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## Press Release

### **J.D. Power and Associates Reports: Electric Utilities Improve Customer Satisfaction**

#### Utilities in the South Maintain Power Reliability Ratings, Despite Four Hurricanes in 2004

**WESTLAKE VILLAGE, Calif.: 21 July 2005**—Overall customer satisfaction improves among residential customers served by the nation's 78 largest electric utilities, according to the J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study<sup>SM</sup> released today.

The Customer Satisfaction Index is now at 99 points—up from 98 points in 2004. The index's baseline of 100 points was established in the 2002 study. Overall customer satisfaction is based on performance in five factors: power quality and reliability; company image; price and value; billing and payment; and customer service. Utilities are ranked in four geographical regions as well as in a segment for medium-sized utilities.

“Utilities have continued the dramatic improvement in their operational functions, with improved ratings in power quality and reliability and customer service,” said Alan Destribats, executive director of the utility practice at J.D. Power and Associates. “However, ratings for price and value have fallen this year as customer-reported electric spending continues to be on the upswing and many utilities filed for rate increases for the first time in years.”

Customers report spending more on electricity for the third consecutive year. Average monthly bills have increased from \$99 in 2002 to \$109 this year. The Midwestern Region registers the lowest average monthly electric utility bill at \$95.

Although four hurricanes in August and September 2004 caused considerable increases in customer-reported power outages in the Southern Region, utilities were able to maintain the same ratings in the area of power quality and reliability in last year's study. The Eastern Region bounced back from the customer satisfaction drop experienced after the 2003 Northeast Blackout, improving 2 index points overall and 5 index points in power quality and reliability compared to 2004.

The study also finds that more customers now use the Internet to review and pay their utility bills. The percentage of households that visited their electric utility's Web site at least once in the last 12 months has increased from 13 percent in 2004 to 17 percent this year. The number of customers who typically pay their utility bills online has increased from 7 percent in 2004 to 11 percent this year.

#### **Eastern Region**

PPL Electric Utilities ranks highest in the Eastern Region for the fifth consecutive year and for the sixth time in seven years with an index score of 108. PPL receives particularly high ratings from customers in four of the five components: power quality and reliability; company image; price and value; and billing and payment. Also performing well in the region are Energy East, Baltimore Gas and Electric, Allegheny Power, and the Potomac Electric Power Company.

#### **Midwestern Region**

LG&E Energy ranks highest in the Midwestern Region with a score of 112. LG&E ranks highest for the sixth

time in seven years. LG&E outperforms all other utilities in the region in four of the five components: power quality and reliability; company image, price and value; and billing and payment. Also performing well in the region are MidAmerican, Cinergy, and Alliant Energy.

### **Southern Region**

Duke Power improves seven points over 2004 to rank highest in overall customer satisfaction in the Southern Region with a score of 109. Duke performs particularly well in the region in price and value; billing and payment; and power quality and reliability. Also performing well are Oklahoma Gas and Electric, Southern Company, Progress Energy, and City Public Service of San Antonio.

### **Western Region**

For the sixth time in seven years, Salt River Project ranks highest in the Western Region, with a score of 115. Salt River receives the highest ratings in the region in every component. Also performing well in the region are Arizona Public Service, Sacramento Municipal Utility District, PacificCorp, and Portland General Electric.

### **Medium-Size Utilities (serving between 160,000 and 400,000 customers each)**

Omaha Public Power District (OPPD) ranks highest in the Medium-Size Utilities segment for the fourth consecutive year. With an overall customer satisfaction index of 116, OPPD receives the highest index score in the study. Also performing well in this segment are Pedernales Electric Cooperative, Cleco Power, Colorado Springs Utilities, and Nashville Electric.

The study results are based on customer responses from more than 26,700 telephone interviews conducted from April 7, 2005 through June 5, 2005 among residential customers of the 78 largest electric utilities across the continental United States.

