

PQ&R / CCG Analysis Update

*A Study of the Relationships
Between
CCG Scores and PQ&R Performance*

January 19, 2005

Goals of the Study

- Learn more about the drivers of our customer satisfaction scores
- Determine the relationship, if any, between CCG scores and our PQ&R performance
- Work with Corporate Communications and provide PQ&R message for refined communications
- Solidify the PQ&R role and strategy to improve and maintain positive customer scores

Details of The Study

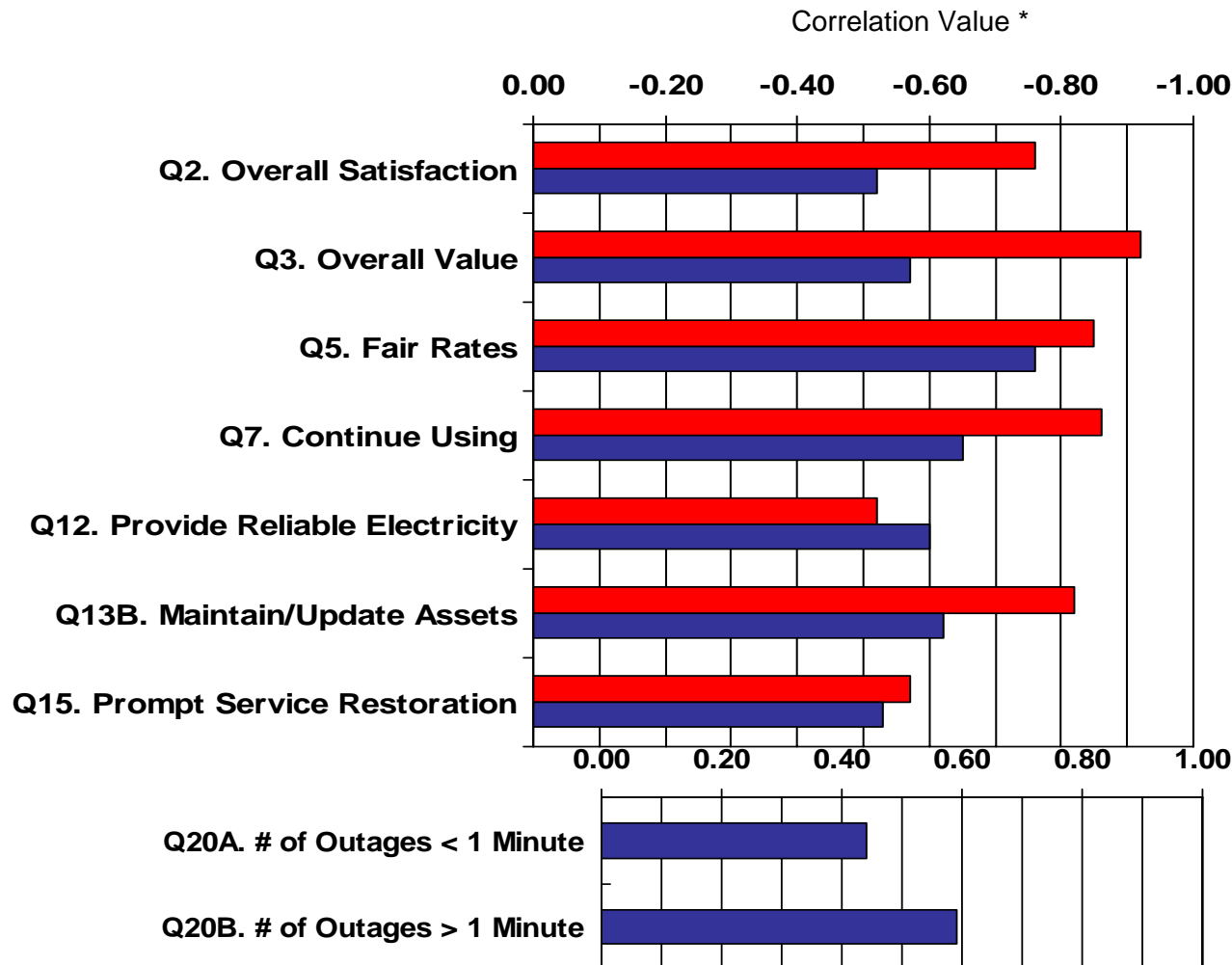
- Data used in the Study:
 - Residential and Small Business CCG Scores
 - General “Overall” CCG Questions
 - Satisfaction, Value, Quality, Fair Rates, Continue Using, Recommend, and Loyalty
 - Specific CCG Questions related to PQ&R topics
 - Provide reliable electricity, Maintain assets, Appropriate tree trimming, Prompt service restoration, and Number of outages/surges/flickers
 - PQ&R Indices and Measurements
 - SAIDI, CEMI-5, MAIFI, FFM, SAIFI
- Calculated Over 1,800 One-to-One Pearson Correlations
 - No Time Lag

Results of the Study

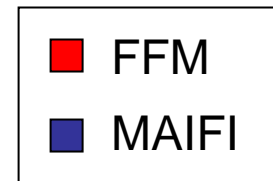
- Number of data points varied depending on availability of the data
- PQ&R and CCG relationship found on a Carolinas System and Region level
 - MAIFI – 12 month rolling
 - Faults per Feeder Mile (FFM) – 12 month rolling
- Region results are unique and show different correlation strengths
- Quarterly Results have stronger correlations (smoothing effect)

Results of the Study (cont'd.)

