

Chelan County Public Utility District
Public Perception Tracking Study
Executive Summary Report
November 2008

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Statement of Methodology

Robinson Research was commissioned by Chelan County Public Utility District (PUD) to conduct a telephone survey with customers. The overall purpose of this study was to evaluate and track public attitudes regarding the PUD.

This is the thirteenth wave of the study. The first wave was conducted in 1989, the second in 1990, the third in 1992, the fourth in 1995, the fifth in 1997, the sixth in 1998, the seventh in 1999, the eighth in 2000, the ninth in 2001, the tenth in 2002, the eleventh in 2006, the twelfth in 2007 and the thirteenth in 2008. For this wave, the telephone interviews were conducted at our facility in October of 2008.

In all replications of the study, 400 interviews were conducted with Chelan County PUD customers. All respondents were screened for the following: To be the head of the household, to not be employed in market research, advertising, public relations or for a utility, to not have participated in a telephone survey on the subject of energy or energy utilities in the past year, and to live in Chelan County.

No fewer than fifteen percent (15%) of the interviews were monitored in their entirety, and an additional ten percent (10%) were called back by a supervisor for verification of key points of the data. Interim trial runs of the data were cross-tabulated by interviewer as a quality assurance procedure.

A 400-sample survey has a margin of error of +/- 4.9% percent, which means that, in theory, results have a ninety-five percent (95%) chance of coming within +/- 4.9 percentage points of results that would have been obtained if all PUD residential customers had been interviewed.

Questions regarding this study may be directed to:

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A Brief History Of Chelan County PUD's Image Tracking

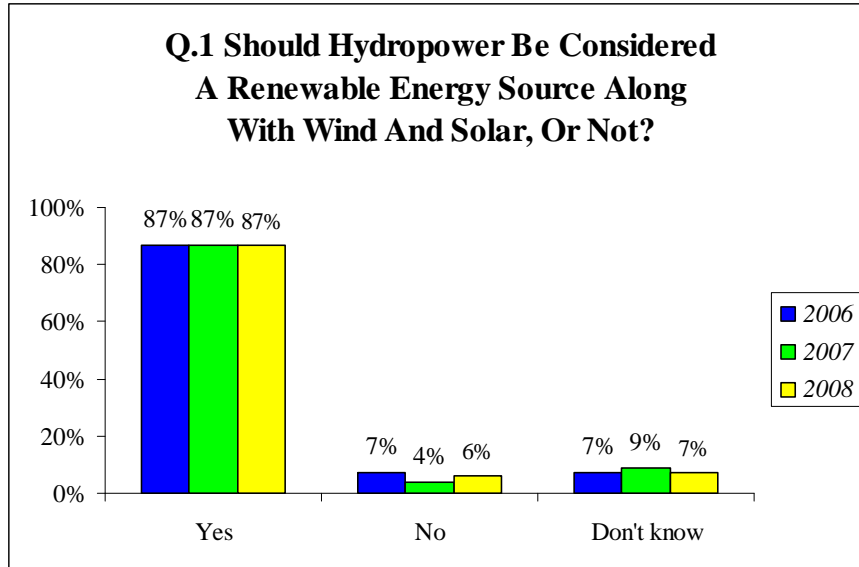
This study has roots in a statewide survey conducted for the Washington State PUD Association in 1984. Bill Robinson, President of Robinson Research worked on that study as Vice President of Market Trends in Seattle WA. In the benchmark 1984 study, Chelan County PUD scored higher than the statewide average on every tested service characteristic. Since 1984, Chelan County PUD has commissioned thirteen waves of the study. While the core of the tracking questionnaire has remained intact throughout the thirteen waves, there have been some modifications to the questionnaire in each wave of the study.

Throughout the 1990s, Chelan County PUD conducted six replications of this study and overall customer perceptions remained very positive. The 2001 and 2002 waves showed deterioration of the PUD's image. Whereas the PUD declined to track customer satisfaction in 2003, 2004 and 2005, we have no solid tracking data, but we do know that during this time span, the PUD was often on the defensive in the local media and it would be reasonable to assume that its image was negatively impacted in that era.

The 2006 wave clearly showed across-the-board improvement over the 2002 wave and in many cases, over the cumulative multi-wave average. The 2007 and 2008 waves are down slightly, but comparable to the 2006 wave. In the 2008 wave, customers were more likely to be concerned about rates and less supportive of investments in PUD infrastructure. Please note that the 2008 wave was conducted during the earliest months of a major recession and the lowest nationwide consumer confidence ratings in the history of the index.

Q.1 Should hydropower be considered a renewable energy source along with wind and solar, or not?

This question was asked for the first time in the 2006 wave.



An overwhelming majority of respondents considered hydropower to be a renewable energy source.

Manson residents were somewhat less likely than average to think of hydropower as a renewable energy source.

Q.2 To the best of your knowledge, what are the issues and concerns facing Chelan County PUD over the next several years?

Multiple responses were allowed.

