

We Energies provides electric service to customers in portions of Wisconsin and Michigan's Upper Peninsula. The company also serves natural gas customers in Wisconsin and steam customers in downtown Milwaukee.

Vision

We Energies is committed to creating an excellent experience for every customer. With every customer, employees strive to act with a sense of urgency, resolve problems the first time – every time – and demonstrate that they care.

Approach

Listening to customers

Understanding what customers want is key to success in achieving the company's vision. This means the company listens and incorporates the voice of the customer in all that it does. Customer contact is easy by phone or email, 24 hours a day, seven days a week. A variety of feedback mechanisms are in place to help the company understand and address customer concerns quickly.

The company seeks daily feedback from customers by giving them the option to complete a survey whenever they interact with our customer contact center or website. More than 2,500 customers take advantage of this opportunity every month. In addition, about 1,100 customers every month are proactively surveyed about their interactions with the company. Results of these surveys are reviewed daily and followed up whenever there is a problem.

The company also monitors national customer satisfaction surveys, such as the J.D. Power Gas and Electric Utility surveys, the American Customer Satisfaction Index, and the TQS Research large customer satisfaction survey to understand how well it's performing compared to other utilities and other industries.

Employees are empowered and expected to identify dissatisfied customers and refer them for a follow up contact, so that, whatever the issue, the company can make it right. The Pump It Up program enables employees to immediately identify customers who are not completely satisfied at the end of a transaction. If the employee can't address the issue, it's pumped up to the person – anywhere in the company, at any level – who can. No matter what the problem is or who fixes it, the facts and data are captured and used to help prevent further problems and sustain the improvements made.

We Care calls are another way to connect with customers and

ensure a great experience. The company wants every interaction with a customer to be positive. So, in many cases, the company will follow up with a phone call to confirm that the customer was completely satisfied with the service they received.

In 2010, nearly 590,000 calls were made to residential and business customers who experienced an outage, had a new service installed, had an appointment with the company, received energy-saving information or recently moved into a new residence. Customers who express concerns receive additional follow up to ensure that their concerns are addressed.

Understanding customer concerns and preferences

Over the past several years, the company has invested in new research to gain a better understanding of the needs, concerns and preferences of its residential customers. This has helped pinpoint the key characteristics customers expect the company to demonstrate. These include being reliable, efficient, accessible, informative, proactive, flexible and personalized.

Results of this research also identified the interactions that are most important to customers. That information has helped to focus efforts on improving customers' experiences during vital transactions.

The information gathered through these and other feedback mechanisms is used to guide the development of process improvements, new options and service enhancements.

Through all of these sources the company continues to hear loud and clear that customers are concerned about energy prices and the impact of price increases on their budgets, especially in the current economic climate. To address this concern, the company works closely with customers to help them manage their energy use. The company also maintains tight cost controls on its business and continues to look for ways to reduce operating costs.

Customer feedback also has indicated a desire for more communication on specific topics. Current topics of greatest interest to customers include safety, energy efficiency and company involvement in and support for the communities we serve. As a result, the company has focused more of its communications efforts in these areas.

Of course, in addition to great service, customers expect great reliability. The company is proud to have earned PA Consulting's ReliabilityOne award for the Midwest region in six of the past 10 years.

Offering options

Having choices is important to customers, and customers have different needs and preferences. That is why the company offers many service options.

Billing

Customers can choose from a variety of billing options, including:

- Receiving their bills online.
- Spreading energy charges more evenly over 12 months through Budget Bill.
- Choosing a convenient due date (upon request with certain limitations).
- Paying a fixed amount for residential natural gas for 12 months regardless of weather or natural gas market price variations through Rely-a-Bill.
- Participating in the Energy for Tomorrow® renewable energy program.
- Receiving a group bill that aggregates multiple accounts.

Payment

Customers also can choose how to pay their bills, including:

- Online.
- Through automatic bank account deductions.
- Over the phone with a credit or debit card.
- Via U.S. mail.
- In person at convenient payment centers.

