

April 8, 2014

Seattle City Light Strategic Plan Outreach

Summary of Online Survey Results
4/11 Review Panel Discussion



Survey Objectives

Understand residential customer awareness, preferences and opinions re: Strategic Plan



Inform Seattle City Light and the Review Panel

Methodology

- Online survey (SurveyMonkey)
 - Administered by Seattle City Light
 - Fielded March 20-27, 2014
- Emailed to random list of 20,000 residential customers and posted via social media
- Completed by 538 qualified respondents (customers)
 - Number of respondents (n) for each question noted on slides

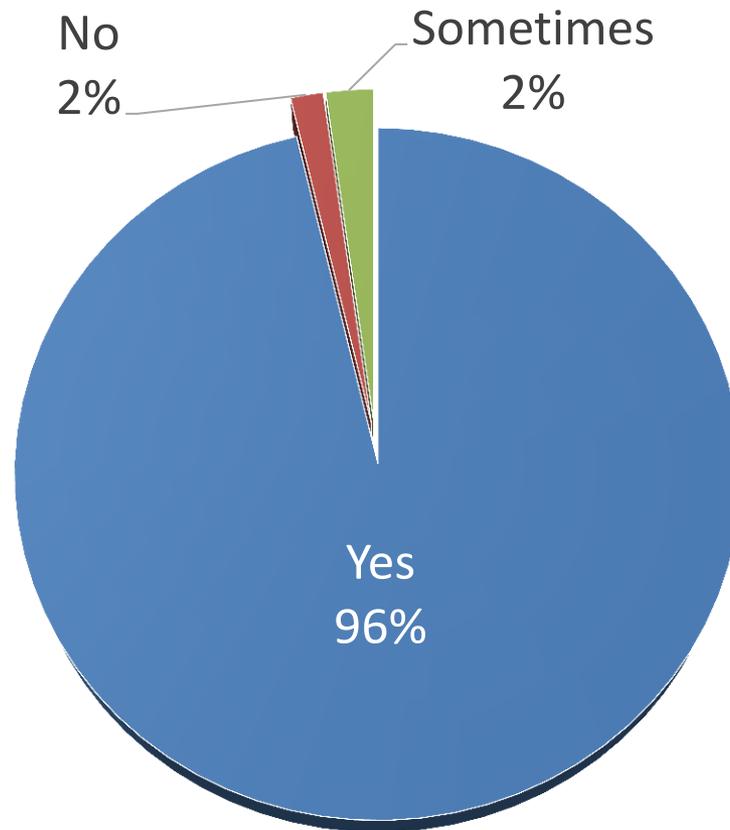
Survey Limitations

- Reflects feedback of residential customers
- Not appropriate to make statistical inferences
- Non-blind, may be biased towards those with stronger relationships/opinions

Key Findings

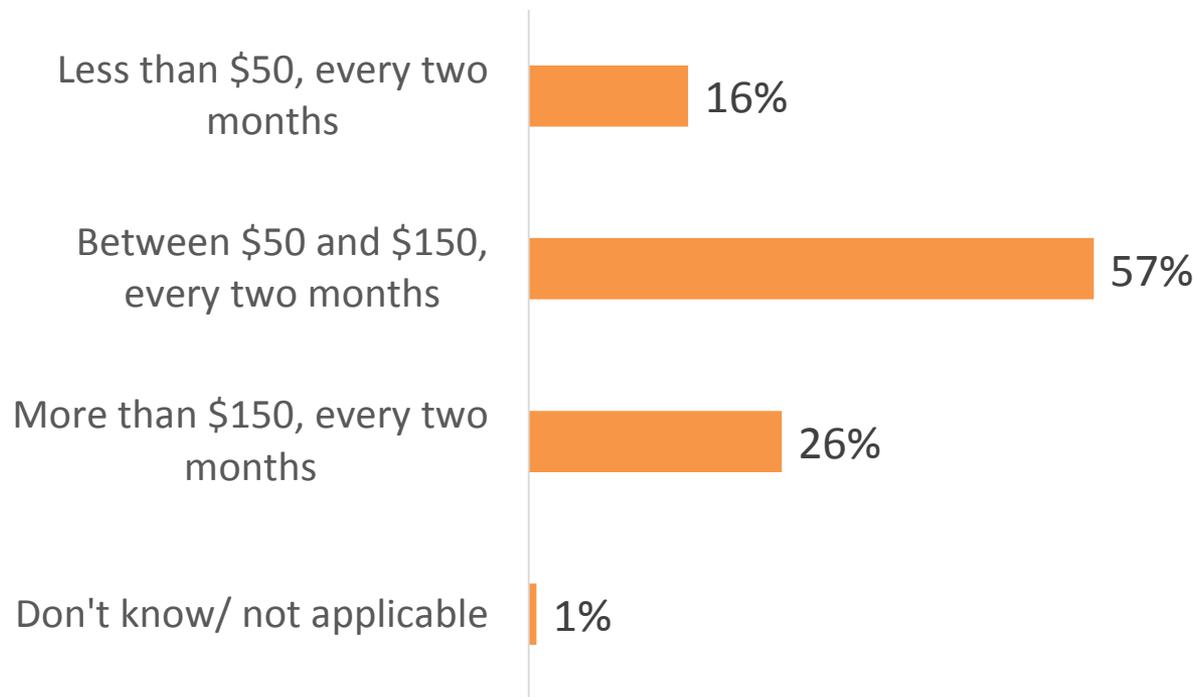
Most respondents are responsible for paying their electric utility bill.