Quarterly Small Business – Carolinas System

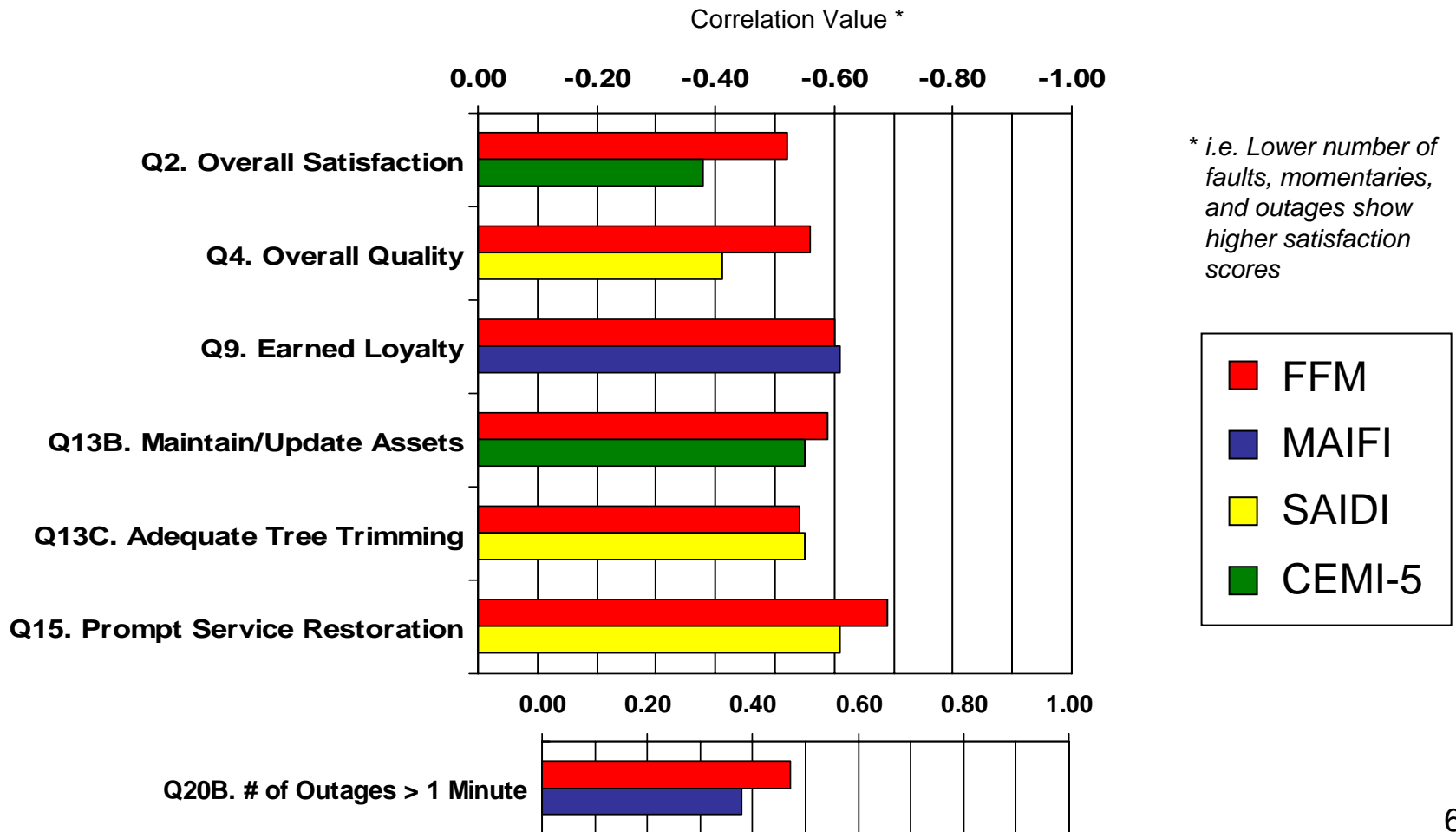


* i.e. Lower number of faults, momentaries, and outages show higher satisfaction scores



