



12th Annual Electric Utility Customer Satisfaction Survey

June 2010

COLLUS Power

The primary objective of the Electric Utility Customer Satisfaction Survey is to provide information that will support discussions about improving customer care at every level in your utility.

The UtilityPULSE Report Card® and survey analysis contained in this report do not merely capture state of mind or perceptions about your customers' needs and wants - the information contained in this survey provides actionable and measurable feedback from your customers.

This is privileged and confidential material and no part may be used outside of COLLUS Power without written permission from UtilityPULSE, the electric utility survey division of Simul Corporation.

All comments and questions should be addressed to:

Sid Ridgley, Simul Corporation

Toll free: 1-888-291-7892 or Local: 905-895-7900

Email: sridgley@simulcorp.com



Executive summary

Customers remain consistently clear about what is foundationally important to them, namely: provide consistent reliable energy, quickly and professionally handle outages, accurately bill, and deliver on promises made to customers. Straight forward and certainly what everyone in the industry would expect the LDC to focus on. After all, it is the core business of the electric utility. The 2010 survey respondents in our benchmark survey have placed the attributes of being respected as a company and being trusted/trustworthy as number 5 and 6 in importance. The data for the 2010 survey for COLLUS Power is consistent with the customer trend of placing more importance on respect and trust. Your customers, give COLLUS Power solid marks for delivering on the tangibles of providing safe reliable energy to their homes or small businesses. For 2010, respondents Agree strongly that COLLUS Power is an organization that can be trusted and is worthy of respect. In addition, they also Agree strongly that the utility is actively involved in the industry, in the community and in things that affect the customer.

One of the keys to maintaining a strong connection with your customers is to deliver safe reliable energy **AND** be a company that is respected and trusted.



❑ **Customer Care Expectations**

Customer Care Expectations	COLLUS	National	Ontario
The time it took someone to answer the phone	76%	73%	67%
The time it took someone to deal with your problem	73%	73%	69%
The helpfulness of the staff who dealt with you	84%	79%	72%
The knowledge of the staff who dealt with you	82%	77%	71%
The level of courtesy of the staff who dealt with you	85%	84%	79%
The quality of information provided by the staff who dealt with you	82%	79%	70%

Top 2 Boxes: 'very + fairly satisfied'

Every interaction with a customer is an opportunity to generate higher levels of affinity. It is foolhardy to view the ratings shown above as ratings for the “call-centre” because every person in COLLUS Power interacts with a customer or supports those who do have person-to-person contact with a customer. Most of the items listed are intangible which means it is the customer who determines the measurement to be used. What might be a high level of courtesy to one customer is not necessarily a high level of courtesy from another. The inability to put hard measures on an important customer expectation frustrates many in the electric utility business – a business very used to hard measures of performance. Everyone in the organization has to learn it is the intangibles not the tangibles which create satisfied customers.

When time-pressed customers get their questions and issues dealt with professionally **AND** they are treated as important people the reward is inevitably higher levels of satisfied customers.



□ **Customer Loyalty and Satisfaction with COLLUS Power**

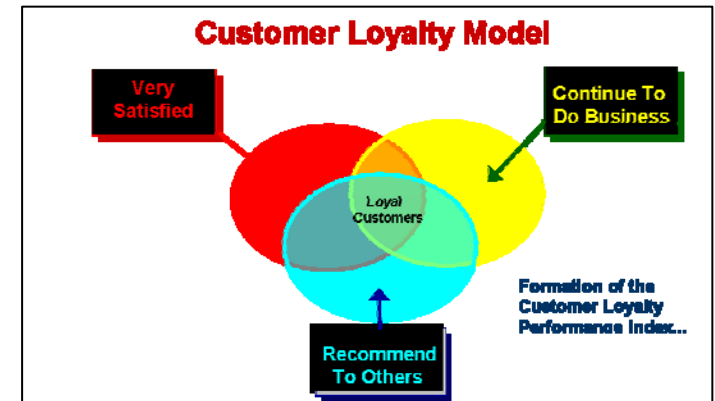
Simul uses three factors to compute a loyalty score: satisfaction with bill payers' "local electricity utility," how likely they are to continue with the utility, and how likely they are to recommend it. Based on their opinions, Simul sorts the bill payers into four loyalty groups: the Secure group (the most loyal), Still Favorable, Indifferent, and At Risk.

Why measure loyalty when customers can't defect to competitors?

It is about emotional connection. Engaged customers will speak positively about you, disengaged customers will spread their unhappiness.

While electricity is considered a commodity the reality is the customer is expecting more from their utility. Every year respondents are asked for suggestions that their hydro could use to improve service. Data from our earlier surveys shows 40% of the comments received were directed towards lowering prices, now we are getting a broader range of comments or suggestions. 'Be more environmentally friendly' comments were barely seen – if at all – 8 to 10 years ago, about 9% of the comments received have something to do with the environment.

The customer expects a diligent focus on delivering the core product **AND** they expect a personal focus as well.



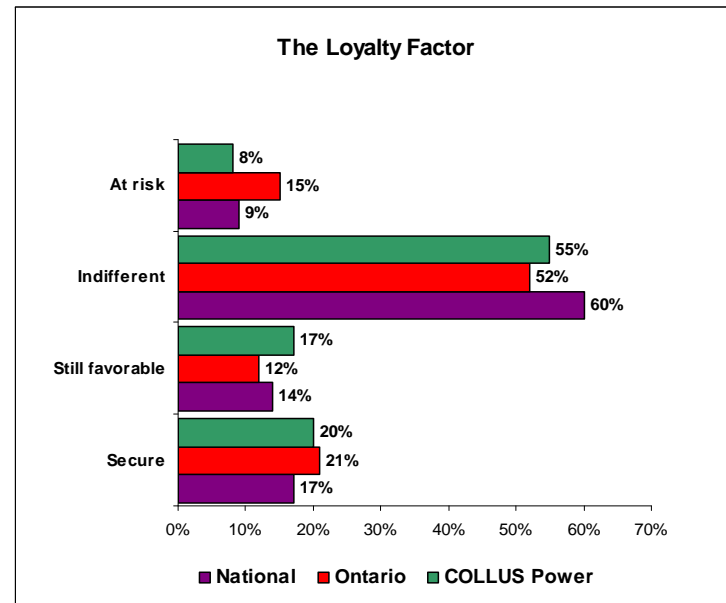


Simul/UtilityPULSE Loyalty Performance Score Factors	COLLUS	National	Ontario
'Very + somewhat satisfied' with 'the local electricity utility that supplies the electricity you use'	87%	86%	80%
'Definitely + probably' would continue to do business with it	88%	73%	84%
'Definitely + probably' would recommend it	69%	64%	65%

Simul/UtilityPULSE Loyalty Performance Score Factors	COLLUS	Buy Direct from utility	Purchase from retailer
'Very + somewhat satisfied' with 'the local electricity utility that supplies the electricity you use'	87%	88%	80%
'Definitely + probably' would continue to do business with it	88%	92%	40%
'Definitely + probably' would recommend it	69%	73%	23%

Simul/UtilityPULSE Customer Loyalty Score Segments	COLLUS	National	Ontario
Secure	20%	17%	21%
Still Favorable	17%	14%	12%
Indifferent	55%	60%	52%
At Risk	8%	9%	15%

A review of our total survey data clearly shows that At Risk customers have a different view than Secure customers. Data from the 2010 survey shows that there are substantially less customers buying their hydro from an independent retailer than just a scant 3 years ago. Could it possibly be a tie-in to the deteriorating loyal levels that the UtilityPULSE survey has tracked? We absolutely believe there is a relationship between the numbers for retailers and customer behaviour. The “independent retailer” customer is returning to their LDC.



It appears then that the customer will take action – even in the electric utility industry - when they get dissatisfied. The good news is, the customer can not leave the electric utility [unless they choose to move their home or business to another geographic area]; the bad news is the utility can not “fire” a customer. So beyond the data saying so, it is important for COLLUS Power to continue to enhance its customer care practices. Customers with higher affinity levels complain less about having outages and billing problems than others.

The utility has to be operationally effective **AND** know what it takes to generate higher levels of affinity/loyalty



Customer Satisfaction Pre and Post

Top 2 Boxes	COLLUS	National	Ontario
Initially	87%	86%	80%
End of Interview	94%	92%	89%

Top 2 Boxes: 'very + fairly satisfied'

At the end of the survey we ask respondents how they would rate customer satisfaction “now that we’ve been talking about COLLUS Power for awhile”. The data has been consistently clear over the years: the more a customer learns about their utility the higher the satisfaction level.

Bills and Blackouts

Every interaction with a customer is an opportunity to create and demonstrate the professionalism of the people who work in COLLUS Power. Recognizing that Bills and Blackouts – we call them the killer B’s – are the biggest issues. Ensuring that the utility is seen as being proactive to reduce these is good use of customer marketing and communications.



Percentage of respondents indicating that they had a Blackout or Outage in the last 12 months:

	COLLUS	National	Ontario
2010	42%	45%	41%
2009	-	51%	46%
2008	-	49%	41%
2007	-	47%	49%

Base: total respondents / (-)COLLUS Power was not a participant in survey year

Percentage of respondents indicating that they had a billing problem in the last 12 months:

	COLLUS	National	Ontario
2010	11%	10%	12%
2009	-	9%	10%
2008	-	8%	8%
2007	-	9%	11%

Base: total respondents / (-)COLLUS Power was not a participant in survey year

Other reasons for contacting the utility include: moving/setting up a new account or requesting a maintenance or repair.

Whether it is an outage, or a billing issue or another issue, when a customer contacts the utility it is a moment of truth. After all, customers are not having outage problems every day, nor are they moving from one location to another every month. The reality is, for most customers the frequency of contacting their utility is low, hence the heightened need to ensure that everyone handles the transaction professionally and in a timely way. A poor experience will be remembered for a very long time. Customers expect effectiveness **AND** efficiency when dealing with their issues.



❑ **Corporate image**

Corporate image is comprised of a number of interrelated variables: corporate identity, corporate communication, corporate image, and corporate reputation. Eleven attributes measured in the annual UtilityPULSE survey are strongly linked to corporate image. Customers expect that your utility will conduct its business professionally **AND** be a proactive enterprise.

Attributes strongly linked to a hydro utility's image		
	COLLUS	Ontario
Company Leadership		
Is a respected company in the community	87%	84%
Can be counted on to keep its promises to customers and the community	83%	79%
Influential in the electric utility industry	81%	82%
Influential in local business community	84%	78%
A leader in promoting energy conservation	81%	78%
Corporate Stewardship		
Maintains high standards of business ethics	86%	80%
Can be counted on to tell the truth	83%	74%
Takes steps to reduce the impact of its operations on the environment	81%	76%
Beyond providing jobs and paying taxes, is socially responsible	84%	77%
Considered a fair and equitable employer	85%	82%
Is trusted and trustworthy	87%	80%

Base: total respondents with an opinion



- ❑ **UtilityPULSE Report Card®: Simul examines six drivers of customer perception as it relates to utility performance.**

Customer care begins with the reliable delivery of electricity to customers. Utilities are expected to maintain high levels of operational service. Nine in 10 bill payers surveyed for the COLLUS Power Simul/UtilityPULSE survey agree (strongly or somewhat) that COLLUS Power provides “consistent, reliable energy.”

It might seem obvious to say that the simplest route to customer satisfaction is to maintain high levels of operational service and avoid outages. In truth, people often judge organizations more by how they behave when things go wrong than when they go right. Communications with customers during crisis events, power outages and billing issues play a crucial role in satisfaction.

The **UtilityPULSE Report Card®** provides feedback in two ways. The **first** helps you understand the importance or weighting that Customers put on each of the drivers when forming their perception about your utility. The **second** represents your customers’ views about how your utility performs when compared to the Ontario benchmark.





COLLUS Power's UtilityPULSE Report Card[®]

Part 1: Importance to Customers

	CATEGORY	COLLUS	National	Ontario
1	Customer Care	25%	25%	25%
	Price and Value	4%	5%	5%
	Customer Service	21%	20%	20%
2	Company Image	38%	34%	35%
	Company Leadership	16%	18%	16%
	Corporate Stewardship	21%	16%	19%
3	Management Operations	38%	41%	40%
	Operational Effectiveness	17%	19%	19%
	Power Quality and Reliability	20%	22%	22%
Total		100%	100%	100%

Shares may not add exactly to 100% due to rounding.



COLLUS Power's UtilityPULSE Report Card[®]

Part 2: Performance

	CATEGORY	COLLUS	ONTARIO
1	Customer Care	A	B+
	Price and Value	B	C+
	Customer Service	A	B+
2	Company Image	A	A
	Company Leadership	A	A
	Corporate Stewardship	A	B+
3	Management Operations	A	A
	Operational Effectiveness	A	A
	Power Quality and Reliability	A	A
OVERALL		A	B+

A+ Exceptional
 A Excellent
 B+ Very Good
 B Quite Good

Anything less than a B requires immediate attention.

* Weightings are based on pulse figures shown in Part 1 of the UtilityPULSE Report Card[®]

□ **Credibility and Trust**

Based on economic and other societal impacts many Canadians have been using words such as credibility and trust to describe their place of work or the place(s) where they do business. Yet if you ask 5 people for a definition of credibility and trust chances are you'll get 5 definitions. Our research shows that the under-pinning components that lead a person to believe that an organization has credibility and can be trusted are: Knowledge, Integrity, Involvement and Trust. Using the scale of agree strongly, agree somewhat, disagree somewhat, disagree strongly, and based on our formulas, here is how your customers would respond:



Demonstrating Credibility and Trust	COLLUS
Knowledge The utility is seen as being knowledgeable about the services it provides, about what is happening in the industry, and how customers can reduce costs or create more value.	Agree strongly
Integrity The utility is seen as an organization that will act in the best interests of its customers and can be counted on to provide services and resolve problems in a professional manner.	Agree strongly
Involvement The utility is actively involved in the industry, in the community and in things that affect the customer.	Agree strongly
Trust The utility is an organization that can be trusted and is worthy of respect.	Agree strongly
Overall*	Agree strongly

* Weightings are not equal for each area of measurement

❑ Smart Meters and Time of Use (TOU) Billing

For 2010 the annual survey for electric utilities polled a little deeper into the subject areas of Smart



Meters and TOU. Based on all of the surveys completed we believe that many customers really do not know if they have a smart meter or not --- and, whether they are on TOU or not. In fact, based on the thousands of interviews done for this year we suspect that many people already think they are on TOU when in fact, they are not.

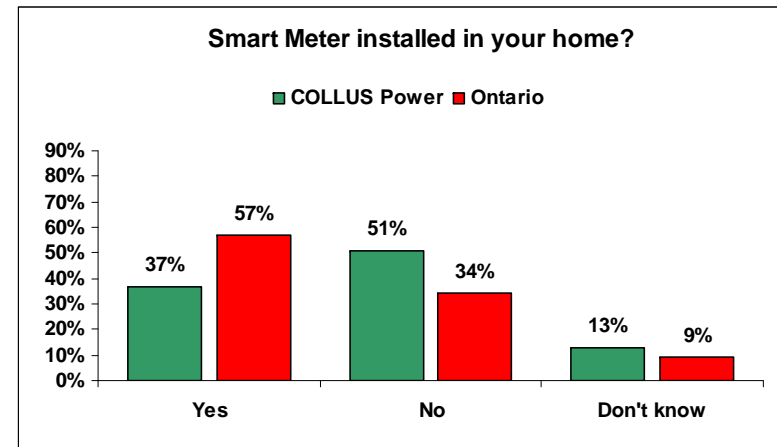
Every utility in the province of Ontario is at a different stage in installing Smart Meters and moving to TOU billing. What follows is data from your survey that should be shared with those in your organization with marketing communications responsibilities.



Do you have a Smart Meter installed?

