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**Independent Electricity System Operator  
2012 Customer Satisfaction Study**

**January 2013**

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## Introduction and Overview

Angus Reid Public Opinion is pleased to present this report of the **2012 Customer Satisfaction Study** to the Independent Electricity System Operator (IESO). This report draws on both the quantitative and qualitative research instruments used as part of the 2012 wave of research.

The quantitative survey was administered online and used the IESO's client list as a sample source. Angus Reid Public Opinion used its proprietary online survey platform Sparq™ to program, deploy and host the survey. In total, 80 customers participated in the online survey out of a total of 295 who were invited to participate. This represents a participation rate of 27 per cent, which is quite strong for surveys of this nature.

As a follow up to the quantitative portion of the study, a senior Angus Reid Public Opinion researcher conducted additional in-depth interviews with 14 IESO customers who had agreed to be contacted post-survey in order to probe more deeply on specific questions about the IESO.

The focus of the survey was on identifying the drivers of customer satisfaction with the IESO overall as well as the drivers of customer satisfaction within each service offering.

The Customer Satisfaction Survey in 2011 identified leadership as a specific area requiring further investigation and the 2012 survey aims to delve deeper into the specific drivers of customers perceiving the IESO to be a leader, the drivers of satisfaction with the IESO's leadership and the associations customers have of the IESO as a leader.

Overall, the research uncovered a number of useful insights in terms of how IESO clients perceive the organization and what the IESO can do to further burnish its image as a leader and improve its clients' satisfaction with the services they receive from the IESO. We summarize a few of the key findings below and discuss each one in more detail further on in the report.

**Overall satisfaction is high:** Consistent with 2011, customers continue to be satisfied with the IESO overall.

**Leadership and stakeholder engagement make a difference:** The IESO is viewed as a credible leader in the electricity sector and continues to hone its substantial leadership "capital". When we look at overall satisfaction with the IESO's ability to provide leadership in through its different service offerings, the IESO seems to fall short of expectations in a few areas, specifically with respect to its role as an advocate. In this respect, stakeholder engagement and closing the feedback loop are especially important.

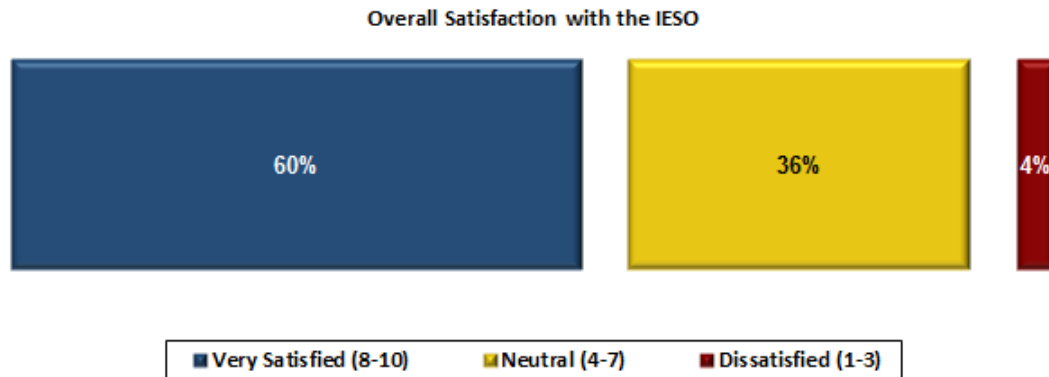
**Customer service matters:** The biggest contributor to the high level of overall satisfaction with the IESO continues to be customer service. Satisfaction is high among all aspects of customer service. In 2012, we have seen a shift in focus for customers' priorities. Whereas last year, time was of the essence, this year, customers seem to be placing a high priority on the IESO providing information and tools targeted to meet the needs of different types of customers for making business decisions.

While the report clearly shows the IESO faces some challenges in continuing to meet the needs and expectations of its client base, especially during these uncertain times in the electricity sector, it is important to keep in mind that the IESO continues to operate from a position of relative strength and credibility which cannot be taken for granted. While customers rate the IESO positively, they also have high demands and expectations of the organizations and seem to be looking to the IESO to act as a steward or guide through this period of flux. A very strong majority of IESO clients are already satisfied with the services they receive. In our experience, this "reputation capital" means the IESO can afford to be **deliberative** in its approach rather than being reactive. This is important to keep in mind. High satisfaction scores should not be an invitation to shift attention elsewhere. Rather it is because of the constant attention on continual improvement in customer service that such high scores are obtained. It is our hope that this year's report continues to impart actionable opportunities for the IESO to meet – and ultimately exceed – customers' expectations.

## Overall Satisfaction

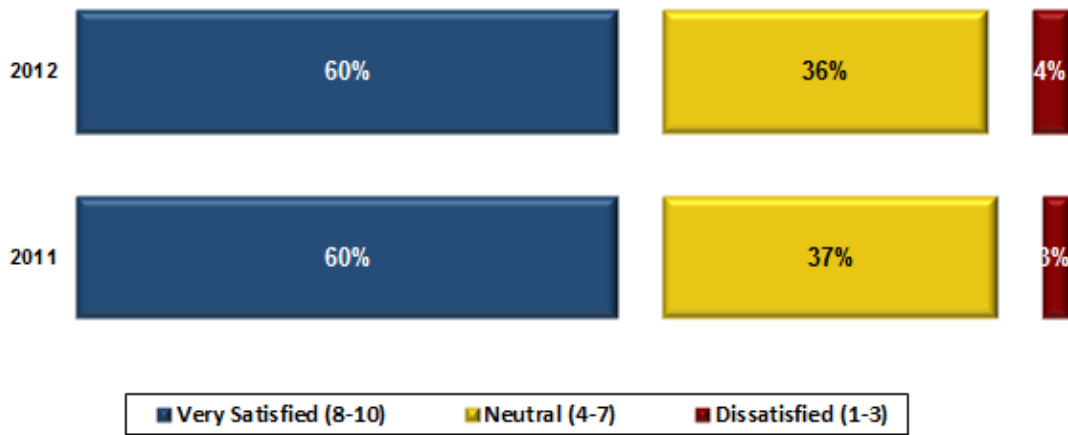
Respondents were asked to rate their overall level of satisfaction with the IESO to provide a **broad tracking benchmark** over time and allow us to determine which specific aspects of the IESO's services tend to drive customers' overall sense of satisfaction with the IESO. The breakouts of satisfaction with the IESO's specific services are addressed in the subsequent sections of this report. We begin with a more general analysis of satisfaction with the IESO.

The mean satisfaction score for this general measure is 8.0, just on the line of what we consider to be a "very satisfied" score (of 8 or more). A large majority of the IESO's clients (60 per cent) in fact did indicate they were generally very satisfied with the IESO, while only 4 per cent report being very dissatisfied (in this case a score of 3 or below).



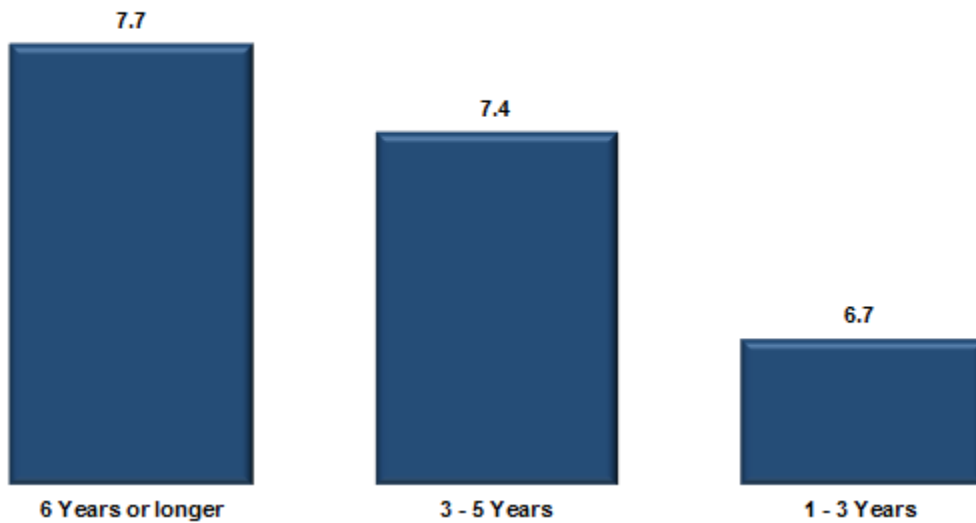
While the percentage of IESO customers rating their satisfaction with the IESO as 8 or above has remained unchanged from last year, the mean score has risen from 7.5 in 2011 to 8.0 in 2012.

Overall Satisfaction with the IESO



Satisfaction with the IESO is higher among customers who have interacted with the IESO the longest.

2012 – Average Satisfaction Scores



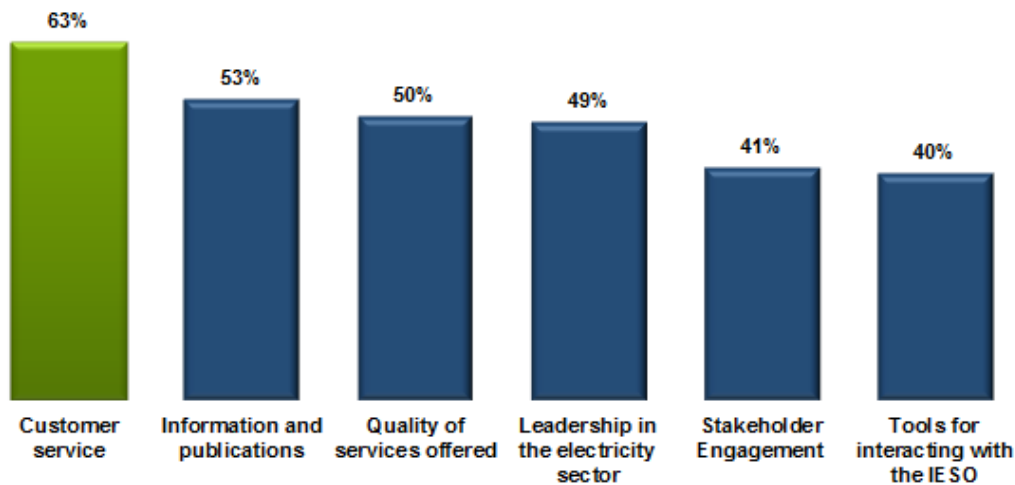
Once we established an overview of customers' overall satisfaction with the IESO, we asked customers to rate their level of satisfaction with **six specific aspects** of the IESO's work.

