



Press Release

J.D. Power and Associates Reports: Amid High Energy Prices in the UK, Communication about Rate Changes and Cost-Saving Measures Is Critical to Satisfaction with Utility Suppliers

Atlantic Ranks Highest among Electricity Suppliers in the UK, while EDF Ranks Highest among Gas Suppliers

LONDON: 4 November 2009 – With customer-reported gas and electricity rates reaching historically high levels in the UK, proactive communication to customers about price changes and managing their energy costs is particularly important to overall customer satisfaction with utility suppliers, according to the J.D. Power and Associates 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM released today.

The study finds that monthly customer-reported bill amounts have increased notably in 2009, compared with 2008. Monthly electricity bills in 2009 average £50.34—4 percent higher than in 2008. For gas customers, monthly bills in 2009 average £50.08—an increase of 8 percent from 2008.

The study also finds that satisfaction with the supplier's price and value declines considerably among customers who indicate they are aware that their gas or electric company raised prices within the past 12 months, compared with the industry average. However, this decline in satisfaction may be mitigated if customers are informed in advance of rate increases by their supplier.

Comparison of price and value satisfaction based on advance notification of price increases by the supplier (based on a 1,000-point scale)

Average satisfaction with price and value	Industry average	Average among customers who are aware of price increases	Average among customers who were informed in advance of price increases by their supplier
Electricity customers	489	470	511
Gas customers	490	457	500

Despite the positive effect that advance notification of price increases by suppliers has upon satisfaction, only approximately one-half of customers report having received these advance notices. Among electricity customers who say their supplier increased prices within the past 12 months, 54 percent indicate that their supplier notified them in advance. A lower percentage of gas customers—48 percent—say the same.

In addition, among electricity customers who say they are aware of price reductions instituted by their supplier, satisfaction with price and value averages 522 on a 1,000-point scale, compared with 476 among customers who indicate no awareness. Among gas customers, satisfaction scores are 486 and 470, respectively.

“Due to current economic conditions and relatively high utility rates, suppliers that perform highly are perceived as being particularly helpful in assisting customers with finding the best price options and reducing their bills,” said Gordon Shields, director of proprietary and service industries research at J.D. Power and Associates. “However, it is particularly notable that overall satisfaction with utility suppliers in the UK is considerably lower than that of other service industries, which indicates the need for additional improvement within the utility market.”

The study, now in its 10th year, examines customer satisfaction with electricity and gas utility suppliers by examining six factors. For electricity suppliers, the factors are price and value; customer service; power quality and reliability; environmental responsibility; billing and payment; and meter reading. For gas suppliers, the factors are price and value; supply quality and reliability; customer service; environmental responsibility; billing and payment; and meter reading.

Electricity Supplier Rankings

Atlantic ranks highest among electricity suppliers with a score of 640, and performs particularly well in the customer service and price and value factors. Swalec (623) and EDF (618) follow Atlantic in the segment rankings.

Swalec performs particularly well in the power quality and reliability factor, while EDF performs well in the environmental responsibility factor.

Gas Supplier Rankings

Among gas utility suppliers in the UK, EDF ranks highest with a score of 671 and performs particularly well in the price and value; environmental responsibility; and meter reading factors. Following in the rankings, in a tie, are Atlantic and Scottish Hydro (651 each). Atlantic performs particularly well in the customer service and billing and payment factors.

The study also finds that informing customers of their supplier's environmental responsibility efforts has a strong positive impact on satisfaction. Overall satisfaction averages more than 90 index points higher among customers who indicate they are aware of their supplier's efforts to improve their impact on the environment or their supplier's energy conservation plans, compared with customers who indicate they are not aware of their supplier's initiatives in these areas.

"It is encouraging that suppliers are becoming more active in communicating their 'green' credentials," said Shields. "In conjunction with awareness programmes targeted at households to reduce energy usage, these new green initiatives are likely to help improve satisfaction levels."

The study also finds that high satisfaction with a utility supplier fosters higher levels of customer commitment, which lead to higher levels of customer loyalty and advocacy. Among customers who say they are highly committed to their electricity provider, 79 percent say they "definitely will not" switch to another supplier, and 81 percent indicate they "definitely would" recommend their supplier. In contrast, among electric customers who say they have medium levels of commitment to their supplier, only 19 percent say they "definitely will not" switch and only 13 percent indicate they "definitely would" recommend their supplier.

Among gas customers who say they are highly committed to their supplier, 72 percent indicate they "definitely will not" switch to another gas supplier, compared with 20 percent of gas customers with medium commitment levels. Approximately 68 percent of highly committed gas customers say they "definitely would" recommend their supplier, compared with only 11 percent of customers with medium commitment.

