



2021 Customer Satisfaction Study



Report of Findings

18 August 2021
Confidential & Proprietary

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Harnessing the power of data to help clients achieve organizational goals.

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Project Overview

- GreatBlue was commissioned by Shrewsbury Electric and Cable Operations (hereinafter “SELCO”) to conduct market research to understand the satisfaction levels of its residential customers.
- The primary goals for this research study were to assess SELCO’s performance over previous years and to identify areas for improvement in an effort to provide the best possible service to its customers.
- In order to service these research goals, GreatBlue employed telephone and digital survey methodologies to capture the opinions of customers living within SELCO's service territory.
- The outcome of this research will enable SELCO to a) more clearly understand, and ultimately set, customer expectations, b) act on near-term opportunities for improvement and, c) create a strategic roadmap to increase customer satisfaction.



Areas of Investigation

The SELCO Customer Satisfaction Study leveraged a quantitative research methodology to address the following areas of investigation:

- Rating the electric service of SELCO
- Rating interactions with office personnel
- Awareness and importance of community ownership
- Communication preferences
- Rating outage restoration
- Evaluation of SELCO's efforts to curb carbon emissions
- Favorability of various generation sources
- Interest in and concerns regarding electric vehicles
- Awareness of and interest in "time of use" rates
- Awareness of and interest in enrolling in SELCO's Connected Homes program
- Knowledge and support of "strategic electrification"
- Demographic profiles of respondents

Research Methodology Snapshot

Methodology Phone / Digital	No. of Completes 373 (300 phone + 73 digital)	No. of Questions 70*	Incentive None	Sample Customer List
Target Residential Customers	Quality Assurance Dual-level**	Margin of Error 5.0%	Confidence Level 95%	Research Dates June 28 - August 2, 2021

* This represents the total possible number of questions; not all respondents will answer all questions based on skip patterns and other instrument bias.

** Supervisory personnel, in addition to computer-aided interviewing platform, ensure the integrity of the data is accurate.

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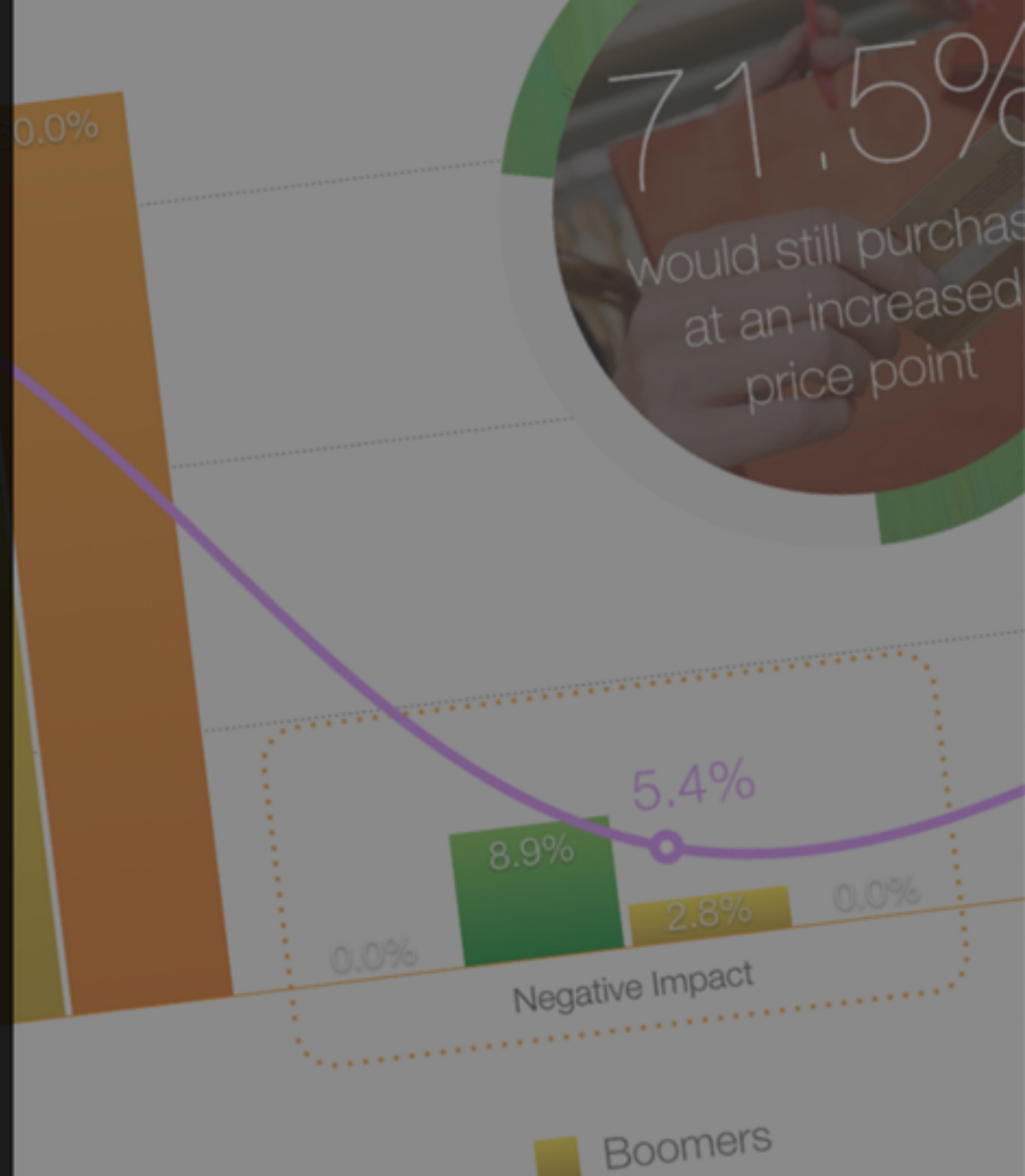
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Key Study Findings - *Educate customers of the benefits of the Connected Homes program*



What we learned:

Over one-fifth of respondents (21.2%) expressed awareness of SELCO's Connected Homes program. While over two-fifths (44.7%) were interested in enrolling in this program, 29.0% were "not at all interested."

Takeaway:

Awareness of SELCO's Connected Homes program is low, and while some customers have expressed interest in the program, over one-half of respondents are not interested or unsure of their interest in enrolling in the Connected Homes program.

Actionable strategy:

In order to encourage greater participation in their Connect Homes program, SELCO should provide more educational information to customers of the benefits of participating in the program and the equipment customers must have to be eligible to enroll in the program.

Key Study Findings - *Focus on building support for strategic electrification initiatives*



What we learned:

Only 15.8% of surveyed customers reported they are "very knowledgeable" or "somewhat knowledgeable" of the concept of "strategic electrification." Further, while over three-fifths of respondents (63.3%) reported they support SELCO investing in "strategic electrification," over one-quarter (26.3%) were unsure of their support or opposition.

Takeaway:

Customers' knowledge of "strategic electrification" is limited, and many are unsure if they support SELCO investing in "strategic electrification" initiatives, likely because they do not know enough about the concept to determine if they support or oppose it.

Actionable strategy:

SELCO should work to build customer support of any "strategic electrification" initiatives they are planning by educating customers about what this process is, as well as providing various examples of "strategic electrification."

Key Study Findings - *Introduce an electric vehicle incentive program (already acted upon)*



What we learned:

Over one-half of respondents indicated it is likely their upcoming car purchase will be an electric vehicle, and two-fifths reported they are likely to purchase an electric vehicle within the next five years. Further, nearly three-fifths of surveyed customers reported a likelihood to participate in an electric vehicle incentive program, should SELCO offer one.

Takeaway:

Customers are beginning to prepare for the transition to electric vehicles from gasoline vehicles, and there is interest in an incentive program to help defray the cost of purchasing an electric vehicle.

Actionable strategy:

Given that a growing segment of customers are looking to purchase an electric vehicle in the next five years and/or when they are ready for their next car purchase, SELCO should consider offering an incentive program to provide a cost benefit for purchasing an electric vehicle, as this may help build further interest in investing in electric vehicles in the years to come. Of note, since this survey was conducted, SELCO introduced an electric vehicle rebate program on September 1, based on these survey findings.

Notable Demographic Shifts

There were a number of notable demographic shifts that occurred between the 2019 and 2021 electric customer satisfaction surveys. These included:

- **Age** - More respondents 35 to 44 years of age completed the survey in 2021 (24.1%) than in 2019 (16.0%), while fewer respondents 65 years of age or older completed the survey in 2021 (16.9%) than in 2019 (27.6%). There was also an increase in respondents 18 to 24 years of age (2.1% over 1.4% in 2019) and 25 to 34 years of age (17.7% over 9.2% in 2019) who completed the survey.
 - Important to note, as younger respondents provided lower ratings for several company characteristics, specifically "helping customers conserve electricity" and "community service."
- **Dwelling type** - Fewer respondents in 2021 reported living in a single family home (58.4% from 71.4% in 2019), while more respondents reported living in an apartment building (18.0% over 10.4% in 2019), condo (10.7% over 7.0% in 2019), or town house or multi-family house (8.0% over 6.1% in 2019).
 - Of note, more respondents living in single family homes gave positive ratings for several company characteristics, such as "helping customers conserve electricity" and "community service," than those living in apartment buildings, condos, town houses or multi-family houses.

Notable Demographic Shifts

- **Home ownership** - Fewer homeowners completed the survey in 2021 (67.6%) than in 2019 (77.9%), while more 2021 respondents reported being renters (29.0% over 18.8% in 2019).
 - Important to note, as on average, renters provided lower ratings for SELCO's company characteristics than homeowners.
 - Further, renters reported lower levels of awareness of several programs, such as the Connected Homes program (13.0% aware among renters, 25.4% among homeowners) and time of use programs (17.6% aware among renters, 27.0% among homeowners).
- **Length of residency in Shrewsbury** - More 2021 respondents reported living in Shrewsbury for less than 10 years (57.9% over 34.2% in 2019).
 - Respondents who have lived in Shrewsbury for less than 10 years provided a lower average rating among several company characteristics than those who have lived in Shrewsbury for 10 years or more.
 - Fewer respondents who have lived in Shrewsbury for less than 10 years correctly indicated SELCO is a community owned municipal utility than those who have lived in Shrewsbury for 10 years or more.

SELCO's Ratings Decrease

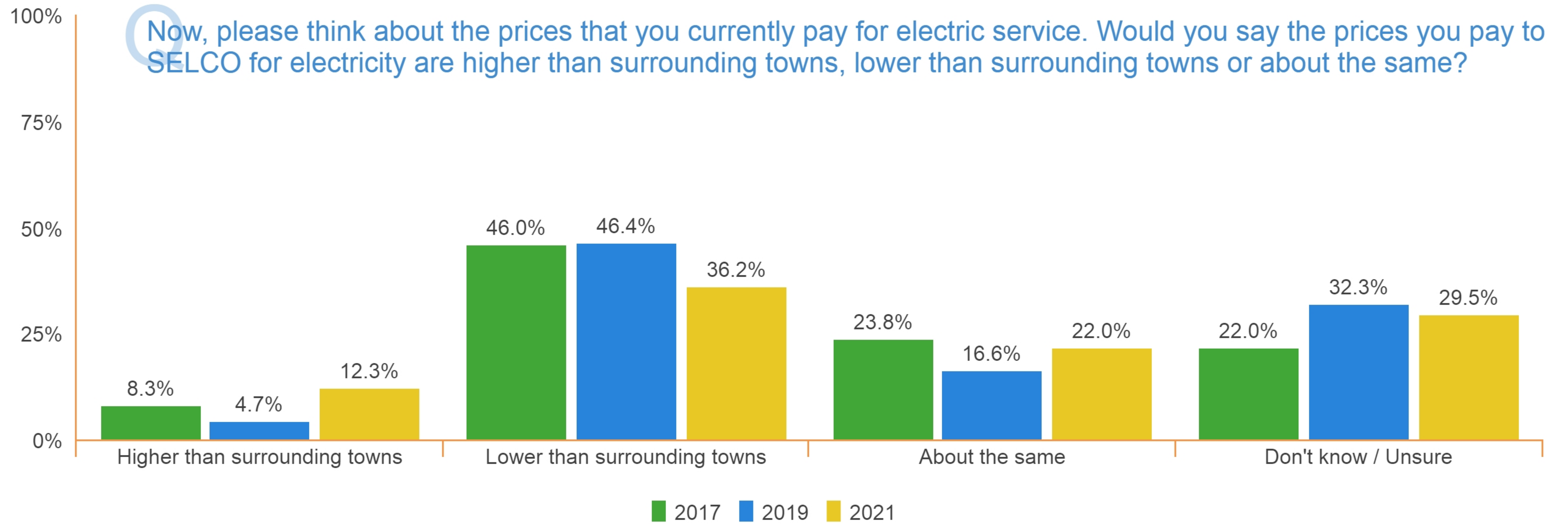
The average rating for SELCO's company characteristics decreased in 2021 (88.0% from 92.4% in 2019). This was primarily due to decreased ratings for "helping customers conserve electricity" (-10.6 percentage points) and "community service" (-8.1 percentage points).

Surveyed customers continued to provide the highest ratings for SELCO's "reliable service" (94.3%), "honesty / integrity" (91.6%) and "customer interactions and communication" (91.5%).

	2017	2019	2021
Reliable service	97.0%	96.1%	94.3%
Honesty / integrity	92.5%	94.8%	91.6%
Customer interactions and communication	90.3%	91.9%	91.5%
Rates	89.2%	89.5%	87.4%
Community Service	90.8%	94.7%	86.6%
Helping customers conserve electricity	85.1%	87.3%	76.7%
Average	90.8%	92.4%	88.0%

Rates Perceived to be Lower than Surrounding Towns

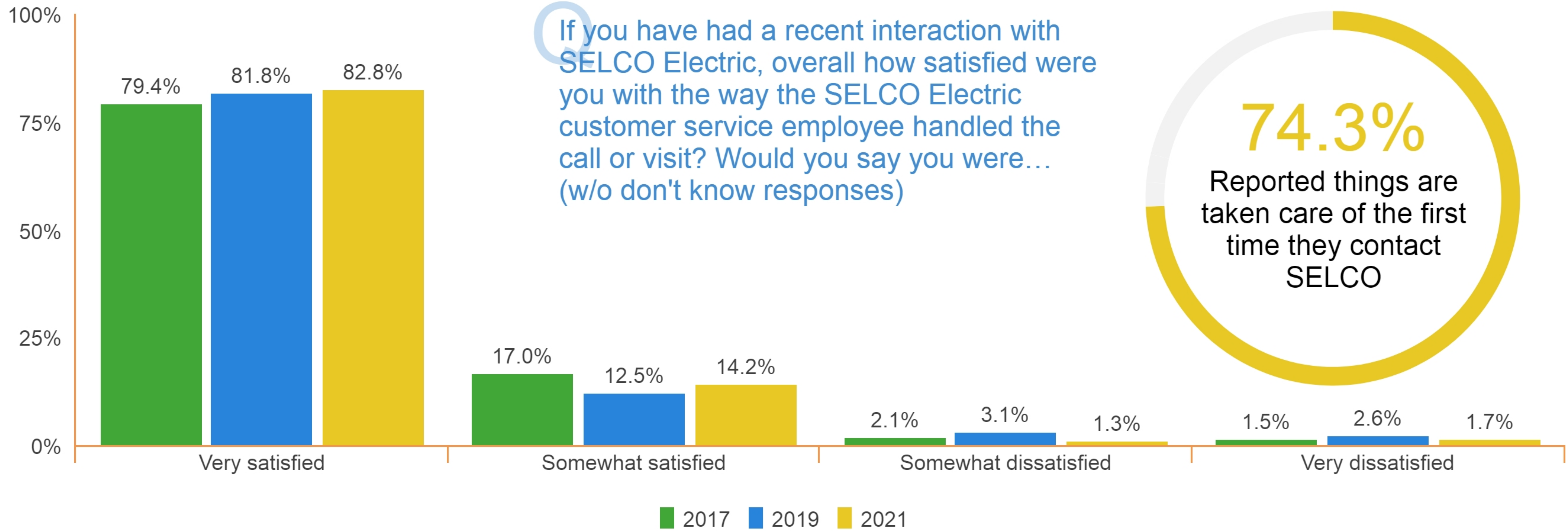
Over one-third of respondents (36.2% from 46.4% in 2019) indicated the prices they pay for electricity are "lower than surrounding towns," while over one-fifth (22.0%) reported they are "about the same" and 12.3% indicated they are "higher than surrounding towns." Of note, three-out-of-ten respondents (29.5%) were unsure how SELCO's electric rates compare to those of nearby utilities.



