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J.D. POWER

Press Release

Overall Residential Electric Utility Customer Satisfaction Increases for Sixth Consecutive Year, J.D. Power Finds

COSTA MESA, Calif.: 12 July 2017 — An increase in power outage information along with higher price satisfaction are the top drivers of the sixth consecutive year of improved customer satisfaction with residential electric utility companies, according to the J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study,SM released today.

"The utility industry has begun to fully understand the importance of customer satisfaction over the past several years, and now many have dedicated leaders and teams focused on improving the customer experience," said **John Hazen, senior director of the energy practice at J.D. Power**. "A challenge we continue to see, however, is that the pace of implementing satisfaction improvements at utilities can be slower than in other industries."

Overall satisfaction averages 719 (on a 1,000-point scale) in 2017, a 39-point improvement from 2016. A 39-point increase in the power quality & reliability factor (767) and a 48-point increase in the price factor (659) are key contributors to the year-over-year improvement in overall satisfaction. Price satisfaction increases, as customers provide their utility with higher ratings for ease of understanding pricing, total monthly cost and fairness of pricing.

The study finds that more utility customers (66% vs. 59% in 2016) are getting critical information during a power outage, such as the cause of the outage, number of customers affected and estimates on when power will be restored. Overall satisfaction among customers who receive outage information is much higher than among those who do not receive such information (716 vs. 683, respectively).

Following are some of the key findings of the study:

- **Customers believe their utility infrastructure is being updated:** A larger percentage of customers in 2017 believe their utility is focused on improving the infrastructure to improve safety and reliability, compared with 2016 (68% vs. 63%, respectively).
- **Electronic bill-pay is increasing:** Utility messaging to encourage customers to move away from paying their bill with a check by mail has helped reduce mail payments by 3 percentage points year over year (17% vs. 20%, respectively).
- **Paperless communications on the rise:** Less than half (43%) of customers recall communications from their utility; however, the source of communications is changing across the industry. Year over year, paper bill insert recall has decreased to 33% from 36%, while there has been an increase in the number of customers going directly to the utility website (15% vs. 12% in 2016) and those who receive emails from their utility (25% vs. 21% in 2016).
- **Website access is going mobile:** More than one-third (35%) of customers are now accessing their utility's website either by a mobile phone or by a tablet, which is a 15% increase from 2016.

Study Rankings

The Electric Utility Residential Customer Satisfaction Study ranks midsize, large and cooperative utility companies in four geographic regions: East, Midwest, South and West. Companies in the midsize utility

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segment serve between 100,000 and 499,999 residential customers, while companies in the large utility segment serve 500,000 or more residential customers.

East Region
PPL Electric Utilities ranks highest among large utilities in the East region for the sixth consecutive year, with a score of 739. **Con Edison** (735) ranks second, followed by **PSE&G** (727) and **Central Maine Power** (720).

Among midsize utilities in the East region, **Penn Power** ranks highest with a score of 709. **Green Mountain Power** (707) ranks second, while **Rochester Gas & Electric** (704) ranks third and **Met-Ed** (701) ranks fourth.

Midwest Region
MidAmerican Energy ranks highest in the large utility segment in the Midwest region for the 10th consecutive year, with a score of 742. **DTE Energy** and **Ohio Edison** tie for second (728 each), while **Xcel Energy-Midwest** (723) ranks fourth.

In the midsize utility segment in the Midwest region, **Kentucky Utilities** ranks highest for the second consecutive year, with a score of 761. **Louisville Gas & Electric** (743) ranks second, followed by **Otter Tail Power Company** (734) in third and **Lincoln Electric System** (725) in fourth.

South Region
Georgia Power ranks highest in the large utility segment in the South region with a score of 761. **Florida Power & Light** (757) ranks second, followed by **Alabama Power** (749) in third and **Entergy Louisiana** (745) in fourth.

EPB ranks highest in the midsize utility segment in the South region for the second consecutive year, with a score of 761. **Entergy Mississippi** (757) ranks second, followed by **Gulf Power** (749) in third and **JEA** (747) in fourth.

West Region
Salt River Project (SRP) ranks highest in the large utility segment in the West region for the 16th consecutive year, with a score of 775. **SMUD** (750) ranks second, followed by **Portland General Electric** (746) in third and **Southern California Edison** (727) in fourth.

Clark Public Utilities ranks highest in the midsize utility segment in the West region for the 10th consecutive year, with a score of 776. **Idaho Power** (743) ranks second, followed **Seattle City Light** (741) in third and **Colorado Springs Utilities** (740) in fourth.

