

Manitoba Hydro Customer Satisfaction & Perceptions Study Topline Report

2022-23 3rd Quarter – January 2023

Customer Data Analytics & Research
Customer Solutions & Experience



Manitoba Hydro Key Findings & Opportunities

Satisfaction with most service metrics remains high.

Service strengths continue to be electric power, energy bills & payment option service elements.

Successes to celebrate include rising satisfaction with Providing timely accurate outage information and Overall Communication.

Opportunities include enhancing Responding to customer Inquiries & service requests and Consulting customers before making decisions that impact them.

Reputation scores remain modest and are trending down.

Reputation strengths continue to be Promoting Public Safety, being Accountable & Standing behind its Service, Planning Future Energy Supply, and Operating Efficiently.

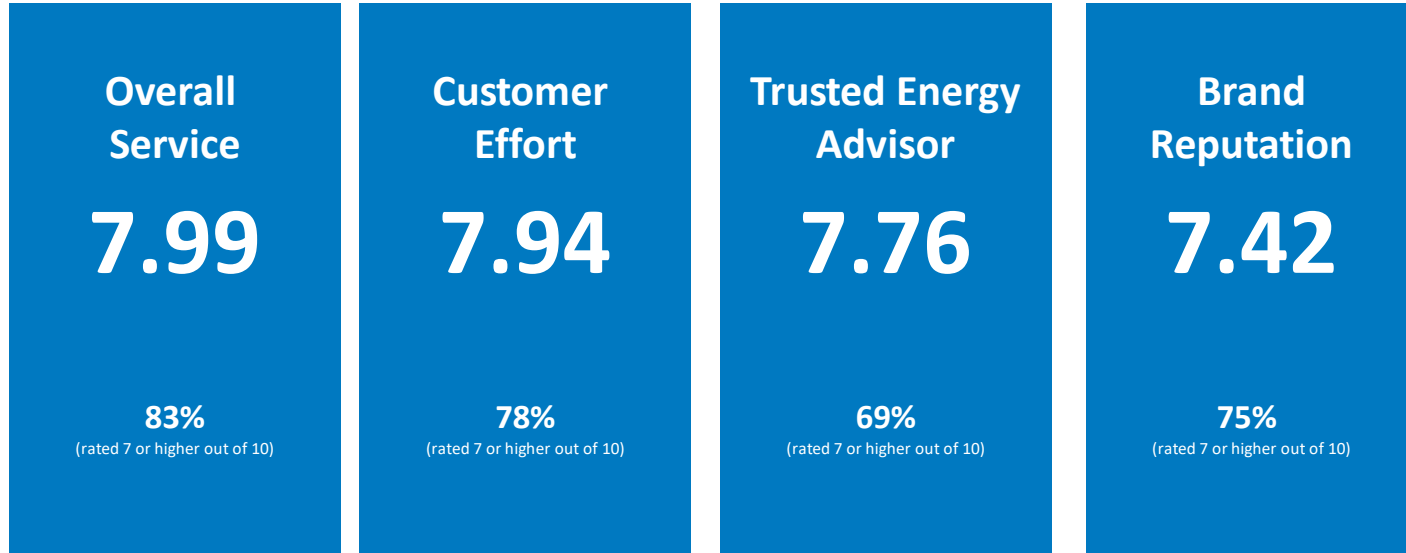
Opportunities include continuing to build key brand (Honesty, Cares about Customers & Energy Needs) and ESG metrics (Community Contribution, Environmental Behaviour, Treatment of Affected Northern Communities).

Financial burden of energy is high and impacting satisfaction.

Customers who struggle to pay their monthly bill are significantly more dissatisfied with overall service, the cost of energy, bill accuracy/design, and Manitoba Hydro's Reputation.

Fewer respondents mentioned high energy rates this quarter, however addressing affordability issues and delivering more responsive customer service will continue to be opportunities to improve.

Performance on KPIs



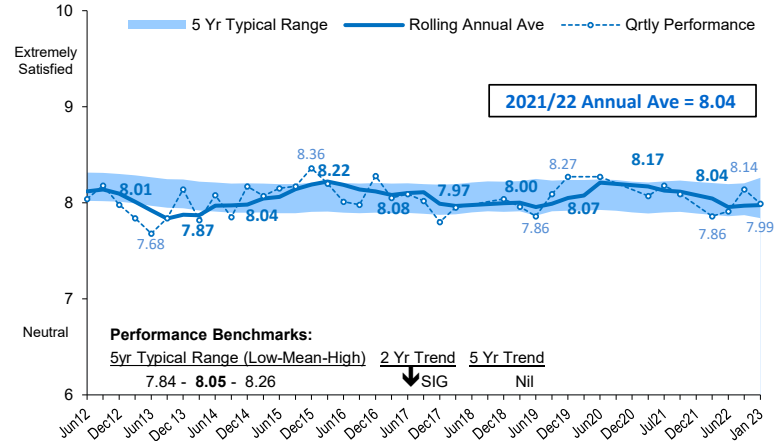
Satisfaction with Manitoba Hydro Service Experience

Includes satisfaction measures with:
Overall service, Electric power, Outage
response, Service touchpoints,
Communication, Billing, Payment, Price.