The 2009 UK Electricity and Gas Supplier Customer Satisfaction Study is based on 2,845 responses from domestic electricity customers and 2,849 responses from domestic gas customers throughout the UK. The study was fielded in August 2009.

About J.D. Power and Associates

The European headquarters of J.D. Power and Associates is located in Guildford, UK. With world headquarters in Westlake Village, California, U.S.A., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, training and customer satisfaction. The company'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.

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, Platts, Capital IQ, J.D. Power and Associates, McGraw-Hill Construction and Aviation Week. The Corporation has more than 280 offices in 40 countries. Sales in 2008 were \$6.4 billion. Additional information is available at www.mcgraw-hill.com.

J.D. Power and Associates Media Relations Contacts:

Ian Giles, Guildford, Surrey; England; +011-44-1483-207613; ian.giles@jdpa.com

John Tews; Troy, Mich.; USA; (248) 312-4119; 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.

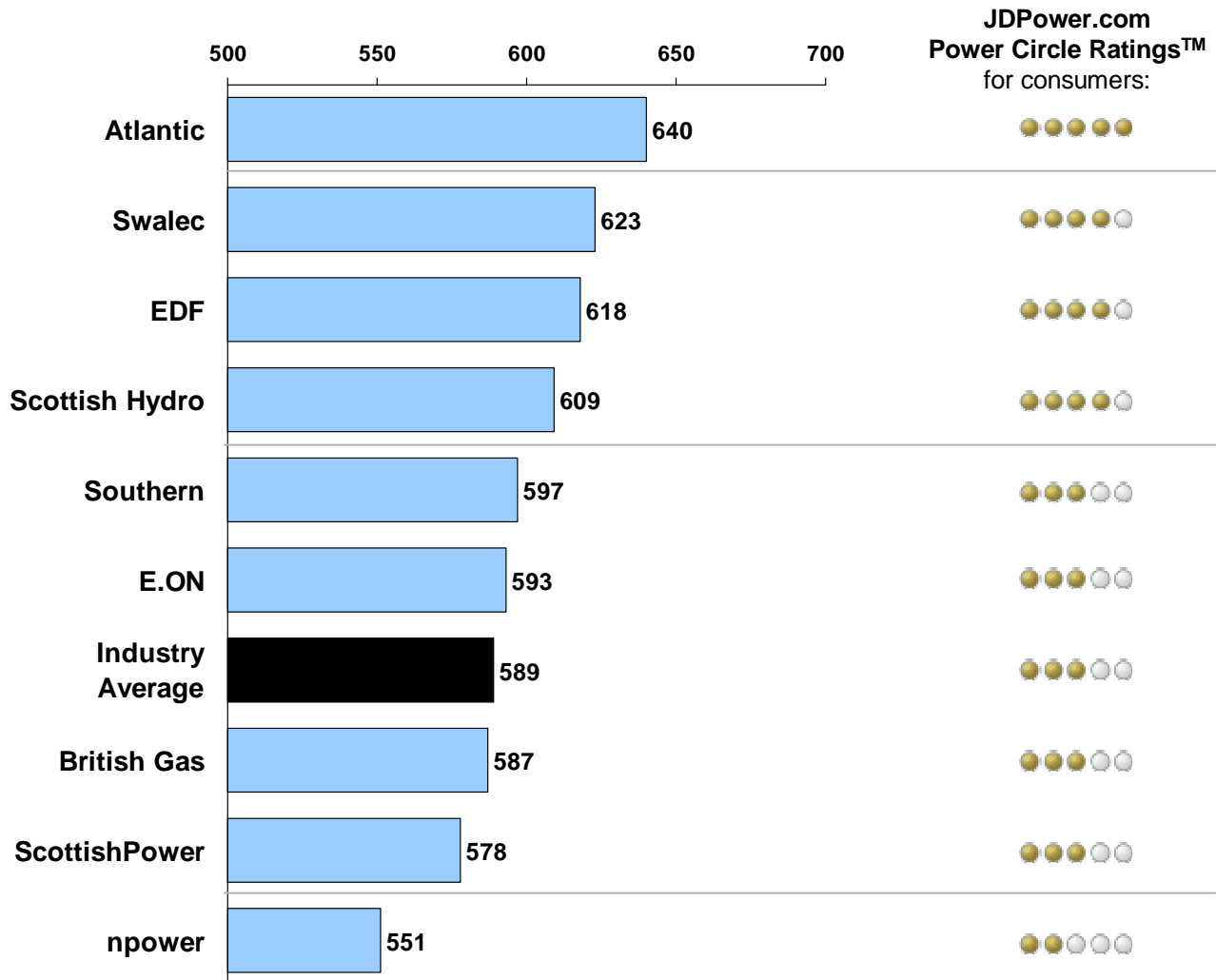
###

(Page 2 of 2)

NOTE: Four charts follow.