Cooperatives Segment
SECO Energy ranks highest in the cooperatives segment with a score of 789. **NOVEC** (788) ranks second, followed by **Sawnee EMC** (786) in third and **Southern Maryland Electric Cooperative** (SMECO) and **Walton EMC** rank fourth in a tie (783 each).

The Electric Utility Residential Customer Satisfaction Study, now in its 19th year, measures customer satisfaction with electric utility companies by examining six factors: power quality & reliability; price; billing & payment; corporate citizenship; communications; and customer service. The study is based on responses from 99,145 online interviews conducted from July 2016 through May 2017 among residential customers of the 138 largest electric utility brands across the United States, which collectively represent more than 98 million households.

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For more information about the Electric Utility Residential Customer Satisfaction Study, visit http://www.jdpower.com/resource/us-electric-utility-residential-customer-satisfaction-study.

See the online press release at http://www.jdpower.com/pr-id/2017098.

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. These capabilities enable J.D. Power to help its clients drive customer satisfaction, growth and profitability. Established in 1968, J.D. Power is headquartered in Costa Mesa, Calif., and has offices serving North/South America, Asia Pacific and Europe. J.D. Power is a portfolio company of XIO Group, a global alternative investments and private equity firm headquartered in London, and is led by its four founders: Athene Li, Joseph Pacini, Murphy Qiao and Carsten Geyer.

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Note: Nine charts follow.

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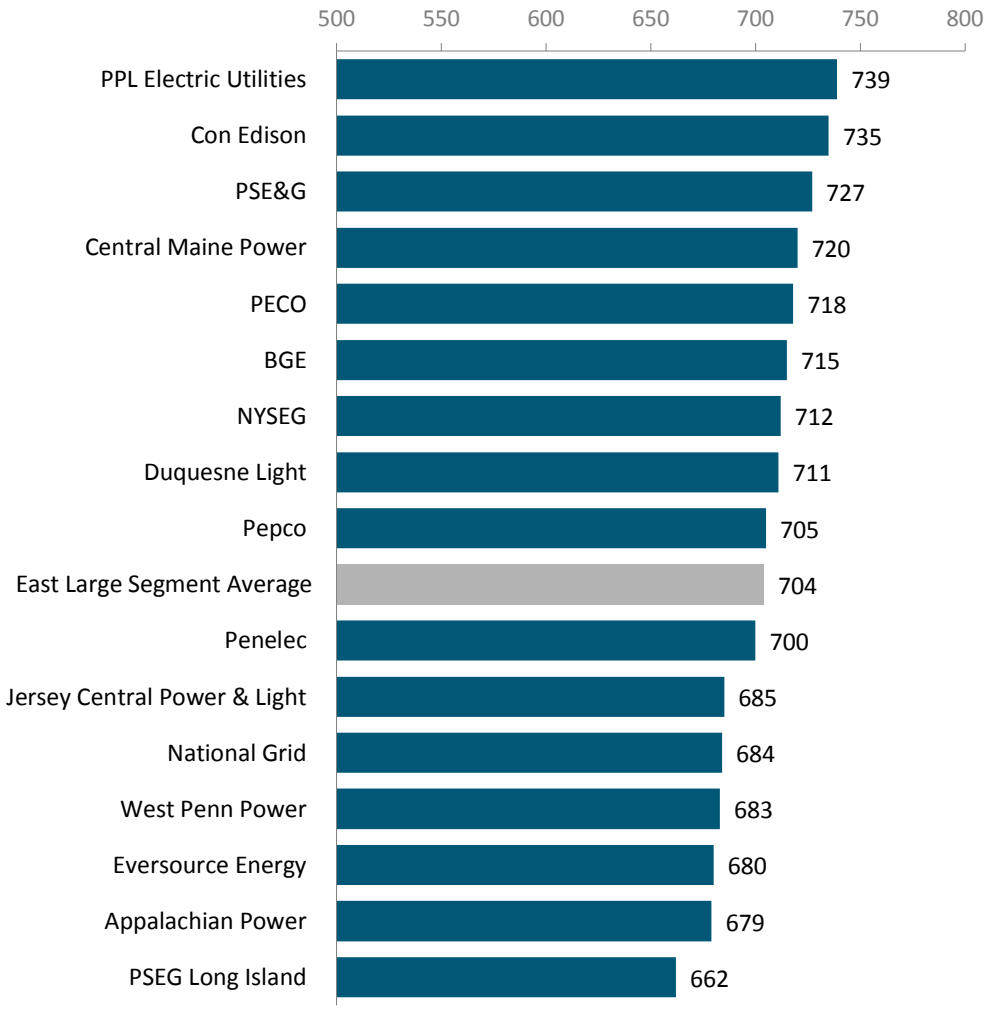
J.D. Power
2017 Electric Utility Residential Customer Satisfaction Study[SM]

