the last year.

## How Close Expect Restoration Estimates to be to Actual Restoration Times

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years..

000100

QEAST02. When contacting Liberty Utilities to obtain an estimated restoration time, how close do you expect the estimate from Liberty Utilities to be to the actual time of restoration?



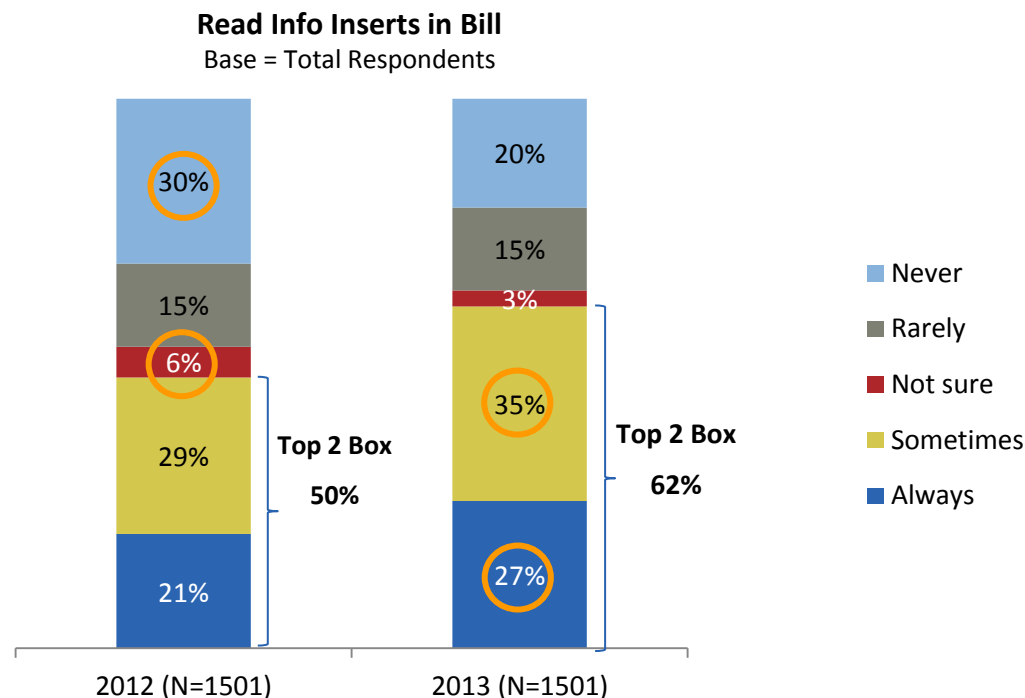
# COMMUNICATION

# Communication – Frequency Read

More customers reported reading their bill inserts in 2013 than in 2012 (62% saying they read them *sometimes/always* as compared to 50% in 2012). The number of customers who said they *never* read their inserts declined from 30% in 2012 to 20% in 2013, revealing a significantly more engaged customer base that is seeking information from their electric utilities company.

Interestingly, customers who were less engaged in the informational inserts were also more likely to provide lower satisfaction scores on several metrics throughout the study – including younger customers (ages 18-44 years) and higher income customers (\$100K+).

## Detailed Findings



NOTE: Orange circled data indicates significant differences between the two years..

Q11. How often do you read the informational inserts included in your bill?

# Communication – Preferred Channels

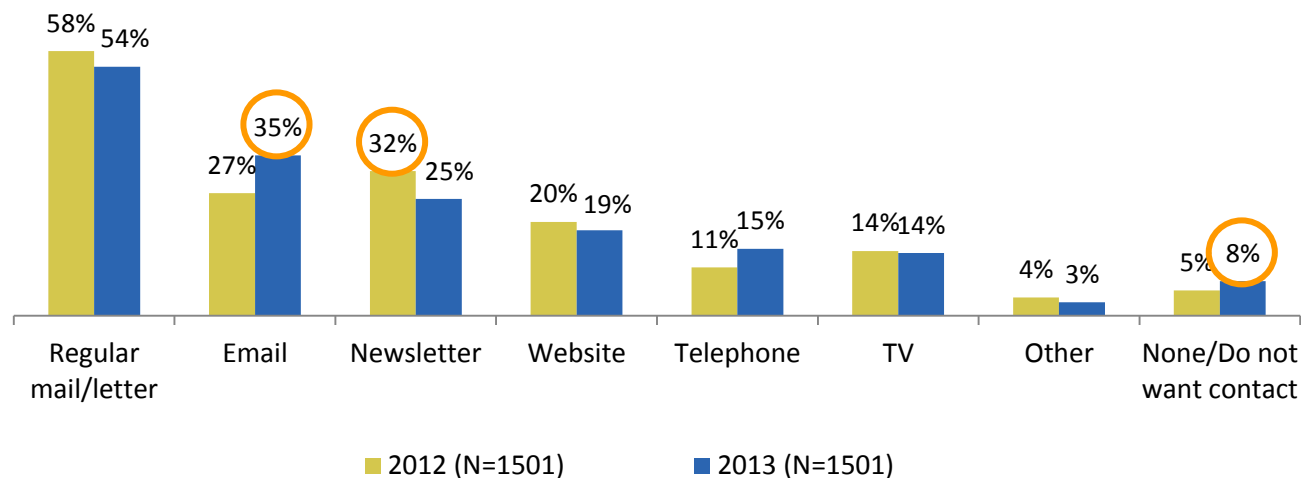
The most preferred method of communication among New Hampshire electric customers was *regular mail/letter*, favored by more than half of customers (54%). *E-mail* became increasingly popular in 2013 (35%, up 8%), while *newsletters* dropped to third place (25%, down 7%).

Not surprisingly, customers who said they were less likely to read their billing informational inserts – younger, higher income and newer residents – were also more likely to prefer receiving information via email as well as the company website. Since these customers have also proven to be less satisfied overall, an electronic outreach campaign should be of utmost priority to improve engagement among these customers.

## Detailed Findings

### Preferred Method of Receiving Information

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years..

Q12. How would you like to receive information from Liberty Utilities? Please select all that apply.

000103

# Communication – Preferred Information

There was a steep decline in the desire to receive all of the informational categories in 2013, perhaps because customers felt overloaded with information from other sources and did not want to “opt” in to another information source.

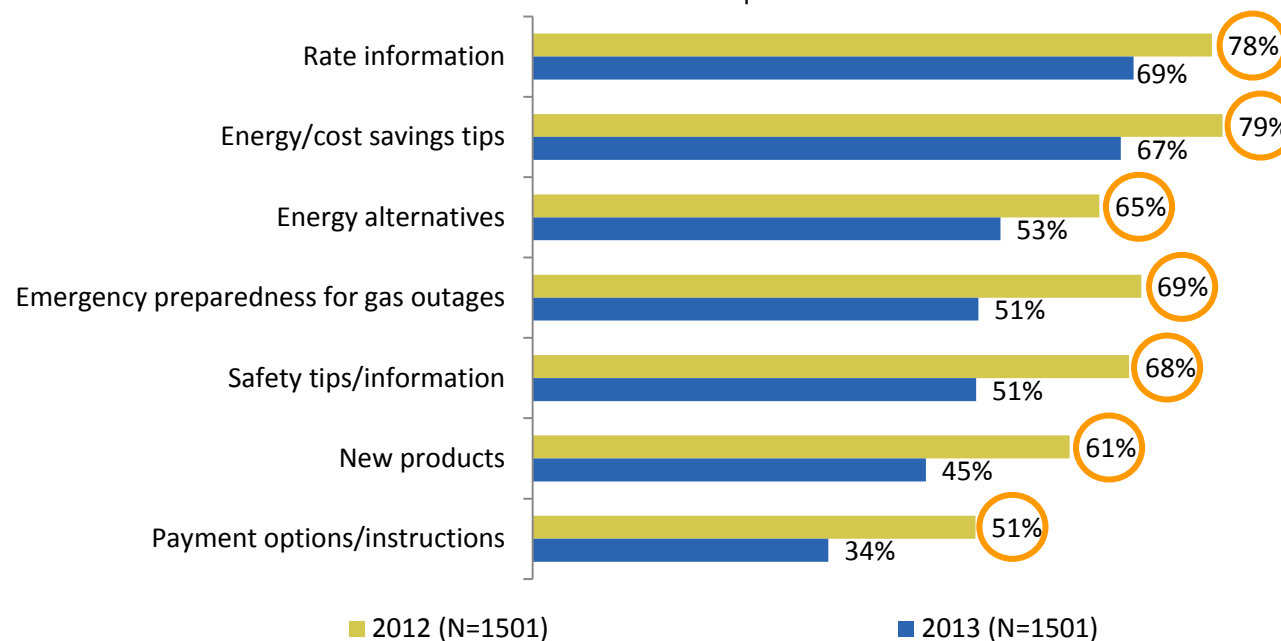
For those who did want to receive information from Liberty Utilities, *rate information* and *energy/cost saving tips* were the most popular, with over two-thirds stating they would like to receive this type of information (67%-69%).

Long-term residents (11+ years) were more likely to express an interest in receiving several different types of information, including *energy alternatives* (57%), *safety tips and information* (54%), and *new products* (49%) – perhaps because these residents have grown accustomed to receiving information from their utility provider and would like to continue receiving tips and knowledgeable bits.

## Detailed Findings

### Information Preferred in Future Communications

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years..

QEAST05. What types of information would you like Liberty Utilities to include in future communications? Please select all that apply.

000104

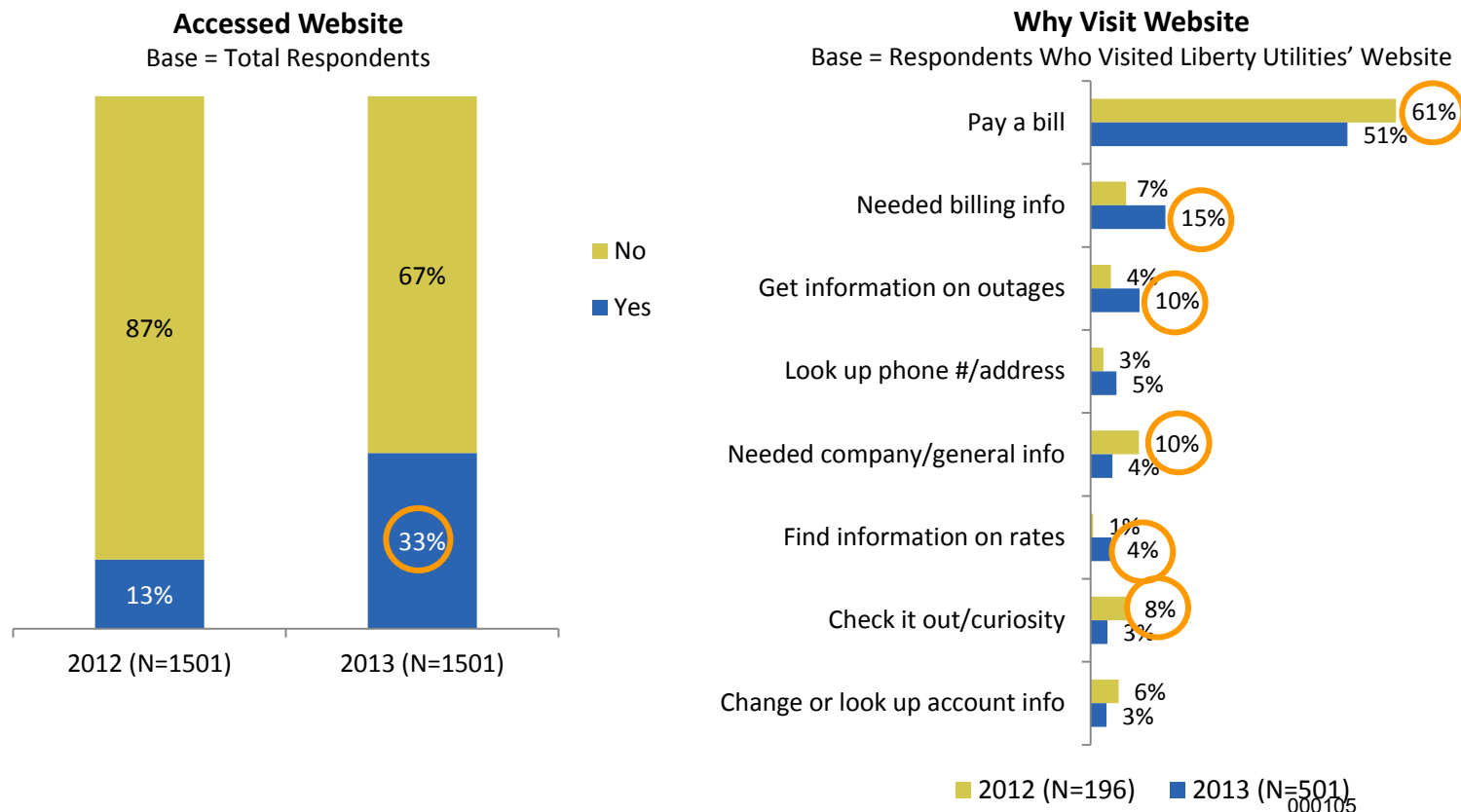
# Website – Usage & Reasons for Visit

The number of customers who visited the utility's website more than doubled from 2012 to 2013 (13% to 33%), an area worth further exploring (i.e., page hits, keywords, etc.) in order to determine the reason for increased visits.

While the majority of customers visited the website for billing related reasons, a decrease was seen for the purpose of *paying a bill* (51%), while there was an increase in *needing billing info* (15%) – perhaps due to an increased number customers utilizing automated/paperless bill-pay accounts.

More customers also went on the site to *get information on outages* (10% vs. 4% in 2012), indicating a clear opportunity for Liberty to provide more outage information – not only via the website, but also via mobile channels as well – to keep customers informed during service disruptions.

## Detailed Findings



NOTE: Orange circled data indicates significant differences between the two years.; 5%+ mentions shown for Q14

Q13. Have you visited the Liberty Utilities website within the past year? / Q14. For what reasons did you visit the website?

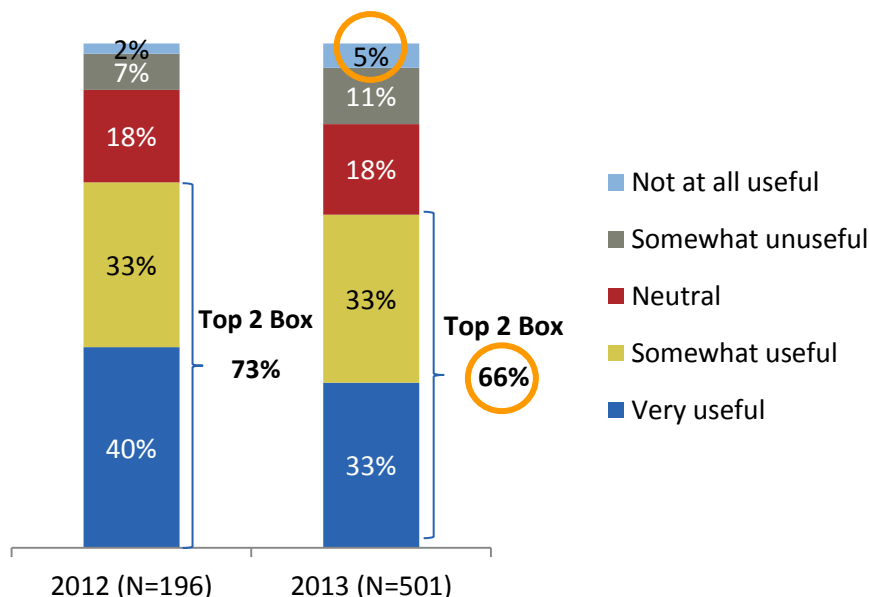
# Website – Overall Usefulness

Perceived usefulness of the website declined, from 73% in 2012 to 66% in 2013.

Additionally, there was an increase in respondents who felt the website was *Not at all Useful* (5% vs. 2% in 2012), likely caused by higher income customers (\$100K+) who were more apt to give lower ratings in terms of the site's functionality.

## Overall Usefulness

Base = Respondents Who Visited Liberty Utilities' Website



NOTE: Orange circled data indicates significant differences between the two years..

Q15. Please rate the usefulness of Liberty Utilities website using a scale from 1 to 5, where 1 is "not at all useful" and 5 is "very useful"..

# **AWARENESS OF ENERGY EFFICIENCY PROGRAMS**

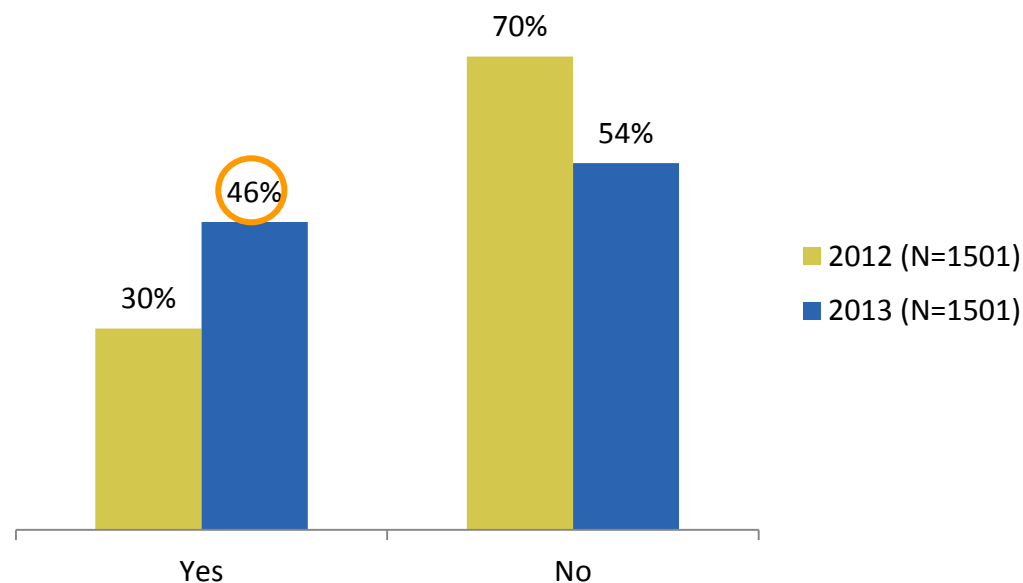


# Awareness of Energy Efficiency Programs

Awareness surrounding Liberty Utilities' energy efficiency programs greatly increased from 2012 to 2013, with almost half of customers stating they were aware of such programs, a 16% increase since 2012. Liberty has therefore been more effective in communicating these efforts to customers and should continue to promote such information.

## Awareness of Energy Efficiency Programs

Base = Total Respondents



NOTE: Orange circled data indicates significant differences between the two years..

QEAST06. Are you aware that Liberty Utilities offers energy efficiency programs to help you reduce your energy costs?

000108

# Liberty Utilities – New Hampshire Electric Customer Satisfaction – Final Report

October 2014

# Contents

**1. Objectives & Methodology**

**2. Key Findings & Recommendations**

**3. Detailed Findings**

**4. Appendix – Respondent Profile**

# Objectives & Methodology

## Objectives

- Analyze current customer satisfaction levels with Liberty Utilities among New Hampshire (NH) Electric customers.
- Compare current satisfaction levels with previous years to determine whether satisfaction significantly increased or not over time.

## Methodology

- A total of 1,508 surveys from Liberty NH Electric customers were completed.
- 88% of interviews were completed via phone and 12% were completed online.\*
- The study was fielded from September 16, 2014 to October 11, 2014.
- Statistical significance was tested at the 95% level.

## Objectives & Methodology

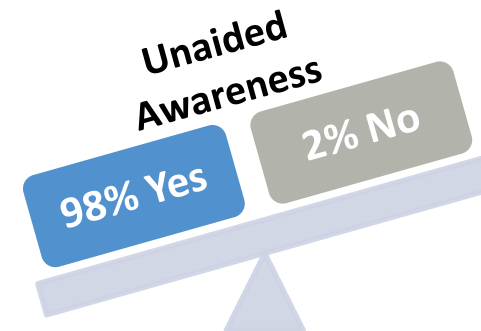
- This is the third year of performance tracking for services rendered to Liberty Utilities' Electric customers in New Hampshire. Data from 2014 is compared throughout the report to data from 2012 and 2013.
- Residential customers were randomly selected from a sample provided by Liberty Utilities for participation in the survey. The survey sample was representative of Liberty Utilities' New Hampshire Electric customers.
- Base counts throughout this report refer to total responding, eliminating those who were not asked the question due to a skip pattern.
- Sampling Error
  - As is the case in all survey samples, there is an element of sampling error that is known and measurable when making projections to the population of all Liberty Utilities' NH Electricity customers. Sampling error varies inversely with the size of the sample.
  - With a sample size of 1,508 and a 95% level of confidence, the range of error for proportions observed in this survey is +/- 2.53 percentage points.

# KEY FINDINGS & RECOMMENDATIONS

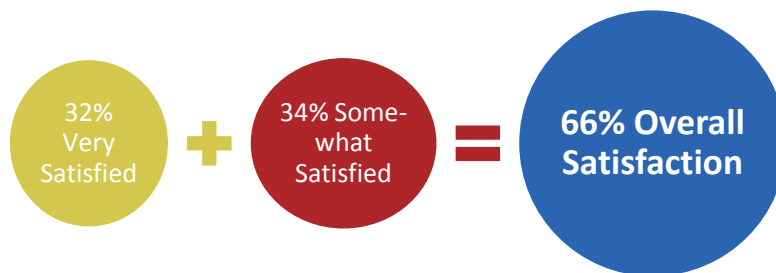
# Overall Services and Company

## Awareness of Liberty Utilities is almost 100%.

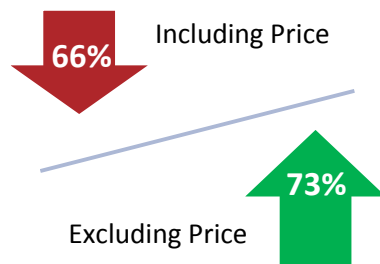
- Almost all (98%) customers were aware that Liberty Utilities was their electric utility company. This was a slight increase from 2013 (93%), and a significant increase from 2012 (73%).
- When prompted, 70% of customers who initially answered “National Grid” were aware of the name change.



## Cost of service has a negative effect on overall satisfaction – which is at an all time low.



- Overall satisfaction with Liberty Utilities was lower in 2014, at 66%, compared to 78% in 2013. There was a significant decrease of very satisfied customers observed from 2012 to 2014 – 56% trending down to 32%.
- Price did have a significant impact on satisfaction scores as overall satisfaction rose to 73% when customers were asked to exclude price as part of their evaluation.



# Reasons for Satisfaction/Dissatisfaction

The top reason cited for overall satisfaction was customers never having a problem or complaint (31% vs. 23% in 2013). Additionally, satisfied customers felt the service was reliable (10%), prompt (7%), and satisfactory, good, or excellent (6%). However, a high percentage of satisfied customers also cited high cost (21%), significantly more than in 2013.

High cost was the top reason for dissatisfaction, confusion with billing was a distant second. Although it may not be possible to lower the cost of service, better communication around billing and reasons for the cost will likely help lift satisfaction levels in the future.

## Why Dissatisfied (Unaided)

- 67%\* Cost is too high
- 17%\* Billing is confusing
- 12% Poor communication/ response
- 8%\*\* Poor/unfriendly customer service
- 8% Website not user-friendly
- 7%\*\* Insufficient online services/pmnt options
- 6%\*\* Service interruptions

## Why Satisfied (Unaided)

- 31%\* Never had problem/ complaint
- 21%\* Cost is too high
- 10%\*\* Reliable/No service interruptions
- 7%\*\* Prompt, considerate service
- 6% Service excellent/good/satisfactory

\* Significantly higher than 2013 scores

\*\* Significantly lower than 2013 scores



# Overall Company and Services

When evaluating the company, customers were most satisfied with Liberty providing reliable and safe electric services. However, there was a significant decrease in satisfaction ratings for almost all attributes, comparing 2014 to 2013 results. Customers were least satisfied with price and company website, ranking them last.

Respondents were asked how satisfied they were with Liberty Utilities as a company. Customers ranked the quality of services at the top of the list (66%). Protecting employee/public safety (63%) and being environmentally responsible (58%) also scored high in terms of satisfaction. However, the majority of attributes were only given a satisfaction rating of less than 50%. This fact underlines and helps explain the low overall satisfaction rating.

## Company Evaluation Key Indicators

- 84% Providing reliable electric services
- 83%\*\* Providing safe electric services
- 67%\*\* Accuracy of bill/statement
- 64%\*\* Payment options
- 59%\*\* Customer service
- 55%\*\* Encouraging electric conservation
- 51%\*\* Communications
- 44%\*\* Community presence
- 37%\*\* Company website
- 31%\*\* Price

## Satisfaction with Company

- 66% Quality of services
- 63% Protecting employee/public safety
- 58% Environmentally responsible
- 50% Responsible corporate citizen
- 48% Being a well-run company
- 48% Being open about how it operates
- 47% Commitment to the community
- 42% Providing good value for the price
- 42% Vision for the future

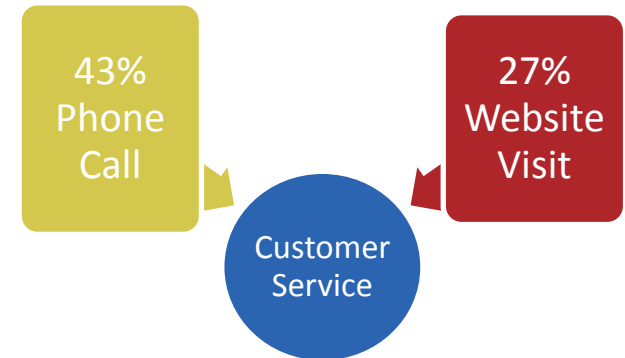
\* Significantly higher than 2013 scores

\*\* Significantly lower than 2013 scores

# Customer Service

**Almost half of all customers called Liberty in the past year (43%).**

- The number of customers who called Liberty Utilities was significantly less in 2014, however, it remained the most used method of contact.
- Customers who called spoke to a live person 2.91 times on average and interacted with IVR 2.84 times on average in the past year.
- Just over a quarter of respondents used the website to contact customer service, and did so an average of 6.33 times in the past year.
- Customers results showed they were more satisfied with in-person experiences versus automated or online systems.