	COLLUS	Ontario
Yes	37%	57%
No	51%	34%
Don't know	13%	9%

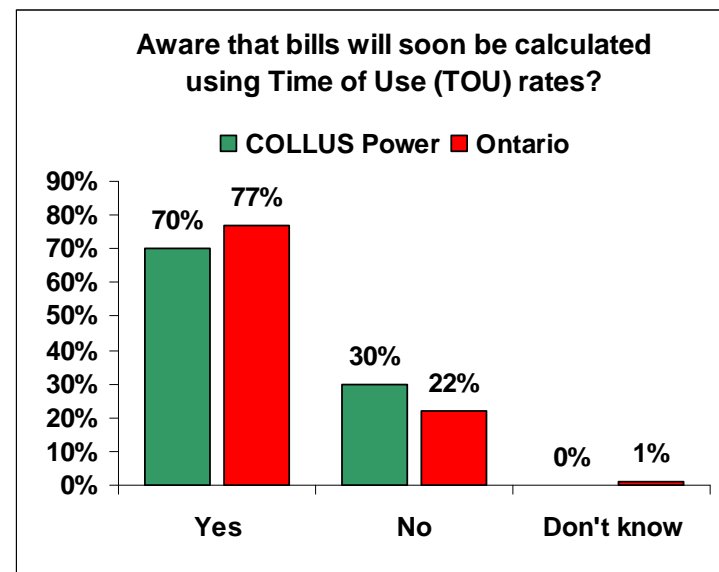
Base: total respondents in Ontario



Aware that Time of Use (TOU) rates are coming?

	COLLUS	Ontario
Yes	70%	77%
No	30%	22%
Don't know	0%	1%

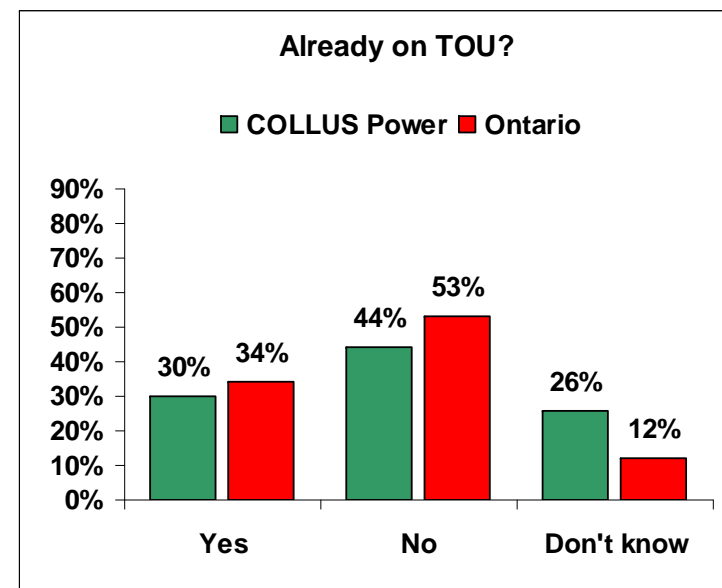
Base: total respondents in Ontario



Already on TOU rates?

	COLLUS	Ontario
Yes	30%	34%
No	44%	53%
Don't know	26%	12%

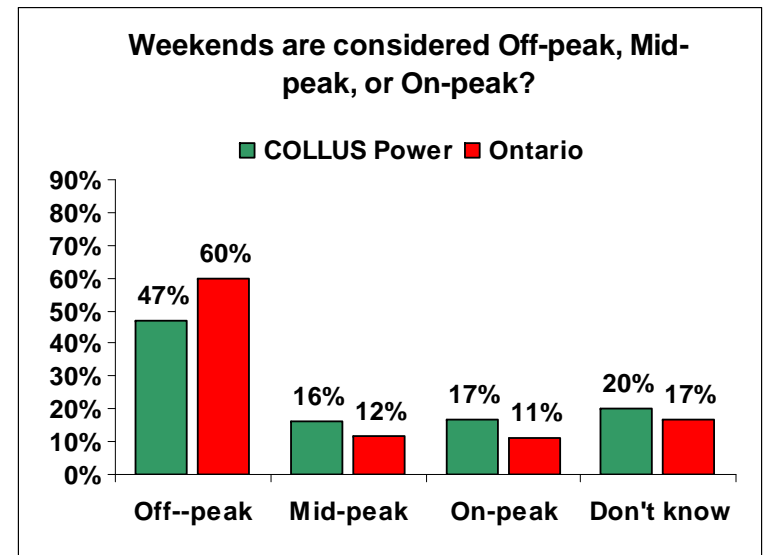
Base: total respondents in Ontario with Smart Meters



How many Time of Use pricing levels are there?

	COLLUS	Ontario
2	18%	17%
3	44%	46%
4	18%	16%
Don't know	20%	21%

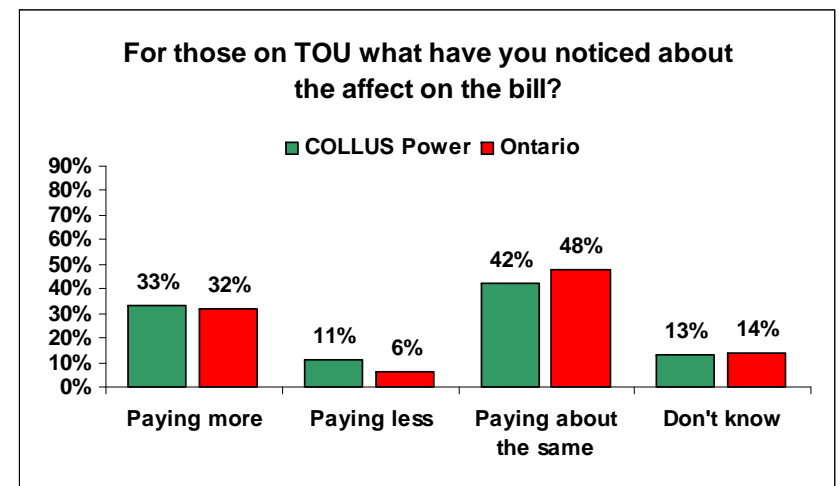
Base: total respondents in Ontario aware of TOU



For those that are on TOU what is the affect on the bill?

	COLLUS	Ontario
Paying more	33%	32%
Paying less	11%	6%
Paying about the same	42%	48%
Don't know	13%	14%

Base: total respondents in Ontario on TOU



The data is clear, there is a need for more education and communication with customers.



❑ Familiarity with FIT or MicroFIT programs

Respondents participating in the Ontario Benchmark survey were asked to respond to the following questions regarding FIT or MicroFIT programs. *“Prior to this interview how familiar are you with the FIT or MicroFit Program which encourages the development of renewable energy such as wind or solar? Would you say you are very familiar, somewhat familiar, not too familiar, or not at all familiar with it?”*

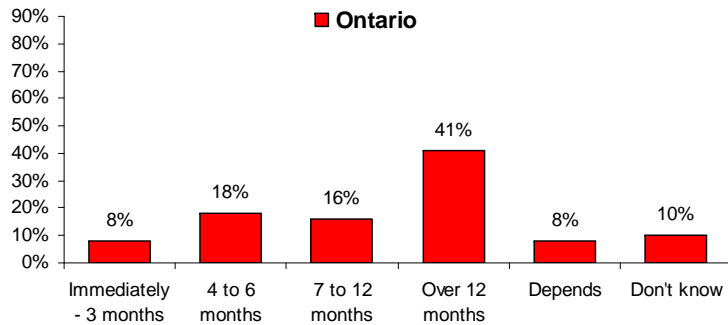
Familiarity with the FIT or MicroFIT program?

	Ontario
Very + Somewhat familiar	44%
Not too + Not at all familiar	56%
Don't know	0%

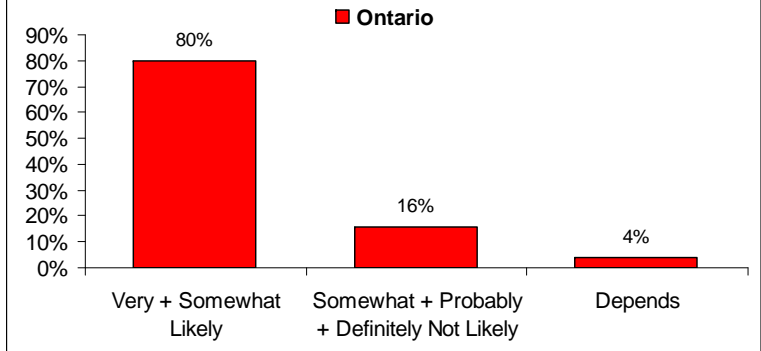
Considering the installation of a wind or solar project?

	Ontario
Yes	24%
No	73%
Don't know	3%

How much time before you move forward with your FIT or MicroFit project?



Will you be requesting information from your utility about the FIT or MicroFit program?



□ **How to improve service**

Over the 12 years that we have been conducting this survey for our electric utility customers we have seen a dramatic shift in suggestions for improving service. It is true that “better prices” is still the dominant suggestion received; a signal for LDC’s to be always cognizant that the customer has price sensitivity. In addition the scope or breadth of suggestions has widened – further signaling the requirement for strong customer communications because all customers are not alike. Just as in previous years, respondents were asked once again what their utility could do to improve service. Based on the changes in types of suggestions over the years, we believe that the customer expects their utility to provide information and knowledge **AND** reduce the confusion that exists on topics/issues that affect them as customers.

And we are interested in knowing what you think are the one or two most important things ‘your electric utility’ could do or fix to improve service to their customers?

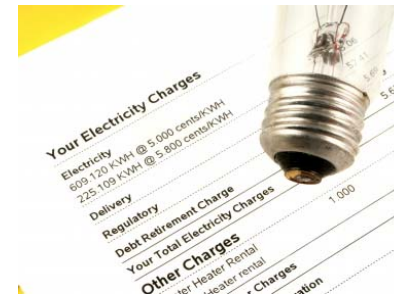


Service Improvement recommendations...	% of all suggestions
Better prices	51%
Improve power reliability	11%
Be more environmentally sensitive	7%
Better communication with customers	7%
Improve billing	7%
Eliminate smart meters	7%
Conservation: more info/more incentives/more rebates	6%
Staff issues	6%
Be more efficient	4%

*Base: data from the full 2010 database

❑ **Ability to Pay**

Rating the price of a service is always a crucial point of a survey. It is a generally accepted view that customers assess the value of a service by comparing its price and its benefits. As the price of electricity rises, the reasons in the background often remain obscure to consumers. Customers do not think in terms of kilowatt hours, they understand “dollars”. Customers need concrete information about what a rate change means for them in practice i.e. what the effect is likely to be in dollars and as a percent of the customer’s bill. About 1 in 4 customers indicate that they sometimes or often worry about finding the money to pay for electricity. In 2009 it was 1 in 5. Additionally, Ontarians are faced with the HST as of July 1, 2010 which will increase electricity costs.



❑ **About Water**

Satisfaction levels were measured among households and businesses across seven basic services; electricity, water, garbage collection, natural gas, cable television and libraries. COLLUS customers are generally very satisfied with their water services.

- 74% of customers were (‘very + somewhat’) satisfied with their water utility.

The following summary observations regarding customer satisfaction with water quality and service:



Satisfaction with the water supplied	
Top 2 Boxes: 'Very + Fairly Satisfied'	
Taste of your tap water	74%
Colour of your tap water	87%
Smell of your tap water	78%
Clarity of your tap water	86%
Price of your tap water (water usage)	50%
Safety of your drinking water	82%
Pressure of your tap water	85%

Base: total respondents

Droughts, excessive water consumption, and shrinking drinking water supplies has given water efficiency a lot of mainstream traction. COLLUS respondents were asked about their concern about the amount of water being used.

How concerned or worried are you, personally, about the amount of water we are using?

Concern about the amount of water being used			
Very worried	Somewhat worried	Not too worried	Not at all worried
15%	38%	28%	16%

Base: total respondents that use COLLUS Power for their water



When COLLUS customers were asked what they considered to be the most effective approach for encouraging people to conserve water,

- 3 in ten (29%) opted for an educational approach with facts and details

When you think of the water industry, what kind of business do you think of? COLLUS customers were asked their opinion on various attributes of a well performing water utility, the following highlights some of the perceptions:

- 90% agreed their water utility makes the provision of safe, high quality water a top priority
- 87% agreed their water utility maintains high standards of business operations
- 84% agreed their water utility keeps it promised to customers and the community

Summation

Customers and other key stakeholders continue to demand more and more, each and every year. Status Quo is not an option and quite frankly no longer exists in the electric utility industry. The relatively simple electric utility business of 15-20 years ago no longer exists. However, the expectations of yesterday have not gone away but they have been added to by the customer.

Based on the 12 years of research and data from our own files we believe that:



- 1- One of the keys to maintaining a strong connection with customers is to deliver safe reliable energy **AND** be a company that is respected and trusted.
- 2- When time-pressed customers get their questions and issues dealt with professionally **AND** they are treated as important people the reward is inevitably higher levels of satisfied customers.
- 3- Customers expect a diligent focus on delivering the core product **AND** they expect a personal focus as well.
- 4- The utility has to be operationally sound **AND** know what it takes to generate higher levels of affinity/loyalty.
- 5- Customers expect effectiveness **AND** efficiency when dealing with their issues.
- 6- Customers expect their utility will conduct its business professionally **AND** be a proactive enterprise.
- 7- Customers expect their utility to provide information and knowledge **AND** reduce the confusion which exists on topics/issues that affect them.
- 8- Customers want their utility to maintain an extremely high level of performance **AND** be prepared for a changed tomorrow.

This survey, along with our years of work speaking to customers clearly shows that the core concerns of customers are: reliability, 24 hours a day x 365 days per year, quickly handling outages, accurate billing and delivering on service commitments. Adding to the core concerns is the customers'



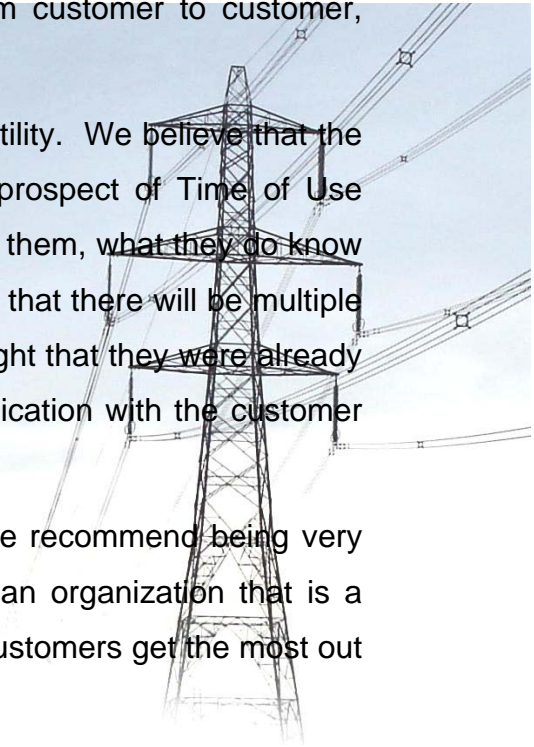
increasing desire for clean energy. How to meet these needs differs from customer to customer, segmentation is more important than ever.

Customers have a desire for predictability and have an aversion to price volatility. We believe that the deterioration in general satisfaction levels across Ontario is linked to the prospect of Time of Use billing. Because customers have limited knowledge of TOU and its impact on them, what they do know is that their ability to predict their costs is in question. What they also know is that there will be multiple pricing levels and in their minds that equates to volatility. For those that thought that they were already on TOU pricing about 1 in 3 thought that they were paying more. Communication with the customer remains an opportunity area for every electric utility.

TOU is not an option for Ontario customers, it will be a reality. As such, we recommend being very careful about setting customer expectations. Do you want to be seen as an organization that is a proponent for TOU or do you want to be seen as an organization that helps customers get the most out of TOU pricing. Or both? Or somewhere in between?

Surveys are a semi-scientific means to capture feedback from customers which produces a valid, reliable report of their assessment of an organization and how their expectations are shifting over time. The results presented here are based on 404 telephone interviews conducted during March 23 - March 31, 2010. This survey addresses customer attitudes and opinions on subjects such as utility image, power reliability/delivery, billing services, pricing, value and energy efficiency benefit programs.

Every interaction with a customer creates an imprint – why not ensure that it is a positive imprint. As Simul reminds everyone “perception is all there is.” Employees give life to the company’s promises



and demonstrate to what degree the customer is truly appreciated. Everyone in the organization is an ambassador for the organization and at the time they are interacting with the customer they represent the company. Ensuring that the corporate culture is a healthy one has to be high on the priority list.

We believe that creating a great place to work and a great place to do business is a very real and achievable goal.