East Region: Large Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

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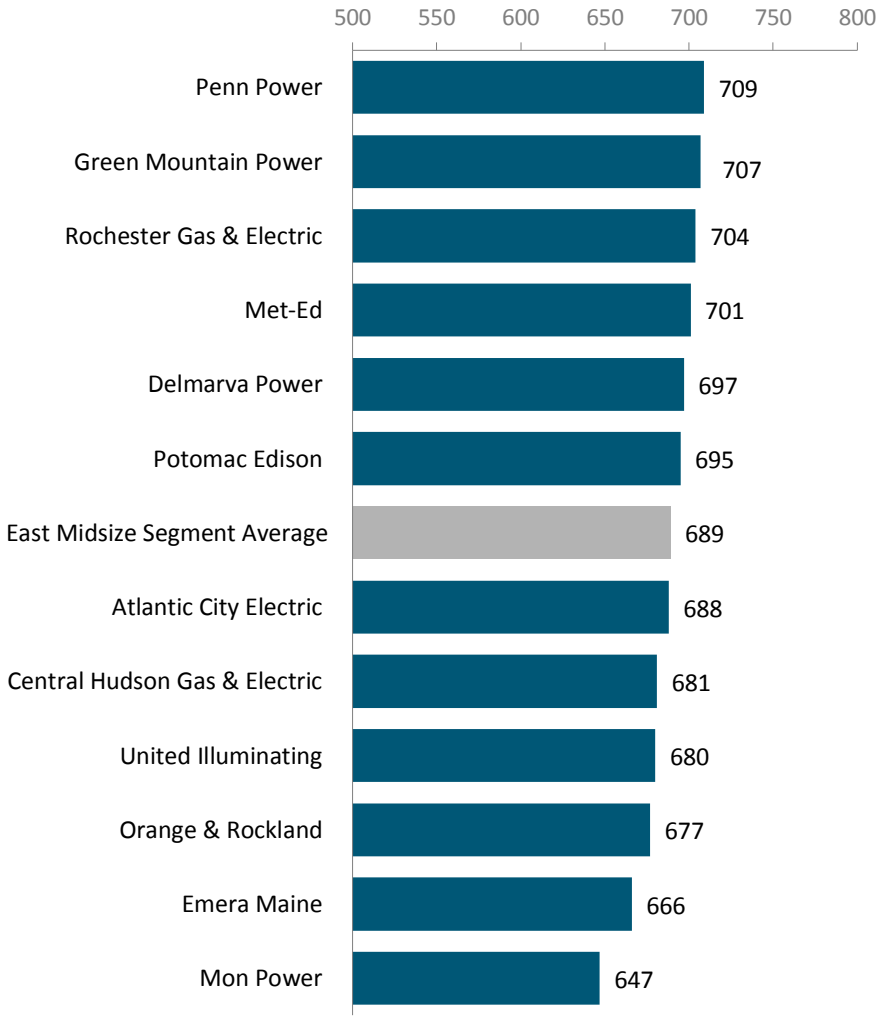
J.D. Power
2017 Electric Utility Residential Customer Satisfaction Study[SM]