- Customer Service
- Leadership in the electricity sector
- Quality of Services Offered
- Stakeholder Engagement
- Information and Publications
- Tools

For the most part these six categories are fairly similar to ones evaluated in 2011 but there are a few modifications. In order to hone in on the drivers of leadership, we replaced the category "Types of Services" with "Leadership" to get a more accurate read on perceptions of the IESO's leadership qualities. Given the results from 2011, we feel the revised six categories are more reflective of the IESO's mandate and operations. Additionally, each of the six categories represent distinct categories of services the IESO provides and so getting an overall read on satisfaction with each is important.

The chart below outlines the percentage of IESO clients who are very satisfied with each of the six (6) categories. A customer is deemed very satisfied if they reported a satisfaction score between eight (8) and ten (10) points.

Very Satisfied (8-10): IESO Service Categories: Percentage of IESO customers who are very satisfied with...

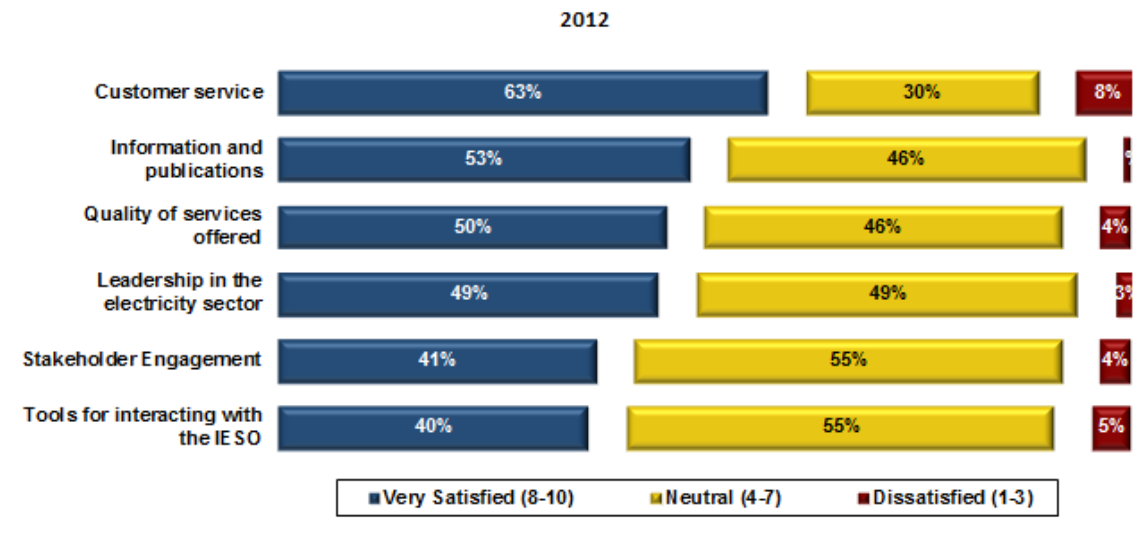


There is a fair bit of variability with overall satisfaction between these categories, though a majority of respondents reported being very satisfied with customer service, information and publications, and quality of services offered.

Additionally, as the graph below illustrates, most customers who reported they were not satisfied with the IESO fall into the "neutral" category, an indication that while these

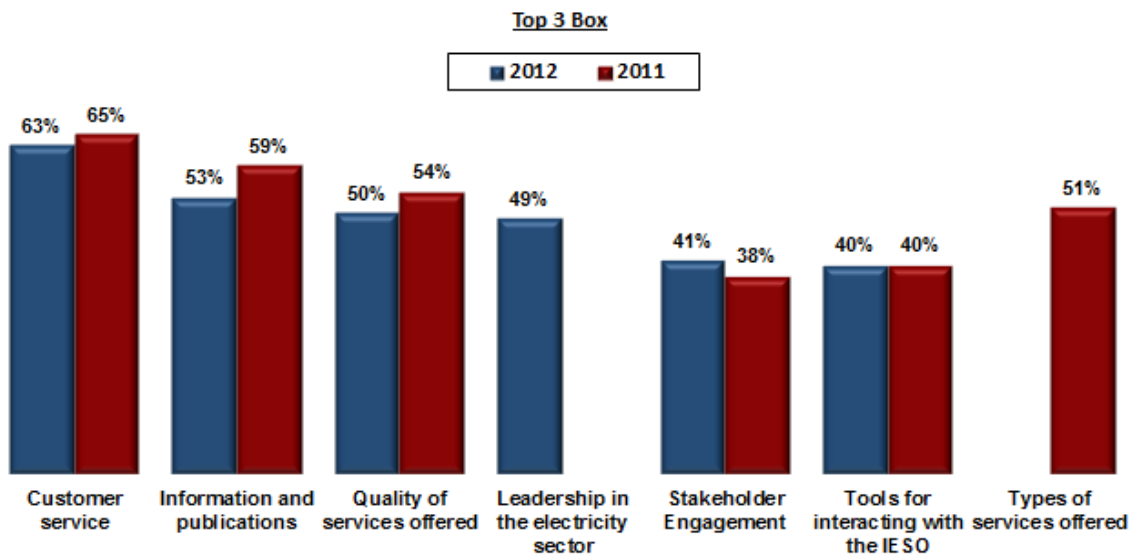
customers may not be thrilled with the IESO's performance in each area, they are not dissatisfied with it either.

IESO Service Categories: Percentage Breakdown



Overall satisfaction with the categories has remained relatively consistent since 2011.

Very Satisfied (8-10): IESO Categories: Percentage of IESO clients who are very satisfied with...



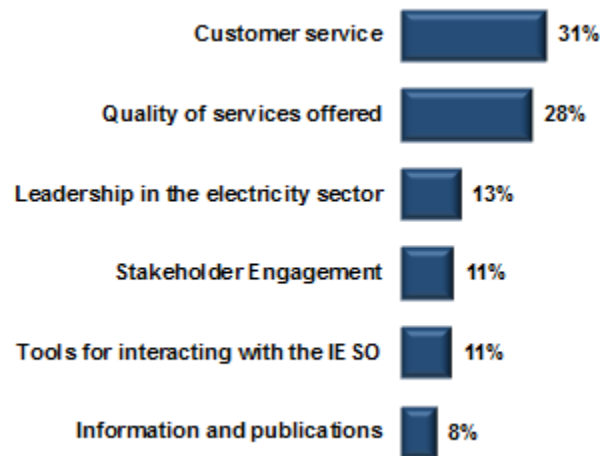


While knowing the overall satisfaction levels with each of these categories is instructive, it does not provide an entirely clear picture of where the IESO should focus its efforts in improving its service delivery. What is the relationship between these distinct categories of service and overall satisfaction with the IESO? Which of these categories has a more profound impact on overall satisfaction with the IESO? Put another way, which of these categories should the IESO prioritize from a service delivery improvement perspective?

One common approach of discerning priority areas of service is to ask respondents which services are most important to them. However, clients will often have a hard time differentiating which service is truly important to them and which is not, which makes prioritization difficult. Further, clients will often give a socially constructed answer when prioritizing areas of service delivery; their answers can be influenced by what they expect the IESO wants to see or be based on an after-the-fact rationalization.

To address this, Angus Reid Public Opinion has developed a set of analytical techniques that relies on derived importance rather than stated importance. This helps us to map the strength of relationships between various aspects of satisfaction as a way of determining what is important instead of asking respondents to tell us themselves. We describe the process in appendix 1. The first step is to look at the overall output.

Relative Importance: Overall Satisfaction



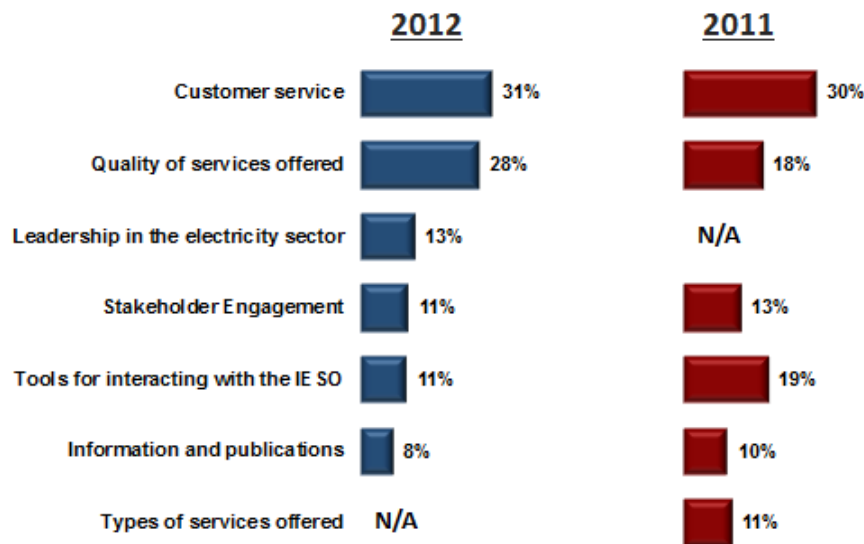
The chart above illustrates the **relative importance** of each of each of these 6 categories in driving overall satisfaction with the IESO. In other words, 31 per cent of the overall satisfaction with the IESO is driven by satisfaction with customer service. This means that customer service, at 31 per cent, is over three times more important than, say, information and publications (whose relative importance is 8 per cent) in driving overall satisfaction. This kind of ranking can make determining priorities much easier –

as we demonstrate in subsequent sections, customer service is a clear area of importance.

