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July 30, 2007

Via Overnight Delivery Service

Hon. Jaclyn A. Brilling  
Secretary  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223-1350

Re: Cases 03-G-1671 et al. and Case 04-E-0572 – Retail Access Report

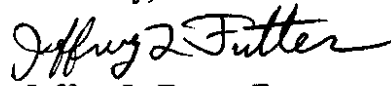
Dear Secretary Brilling:

Enclosed please find an original and five copies of Consolidated Edison Company of New York, Inc.'s Semi-Annual Retail Access Report, with separate Attachments for (i) the Customer Awareness and Understanding Survey, (ii) the Electric and Gas ESCOs' Survey, and (iii) the Action Plan for Addressing ESCOs' Concerns.

The Retail Access Report and its separate Attachments are being sent by electronic mail today to Staff, all active parties in Cases 03-G-1671 et al., and to the signatory parties in Case 04-E-0572 (plus the parties in that Case who requested copies of reports being filed by the Company), in accordance with the Public Service Commission's "Order Adopting the Terms of a Joint Proposal" in Cases 03-G-1671 and 03-S-1672 and its "Order Adopting Three-Year Rate Plan" in Case 04-E-0572.

If you have any questions concerning the Report, please contact Mr. Charles Reed at (212) 460-6947.

Sincerely,

  
Jeffrey L. Futter, Esq.

c: Sandra Sloane, Department of Public Service (by email)  
Honor Kennedy, Department of Public Service (by email)  
Julie Niedzialkowski, Department of Public Service (by email)  
Lea Ann Rosenthal, Department of Public Service (by email)



Semi-annual Report on  
**POWER YOUR WAY**  
(Retail Access Report)

A Report to the Staff of the  
New York State  
Public Service Commission

July 31, 2007

## Table of Contents

Introduction .....	3
I. Summary of Company's Promotional Activities and Expenditures.....	3
A. Components of the Promotional Activities.....	3
B. Expenditures of the Promotional Activities.....	3
II. Summary of Competition Outreach and Education... ..	4
A. Components of the Awareness and Education Program .....	4
B. Expenditures of the Awareness and Education Program... ..	6
III. Planned Activities for July through December 2007... ..	7
A. Promotional Activities and Expenditures... ..	7
B. Awareness and Education Activities and Expenditures... ..	8
IV. Customer Migration Data... ..	9
A. Gas Migration Data... ..	9
B. Electric Migration Data... ..	9

## Introduction

Pursuant to Section G (1) of the Joint Proposal adopted by order of the Public Service Commission (“Commission”) (issued September 27, 2004) in Cases 03-G-1671 et al. and Section F (9) of the Joint Proposal adopted by the Commission Order in Case 04-E-0572 (issued March 24, 2005), Con Edison submits this Report that summarizes the Company’s (i) *Power Your Way* Promotional overview activities and expenditures during the period of January 1, 2007 through June 30, 2007; (ii) Competition Outreach and Education activities and expenditures for that same period; (iii) planned activities and expenditures for Promotional and for Outreach and Education endeavors for the July 1 to December 31, 2007 period; and (iv) gas and electric customer migration data.

## I. Summary of Promotional Activities and Expenditures

### A. Components of the Promotional Activities

- In a continuing effort to promote *PowerMove*, all eligible full-service customers received an enrollment bill insert with their February 2007 bill.
- Direct-mail postcards explaining the next phases of the bill redesign program were printed for all Con Edison-billed customers. The mailing was delayed until early in the 3<sup>rd</sup> quarter of 2007, however, the printing costs occurred in the 2<sup>nd</sup> quarter and are included in this Report.

In conjunction with our sponsorship of the Staten Island Yankees, 7 games were designated to promote “green power”/energy efficiency. (First game took place on June 26<sup>th</sup>.) At each game, the first 500 attendees to come to the Con Edison table and correctly answer 1 of 4 program related questions were awarded a free 23W compact fluorescent bulb.

- Five advertisements highlighting *PowerYourWay*, “green power” and compact fluorescent bulbs were designed for the new 190’ LED display board at Staten Island Yankees Stadium. These 5 ads ran in sequence with 5 ads from other advertisers before, throughout and after each game.

### B. Expenditures on Promotional Activities

#### Gas Rate Year (10/01/06 – 9/30/07) Promotional

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Spent Prior to 12/31/06	Funds Spent 1/1 to 6/30/07	Funds Remaining
\$2,446,378	\$1,080,263	\$1,364,977	\$1,138

### Electric Rate Year (4/1/06 – 3/31/07) Promotional

Rate Year Allocation	Spent Prior to 12/31/06	Funds Spent 1/1 to 3/31/07	Funds Remaining*
\$1,062,703	\$598,272	\$243,310	\$221,121

\*Unspent funds will be carried over in the next rate year budget.

### Electric Rate Year 4/1/07 – 3/31/08) Promotional

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Funds Spent 4/1 to 6/30/07	Funds Remaining
\$221,121	\$214,981	\$6,140

## II. Summary of Competition Outreach and Education

### A. Components of the Awareness and Education Program

#### *For The Public*

Power *Your Way* was promoted via print ads in 9 trade periodicals focusing on co-ops/condo boards/realty managers and small businesses from January through June 2007.

- Co-ops/condo boards/realty managers – *The Cooperator*; *Habitat Magazine*; *Real Estate NY*; *ABO Developments*; *Real Estate Weekly*; and *The Real Deal*.
- Small businesses – *NY Enterprise Report*; *Total Food Services* and *Crain's NY*.

- Through a sponsorship with the New York Yankees, the first of two Power *Your Way*-sponsored games was held on Friday, May 25<sup>th</sup>. In addition to program advertising during the game and ads in the monthly *Yankee Magazine* from April through June and the Yearbook, the first 18,000 adults entering the Stadium received a light-up Power *Your Way* pen.
- In addition to the New York Yankee and Staten Island Yankee sponsorships, the Company's Power *Your Way* personnel staffed an exhibit and/or presented to the audience at 26 events from January through June 2007:
  - Greater NY Chamber of Commerce Small Business Fair (January 26) in the Atrium at Madison Square Garden, Manhattan. Two ESCOs participated in this event.
  - Westchester Home & Garden Show (January 27-28) at Pace University, Pleasantville, NY.
  - NYSERDA's "Energy Smart" Home Expo Fair (January 27) at Fort Wadsworth, Staten Island.
  - NYSERDA's "Energy Smart" Home Expo Fair (February 10) at Floyd Bennett Field, Brooklyn.
  - Restaurant Show of NY (March 4-6) at the Javits Center, Manhattan. Six ESCOs staffed their own exhibits at the event.
  - Westchester Home & Garden Show (March 16-18) at SUNY Purchase, Westchester.

- Staten Island Chamber of Commerce Annual Home Show (March 24-25) at the College of Staten Island.
- NYSERDA & Con Edison's Demand Management Workshop (March 29) at Con Edison, 4 Irving Place Auditorium, Manhattan.
- Westchester Chamber of Commerce Mega Mixer (April 9) at the Westchester Marriott, Tarrytown. 3 ESCOs participated in this event.
- Queens Chamber of Commerce Energy Forum (April 11) at the Bulova Corporate Center, Jackson Heights, Queens.
- Con Edison Customer Outreach Asian Conference (April 20) at Con Edison, 4 Irving Place Auditorium, Manhattan.
- Earth Day Celebration (April 20-21) at Grand Central Station, Manhattan.
- Bronx Energy/Environment Fair (April 20) at Hostos College, Bronx.
- Riverdale Energy/Environment Fair (April 22) at Riverdale YMCA, Bronx.
- Staten Island Economic Development Annual Conference (April 24) at the Hilton Garden, Staten Island. One ESCO co-presented at this event.
- The Cooperator Expo (April 25) at the NY Hilton, W57th St. and 6<sup>th</sup> Avenue, Manhattan. Ten ESCOs staffed their own exhibits at the event.
- NBC Green Energy Day (April 26) at NBC Corporate Headquarters, 30 Rockefeller Center, Manhattan.
- GSA Energy Awareness (April 27) at 26 Federal Plaza. Three ESCOs co-presented at this event.
- NYC Grows (April 29) at Union Square Park, Manhattan.
- Yonkers Business Week (May 2) at Ridgehill Plaza, Yonkers.
- Queens Chamber of Commerce Business Expo (May 17) at Terrace on the Park, Flushing, Queens. Two ESCOs co-presented at this event.
- Westchester Children's Museum Energy Fair (June 3) at Rye Playland, Westchester.
- Bronx Chamber of Commerce Business Expo (June 19) at Maestro's Caterers, Bronxdale Avenue, Bronx.
- Go Green for Business @ Brooklyn Public Library (June 20) at Brooklyn Business Library, Cadman Plaza, Brooklyn.
- "Living in America" Energy Day (June 23) at Asian Americans for Equality main office, Flushing, Queens.
- Buildings NY Expo (June 27-28) at the Javits Convention Center, Manhattan.

*For Customers:*

- Conducted a six-week advertising campaign to promote energy choice and advise customers of their "green power" options. The ads appeared once per week in 3 major daily papers (*The New York Times*, *Staten Island Advance* and the *Westchester Journal News*) and 29 ethnic/community newspapers. Ads in foreign languages ran in *El Diario/La Prensa*, *Korean Central Daily* and *World Journal*.

In addition to the ad campaign, all full-service customers received a "green power" bill insert in their April 2007 bill that highlighted the benefits of "green power" and identified the suppliers offering "green power" to customers in the Con Edison area.

- Included information about Power *Your* Way, Power*Move*, and “green power” in Customer News, the Company’s bimonthly bill insert/newsletter, and Spotlight, the semi-annual newsletter for senior citizens.
- Updated ESCO lists were published and mailed to customers at their request. The lists were also distributed at presentations and events throughout the service area.
- Messages about Power *Your* Way and Power*Move* were offered on our toll-free customer service number while customers were waiting to speak with a customer service representative (CSR).
- Continued to identify Power *Your* Way as a Con Edison program by using the Con Edison logo with the PYW logo on all of our advertisements and on the Company’s website.
- A Power *Your* Way education/marketing video FAQ (frequently asked questions) was made available on Habitat Magazine’s web site ([www.habitatmag.com](http://www.habitatmag.com)) commencing April 10<sup>th</sup>.

*For Employees:*

Power *Your* Way QuickTips information bulletins conveying pertinent information were published and distributed to customer contact employees during this period.

A training program was conducted for all new call center CSRs highlighting the features of Power *Your* Way and Power*Move*. An abridged version was presented to our new Customer Field Representatives.

*For the ESCOs:*

ESCO Newsletters - 13 issues were published from January through June to keep the ESCOs informed of commodity prices adjustments, policy/procedures changes, announcements of meetings, updates to the websites, and Power *Your* Way, Power*Move* and “green power” marketing opportunities.

## B. Expenditures on the Awareness and Education Program

### Gas Rate Year (10/01/06 – 9/30/07) Outreach/Education

	Rate Year Allocation	Categories	Spent Prior to 12/31/06	Funds Spent 1/1 to 6/30/07	Funds Remaining
1A	Marketing Research	\$175,000	\$0	\$39,125	\$135,875
1B	Public Information	\$685,000	\$7,356	\$636,189	\$41,455
1C	Customer Contacts	\$300,000	\$144	\$240,545	\$59,311
1D	Administration	\$100,000	\$25,000	\$50,000	\$25,000
	<b>TOTAL</b>	<b>\$1,260,000</b>	<b>\$32,500</b>	<b>\$965,859</b>	<b>\$261,641</b>

### Electric Rate Year (4/1/06 - 3/31/07) Outreach/Education

Rate Year Allocation	Spent Prior to 12/31/06	Funds Spent 1/1 to 3/31/07	Funds Remaining
\$1,895,000	\$1,182,181	\$709,245	\$3,574

### Electric Rate Year (4/1/07 - 3/31/08) Outreach/Education

Rate Year Allocation	Funds Spent 4/1 to 6/30/07	Funds Remaining
\$1,795,000	\$1,420,534	\$374,466

## III. Planned Activities for July through December 2007

### A. Promotional Activities and Expenditures

- With DC Comics, finalize and publish an adult informational publication, covering topics such as energy choice, demand response, real-time pricing, and energy efficiency, for distribution at all Con Edison events.
- Promotional activities will be related to the defined program and will include, but not be limited to, print ads in major daily and community newspapers and a radio ad campaign.
- Remaining 6 Staten Island Yankee dates to promote green power/energy efficiency are: July 1, July 15, July 30, August 19, August 28, and September 4.
- Begin planning for the 4<sup>th</sup> Market Expo for non-residential electric customers. Expo will be held during the 1<sup>st</sup> quarter of 2008.

### Gas Rate Year (10/01/06 - 9/30/07) Promotional

Rate Year Allocation + Balance Not Spent in Prior Rate Year	Expect to Use Jul - Sept 2007	Funds Remaining
\$1,138	\$1,138	\$0

### Electric Rate Year (4/1/07 - 3/31/08) Promotional

Rate Year Allocation + Balance Not Spend in Prior Rate Year	Expect to Use July - Dec 2007	Funds Remaining
\$6,140	\$1,500	\$4,640



## B. Awareness and Education Activities and Expenditures

Continue print ads in 6 publications targeting co-ops/condo boards/realty managers (*The Cooperator*, *Habitat Magazine*, *Real Estate NY*, *ABO Developments*, *Real Estate Weekly*, and *The Real Deal*) and in the 3 publications for small businesses (*NY Enterprise Report*, *Total Food Service* and *Crain's NY*).

- Continue to seek other publications to assist reaching target niches.
- Additional sponsored game (September 21) at Yankee Stadium.
- Staff exhibits: Asian Americans for Equality Energy Fair in Brooklyn (July 28); Coney Island Festival (July 28); Peekskill Celebration (August 4) in Westchester; the Richmond County Fair (September 8-9) in Staten Island; Fordham Road Renaissance Fair (September 9) in The Bronx; Belmont Ferragosto Festival (September 9) in The Bronx; NYARM (NY Area Realty Managers) Real Estate Expo (September 26) at the Hotel Pennsylvania in Manhattan; Con Edison Customer Outreach Hispanic Conference (October 5) at Irving Place, Manhattan; the Westchester Fall Home Show (October 13-14) at Pace University, Westchester; Westchester Home Show (November 3-4) at the Westchester County Center; CNYC/Habitat Magazine Annual Housing Conference & Expo (November 11) at Baruch College, E. 23rd St. & Lexington Ave., Manhattan; New York Hotel and Restaurant Show @ the Javits Center, Manhattan; the Long Island City Business Development Corp. Annual Trade Expo (November 14) at Terrace on the Green in Queens; and the NY Expo for Businesses (November 28) at the Javits Center, Manhattan.
- Other events may be identified as appropriate and added to this schedule.

### Gas Rate Year (10/01/06 - 9/30/07) Outreach/Education

	Rate Year Allocation	Categories	Spent Prior to June 2007	Expect to Spend Jul - Sept 2007	Funds Remaining
1A	Marketing Research	\$175,000	\$39,125	\$0	\$135,875
1B	Public Information	\$685,000	\$643,545	\$177,030	(\$135,575)
1C	Customer Contacts	\$300,000	\$240,689	\$59,000	\$311
1D	Administration	\$100,000	\$75,000	\$25,000	\$0
	<b>TOTAL</b>	<b>\$1,260,000</b>	<b>\$998,359</b>	<b>\$261,030</b>	<b>\$611</b>

### Electric Rate Year (4/1/07 - 3/31/08) Outreach/Education

Rate Year Allocation	Spent Prior to June 2007	Expect to Spend Jul - Dec 2007	Funds Remaining
\$1,795,000	\$1,420,534	\$100,000	\$274,466

## IV. Customer Migration Data

### A. Gas Data

As of June 30, 2007, 51,697 eligible accounts have switched to ESCO supply service since October 1, 2004, the start of the current gas rate plan. For the purpose of the migration incentive, eligible accounts are limited to residential heating and non-residential gas accounts taking firm service that migrate to firm transportation service after September 30, 2004.

#### Number of Migrated Gas Accounts as of 6/30/07

As of 12/31/06	Jan	Feb	Mar	Apr	May	June	TOTAL
40,484	1,411	1,506	1,867	1,807	2,051	2,571	51,697

Applying the formula set forth in Section G.1.iii.e of the Joint Gas Proposal for counting residential multi-dwelling accounts, the above numbers of migrated accounts are treated, for purposes of the migration incentive, as the number of customers stated in the table below.

#### Equivalent Number of Migrated Gas Customers as of 6/30/07

As of 12/31/06	Jan	Feb	Mar	Apr	May	June	TOTAL
44,864	1,813	1,742	1,979	1,934	2,121	2,979	57,432

Con Edison has reached the minimum of 7,500 accounts to be awarded the migration incentive.

### B. Electric Data

As of June 30, 2007, 496,852 accounts have switched to ESCO supply service since April 1, 2005, the start of the current electric rate plan.

#### Number of Migrated Electric Accounts

As of 12/31/06	Jan	Feb	Mar	Apr	May	June	TOTAL
378,187	24,441	18,296	23,657	17,146	17,893	17,232	496,852

Con Edison has reached the minimum of 25,000 accounts to be awarded the migration incentive.



**Customer Awareness and Understanding of  
Con Edison's Energy Choice Program  
Spring 2007**

**A CRA Research Report**

**Prepared for  
Con Edison  
New York, NY**



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## Table of Contents

<b>Executive Summary.....</b>	<b>i</b>
Summary of Findings .....	i
<b>Introduction .....</b>	<b>1</b>
Report Structure .....	1
<b>Awareness of Power <i>Your Way</i> .....</b>	<b>2</b>
Customer Awareness of Energy Choice .....	2
Source of Awareness of Energy Choice.....	3
What Customers Have Heard.....	3
Customer Awareness of “Power <i>Your Way</i> ” .....	5
Source of Awareness of “Power <i>Your Way</i> ” .....	5
Green Power .....	6
<b>Understanding of Power <i>Your Way</i> .....</b>	<b>7</b>
“Understanding” Indices.....	8
Components of Understanding.....	10
<b>Procedural Issues .....</b>	<b>15</b>
Ability to Locate “Power <i>Your Way</i> ” Information .....	15
Preferred Sources for Information about Energy Competition .....	16
Internet Access .....	17
<b>Participation in Power <i>Your Way</i> .....</b>	<b>18</b>
<b>Conclusions and Recommendations.....</b>	<b>19</b>



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## Executive Summary

Con Edison is committed to making its Power *Your Way* program one of the best in the nation. Toward that end, Con Edison asked CRA, Inc. to help it explore customer awareness and understanding of its energy choice program in order to develop targeted improvement efforts. This report presents the findings from the research effort conducted in April and May 2007 through telephone interviews with 400 Con Edison customers.