Managing energy use

Customers also have options to help manage their energy use. These include:

Money-saving kits. Throughout the 2010/2011 heating season more than 28,000 money-saving kits were distributed to customers concerned about their energy usage. Kits included energy-saving tips, a hot water gauge, an LED nightlight and a refrigerator/freezer thermometer.

Energy Partners. Residential customers receive an annual bill credit ranging from \$12 to \$50 for allowing We Energies to cycle their air conditioners on and off during periods of peak demand. Approximately 41,000 customers participated in 2010.

Time-of-Use. Residential customers may select this pricing option instead of the standard electric rate. Under Time-of-Use (TOU), energy costs are significantly less than the standard kilowatt-hour rate during low-demand periods (evenings and weekends) and significantly more than the standard rate during periods of high demand. Customers can choose from three different TOU options with different levels of risk and reward. More than 96 percent of the 27,000 customers on TOU rates are paying less than they would on the standard rate.

My Account. This online tool helps customers understand the reasons for bill changes from month to month and provides customized money- and energy-saving tips.



Special services

Payment arrangements. The company understands that difficult circumstances can arise that may at times prevent customers from paying their bills in full. The company encourages customers who are having problems paying their bills to contact the company and work with the company to keep their service connected. Prior to the end of the annual April 15 moratorium on utility shut-offs, an outreach campaign that includes press releases, bill messages, letters and outbound calls reminds customers to make payment arrangements and to apply for energy assistance if qualified. Flexible payment arrangements based on each customer's individual situation are offered. Flexibility may be reflected in timelines, the amount required for a down payment and the length of the payment plan. Customers also are encouraged to apply for energy assistance and home weatherization, consider billing options, and implement cost-saving and energy efficiency tactics to reduce monthly costs. The company's goal is to work with customers and come to agreements that will keep their energy services connected.

Options for low-income customers. The company recognizes the challenges faced by low-income customers in paying their energy bills, and works collaboratively with government agencies and community-based organizations throughout the service territory to address their needs. Through participation in initiatives such as local resource fairs, customers in selected areas of need are offered the opportunity to work with us face-to-face to address their energy and bill payment concerns.

In 2005, the company worked with representatives from state and local government, community-based organizations and energy groups to launch a low-income pilot program in Milwaukee County. The pilot was expanded to include

Customer service of a different sort

Employees across the company share a passion for serving customers. In most cases, that means making sure that customers' energy needs are met in a friendly and efficient way. But once in a while, an employee encounters a customer who needs a different kind of assistance.

A meter reader in the Michigan Upper Peninsula service territory recently came upon a hunter who had accidentally been shot. After calling 911, the meter reader administered first aid and stayed with the injured man and his hunting companions until emergency personnel were able to reach the remote location. When asked about the experience, the meter reader simply said, "I didn't do anything courageous. I did what anyone would do. It's all about helping out a fellow citizen. It's about caring for the person next to you, whether you know them or not."

Being there for customers is something all company employees take seriously, whether in the office or the field, at work, at home or at play.

Waukesha County in 2007. The program provides low-income customers behind in payments with special services to help keep their energy services connected. In return, participants are required to:

- Make on-time, affordable bill payments;
- Apply for and receive energy assistance; and
- Accept available weatherization services, if offered.

In 2010, the company partnered once again with social service agencies, the Public Service Commission of Wisconsin, the Citizens Utility Board, the Wisconsin Department of Administration and community volunteers to evaluate the low-income pilot program based on best practices. This taskforce assembled recommendations for improvements and submitted a Low Income Task Force Final Report to the Public Service Commission of Wisconsin. Through partnerships like these, the company continues to strengthen its connections to its customers and the community as it finds creative ways to address challenges and meet customer needs.

Business customers

Businesses represent approximately 10 percent of We Energies customers and more than 50 percent of its utility revenue. The business contact center is a one-stop shop designed to partner with and serve the unique needs of these customers. Business consultants answer approximately 11,700 calls each month, respond to questions from business customers on billing and

credit issues, and provide recommendations on services targeted to their needs.