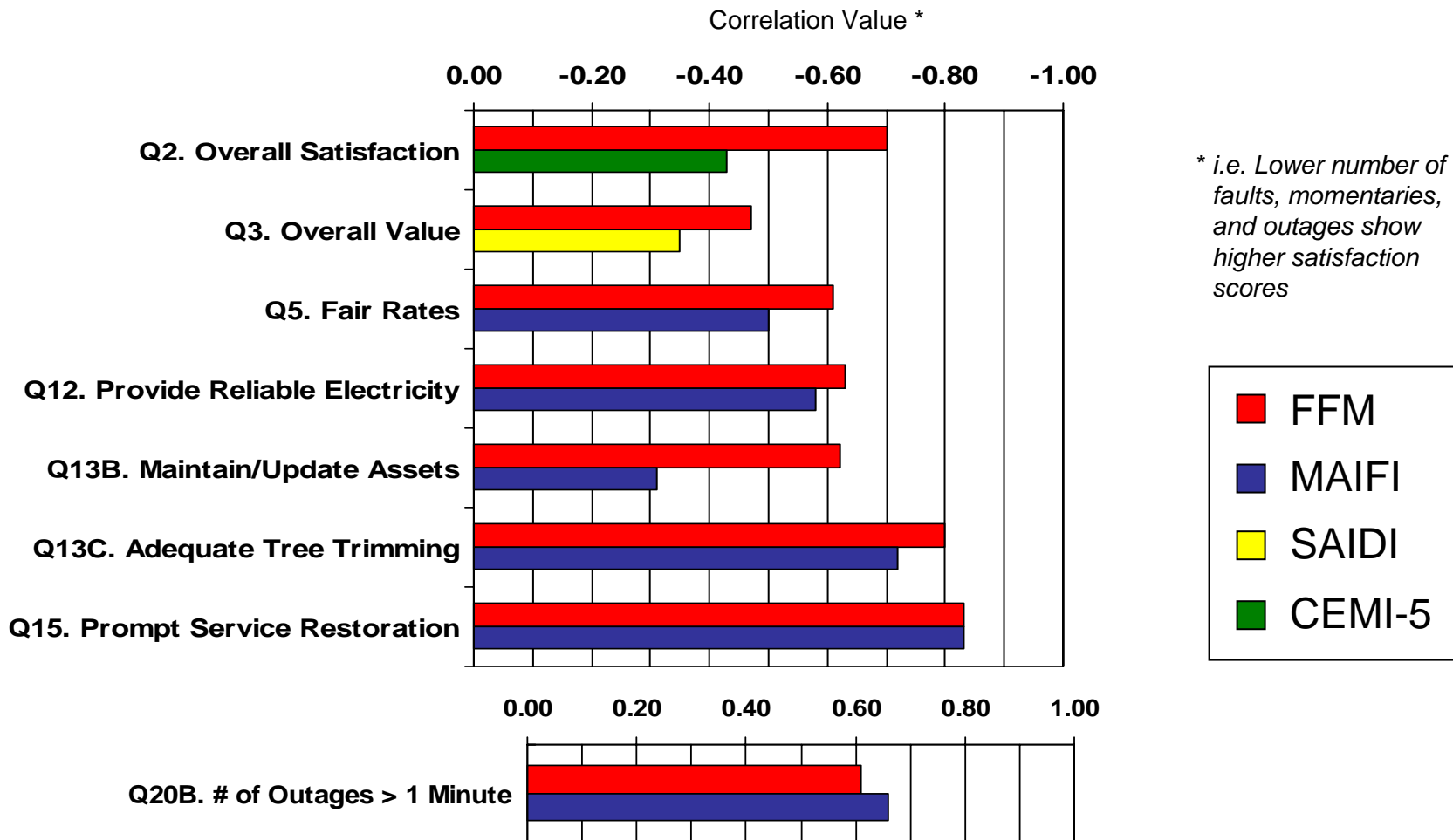
Results of the Study (cont'd.)

