

Niagara Mohawk Power Corporation
d/b/a National Grid

PROCEEDING ON MOTION OF
THE COMMISSION AS TO THE
RATES, CHARGES, RULES AND
REGULATIONS OF NIAGARA
MOHAWK POWER CORPORATION
FOR ELECTRIC AND GAS
SERVICE

Testimony and Exhibits of:

Shared Services and Customer Panel
Exhibits __ (SSCP-14) – (SSCP-17)

Book 7

April 2012

Submitted to:
New York State Public Service Commission
Case 12-E-____
Case 12-G-____

Submitted by:
Niagara Mohawk Power Corporation

Testimony of Shared Services and Customer Panel

Exhibit __ (SSCP-14)

JD Powers 2011 Electric and Gas Residential and Business Full Year Reports

Testimony of Shared Services and Customer Panel

Schedule 1

Electric Residential Customer Report

2011 Electric Utility Residential Customer Satisfaction StudySM



National Grid

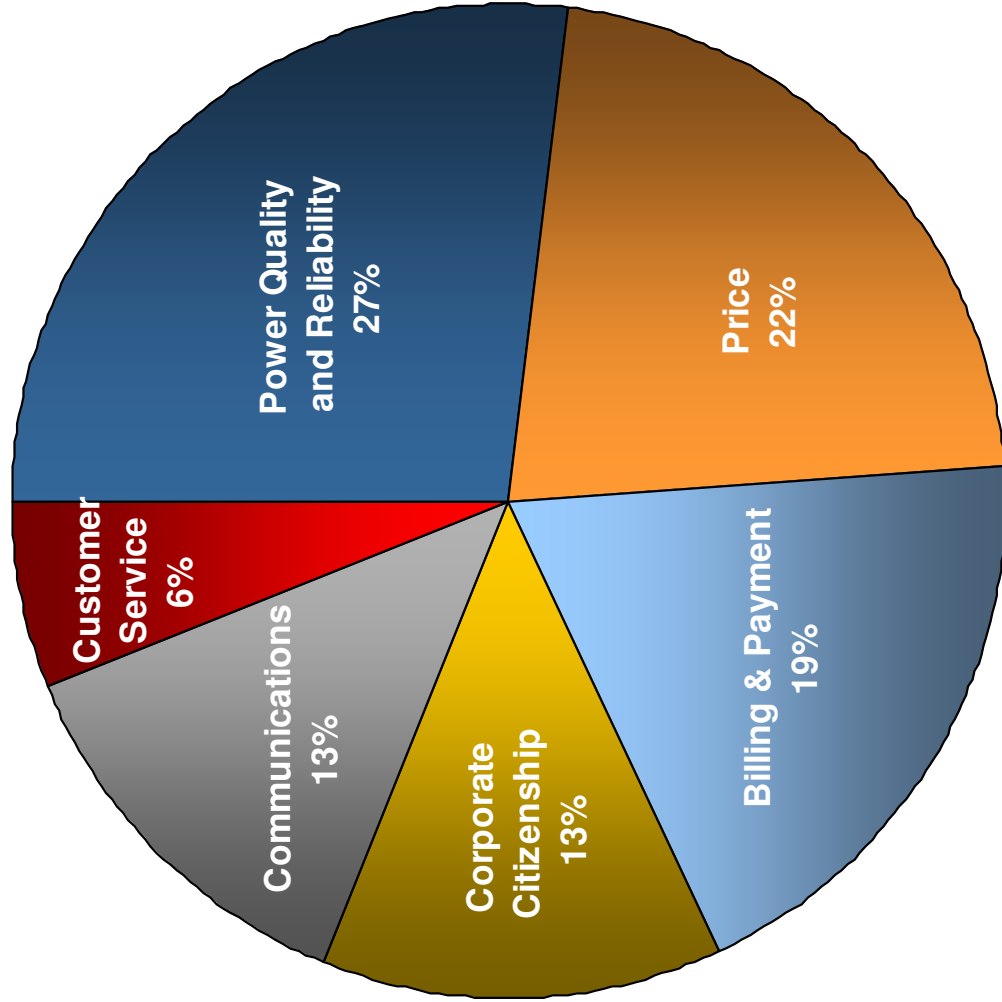
August 23, 2011

John Hazen
Senior Director
Energy Practice

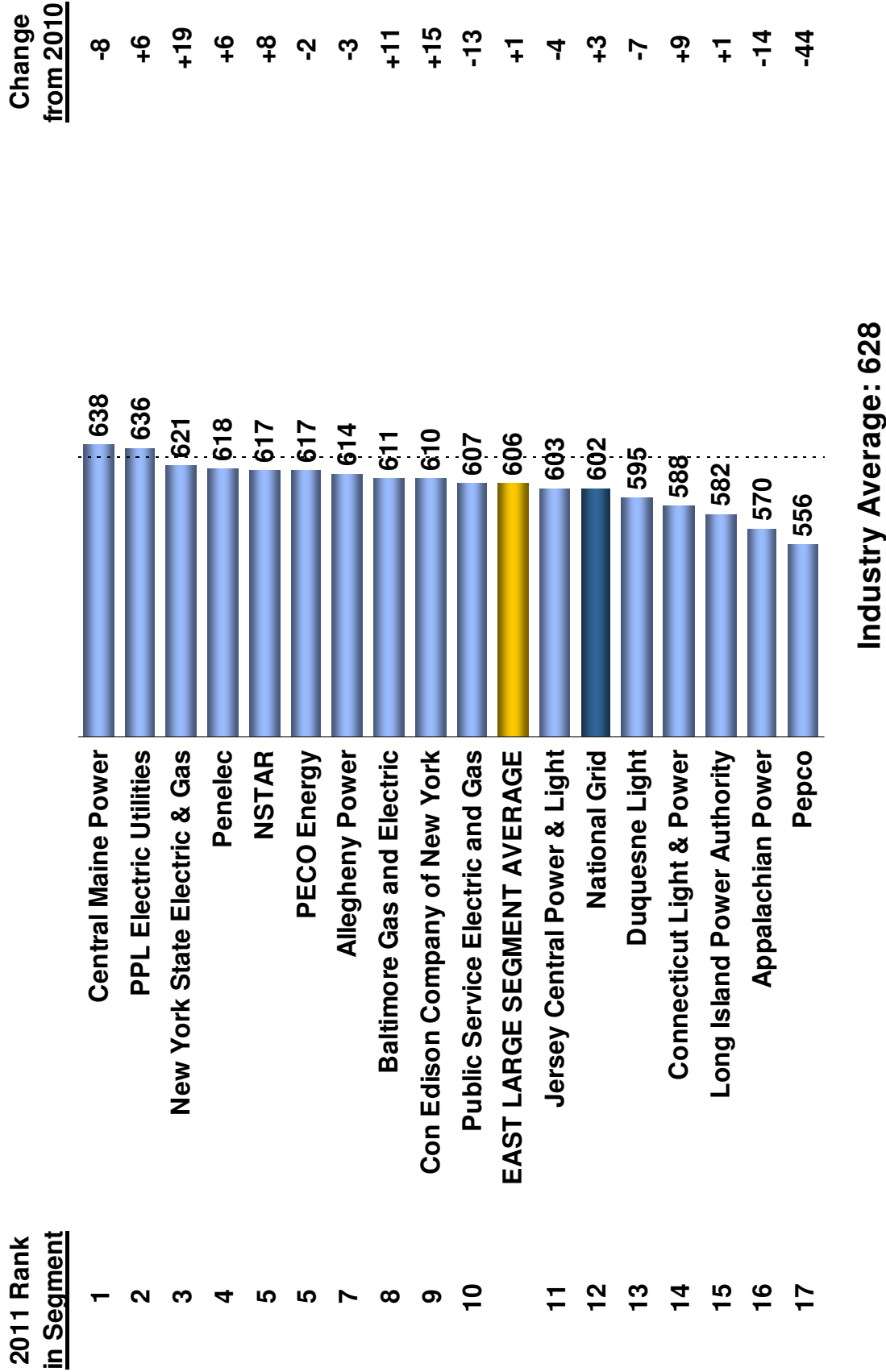
Study Methodology

- 13th Annual Electric Residential Study
- Online interviews completed in 4 quarterly fielding periods from July, 2010 through May, 2011
- 98,562 responses collected
- 2,122 National Grid responses
- Annual score is the average of the 4 quarterly fielding periods
- 124 Brands Ranked in 8 Regional Size Segments
 - Four regions (East, Midwest, South, and West)
 - Large utilities (500,000 households or more)
 - Midsized utilities (125,000 to 499,999 households)

Residential Electric Customer Satisfaction Study Model

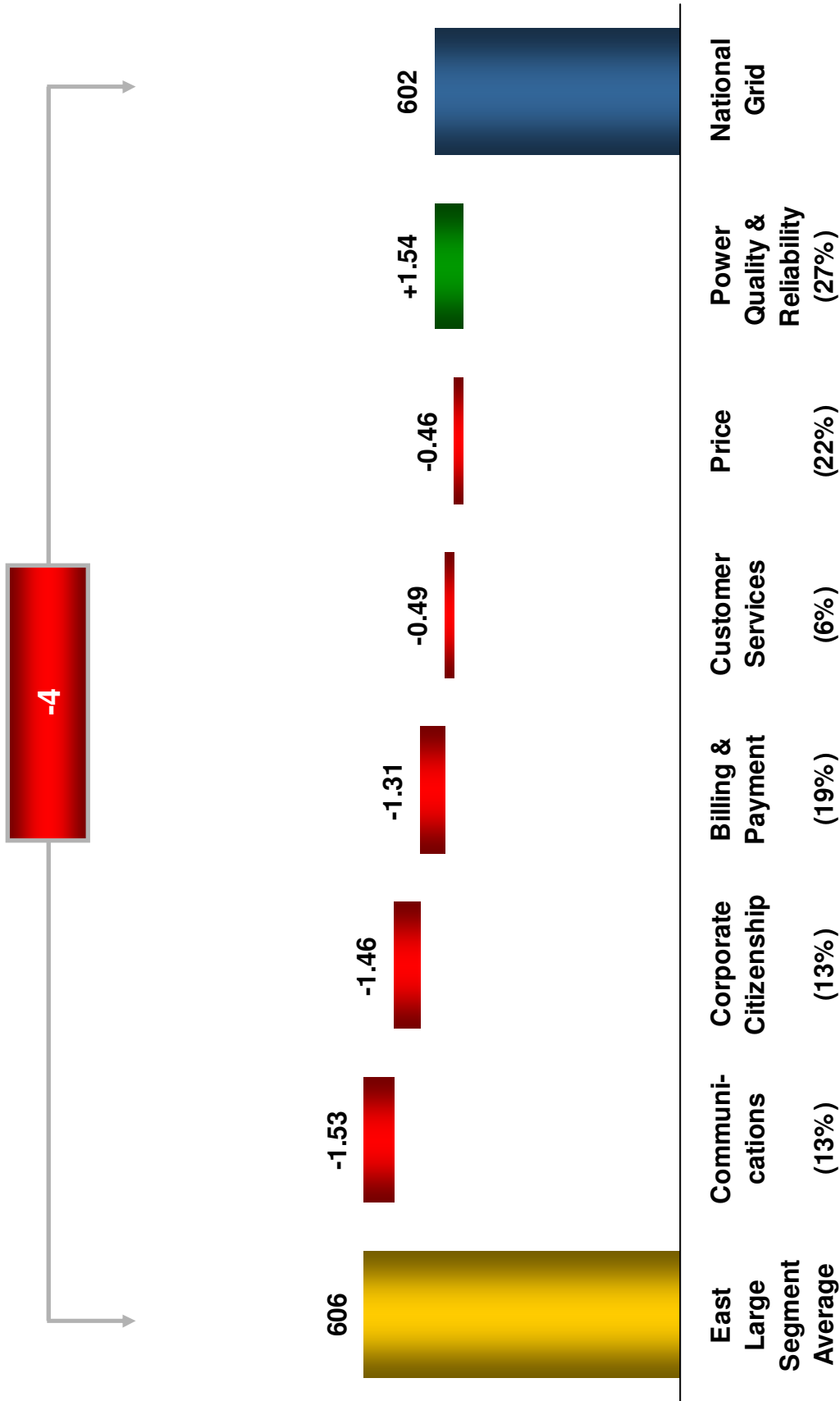


East Large Segment Overall Customer Satisfaction Index



Component Gap Analysis¹

National Grid vs. East Large Segment Average



¹(National Grid Index - East Large Segment Average Index) * Component's Importance Weight.

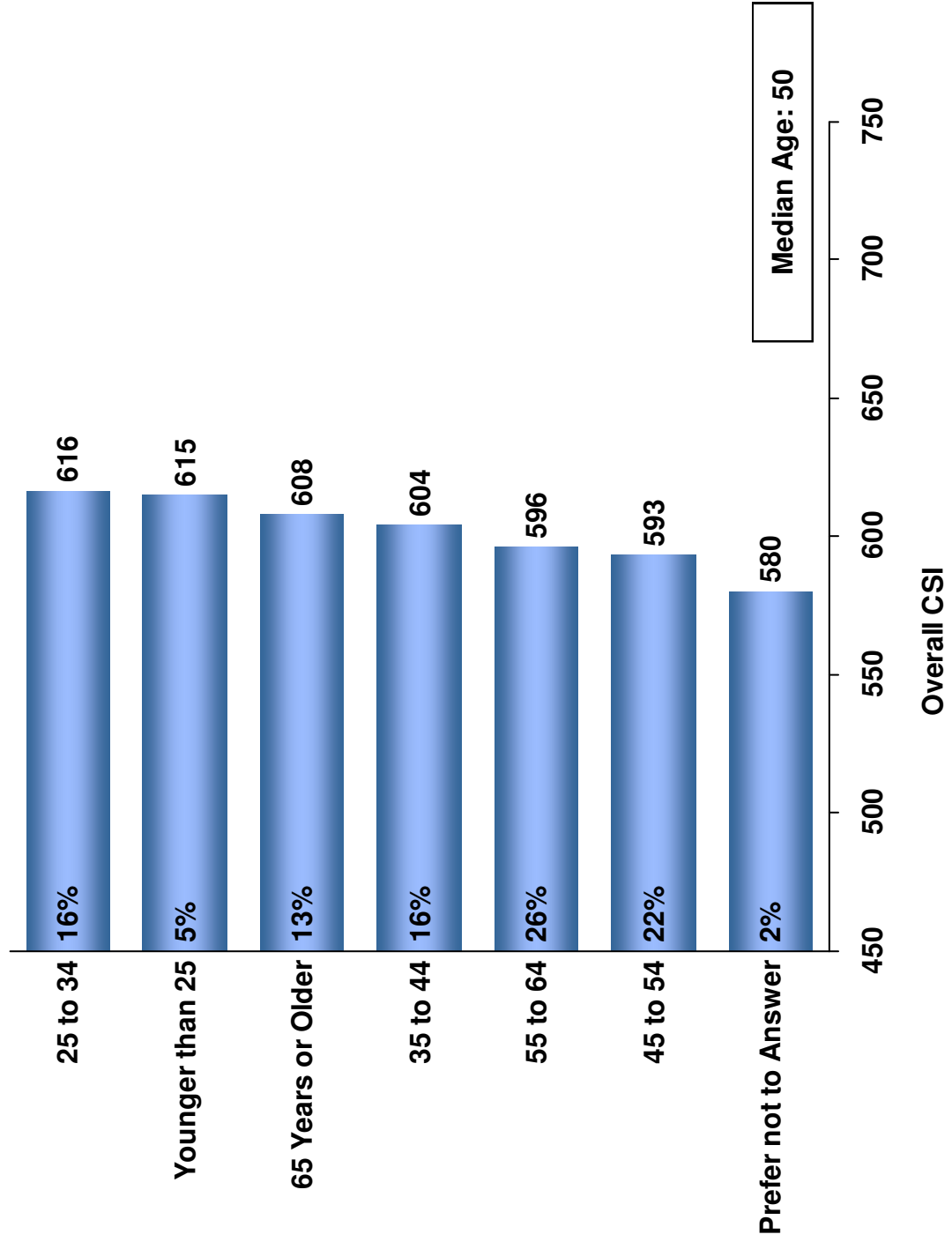
Note: The sum may not equal due to rounding.

Key Findings – National Grid

- Overall Satisfaction by State:
 - MA: 611 (767 surveys);
 - RI: 609 (314 surveys)
 - NY: 592 (1,018 surveys)
- Age Group with highest satisfaction is under 25 while 45-54 have the lowest satisfaction.
- Increased restoration accuracy, more outage information and increased number of callbacks would boost satisfaction.
- Awareness of donations and energy efficiency programs increase satisfaction.

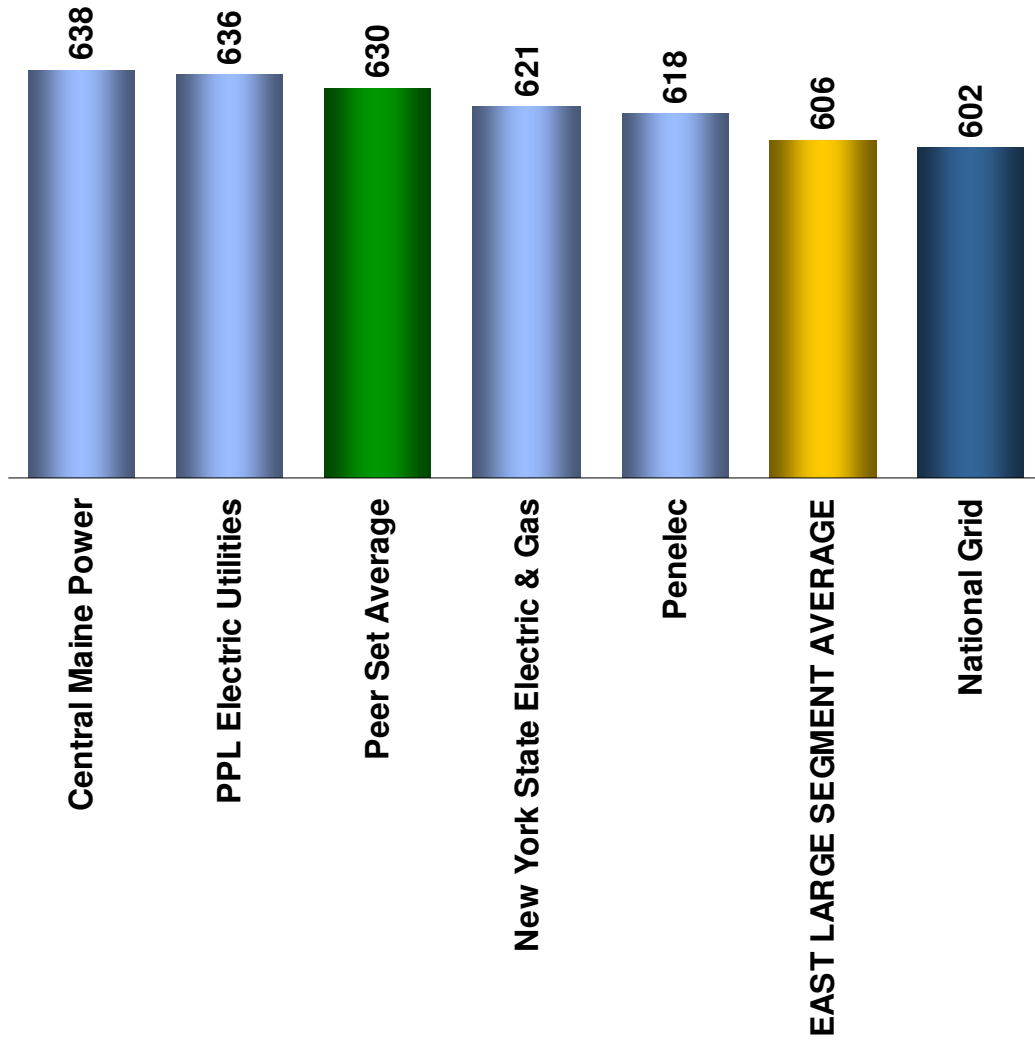
National Grid

Overall Satisfaction by Age Group



National Grid Performance

National Grid vs. Peer Set Overall CSI



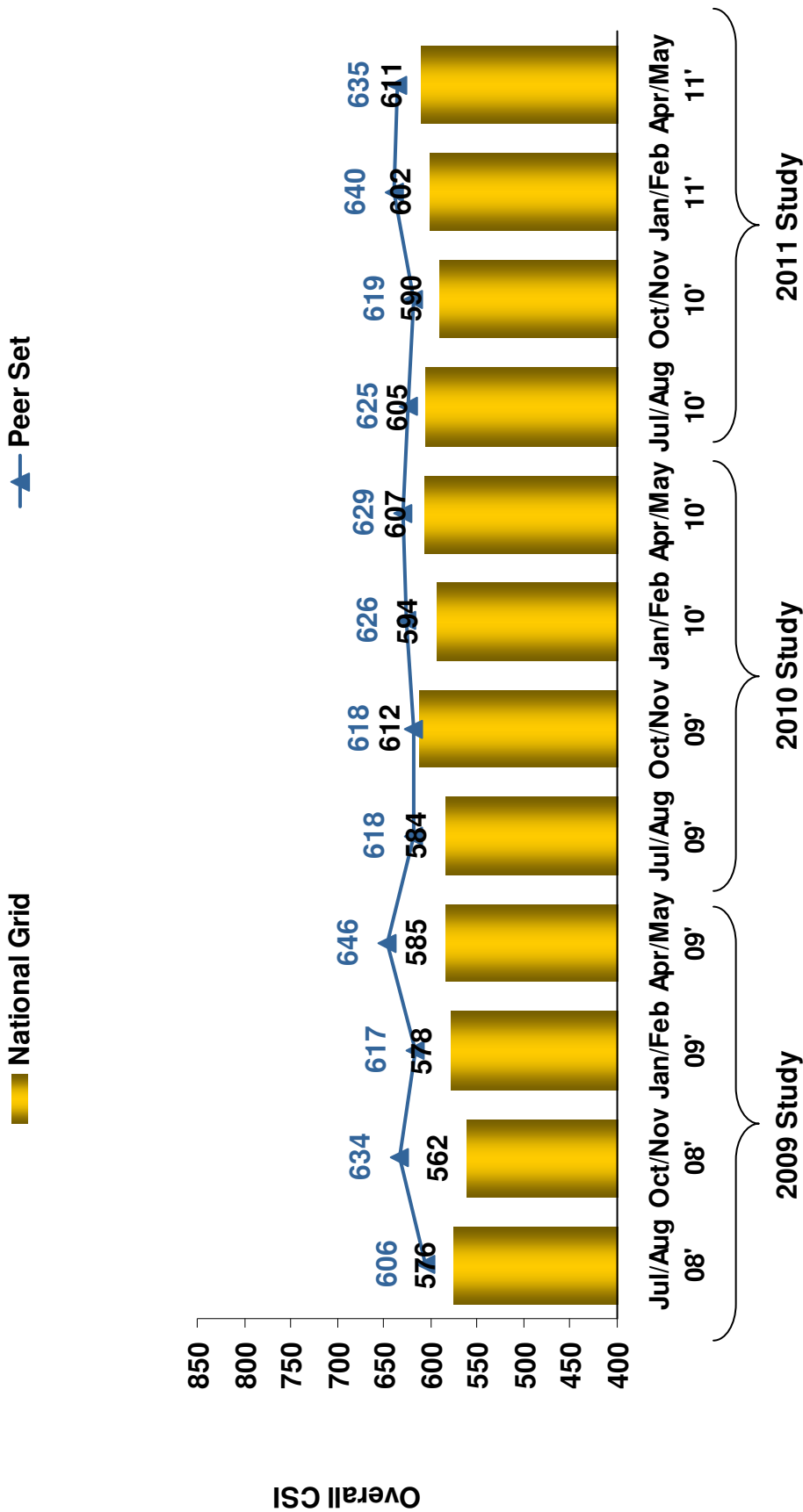
Peer Set Gap

	Power Quality & Reliability	Price	Billing & Payment	Corporate Citizenship	Communi- cations	Customer Service
Central Maine Power	702	521	709	570	620	713
PPL Electric Utilities	705	520	724	566	586	725
Peer Set Average	698	522	714	554	579	712
New York State Electric & Gas	696	522	707	540	551	699
Penelec	681	528	709	532	556	697
EAST LARGE SEGMENT AVERAGE	670	501	691	542	554	671
National Grid	676	499	684	530	542	667

GAP to Peer Set Average -22 -23 -30 -24 -37 -45

GAP to Highest in Peer Set -29 -29 -40 -40 -78 -58

National Grid vs. Peer Set Overall CSI



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Power Quality & Reliability

National Grid

Power Quality & Reliability Performance Details - Mean Scores

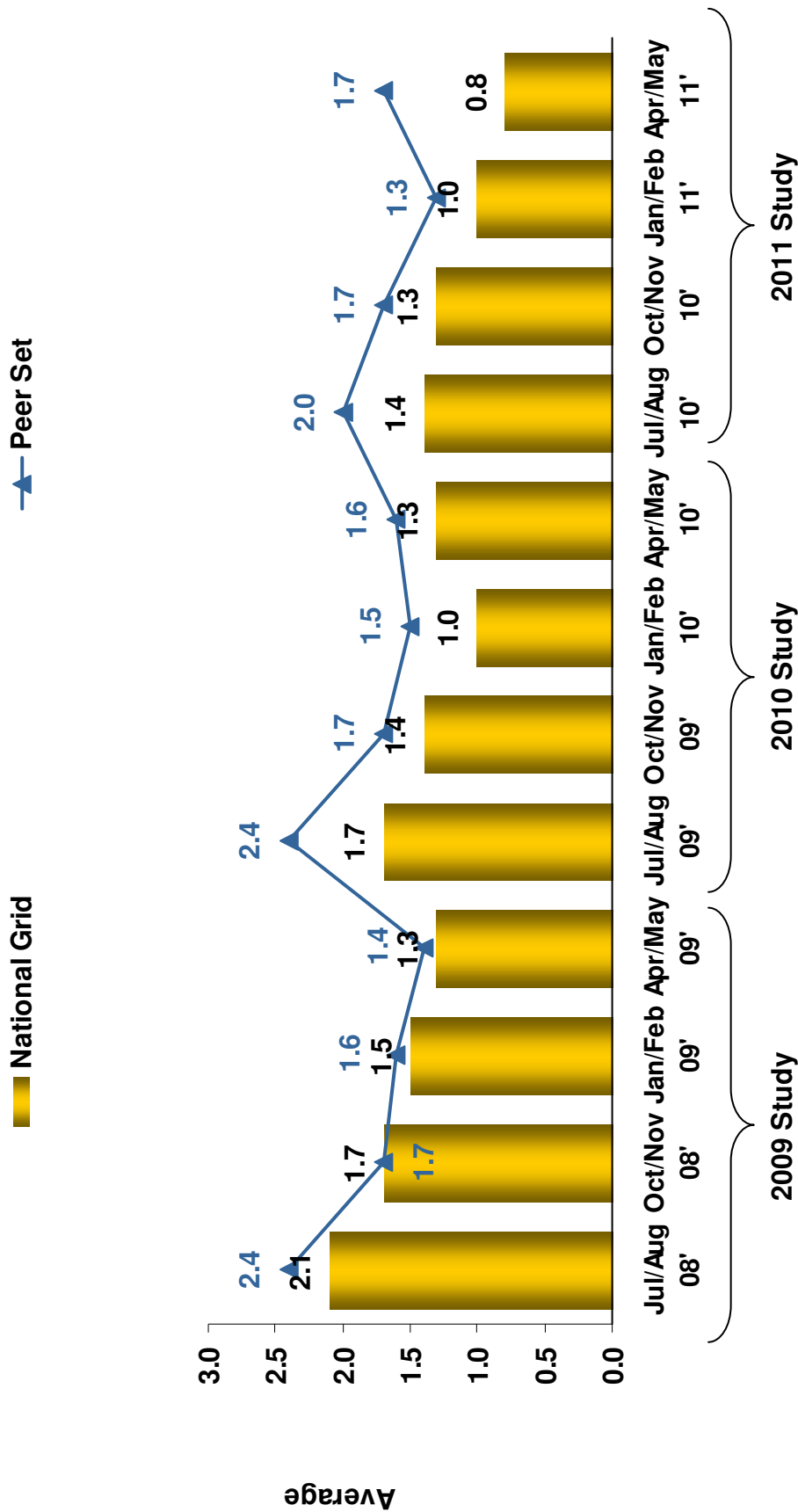
	Difference		
	2010	2011	
(27%) Power Quality & Reliability Index	673	676	+3
(22%) Supply electricity during very hot/cold temperatures	7.35	7.32	-0.03
(19%) Promptly restore power after an outage	6.63	6.69	+0.06
(17%) Avoid brief interruptions of 5 minutes or less	6.82	6.82	0.00
(17%) Provide quality electric power	6.89	6.97	+0.08
(13%) Avoid lengthy outages of more than 5 minutes	6.96	6.89	-0.07
(12%) Keep you informed about an outage	5.19	5.29	+0.10
Overall power quality and reliability	6.92	7.05	+0.13

National Grid

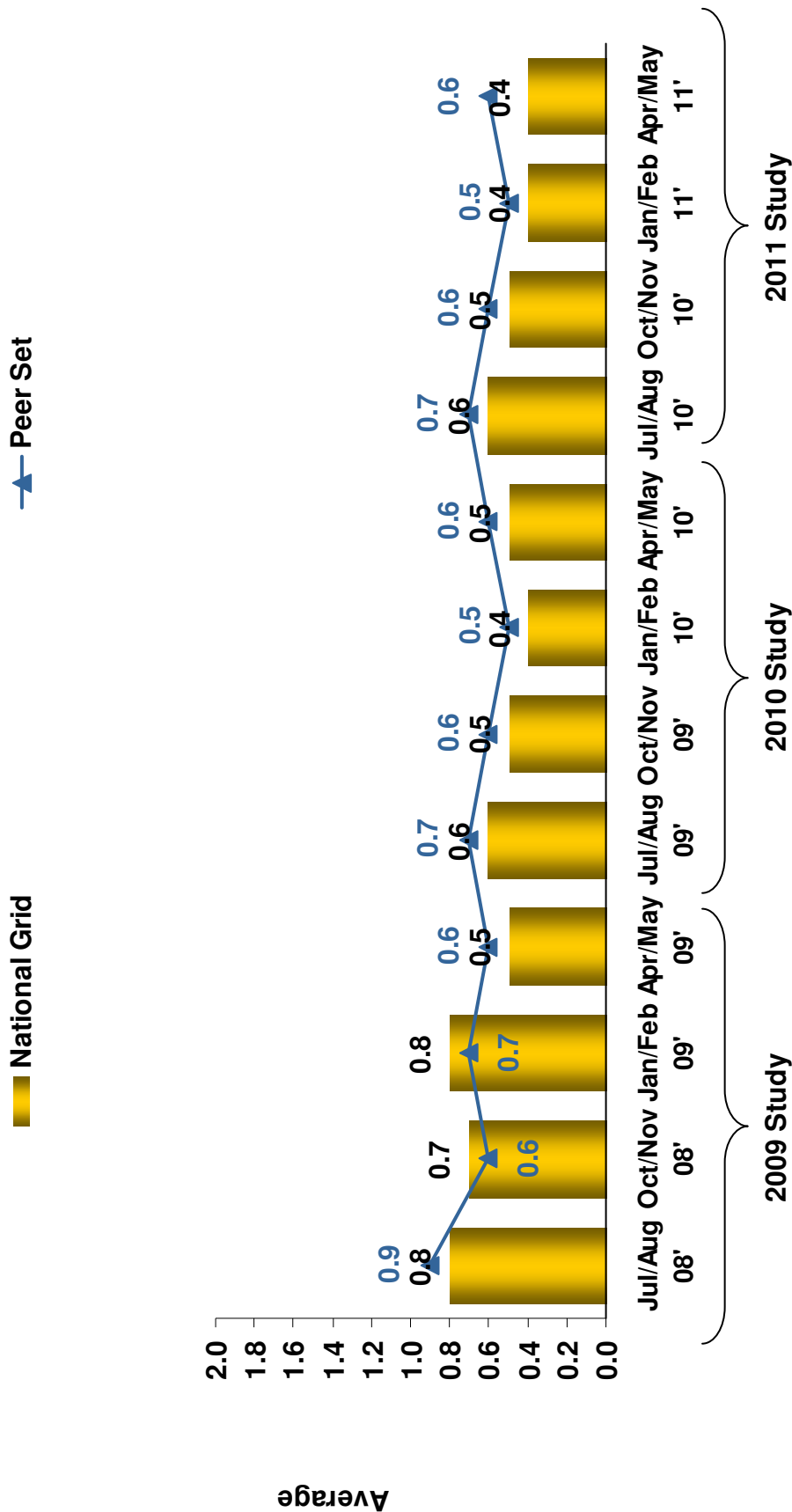
Power Quality & Reliability Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(27%) Power Quality & Reliability Index	676	698	-22
(22%) Supply electricity during very hot/cold temperatures	7.32	7.63	-0.31
(19%) Promptly restore power after an outage	6.69	6.97	-0.28
(17%) Avoid brief interruptions of 5 minutes or less	6.82	6.93	-0.11
(17%) Provide quality electric power	6.97	7.12	-0.15
(13%) Avoid lengthy outages of more than 5 minutes	6.89	7.06	-0.17
(12%) Keep you informed about an outage	5.29	5.63	-0.34
Overall power quality and reliability	7.05	7.24	-0.19

National Grid vs. Peer Set Number of Brief Interruptions



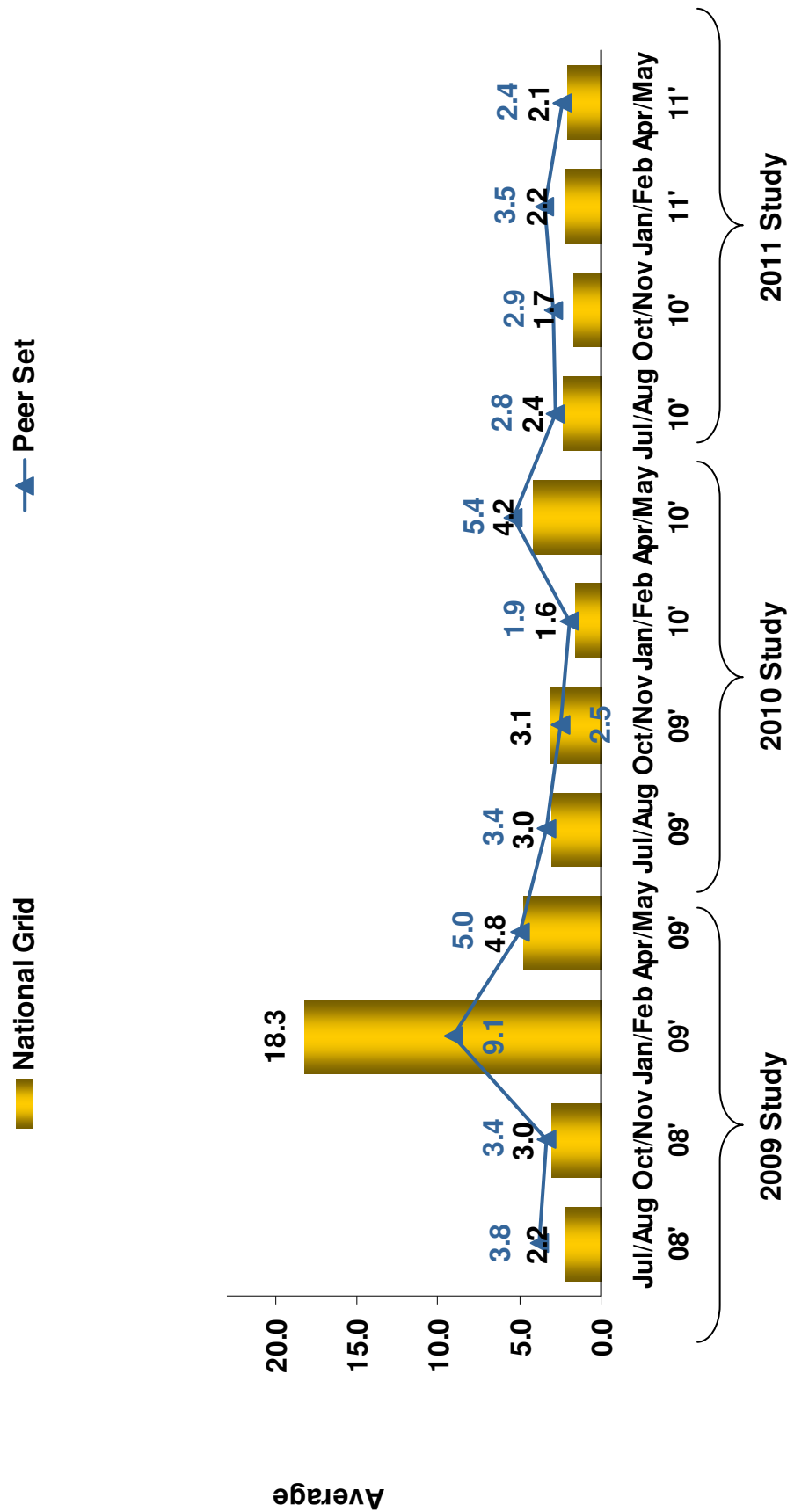
National Grid vs. Peer Set Number of Lengthy Outages



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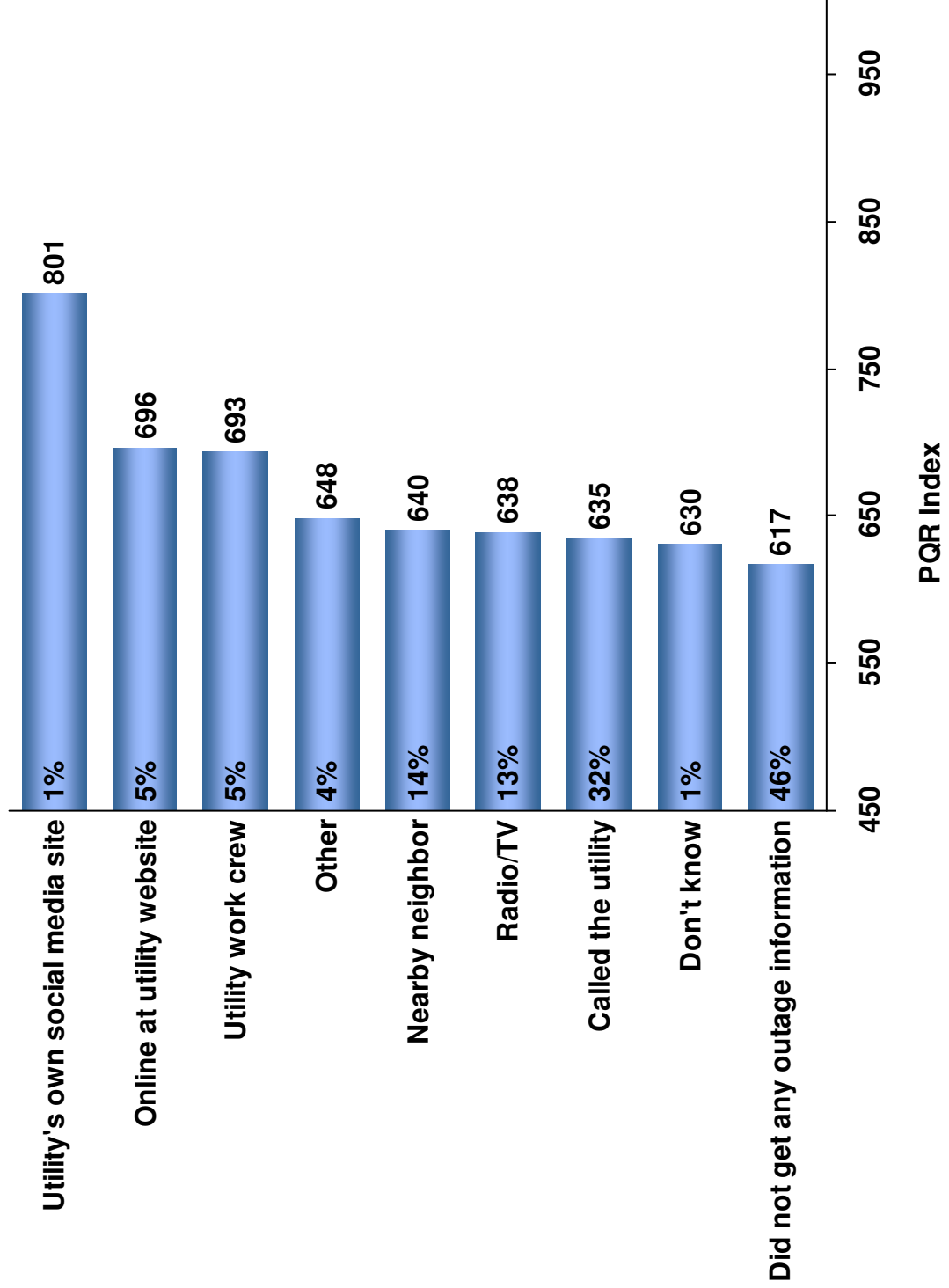
National Grid vs. Peer Set Average Longest Power Outage (hours)



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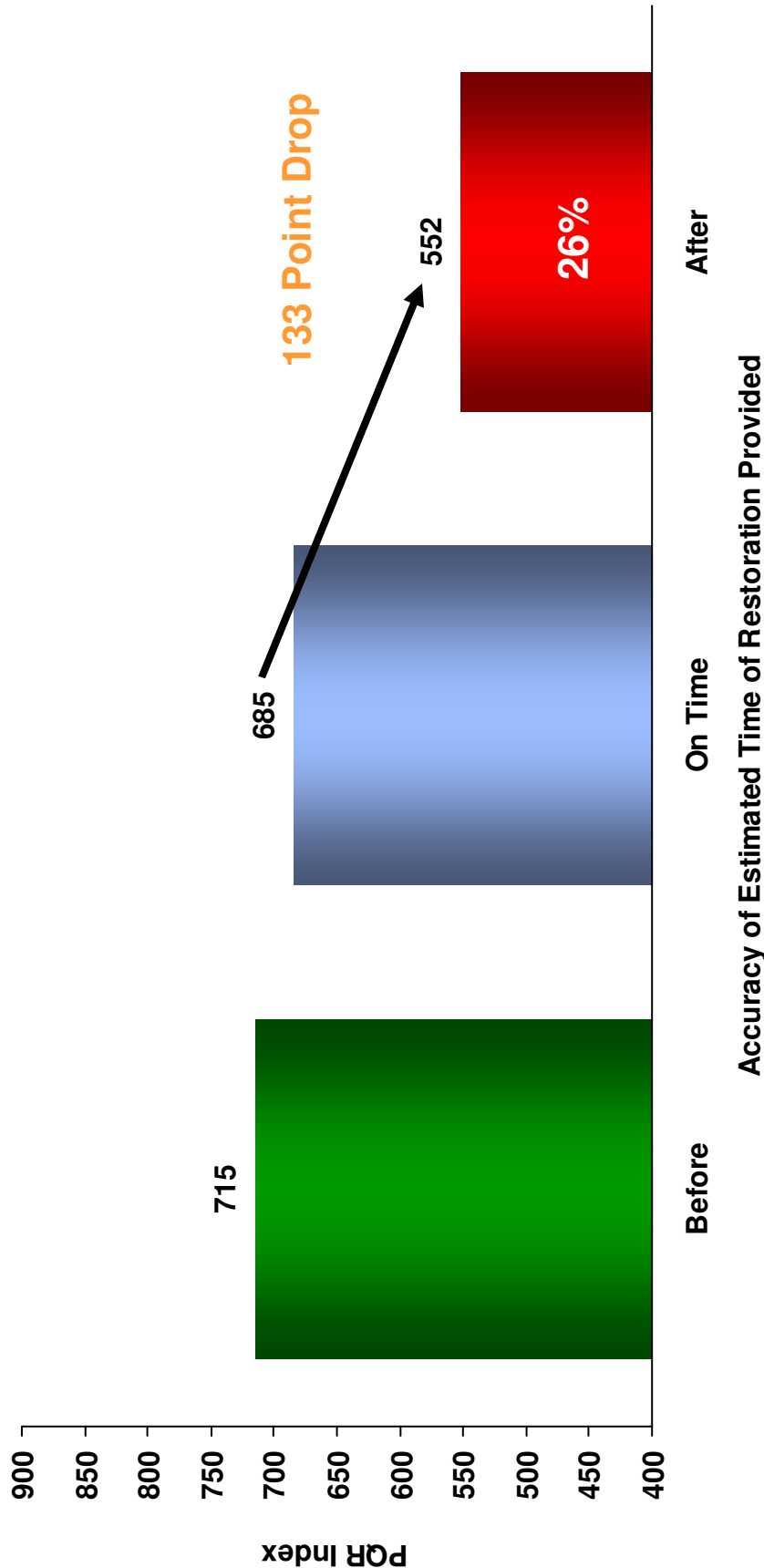
Source: J.D. Power and Associates 2011 Electric Utility Residential Customer Satisfaction StudySM
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East Large Segment PQR Index by Source of Outage Information



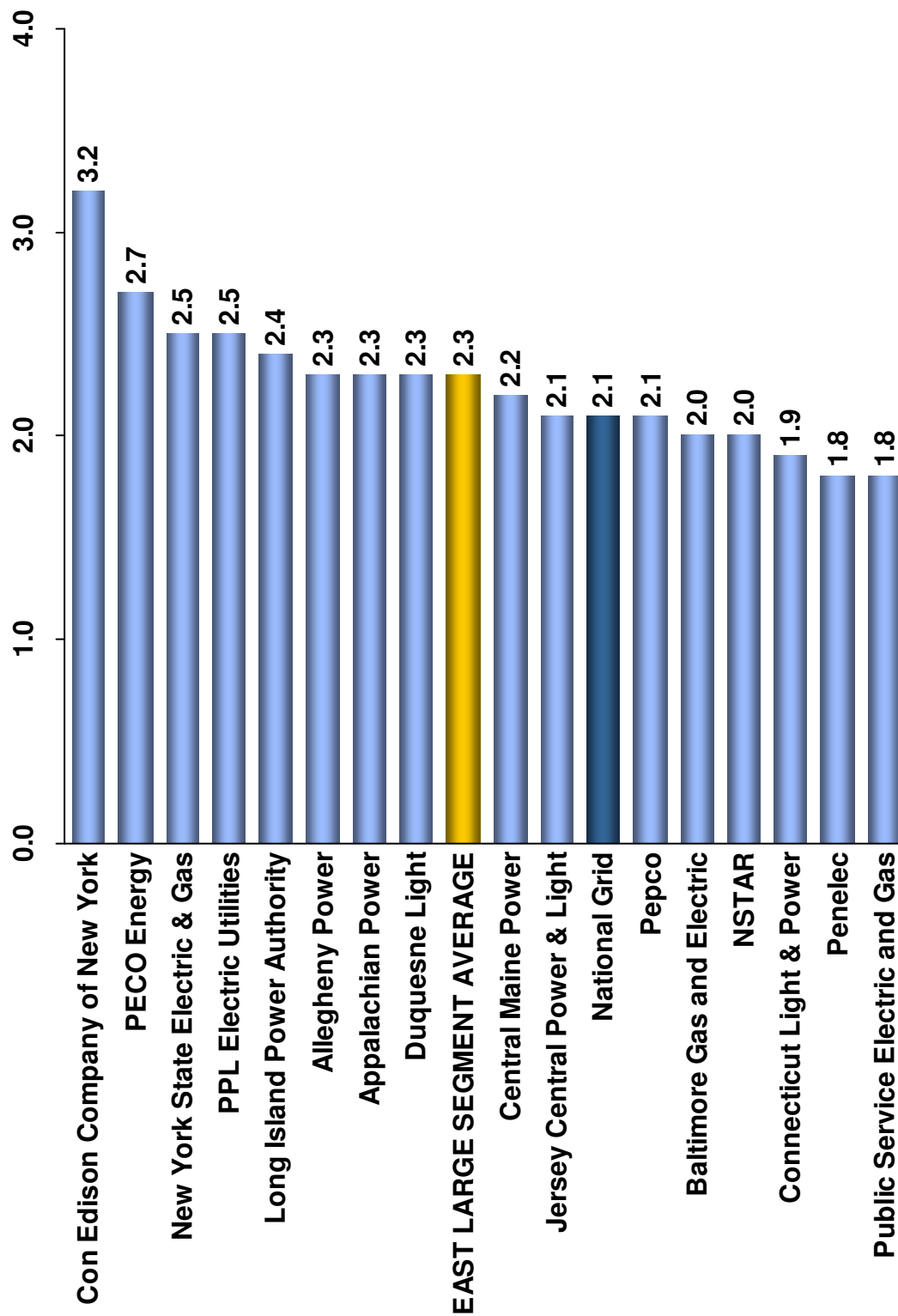
Restoring Power After Estimated Time Lowers Satisfaction

PQR Index by Accuracy of Estimated Time of Restoration Provided National Grid



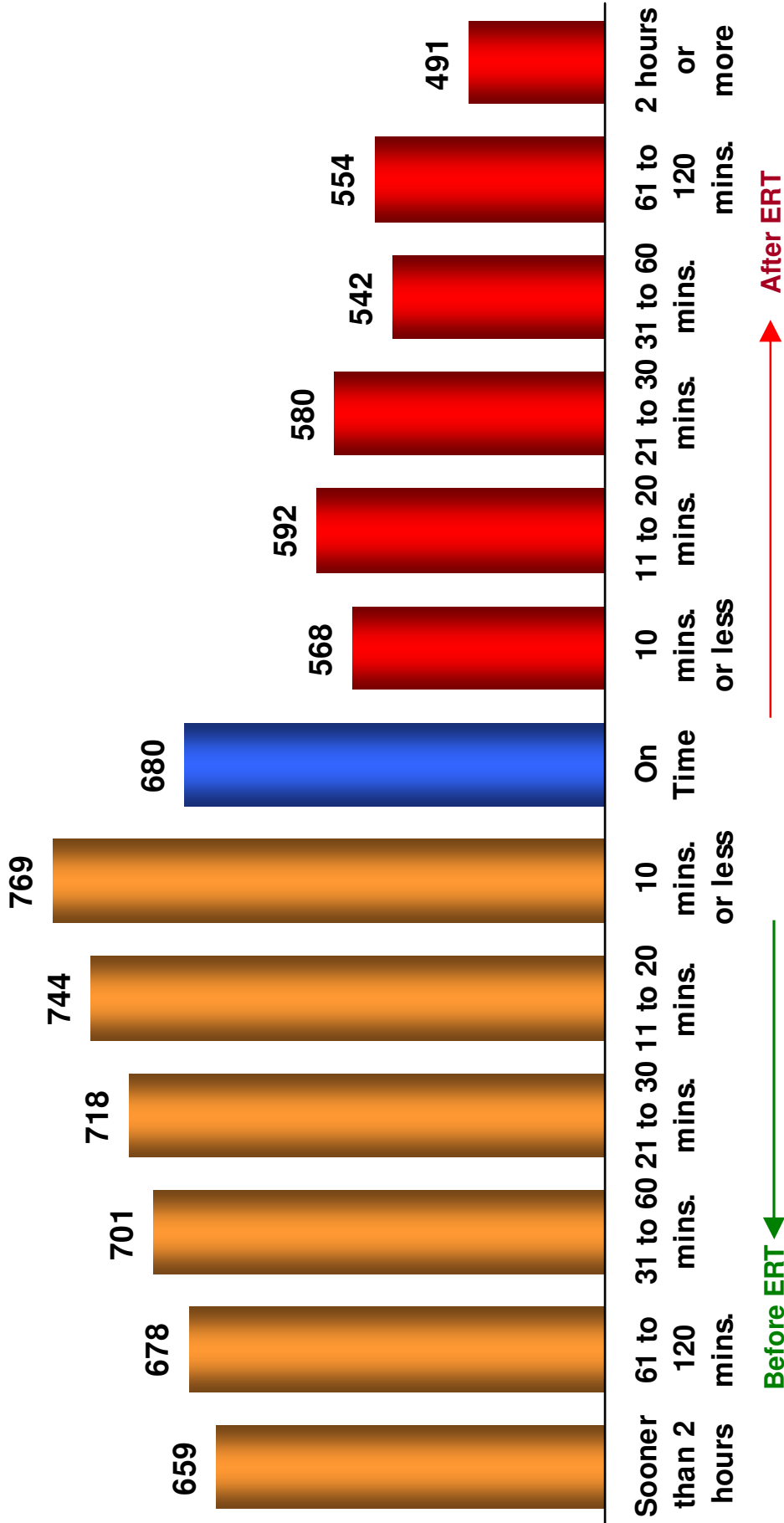
East Large Segment Results

Number of Outage Information Points Provided



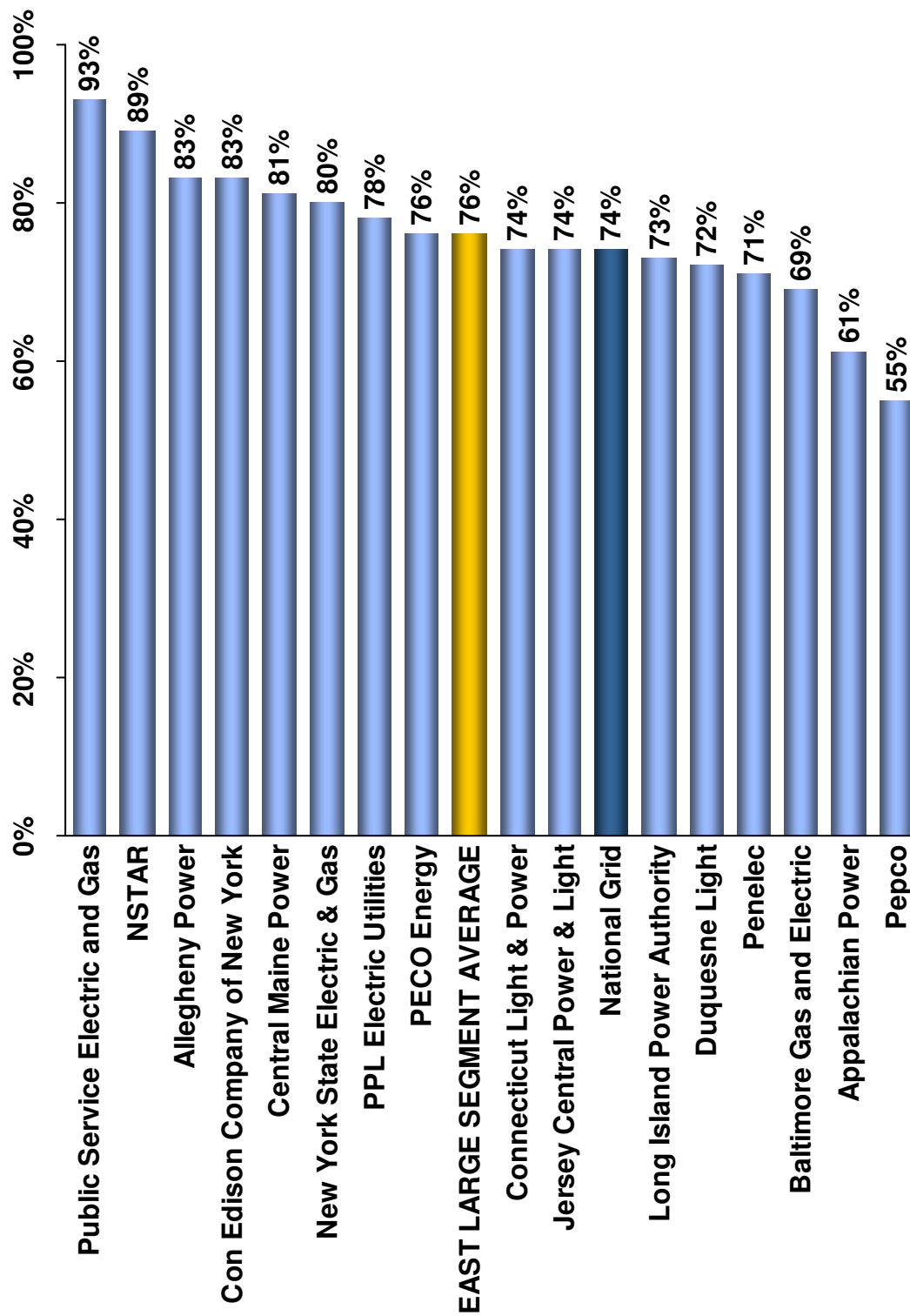
Was Power Restored when Promised?

Power Quality & Reliability Index Power Restoration Time



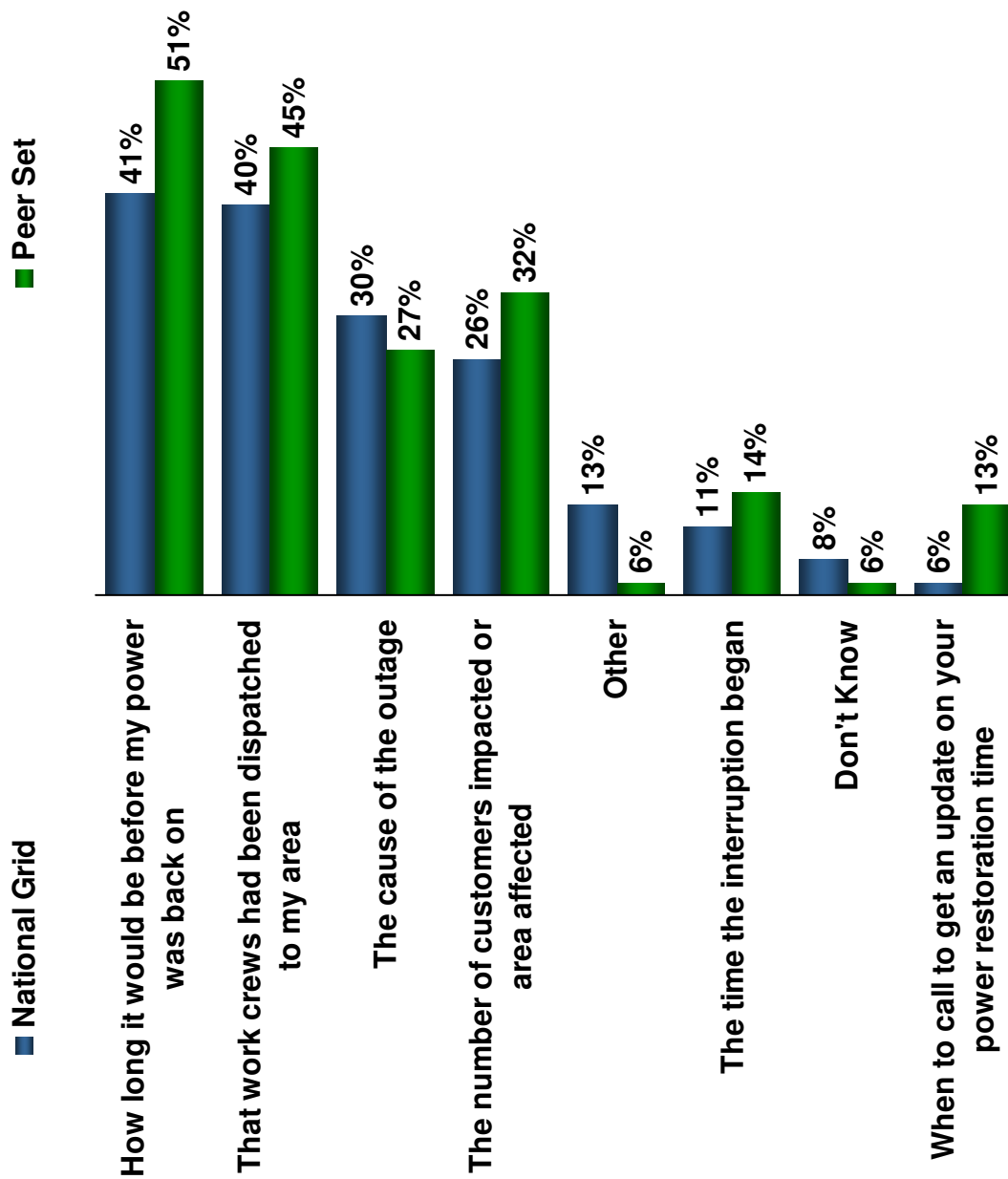
East Large Segment Results

Power Restored within Estimate Provided



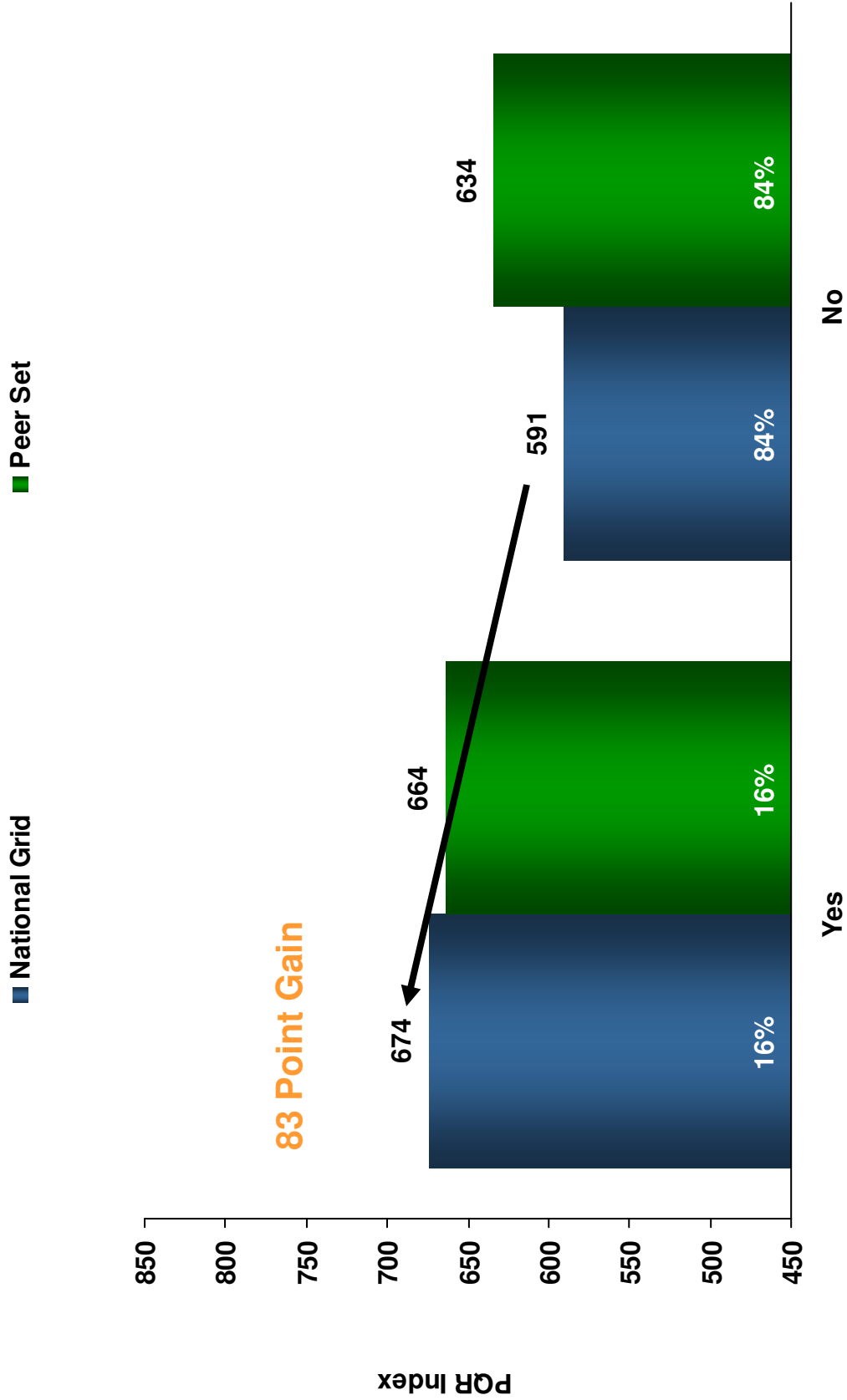
National Grid

Initial Outage Information Points Received



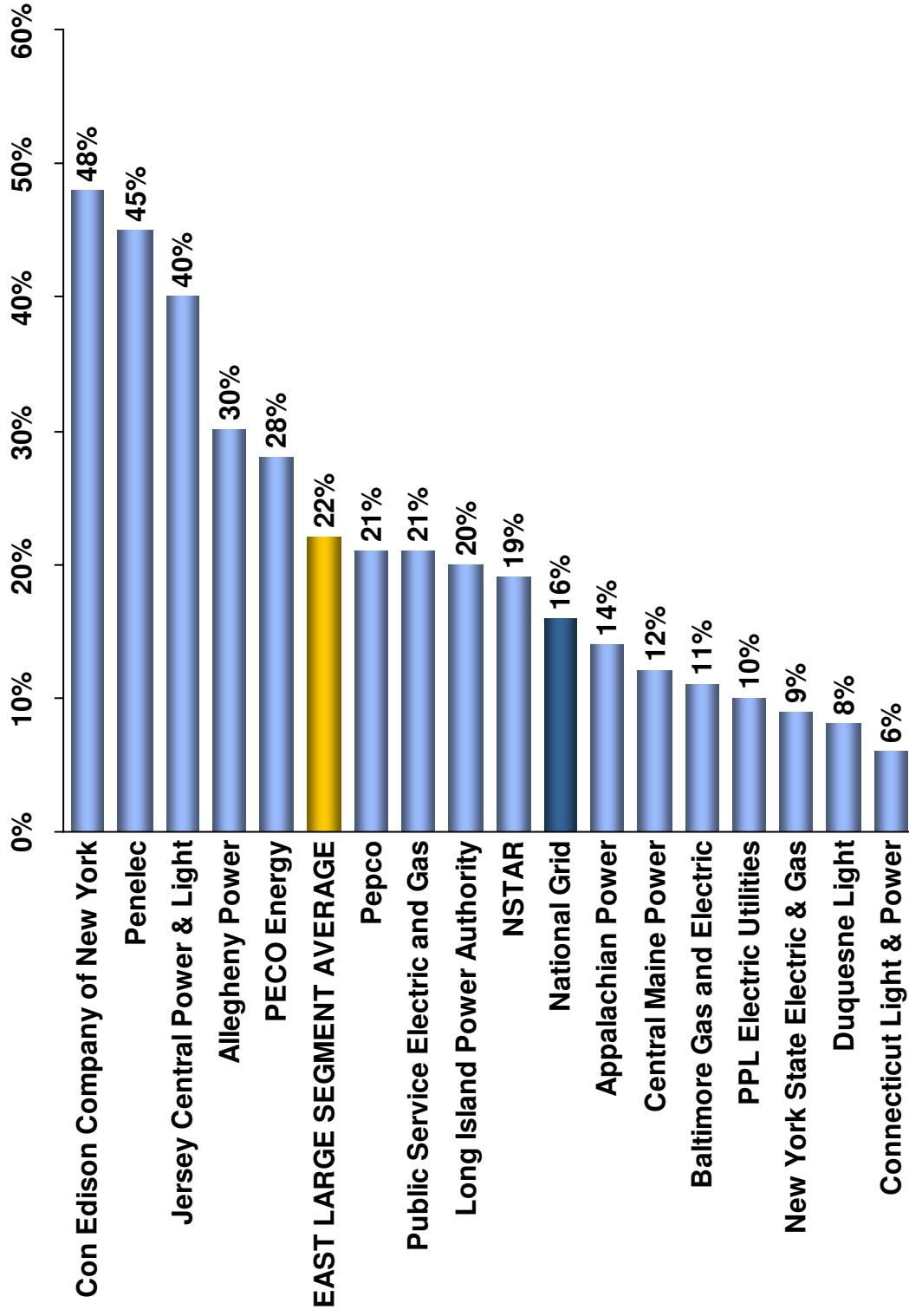
National Grid

PQR Index by Outage Callbacks



East Large Segment Results

Percentage of Customers Who Received a Call Back



Price

National Grid

Price Performance Details - Mean Scores

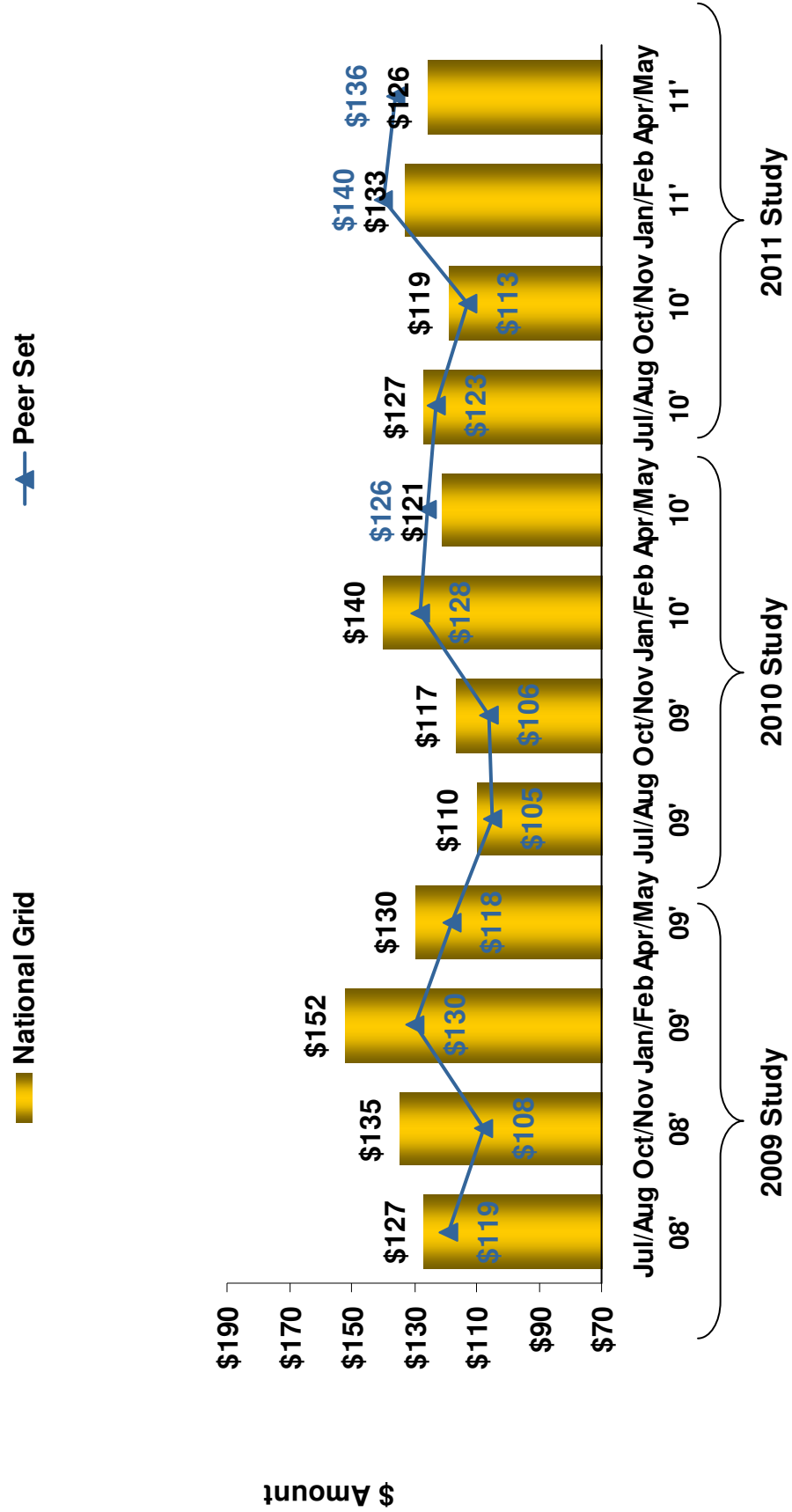
	Difference		
	2010	2011	
(22%) Price Index	504	499	-5
(33%) Total monthly cost of your electric service	4.96	4.91	-0.05
(19%) Effort to help you manage your monthly usage	5.25	5.10	-0.15
(17%) Ease of understanding your pricing options	5.13	5.10	-0.03
(17%) Fairness of pricing	4.86	4.88	+0.02
(14%) Availability of pricing options that meet your needs	5.09	5.01	-0.08
Overall price paid for the electric service you receive	4.97	4.90	-0.07

National Grid

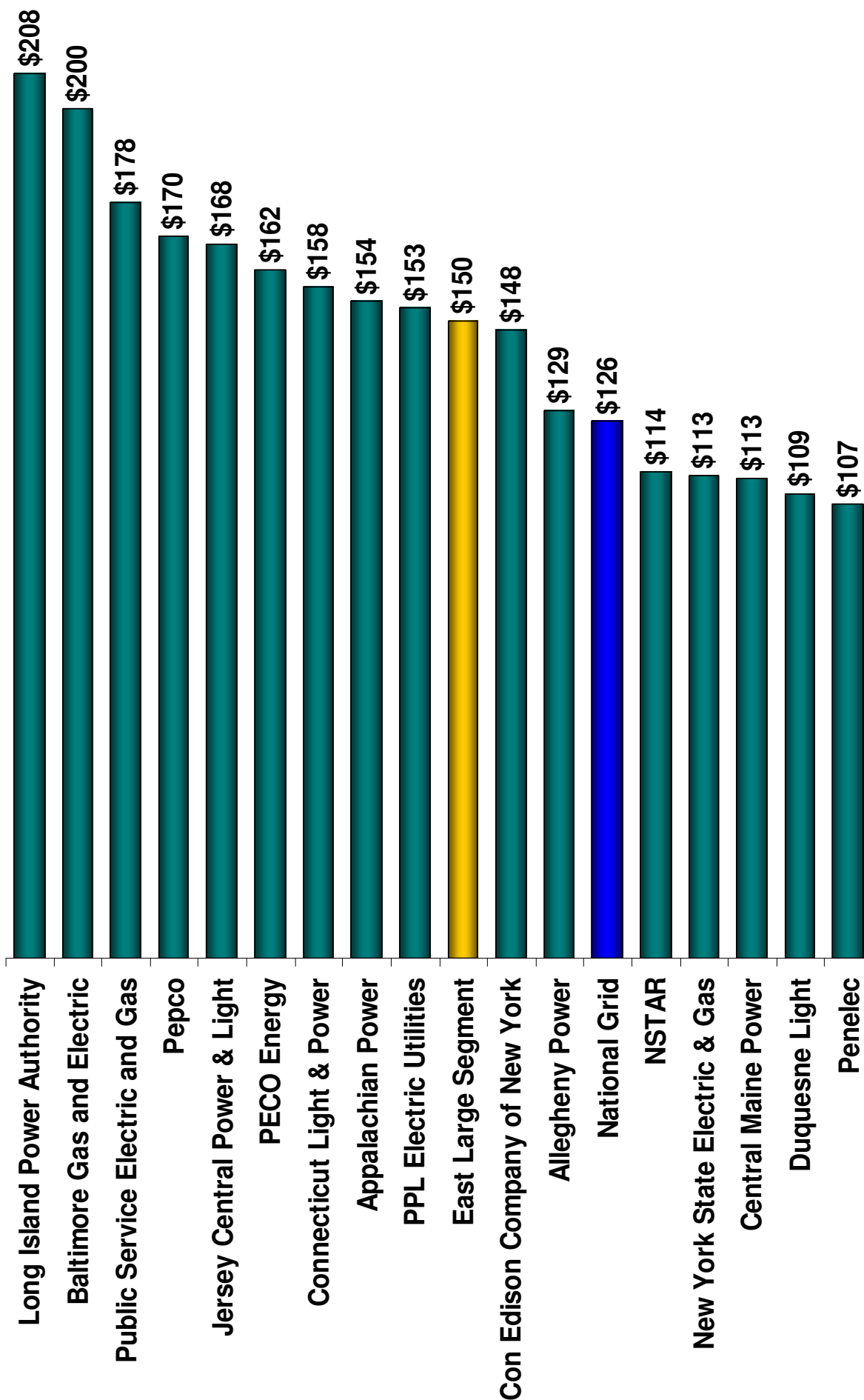
Price Performance Details - Mean Scores

	National Grid	Peer Set	Difference
(22%) Price Index	499	522	-23
(33%) Total monthly cost of your electric service	4.91	5.12	-0.21
(19%) Effort to help you manage your monthly usage	5.10	5.38	-0.28
(17%) Ease of understanding your pricing options	5.10	5.34	-0.24
(17%) Fairness of pricing	4.88	5.07	-0.19
(14%) Availability of pricing options that meet your needs	5.01	5.27	-0.26
Overall price paid for the electric service you receive	4.90	5.13	-0.23