### **About J.D. Power and Associates**

Headquartered in Westlake Village, Calif., J.D. Power and Associates is an ISO 9001-registered global marketing information services firm operating in key business sectors including market research, forecasting, consulting, training and customer satisfaction. The firm's quality and satisfaction measurements are based on responses from millions of consumers annually. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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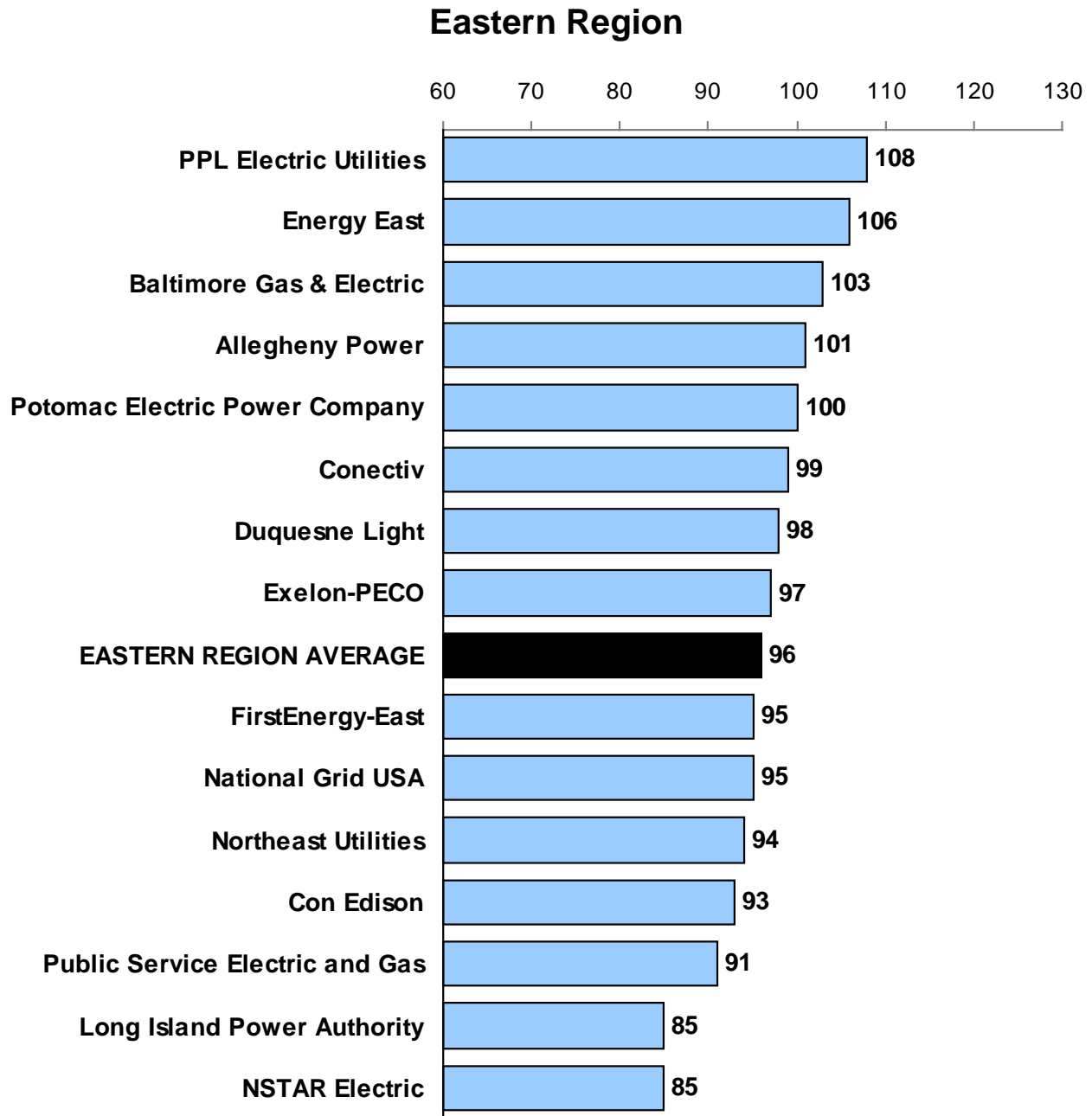
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NOTE: Five charts follow.