Quarterly Residential – Carolinas System



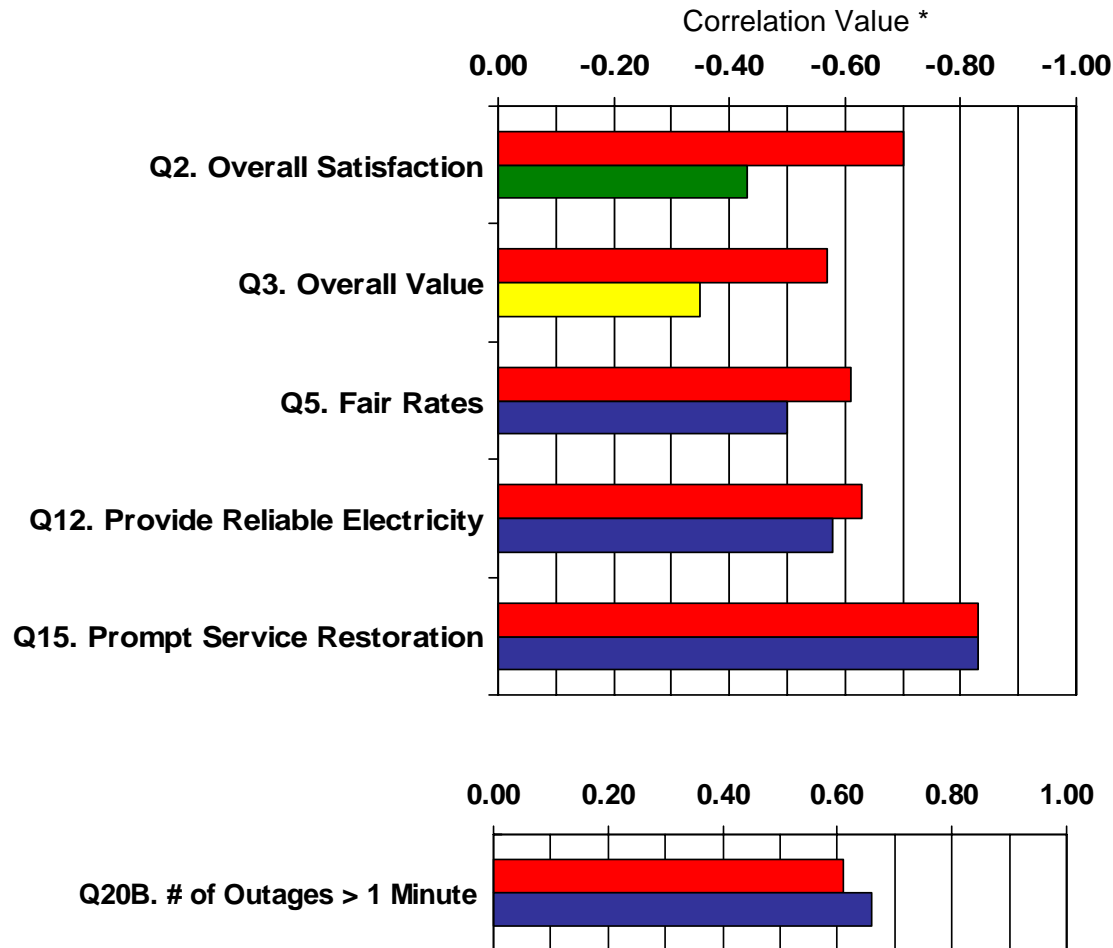
Results of the Study (cont'd.)

Quarterly Small Business – Northern Region

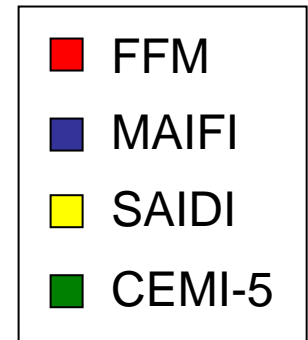


Results of the Study (cont'd.)

Quarterly Residential – Northern Region

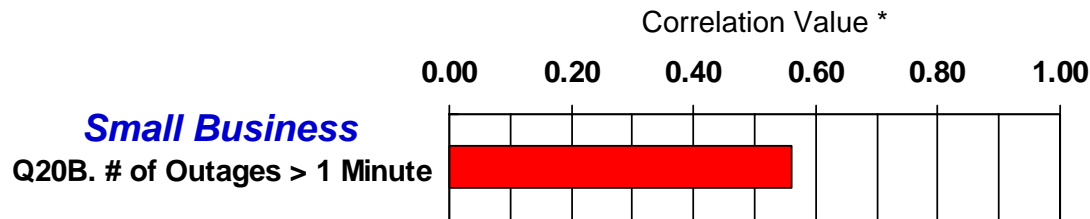


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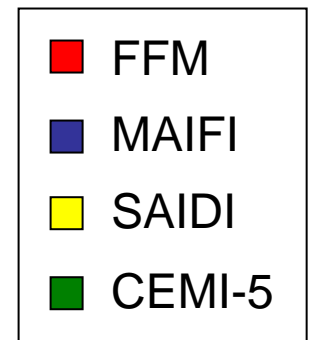
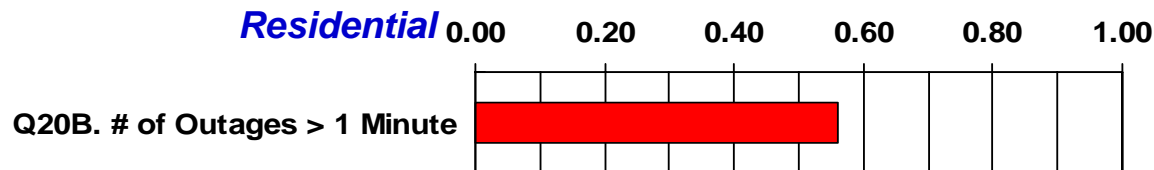


Results of the Study (cont'd.)

