Q. **Volume 1 (1st Revision), Chapter 2: Customers**

Please provide copies of all CEA reports and data substantiating the CEA average for customer satisfaction of 55% for 2014 and 56% for 2016. (Volume I (1st Revision), Chapter 2: Customers, Page 2.2, Footnote 7)

A. Please refer to NP-NLH-007, Attachment 1 for the CEA survey for 2014. The reference to the customer satisfaction of 55% for 2014 is located on slide 5 of 131. Please refer to NP-NLH-007, Attachment 2 for the CEA survey for 2016. The reference to the customer satisfaction of 56% for 2016 can be found on slide 5 of 163.

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CEA Opinion Research

2014 National Public Attitudes Survey







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Canadian Electricity Association | Association canadienne de l'électricité

September 2014

:: Review Report ::

STRICTLY PRIVILEGED AND CONFIDENTIAL

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Research Overview

The Canadian Electricity Association (CEA) commissioned Innovative Research Group Inc. (INNOVATIVE) to conduct the CEA's 2014 National Annual Attitude Survey. The focus of this survey is customer attitudes towards the electricity companies that serve them.

Since different provinces have different market structures, the survey was revised in 2014 to ask specifically about *electricity retailers*, *distributors*, *transmission companies*, *generators*, and *vertically integrated companies*. The exact structure of the survey in each province reflects the unique circumstances of that province.

Key company-specific topics include:

- Overall Satisfaction
- Performance Attributes
- Customer Experience (billing and other customer contact)
- Net Promoter Score

Other topics include:

- Perception on the price of electricity
- Social permission for siting and price increases
- Underlying attitudes – outside a utility's control – that may impact perceptions of the electricity industry

Primary Take-Away

The electrical utility industry in Canada is complicated. There are four different functions delivered by electricity companies: generation, transmission, distribution and retail. In some parts of the country just one company delivers all those functions. In almost every province more than one company is involved in the electrical system ranging from relatively simply structures, such as New Brunswick with a major vertically integrated utility and a few municipal distributors, to more complex structures, such as Alberta with multiple distribution, transmission, and generation companies as well as numerous electricity retailers.

This survey is designed to capture the complexity in Canada's electricity sector. This year's survey has moved from the idea of measuring public attitudes on a single electricity supplier to asking about specific electricity retailers and distributors by name, as well as assessing attitudes towards transmission and generation companies.

This survey measures overall corporate reputation, core attributes that cross all electricity functions and sector-specific attributes. The survey controlled for underlying values such as the environment and views on big business as well feelings about price and customer experience.

While we have gone to great pains to reflect and capture complexity, it turns out the basic story is simple. Whether an electricity company is vertically integrated or a distribution, transmission or generation company, Canadian electricity companies share one fundamental brand image that drives overall reputation.

To the degree electricity companies can convince Canadians that they *care about their customers, are efficiently run and provide good value*, Canadians look upon these companies favourably. When utilities have not been able to convince their customers that they care and are providing good value, Canadians are angry. Demonstrating utilities care and provide good value in word and deed is critical to improving the stature of Canadian electricity companies today.

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Core Attributes and Satisfaction Measures

Note that all of the core satisfaction and attribute questions were randomly split between the new bipolar 0-10 scale and the old unipolar 1-10 scale. Results from the new 0-10 scale are reported here except where otherwise noted.

Retailers have similar levels of satisfaction as regular distributors

- Overall half of customers are satisfied with their electricity retailer (55%). Just 12% are dissatisfied. This is in line with the general level of satisfaction customers have with their distributor.
- In Alberta, retailers perform best when rated on their ability to provide easy to understand bills, accurate bills, and to operate as an efficient, well-run company. On the other hand, fewer customers (34%) are satisfied that they are contributing back to the community.

Satisfaction with distributors is down from previous years

- Overall just over half of customers (55%) are satisfied with their distributor in general. On the old 1-10 scale 59% reported they were satisfied. Comparing to previous waves, this is a decline of 7 points from 66% in 2013.
- On specific attributes, distributors are seen to provide good quality power, and reliable electricity. Respondents are also satisfied that these companies encourage efficient use of electricity, provide information on using power efficiently, provide accurate bills, and provide easy to understand bills.

Satisfaction with transmission lower, but many just 'don't know'

- Among respondents whose transmission company differs from their distributor, satisfaction with that company is slightly lower. Just 37% are satisfied with their provincial transmission company.
- When these respondents were asked to rate their transmission company on the core attributes many responded that they did not know. Don't knows made up between 18% and 31% of answers on each of these attributes.
- All respondents were asked to rate their transmission companies on transmission specific attributes, and here transmission companies did well with regards to running a reliable transmission system, and operating in an environmentally responsible way.

Satisfaction with generation similar to distributors and retailers

- Similar to both distributors and retailers, 52% are satisfied with generation companies in their province.
- Respondents were most likely to be satisfied that generators are providing reliable service and protecting public safety.

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Key Drivers of Satisfaction Across the Sector

In order to understand which attributes really matter for overall reputation, we used a factor analysis to group together similar attributes, and a shapely value to determine which were most important. We performed separate analyses for each of **vertically integrated companies, distributors, transmission companies,** and **generators.**

The results show that **all four types of companies** share a common factor underlying their brand which we call *"Focus on Customers"* (i.e. *care about their customers, are efficiently run and provide good value*). This is the most important driver of overall satisfaction for every type of company. For each sector, the net satisfaction level on this factor is positive, but lower than any other element of a company's brand.

For both **vertically integrated** companies and **distributors,** the second most important driver of overall satisfaction is their perceived *quality of customer service*. Scores on this attribute are positive, though many aspects of their brands that are less important are nonetheless stronger. For both types of companies, *reliability* is the strongest factor in the analysis, and is also among the top most drivers of satisfaction.

For **transmission** companies the *reliability and impact of their transmission system on the environment and local community* is the second most important driver of satisfaction, and is also the strongest factor in their brand.

For **generation** companies, *reliability* is the second most important driver, but ensuring future supply is a close third. Both of these drivers of satisfaction are areas of strength for their brand.

Other Key Findings

Tracking results are mixed

- When we recalculate last year's CSI, using an updated approach, we find the CSI is stable from this year to last.
- In contrast, when we compare general satisfaction for your *electricity supplier* (last year's measure) to your *distributor* (this year's measure) using the same 1-10 scale, net satisfaction with distribution companies is down 8-points from 54% in 2013 to 46% in 2014.

Customer experience declining

- Fewer customers are reporting that when they contacted their electricity company about an issue or problem other than their bill, that issue was resolved (declined 4 points from 74% in 2013 to 70% in 2014). Further, there was a decline in the number whose issue was resolved after just one contact (from 76% in 2013 to 54% in 2014).
- While fewer Canadians are contacting their electricity supplier, the reported ease of resolving issues has continued its decline over the past fours years.

Social Permission on Infrastructure Build

- 7-in-10 (71%) of respondents give permission to build infrastructure, compared to just 10% who are opposed (the remaining 19% responded 'Don't Know')

Social Permission on Price Increase

- However, far fewer customers want to pay for the required money needed to invest in needed electricity infrastructure. Less than half (39%) give permission to increase prices, compared to 52% who are opposed to price increases. 9% of respondents said they 'Don't Know'.

Electricity at a Reasonable Price

- After being stable for the past 5 years, there is a drop, in those who see the price in their province as reasonable, to 45% in 2014, down from 53% the previous year.

Value for Money

- More customers are satisfied that their distributor provides them value for money than are dissatisfied. 40% on both the new 0-10 and old 1-10 scales are satisfied; while 34% are dissatisfied according to the new scale and 30% are not satisfied when measured on the old scale.

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Methodology and Demographics

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Methodology

These are the findings of an Innovative Research Group (INNOVATIVE) poll conducted from Aug 11th to Aug 28th, 2014. This online survey of **7,646** Canadian adults across Canada was conducted on INNOVATIVE's Canada 20/20 national panel supplemented by sample from Survey Systems International, one of the world's largest sample providers. Provincial oversamples were conducted in order to ensure larger sub-samples in areas of smaller population were available. Additional oversamples were conducted in specific sub-regions upon the request of CEA members.

Excluding CEA member oversamples, as is done in the following analysis, the total national sample including the provincial oversamples is **4,021**. This sample has been weighted by age, gender and region using 2011 Statistics Canada Census data to reflect the actual demographic composition of the population in every region.* The oversampled regions are weighted back to their population proportions, resulting in an overall national sample size of **3,193**.

The Canada 20/20 and Survey System International panels are recruited from a wide variety of sources to reflect the age, gender, and regional characteristics of the country as a whole. Each survey is administered to a series of randomly selected samples from the panels and weighted as noted above. INNOVATIVE provides each respondent with a unique URL via an email invitation so that only invited respondents are able to complete the survey and respondents can only complete a particular survey once.

When measuring satisfaction, the Annual Attitude Study is moving from the previous 10-point scales (1-10) which ran from "not at all satisfied" to "very satisfied", with new 11-point scales (0-10) which run from "very dissatisfied" to "very satisfied". The new scale measures opinion more accurately by giving a neutral midpoint (5) and truly opposite end points.

To facilitate tracking, this year we ran a split sample by randomly assigning one of the two scales (random split sampling) to respondents. This allows INNOVATIVE to tie the previous IPSOS tracking data with the current 2014 data.

Each Canadian province has a unique electricity regime. The design of this survey allowed us to tailor questions to the unique circumstances of each province and, often, specific regions within a province.

In accordance with the MRIA, margins of error are not calculable for online samples, but an unweighted probability sample of this size (n=3,193) would have an estimated margin of sampling error of ±**1.79** percentage points, 19 times out of 20.

Note: *Graphs and tables may not always total 100% due to rounding values rather than any error in data. Sums are added before rounding numbers.*

* 32 regions were used in total to ensure that the results are representative not only as a whole but within every geographic sub-sample as well.

2014 Survey Design Changes

Previously waves of the CEA National Public Attitudes Survey effectively measured attitudes regarding distributors and vertically integrated utilities, but were not able to collect information about electricity retailers, transmission or generation companies. This year we have reframed the survey to capture tangible results for electricity retailers and for all types of electricity utilities - distribution, transmission, generation and vertically integrated companies.

Based on our review of the survey and following consultation with the CEA and its members, three additional key changes were made to the 2014 study:

1. **Changes in Scales:** We have moved from a unipolar 1-10 scale (satisfied vs. not satisfied) to a bi-polar 0 to 10 scale (satisfied vs. dissatisfied). Satisfaction is not a unipolar dimension such as importance. It is a bipolar dimension - people can be dissatisfied rather than satisfied. As well, on a 1-10 scale, many respondents think 5 is the mid-point but in fact 5.5 is the mid-point. This is counter-intuitive to respondents. In a 0-10 scale, 5 really is the mid-point.

    - *For this year, we ran a split sample survey where half the respondents used the **old scale (1-10)** and half the respondents used the **new scale (0-10)**.*

2. **Questionnaire Length:** Previously, there were 180 individual measures on which survey respondents gave feedback. We reduced the survey by cutting questions that were not core to corporate image, and by cutting questions that factor analysis told us were just different ways of measuring the same thing.

3. **The Calculation of the CSI:** In the past, only the top five attributes of that year were used in calculating the CSI. As well, the procedure did not group together items that were measuring the same underlying attitude. This year we have used factor analysis to create indices of similar items as a first step in the development of the CSI. This also allows the use of all items within the CSI. We have re-calculated last year's CSI using the new method to allow for tracking.

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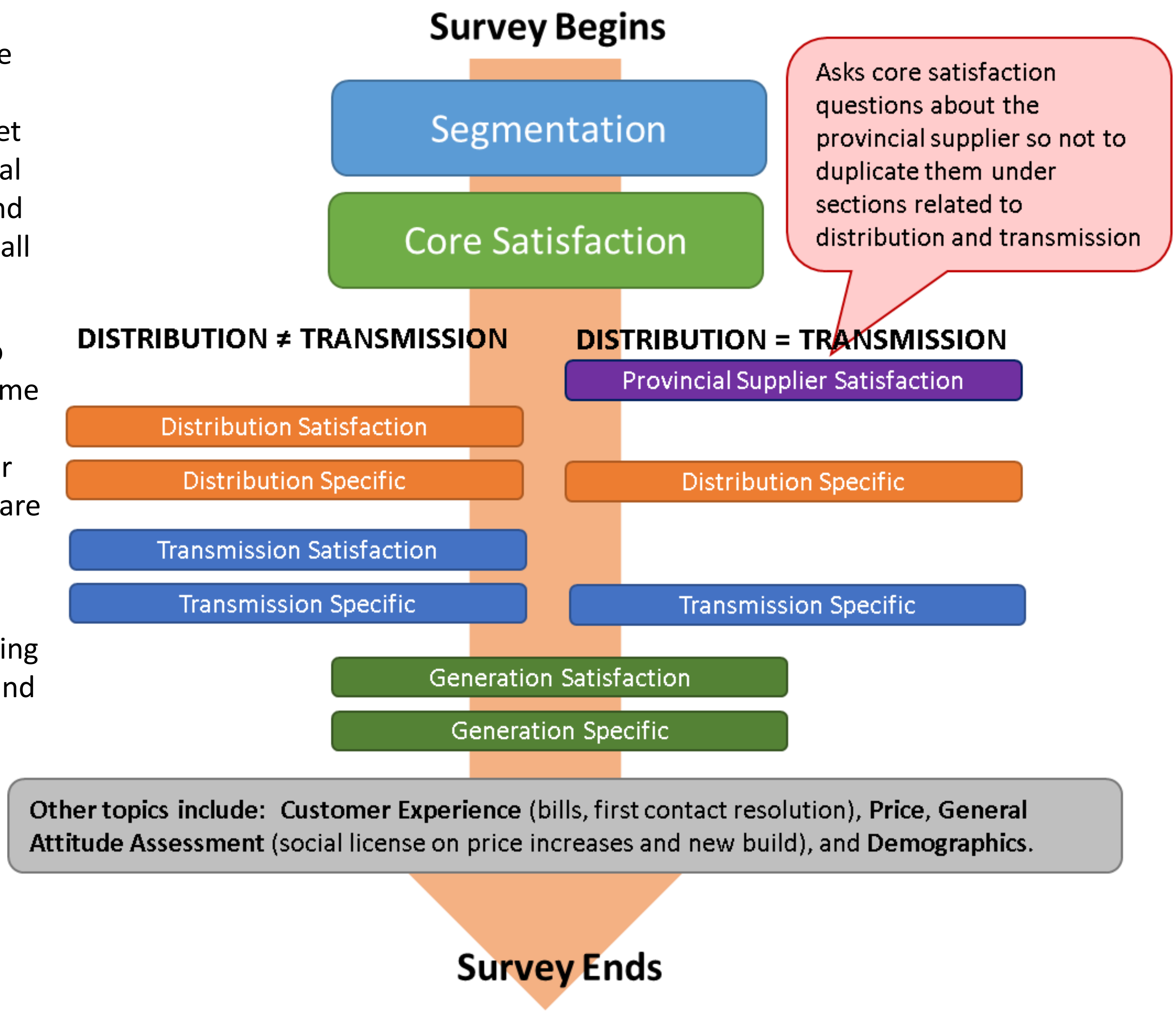
Survey Design

Regime 1: *Vertically Integrated Operator, No Retail Market*

Regime 1: consumers in these provinces predominantly receive their electricity services from a vertically integrated operator, yet there are usually some additional power generation companies and in many cases, at least a few small distributors.

In this version of the survey two paths are possible, one if the same company provides both distribution and transmission for the customer, a second if these are different companies.

This version of the survey was asked among respondents residing in **BC, SK, MB, QC, NB, PE, NS**, and **NL**.

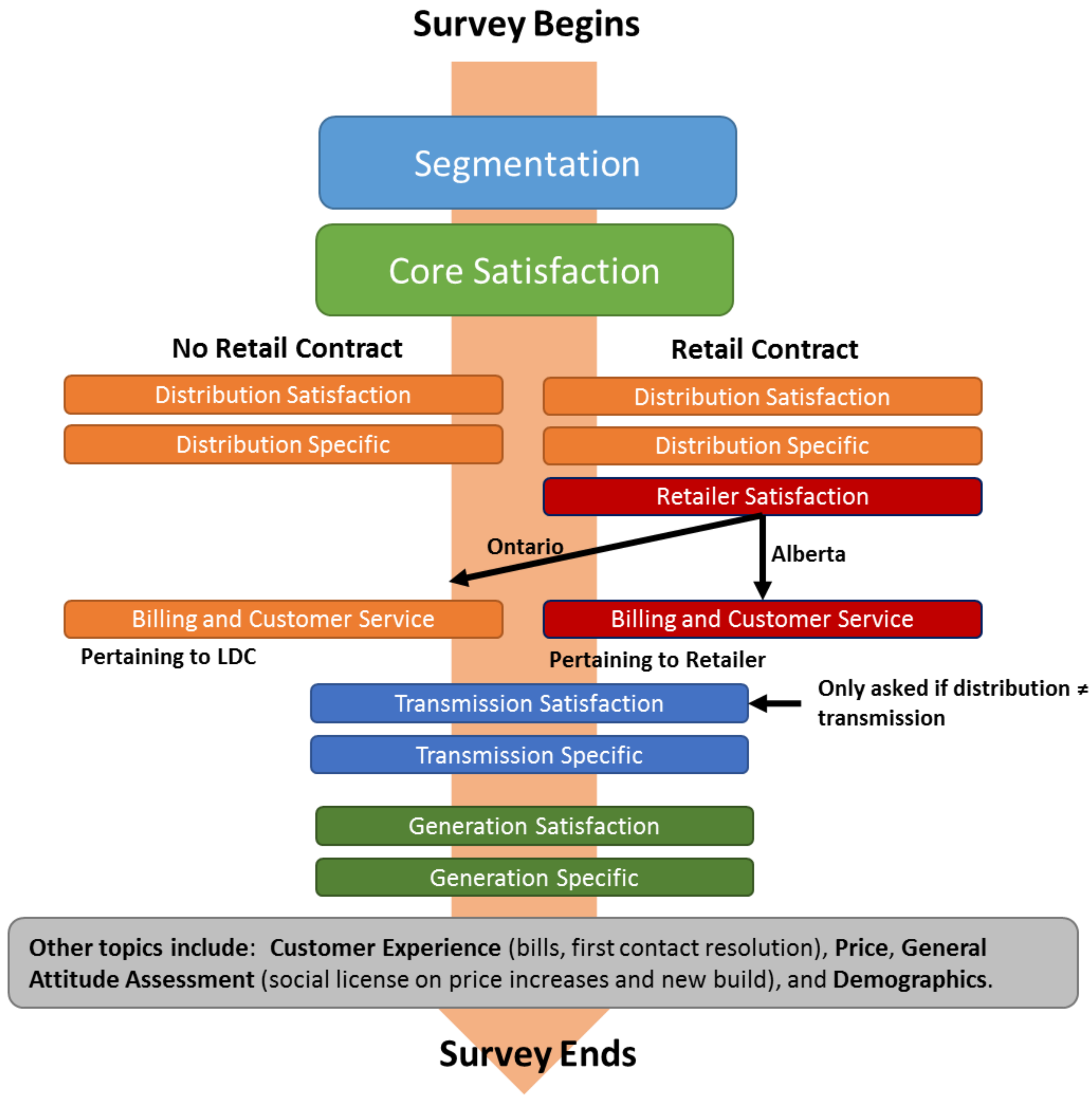


Survey Design:
Regime 2: *Multiple Operators, Retail Markets*

Regime 2: In these provincial electricity regimes, generation, transmission and distribution are all provided by different operators and also include a retail market.

In this version of the survey two paths are possible, one if the customer has a retail contract, the second if they do not. In addition, because billing in Ontario is remitted to retailers through distribution companies, *only overall retailer satisfaction was asked of Ontario respondents with a retail contract.*

This version of the survey was asked among respondents residing in **Alberta** and **Ontario**.



Survey Design: *Question Tracking*

The following table indicates which questions were tracked from previous waves of the survey and which questions pertain to various sectors of the electricity system.

Satisfaction Questions	Tracking	Distribution	Retail	Transmission	Generation
Core Attributes					
Operating as an efficient, well-run company	x	x	x	x	x
Operating in a trustworthy manner	x	x	x	x	x
Contributing back to the community through initiatives such as community sponsorship programs	x	x	x	x	x
Acting in the best interest of its customers		x	x	x	x
Caring about its customers	x	x	x	x	x
Providing value for customers' money		x		x	x
Listening and responding to community concerns		x		x	x
Protecting public safety	x	x		x	x
Operating in an environmentally responsible manner	x	x		x	x
Making a positive impact on the local economy	x	x		x	x
Reliability					
Providing reliable electricity service		x		x	x
Letting you know when power will be restored in the event of an outage	x	x			
Delivering good power quality that is free from voltage fluctuations	x	x			
Ensuring a sufficient supply of electricity for the foreseeable future		x			
Communications					
Taking care of any problems the first time you contact them	x	x			
Quality of customer service	x	x			
Overall communications from [INSERT DISTRIBUTOR NAME]	x	x			
Efficiency and conservation					
Encouraging consumers to make more efficient use of electricity	x	x			
Providing information on how to use electricity more efficiently	x	x			
Billings Specific					
Providing accurate bills	x	x	x		
Providing bills that are easy to read and understand	x	x	x		
Transmission Specific					
Maintaining the electricity transmission system in a responsible manner				x	
Minimizing the impact of transmission lines on people				x	
Ensuring the electricity transmission system will meet future demand	x			x	
Generation Specific					
Finding a good balance between the cost and the environmental impact of generating electricity					x
Ensuring there will be enough electricity available to meet future demand	x				x

Sample Design

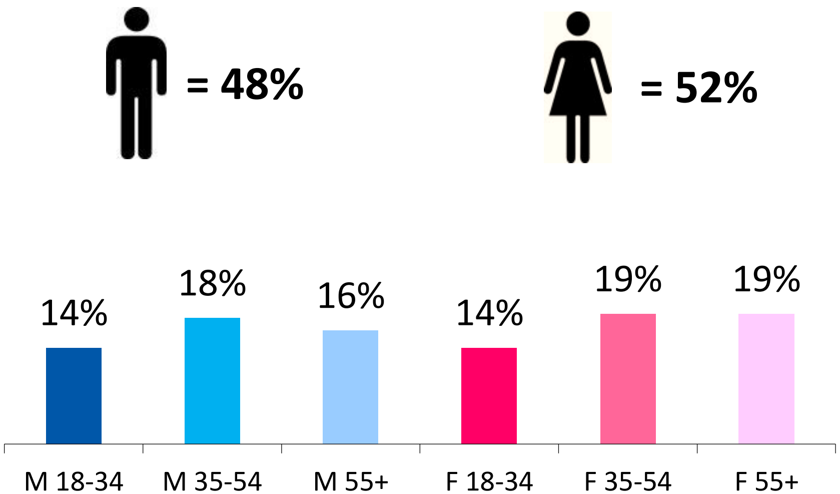
National Weighted Sample:
n=3,193

	BC	AB	SK	MB	ON	QC	NB	PE	NS	NL	Total
Sample (n)	403	319	90	105	1,150	720	69	13	85	48	3,000
Provincial oversample† (n)	80		360	95			131	87	115	152	1,021
Total unweighted sample (n)	**483**	**319**	**450**	**200**	**1,150**	**720**	**200**	**100**	**200**	**200**	**4,021**
Total unweighted sample (%)	12%	8%	11%	5%	29%	18%	5%	2%	5%	5%	
Population (%)	14%	11%	3%	3%	38%	24%	2%	0%	3%	2%	
Weighted (n)	**433**	**341**	**95**	**111**	**1,221**	**764**	**73**	**14**	**90**	**51**	**3,193**

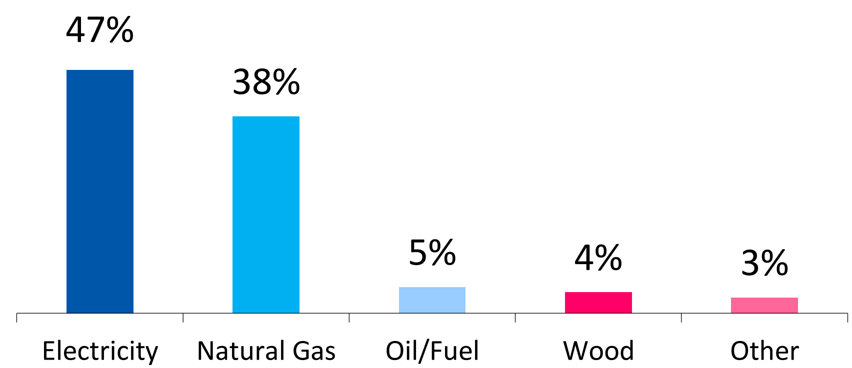
† Additional oversamples in particular sub-regions accounts for the remaining **3,625** interviews conducted for individual CEA member companies, for an overall total of **7,646** interviews.

Demographics: *Respondent profile*

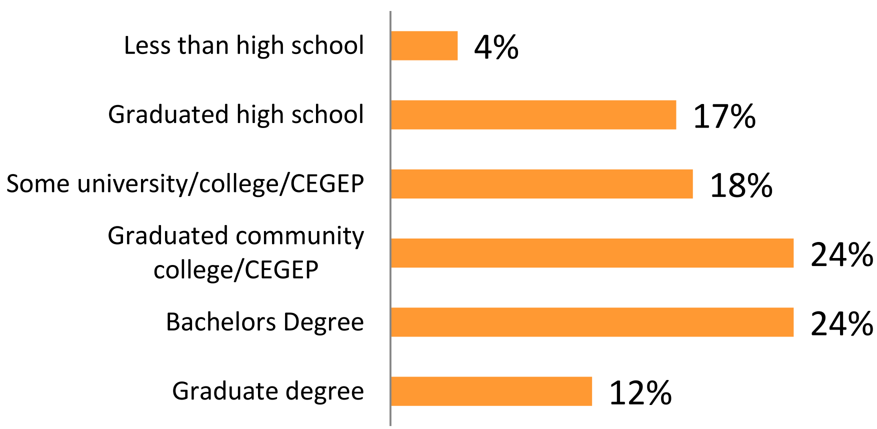
Age-Gender



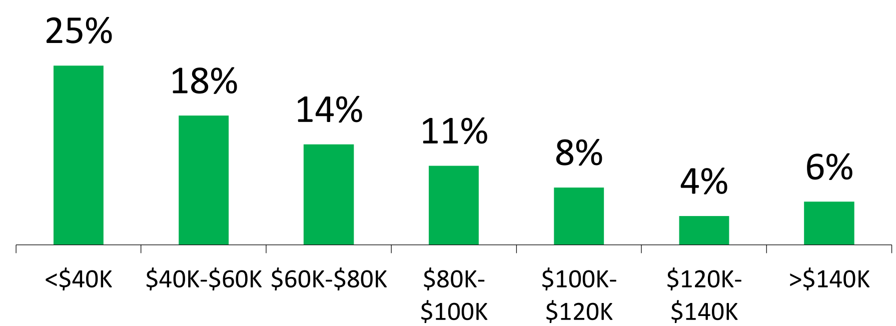
Primary Home Heating Source



Highest Level of Education



Household Income



14% prefer not to say

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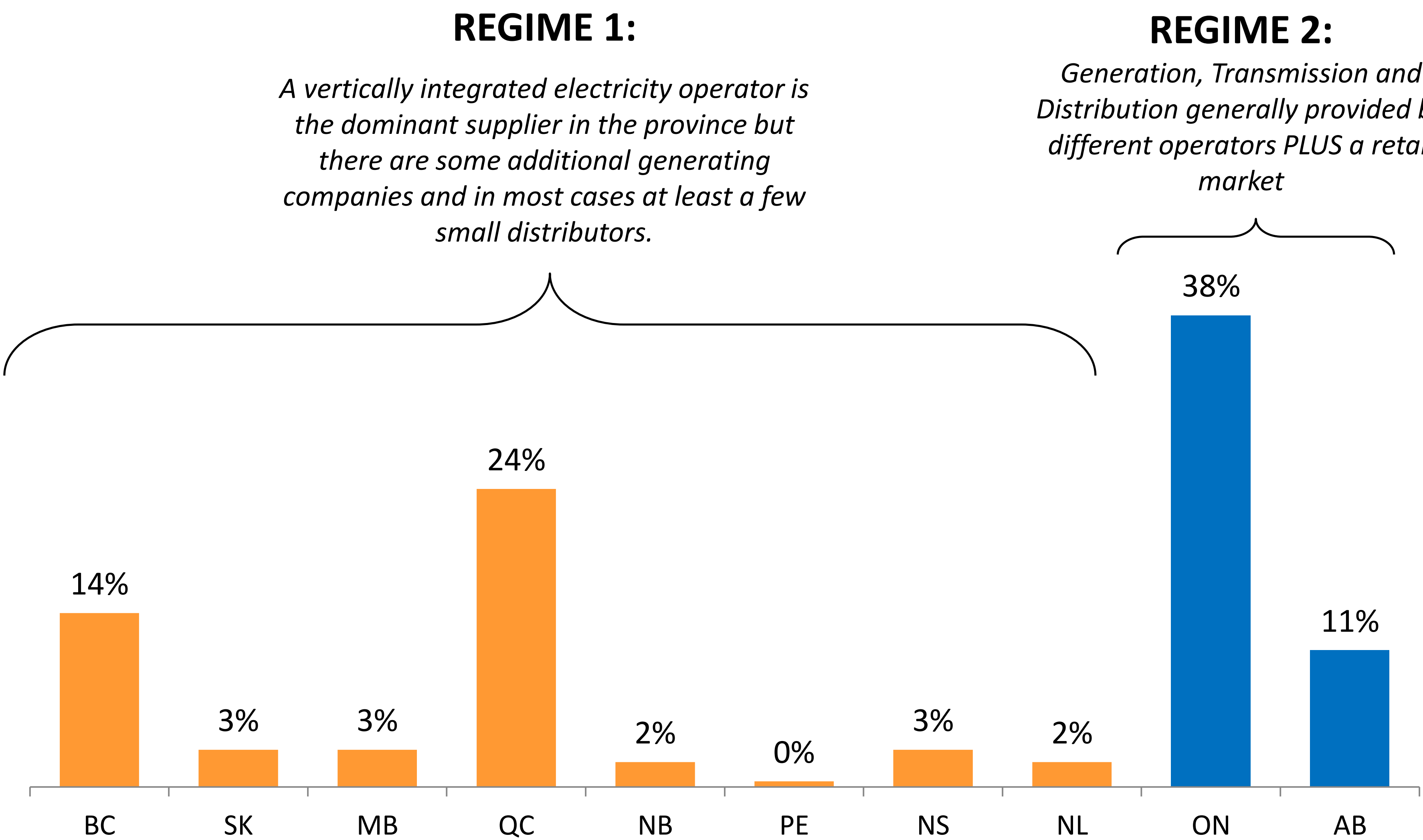
Demographics: *Region*



System Familiarity & Government Approval

Regime 1 Familiarity with System: Half are at least somewhat familiar with their provincial electricity system

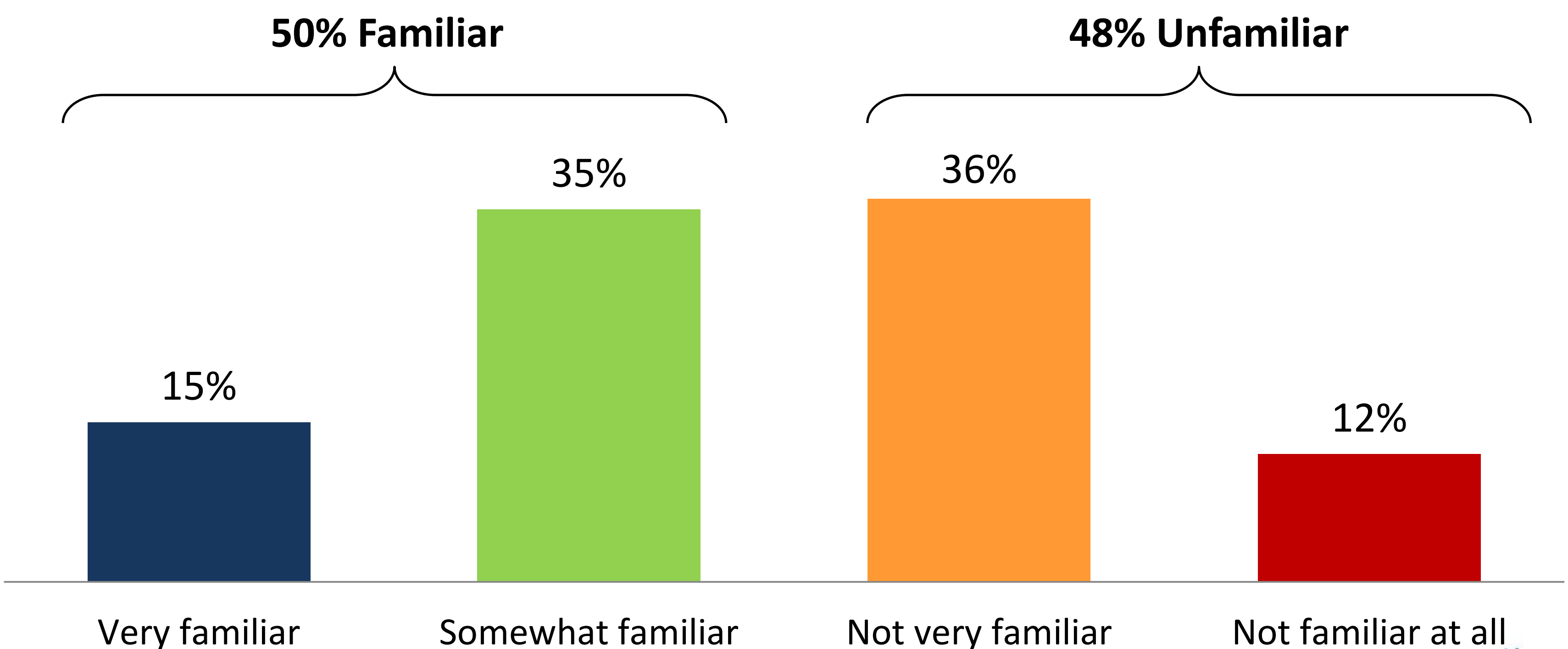
Q

As you may know, [INSERT PROVINCE]'s electricity system has three key components: generation, transmission, and distribution:

- *Power generation converts water from dams, coal, natural gas, wind and other resources into electricity;*
- *The transmission system use large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed; and*
- *The distribution system use smaller wires to carry electricity from substations to homes and businesses within local communities.*

In general, how familiar are you with the way [INSERT PROVINCE]'s electricity system works? Would you say…

[asked of all respondents outside of AB or ON; n=1,634]



Note: 'Don't know' (2%) not shown

Regime 2 Familiarity with System: Almost half of Albertans and Ontarians are at least somewhat familiar

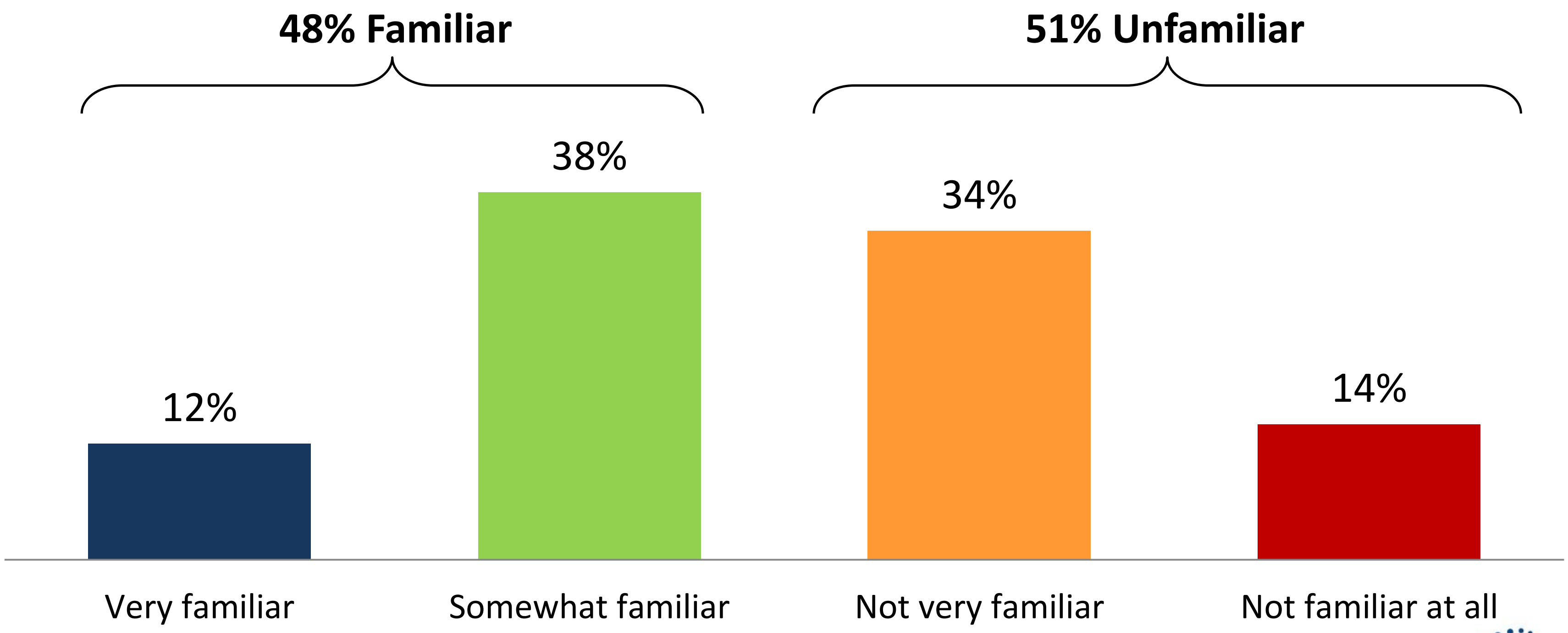
Q

"As you may know, [INSERT PROVINCE]'s electricity system has four key components: generation, transmission, distribution and retail:

- *Generating companies convert water from dams, coal, natural gas, wind and other resources into electricity;*
- *Transmission companies use large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed;*
- *Distribution companies use smaller wires to carry electricity to homes and businesses; and*
- *Electricity retailers buy electricity from generators and sell it directly to consumers through contracts."*

In general, how familiar are you with the way [INSERT PROVINCE]'s electricity system works? Would you say…

[asked of Alberta and Ontario; n=1,559]



Note: 'Don't know' (2%) not shown

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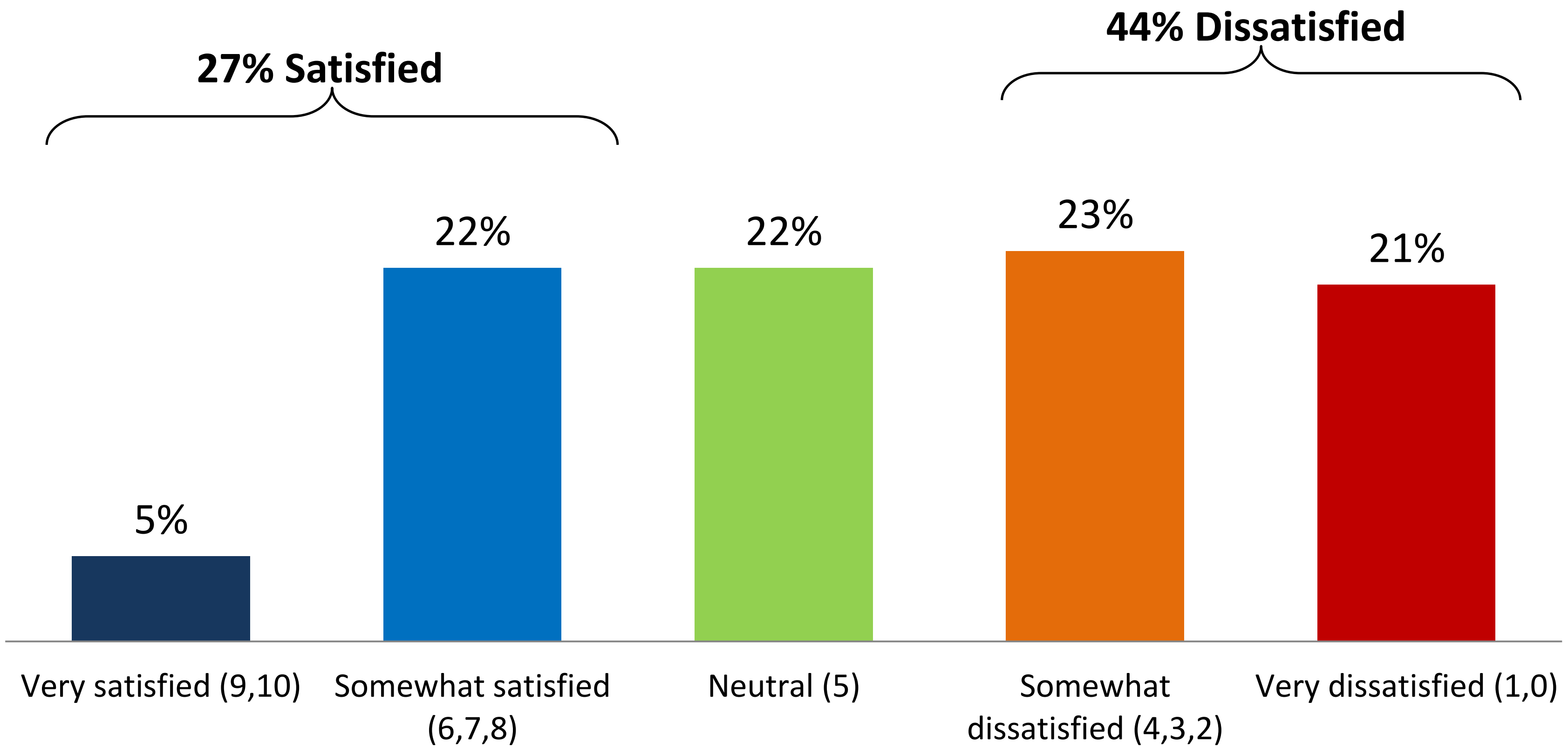
Provincial Gov't: 44% *dissatisfied* with their provincial government's management of the electricity system

Q How satisfied are you with the job your provincial government is doing to manage the electricity system? Please use the scale from 0 to 10, where 0 means very dissatisfied and 10 means very satisfied.

[asked of all respondents; n=3,193]



Note: 'Don't know' (7%) not shown

Attitudinal Clusters

Segmentation Analysis

Attitudinal Cluster

What is Cluster Analysis?

We often have a need to group similar things together for comparison purposes. For example, a company can group customers who have similar needs or similar lifestyle characteristics together. Then, it is possible to segment the market into distinct parts and make more efficient targeted marketing solutions.

If we want to understand Canadian attitudes toward the electricity sector, it would be useful to group segments of the public who have similar values and beliefs together. Then, we can compare how different types of Canadians view things differently on topics that the electricity industry cares about.

How were cluster developed?

The clusters in this report were developed using the attitude statements that most clearly differentiated respondents into unique segments.

- Included in the cluster solution, were 6 different value and beliefs questions concerning: consumer protection, value for money, economic values, jobs vs. the environment, threat of climate change, and overall satisfaction with provincial government's role in managing of the electricity system.
- While each of the questions asked are distinct in important ways, many can be grouped together to describe certain "**types**" of Canadians.
- After defining a set of variables on which the similarity of customers are to be measured, we run statistical analysis to produce groups or "**clusters**" of Canadians who hold similar values and beliefs.

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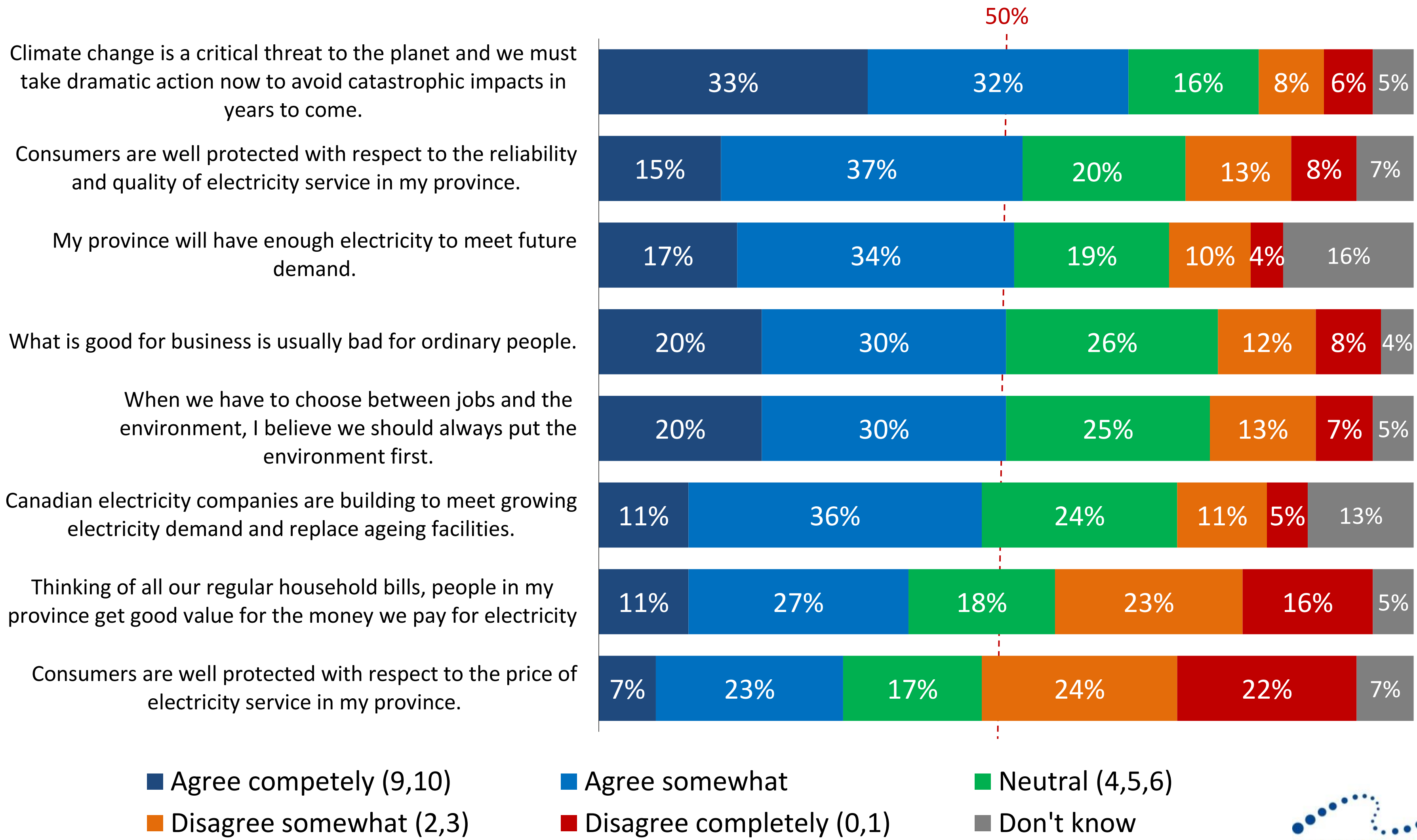
Attitudes for Cluster Development

Q On a scale from 0 to 10, where 0 means you disagree completely and 10 means agree completely, to what degree do you agree with the following statements?: [asked of all respondents; n=3,193]



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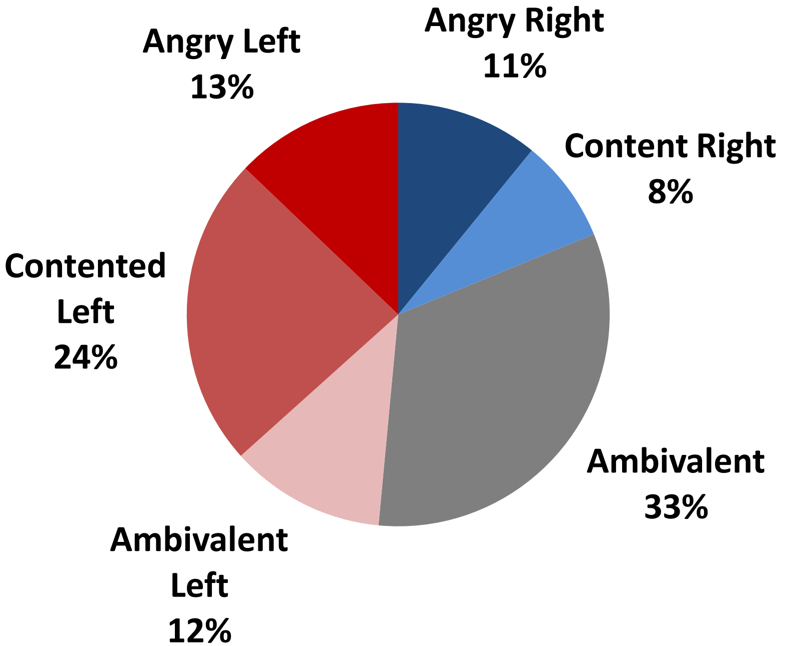
Attitudinal Electricity Clusters

One third (32%) of customers are contented, one quarter (24%) are angry, and the remaining 45% are somewhere in between. These in between groups are the core targets.

- The **Angry Left**, in particular, is very environmentally focused and they have a fairly low opinion of their electricity systems. Their anger and skepticism make them a difficult segment for big companies to make a connection.
- The **Angry Right**, while not as environmentally focused as the Angry Left, are still unlikely to be swayed in their opinion of electrical companies. Like the Angry Left, their anger and skepticism make them a difficult segment for big companies to make a connection. They focus more on cost than environmental impact.
- Those who are **Content** (be they left-leaning or right) feel they are protected with respect to reliability and quality, and that they are getting good value for money. This is important because demonstrating value for money (as part of an overall customer focus) and providing quality customer service are key drivers of satisfaction.
- The **Ambivalent Left** and the **Ambivalent** (core targets) need to be convinced that their province has a well-run electricity system, encompassing quality, reliability and VfM. Ambivalent consumers are the key short term target audience.



Attitudes by Cluster

Answers are reported on a scale from 0-10. Means are reported in the table.

	Angry Left	Content Left	Ambivalent Left	Ambivalent	Content Right	Angry Right
How satisfied are you with the job your provincial government is doing to manage the electricity system?	1.3	6.5	3.8	4.6	5.8	1.1
Agree/Disagree: Consumers are well protected with respect to the reliability and quality of electricity service in my province.	4.0	8.2	4.9	5.7	7.8	3.1
Agree/Disagree: Thinking of all our regular household bills, people in my province get good value for the money we pay for electricity.	1.3	7.7	4.8	4.8	7.8	1.4
Agree/Disagree: What is good for business is bad for ordinary people.	8.2	7.2	6.1	5.6	2.3	3.9
Agree/Disagree: When we have to choose between jobs and the environment, I believe we should always put the environment first	7.1	8.0	7.8	5.1	3.6	2.5
Agree/Disagree: Climate change is a critical threat to the planet and we must take dramatic action now to avoid catastrophic impacts in years to come.	8.1	8.7	9.2	5.7	5.0	2.7

Age & Gender by Cluster: young people more likely to be ambivalent, middle aged more likely to be angry

This chart demonstrates how the overall percentage of each demographic compares to the percentage within each cluster

	Male 18-34	Male 35-54	Male 55+	Male Overall	Female 18-34	Female 35-54	Female 55+	Female Overall	Overall
Angry Left	8%	16%	15%	13%	13%	18%	14%	15%	13%
Content Left	35%	20%	19%	24%	27%	20%	22%	23%	24%
Ambivalent Left	9%	9%	11%	9%	14%	12%	17%	15%	12%
Ambivalent	35%	29%	25%	30%	40%	36%	29%	34%	33%
Content Right	5%	8%	15%	9%	2%	4%	8%	5%	8%
Angry Right	8%	18%	16%	14%	4%	10%	9%	8%	11%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Regions by Cluster: Angry Right most predominant within Ontario; Angry Left in the Atlantic region

This chart shows where the various segments live

	British Columbia	Alberta	Prairies	Ontario	Quebec	Atlantic	Overall
Angry Left	11%	9%	6%	15%	14%	21%	13%
Content Left	25%	23%	36%	20%	27%	19%	24%
Ambivalent Left	14%	10%	10%	12%	10%	15%	12%
Ambivalent	29%	35%	32%	33%	34%	30%	33%
Content Right	15%	10%	11%	4%	9%	5%	8%
Angry Right	6%	13%	4%	16%	6%	11%	11%
Total	100%	100%	100%	100%	100%	100%	100%

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Key Benchmarks

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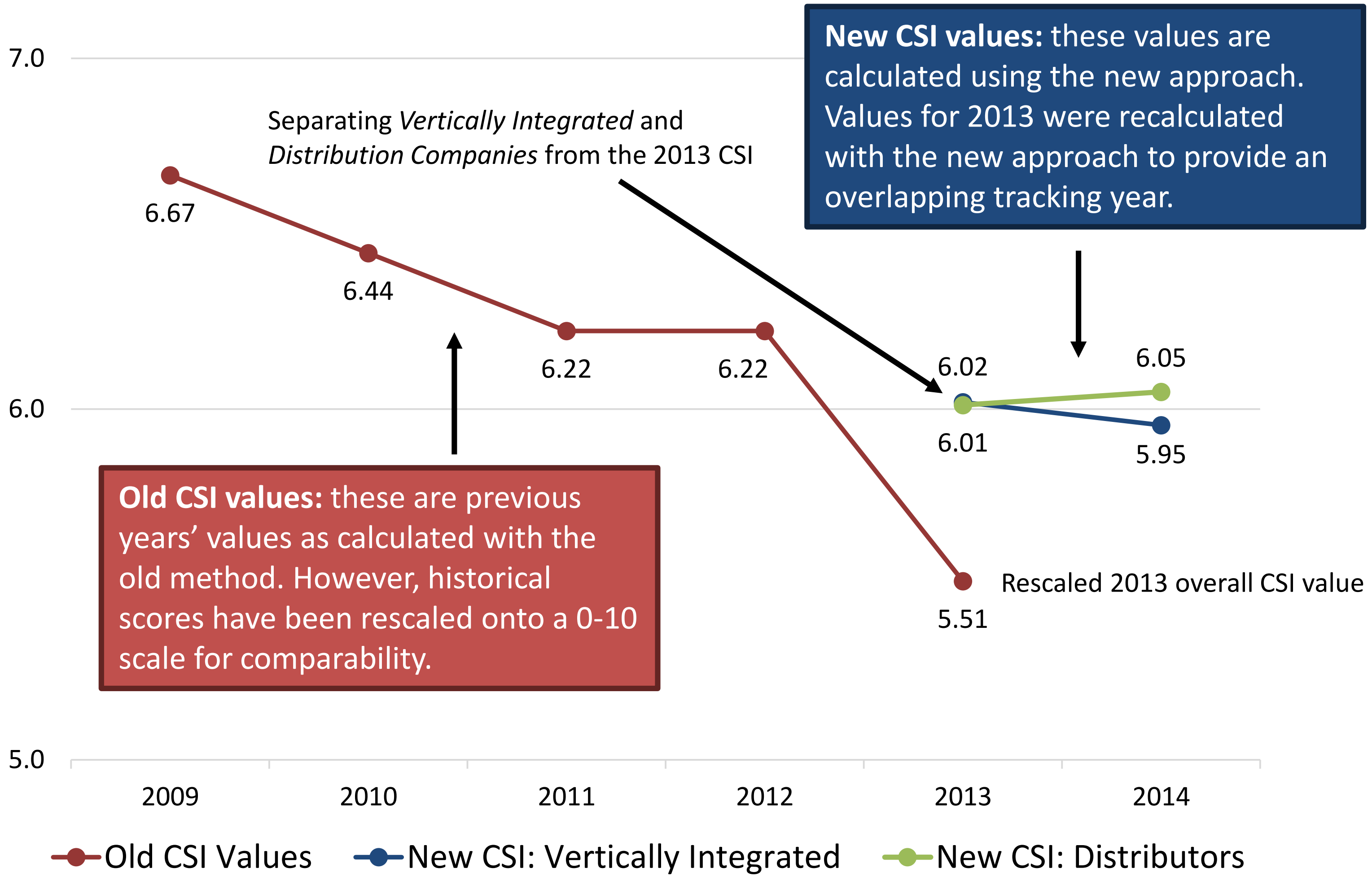
Tracking CSI Score 2009-2014:

Old CSI vs. New Vertically Integrated CSI vs. New Distributor CSI



Note: previously the CSI had been calculated on a 1-10 scale; in keeping with the move to a 0-10 scale for this year's survey, previous year's CSI scores have been rescaled 0-10. For example the 2013 score of 5.51 on a 0-10 scaled that is reported here corresponds to last year's reported score of 5.9 on a 1-10 scale.

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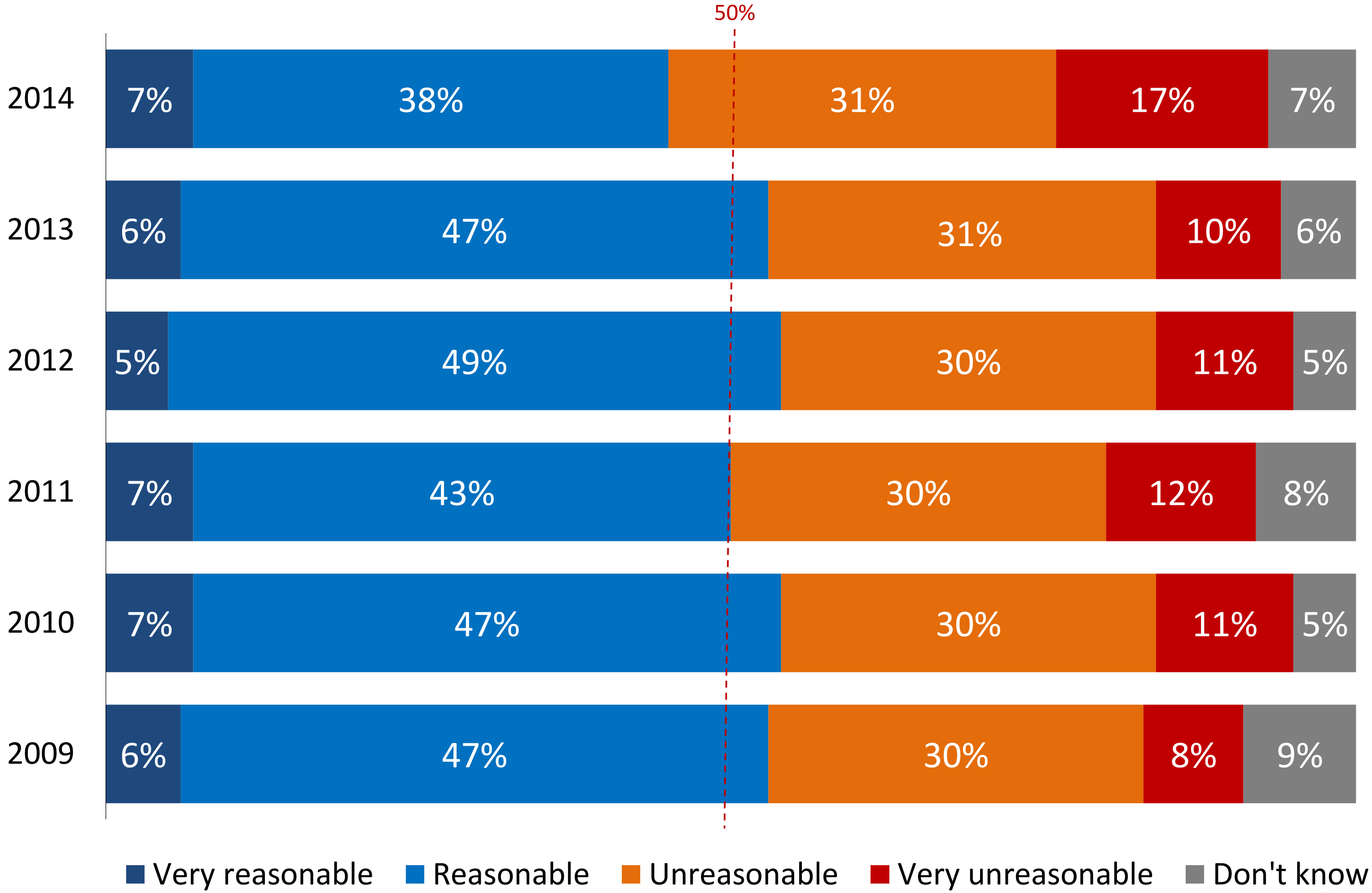
Reasonable Price: decrease among those who feel the price they pay is reasonable; first time below 50%

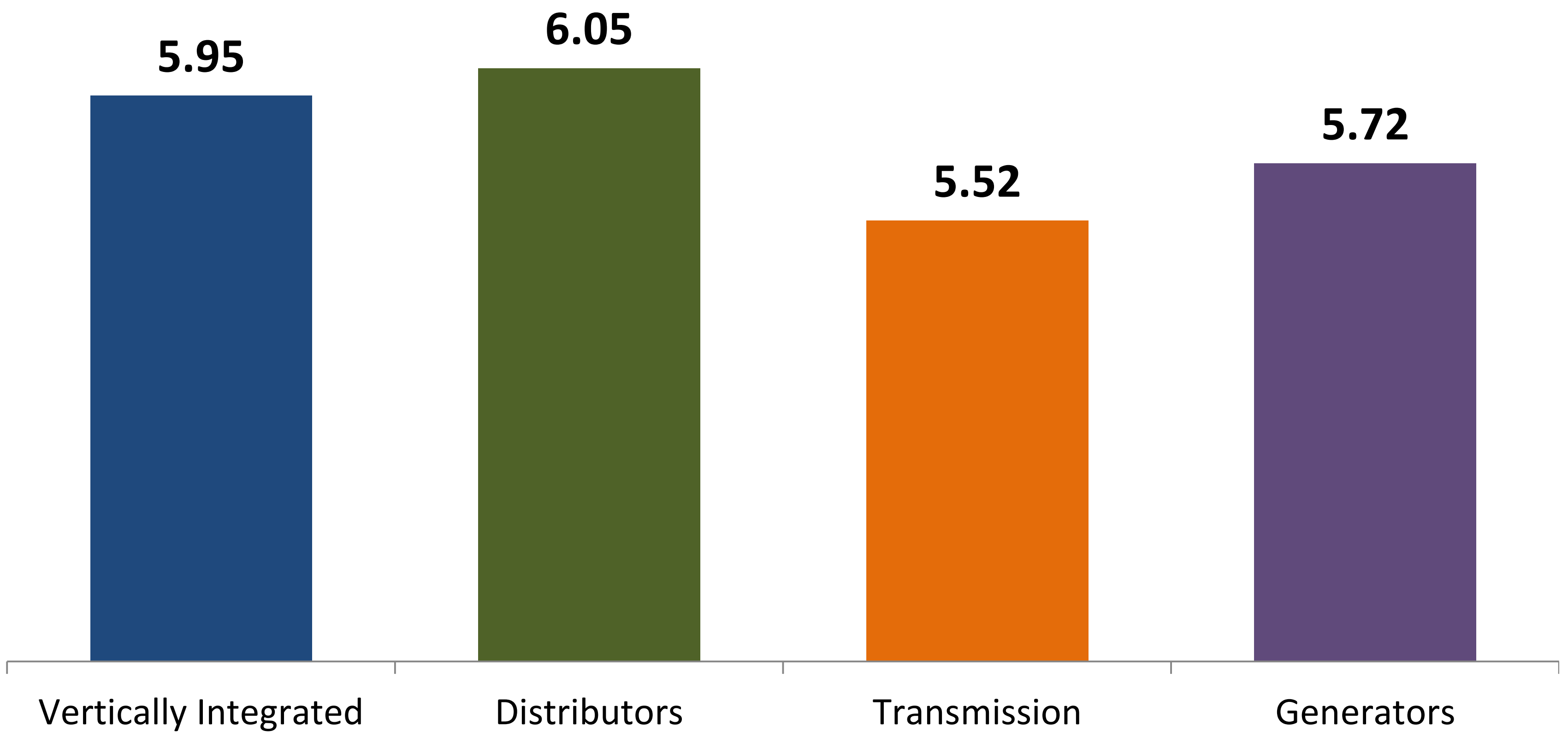
Q

Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable? [asked of all respondents; n=3,193]



CSI Comparison

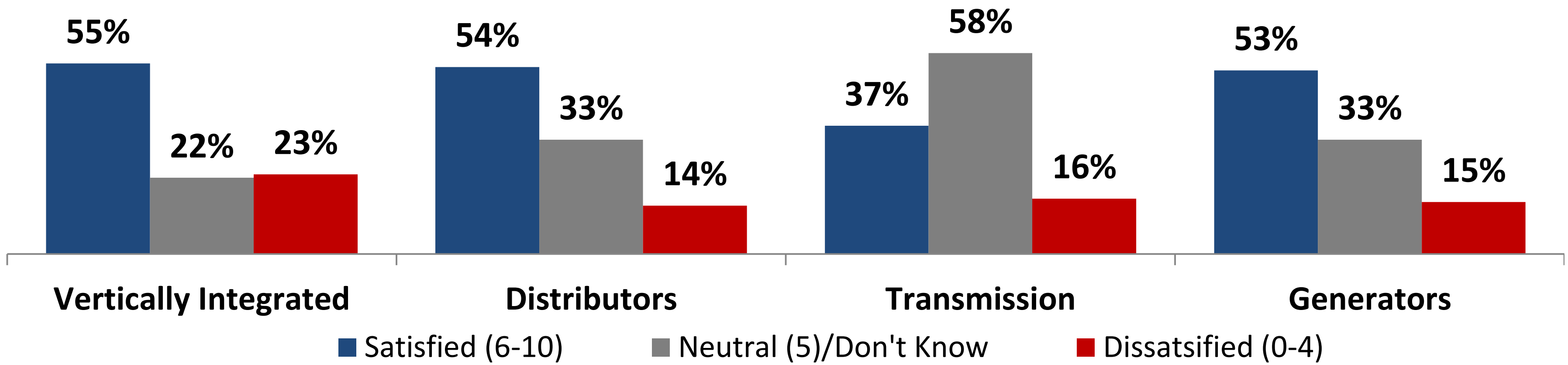
How each sector compares on the **New 0-10 CSI** scale:



Overall Satisfaction: Comparison by sector

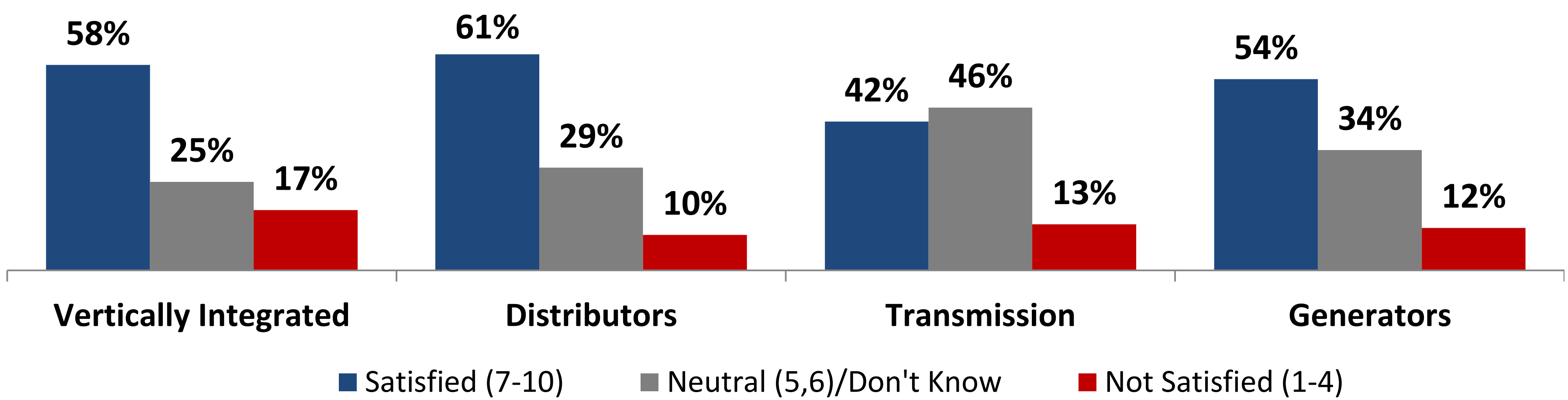
New Scale*: How each sector compares on overall satisfaction using the new 0-10 scale. Net satisfaction is % satisfied minus % dissatisfied.*

Net Satisfaction: +33 | **Net Satisfaction: +40** | **Net Satisfaction: +21** | **Net Satisfaction: +38**



Old Scale*: How each sector compares on overall satisfaction using the old 1-10 scale. Net satisfaction is % satisfied minus % not satisfied.*

Net Satisfaction: +41 | **Net Satisfaction: +51** | **Net Satisfaction: +29** | **Net Satisfaction: +42**

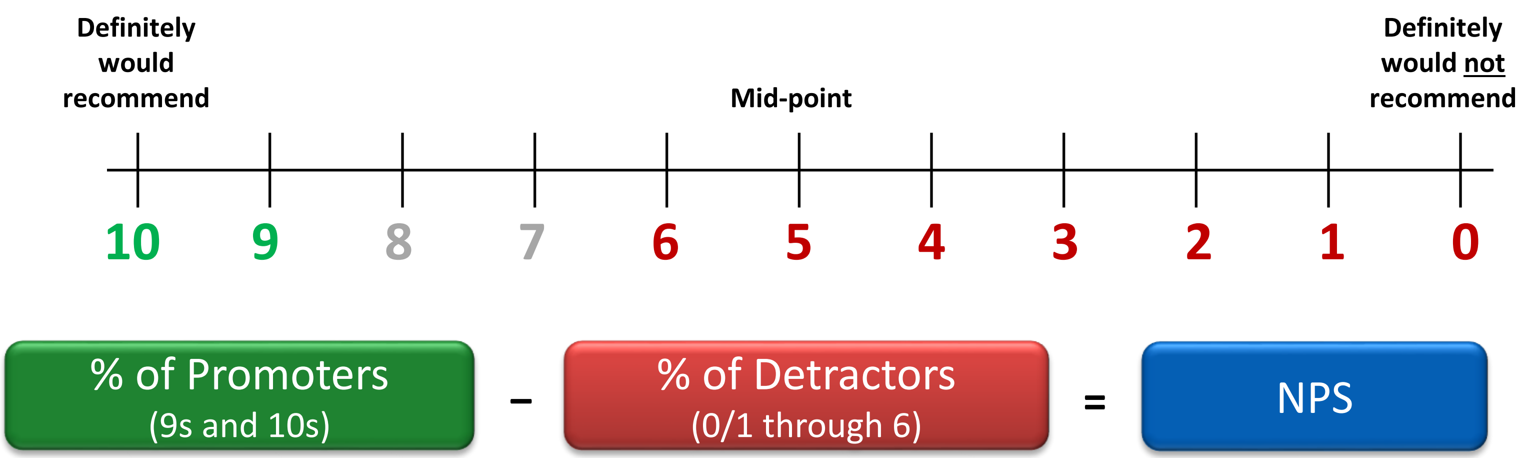


Endorsement: Calculating “Net Promoter Scores”

A **Net Promoter Score (NPS)** is based on the fundamental perspective that every organization’s stakeholders can be divided into three categories: *Promoters*, *Passives*, and *Detractors*.

By asking one simple question — ***How likely are you to recommend [company name] to others?*** — you can track these groups and get a clear measure of the Canadian electricity company experiences through customer’s eyes. While the NPS was designed to use a 0-10 scale, for tracking customers respond on a either the 0-to-10 scale or the *old 1-10 scale* and are categorized as follows:

- **Promoters** (score 9-10 on both scales) are loyal enthusiasts who would refer others to their electricity supplier if they had that ability. An estimated 80-90% of positive referrals come from *Promoters*.
- **Passives** (score 7-8 on both scales) are satisfied but unenthusiastic customers who would be vulnerable to competitive offerings from other suppliers if they had the ability to choose.
- **Detractors** (score 0-6 OR score 1-6) are unhappy customers who can damage the electricity suppliers brand through negative word-of-mouth. Detractors are responsible for an estimated 80-90% of all the negative word-of-mouth. Furthermore, this group of customers complain more frequently, thereby consuming service resources at a much higher rates than other customers.



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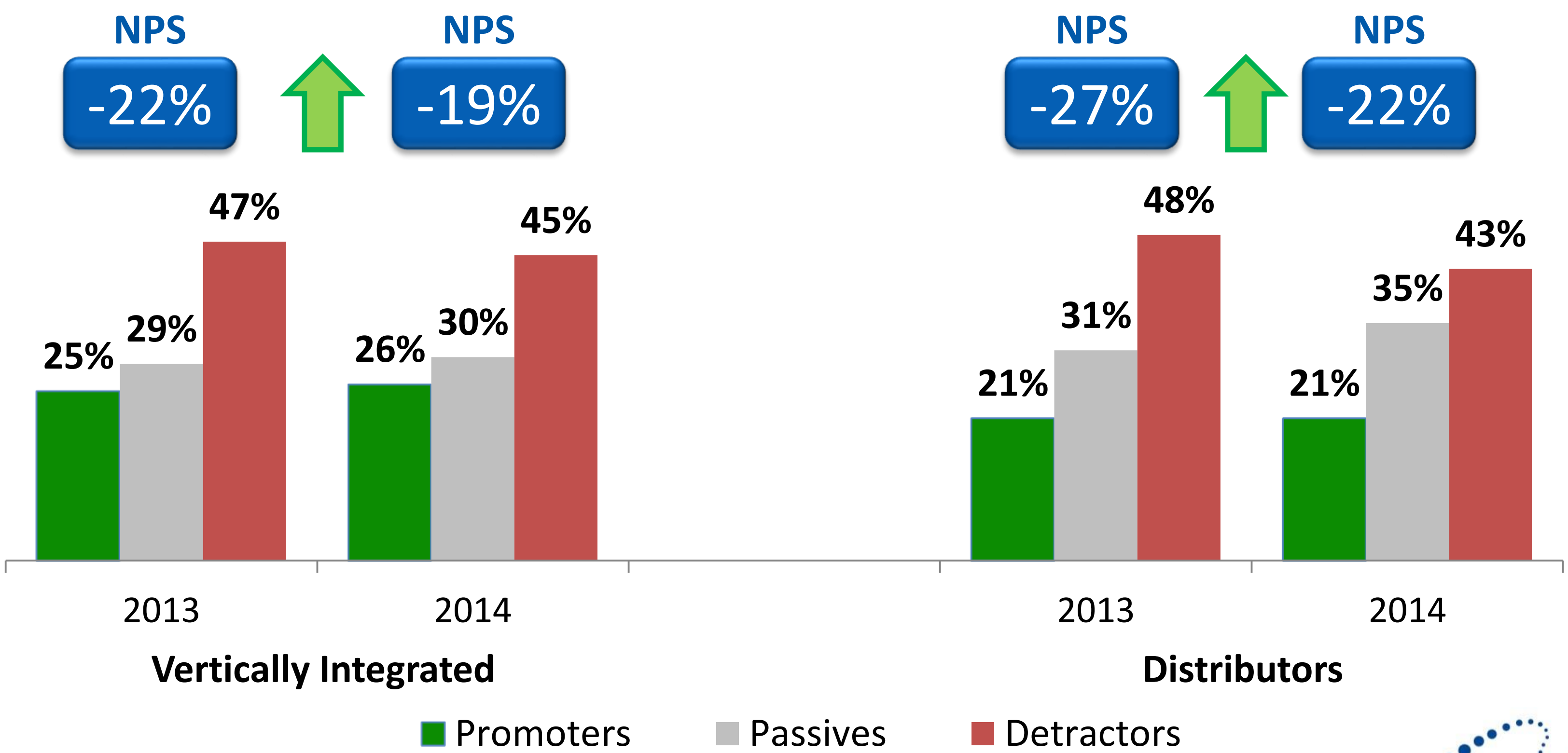
Net Promoter Score: Both vertically integrated utilities and distributors improved slightly in NPS from 2013 to 2014

Q **If you had a choice between several possible providers of electricity, how likely would you be to recommend [DISTRIBUTOR NAME] to your friends, family, and others as the preferred electricity distributor?**

***New Scale**:* Please use a scale from 0-10, where **0** means you **would <u>not</u> be likely at all to recommend [DISTRIBUTOR NAME]** and **10** means you **would be extremely likely to recommend**.

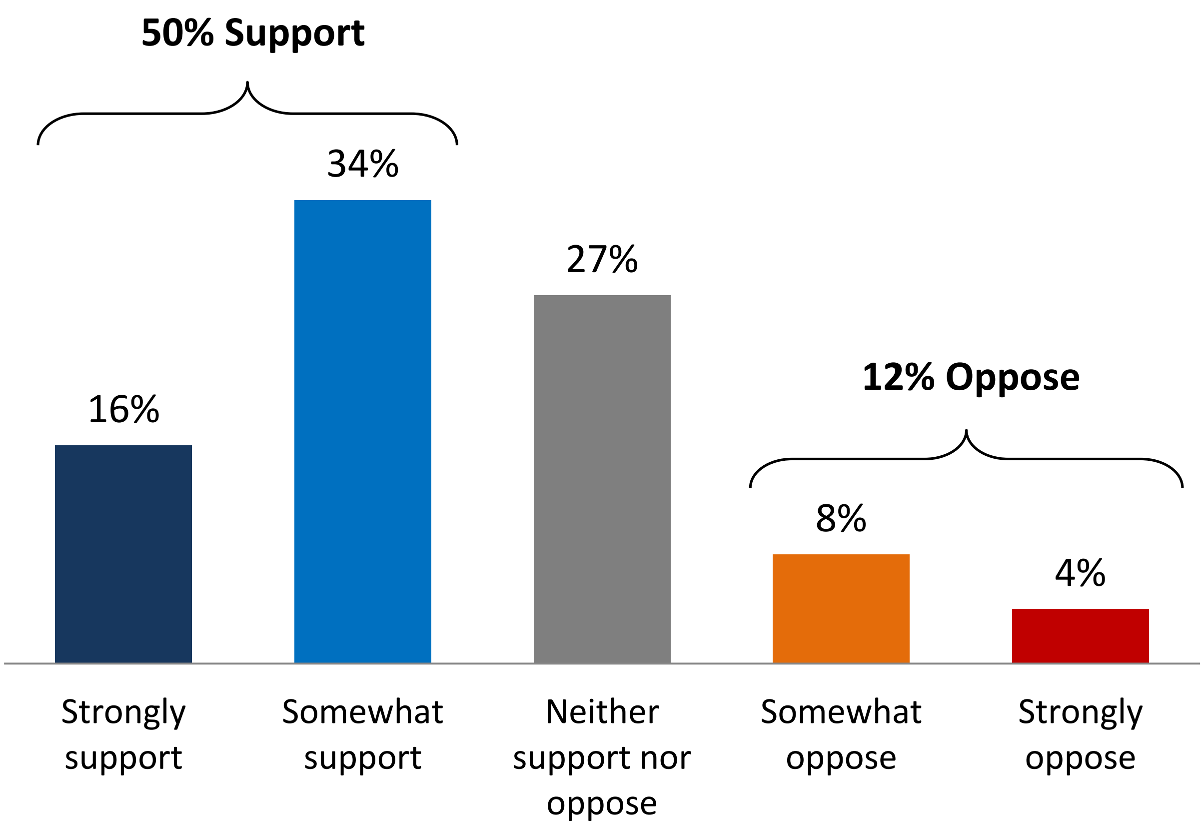
***Old Scale**:* Please use a scale from 1-10, where **1** means you **would <u>not</u> be likely at all to recommend [DISTRIBUTOR NAME]** and **10** means you **would be extremely likely to recommend**.



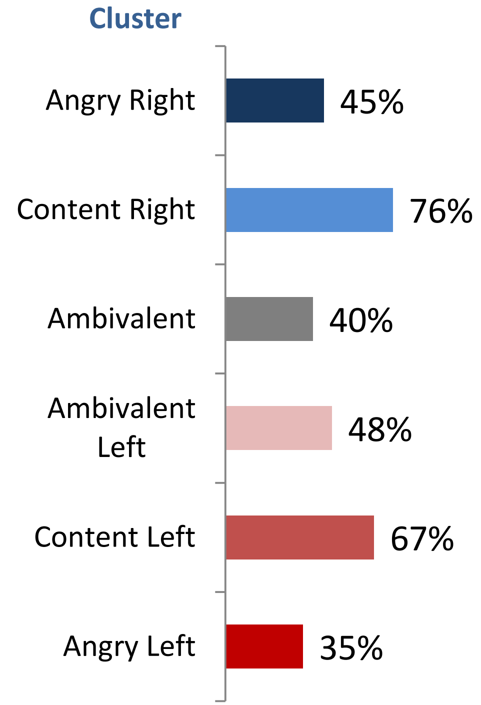
Note: 'Don't Know' removed from calculation

Infrastructure Investment: Only 12% say they oppose investment in electrical infrastructure in their province

Q Given everything you have read, seen or heard ...
Do you support or oppose investment in and expansion of the generation, transmission and distribution of electrical power in your province?
[asked of all respondents; n=3,193]



Sample Breakdown
Those who "support" infrastructure investment
Cluster data is based on total sample

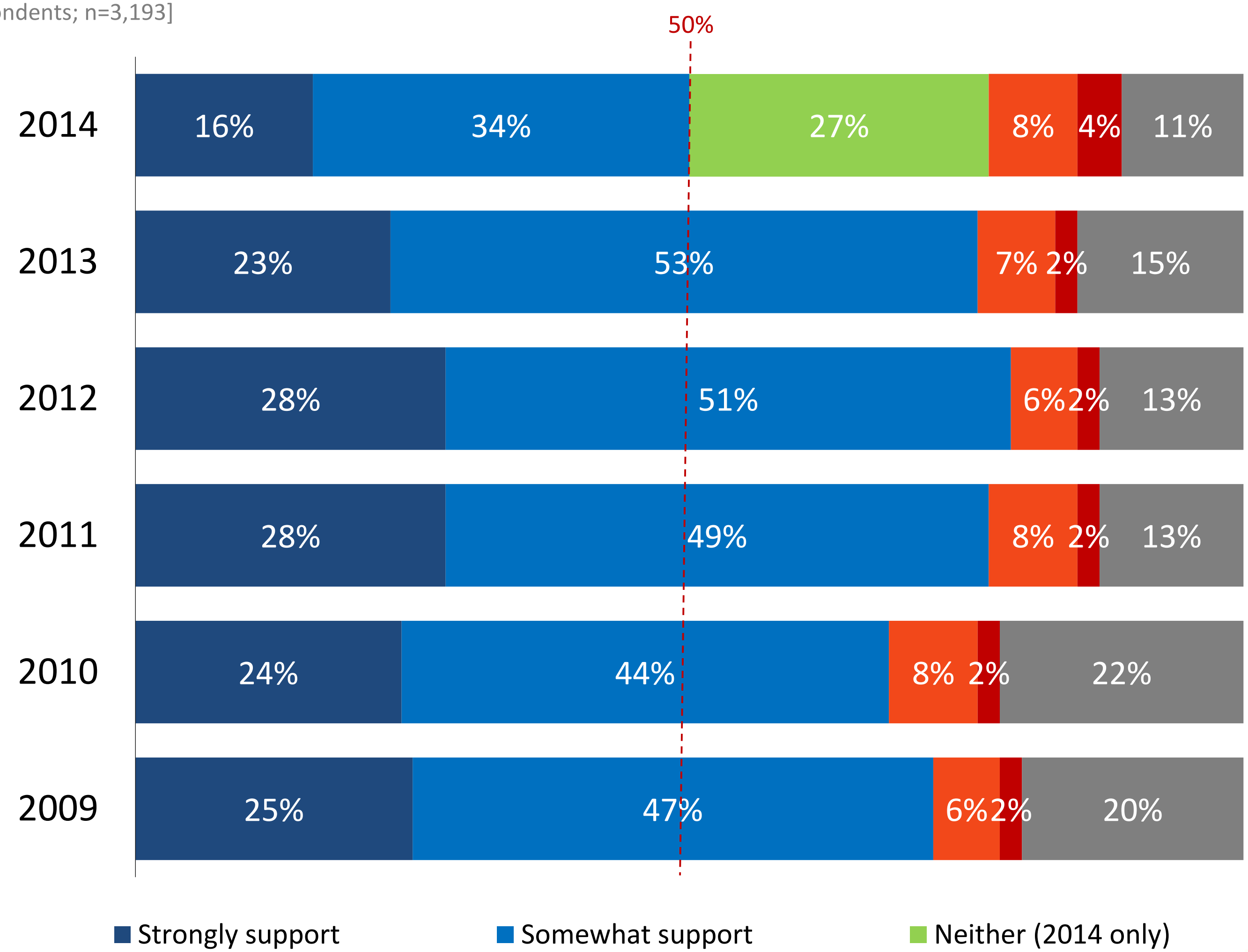


Note: 'Don't know' (11%) not shown

Infrastructure Investment: Support higher in previous years; likely due to absence of *neutral* option in response scale

Q Given everything you have read, seen or heard...Do you support or oppose investment in and expansion of the generation, transmission and distribution of electrical power in your province?

[asked of all respondents; n=3,193]



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Permission on Infrastructure Build: 71% give permission to build infrastructure, only 10% oppose

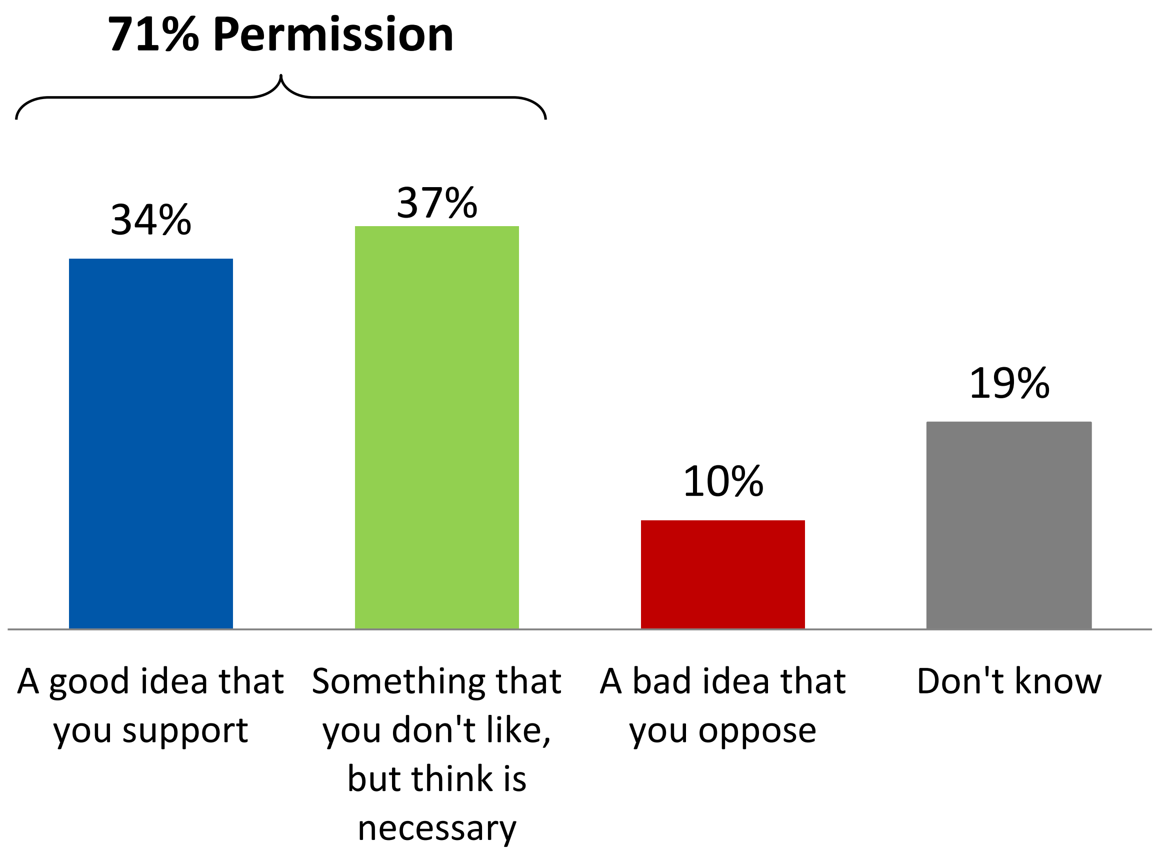
Q Which of the following statements best represents your view? Do you think building new electricity infrastructure in this province is…

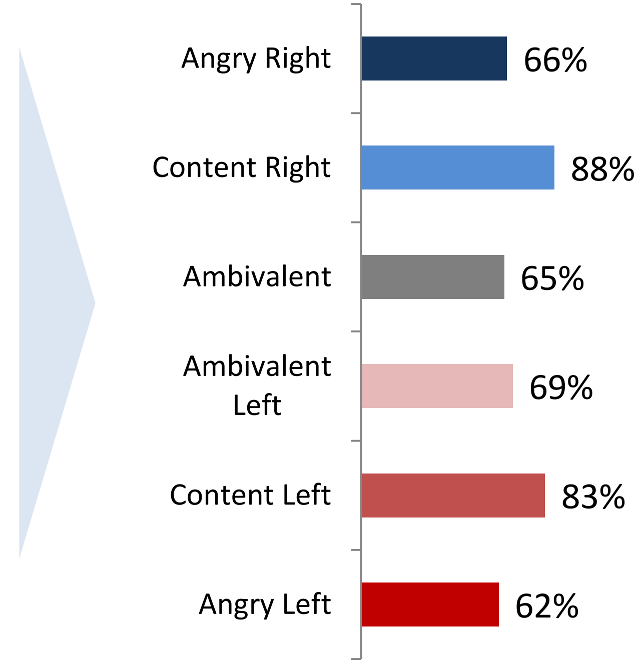
[asked of all respondents; n=3,193]

Sample Breakdown

Those who give permission to build new infrastructure

Cluster data is based on total sample

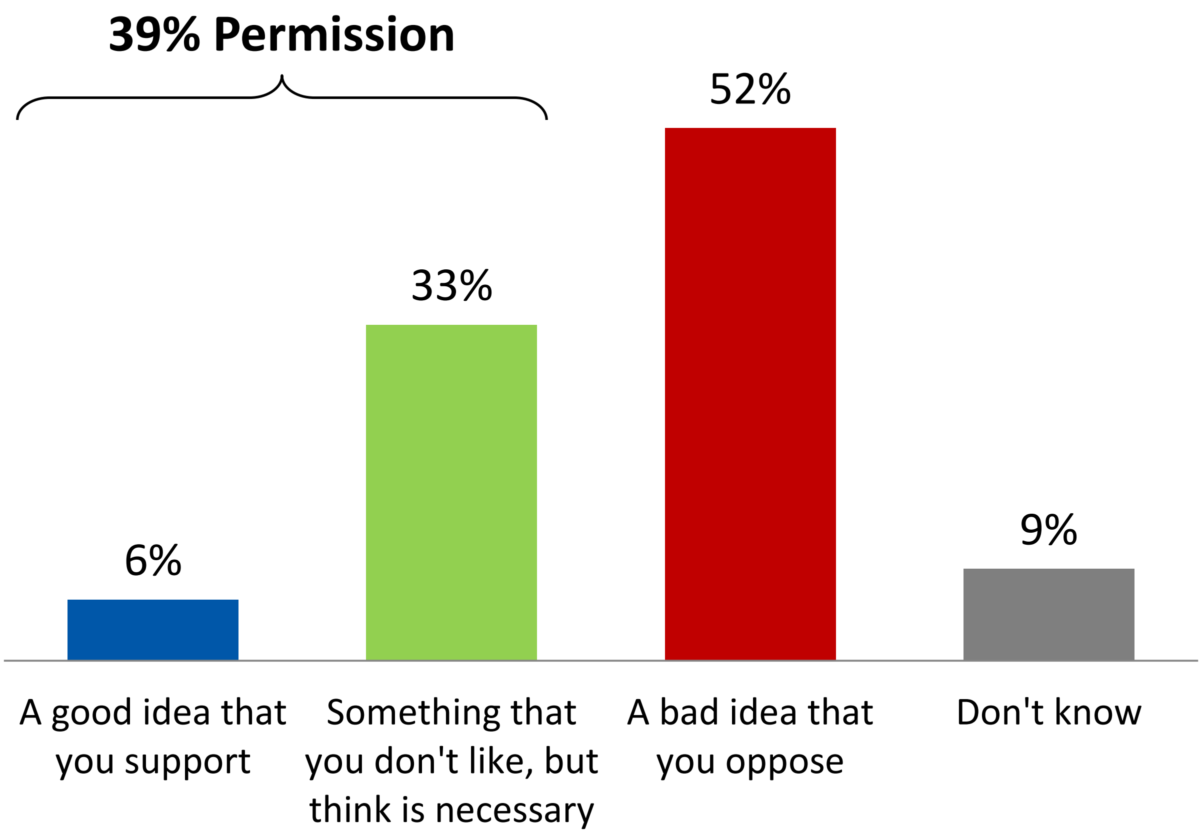


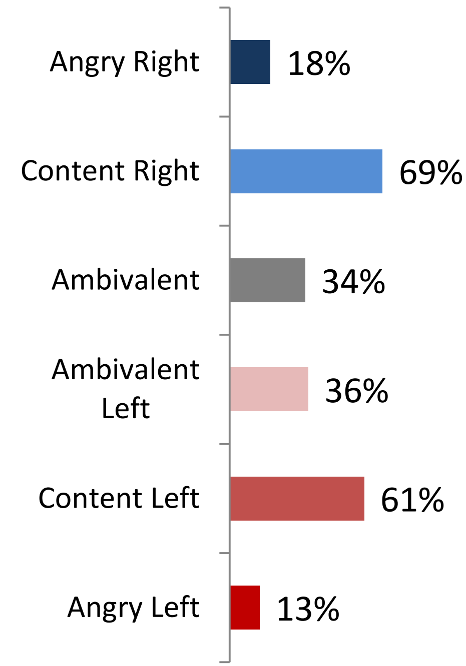


Permission on Price: while a majority support building infrastructure, far fewer provide permission on paying for it

Q Which of the following statements best represents your view? Do you think increasing the price of electricity to invest in improvements in your province's electricity system is …
[asked of all respondents; n=3,193]

Sample Breakdown
Those who give permission to increase price
Cluster data is based on total sample





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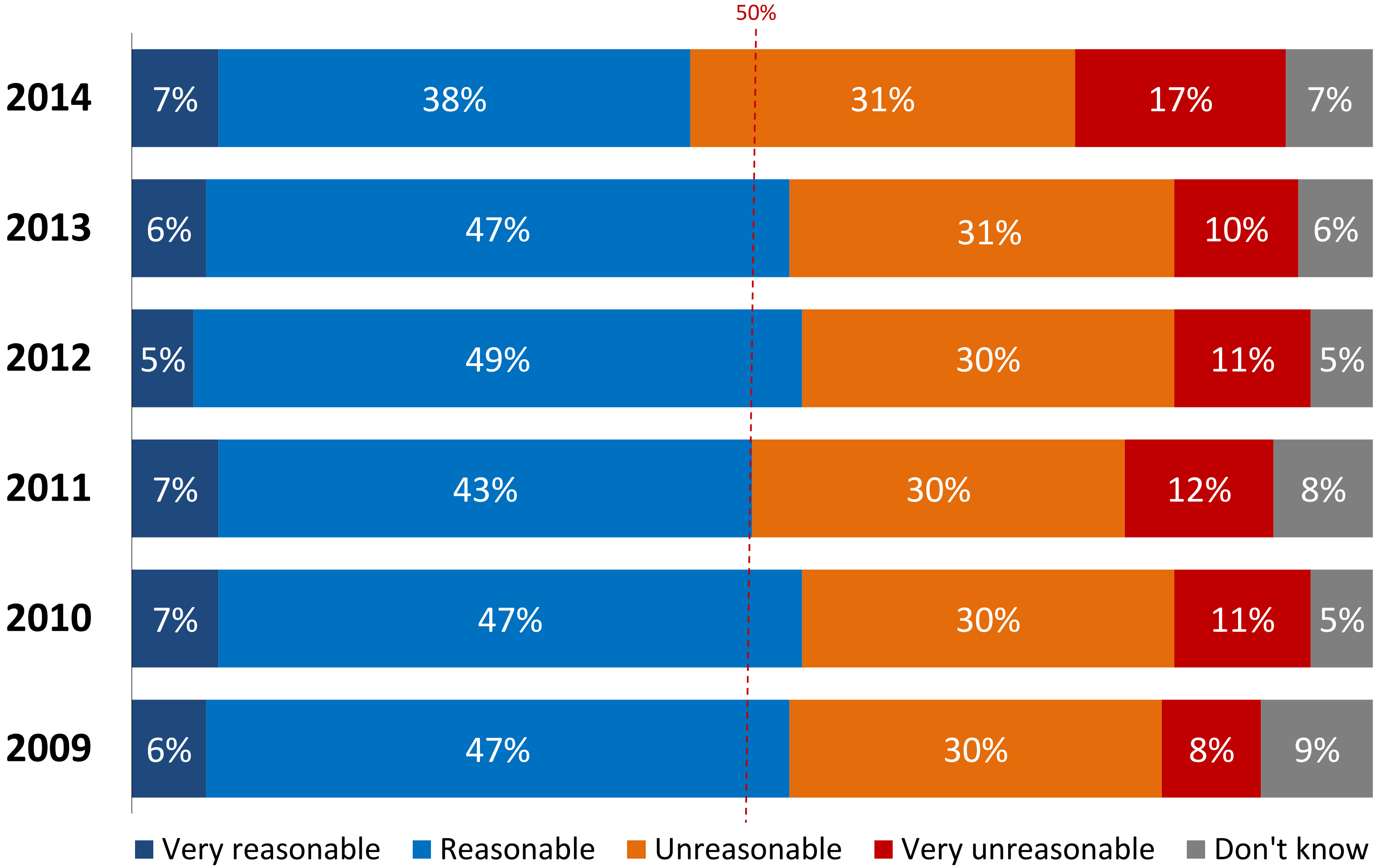
Reasonable Price: decrease among those who feel the price they pay is reasonable; first time below 50%

Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable? [asked of all respondents; n=3,193]



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Electricity Retailer Reputation

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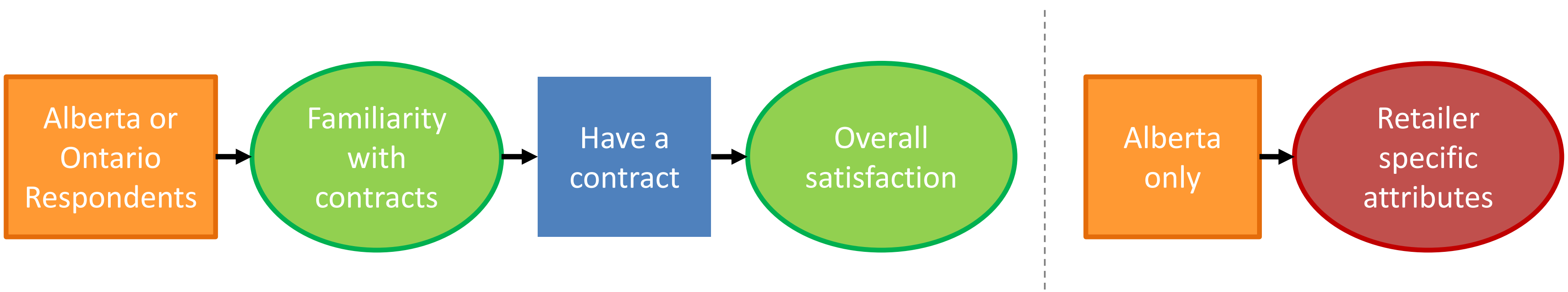
Electricity Retailers:
Which respondents were asked what?

