



Liberty Utilities – New Hampshire Electric Customer Satisfaction Final Report

December 2013

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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	14%	11%
45 to 54 years	19%	20%
55 to 64 years	22%	25%
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	7%	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	2%	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%	7%

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

Respondent Profile

	2012	2013
Total	N=1501	N=1501
Average Number Children in Household		
Under 18 years of age	1.73	1.69
Education		
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%	5%
Graduate school degree	19%	19%
Prefer not to say	5%	5%
Home Own Status		
Rent	21%	19%
Own	78%	79%
Years In Current Residence		
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
Home Type		
Single family	80%	80%
Multi-family/apartment	18%	16%
Other	1%	4%
DK/Not Sure	<1%	<1%
Main Heat Source For Home		
Oil	53%	49%
Propane Gas	16%	20%
Electric	11%	10%
Wood	7%	9%
Natural Gas	3%	4%
Kerosene	1%	2%
Geothermal Heat Pump	<1%	<1%
Other	4%	3%
Don't Know / Not Sure	5%	2%

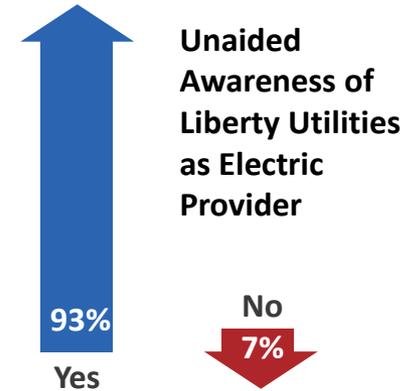
NOTE: Bold red data indicates significant differences between the two years.

KEY FINDINGS & RECOMMENDATIONS

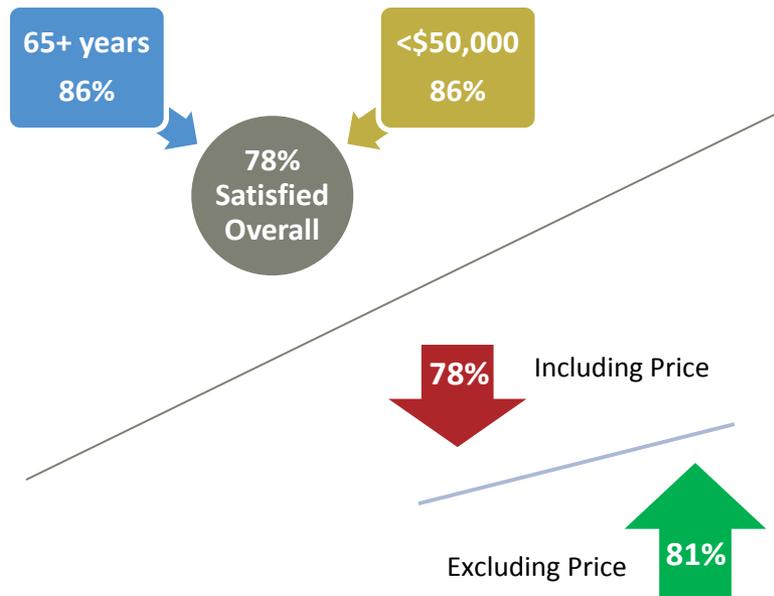
Overall Services and Company

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.



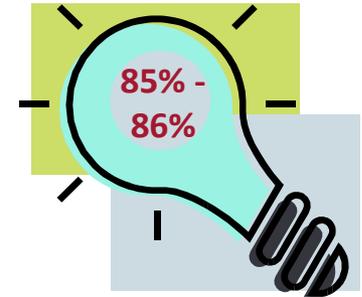
- Overall satisfaction with Liberty Utilities was high in 2013 at 78%. While on par with that of 2012 (81%), there was a shift noted, in customers transitioning from being *Very Satisfied* (44% vs. 54% in 2012) to *Satisfied* (34% vs. 25% in 2012).
- Older (ages 65+) and lower income (less than \$50K) 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.

Overall Services and Company

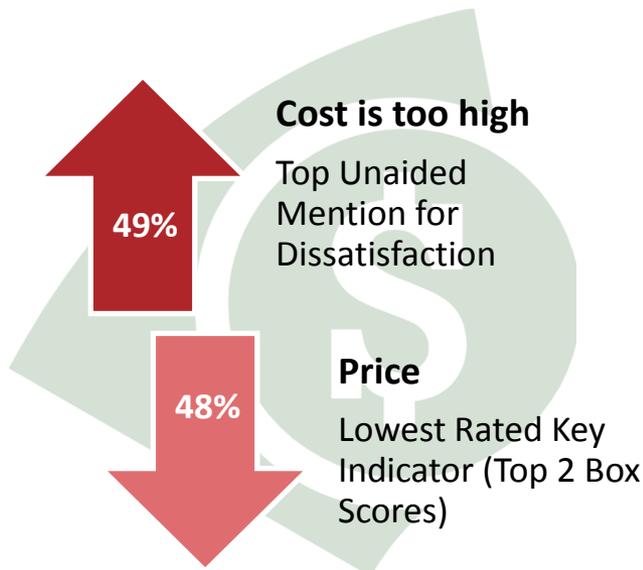
Having consistent, dependable electric services proved to be the greatest source of satisfaction.

- 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.

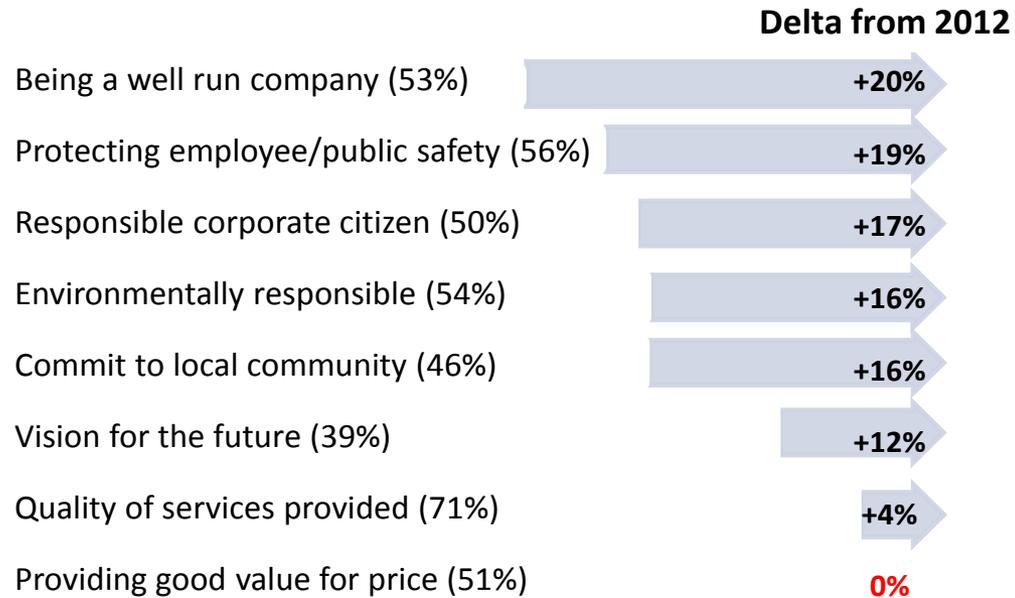


- The top complaint among dissatisfied customers was *cost is too high / rate increases*, cited by almost half of respondents (49%).
- This sentiment was confirmed through the Top 2 Box satisfaction scores for key indicators. The lowest scoring key indicator was *price*, with less than half of respondents 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.

Overall Services and Company

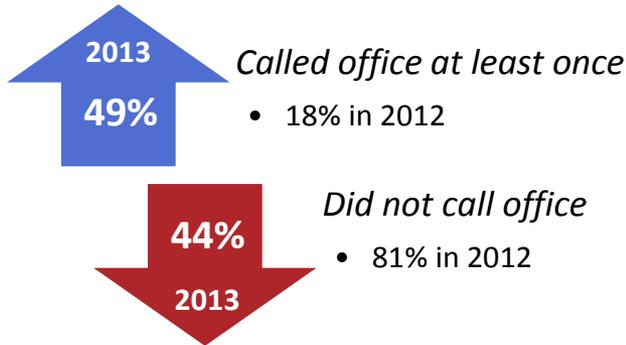
Customer satisfaction with the company as a whole improved tremendously since 2012, while *value for price* remained the same.