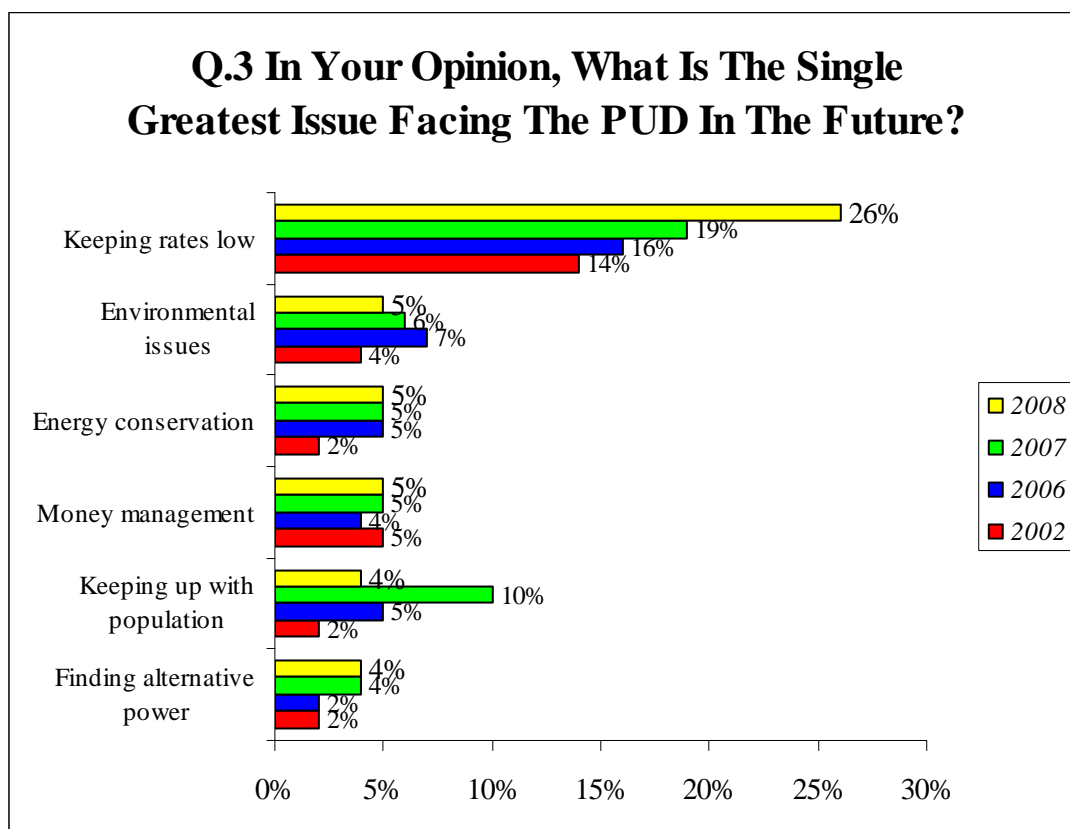
The percentage mentioning keeping rates low has fluctuated over the years, with the 2008 data showing a jump from 2007 and the all time lows of 2002, 2006, and the previous nine waves.

Issues	2008	2007	2006	2002	Previous 9 Wave Average
Keeping rates low	34%	25%	16%	12%	26%
Ensuring enough energy/power is available	11%	8%	11%	6%	9%
Environmental issues	11%	8%	6%	6%	12%
High salaries/bonuses	11%	4%	2%	7%	-
Energy conservation	10%	8%	6%	3%	5%
Money management	10%	3%	6%	6%	6%
Fiscal responsibility	9%	5%	5%	4%	-
Finding alternative sources of power	9%	3%	4%	2%	3%
Keeping up with population/industry increases	7%	8%	4%	1%	11%
Poor management/leadership	6%	2%	4%	5%	1%
Salmon recovery	4%	4%	4%	9%	15%
Improving/Gaining back public trust/relations/image/credibility	4%	3%	5%	11%	-
Selling electricity to other areas	4%	2%	1%	3%	5%

The drought/lack of water/availability of water	3%	3%	1%	4%	1%
Providing reliable service	3%	2%	2%	3%	1%
Water storage/regulation	3%	2%	1%	3%	1%
Governmental interference	3%	2%	3%	2%	1%
Dam use/relicensing	2%	4%	7%	10%	8%
Getting new leadership/management	2%	2%	3%	5%	-
Breaching dams	-	4%	2%	4%	-

Respondents who claimed gas was their primary source for heating their homes were less likely than average to mention keeping rates low, as were Chelan residents. Chelan residents were also significantly less likely than average to mention environmental issues. Mentions of environmental issues decreased as age increased.

Q.3 In your opinion, what is the single greatest issue facing the PUD in the future?



One-in-five (19%) respondents could/would not cite the greatest issue facing the PUD. Only keeping rates low (26%) was mentioned by more than one-in-twenty. The graph above tracks the percentages of the top six mentions from the four most recent waves.

There were no discernible correlations between responses to this question and other survey variables.

Q.4 – Q.5 Series

I am going to read you two statements, and I would like to know the degree to which you agree or disagree with each. Please rate each statement on a scale with one meaning strongly disagree and seven meaning strongly agree.

Q.4 Electric rates are reasonable when compared to the increase in other items.

Q.5 In terms of overall customer service, my electric utility is doing an excellent job.

Both statements showed mean scores that were lower than in 2007.

The following table shows the distribution of mean (average) scores for each wave.

Statements	2008	2007	2006	2002	Previous 9 Wave Average
Q.4 Electric rates are reasonable	5.51	6.08	6.01	5.66	5.87
Q.5 Utility providing excellent customer service	5.70	6.23	6.17	5.76	6.18

