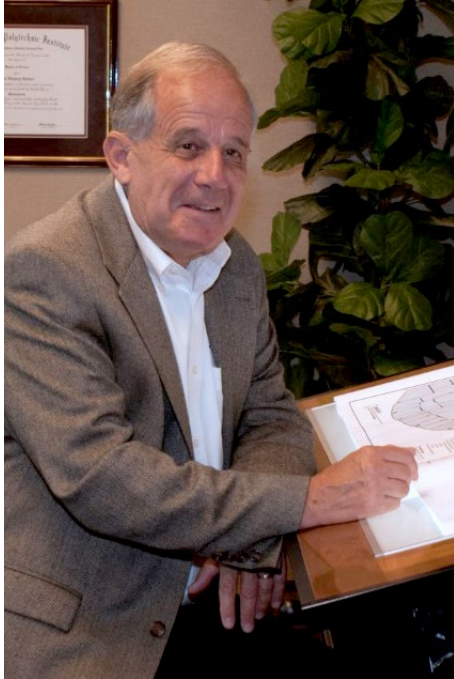




Good Enough Isn't The Impact on Customer Engagement

Joel Gilbert, P.E.,
Founder & Senior Advisor





Joel Gilbert, P.E.

Founder & Senior Advisor

Leads Apogee's accomplished team of engineers, data scientists, analysts, and researchers.

Responsible for applying highest standards of excellence in building science and engineering, applying artificial intelligence and predictive analytics to build strong customer relationships.

AGENDA

1. **Transitions in the Energy Utility Relationships**
2. **Excellence Today is Called Racist/Classist**
3. **What is Brand?**
4. **JD Powers - How Customer Satisfaction Drives Return on Equity for Regulated Utilities**
5. **Apogee Distinctives**
6. **Looming Risks for Customer Trust & Brand**



Transitions in Energy Utility Relationships

1980s we called them rate payers

- Cogeneration and gas cooling changed that
- Customer choice emerged as key agenda

2000s the internet/social media drove perceptions

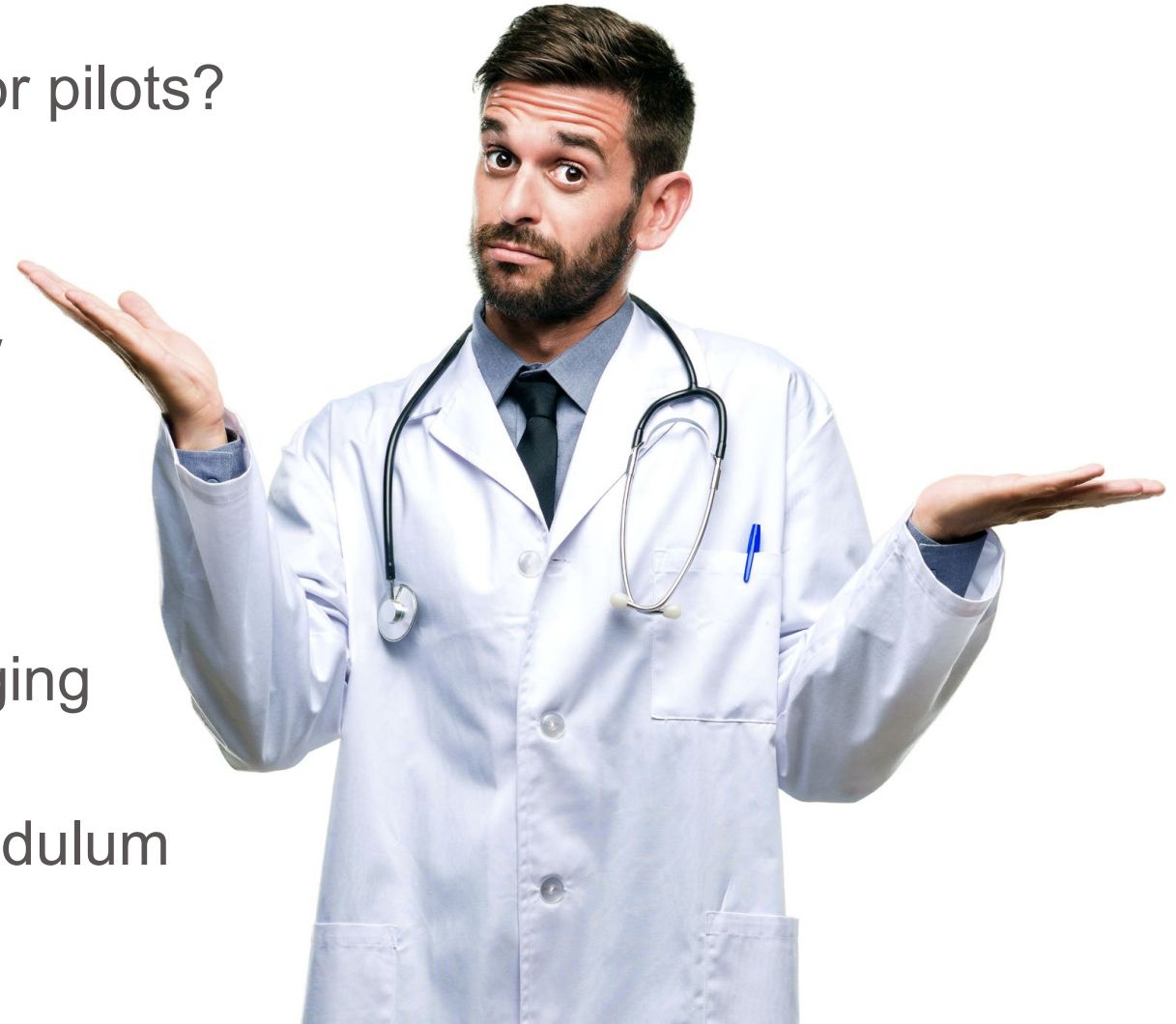
- Customer experience and journey mapping dominated
- Utilities renamed/reinvented marketing labels but not much else