**Satisfaction with customer service was lower - driven by time spent with representatives and unresolved requests.**



- Overall satisfaction with customer service decreased 10% in 2014, with 62% of customers reporting that their experience with customer service was good/excellent, down from 72% in 2013.
- Satisfaction scores were stable for all metrics except one – satisfied with resolution significantly decreased to 64%, down from 74% in 2013.

# Customer Billing

Satisfaction scores for customer billing have declined significantly – for every metric tested – over the last year.

- Overall, customers reported being most satisfied with their bill being easy to read (70%), easy to understand (68%) and payment options (65%-68%).
- Satisfaction surrounding the provision of useful rate information was the lowest scoring attribute (49%).

## Lowest Satisfaction

- 49%\*\* Useful information on rates provided

## Moderate Satisfaction

- 63%\*\* Bill accuracy
- 65%\*\* Payment options easy to use

## Strongest Satisfaction

- 70%\*\* Bill easy to read
- 68%\*\* Adequate payment options
- 68%\*\* Bill easy to understand

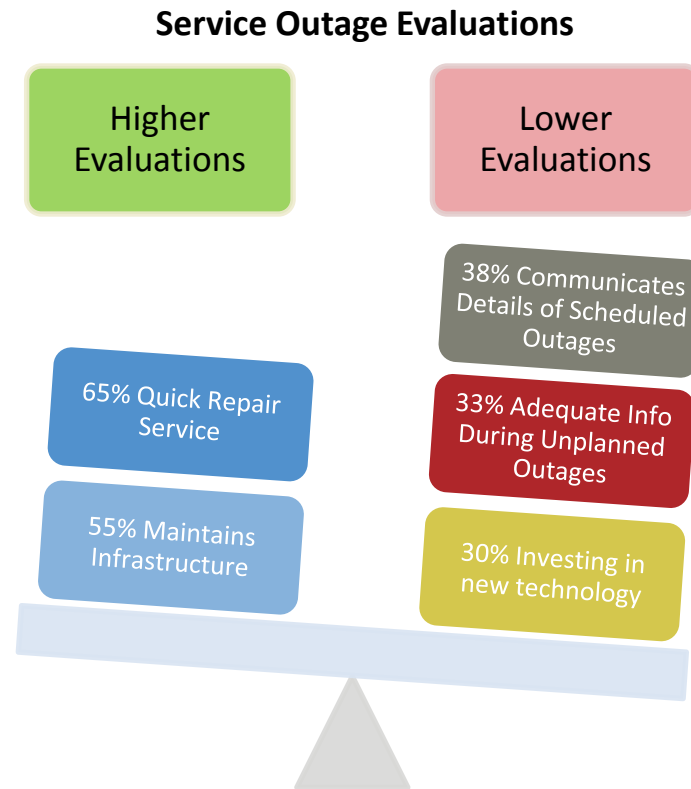
\* Significantly higher than 2013 scores

\*\* Significantly lower than 2013 scores

# Service Outage

Liberty NH electric customers had lower satisfaction scores relating to Liberty's service outage efforts – but still a significant improvement from the first year of the study.

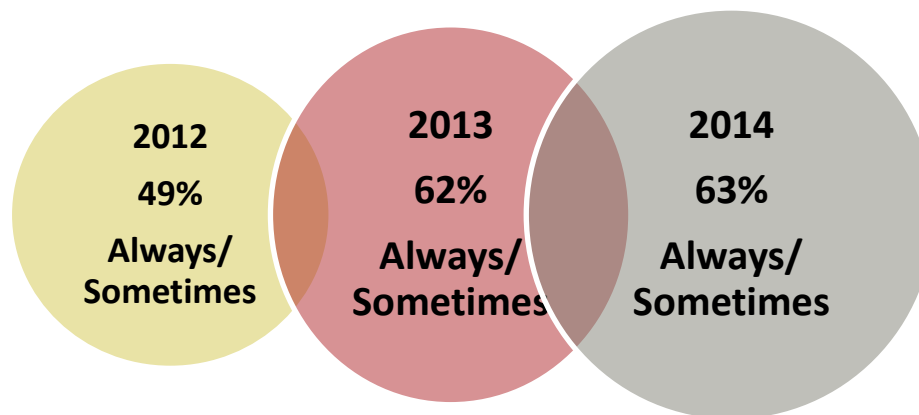
- Half of customers reported a service outage in 2014 (49%). Out of those reporting an outage, customers were most satisfied with Liberty making quick repairs to restore service (65%). However, communicating details of scheduled and unplanned service outages, and investment in new technology for uninterrupted power had very low ratings (30%-38%). There is large opportunity for raising satisfaction levels, simply by elevating the efforts to communicate outages and new technologies to customers.



# Communication

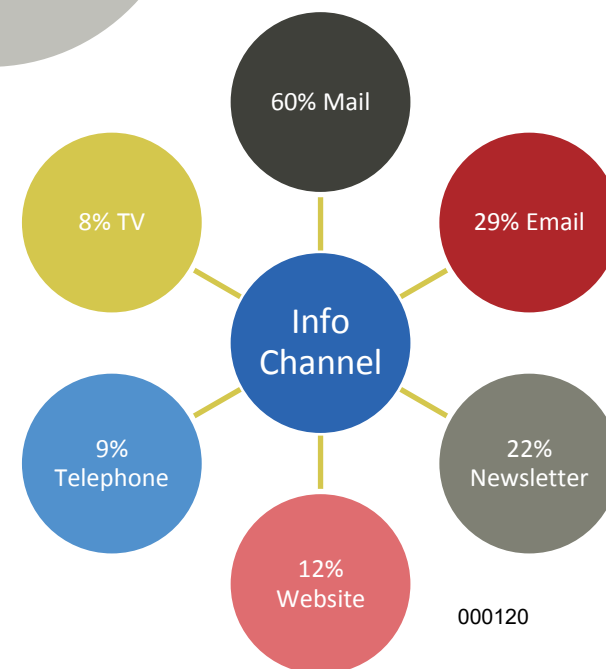
Bill insert readership has not changed in the past year.

- In 2014, customers reporting reading bill inserts was on par with 2013 (63% always/sometimes, compared to 62%). That said, there was a significant jump in customers who prefer communication via regular mail in 2014 (60%, vs. 54% in 2013).



The top preferred method of receiving information was regular mail/letter, followed closely by email.

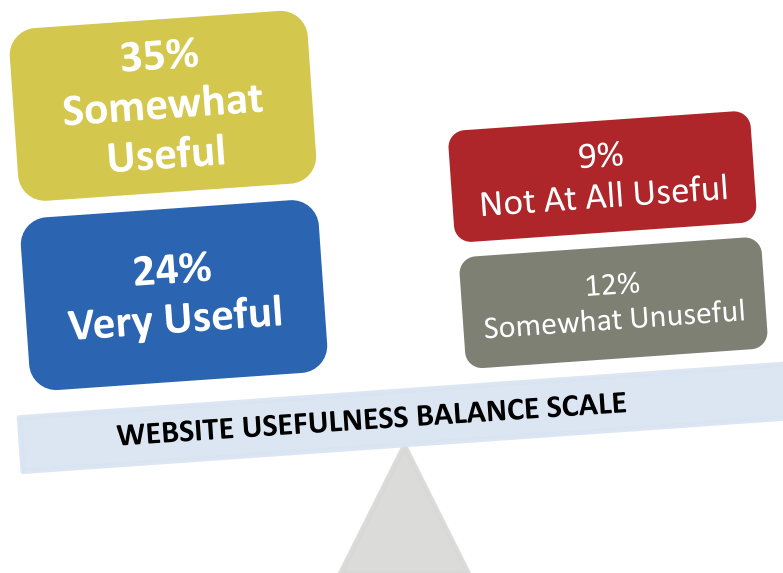
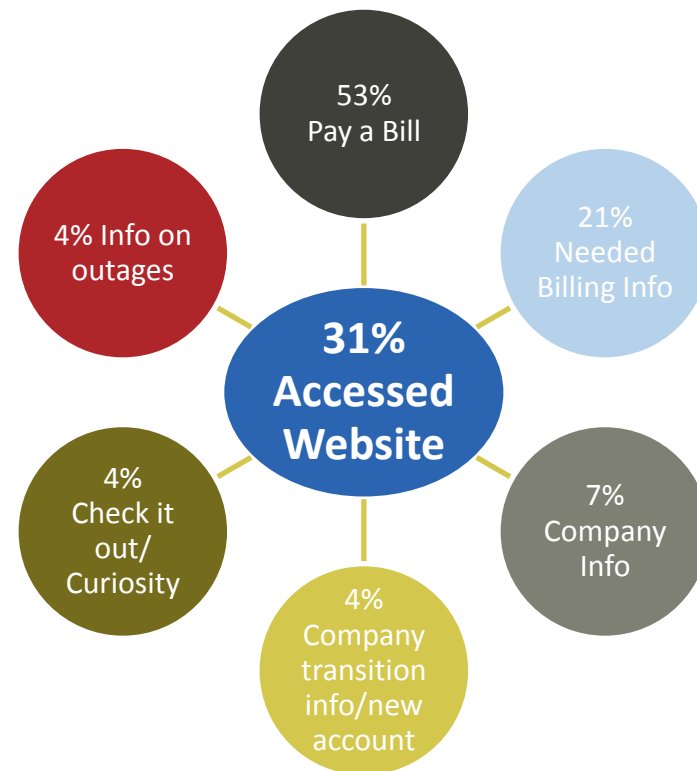
- NH Electric customers would like to see rate information, energy/cost savings tips, and energy alternatives in future communications.
  - Older customers (45+) were more likely to show interest in receiving several different types of information.



# Communication - Website

Liberty Utilities website usage was on par with 2013, but perceived usefulness of the site has been declining since 2012.

- Customers primarily visited the website to pay a bill (53%) and for billing information (21%).
- NH Electric customers rated the overall usefulness of the website at 59%. However, the overall usefulness of the website has declined steadily since 2012. Updating the website, making it more user-friendly, enabling easy-to-use and understand bill-pay options is crucial, and will ultimately have an impact on overall satisfaction.



# Recommendations

## Overall Company

- Overall, satisfaction has declined significantly over the past several years. Understanding the root of dissatisfaction is crucial to the success of Liberty Utilities in the future. In turn, understanding customer segments' views will help shed light to reasons for satisfaction or dissatisfaction. Customers from the older segment (65+) consistently had a higher level of satisfaction throughout the study. While it is important to continue to reach these segments, targeting their counterparts will be necessary to increase overall satisfaction.
- Price was a key factor in customer dissatisfaction; price and providing a good value for the price received the lowest ratings among the various company evaluation aspects. In fact, not only does satisfaction go up when price is not taken into account, but both unsatisfied and satisfied customers indicated cost as a stumbling block to their overall satisfaction. It is recommended that Liberty Utilities continue ongoing public relations campaigns to increase customer understanding and acceptance of rates and any rate changes.
- Overall the satisfaction surrounding the website has declined drastically over the past two years. Website was one of the lowest ranked key satisfaction indicators, but customers reported its usefulness to be waning greatly in 2014. It is recommended to invest time and money into a streamlined website. This will help target the younger segments with lower overall satisfaction scores.

# Recommendations

## Customer Service

- Satisfaction with customer service has fallen ten percent since 2013. In fact, all metrics tested declined, with the exception of customer service being easy to understand. Satisfaction was higher when talking to a person rather than utilizing IVR or even the website.
- NH Electric customers agreed that customer service was easy to understand, courteous/respectful, and knowledgeable. These are all key qualities when working with customers, and efforts to maintain or excel here should be made. However, customers were least likely to agree that they had a reasonable waiting time, or that they were satisfied with the resolution. Investigation should be applied here to understand factors leading to this dissatisfaction. Finally, to alleviate waiting times, consider adding staff to man the phones during key hours of the day, or seasons of the year.

## Customer Billing

- Overall, satisfaction with billing has declined across all metrics measured. One metric – provides useful info about how rates are determined – was agreed upon by less than half of respondents. Liberty Utilities would benefit from an effort to communicate rate information consistently, clearly and in a way that the average customer can understand.



# Recommendations

## Service Outages

- Almost half of customers had reported an electric outage in 2014. The good news is that Liberty Utilities received above average scores in repairing those outages quickly. However, customers have Liberty Electric very low scores for communicating planned and unplanned outages, and investment in new technology for uninterrupted power. Investing in more communications – targeted for different segments – may help increase overall satisfaction during power outages.

## Communication

- Bill insert readership remained steady from 2013 rates for NH electric customers. Bill insert readership was particularly high among older customers. This segment also prefers regular mail for communication methods. Younger customers preferred to be communicated with electronically. Consistent with the entire report, customers prefer to receive information on rates, as well as energy/cost savings tips.
- Recommendations throughout this study are based upon communication efforts. Utilizing targeted, ongoing efforts to communicate rates, information surrounding community presence, service outages, and new technologies (including website capabilities and updates), will be a driving factor of ongoing customer satisfaction.

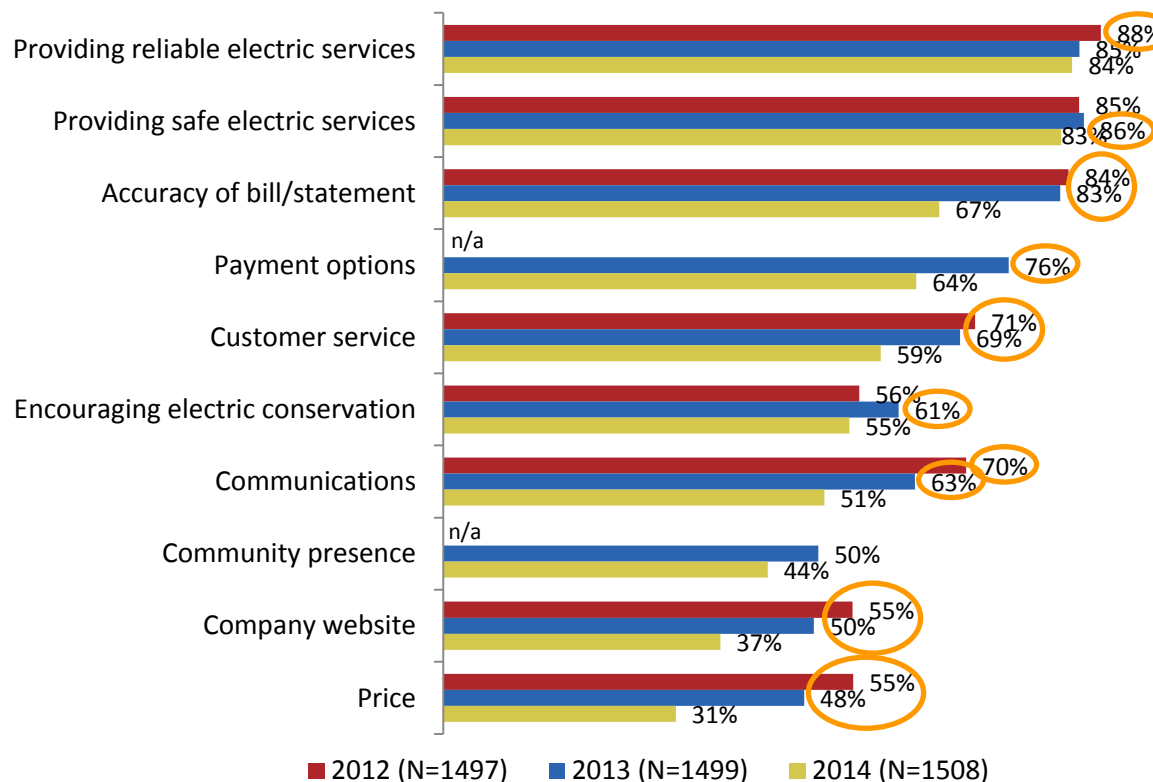
# DETAILED FINDINGS

# OVERALL SERVICES AND COMPANY

# Company Evaluation – Satisfaction

Generally, satisfaction scores showed a decline in the company's overall performance – there were no attributes where an increase in satisfaction was observed. Areas with the largest decreases included price (-17%), accuracy of bill/statement (-16%), company website (-13%), payment options (-12%), and communications (-12%).

**Top 2 Box Scores (4,5): 5 = Very Satisfied**



NOTE: Orange circled data indicates significant differences between the two years.

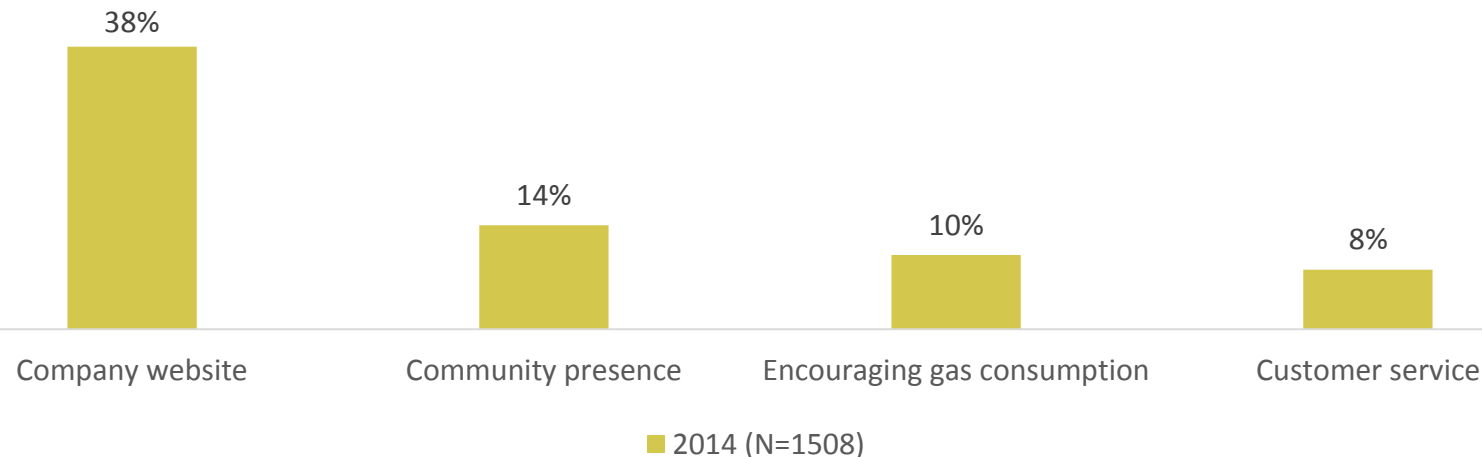
NOTE: N/A option offered for all statements in 2013; N/A option offered for 4 of 10 statements in 2014. Less than n=20 respondents selected N/A for 5 of 6 statements in 2013 where N/A was not offered in 2014, so all 2013 scores were shown with N/A excluded from the base. Where applicable, all 2014 scores were also shown with N/A excluded from the base.

Q2. Please rate Liberty Utilities in the following areas by using a 5-point scale with 5 being "Very Satisfied" and 1 being "Very Dissatisfied".

# Reasons for Selecting Not Applicable

For the company evaluation metrics, customers chose Not Applicable because they had not used the service or feature being asked about.

## Selected Not Applicable



## Reasons Why

| N=570                 | 2014 Total<br>(5%+<br>Mentions) | N=211                       | 2014 Total<br>(5%+<br>Mentions) | N=153                              | 2014 Total<br>(5%+<br>Mentions) | N=119                       | 2014 Total<br>(5%+<br>Mentions) |
|-----------------------|---------------------------------|-----------------------------|---------------------------------|------------------------------------|---------------------------------|-----------------------------|---------------------------------|
| Haven't used this     | 66%                             | Have not used this          | 50%                             | Haven't used this                  | 50%                             | Haven't used this           | 51%                             |
| No computer           | 14%                             | Don't know                  | 28%                             | Don't know                         | 36%                             | No reason to contact        | 24%                             |
| Don't know            | 9%                              | Don't see them in community | 11%                             | Have not heard anything about this | 9%                              | Don't know                  | 13%                             |
| NA/Nothing/No comment | 8%                              | NA/Nothing                  | 8%                              | NA/Nothing/No comment              | 7%                              | NA/Nothing                  | 13%                             |
|                       |                                 | No reason to contact        | 7%                              |                                    |                                 | No computer                 | 5%                              |
|                       |                                 |                             |                                 |                                    |                                 | Don't see them in community | 5%                              |

000128

Q2b. Why did you say that the following aspects of Liberty Utilities' services are not applicable to you? Please be as specific as possible.

# Overall Satisfaction

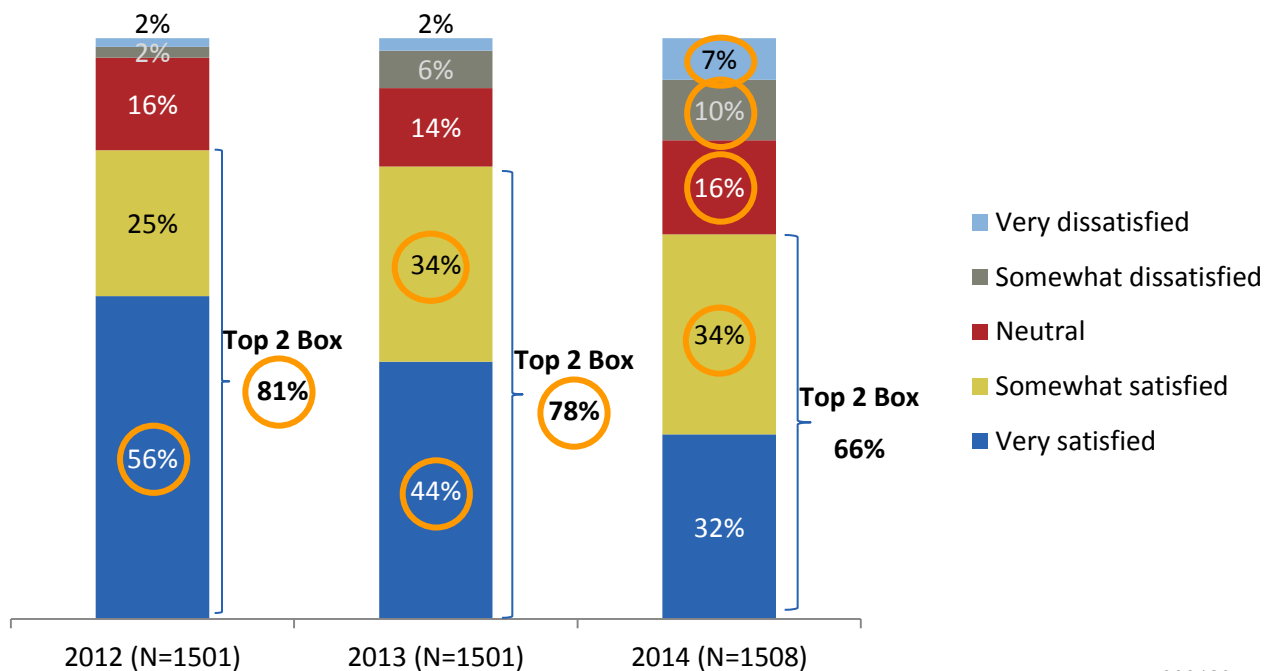
There was a decrease in overall satisfaction with Liberty Utilities among electric customers. Most notable was the shift in very satisfied customers, which decreased from 44% in 2013 to 32% in 2014.

Customers ages 65+ were most likely to say they were satisfied, while customers ages 18-44 were more likely to express dissatisfaction – an area worth exploring.

## Detailed Findings

### Overall Satisfaction with Company

Base = Total Respondents



NOTE: Orange circled data indicates significant increases between years.

Q3. Overall, how satisfied are you with Liberty Utilities?

000129

# Reasons for Satisfaction/Dissatisfaction

Never having a complaint remained the top reason customers said they were satisfied (31%). However on in five satisfied customers still indicated high costs as an area of concern. Significantly less customers indicated their service was reliable/no service interruptions (10%, down from 17%).

The top reason for dissatisfaction was high cost/rate increases, cited by two-thirds dissatisfied customers (67%), a significant increase from 2012 and 2013. Additionally, a significant number of customers said problematic billing (17%) was a reason for dissatisfaction.

| Suggestions for Improvements                                | 2012 Total    | 2013 Total    | 2014 Total   | Difference from 2013 |
|---|---------------|---------------|--------------|----------------------|
| <b>Why Satisfied</b>  | <b>N=1211</b> | <b>N=1169</b> | <b>N=999</b> |                      |
| Never had a problem/complaint                               | 47%           | 23%           | 31%          | 8%                   |
| Cost is too high/rate increases                             | 4%            | 12%           | 21%          | 9%                   |
| Reliable/Receive services paid for/No service interruptions | 12%           | 17%           | 10%          | -7%                  |
| Prompt, considerate repair service                          | 3%            | 12%           | 7%           | -5%                  |
| Service is satisfactory/good/excellent                      | 4%            | 9%            | 6%           | -3%                  |
| <b>Why Dissatisfied</b>                                     | <b>N=51</b>   | <b>N=129</b>  | <b>N=129</b> |                      |
| Cost is too high/rate increases                             | 35%           | 49%           | 67%          | 18%                  |
| Billing is confusing/problematic                            | 12%           | 7%            | 17%          | 10%                  |
| Poor communication/response/unable to contact*              | 12%           | 13%           | 12%          | -1%                  |
| Poor/unfriendly/uncaring customer service                   | 20%           | 16%           | 8%           | -8%                  |
| Website not user-friendly/informative                       | -             | 4%            | 8%           | 4%                   |
| Insufficient online services/payment options                | 6%            | 14%           | 7%           | -7%                  |
| Service interruptions*                                      | 24%           | 22%           | 6%           | -16%                 |

NOTE: Bold red data indicates significant increases between years. Data is only shown for 5%+ mentions in 2014.