East Region: Midsize Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

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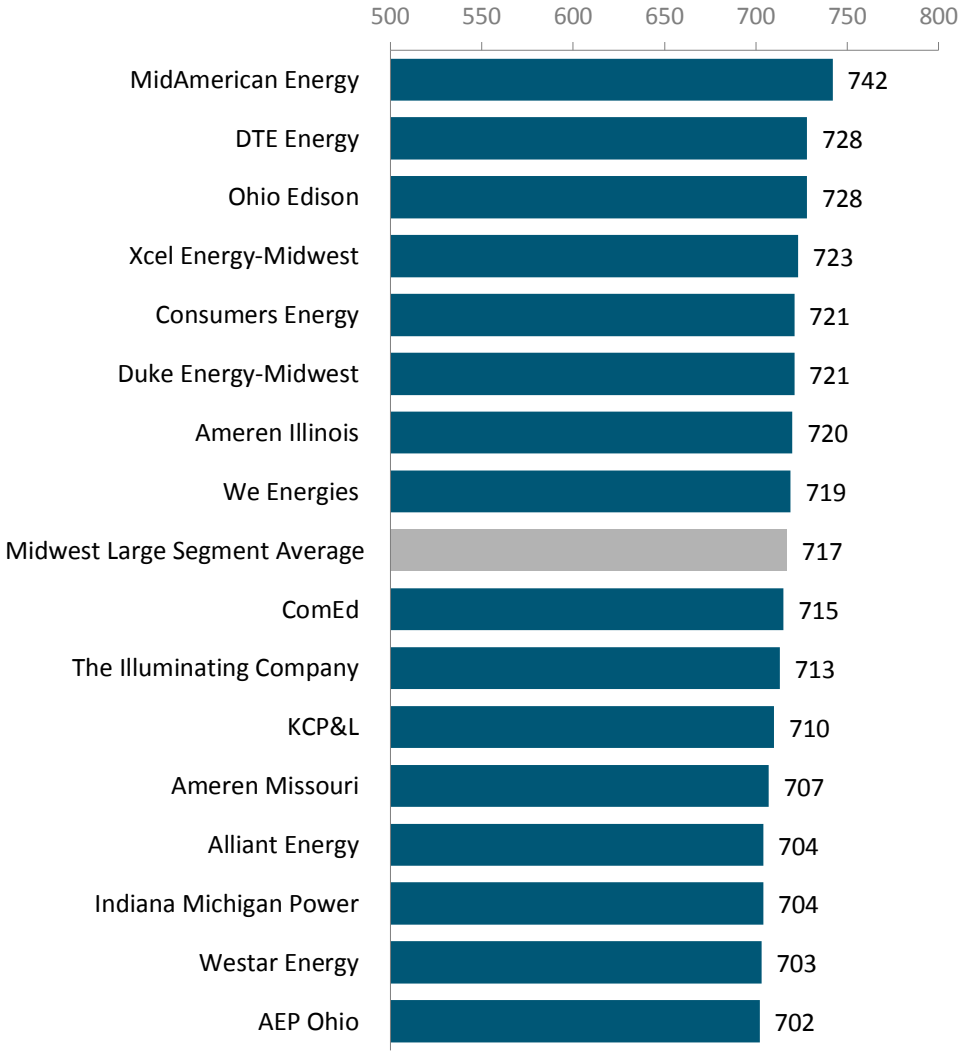
2017 Electric Utility Residential Customer Satisfaction Study[SM]

Midwest Region: Large Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

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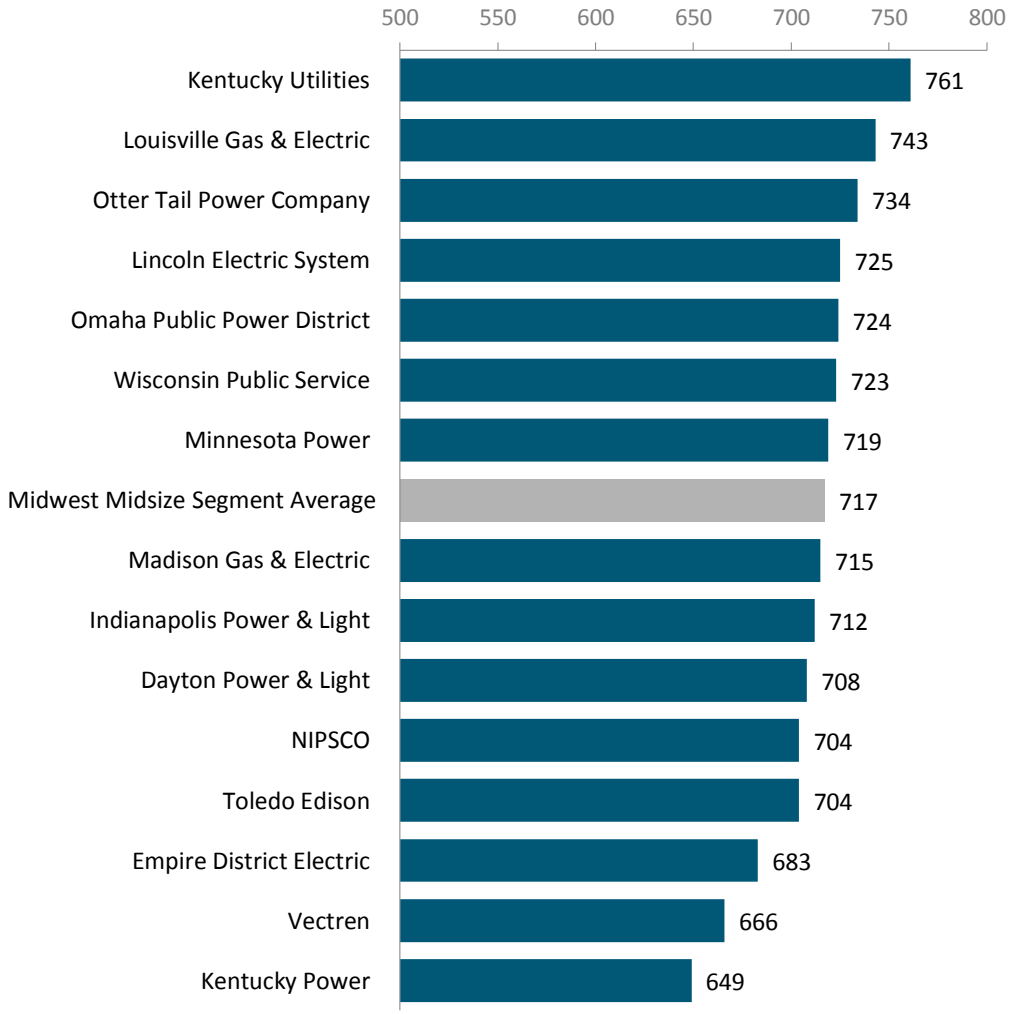
J.D. Power
2017 Electric Utility Residential Customer Satisfaction Study[SM]