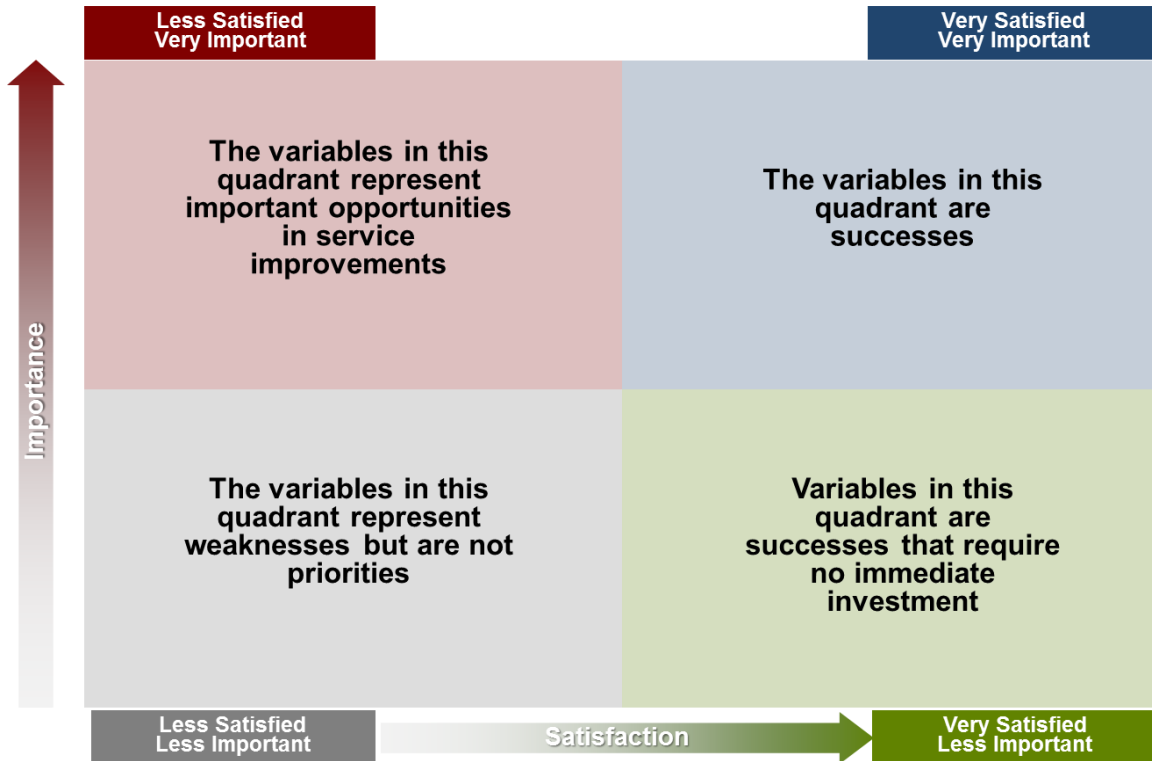
A secondary output of the regression is the  $R^2$ . This essentially measures the extent to which these 6 variables capture the total variation in overall satisfaction with the IESO. The lower the  $R^2$  the less instructive the model is. In 2012, however, the  $R^2$  is above 71 percent meaning that these 6 categories, between them, capture the vast majority of what drives overall satisfaction with the IESO.

**Tracking Relative Importance.** The key driver analysis is intended to serve as a stable model for year-over-year tracking; changes in rankings and aspects therefore may have significant strategic value indicating a shift in values and priorities. As we examine the relative importance of the IESO’s service categories, we see that customer service remains the paramount driver and this is not surprising given the IESO’s customer-driven focus. However, it is important to note that quality of services is now a more important driver for customers, and the tools for interacting with the IESO category has become somewhat less important.

Tracking Relative Importance: Overall Satisfaction

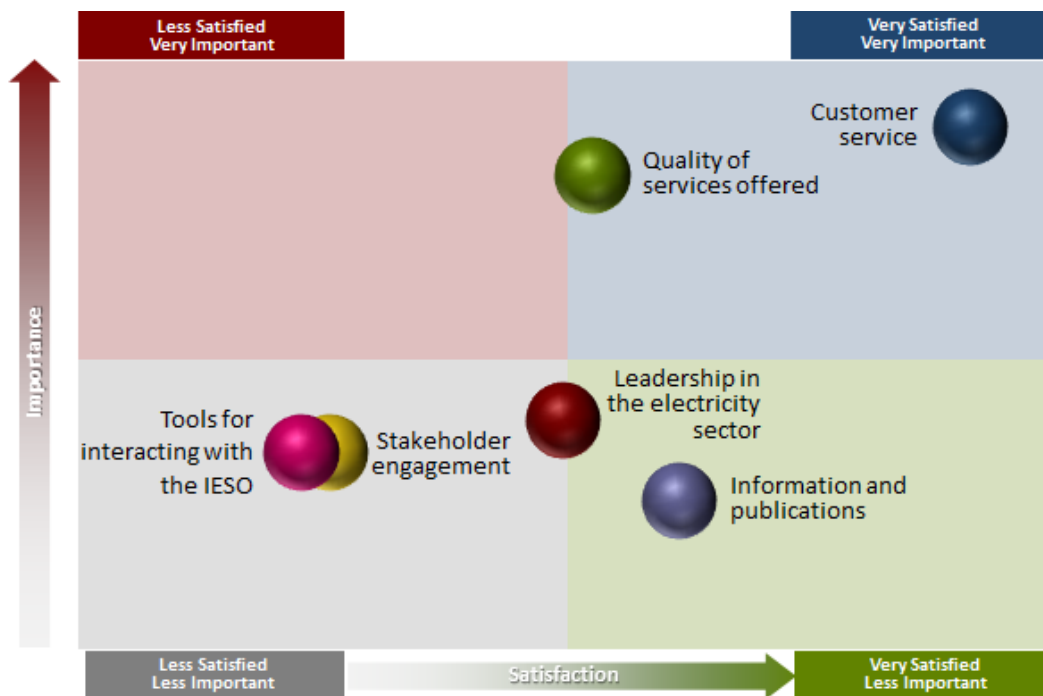


While the overall relative importance ranking above is useful, it alone does not provide a full strategic picture. We therefore cross-reference these relative importance scores and plot them against the actual satisfaction in each of these categories. This creates a chart where anything on the right hand of the graph are areas of service that score above average levels of satisfaction and anything in the upper half of the graph is an area of service that has above average importance in driving overall satisfaction with the IESO.



Satisfaction and relative importance data from the 6 categories result in the following chart.

Driver Analysis: Total



**Customer service:** This continues to be important success story for the IESO. More than any other category, it is customer service that has the biggest impact on overall satisfaction with the IESO, and also happens to be an area where the IESO registers very high levels of satisfaction. We delve into this in more depth in another section of this report, but the overall finding here is that customer service matters more than any other service provided by the IESO. This is an important consideration moving forward.

**Quality of services offered:** Customers here are clearly telling the IESO that quality matters and the IESO is delivering. As is the case with customer service, this seems to be an area of success for the IESO, with quality of service generating above average levels of satisfaction and above the rating provided for this category in 2011.

**Tools for interacting with the IESO:** This is an area that has decreased in relative importance since 2011. While satisfaction scores are still below average, since it has less impact on driving overall satisfaction, it is not an urgent area for improvement.

**Stakeholder engagement:** Though satisfaction with stakeholder engagement is the lowest of all six categories, it is not of great relative importance in driving overall satisfaction. However, it would be simplistic to say that stakeholder engagement does not matter; our in-depth interviews help illustrate that stakeholder engagement is best regarded as a means to an end in generating greater satisfaction, rather than an outcome in and of itself. Additionally, many customers in the interviews relayed a sentiment that they felt stakeholder engagement was an expectation they have of the IESO.

**Leadership in the electricity sector:** While leadership scores below the average in terms of relative importance, the in-depth interviews illustrate that leadership matters and the IESO is perceived as a leader in great part because of its high level of customer service and quality of services offered. The interviews helped bring to light this important finding that leadership was perceived in combination with the two main drivers of overall satisfaction, underscoring the importance customers place on this attribute.

**Information and publications:** Though there are high levels of satisfaction with the information and publications provided by the IESO, they do not appear to have a tremendous impact on overall satisfaction. This does not suggest publications are not important – indeed, as the in-depth interviews suggest, there is a great desire for the IESO to disseminate information. Rather, the findings suggest the link between overall satisfaction and information and publications is relatively weak.

While the summary above is quite useful in establishing relative importance and areas of improvement, the six categories in and of themselves are broad. Knowing that customer service is of great importance to IESO clients is clearly valuable, but customer service itself is a multi-faceted experience. We therefore went one step further and turned each

of the six categories into dependent variables in their own right. In other words, we wanted to see what drives satisfaction with customer service (for instance) and asked a series of follow-up questions to that effect with a new set of independent variables. The following sections of this report explore each of the service categories in greater detail.

## Leadership in the Electricity Market

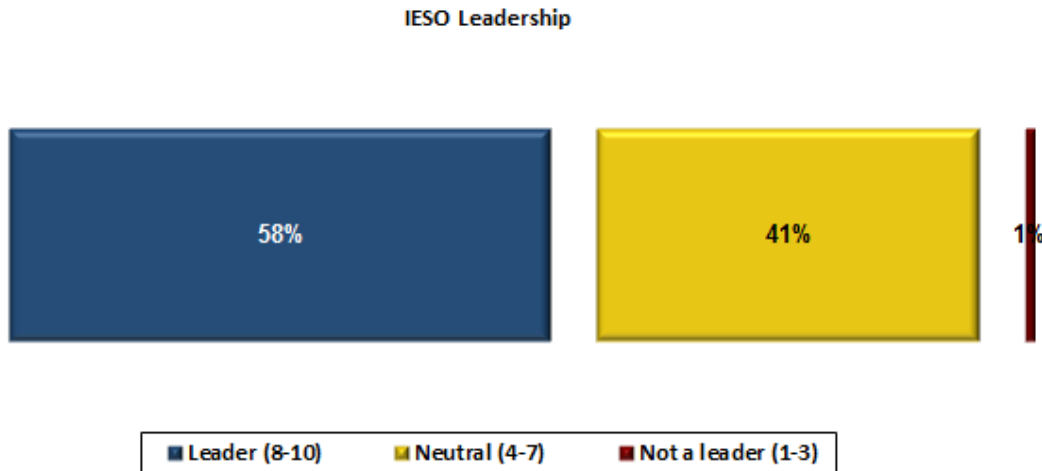
- The feedback and insight from the 2011 Customer Satisfaction survey pointed to the need for the 2012 wave to incorporate additional analysis surrounding the specific aspects of the IESO's leadership. This year's analysis includes A look at how customers expect the IESO to demonstrate leadership in the sector to help understand what leadership means to IESO's customers, and
- An analysis of the specific aspects that drive customer satisfaction with the IESO's leadership This analysis reveals the areas of opportunity, or what the IESO should focus on to increase customer satisfaction of the IESO's ability to act as a leader.