2020s the focus on DEI, ESG, and climate change

- Customers are and/or will become confused and angry

Excellence Today is Called Racist/Classist

- Do you really want mediocre doctors or pilots?
- Do you really want liberal engineers or contractors?
- Conservatism and excellence are now being silenced
- First signs of this nonsense on major cities is evident
- More widespread signs of it are emerging everywhere
- We have things to correct, but the pendulum swung too far



What is a Brand?

A brand is the composite reaction of how a product or business is perceived by those who experience it — including customers, investors, employees, the media, and more.

Branding is the process of shaping these perceptions. A brand, then, is more than just a company's name, logo, product, or price tag. It's more than the marketing and advertising around these things. ***A brand is the consistent and recognizable feeling that all of these things evoke.***

The way a customer feels about a business influences their purchasing behavior, which directly impacts the business's bottom line. There's a reason the world's most successful companies invest millions of dollars every year in strengthening their brands.

From <https://www.ignitebrands.com/> website





Who We Are

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 50 years. The world's leading businesses across major industries rely on J.D. Power to guide their customer-facing strategies.

[ABOUT J.D. POWER](#)

How Customer Satisfaction Drives Return on Equity for Regulated Utilities

Mark Spalinger – Director, Utilities Intelligence
November 2022

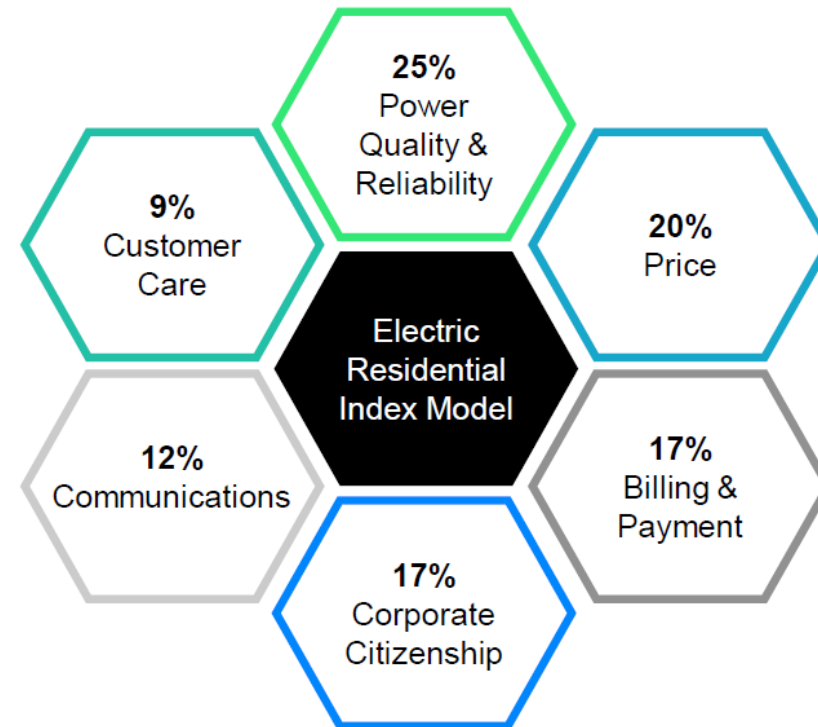


J.D. POWER

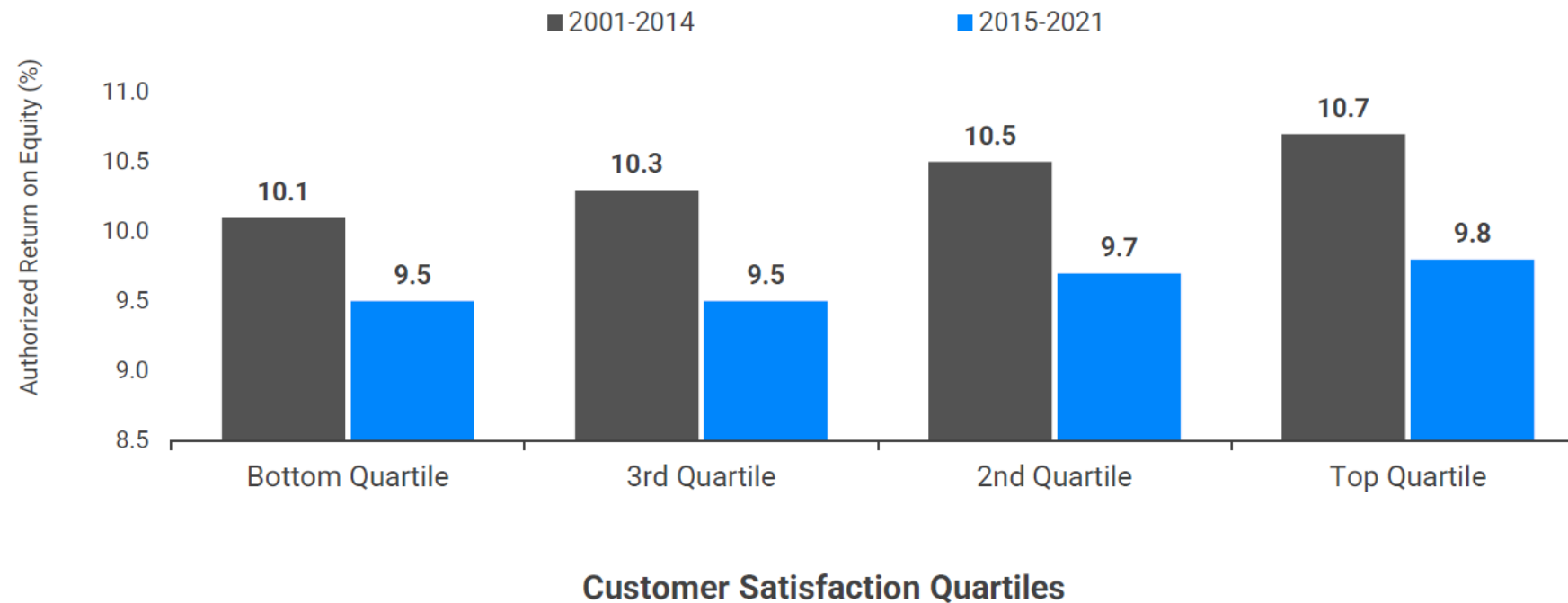
Customer Expectations

- Safe & Reliable Infrastructure
- Reasonable (“fair”) price
- Customer service when they need it
- Accurate, on-time, and legible bills
- Information and Interaction
- Transparency and community involvement