# J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study<sup>SM</sup>

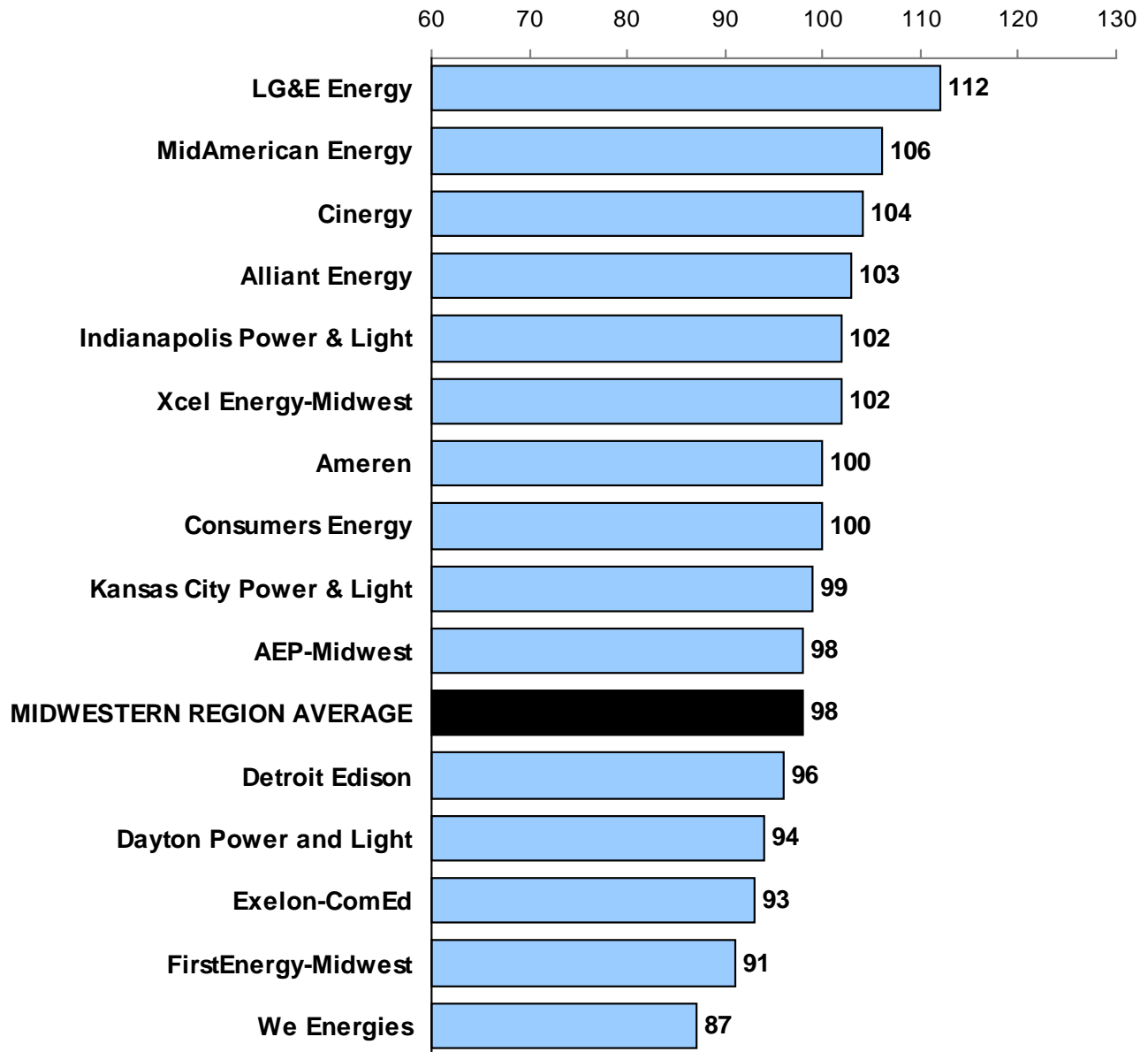


Source: J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study<sup>SM</sup>

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# J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study<sup>SM</sup>