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## Summary of Findings

The Power *Your Way* Awareness and Understanding study resulted in a variety of detailed findings, the most significant of which are highlighted below.

### Awareness |

- About 73 percent of all respondents are aware of the energy choice program, a significant increase from the 2006 finding, when 51 percent were aware of it.
- Among those aware of energy choice, many learned about the program through a mailing or bill insert. A significant portion of consumers heard about the program from an energy representative's visit to their homes.
- One-fifth of respondents specifically report awareness of Con Edison's slogan, "Power *Your Way*," an improvement from the 2006 finding of 16 percent awareness.
- When asked what they had heard about the program, customers most often mentioned that they were aware that they have options and that customers might be able to save money by using other suppliers.
- About 48 percent of respondents are aware of the opportunity to purchase power generated from renewable sources such as wind, solar, biomass, and hydro. However, of the remaining 52 percent, 34 percent are not aware of their options related to this type of energy.

### Understanding |

- Across the nine items used to measure understanding, customers revealed the highest level of understanding (79 percent) of the fact that when they choose another energy supplier, Con Edison will continue to deliver energy to their home. Further, 78 percent report that they understand that Con Edison will continue to maintain the "pipes and wires."
- Across the nine items, customers are least likely to report that they understand that Con Edison no longer produces power and is now focused on delivering energy to customers.
- In 2007, customers are more likely than in 2006 to understand that Con Edison has no restrictions or penalties for changing energy suppliers.

Procedural Issues |

- About half of customers reported that they would know where to look for information if they chose to shop for another supplier.
- About three-quarters of customers reported that they prefer to hear about *Power Your Way* through the mail.
- About 72 percent of respondents have Internet access, a significant increase from 2006, reinforcing the potential usefulness of the *Power Your Way* website. Approximately 81 percent of those individuals have an Internet connection that is broadband or high speed, increasing the opportunities for different applications on the website.

Participation in *Power Your Way*

- Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to understand that Con Edison supports customer choice of energy suppliers, that purchasing from another supplier will not jeopardize the reliability of their service, that Con Edison will still respond to emergencies the way they do now, that Con Edison encourages customers to shop for electricity and natural gas suppliers, and that Con Edison has no restrictions or penalties for changing energy suppliers; and that they have opportunities to purchase Green Power.
- Customers who purchase their gas from an ESCO hold similar perceptions as those of Con Edison customers.



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**Introduction** As a progressive energy company, Con Edison is committed to making its *Power Your Way* program one of the best in the nation. Toward that end, Con Edison asked CRA, Inc. to help it explore customer awareness and understanding of its energy choice program in order to develop targeted improvement efforts. This report presents and graphically illustrates the findings of the seventh administration of the study, including comparisons from 2005, when we began to include electric consumers, forward.

The research was conducted in April and May 2007 through telephone interviews with 400 Con Edison customers.

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**Report Structure** The remainder of this report presents the research findings in five sections:

- **Awareness of Power Your Way**
- **Understanding of Power Your Way**
- **Procedural Issues**
- **Participation in Power Your Way**
- **Conclusions and Recommendations**

## Awareness of Power Your Way

Are electric and gas customers aware that they can choose to purchase electricity or gas from a company other than Con Edison? If so, how did they learn about it? The study findings indicate that:

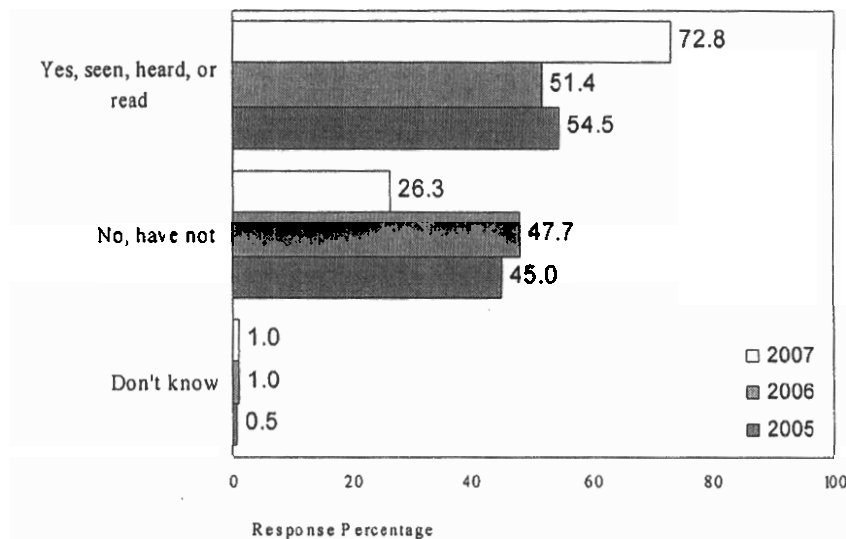
- About 73 percent of all respondents are aware of the energy choice program, a significant improvement from 2006, when only 51 percent were aware of the program.
- Among those aware of energy choice, many learned about the program through a mailing or a bill insert.
- In describing what they've heard about the program, customers are most likely to note that they know about their option to select an energy supplier other than Con Edison.
- About 20 percent of respondents specifically report awareness of Con Edison's slogan, "Power Your Way," a moderate increase from 2006.
- About 48 percent of respondents are aware of their options related to Green Power.

The remainder of this section details these findings.

## Customer Awareness of Energy Choice

The survey first asked respondents, "Have you seen or heard anything informing you that you now have an opportunity to choose your energy supplier and are able to buy your electricity and natural gas from a company other than Con Edison?" As the graph below illustrates, 73 percent of electricity and gas customers are aware of the program, a significant improvement from 2006, reflecting the effectiveness of Con Edison's efforts.

Have you seen, heard, or read anything informing you that you can choose to buy energy from a company other than Con Edison?



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## Source of Awareness of Energy Choice

Interviewers then asked respondents who are aware of the program to describe how they learned about their ability to choose an energy supplier. The research team categorized and coded customers' open-ended responses in order to ascertain which communication sources respondents mentioned most often.

Listed below are the sources cited by at least five percent of those familiar with *Power Your Way*.

Please tell me how you  
learned about your ability to  
choose your energy  
supplier.

- About **30 percent** indicated that they had learned about *Power Your Way* from a **bill insert**.
- About **16 percent** recalled receiving information in the **mail**, but did not offer further specifics.
- About **16 percent** of respondents indicated that they had heard about the program directly **from Con Edison**.
- About **14 percent** learned about the program through **door-to-door visits**.
- About **10 percent** of customers read about their ability to choose in a **newspaper**.
- About **7 percent** specifically noted that they learned about the program through **other energy suppliers**.
- About **7 percent** of customers heard about the program from **television**.
- About **6 percent** learned about the program from **phone calls**.

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## What Customers Have Heard

To provide context around what customers have heard about the *Power Your Way* program, the research team performed content analysis of the open-ended responses to this question. The analysis revealed four primary themes, detailed below:

Many customers (about four-in-ten) said that they knew that they had options for their energy supplier. Comments included:

- ✓ We are able to buy our electricity and gas from a third party.
- ✓ That I can choose my gas or electricity company.
- ✓ I have seen information in my monthly bill about Con Edison saying you can purchase from other sources.

A large number of respondents (about one-quarter) simply remembered the source from which they received their information. Comments included:

- ✓ I saw a billboard that said I can choose my energy supplier.
- ✓ Con Edison includes information about energy choices in every bill
- ✓ I heard on the radio and I know other people who use other companies.

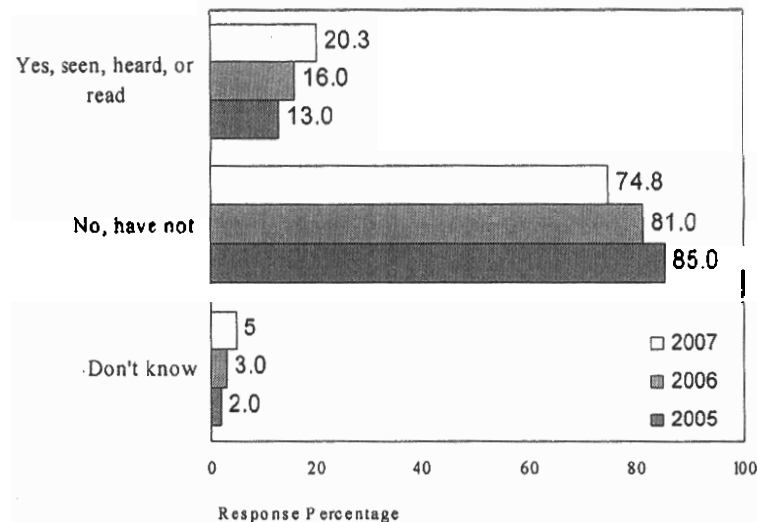
A notable number of customers (about one-in-eight) indicated that they may be able to save money by using other suppliers. Comments included:

- ✓ The pamphlet in the mail said I could choose another company and save some money.
- ✓ Several phone calls claiming savings.
- ✓ It's supposed to be cheaper, but I decided to stay with Con Edison.

## Customer Awareness of "Power Your Way"

To gain additional information about customer attention to *Power Your Way* promotions, the survey asked respondents, "Have you seen or heard the slogan, 'Power Your Way'?" As the graph below illustrates, only 20 percent of electricity and gas customers report awareness of Con Edison's slogan, a moderate increase from the 2006 finding.

Have you seen or heard the slogan, "Power Your Way?"



## Source of Awareness of "Power Your Way"

Interviewers then asked respondents aware of the slogan where they had seen or heard it. The research team categorized and coded customers' open-ended responses in order to ascertain which sources respondents most often mentioned.

Listed below are the sources cited by at least ten percent of those familiar with the slogan:

Please tell me where you saw or heard about "Power Your Way."

- **25 percent** saw the slogan on **television**.
- About **23 percent** noted that they saw the slogan in **their bill insert**.
- About **17 percent** indicated that they saw the slogan in **some form of Con Edison literature other than their bill**.
- Another **12 percent** indicated that they saw the slogan in **advertisements**, such as on a billboard or subway poster.

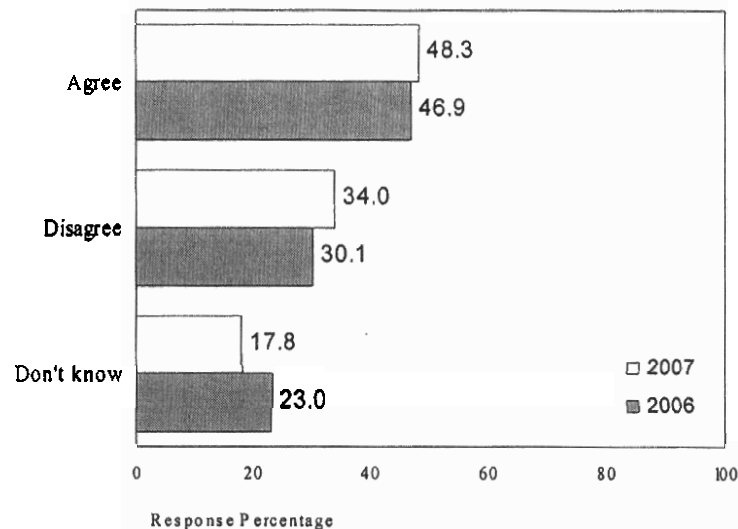
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## Green Power

To explore customer awareness of Green Power, interviewers asked respondents if they are aware of the opportunity to purchase this type of power (power generated from renewable sources such as wind, solar, biomass, and hydro). The graph below depicts their responses.

About 48 percent of customers agree that they are aware of the opportunity to purchase Green Power. Additionally, 34 percent disagree and 18 percent are unsure.

I am aware of my  
opportunity to purchase  
Green Power (power  
generated from renewable  
sources such as wind,  
solar, biomass, and hydro).



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## **Understanding of Power Your Way**

In order to assess customer understanding of the *Power Your Way* program, the survey offered a series of statements regarding specific aspects of the program and asked respondents to indicate whether they agree or disagree with each statement. The survey also elicited respondents' preference for receiving information about energy choices in the future.

The findings suggest that:

- Customers demonstrated the highest level of understanding regarding the fact that Con Edison will continue to deliver their energy when they choose another energy supplier.
- Customers are least likely to report that they know that Con Edison no longer produces power and is now focused on delivering energy to its customers.
- In 2007, customers are more likely than in 2006 to understand that Con Edison has no restrictions or penalties for changing energy suppliers.

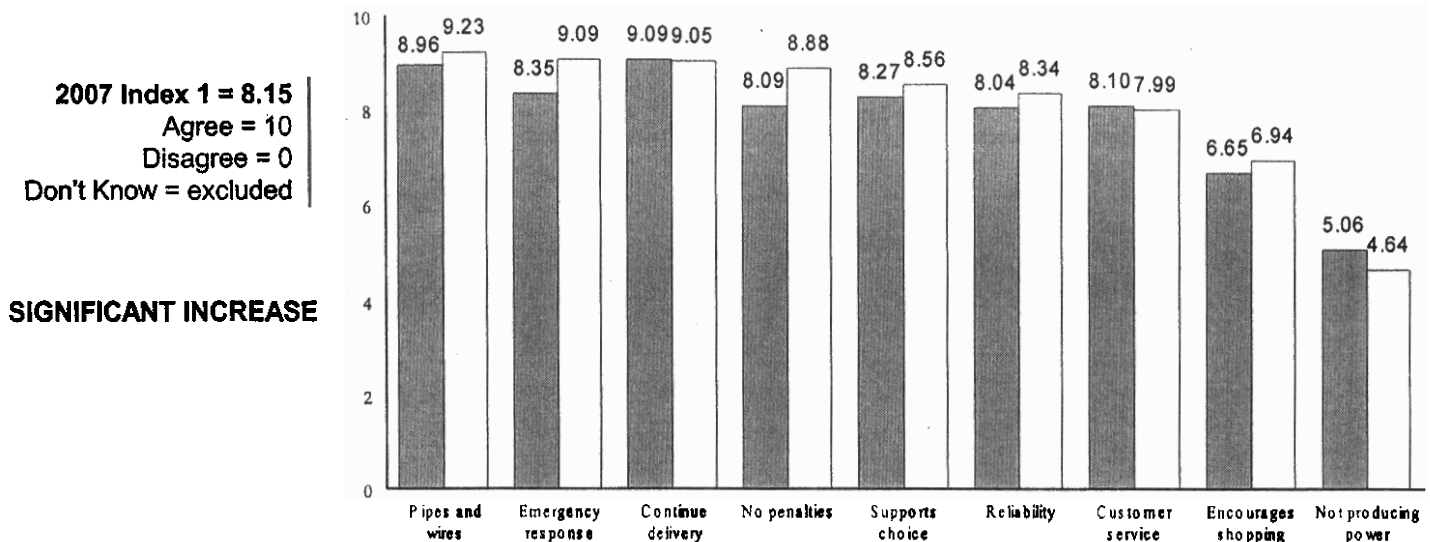
The remainder of this section details these findings.

## **"Understanding" Indices**

To provide an overall picture of customer understanding, the research team calculated two indices—based on the nine survey items (shown in the graph below) used to measure beliefs about Con Edison's *Power Your Way* program.

**Index 1.** To calculate the first index, the team assigned a value of "10" to each "agree" response and a value of "0" to each "disagree" response across each item. *(The team excluded from the calculation respondents who answered "don't know.")* The team then calculated an average across each item, and averaged those scores to produce an overall index score.

The resulting index rating is **8.15**, a significant improvement from the 2006 index score of 7.84. The graph below illustrates the average index ratings across the nine items that make up the index. As shown, the resulting scores for customers' understanding that the Company will continue to maintain the delivery "pipes and wires," that Con Edison will still respond the same way in an emergency, and that Con Edison will continue to deliver their energy are highly favorable, while scores for customers' understanding that Con Edison encourages customers to shop for energy and that Con Edison no longer produces power are less favorable.

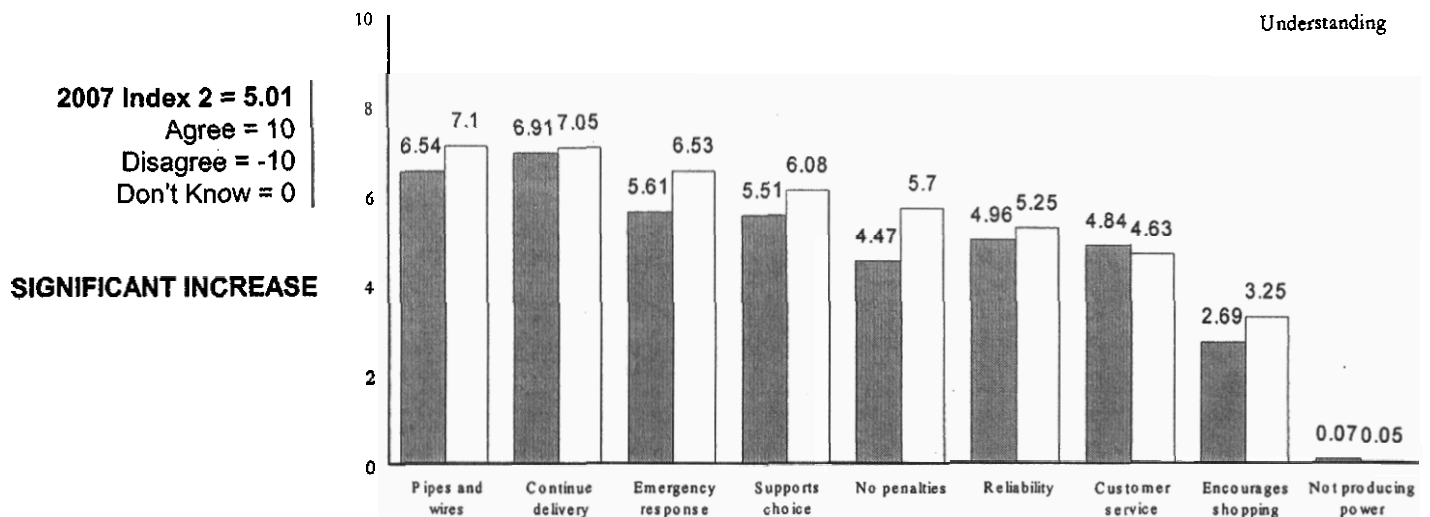




**Index 2.** The research team calculated a second index by assigning a value of “10” to each “agree” response, a value of “-10” to each “disagree” response, and a value of “0” to each “don’t know” response across each of the nine items. The research team presents the second index because:

- It includes all responses, including “don’t know” responses.
- It reflects the fact that it is typically more difficult to change an opinion than to promote an opinion where none previously existed. In other words, it is easier to educate customers who “don’t know” the desired belief than to change the minds of customers who hold an incorrect perception.