- Two provinces have electricity retailers: Alberta and Ontario
- In each of these provinces respondents were asked about their familiarity with electricity retailers, and whether they had a retail contract for electricity service
- **In Alberta**, electricity retailers bill their customers directly. Respondents with contracts were asked about their overall satisfaction as well as core attributes measurements with their electricity retailer.
- **In Ontario**, retail electricity billing is handled through the local distribution company. Respondents with electricity contracts were only asked their overall satisfaction with their electricity retailer.



Summary: Attitudes towards Electricity Retailers

Within Alberta and Ontario, respondents are divided on familiarity with contracts: 47% are familiar while 49% are not.

However, among those with electricity contracts, a majority (55%) are at least somewhat satisfied with their retailer.

In Alberta*

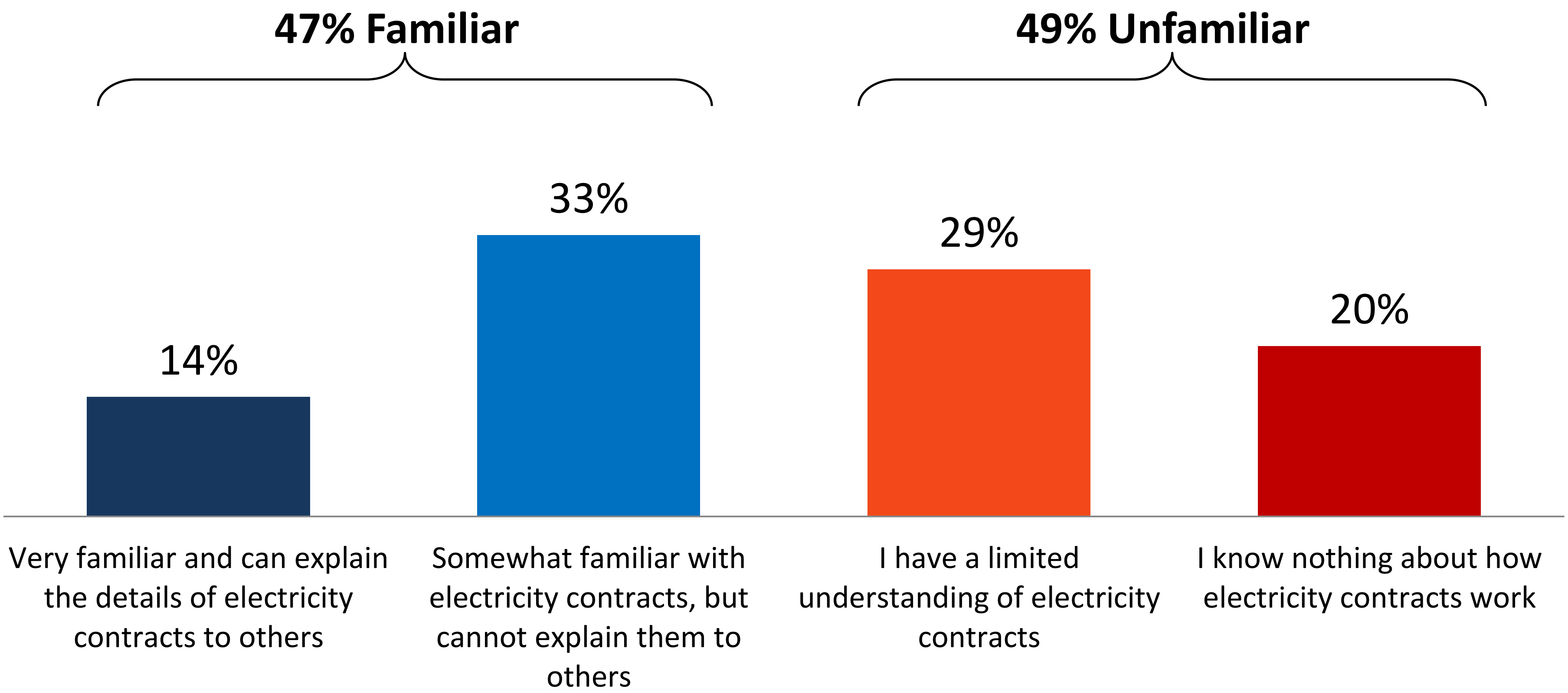
- Majorities are satisfied that their retailer provides accurate bills (58%), are efficient and well-run (56%), provide easy to understand bills (55%), and that they are trustworthy (52%).
- However, electricity retailers are perceived to be not necessarily acting in the best interests of customers: less than half (44%) believe they are acting in the best interests of customers, and even fewer feel retailers care about their customers (39%) or that they are giving back to the community (34%).

Note: Numbers reported are from the new 0-10 scale for satisfaction

* Retailer attributes were not asked in Ontario because billing for retailers is remitted through distribution companies

Familiarity with Contracts: Almost half are at least somewhat familiar with electricity retail contracts

Q How familiar are you with the option of entering into a contract with an electricity retailer that can allow you to lock into a long-term fixed price or to choose the generating source of your electricity?
[asked of all Alberta and Ontario; n=1,559]



Note: 'Don't know' (4%) not shown

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Satisfaction with Electricity Retailers: A majority of customers are satisfied with their electricity retailer

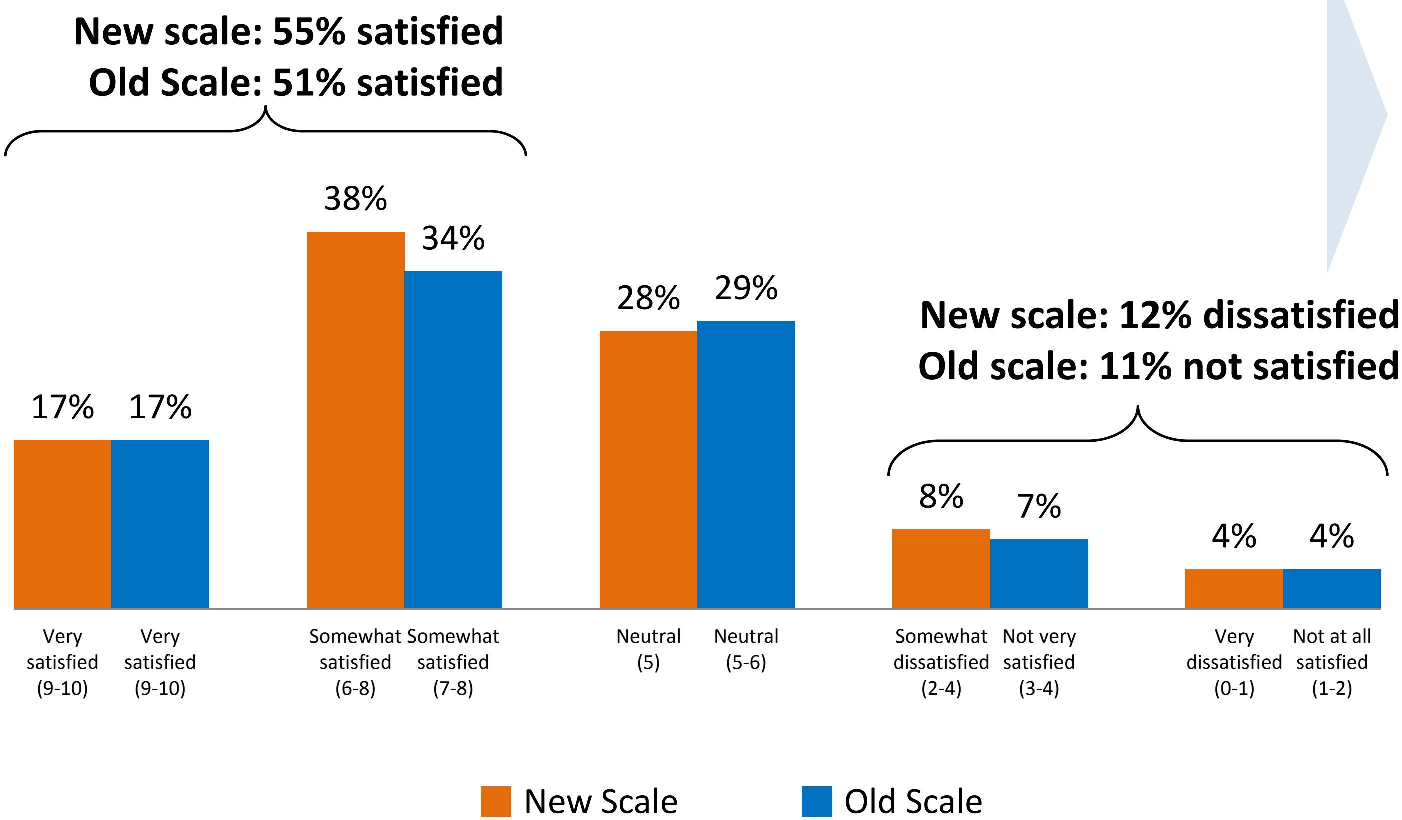
Q In general, how satisfied are you with [RETAILER], the company that you have an electricity contract with?

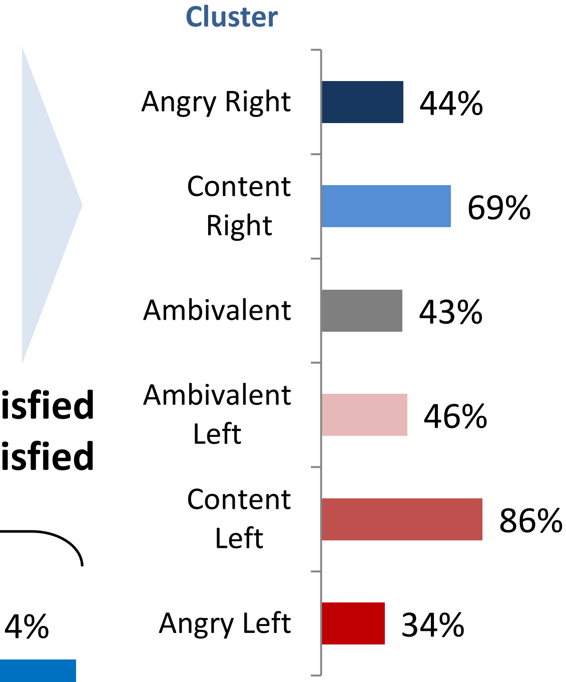
[asked of Albertans and Ontarians whose retailer differs from their distributor; new scale n=192; old scale n=196]

Sample Breakdown

Those who are "satisfied" with their electricity retailer

Cluster data is based on new (0-10) scale only





Note: 'Don't know not shown

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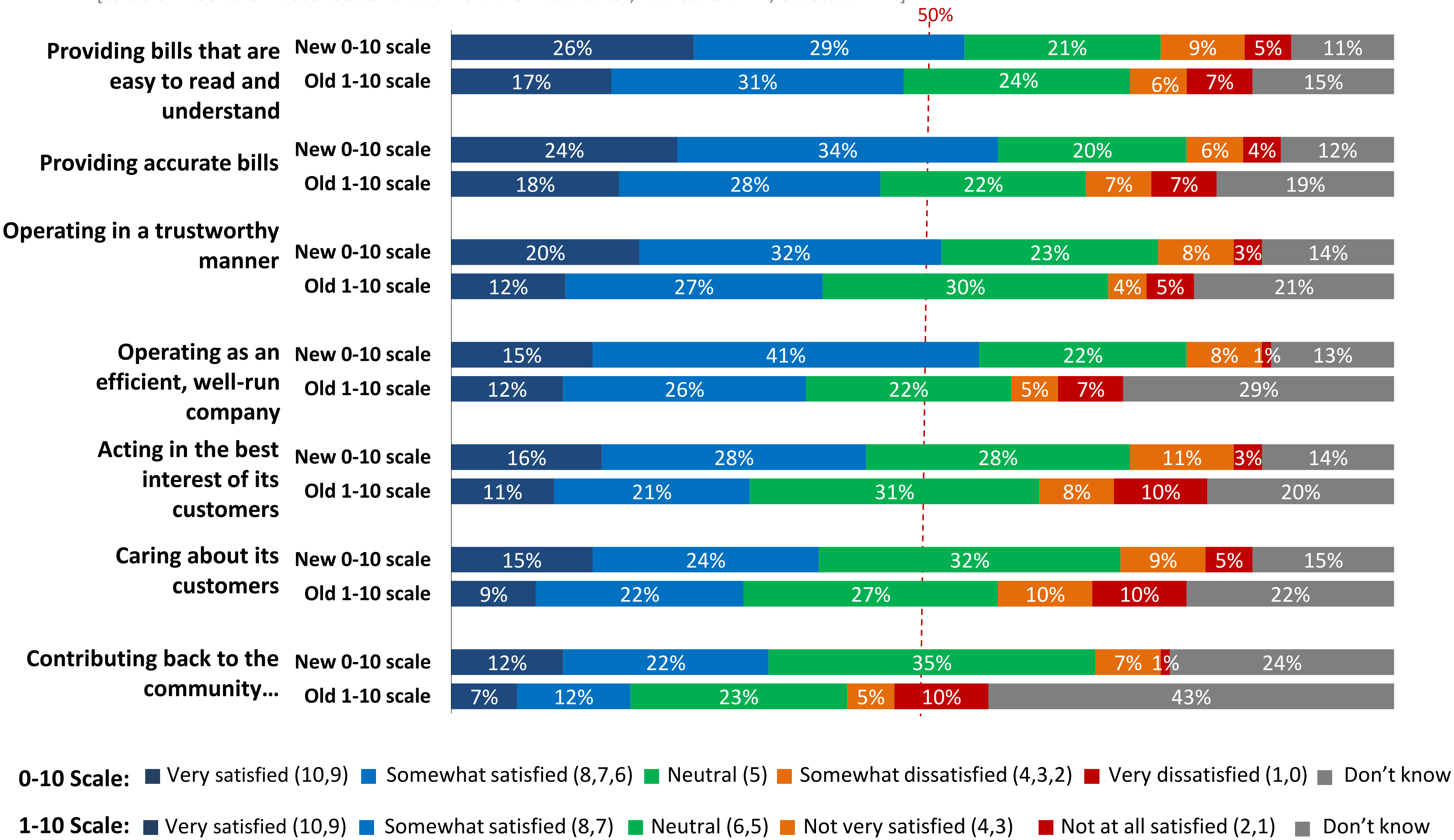
Retailer Attributes: Highest ratings for accurate bills; lowest ratings for giving back to community

Q For each item on the list, please indicate how satisfied you are with the way [RETAILER] is performing on each of the following attributes:

[asked of Albertans whose retailer differs from their distributor; new scale n=74; old scale n=77]



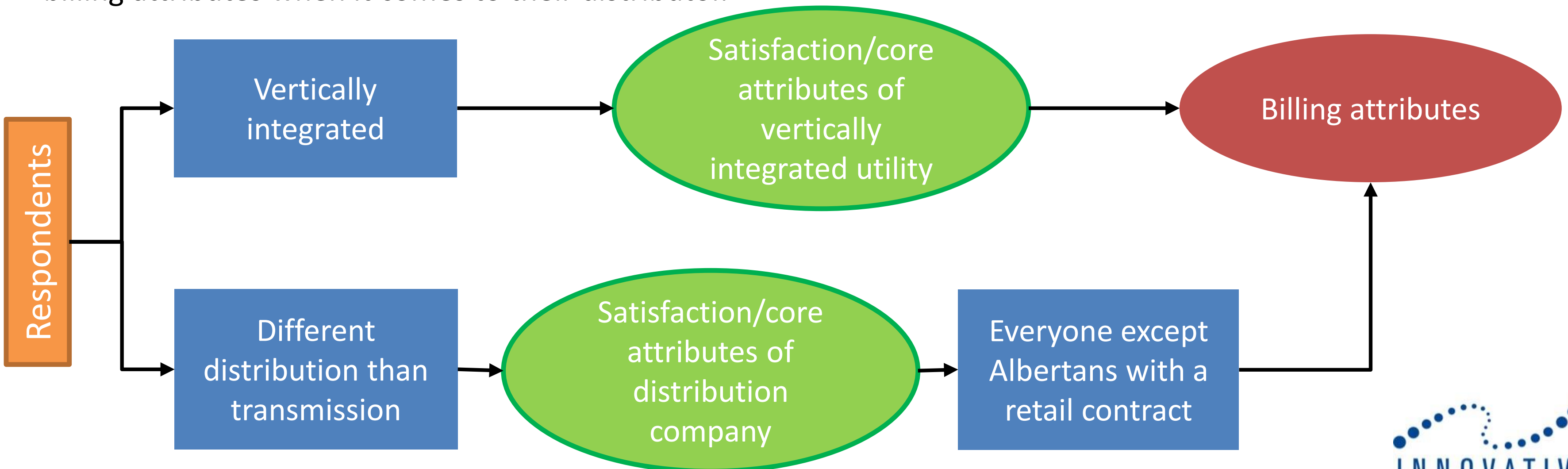
Distribution Reputation

Distribution:
Which respondents were asked what?

It was assumed that when respondents in previous waves of this survey were asked about their "electricity company", it was interpreted as the utility that provides distribution services.

As such, the questions asked in this section pertain exclusively to companies providing distributions services to customers, whether they be LDCs or vertically integrated companies.

- The satisfaction and attribute ranking questions asked in this section are related to a respondent's distribution or vertically integrated company.
- In provinces or regions with a vertically integrated company, respondents were asked their overall satisfaction with the company in this section.
- Where a respondent had a separate distribution from their transmission companies, they were asked about their distributor here and the transmission company in the next section.
- Albertans who have a retail contract with a retailer different from their distributor were not asked the two billing attributes when it comes to their distributor.



Summary: Distribution Reputation

In this section all respondents were asked about overall satisfaction and company attributes of their distribution company.

While most Canadians are satisfied with their distributor, overall satisfaction with distributors has decreased since last year, when it reached a high of 66% consumer satisfaction.

Distributors are rated most highly for:

- Reliability (71%)
- Quality (66%)
- Encouraging consumer efficiency (65%)
- Providing information on efficiency (63%)
- Providing easy to understand bills (62%)

On the other end of the spectrum, four-in-ten or less are satisfied that their distribution company is:

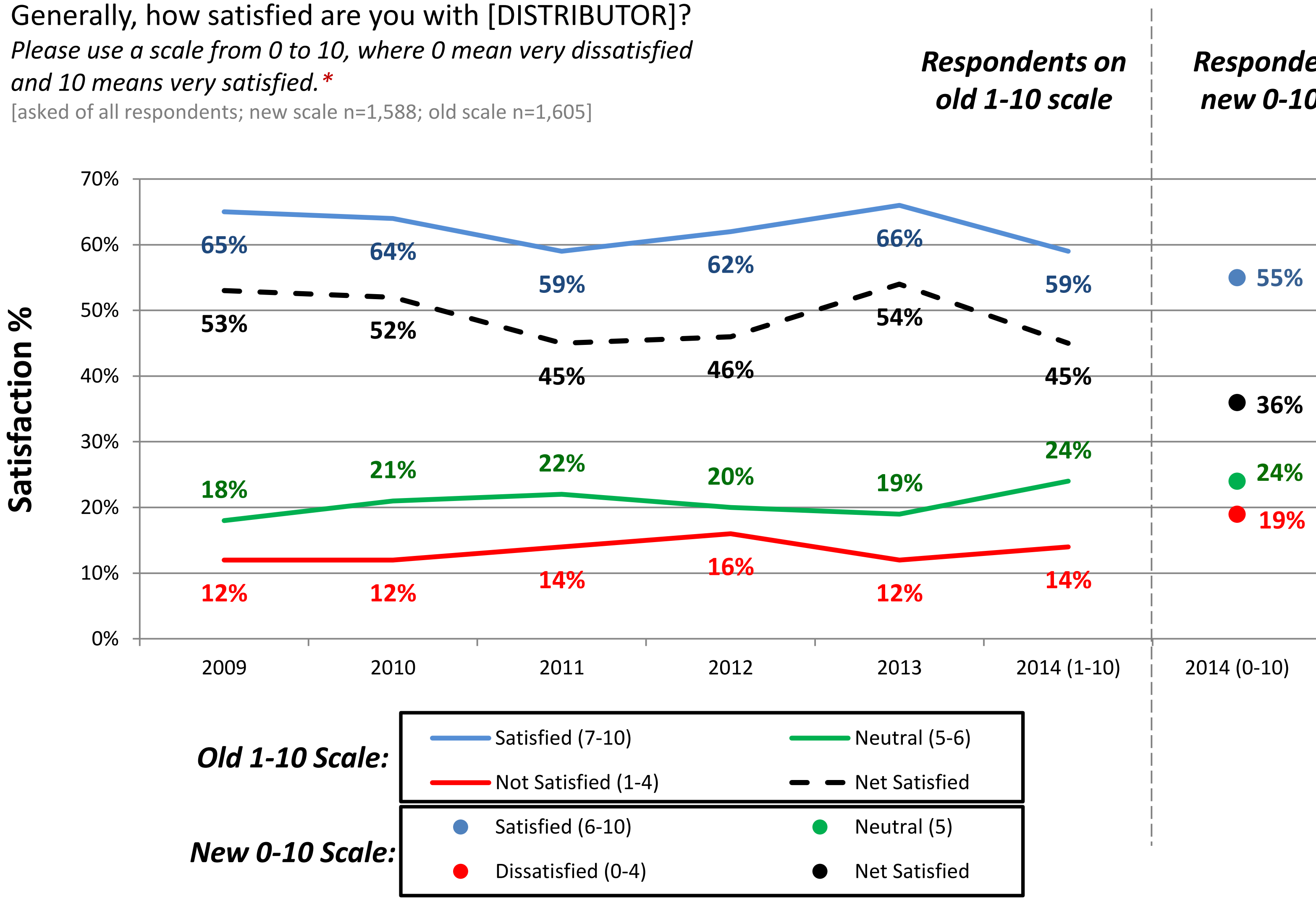
- Providing value for money (40%)
- Acting in the best interest of customers (39%)
- Listening and responding to community concerns (38%)
- Giving back to the community (35%)

Note: Numbers reported are from the new 0-10 scale for satisfaction

Overall satisfaction with distribution company: Satisfaction has declined, while neutral opinions have increase

Q

Generally, how satisfied are you with [DISTRIBUTOR]?
Please use a scale from 0 to 10, where 0 mean very dissatisfied and 10 means very satisfied. *
[asked of all respondents; new scale n=1,588; old scale n=1,605]

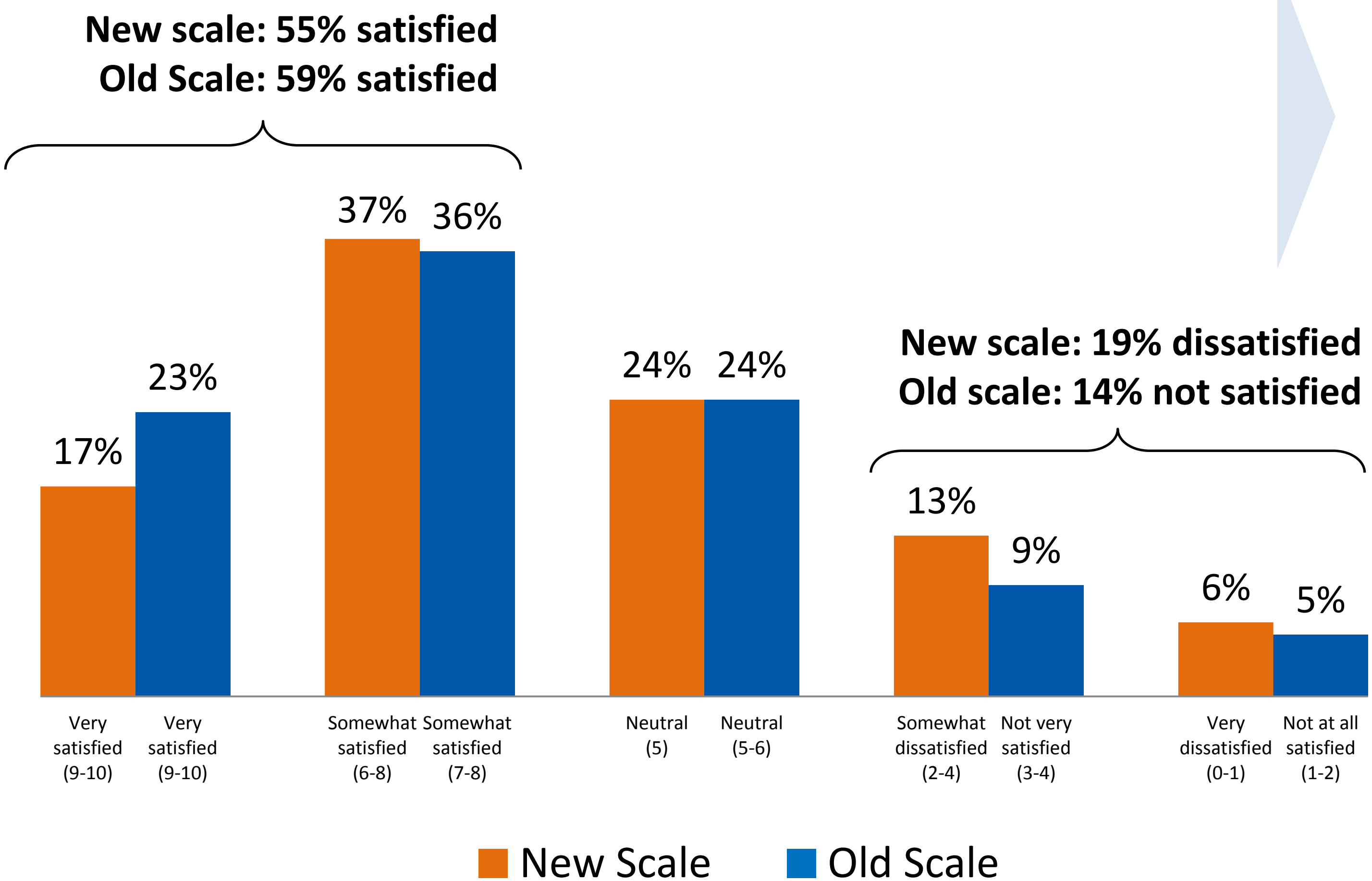


* In previous waves of the survey, this questions was asked as "*In general, how satisfied are you with your **electricity company** on a scale of 1 to 10, where 1 means not at all satisfied and 10 means very satisfied?*" For tracking purposes, we assume that "**electricity company**" mean "**company that provides distribution services**".

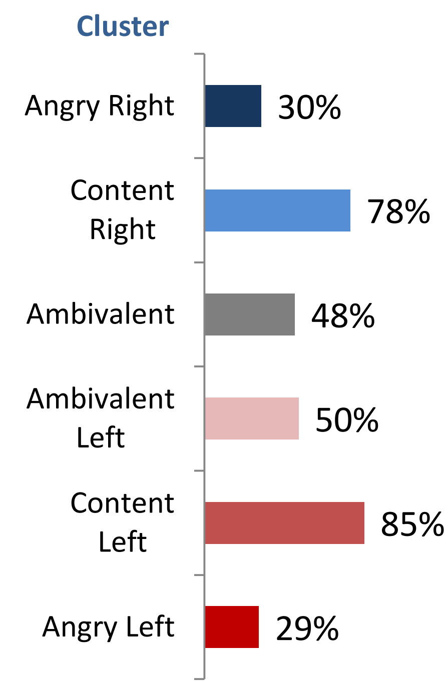
"Don't know" (3%/3%) not shown

Satisfaction with Distribution Company: Majority are satisfied with distributor

Q Generally, how satisfied are you with [COMPANY]? Please use the scale from 0 to 10, where 0 means very dissatisfied and 10 means very satisfied.
[asked of all respondents; new scale n=1,588; old scale n=1,605]



Sample Breakdown ▶▶
Those who are "satisfied" with their electricity distributor
Cluster data is based on new (0-10) scale only



Note: 'Don't know not shown

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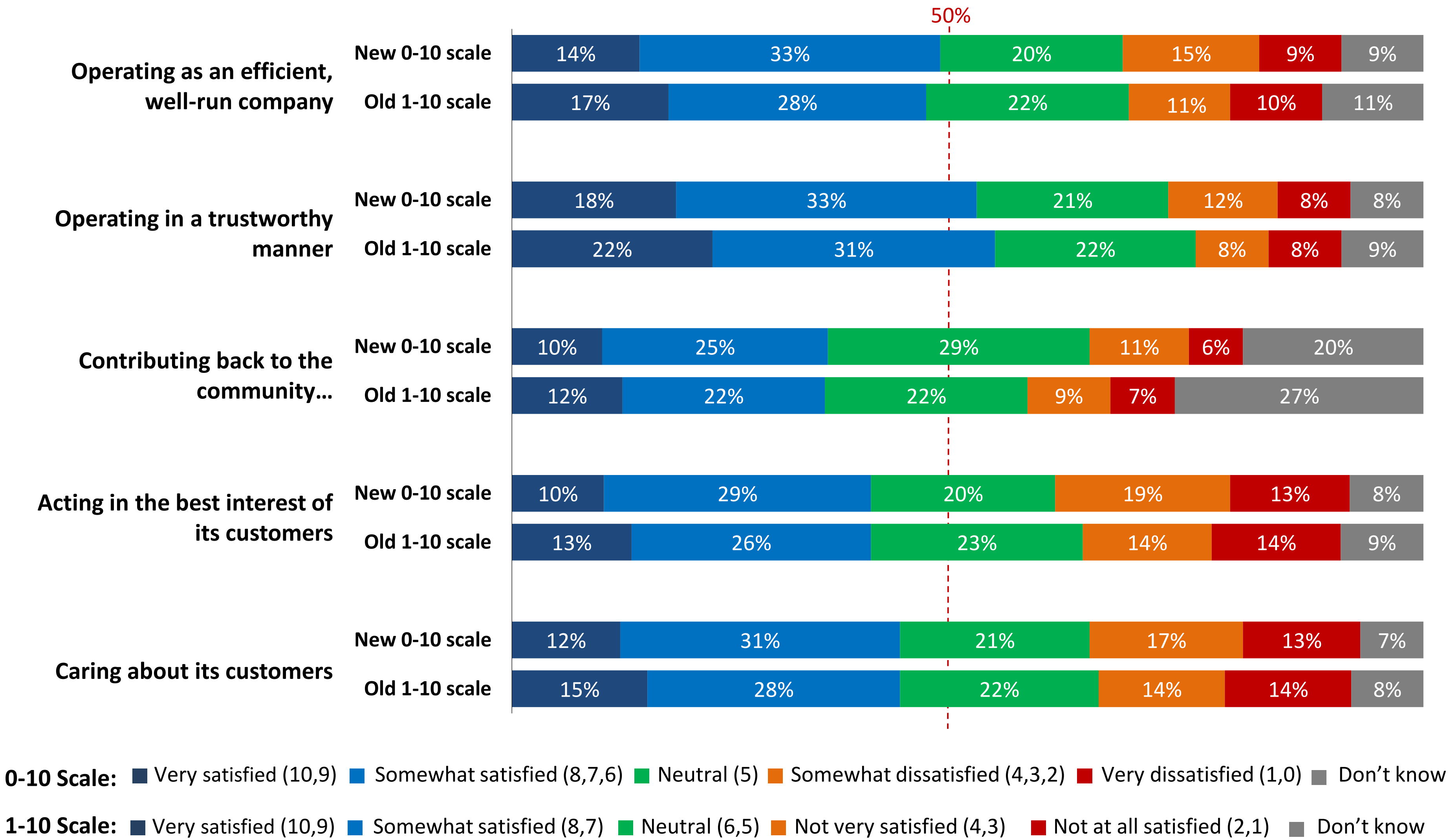
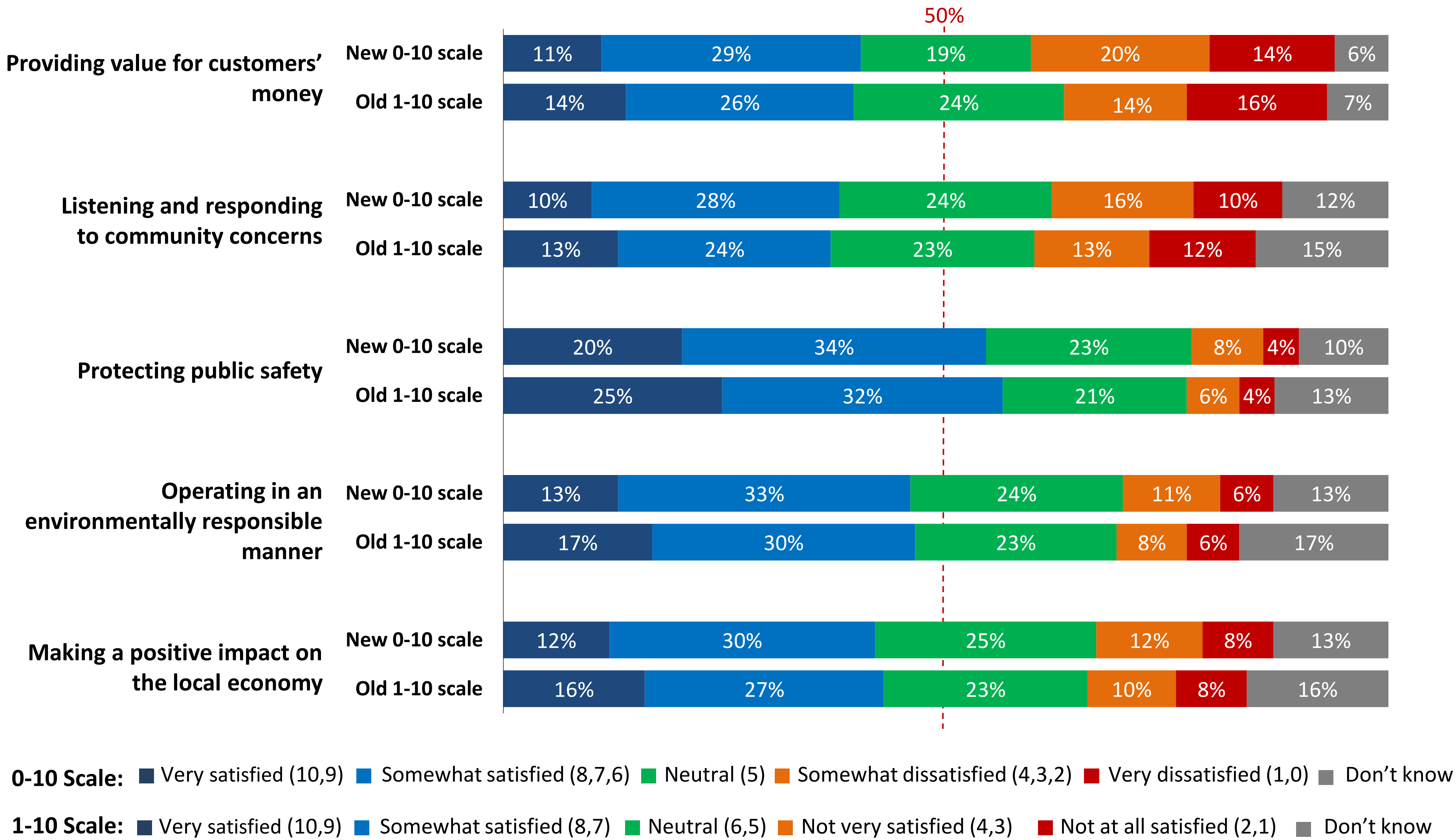
Distribution Attributes: Most feel distributors are trustworthy; not sure if giving back to community

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes: [asked all respondents; new scale n=1,588; old scale n=1,605]



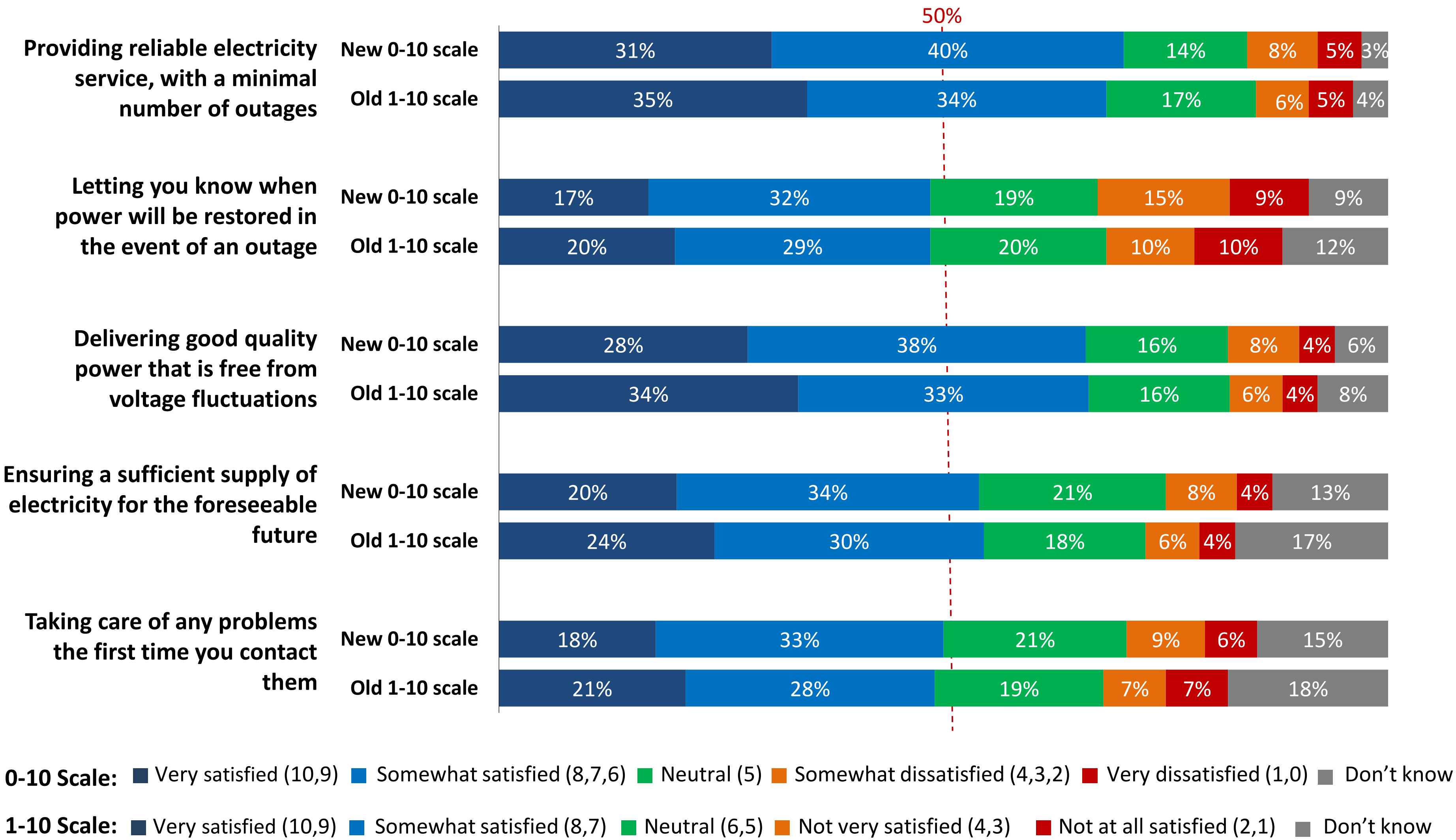
Distribution Attributes:
Most feel distributors are protecting public safety

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes: [asked all respondents; new scale n=1,588; old scale n=1,605]



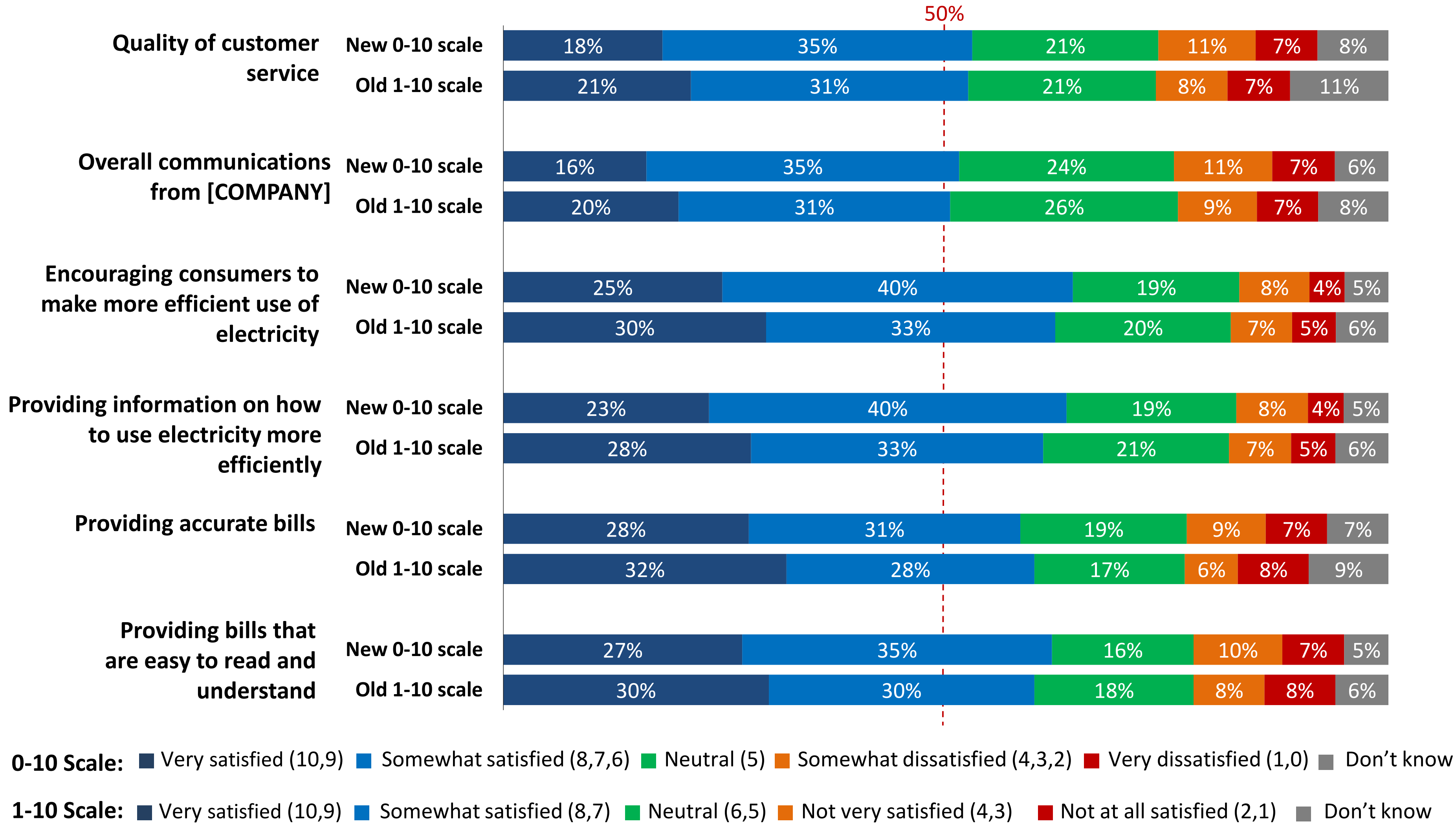
Distribution Attributes:
High marks for reliability and quality

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes: [asked all respondents; new scale n=1,588; old scale n=1,605]



Distribution Attributes: Majority satisfied on all attributes; top rankings go to encouraging & providing info on CDM

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes: [asked all respondents*; new scale n=1,588; old scale n=1,605]

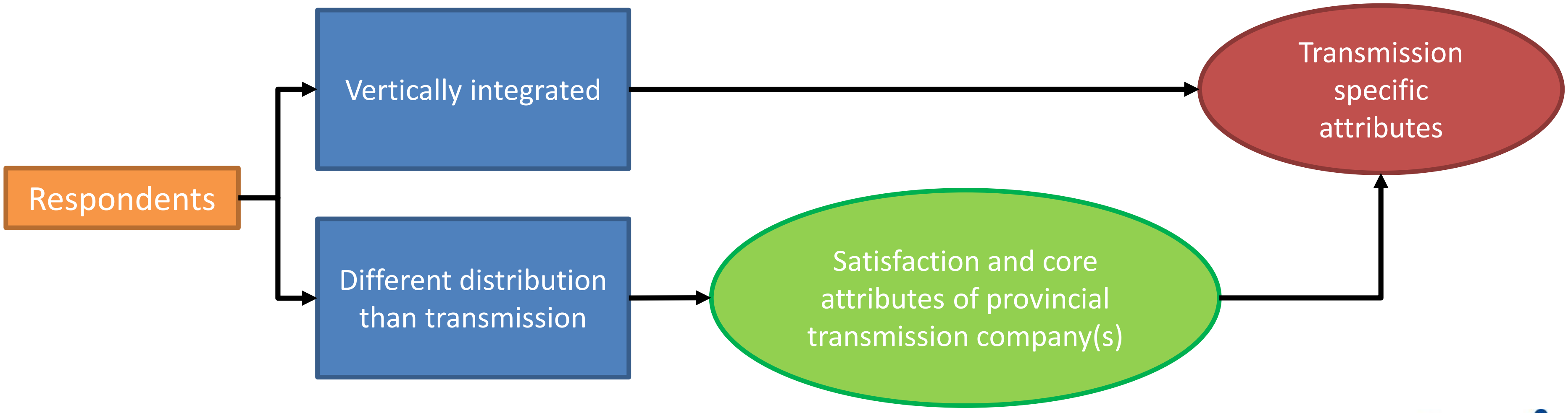


*With the exception that both billing attributes were not asked of respondents in Alberta whose retailer differs from their distribution company

Transmission Reputation

Transmission:
Which respondents were asked what?

- The satisfaction and attribute ranking questions asked in this section are related to a respondent's provincial transmission companies, either independent transmission companies or the transmission operations of vertically integrated companies.
- In most cases, for vertically integrated companies, respondents were only asked to rate the company on its transmission specific attributes in this section (as core attribute questions were asked earlier, in the distribution section).
- Respondents who have different transmission and distribution companies were asked all of the questions in this section.



Summary: Transmission Reputation

At 37% (new 0-10 scale), satisfaction with transmission companies is lower than for retailers or distributors.

- Almost as many (33%) have a neutral opinion, and an additional 15% "don't know", which speaks to the lack of familiarity people have with their provincial transmission companies.

Transmission companies' strengths are providing reliable electricity with minimal outages (64%) and maintaining the system in an environmentally friendly manner (52%).

Only a third or fewer feel their transmission company is:

- Acting in the best interests of customers (33%)
- Caring about customers (32%)
- Having a positive impact on the local economy (32%)
- Providing value for money (31%)
- Listening and responding to community concerns (30%)
- Trustworthy (28%)

Note: Numbers reported are from the new 0-10 scale for satisfaction

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Satisfaction with Transmission: Fewer than half are satisfied with their transmission company

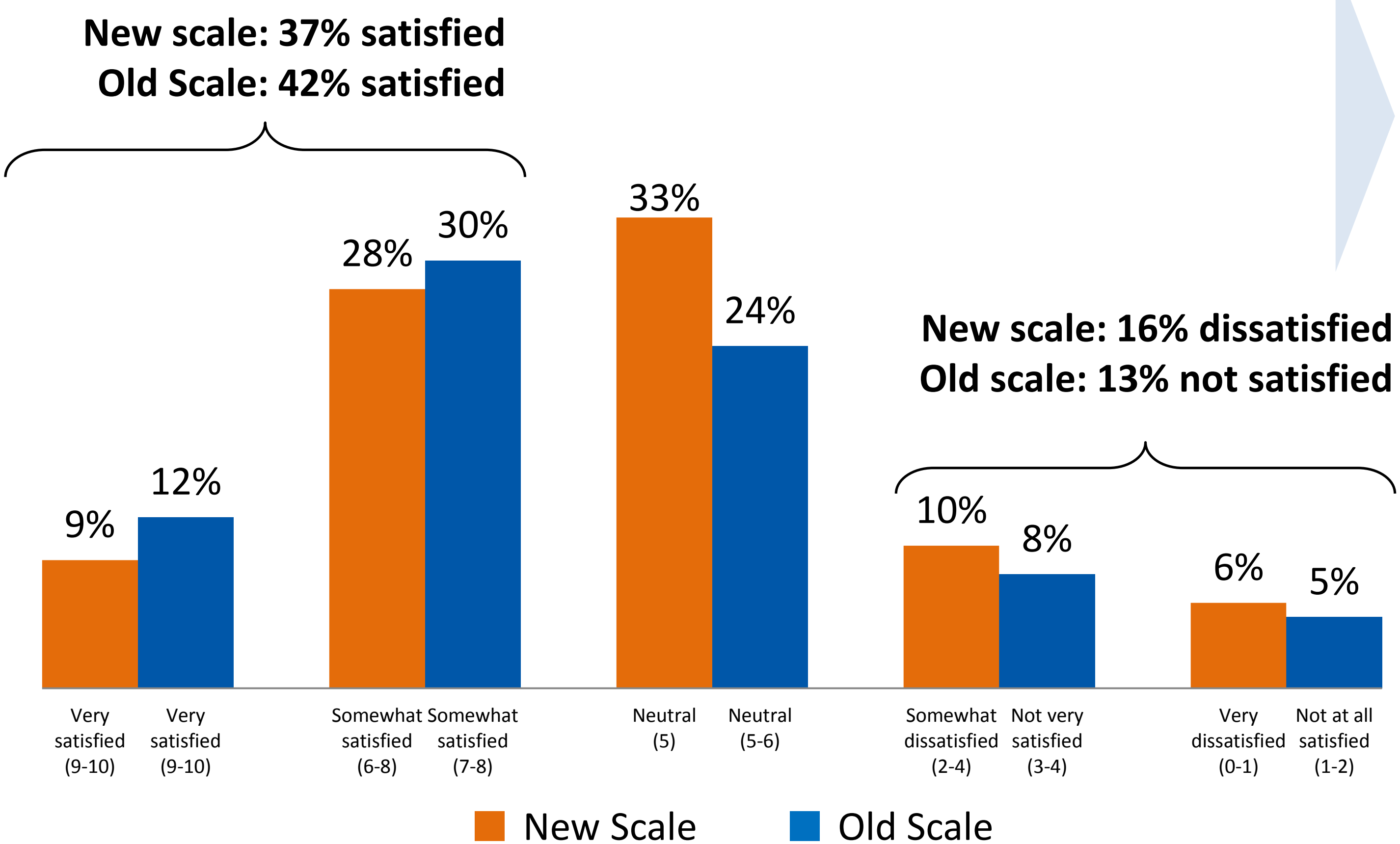
Q Generally, how satisfied are you with [PROVINCIAL TRANSMISSION COMPANY]? Please use the scale from 0 to 10, where 0 means very dissatisfied and 10 means very satisfied.

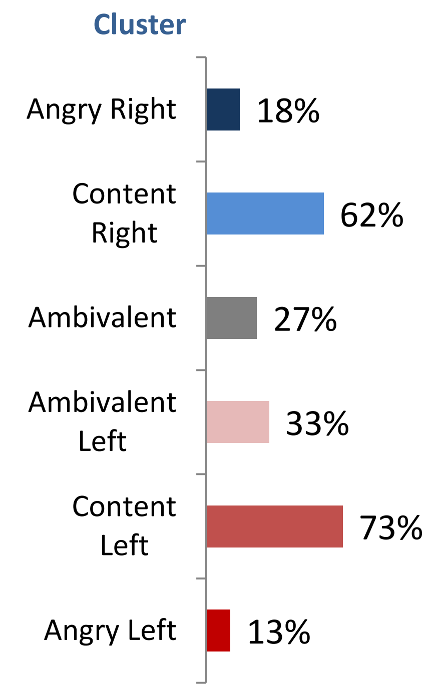
[asked of respondents who have different distribution and transmission companies; new scale n=713; old scale n=715]

Sample Breakdown

Those who are "satisfied" with their transmission company

Cluster data is based on new (0-10) scale only



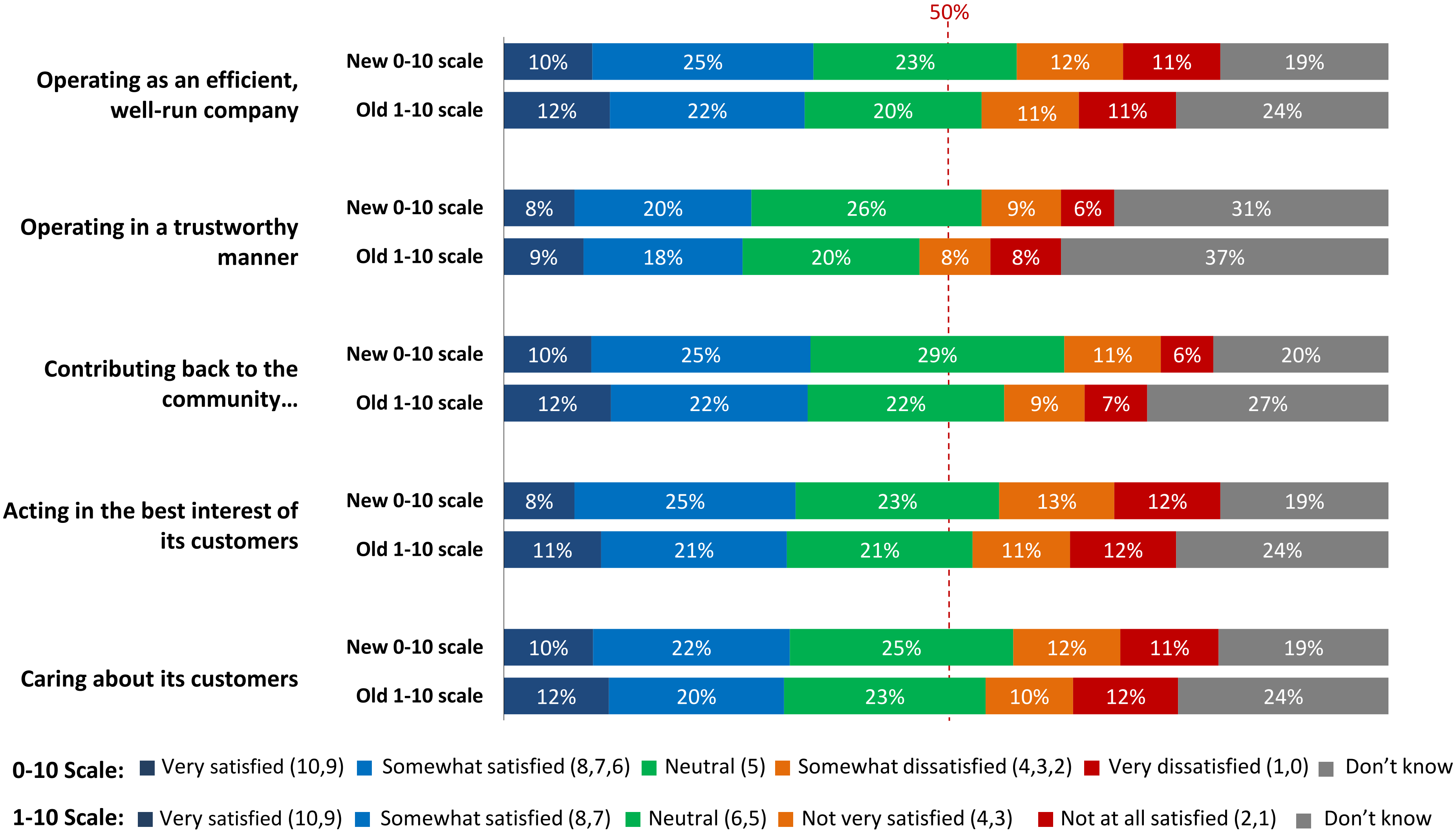


Note: 'Don't know not shown

Transmission Core Attributes: “Don’t know” and “neutral” outweighs satisfaction or dissatisfaction

Q Again, for each of the following items, please indicate how satisfied you are with the way [COMPANY] is performing on each of the particular attribute:

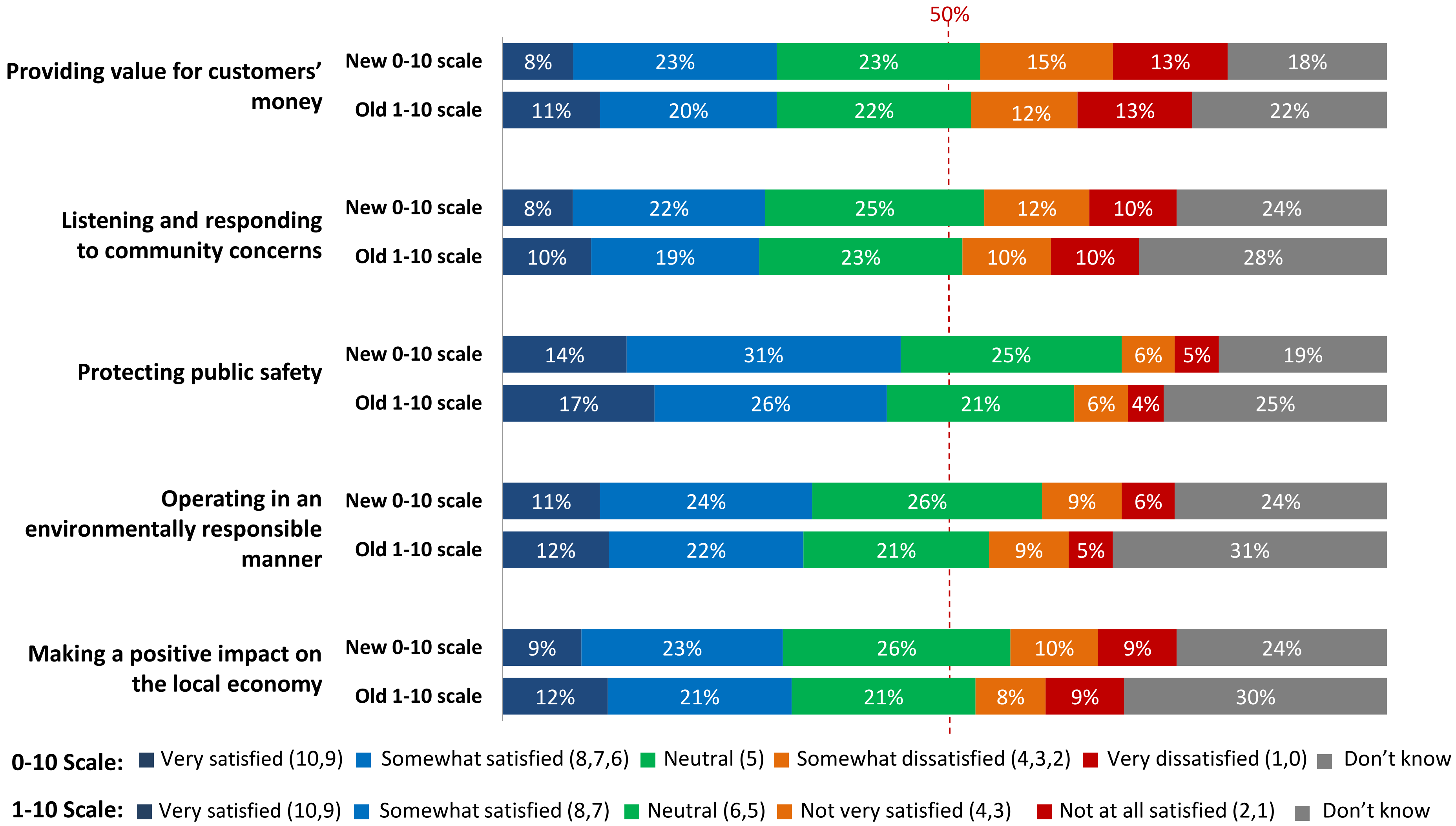
[asked of respondents who have different distribution and transmission companies; new scale n=713; old scale n=715]



Transmission Core Attributes: Almost half give transmission companies credit for protecting public safety

Q Again, for each of the following items, please indicate how satisfied you are with the way [COMPANY] is performing on each of the particular attribute:

[asked respondents who have different distribution and transmission companies; new scale n=713; old scale n=715]



Preamble for Transmission Core Attributes

For most vertically integrated companies – where the customer's distributor is also responsible for transmission – the respondent was shown the following preamble before rating the next four core transmission attributes:

> *"The following questions are about the transmission system, the part of the system that uses large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed."*

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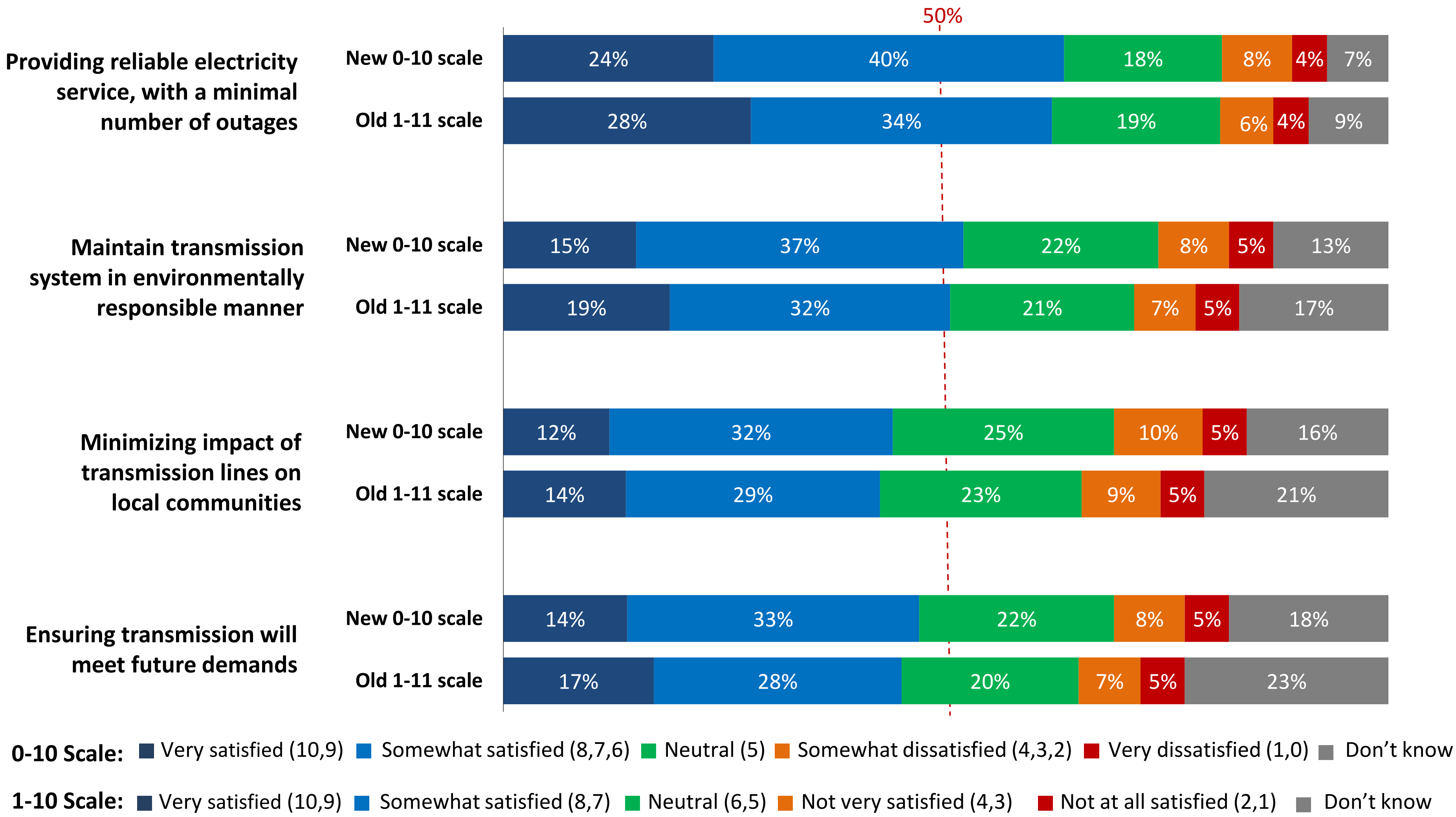
Transmission Specific Attributes: Majority satisfied with reliability of electricity service

Q Again, for each of the following items, please indicate how satisfied you are with the way [COMPANY] is managing your provincial transmission system:

[asked of all respondents; new scale n=1,588; old scale n=1,605]



Generation Reputation

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Summary: Reputation of Generation Companies

All respondents were asked to rate the companies that generate electricity in their province.

More than half (53%) on the new 0-10 scale are satisfied with the companies that generate electricity in their province.

A majority are satisfied that power generators are:

- Providing reliable electricity with minimal outages (61%)
- Protecting public safety (52%)

Areas of relative perceived weakness are:

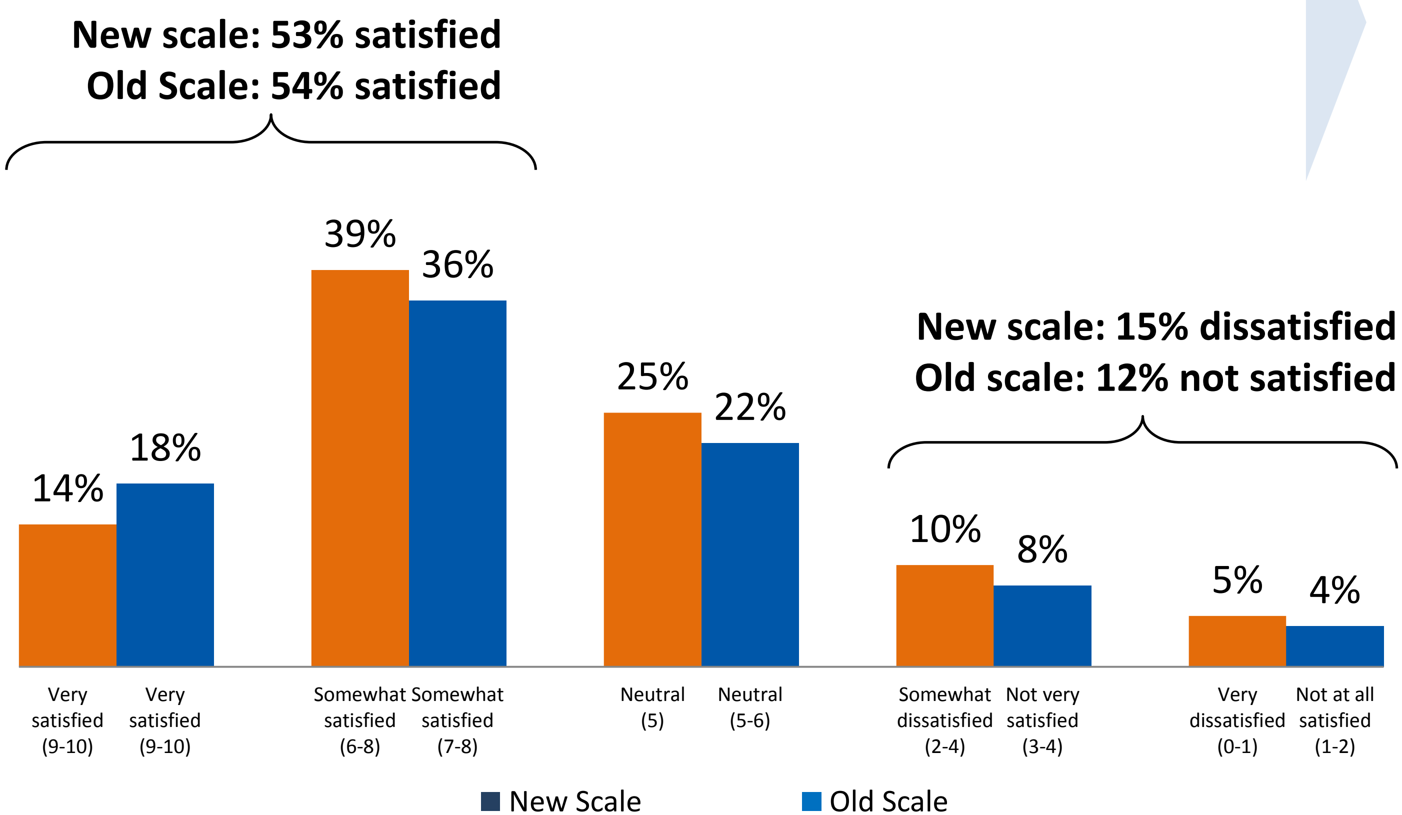
- Providing value for money (39%)
- Caring about customers (38%)
- Acting in the best interest of customers (38%)
- Finding a balance between cost and environmental impact (38%)
- Listening and responding to community concerns (37%)
- Giving back to the community (34%)

Note: Numbers reported are from the new 0-10 scale for satisfaction

Satisfaction with Power Generation: About 1-in-2 are satisfied with power generation in their province

Q The following questions are about electricity generation in your province–that is, the power plants and other forms of producing electricity in your province. Generally, how satisfied are you with the companies that generate electricity in your province?

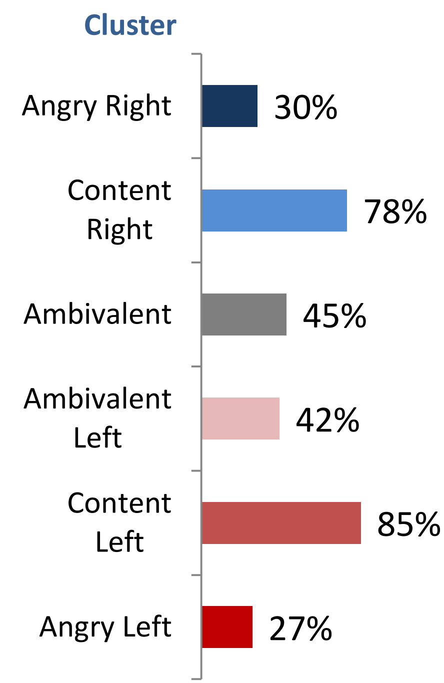
[asked of all respondents; new scale n=1,588; old scale n=1,605]



Sample Breakdown

Those who are "satisfied" with their generation company

Cluster data is based on new (0-10) scale only



Note: 'Don't know not shown

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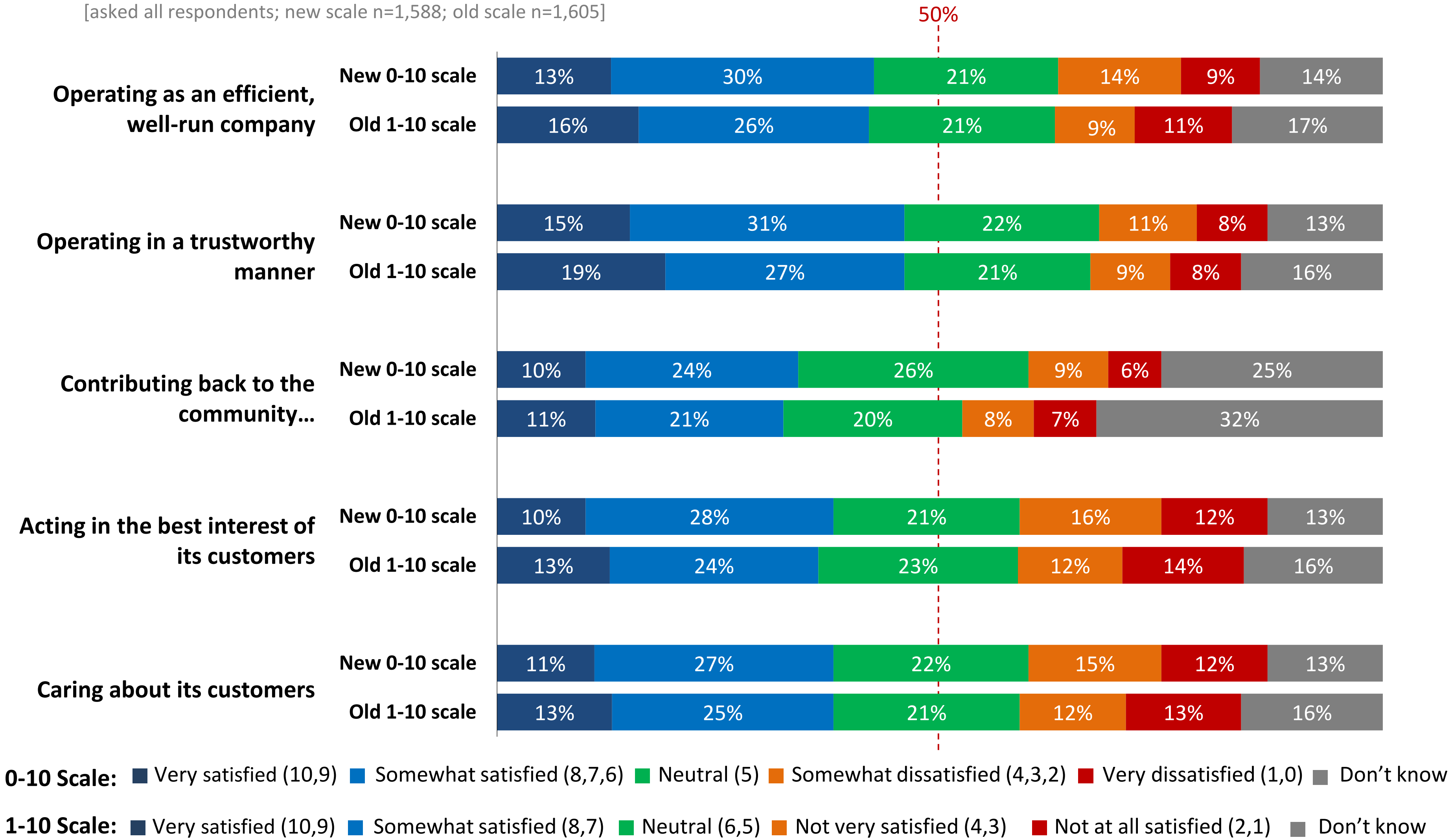
Generation Attributes (both scales): Less than half are satisfied that their power generator is trustworthy

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes:

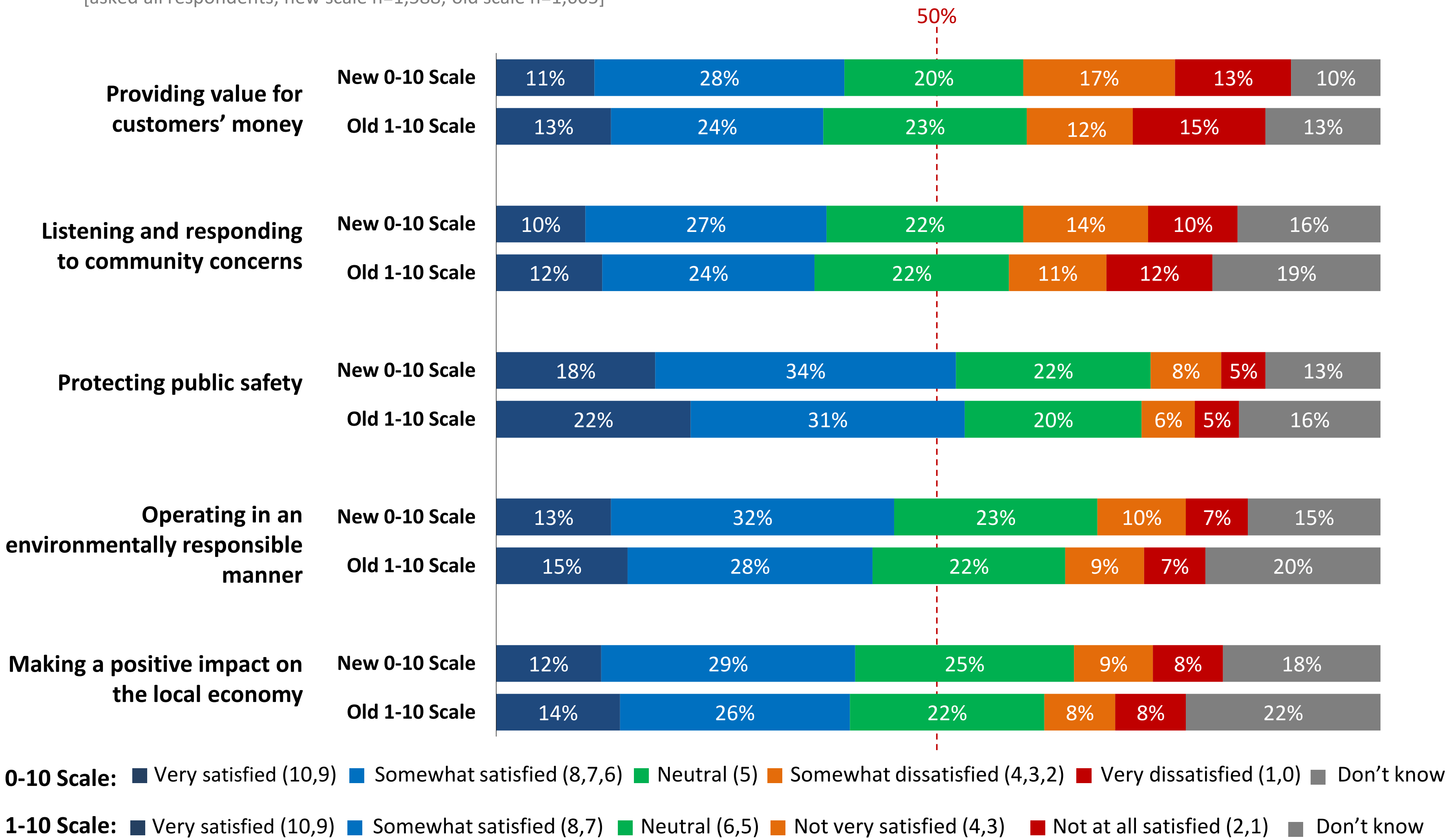
[asked all respondents; new scale n=1,588; old scale n=1,605]



Generation Attributes (both scales): Most are confident their generator is protecting public safety

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes:

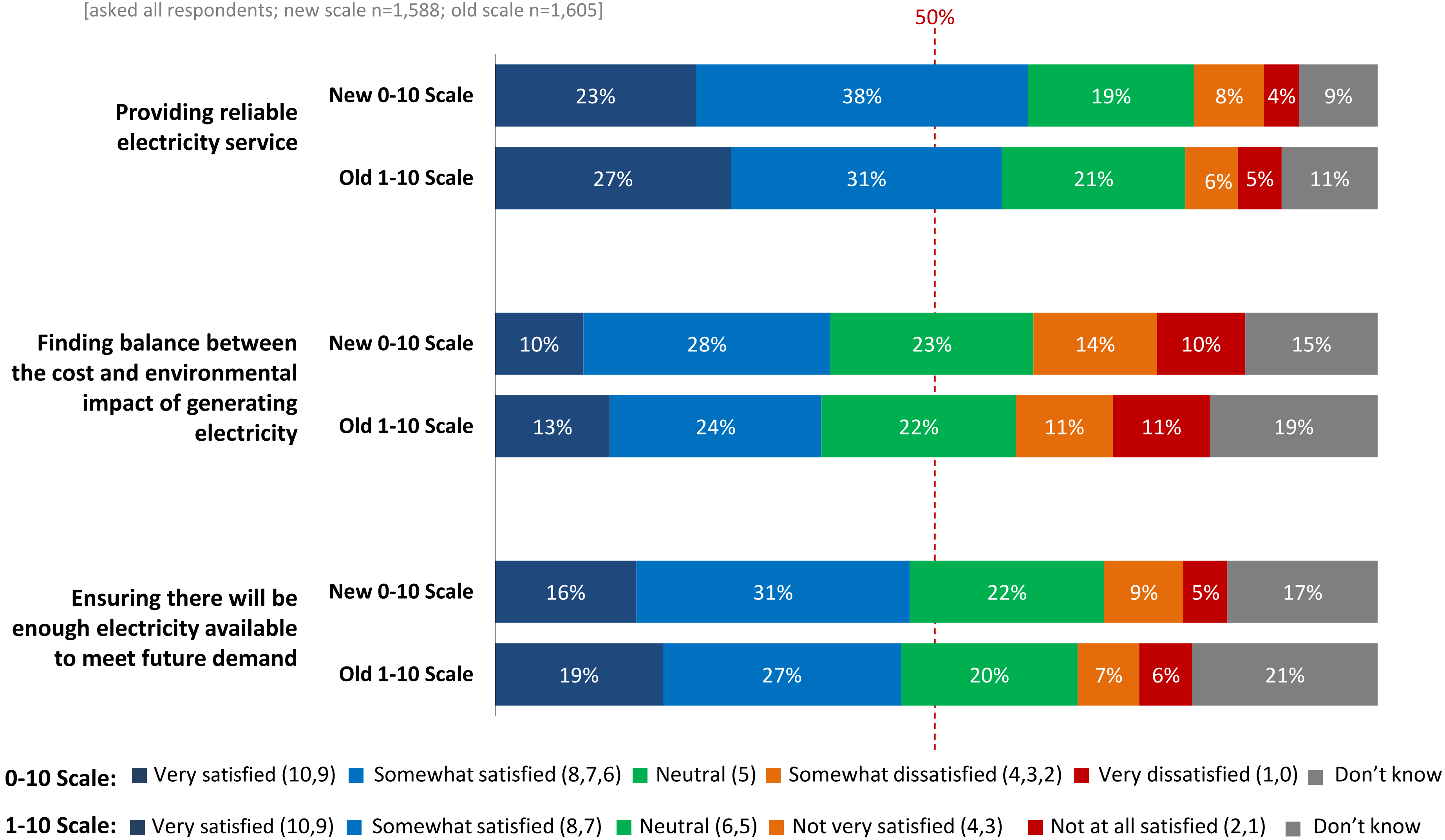
[asked all respondents; new scale n=1,588; old scale n=1,605]



Generation Attributes (both scales): Majority satisfaction with reliability of service

Q For each item on the list, please indicate how satisfied you are with the way [COMPANY] is performing on each of the following attributes:

[asked all respondents; new scale n=1,588; old scale n=1,605]



Factor Analysis

Grouping data for meaningful analysis

Using Factor Analysis

What is Factor Analysis?

Factor analysis allows us to find which attributes mean similar things to the public. The use of factor analysis allows us to determine which attributes should be grouped together in order to conduct meaningful analysis.

Using Factor Analysis ▶▶

- We tested between **12 and 25 brand attributes** for each type of electricity company in the analysis (vertically integrated, distribution, transmission, generation).
- While each of these attributes seems distinct in important ways to people who are close to the industry, many of these items seem similar to members of the general public.
- We found that between **5 and 12** underlying *factors* explain all of the variance in the larger set of attributes.
- Three of these factors are common to all four types of electricity companies.
- Vertically integrated companies and distributors share the basic structure underlying their attributes (*although a key difference between the two is the inclusion of transmission attributes for vertically integrated companies*).

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Factors Common to Each Type of Company

These three factors were common to each factor analysis that we ran. These are the dimensions of an electricity company's brand that are common no matter what the type of company.

	Vertically Integrated	Distribution	Transmission	Generation
Focus on customers	Every factor solution contained a core factor that included the following 6 attributes (and in some cases added a few additional ones): • Acting in the best interest of customers • Caring about customers • Providing value for money • Listening, responding to community concerns • Efficient, well-run company • Trustworthy			
Reliability	Every factor solution contained a factor that centered around the reliable power with minimal outages attribute			
Community Contribution	Contributing back to the community came out as a standalone attribute in every factor solution			

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Vertically Integrated: *Full Breakdown of Factors*

	Focus on customers	Reliability	Community Contribution	Public Good
Acts in best interest of customers	X			
Cares about customers	X			
Value for money	X			
Listen/Respond community concerns	X			
Efficient, well-run	X			
Trustworthy	X			
Local economic impact	X			
Reliable power, minimal outages		X		
Good quality power		X		
Reliable transmission service		X		
Community contribution			X	
Public safety				X
Environmental operation				X

	Future Supply	Trans-mission	Efficiency	Customer Service	Comm-unication	Proactive	Billing
Ensuring future supply	X						
Transmission lines' local impact		X					
Transmission: future demand		X					
Environmental impact: transmission		X					
Encouraging efficient use			X				
Information on efficient use			X				
Quality of customer service				X			
Overall Communication					X		
Speed of power restoration						X	
Resolving problems the first time						X	
Bills easy to read and understand							X
Accuracy of bills							X

Attributes in bold are part of the common set of dimensions for all 4 types of company

Distribution: *Full Breakdown of Factors*

	Focus on customers	Reliability	Community Contribution	Public Safety	Environment
Acts in best interest of customers	X				
Cares about customers	X				
Value for money	X				
Listen/Respond community concerns	X				
Efficient, well-run	X				
Trustworthy	X				
Local economic impact	X				
Reliable power, minimal outages		X			
Good quality power		X			
Community contribution			X		
Public safety				X	
Environmental operation					X

	Future Supply	Trans-mission	Efficiency	Customer Service	Comm-unication	Proactive	Billing
Ensuring future supply	X						
Encouraging efficient use			X				
Information on efficient use			X				
Quality of customer service				X			
Overall Communication					X		
Speed of power restoration						X	
Resolving problems the first time						X	
Bills easy to read and understand							X
Accuracy of bills							X

Attributes in bold are part of the common set of dimensions for all 4 types of company

Note: The factor solution for distribution companies is the same as the one for vertically integrated companies with the exception of no transmission attributes being asked about distribution companies

Transmission: *Full Breakdown of Factors*

	Focus on customers	Reliability and impact	Public Safety	Community Contribution
Acts in best interest of customers	X			
Cares about customers	X			
Value for money	X			
Listen/Respond community concerns	X			
Efficient, well-run	X			
Trustworthy	X			
Local economic impact	X			
Environmental operation	X			
Reliable power, minimal outages		X		
Transmission lines' local impact		X		
Transmission: future demand		X		
Environmental impact: transmission		X		
Public safety			X	
Community contribution				X

Attributes in bold are part of the common set of dimensions for all 4 types of company

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Generation: *Full Breakdown of Factors*

	Focus on customers	Local impact	Reliability & safety	Community Contribution	Cost/Env. Trade-off	Environ -ment
Acts in best interest of customers	X					
Cares about customers	X					
Value for money	X					
Listen/Respond community concerns	X					
Efficient, well-run	X					
Trustworthy	X					
Local economic impact		X				
Reliable power, minimal outages			X			
Public safety			X			
Community contribution				X		
Trade-off: cost and environment					X	
Environmental operation						X

Attributes in bold are part of the common set of dimensions for all 4 types of company

Consumer Satisfaction Index (CSI)

Customer Satisfaction Index

The **Customer Satisfaction Index** (CSI) is a number that summarizes consumers' overall satisfaction with the companies in the electricity sector using an analysis of each brand attribute tested.

INNOVATIVE has updated the methodology used to construct the CSI this year. While the basic principle behind its construction is the same, some of the steps are changed. Most importantly, the new survey design allows us to calculate a separate index for vertically integrated companies, distributors, transmission, and generation companies.

For each of these groups the basic steps of calculating the CSI are:

1. A factor analysis finds the true underlying dimensions of consumer satisfaction that explain the pattern of responses on the larger set of brand attributes *(this step is new this year)*
2. We use a Shapley Value regression analysis to determine the relative contribution of each *factor* to overall satisfaction
   - "Shapley Values" are a calculation of how much of the variance in overall satisfaction each individual factor explains, after statistically accounting for the fact that some of the factors are correlated with one another
3. Take an average of the mean score on each of the factors weighted by their Shapley values to determine the overall CSI number *(In past years only the highest ranked attributes were kept. After lowering the total number of factors in the analysis it is reasonable to account for the impact of every attribute.)*

In order to provide context for the score we have applied the new methodology to last year's data in order to create an overlapping comparison year. Previous year's CSI scores have also been rescaled onto the 0-10 scale to allow for more direct comparability between the methodologies.

Note: Because of the use of two scales (0-10 and 1-10) this year, responses were rescaled onto a common scale so that every respondent could be included in this analysis. Index scores are reported on a 0-10 scale.

CSI Methodology Comparison

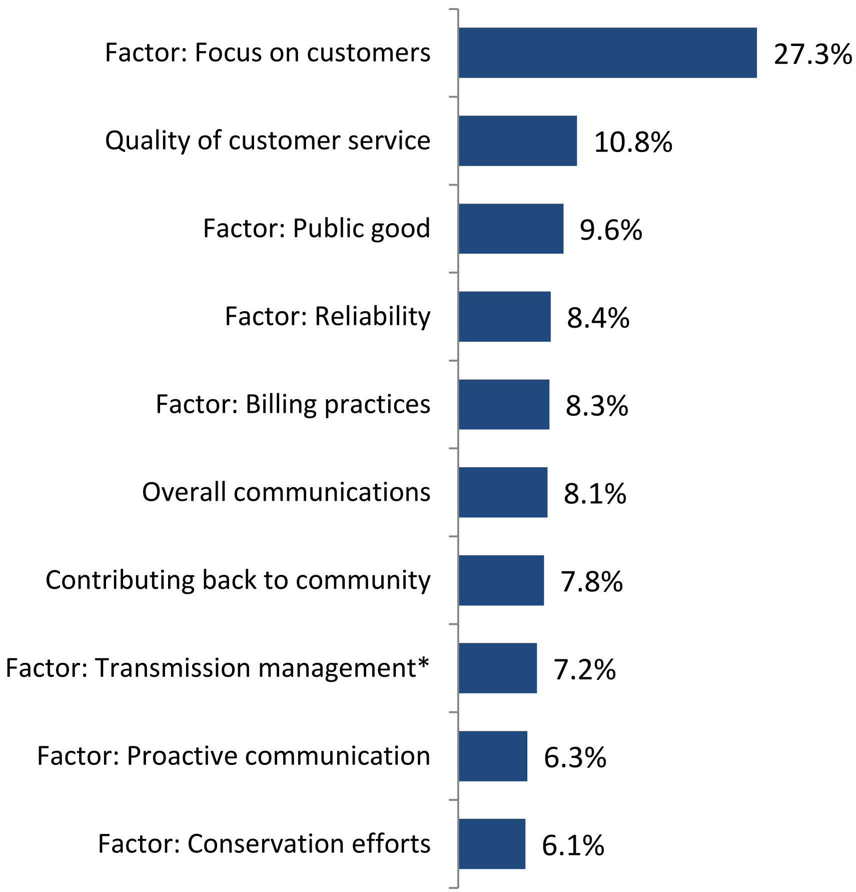
With this year's new survey, the methodology for calculating the CSI was adjusted. The table below summarizes the differences between the new approach and the old.

Step	New approach	Old approach
Group common attributes	Using a factor analysis for each sector	N/A
Determine relative importance	Shapley value regression of factors (and remaining attributes)	Shapley value regression of every item individually
Calculate index	Sum of every factor (and remaining attribute) weighted by their Shapley values	Sum of only the top 5 items weighted by their Shapley values

Key Drivers – Vertically Integrated

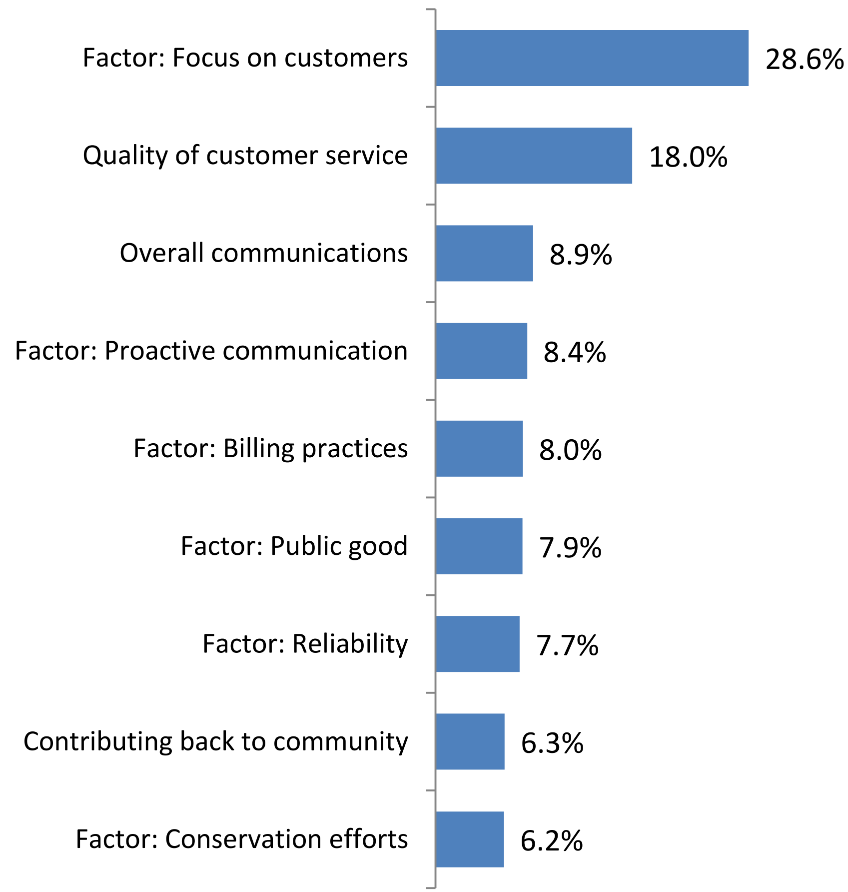
Relative contribution of each factor to overall satisfaction according to Shapley Value regressions

2014 Drivers of satisfaction



2014 R^2: 57%

2013 Drivers of satisfaction



2013 R^2: 51%

**Transmission specific attributes were not asked in 2013. Calculating the 2014 index with these excluded makes no difference to the overall result.*

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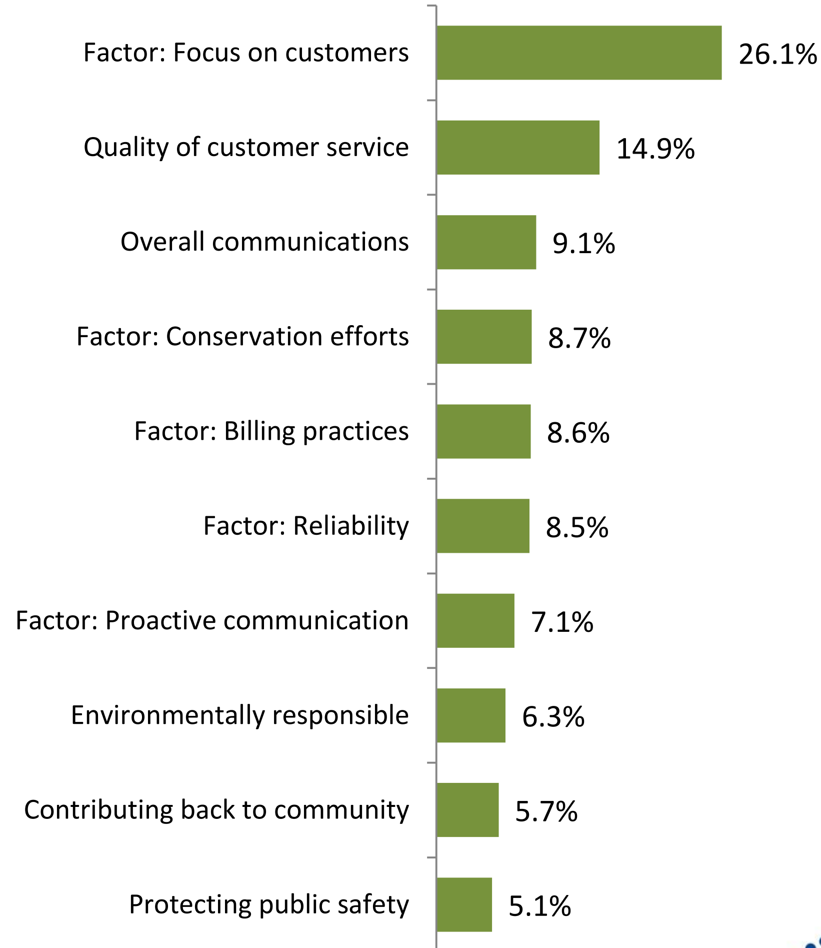
Key Drivers – Distributors

Relative contribution of each factor to overall satisfaction according to Shapley Value regressions

2014 Drivers of satisfaction

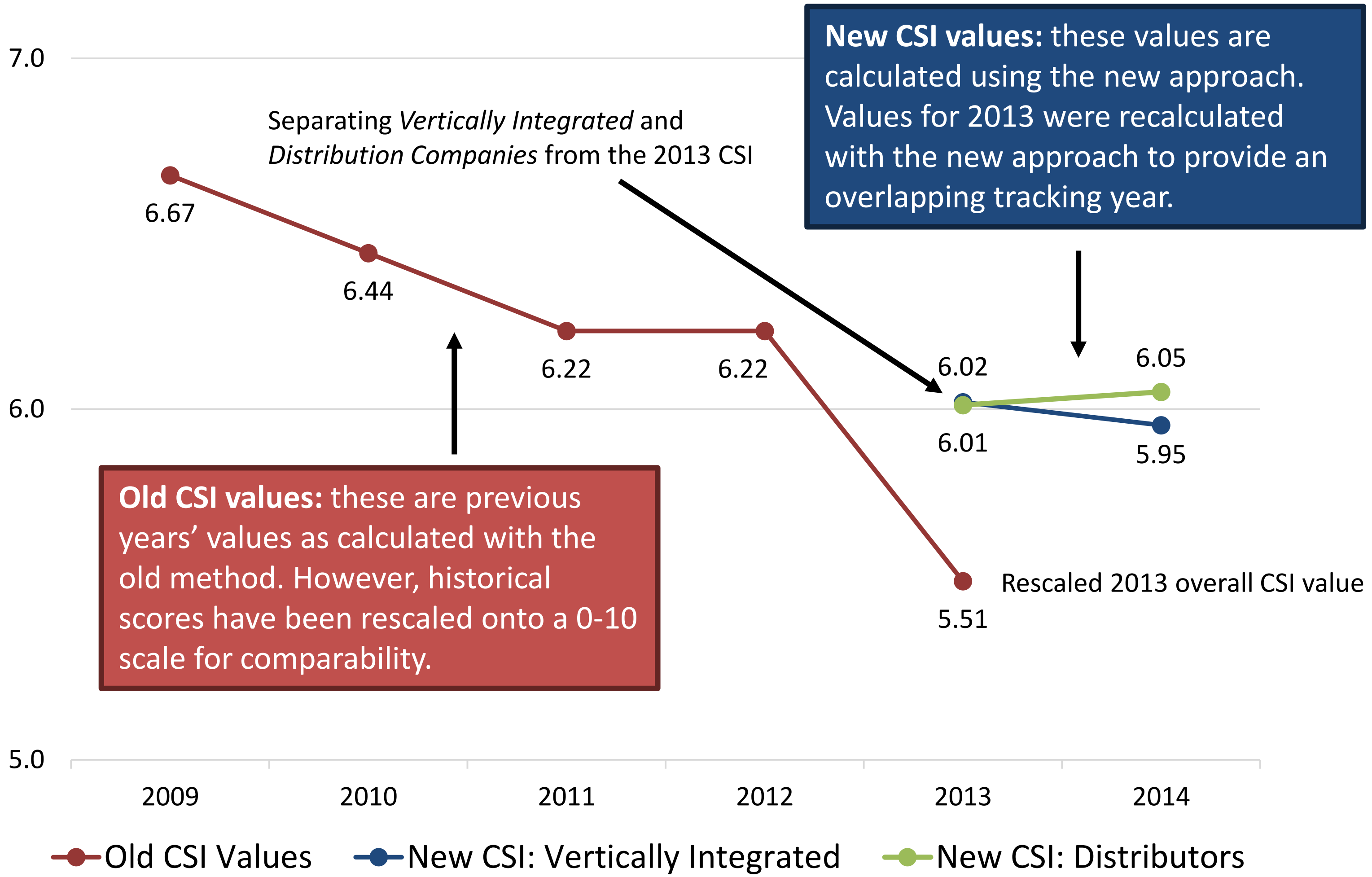
2014 R^2: 53%

2013 Drivers of satisfaction



2013 R^2: 47%

Tracking CSI Score 2009-2014:
Old CSI vs. New Vertically Integrated CSI vs. New Distributor CSI



Note: previously the CSI had been calculated on a 1-10 scale; in keeping with the move to a 0-10 scale for this year's survey, previous year's CSI scores have been rescaled 0-10. For example the 2013 score of 5.51 on a 0-10 scaled that is reported here corresponds to last year's reported score of 5.9 on a 1-10 scale.