National Grid vs. Peer Set Most Recent Electric Bill

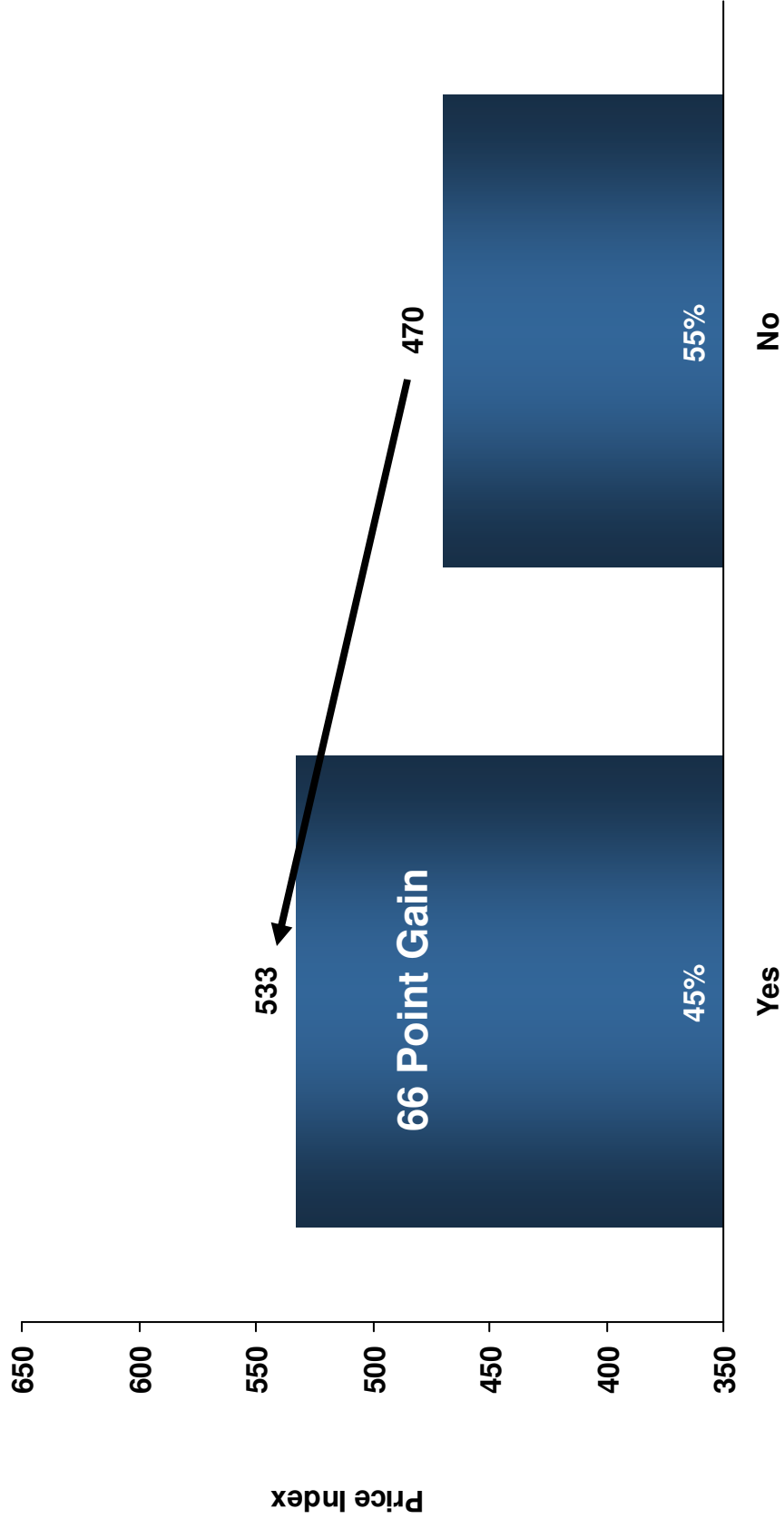


East Large Segment Average Reported Bill Amount



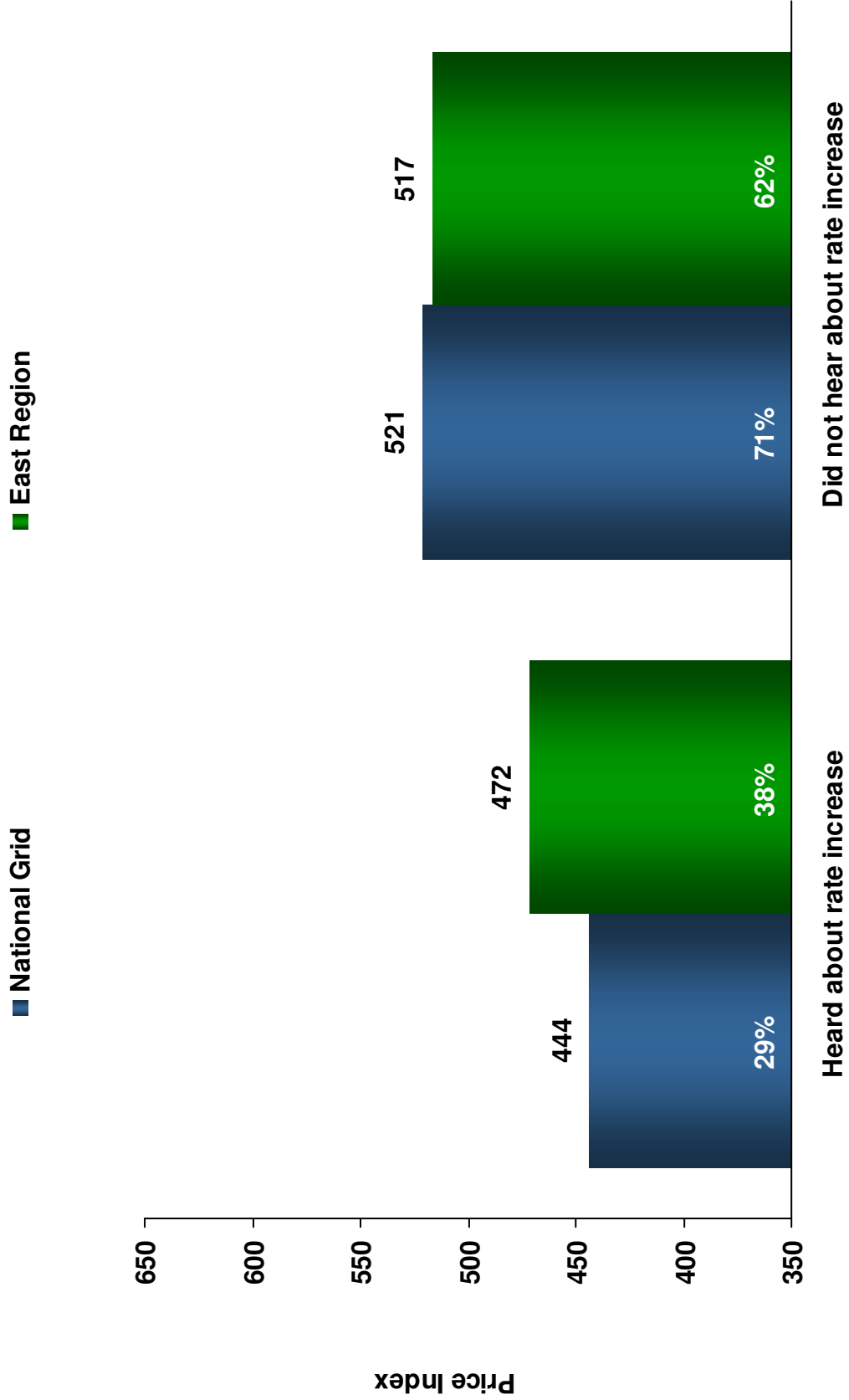
National Grid

Price Index by Familiarity with Energy Efficiency Programs



National Grid

Price Index by Hearing About Rate Increases



Billing & Payment

National Grid Billing & Payment Performance Details - Mean Scores

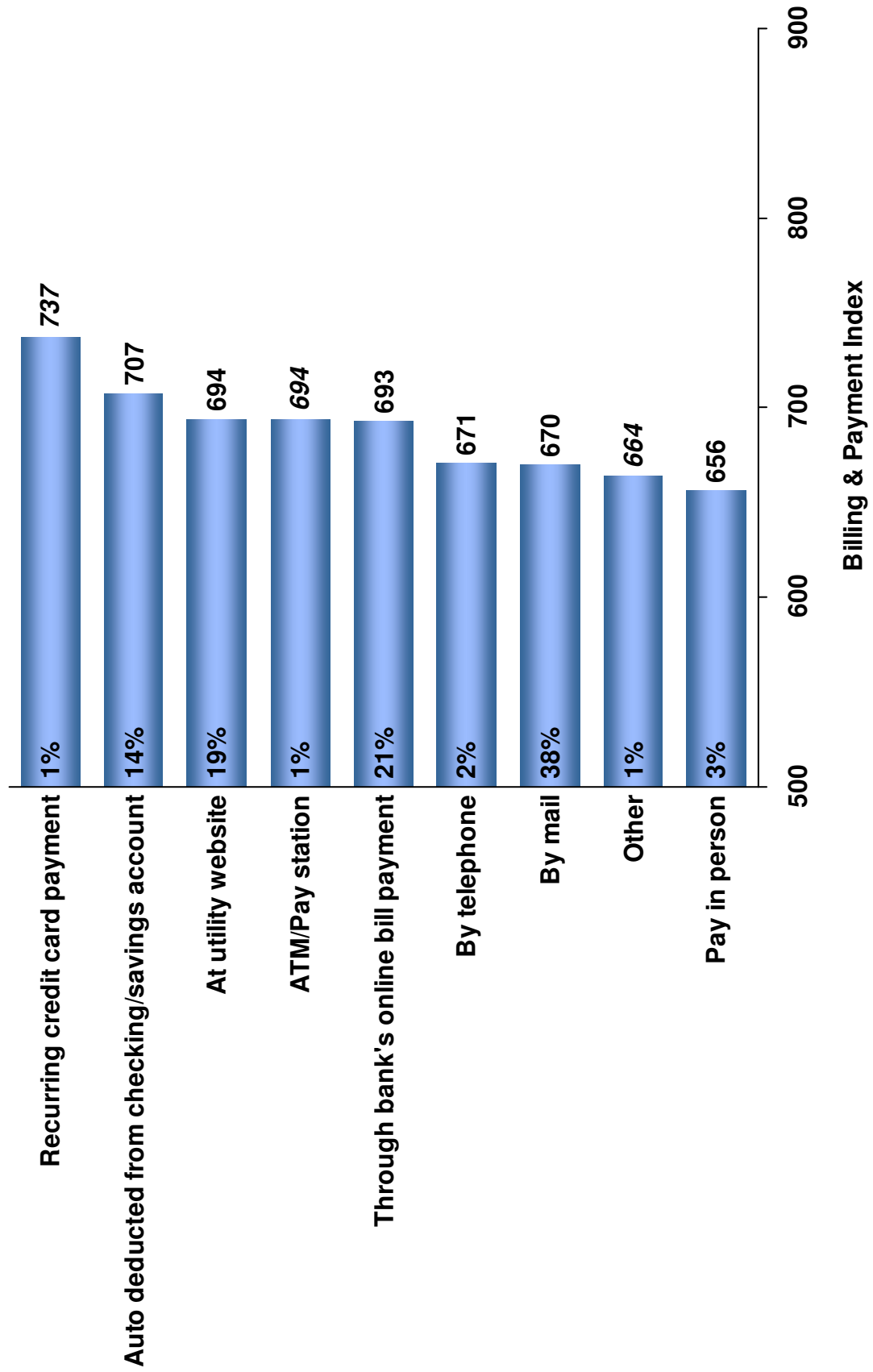
	Difference		
	2010	2011	
(19%) Billing & Payment Index	673	684	+11
(26%) Amount of time given to pay your bill	6.59	6.61	+0.02
(26%) Variety of methods to pay your bill	6.48	6.61	+0.13
(18%) Usefulness of information on your bill	6.40	6.64	+0.24
(15%) Ease of finding the exact amount to pay	7.57	7.41	-0.16
(15%) Ease of finding the payment due date	7.42	7.29	-0.13
Overall billing and payment experience	6.75	6.90	+0.15

National Grid

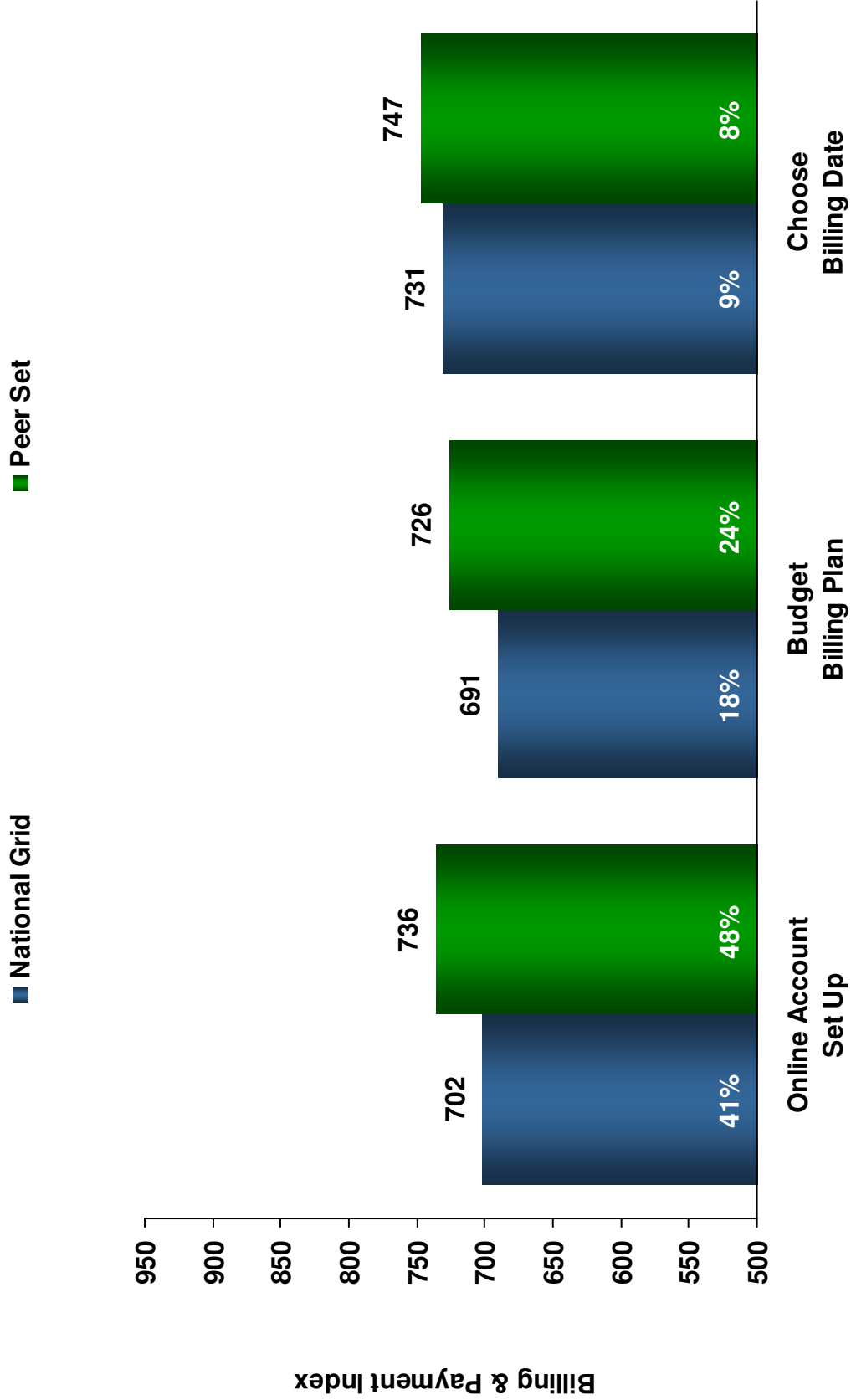
Billing & Payment Performance Details - Mean Scores

	Difference		
	Peer Set		
	National Grid		
(19%) Billing & Payment Index	684	714	-30
(26%) Amount of time given to pay your bill	6.61	6.96	-0.35
(26%) Variety of methods to pay your bill	6.61	6.90	-0.29
(18%) Usefulness of information on your bill	6.64	6.94	-0.30
(15%) Ease of finding the exact amount to pay	7.41	7.65	-0.24
(15%) Ease of finding the payment due date	7.29	7.60	-0.31
Overall billing and payment experience	6.90	7.22	-0.32

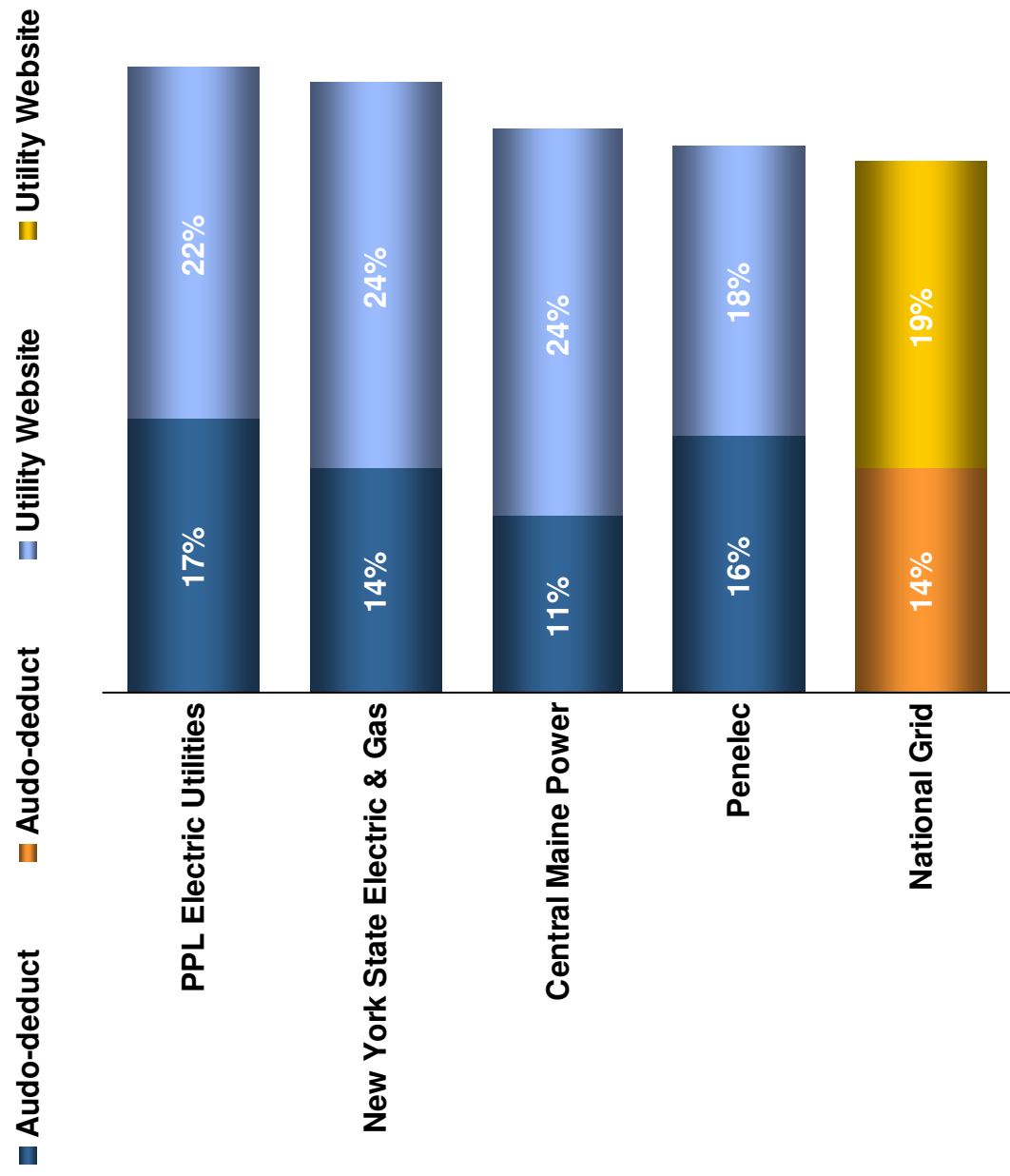
National Grid Billing & Payment Index by Payment Method



National Grid Billing & Payment Index by Billing Options



National Grid vs. Peer Set on Key Payment Options

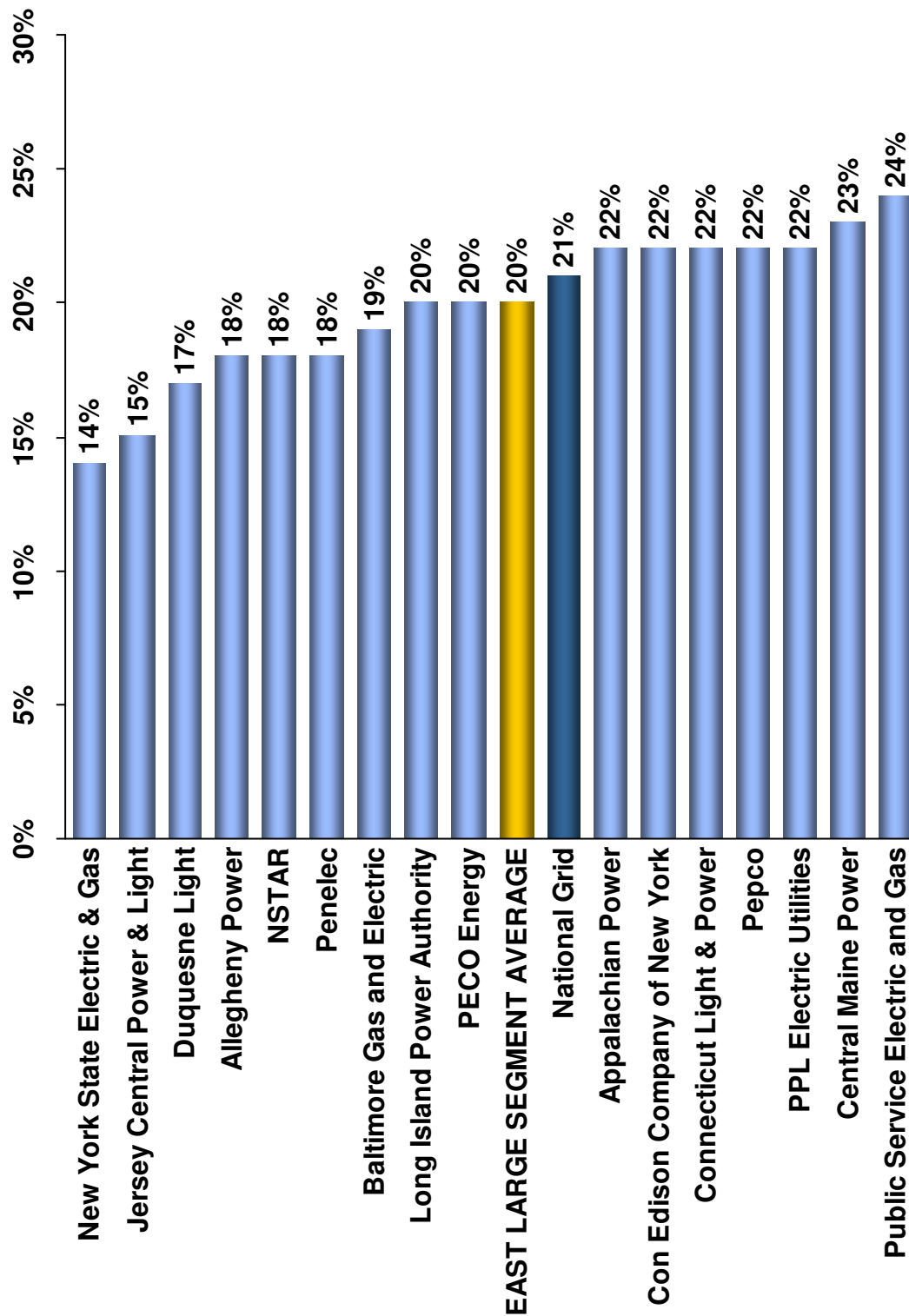


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East Large Segment Results

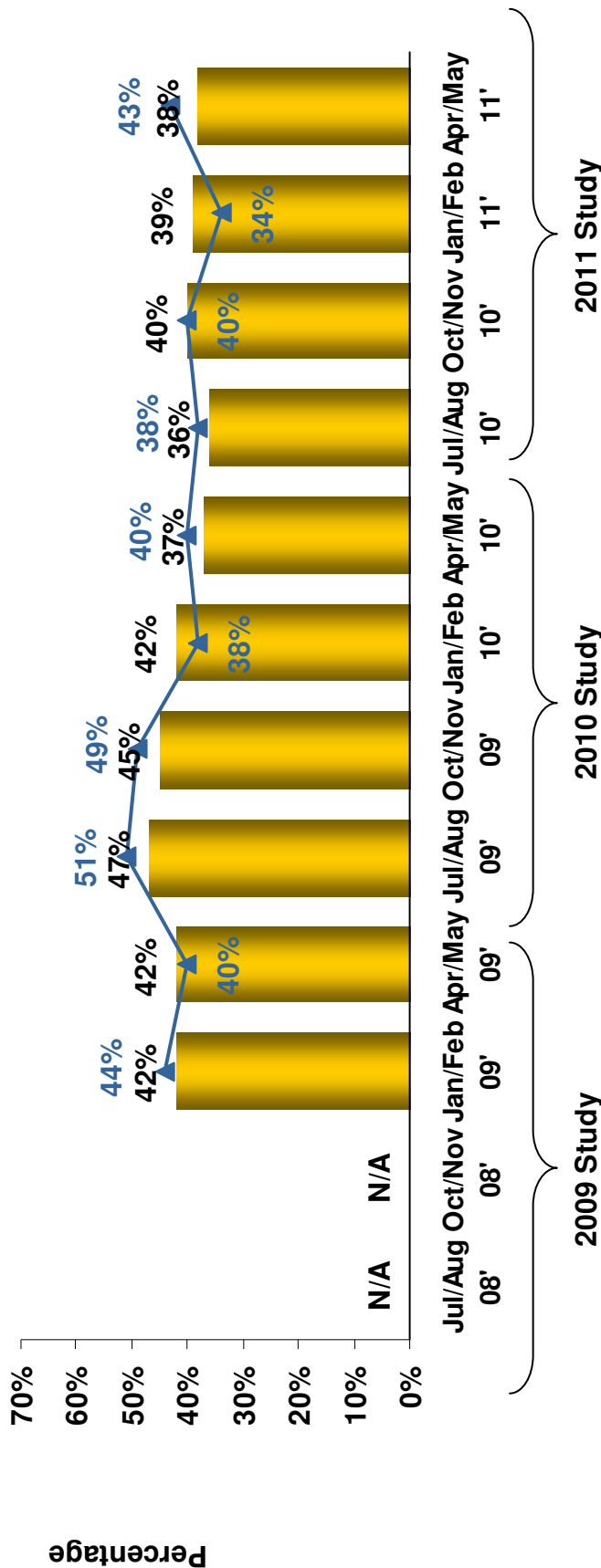
Percentage of Customers with an Overdue Balance



National Grid vs. Peer Set

% of Customers Reporting Their Financial Status Worse than Last Year

 National Grid  Peer Set



Corporate Citizenship

National Grid

Corporate Citizenship Performance Details - Mean Scores

	Difference		
	2010	2011	
(13%) Corporate Citizenship Index	530	526	+4
(31%) Involvement in local charities and civic organizations	5.02	5.03	-0.01
(24%) Efforts to develop energy supply plans for the future	5.43	5.35	+0.08
(23%) Actions to take care of the environment	5.36	5.36	0.00
(22%) Variety of energy efficiency programs offered	5.46	5.35	+0.11
Overall corporate citizenship	5.34	5.28	+0.06

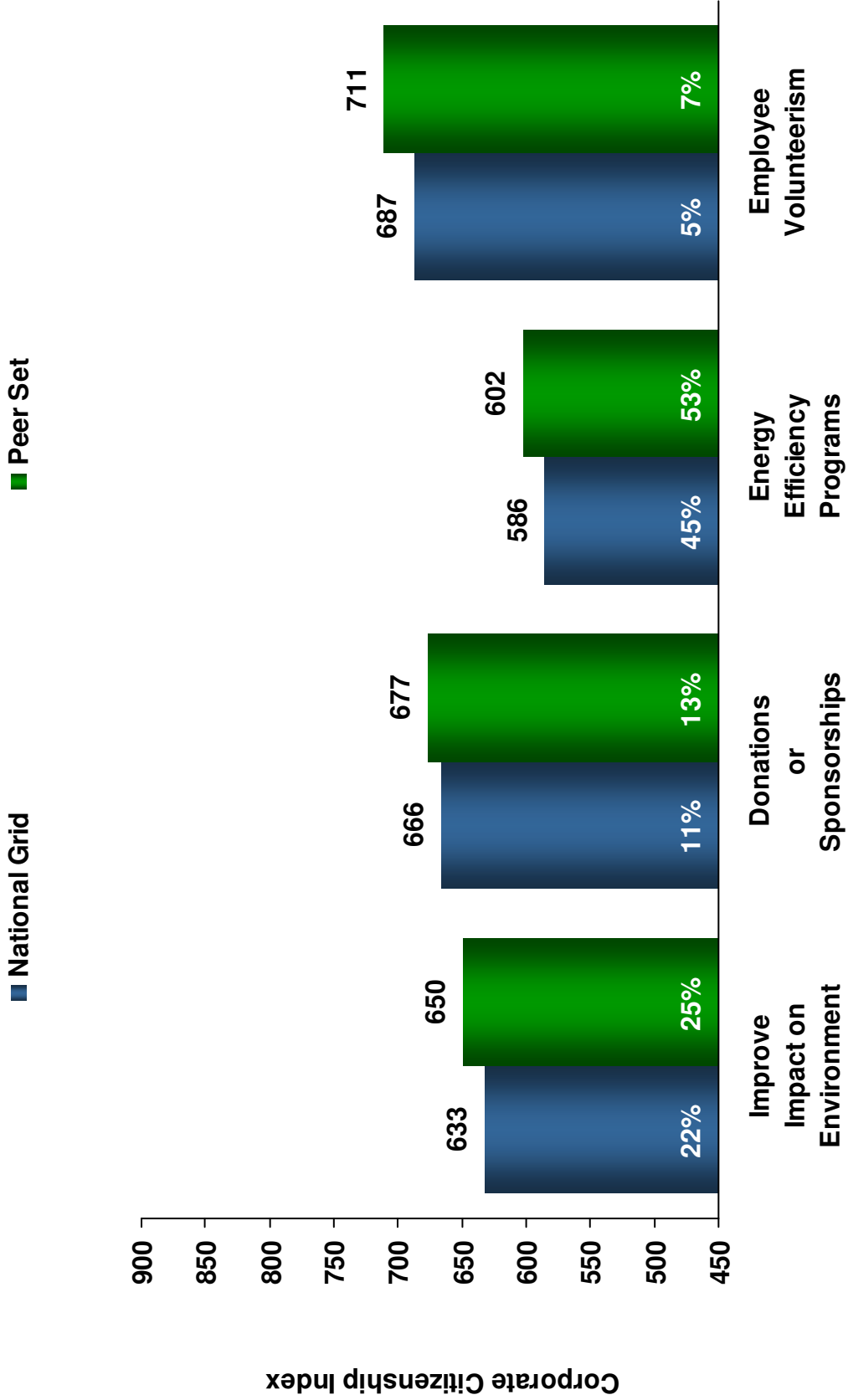
National Grid

Corporate Citizenship Performance Details - Mean Scores

	Peer Set	National Grid	Difference
(13%) Corporate Citizenship Index	554	530	-24
(31%) Involvement in local charities and civic organizations	5.23	5.02	-0.21
(24%) Efforts to develop energy supply plans for the future	5.70	5.43	-0.27
(23%) Actions to take care of the environment	5.64	5.36	-0.28
(22%) Variety of energy efficiency programs offered	5.70	5.46	-0.24
Overall corporate citizenship	5.59	5.34	-0.25

National Grid

Customers Familiar/Aware of Utility's Actions



Communications

National Grid

Communications Performance Details - Mean Scores

	Difference		
	2010	2011	
(13%) Communications Index	534	542	+8
(21%) Efforts to communicate changes that might affect your account/service	5.47	5.44	-0.03
(21%) Keeping you informed about keeping costs low	5.01	5.14	+0.13
(20%) Communicating how to be safe around electricity	5.67	5.75	+0.08
(20%) Usefulness of suggestions on ways to reduce your monthly bill	5.62	5.66	+0.04
(18%) Creating messages that get your attention	4.91	5.07	+0.16
Overall communications	5.38	5.48	+0.10

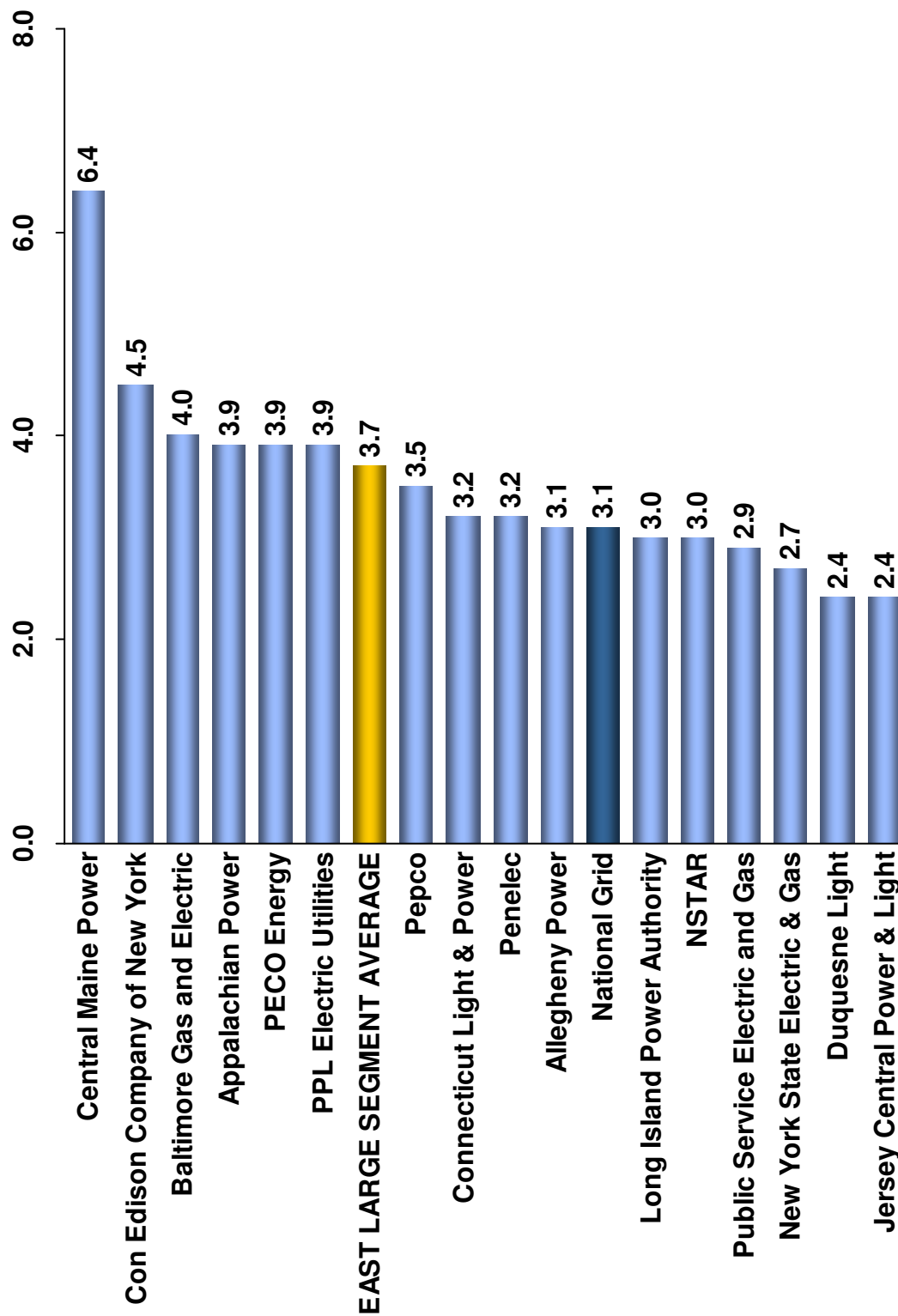
National Grid

Communications Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(13%) Communications Index	542	579	-37
(21%) Efforts to communicate changes that might affect your account/service	5.44	5.86	-0.42
(21%) Keeping you informed about keeping costs low	5.14	5.50	-0.36
(20%) Communicating how to be safe around electricity	5.75	6.11	-0.36
(20%) Usefulness of suggestions on ways to reduce your monthly bill	5.66	6.01	-0.35
(18%) Creating messages that get your attention	5.07	5.43	-0.36
Overall communications	5.48	5.88	-0.40

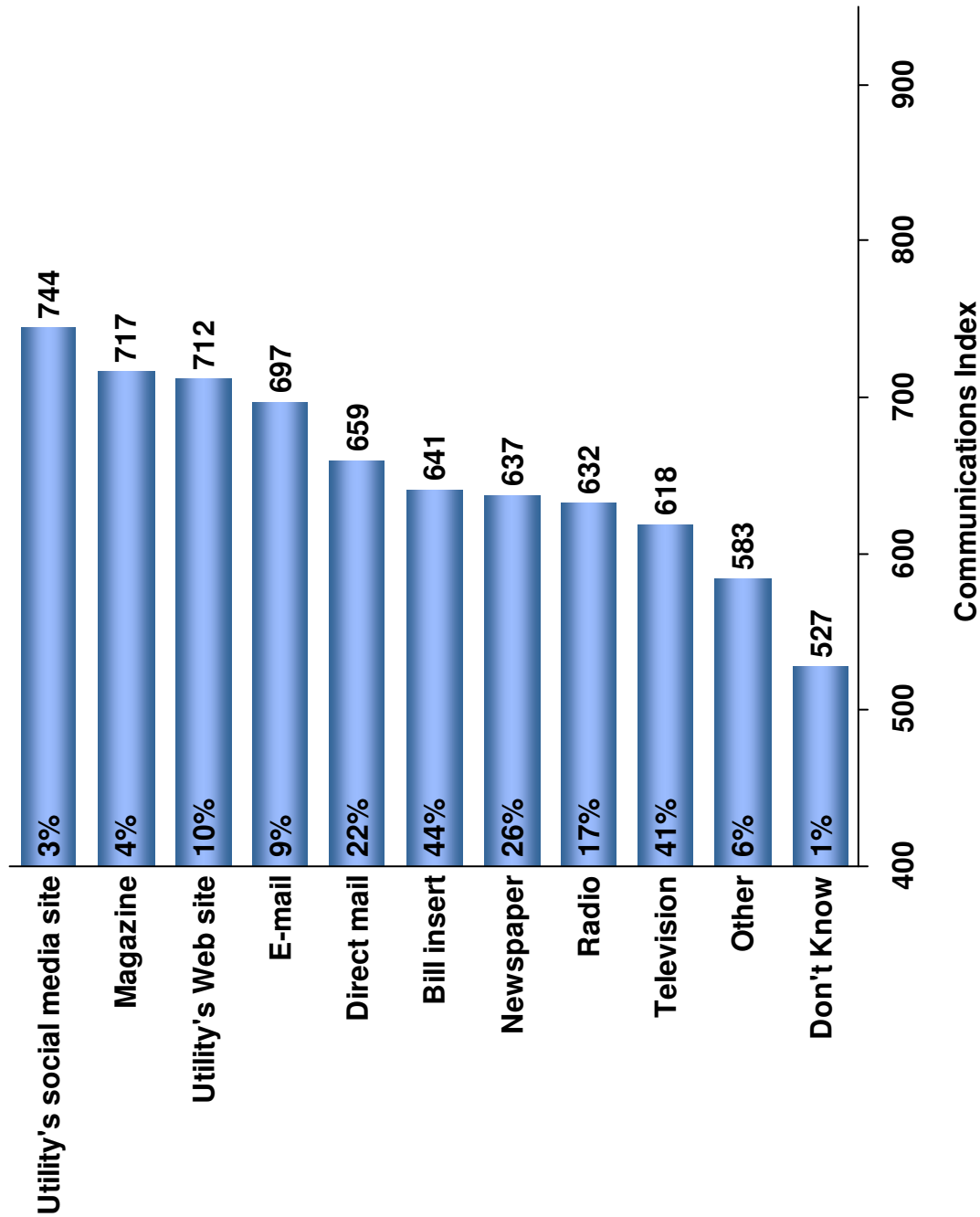
East Large Segment Results

Number of Communications



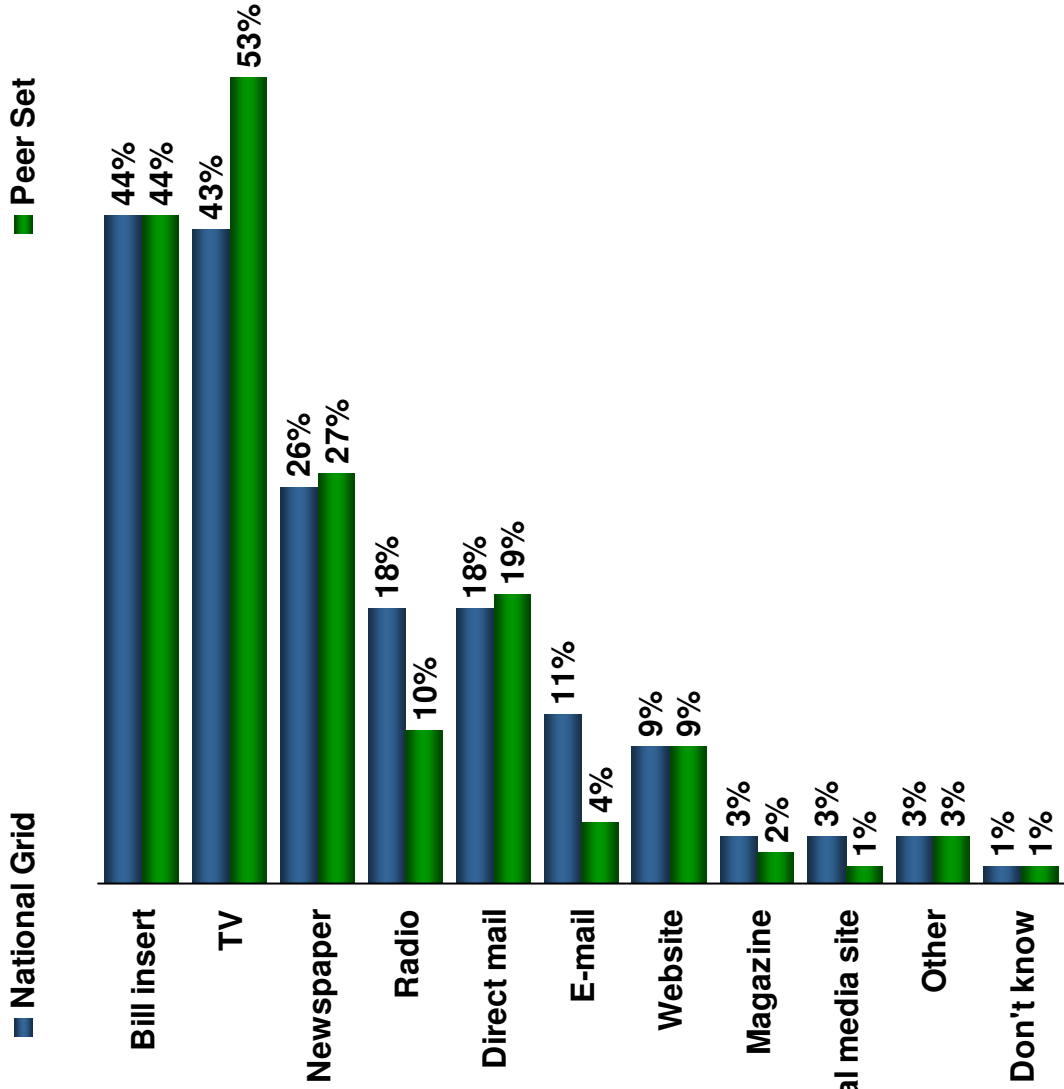
East Region

Communications Index by Location of Communication



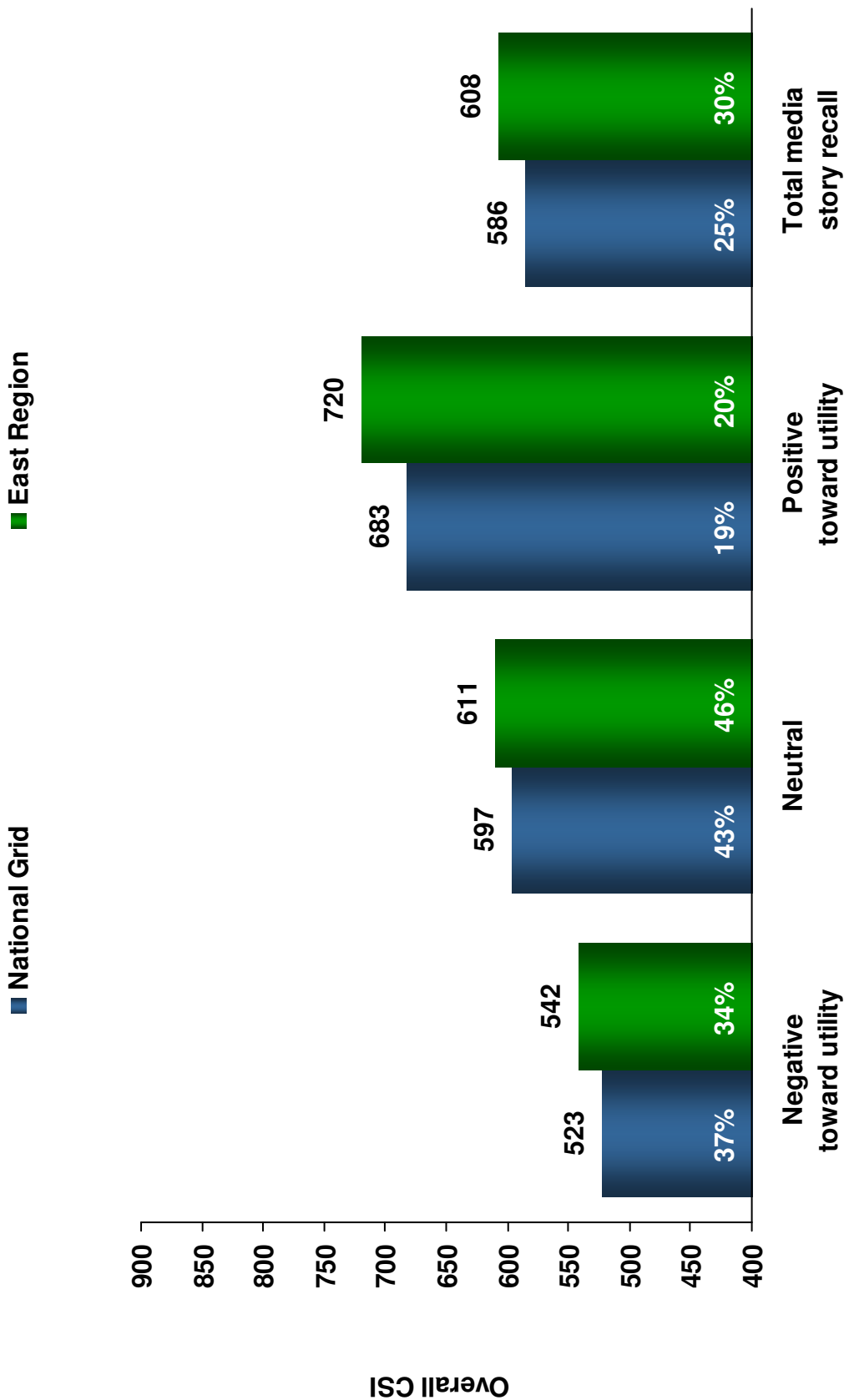
National Grid

Location of Communication



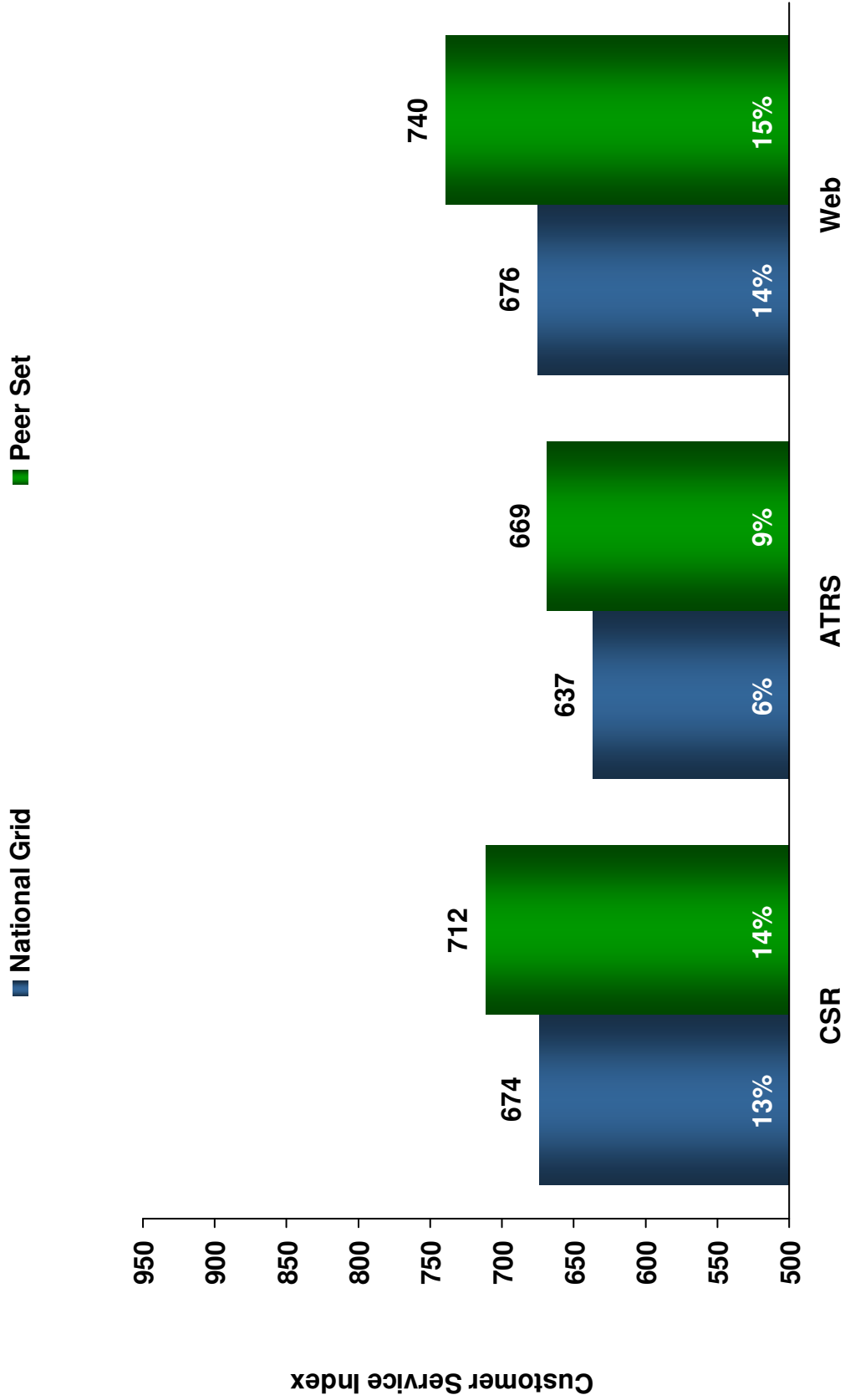
National Grid

Overall Satisfaction by Type of Media Coverage



Customer Service

National Grid Customer Service Index by Contact Channel



Customer Service Management Metrics

	National Grid	Peer Set
# of required IVR touches	4.0	3.1
# of required website clicks	2.3	2.3
% Placed on Hold	64%	60%
Reported minutes on hold	5.7	5.5
% provided estimate hold time	50%	45%
% estimate hold time accurate	72%	83%
% transferred on call	41%	36%
CSR had account information ready	87%	91%
First call resolution	73%	76%
First website resolution	84%	90%

National Grid

Customer Service - ATRS Performance Details - Mean Scores

	Difference		
	2010	2011	
(6%) Customer Service - ATRS Index	636	637	+1
(38%) Timeliness of resolving problem/question/request	6.07	6.16	+0.09
(21%) Ease of navigating phone menu prompts	6.24	6.34	+0.10
(21%) Ease of understanding phone menu instructions	6.67	6.55	-0.12
(20%) Clarity of the information provided	6.55	6.44	-0.11
Overall phone customer service experience	6.37	6.33	-0.04

National Grid

Customer Service - ATRS Performance Details - Mean Scores

	Difference		
	Peer Set		
	National Grid		
(6%) Customer Service - ATRS Index	637	669	-32
(38%) Timeliness of resolving problem/question/request	6.16	6.48	-0.32
(21%) Ease of navigating phone menu prompts	6.34	6.65	-0.31
(21%) Ease of understanding phone menu instructions	6.55	6.83	-0.28
(20%) Clarity of the information provided	6.44	6.72	-0.28
Overall phone customer service experience	6.33	6.69	-0.36

National Grid Customer Service - CSR Performance Details - Mean Scores

	Difference		
	2010	2011	
(6%) Customer Service - CSR Index	675	674	-1
(22%) Courtesy of the representative	7.15	7.34	+0.19
(22%) Timeliness of resolving problem/question/request	7.00	6.76	-0.24
(18%) Promptness in speaking to a person	6.25	6.53	+0.28
(14%) Representative's concern for your needs	6.62	6.74	+0.12
(12%) Ease of navigating through the phone system	5.61	5.95	+0.34
(12%) Knowledge of the representative	6.97	7.00	+0.03
Overall customer service experience	6.67	6.80	+0.13

National Grid

Customer Service - CSR Performance Details - Mean Scores

	Difference		
	Peer Set		
	National Grid		
(6%) Customer Service - CSR Index	674	712	-38
(22%) Courtesy of the representative	7.34	7.61	-0.27
(22%) Timeliness of resolving problem/question/request	6.76	6.97	-0.21
(18%) Promptness in speaking to a person	6.53	6.90	-0.37
(14%) Representative's concern for your needs	6.74	6.97	-0.23
(12%) Ease of navigating through the phone system	5.95	6.45	-0.50
(12%) Knowledge of the representative	7.00	7.33	-0.33
Overall customer service experience	6.80	7.17	-0.37

National Grid Customer Service - Online Performance Details - Mean Scores

	Difference		
	2010	2011	
(6%) Customer Service - Online Index	682	676	-6
(35%) Timeliness of resolving problem/question/request	6.79	6.73	-0.06
(23%) Appearance of the website	6.69	6.68	-0.01
(19%) Clarity of information provided	6.94	6.77	-0.17
(19%) Ease of navigating the website	6.86	6.68	-0.18
(4%) Helpfulness of email representative	N/A	6.17	N/A
Overall online customer service experience	6.92	6.79	-0.13

National Grid

Customer Service - Online Performance Details - Mean Scores

	Difference		
	Peer Set		
	National Grid		
(6%) Customer Service - Online Index	676	740	-64
(35%) Timeliness of resolving problem/question/request	6.73	7.48	-0.75
(23%) Appearance of the website	6.68	7.48	-0.80
(19%) Clarity of information provided	6.77	7.43	-0.66
(19%) Ease of navigating the website	6.68	7.37	-0.69
(4%) Helpfulness of email representative	6.17	7.31	-1.14
Overall online customer service experience	6.79	7.50	-0.71

Voice of the Customer

Verbatim – What National Grid Does Well

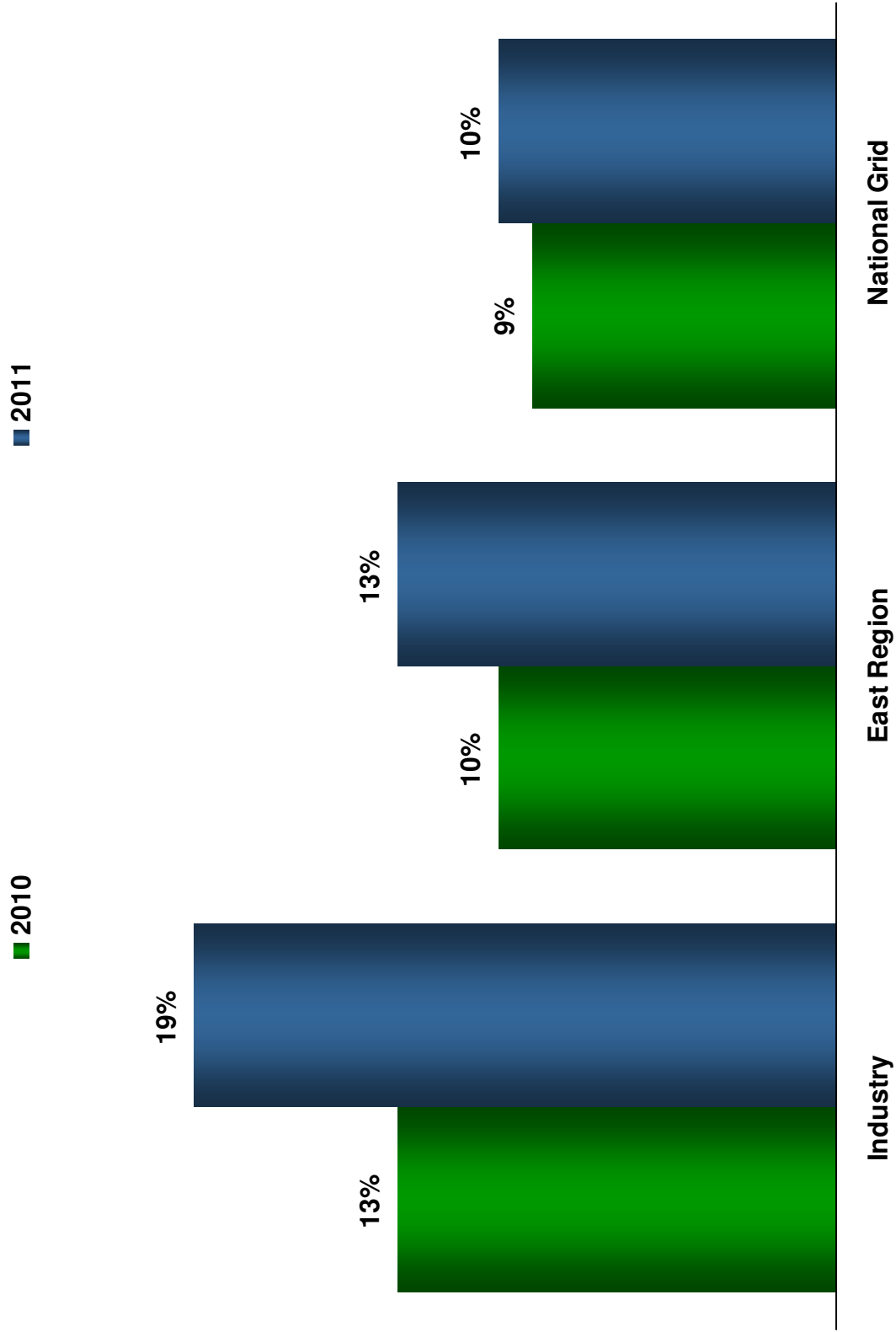
- We have very few outages except for storms etc... which is understandable. I seem them working when there are problems.
- great service at a reasonable, competitive price and excellent response during storms.
- I am very happy with the service. I always have power and if it does go out, it is quickly repaired.
- Provide a steady flow of electricity to my home. Also, during outages, they keep me well informed and do their best to get the power back online.
- The company has been very reliable in my area. We rarely loose service, and if we do it comes back quickly. Their outage telephone reporting service could use some updating, but they have handled my reports in a very good manner.
- I think they are trying to keep the price from increasing to much. I can't complain about their service. I'm nice and warm in the winter and cool in the summer and that's all I care about.

Verbatim – What National Grid Needs to Improve

- The delivery fees are more than my actual usage and I live in a city that delivery should not be a problem.
- Give back to the community, help individuals to lower their usage, especeilly when they can see they are struggling with their bills.
- The fact that two different accounts, bills and payments need to be sent to NG for both gas and electric is very poor corporate and customer service.
- The cost of my electric has more than doubled in the past two years. I try very hard to keep my use as low as possible, but cost per kw hour keeps going up and up and up. There is no explanation for why this is happening, it just goes up and up and up.
- Offer credit card payments without a fee and new heating system rebates-- there are none now.
- Less spikes, surges, make more of an effort to restore service promptly after an outage. No waiting 5-7 days no matter what the circumstances.

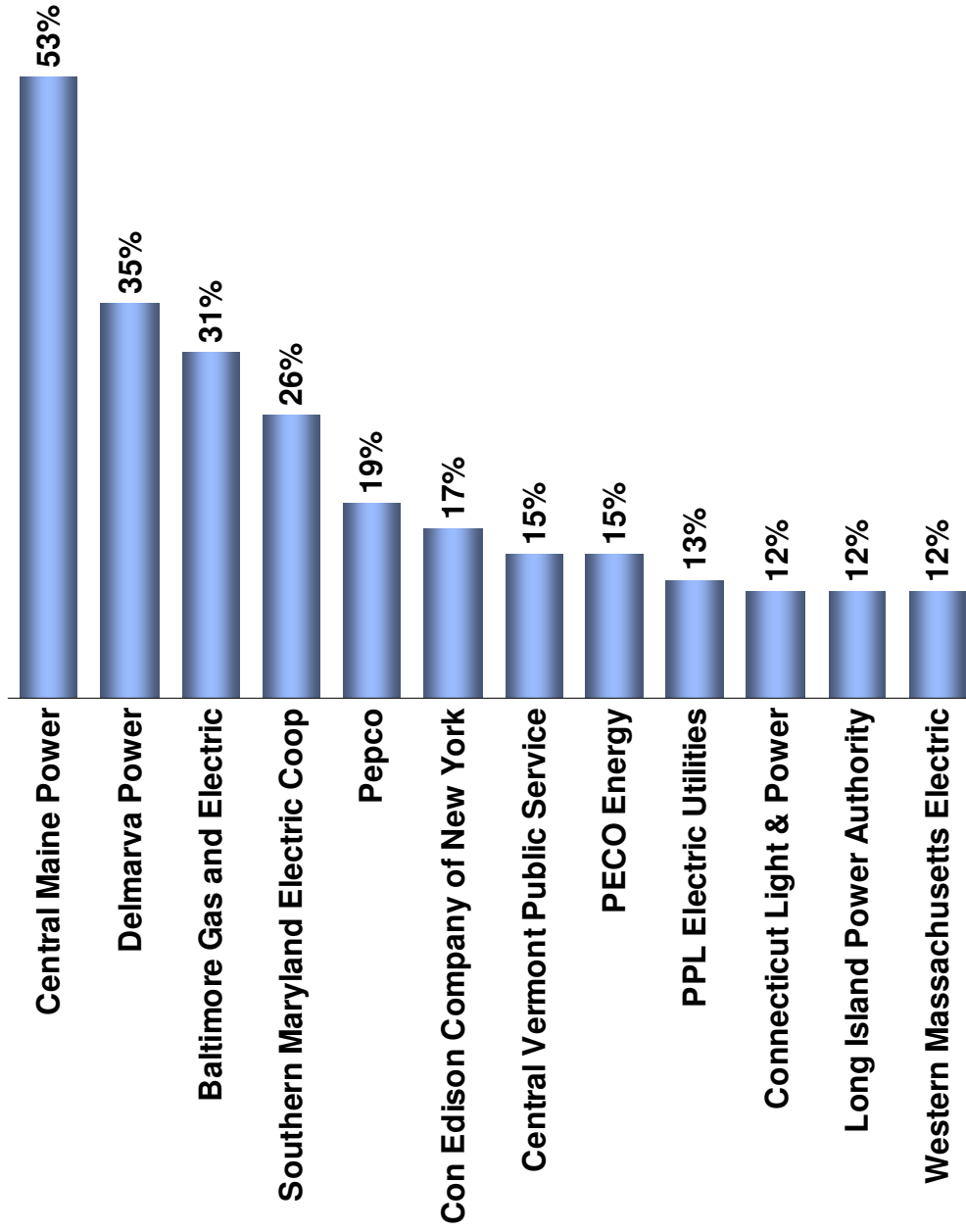
Smart Grid

Aware of National Grid efforts to Implement Smart Grid or Smart Meter



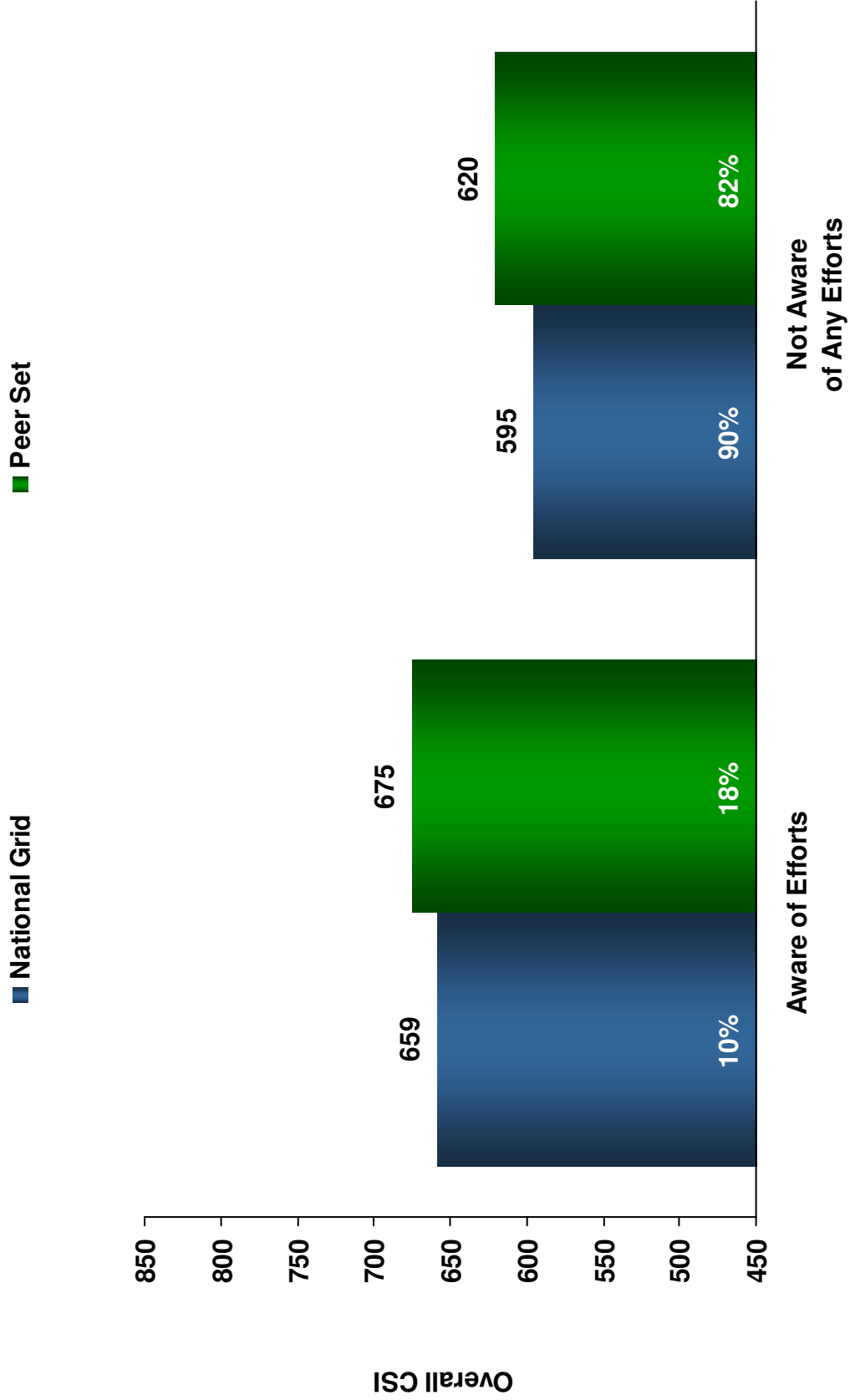
Top 10 Performers in East Region

% Aware of Utility Smart Technology Initiatives



National Grid

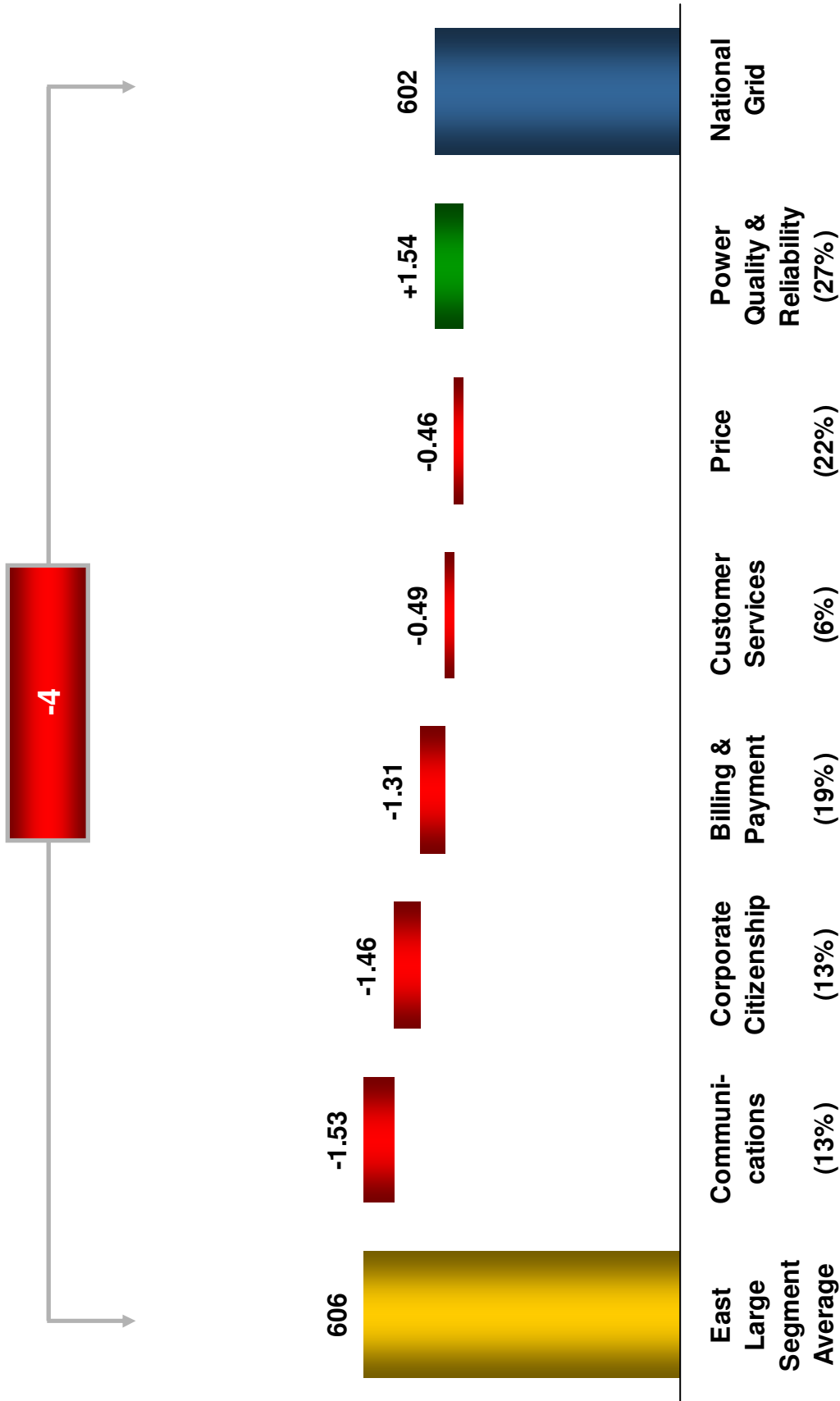
Efforts to Implement Smart Grid or Smart Meter Technologies



Business Center/Online Tools

Component Gap Analysis¹

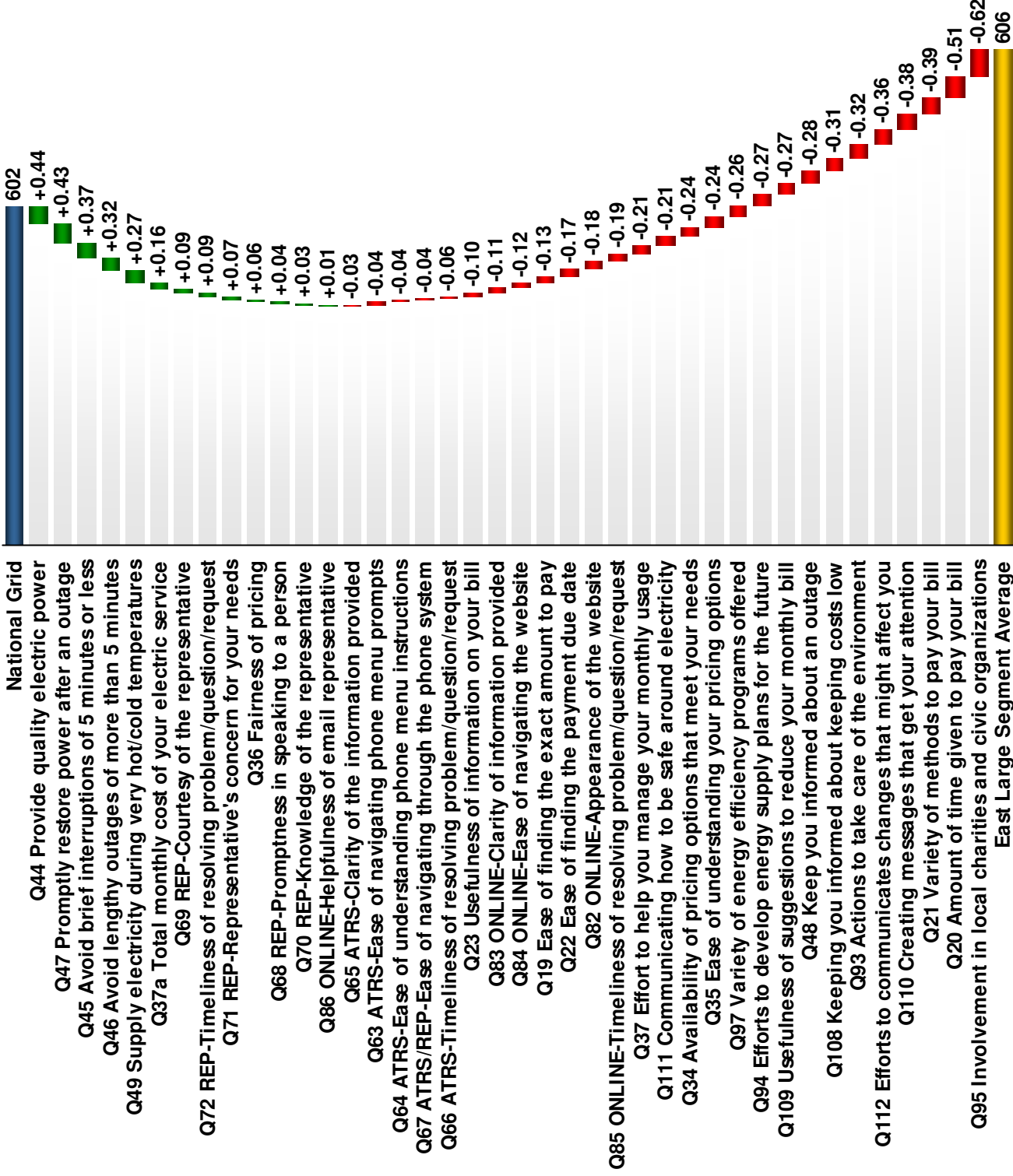
National Grid vs. East Large Segment Average



¹(National Grid Index - East Large Segment Average Index) * Component's Importance Weight.

Note: The sum may not equal due to rounding.

Attribute Gap Analysis¹

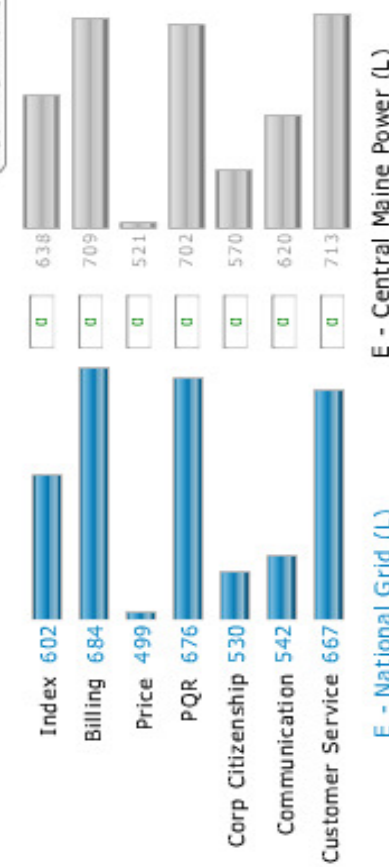


¹(National Grid Index - East Large Segment Average Index) * Component's Importance Weight.

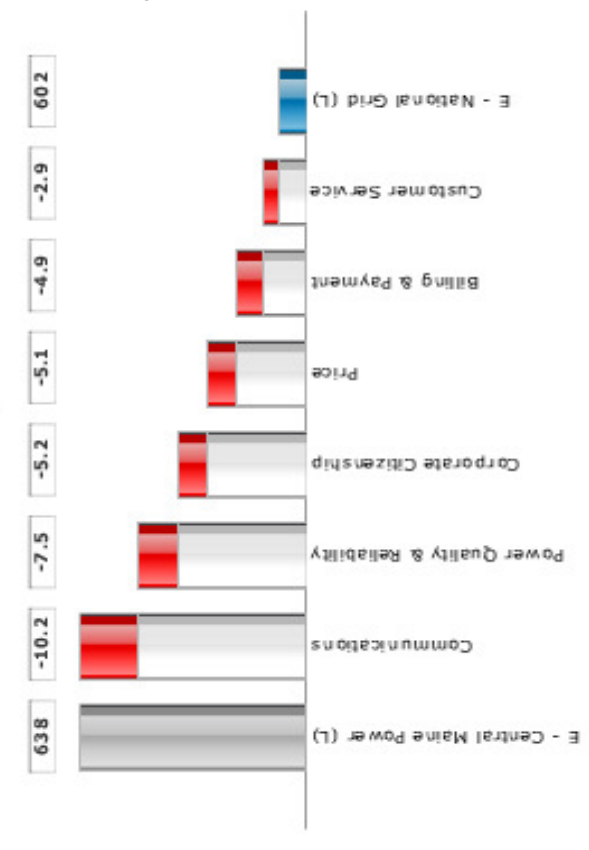
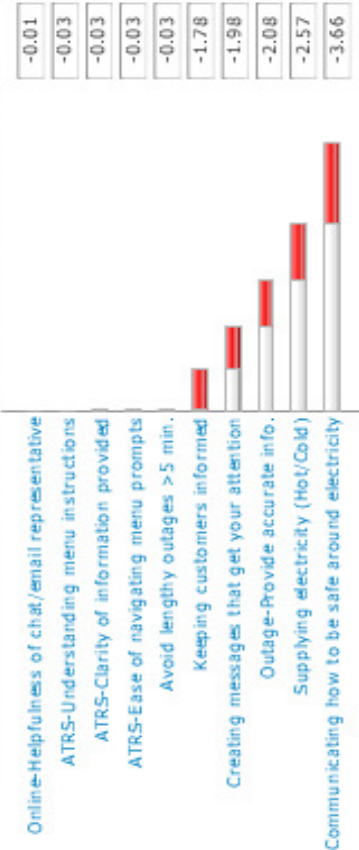
Note: The sum may not equal due to rounding.