First Contact Resolution Yields Strong Satisfaction

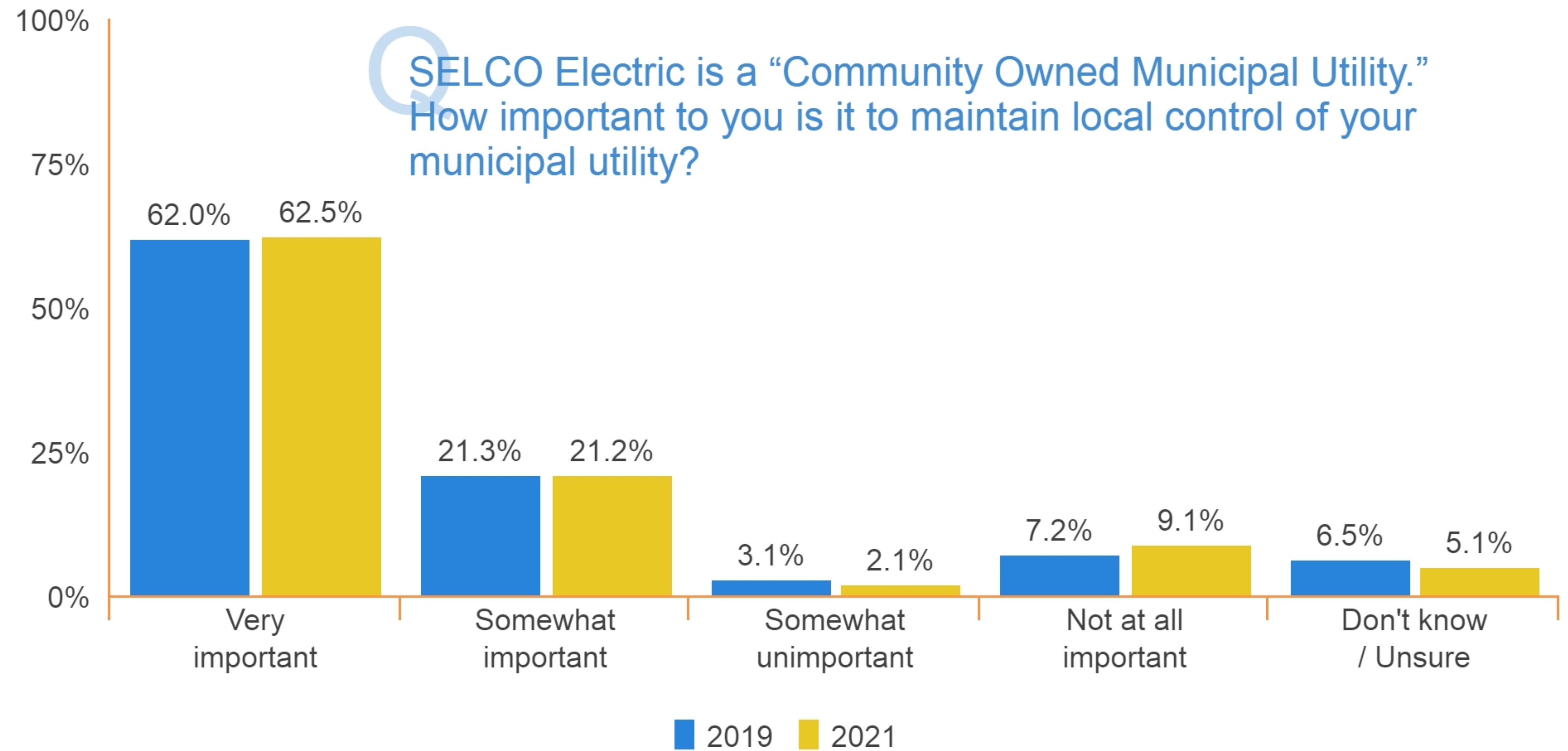
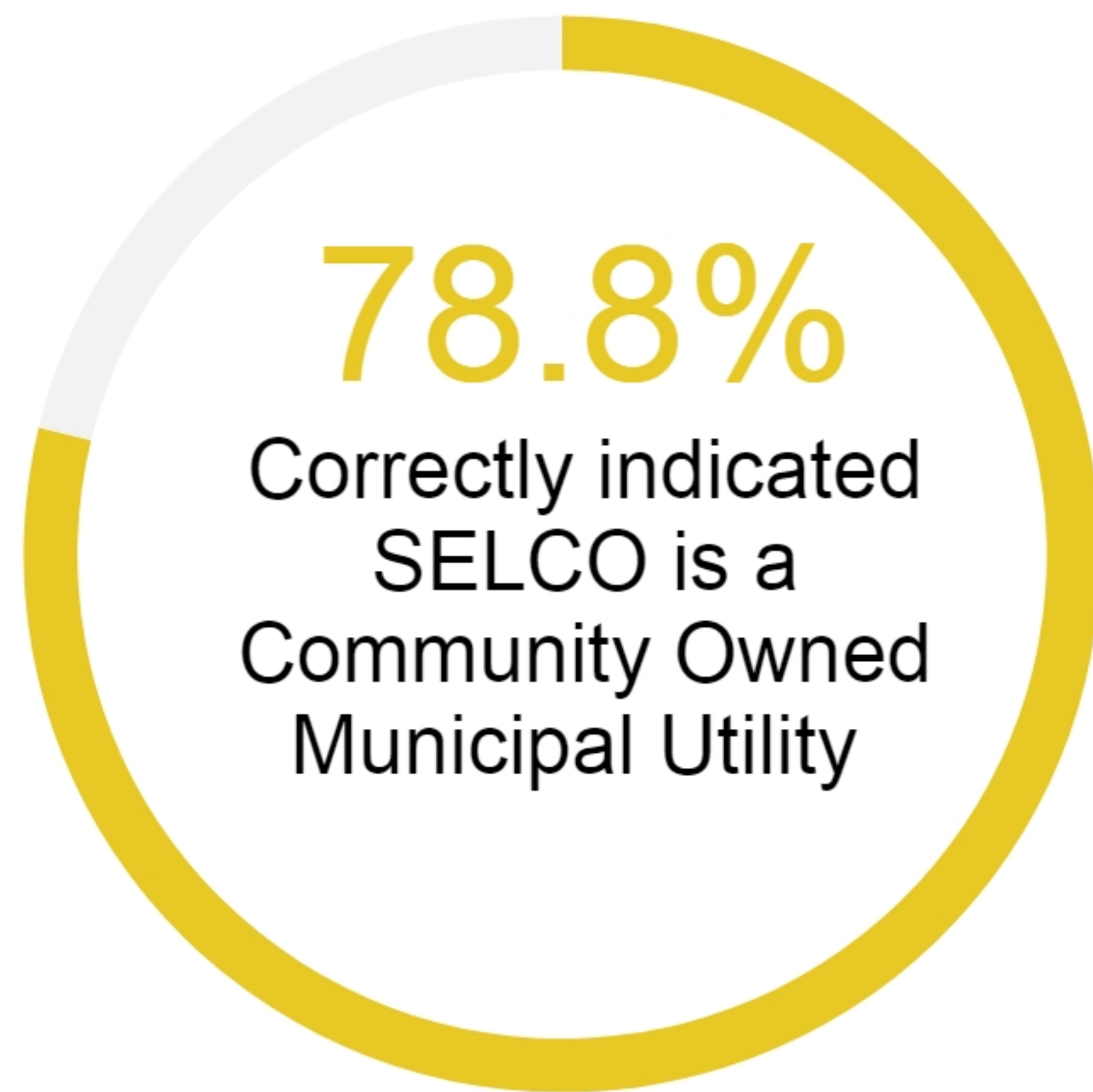
Impressively, a vast majority of surveyed customers who interacted with customer service (97.0% over 94.3% in 2019) were satisfied with the service provided by the representative. This was coupled with roughly three-quarters of respondents (74.3%) noting that SELCO “takes care of things the first time” when they’ve contacted the customer service department.

If you have had a recent interaction with SELCO Electric, overall how satisfied were you with the way the SELCO Electric customer service employee handled the call or visit? Would you say you were... (w/o don't know responses)



Strong Awareness of Community Ownership

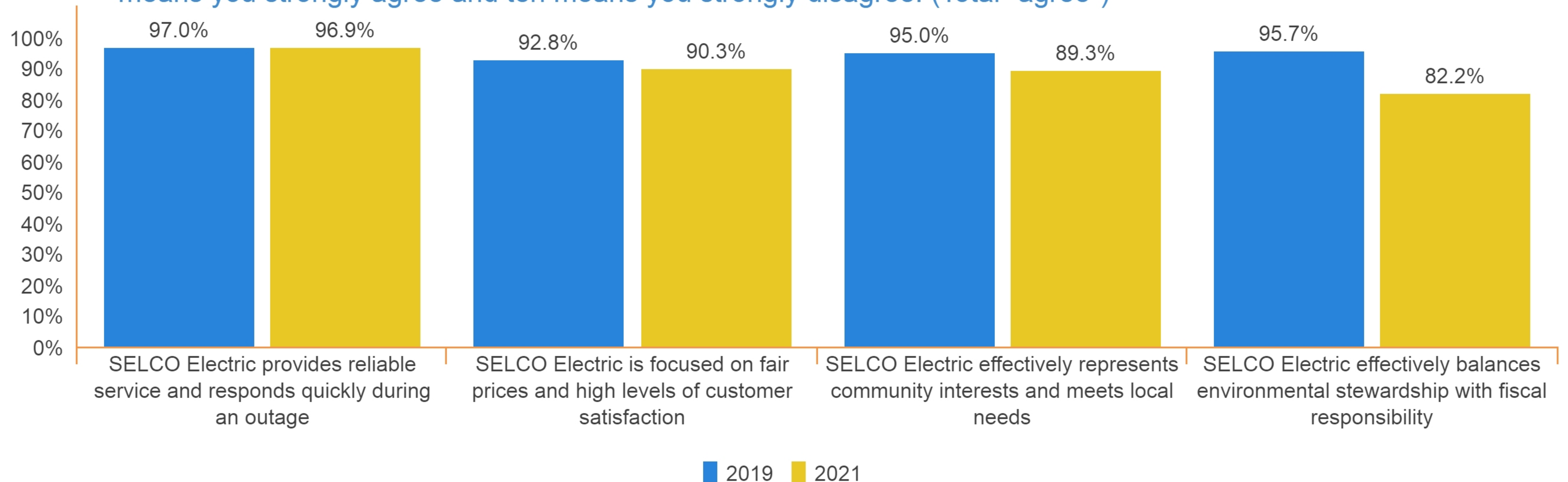
Over three-quarters of surveyed customers (78.8%) were aware that SELCO is a Community Owned Municipal Utility. Further, over four-fifths of respondents, 83.7%, noted it is either “very important” (62.5%) or “somewhat important” (21.2%) to maintain local control of their municipal utility.



High Ratings for Municipal Utility Characteristics

Overall, SELCO received high ratings for embodying several common characteristics of municipally owned utilities. Notably, 96.9% of surveyed customers agreed that "SELCO Electric provides reliable service and responds quickly during an outage" and 90.3% agreed that "SELCO Electric is focused on fair prices and high levels of customer satisfaction." However, a decreased frequency of respondents agreed that "SELCO Electric effectively balances environmental stewardship with fiscal responsibility" (-13.5 percentage points) and "SELCO Electric effectively represents community interests and meets local needs" (-5.7 percentage points)

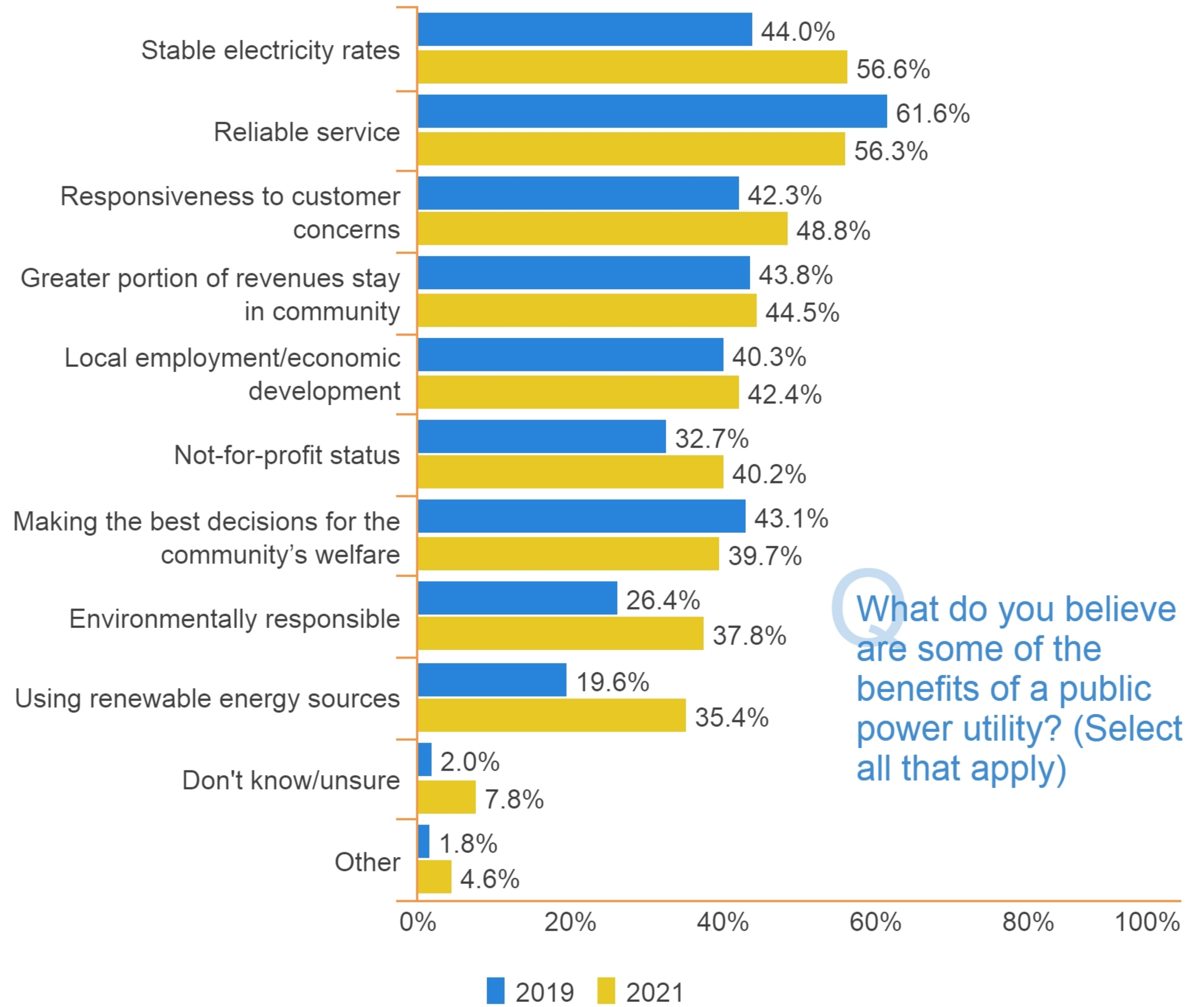
Please rate how well each characteristic describes SELCO Electric. Please use a scale of one to ten where one means you strongly agree and ten means you strongly disagree. (Total "agree")