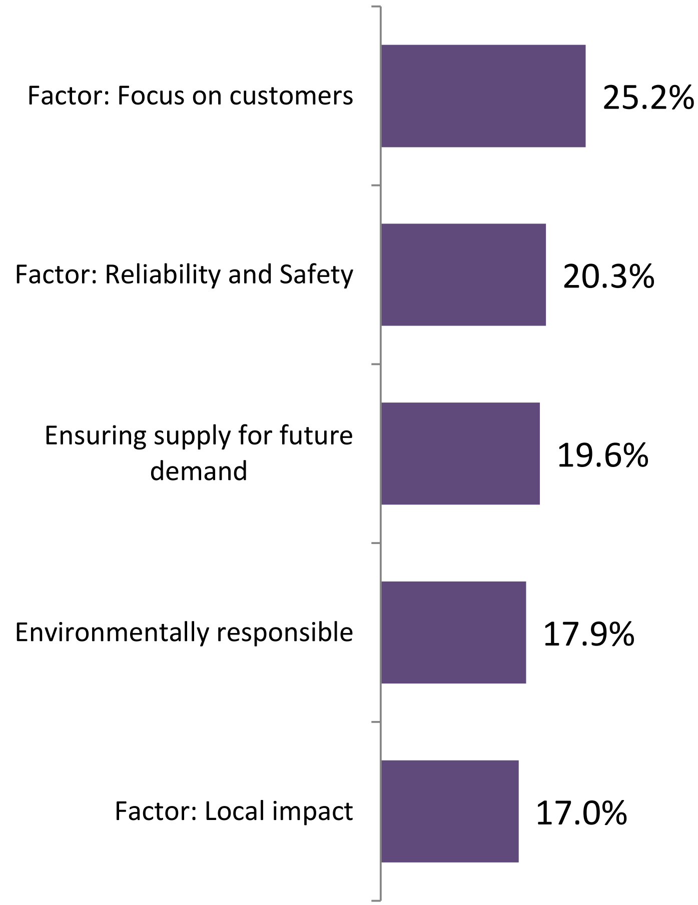
Key Drivers – Transmission and Generation Companies

Relative contribution of each factor to overall satisfaction according to Shapley Value regressions

2014 Drivers of satisfaction: Transmission

Transmission R^2: 58%

2014 Drivers of satisfaction: Generation



Generation R^2: 58%

Action Analysis

What does the data tell use about what to do next?

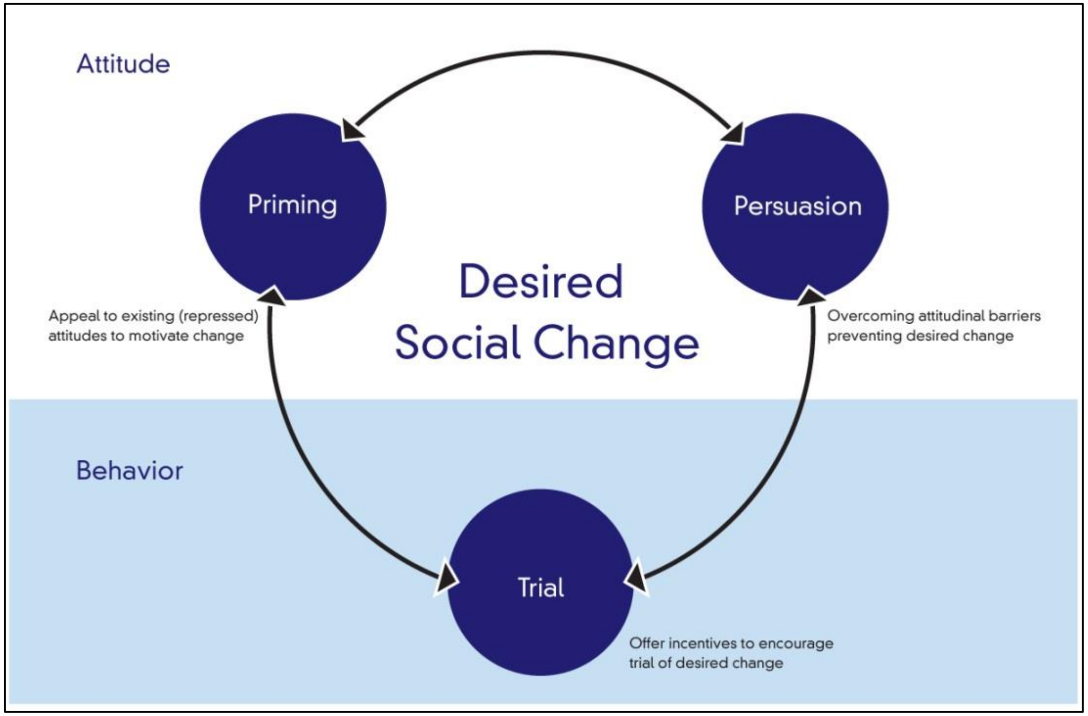
Changing Public Perceptions: Social Marketing

The concept of social marketing is all about getting people to change their behaviour. Getting a flu shot. Taking precautions when investing. Saving for retirement. Using less electricity. Accepting price increases. **Simply stated, but not simply achieved.**

There are three primary options for opinion change:

- **Persuasion** – Teaching people something they didn't know in order to increase their likelihood of doing or believing the desired belief or action.
- **Priming** – Reminding people of something they already know in order to increase their likelihood of doing or believing the desired belief or action.
- **Trial** – Getting people to do the desired behavior so it becomes a habit.

On-going research will provide electricity companies with a framework to assess their target audience to identify the key opinion anchors for priming, the best new information for persuasion, and the most appealing offers for trial.



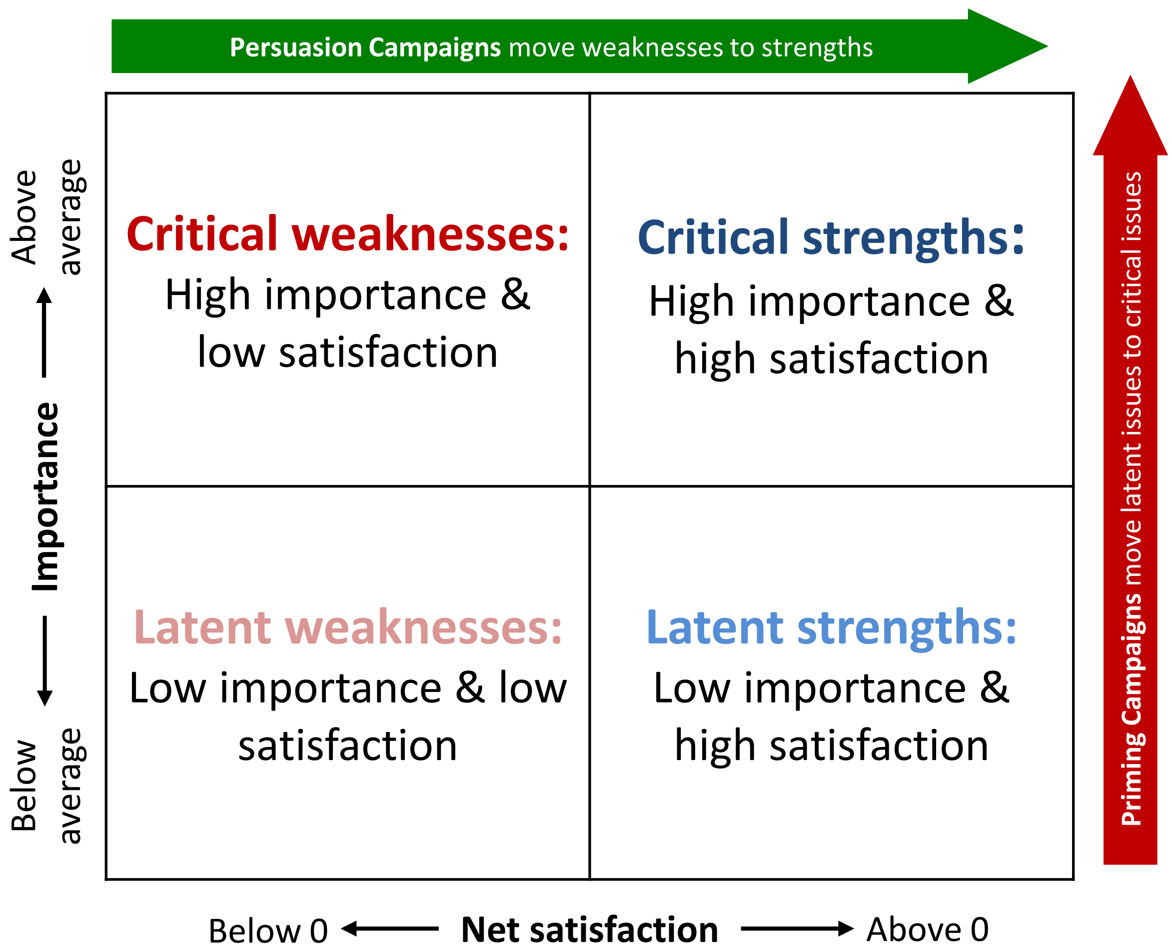
In terms of behaviour, **trial** is best since a change of behaviour is the goal. Trial works best if it is run in parallel with a supportive campaign to change attitudes that conflict with the behaviour.

Persuasion is the next best since persuasion results in permanent behaviour change.

Priming is the often the least effective for long term change since once the campaign is over, the priming effect quickly fades. But if priming is sustained long enough to establish new habits, the change can be permanent.

Comparing importance and satisfaction

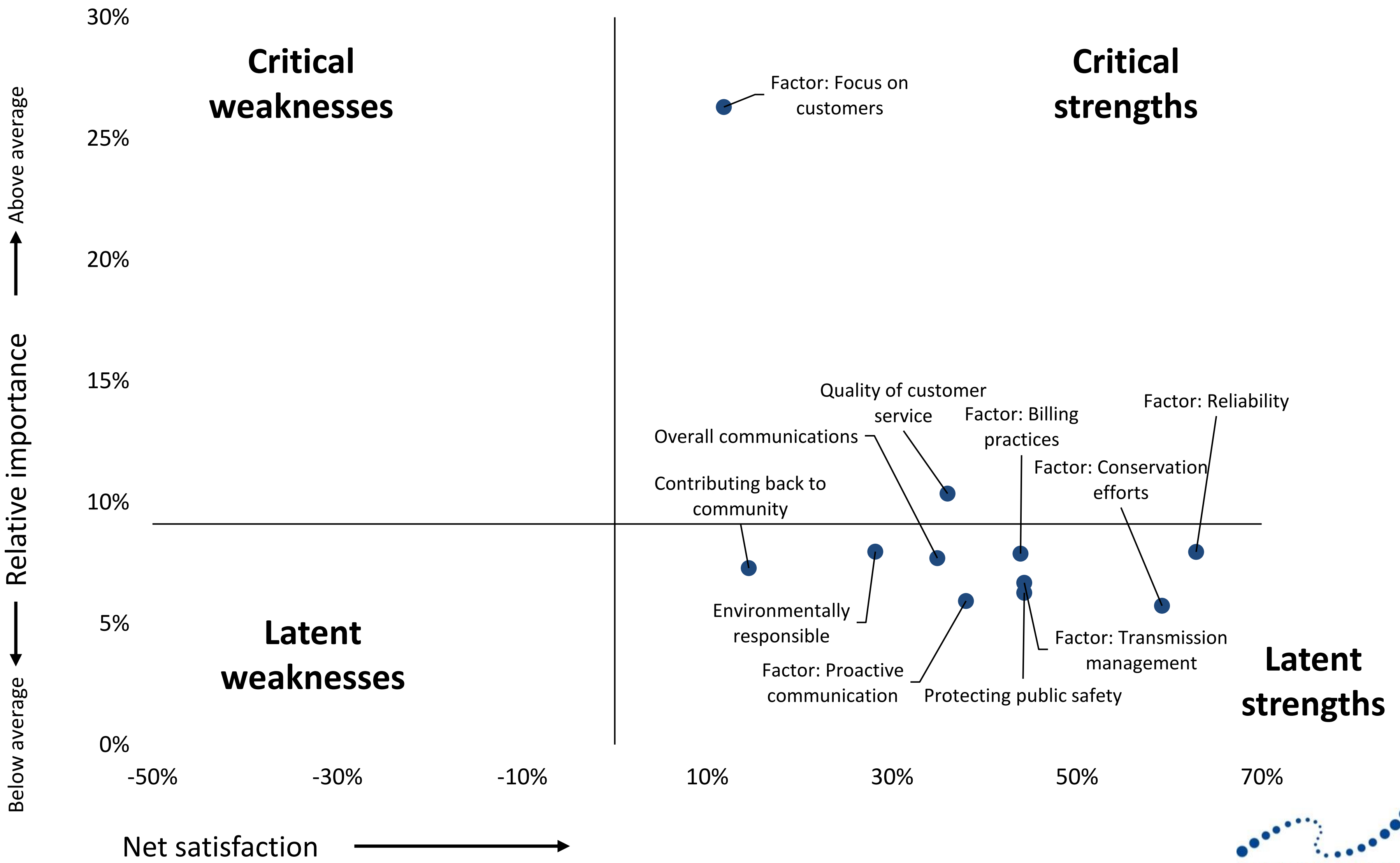
Once we understand what factors underlie each brand, we can examine how levels of overall satisfaction on each factor compare to their level of importance. The satisfaction score shown below are <u>net satisfaction</u> while the level of importance is calculated using a *Shapley* value regression as detailed in the previous section.



Improving the importance of an issue is best approached through *Priming*. This means moving it away from being a *latent strength* and towards being a *critical strength*. Priming by raising the salience of an issue in usually executed through advertising and the media, but only lasts as long as the issues remains in the public eye.

Increasing the levels of satisfaction with an issue is *Persuasion*. This means moving an issue from a weakness to a strength. Once people are persuaded that an organization is doing well on a particular attribute that opinion is likely to stick. However, persuasion campaigns are often long fought and expensive.

Vertically Integrated: *Importance vs. Satisfaction*



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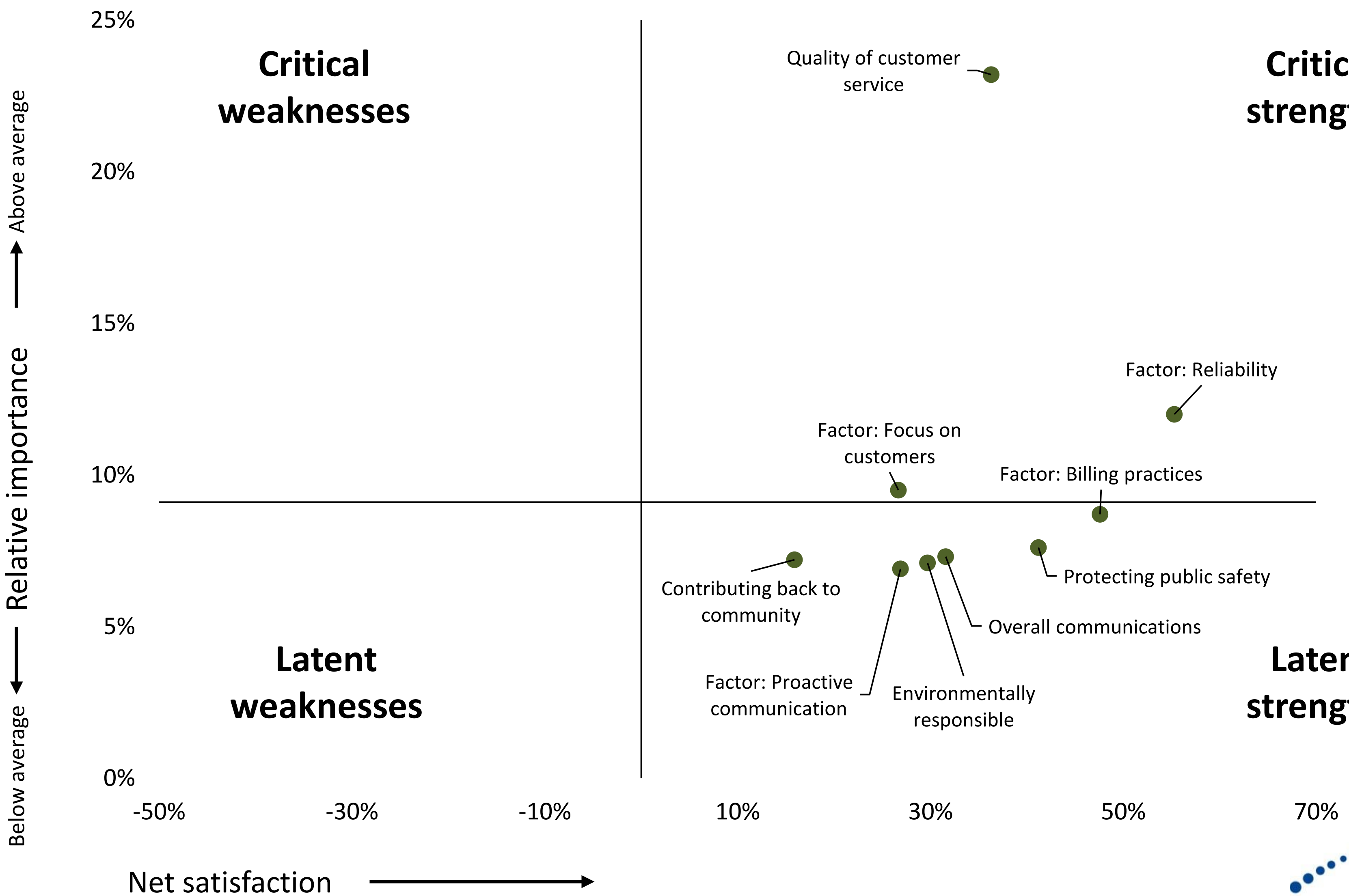
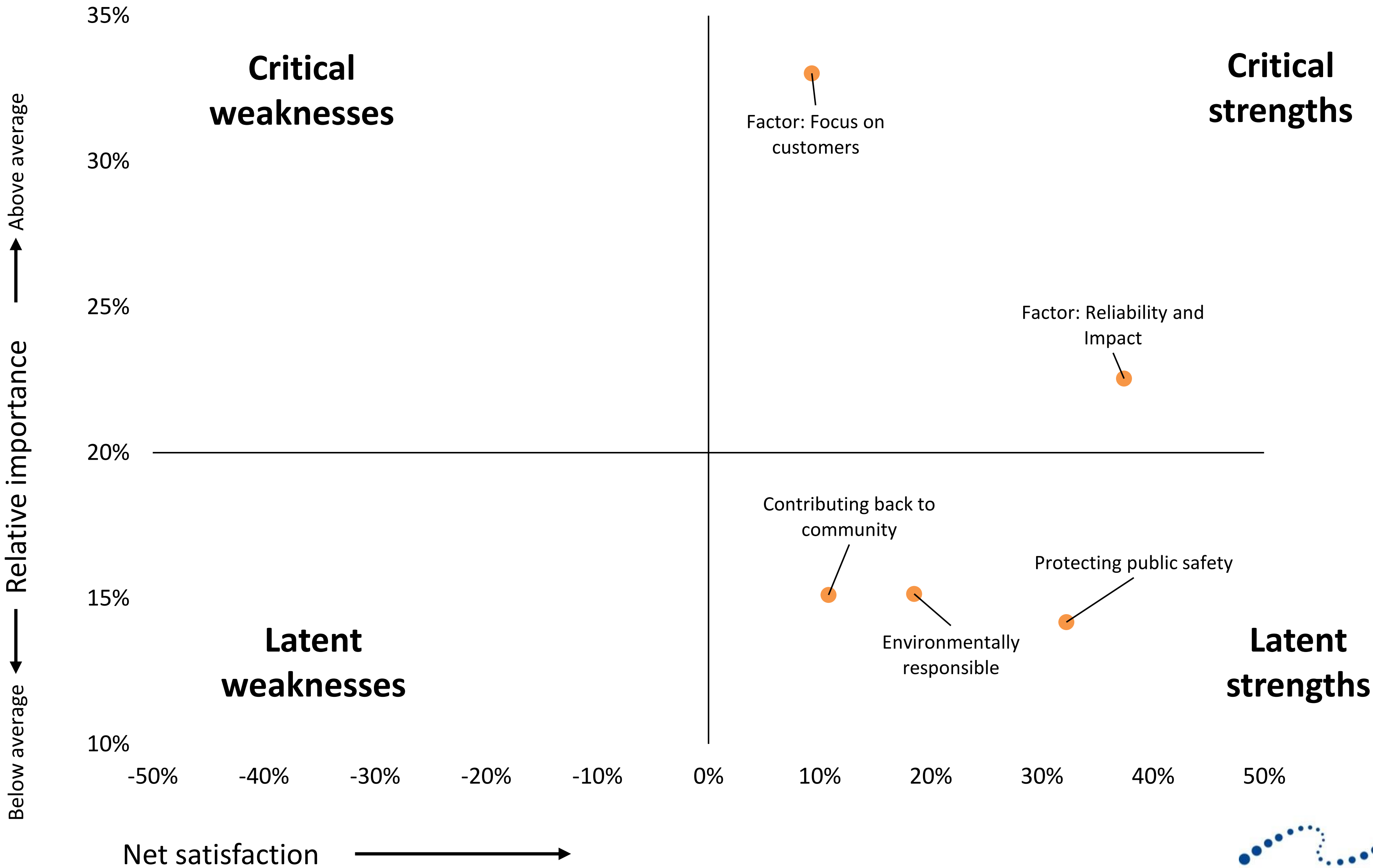
Distribution: *Importance vs. Satisfaction*



Transmission: *Importance vs. Satisfaction*



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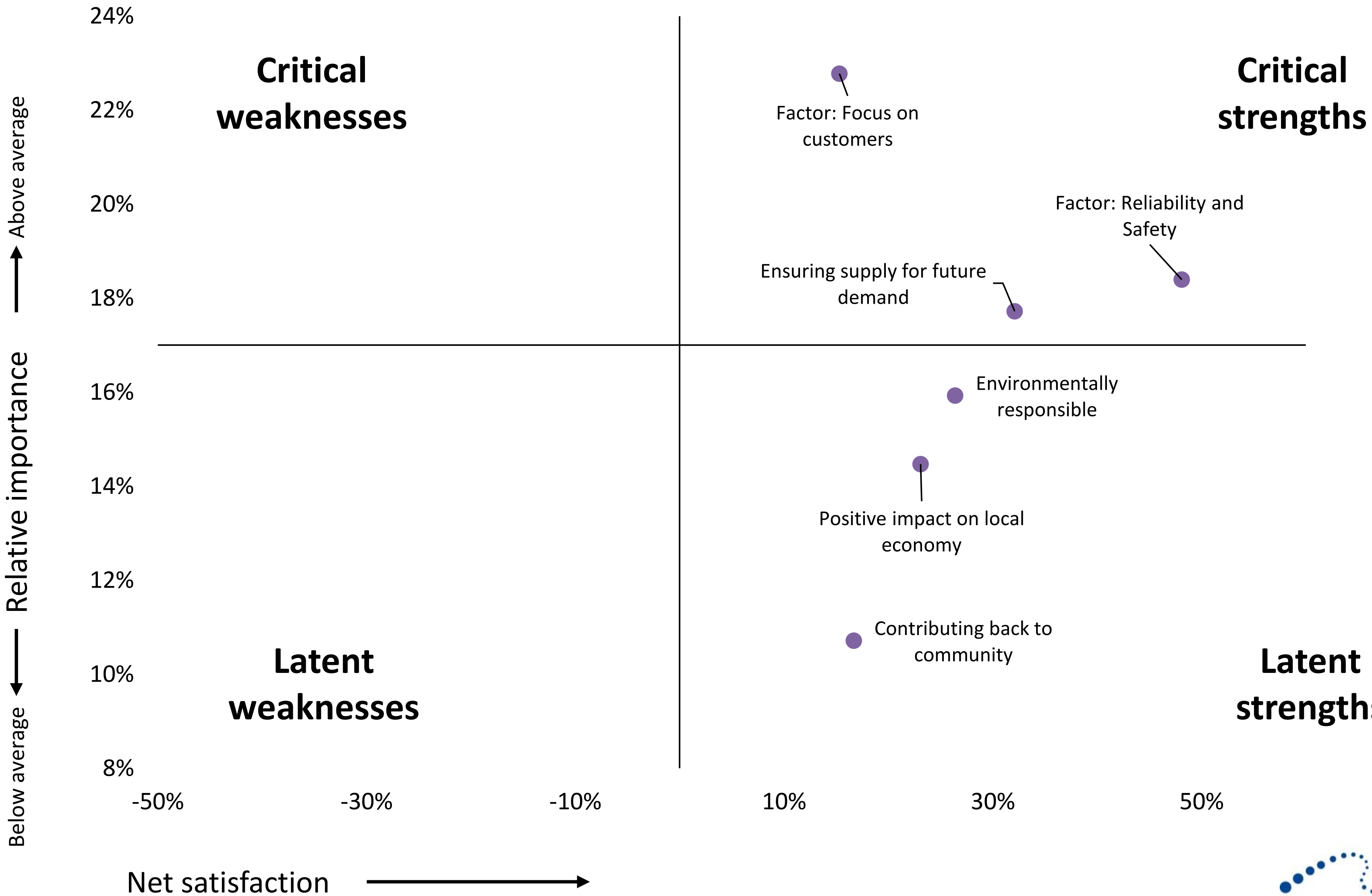
Generation: *Importance vs. Satisfaction*



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Customer Contact Experience

Non-bill related issues

Summary:
Customer Contact Experience (Non-bill related)

More than one-third (35%) have never contacted their electricity supplier regarding something other than their bill up 10% from last year's survey .

Outages are the most common reason for contacting a supplier:

- Reporting an outage (33%)
- Inquiring when power will be restored (34%)

The telephone is still by far the most preferred method of contact (80%), but it has declined over the past couple of years, along with a corresponding slight increase across the various online options (though not a significant increase for any single online option at this point).

While the proportion who are contacting their may be getting smaller, those who are contacting are having to contact more frequently to find a solution to their concern. About half (54%) are only contacting once, but this is down significantly from about three quarters in prior years.

In addition, there is an increase in the proportion who feel their concerns were not dealt with to their satisfaction (21%, up from 17%).

Looking at the trend, it is clear that the proportion who find it easy to get their problem resolved has declined every year, from 79% in 2011 just 61% today.

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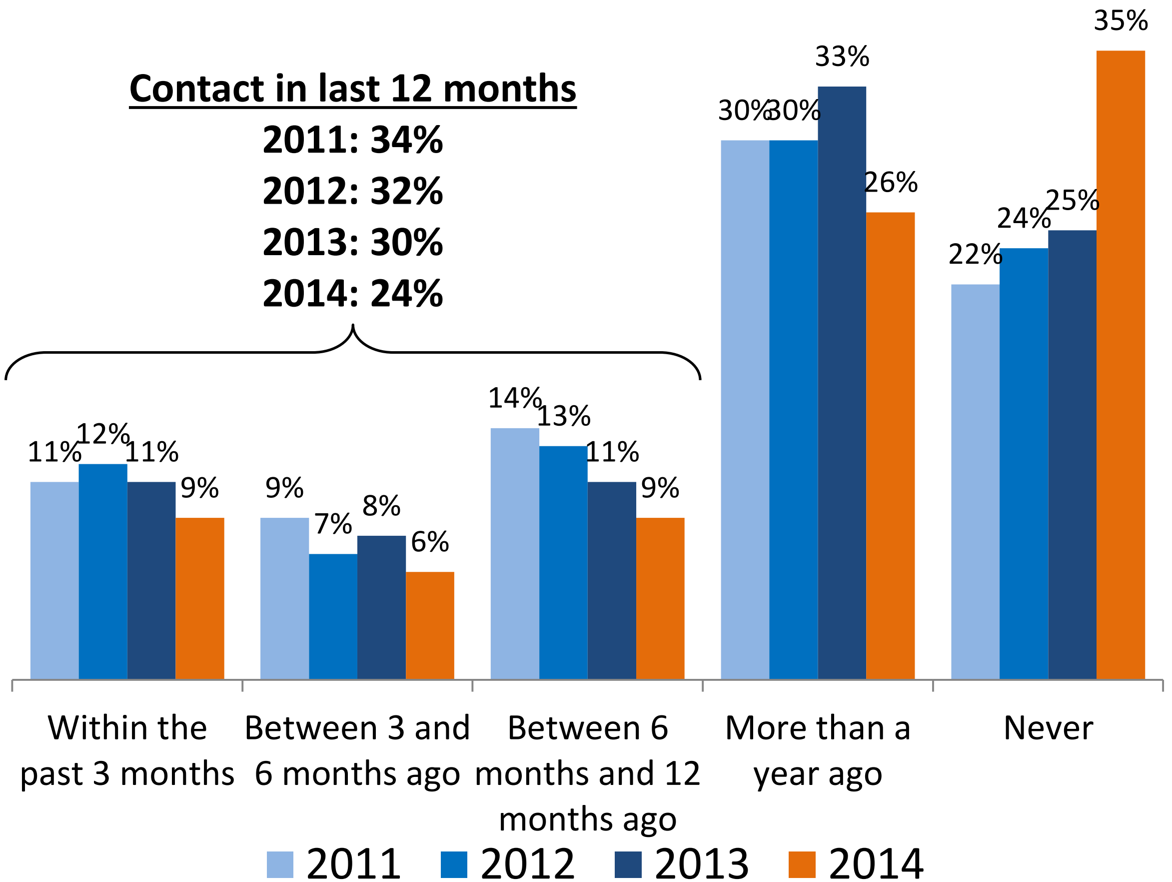
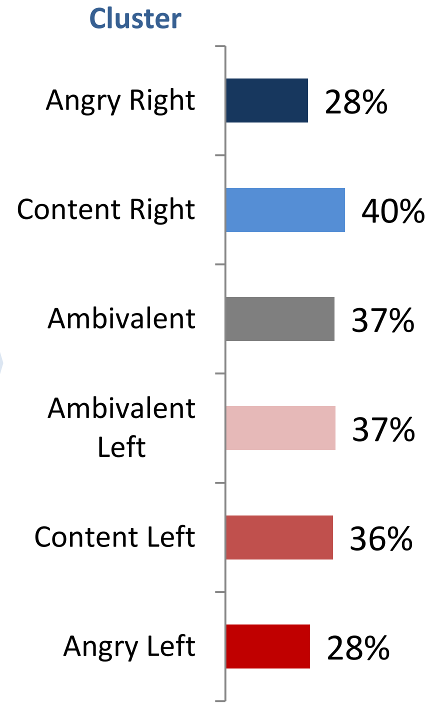
Customer Contact: Less contact then past years; angry customers less likely to have contacted

Q When was the last time you contacted your electricity supplier on a question about something other than your bill?*
[asked of all respondents; 2014 n=3,193]

Sample Breakdown
Those who say "never" (2014)
Cluster data is based on new (0-10) scale only





*In previous years the question was: *When was the last time you contacted your electricity company with a question or problem (apart from just paying your bill as normal)?*

Note: 'Don't know' not shown

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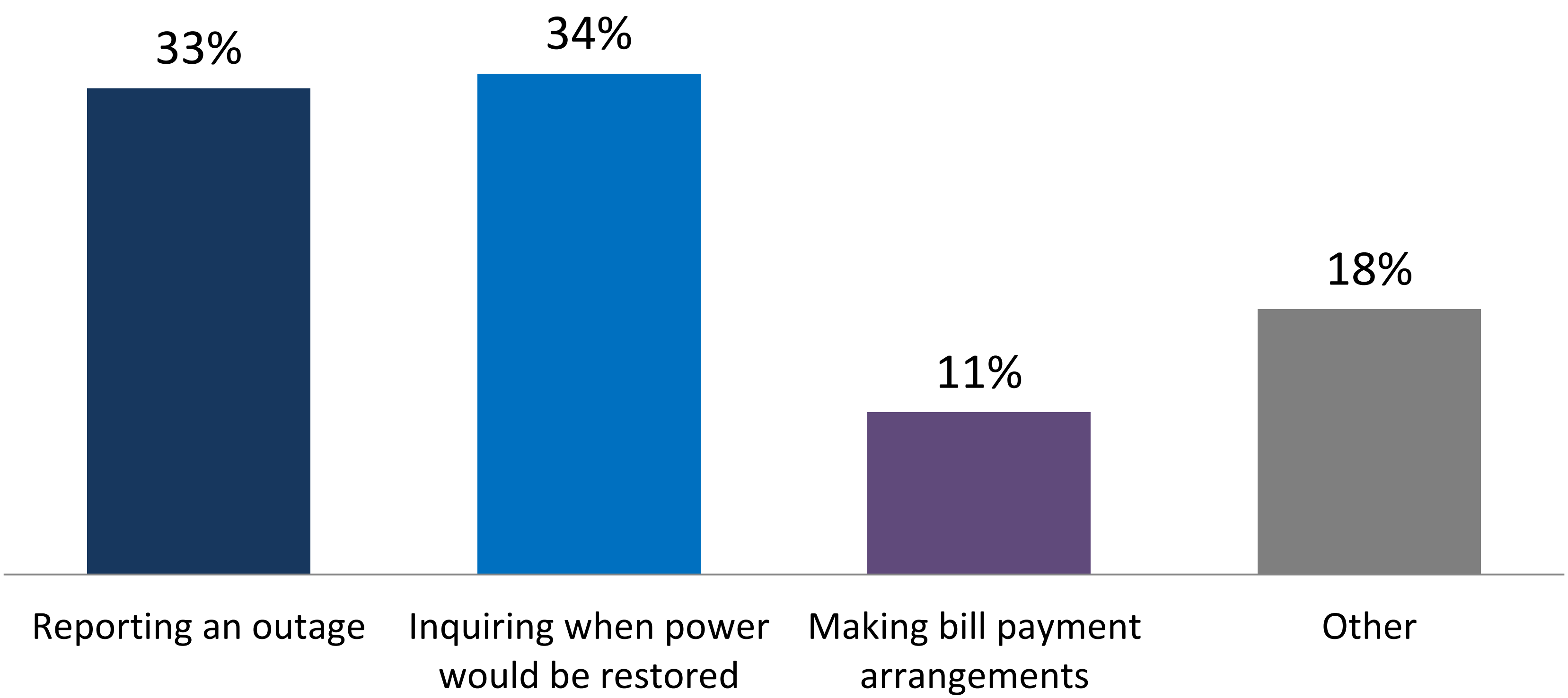
Reasons for Contact: Most are calling with issues related to power outages

Q What was the reason you last contacted your electricity supplier on a question about something other than your bill?

[asked of all respondents who contacted supplier in past 12 months; n=787]

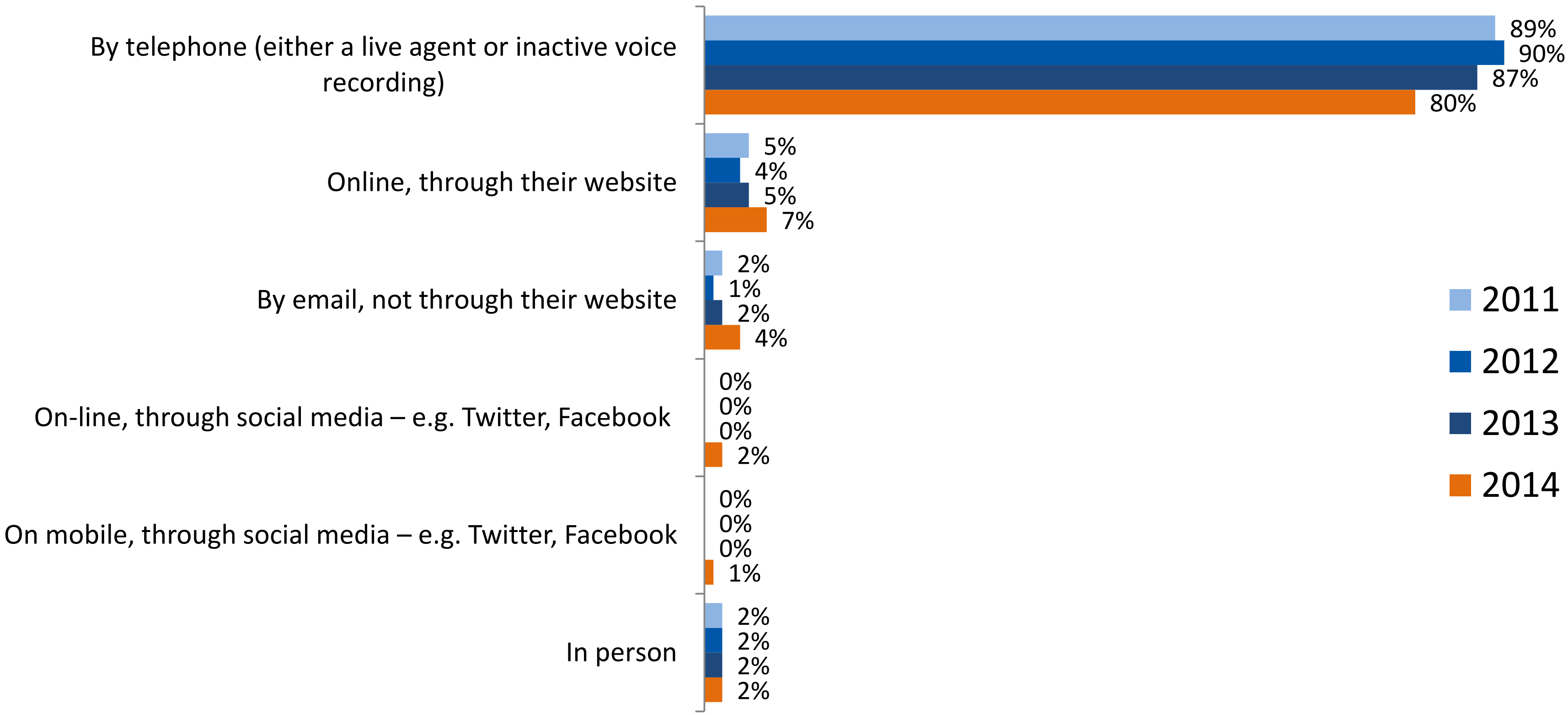


Note: 'Don't know' not shown

Means of Customer Contact (Not re: Bill): Most contact their supplier via telephone

Q When you last contacted your electricity supplier on a question about something other than your bill, by which of the following means did you do so?

[asked of all respondents who contacted supplier in past 12 months; 2014 n=787]



*In previous years the question was: *When you last contacted your electricity company, by which of the following means did you do so?*

Note: 'Other, 'Don't know' not shown

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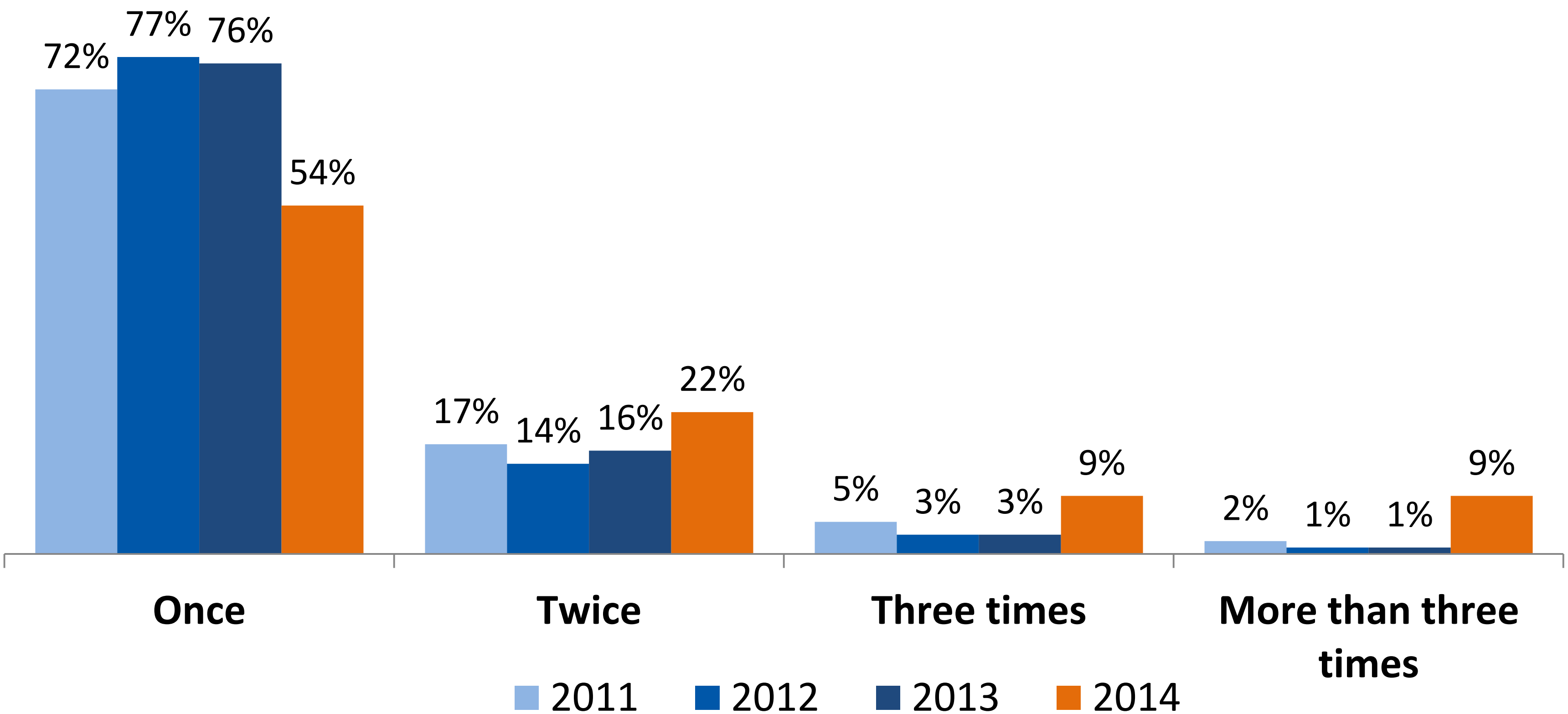
Number Contacts: Fewer are having their issues resolved after only one contact with supplier

Q Again, thinking of your most recent contact with your electricity supplier on a question about something other than your bill, how many times did you have to contact them to find an answer to your question or solution to your problem? *

[asked of all respondents who contacted their electricity supplier in past 12 months; 2014 n=787]



* In previous years the question was: *Again, thinking of your most recent contact, how many times did you have to contact your electricity company to find an answer to your question or solution to your problem?*

Note: 'Don't know' not shown

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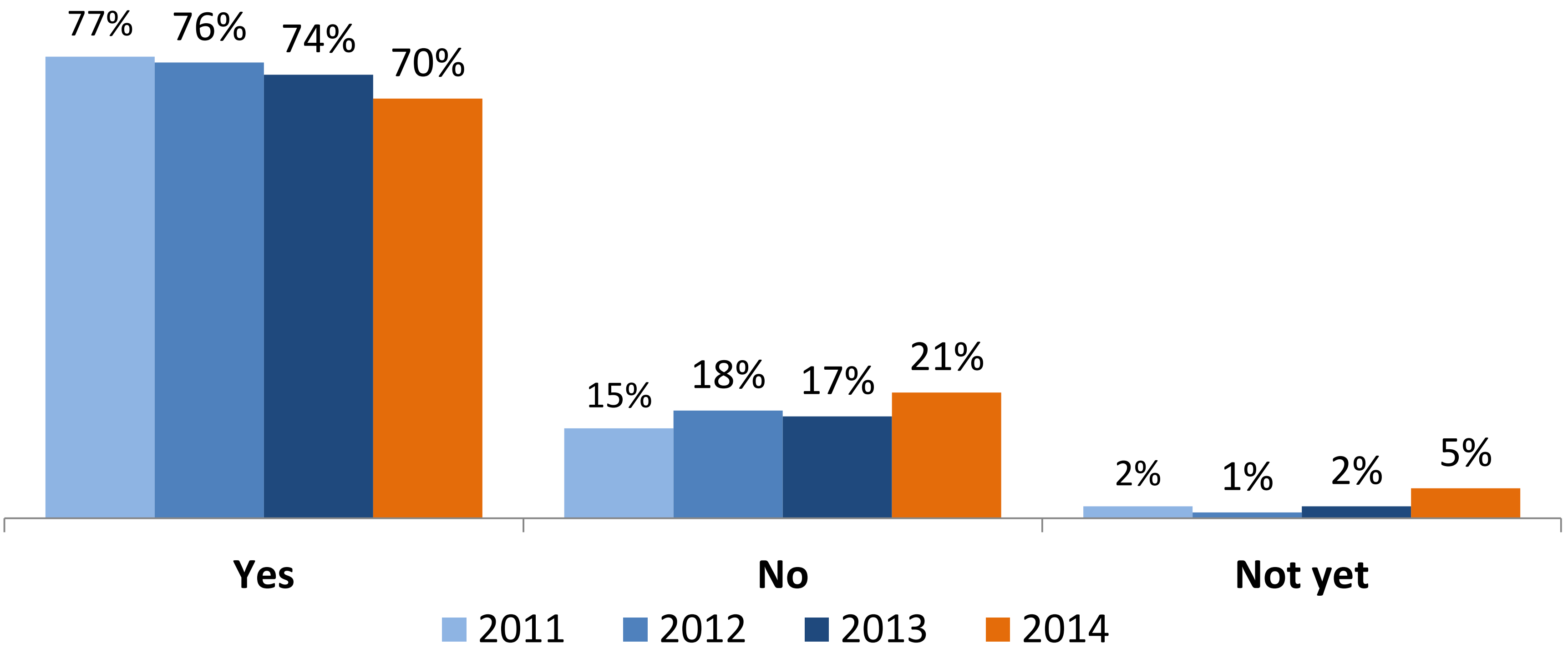
Customer Issue Resolution: A slight increase in the proportion whose issues are *not* being resolved

Q When you last contacted your electricity supplier on a question about something other than your bill, was your question answered or problem resolved to your satisfaction?

[asked of all respondents who contacted supplier in past 12 months; 2014 n=787]



*In previous years the question was: *When you last contacted your electricity company, was your question answered or problem resolved to your satisfaction?*

Note: 'Don't know' not shown

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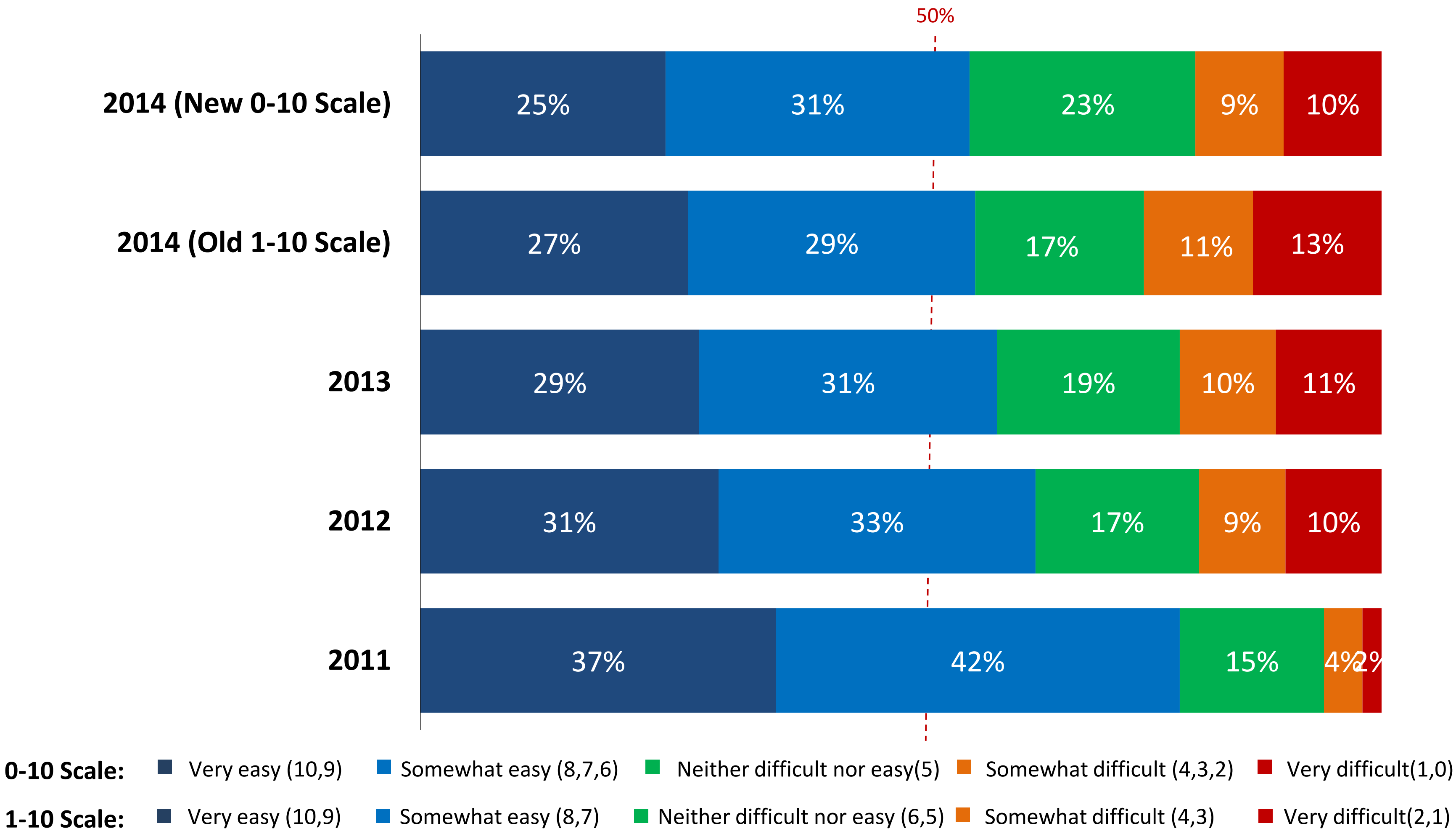
Issues Resolution: While a majority find it "easy" to find a resolution to their problem, this has decreased since 2011

Q And, thinking of your most recent contact, how would you rate the ease or difficulty of getting your problem resolved to your satisfaction on a scale from 0 to 10, where 0 means it was *very difficult* and 10 means it was *very easy*. [asked of all respondents who contacted supplier in past 12 months; new scale n=386; old scale n=390]

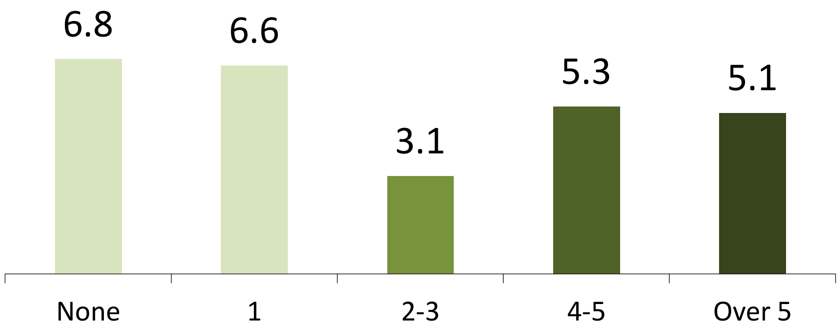


Note: 'Don't know' not shown

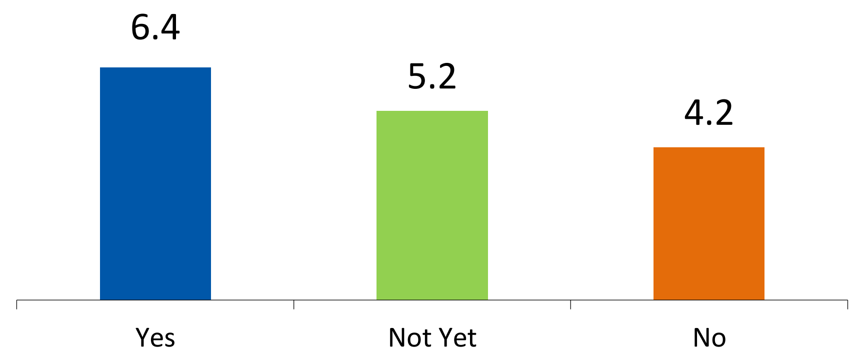
Customer service experiences: Impact on perceptions of quality of service

Charts show mean rating from 0-10 on the "Quality of Customer Service" attribute for distributors*

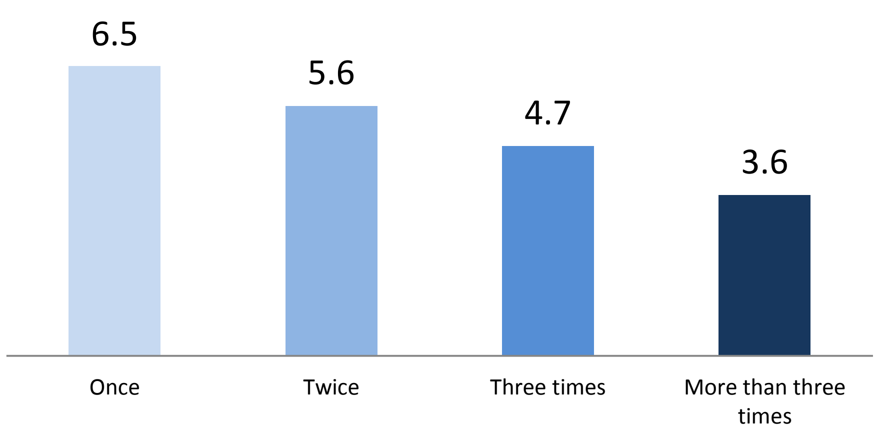
Mean rating by number of outages experienced in past 12 months



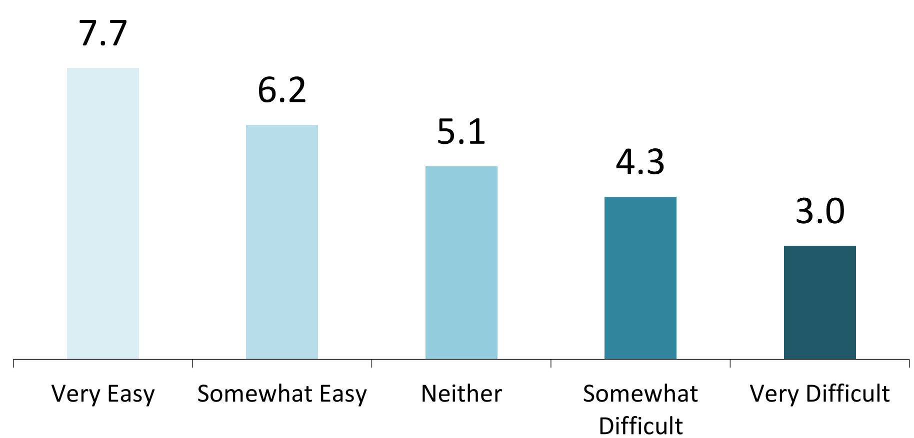
Mean rating by whether most recent non-bill customer service contact was resolved to satisfaction



Mean rating by number of contacts required before most recent non-bill issue was resolved to satisfaction



Mean rating by perceived ease of resolving most recent non-bill issue

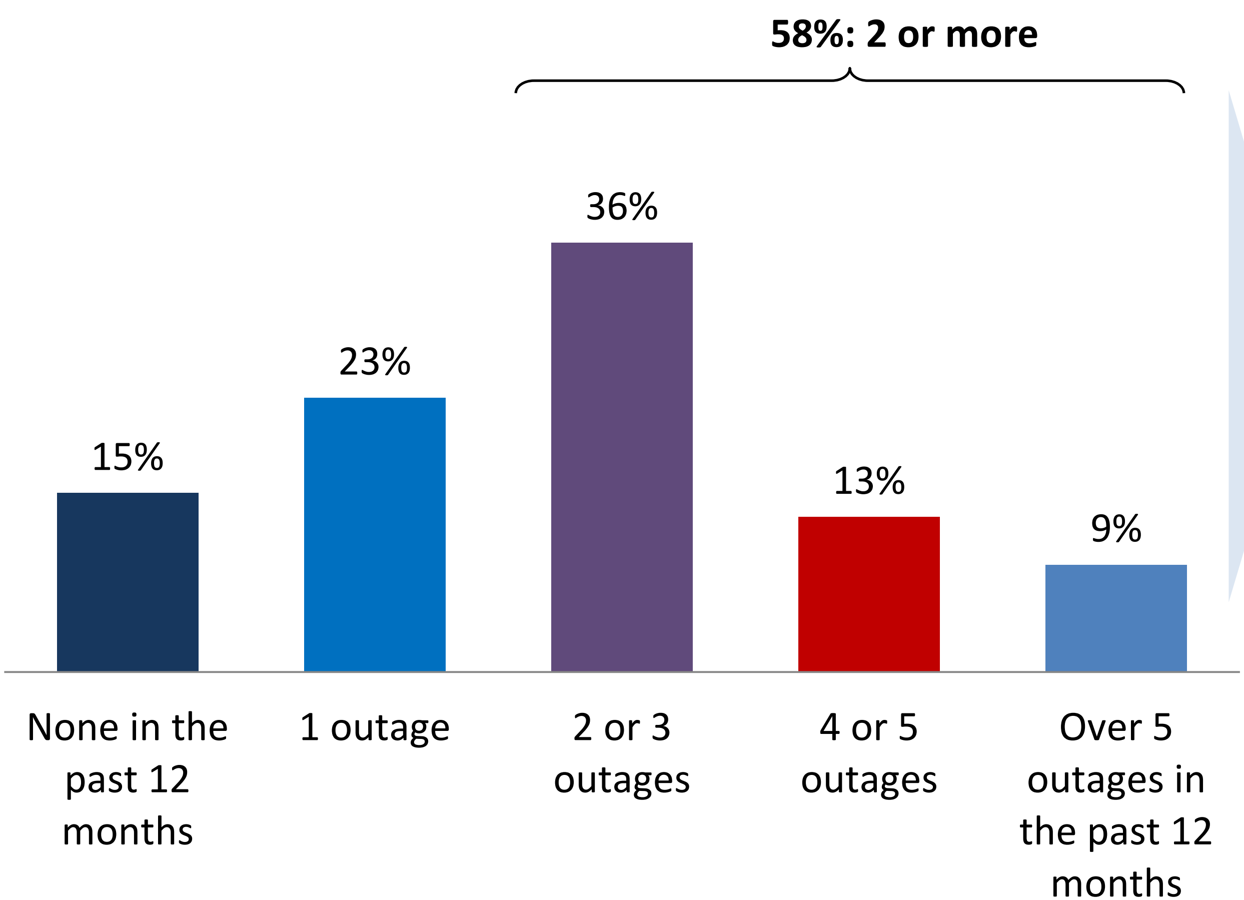


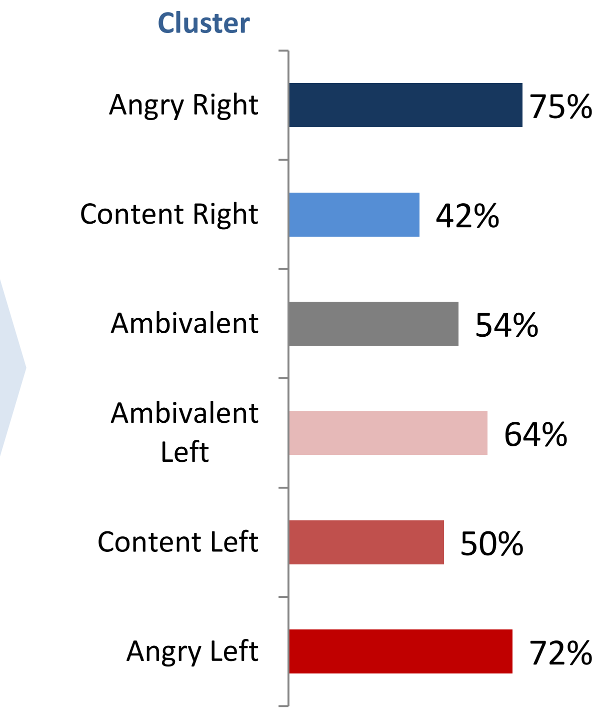
**For respondents answering on the old 1-10 scale, answers were rescaled from 1-10 before means were calculated*

Power Outages in 2014: Majority recall 2+ outages in 2014; "angry" customers more likely to recall outages

Q Thinking back over the past 12 months, how many power outages did you recall experiencing at home?
[asked of all respondents; n=3,193]

Sample Breakdown
Those who say "two or more" outages





Note: 'Don't know' (4%) not shown

Cluster data is based on total sample

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Customer Contact Experience

Bill related issues

Summary: Customer Contact Experience (Bills)

- 68% are confident in the accuracy of their electricity bills.
- At 81% of contacts, telephone is by far the most common means of contact regarding questions or concerns about a bill.
- As with contacts regarding issues other than bills, customers are often have to make multiple contacts to get their billing questions or concerns resolved.
- Just 63% feel that their most recent billing issue was resolved to their satisfaction, while a further 9% see the issue as ongoing.

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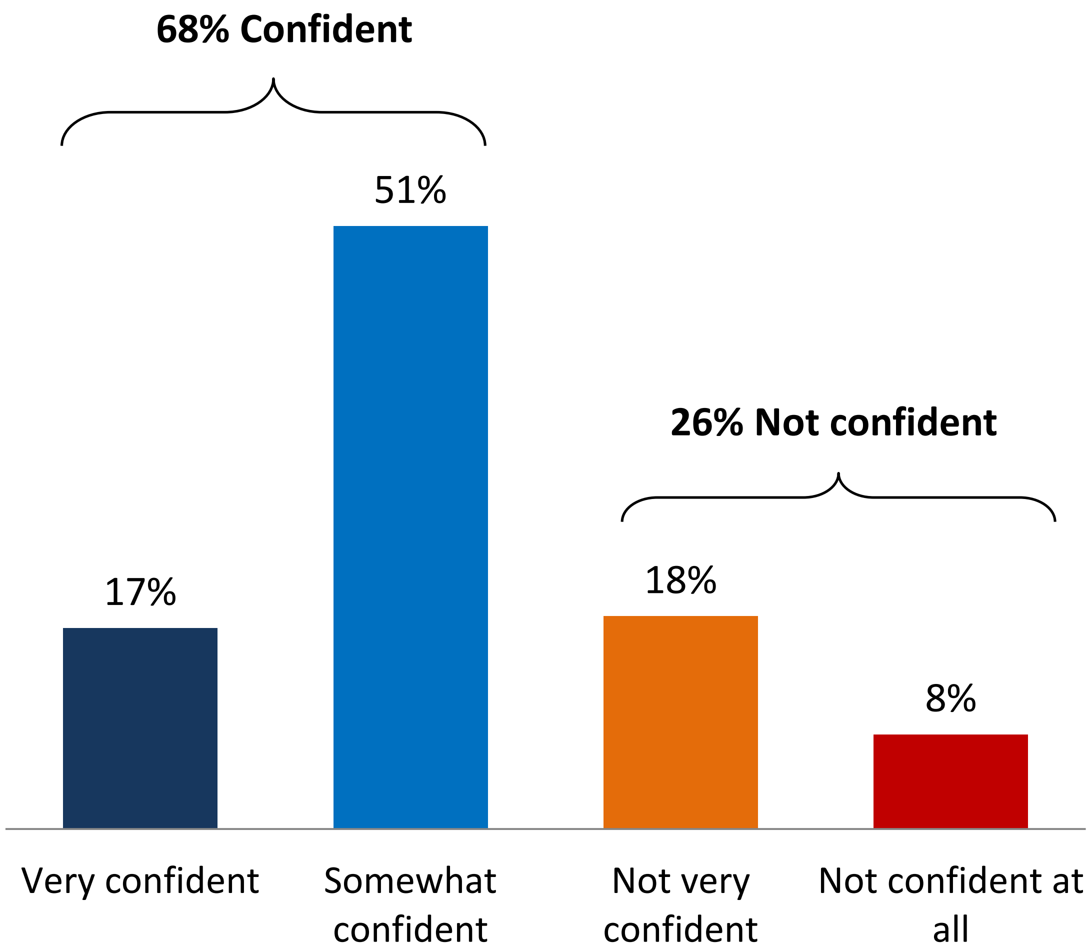
More than two-thirds confident in accuracy of bills

Q How confident are you in the accuracy of the electricity bills you receive?

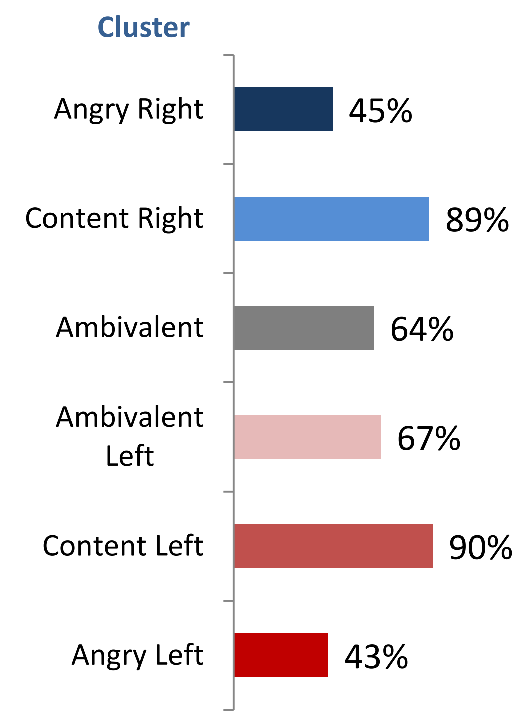
[asked of all respondents; n=3,193]



Sample Breakdown

Those who say "confident"

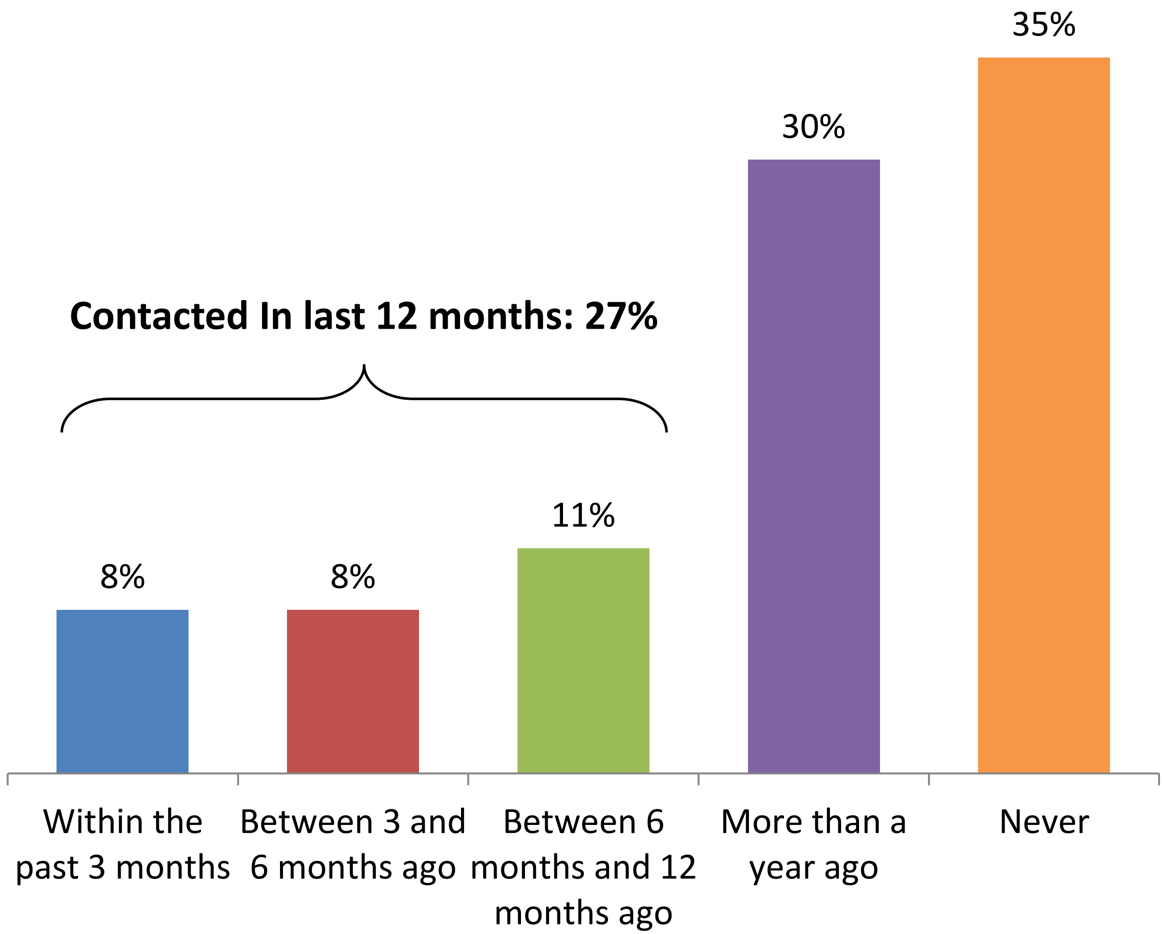
Cluster data is based on total sample



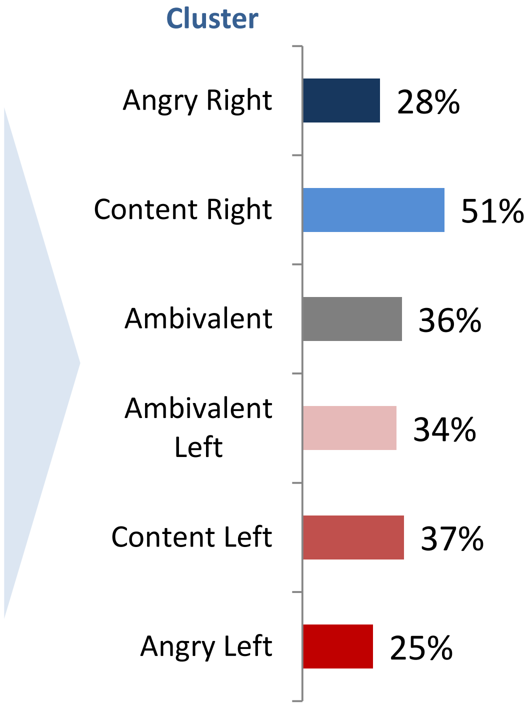
Note: 'Don't know' (7%) not shown

Customer Contact (2011-2014): Less contact than past years, angry customers more likely to have contacted

Q When was the last time you contacted your electricity supplier with a question or concern about your bill?
[asked of all respondents; n=3,193]



Sample Breakdown
Those who say "never"
Cluster data is based on total sample

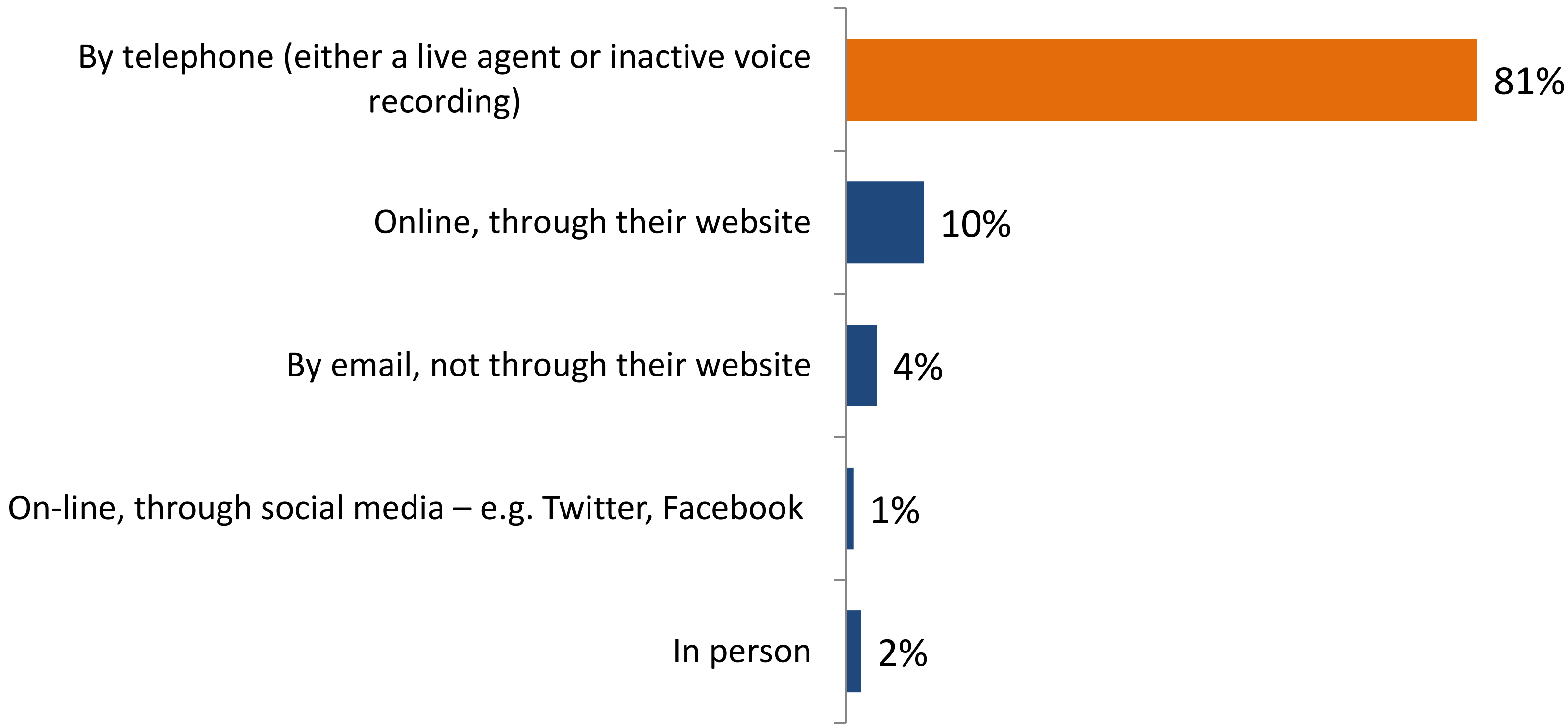


Note: 'Don't know' (9%) not shown

Means of Supplier Contact (re: Bill): Contact is primarily made over the telephone

Q When you last contacted your electricity supplier with a question or concern about your bill, by which of the following means did you do so?

[asked of all respondents who contacted supplier in past 12 months; n=857]



Note: 'On a mobile device through social media' (0.4%), 'Other (1%), 'Don't know' (1%) not shown

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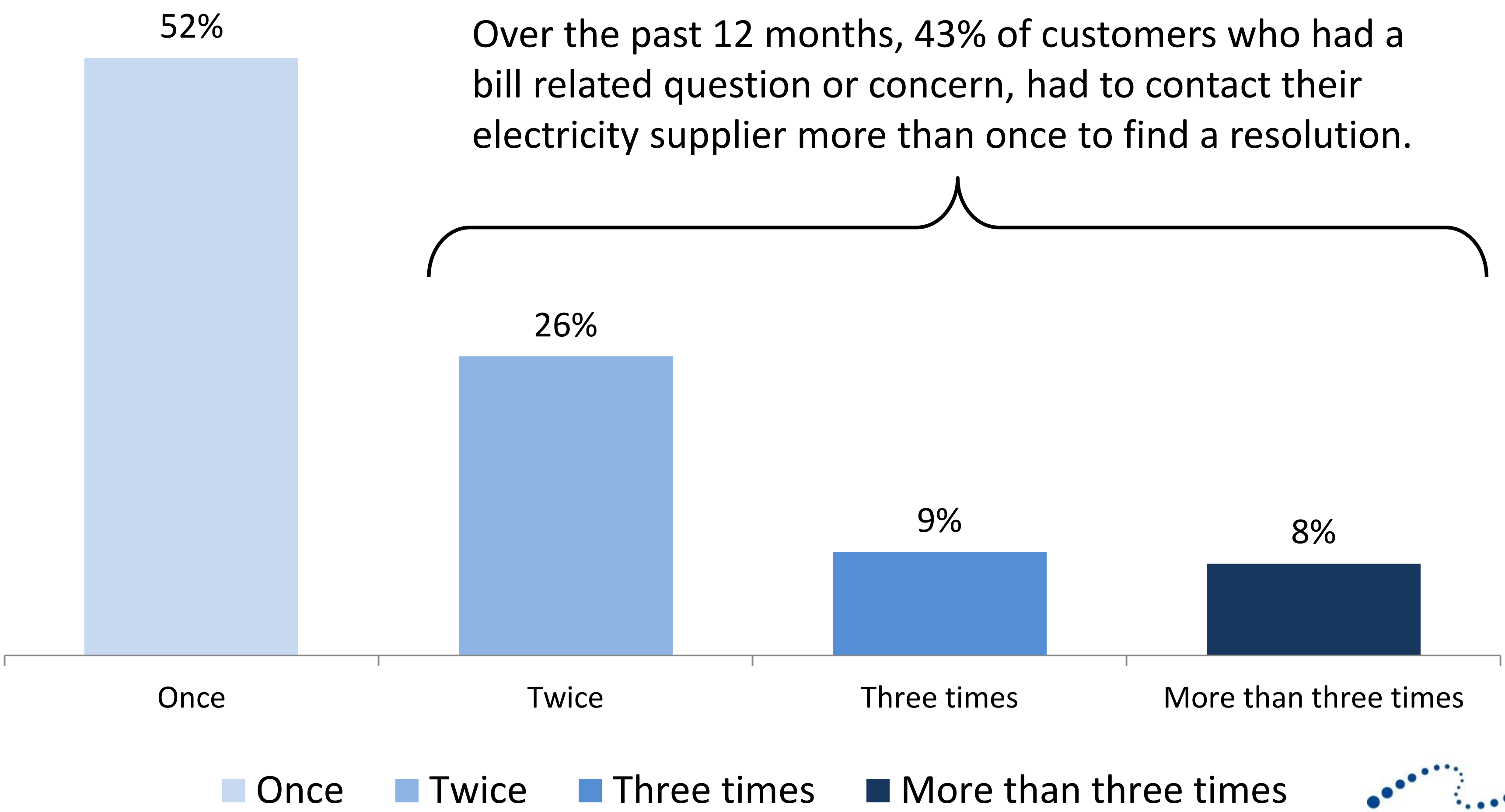
Bill Contact Frequency: 43% had to contact their electricity supplier *more than once* to resolve their bill related concern

Q Again, thinking of your most recent contact with your electricity supplier with a question or concern about your bill, how many times did you have to contact them to find an answer to your question or solution to your concern?

[asked of all respondents who contacted supplier in past 12 months; n=857]



Note: 'Don't know' (6%) not shown

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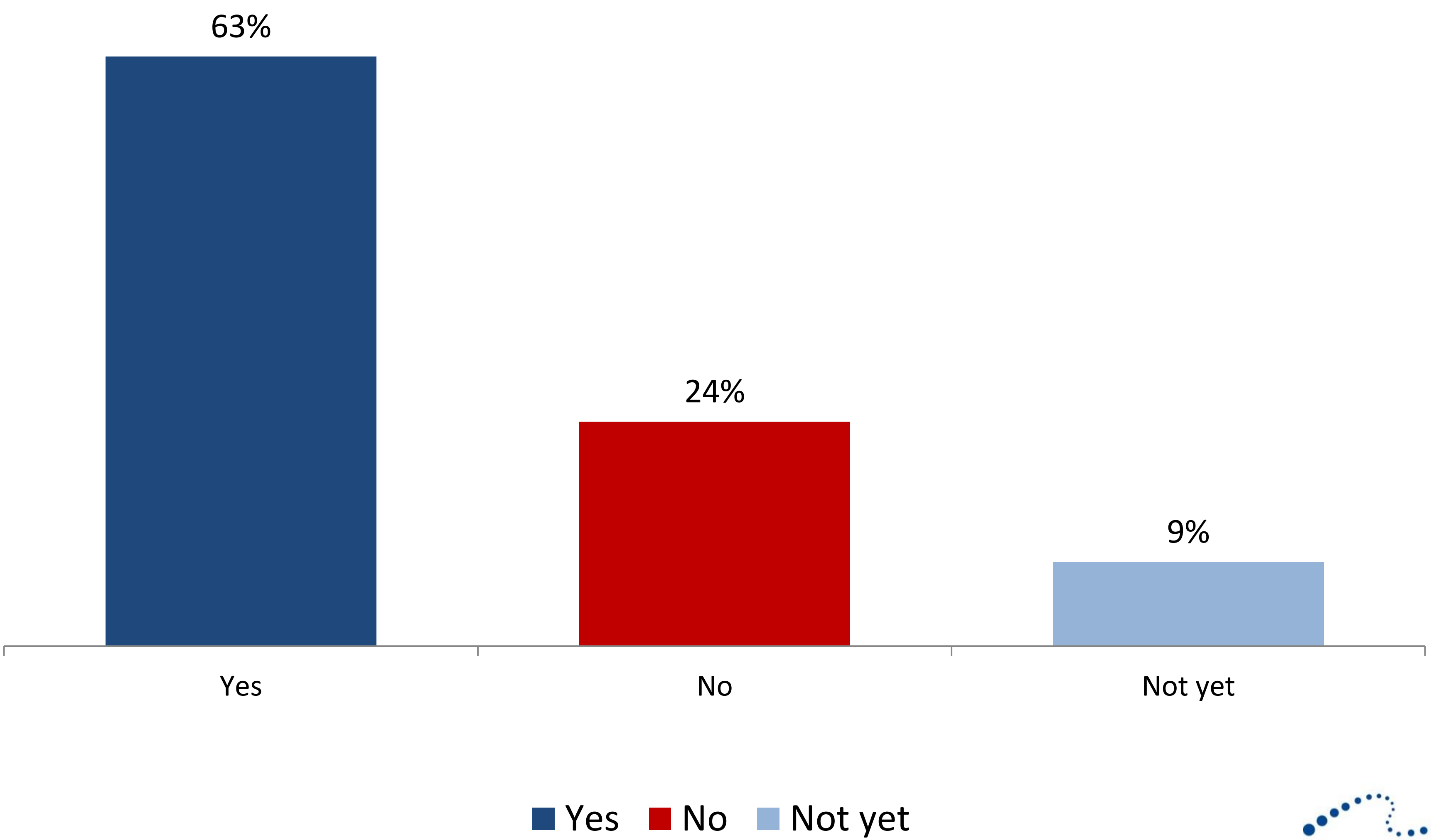
Issue Resolution: Concerning billing, 6-in-10 customers had their issue resolved to their satisfaction

Q When you last contacted your electricity supplier with a question about your bill, was your question answered or concern resolved to your satisfaction?

[asked of all respondents who contacted supplier in past 12 months; n=857]

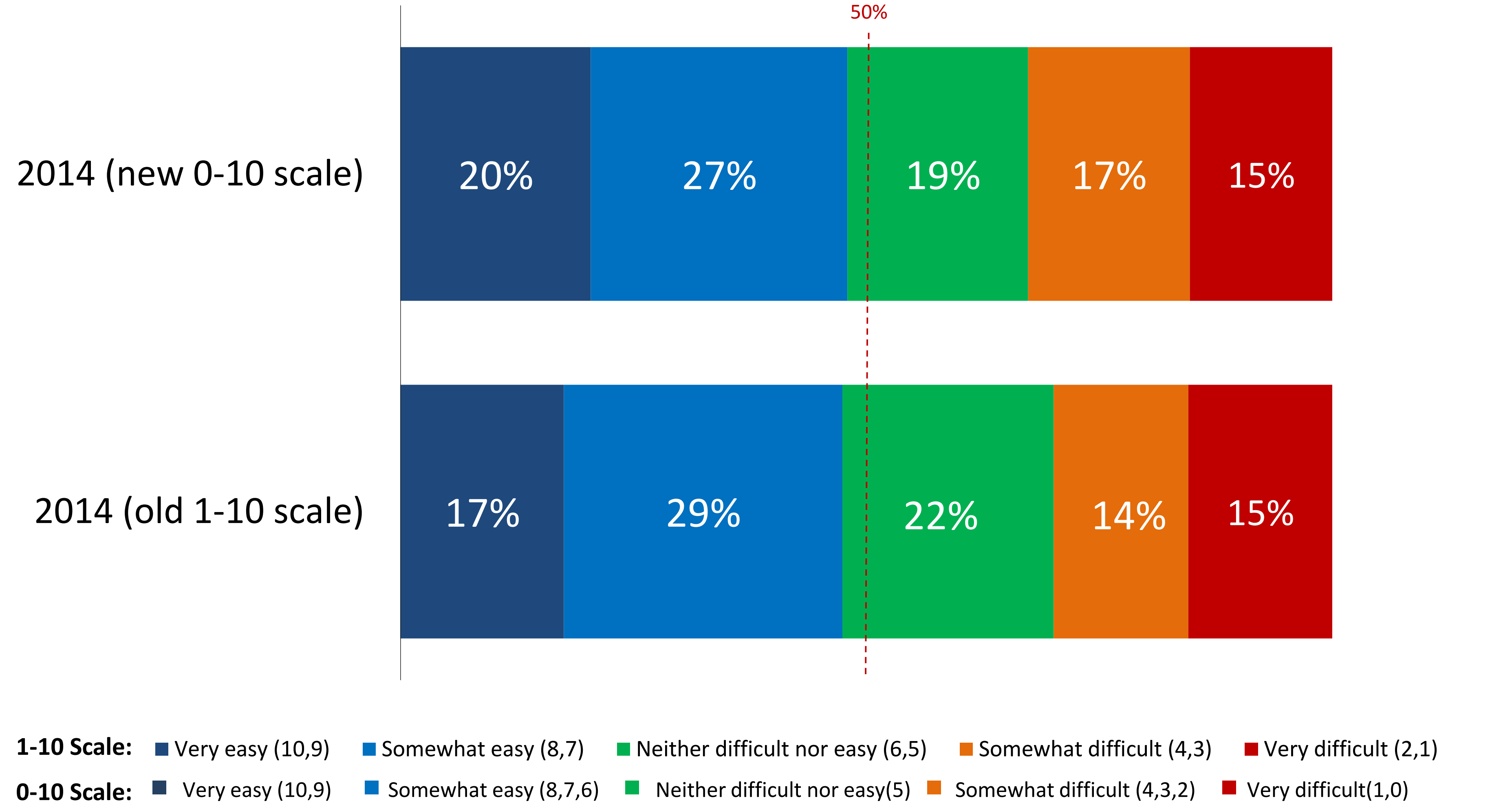


Note: 'Don't know' (4%) not shown

Resolving Issues: Just under half found it "easy" to resolve their problem on last contact with their electricity supplier

Q And, thinking of your most recent contact, how would you rate the ease or difficulty of getting your problem resolved to your satisfaction on a scale from 1 to 10, where 1 means it was very difficult and 10 means it was very easy.

[asked of all respondents who contacted supplier in past 12 months; new scale n=425; old scale n=412]



Attitudes towards Price

Summary: Price

- Following relatively mild fluctuations from 2009 through 2013, there has been an 8-point decrease in the proportion who think the price for electricity in their province is either very (7%) or somewhat (38%) reasonable.

- Further, 51% say the cost of their electricity bill requires that they do without some other important priorities.

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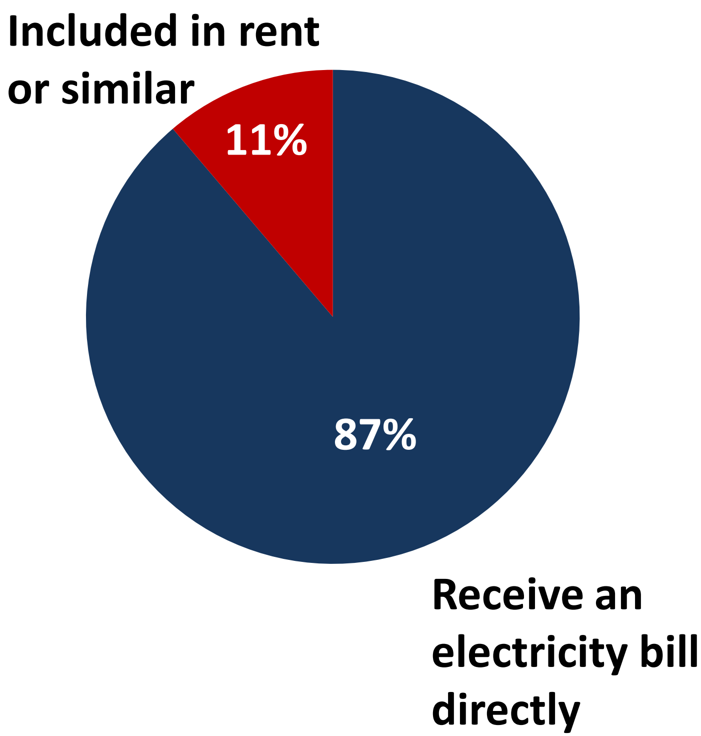
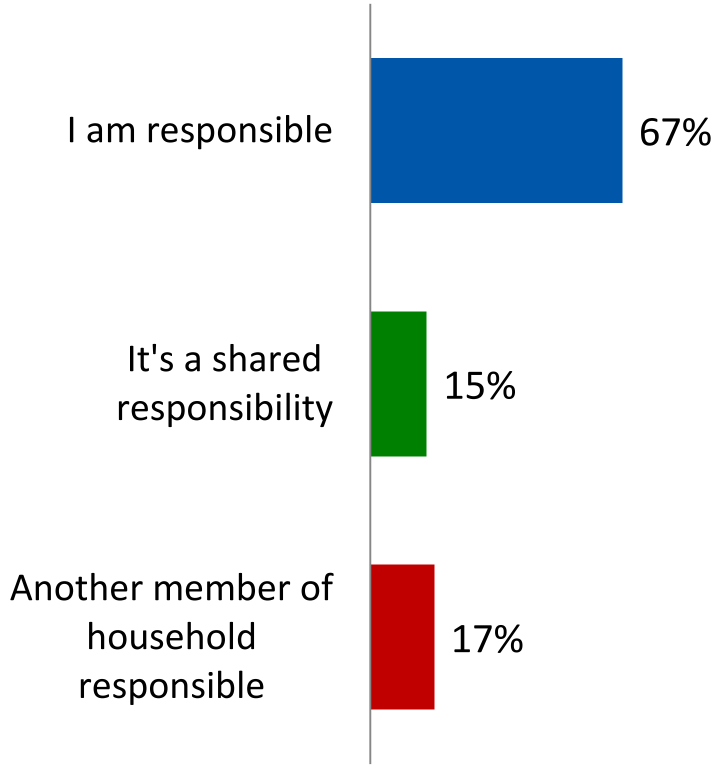
Electricity Bills: Nearly nine-in-ten receive an electricity bill; two-thirds of those are responsible for paying

Q Does your household currently receive an electricity bill OR is your electricity usage paid for indirectly through rent or condo fees?
[asked of all respondents; n=3,193]

Q Are you or is another member of your household the primary person responsible for paying the utility bills for your household, such as electricity or natural gas?
[asked of all respondents who receive a bill; n=2,779]





Note: 'Don't know' (2%) not shown

Note: 'Don't know' (0%) not shown

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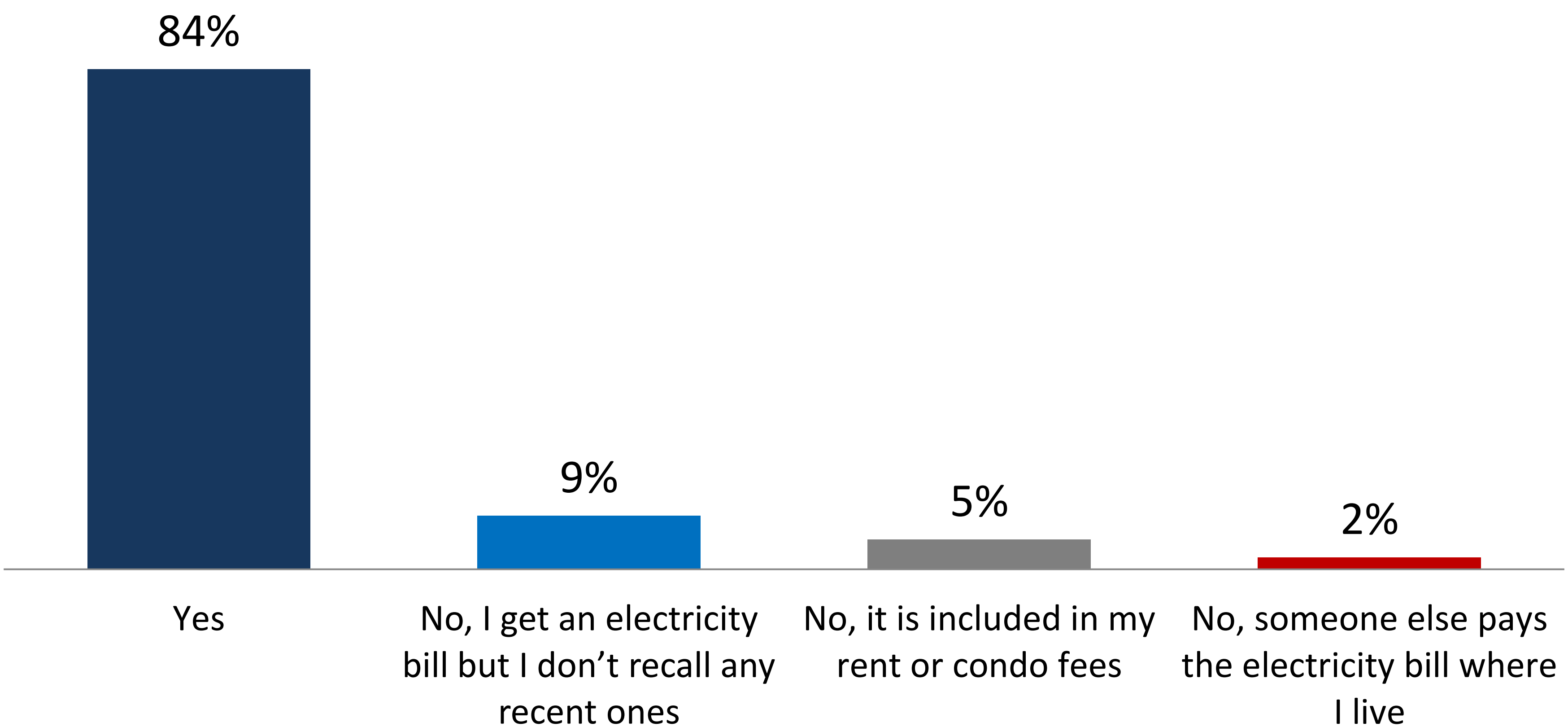
Electricity Bill Recall: Most recall receiving bill from electricity supplier recently

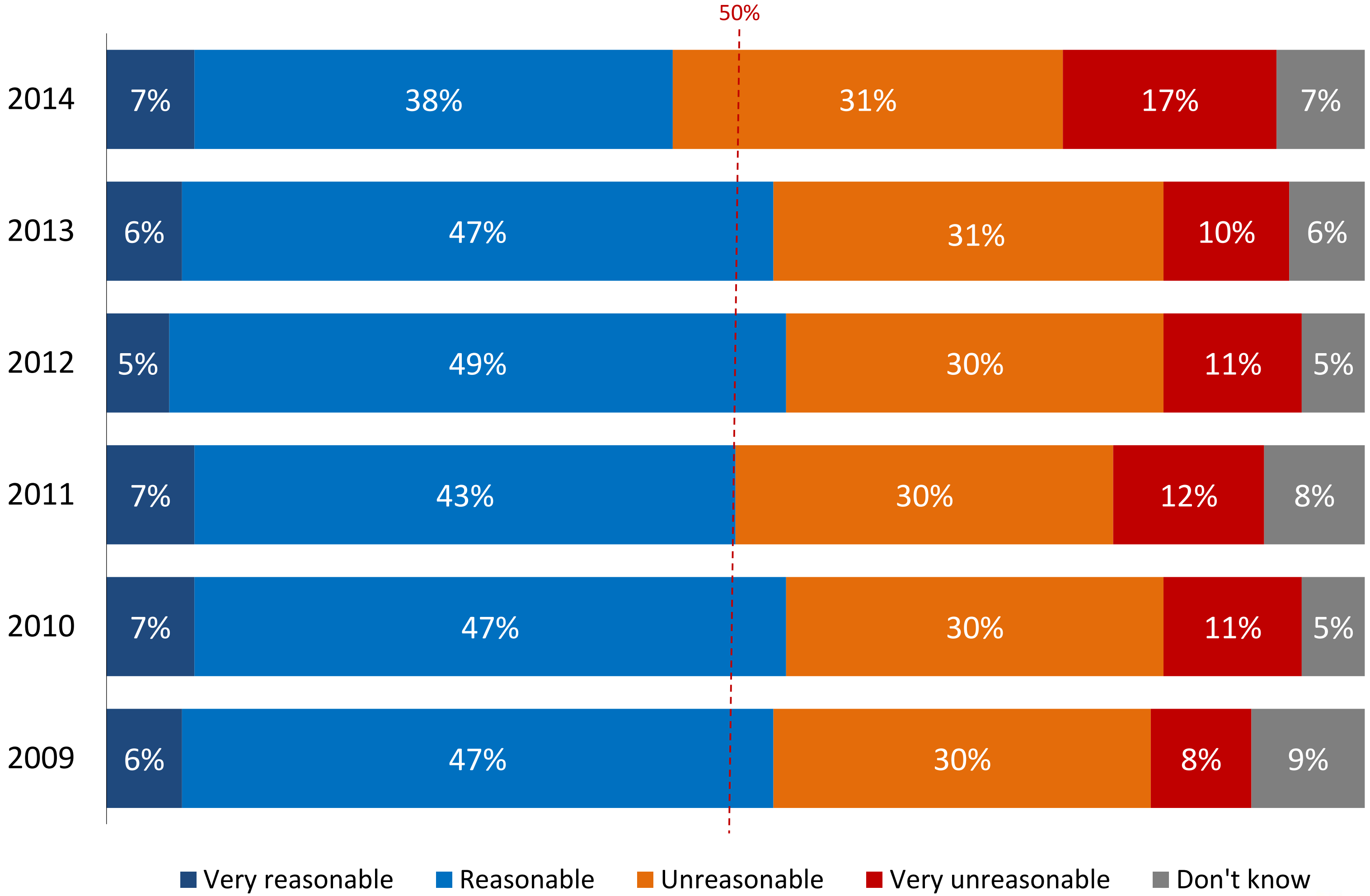
Q Do you recall receiving a bill from your electricity supplier recently?
[asked of all respondents who receive a bill; n=2,779]



Note: 'Don't know' (2%) not shown

Reasonable Price: decrease among those who feel the price they pay is reasonable; first time below 50%

Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable? [asked of all respondents; n=3,193]



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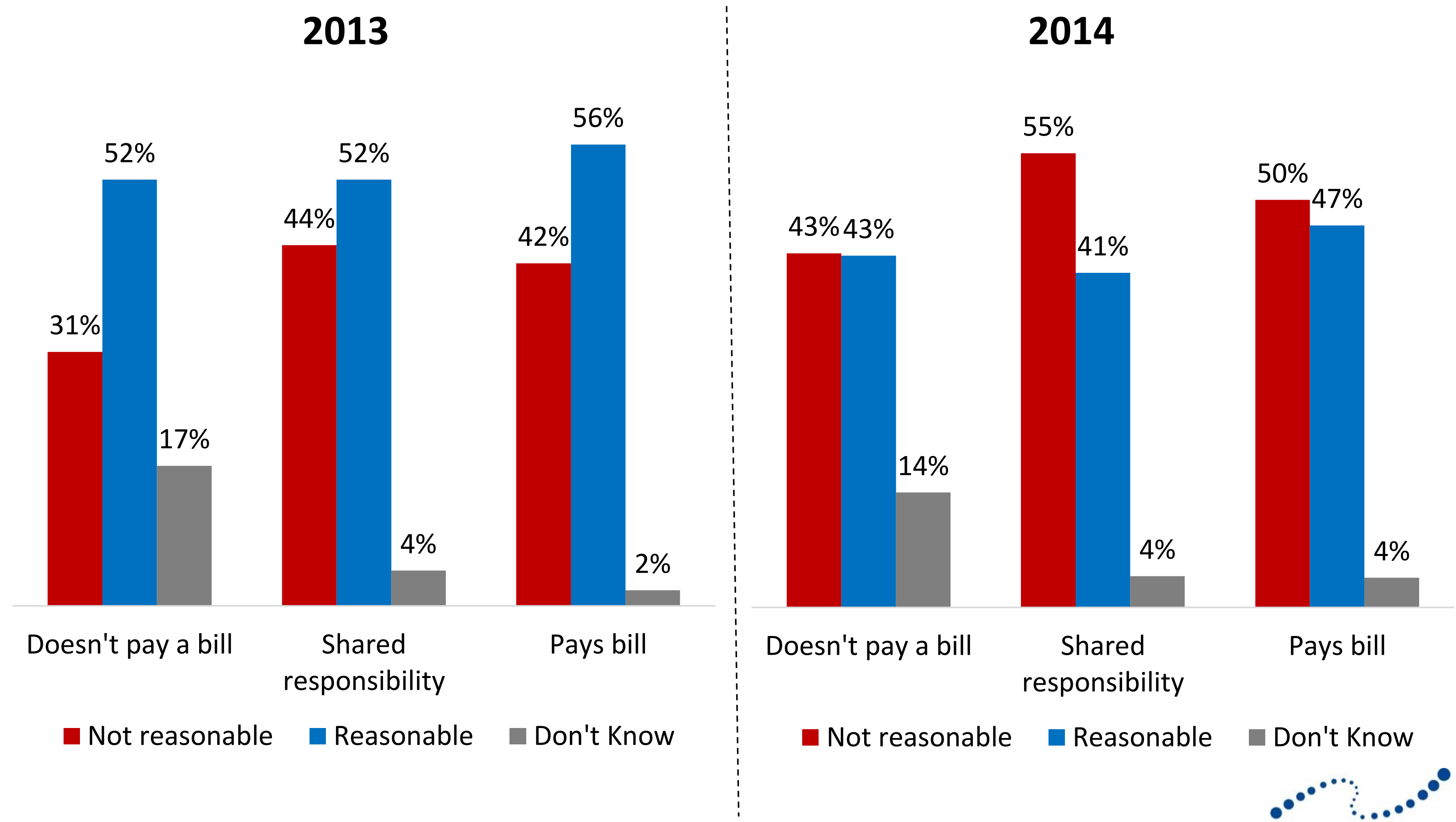
Reasonable price: those who pay bill are slightly more likely to think price is reasonable in both this year and last

Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable? BY Responsibility for bill [asked of all respondents; 2014 n=3,193]



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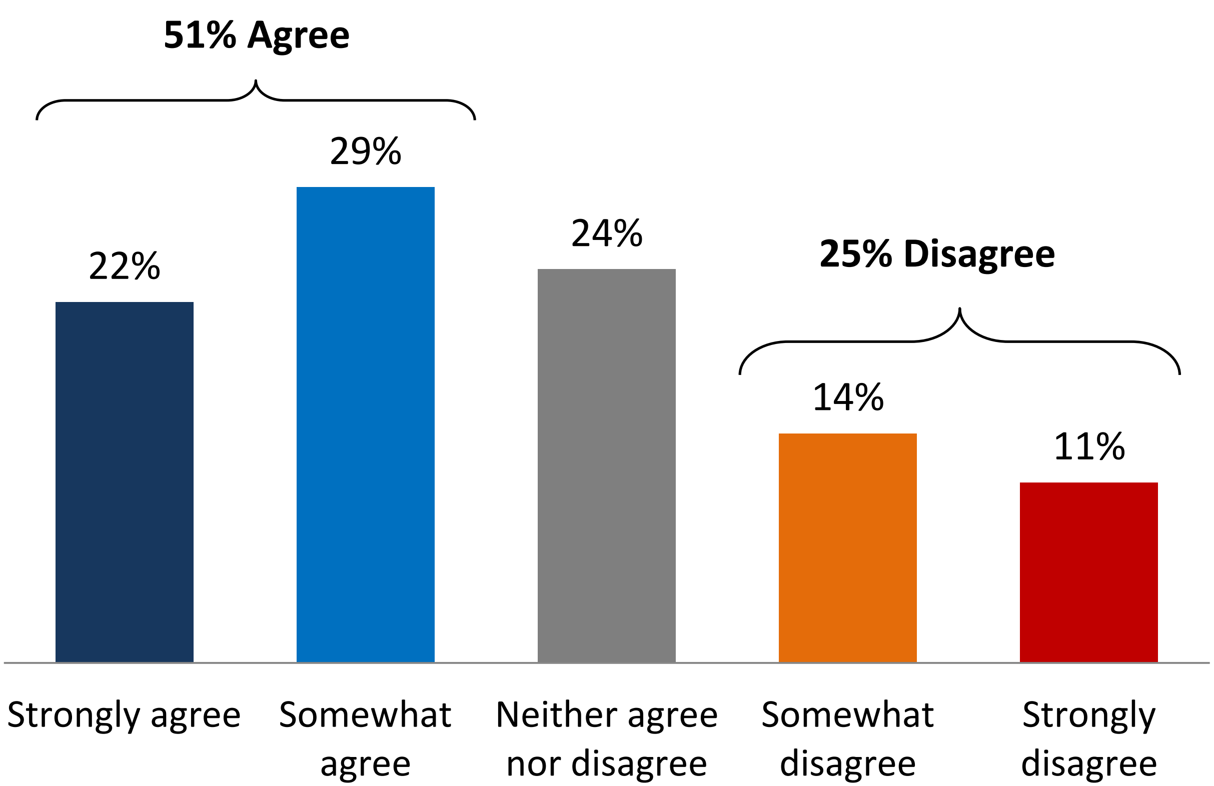
Majority agree the cost of electricity has major impact on their finances

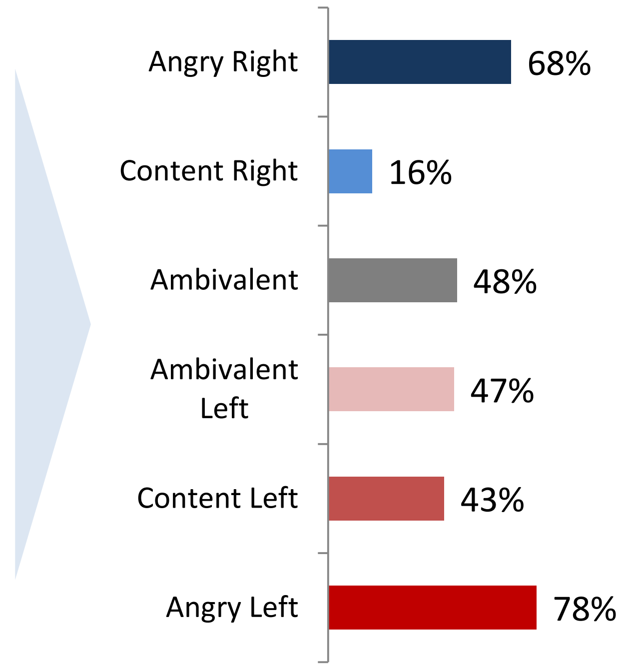
Q Do you agree or disagree with the following statement:
The cost of my electricity bill has a major impact on my finances and requires I do without some other important priorities.
[asked of all respondents who received a bill; n=2,779]

Sample Breakdown

Those who say "agree"

Cluster data is based on total sample





Note: 'Don't know' (1%) not shown

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Those whose electricity bills are impacting their finances are much more likely to say prices are unreasonable

Q

Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable?
[asked of all respondents who received a bill; n=2,779]

Do you agree or disagree with the following statement: The cost of my electricity bill has a major impact on my finances and requires I do without some other important priorities.