J.D. Power Overall Electric Residential Customer Satisfaction Index Model

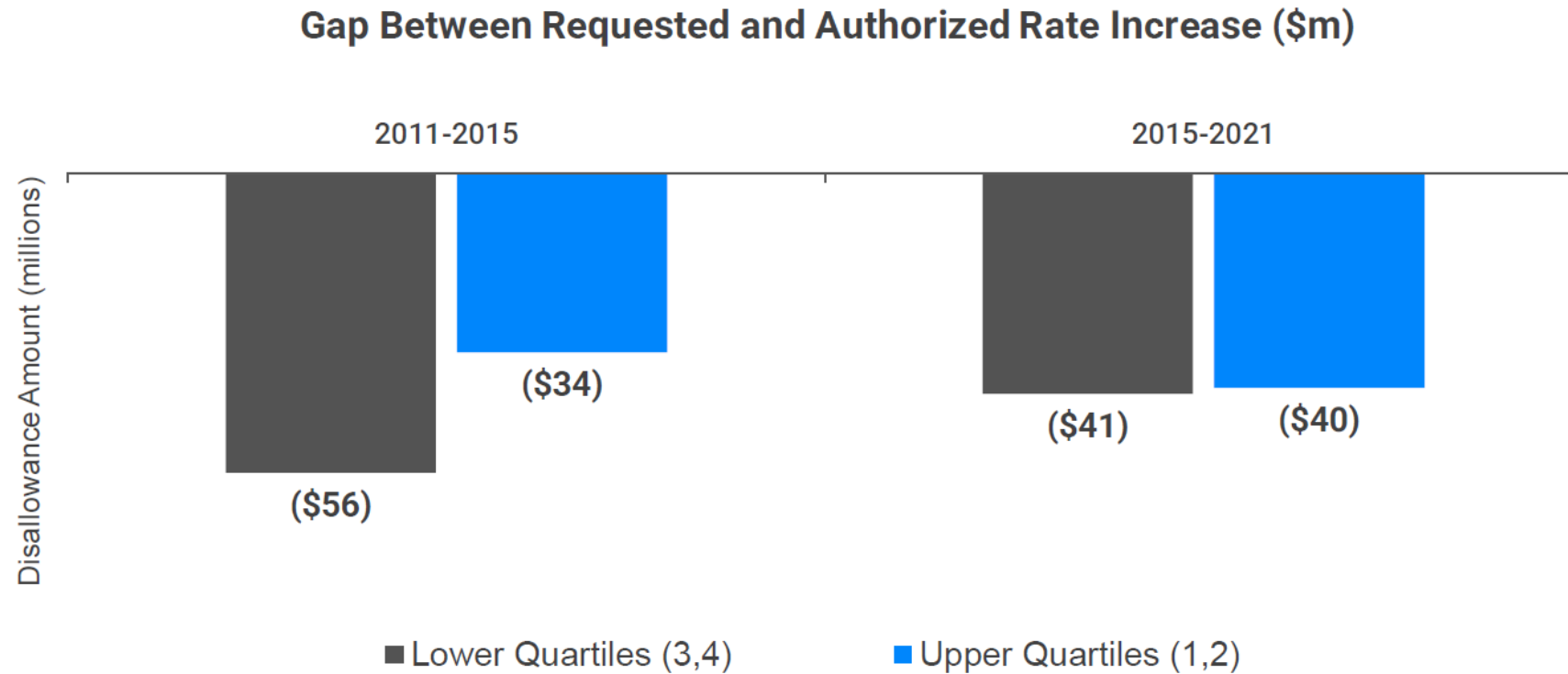


Higher Levels of Customer Satisfaction Increase ROE

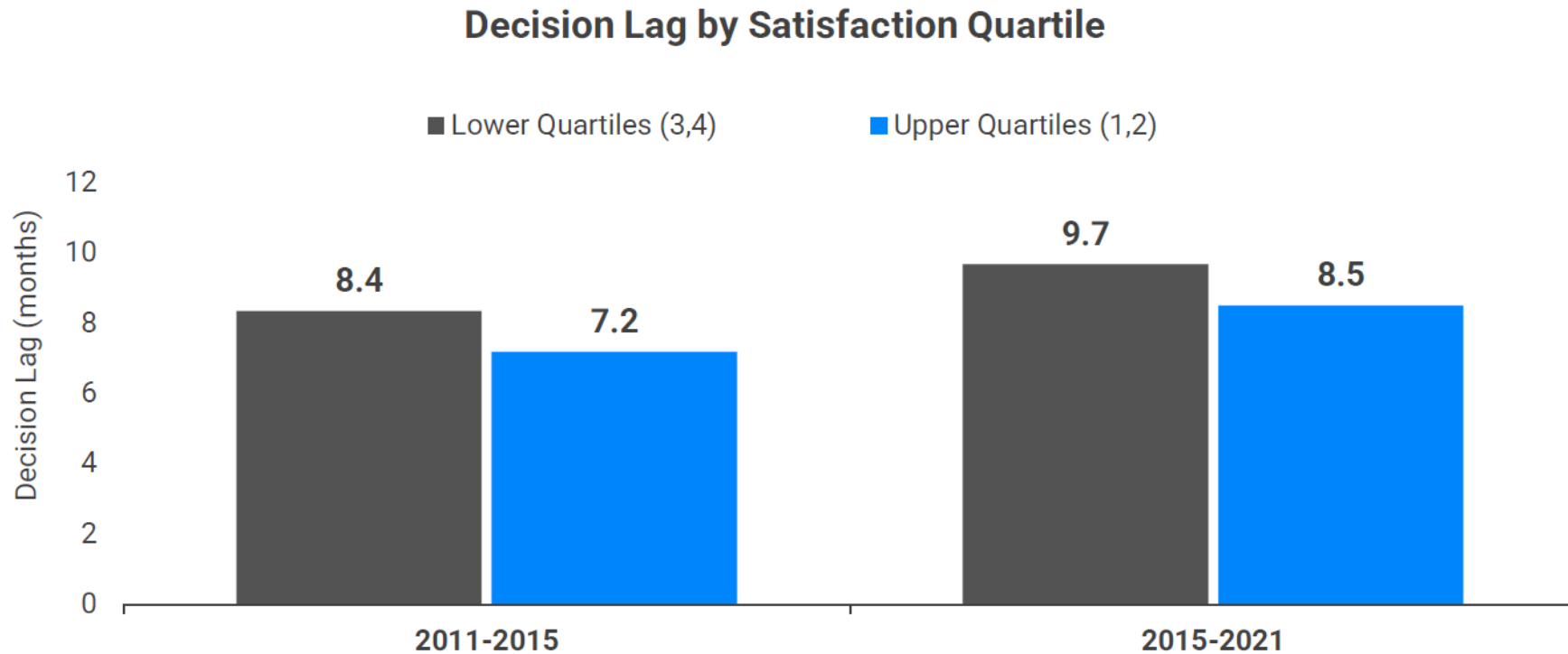