Benefits of Public Power Include Stable Rates

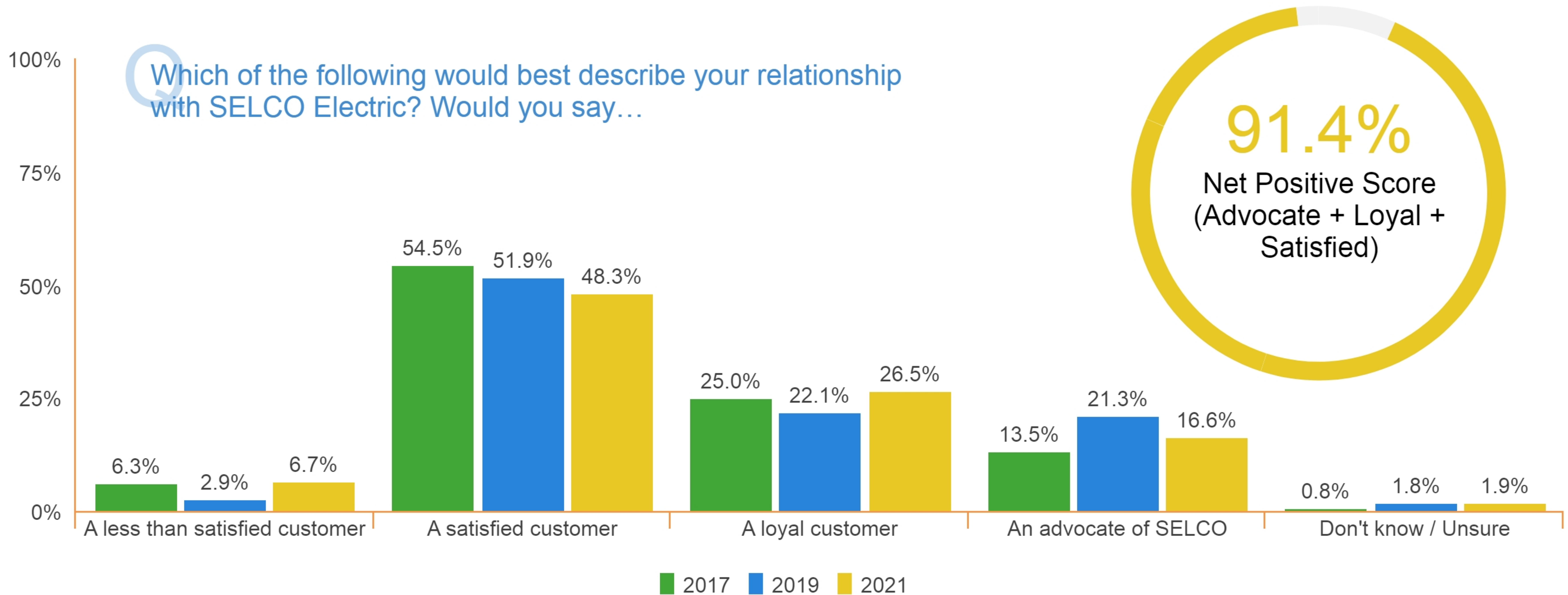
When asked to identify benefits of a public power utility, over one-half of respondents noted the "stable electricity rates" (56.6%) or "reliable service" (56.3%). Of note, an increased frequency of respondents reported "stable electricity rates" are a benefit of public power utilities (+12.6 percentage points).

Others reported benefits of a public power utility include the "responsiveness to customer concerns" (48.8%), that a "portion of revenues stay in community" (44.5%) and "local employment / economic development" (42.4%).



Strong Relationship Continues

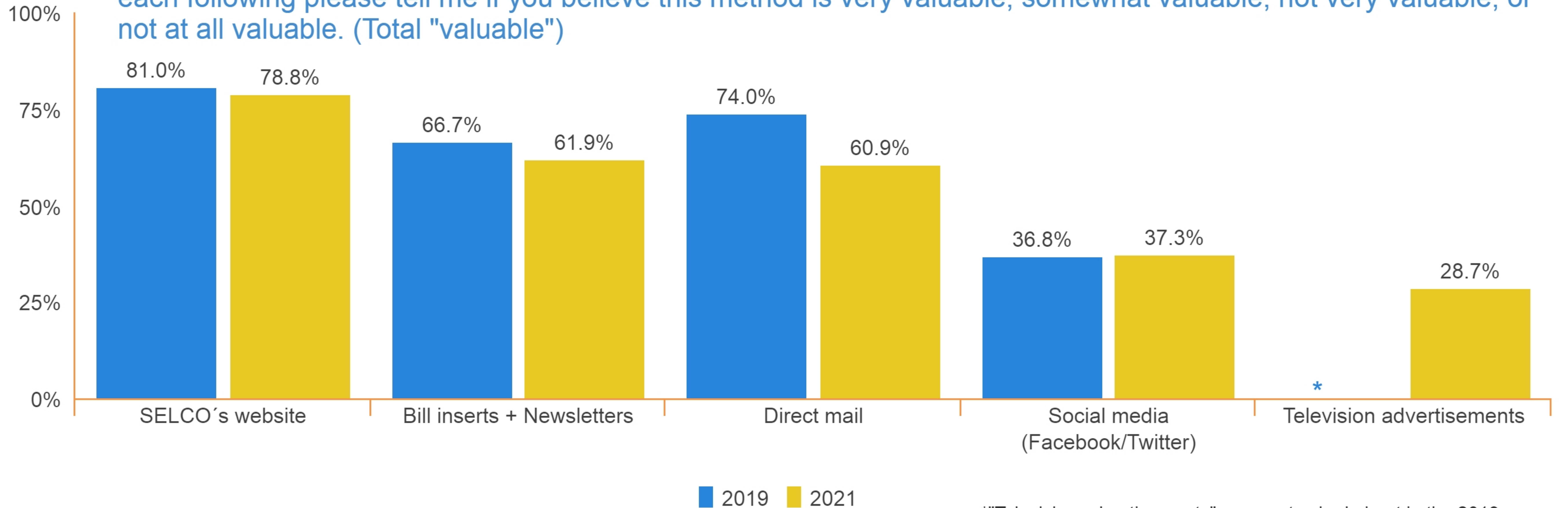
SELCO's net positive score (advocate + loyal + satisfied customers) decreased in 2021 (91.4% from 96.3% in 2019). While an increased frequency of respondents reported being "a loyal customer" of SELCO (+4.4 percentage points), fewer respondents reported being "an advocate of SELCO" (-4.7 percentage points) or "a satisfied customer" (-3.6 percentage points), and more respondents indicated they are a "less than satisfied customer" (+3.8 percentage points).



SELCO's Website is Valuable to Customers

Over three-quarters of respondents (78.8%) indicated SELCO's website is either "very valuable" or "somewhat valuable" to them. Further, roughly three-fifths of surveyed customers reported SELCO's bill inserts and newsletters (61.9%) and direct mail (60.9%) are valuable to them. Of note, a decreased frequency of respondents (-13.1 percentage points) reported SELCO's direct mail being a valuable communication method.

Now, I would like you to rate the value of the following communication methods provided by SELCO Electric; for each following please tell me if you believe this method is very valuable, somewhat valuable, not very valuable, or not at all valuable. (Total "valuable")

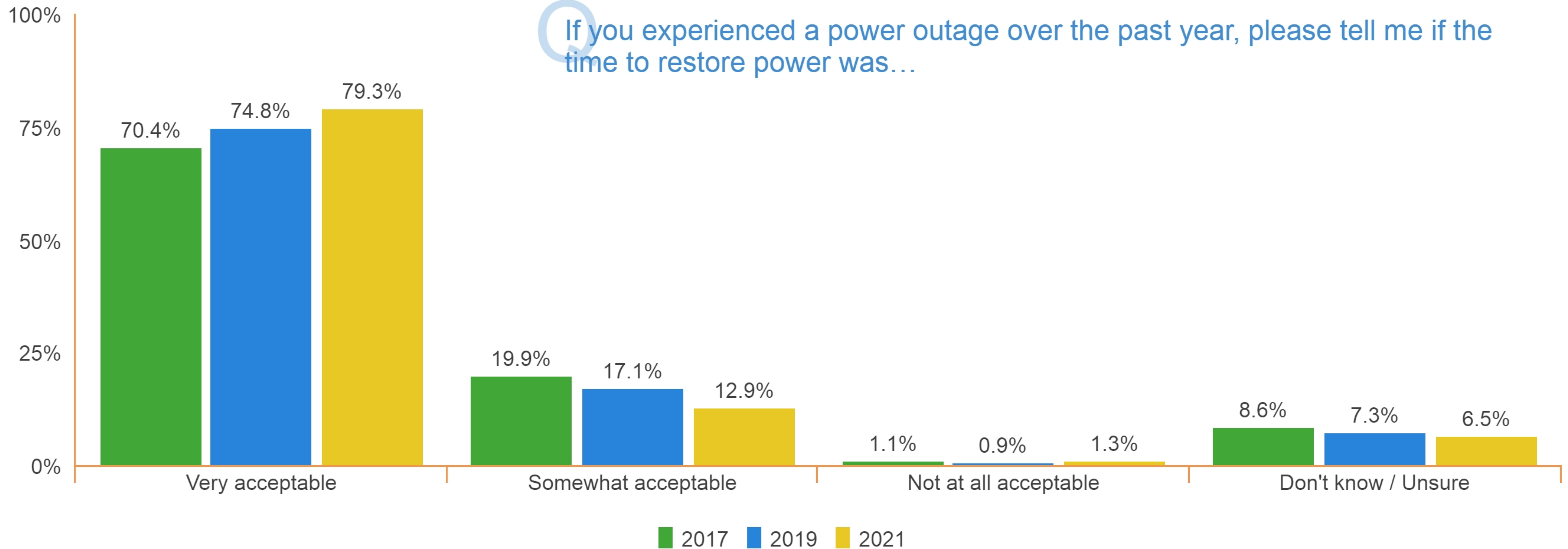


*"Television advertisements" were not asked about in the 2019 survey

Outage Restoration Time is Acceptable

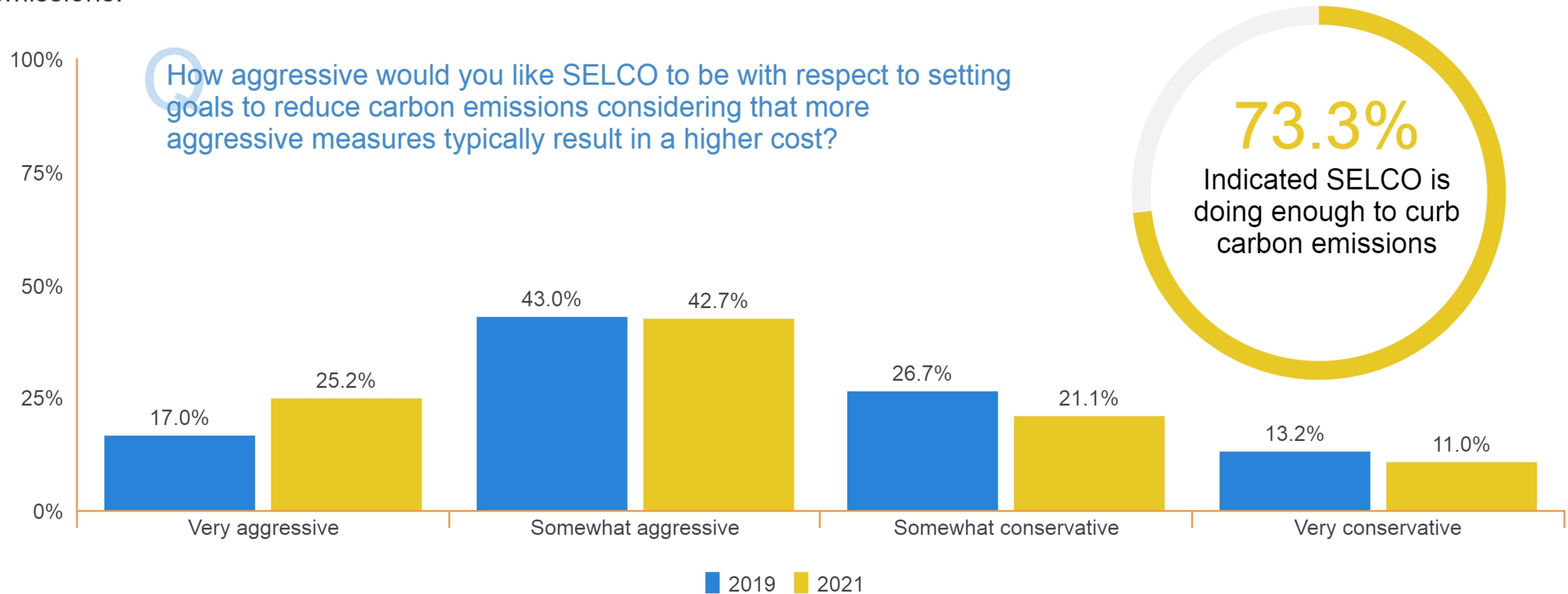
Of the 232 surveyed customers who reported experiencing a power outage over the past year, the majority, 92.2%, reported the time to restore power was either "very acceptable" (79.3%) or "somewhat acceptable" (12.9%), while only 1.3% of respondents indicated the time to restore power was "not at all acceptable."

If you experienced a power outage over the past year, please tell me if the time to restore power was...