The resulting index rating is **5.01**, a significant improvement from the 2006 index score of 4.62. Of particular concern: customers’ understanding that Con Edison is now focused on delivering energy instead of producing power and that Con Edison encourages customers to shop for other energy suppliers.

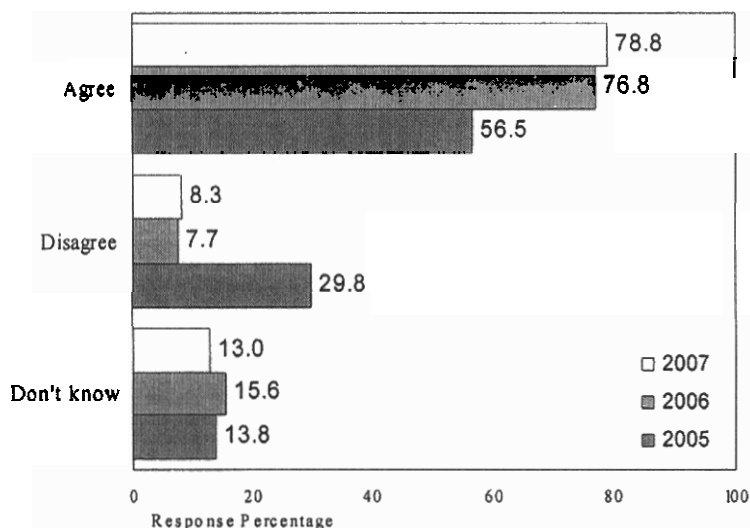


## Components of Understanding

This section details the findings for each of the nine survey items used to calculate the overall “understanding” indices. The items are presented in descending order of agreement.

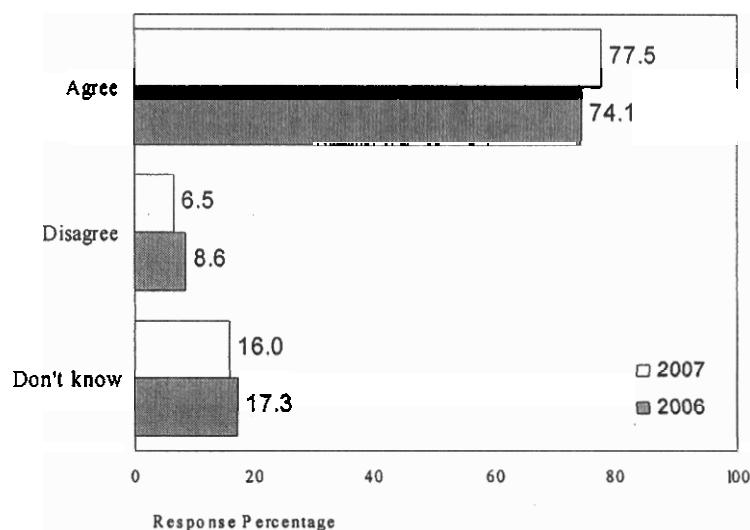
About 79 percent of respondents agree that when they switch to another energy supplier, Con Edison will continue to deliver energy to their home. Only 8 percent of customers disagree.

When I choose to purchase my electricity or gas from an energy supplier, Con Edison will continue to deliver that energy to my home.



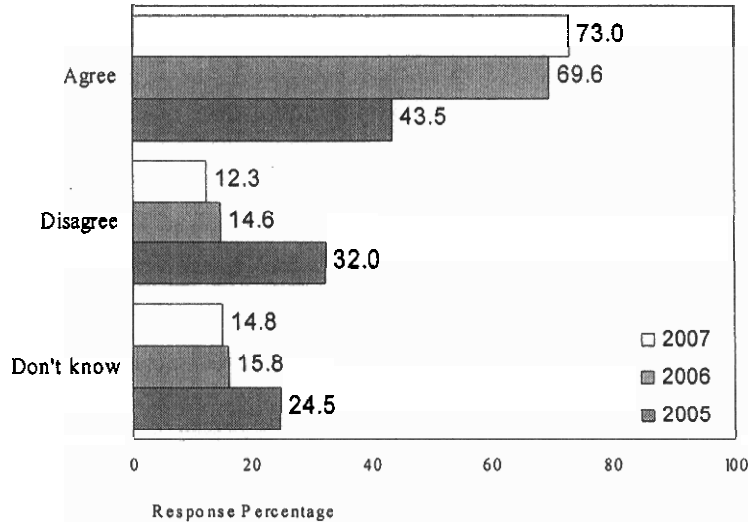
About 78 percent of respondents agree that even though Con Edison no longer generates electricity, they will continue to maintain the delivery “pipes and wires” in the future. About 7 percent disagree, and 16 percent are not sure.

Even though Con Edison no longer generates electricity, it will continue to deliver my electricity and natural gas and maintain the delivery “pipes and wires” in the future.



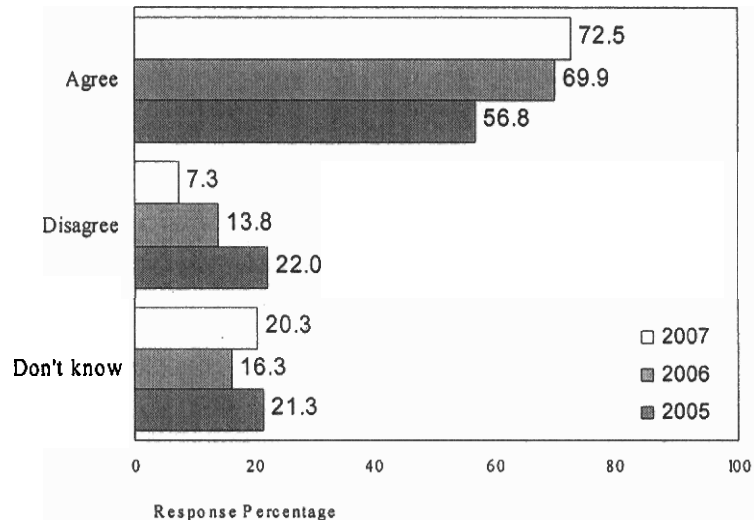
As shown, 73 percent of respondents agree that Con Edison supports customer choice of energy suppliers. About 12 percent of respondents disagree, while about 15 percent are unsure.

Con Edison supports customer choice of energy suppliers.



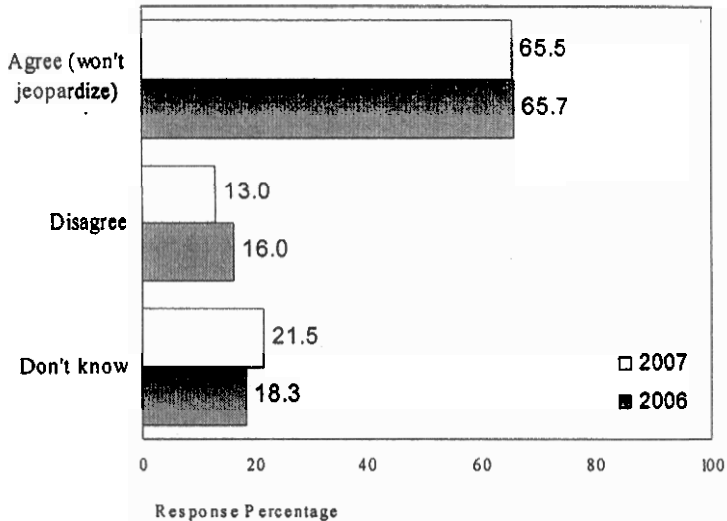
About 73 percent of respondents agree that even if they switch to another energy supplier, Con Edison will still respond to emergencies just as they do now, while only 7 percent disagree with this statement. The reduction in the level of disagreement represents a notable improvement in perceptions.

When I purchase my electricity or natural gas from an energy supplier, Con Edison will still respond to an electric service or natural gas emergency just as they do now.



Nearly two-thirds of respondents agree that purchasing from an energy supplier will not jeopardize the reliability of their service, while 13 percent disagree with this statement.

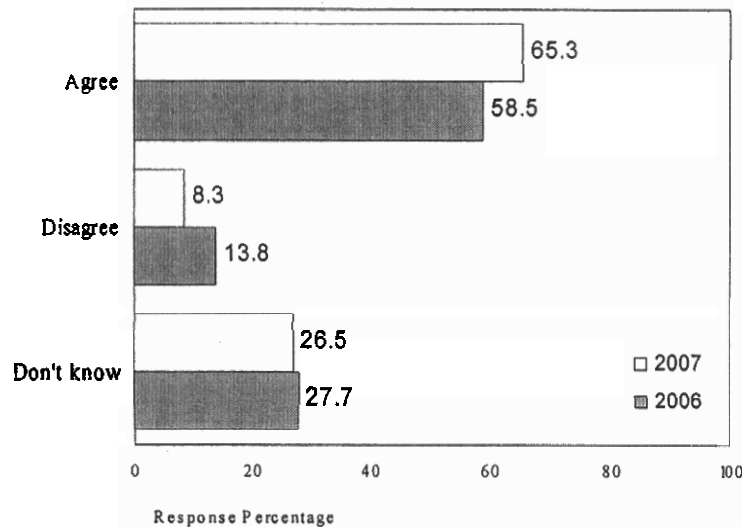
Purchasing electricity or natural gas from an energy supplier will NOT jeopardize the reliability of my service.



Nearly two-thirds of respondents agree that Con Edison has no restrictions or penalties for changing energy suppliers, while only 8 percent disagree with this statement and nearly 27 percent are unsure.

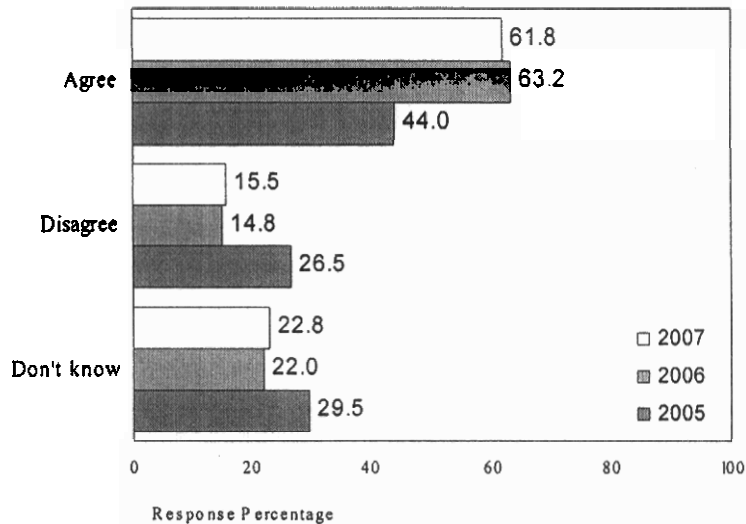
Con Edison has no restrictions or penalties for changing energy suppliers.

**SIGNIFICANT INCREASE**



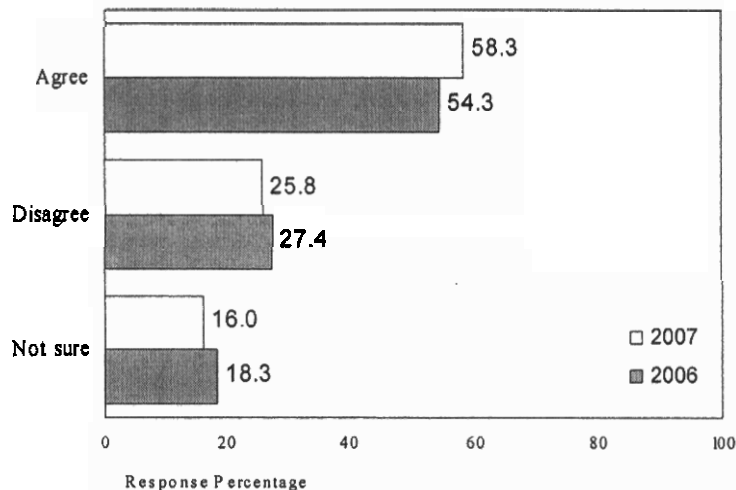
As shown below, 62 percent of respondents agree that when they purchase energy from another supplier, they will receive the same level of customer service when they call Con Edison. About 16 percent of customers disagree with this statement, while about 23 percent are unsure.

When I purchase my electricity or natural gas from an energy supplier, I will receive the same level of customer service when I call Con Edison that I receive now.



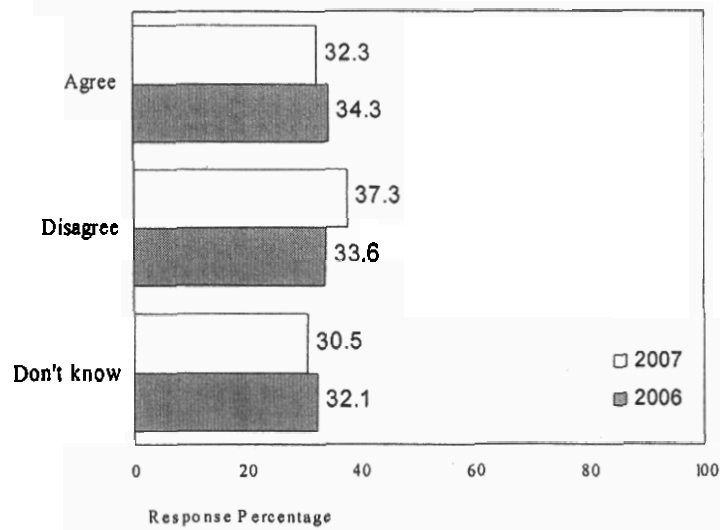
As shown below, 58 percent of respondents agree that Con Edison encourages customers to shop for energy suppliers, while about 26 percent disagree and 16 percent are unsure.

Con Edison encourages customers to shop for electricity and natural gas suppliers.



As shown, only 32 percent of respondents agree that Con Edison no longer produces power and is now focused on delivering energy, while approximately 37 percent disagree with this statement and about 31 percent are unsure.

Con Edison no longer produces power and is now focused on delivering energy to its customers.



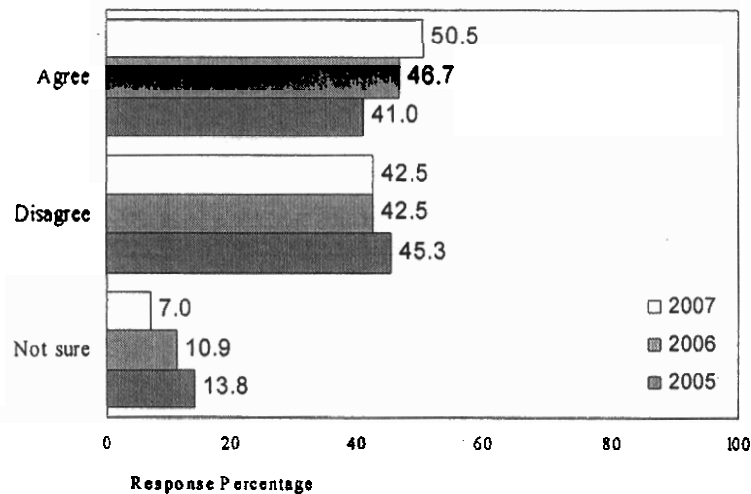
## Procedural Issues

In order to provide context around the procedural aspects of participation in the *Power Your Way* program, the survey asked several questions concerning customers' ability to gather information about the program and preferences for receiving this type of information.

### ***Ability to Locate "Power Your Way" Information***

First, to assess consumers' procedural ability to participate in the *Power Your Way* program, the research team asked respondents whether or not they would know where to find information about their options if they chose to shop for an energy supplier. As illustrated below, about half of electric and gas customers agreed that, if they chose to shop for an energy supplier, they would know where to look for information. About 43 percent of respondents would not know where to look for the information.

If I wanted to shop for an energy supplier, I'd know where to look for information.



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**Preferred Sources for  
Information about  
Energy Competition**

To advise Con Edison in its future communications about Power *Your* Way, the survey asked respondents how they would prefer to receive information about energy options. The research team categorized and coded customers' open-ended responses in order to ascertain which communications were most frequently cited.

Listed below are the sources preferred by at least five percent of customers:

How would you prefer to  
receive information about  
your energy choices in the  
future?

- About **75 percent** of customers reported that they would prefer to hear about Power *Your* Way through the **mail**. While these customers offered no additional specifics, the magnitude of this response revealed an ongoing customer preference for written communications.
- Another **12 percent** of customer specified that they preferred to receive information through the **Internet or via email**.
- About **9 percent** of customers specified that they preferred to receive information in a **bill insert**.

A number of respondents said they are *not* interested in receiving information about the Power *Your* Way program.