Satisfaction with Overall Service

Respondents continue expressing relatively high satisfaction levels.

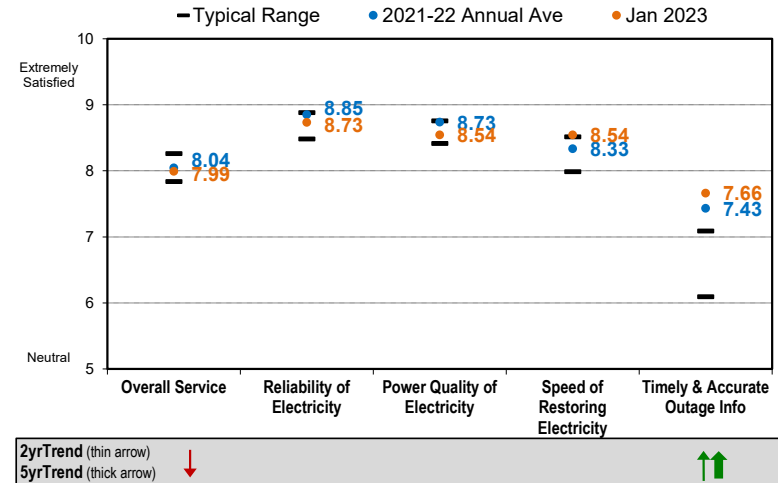
- Satisfaction with overall service experienced a marginal downwards correction by January to 7.99 which is on par with its 5-year mean.
- The 16% reporting lower satisfaction (≤ 6 on a 1-10 scale) this quarter identified the need for MB Hydro to address the following key issues:
 - **lower energy rates** (6%) - down from 10% in last Q4 and 7% in Q1 and on par with typical levels (5%),
 - **provide more responsive customer service** (5%) - down from 8% in last Q4 and 6% in Q1 but still slightly above typical levels (4%),
 - **improve electric reliability** with fewer outages or brownouts (3%) - on par with typical levels,
 - **resolve billing issues** (due dates, double billed, credit) and high estimates (2%) - on par with typical levels.



Currently, 83% report satisfaction levels of 7 or higher (41% report a 9 or 10), while 16% report scores of 6 or less (4% report 4 or less).

Satisfaction with Electric Power Service

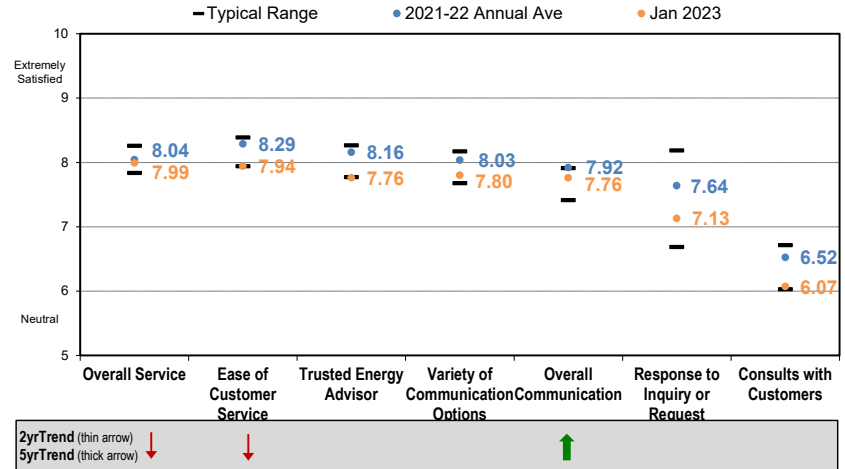
- Very high satisfaction continues to be reported for Electric Power Reliability, Power Quality and Speed of Restoring Electricity after an outage. The latter two metrics are key drivers of perceptions of Overall Service (highly correlated to it).
- While satisfaction for Providing Timely Accurate Outage Information is more modest, it has risen significantly to well above its typical range. This may be attributed to increased awareness of outage information on MB Hydro's website and social media, and the CSSP option to receive outage notifications.