J.D. Power and Associates 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM

Customer Satisfaction Index Scores Electricity Suppliers (Based on a 1,000-point scale)

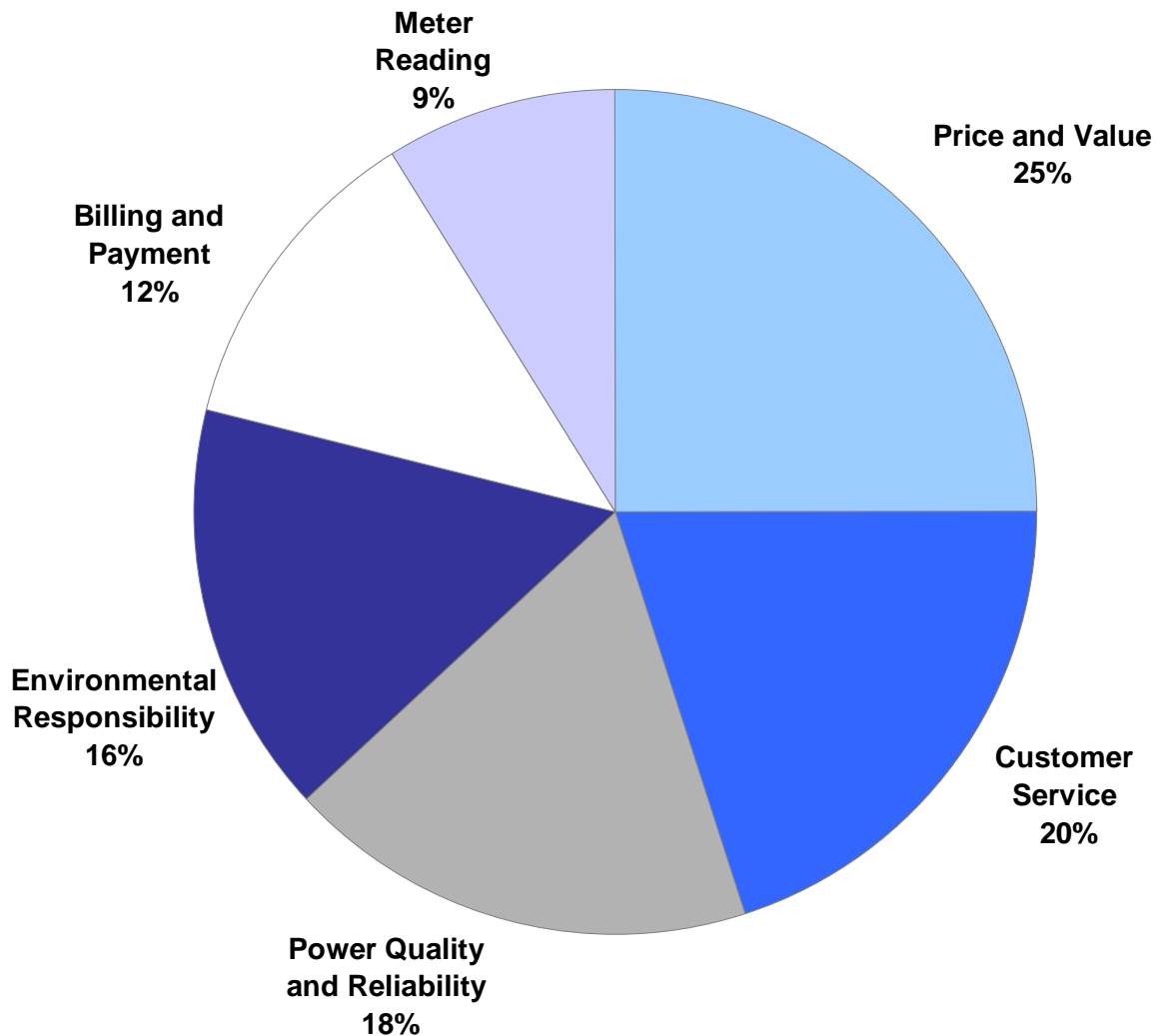


Source: J.D. Power and Associates 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM

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 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM 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.