Sources: J.D. Power Electric Utility Residential Customer Satisfaction Study.
Regulatory Research Associates; a group within S&P Global Commodity Insights.

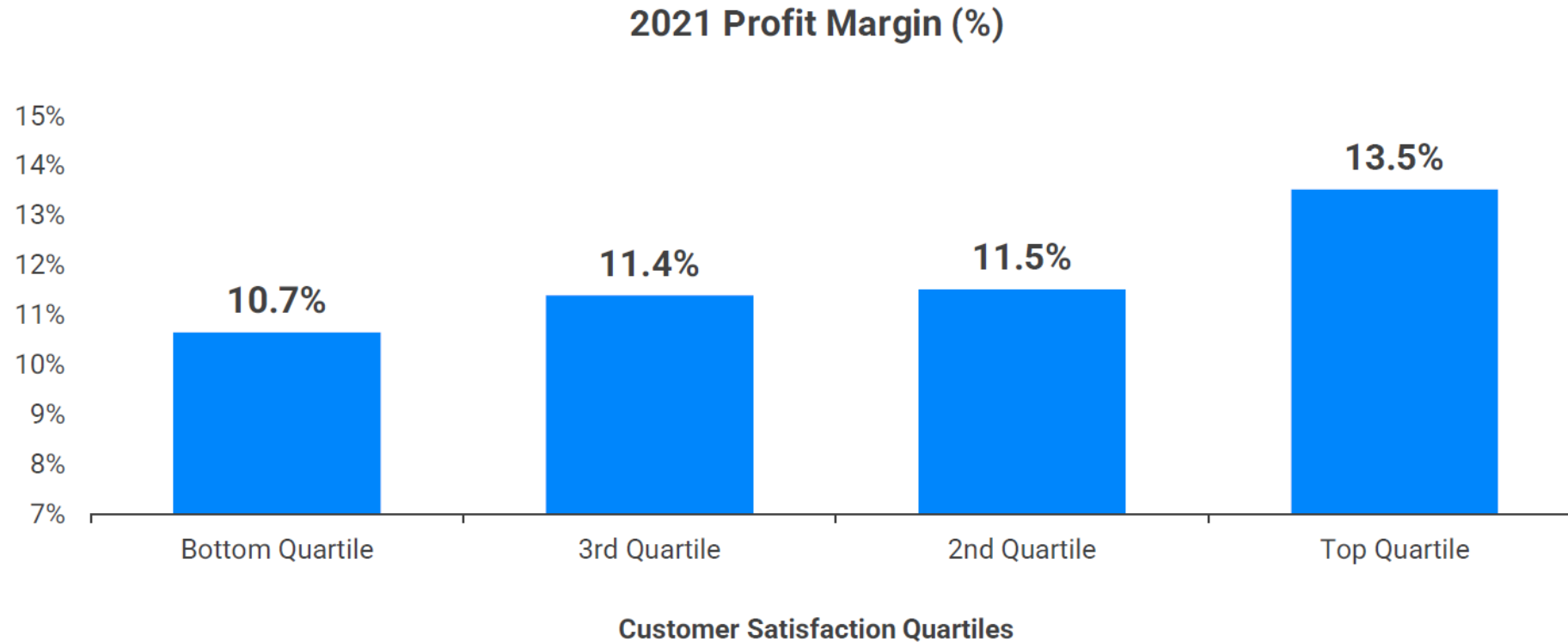
Increased Satisfaction Leads to Lower Disapproval Amounts