Midwest Region: Midsize Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

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J.D. Power
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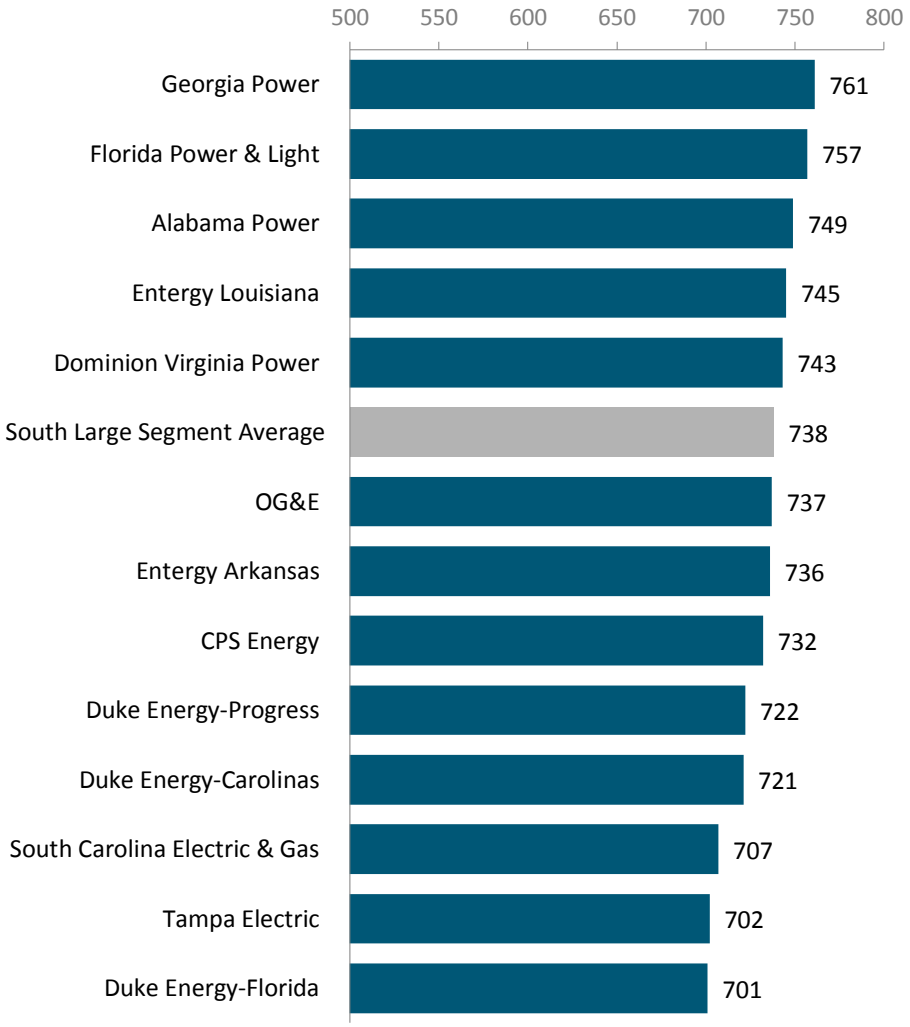
South Region: Large Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