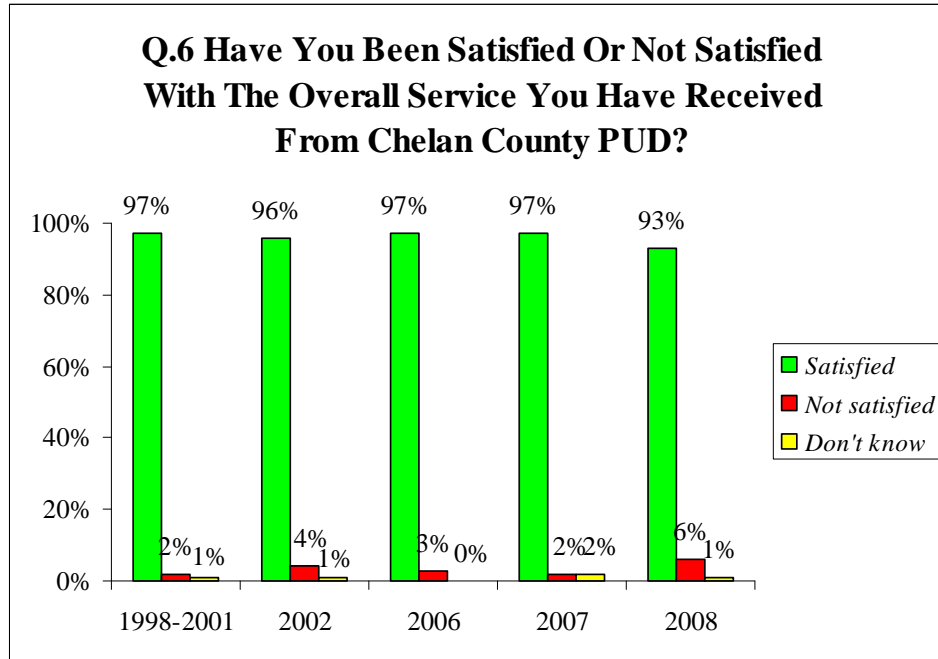
Respondents aged 65 and older, those with post college education and residents of Chelan were more likely than average to agree with electric rates are reasonable.

Agreement with utility providing excellent customer service increased as years lived in Chelan County increased. Respondents 65 and older were also more likely than average to agree with it.

Q.6 Since you have been a customer, would you say that you have been satisfied or have not been satisfied with the overall service you have received from Chelan County PUD?

This was asked for the first time in 1998.

Ninety-three percent indicated that they were satisfied. This was slightly lower than both the 2006 and 2007 wave, and the previous five-wave average (97%).



All of the sixty-four respondents from the Chelan sampling said that they were satisfied. Responses of satisfied increased as age and years of residence in Chelan County increased.

Q.7 – Q.16 Series

I am going to read you a list of words or phrases that could describe Chelan County PUD. After I read each one, please tell me whether or not you believe the phrase describes the PUD.

This series was asked of all respondents in a randomized manner.

- Q.7 Community minded**
- Q.8 Knowledgeable about energy**
- Q.9 Innovative**
- Q.10 Environmentally responsible**
- Q.11 Friendly**
- Q.12 Having good communication with the public**
- Q.13 Hard working**
- Q.14 Professional**
- Q.15 Believable in what they say**
- Q.16 Efficient**

Agreement with each of the statements has not changed a great deal over the years. For perspective, in 2008, the grand mean of all ten attributes was 8.21.

Descriptions	2008	2007	2006	2002	Previous 9 Wave Average
Q.11 Friendly	93%	92%	91%	88%	90%
Q.14 Professional	91%	93%	94%	85%	90%
Q.8 Knowledgeable about energy	90%	93%	93%	93%	91%
Q.7 Community minded	86%	87%	90%	77%	84%
Q.13 Hard working	86%	80%	84%	73%	75%
Q.10 Environmentally responsible	84%	87%	89%	84%	84%
Q.16 Efficient	75%	81%	84%	72%	82%
Q.12 Having good public communication	72%	80%	80%	59%	81%
Q.15 Believable in what they say	72%	78%	78%	52%	79%
Q.9 Innovative	72%	76%	81%	68%	62%
Grand Mean	82.1%	84.7%	86.4%	75.1%	81.8%

Q.7 Community minded

With eighty-six percent responding affirmatively, this statement tied for fourth of the ten descriptors tested.

Q.8 Knowledgeable about energy

With ninety percent responding affirmatively, this statement ranked third of the ten descriptors tested. Respondents who believed the PUD had a program to promote local alternative energy were more likely than average to agree with this statement.

Q.9 Innovative

With seventy-two percent responding affirmatively, this statement tied for eight of the ten tested statements, lower than in 2007, but still well above long-term averages.

Q.10 Environmentally responsible

With eighty-four percent responding affirmatively, this statement ranked sixth of the ten tested descriptors. This was comparable to the multi-wave average.

Q.11 Friendly

With ninety-three percent responding affirmatively, this statement ranked first of the ten tested descriptors. The percentage of respondents answering affirmatively was the second highest in the history of the study.

Q.12 Having good communication with the public

With seventy-two percent responding affirmatively, this descriptor tied for eighth among the ten tested.

Q.13 Hard working

With eighty-six percent responding affirmatively, this descriptor was tied for fourth of the ten tested. It was up from 2007, and considerably higher than the long-term average.

Q.14 Professional

With ninety-one percent responding affirmatively, this descriptor ranked second among the ten tested. All twenty-eight respondents from the Manson subset responded affirmatively.

Q.15 Believable in what they say

With seventy-two percent responding affirmatively, this descriptor tied for eighth among the ten tested. Respondents who had resided in Chelan County for ten years or less were significantly more likely than average to agree.

Q.16 Efficient

With seventy-five percent responding affirmatively, this descriptor was seventh among the ten tested. Responses to this question correlated strongly with overall satisfaction. As income increased agreement decreased.

Q.17 – Q.27 Series

Thinking specifically of Chelan County PUD, I would like you to tell me how well they perform in a variety of areas. Please use a scale of one to seven, with one meaning they perform poorly and seven meaning they perform very well.

