



## J.D. Power Reports: Satisfaction with Retail Electricity Providers Improves Dramatically from Last Year

Satisfaction with Retail Electric Providers Is Highest in Texas and Pennsylvania



WESTLAKE VILLAGE, Calif., Aug. 13, 2014 /PRNewswire/ -- Despite an extremely severe winter and correspondingly high electricity bills, satisfaction with retail electric providers has improved dramatically from 2013, driven in part by improved communications, according to the J.D. Power 2014 Retail Electric Provider Residential Customer Satisfaction Study <sup>SM</sup> released today.

The study, now in its second year of measuring retail electric providers in competitive markets in addition to Texas, examines satisfaction among residential customers of 82 ranked retail electric providers in nine states across five key factors: price; communications; corporate citizenship; enrollment/renewal; and customer service.

An additional factor, billing and payment, is measured in Texas.<sup>1</sup>

Overall satisfaction with retail electric providers (REP) in Texas is 706 (on a 1,000-point scale), an increase of 24 points from 682 in 2013. Satisfaction in the other eight states is 626, an improvement of 20 points from 606 in 2013. While Texas ranks highest overall, Pennsylvania (650) ranks highest among the other eight states.

Recall of communications increases dramatically in 2014. In Texas, 43 percent of customers recall an REP communication this year, compared with just 30 percent in 2013. Recall of communications also improves in the other eight states, to 29 percent in 2014 from 26 percent in 2013.

"One opportunity for retail electric providers to grow their customer base is by convincing consumers to switch from their local electric utility," said Jeff Conklin, senior director of the energy practice at J.D. Power. "Nearly two-thirds of customers avoid switching because they don't perceive the savings as being big enough to take the time to switch, or they are not sure how to go about switching. Retail electric providers need to help customers overcome these obstacles with better communication about the process and benefits of switching."

## **KEY FINDINGS**

- Perception of price has a strong impact on customer satisfaction. Price satisfaction is higher among customers on a fixed price contract (704) than among those on a variable pricing plan (636).
- Customers with a variable price plan in eight states paid higher bills this year because of big market price swings due to the severe weather. Price satisfaction among customers with variable plans declines by 27 points based on surveys completed during September and December 2013 —when the price index was 630 — compared with among customers surveyed in March and June 2014 (603). Satisfaction among customers with fixed price plans declines by only 10 points from 2013 (692 vs. 682, respectively).
- Reasons customers avoid switching to a retail electric provider are the bill savings are not big enough to switch (37%); they are satisfied with the level of service they presently get from their local utility (27%); they didn't know how to switch (24%); and they are concerned about getting worse service if they were to switch (22%).
- Overall, 21 percent of customers plan to switch from their local electric distribution company in the next 3 months. More than one-fourth (27%) say they "definitely will" or "probably will" consider switching if they knew they would save up to \$20 a month.
- Among all factors driving satisfaction, enrollment/renewal improves the least (+18 points) from 2013.
- In Illinois and Ohio, satisfaction among customers who have switched from their local electric utility via aggregation (communities negotiate a retail contract on their behalf) is substantially lower than among those who have chosen a REP on their own (619 vs. 647, respectively).

Retail electric provider study rankings by state are:

**Connecticut:** Ambit Energy ranks highest in Connecticut with a score of 705, and performs particularly well in the price, communications, corporate citizenship and enrollment/renewal factors. ConEdison Solutions (659) and Direct Energy (650) follow Ambit Energy in the rankings, performing above the Connecticut average (632).

**Illinois:** IGS Energy ranks highest in Illinois with a score of 668, performing particularly well in the price, enrollment/renewal and customer service factors. Following IGS Energy in the rankings are AEP Energy (667) and Ambit Energy (663) performing above the Illinois average (625).

**Maryland:** Washington Gas Energy Services ranks highest in Maryland with a score of 660, and performs particularly well in the price, communications and customer service factors. FirstEnergy Solutions (632) follows Washington Gas Energy Services in the rankings, performing below the Maryland average (648).

**Massachusetts:** Energy Plus ranks highest in Massachusetts with a score of 639, and performs particularly well in the price, communications and corporate citizenship factors. Dominion Energy Solutions (612) and Direct Energy (606) follow in the rankings, performing below the Massachusetts average (619).

**New Jersey:** Ambit Energy ranks highest in New Jersey with a score of 718, and performs particularly well in the price, communications, corporate citizenship and customer service factors. New Jersey Gas & Electric (662) and Constellation (649) follow in the rankings, performing above the New Jersey average (647).

**New York:** Agway Energy ranks highest in New York with a score of 659, and performs particularly well in the communications, corporate citizenship and customer service factors. Direct Energy and Gateway Energy Services (642 each) follow Agway Energy in the rankings, performing above the New York average (599).