- 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

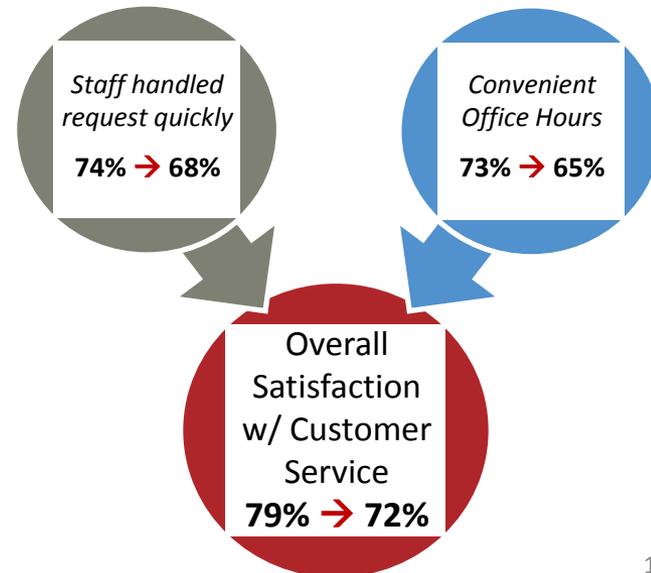
Calls to customer service more than doubled since 2012.



- 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

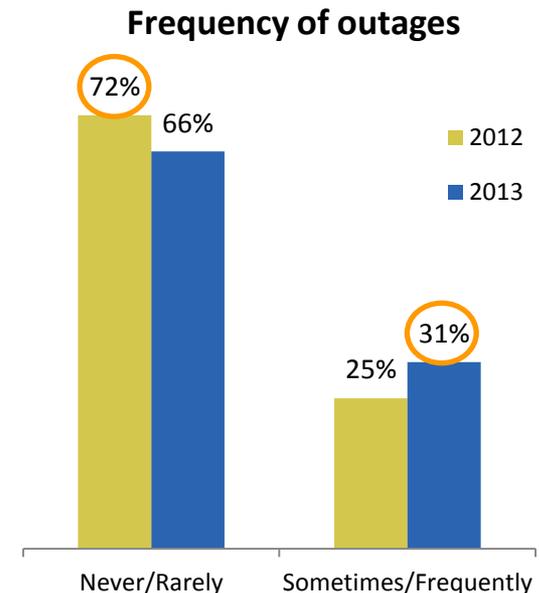
Satisfaction scores for customer billing improved over the last year.

- 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.



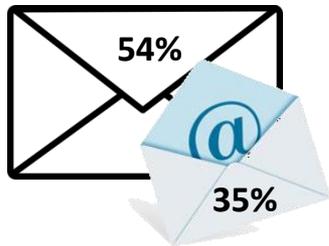
NOTE: Orange circled data indicates significant differences between the two years.

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.

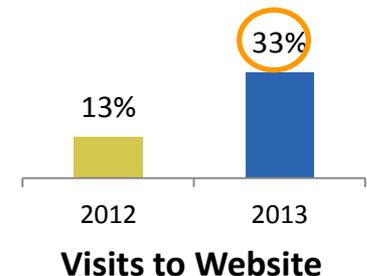
The top preferred method of receiving information was regular mail/letter, followed by email.



- 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%).

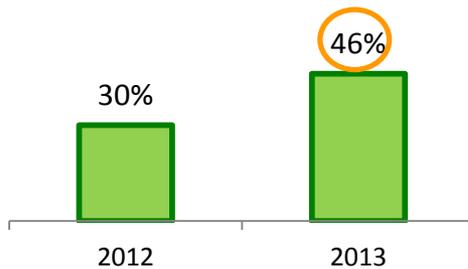


Rate Information
69%



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.

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.

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

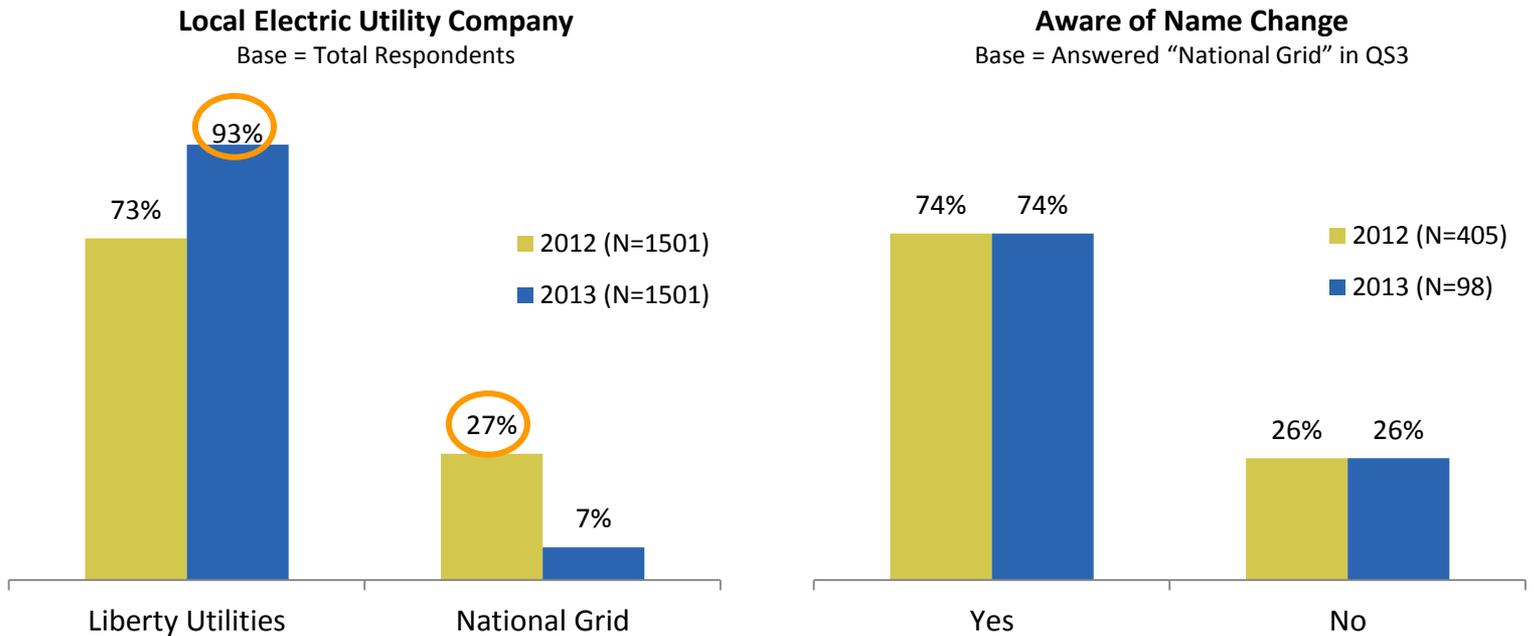
AWARENESS OF CHANGE TO LIBERTY UTILITIES

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%).



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

S3. Who is your local electric utility?