J.D. Power and Associates 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM

Customer Satisfaction Component Weights Electricity Suppliers



Source: J.D. Power and Associates 2009 UK Electricity and Gas Supplier 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 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. 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.

J.D. Power and Associates 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM

Customer Satisfaction Index Scores Gas Suppliers (Based on a 1,000-point scale)



Power Circle Ratings Legend

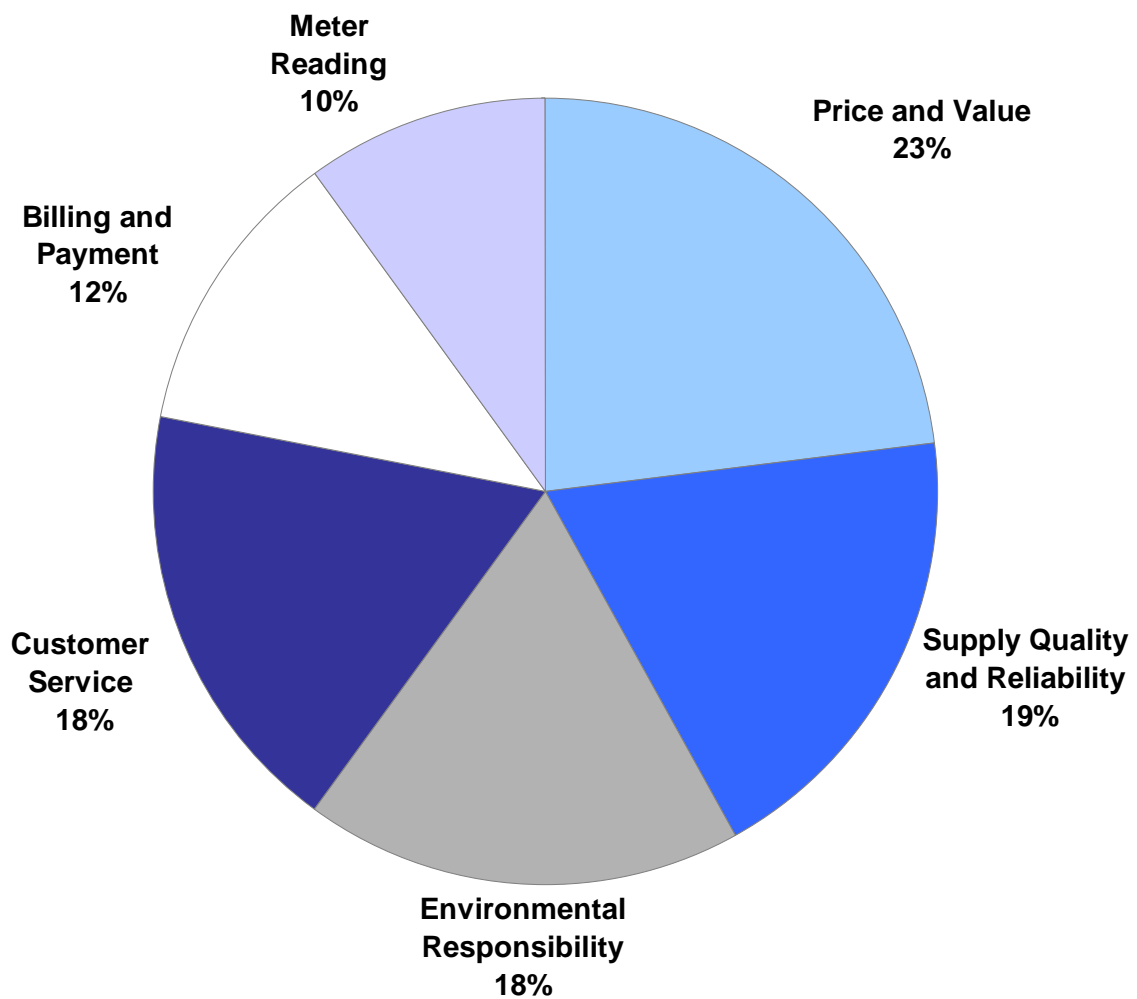
- ★★★★★ Among the best
- ★★★★☆ Better than most
- ★★★★☆ About average
- ★★★☆☆ The rest

Source: J.D. Power and Associates 2009 UK Electricity and Gas Supplier 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 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM 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.

J.D. Power and Associates 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM

Customer Satisfaction Component Weights Gas Suppliers



Source: J.D. Power and Associates 2009 UK Electricity and Gas Supplier 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 2009 UK Electricity and Gas Supplier Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. 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.