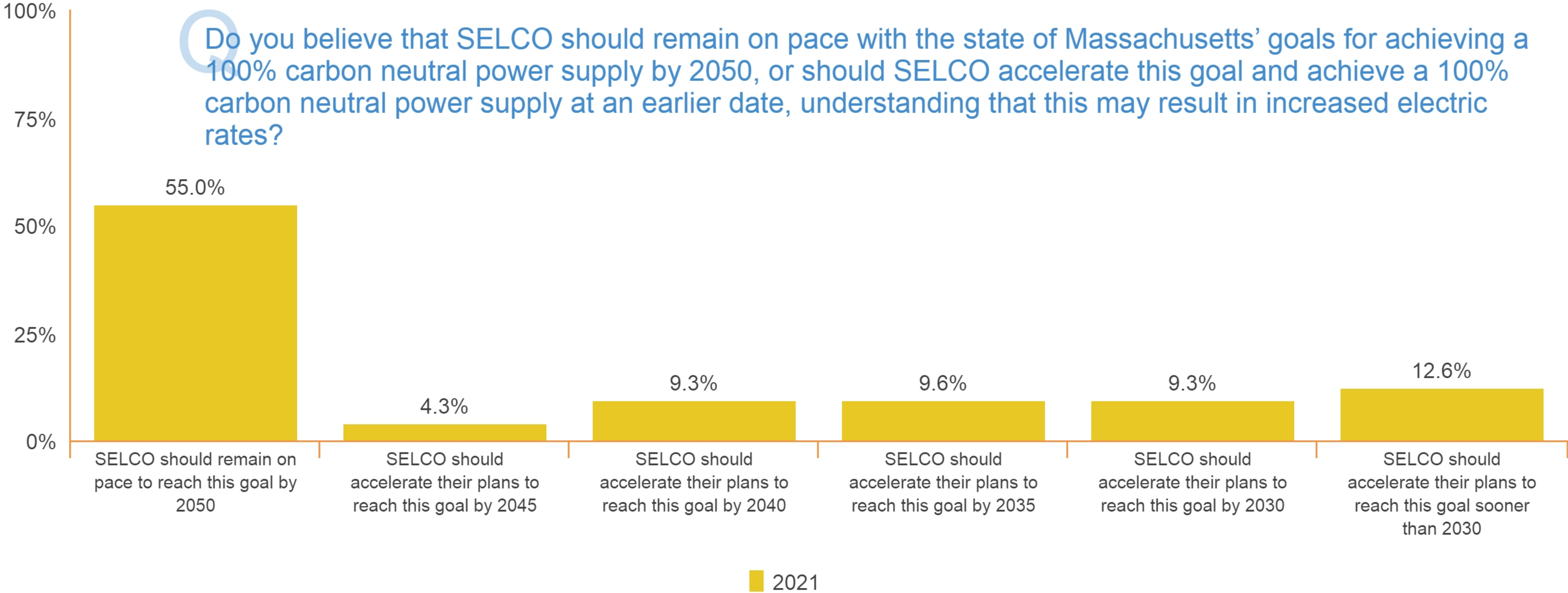
Seek Aggressive Actions to Reduce Carbon Emissions

An increased frequency of respondents (67.9% over 48.3% in 2019) reported they would like SELCO to be "very aggressive" or "somewhat aggressive" with respect to setting goals to reduce carbon emissions, considering this would result in a higher cost for the customer. Nearly three-quarters of respondents (73.6%) reported SELCO is currently doing enough to curb carbon emissions.



Plans to Reach Net-Zero Emissions Exceeding Expectations

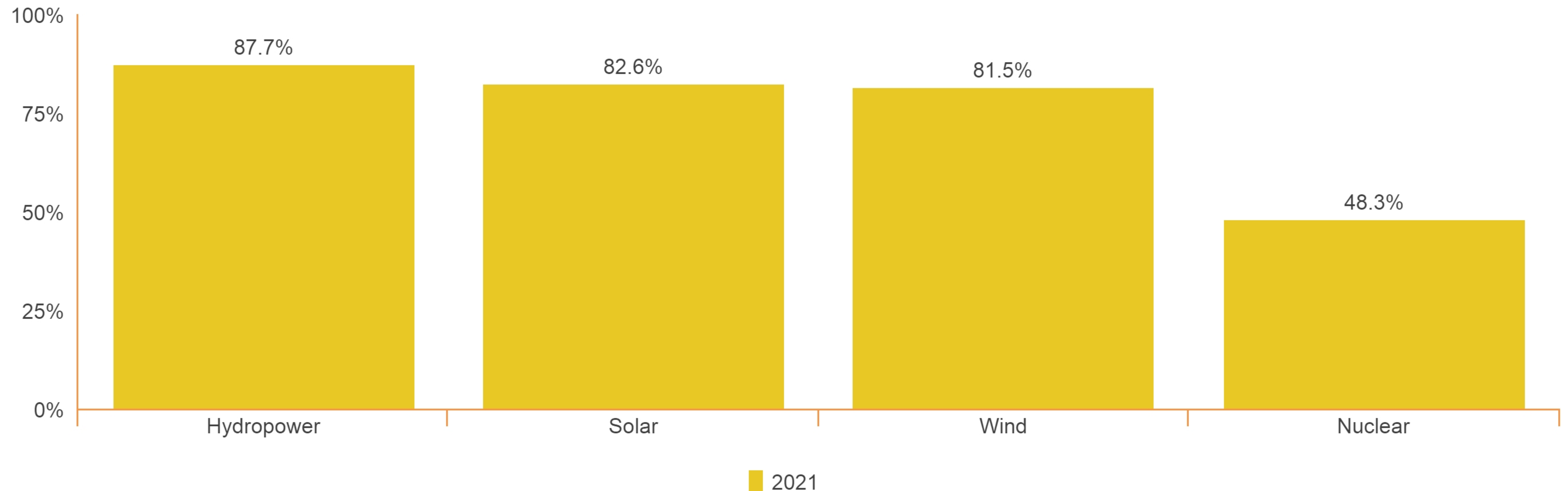
Over one-half of respondents (55.0%) indicated SELCO should remain on pace with the state of Massachusetts' goals for achieving a 100% carbon neutral power supply by 2050. However, nearly one-third of respondents (31.5%) reported they would like to see SELCO reach Net-Zero emissions by 2035 or sooner. SELCO's plan to reach Net-Zero emissions by 2032 meets or exceeds customer expectations.



Favor Hydropower Most of Generation Sources

After reading descriptions of several generation sources that are important to SELCO's clean energy future, the majority of surveyed customers (87.7%) indicated they have a favorable opinion of hydropower. Further, over four-fifths of respondents reported having a favorable opinion of solar (82.6%) or wind (81.5%), while fewer surveyed customers (48.3%) indicated having a favorable opinion of nuclear.

Each of the generation sources below are carbon free and are an important part of SELCO's clean energy future. How do you view each of these resources using a scale of one to five where one (1) is "favorable" and five (5) is "unfavorable." (Total "favorable" ratings of 1 and 2)



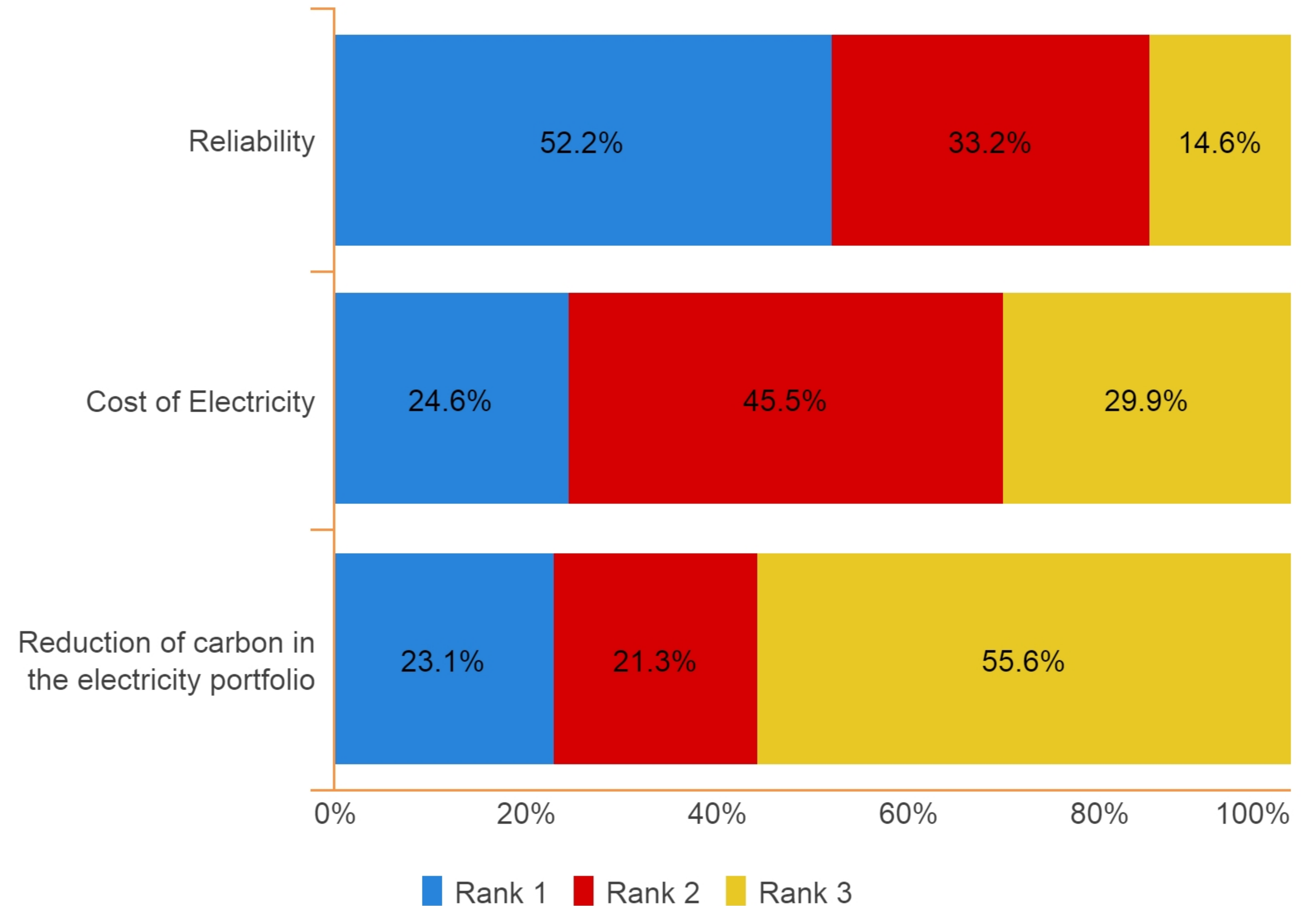
Reliability Most Important to Customers

When ranking the importance of topics pertaining to their electric service, over one-half of respondents (52.2%) ranked reliability first in priority, and one-third (33.2%) ranked it second in priority.

Further, one-quarter of surveyed customers (24.6%) ranked the cost of electricity first in importance, and a similar frequency ranked the reduction of carbon in the electricity portfolio first in priority. Of note, an increased frequency of respondents ranked the reduction of carbon in the electricity portfolio first (23.1% over 12.9% in 2019).

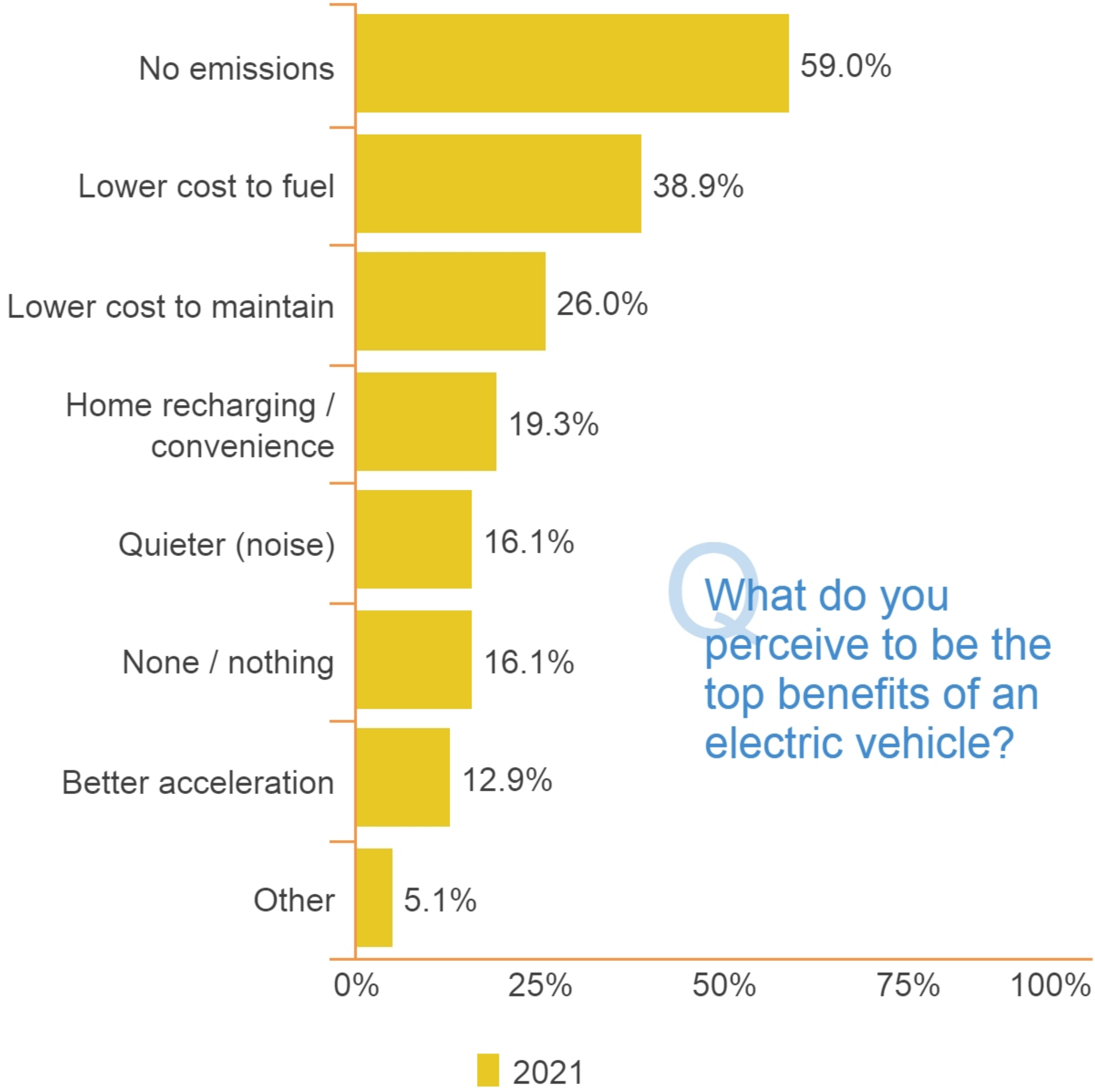
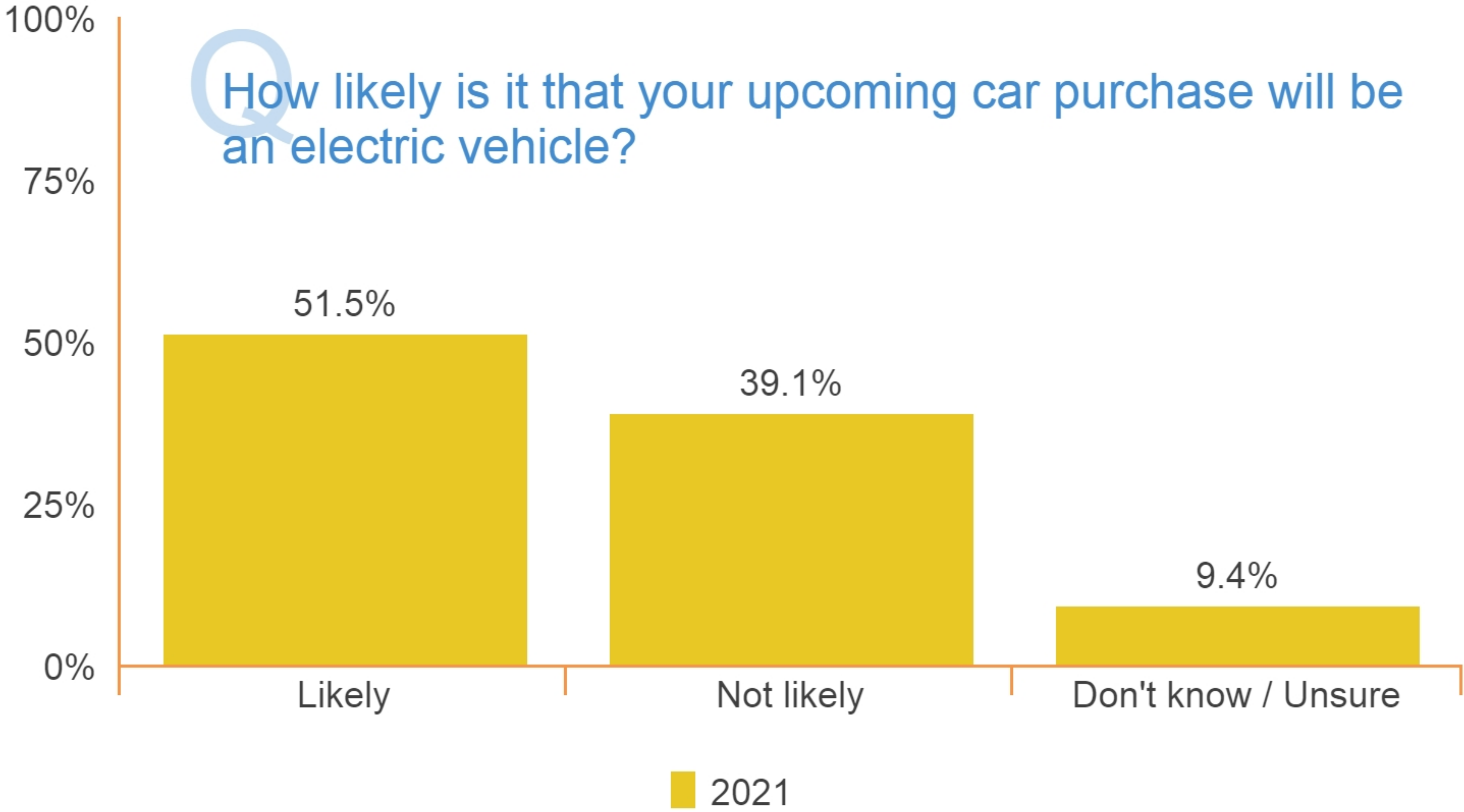
On average, 15.7% of customers of MEAM utilities rank the reduction of carbon in the electricity portfolio first.