Top Box Scores: 91% Electric Power Reliability
 (Satisfaction 7+): 88% Electric Power Quality
 89% Speed of Restoring Electricity
 70% Timely Accurate Outage Info

Satisfaction with Customer Service Touchpoints

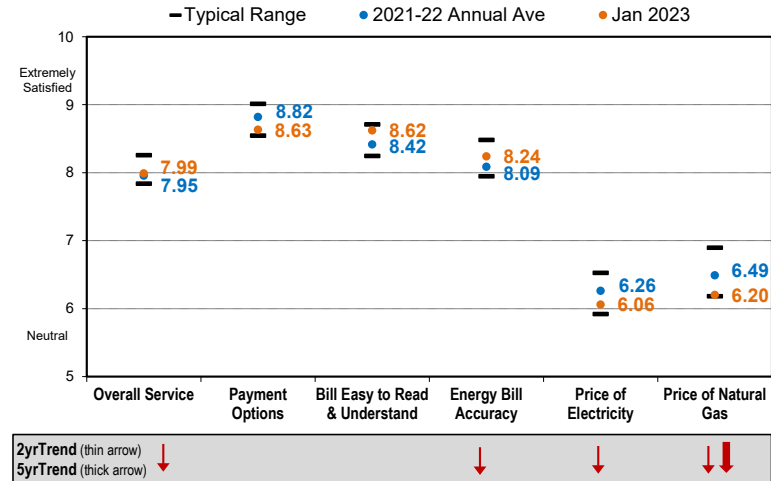
- Respondents report high satisfaction with three service touchpoints that are key drivers of perceptions of Overall Service (highly correlated) - Easy to do Business With, Trusted Energy Advisor, and Overall Communication from MB Hydro - as well as with a fourth service metric, MB Hydro offering a Variety of Communication Channel options.
- Respondents report more moderate satisfaction with MB Hydro’s Response to Inquiry or Service Request and MB Hydro Consulting with Customers before making decisions that impact them.



Top Box Scores:	78%	Easy to do Business With
(Satisfaction 7+):	69%	Trusted Energy Advisor
	74%	Variety of Communication Channels
	77%	Overall Communication from MB Hydro
	72%	Response to Inquiry or Service Request
	37%	Consulting Customers

Satisfaction with Billing Service

- Respondents report very high satisfaction with their energy Bill being Easy to Read and Understand and having Convenient Bill Payment Options and to a slightly lesser degree, their energy Bill Accuracy.
- Much lower satisfaction continues to be expressed with the Price of Electricity and Natural Gas. Both measures but especially the Price of Natural Gas have declined during the past 2 years and are below their Q3 seasonal averages.
 - The proportion of respondents reporting their household is experiencing an energy burden rose to 41% (vs. 30% range in 2021 or earlier). They report much lower satisfaction with the Price of electricity (5.1 vs 7.1 no energy burden) or natural gas (4.7 vs 7.1 no energy burden).
 - Lower satisfaction with the price of energy is also reported by those not on PAPP (5.9 vs. 7.0 for those who are) – their bills likely serve as monthly reminders of the cost of energy.



Top Box Scores:	85%	Convenient Bill Payment Options
(Satisfaction 7+):	88%	Bill Easy to Read & Understand
	79%	Bill Accuracy
	51%	Price of Natural Gas
	50%	Price of Electricity

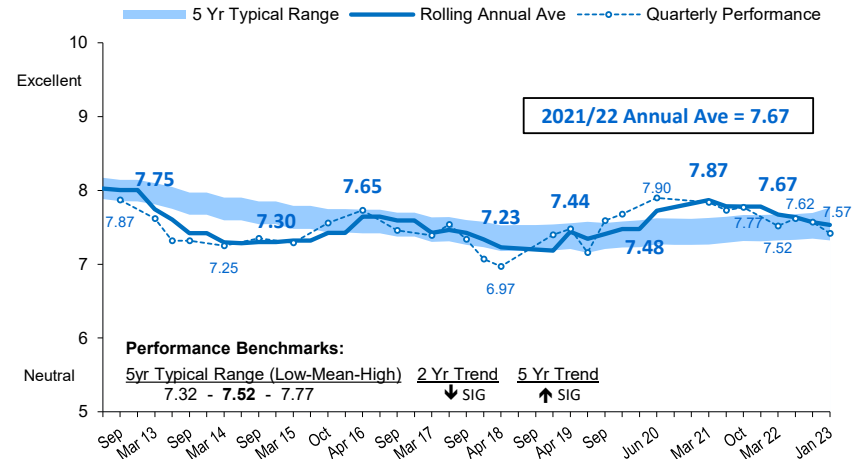
Perceptions of Manitoba Hydro's Brand

Includes perception measures of Overall Reputation,
Operational, Customer Centricity and Environmental,
Social and Governance components.

Perceptions of Manitoba Hydro's Reputation

Respondents continue to report modest perceptions of MB Hydro Reputation.