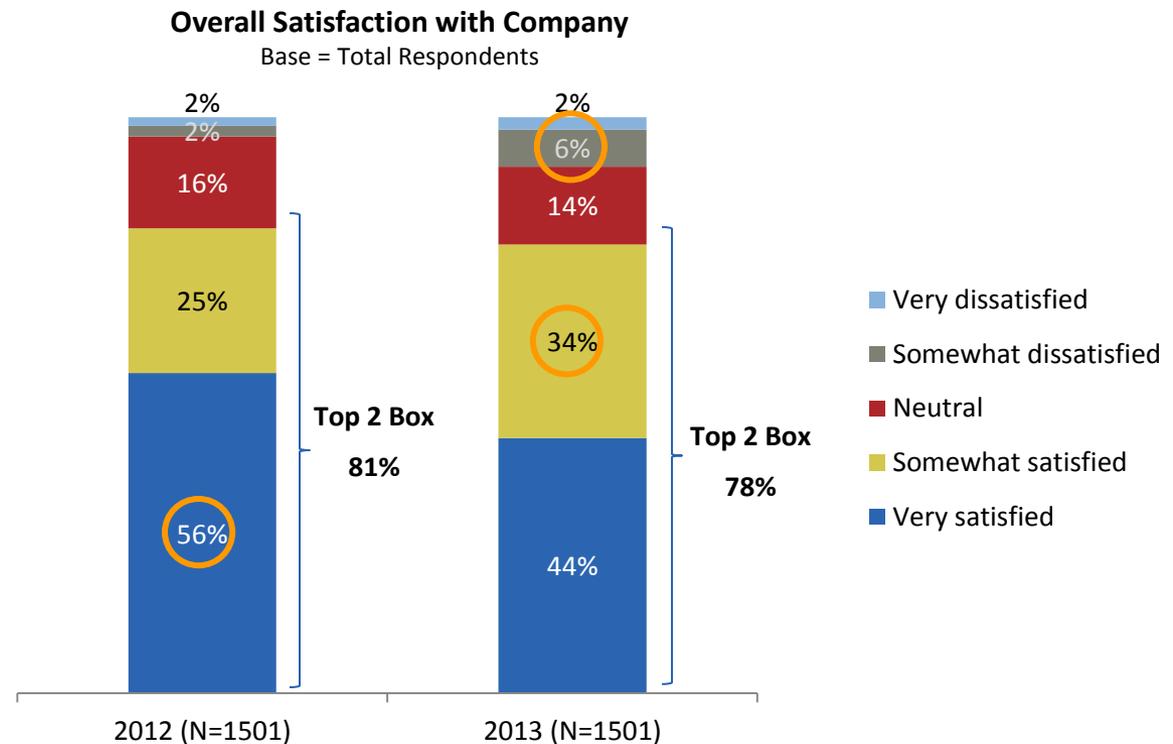
S4. Are you aware that your local utility provider for electric service is now Liberty Utilities?

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?

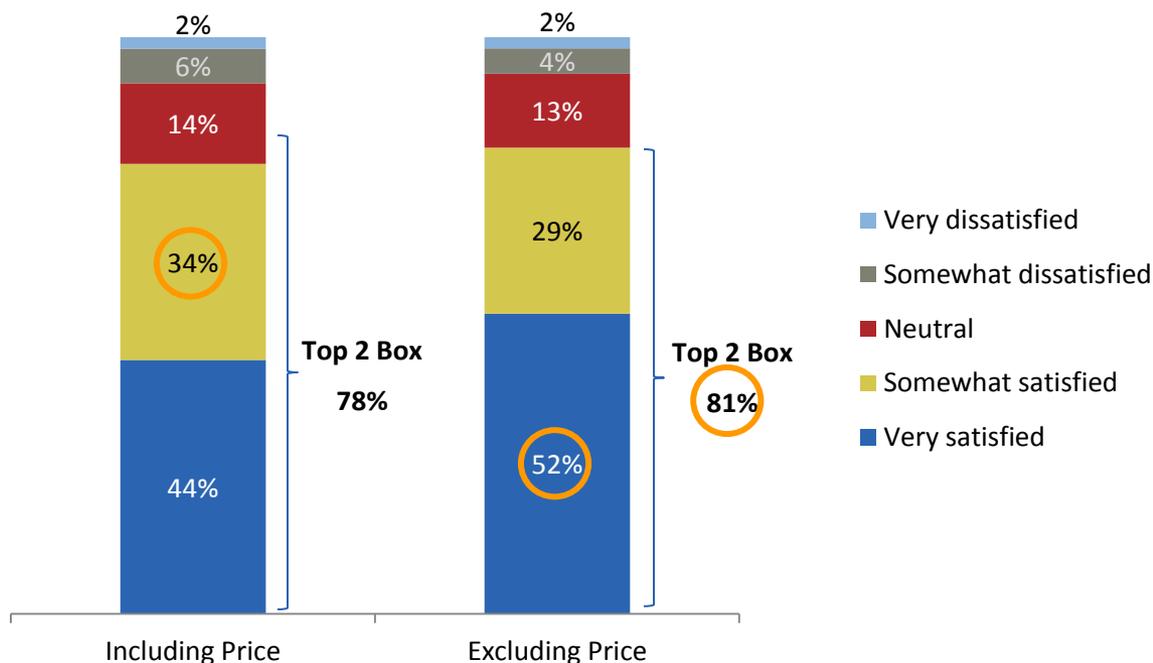
Company Evaluation – Overall Satisfaction Excluding Price

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?

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
Why Satisfied	N=1211	N=1169	
Never had a problem/complaint	47%	23%	-24%
Reliable/Receive services paid for/No service interruptions	12%	17%	5%
Prompt, considerate repair service	3%	12%	9%
Cost is too high/rate increases	4%	12%	8%
Service is satisfactory/good/excellent	4%	9%	5%
Cost is reasonable	3%	8%	5%
Don't know/Don't know much about them/no interaction/experience	17%	5%	-12%
No problems with billings/payments	3%	5%	2%
Why Dissatisfied	N=51	N=129	
Cost is too high/rate increases	35%	49%	14%
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%

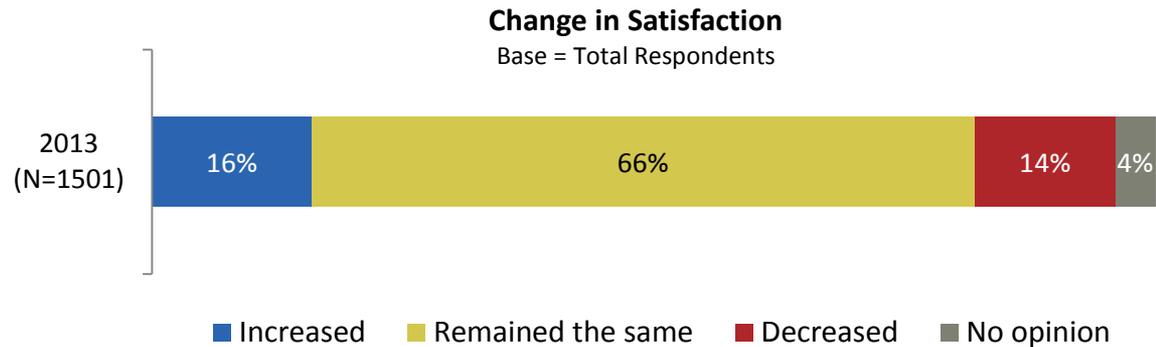
NOTE: Bold red data indicates significant differences between the two years. Data is only shown for 5%+ mentions in 2013

* 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%).

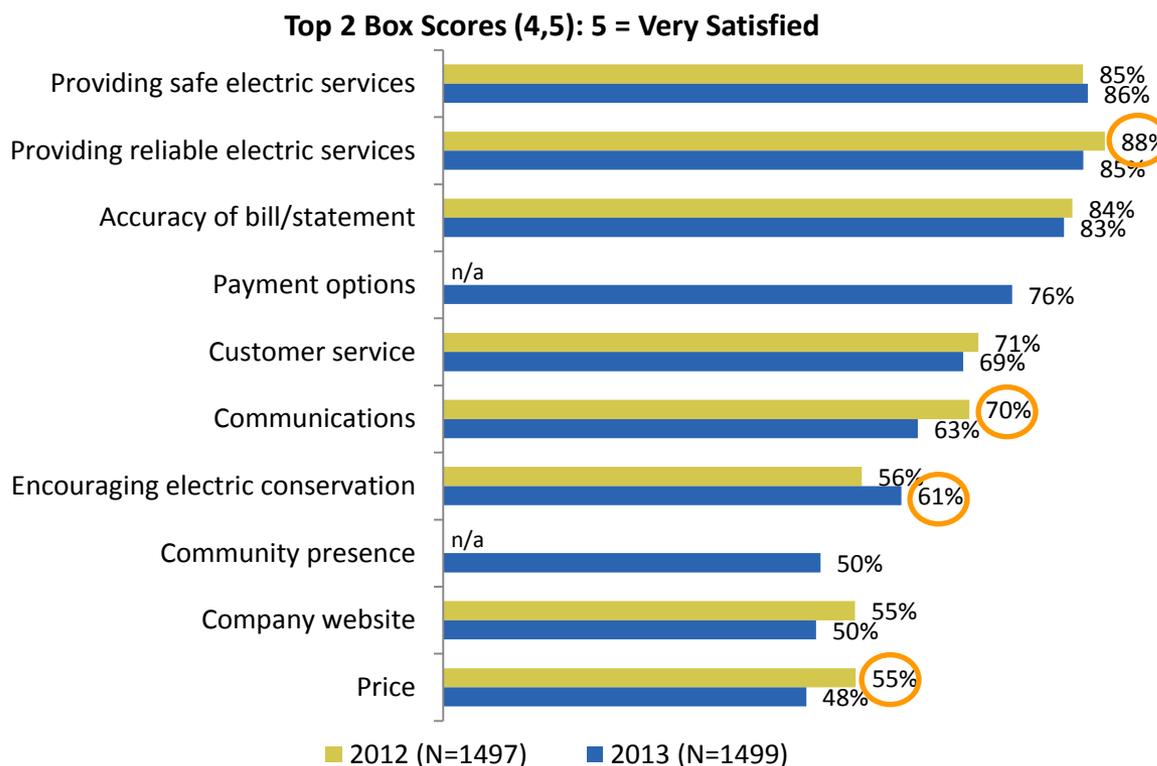


Key Indicators – Satisfaction

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.