Upper Quartile Utilities Secure Rate Case Approvals Sooner Than Lower Quartile Utilities



Top-Quartile Utilities Have Higher Profit Margins



Sources: J.D. Power Electric Utility Residential Customer Satisfaction Study.
2021 Regulated Electric Utility Profit Margin based on publicly reported SEC filings.

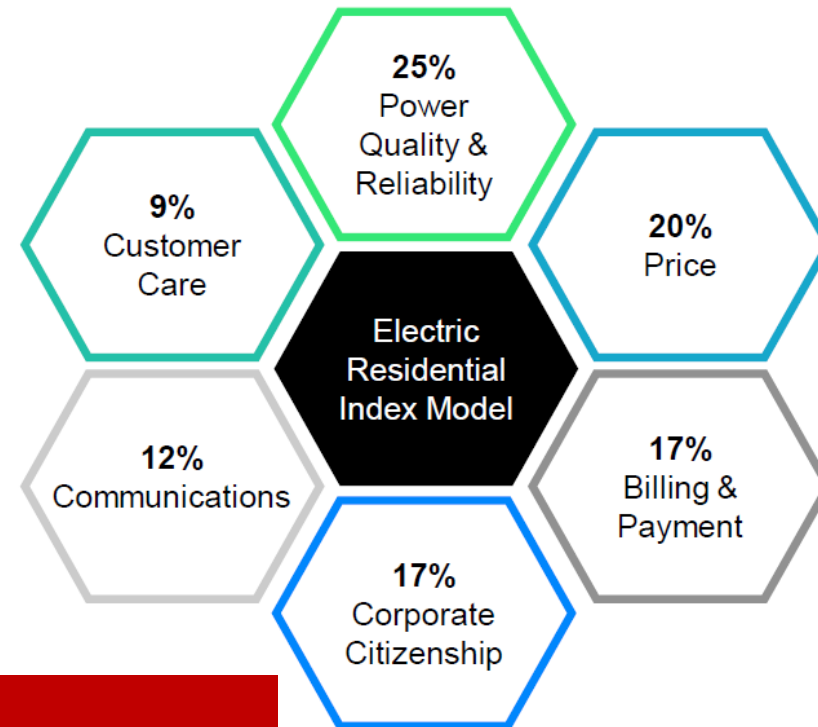
When is good enough ... not good enough?

- Use pass/fail tests – just check boxes
- Don't care about the best solution
- Don't care what others think
- Quality/accuracy is irrelevant
- Organizational trust is broken
- Don't care who stays or leaves

Customer Expectations

- Safe & Reliable Infrastructure
- Reasonable (“fair”) price
- Customer service when they need it
- Accurate, on-time, and legible bills
- Information and Interaction
- Transparency and community involvement

J.D. Power Overall Electric Residential Customer Satisfaction Index Model



What do you think happens to these when you don't care about excellence?