**Ohio:** Direct Energy ranks highest in Ohio with a score of 659, and performs particularly well in the communications factor. IGS Energy (658) and Duke Energy-Retail (617) follow in the rankings, performing above the Ohio average (611).

**Pennsylvania:** Ambit Energy ranks highest in Pennsylvania with a score of 718, and performs particularly well in the communications factor. ConEdison Solutions (698) and Green Mountain Energy (697) follows Ambit Energy in the rankings, performing above the Pennsylvania average (650).

**Texas:** Green Mountain Energy ranks highest in Texas with a score of 762, and performs particularly well in the corporate citizenship factor. Champion Energy Services (759) and Cirro Energy (736) follow Green Mountain Energy in the rankings, performing above the Texas average (706).

The 2014 Retail Electric Provider Residential Customer Satisfaction Study is based on responses from 25,757 retail electric residential customers and 9,016 avoiders—those who avoided switching providers—of 82 ranked retail electric providers in nine states regarding their experiences with their retail electric provider. The study was fielded in September 2013 through and June 2014.

<b>Overall Customer Satisfaction Index Scores</b> (Based on a 1,000-point scale)	<b>J.D. Power.com Power Circle Ratings™</b> For Consumers	
<b>Connecticut</b>		
Ambit Energy	705	5
ConEdison Solutions	659	4
Direct Energy	650	4
Dominion Energy Solutions	644	4
Connecticut Average	632	3
Energy Plus	620	3
Connecticut Gas & Electric	609	2
North American Power	596	2
<b>Illinois</b>		
IGS Energy	668	5
AEP Energy	667	5
Ambit Energy	663	5
Direct Energy	653	4

Constellation	637	4
MC Squared Energy	632	3
Illinois Average	625	3
Energy Plus	622	3
FirstEnergy Solutions	617	3
Nicor Electric	613	3
Spark Energy	590	2
Integrus Energy	583	2
Homefield Energy	575	2
<b>Massachusetts</b>		
Energy Plus	639	5
Massachusetts Average	619	3
Dominion Energy Solutions	612	3
Direct Energy	606	2
Just Energy	584	2
ConEdison Solutions	582	2
<b>Maryland</b>		
Washington Gas Energy Services	660	5
Maryland Average	648	3
FirstEnergy Solutions	632	2
Energy Plus	629	2
Constellation	618	2
Dominion Energy Solutions	617	2
<b>New Jersey</b>		
Ambit Energy	718	5
New Jersey Gas & Electric	662	4
Constellation	649	3
New Jersey Average	647	3
North American Power	637	3
Gateway Energy Services	632	3
Viridian Energy	625	3
Energy Plus	595	2
<b>New York</b>		
Gateway Energy	659	5
Direct Energy	642	4
Gateway Energy Services	642	4
Energetix	630	4
Ambit Energy	615	4
New York Gas & Electric	613	4
New York Average	599	3
NYSEG Solutions	590	3
Energy Plus	589	3
Just Energy	589	3
ConEdison Solutions	581	2
<b>Ohio</b>		
Direct Energy	659	5
IGS Energy	658	5
Duke Energy-Retail	617	3

DPL Energy Resources	612	3
Ohio Average	611	3
FirstEnergy Solutions	610	3
Dominion Energy Solutions	608	3
AEP Energy	593	2

**Pennsylvania**

Ambit Energy	718	5
ConEdison Solutions	698	4
Green Mountain Energy	697	4
Stream Energy	668	4
NRG Residential Solutions	667	4
Direct Energy	660	3
PPL EnergyPlus	651	3
Pennsylvania Average	650	3
Dominion Energy Solutions	648	3
Energy Plus	643	3
FirstEnergy Solutions	633	3
Pennsylvania Gas & Electric	608	2

**Texas**

Green Mountain Energy	762	5
Champion Energy Services	759	5
Cirro Energy	736	4
StarTex Power	735	4
Bounce Energy	730	4
Ambit Energy	725	4
Stream Energy	721	4
Texas Average	706	3
Direct Energy	704	3
Gexa Energy	704	3
Just Energy	704	3
Reliant Energy	701	3
Everything Energy	699	3
First Choice Power	693	3
Amigo Energy	689	3
TXU Energy	689	3
CPL Retail Energy	683	2
Spark Energy	670	2
Energy Plus	658	2

**Power Circle Ratings Legend**

**5 – Among the best**

**4 – Better than most**

**3 – About average**

**2 – The rest**

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<sup>1</sup> Texas retail electric provider residential customer satisfaction measurement, now in its seventh year, includes an additional factor, billing and payment, which may affect comparisons to other states.

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