000130

NOTE: Service interruptions was coded as "not reliable" in 2012; "poor communication" was coded as "poor community relations/communication/PR" in 2012

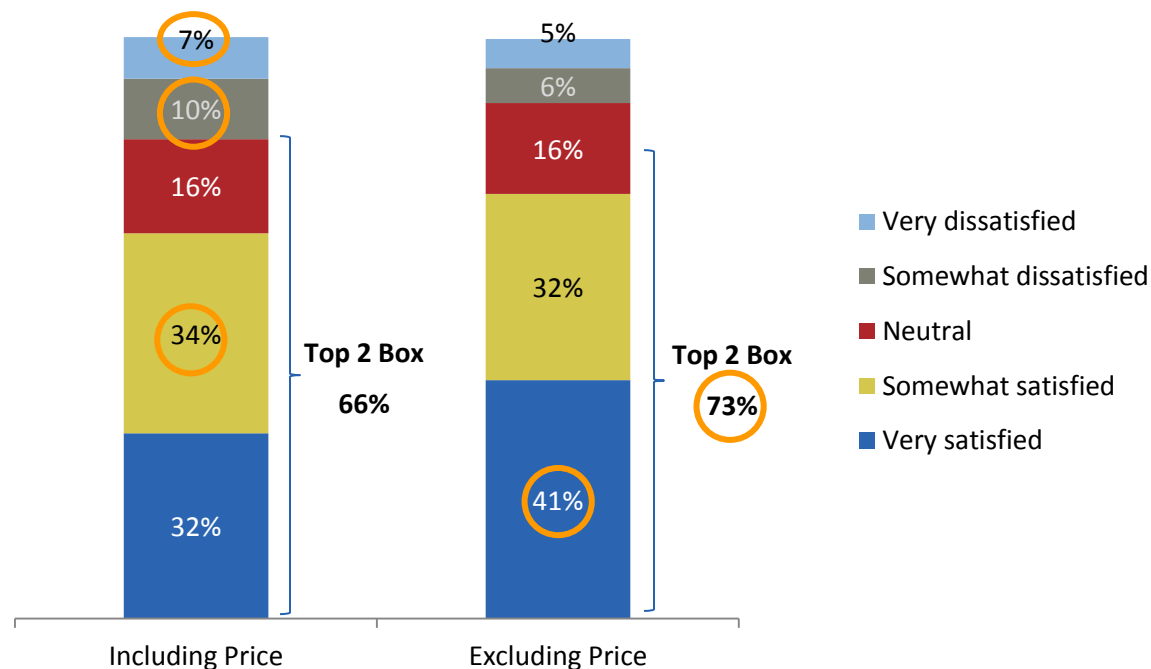
Q3B. Being as specific as possible, why did you say you are [INSERT FROM Q3] with Liberty Utilities?

# Overall Satisfaction Excluding Price

Customers were more likely to report higher satisfaction scores when asked to consider Liberty's services excluding price. Those who reported being very satisfied increased from 32% to 41%, indicating that price played a role in the satisfaction levels among NH electric customers.

## Overall Satisfaction with Company – 2014 Impact of Price

Base = Total Respondents



NOTE: Orange circled data indicates significant increases between the two groups.

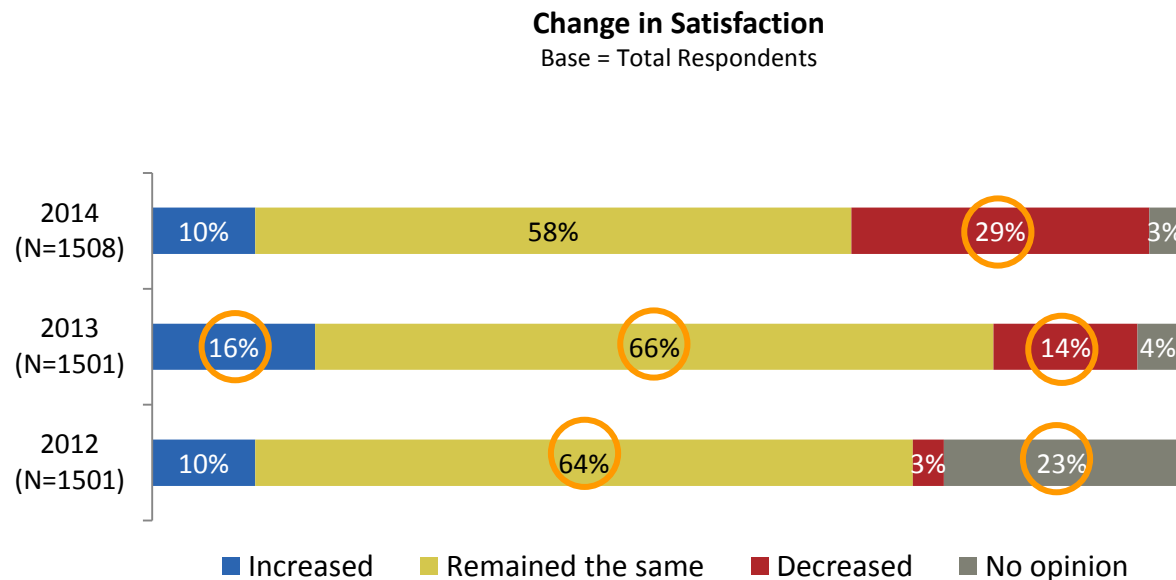
QEAST01. Using a scale where 5 is "very satisfied" and 1 is "very dissatisfied", how satisfied are you with the services, excluding price, that you are receiving from Liberty Utilities?

000131



# Overall Change in Satisfaction

Over half of New Hampshire electric customers (58%) said that their overall satisfaction with Liberty Utilities remained the same over the past year. Only 10% of customers reported an increase in satisfaction. There was a significant increase in customers reporting that their level of satisfaction decreased (29%, vs. 14% in 2013).



NOTE: Orange circled data indicates significant increases between years.

Q4. Would you say that your overall satisfaction with Liberty Utilities has increased or decreased over the past year?

# Company Evaluation – Key Indicators

Liberty customers were most satisfied with the quality of services provided (66%).

Conversely, providing good value for the price and vision for the future were ranked last, as less than half of gas customers felt Liberty performed well in these areas (42% each).

## Top 2 Box Scores (4,5): 5 = Excellent

Those Selecting N/A

| Quality of services                | 66% | N=47  |
|------------------------------------|-----|-------|
| Protecting employee/public safety  | 63% | N=319 |
| Environmentally responsible        | 58% | N=304 |
| Responsible corporate citizen      | 50% | N=318 |
| Being a well run company           | 48% | N=265 |
| Open about how it operates         | 48% | N=263 |
| Commitment to the local community  | 47% | N=335 |
| Providing good value for the price | 42% | N=55  |
| Vision for the future              | 42% | N=385 |

■ 2014 (N=1495)

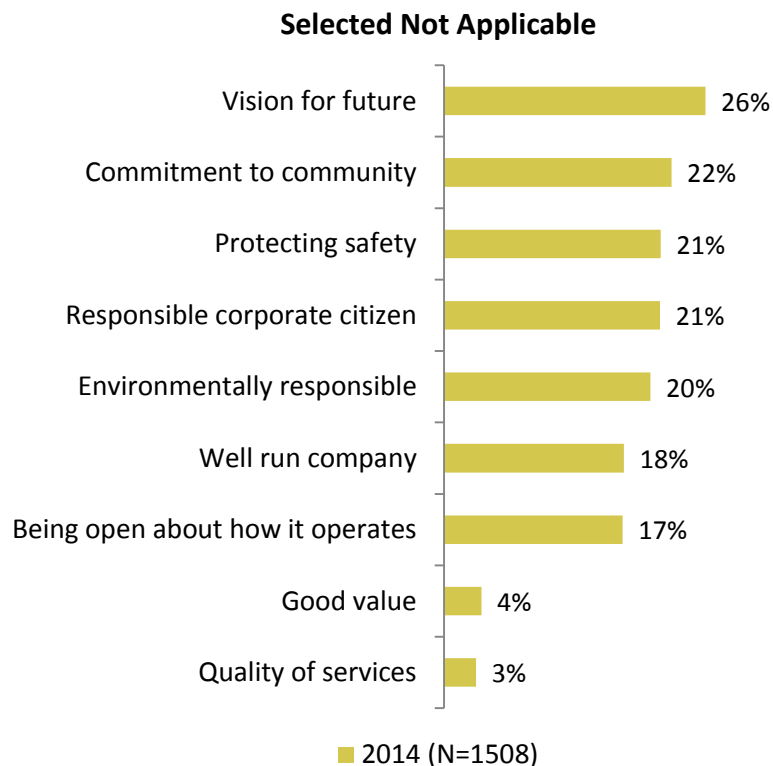
000133

NOTE: N/A option offered for no statements in 2013; N/A option offered for all statements in 2014. Only 2014 scores shown, with N/A excluded from the base.  
Q5. Based on a scale from 1 to 5 where 1 is "Poor" and 5 is "Excellent", please rate how good a job Liberty Utilities does on each of the following items:

# Reasons for Selecting Not Applicable

Customers were more likely to select Not Applicable for metrics related to the company's positioning and perceptions (vision for the future, commitment to the community) than for those related to more tangible value and services (good value, quality of services).

When Not Applicable was selected, it was mostly because customers were not sure what was meant.



## Reasons Why

| N=587<br>(Respondents who Selected<br>N/A for 1+ Statements) | 2014 Total<br>(5%+ Mentions) |
|--|------------------------------|
| Not sure what is meant by this                               | 60%                          |
| Have no experience in this area                              | 20%                          |
| NA/Nothing/No comment  | 12%                          |

# CUSTOMER SERVICE

# Customer Service

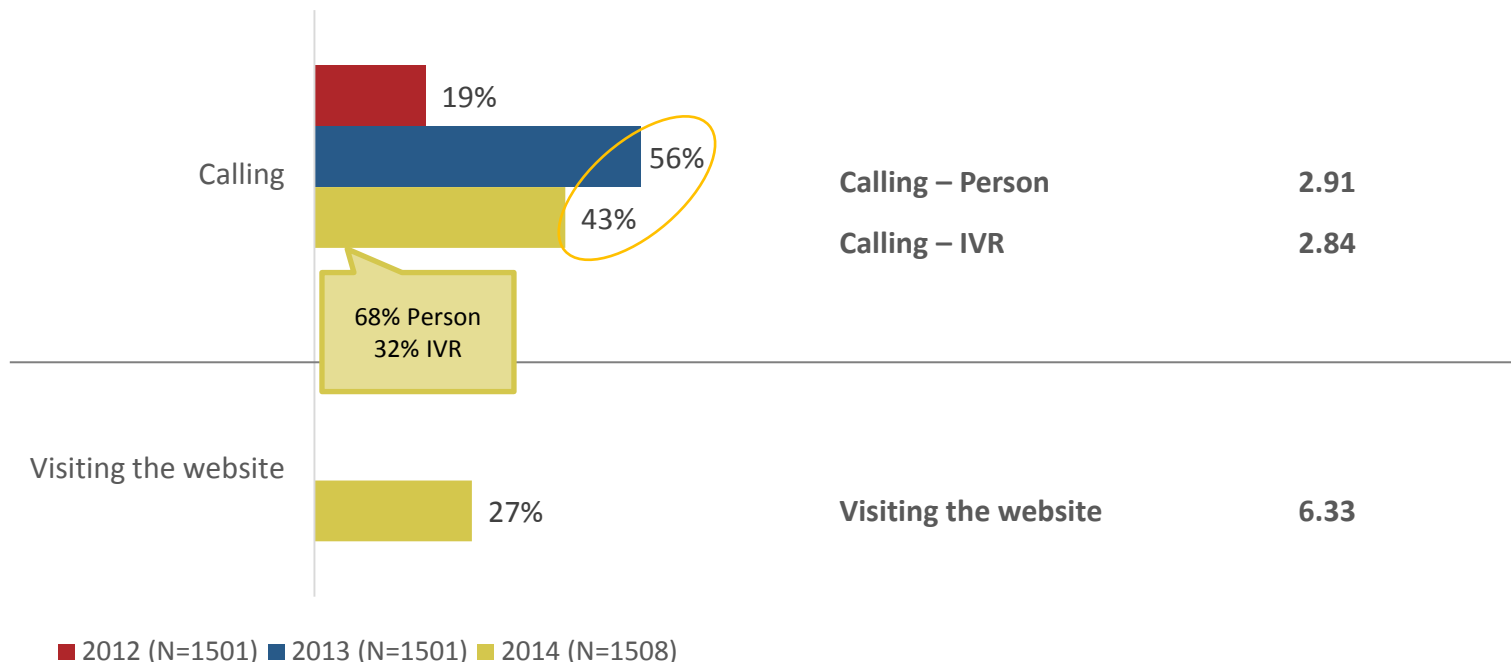
In 2014, customers most frequently contacted customer service by calling (43%). Those calling spoke to a person an average of 2.91 times, and utilized IVR 2.84 times over the past year.

One in four customers visited the website for customer service (27%). Customers visiting the website did so an average of 6.33 times within the last year.

## Contacted Customer Service By...

## Number of Times...

(Among Those Who Have Used Contact Method Within Last Year)



NOTE: Orange circled data indicates significant increases between the year(s).

Q6z. Which of the following have you done in the past year? Please select all that apply.

Q6x. When you called Liberty Utilities in the past year, did you...?

Q6A. To the best of your recollection, how many times have you done each of the following within the last year?

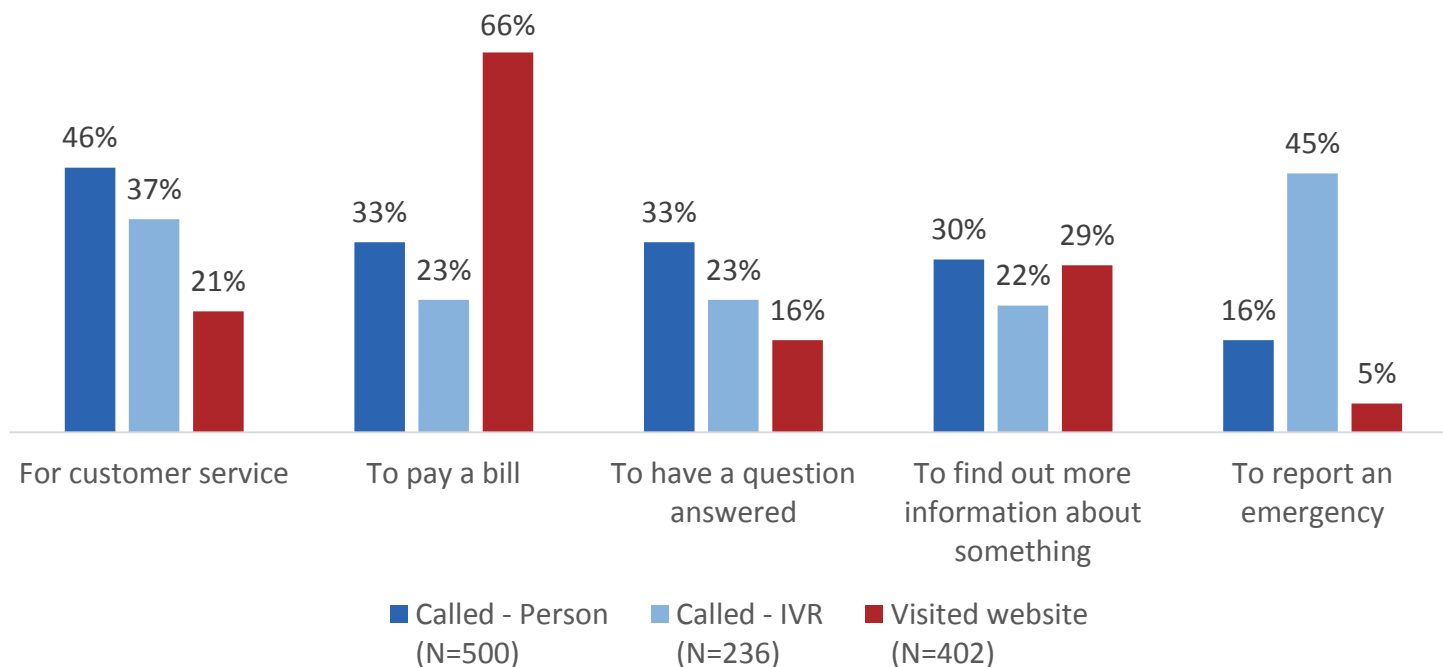
000136

# Reasons for Contacting Customer Service

In general, the most common reason for contacting customer service was related to paying a bill. This was particularly relevant for those who visited the website, whereas for those calling, customer service related issues played a bigger role. Customers primarily used the IVR system to report an emergency.

## Reasons for Contacting Customer Service

(Asked in 2014 only)



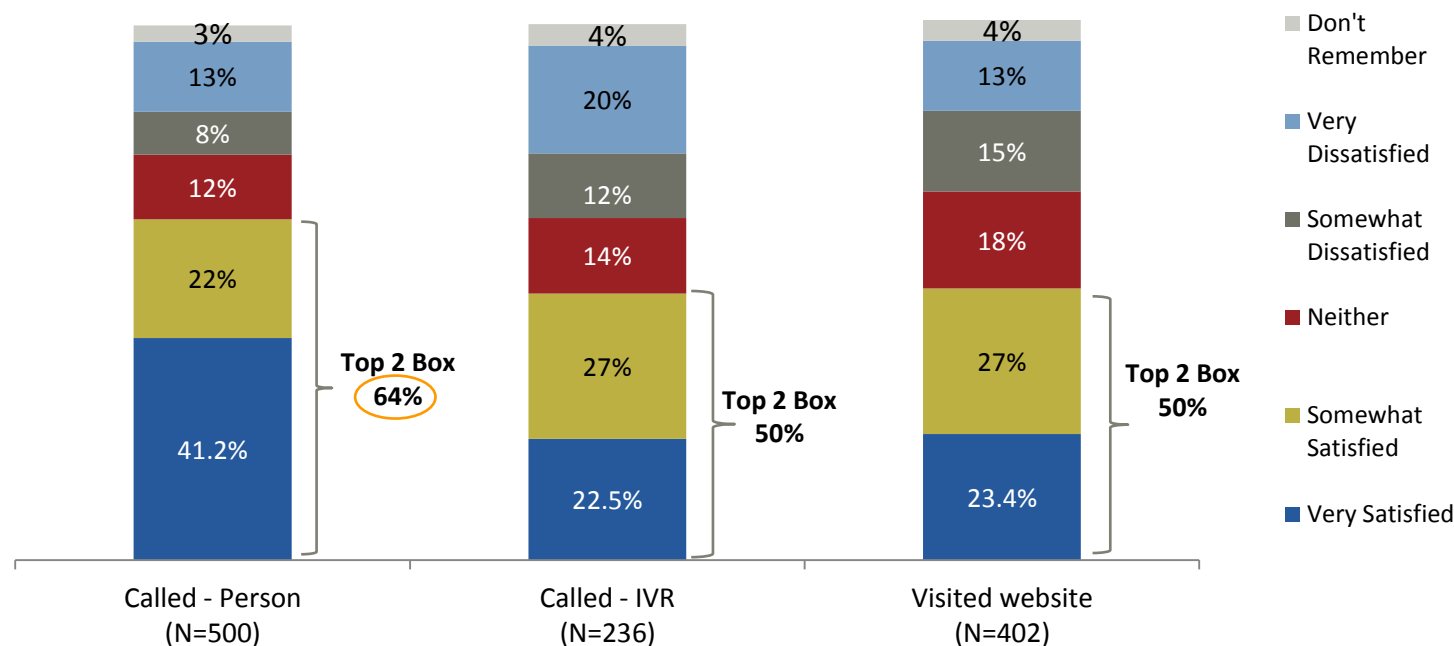
Detailed Findings

# Customer Service – Overall Experience with Contact Method

Satisfaction with the customer service experience was significantly higher among those who spoke to a person on the phone – 64% customers with personal contact were satisfied, compared to 50% of customers who used IVR and those who visited the website. One in five customers call called and interacted with IVR gave a very dissatisfied rating for their experience with this contact method.

## Satisfaction With Each Contact Method

(Asked in 2014 only)



NOTE: Orange circled data indicates significant differences compared to other subgroup(s).

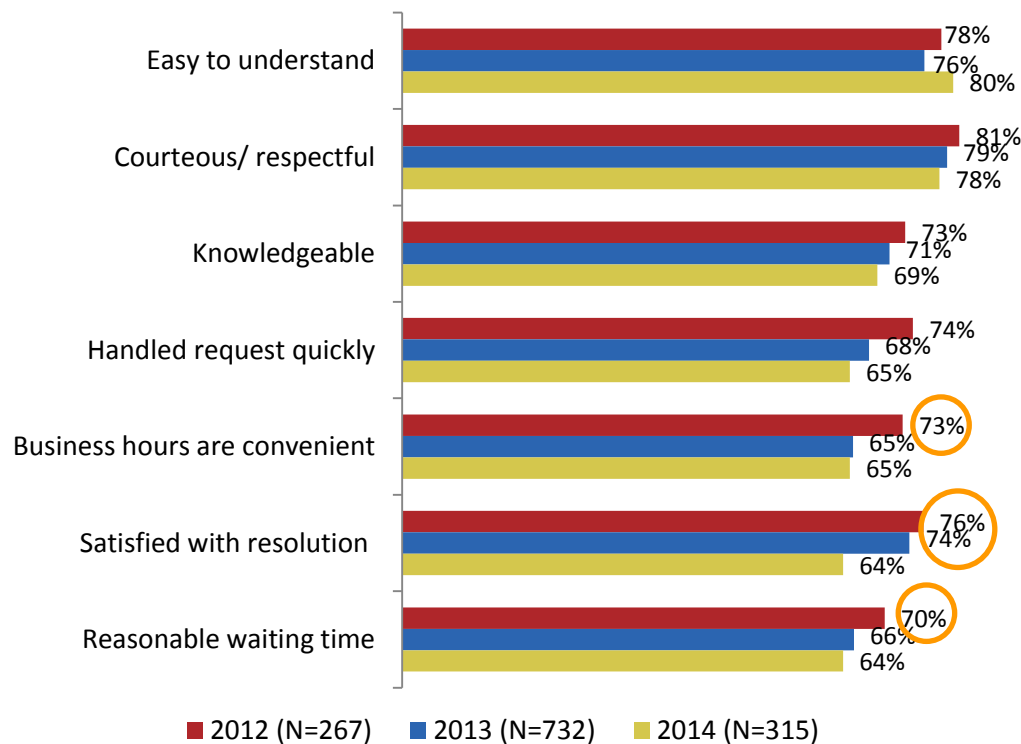
Q6y. Overall, how satisfied are you with your experience with each of the following?

# Customer Service – Satisfaction

Eight out of ten customers felt that the customer service staff was easy to understand (80%), the highest rated attribute for customer service. Overall, satisfaction scores were stable for all metrics except one – satisfied with resolution significantly decreased to 64%, down from 74% in 2013.

## Top 2 Box Scores (4,5): 5 = Strongly Agree

Base = Respondents who Called Customer Service



NOTE: Orange circled data indicates significant increases between years.

NOTE: In 2013, respondents were asked this question if they contacted Liberty Utilities within the past year. In 2014, respondents were asked this question if they contacted Liberty Utilities for customer service within the past year.

000139

Q7. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements about Liberty Utilities' customer service. If you have called more than once within the last year, please think only about your last contact with Liberty Utilities.