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.

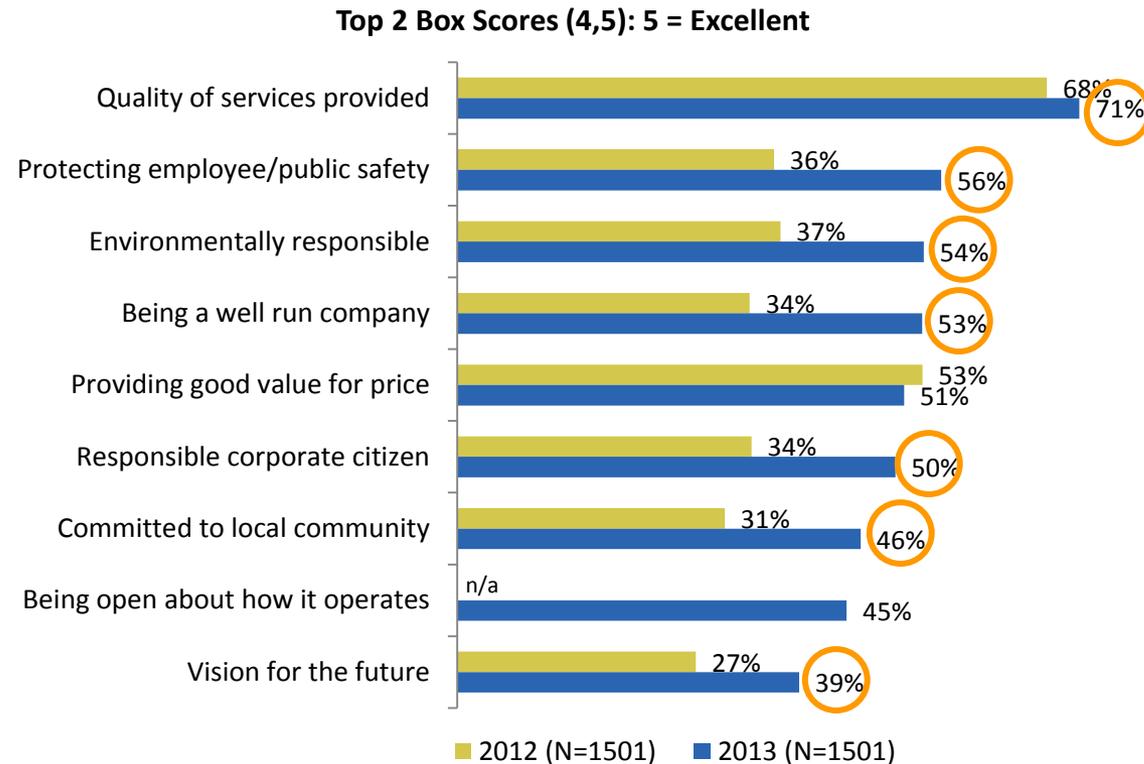
Q2. Please rate Liberty Utilities in the following areas by using a 5-point scale with 5 being "Very Satisfied" and 1 being "Very Dissatisfied".

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.



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:

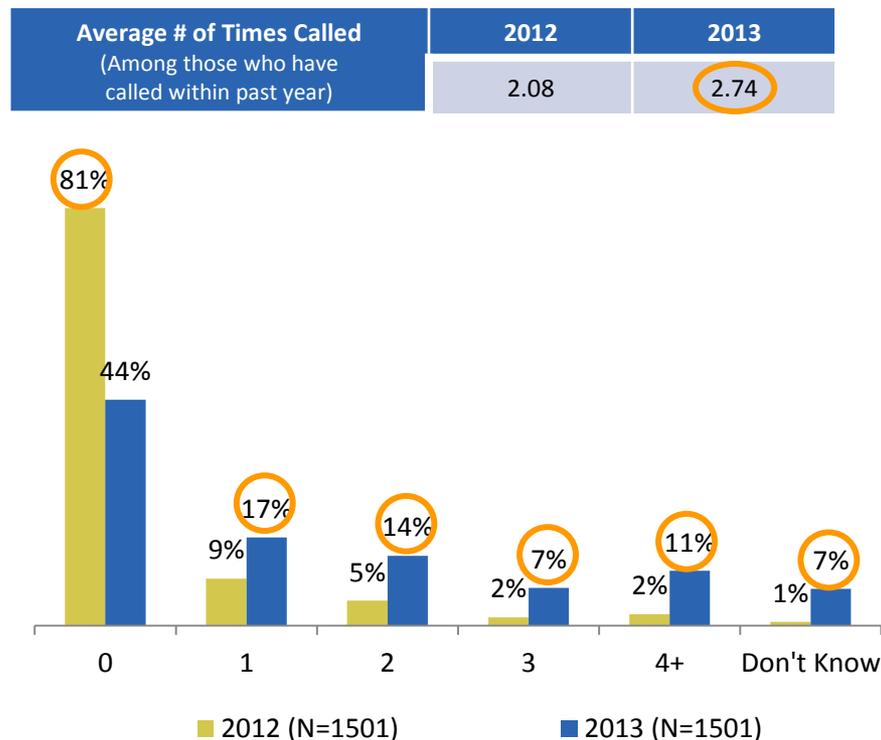
CUSTOMER SERVICE

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



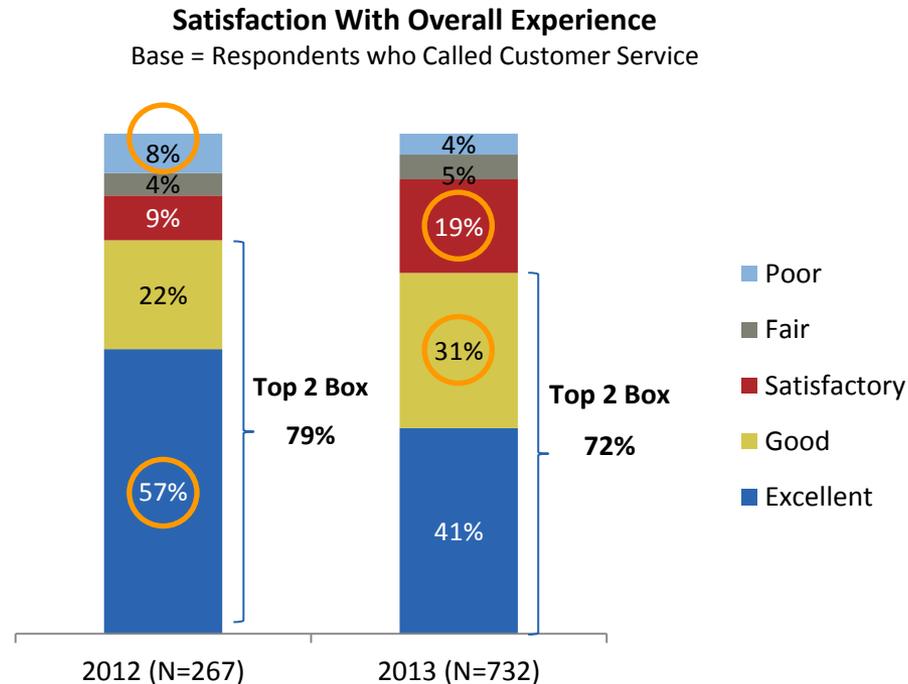
NOTE: Orange circled data indicates significant differences between the two years..

