



Seattle City Light

STRATEGIC PLAN UPDATE SURVEY

Summary of Results

Prepared by **PRR** | November 2017



OBJECTIVES AND METHODOLOGY

- Research Objectives
 - Identify customer priorities for strategies laid out in the 2019-2024 strategic plan update
 - Measure how City Light is doing currently in meeting customer expectations
 - Measure awareness of the strategic plan
- Methodology
 - Residential and General Commercial: random sample, email/mail; oversampling of UDP customers
 - Key accounts: all contacts, email from account managers

| | Residential Oct 9-23, 2017 | General Commercial Oct 9-23, 2017 | Key Accounts Oct 2-13, 2017 |
|-----------------------|-------------------------------|--------------------------------------|--------------------------------|
| Response rate | 4% | 2% | 7% |
| Qualified respondents | 1377 | 230 | 58 |
| Margin of error | +/-3% | +/- 6% | +/- 12% |

KEY FINDING # 1

- **Customers want City Light to plan for the future while keeping costs down.**
- Their top three priorities for the utility are:
 - Be leaders in environmental and renewable energy
 - Invest in technology for operational improvements
 - Keep costs down
- **Recommendations:**
 - Ensure the updated strategic plan aligns with what is most important to customers
 - Use priorities to start a conversation with customers about what they want from the utility; continue to dig deeper

KEY FINDING # 2

- **City Light is outperforming many other gas and electricity utilities in customer satisfaction.**
- Based on the Net Promoter Score (NPS):
 - NPS among residential customers is **9**, among general commercial customers it's **2**, and among key accounts it's **3**.
 - Many other utility companies have lower or even negative NPS's.
- **Recommendations:**
 - Continue providing strong customer service to all customers
 - Invest in operational improvements to address concerns among commercial customers

KEY FINDING #3

- **Customers see improvement in City Light’s performance over the last two years, but there is still a lack of awareness about what City Light is working on.**
- The areas where the largest number of customers have seen improvement are:
 - Increased energy efficiency and conservation efforts
 - The use of technology to improve customer service and communications
 - Improved power reliability and availability
- **Recommendations:**
 - Increase communication about City Light performance outcomes, especially around areas where customers reported less improvement
 - Assess strategies and investment in areas where customers reported less improvement and decide if further action is needed
 - Build strategies and plans for increasing awareness of and involvement in the strategic plan

ADDITIONAL INSIGHTS

- Report back to participants what City Light learned from the survey and how this information informed the strategic plan's development
- Increase attention given to commercial customers (and to small-to-medium sized business in particular), both in terms of investment and customer service
- Develop communications strategies and programs that adapt and align to City Light's changing service territory (i.e. shifting demographics of age and home ownership)
- Use priorities identified through the online survey to test messaging about City Light programs and performance
- Recognize that different personas have different priorities and needs; address them accordingly



Seattle City Light

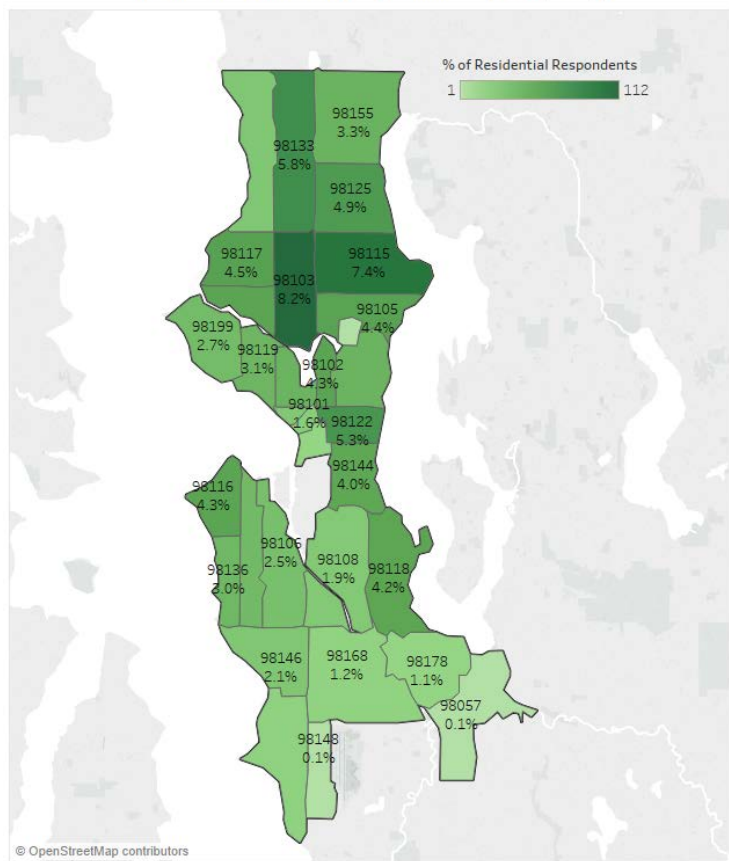


DEMOGRAPHICS

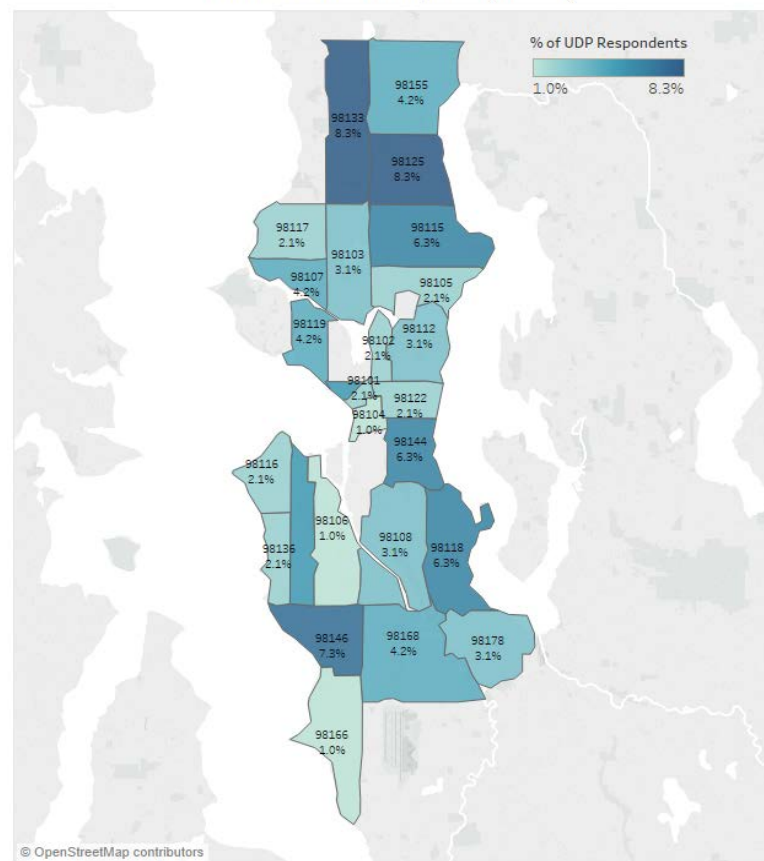


RESIDENTIAL RESPONDENTS BY LOCATION

Seattle City Light Strategic Plan Survey
 Zip Code Distribution
 Base: Residential Respondents (n = 1,363)



Seattle City Light Strategic Plan Survey
 Zip Code Distribution
 Base: UDP Participants (n = 96)



RESIDENTIAL CUSTOMERS (N=1,377)

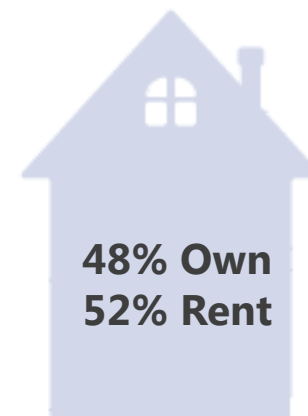
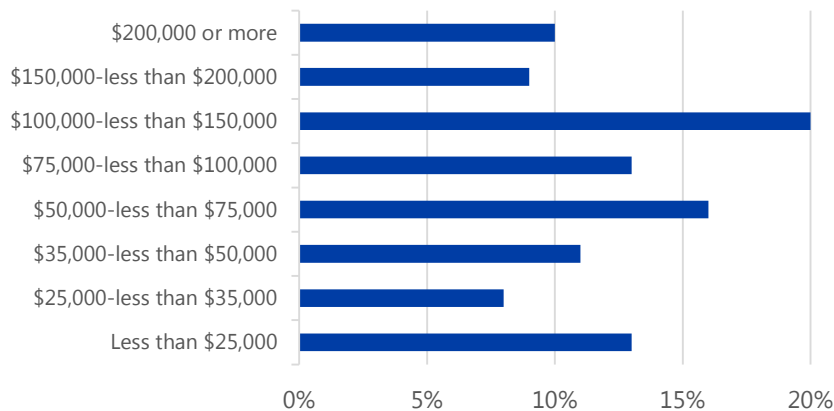