One of the IESO's **Corporate Performance Targets** is for the organization to be regarded as a leader in Ontario's energy market. The IESO continues to be perceived by a strong majority of its customers as a leader in the sector and we see a moderate increase in the IESO's 2012 leadership score. A majority of customers give the IESO high marks on a 1-10 scale where "1" represented "not a leader" and "10" represented "very much a leader." Expressed as a mean score, the IESO's receives a 7.4, up from 7.1 in 2011. With this increase, the IESO's leadership score is now at its highest level in the past four years.



Leadership Score Breakout

Looking more closely at the breakout of the leadership score, we see that over half of IESO customers have rated the IESO 8-10. Only one per cent considers the IESO to be a non-leader in the electricity sector. The IESO's leadership score has gone up from 54 per cent in 2011 to 58 per cent in 2012, an indication that more and more of its customers recognize its leadership qualities.



A question was added to the quantitative survey this year to help clarify the importance of various efforts to position the IESO as a leader. This question is different from other areas of inquiry as we are not looking at the aspects that drive satisfaction with leadership, but rather examines how customers expect the IESO to demonstrate leadership. The question asked customers to rank the different aspects of the IESO's leadership efforts in order of importance.

We find it easier to interpret ranking questions via a **Thurstone scaling**, which essentially plots out the various possible priorities on a continuum with the most commonly selected top ranked issue on top, the least ranked issue on the bottom, and the others ranked in relative order to their distance between the top and least ranked priority. The output below shows a clear hierarchy of what exactly respondents are looking for in terms of leadership from the IESO.



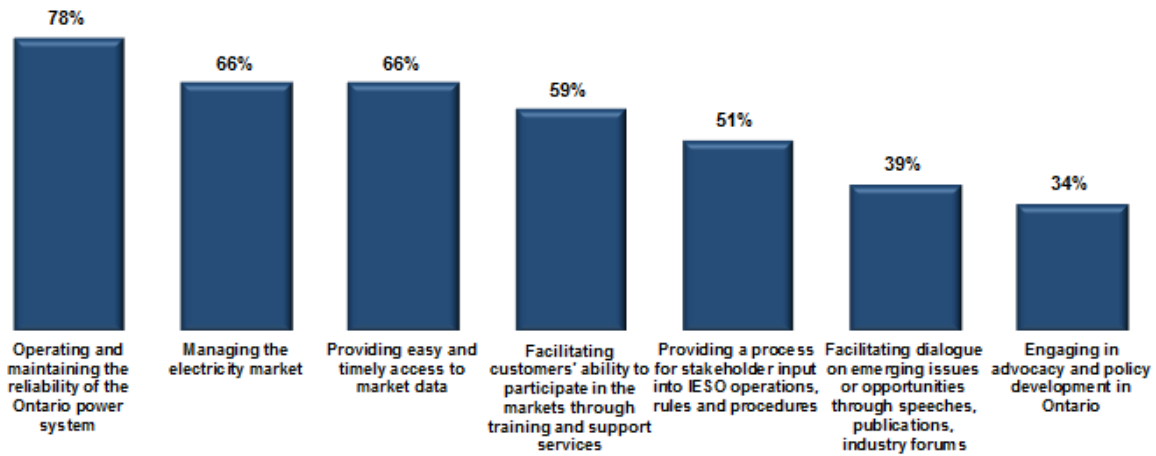
It seems that in customers' minds, the IESO should demonstrate leadership primarily by providing a vision for Ontario's electricity sector and this goes hand in hand with a more policy oriented – and for some, advocacy oriented – organization beyond being a market operator.

Now that we have a better understanding of what customers expect of the IESO in the leadership realm we also need to understand what actually drives customers' satisfaction with the IESO as a leader.

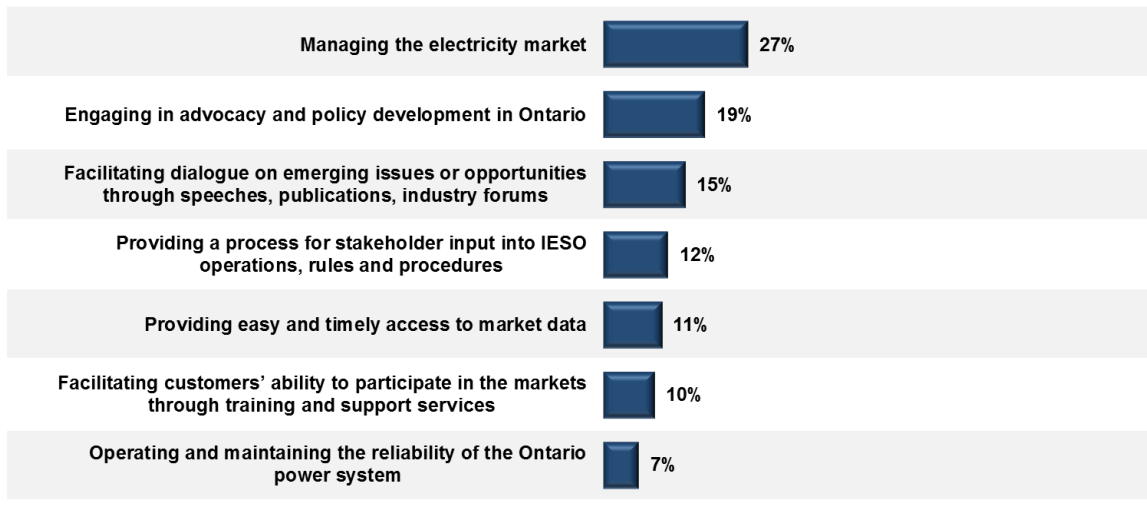
First customers were asked to rate their satisfaction with seven aspects related to the IESO's leadership. We can see below, there is significant variability in perceptions, with a strong majority (78 per cent) saying they are satisfied with the IESO's performance operating and maintaining Ontario's power system. Satisfaction with the IESO's management of the electricity market (66 per cent) and providing easy and timely access to market data (66 per cent) is also widespread.

Fewer are satisfied with the IESO's ability to facilitate dialogue on emerging issues (39 per cent) and to engage in advocacy and policy development in Ontario (34 per cent).

Very Satisfied (8-10): Percentage of respondents who are very satisfied with leadership



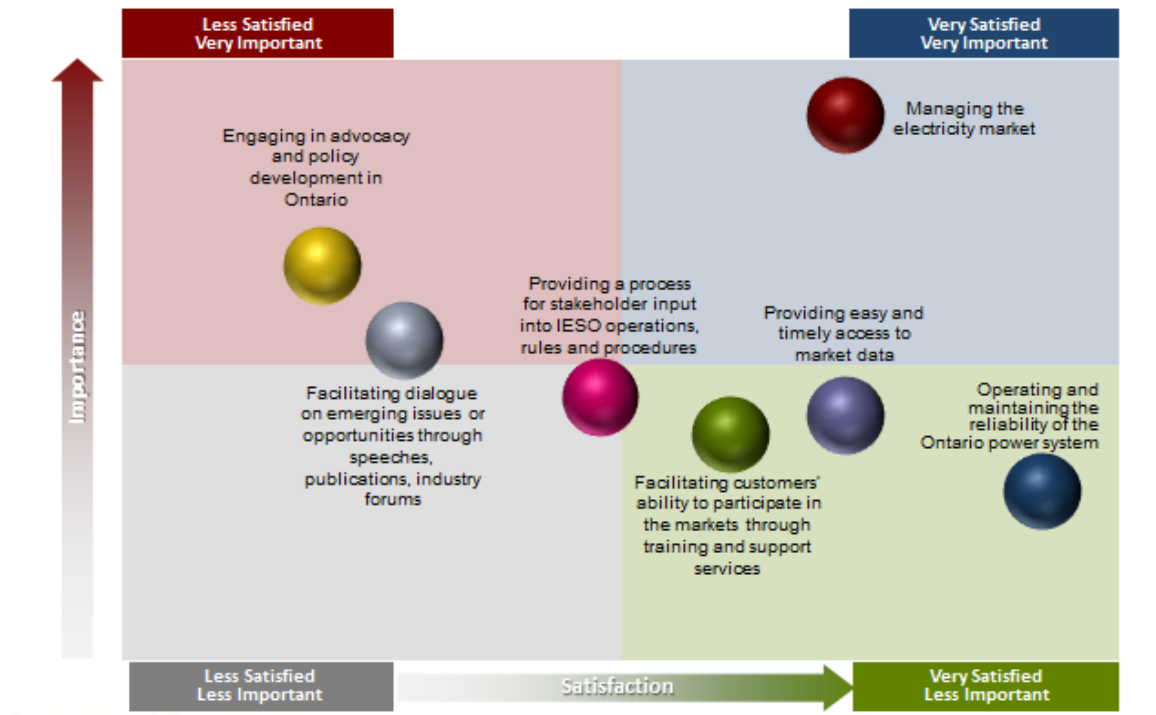
Relative Importance: Leadership



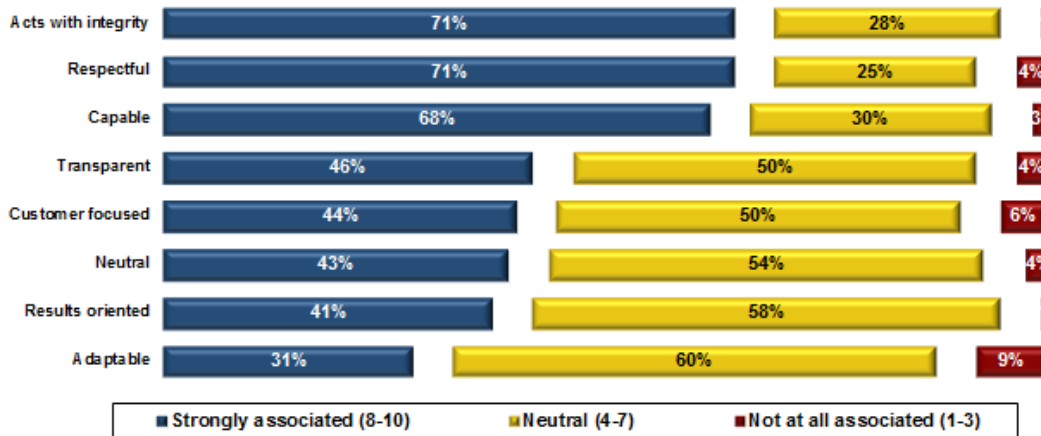
Following customer service and quality of service, leadership is the third most important driver of overall customer satisfaction. Within the leadership category, we can see that managing the electricity market is the top driver, followed by engaging in advocacy and policy development in Ontario. Operating and maintaining the reliability of Ontario's power system is the least important driver of satisfaction, an indication that this aspect is more of an *expectation* of the IESO rather than a driver. After years of continual reliable service, the IESO's central role as a market operator is almost taken as a given; customers expect reliable supply and have not been given a reason to expect otherwise.