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

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)



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

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.



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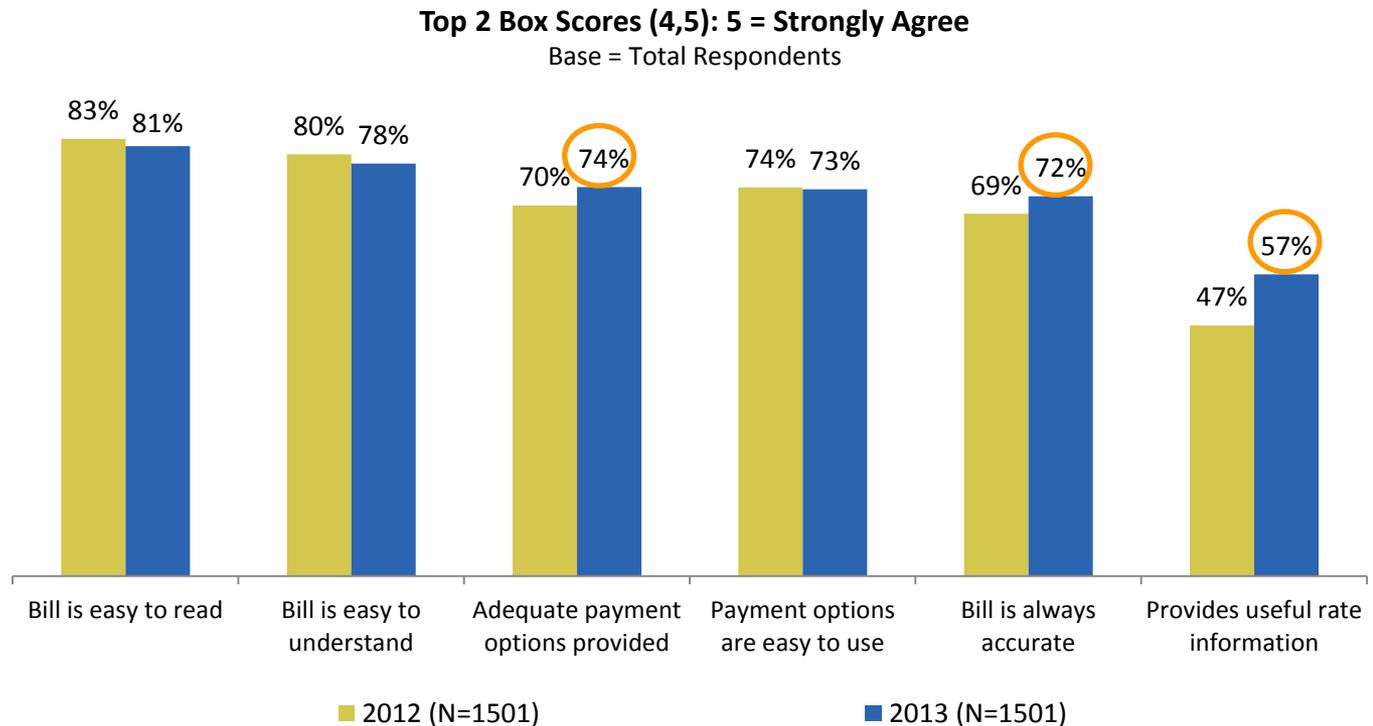
Q7. Using a 5-point scale where 5 is Strongly Agree and 1 is Strongly Disagree, please tell me how much you agree or disagree with each of the following statements about Liberty Utilities' customer service. If you have called more than once within the last year, please think only about your last contact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



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.

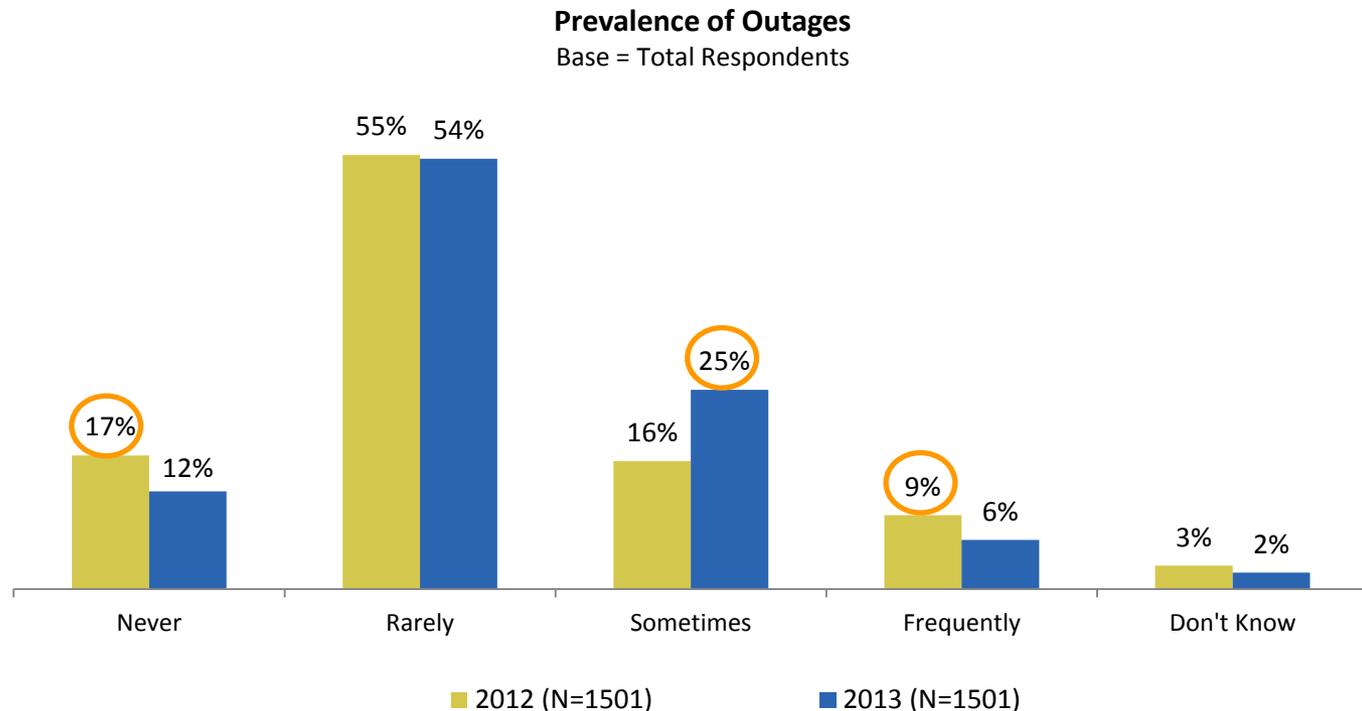
SERVICE OUTAGE

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.



