



## Press Release

### **J.D. Power and Associates Reports: In a Year Marked by Price Volatility, Overall Satisfaction Decreases Among Customers of Residential Retail Electric Providers in Texas**

#### StarTex Power Ranks Highest in Customer Satisfaction with Texas Residential Electric Retail Providers

**WESTLAKE VILLAGE, Calif.: 20 August 2009** — Wide fluctuations in electricity prices during the past year have led to a decrease in overall customer satisfaction with residential retail electric providers in Texas, according to the J.D. Power and Associates 2009 Texas Residential Retail Electric Provider Customer Satisfaction Study<sup>SM</sup> released today.

The study, now in its second year, measures customer satisfaction with retail electric providers in Texas by examining four key factors (listed in order of importance): pricing; billing and payment; communications; and customer service. According to the Public Utility Commission of Texas, 45 percent of 5.5 million eligible Texas residential customers were served by competitive retail electric providers by the end of 2008.

Overall satisfaction among residential customers of electric retailers in Texas has decreased notably in 2009 to 629 on a 1,000-point scale—down by nine points from 2008. Driving this overall decline is decreased satisfaction with pricing, which averages 601 in 2009, down from 614 in 2008.

“Residential retail customers have experienced wide fluctuations in their electricity rates during the past year due to volatility in natural gas prices and other costs associated with power generation,” said Jeff Conklin, senior director of the energy and utility practice at J.D. Power and Associates. “For this reason, customers on fixed-price programs are considerably more satisfied than customers on variable programs—by a difference of nearly 100 points.”

StarTex Power achieves a score of 714 on a 1,000-point scale and performs particularly well in the price factor. Green Mountain Energy Company (694) follows StarTex Power in the rankings and performs particularly well in three of four factors: billing and payment; communications; and customer service. Amigo Energy (681) ranks third.

The study finds that, among customers who contacted their utility company for service, those using their utility’s Web site were considerably more satisfied with their service experience than customers whose contact was through an automated phone system or who spoke with a customer service representative.

The study also finds that nearly 20 percent of customers indicate that they are unlikely to continue using their current retail electricity provider. When gathering information about providers, customers are most likely to turn to the Texas Choice Web site, which allows users to compare retail rates from various providers; referrals from friends or family; and individual retailer Web sites.

The study also includes the following key findings:

- A majority of customers—nearly 60 percent—indicate that they selected their current utility provider because of low prices. Other commonly cited reasons for selecting a provider are: the customer moved to a new location (16%); the customer received an incentive for signing up (13%); and the provider offered flexible terms and conditions (13%).

- Among customers who changed retail electricity providers, more than one-half (55%) switched because another provider offered a better deal.
- When enrolling for service, customers most often use the Internet and phone calls to providers. However, those customers who enroll by mail are slightly more satisfied overall than customers who enroll through other methods.

The 2009 Texas Residential Retail Electric Provider Customer Satisfaction Study is based on responses from more than 6,800 residential customers of electric retailers in Texas. The study was fielded between October 2008 and June 2009.

For more information on Texas residential electric retailer ratings, please visit [JDpower.com](http://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 operating in key business sectors including market research, forecasting, performance improvement, Web intelligence and customer satisfaction. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit [JDpower.com](http://JDpower.com). J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

#### **About The McGraw-Hill Companies**

Founded in 1888, The McGraw-Hill Companies (NYSE: MHP) is a leading global information services provider meeting worldwide needs in the financial services, education and business information markets through leading brands such as Standard & Poor's, McGraw-Hill Education, *BusinessWeek* and J.D. Power and Associates. The Corporation has more than 280 offices in 40 countries. Sales in 2008 were \$6.4 billion. Additional information is available at <http://www.mcgraw-hill.com>.

#### **J.D. Power and Associates Media Relations Contacts:**

John Tews; Troy, Mich.; (248) 312-4119; [media.relations@jdpa.com](mailto:media.relations@jdpa.com)

Syvetril Perryman; Westlake Village, Calif.; (805) 418-8103; [media.relations@jdpa.com](mailto:media.relations@jdpa.com)

No advertising or other promotional use can be made of the information in this release without the express prior written consent of J.D. Power and Associates. [www.jdpower.com/corporate](http://www.jdpower.com/corporate)