Weight Current Adjusted Comparison SWOOP
602 602 684 684 638 638

	602	602	684	684	709	-4.9
Index						
Billing & Payment						
Ease of finding the exact amount to pay	2.9%	7.41	7.41	7.58	-0.52	
Usefulness of information on your bill	3.5%	6.64	6.64	6.72	-0.30	
Amount of time to pay your bill	5.0%	6.61	6.61	6.94	-1.68	
Ease of finding payment due date	2.9%	7.29	7.29	7.55	-0.76	
Variety of methods to pay your bill	5.0%	6.61	6.61	6.94	-1.69	
Price						
Availability of pricing options	3.1%	5.01	5.01	5.21	-0.61	
Ease of understanding your pricing options	3.7%	5.10	5.10	5.26	-0.60	
Total monthly cost of your electric service	7.4%	4.91	4.91	5.13	-1.64	
Fairness of pricing	3.9%	4.88	4.88	5.16	-1.12	
Effort of utility to help you manage monthly usage	4.4%	5.10	5.10	5.36	-1.14	
Power Quality & Reliability						
Provide quality electric power	4.8%	6.97	6.97	7.24	-1.31	
Avoid brief interruptions <5 min.	4.7%	6.82	6.82	6.86	-0.16	
Avoid lengthy outages >5 min.	3.7%	6.89	6.89	6.90	-0.03	
Outage-Restoring electricity	5.1%	6.69	6.69	6.94	-1.30	
Outage-Provide accurate info.	3.4%	5.29	5.29	5.90	-2.08	
Supplying electricity (Hot/Cold)	6.1%	7.32	7.32	7.73	-2.57	
Corporate Citizenship						
Actions to take care of the environment	3.0%	5.36	5.36	5.86	-1.54	
Efforts to develop plans for future	3.2%	5.43	5.43	5.96	-1.68	
Involvement in local charities/organizations	3.9%	5.02	5.02	5.33	-1.23	
Variety of energy efficiency programs offered	2.8%	5.46	5.46	5.74	-0.80	
Communications						
Keeping customers informed	2.6%	5.14	5.14	5.81	-1.78	
Usefulness of suggestions	2.6%	5.66	5.66	6.10	-1.14	
Creating messages that get your attention	2.3%	5.07	5.07	5.91	-1.98	
Communicating how to be safe around electricity	2.5%	5.75	5.75	7.18	-3.66	
Efforts to communicate changes	2.7%	5.44	5.44	6.03	-1.64	
Customer Service						
Phone Customer Service						
ATRS-Ease of navigating menu prompts	0.2%	6.34	6.34	6.49	-0.03	
ATRS-Understanding menu instructions	0.2%	6.55	6.55	6.68	-0.03	
ATRS-Clarity of information provided	0.2%	6.44	6.44	6.57	-0.03	
ATRS-Time needed to answer question	0.3%	6.16	6.16	6.33	-0.06	
ATRS/Rep-Ease of navigating the system	0.2%	5.95	5.95	6.70	-0.18	
Rep-Promptness in speaking to CSR	0.4%	6.53	6.53	7.33	-0.28	
Rep-Courtesy of the representative	0.4%	7.34	7.34	7.88	-0.23	
Rep-Knowledge of the representative	0.2%	7.00	7.00	7.59	-0.14	
Rep-Concern for your needs	0.3%	6.74	6.74	7.32	-0.17	
Rep-Time needed to answer question	0.4%	6.76	6.76	7.47	-0.31	
Online Customer Service						
Online-Appearance	0.5%	6.57	6.57	7.38	-1.4	
Online-Clarity of information provided	0.4%	6.68	6.68	7.24	-0.33	
Online-Ease of navigating	0.4%	6.60	6.60	7.22	-0.21	
Online-Time needed to answer question	0.7%	6.64	6.64	7.06	-0.18	
Online-Helpfulness of chat/email representative	0.0%	6.42	6.42	7.59	-0.68	



Top 5 and Bottom 5 Attribute Gaps (weighted)



2011 Residential Electric Diagnostic Simulator

E - National Grid (L) Best East Large by Attribute

[Reset](#)

		Index	Billing	Cost	PQR	Corp	Communication	CustServ
		602	684	499	676	530	542	667
		0	0	0	0	0	0	0
		602	684	499	676	530	542	667
Diagnostics		Index	Billing	Cost	PQR	Corp	Communication	CustServ
Choose your own billing date	Baseline Target	0	0	0	0	0	0	0
Bill contains graphs that illustrate consumption	9%	0	0	0	0	0	0	0
One or more billing errors	85%	0	0	0	0	0	0	0
Avg # of Brief interruptions	4%	0	0	0	0	0	0	0
Avg # of Lengthy interruptions	0.98	0	0	0	0	0	0	0
Avg longest outage (hours)	0.43	0	0	0	0	0	0	0
Told cause of outage	0.91	0	0	0	0	0	0	0
Utility restored power before or when promised	10%	0	0	0	0	0	0	0
Utility called to confirm power was restored	4%	0	0	0	0	0	0	0
Average bill amount (\$)	6%	0	0	0	0	0	0	0
On alternative rate plan (other than general service)	\$126	0	0	0	0	0	0	0
On load cycling rider	8%	0	0	0	0	0	0	0
On budget billing plan	3%	0	0	0	0	0	0	0
Pay bill through automatic deduction	18%	0	0	0	0	0	0	0
# of IVR menu choices	15%	0	0	0	0	0	0	0
Given estimated hold time	4.05	0	0	0	0	0	0	0
Hold time (minutes)	40%	0	0	0	0	0	0	0
# call transfers	3.65	0	0	0	0	0	0	0
CS rep had account information available	0.70	0	0	0	0	0	0	0
Have on line account setup	87%	0	0	0	0	0	0	0
# web page clicks	41%	0	0	0	0	0	0	0
Contacted CS with billing issue	2.28	0	0	0	0	0	0	0
Problem resolved on first contact	2%	0	0	0	0	0	0	0
Aware of donations	71%	0	0	0	0	0	0	0
Aware of employees volunteering in community	11%	0	0	0	0	0	0	0
Aware of environmental actions	5%	0	0	0	0	0	0	0
Communicate emergency preparedness	22%	0	0	0	0	0	0	0
Communicate product/service offers	19%	0	0	0	0	0	0	0
Communicate reliability of electric delivery	24%	0	0	0	0	0	0	0
Communicate safety around electricity	9%	0	0	0	0	0	0	0
Communicate availability of power supply	21%	0	0	0	0	0	0	0
Communicate energy conservation tips	5%	0	0	0	0	0	0	0
% of customers contacted Customer Service	46%	0	0	0	0	0	0	0
	28%	0	0	0	0	0	0	0

Key Findings – National Grid

- Overall Satisfaction by State:
 - MA: 611 (767 surveys);
 - RI: 609 (314 surveys)
 - NY: 592 (1,018 surveys)
- Age Group with highest satisfaction is under 25 while 45-54 have the lowest satisfaction.
- Increased restoration accuracy, more outage information and increased number of callbacks would boost satisfaction.
- Awareness of donations and energy efficiency programs increase satisfaction.

Questions ?



Testimony of Shared Services and Customer Panel

Schedule 2

Electric Business Customer Report



2012 Electric Utility Business Customer Satisfaction Study

National Grid Overall Results

John Hazen
Senior Director
March 26, 2012

2012 Study Overview

- **Online interviews completed in two waves**
 - April - June
 - September - December

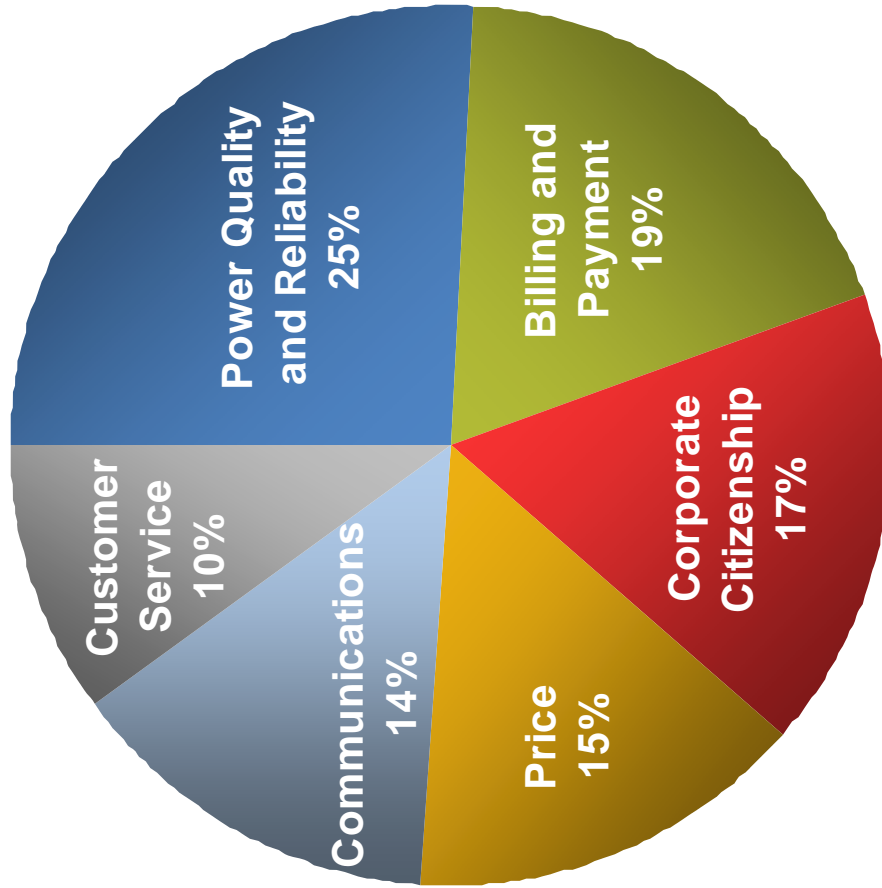
- **24,385 businesses surveyed**
 - Up from 17,886 surveys last year
 - \$250+ per month average electric bill amount
 - 644 National Grid Surveys

- **Reporting results by brand**
 - 95 utility brands ranked (up from 82 in 2011)

- **Region/Size Segment Reporting**
 - Companies ranked and segmented into 8 categories: East Large, East Midsize, Midwest Large, Midwest Midsize, South Large, South Midsize, West Large, and West Midsize

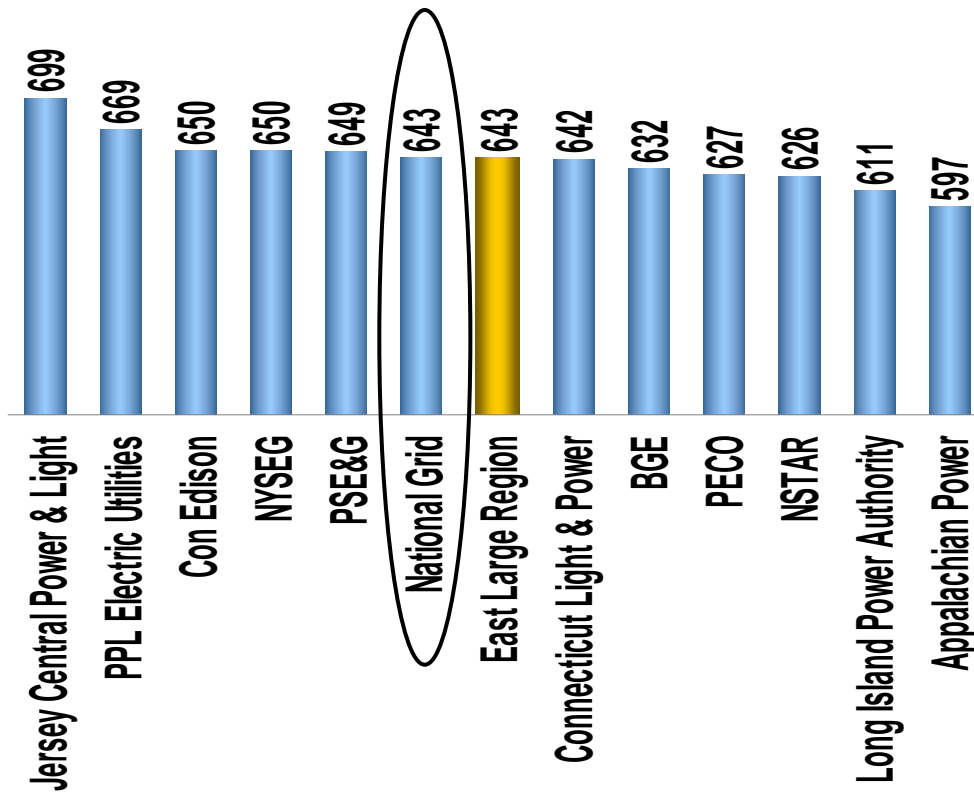
2009–2012 Index Model

Factor Weights



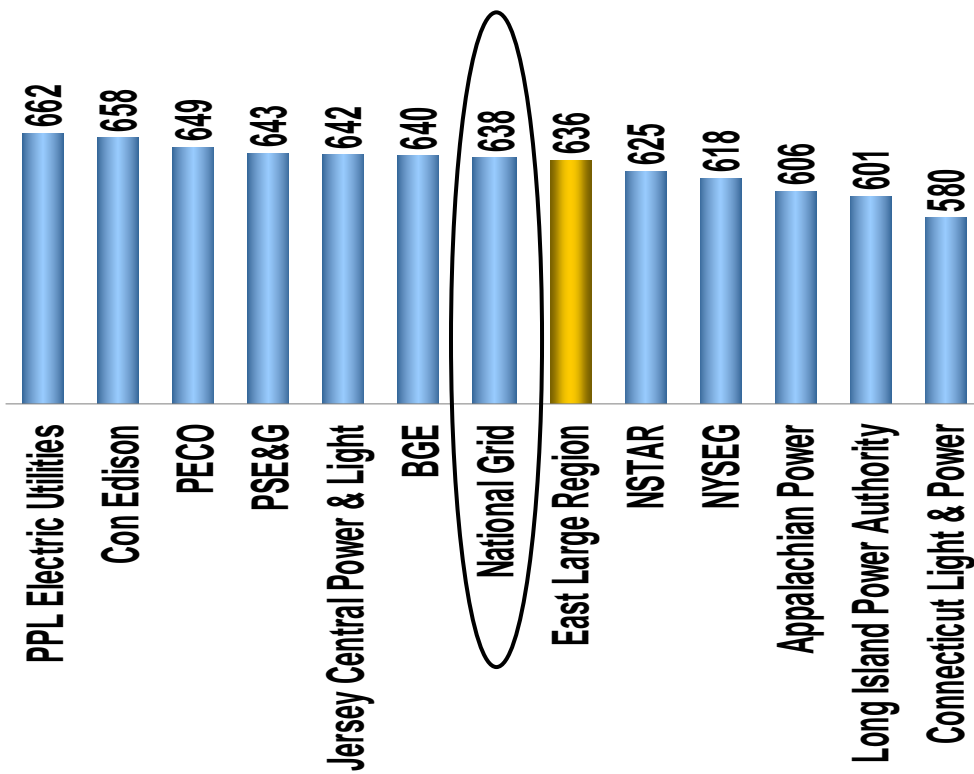
Wave 1 East Large Overall

Overall Customer Satisfaction Index



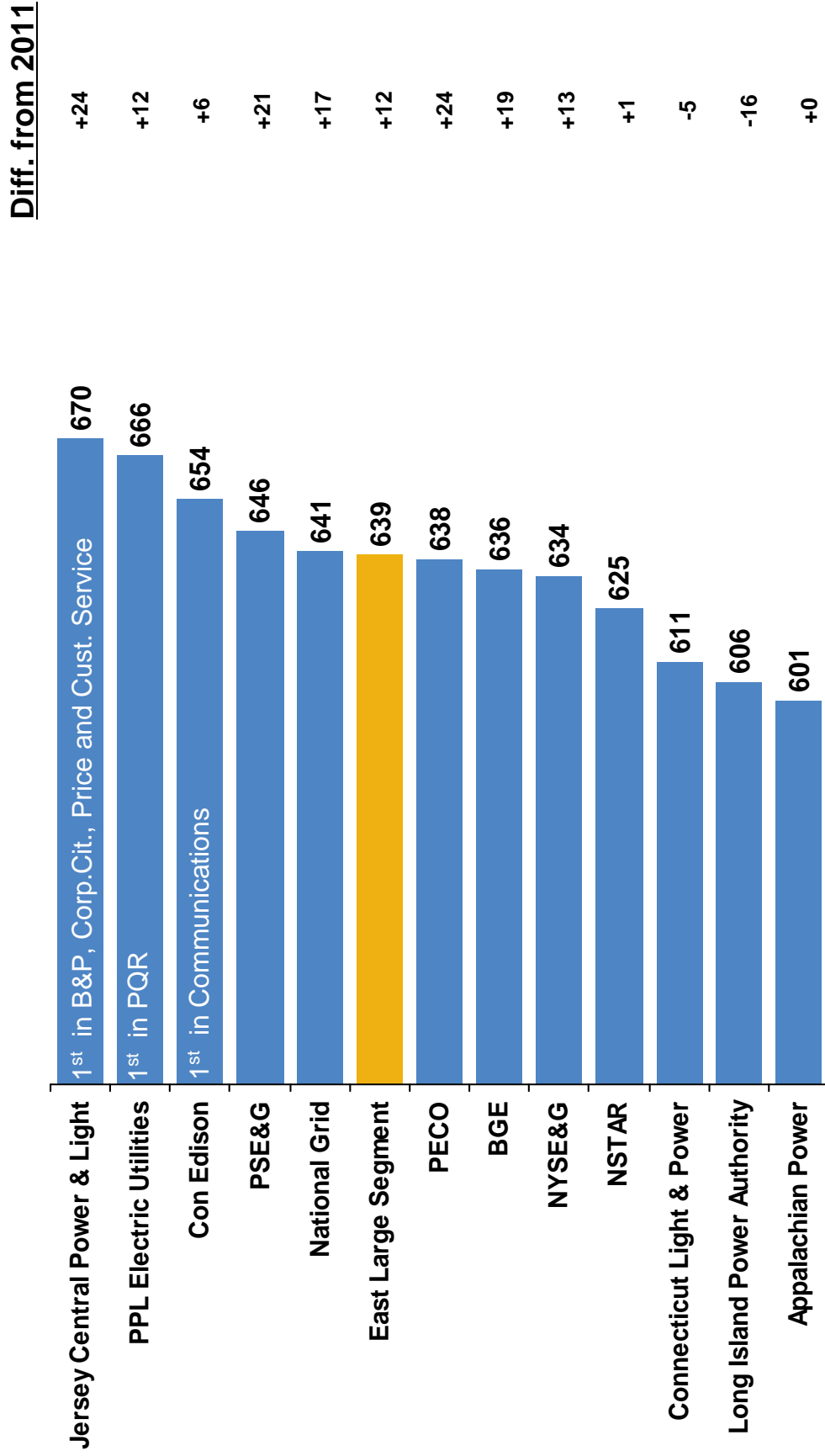
Wave 2 East Large Overall

Overall Customer Satisfaction Index

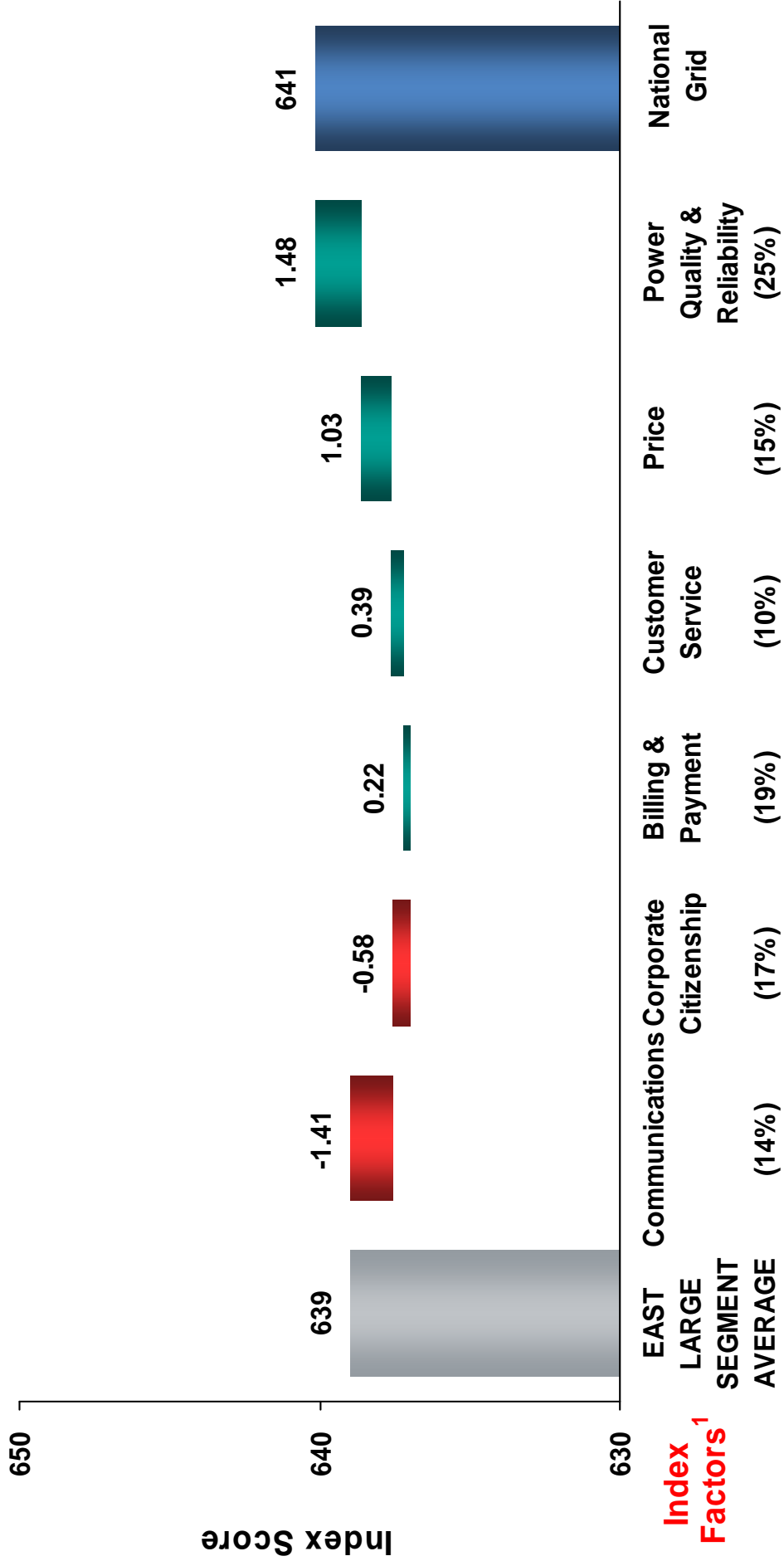


East Large Segment

Overall CSI



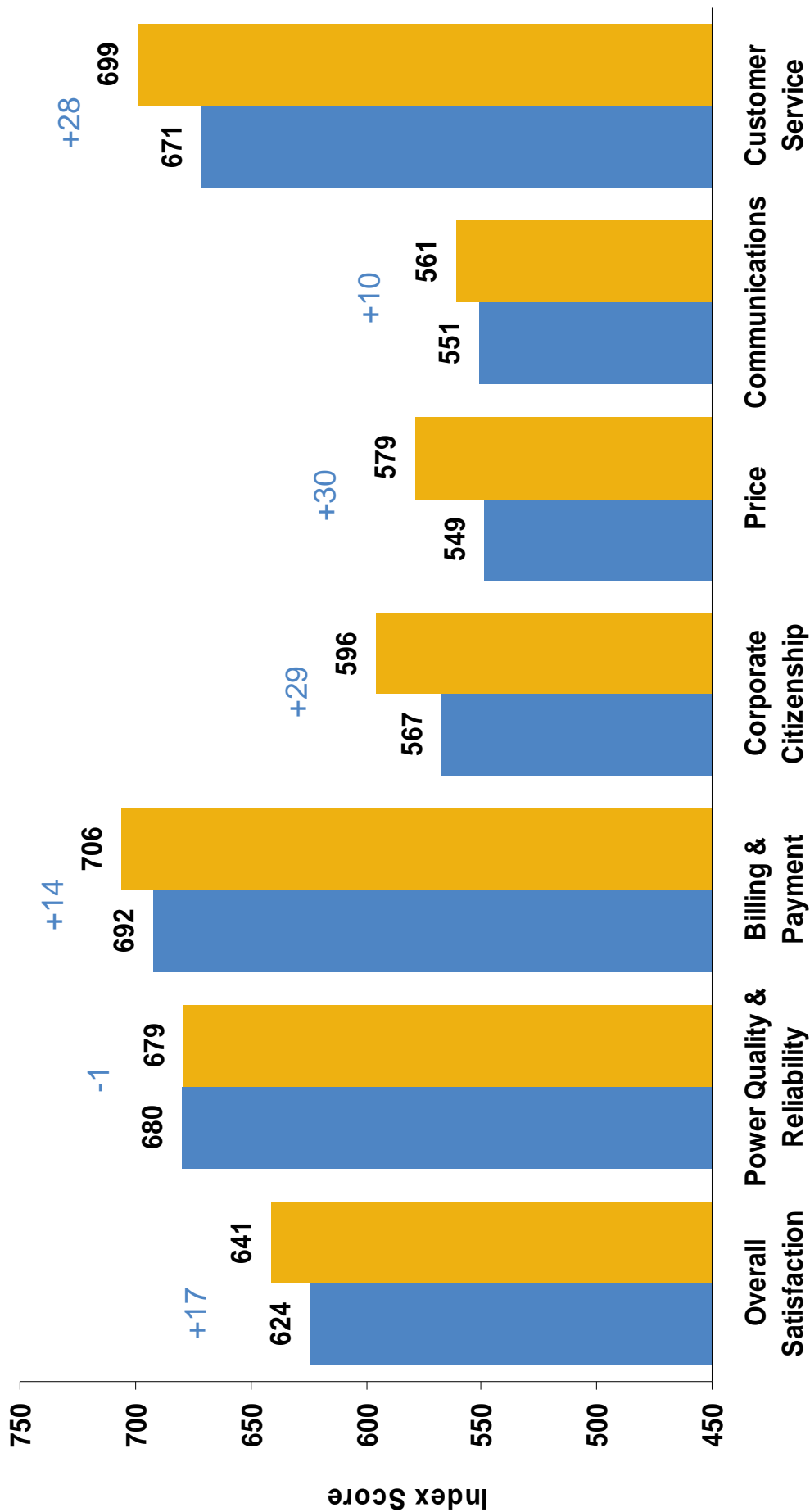
Factor Gap Analysis by EAST LARGE SEGMENT AVERAGE



¹(Brand Index - EAST LARGE SEGMENT AVERAGE Index) * Factor's Importance Weight.

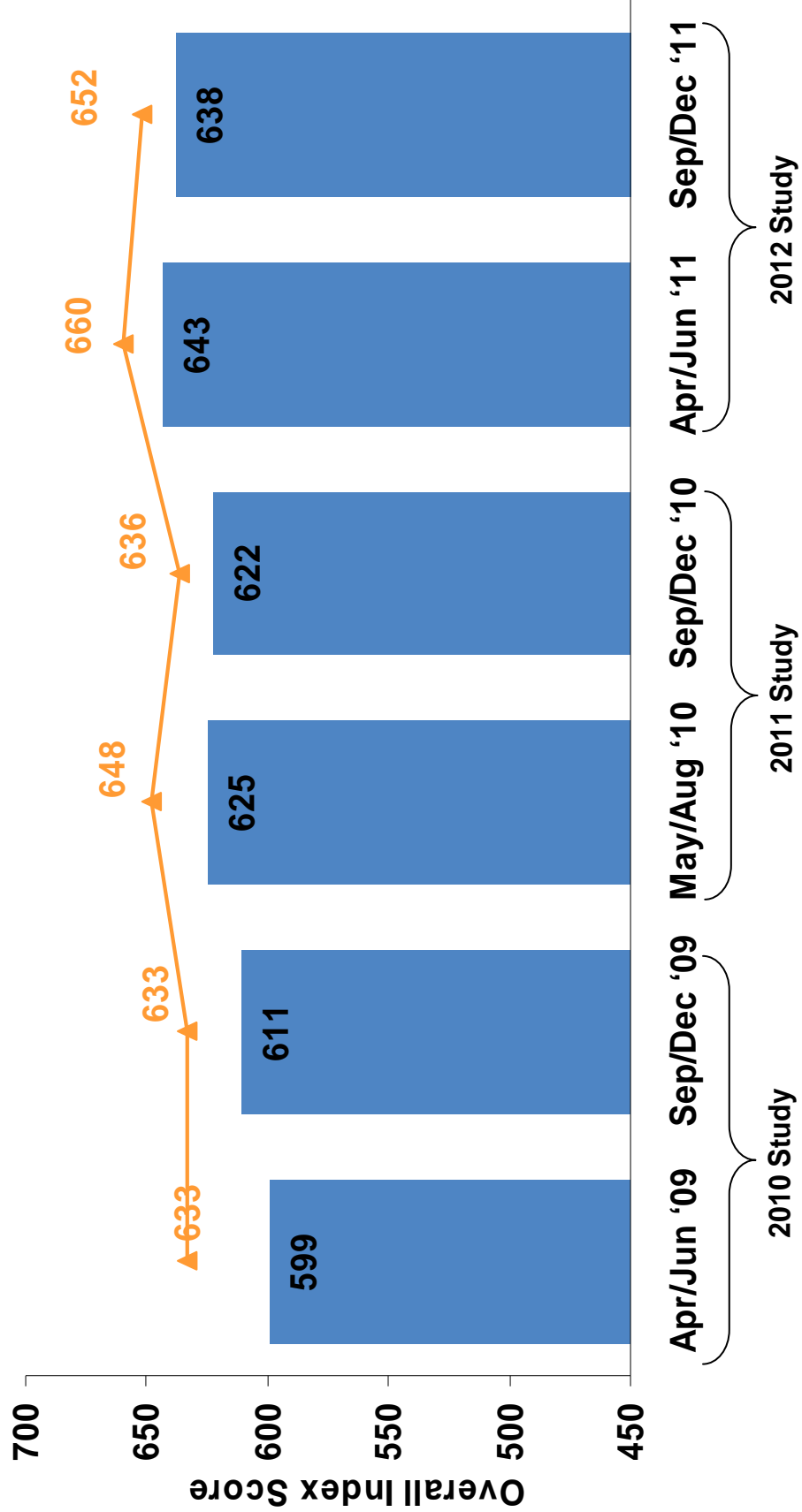
National Grid

■ 2011 ■ 2012

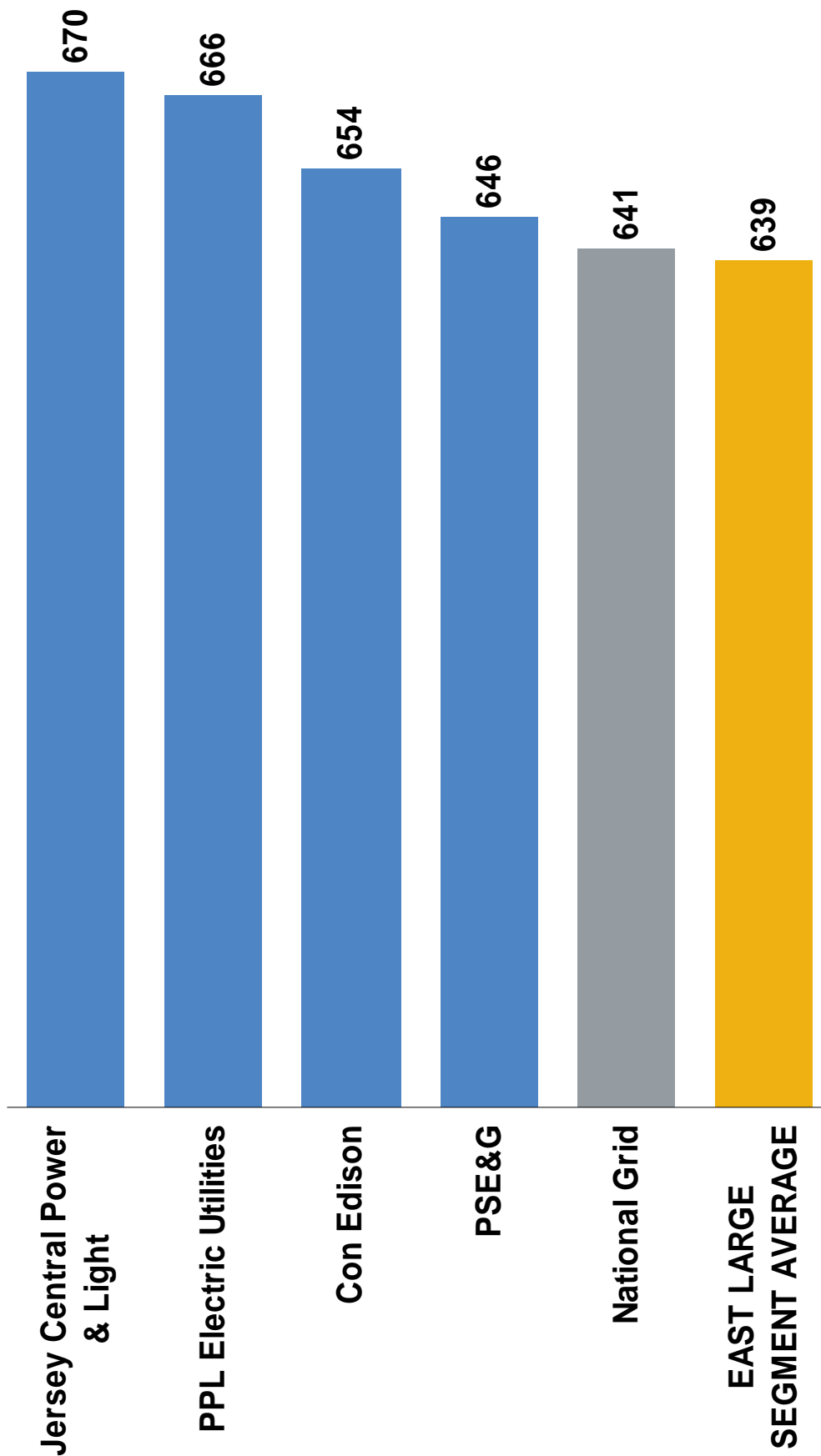


Overall Customer Satisfaction Index

■ National Grid ▲ Peer Set



Peer Set Overall Customer Satisfaction Index



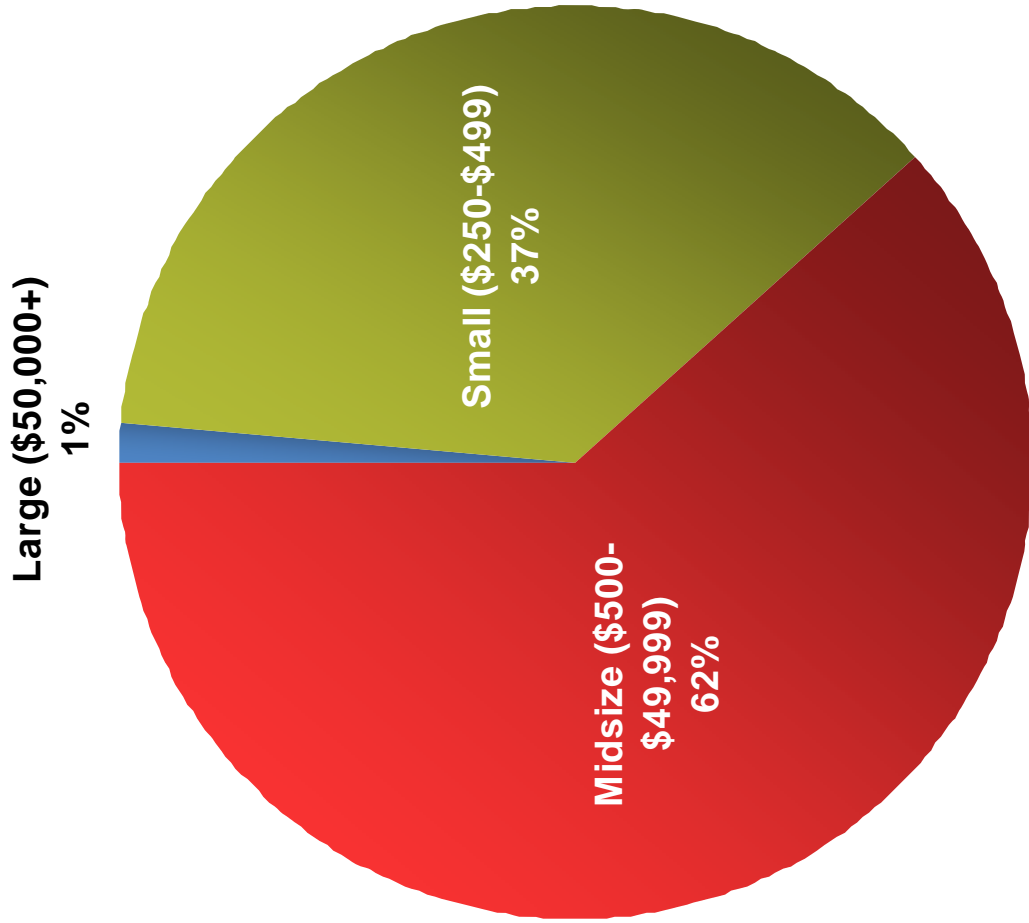
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Peer Gaps

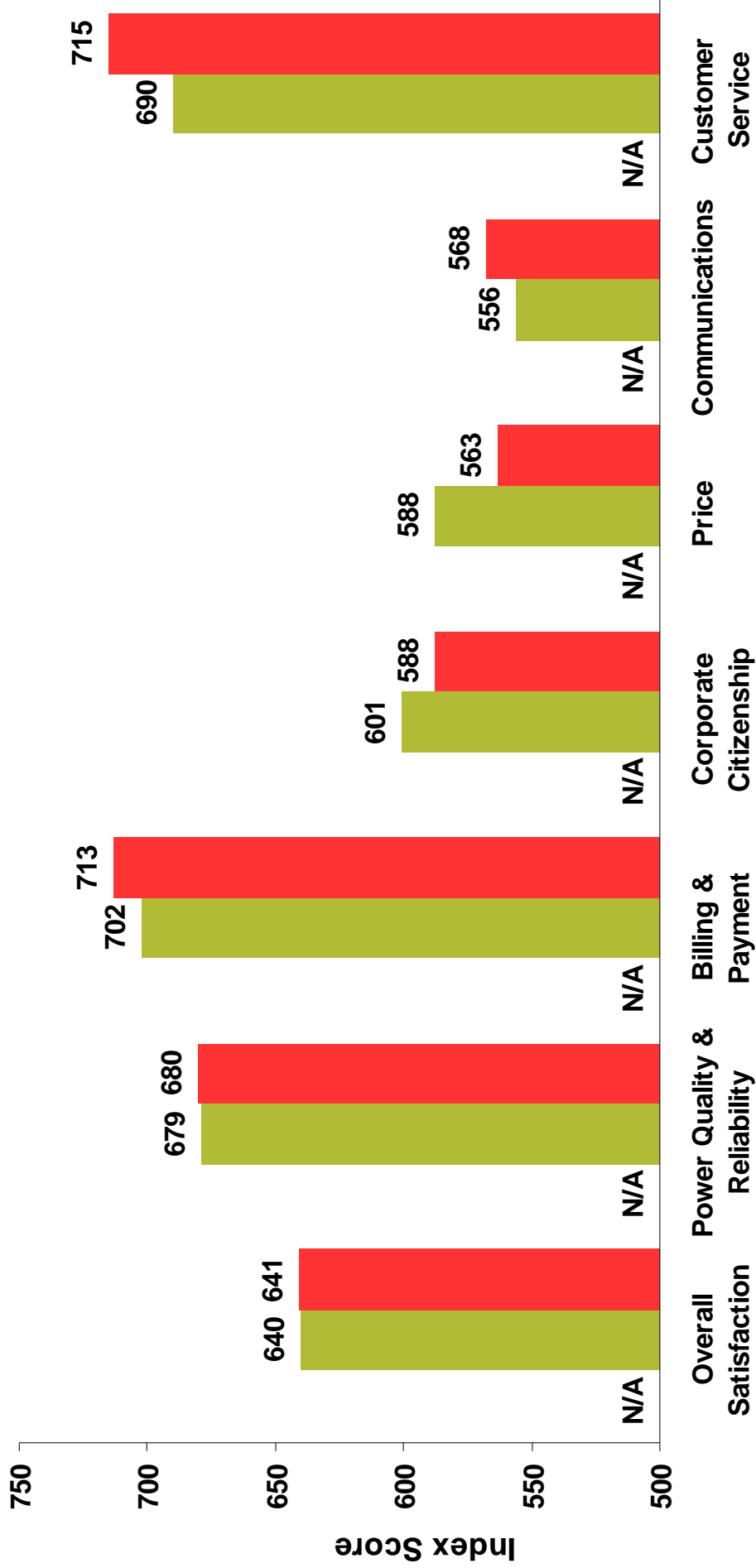
	Power Quality & Reliability	Billing & Payment	Corporate Citizenship	Price	Communi- cations	Customer Service
Jersey Central Power & Light	695	742	636	612	594	741
PPL Electric Utilities	701	737	625	588	599	722
Con Edison	682	706	633	586	602	721
PSE&G	688	705	602	592	579	678
National Grid	679	706	596	579	561	699
EAST LARGE SEGMENT AVERAGE	673	705	600	573	572	693
GAP to Highest Peer	-16	-36	-40	-33	-33	-42

Respondent Size Breakout by Small, Midsize and Large Business

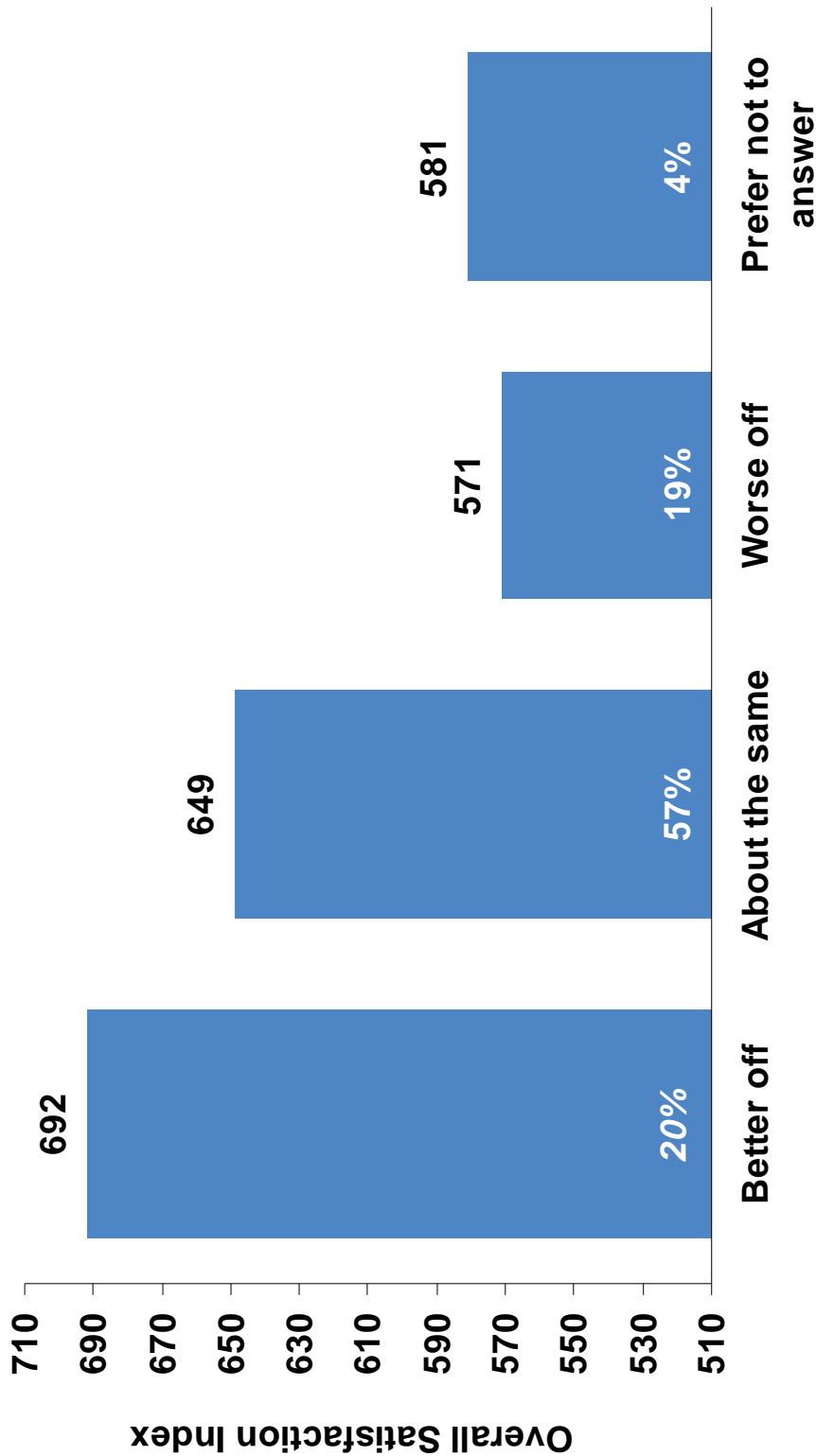


National Grid 2012 Study Results – Business Size

■ Large (\$50,000+) ■ Midsize (\$500-\$49,999) ■ Small (\$250-\$499)

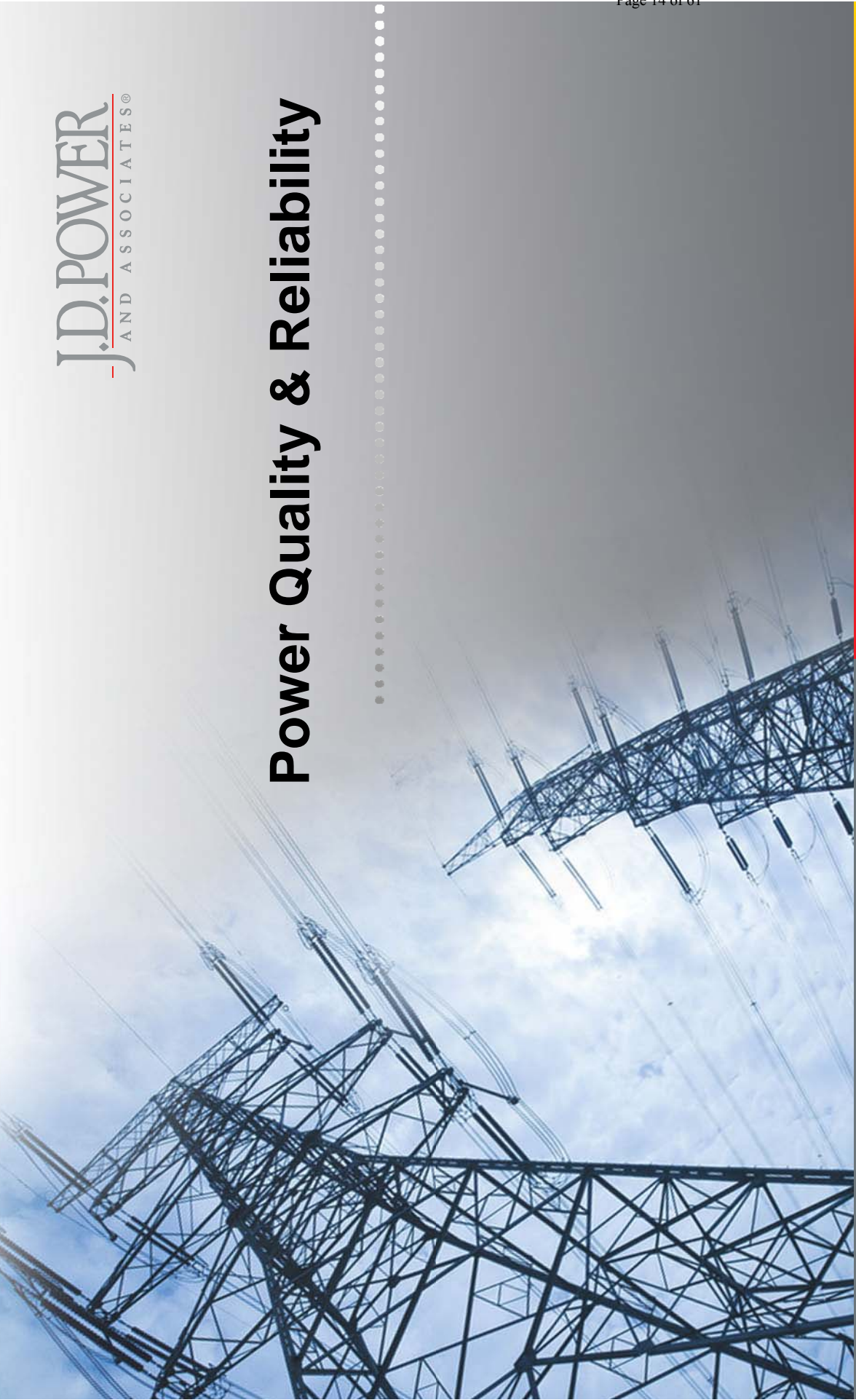


Overall Satisfaction by Financial Status of Business compared to last year - National Grid





Power Quality & Reliability



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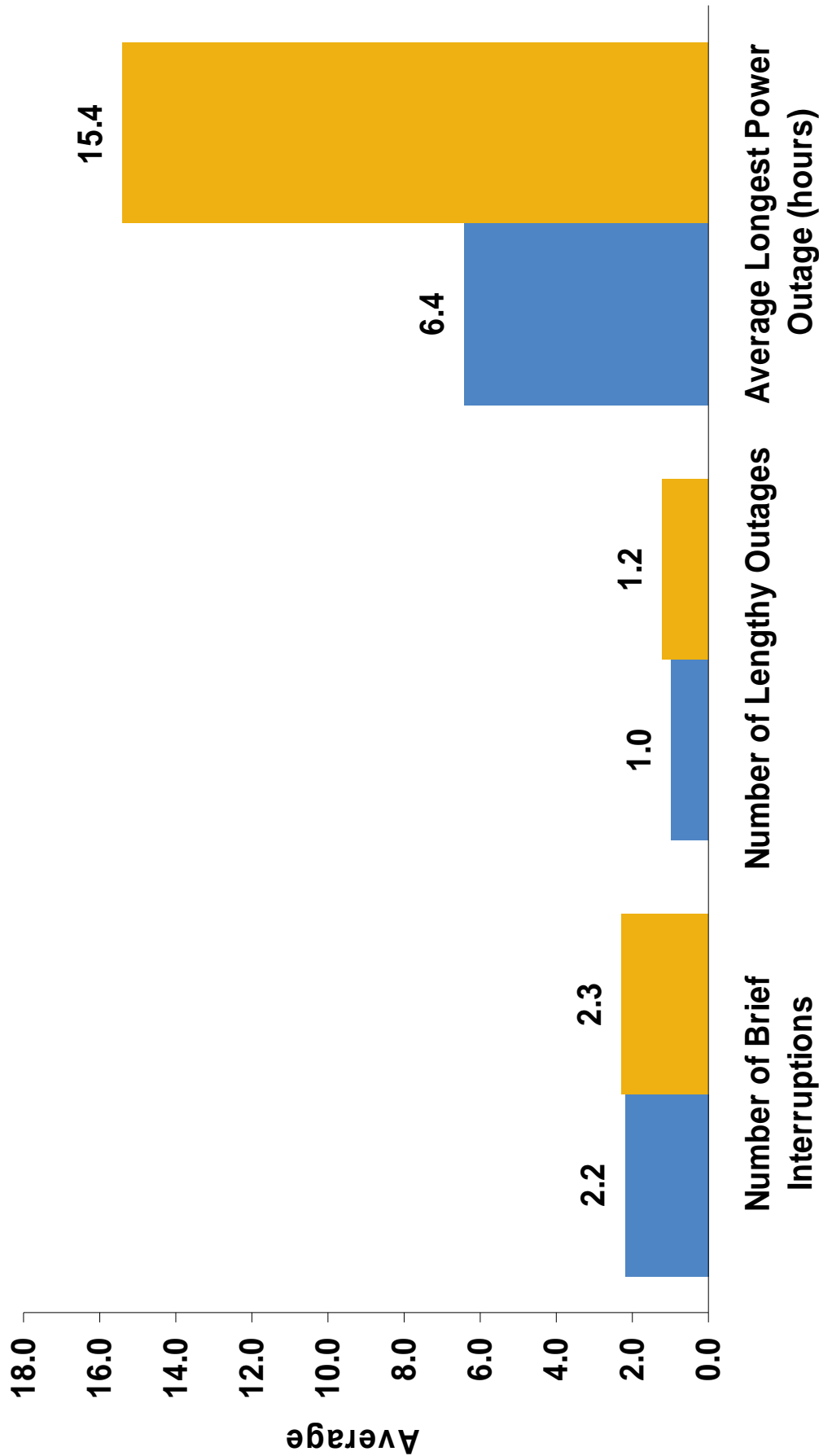
National Grid

Power Quality & Reliability Performance Details - Mean Scores

	Difference		
	2012	2011	
(25%) Power Quality & Reliability Index	679	680	-1
(22%) Supply electricity during very hot or very cold temperatures	7.19	7.14	+0.05
(18%) Provide quality electric power (free from spikes, drops, or surges)	6.79	6.83	-0.04
(16%) Avoid brief interruptions of 5 minutes or less	6.85	6.83	+0.02
(16%) Provide accurate information about an outage	6.34	6.20	+0.14
(16%) Promptly restore power after an outage	6.62	6.81	-0.19
(13%) Avoid lengthy outages of more than 5 minutes	6.77	6.91	-0.14
Overall Power Quality And Reliability	6.95	6.95	+0.00
Number of Lengthy Outages	1.2	1.0	0.2
Longest Time Power Was Out (Hours)	15.4	6.4	9.0

National Grid Outage Perceptions

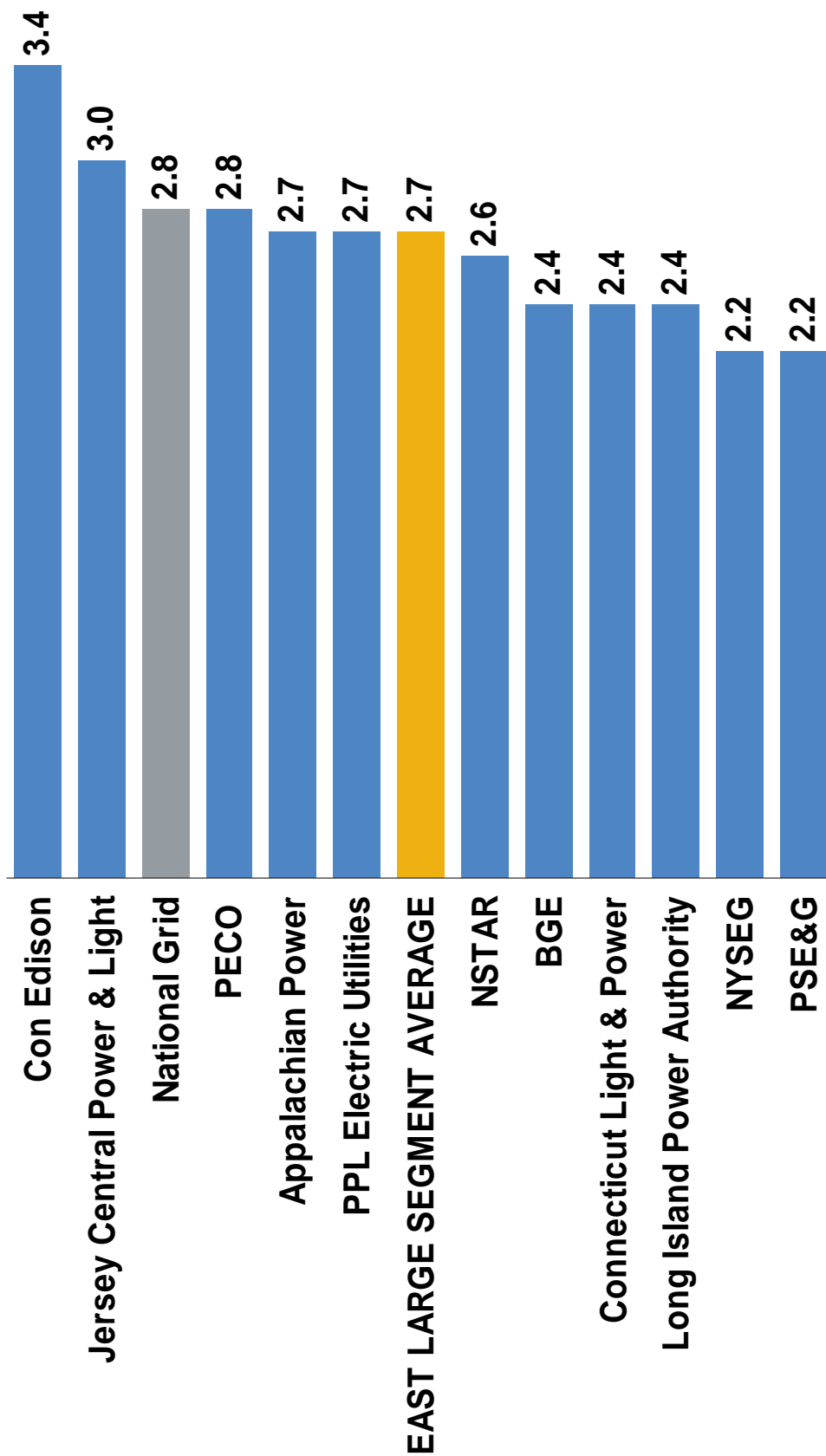
■ 2011 ■ 2012



Outage Perceptions

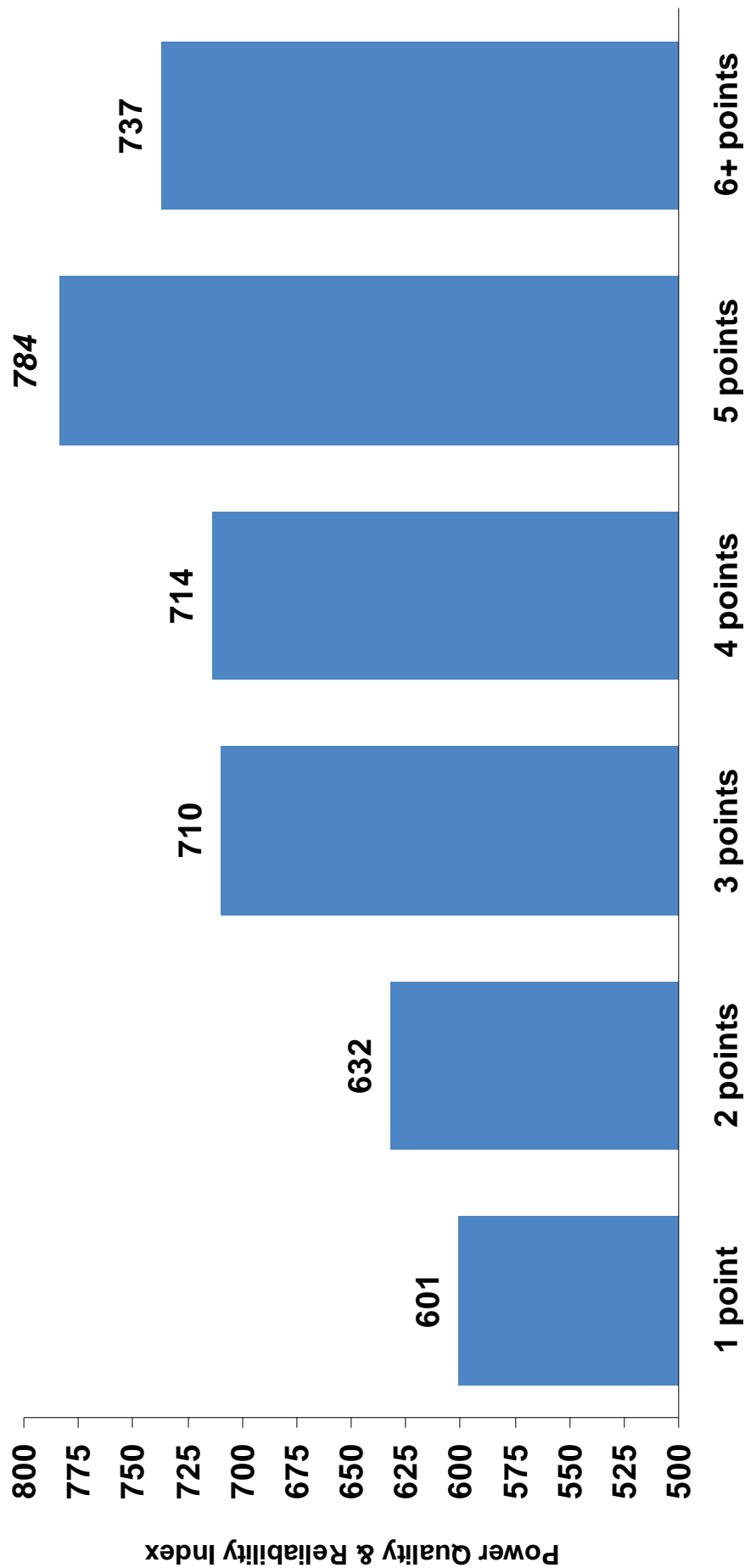
	<u># Of Brief Interruptions</u>	<u># Of Lengthy Outages</u>	<u>Longest Outage (Hours)</u>	<u>PQ&R Index</u>
PPL Electric Utilities	2.8	1.1	8.7	701
Jersey Central Power & Light	2.5	1.3	21.4	695
PSE&G	1.8	1.0	9.0	688
Con Edison	2.1	0.7	7.1	682
National Grid	2.3	1.2	15.4	679
EAST LARGE SEGMENT AVERAGE	2.5	1.2	14.0	673

East Large Segment Number of Outage Information Points Provided by Utility

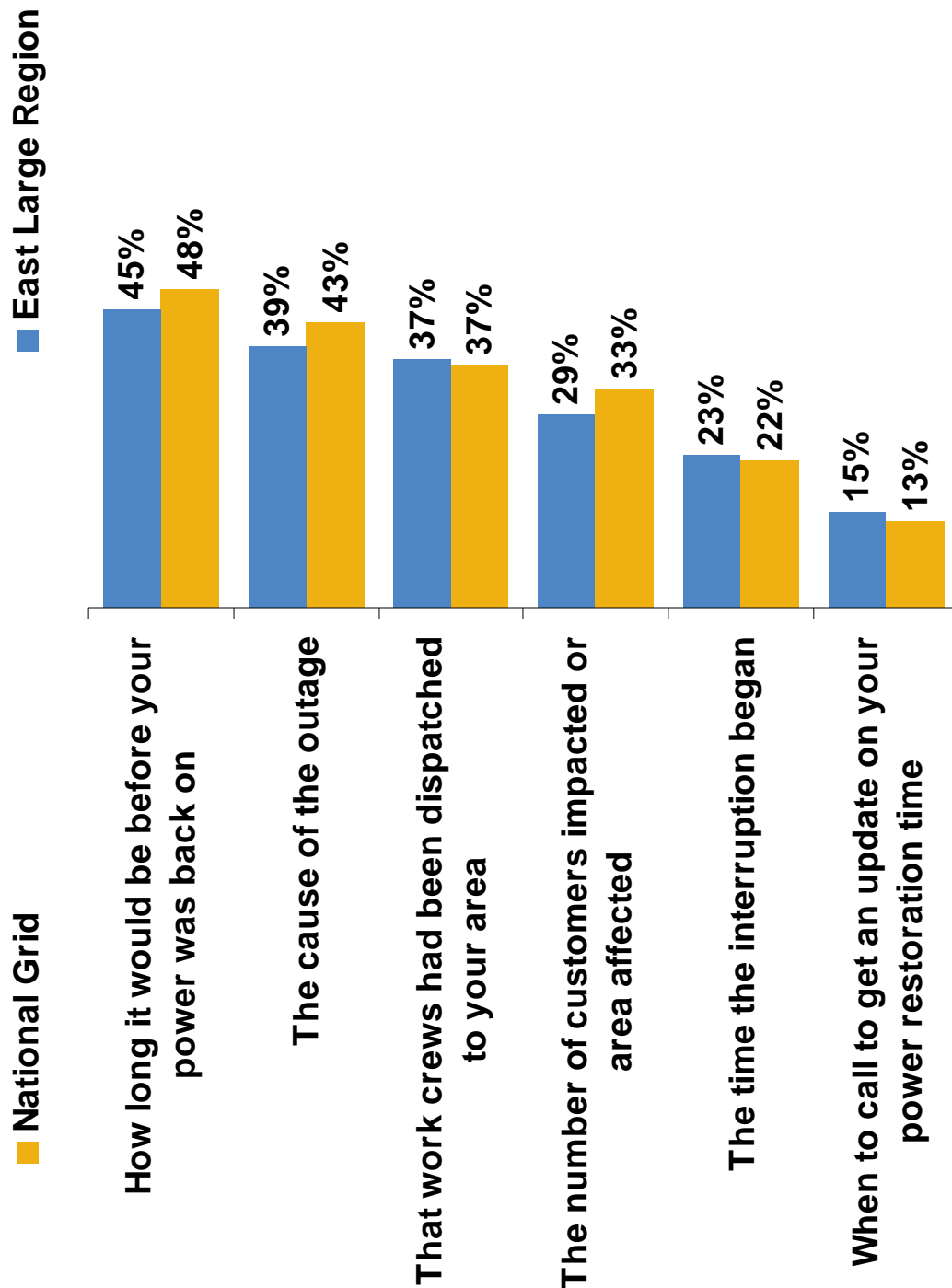


Business Customers Want Outage Information

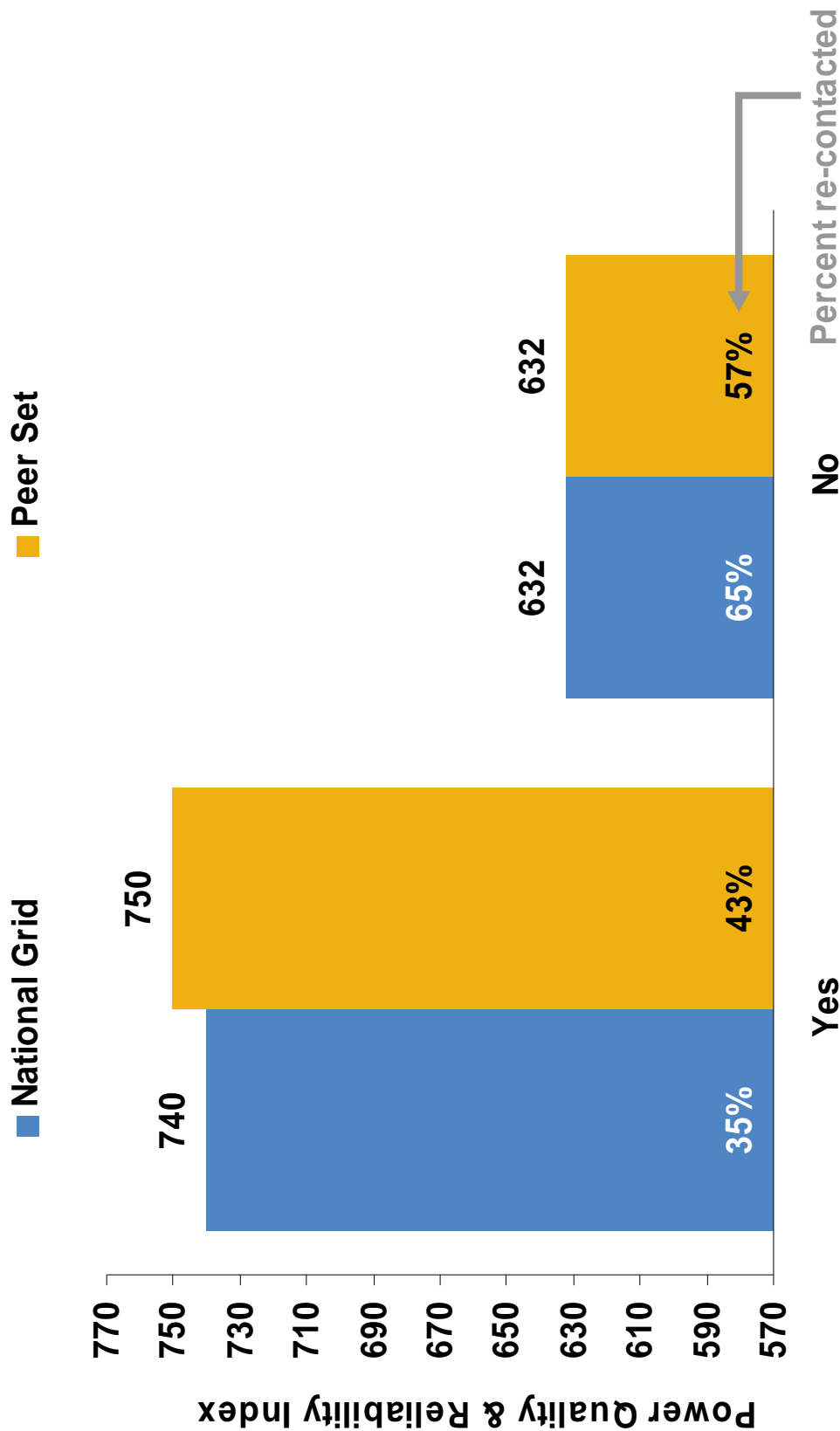
More Information provided during an outage increases satisfaction



What Information Did They Receive

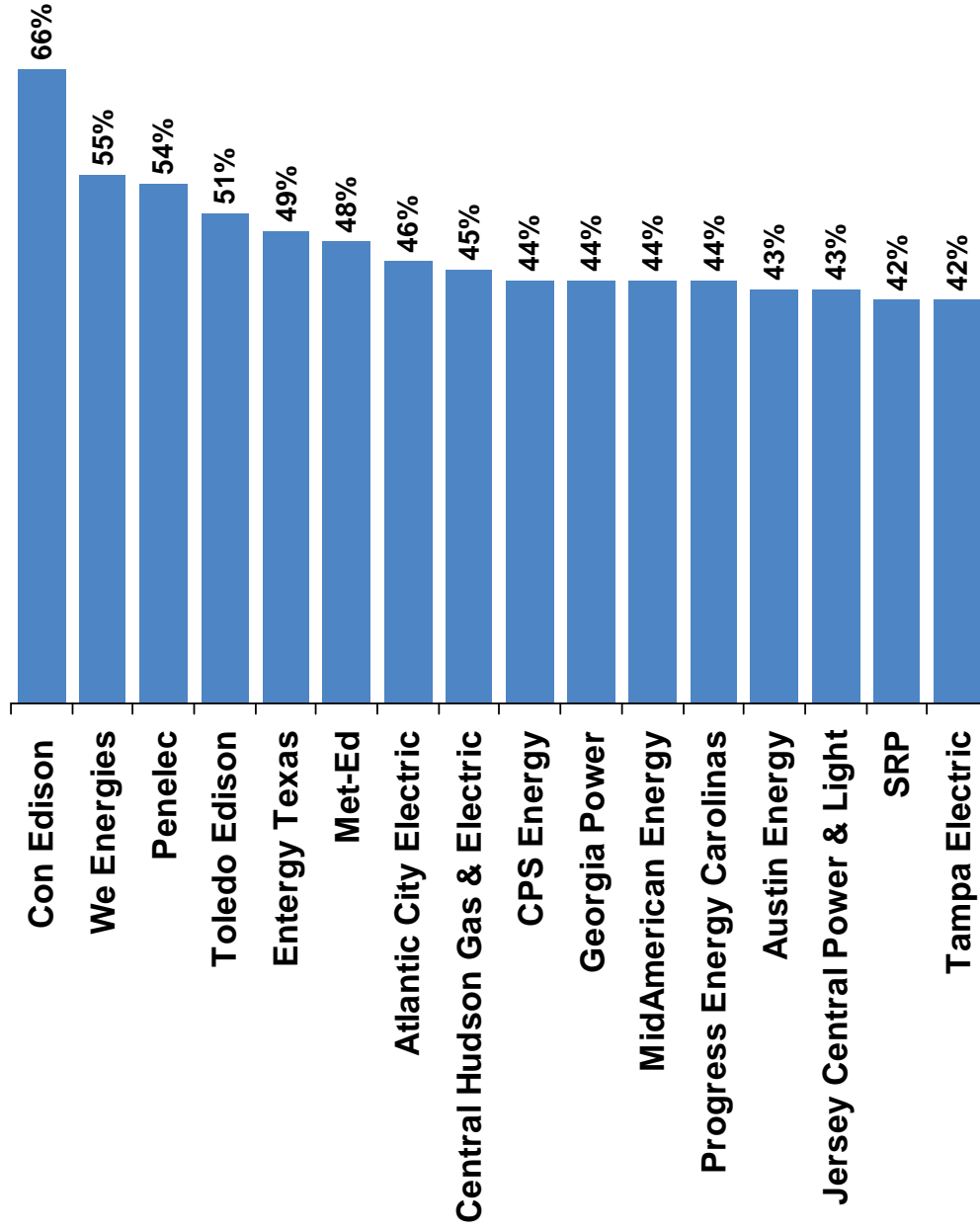


Customer Contacted After Power Was Restored to Confirm Power Was Back On

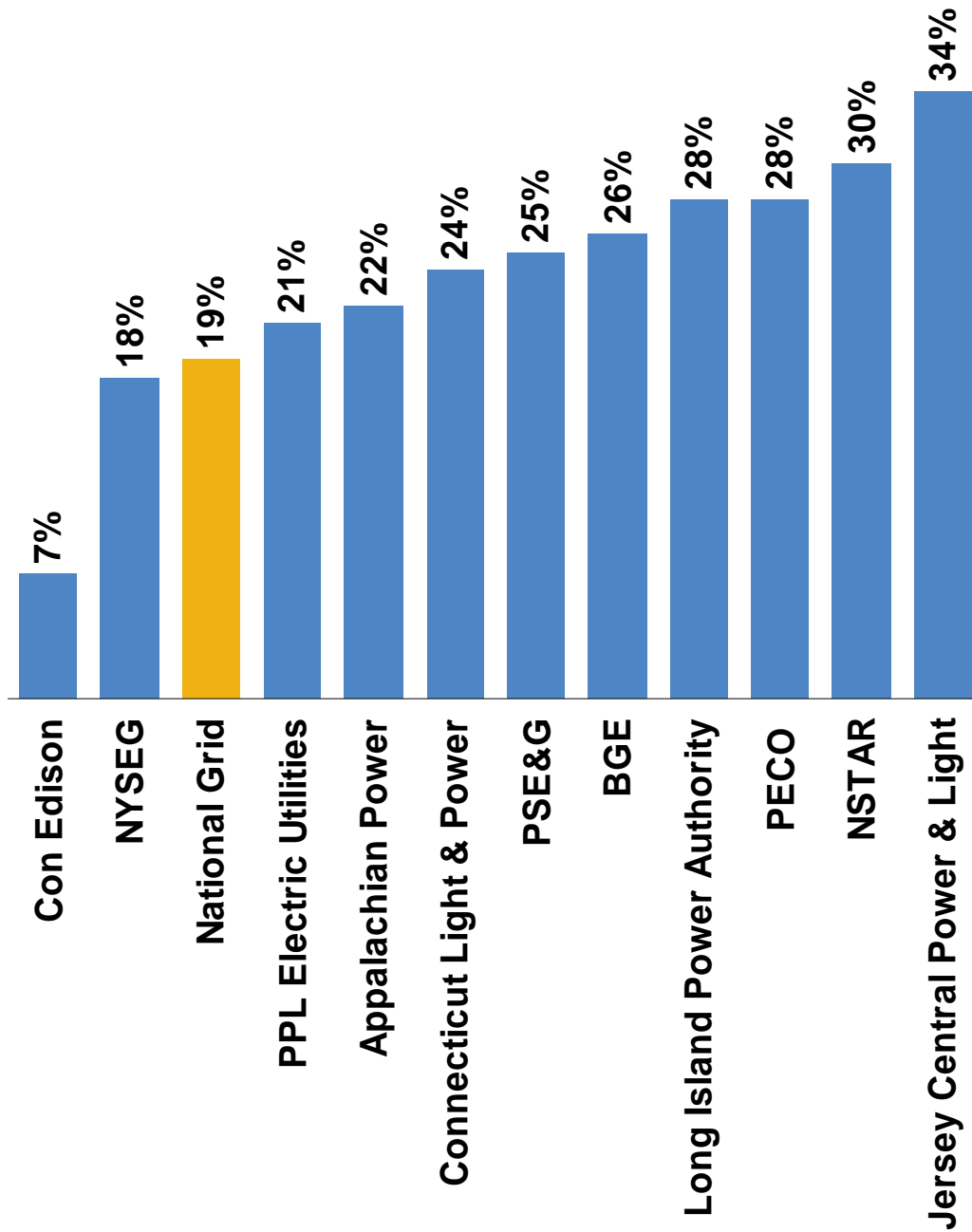


Top Providers Outage Call-Backs

Percent of Businesses Re-Contacted To Confirm Power Restored

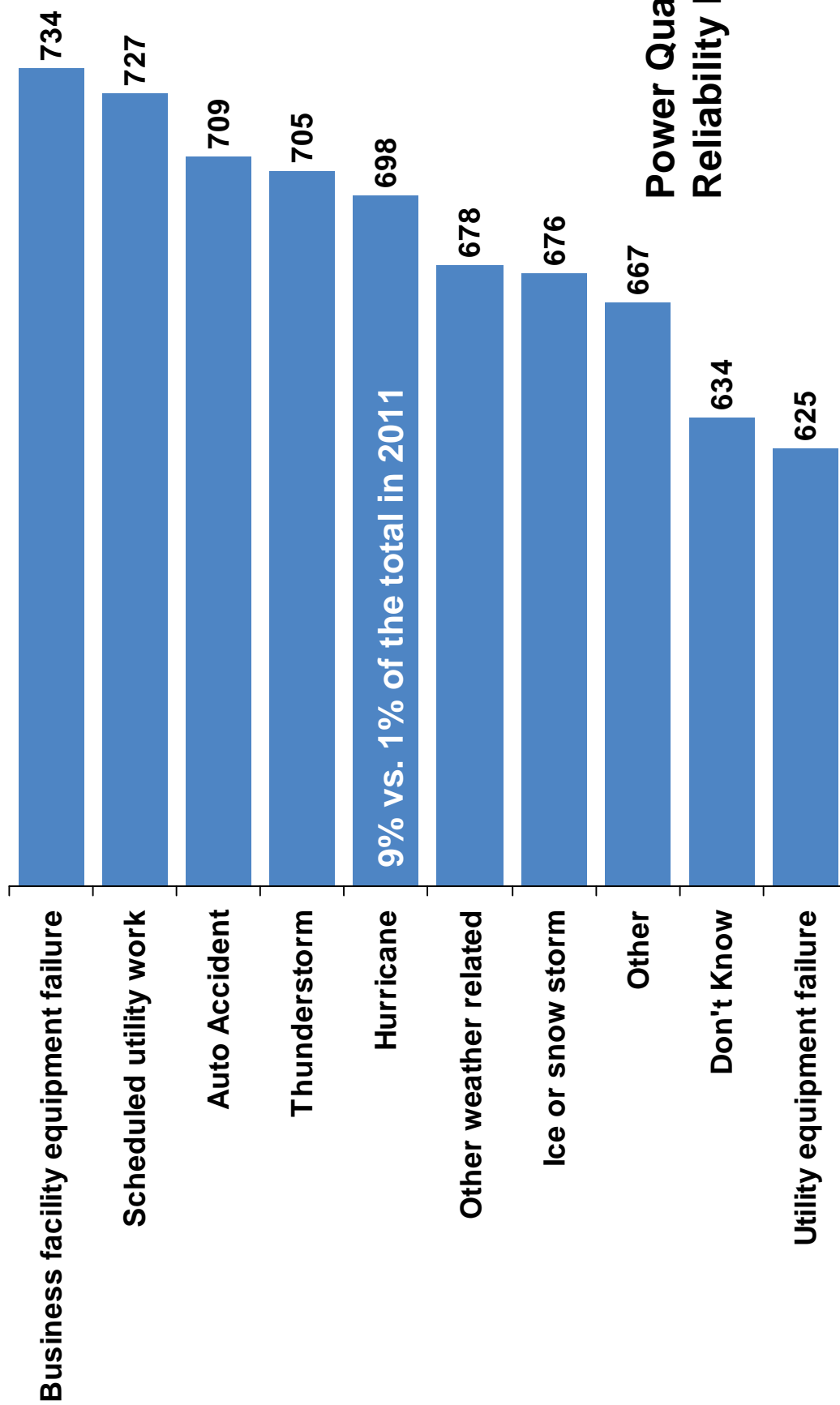


East Large Region – Restored Power After ETR



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PQR Satisfaction by Cause of Outage