There is more data and information in the balance of the report; we highly recommend sharing the information contained in this report with everyone in the utility. We've often explained to our clients that "people can not care about the things they do not know about." Decide now to leverage the results from your 2010 customer satisfaction survey.



Sid Ridgley

Simul / UtilityPULSE

Telephone: 905-895-7900

Email: sridgley@simulcorp.com



Table of contents

Executive summary	3
Satisfaction (pre & post)	27
- Customer Care Expectations	33
Bill payers' recent problems and problem resolution	37
UtilityPULSE Report Card®	44
The Loyalty Factor	54
- Customer commitment	61
- Word of mouth	64
Corporate Image	68
- Corporate Credibility & Trust	70
How can service to customers be improved?	73
Smart Meters and Time of Use	76
FIT and MicroFIT (Ontario benchmark data only)	82
What do customers think about electricity costs?	85
What do Small commercial customers think?	89
About Water	93
Method	100
About Simul	104



Satisfaction (pre & post)

A debate in the survey design world is whether an overall evaluation question should appear at the beginning or end of the survey. Those favoring placing it at the beginning contend that it is a more objective view since it is untainted by later questions that could lead a respondent to place too much weight on one aspect. Those favoring placing it at the end posit that getting an opportunity to review assorted aspects through the survey questions helps a respondent register a more comprehensive assessment of their overall experience.

When it comes to the question of satisfaction, UtilityPULSE has designed the survey so that customers are asked twice, once at the beginning – this is to garner first impressions and set the tone for the survey, and again at the end – because now the respondent has context of what is being asked and is more aptly ready to address it in an informed state of mind. Further, we want to ensure that respondents gave honest and thoughtful feedback and thereby placing the satisfaction question “pre” and “post” allows for validity control.

Measuring satisfaction is the bedrock, or starting point, for the creation of loyal customers. One has to do the job as expected before there is an opportunity to emotionally connect in a positive way.

Here is how your customers responded.

Top 2 Boxes	COLLUS	National	Ontario
Initially	87%	86%	80%
End of Interview	94%	92%	89%

Top 2 Boxes: 'very + fairly satisfied'

Now, in its 12th year, the annual Customer Satisfaction Survey further illuminates the relationship between the customer experience and business performance. Our research finds that, around the country, customers expect better service quality. It confirms that customers who are very low on the satisfaction scale with their utility are more likely to say that they experience blackout and/or billing issues with their utility and they are more likely to take the time to complain. Our research also reveals that service quality is more influential than price—in the development of a loyal league of customers.

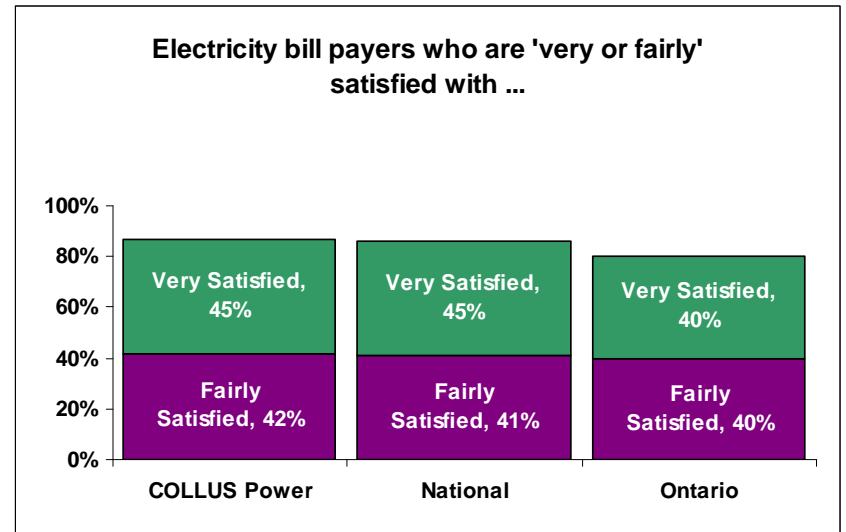
Further on the service quality front, younger customers (18-34) are less satisfied with the time it takes to answer the phone than those in the 55+ category. However older respondents have higher expectations than their youthful counterparts in the areas of knowledge of the staff and in the assessment of the quality of information provided. What's more, although customer expectations have risen over the last few years, the percentage of "very satisfied" customers has remained flat for the past three years.

	COLLUS	National	Ontario
Very Satisfied	45%	45%	40%
Fairly Satisfied	42%	41%	40%

Base: total respondents

Electricity bill payers who are 'very or fairly' satisfied with...				
	2010	2009	2008	2007
COLLUS	87%	-	-	-
National	86%	90%	87%	88%
Ontario	80%	87%	86%	83%

Base: total respondents / (-)COLLUS Power was not a participant in survey year



Corporate mantras don't always translate to a moment of truth interaction between an employee and a customer. The difference between meeting that promise as per the mantra or creating an empty one is based, in part, on the satisfaction and skilled/training levels of your people. But the human component defies easy management – people are not all the same.

Many people mistake customer satisfaction and customer loyalty for each other—assuming that they’re essentially the same thing. Actually, they’re quite different, and it’s important for industry professionals to understand what sets them apart.

Satisfaction relates to the results of a process, whether its the process of dealing with an outage, arranging of a service call, setting up of an account, or the resolution of a billing issue (to name a few). Loyalty, on the other hand, is a much longer-term proposition. *Loyalty relates to a relationship*—one that can actually survive a negative product or service process.

Truly loyal customers look beyond the occasional negative experience, especially if the customer believes that they are valued by you. The reality is, and we consistently remind our clients, *satisfied customers do not necessarily become or remain loyal customers*.

Of course, just because satisfaction and loyalty are different doesn’t mean that they’re completely unrelated. Just the opposite; they’re closely linked.

Customer satisfaction is a cornerstone in building the bridge between company and customer. Customer satisfaction is a worthy goal—but not the only goal. It’s one of the primary ingredients for creating customer loyalty in the first place, but moving forward, it’s also necessary to examine company operations to find out which are having the greatest impacts on loyalty. It is foolhardy to

expect “nice professional interactions” between employees and customers to overcome processes that are fundamentally broken.

In today’s marketplace monopolies, just like every other enterprise can benefit through having a strong relationship with their customers. Ignoring customer concerns and expectations is a risky business. Given today’s online world it is very easy for customers to “spread the word” – good or bad. Customer expectations go beyond the basics of providing reliable energy 24 hours a day x 365 days per year. The reward for delivering high quality customer care is reduced volumes through your call centre and reduced requests for service. For employees it means a better place to work.

Organizations are not successful; it is the people who work in the organization that are successful. They will move it forward, stall it, or move it backwards. As Simul consultants have learned by working with executives and managers, it is the employees’ skills, quality of interpersonal relationships and willingness to work as a team that creates value for the organization and its customers.

To help respondents recognize that they are evaluating monopoly like services, the Simul/UtilityPULSE Poll compares satisfaction findings for the electric utility with other widely-used community services. The purpose is to establish a benchmark for how good public services are perceived in the eyes of their customers.

In this survey we would like to know how satisfied or dissatisfied you are with various services in this area. Overall are you very satisfied, fairly satisfied, fairly dissatisfied or very dissatisfied with ...?

Electricity bill payers who are very or fairly satisfied with...			
	COLLUS	National	Ontario
The local electricity utility that supplies the electricity you use	87%	86%	80%
Garbage collection	75%	82%	82%
Local telephone service	78%	88%	84%
Your local natural gas utility	76%	50%	67%
Your local libraries	55%	65%	63%
The local cable television service	55%	56%	50%
Local water utility	74%	73%	71%

Base: total respondents

Satisfied employees are critical, too. Many companies make the mistake of measuring only customer satisfaction. In fact, customers' perceptions of a company are often driven by the performance of its employees, and our experience shows that organizations with engaged, enthusiastic staff have more satisfied customers. It's a direct, irrefutable link, because *your employees are part of your brand*.

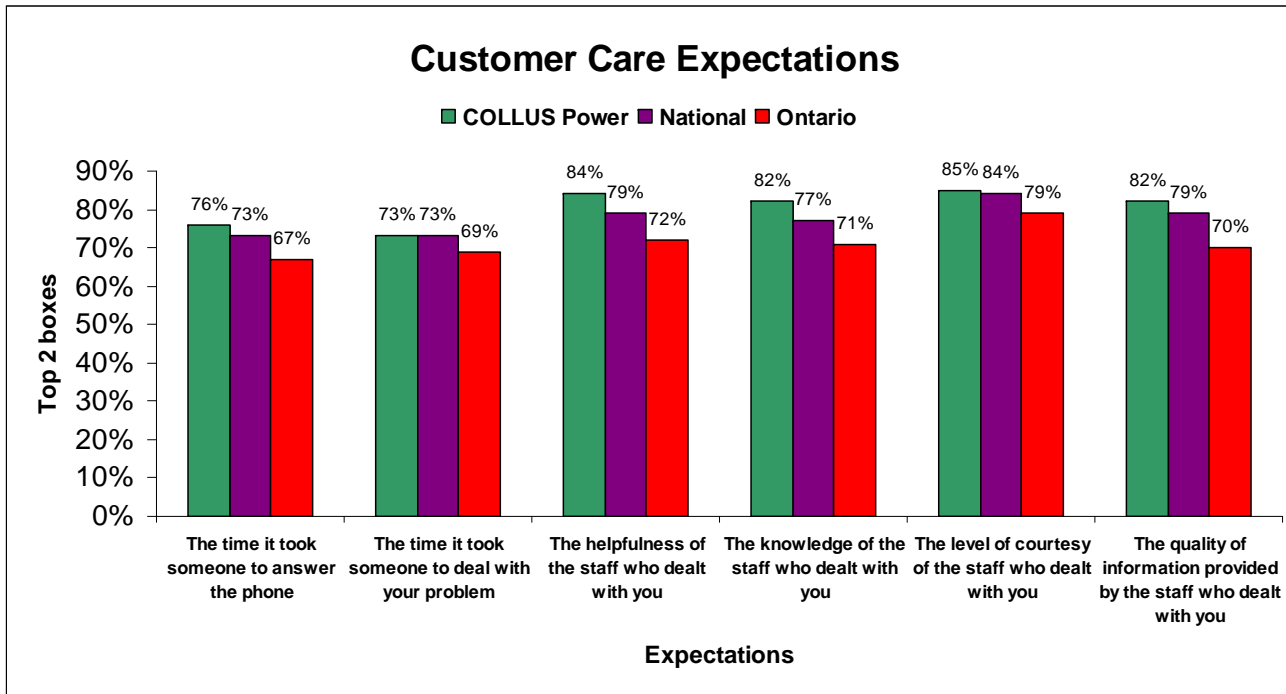
It's the small things done consistently that matter: Things like greeting every customer, whether on the phone or in person, in a friendly and helpful manner. Things like listening to the customer's needs, providing solutions to their problems and showing appreciation to the customer for their business.

Providing exceptional service isn't just about business, it's also about people—and the ability to connect with each customer on a human level. Not even the most timely, accurate, thorough service will win customer loyalty unless the customer also feels recognized and valued as unique individuals. On any given day, your employees must be prepared to handle a wide range of customer interactions: simple to complex, clear to confusing, informational to emotional.

Customer Care – Top 2 Boxes	COLLUS	National	Ontario
The time it took someone to answer the phone	76%	73%	67%
The time it took someone to deal with your problem	73%	73%	69%
The helpfulness of the staff who dealt with you	84%	79%	72%
The knowledge of the staff who dealt with you	82%	77%	71%
The level of courtesy of the staff who dealt with you	85%	84%	79%
The quality of information provided by the staff who dealt with you	82%	79%	70%

Base: total respondents

As every electric utility senior executive and manager knows, there are three types of employees: those that are engaged; those that are not-engaged; and those that are actively disengaged. Engaged employees work with passion and feel a profound connection with their company and its mission.



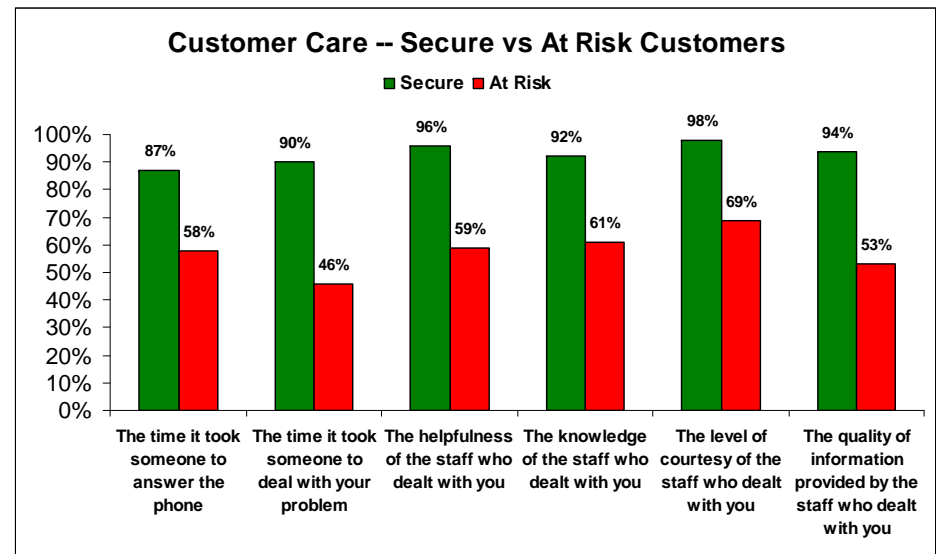
At each defining moment, your organization is positively or negatively affecting customer feelings which, in turn, contribute to that customer's sense of loyalty.

Customer Care - Secure vs At Risk Customers	Secure	At Risk
The time it took someone to answer the phone	87%	58%
The time it took someone to deal with your problem	90%	46%
The helpfulness of the staff who dealt with you	96%	59%
The knowledge of the staff who dealt with you	92%	61%
The level of courtesy of the staff who dealt with you	98%	69%
The quality of information provided by the staff who dealt with you	94%	53%

* Base: data from the full 2010 database

Customers also expect more when it comes to service. For most, “better” means a representative taking more time to answer their questions and a faster response to their inquiries, followed closely by live access to a service representative.

Utilities need to stay connected to their customers and recognize customers’ expectations. The forward thinking utility who provides innovative customer care can get ahead of the customer experience curve, and reap the rewards of a strong relationship with its customers.



The following table illustrates some of the important attributes which help shape a customer's perception about quality service and customer care.

Attributes describing the local electricity utility			
	COLLUS	National	Ontario
Provides good value for your money	73%	91%	88%
Works with customers to keep their energy costs affordable	72%	71%	68%
Tries to keep electricity rates reasonable	72%	69%	64%
Deals professionally with customers' problems	86%	85%	82%
Keeps customers well informed	83%	80%	79%
Customer-focused and treats customers as if they're valued	83%	79%	77%
Treats customers in a fair and equitable manner	87%	82%	79%
Uses responsible business practices when completing work	87%	86%	83%
Delivers on its service commitments to customers	86%	87%	85%
Accurate billing and meter reading	86%	86%	83%

* Base: total respondents with an opinion

Bill payers' recent problems and problem resolution

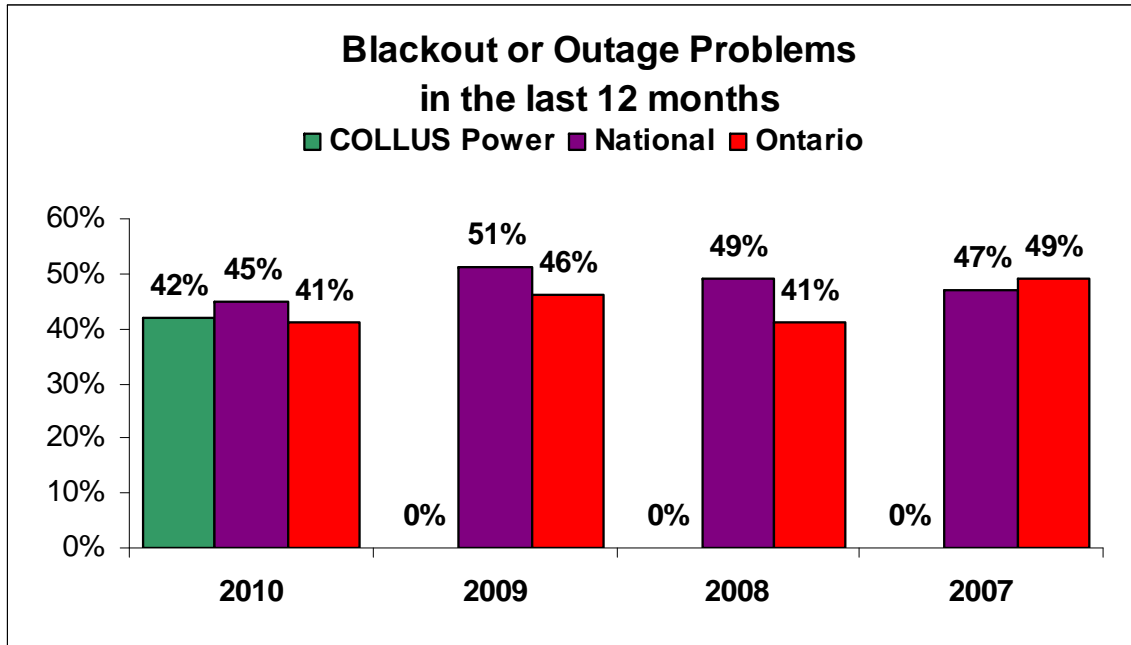
Ensuring power reliability has and will continue to be the key operational priority for electric utilities. This survey, along with our years of work speaking to customers clearly shows that the core concerns of customers are: reliability, 24 hours a day x 365 days per year, quickly handling outages, accurate billing and delivering on service commitments.