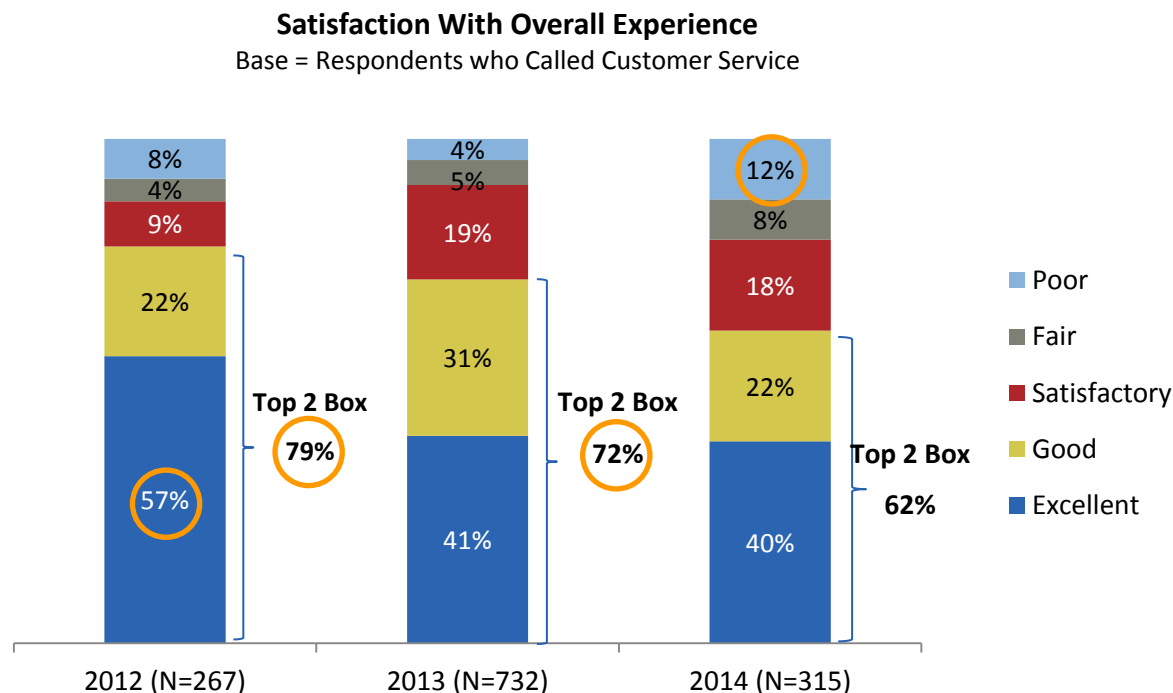


# Customer Services – Overall Experience

Close to two-thirds of customers said they were satisfied with their customer service experience in 2014 (62%), a significant decrease from the previous year (72%).

There were more customers reporting their experience as poor in 2014 (12% vs. 4% in 2013).

## Detailed Findings



NOTE: Orange circled data indicates significant increases between years.

NOTE: In 2013, respondents were asked this question if they contacted Liberty Utilities within the past year. In 2014, respondents were asked this question if they contacted Liberty Utilities for customer service within the past year.

000140

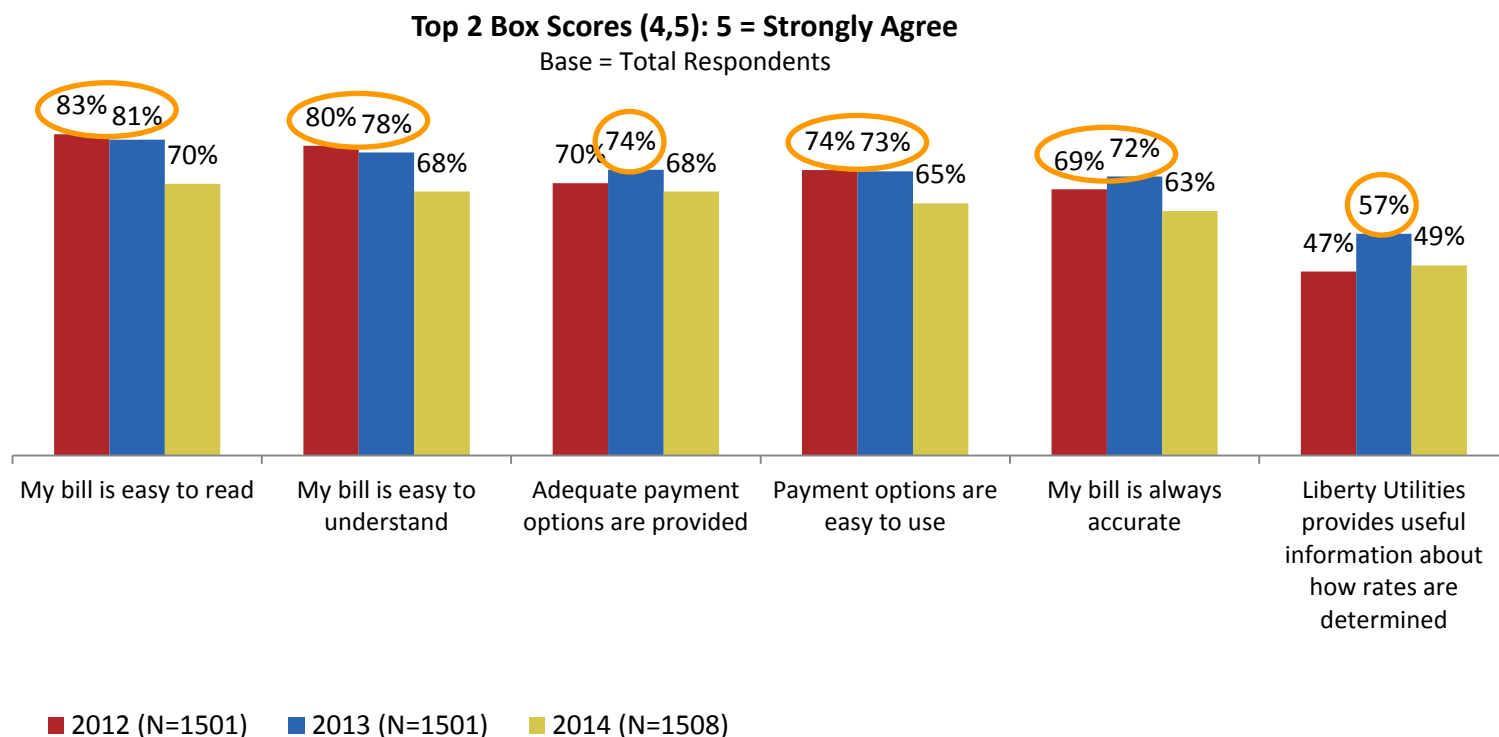
Q8. Overall, how would you rate your experience with the customer service you received? If you have called the office more than once in the last year, please think only about your last contact with Liberty Utilities.

# CUSTOMER BILLING

# Customer Billing – Satisfaction

Satisfaction with all aspects of customer billing decreased in 2014. The biggest decreases were seen for my bill is easy to read (-11%) and my bill is easy to understand (-10%).

## Detailed Findings



NOTE: Orange circled data indicates significant increases between years.

Q9. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements.

000142

# SERVICE OUTAGE

# Service Outage

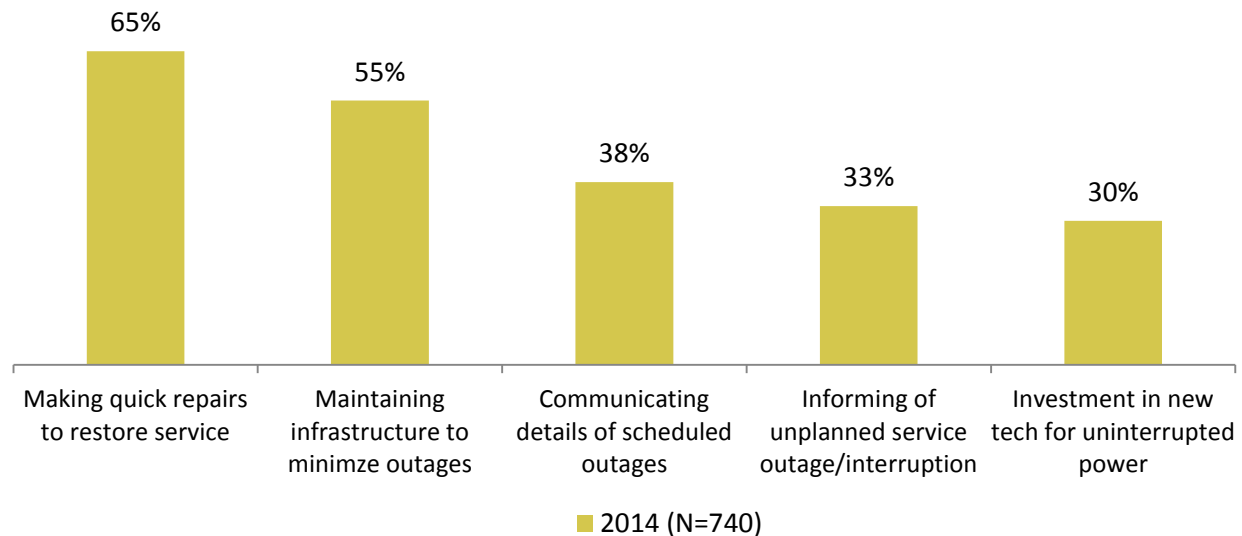
About half (49%) of all Liberty customers experienced a service outage in the past year.

Those who experienced an outage were most happy with Liberty's ability to make quick repairs (65%). Areas of improvement for Liberty include communication around scheduled and unplanned outages, as well as investments in new technology.

**49% of customers had a service outage in 2014**

**Top 2 Box Scores (4,5): 5 = Excellent**

Base = Experienced an Outage



*Note: Statements based differently in 2013 and 2014; in 2013 all statements were asked of all respondents contacting customer service; in 2014, only those who had a service outage were asked statements.*

*NOTE: Orange circled data indicates significant differences between the two years.*

*Q10b. Have you experienced a service outage in the past year?*

*Q10. Thinking about all of your experiences with Liberty Utilities, please rate how good a job they do on each of these items on a scale from 1 to 5, where 1 is "Poor" and 5 is "Excellent".*

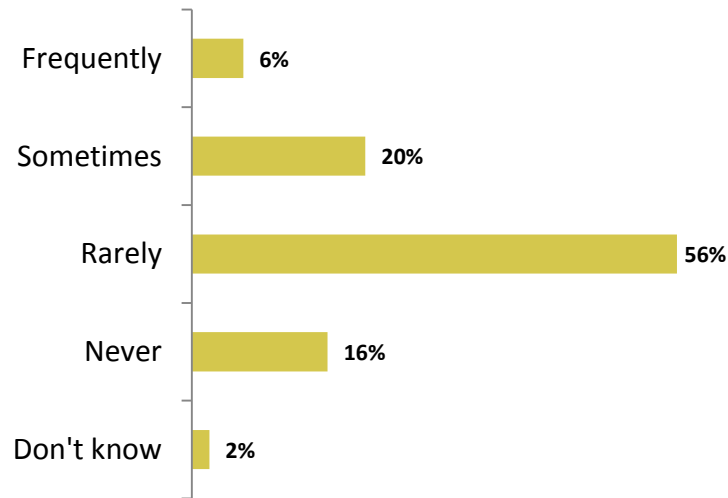
000144

# Service Outage

Over half (56%) of Liberty customers had service outage on a rare occasion. Almost half of Liberty customers expected that the actual restoration time should be within 1-6 hours of the Liberty Utilities estimate (44%). One in three didn't know.

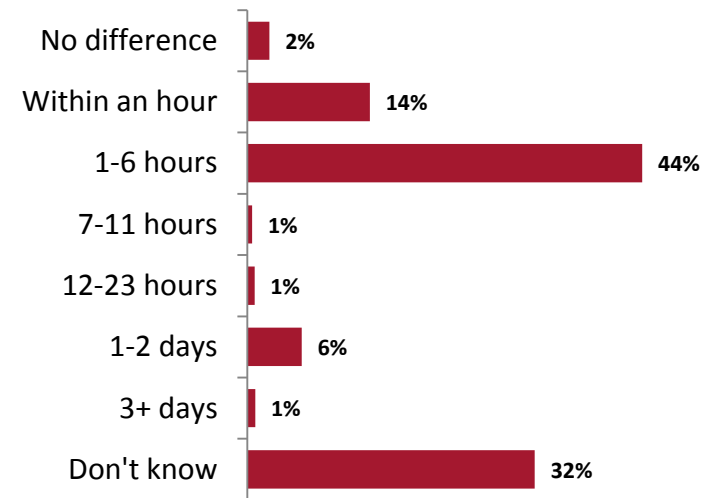
## Frequency of Service Outages

Base: Total Respondents  
N=1508



## Expected Restoration Times in Service Outage

Base: Total Respondents  
N=1508



Acceptable # outages in 12 month span of time:

2.17

NOTE: QEA02 was not asked in 2011-2013.

QEA02 Liberty Utilities understands that outage information is important to you. When contacting Liberty Utilities to obtain an estimated restoration time, how close do you expect the estimate from Liberty Utilities to be to the actual time of restoration?

QEA03 Would you say that your power goes out...

QEA04 Recognizing that electric outages happen periodically, how many are acceptable over a 12-month period?

000145

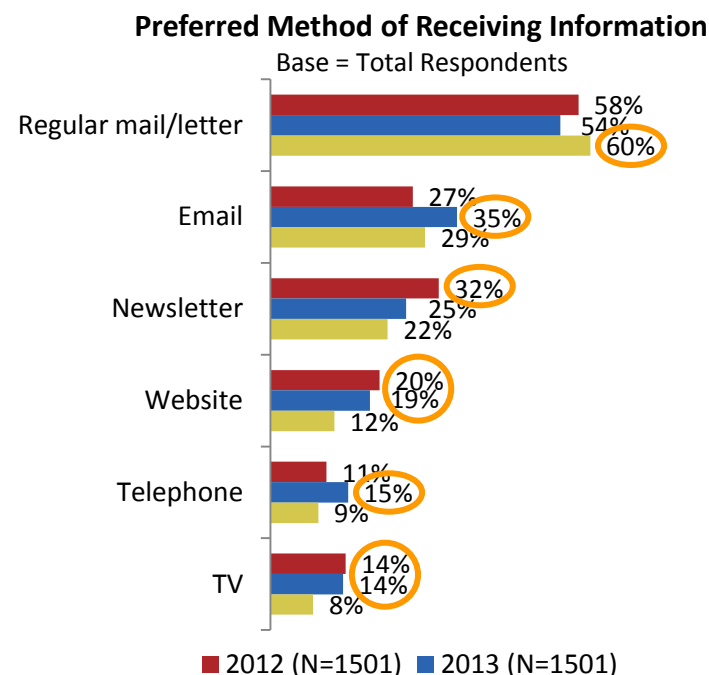
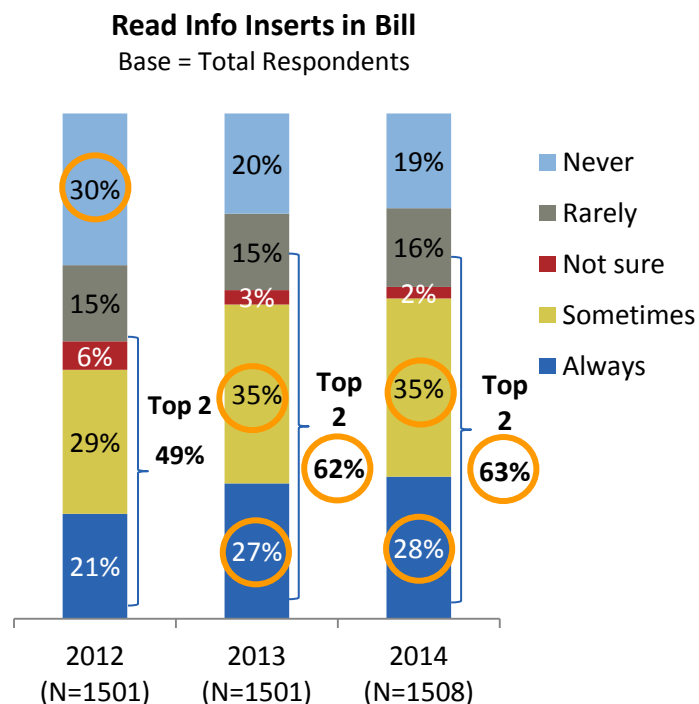
# COMMUNICATION

# Billing Inserts & Preferred Channels

Insert readership levels in 2014 were on par with 2013, with two-thirds of customers reporting they read their bill inserts sometimes or always. Customers ages 65+ were more likely to read the inserts than younger customers.

The top preferred method of communication among New Hampshire gas customers was regular mail/letter, favored by 60% of customers, a significant increase from 2013. Not surprisingly, older customers were significantly more likely to prefer regular mail, while younger customers preferred communications via email.

## Detailed Findings



NOTE: Orange circled data indicates significant increase compared to other year(s).

Q11. Liberty Utilities inserts informational newsletters into their customers' monthly bill. How often do you read the informational inserts included in your bill?

Q12. How would you like to receive information from Liberty Utilities? Please select all that apply.

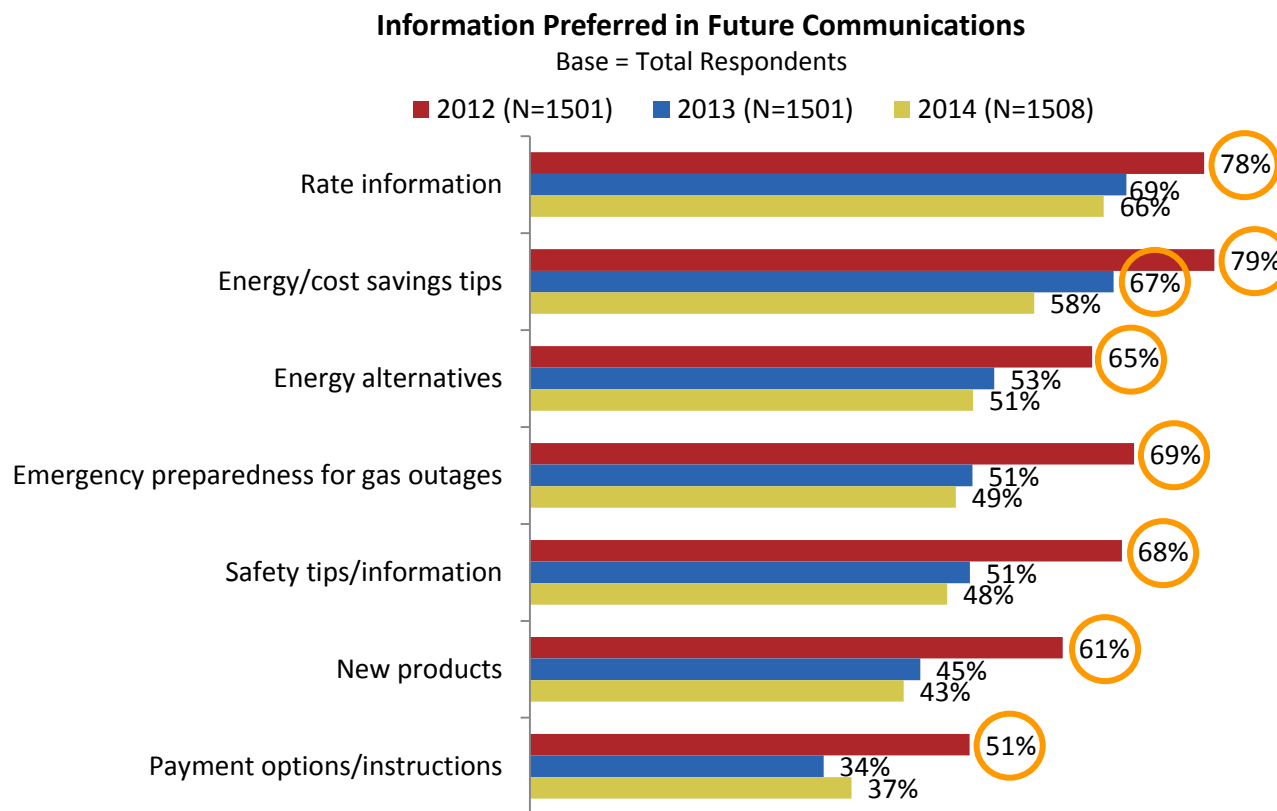
000147



# Preferred Types of Info

Interest in receiving almost all types of information were on par with 2013. Information on rates, energy/cost savings tips, and energy alternatives remained the priorities. All other types of information were of interest to less than half of customers.

## Detailed Findings



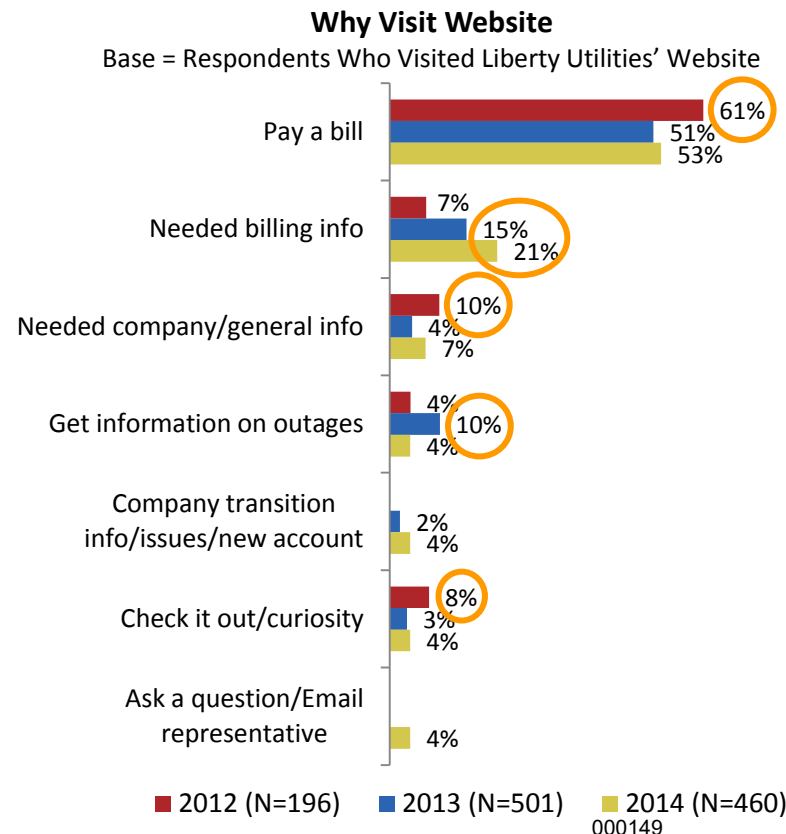
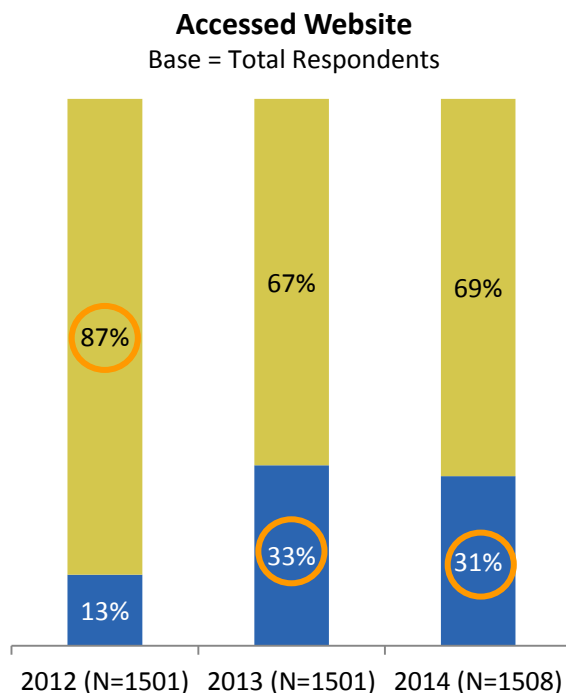
NOTE: Orange circled data indicates significant increases between years.

QEAST05. What types of information would you like Liberty Utilities to include in future communications? Please select all that apply.

# Website Access & Reasons for Visit

The number of customers who visited the utility's website remained on par with 2013 (31%), and over half of Liberty customers visit the website to pay a bill (53%) or because they need billing info (21%).

## Detailed Findings



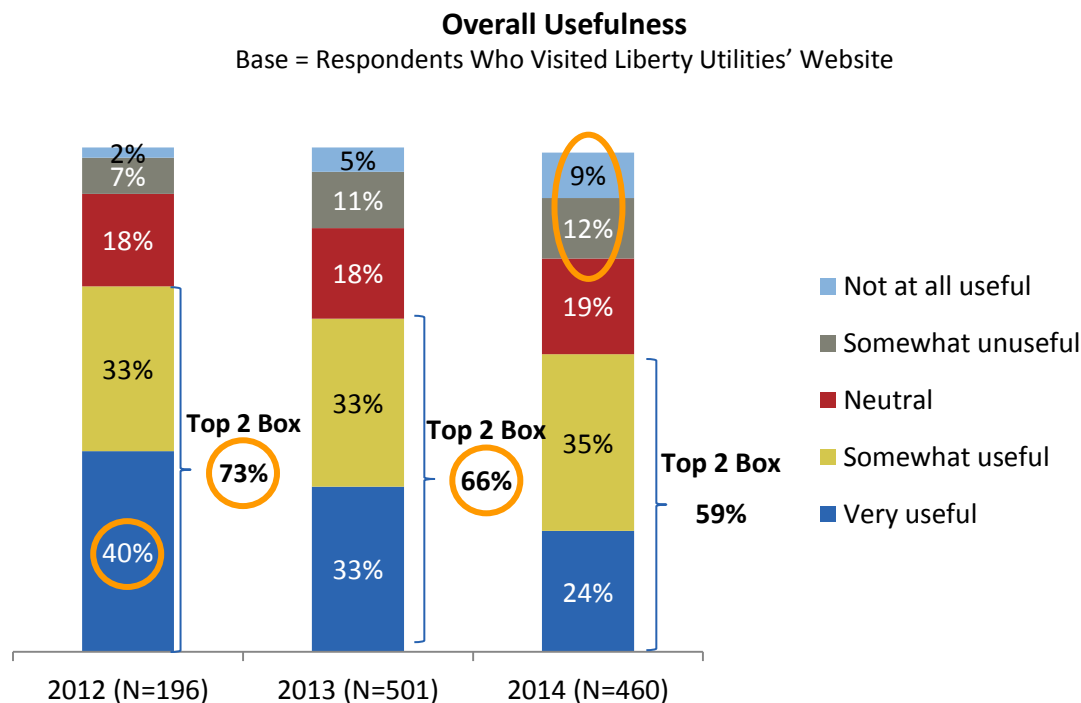
NOTE: Orange circled data indicates significant increases between years.; 5%+ mentions shown for Q14

Q13. Have you visited the Liberty Utilities website within the past year? / Q14. For what reasons did you visit the website?