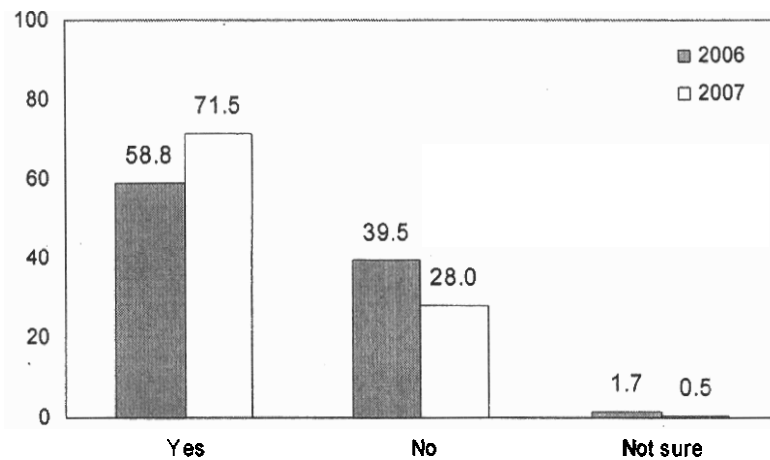


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## Internet Access

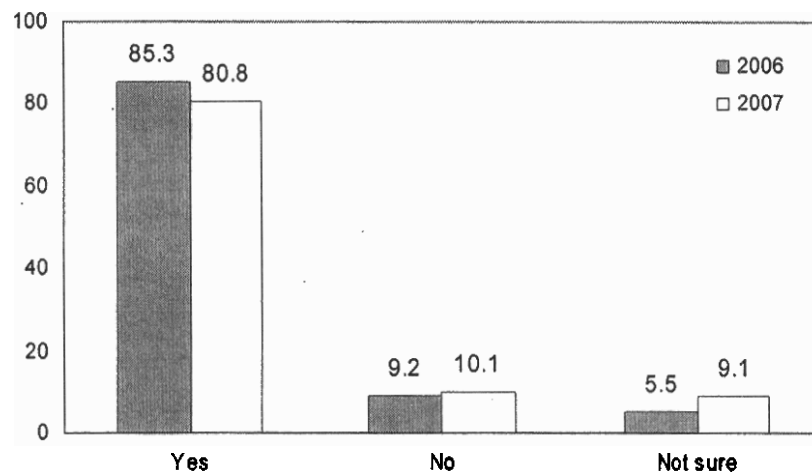
In order to better understand the potential for the *Power Your Way* website to effectively reach and inform customers, the survey asked respondents about their ability to access the Internet.

Do you have access to the Internet?



As shown above, about 72 percent of respondents indicated that they do have Internet access, a significant increase from 2006. Interviewers followed up with those who have Internet access by asking them if their Internet connection is broadband or high speed. In response to this question, almost 81 percent indicated that their Internet connection is broadband or high speed, while only 10 percent indicated that it was not.

Is your Internet connection broadband or high speed?



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## Participation in Power Your Way

The survey asked customers about their participation in both electric and gas *Power Your Way*. Using the resulting data, the research team conducted multivariate analyses to identify whether awareness and understanding differ based upon involvement in the *Power Your Way* program.

In 2007, 26 percent of respondents indicated that they purchase their gas from a supplier other than Con Edison, a moderate increase from 23 percent in 2006. About 19 percent of respondents indicated that they purchase electricity from a supplier other than Con Edison, similar to the 2006 finding. Statistical analysis revealed the following:

- ✓ Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to believe that Con Edison supports customer choice of energy suppliers.
- ✓ Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to believe that purchasing energy from another supplier will not jeopardize the reliability of their service.
- ✓ Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to believe that when they purchase from another supplier, Con Edison will still respond to emergencies the way it does now.
- ✓ Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to believe that Con Edison encourages customers to shop for electricity and natural gas suppliers.
- ✓ Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to believe that Con Edison has no restrictions or penalties for changing energy suppliers.
- ✓ Customers who purchase their electricity from an ESCO are more likely than Con Edison customers to be aware of the opportunity to purchase Green Power.
- ✓ Customers who purchase their gas from an ESCO hold perceptions similar to those of Con Edison customers.

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## Conclusions and Recommendations

Con Edison commissioned this research effort to provide insights that will guide strategic decisions and actions. Toward that end, the CRA research team has reviewed the findings and generated several conclusions and recommendations.

1. CRA has conducted awareness and understanding studies for a large variety of organizations across a diverse range of communication campaigns and survey populations. Across those studies, CRA has identified 80 to 85 percent as the typical “saturation point”—the level at which efforts to further create awareness reach the point of diminishing returns. In this study, nearly three-quarters of respondents—including both gas and electric customers—are aware of their energy choice options, suggesting that Con Edison’s efforts have significantly increased customer awareness of energy choice and that these perceptions are approaching the “saturation point.”
2. In 2007, customers are more likely than in 2006 to understand that Con Edison imposes no restrictions or penalties for changing energy suppliers, reflecting the success of Con Edison’s communication efforts in this area, and providing a foundation for increased acceptance.
3. The items receiving the highest level of customer agreement are “Even if I switch to a new energy supplier, Con Edison will continue to deliver energy to my home,” and “Con Edison will continue to deliver energy and maintain pipes and wires in the future.” In its efforts to promote further participation in the program, Con Edison may wish to emphasize and reinforce these beliefs to mitigate concerns that may arise in other areas.
4. The lowest-rated item continues to be “Con Edison no longer produces power and is now focused on delivering energy to its customers.” This is clearly an issue that customers find difficult to grasp. Con Edison may wish to emphasize the fact that it is out of the energy production business to encourage customers to consider energy alternatives.
5. About half of respondents would know where to look for information if they choose to shop for a supplier. Con Edison should continue to highlight available resources and make it as easy as possible for consumers to find information about their choices.

6. As in 2006, nearly half of respondents are aware of the opportunity to purchase Green Power. Promoting this aspect of the program may encourage environmentally-conscious customers to consider switching.
7. While about three-quarters of customers prefer to receive information about Power *Your* Way through mail-based sources, only 46 percent of these customers recall receiving information about the program in the mail or via bill inserts. This highlights the difficulties inherent in successfully garnering customer attention.
8. About 72 percent of respondents indicate they have access to the Internet, a significant increase from 2006. This finding validates Con Edison's investment in the Power *Your* Way website and the Con Edison Kids' website, and suggests that continued investment in this medium is warranted.



**Exploring Electric and Gas ESCOs'  
Perceptions of Con Edison's  
Energy Choice Program  
Summary of 2007 Research Findings**

Prepared for  
Con Edison  
New York, NY

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## Table of Contents

<b>Executive Summary .....</b>	<b>i</b>
Key Findings .....	i
<b>Introduction.....</b>	<b>1</b>
Data Collection .....	1
The Limitations of Qualitative Data.....	1
Report Structure .....	1
<b>Key Findings.....</b>	<b>2</b>
How Do ESCOs' Experiences With Con Edison Measure Up To Their Expectations? .....	3
How Do ESCOs Feel About The Overall Quality Of Their Relationship With Con Edison?.....	6
How Do ESCOs Feel About The "Front-End" Components of Con Edison's Program?.....	15
How Do ESCOs Feel About The "Back-End" Components of Con Edison's Program?.....	28
Electric ESCOs .....	28
Gas ESCOs.....	31
<b>ESCO Information.....</b>	<b>39</b>
<b>CRA's General Observations.....</b>	<b>40</b>
<b>Appendix A: Key ESCO Issues.....</b>	<b>41</b>
<b>Appendix B: ESCO Participation .....</b>	<b>43</b>

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## **Executive Summary**

Con Edison is committed to making its energy choice program one of the best in the nation. Consistent with that commitment, the Company enlisted CRA, Inc. to conduct an annual assessment of the beliefs and perceptions held by the energy service companies (ESCOs) participating in the program. This report summarizes the findings for the 2007 administration of the study

This section summarizes the study's key findings, revealing strengths that Con Edison can leverage as well as opportunities for improvement.

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## **Key Findings**

### **How did ESCOs rate their overall experience with Con Edison?**

- Nearly all ESCO representatives found Con Edison's electric and gas energy choice programs "better than" or "about the same as" other programs in which they participate, representing *a significant improvement from the 2006 finding*. ESCO representatives commented favorably about Con Edison's helpfulness, responsiveness, and accessibility and praised specific program elements.

### **How did ESCOs rate the overall quality of their business relationship with Con Edison?**

- More than nine-in-ten ESCOs noted that they are at least "somewhat satisfied" with the program overall. Across the various components of the energy choice program, ESCO ratings in 2007 were extremely favorable, with notably high levels of favorability (of 90 percent or higher) with Con Edison's marketer and customer communication, energy marketing campaign, enhanced energy website, customer enrollments and removals, nominations and confirmations, balancing services, and the Winter Bundled Sales Service program.
- In describing Con Edison's strengths, many ESCOs praised the Con Edison staff involved in the program, noting their responsiveness and their level of support. Others spoke highly of the easy access to information in the enhanced energy website and Con Edison's marketing efforts.
- In what respects were ESCOs less satisfied with Con Edison? Many reported no weaknesses. Some ESCOs noted a lack of responsiveness, or spoke of concerns about Con Edison's customer service representatives, billing and rates, or specific policies and procedures.
- ESCOs who were satisfied with the quality of their communication with Con Edison—93 percent—noted that Con Edison's representatives respond quickly and are accessible. Comments from the ESCOs who expressed reservations about Con Edison's

communications revealed some inconsistency in the quality of Con Edison's responsiveness.

**How did ESCOs feel about the “front-end” components of Con Edison's program?**

- ESCOs were highly satisfied with all of Con Edison's “front-end” components including customer communications, Con Edison's energy marketing campaign, the enhanced energy choice website, the email lead generation process (Market Match), customer enrollment/removal procedures, and customer billing and payment processing. *Perceptions in all areas improved significantly from the 2006 findings.*

**How did ESCOs feel about the “back-end” components of Con Edison's program?**

- Electric ESCOs familiar with the ICAP program and energy reconciliations procedures were generally satisfied with these aspects of Con Edison's program. Gas marketers were highly satisfied with nomination and confirmation procedures, balancing services, the Capacity Release program, the imbalance trading program, and the Winter Bundled Sales Service. *Gas marketers' perceptions related to nomination and confirmation procedures and balancing services improved significantly from their 2006 levels.*

**How did perceptions differ across different types of ESCOs?**

- ESCOs that provide gas appeared to be more likely than those that provide only electricity to report that Con Edison is better to work with than other utilities, to be favorable toward Con Edison's energy marketing campaign, and to be satisfied with Con Edison's customer billing and payment processes.



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## **Key Findings**

The research team used a variety of different questions to explore electric and gas ESCO representatives' general beliefs about the strengths and weaknesses of Con Edison's energy choice program. The remainder of this section addresses four general research questions:

- **How do ESCOs rate their overall experience with Con Edison?**
- **How do ESCOs feel about the overall quality of their relationship with Con Edison?**
- **How do ESCOs feel about the “front-end” components (components that directly involve and are visible to the customer) of Con Edison's program?**
- **How do ESCOs feel about the “back-end” components (components that do not directly involve and are not highly visible to the customer) of Con Edison's program?**

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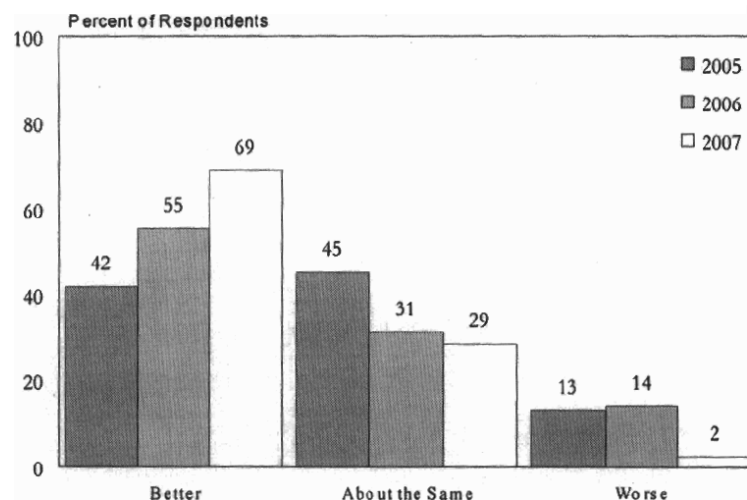
### ***How Do ESCOs' Experiences With Con Edison Measure Up To Their Expectations?***

Expectations play a key role in influencing ESCOs' perceptions of working with Con Edison. To explore this issue, interviewers first asked respondents: "Overall, how do you find working with Con Edison, compared to other utilities whose electric and gas choice programs you're participating in?" Interviewers then probed to determine in what respects Con Edison's energy choice program is superior to other programs, and in what respects it lags behind other programs.

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"Overall, how do you find working with Con Edison, compared to other utilities whose electric and gas choice programs you're participating in?"

Interviewers asked respondents for their overall perceptions of Con Edison's energy choice program. Responses revealed that ESCOs compared Con Edison's program very favorably to others; 98 percent of ESCOs noted that working with Con Edison is either better or about the same as working with other utilities. This represents a significant improvement from 2006, when only 86 percent of ESCOs felt that way.



Respondent comments revealed several primary themes:

- **Many respondents praised Con Edison for being accessible and responsive.**
  - ✓ It goes back to being able to get data from the Retail Access website.
  - ✓ They are easy to contact and they market it well. They've made adjustments to their billing for marketers over the years (i.e. price per therm). We asked for that at a meeting, and they did it.
  - ✓ Communication is really important; they do a great job.
  - ✓ Con Edison is one of the better utilities. Their responsiveness is great. We can get great information quickly.
  - ✓ They're easy to get in touch with. The program works better.
  - ✓ Very specific things that they do differently are definitely a plus. Availability of information. Because they are so big, they are very organized, they meet deadlines, etc.

- ✓ They're showing movement and trying to tweak what they're doing. There's still plenty to work out, but I feel like they're improving.
  - ✓ The total package: responsiveness, promoting the choice program, and their prices are stable and sensible. Other utilities come up with some strange pricing and it's confusing to clients. Con Edison, with their behavior, promotes that on a month-to-month basis. The whole system is working.
  - ✓ They are prompt in getting back with us and answering questions. We truly appreciate it.
  - ✓ Con Edison is one of the easier utilities that I work with. They're more transparent with data, and it's easier to get to data.
  - ✓ They're up-to-date. They update things regularly. There is always someone to contact, and I can access the website from anywhere.
  - ✓ The communication. They are pretty good. There are no gaps there.
- **A number of ESCOs complimented Con Edison's staff members for their helpfulness.**
    - ✓ They are far better. The staff is extremely helpful. They work with us, which can be a challenge in some markets. They encourage customers to look at alternatives and educate themselves, which is really good for us.
    - ✓ They are helpful to ESCOs. The retail management team is really top-notch. They've bent over backwards to help.
    - ✓ A little bit better. They do promotions, their interface is good, and they are good to work with.
    - ✓ People and processes. Easy to work with.
    - ✓ Charley Reed is better. If it wasn't for Charley Reed, it would be the same.
    - ✓ They are extremely professional.
    - ✓ Better staff.
    - ✓ They are proactive.
    - ✓ It is the individuals that I deal with. They are very responsive. Their attitude is very favorable.
  - **Several spoke highly of the systems Con Edison provides.**
    - ✓ I don't have to call to see ICAP. The IDR tracking system is great.
    - ✓ They are bigger and they have it more under control. They basically know what they are doing. There are some flaws, but considering their size and volume, it seems they mostly have it under control.
    - ✓ Some utilities new to the choice program make things very confusing and the process is longer than it needs to be.
    - ✓ The system is easy to use and pretty straightforward. The bulletin board is simple, and the programs are easy to maintain.

- **A few respondents noted concerns about timeliness.**
  - ✓ With the process of canceling and rebilling service periods, when they do reconciliation, they combine all service periods into one. I wish they would handle it differently. Also, when we drop a customer, sometimes it takes too long to make it happen. But in general, they're good.
  - ✓ Con Edison is slower on processing, but otherwise the same.
  - ✓ We have long-established relationships with other utilities that give me a response within an hour. So just in regard to communication, Con Edison is worse.
- **Other favorable comments include.**
  - ✓ Con Edison is among my top three favorite utilities, and I deal with a lot of utilities.
  - ✓ They have experience because they've been in the energy market for so long.
  - ✓ They are more committed to deregulation.
  - ✓ Con Edison provides good marketing support. They actively support choice.

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***How Do ESCOs Feel  
About The Overall  
Quality Of Their  
Relationship With Con  
Edison?***

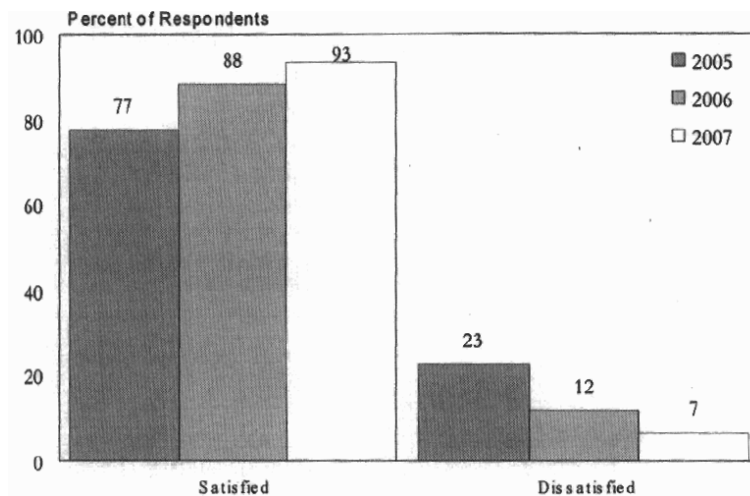
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Con Edison's relationships with ESCOs provide a foundation for the success of its energy choice program. With that in mind, CRA asked several questions designed to reveal the strengths and weaknesses in those relationships, and to explore areas for improvement.

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**"Overall, how satisfied are you with Con Edison's energy choice program?"**

Interviewers asked respondents for their overall perceptions of the energy choice program. Responses revealed that ESCOs are highly satisfied with the program, with more than nine-in-ten noting that they are very or somewhat satisfied.



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**"All in all, what do you like best about your relationship with Con Edison and its handling of energy choice?"**

Interviewers invited ESCOs to describe what they like best about their relationship with Con Edison and its handling of energy choice. Content analysis of responses to this question revealed areas that ESCOs noted as strengths of the program:

- **Many respondents praised Con Edison for being responsive and providing fast, accurate support.**

- ✓ Accurate information. Quick and precise answers.
- ✓ I am very satisfied with the responses from the representatives when I have questions or issues pertaining to how we do business together.
- ✓ I have easy access to the people at Con Edison.
- ✓ I like the communication. If I have a question, I get a quick response. I love the ESCO newsletters; Con Edison is the only utility company that sends a regular newsletter. I recommend it to other utilities.
- ✓ I mostly deal with them regarding historical usage. They handle that quickly.
- ✓ I really like the Retail Access website and the ability to email them. They respond pretty quickly. The communication between Con Edison and the ESCOs is good.