	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree	Overall
Very reasonable	8%	3%	4%	10%	24%	7%
Reasonable	12%	37%	47%	57%	56%	38%
Unreasonable	31%	43%	35%	25%	10%	31%
Very unreasonable	48%	15%	8%	5%	5%	17%

Values are column percentages

Note: 'Don't know' not shown

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Regressions Analysis

What Drives Reputation?

Using Regression Analysis

What is Regression Analysis?

Regressions are another means of determining importance.

- A regression allows us to take all the questions that may explain the key question we are interested in and see which of these is the most important. Regressions do this by holding all the likely suspects constant and varying one question at a time to see which questions (explanatory variables) have the greatest impact on the key question (dependent variable).

Corporate Reputation Regression Analysis ▸▸

- In this study what aspects of respondents' demographics and public opinion drive their overall view of the companies in each sector?
- We use the factors that fed into the CSI but also add respondent's demographics, attitudes, and experiences to the model to see what matters most when everything else is held constant
- We run separate models for each type of company to examine what matters specifically in each case. When respondents were asked about their overall satisfaction they were asked *specifically* about the company that they are a customer of by name in all cases except for generation.

Split-Sample Scales ▸▸

- Because the study was split into a group who answered questions on a 0-10 scale and a group who answered on a 1-10 scale, everything is standardized onto a single scale for these analyses so that the full sample can be included.

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Block Regression

In order to explain respondent's overall satisfaction with the company in question we add blocks of variables to the model one at a time to see the contribution of each block individually.

First we run the model with only demographic variables. Then we add respondent's attitudes about the electricity system, the environment, and the economy; we then add the brand attribute factors; and finally we add variables that speak to their experiences with the company.

Separating the two steps allows use to show how much of the variance in overall satisfaction is explained by each block in turn.

Demographics

Knowing only a respondent's demographics allows us to explain **X%** of the variance in their satisfaction with the company.

Attitudes

Knowing a respondent's demographics and attitudes allows us to explain **X%** of the variance in their satisfaction with the company.

Brand Attribute Factors

Knowing a respondent's demographics, attitudes, and their scores on the attribute factors allows us to explain **X%** of the variance in their satisfaction with the company.

Experiences

Knowing a respondent's demographics, attitudes, their attribute factor scores, and their recent experiences allows us to explain **X%** of the variance in their satisfaction with the company.

Key Dependent Variable

Adjusted R^2 = 0.XX

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Vertically Integrated Regression

For vertically integrated companies, demographics alone explain 4% of customer satisfaction; adding attitudes explained an additional 41%; attribute factors explained an additional 20%; and adding recent experiences explained an additional 0.2%. Overall 65% of variance in overall satisfaction is accounted for by the final model.

#1 **[FACTOR] Focus on customers**: All else equal, scoring higher on the "focus on customers" factor variable *increases* overall satisfaction

#2 **[FACTOR] Transmission management**: All else equal, scoring higher on the "transmission management" factor *increases* overall satisfaction

#3 **Household Income**: All else equal, respondents with household income between $60,000 and $100,000 have *higher* levels of overall satisfaction.

Satisfaction with your (vertically integrated) electricity company

Adjusted $R^2 = 0.65$

Demographics **4%** → Attitudes **45%** → Brand Attribute Factors **65%** → Experiences **65%**

Note: All drivers significant at a 95% confidence interval unless indicated otherwise.

Distributors Regression

For distributors, demographics explain 10% of customer satisfaction; adding attitudes explains an additional 32%; attribute factors explained an additional 18%; and adding recent experiences explained an additional 2%. Overall 62% of variance in overall satisfaction is accounted for by the final model.

#1 **[FACTOR] Focus on customers**: All else equal, scoring higher on the "focus on customers" factor variable *increases* overall satisfaction

#2 **Ease of resolving most recent issue:** All else equal, the easier a respondent found it to resolve their most recent issue the *higher* their level of overall satisfaction

#3 **Quality of customer service**: All else equal, respondents who rated the quality of customer service *higher* tend to have higher levels of overall satisfaction

#4 **Bill payer:** All else equal, respondents who directly paid electricity bill tend to have *higher* level of overall satisfaction than those who did not

Satisfaction with your local distributor

Adjusted $R^2 = 0.62$

Demographics **10%** → Attitudes **42%** → Brand Attribute Factors **60%** → Experiences **62%**

Note: All drivers significant at a 95% confidence interval unless indicated otherwise.

Transmission Companies Regression

For transmission companies, demographics alone explain 2% of customer satisfaction; adding attitudes explains an additional 37%; attribute factors explained an additional 20%; and adding recent experiences explains 0% more. Overall 58% of variance in overall satisfaction is accounted for by the final model.

#1 **[FACTOR] Focus on customers**: All else equal, scoring higher on the "focus on customers" factor variable *increases* overall satisfaction

#2 **[FACTOR] Transmission management**: All else equal, scoring higher on the "transmission management" factor *increases* overall satisfaction

#3 **Satisfaction with provincial management**: those who are more satisfied with their province's management of electricity are *more* satisfied with generators in their province

Satisfaction with your transmission company

Adjusted R^2 = 0.58

Demographics **2%**

Attitudes **39%**

Brand Attribute Factors **58%**

Experiences **58%**

Note: All drivers significant at a 95% confidence interval unless indicated otherwise.

Generators Regression

For generators, demographics alone explained 5% of customer satisfaction; adding attitudes explains an additional 38%; attribute factors explained an additional 16%; and recent experiences explained 0%. Overall 60% of overall satisfaction is accounted for by the model.

#1 **[FACTOR] Focus on customers**: All else equal, scoring higher on the "focus on customers" factor variable *increases* overall satisfaction

#2 **[FACTOR] Safety and Reliability**: All else equal, scoring higher on the "safety and reliability" factor variable *increases* overall satisfaction

#3 **Ensuring supply for future demand**: All else equal, rating generators higher on this attribute *increases* overall satisfaction

#4 **Satisfaction with provincial management**: those who are more satisfied with their province's management of electricity are *more* satisfied with generators in their province

#5 **Environmental Operation**: All else equal, rating generators higher on this attribute *increases* overall satisfaction

#6 **Well-protected – reliability & quality**: respondents who think their province is well-protected regarding reliability and quality of power have *higher* levels of satisfaction

#7 **Alberta**: All else equal, respondents who reside in Alberta tend to have lower level of overall satisfaction with generators

#8 **Local Economic Impact**: All else equal, rating generators higher on this attribute increases overall satisfaction

Satisfaction with generators

Adjusted $R^2 = 0.60$

Demographics **5%**

Attitudes **43%**

Brand Attribute Factors **60%**

Experiences **60%**

Note: All drivers significant at a 95% confidence interval unless indicated otherwise.

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Key regression findings: Core focus on customers always matters the most

What are the main findings and how do they compare across sectors?

	Vertically Integrated	Distribution	Transmission	Generation
The key finding	**The core "focus on customers" factor was the top driver of overall satisfaction in every regression model tested**			
Transmission Systems	Where applicable, management of the transmission system was key	Not Applicable	Where applicable, management of the transmission system was key	Not Applicable
Provincial management	For integrated companies and distributors provincial management was not a main driver, but it was close to being significant in both cases		For transmission and generation companies perception of provincial management was a key driver of reputation	

Other main findings:

- **Demographics:** For *vertically integrated companies*, **middle income** customers were more satisfied, and for *generators* customers in **Alberta** were less so
- **Distributor's customer service:** For *distributors* only **Quality of customer service** and **Ease of resolving issues** were the other main drivers
- **Generators:** A number of additional drivers were significant in the generator's model including **safety & reliability**; **ensuring future supply**; and **environmental operations**

Appendix

Which companies were included in this analysis?

Which companies were profiled in this survey?

- This appendix provides details on which companies each survey question could have potentially been asked of
- In doing so it also provides some contextual information about which respondents were asked these questions
- The information is provided in two parts:
  - The first part outlines each major sets of questions in the survey that named a specific company, and details which set(s) of companies could have been specified when those questions were asked
  - The second section provides the full list of companies in each set

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Question Overview: Which questions asked about which companies

Questions	Company set	Notes
Overall satisfaction – retailers	***All retailers***	Only respondents in Alberta or Ontario with a contract could be asked these questions
Core attributes – retailers	***Alberta retailers***	Respondents in Ontario receive bills through their distribution company whether they have a contract or not, and so were not asked these attributes
Overall satisfaction – distribution	***All distributors***	Every respondent was asked these questions
Core attributes – distribution	***All distributors***	The two billing attributes were not asked of Albertans with a separate retailer
Overall satisfaction – transmission	***Transmission companies***	This was only asked of respondents who do not receive distribution from a vertically integrated utility
Core attributes – transmission	***Transmission companies***	These were only asked of respondents who do not receive distribution from a vertically integrated utility
Transmission specific attributes	***Vertically integrated companies*** OR ***Transmission companies***	These were asked of *everyone.* The first list was used if a respondent received both transmission and distribution from the same company, the second list was used otherwise
Net promoter score	***All distributors***	Everyone was asked this question

Note: This table only addresses questions which named a specific company

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All retailers: Overall satisfaction for retailers was asked of retailers in both Alberta and Ontario

Retailer Name	Province
Active Energy ULC	*Ontario*
Blue Power Distributed Energy Corporation	*Ontario*
Bullfrog Power	*Ontario*
Canada Energy Wholesalers Ltd.	*Ontario*
Canadian RiteRate Energy Corporation	*Ontario*
Direct Energy	*Ontario*
FireFly Energy Energy	*Ontario*
Hudson Energy Canada Corp.	*Ontario*
Just Energy	*Ontario*
ONIT Energy Ltd.	*Ontario*
Planet Energy Ontario (Corp.)	*Ontario*
Summitt Energy Management Inc.	*Ontario*
Sunwave Gas & Power Inc.	*Ontario*
Superior Energy Management	*Ontario*
Universal Energy Corporation	*Ontario*
ENMAX Energy Corp.	*Alberta*
EPCOR Energy Services	*Alberta*
Direct Energy	*Alberta*
Just Energy	*Alberta*
Bullfrog Power	*Alberta*
City of Lethbridge Utilities	*Alberta*
City of Red Deer Electric Light and Power	*Alberta*
Choice Energy	*Alberta*

Retailer Name	Province
Adagio Energy Inc.	*Alberta*
Bow Valley Power	*Alberta*
Brighter Futures Energy Inc.	*Alberta*
Camrose Energy	*Alberta*
E.NRG Power Ltd.	*Alberta*
Echo Energy	*Alberta*
Landmark Power	*Alberta*
Link Energy Flex	*Alberta*
Merit Energy & Power	*Alberta*
Milner Power Inc.	*Alberta*
Mountain View Power	*Alberta*
NewGen Energy Ltd.	*Alberta*
Northern Lights Energy & Power	*Alberta*
Park Power	*Alberta*
Peace Power	*Alberta*
Relay Energy	*Alberta*
SPARK	*Alberta*
Sponsor Energy	*Alberta*
Spot Power	*Alberta*
Vector Energy	*Alberta*
Wainwright Energy	*Alberta*

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Alberta retailers: Retailer attributes were asked about Alberta retailers only

Retailer Name	Province
ENMAX Energy Corp.	*Alberta*
EPCOR Energy Services	*Alberta*
Direct Energy	*Alberta*
Just Energy	*Alberta*
Bullfrog Power	*Alberta*
City of Lethbridge Utilities	*Alberta*
City of Red Deer Electric Light and Power	*Alberta*
Choice Energy	*Alberta*
Adagio Energy Inc.	*Alberta*
Bow Valley Power	*Alberta*
Brighter Futures Energy Inc.	*Alberta*
Camrose Energy	*Alberta*
E.NRG Power Ltd.	*Alberta*
Echo Energy	*Alberta*
Landmark Power	*Alberta*
Link Energy Flex	*Alberta*
Merit Energy & Power	*Alberta*
Milner Power Inc.	*Alberta*
Mountain View Power	*Alberta*
NewGen Energy Ltd.	*Alberta*
Northern Lights Energy & Power	*Alberta*
Park Power	*Alberta*
Peace Power	*Alberta*
Relay Energy	*Alberta*
SPARK	*Alberta*
Sponsor Energy	*Alberta*
Spot Power	*Alberta*
Vector Energy	*Alberta*
Wainwright Energy	*Alberta*

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All distributors: all distribution questions were asked about *both* integrated and distribution only companies

Company Name	Province
BC Hydro	*British Columbia*
FortisBC	*British Columbia*
City of New Westminster	*British Columbia*
City of Grand Forks	*British Columbia*
City of Kelowna	*British Columbia*
City of Penticton	*British Columbia*
Summerland Power	*British Columbia*
Nelson Hydro	*British Columbia*
ATCO Electric Ltd.	*Alberta*
FortisAlberta Inc.	*Alberta*
ENMAX Power Corp	*Alberta*
EPCOR Distribution Inc.	*Alberta*
City of Lethbridge Utilities	*Alberta*
Red Deer Electric Light and Power	*Alberta*
SaskPower	*Saskatchewan*
Saskatoon Light & Power	*Saskatchewan*
Algoma Power Inc.	*Ontario*
Atikokan Hydro Inc.	*Ontario*
Bluewater Power Distribution Corporation	*Ontario*
Brant County Power Inc.	*Ontario*
Brantford Power Inc.	*Ontario*
Burlington Hydro Inc.	*Ontario*
Cambridge and North Dumfries Hydro Inc.	*Ontario*
Canadian Niagara Power Inc.	*Ontario*
Centre Wellington Hydro Ltd.	*Ontario*
Chapleau Public Utilities Corporation	*Ontario*
COLLUS PowerStream Corp.	*Ontario*
Cooperative Hydro Embrun Inc.	*Ontario*
E.L.K. Energy Inc.	*Ontario*
Enersource Hydro Mississauga Inc.	*Ontario*
Entegrus Powerlines Inc.	*Ontario*
EnWin Utilities Ltd.	*Ontario*
Erie Thames Powerlines Corporation	*Ontario*
Espanola Regional Hydro Distribution Corporation	*Ontario*
Essex Powerlines Corporation	*Ontario*

Company Name	Province
Festival Hydro Inc.	*Ontario*
Fort Frances Power Corporation	*Ontario*
Greater Sudbury Hydro Inc.	*Ontario*
Grimsby Power Incorporated	*Ontario*
Guelph Hydro Electric Systems Inc.	*Ontario*
Haldimand County Hydro Inc.	*Ontario*
Halton Hills Hydro Inc.	*Ontario*
Hearst Power Distribution Company Limited	*Ontario*
Horizon Utilities Corporation	*Ontario*
Hydro 2000 Inc.	*Ontario*
Hydro Hawkesbury Inc.	*Ontario*
Hydro One Brampton Networks Inc.	*Ontario*
Hydro One Networks Inc.	*Ontario*
Hydro Ottawa Limited	*Ontario*
Innisfil Hydro Distribution Systems Limited	*Ontario*
Kenora Hydro Electric Corporation Ltd.	*Ontario*
Kingston Hydro Corporation	*Ontario*
Kitchener-Wilmot Hydro Inc.	*Ontario*
Lakefront Utilities Inc.	*Ontario*
Lakeland Power Distribution Ltd.	*Ontario*
London Hydro Inc.	*Ontario*
Midland Power Utility Corporation	*Ontario*
Milton Hydro Distribution Inc.	*Ontario*
Newmarket-Tay Power Distribution Ltd.	*Ontario*
Niagara Peninsula Energy Inc.	*Ontario*
Niagara-on-the-Lake Hydro Inc.	*Ontario*
Norfolk Power Distribution Inc.	*Ontario*
North Bay Hydro Distribution Limited	*Ontario*
Northern Ontario Wires Inc.	*Ontario*
Oakville Hydro Electricity Distribution Inc.	*Ontario*
Orangeville Hydro Limited	*Ontario*
Orillia Power Distribution Corporation	*Ontario*
Oshawa PUC Networks Inc.	*Ontario*
Ottawa River Power Corporation	*Ontario*

Company Name	Province
Parry Sound Power Corporation	*Ontario*
Peterborough Distribution Incorporated	*Ontario*
PowerStream Inc.	*Ontario*
PUC Distribution Inc.	*Ontario*
Renfrew Hydro Inc.	*Ontario*
Rideau St. Lawrence Distribution Inc.	*Ontario*
Sioux Lookout Hydro Inc.	*Ontario*
St. Thomas Energy Inc.	*Ontario*
Thunder Bay Hydro Electricity Distribution Inc.	*Ontario*
Tillsonburg Hydro Inc.	*Ontario*
Toronto Hydro-Electric System Limited	*Ontario*
Veridian Connections Inc.	*Ontario*
Wasaga Distribution Inc.	*Ontario*
Waterloo North Hydro Inc.	*Ontario*
Welland Hydro-Electric System Corp.	*Ontario*
Wellington North Power Inc.	*Ontario*
West Coast Huron Energy Inc.	*Ontario*
Westario Power Inc.	*Ontario*
Whitby Hydro Electric Corporation	*Ontario*
Woodstock Hydro Services Inc.	*Ontario*
Hydro Québec	*Quebec*
Hydro Westmount	*Quebec*
Coopérative Régionale d'électricité de Saint-Jean-Baptiste de Rouville	*Quebec*
New Brunswick Power	*New Brunswick*
Saint John Energy	*New Brunswick*
Nova Scotia Power	*Nova Scotia*
Antigonish Electric Utility	*Nova Scotia*
Berwick Electric Light Commission	*Nova Scotia*
Canso Electric Light Commission	*Nova Scotia*
Lunenburg Electric Utility	*Nova Scotia*
Mahone Bay Electric Utility	*Nova Scotia*
Riverport Electric Light Commission	*Nova Scotia*
Newfoundland and Labrador Hydro	*Newfoundland & Labrador*
Newfoundland Power	*Newfoundland & Labrador*
Manitoba Hydro	*Manitoba*
Maritime Electric	*Prince Edward Island*
ATCO Electric Yukon	*Yukon*
NTPC	*Northwest Territories*
Qullic Energy Corporation	*Nunavut*

Vertically integrated companies and Transmission Companies

For transmission **questions,** customers of vertically integrated companies were only asked the transmission specific attributes, using the table of **vertically integrated companies** below. Customers of distribution only companies were asked about the transmission service provided by the relevant company from the list of **transmission companies** below.

Vertically integrated companies

Company Name	Province
BC Hydro	*British Columbia*
FortisBC	*British Columbia*
SaskPower	*Saskatchewan*
Hydro One	*Ontario*
Hydro Québec	*Quebec*
New Brunswick Power	*New Brunswick*
Nova Scotia Power	*Nova Scotia*
Newfoundland and Labrador Hydro	*Newfoundland & Labrador*
Manitoba Hydro	*Manitoba*
Maritime Electric	*Prince Edward Island*
ATCO Electric Yukon	*Yukon*
NTPC	*Northwest Territories*
Qullic Energy Corporation	*Nunavut*

Transmission companies

Company Name	Province
BC Hydro	*British Columbia*
SaskPower	*Saskatchewan*
Hydro One	*Ontario*
Hydro Québec	*Quebec*
New Brunswick Power	*New Brunswick*
Nova Scotia Power	*Nova Scotia*
Newfoundland and Labrador Hydro	*Newfoundland & Labrador*
"the transmission companies that operate in Alberta"	*Alberta*

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Public Opinion Research

2016 National Public Attitudes Survey

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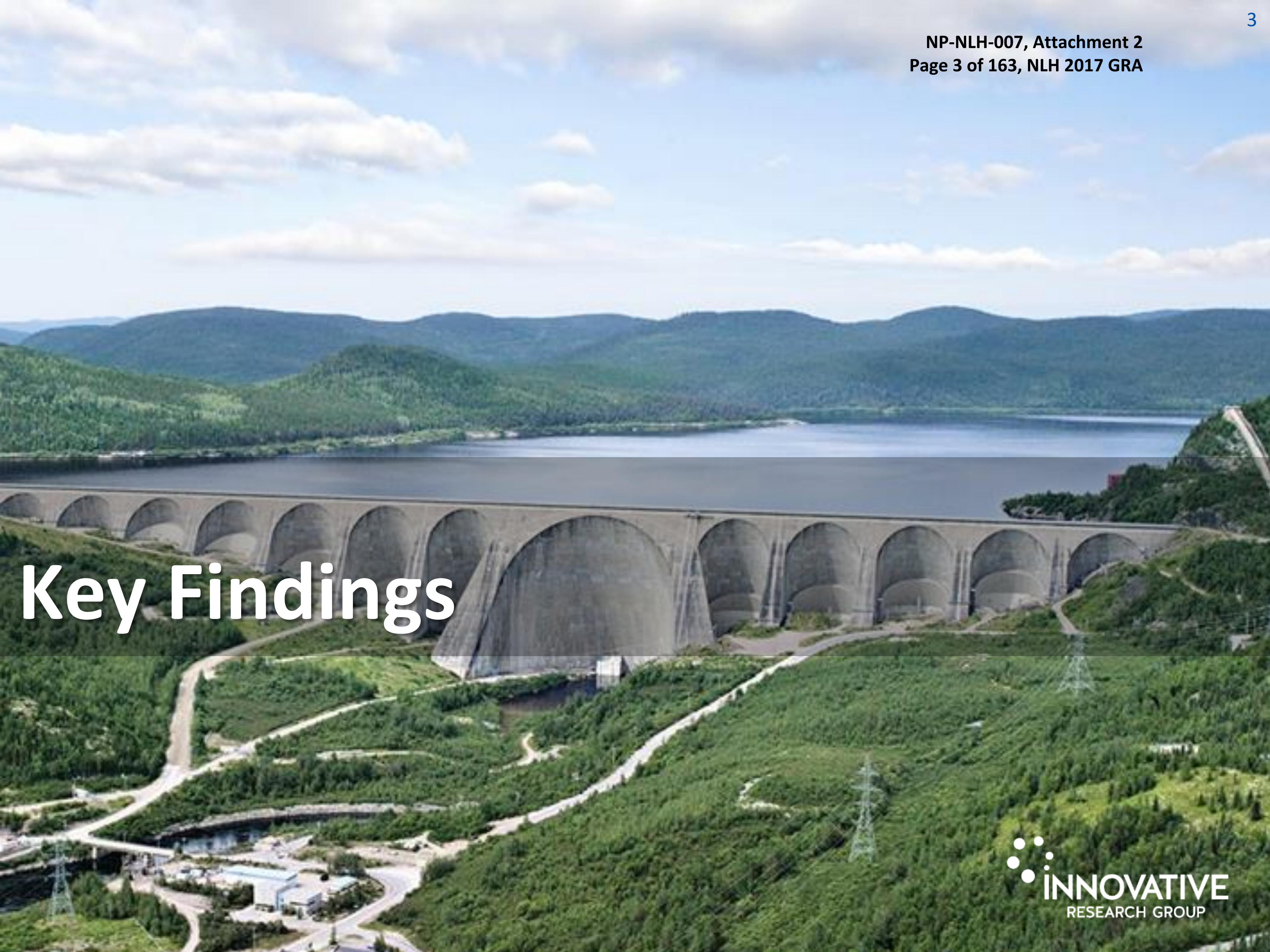

Key Findings

Key Findings:
Reputations slip year-to-year in political backlash on price

1. **Electricity reputations are, for the most part, slipping.** With the exception of vertically integrated companies (+48 Net satisfaction, up 7 points since 2015); satisfaction has dropped since 2015 among distributors (+38 net, down 6 points) and transmission companies (+13 net, down 15 points) and dropped six points year-to-year for generators (+39 net, down from +45).

2. **Customer experience can only partly explain the slippage.** Our year-to-year measures of reliability, billing experience and customer contact are for the most part stable. And when asked in an open-ended question how to improve customer service, nearly half (48%) said there was nothing their local electricity company could do to improve. The only experience questions showing a decline is agreement that "consumers are well protected with respect to reliability" which is down seven points year-to-year (+39 to +32).

3. **The main reason for the change is a powerful political backlash on price.** Since 2015, there has been a sharply negative drop on attitudes relating to price (a 7 point increase in the number saying price is very unreasonable) driven primarily by Ontario. Related topics have also seen declines including "get good value for money on electricity bills" (-4, down 11 points from 2015), and consumers are "well protected on price of electricity" in their province (-17, down 12 points). Although we have a provincial control for price, regressions show price appears to be impacting utilities directly through the "focus on customers and community" factor.

4. **What can utilities do to protect their reputation given price concerns?** The major driver of satisfaction for customers this year ("cares about its customers and community") includes perceptions of "good value for money". Given this relationship, customer care initiatives and visible community investment and sponsorship could help offset the negative impact of prices. Being seen to improve communications around outages, including more personalized phone interaction, and additional first call resolutions on other customer contacts, also offer good potential for improving corporate reputation.

Core Attributes and Satisfaction Measures

Satisfaction with distributors has dropped since 2015

- 56% of customers express satisfaction with their distributor, down 3 points points from 59% in 2015.
- Satisfaction on key attributes is steady or down slightly on all key attributes year-to-year. 6-in-10 (net +60, down 1 point) still think service is reliable, and other key measures are mostly steady such as encouraging consumers to use electricity efficiently (+52, down 3 points), easy-to-read (+49, down 4 points) and accurate (+49, unchanged) bills, speed of restoration (+49, down 3 points) and protecting public safety (+46, unchanged). Respondents are least enthusiastic about their distributor on contributing back to community (+19, down 3 points); caring about its customers (+18, down 2 points) and providing value for money (+10, down 4 points).

Satisfaction with transmission companies much lower than distributors and decreasing, core attributes down sharply across most key measures

- Among respondents whose transmission company differs from their distributor, satisfaction (34%) is comparatively lower than that of the other components, and has dropped six points since 2015.
- Satisfaction with *core* attributes is down across all key measures including positive impact on economy (+6, down 14 points); operating in environmentally responsible manner (+18, down nine points); protecting public safety (+29, down 8 points); value for money (-10, down 21 points); caring about its customers (-2, down 18 points) and contribution back to community (+5, down 12 points).
- When asked about transmission *specific* attributes, satisfaction has dipped only slightly year-to-year. More than half are still satisfied with reliability (+55, down 2 points) and that they maintain the system in an environmentally responsible manner (+42, down 5 points).

Satisfaction with generation is similar to distributors and retailers

- A majority (53%, down 3 points) are still satisfied with generation companies in their province.
- Core attributes are down between one and eight points across all core attributes with the largest drop on protecting public safety (+7, down eight points) and operating in an environmentally responsible manner (+15, down seven points).
- On specific attributes, generators are down six points on finding environmental balance (+15) and four points on (+39) ensuring demand for the future.

Key Drivers of Satisfaction Across the Sector

In order to understand which attributes really matter for overall reputation, we used a factor analysis to group together similar attributes, and a shapely value to determine which were most important. We performed separate analyses for each of **vertically integrated companies, distributors, transmission companies,** and **generators.**

In 2014 and 2015, the results shows that **all four types of companies** share a common factor underlying their brand: "*Focus on Customers*." This year shows a similar factor we call "cares about customers". This core factor solution consists on the publics' combined attitudes toward how companies *care about customers* and perceived *value for money* (among distributors, this includes attitudes about the community). Together, two attributes are the most important drivers of overall satisfaction for every type of electricity company in Canada (aside from generators, whose most important factor is *Competent and Reliable*).

For **vertically integrated** companies, the second most important driver of satisfaction was a factor related to *reliable service* while the third key driver was an attribute on "making a positive impact in the local community". For **distributors**, it was a factor of attitudes on *outages* followed by a factor on *good billing practices*.

For **transmission** companies *cares about customers* followed by the factor *reliable, well maintained* are the two largest drivers of satisfaction.

For **generation** companies, most important driver of overall satisfaction is related to the factor *Competent, reliable.* Followed by the factor *cares about customers and the environment.*

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Key Benchmarks

Majority of respondents in Alberta and Ontario who hold electricity contracts are satisfied with their retailer

- In Ontario, nearly half (44%) of respondents feel familiar with electricity retail contracts compared with over half (58%) of Albertans.
- There is confusion among those polled on their retail contracts: nearly 2-in-10 (19%) Ontarians think they hold a contract with a retailer, a number 14% larger than the actual market. And again nearly 2-in-10 (18%) don't know how to answer.
- Among those who claim to have retailer contracts, 41% of Albertans and half (49%) of Ontarians feel satisfied.

Drop in Customer Satisfaction Index (CSI) among Distributors and VI

- CSI score has dropped from 6.17 to 5.99 in our tracking, the lowest recorded for distributors and dipped slightly for VI as well (6.08, down from 6.10).

Customer experience with utility mixed in 2016

- A quarter (23, down 2 points) of customers have contacted their utility with a question or a concern with their bill over the past 12 months.
- Among those who have contacted their utility about a bill related issue over the past year, 58% had their issues resolved on first contact (up one point since 2015) and 7-in-10 (70%, unchanged) were satisfied with the proposed solution. Customers are less likely this year though to find it "easy" to resolve bill related issues (54%, down 7 points since 2015).
- Similarly, a quarter (24%) of customers have contacted their utility for a reason <u>other</u> than their bill over the past 12 months, down from 34% in 2011.
- Satisfaction with problem resolution for issues <u>other</u> than bills is up slightly year to year (71% vs. 67% in 2015), but still down 6 points since our tracking began in 2011.

† *The Ontario Energy Board (OEB) cites that approximately 285,000 Ontario consumers had electricity contracts in 2013 (approx. 6% of the market) which is in stark contrast to the reported level of Ontarians who believe they have an electricity retail contract (29%). The concept of consumer confusion in Ontario is further documented in the OEB's 2015 <u>Energy Consumer Protection Act Review</u> where it is estimated that 30% of retail contract holders are unaware that they currently hold energy contracts, while 52% of former contract holders (a year after their contracts lapsed) believed they are still under retail contract.*

Key Benchmarks (2)

Social permission on price drops eight points since 2015, infrastructure permission steady

- Less than 4-in-10 (39%) would give permission to increase the price of electricity to invest in infrastructure improvements, down from 47% in 2015.
- A strong majority (71%, up one point year-to-year) would still give permission to build new electricity infrastructure in their province

A majority think price of electricity "unreasonable" in their province

- Nationally, a majority (52%) of Canadians think the price of electricity is unreasonable in their province and only 4-in-10 (41%) think it's reasonable. Net feeling (-11) on this measure has dropped 26 points since our tracking started in 2009.
- A strong plurality (43%) think they are paying higher prices for electricity than other developed countries, up four points year-to-year.
- And nearly half (47%, down 2 points) agree that the cost of their electricity bill has a major impact on their finances.

Customer Journey: feeling mixed on perceptions of electricity companies versus other industries

- When it comes to contact with their electricity companies, a plurality prefer the telephone to set up accounts (46%) and a majority (67%) for questions about bills.
- For paying bills, a majority (58%) prefer online banking. Among those who pay in person, half (50%) prefer using debit payment or their bank account.
- Respondents are largely divided on whether their customer service experience with electricity companies is better (15%) or worse (15%) than other types of companies, with a majority who think it is similar (51%) or don't know (18%).
- Turning to new technology, most are not familiar (51%) with those developed for residential use. However, a majority (55%) would be interested in potentially purchasing it for their home use.

Project Overview, Methodology & Demographics

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Project Overview

The Canadian Electricity Association (CEA) commissioned Innovative Research Group Inc. (INNOVATIVE) to conduct the CEA's 2016 National Annual Attitude Survey. The focus of this survey is customer attitudes towards the electricity companies that serve them.

Since different provinces have different market structures, the survey was revised in 2015 to ask specifically about *electricity retailers*, *distributors*, *transmission companies*, *generators*, and *vertically integrated companies*. The exact structure of the survey in each province reflects the unique circumstances of that province.

Key company-specific topics include:

- Overall Satisfaction
- Performance Attributes
- Customer Experience (*billing and other customer contact, customer journey as a whole*)
- Net Promoter Score

Other topics include:

- Perceptions on the price of electricity
- Social permission for siting and price increases
- Underlying attitudes – outside a utility's control – that may impact perceptions of the electricity industry

Methodology

These are the findings of an Innovative Research Group (INNOVATIVE) poll conducted from September 19th to October 7th, 2016. This online survey of **7,783** Canadian adults was conducted on INNOVATIVE's Canada 20/20 national panel supplemented by sample from Survey Systems International, and Research Now, three of the world's largest sample providers. Provincial oversamples were conducted to provide more confidence in findings for areas with smaller populations. Additional oversamples were conducted in specific sub-regions upon the request of CEA members.

Excluding CEA member oversamples, as is done in the following analysis, the total national sample including the provincial oversamples is **7,783.** This sample has been weighted by age, gender and region using 2011 Statistics Canada Census data to reflect the actual demographic composition of the population in every region.* The oversampled regions are weighted back to their population proportions, resulting in an overall national sample size of **3,474**.

The Canada 20/20 and Survey System International panels are recruited from a wide variety of sources to reflect the age, gender, and regional characteristics of the country as a whole. Each survey is administered to a series of randomly selected samples from the panels and weighted as noted above. INNOVATIVE provides each respondent with a unique URL via an email invitation so that only invited respondents are able to complete the survey and respondents can only complete a particular survey once.

Each Canadian province has a unique electricity regime. The design of this survey allowed us to tailor questions to the unique circumstances of each province and, often, specific regions within a province.

In accordance with the MRIA, margins of error are not calculable for online samples, but an unweighted probability sample of this size (n=3,474) would have an estimated margin of sampling error of ±**1.66** percentage points, 19 times out of 20.

Note: *Graphs and tables may not always total 100% due to rounding values rather than any error in data. Sums are added before rounding numbers.*

* **32 regions were used in total to ensure that the results are representative not only as a whole but within every geographic sub-sample as well.**

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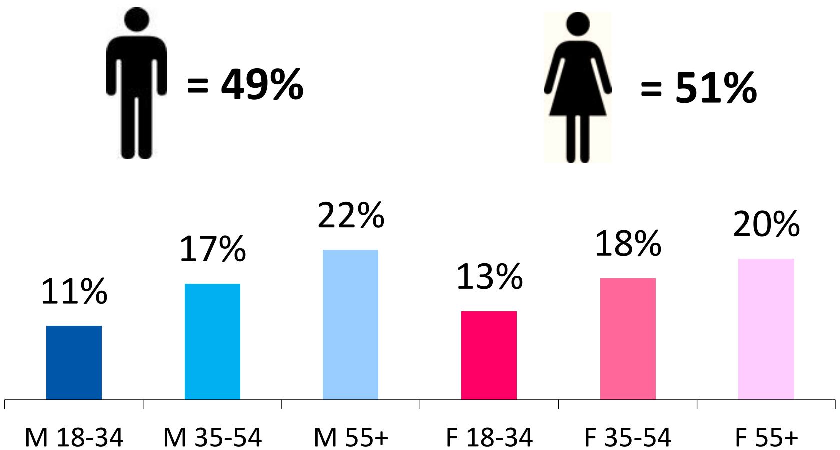
Sample Design

National Weighted Sample:
n=3,474

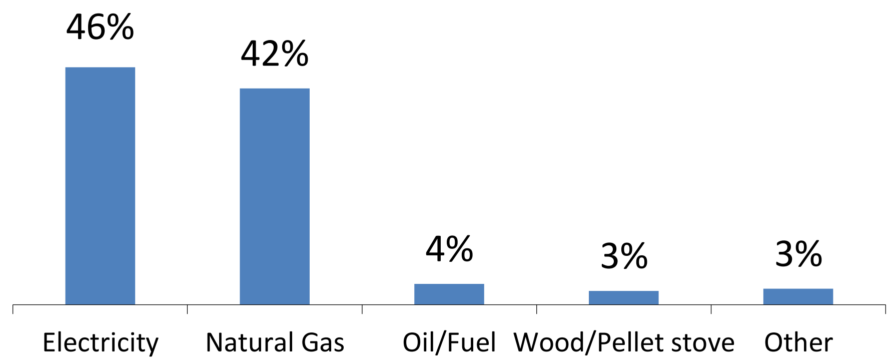
	BC	AB	SK	MB	ON	QC	NB	PE	NS	NL	Total
Sample (n)	648	466	346	339	3,772	832	118	14	491	67	7,093
Provincial oversample (n)			110	95			131	87	115	152	690
Total unweighted sample (n)	648	466	456	434	3,772	832	249	101	606	219	7,783
Total unweighted sample (%)	8%	6%	6%	6%	48%	11%	3%	1%	8%	3%	100%
Population (%)	13%	11%	3%	3%	38%	24%	2%	0%	3%	2%	100%
Weighted (n)	**468**	**368**	**104**	**122**	**1,333**	**832**	**80**	**15**	**98**	**55**	**3,474**

Demographics: *Respondent profile*

Age-Gender

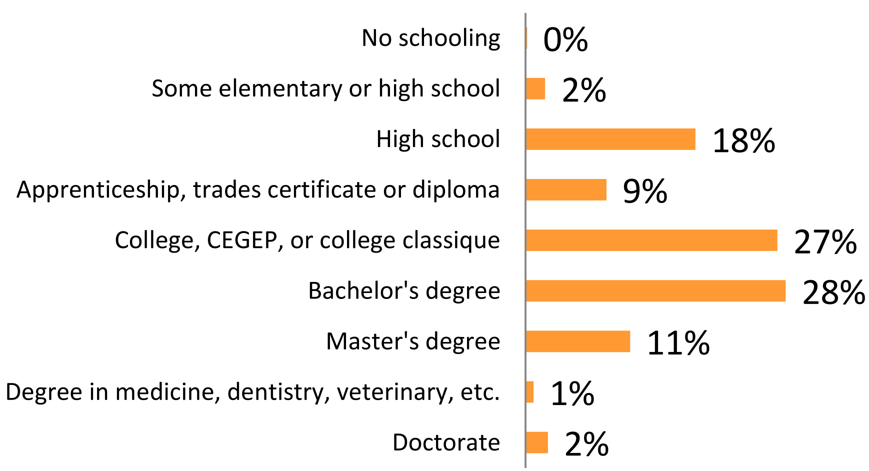


Primary Home Heating Source



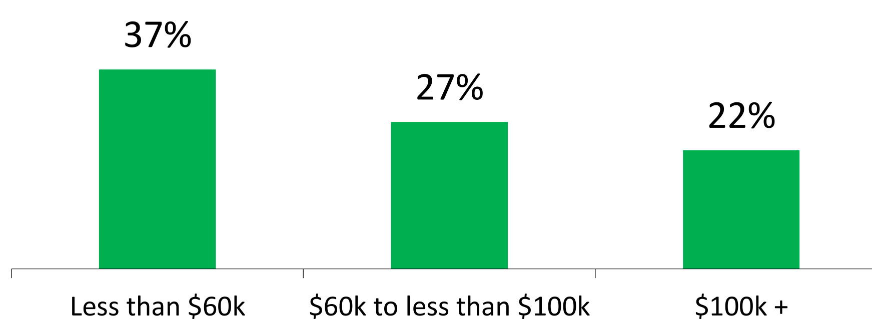
3% Don't know

Highest Level of Education



2% prefer not to say

Household Income



14% prefer not to say

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Key Design Considerations

The electrical utility industry in Canada is complicated. There are four different functions delivered by electricity companies: generation, transmission, distribution and retail. In some parts of the country just one company delivers all those functions. In almost every province more than one company is involved in the electrical system ranging from relatively simply structures, such as New Brunswick with a major vertically integrated company and a few municipal distributors, to more complex structures, such as Alberta with multiple distribution, transmission, and generation companies as well as numerous electricity retailers.

This survey is designed to capture the complexity in Canada's electricity sector. This year's survey includes 2015's ideas of measuring public attitudes on a single electricity supplier to asking about specific electricity retailers and distributors by name, as well as assessing attitudes towards transmission and generation companies.

This survey measures overall corporate reputation, core attributes that cross all electricity functions and sector-specific attributes. The survey controlled for underlying attitudes towards government management of electricity, consumer protection, customer journey, and feelings about price and customer experience.

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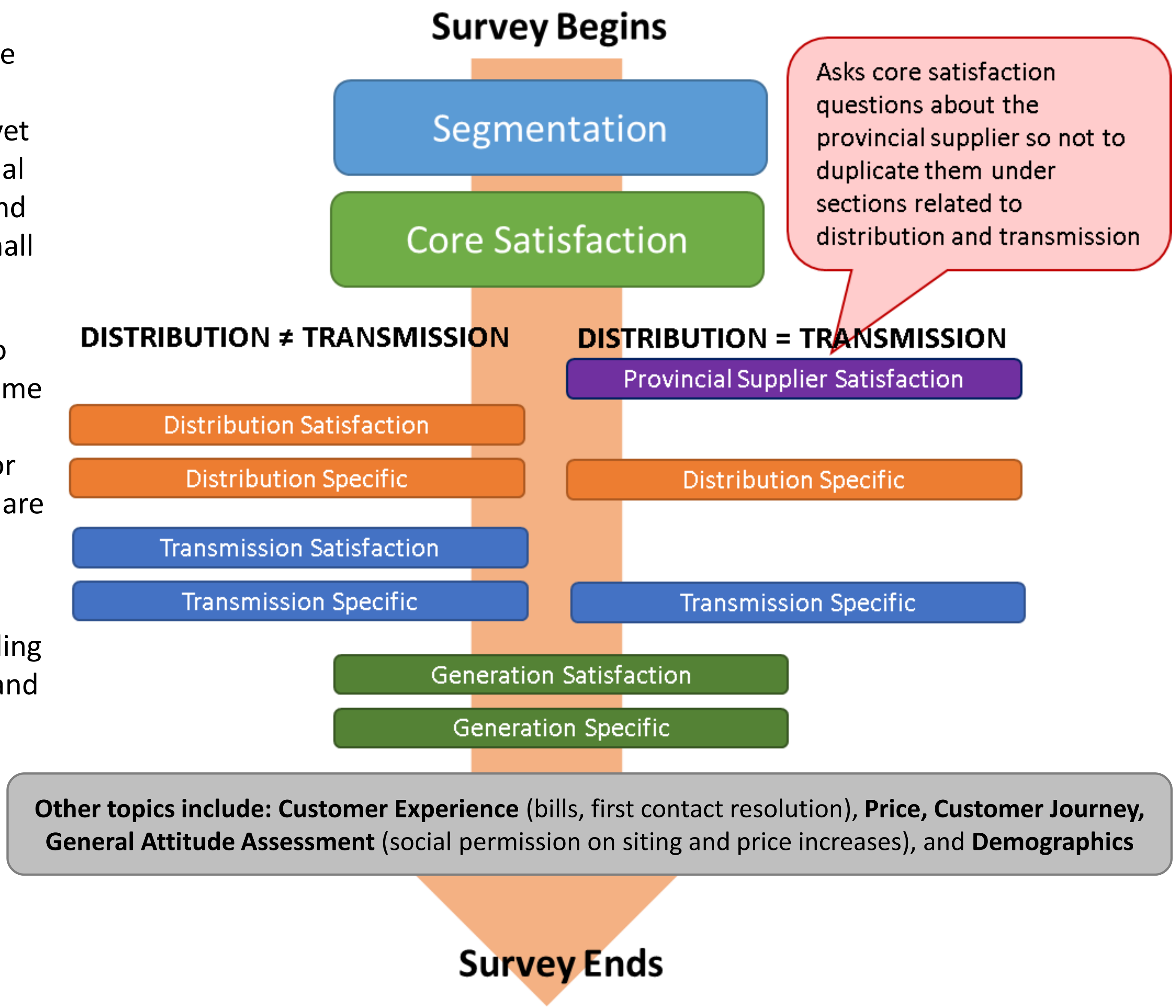
Survey Design

Regime 1: *Vertically Integrated Company, No Retail Market*

Regime 1: consumers in these provinces predominantly receive their electricity services from a vertically integrated company, yet there are usually some additional power generation companies and in many cases, at least a few small distributors.

In this version of the survey two paths are possible, one if the same company provides both distribution and transmission for the customer, a second if these are different companies.

This version of the survey was asked among respondents residing in **BC, SK, MB, QC, NB, PE, NS**, and **NL**.



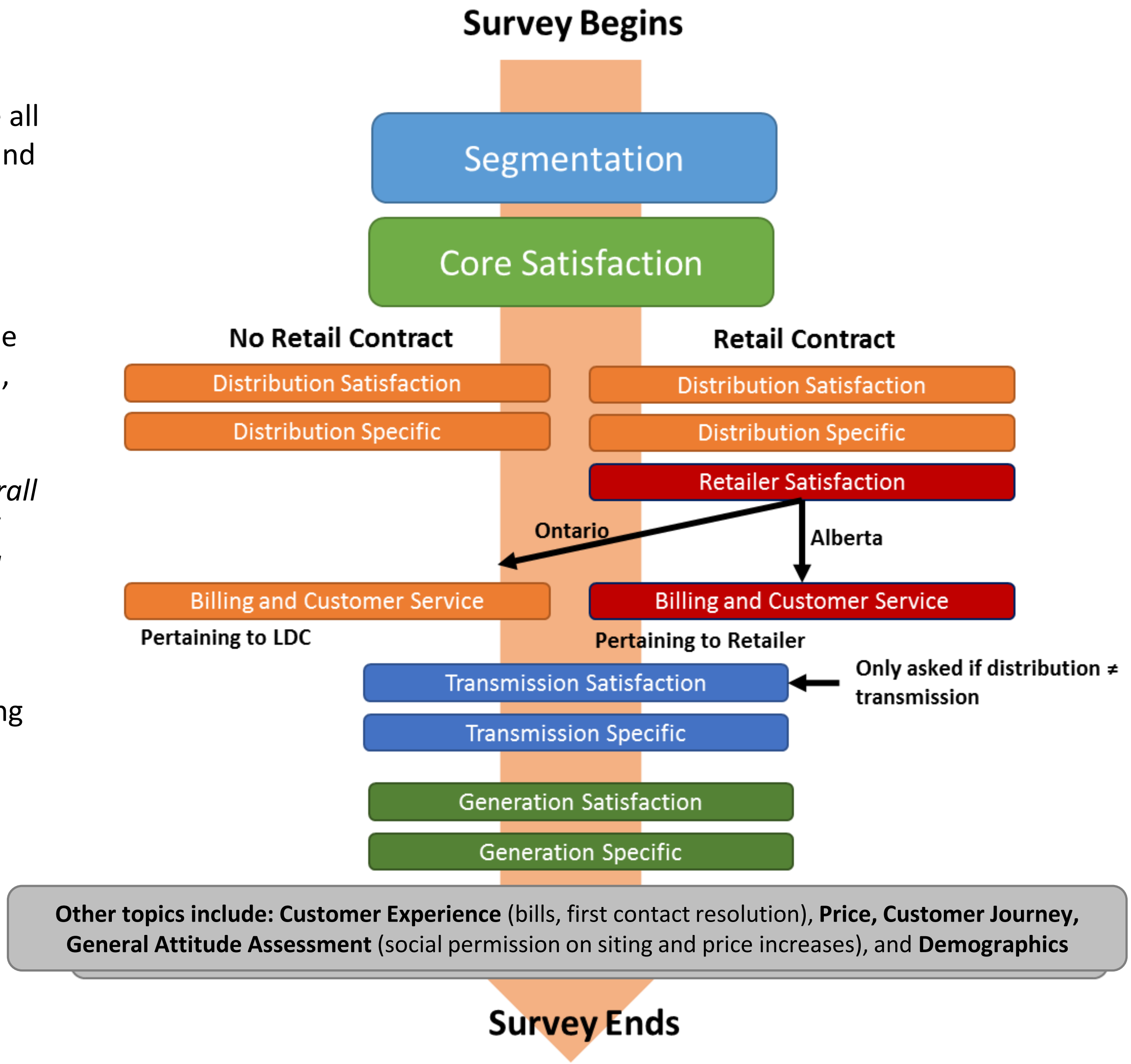
Survey Design:

Regime 2: *Multiple Operators, Retail Markets*

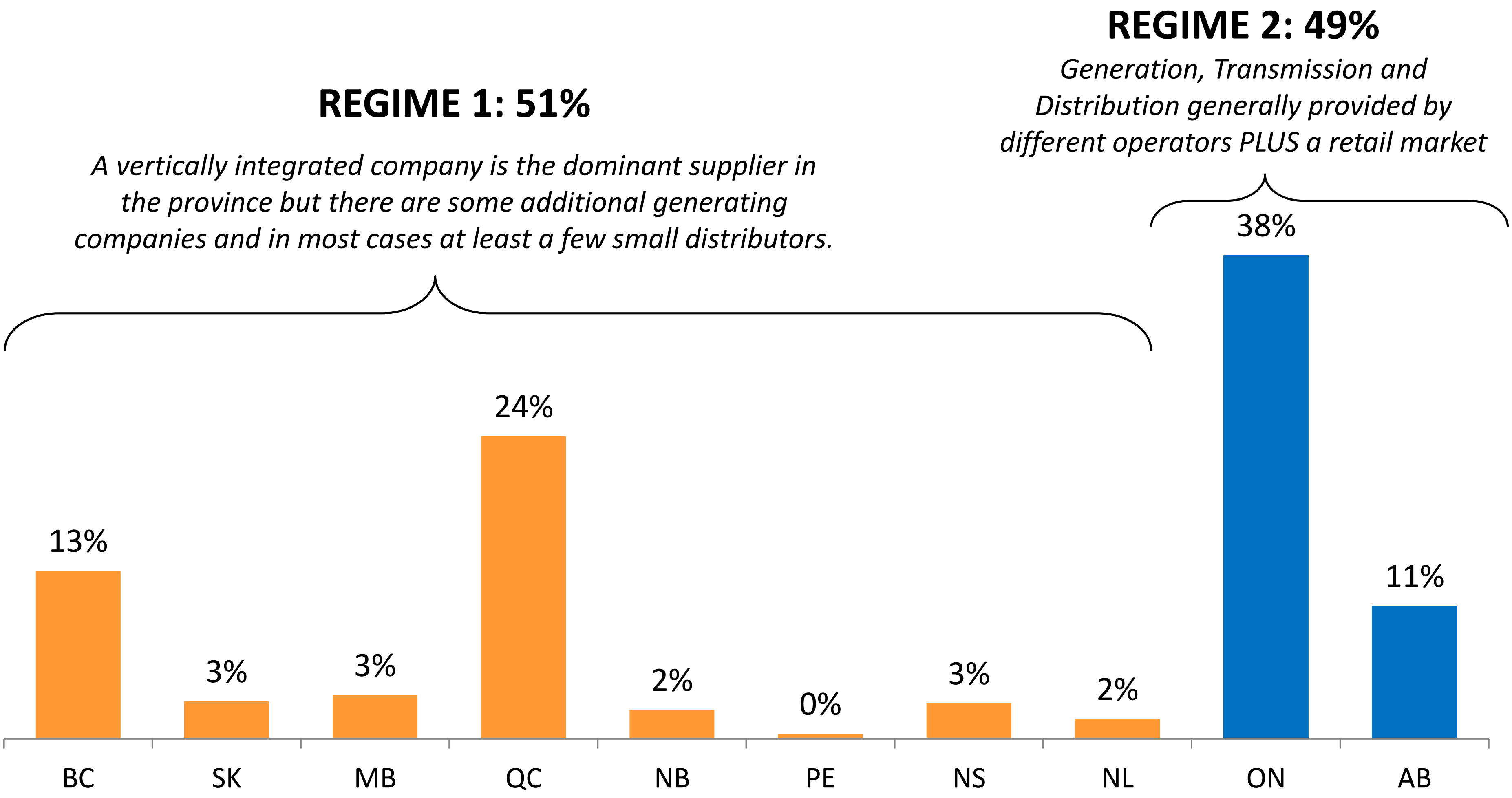
Regime 2: In these provincial electricity regimes, generation, transmission and distribution are all provided by different operators and also include a retail market.

In this version of the survey two paths are possible, one if the customer has a retail contract, the second if they do not. In addition, because billing in Ontario is remitted to retailers through distribution companies, *only overall retailer satisfaction was asked of Ontario respondents with a retail contract.*

This version of the survey was asked among respondents residing in **Alberta** and **Ontario**.



Demographics: *Region*



Survey Design: *Question Tracking*

The following table indicates which questions were tracked from previous waves of the survey and which questions pertain to various sectors of the electricity system.

Industry Attributes	Tracking	Distribution	Retail	Transmission	Generation
Core Attributes					
Contributing back to the community through initiatives such as community sponsorship programs	x	x	x	x	x
Caring about its customers	x	x	x	x	x
Providing value for customers' money	x	x		x	x
Protecting public safety	x	x		x	x
Operating in an environmentally responsible manner	x	x		x	x
Making a positive impact on the local economy	x	x		x	x
Distribution & Retail Specific					
Providing reliable electricity service, with a minimal number of outages	x	x			
Letting you know when power will be restored in the event of an outage	x	x			
Speed of power restoration when an outage occurs		x			
Ensuring a sufficient supply of electricity for the foreseeable future	x	x			
Taking care of any problems the first time you contact them	x	x			
Quality of customer service	x	x			
Overall communications from [*DISTRIBUTOR NAME*]	x	x			
Encouraging consumers to make more efficient use of electricity	x	x			
Providing accurate bills	x	x	x		
Providing bills that are easy to read and understand	x	x	x		
Transmission and Generation Specific					
Providing reliable electricity service	x			x	x
Maintaining the electricity transmission system in a responsible manner	x			x	
Finding a good balance between the cost and the environmental impact of generating electricity	x				x
Ensuring there will be enough electricity available to meet future demand	x				x

System Familiarity & Government Approval

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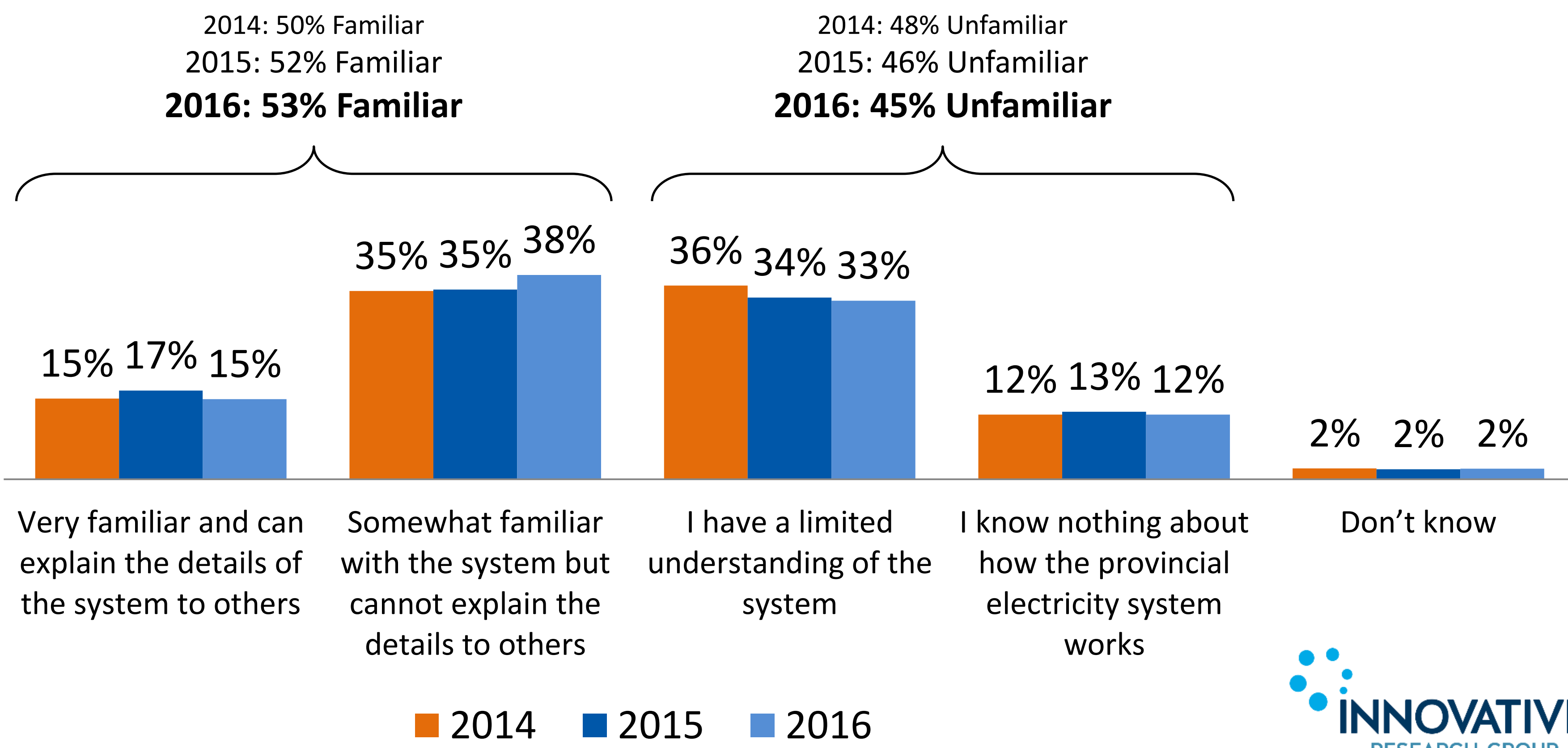
Regime 1 Familiarity with System: Just over half familiar with their province's three-component electricity system

Q *As you may know, [PROVINCE]'s electricity system has three key components: generation, transmission, and distribution:*

- *Power generation converts water from dams, coal, natural gas, wind and other resources into electricity;*
- *The transmission system use large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed; and*
- *The distribution system use smaller wires to carry electricity from substations to homes and businesses within local communities.*

In general, how familiar are you with the way [PROVINCE]'s electricity system works?

[asked of all respondents outside of Alberta and Ontario; n=1,775]



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Regime 2 Familiarity with System: Just over half of respondents from Alberta and Ontario are familiar with the system

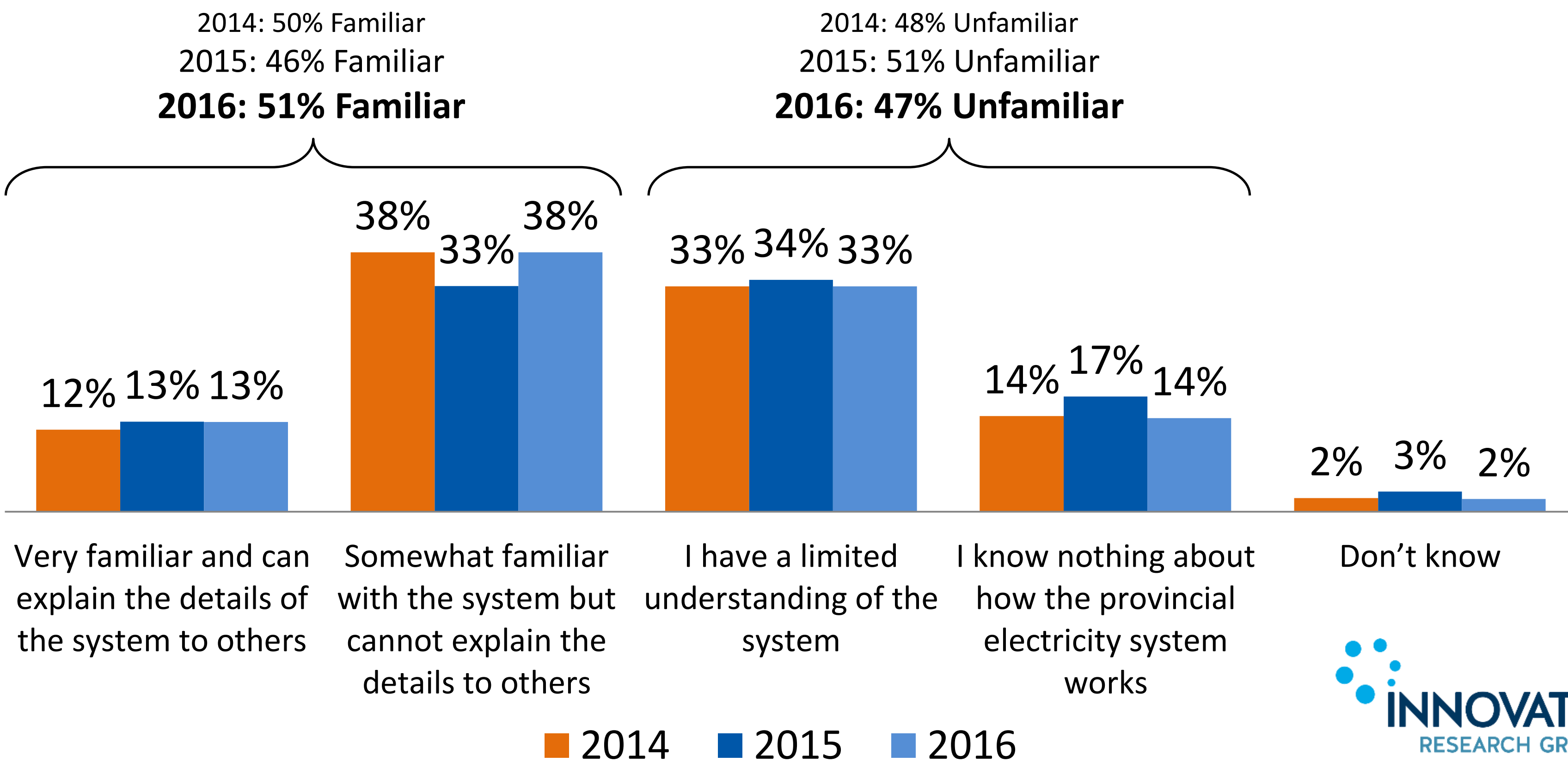
Q

"As you may know, [PROVINCE]'s electricity system has four key components: generation, transmission, distribution and retail market:

- *Generating companies convert water from dams, coal, natural gas, wind and other resources into electricity;*
- *Transmission companies use large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed;*
- *Distribution companies use smaller wires to carry electricity to homes and businesses; and*
- *Electricity retailers buy electricity from generators and sell it directly to consumers through contracts."*

In general, how familiar are you with the way [PROVINCE]'s electricity system works?

[asked of Alberta and Ontario; n=1,699]



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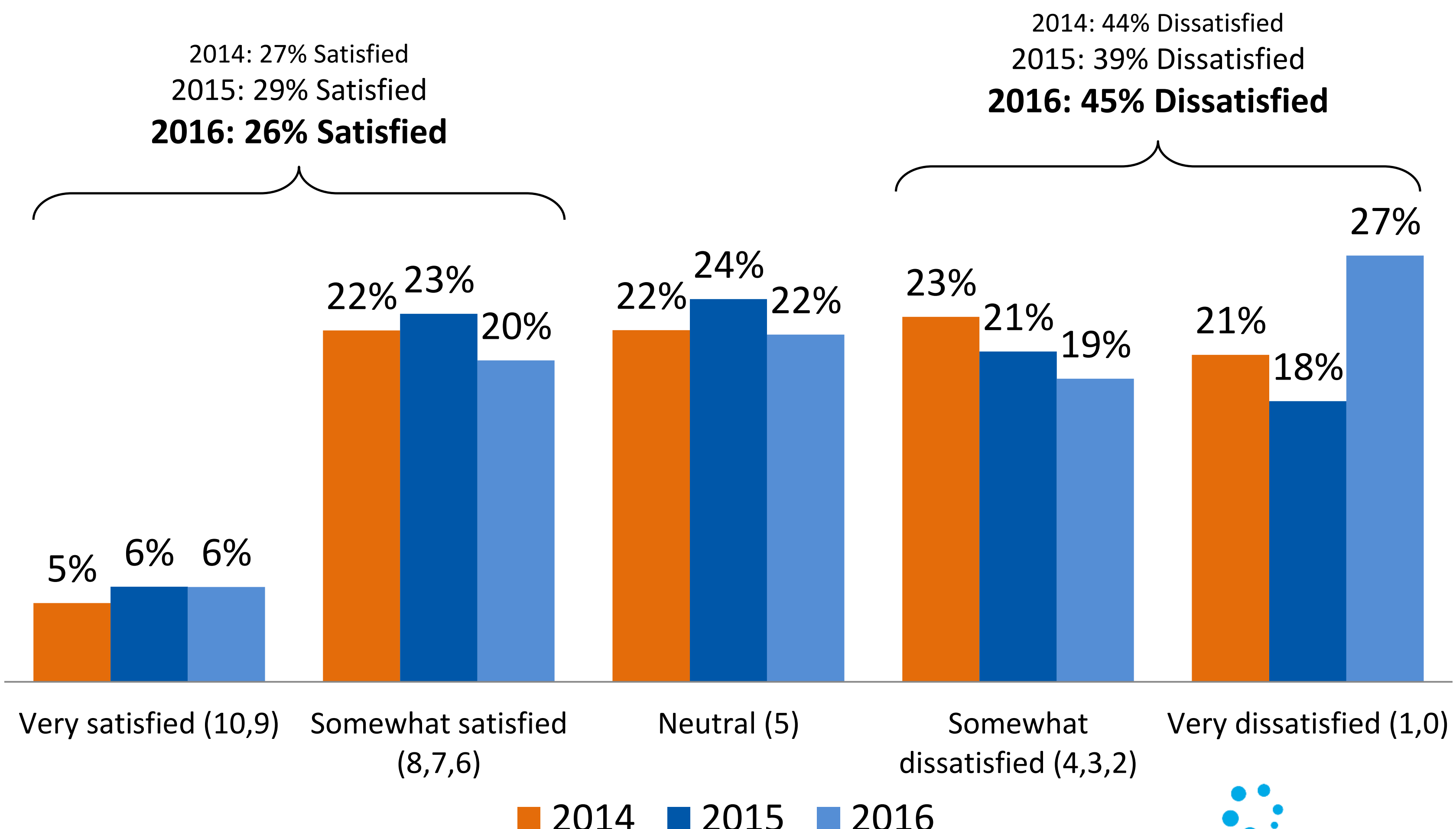
Provincial Gov't: Satisfaction down 3 points year to year; total dissatisfaction up 6 points, very dissatisfied up 9 points

Q How satisfied are you with the job your provincial government is doing to manage the electricity system? Please use the scale from 0 to 10, where 0 means very dissatisfied and 10 means very satisfied.

[asked of all respondents; n=3,474]



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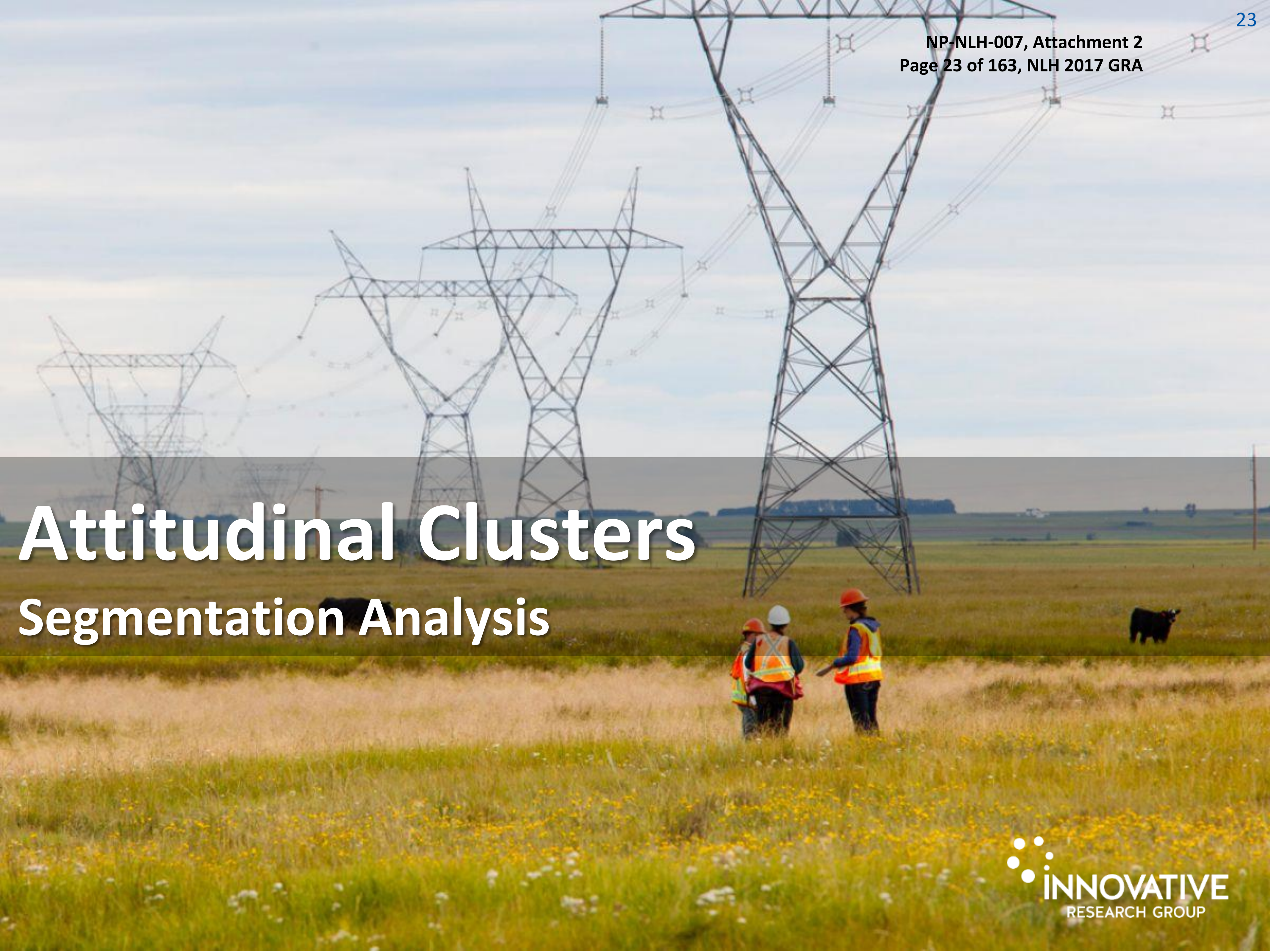
Note: 'Don't know' (2014:7%; 2015:8%; 2016:6%) not shown



Attitudinal Clusters

Segmentation Analysis

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Attitudinal Cluster

What is Cluster Analysis?

We often have a need to group similar things together for comparison purposes. For example, a company can group customers who have similar needs or similar lifestyle characteristics together. Then, it is possible to segment the market into distinct parts and make more efficient targeted marketing solutions.

If we want to understand Canadian attitudes toward the electricity sector, it would be useful to group segments of the public who have similar values and beliefs together. Then, we can compare how different types of Canadians view things differently on topics that the electricity industry cares about.

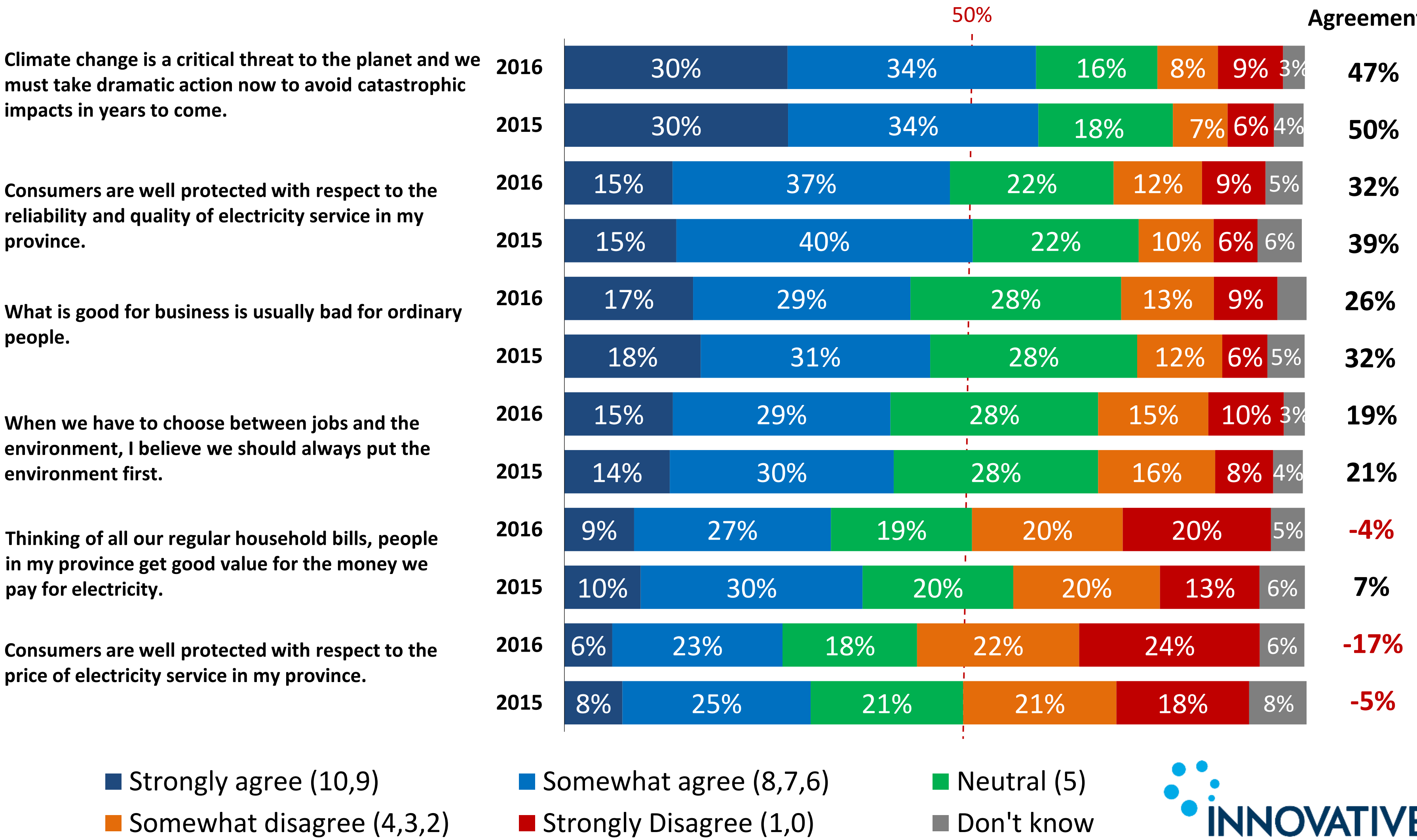
How were cluster developed?

The clusters in this report were developed using the attitude statements that most clearly differentiated respondents into unique segments.

- Included in the cluster solution, were 6 different value and beliefs questions concerning: consumer protection, value for money, economic values, jobs vs. the environment, threat of climate change, and overall satisfaction with provincial government's role in managing of the electricity system.
- While each of the questions asked are distinct in important ways, many can be grouped together to describe certain "**types**" of Canadians.
- After defining a set of variables on which the similarity of customers are to be measured, we run statistical analysis to produce groups or "**clusters**" of Canadians who hold similar values and beliefs.

Attitudes for Cluster Development, Tracking:

Q On a scale from 0 to 10, where 0 means you disagree completely and 10 means agree completely, to what degree do you agree with the following statements?: [asked of all respondents; n=3,474]



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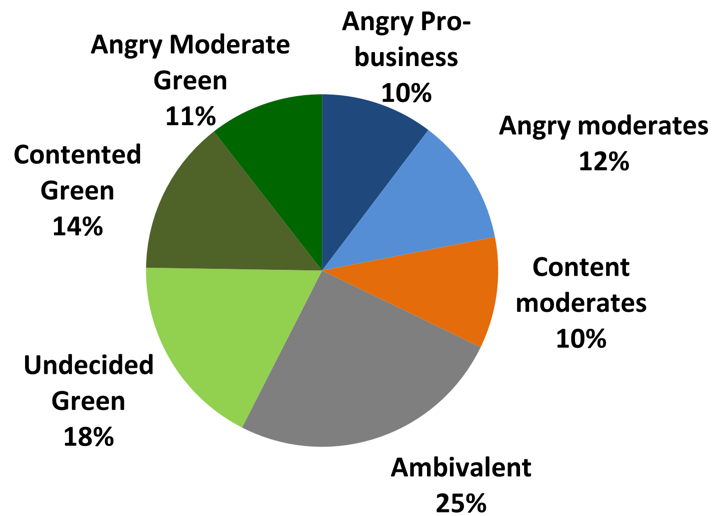
Attitudinal Electricity Clusters

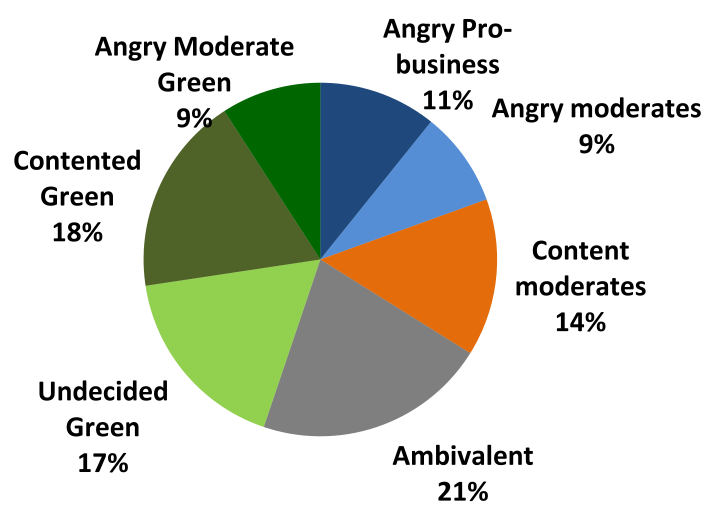
One-in-four (24%, down 9 points) customers are contented, 1-in-3 (32%) are angry, and the remaining 44% are somewhere in between. These in between groups are the core targets.

- The **Angry Moderate Greens**, are somewhat environmentally focused, but more decidedly skeptical of both government and business, and management of the electrical system. Their anger and skepticism make them a difficult segment for companies to make a connection.
- The **Angry Pro-business** and **Angry Moderates** have different views than the **Angry Moderate Greens** on business and the environment, but are also not satisfied with electricity in their province. They focus more on cost than environmental impact. Like the Angry Moderate Greens, their anger and skepticism make them a difficult segment for big companies to make a connection.
- Those who are **Content** (be they green or pro-business) feel they are protected with respect to reliability and quality, and that they are getting good value for money.
- The **Undecided Greens** and the **Ambivalent** (core targets) need to be convinced that their province has a well-run electricity system, encompassing quality, reliability and value for money. Ambivalent and undecided consumers are the key short term target audience.

2016



2015



Attitudes by Cluster

Answers are reported on a scale from 0-10. Means are reported in the table.

	Angry Pro-Business	Angry moderates	Content moderates	Ambivalent	Undecided Green	Content Green	Angry Moderate Green
How satisfied are you with the job your provincial government is doing to manage the electricity system?	1.3	0.9	6.3	5.1	4.0	7.3	0.9
Agree/Disagree: Thinking of all our regular household bills, people in my province get good value for the money we pay for electricity.	1.9	1.9	7.7	4.9	5.2	8.1	1.1
Agree/Disagree: What is good for business is bad for ordinary people.	3.6	4.3	3.0	5.6	6.5	7.7	8.9
Agree/Disagree: Consumers are well protected with respect to the reliability and quality of electricity service in my province.	3.7	4.6	8.3	5.4	6.4	8.3	3.3
Agree/Disagree: consumers well prtexted wrt price of elec in my prov	1.6	1.7	6.7	4.6	4.5	7.4	1.0
Agree/Disagree: When we have to choose between jobs and the environment, I believe we should always put the environment first	1.3	5.1	4.5	4.8	7.5	8.1	6.0
Agree/Disagree: Climate change is a critical threat to the planet and we must take dramatic action now to avoid catastrophic impacts in years to come.	1.0	6.8	6.6	5.3	9.0	8.6	7.7

Age & Gender by Cluster: Males tend to be more pro-business than females; older tend to be less ambivalent

This chart demonstrates how the overall percentage of each demographic compares to the percentage within each cluster

	Male 18-34	Male 35-54	Male 55+	Male Overall	Female 18-34	Female 35-54	Female 55+	Female Overall	Overall
Angry Pro-business	7%	14%	15%	13%	5%	8%	10%	8%	10%
Angry moderate	8%	12%	14%	12%	8%	14%	12%	12%	12%
Content moderate	6%	9%	17%	12%	5%	6%	14%	9%	10%
Ambivalent	32%	27%	18%	24%	31%	29%	21%	26%	25%
Undecided Green	15%	13%	17%	15%	21%	19%	21%	20%	18%
Content Green	26%	16%	11%	16%	18%	12%	10%	13%	14%
Angry Moderate Green	6%	10%	8%	8%	12%	13%	12%	13%	11%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Province by Cluster: Albertans are most pro-business among all provinces; 4-in-10 in Sask, Manitoba are content

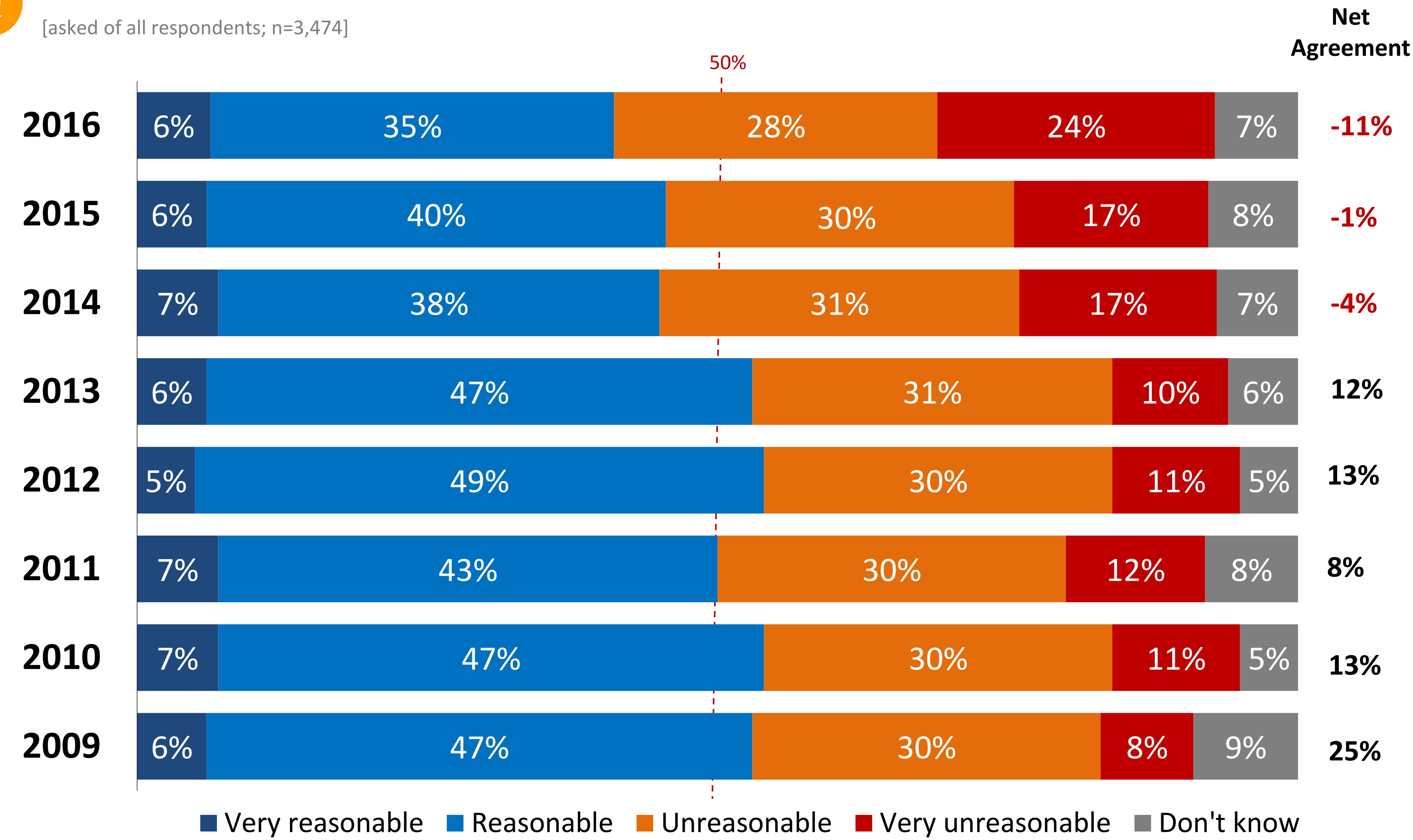
This chart shows where the various segments live

	British Columbia	Alberta	Saskatch-ewan	Manitoba	Ontario	Quebec	New Brunswick	Prince Edward Island	Nova Scotia	Newfound-land and Labrador	Overall
Angry Pro-business	8%	25%	3%	4%	13%	3%	6%	3%	4%	5%	11%
Angry moderate	6%	5%	2%	4%	20%	7%	6%	3%	9%	14%	9%
Content moderate	18%	12%	19%	17%	4%	14%	6%	9%	5%	5%	14%
Ambivalent	22%	30%	36%	29%	23%	27%	29%	26%	33%	26%	21%
Undecided Green	24%	12%	17%	21%	15%	19%	22%	31%	22%	20%	17%
Content Green	14%	10%	20%	22%	9%	22%	16%	19%	15%	14%	18%
Angry Moderate Green	6%	5%	4%	3%	16%	8%	14%	10%	13%	16%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Reasonable Price: opinion intensifies towards "unreasonable" with 7-point gain on "very unreasonable"

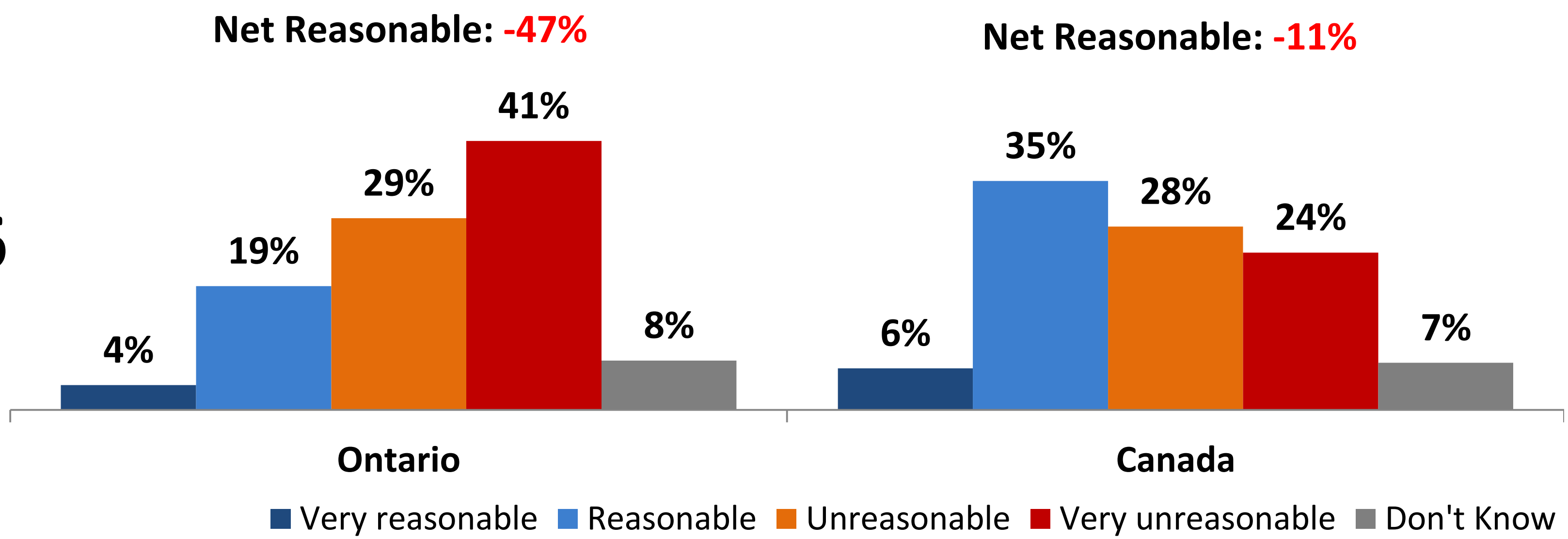
Q Overall, do you think that the price for electricity in your province is reasonable or unreasonable?