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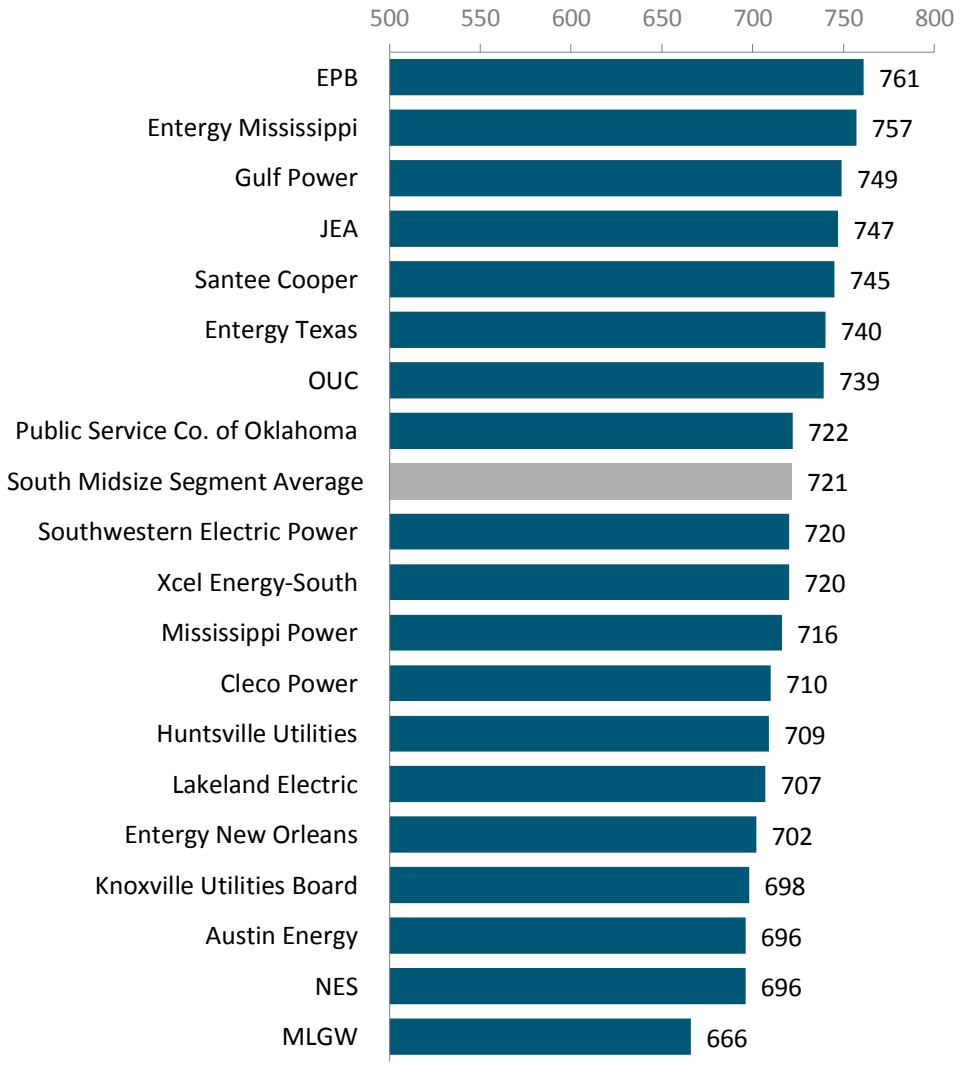
J.D. Power
2017 Electric Utility Residential Customer Satisfaction Study[SM]