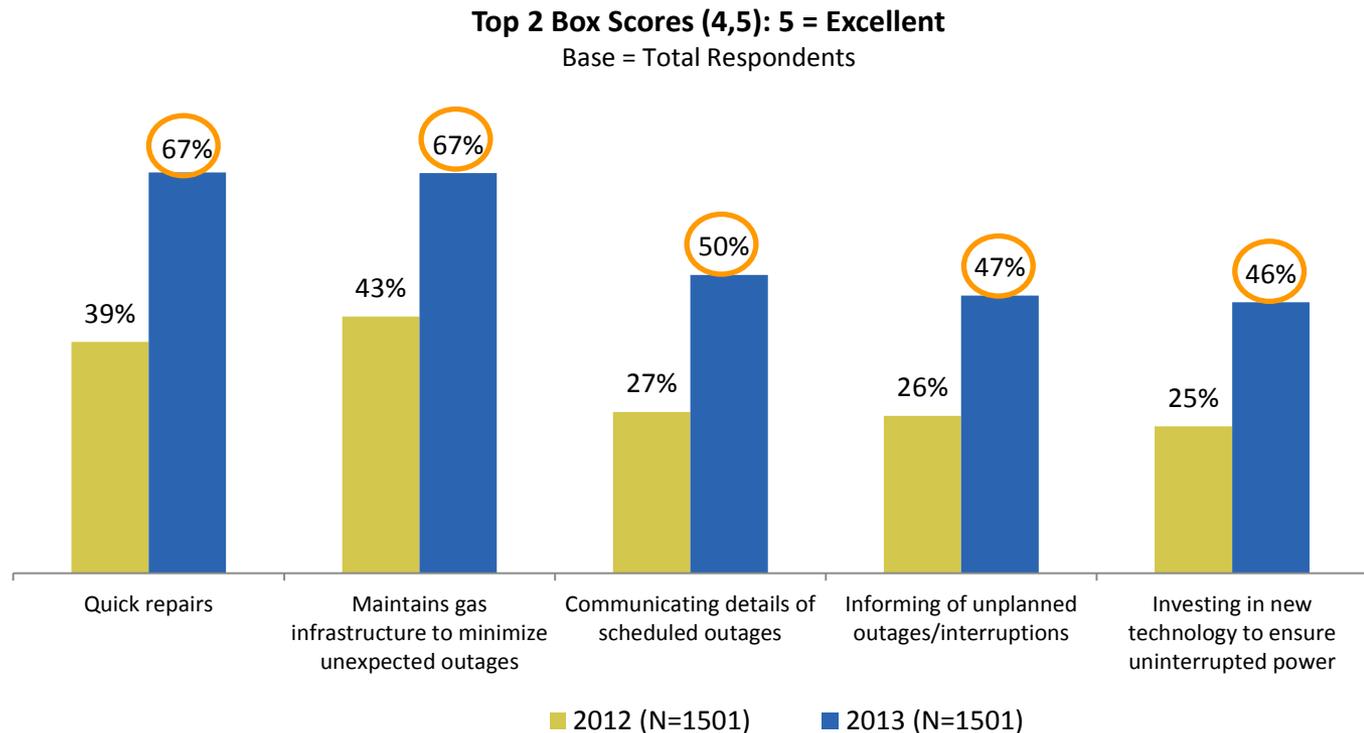
NOTE: Orange circled data indicates significant differences between the two years.

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

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.



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

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".

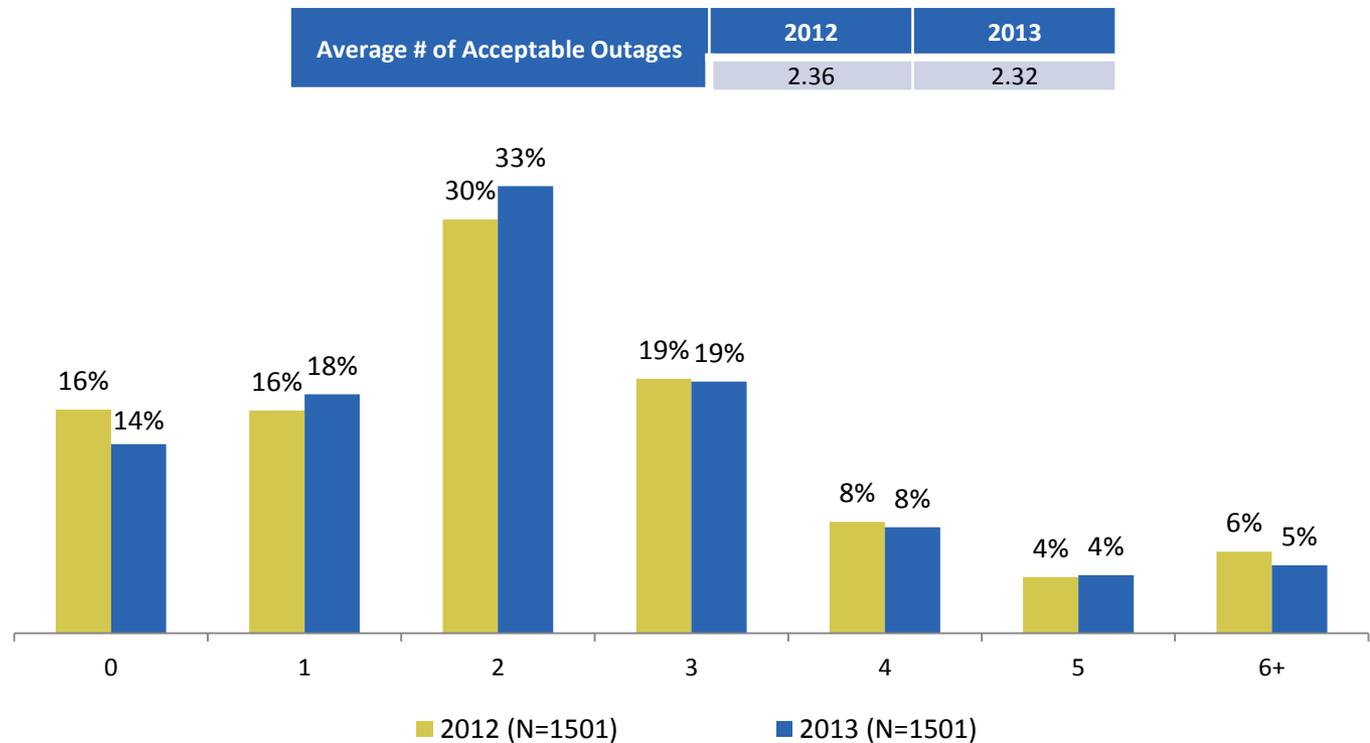
Acceptable Number of Outages Over a 12 Month Period

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



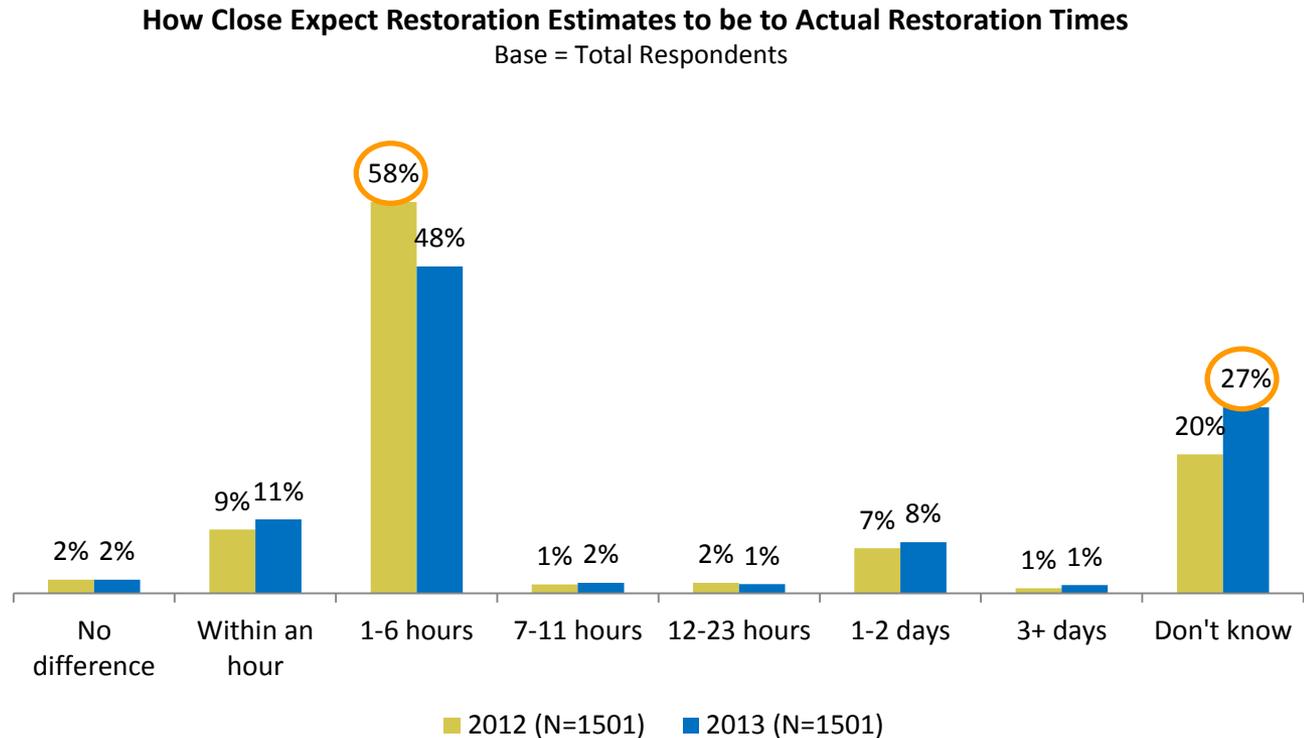
NOTE: Orange circled data indicates significant differences between the two years..