Are you responsible for paying the electric utility bill in your household?



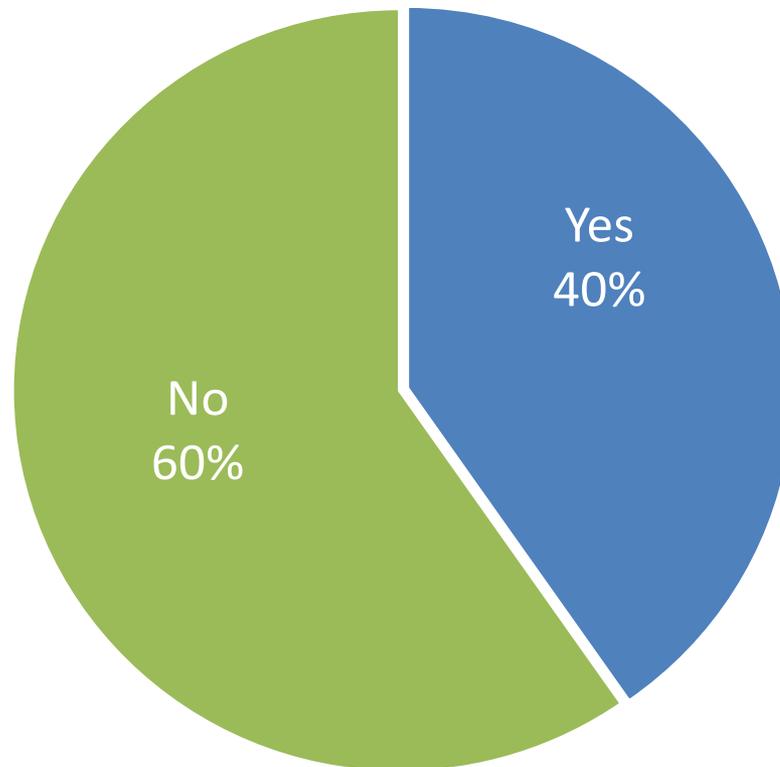
A majority (57%) pay \$50-\$150 every two months for their home electric utility bill.

On average, how much is your home's electric bill (Your Seattle City Light bill covers two months).