**Power Quality &
Reliability Index**



Billing & Payment



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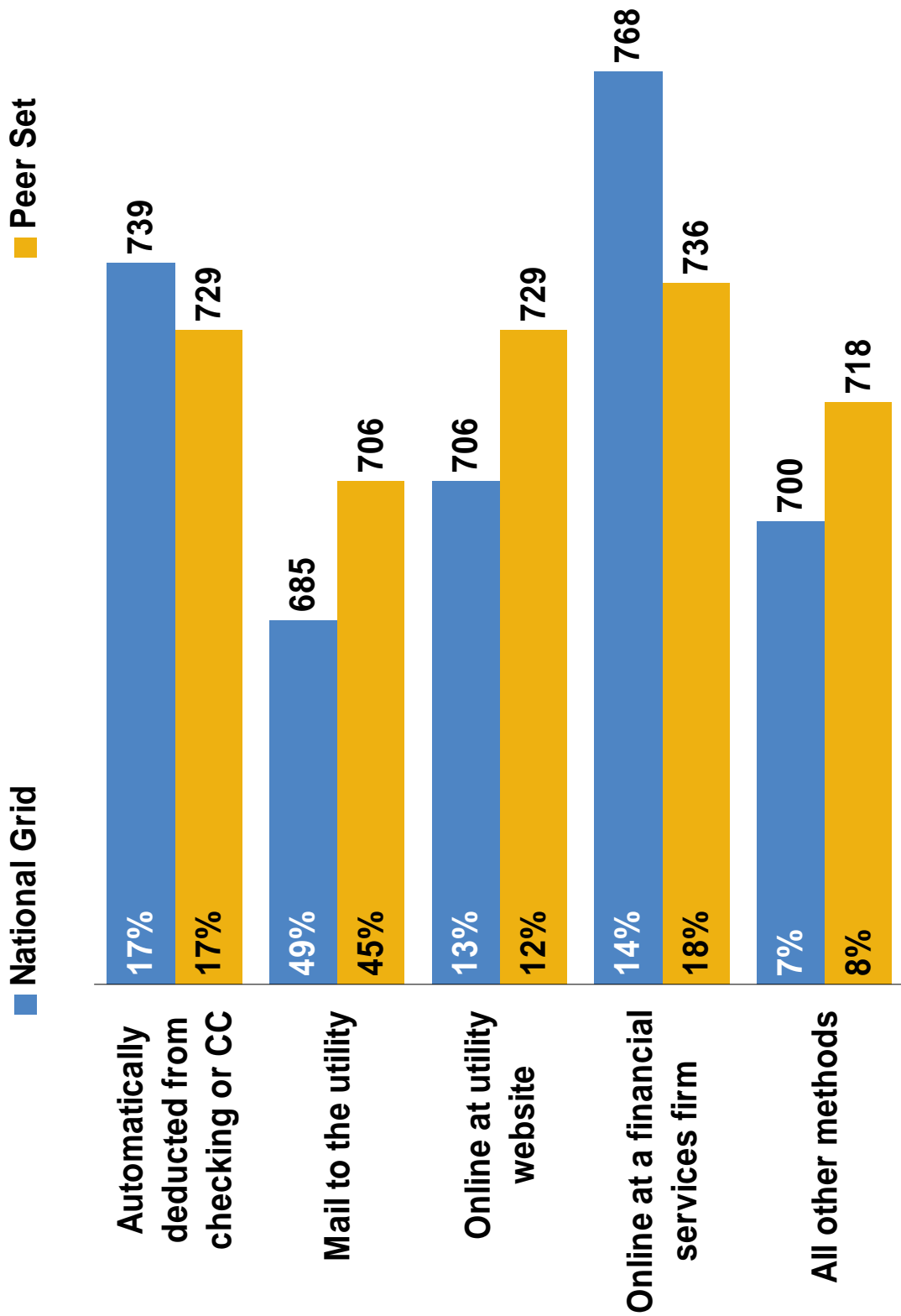
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National Grid

Billing & Payment Performance Details - Mean Scores

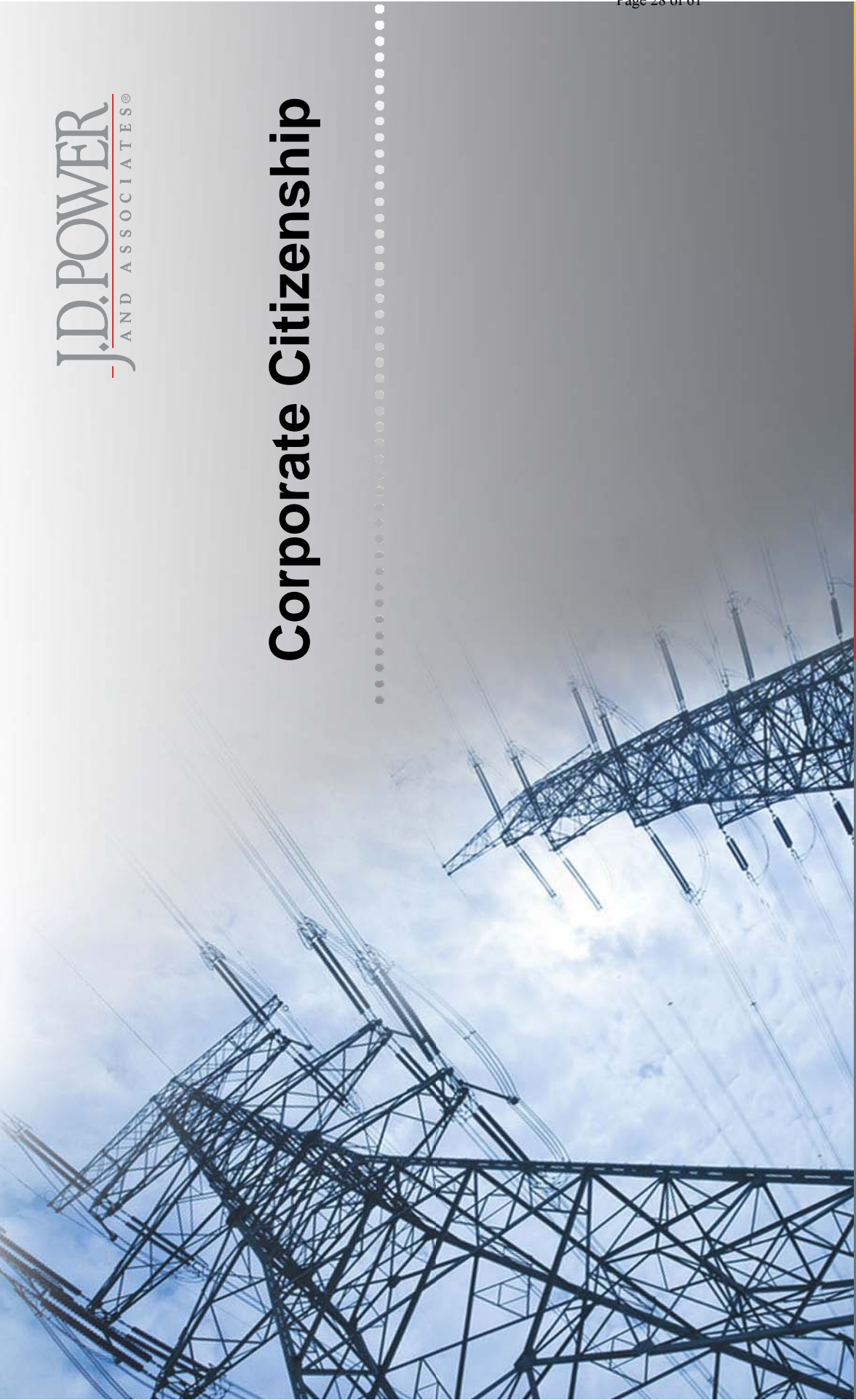
	Difference		
	2012	2011	
(19%) Billing & Payment Index	706	692	+14
(25%) Amount of time given to pay your bill	6.84	6.72	+0.12
(24%) Usefulness of information on your bill	6.91	6.79	+0.12
(23%) Variety of methods to pay your bill	6.96	6.77	+0.19
(14%) Ease of finding the exact amount to pay	7.52	7.36	+0.16
(14%) Ease of finding the payment due date	7.40	7.31	+0.09
Overall Billing And Payment Experience	7.13	7.00	+0.13

Billing & Payment Index by Bill Payment Channel





Corporate Citizenship



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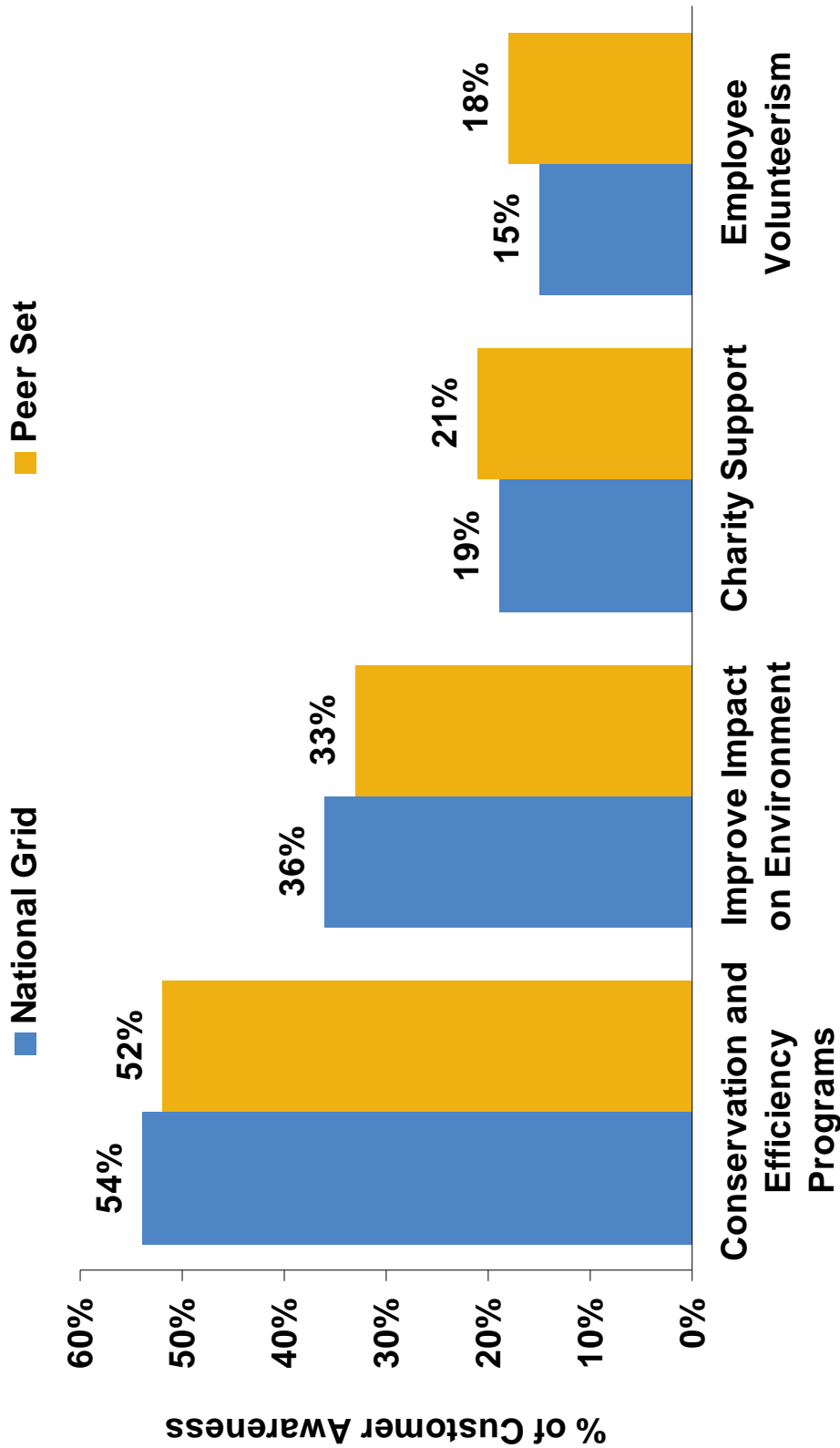
National Grid

Corporate Citizenship Performance Details - Mean Scores

	Difference		
	2011	2012	
(17%) Corporate Citizenship Index	596	567	+29
(24%) Involvement in local charities and civic organizations	5.72	5.44	+0.28
(21%) Business leadership in local communities	5.83	5.55	+0.28
(19%) Efforts to develop energy supply plans for the future	6.09	5.79	+0.30
(19%) Variety of energy efficiency programs offered	6.17	5.81	+0.36
(18%) Actions to take care of the environment	6.08	5.82	+0.26
Overall Corporate Citizenship	5.97	5.65	+0.32

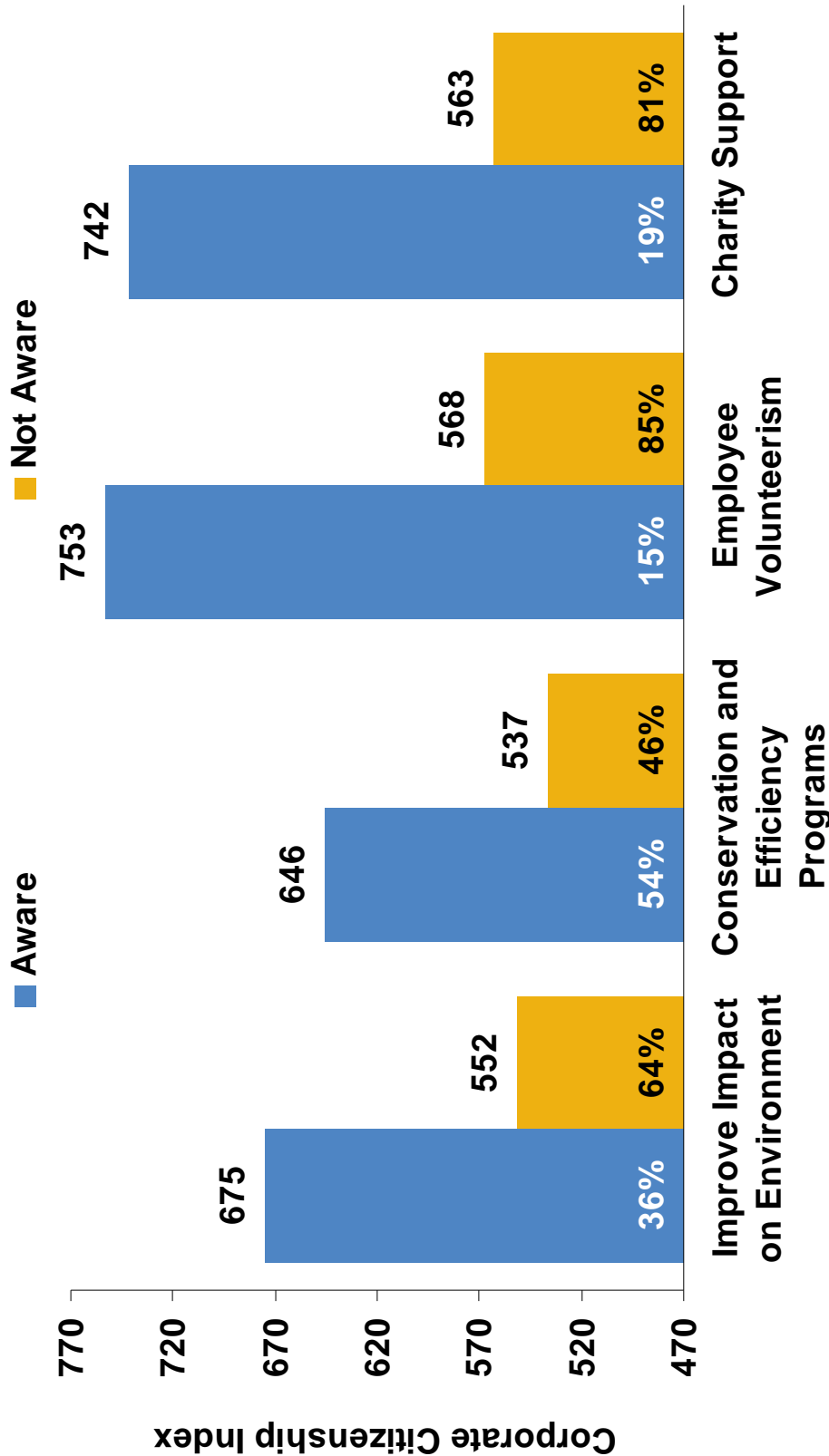
Customer Awareness

National Grid Percentage of Customer Awareness

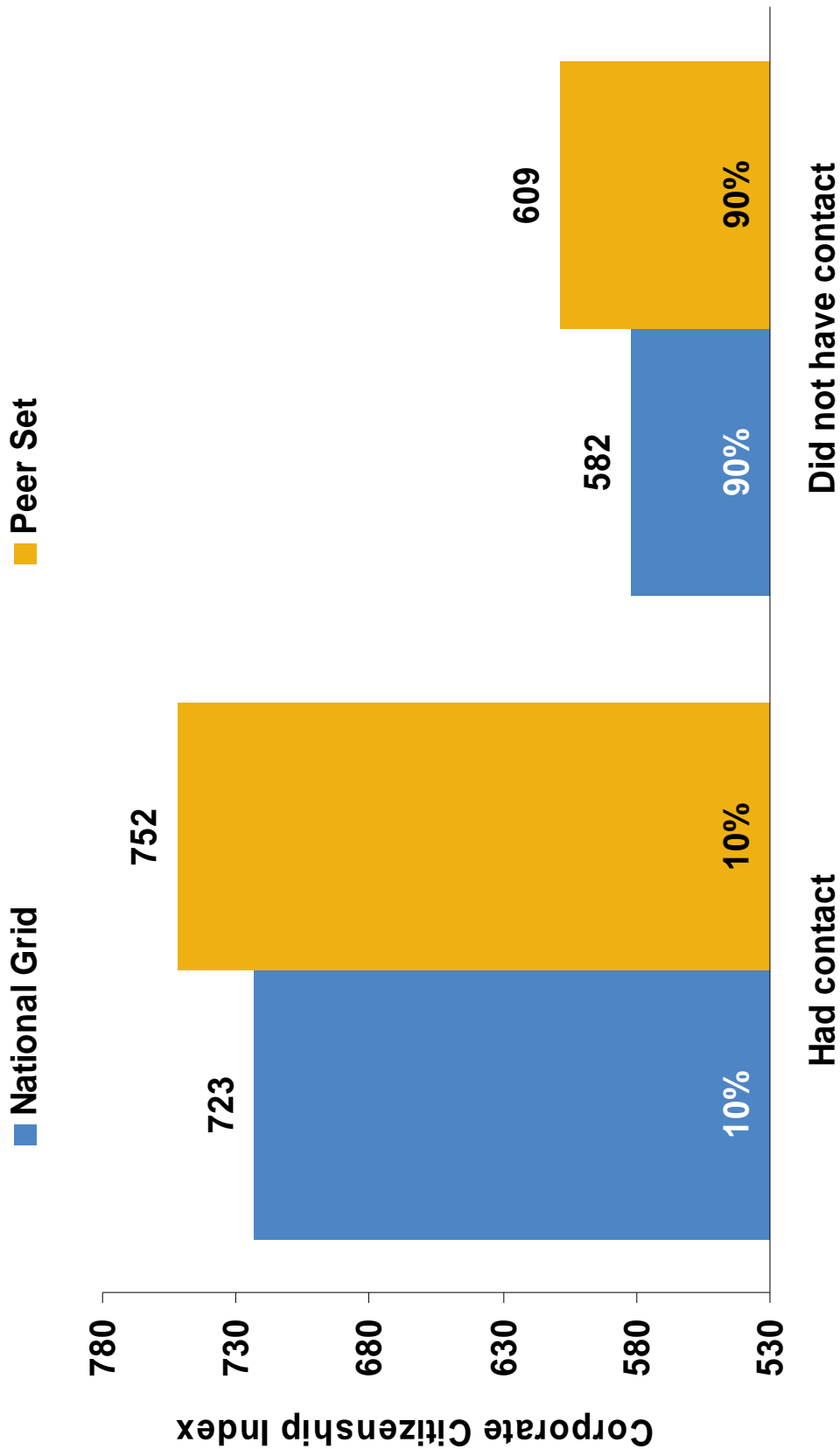


Program Familiarity Boosts Satisfaction

National Grid Corporate Citizenship Index by Customer Awareness



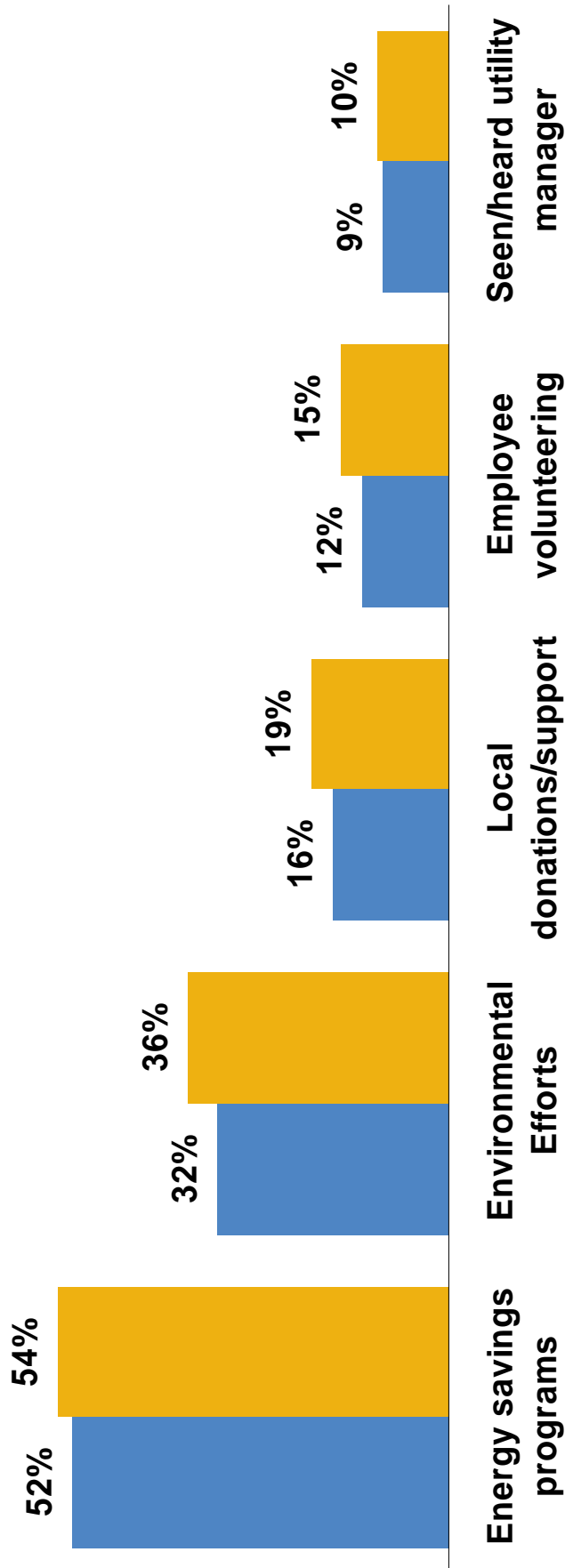
National Grid Corporate Citizenship Index by Had Contact with Senior Management



National Grid Awareness Increases in 2012

Aware of Utility Corporate Efforts On...

■ 2011 ■ 2012



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Price



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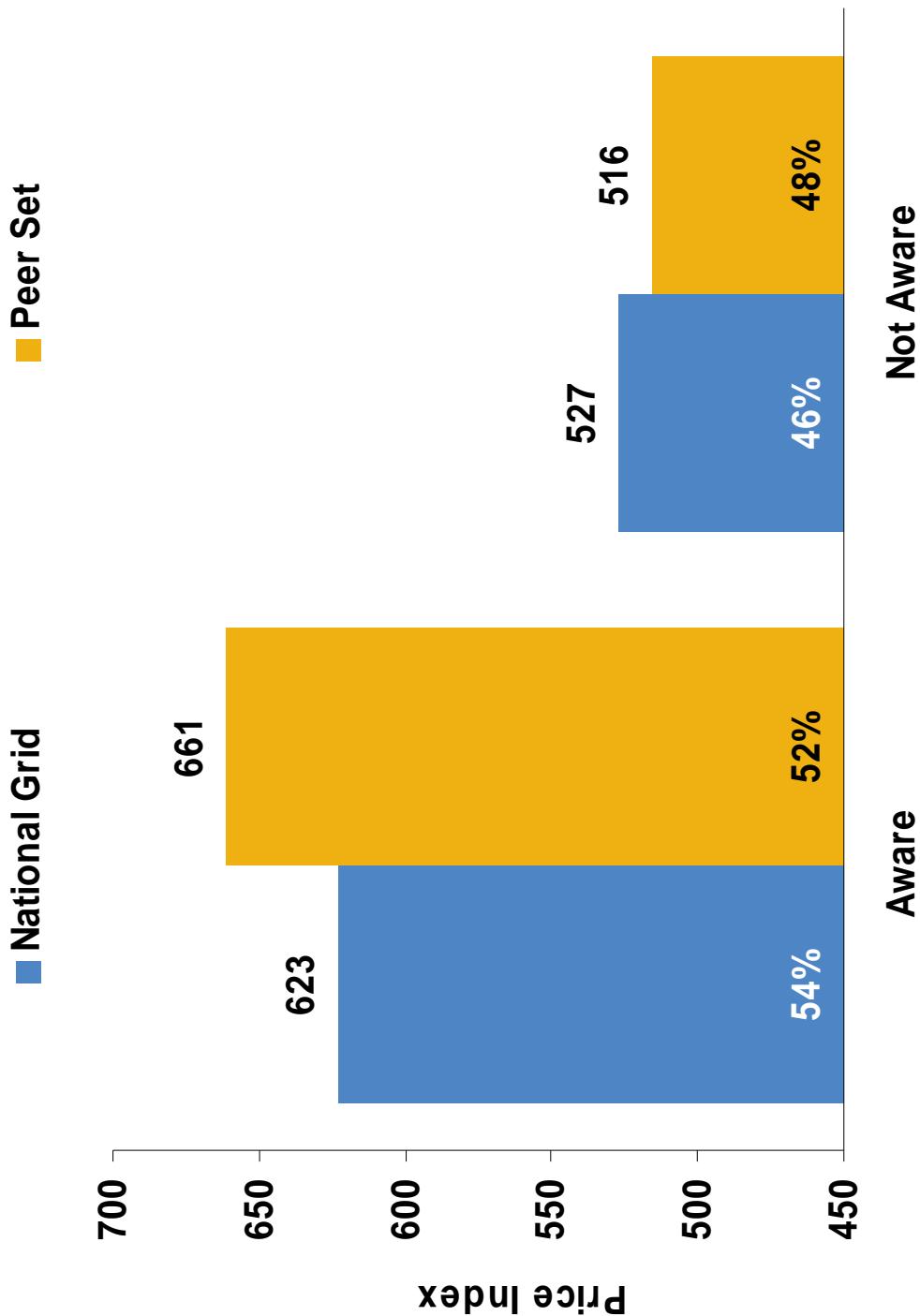
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National Grid

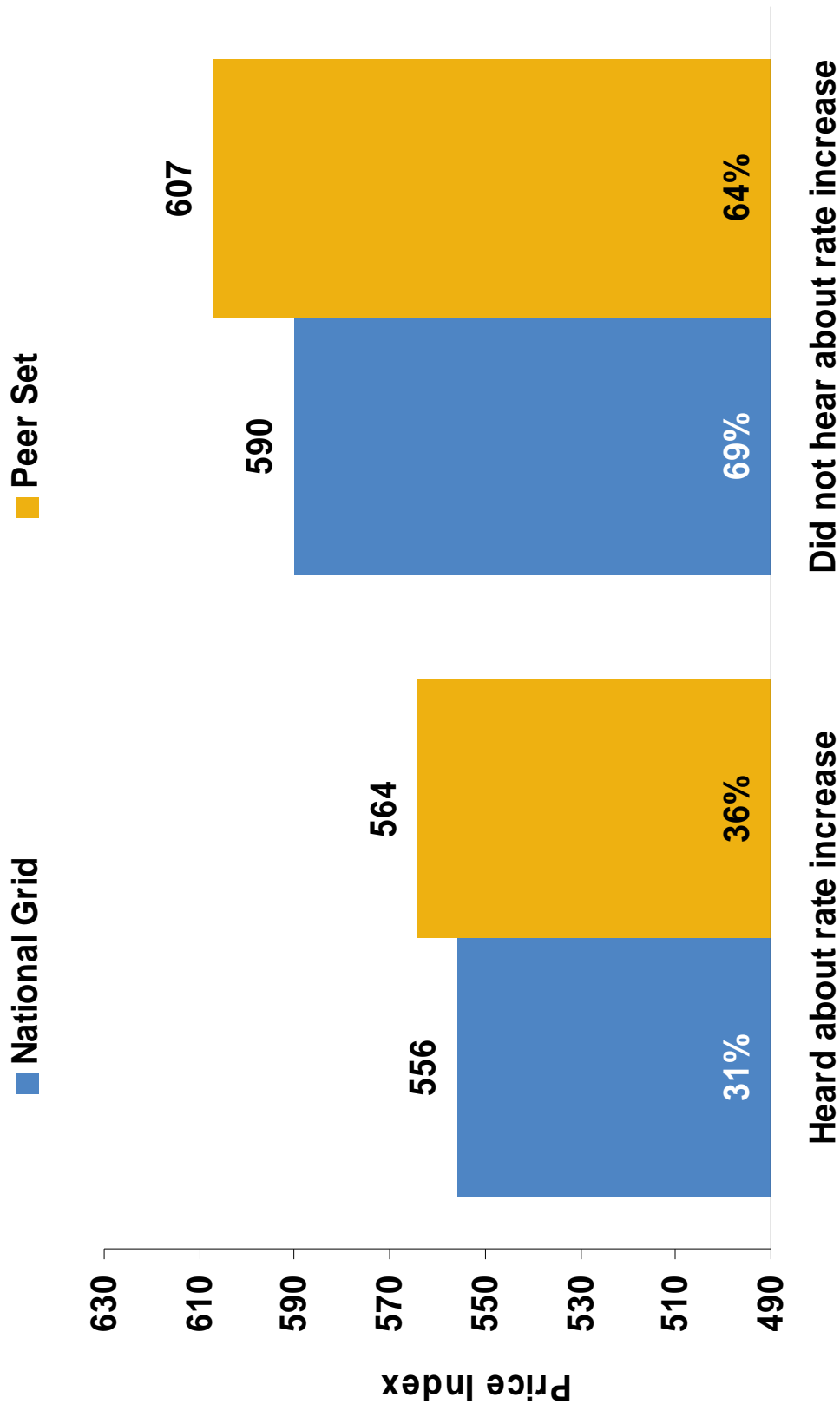
Price Performance Details - Mean Scores

	Difference		
	2011	2012	
(15%) Price Index	579	549	+30
(45%) Fairness of pricing	5.71	5.42	+0.29
(21%) Effort of utility company to help you manage your monthly usage	5.81	5.50	+0.31
(18%) Availability of pricing options that meet your needs	5.84	5.51	+0.33
(17%) Ease of understanding your pricing options	5.93	5.65	+0.28
Overall Cost Of Your Electricity Service	5.70	5.34	+0.36

National Grid Price Index by Awareness of Energy Conservation Program



Price Index by Hearing About Rate Increases





Communications



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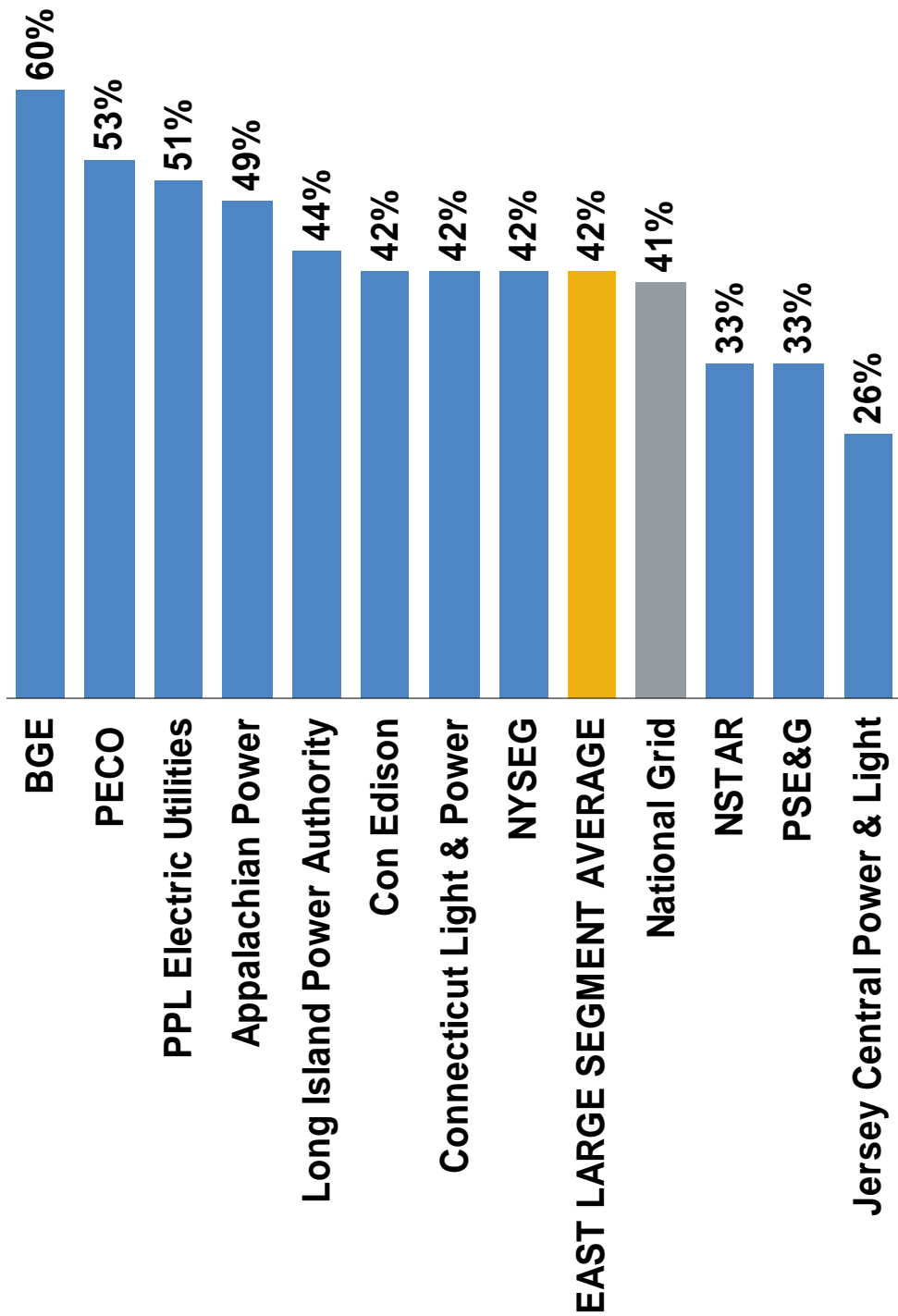
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National Grid

Communications Performance Details - Mean Scores

	Difference		
	2012	2011	
(14%) Communications Index	561	551	+10
(29%) Efforts to get feedback from business customers	5.47	5.36	+0.11
(24%) Frequency of updates and notices of new developments	5.62	5.56	+0.06
(24%) Variety of methods used to communicate changes/updates	5.71	5.61	+0.10
(23%) Communication of topics that are important to your business	5.66	5.53	+0.13
Overall Communications	5.63	5.58	+0.05

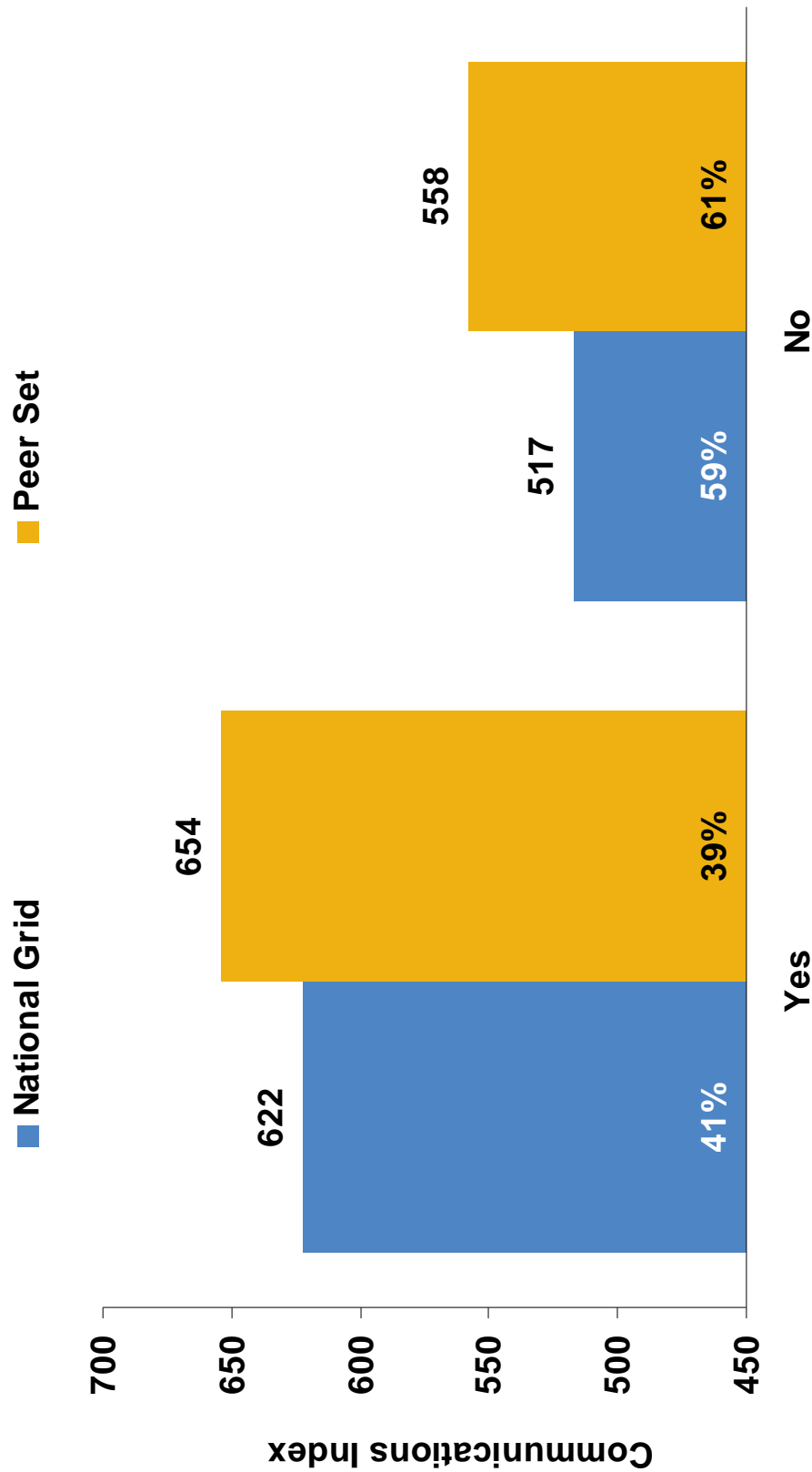
East Large Segment Customers Percentage Recall Communications from Utility



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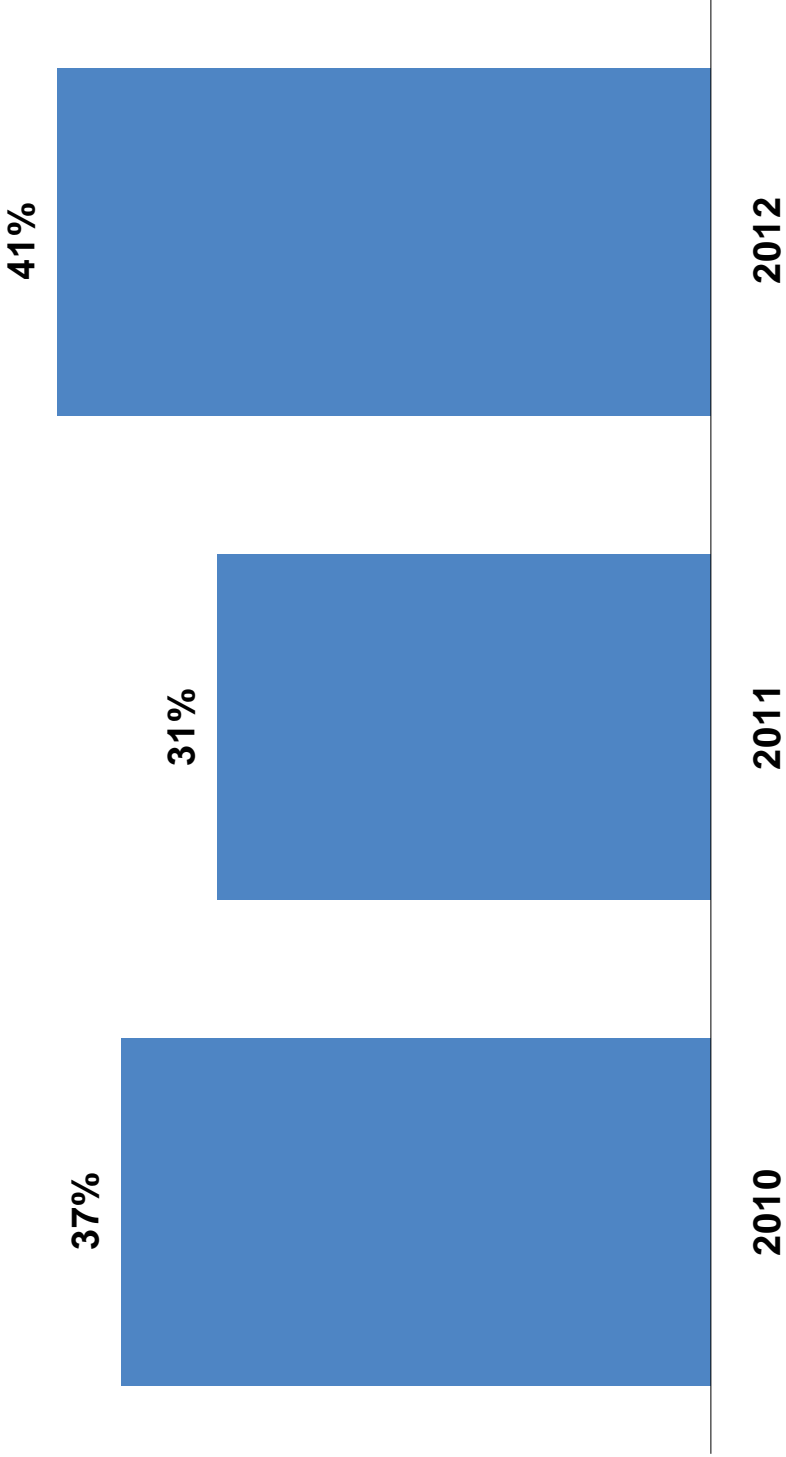
Communication Recall Improves Satisfaction

Customer recalled seeing, reading, or hearing any utility advertisement or communications in the LAST 6 months

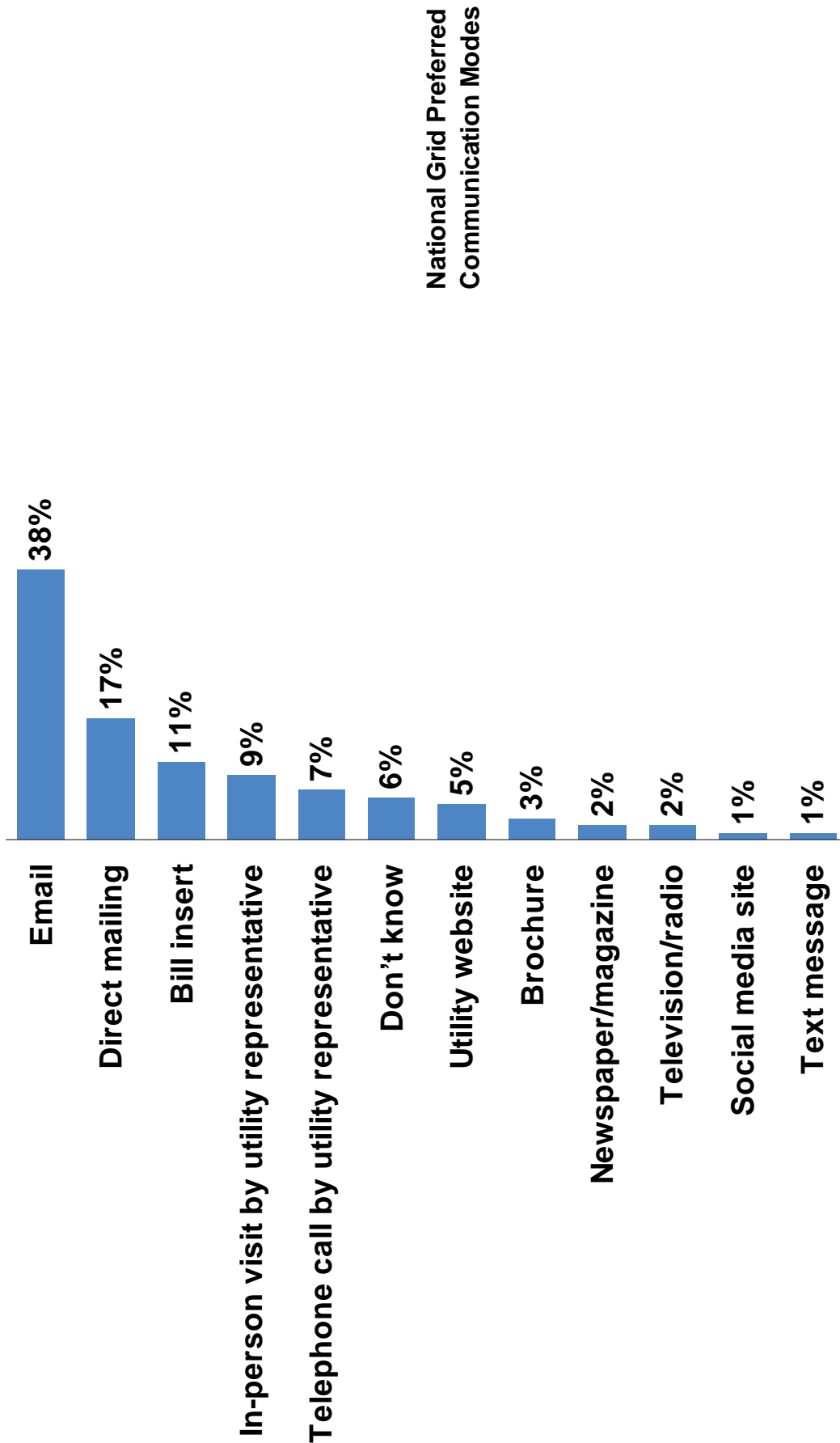


Communications Recall Is Up Compared To 2010 and 2011

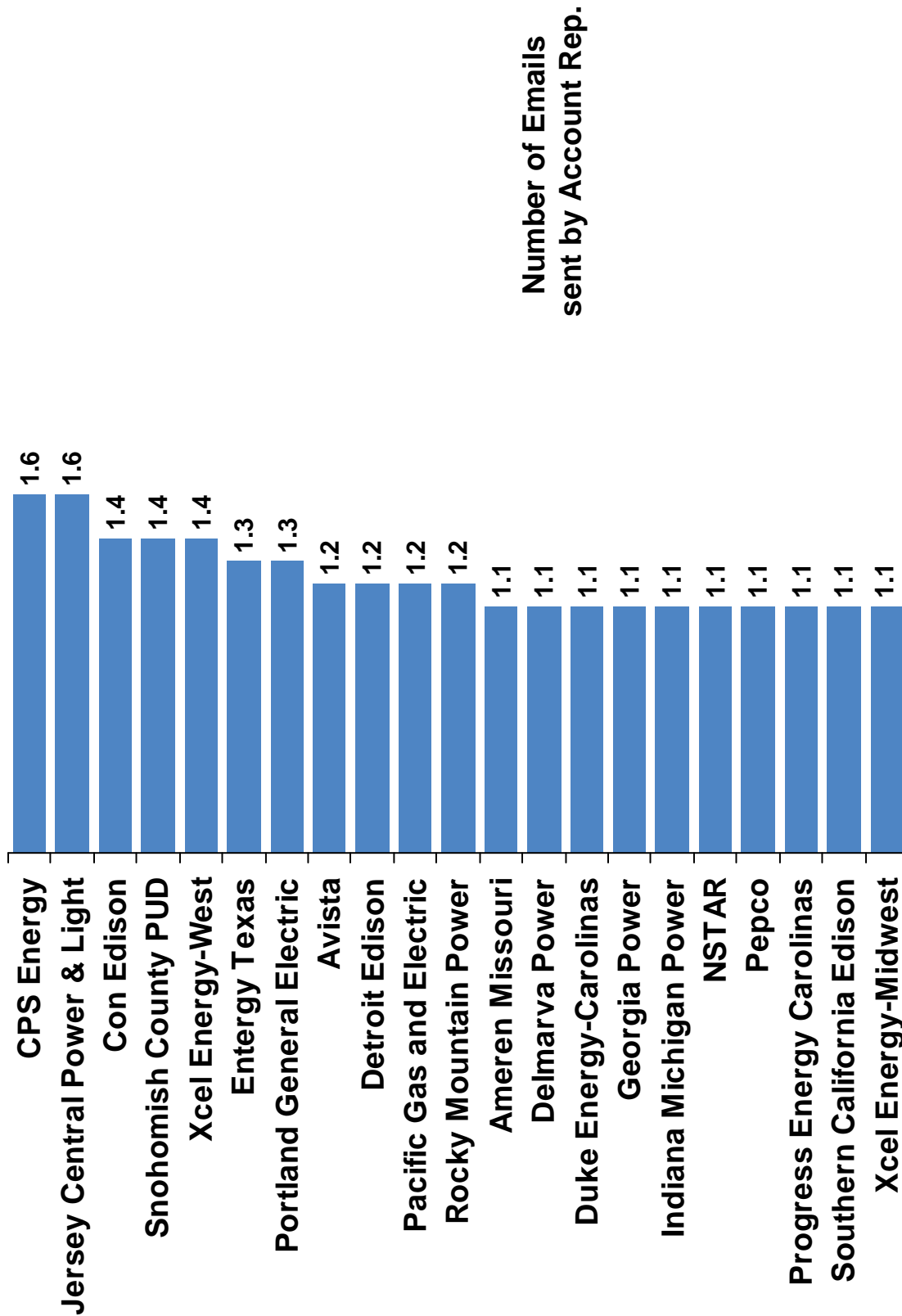
National Grid Recall Communications



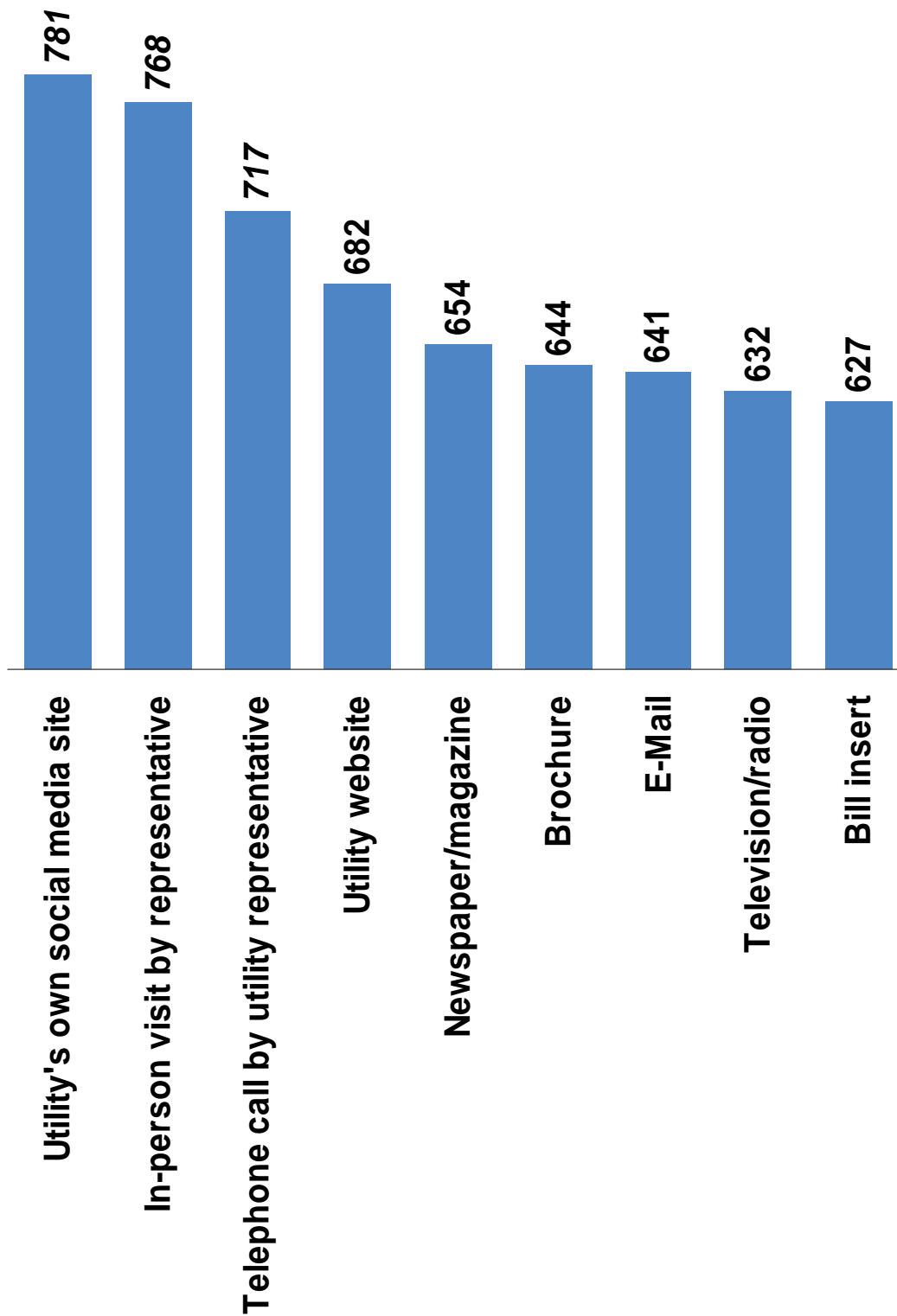
National Grid Business Customers Want Email



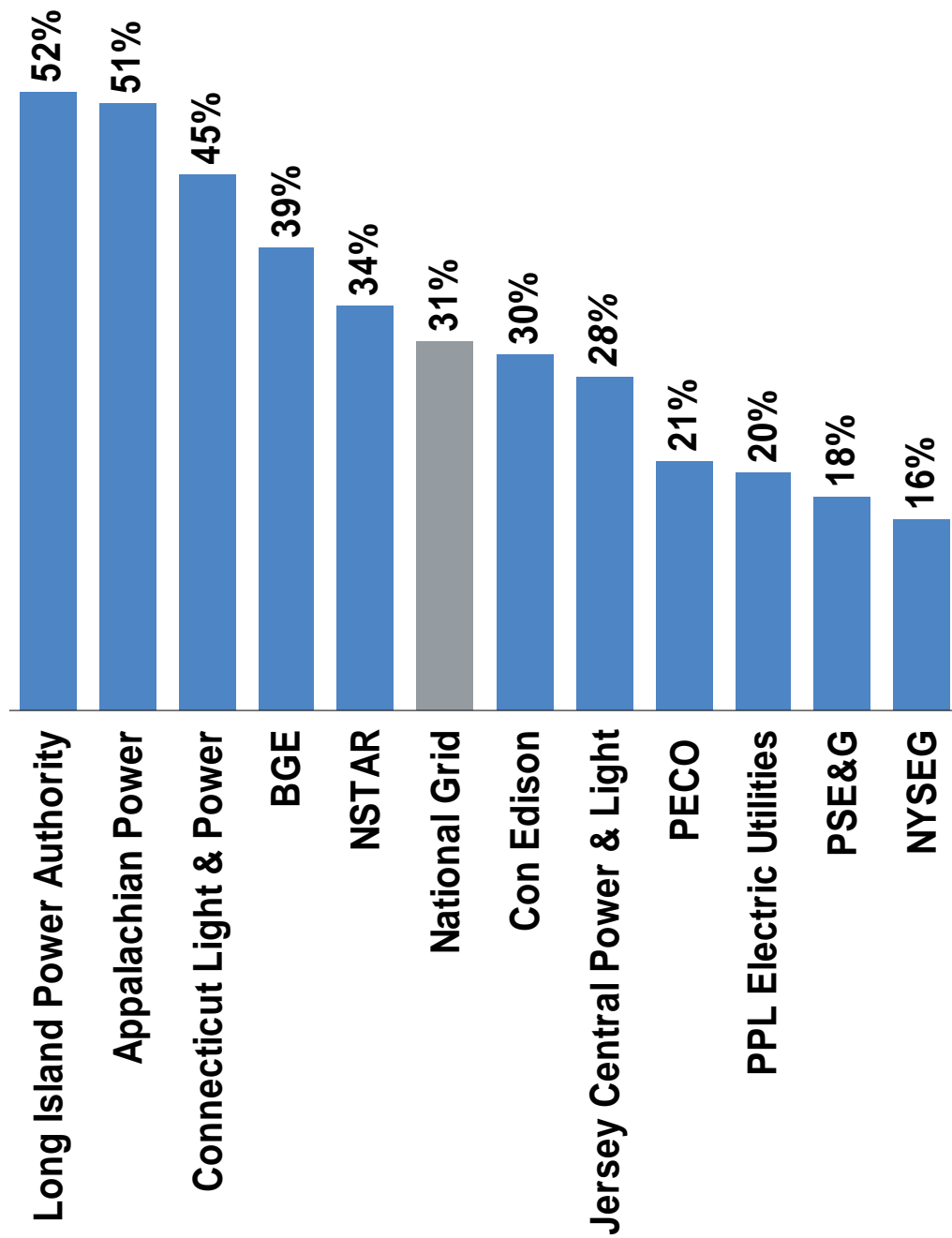
Top Utilities – Number of Emails



National Grid Communications Index

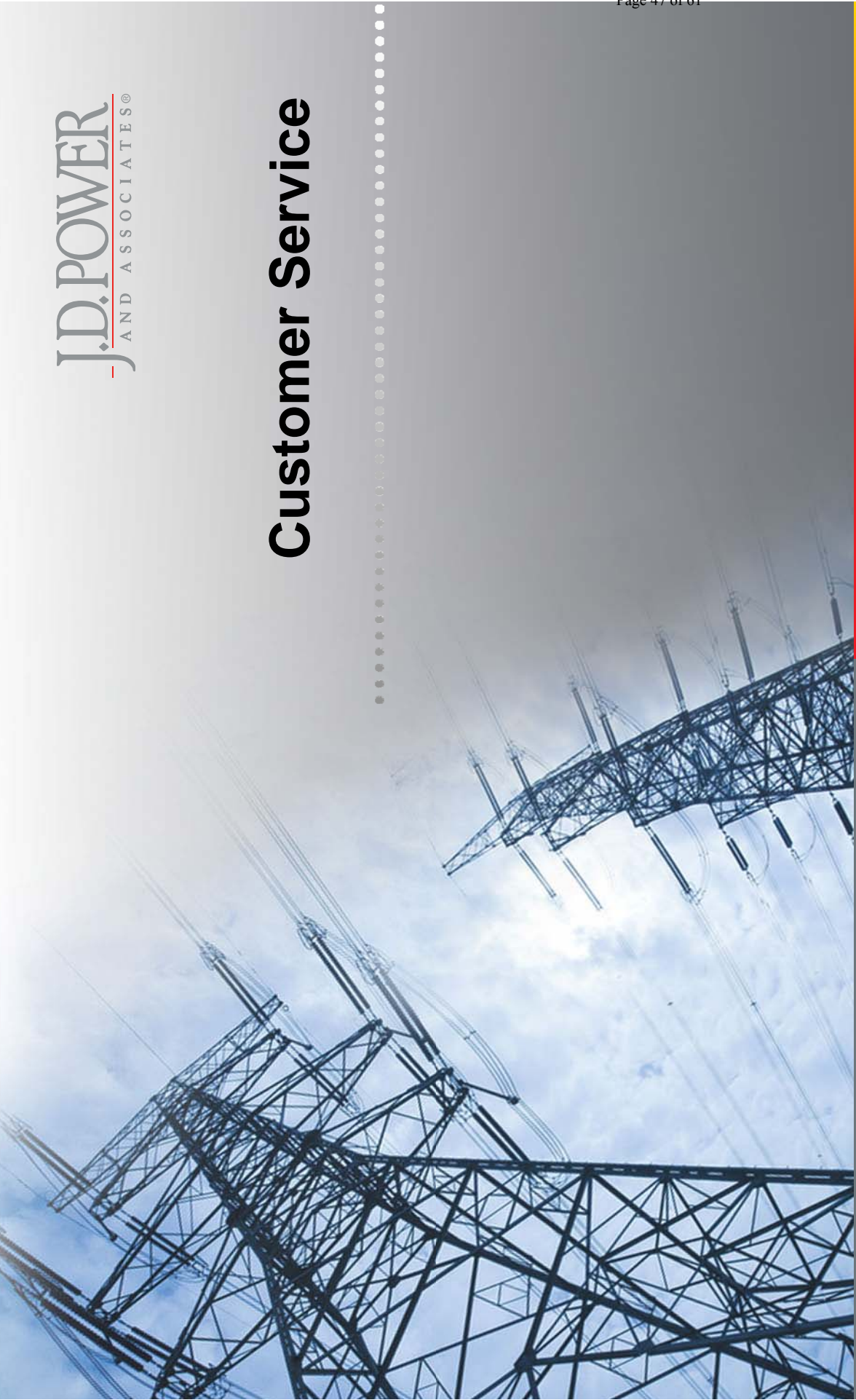


Percentage Recalling a Negative Media Story





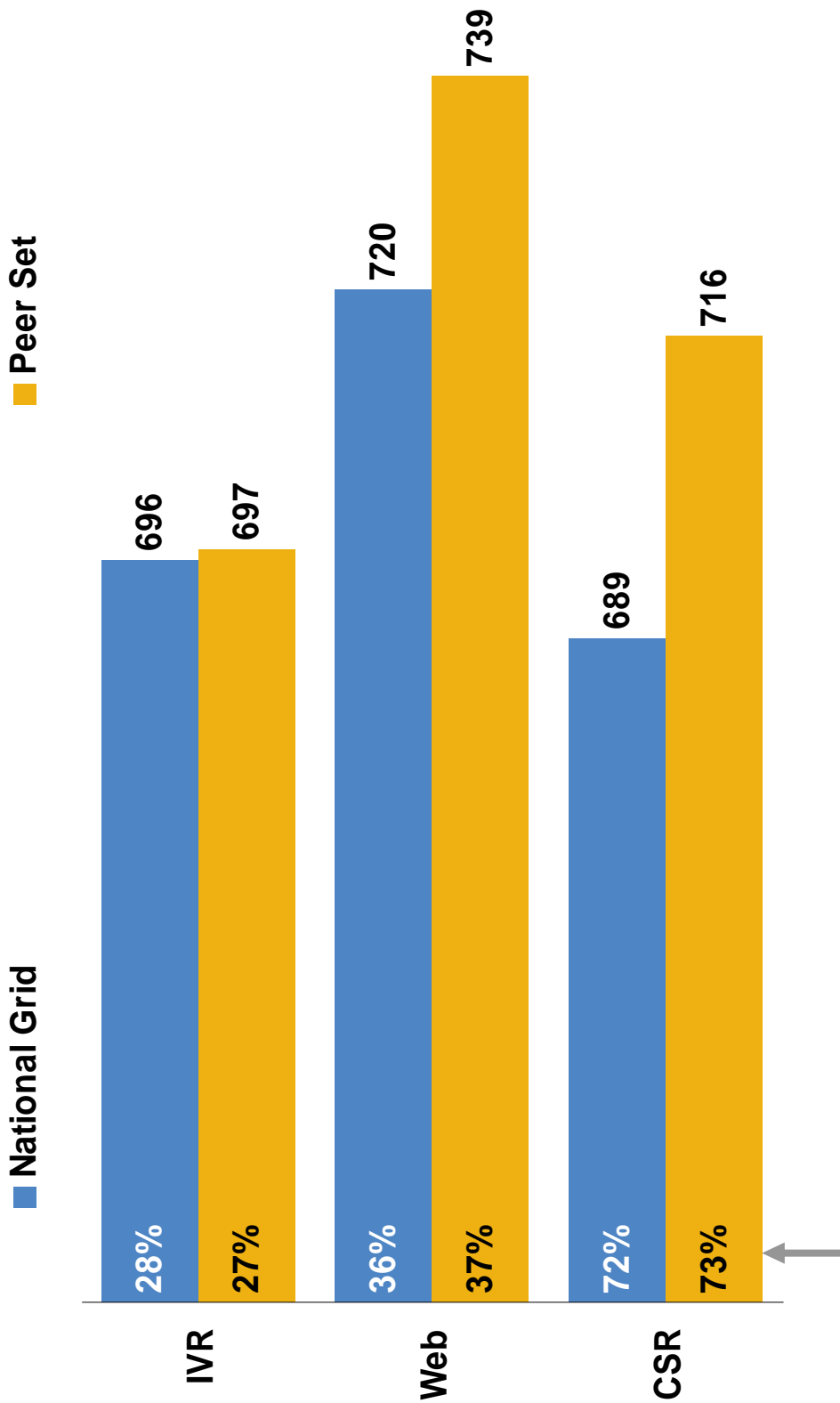
Customer Service



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Customer Service Index By Contact Type



Percent of all customers

National Grid

Customer Service - IVR Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(10%) Customer Service - IVR Index	696	697	-1
(35%) Timeliness of resolving problem, question, or request	6.79	6.71	+0.08
(22%) Ease of understanding the phone menu instructions	7.12	7.09	+0.03
(22%) Ease of navigating the phone menu prompts	6.88	6.94	-0.06
(20%) Clarity of the information provided	6.95	6.93	+0.02
Overall Phone Customer Service Experience ¹	6.98	6.81	+0.17

¹Based on customers whose recent contact was IVR.

National Grid

Customer Service - Web Performance Details - Mean Scores

	Difference	
	Peer Set	National Grid
(10%) Customer Service - Web Index	720	739
(34%) Timeliness of resolving your problem, question, request	7.19	7.46
(20%) Ease of navigating the website	7.16	7.30
(19%) Clarity of information provided	7.25	7.45
(17%) Appearance of the website	7.23	7.22
(9%) Helpfulness of email representative	7.22	7.95
Overall Online Customer Service Experience	7.22	7.46
		-0.24

National Grid

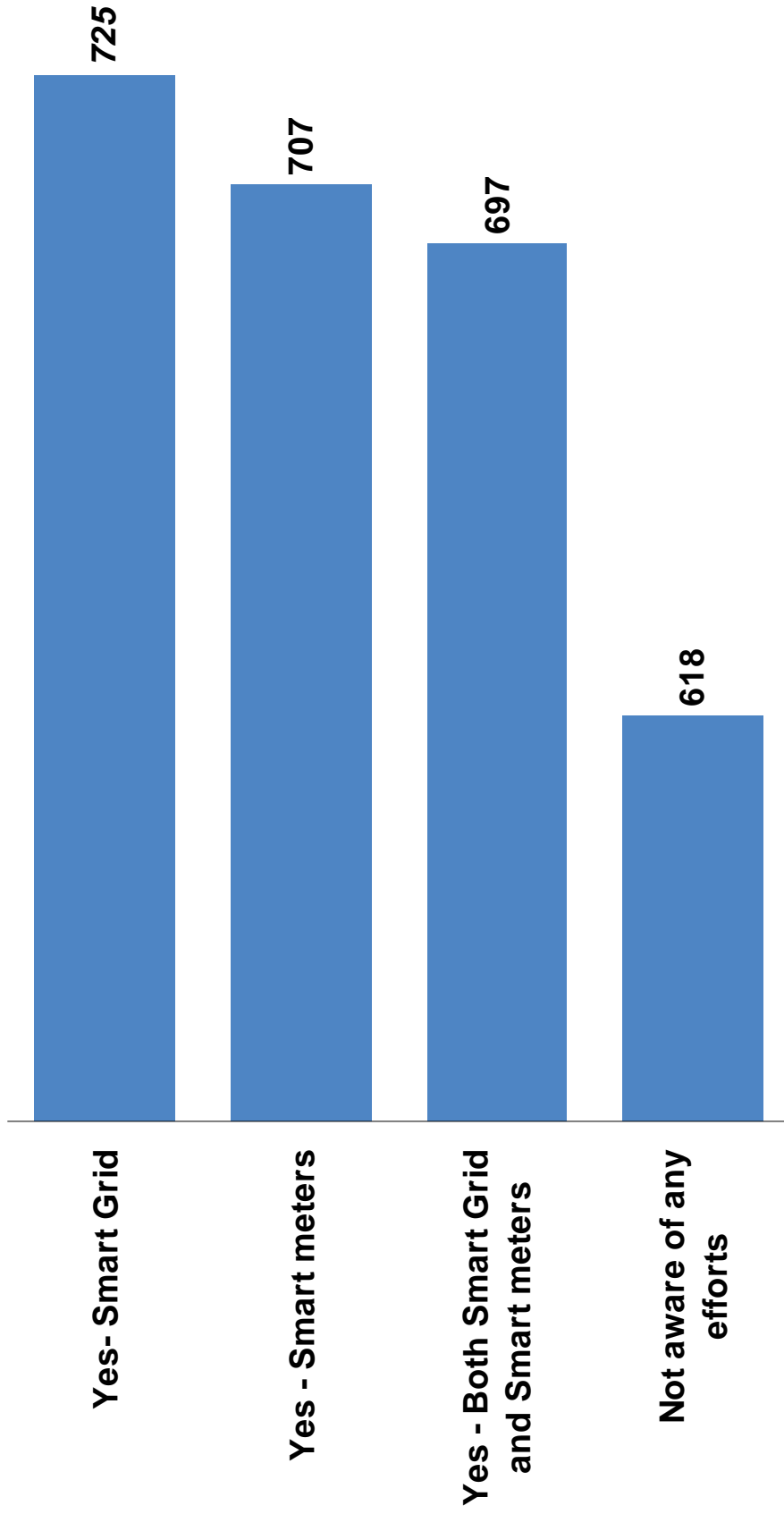
Customer Service - CSR Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(10%) Customer Service - CSR Index	689	716	
	716	-27	
(22%) Courtesy of the representative	7.46	7.50	-0.04
(20%) Promptness in speaking to a person	6.60	6.90	-0.30
(18%) Timeliness of resolving problem, question, or request	6.71	7.12	-0.41
(15%) Representative's concern for your needs	6.94	7.08	-0.14
(14%) Ease of navigating through the phone system	6.18	6.47	-0.29
(11%) Knowledge of the representative	7.13	7.29	-0.16
Overall Phone Customer Service Experience ¹	6.94	7.15	-0.21

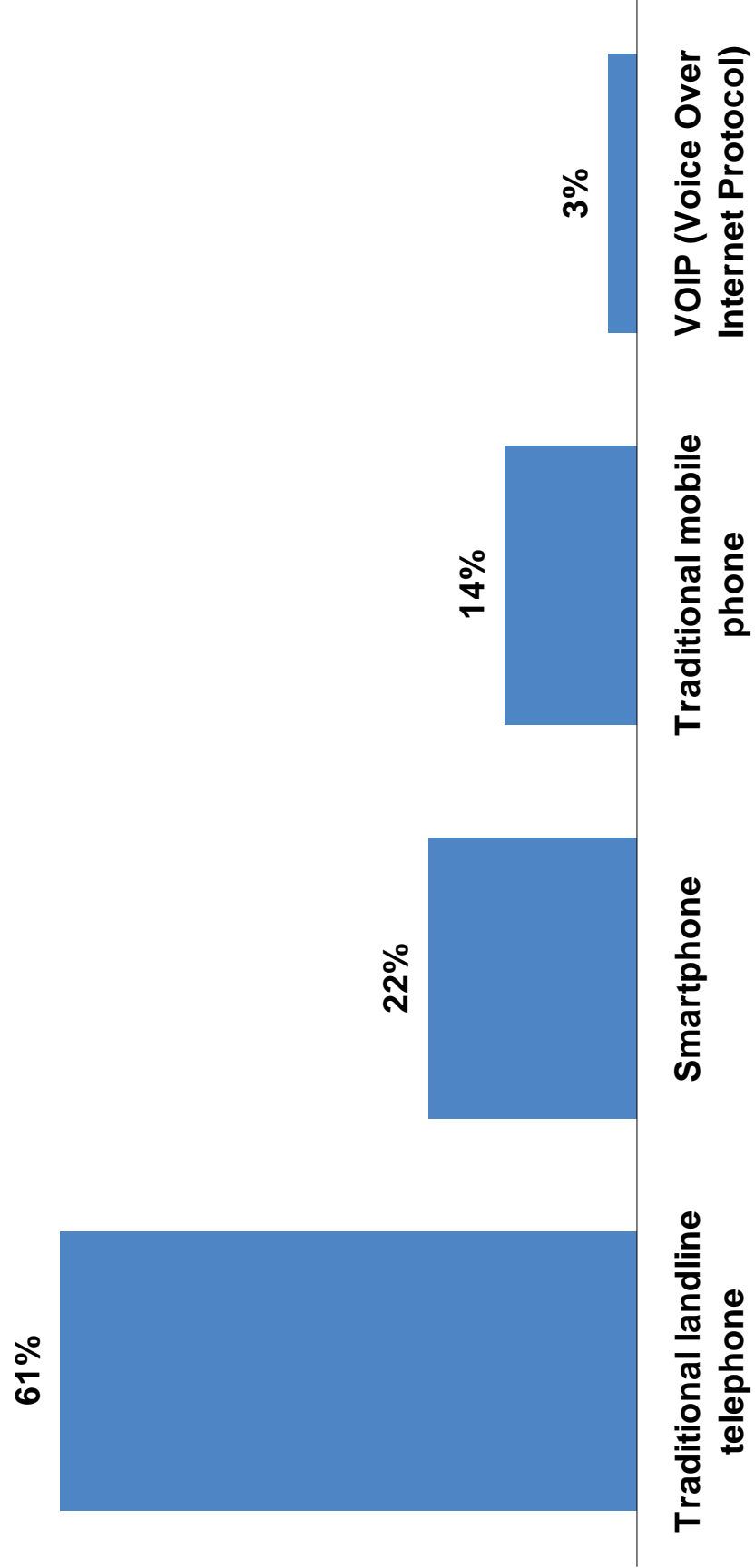
¹Based on customers whose recent contact was talking to a CSR or A TRS to CSR.

