

Press Release

J.D. Power and Associates Reports:

Deregulation of Texas Retail Electric Market Leads to Increasingly Satisfied Customers.

Texas Electric Customers Are Now More Satisfied With Electric Retailers than With Regulated Utilities

<u>Champion Energy Services Ranks Highest in Customer Satisfaction with</u>
Texas Residential Retail Electric Service Providers for a Third Consecutive Year

WESTLAKE VILLAGE, Calif.: 15 August 2012 — Customers in Texas who are able to choose their electric provider are increasingly more satisfied with their provider than are those who do not have a choice, according to the J.D. Power and Associates 2012 Texas Residential Retail Electric Provider Customer Satisfaction StudySM released today.

The study, now in its fifth year, measures <u>customer satisfaction with retail electric service providers in Texas</u> by examining four key factors (listed in order of importance): price; billing and payment; communications; and customer service.

Overall satisfaction among residential customers of electric retailers in Texas is 678 (on a 1,000-point scale), an increase of 44 points from 2010. This is the highest level since the study was first published in 2008. Moreover, this is the first time satisfaction among customers with a retail choice of electric providers exceeds both the Texas and U.S. national averages for all factors measured in the study. Among Texas customers with regulated residential electric service, satisfaction is 646. Regionally, satisfaction among customers in the Metropolitan Dallas/Fort Worth area is 677, compared with 681 among those in the Houston area, three points higher than the statewide average.

At the factor level, satisfaction with customer service has increased the most from 2011, up 45 points to 744. Contributing to the significant increase in customer service satisfaction are improvements in call center performance (+47 points) and online customer service (+38). Satisfaction has increased in the other three factors as well: price (+20 points); communications (+19) and billing and payment (+16).

"Many electric retailers in Texas are considering how to better serve their customers when they are contacted," said Andrew Heath, senior director of the energy and utility practice at J.D. Power and Associates. "The large improvements show that electric retailers are putting practices in place that improve satisfaction, which helps retain customers."

Satisfaction is 218 points higher when customers' questions or problems are resolved on the first call, compared with when their questions or problems require two or more calls for resolution (799 vs. 581, respectively). Similarly, online customer service interactions echo the need for quick resolution, as satisfaction with customer service is 800 among customers whose questions or problems are resolved on their first visit to the website, compared with 644 when problem resolution requires two or more visits.

"Customers do not want to spend much time getting an answer or fixing a problem with their bill or service," said Heath. "The dramatic increase in satisfaction for first-contact resolution is a clear indicator that Texas electric companies should strive to quickly resolve issues or questions."

Among customers who are aware of their retailer electric provider's corporate citizenship efforts—such as supporting local organizations or volunteering in the community—satisfaction averages more than 60 points higher than among those who are not aware of such efforts.

 $^{^{1}}$ Source: J.D. Power and Associates 2012 Electric Utility Residential Customer Satisfaction Study SM

Texas Residential Electric Retail Results

Champion Energy Services ranks highest among retail electric utility providers in Texas for a third consecutive year with a score of 756. Champion Energy Services performs particularly well in billing and payment, price and customer service. Following in the rankings are Bounce Energy (745) and StarTex Power (729).

The 2012 Texas Residential Retail Electric Provider Customer Satisfaction Study is based on responses from 7,619 residential customers of electric retailers in Texas. The study was fielded between September 2011 and June 2012.

For more information, view Texas residential retail electric service provider ratings at JDPower.com.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on <u>car reviews and ratings</u>, <u>car insurance</u>, <u>health insurance</u>, <u>cell phone ratings</u>, and more, please visit <u>JDPower.com</u>. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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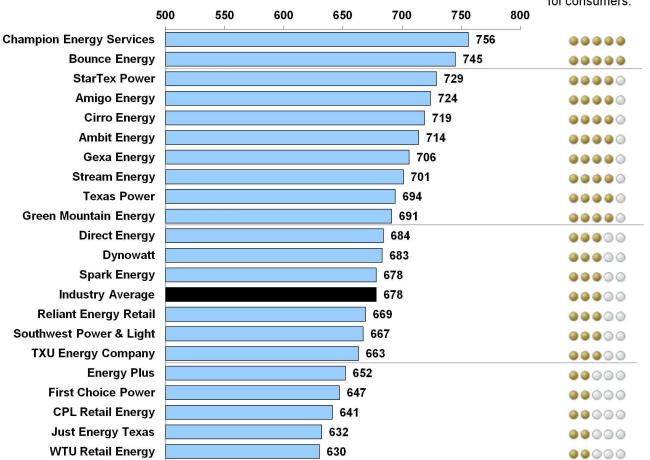
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NOTE: One chart follows.

J.D. Power and Associates 2012 Texas Residential Retail Electric Provider Customer Satisfaction StudySM

Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

JDPower.com
Power Circle Ratings™
for consumers:



Included in the study, but not ranked due to small sample size are APG&E, Brilliant Energy, dPi Energy, Gateway Energy Services, Kinetic Energy, Mega Energy, MX Energy, Nueces Electric Cooperative, Potentia Energy, Tara Energy, Texpo Energy, True Electric, and YEP Energy.

Source: J.D. Power and Associates 2012 Texas Residential Retail Electric Provider Customer Satisfaction StudySM Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2012 Texas Residential Retail Electric Provider Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle Ratings[™] are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.