48% female

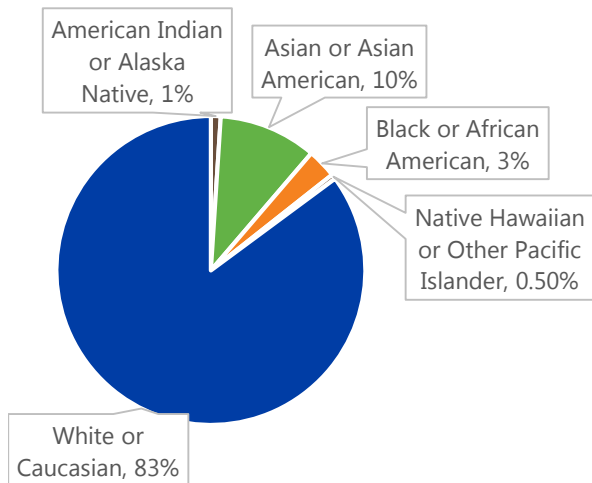
52% male



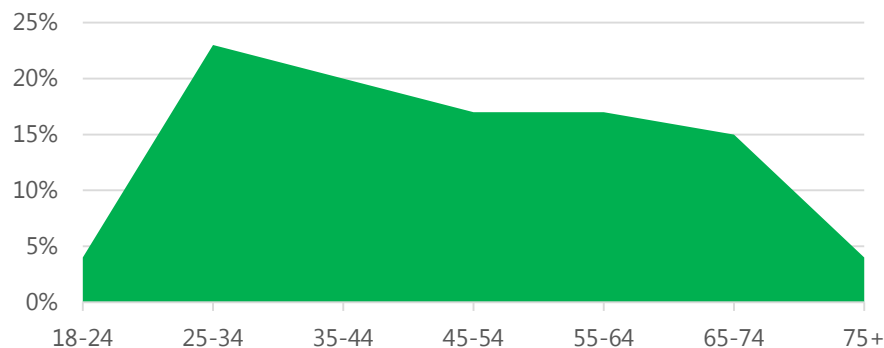
Income



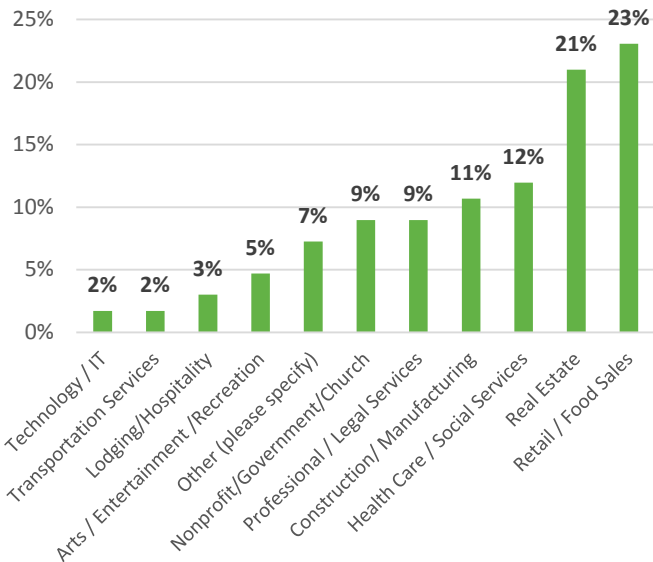
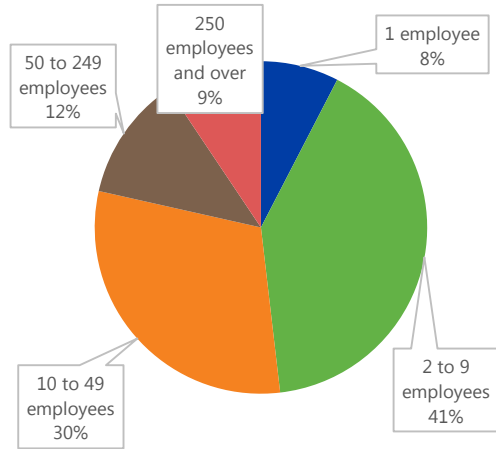
Race



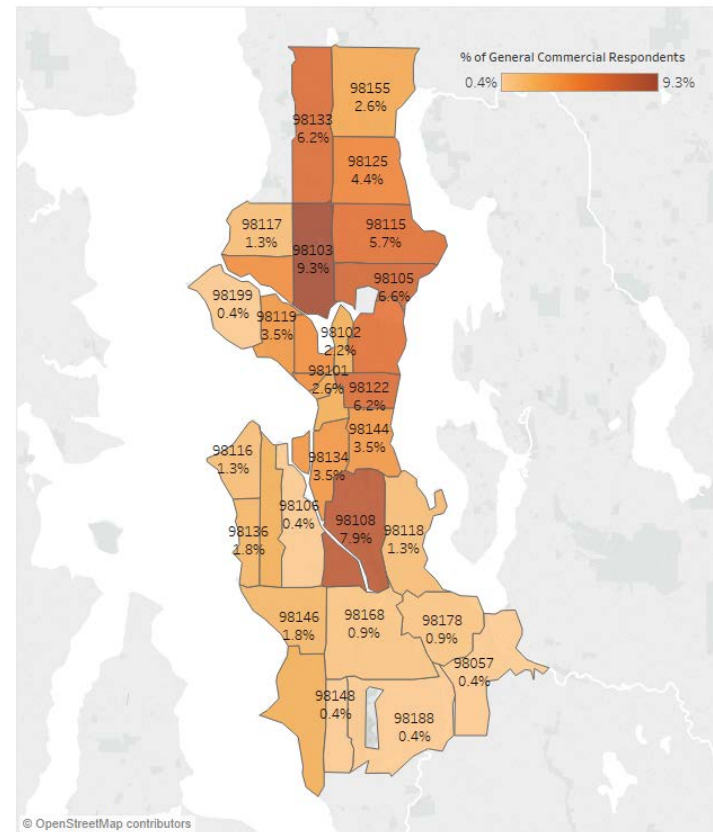
Age



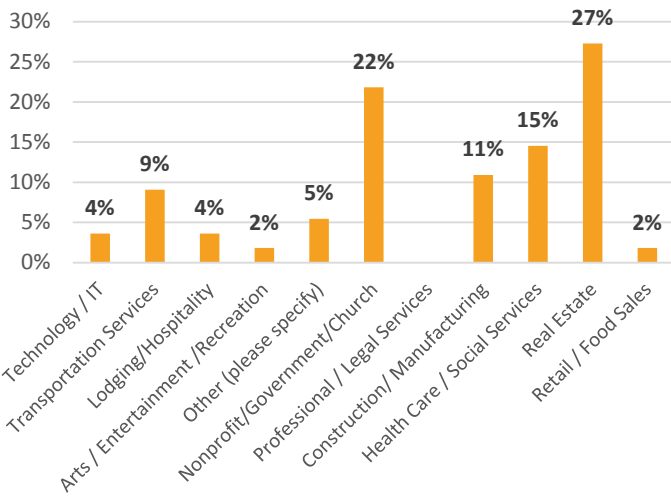
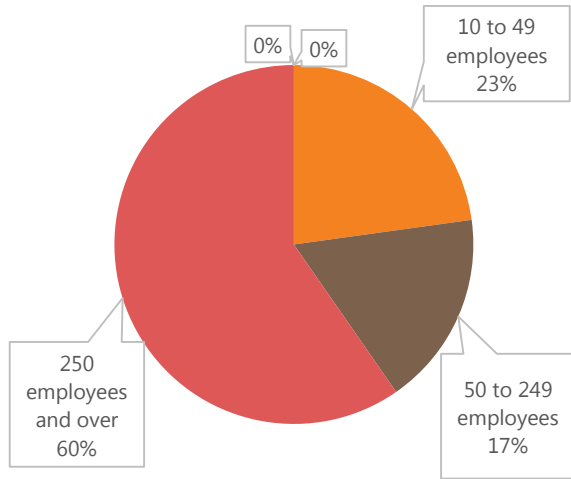
GENERAL COMMERCIAL CUSTOMERS (N=230)