# Website Satisfaction

Satisfaction with the website decreased significantly; there was a noticeable decline in those who perceived the website as being very useful along with a corresponding increase in those who perceived the website to be not useful.

## Detailed Findings



NOTE: Orange circled data indicates significant increases between years.

Q15. Please rate the usefulness of Liberty Utilities website using a scale from 1 to 5, where 1 is "not at all useful" and 5 is "very useful"..

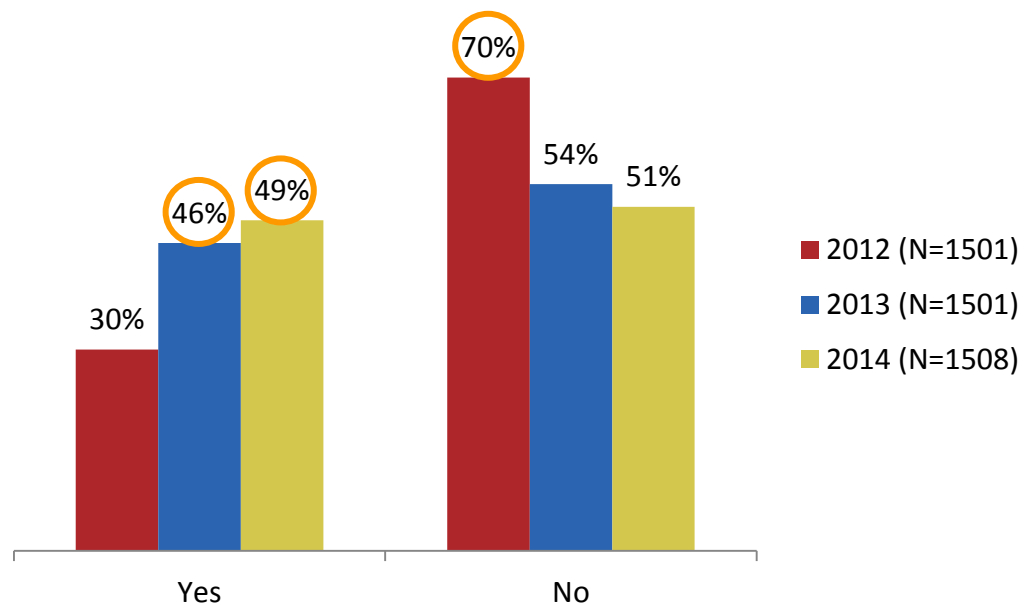
# **AWARENESS OF ENERGY EFFICIENCY PROGRAMS**

# Awareness of Energy Efficiency Programs

Awareness surrounding Liberty Utilities' energy efficiency programs continued to increase from 2013 to 2014, with almost half of customers stating they were aware of such programs (49%). Liberty has therefore been more effective in communicating these efforts to customers and should continue to promote such information.

## Awareness of Energy Efficiency Programs

Base = Total Respondents



NOTE: Orange circled data indicates significant increases between years.

QEAST06. Are you aware that Liberty Utilities offers energy efficiency programs to help you reduce your energy costs?

# RESPONDENT PROFILE

# Respondent Profile

|  | 2012       | 2013       | 2014       |
|--|------------|------------|------------|
| Total  | N=1501     | N=1501     | N=1508     |
| Gender                                       |            |            |            |
| Male   | 45%        | 42%        | 45%        |
| Female                                       | 55%        | 58%        | 55%        |
| Age  |            |            |            |
| 18 to 24 years                               | <b>3%</b>  | 2%         | 1%         |
| 25 to 34 years                               | 10%        | 9%         | 11%        |
| 35 to 44 years                               | <b>14%</b> | 11%        | 12%        |
| 45 to 54 years                               | 19%        | 20%        | 18%        |
| 55 to 64 years                               | 22%        | <b>25%</b> | 20%        |
| 65 years or older                            | 33%        | 34%        | <b>37%</b> |
| Household Income                             |            |            |            |
| Under \$25,000                               | 12%        | 12%        | 13%        |
| \$25,000 - \$49,999                          | 18%        | 19%        | 17%        |
| \$50,000 - \$74,999                          | 16%        | 16%        | 16%        |
| \$75,000 - \$99,999                          | 11%        | 12%        | 11%        |
| \$100,000 - \$149,999                        | <b>9%</b>  | <b>10%</b> | 7%         |
| \$150,000 or more                            | <b>7%</b>  | 5%         | 6%         |
| Prefer not to say                            | 26%        | 26%        | <b>30%</b> |
| Ethnicity                                    |            |            |            |
| White/Caucasian                              | 86%        | 87%        | 87%        |
| Asian or Pacific Islander                    | 2%         | 2%         | 2%         |
| Native American/Alaska Native                | <b>2%</b>  | 1%         | 1%         |
| Hispanic/Latino (White/Caucasian)            | 1%         | 1%         | 1%         |
| Black/African-American                       | 1%         | 1%         | 1%         |
| Hispanic/Latino (all other or multiple race) | <1%        | <1%        | <1%        |
| Hispanic/Latino (Black/African-American)     | <1%        | 0%         | <1%        |
| Other  | 2%         | 2%         | 1%         |
| Prefer not to say                            | 5%         | <b>7%</b>  | 6%         |

NOTE: Bold red data indicates significant differences between years.

000154

## Respondent Profile

## Respondent Profile

|                                      | 2012   | 2013   | 2014   |
|--------------------------------------|--------|--------|--------|
| Total                                | N=1501 | N=1501 | N=1508 |
| Average Number Children in Household |        |        |        |
| Under 18 years of age                | 1.73   | 1.69   | 1.78   |
| Education                            |        |        |        |
| Less than high school                | 2%     | 2%     | 2%     |
| High school/GED                      | 21%    | 22%    | 22%    |
| Professional school/training         | 6%     | 5%     | 5%     |
| Some college                         | 16%    | 16%    | 15%    |
| Associate's degree                   | 8%     | 7%     | 7%     |
| Bachelor's degree                    | 20%    | 19%    | 17%    |
| Some graduate school                 | 3%     | 5%     | 4%     |
| Graduate school degree               | 19%    | 19%    | 18%    |
| Prefer not to say                    | 5%     | 5%     | 10%    |
| Home Own Status                      |        |        |        |
| Rent                                 | 21%    | 19%    | 20%    |
| Own                                  | 78%    | 79%    | 78%    |
| Years In Current Residence           |        |        |        |
| 0 to 5 years                         | 29%    | 32%    | 32%    |
| 6 to 10 years                        | 14%    | 13%    | 12%    |
| 11 to 20 years                       | 22%    | 20%    | 20%    |
| More than 20 years                   | 34%    | 34%    | 35%    |

NOTE: Bold red data indicates significant differences between years.



# Respondent Profile

|                                  | 2012       | 2013       | 2014       |
|----------------------------------|------------|------------|------------|
| Total                            | N=1501     | N=1501     | N=1508     |
| <b>Home Type</b>                 |            |            |            |
| Single family                    | 80%        | 80%        | 81%        |
| Multi-family/apartment           | 18%        | 16%        | 17%        |
| Other                            | 1%         | 4%         | 1%         |
| DK/Not Sure                      | <1%        | <1%        | <1%        |
| <b>Main Heat Source For Home</b> |            |            |            |
| Oil                              | <b>53%</b> | 49%        | 48%        |
| Propane Gas                      | 16%        | <b>20%</b> | <b>19%</b> |
| Electric                         | 11%        | 10%        | 11%        |
| Wood                             | 7%         | <b>9%</b>  | 8%         |
| Natural Gas                      | 3%         | 4%         | <b>6%</b>  |
| Kerosene                         | 1%         | 2%         | 1%         |
| Geothermal Heat Pump             | <1%        | <1%        | <1%        |
| Other                            | 4%         | 3%         | 3%         |
| Don't Know / Not Sure            | <b>5%</b>  | 2%         | 3%         |

NOTE: Bold red data indicates significant differences between years.



# CUSTOMER SATISFACTION TRACKING NEW HAMPSHIRE ELECTRIC



October 2015

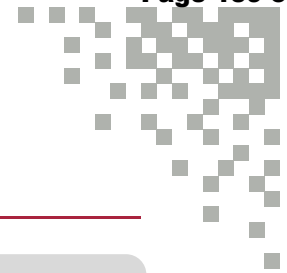




# CONTENTS

---

- 1 Objectives & Methodology
- 2 Key Findings & Recommendations
- 3 Detailed Findings
- 4 Appendix – Respondent Profile



# OBJECTIVES & METHODOLOGY

## Objectives:

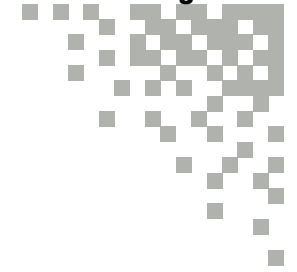
- Analyze current customer satisfaction levels with Liberty Utilities among New Hampshire (NH) Electric Customers.
- Compare current customer satisfaction levels with previous years to determine whether satisfaction significantly increased or not over time.
- Identify areas for improvement in order to increase satisfaction in the future.

## Methodology:

**Number of Completed Interviews:** n=1,500  
**Phone vs. Online Completion Ratio:** 75% / 25%  
**Fieldwork Dates:** 8/10/15 – 9/4/15  
**Statistical Significance Level:** 95%

## Sampling:

- Customers were randomly selected from a sample provided by Liberty Utilities for participation in the survey. The survey sample was representative of Liberty Utilities' New Hampshire Electric customers.
- As is the case in all survey samples, there is an element of sampling error that is known and measurable when making projections to the population of all Liberty Utilities' NH Electric Customers. Sampling error varies inversely with the size of the sample. With a sample size of n=1,500 and a 95% level of confidence, the range of error for proportions observed in this survey is +/- 2.53 percentage points.

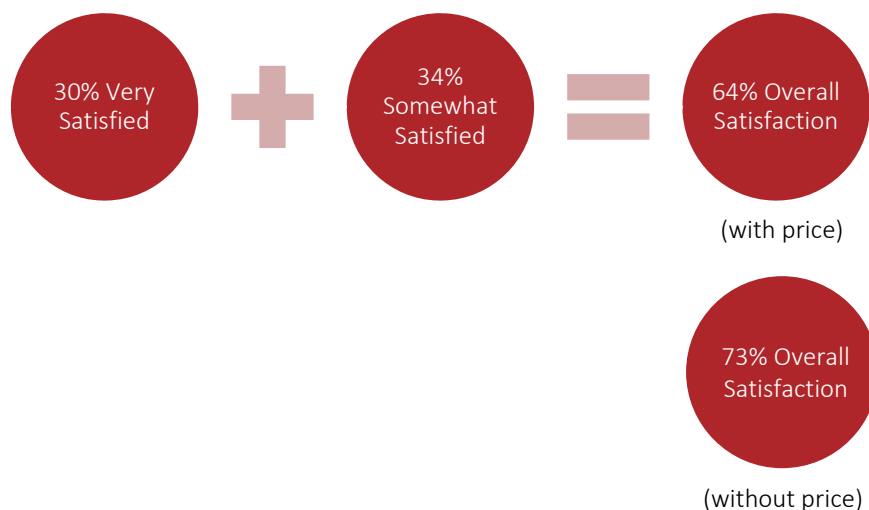


# KEY FINDINGS & RECOMMENDATIONS

---

# OVERALL SATISFACTION

Overall satisfaction, both with price and without price, remained stable year over year. Satisfaction without price continued to trend higher than satisfaction with price.



- Excluding price, the percentage who were very satisfied increased by 12 points, to 42%.
- Price had the biggest effect on satisfaction among customers earning \$50,000 or more.
- Whether price was included or excluded, satisfaction with Liberty increased with age.

The most common reason customers were satisfied was that they have never had a problem or complaint with Liberty.

- Many satisfied customers still had complaints, particularly about cost and billing.

## Why Satisfied (Unaided)

- 25%\* Never had a problem
- 24% Cost too high
- 17%^ Reliable

Price was the overwhelming reason for dissatisfaction, with confusing billing a strong second.

- The percentage of customers mentioning confusing billing and poor customer service both increased in 2015.

## Why Dissatisfied (Unaided)

- 64% Cost is too high
- 26%^ Billing is confusing
- 13%^ Bad customer service





# KEY INDICATORS & COMPANY EVALUATION

When rating the company on key indicators, customers were most satisfied with Liberty on providing reliable and safe services.

- Liberty's ratings increased compared to 2014 for encouraging conservation and communications.

Liberty's highest company evaluations were for protecting safety and quality of services.

- Satisfaction increased for protecting safety, being a well run company and having a vision for the future, while satisfaction declined for providing good value for the price.

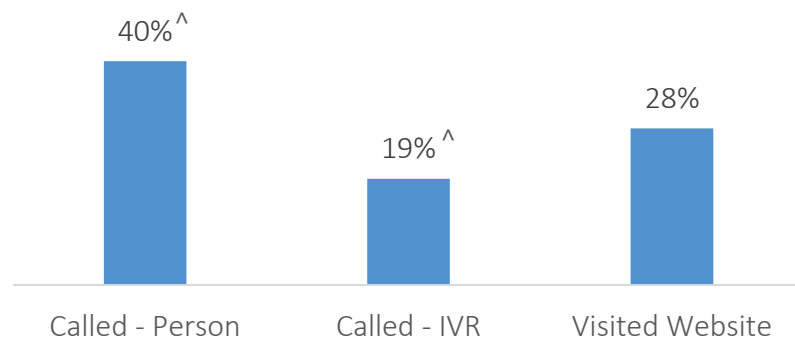
| Key Indicators |                            | Company Evaluation |                               |
|----------------|----------------------------|--------------------|-------------------------------|
| 83%            | Provide reliable services  | 67%^               | Protecting safety             |
| 81%            | Provide safe services      | 65%                | Quality of services           |
| 66%            | Accuracy of bill/statement | 58%                | Environmentally responsible   |
| 65%            | Payment options            | 52%^               | A well run company            |
| 60%            | Customer service           | 51%                | Responsible corporate citizen |
| 58%^           | Encouraging conservation   | 49%                | Commitment to community       |
| 55%^           | Communications             | 47%                | Open about operations         |
| 47%            | Community presence         | 47%^               | Vision for the future         |
| 42%            | Company website            | 38%*               | Good value for price          |
| 29%            | Price                      |                    |                               |

# CUSTOMER SERVICE

Customers most commonly contacted customer service via phone.

- Twice as many customers called and spoke with a person (40%) than used IVR (19%). Both increased compared with last year, while website usage was unchanged.

Contacted Customer Service By...



Top Reasons for Using

|                  |                  |              |
|------------------|------------------|--------------|
| Customer service | Outage info      | Pay bill     |
| Billing info     | Customer service | Billing into |

Overall satisfaction with customer service declined over the past year.



- The percentage who rated their contact with customer service as excellent dropped by 13 points in the past year (40% to 27%), after a 17 point decline between 2012 and 2014 (57% to 40%).
- The percentage rating their contact as fair or poor doubled between 2012 and 2015 (12% to 24%).
- The overall decline was likely due to increased dissatisfaction in handling requests quickly, convenient hours, and issue resolution.



# CUSTOMER BILLING

In terms of billing, satisfaction with Liberty Utilities was highest for bills being easy to read and having adequate payment options.

- Satisfaction was lowest for Liberty providing useful information about how rates are determined.
- After significant drops in satisfaction for all metrics in 2014, only two were lower in 2015 compared with 2014 – bills being easy to read and easy to understand.
- Aside from adequate payment options, where satisfaction was similar among all income groups, satisfaction was significantly higher among customers in households earning less than \$50,000 than among more affluent customers.

67%\* My bill is easy to read

66% Adequate payment options are provided

64% Payment options are easy to use

63%\* My bill is easy to understand

60% My bill is always accurate

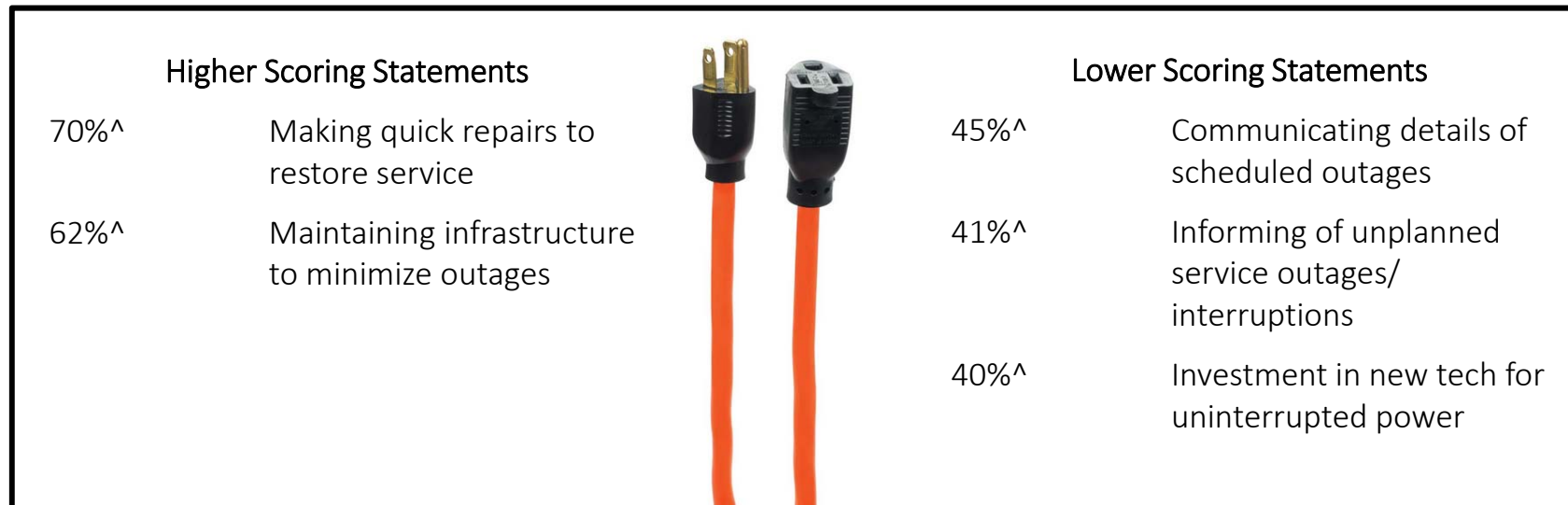
50% Liberty provides useful information on how rates are determined



# SERVICE OUTAGES

Satisfaction with Liberty was highest for making quick repairs to restore service and maintaining infrastructure to avoid outages.

- Satisfaction with all outage-related metrics increased in 2015 despite the fact that the percentage of customers who experienced an outage increased (from 49% to 58%).

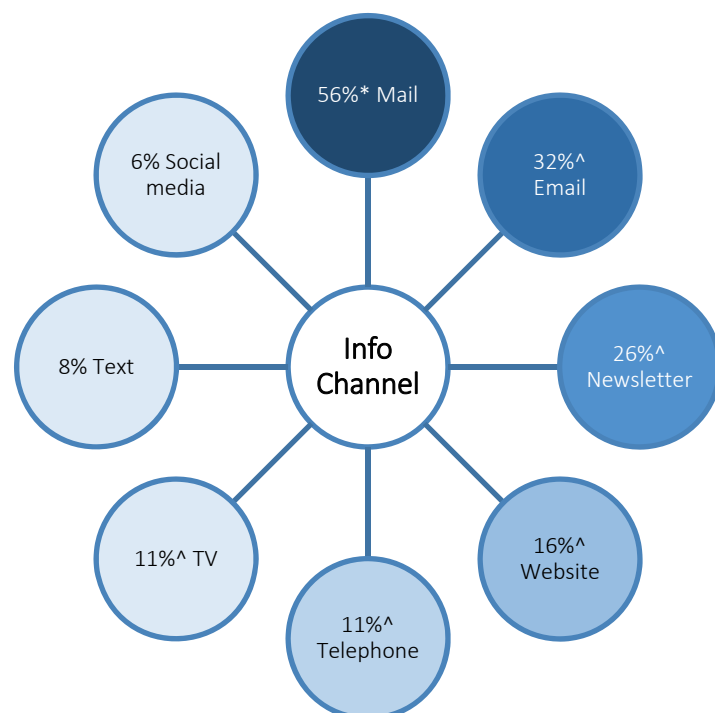
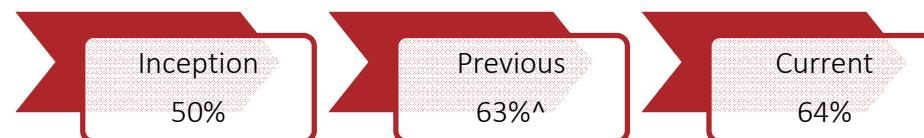


# COMMUNICATION

Nearly two-thirds of Liberty customers always or sometimes read their billing inserts.

- Insert readership increased with a customer's age.

## Read Inserts Always/Sometimes:



Most customers preferred to receive information from Liberty via mail, followed by email and newsletters.

- The percentage who preferred mail declined in 2015, while the percentages who chose most of the other options, including email, increased.
- Just over half of customers younger than 45 (51%) preferred to receive information via e-mail.
- In terms of information desired, customers most preferred to receive information about rates, followed by energy cost saving tips.



# RECOMMENDATIONS

---

## Overall Company:



After declining for the past few years, overall satisfaction with Liberty was relatively stable in 2015 (although at a considerably lower level than in previous years). Satisfaction continued to fall, however, among customers younger than 45 and they are the group which is key to improving the topline numbers.



Cost continues to be the greatest obstacle to satisfaction with Liberty. The fact that cost has a bigger effect on satisfaction among more affluent customers indicates that the issue is not one solely of the amount of the electricity bill, but also the perceived value associated with the amount. Liberty needs to continue an aggressive campaign to educate customers about how rates and charges are determined.



Continue to focus on improving the website and using digital tools for communication. While customers overall still prefer to receive information from Liberty via regular mail, customers under 45 prefer to receive it via email and it is very likely that the trend towards preference for digital communication will continue and current investments will provide payoffs in the long term.



# RECOMMENDATIONS

---

## Customer Service:



Although overall satisfaction with customer services was statistically unchanged compared with last year, the long-term trend is troubling. Satisfaction has declined by 23 points since 2012 and unlike in 2012, more customers who were satisfied in 2015 were more likely to give the company 'good' rather than 'excellent' ratings. Liberty needs to place particular focus on the areas where satisfaction has dropped most (handling requests quickly and issue resolution) and investigate what can be done to improve service in these areas.



Satisfaction with 'live' customer care, as well as the company's high ratings for restoring power quickly after outages confirms that Liberty's employees are its greatest ambassadors to customers. They are literally the human face of the company and should be leveraged as much as possible.

## Customer Billing:



After significant declines last year for most issues related to customer billing, satisfaction generally stabilized this year at the lower levels. However, Liberty Utilities would benefit from an effort to communicate rate information consistently, clearly and in a way that the average customer can understand.



# RECOMMENDATIONS

---

## Service Outages:



Although the percentage who reported experiencing an outage in the past 12 months increased this year, satisfaction increased on the measures related to how Liberty deals with outages. However, while the company receives high marks for making repairs quickly and maintaining the current infrastructure, satisfaction is much lower for investing in new infrastructure and giving customers notice of scheduled outages. Providing customers with more information about Liberty investments in new technology to prevent outages may help to improve these numbers.

## Communication:



In customer communications, place particular emphasis on rate information, including how rates are determined, and ways customers can save money. In the open-ended comments, many customers were surprised by fluctuations in their monthly bills and what caused them. Helping customers understand how rates are determined may help take some of sting out of cost complaints. In terms of energy efficiency, while awareness of Liberty programs continues to increase, nearly half of customers are still unaware of these programs.

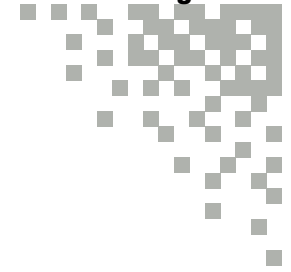


Increasingly focus on email and the website as customer communication tools. Younger customers are Liberty's least satisfied group and they prefer to receive information from the company via email. Satisfaction with the Liberty website is one of the areas where customers younger than 45 rate Liberty on par with older customers.