- Q.17 Providing prompt restoration of electric service following an outage**
- Q.18 Charging reasonable electric rates**
- Q.19 Being involved in the community**
- Q.20 Providing good customer service**
- Q.21 Providing help with conservation**
- Q.22 Providing dependable and reliable electrical service**
- Q.23 Providing dependable and reliable wholesale fiber-optic system**
- Q.24 Providing dependable and reliable water/wastewater service**
- Q.25 Helping salmon survival in the region**
- Q.26 Providing a useful web site**
- Q.27 Providing good customer service on your most recent contact with the PUD**

Areas	2008	2007	2006	2002	Previous Waves Average
Good customer service on most recent contact	6.20	6.36	6.39	6.21	6.32
Providing reliable electrical service	6.18	6.47	6.57	6.47	6.54
Providing good customer service	6.10	6.30	6.21	6.03	6.20
Providing reliable water/wastewater service	6.00	6.07	6.08		
Prompt restoration of electricity	5.97	6.19	6.36	6.39	6.48
Helping salmon survival	5.92	5.94	5.95	5.90	
Providing a useful web site	5.87	6.10	5.92		
Charging reasonable electric rates	5.83	6.01	6.20	5.97	6.05
Being involved in the community	5.73	5.85	5.98	5.69	5.90
Providing reliable fiber-optic system	5.64	5.69	5.37		
Providing help with conservation	5.63	5.83			

Q.28 Your overall assessment of the job Chelan County PUD is doing

Area	2008	2007	2006	2002	Previous 9 Wave Average
Overall assessment of the job Chelan County PUD is doing	5.82	6.10	6.17	5.76	6.20

Q.17 Providing prompt restoration of electric service following an outage

With a mean score of 5.97, prompt restoration ranked fifth of the eleven tested.

Those with post college education, respondents aged 75 and over, and Manson residents were more likely than average to give a favorable rating.

Q.18 Charging reasonable electric rates

With a mean score of 5.83, reasonable rates ranked eighth of the eleven tested.

Responses to this correlated strongly with perceptions of overall PUD performance. Respondents aged 65-74 were significantly more likely than average to give a favorable rating.

Q.19 Being involved in the community

With a mean score of 5.73, community involvement ranked ninth of the eleven tested areas.

Those respondents who rated the PUD as poor or average were significantly less likely than average to give a favorable rating.

Q.20 Providing good customer service

With a mean score of 6.10, this area ranked third of the eleven tested. The average from the last eight waves is 6.16.

Perceptions of customer service correlated strongly with overall perceptions of the PUD.

Q.21 Providing help with conservation

With a mean score of 5.63, this attribute ranked last of the eleven tested.

Manson residents were more likely than average to give a favorable rating.

Q.22 Providing dependable and reliable electrical service

With a mean score of 6.18, this area ranked second of the eleven tested. The pre-2002 nine-wave average was 6.54.

Satisfaction increased with age.

Q.23 Providing dependable and reliable wholesale fiber-optic system

This was tested for the first time in 2006. With a mean score of 5.64, this statement ranked tenth of the eleven tested, but was noticeably higher than when tested in 2006 with a resulting score of 5.37.

Those respondents who had a negative perception about the PUD were significantly more likely than average to give this a lower rating.

Q.24 Providing dependable and reliable water/wastewater service

This attribute was first tested in the 2006 wave. With a mean score of 6.00, this statement ranked fourth of the eleven tested.

Q.25 Helping salmon survival in the region

This attribute was first tested in the 2002 wave. With a mean score of 5.92, this statement ranked sixth of the eleven, similar to the previous waves.

Q.26 Providing a useful web site

This aspect was asked for the first time in 2006. With a mean score of 5.87, this statement ranked seventh of the eleven tested.

The majority (61%) of respondents were unable or unwilling to answer this question.

Q.27 Providing good customer service on your most recent contact with the PUD

With a mean score of 6.20, this attribute ranked highest.

Perceptions of customer service correlated strongly with overall perceptions of the PUD. Manson residents were somewhat more likely than average to give a favorable rating.

Q.28 Your overall assessment of the job Chelan County PUD is doing

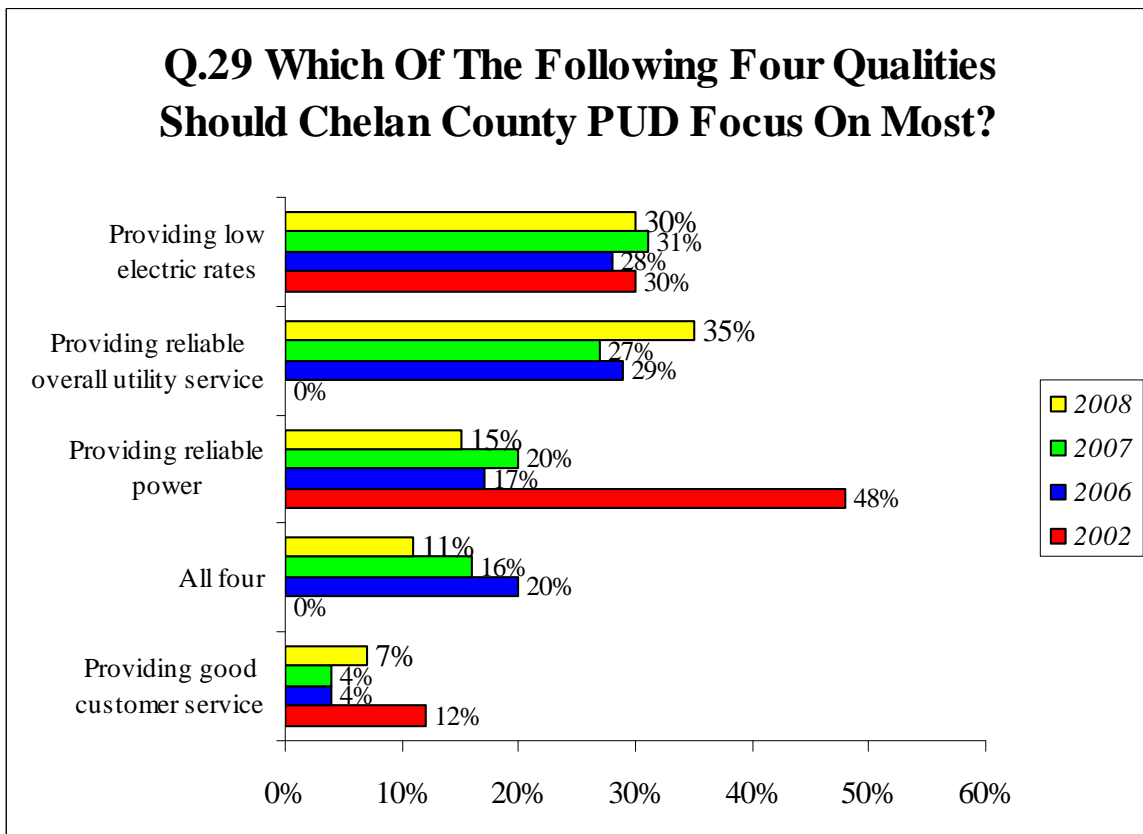
The mean score was 5.82, lower than 6.10 reported in 2007.