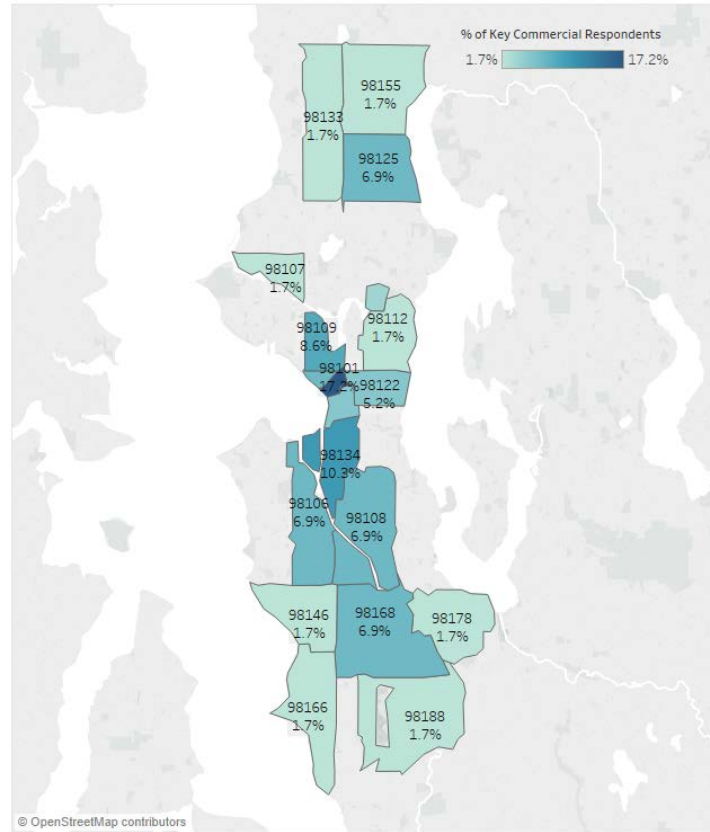
Seattle City Light Strategic Plan Survey
Zip Code Distribution
Base: General Commercial Respondents (n = 227)



KEY ACCOUNTS (N=58)



Seattle City Light Strategic Plan Survey
Zip Code Distribution
Base: Key Commercial Respondents (n = 58)





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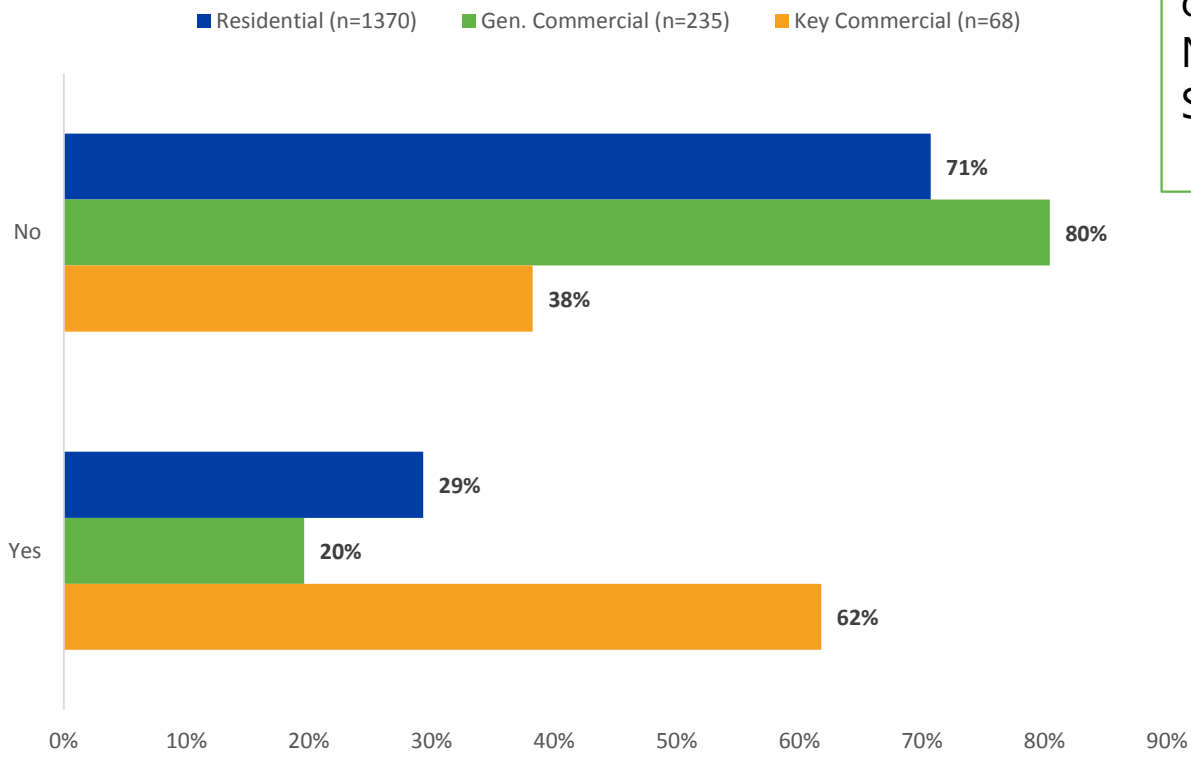


DETAILED FINDINGS



HOW AWARE ARE CUSTOMERS OF THE STRATEGIC PLAN?

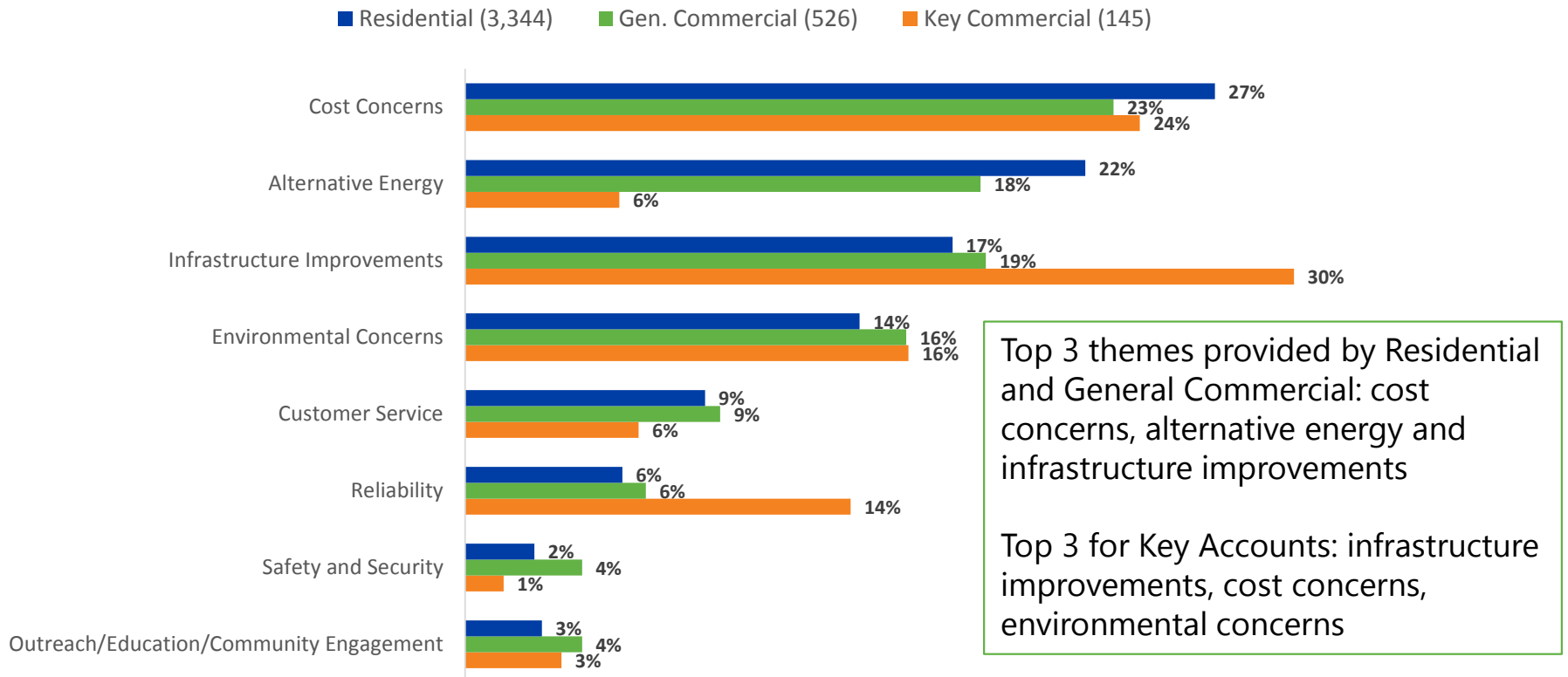
Most residential and general commercial customers were NOT aware City Light had a Strategic Plan.