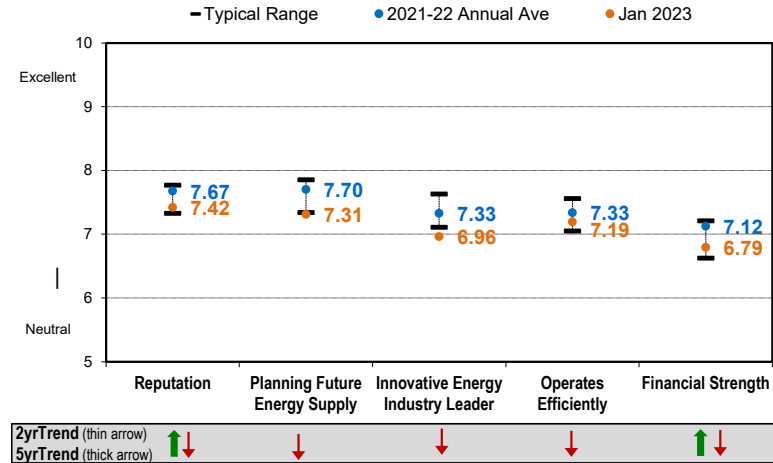
- Perceptions of MB Hydro's Overall Reputation have slowly declined during 2022/23 to the lower half of its typical range by January 2023 after remaining relatively stable and above its 5-year typical range since mid-2019.
- In turn, that 5-year typical range is still below historic levels (7.9 to 8.3) experienced during the decade prior to 2013.
- Lower ratings were reported this past year by those:
 - experiencing financial energy burden (0.7 variance),
 - with higher formal education (0.3 variance),
 - with Indigenous Ancestry (0.2 variance),
 - who are middle aged (0.2 variance), or
 - with higher family incomes (0.2 variance).



- Currently, 75% report a rating of 7 or higher (30% report a 9 or 10), while 24% report scores of 6 or less (8% report 4 or less).
- From mid-2019 until now, 80-85% reported a score of 7+ with 30-35% reporting a 9 or 10.

Perceptions of Manitoba Hydro Operations

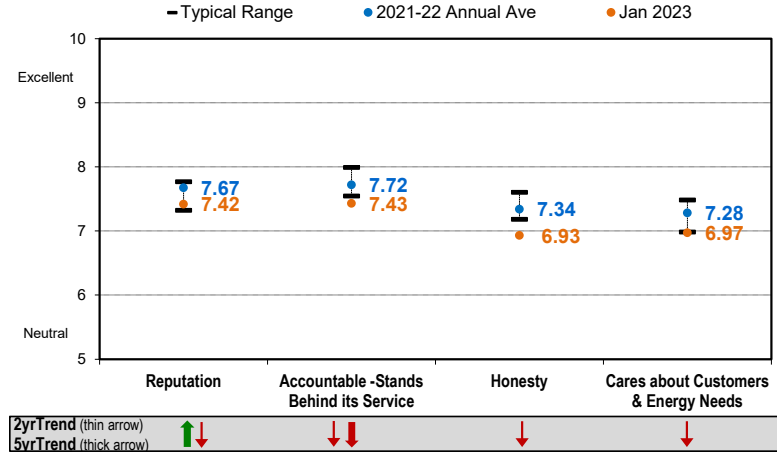
- The two measures, Innovative Energy Industry Leader (4th most influential metric) and Operates Efficiently (5th most influential metric), are key drivers of MB Hydro’s overall Reputation (highly correlated to it).
- Modest assessments are reported for all four operation-related measures.
 - Perceptions have declined significantly over the past two years for all four measures.
 - Perceptions of being an Innovative Energy Industry Leader is now well below its 5-yr typical range.
 - Planning Future Energy Supply continues to receive slightly higher ratings (3rd highest reputation measure).
 - Financial Strength continues to receive a lower reputation ratings (9th of 11 reputation measures).
 - All measures’ 5-year typical ranges, except Planning a Sufficient Future Energy Supply, are low compared to more historic levels.



Top Box Scores: (Satisfaction 7+):	60%	Planning Future Energy Supply
	68%	Operates Efficiently
	53%	Innovative Energy Industry Leader
	52%	Financial Strength

