

CONCLUSIONS

Touchstone Energy cooperatives provide superior service to their membership.

Collectively, cooperatives significantly outperform the utility industry average and compare favorably to the best investor-owned utilities in the country as measured by the *American Customer Satisfaction Index (ACSI)*.

Economic realities continue to affect member perceptions.

Concerns about electric costs and their impact on family budgets have raised the importance members place on cost containment and the value of electricity. Future advances in ACSI scores will be influenced by how well the cooperative communicates our goal to provide electricity at the lowest possible costs and by actions taken to mitigate future cost increases.

Cooperatives excel on core competencies such as reliability, restoration and resolution.

Co-op performance has raised the bar and members have grown to expect nothing less than excellence from their electric supplier. Maintaining exemplary performance with core services while establishing a dialogue with members on energy costs and value opens the door to higher levels of trust and engagement with the membership.

Building trust and the value of membership continues to pay dividends.

Respondents indicating their relationship with the cooperative is more than 'just a customer' provide significantly higher performance ratings on a myriad of key satisfaction drivers.

Members express a desire to gain better control over their consumption of energy.

Although members share the responsibility for managing their behaviors, cooperatives performance is far from ideal in influencing members to higher levels of energy efficiency and inspiring them to take action.

RECOMMENDATIONS

The rapid pace of change in the electric utility industry requires cooperatives to think differently. New technologies allow cooperatives to provide greater reliability and system control than ever before. At the same time, members are becoming more demanding in their quest for accountability, integrity and information.

Times of change are opportunities for cooperatives to shine. Rural electric cooperatives should leverage the trust members have in them to help navigate the maze of rising energy costs, grid modernization, climate change, renewable energy and legislative concerns. From the member's perspective, the '**Cooperative Difference**' has never been more critical.

The following recommendations support key outcomes from this year's study:

- **Develop and actively promote proactive energy efficiency initiatives** such as **TogetherWeSave.com** and the Touchstone Energy Home program.
- **Continue to highlight simple solutions for saving energy** with special emphasis on no cost/low cost efficiency initiatives.
- **Communicate with the membership** ahead of retail rate adjustments and stress your goal to provide low cost electricity and what you are doing to mitigate rate impacts.
- **Enhance member value in difficult economic times** by implementing and expanding programs such as the **Co-op Connections Card** to maximize member savings.
- **Continue the dialogue with members** concerning the issues and challenges that lie ahead for electric cooperatives and the electric industry. A member who feels they have been included in the dialog will be more receptive to change.
- Employ the resources of **Our Energy, Our Future** to maximize grassroots efforts, especially for our senior members.
- **Communicate efforts at cost containment** by speaking specifically to actions your cooperative has taken to minimize rising energy costs and **reiterate our goal to provide energy at the lowest possible cost.**
- **Build awareness of on-line communications resources** through the cooperative's website. Enhance local on-line presence with valuable content such as **TogetherWeSave.com**, on-line bill payment, and usage history information.
- **Integrate strategic communication efforts** with national and regional efforts to fully leverage the cumulative impact of a coordinated and consistent campaign.

APPENDIX I: 2012 ACSI INCENTIVE SURVEY INSTRUMENT

2012 TOUCHSTONE ENERGY - ACSI INCENTIVE SURVEY

INTRODUCTION:

Hello, may I please speak with [INSERT MEMBER NAME]?

(IF THE MEMBER IS NOT AVAILABLE BUT THIS IS THE CORRECT HOUSEHOLD AND ADULT IS ON THE PHONE, CONTINUE)

Hello, my name is [INSERT NAME] with TSE Services. I am calling on behalf of [INSERT CO-OP], your electricity provider. We are conducting a survey of [INSERT CO-OP] members and would like to include the opinions of someone in this household. Your opinions will help [INSERT CO-OP] enhance satisfaction and improve services for all members.

IF NEEDED ADD: We are not selling anything. This is public opinion research. This call may be monitored for quality assurance purposes.

HH1. Are you the adult in this household who is primarily responsible or shares responsibility for paying the electricity bill?