# DETAILED FINDINGS

---



# OVERALL SATISFACTION & EVALUATION

---

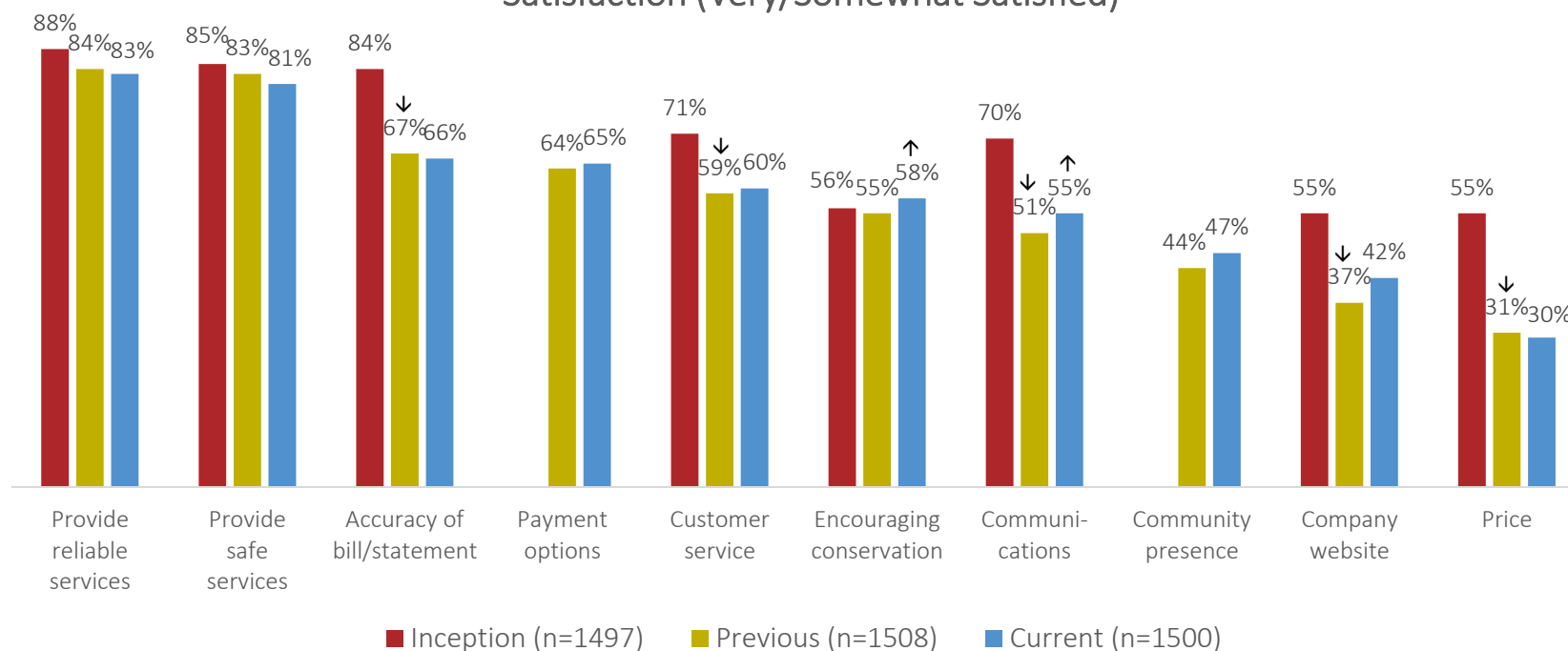


# KEY INDICATORS

Satisfaction scores generally held steady or inched up in 2015 after some significant declines last year. Areas where satisfaction increased this year included encouraging conservation and communications.

Aside from providing safe electrical services, where all groups gave Liberty high ratings, satisfaction was consistently lower among 18-44 year olds and among customers living in households earning \$50,000 or more annually.

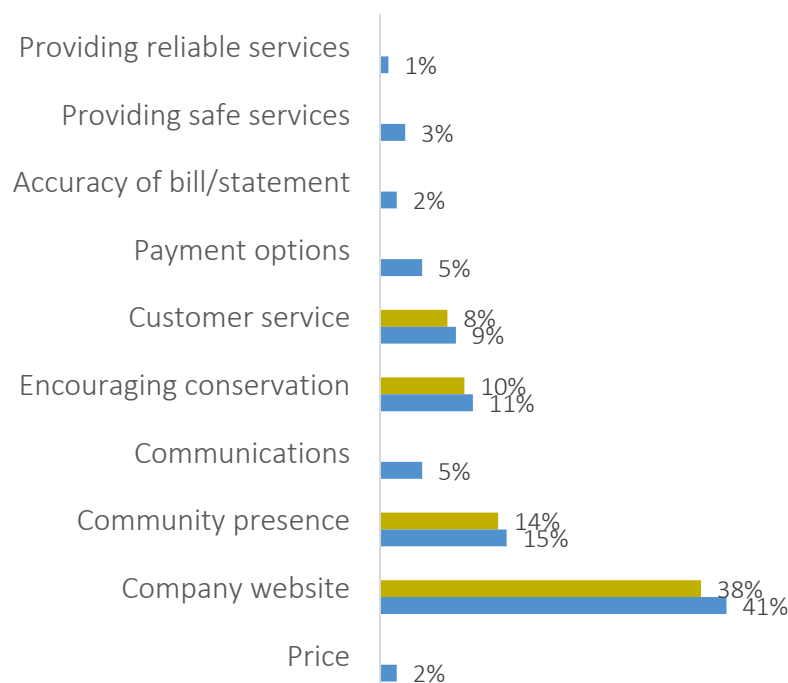
Satisfaction (Very/Somewhat Satisfied)



# REASONS FOR SELECTING N/A

The percentage of customers choosing Not Applicable for various company evaluation metrics were little changed compared with last year. Customers usually selected Not Applicable because they had not used the service or feature being asked about.

## Selected Not Applicable



■ Inception (n=N/A) ■ Previous (n=1508) ■ Current (n=1500)

↑/↓  
Note

Indicates score is significantly higher/lower than the previous year

This question was not asked in the Inception year, and was only asked for Customer service, Encouraging conservation, Community presence, and Company website in the Previous year

Q2b

Why did you say that the following aspects of Liberty Utilities' services are not applicable to you? Please be as specific as possible.

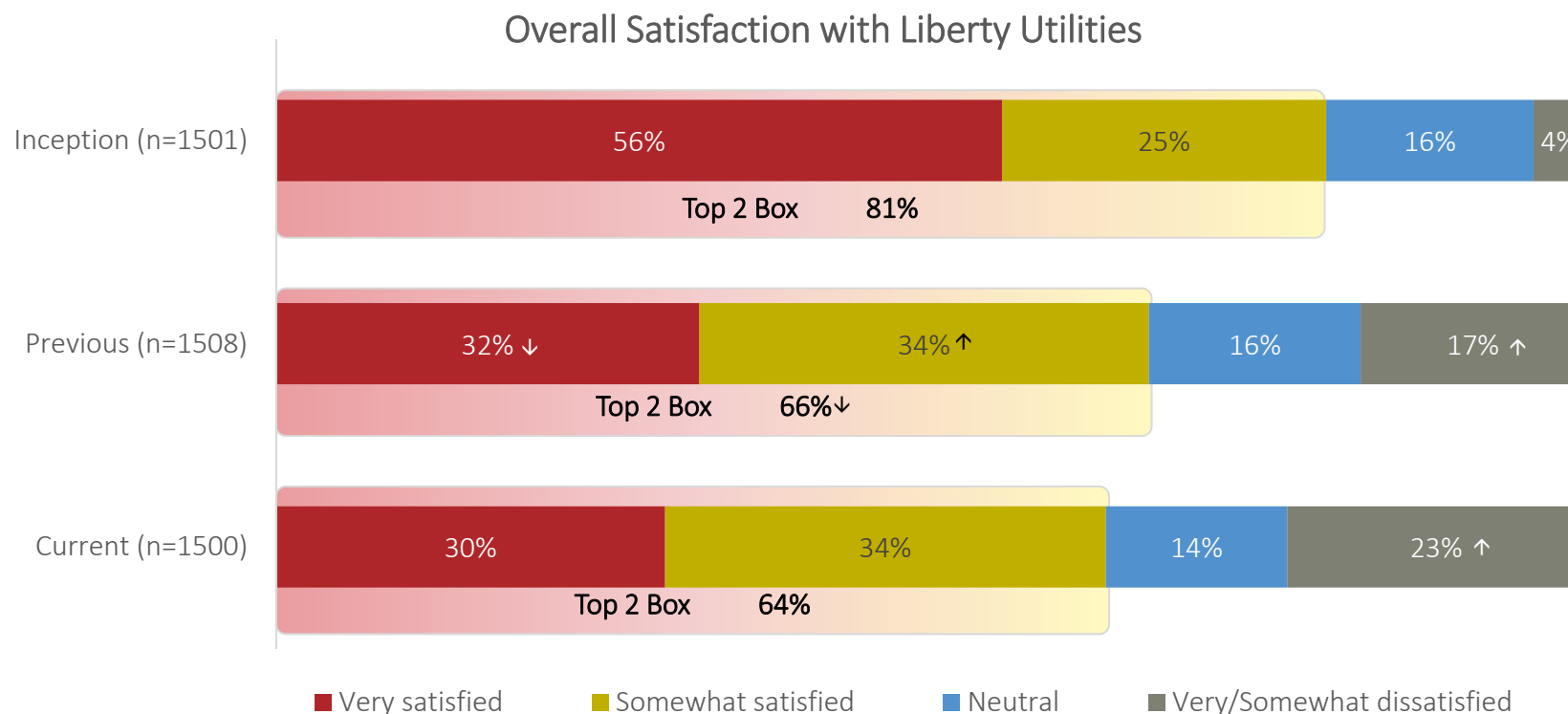
## Reasons Why (5%+ Mentions)

|   | Previous | Current |
|---|----------|---------|
| Base (Respondents who selected N/A for 1+ statements) | n=699    | n=745   |
| Have not used this                                    | 59%      | 59%     |
| Have heard nothing about this                         | 3%       | 18% ↑   |
| Do not own a computer                                 | 11%      | 7% ↓    |
| Have not contacted them/No need to contact            | 4%       | 7%      |
| Don't see them in the community                       | 3%       | 6% ↑    |

# OVERALL SATISFACTION

While the percentage of customers very or somewhat satisfied with Liberty Utilities overall remained in line with the previous year, there was a significant increase in those reporting dissatisfaction.

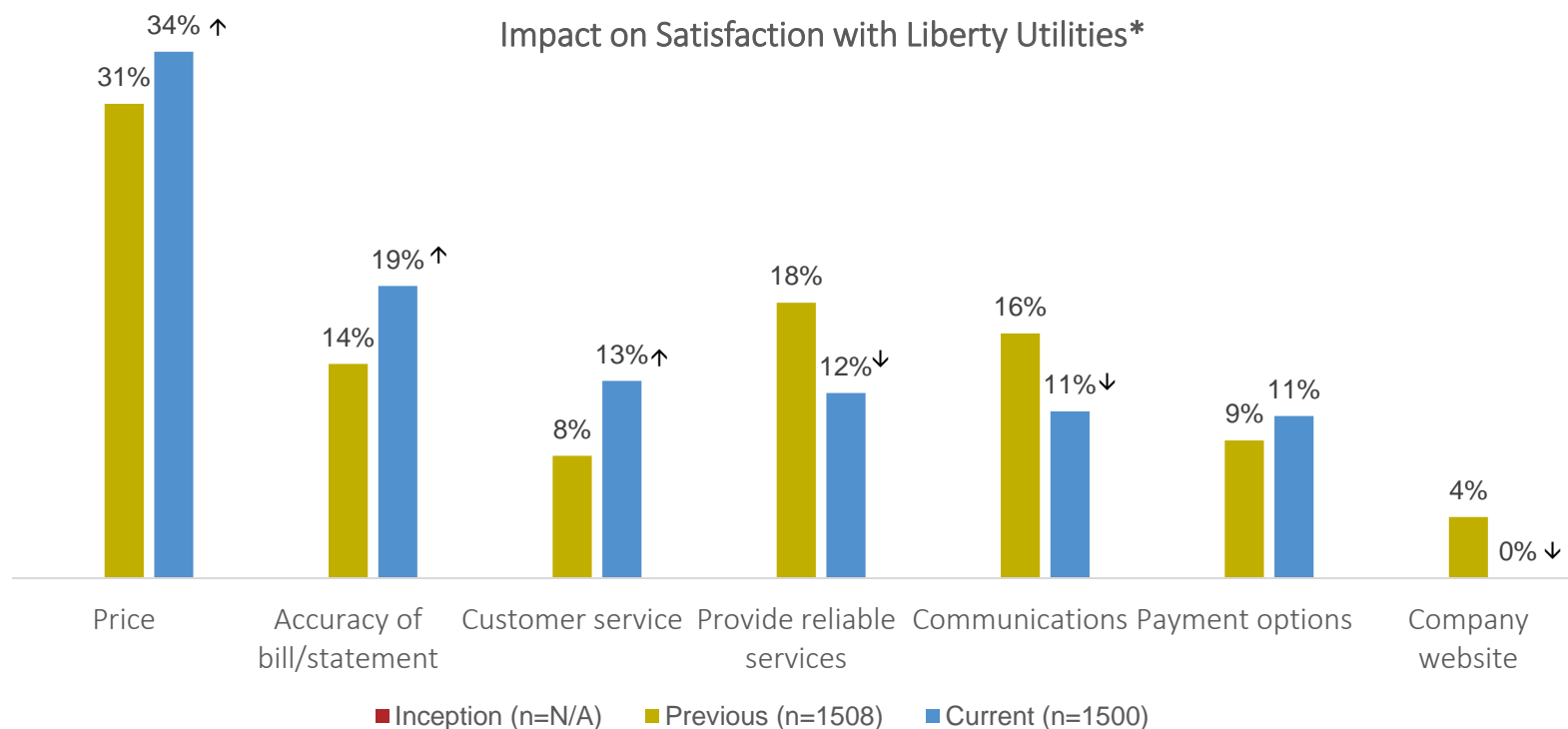
Satisfaction was steady among customers 45 and older, and dropped by 11 points among younger customers over the past year; since 2012, satisfaction among 18-44 year olds has declined by 33 points.



# DRIVERS OF SATISFACTION

A regression analysis was conducted to help quantify the impact of the Key Indicators on overall satisfaction with Liberty Utilities. The results for the attributes which had a significant impact on satisfaction are shown below.

Price remained the largest contributor to overall satisfaction with Liberty. Compared with 2014, the importance of price, bill accuracy and customer service has increased.





# REASONS FOR SATISFACTION/DISSATISFACTION

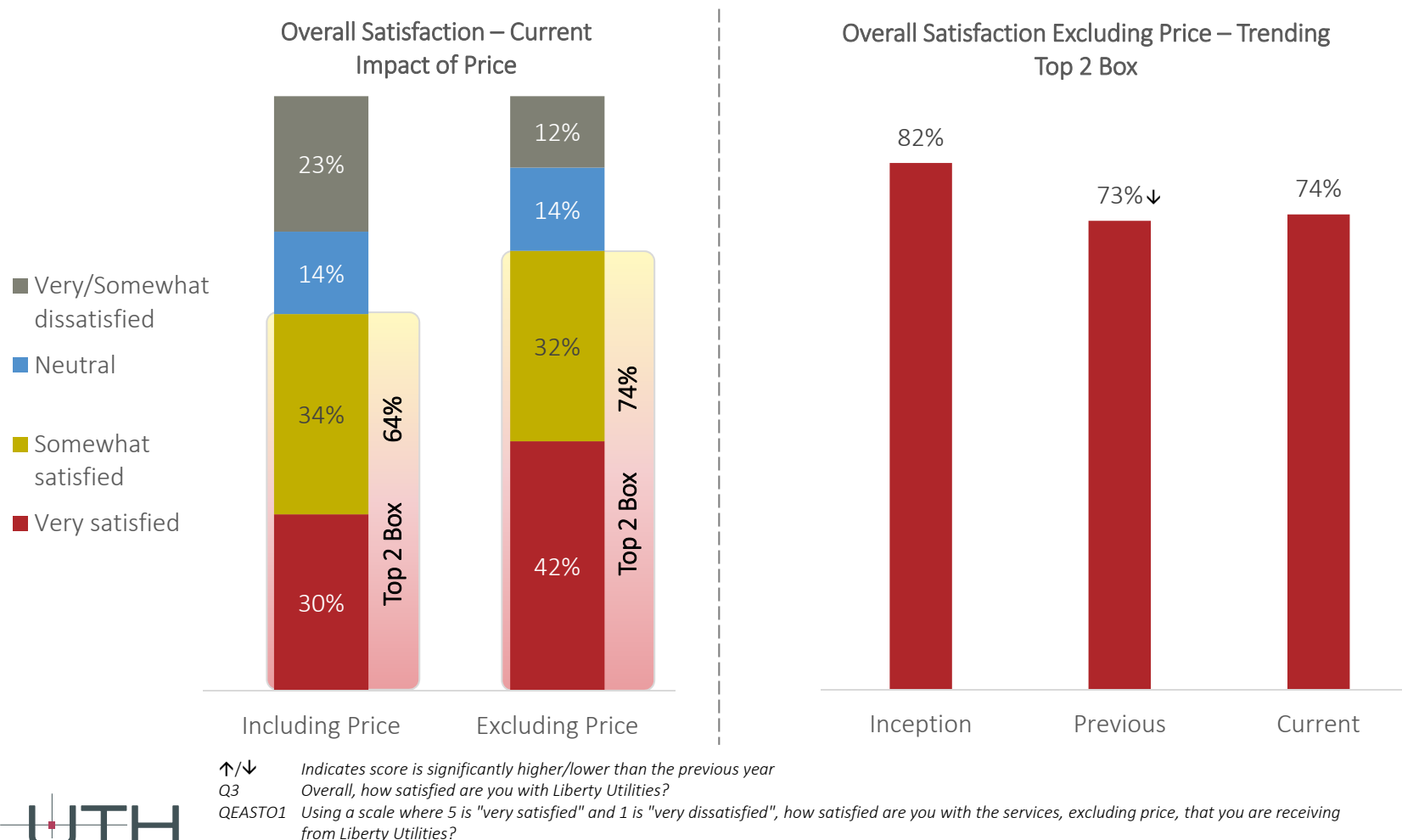
Never having a complaint remained the top reason why customers said they were satisfied (25%). However, many customers who were satisfied also had complaints, principally about costs (24%).

High cost and rate increases (64%) were by far the main reasons customers were dissatisfied, although billing problems (26%) were a common complaint as well.

|   | Inception     | Previous     | Current      | Difference from Previous |
|---|---------------|--------------|--------------|--------------------------|
| <b>Why Satisfied</b>  | <b>n=1211</b> | <b>n=999</b> | <b>n=951</b> |                          |
| Never had a problem/complaint                               | 47%           | 31%          | 25%          | -6% ↓                    |
| Cost is too high/rate increases                             | 4%            | 21%          | 24%          | +3%                      |
| Reliable/Receive services paid for/No service interruptions | 12%           | 10%          | 17%          | +7% ↑                    |
| Prompt, considerate repair service                          | 3%            | 7%           | 6%           | -1%                      |
| Billing is confusing/problematic                            | 1%            | 2%           | 6%           | +4% ↑                    |
| Good/friendly/courteous customer service                    | 4%            | 2%           | 6%           | +4% ↑                    |
| <b>Why Dissatisfied</b>                                     | <b>n=51</b>   | <b>n=265</b> | <b>n=341</b> |                          |
| Cost is too high/rate increases                             | 35%           | 66%          | 64%          | -2%                      |
| Billing is confusing/problematic                            | 12%           | 17%          | 26%          | +9% ↑                    |
| Poor/unfriendly/uncaring customer service                   | 20%           | 8%           | 13%          | +5% ↑                    |
| Website not user-friendly/informative                       | 0%            | 8%           | 5%           | -3%                      |

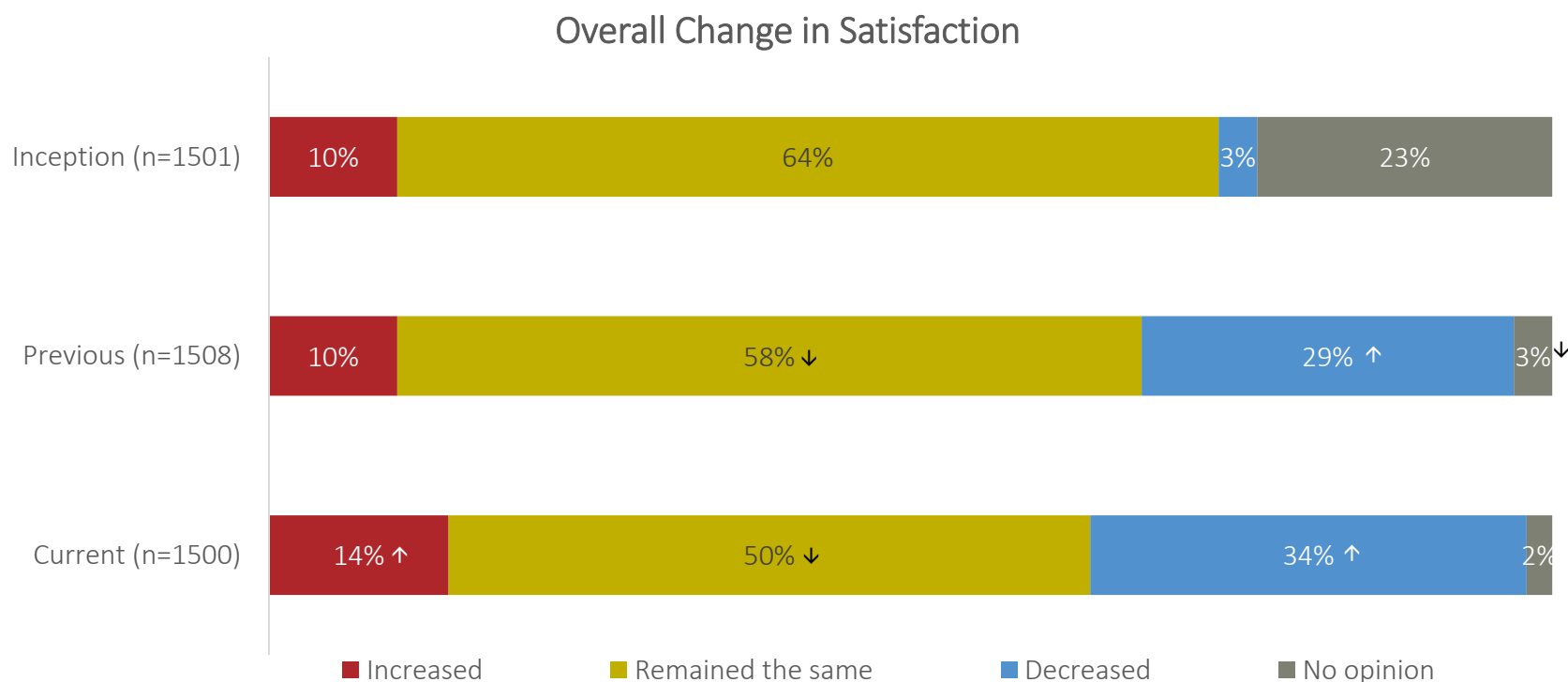
# OVERALL SATISFACTION EXCLUDING PRICE

Satisfaction was higher when customers were asked to consider Liberty services excluding price. The percentage who were very satisfied increased from 30% to 42%, confirming that price played a role in overall satisfaction levels.



# OVERALL CHANGE IN SATISFACTION

Half of New Hampshire Electric customers said their overall satisfaction with Liberty Utilities remained the same over the past year, while 14% reported an increase and 34% reported a decrease. The percentage reporting no change in their satisfaction declined this year, while the percentages who reported their satisfaction levels increased or decreased both rose.

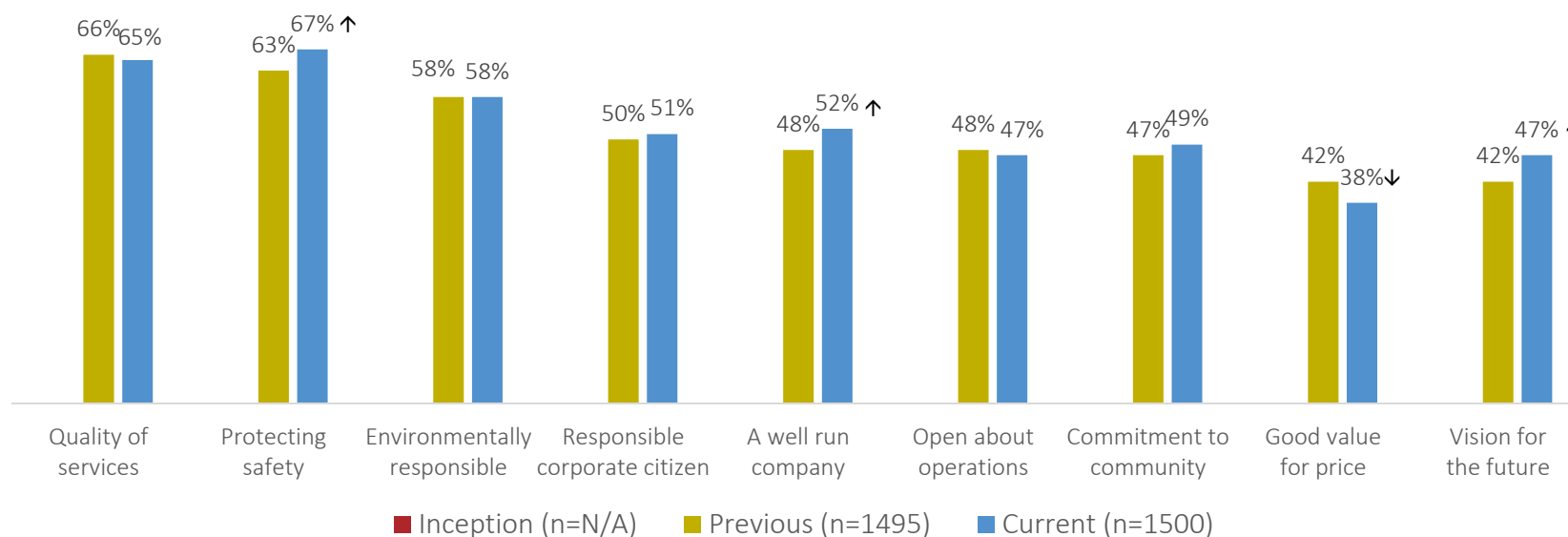


# COMPANY EVALUATION

Satisfaction with Liberty as a company was highest for protecting safety and the quality of services provided, while it was lowest for good value for the price. Compared with last year, satisfaction increased for protecting safety, being a well run company and having a vision for the future. Satisfaction decreased in 2015 for good value for the price.