Customer Service Metrics	National Grid	East Large Region
# of IVR touches required	3.4	3.3
Placed on hold	82%	81%
Reported time on hold (minutes)	7.0	7.0
Provided estimated hold time	60%	61%
Accurate hold time estimate	73%	82%
CSR had acct info ready	85%	84%
First call resolution	65%	63%
# of web clicks required	2.7	2.8
First online contact resolution	67%	68%

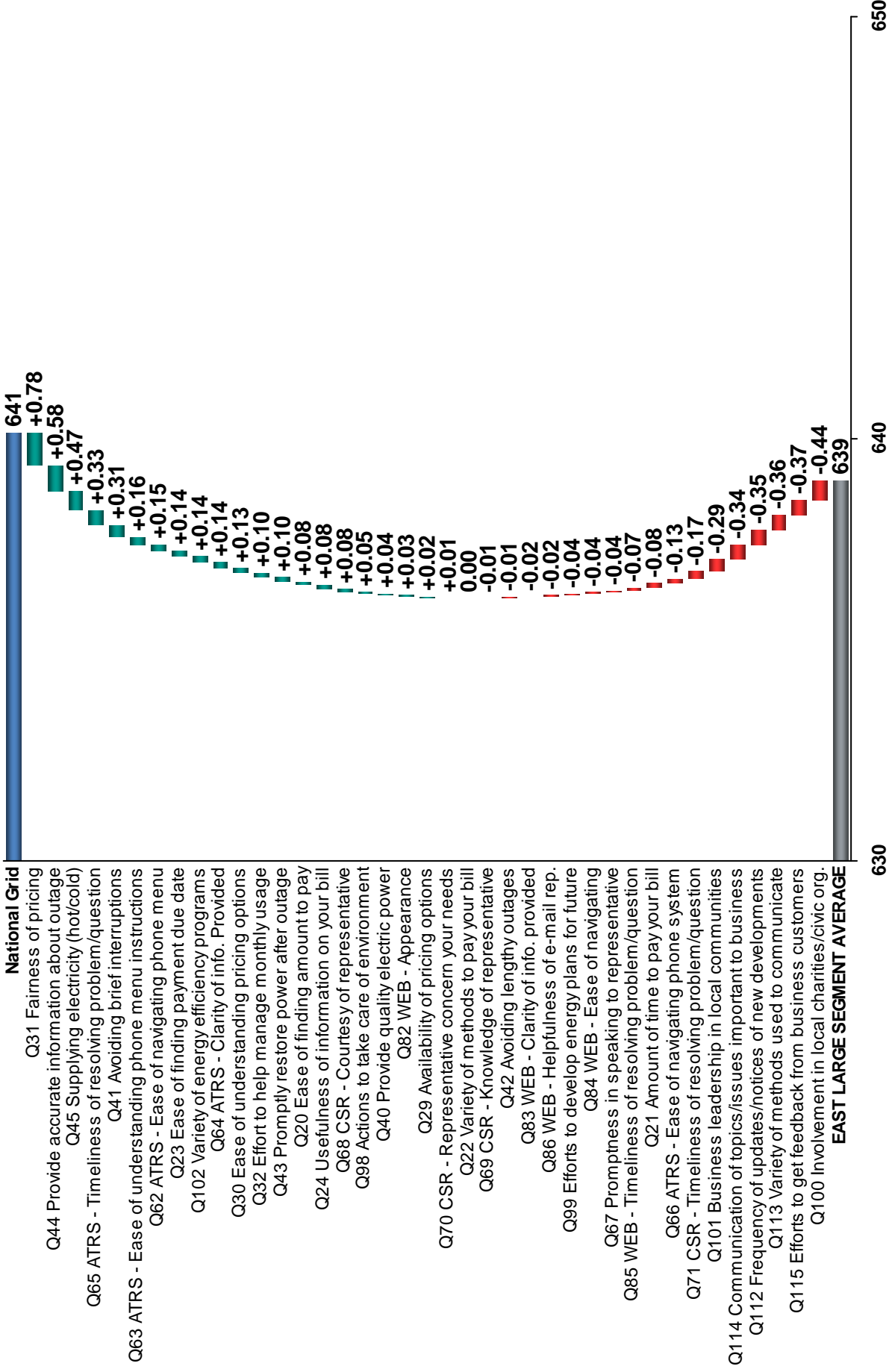
Aware Of National Grid's Smart Technology Deployment?



What type of phone did you use to contact your utility on this most-recent phone interaction?



Attribute Gap Analysis¹

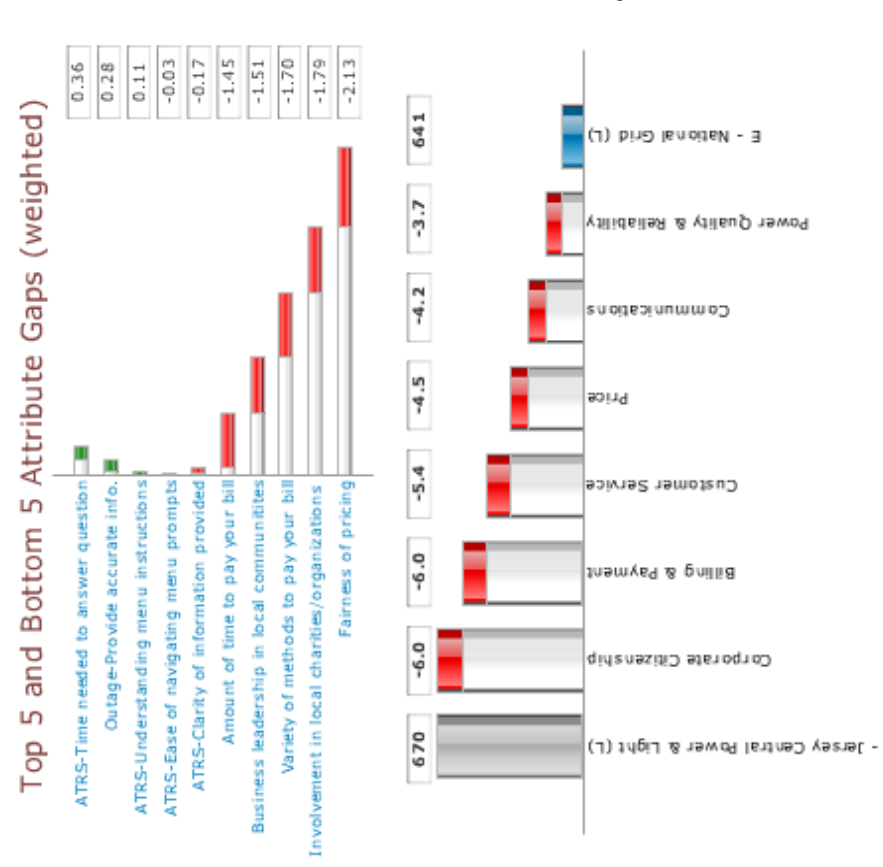
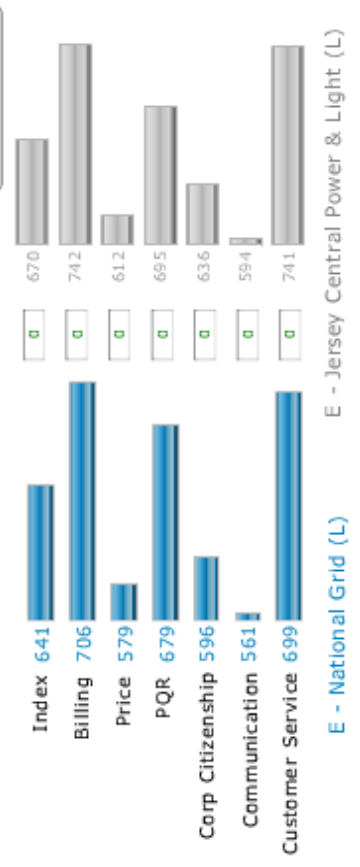


¹(Brand Index - EAST LARGE SEGMENT AVERAGE Index) * Factor/Attribute's Importance Weight.

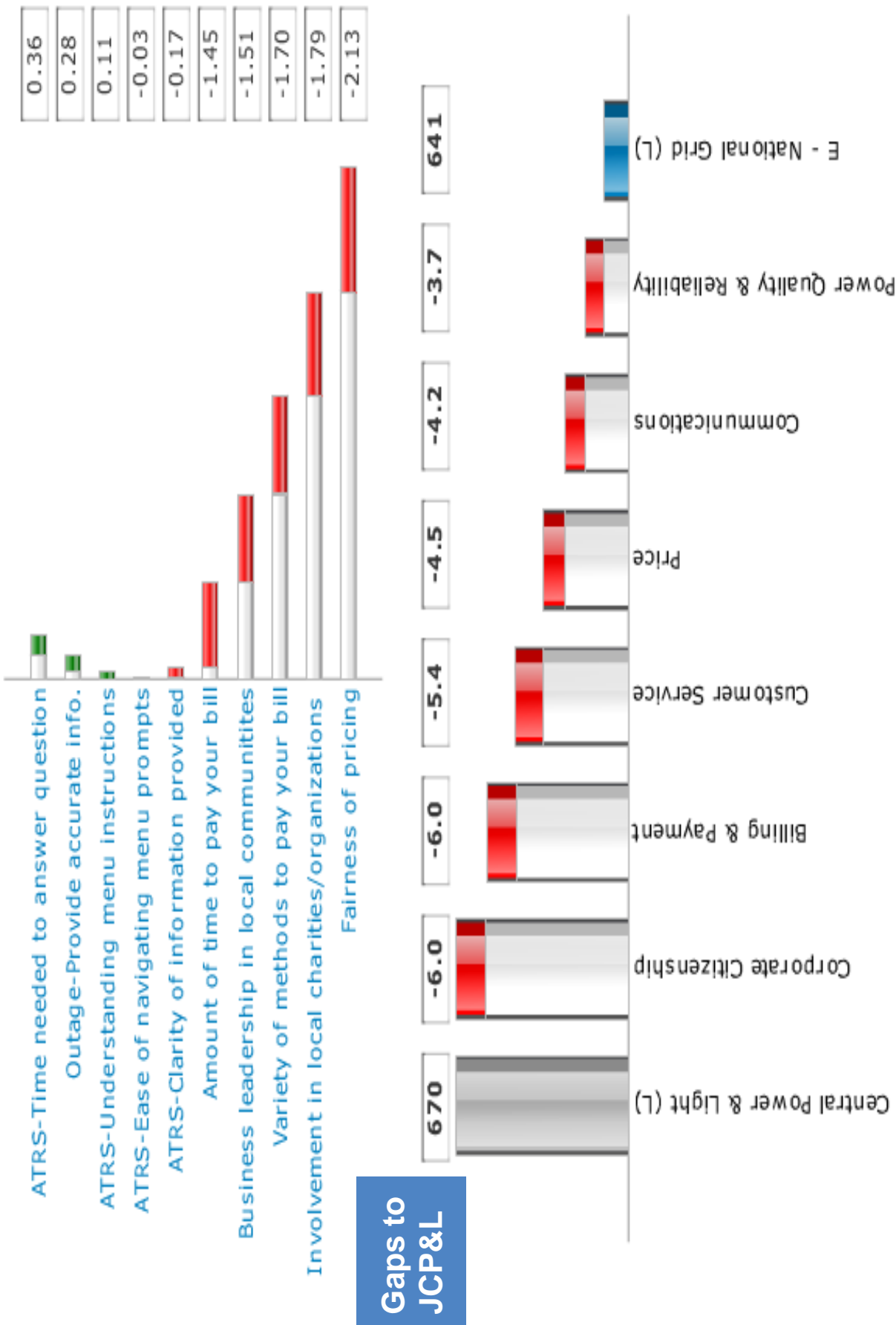
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2012 Business Electric Index Calculator

Index	Weight	Current	Adjusted		Comparison SWOOP
			641	641	
Billing & Payment		706	706	670	-6.0
Ease of finding the exact amount to pay	2.5%	7.52	7.52	7.84	-0.74
Usefulness of information on your bill	4.3%	6.91	6.91	7.26	-1.39
Amount of time to pay your bill	4.5%	6.84	6.84	7.19	-1.45
Ease of finding payment due date	2.5%	7.40	7.40	7.69	-0.69
Variety of methods to pay your bill	4.2%	6.96	6.96	7.40	-1.70
Price		579	579	612	-4.5
Availability of pricing options	2.6%	5.84	5.84	6.25	-0.98
Ease of understanding your pricing options	2.5%	5.93	5.93	6.24	-0.70
Fairness of pricing	6.7%	5.71	5.71	6.06	-2.13
Effort to help manage monthly usage	3.0%	5.81	5.81	6.05	-0.65
Power Quality & Reliability		679	679	695	-3.7
Provide quality electric power	4.5%	6.79	6.79	7.09	-1.23
Avoid brief interruptions < 5 min.	4.0%	6.85	6.85	6.96	-0.39
Avoid lengthy outages > 5 min.	3.3%	6.77	6.77	6.95	-0.55
Outage-Restoring electricity	4.0%	6.62	6.62	6.84	-0.78
Outage-Provide accurate info.	4.0%	6.34	6.34	6.27	0.28
Supplying electricity (Hot/Cold)	5.4%	7.19	7.19	7.39	-1.00
Corporate Citizenship		596	596	636	-6.0
Actions to take care of the environment	2.9%	6.08	6.08	6.46	-1.01
Efforts to develop plans for future	3.2%	6.09	6.09	6.37	-0.81
Involvement in local charities/organizations	3.9%	5.72	5.72	6.22	-1.79
Business leadership in local communities	3.4%	5.83	5.83	6.31	-1.51
Variety of energy efficiency programs offered	3.1%	6.17	6.17	6.50	-0.91
Communications		561	561	594	-4.2
Frequency of updates/notifications of new developments	3.3%	5.62	5.62	6.00	-1.17
Variety of methods used to communicate	3.3%	5.71	5.71	6.04	-0.98
Communication of topics important to your business	3.2%	5.66	5.66	6.00	-1.01
Efforts to get feedback from their business customers	3.9%	5.47	5.47	5.76	-1.06
Customer Service		699	699	741	-5.4
Phone Customer Service		690	690	726	-2.4
ATRS-Ease of navigating menu prompts	0.5%	6.88	6.88	6.95	-0.03
ATRS-Understanding menu instructions	0.5%	7.12	7.12	6.92	0.11
ATRS-Clarity of information provided	0.5%	6.95	6.95	7.34	-0.17
ATRS-Time needed to answer question	0.8%	6.79	6.79	6.39	0.36
ATRS/Rep-Ease of navigating the system	0.8%	6.18	6.18	6.55	-0.28
Rep-Promptness in speaking to CSR	1.1%	6.60	6.60	7.08	-0.49
Rep-Courtesy of the representative	1.3%	7.46	7.46	7.84	-0.44
Rep-Knowledge of the representative	0.6%	7.13	7.13	7.75	-0.35
Rep-Concern for your needs	0.8%	6.94	6.94	7.54	-0.46
Rep-Time needed to answer question	1.0%	6.71	6.71	7.38	-0.65
Online Customer Service		720	720	804	-3.0
Website-Appearance	0.7%	7.23	7.23	7.80	-0.37
Website-Clarity of information provided	0.8%	7.25	7.25	8.02	-0.53
Website-Ease of navigating	0.8%	7.16	7.16	8.06	-0.66
Website-Time needed to answer question	1.4%	7.19	7.19	8.07	-1.10
Website-Helpfulness of email representative	0.3%	7.14	7.14	8.37	-0.31



Top 5 and Bottom 5 Attribute Gaps (weighted)



Gaps to JCP&L

2012 Business Electric Diagnostic Simulator

E - National Grid (L) Reset Best East Large by Attribute

Diagnostics	Baseline Target		Benchmark		Index billing cost performance corp communication custserv						
	24%	24%	37%		641	706	579	679	596	561	699
Choose your own billing date	24%	24%	37%		0	0	0	0	0	0	0
Bill contains graphs that illustrate consumption	85%	85%	92%		0	0	0	0	0	0	0
Avg # of Brief interruptions	1.74	1.74	1.39		0	0	0	0	0	0	0
Avg # of Lengthy interruptions	0.97	0.97	0.57		0	0	0	0	0	0	0
Avg longest outage (hours)	9.26	9.26	2.72		0	0	0	0	0	0	0
Told cause of outage	32%	32%	36%		0	0	0	0	0	0	0
Utility restored power before or when promised	24%	24%	29%		0	0	0	0	0	0	0
Utility called to confirm power was restored	25%	25%	51%		0	0	0	0	0	0	0
# of IVR menu choices	3.39	3.39	2.81		0	0	0	0	0	0	0
Given estimated hold time	52%	52%	61%		0	0	0	0	0	0	0
Hold time (minutes)	4.92	4.92	3.81		0	0	0	0	0	0	0
# call transfers	0.86	0.86	0.71		0	0	0	0	0	0	0
# web page clicks	2.69	2.69	2.49		0	0	0	0	0	0	0
Contacted CS with billing issue	7%	7%	2%		0	0	0	0	0	0	0
Problem resolved on first contact	60%	60%	67%		0	0	0	0	0	0	0
Aware of donations	19%	19%	29%		0	0	0	0	0	0	0
Aware of employees volunteering in community	15%	15%	22%		0	0	0	0	0	0	0
Aware of environmental actions	36%	36%	38%		0	0	0	0	0	0	0
Communicate emergency preparedness	29%	29%	43%		0	0	0	0	0	0	0
Communicate product/service offers	29%	29%	38%		0	0	0	0	0	0	0
Communicate reliability of electric delivery	16%	16%	28%		0	0	0	0	0	0	0
Communicate safety around electricity	20%	20%	39%		0	0	0	0	0	0	0
Communicate availability of power supply	11%	11%	18%		0	0	0	0	0	0	0
Communicate energy conservation tips	46%	46%	55%		0	0	0	0	0	0	0
# proactive contacts	1.25	1.25	3.06		0	0	0	0	0	0	0
% of customers contacted Customer Service	65%	65%	53%		0	0	0	0	0	0	0

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What Your Utility Needs to Improve

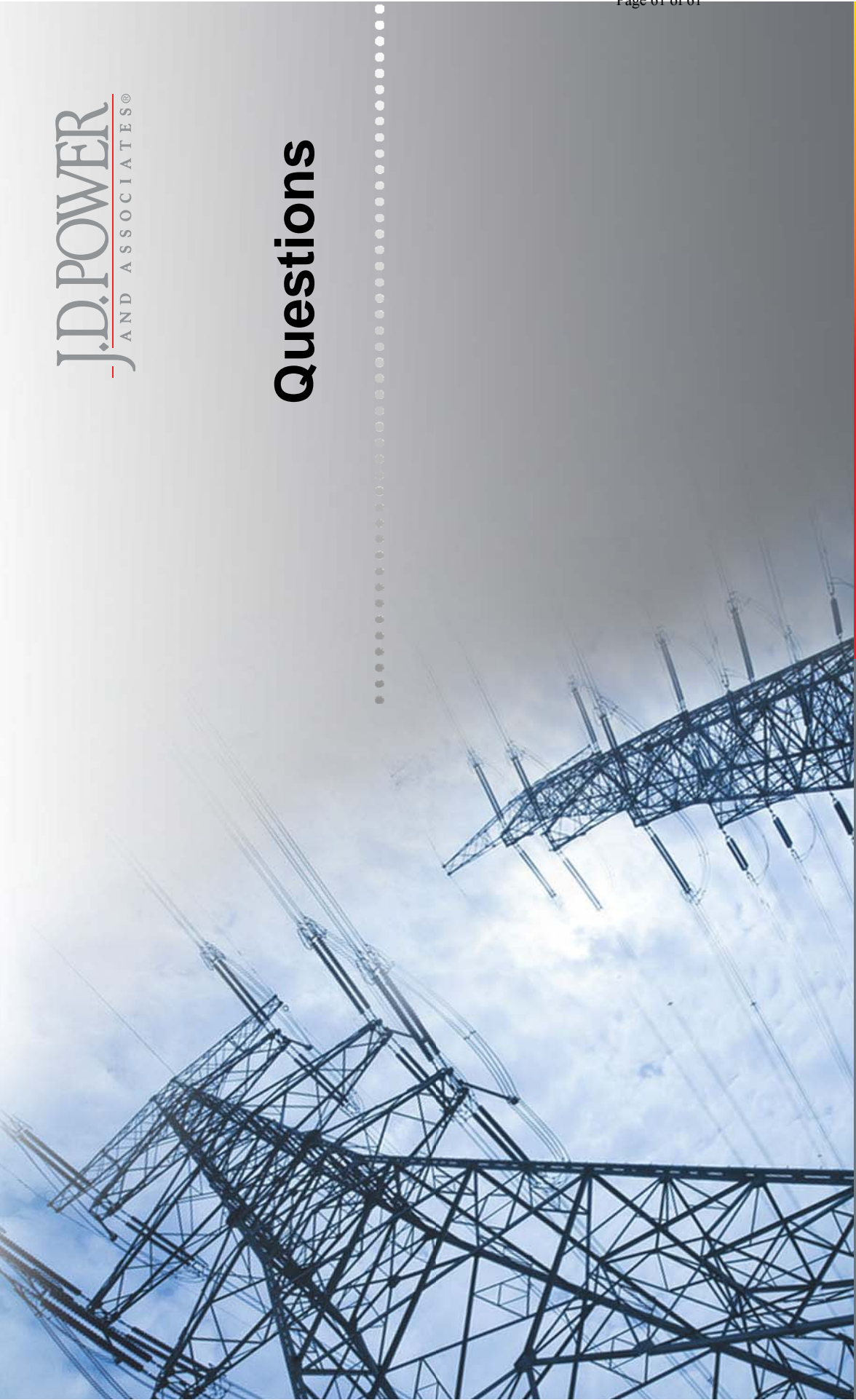
- WE HAVE POWER SURGES ALL THE TIME THAT TAKE OUT OUR EQUIPMENT(BATTERY BACKUPS) AND TURN OFF OUR COMPUTERS,WE HAVE GONE THRU 3 BATTTERY BACKUPS IN THE LAST 3 MONTHS. THEY CLAIM IT DOESNT HAPPEN BUT IT DOES. EVERYTIME OUR COMPUTER GOES DOWN, OUR CUSTOMERS ARE AFFECTED, SOMETIMES FOR A WHOLE DAY.
- We usually only get a bill 10 days before it's due, that's not enough time to get it cleared through the appropriate channels, especially since it has to be mailed a week before the due date to not be considered late by National Grid.
- The last tropical storm showed that the effort in anticipatory line clearing (limbs and brush) was sorely lacking. The previous incarnation (Narragansett Electric) was attentive to keeping the lines Clean" and when tropical storms hit there was minimal interruption. NG has done little or none in this manner and it showed during the Irene storm. They also kept many people off line by not re-triggering the local fuses....this was not very helpful to people that had little or no damage to supply lines. I waited 6 days....in an area with no damage...for them to decide to click the fuse.

What Your Utility Does Well

- Ease of service, competitive pricing, happy educated and familiar staff. Overall a great company.
- They seem to provide a constant flow of electricity, even in very poor weather. If service is lost, it seems to come back up quickly, given the conditions.
- They try to offer as many realistic green options as possible and try to fit it into your needs
- Timely billing, easy to estimate bill cost every month, attentive and knowledgeable customer service reps.
- Offer savings through promotions giving new light fixtures and labor to install to save money over time.. Also only charging 20% to do so. National Grid handled everything for me
- Come when we have a have a problem. We are a manufacturing company and have freezers and coolers that must maintain temperature. They have always responded to our situation so we can make decisions on a backup plan.



Questions



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Testimony of Shared Services and Customer Panel

Schedule 3

Gas Residential Customer Report

2011 Gas Utility Residential Customer Satisfaction StudySM



National Grid

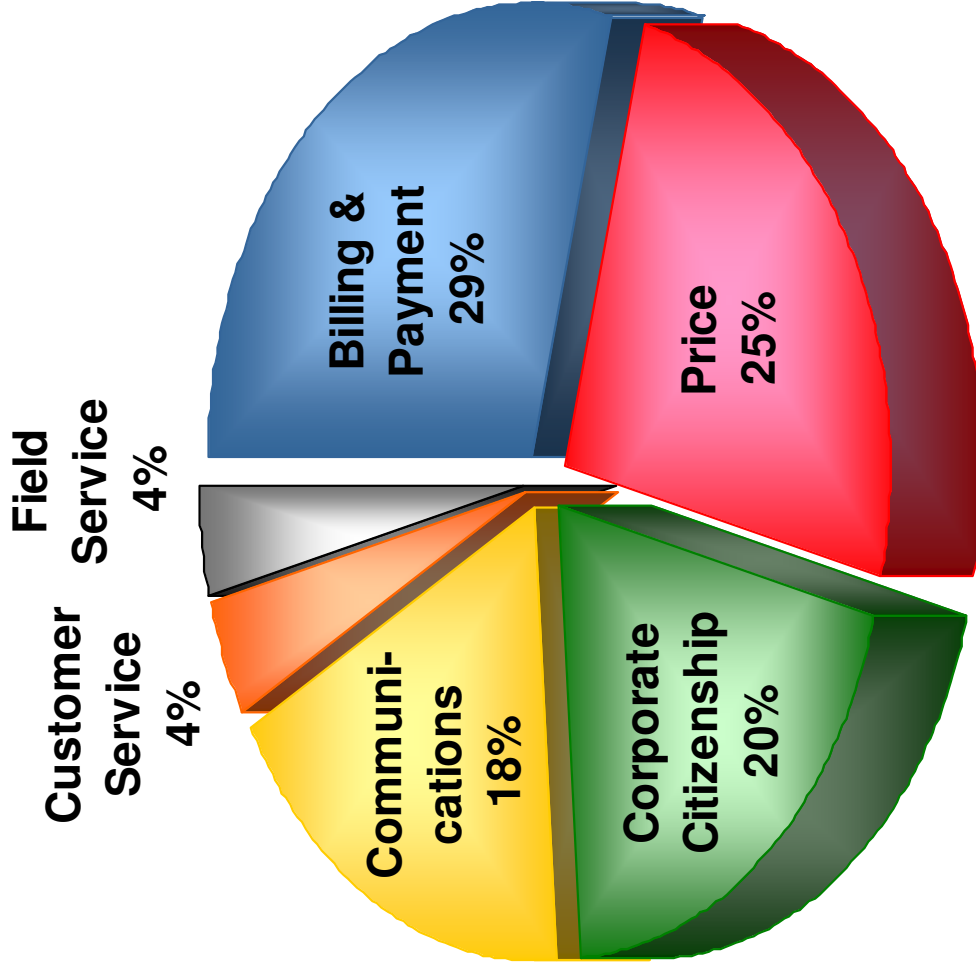
November 9, 2011

John Hazen
Senior Director
Energy Practice

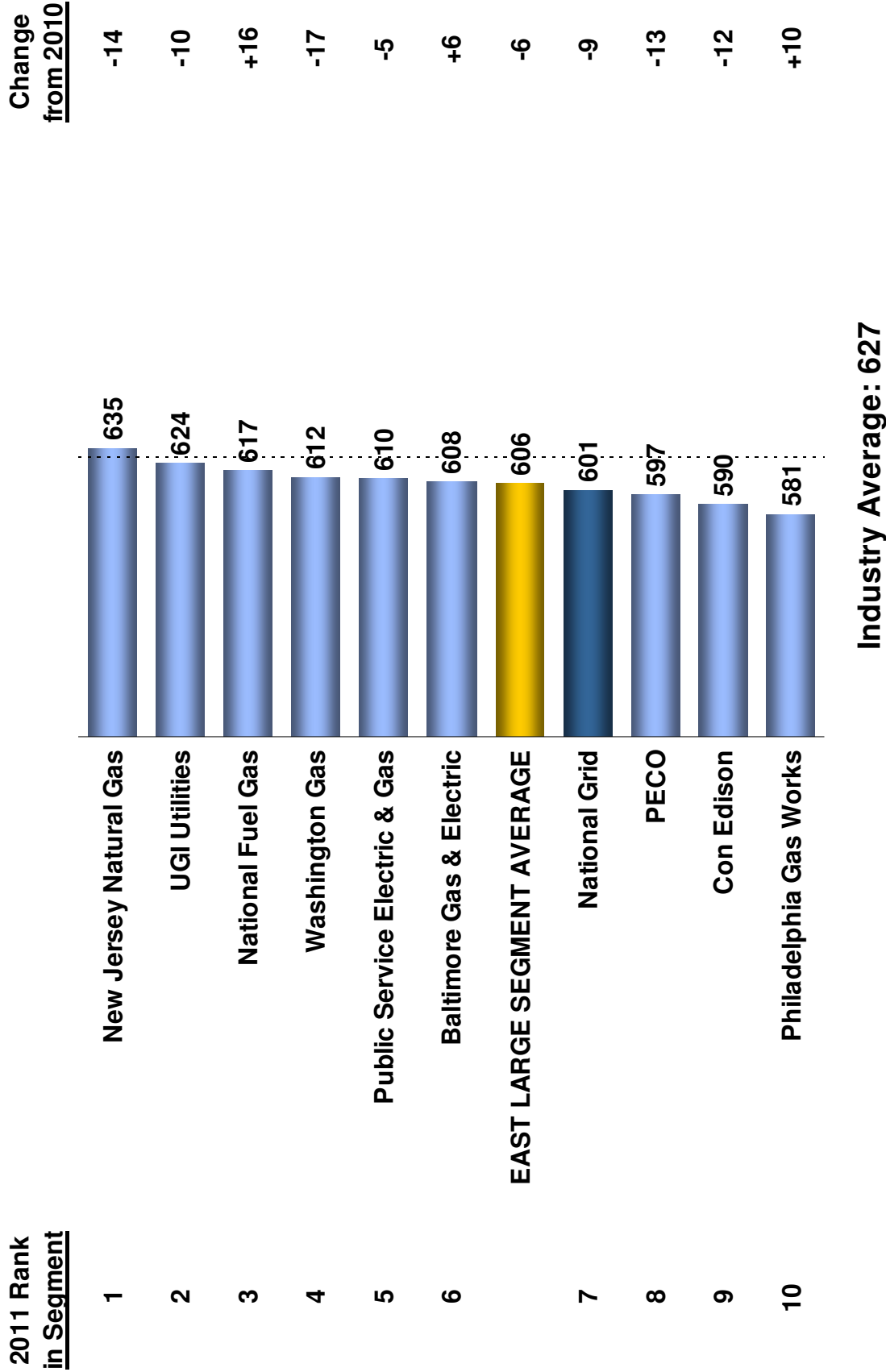
2011 Gas Utility Residential Customer Satisfaction Study Overview

- 10th annual Gas Utility Residential Customer Satisfaction Study
- Online interviews completed between September 1, 2010 and July 29, 2011
 - Four quarterly waves:
 - Wave 1 – September, 2010 through October, 2010
 - Wave 2 – December, 2010 through January, 2011
 - Wave 3 – March, 2011 through April, 2011
 - Wave 4 – June, 2011 through July, 2011
 - Index scores calculated for each wave
 - Annual score is average across all four waves
- Utilities are ranked in large and midsize segments across four regions
 - 75 Largest local gas distribution companies
 - East, Midwest, South, West
 - Large (400,000 or more) and Midsize (165,000 to 399,999)
- Completed 62,711 interviews
- National Grid has 2,064 responses

Residential Gas Utility Customer Satisfaction Model



East Large Segment Overall Customer Satisfaction Index

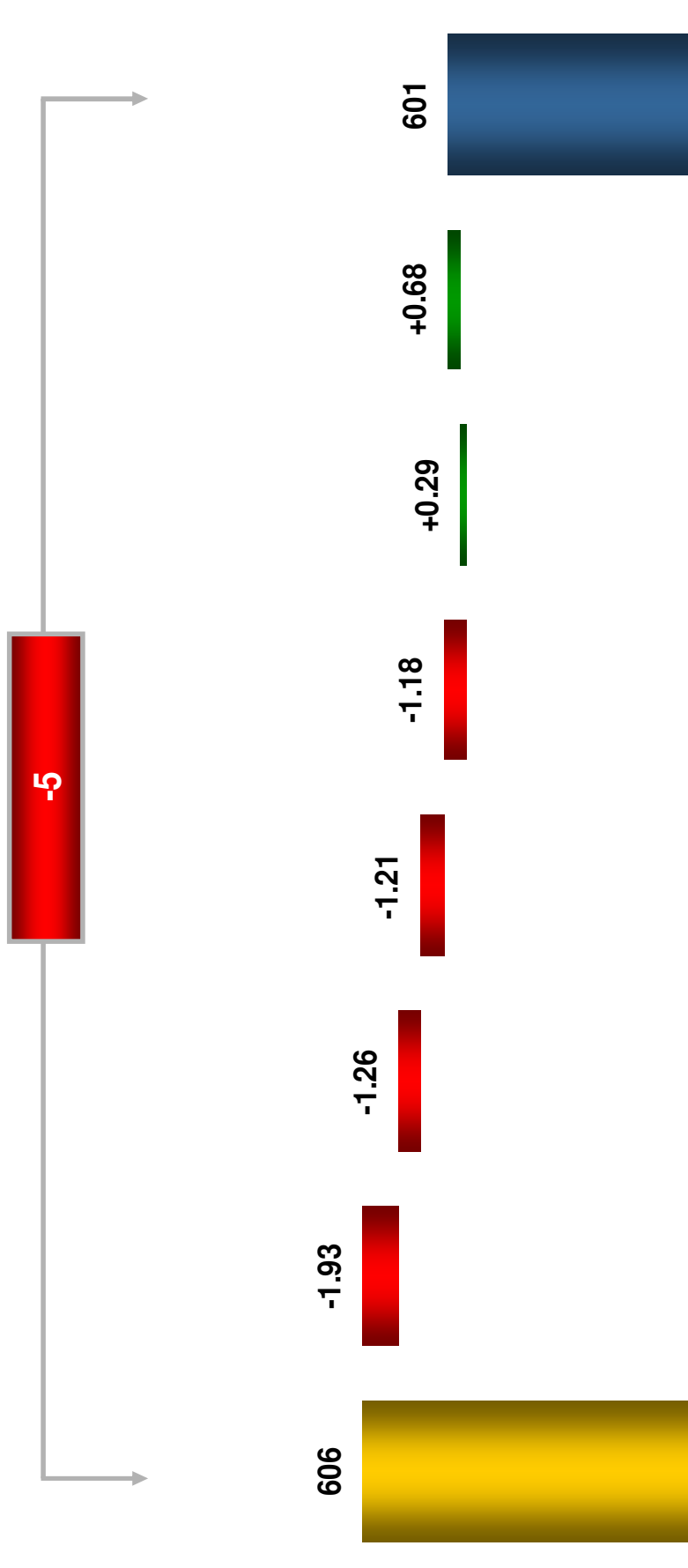


Source: J.D. Power and Associates 2011 Gas Utility Residential Customer Satisfaction StudySM
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Component Gap Analysis¹

National Grid vs. East Large Segment Average

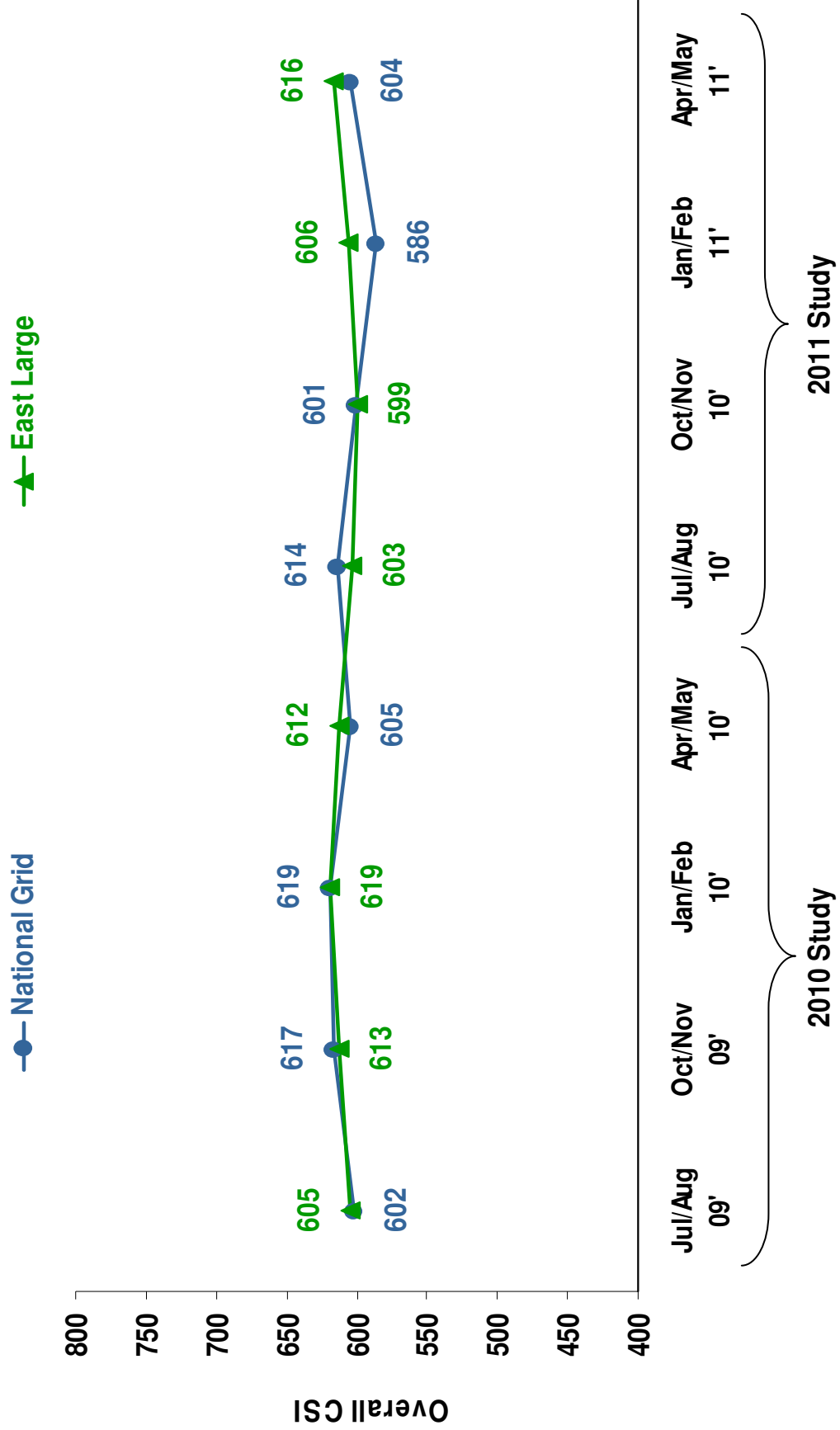


Component	Importance Weight
Billing & Payment	(29%)
Community	(18%)
Price	(25%)
Corporate Citizenship	(20%)
Field Service	(4%)
Customer Service	(4%)

¹(National Grid Index - East Large Segment Average Index) * Component's Importance Weight.

Note: The sum may not equal due to rounding.

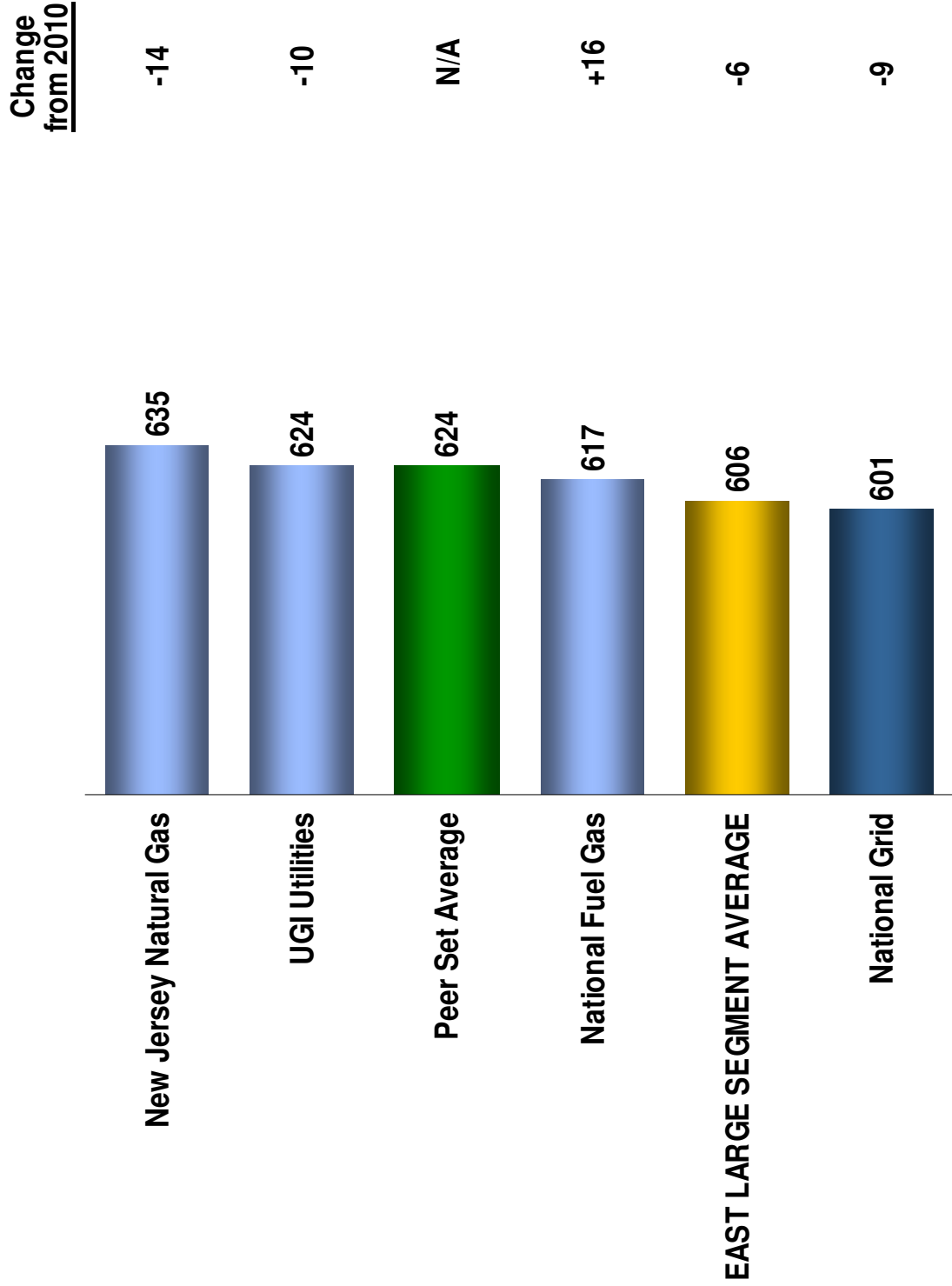
National Grid vs. East Large Segment Overall CSI



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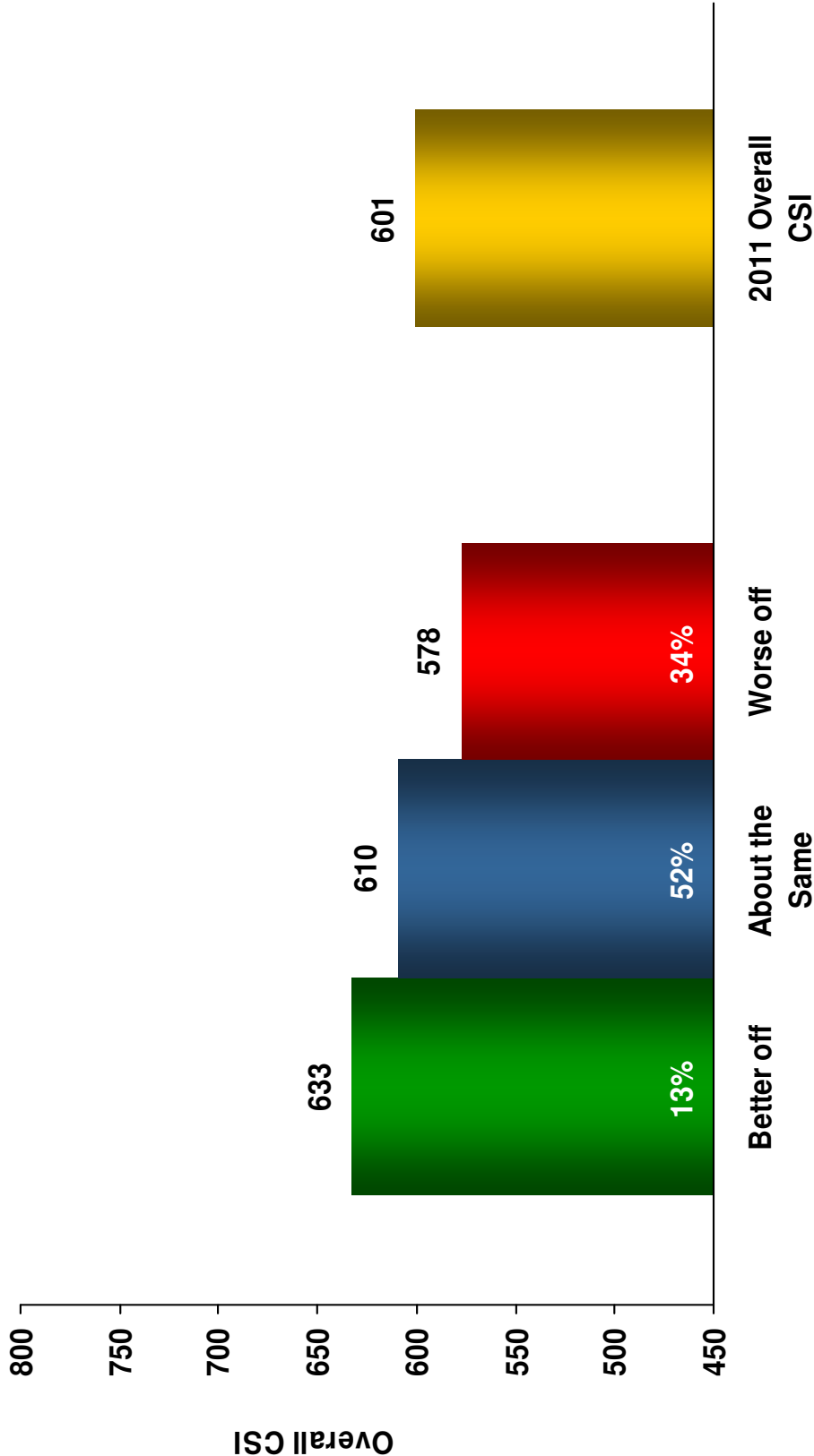
National Grid vs. Peer Set Overall CSI



“Worse off” Customers Impacted Satisfaction

National Grid

Overall CSI by Customer's Financial Status Compared to a Year Ago



Billing & Payment Performance

National Grid

Billing & Payment Performance Details - Mean Scores

	Difference		
	2010	2011	
(29%) Billing & Payment Index	687	693	+6
(26%) Variety of methods to pay your bill	6.54	6.66	+0.12
(25%) Amount of time given to pay your bill	6.60	6.74	+0.14
(21%) Ease of finding the exact amount to pay	7.70	7.49	-0.21
(21%) Usefulness of information on your bill	6.55	6.77	+0.22
(8%) Ease of finding the payment due date	7.45	7.30	-0.15
Overall billing and payment experience	6.90	7.00	+0.10

Source: J.D. Power and Associates 2011 Gas Utility Residential Customer Satisfaction StudySM
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National Grid

Billing & Payment Performance Details - Mean Scores

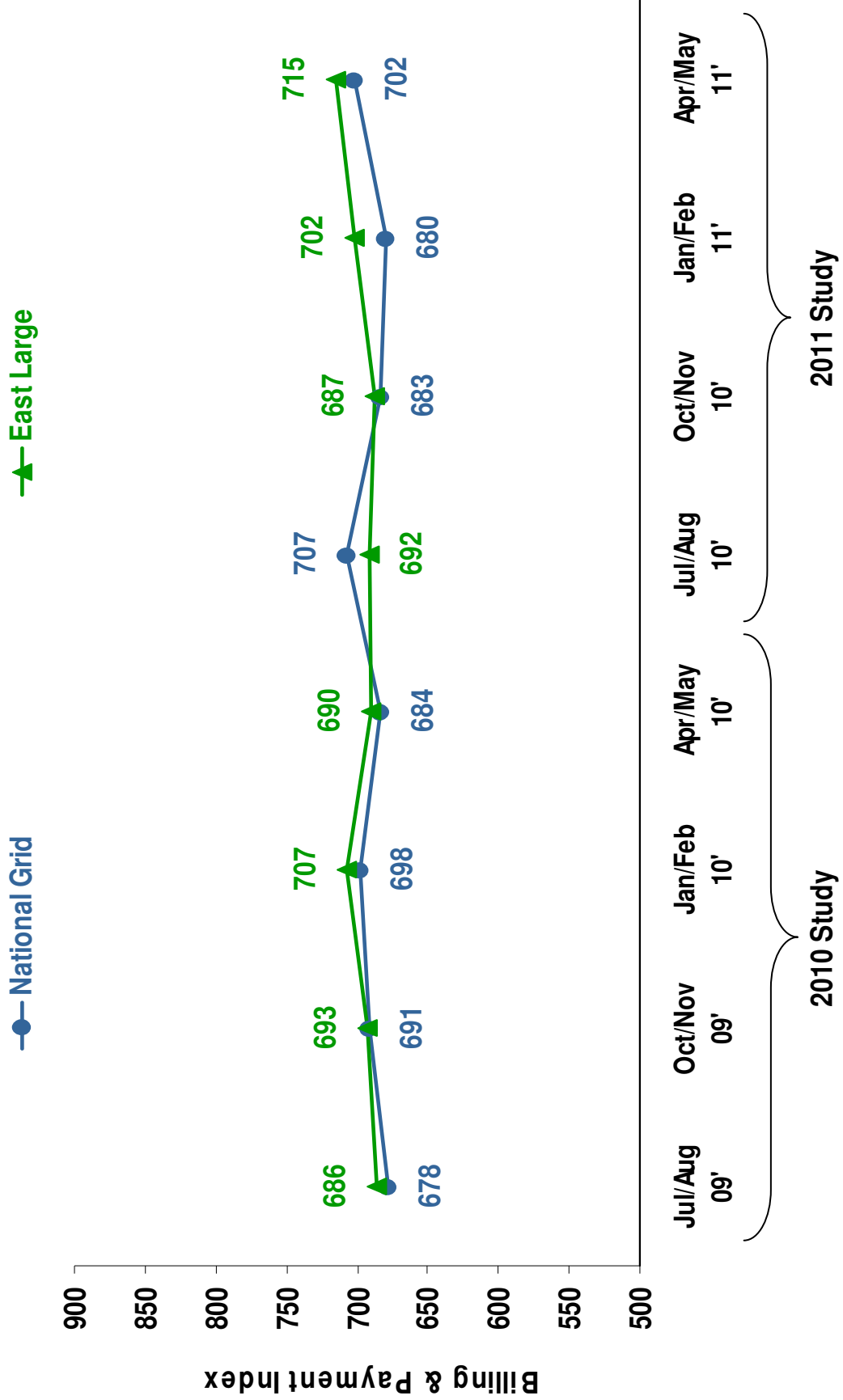
	Difference		
	Peer Set	National Grid	
(29%) Billing & Payment Index	693	722	-29
(26%) Variety of methods to pay your bill	6.66	6.87	-0.21
(25%) Amount of time given to pay your bill	6.74	7.05	-0.31
(21%) Ease of finding the exact amount to pay	7.49	7.81	-0.32
(21%) Usefulness of information on your bill	6.77	7.06	-0.29
(8%) Ease of finding the payment due date	7.30	7.71	-0.41
Overall billing and payment experience	7.00	7.33	-0.33

Source: J.D. Power and Associates 2011 Gas Utility Residential Customer Satisfaction StudySM
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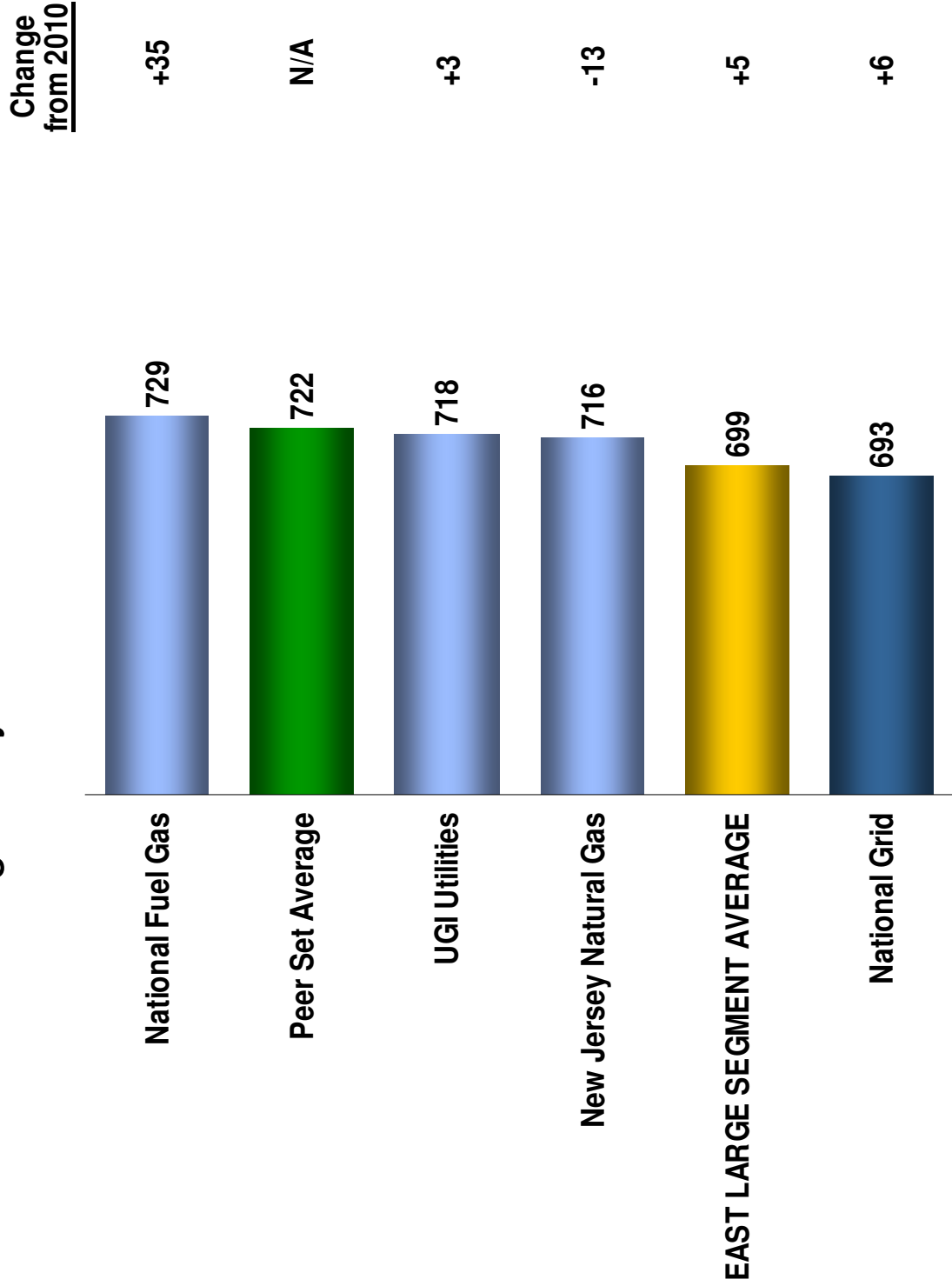
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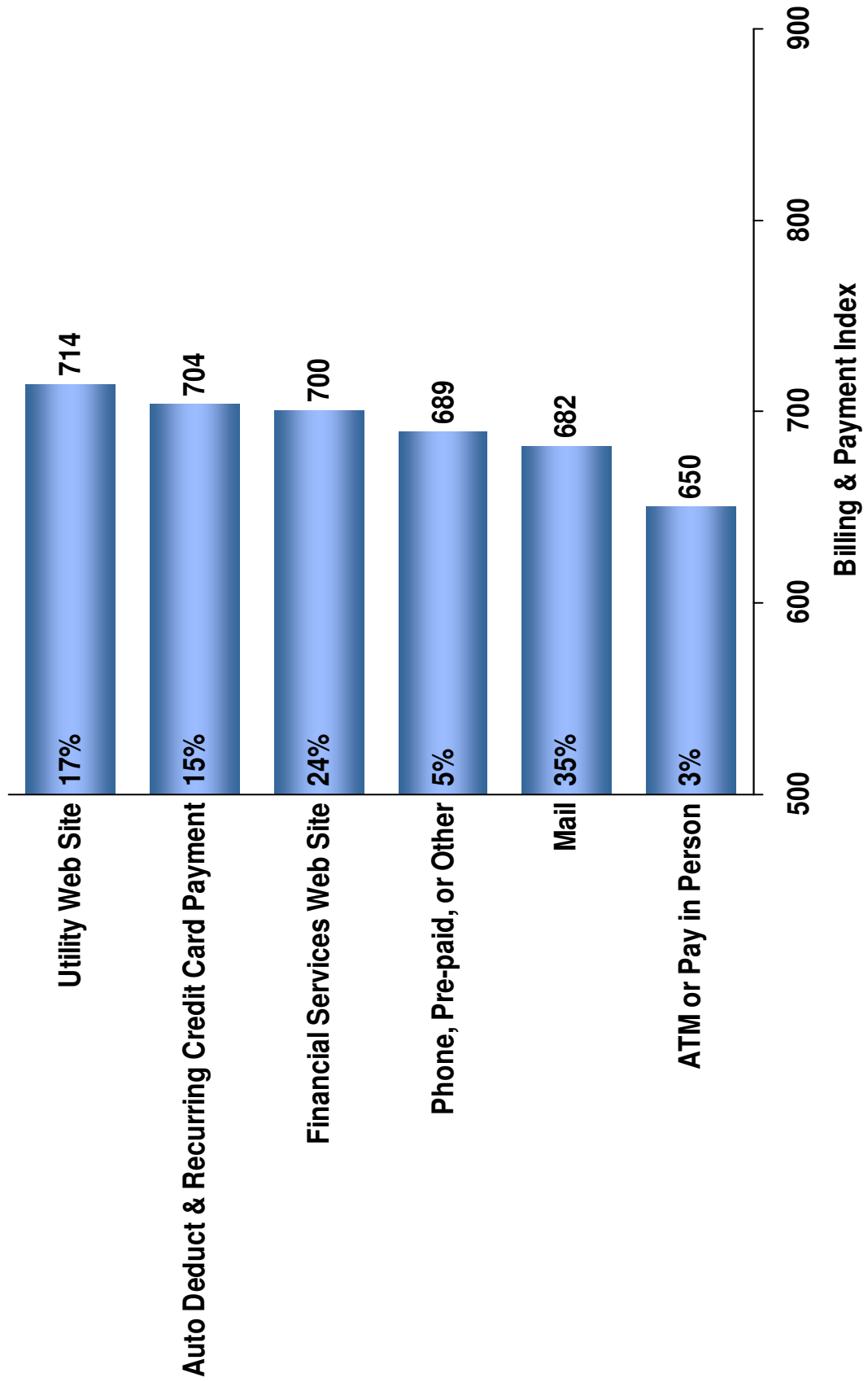
National Grid vs. East Large Segment Billing & Payment Index



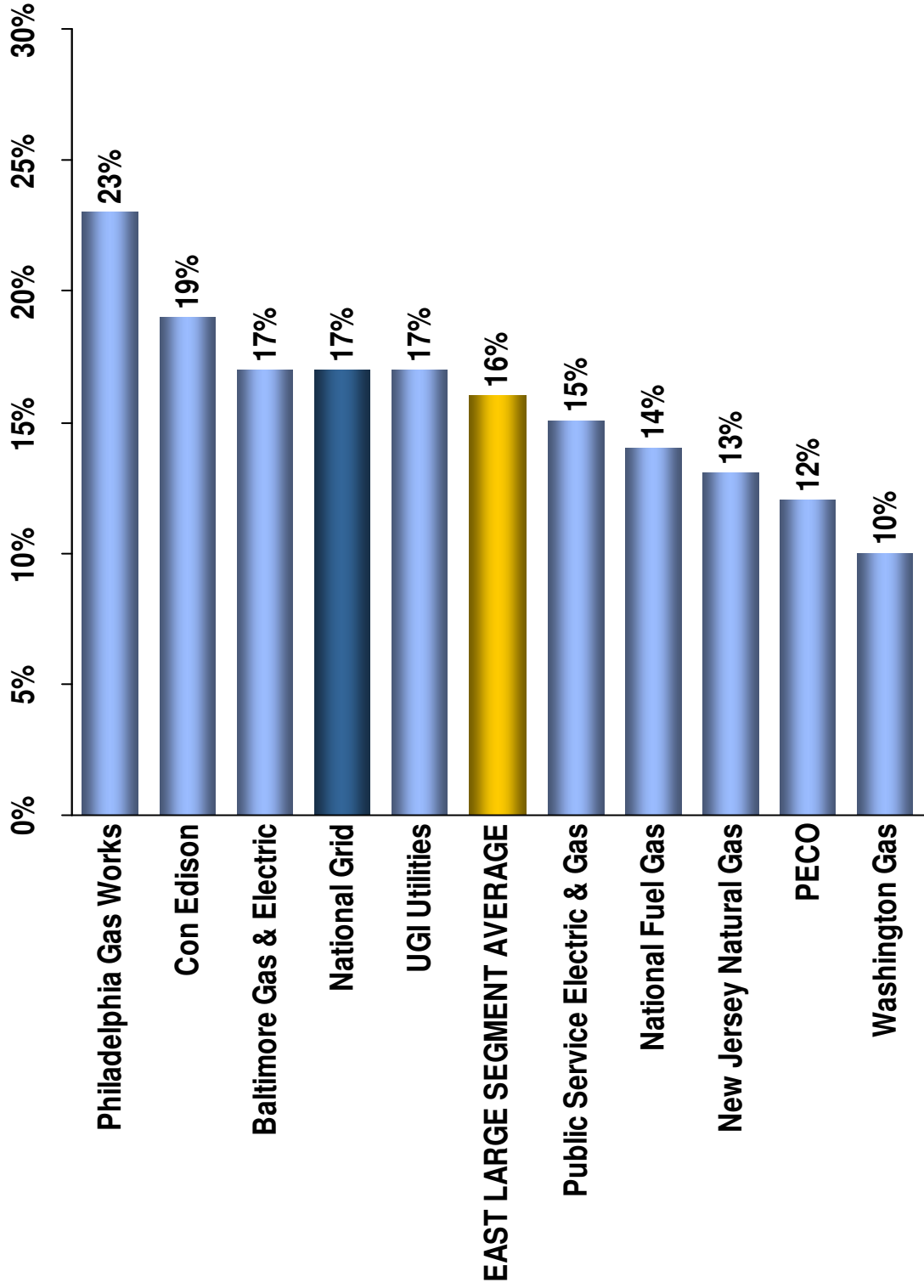
National Grid vs. Peer Set Billing & Payment Index



National Grid Billing & Payment Index by Payment Methods



East Large Segment Results % Had an Overdue Bill Amount



Price Performance

National Grid Price Performance Details - Mean Scores

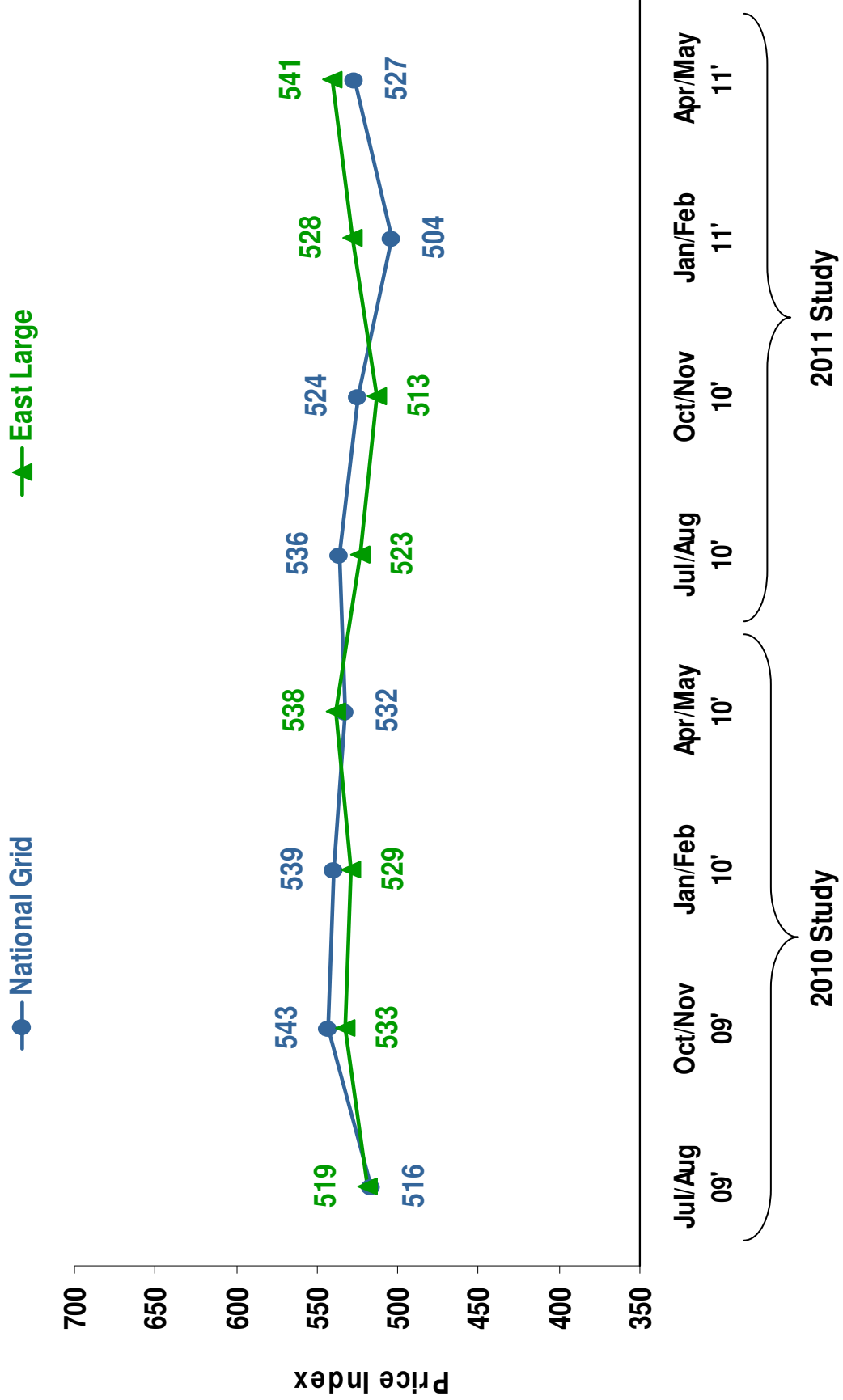
	Difference		
	2010	2011	
(25%) Price Index	532	523	-9
(48%) Total monthly cost of your natural gas service	5.27	5.20	-0.07
(16%) Fairness of pricing	5.21	5.16	-0.05
(13%) Effort to help you manage your monthly usage	5.42	5.35	-0.07
(12%) Ease of understanding your pricing options	N/A	5.29	N/A
(11%) Availability of pricing options that meet your needs	5.48	5.24	-0.24
Overall price paid for the natural gas service you receive	5.28	5.26	-0.02

National Grid

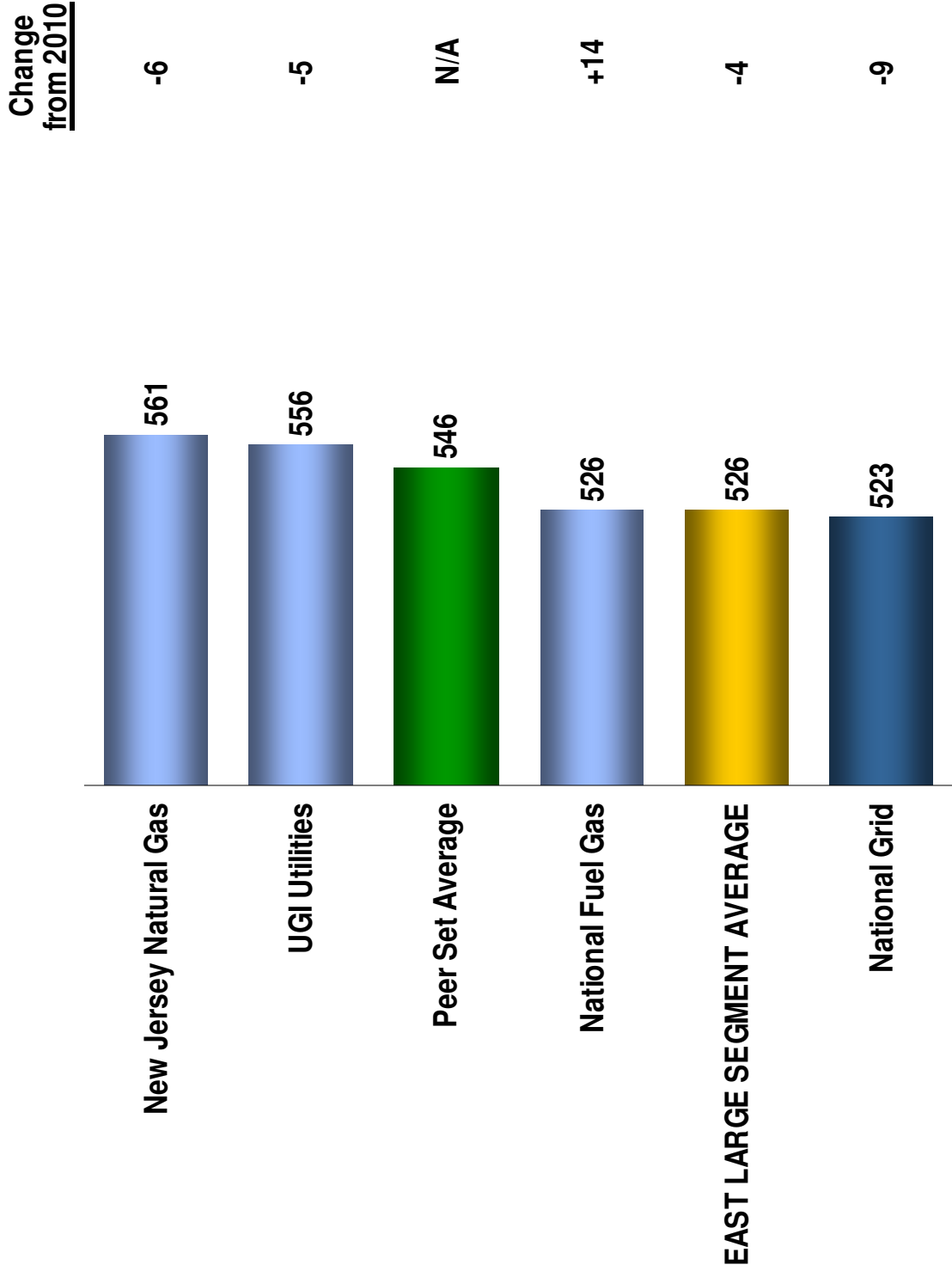
Price Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(25%) Price Index	523	546	-23
(48%) Total monthly cost of your natural gas service	5.20	5.42	-0.22
(16%) Fairness of pricing	5.16	5.41	-0.25
(13%) Effort to help you manage your monthly usage	5.35	5.50	-0.15
(12%) Ease of understanding your pricing options	5.29	5.58	-0.29
(11%) Availability of pricing options that meet your needs	5.24	5.54	-0.30
Overall price paid for the natural gas service you receive	5.26	5.48	-0.22

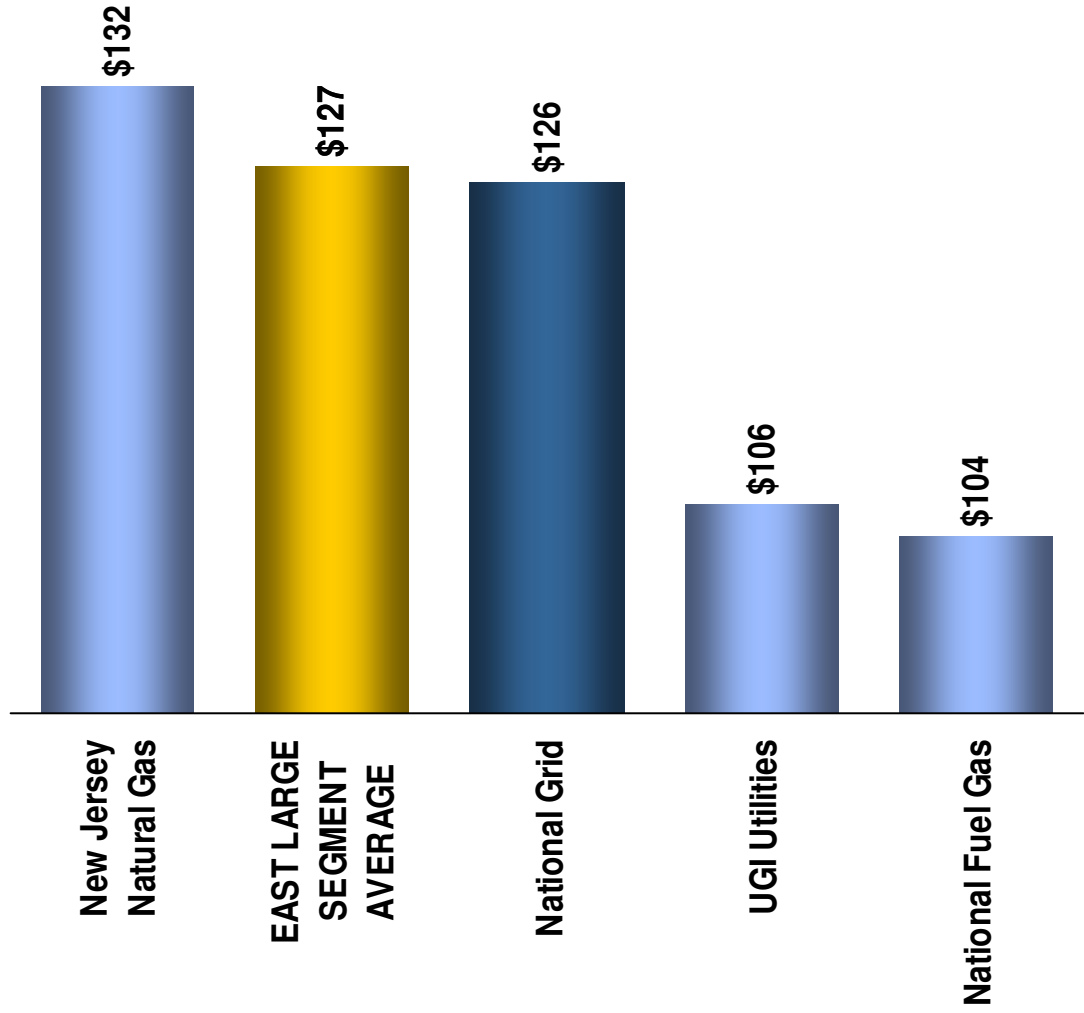
National Grid vs. East Large Segment Price Index



National Grid vs. Peer Set Price Index



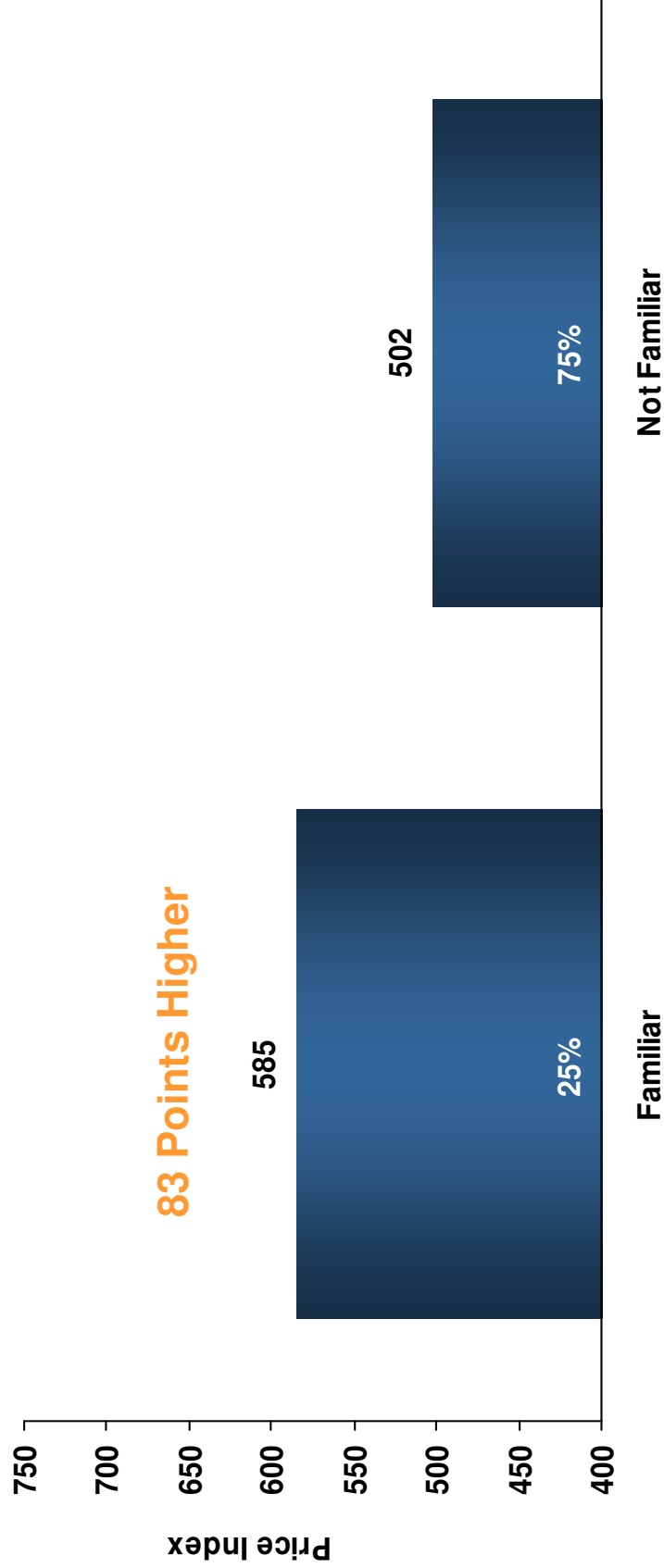
National Grid vs. Peer Set Average Bill Amount