The company's largest customers are served by account managers who work proactively to help manage the customer's energy-related needs. On an annual basis, account managers meet with each customer to develop a joint plan that outlines the customer's energy-related goals, expectations and initiatives for the year. In addition, account managers:

- Provide personalized notification of rate filings and rate changes;
- Assist with rate comparisons and transitions to new rates;
- Provide carbon footprint analyses;
- Facilitate solutions related to energy efficiency and sustainability; and
- Facilitate and/or participate in energy site assessments and customer energy teams.

The company also works to enhance relationships with key customers through an executive partnership program. Through this program, We Energies' senior executives partner with select large business customers to listen and proactively address issues and concerns. Other services available to business customers include:

Outage alerts

Outage alerts provide business customers with proactive, real-time communication regarding outages. Customers can select their preferred communication channel(s) to receive status updates and other outage information.

Online self-service tools

Business Account Online is a secure, online tool that makes it possible for business customers to access and download historical use and cost data and forecast forward-looking energy budgets. More than 5,200 customers and 54,600 accounts are registered.

Energy Analysis provides large business customers with online access to internal and other energy consumption information. Because Energy Analysis provides direct access to the electric meter, customers can make critical operating decisions in real time to help control costs. More than 5,000 accounts are currently registered.

Business Energy Advisor is an online library of energy-related topics that business customers can access to increase the energy efficiency of their operations.

Leveraging technology

As new technologies become available, the company looks for ways to use them to provide customers with additional options. For example, implementation of automated meter reading technologies across the service territory continues to enhance the company's ability to provide customers with more accurate

and timely usage information. Expanded use of social media enhances communication with customers. Additional self-service options that will make doing business with the company even easier are in development.

Continuously improving

The company strives to build a culture of continuous improvement that supports efforts to increase customer satisfaction and reduce operating costs. Feedback received from customers helps focus improvement efforts on the processes that are most important to customers. Through the use of various process management and improvement approaches, the company is moving to a more process-focused way to manage work and serve customers.

Results

We Energies customer satisfaction surveys

Monthly customer satisfaction surveys measure performance on nine key transactions to determine satisfaction with We Energies as a result of interactions with the company:

- Residential customer contacts
- Residential move orders
- Business customer contacts
- Billing
- Outage management
- Gas emergencies
- New service installations
- Appointments
- Forestry work

Results from these customer surveys help measure progress in moving toward excellence in customer service, a key company goal. The results also help We Energies' leadership prioritize projects and resources affecting performance, based on what customers identify as having the greatest value and importance.

2010 goals and results

In 2010, the company exceeded its goal of having more than 83 percent of customers rate their overall satisfaction with the transaction an 8, 9 or 10 (on a 10-point scale). The company also exceeded its goal of having more than 70 percent of customers rate their overall satisfaction with We Energies an 8, 9 or 10.

A pattern of progress

Persistent focus on customer service excellence has resulted in improved customer satisfaction over time. Customer ratings on specific transactions have increased from 81.7 percent of customers rating the company an 8, 9 or 10 in 2006 to 86.2 percent in 2010. Since 2006, customers' overall satisfaction with the company also has improved, from 70.3 percent of customers giving a score of 8, 9 or 10 in 2006 to 77.8 percent in 2010.

External customer satisfaction measures

Positive results in national customer satisfaction surveys conducted by external organizations have been noted. These surveys provide a broader perspective, since they typically include the general pool of customers, not just those who have had a recent transaction with their utility. Sample size can vary significantly in these surveys.

J.D. Power's four segment surveys (business electric, business gas, residential electric and residential gas), the American Customer Satisfaction Index, and TQS' survey of large business customers are all reviewed each time they are published to help benchmark performance compared to other companies in the industry. This information also is used to guide the development of strategies and tactics to improve customer satisfaction.

In 2010, the company earned top quartile rankings in three of the six surveys.



The Cookie Book

For more than 80 years, the We Energies Cookie Book has been a holiday season tradition passed down from generation to generation. The first Cookie Book was published in 1928 and since that time, more than 50 versions of the book have been published. The recipes featured over the years have become cherished family traditions. A new tradition was started in 2009, when the company began giving a freshly baked cookie from the latest book to customers on field appointments during the holiday season.