**Signs you
don't really
care
about the
energy
choices
customers
make**

Use

Use normative comparisons rather than true energy insights

Assume

Assume customers trust you rather than work to earn and maintain it

Stick

Stick to your talking points and fail the customer relevance test

Sale

Women

Men

Kids

Designer

Young Adult

Activewear

Home

Beauty

Gifts

The Thread



Gifts for Moms

There's still time to find the perfect present. Order by May 11 to get it by May 14 with expedited shipping.

[Shop Mother's Day Gifts](#)

[Explore Our Gift Guide](#)

[Shop Gift Cards](#)



Ship, manage, track, deliver



RATE & SHIP



TRACK



LOCATIONS

TRACKING ID

TRACK

[MULTIPLE TRACKING NUMBERS](#) | [NEED HELP?](#)

Huge small business savings start here

Save up to 40% on select shipping and surcharges when you open a free account.

START SAVING



Manage your shipments and returns

Embark on your next adventure

Eastern Airlines was originally founded in 1926. By 1930, Eastern grew to become one of the “Big Four” domestic airlines, where it would remain for the next several decades. As a carrier with a legacy of pioneering new routes, we brought Eastern Airlines back to the skies for its next adventure as the first scheduled carrier to be certified in the United States since 2007. Our mission is to bring back the sense of awe and wonder to air travel by providing underserved markets across the globe with direct, nonstop flights with the best value.

The Eastern Legacy

Eastern Airlines is historically known as one of the “Big Four” carriers. Now, we’re taking the skies again. Eastern Airlines was launched by seekers, adventurers...and above all, fliers. Our passion for aviation is unmatched in the universe. Our attention to detail is focused on the tiniest mechanical check and the golden yellow stitching on Seat 17B.



EASTERN





LIMITED FLIGHTS

Go. Sea. Do.

30% off base fares*

Get to the beach with flights to and from Florida, Hawaii, the Caribbean, Central America, and Mexico with code BEACHBOUND

Book now

*Use promotion code BEACHBOUND from 5/9-5/11/23 for travel on select cont. U.S. flights to/from FL, HI, Puerto Rico, and int'l markets from 8/8/23-11/1/23. Blackout dates, restrictions, and exclusions apply. Seats and days limited. Discount is applied before government taxes and fees.

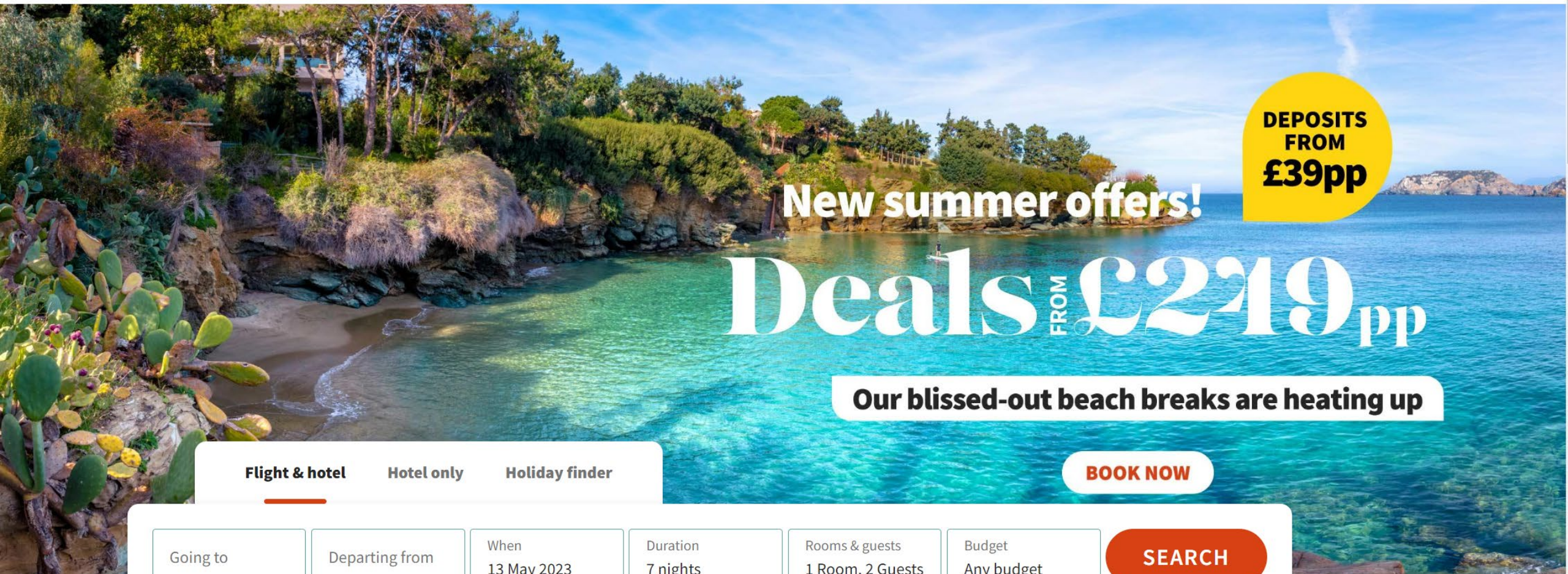
Book Flight Hotel Car Vacations CHECK IN FLIGHT STATUS CHANGE/CANCEL