Perceptions were most favorable in the under \$30k income subset.

Q.29 Which of the following four attributes should be Chelan PUD’s highest priority for the coming year?

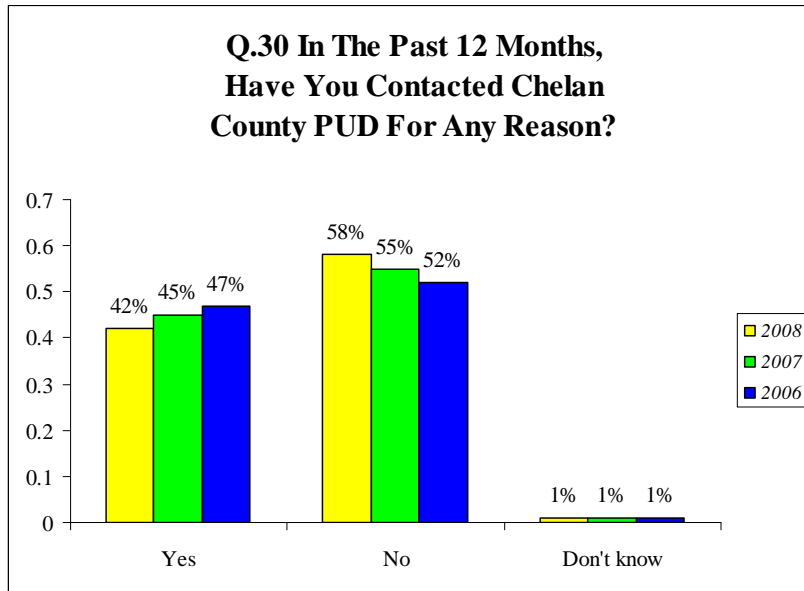
Question was reworded for the 2008 wave.

- **Providing low electric rates**
- **Providing reliable power**
- **Providing good customer service**
- **Providing reliable overall utility services (including fiber-optics, water, wastewater and electricity) for the people of Chelan County**



Q.30 In the past 12 months, have you contacted Chelan County PUD for any reason?

This was asked for the first time in the 2006 wave.



Respondents who were unsatisfied with Chelan County PUD were somewhat more likely than average to have contacted the PUD in the past year.

Q.31 For what reasons have you recently contacted Chelan County PUD in the past twelve months?

This question was asked of only the 166 respondents who said they had contacted the PUD in the past year. Percentages in this table are based on the total sampling of n=400.

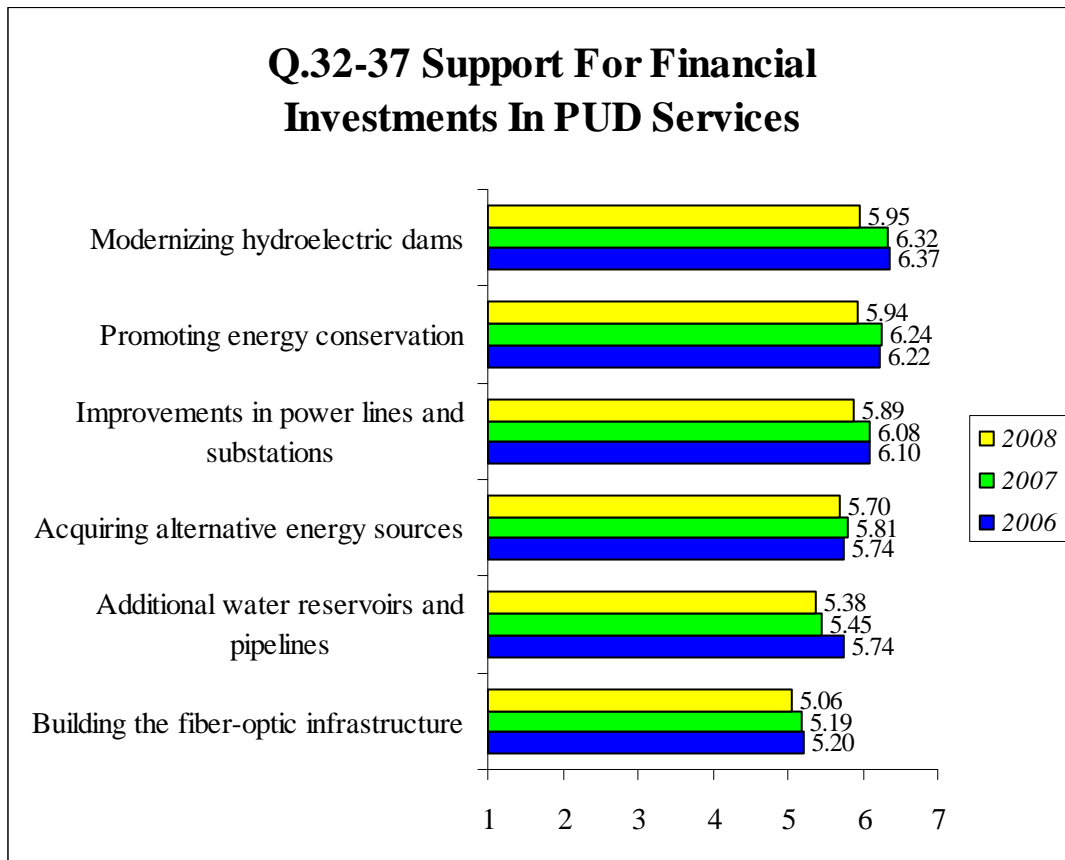
Reasons	2008	2007	2006	2002	Previous 9 Wave Average
Power outage	13%	20%	6%	9%	7%
Billing concern	11%	8%	13%	19%	5%
Request for service or information	9%	10%	18%	24%	24%
Problem or complaint	5%	5%	6%	3%	4%
To make payment arrangements	4%	1%	1%	4%	2%
Water leak	1%	1%	4%	1 resp	1%
Weatherization	1%	1%	1%	-	-
SNAP sign-up or inquiry	1%	1 resp	1%	1 resp	-
Park reservations or information	1%	-	1%	-	-
Energy conservation	-	1%	1%	1%	1%
Other	-	-	-	1%	2%
Don't know/Refused	2%	1%	1%	7%	5%