Q: *Were you aware before this survey that Seattle City Light has a Strategic Plan to guide our ability to meet customers' current and future electric needs?*

Base: All respondents.

WHAT DO CUSTOMERS WANT US TO FOCUS ON MOST?



Q: List up to three things that you think Seattle City Light should focus on over the next six years as they update the Strategic Plan.

Base: Comments by all respondents.

CUSTOMER INPUT ON THEIR TOP PRIORITIES

Residential

- Realize not everyone in Seattle is earning 6 figures or is subsidized and can pay huge increases.
- Phase out the use of fossil fuels as a source of Seattle's electricity.
- Infrastructure repair and upkeep so people do not lose their electricity as much, as often, etc.

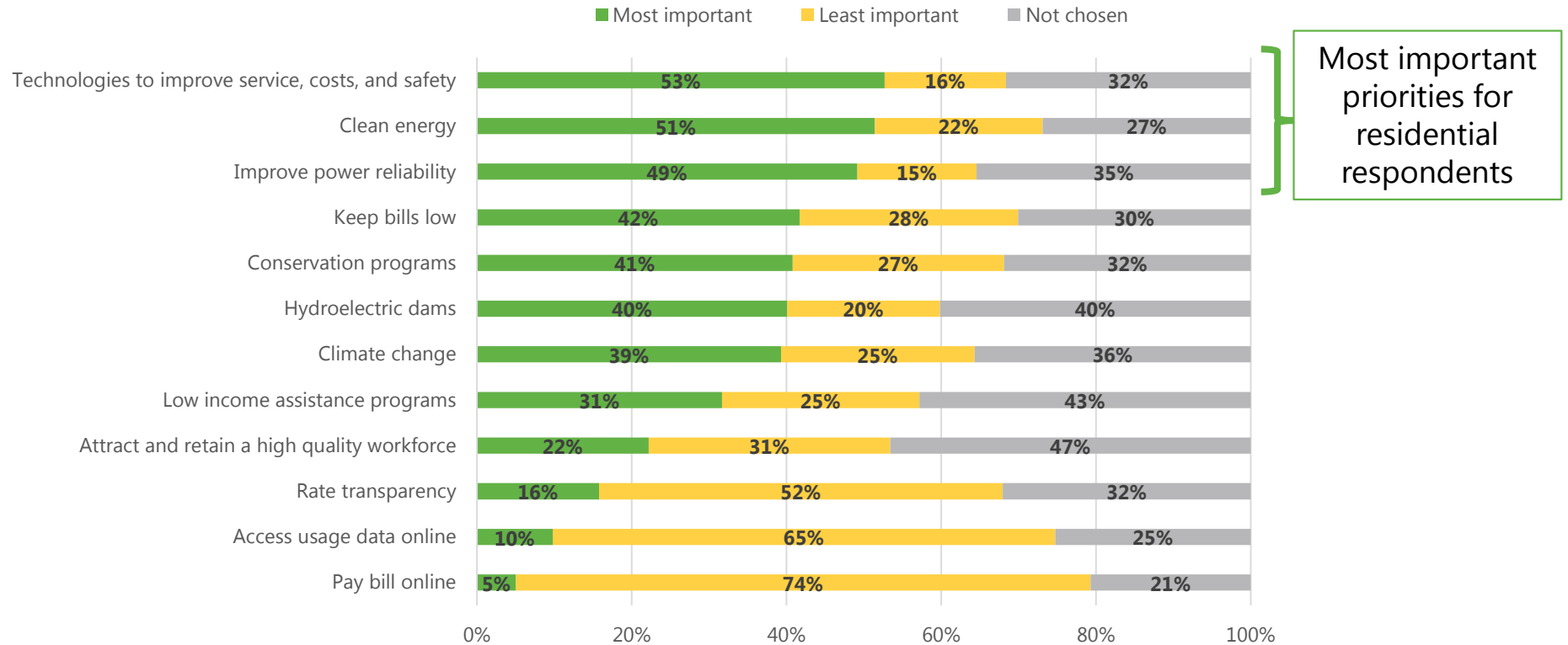
General Commercial

- Consistent and correct billing on coordinated schedule.
- Promoting commercial and residential solar and wind installation.
- Upgrading and replacing infrastructure as needed to improve emergency response service.

Key Accounts

- Long term investment in changing to underground wiring to decrease power outages.
- Minimize price increases.
- Developing clean energy solutions and renewable energy solutions.

PRIORITIES FOR RESIDENTIAL CUSTOMERS

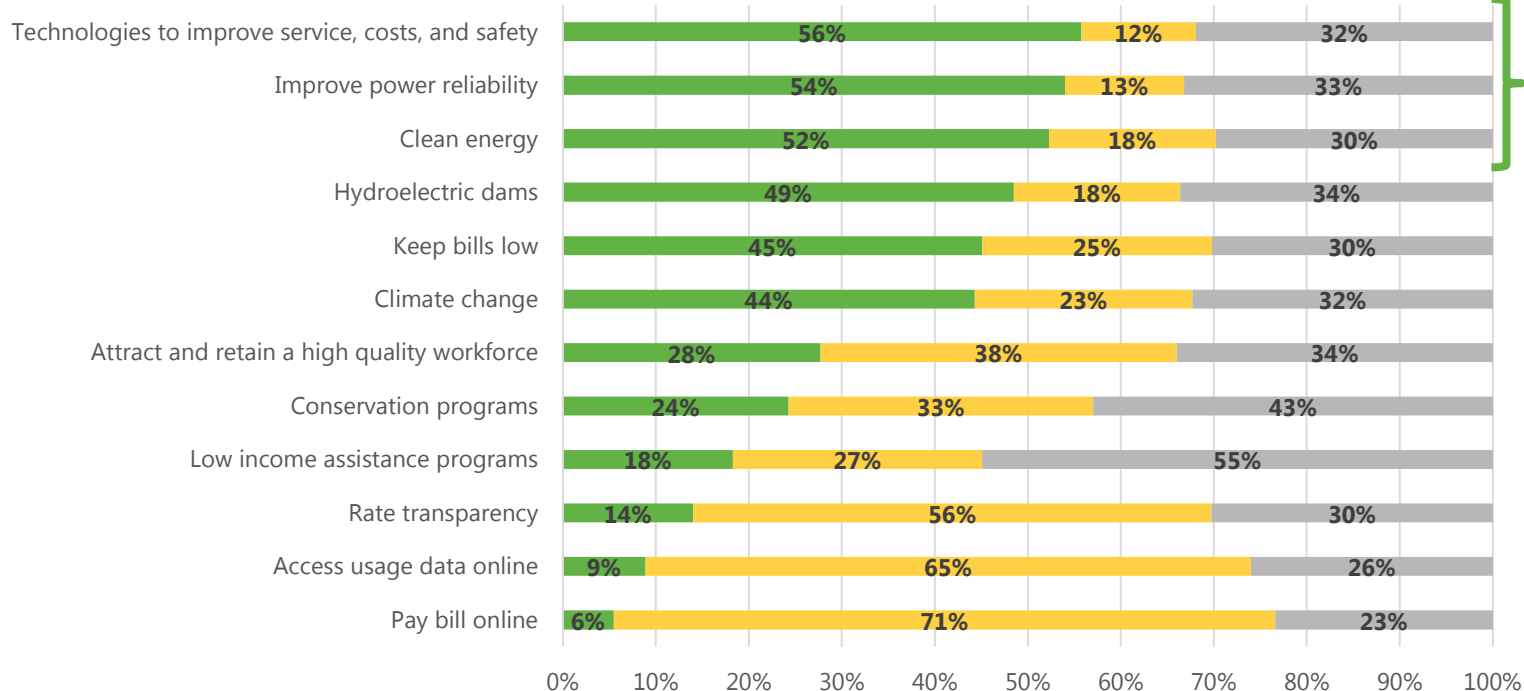


Q: Which one of the following is most important and which one is least important for Seattle City Light to focus on in the update of the Strategic Plan? [Respondents select "most" and "least" important priority out of 4 sets of 3 statements (they review 12 statements total)]

Base: All residential respondents (n=1,377)