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

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.



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

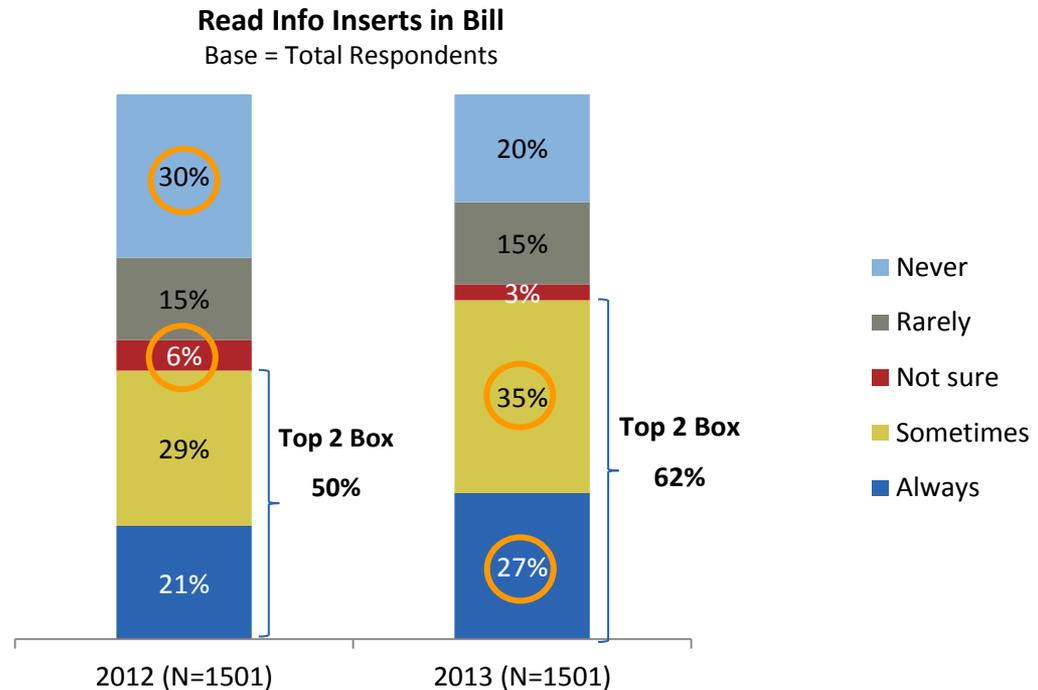
QEAST02. When contacting Liberty Utilities to obtain an estimated restoration time, how close do you expect the estimate from Liberty Utilities to be to the actual time of restoration?

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+).



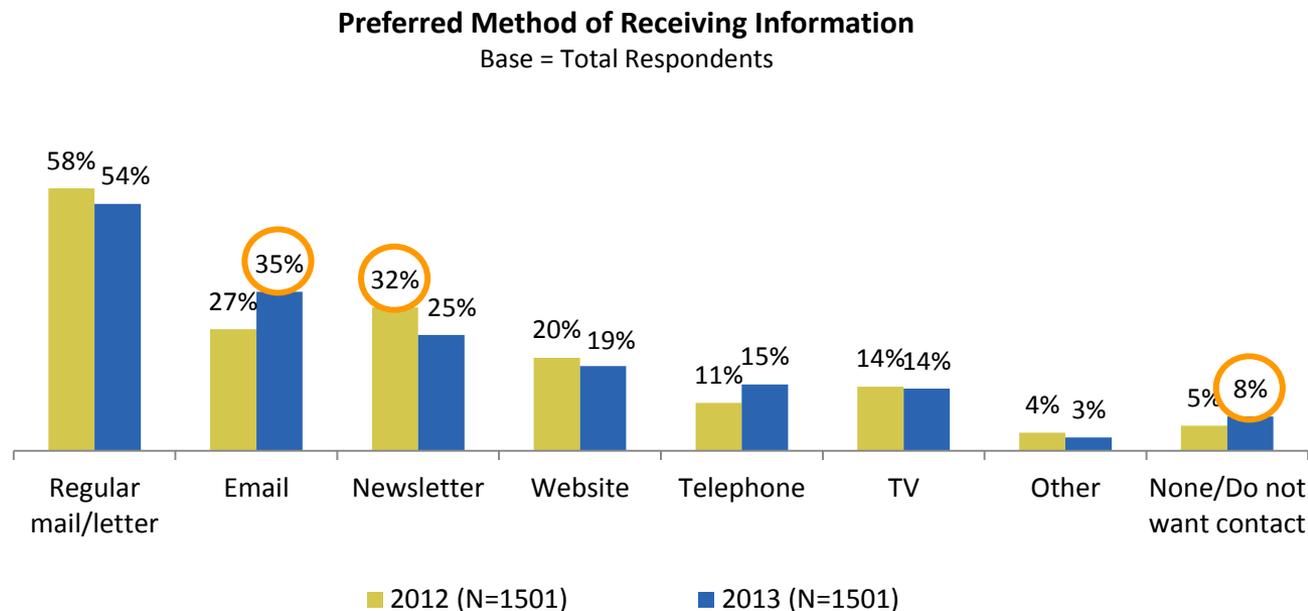
NOTE: Orange circled data indicates significant differences between the two years..

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.



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

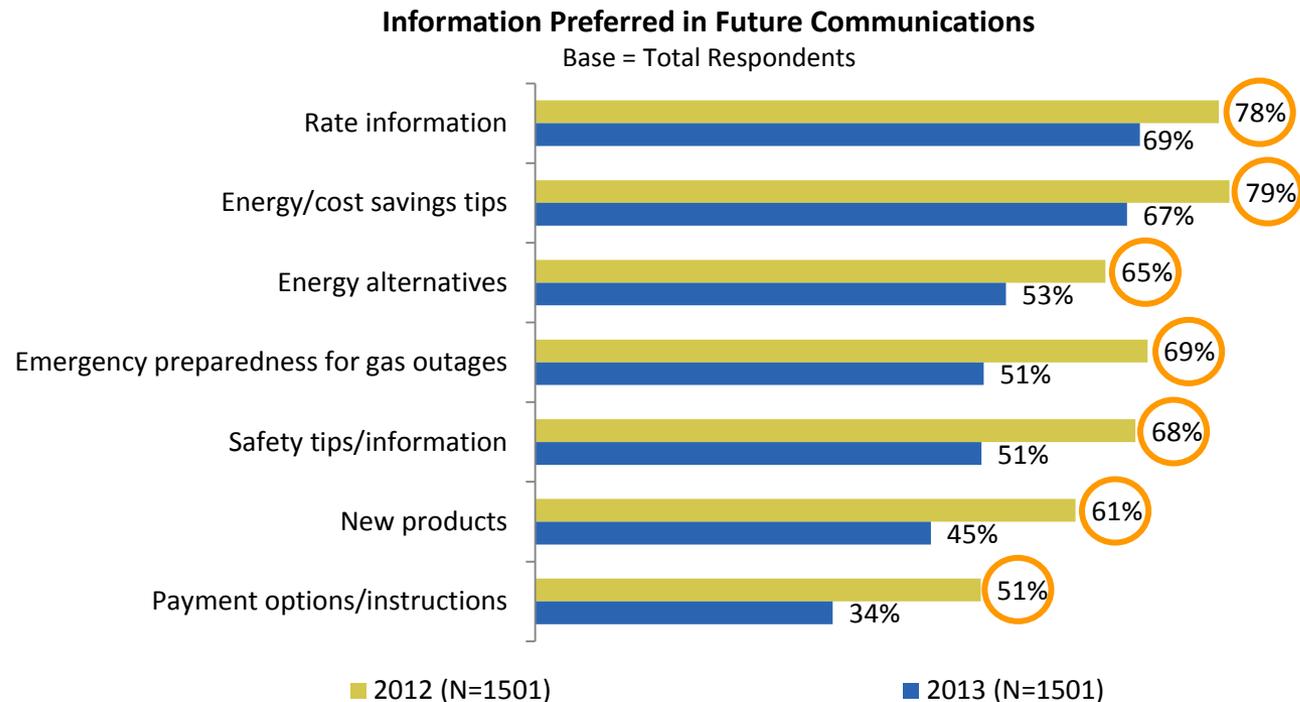
Q12. How would you like to receive information from Liberty Utilities? Please select all that apply.