Mentions of a power outage dropped from last wave. Reasons for respondents contacting the PUD because of a complaint or problem remained fairly consistent with previous waves.

Over the next few years, Chelan County PUD faces choices on spending that could affect rates. Please indicate the degree to which you may support each of the following financial investments in PUD services. Please use a scale of one to seven, with 'one' meaning do not support at all and 'seven' meaning you support completely.

- Q.32 Building the fiber-optic infrastructure necessary to support advanced technology
- Q.33 Additional water reservoirs and pipelines to allow for continued growth in Chelan County
- Q.34 Improvements in power lines and substations to enhance reliability and allow for future growth
- Q.35 Modernizing hydroelectric dams to replace aging generating equipment
- Q.36 Promoting energy conservation and efficiency measures
- Q.37 Acquiring alternative energy sources such as wind and solar

This series had not been asked previous to the 2006 wave.



Willingness to invest in various PUD endeavors has diminished in each wave since this series was developed in 2006.

Respondents who were willing to add a voluntary \$5 to their monthly electric bill were more likely than average to give a higher rating to all of the tested endeavors.

Q.32 Building the fiber-optic infrastructure necessary to support advanced technology

This investment received a mean score of 5.06, ranking last of the six tested.

This was far more important to those who rented their place of residence and respondents in the 18-44 age subset. Chelan residents were more likely than average to give a low rating.

Q.33 Additional water reservoirs and pipelines to allow for continued growth in Chelan County

With a mean score of 5.38, this investment came in at fifth place.

Respondents who had lived in Chelan County for less than ten years were more likely than average to give a higher rating, while respondents reporting post college education gave lower ratings than average.

Q.34 Improvements in power lines and substations to enhance reliability and allow for future growth

This task ranked third with a mean score of 5.89.

Respondents reporting post college education were more likely than average to give a low rating, while respondents with some college went the opposite way.

Q.35 Modernizing hydroelectric dams to replace aging generating equipment

This endeavor elicited a mean score of 5.95, ranking first again among the six tested.

This endeavor spanned the tested subset fairly evenly.

Q.36 Promoting energy conservation and efficiency measures

This endeavor had a mean score of 5.94 and was ranked second in this wave as well as in 2006 and 2007.

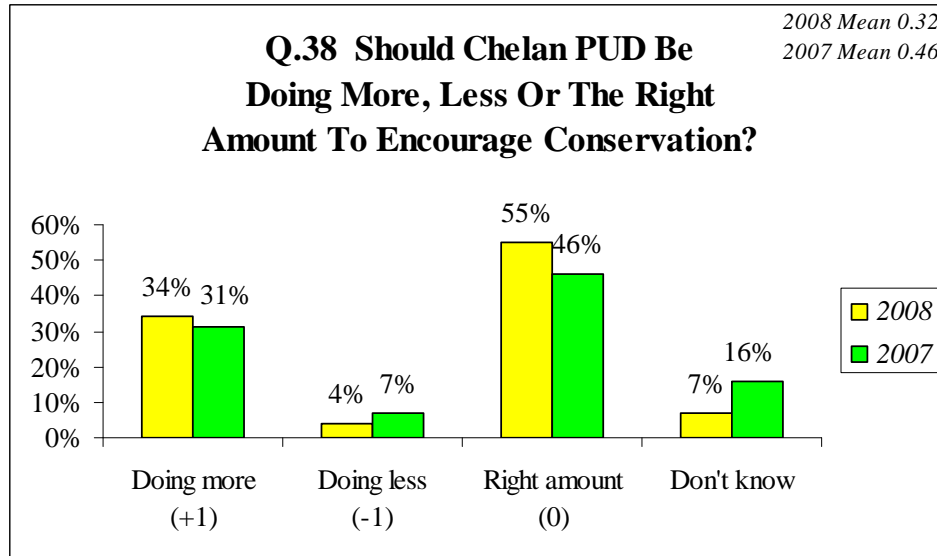
Q.37 Acquiring alternative energy sources such as wind and solar

This endeavor was ranked fourth, with a mean score of 5.70.

Non-voters, respondents aged 18-44 and renters were more likely than average to give a higher rating. Respondents in the \$70k+ subset were somewhat more likely than average to give a low rating.

Q.38 Do you think Chelan County PUD should be doing more, doing less or is doing the right amount to encourage conservation?

This was asked for the first time in the 2007 wave.