Q Municipal utilities are directly accountable to customers and take customer desires into account in their long-term planning. When it comes to your local electrical service, please rank the following three topics from most important to least important.



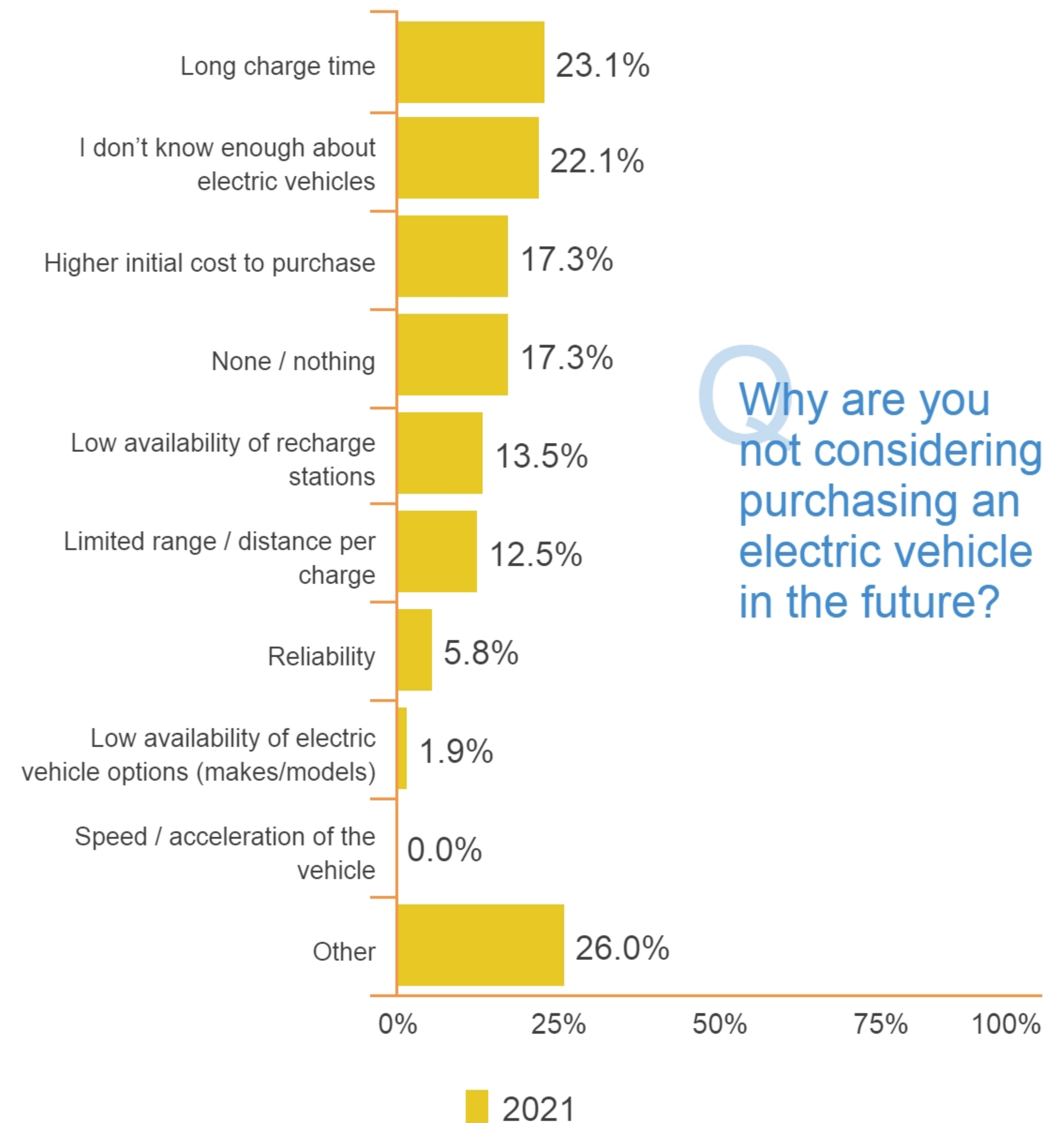
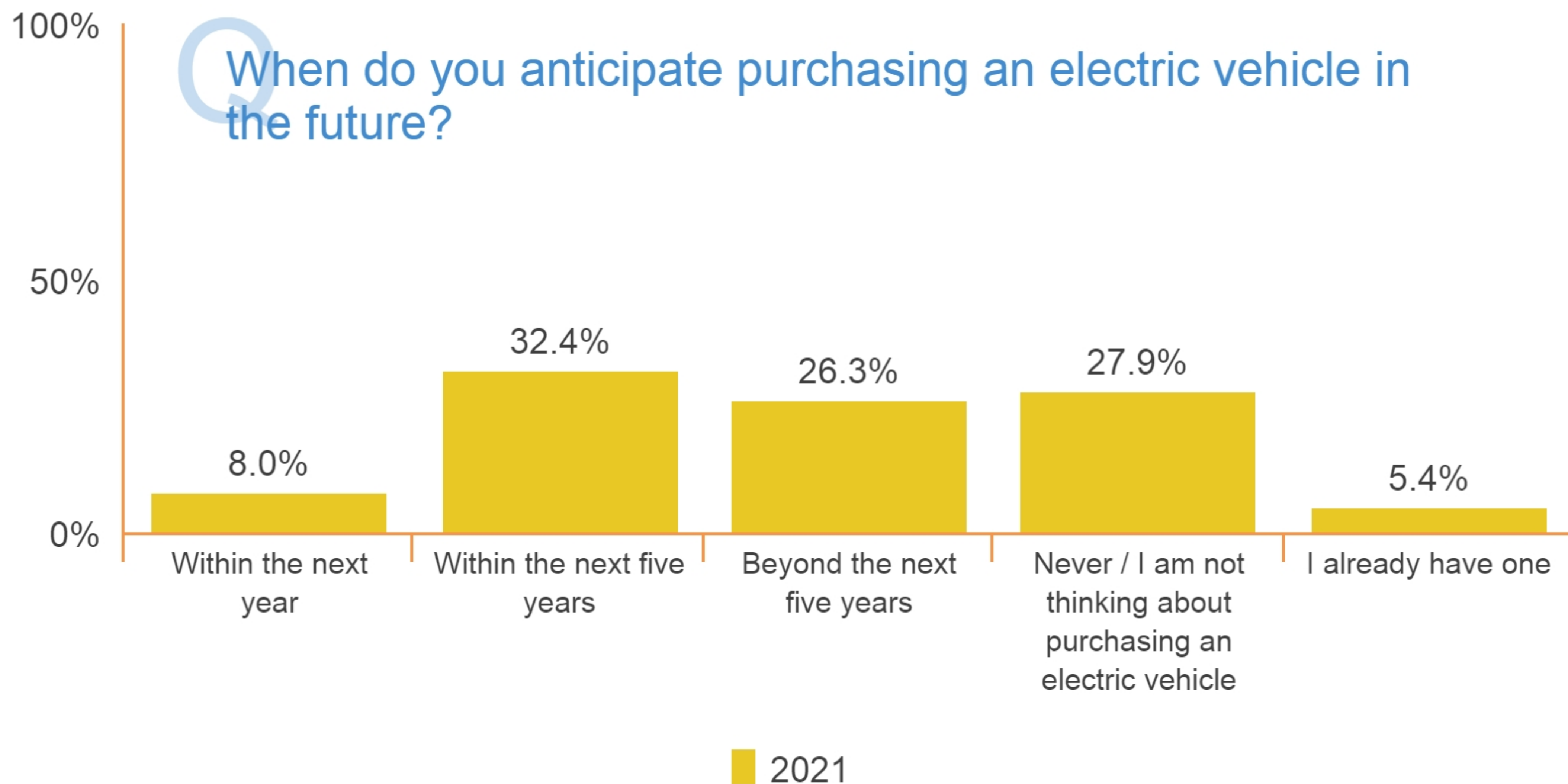
One-half Likely to Purchase Electric Vehicle Next

Over one-half of surveyed customers (51.5%) indicated it is likely that their upcoming car purchase will be an electric vehicle. Roughly three-fifths of respondents (59.0%) reported a top benefit of electric vehicles is that they have "no emissions," and nearly two-fifths (38.9%) indicated a top benefit is the "lower cost to fuel." Other reported benefits of electric vehicles are the "lower cost to maintain" (26.0%) and "home recharging / convenience" (19.3%).



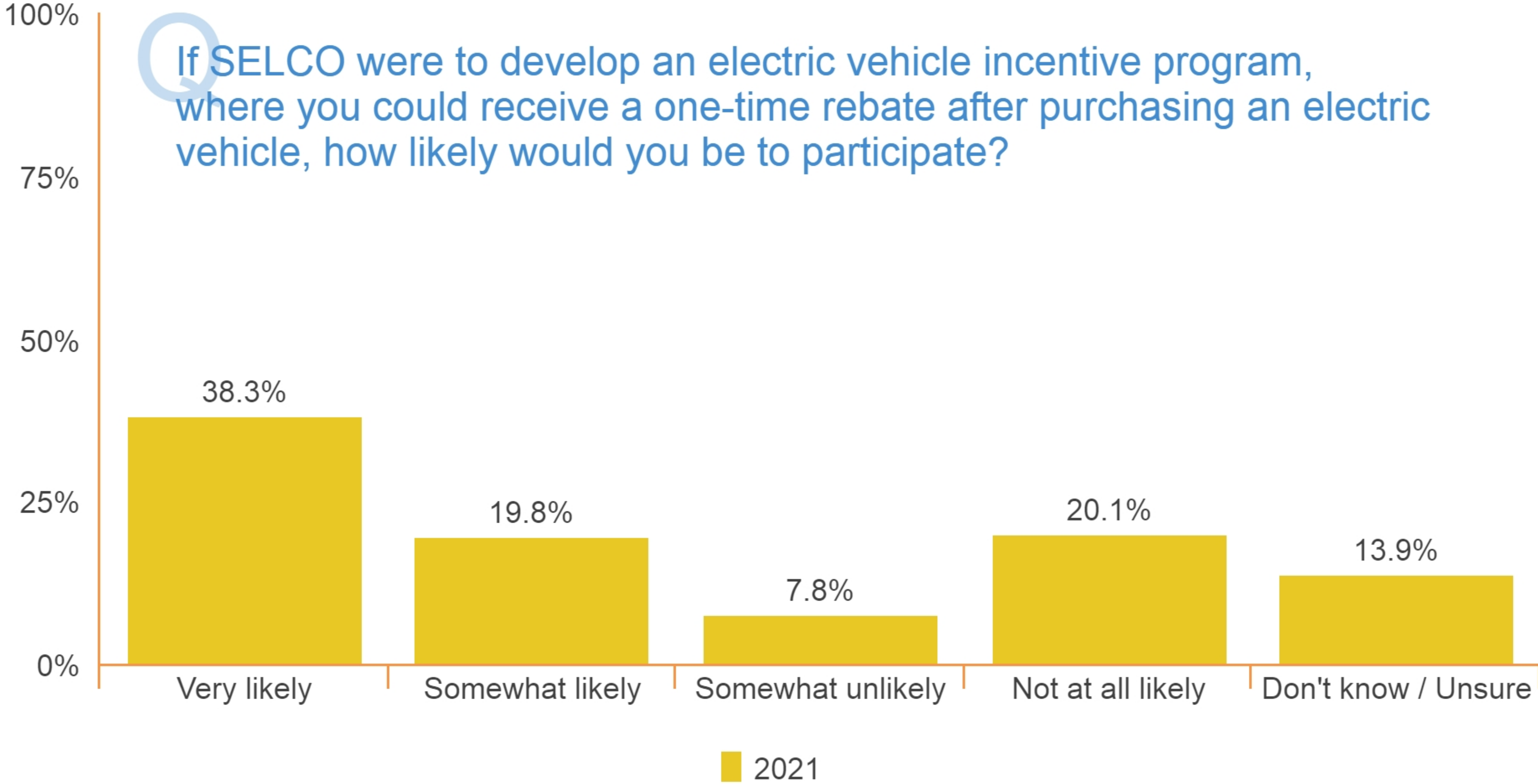
Majority Plan to Purchase Electric Vehicle in Future

Two-fifths of respondents (40.4%) indicated they anticipate purchasing an electric vehicle "within the next year" (8.0%) or "within the next five years" (32.4%) and over one-quarter reported they will purchase one "beyond the next five years," while a similar frequency (27.9%) indicated they are "not thinking about purchasing an electric vehicle." Those who are not considering a future electric vehicle purchase primarily reported this is because of the "long charge time" (23.1%), they "don't know enough about electric vehicles" (22.1%) and the "higher initial cost to purchase" (17.3%).