- ✓ I work primarily with their data people. They are fairly responsive in terms of turn-around requests. In a pinch, they get us information sooner than the normal turn-around time.
  - ✓ I'm very pleased. We appreciate their promptness in replying back to us when we have questions or issues.
  - ✓ It seems that the personnel I work with in the Retail Access department are very responsive, which is nice compared to some of the other players out there. It was not always this way, but now the system they have in place is very efficient.
  - ✓ The process is simple. They make it easy. Communication is everything, and they're very responsive. They're super for questions on invoicing. Charley is great. When a customer joins, there are lots of leads through the Power Move program.
  - ✓ The response, both in terms of the interaction and the relationship.
  - ✓ The staff is extremely supportive of us, both in working with our existing program and whenever we want to make changes and new offerings. They are adaptable and flexible. They provide us with a really great working relationship.
  - ✓ Their response is great.
  - ✓ They are pretty responsive to questions and problems.
  - ✓ They are willing to help with our questions. We can contact them and they give us answers.
  - ✓ They continue to offer good customer support to the marketers.
  - ✓ They respond very quickly. I always refer to the way this utility works as opposed to others.
  - ✓ Very organized. It works. Retail Access's turnaround time for questions is outstanding. If there are any issues or files not received, we get quick answers.
  - ✓ The thing I like best is that they are willing to work with us. They also do a good job of keeping the public and the ESCOs informed of changes.
  - ✓ They are very open and willing to participate. They encourage ESCOs to get involved.
- **A number of others note the easy access to information, especially through Con Edison's website.**
    - ✓ The availability of customer data.
    - ✓ The data collection is seamless. It's very easy. And the availability of data is great. It's easy to find and explain data.
    - ✓ The data they provide to ESCOs is very helpful for the responsibilities involved in my job. They're very accessible. I can get all the data I need.
    - ✓ The Power *Your Way* website is good.
    - ✓ The Retail Access website is a great help for us. It's a simple place where everything is. Information is always available. They are easy to reach.
    - ✓ The Retail Access website. Being able to go and get data instantly.
    - ✓ The website provides useful information on billing histories.
    - ✓ They publish all the rates and tariffs on time and you can see them online. The access that they provide to information is good.

- **Some respondents praised members of Con Edison's staff.**
  - ✓ Charley Reed makes the relationship very good. He's very helpful.
  - ✓ I like the people I deal with. Also, they send out the proper notices. When crises arise, they notify us.
  - ✓ They have energy shows. Charley Reed is very receptive and responsive. The *Power Your Way* website provides good leads and offers good functionality.
  - ✓ I'm happy because of one individual I know at Con Edison (Fred Archer) and the pricing. It makes our life much easier. I am getting total satisfaction.
  - ✓ The best thing is that we've had a very cooperative relationship with the folks in Retail Choice.
  - ✓ The staff is great.
  - ✓ The staff is very knowledgeable. They know the program very well.
  - ✓ They have done well getting people. I am impressed with Fred Archer, Mary Szczech, and Gloria Rodriguez in Gas Operations, and with the technical expertise of their gas operations staff.
- **Still others appreciated Con Edison's promotion of energy choice.**
  - ✓ They continue to be ESCO-friendly. They provide Purchase of Receivables. Continue inserting information on *Power Your Way* into customer literature and continue utility billing.
  - ✓ Generally, they want to promote energy choice.
  - ✓ They're trying to get the word out that there is energy choice through the *Power Your Way* program.
  - ✓ I like their promotion the best. Their strengths are the information they put on customer bills and their pricing. They do a better job separating costs from the bill.
  - ✓ I think that overall it's fine. The public image is that they support competition. It's not operational; it's from an image perspective.
- **Other positive comments included:**
  - ✓ I like everything.
  - ✓ The easy enrollment process.
- **Some respondents had mixed responses which focused primarily on Con Edison's billing and marketing program:**
  - ✓ I have lots of good reasons for being dissatisfied, and they have nothing to do with Charley Reed. I like the people a lot. Our company wants to do things differently than most companies and we kind of butt heads. One of my main beefs with Con Edison is they treat companies that do their utility consolidated billing system very well. They [Con Edison] are much nicer to you. They let you participate in their ESCO referral program. But there are some companies, and we are one of them, who want to do their own billing. We want to brand them with our name. Right now, if they go on Con Edison's billing system, they think they are with Con Edison. Mostly because we are in Georgia—in Georgia there is no real utility—all the ESCOs like us have to do our own billing. We actually bill for the utility; they know they are with us. They get "Intelligent Energy" on their bill and they call Intelligent Energy when they need something. We branded our

systems that way. When we came to Con Edison, we wanted to bill for them but they wanted us to get on their bill.

- ✓ Their marketing seems to be more on the Power Move program. I would like to see the focus split between that and the regular Power Your Way program as well.
- ✓ There are a lot of things that have both positives and negatives. For purchase and receivables, there is only one payment per month, unlike Hudson that has two, but the program is good otherwise.

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"How about any weaknesses? Is there anything in particular Con Edison needs to work on?"

Interviewers then asked ESCO respondents to describe weaknesses in Con Edison's electric and gas choice programs. Content analysis revealed:

- **Many respondents stated that they could not identify any weaknesses.**
  - ✓ None. (6)
  - ✓ Nothing really comes to mind. The website is very user-friendly, and the interaction we have with Con Edison representatives is superior.
  - ✓ I don't see anything that needs to be improved.
  - ✓ I don't think so.
  - ✓ I can't think of any at this time, but there is always room for improvement for everyone.
  - ✓ Not to my knowledge.
  - ✓ No big weaknesses. They are very willing to work with us.
  - ✓ Not that I can think of.
  - ✓ No weaknesses. It is very low maintenance for us. It is a very good program.
- **Some called for a higher level of responsiveness.**
  - ✓ Their response time for requests could be improved.
  - ✓ We always have room for improvement. Remain open in communications with us.
  - ✓ Just the dissemination of program information. When we first came on board, we had to request back issues of the newsletter. There were some critical issues that were buried in the newsletter.
  - ✓ When I email, they don't always get back to me. I have to wait 24 or 48 hours. I've even had to wait one to two weeks.
  - ✓ The response to supplier requests. Some go unheeded. Their data is available, but only one account at a time. That gets to be pretty time-consuming.
  - ✓ When we find a snag (like an account number or a problem or other issue), it usually takes a few days to get an answer. That can get frustrating for a customer. Their response time could be faster. We are at the mercy of the Con Edison team, and that can sometimes be a problem.
  - ✓ The manner in which they communicate with energy service companies has eroded. Now it's very much email-based. They do not have the same level of ESCO customer service that they used to. They used to be more proactive.

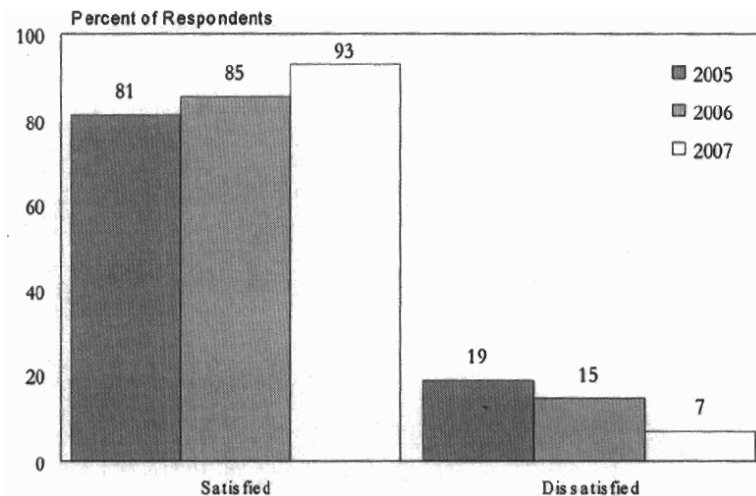


- **Others experienced problems with customer interactions, particularly related to Con Edison's customer service representatives.**
  - ✓ Basically, they can train their customer service agents better. They don't know specific answers, and they say things to deter or cancel customers. They don't know enough about the program. If you ask three Con Edison customer service representatives a question, you get three different answers. I've actually seen that. Even some of the people in back-end retail choice are not familiar with the program. They need to train their people better on specifics and train their customer service representatives to be more ESCO-friendly. Also, there are some discrepancies with customer bills. I've seen back out credits missing on some customer bills. We tell customers that they'll get those credits, because that's what Con Edison tells us. When customers don't get them, it makes us look like liars. Finally, the letter Con Edison sends to customers after customers switch could be warmer. It scares some customers into switching back.
  - ✓ I've had bad experiences with customer management representatives and I've heard similar comments. People are very rude and they take a long time to answer questions.
  - ✓ The call center representatives need better training to aid ESCOs.
  - ✓ Their own customer service staff misinforms customers. They don't get the program. It's frustrating.
  - ✓ Customer service people have no concept and don't care. They scare customers. They don't help. They could just say, "Last February, you used this much. This February, you used more. It was the coldest February in a number of years. Everything else is kosher." The mailers are too far apart. We missed February, so we can't participate until August. We did everything required. Make the window more prominent and send out more frequent mailings.
- **Some described frustrations with billing and rates.**
  - ✓ Bill reading. The bills are the worst. You can't compare prices without a three-page bill calculator. Make it easier to read. Have line items like ICAP and UCAP.
  - ✓ They send me periodic emails on metering problems. They are bugging me. Don't know if there is some way to fix that. The biggest problem is they stack their energy costs into their delivery fees so our customers get penalized in a sense by being with us. Our bills should be more itemized. They just show what the rate is this month. It is not specific and it's usually misleading.
  - ✓ Also, when Con Edison does billing for us with a consolidated bill for electric, it's a big problem. Con Edison requires the rate before the demand meter is read. For our billing, we wait an extra day. But when Con Edison does it, the rate is out of whack and we play catch up for the next month. That involves a lot of extra work for no reason.
  - ✓ With the monthly billing data, there's quite a bit of lag time and fall downs.
  - ✓ There is still confusion with the actual rates charged to customers, especially with different rate classes. It's difficult to get information. We need more information and help, especially on the exchange site. We're unsure which rates apply.
  - ✓ Use the Central Hudson model for payment of receivables.

- ✓ From my perspective, no. But our billing group, I know, has some issues.
  - ✓ My frustration is not so much a reflection of Con Edison's program as the mechanisms and pricing. It's still not a level playing field in electricity commodity pricing. Con Edison's hedge costs don't flow into their market supply charge. They flow those costs through the distribution charge. That puts us at a disadvantage. It shouldn't be the case that the success of an ESCO depends on whether the market goes up or down.
  - ✓ When you have to make adjustments in pricing, it becomes difficult.
- **Several gas ESCOs had issues with specific aspects of Con Edison policies and procedures.**
    - ✓ On the gas supply side, we really want the capacity and storage. Con Edison doesn't have the greatest. We want to manage the natural gas associated with that customer. We feel like that customer comes to us. We don't understand why we should be treated less. Picture a bunch of little straws inside a large pipe. The straw represents the customer. We brought the straw to the pipe. And Con Edison hedges its gas. I don't see why they engage in hedging. Sometimes that bet wins (i.e. buying gas in the summer) and sometimes it loses. The customer is losing the money. You're shoving the gas down their throats [in the summer] whether they want it or not. Either (1) come to a marketer that fixes the price; or (2) go on a budget plan—say in the winter you buy \$150 worth and in the summer you buy \$50 worth—take the average and budget \$100.
    - ✓ Getting the capacity releases out in a timely manner.
    - ✓ Maybe a weekend notification of gas nomination cuts. No one is around on the weekend to give you a call, so you find out about it on Monday.
    - ✓ Antiquated electronic bulletin board.
    - ✓ Power Move needs a better enrollment process. 15 to 20 percent of customers complain to Plymouth and to the PSC saying they never signed up. I don't know how Con Edison is getting customers in the program; that's not well-communicated. But it's causing havoc with customer services.
    - ✓ We've had issues with making sure gas gets confirmed. Other than that, it's good.
  - **A few others offered additional comments.**
    - ✓ We hear both positive and negative things about Con Edison from customers. To be specific, you'd have to go to individual conversations.
    - ✓ Energy events have low participation. Is there a way that you could deliver more results?
    - ✓ I would like them to identify the Power *Your Way* more with Con Edison. It seems like they are so intent on keeping it separate. Sometimes people don't know it's Con Edison. The Power *Your Way* website doesn't say Con Edison on it.
    - ✓ In my previous experience, I had some frustrations with how they provide settlement data. In my current position, however, I've been very satisfied.

**"How satisfied are you with the quality of the communication between you and Con Edison?"**

CRA also asked ESCOs to rate their satisfaction with communication between themselves and Con Edison. The findings revealed generally favorable perceptions in this area, with 93 percent noting that they were either very or somewhat satisfied.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the ESCO responses revealed the following themes:

- **Many ESCOs find Con Edison and its staff to be responsive and available.**

- ✓ Charley Reed is great. That is who I work with.
- ✓ Charley is great. He holds my hand.
- ✓ I tend to get a quick answer. Working with Charley Reed is excellent.
- ✓ Everything is taken care of in a timely manner and in a professional fashion.
- ✓ No changes happen without us being notified. They always ask for feedback. They are very open about their processes.
- ✓ Every time I need something, they respond right away.
- ✓ I can generally reach the right person with the information I'm looking to disseminate.
- ✓ Calls are answered or returned in a timely manner, and communications are accurate and informative.
- ✓ It is timely.
- ✓ They have the retail access email address. When you send in a request, someone gets back to you pretty quickly.
- ✓ In my personal experience, they have always resolved things for me. When I have a request, they find a solution or an answer for me.
- ✓ We get pretty prompt responses.
- ✓ If I send an email, they will email me back. They will call me if they need clarification. They will straighten out the problem.

- ✓ They proactively call me if there are issues. When I call them, they respond. Sometimes they don't respond as quickly as I'd like, but usually it's not an issue.
  - ✓ They're always available and willing to help.
  - ✓ I used to work for Con Edison, so I know the people very well. I still get good communication from them.
  - ✓ It is excellent.
  - ✓ I can get hold of them, and they're pretty knowledgeable.
  - ✓ They seem to be quite responsive.
  - ✓ We always get the information we need the first time or get clarification quickly. We receive a technical newsletter with all the information we need, including information on any changes.
  - ✓ Whenever I have inquiries, they always get back to me.
  - ✓ When I have a need to contact them, I get a response in a timely fashion. If it cannot be done, there is a reason.
  - ✓ They provide a fast turn-around for all requests.
  - ✓ They always get back to you. It may not be as timely as you'd like, but they always get to you and resolve the issue.
  - ✓ Con Edison has responsive people. I love the newsletter.
  - ✓ Just as far as the turnaround time. It is very punctual.
- **Others expressed concerns about inconsistent responsiveness.**
    - ✓ Communication is good for the most part, but it could be faster.
    - ✓ I'm not very satisfied, but I'm satisfied. They're accessible, but sometimes I've also had to go back and forth multiple times. My question is not always directly answered the first time.
    - ✓ Fred Archer, the individual who works with me, is very good. There are other people we deal with and it sometimes takes awhile to get an answer.
    - ✓ They respond to your inquiries fairly quickly, but sometimes it's not the answer we were hoping for. Regarding billing data, they say that they service millions of customers, not that they are going to try to fix it. It's kind of a cop-out answer.
    - ✓ I communicate with Con Edison mostly via email. I get an immediate automated response saying my question was received, but it can take days or weeks to actually get a response.
    - ✓ I think it depends on the individuals with whom we are working. Some people are very communicative and specific; others are less so.
    - ✓ They are probably one of the best utilities as far as communication goes. But I sometimes feel I am notified about stuff at the last minute (like hearing about a tariff that was already approved). I would like to know more and get more advance notice of things—i.e., cases that are being filed. It is usually after the fact.
  - **Two satisfied respondents noted issues with Con Edison's customer service.**
    - ✓ I'm very satisfied with communication from the retail choice department. However, at the lower level of customer service, communication needs to improve. The management overseeing the

program is top-notch, but the customer service representatives need more training.

- ✓ I'm not totally satisfied, but it's gotten better. I was originally dissatisfied. We were one of Con Edison's largest ESCOs in the New York market, and so we have lots of issues that come up. When you have a question, the turnaround time has gotten better. We have specific contact people for certain issues, but no general representative. When we have a specific question, we have to go through email. It would be nice to have some experts to turn to, rather than just the jack-of-all-trades in customer service. If they can't answer your question, they refer you to email. It would be nice to have a second level of customer service to turn to. Sometimes we need answers right away.

**A few ESCOs offered other negative comments.**

- ✓ The reason is that, as a former Con Edison employee, I know how good Con Edison used to be. It's not so much where they are now, in and of itself.
- ✓ I am satisfied with what I get. However, I don't know that I get enough.
- ✓ It leaves a lot of room for improvement.

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**How Do ESCOs Feel  
About The "Front-  
End" Components of  
Con Edison's  
Program?**

The survey explored ESCOs' perceptions of the components of Con Edison's electric and gas choice programs that directly involve and are visible to customers. These front-end components include:

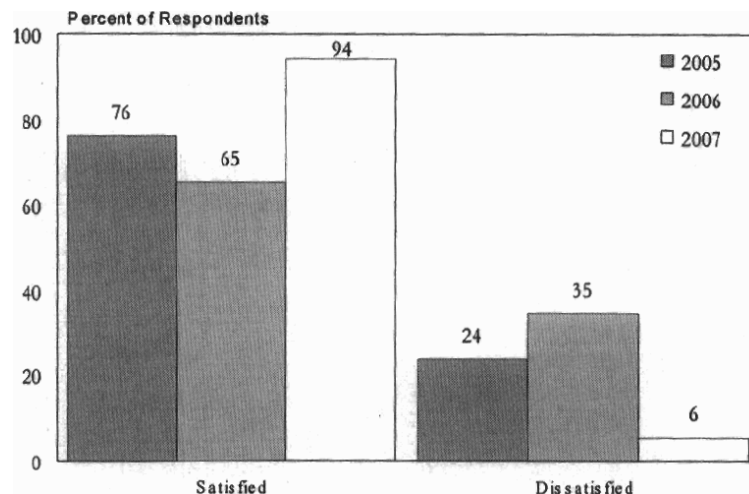
- Communication with customers about energy choice.
- Con Edison's energy marketing campaign.
- The enhanced energy choice website with its Market Match lead generation capability.
- Enrollments and removals.
- Customer billing and payment processing.