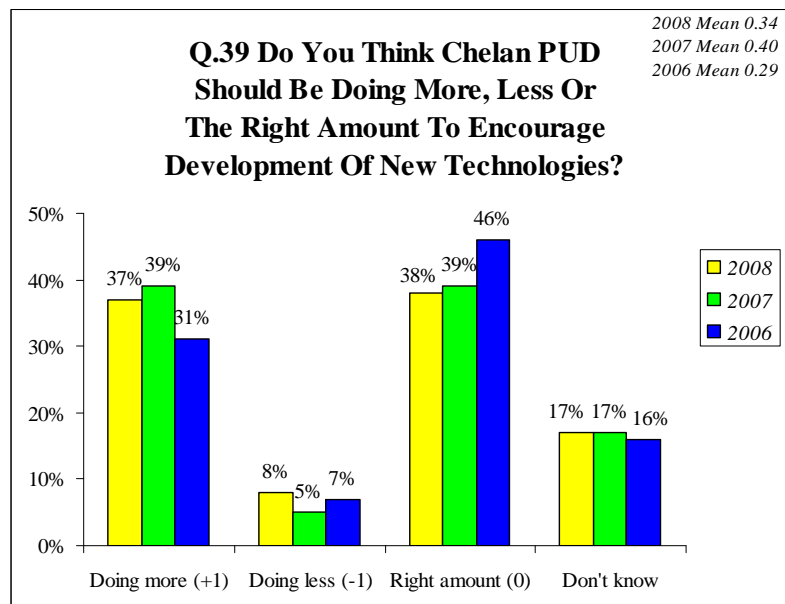
Nearly nine-in-ten of those surveyed thought that Chelan County PUD is either doing the right amount or should be doing more to encourage conservation.

Respondents who were unsatisfied with Chelan County PUD and respondents aged 75 and older were significantly more likely than average to think that the PUD should be doing less. As education and income increased so did the likelihood of responding that the PUD should be doing more.

Q.39 Do you think Chelan County PUD should be doing more, doing less or is doing the right amount to encourage development of new technologies such as solar power, wind turbines and plug-in hybrid vehicles?

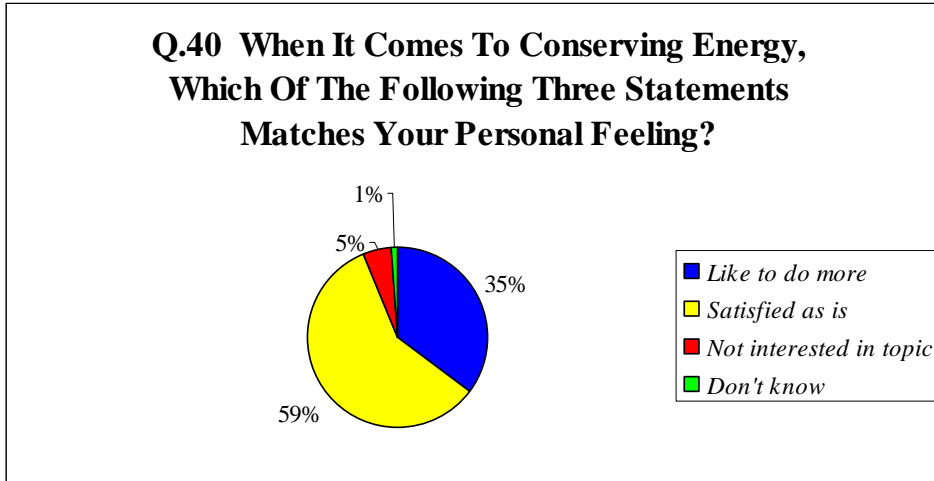
Only one-in-twelve (8%) believed the PUD should be doing less.

Respondents in the \$50k-\$70k income subset were more likely than average to say that the PUD should be doing more.



Q.40 When it comes to conserving energy at your own home or business, which of the following three statements best matches your personal feeling?

This question was asked for the first time in 2008.



Three-in-five (59%) said they were satisfied with their own efforts at conserving energy.

Q.41 What is the biggest obstacle for you?

Asked of the 142 respondents who stated they would like to do more about conserving energy.

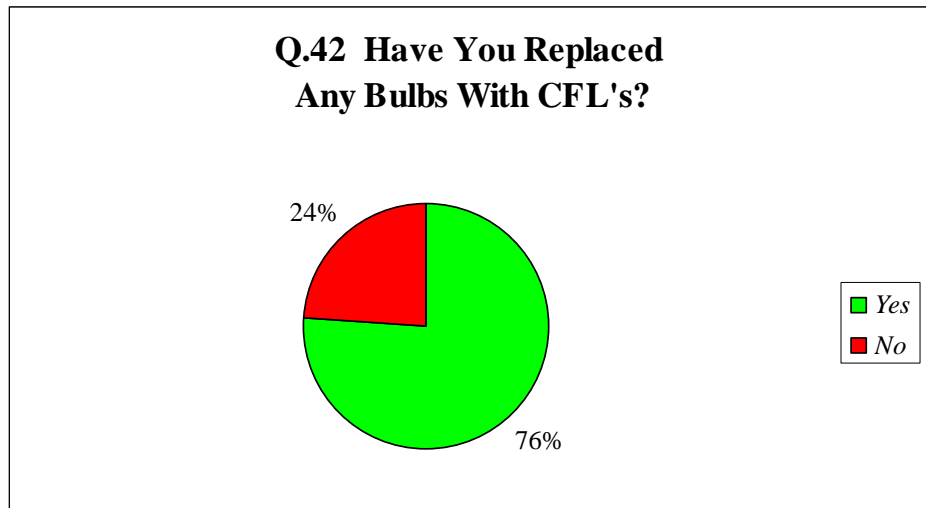
Obstacles	%
Expense	41%
Don't know what to do	34%
Inconvenience	19%
Don't know/Refused	6%

Q.42 Have you replaced any bulbs in your home with compact fluorescent lights, known as CFL's?

This question was asked for the first time 2008.

Three-quarters (76%) reported they had replaced some of their light bulbs with CFL's.

Respondents claiming gas as their primary heating fuel were more likely than average to respond affirmatively.