A central feature in electricity's value to customers, whether they are individual households or large industrial complexes, is the infrequent occurrence of outages or other power disturbances that interrupt the use of appliances, motors, electronics, or any of the other myriad of end uses for which electricity is the primary energy source.

Unlike the commercial and industrial customers where much of the "costs" associated with an outage can be converted into an economic loss based on lost profits or costs over savings, the costs of outages to residential customers are often more intangible. Residential customers tend to describe their costs in terms of the "hassle" or "inconvenience" of an outage rather than in terms of specific labour or material costs.

Percentage of Respondents indicating that they had a Blackout or Outage problem in the last 12 months			
	COLLUS	National	Ontario
2010	42%	45%	41%
2009	-	51%	46%
2008	-	49%	41%
2007	-	47%	49%

Base: total respondents / (-)COLLUS Power was not a participant in survey year



Both commercial and residential customers have reported problems with the utility billing process: both sets report problems with meter reading, customers struggle with bill clarity and flexibility, calculation errors, rate issues. Metering electric use and preparing billing statements are a complicated process and sometimes things can go wrong. Professional and timely handling is important to customers.

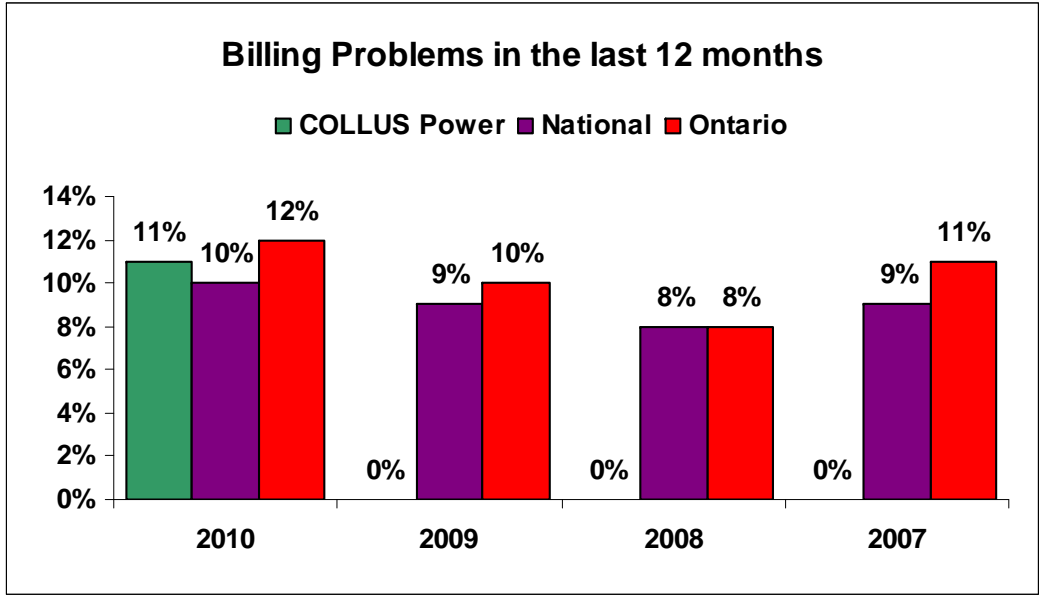
	Overall*	National	Ontario
The amount owed was too high	31%	51%	54%
The meter reading was incorrect	10%	10%	11%
To discuss other charges on the bill ie. delivery etc.	5%	3%	7%
The payment made was recorded incorrectly	8%	3%	4%
The bill was difficult to understand	7%	7%	4%
The bill arrived late	6%	6%	4%
Information was incorrect on the bill	3%	4%	2%

*Base: data from the full 2010 database

Rage or anger from customers has much to do with the customer's self-esteem. If customers are treated rudely or made to wait a long time, they can feel as though they are not valued and that is a direct attack on their self-esteem.

Percentage of Respondents indicating that they had a Billing problem in the last 12 months			
	COLLUS	National	Ontario
2010	11%	10%	12%
2009	-	9%	10%
2008	-	8%	8%
2007	-	9%	11%

Base: total respondents / (-)COLLUS Power was not a participant in survey year

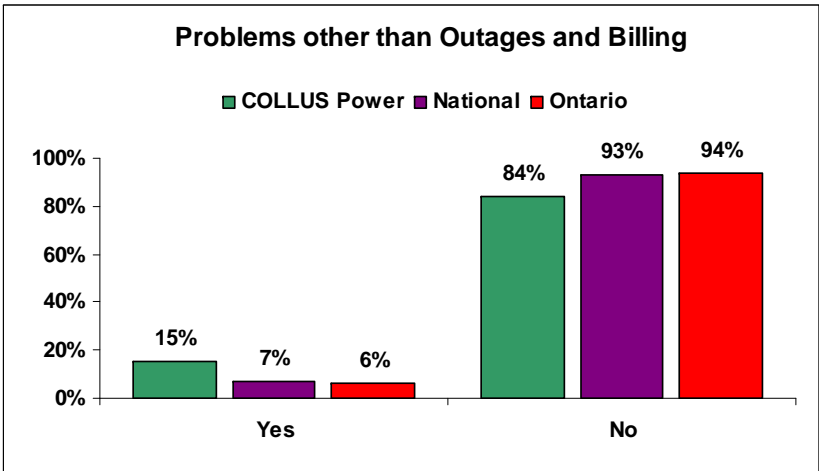


While the killer B's – Blackouts and Bills – are the most salient problems customers report to their utility, other problems or reasons for calling the utility include: Moving/setting up a new account, maintenance or repair request, to get a meter reading, wanting to know about smart meters, to upgrade thermostat or understand peak saver program, ways to conserve energy, water heater rental or repair, rebates on energy efficient products, energy retailer, to discuss different tiered pricing or energy marketers/retailers.

Complaint rates also vary by type of issue, being higher about billing and lower for mistreatment or feeling misled. Ironically these latter issues, that affect a customer's self-esteem, do more damage to loyalty.

Percentage of Respondents attempting to contact the utility about problems other than billing or power outages in the last 12 months			
	COLLUS	National	Ontario
Yes	15%	7%	6%
No	84%	93%	94%

Base: total respondents



It is not the fact that a customer has a problem that gets them “angered” it is how they are treated. Rude or unprofessional treatment gets them angered. Having known about a problem, having the opportunity to fix it, but not having done so, gets them angered. When the situation is concluded but the customer is *still* unsatisfied, this gets them angered. Angered customers resent the company, are critical about it and its operations, and in some cases may seek vengeance. Vengeance is becoming much easier in our online world.

Training staff to identify situations that could escalate is good use of precious training resources. In addition, creating a company culture where complaints are treated as a positive experience helps reduce the stress levels in those that handle customer complaints.

Percentage of Respondents who contacted their utility and had their problem solved in the last 12 months			
	COLLUS	National	Ontario
Yes	71%	74%	61%
No	24%	24%	36%

Base: total respondents

Respond with a solution to the problem. Creating the solution with the customer on the first telephone call is beneficial to the customer and the employee handling the call. They must know what the possible solutions are as well as their level of authority to institute those solutions. We recommend that employees make sure there's a clear understanding with the customer as to 1) what will happen and 2) when it will happen.

Attributes describing the local electricity utility			
	COLLUS	National	Ontario
Accurate billing and meter reading	86%	86%	83%
Provides consistent, reliable energy	88%	91%	88%
Quickly handles outages and restores power	84%	89%	87%
Deals professionally with customers' problems	86%	85%	82%

Base: total respondents with an opinion

UtilityPULSE Report Card[®]

Simul's UtilityPULSE Report Card[®] is based on tens of thousands of customer interviews gathered over twelve years. The purpose of the UtilityPULSE Report Card[®] is to provide electric utilities with a snapshot of performance – on the things that customers deem to be important. Research has identified 22 attributes that customers have used to describe their utility when they have been satisfied or very satisfied with their utility. These attributes form the nucleus, or base, from which “grades” are assigned. Customer satisfaction and loyalty also play a major role in the calculations.

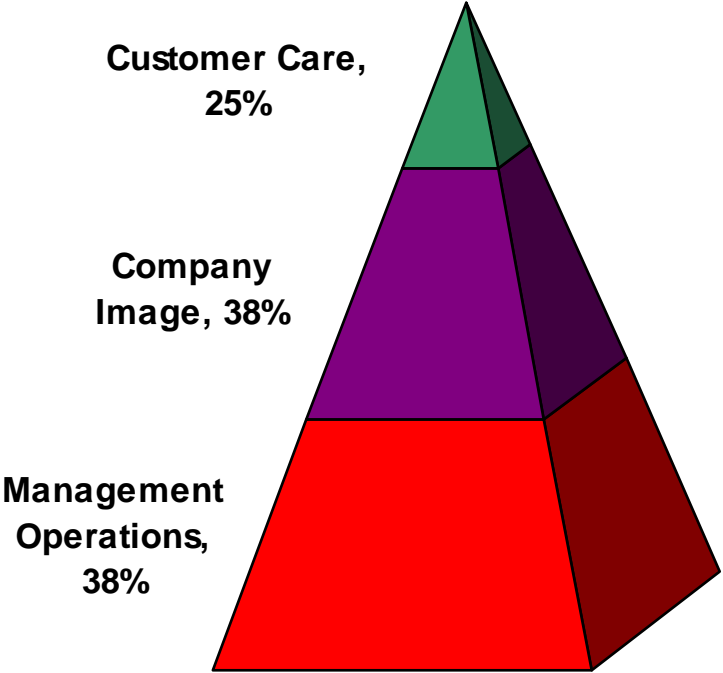
There are two main dimensions of the UtilityPULSE Report Card[®] the first is Customer psyche and the other is Customer perceptions about how the utility executes its business.

The Psyche of Customers

Every utility has virtually the same responsibility – provide safe and reliable electricity – yet not all customers are the same. The following chart shows the weight or significance of each category to the customer when forming their overall impression of the utility. Three major categories, each with two major drivers make up the UtilityPULSE Report Card[®]. In effect the Report Card provides feedback

about your customers' perception on the importance of each category and driver – as it relates to the benchmark.

UtilityPULSE® for COLLUS Power



The UtilityPULSE Report Card[®] also provides customer perceptions about how your utility executes or performs its responsibilities.

Readers of this report should note that the categories and drivers are interdependent. Which means that, for example, failure to provide high levels of power quality and reliability will have a negative impact on customer perceptions as it relates to customer service. Customer care, when it doesn't meet customer expectations has a negative impact on Company Image, etc.

Defining the categories and major drivers:

Category: Customer Care

Drivers: Price and Value; Customer Service

Just because everyone likes good customer care, that in and by itself is not a reason to provide it – though it may be important to do so. In highly competitive industries good customer service may be a differentiating factor. The case for electric utilities is simple, high levels of customer care result in less work (hence cost) of responding to customer inquiries and higher levels of acceptance of the utility's actions.

Price and Value:

Customers have to purchase electricity because life and lifestyle depend on it. This driver measures customer perceptions as to whether the total costs of electricity represent good value and whether the utility is seen as working in the best interests of its customers as it relates to keeping costs affordable.

Customer Service:

Customers do have needs and every now and again have to interface with their utility. How the utility handles various customers' requests and concerns is what this driver is all about. Promptly answering inquiries, providing sound information, keeping customers informed and doing so in a professional manner are the major components of this driver.

Category: Company Image

Drivers: Company Leadership; Corporate Stewardship

Utilities have an image even if they do not undertake any activities to try to build it.

A company's image is both a simple and complex concept. It is simple because companies do create images that are easily described and recognized by their target customers. It is complex because it

takes many discrete elements to create an image which includes, but is not limited to: advertising, marketing communications, publicity, service offering and pricing.

An electric utility trying to manage its image has one more challenge to deal with, and that is the electric industry itself. There are so many players that residential customers (in particular) don't know who does what or who is responsible for what. So when there are political or regulatory announcements, the local utility is swept up into the collective reaction of the population.

Company Leadership

This driver is comprised of customer perceptions as it relates to industry leadership, being a good corporate citizen and being involved in the community.

Corporate Stewardship

Customers rely on electricity and want to know that their utility is a credible organization that is well managed, is accountable, and has its financial house in order. In short, they want a stable organization.

Category: Management Operations

Drivers: Operational Effectiveness; Power Quality and Reliability

Electrical power is the primary product which utilities provide their customers and, they have very high expectations that the power will be there when they need it. Customers have little tolerance for outages. The reality is, every utility has to get this part right...no excuses. It is the utility's core business. This category and its drivers are clearly the most important to a utility's customers.

Operational Effectiveness

This driver measures customers' perceptions as they relate to ensuring that their utility runs smoothly. Attributes such as: accurate billing and meter reading, completing service work in a professional and timely manner and maintaining equipment in good repair are deemed as important to customers.

Power Quality and Reliability

Power outages are a fact of life – and, customers know it. They expect their utility to provide consistent, reliable energy, handle outages and restore power quickly and make using electricity safely an important priority.

COLLUS Power's UtilityPULSE Report Card®

Part 1: Importance to Customers

	CATEGORY	COLLUS	National	Ontario
1	Customer Care	25%	25%	25%
	Price and Value	4%	5%	5%
	Customer Service	21%	20%	20%
2	Company Image	38%	34%	35%
	Company Leadership	16%	18%	16%
	Corporate Stewardship	21%	16%	19%
3	Management Operations	38%	41%	40%
	Operational Effectiveness	17%	19%	19%
	Power Quality and Reliability	20%	22%	22%
Total		100%	100%	100%

Shares may not add exactly to 100% due to rounding.

COLLUS Power's UtilityPULSE Report Card[®]

Part 2: Performance

	CATEGORY	COLLUS	ONTARIO
1	Customer Care	A	B+
	Price and Value	B	C+
	Customer Service	A	B+
2	Company Image	A	A
	Company Leadership	A	A
	Corporate Stewardship	A	B+
3	Management Operations	A	A
	Operational Effectiveness	A	A
	Power Quality and Reliability	A	A
OVERALL		A	B+

* Weightings are based on pulse figures shown in Part 1 of the UtilityPULSE Report Card[®]

As the UtilityPULSE Report Card[®] shows, the total customer experience with an electric utility is defined as more than “keeping the lights on”. Customers deal with your utility every day for a variety of reasons, most likely because they need someone to help them solve a problem, answer a question or take their order for service. All your employees, from customer service representatives to linemen, leave a lasting impression on the customers they interact with. In effect there are many moments of truth. Moments of truth are every customer touch point that a utility has with their customers. Therefore, managing these moments of truth creates higher levels of Secure customers while reducing the number of At Risk customers that exist.

It's the small things done consistently that matter: Things like greeting every customer, whether on the phone or in person, in a friendly and helpful manner. Things like listening to the customer's needs, providing solutions to their problems and showing appreciation to the customer for their business.