Perceptions of Manitoba Hydro Customer Centricity

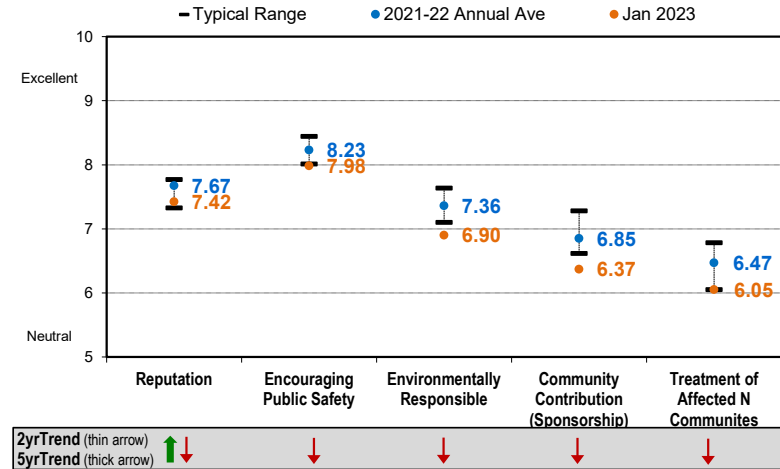
- All three customer centricity perception measures are key drivers of perceptions of MB Hydro’s overall Reputation (highly correlated) - Honesty (most influential driver), Cares about Customers & Energy Needs (2nd most influential), and Accountable - Stands Behind its Service (3rd most influential).
- All three measures receive modest ratings.
 - Perceptions of all three measures have declined significantly over the past two years and are now at the lower bound of their 5-year typical range or below.
 - Accountable–Stands Behind its Service continues receiving higher ratings (2nd highest after Public Safety).
 - All three measures’ 5-year typical ranges are low compared to more historic levels.



Top Box Scores:	70%	Accountable – Stands behind its Service
(Satisfaction 7+):	63%	Honesty
	64%	Cares about Customers & their Energy Needs

Perceptions of MB Hydro Environmental, Social and Governance

- Respondents report a varied assessment of Manitoba Hydro’s ESG performance.
 - Encouraging Public Safety around electricity and natural gas continues to receive high ratings (#1 reputation measure),
 - Community Contribution through sponsorship receives much more modest ratings (2nd lowest)
 - Treatment of Affected Northern Communities continues to receive the lowest reputation score.
- Perceptions of all four ESG metrics have declined significantly over the past two years and are now either at the lower bound of their 5-year typical range or below.
- Three of the four CSR measures’ 5-year ranges are low compared to historic levels. Only Encouraging Public Safety remains on par.



Top Box Scores: 77% Encouraging Public Safety
 (Satisfaction 7+): 55% Environmentally Responsible
 38% Community Contribution (Sponsorship)
 32% Treatment of Affected Northern Communities

Prepared by the Customer Data Analytics & Research.

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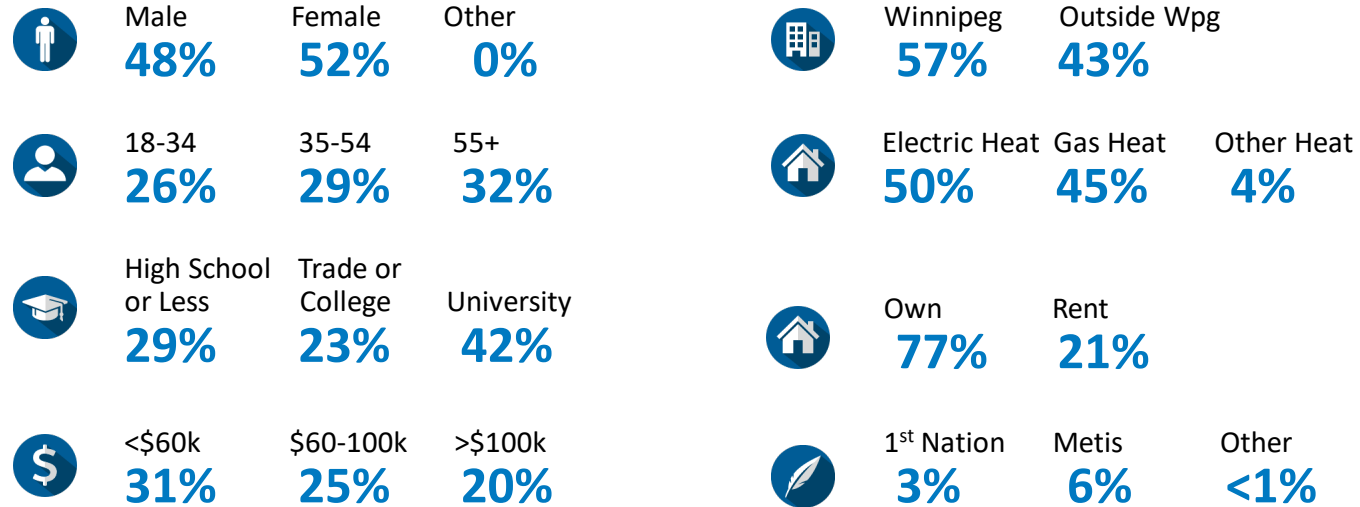
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Appendices