Q.43 For what reasons have you not replaced any bulbs with compact fluorescent bulbs?

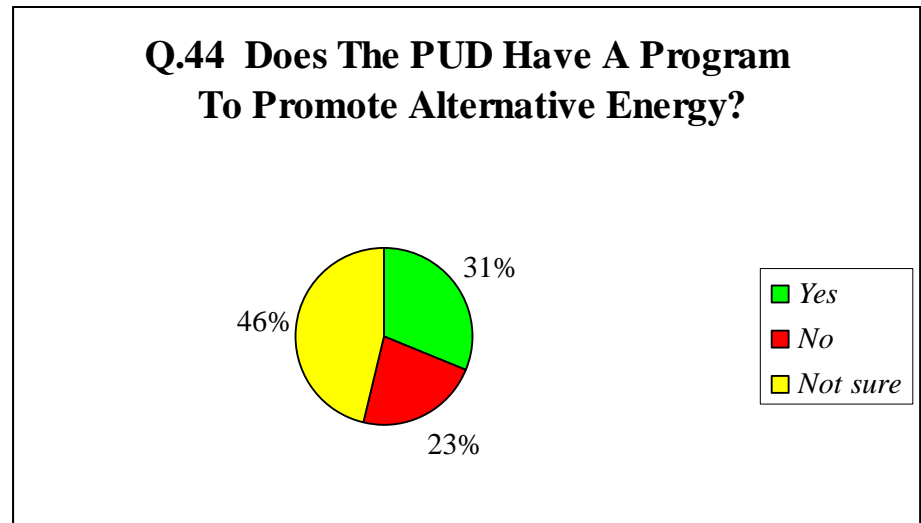
This question was asked of the 97 respondents who had not replaced any of their light bulbs with CFL's.

Cost too much	28%
Pleased with the bulbs I have	24%
Light from CFLs different	15%
Electricity cheap, don't need to conserve	7%
Don't like the way they look	7%
CFL's contain mercury	5%
Didn't know they exist	5%
Don't work with dimmer switch	3%
Didn't know they fit standard fixtures	3%
Other	6%
Don't know/Refused	15%

Q.44 To the best of your knowledge, does the PUD have a program to promote local alternative energy projects such as wind and solar, or not?

Three-in-ten (31%) said the PUD had a program to promote alternative energy.

Respondents aged 75 and older were significantly more likely than average to respond in the negative.



Q.45 Can you tell me the name of the PUD’s program to encourage alternative energy sources?

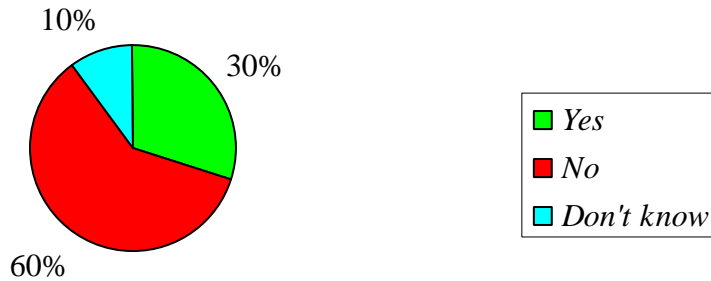
This question was asked of the 124 respondents who answered yes to the previous question. Please note the percentages are based on the entire sampling of n=400.

Name	%
SNAP	14%
Sustainable Natural Alternative Power	2%
Other	<1%
Don’t know	15%

Half (49%) of respondents were unable to name the program.

Q.46 Would you be willing to add an extra voluntary payment of \$5 to your monthly bill to support development of alternative energy projects in Chelan County?

Q.46 Would You Be Willing To Add A Payment Of \$5 To Your Bill To Support Development Of Alternative Energy?



Three-in-five (60%) were unwilling to add \$5 to their monthly bill.

Respondents unsatisfied with the PUD were less likely than average to be willing to add \$5.

Q.47 If there were one improvement you could make to PUD parks, what would it be?

Suggestion	%
Parks dirty	5%
More BBQ's/picnic areas/shelters	5%
More parking	4%
More playground equipment	3%
Boat launches need repair	2%
More hiking trails	2%
More lighting	2%
Add restrooms	2%
Dogs must be leashed	1%
Better security	1%
More benches/need fixing	1%
Expand RV/camping facilities	1%
Lawn over-watering	1%
Bicyclists rude	1%
Other	7%
No improvement needed	1%
Don't know/Refused	63%

Responses spanned the tested subsets fairly evenly.

Respondent Profile

- Eighty-nine percent claimed to be registered voters.
- Eighty-two percent reported that they were homeowners, identical to the previous twelve-wave average.
- Eighty-three percent reported that electricity was their primary home heat source, down from the all time high of eighty-nine percent in the previous wave.
- One percent were planning to build or have a new home built within the next year, while five percent intended to do so in the next five years and another nine percent intended to do so within the next ten years.
- The typical respondent had lived in Chelan County for 24.20 years, a downswing from the previous wave, but more in line with waves previous to 2007.
- The average age of respondents was 56.71 years.
- Twenty-seven percent were college graduates. Another eleven percent reported having completed some type of post-graduate education, comparable to the twelve-wave average.
- Sixty-eight percent reported being married or living as married, comparable to the previous twelve-wave average.
- Twenty-five percent reported having children in the home under the age of twenty-one, fifteen percent had children under the age of thirteen living in the household.
- The average reported combined annual household income was \$51,840, lower than the previous two waves, but considerably higher than the eight-wave average of \$39,077.
- As with all waves, half (50%) of the respondents were female (a gender quota was employed).
- Fifty-five percent of the respondents resided in the Wenatchee area, twenty-two percent in Leavenworth, sixteen percent in Chelan and seven percent in Manson. Sample size per area was based on the percentages in the customer sample lists provided by Chelan County PUD.