For communication, utilities now recognize customer communications as a valuable aspect of their business. The better a utility communicates with customers, in a manner that speaks to them, the more satisfied they are with their overall service. “Sending out information” is not the same as having a “conversation” with a customer. We believe that it is increasingly important to channel your communications to the various customer segments which exist.

Obviously employees – in every area – play a critical role in customer service success. Consequently how they feel about their job responsibilities and role in the company will be communicated indirectly through the level of service which they actually provide customers with whom they interact. The reality is engaged employees are the key to excellent customer care.

Our survey work with employees shows that an engaged employee who feels valued at work, is less likely to look outside the company, is more productive, and more likely to contribute towards the mission and success of the company. One of the links for improving employee engagement is your reward and recognition program. Recognizing the right behaviours and communicating such helps employees understand what is truly expected. Rewards are a better acknowledgement of learning and performance than punishment is for failure.

For electric utilities, employees are the providers of many moments of truth. With each and every interaction with a customer – including those that are not going through the call centre – an employee is given the opportunity to delight or disappoint. When employees do delight customers, and they do everyday, then be sure that you are recognizing the behaviour in a sincere, timely, and specific way. For years we have reminded our clients that the behaviours you reward and recognize are the behaviours you will be seeing again and again.

The Loyalty Factor

Measuring customer loyalty in an industry where many customers don't have a choice of providers doesn't make sense. Or does it? The answer depends on how you define "customer loyalty." Some equate customer loyalty with basic customer retention. If a customer continues to do business with a company, that customer is, by definition, considered to be loyal. If this definition were applied to many companies in the utility industry, all customers would automatically be considered loyal. As such, measuring customer loyalty would appear to be unnecessary.

Perhaps a better or more relevant way for utilities to approach the definition of customer loyalty is to further expand how they think about loyalty. Consider the following definition: Customer loyalty is an emotional disposition on the part of the customer to respond favourably toward the brand and company consistently and across situations.

So what does it mean to respond favourably to a company? At a basic level, this can mean choosing to remain a customer. As previously mentioned however, this is essentially a non-issue for many utility companies. It then becomes necessary to think beyond just customer retention. One needs to consider other ways in which customers can respond favourably toward a company.

Other favourable responses or behaviours can be classified into one of three categories that reflect the concept of customer loyalty:

- Expansion
- Compliance or Influence
- Advocacy

Specific examples of potential expansion behaviour in the electric utility industry include:

- Signing up for programs that help the customer reduce or manage their energy consumption
- Using the utility as a consultant when selecting energy products and services from a third party
- Participating in pilot programs or research studies

Specific examples of potential compliance or influence behaviours that utility customers might exhibit include:

- Seeking the utility's advice or expertise on an energy-related issue
- Voluntarily cutting back on electricity usage if the utility advised the customer to do so
- Accepting the utility's energy advice or referrals to energy contractors or equipment
- Being influenced by the utility's opinion regarding energy- management advice, equipment, or technologies
- Providing personal information that enables the utility to better serve the customer
- Paying bills online

Creating customer advocates can be especially important for a company in a regulated industry. In the absence of customer advocates, or worse, in a situation where customers speak unfavourably about a company or actively work to support issues that are counter to those the company supports, companies can suffer a variety of negative consequences like increased business costs, lawsuits, fines and construction delays. For an electric utility, specific examples of potential advocacy behaviour include:

- Recommending that other customers specifically located in the geographic area that is serviced by that utility
- Supporting the utility's positions or actions on energy-related public issues, including the environment
- Supporting the utility's position on the location and construction of facilities
- Providing testimonials about positive experiences with the utility

In sum, loyal behaviour in the utility industry may not be as evident as it is in a more competitive environment. Measuring customer loyalty in a generally non-competitive industry requires one to think about loyalty in non-traditional ways. Customer loyalty is an intangible asset that has positive consequences or outcomes associated with it no matter what the industry. Properly measuring loyalty among utility customers requires thoughtful probing to thoroughly identify the range of expansion, compliance, and advocacy behaviours that will ultimately benefit the company in meaningful ways, and foster happier and more loyal customers.

Simul/UtilityPULSE segments residential and small and medium-sized electricity customers into four groups: Secure – the most loyal - Still Favorable, Indifferent, and At Risk.

Secure customers are “very satisfied” overall with their local electricity utility. They definitely would not switch to a competitor if they could and definitely would recommend COLLUS Power.

At Risk customers are “very dissatisfied” with their electricity utility, “definitely” would switch and “definitely” would not recommend it.

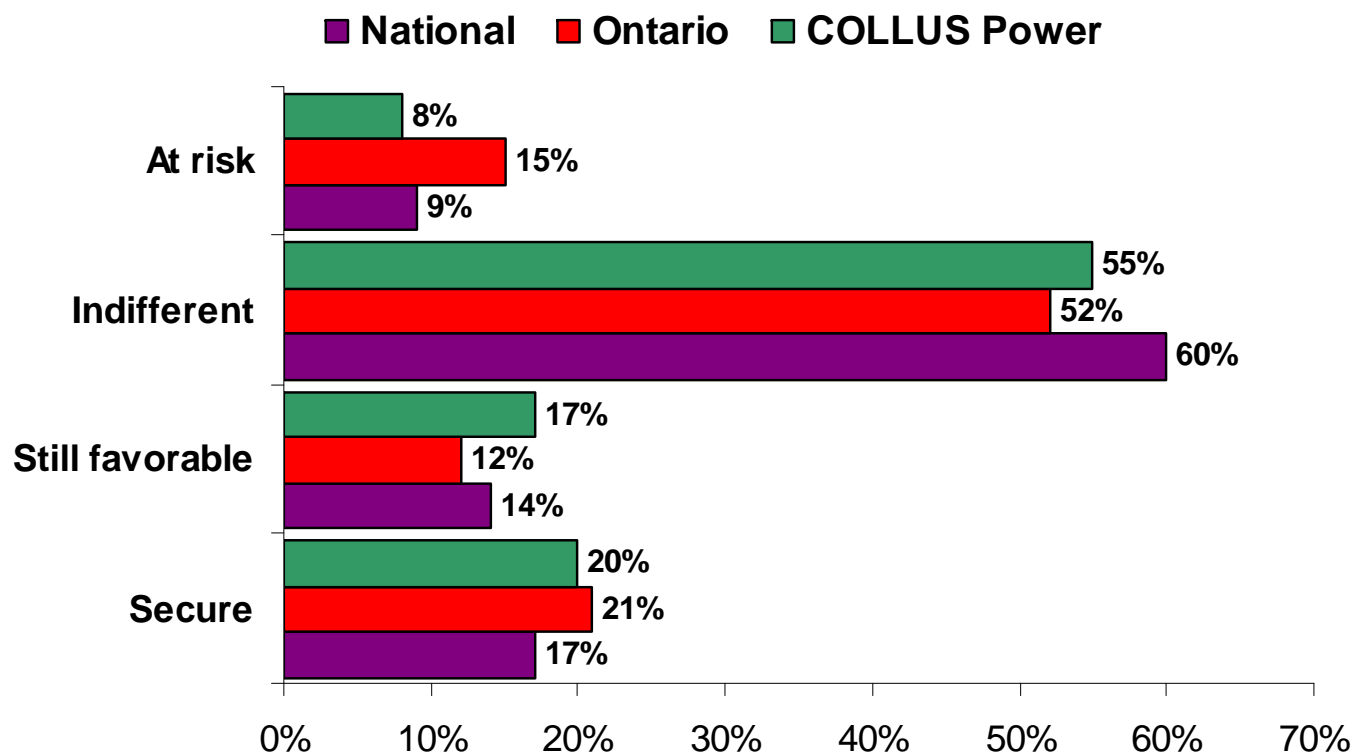
Customer Loyalty Groups				
	Secure	Favorable	Indifferent	At Risk
COLLUS Power				
2010	20%	17%	55%	8%
2009	-	-	-	-
2008	-	-	-	-
2007	-	-	-	-

Base: total respondents / (-)COLLUS Power was not a participant in survey year

Customer Loyalty Groups				
	Secure	Favorable	Indifferent	At Risk
Ontario				
2010	21%	12%	52%	15%
2009	21%	14%	53%	12%
2008	21%	17%	54%	8%
2007	14%	13%	62%	11%
2006	13%	12%	61%	14%
National				
2010	17%	14%	60%	9%
2009	17%	16%	59%	8%
2008	18%	16%	58%	9%
2007	16%	12%	64%	7%
2006	13%	11%	64%	12%

Base: total respondents

The Loyalty Factor



There truly is a difference in perception between Secure and At Risk customers, let's take a look at what our overall* survey shows:

	Secure	At Risk
<i>% of respondents who said:</i>		
- the amount owed on bill was too high	36%	58%
- they had a billing/statement problem	4%	32%
- the bill problem was solved	90%	42%
- the utility tells the truth and is truth about its operations	81%	47%
- deals professionally with customers' problems	86%	60%
- the utility is a leader in energy conservation	84%	52%
- the utility keeps customers well informed	95%	65%
- the utility treats customers in a fair and equitable manner	87%	48%

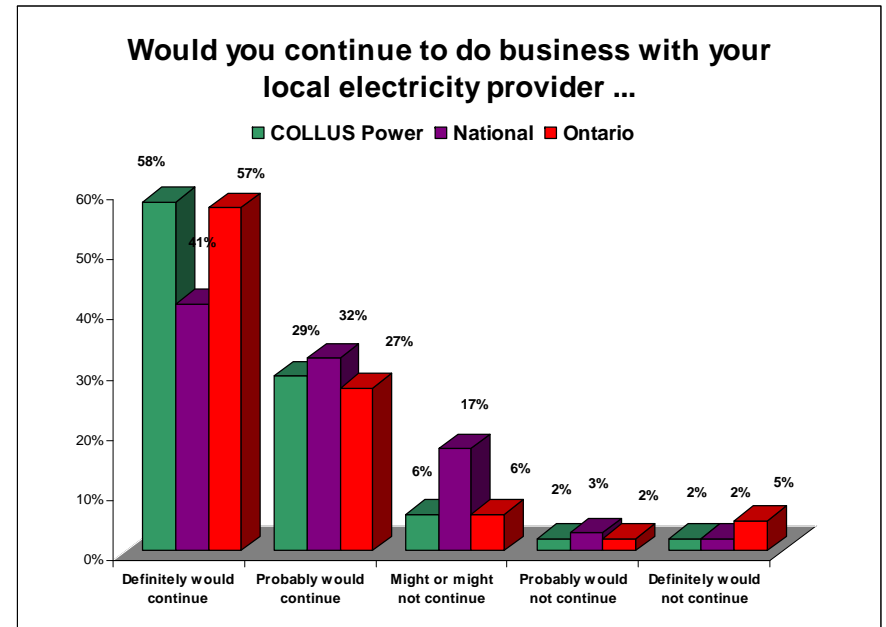
*Base: data from the full 2010 database

Our research shows that: Secure customers do exist and they represent an important and substantive portion of the customer base and second, with education and dialogue the percentage of At Risk customers can drop virtually in half [see pre/post survey on satisfaction results].

Customer commitment

The first level of emotional commitment is measured through the UtilityPULSE question about whether a customer would continue to use the services of their utility – even if they had a choice. Wanting to remain with a company is far and away more powerful than needing to remain with a company.

Typically when customers want to remain with a company there are higher ratings for such attributes as: respected as a company, maintaining high standards of business ethics, being customer-focused and treating customers as if they are valued, and providing good value for the money.



Though customers can not physically leave you, they can emotionally leave you and when they do it becomes an extreme challenge to garner their participation in or support for utility initiatives.

How likely are you to continue to do business with COLLUS Power/your independent electricity retailer? Would you say you...?

Electricity customers' loyalty – Would they continue to do business with their current provider?			
	COLLUS	National	Ontario
Definitely would continue	58%	41%	57%
Probably would continue	29%	32%	27%
Might or might not continue	6%	17%	6%
Probably would not continue	2%	3%	2%
Definitely would not continue	2%	2%	5%

Base: total respondents

Electricity customers' loyalty – Would they continue to do business with their current provider?				
COLLUS Power	2010	2009	2008	2007
Top 2 boxes: 'Definitely + Probably' would continue	88%	-	-	-

Base: total respondents / (-)COLLUS Power was not a participant in survey year

Electricity customers' loyalty – Would they continue to do business with their current provider?			
	Overall COLLUS	Buy direct from COLLUS	Purchase from Independent Retailer
Definitely would continue	58%	62%	10%
Probably would continue	29%	29%	30%
Might or might not continue	6%	5%	27%
Probably would not continue	2%	1%	17%
Definitely would not continue	2%	1%	13%

Base: total respondents



Word of mouth

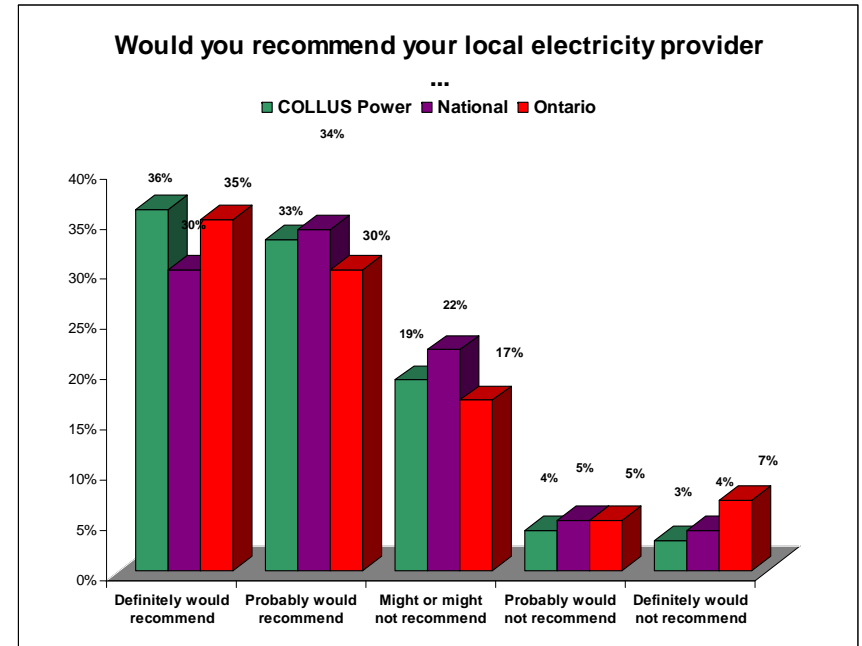
Harnessing word of mouth support is difficult. Yet it is true that customers have always valued opinions expressed directly to them by credible or trusted sources. Word of mouth cuts through the marketing noise and hype quickly and effectively.

While word of mouth is certainly a complex subject, there are two forms of word of mouth which utilities need to understand. The first is Experience-based word of mouth which is the most common and most powerful form. It results from a customer's direct experience with the utility or the re-statement of a direct experience from a trusted source.

The second is Relay-based word of mouth. This is when customers pass along important messages to others based on what they have learned through the more traditional forms of communications. For example, if the utility was communicating an offer for "free LED lights" chances are high that the offer will be "relayed" to others through word of mouth.

The dictionary definition of "advocate" is "Plead for, defend, champion, recommend, support". Advocates, create more advocates because they are more willing to act than customers who are considered indifferent.

As stated previously, creating customer advocates can be especially important for a company in a regulated industry. In the absence of customer advocates, or worse, in a situation where customers speak unfavourably about a company or actively work to support issues that are counter to those the company supports, companies can suffer a variety of negative consequences like increased business costs, complaints to regulators, lawsuits, fines and construction delays. For an electric utility, specific examples of potential positive advocacy behaviour include:



- Recommending that other customers specifically locate in the geographic area that is serviced by that utility
- Supporting the utility's positions or actions on energy-related public issues, including the environment
- Supporting the utility's position on the location and construction of facilities
- Providing testimonials about positive experiences with the utility

How likely would you be to recommend that a friend or colleague buy electricity from COLLUS Power/your independent electricity retailer? Would you say you...?