Quarterly Small Business and Residential – Eastern Region

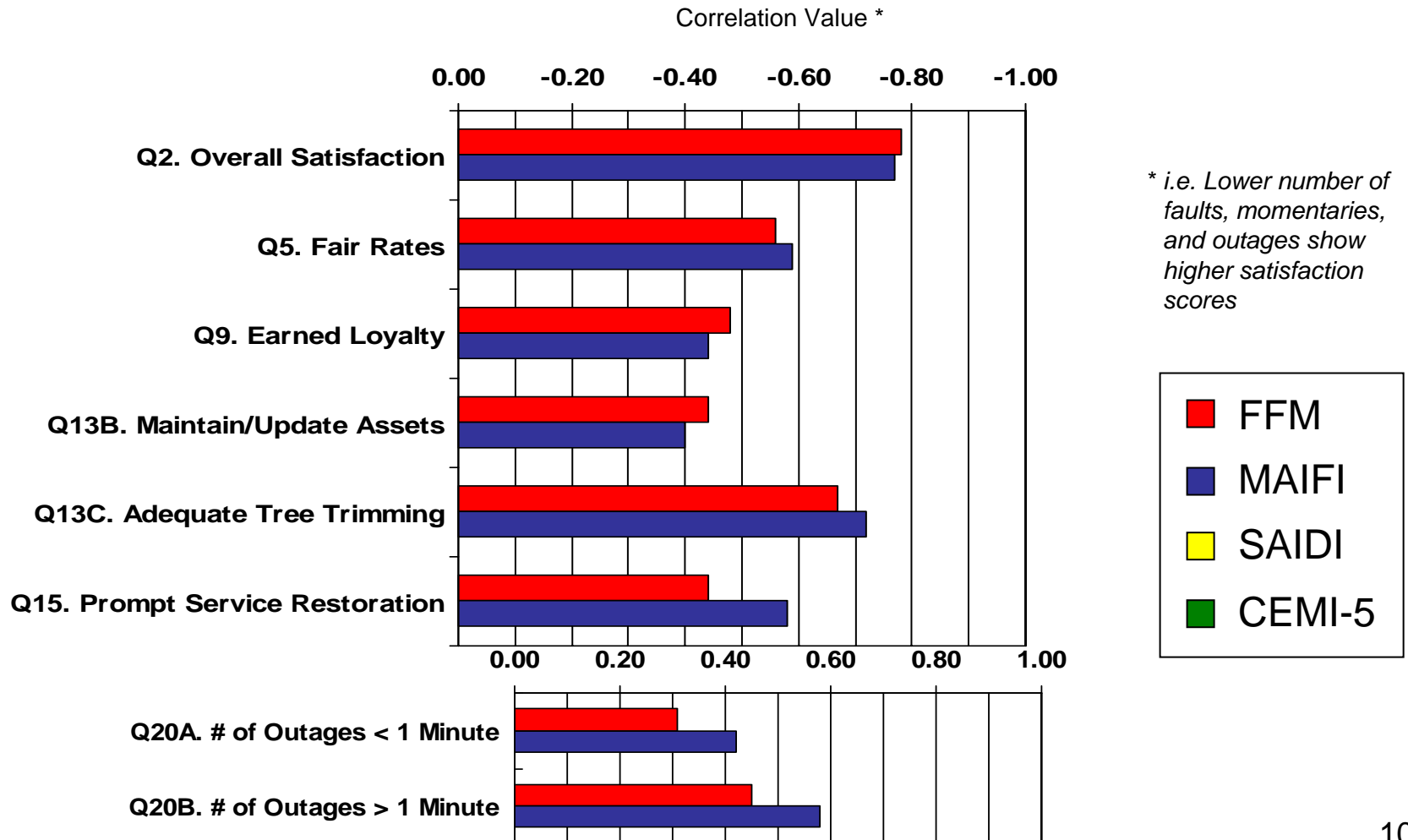


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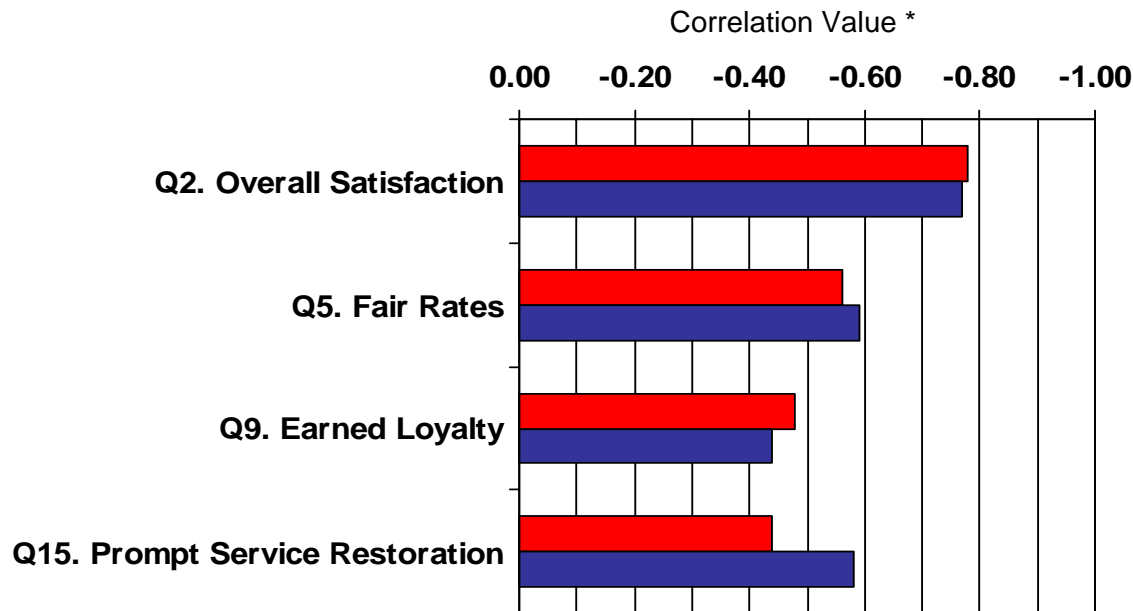
