

J.D. POWER



2018 Gas Utility Residential Customer Satisfaction Study

2018 Gas Utility Residential Customer Satisfaction Study

Bain Certified Net Promoter Score® by J.D. Power now available!

Publish Date: September 11, 2018

As the demands of residential gas utility customers continue to evolve, it is imperative that gas utility companies stay up to date regarding their customers' needs and expectations as well as industry trends. Utilities that understand their customers' preferences and experiences are better able to target performance improvement initiatives that may increase overall customer satisfaction.

The Solution

Now in its 17th year, the *J.D. Power Gas Utility Residential Customer Satisfaction StudySM* measures satisfaction with large and midsize gas utility companies in four U.S. regions: East, Midwest, South, and West. The study, which provides the gas industry with insights into the evolving needs and demands of residential customers, includes five objectives:

- Quantifying the factors that drive overall satisfaction among residential gas utility customers
- Analyzing the relative performance of the major natural gas utility companies in the United States in terms of how well they satisfy their residential customers
- Capturing a nationwide footprint of natural gas utility performance by including as many utilities as possible in the study
- Providing actionable information by developing insights about customers' needs
- Comparing previous performance results with this year's performance

How It Works

Sampling

To be included in the study, utilities must first meet the minimum market share criteria of having more than 125,000 residential customers. Utilities meeting that criterion are given a sample size quota to fulfill surveying requirements, after which an online survey is deployed in four waves of fielding.

For the 2018 study, more than 60,000 online interviews with gas utility residential customers are targeted. Respondents are weighted to reflect the experiences of nearly 61 million residential customers served by the 84 gas utilities ranked in the study.

Refer to the Appendix to see a list of utilities profiled in the study.

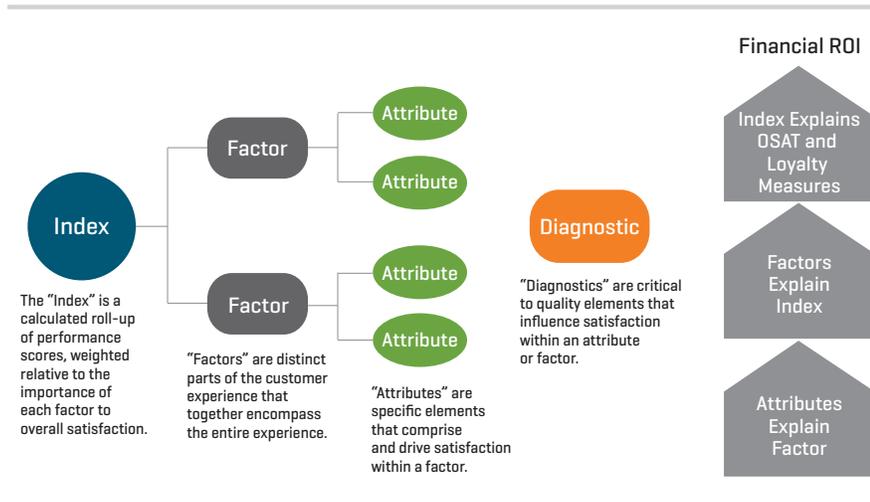
Net Promoter®, Net Promoter System®, Net Promoter Score®, NPS® and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.



Utilities that understand their customers' preferences and experiences are better able to target performance improvement initiatives that may increase overall customer satisfaction

J.D. Power Index

Based on data obtained from the survey, an index is created that quantifies the impact that the factors and the attributes within them have on customer satisfaction. Specifically, the relative weight that each attribute contributes to the factor index is first calculated, followed by calculating the relative weight each factor contributes to the overall satisfaction index. The results of those calculations are used to predict overall satisfaction based on a weighted sum of the factors, which constitutes the overall index.



Award recipients that subscribe to the study have the opportunity to publicly leverage this award through J.D. Power's award licensing program.

Award Criteria

For a utility to be award eligible, it must meet a minimum of 100 completed surveys in a given region. The highest-ranked Large and Midsize utility in each region receives a trophy. Award recipients that subscribe to the study have the opportunity to publicly leverage this award through J.D. Power's award licensing program.

Leveraging J.D. Power Data to Better Understand Competitive Position

Satisfaction Drivers

The Gas Utility Residential Customer Satisfaction Index segments the customer experience into six factors:

- Safety & Reliability
- Billing and Payment
- Price
- Corporate Citizenship
- Communications
- Customer Service

Industry Best Practices

Key Performance Indicators (KPIs)—or best practices—are diagnostics that provide in-depth analyses of customer needs and preferences at each service “moment of truth” by identifying the top service practices. This information has proven to be invaluable in helping companies prioritize strategies that target the areas most important to customers.

KPIs are individual diagnostic items that have the most significant relationship with a customer’s overall experience with their gas utility. The KPI break point is the specific point at which satisfaction significantly improves, indicating a best practice.

Oversampling

J.D. Power offers a proprietary oversample opportunity allowing utilities that are not currently profiled in the syndicated study to obtain competitive data sets in order to benchmark their performance against peer utilities that are profiled in the study. This opportunity is also available for profiled utilities that would like to dive deeper into a specific topic covered in the study. The same questionnaire used for the syndicated study is used for the proprietary oversample study.