[asked of all respondents; n=3,474]

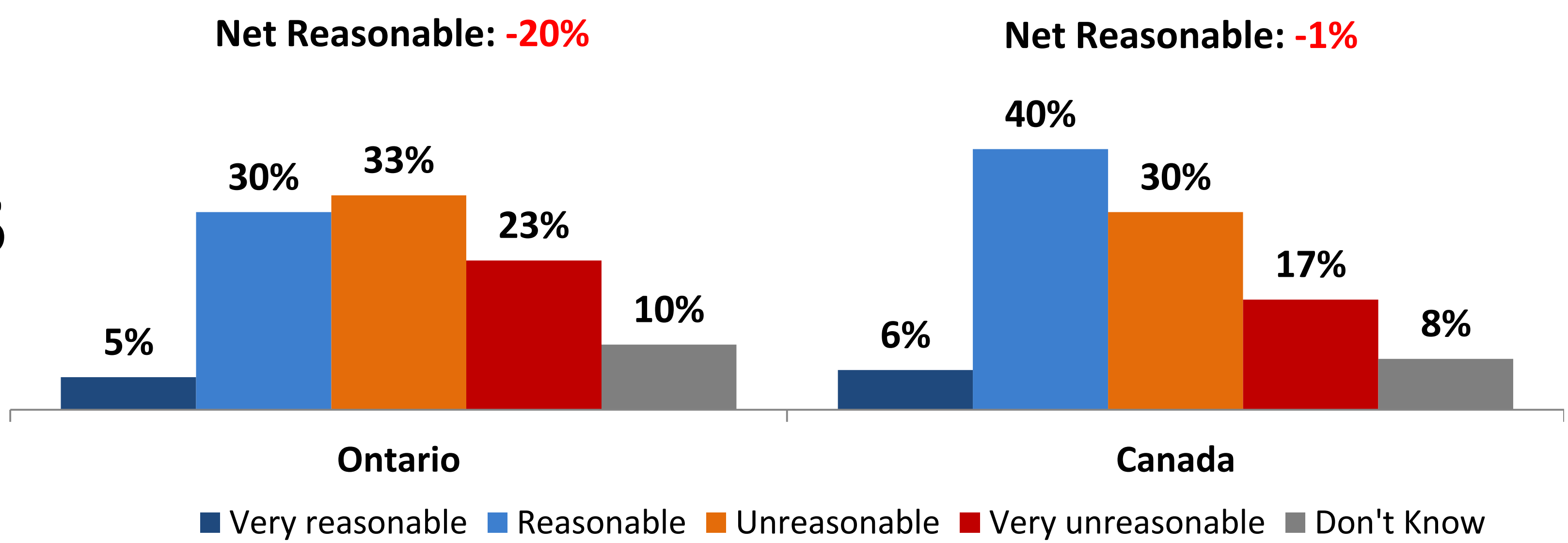


Reasonable Price: 'Reasonable price' in Ontario down 12 points from 2015; down 5 points in Canada

2016

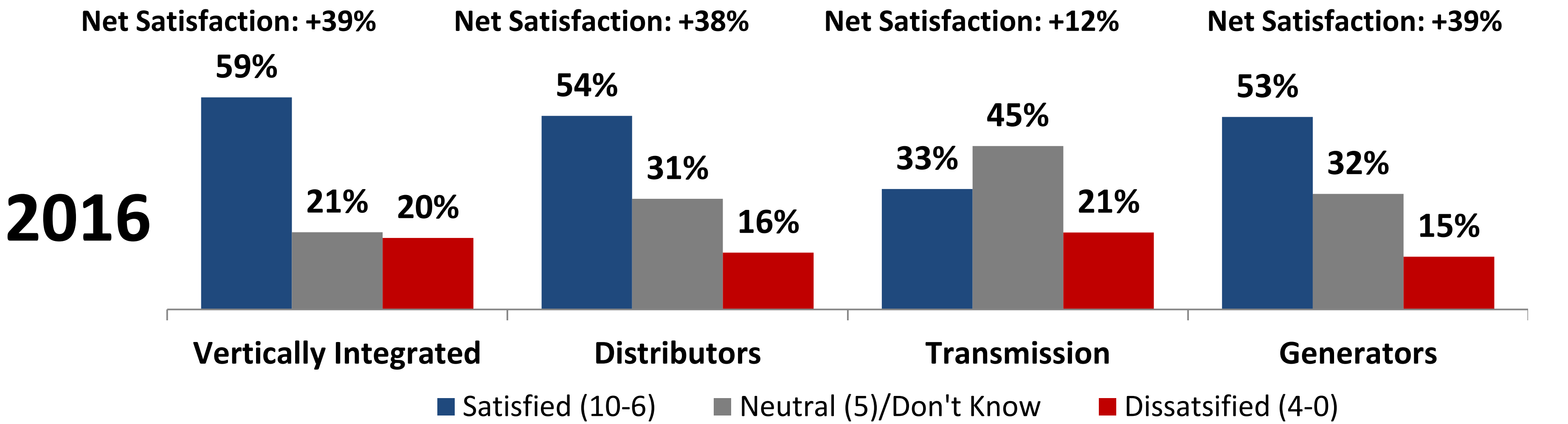


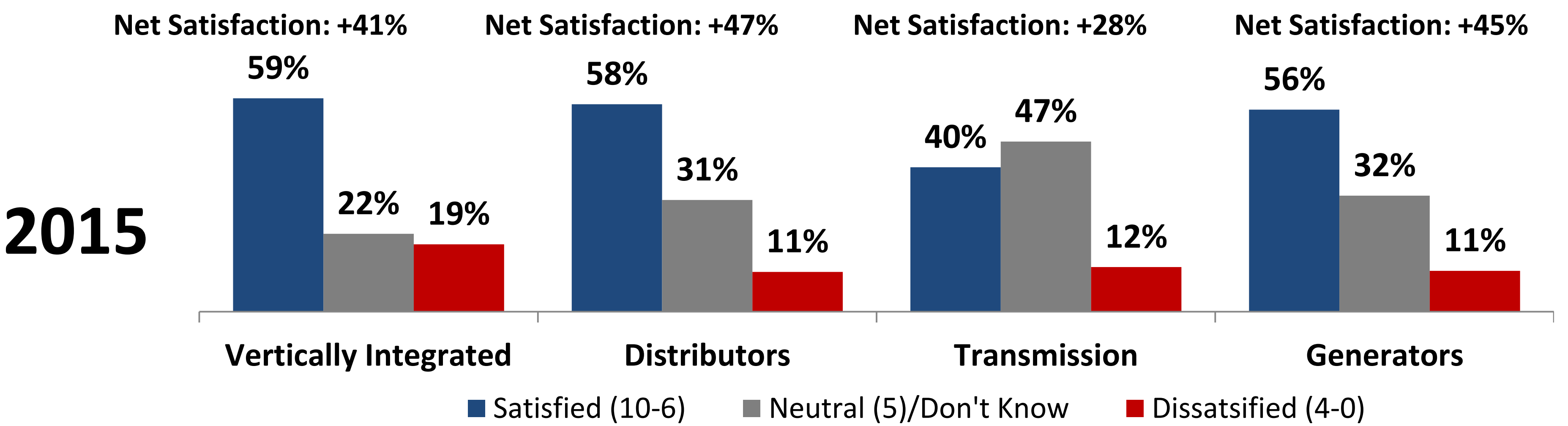
2015



Overall Satisfaction: Comparison by sector

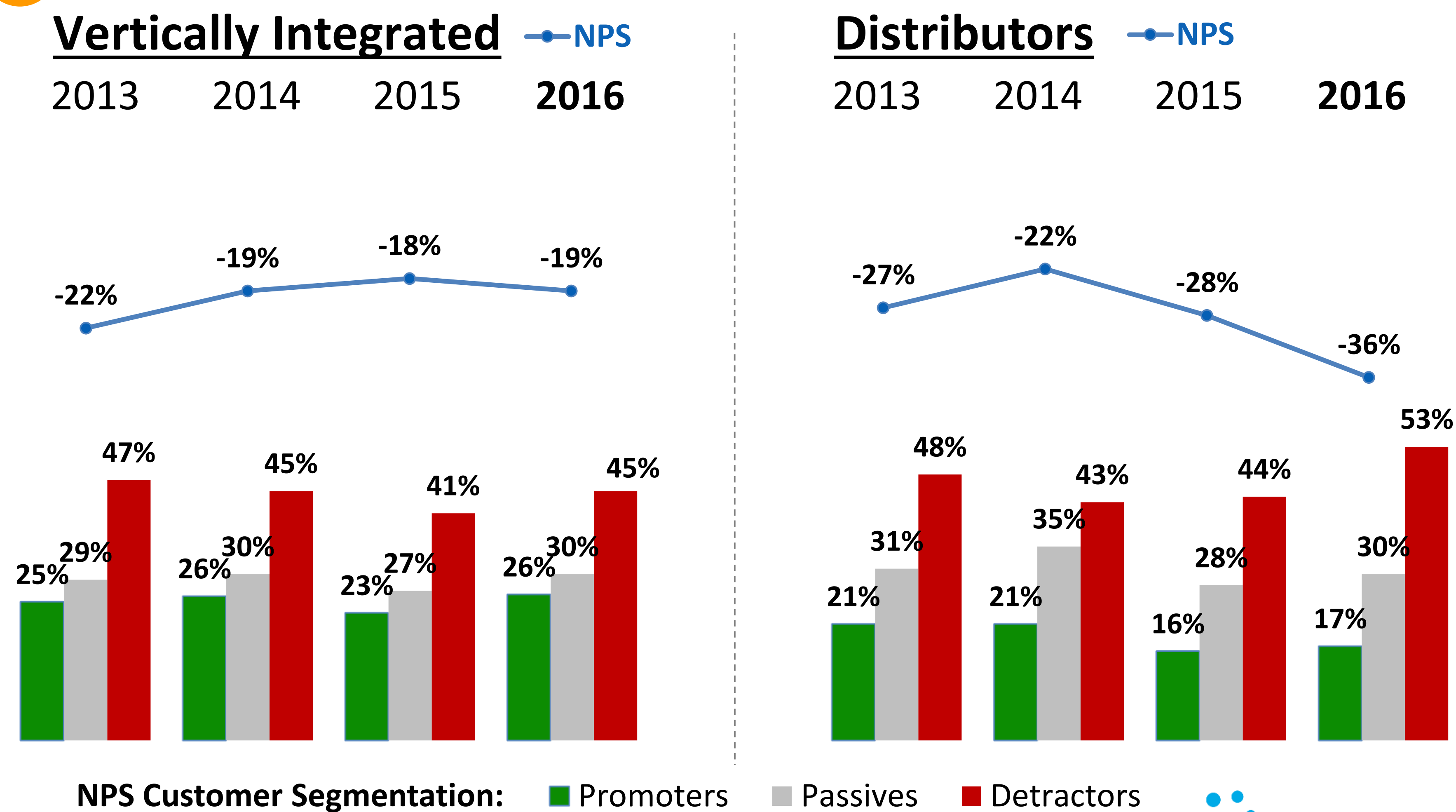
***New Scale**: How each sector compares on overall satisfaction using the new 0-10 scale. Net satisfaction is % satisfied minus % dissatisfied.*





Net Promoter Score: Distributors score almost 20 percent less than Vertically Integrated; distributors down from 2014 scores

Q If you had a choice between several possible providers of electricity, how likely would you be to recommend [DISTRIBUTION COMPANY] to your friends, family, and others as the preferred electricity distributor?



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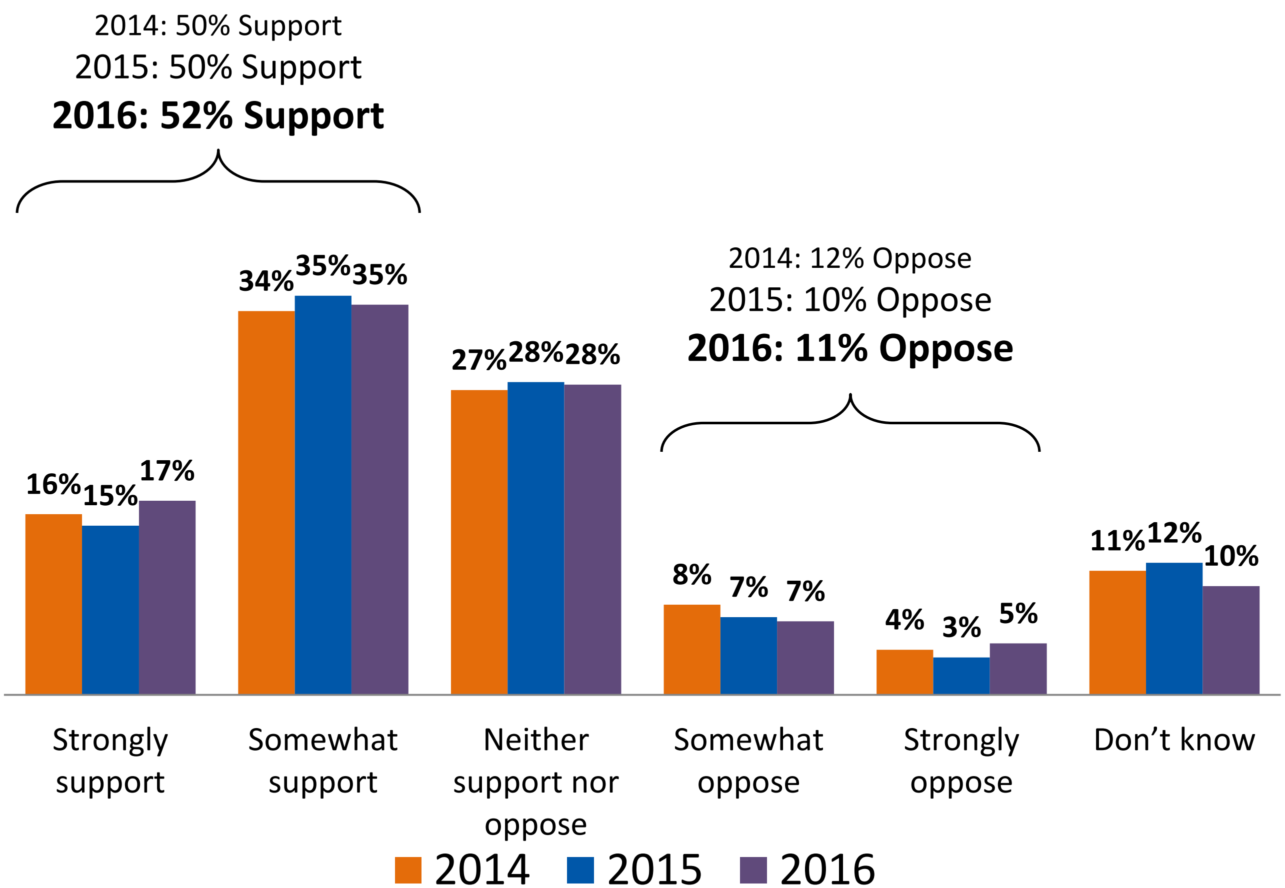
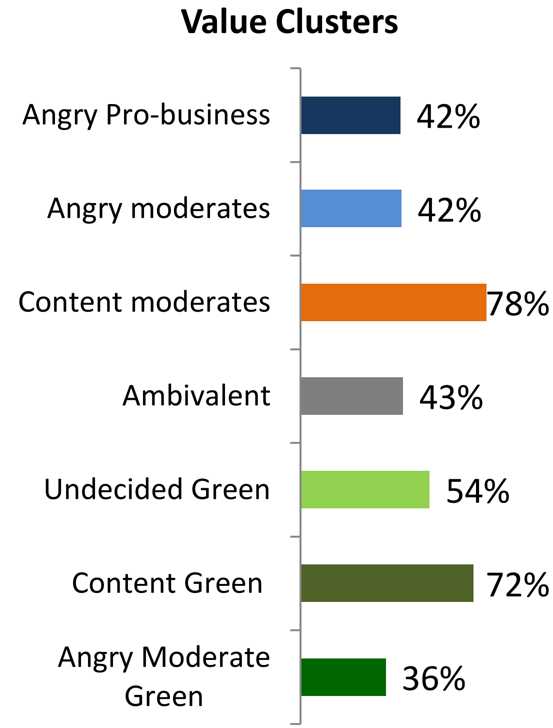
Note: 'Don't Know' removed from calculation

Infrastructure Investment: about half (52%) still support infrastructure; content groups much more likely to support

Q Given everything you have read, seen or heard ...
Do you support or oppose investment in and expansion of the generation, transmission and distribution of electrical power in your province?
[asked of all respondents; n=3,474]



2016 Segmentation
Those who "support" infrastructure investment
Cluster data is based on total sample



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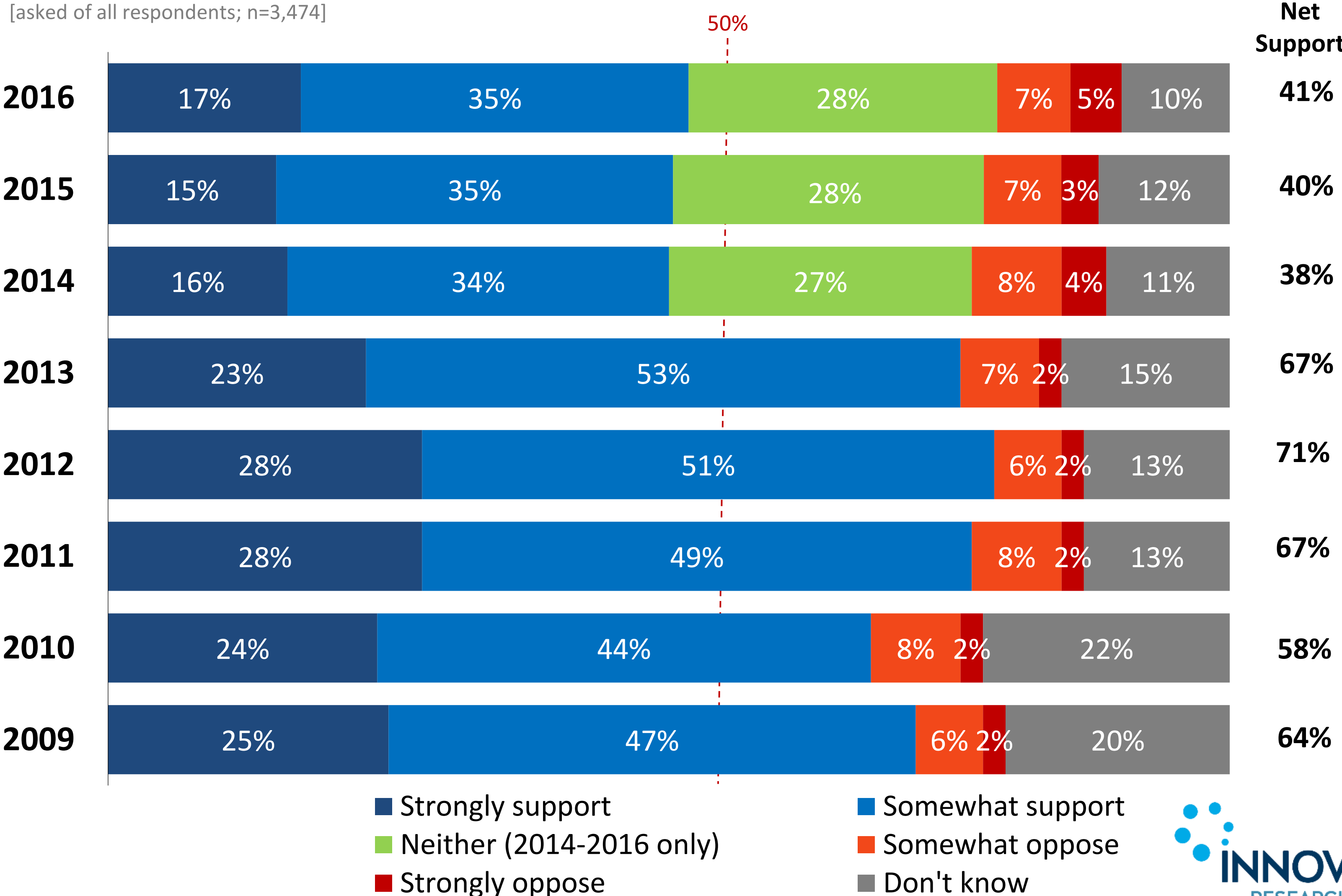
Infrastructure Investment: Almost no change in support for investment since 2014

Q Given everything you have read, seen or heard...Do you support or oppose investment in and expansion of the generation, transmission and distribution of electrical power in your province?

[asked of all respondents; n=3,474]



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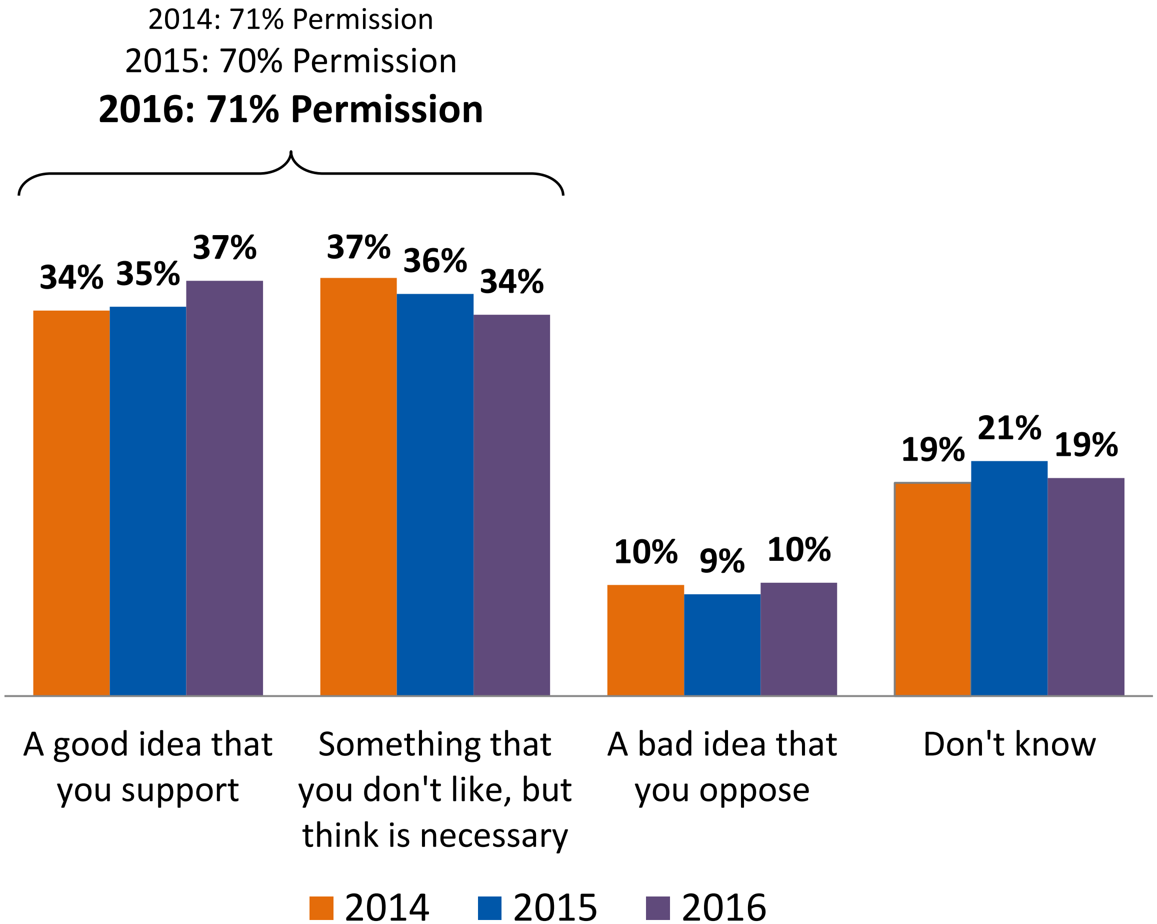
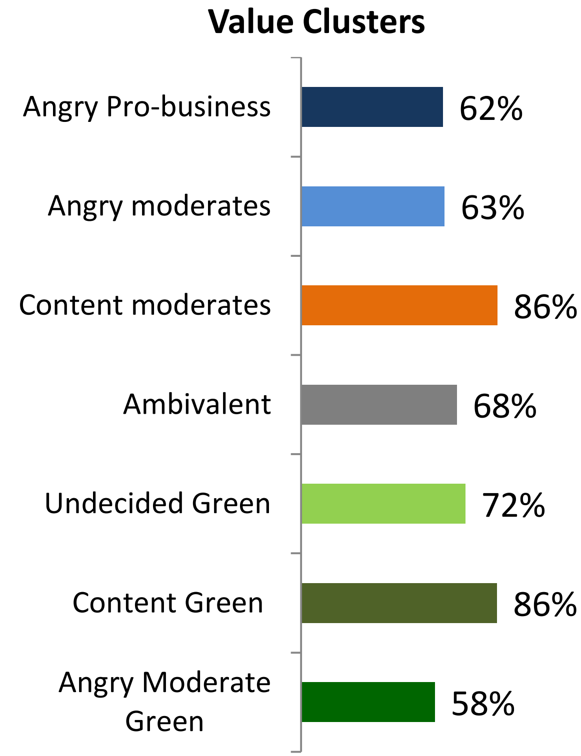
Permission on Infrastructure Build: 7-in-10 still give permission; Angry Moderate Greens least likely to give it

Q Which of the following statements best represents your view? Do you think building new electricity infrastructure in this province is…
[asked of all respondents; n=3,474]



2016 Segmentation ▸▸
Those who give permission to build new infrastructure
Cluster data is based on total sample

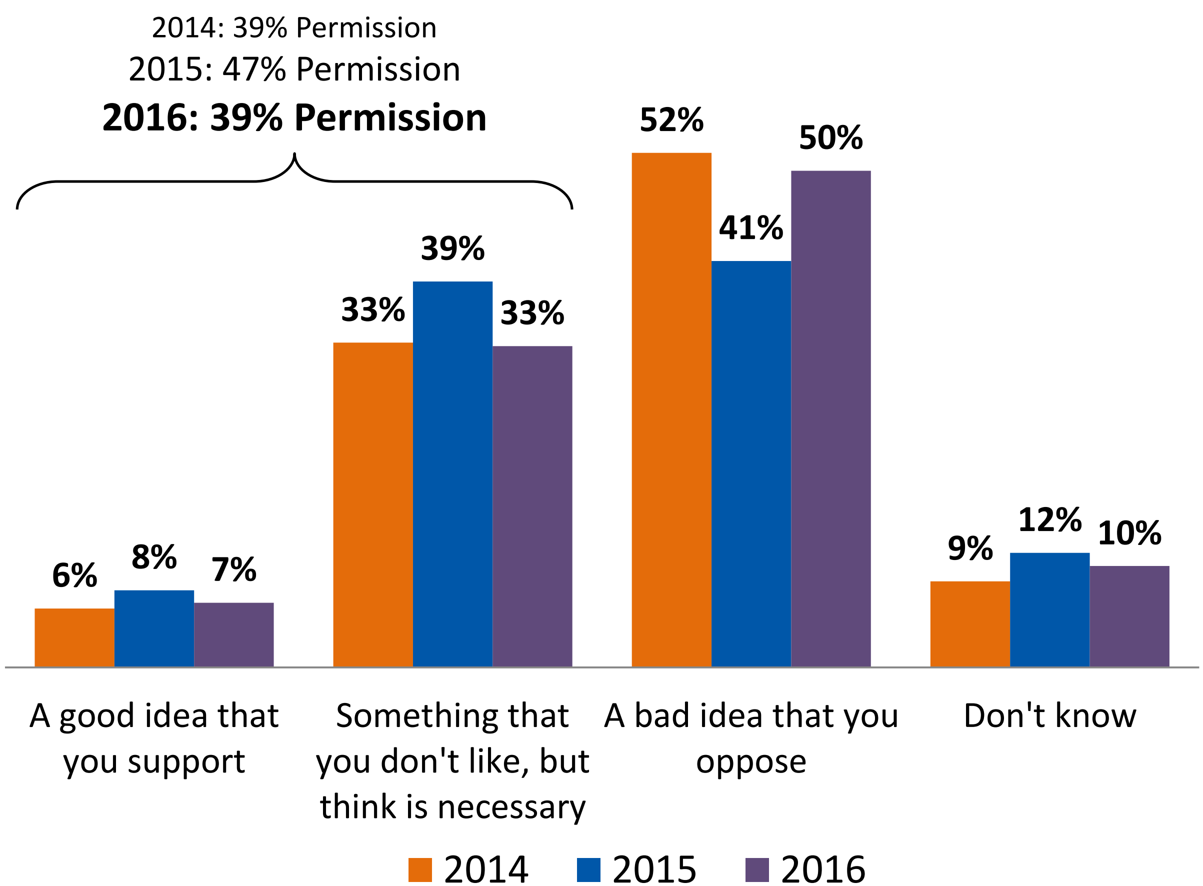


INNOVATIVE RESEARCH GROUP

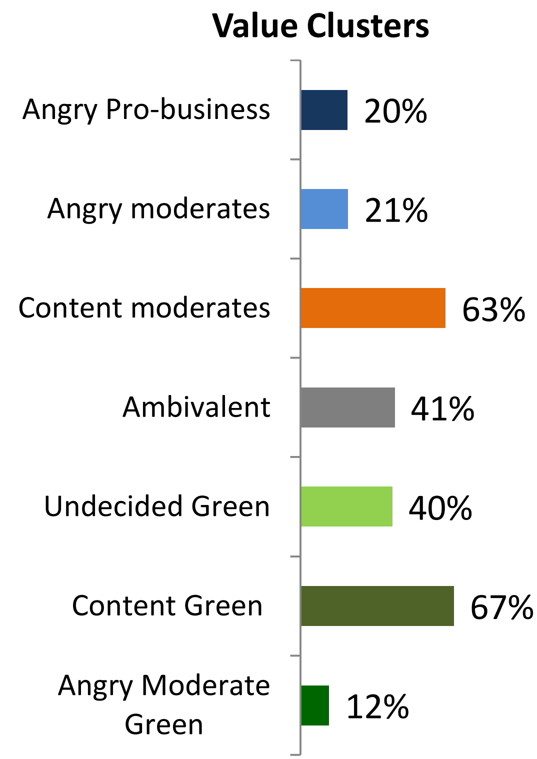
Cluster data is based on total sample

Permission on Price: permission drops 8 points to 2014 levels; only 12 to 21% of angry groups would permit it

Q Which of the following statements best represents your view? Do you think increasing the price of electricity to invest in improvements in your province's electricity system is …
[asked of all respondents; n=3,474]



2016 Segmentation
Those who give permission to increase price
Cluster data is based on total sample



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Electricity Retailer Reputation

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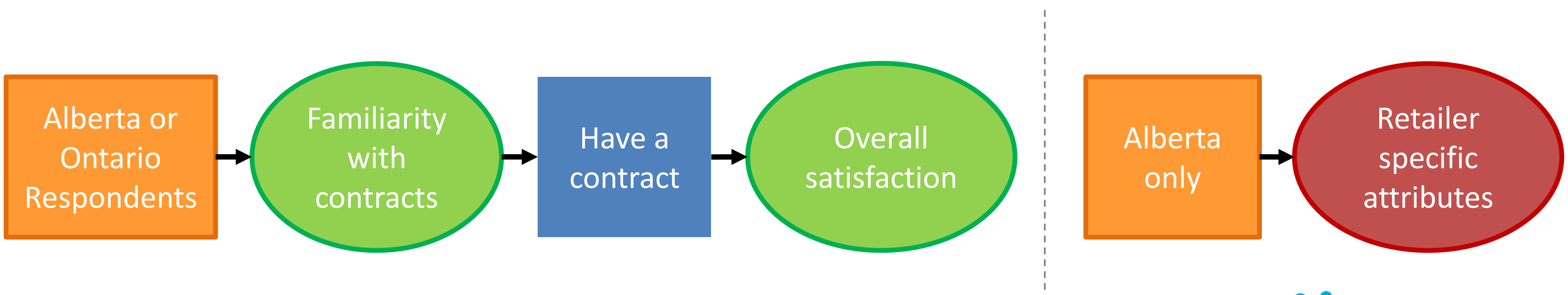
Electricity Retailers:
Which respondents were asked what?

- Two provinces have electricity retailers: Alberta and Ontario
- In each of these provinces respondents were asked about their familiarity with electricity retailers, and whether they had a retail contract for electricity service
- **In Alberta**, electricity retailers bill their customers directly. Respondents with contracts were asked about their overall satisfaction as well as core attributes measurements with their electricity retailer.
- **In Ontario**, retail electricity billing is handled through the local distribution company. Respondents with electricity contracts were only asked their overall satisfaction with their electricity retailer.



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Summary: Attitudes towards Electricity Retailers

In Ontario*, nearly half (44%) of respondents say they are familiar with electricity retail contracts, while in Alberta, a majority (58%) feel the same.

Nearly two-in-ten (19%) Ontarians *believe* they currently hold a contract with a retailer, despite the fact that consumers with electricity contracts represent just 6% of the market†. Nearly 2-in-3 (63%) say they do not hold a contract and almost 2-in-10 (18%) don't know the answer.

Among those who claim to have a retailer contract, 41% of Albertans are satisfied and half (50%) of Ontarians feel the same.

A majority of Albertans say they are satisfied with how easy to read (52%) and half are satisfied with how accurate (50%) their monthly bills are.

† Ontario Energy Board cites that approximately 285,000 Ontario consumers had electricity contracts in 2013 (or 6.3% of the market).

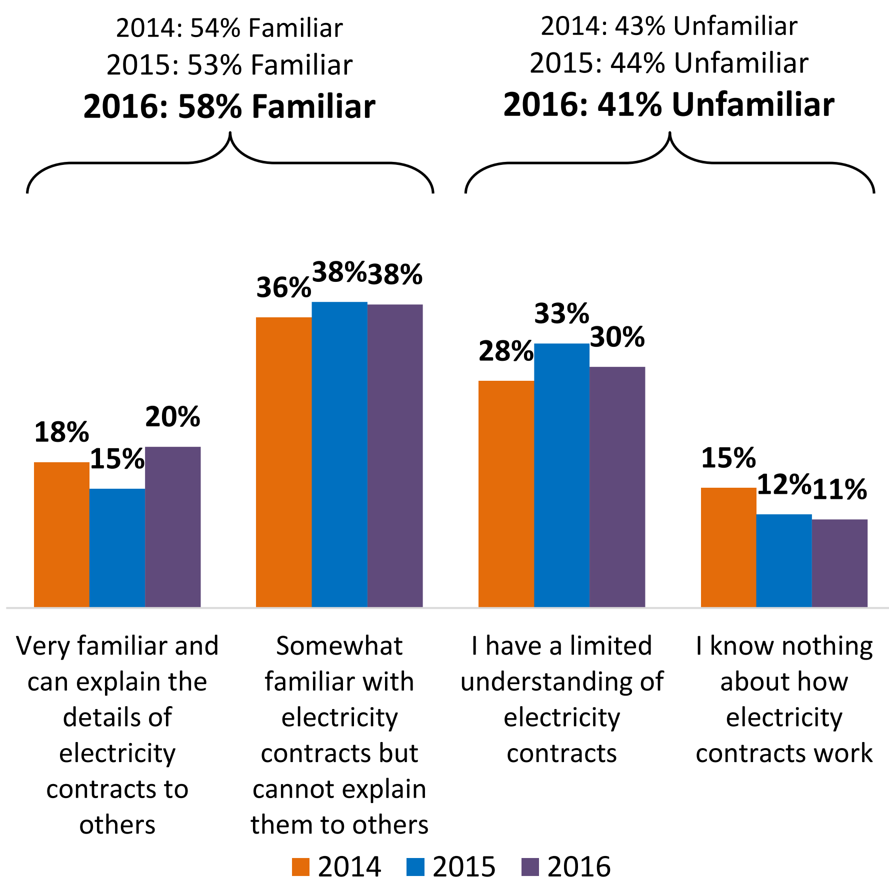
* Retailer attributes were not asked in Ontario because billing for retailers is remitted through distribution companies.

Familiarity with Contracts: a plurality of consumers in Alberta and majority in Ontario unfamiliar with contracts

Q How familiar are you with the option of entering into a contract with an electricity retailer that can allow you to lock into a long-term fixed price or to choose the generating source of your electricity?

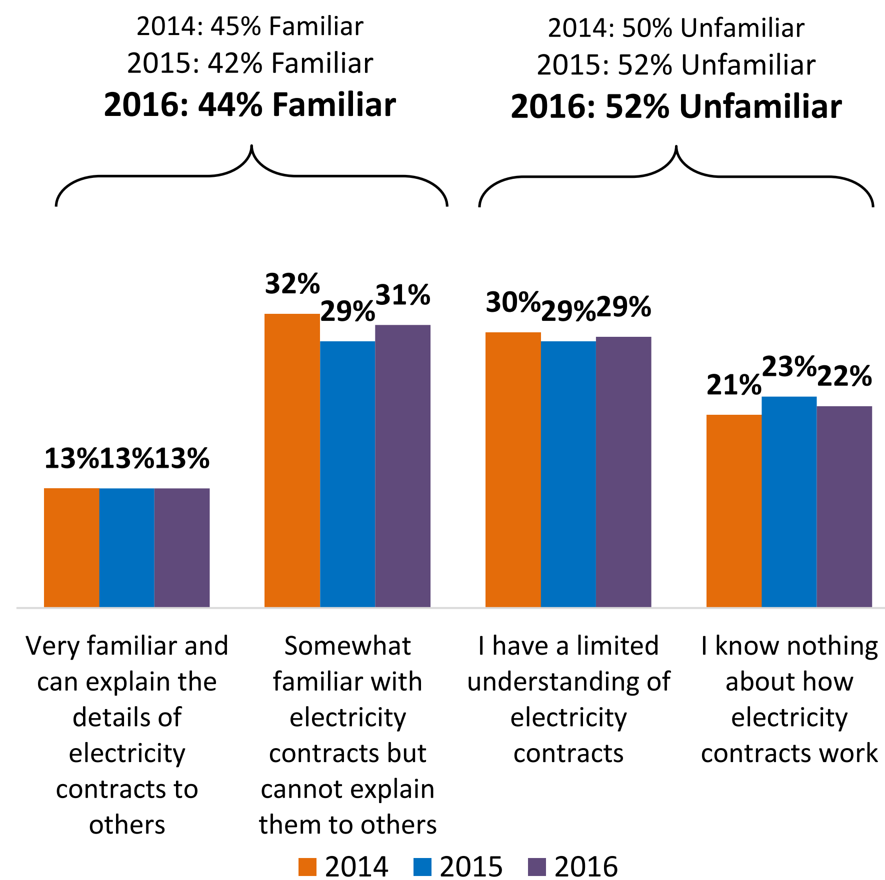
[asked of all Alberta (n=366) and Ontario (n=1,333) respondents]

Alberta only



Note: 'Don't know' not shown

Ontario only

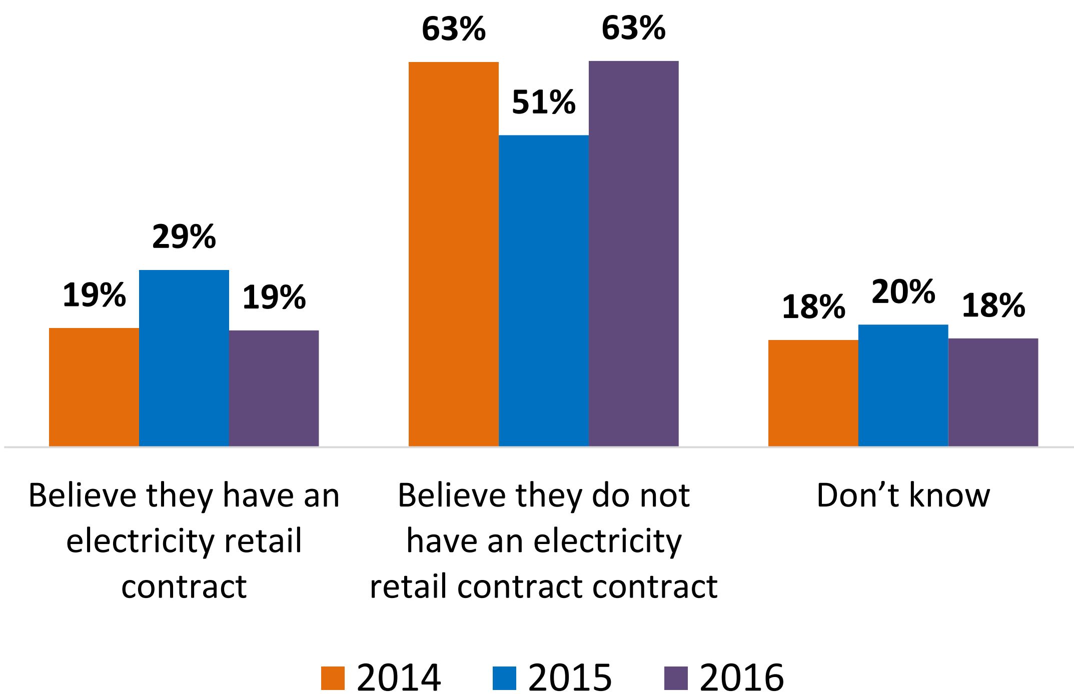


Note: 'Don't know' not shown

Ontario Retail Contract Holders: More than half do not have a contract

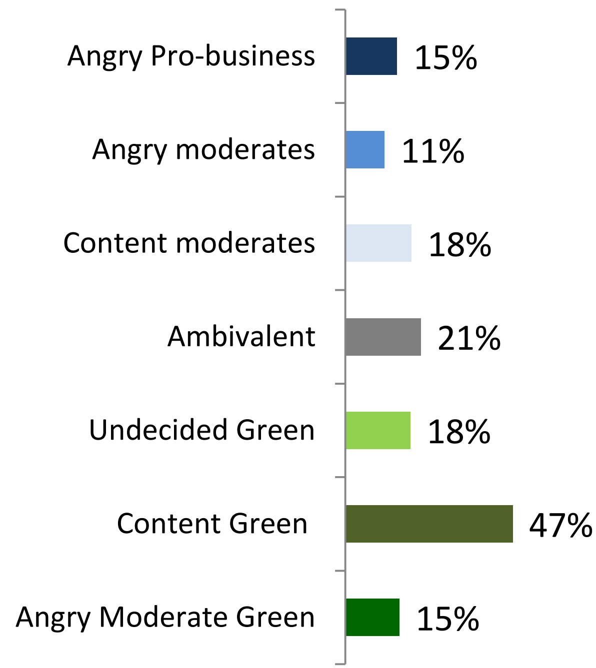
Q

Does your household currently have a contract with an electricity retailer to supply your electricity?
[asked of Ontario respondents only; n=1,333]



2016 Segmentation
Those who believe they have an electricity retail contract

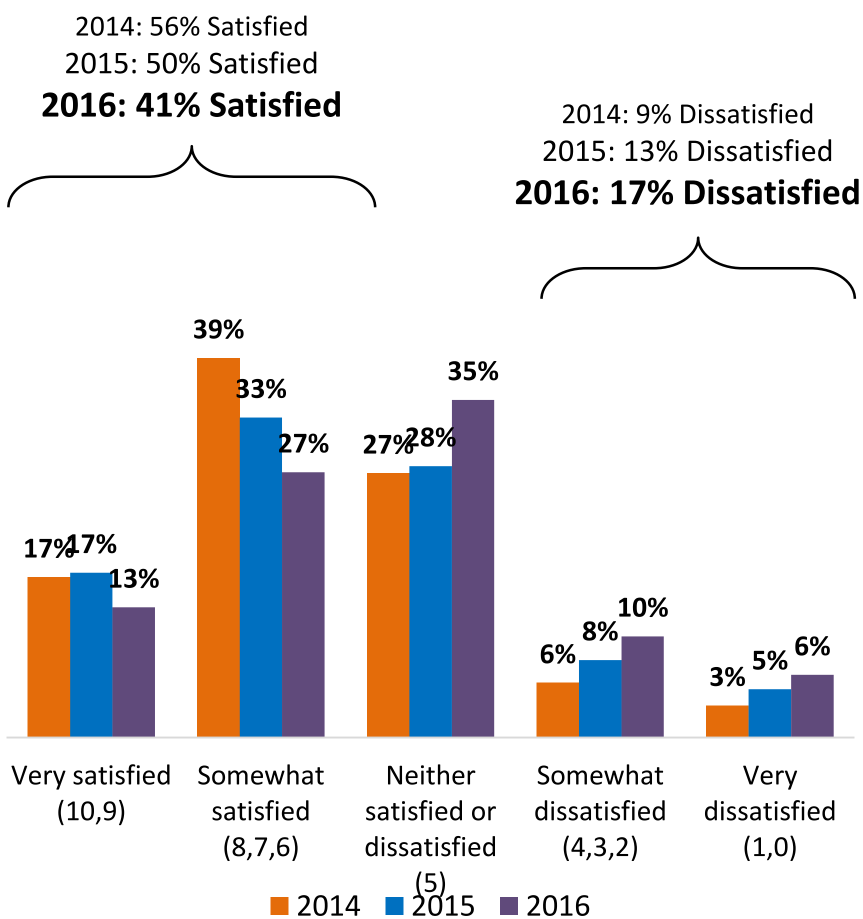
Value Clusters



Satisfaction with Electricity Retailers: Satisfaction in Alberta (-9) and Ontario (-6) down year-to-year

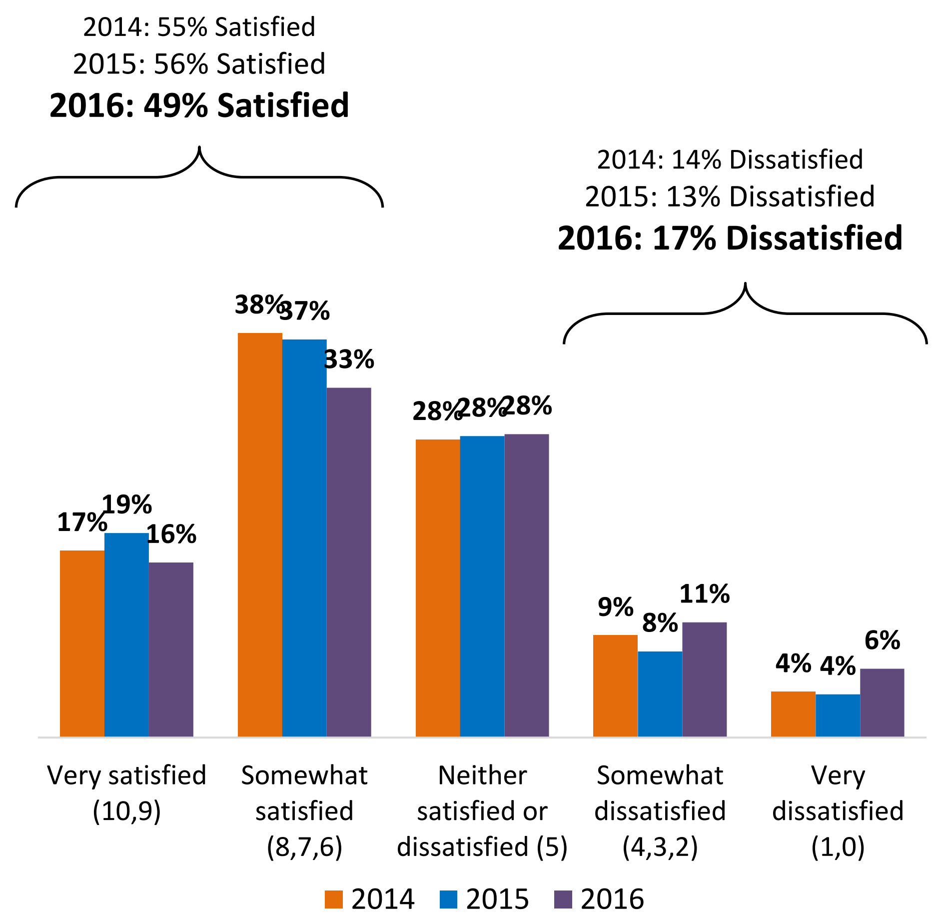
Q In general, how satisfied are you with [RETAILER], the company that you have an electricity contract with?
[asked of Albertans whose retailer differs from their distributor (n=158); and Ontarians who believe they have a retail contract (n=254)]

Alberta only



Note: 'Don't know' not shown

Ontario only

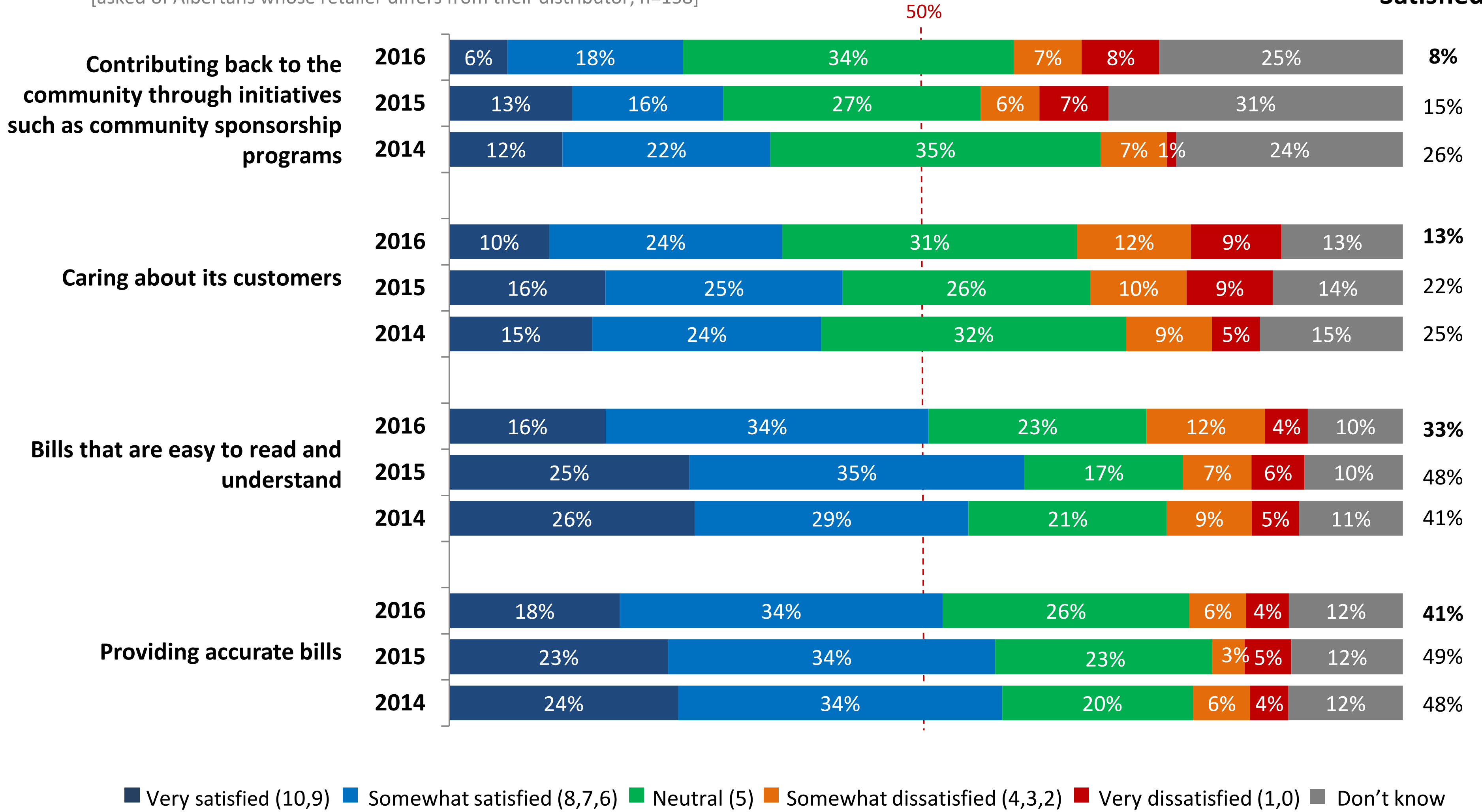


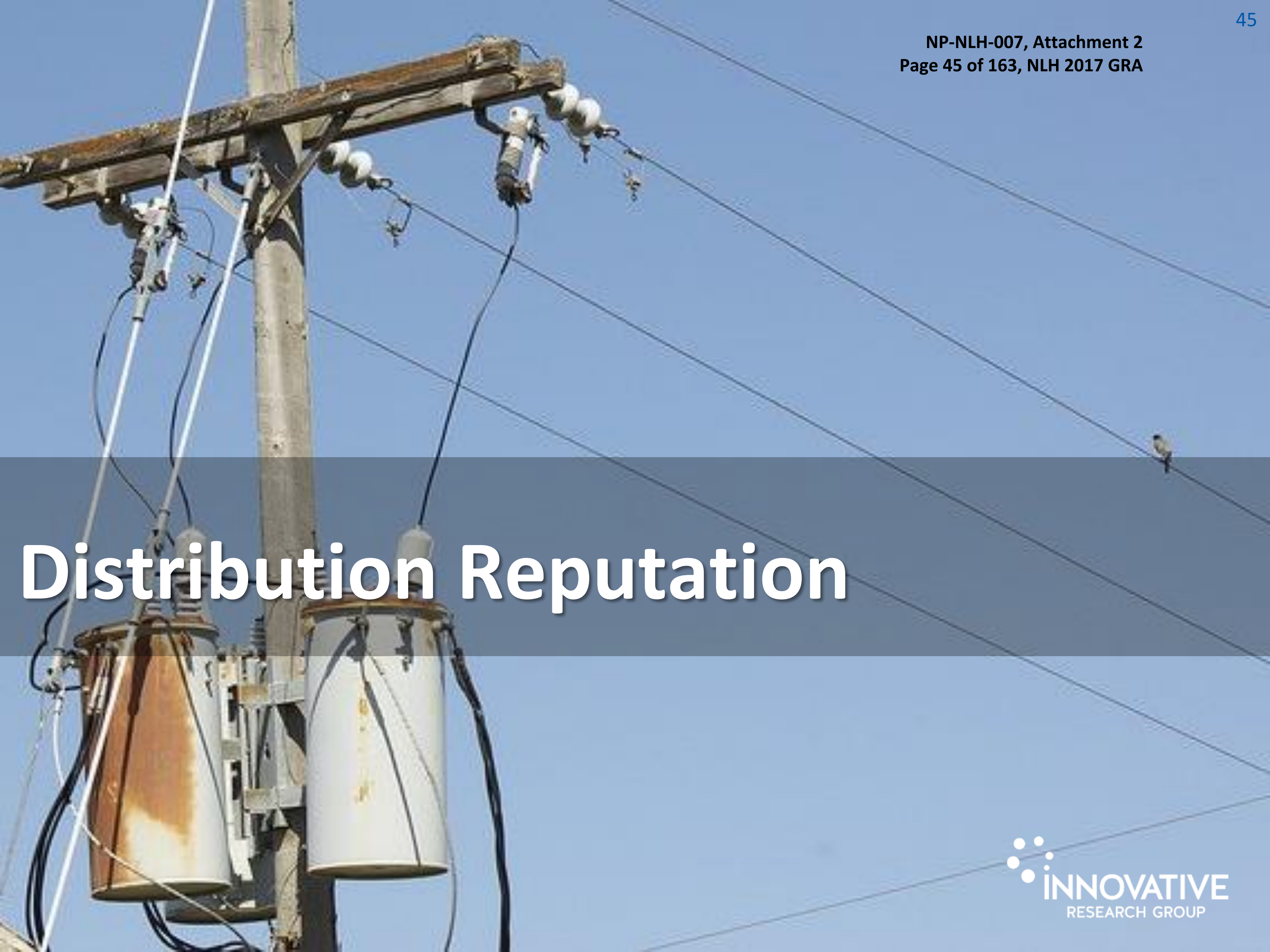
Note: 'Don't know' not shown

Alberta Retailer Attributes: majority satisfied with measures re: bills; nearly 2-in-5 satisfied with caring about customers

Q For each item on the list, please indicate how satisfied you are with the way [RETAILER] is performing on each of the following attributes:

[asked of Albertans whose retailer differs from their distributor; n=158]





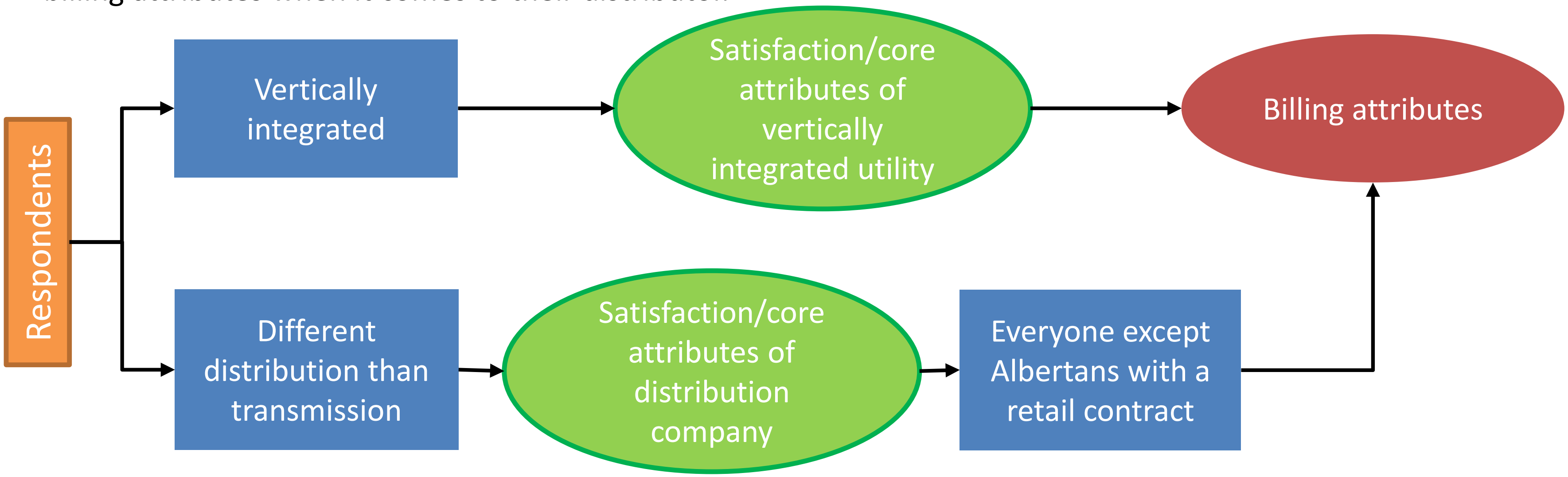
Distribution Reputation

Distribution:
Which respondents were asked what?

It was assumed that when respondents in previous waves of this survey were asked about their "electricity company", it was interpreted as the utility that provides distribution services.

As such, the questions asked in this section pertain exclusively to companies providing distributions services to customers, whether they be LDCs or vertically integrated companies.

- The satisfaction and attribute ranking questions asked in this section are related to a respondent's distribution or vertically integrated company.
- In provinces or regions with a vertically integrated company, respondents were asked their overall satisfaction with the company in this section.
- Where a respondent had a separate distribution from their transmission companies, they were asked about their distributor here and the transmission company in the next section.
- Albertans who have a retail contract with a retailer different from their distributor were <u>not</u> asked the two billing attributes when it comes to their distributor.



Summary: Distribution Reputation

In this section all respondents were asked about overall satisfaction and company attributes of their distribution company.

Most Canadians are satisfied with their distributors, but satisfaction is dropping overall and on all key attributes. Satisfaction has dropped 3 points since last year, from 59% to 56%.

Distributors are rated most highly for:

- Reliability (70% satisfied);
- Providing easy to understand (63%) or accurate (60%) bills;
- Speed of power restoration (63%);
- Encouraging more efficient usage of electricity (63%);
- Protecting public safety (56%)
- And ensuring sufficient supply of electricity (56%).

On the other end of the spectrum, less than half are satisfied that their distribution company is:

- Operating in an environmentally responsible manner (47% satisfied);
- Making a positive impact on the local economy (43%);
- Cares about customers (43%);
- Providing value for money (42%);
- And contributing back to the community (36%).

Note: Numbers reported are from the updated 0-10 scale for satisfaction

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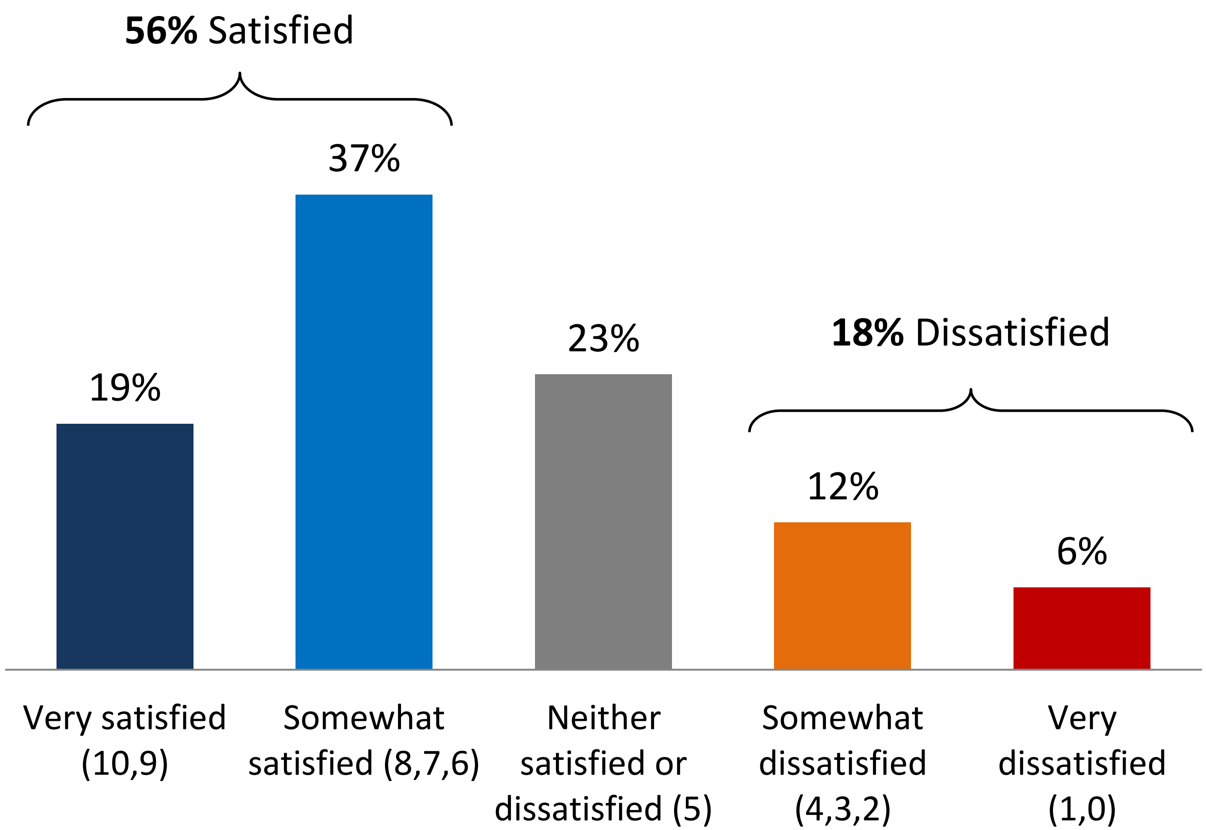
Satisfaction with Distribution Company: Nearly 6-in-10 are satisfied with their distribution company

Q

The following question are about the local distribution system, the part of the system that brings electricity from nearby substations to your home and local businesses.

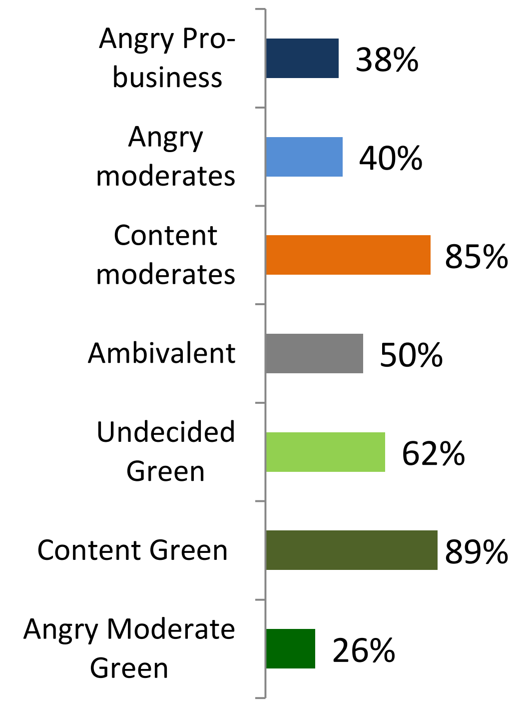
Generally, how satisfied are you with [DISTRIBUTION COMPANY]]? Please use the scale from 0 to 10, where 0 means very dissatisfied and 10 means very satisfied. [asked of all respondents; n=3,474]



2016 Segmentation

Those who are "satisfied" with their electricity distributor

Value Clusters



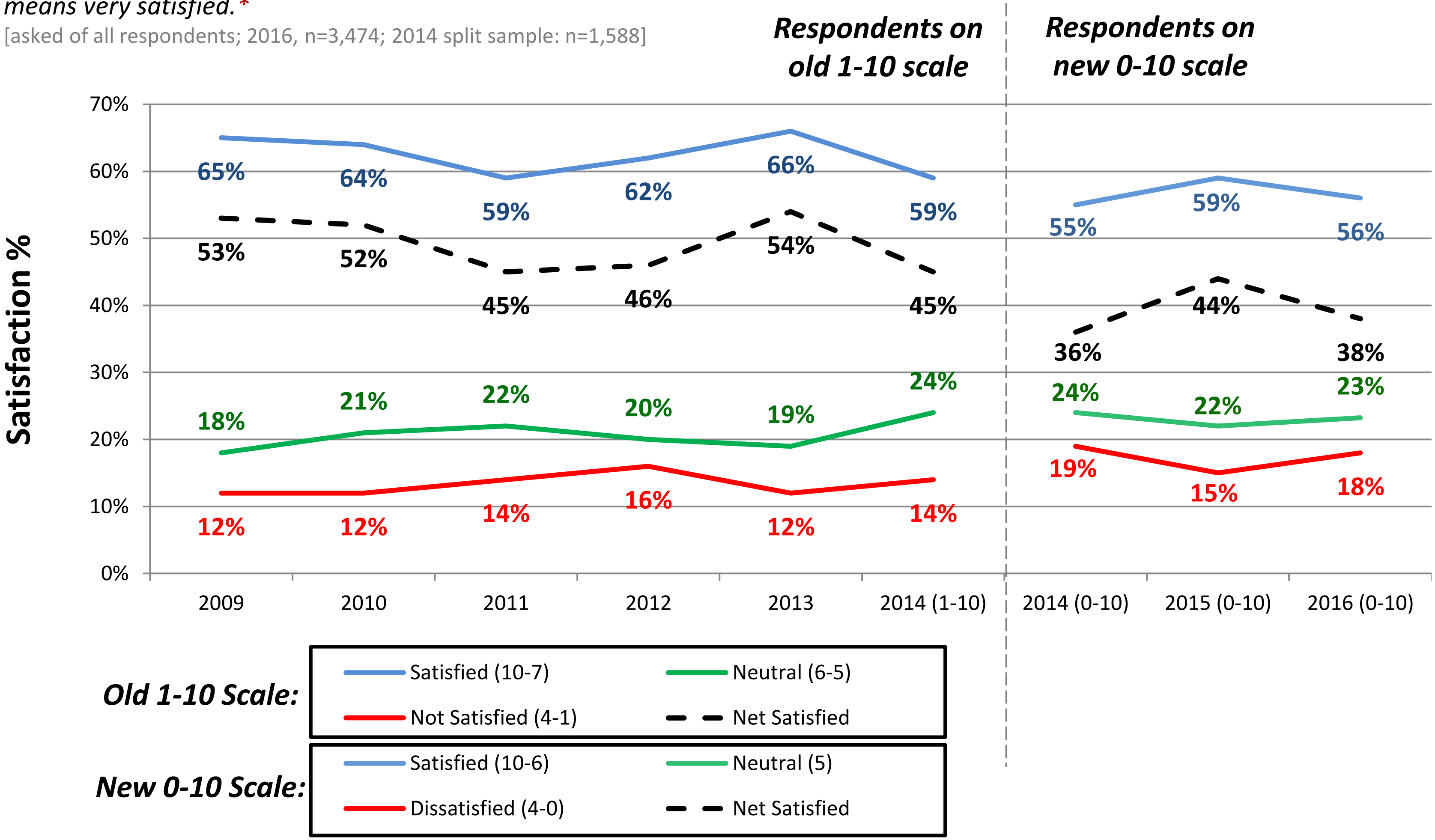
INNOVATIVE RESEARCH GROUP

Note: 'Don't know' not shown

Overall Satisfaction with Distribution Company: Net satisfaction down 6 points year-to-year

Q

Generally, how satisfied are you with [DISTRIBUTION COMPANY]?
Please use a scale from 0 to 10, where 0 mean very dissatisfied and 10 means very satisfied. *
[asked of all respondents; 2016, n=3,474; 2014 split sample: n=1,588]

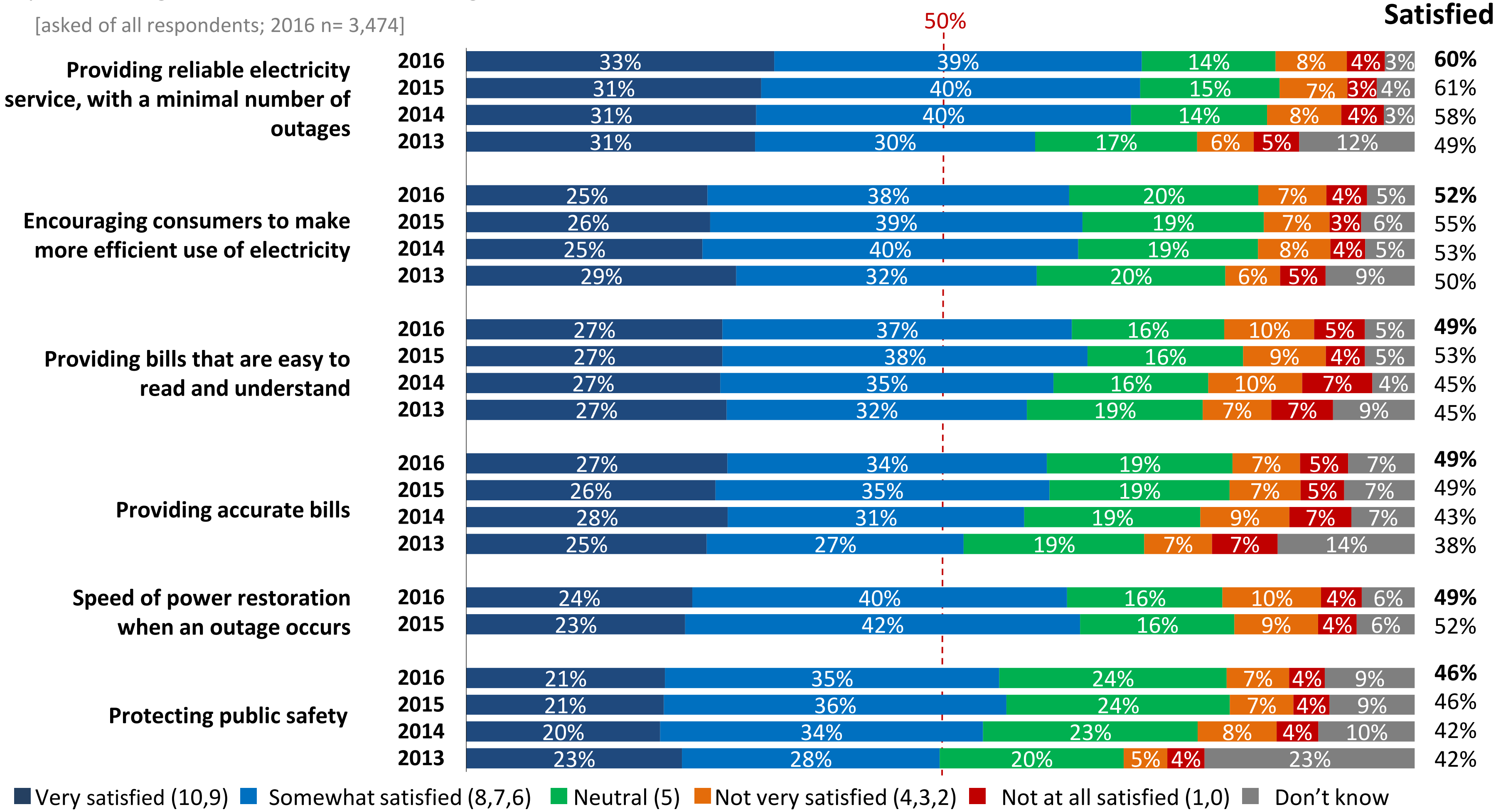


* In waves of the survey prior to 2014, this questions was asked as "*In general, how satisfied are you with your* ***electricity company*** *on a scale of 1 to 10, where 1 means not at all satisfied and 10 means very satisfied?*" For tracking purposes, we assume that "**electricity company**" mean "**company that provides distribution services**". In the 2014 survey two scales were used to rate satisfaction, 1-10 and 0-10.

Tracking Distribution Attributes: Satisfaction dips slightly on most attributes year-to-year

Q For each item on the list, please indicate how satisfied you are with the way [DISTRIBUTION COMPANY] is performing on each of the following attributes:

[asked of all respondents; 2016 n= 3,474]



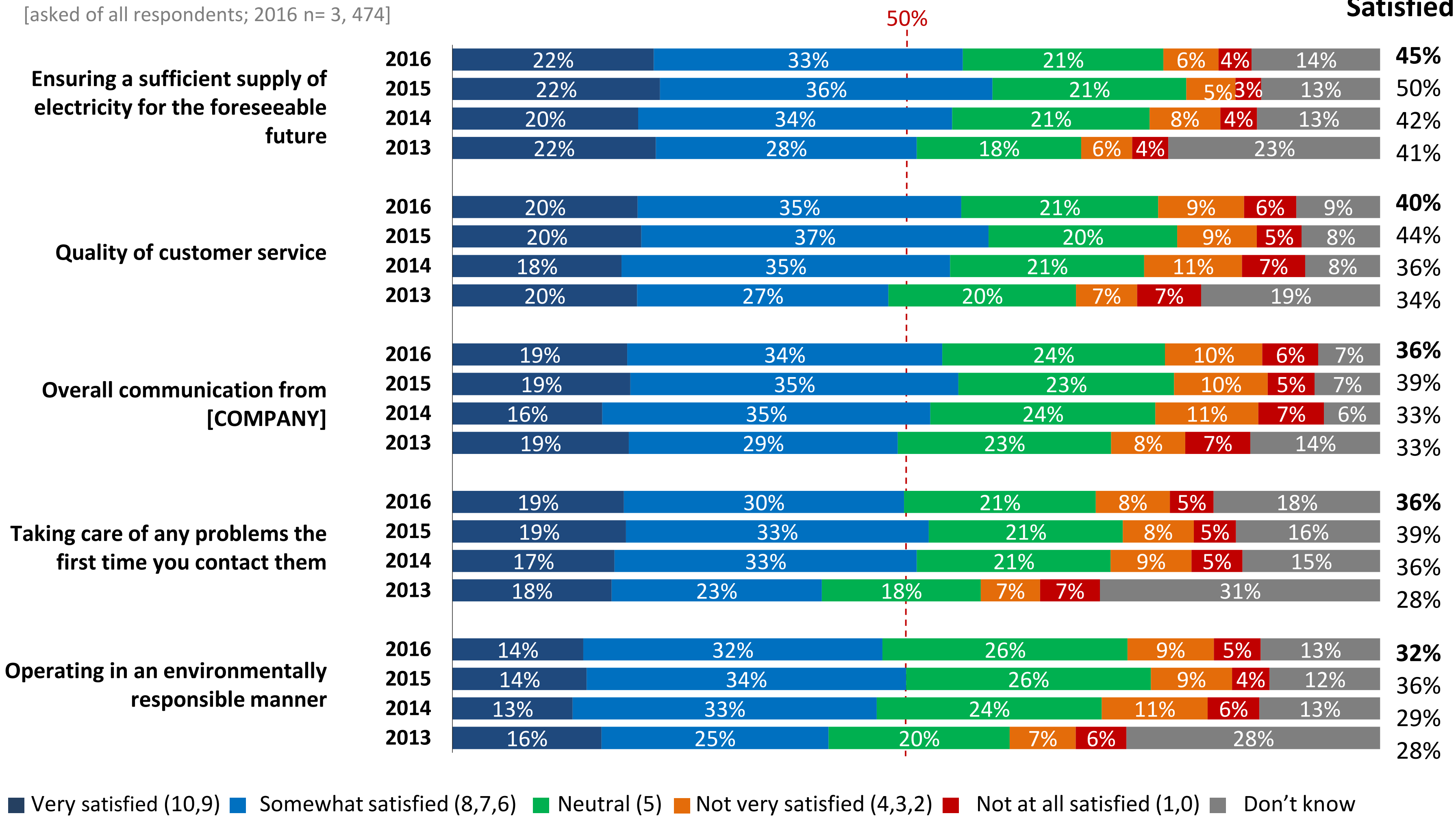
* Power Quality was previously asked as "*Delivering good quality power that is free from voltage fluctuations*". The message "*Speed of power restoration when an outage occurs*" was not previously asked.

*With the exception that both billing attributes were not asked of respondents in Alberta whose retailer differs from their distribution company. In Alberta, the messages on billing were only asked if both LDC and retailer are the same company.

Tracking Distribution Attributes: Satisfaction down slightly on all attributes year-to-year

Q For each item on the list, please indicate how satisfied you are with the way [DISTRIBUTION COMPANY] is performing on each of the following attributes:

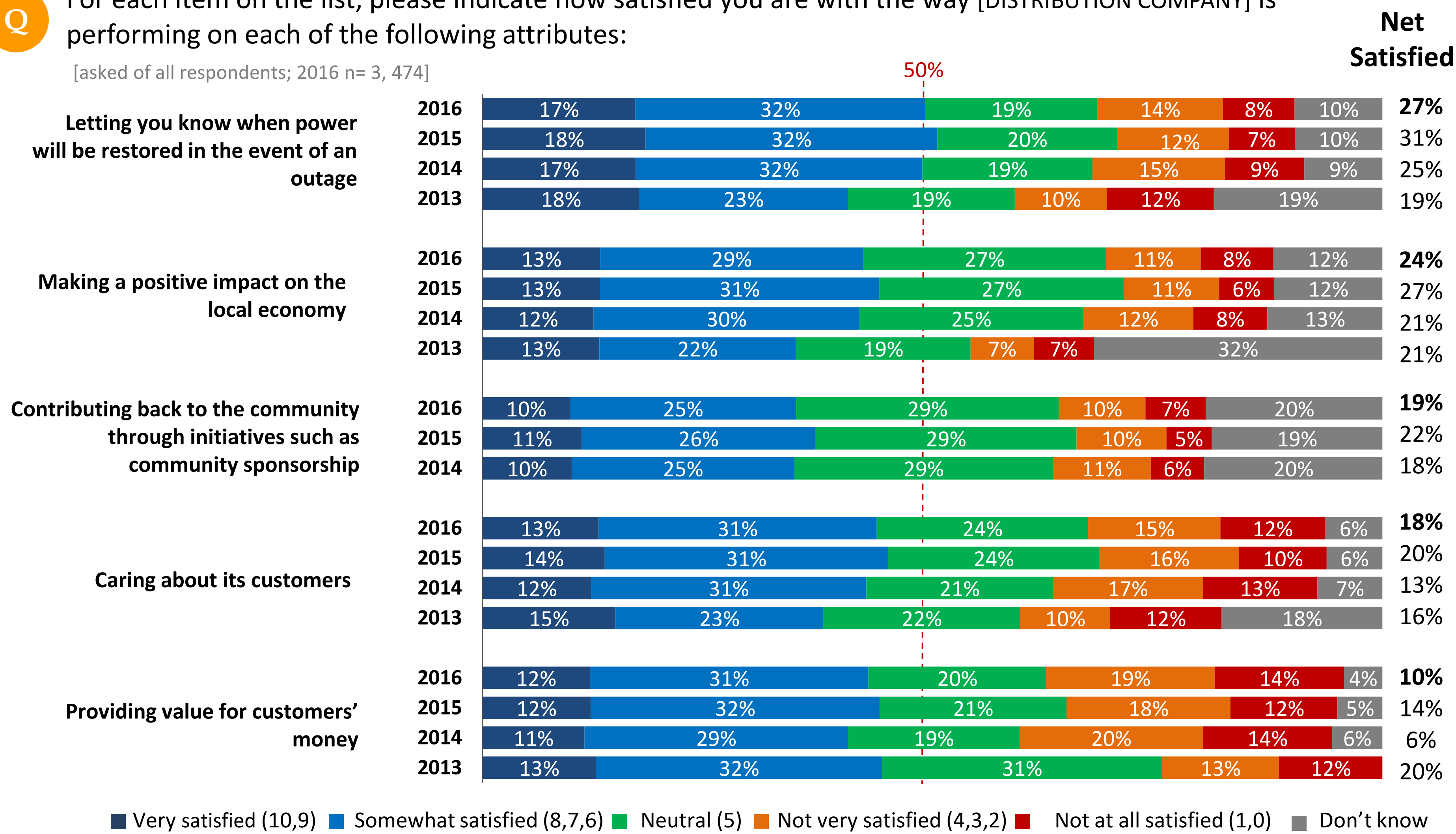
[asked of all respondents; 2016 n= 3, 474]



Tracking Distribution Attributes: Satisfaction down slightly on all attributes year-to-year

Q For each item on the list, please indicate how satisfied you are with the way [DISTRIBUTION COMPANY] is performing on each of the following attributes:

[asked of all respondents; 2016 n= 3, 474]

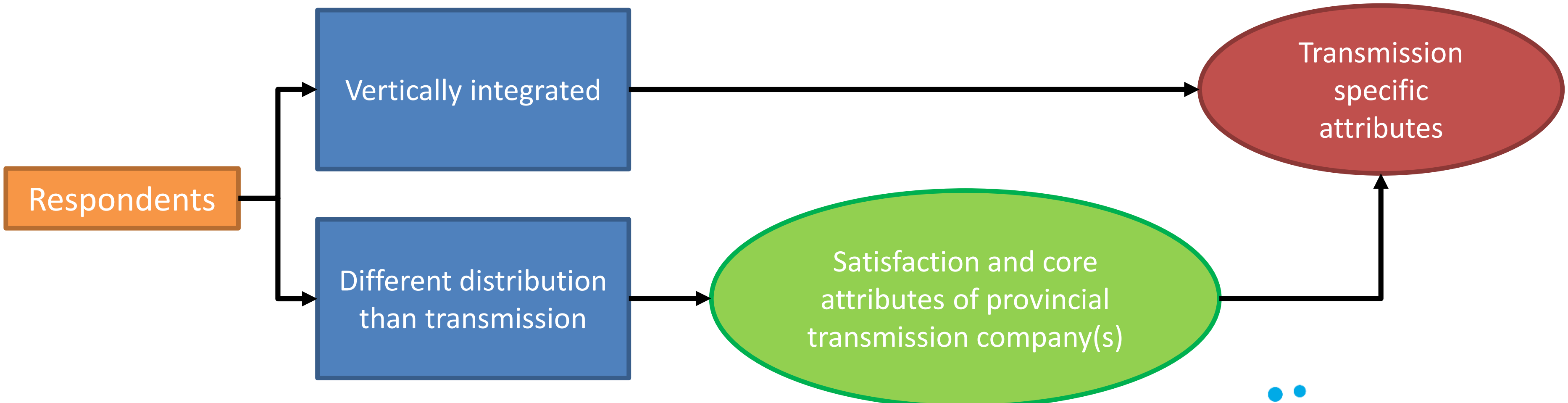


*In 2013, Value for Money was asked on a scale from poor to excellent. Scales in 2013 ran from a minimum of 1 to a maximum of 10. Scales in 2014 and 2015 ran from a minimum of 0 to a maximum of 10. The message "*Contributing back to the community through initiatives such as community sponsorship programs*" was not previously tracked.

Transmission Reputation

Transmission:
Which respondents were asked what?

- The satisfaction and attribute ranking questions asked in this section are related to a respondent's provincial transmission companies, either independent transmission companies or the transmission operations of vertically integrated companies.
- In most cases, for vertically integrated companies, respondents were only asked to rate the company on its transmission specific attributes in this section (as core attribute questions were asked earlier, in the distribution section).
- Respondents who have different transmission and distribution companies were asked all of the questions in this section.



Summary: Transmission Reputation

Transmission reputation has dropped six points since 2015: now just 1-in-3 (34%) respondents say they are satisfied with their transmission company.

- 4-in-10 respondents either don't know (9%) or have no feelings either way (31%), perhaps a reflection on the lack of familiarity with transmission companies as a whole.

Transmission companies' strengths include:

- Providing reliable electricity with minimal outages (65%, down one point);
- And maintaining the transmission system in an environmentally friendly manner (54%, down three points).

Four-in-ten or less feel their transmission company is:

- Operating in an environmentally responsible manner (33%, down six points);
- Making a positive impact on the economy (28%, down seven points)
- Caring about its customers (27%, down nine points);
- Providing value for money (26%, down nine points);
- Or contributing back to the community (24%, down six points).

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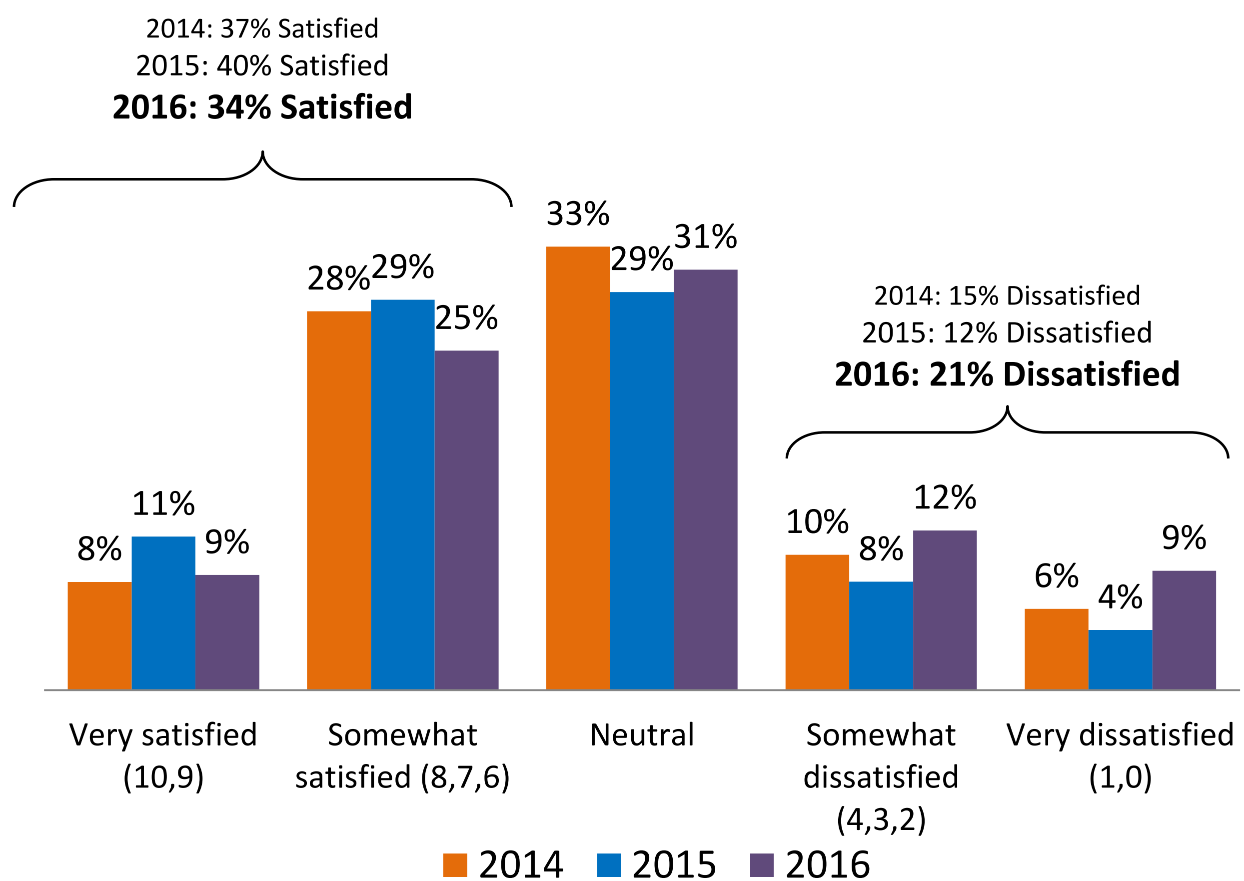
Note: Numbers reported are from the 2015 and later 0-10 scale for satisfaction

Satisfaction with Transmission: Satisfaction down six points year to year, now 1-in-3 (34%) feel satisfied

Q The following questions are about the company or companies that operate your provincial transmission system – that is, the part of the system that uses large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed.

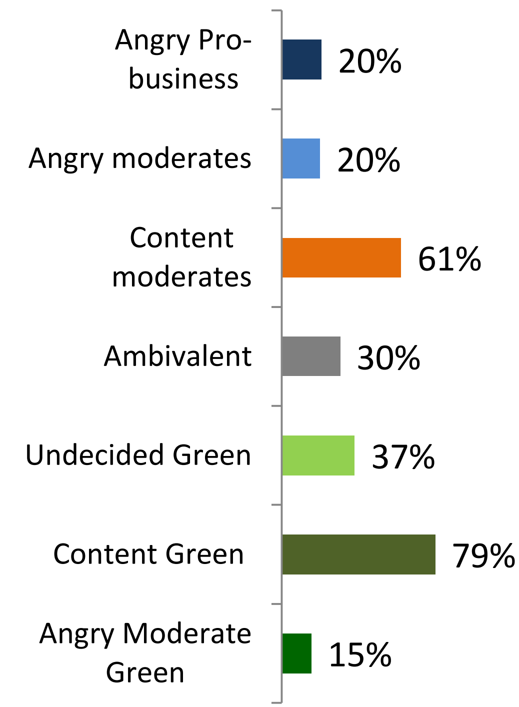
Generally, how satisfied are you with [PROVINCIAL TRANSMISSION COMPANY]? Please use the scale from 0 to 10, where 0 means very dissatisfied and 10 means very satisfied.

[asked of all respondents who have different distribution and transmission companies; 2016; n=1,595]



2016 Segmentation ▸▸
Those who are "satisfied" with their transmission company

Value Clusters



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Note: 'Don't know' not shown

Preamble for Transmission Core Attributes

For most vertically integrated companies – where the customer's distributor is also responsible for transmission – the respondent was shown the following preamble before rating the next two core transmission attributes:

> *"The following questions are about the transmission system, the part of the system that uses large wires to connect the electricity produced at generating stations to transmission substations in the communities where it is needed."*

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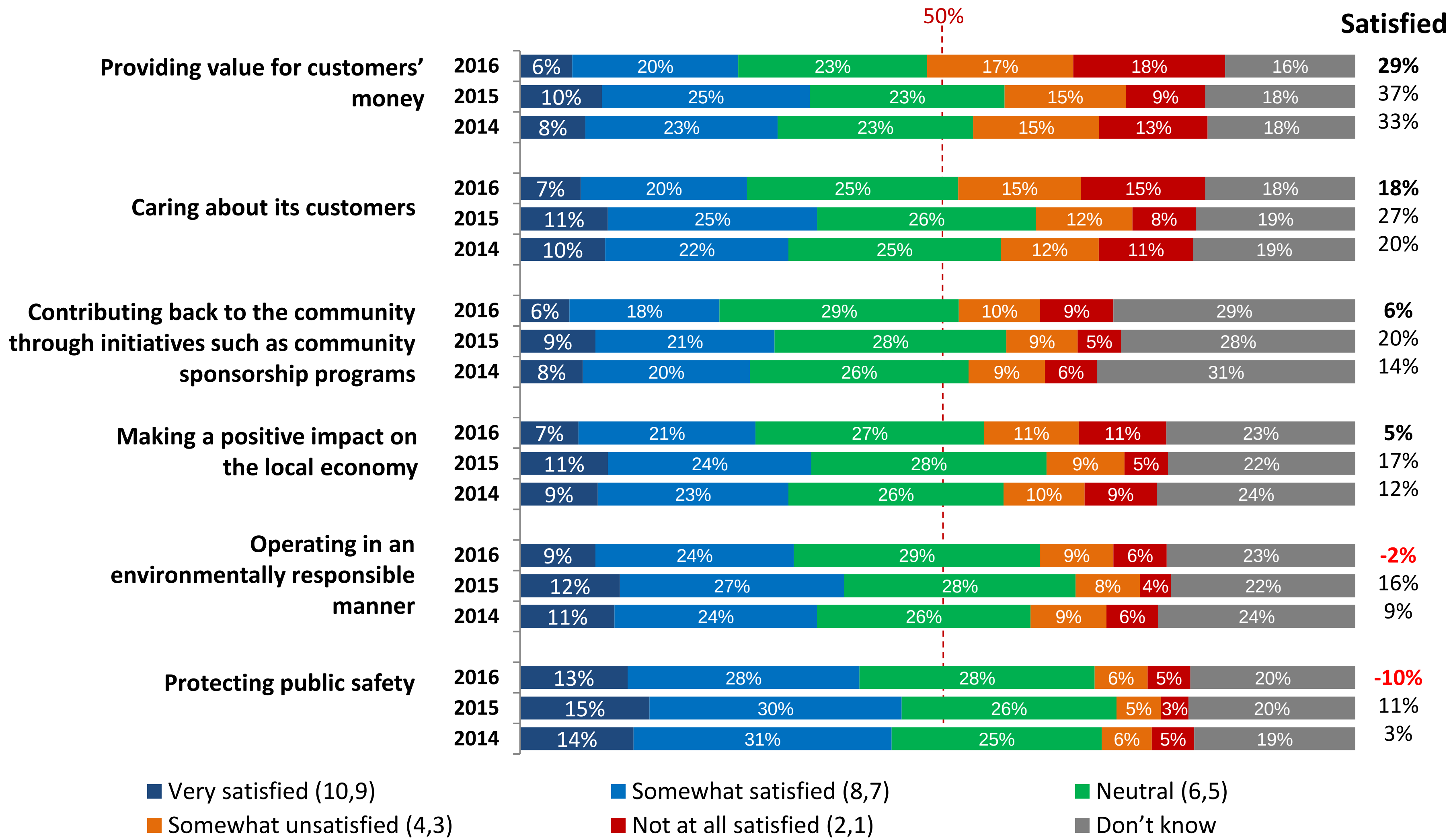
Transmission Core Attributes: All measures show decreases since 2014

Q Again, for each of the following items, please indicate how satisfied you are with the way [PROVINCIAL TRANSMISSION COMPANY] is performing on each of the particular attribute:

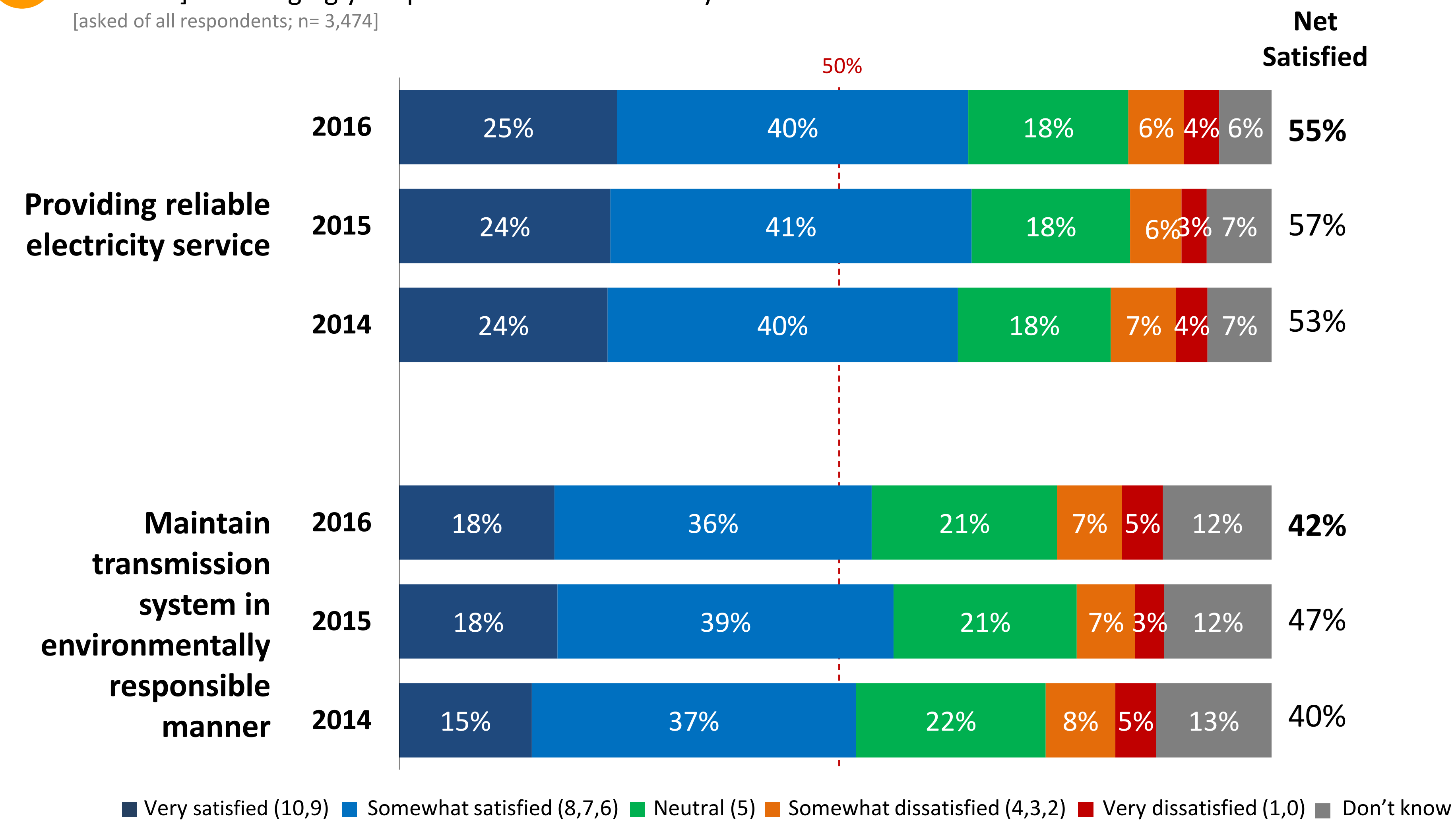
[asked of all respondents who have different distribution and transmission companies; 2016=1,595]



Transmission Specific Attributes: Both measures down year-to-year; nearly two-thirds (64%) satisfied with reliability

Q For each of the following items, please indicate how satisfied you are with the way [PROVINCIAL TRANSMISSION COMPANY] is managing your provincial transmission system:

[asked of all respondents; n= 3,474]



Generation Reputation

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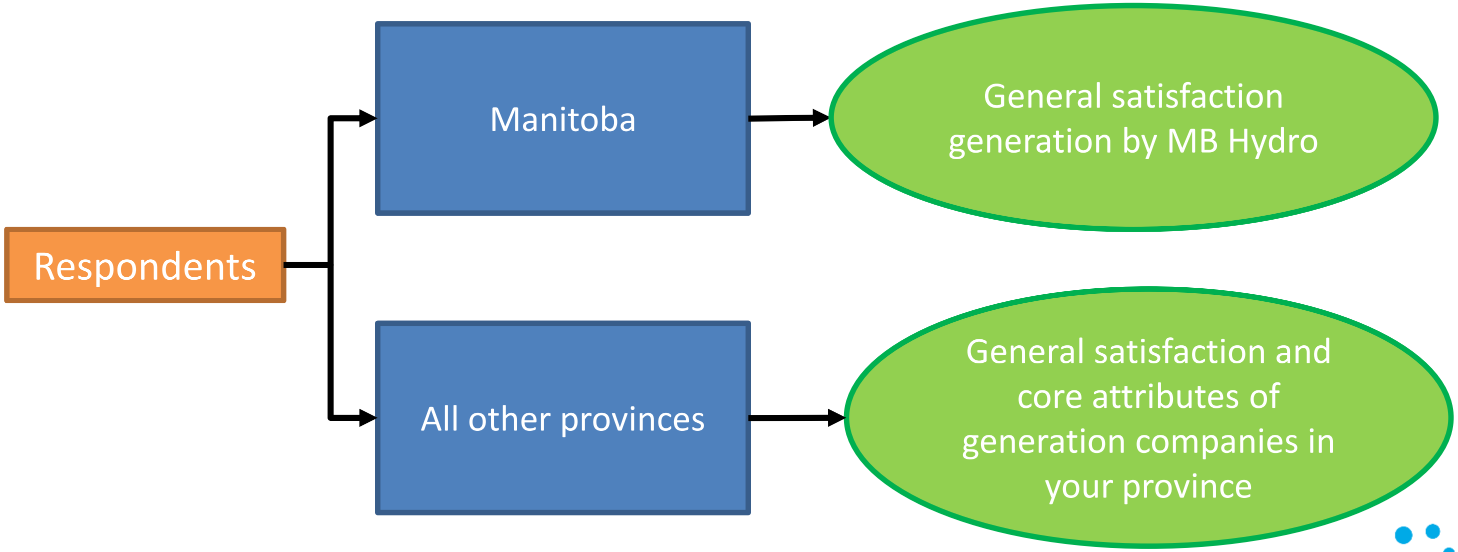
RESEARCH GROUP

Generation: Which respondents were asked what

- The satisfaction and attribute ranking questions asked in this section are related to a respondent's provincial generation companies
- In most cases, the market is sufficiently fragmented that respondents are simply asked about generation companies in their province in general
- In Manitoba, the general satisfaction question asks specifically about Manitoba Hydro with a preamble that we are asking about generation, and the attribute questions are skipped



Summary: Reputation of Generation Companies

All respondents were asked to rate the companies that generate electricity in their province.

A majority (53%, down three points) are still satisfied with the companies that generate electricity in their province.

Over half of respondents are satisfied that power generators are:

- Providing reliable electricity service (63% satisfied, down two points);
- Protecting public safety (55%, down one point);
- And ensuring there will be enough electricity available to meet future demand (51%, down three points)

Areas of relative perceived weakness are:

- Providing value for money (39%, down four points);
- Finding a good balance between cost and environmental impact (40%, down two points);
- Caring about its customers (40%, down three points);
- And contributing back to community (34% satisfied, down three points).