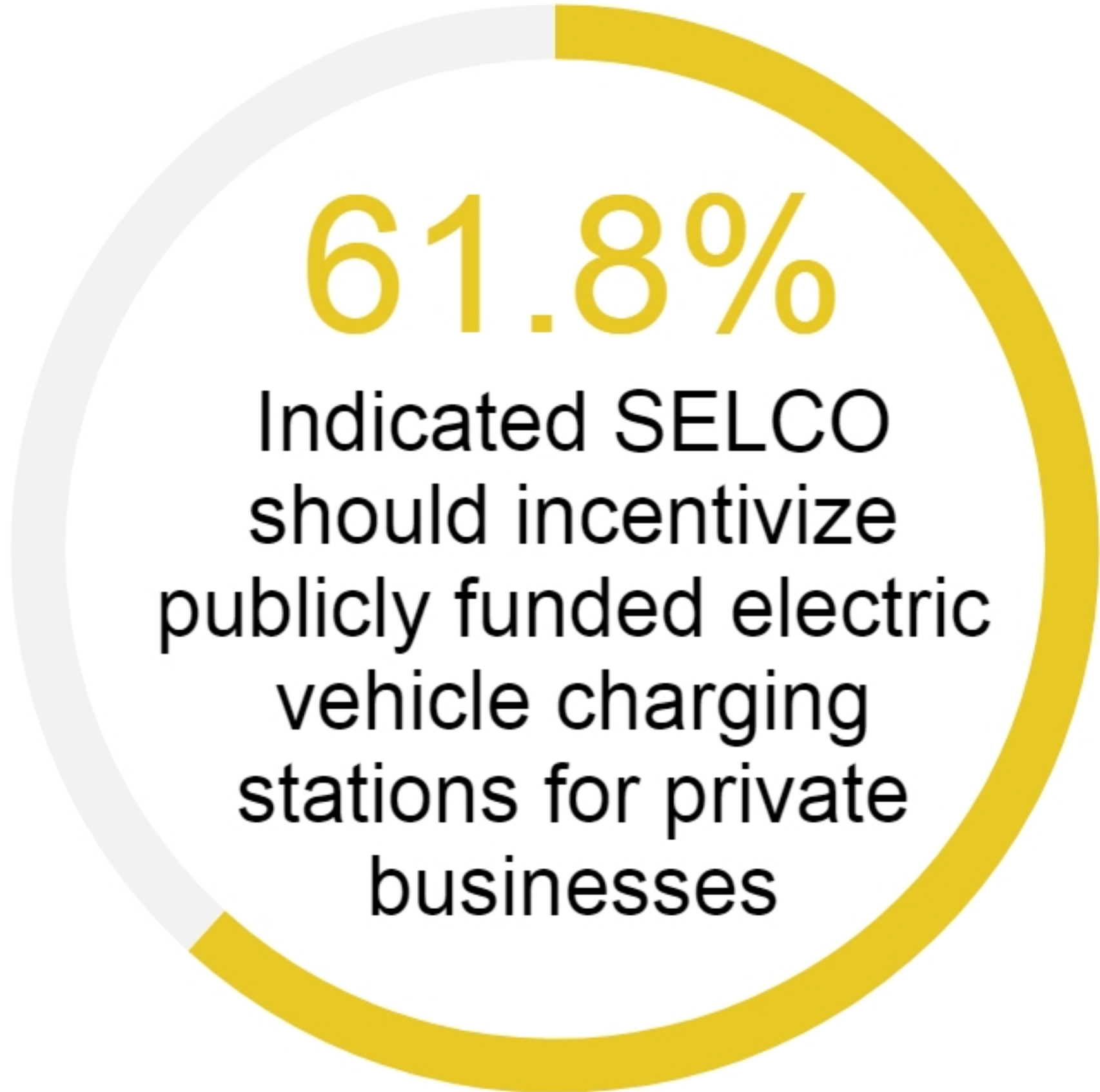


Likely to Enroll in Electric Vehicle Incentive Program

Nearly three-fifths of surveyed customers, 58.1%, indicated they would be "very likely" (38.3%) or "somewhat likely" (19.8%) to participate in an electric vehicle incentive program with SELCO. Additionally, over three-fifths of respondents (61.8%) reported SELCO should incentivize publicly funded electric vehicle charging stations for private businesses.

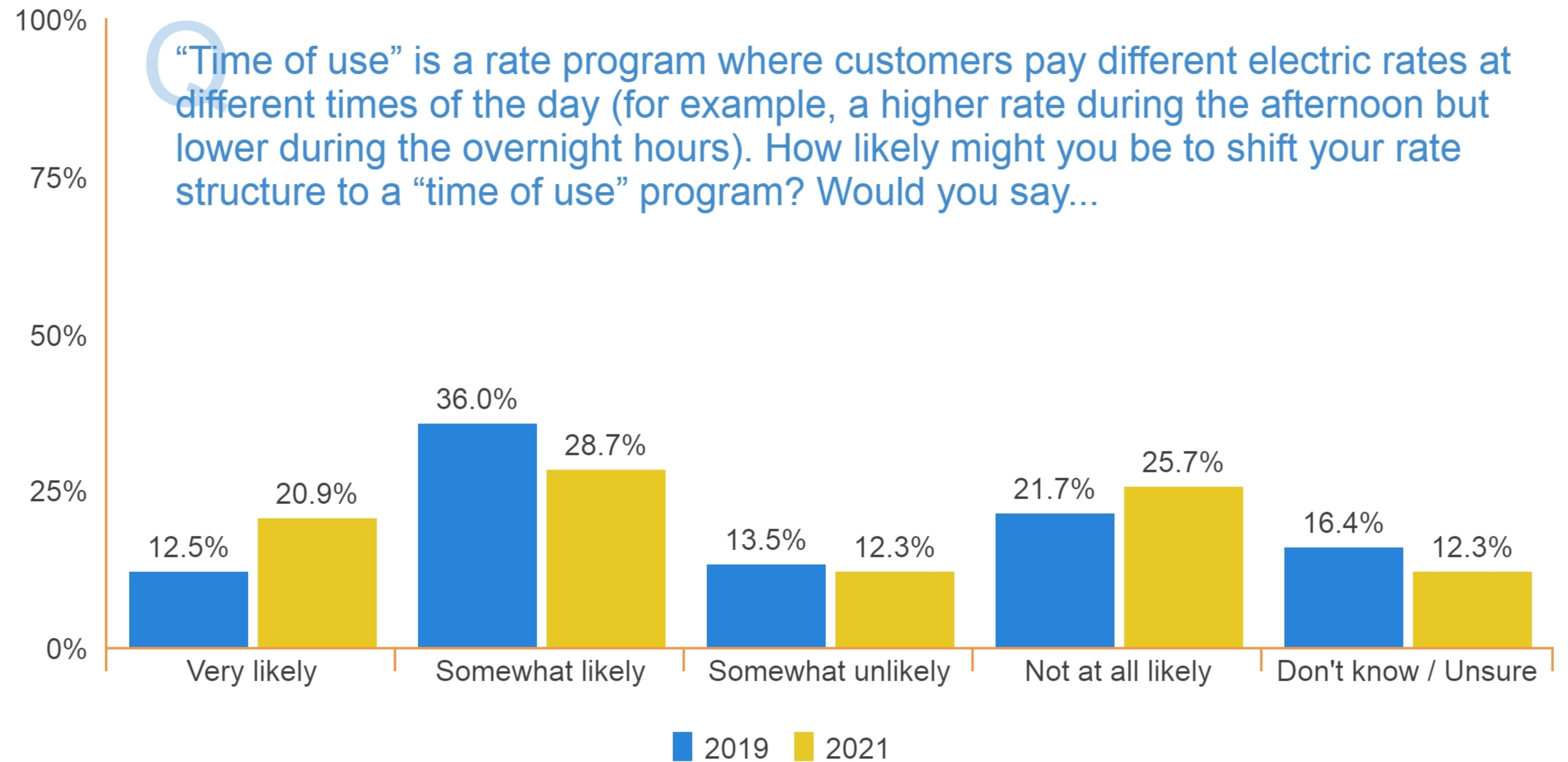
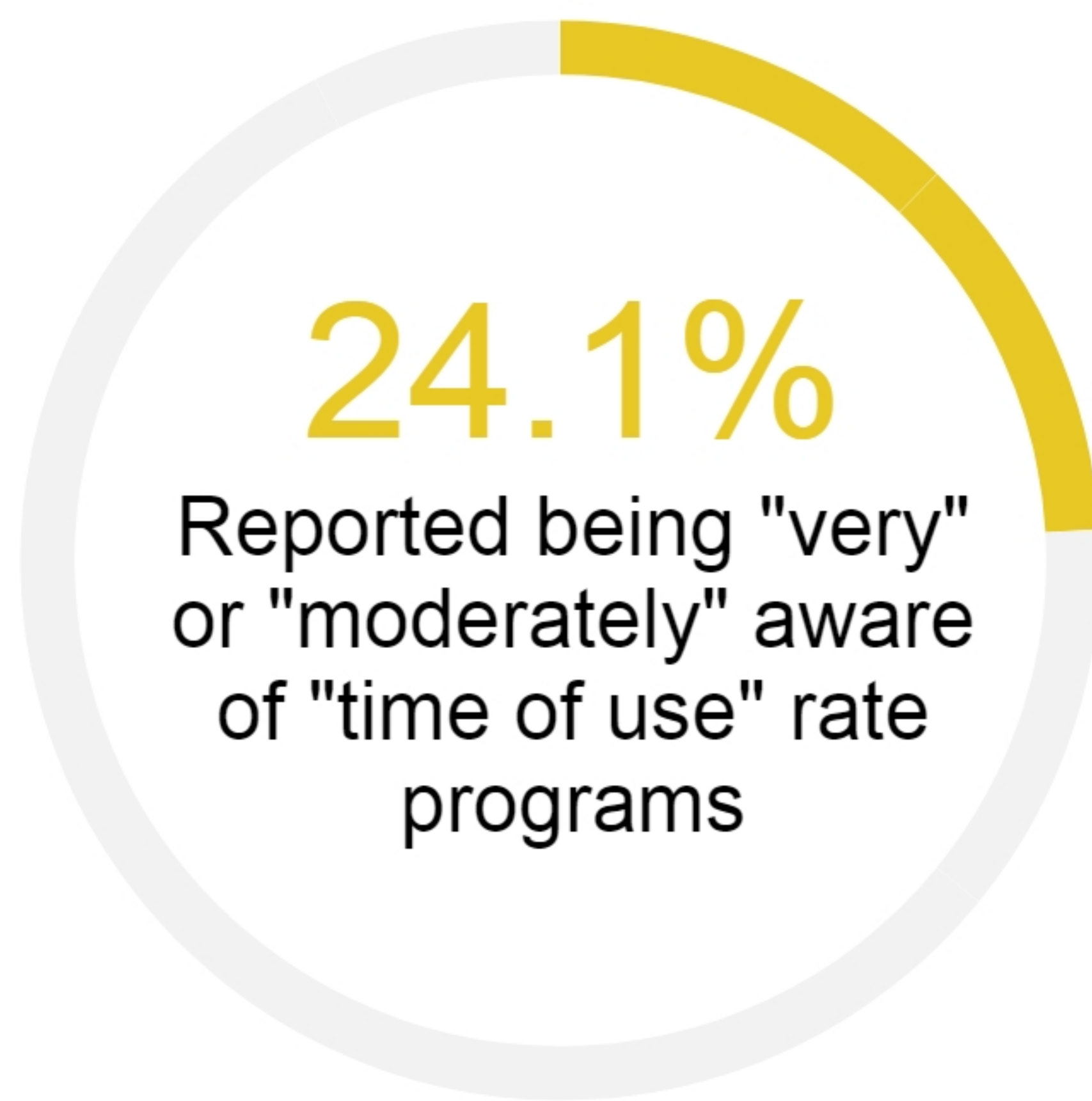


If SELCO were to develop an electric vehicle incentive program, where you could receive a one-time rebate after purchasing an electric vehicle, how likely would you be to participate?