Awareness Increases Price Satisfaction

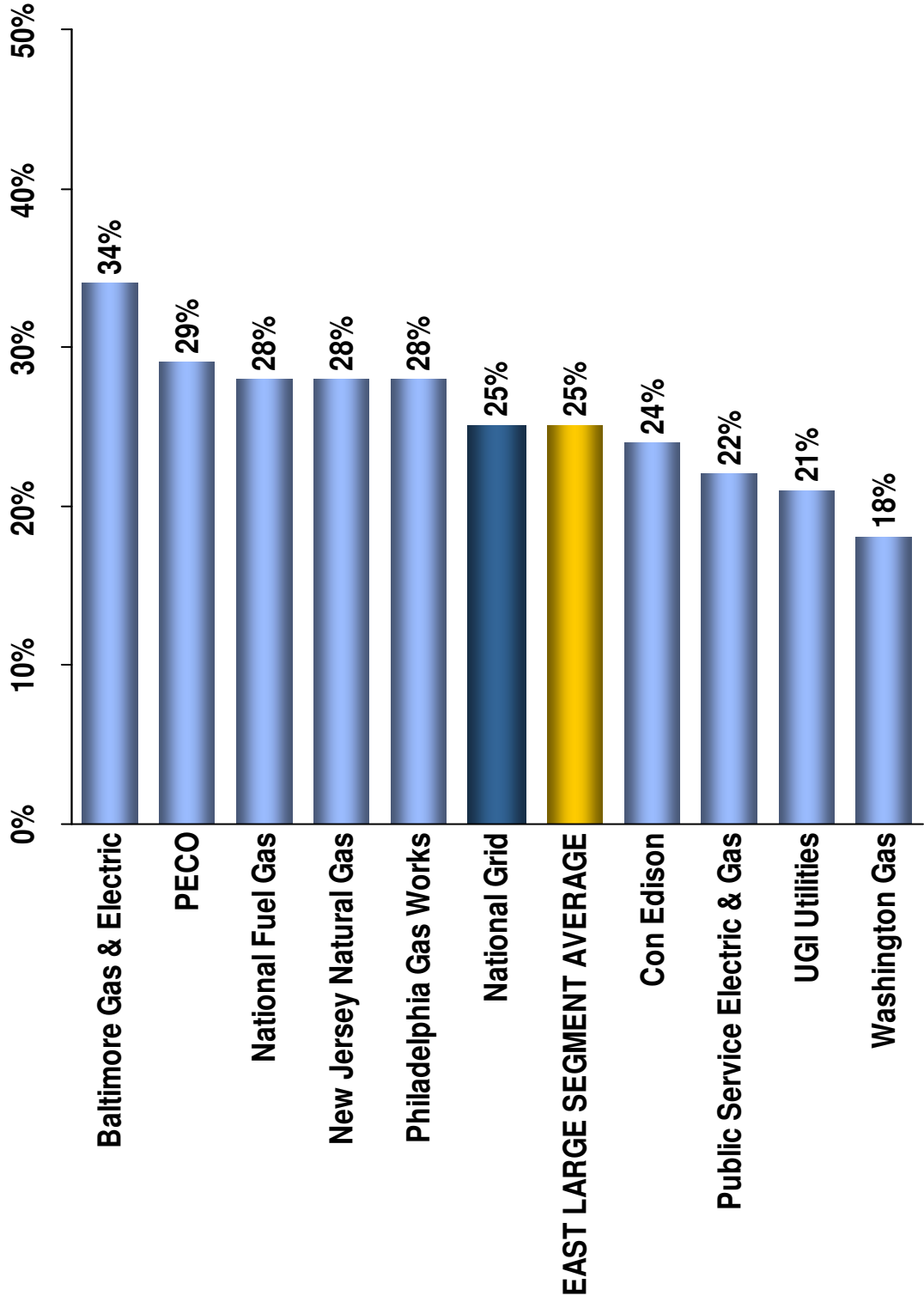
National Grid

Price Index by Familiarity with Energy Education/Rebate Programs



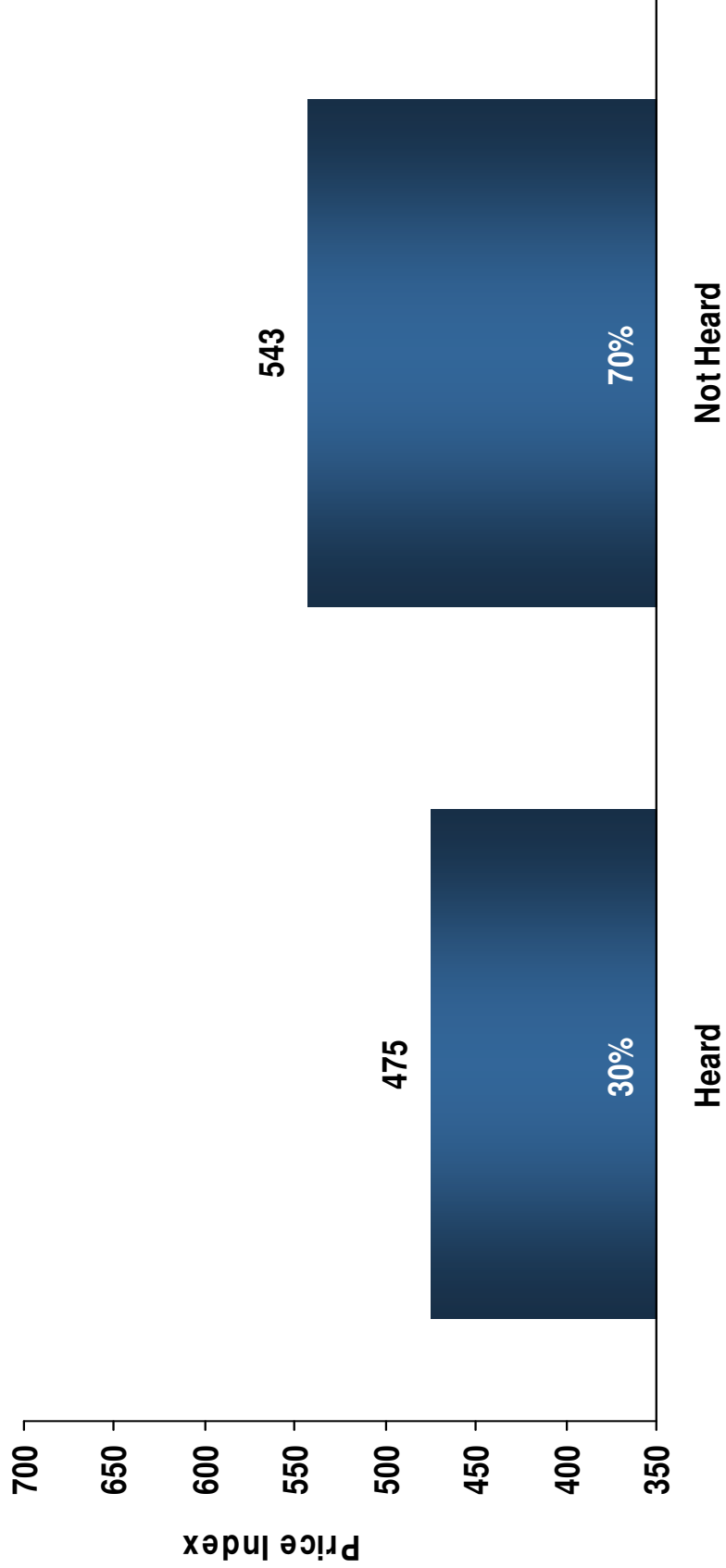
East Large Segment Results

% Familiar with Energy Education/Rebate Programs



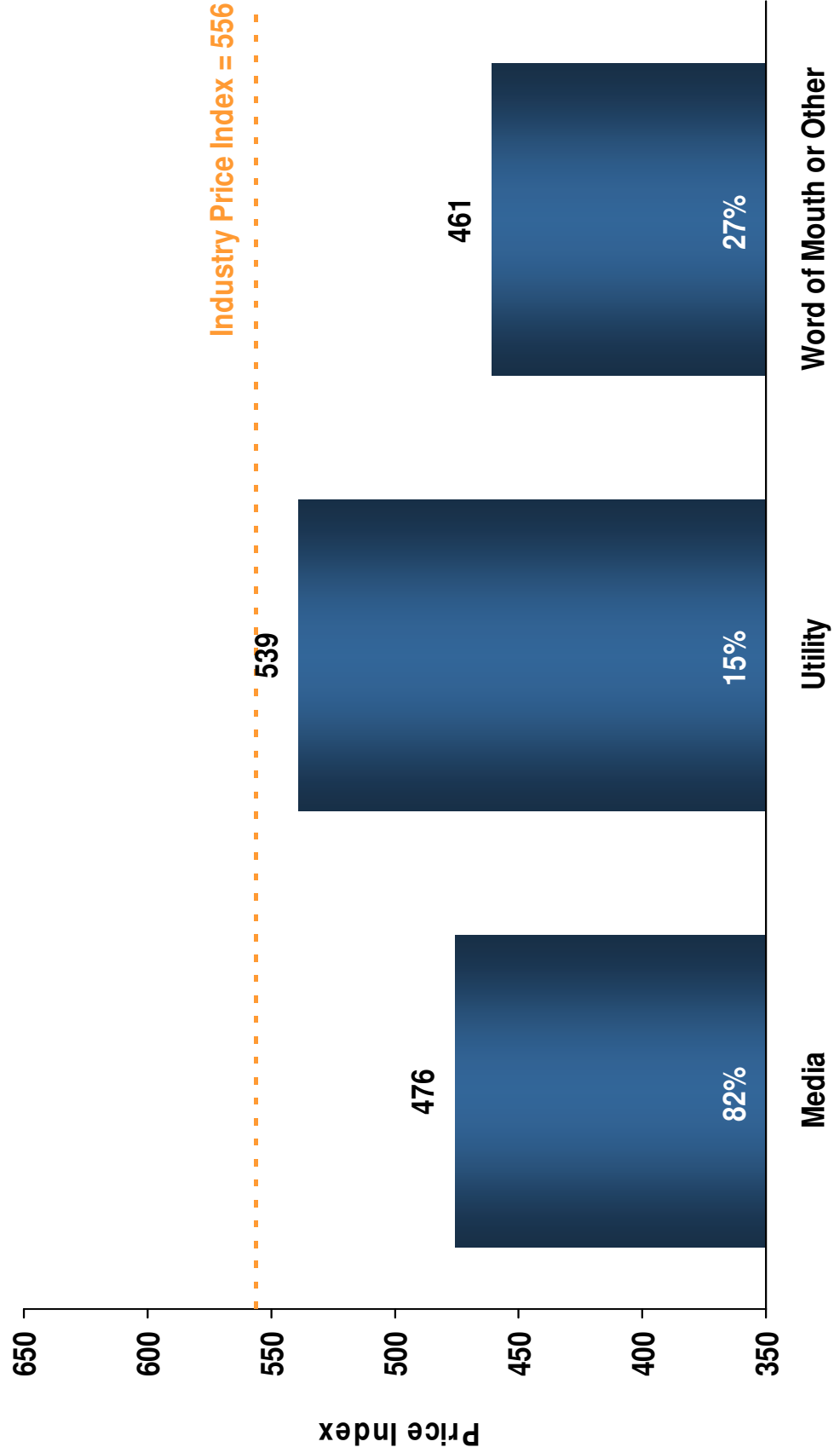
National Grid

Price Index by If Customer Heard About Rate Increase



National Grid

Price Index by Where Customer Heard About Rate Increase



Corporate Citizenship Performance

National Grid

Corporate Citizenship Performance Details - Mean Scores

	Difference		
	2010	2011	
(20%) Corporate Citizenship Index	600	569	-31
(30%) Involvement in local charities and civic organizations	5.56	5.38	-0.18
(27%) Variety of energy efficiency programs offered	5.77	5.61	-0.16
(22%) Actions to take care of the environment	6.05	5.61	-0.44
(21%) Efforts to maintain a safe gas system	6.90	6.33	-0.57
Overall corporate citizenship	5.85	5.67	-0.18

National Grid

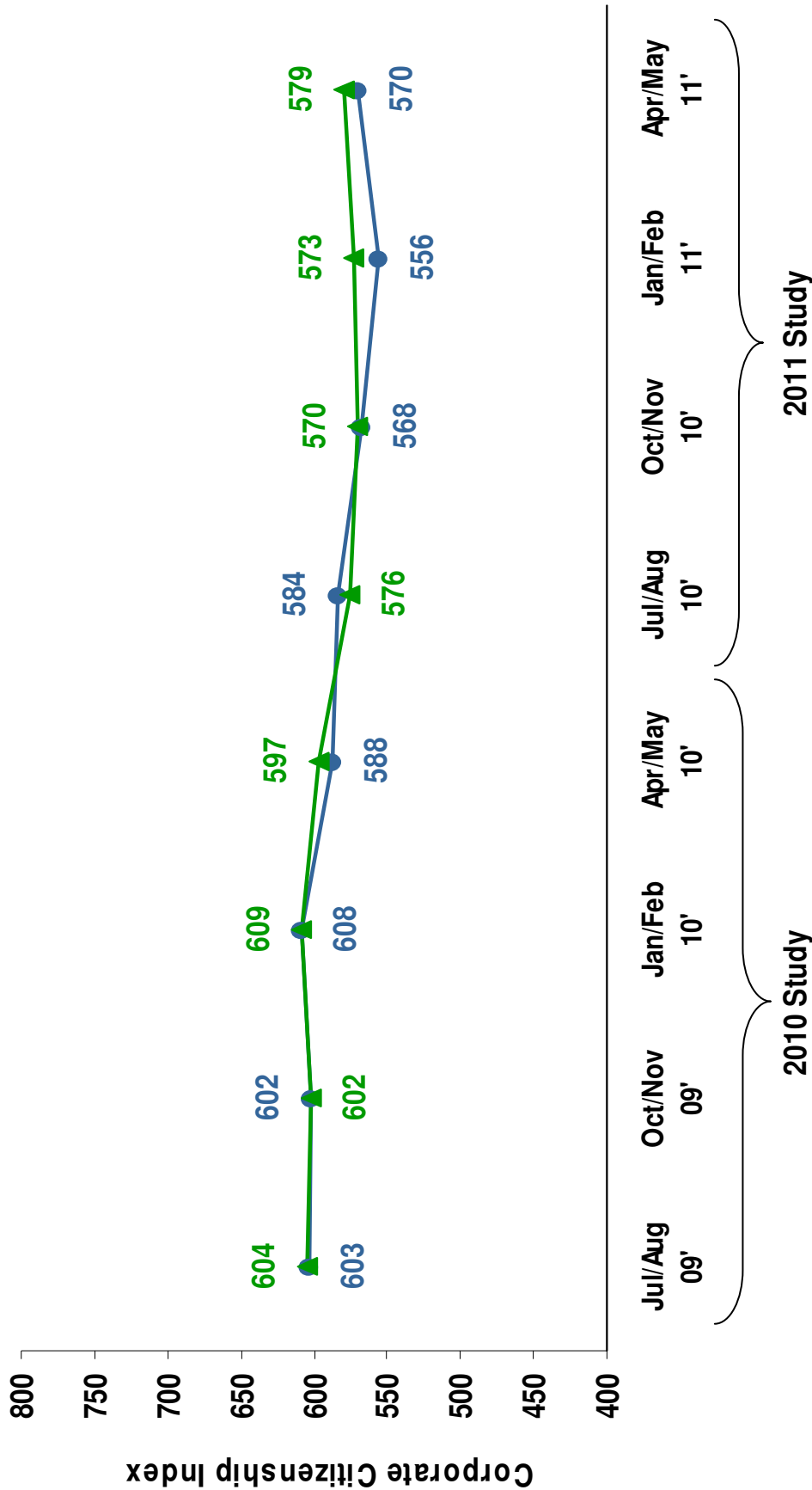
Corporate Citizenship Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(20%) Corporate Citizenship Index	569	585	-16
(30%) Involvement in local charities and civic organizations	5.38	5.48	-0.10
(27%) Variety of energy efficiency programs offered	5.61	5.79	-0.18
(22%) Actions to take care of the environment	5.61	5.79	-0.18
(21%) Efforts to maintain a safe gas system	6.33	6.50	-0.17
Overall corporate citizenship	5.67	5.94	-0.27

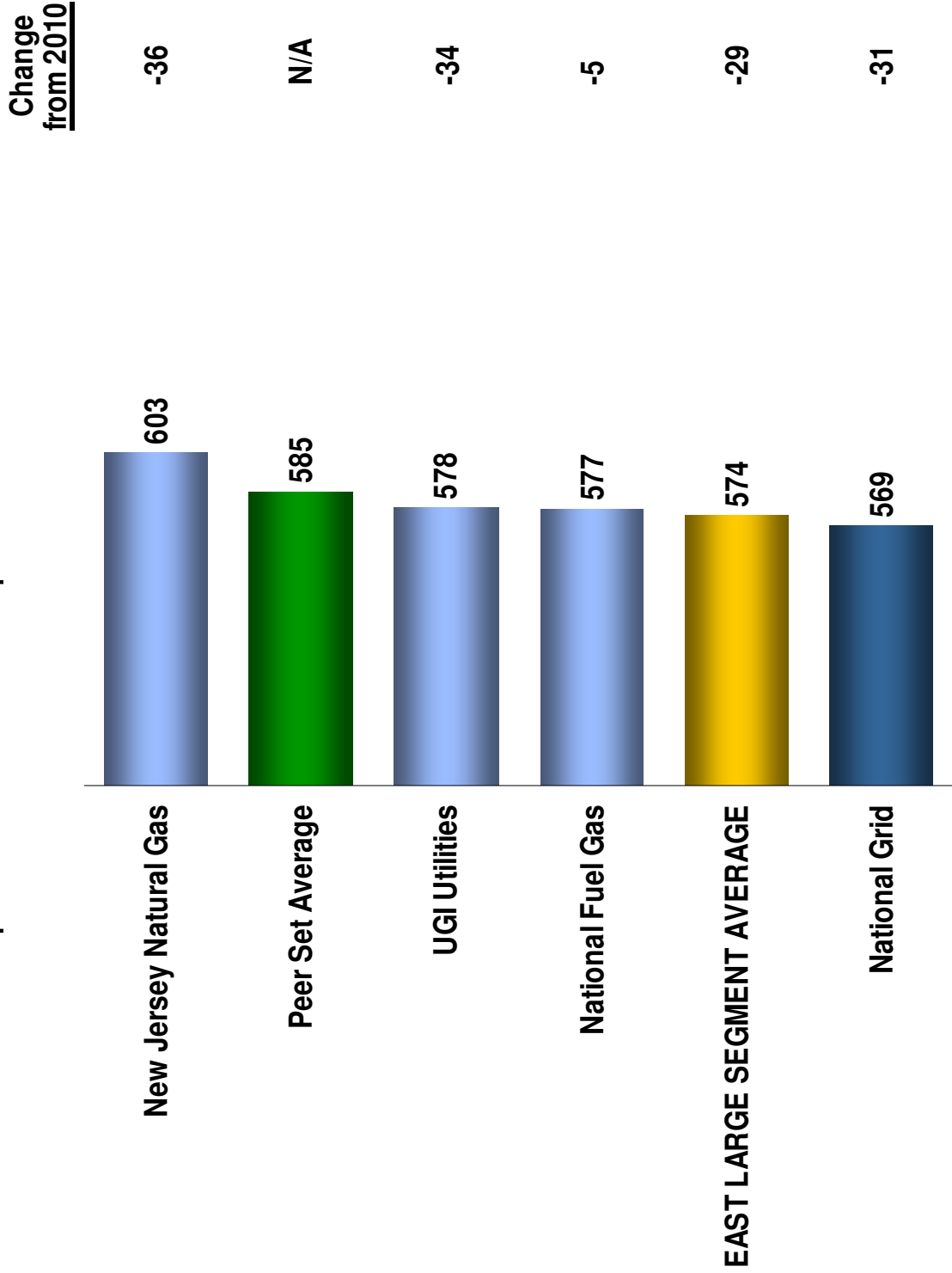
National Grid vs. East Large Segment Corporate Citizenship Index

—▲— East Large

—●— National Grid

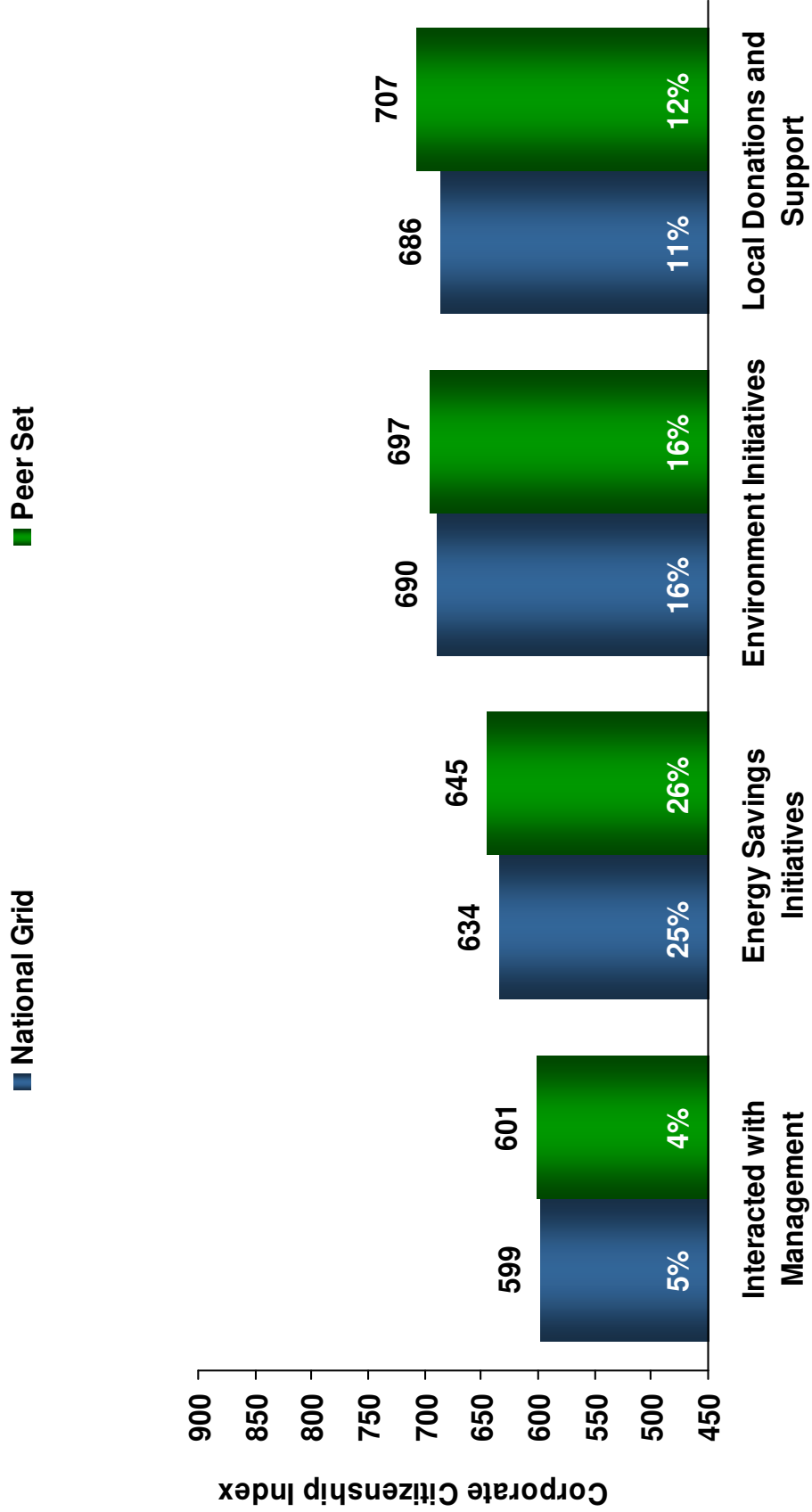


National Grid vs. Peer Set Corporate Citizenship Index



Awareness increases Satisfaction

National Grid Corporate Citizenship Index by Corporate Engagement Initiatives



Customer Verbatim on How National Grid Can Improve Corporate Citizenship

- Make it know on what the company does to help improve the community.
- Inform customers about what they are doing to help protect the environment, as well as increasing those efforts. They also should be communicating more effectively (to customers and non-customers alike) how they are contributing to charitable organizations, and how people can lower their gas bills without freezing in the winter.
- I don't know what they do already, so clearly they need to be more visible
- I do not see National Grid out in the community at all. It would be nice to see them at events in town. It would be nice to see National Grid get involved with Habitat for Humanity to help out people who are having trouble and to provide low cost heating, energy use.
- Sponsor charitable events. Campaign to educate customers on how to be conservative with their usage.
- I have never seen national grid at a community event. They are a huge company in my area and I never see a contribution made by them to anything.

Communications Performance

National Grid

Communications Performance Details - Mean Scores

	Difference		
	2010	2011	
(18%) Communications Index	549	540	-9
(21%) Communicating how to be safe around natural gas	5.82	5.72	-0.10
(21%) Efforts to communicate changes that might affect you	5.61	5.43	-0.18
(20%) Usefulness of suggestions on reducing bill	5.60	5.54	-0.06
(19%) Creating messages that get your attention	5.19	5.10	-0.09
(19%) Keeping you informed about keep overall energy costs low	5.19	5.15	-0.04
Overall communications	5.51	5.43	-0.08

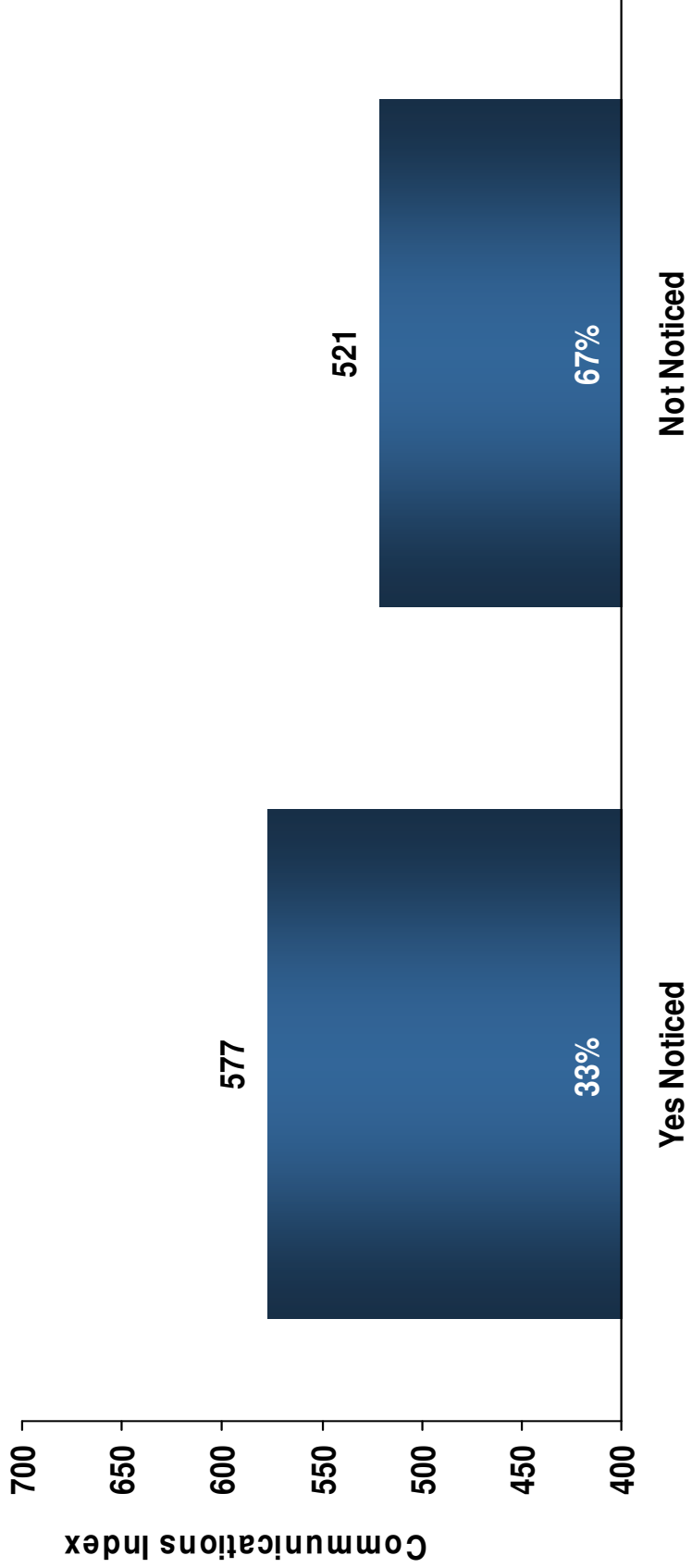
National Grid

Communications Performance Details - Mean Scores

	National Grid	Peer Set	Difference
(18%) Communications Index	540	562	-22
(21%) Communicating how to be safe around natural gas	5.72	5.99	-0.27
(21%) Efforts to communicate changes that might affect you	5.43	5.67	-0.24
(20%) Usefulness of suggestions on reducing bill	5.54	5.71	-0.17
(19%) Creating messages that get your attention	5.10	5.27	-0.17
(19%) Keeping you informed about keep overall energy costs low	5.15	5.40	-0.25
Overall communications	5.43	5.68	-0.25

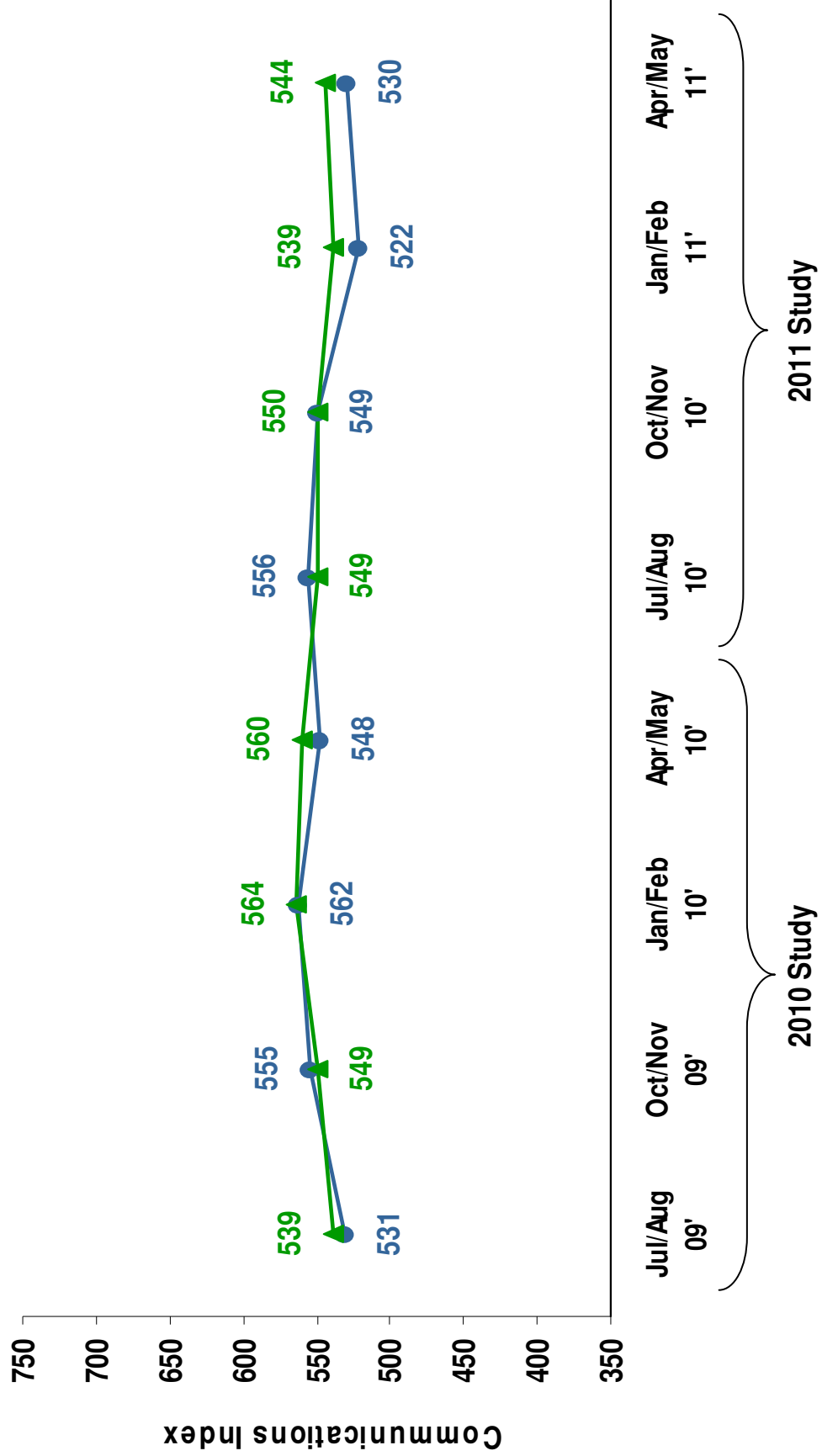
National Grid

Communications Index by If Noticed Communication from Your Local Gas Utility



National Grid vs. East Large Segment Communications Index

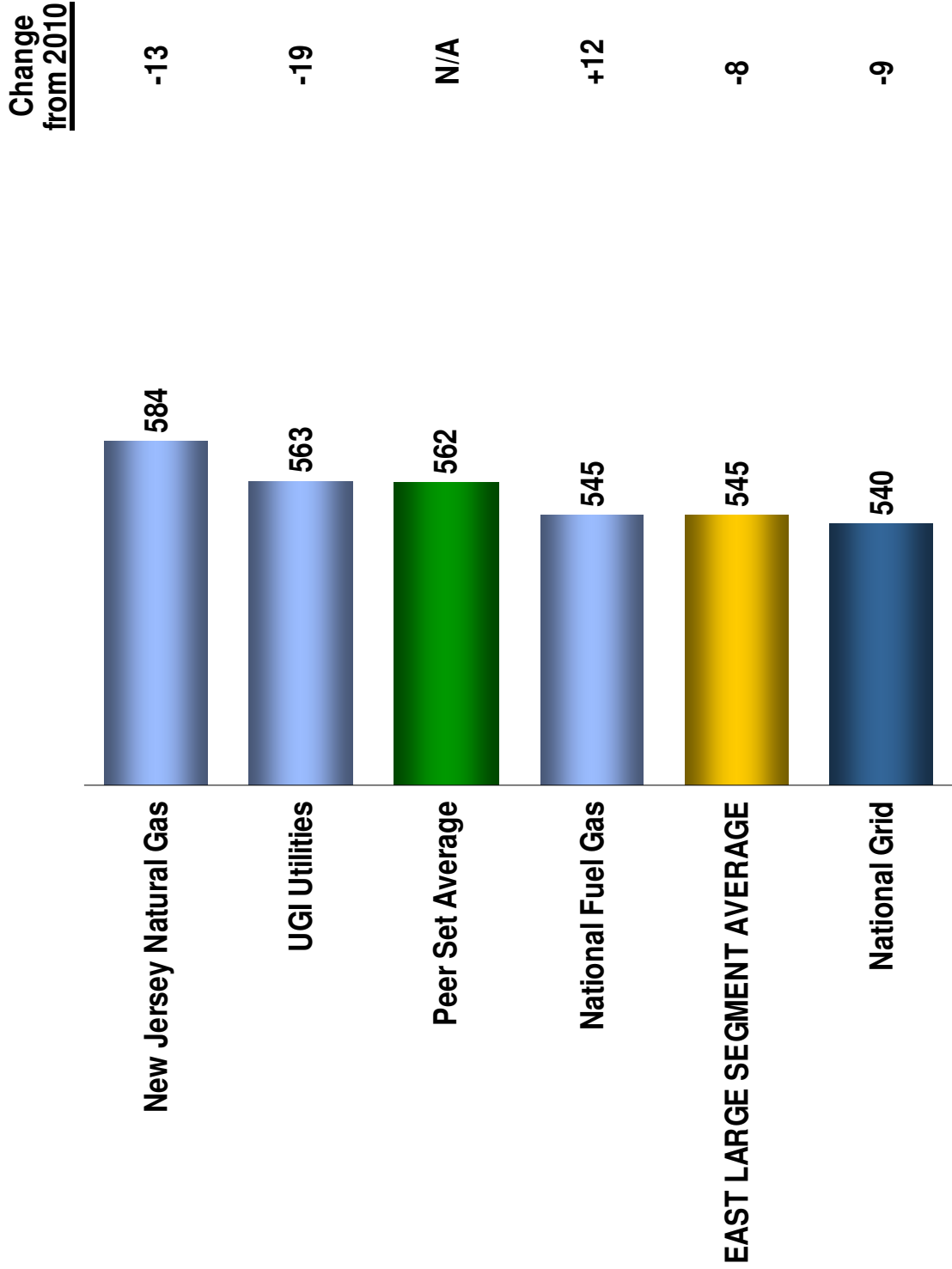
● National Grid
 ▲ East Large



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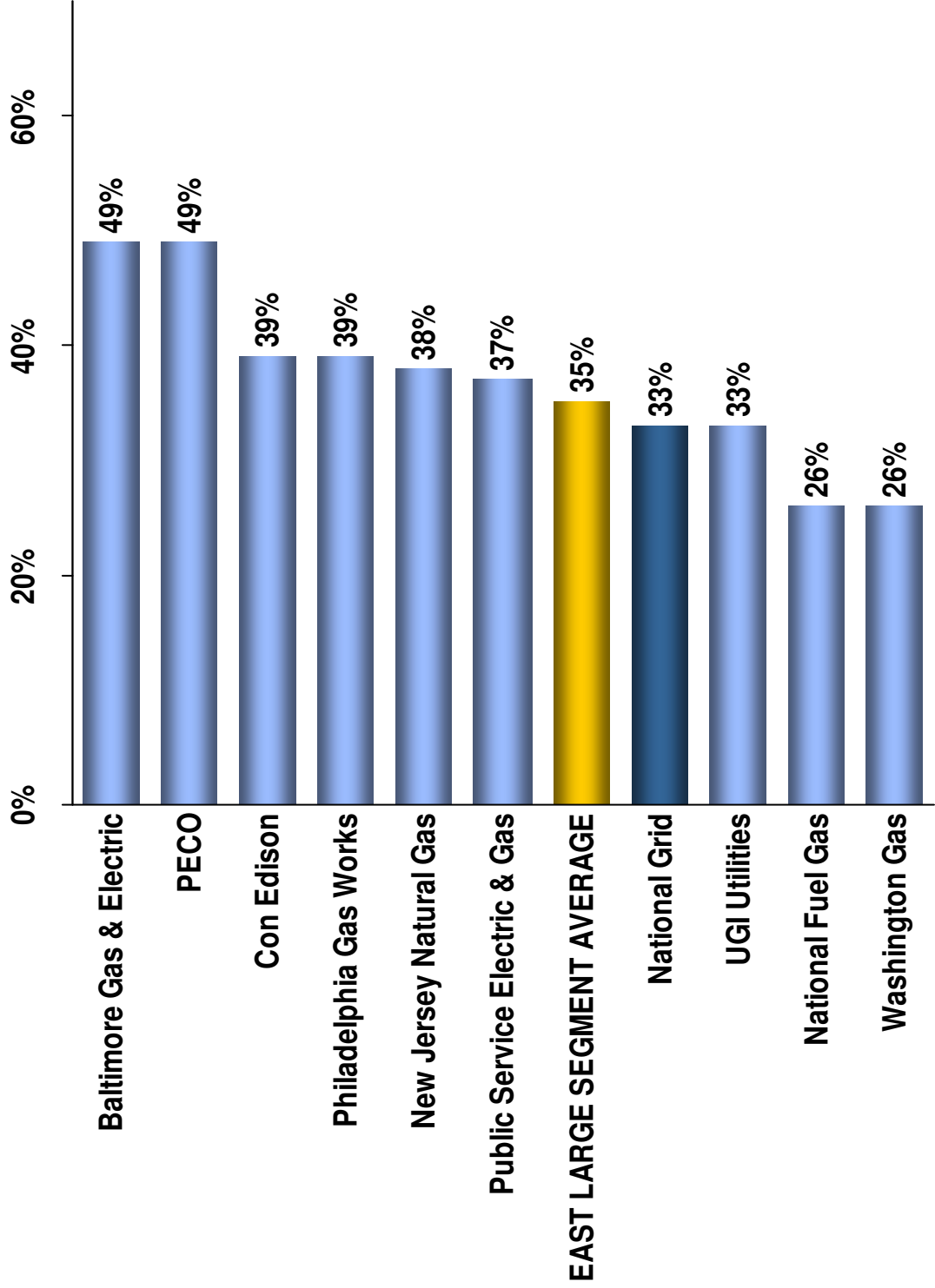
Source: J.D. Power and Associates 2011 Gas Utility Residential Customer Satisfaction StudySM
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National Grid vs. Peer Set Communications Index



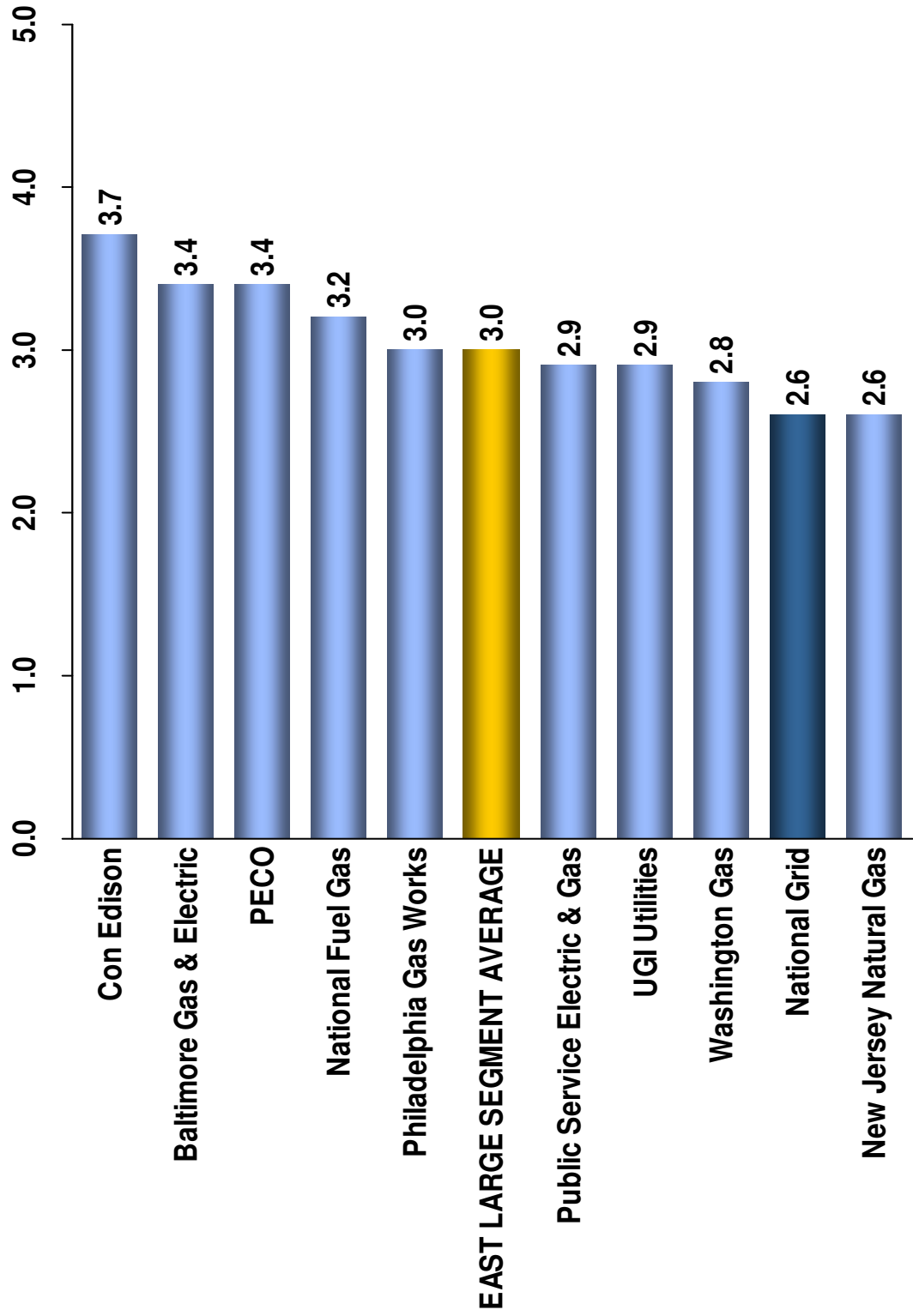
East Large Segment Results

% Noticed Communication from Your Local Gas Utility

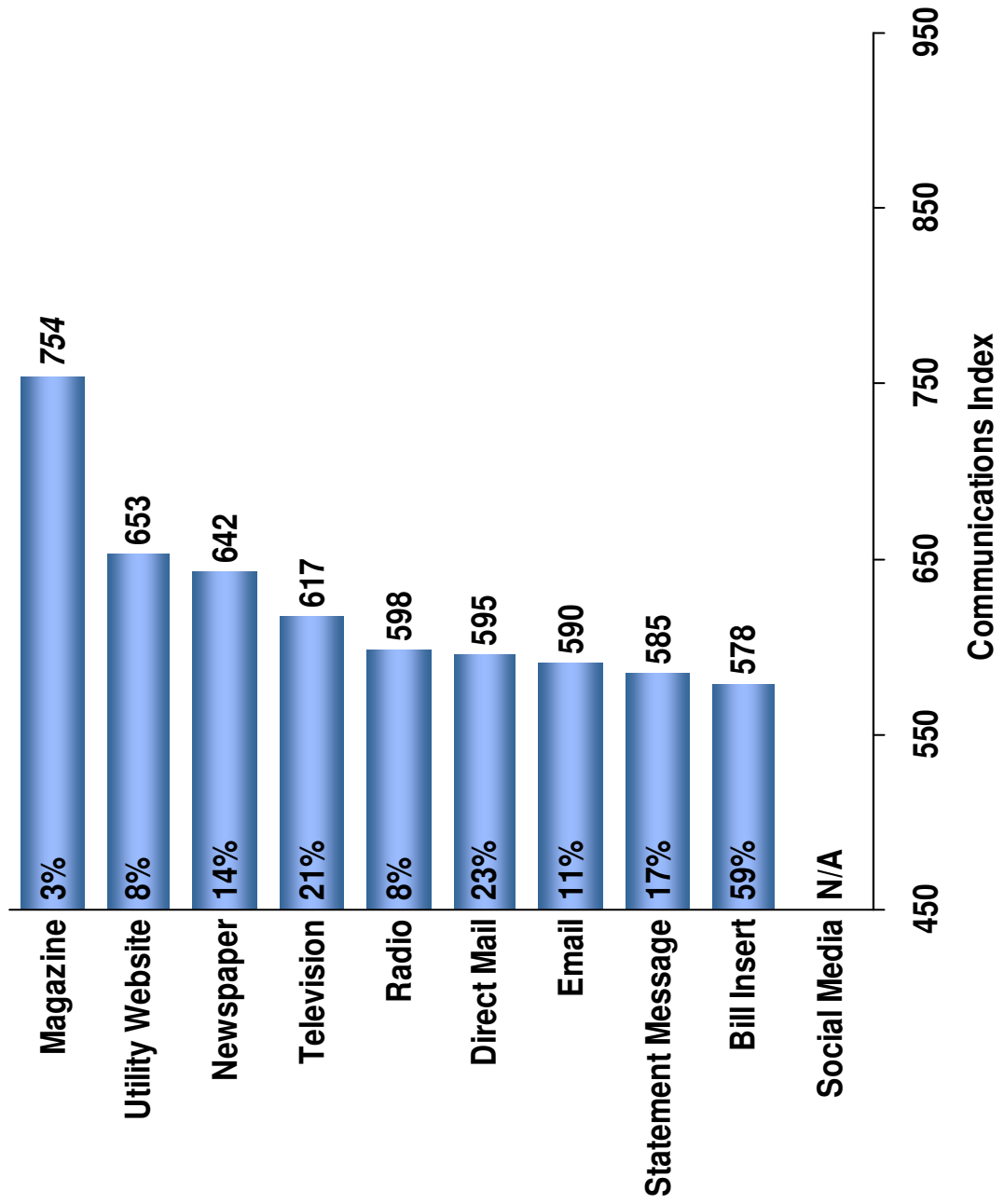


East Large Segment Results

Number of Communications Recalled

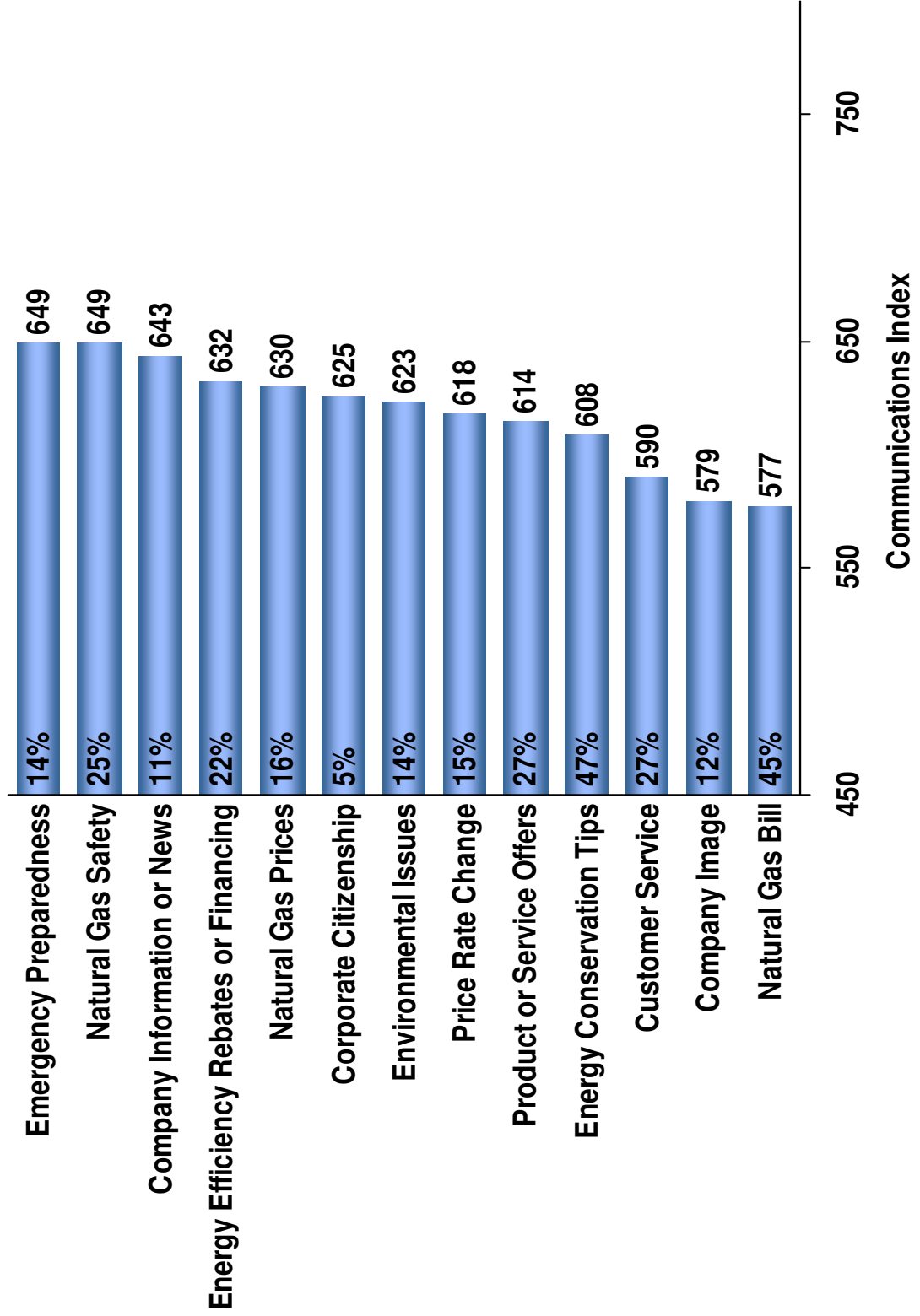


National Grid Communications Index by Communications Channel

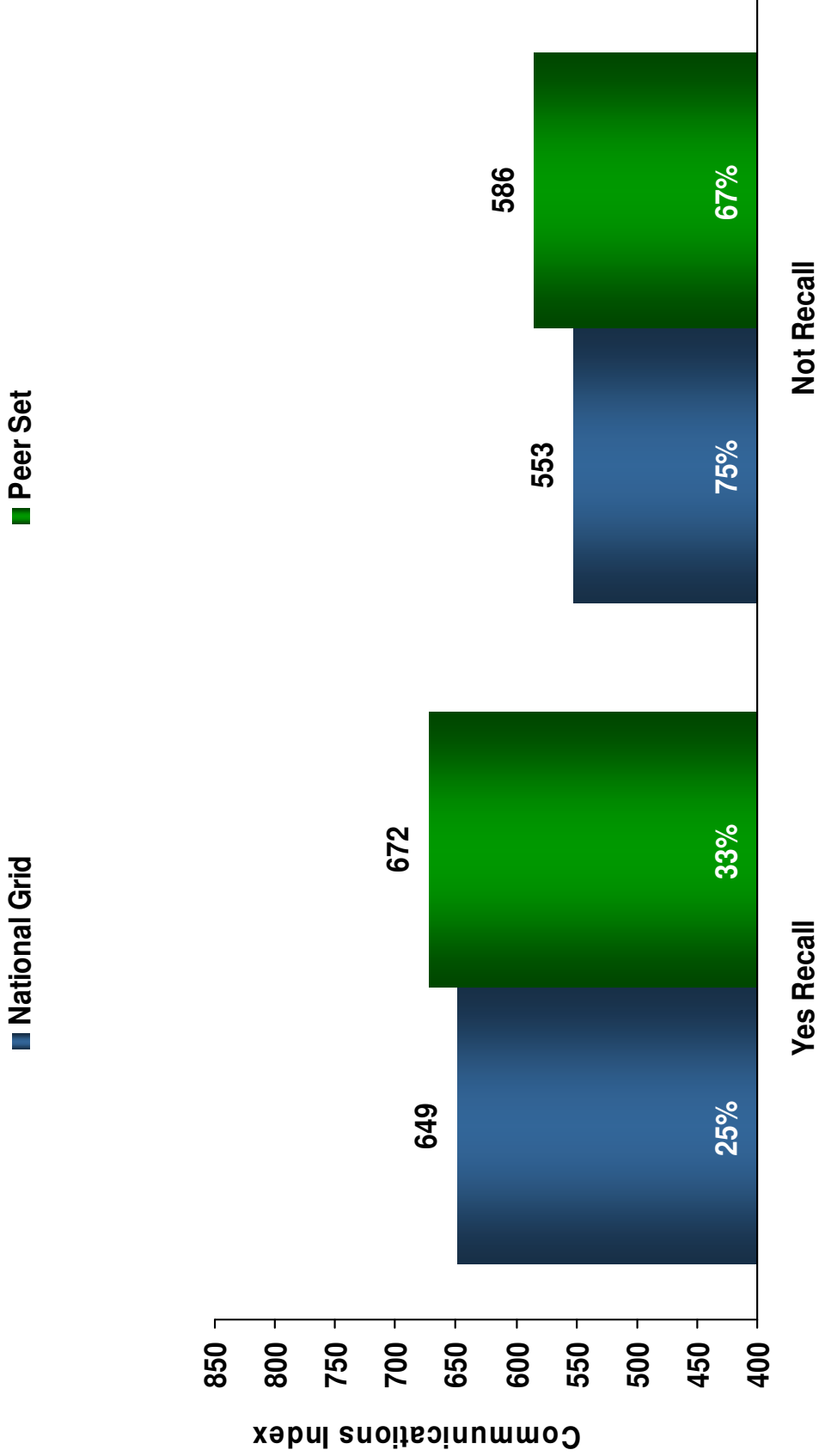


National Grid

Communications Index by Topic of the Communication



National Grid Communications Index by If Recall Safety Communications





Customer Service Performance

National Grid

Customer Service Performance Details - Mean Scores

	Difference		
	2010	2011	
(4%) Customer Service Index¹	672	690	+18
(21%) Promptness in speaking to a person	6.37	6.62	+0.25
(20%) Timeliness of resolving your problem/question/request	6.73	6.91	+0.18
(19%) Courtesy of the representative	7.34	7.38	+0.04
(18%) Representative's concern for your needs	N/A	6.91	N/A
(12%) Ease of navigating automated phone system	5.48	6.36	+0.88
(10%) Knowledge of the representative	6.87	7.13	+0.26
Overall phone customer service experience¹	6.51	6.94	+0.43

¹Based on customers whose recent contact was talking to a CSR or ATRS to CSR.

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Source: J.D. Power and Associates 2011 Gas Utility Residential Customer Satisfaction StudySM
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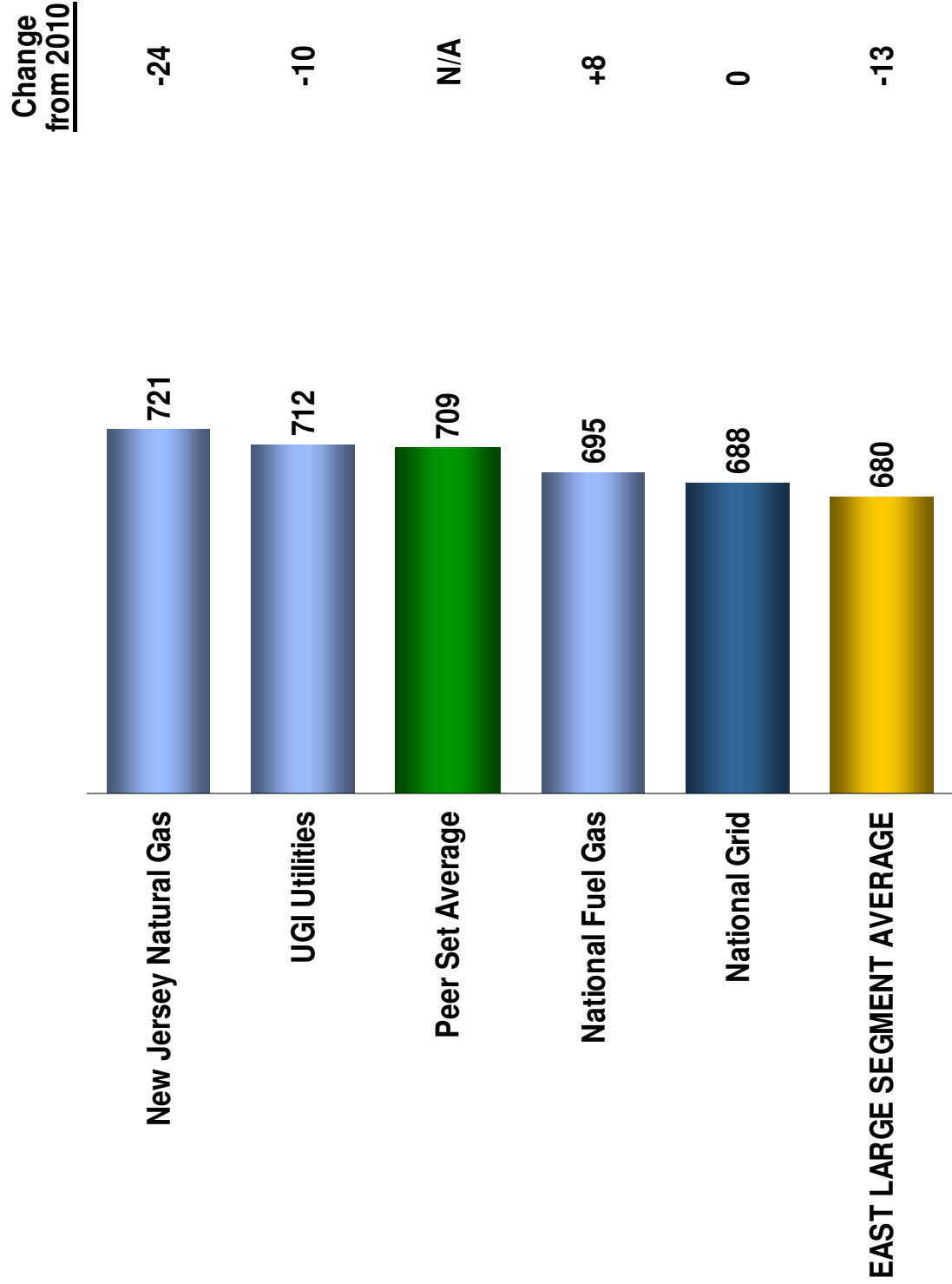
National Grid

Customer Service Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(4%) Customer Service Index¹	690	717	-27
(21%) Promptness in speaking to a person	6.62	7.13	-0.51
(20%) Timeliness of resolving your problem/question/request	6.91	7.24	-0.33
(19%) Courtesy of the representative	7.38	7.43	-0.05
(18%) Representative's concern for your needs	6.91	7.14	-0.23
(12%) Ease of navigating automated phone system	6.36	6.50	-0.14
(10%) Knowledge of the representative	7.13	7.38	-0.25
Overall phone customer service experience¹	6.94	7.36	-0.42

¹Based on customers whose recent contact was talking to a CSR or ATRS to CSR.

National Grid vs. Peer Set Customer Service Index

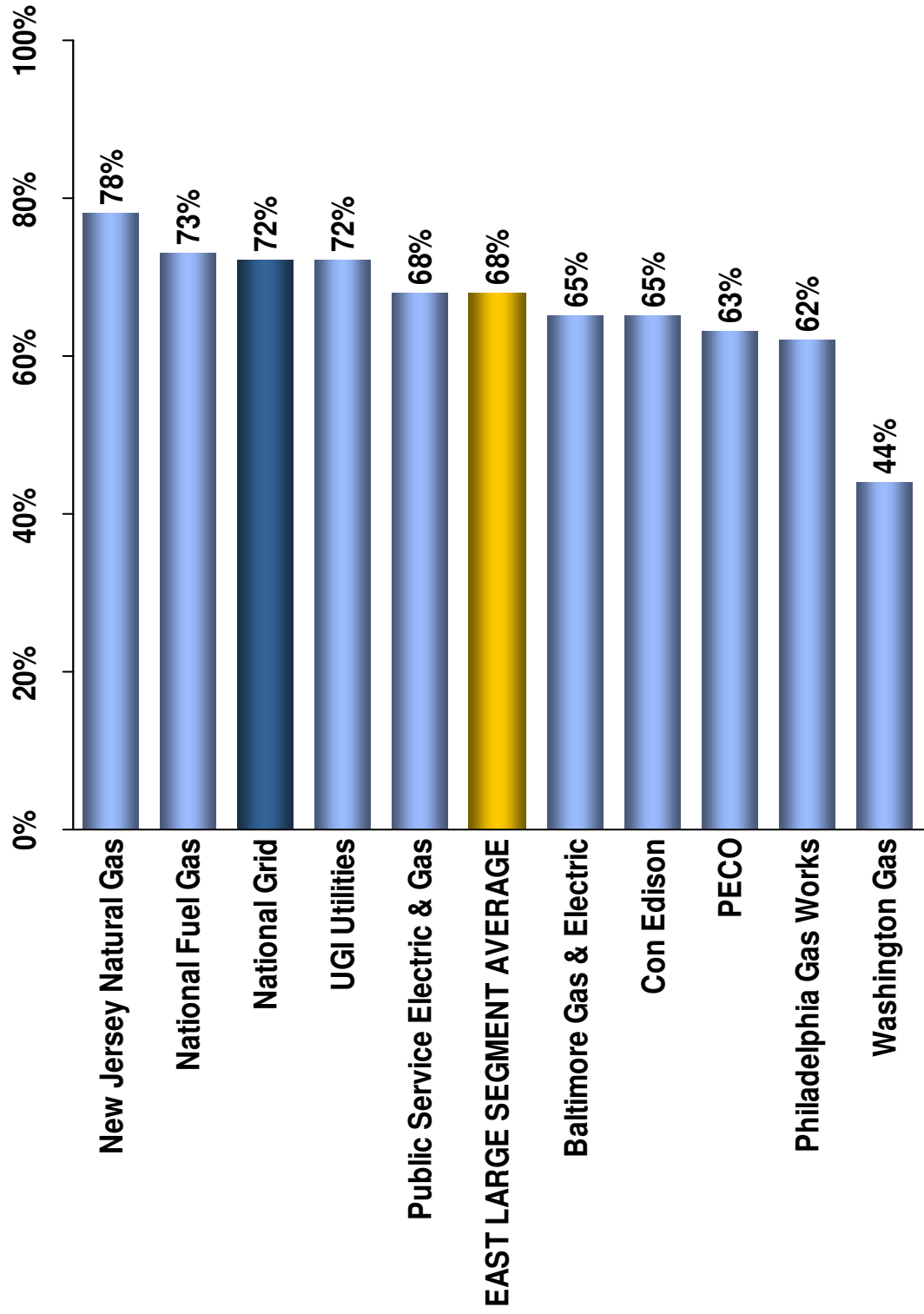


Customer Service Management Metrics

	National Grid	East Large Segment
Placed on hold	75%	77%
Reported hold time (minutes)	5.8	7.2
Provided estimated hold time	63%	59%
Hold time longer than estimated	14%	19%
# of IVR touches required	3.6	3.4
# of website clicks required	2.4	2.4
First call resolution	72%	68%
First website resolution	83%	81%

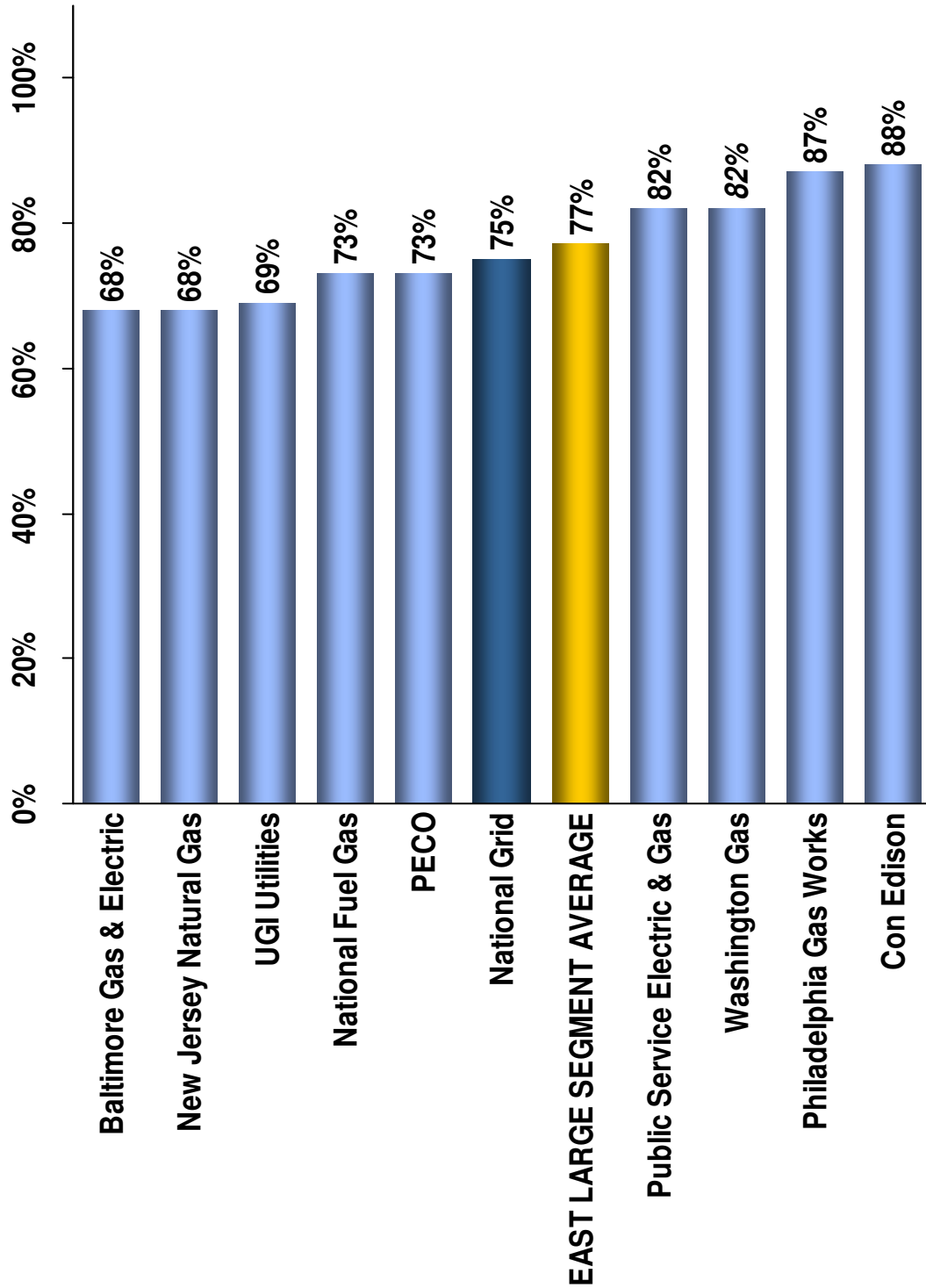
East Large Segment Results

% Resolve Your Problem on First Call



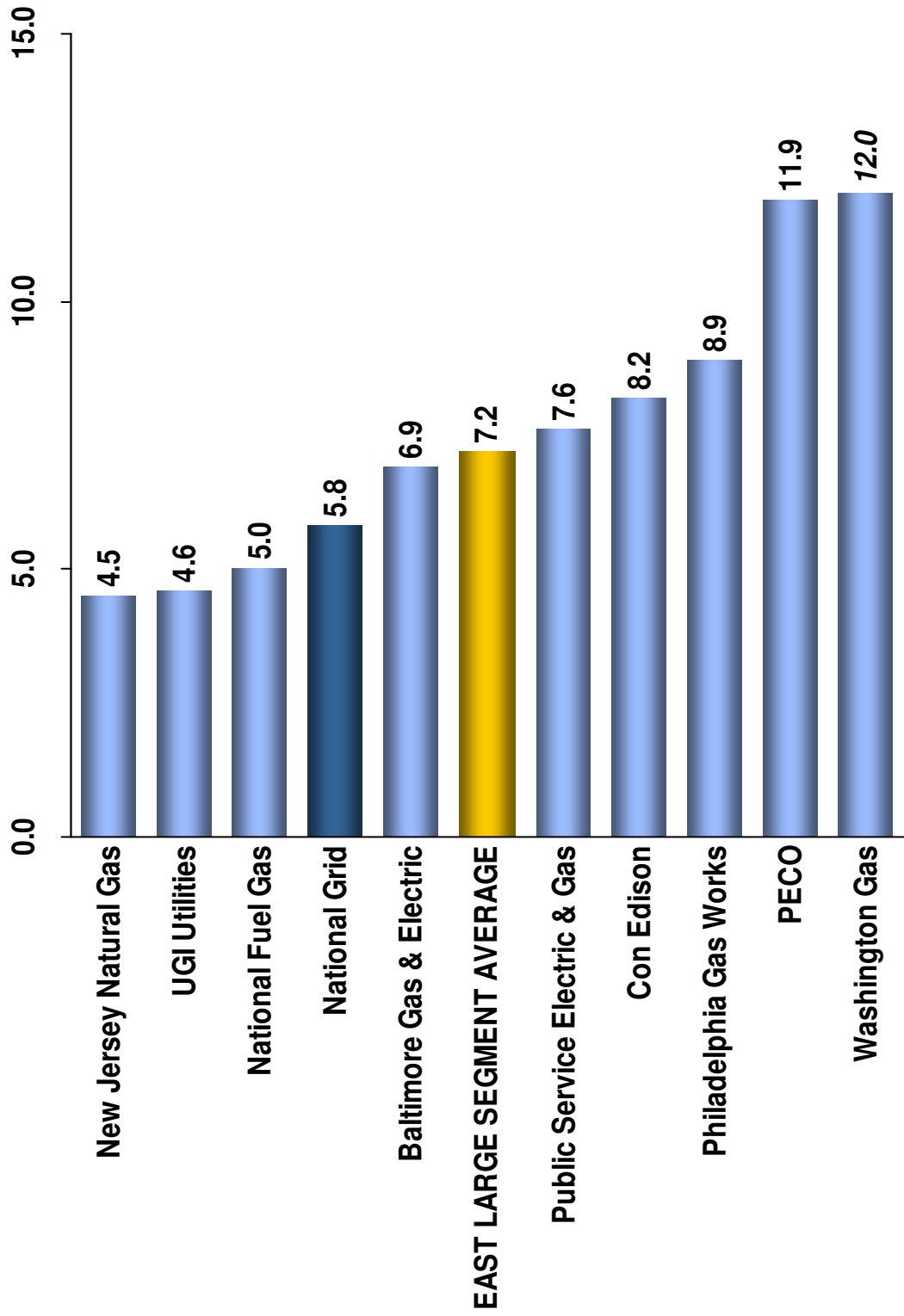
East Large Segment Results

% Put on Hold on Your Most Recent Call



East Large Segment Results

Time on Hold (minutes)



National Grid

Customer Service Performance Details - Mean Scores

	Difference		
	2010	2011	
(4%) Customer Service Index¹	697	690	-7
(41%) Timeliness of resolving your problem/question/request	6.88	6.98	+0.10
(24%) Clarity of information provided	7.07	6.84	-0.23
(18%) Appearance of website	6.97	6.88	-0.09
(14%) Ease of navigating the website	6.95	6.83	-0.12
(4%) Helpfulness of Email representative	N/A	6.07	N/A
Overall online customer service experience¹	6.90	6.95	+0.05

¹Based on customers whose recent contact was on National Grid's Website.

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National Grid

Customer Service Performance Details - Mean Scores

	Difference		
	Peer Set	National Grid	
(4%) Customer Service Index¹	690	708	-18
(41%) Timeliness of resolving your problem/question/request	6.98	7.06	-0.08
(24%) Clarity of information provided	6.84	7.02	-0.18
(18%) Appearance of website	6.88	7.10	-0.22
(14%) Ease of navigating the website	6.83	7.04	-0.21
(4%) Helpfulness of Email representative	6.07	6.28	-0.21
Overall online customer service experience¹	6.95	7.15	-0.20

¹Based on customers whose recent contact was on National Grid's Website.