Round trip One-way Baggage and optional fees Dollars Points

DEPART	ARRIVE	DEPART DATE	RETURN DATE	PASSENGERS
SAV Savannah/Hilton Head, GA - SAV		5/11 Thu, May 11, 2023	5/14 Sun, May 14, 2023	1

PROMO CODE (Optional) Advanced search **Search**

Where we fly Low Fare Calendar



DEPOSITS FROM £39pp

New summer offers!

Deals FROM £219pp

Our blissed-out beach breaks are heating up

Flight & hotel **Hotel only** **Holiday finder**

BOOK NOW

Going to	Departing from	When 13 May 2023	Duration 7 nights	Rooms & guests 1 Room, 2 Guests	Budget Any budget	SEARCH
----------	----------------	---------------------	----------------------	------------------------------------	----------------------	---------------

**Don't just book it.
Thomas Cook it.**



Spread the cost
Pay monthly without any extra fees



Low deposits
Secure your next holiday from £39pp



24/7 holiday support
Expert help whilst you are on holiday



Price match
Know you are getting the best holiday deal

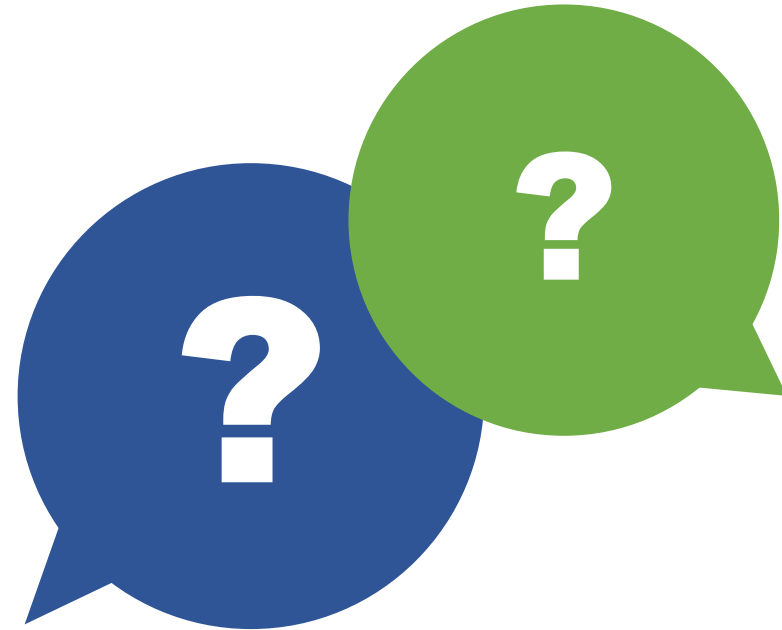


- **Serving Hundreds of North American Utilities**
- **Reaching Tens of Millions of Customers**
- **Providing Software as a Service (SaaS)**
- **Delivering**
 - ✓ Increased Customer Satisfaction
 - ✓ Heightened Customer Engagement
 - ✓ Energy Efficiency and Revenue Generating Program Promotion
- **Distinctive: Top-Rated Data Analytics and Predictive Modeling**
- **Industry's Most Comprehensive Customer Engagement Platform**
- **Consistency Creates Customer Trust**

**Market Leader
in Customer
Engagement**

**Celebrating
30 Years
of Success**

Any Questions





Joel Gilbert
jgilbert@apogee.net

Thank You!