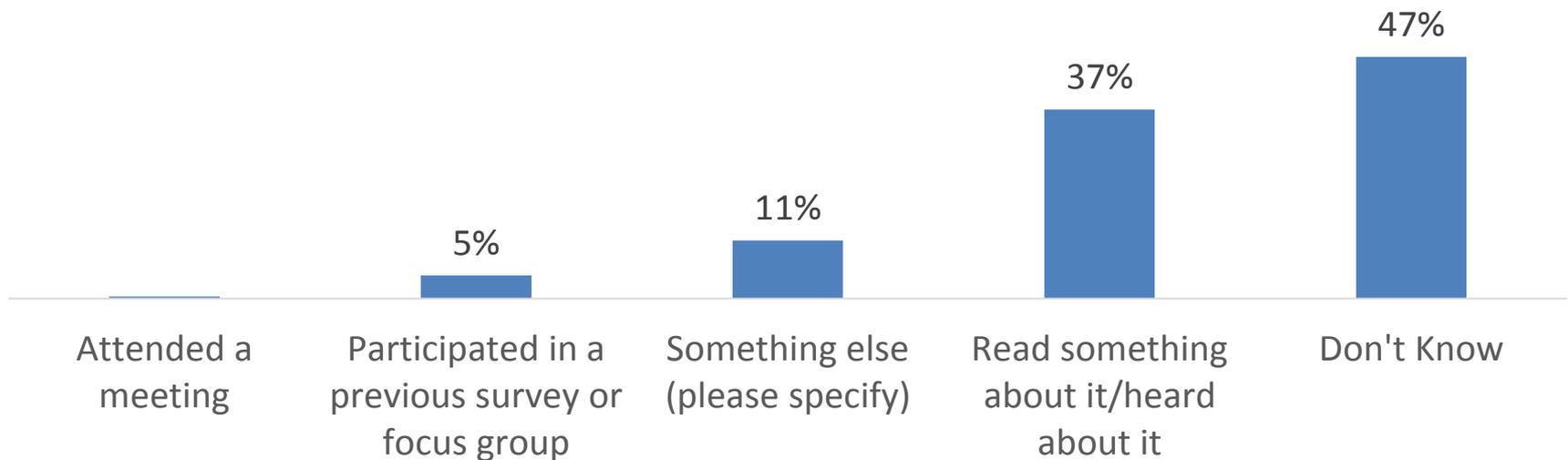
4 in 10 were aware of the Seattle City Light Strategic Plan.

Are you aware that Seattle City Light has a six-year Strategic Plan (2013-2018) to guide City Light's ability to meet customer's current and future electric needs?



Most awareness of the Strategic Plan is due to reading or hearing about it.

How have you heard about Seattle City Light's effort to update its six-year Strategic Plan?



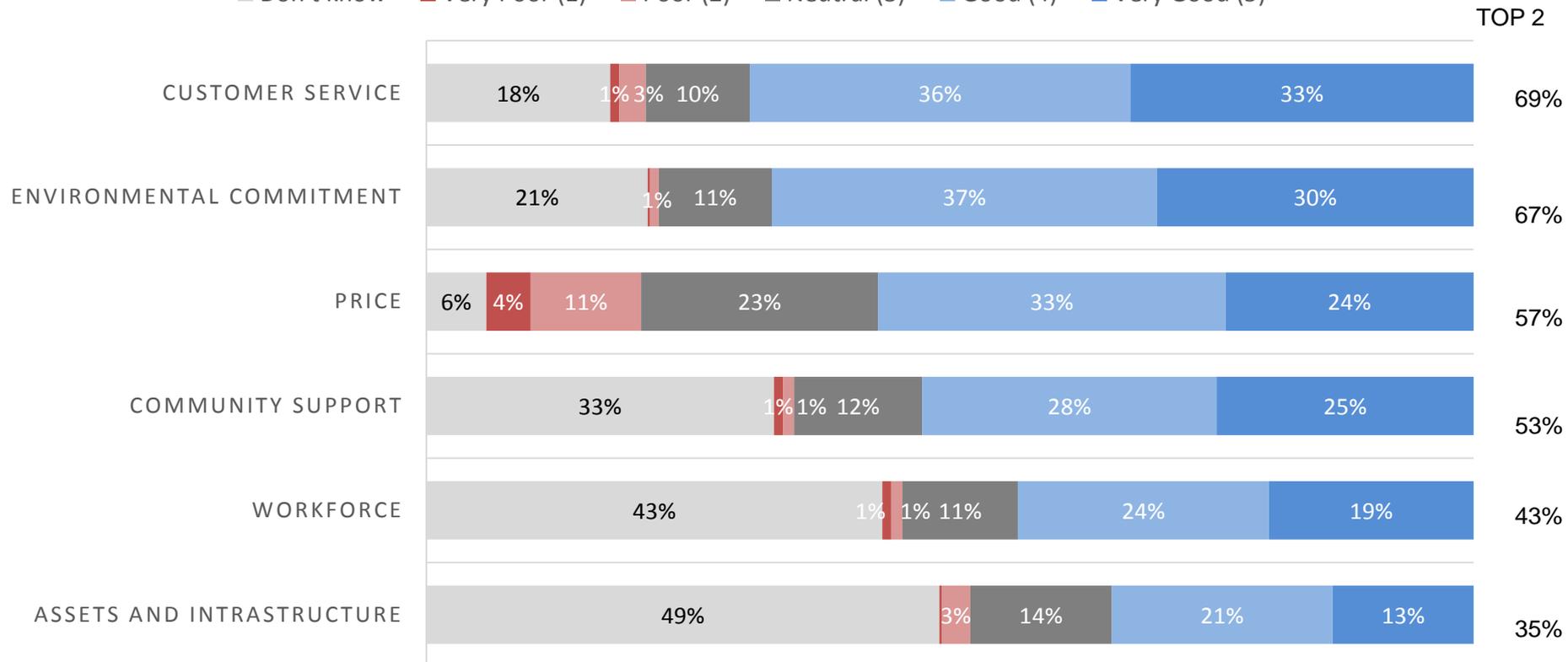
Respondents were asked to rate City Light on several Strategic Plan priorities:

- **Assets and Infrastructure** – The buildings, equipment and infrastructure Seattle City Light needs to generate and distribute electricity.
- **Customer service** – The utility's track record of providing quality customer service and outage response.
- **Workforce** – The knowledge, experience and commitment of Seattle City Light staff – from line workers to management.
- **Environmental Commitment** – Seattle City Light's programs and practices that support conservation and environmental stewardship.
- **Price** – The electrical rate you pay is reasonable.
- **Community support** – The utility's support for education programs, energy conservation, community events and utility discount and emergency assistance programs.

City Light rates highly on customer service and environment.

How would you rate Seattle City Light's performance on the following Strategic Plan priorities?

■ Don't know
 ■ Very Poor (1)
 ■ Poor (2)
 ■ Neutral (3)
 ■ Good (4)
 ■ Very Good (5)



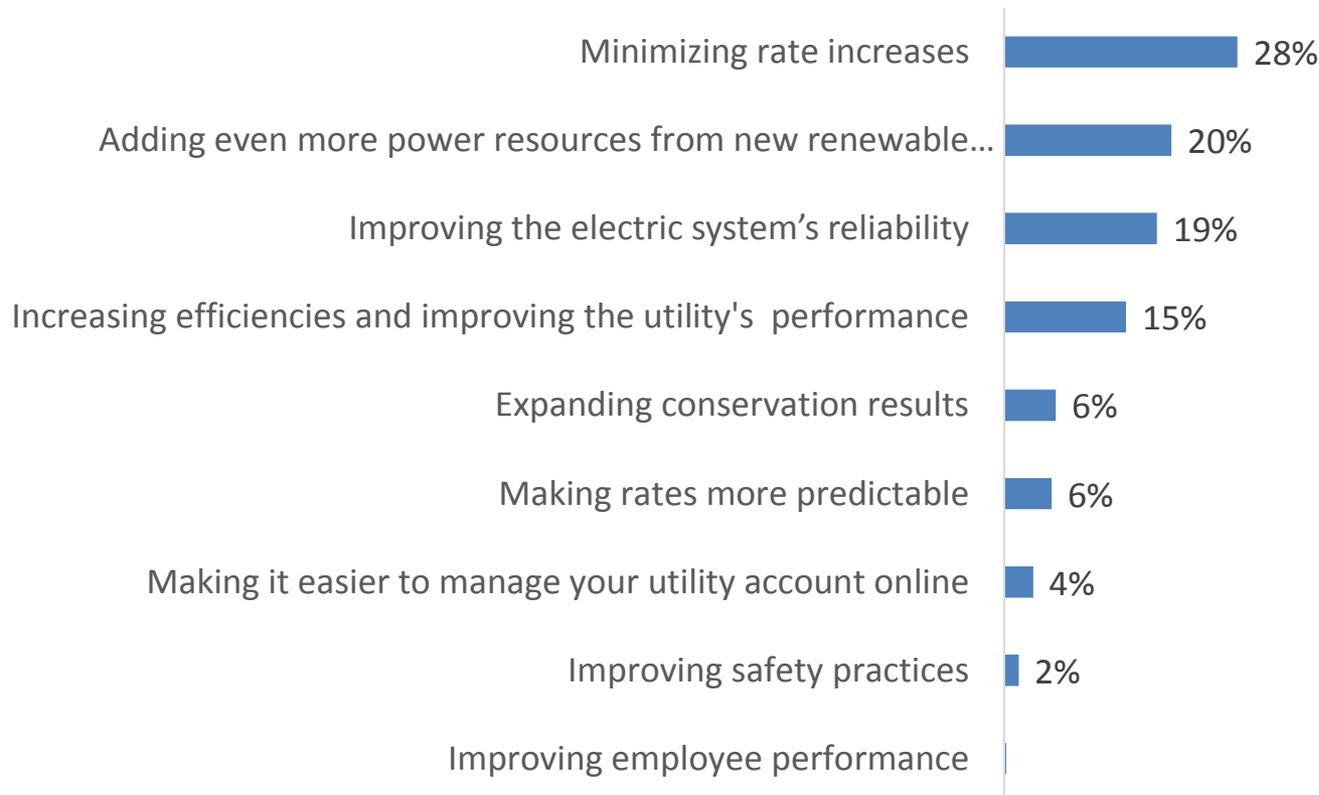
Respondents were asked to rank Strategic Plan objectives:

- Improving the electric system's reliability
- Making it easier to manage your utility account online
- Making rates more predictable
- Improving employee performance
- Minimizing rate increases
- Improving safety practices
- Increasing efficiencies and improving the utility's performance
- Expanding conservation results
- Adding even more power resources from new renewable energy sources

Minimizing rate increases, adding power from new renewables, improving reliability and increasing efficiencies were top priorities.

The purpose of the Seattle City Light Strategic Plan is to best position the utility to meet and exceed customers' expectations in producing and delivering environmentally responsible, safe, affordable and reliable power. In order of importance, please arrange/prioritize the following objectives where "1" is the most important and "9" is the least important.

SUMMARY OF #1 RANKING (Most Important)



Respondents were asked to rate the importance of 3 new initiatives:

- **Distribution automation** – Technology allows City Light to monitor and manage its systems better to respond to outages saving time and money while improving customer service.
- **Service Centers master plan** – City Light's service centers have site limitations and are vulnerable to earthquakes, so the utility proposes a master planning process to evaluate options for addressing these concerns.
- **Net wholesale revenue/rate stabilization account** – City Light is proposing to add funds to reduce the probability of a rate surcharge in the near term.

Respondents felt distribution automation was the most important new initiative.

In Seattle City Light's Strategic Plan Update, the utility plans to add three new initiatives that will provide for enhanced service and greater efficiencies. On a scale of 1-5, where "1" is not important at all and "5" is very important, how would you rate the utility's importance?

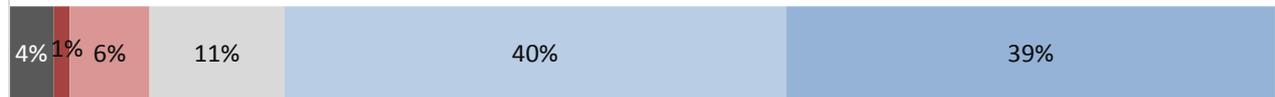
TOP 2

Distribution automation
n=394



84%

Service centers master plan
n=396



78%

Net wholesale revenue/RSA
n=395

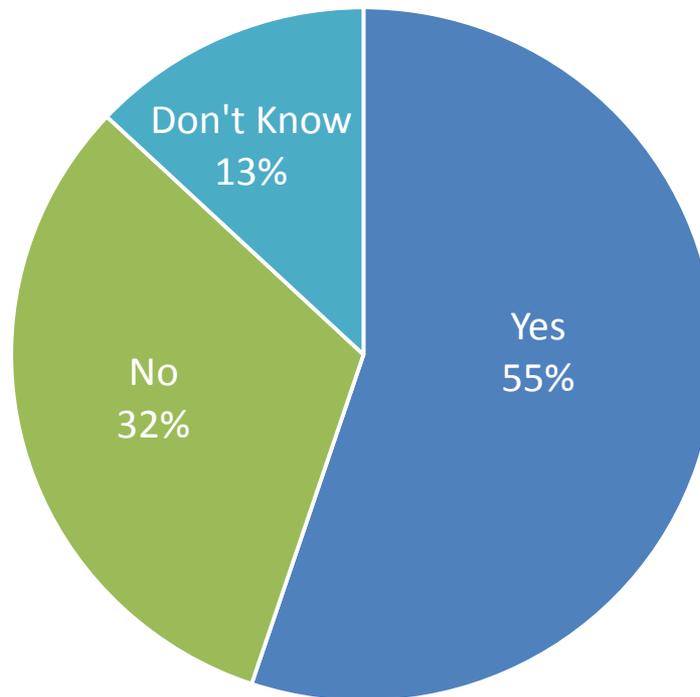


73%

■ Don't know ■ Not important all all (1) ■ Somewhat important (2) ■ Neutral (3) ■ Important (4) ■ Very important (5)

A slight majority felt the proposed rate path was reasonable.