PRIORITIES FOR GENERAL COMMERCIAL

■ Most important ■ Least important ■ Not chosen

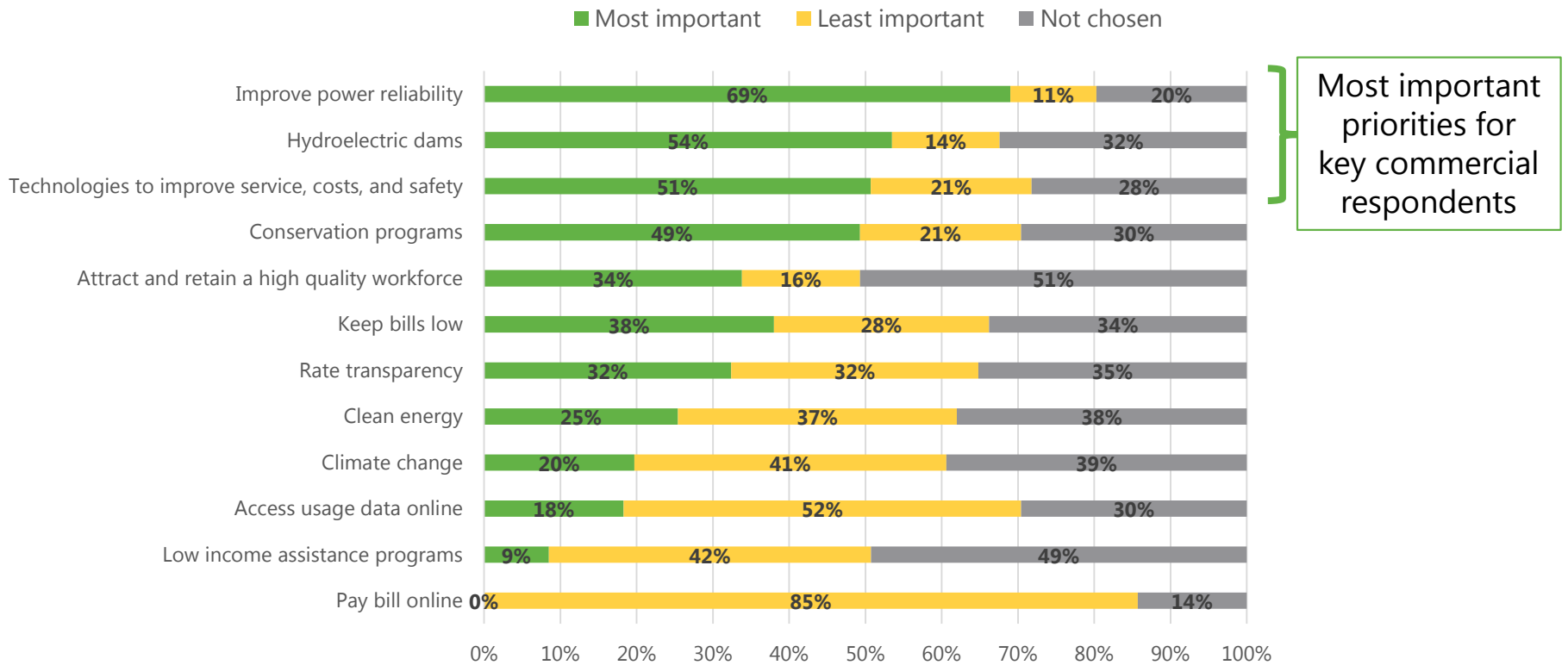


Most important priorities for general commercial respondents

Q: Which one of the following is most important and which one is least important for Seattle City Light to focus on in the update of the Strategic Plan? [Respondents select "most" and "least" important priority out of 4 sets of 3 statements (they review 12 statements total)]

Base: All general commercial respondents (n=230)

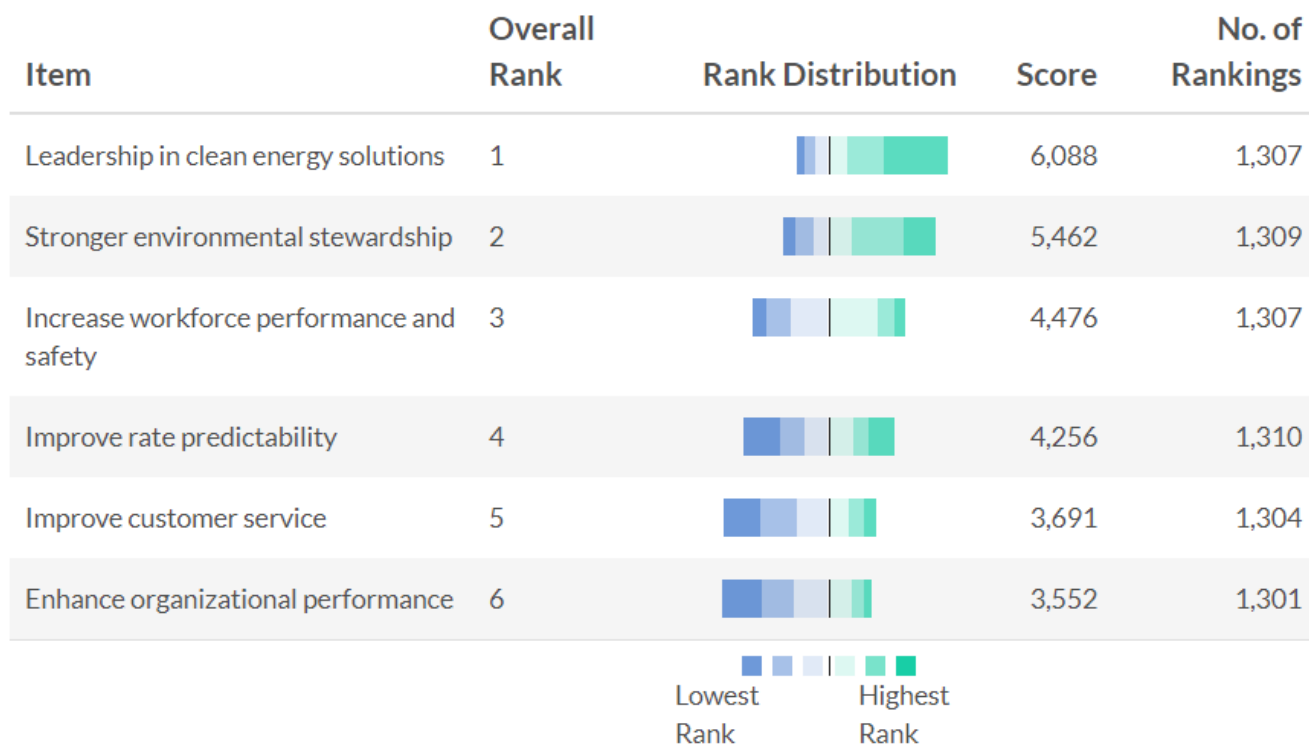
PRIORITIES FOR KEY CUSTOMERS



Q: Which one of the following is most important and which one is least important for Seattle City Light to focus on in the update of the Strategic Plan? [Respondents select "most" and "least" important priority out of 4 sets of 3 statements (they review 12 statements total)]


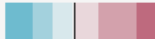
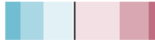
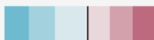


Base: All key account respondents (n=58)


RESIDENTIAL CUSTOMER RANK OBJECTIVES



*Q: Please rank the following key objectives of the Strategic Plan from most to least important.
Base: All residential respondents (n=1,297)*

GENERAL COMMERCIAL CUSTOMER RANK OBJECTIVES

| Item | Overall Rank | Rank Distribution | Score | No. of Rankings |
|---|--------------|---|-------|-----------------|
| Leadership in clean energy solutions | 1 |  | 899 | 210 |
| Stronger environmental stewardship | 2 |  | 744 | 209 |
| Increase workforce performance and safety | 3 |  | 728 | 210 |
| Improve customer service | 4 |  | 716 | 209 |
| Improve rate predictability | 5 |  | 709 | 209 |
| Enhance organizational performance | 6 |  | 604 | 209 |



*Q: Please rank the following key objectives of the Strategic Plan from most to least important.
Base: All general commercial respondents (n=206)*