When we plot the relative importance scores against satisfaction, a couple of key insights come to light. As was the case in 2011, we see a clear area of opportunity for the IESO to show its customers how it engages in advocacy and policy development in Ontario. This is an area customers seem to be looking to the IESO to show its stewardship in the sector. Additionally, customers identify facilitating dialogue on emerging issues as an area where the IESO can improve. Both of these aspects speak to the uncertainty that exists within the electricity sector at this time and the importance customers place on the IESO exerting its leadership on their behalf.



Finally, we asked customers in the quantitative survey to rate the level with which they associate the IESO with a number of different leadership attributes.



The top associations for the IESO are “acting with integrity”, “respectful”, and “capable”. Fewer customers strongly associate the IESO as transparent, customer focused, neutral, results oriented and adaptable.

## Stakeholder Engagement

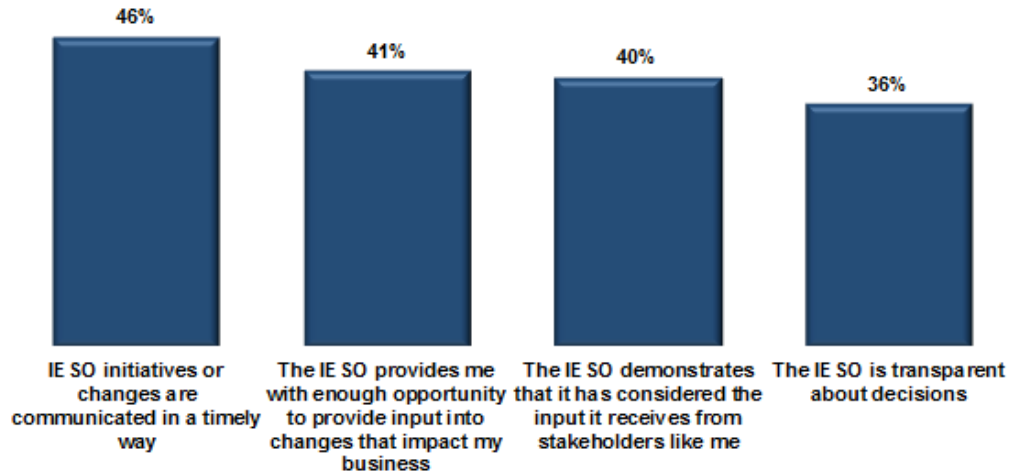
In terms of overall relative importance, stakeholder engagement continues to be marginally lower on the list compared to customer service and quality. At first glance, it is somewhat surprising to see that stakeholder engagement is not a major driver of overall satisfaction. It is all the more so because the IESO takes great care to consult and engage with its stakeholders.

Ultimately, it is the word *relative* that is critical; it is clear that customers’ primary expectation of the IESO is to properly identify their needs, followed closely by a strong desire for the IESO to take on a greater leadership role in providing some vision and direction to the market. In this context, it makes sense that stakeholder engagement is of less importance relative to other activities.

The stakeholder engagement process can be an ongoing process that helps the IESO continue to refine its understanding of what exactly IESO clients are looking for in terms of establishing a market vision as well as using it as a communications platform to demonstrate how the IESO can evolve to meet individual customer’s business needs.

Satisfaction with the various components of the stakeholder process, as illustrated in the table below, is moderate, with fewer than half of customers very satisfied with any of the aspects related to stakeholder engagement.

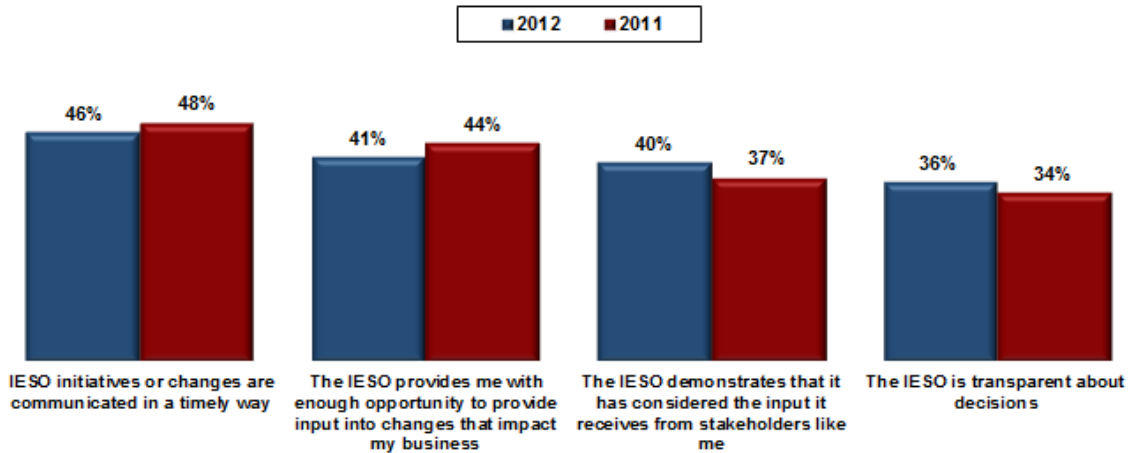
Very Satisfied (8-10) Percentage of customers who are very satisfied with components of the stakeholder process



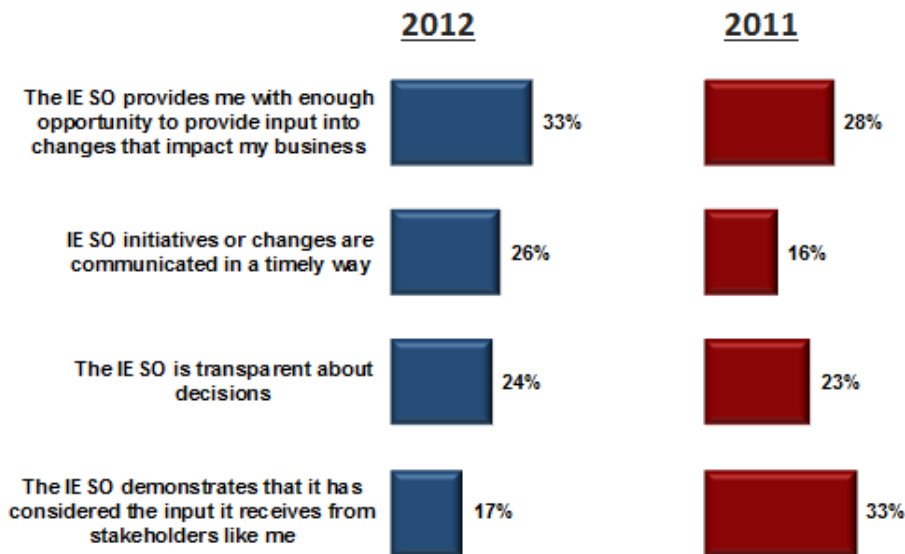
Customers are most satisfied with how the IESO communicates initiatives or changes in a timely way, followed by the IESO providing opportunity to offer input into changes that affect business decisions. Customers are the least satisfied with the IESO's transparency.

Satisfaction with aspects of stakeholder engagement has remained consistent over the past year.

Very Satisfied (8-10) Percentage of respondents who are very satisfied with components of the stakeholder process

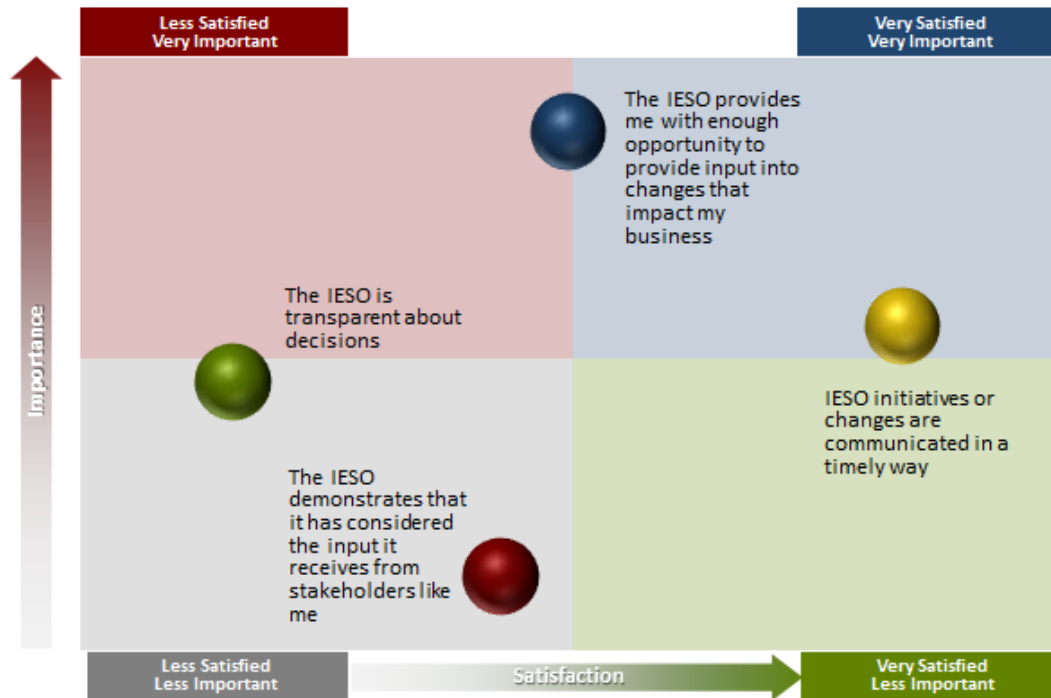


The key driver analysis is illustrative of the changing business environment customers are operating within and the importance they place on the IESO shepherding them through making business decisions through stakeholder engagement.