The 2013-2018 Strategic Plan proposed an annual rate increase that averages 4.7 percent through 2018. The 2015-2020 Strategic Plan Update proposes an annual rate increase of 4.4 percent through 2020. Does this seem reasonable? (An average residential bill change of \$2.95 a month or \$35.36 a year.)

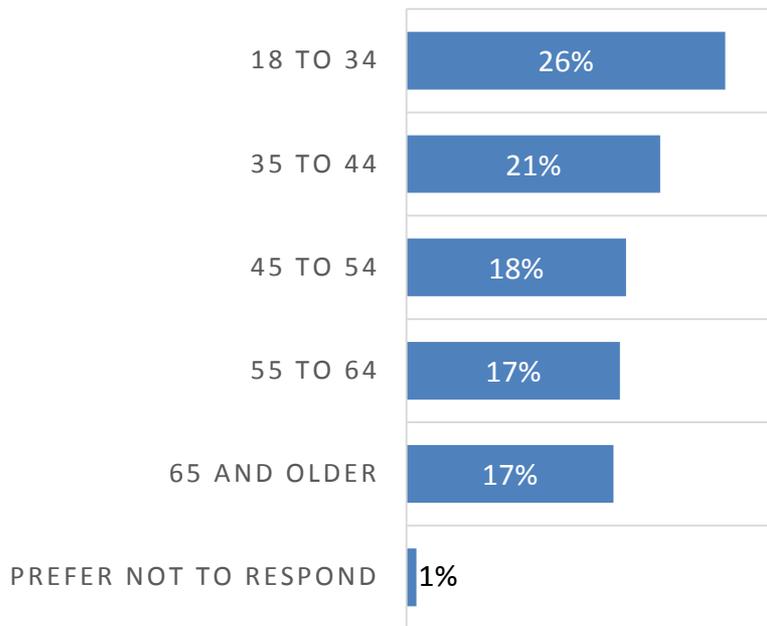


Overall Themes

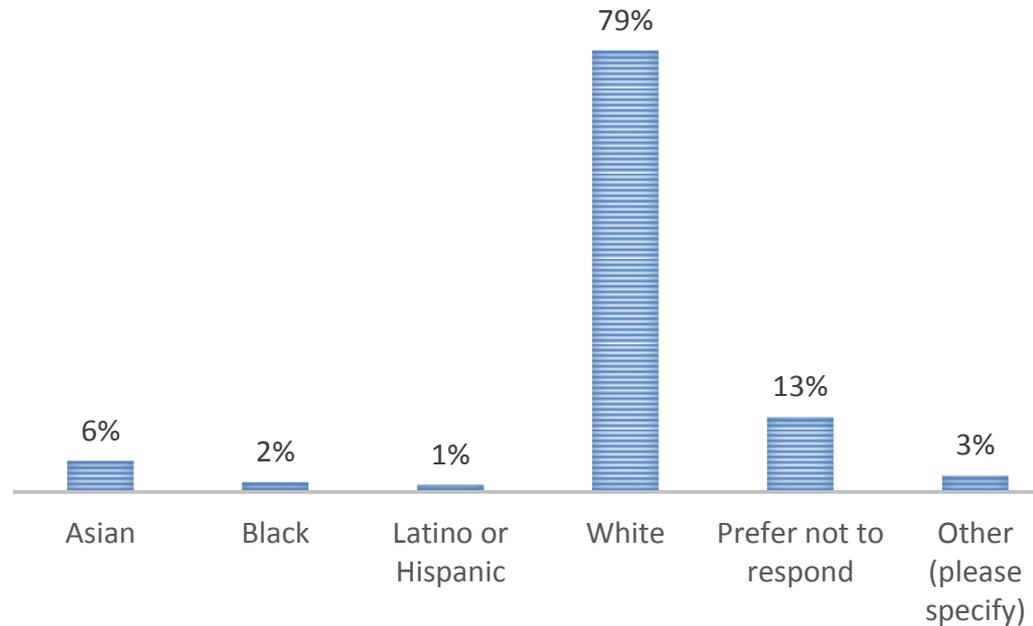
- There is knowledge of, interest in and support for the Strategic Plan.
- Customers rate City Light most positively for customer service and environmental commitment.
- Minimizing rate increases, adding even more power from new renewables, increasing reliability and increasing efficiencies are all seen as important objectives.
- The proposed rate path is generally viewed as reasonable, but there is strong concern about rate increases.

Demographics

AGE



RACE/ETHNICITY (SELECT ALL THAT APPLY.)



Respondents' Primary Address