Electricity customers' loyalty – Would you recommend ...			
	COLLUS	National	Ontario
Definitely would recommend	36%	30%	35%
Probably would recommend	33%	34%	30%
Might or might not recommend	19%	22%	17%
Probably would not recommend	4%	5%	5%
Definitely would not recommend	3%	4%	7%

Base: total respondents

Customer service and customer opinion are not the same thing. Service is not in the hands of customers, but complaining about it (or complimenting it) is. However word of mouth only works if there is something worthwhile talking about – which is one of the reasons why Simul consistently reminds its clients to ensure that the good news stories get some exposure via their websites or through conventional channels.

Electricity customers' loyalty – Would you recommend ...			
	Overall COLLUS	Buy direct from COLLUS	Purchase from Independent Retailer
Definitely would recommend	36%	39%	0%
Probably would recommend	33%	34%	23%
Might or might not recommend	19%	17%	33%
Probably would not recommend	4%	3%	17%
Definitely would not recommend	3%	2%	23%

Base: total respondents

Electricity customers' loyalty – Would you recommend ...				
COLLUS Power	2010	2009	2008	2007
Top 2 boxes: 'Definitely + Probably' would recommend	69%	-	-	-

Base: total respondents / (-)COLLUS Power was not a participant in survey year

Corporate image

The overriding reason for the burgeoning concern for corporate identity is abundantly clear. We live in a time of immense environmental complexity and change, and consequently corporations have been forced to significantly alter their strategies to better compete and survive. Corporate image is comprised of a number of interrelated variables: corporate identity, corporate communication, corporate image, and corporate reputation.

Corporate identity is the reality of the corporation. It is the unique, individual personality of the company that differentiates it from other companies. To use the marketing metaphor, it is the corporate brand. Corporate communication is the aggregate of sources, messages, and media by which the corporation conveys its uniqueness or brand to its various audiences. Corporate image and corporate reputation are in the eye of the beholder. Image is the mental picture that people have of an organization, whereas reputation constitutes a value judgment about the company's attributes.

A strong positive image with the general public can be beneficial to the utility organization. Research suggests that a prominent corporate image and an outstanding reputation are consequential factors in attracting a high quality workforce. It is widely believed that a positive reputation in the eyes of employees is a prime causal factor of high morale and productivity.

Eleven attributes measured in the annual UtilityPULSE survey are strongly linked to a utility's image. Customers expect that your utility will conduct its business professionally **AND** be a proactive enterprise. Here is how your customers responded:

Attributes strongly linked to a hydro utility's image		
	COLLUS	Ontario
Company Leadership		
Is a respected company in the community	87%	84%
Can be counted on to keep its promises to customers and the community	83%	79%
Influential in the electric utility industry	81%	82%
Influential in local business community	84%	78%
A leader in promoting energy conservation	81%	78%
Corporate Stewardship		
Maintains high standards of business ethics	86%	80%
Can be counted on to tell the truth	83%	74%
Takes steps to reduce the impact of its operations on the environment	81%	76%
Beyond providing jobs and paying taxes, is socially responsible	84%	77%
Considered a fair and equitable employer	85%	82%
Is trusted and trustworthy	87%	80%

Base: total respondents with an opinion

Corporate Credibility & Trust

In today's world, with the Internet and twenty-four-hour media/news coverage on TV, corporate reputations which take decades to build can be destroyed in one news cycle. With disgraced executives making headlines everywhere, corporations must demonstrate social and moral responsibility as a matter of their own survival. Reputation matters, now more than ever. Corporate behaviours and corporate social responsibilities has always been the central point of corporate reputation. Trust is an indispensable part of corporate reputation and is also an important prerequisite for the formation of customer loyalty.

Based on economic and other societal impacts many Canadians have been using words such as credibility and trust to describe their place of work or the place(s) where they do business. Yet if you ask 5 people for a definition of credibility and trust chances are you'll get 5 definitions. Our research shows that the under-pinning components that lead a person to believe that an organization has credibility and can be trusted are: Knowledge, Integrity, Involvement and Trust.

Where does the employee fit into this? The reality is, customer-employee interactions are in many ways the acid test for determining the strength of each of the four components of credibility and trust.

Employees give life to the company's promises, either proving that they are real or proving that they don't really matter. The human touch makes a critical difference.

So what is the value equation? People come to trust what they believe, and believability is a function of personal experience. If you provide me with accurate information or you tell me something and it's consistent with my experience, then I believe you and trust you. You become credible.

As customers become more and more overloaded, and time-pressed for that matter, they become increasingly skeptical about traditional company advertising, marketing and communications. They start to rely on their own experience or those of the people they trust to make judgments about the utility and its people. Recommendations and comments from a credible source are far and away stronger than any advertisement. That is why kitchen table style of dialogue has so much impact on customer behaviour.

Every single member of a company, therefore, represents a point of credibility with their customers and the outside world. From the President to the receptionist, everyone is critical in establishing the trustworthiness of a company. A failure of credibility on the part of a single individual can help derail the public's trust in an entire organization.

Credibility and trust are important assets for any utility attempting to influence their customers to adapt to a changing future.

Using the scale of agree strongly, agree somewhat, disagree somewhat, disagree strongly, here is how your customers would respond:

<i>Demonstrating Credibility and Trust</i>	COLLUS
Knowledge The utility is seen as being knowledgeable about the services it provides, about what is happening in the industry, and how customers can reduce costs or create more value.	Agree strongly
Integrity The utility is seen as an organization that will act in the best interests of its customers and can be counted on to provide services and resolve problems in a professional manner.	Agree strongly
Involvement The utility is actively involved in the industry, in the community and in things that affect the customer.	Agree strongly
Trust The utility is an organization that can be trusted and is worthy of respect.	Agree strongly
Overall*	Agree strongly

How can service to customers be improved?

Listening to customers is critical for gaining insight into their lives, their needs, as well as, their frustrations, feelings, and behaviors. However, as Henry Ford said, “If I asked customers what they wanted, we’d just have ended up with faster horses.” There is a lot of truth to this. And when we speak in reference to electricity service and what do customers want – what do they want improved – without question, we are all inclined to say “lower prices”. Again another truth.

Over the 12 years that we have been conducting this survey for our electric utility customers we have seen a dramatic shift in suggestions for improving service. It is true that “better prices” is still the dominant suggestion. In addition the scope or breadth of suggestions has widened – further signaling the requirement for strong customer communications because all customers are not alike. Just as in previous years, respondents were asked once again what their utility could do to improve service. Based on the changes we believe that the customer expects their utility to provide information and knowledge **AND** reduce the confusion which exists on topics/issues that affect them as customers.

And we are interested in knowing what you think are the one or two most important things ‘your local utility’ could do or fix to improve service to their customers?

Service Improvement recommendations	% of all suggestions
Better prices	51%
Improve power reliability	11%
Be more environmentally sensitive	7%
Better communication with customers	7%
Improve billing	7%
Eliminate smart meters	7%
Conservation: more info/more incentives/more rebates	7%
Staff issues	6%
Be more efficient	6%
Hidden costs / eliminate extra charges	4%

*Base: data from the full 2010 database

Qualitative questions typically do not provide the statistical richness that is associated with a quantitative question. However, they do provide words, phrases, insights into the thinking patterns

and/or feelings of customers. This means that qualitative questions have an interpretive richness that assist in deriving meaning from the survey. The broader range of suggestions that we are getting in the survey is a sign that the customer base is becoming more and more segmented. Not all customers are the same.

For the past 20 years or so, certainly during our 12 years as providers of the UtilityPULSE survey, companies and utilities struggle to find the right balance between cost-effective, technology-enabled approaches to customer service and person-to-person contact. In addition the utility's customer base has an uneven level of interest and skill in using technology-enabling processes. While personal approaches have advantages for many people, such as an ability to respond in a dynamic way to a customer inquiry, they do require much more training, and cost more.



Smart Meters and Time of Use

Our research and files show when customers who are first introduced to the possibility of dynamic or multi-level pricing they immediately state concerns about price volatility and higher bills. Only through participation will their concerns be validated or rejected. We believe that it is important for your electric utility to exercise caution in setting expectations.

Smart meters will provide information to customers – but will customers really find the information useful? To some the answer is yes; but to many the answer is no. What it will do however, is serve as a physical reminder to conserve. Customers who are more actively engaged in reviewing and analyzing their consumption information will undoubtedly have a greater impact on their use of energy. Whether it translates to a reduction in cost from their old system of static pricing will vary by customer and the elements that affect their lifestyle.

Feedback is a necessary but not always a sufficient condition for savings and awareness among customers – campaigns for reducing energy consumption e.g., removal of older refrigerators have been very successful. However a concern that we have, and will attempt to monitor, revolves around the notion of novelty. That is, when the novelty of smart meters and TOU wear off – then what? Will

utilities continue to invest in customer education and marketing communications to ensure that using the data becomes a “way of life”?



Many Ontario residents and small businesses have been equipped with a new addition to their homes in the last few months — provincially-mandated 'smart meters' — which are replacing traditional meters to measure the electricity used in homes. Still, many customers don't really know what all that means.

For 2010, the annual survey for electric utilities polled a little deeper into the subject areas of Smart Meters and TOU. Based on all of the surveys completed we believe that many customers really do not know if they have a smart meter or not --- and, whether they are on TOU or not. In fact, based on the thousands of interviews done for this year we suspect that many people already think they are on TOU when in fact, they are not.

Every utility in the province of Ontario is at a different stage in installing Smart Meters and moving to TOU billing. What follows is data from your survey that should be shared with those in your organization with marketing communications responsibilities.

Smart Meter installed in home or small business		
	COLLUS	Ontario
Yes	37%	57%
No	51%	34%
Don't Know	13%	8%

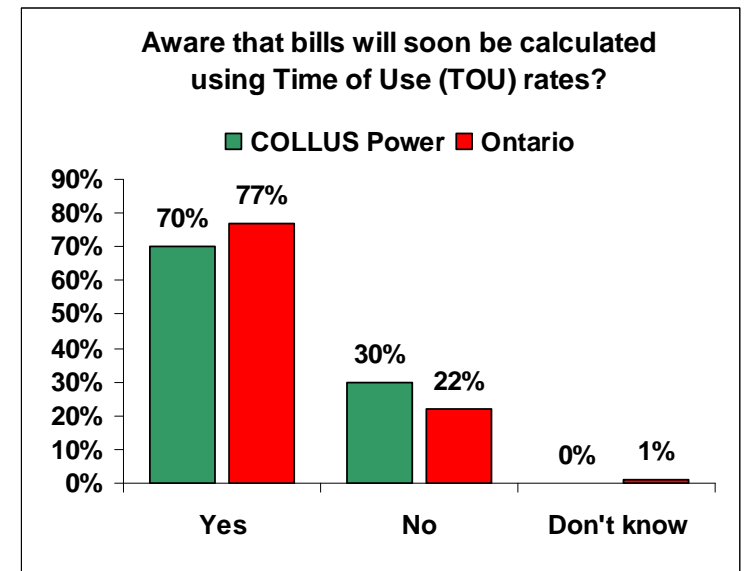
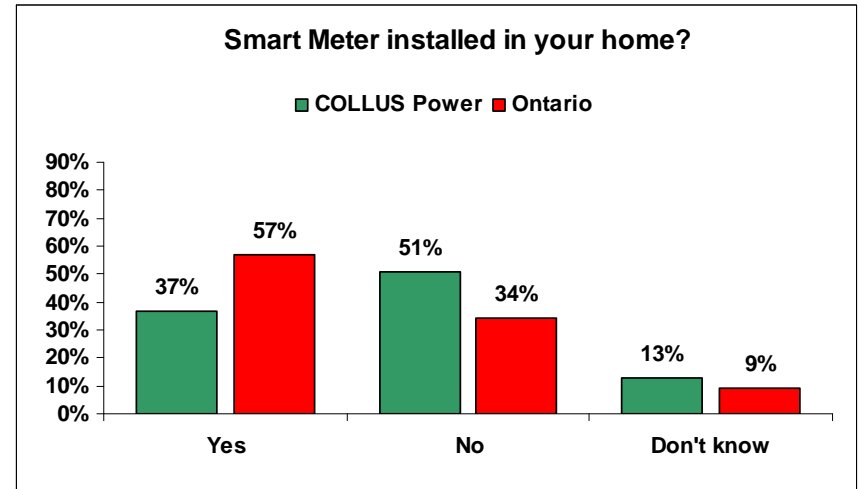
Base: total respondents in Ontario

The Ontario government has mandated that smart meters be installed in homes and small businesses. A smart meter electronically tracks how much electricity is used on an hourly basis, ensuring that bills are based on real-time consumption.

Do you know if you have one of these smart meters installed in your home or small business?



Before this interview, were you aware that the Ontario government intends to ensure that electricity bills are calculated based on Time-of-Use rates?



Aware that Time-of-Use (TOU) Rates are coming?		
	COLLUS	Ontario
Yes, Aware	70%	77%
No, Not aware	30%	22%
Don't Know	0%	1%

Base: total respondents in Ontario

How many Time-of-Use pricing levels are there depending on when the electricity is used ...

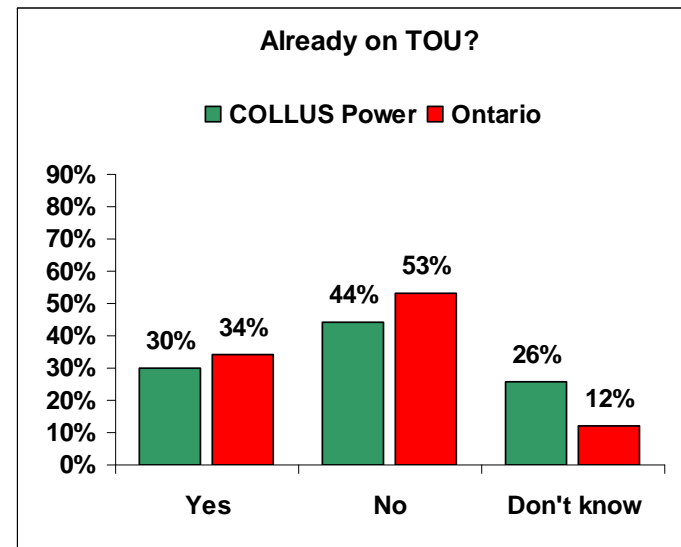
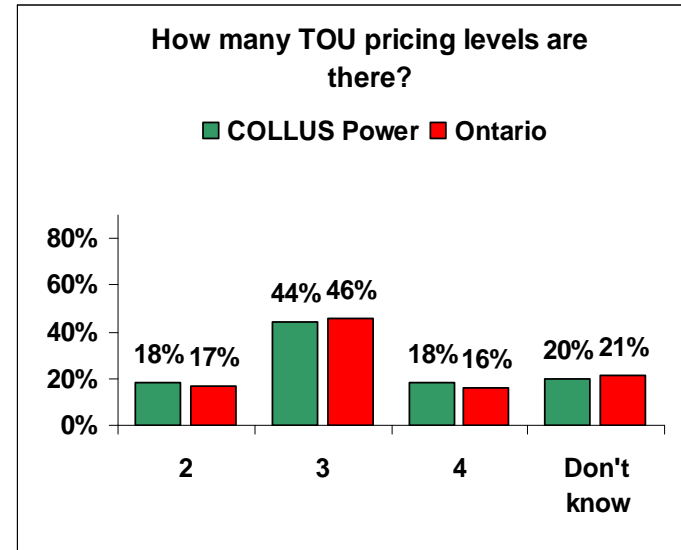
How many TOU pricing levels are there?		
	COLLUS	Ontario
2	18%	17%
3	44%	46%
4	18%	16%
Don't Know	20%	21%

Base: total respondents in Ontario aware of TOU

You stated earlier that you have a smart meter installed which paves the way for Time-of-Use billing, are you already on Time-of-Use billing?