KEY ACCOUNT CUSTOMER RANK OBJECTIVES

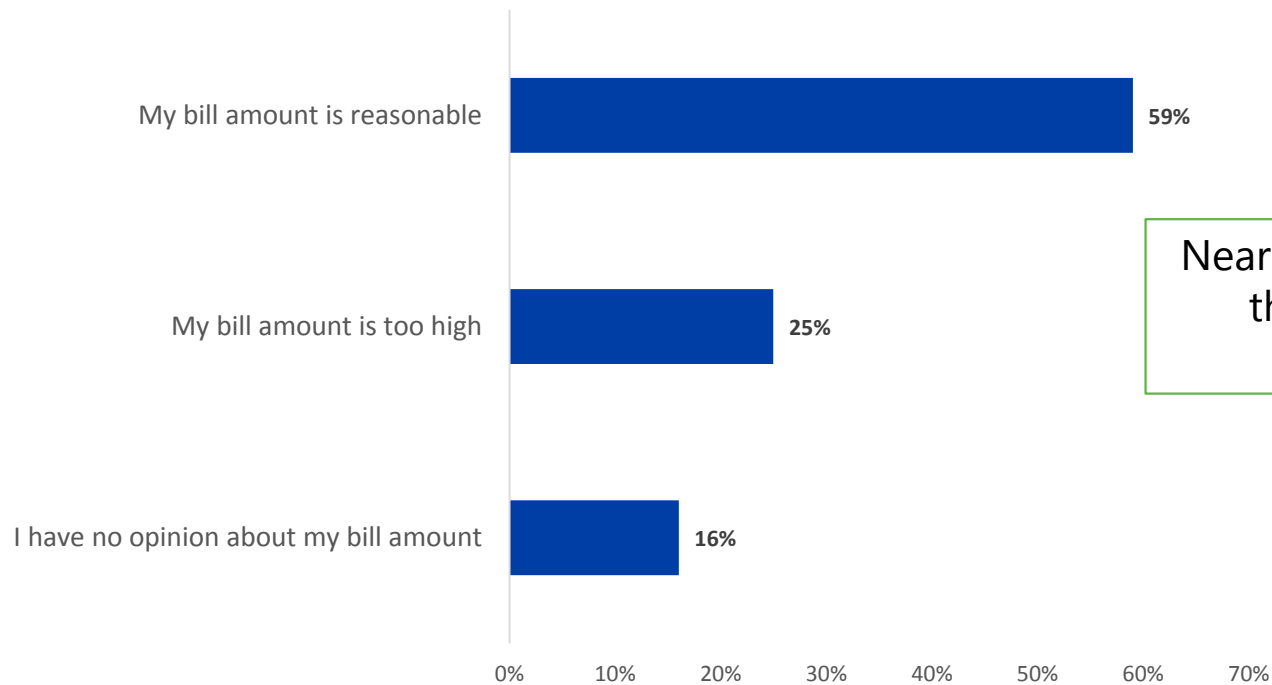
| Item | Overall Rank | Rank Distribution | Score | No. of Rankings |
|---|--------------|-------------------|-------|-----------------|
| Improve rate predictability | 1 | | 241 | 62 |
| Increase workforce performance and safety | 2 | | 227 | 61 |
| Enhance organizational performance | 3 | | 212 | 60 |
| Leadership in clean energy solutions | 4 | | 209 | 61 |
| Improve customer service | 5 | | 201 | 61 |
| Stronger environmental stewardship | 6 | | 196 | 61 |

Lowest Rank Highest Rank

Q: Please rank the following key objectives of the Strategic Plan from most to least important.

Base: All key accounts respondents (n=52)

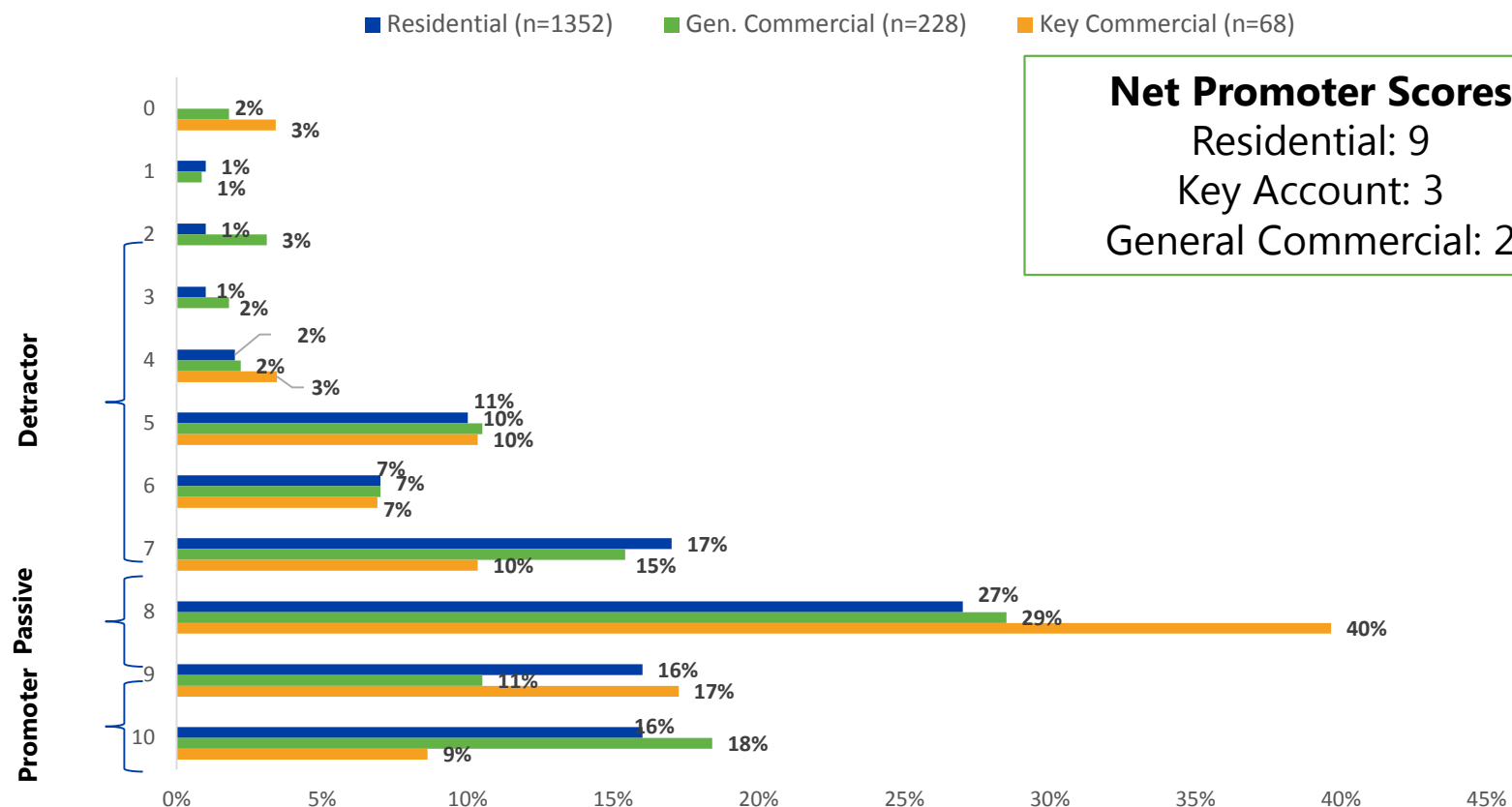
HOW DO RESIDENTIAL CUSTOMERS FEEL ABOUT THEIR BILL?



Nearly 2/3 of customers say their electricity bill is "reasonable"

Q: Which statement describes your opinion about your electricity bill?
Base: All residential respondents (n=1,352)