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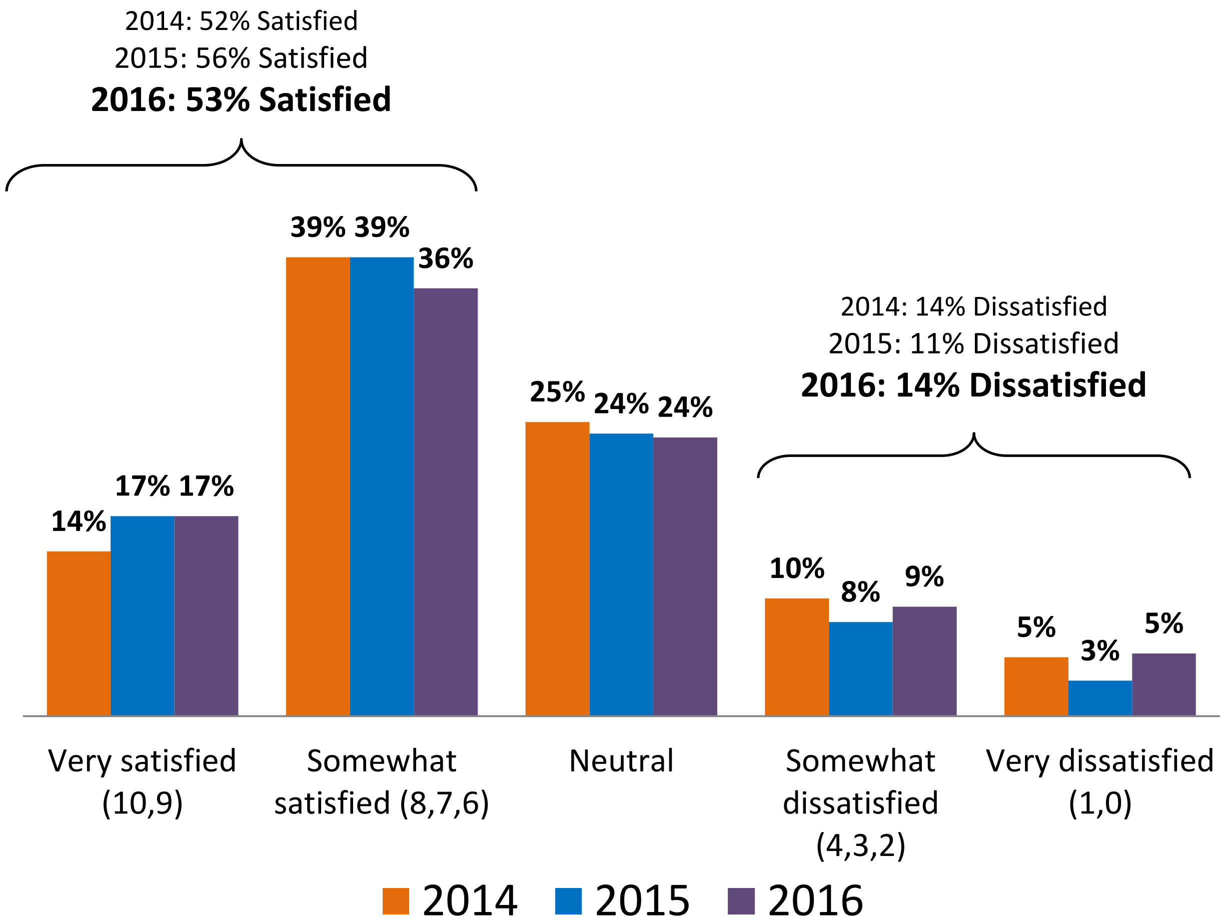
Note: Numbers reported are from the new 0-10 scale for satisfaction

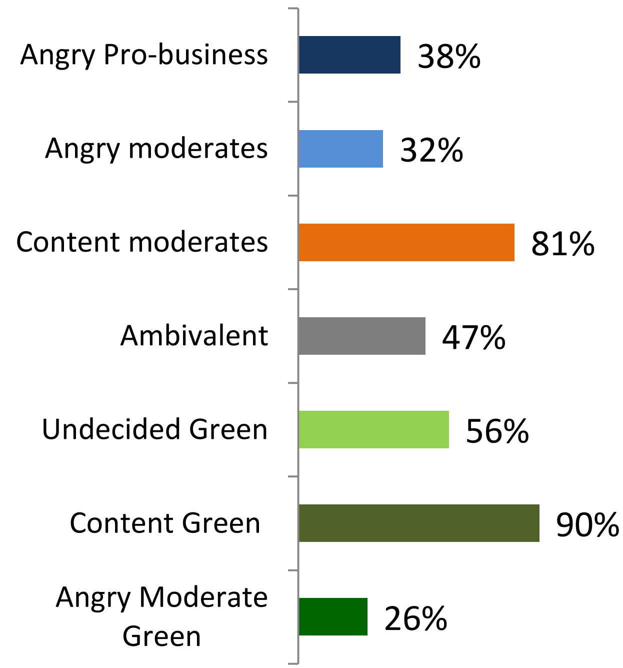
Satisfaction with Power Generation: Over half are satisfied with generation, down slightly year-to-year

Q The following questions are about electricity generation in your province– that is, the power plants and other forms of producing electricity in your province. Generally, how satisfied are you with the companies that generate electricity in your province?
[asked of all respondents; n=3,474]

2016 Segmentation
Those who are "satisfied" with their generation company



Value Clusters



Note: 'Don't know not shown

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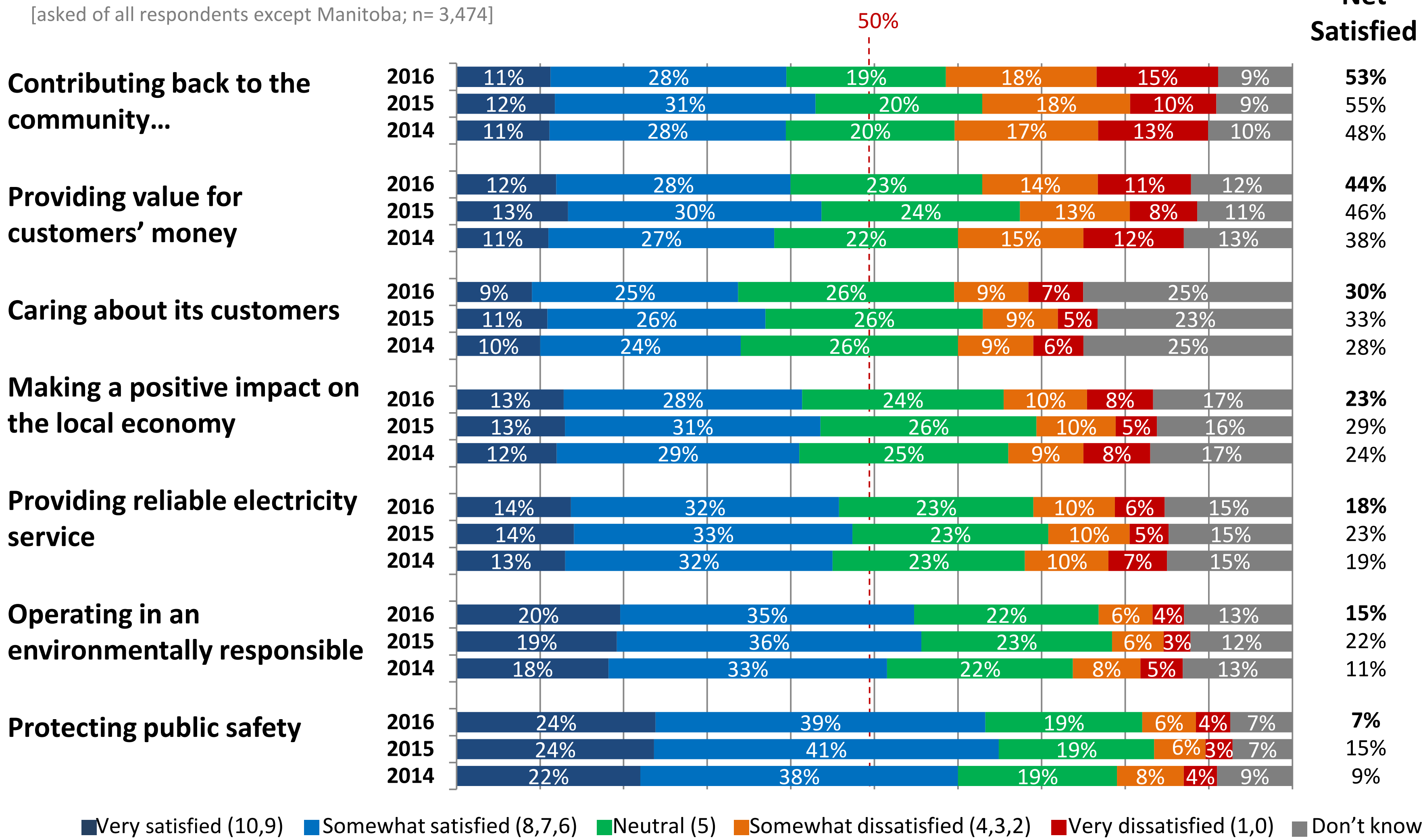
Generation Core Attributes: Most satisfied with reliability, protecting safety, responsibility towards environment

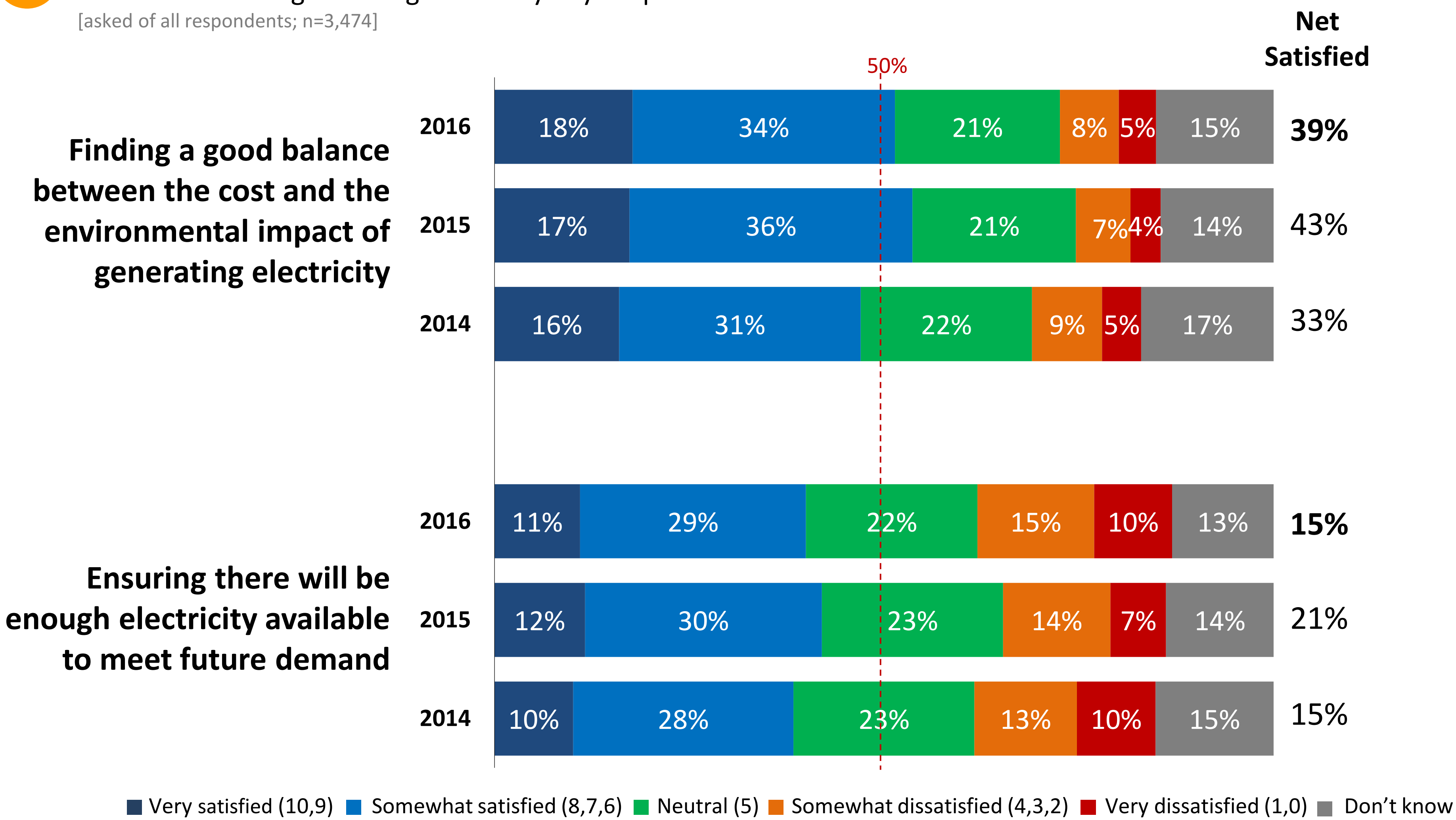
Q For each of the following, please indicate how satisfied you are with the companies that generate electricity in your province.

[asked of all respondents except Manitoba; n= 3,474]



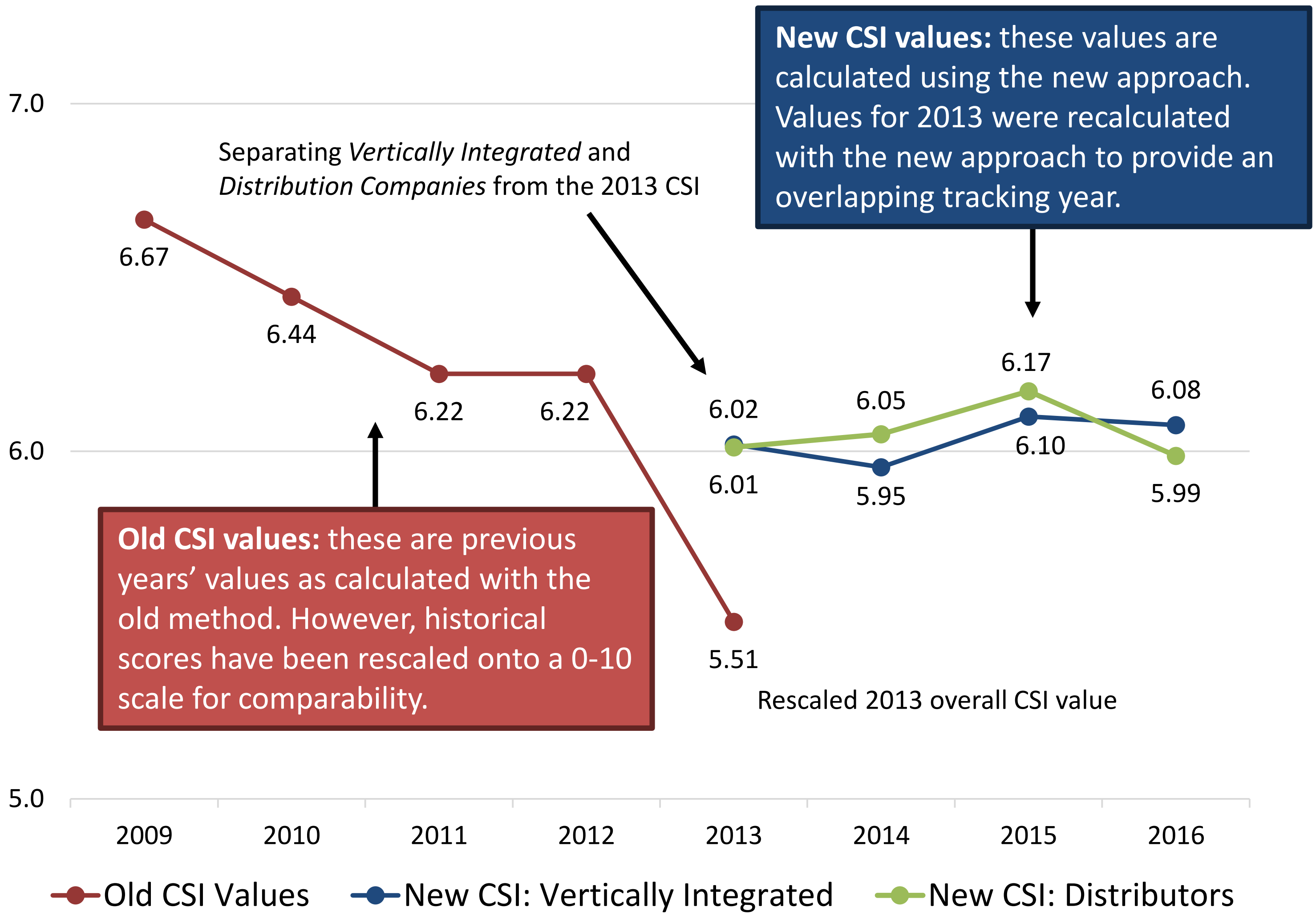
Generation Specific Attributes: Majority are satisfied with generation companies' plans for future demand

Q For each of the following, please indicate how satisfied you are with the way [PROVINCIAL GENERATION COMPANY] when it comes to generating electricity in your province.
[asked of all respondents; n=3,474]



Key Benchmarks

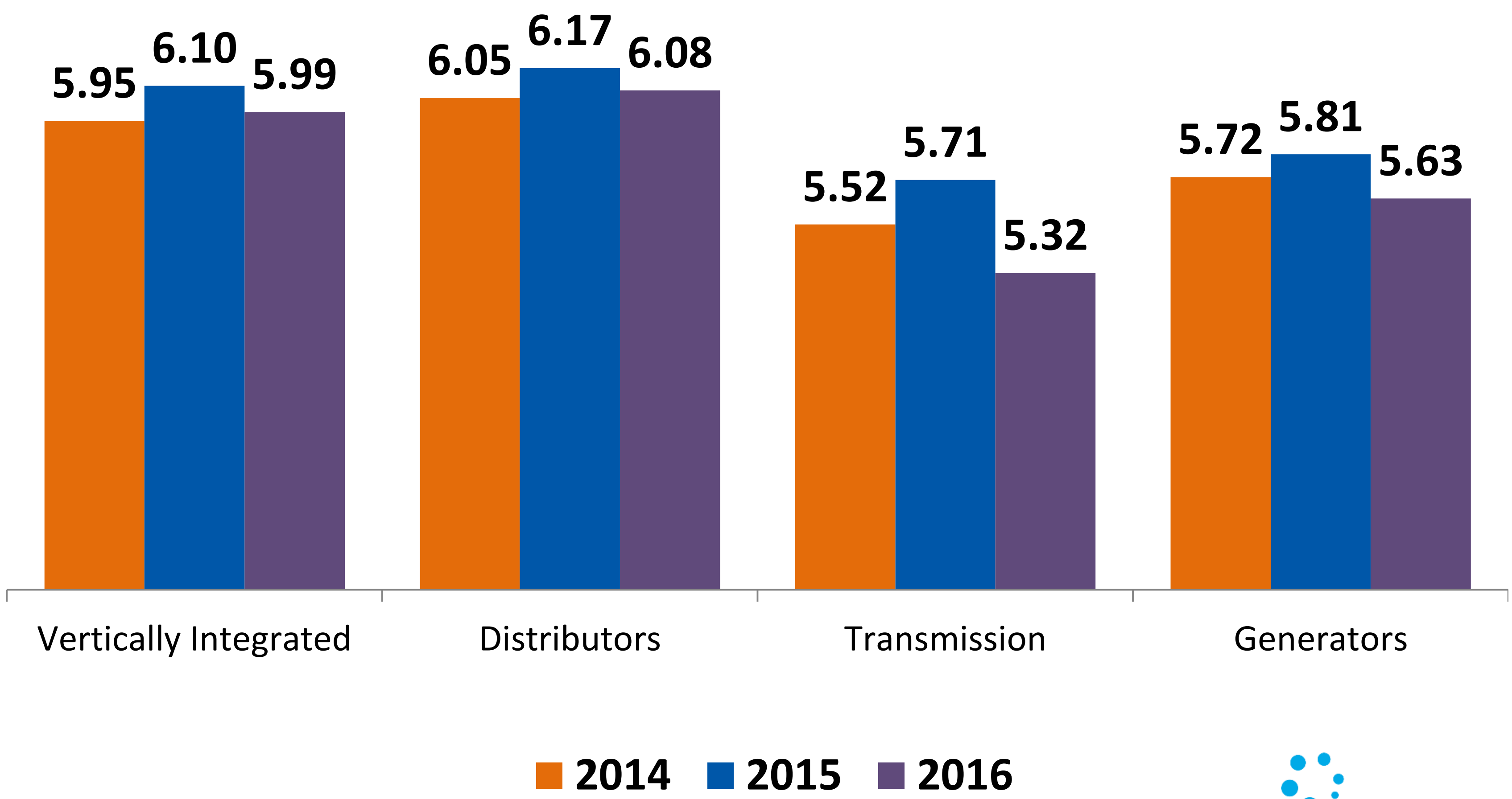
Tracking CSI Score 2009-2016:
Old CSI vs. New Vertically Integrated CSI vs. New Distributor CSI



Note: previously the CSI had been calculated on a 1-10 scale; in keeping with the move to a 0-10 scale for this year's survey, previous year's CSI scores have been rescaled 0-10. For example the 2013 score of 5.51 on a 0-10 scaled that is reported here corresponds to last year's reported score of 5.9 on a 1-10 scale.

CSI Comparison: CSI has improved since 2014 in every type of company, Transmission followed by VI increased the most

How each sector compares on the **New 0-10 CSI** scale:



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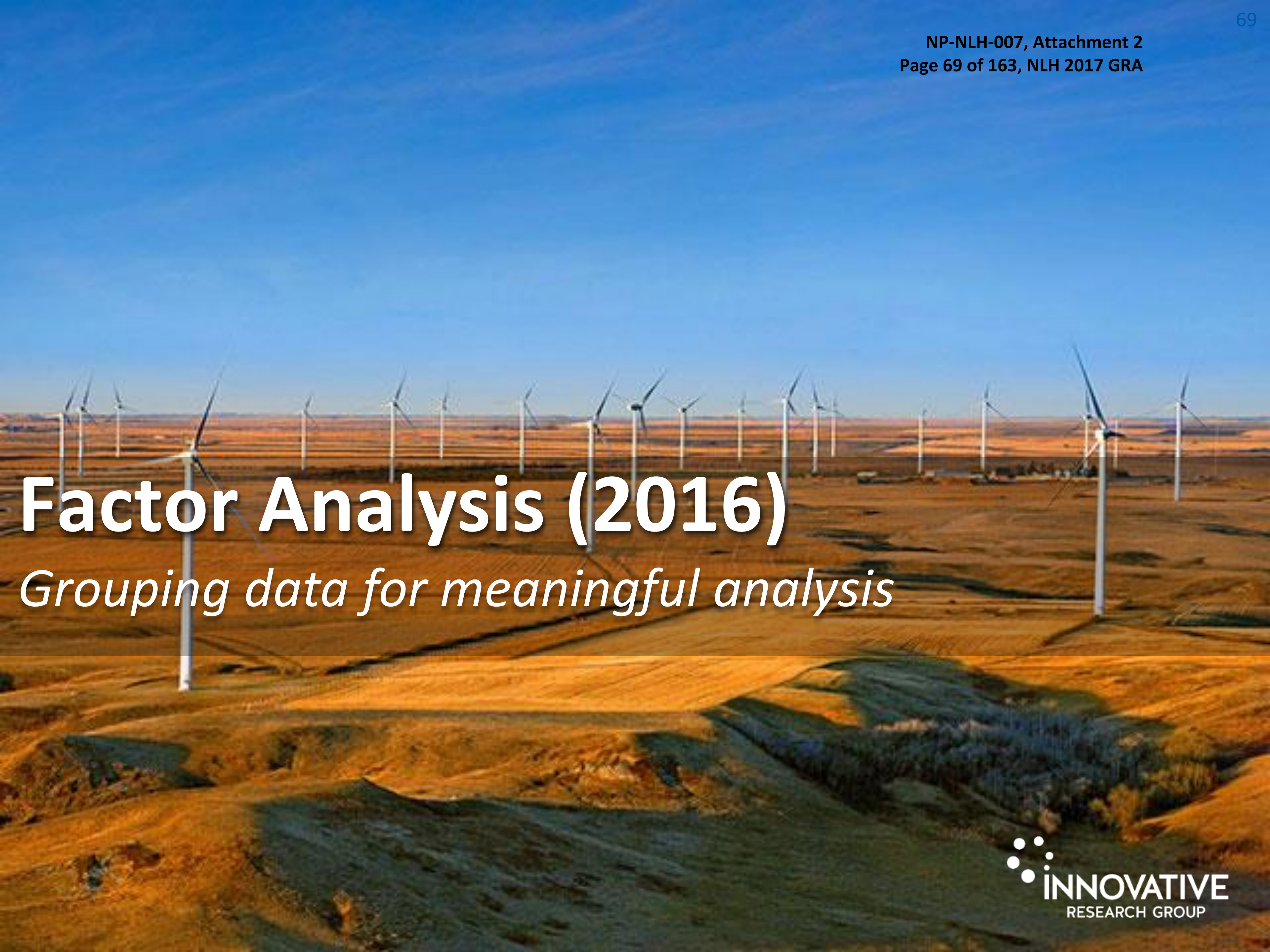

Factor Analysis (2016)

Grouping data for meaningful analysis

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Using Factor Analysis

What is Factor Analysis?

Factor analysis allows us to find which attributes mean similar things to the public. The use of factor analysis allows us to determine which attributes should be grouped together in order to conduct meaningful analysis.

Using Factor Analysis ▶▶

- We tested **between 8 and 18 brand attributes** for each type of electricity company in the analysis (vertically integrated, distribution, transmission, generation).
- While each of these attributes seems distinct in important ways to people who are close to the industry, many of these items seem similar to members of the general public.
- We found that **between 5 and 12 underlying *factors*** explain most of the variance in the larger set of attributes.
- Three of these factors are common to all four types of electricity companies.
- Vertically integrated companies and distributors share the basic structure underlying their attributes (*although a key difference between the two is the inclusion of transmission attributes for vertically integrated companies*).

Factors Common to Each Type of Company

Two factors were common to each factor analysis that we ran. These are the dimensions of an electricity company's brand that are common no matter what the type of company. Others were common across certain types of companies but not all four kinds.

	Vertically Integrated	Distribution	Transmission	Generation
Focus on customers	Every factor solution contained combined **caring about customers** and **providing value for money** into a core "Focus on customers" factor. In some cases community or environmental variables also load onto this factor.			
Reliability	Every factor solution contained a factor that centered around providing reliable power			
Public good	For integrated companies, distributors and transmission companies environment and safety combined into a "public good" factor			
Billing	For integrated companies & distributors both billing attributes combined into one factor			

Unlike previous years, customer service did not factor in the same way for both integrated companies and distributors. For distributors overall customer service combined with first contact resolution in a customer service factor, but for integrated companies first contact resolution combined with communication about outages, suggesting a common dimension of responsiveness.

Vertically Integrated: *Full Breakdown of Factors*

Factors:

	Focus on customers	Reliability	Proactive Communications	Public Good	Billing Practice
Cares about customers	X				
Value for money	X				
Reliable power, minimal outages		X			
Maintaining transmission system responsibly		X			
Reliable transmission service		X			
Letting you know when power will be restored			X		
Resolving problems the first time			X		
Public safety				X	
Environmental operation				X	
Community contribution				X	
Bills easy to read and understand					X
Accuracy of bills					X

Standalone:

	Future Supply	Speed of restoration	Efficiency	Local economic impact	Comm-unication	Customer Service
Ensuring future supply	X					
Speed of restoration after outage		X				
Encouraging efficient use			X			
Local economic impact				X		
Overall Communication					X	
Quality of Customer Service						X

Local distribution companies: *Full Breakdown of Factors*

Factors:

	Focus on customers/ community	Reliability (outages)	Customer Service	Public good	Billing Practice
Cares about customers	X				
Value for money	X				
Local economic impact	X				
Community contribution	X				
Reliable power, minimal outages		X			
Speed of restoration after outage		X			
Quality of customer service			X		
Resolving problems the first time			X		
Public safety				X	
Environmental operation				X	
Bills easy to read and understand					X
Accuracy of bills					X

Standalone Attributes:

	Future Supply	Efficiency	Communication	Outage communication
Ensuring future supply	X			
Encouraging efficient use		X		
Overall Communication			X	
Letting you know when power will be restored				X

Transmission: *Full Breakdown of Factors*

	Focus on customers/ community	Reliability	Public Good
Cares about customers	X		
Value for money	X		
Local economic impact	X		
Community contribution	X		
Reliable service		X	
Maintaining transmission system responsibly		X	
Environmental operation			X
Public safety			X

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Generation: *Full Breakdown of Factors*

	Focus on customers/ environment	Reliability & Safety	Community Contribution	Local economic impact	Environ-ment
Cares about customers	X				
Value for money	X				
Trade-off: cost and environment	X				
Reliable power, minimal outages		X			
Public safety		X			
Ensuring enough electricity for future		X			
Community contribution			X		
Local economic impact				X	
Environmental operation					X

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Customer Satisfaction Index (CSI)

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Customer Satisfaction Index

The **Customer Satisfaction Index** (CSI) is a number that summarizes consumers' overall satisfaction with the companies in the electricity sector using an analysis of each brand attribute tested.

INNOVATIVE has updated the methodology used to construct the CSI this year. While the basic principle behind its construction is the same, some of the steps are changed. Most importantly, the new survey design allows us to calculate a separate index for vertically integrated companies, distributors, transmission, and generation companies.

For each of these groups the basic steps of calculating the CSI are:

1. A factor analysis finds the true underlying dimensions of consumer satisfaction that explain the pattern of responses on the larger set of brand attributes *(this step is new this year)*
2. We use a Shapley Value regression analysis to determine the relative contribution of each *factor* to overall satisfaction
   - "Shapley Values" are a calculation of how much of the variance in overall satisfaction each individual factor explains, after statistically accounting for the fact that some of the factors are correlated with one another
3. Take an average of the mean score on each of the factors weighted by their Shapley values to determine the overall CSI number *(In past years only the highest ranked attributes were kept. After lowering the total number of factors in the analysis it is reasonable to account for the impact of every attribute.)*

In order to provide context for the score we have applied the new methodology to last year's data in order to create an overlapping comparison year. Previous year's CSI scores have also been rescaled onto the 0-10 scale to allow for more direct comparability between the methodologies.

CSI Methodology Comparison

With this year's new survey, the methodology for calculating the CSI was adjusted. The table below summarizes the differences between the new approach and the old.

Step	New approach (adopted in 2014)	Old approach (prior to 2014)
Group common attributes	Using a factor analysis for each sector	N/A
Determine relative importance	Shapley value regression of factors (and remaining attributes)	Shapley value regression of every item individually
Calculate index	Sum of every factor (and remaining attribute) weighted by their Shapley values	Sum of only the top 5 items weighted by their Shapley values

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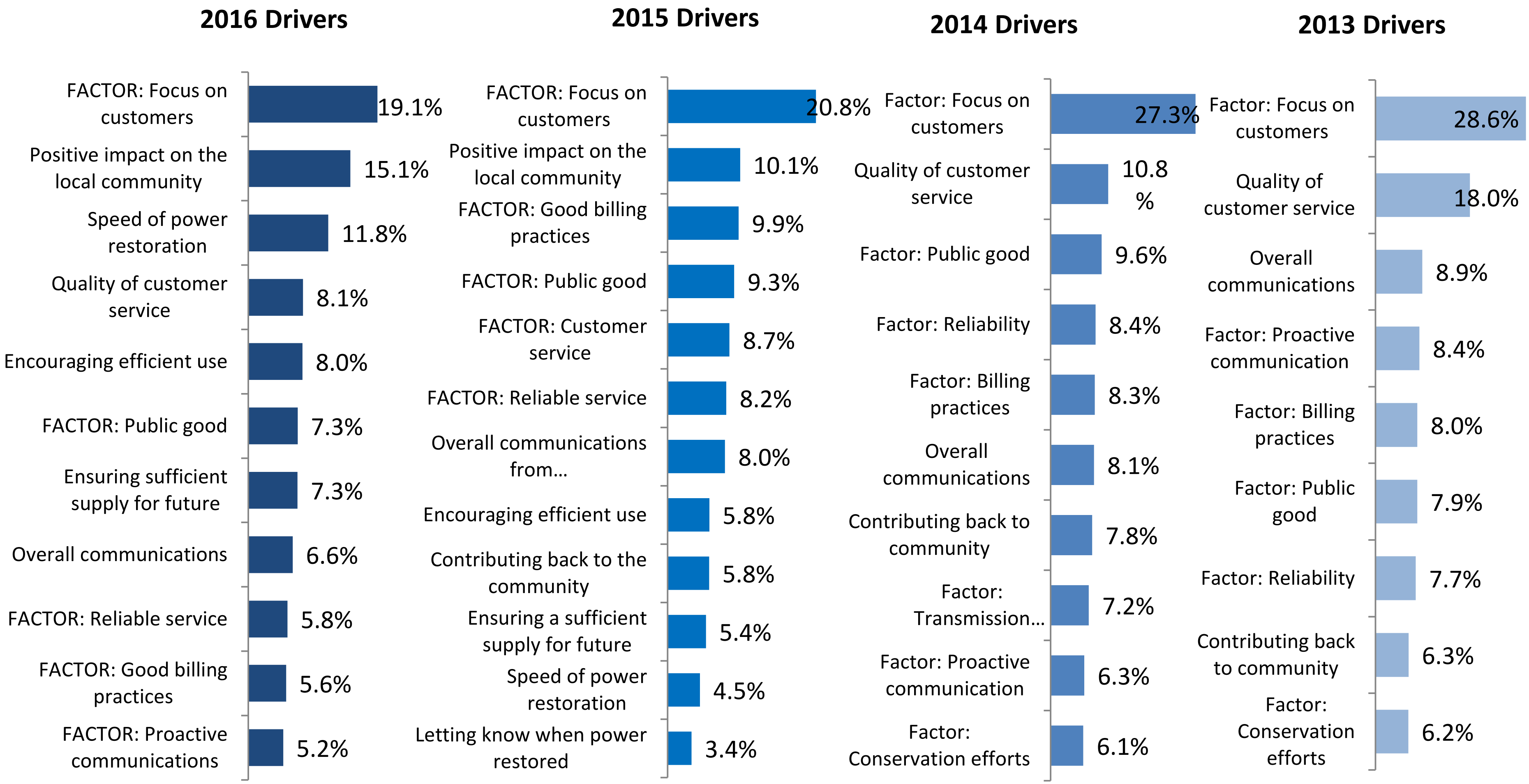
Key Drivers – Vertically Integrated

Relative contribution of each factor to overall satisfaction according to Shapley Value regressions

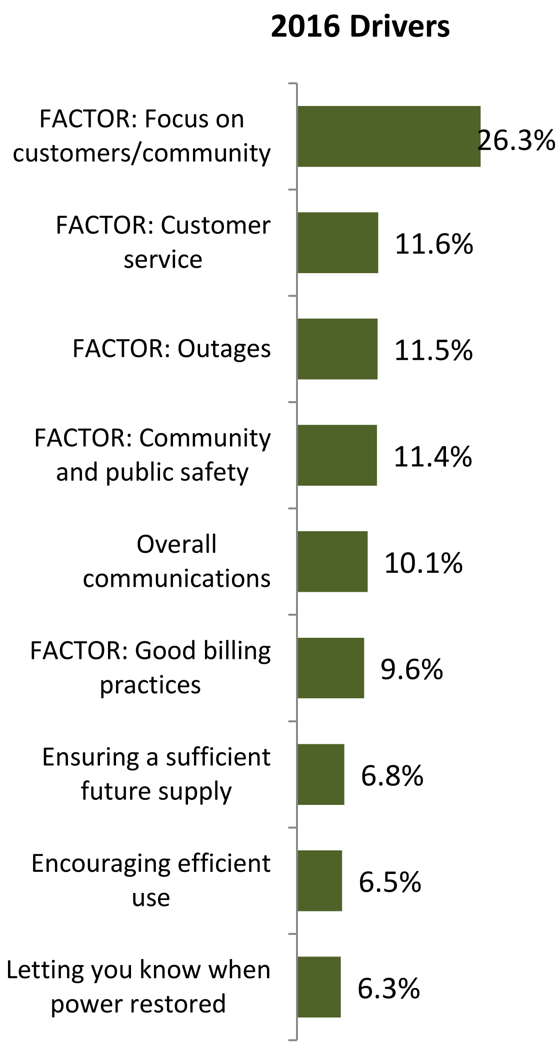


2016 R^2: 54% | **2015 R^2:** 52% | **2014 R^2:** 57% | **2013 R^2:** 51%

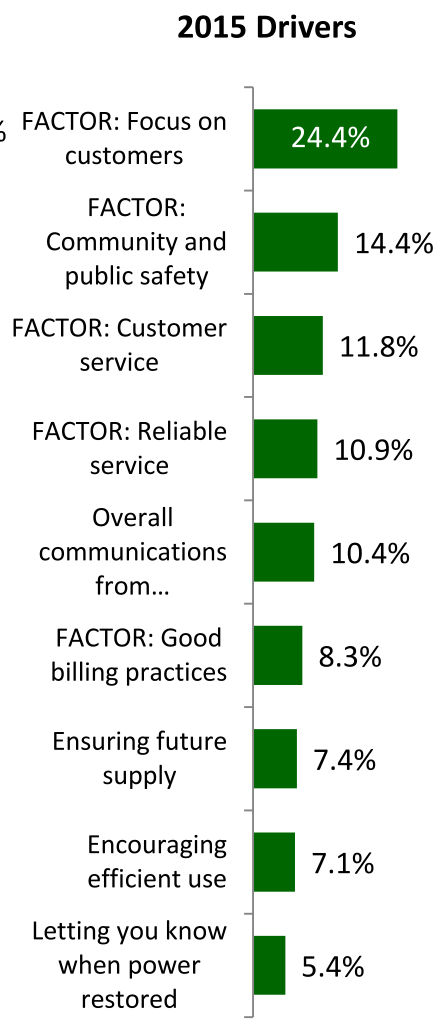
** Transmission specific attributes were not asked in 2013. Calculating the 2014 index with these excluded makes no difference to the overall result.*

Key Drivers – Distributors

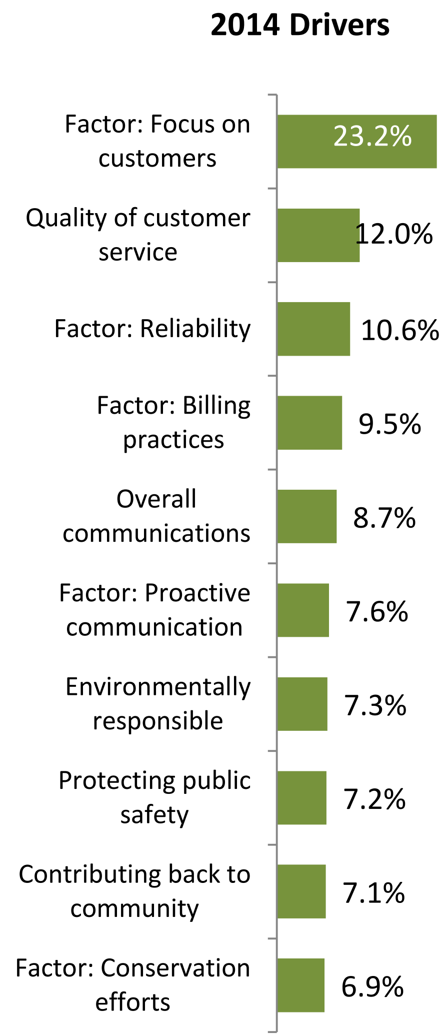
Relative contribution of each factor to overall satisfaction according to Shapley Value regressions



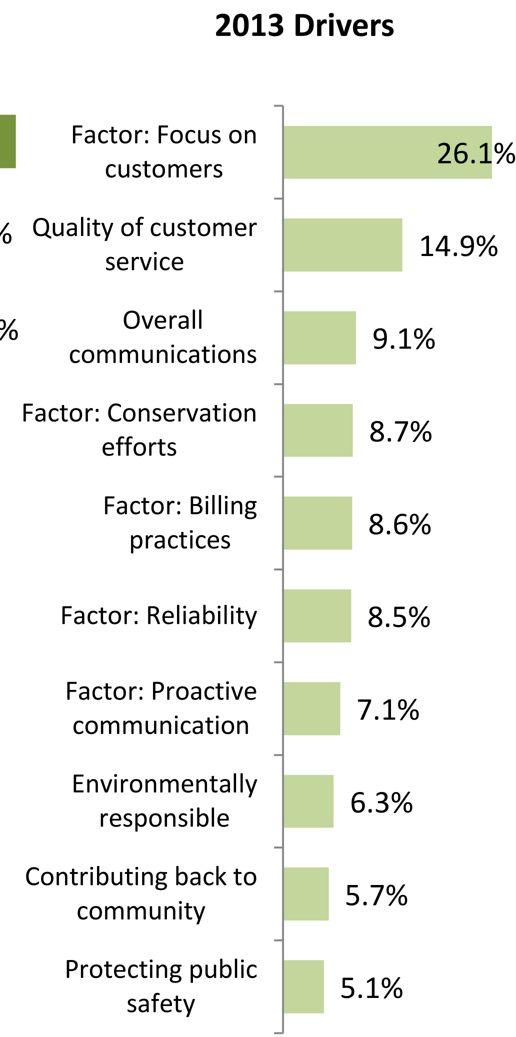
2016 R^2: 51%



2015 R^2: 49%

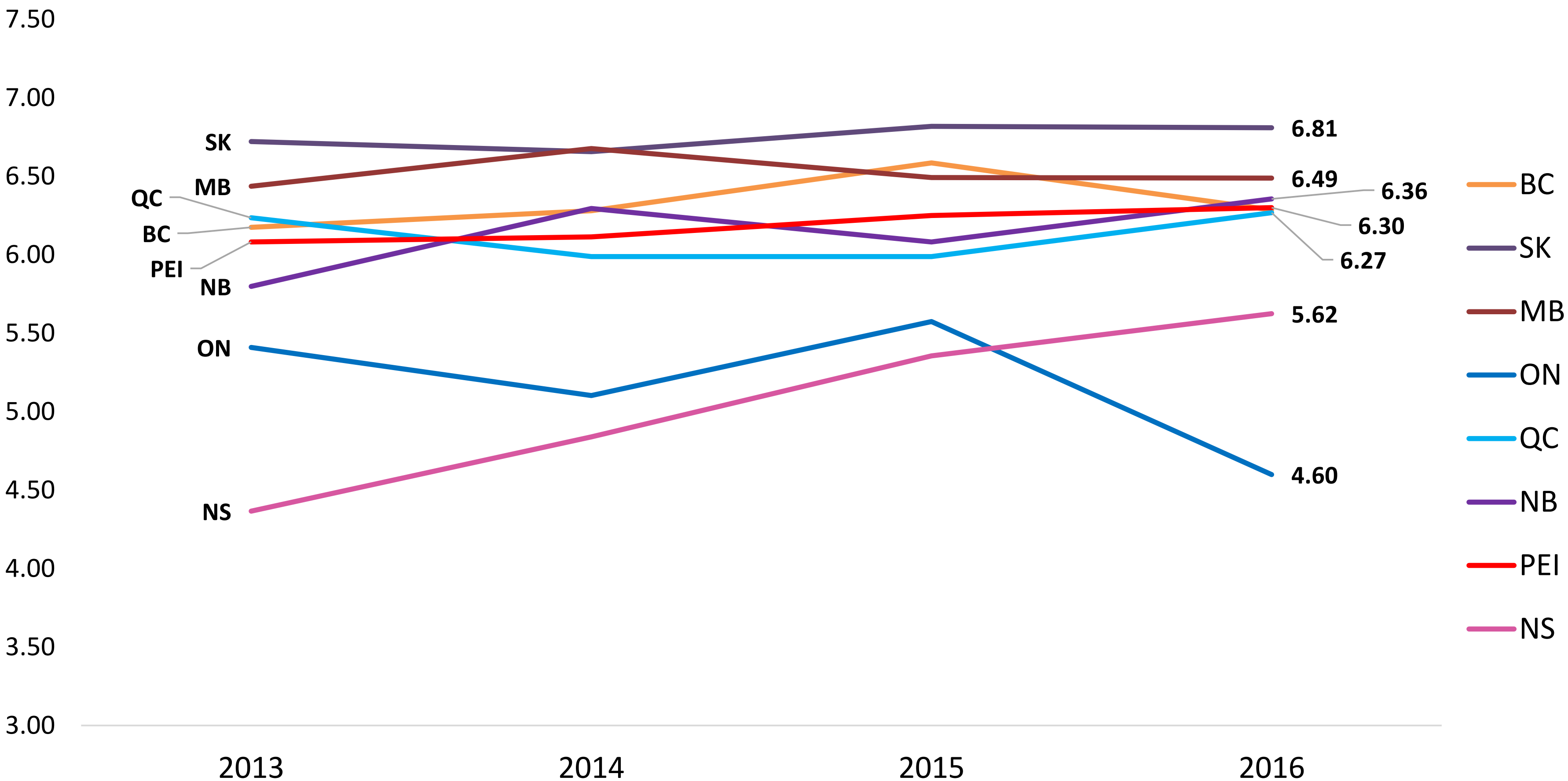


2014 R^2: 53%

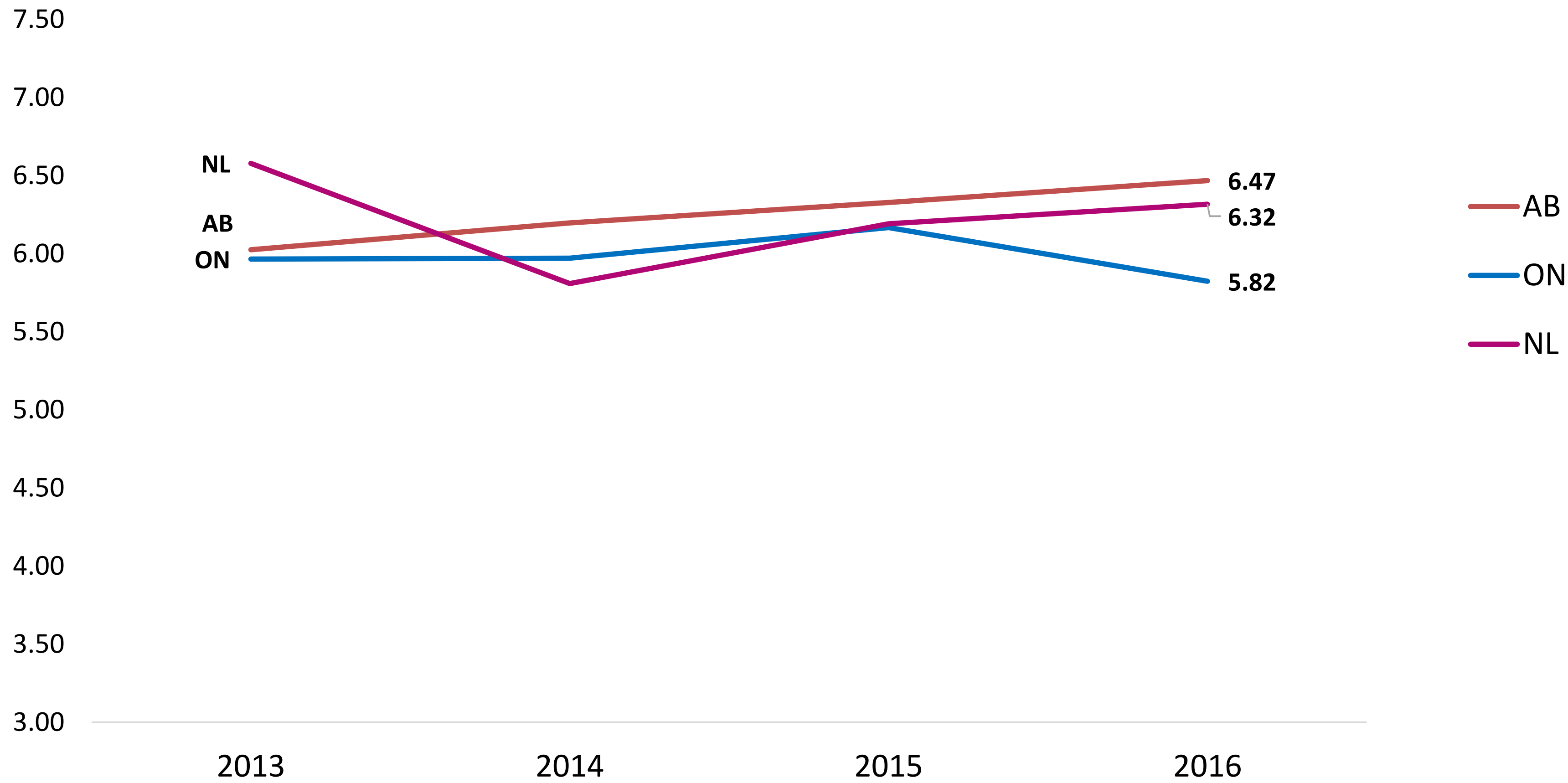


2013 R^2: 47%

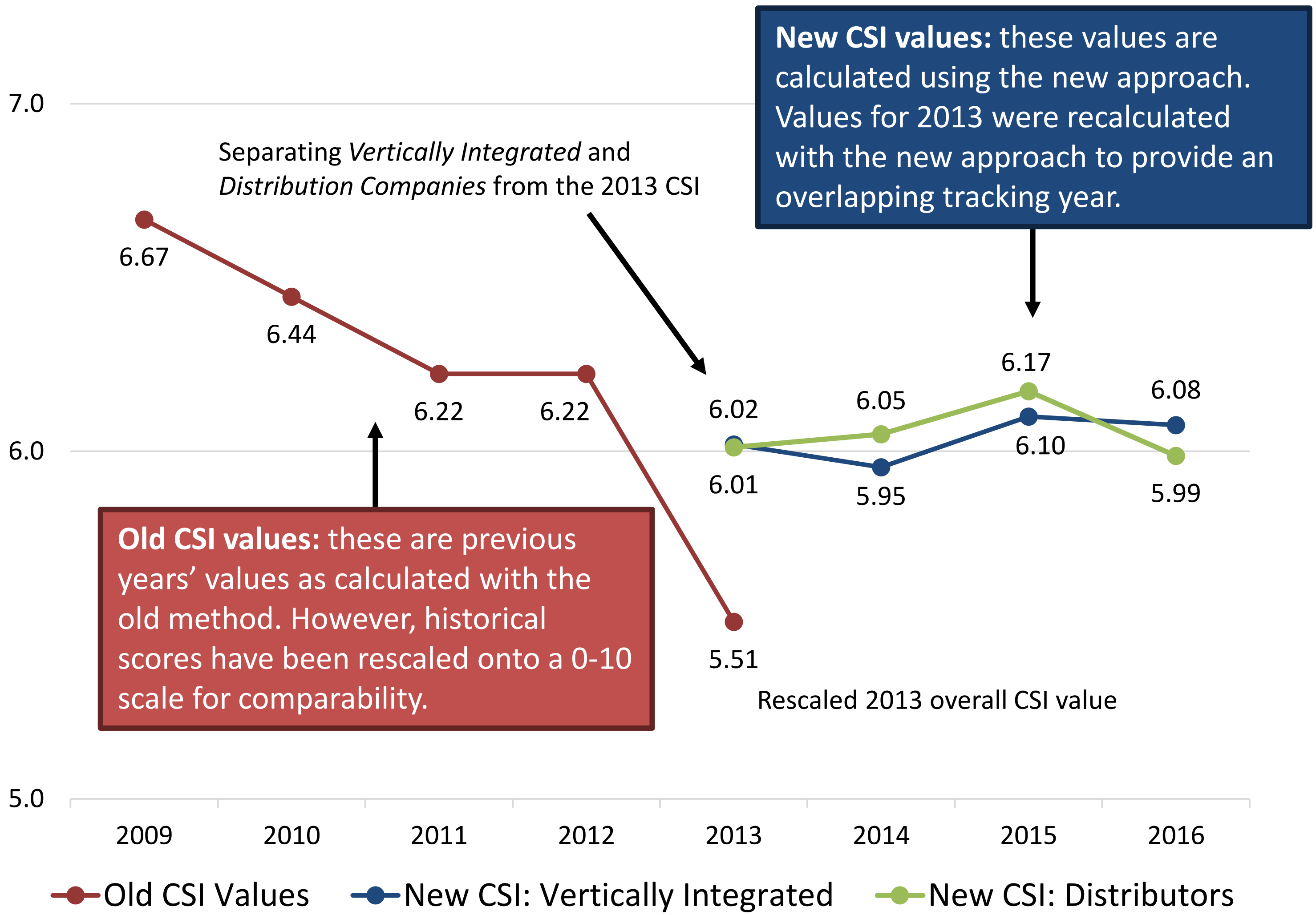
CSI Tracking: Vertically Integrated by Province



CSI Tracking: Distributors by Province



Tracking CSI Score 2009-2016:
Old CSI vs. New Vertically Integrated CSI vs. New Distributor CSI

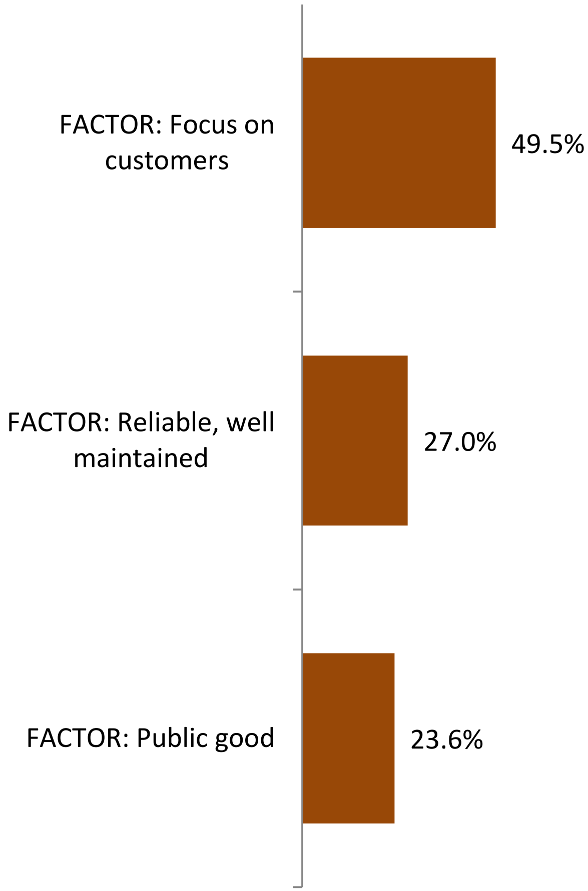


Note: previously the CSI had been calculated on a 1-10 scale; in keeping with the move to a 0-10 scale for this year's survey, previous year's CSI scores have been rescaled 0-10. For example the 2013 score of 5.51 on a 0-10 scaled that is reported here corresponds to last year's reported score of 5.9 on a 1-10 scale.

Key Drivers – Transmission and Generation Companies

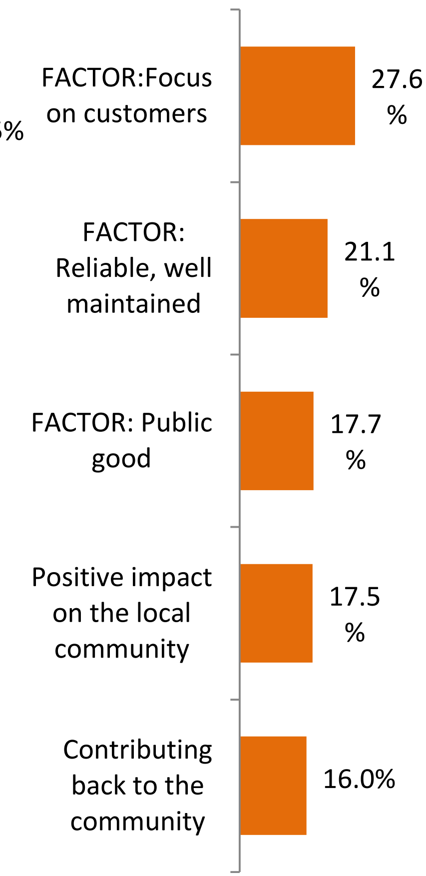
Relative contribution of each factor to overall satisfaction according to Shapley Value regressions

2016 Drivers of satisfaction:
Transmission



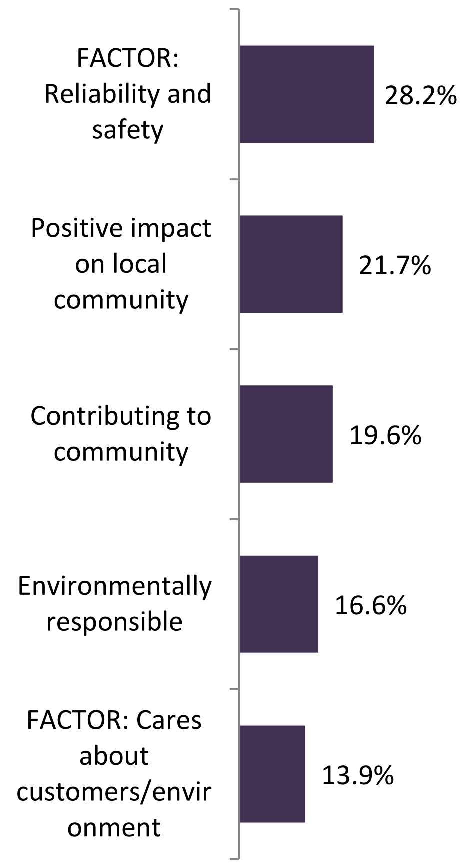
Transmission R^2: 60%

2015 Drivers of satisfaction:
Transmission



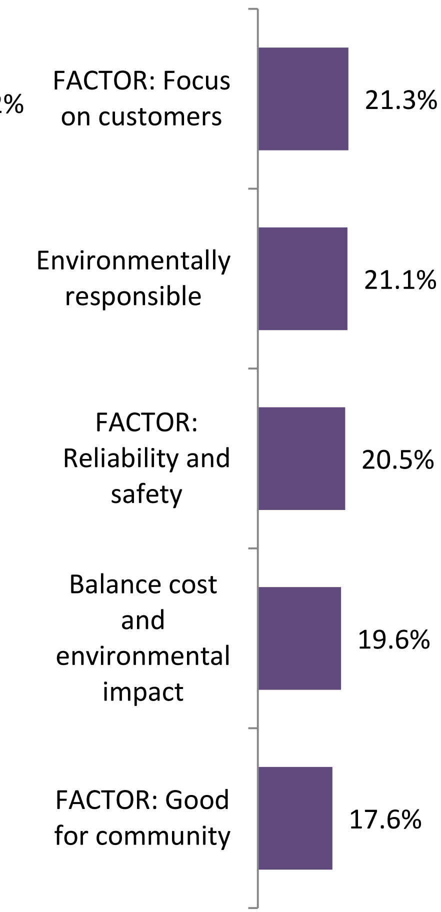
Transmission R^2: 59%

2016 Drivers of satisfaction:
Generation



Generation R^2: 56%

2015 Drivers of satisfaction:
Generation



Generation R^2: 56%

Action Analysis

What does the data tell use about what to do next?

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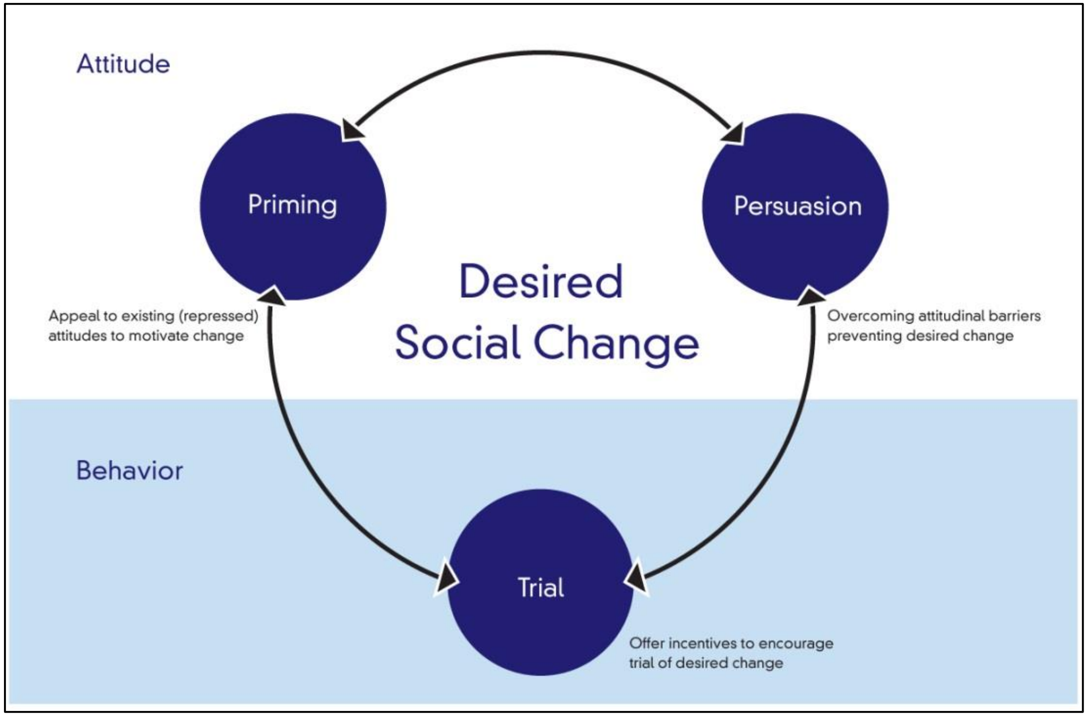
Changing Public Perceptions: Social Marketing

The concept of social marketing is all about getting people to change their behaviour. Getting a flu shot. Taking precautions when investing. Saving for retirement. Using less electricity. Accepting price increases. **Simply stated, but not simply achieved.**

There are three primary options for opinion change:

- **Persuasion** – Teaching people something they didn't know in order to increase their likelihood of doing or believing the desired belief or action.
- **Priming** – Reminding people of something they already know in order to increase their likelihood of doing or believing the desired belief or action.
- **Trial** – Getting people to do the desired behavior so it becomes a habit.

On-going research will provide electricity companies with a framework to assess their target audience to identify the key opinion anchors for priming, the best new information for persuasion, and the most appealing offers for trial.



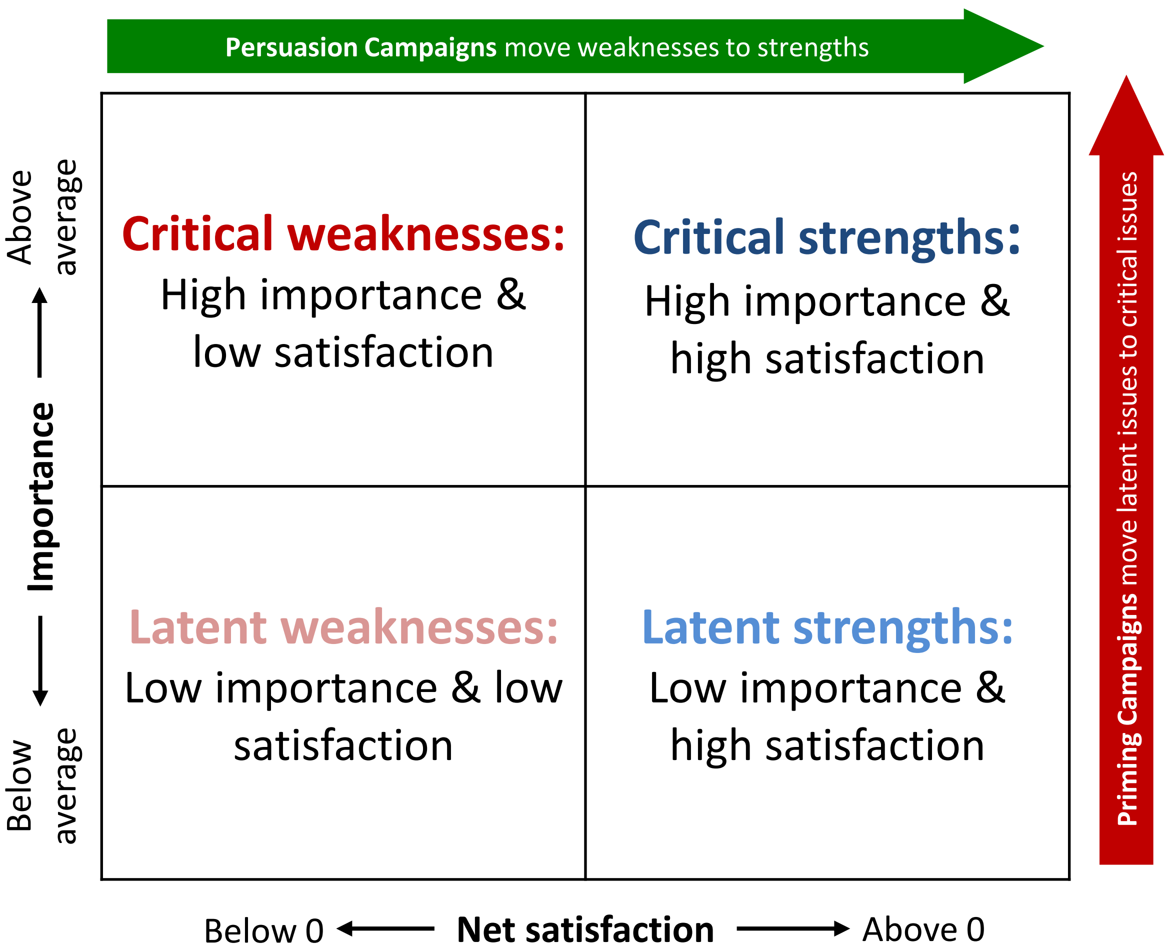
In terms of behaviour, **trial** is best since a change of behaviour is the goal. Trial works best if it is run in parallel with a supportive campaign to change attitudes that conflict with the behaviour.

Persuasion is the next best since persuasion results in permanent behaviour change.

Priming is the often the least effective for long term change since once the campaign is over, the priming effect quickly fades. But if priming is sustained long enough to establish new habits, the change can be permanent.

Comparing importance and satisfaction

Once we understand what factors underlie each brand, we can examine how levels of overall satisfaction on each factor compare to their level of importance. The satisfaction score shown below are net satisfaction while the level of importance is calculated using a *Shapley* value regression as detailed in the previous section.



Improving the importance of an issue is best approached through *Priming*. This means moving it away from being a *latent strength* and towards being a *critical strength*. Priming by raising the salience of an issue in usually executed through advertising and the media, but only lasts as long as the issues remains in the public eye.

Increasing the levels of satisfaction with an issue is *Persuasion*. This means moving an issue from a weakness to a strength. Once people are persuaded that an organization is doing well on a particular attribute that opinion is likely to stick. However, persuasion campaigns are often long fought and expensive.

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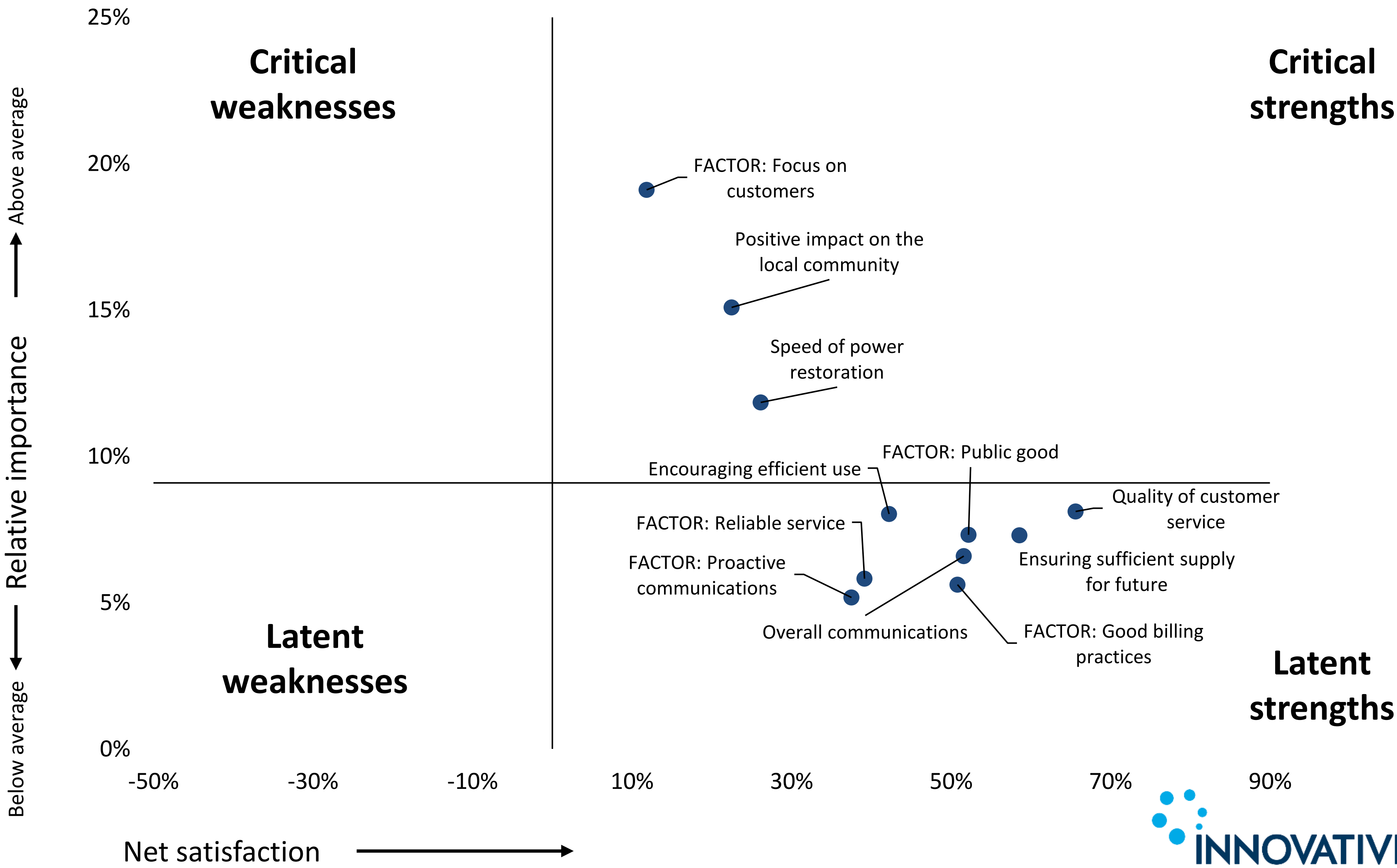
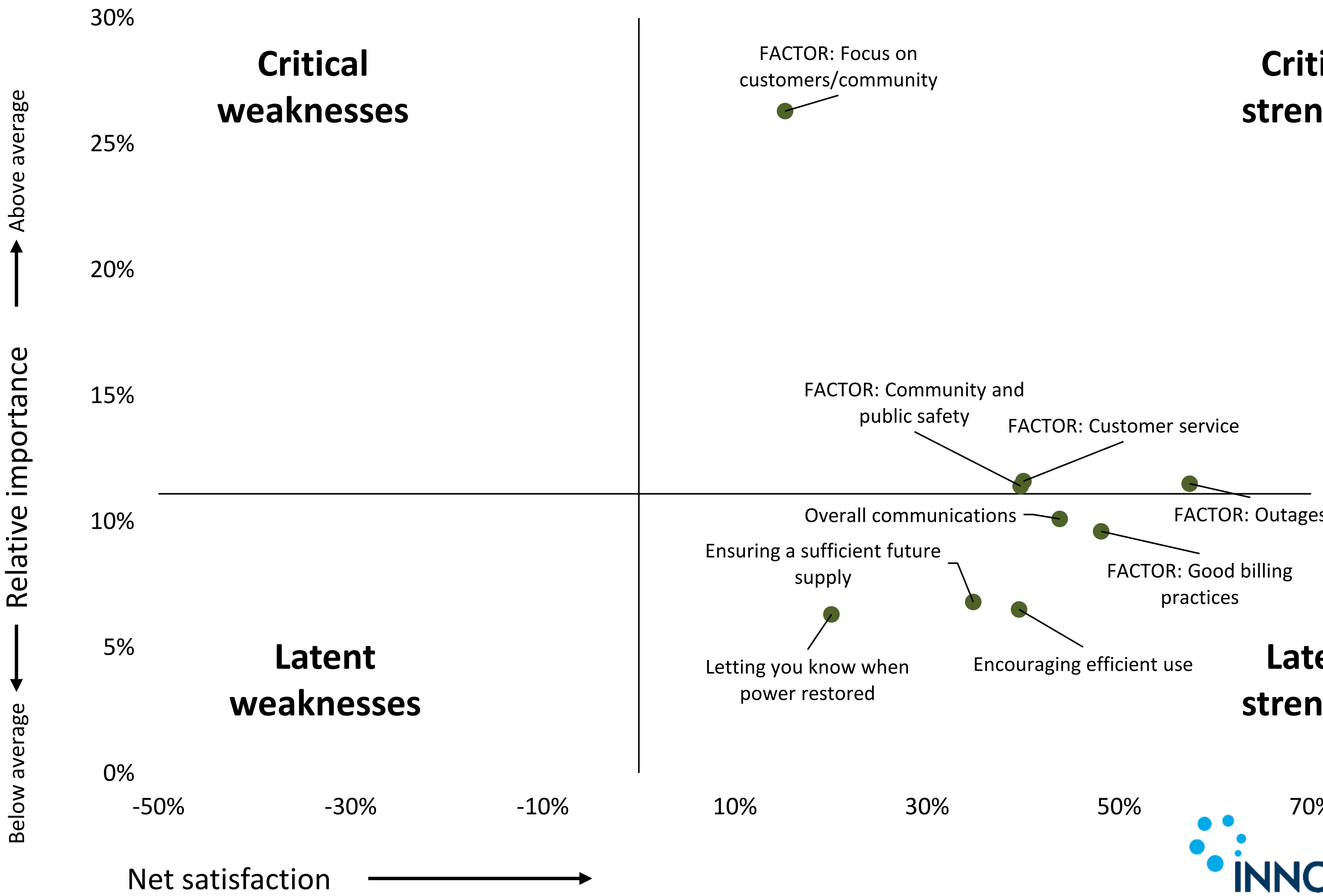
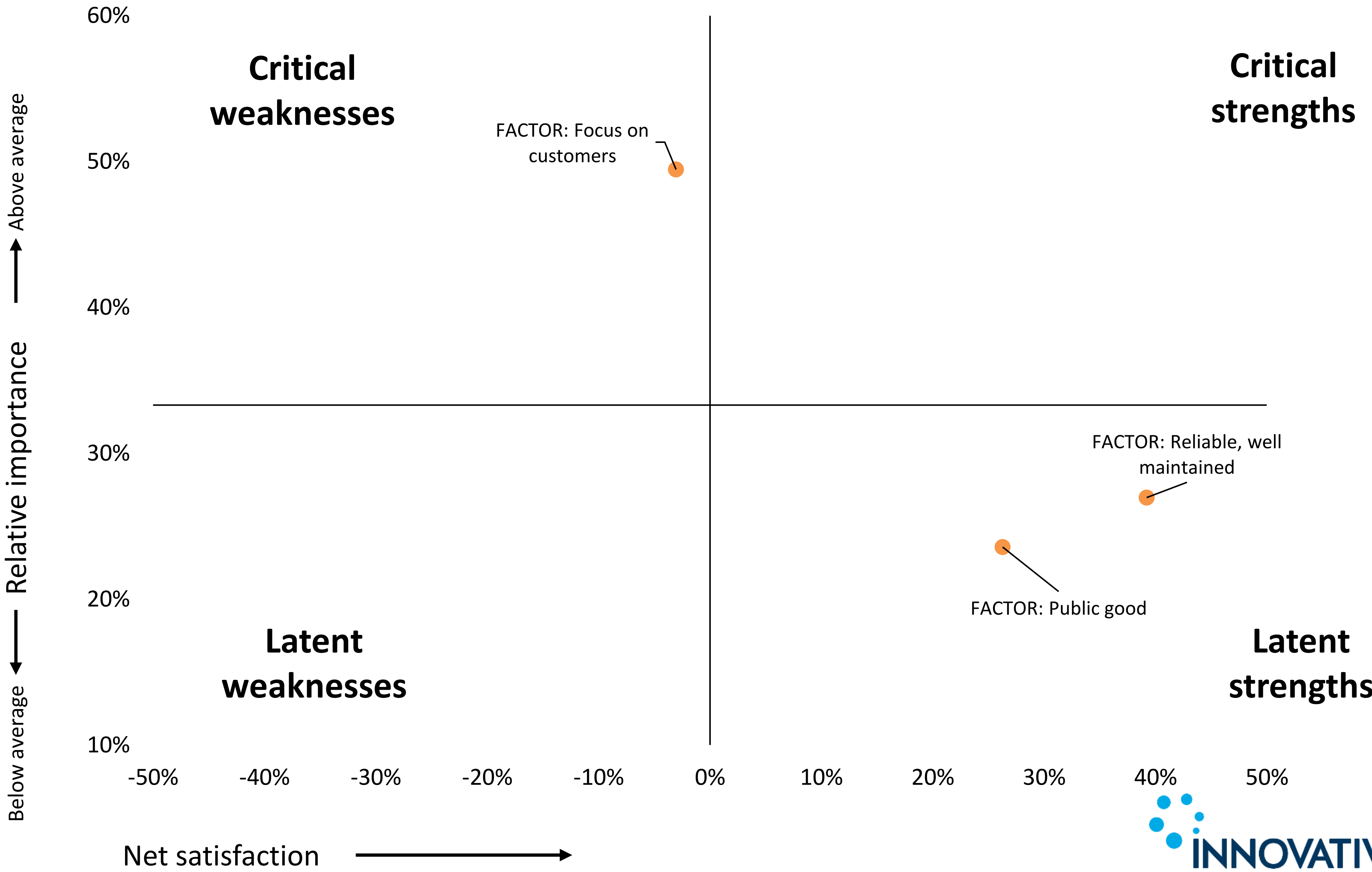
Vertically Integrated: *Importance vs. Satisfaction*



Distribution: *Importance vs. Satisfaction*



Transmission: *Importance vs. Satisfaction*



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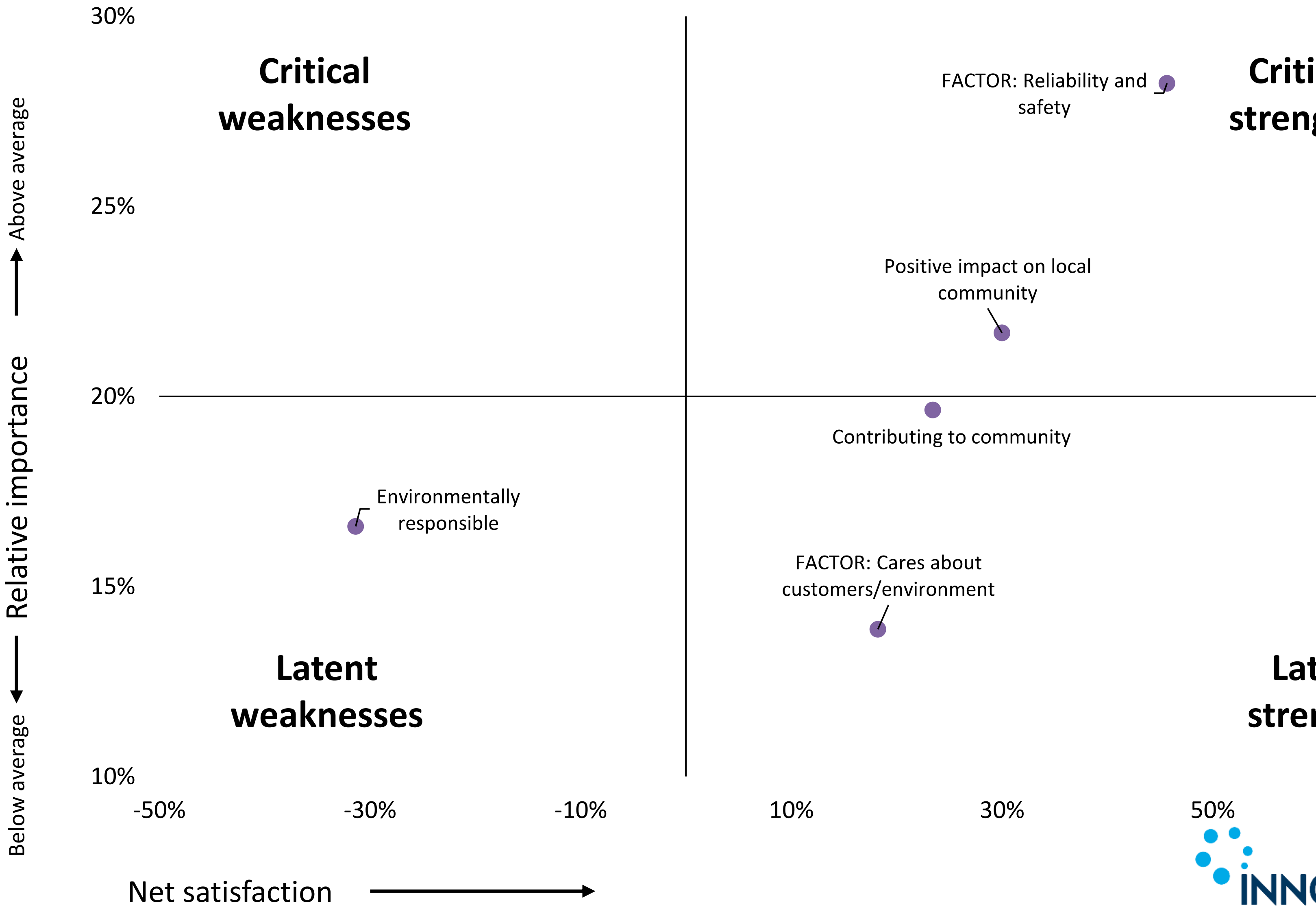
Generation: *Importance vs. Satisfaction*



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Reliability of Electrical Service

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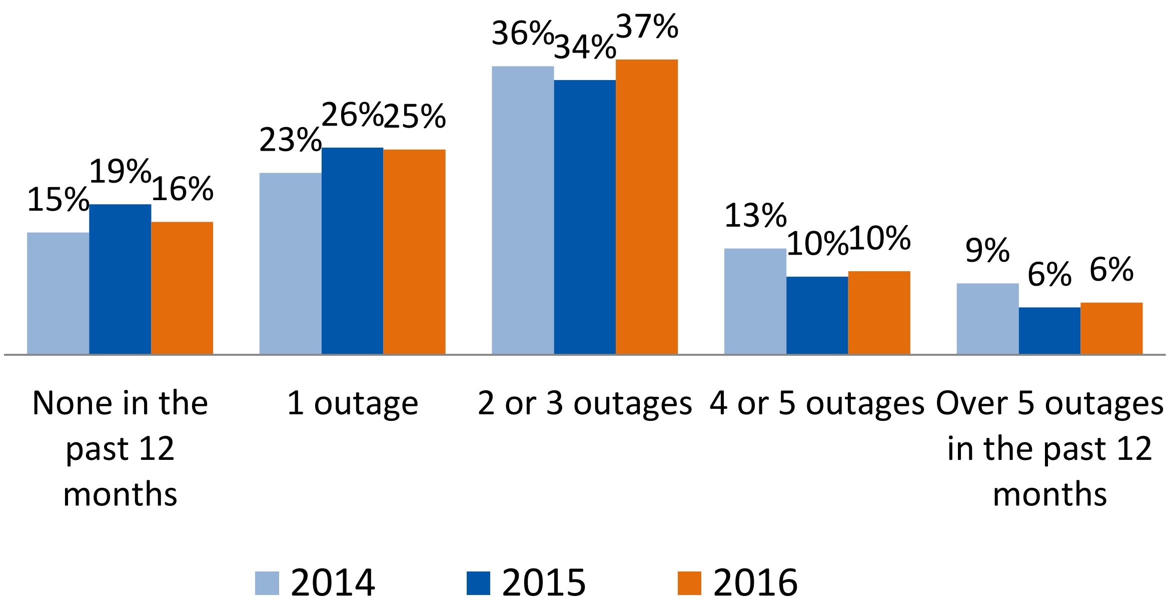
Power Outages: over half have experienced two or more outages in the past year, up four points year-to-year

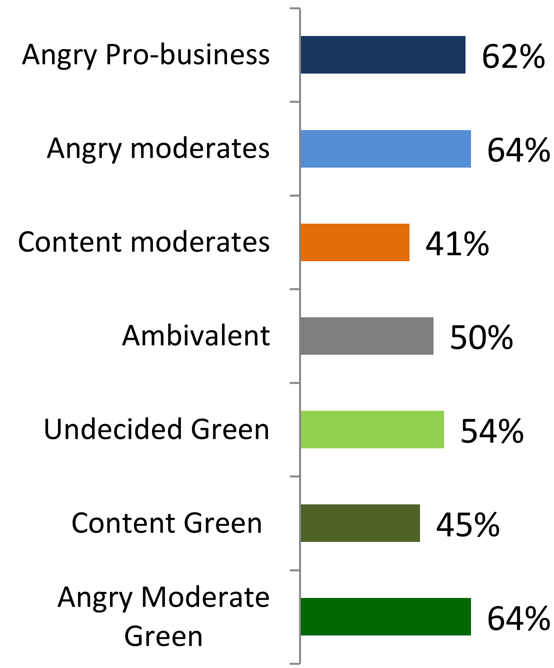
Q Thinking back over the past 12 months, how many power outages did you recall experiencing at home?
[asked of all respondents; n=3,474]

Respondents who have experienced 2 or more outages over the past 12 months:
2014: 58%
2015: 50%
2016: 54%



2016 Segmentation ▸▸
Those who say "two or more" outages

Value Clusters



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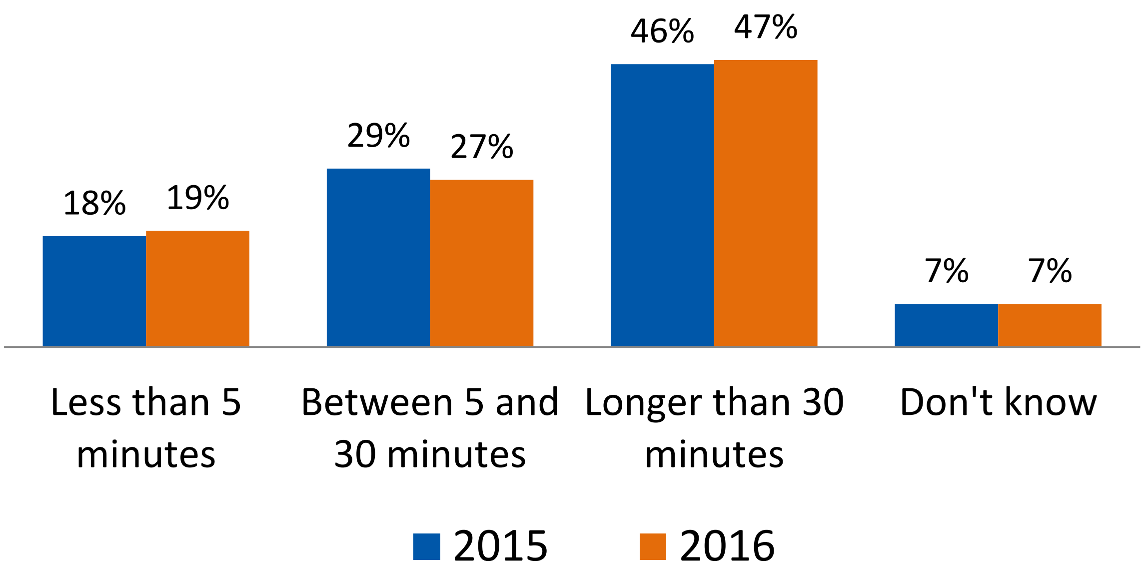
Note: 'Don't know' (5%) not shown

Duration of Power Outages in Year Prior: Almost half of outages lasted more than 30 minutes

Q Thinking back to the most recent power outage that you experienced at home, how long was the power out?

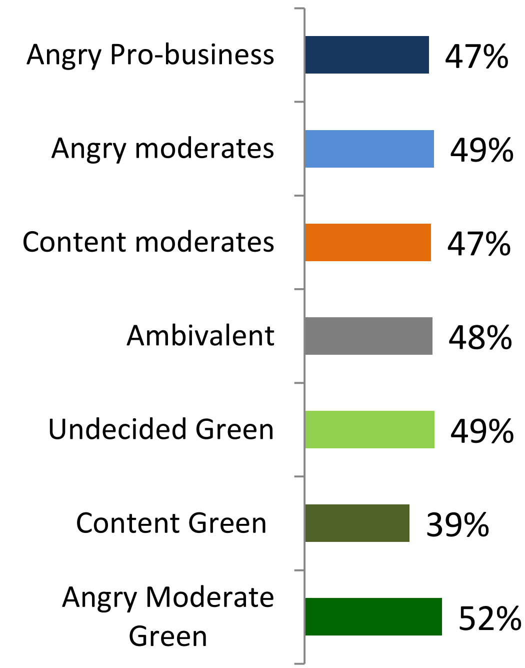
[asked only of those who experienced an outage; n=2,164]



2016 Segmentation

Those who say "longer than 30 minutes"

Value Clusters



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Customer Contact Experience

Bill Related

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Summary:
Customer Contact Experience (Bill related)

- In the past 12 months, 23% (down two points) have contacted their electricity supplier with a question or a concern regarding their bill.
- Four-in-ten (39%) have never made contact.
- Contact by telephone (80%, unchanged) is the most common method with 1-in-10 (10%, unchanged) who would follow-up through the website.
- More than half (58%, up one point) resolved their issue on the first point of contact while 38% had to reach out more than once.
- Seven-in-ten (70%, unchanged) had their question answered or concern resolved to their satisfaction.
- More than half (54%, down seven points) of customers found it easy to have their problem resolved (24% Very easy; 30% Somewhat easy).

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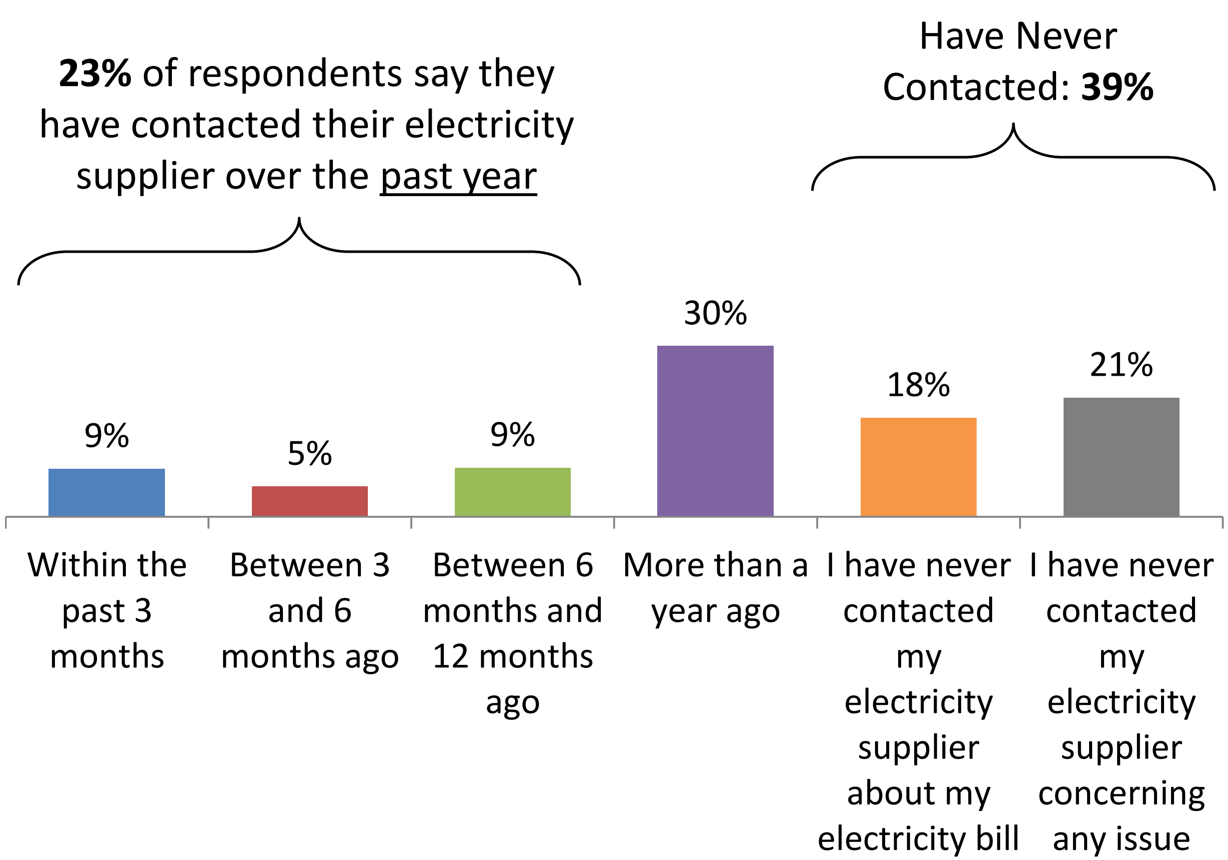
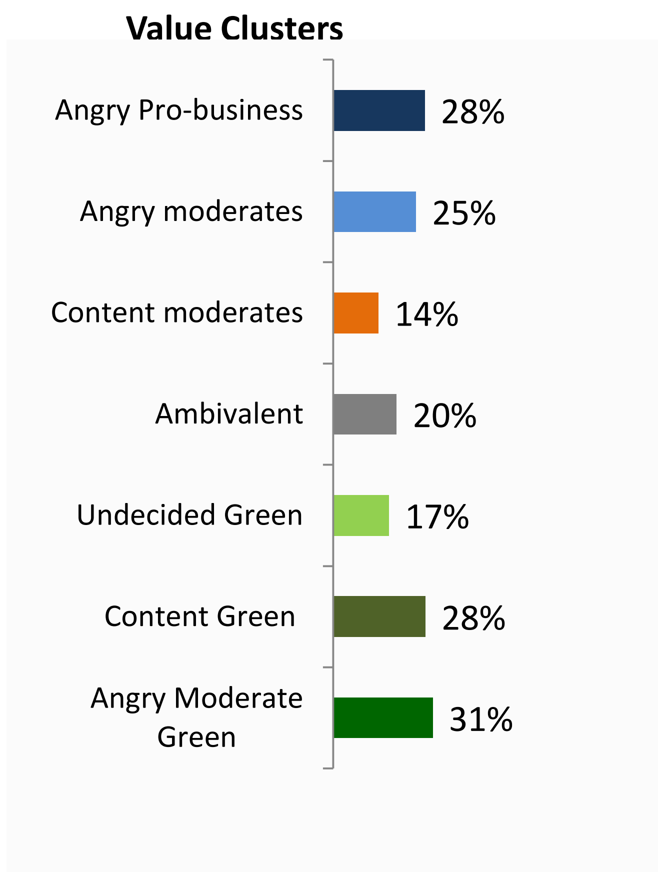
Customer Contact: 1-in-4 have contacted in the last 12 months; highest in Nova Scotia

Q When was the last time you contacted your electricity supplier with a question or concern about your bill?
[asked of all respondents; n=3,474]



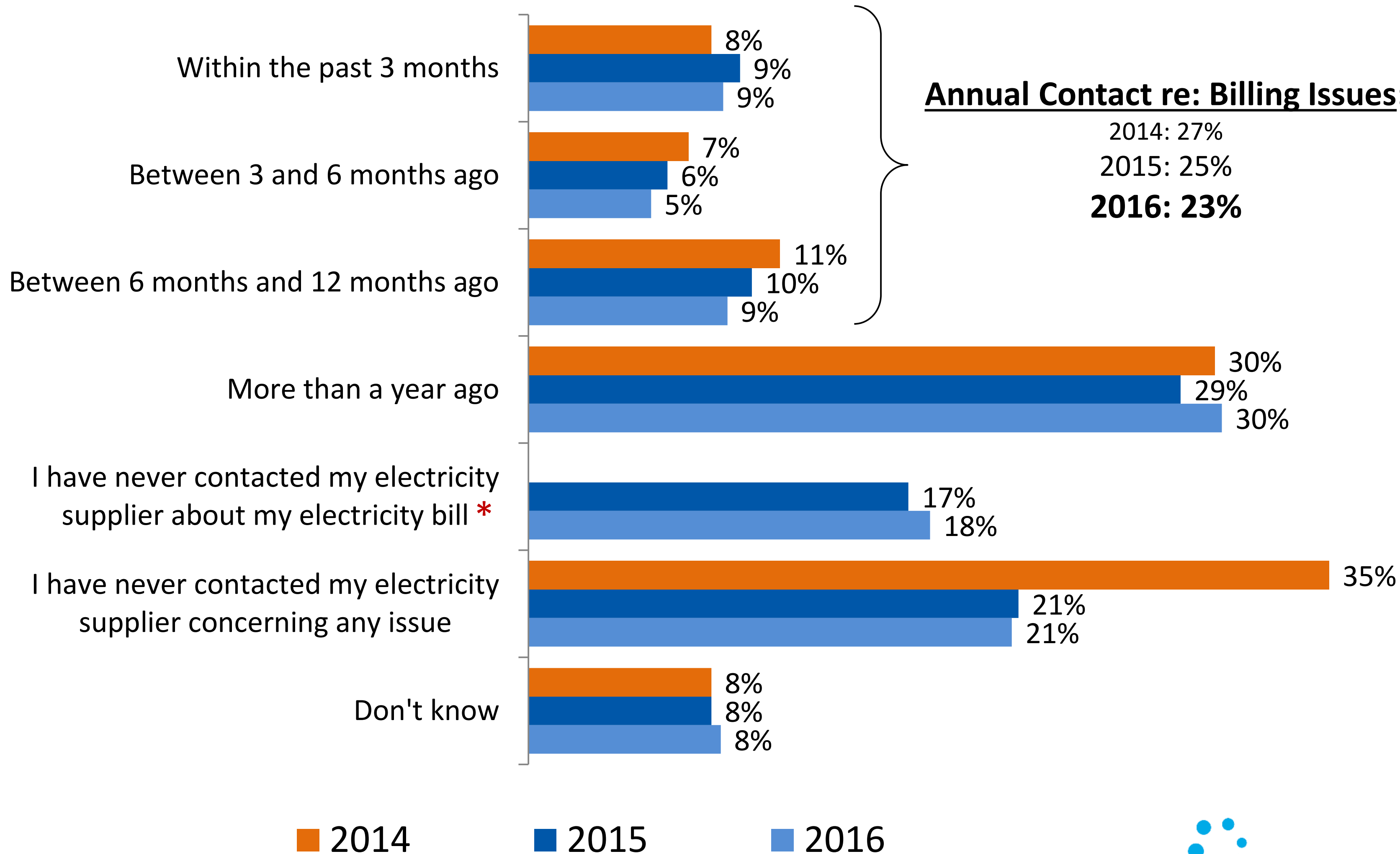
2016 Segmentation
Those who have contacted their electricity supplier over the past year



Note: 'Don't know' (8%) not shown

Contact Regarding Billing Issues:
Contact levels down slightly year-to-year

Q When was the last time you contacted your electricity supplier with a question or concern about your bill?
[asked of all respondents; n=3,474]



* In 2015, question changed to include response code:
"I have never contacted my electricity supplier about my electricity bill".

