Electric Utility Sustainability Targets Called into Question by Customers, J.D. Power Finds

Despite Aggressive Carbon Reduction Goals, Few Customers Are Aware of Utility Sustainability Initiatives and Many Believe Utilities Can't Achieve 100% Sustainability

TROY, Mich.: 28 July 2023 — Nationwide, 82% of electric utility customers are served by a utility with a stated carbon-reduction target.[1] However, only 19% of customers are aware of those targets, and just 26% believe U.S. utilities will ever achieve the goal of 100% clean energy, according to the J.D. Power 2023 Sustainability Index,℠ released today. With imposed and self-imposed deadlines drawing nearer, consumer concerns about the seriousness of climate change remain high, and the nation's electric utilities face a looming customer backlash about clean energy plans as more customers state the most important issue is affordability rather than the environment.

"Electric utilities are in an incredibly tough spot when it comes to sustainability," said **Andrew Heath, senior director of utilities intelligence at J.D. Power**. "They need customer support and participation in sustainability initiatives if they are ever going to reach their goals, but very few customers are even aware that these programs exist. In the long run, an inability to deliver on stated carbon reduction targets will negatively affect credibility and will give regulators and politicians a foothold for increased intervention and closer oversight. Now is the time for utilities to capitalize on widespread customer concern about climate change to proactively share the steps they are taking."

Following are some key findings of the 2023 index:

- **Low customer awareness for utility climate initiatives:** Overall, just 19% of electric utility customers are aware that their utility has declared a goal to eliminate greenhouse gas emissions. The overall sustainability scores for electric utilities evaluated in the study—which are based on customer awareness, engagement and advocacy for their local utility's climate initiatives—is 28 (on a 100-point scale), unchanged from 2022.

- **Few customers feel utilities will reach their goals:** Just 26% of electric utility customers say they believe utilities will reach their goal of 100% clean energy. Moreover, the number of customers who say they believe a lot can be done to reduce climate change has declined steadily to 37.3% this year from 40.3% in 2020. More than half (52.7%) of customers say they believe climate change is serious or very serious.

- **Highest-scoring utilities: Sacramento Municipal Utility District** has the highest score for a third consecutive year at 35. Other top performers include **NextEra Energy** (34)**, Portland General Electric** (34), **DTE Energy** (32) and **Southern Company** (32).

The Sustainability Index evaluates electric utility customer awareness, support, engagement and advocacy for their local utility's climate sustainability programs and goals. The index applies to the 35 largest U.S. electric utility companies and cities, each serving 500,000 or more residential customers. The study is

[1] SEPA Utility Carbon-Reduction Tracker™. Smart Electric Power Alliance (SEPA). Retrieved July 21, 2023, from https://sepapower.org/utility-transformation-challenge/utility-carbon-reduction-tracker/

based on responses from 70,486 business and residential electric utility customers and was fielded from June 2022 through May 2023.

Following is the full list of electric utility companies and cities that were evaluated, along with their index score:

Utility	**2023 Sustainability Index Score**
Sacramento Municipal Utility District	35
NextEra Energy	34
Portland General Electric	34
DTE Energy	32
Southern Company	32
CMS Energy	31
Edison International	31
Emera	31
Pacific Gas and Electric	31
Salt River Project	30
Con Edison	29
L.A. Dept. of Water & Power	29
Pinnacle West	29
Puget Energy	29
Berkshire Hathaway Energy	28
CPS Energy	28
Duke Energy	28
Xcel Energy	28
Ameren	27
Dominion	27
Entergy	27
Exelon	27
OGE Energy Corp.	27
PSEG	27
Sempra Energy	27
Alliant Energy	26
PPL Corporation	26
Evergy	25
National Grid	25
AEP	24
WEC Energy Group	24
Duquesne Light	23
Eversource	23

Avangrid	22
FirstEnergy	21

For more information about the Sustainability Index, visit https://www.jdpower.com/business/sustainability-certification-program.

See the online press release at http://www.jdpower.com/pr-id/2023083.

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