The remainder of this section examines findings regarding these elements of the program.

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**"How satisfied are you with  
the way Con Edison is  
communicating with  
customers about energy  
choice?"**

Interviewers asked respondents how satisfied they are with the way Con Edison is communicating with customers about energy choice. Responses revealed that ESCOs hold highly favorable perceptions of Con Edison's customer communications, with 94 percent noting that they are very or somewhat satisfied. This represents a significant increase compared to the 2006 result of 65 percent.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed the following themes.

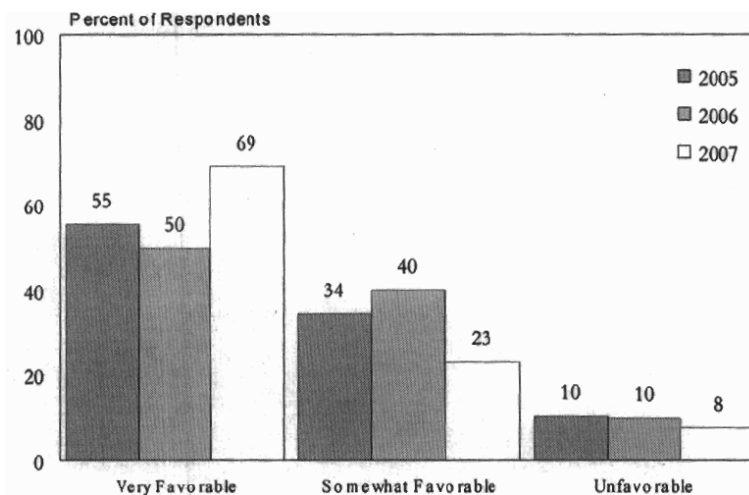
- **Many stated that Con Edison is promoting the program well.**
  - ✓ They do a fairly good job of getting the word out. But again, the emphasis is on the Power Move program, not on the regular Power Your Way program.
  - ✓ So happy with Charley Reed and Power Your Way. I wish customer service was good, too. Great website. Pretty hands-on.
  - ✓ They recommend it on their bills, and they had a radio campaign last year that promoted it. But I think that they started manipulating their pricing this year and made it hard to compete against them.
  - ✓ I think they are promoting the whole program very well. People are very knowledgeable about the Con Edison territory.
  - ✓ I give them a lot of credit for getting out there and really selling. "Look into a marketer." They are one of the best utilities in New York doing that.
  - ✓ They spend a lot of resources in educating customers about Retail Choice and really promote the program.
  - ✓ They sponsor a customer meeting for ESCOs and customers to provide education for end user customers.
  - ✓ Their Power Your Way program tells customers about their ability to switch to an ESCO.
  - ✓ Power Your Way, including the advertisement, the website, and the referral program. Customers can request information. They do a good job of pushing customers toward the ESCOs.
  - ✓ I just had a conversation with Fred [Archer] and they have moved a lot of customers there.
  - ✓ They share the information that customers need.
  - ✓ I'm very satisfied with how they get the word out about the Power Your Way program. However, Con Edison customer service people don't know the Power Your Way program.
  - ✓ They always extend their invitations to customers for deregulation seminars.
  - ✓ The ability for customers in their territory to get information on their website in regards to energy choices is great.
  - ✓ They do a good job.
  - ✓ No issues.
  - ✓ The Power Your Way program. However, they could have easier leads access.
  - ✓ Power Your Way and Power Move are excellent programs.
  - ✓ I'm now more satisfied. There's definitely been improvement. It can continue.
  - ✓ They do a better job than the other utilities.
  - ✓ I don't see a lot of what they send to customers. There are magazines with the bills, flyers, and trade shows.

- **Others specifically expressed satisfaction with Con Edison's website, mailings, and other customer materials.**
  - ✓ Bill inserts and upcoming campaigns. They are doing something right because they are getting a fair number of customers to participate.
  - ✓ They opened up all the channels: trade shows, associations, the website, direct mail campaigns, partnering with ESCOs, etc.
  - ✓ The website and brochures in bills. They're doing a good job of giving everyone their options.
  - ✓ The website is concise. It's very easy for customers to find energy choice on the site.
  - ✓ A lot of mailings.
  - ✓ Lots of mailings with the bills.
- **Several respondents were pleased with the flow of information to ESCOs.**
  - ✓ They keep me informed about what's going on.
  - ✓ They keep us informed.
  - ✓ They keep us abreast. They give notifications.
  - ✓ I always have a point person to talk to and easy access to data.
- **A few respondents described issues with Con Edison's customer service.**
  - ✓ Customer service is the downer. Because of the negative responses from Con Edison's customer service, I tell my customers not to call them.
  - ✓ Several times we've had customers get dropped who weren't supposed to. The customer says it's on Con Edison's end, and Con Edison says the customers requested it. Con Edison does not make contact with customers to verify that the change is desired. At first we were told it was at the customer's request, but after a few times, we have a little trouble believing it was the customer's [request].
  - ✓ Don't know enough to answer this question. I have heard rumors that they say, "Don't go with IDT" and if that's true, I would be very dissatisfied.
  - ✓ In general, we were happy up until a few weeks ago, when we heard from several customers that Con Edison's customer service center told them that they were paying more money to be with an ESCO than if they went with Con Edison. Con Edison investigated the call recordings and determined that there was no wrongdoing, but that the customer had just misinterpreted them.



"I'd like to explore your perceptions of Con Edison's energy marketing campaign. How favorable are you to the campaign?"

Interviewers asked respondents how favorable they are towards Con Edison's energy choice campaign. Responses revealed that ESCOs hold highly favorable perceptions of the campaign, with more than nine-in-ten noting that they are either very or somewhat favorably disposed to it. The increase in the number of "very favorable" respondents represents a significant increase from the 2006 finding.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed:

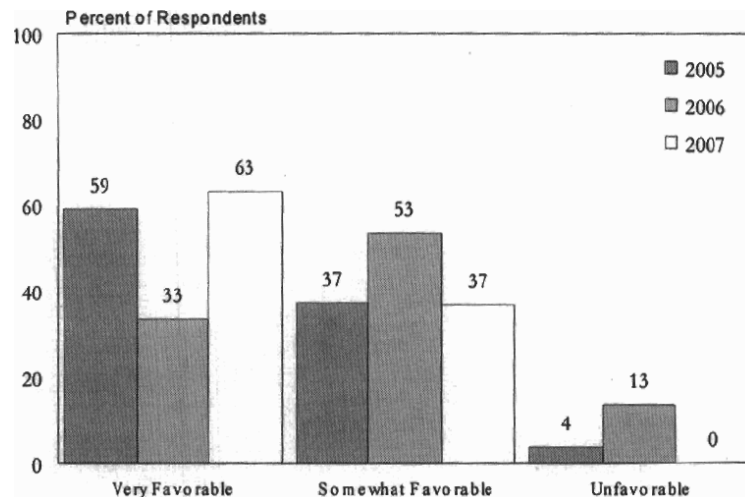
**Most ESCOs noted that Con Edison consistently produces a variety of promotions.**

- ✓ The brochures, flyers, and website are good. They used different media to reach people, which is helpful and smart.
- ✓ It's great. They do a lot to promote the program.
- ✓ Very good. They put in a lot of effort and it shows. There are not too many people who don't know about it now, whereas two years ago, that was an issue.
- ✓ They're very proactive. I hope they will continue it.
- ✓ Mailing every six months.
- ✓ A lot of mailings.
- ✓ Because they do strong promotions. It's on their bills, it's on their other marketing materials, and their customer service representatives promote it. They really try to get customers involved with Retail Choice.
- ✓ They do a good job with the advertisements in the paper. They could do more.
- ✓ They constantly keep people informed. They are constantly out there promoting.
- ✓ I think they have communicated well. They hold fairs. They have good communication with the ESCOs in their monthly FYI newsletter. During the formation of this process, they had monthly phone calls. They let us be in on it all the way.

- ✓ They do a fair amount of community outreach.
- ✓ I think it's very good. I hear about it all the time, so I know it's getting out to a lot of people.
- **Many noted that Con Edison's marketing encourages customers to choose an energy supplier.**
  - ✓ It pushes people to third-party suppliers.
  - ✓ They put out the message of what competition is and how it can benefit buyers. That was very good. I'm very impressed with their campaign.
  - ✓ It encourages competition among energy suppliers. They've been very ESCO-friendly with posting our information on their systems.
  - ✓ I think the unbundling helped a lot. Now you are comparing apples with apples. The incentives are greatly appreciated. The customer service people received a good education and are promoting choices.
  - ✓ Their marketing campaign for energy choice, in my opinion, is something that makes customers knowledgeable about it. What could be bad about that?
  - ✓ We can use it as marketing for us, and it's free. They post our information there. It is a directory they have.
  - ✓ They do a great job of promoting, but they always have this separation between Power *Your Way* and Con Edison. They don't say that Power *Your Way* is Con Edison. However, they do a great job promoting Power *Your Way*.
  - ✓ We are getting customers. It's getting people to try Retail Access, but at the same time, it also handcuffs us a bit because we have to work inside their program. It's hard to differentiate ourselves.
- **Other respondents noted concerns.**
  - ✓ Need to educate customer.
  - ✓ I thought it was lame. It was amateurish radio advertising.
  - ✓ Only because they don't really include us. But if I was included, I would be very favorable because they are really signing up very good customers.

**"What do you think of the enhanced energy choice website?"**

Interviewers asked respondents how favorable they are towards the enhanced energy choice website. Responses revealed that ESCOs hold favorable perceptions of the website, with 100 percent noting that they are "very" or "somewhat" favorable, representing a significant improvement in perceptions from 2006.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the ESCO responses revealed several themes:

- **A number of ESCOs found the website easy to use.**
  - ✓ It's self-explanatory and easy to maneuver.
  - ✓ I like it. It's easy.
  - ✓ I like the way that it is categorized. It is easy to find stuff. Power Your Way is a great program. I don't see anything there on fixed rate protection, though.
  - ✓ It's navigation-friendly, easy to use, and it provides a roster. Also, the design was recently improved.
  - ✓ It's easy to find information on the website and it explains things in a way that's easy to understand.
  - ✓ It's easy to use.
  - ✓ It's easy to use. Con Edison makes it easy to respond to customer requests for information.
  - ✓ It's very clear. I don't have any suggestions.
- **Others found the website to be informative and precise.**
  - ✓ It has a lot of information that's easy to find. Everything is there, even for customers. We like to have well-educated customers.
  - ✓ It's well put-together and precise. It doesn't favor any ESCOs.
  - ✓ There's just a lot of information and ways to push customers to us.
  - ✓ The retail access site is always working, and you can always get what you need. It's accurate.

- **One respondent appreciated the appearance of the website.**

- ✓ It's easy to look at. It's pretty.

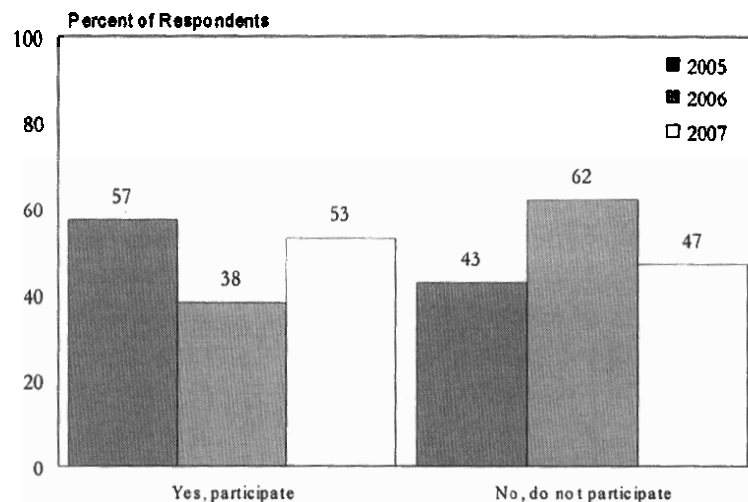
Interviewers also solicited ESCOs' suggestions for the website.

Respondents offered the following comments.

- ✓ I'm somewhat critical of websites in general. The referral mechanism doesn't seem to have strong validation; anyone can put in any account number. It should be more cautious, requiring you to enter the account number twice or confirm address, etc. For example, I will get email referrals from "John Doe" and "ABC Enterprises." I don't know if he's checking out the landlord and it's not legitimate or if it's okay to pursue.
- ✓ There is information that is helpful to us, but it's very limited. Much greater detail and much more information should be available. There is a shortfall with Con Edison compared to other utilities out there as far as customer information accessible via the web.
- ✓ Add a downloadable link for monthly usage.
- ✓ It is too "busy."
- ✓ It hasn't been updated for awhile, but it does the job.
- ✓ Include us!

"Do you participate in Market Match, the email lead generation process that's integrated into the website?"

To provide additional context around electric and gas ESCO perceptions of the energy choice website, interviewers asked respondents whether they had chosen to participate in the lead generation process that is integrated into the website. As shown, the level of participation has increased significantly from its 2006 level.



Interviewers then asked respondents who **participate** to describe their experience with the process.

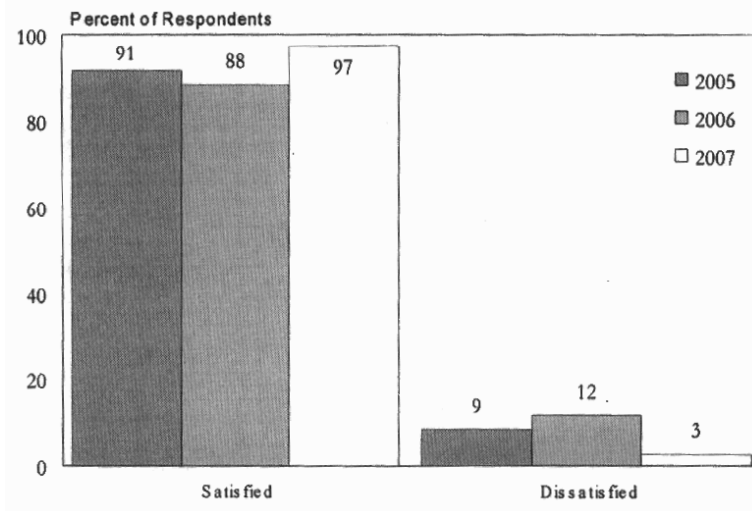
- **A number expressed satisfaction, with several noting successful leads.**
  - ✓ It works well, but most customers do not want to decide. They want to shop around, sometimes for a month.
  - ✓ It's a good program. It encourages competition. It's also somewhat successful. We've been having about a five percent close ratio.
  - ✓ Anything that gives us an opportunity where Con Edison is pushing or guiding customers toward the ESCOs is a good thing.
  - ✓ Power Move works great. I had to work to set it up, but we got a lot of customers.
  - ✓ It works fine. I'd give it a 3 out of 4.
- **Others noted that the program was easy to use.**
  - ✓ I'm very satisfied. We didn't have to do a lot of hands-on work. We just give them our information and proof the cards, and they do all the rest.
  - ✓ It's great and very easy to use. The website generates an email that gets sent to us, and the program autoreplies. They parse out the email address and reply right back. We've been getting a great response from people. It helps our brand.
- **Several respondents noted that the leads generated by the program are limited.**
  - ✓ I get pretty good leads, but I get requests for electric and gas, not just gas. Con Edison responds immediately. They specialize and offer good rates in gas, and I get a good response from that. However, it limits me because people want marketers that do both gas and electric.
  - ✓ We participate in it, but we are not getting much out of it.
  - ✓ Since we primarily market to commercial accounts, I feel we get too many residential leads and not enough business leads.
  - ✓ I have heard that we do get leads in and they are not particularly fruitful.

Interviewers also asked respondents who **do not participate** to explain why they chose not to take part.

- **Several ESCOs indicated that they were not interested in the type of customers, primarily residential, offered by the program.**
  - ✓ We're really not interested in that type of customers.
  - ✓ That is more of a company decision. We don't serve residential. If you are part of that program, you have to take whoever comes to you, and they could be residential.
  - ✓ We focus on large industrial and commercial customers.
- **Two respondents offered other reasons.**
  - ✓ That is a function of the long-term contract that we also supply.
  - ✓ We didn't want to do a matching program for two months. We didn't think it would be worthwhile.

"How satisfied are you with Con Edison's processing of customer enrollment and removals?"

Interviewers asked respondents how satisfied they are with Con Edison's processing of customer enrollments and removals. Responses revealed that ESCOs have highly favorable perceptions in this area, with nearly all ESCOs noting that they are very or somewhat satisfied, representing a significant improvement from the 2006 finding.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed the following themes:

- **Most respondents expressed satisfaction that enrollments and removals run smoothly.**
  - ✓ As far as I know, there are no problems.
  - ✓ I'm somewhat satisfied. It is mostly accurate.

- ✓ Out of all the utilities, Con Edison is one of the easiest to work with. They've come a long way.
  - ✓ They seem to have fewer problems.
  - ✓ I have not heard any complaints about them.
  - ✓ No issues with this. I work directly with Con Edison to make changes. They're willing to work with us.
  - ✓ The EDI program works well. Speed the process up.
  - ✓ No problems.
  - ✓ We have not had many problems, but the few we had were able to be resolved quickly.
  - ✓ It's easy. No fuss or mess.
  - ✓ There are no mistakes.
  - ✓ It's good in terms of customers.
  - ✓ They are pretty good with EDI and enrolling a customer via EDI and giving the proper information to us to let us know what's happening with the customer. They don't make a lot of mistakes. They are very professional.
  - ✓ I'm not hearing of any backlogs or problems.
  - ✓ Good relative to other utilities. Con Edison processes them quickly and we get historical usage information when we ask for it. The processes work well, and there are few issues.
  - ✓ It's okay.
  - ✓ Well, it's all in the EDI. There don't seem to be a lot of problems.
  - ✓ The new changes to the EDI enrollment process have seemed to do away with previous problems we encountered with unauthorized drops.
  - ✓ From what I've seen, it's pretty good. Seven months ago, we got into some capacity issues. The data set was too huge and we had to send it in parcels. But that wasn't specifically a problem with enrollments and removals.
- **Some respondents mentioned Con Edison's timely notifications and responses.**
    - ✓ Everything happens very quickly.
    - ✓ We receive the enrollment notifications in a timely manner.
    - ✓ Their timeline is pretty straightforward and they follow it. They're prompt.
    - ✓ They provide up-to-date and timely notifications.
    - ✓ They provide a fast response with enrollment.
    - ✓ Their turnaround time in responses when it comes to enrollment or removal is very fast. Sometimes we have a special request and they accommodate us in every possible way.
    - ✓ Notifications are timely, whether it's accepted or if there's a discrepancy.