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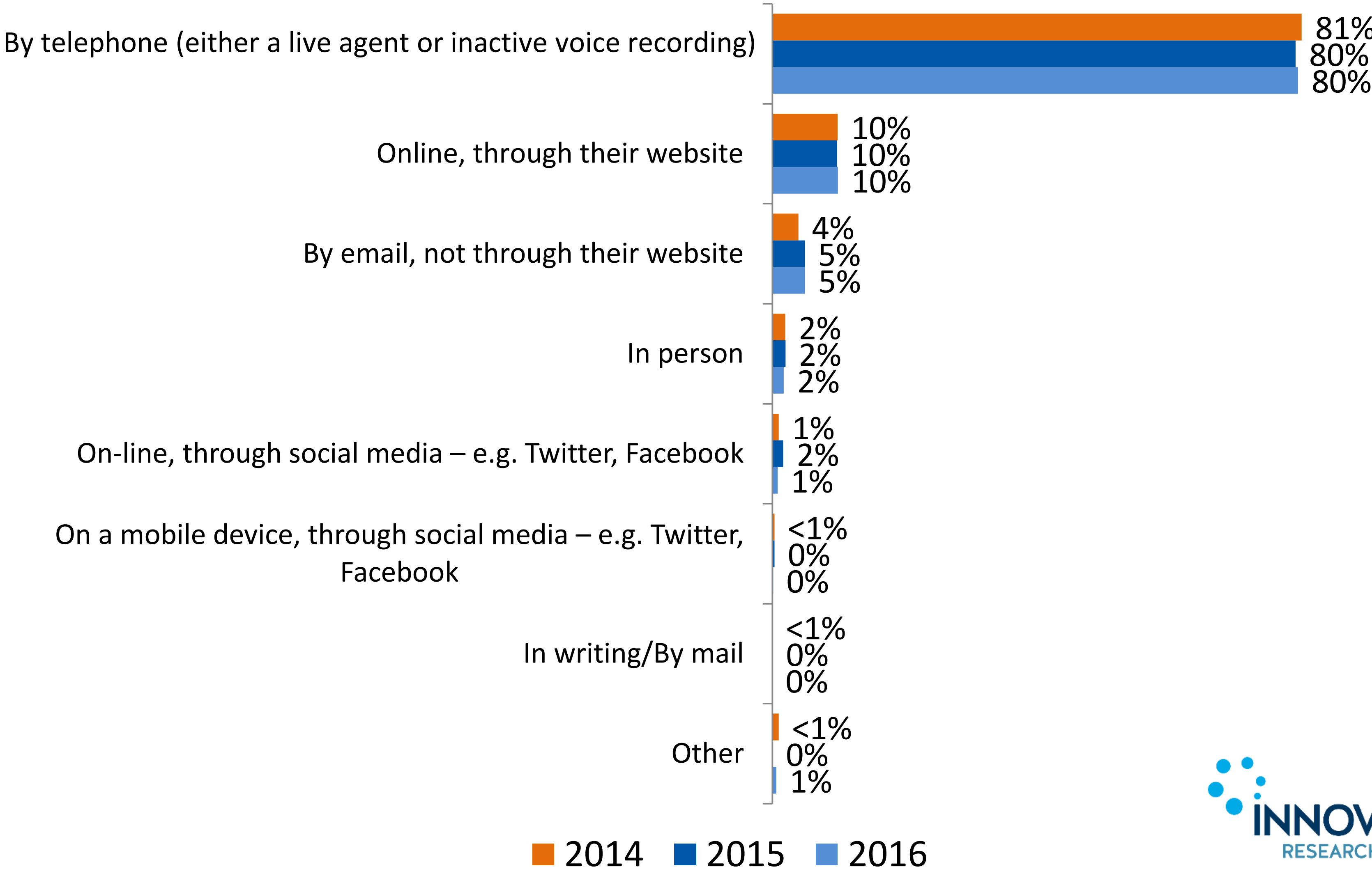
Means of Supplier Contact (re: Bill): Majority of contact done by telephone; 1-in-10 contact through supplier website

Q When you last contacted your electricity supplier with a question or concern about your bill, by which of the following means did you do so?

[asked of all respondents who contacted supplier in past 12 months; n=784]



Note: 'Don't know' not shown

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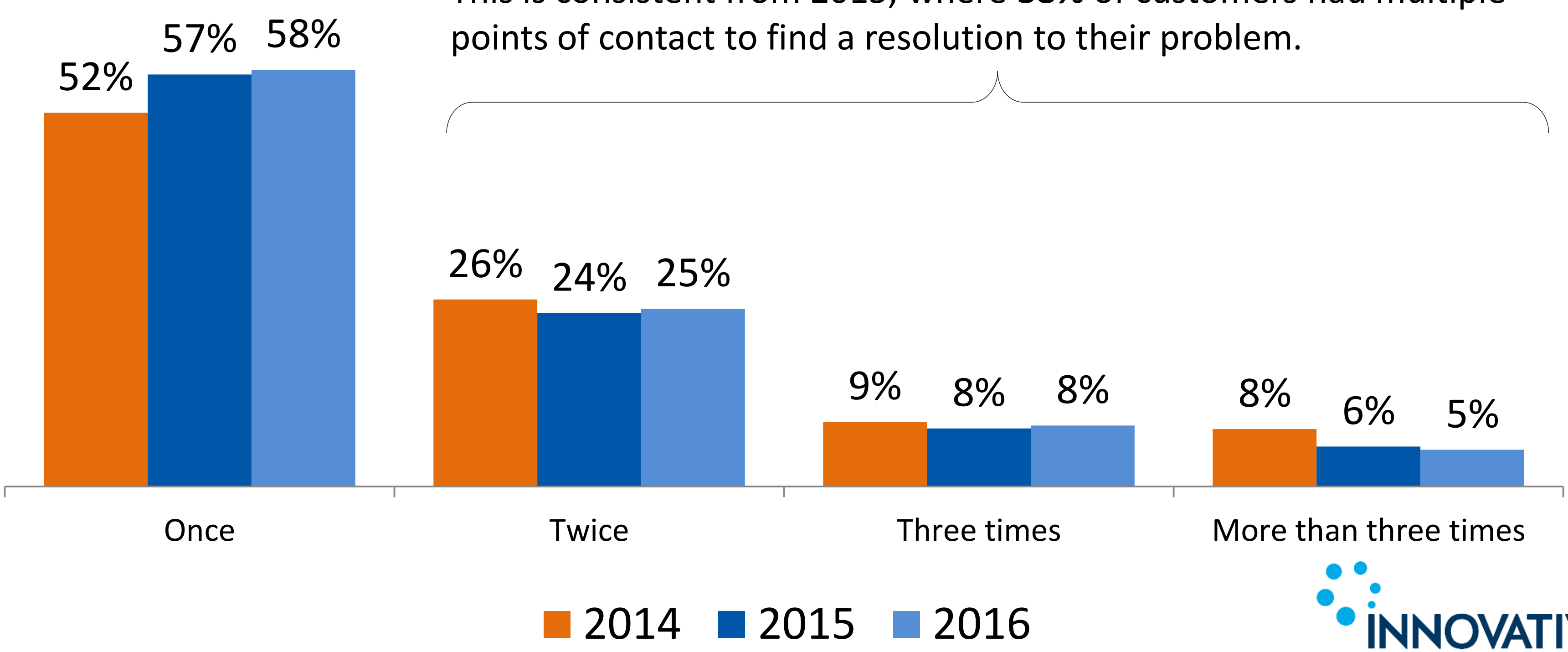
Bill Contact Frequency: More than half (58%) had issues resolved on first contact, steady since 2015

Q Again, thinking of your most recent contact with your electricity supplier with a question or concern about your bill, how many times did you have to contact them to find an answer to your question or solution to your concern?

[asked of all respondents who contacted their electricity company in the past 12 months; n=784]

Over the past 12 months, **38%** of customers who had a bill related question or concern, had to contact their electricity supplier more than once to find a resolution.

This is consistent from 2015, where **38%** of customers had multiple points of contact to find a resolution to their problem.



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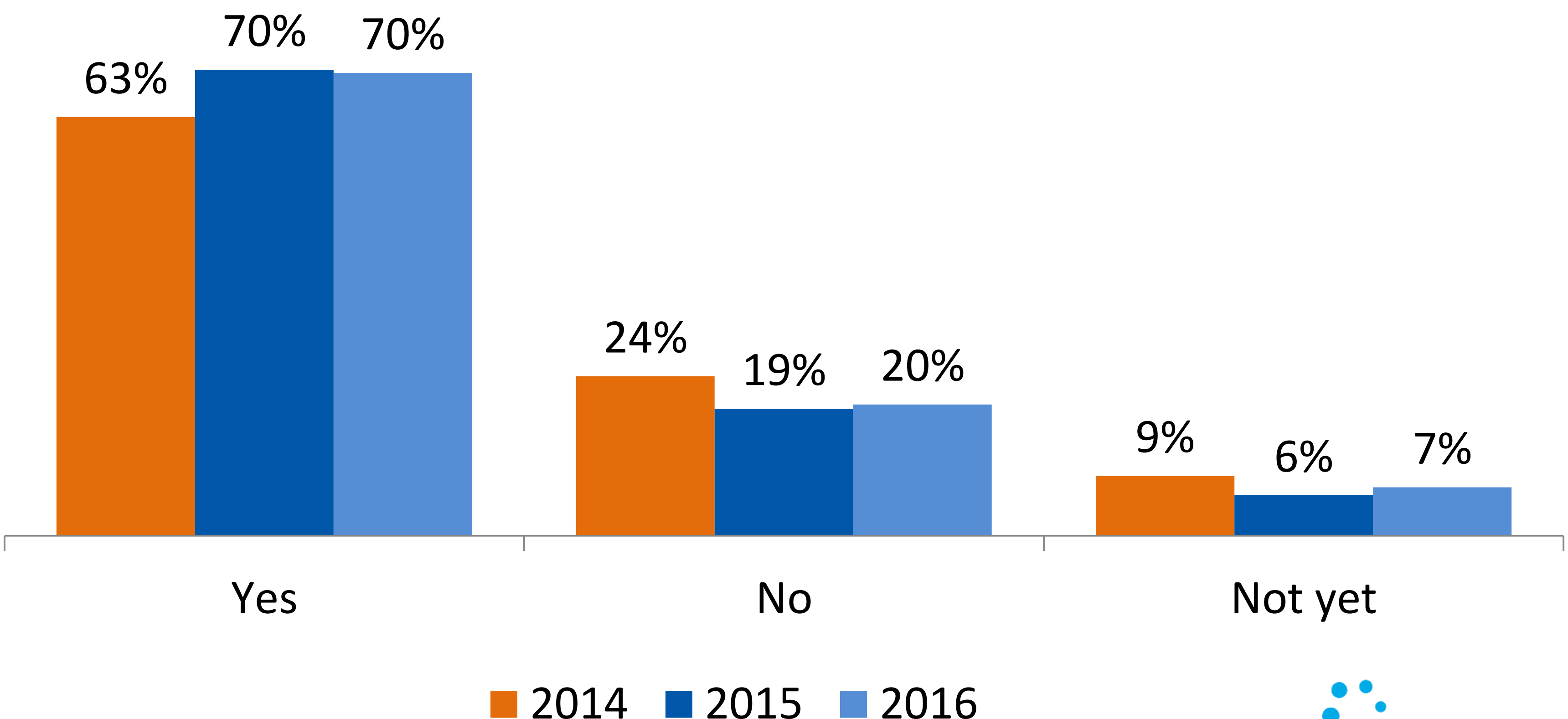
Note: 'Don't know' not shown

Bill Related Issue Resolution: 7-in-10 had their question or concern resolved to their satisfaction, steady year-to-year

Q When you last contacted your electricity supplier with a question about your bill, was your question answered or concern resolved to your satisfaction?

[asked of all respondents who contacted supplier in past 12 months; n=784]



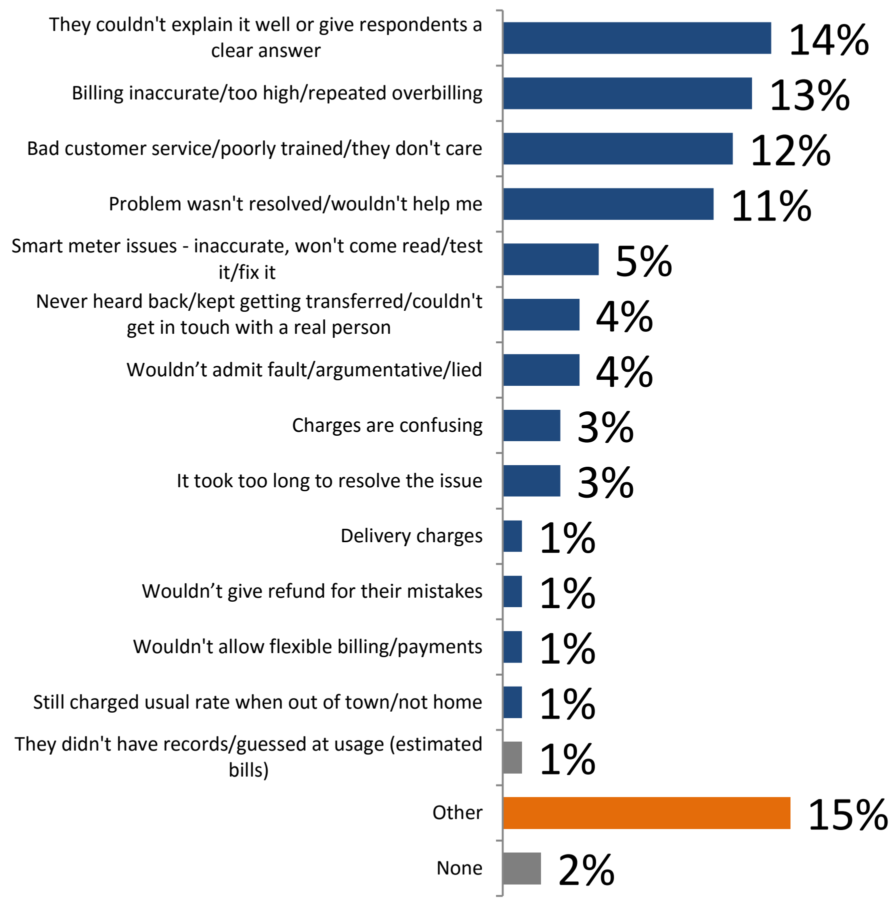
Note: 'Don't know' not shown

Barriers to Resolution: difficulty in communication, inaccurate billing and bad customer service top issues

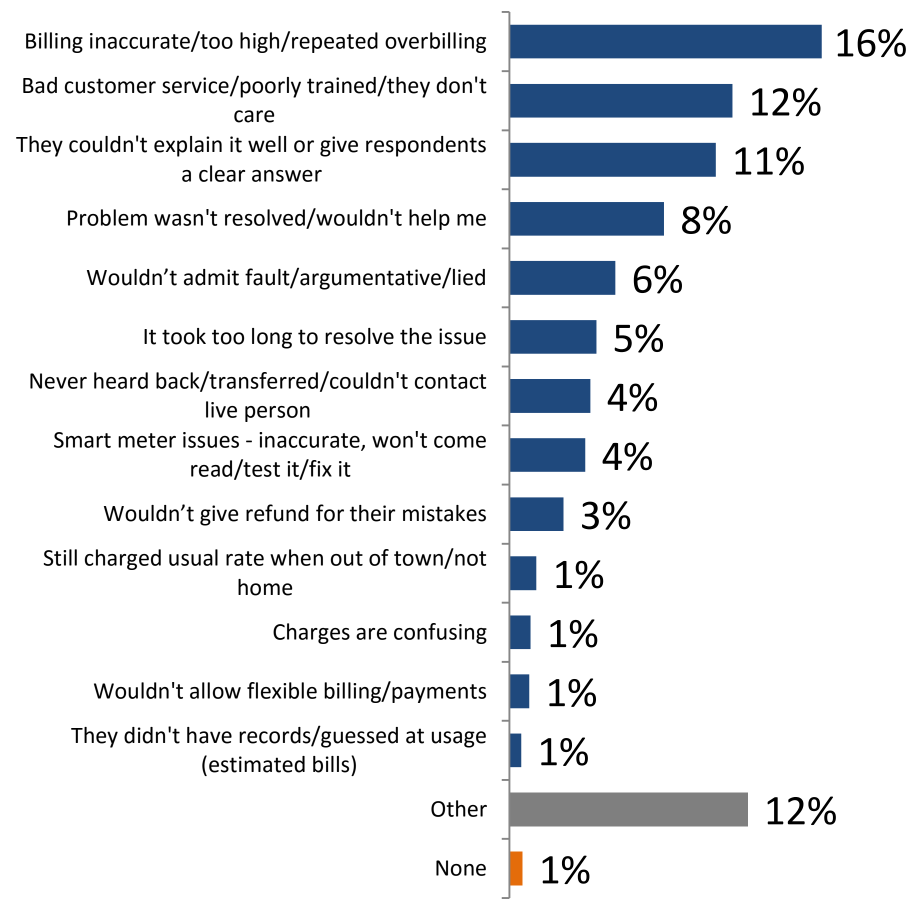
Q In your own words, why was the problem not resolved to your satisfaction?

[asked of all respondents whose question or concern was not (yet) resolved to their satisfaction ; n=477]

2016 Barriers



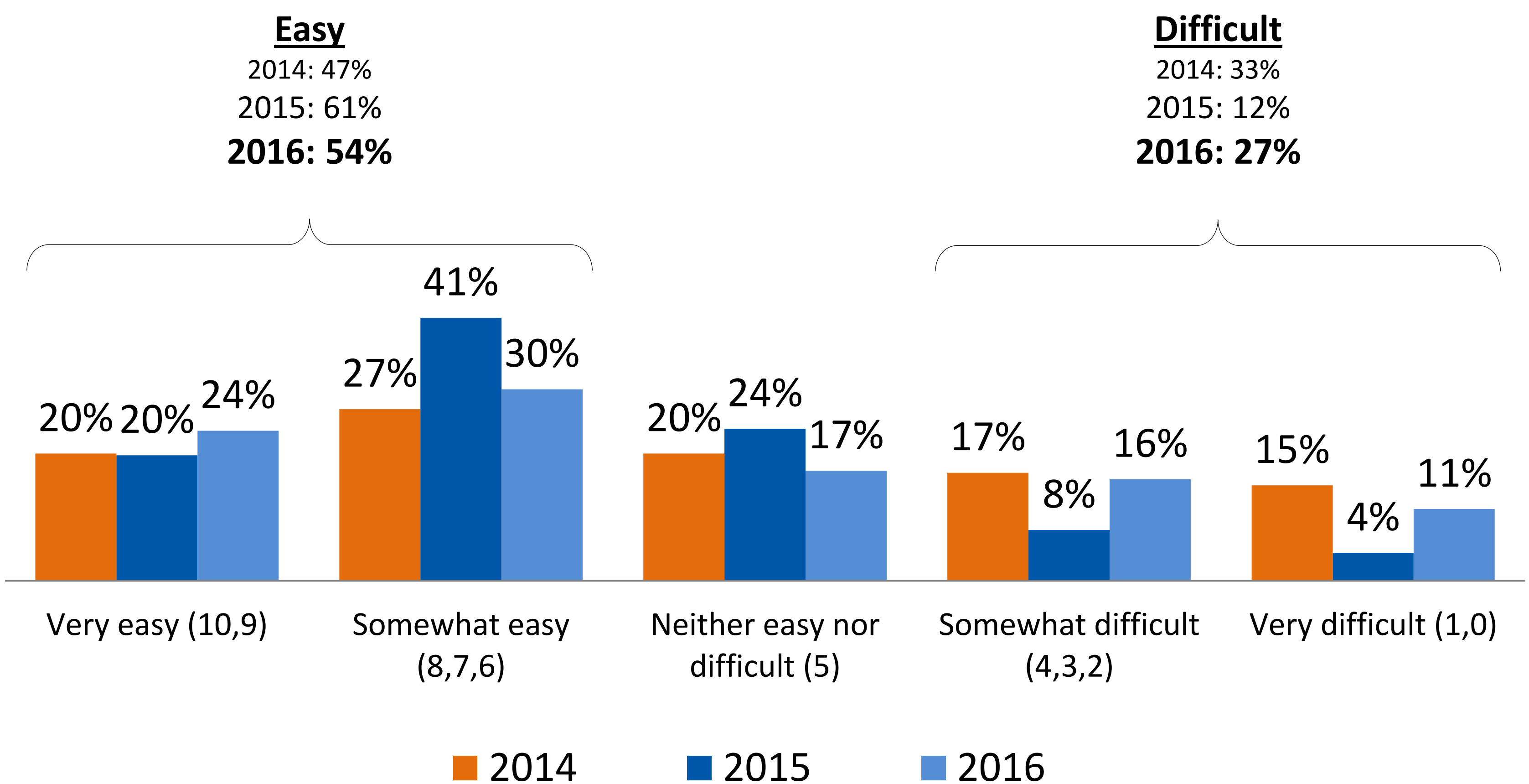
2015 Barriers



Note: ‘Don’t know’/ ‘Refused’/ Bad Respondent not shown

Resolving Bill Related Issues: Consumers now find it much harder to resolve their bill related issues with their utility

Q And, thinking of your most recent contact, how would you rate the ease or difficulty of getting your problem resolved to your satisfaction on a scale from 0 to 10, where 0 means it was very difficult and 10 means it was very easy.
[asked of all respondents who contacted supplier in past 12 months; n=784]



Note: 'Don't know' not shown

Customer Contact Experience

Non-Bill Related

Summary:
Customer Contact Experience (Non-bill related)

- 1-in-4 (24%) have contacted their electricity supplier on a question about something other than their bill, consistent year-to-year (25%) and down 10 points from a high of 34% in 2011.
- For non-billing issues, 1-in-3 customers reached out to either “report an outage” (32%, up two points) or “inquire when power would be restored”. More than 3-in-4 (77%, up one point) reached out by telephone and 11% (unchanged) through the supplier’s website.
- A strong majority (59%, up four points) only needed to contact their supplier once, while 36% had to contact their supplier two or more times to resolve their non-billing issue.
- 7-in-10 (71%, up four points) felt that their non-billing issue was resolved to their satisfaction.
- A majority (55%) felt their problem resolution was “easy”, down seven points since 2015 (62%).

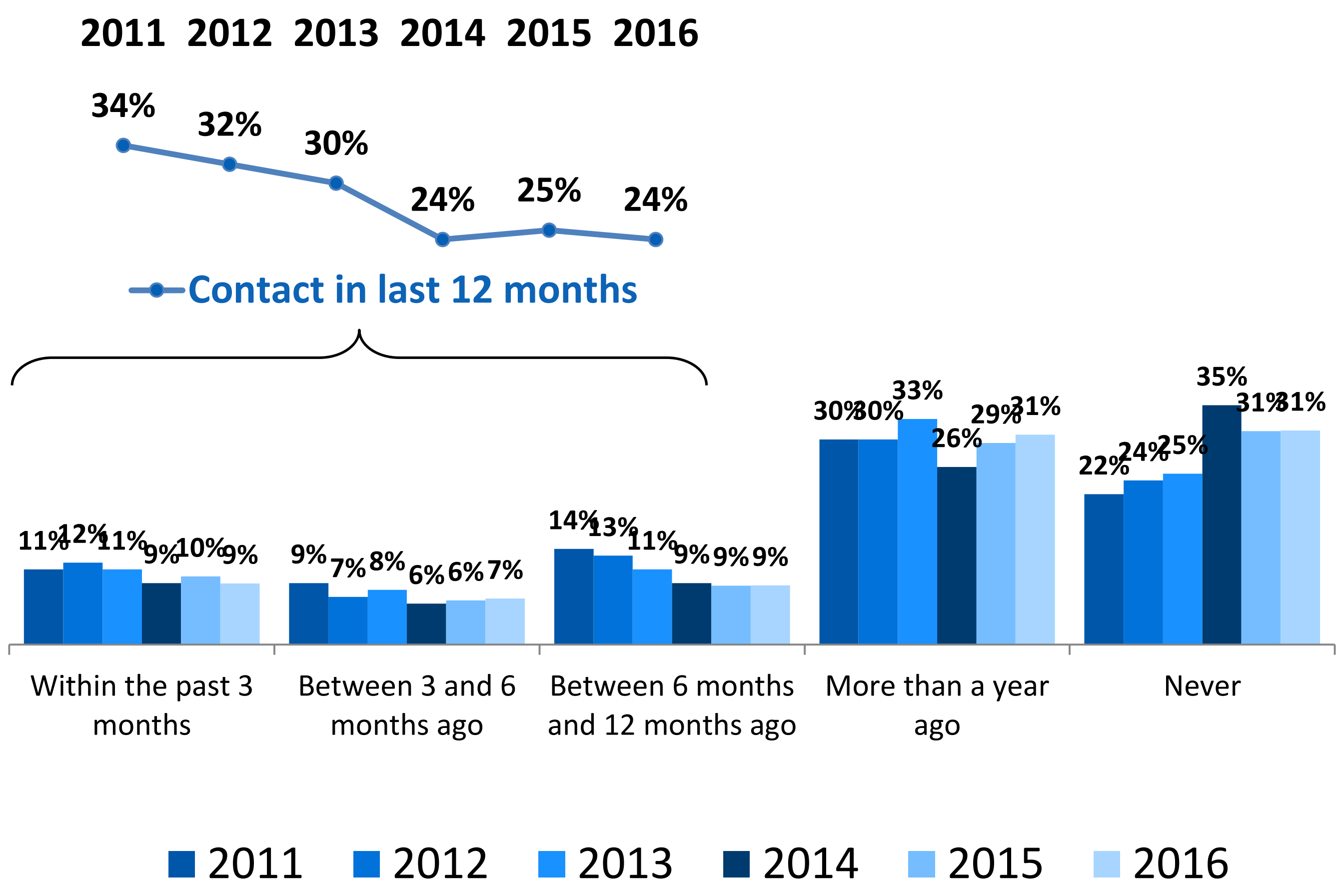
Customer Contact: 1-in-4 (24%) contacted for a reason other than billing in last 12 months

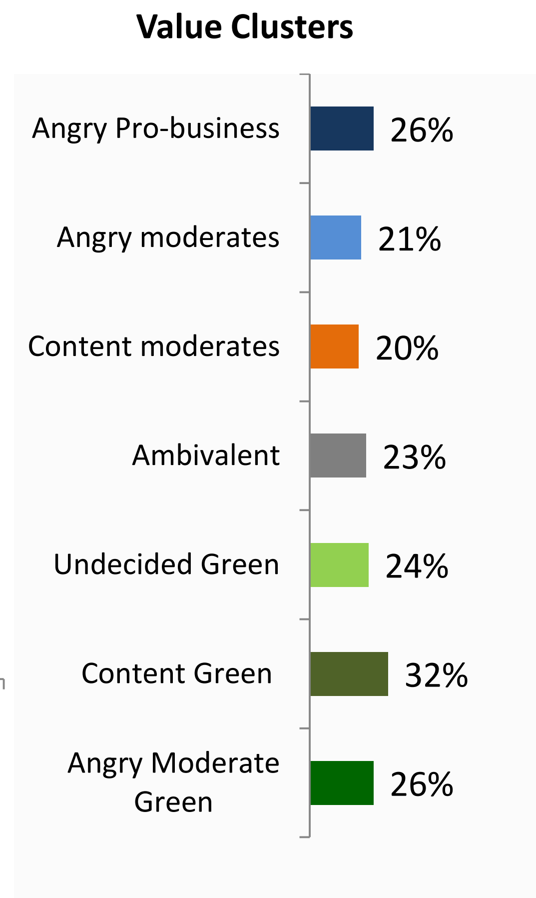
Q When was the last time you contacted your electricity supplier on a question about something other than your bill?*

[asked of those who have contacted their supplier for one reason or another; 2016 n=2,740]

2016 Segmentation

Those who say they have contacted their utility over the past 12 months





*In 2013 and earlier, the question was: *When was the last time you contacted your electricity company with a question or problem (apart from just paying your bill as normal)?*

Note: 'Don't know' (14%) not shown

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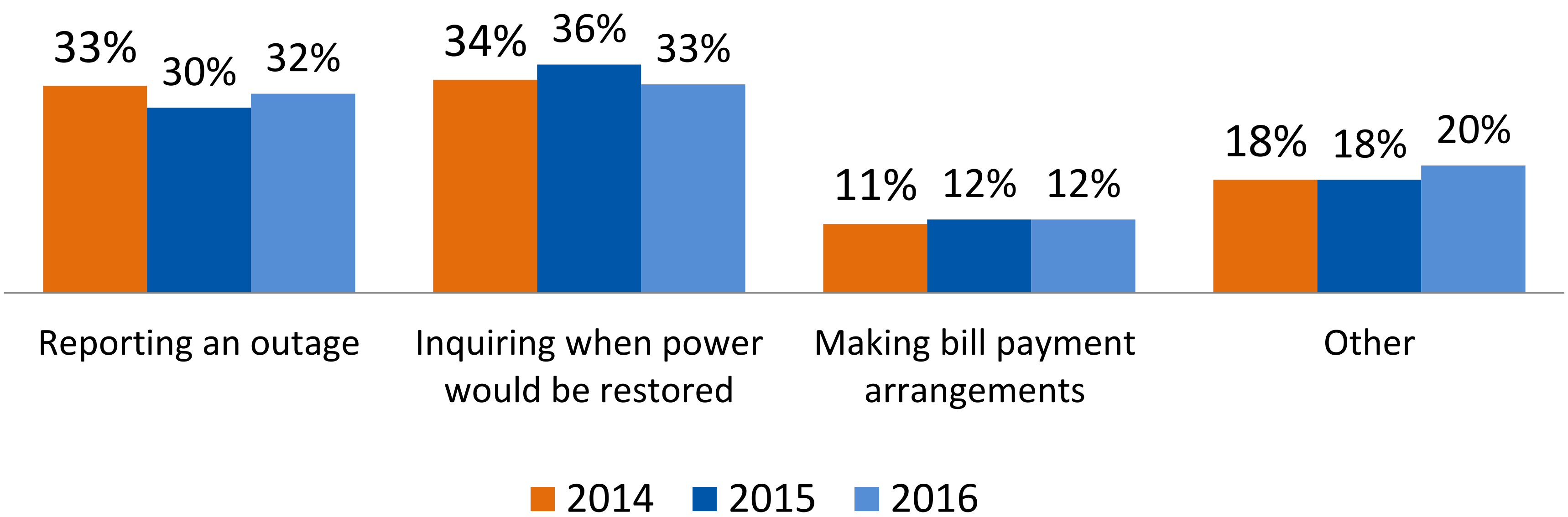
Reasons for Contact: 1-in-3 either contact to inquire about power restoration (33%) or to report an outage (32%)

Q What was the reason you last contacted your electricity supplier on a question about something other than your bill?

[asked of all respondents who contacted their supplier in past 12 months; n=666]

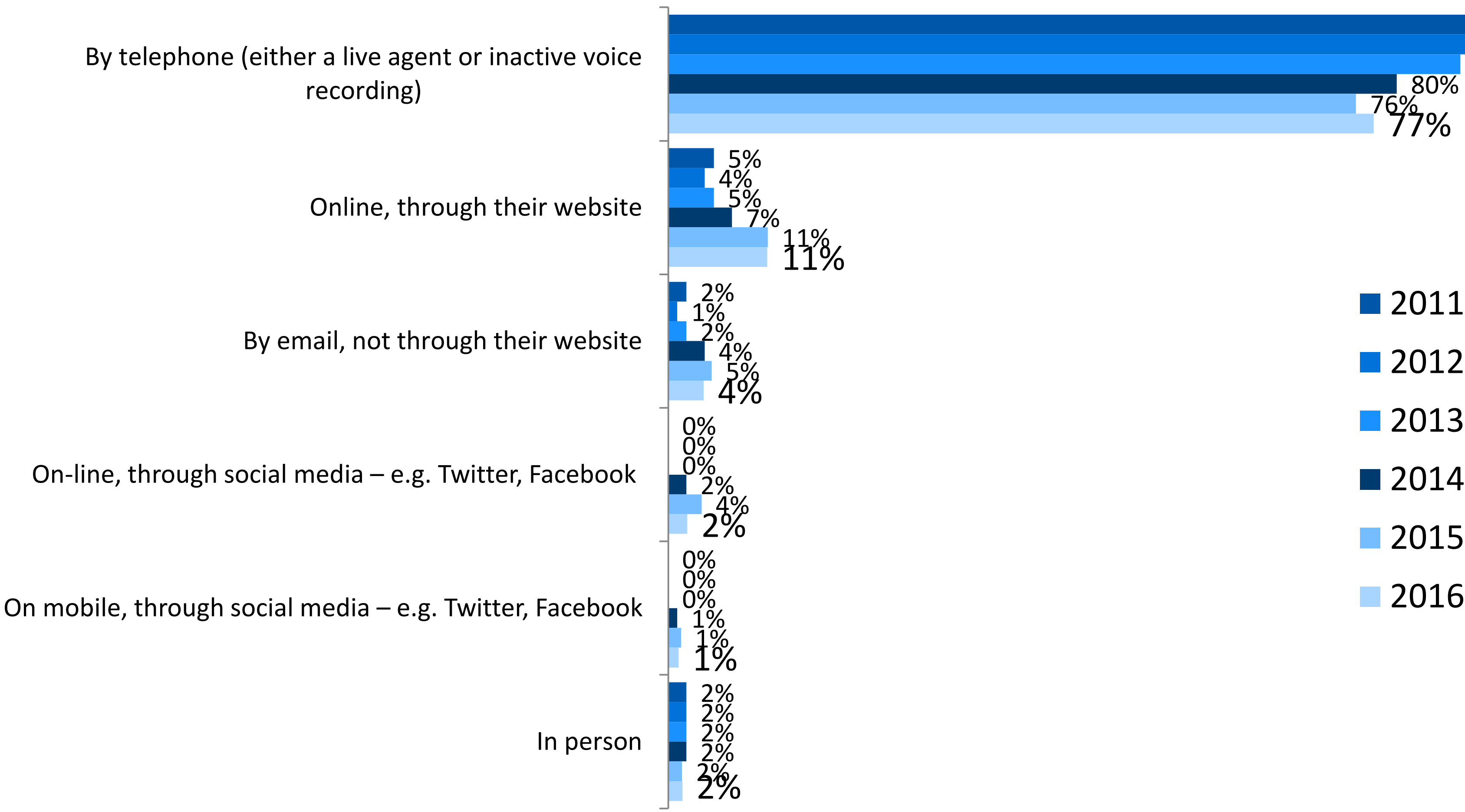


Note: 'Don't know' not shown

Means of Customer Contact (Not re: Bill): now 11% would contact online through website, up 6 points since 2011

Q When you last contacted your electricity supplier on a question about something other than your bill, by which of the following means did you do so?*

[asked of all respondents who contacted supplier in past 12 months; n=666]



*In 2013 and earlier, the question was: *When you last contacted your electricity company, by which of the following means did you do so?*

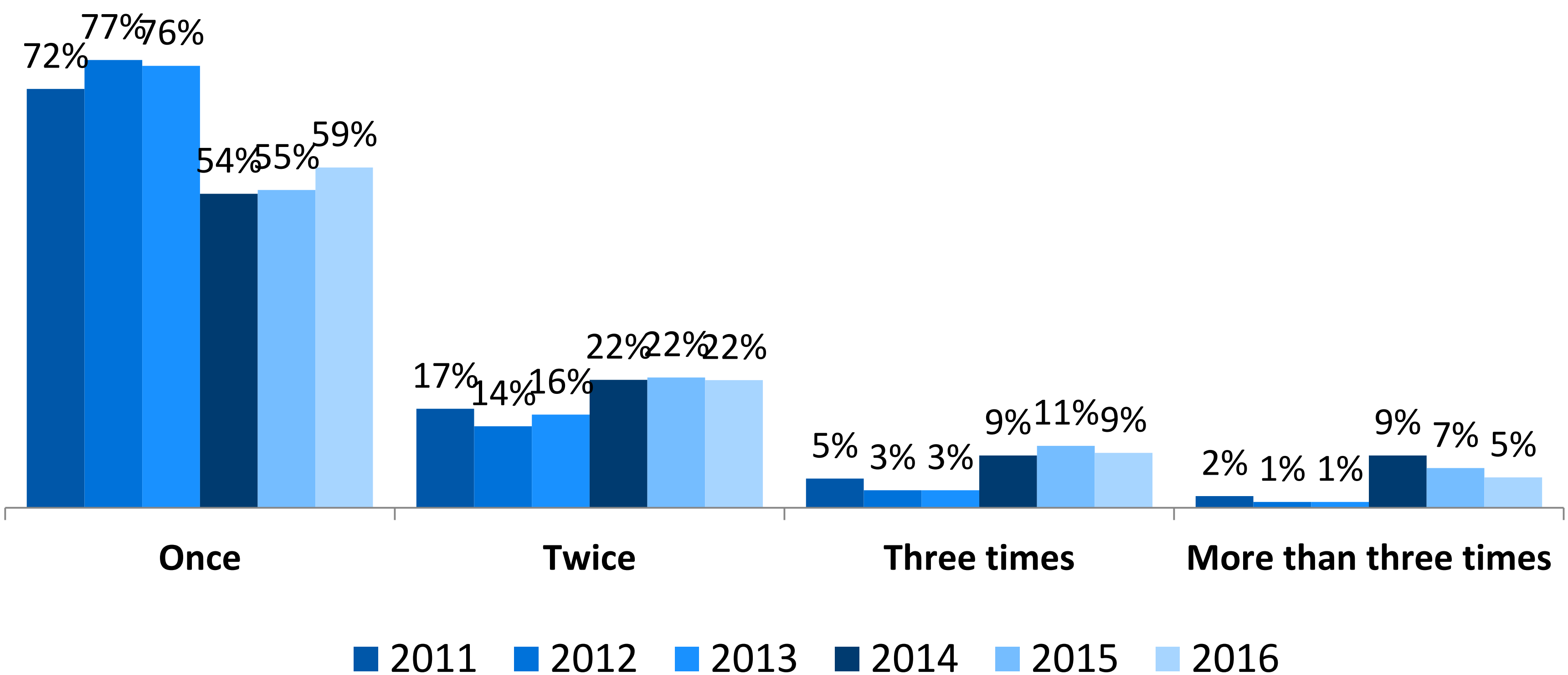
Note: 'Don't know' (1%) /'Other' (2%) not shown

Number of Non-bill Contacts: Rates of contact mostly steady since 2014; 6-in-10 (59%) contacted only once

Q

Again, thinking of your most recent contact with your electricity supplier on a question about something other than your bill, how many times did you have to contact them to find an answer to your question or solution to your problem? *

[asked of all respondents who contacted their supplier in past 12 months; n=666]



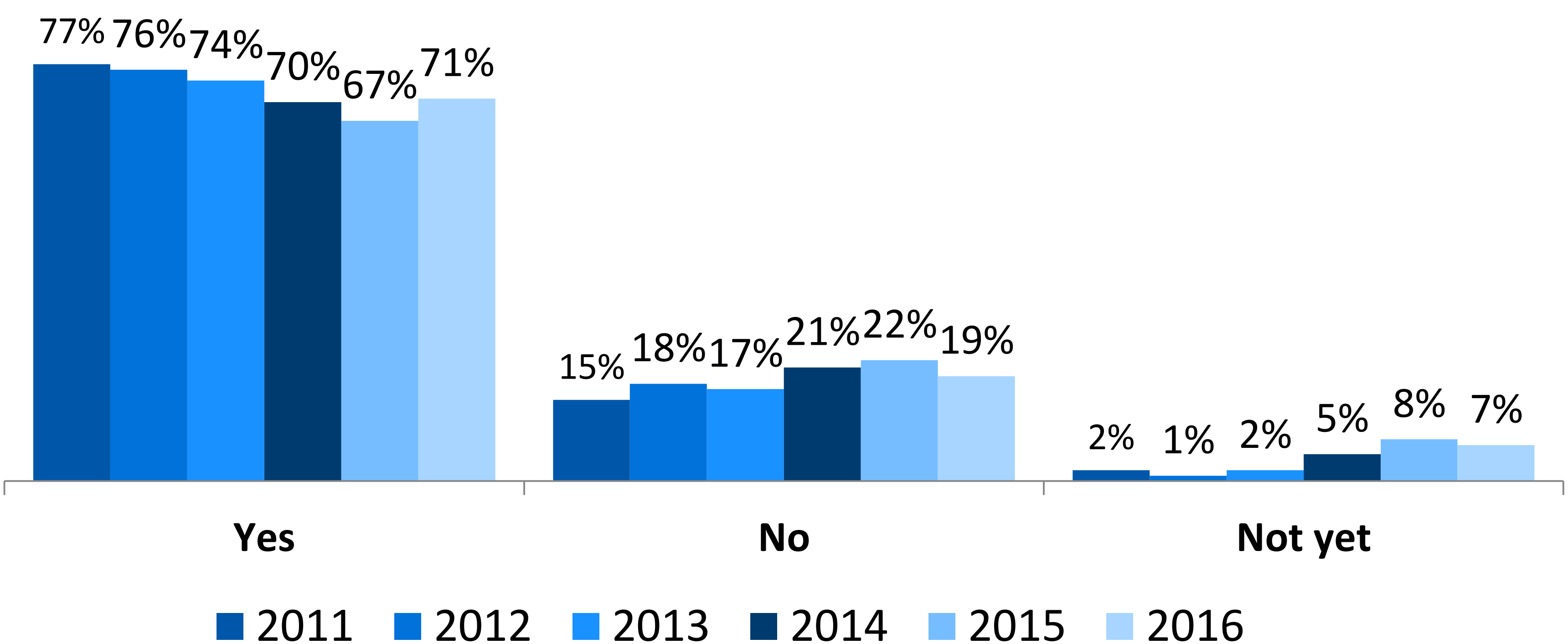
* In 2013 and earlier, the question was: *Again, thinking of your most recent contact, how many times did you have to contact your electricity company to find an answer to your question or solution to your problem?*

Note: 'Don't know' not shown

Customer Non-bill Issue Resolution: 7-in-10 (71%) had question resolved to their satisfaction, up 3 points

Q When you last contacted your electricity supplier on a question about something other than your bill, was your question answered or problem resolved to your satisfaction?*

[asked of all respondents who contacted supplier in past 12 months; n=666]



*In 2013 and earlier, the question was: *When you last contacted your electricity company, was your question answered or problem resolved to your satisfaction?*

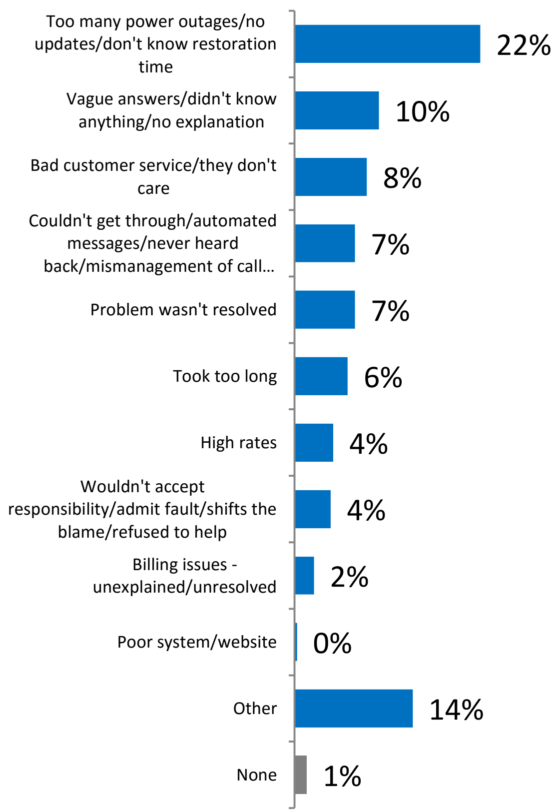
Note: 'Don't know' not shown

Obstacles to Satisfaction: too many outages, "vague answers" and "bad customer service" top mentions

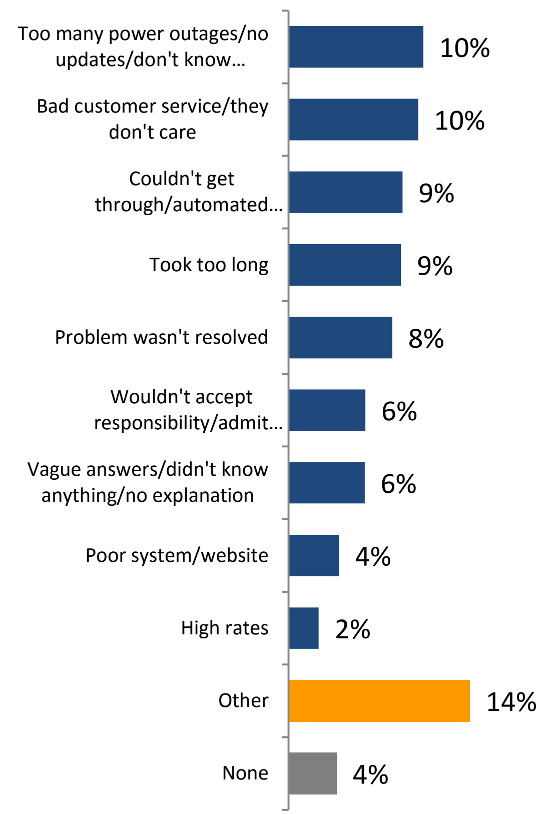
Q In your own words, why was the problem not resolved to your satisfaction?

[asked of all respondents whose problem was yet to be resolved; n=356]

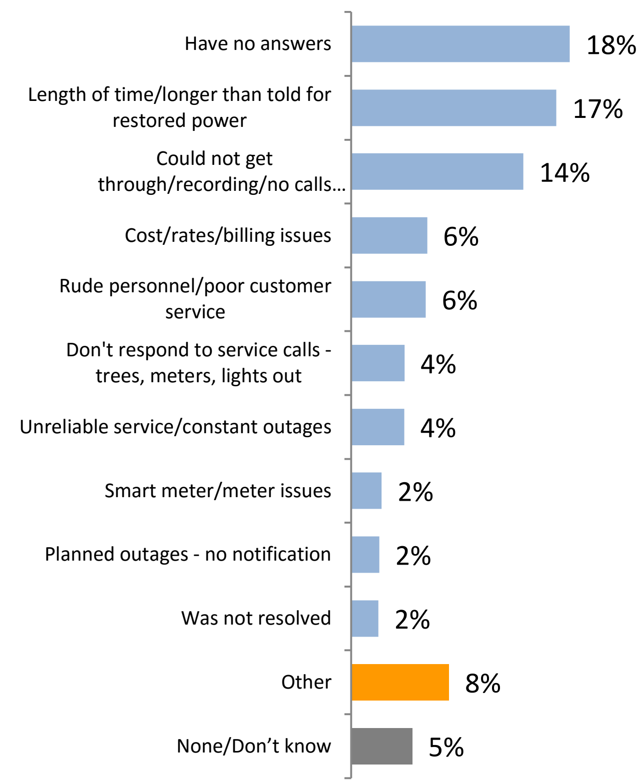
2016



2015



2014



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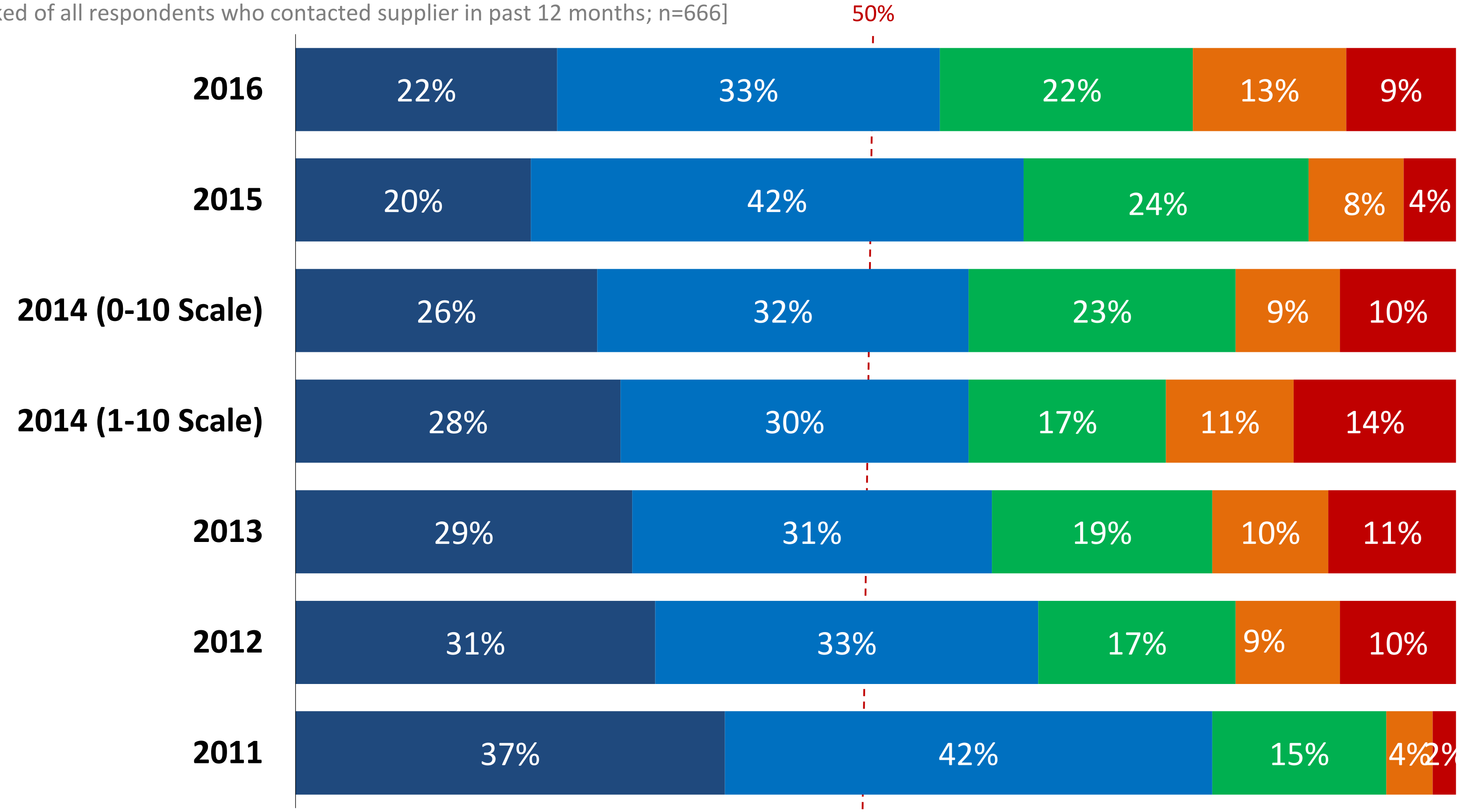
Note: 'Don't know/Refused/Bad Respondent' not shown

Non-Bill Related Issues Resolution: majority (55%) found problem resolution "easy", down seven points year-to-year

Q And, thinking of your most recent contact, how would you rate the ease or difficulty of getting your problem resolved to your satisfaction on a scale from 0 to 10, where 0 means it was *very difficult* and 10 means it was *very easy*.

[asked of all respondents who contacted supplier in past 12 months; n=666]



0-10 Scale: Very easy (10,9) Somewhat easy (8,7,6) Neither difficult nor easy(5) Somewhat difficult (4,3,2) Very difficult(1,0)

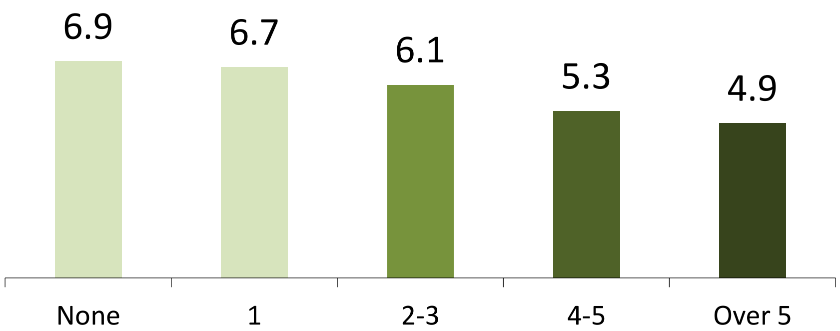
1-10 Scale: Very easy (10,9) Somewhat easy (8,7) Neither difficult nor easy (6,5) Somewhat difficult (4,3) Very difficult(2,1)

Note: 'Don't know' not shown

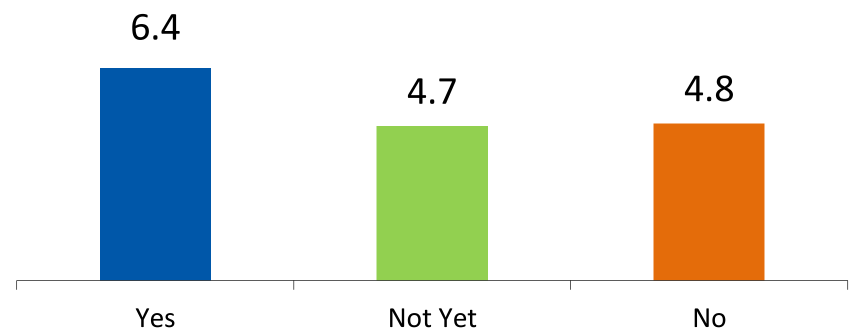
Customer Service Experiences

Charts show mean rating from 0-10 on the "Quality of Customer Service" attribute for distributors

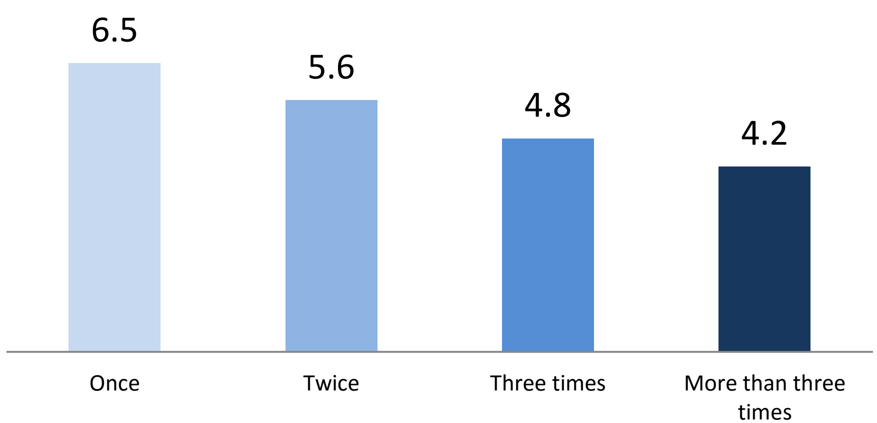
Mean rating by number of outages experienced in past 12 months



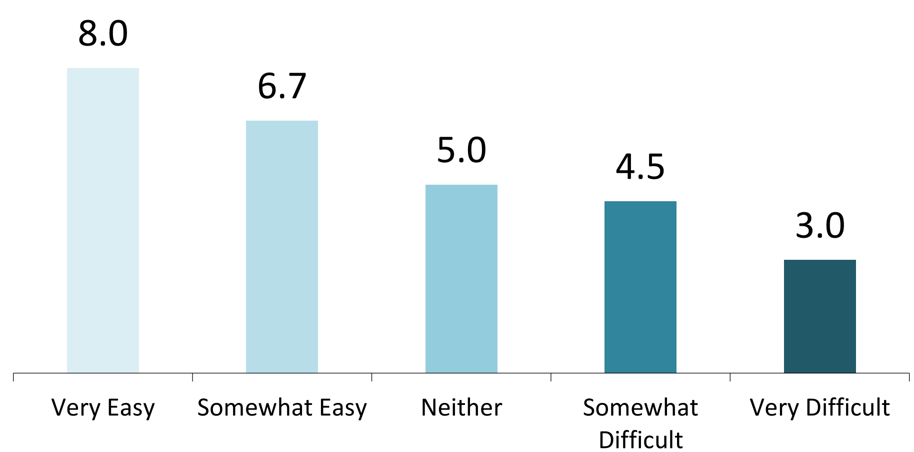
Mean rating by whether most recent non-bill customer service contact was resolved to satisfaction



Mean rating by number of contacts required before most recent non-bill issue was resolved to satisfaction



Mean rating by perceived ease of resolving most recent non-bill issue



Desired Level of Customer Engagement

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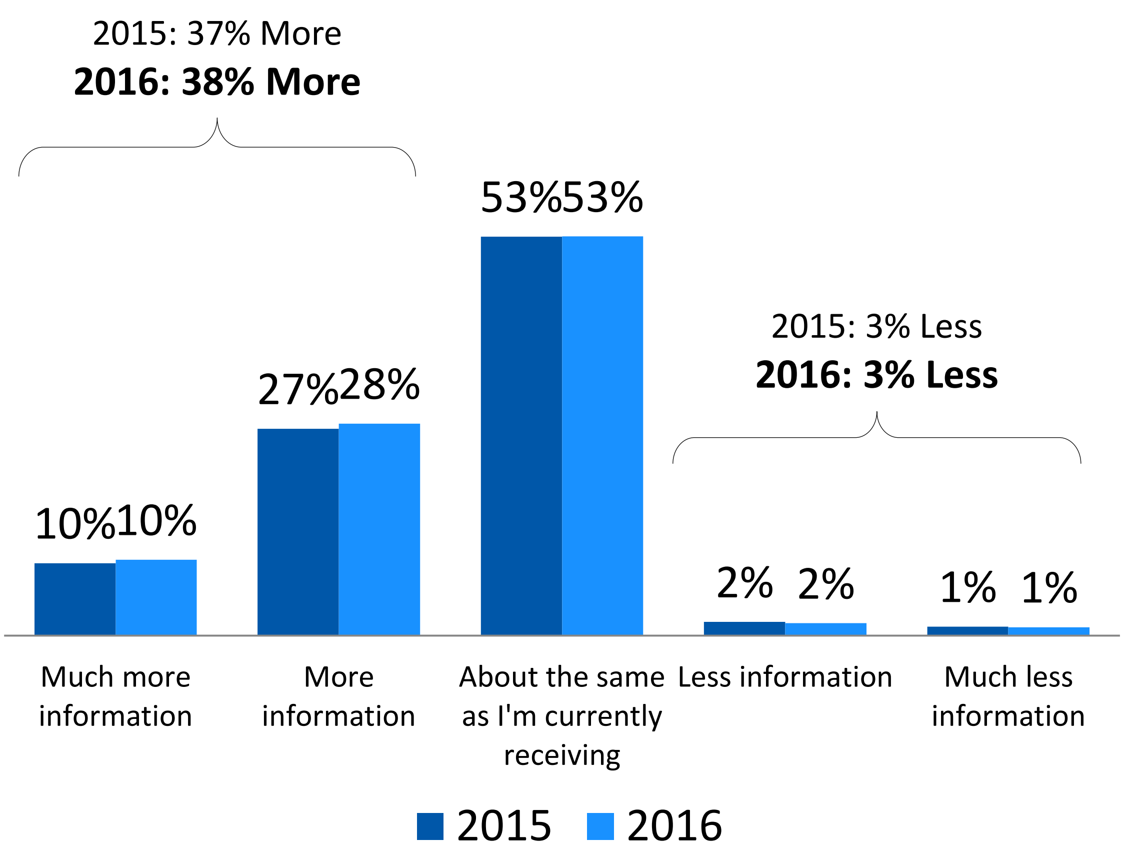
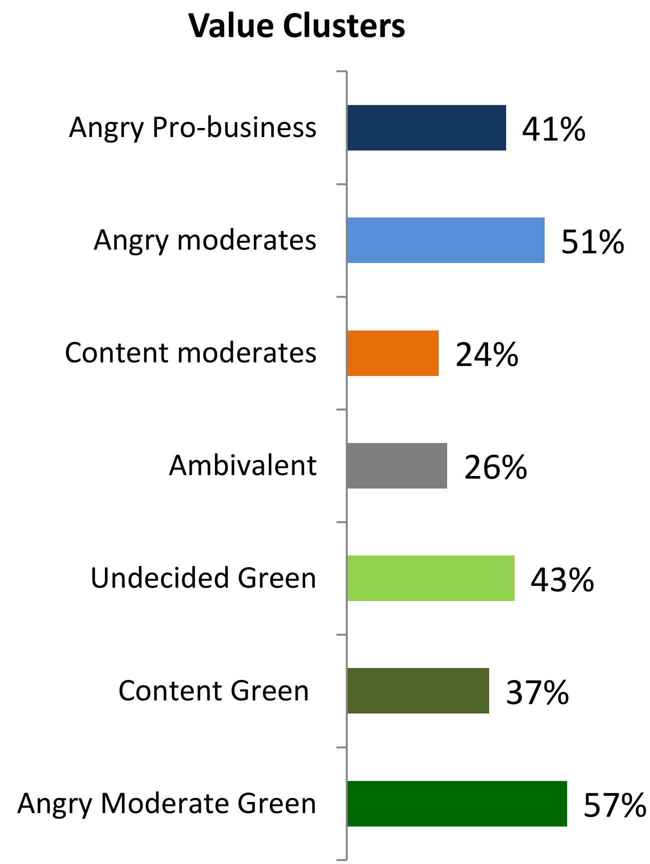
More or less information: Majority feel they require about the same amount of info; angry want more

Q Do you feel you require more or less information about how your electricity supplier and the provincial electricity system operates?
[asked of all respondents; n=3,474]



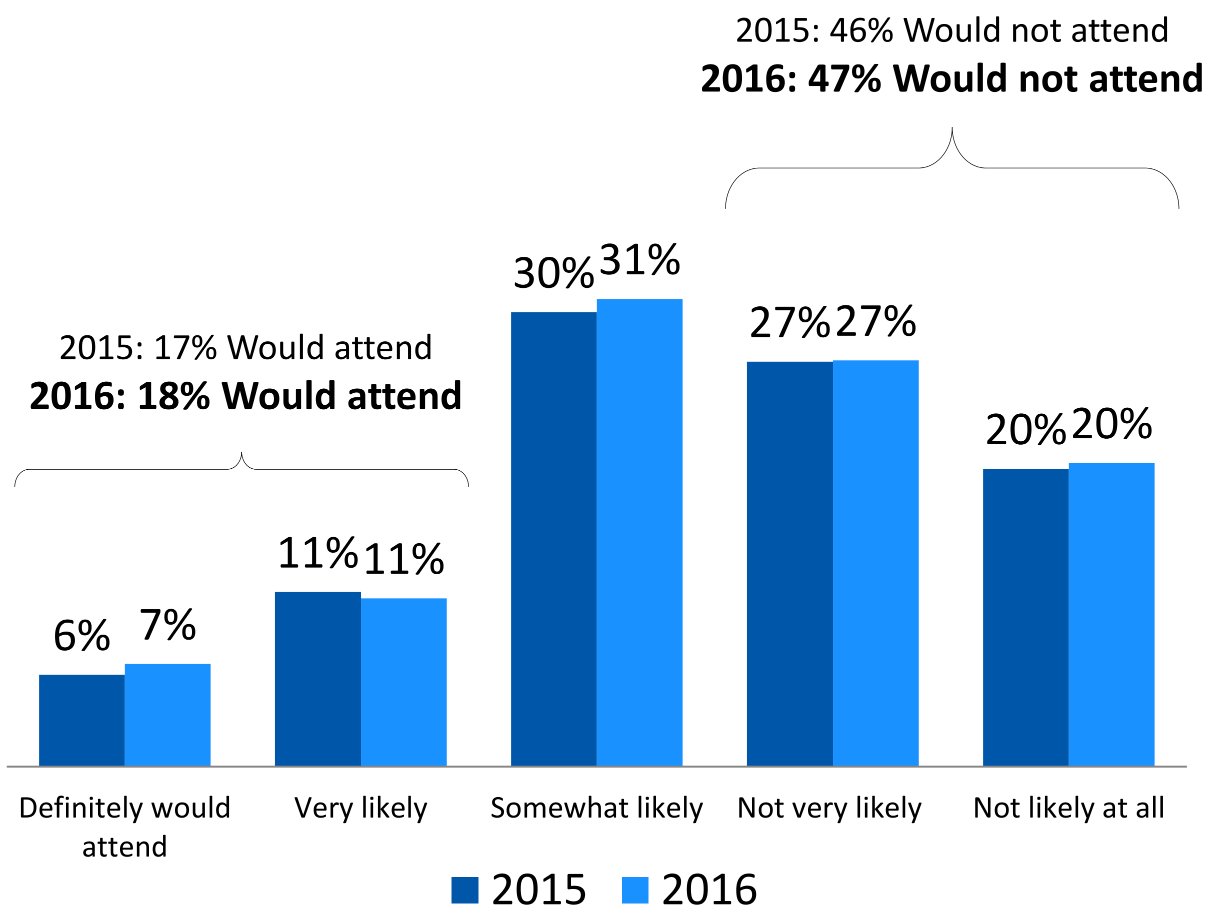
2016 Segmentation
Those who say "want more information"



Note: 'Don't know' not shown

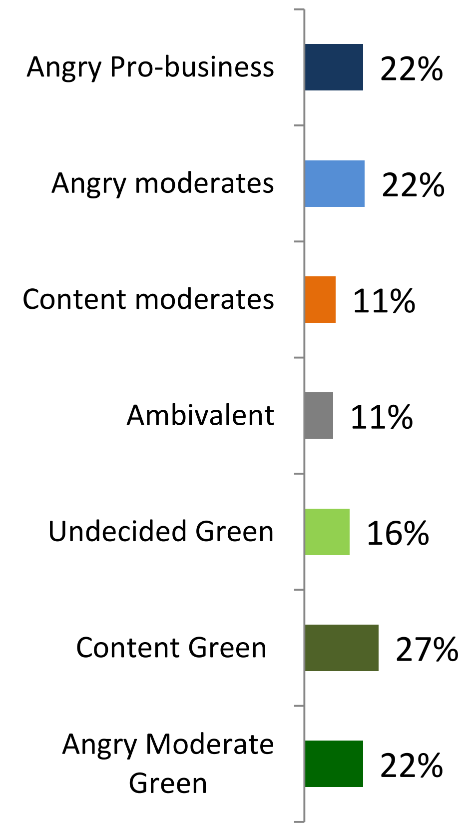
Community Meeting: Almost half (47%) are unlikely to attend a community meeting

Q How likely are you to attend a community meeting, hosted by your electricity supplier, to learn more about your bill, the challenges your utility must address in the coming years, and the provincial electricity system?
[asked of all respondents; n=3,474]



2016 Segmentation ▶▶
Those who say "would attend meeting"

Value Clusters



Note: 'Don't know' (5%) not shown

Net Promoter Score

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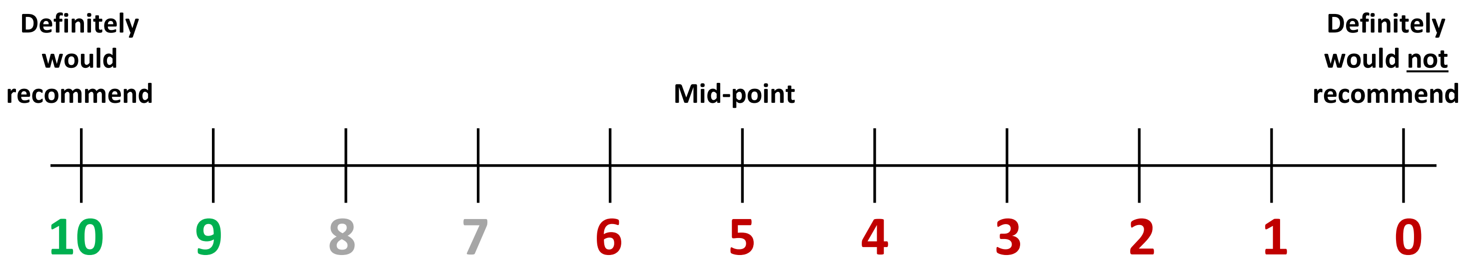
Endorsement: Calculating "Net Promoter Scores"

A *Net Promoter Score* (NPS) is based on the fundamental perspective that every organization's clientele can be divided into three categories: Promoters, Passives, and Detractors.

By asking one simple question — *If you had a choice between several possible providers of electricity, how likely would you be to recommend [DISTRIBUTOR] to your friends, family and others as the preferred electricity distributor?* — you can track these groups and get a clear measure of the customer's experience with your organization. Customers respond on a 0-to-10 point rating scale and are categorized as follows:

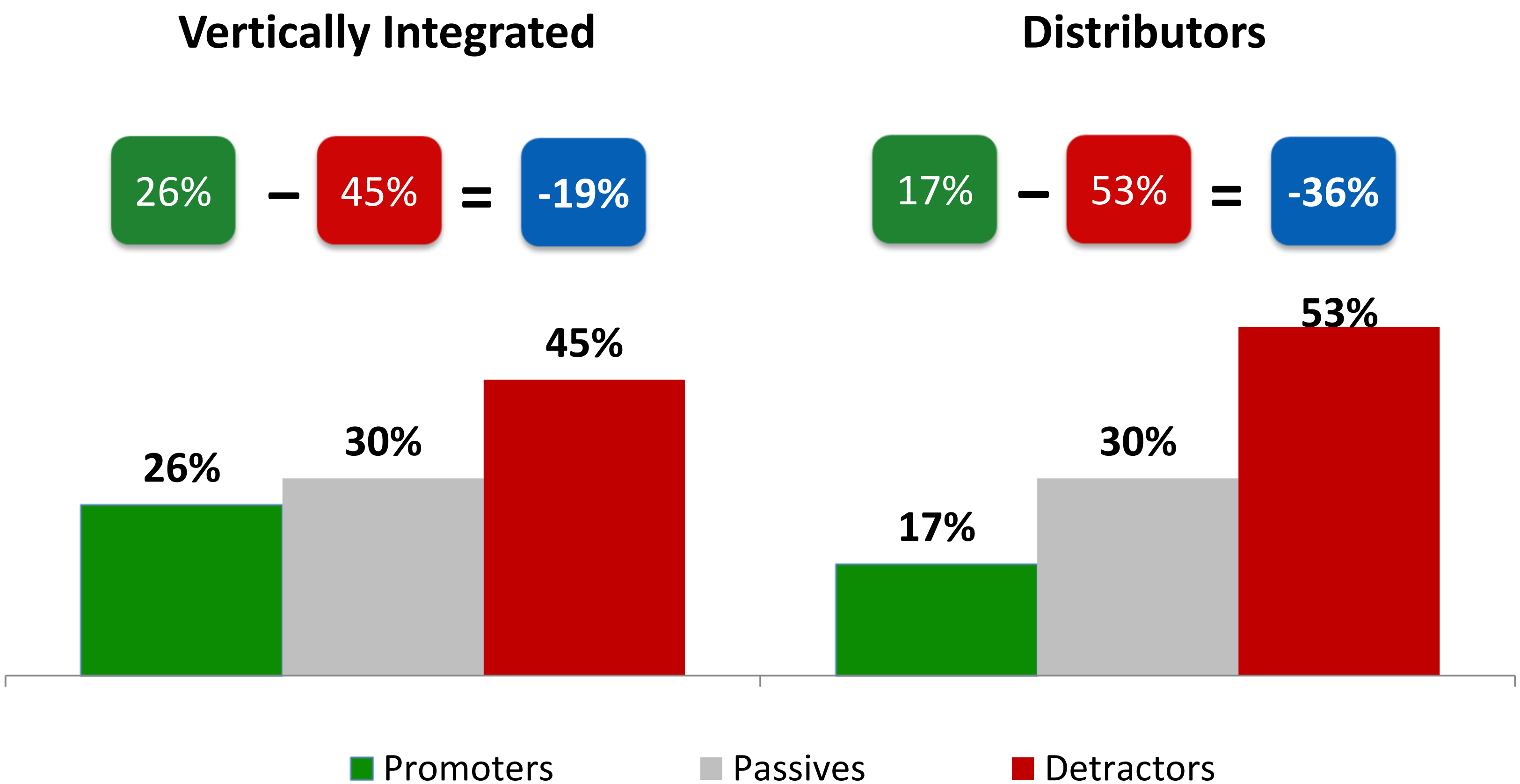
- **Promoters** (score 9-10) are loyal enthusiasts who would refer others to your organization if they had that option. These customers are an important source of strength for the brand. An estimated 80-90% of positive word-of-mouth come from *Promoters*.
- **Passives** (score 7-8) are satisfied but unenthusiastic customers who would be vulnerable to competitive offerings from competitors, given the option of a choice.
- **Detractors** (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth. Detractors are responsible for an estimated 80-90% of all the negative word-of-mouth. Furthermore, this group of customers complain more frequently, thereby consuming service resources at a much higher rates than other customers.



% of Promoters (9s and 10s) – % of Detractors (0 through 6) = NPS

Net Promoter Score: Distributors have a net promoter score almost twenty percent less than those who are vertically integrated

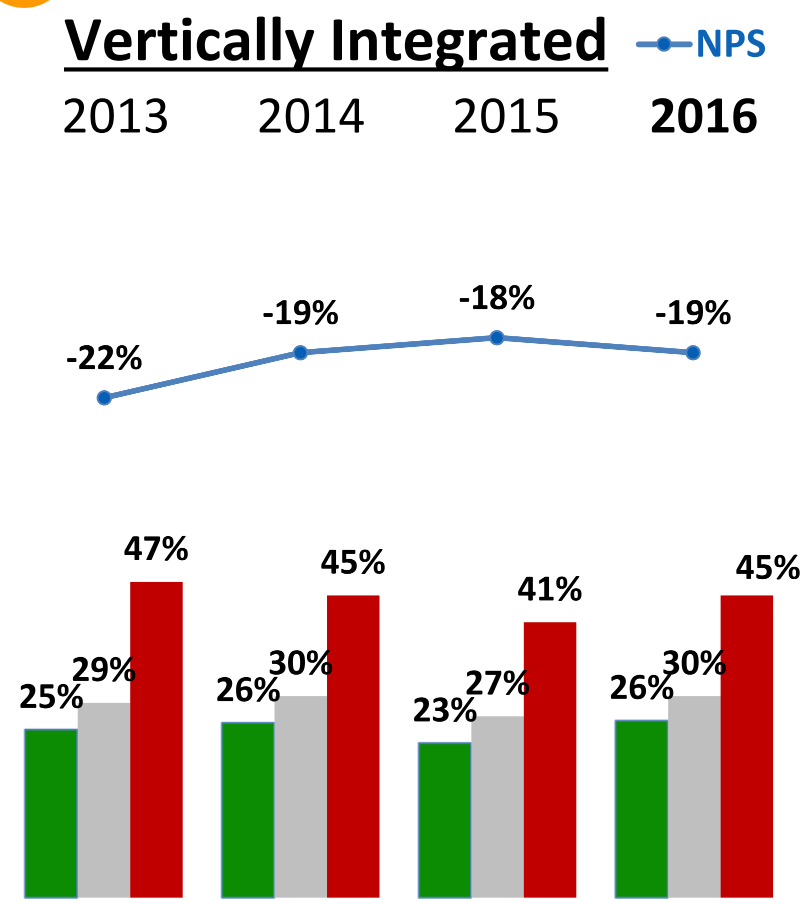
Q If you had a choice between several possible providers of electricity, how likely would you be to recommend [DISTRIBUTOR] to your friends, family and others as the preferred electricity distributor?
[asked of all respondents; n=3,474]

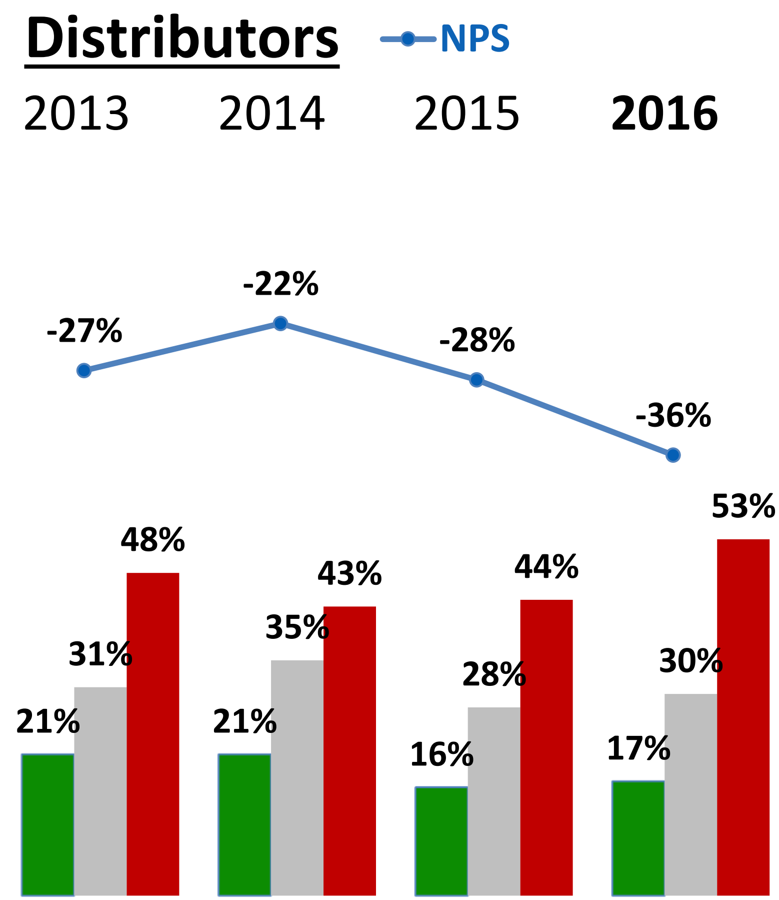


Note: 'Don't know' removed from calculation

Net Promoter Score: Distributors score almost 20 percent less than Vertically Integrated; distributors down from 2015 scores by 17 points

Q If you had a choice between several possible providers of electricity, how likely would you be to recommend [DISTRIBUTION COMPANY] to your friends, family, and others as the preferred electricity distributor?





NPS Customer Segmentation: Promoters Passives Detractors

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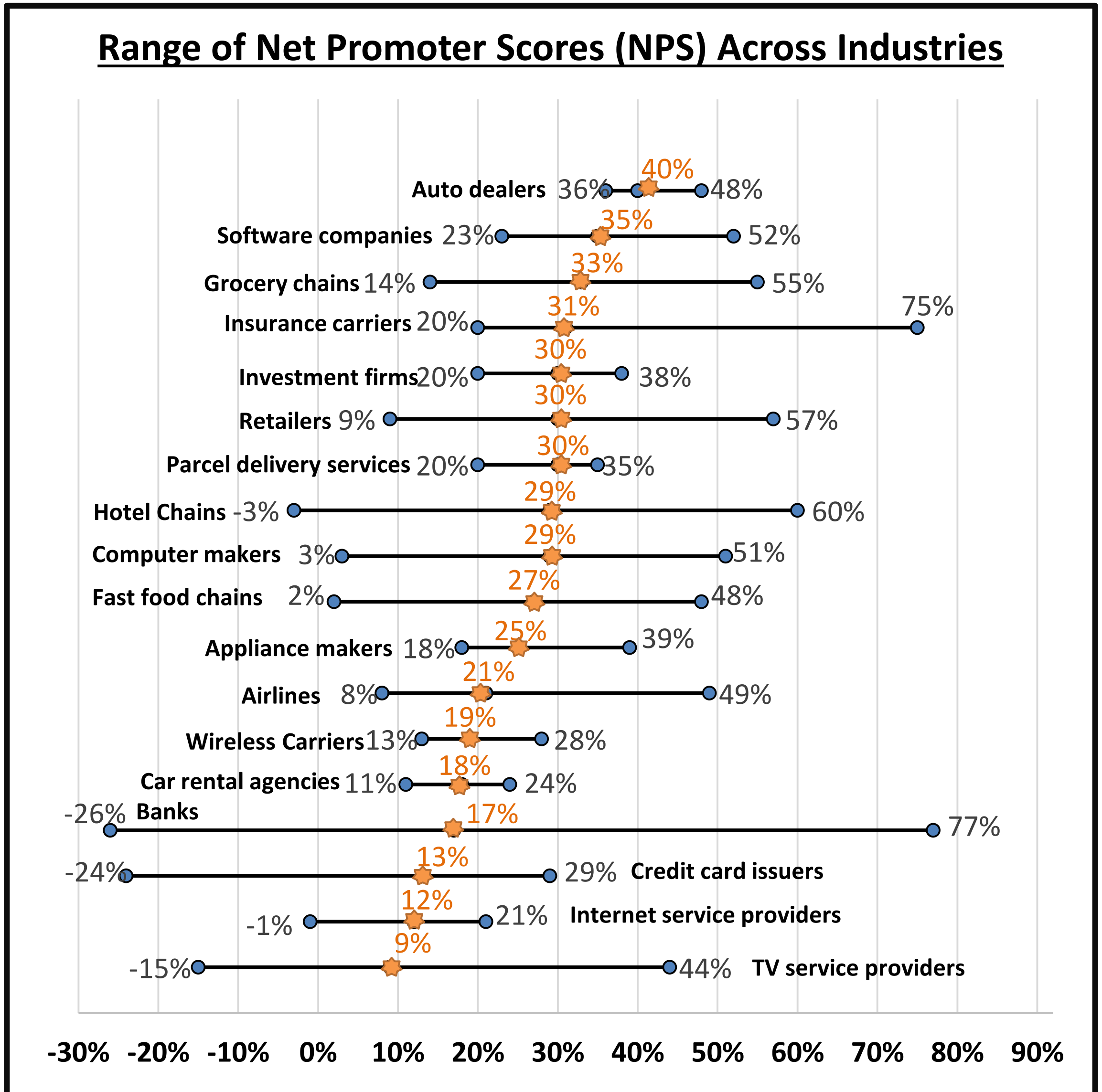
Note: 'Don't Know' removed from calculation

Endorsement: Comparing NPS Scores



Source: Temkin Group Q3 2012 Survey

The Net Promoter Score was created in the 90's to evaluate the growth potential of companies that compete in competitive markets. Typically, organizations with scores higher than their competitors tend to grow faster.

While almost all CEA members operate primarily in regulated monopoly markets, the NPS should only be considered as a "rough proxy" for customer satisfaction.

To put the NPS in context, the adjacent chart shows the average NPS for several industries in the U.S. This data was taken from a 2012 study surveying 5,000 U.S. consumers evaluating multiple companies that compete in various industries.

Attitudes Towards Price

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Summary: Price

Nationally, this year a majority of respondents think the price of electricity in their province is "unreasonable" (52%). Just 41% say the price is "reasonable", down 12 points since 2013.

- As we noted on slide 31, the overall increase in unreasonable ratings is due primarily to a spike in negative views in Ontario.
- Unsurprisingly, price concerns are focused among the most angry consumer segments.

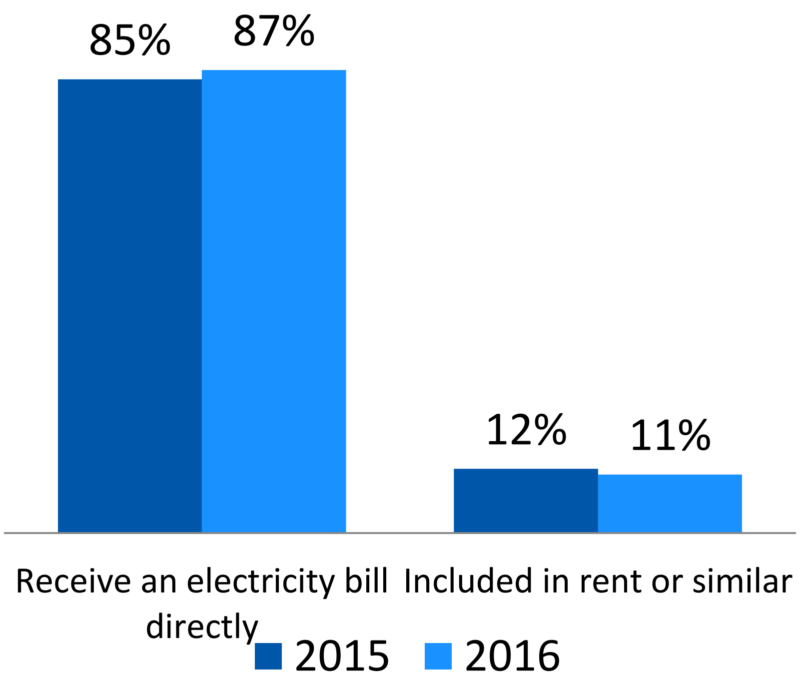
More than 4-in-10 (43%) think they pay a higher price than those in other developed nations, up 4 points year-to-year.

Almost half (48%) of Canadians feel their electricity bill has a "major impact" on their finances and requires they "do without some other important priorities“.

- This is stable year-to-year, both in terms of overall agreement and intensity of agreement.
- The fact that there is no change in the number of customers saying they are in economic distress due to their bills suggests the increase in views that bills are unreasonable is being driven by public debate, not personal circumstance. While clearly there is a real affordability issue for many customers, the negative year-to-year change appears to be due more to politics than pocketbooks.

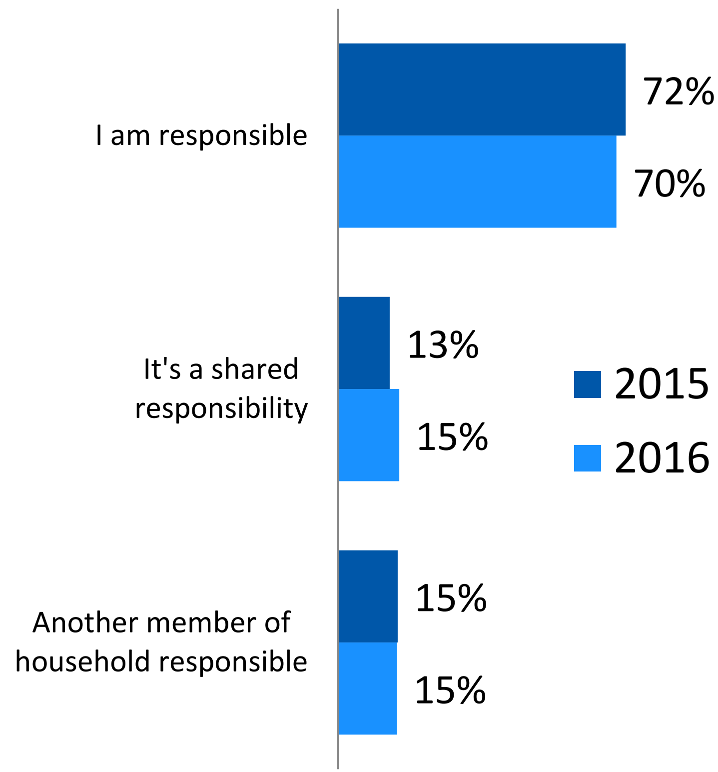
Electricity Bills: Most receive electricity bill directly and of those, 7-in-10 are responsible for their utility bills

Q Does your household currently receive an electricity bill OR is your electricity usage paid for indirectly through rent or condo fees?
[asked of all respondents; n=3,474]



Note: 'Don't know' (2%) not shown

Q Are you or is another member of your household the primary person responsible for paying the utility bills for your household, such as electricity, water or natural gas?
[asked of all respondents who receive a bill; n=3,013]



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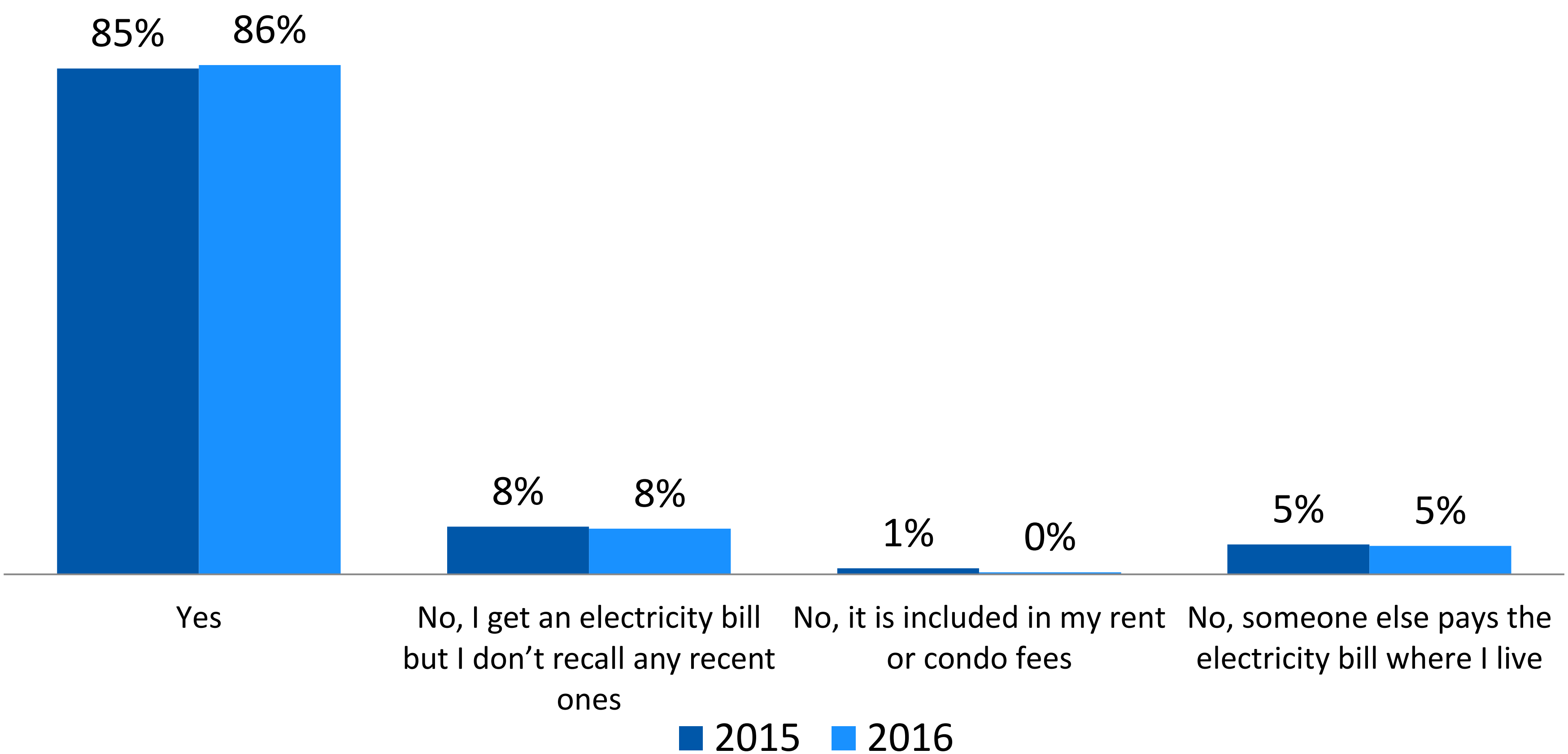
Note: 'Don't know' (<1%) not shown

Electricity Bill Recall: Over 8-in-10 recall receiving an electricity bill recently

Q Do you recall receiving a bill from your electricity supplier recently?
[asked of all respondents who receive a bill; n=3,013]



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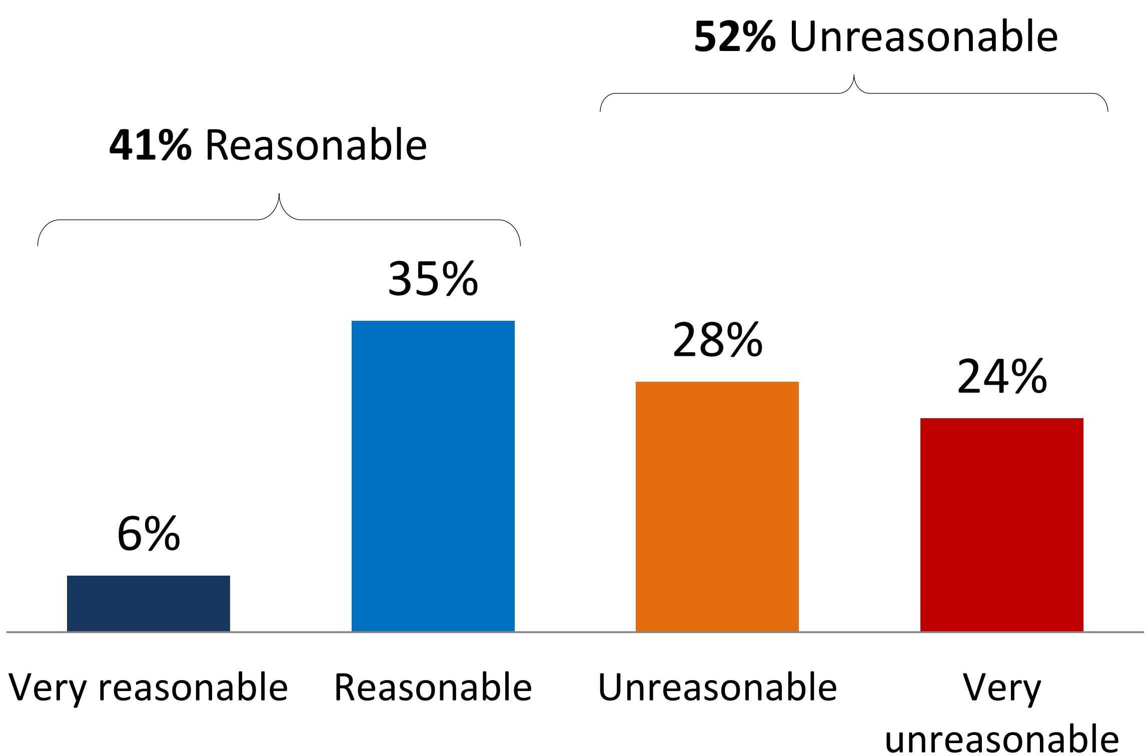
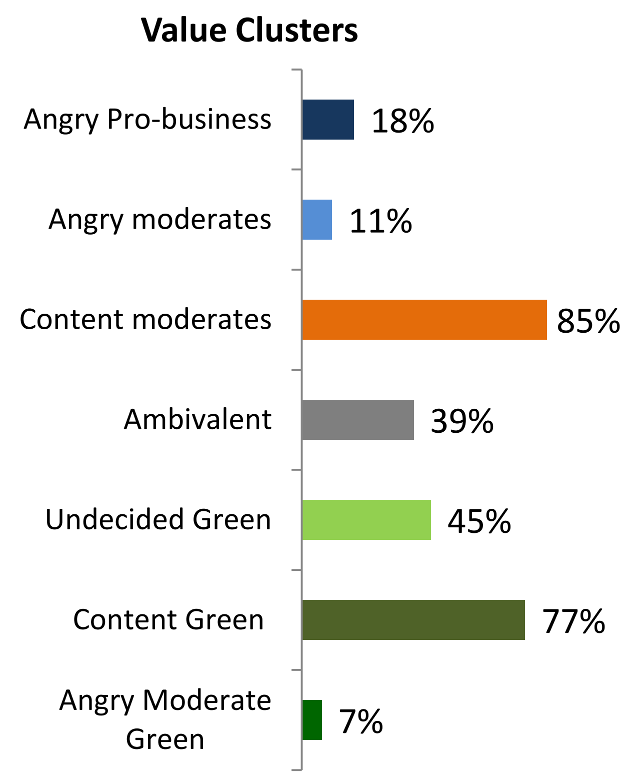
Note: 'Don't know' (2%) not shown

Attitudes on Price: majority (52%) of Canadians feel that the price

Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable?
[asked of all respondents; n=3,474]



2016 Segmentation
Those who say "reasonable"
Cluster data is based on total sample



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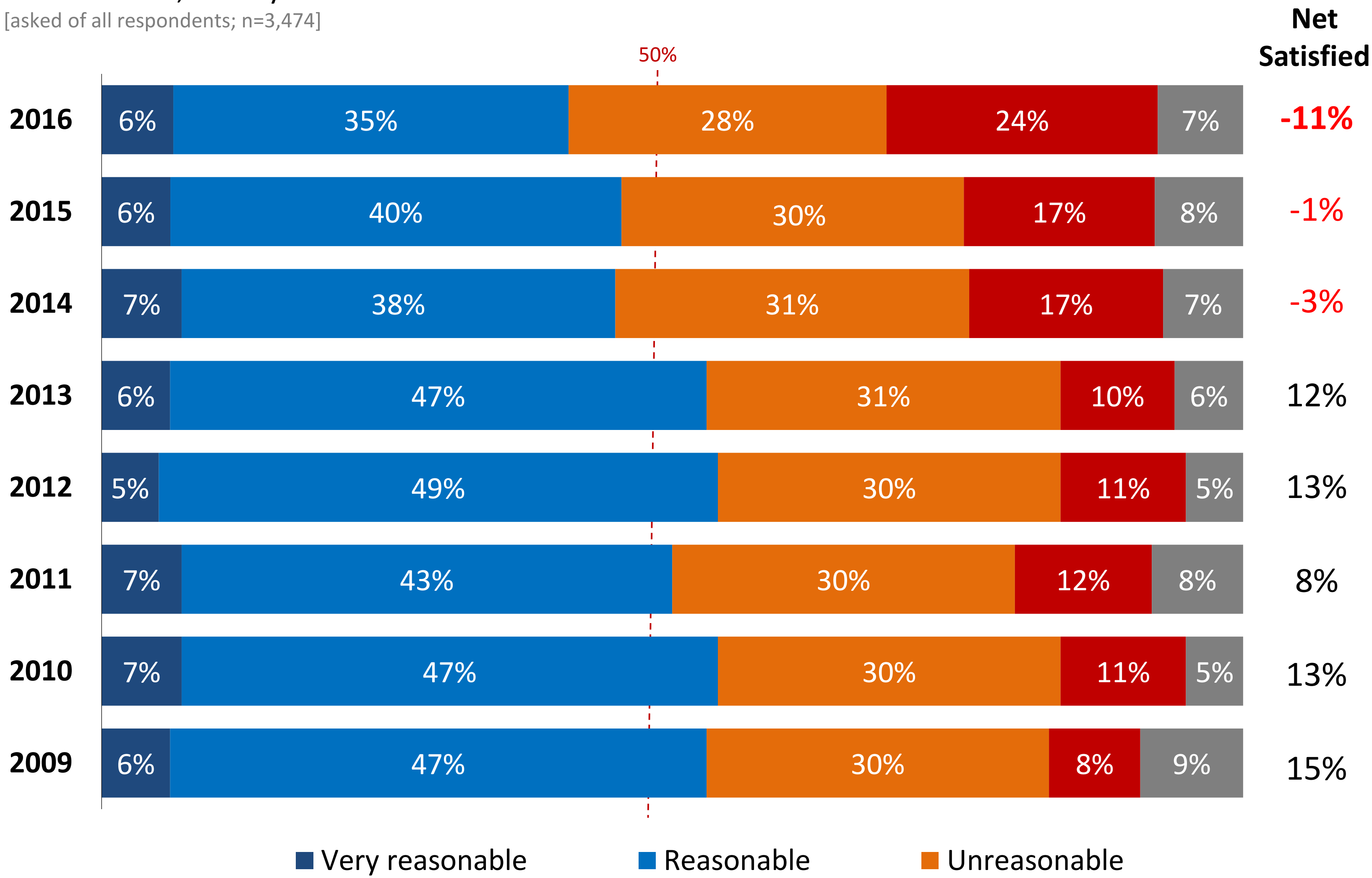
Note: 'Don't know' (7%) not shown.