Study Background

- **The Customer Satisfaction Tracking Study (CSTS) has been based on a quarterly, random sample telephone survey of 500 Manitoba households since its inception in 1999.**
 - Survey results are weighted to reflect MB gender, age and regional population demographics, and are accurate $\pm 4.4\%$ (approximately ± 0.25 for means), 19 times out of 20.
- **Beginning June 2023, the CSTS will transition to an online panel survey methodology.**
 - Online surveys offer many advantages including being more convenient for respondents to participate in, allowing use of visual stimuli in the questionnaire and respondents answers, more accurately assessing customer perceptions (less social bias), and being easier and less costly to field and tabulate.
- **The CSTS Q3 (Jan 2023) and Q4 (Mar 2023) are being fielded by two parallel survey streams to identify any impacts the methodology change will have on the survey findings.**
 - 300 surveys fielded by traditional phone methodology
 - 300 surveys fielded by online panel methodology
- **This Q3 (Jan 2023) Topline Report reflects the results of the 300 phone surveys only.**
 - Half (50% , n=150) completed by landline and half (50%, n=150) completed by cellular including 30% who are cell-only households with no landline.
 - Q3 results are accurate $\pm 5.7\%$ or approximately ± 0.31 for the summary means, 19 times out of 20.

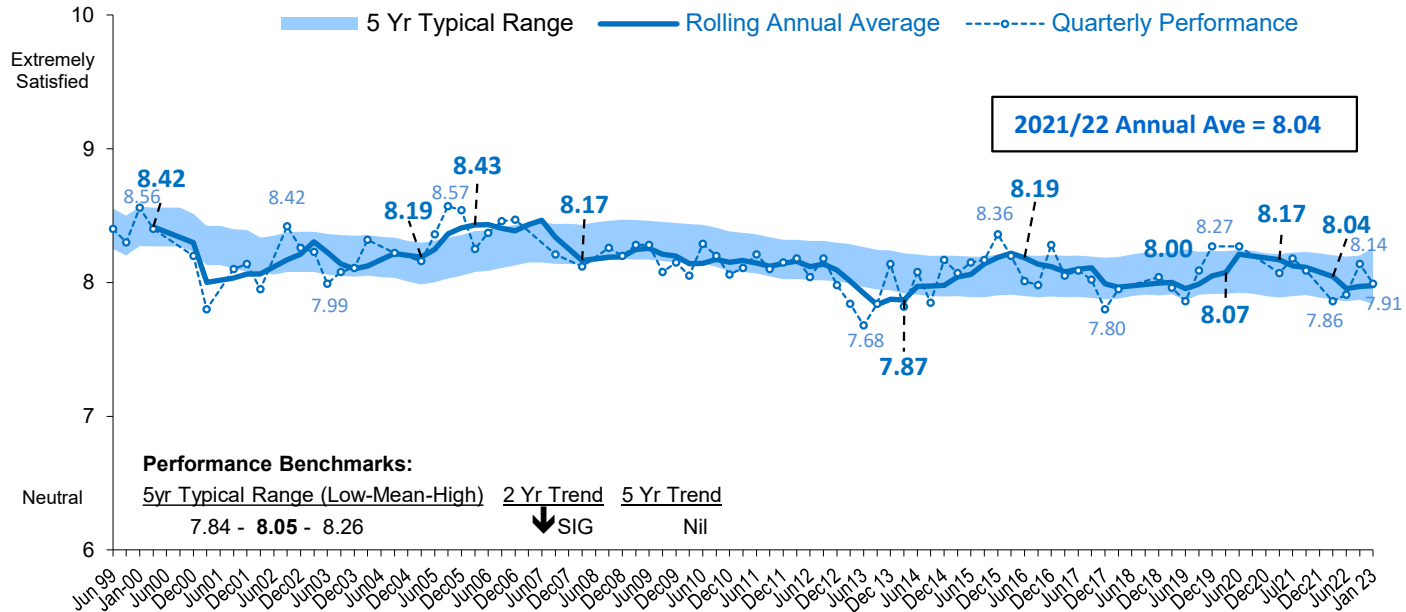
MB Respondent Demographics



Appendix A:

Manitoba Hydro Satisfaction with Overall Service (Historical Results)

Customer Satisfaction with Overall Service



Appendix A:

Manitoba Hydro Service Satisfaction Metrics, January 2023 (Q3 2022-23)