- **Several ESCOs described concerns with the speed of removals and conversions.**

- ✓ It could be faster. The conversion of customers takes from four to five weeks, and I used to be satisfied with that. However, we're now licensed in other states, and we see that it is faster in other states. I think they could speed up conversions.
- ✓ They give you an accurate estimated date of enrollment. However, they need to make removals faster. Sometimes it takes too long.
- ✓ On the enrollments, they do everything by protocol and I am very satisfied with that. However, if they could change the protocol, I would be all for that. I would like to be able to drop a customer faster than we do now.
- ✓ Their EDI response time is very fast. They stick by their 48-hour turnaround time. However, sometimes customers are dropped outside of the window they were supposed to be. They should be cancelled or dropped within normal parameters.

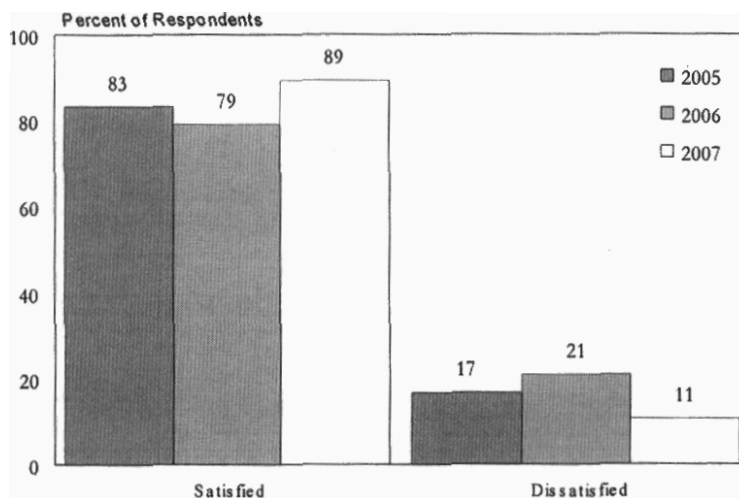
- **A few respondents noted process concerns.**

- ✓ Everything is working nicely with EDI. Con Edison has an issue when there is a slamming issue from other companies. Then it seems like EDI freezes. Sometimes we need intervention from Con Edison employees.
- ✓ We have been having problems with the electronic data interchange system. Actually, it's not problems with the system itself, but if you don't give it the right information, it won't work. It's like garbage in, garbage out. But if it works, it's great.
- ✓ There were some gaps between when we want to enroll the customer. Customers wanted to leave and were getting bounced between us and Con Edison. However, I do think they changed it, so it is improved.
- ✓ Good. My only beef is that you don't tell me what service class the customer is in as part of the enrollment process. There is no field for service class.



"How satisfied are you with the way Con Edison handles customer billing and payment processing?"

Interviewers asked respondents how satisfied they are with the way Con Edison handles customer billing and payment processing. Responses revealed that ESCOs have generally favorable perceptions in this area, with about nine-in-ten noting that they are very or somewhat satisfied, a significant improvement from the 2006 finding.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed:

- **Many respondents noted overall satisfaction with Con Edison's customer billing processes.**
  - ✓ We've had very few issues.
  - ✓ I don't have a lot of complaints or issues with files. The issue is rate structure.
  - ✓ Good, except for the thorn in our side. They collect it and pay us. It's a good system, with no problems.
  - ✓ The Purchase of Receivables program is working well. I hope they will continue it.
  - ✓ There are no problems. They bill, they collect, and they pay us. It works.
  - ✓ Everything seems to come through fine.
  - ✓ It works.
  - ✓ The Purchase of Receivables program is great.
- **Several noted that billing is timely and accurate.**
  - ✓ They are fairly accurate. The information we send them to bill gets billed 99 percent of the time. I understand that Con Edison will be unbundling their bill, but right now I don't think their customers really understand what they are paying for. They look at commodity rate versus our commodity rate and ICAP, which can be higher.
  - ✓ They don't mess up their bills that much. They send us the proper information.
  - ✓ Timely processing.

- ✓ Billing is timely, accurate, and detailed.
  - ✓ It's an easy process, and it's completed in a timely manner without too many errors.
  - ✓ It's fairly seamless. They get price changes in at the right place and the right time. If they were on the Orange and Rockland model (what you submit is what you get on your bill), rather than pro rata like they use, it would be easier.
  - ✓ Con Edison will promptly verify for me if the customer is being billed twice for supplier charges. If they billed twice, they take care of it. But usually, it's just the customer getting confused.
  - ✓ We get paid on a timely basis.
- **Others expressed concerns about billing timeliness.**
    - ✓ I have some frustration with the re-billing process, regarding how they make that information available to us. With the way that they provide re-bills, it sometimes takes several days or weeks.
    - ✓ It takes them a while to get bills to us. Last month I got the bills for August, September, October, and November for interruptible customers. There are also revised bills from January to February. They're willing to work with us. They let us know if there are issues.
    - ✓ It always arrives two months late.
    - ✓ Everything flows through EDI, so it's all automated. But the billing dispute part of it could be improved. It seems to take a lot longer than the customers would like.
- **Some noted that bills contain a lack of detailed information.**
    - ✓ From what I understand, billing is fine. However, payments are just once a month. Twice a month would be better.
    - ✓ We are relatively new in Con Edison's territory. Con Edison has such a consolidated bill that customers can't do comparative shopping. It's the bill detail that's the problem. But that is more of a regulatory thing.
    - ✓ You generally have to send it back to Charley Reed's guys for a bill calculation if you want to compare the bill.
    - ✓ Sometimes they combine several service periods into one payment instead of keeping them separate. Sometimes they put a lot into one payment. That's confusing for both us and the customer.
- **A few voiced other concerns or desires.**
    - ✓ They do the billing on our behalf. I wish we could do billing inserts, but that would be nearly impossible for Con Edison to do. It's just a wish.
    - ✓ Purchase of Receivables is an excellent program. It creates a competitive environment. However, Con Edison needs to correct customer credits and tax abatements. Some customers don't receive them.
    - ✓ Their program is great, but there are still some growing pains. The EDI interface is sometimes not picking up the pricing. Sometimes Con Edison can't accommodate us, and sometimes it takes four months to remove a customer.
    - ✓ It's difficult to send adjustments to correct customer balances. This is a wish list.

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***How Do ESCOs Feel  
About The “Back-  
End” Components of  
Con Edison’s  
Program?***

Components of the “back-end” processes—those that do not directly involve or are not highly visible to the customer—are different depending on whether the ESCO provides gas or electricity. This section of the report presents the “back-end” findings for both Electric ESCOs and Gas ESCOs.

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***Electric ESCOs***

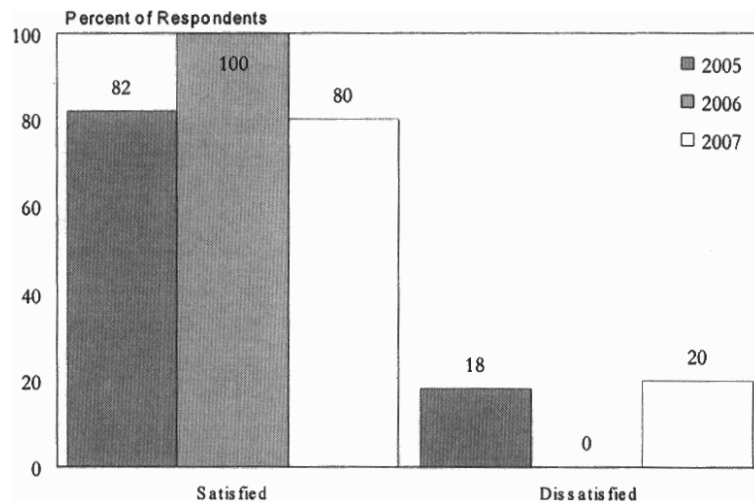
The survey explored perceptions of the 22 respondents who supply electricity related to the following electric back-end components:

- Energy reconciliation
- ICAP

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**“How satisfied are you with the way Con Edison handles energy reconciliation?”**

Interviewers asked respondents how satisfied they are with how Con Edison handles reconciliation. Responses revealed that electric ESCOs who are familiar with energy reconciliation have favorable perceptions in this area, with 80 percent of respondents noting that they are very or somewhat satisfied.



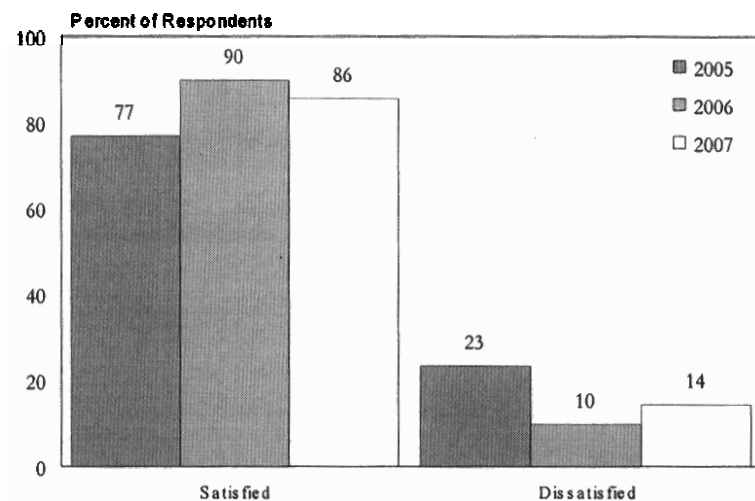
Interviewers asked respondents to elaborate on the reasoning behind their responses. Analysis of the comments revealed the following themes:

- **Several respondents expressed satisfaction with Con Edison’s promptness.**
  - ✓ They are fairly prompt in providing us with reconciliations. Sometimes follow up is required.
  - ✓ Once we get someone to respond, it’s fine. We don’t have to play twenty questions with them.
  - ✓ They’re timely.

- **Two ESCOs said the program was running smoothly.**
  - ✓ They ensure that it is as accurate as possible.
  - ✓ There are no problems right now.
- **Two others mentioned that they had positive but limited experience with Con Edison's energy reconciliation.**
  - ✓ I have not heard any complaints.
  - ✓ I have limited exposure to it, so I can't say too much. But from my experience, it runs smoothly.
- **Several said the process was complicated or they could not understand it.**
  - ✓ I don't know exactly. We don't have a very good handle on this process, including how meter reads work, etc. I'm not clear on exactly how that process works.
  - ✓ There are a lot of issues on the electronic side. We've had trouble mapping out our own reconciliation to what customers are seeing from Con Edison. I'm not 100 percent sure how it works, but the information doesn't match up.
  - ✓ It's enormously complicated. It is what it is.

"How satisfied are you with the way Con Edison handles ICAP?"

Interviewers asked respondents how satisfied they are with how Con Edison handles ICAP. Responses revealed that electric ESCOs have highly favorable perceptions in this area, with 86 percent of the ESCOs familiar with ICAP noting that they are very or somewhat satisfied.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Responses revealed:

- **A number of respondents expressed satisfaction with the program's accurate and accessible information.**
  - ✓ It seems fine. We received the tags we were supposed to receive.
  - ✓ The information flow coming through to us is good.
  - ✓ Basically, they provide everything. For the data they provide to ESCOs, each account has a number tag and we can just convert it to something an ISO uses.
  - ✓ They give you accurate information.
  - ✓ It is good that it's available on the Retail Access website. We don't have that with all the utilities with which we deal. They provide us with lists of changes on the accounts we are servicing. They do a good job on that front.
  - ✓ I haven't heard of any instances of Con Edison not sending it on time or correctly. Also, they post everything on the website, so you can go on and see it.
  - ✓ They do okay.
- **Two requested easier accessibility.**
  - ✓ There could be easier ways to access information. If Con Edison could provide Excel files as well as the flat files they provide, that would be helpful.
  - ✓ It is a little too complex. They could make it more user-friendly.
- **Two respondents mentioned additional concerns.**
  - ✓ When it's updated, it's not getting posted in a timely enough manner for us to work from.
  - ✓ They socialize it. We have to buy according to the ICAP tag. Con Edison doesn't have to. They spread it out to all their customers. They don't even put it on the bill. Customer service people at Con Edison don't even know what that is. You bury it in your demands that people don't normally see. The bill structure was set up back in the day when you didn't have a choice.

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## Gas ESCOs

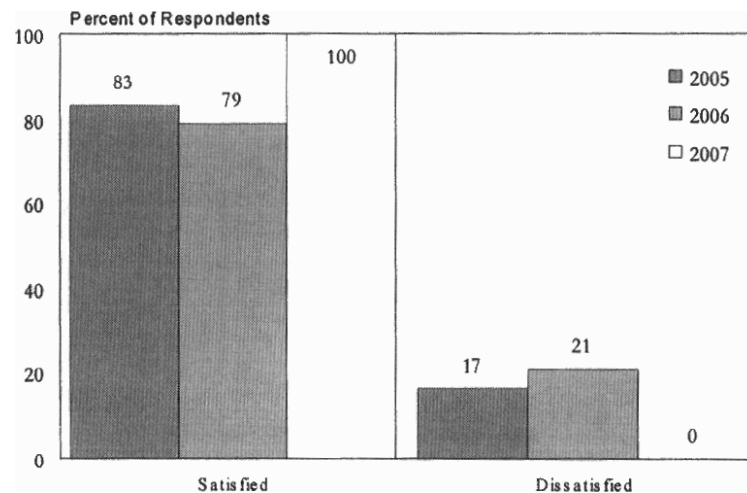
The survey explored perceptions of the 25 respondents who supply gas related to the following gas back-end components:

- Nomination and confirmation procedures.
- Capacity Release program.
- Balancing services.
- Imbalance trading program.
- Winter Bundled Sales Service program.

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"How satisfied are you with Con Edison's nomination and confirmation procedures?"

Interviewers asked respondents how satisfied they are with Con Edison's nomination and confirmation procedures. Responses revealed that gas ESCOs have highly favorable perceptions in this area, with all respondents noting that they are very or somewhat satisfied, a significant improvement from the 2006 finding.



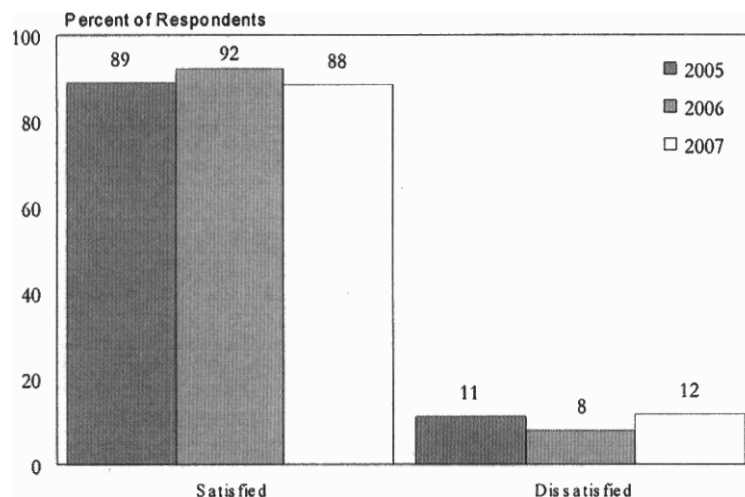
Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed:

- **Many respondents noted no issues.**
  - ✓ I have not heard of any problems.
  - ✓ I have not heard of any issues. They would have come to my attention.
  - ✓ My scheduling agent never calls to complain. There are no issues. My agent tells me it is working fine.
  - ✓ Everything is top notch.
  - ✓ They're no trouble; easy to use and self-explanatory.
  - ✓ It's not a problem.

- **Others praised Con Edison's timely communications about nominations and confirmations.**
  - ✓ It's so simple; it's a piece of cake. It's easier than KeySpan. They proactively let me know. Mary called to let me know about an issue and then fixed it.
  - ✓ If there is a discrepancy with the gas that is going to their city gate, they will notify you. Sometimes that is being done by a third party. Then I can get it fixed to meet our requirement.
  - ✓ Just the issue of nominations and the timely manner that they contact me if something is not correct.
  - ✓ Nominations are quick and easily confirmed.
- **A number of satisfied respondents noted a need for more timely, real-time information:**
  - ✓ The Electronic Bulletin Board is not up-to-date. It gets updated after the gas day has passed.
  - ✓ It works fairly well. They could improve the timeliness of releasing volumes on the bulletin board. The earlier the better.
  - ✓ It's easy to use. I'd like to see actual confirmations posted on the website.
  - ✓ They communicate pretty well. We would like more advance notice of scheduling and how much to bring in. I don't think they were about to accommodate us on that.
  - ✓ The TCIS program is where I go to do my nominations on their system. It would be helpful if they were on a real-time environment. Right now it is a static picture. I would like to have real-time knowledge and see confirmations on their system, to have more of a live system. The system is antiquated, but the staff is on top of it and very communicative. They are really good about giving me a head's up.
  - ✓ They could improve their electronic system. Their current system is not necessarily real time.
  - ✓ Con Edison has a very old system for nominations. They haven't updated it for years. You can't go onto the website to see if you're gas did or didn't get confirmed. On other websites you can see that information.
  - ✓ I'm very pleased with the communication that we receive if there is a cut. However, they could have better, more timely nomination confirmations on the website.
  - ✓ We have easy access. Update the antiquated website's batch processing function.
- **Finally, one satisfied respondent reported an issue with the system:**
  - ✓ Everything seems to be good. There have been issues when TCIS is not in balance with "cents." Sometimes they don't match with each other. I keep up with it on my spreadsheet to make sure everything gets updated. It gets fixed, so it's not that big of an issue. Weekend confirmations are sometimes an issue, as they're related to gas control.