Satisfaction with Liberty generally increased with age and declined as customer income increased.

## Company Evaluation (Excellent/Good)





# REASONS FOR SELECTING N/A

Customers were most likely to select Not Applicable for metrics related to how the company is managed; few selected Not applicable for price and service quality.

Not Applicable was usually selected because customers were not sure what was meant by the question, even though more descriptive explanations were provided this year.

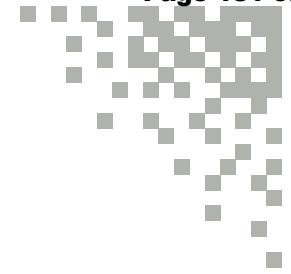
## Selected Not Applicable



## Reasons Why (5%+ Mentions)

|   | Previous | Current |
|---|----------|---------|
| Base (Respondents who selected N/A for 1+ statements) | n=587    | n=659   |
| Don't know/not sure what is meant by this             | 60%      | 65%     |
| Have no experience in this area                       | 20%      | 18%     |
| Nothing/no comment                                    | 12%      | 8%      |

■ Inception (n=N/A) ■ Previous (n=1508) ■ Current (n=1500)



# CUSTOMER SERVICE

---

# CUSTOMER SERVICE

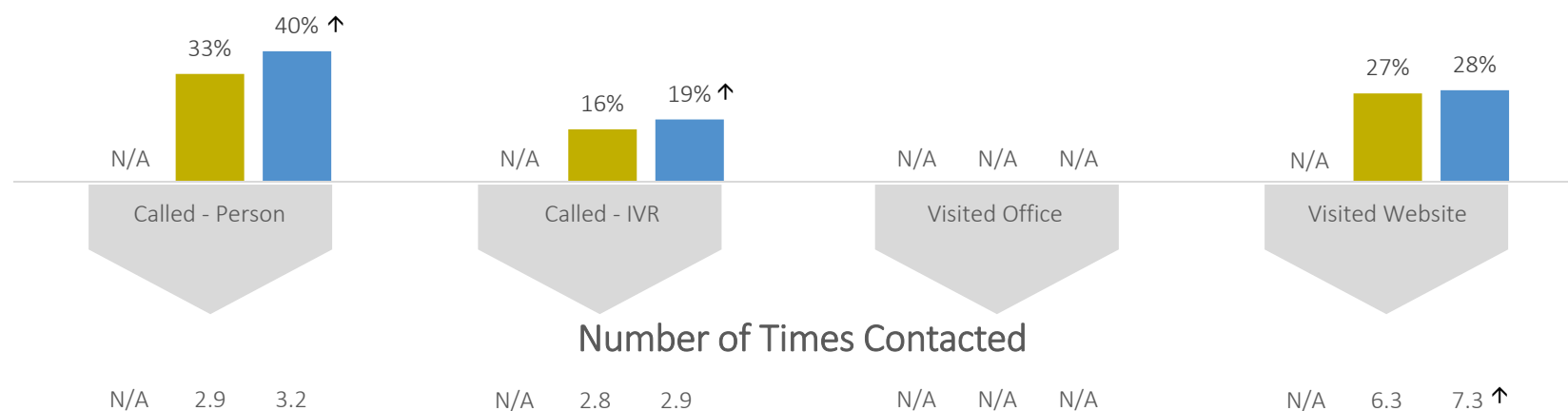
Customers most often contacted customer service by calling (53%). Those who called spoke with a person an average of 3.2 times and utilized IVR 2.9 times over the past year. The percentage of customers who contacted Liberty by phone increased compared with 2014, from 43% to 53%.

More than one in four customers visited the website for customer service (28%), visiting an average of 7.3 times, an increase compared with 2014.

Eighty percent of customers younger than 45 contacted Liberty customer service in the past year, compared with 65% of 45-64 year olds and 52% of customers 65 and older.

## Contacted Customer Service By...

■ Inception (n=N/A) ■ Previous (n=1508) ■ Current (n=1500)



↑/↓  
Q6z  
Q6x  
Q6a

Indicates score is significantly higher/lower than the previous year  
Which of the following have you done in the past year? Please select all that apply.  
When you called Liberty Utilities in the past year, did you...?  
To the best of your recollection, how many times have you done each of the following within the last year?

# REASONS FOR CONTACTING CUSTOMER SERVICE

The most common reasons for contacting Liberty and speaking with a person were for customer service or billing information. Compared with 2014, the percentage contacting Liberty and speaking with a person increased for customer service.

|   | Inception    | Previous     | Current          |
|---|--------------|--------------|------------------|
| <b>Called – Person</b>                      | <b>n=N/A</b> | <b>n=500</b> | <b>n=603</b>     |
| For customer service                        | N/A          | 46%          | 58% <sup>↑</sup> |
| Needed billing information                  | N/A          | N/A          | 52%              |
| Change or inquire about account information | N/A          | N/A          | 31%              |
| To pay a bill                               | N/A          | 33%          | 30%              |
| Outage information                          | N/A          | N/A          | 25%              |
| Start or stop service                       | N/A          | N/A          | 19%              |
| To report an emergency                      | N/A          | 16%          | 12%              |
| Needed company information                  | N/A          | N/A          | 9%               |
| Energy saving information                   | N/A          | N/A          | 7%               |
| Alternative energy                          | N/A          | N/A          | 4%               |

# REASONS FOR CONTACTING CUSTOMER SERVICE

Customers most commonly contacted Liberty and used IVR for outage information and customer service. The percentage using IVR to report an emergency declined significantly compared with 2014.

|   | Inception    | Previous     | Current      |
|---|--------------|--------------|--------------|
| <b>Called – IVR</b>                         | <b>n=N/A</b> | <b>n=236</b> | <b>n=265</b> |
| Outage information                          | N/A          | N/A          | 45%          |
| For customer service                        | N/A          | 37%          | 39%          |
| Needed billing information                  | N/A          | N/A          | 29%          |
| To pay a bill                               | N/A          | 23%          | 25%          |
| To report an emergency                      | N/A          | 45%          | 14% ↓        |
| Change or inquire about account information | N/A          | N/A          | 12%          |
| Start or stop service                       | N/A          | N/A          | 8%           |
| Needed company information                  | N/A          | N/A          | 7%           |
| Energy saving information                   | N/A          | N/A          | 4%           |
| Alternative energy                          | N/A          | N/A          | 3%           |

# REASONS FOR CONTACTING CUSTOMER SERVICE

Customers were most likely to use the Liberty website to pay a bill or to obtain billing information. The percentage who used the website to pay a bill declined compared with 2014.

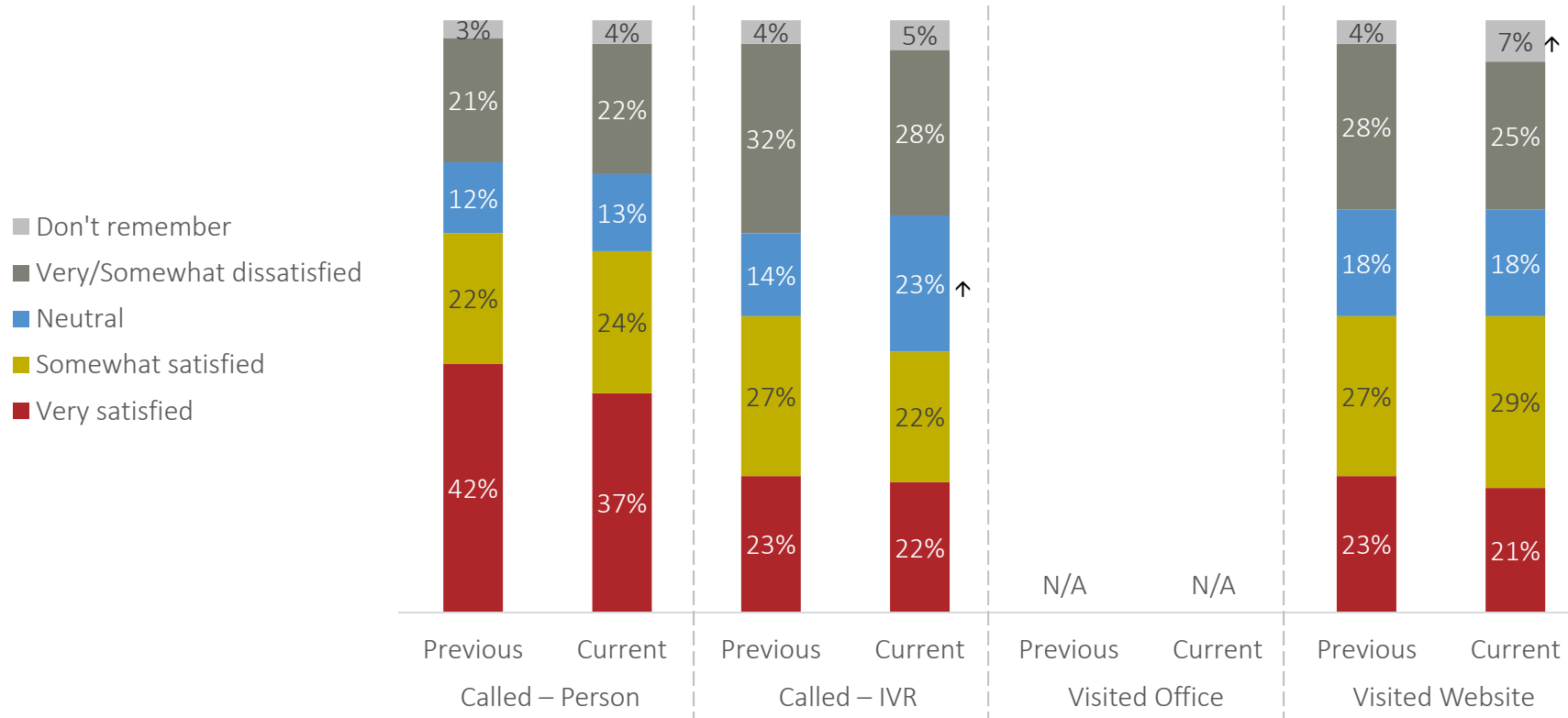
|   | Inception    | Previous     | Current      |
|---|--------------|--------------|--------------|
| <b>Visited Website</b>                      | <b>n=N/A</b> | <b>n=402</b> | <b>n=391</b> |
| To pay a bill                               | N/A          | 66%          | 59%↓         |
| Needed billing information                  | N/A          | N/A          | 52%          |
| For customer service                        | N/A          | 21%          | 26%          |
| Needed company information                  | N/A          | N/A          | 24%          |
| Change or inquire about account information | N/A          | N/A          | 24%          |
| Outage information                          | N/A          | N/A          | 22%          |
| Energy saving information                   | N/A          | N/A          | 19%          |
| Alternative energy                          | N/A          | N/A          | 11%          |
| Start or stop service                       | N/A          | N/A          | 9%           |
| To report an emergency                      | N/A          | 5%           | 5%           |

# SATISFACTION WITH CONTACT METHOD

As in 2014, satisfaction with the customer service experience was significantly higher among those who called and spoke with a person (61%) than those who called and used IVR (44%) or visited the website (50%).

Satisfaction among customers who called and spoke with a person was significantly lower among those younger than 45 (53%) than among those 45 and older (65%).

Satisfaction with Each Contact Method



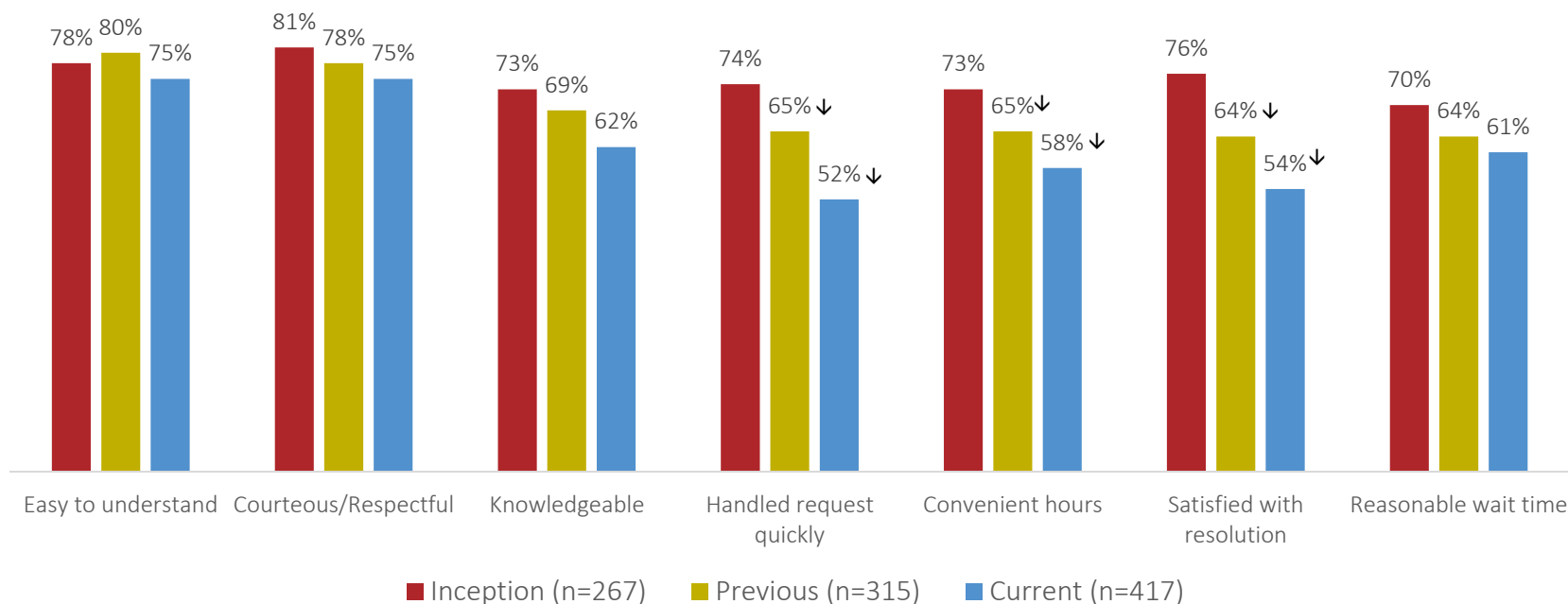


# SATISFACTION WITH CUSTOMER SERVICE

Customers who used Liberty customer service were most satisfied with the ease of understanding customer service staff and their courtesy and respectfulness. Satisfaction lagged for requests being handled quickly and obtaining a resolution to their issue.

Compared with 2014, satisfaction declined for three attributes – handling requests quickly, convenient hours and issue resolution.

## Satisfaction (Strongly/Somewhat Agree)



↑/↓  
Q7

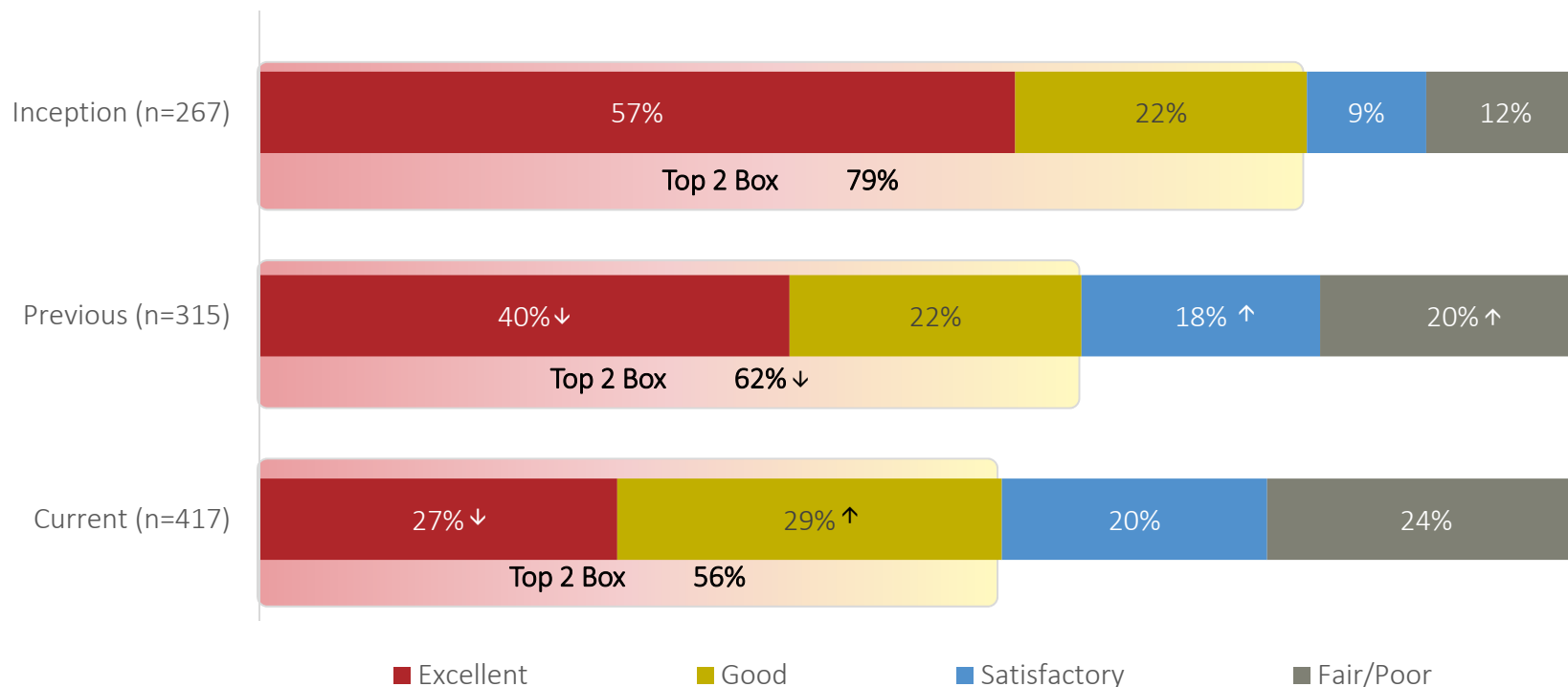
Indicates score is significantly higher/lower than the previous year  
Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements about Liberty Utilities' customer service. If you have called more than once within the last year, please think only about your last contact with Liberty Utilities.

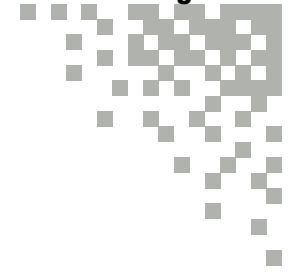


# RATING OF OVERALL EXPERIENCE

Just over half of customers were satisfied with their overall customer service experience (56%). The percentage who rated their experience as excellent has dropped from 57% to 27% since 2012, while the percentage who rated their experience as poor has doubled (12% to 24%).

## Overall Satisfaction with Liberty Utilities





# CUSTOMER BILLING

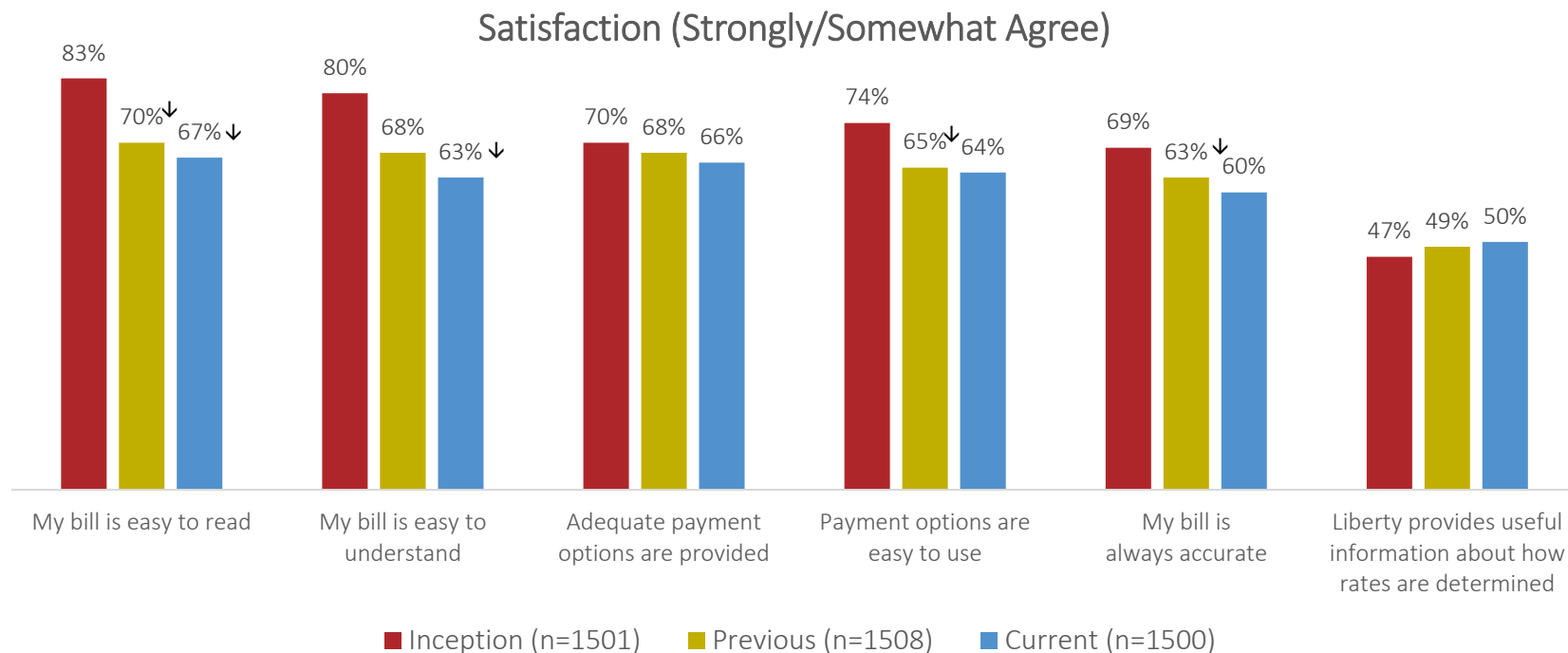
---

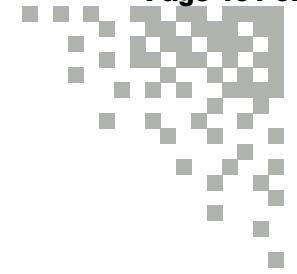


# SATISFACTION WITH CUSTOMER BILLING

After significant declines in satisfaction for many aspects of customer billing last year, satisfaction this year only slightly declined for bills being easy to read and understand. Satisfaction with other aspects of billing was stable.

Aside from adequate payment options, where satisfaction was similar among all income groups, satisfaction was significantly higher among customers in households earning less than \$50,000 than among more affluent customers.





# SERVICE OUTAGE

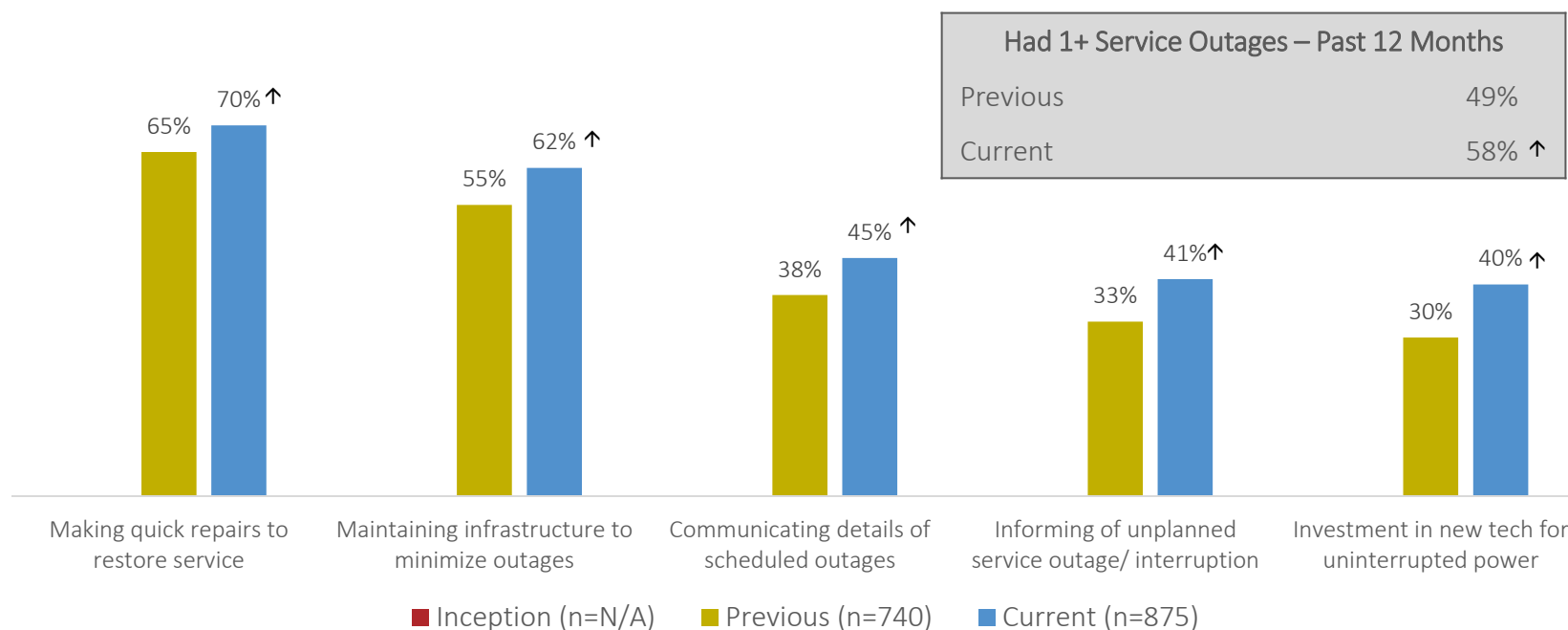
---

# SERVICE OUTAGE

More than half of Liberty customers (58%) experienced a service outage in the past 12 months, a 9 point increase compared with last year.