## Midwestern Region

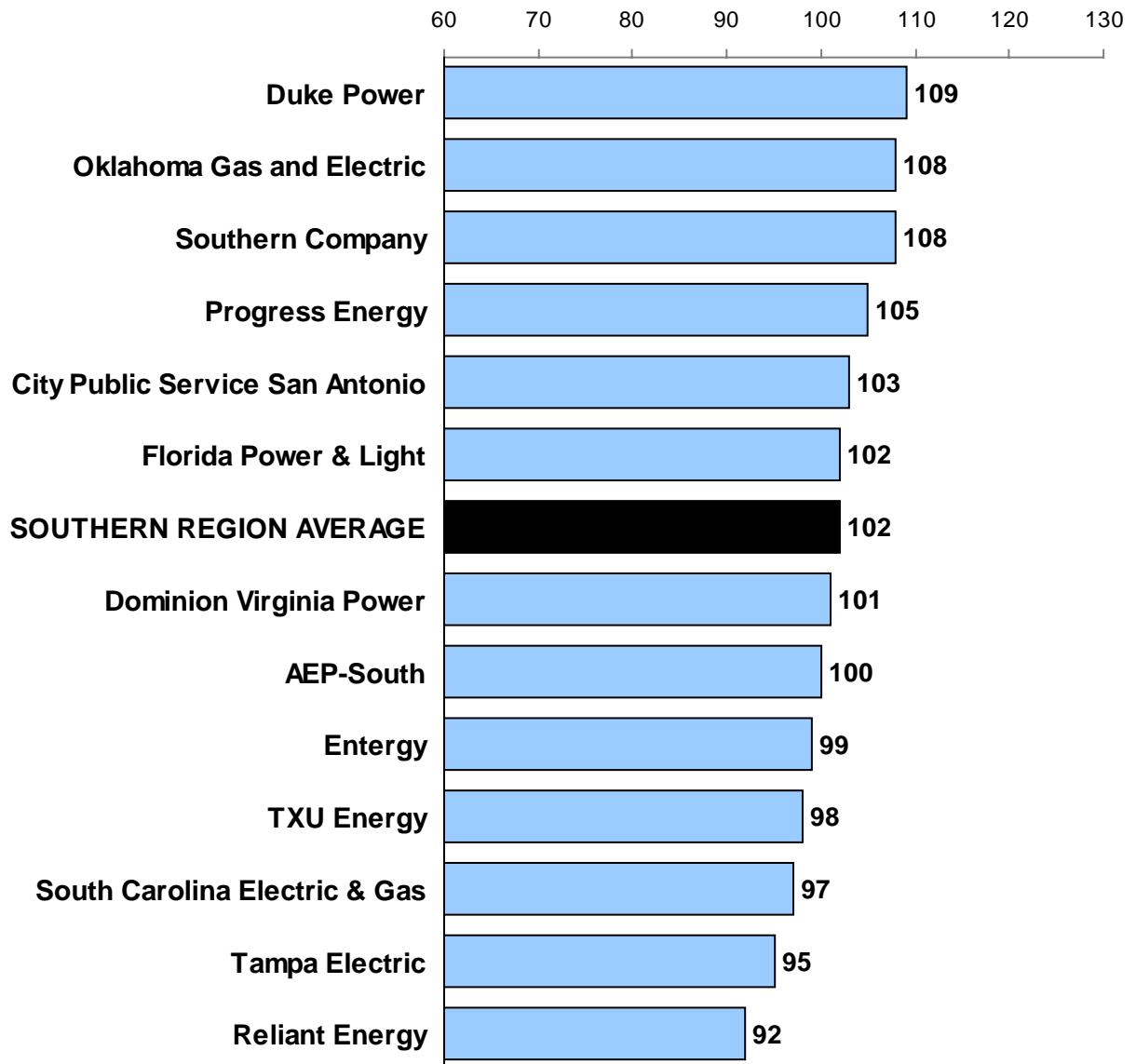


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# J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study<sup>SM</sup>