Measure	Q3 Ave (★) & Change (vs Prior Qtr)	Rolling Annual Ave.	3rd Qtr Ave vs. 5-Year Mean & Typical Range (95% Conf Interval)	2-Yr Trend	5-Yr Trend	3rd Qtr LowBox (% Rating 1-4)	3rd Qtr TopBox (% Rating 7-10)
Overall Service	7.99	7.98	7.84 ★ 8.05 Ave – 8.26	↓	–	4%	83%
Electric Power Reliability	8.73	↑ 8.69	8.48 – 8.68 Ave ★ 8.88	–	–	4%	91%
Speed of Restoring Electricity	↑ 8.54	8.29	7.99 – 8.25 Ave – 8.52 ★	–	–	2%	89%
Timely Accurate Outage Information	7.66	↑ 7.50	6.09 – 6.59 Ave – 7.09 ★	↑	↑	10%	70%
Electric Power Quality	8.54	8.61	8.37 ★ 8.56 Ave – 8.75	–	↑	3%	88%
Easy to do Business With	7.94	8.07	7.94 ★ 8.16 Ave – 8.39	↓	–	4%	78%
Trusted Energy Advisor	7.76	7.91	★ 7.77 – 8.02 Ave – 8.26	–	–	7%	69%
Overall Communication from MB Hydro	7.76	↑ 7.73	7.41 – 7.66 Ave ★ 7.91	–	↑	7%	77%
Variety of Communication Channels	7.80	7.82	7.88 ★ 7.93 Ave – 8.17	–	–	7%	74%
Consults Customers	6.07	6.24	6.03 ★ 6.37 Ave – 6.71	–	–	19%	37%
Response to Inquiry or Service Request	7.13	7.38	6.88 ★ 7.43 Ave – 8.18	–	–	25%	72%
Bill Easy to Read & Understand	8.62	↓ 8.49	8.25 – 8.48 Ave ★ 8.71	–	–	2%	88%
Bill Accuracy	8.24	↓ 8.16	7.95 – 8.22 Ave ★ 8.48	↓	–	5%	79%
Convenient Bill Payment Options	8.63	8.73	8.54 ★ 8.78 Ave – 9.01	–	–	2%	85%
Price of Electricity	6.06	↓ 6.07	5.92 ★ 6.22 Ave – 6.53	↓	–	27%	50%
Price of Natural Gas	6.20	↓ 6.18	6.18 ★ 6.54 Ave – 6.90	↓	↓	19%	51%

Appendix A: Manitoba Hydro Satisfaction with Service (Survey Questions)

On a scale of 1 to 10 where 1 is extremely dissatisfied and 10 is extremely satisfied, how satisfied are you with/that

Overall1. The overall service you have received from Manitoba Hydro?

Rel1. Based on the number of power outages you have experienced at your home during the last 3 months from ___ until now, how satisfied are you with the reliability of your electricity?

Rel3. (IF EXPERIENCED OUTAGE IN PAST 3 MONTHS) How satisfied have you been with Manitoba Hydro's speed in restoring your electricity when an outage occurs?

Rel5. (IF EXPERIENCED OUTAGE IN PAST 3 MONTHS) Manitoba Hydro providing you timely and accurate power outage information?

Rel6. Manitoba Hydro providing you with stable power quality that is free from voltage fluctuations such as power flickers or surges?

Service1. Manitoba Hydro is easy to do business with?

Service2. Manitoba Hydro is a trusted energy advisor when you are making energy related decisions?

Comm1. The overall communication from Manitoba Hydro?

Comm2. Manitoba Hydro provides a variety of traditional and electronic ways for you to communicate with them when you have a question, service request or concern?

Comm3. Manitoba Hydro consults with customers before making decisions that impact them?

Bill1. (IF RECEIVE BILL) The energy bills being easy to read and understand?

Bill2. (IF RECEIVE BILL) The energy bill's accuracy?

Pay1. (IF PAY BILL) Manitoba Hydro provides convenient options for you to pay your energy bill?

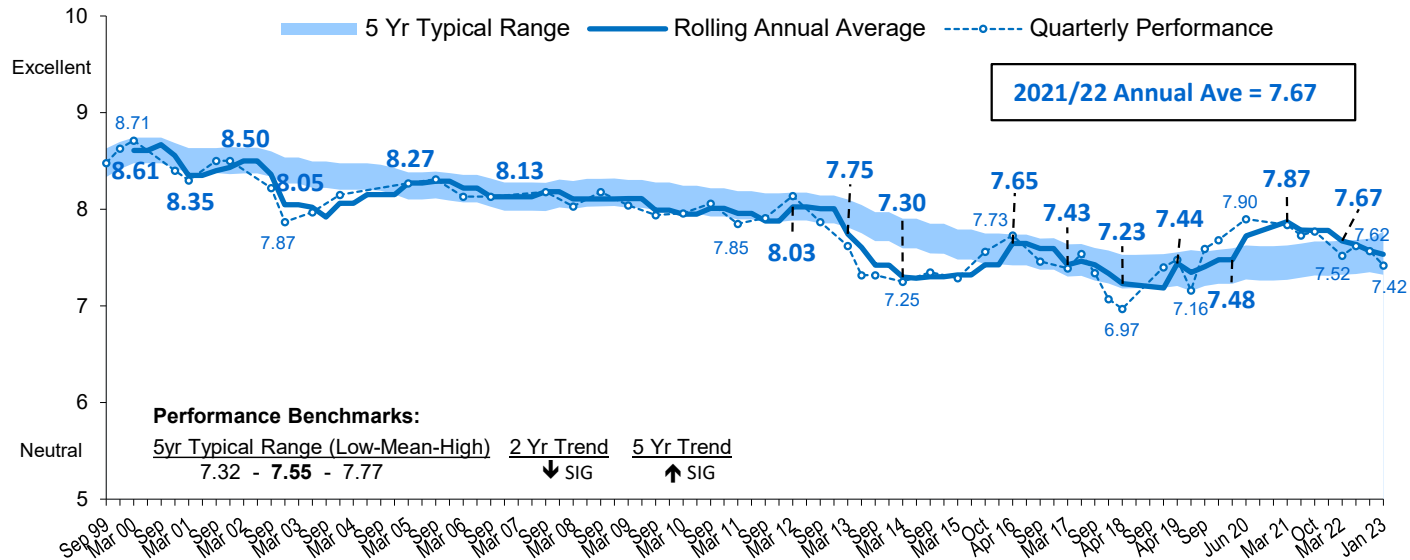
PriceElec. The price you pay for electricity?