**"How satisfied are you with the Capacity Release program that Con Edison offers?"**

Interviewers asked respondents how satisfied they are with the Capacity Release program offered by Con Edison. Responses revealed that gas ESCOs have highly favorable perceptions in this area, with nearly nine-in-ten noting that they are very or somewhat satisfied.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed:

- **Many respondents are pleased with the timely and informative communication in this area.**
  - ✓ They make the capacity available. They always send notices at the right time letting us know where we stand, more so than other utilities do. The transportation services department and Fred Archer do a great job.
  - ✓ Everything is done in a timely and efficient manner.
  - ✓ It's well put-together. They're always on time with capacity release requests.
  - ✓ Generally, we get our information punctually. If I have any kind of questions, I can contact them and they are fairly responsive.
  - ✓ Capacity releases are received in a timely manner and are in line with what we expected.
  - ✓ Very clear communication. It does give us some optionality as far as being able to deliver from different points and arbitrate some price spreads.
  - ✓ They send you a detailed email telling you what your capacity will be and when you can pick it up. They're good with communication.
  - ✓ Normally, it's very good. I did have an issue one month.
- **Others noted that the program is helpful and easy.**
  - ✓ We take advantage of it. I haven't heard of any issues.
  - ✓ It's easy. No problems.
  - ✓ It's great that they make this available. They've made great progress. It's very helpful to us.



✓ Just the fact that they have a program is good.

● **Several spoke of procedural issues.**

✓ Low load factor penalties. We carry the entire November volume all summer.

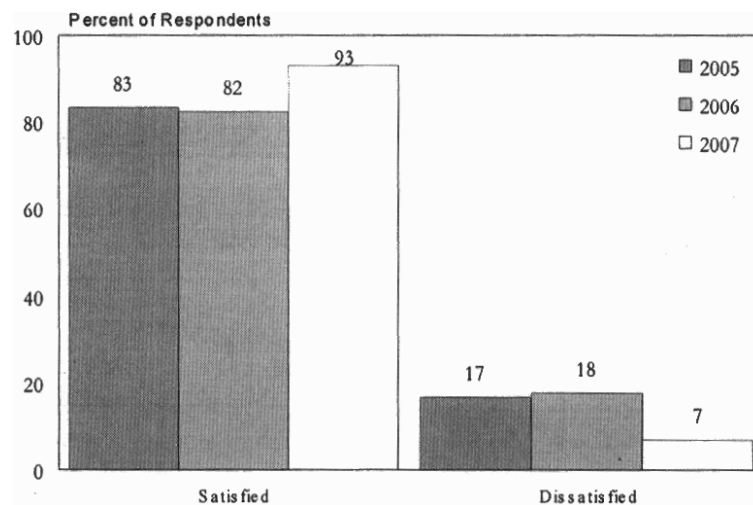
✓ Generally good. Cash-outs are what they are. They seem to work in Con Edison's favor. Is that the only option there is? I want to be cashed-out at the highest price and brought in at the lowest price. If there is an excess and prices drop, it's not always fair to call out at the lowest price. I want to do something before the end.

✓ They are pretty good as far as other utilities go. But it's not nearly enough. AGL in Georgia gives us all the capacity for the customer. The customer comes to us and we get their "straw" and storage, too. Con Edison doesn't really do that. We can't really pass on any savings to the customer, and that hurts.

✓ They need to get the capacity releases out earlier.

"How satisfied are you with the balancing services that Con Edison offers?"

Interviewers asked respondents how satisfied they are with the balancing services Con Edison offers. Responses revealed that gas ESCOs have highly favorable perceptions in this area, with more than nine-in-ten noting that they are very or somewhat satisfied, a significant improvement from the 2006 finding.



Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis revealed:

**Several respondents described the system as simple and liked the accessible information.**

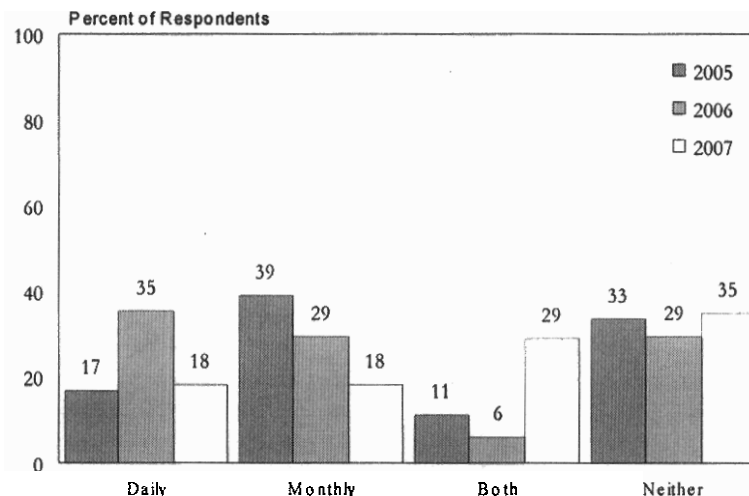
✓ The FPs are pretty straightforward. In the IT world, it allows us to trade without penalties, and it's very user-friendly.

✓ It is pretty cut and dried. I think it's a fair cash out, percentage-wise as well as how they calculate it. It would be nice to have an electronic

- file that shows all the meter usage. Right now we get a hard copy, which makes it hard to capture customer discrepancies in usage.
- ✓ It's simple to use. However, Con Edison could make actual monthly usage adjustments.
- ✓ Seems to work well. Information is available.
- ✓ The balancing service is easier to manage with the different levels available.
- **Others noted that the system is flexible.**
  - ✓ The flexibility of the system as well as imbalance trading adds to the overall satisfaction.
  - ✓ If we're out of balance (short) and others are long, they waive the penalties. They're willing to work with us. Penalties are never in our favor, but they do try to help.
- **Several indicated issues with the cash-out process:**
  - ✓ We have had some issues on the balancing—when they do it and how they do it. We have had some issues concerning the cash-out.
  - ✓ Their imbalance ratios cost ESCOs money. They penalize ESCOs for something that's outside of our control. Basically, the standardized ratio they use for cashing us out is unfair. Con Edison tells us how much gas to put into the system, and then when we've put too much in, their cash-out rates are not competitive. We end up losing money even if we sell a good amount of gas.
  - ✓ I don't like the cash-out price on imbalances.
- **In addition, one respondent noted some confusion about the process:**
  - ✓ I've only used it twice. I didn't know how it worked. It was confusing at first, but now I know.

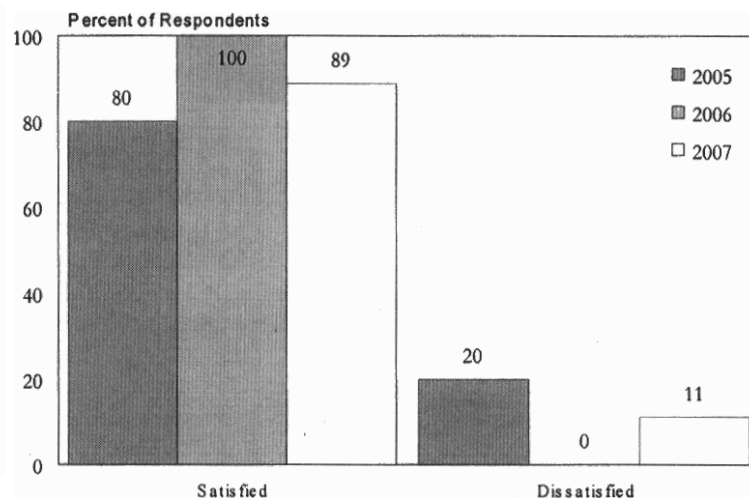
**“Do you currently use the daily or monthly imbalance trading program offered by Con Edison?”**

Interviewers asked respondents if they participated in Con Edison’s imbalance trading program, and if so, whether they use daily or monthly imbalance trading. Responses indicate that a number of gas ESCOs either do not use, or are not familiar with, the program.



**“How satisfied are you with the imbalance trading program?”**

Interviewers then asked respondents who use the imbalance trading program how satisfied they are with the program. Responses revealed that the gas ESCOs who participate in the program have highly favorable perceptions of this area, with nearly nine-in-ten ESCOs noting that they are very or somewhat satisfied.



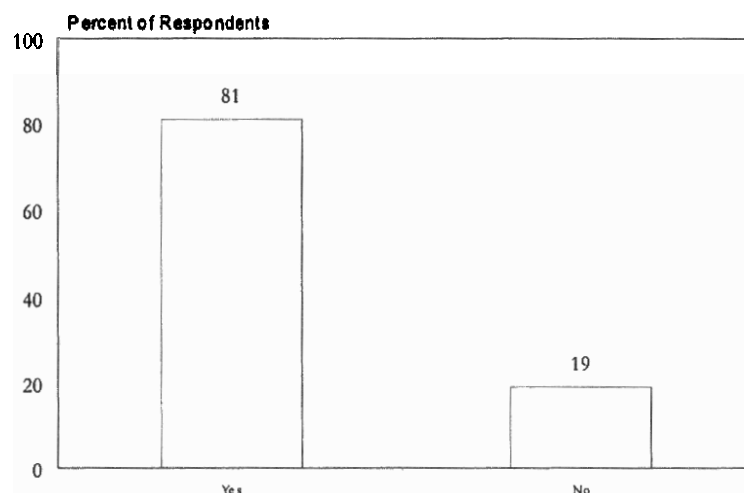
Interviewers then asked respondents to elaborate on the reasoning behind their responses. Content analysis of the responses revealed:

- **Several respondents noted that the program works well and is easy:**
  - ✓ The accuracy is good.
  - ✓ It's easy to use. (2)
  - ✓ It sounds like a fair program.
  - ✓ I trade with six or seven marketers occasionally. The TCIS program seems to be working.
  - ✓ It works well.
  - ✓ They offer flexibility and understanding of the problems that we sometimes face. Fred Archer is very understanding with me.
- **A few reported issues with information and policies:**
  - ✓ Right now we can contact the handful of companies that we know, but if we could get a complete list of the companies we can contact to do imbalance trading with, it would be easier.
  - ✓ The only reporting we can get is on paper, which makes trying to reconcile horribly cumbersome. If I could get a soft copy as well, that would be great.
  - ✓ Lower costs and use fair pricing.

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"Do you currently use the Winter Bundled Sales Service program offered by Con Edison?"

Interviewers asked respondents if they participated in Con Edison's Winter Bundled Sales Service program. Responses indicate that most gas ESCOs use the program.



Interviewers then asked those respondents who **do not** participate in the Winter Bundled Sales Service program to elaborate on the reasoning for not participating. Respondents cited the following reasons behind their decisions not to participate in the program:

- ✓ The way our profile is, it doesn't behoove us to pick up the extra gas.
- ✓ We did not sign up because the price was too high.
- ✓ We just elected in 2007; we haven't used it yet.

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"How satisfied are you with the Winter Bundled Sales Service program?"

Interviewers then asked respondents who use the Winter Bundled Sales Service program how satisfied they are with the program. Every respondent—100 percent of those interviewed—reported satisfaction with the program.

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## ESCO Information

Con Edison provided the following information for demographic comparisons:

- **Products supplied**, with twelve ESCOs interviewed providing electricity only, fifteen providing gas only, and ten providing both electricity and gas.

The research team compared the responses and comments within each group to determine differences in perceptions and observed the following differences based on products supplied:

- ESCOs that provide gas appear to be more likely than those who supply electricity to compare Con Edison favorably with other utilities.
- ESCOs that provide gas appear to be more likely than those who supply electricity to report favorable perceptions of Con Edison's energy marketing campaign.
- ESCOs that provide gas appear to be more likely than those who supply electricity to report satisfaction with Con Edison's handling of customer billing and payment processing.

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## **CRA's General Observations**

Taken as a whole, the findings in this report reflect favorably on Con Edison and its energy choice program. To help Con Edison target its improvement efforts, many of the findings and respondent comments presented throughout this report suggest actions that may further enhance the energy choice program. Moreover, at Con Edison's request, CRA is providing, under separate cover, a listing of the problems or issues identified by ESCOs, so that Con Edison can attempt to directly and immediately address them.

As an additional supplement, CRA has reviewed the findings and arrived at several general observations.

1. As noted throughout the report, across many components of Con Edison's Energy Choice program, perceptions of ESCO respondents improved significantly from 2006. Con Edison's improvement efforts have clearly addressed marketer issues and successfully elevated satisfaction with the program.
2. The relationship between Con Edison employees and ESCOs continues to be the energy choice program's most valuable asset. Many respondents commended the support and responsiveness of their contacts at Con Edison. Con Edison should continue to focus on consistent communication with all of the ESCOs they work with, particularly the newer and smaller ESCOs.
3. Across several components of the program, those who market gas hold more favorable perceptions than those who market electricity. Con Edison may wish to conduct a structured root cause analysis to determine the reasons behind this gap and plan how to address them.
4. A number of marketers report that Con Edison's customer service representatives are not accurately representing the energy choice program to customers. This may be due, in part, to turnover in the customer service ranks. Con Edison may wish to consider enhancing CSR training about energy choice issues.

## **Appendix A: Key ESCO Issues**



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## **Key ESCO Issues**

This report details many issues raised by ESCOs, some reflecting favorably on the energy choice program, and some raising concerns about various aspects of the program. To help focus improvement efforts, this appendix presents two issues mentioned by multiple ESCOs during the interviews:


- Timely sharing of information
- Improving Con Edison's customer service representatives' understanding of energy choice

## **Appendix B: ESCO Participation**

## ESCO Participation

The research team scheduled and completed in-depth telephone interviews with 47 ESCO employees representing all of the 37 ESCOs who supply energy in Con Edison's service area.

Company	Type	Participation
Accent Energy	Electric/Gas	Two respondents
Columbia Utilities	Electric/Gas	One respondent
Con Edison Solutions	Electric	One respondent
Constellation NewEnergy	Electric	One respondent
Direct Energy	Electric/Gas	One respondent
Econnergy	Electric/Gas	Three respondents
Energetix	Electric	One respondent
Entergy Solutions	Electric	One respondent
FFC Energy LLC	Gas	One respondent
Gasmark UGI Energy Services	Gas	One respondent
Genalex Energy Services	Gas	One respondent
Glacial Energy	Electric	Three respondents
Great Eastern Energy	Gas	One respondent
Hess Corporation	Electric/Gas	One respondent
Hudson Energy Services	Electric/Gas	Two respondents
IDT Energy	Electric/Gas	Two respondents
Intelligent Energy	Gas	One respondent
KeySpan Energy	Electric	One respondent (partial completion)
Liberty Power Corp.	Electric	One respondent
Major Energy Services, LLC	Gas	One respondent
Metro Energy Group	Gas	One respondent
Metromedia Energy	Gas	One respondent
Mitchell Supreme d/b/a NATGASCO	Gas	One respondent
MXEnergy	Electric/Gas	Two respondents
New York Energy Savings	Electric/Gas	One respondent
Pepco Energy Services	Electric	One respondent
Plymouth Rock Energy, LLC	Gas	One respondent
Robison Energy LLC	Electric/Gas	One respondent
Sempra Energy Solutions	Electric	One respondent
SJ Fuel Co.	Gas	One respondent
Spark Energy	Electric	One respondent
Sprague Energy	Gas	One respondent
Strategic Energy	Electric	Two respondents
Stuyvesant Energy	Gas	One respondent
Suez Energy Resources	Electric	Two respondents
US Gas & Electric	Gas	One respondent
Utility Resources	Gas	One respondent



## **Summary of Con Edison's Plans to Address Concerns Raised by Electric and Gas ESCOs during the 2007 ESCO Survey**

Before presenting the 2007 Action Plan below, Consolidated Edison Company of New York, Inc. ("Con Edison" or "the Company") notes that it has completed all of the action items mentioned in the 2006 ESCO Action Plan.

At the end of this year's ESCO survey, CRA, Inc. ("CRA"), the entity that conducted the 2007 survey, presented four general observations after analyzing this year's ESCO survey results.

- **First** - As noted throughout the report, across many components of Con Edison's energy choice program, perceptions of ESCO respondents improved significantly from 2006. Con Edison's improvement efforts have clearly addressed marketer issues and successfully elevated satisfaction with the program.
- **Second** - The relationship between Con Edison employees and ESCOs continues to be the energy choice program's most valuable asset. Many respondents commended the support and responsiveness of their contacts at Con Edison. Con Edison should continue to focus on consistent communication with all of the ESCOs they work with, particularly the newer and smaller ESCOs.
- **Third** - Across several components of the program, those who market gas hold more favorable perceptions than those who market electricity. Con Edison may wish to conduct a structured root cause analysis to determine the reasons behind this gap and plan how to address them.
- **Lastly** - A number of marketers report that Con Edison's customer service representatives are not accurately representing the energy choice program to customers. This may be due, in part, to turnover in the customer service ranks. Con Edison may wish to consider enhancing customer representative training about energy choice issues.

## **ACTION PLAN**

Con Edison intends to address the matters mentioned in CRA's observations by: (i) continuing to improve our communications with ESCOs, (ii) providing additional guidance on Company programs in order to better assist new and small ESCOs, and (iii) enhancing the training program for its new Call Center representatives and developing more comprehensive information for all of its Customer Service Representatives. Implementation of these steps will further strengthen the solid partnerships that have already been developed with the ESCOs.

### **Maintaining Consistent Communications and Focusing on New and Small ESCOs**

In the 2007 report, CRA recognized Con Edison's efforts to increase its responsiveness to ESCO inquiries and communications in general. The Company intends to maintain the current level of communication and improve whenever possible. It will also continue to focus on the quality and consistency of its responses with particular attention on new and small customers.

### **Addressing ESCO Concerns of the Electric ESCOs**

Gas ESCOs communicate with the Gas Supply Department at Con Edison primarily via phone. To improve service to electric ESCOs, Retail Choice Operations will advertise direct contact phone numbers of its staff members in each ESCO newsletter and on our various websites to ensure that if ESCO representatives prefer to speak to someone via the phone they have the ability to do so. We will also review our ESCO service practices to ensure that Gas and Electric ESCOs are both receiving excellent service.

### **Enhancing and Expanding Energy Choice Training for Customer Service Representatives**

To address ESCOs concerns that Customer Service Representatives are not accurately communicating the energy choice programs, the Company engaged in a "train the trainer" program. Over 100 supervisors received Energy Choice training in 2006 in order to train the representatives that were already working. However, to address the continuing turnover of Call Center Representatives, Con Edison will enhance the training material that new Call Center Representatives are provided during their eight week introductory training. In addition, new tools are being developed by the Company (and should be available to Call Center Representatives in early 2008) that provide comprehensive information related to an individual customer's energy status, history, and energy choices.

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