Field Service Performance

National Grid Field Service Performance Details - Mean Scores

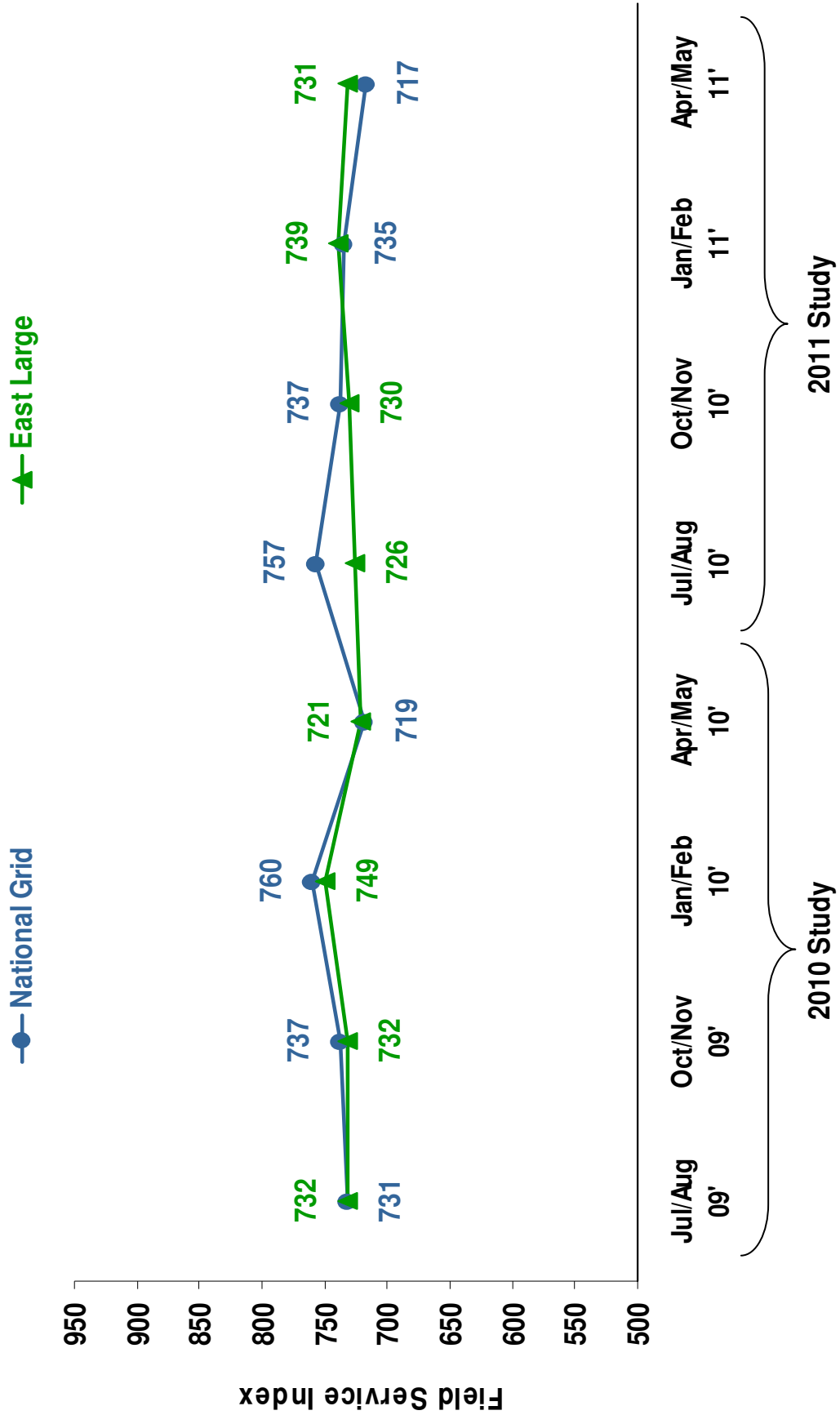
	Difference		
	2010	2011	
(4%) Field Service Index	737	737	0
(37%) Quality of work performed	7.31	7.34	+0.03
(32%) Attention to safety	7.53	7.47	-0.06
(31%) Appearance of workers	7.29	7.30	+0.01
Overall field service	7.20	7.33	+0.13

National Grid

Field Service Performance Details - Mean Scores

	Difference	Peer Set	National Grid
(4%) Field Service Index		737	738
(37%) Quality of work performed	-0.04	7.34	7.38
(32%) Attention to safety	+0.03	7.47	7.44
(31%) Appearance of workers	-0.02	7.30	7.32
Overall field service	-0.03	7.33	7.36

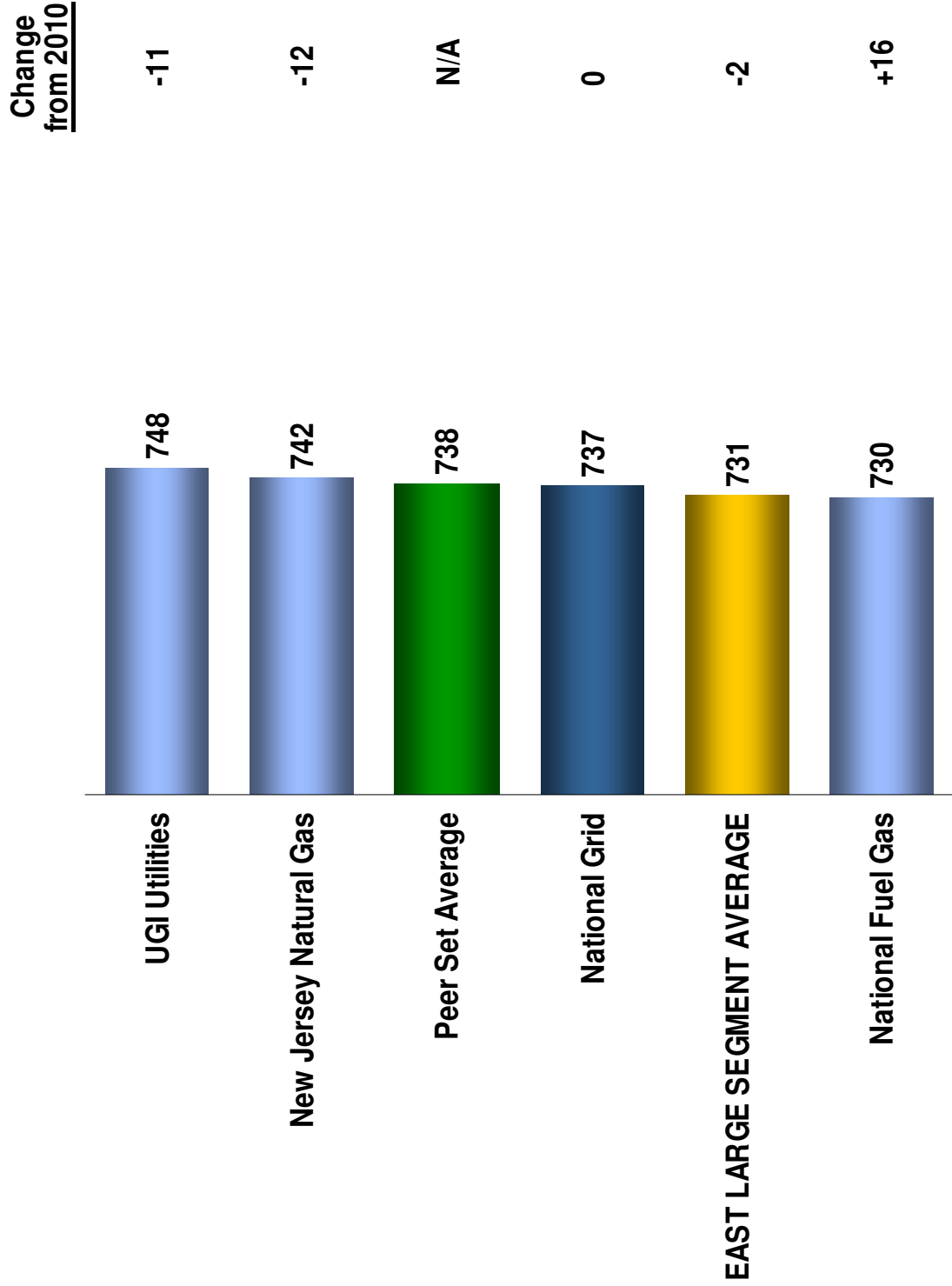
National Grid vs. East Large Segment Field Service Index



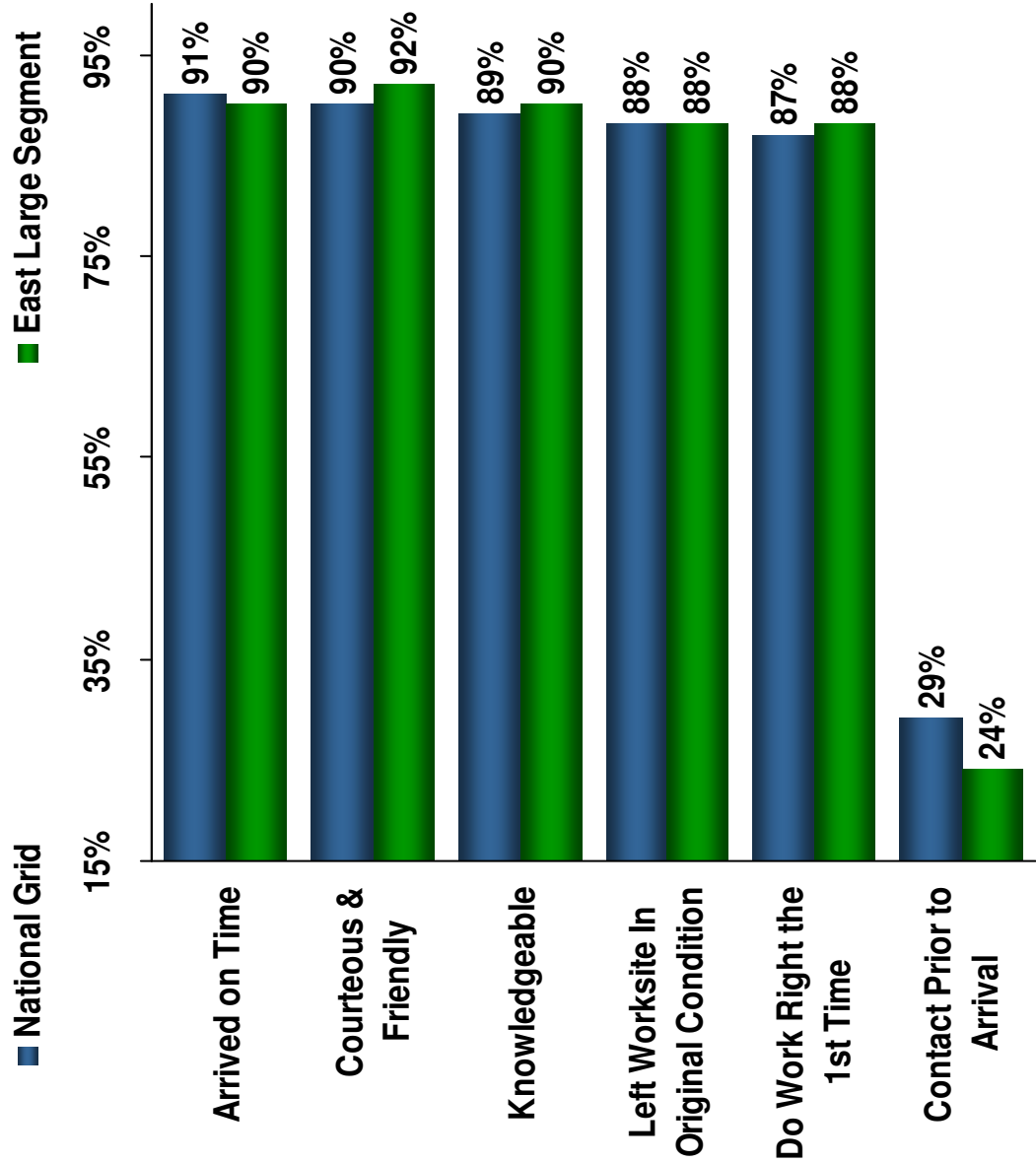
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National Grid vs. Peer Set Field Service Index

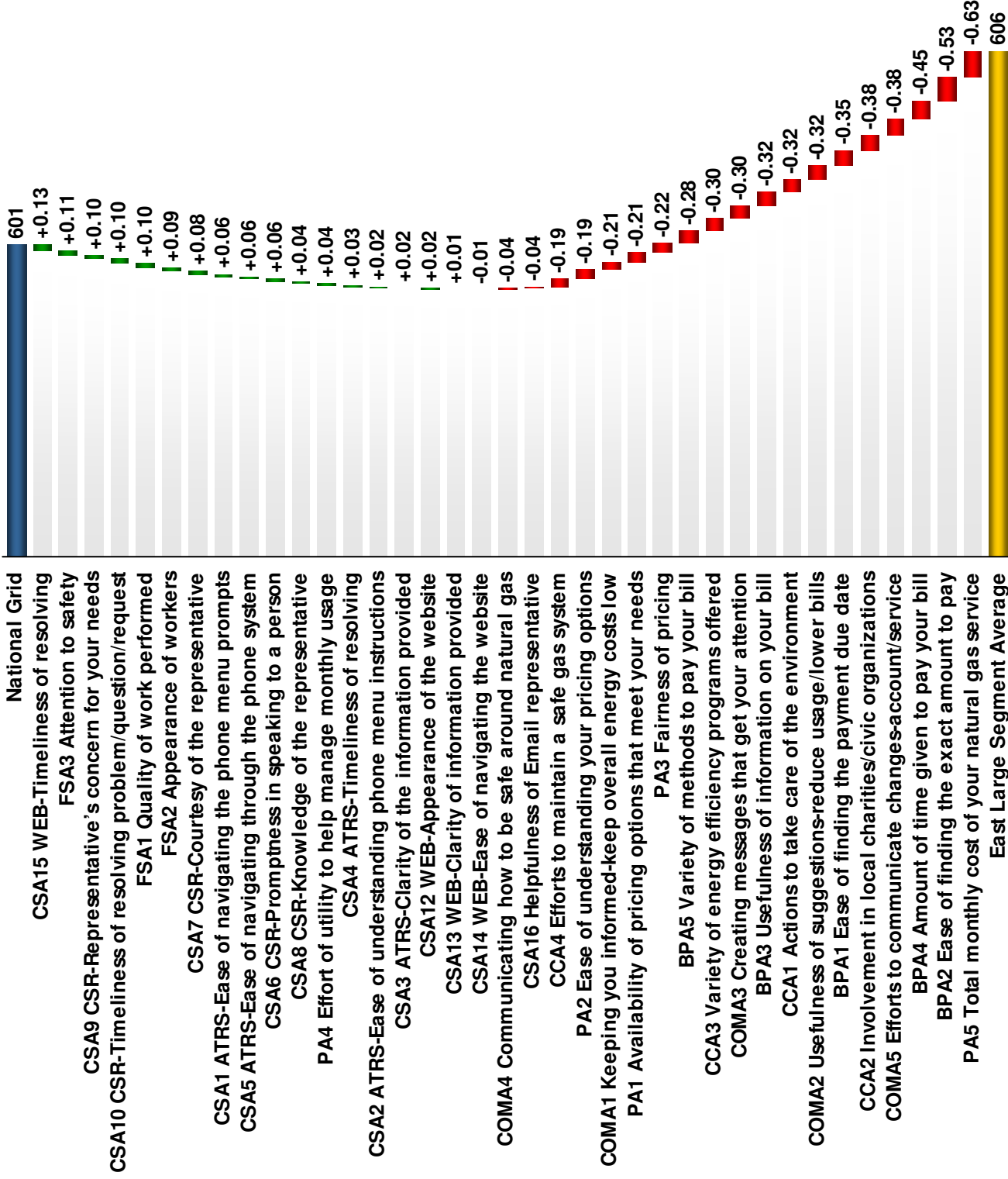


National Grid The Field Service Workers



Business Center Tools

Attribute Gap Analysis¹



¹(National Grid Index - East Large Segment Average Index) * Component's Importance Weight.

Note: The sum may not equal due to rounding.

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Customer Verbatim on How National Grid Can Better Serve Customers

- Notify customers when they are doing work in the neighborhood, and when that work is going to interrupt service to your house.
- More mailings or emails with better information about the company, its services, its products/plans, and its efforts to protect the environment and contribute to society. Also, they should research and develop GREEN energy sources...
- Not charging a fee to pay through credit card. Allow option of E-statements as their Electric division does.
- Put meters on the outside so I am not bothered on the weekends with a meter reader or use a auto reader like water company
- Show me how i can use less natural gas and improve my energy efficiency
- I wish they would keep checking on gas lines and do other precautions...it seems like there have been alot of gas explosions lately all over the country.
- Better communications in general. Tell us where the gas comes from. Tell it why it's better for the environment than coal and oil.

2011 Residential Gas Diagnostic Simulator

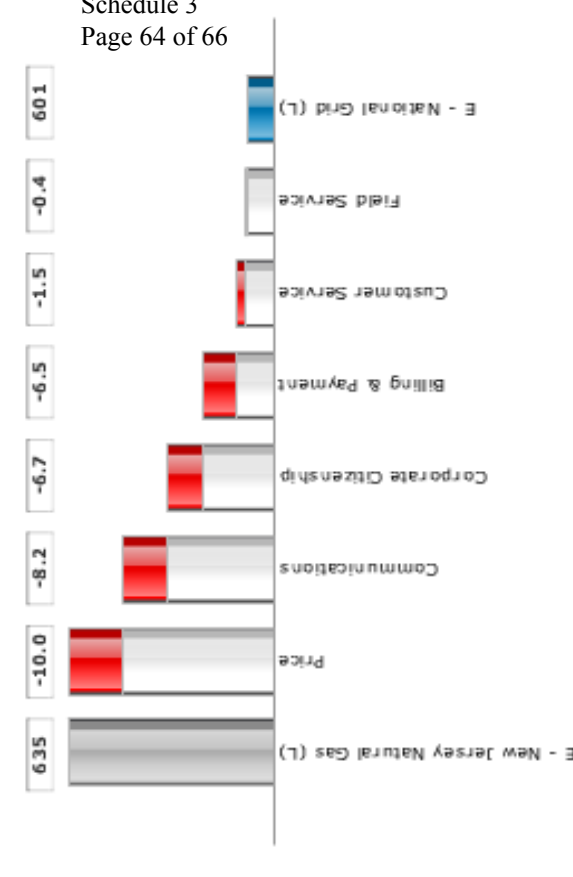
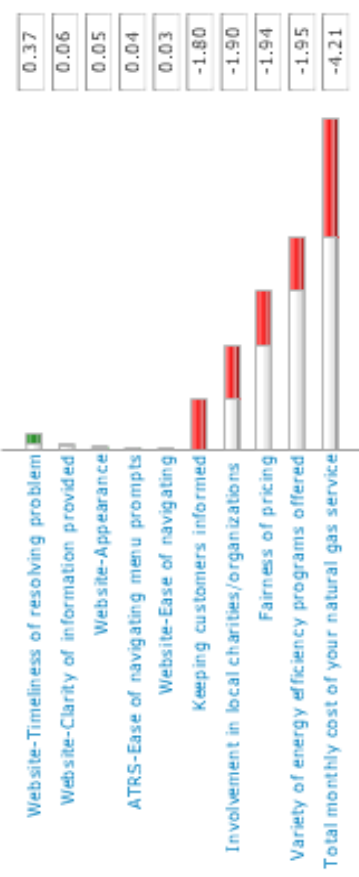
E - National Grid (L) Reset Best East Large by Diagnostic

Diagnostics		Baseline Target	Benchmark	Index	Billing	Cost	Corp	Communication	FieldServ	CustServ
Choose your own billing date	9%	9%	11%	601	693	523	569	540	737	688
Bill contains graphs that illustrate consumption	83%	83%	95%	0	0	0	0	0	0	0
Contacted CS with billing issue	3%	3%	2%	601	693	523	569	540	737	688
Pay bill through automatic deduction	18%	18%	24%	0	0	0	0	0	0	0
Have online account setup	47%	47%	49%	0	0	0	0	0	0	0
Average bill amount (\$)	\$126	\$126	\$101	0	0	0	0	0	0	0
Familiar with energy education or rebate programs	1.93	1.93	2.14	0	0	0	0	0	0	0
Aware of environmental actions	16%	16%	28%	0	0	0	0	0	0	0
Aware of employees volunteering in community	6%	6%	9%	0	0	0	0	0	0	0
Communicate safety around natural gas	25%	25%	39%	0	0	0	0	0	0	0
Communicate energy conservation tips	47%	47%	55%	0	0	0	0	0	0	0
Communicate product/service offers	27%	27%	43%	0	0	0	0	0	0	0
Communicate emergency preparedness	14%	14%	25%	0	0	0	0	0	0	0
# of menu choices / web clicks	2.79	2.79	2.29	0	0	0	0	0	0	0
Given estimated hold time	63%	63%	63%	0	0	0	0	0	0	0
Hold time (minutes)	3.42	3.42	2.42	0	0	0	0	0	0	0
# call transfers	0.66	0.66	0.46	0	0	0	0	0	0	0
Problem resolved on first contact	72%	72%	84%	0	0	0	0	0	0	0
Field service arrived on time	91%	91%	99%	0	0	0	0	0	0	0
Field service was knowledgeable	89%	89%	92%	0	0	0	0	0	0	0
Field service completed work correctly first time	87%	87%	98%	0	0	0	0	0	0	0
% of customers contacted Customer Service	29%	29%	19%	0	0	0	0	0	0	0

2011 Residential Gas Index Calculator

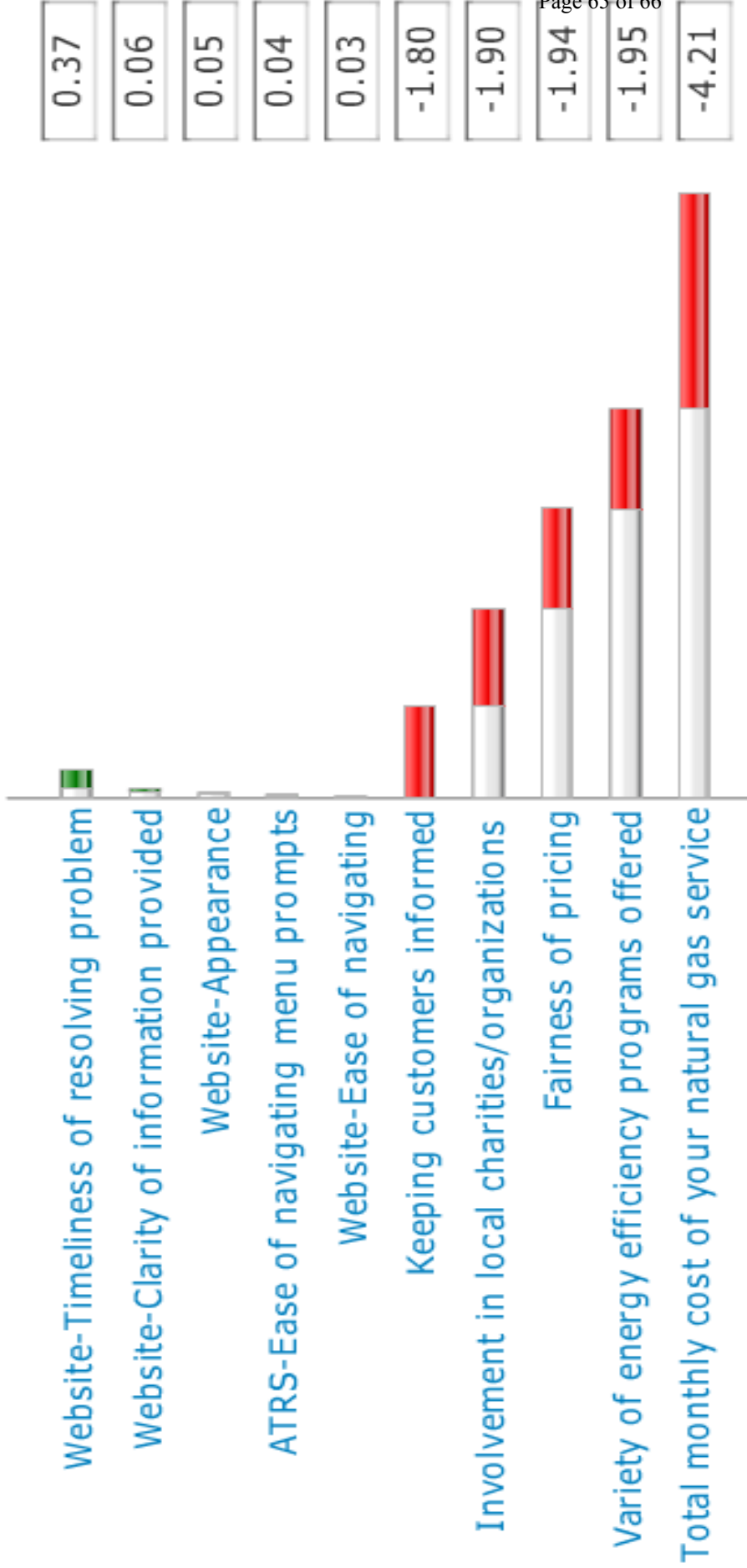
Index	Weight	Current	Adjusted	Comparison	SWOOP
		601	601	635	
Billing & Payment		693	693	716	-6.5
Ease of finding the exact amount to pay	5.36%	7.49	7.49	7.72	-1.31
Usefulness of information on your bill	5.45%	6.77	6.77	7.00	-1.32
Amount of time to pay your bill	6.37%	6.74	6.74	6.99	-1.71
Ease of finding payment due date	2.20%	7.30	7.30	7.64	-0.80
Variety of methods to pay your bill	6.63%	6.66	6.66	6.85	-1.32
Price		523	523	561	-10.0
Availability of pricing options	2.60%	5.24	5.24	5.69	-1.26
Ease of understanding your pricing options	2.87%	5.29	5.29	5.75	-1.40
Total monthly cost of your natural gas service	11.69%	5.20	5.20	5.53	-4.21
Fairness of pricing	3.93%	5.16	5.16	5.62	-1.94
Effort to help manage monthly usage	3.07%	5.35	5.35	5.70	-1.15
Corporate Citizenship		569	569	603	-6.7
Actions to take care of the environment	4.07%	5.61	5.61	5.98	-1.59
Efforts to develop plans for future	3.91%	6.33	6.33	6.63	-1.24
Involvement in local charities/organizations	5.60%	5.38	5.38	5.70	-1.90
Variety of energy efficiency programs offered	5.08%	5.61	5.61	5.97	-1.95
Communications		540	540	584	-8.2
Keeping customers informed	3.30%	5.15	5.15	5.66	-1.80
Usefulness of suggestions	3.45%	5.54	5.54	5.98	-1.64
Creating messages that get your attention	3.32%	5.10	5.10	5.48	-1.34
Communicating how to be safe around natural gas	3.63%	5.72	5.72	6.17	-1.76
Efforts to communicate changes	3.62%	5.43	5.43	5.85	-1.64
Field Service		737	737	742	-0.4
Quality of work performed	2.62%	7.34	7.34	7.35	-0.03
Appearance of workers	2.22%	7.30	7.30	7.42	-0.28
Attention to safety and quality	2.25%	7.47	7.47	7.49	-0.05
Customer Service		688	688	721	-1.5
Phone Customer Service		697	697	752	-2.0
ATRS-Ease of navigating menu prompts	0.23%	7.26	7.26	7.09	0.04
ATRS-Understanding menu instructions	0.13%	7.27	7.27	7.06	0.03
ATRS-Clarity of information provided	0.14%	7.24	7.24	7.20	0.01
ATRS-Timeliness of resolving problem	0.21%	7.16	7.16	7.12	0.01
ATRS/Rep-Ease of navigating the system	0.36%	6.36	6.36	6.89	-0.20
CSR-Promptness in speaking to CSR	0.63%	6.62	6.62	7.49	-0.59
CSR-Courtesy of the representative	0.58%	7.38	7.38	7.76	-0.23
CSR-Knowledge of the representative	0.30%	7.13	7.13	7.72	-0.19
CSR-Concern for your needs	0.53%	6.91	6.91	7.68	-0.44
CSR-Timeliness of resolving problem	0.59%	6.91	6.91	7.59	-0.43
Online Customer Service		689	689	688	0.5
Website-Appearance	0.57%	6.95	6.95	6.86	0.05
Website-Clarity of information provided	0.72%	6.91	6.91	6.82	0.06
Website-Ease of navigating	0.47%	6.89	6.89	6.81	0.03
Website-Timeliness of resolving problem	1.26%	7.06	7.06	6.75	0.37
Website-Helpfulness of chat/email representative	0.05%	6.17	6.17	6.07	0.00

Top 5 and Bottom 5 Attribute Gaps (weighted)



National Grid Attribute Gaps to NJ Natural

Top 5 and Bottom 5 Attribute Gaps (weighted)



Questions?

Testimony of Shared Services and Customer Panel

Schedule 4

Gas Business Customer Report

2011 Gas Utility Business Customer Satisfaction StudySM



Presented to:

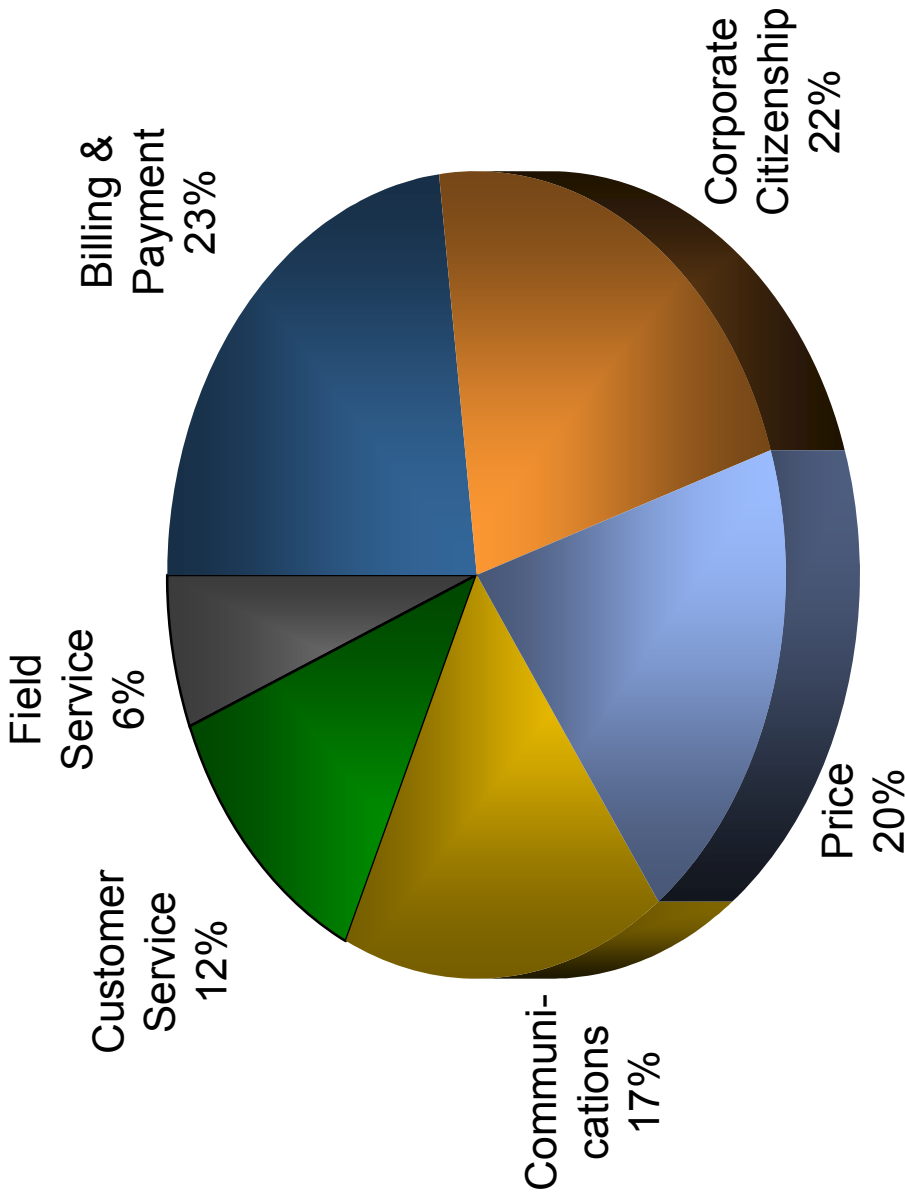
nationalgrid

May 2, 2011
Jeff Conklin
John Hazen
Energy Practice

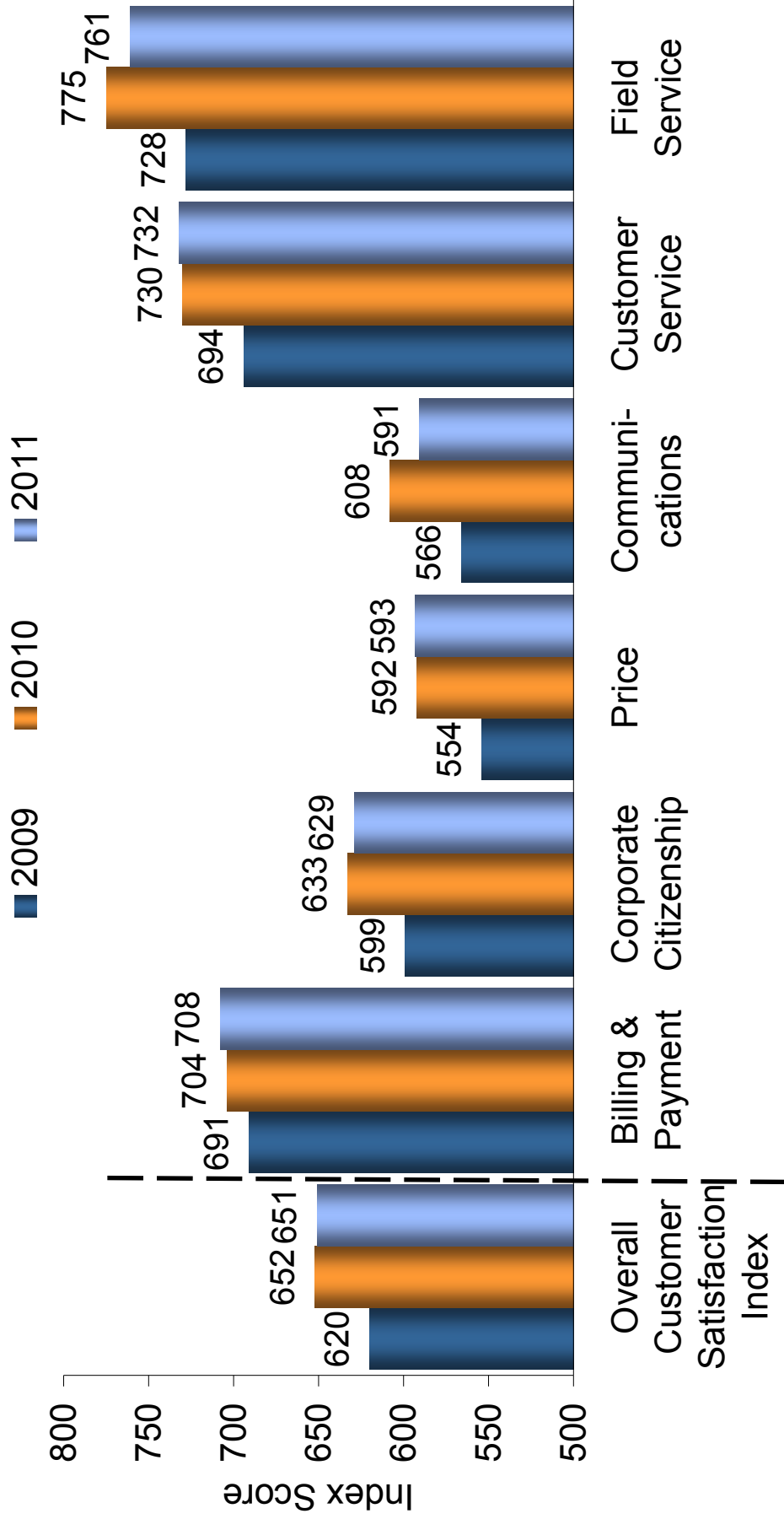
Gas Utility Business Customer Satisfaction Study

- 6th year of Gas Utility Business Customer Satisfaction Study
- Targeted 55 natural gas utilities
 - Those serving at least 25,000 commercial customers
 - Represents over 3.6 million business customers in the U.S.
- Online interviews completed in two semi-annual fielding periods:
 - Fielding Period 1: June – August
 - Fielding Period 2: October – January
 - Annual scores are the average across the two fielding periods
- 7,635 businesses interviewed nationwide
- 476 National Grid Customer Surveys
- Monthly business gas utility bill amounts between \$200 and \$50,000
- Rankings by region, by local natural gas utility brand

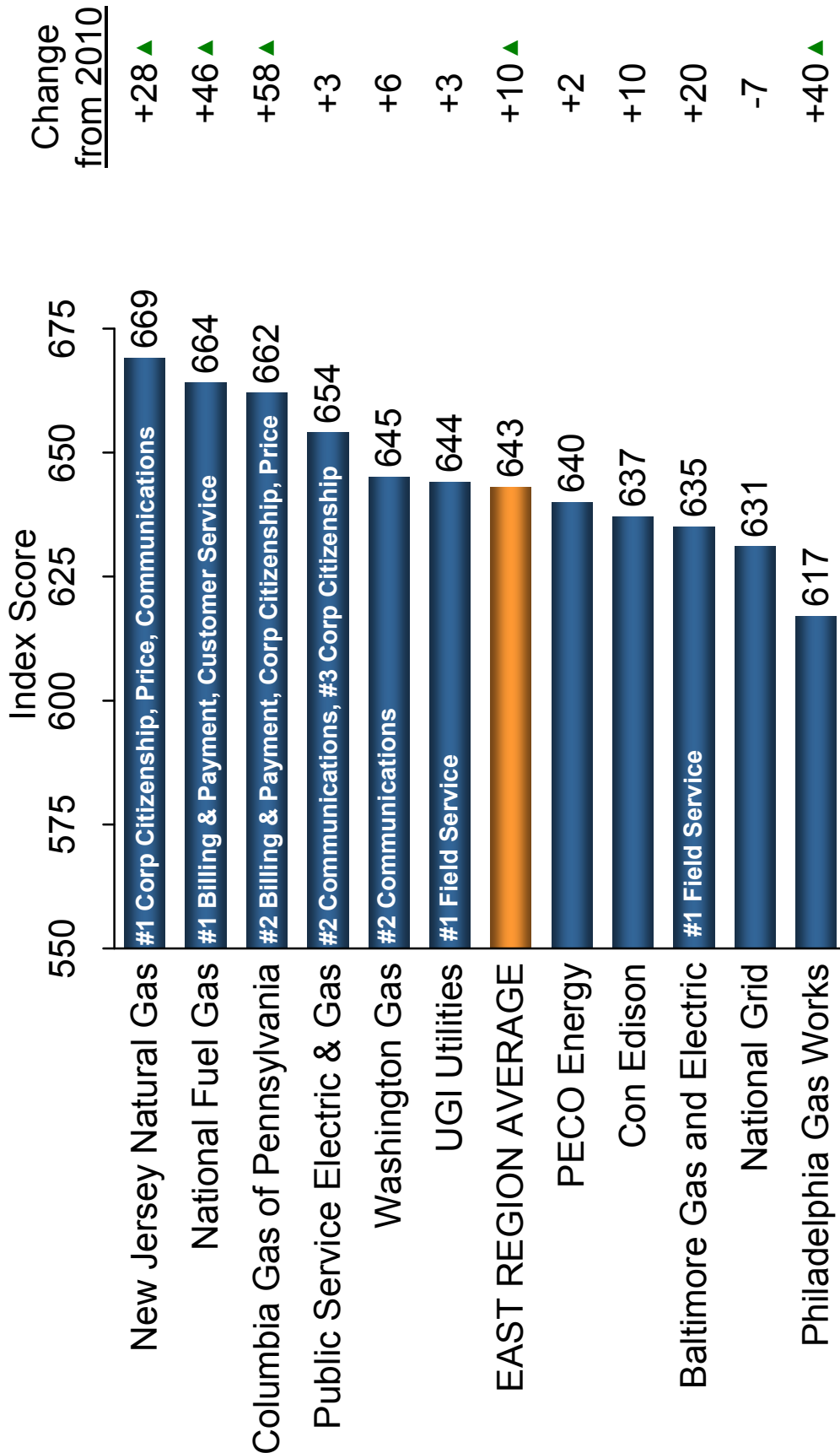
Factor Index Scores Are Weighted To Determine Overall Customer Satisfaction Index



Industry Business Customer Satisfaction Is Stable

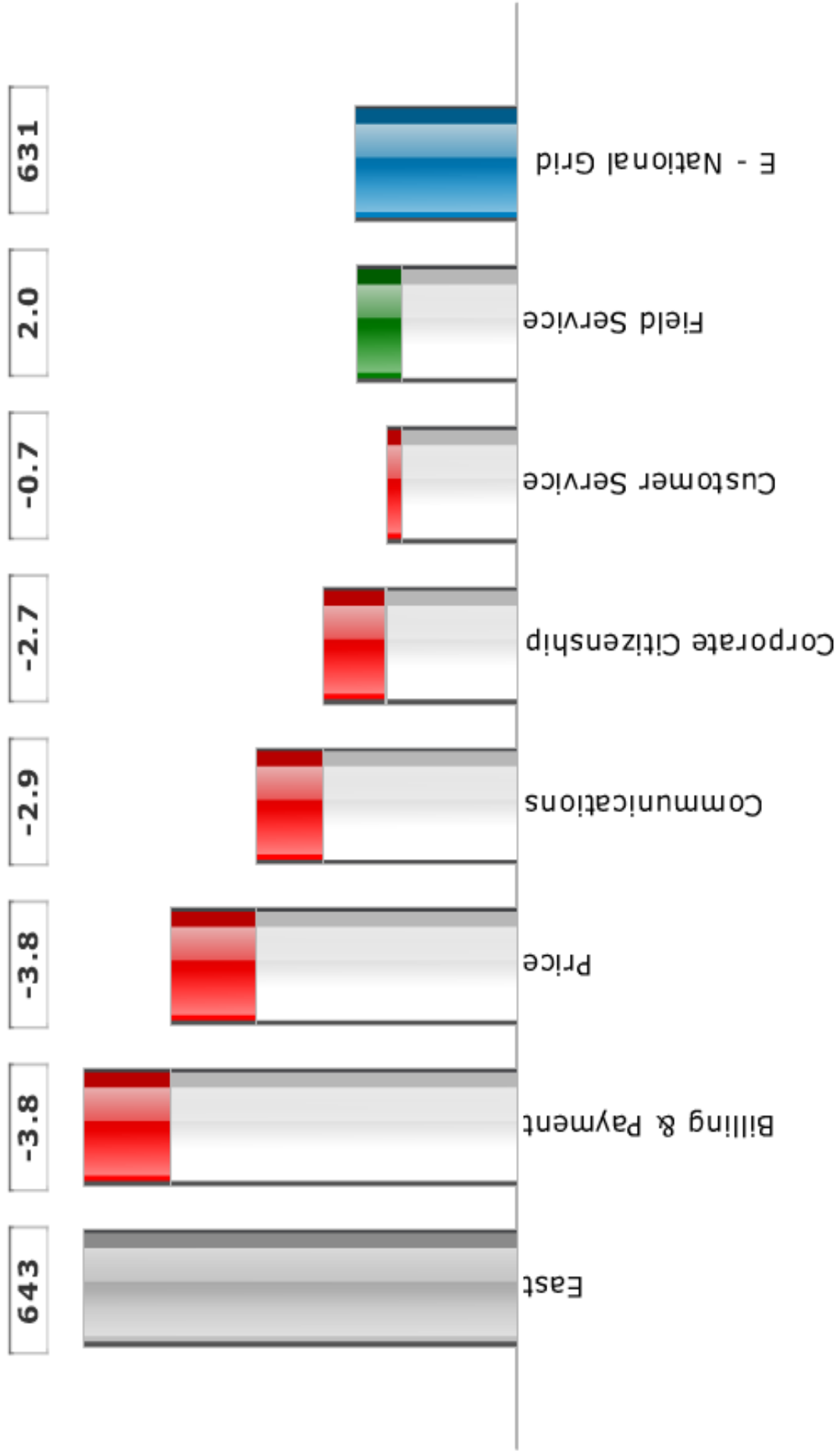


2011 Gas Business Study Overall CSI – East Region



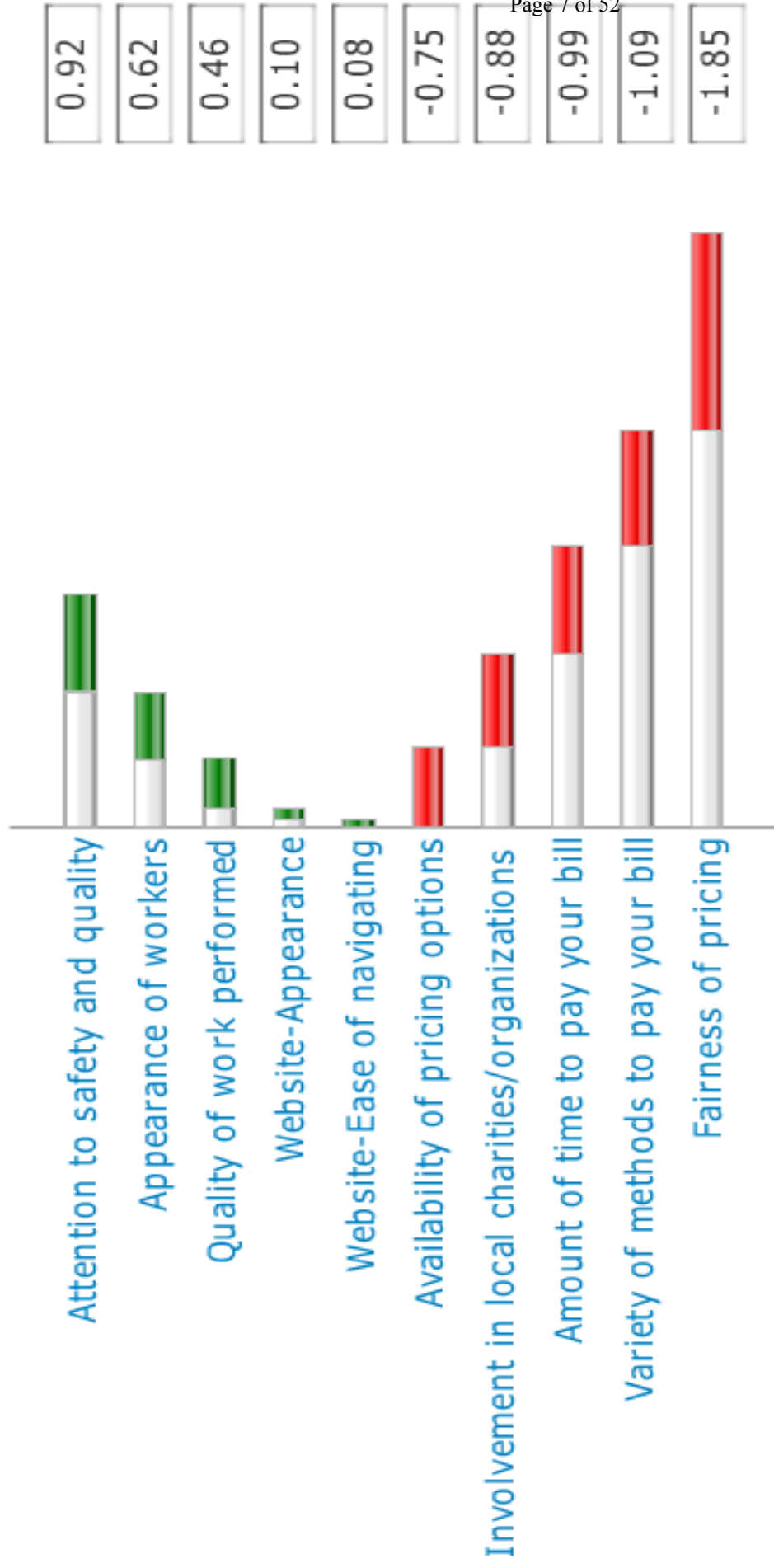
▲ Significantly BETTER at 90% Confidence
 ▼ Significantly WORSE at 90% Confidence

National Grid Factor Gaps vs. East Region Avg.

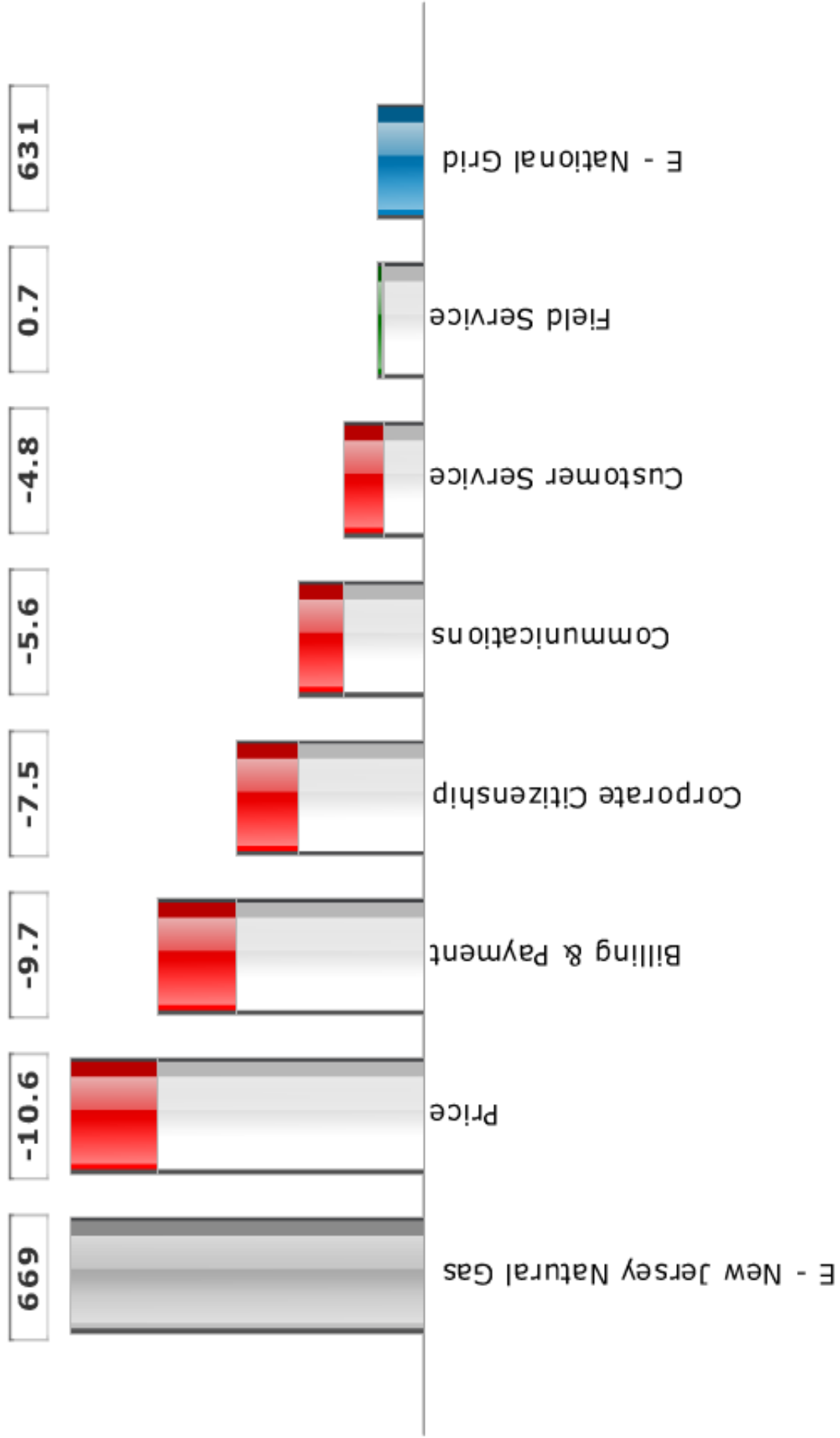


National Grid Attribute Gaps to East Region

Top 5 and Bottom 5 Attribute Gaps (weighted)

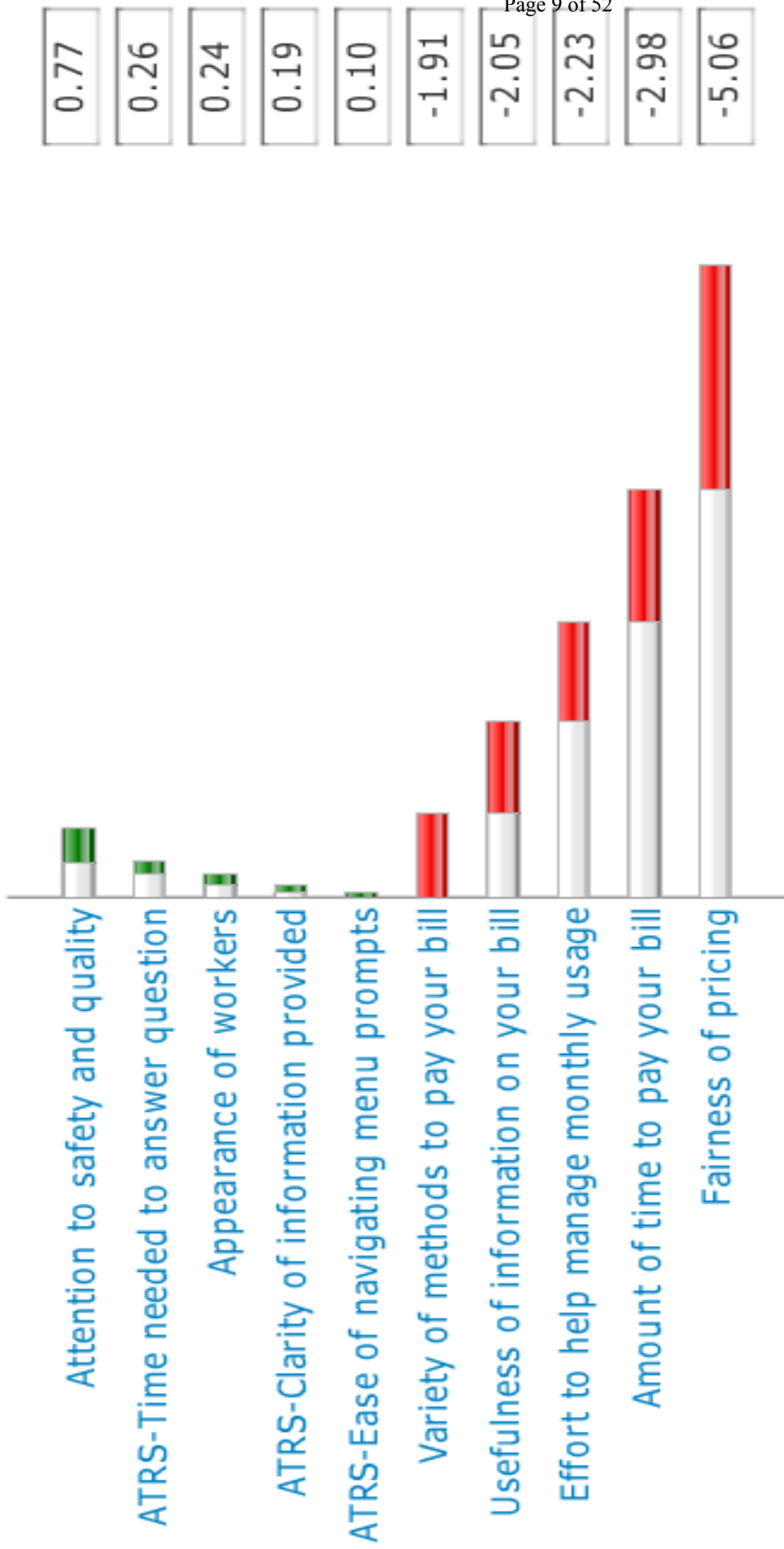


National Grid Factor Gaps vs. New Jersey Natural



National Grid Attribute Gaps to New Jersey Natural

Top 5 and Bottom 5 Attribute Gaps (weighted)

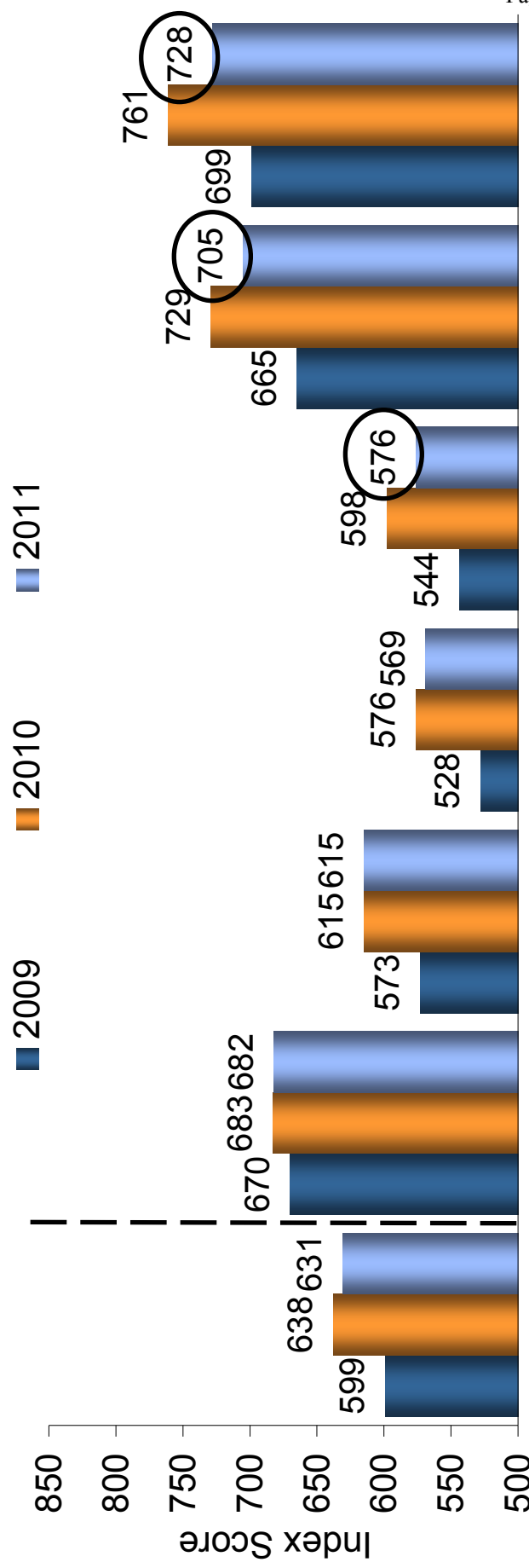


National Grid Performance



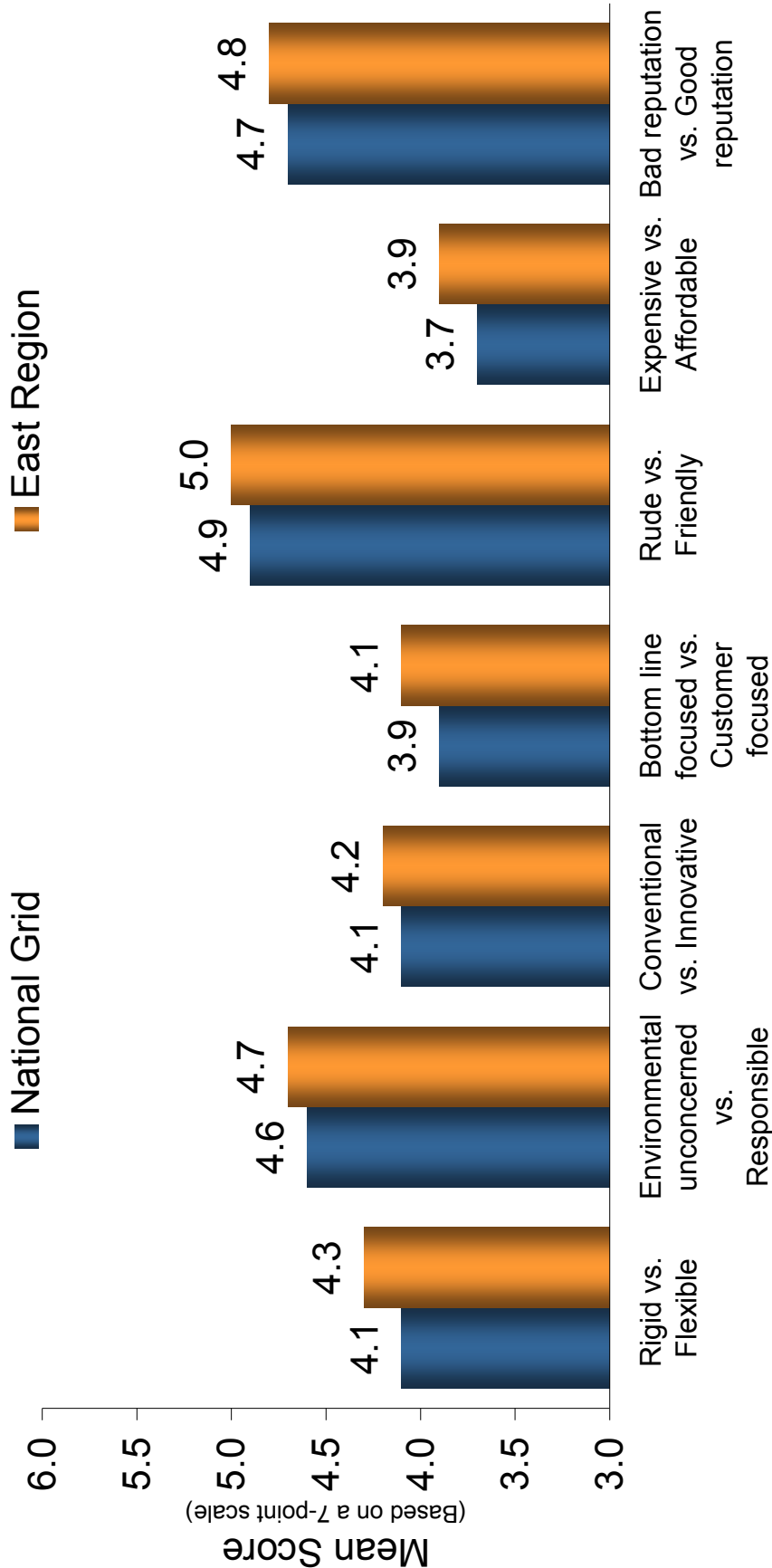
National Grid Performance Trends

National Grid



Factor	YTY Change	CSI Impact
Overall Customer Satisfaction Index	-7	-7
Billing & Payment	-1	-1
Corporate Citizenship	0	0
Price	-7	-7
Communications	-22	-22
Customer Service	-24	-24
Field Service	-33	-33

National Grid Brand Characteristics Are Similar To Region

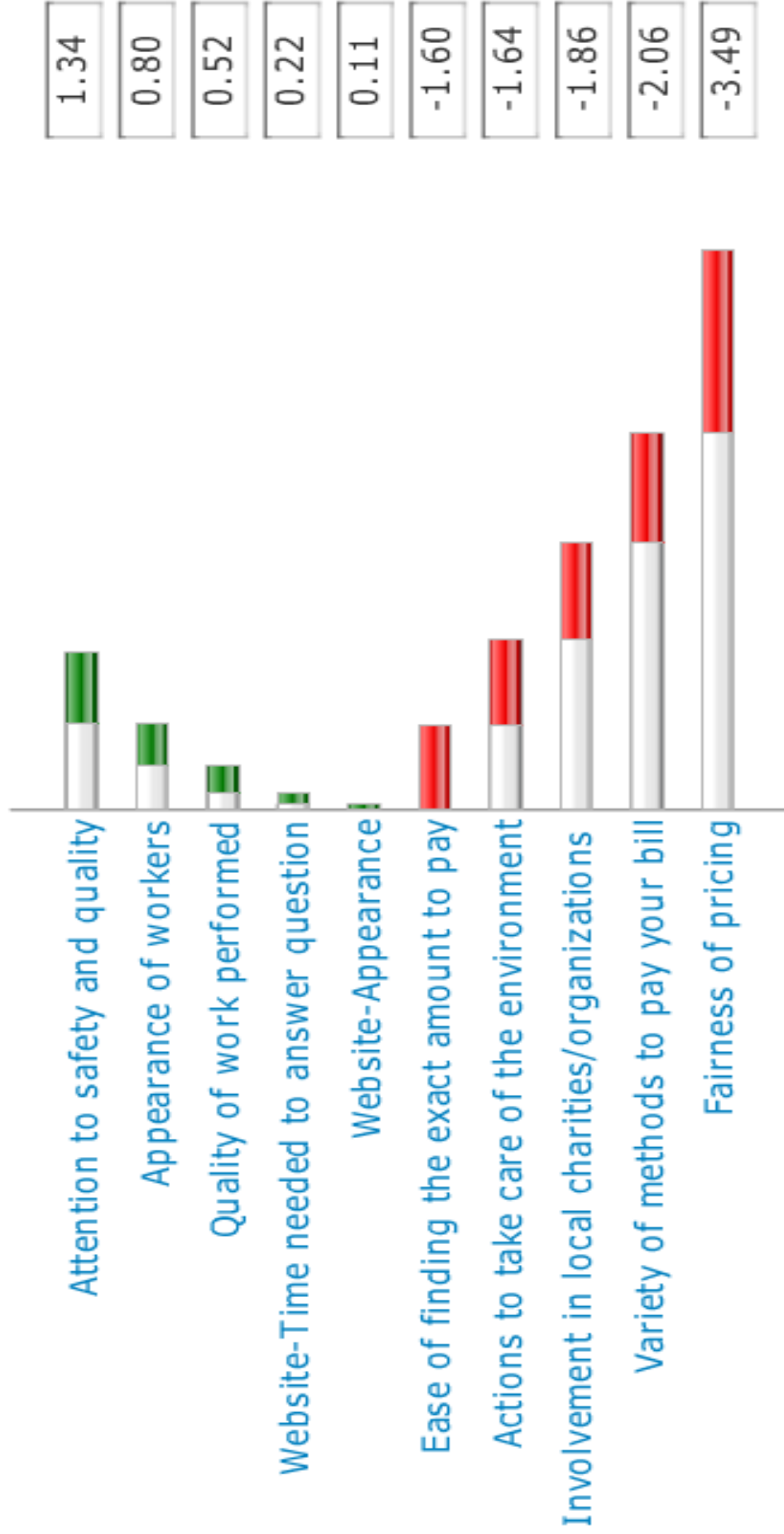


National Grid Peer Set Factor Performance Comparisons

Peer Set	Overall Customer Satisfaction Index					Field Service
	Billing & Payment	Corporate Citizenship	Price	Communications	Customer Service	
Baltimore Gas and Electric	687	616	569	580	687	782
Con Edison	682	621	577	597	683	716
PECO Energy	701	628	579	595	663	747
Public Service Electric & Gas	701	635	589	598	697	758
Peer Set Average	693	627	581	596	686	743
National Grid	631	615	569	576	705	728
Diff from Peer Average	-13	-12	-12	-20	+19	-15

National Grid Attribute Gaps to PSE&G

Top 5 and Bottom 5 Attribute Gaps (weighted)



Billing & Payment Performance



National Grid Billing & Payment Performance Details

Mean Scores

<u>2010</u>	<u>2011</u>	<u>Diff</u>
683	682	-1

(23%) Billing & Payment Index

(24%) Amount of time given to pay bill	6.52	6.59	+0.07
(23%) Usefulness of information on bill	6.68	6.76	+0.08
(23%) Variety of methods to pay your bill	6.58	6.62	+0.04
(22%) Ease of finding exact amount to pay	7.43	7.24	-0.19
(8%) Ease of finding payment due date	7.31	7.11	-0.20

Overall Billing and Payment Experience

6.81	6.89	+0.08
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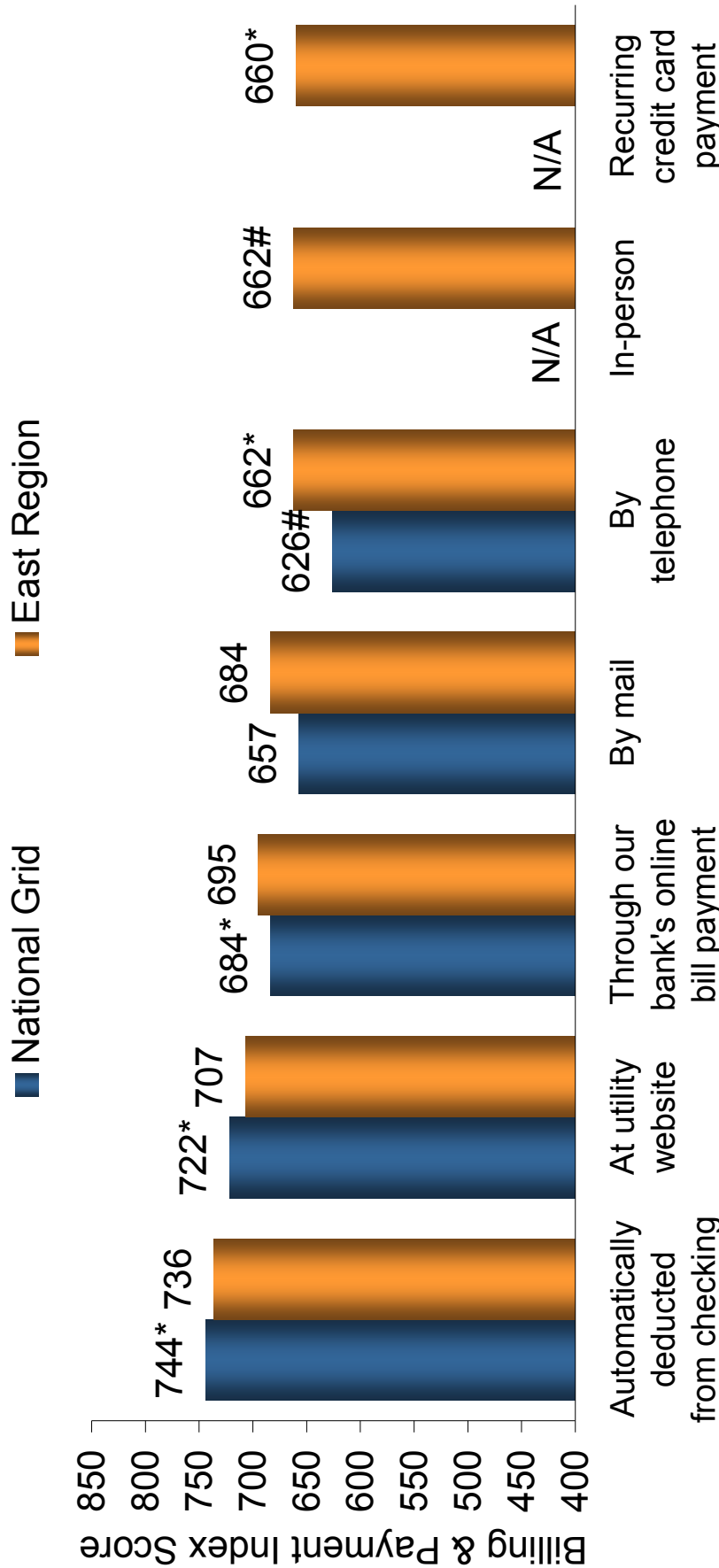
▲ Significantly BETTER at 90% Confidence
 ▼ Significantly WORSE at 90% Confidence

National Grid Billing & Payment Performance Details

	Mean Scores		
	<u>National Grid</u>	<u>Peer Set</u>	<u>Diff</u>
(23%) Billing & Payment Index	682	693	-11
(24%) Amount of time given to pay bill	6.59	6.67	-0.08
(23%) Usefulness of information on bill	6.76	6.81	-0.05
(23%) Variety of methods to pay your bill	6.62	6.78	-0.16
(22%) Ease of finding exact amount to pay	7.24	7.37	-0.13
(8%) Ease of finding payment due date	7.11	7.23	-0.12
Overall Billing and Payment Experience	6.89	6.91	-0.02

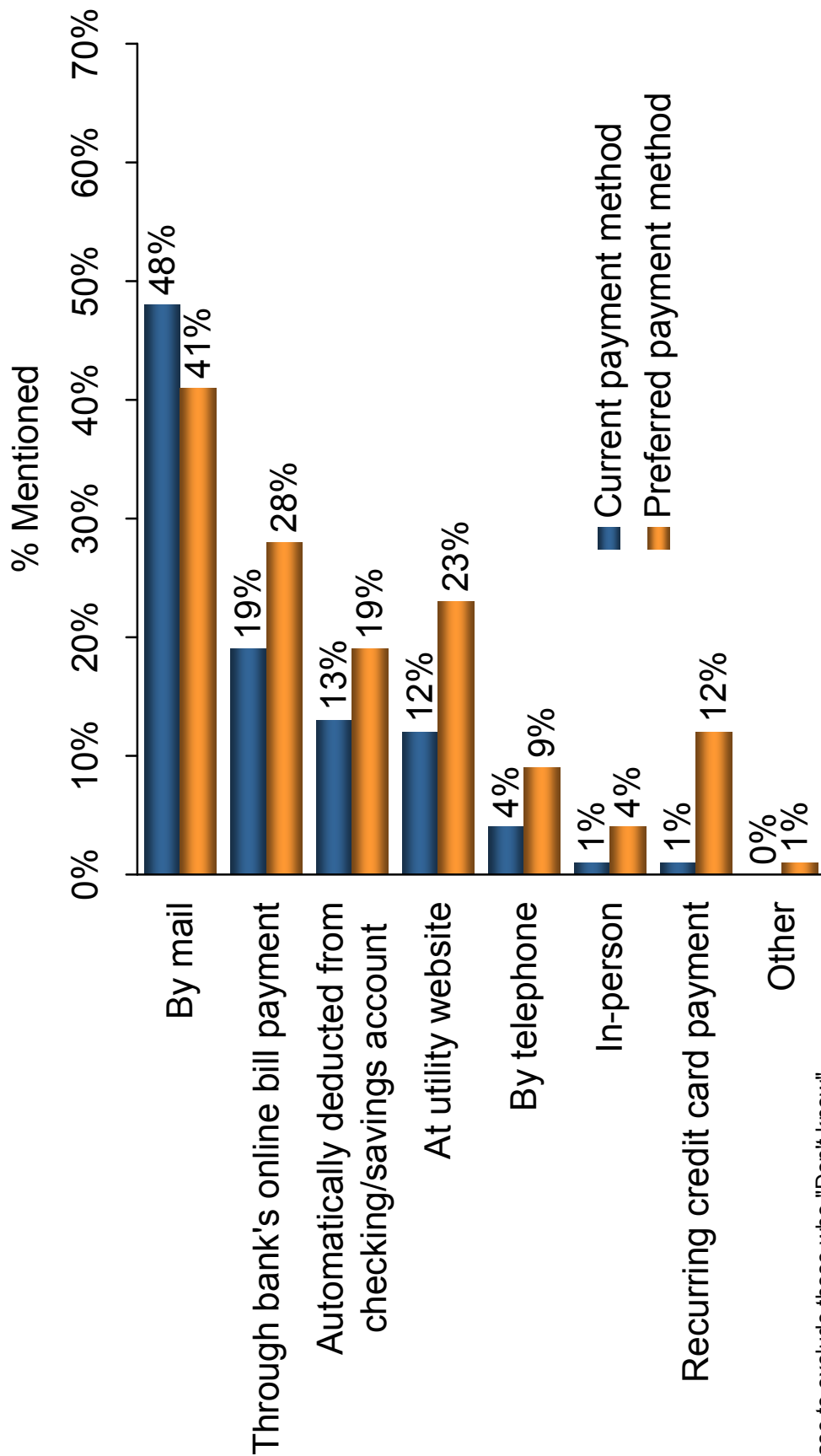
▲ Significantly BETTER at 90% Confidence
 ▼ Significantly WORSE at 90% Confidence

National Grid Auto Deducted Payments And Utility Website Score Highest



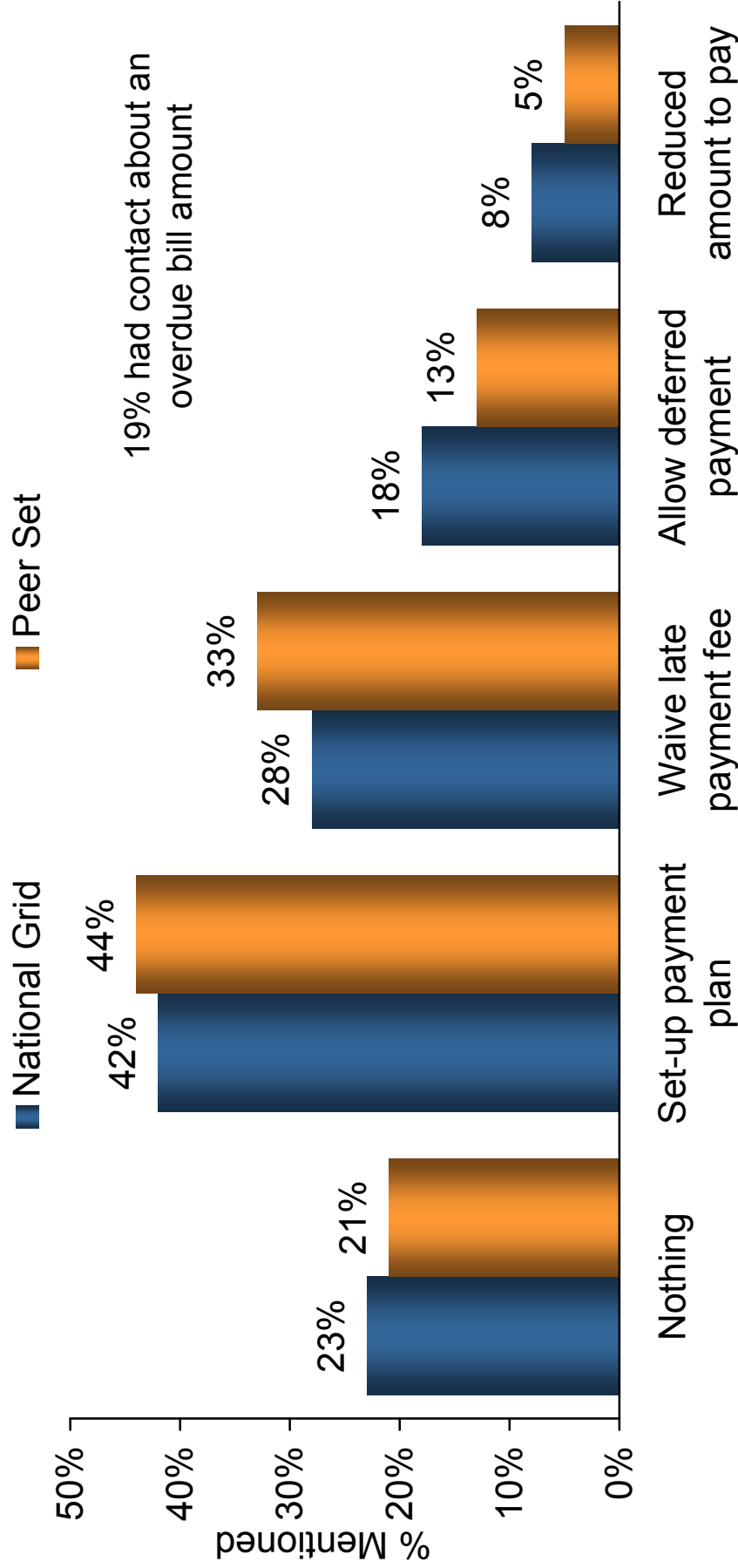
*CAUTION: Small sample size (n=30-99).
 #EXTREME CAUTION: Insufficient sample size (n=10-30).
 Note: Index not shown due to insufficient sample size (n<10)

More National Grid Business Customers Would Like To Pay By Mail Or Through Bank's Online Website



Base to exclude those who "Don't know".