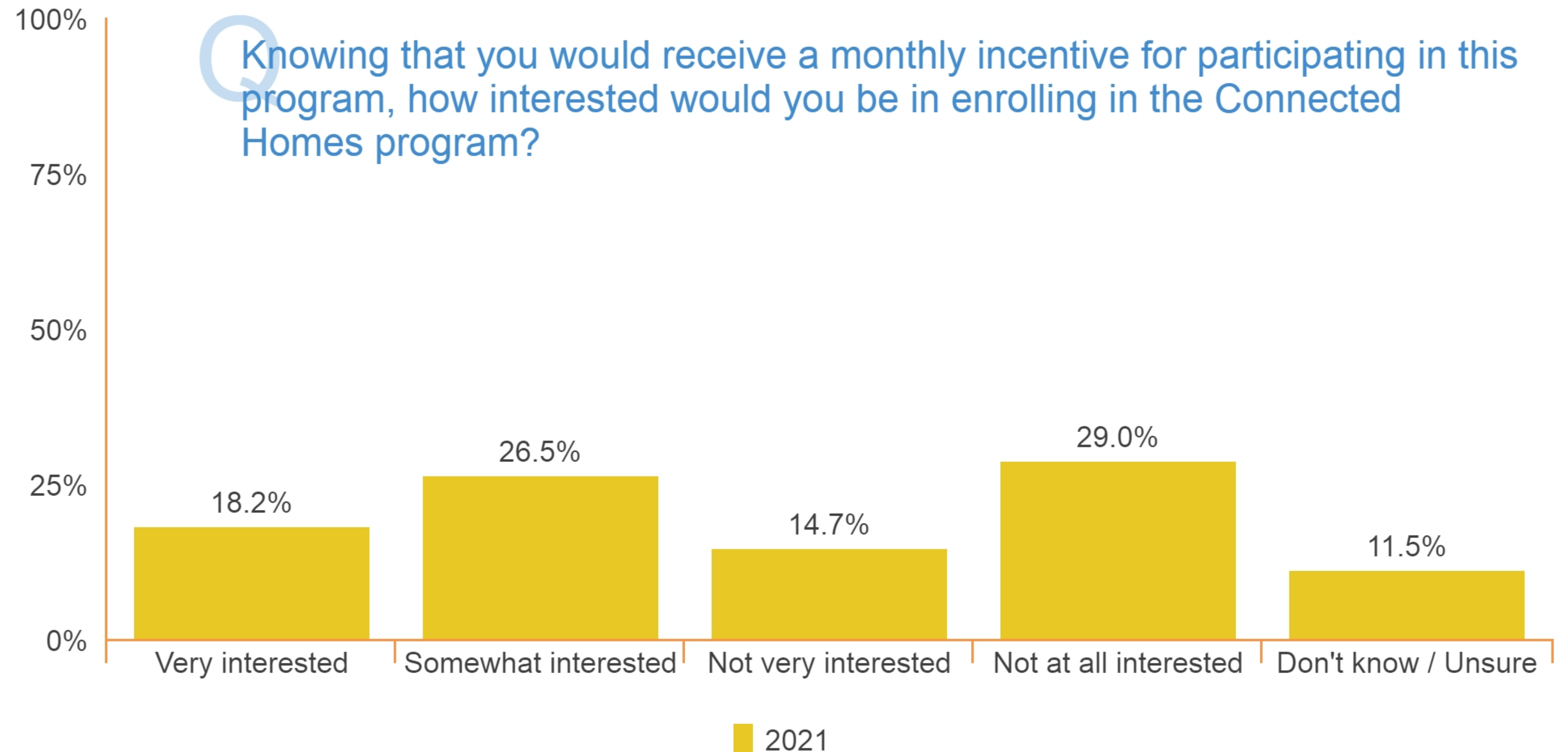
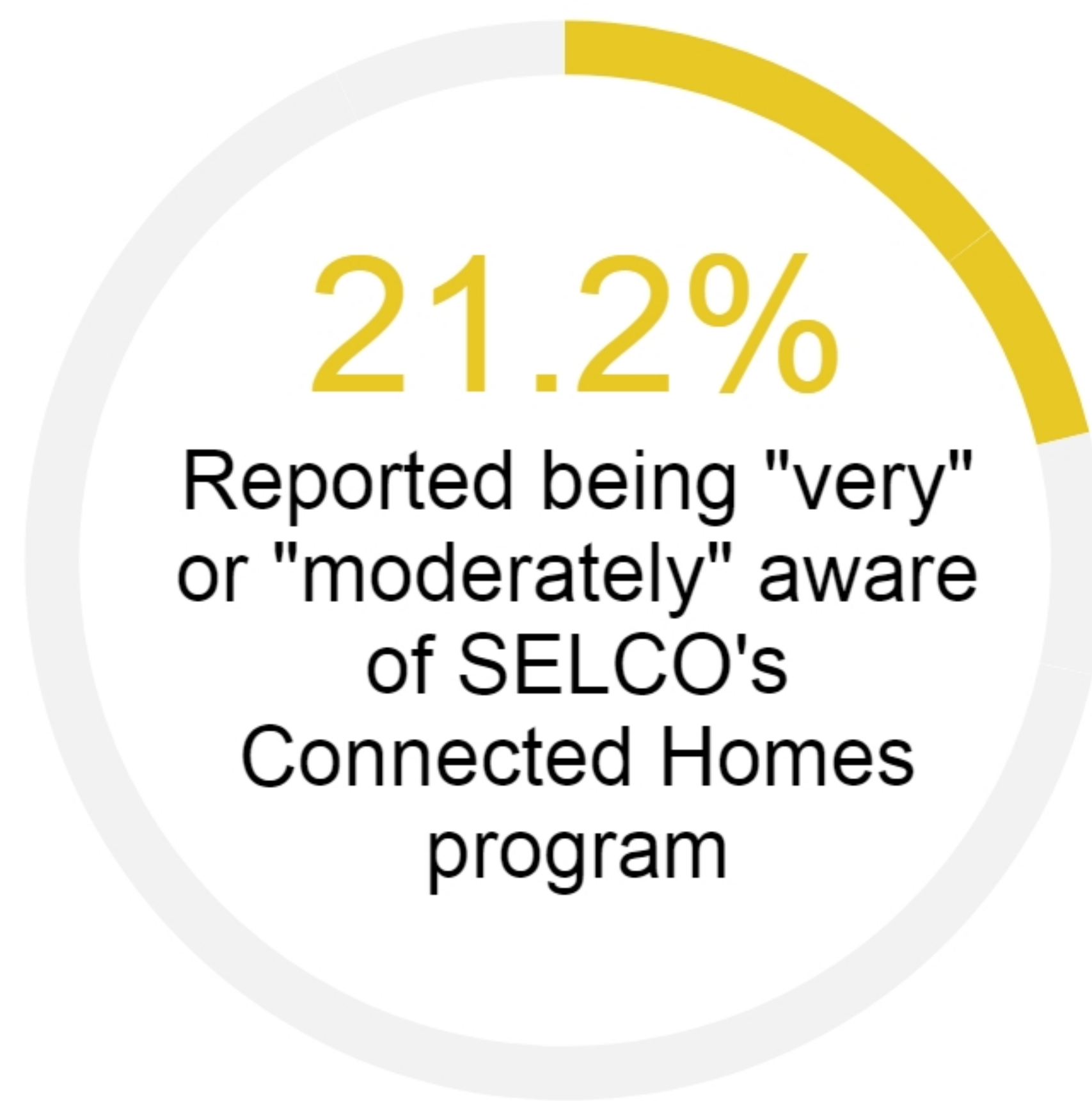
Some Likely to Shift to Time of Use Rate

Nearly one-quarter of respondents (24.1%) reported being either "very aware" or "moderately aware" of "time of use" rates. Further, roughly one-half of surveyed customers, 49.6%, indicated they are either "very likely" (20.9%) or "somewhat likely" (28.7%) to shift their rate structure to a "time of use" program in the future (up from 48.5% in 2019). However, one-quarter of respondents (25.7%) reported they are "not at all likely" to shift to a "time of use" rate program.



Interested in Connected Homes Program

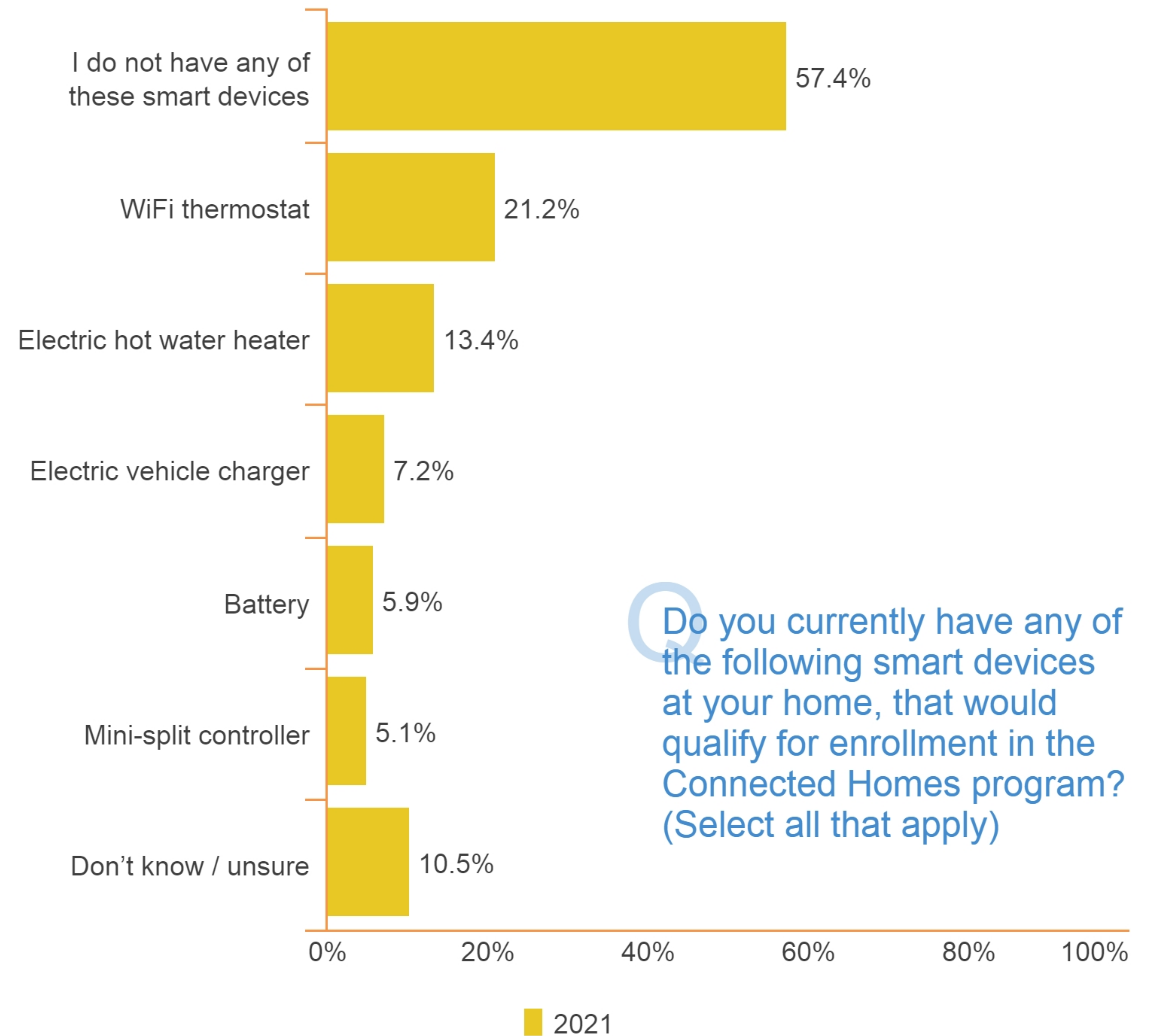
Over one-fifth of respondents (21.2%) reported being either "very" or "moderately" aware of SELCO's Connected Homes program, introduced in January 2021. Awareness of programs introduced to residential customers by public power utilities is generally around 50.0%, but this differs depending on how recently the program was launched, customers that qualify to participate in the program, and the nature of the program itself. However, knowing that they would receive a monthly incentive for participating in this program, more than two-fifths of surveyed customers, 44.7%, were either "very interested" (18.2%) or "somewhat interested" (26.5%) in enrolling in the Connected Homes program, while 29.0% indicated they are "not at all interested."



Most Do Not Have Devices for Connected Homes Program

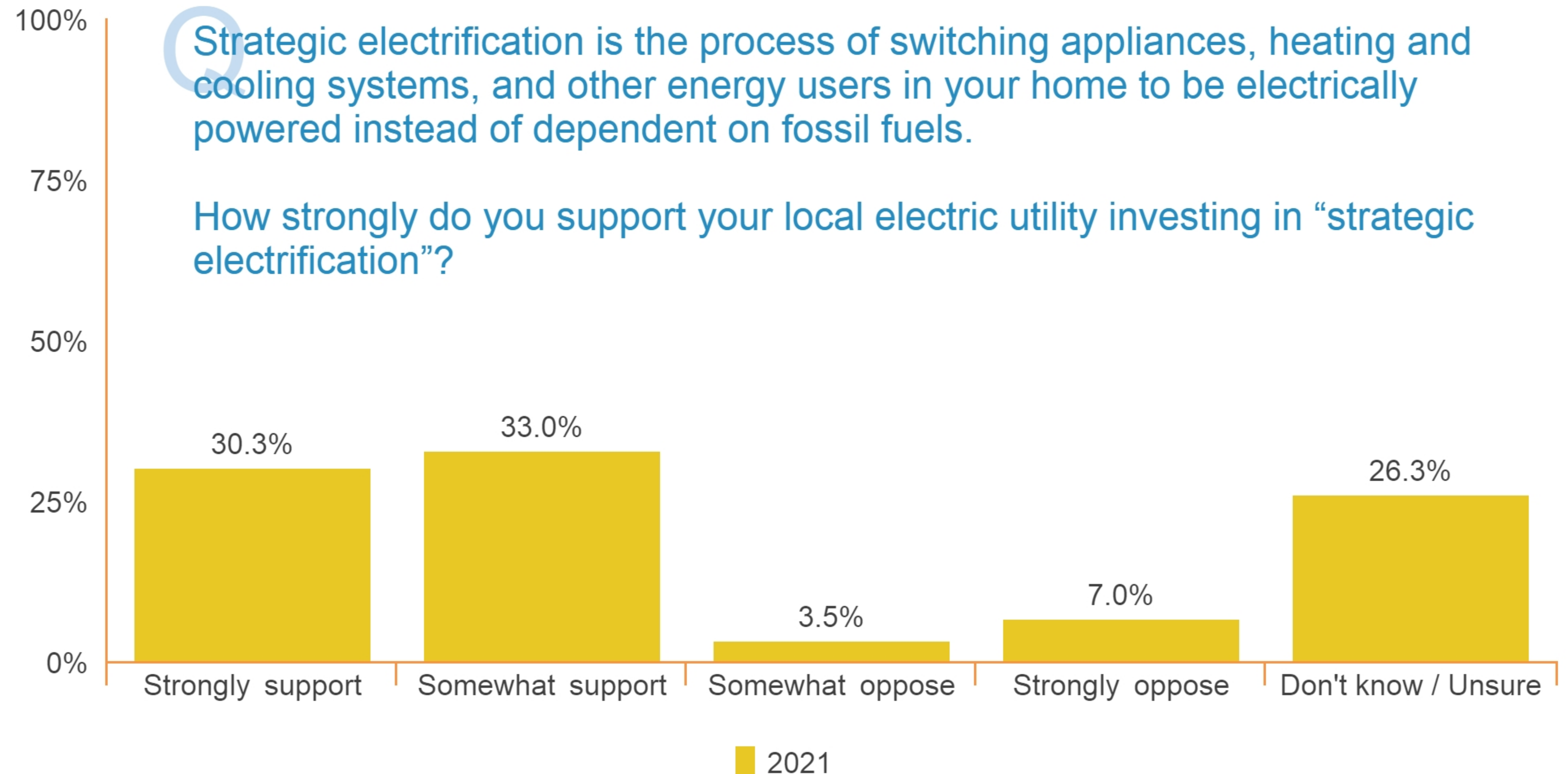
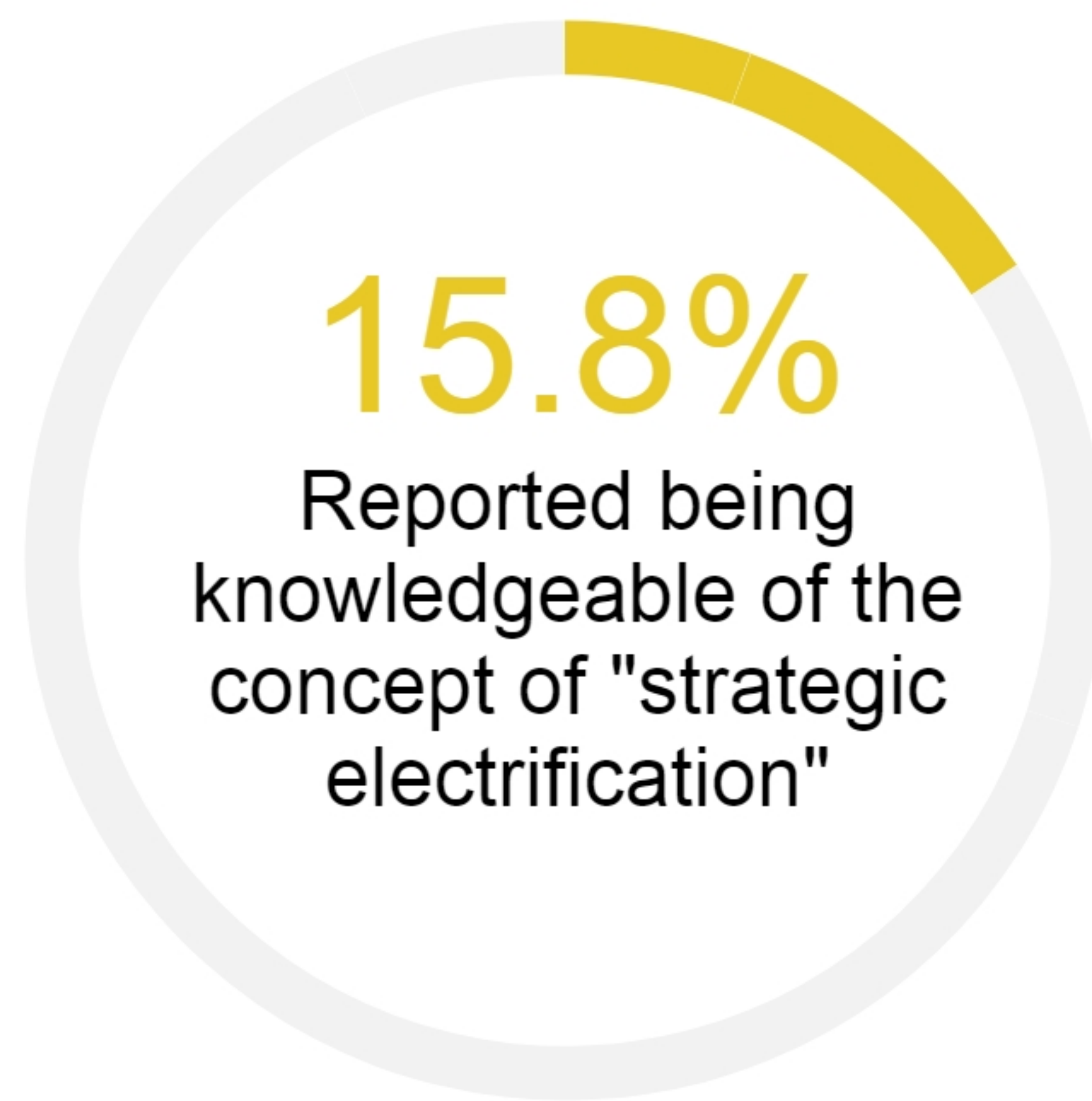
While nearly three-fifths of surveyed customers (57.4%) reported they do not have any of the smart devices at their home that would qualify for enrollment in the Connected Homes program, over one-fifth of respondents (21.2%) reported having a "WiFi thermostat" in their home.