Reasonable Price: "Reasonable" perception of electricity pricing dips year-to-year, down 12 points since 2013

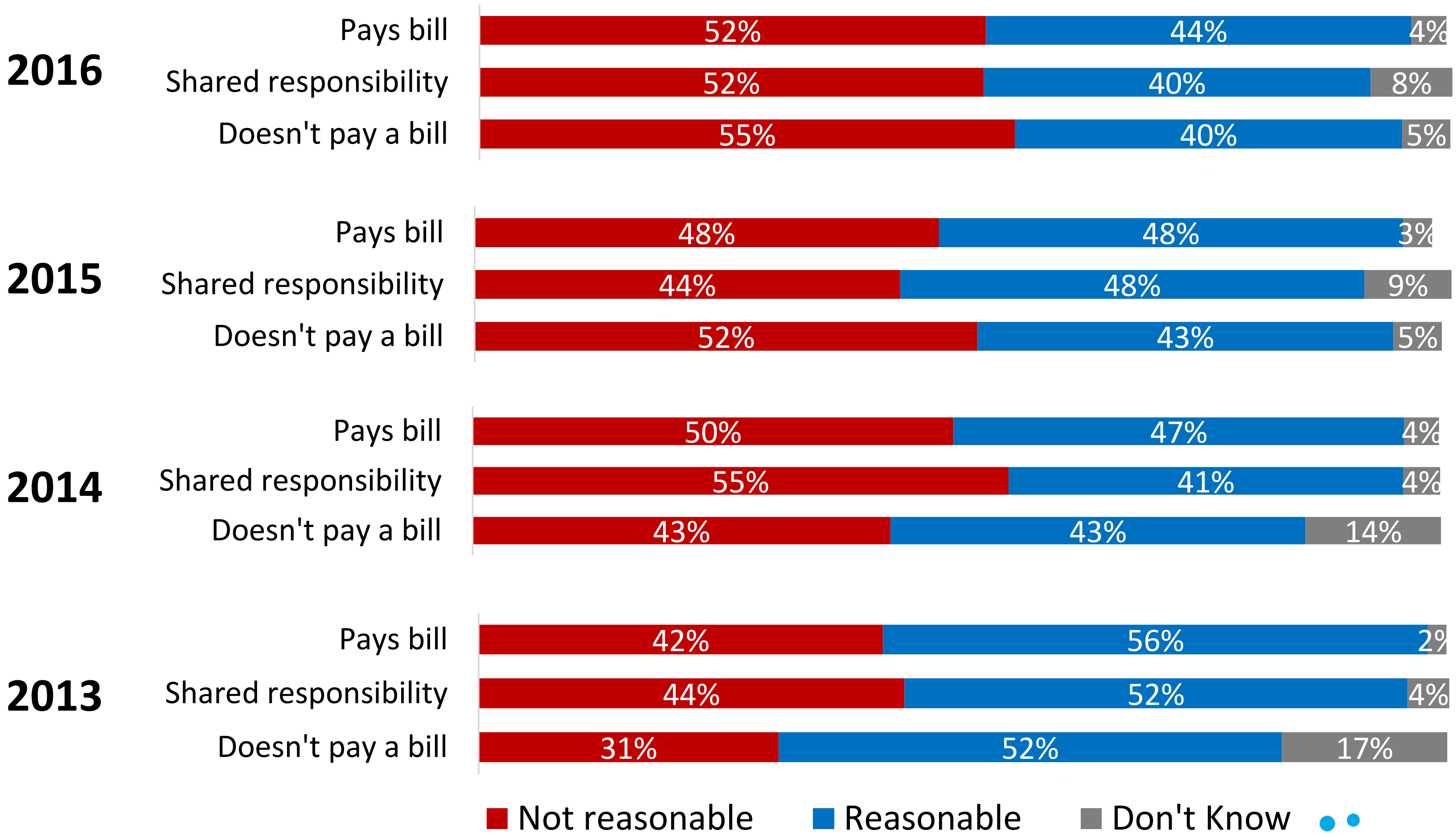
Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable?

[asked of all respondents; n=3,474]



Reasonable price: Fairly split, decrease in reasonable among "shared responsibility" group

Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable? BY Responsibility for bill [asked of all respondents; 2016 n=3,474]



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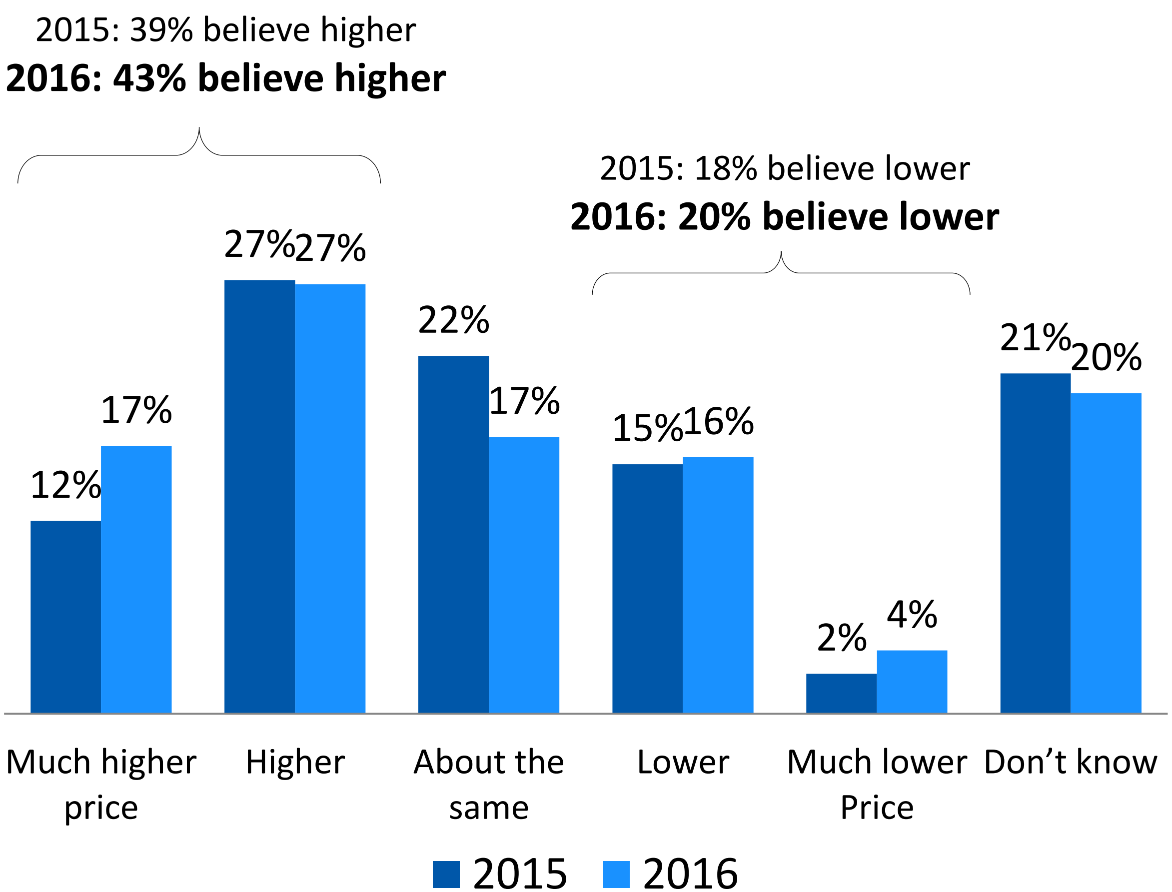
Price Comparatively: Plurality think they pay more than other developed nations, more than 6-in-10 (64%) in Ontario

Q

Thinking about the price people pay for electricity in other developed countries (e.g. the United States, Western Europe, Japan, Australia, etc.), do you think the price you pay for electricity is generally higher, lower, or about the same as what they pay?

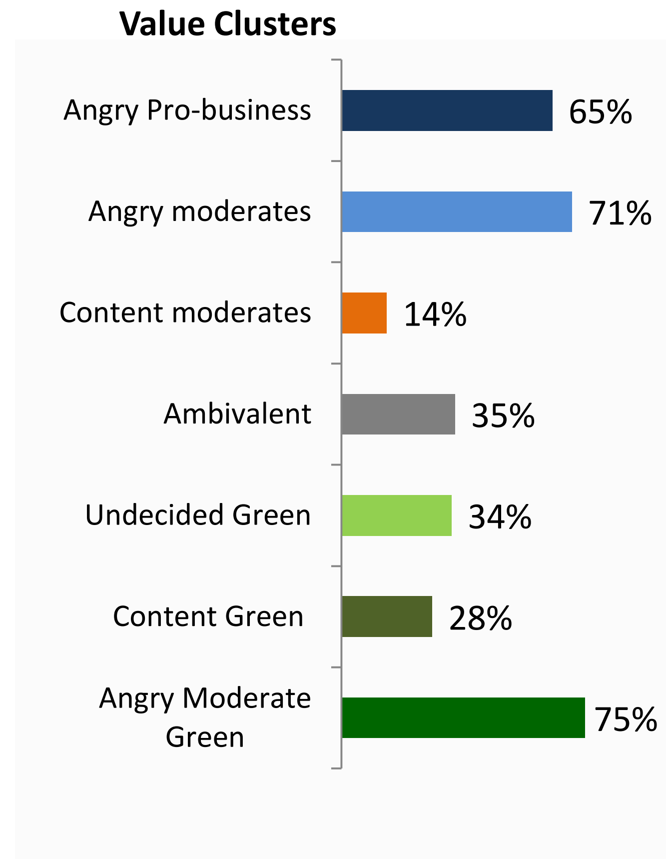
[asked of all respondents; n=3,474]



2016 Segmentation

Those who say "higher price"

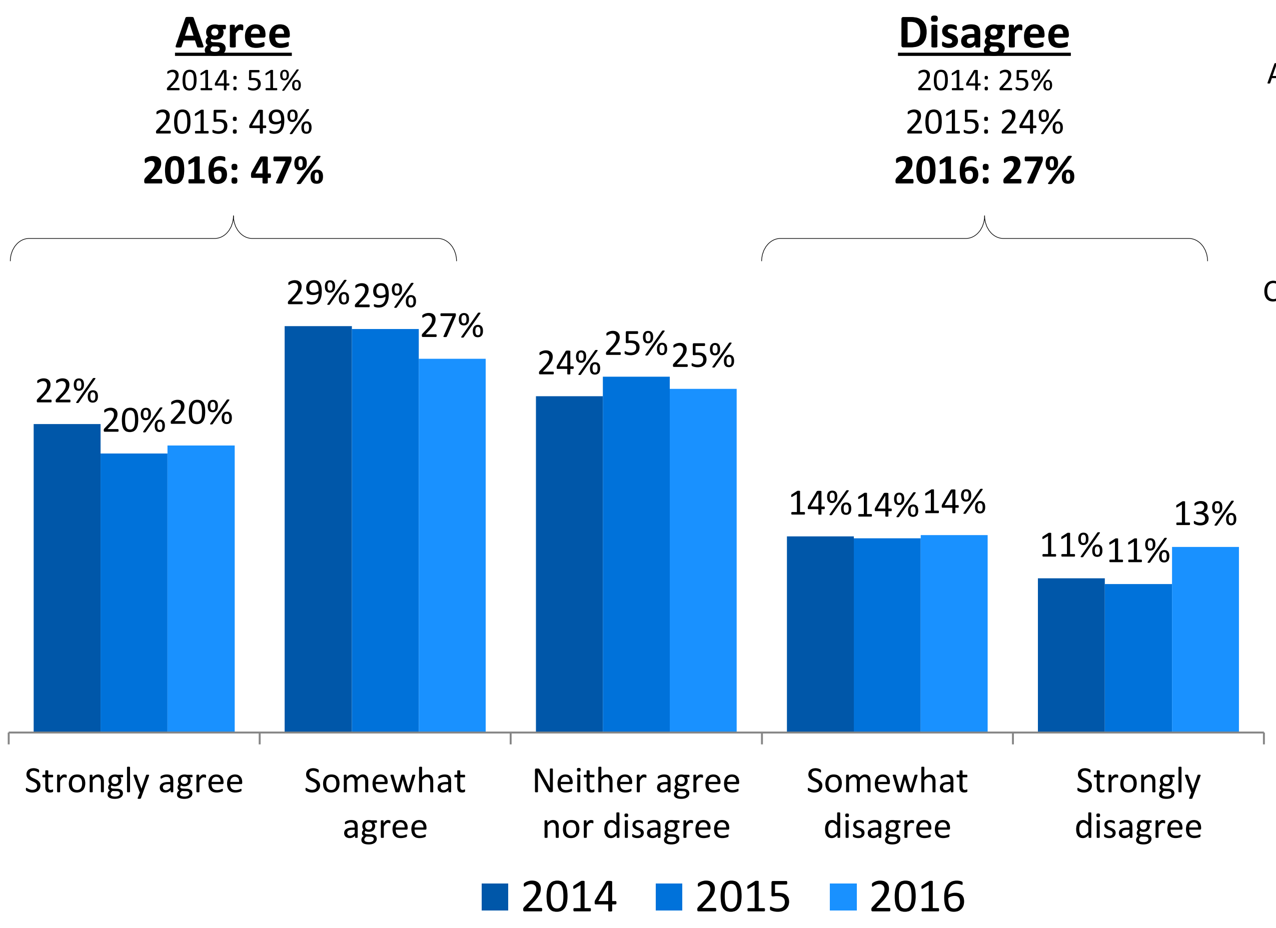
Cluster data is based on total sample



Financial Impact: Much like 2015, nearly half say bill has major impact on finances, Western Canada appear less affected

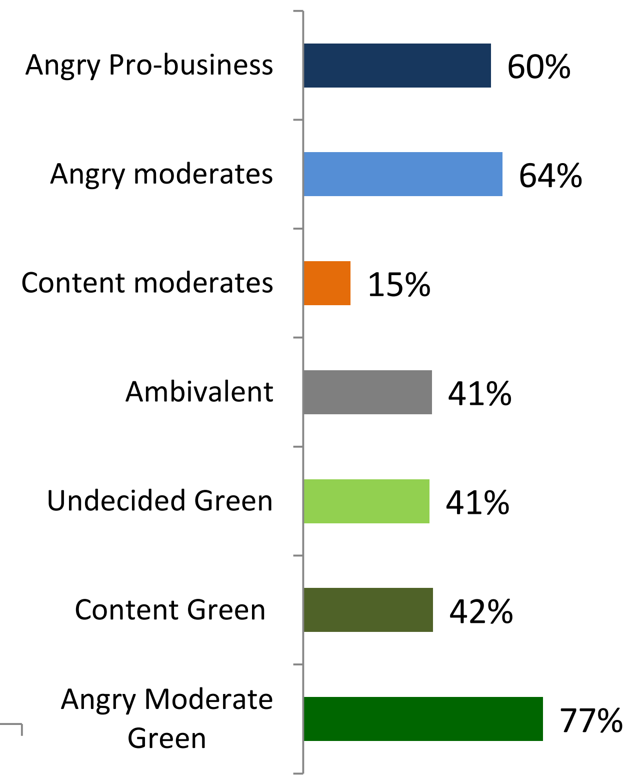
Q

Do you agree or disagree with the following statement:
The cost of my electricity bill has a major impact on my finances and requires I do without some other important priorities.
[asked of all respondents who received a bill; n=3,013]



2016 Segmentation
Those who say "agree"
Cluster data is based on total sample

Value Clusters



Note: 'Don't know' (1%) not shown.

Those whose electricity bills are impacting their finances are much more likely to say prices are unreasonable

Q Overall, do you think that the price for electricity in your province is very reasonable, reasonable, unreasonable, or very unreasonable?

[asked of all respondents who received a bill; n=3,366]

Do you agree or disagree with the following statement:
The cost of my electricity bill has a major impact on my finances and requires I do without some other important priorities.

	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree	Overall
Very reasonable	7%	3%	5%	6%	18%	6%
Reasonable	9%	30%	46%	53%	59%	35%
Unreasonable	22%	38%	30%	27%	14%	28%
Very unreasonable	61%	25%	13%	9%	5%	24%

Values are column percentages

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Note: 'Don't know' not shown

Customer Journey

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Summary: Customer Journey

When it comes to contact with their services provider, telephone is the preferred method:

- Nearly half (46%) prefer to set up accounts by telephone and when respondents have a question about a bill, two-thirds (67%) prefer to reach out by telephone.

For paying bills though, a majority (58%) prefer to use online banking.

- Among those who prefer to pay in person, to their service provider directly or by mail, half (50%) prefer using debit payment or their bank account versus less than 3-in-10 (26%) who would pay by credit card and 18% who would use cash.

In the case of power interruptions, respondents are divided on whether or not they would prefer to speak with a live operator (20%), receive a text notification (20%), email (19%) or call in to an automated response system (17%).

When asked about recent interactions with six types of organizations, respondents ranked banks (75%) and internet service providers (64%) as the easiest experiences in resolving their problems.

Respondents are divided on whether or not their customer service experience with the local electricity company is better (15%) or worse (15%) than other types of organizations. A majority either think the service is similar (51%) or don't know (18%).

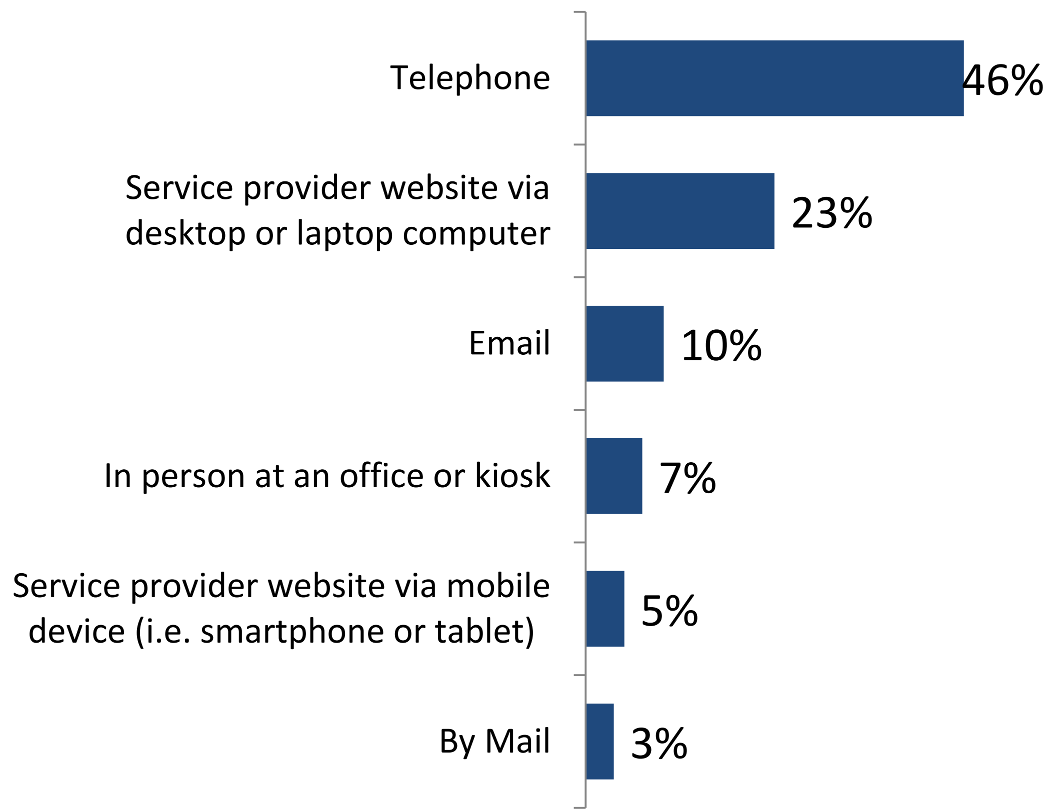
Most respondents (51%) are not familiar with the new technologies developed for residential energy users such as the Tesla Powerwall. That being said, a majority (55%) would be interested in potentially purchasing it for their home use and a strong plurality (46%) are likely to use their electricity company to help review the new technologies for their own use.

Account Preference: nearly half (46%) would prefer to set up accounts by telephone, almost a quarter (23%) via website

Q

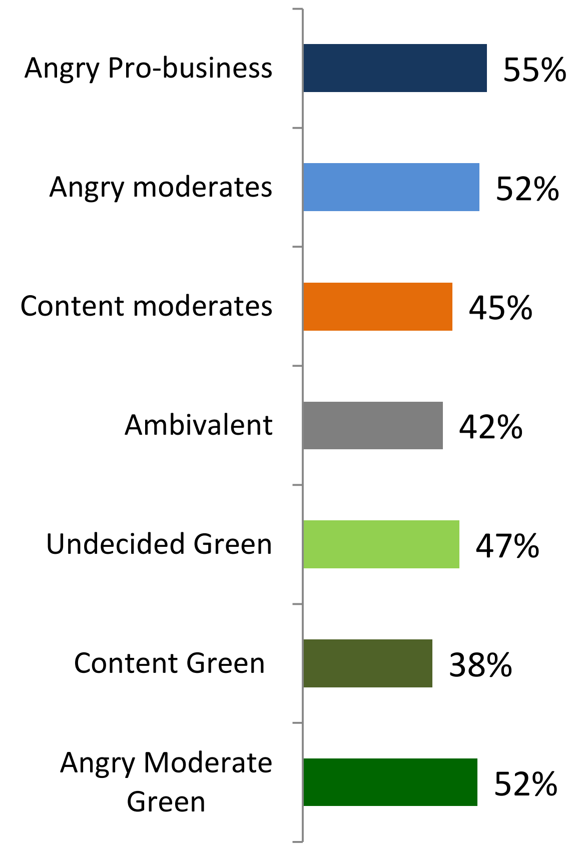
[NEW] The following questions are about how you like to deal with organization that provide basic services every month to you and your family – services such as cable, telephone, natural gas and electricity.

When you move to a new home, how do you prefer to set up new accounts and arrange for services?
[asked of all respondents; n=3,474]



2016 Segmentation ▸▸
Those who say "Telephone"
Cluster data is based on total sample

Value Clusters



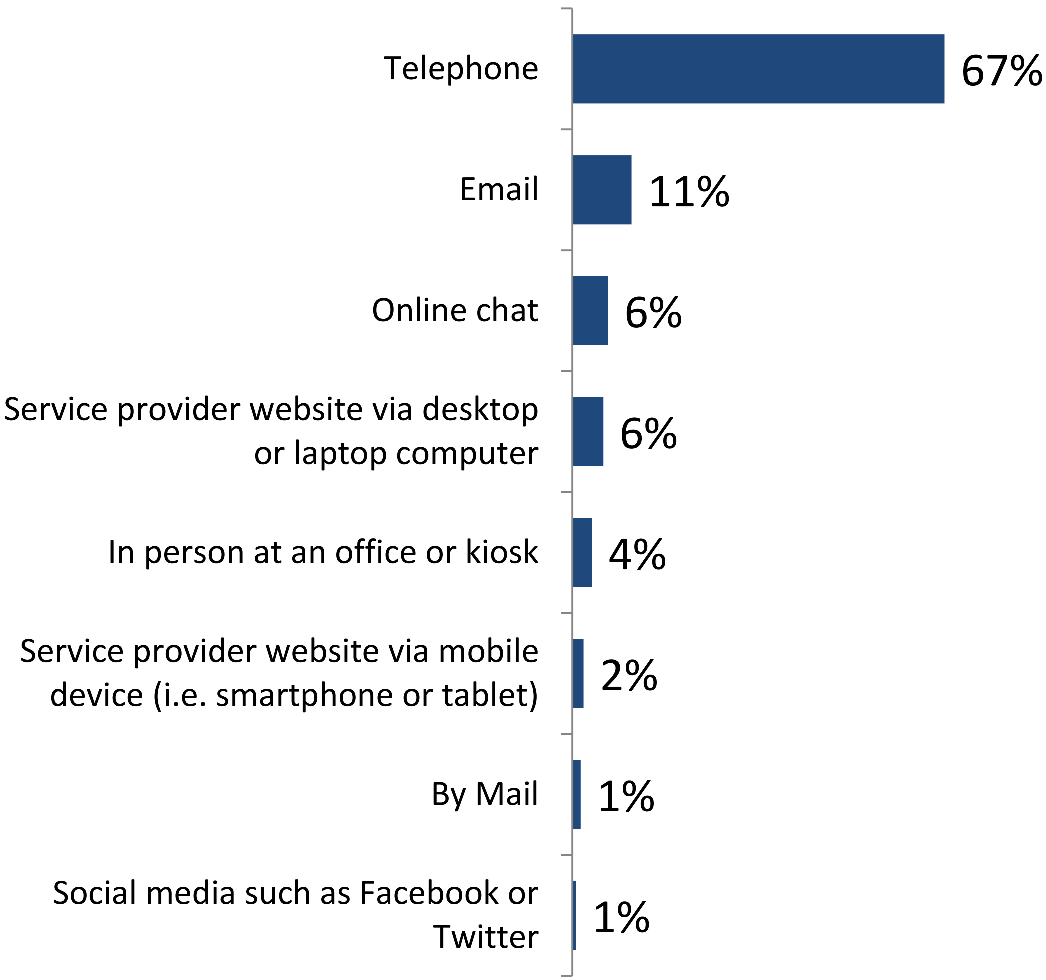
Note: 'Don't know' (6%) not shown.

Question Preference: 2-in-3 (67%) would prefer to contact about bill via telephone, email (11%) a distant second

Q

[NEW] When you have a question about a bill, how do you prefer to contact the organization?

[asked of all respondents; n=3,474]

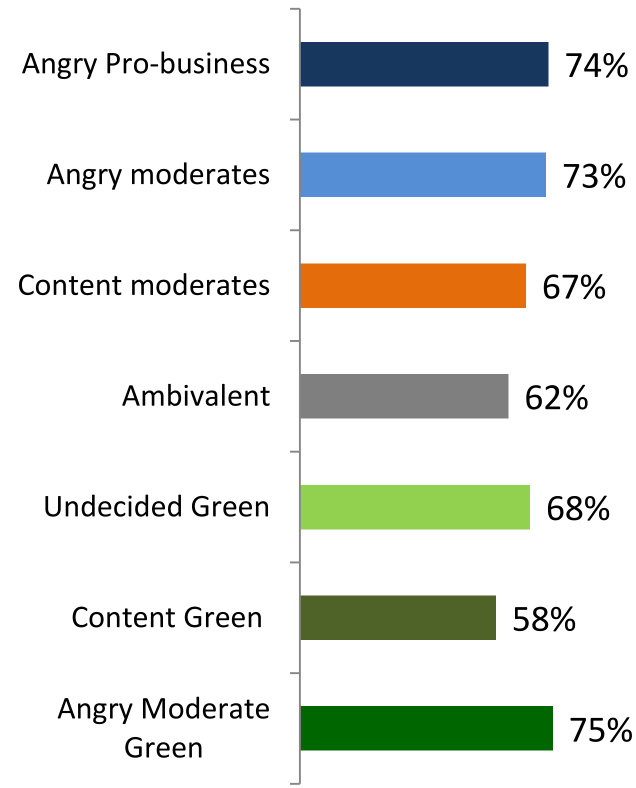


2016 Segmentation ▶▶

Those who say "Telephone"

Cluster data is based on total sample

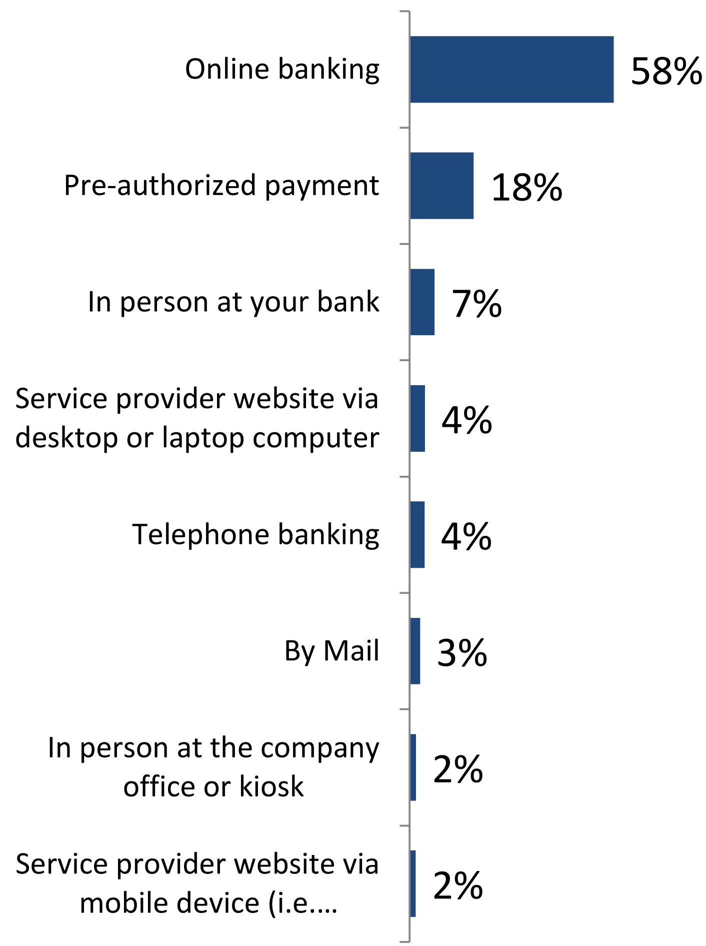
Value Clusters



Note: 'Don't know' (3%) not shown.

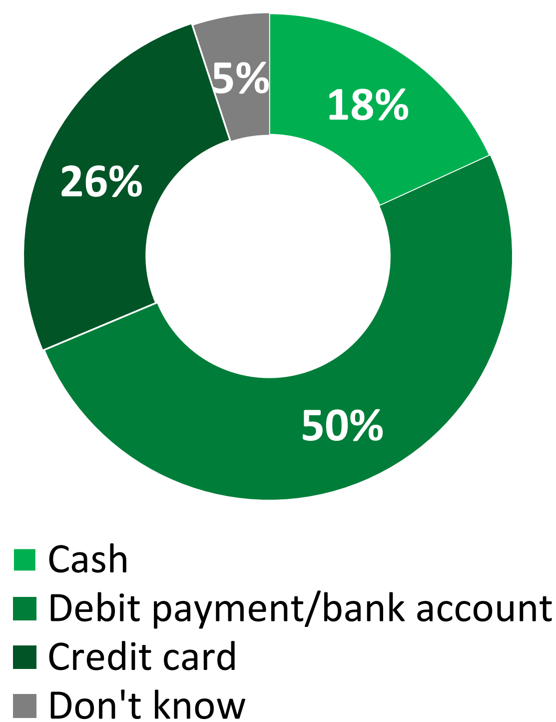
Bill Preference: nearly 6-in-10 (58%) prefer to pay bills via online banking, 2-in-10 (18%) prefer pre-authorized payment

Q **[NEW]** How do you prefer to pay your bills?
[asked of all respondents; n=3,474]



Asked among 11% of Canadians who prefer to pay their bills in person, via a service providers website or by mail.

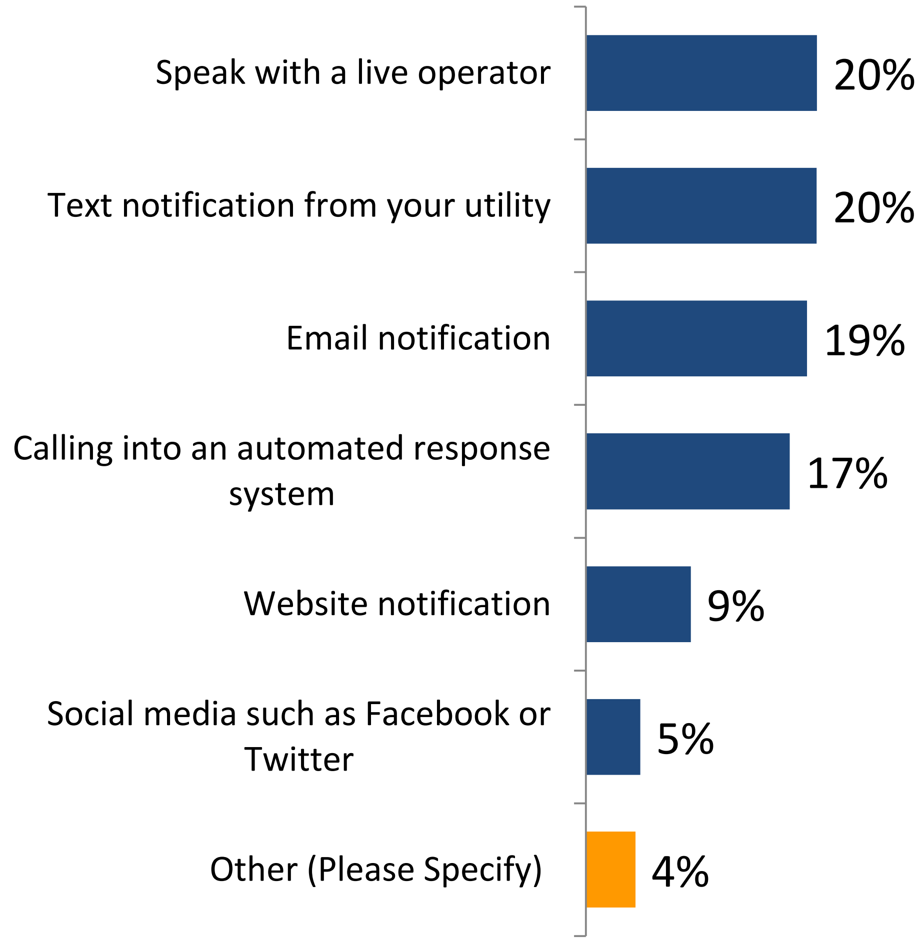
Q **[NEW]** What is your preferred method of bill payment?
[n=354]



Note: 'Don't know' (2%) not shown.

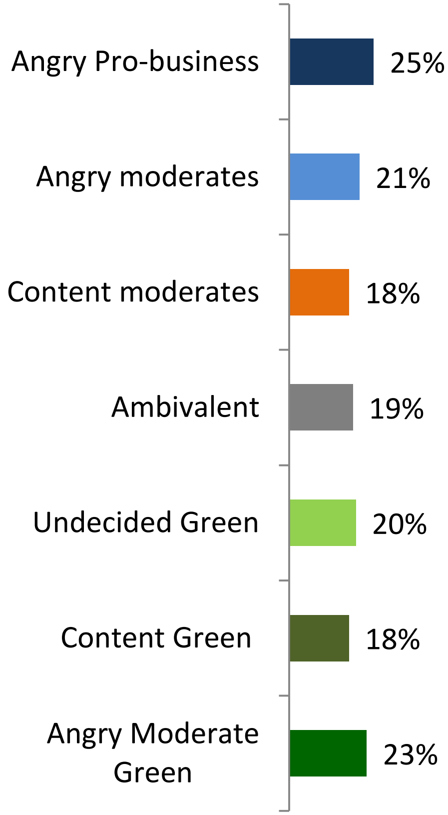
Communication preference: split on updates between live operator (20%), text (20%), email (19%) and phone service (17%)

Q **[NEW]** If you have some type of **power service interruption**, how do you prefer to receive updates on the status of the power restoration?
[asked of all respondents; n=3,474]



2016 Segmentation
Those who say "Live operator"
Cluster data is based on total sample

Value Clusters



Note: 'Don't know' (7%) not shown.

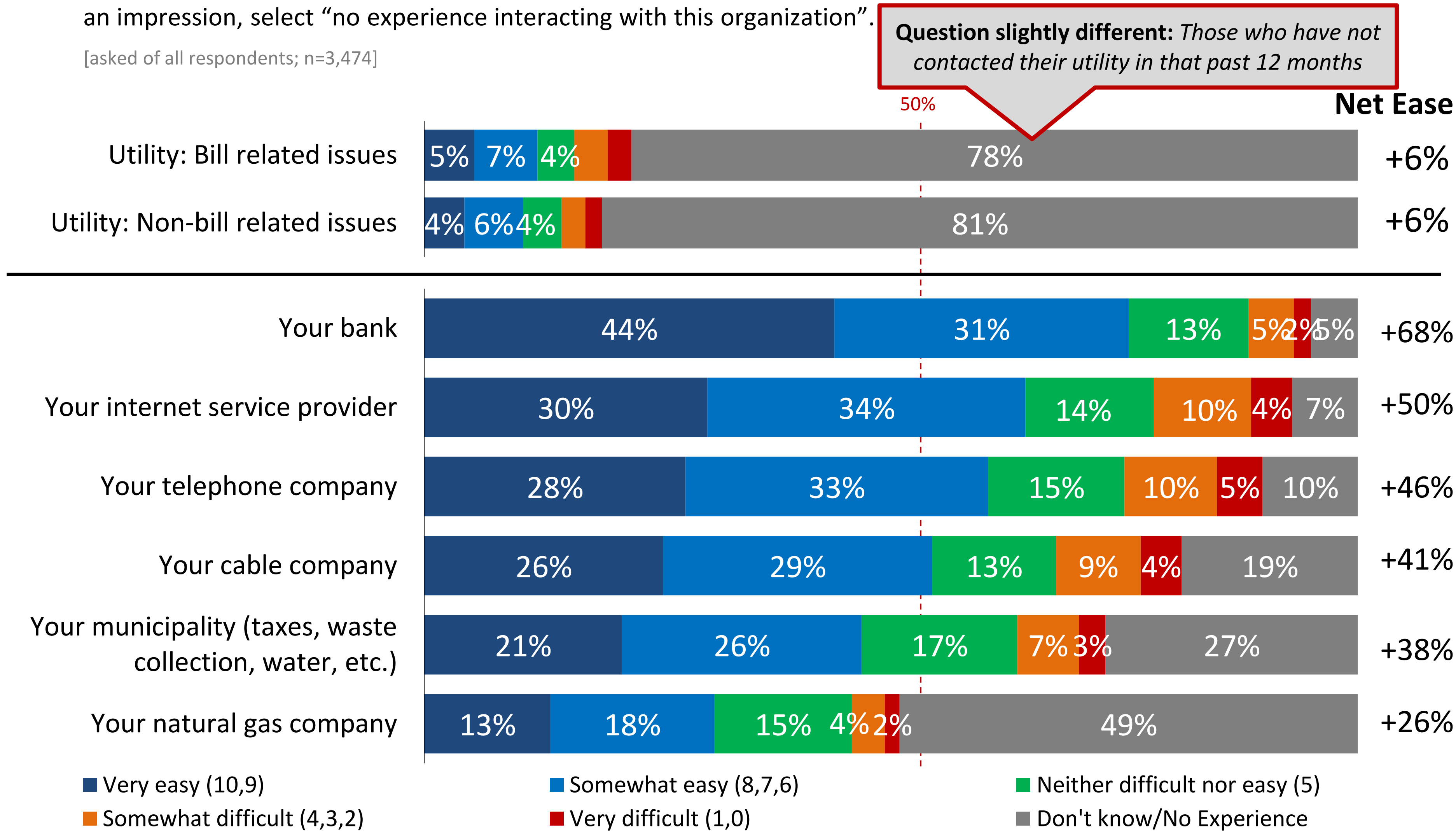
Issues Resolution: Bank (75% easy) and ISP (65%) customer service interactions seen as easiest

Q

[NEW] Thinking back to your most recent interaction with each of the following organizations, how would you rate the ease or difficulty of getting a problem resolved to your satisfaction?

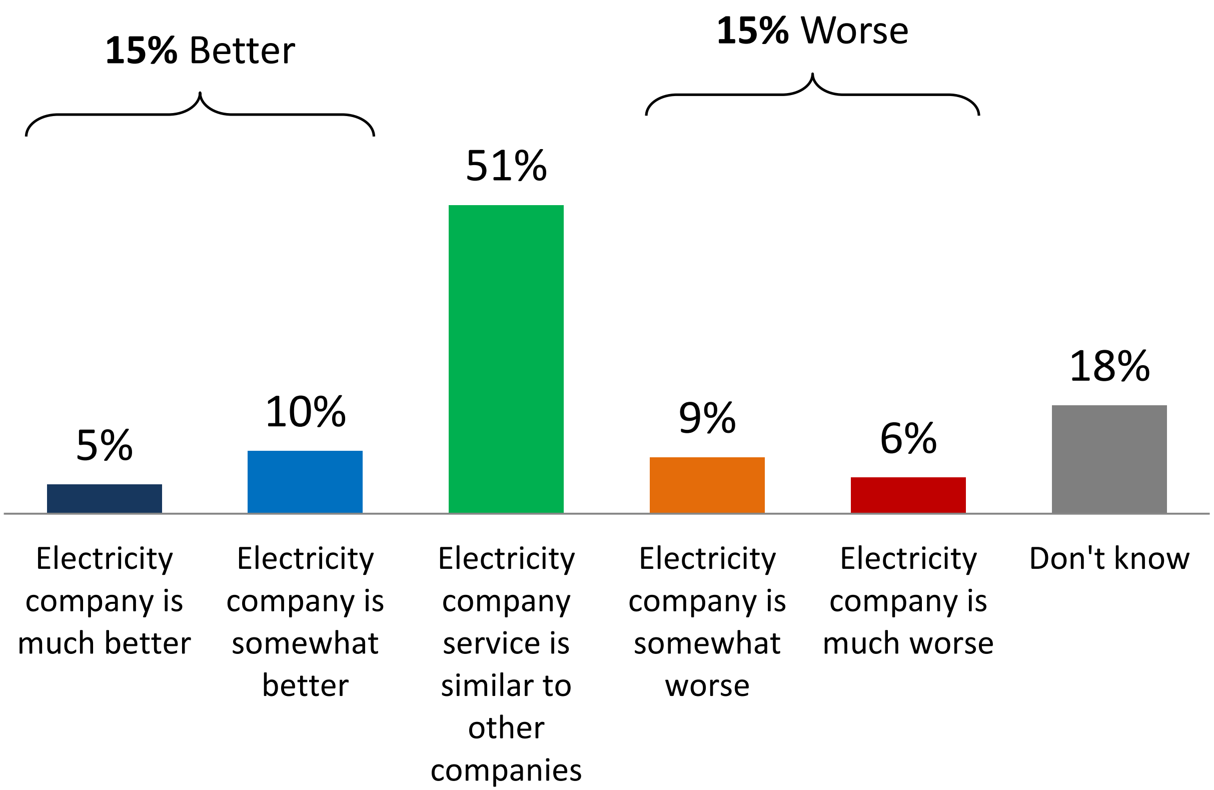
If you have never dealt with one of the organizations listed, or that you haven't had enough experience to form an impression, select "no experience interacting with this organization".

[asked of all respondents; n=3,474]



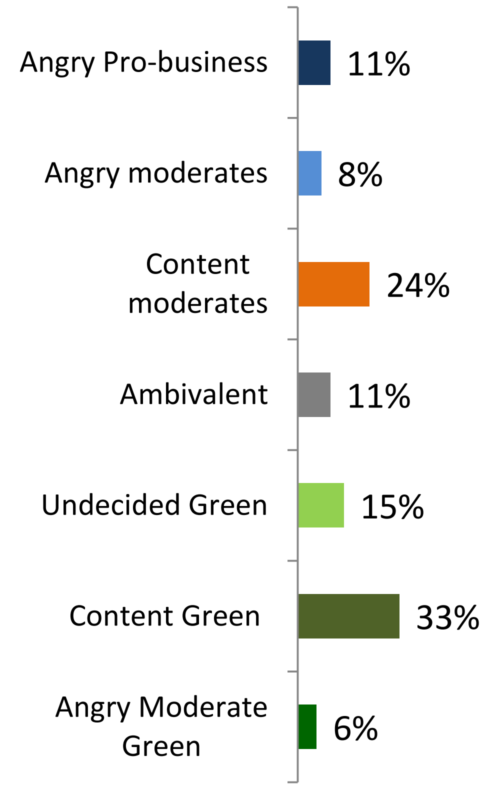
Customer service experience: respondents divided on experience, most think service similar (51%)

Q **[NEW]** How does your customer service experience with the previously listed organizations compare to that of your local electricity company?
[asked of all respondents; n=3,474]



2016 Segmentation
Those who say "Better"
Cluster data is based on total sample

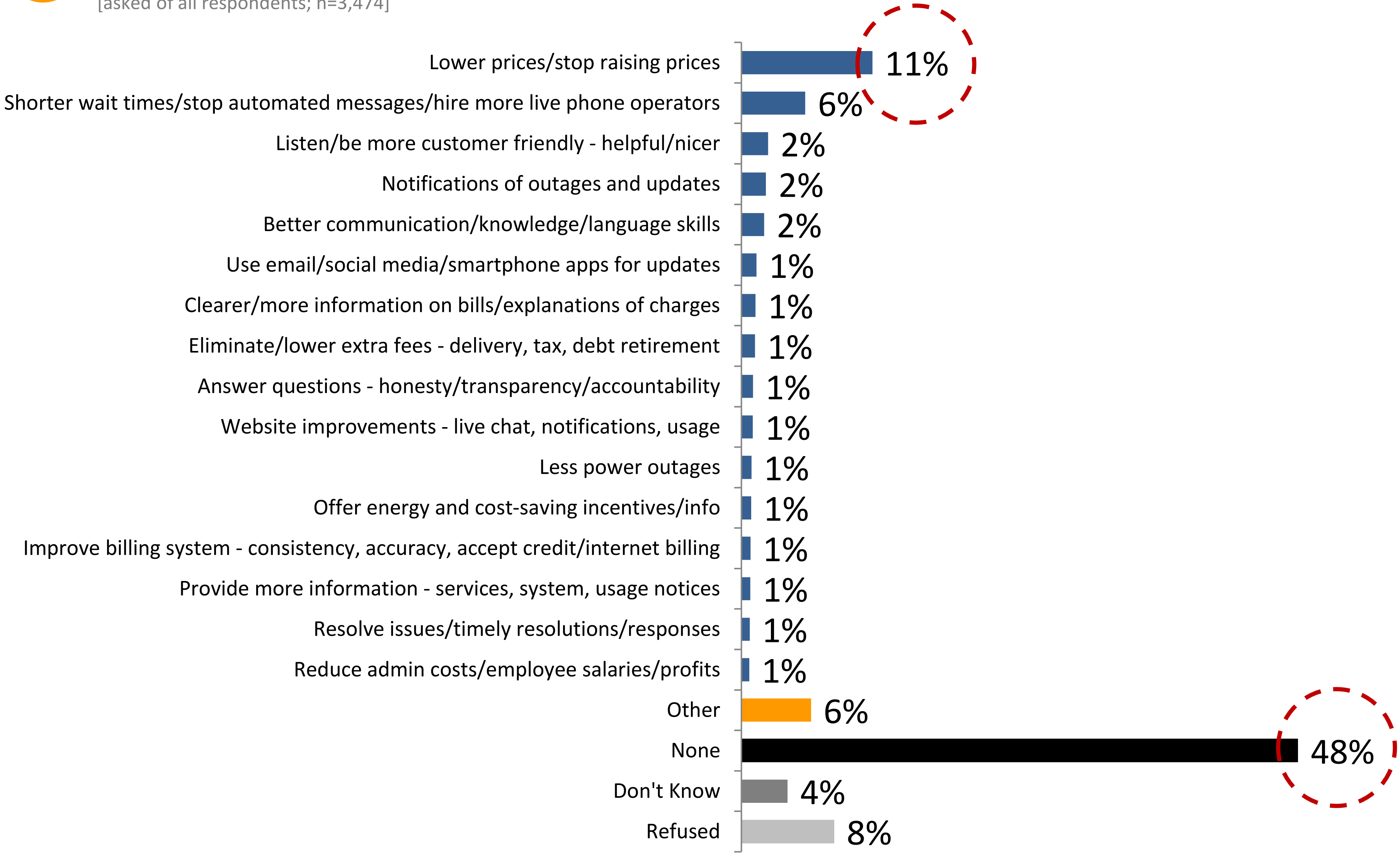
Value Clusters



Improving customer service: Almost half have no suggestions; while concerns on price a distant second

Q **[NEW]** Thinking about all the various customer service contacts you have experienced, do you have any specific suggestions for how your local electricity company could improve its services to you? [OPEN-ENDED]

[asked of all respondents; n=3,474]



Improving customer service: Price Verbatim

"Lower the prices - this is the biggest issue, more important than all other issues combined."

"Costs keep going up, I keep changing my equipment to reduce power consumption, I have nothing left to improve, selling power to the united states for less than we pay is not fair, we paid for all the hydro equipment not the US."

"Bring down the price. I am a senior that cannot afford these prices. We are on fix income. Everything goes up accept Canada pensions and old age pension. they have been the same for the last 50 years."

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Improving customer service: Call Center Verbatim

"*A hotline you can call when you have no power and actually talk to a person - not a machine or a message. When you have no power - you need reassurance - you do not get that from a machine or a message.*"

"*More availability - the hours are very short, so it is hard to get a hold of someone especially if you work. It would be nice to have an after hours line, or an online way of contact like chat.*"

"*Have more staff situated according to the location of the caller. Have more staff to handle calls during peak periods.*"

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Market for New Technology

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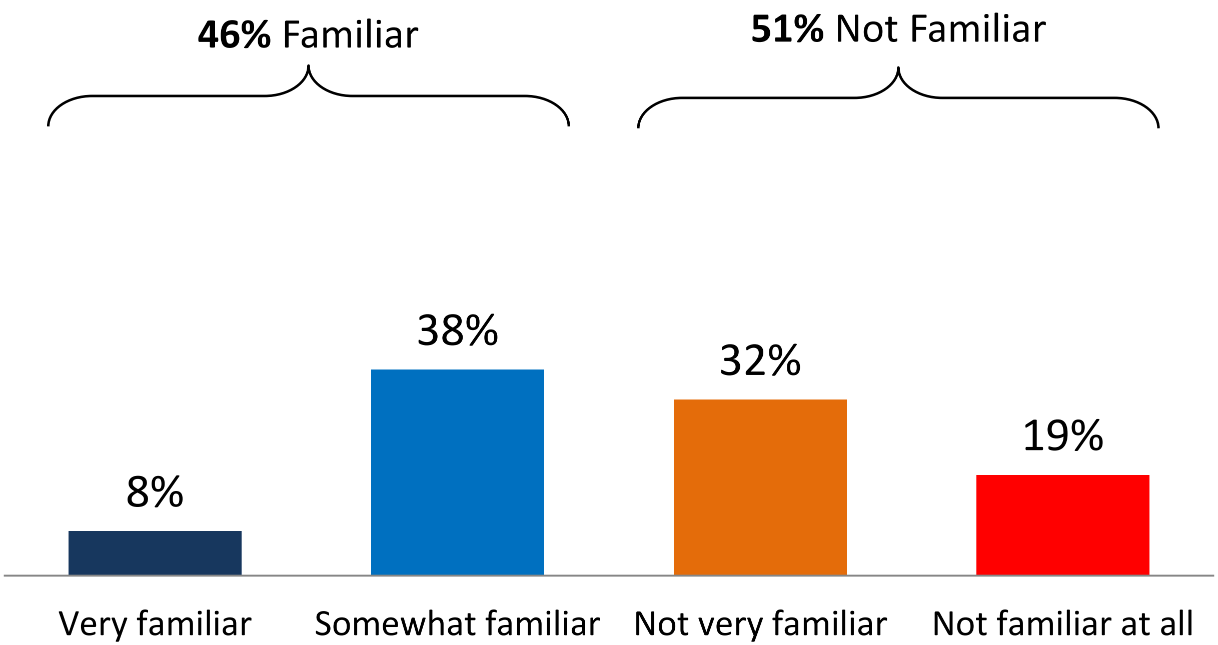
Familiarity with New Technology: less than half (46%) familiar with new residential energy technologies

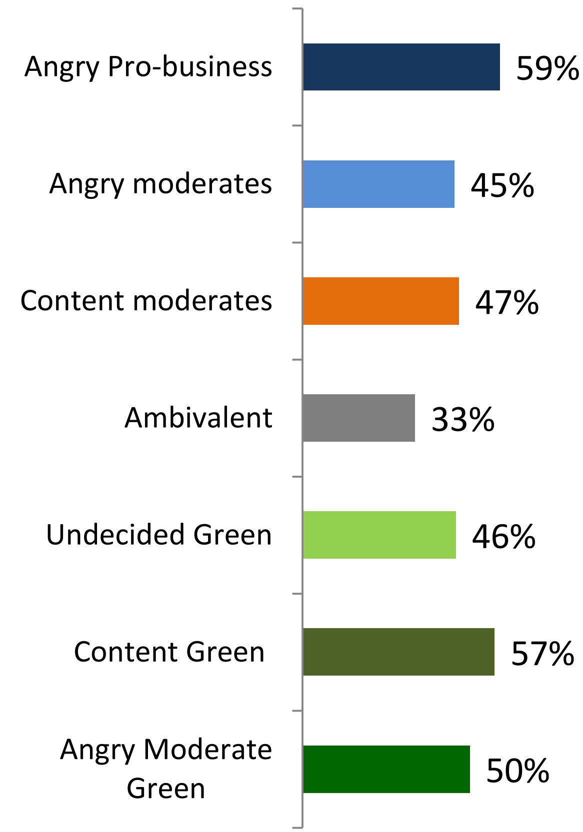
Q **[NEW]** There are a number of new technologies being developed for residential energy users including home energy storage such as the Tesla Powerwall, electric vehicle, and rooftop solar installations. These technologies will allow you to reduce your reliance on the electricity grid and even sell electricity back into the grid.

How familiar are you with these new technological developments?
[asked of all respondents; n=3,474]



2016 Segmentation ▶▶
Those who say "Familiar"
Cluster data is based on total sample

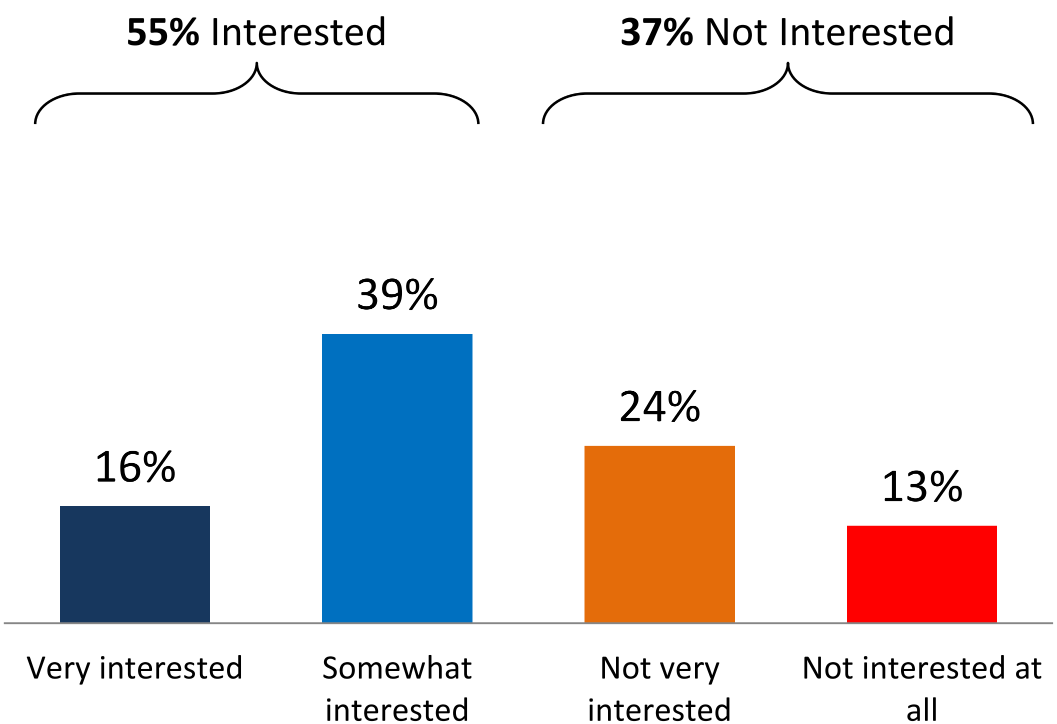
Value Clusters



Note: 'Don't know' (3%) not shown.

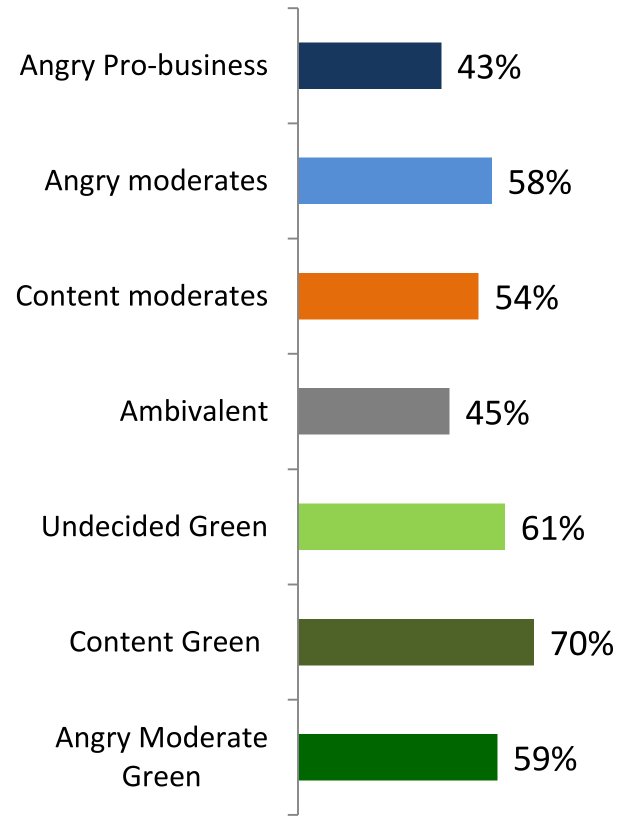
Interest in New Technology: Majority (55%) interested in purchasing new residential technology

Q **[NEW]** How interested are you in exploring the possibility of purchasing any of these new technologies for your own use?
[asked of all respondents; n=3,474]



2016 Segmentation
Those who say "Interested"
Cluster data is based on total sample

Value Clusters

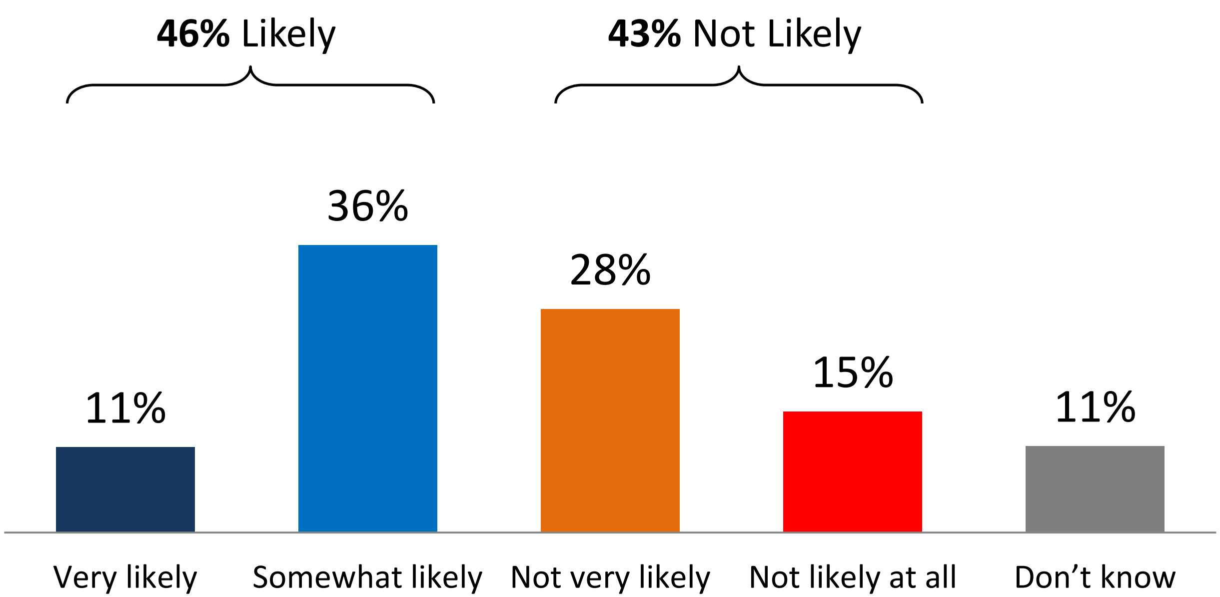


Note: 'Don't know' (8%) not shown.

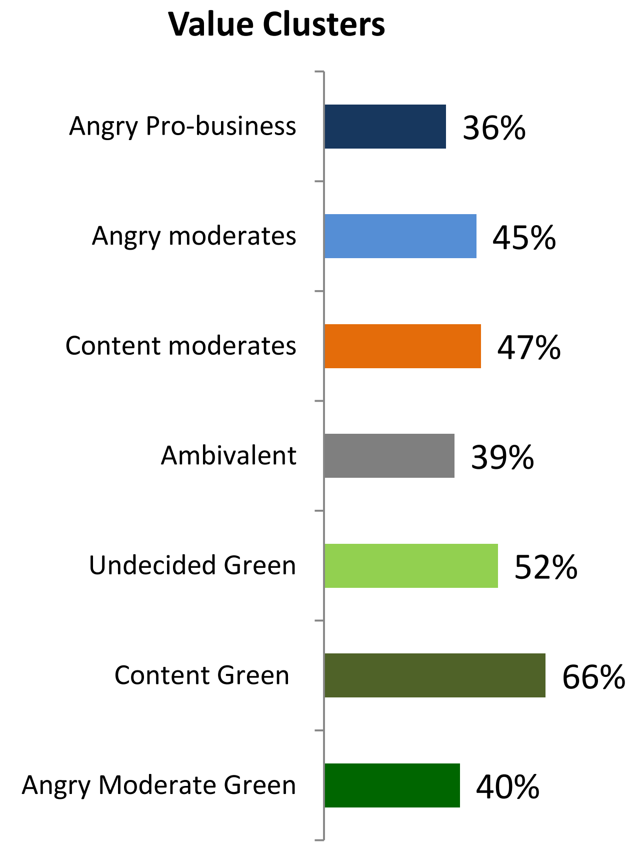
Likely to use company: plurality (46%) likely to use local electricity company to review new technologies

Q **[NEW]** Some local electricity companies are helping their customers explore the potential of purchasing these new technologies for their own use.

How likely is it that you would use your local electricity company to help you review these new technologies for your own use?
[asked of all respondents; n=3,474]



2016 Segmentation
Those who say "Likely"
Cluster data is based on total sample



Interest in Technology by Likelihood to Use Local Utility

Interest in Technology by Likelihood to Use Local Utility

[asked of all respondents; n=3,474]

Interest in Purchasing New Technologies

Likelihood to Use Local Utility to Review New Technologies

	Very interested	Somewhat interested	Not very interested	Not interested at all	Don't know	Total
Very likely	47%	6%	1%	1%	2%	**11%**
Somewhat likely	34%	64%	17%	5%	8%	**36%**
Not very likely	10%	18%	64%	20%	13%	**28%**
Not likely at all	5%	4%	12%	67%	8%	**15%**
Don't know	3%	7%	5%	7%	68%	**11%**

Regression Analysis

What Drives Reputation?

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Using Regression Analysis

What is Regression Analysis?

Regressions are another means of determining importance.

- A regression allows us to take all the questions that may explain the key question we are interested in and see which of these is the most important. Regressions do this by holding all the likely suspects constant and varying one question at a time to see which questions (explanatory variables) have the greatest impact on the key question (dependent variable).

Corporate Reputation Regression Analysis ►►

- In this study what aspects of respondents' demographics and public opinion drive their overall view of the companies in each sector?
- We use the factors that fed into the CSI but also add respondent's demographics, attitudes, brand attributes, and experiences to the model to see what matters most when everything else is held constant
- We run separate models for each type of company to examine what matters specifically in each case. When respondents were asked about their overall satisfaction they were asked *specifically* about the company that they are a customer of by name in all cases except for generation.

Attitudes factored ►►

- In addition to the factor analysis of company attributes previously described, key attitudes about the electricity system, price, and the environment were factored to reduce overlap in the regression models.
- The following slide describes the result of this analysis.

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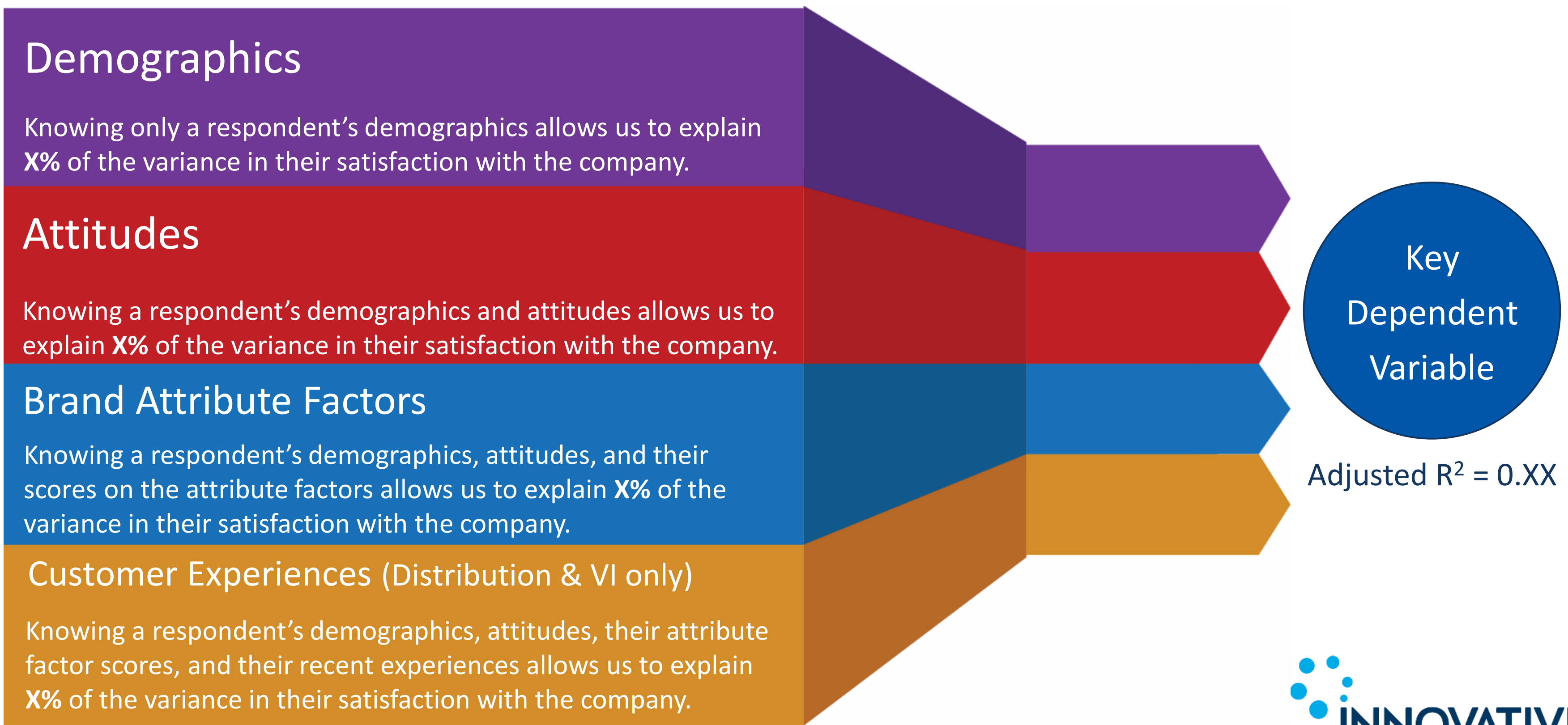
Attitudinal Factor Analysis

General Attitudes	Management, reliability and value of system	Progressive attitudes	Standalone
Agree: Consumers are well protected with respect to the price of electricity service in my province	X		
Agree: Thinking of all our regular household bills, people in my province get good value for the money we pay for electricity	X		
Satisfaction: provincial government management of electricity system	X		
Agree: Consumers are well protected with reliability and quality of electricity service in my province	X		
Agree: Climate change critical threat, dramatic action needed.		X	
Agree: when we have to choose between jobs and the environment, I believe we should always put the environment first		X	
Agree: What is good for business is usually bad for ordinary people			X
Overall: Price is reasonable/unreasonable			X
Perceive price to be higher/lower than other countries?			X

Block Regression

- In order to explain respondent's overall satisfaction with the company in question we add blocks of variables to the model one at a time to see the contribution of each block individually.
- First, we run the model with only demographic variables. Then, we add respondent's attitudes about the electricity system, the environment, and the economy; we then add the brand attribute factors; and finally, we add variables that speak to their experiences with the company.
- Separating the four steps allows us to show how much of the variance in overall satisfaction is explained by each block in turn.



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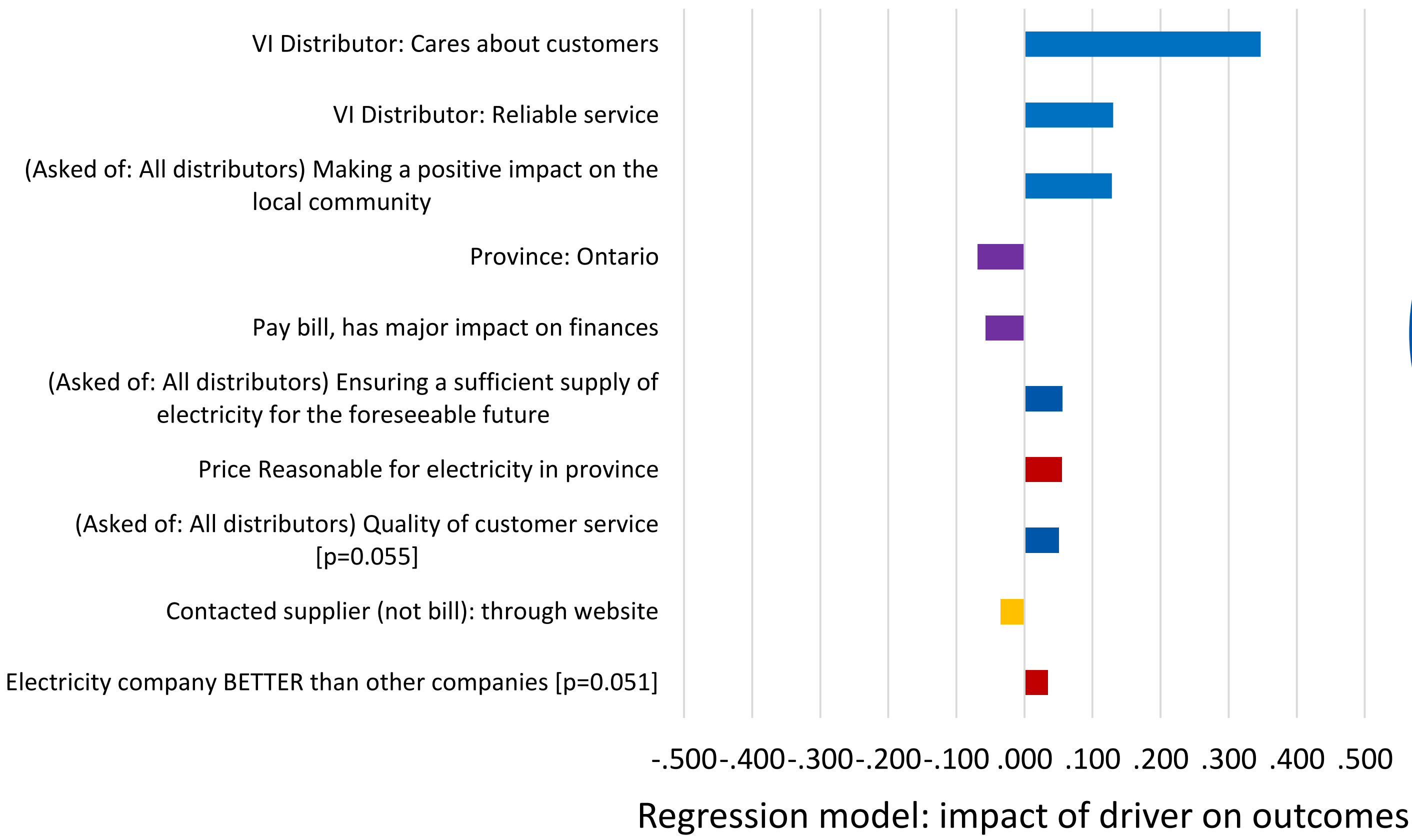
Vertically Integrated Regression

For vertically integrated companies, demographics alone explain 16% of customer satisfaction; adding attitudes explained an additional 25%; adding attribute factors explained an additional 14%; and adding recent experiences explained an additional 0.1%. Overall 56% of variance in overall satisfaction is accounted for by the final model.



Satisfaction with your (*vertically integrated*) electricity company

Adjusted $R^2 = 0.557$

Demographics **16%**

Attitudes **41%**

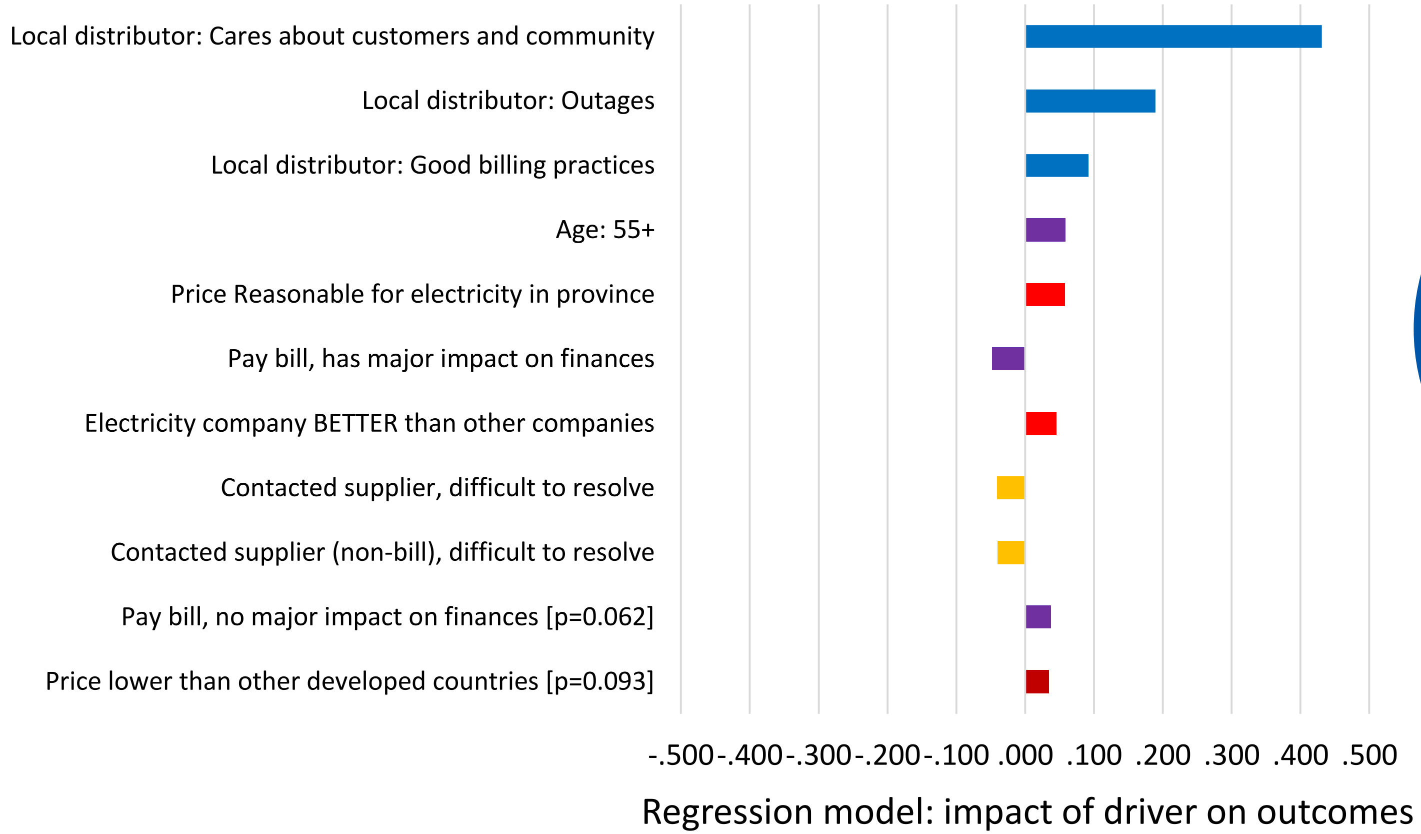
Brand Attribute Factors **56%**

Experiences **56%**

Note: Chart shows standardized beta scores. All drivers significant at a 95% confidence interval unless indicated otherwise.

Local Distributor Regression

For local distribution companies, demographics alone explain 7% of customer satisfaction; adding attitudes explained an additional 20%; attribute factors explained an additional 24%; and adding recent experiences explained an additional 0.3% of the variance. Overall 52% of variance in overall satisfaction is accounted for by the final model.



Satisfaction with your *local distribution company*

Adjusted $R^2 = 0.522$

Demographics **7%**

Attitudes **28%**

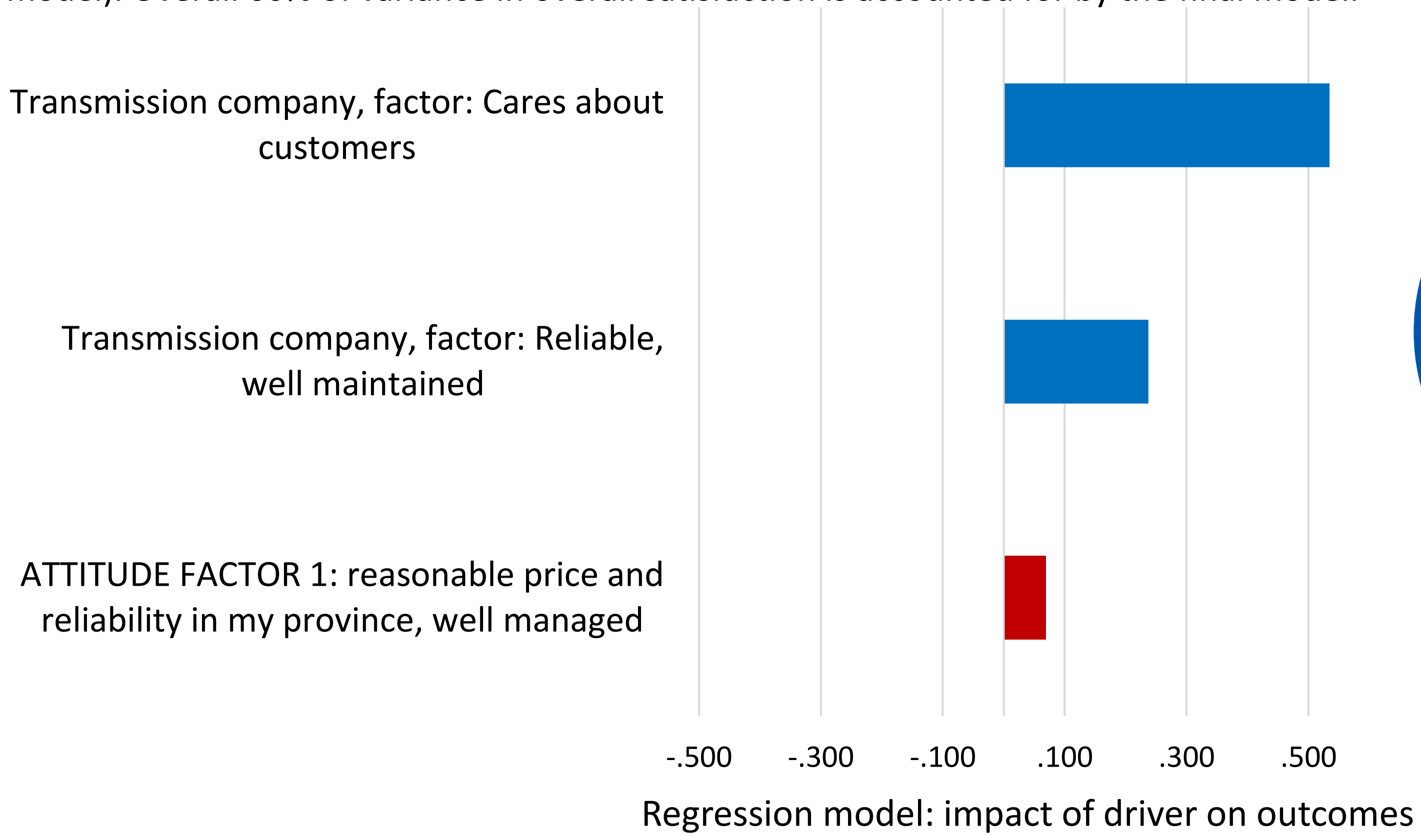
Brand Attribute Factors **52%**

Experiences **52%**

Note: Chart shows standardized beta scores. All drivers significant at a 95% confidence interval unless indicated otherwise.

Transmission Regression

For standalone transmission companies, demographics alone explain 6% of customer satisfaction; adding attitudes explained an additional 29%; attributes explained an additional 26%, and recent experiences explained no additional variance (for Transmission companies, only recent experiences with *other* types of companies were included in the model). Overall 60% of variance in overall satisfaction is accounted for by the final model.



Satisfaction with your transmission company (*if different than distributor*)

Adjusted $R^2 = 0.602$

Demographics **6%** → Attitudes **35%** → Brand Attribute Factors **60%** → Experiences **60%**

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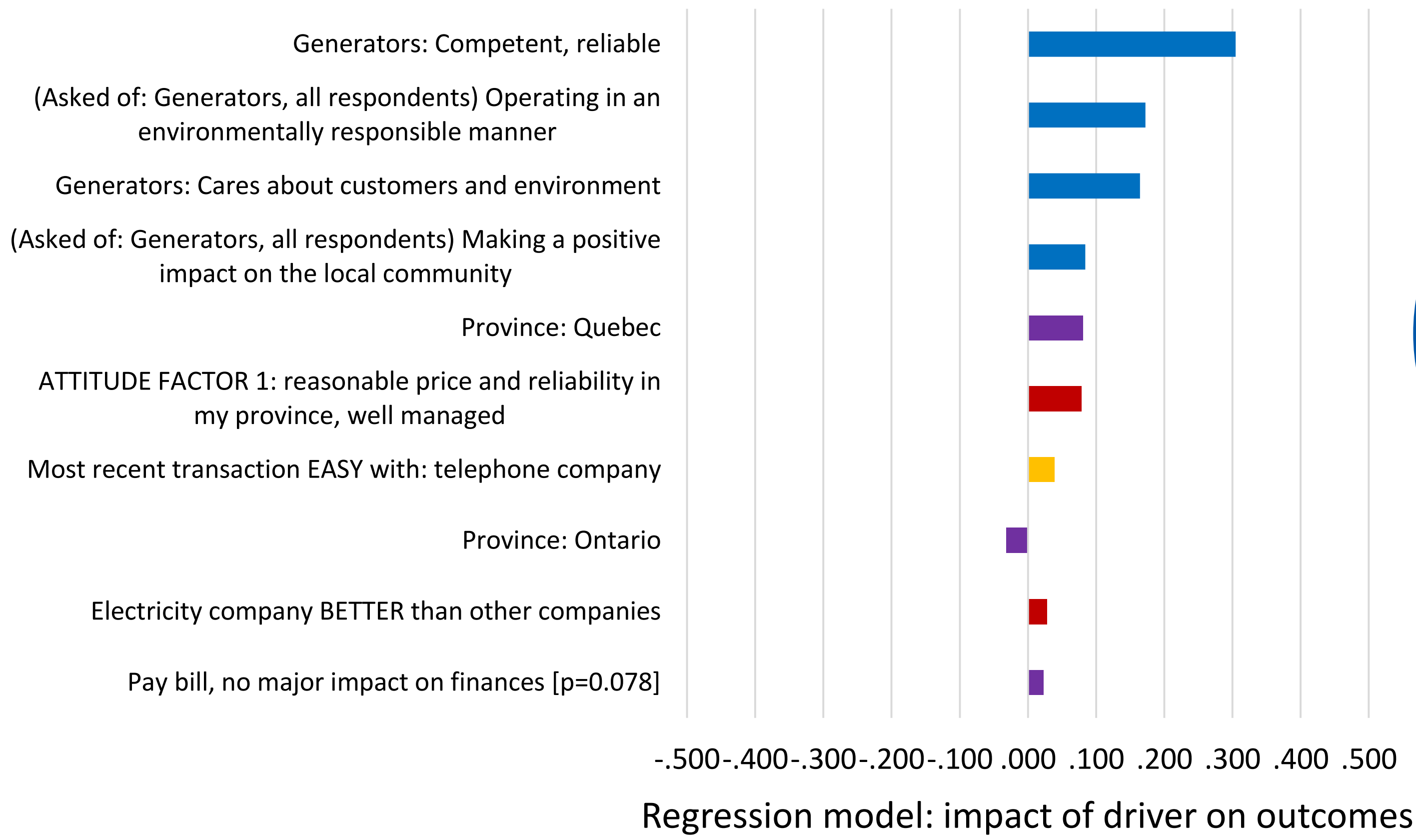
Note: Chart shows standardized beta scores. All drivers significant at a 95% confidence interval unless indicated otherwise.

Generation Regression

For generation companies, demographics alone explain 11% of customer satisfaction; adding attitudes explained an additional 25%; attributes explained an additional 22%, and recent experiences (with *other* types of companies) explained an additional 0.1%. Overall 58% of variance in overall satisfaction is accounted for by the final model.



Satisfaction with *generation companies* in your province

Adjusted R^2 = 0.585

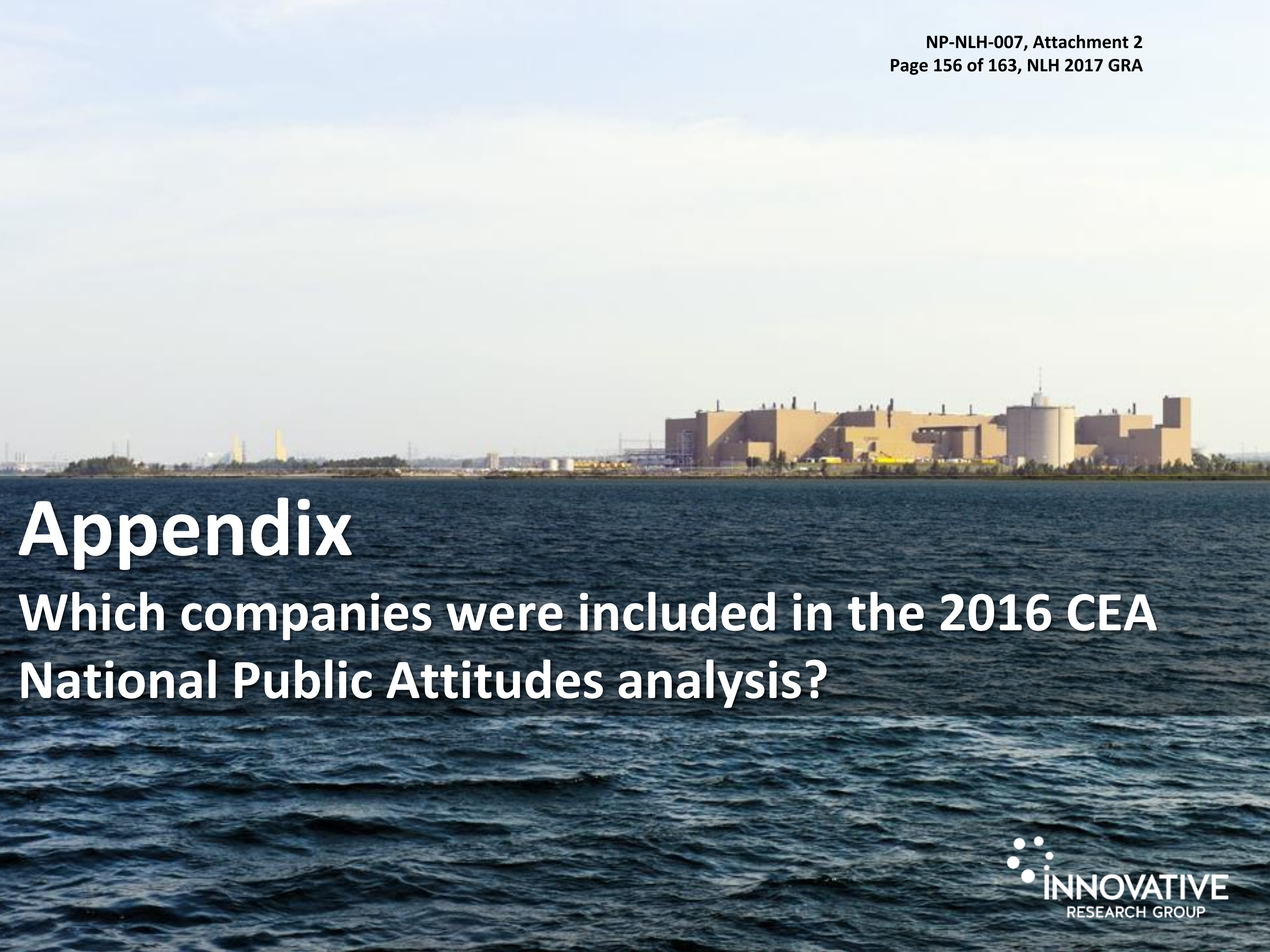
Demographics **11%**

Attitudes **36%**

Brand Attribute Factors **58%**

Experiences **58%**

Note: Chart shows standardized beta scores. All drivers significant at a 95% confidence interval unless indicated otherwise.



Appendix

Which companies were included in the 2016 CEA National Public Attitudes analysis?

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Which companies were profiled in this survey?

This appendix provides details on which companies each survey question could have potentially been asked of

In doing so it also provides some contextual information about which respondents were asked these questions

The information is provided in two parts:

- The first part outlines each major sets of questions in the survey that named a specific company, and details which set(s) of companies could have been specified when those questions were asked
- The second section provides the full list of companies in each set

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Question Overview: Which questions asked about which companies

Questions	Company set	Notes
Overall satisfaction – retailers	***All retailers***	Only respondents in Alberta or Ontario with a contract could be asked these questions. This was not asked of Albertans if their retailer and LDC is the same company.
Core attributes – retailers	***Alberta retailers***	Respondents in Ontario receive bills through their distribution company whether they have a contract or not, and so were not asked these attributes. These were not asked of Albertans if their retailer and LDC is the same company.
Overall satisfaction – distribution	***All distributors***	Every respondent was asked these questions
Core attributes – distribution	***All distributors***	The two billing attributes were not asked of Albertans with a separate retailer
Overall satisfaction – transmission	***Transmission companies***	This was only asked of respondents who do not receive distribution from a vertically integrated company
Core attributes – transmission	***Transmission companies***	These were only asked of respondents who do not receive distribution from a vertically integrated company
Transmission specific attributes	***Vertically integrated companies*** OR ***Transmission companies***	These were asked of *everyone.* The first list was used if a respondent received both transmission and distribution from the same company, the second list was used otherwise
Net promoter score	***All distributors***	Everyone was asked this question

Note: This table only addresses questions which named a specific electricity company.

All retailers: Overall satisfaction for retailers was asked of retailer contract holders in both Alberta and Ontario

Retailer Name	Province
Active Energy ULC	*Ontario*
Blue Power Distributed Energy Corporation	*Ontario*
Bullfrog Power	*Ontario*
Canada Energy Wholesalers Ltd.	*Ontario*
Canadian RiteRate Energy Corporation	*Ontario*
Direct Energy	*Ontario*
FireFly Energy Energy	*Ontario*
Hudson Energy Canada Corp.	*Ontario*
Just Energy	*Ontario*
ONIT Energy Ltd.	*Ontario*
Planet Energy Ontario (Corp.)	*Ontario*
Summitt Energy Management Inc.	*Ontario*
Sunwave Gas & Power Inc.	*Ontario*
Superior Energy Management	*Ontario*
Universal Energy Corporation	*Ontario*
ENMAX Energy Corp.	*Alberta*
EPCOR Energy Services	*Alberta*
Direct Energy	*Alberta*
Just Energy	*Alberta*
Bullfrog Power	*Alberta*
City of Lethbridge Utilities	*Alberta*
City of Red Deer Electric Light and Power	*Alberta*
Choice Energy	*Alberta*

Retailer Name	Province
Adagio Energy Inc.	*Alberta*
Bow Valley Power	*Alberta*
Brighter Futures Energy Inc.	*Alberta*
Camrose Energy	*Alberta*
E.NRG Power Ltd.	*Alberta*
Echo Energy	*Alberta*
Landmark Power	*Alberta*
Link Energy Flex	*Alberta*
Merit Energy & Power	*Alberta*
Milner Power Inc.	*Alberta*
Mountain View Power	*Alberta*
NewGen Energy Ltd.	*Alberta*
Northern Lights Energy & Power	*Alberta*
Park Power	*Alberta*
Peace Power	*Alberta*
Relay Energy	*Alberta*
SPARK	*Alberta*
Sponsor Energy	*Alberta*
Spot Power	*Alberta*
Vector Energy	*Alberta*
Wainwright Energy	*Alberta*

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Alberta retailers: Retailer attributes were asked about Alberta retailers only

Retailer Name	Province
ENMAX Energy Corp.	*Alberta*
EPCOR Energy Services	*Alberta*
Direct Energy	*Alberta*
Encor by EPCOR	*Alberta*
Just Energy	*Alberta*
Bullfrog Power	*Alberta*
City of Lethbridge Utilities	*Alberta*
City of Red Deer Electric Light and Power	*Alberta*
Choice Energy	*Alberta*
Adagio Energy Inc.	*Alberta*
Bow Valley Power	*Alberta*
Brighter Futures Energy Inc.	*Alberta*
Camrose Energy	*Alberta*
E.NRG Power Ltd.	*Alberta*
Echo Energy	*Alberta*
Landmark Power	*Alberta*
Link Energy Flex	*Alberta*
Merit Energy & Power	*Alberta*
Milner Power Inc.	*Alberta*
Mountain View Power	*Alberta*
NewGen Energy Ltd.	*Alberta*
Northern Lights Energy & Power	*Alberta*
Park Power	*Alberta*
Peace Power	*Alberta*
Relay Energy	*Alberta*
SPARK	*Alberta*
Sponsor Energy	*Alberta*
Spot Power	*Alberta*
Vector Energy	*Alberta*
Wainwright Energy	*Alberta*

All distributors: All distribution questions were asked about *both* integrated and distribution only companies

Company Name	Province
BC Hydro	*British Columbia*
FortisBC	*British Columbia*
City of New Westminster	*British Columbia*
City of Grand Forks	*British Columbia*
City of Kelowna	*British Columbia*
City of Penticton	*British Columbia*
Summerland Power	*British Columbia*
Nelson Hydro	*British Columbia*
ATCO Electric Ltd.	*Alberta*
FortisAlberta Inc.	*Alberta*
ENMAX Power Corp	*Alberta*
EPCOR Distribution Inc.	*Alberta*
City of Lethbridge Utilities	*Alberta*
Red Deer Electric Light and Power	*Alberta*
SaskPower	*Saskatchewan*
Saskatoon Light & Power	*Saskatchewan*
Algoma Power Inc.	*Ontario*
Atikokan Hydro Inc.	*Ontario*
Bluewater Power Distribution Corporation	*Ontario*
Brantford Power Inc.	*Ontario*
Burlington Hydro Inc.	*Ontario*
Energy+	*Ontario*
Cambridge and North Dumfries Hydro Inc.	*Ontario*
Canadian Niagara Power Inc.	*Ontario*
Centre Wellington Hydro Ltd.	*Ontario*
Chapleau Public Utilities Corporation	*Ontario*
COLLUS PowerStream Corp.	*Ontario*
Cooperative Hydro Embrun Inc.	*Ontario*
E.L.K. Energy Inc.	*Ontario*
Enersource Hydro Mississauga Inc.	*Ontario*
Entegrus Powerlines Inc.	*Ontario*
EnWin Utilities Ltd.	*Ontario*
Erie Thames Powerlines Corporation	*Ontario*
Espanola Regional Hydro Distribution Corporation	*Ontario*
Essex Powerlines Corporation	*Ontario*

Company Name	Province
Festival Hydro Inc.	*Ontario*
Fort Frances Power Corporation	*Ontario*
Greater Sudbury Hydro Inc.	*Ontario*
Grimsby Power Incorporated	*Ontario*
Guelph Hydro Electric Systems Inc.	*Ontario*
Halton Hills Hydro Inc.	*Ontario*
Hearst Power Distribution Company Limited	*Ontario*
Horizon Utilities Corporation	*Ontario*
Hydro 2000 Inc.	*Ontario*
Hydro Hawkesbury Inc.	*Ontario*
Hydro One Brampton Networks Inc.	*Ontario*
Hydro One Networks Inc.	*Ontario*
Hydro Ottawa Limited	*Ontario*
InnPower	*Ontario*
Innisfil Hydro Distribution Systems Limited	*Ontario*
Kenora Hydro Electric Corporation Ltd.	*Ontario*
Kingston Hydro Corporation	*Ontario*
Kitchener-Wilmot Hydro Inc.	*Ontario*
Lakefront Utilities Inc.	*Ontario*
Lakeland Power Distribution Ltd.	*Ontario*
London Hydro Inc.	*Ontario*
Midland Power Utility Corporation	*Ontario*
Milton Hydro Distribution Inc.	*Ontario*
Newmarket-Tay Power Distribution Ltd.	*Ontario*
Niagara Peninsula Energy Inc.	*Ontario*
Niagara-on-the-Lake Hydro Inc.	*Ontario*
North Bay Hydro Distribution Limited	*Ontario*
Northern Ontario Wires Inc.	*Ontario*
Oakville Hydro Electricity Distribution Inc.	*Ontario*
Orangeville Hydro Limited	*Ontario*
Orillia Power Distribution Corporation	*Ontario*
Oshawa PUC Networks Inc.	*Ontario*
Ottawa River Power Corporation	*Ontario*

Company Name	Province
Parry Sound Power Corporation	*Ontario*
Peterborough Distribution Incorporated	*Ontario*
PowerStream Inc.	*Ontario*
PUC Distribution Inc.	*Ontario*
Renfrew Hydro Inc.	*Ontario*
Rideau St. Lawrence Distribution Inc.	*Ontario*
Sioux Lookout Hydro Inc.	*Ontario*
St. Thomas Energy Inc.	*Ontario*
Thunder Bay Hydro Electricity Distribution Inc.	*Ontario*
Tillsonburg Hydro Inc.	*Ontario*
Toronto Hydro-Electric System Limited	*Ontario*
Veridian Connections Inc.	*Ontario*
Wasaga Distribution Inc.	*Ontario*
Waterloo North Hydro Inc.	*Ontario*
Welland Hydro-Electric System Corp.	*Ontario*
Wellington North Power Inc.	*Ontario*
West Coast Huron Energy Inc.	*Ontario*
Westario Power Inc.	*Ontario*
Whitby Hydro Electric Corporation	*Ontario*
Hydro Québec	*Quebec*
Hydro Westmount	*Quebec*
Coopérative Régionale d'électricité de Saint-Jean-Baptiste de Rouville	*Quebec*
New Brunswick Power	*New Brunswick*
Saint John Energy	*New Brunswick*
Nova Scotia Power	*Nova Scotia*
Antigonish Electric Utility	*Nova Scotia*
Berwick Electric Light Commission	*Nova Scotia*
Canso Electric Light Commission	*Nova Scotia*
Lunenburg Electric Utility	*Nova Scotia*
Mahone Bay Electric Utility	*Nova Scotia*
Riverport Electric Light Commission	*Nova Scotia*
Newfoundland and Labrador Hydro	*Newfoundland & Labrador*
Newfoundland Power	*Newfoundland & Labrador*
Manitoba Hydro	*Manitoba*
Maritime Electric	*Prince Edward Island*
ATCO Electric Yukon	*Yukon*
NTPC	*Northwest Territories*
Qullic Energy Corporation	*Nunavut*

Vertically Integrated Companies and Transmission Companies

For transmission **questions,** customers of vertically integrated companies were only asked the transmission specific attributes, using the table of **vertically integrated companies** below. Customers of distribution only companies were asked about the transmission service provided by the relevant company from the list of **transmission companies** below.

Vertically integrated companies

Company Name	Province
BC Hydro	*British Columbia*
FortisBC	*British Columbia*
SaskPower	*Saskatchewan*
Hydro One	*Ontario*
Hydro Québec	*Quebec*
New Brunswick Power	*New Brunswick*
Nova Scotia Power	*Nova Scotia*
Newfoundland and Labrador Hydro	*Newfoundland & Labrador*
Manitoba Hydro	*Manitoba*
Maritime Electric	*Prince Edward Island*
ATCO Electric Yukon	*Yukon*
NTPC	*Northwest Territories*
Qullic Energy Corporation	*Nunavut*

Transmission companies

Company Name	Province
BC Hydro	*British Columbia*
SaskPower	*Saskatchewan*
Hydro One	*Ontario*
Hydro Québec	*Quebec*
New Brunswick Power	*New Brunswick*
Nova Scotia Power	*Nova Scotia*
Newfoundland and Labrador Hydro	*Newfoundland & Labrador*
"the transmission companies that operate in Alberta"	*Alberta*

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