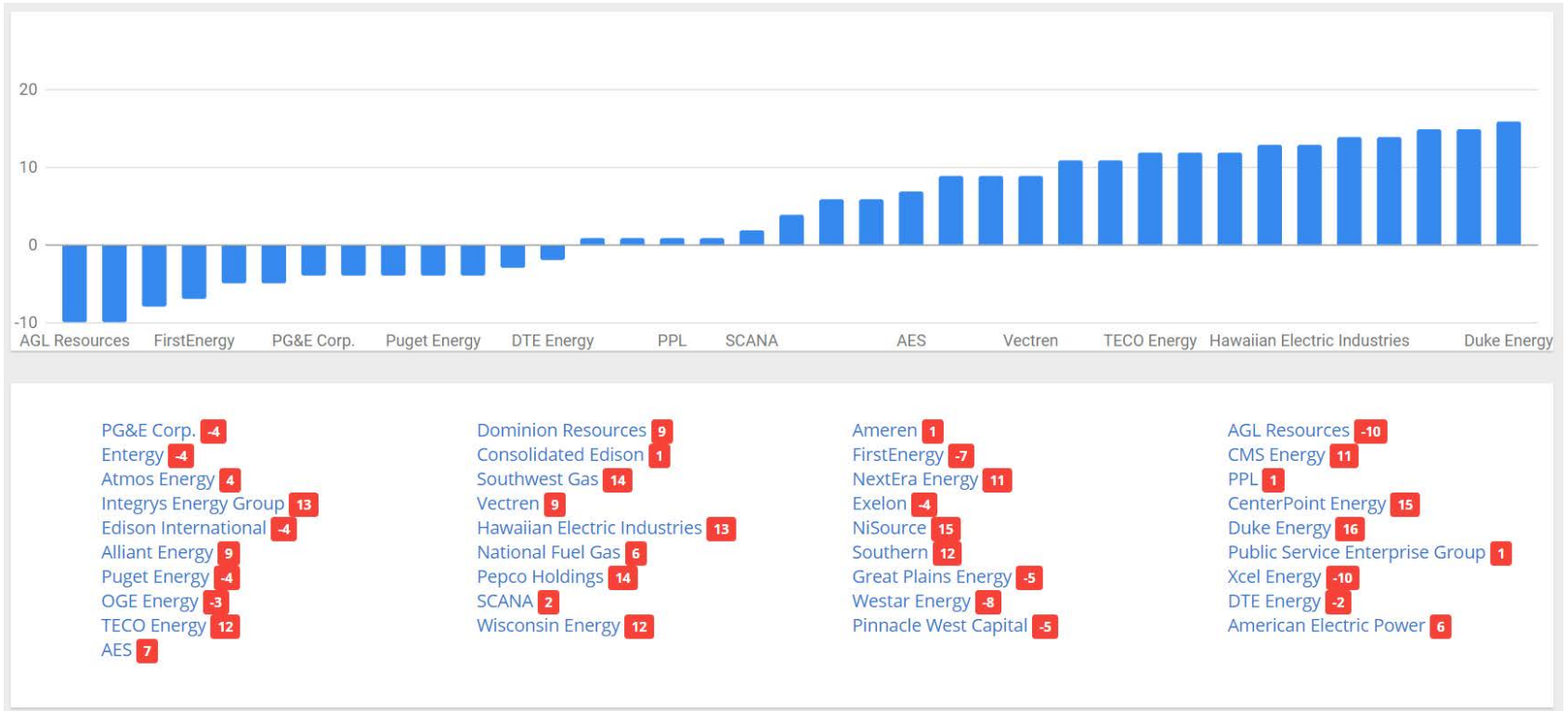
NET PROMOTER SCORES



Q: On a scale of zero to ten, how likely would you be to provide a positive opinion of Seattle City Light to someone who was new to the Seattle City Light service area?

Base: All respondents

UTILITIES: GAS AND ELECTRIC NPS 2017 BENCHMARKS

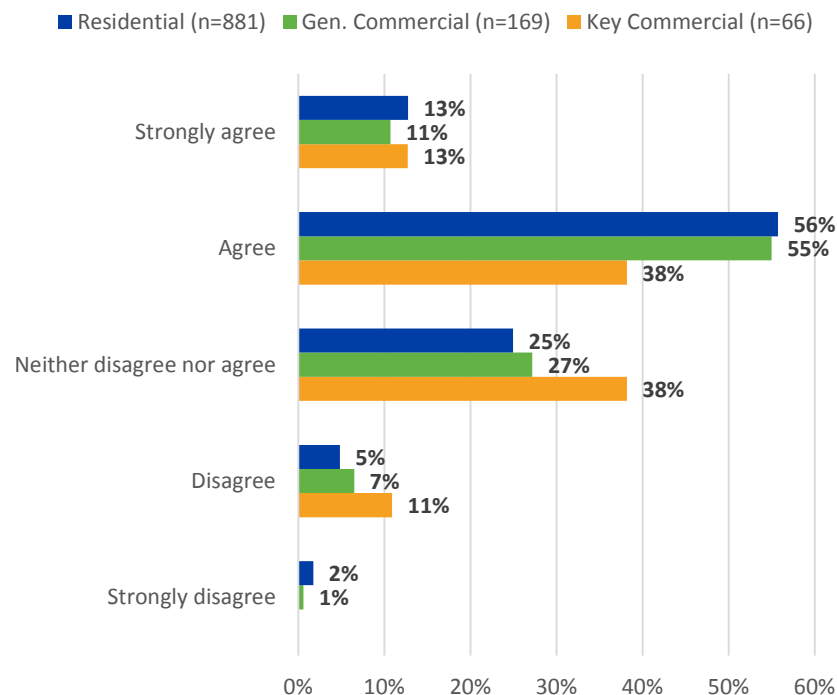


<https://customer.guru/net-promoter-score/industry/utilities-gas-and-electric>

RESPONDENTS AGREE THAT EFFICIENCY AND CONSERVATION PROGRAMS HAVE INCREASED

Over the last two years, Seattle City Light has increased customer energy efficiency and conservation programs.

Base: respondents who have been customers for more than two years

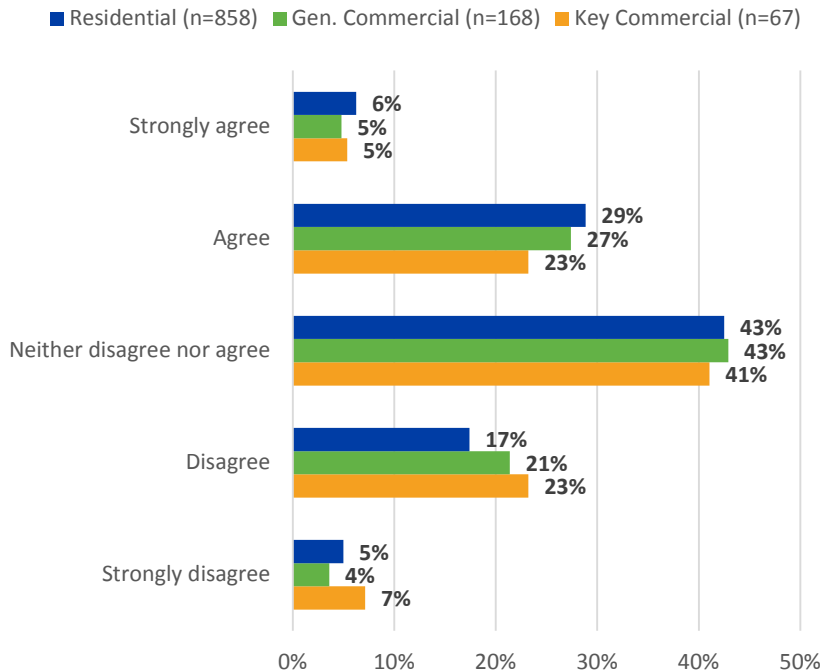


69% of residential, 66% of general commercial, and 51% of key commercial customers agree that City Light has increased energy efficiency and conservation programs over the last two years.

RESPONDENTS REPORT THAT RATES ARE MORE PREDICTABLE

Over the last two years, Seattle City Light has established rates that are more predictable.

Base: respondents who have been customers for more than two years

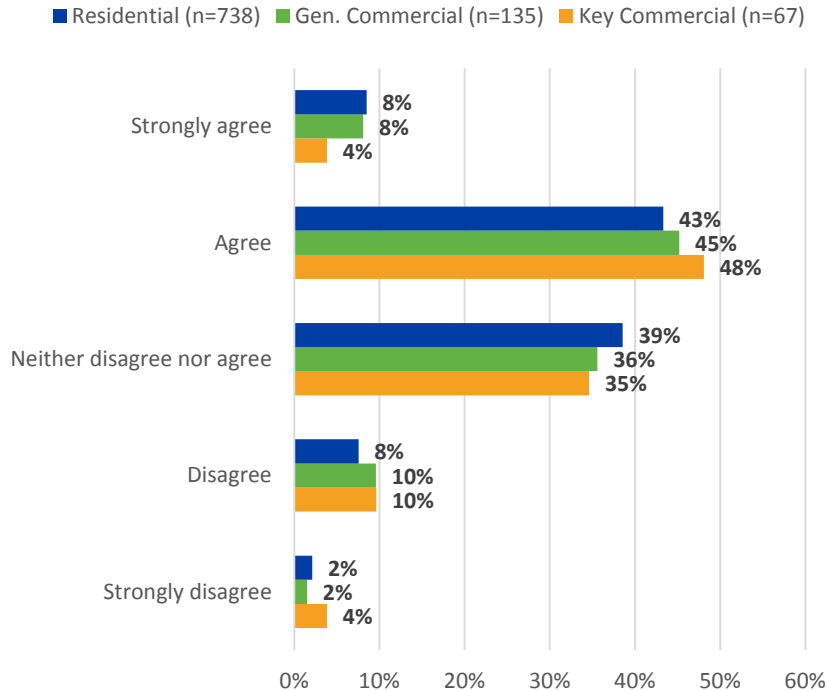


35% of residential, 32% of general commercial, and 28% of key commercial customers agree that City Light rates have become more predictable over the last two years.

RESPONDENTS RECOGNIZE THAT CITY LIGHT INVESTED IN NEW INFRASTRUCTURE

Over the last two years, Seattle City Light has enhanced existing and added new infrastructure to meet customer needs.