PriceGas. (IF NATURAL GAS CUSTOMER) The price you pay for natural gas?

Trans1. (IF CONTACTED MB HYDRO WITH A QUESTION, PROBLEM, SERVICE REQUEST OR DEALT WITH STAFF DURING THE LAST THREE MONTHS) Manitoba Hydro's overall response to your inquiry or request?

Appendix B: Perceptions of Manitoba Hydro's Overall Reputation (Historical Results)

Perceptions of Manitoba Hydro's Overall Reputation



Appendix B:

Manitoba Hydro's Reputation Metrics, January 2023 (Q3 2022-23)

Measure	Q3 Ave(★) & Change (vs Prior Qtr)	Rolling Annual Ave.	3 rd Qtr Ave vs. 5-Year Mean & Typical Range (95% Conf Interval)	2-Yr Trend	5-Yr Trend	3 rd Qtr LowBox (% Rating 1-4)	3 rd Qtr TopBox (% Rating 7-10)
Overall Reputation	7.42	↑ 7.53	7.32 ★ 7.55 Ave – 7.77	↓	↑	16%	75%
Planning Future Energy Supply	↓ 7.31	↓ 7.46	★ 7.34 – 7.60 Ave – 7.85	↓	–	7%	60%
Innovative Energy Industry Leader	6.96	↓ 7.07	★ 7.11 – 7.37 Ave – 7.63	↓	–	8%	53%
Operates Efficiently	7.19	↓ 7.21	7.05 ★ 7.30 Ave – 7.58	↓	–	18%	68%
Financial Strength	↓ 6.79	6.94	6.62 ★ 6.92 Ave – 7.21	↓	↑	12%	52%
Accountable – Stands Behind its Service	7.43	↓ 7.45	★ 7.54 – 7.77 Ave – 7.99	↓	–	17%	70%
Honesty	↓ 6.93	7.34	★ 7.18 – 7.39 Ave – 7.60	↓	–	12%	63%
Cares about Customers & their Energy Needs	6.97	↓ 7.04	★ 6.98 – 7.23 Ave – 7.48	↓	–	12%	64%
Encourages Public Safety	7.98	↓ 8.01	★ 8.01 – 8.23 Ave – 8.44	↓	–	5%	77%
Environmentally Responsible	6.90	↓ 7.05	★ 7.10 – 7.37 Ave – 7.63	↓	–	12%	55%
Community Contribution via Sponsorship	6.37	↓ 6.57	★ 6.62 – 6.95 Ave – 7.28	↓	–	11%	38%
Treatment of Affected Northern Communities	↓ 6.05	↓ 6.30	6.05 ★ 6.42 Ave – 6.78	↓	–	14%	32%

Appendix B: Perceptions of Manitoba Hydro's Reputation (Survey Questions)

Using a scale of 1 to 10, where 1 means very poor and 10 means excellent, and based on what you have seen, read or heard, how would you rate Manitoba Hydro on the following:

Overall reputation?

[ROTATE ORDER OF THE FOLLOWING]

Financial strength?

Honesty?

Operates Efficiently?

Accountable to customers by standing behind the service it sells?

Ability to plan for a sufficient supply of energy in the future?

Innovative energy industry leader?

Cares about its customers & their energy needs?

On a scale of 1 to 10 where 1 is extremely dissatisfied and 10 is extremely satisfied, how satisfied are you with/that

Envir. Operate in an environmentally responsible manner and minimize its impact on the environment?

Safety. Inform and encourage public safety around electricity and natural gas?

Sponsor. Contribute back to the community by supporting or sponsoring charitable causes and community programs and events?

NCom. Fairly assist or compensate communities that have been impacted by the construction of the hydroelectric facilities in Northern Manitoba?