In 2012, customers place a higher importance of the IESO providing adequate opportunity to provide input into changes that impact their business; in 2011, demonstrating how the IESO considers the input it receives from stakeholders was the top driver.

Driver Analysis: Stakeholder Engagement

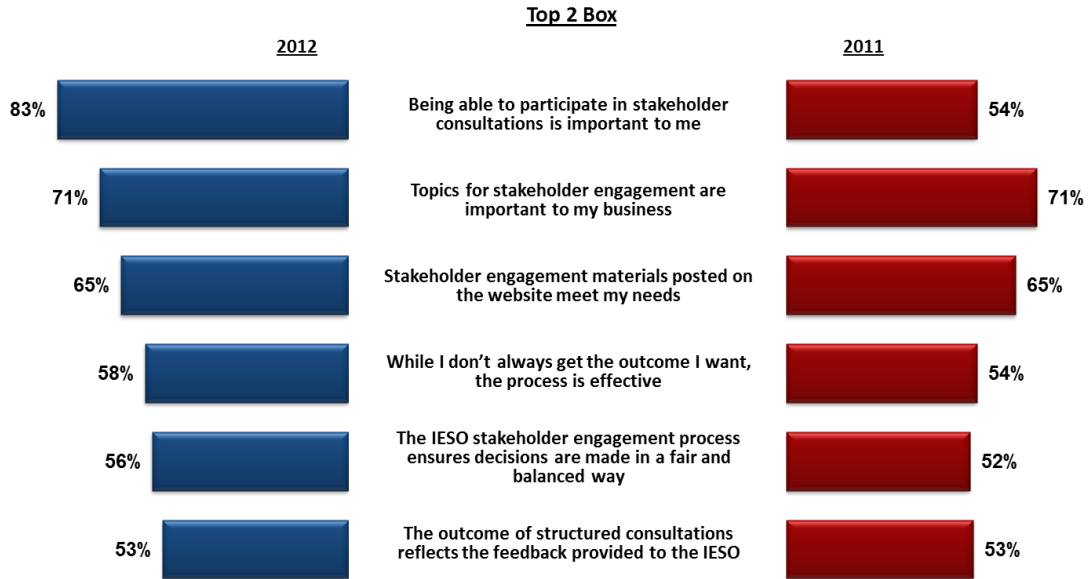


When plotted on the matrix, we can clearly see how customers have identified a gap in the stakeholder engagement process: the IESO seems to be falling short when it comes to providing opportunity to provide input into changes impacting customers' business.

Even though demonstrating that the IESO considers feedback from stakeholders has decreased in *relative importance*, it is important to note that closing the feedback loop is still an essential component for customers, perhaps just to a lesser degree this year with the emphasis customers placed on impacting personal business decisions

Moreover, there were several questions outside the driver analysis that also illustrate this point. Customers were presented with a battery of statements about the stakeholder process. While most of the stakeholder engagement components have remained constant over the past year, the importance of being able to participate in stakeholder consultations has increased significantly.

Agreement Statements for Stakeholder Engagement  
(Percentage Agree Strongly and Moderately)

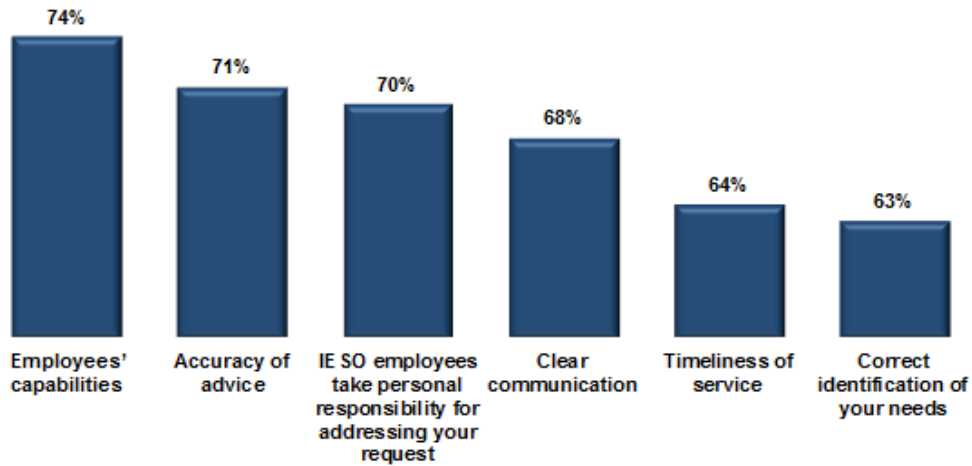


## Customer Service

As mentioned, the regression output clearly demonstrates that customer service is of significant importance in driving overall satisfaction with the IESO and it is an area of service delivery in which the IESO excels.

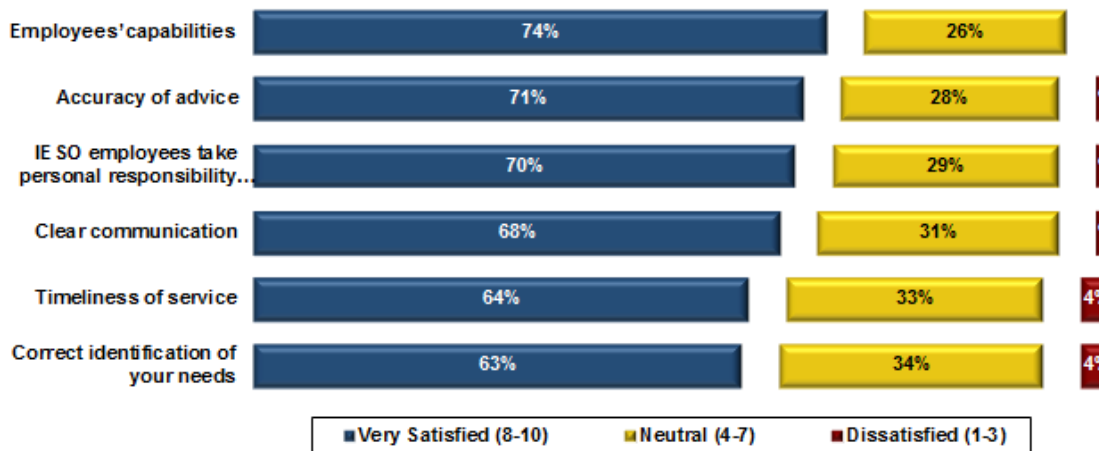
While overall satisfaction with customer service is high, this is an area of service delivery that is multi-faceted and so we asked respondents to rate five specific categories of customer service on the same 1-10 scale used elsewhere in the survey. The results show high levels of satisfaction, with every aspect of the customer service experience garnering high levels of “very satisfied” (8-10 on the scale).

Very Satisfied (8-10): Percentage of respondents who are very satisfied with specific aspects of customer service

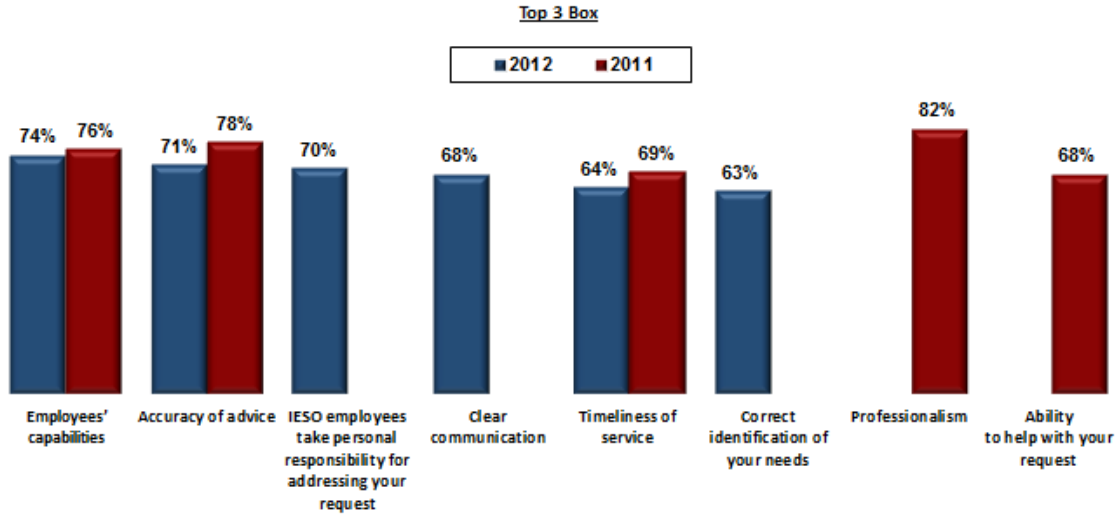


In no other category of service did we see such consistently high levels of satisfaction. Indeed, verbatim comments seemed to support this. However, timeliness of service remains a touch-point for a few customers, and the satisfaction scores for this category are marginally lower than employees' capabilities, accuracy of advice and personal responsibility.

The customer service category experienced the highest levels of satisfaction amongst its own individual aspects, compared to other categories. Customers are most satisfied with IESO's employee capabilities, a new aspect included in 2012 to evaluate.

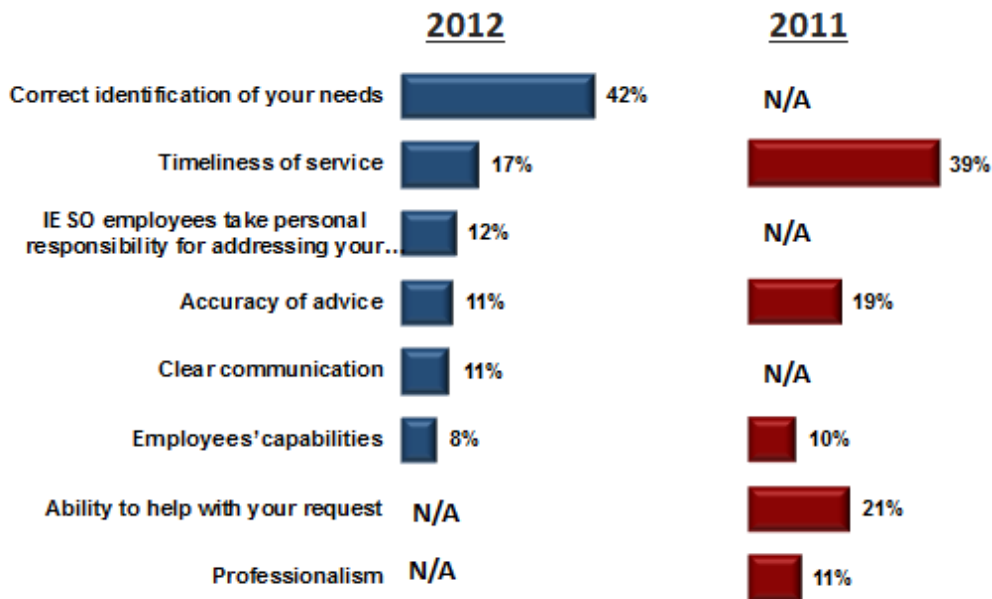


Satisfaction with different aspects of customer service has remained fairly constant since 2011 among the areas tested in both years.