National Grid Worked With Customers To Help Them With Overdue Bill Amounts



Utility Offer to Do for Overdue Balance

Corporate Citizenship Performance



National Grid Corporate Citizenship Performance Details

Mean Scores

2010	2011	Diff
615	615	0

(22%) Corporate Citizenship Index

(24%) Involvement in local charities/civic organizations	5.69	5.83	+0.14
(23%) Efforts to maintain a safe gas system	6.81	6.57	-0.24 ▼
(20%) Variety of energy efficiency programs	6.21	6.20	-0.01
(19%) Actions to take care of the environment	6.16	6.11	-0.05
(15%) Business leadership in local communities	5.82	5.98	+0.16

Overall Corporate Citizenship

6.04 6.18 +0.14

▲ Significantly BETTER at 90% Confidence

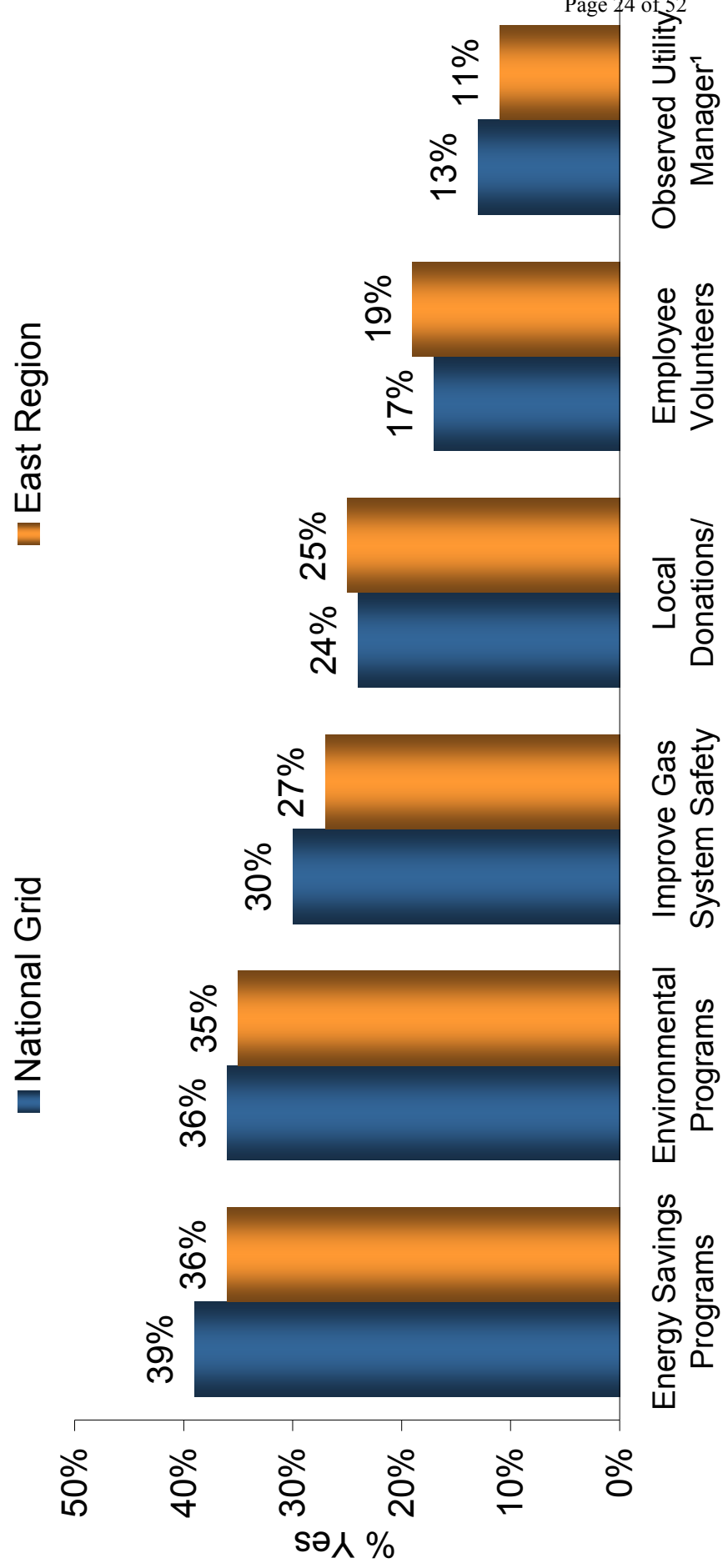
▼ Significantly WORSE at 90% Confidence

National Grid Corporate Citizenship Performance Details

	Mean Scores		
	<u>National Grid</u>	<u>Peer Set</u>	<u>Diff</u>
(22%) Corporate Citizenship Index	615	627	-12
(24%) Involvement in local charities/civic organizations	5.83	6.00	-0.17
(23%) Efforts to maintain a safe gas system	6.57	6.63	-0.06
(20%) Variety of energy efficiency programs	6.20	6.32	-0.12
(19%) Actions to take care of the environment	6.11	6.25	-0.14
(15%) Business leadership in local communities	5.98	6.12	-0.14
Overall Corporate Citizenship	6.18	6.28	-0.10

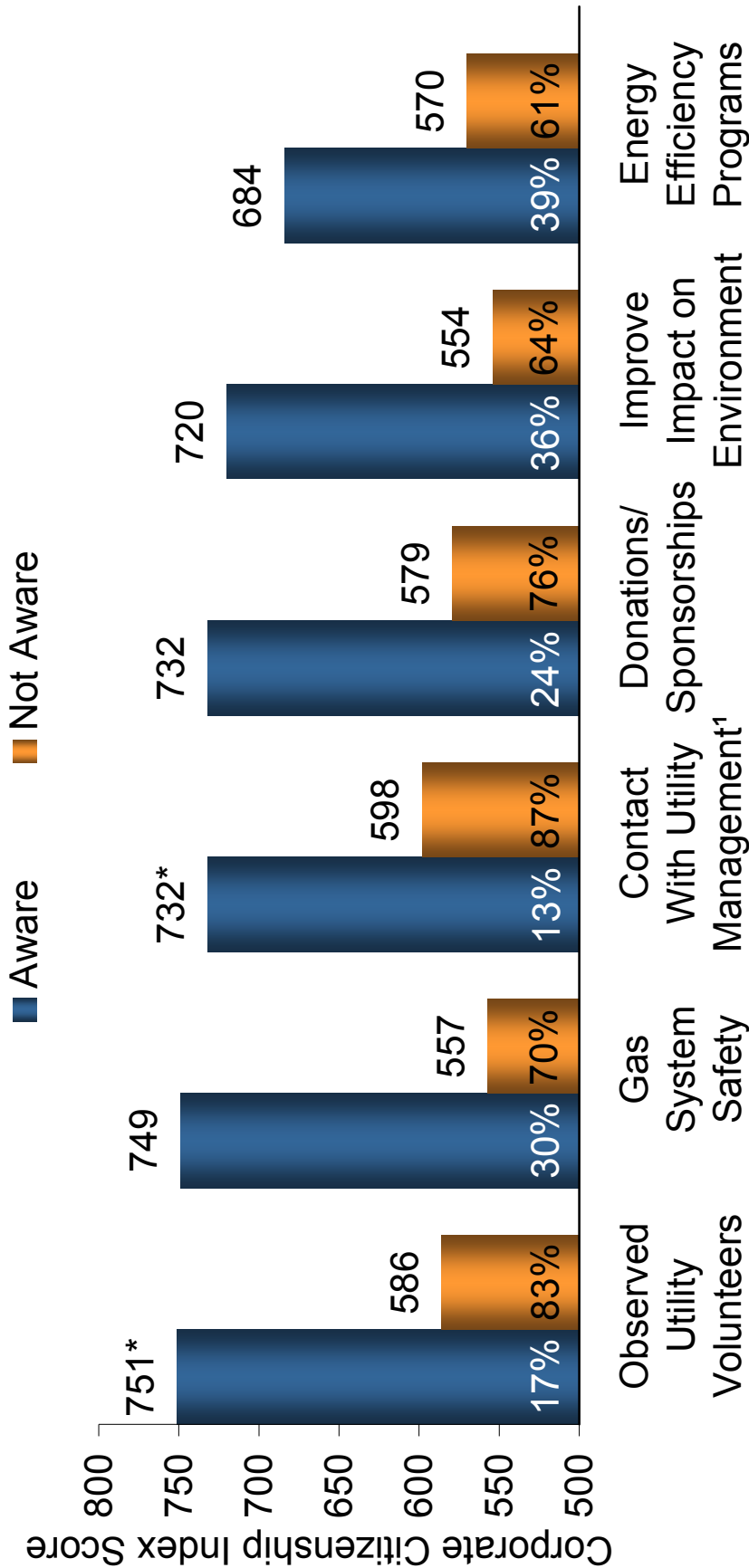
▲ Significantly BETTER at 90% Confidence
 ▼ Significantly WORSE at 90% Confidence

National Grid Has A Strength On Energy Saving And Environmental Programs



¹Excluding those who "Don't know".

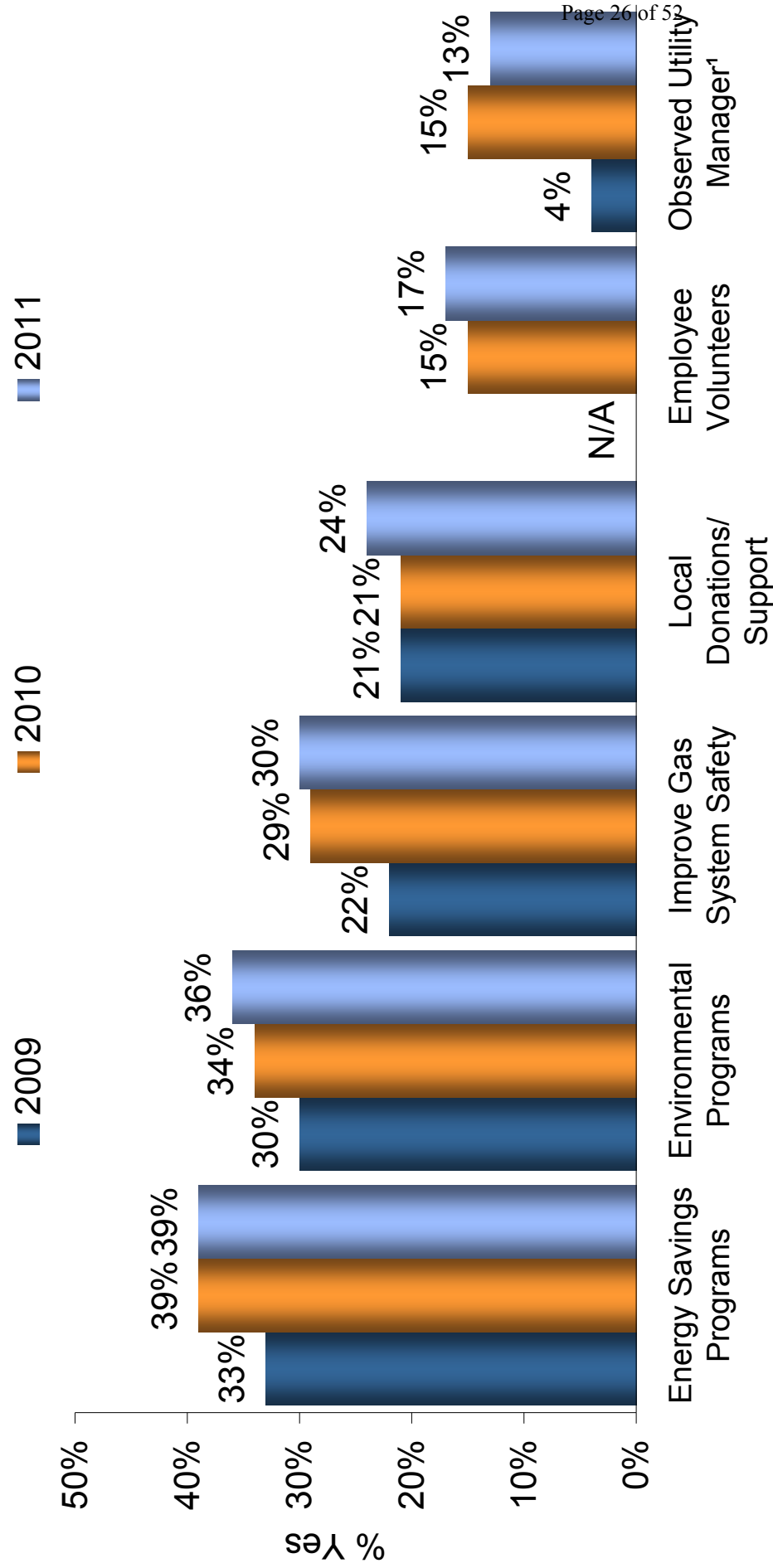
Businesses Aware Of Corporate Citizenship Initiatives Increases Satisfaction



Aware Of Utility Efforts On ...

¹Excluding those who "Don't know".
 *CAUTION: Small sample size (n=30-99).

National Grid Awareness Increases This Year



¹Excluding those who "Don't know".



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Price Performance



National Grid Price Performance Details

	Mean Scores		
	<u>National</u>	<u>Peer</u>	<u>Diff</u>
	<u>Grid</u>	<u>Set</u>	<u>Set</u>
(20%) Price Index	569	581	-12

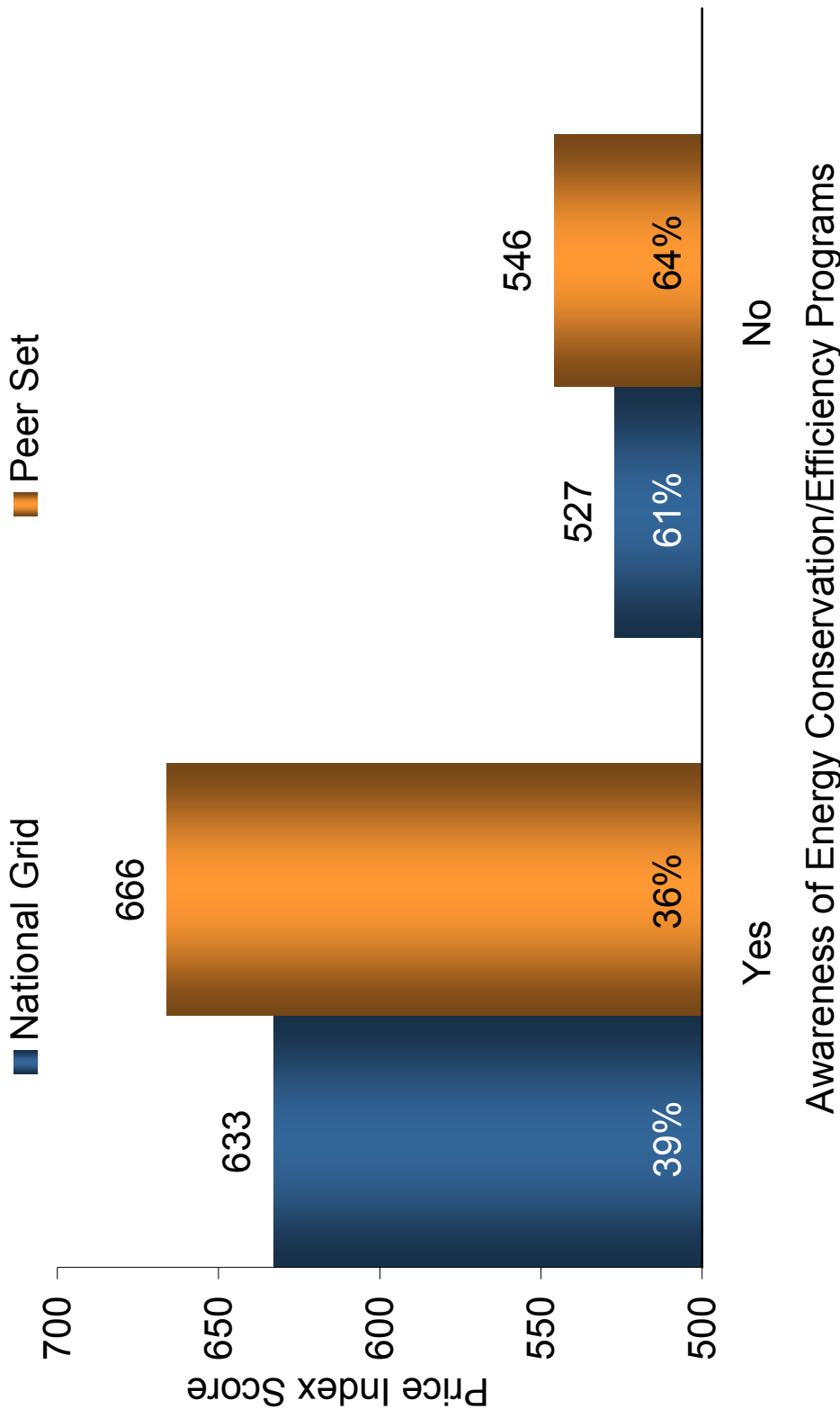
(41%) Fairness of pricing	5.54	5.69	-0.15
(23%) Effort of utility to help manage usage	5.76	5.88	-0.12
(18%) Availability of pricing options	5.75	5.89	-0.14
(18%) Ease of understanding pricing options	5.86	5.93	-0.07

Overall cost of your natural gas service 5.65 5.78 -0.13

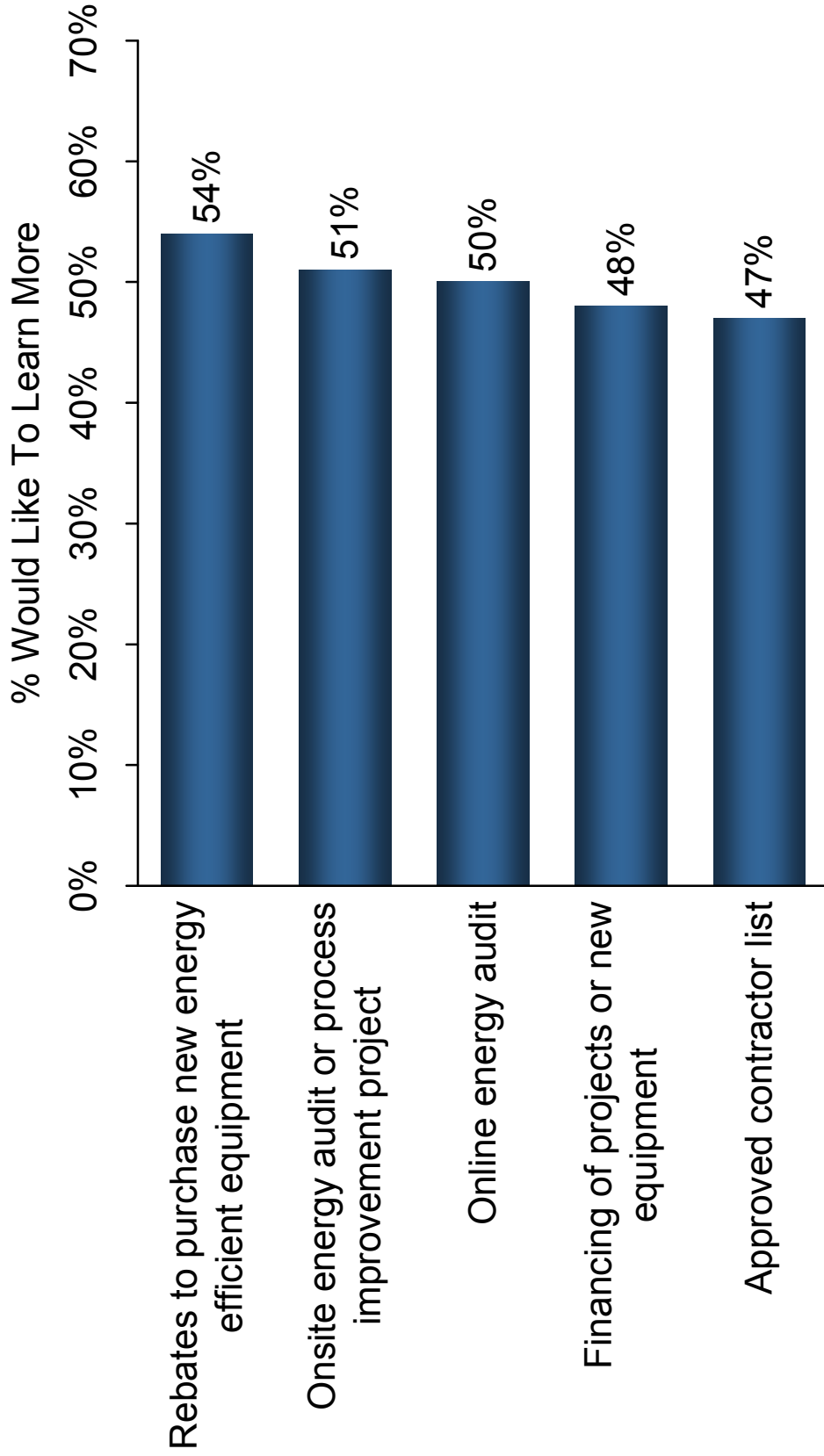
Heard About Rate Increase (%Yes) 41% 42% -1%

- ▲ Significantly BETTER at 90% Confidence
- ▼ Significantly WORSE at 90% Confidence

Those Aware Of Energy Efficiency Programs Are More Satisfied On Price



National Grid Energy Management Programs Businesses Would Like To Learn More About



Communications Performance



National Grid Communications Performance Details

	Mean Scores		
	2010	2011	Diff
(17%) Communications Index			
	598	576	-22
(23%) Efforts to get feedback from their business customers	5.88	5.63	-0.25 ▼
(22%) Education on important natural gas safety issues	6.08	5.83	-0.25 ▼
(21%) Variety of methods used to communicate changes/updates	6.07	5.86	-0.21
(18%) Frequency of updates/notices of new developments	5.99	5.79	-0.20
(17%) Communication of topics/issues that are important to your business	5.91	5.70	-0.21
Overall communications	5.98	5.82	-0.16
Recall Utility Communications (6 mo)	40%	37%	-3%

▲ Significantly BETTER at 90% Confidence
 ▼ Significantly WORSE at 90% Confidence

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National Grid Communications Performance Details

	Mean Scores		
	<u>National Grid</u>	<u>Peer Set</u>	<u>Diff</u>
(17%) Communications Index	576	596	-20

(23%) Efforts to get feedback from their business customers	5.63	5.84	-0.21
(22%) Education on important natural gas safety issues	5.83	6.02	-0.19
(21%) Variety of methods used to communicate changes/updates	5.86	5.98	-0.12
(18%) Frequency of updates/notices of new developments	5.79	6.01	-0.22
(17%) Communication of topics/issues that are important to your business	5.70	5.94	-0.24
Overall communications	5.82	6.03	-0.21

37% **41%** **-4%**

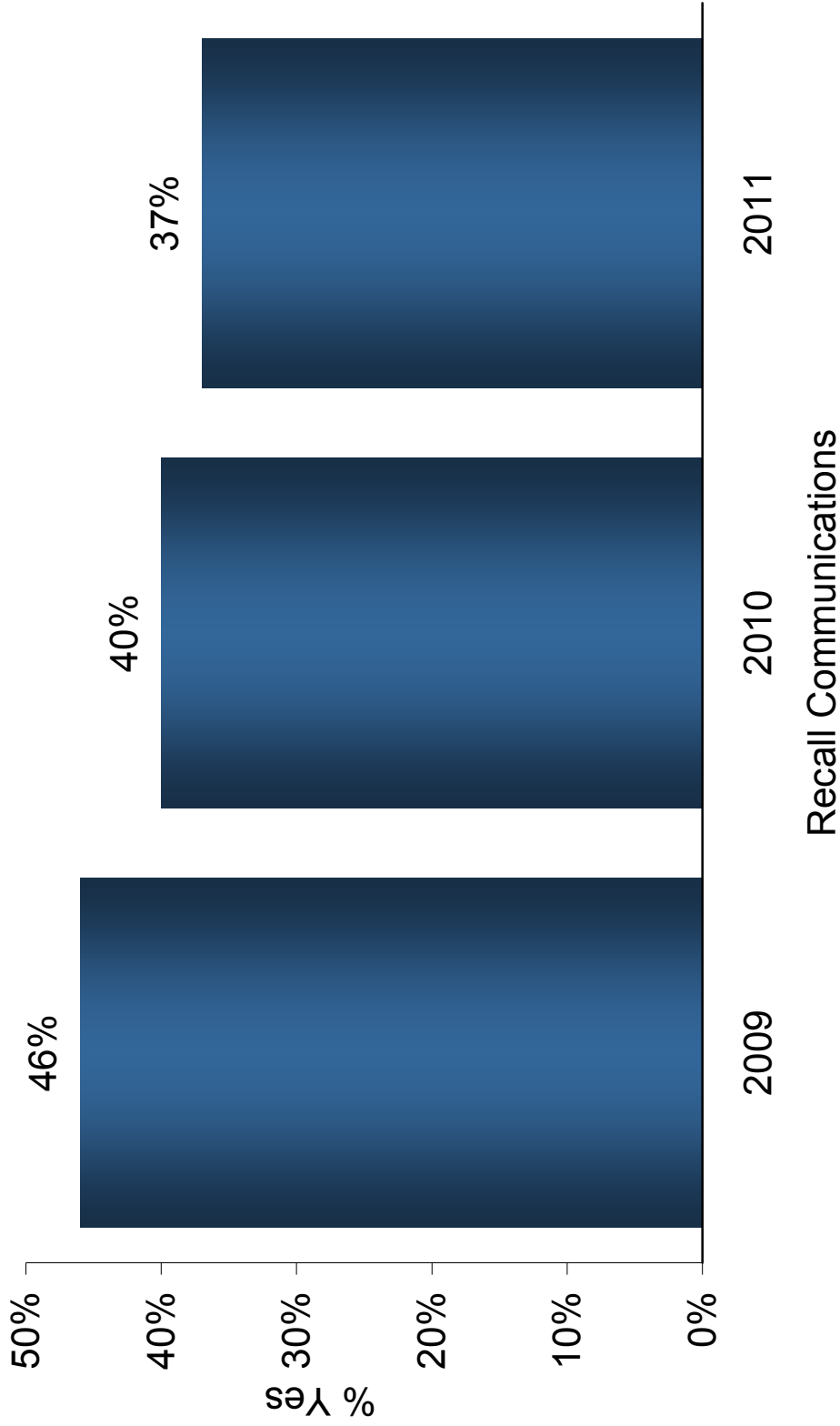
▲ Significantly BETTER at 90% Confidence
▼ Significantly WORSE at 90% Confidence

Recall Utility Communications (6 mo)

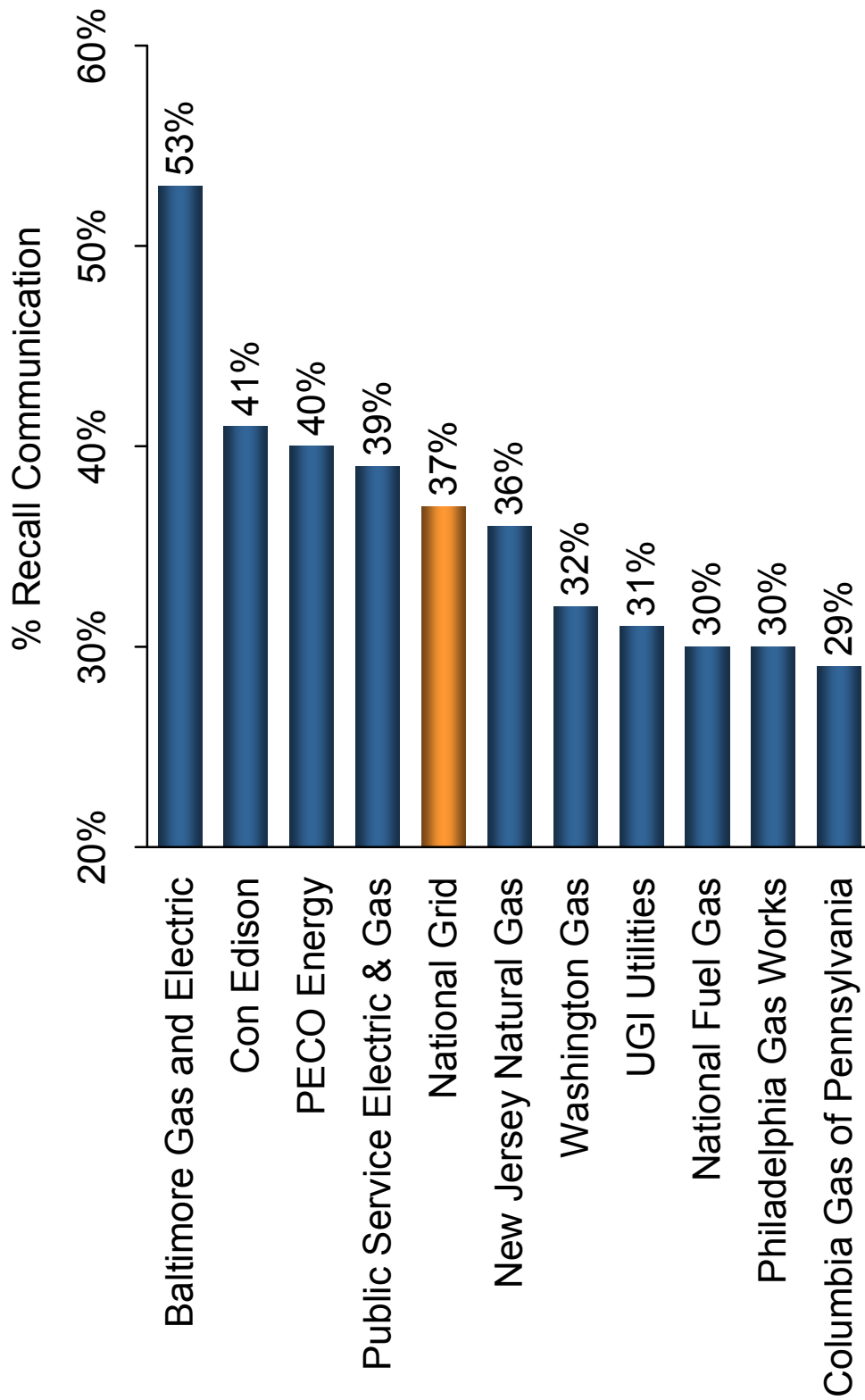


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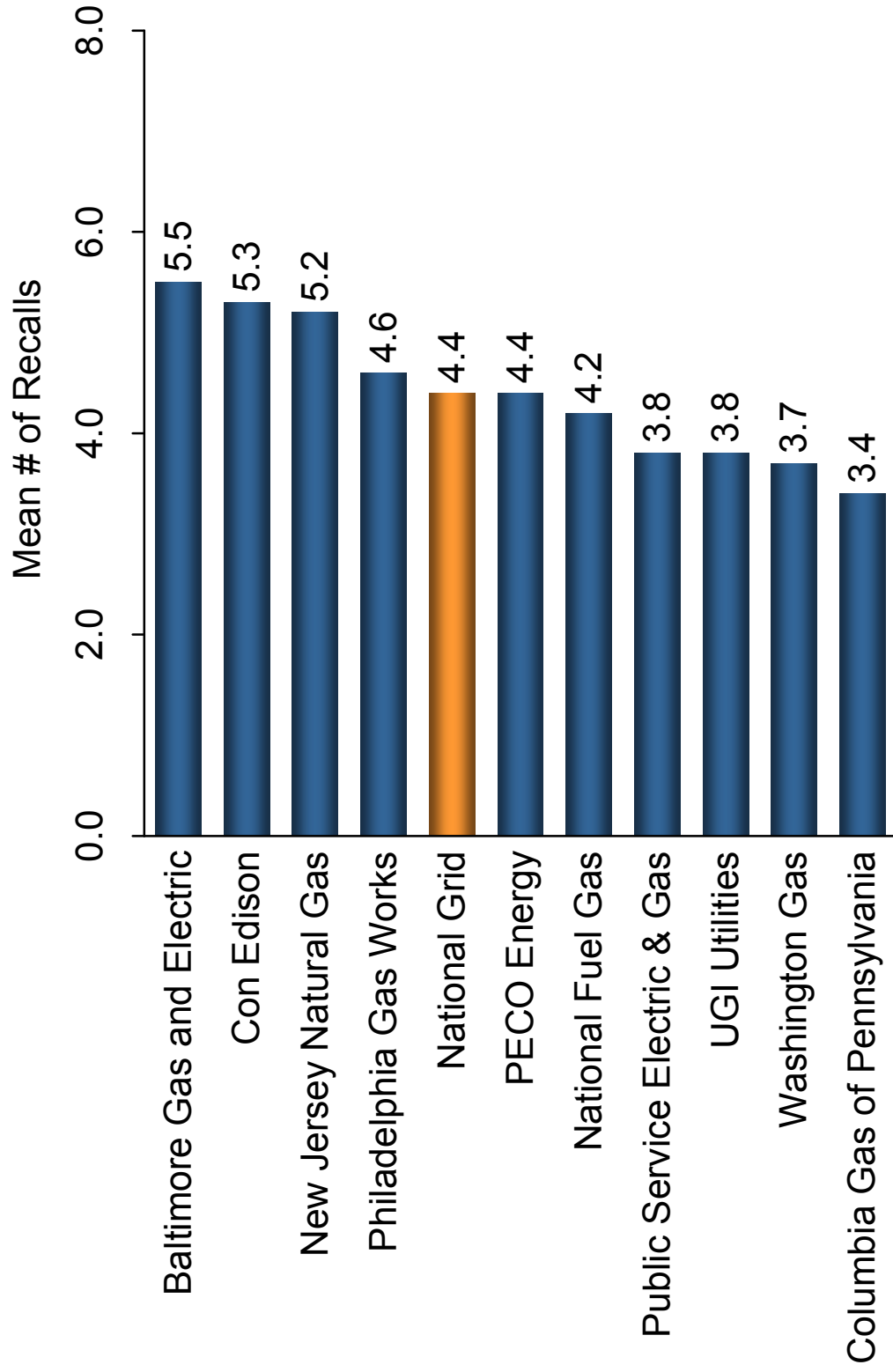
National Grid Communications Recall Trends Lower This Year



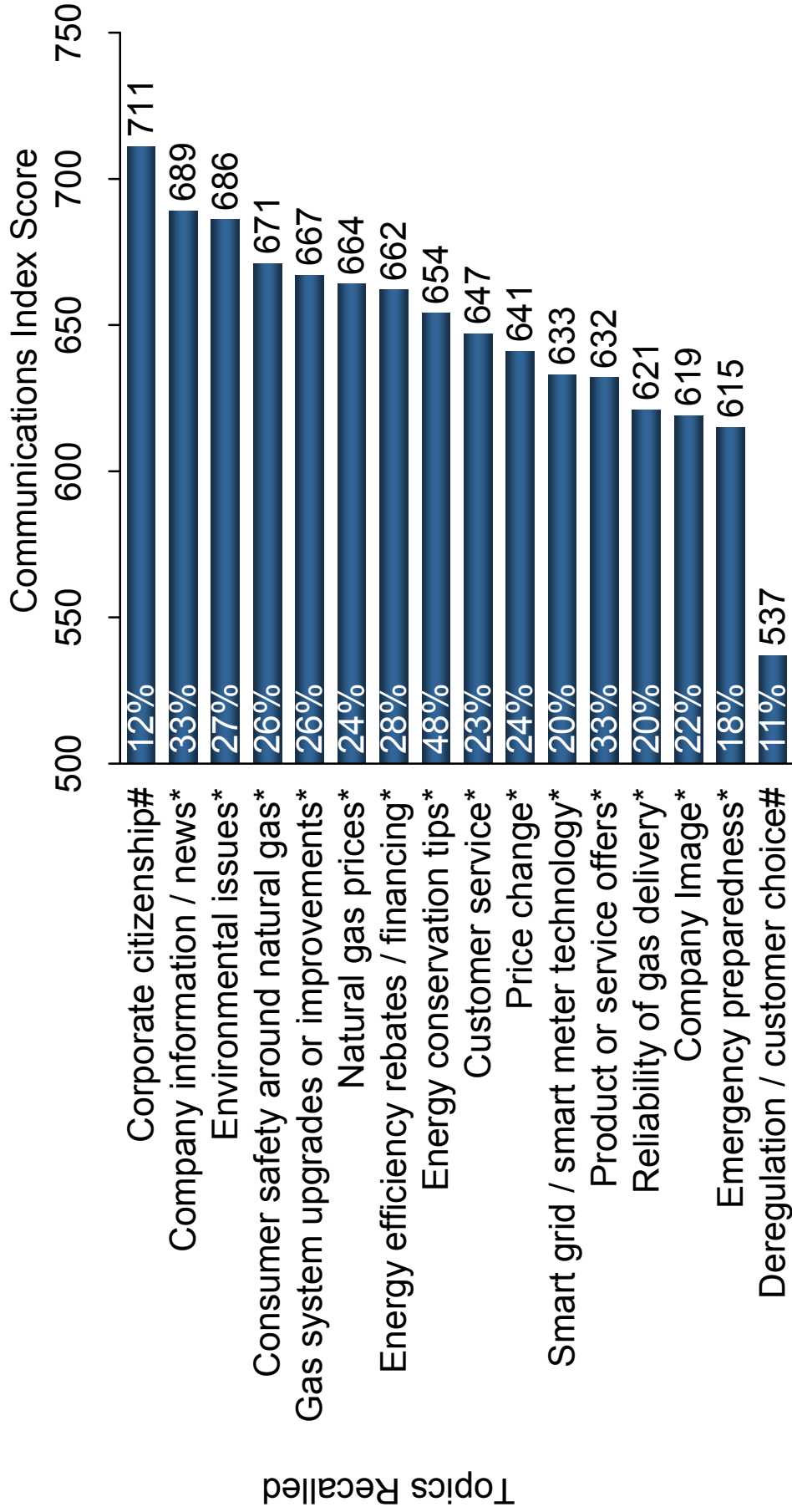
Communications Recall In East Region



Communications Frequency In East Region



National Grid Communications Index by Topic

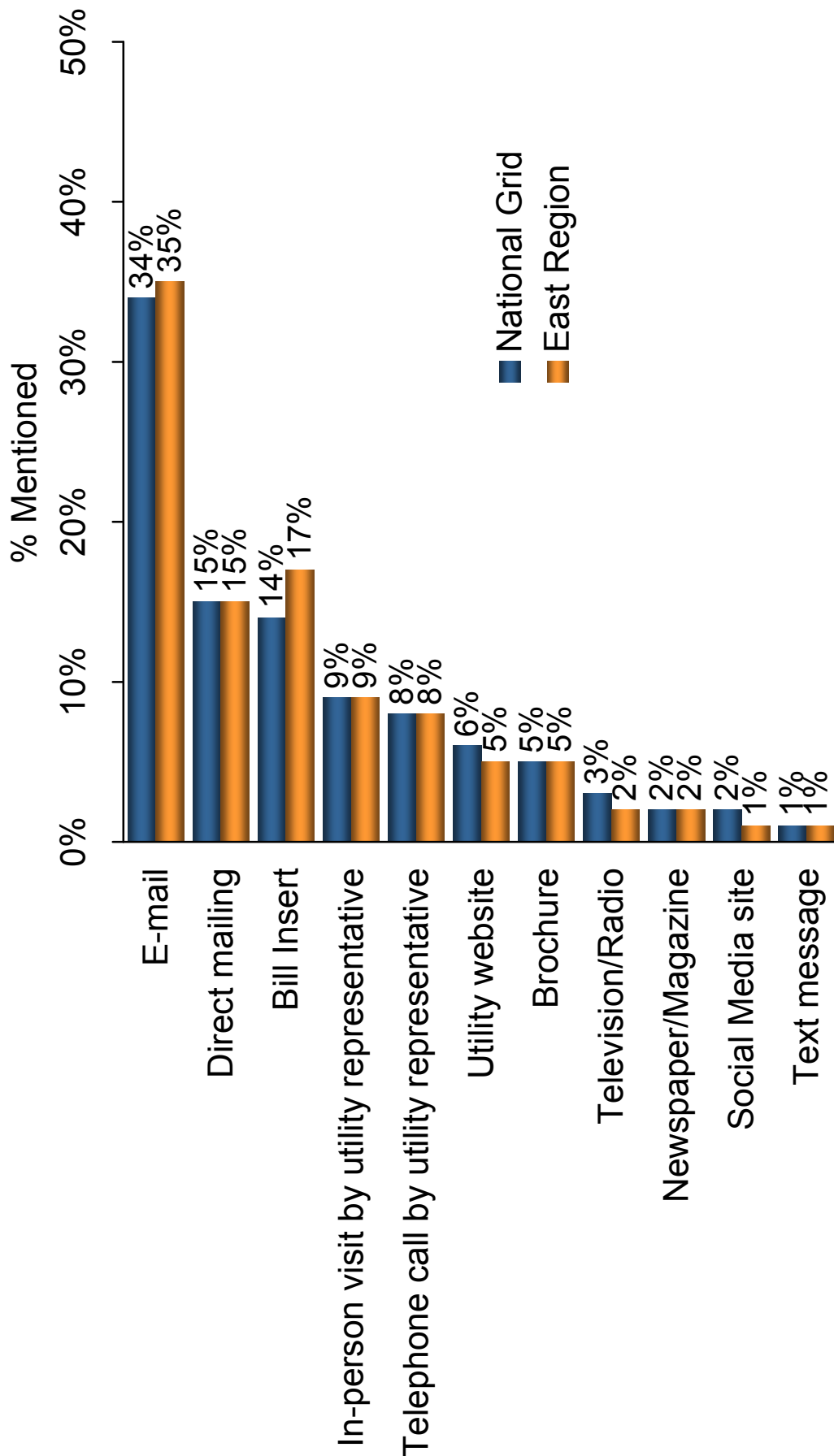


*CAUTION: Small sample size (n=30-99).

#EXTREME CAUTION: Insufficient sample size (n=10-30).

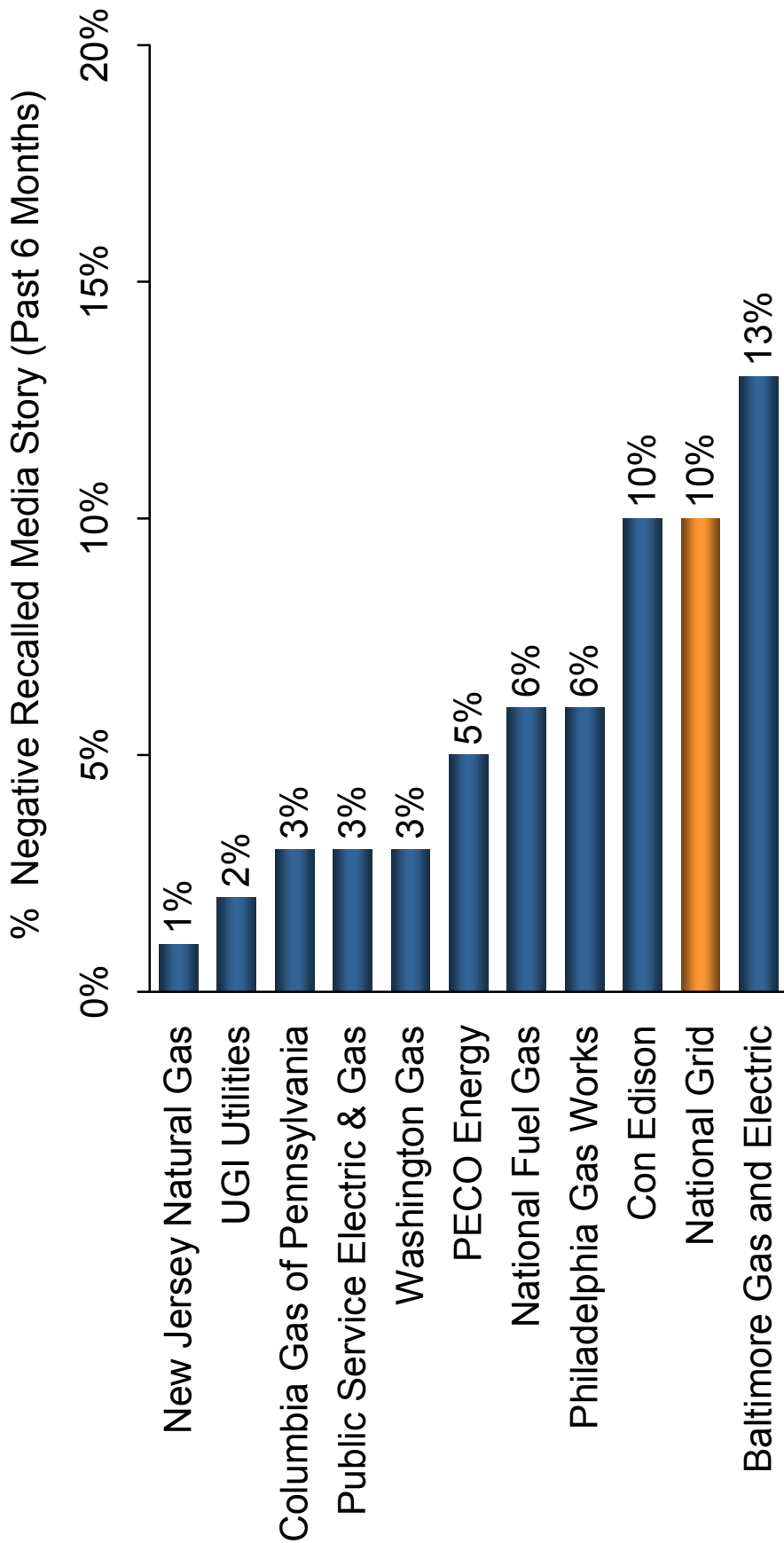
Note: 'Other' not shown due to insufficient sample size (n<10)

Direct Communications Are More Preferred By Business Customers



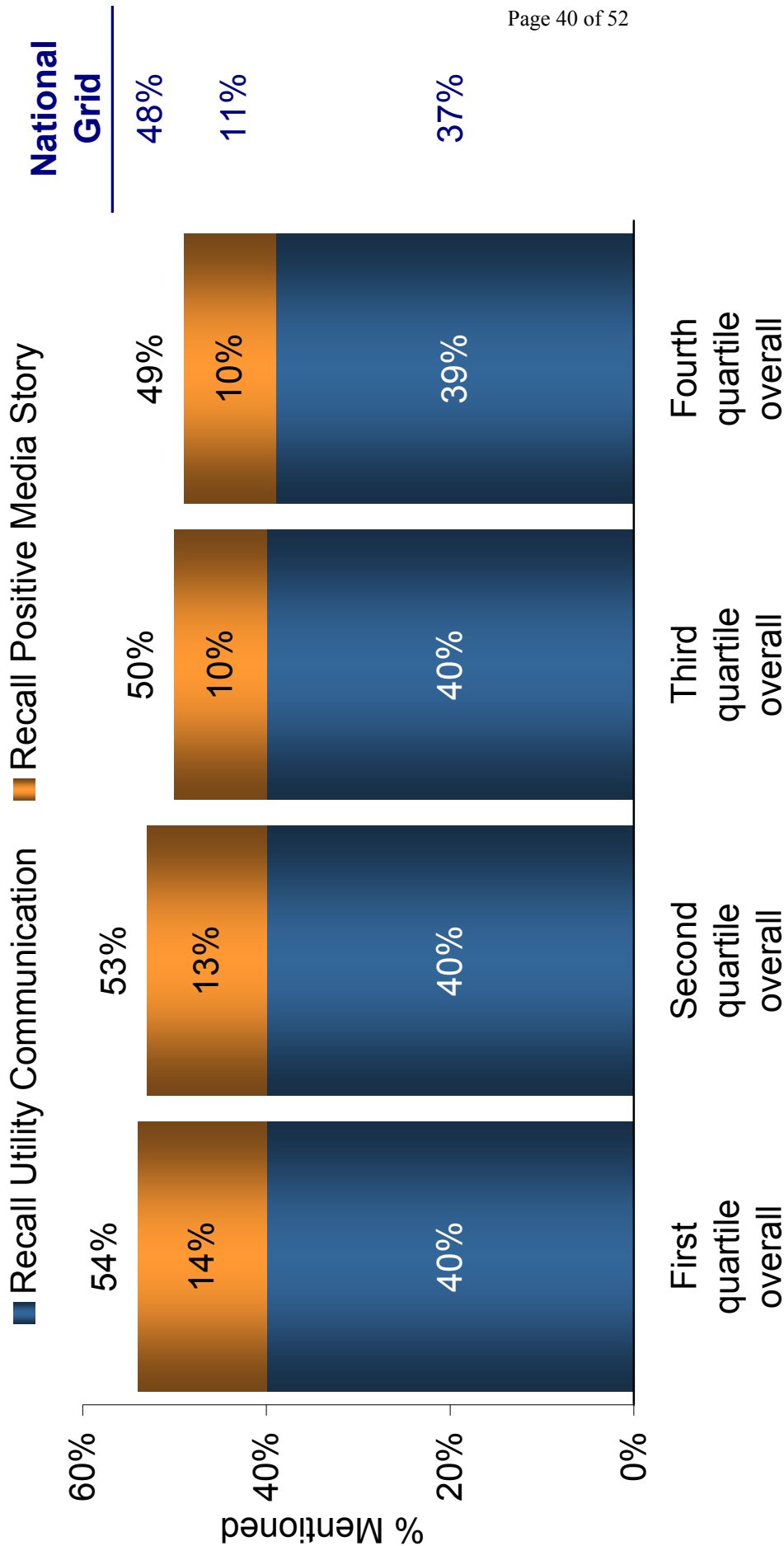
Note: Base to exclude those who "Don't know".

National Grid Has More Negative Media Recalled



Top Scoring Utilities Have A More Positive Buzz

% Of All Customers Receiving Positive Impressions About Utility

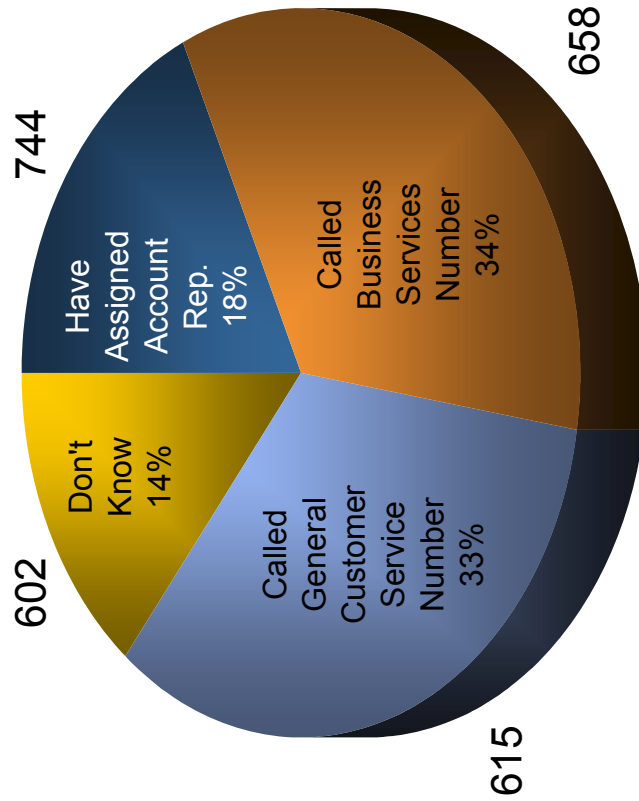


Customer Service Performance

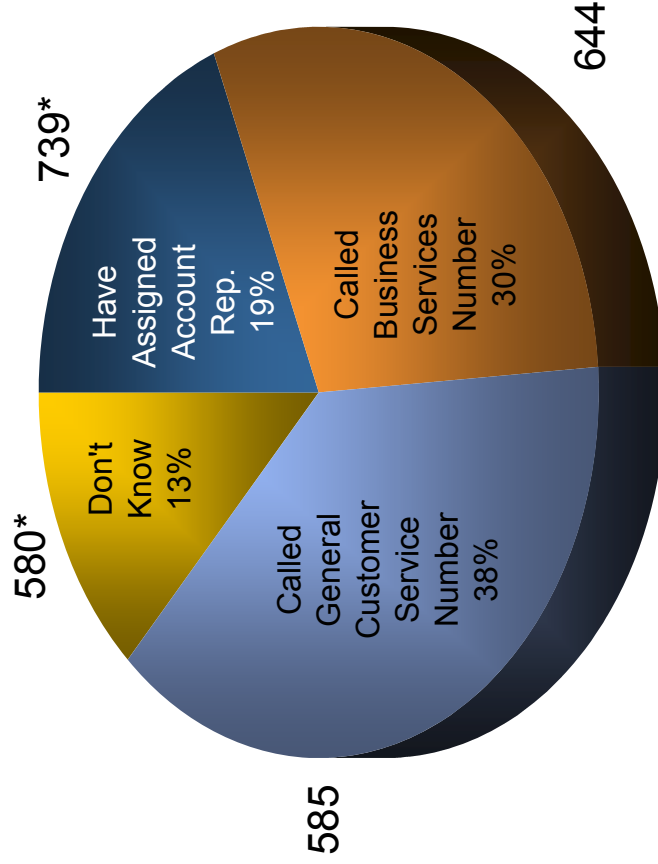


Direct Point of Contact

Industry



National Grid



*CAUTION: Small sample size (n=30-99).

National Grid Customer Service – Calling Experience

	Mean Scores		
	<u>National Grid</u>	<u>Peer Set</u>	<u>Diff</u>
(12%) Customer Service Index¹	690	679	-7

(19%) Courtesy of representative	7.30	7.35	-0.05
(19%) Timeliness of resolving prob/question	6.88	6.71	+0.17
(18%) Promptness in speaking to a person	6.61	6.53	+0.08
(17%) Representative's concern for your needs	6.86	6.86	0.00
(15%) Ease of navigating phone system	6.22	6.31	-0.09
(12%) Knowledge of the representative	7.17	7.20	-0.03

Overall phone contact experience¹

6.99 **6.91** **+0.08**

¹Based on customers who used the phone system first then spoke to a rep or spoke directly to a rep.

- ▲ Significantly BETTER at 90% Confidence
- ▼ Significantly WORSE at 90% Confidence

National Grid Customer Service – Online Experience

	Mean Scores		
	<u>National Grid</u>	<u>Peer Set</u>	<u>Diff</u>
(12%) Customer Service Index¹	716	697	+19

(36%) Timeliness of resolving prob/question	7.14	6.91	+0.23
(19%) Appearance of website	7.52*	7.18	+0.34
(19%) Clarity of information provided	7.19	6.90	+0.29
(16%) Ease of navigating the website	7.33*	7.04	+0.29
(10%) Helpfulness of Email rep.	6.42#	6.41*	+0.01

Overall online customer service experience¹

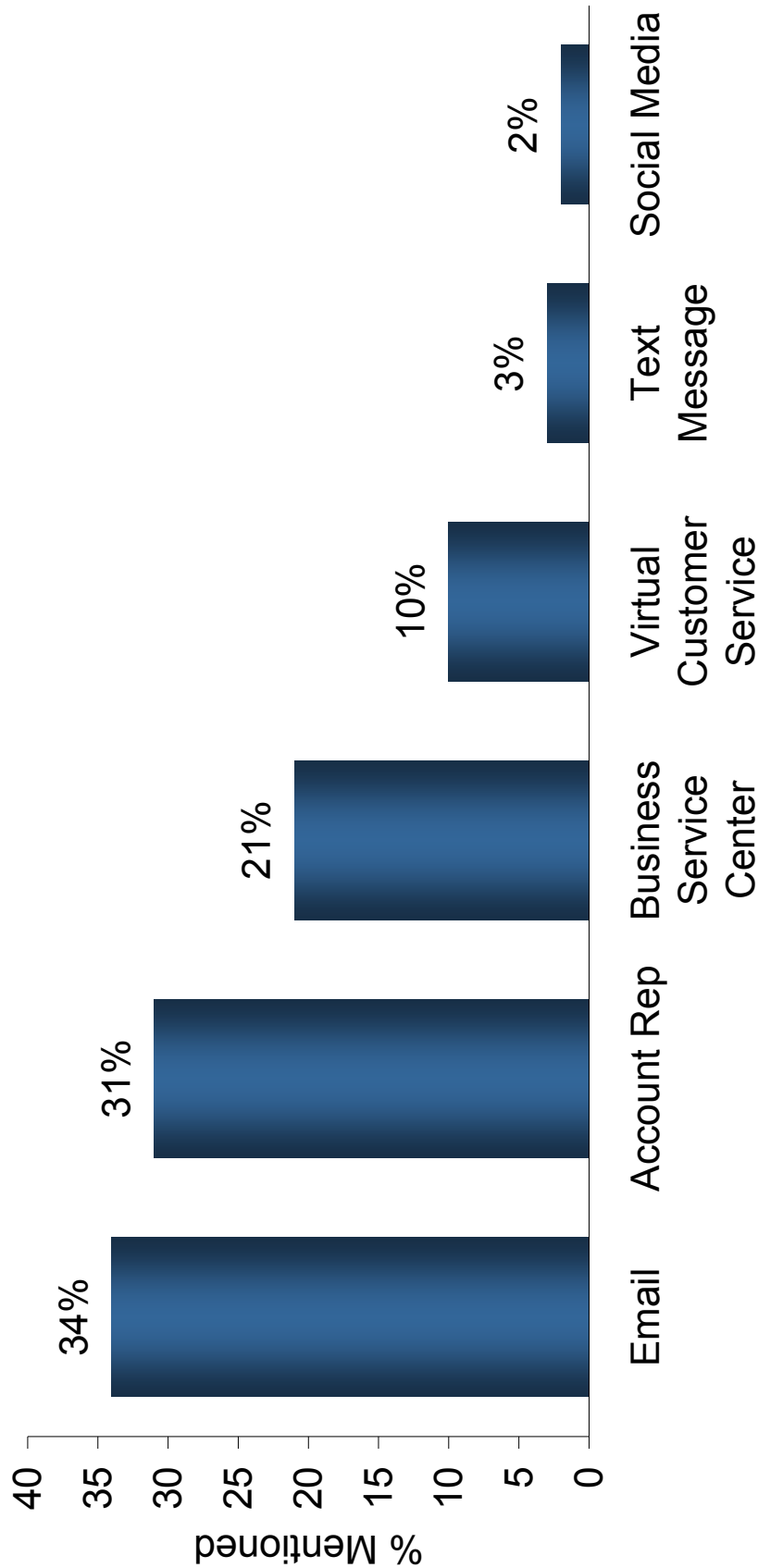
¹Based on customers who used the Website.

*CAUTION: Small sample size (n=30-99).

#EXTREME CAUTION: Insufficient sample size (n<30).

- ▲ Significantly BETTER at 90% Confidence
- ▼ Significantly WORSE at 90% Confidence

National Grid Email, Account Rep, And Business Service Center Are Most Preferred Service Contact Channels



Most Desirable Customer Service Channels With Gas Utility

National Grid Performs Better Than Segment On Call Metrics

Customer Service Metrics	National Grid	East Region
# IVR touches required	3.8	3.7
# of Web clicks required	3.0	3.0
Placed on hold	82%	79%
Reported hold time (minutes)	5.6	6.1
Provided estimated hold time	46%	46%
Estimate hold time accurate	84%	86%
# of times transferred on call	1.0	1.0
CSR had acct info ready	89%	85%
First call resolution	65%	62%
First web visit resolution	62%	60%
Type of online contact:		
<i>Visit utility website</i>	76%	78%
<i>Email w/o going to utility website</i>	17%	13%
<i>Visit utility website to Email</i>	7%	8%

Field Service Performance



National Grid Field Service Performance Details

Mean Scores

2010	2011	Diff
761	728	-33

(6%) Field Service Index

(37%) Quality of work performed

7.61 7.29 -0.32 ▼

(33%) Appearance of workers

7.55 7.19 -0.36 ▼

(29%) Attention to safety and quality

7.69 7.43 -0.26

Overall experience with field service employees

7.53 7.34 -0.19

▲ Significantly BETTER at 90% Confidence
 ▼ Significantly WORSE at 90% Confidence

National Grid Field Service Performance Details

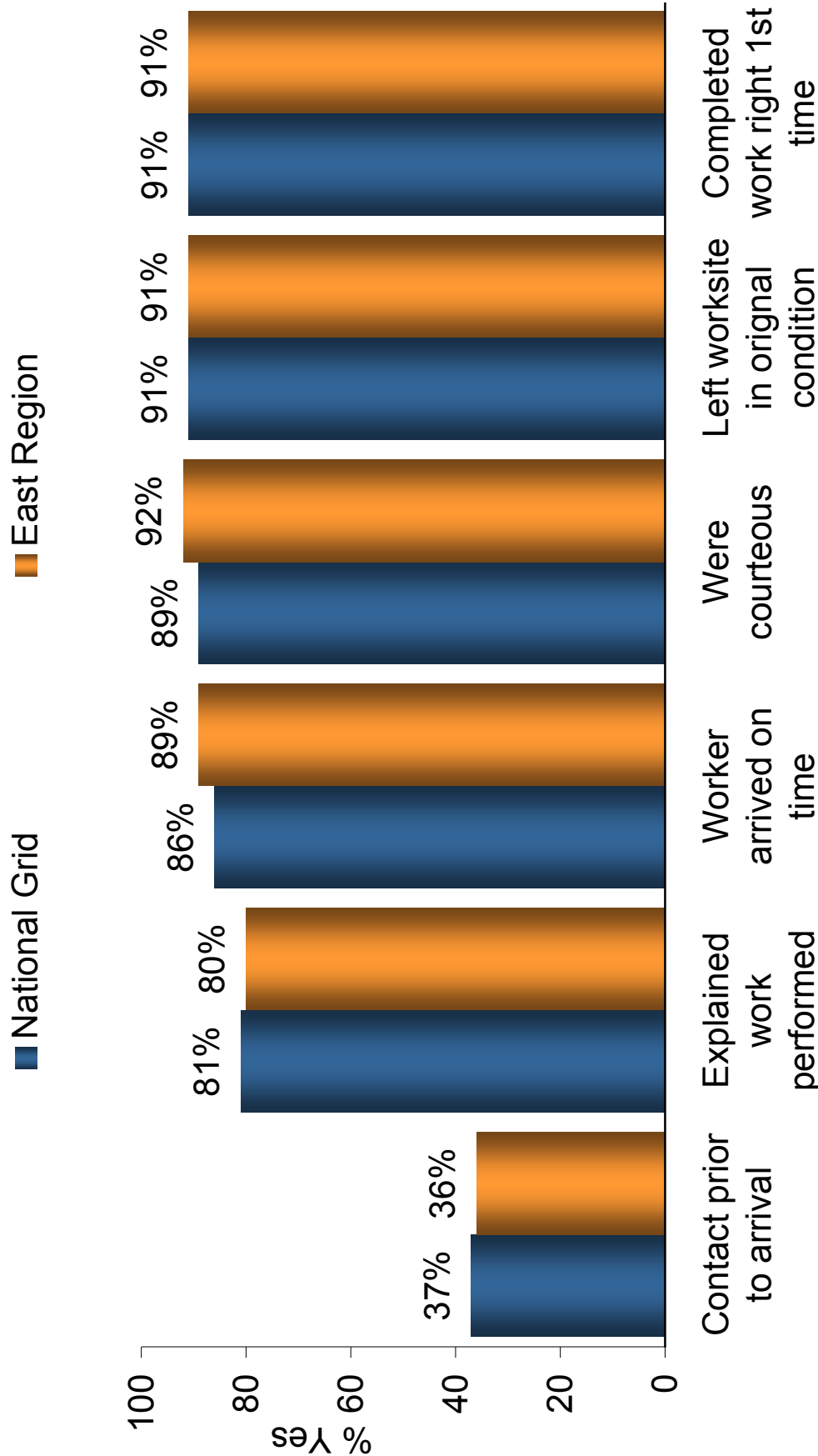
Mean Scores			
	<u>National</u>	<u>Peer</u>	
	<u>Grid</u>	<u>Set</u>	<u>Diff</u>
(6%) Field Service Index	728	743	-15

(37%) Quality of work performed	7.29	7.42	-0.13
(33%) Appearance of workers	7.19	7.32	-0.13
(29%) Attention to safety and quality	7.43	7.44	-0.01

Overall experience with field service employees 7.34 7.49 -0.15

- ▲ Significantly BETTER at 90% Confidence
- ▼ Significantly WORSE at 90% Confidence

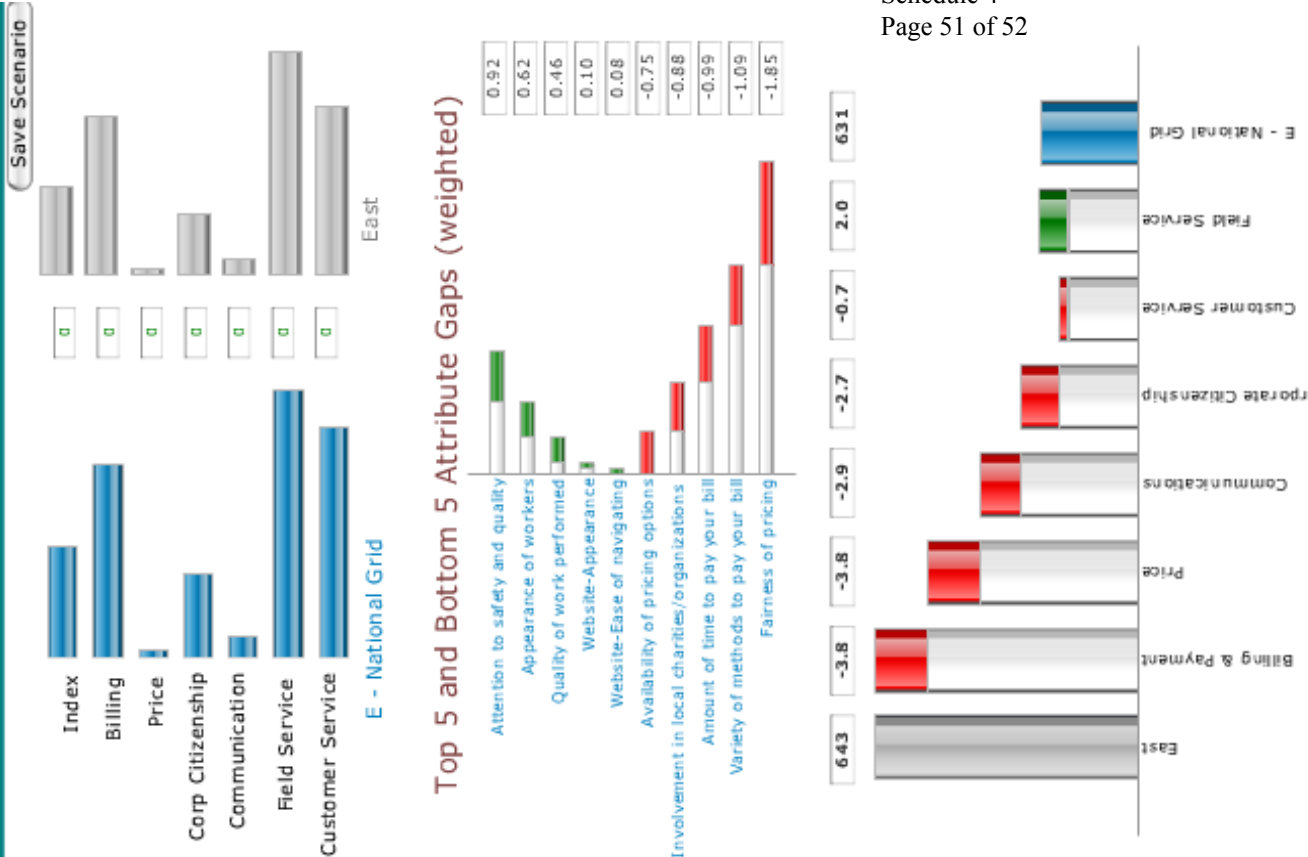
Worker Metrics Compared To Region



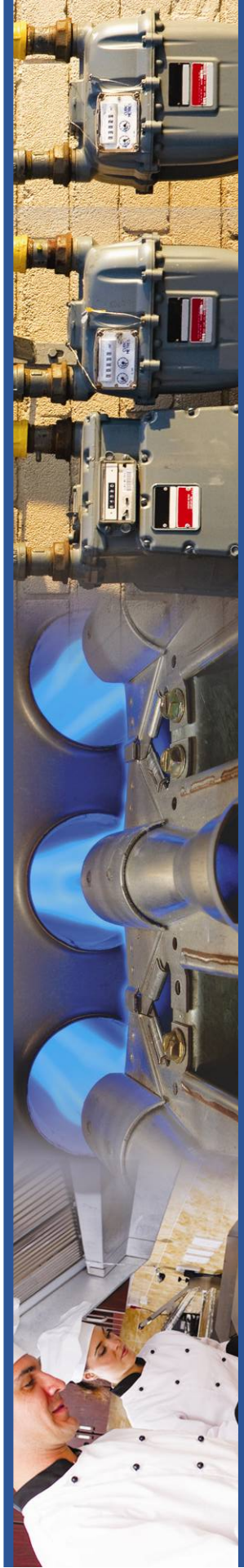
Base to exclude those who "Don't know".

2011 Business Gas Index Calculator

	Weight	Current	Adjusted	Comparison	SWOOP
Index		631	631	643	695
Billing & Payment		682	682	-3.8	-0.71
Ease of finding the exact amount to pay	4.64%	7.24	7.24	7.35	-0.65
Usefulness of information on your bill	4.88%	6.76	6.76	6.85	-0.99
Amount of time to pay your bill	5.22%	6.59	6.59	6.73	-0.33
Ease of finding payment due date	1.81%	7.11	7.11	7.25	-1.09
Variety of methods to pay your bill	4.88%	6.62	6.62	6.78	-3.8
Price		569	569	-0.75	-0.44
Availability of pricing options	3.46%	5.75	5.75	5.91	-1.85
Ease of understanding your pricing options	3.49%	5.86	5.86	5.95	-0.73
Fairness of pricing	7.90%	5.54	5.54	5.71	-2.7
Effort to help manage monthly usage	4.36%	5.76	5.76	5.88	-0.47
Corporate Citizenship		615	615	-0.54	-0.88
Actions to take care of the environment	4.21%	6.11	6.11	6.19	-0.37
Efforts to develop plans for future	5.10%	6.57	6.57	6.65	-0.39
Involvement in local charities/organizations	5.51%	5.83	5.83	5.94	-0.64
Business leadership in local communities	3.34%	5.98	5.98	6.08	-0.69
Variety of energy efficiency programs offered	4.49%	6.20	6.20	6.26	-0.51
Communications		576	576	-0.54	-0.88
Frequency of updates/notices of new developments	2.79%	5.79	5.79	5.92	-0.39
Variety of methods used to communicate	3.41%	5.86	5.86	5.94	-0.64
Communication of topics important to your business	2.61%	5.70	5.70	5.88	-0.69
Efforts to get feedback from their business customers	3.63%	5.63	5.63	5.77	-0.67
Education on important natural gas safety issues	3.41%	5.83	5.83	5.97	2.0
Field Service		728	728	0.46	0.62
Quality of work performed	4.26%	7.57	7.57	7.40	0.92
Appearance of workers	3.78%	7.53	7.53	7.27	0.7
Attention to safety and quality	3.33%	7.91	7.91	7.47	-0.7
Customer Service		705	705	-0.8	-0.01
Phone Customer Service		699	699	-0.01	0.01
ATRS-Ease of navigating menu prompts	0.14%	7.50	7.50	7.53	0.00
ATRS-Understanding menu instructions	0.17%	7.76	7.76	7.70	0.00
ATRS-Clarity of information provided	0.16%	7.75	7.75	7.72	0.00
ATRS-Time needed to answer question	0.27%	7.58	7.58	7.57	-0.18
ATRS/Rep-Ease of navigating the system	0.76%	6.22	6.22	6.40	-0.16
Rep-Promptness in speaking to CSR	1.10%	6.61	6.61	6.72	-0.15
Rep-Courtesy of the representative	1.05%	7.30	7.30	7.41	-0.08
Rep-Knowledge of the representative	0.60%	7.17	7.17	7.26	-0.18
Rep-Concern for your needs	0.92%	6.85	6.85	6.99	-0.09
Rep-Time needed to answer question	1.04%	6.88	6.88	6.94	0.1
Online Customer Service		720	720	0.10	0.05
Website-Appearance	0.66%	7.63	7.63	7.37	0.08
Website-Clarity of information provided	0.61%	7.24	7.24	7.12	0.07
Website-Ease of navigating	0.55%	7.48	7.48	7.26	0.15
Website-Time needed to answer question	1.19%	7.21	7.21	7.11	0.07
Website-Helpfulness of chat/email representative	0.29%	6.41	6.41	6.79	-0.15



Questions ?



Testimony of Shared Services and Customer Panel

Exhibit __ (SSCP-15)

Costs of the Proposed Customer Outreach and Education Initiative

Upstate NY: Planned Customer Outreach & Education Expenditures -- FY14-FY16

Message/Topic	Channel	Historic Test Year Spend	Proposed Incremental Annual Spend	Total Annual Budget	Comments
Safety	Total	\$410,000	\$385,000	\$795,000	Mandated communications promote electric and gas safety, both inside and outside the home; how to maintain customer owned equipment to prevent hazardous conditions; how to recognize emergencies and report emergency situations
Storm Readiness	Total	\$600,000	\$370,000	\$970,000	Communications educate customers year-round about readiness for seasonal weather-related events such as heat waves, hurricanes, ice/snow storms, etc. Messaging includes how to prepare the home for these types of situations as well as personal safety.
Customer Education	Total	\$1,030,000	\$385,000	\$1,415,000	Mandated communications educate customers on rate codes and rate changes, options for low-income and other special needs customers as well as information about understanding electric and gas bills
Benefits of Natural Gas	Total	\$35,000	\$270,000	\$305,000	Communications educate customers about the environmental and efficiency benefits of natural gas as well as the abundance of supply
Grand Total		\$2,075,000	\$1,410,000	\$3,485,000	

Testimony of Shared Services and Customer Panel

Exhibit __ (SSCP-16)

Job Vacancies in the Customer Organization

The following 24 Customer organization positions were created during the Company's restructuring. Jobs filled determined as of April 9, 2012.

Title	Role	Filled	Reports to
Sales Support Representative, Sales Support, Albany	Helps National Grid expand its gas availability to more customers by proactively reaching out to and assisting new gas customers through the gas expansion and conversion process.	Filled	Manager of Sales Support
Sales Processing Assoc Analyst, Sales Support, Albany	Responsible for processing energy efficiency applications, for both gas and electric. This position will follow up with customers and vendors to collect appropriate documentation and track jobs to completion to ensure the customers receive their energy efficiency incentives in a timely manner. Directing application data entry from the sales personnel to an analyst will allow National Grid's Field Sales Representatives to spend more time in the field, working directly with commercial customers to identify potential energy efficiency projects.	Filled	Manager of Sales Support
Program Manager, Market Strategy, Energy Efficiency Strategy	Seeks to integrate the next generation of energy efficiency opportunities, including enhanced products, energy management, and program delivery platform, to increase savings for customers through energy efficiency.	Filled	Director of Market Strategy
Program Manager, Market Strategy, Customer Technology & Sustainability	Seeks to gather customer insights and intelligence regarding emerging energy technology to formulate a customer product and service platform that delivers the most efficient, safe, and reliable energy service available to customers.	Filled	Director of Market Strategy
Representative, Account Development, Large Commercial Sales, Upstate	Seeks to develop and manage ongoing relationships with large customers and other stakeholders to identify and deliver gas growth opportunities as well as gas and electric energy efficiency efforts.	Filled	Vice President of Sales

New York			
Technical Support Consultant, Technical Sales & Engineering Support, New England	Is the distributed generation applicants' primary point of contact with the Company through the unit's interconnection process. The Technical Support Consultant also helps distributed generators interconnect to the distribution system by answering a variety of customer inquiries, such as but not limited to, tariff requirements, company standards and policies, timeframes, capacity availability and net metering.	Filled	Manager of Technical Sales & Engineering Support
Director, Alliance / Vendor Strategy	Helps devise strategic alliances and vendor strategy. The alliance strategy team will help engage customers and communities more deeply through efforts such as BNMC. The position is also responsible for seeking to leverage strategic alliances with third-party channel partners or vendors across jurisdictions for the benefit of customers in all jurisdictions.	Filled	Vice President of Customer and Business Strategy
Quantitative Analyst, Analytics, Modeling & Energy Forecasting	Works with mathematicians and statisticians to develop detailed gas and electric forecasts, and quantitative models and to optimize business processes to create value for customers and provide safe, reliable energy service.	Not Filled	Director, Analytics, Modeling & Energy Forecasting
Representative, Inside Sales, Gas, Small Medium Business Gas Sales	Responsible for working with builders, plumbers and customers on facilitating the use of natural gas in new projects by performing a flow analysis to determine if gas pressure is adequate for new customers and to understand the potential impact of the new service on existing accounts.	Filled	Manager of Gas Sales Support
Sales Support Representative, Gas Sales Support, New England	Helps The Company to expands its gas availability to more customers by pro-actively reaching out to and assisting new gas customers through the gas expansion and conversion process. These positions also provide support to plumbers, builders, contractors and	Filled	Manager of Gas Sales Support, NE

	developers by identifying energy efficiency opportunities and supporting them through the service request process.		
Sales Support Representative, Gas Sales Support, New England	Helps The Company to expand its gas availability to more customers by pro-actively reaching out to and assisting new gas customers through the gas expansion and conversion process. These positions also provide support to plumbers, builders, contractors and developers by identifying energy efficiency opportunities and supporting them through the service request process.	Filled	Manager of Gas Sales Support, NE
Gas Scheduler, Gas Scheduling	Performs gas scheduling functions including nominations and capacity release on the interstate pipelines that provide firm gas transportation and storage services to gas customers. These nomination and capacity release functions are crucial to providing firm gas supplies for National Grid' gas customers, facilitating National Grid's Retail Choice Programs and optimizing surplus interstate pipeline and underground storage capacity.	Filled	Manager of Gas Scheduling
Financial / Multi Commodity Trader, Origination & Price Volatility Mgmt	Manage and execute financial transactions that mitigate volatility in the customers' gas and electric commodity and supply costs.	Not Filled	Director of Origination & Price volatility Management
Electric Trader, Wholesale Electric Supply, New England	Performs energy financial trading to meet the commodity and supply service needs of the customer. The financial multi-commodity trader is responsible to help manage and execute financial transactions that mitigate volatility in the customer's gas and electric commodity and supply costs. This position is cross-trained with the Trader, Financial Multi Commodity above.	Filled	Director of Wholesale Electric Supply
Business Partner, Customer &	Understanding the customer perspective and helping the	Not Filled	Director of Customer Experience, in the

Product Experience, New Products & Services	organization meet customer needs through responsive and effective customer service. The position is dedicated to developing process improvements that benefit customers and correct process break-downs. The position is meant to become the voice of the customer, to speak from a customer perspective, and promote the customer's best interest in the Company's business processes.		Marketing organization.
Energy Efficiency Program Strategy Analyst, Program Strategy, LIPA, C&I	Supports strategies to meet customer expectations and regulatory objectives for C&I energy efficiency and comprehensive sustainable solutions for customers.	Not Filled	Director, Program Strategy
Analyst, LIPA Business, Project Management	Provides project management services for small/medium projects within the Long Island Power Authority ("LIPA") Commercial Efficiency Program, thus helping commercial customers reduce energy usage and save on their energy bills.	Filled	Manager of LIPA Business
Analyst, LIPA Residential	Implements residential energy efficiency incentive programs for LIPA customers.	Not Filled	Director of Program Strategy, LIPA
Analyst, LIPA Evaluation	Helps outside contractors evaluate energy efficiency incentive program performance for LIPA customers.	Not Filled	Manager of LIPA Planning
Representative, Inside Sales, Gas, Small Medium Business Gas Sales	Responsible for working with builders, plumbers and customers on facilitating the use of natural gas in new projects by performing a flow analysis to determine if gas pressure is adequate for new customers and to understand the potential impact of the new service on existing accounts.	Filled	Manager of Gas Sales Support
Vendor Specialist, Customer Communications, Commercial	Works with our customer-facing energy trade allies, contractors and vendors to deliver energy efficiency programs and to help our customers identify energy efficiency and energy management opportunities available from	Filled	Director of Customer Communications

	National Grid. The work may include site visits for energy audits or contract work and installation.		
Manager, Customer Communications, Internet Experience	Manage the development of new channels of communication such as mobile enablement, two-way text messaging, streamlining the web, and improving customer experience on the website.	Not Filled	Director of Customer Communications
Sr. Specialist-Graphic Designer-Communications Development & Production	The owner and gatekeeper of communications, including design and content, for National Grid's communication with customers. Specifically, this position is responsible for the customer newsletter inserted in bills, letters to customers, social media and mandated and non-mandated communications, such as gas and electric safety.	Filled *****	Manager of Communications Development & Production
Program Manager, Customer Insights	Analyzing both internal and external customer data to develop customer insights and resulting areas for business improvement. These insights will be used to help drive improvement in customer satisfaction and the overall customer experience.	Filled *****	Manager, Customer Insights & Targeting

Testimony of Shared Services and Customer Panel

Exhibit __ (SSCP-17)

Support for Incremental Employee in the Customer Organization

**Niagara Mohawk Power Corporation
Applications Under New York State’s Standardized Interconnection Requirements
Calendar 2007 – March 2012 actual; 2012 & 2013 Projected**

Month	TOTAL	2007	2008	2009	2010	2011	2012
Jan	209	12	18	46	47	52	64
Feb	148	15	15	29	22	38	59
Mar	157	12	26	26	38	62	31
Apr	90	5	16	21	23	46	
May	131	9	12	33	49	49	
Jun	115	13	25	16	55	44	
Jul	143	14	11	31	58	54	
Aug	189	4	10	24	66	99	
Sep	121	13	22	16	48	57	
Oct	159	11	19	24	32	103	
Nov	138	16	48	30	45	63	
Dec	173	13	35	64	35	74	
	1773	137	257	360	518	741	154