Subscription Details

The *2018 Gas Utility Residential Customer Satisfaction Study* provides access to the insights and tools needed to gain a comprehensive, in-depth understanding of how your utility is performing and to identify key areas needing improvement.

Study deliverables include:

- J.D. Power Online VoX portal [our online communications tool and download site]
 - Active portal: Data elements in the portal include all study data and such items as key charts and tables that highlight KPIs and rankings
 - Performance analysis: Allows users to easily view key metrics against multiple points of reference, providing users with more control when performing root-cause analyses and benchmarking
- Access to a personalized competitive data set allowing you to see how your utility stacks up against your peers, the industry, and the highest performers across six factors and 35 attributes at both the national and regional levels
 - SPSS File
- An on-site executive presentation with management insights, which includes customized strategic recommendations, study results, ongoing best practices, and analyses of high-performing gas utilities



KPIs are individual diagnostic items that have the most significant relationship with a customer’s overall experience with their electric utility.

- Calculator: A tool for identifying improvement opportunities by executing what-if scenarios in order to model changes to a given attribute or set of attributes. The simulator and calculator can be used jointly
- Simulator: Allows users to model the cause/effect of employing improvement initiatives and how this may impact overall customer satisfaction
- Swoop gap analysis: Highlights improvement opportunities which have the greatest impact on customer satisfaction if improved
- Gas utility summaries: A four-page detailed summary of a gas utility's performance on key management metrics as well as factor and attribute scores including a gap analysis
- Regional and industry overview
- Copy of the current questionnaire
- Bain Certified NPS® by J.D. Power: This independent and Bain certified measurement of NPS includes the brand level Net Promoter Score® and verbatims, an NPS rank chart and verbatim text analytics. More advanced analytics are available at an additional cost. Contact your J.D. Power representative to learn more, or visit jdpower.com/nps

About J.D. Power

J.D. Power is a global leader in consumer insights, advisory services, and data and analytics that help clients measure and improve the key performance metrics that drive growth and profitability. J.D. Power's industry benchmarks, robust proprietary data, advanced analytics capabilities, and reputation for independence and integrity has established the company as one of the world's most well-known and trusted providers of consumer and market insights for more than a dozen industries. Established in 1968, J.D. Power is headquartered in Costa Mesa, California, and has 17 global locations serving North/South America, Asia Pacific, and Europe. J.D. Power is a portfolio company of XIO Group, a global alternative investments and private equity firm headquartered in London.



The study provides access to the insights and tools needed to gain a comprehensive, in-depth understanding of how your utility is performing and to identify key areas needing improvement.

APPENDIX: Profiled Brands

Profiled brands listed alphabetically and categorized by segment:

East Large

- BGE
- Con Edison
- Eversource
- National Fuel Gas
- National Grid
- New Jersey Natural Gas
- PECO
- Peoples
- Philadelphia Gas Works
- PSE&G
- UGI
- Washington Gas

East Midsized

- Columbia Gas of Massachusetts
- Columbia Gas of Pennsylvania
- Connecticut Natural Gas
- Elizabethtown Gas
- Liberty Utilities
- NYSEG
- Rochester Gas & Electric
- South Jersey Gas
- Southern Connecticut Gas

Midwest Large

- Ameren Illinois
- Black Hills Energy-Midwest
- CenterPoint Energy-Midwest
- Columbia Gas of Ohio
- Consumers Energy
- Dominion Energy Ohio
- DTE Energy
- Duke Energy
- Kansas Gas Service
- MidAmerican Energy
- Nicor Gas
- NIPSCO

- Peoples Gas
- Spire-Midwest
- Vectren
- We Energies
- Xcel Energy-Midwest

Midwest Midsized

- Alliant Energy
- Atmos Energy-Midwest
- Citizens Energy Group
- Louisville Gas & Electric
- Madison Gas & Electric
- Metropolitan Utilities District
- Michigan Gas Utilities
- Minnesota Energy Resources
- North Shore Gas
- SEMCO Energy Gas Company
- Wisconsin Public Service

South Large

- Atmos Energy-South
- CenterPoint Energy-South
- Oklahoma Natural Gas
- Piedmont Natural Gas
- PSNC Energy
- Texas Gas Service

South Midsized

- Black Hills Energy-South
- Columbia Gas of Virginia
- CPS Energy
- MLGW
- Mountaineer Gas Company
- South Carolina Electric & Gas
- Spire-South
- TECO Peoples Gas
- Virginia Natural Gas

West Large

- Dominion Energy
- New Mexico Gas Company
- NW Natural
- Pacific Gas and Electric
- Puget Sound Energy
- San Diego Gas & Electric
- Southern California Gas Company
- Southwest Gas
- Xcel Energy-West

West Midsized

- Avista
- Black Hills Energy-West
- Cascade Natural Gas
- Colorado Springs Utilities
- ENSTAR
- Intermountain Gas Company
- Long Beach Gas & Oil
- Montana-Dakota Utilities
- NorthWestern Energy
- NV Energy
- UniSource Energy Services