However, among customers who experienced an outage, satisfaction increased across all attributes and was particularly high for making quick repairs and maintaining infrastructure to minimize outages.

## Service Outage Evaluation (Excellent/Good)



↑/↓  
Q10b  
Q10

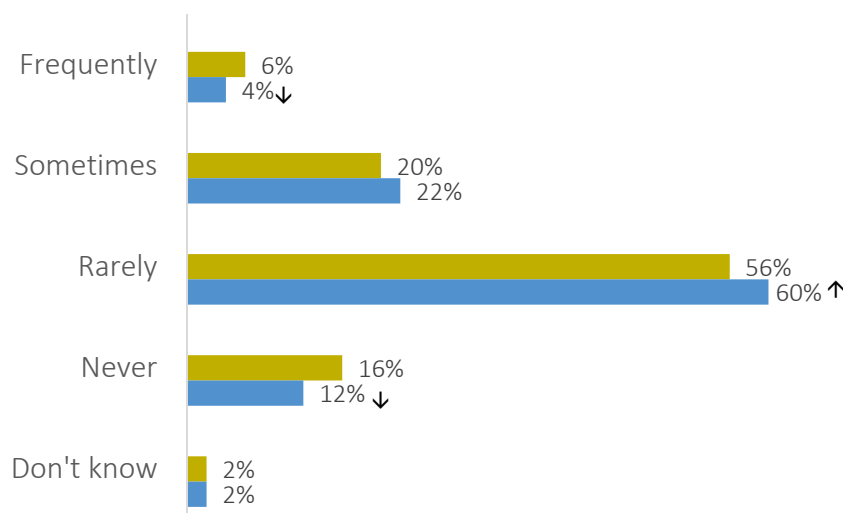
Indicates score is significantly higher/lower than the previous year  
Have you experienced a service outage in the past year?

Thinking about all of your experiences with Liberty Utilities, please rate how good a job they do on each of these items on a scale from 1 to 5, where 1 is "Poor" and 5 is "Excellent".

# SERVICE OUTAGE

Nearly three-quarters of Liberty customers (72%) said that they rarely or never experience an outage. Half expected the time required to regain electricity should be within 1-6 hours of the Liberty Utilities' estimate (48%).

## Frequency of Service Outages



■ Inception (n=N/A) ■ Previous (n=1508) ■ Current (n=1500)

### Acceptable # of Outages – 12 Month Span

|          |      |
|----------|------|
| Previous | 2.17 |
| Current  | 2.17 |

↑/↓

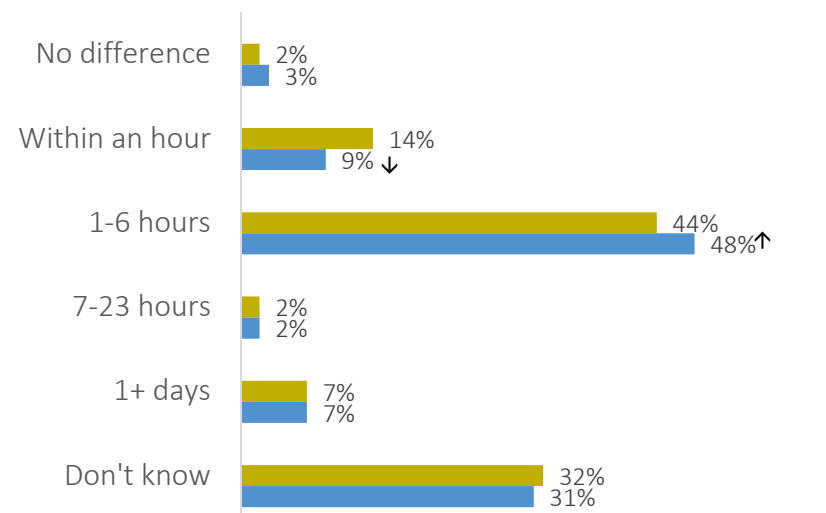
Indicates score is significantly higher/lower than the previous year

QEAST02 Liberty Utilities understands that outage information is important to you. When contacting Liberty Utilities to obtain an estimated restoration time, how close do you expect the estimate from Liberty Utilities to be to the actual time of restoration?

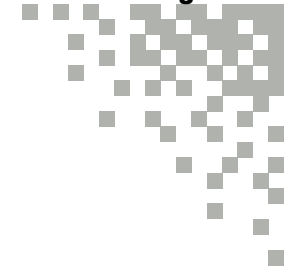
QEAST03 Would you say that your power goes out...

QEAST04 Recognizing that electric outages happen periodically, how many are acceptable over a 12-month period?

## Expected Restoration Times



■ Inception (n=N/A) ■ Previous (n=1508) ■ Current (n=1500)



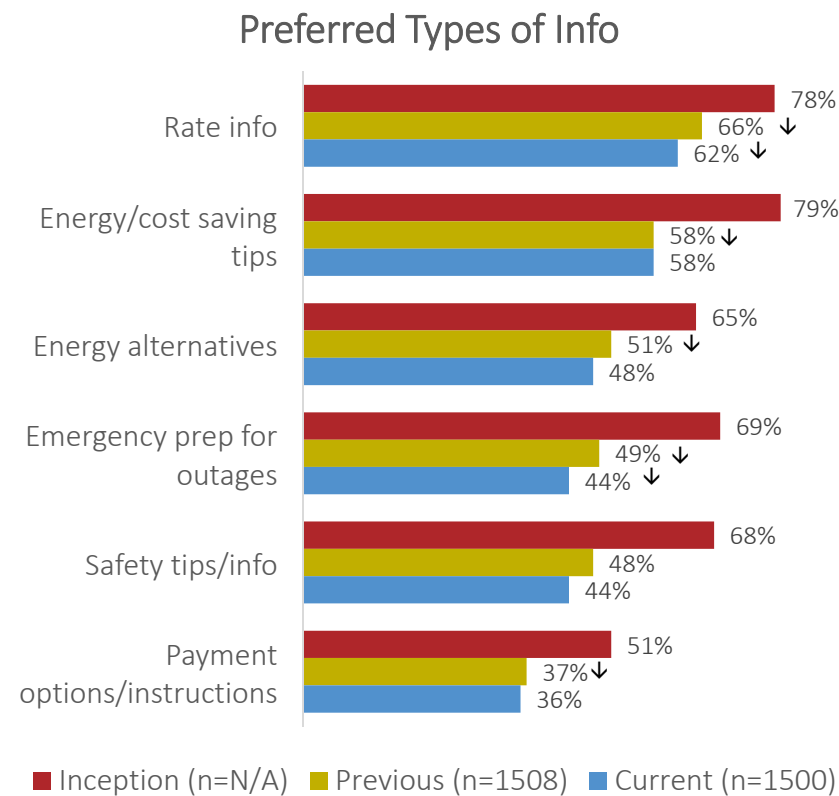
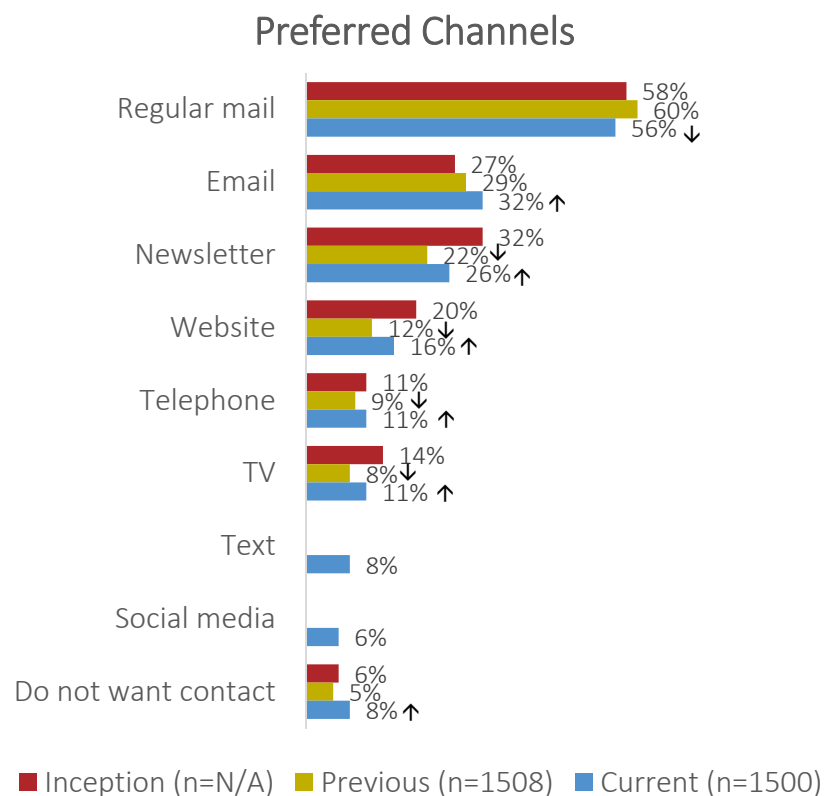
# COMMUNICATION

---

# PREFERRED CHANNELS, TYPES OF INFO

Most customers preferred to receive information from Liberty via regular mail (56%), although one-third preferred to receive it via email (32%). More than half customers younger than 45 (51%) preferred to receive information via e-mail.

Customers were most interested in receiving rate information, as well as energy/cost saving tips.

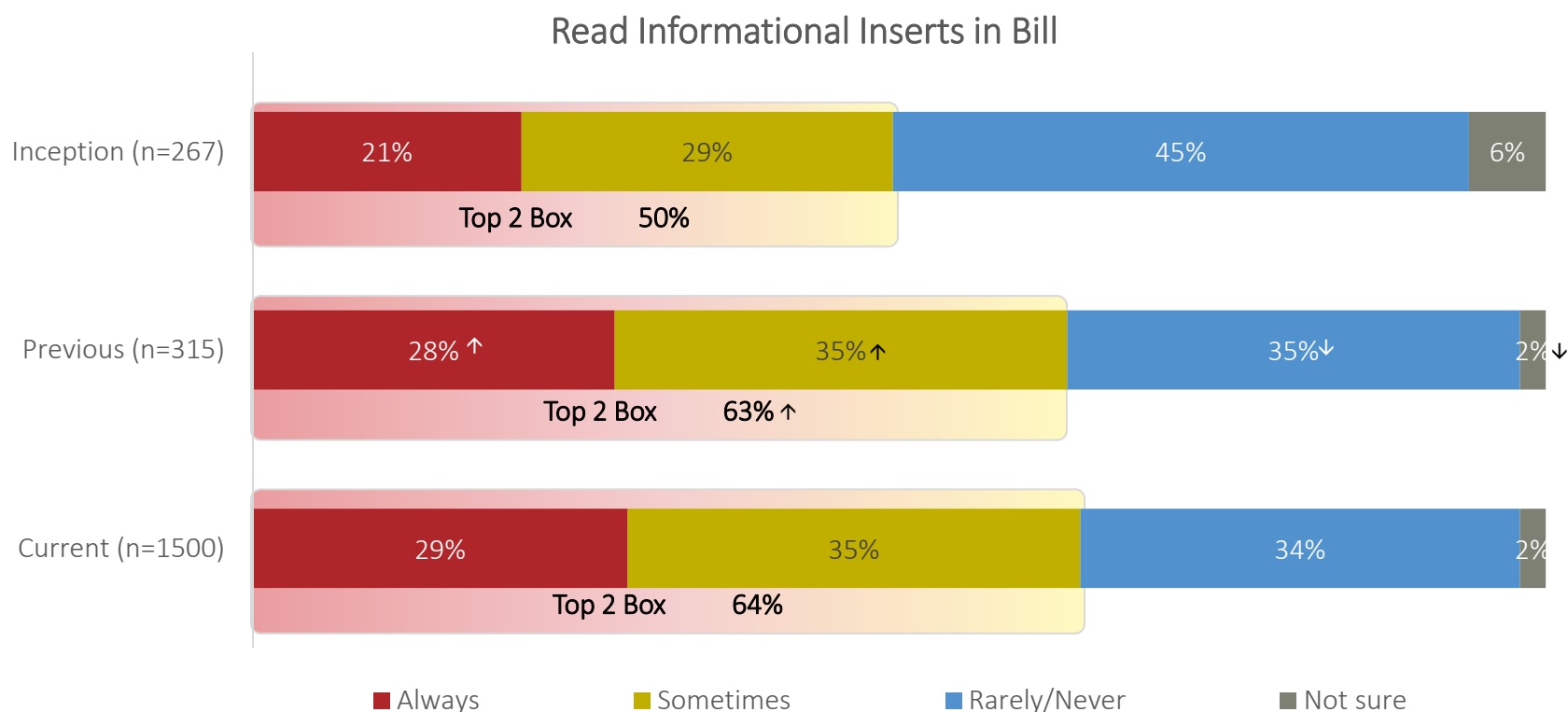




# BILLING INSERTS

Insert readership levels in 2015 were similar to those in 2014, with nearly two-thirds (64%) reporting that they always or sometimes read their bill inserts.

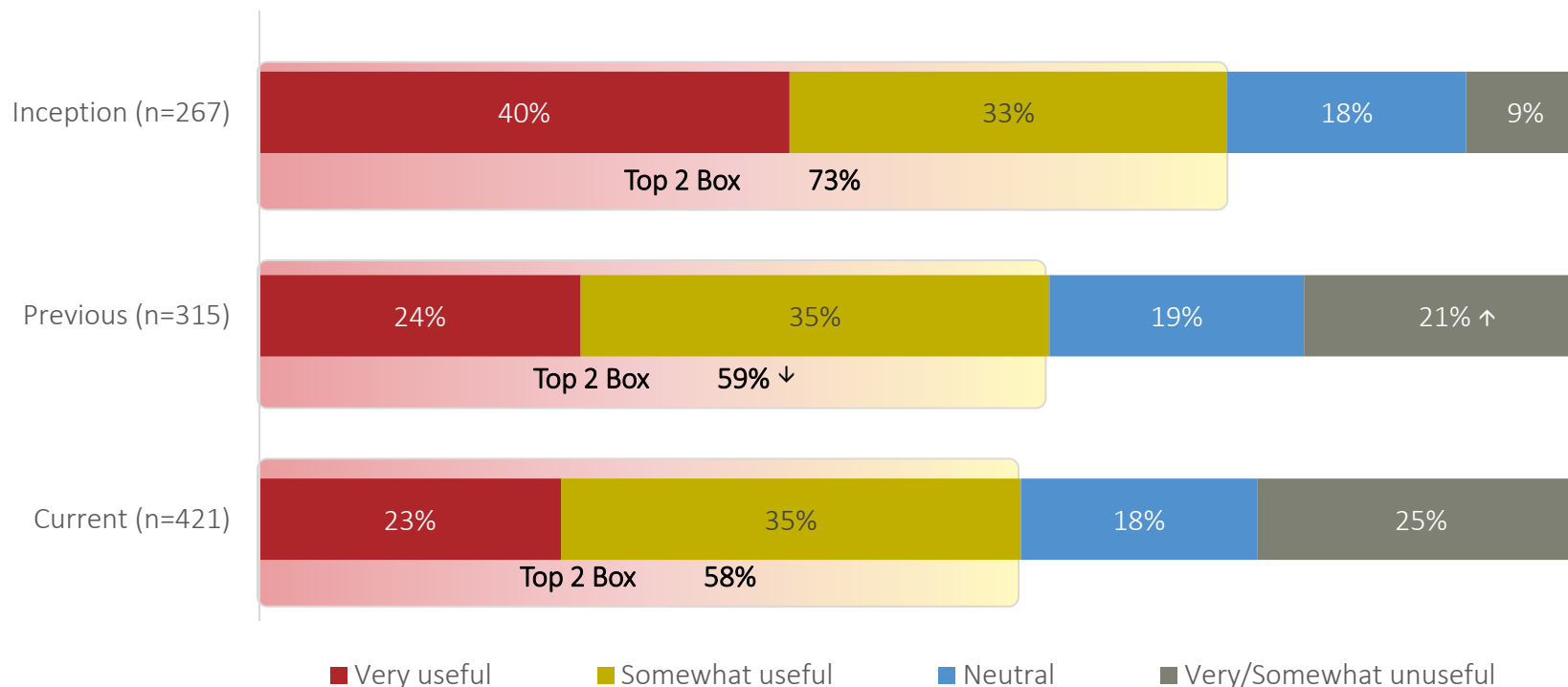
Readership of bill inserts increased with customer age.



# WEBSITE USEFULNESS

While the percentage of customers who thought the website was useful remained stable in 2015, it has declined from 73% to 58% since 2012. At the same time, the percentage who thought the site was not useful nearly tripled, from 9% to 25%.

## Overall Usefulness





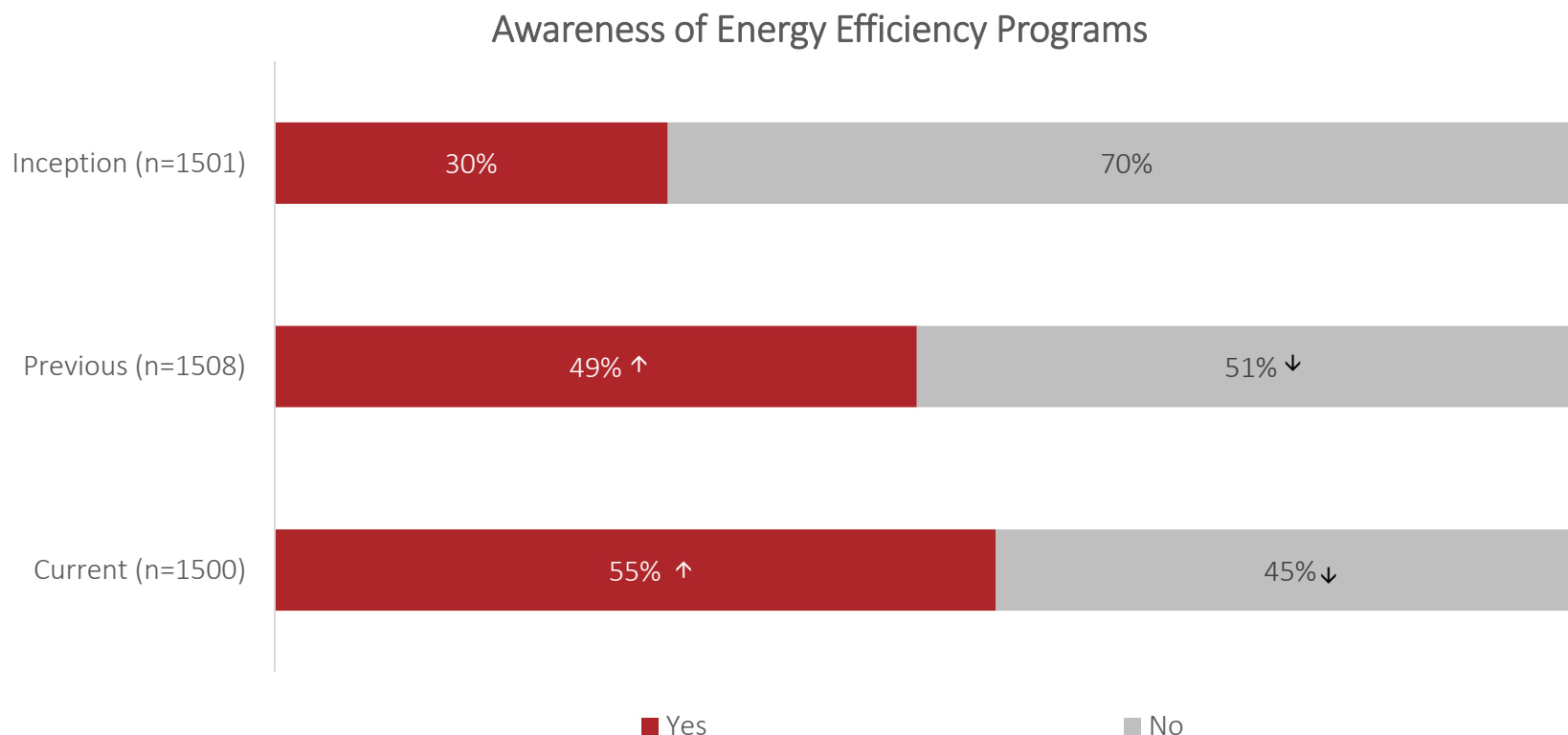
# AWARENESS OF ENERGY EFFICIENCY PROGRAMS

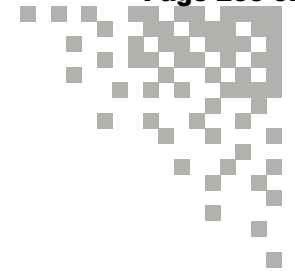
---

# AWARENESS OF ENERGY EFFICIENCY PROGRAMS

More than half of customers (55%) said they were aware of Liberty's energy efficiency programs, a six point increase compared with 2014 and a 25 point increase compared with 2012.

Awareness was highest among customers 65 and older.





# APPENDIX

---



# RESPONDENT PROFILE

|                         | Inception | Previous | Current |
|-------------------------|-----------|----------|---------|
|                         | n=1501    | N=1508   | n=1500  |
| <b>Gender</b>           |           |          |         |
| Male                    | 45%       | 45%      | 45%     |
| Female                  | 55%       | 55%      | 55%     |
| <b>Age</b>              |           |          |         |
| 18-24 years             | 3%        | 1%       | 2%      |
| 25-34 years             | 10%       | 11%      | 9%      |
| 35-44 years             | 14%       | 12%      | 11%     |
| 45-54 years             | 19%       | 18%      | 18%     |
| 55-64 years             | 22%       | 20%      | 24%     |
| 65+ years               | 33%       | 37%      | 37%     |
| <b>Household Income</b> |           |          |         |
| Under \$25,000          | 12%       | 13%      | 12%     |
| \$25,000-\$49,999       | 18%       | 17%      | 19%     |
| \$50,000-\$74,999       | 16%       | 16%      | 14%     |
| \$75,000-\$99,999       | 11%       | 11%      | 11%     |
| \$100,000-\$149,999     | 9%        | 7%       | 10%     |
| \$150,000+              | 7%        | 6%       | 6%      |
| Prefer not to say       | 26%       | 30%      | 28%     |



# RESPONDENT PROFILE

|                              | Inception | Previous | Current |
|------------------------------|-----------|----------|---------|
|                              | n=1501    | N=1508   | n=1500  |
| <b>Ethnicity</b>             |           |          |         |
| White/Caucasian              | 86%       | 87%      | 86%     |
| Asian/Pacific Islander       | 2%        | 2%       | 2%      |
| Hispanic/Latino              | 1%        | 1%       | 1%      |
| Black/African American       | 1%        | 1%       | 1%      |
| Other                        | 4%        | 2%       | 2%      |
| Prefer not to say            | 5%        | 6%       | 8%      |
| <b>Education Level</b>       |           |          |         |
| Less than high school        | 2%        | 2%       | 2%      |
| High school/GED              | 21%       | 22%      | 20%     |
| Professional school/training | 6%        | 5%       | 5%      |
| Some college                 | 16%       | 15%      | 14%     |
| Associate's degree           | 8%        | 7%       | 7%      |
| Bachelor's degree            | 20%       | 17%      | 21%     |
| Some graduate school         | 3%        | 4%       | 5%      |
| Graduate school degree       | 19%       | 18%      | 20%     |
| Prefer not to say            | 5%        | 10%      | 7%      |



# RESPONDENT PROFILE

|  | Inception | Previous | Current |
|--|-----------|----------|---------|
|  | n=1501    | N=1508   | n=1500  |
| <b>Average Number of Children in Household</b> |           |          |         |
| Under 18 years of age                          | 1.73      | 1.78     | 1.82    |
| <b>Home Status</b>                             |           |          |         |
| Rent   | 21%       | 20%      | 20%     |
| Own  | 78%       | 78%      | 79%     |
| <b>Home Type</b>                               |           |          |         |
| Single family                                  | 80%       | 81%      | 79%     |
| Multi-family/Apartment                         | 18%       | 17%      | 19%     |
| Other/Don't know                               | 1%        | 1%       | 2%      |
| <b>Years in Current Residence</b>              |           |          |         |
| 0-5 years                                      | 29%       | 32%      | 27%     |
| 6-10 years                                     | 14%       | 12%      | 14%     |
| 11-20 years                                    | 22%       | 20%      | 23%     |
| 20+ years                                      | 34%       | 35%      | 37%     |
| <b>Age of Home</b>                             |           |          |         |
| Less than 10 years old                         | N/A       | N/A      | 7%      |
| 10-25 years old                                | N/A       | N/A      | 22%     |
| 26-40 years old                                | N/A       | N/A      | 26%     |
| More than 40 years old                         | N/A       | N/A      | 45%     |





# RESPONDENT PROFILE

|                           | Inception  | Previous   | Current |
|---------------------------|------------|------------|---------|
| Main Heat Source for Home |            |            |         |
| Oil                       | <b>53%</b> | 48%        | 46%     |
| Propane gas               | 16%        | <b>19%</b> | 22%     |
| Electric                  | 11%        | 11%        | 11%     |
| Other                     | 20%        | 22%        | 21%     |



# FOR FOLLOW-UP QUESTIONS, PLEASE CONTACT:

---



1365 Fourth Avenue  
San Diego, CA 92101  
619.234.5884