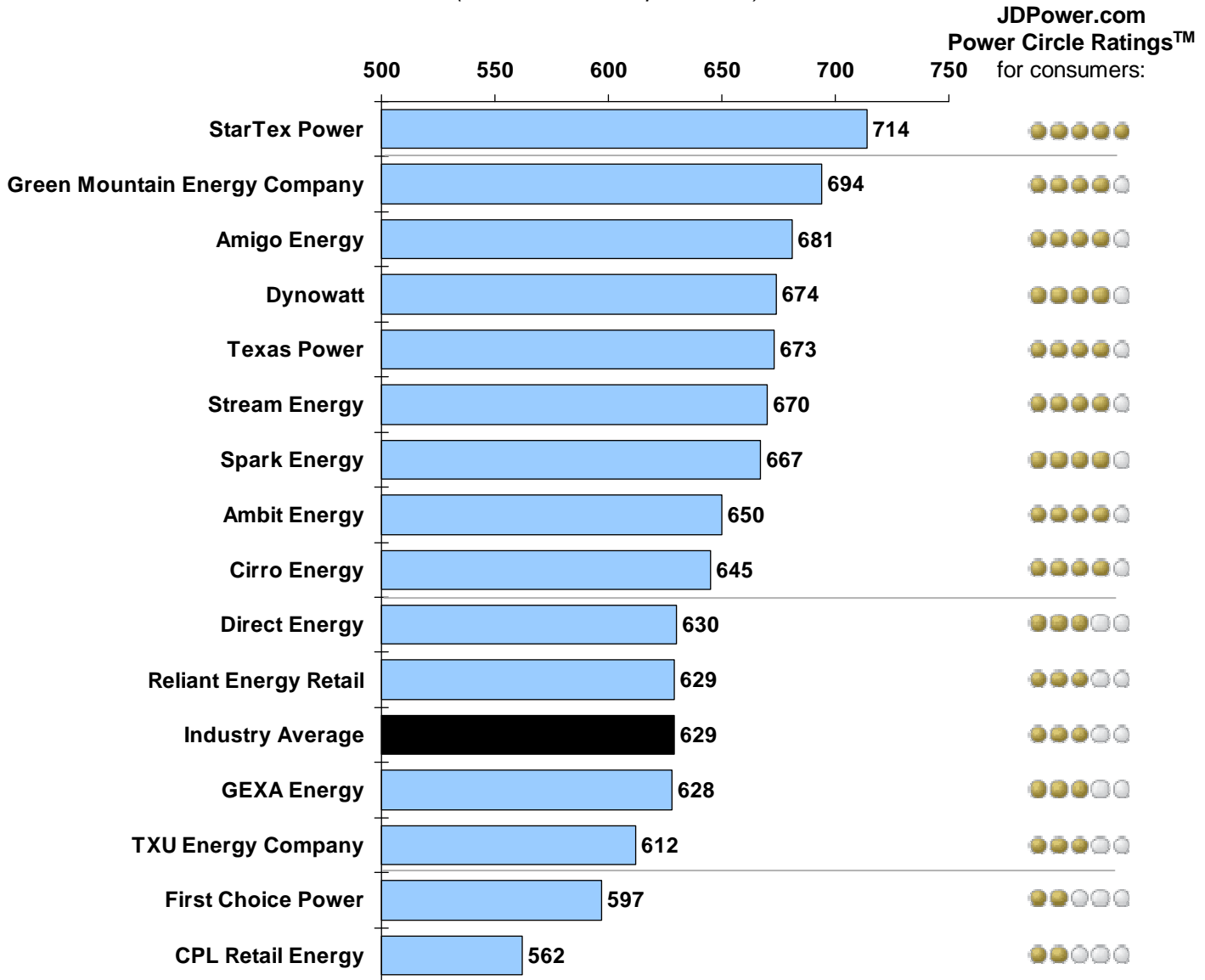
# # #

(Page 2 of 2)

NOTE: One chart follows.

# J.D. Power and Associates 2009 Texas Residential Retail Electric Provider Customer Satisfaction Study<sup>SM</sup>

## Customer Satisfaction Index Ranking (Based on a 1,000-point scale)



*Included in the study, but not ranked due to small sample size are: Affordable Energy, Champion Energy, Commerce Energy, Hudson Energy, Nueces Electric, Simple Power, Tara Energy, U.S. Energy Savings, WTU Energy and YEP Energy.*

Source: J.D. Power and Associates 2009 Texas Residential Retail Electric Provider Customer Satisfaction Study<sup>SM</sup>

**Power Circle Ratings Legend**

●●●●● Among the best

●●●●○ Better than most

●●●○● About average

●●○●○ The rest

*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 2009 Texas Residential Retail Electric Provider Customer Satisfaction Study<sup>SM</sup> as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle Ratings<sup>TM</sup> are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit [jdpower.com/faqs](http://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.*