Results of the Study (cont'd.)

Quarterly Small Business – Southern Region

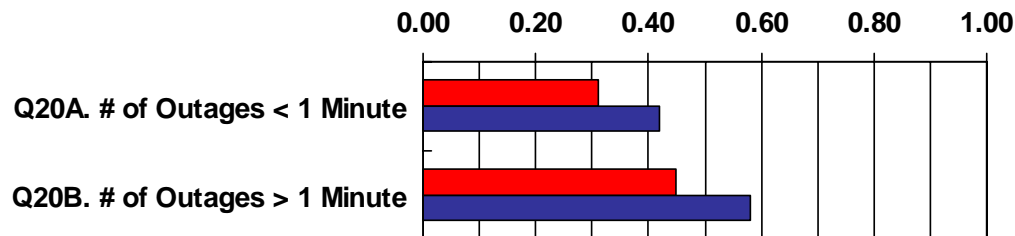
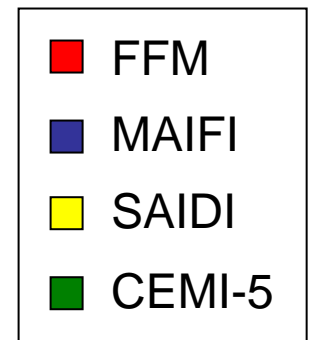


Results of the Study (cont'd.)