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.



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

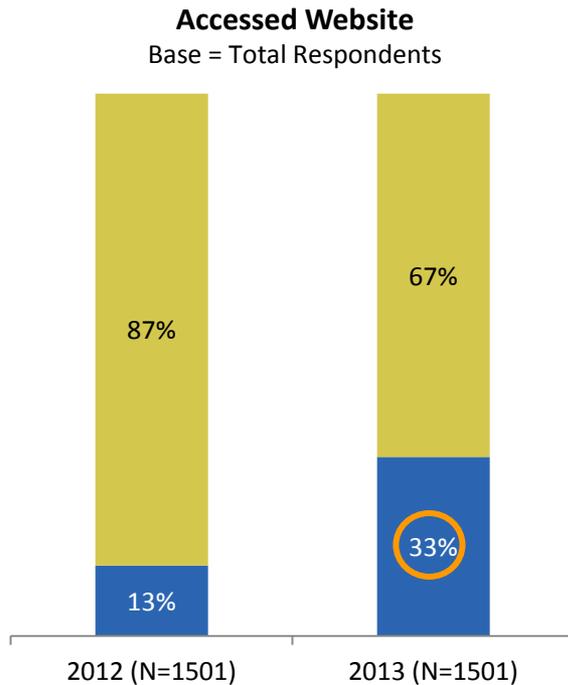
QEAST05. What types of information would you like Liberty Utilities to include in future communications? Please select all that apply.

Website – Usage & Reasons for Visit

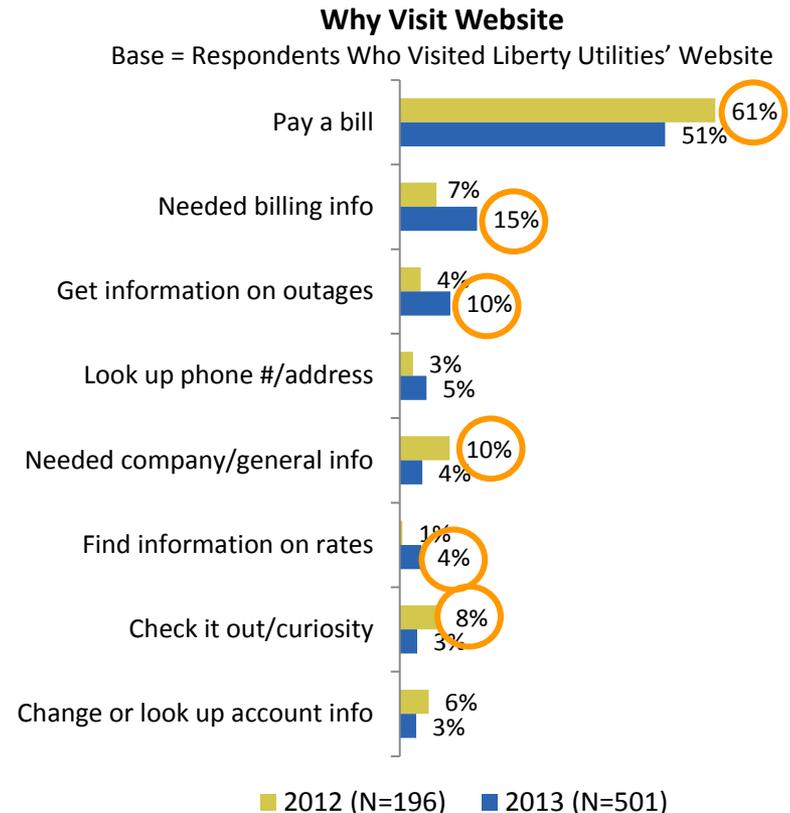
The number of customers who visited the utility’s website more than doubled from 2012 to 2013 (13% to 33%), an area worth further exploring (i.e., page hits, keywords, etc.) in order to determine the reason for increased visits.

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.



■ No
■ Yes



■ 2012 (N=196) ■ 2013 (N=501)

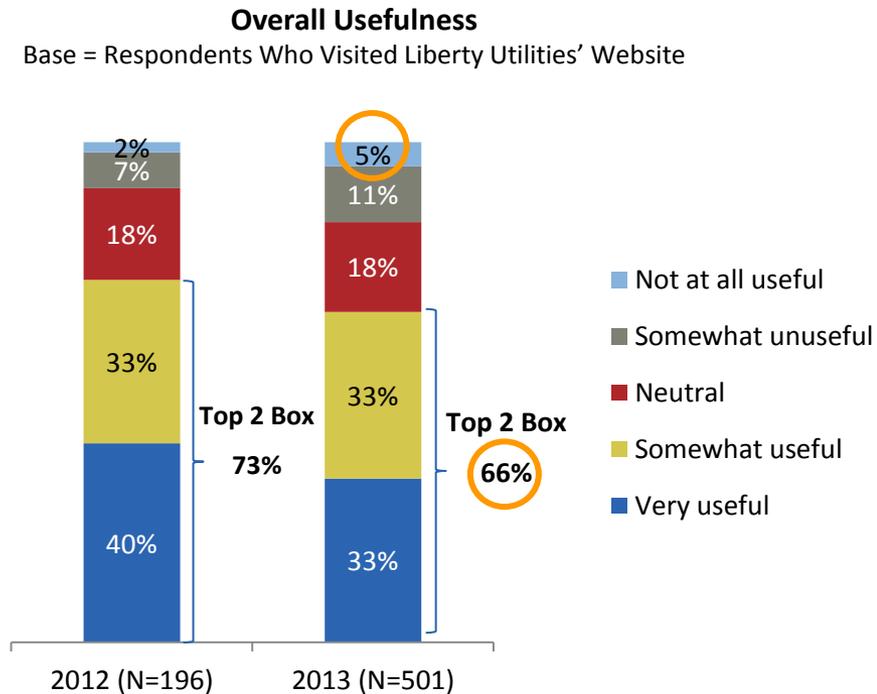
NOTE: Orange circled data indicates significant differences between the two years.; 5%+ mentions shown for Q14

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.



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”..

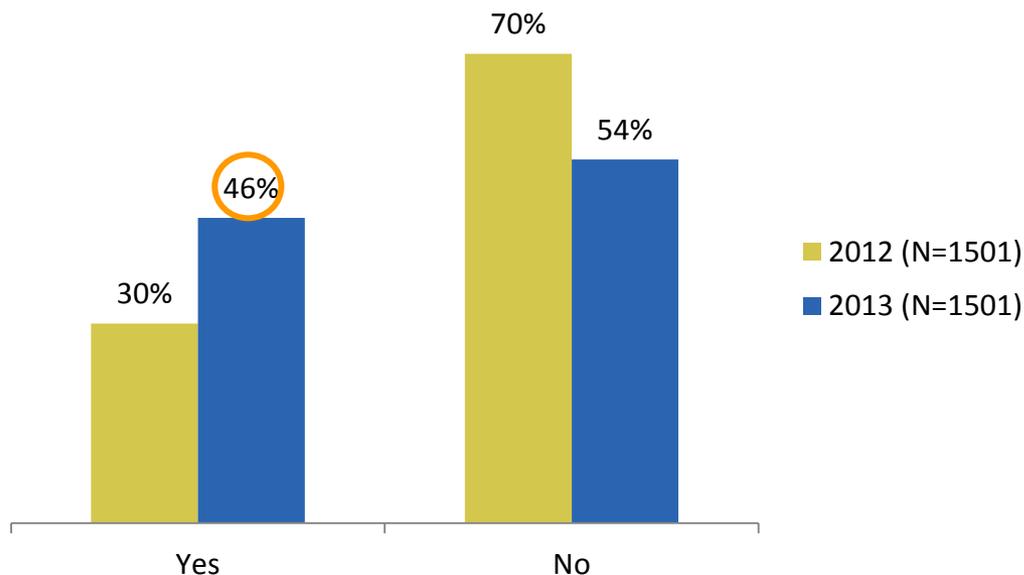
AWARENESS OF ENERGY EFFICIENCY PROGRAMS

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?