1. Yes/I am or share responsibility
2. No – RESPONDENT AVAILABLE: [RESTART AT INTRO]
3. No – RESPONDENT NOT AVAILABLE: [ARRANGE CALLBACK]
4. No – REFUSED: [TERMINATE - CODE AS REFUSAL]
5. No longer a member of this cooperative [TERMINATE]

HH2. To make sure we speak to a representative group of people, which of the following categories includes your age....

1. 18 to 34 years old
2. 35 to 44 years old
3. 45 to 54 years old
4. 55 to 64 years old
5. 65 or older
6. (DO NOT READ) Refused [TERMINATE]

HH3. First, think for a moment about your relationship with [INSERT CO-OP]. Do you view yourself as a member, an owner or a customer of your electric cooperative? (DO NOT READ. CHECK ALL THAT APPLY)

[ALLOW MULTIPLE RESPONSES]

1. Member
2. Owner
3. Customer
4. Don't Know [EXCLUSIVE]

Q1. Please consider all your experiences to date with [INSERT CO-OP]. Using a 10-point scale on which "1" means "very dissatisfied" and "10" means "very satisfied," how satisfied are you with [INSERT CO-OP]?

[SCALE; RANGE = 1 – 10; 11 = DON'T KNOW; 12 = REFUSED]

Q2. To what extent has [INSERT CO-OP] fallen short of your expectations or exceeded your expectations? Using a 10-point scale on which "1" now means "falls short of your expectations" and "10" means "exceeds your expectations," to what extent has [INSERT CO-OP] fallen short of or exceeded your expectations?

[SCALE; RANGE = 1 – 10; 11 = DON'T KNOW; 12 = REFUSED]

Q3. Forget [INSERT CO-OP] for a moment. Now, I want you to imagine an ideal utility company. (PAUSE) How well do you think [INSERT CO-OP] compares with that ideal utility company? Please use a 10-point scale on which "1" means "not very close to the ideal," and "10" means "very close to the ideal."

[SCALE; RANGE = 1 – 10; 11 = DON'T KNOW; 12 = REFUSED]

Q4. For the next question, assume, for the moment, that you could choose from among more than one utility company. The next time you are going to choose a utility company, how likely is it that it will be [INSERT CO-OP] again? Using a 10-point scale on which "1" means "very unlikely" and "10" means "very likely," how likely is it that it will be [INSERT CO-OP] again?

[SCALE; RANGE = 1 – 10; 11 = DON'T KNOW; 12 = REFUSED]

Q5a. Please rate your level of agreement with the following statements concerning your electric cooperative. Using a scale from 1 to 10 where 1 means "disagree strongly" and 10 means "agree strongly"...

[SCALE; RANGE = 1 – 10; 11 = DON'T KNOW; 12 = REFUSED]

How much do you agree that [INSERT CO-OP] ... [INSERT ATTRIBUTE][RANDOMIZE ATTRIBUTES]

1. Provides reliable service
2. Handles complaints and problems promptly
3. Has a goal to provide electricity at the lowest possible cost
4. Restores power quickly following an outage
5. Is doing more to control rising prices than other companies you use
6. Provides a good value for the money you spend
7. Looks out for your best interests
8. Helps you learn to manage your electricity usage
9. Gives money back to you when revenues exceed costs
10. Is a name you can always trust

DEMOGRAPHIC SECTION

The last set of questions is for classification purposes only.

D-1. How long have you been a member of [INSERT CO-OP]? (DO NOT READ LIST)

1. 0-1 year (2009 – 2011)
2. 2-4 years (2006 – 2008)
3. 5-7 years (2003 – 2005)
4. 8-10 years (2000 – 2002)
5. 11-14 years (1996 – 1999)
6. 15-19 years (1991 – 1995)
7. 20-24 years (1986 – 1990)
8. 25+ years (1985 or earlier)
9. DK/NA/REF

D-3. Finally, do you have any comments or suggestions on how [INSERT CO-OP] can improve its service to you?

[RECORD MEMBER COMMENTS]

D-4. Record gender (DO NOT ASK).

1. Male
2. Female

Those are all of my questions. On behalf of [INSERT CO-OP], thank you very much for your participation in this survey.

Have a great day/evening.