South Region: Midsize Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

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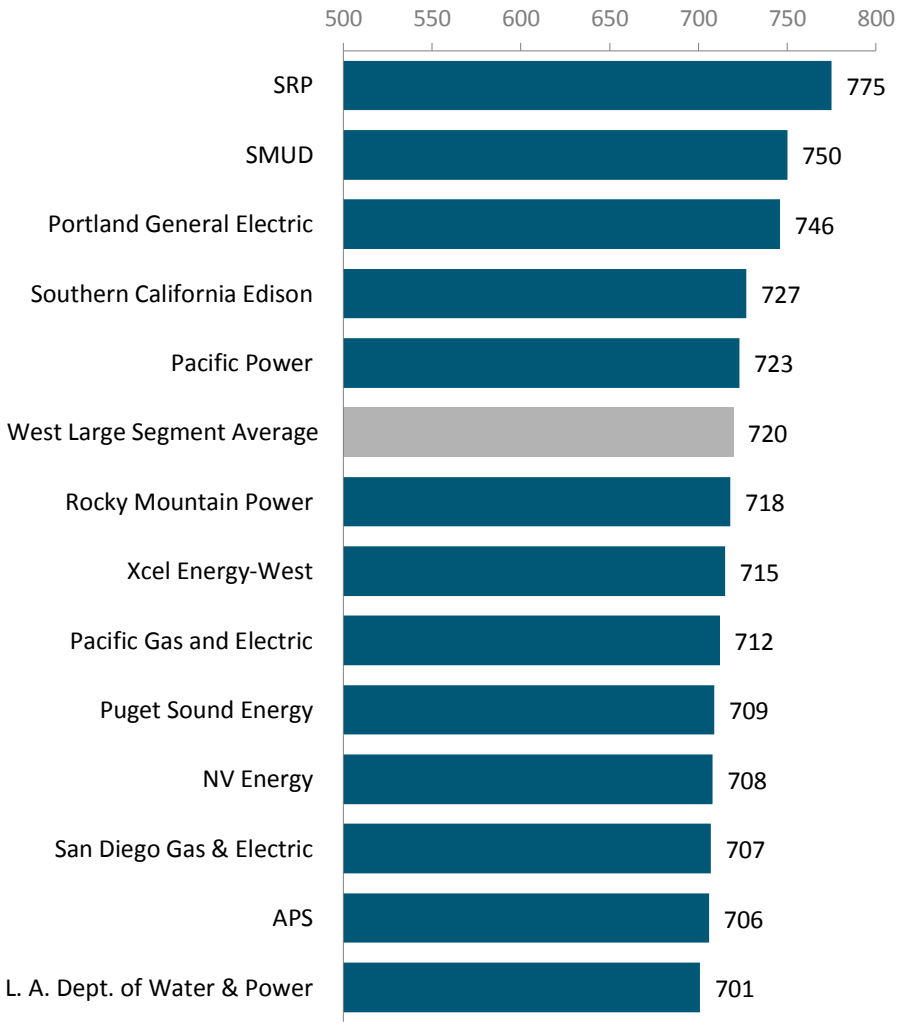
2017 Electric Utility Residential Customer Satisfaction Study[SM]

West Region: Large Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power 2017 Electric Utility Residential Customer Satisfaction Study[SM]

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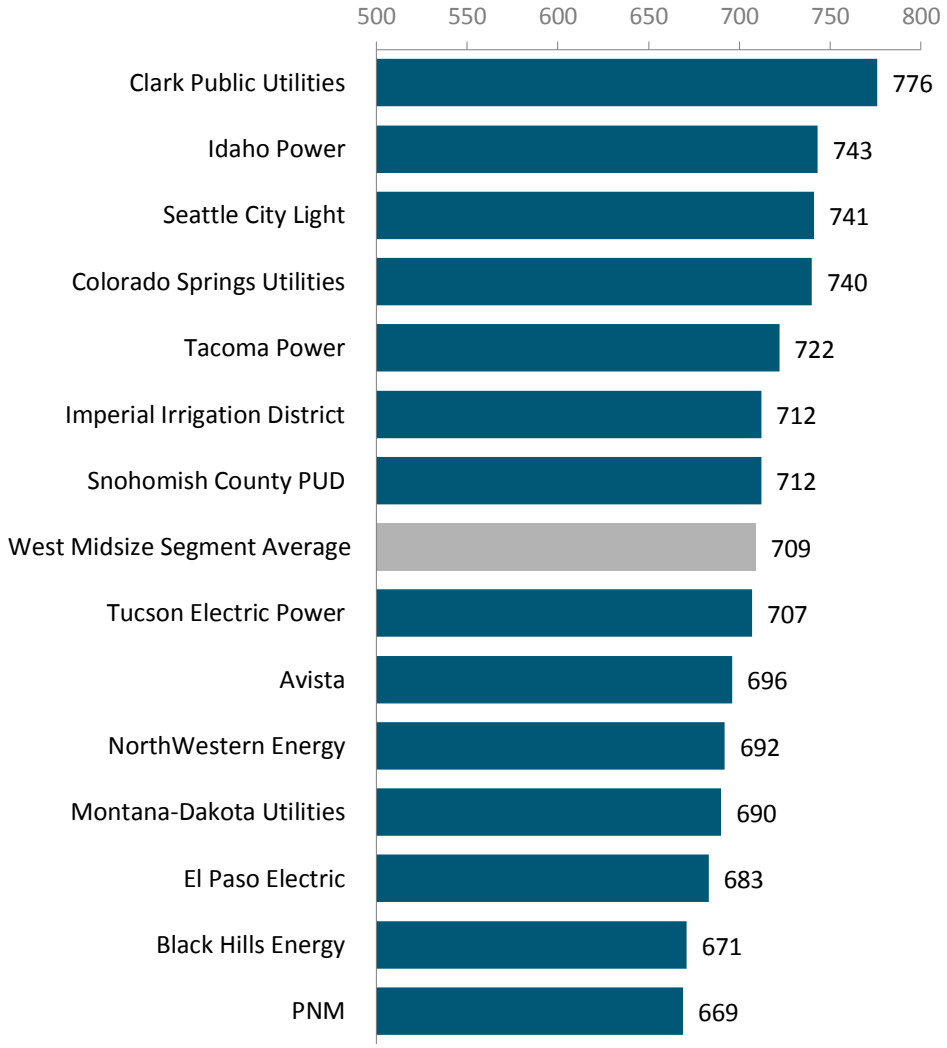
J.D. Power
2017 Electric Utility Residential Customer Satisfaction Study[SM]