Quarterly Residential – Southern Region

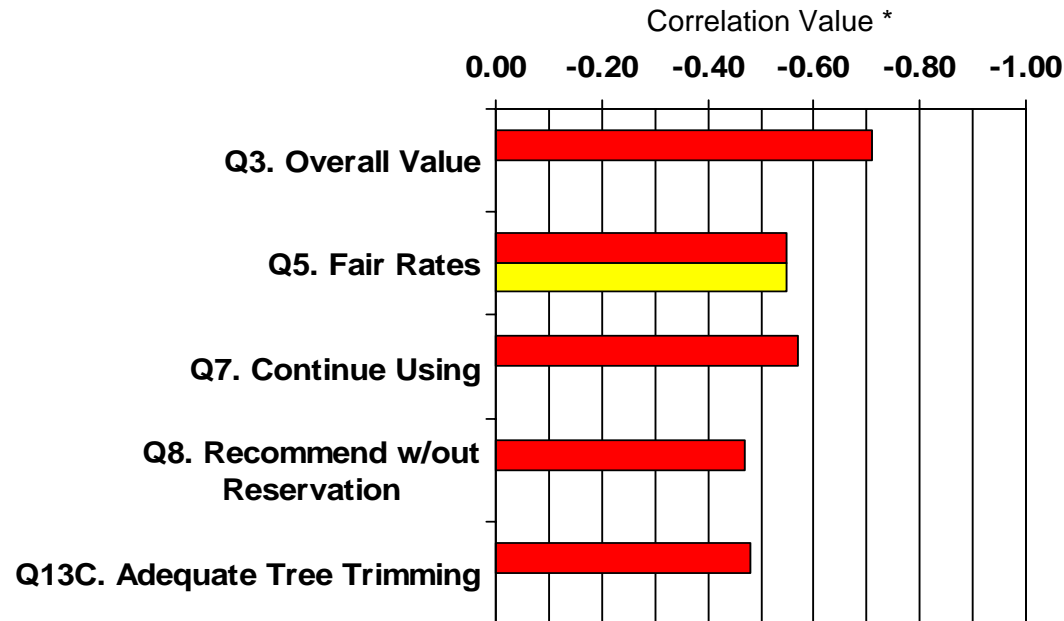


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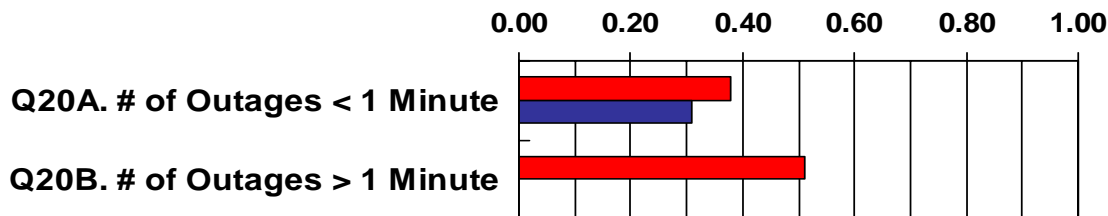
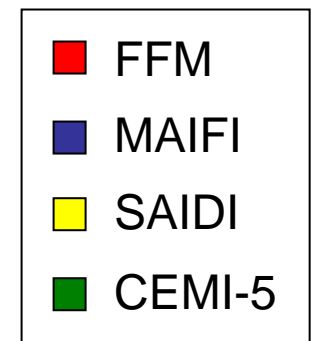


Results of the Study (cont'd.)

Quarterly Small Business – Western Region

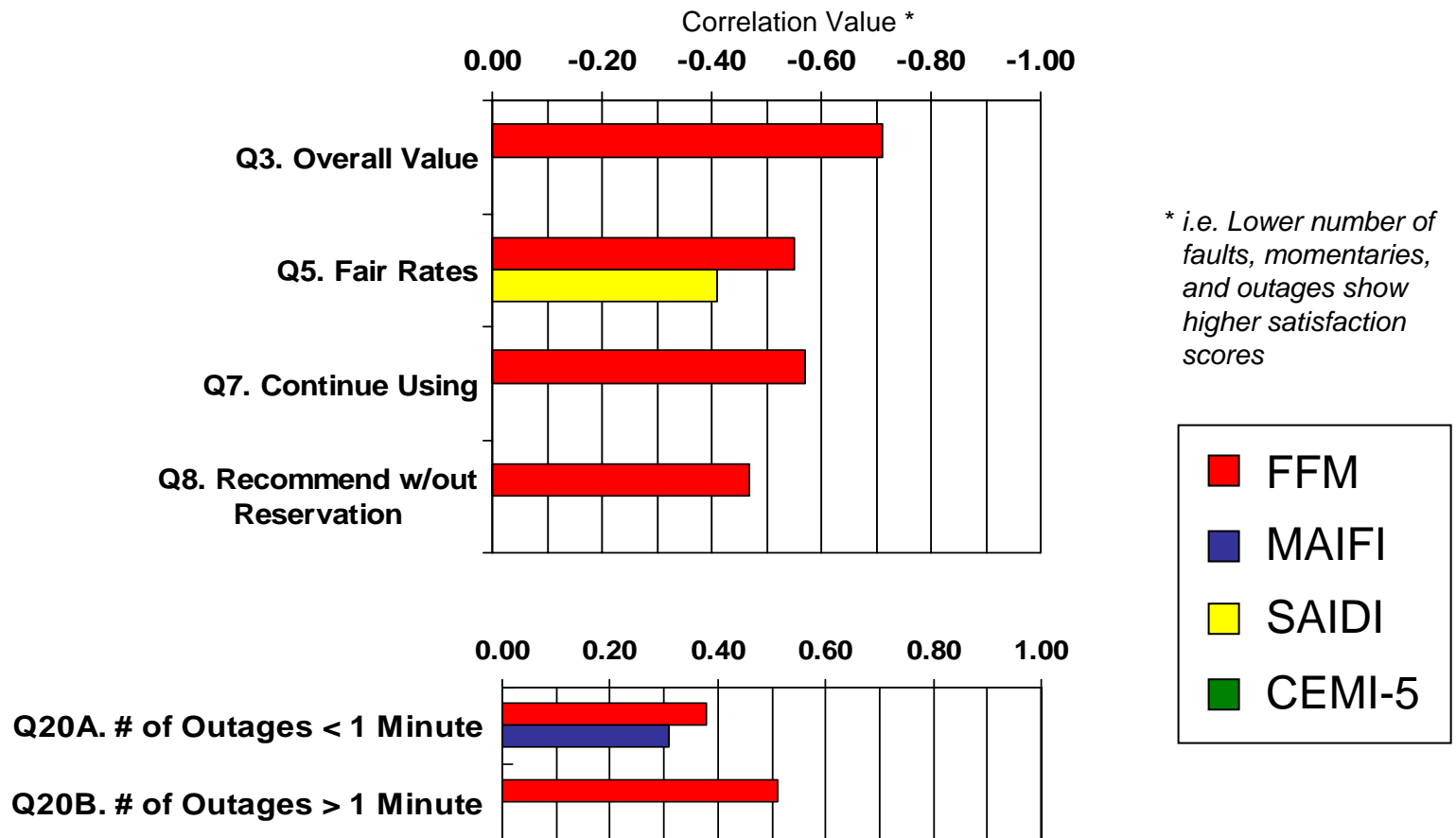


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Results of the Study (cont'd.)