Further, 13.4% indicated they have an "electric hot water heater" and 7.2% reported having an "electric vehicle charger" at their home.



Few Are Knowledgeable of Strategic Electrification

Less than one-in-six surveyed customers (15.8%) reported being either "very" or "somewhat" knowledgeable of the concept of "strategic electrification." However, after hearing a description, over three-fifths of respondents, 63.3%, indicated they either "strongly support" (30.3%) or "somewhat support" (33.0%) SELCO investing in "strategic electrification," while over one-quarter (26.3%) reported they are unsure of their support or opposition for this process.



Agree Strategic Electrification Will Reduce Environmental Impact and Improve Health

Nearly three-fifths of respondents agreed that "'strategic electrification' will help me reduce my environmental impact" (57.1%) and "'strategic electrification' will improve the health of myself and those around me" (57.1%). However, fewer surveyed customers (42.9%) agreed that "'strategic electrification' will help me save money overall."

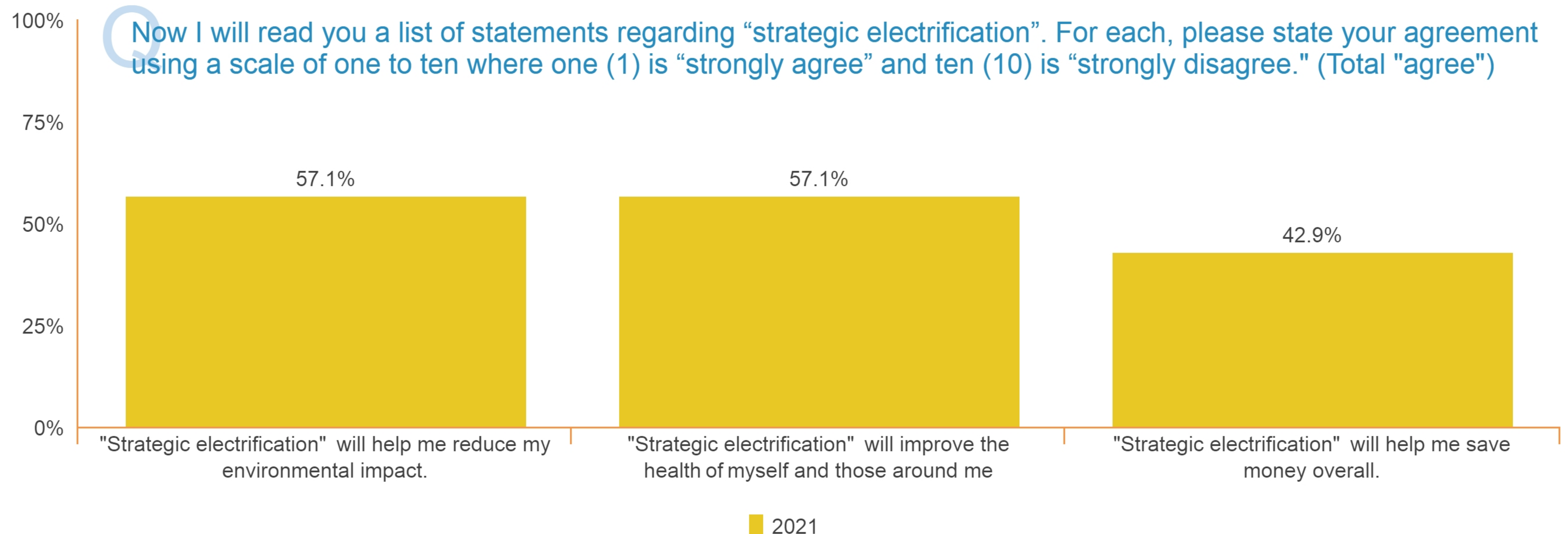


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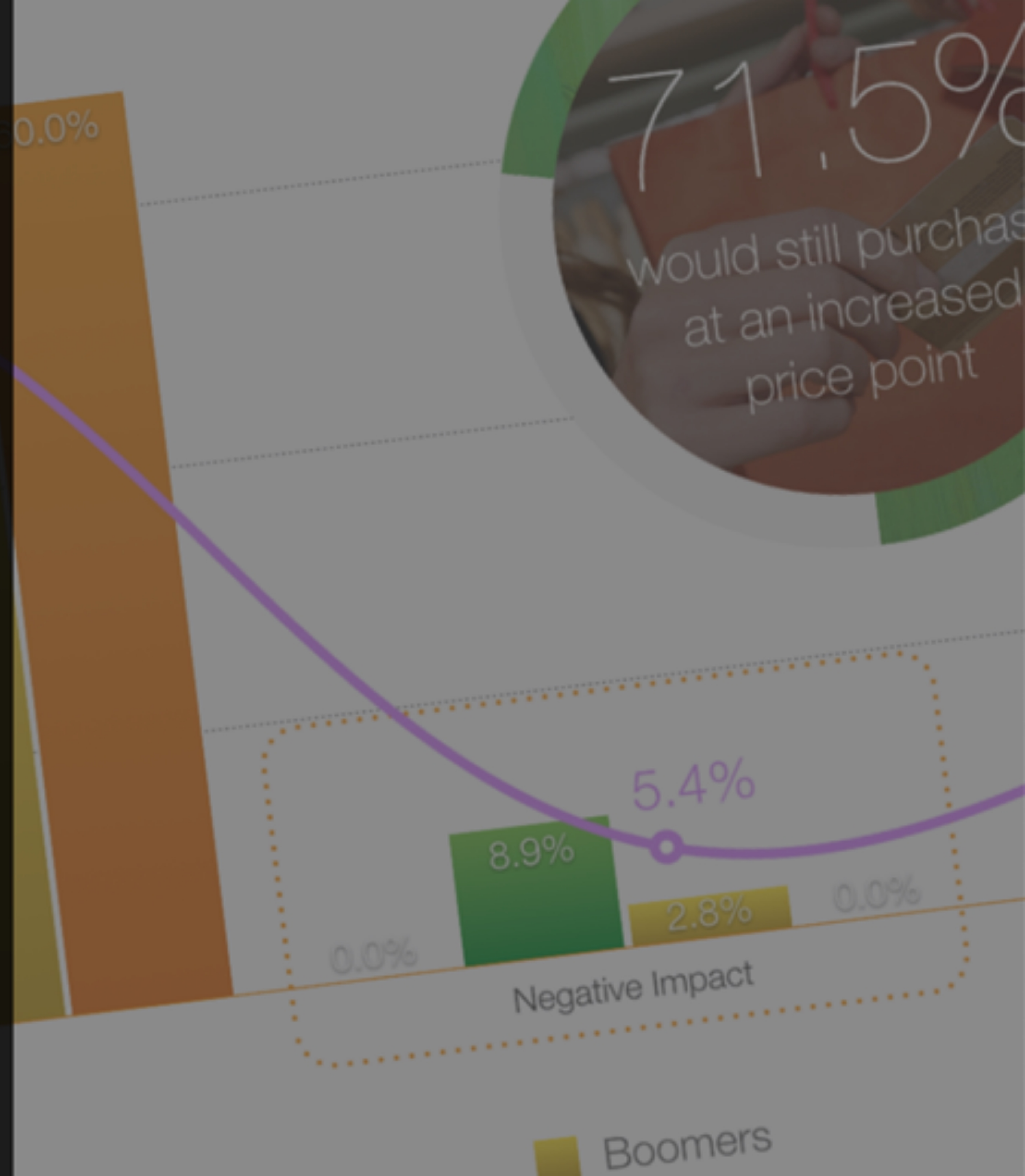
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Considerations

- **Educate customers of the benefits of enrolling in the Connected Homes program.** Only roughly one-fifth of surveyed customers reported awareness of SELCO's Connected Homes program. Further, while over two-fifths of respondents reported they are interested in enrolling in the Connected Homes program, over one-half of surveyed customers are either not interested or are unsure of their interest in enrolling in the program. In order to build awareness of the Connected Homes program and encourage greater participation in the program, it is recommended that SELCO develop additional educational materials that specifically explain the benefits of enrolling in the Connected Homes program, such as the incentive received for participating, cost savings customers may experience from participating in the program, and the overall environmental impact of making these small adjustments to customers' WiFi connected devices. This may help create stronger awareness that such a program exists, and build interest in the program knowing there are financial rewards for doing so, and that it is beneficial to the greater community.
- **Focus on building support for strategic electrification.** Only 15.8% of respondents reported being knowledgeable of the concept of "strategic electrification," and while over three-fifths of surveyed customers reported supporting SELCO investing in "strategic electrification," over one-quarter were unsure if they support or oppose these initiatives. Seeing as customers' knowledge of "strategic electrification" is limited, and that many are unsure if they support or oppose SELCO investing in this process, it is suggested that SELCO work to build customer support for "strategic electrification" by educating customers about the process behind "strategic electrification," as well as examples of this concept such as electric vehicles and heat pumps, as this will likely help customers better visualize the process and make a more educated decision of their support or opposition for any "strategic electrification" initiatives SELCO introduces.

Considerations

- **Promote benefits of nuclear relative to other generation sources.** When rating their favorability of several generation sources that are part of SELCO's clean energy future, less than one-half of respondents provided "favorable" ratings for nuclear, while over four-fifths of respondents provided favorable ratings for hydropower, wind and solar. In order to develop a more favorable perception of nuclear in comparison with other generation sources, it is recommended that SELCO educate customers of the benefits of nuclear, such as that it has high reliability and provides inexpensive carbon free power. It may be beneficial to display the benefits of nuclear in comparison with other generation sources in the form of a chart, that includes information such as the cost to operate / install, its reliability, and the degree to which it reduces carbon in the atmosphere. This chart may help customers better visualize the benefits and drawbacks of generation sources in comparison with one another, and further help customers see the areas where nuclear is more beneficial than hydropower, solar and wind.
- **Introduce an electric vehicle incentive program.** Over one-half of surveyed customers reported it is likely their upcoming car purchase will be an electric vehicle, and further, two-fifths of respondents indicated they are likely to purchase an electric vehicle within the next five years. Given the interest in an electric vehicle purchase among customers, it is recommended that SELCO explore options for offering an incentive to customers for purchasing an electric vehicle, namely because nearly three-fifths of respondents reported they would be interested in participating in such a program. Offering such an incentive program may help to build further interest in electric vehicles, knowing that customers could receive a financial reward for doing purchasing one.

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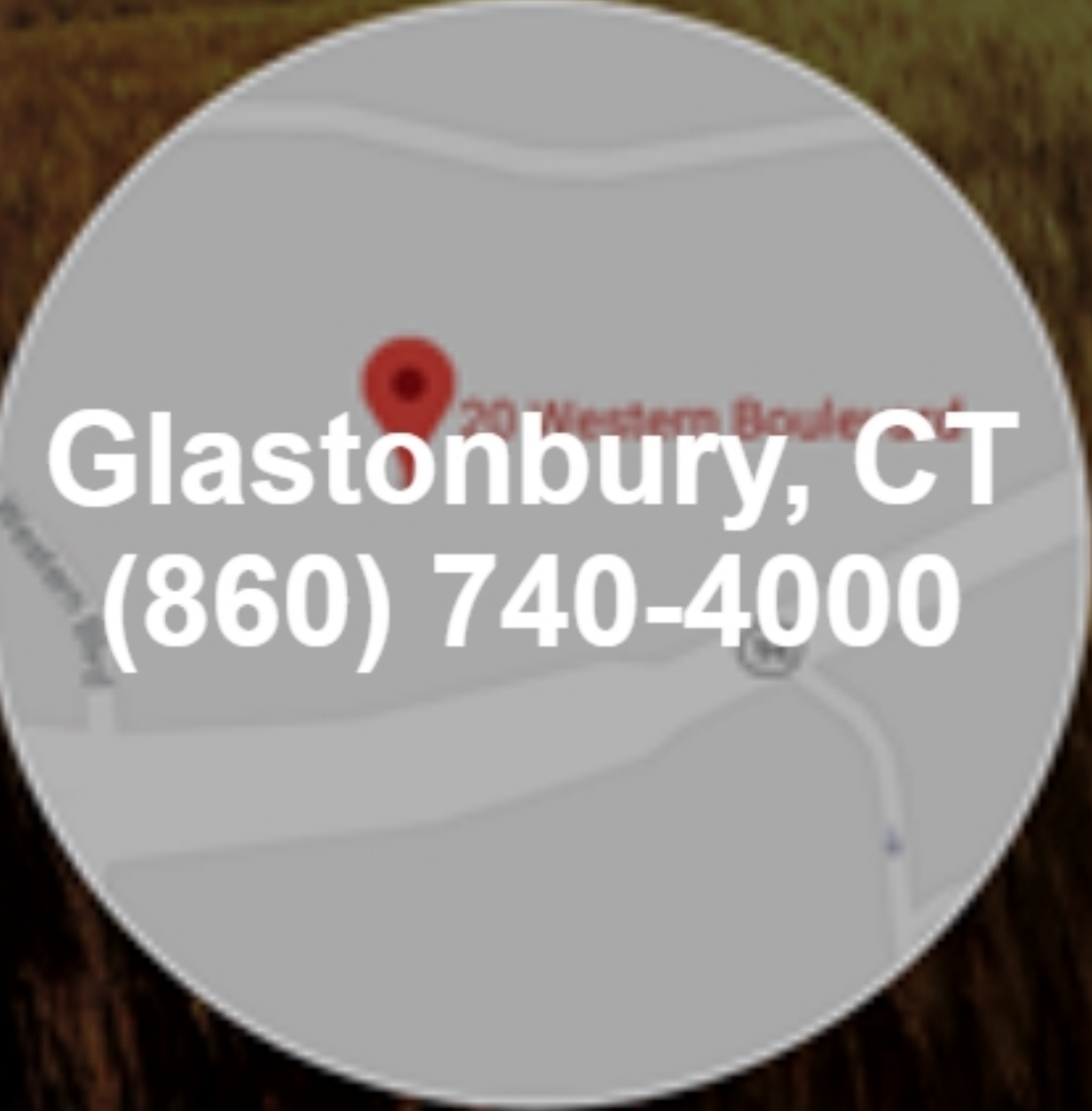
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