As was the case with the overall drivers of satisfaction, we ran a driver analysis to determine which of these aspects of customer service were the most important in driving overall satisfaction with customer service. Below is a comparison of the results from 2012 and 2011.

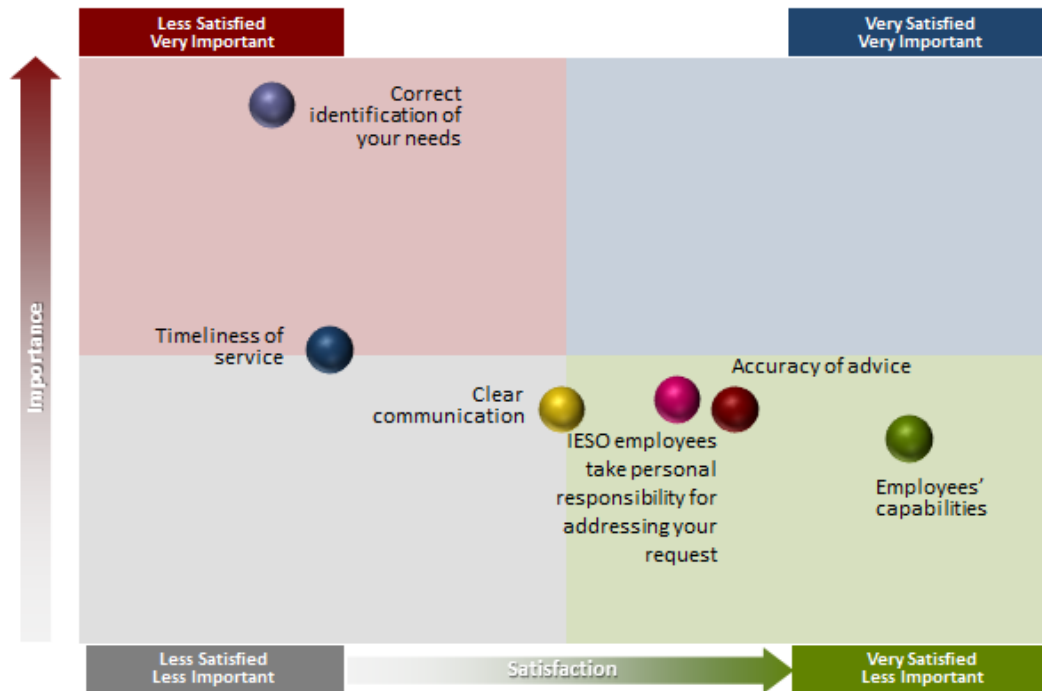
Relative Importance: Customer Service Satisfaction



We added “**correct identification of needs**” as a customer service aspect to test this year and it is evident this is a strong driver of customer satisfaction, replacing timeliness as the most important driver in 2011. This is an important finding to keep in mind for the IESO’s customer service professional and underscores the importance customers place on representatives’ ability to meet their needs.



Driver Analysis: Customer Service



When we plot the results of the regression in the quadrant graph, the findings are insightful. The results indicate that correct identification of needs is the most important driver of satisfaction with customer service, yet it scores below average in comparison to other facets of customer service, hence why it is plotted in the red quadrant. Customers are also not overly satisfied with the IESO’s timeliness of service, although it is not ranked as something that is as important as correct identification of their needs.

What the analysis shows is that even small mistakes in communication with clients can have important consequences in overall perceptions of customer service. The results also point to very tangible improvements to the customer service experience could derive significant impact in overall satisfaction.

More than the other categories of services we tested, customer service seems to be heavily reliant on a single factor – correct identification of needs.

The IESO being prevented to act on the needs of its customers seems to be a point of frustration demonstrated in the in depth interviews. Many mention the need for policy to reflect the realities of the marketplace, for the market to be more nimble and competitive, for the pricing to be more transparent, for the elimination of the global adjustment, for a clear long term vision of the electricity sector. How IESO can act on these needs is less

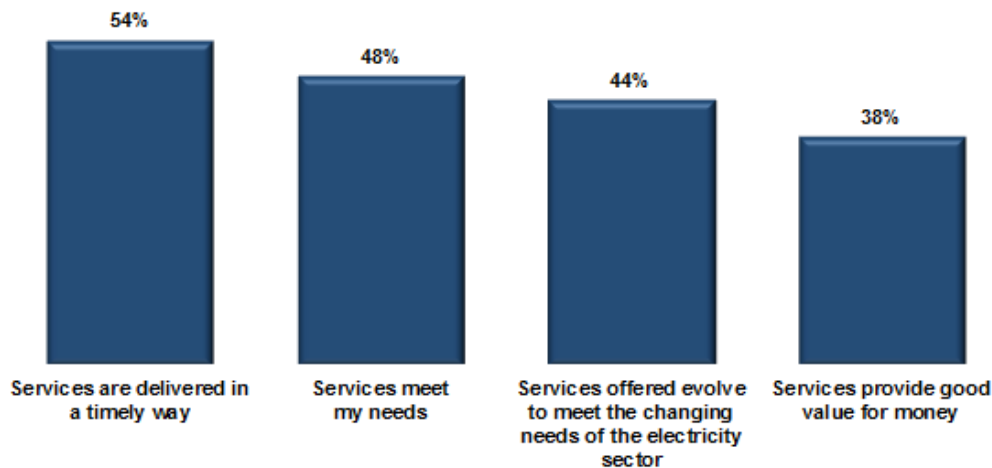
certain. Many recognized that the IESO is limited in what it can do regarding these high-level needs.

It is noteworthy that fewer customers in the in-depth interviews seemed to complain about customer service and timeliness this year as compared to 2011. The top of mind area of focus was the merger and how it could affect the IESO’s leadership and standing.

## Quality of Services

Taking a step back from the driver analysis we see that satisfaction with the quality of services offered by the IESO is broadly based but not especially intense compared to certain other areas of service provision. Whereas some IESO services garner over two thirds saying they are “very satisfied”, the highest level of “very satisfied” when it comes to quality of services is *services delivered in a timely way*. Just under half seem to be strongly satisfied with the IESO’s ability to provide services that meet customers’ needs.

Very Satisfied (8-10): Percentage of respondents who are very satisfied with quality of service

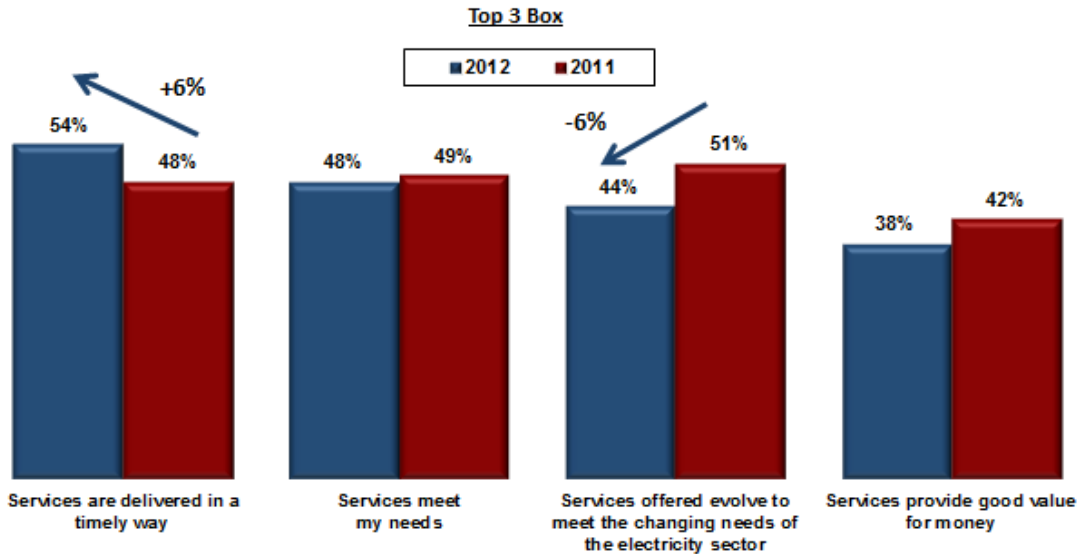


It is important to note that less than half are also very satisfied with the IESO’s ability to offer services which meet customers’ **evolving needs**.