Already on TOU?		
	COLLUS	Ontario
Yes	30%	34%
No	44%	53%
Don't Know	26%	12%

Base: total respondents in Ontario who have Smart Meters



What time does the Off-Peak rate or lowest rate start on weekdays (Monday to Friday)?		
	COLLUS	Ontario
7pm	17%	18%
8pm	13%	16%
9pm	19%	23%
10pm	17%	13%
11pm	16%	14%
Don't Know	18%	15%

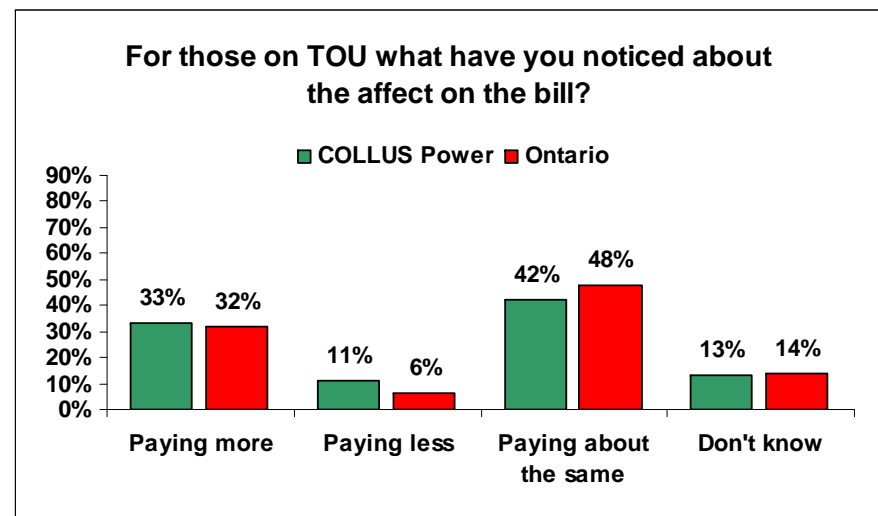
Base: total respondents in Ontario aware of TOU

For those that are on TOU what is the affect on the bill?		
	COLLUS	Ontario
Paying more	33%	32%
Paying less	11%	6%
Paying about the same	42%	48%
Don't Know	13%	14%

Base: total respondents in Ontario on TOU

What are weekends and holidays considered?		
	COLLUS	Ontario
Off-peak	47%	60%
Mid-peak	16%	12%
On-peak	17%	11%
Don't Know	20%	17%

Base: total respondents in Ontario aware of TOU



<i>Please tell me whether you agree strongly, agree somewhat, disagree somewhat, or disagree strongly with each of the following statements:</i>	COLLUS	COLLUS	Ontario	Ontario
	Top 2 Boxes	Bottom 2	Top 2 Boxes	Bottom 2
TOU encourages customers to conserve energy	82%	13%	80%	16%
TOU encourages customers to shift energy consumption	80%	14%	77%	16%
TOU is too complicated to make any real impact	34%	51%	32%	61%
TOU provides customers with more information about electricity use and costs	79%	11%	82%	11%
TOU helps electric utilities be more accurate and efficient when billing customers	74%	15%	67%	26%
TOU increases revenues for electric utilities	51%	26%	57%	25%
TOU is a bad idea that won't make any real difference	32%	57%	36%	57%

Base: total respondents in Ontario with Smart Meters

The data certainly supports the need for more customer education. We believe that it is important for utilities to be proactive communicating with customers. In particular there is a need to be prepared for the number of customer inquiries that will be coming to the utility. Thoughtful answers delivered consistently will be important to ensure your utility is seen in a manner which you wish to be seen.

FIT and MicroFIT (Ontario benchmark only)

The Ontario Power Authority's Feed-In Tariff (FIT) and MicroFIT Programs will allow customers to generate and sell renewable energy back to the grid.

Homeowners, farmers or small business owners have the opportunity to develop a very small or “micro” renewable electricity generation project (10 kilowatts or less in size) on their property. Under the MicroFIT Program, a guaranteed price will be paid for all the electricity a project produces for at least 20 years.

Ontario's feed-in tariff or FIT Program is North America's first comprehensive guaranteed pricing structure for renewable electricity production. It offers stable prices under long-term contracts for energy generated from renewable sources. The FIT Program was enabled by the Green Energy and Green Economy Act, 2009 which was passed into law on May 14, 2009. The Ontario Power Authority is responsible for implementing the program.



Respondents participating in the Ontario Benchmark survey were asked to respond to the following questions regarding FIT or MicroFIT programs.

Prior to this interview how familiar are you with the FIT or MicroFit Program which encourages the development of renewable energy such as wind or solar? Would you say you are very familiar, somewhat familiar, not too familiar, or not at all familiar with it?

Familiarity with the FIT or MicroFit program?

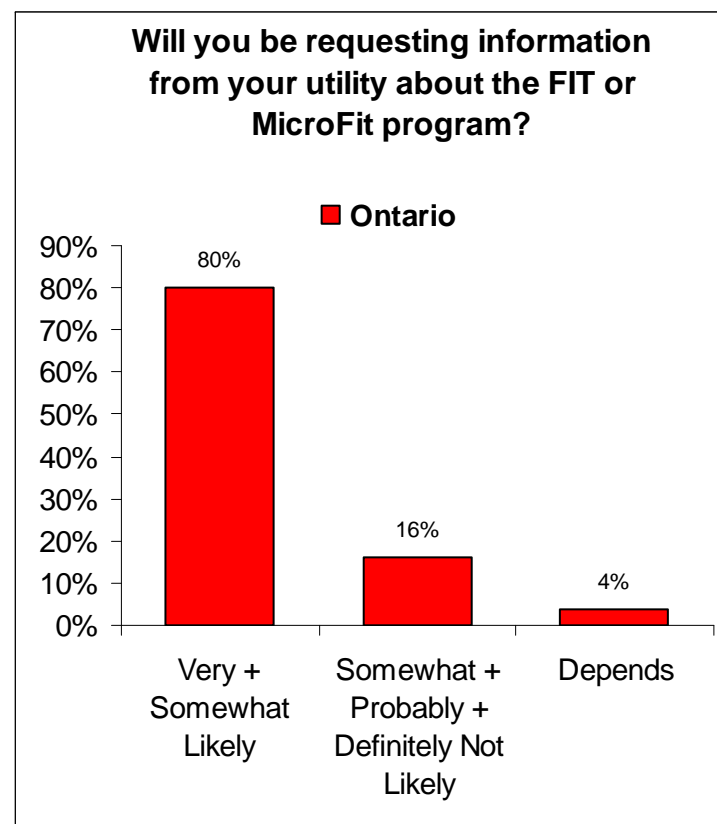
Ontario	
Very + Somewhat familiar	44%
Not too + Not at all familiar	56%
Don't know	0%

Base: total respondents in Ontario benchmark

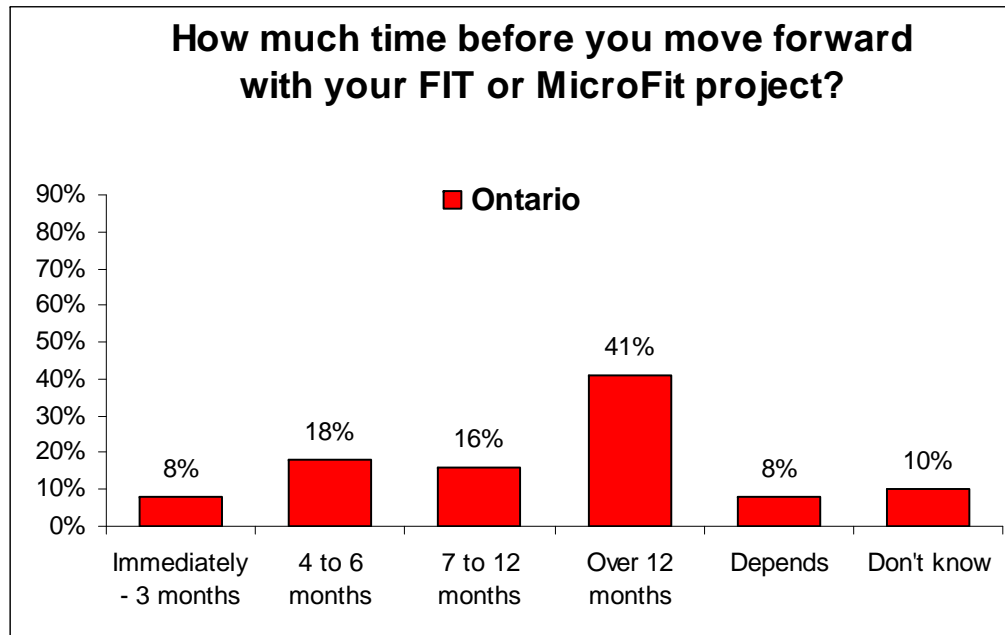
Considering the installation of a wind or solar project?

Ontario	
Yes	24%
No	73%
Don't know	3%

Base: total respondents in Ontario benchmark



How much time before you move forward with your FIT or MicroFIT program?



Base: total respondents in Ontario benchmark

While MicroFIT Projects are not large relative to FIT Projects, they can represent substantial sums of money for homeowners, small business owners, institutions or communities. Of those contacted, four out ten will be moving forward with their FIT or MicroFIT project over the next 12 months.

What do customers think about electricity costs?

It seems the price of nearly everything these days is spiraling out of control. Food, clothing, gasoline and basic commodities are costing us more than ever today. We are concerned with the rising cost of everything around us these days and with good reason. We find our salaries not rising to meet the cost of everything we need and especially when it comes to those items we cannot live without, such as our electricity or other forms of energy to run our homes - Canadians appear to be growing wary of their future purchasing power. Ontarians, in particular, are faced with the HST on July 1, 2010 which automatically increases electricity costs.

Low-income customers are the most vulnerable because they spend a larger share of their budgets on necessities like energy than better-off customers do. They also can least afford purchases of new, more energy-efficient heating systems and appliances. Middle-income customers, too, feel the squeeze from higher energy-related prices.

What do customers think about costs?

Next I am going to read a number of statements people might use about paying for their electricity. Which one comes closest to your own feelings, even if none is exactly right? Paying for electricity is not really a worry, Sometimes I worry about finding the money to pay for electricity, or Paying for electricity is often a major problem?

	Not a worry	Sometimes	Often	Depends
COLLUS Power				
<\$30,000	52%	39%	5%	5%
\$30<\$70,000	63%	26%	7%	3%
\$70,000+	84%	11%	4%	1%

Base: total respondents

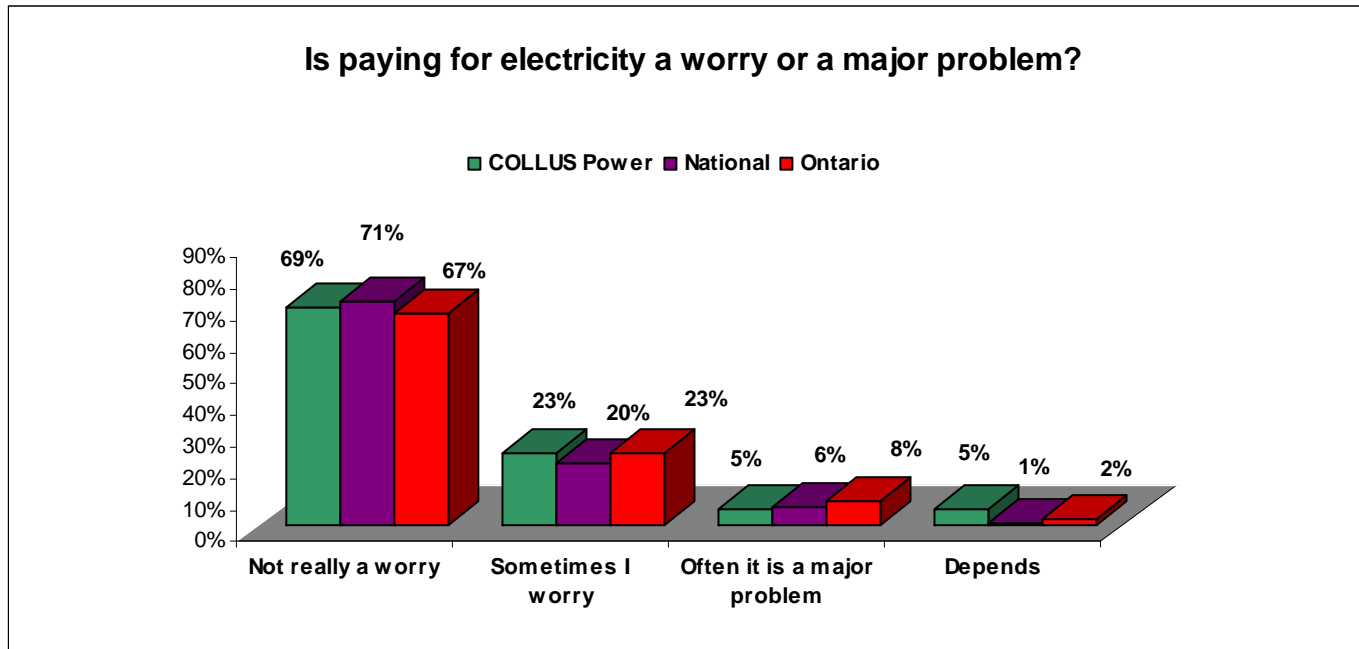
	Not a worry	Sometimes	Often	Depends
COLLUS Power				
2010	69%	23%	5%	5%
2009	-	-	-	-
2008	-	-	-	-
2007	-	-	-	-

Base: total respondents / (-)COLLUS Power was not a participant in survey year



	COLLUS	National	Ontario
Not really a worry	69%	71%	67%
Sometimes I worry	23%	20%	23%
Often it is a major problem	5%	6%	8%
Depends	5%	1%	2%

Base: total respondents



In spite of what customers believe about electricity prices – too high or low – their perceptions of value received for the money is a better indicator of pricing and value. 73% of COLLUS Power customers with an opinion feel the utility provides good value for their money.

	Not a worry	Sometimes	Often	Depends
Ontario				
2010	67%	23%	8%	2%
2009	67%	26%	4%	2%
2008	64%	23%	9%	2%
2007	58%	28%	8%	4%
National				
2010	71%	20%	6%	1%
2009	69%	23%	6%	2%
2008	66%	23%	8%	2%
2007	66%	25%	6%	2%

Base: total respondents

What do small commercial customers think?

The themes/topics identified by the UtilityPULSE survey indicate significant similarities between small commercial customers and residential customers. Over the 12 years that UtilityPULSE has undertaken electric utility satisfaction surveys, it is evident that in some respects, we can infer that the small business owner behaves in a similar manner to the residential customer. One area of overlap is the receipt and payment of the utility bill. Specifically, since small businesses are often owner-managed, they are seemingly just as interested as individuals in comparing their expenditures across consumption categories. In fact, the business owner might be even more economically motivated to reduce energy costs, as business people typically have a “bottom line” focus.

Based on our full data set from all 2010 surveys, small commercial customers have relatively similar views about their utility. The tables associated with this report will contain your specific information as it relates to residential and commercial customers. Recognizing that smaller data samples create greater swings or spreads in the data we have compiled the following based on all of our 2010 discussions with small commercial and residential customers.

As it relates to the six attributes associated with service delivery:

Very or fairly satisfied with...	Residential	Commercial
The time it took to answer the phone	72%	81%
The time it took someone to deal with your problem	71%	79%
The helpfulness of the staff who dealt with your problem	78%	86%
The knowledge of the staff who dealt with your problem	77%	85%
The level of courtesy of the staff who dealt with your problem	85%	92%
The quality of information provided by the staff member	76%	83%

*Base: data from the full 2010 database

	Residential	Commercial
Very/somewhat satisfied	87%	89%
Definitely/probably would continue	84%	84%
Definitely/probably would recommend	70%	72%

*Base: data from the full 2010 database

Comparisons between Residential and Commercial...Top 2 boxes		
Loyalty Groups	Residential	Commercial
Secure	20%	20%
Still Favourable	16%	15%
Indifferent	55%	57%
At risk	9%	7%

*Base: data from the full 2010 database

Please tell me whether you agree strongly, agree somewhat, disagree somewhat, or disagree strongly with each of the following statements:	Residential	Residential	Commercial	Commercial
	Top 2 Boxes	Bottom 2	Top 2 Boxes	Bottom 2
TOU encourages customers to conserve energy	76%	20%	80%	17%
TOU encourages customers to shift energy consumption	78%	19%	80%	15%
TOU is too complicated to make any real impact	38%	54%	42%	51%
TOU provides customers with more information about electricity use and costs	79%	13%	84%	11%
TOU helps electric utilities be more accurate and efficient when billing customers	67%	22%	68%	21%
TOU increases revenues for electric utilities	64%	20%	65%	19%
TOU is a bad idea that won't make any real difference	39%	55%	44%	52%

*Base: data from the full 2010 database

	Residential	Commercial
Respondents with outage problems	35%	32%
Respondents with billing problems	10%	14%

*Base: data from the full 2010 database

Top 2 Boxes	Residential	Commercial
Initially	87%	89%
End of Interview	94%	93%

*Base: data from the full 2010 database

Top 2 Boxes: 'very + fairly satisfied'

About Water

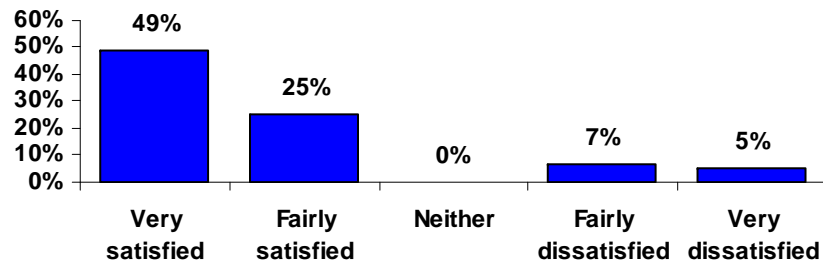
Water utilities must closely manage daily operations and crisis situations to ensure a safe, immediate and effective response to customer needs. Water is a raw material and the handling of it is the responsibility of the water utility. Drinking water of an excellent quality and in sufficient quantities is a given expectation of most citizens.