Quarterly Residential – Western Region



Summary / Next Steps

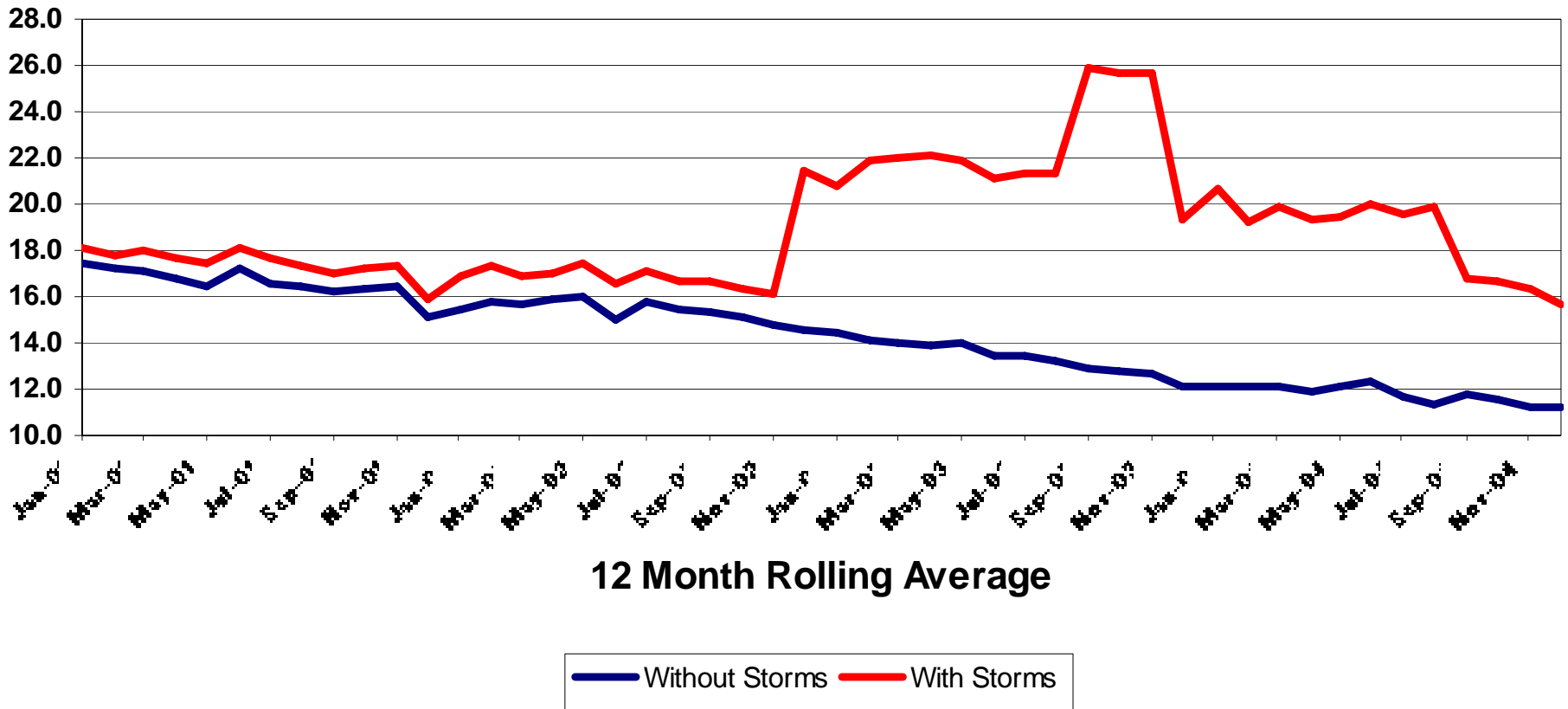
Summary

- FFM is the predominant relationship to Customer Satisfaction Scores but not the only driver
- Northern Region and Southern Region have the strongest region correlations

Next Steps

- Further analyze the FFM and MAIFI measurements in more detail (Include shifts in time frames, time lag, etc.)
- Begin building PQ&R/CCG strategy
 - Possibly adjust programs
 - Track new indices

Progress Energy Carolinas - MAIFI



Progress Energy Carolinas Faults Per Feeder Mile