Base: respondents who have been customers for more than two years

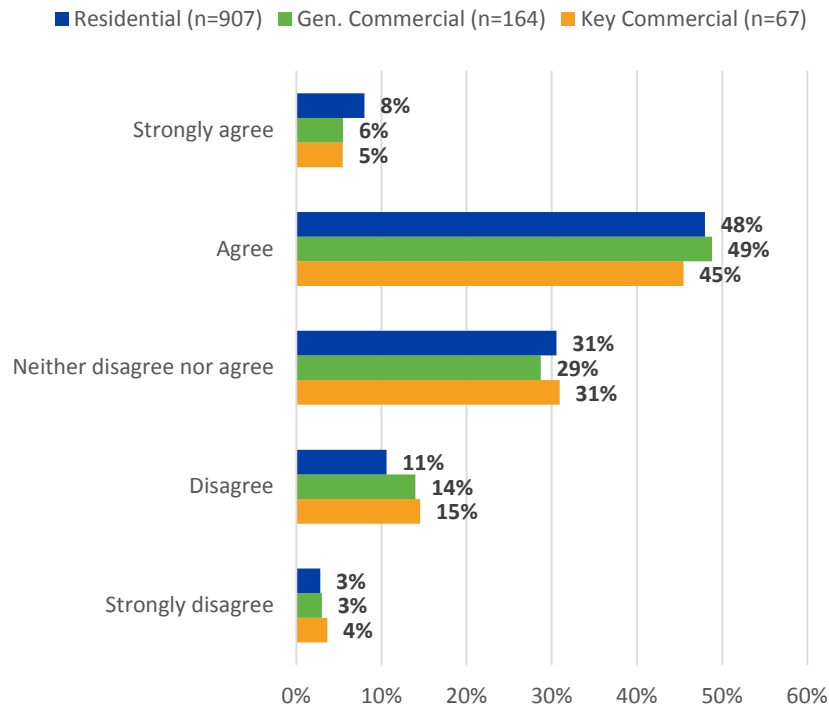


51% of residential, 53% of general commercial, and 52% of key commercial customers agree that City Light has enhanced or added new infrastructure over the last two years.

RESPONDENTS AGREE THAT TECHNOLOGY HAS IMPROVED CUSTOMER SERVICE

Over the last two years, Seattle City Light has used technology to improve customer service and communication.

Base: respondents who have been customers for more than two years

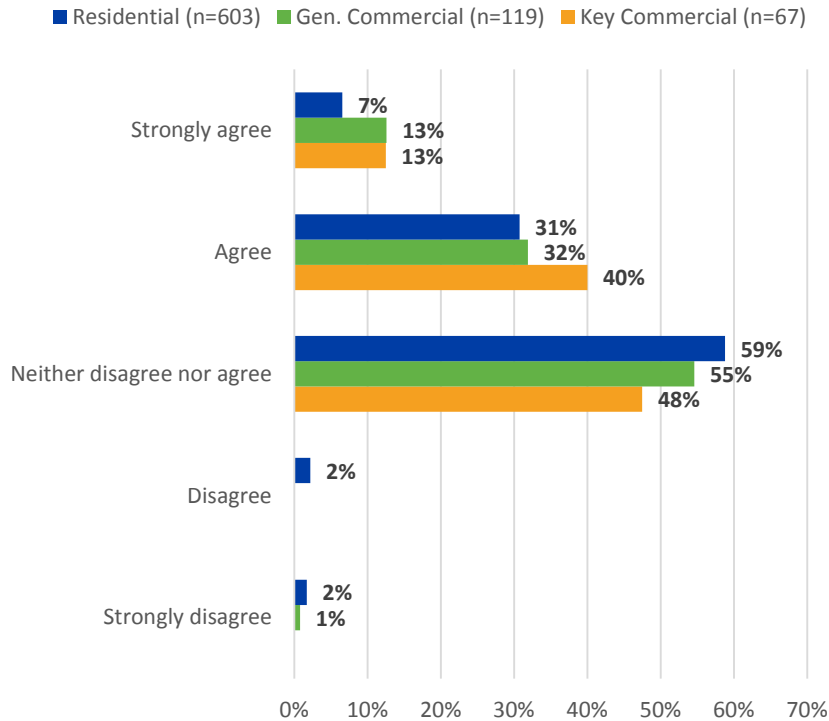


56% of residential, 55% of general commercial, and 50% of key commercial customers agree that City Light has used technology to improve customer service and communication over the last two years.

RESPONDENTS RECOGNIZE CITY LIGHT'S FOCUS ON SAFETY

Over the last two years, Seattle City Light has increased focus on safety.

Base: respondents who have been customers for more than two years

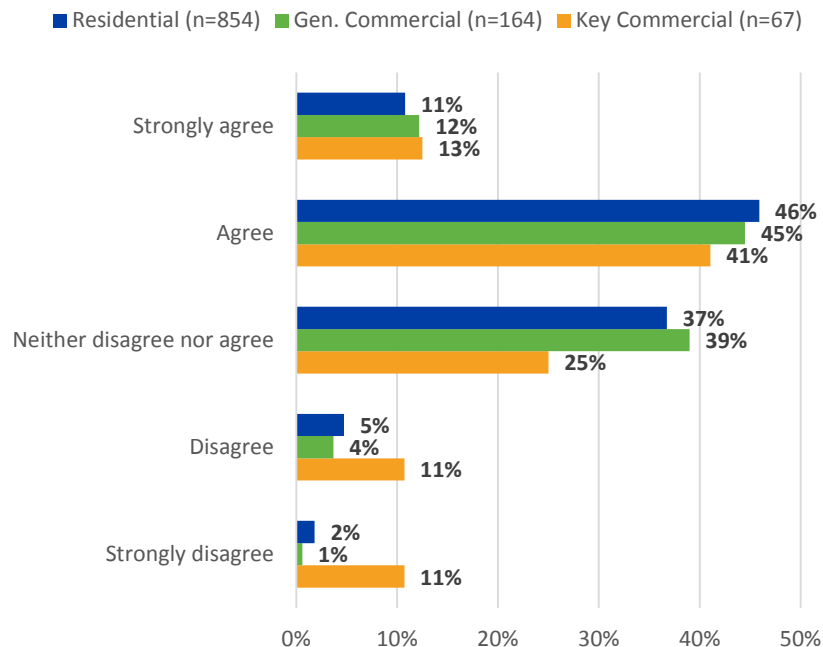


38% of residential, 45% of general commercial, and 53% of key commercial customers agree that City Light has increased their focus on safety over the last two years.

RESPONDENTS REPORT IMPROVED POWER RELIABILITY AND AVAILABILITY

Over the last two years, Seattle City Light has improved power reliability and availability.

Base: respondents who have been customers for more than two years



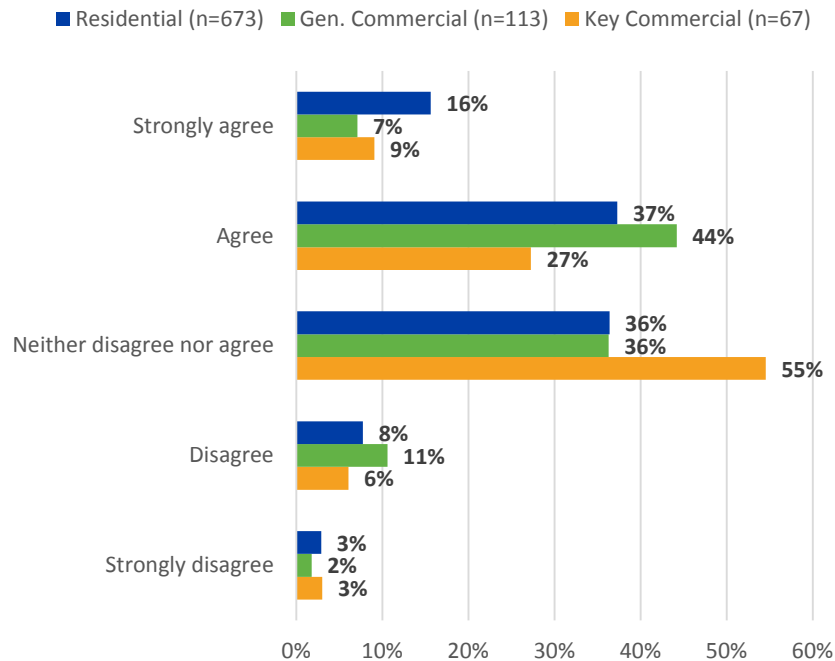
57% of residential, 57% of general commercial, and 54% of key commercial customers agree that City Light has improved power reliability over the last two years.



RESPONDENTS SAY CITY LIGHT HAS MADE PROGRESS IN ASSISTANCE PROGRAM OUTREACH

Over the last two years, Seattle City Light has increased efforts to enroll customers into our low income assistance programs.

Base: respondents who have been customers for more than two years



53% of residential, 51% of general commercial, and 36% of key commercial customers agree that City Light has increased efforts to enroll customers in low income assistance programs over the last two years.