West Region: Midsize Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



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J.D. Power
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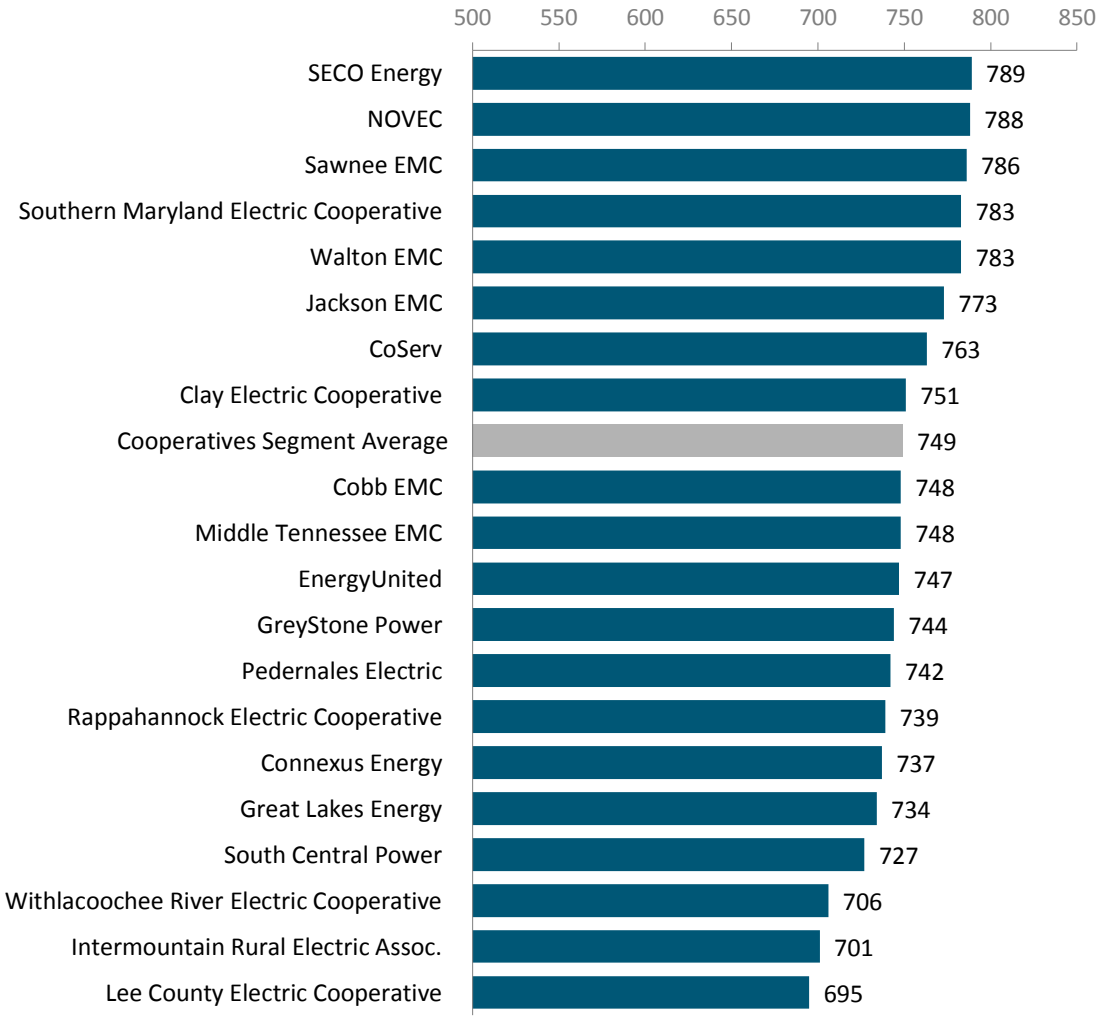
Cooperatives Segment
Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



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