## Southern Region

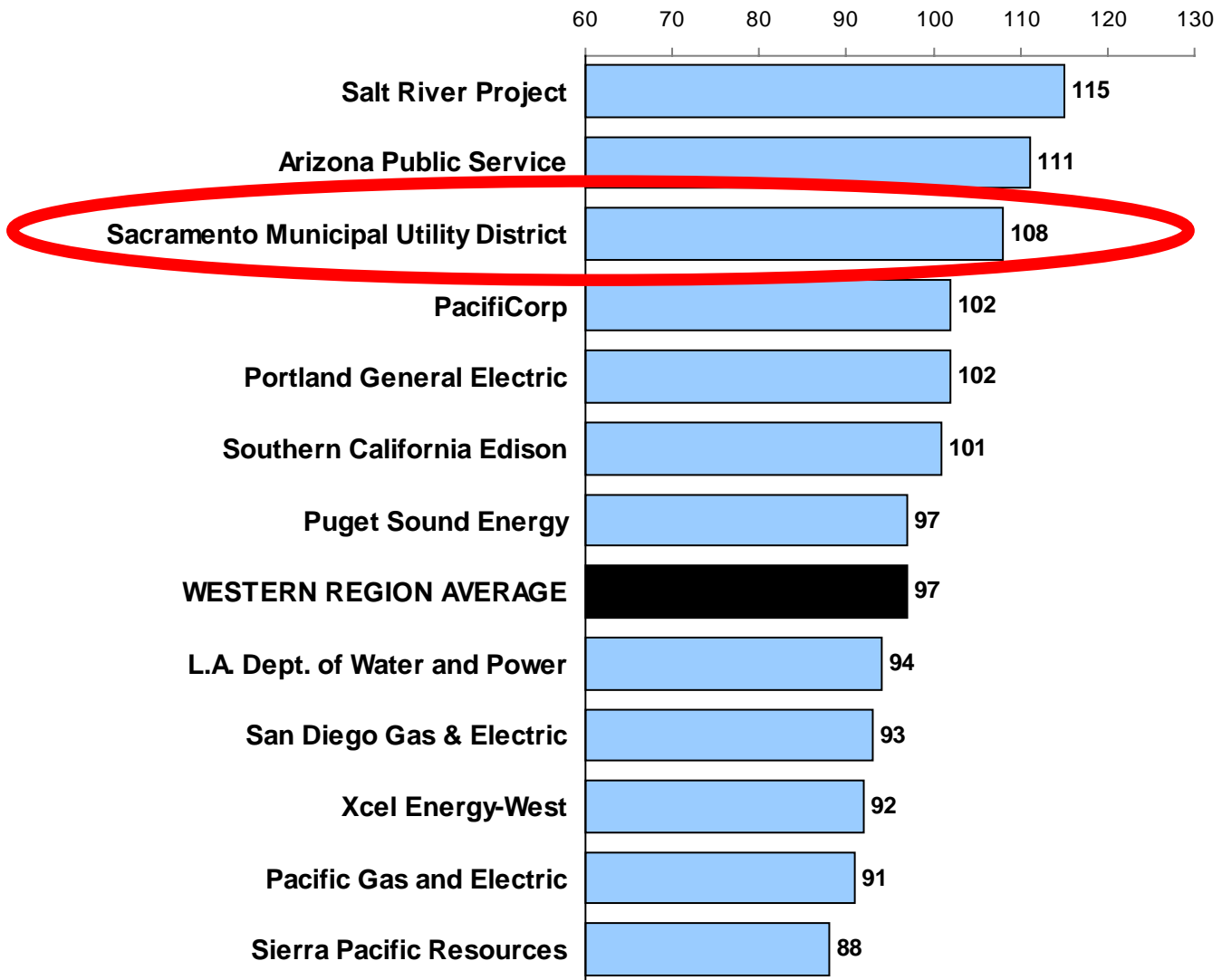


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## Western Region

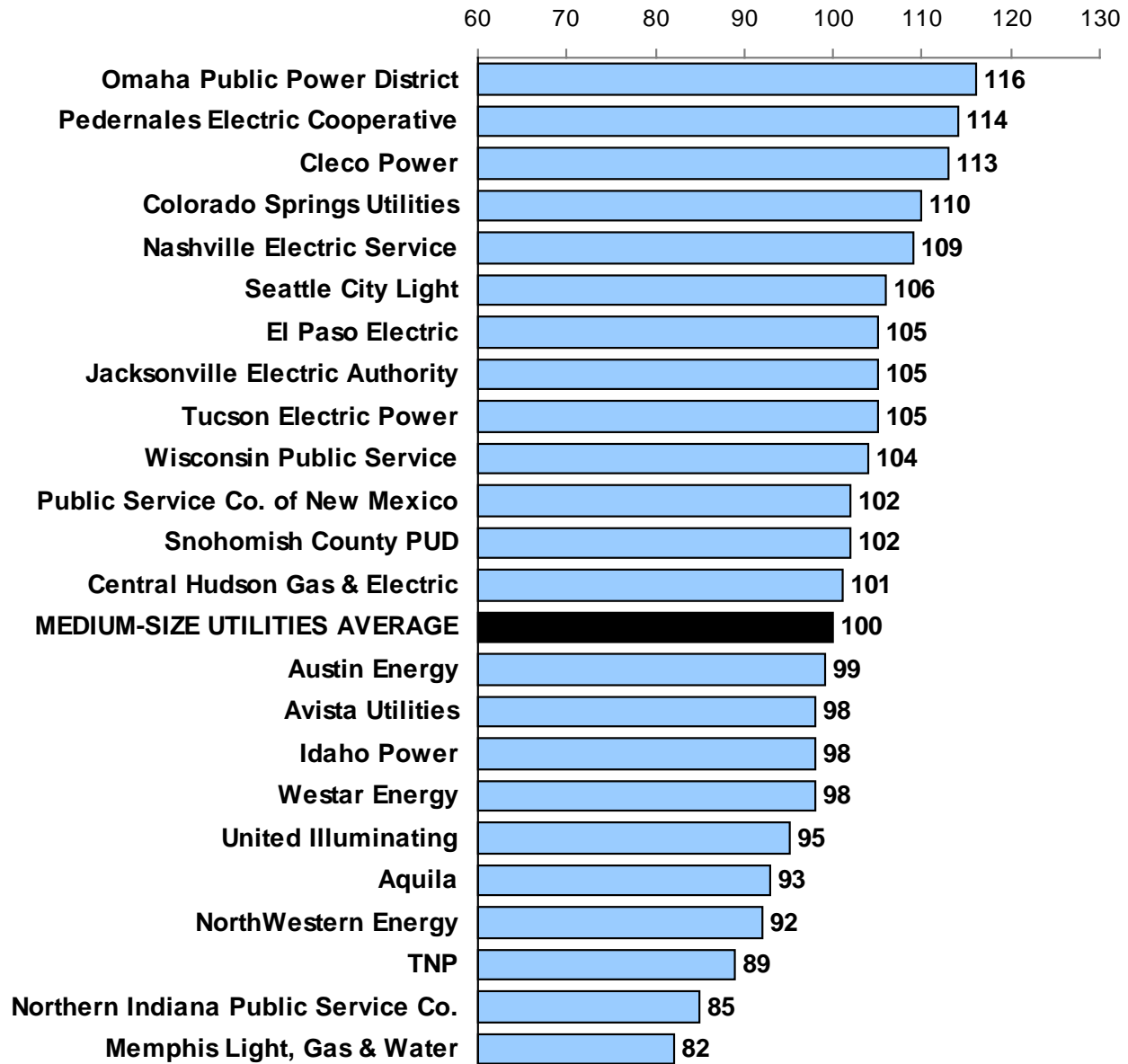


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# J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study<sup>SM</sup>

## Medium-Size Utilities (Between 160,000 and 400,000 Customers)



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