Satisfaction with the water supplied	
Top 2 Boxes: 'Very + Fairly Satisfied'	
Taste of your tap water	74%
Colour of your tap water	87%
Smell of your tap water	78%
Clarity of your tap water	86%
Price of your tap water (water usage)	50%
Safety of your drinking water	82%
Pressure of your tap water	85%

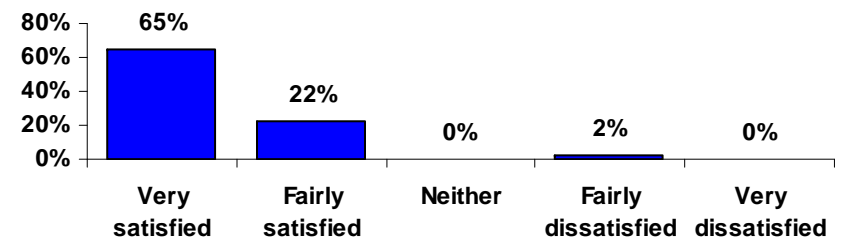
Base: total respondents



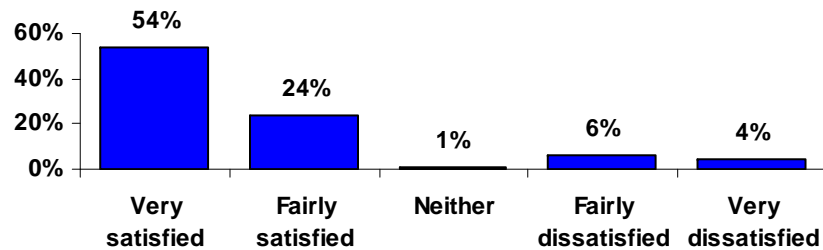
Satisfaction with ... Taste of your tap water



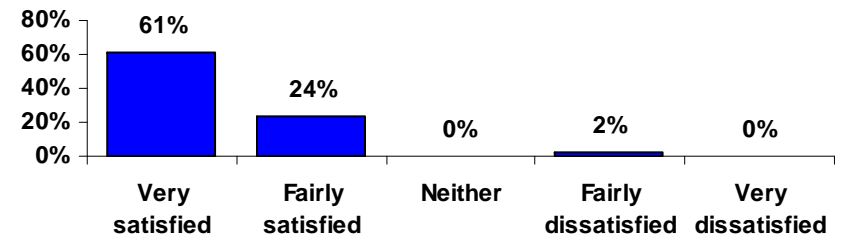
Satisfaction with ... Colour of your tap water



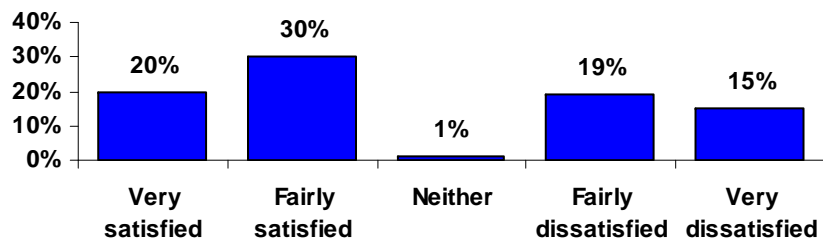
Satisfaction with ... Smell of your tap water



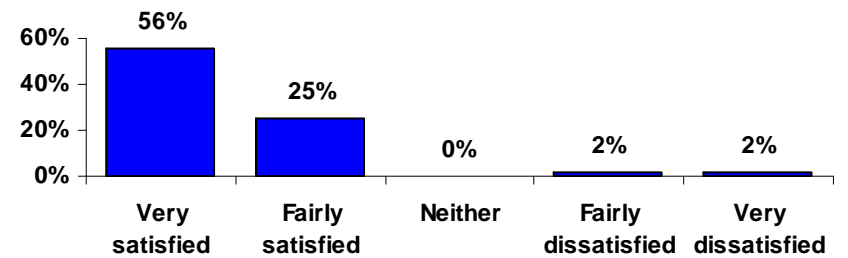
Satisfaction with ... Clarity of your tap water



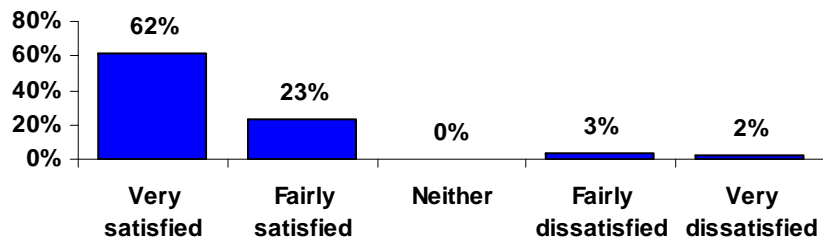
**Satisfaction with ...
Price of your tap water (water usage)**



**Satisfaction with ...
Safety of your drinking water**



**Satisfaction with ...
Pressure of your tap water**



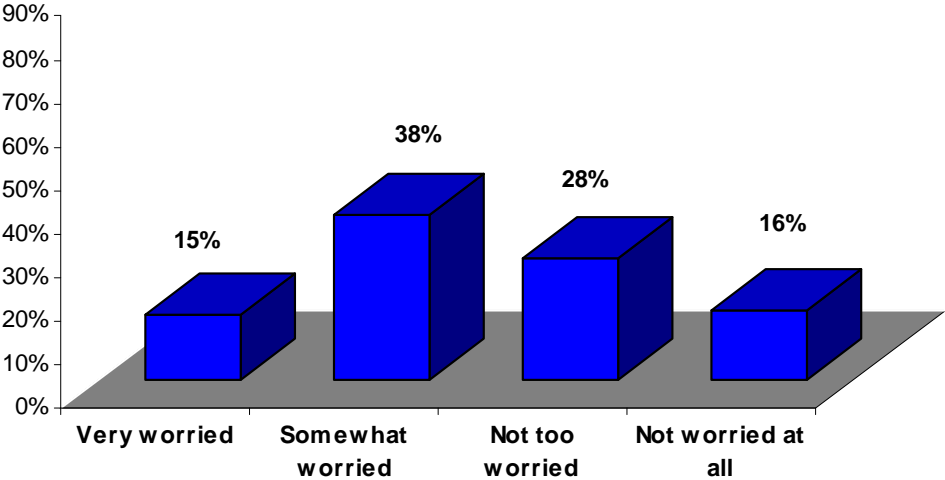
Drinking water is a basic need, an every-day product used by everyone for everyday functions such as cooking, washing and drinking. People typically do not think about water, where it comes from, how it is treated and distributed, as long as it is available 24 hours per day. However, Canadians have increasingly seen their demand for fresh water accelerate as climate change continues and the population expands. Do citizens believe water supply is at risk?

COLLUS respondents were asked about their concern about the amount of water being used.

How concerned or worried are you, personally, about the amount of water we are using?

Concern about the amount of water being used			
Very worried	Somewhat worried	Not too worried	Not at all worried
15%	38%	28%	16%

Base: total respondents that use COLLUS Power for their water



Most people are making a bigger effort to 'go green' these days, including reducing garbage, saving energy, and conserving water. There are several ways to get people to conserve water; voluntary conservation, perhaps pushed on by public educational programs; mandatory conservation with various rules that prohibit certain uses; and price signals to encourage citizens to conserve.



COLLUS customers were asked what they considered to be the most effective approach for encouraging people to conserve water.

An effective approach for encouraging people to conserve water ...	COLLUS Power
An educational approach with facts and details	29%
A moral or inspirational approach, asking everyone to use less water	11%
Financial incentives for installing water saving appliances ie. low water flow toilets	45%
Neither	2%
All	10%
Depends	0%
Don't know/refused	3%

Base: total respondents that use COLLUS Power for their water

What do you think is the most important thing that your water utility could do or fix to improve service to their customers?

Service Improvement recommendations ...	
Lower prices	20%
Maintain water quality (more thorough testing, better safety standards)	7%
Improve billing	4%
Use less chlorine	4%
More education about water	4%
Improve infrastructure/upgrade pipelines	4%
Stop wastage	3%
More rebate programs	2%
Increase the water pressure	2%
Provide good maintenance of the water supply	2%

Base: total respondents that use COLLUS Power for their water



Attributes of a Water Utility's image ...	
	COLLUS
Maintains high standards of business operations	87%
Deals professionally with customers' problems	84%
Keeps its promises to customers and the community	84%
Provides good value for your money	70%
A leader in promoting water conservation	81%
Tells the truth and is truthful about its operations	82%
Makes providing safe high quality water a top priority	90%

Base: total respondents with an opinion that use COLLUS Power for their water



Method

The findings in this report are based on telephone interviews conducted for Simul Corp. by Consumer Contact Ltd. between March 23 - March 31, 2010, with 404 respondents who pay or look after the electricity bills from a list of residential and small and medium-sized business customers supplied by COLLUS Power.

The sample of phone numbers chosen was drawn randomly to insure that each business or residential phone number on the list had an equal chance of being included in the poll.

The sample was stratified so that 85% of the interviews were conducted with residential customers and 15% with commercial customers.

In sampling theory, in 19 cases out of 20 (95% of polls in other words), the results based on a random sample of 404 residential and commercial customers will differ by no more than ± 4.9 percentage points where opinion is evenly split.

This means you can be 95% certain that the survey results do not vary by more than 4.9 percentage points in either direction from results that would have been obtained by interviewing all COLLUS Power residential and small and medium-sized commercial customers if the ratio of residential to commercial customers is 85%:15%.

The margin of error for the sub samples is larger. To see the error margin for subgroups use the calculator at <http://www.surveysystem.com/sscalc.htm>.

Interviewers reached 1,040 households and businesses from the customer list supplied by COLLUS Power. The 404 who completed the interview represent a 39% response rate.

The findings for the Simul/UtilityPULSE National Benchmark of Electric Utility Customers are based on telephone interviews conducted March 11 through March 23, 2010, with adults throughout the country who are responsible for paying electric utility bills. The ratio of 85% residential customers and 15% small and medium-

sized business customers in the National study reflects the ratios used in the local community surveys. The margin of error in the National poll is ± 3.2 percentage points at the 95% confidence level.

For the National study, the sample of phone numbers chosen was drawn by recognized probability sampling methods to insure that each region of the country was represented in proportion to its population and by a method that gave all residential telephone numbers, both listed and unlisted, an equal chance of being included in the poll.

The data were weighted in each region of the country to match the regional shares of the population.

The margin of error refers only to sampling error; other non-random forms of error may be present. Even in true random samples, precision can be compromised by other factors, such as the wording of questions or the order in which questions were asked.

Random samples of any size have some degree of precision. A larger sample is not always better than a smaller sample. The important rule in sampling is not how

many respondents are selected but how they are selected. A reliable sample selects poll respondents randomly or in a manner that insures that everyone in the population being surveyed has an equal chance of being selected.

How can a sample of only several hundred truly reflect the opinions of thousands or millions of electricity customers within a few percentage points?

Measures of sample reliability are derived from the science of statistics. At the root of statistical reliability is probability, the odds of obtaining a particular outcome by chance alone. For example, the chances of having a coin come up heads in a single toss are 50%. A head is one of only two possible outcomes.

The chance of getting two heads in two coin tosses is less because two heads are only one of four possible outcomes: a head/head, head/tail, tail/head and tail/tail.

But as the number of coin tosses increases, it becomes increasingly more likely to get outcomes that are either close to or exactly half heads and half tails because there are more ways to get such outcomes. Sample survey

reliability works the same way but on a much larger scale.

As in coin tosses, the most likely sample outcome is the true percentage of whatever we are measuring across the total customer base or population surveyed. Next most likely are outcomes very close to this true percentage. A statement of potential margin of error or sample precision reflects this.

Some pages in the computer tables also show the standard deviation (S.D.) and the standard error of the estimate (S.E.) for the findings. The standard deviation embraces the range where 68% (or approximately two-thirds) of the respondents would fall if the distribution of answers were a normal bell-shaped curve.

The spread of responses is a way of showing how much the result deviates from the "standard mean" or average. In the COLLUS Power data on corporate image, Simul converted the answers to a point scale with 4 meaning agree strongly, 3 meaning agree somewhat and so on (see in the computer tables).

For example, the mean score is 3.50 for providing consistent, reliable energy. The average is 2.87 for working with customers to keep their energy costs affordable.

For reliable energy the standard deviation is 0.69. For affordable energy the S.D. is 0.93. These findings mean there is a wider range of opinion – meaning less consensus – about whether COLLUS Power works with customers to keep their energy costs affordable than about whether COLLUS Power energy supplies are reliable.

Beneath the S.D. in the tables is the standard error of the estimate. The S.E. is a measure of confidence or reliability, roughly equivalent to the error margin cited for sample sizes. The S.E. measures how far off the sample's results are from the standard deviation. The smaller the S.E. the greater the reliability of the data.

In other words, a low S.E. indicates that the answers given by respondents in a certain group (such as residential bill payers or women) do not differ much from

the probable spread of the answers "predicted" in sampling and probability theory.

Data in isolation are not as useful as findings compared with other data. To facilitate comparisons, Simul applied significance testing in the computer analysis to highlight where COLLUS Power bill payers differ significantly from respondents in the Simul Ontario benchmark survey.

Reading the tables from left to right, starting with the first column ("TOTAL" or column A), columns headed A and C

were compared. These two columns show the data for COLLUS Power customers and for bill payers in the province as a whole. Where data are significantly different in these columns, the letters A or C appear.

Reading down column A, for example, the statistic above a letter C is significantly different from the value in the column headed C. An upper-case letter indicates a significant difference (larger than the margin of sampling error) at the 95% confidence level. A lower-case letter signifies a difference at the 90% confidence level.



805 Foxcroft Blvd
Newmarket ON L3X 1M8

Good things happen when work places work. You'll receive both strategic and pragmatic guidance about how to improve Customer & Employee satisfaction with leaders that lead and a front-line that is inspired. We provide: training, consulting, surveys, diagnostic tools and keynotes. The electric utility industry is a market segment that we specialize in. We've done work for the Ontario Electrical League, the Ontario Energy Network, and both large and small utilities. For twelve years we have been talking to 1000's of utility customers in Ontario and across Canada and we have expertise that is beneficial to every utility.

**Culture, Leadership & Performance –
Organizational Development**

Leadership development

Strategic Planning

Teambuilding

Organizational Culture

**Focus Groups, Surveys, Polls,
Diagnostics**

Diagnostics ie. Change Readiness, Leadership
Effectiveness, Managerial Competencies

Surveys & Polls

Customer & Employee Focus Groups

Customer Satisfaction and Loyalty
Benchmarking Surveys

Customer Service Excellence

Service Excellence Leadership

Telephone Skills

Customer Care

Dealing with
Difficult Customers

Benefit from our expertise in Customer Satisfaction, Leadership development and Front-line & Top-line driven-change. Call us when creating an organization where more employees satisfy more customers more often, is important.

Your personal contact is:

Sid Ridgley, CSP, MBA

Phone: (905) 895-7900 Fax: (905) 895-7970 E-mail: sridgley@simulcorp.com