When we take a look at how customers rated aspects of the quality of IESO’s services in 2012 compared to 2011, we can see a clear increase in how customers now perceive the IESO’s ability to deliver services in a timely way (up 6 per cent from 2011), while at the same time, a proportionate decrease in how customers rate the IESO’s ability to offer services which evolve to meet the changing needs of the electricity sector (down 6 per cent from 2011). So the takeaway is two-fold: customers seem to recognize the improvements the IESO has made in its timely delivery of services (a key

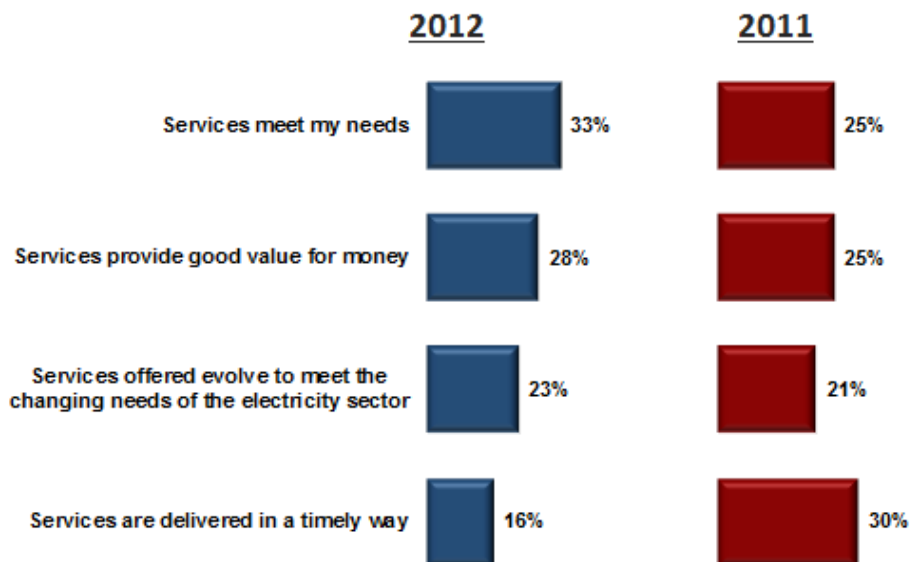
recommendation in the 2011 Customer Satisfaction Survey), but now are looking to the IESO to prove how its services are evolving with the changes in the electricity sector.

Very Satisfied (8-10): Percentage of respondents who are very satisfied with quality of service



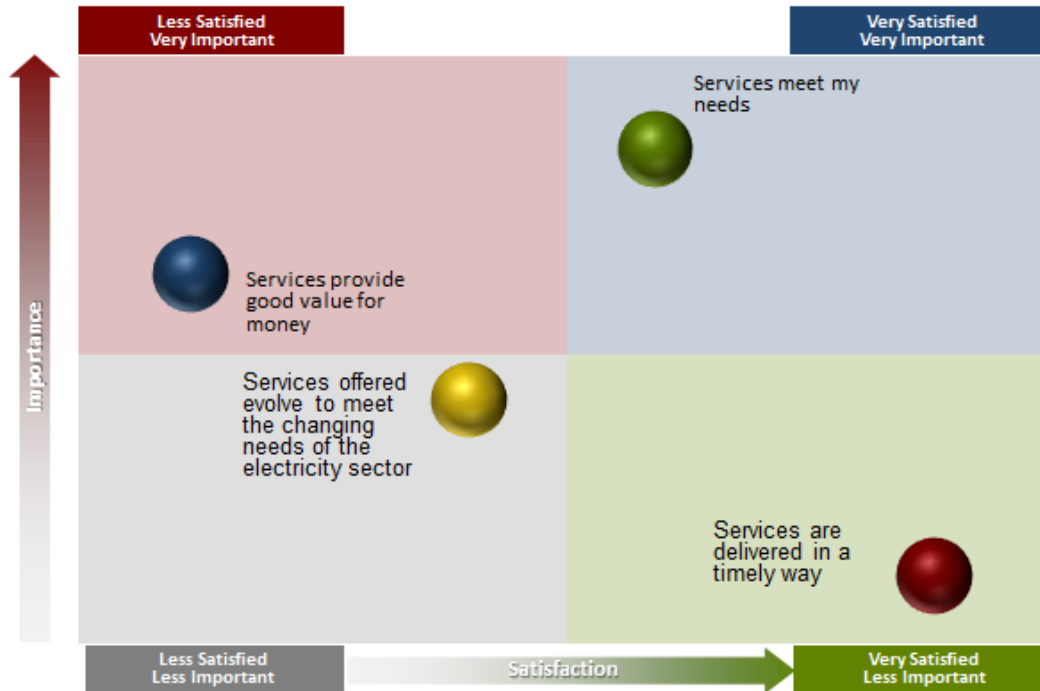
The relative importance results for quality of services speaks to the emphasis customers now place on the IESO providing services that meet their needs.

Relative Importance – Quality of Services



Driver Analysis: Quality of Service

The key driver analysis, with quality of services as the dependent variable, reveals the extent to which customers are happy with the IESO meeting their personal needs, but a comparative gap in service delivery when it comes to value for money and services offered evolve to meet the needs of the changing electricity sector.



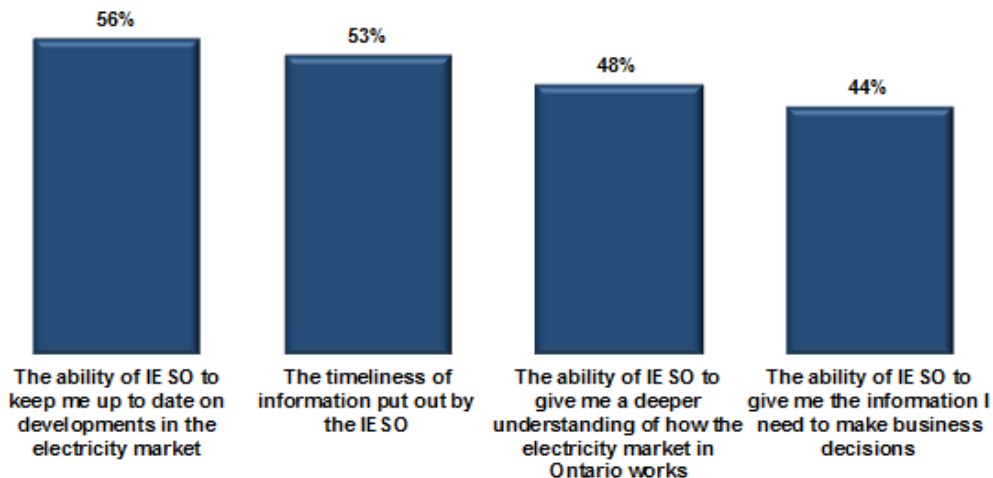
Unlike some of the other driver analyses in this report, quality of service seems to have relatively little variation both in terms of relative importance and with satisfaction. The one area of lower than average satisfaction is *value for money*.

## Information and Publications

While information and publications are the least likely to drive overall customer satisfaction with the IESO, they are a key aspect of the IESO’s mandate and its public face. The Customer Satisfaction Study sought to explore satisfaction around this service area in two distinct ways. The first was with respect to the *overall delivery* of information and publications and the other was evaluating the utility and quality of *specific publications*.

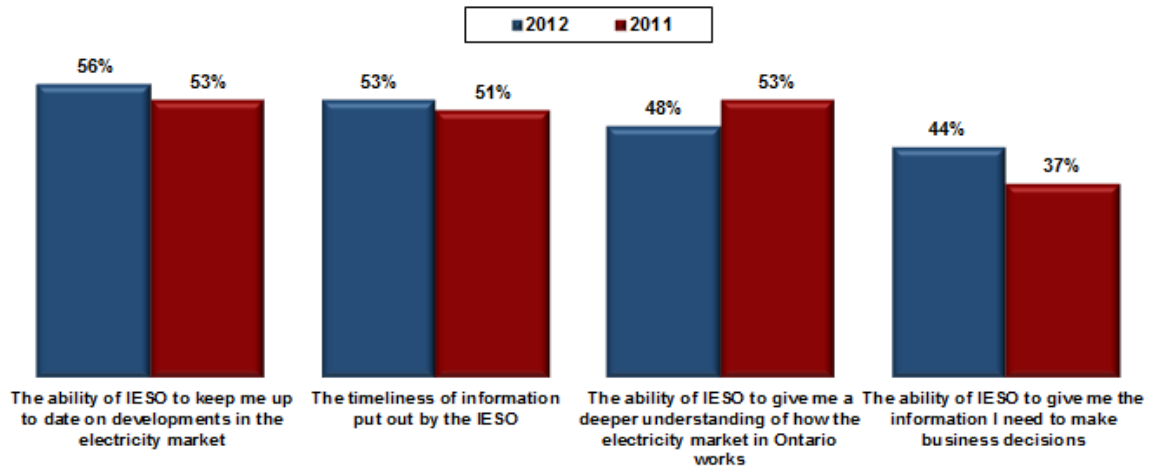
With respect to overall delivery, satisfaction is fairly strong. The service area customers are most satisfied with is the IESO’s ability to keep them up to date on developments in the electricity market. Customers are the least satisfied with the IESO’s ability to provide them with the information they need to make business decisions -- an indication that the IESO is recognized for its macro-market level stewardship but there seems to be a gap in bringing the relevance of this stewardship to customers’ day-to-day business decisions.

Very Satisfied (8-10): Percentage of respondents who are very satisfied with overall delivery of information and publications



Satisfaction with information and publications has not changed significantly from 2011.

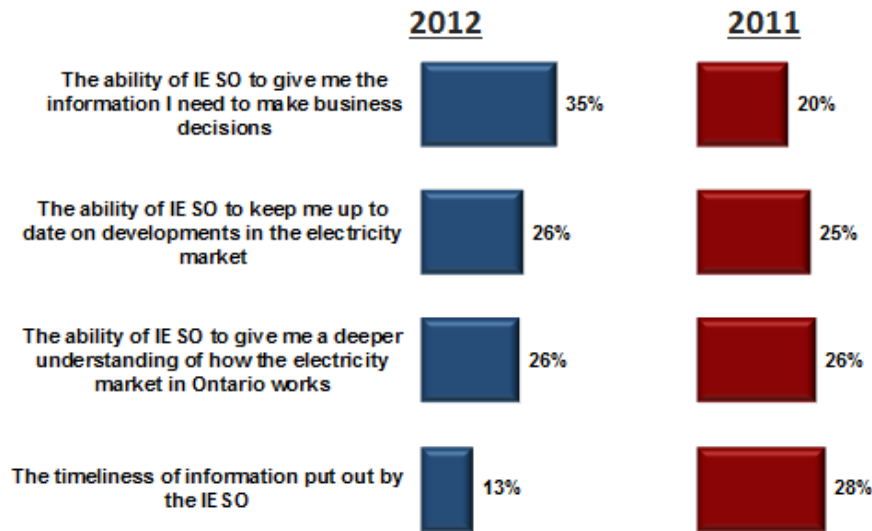
Very Satisfied (8-10): Percentage of respondents who are very satisfied with overall delivery of information and publications



The relative importance of satisfaction with the areas encompassing information and publications is revealing, especially when we compare 2012 and 2011's results. Timeliness of information has become less important as a driver of satisfaction while the ability to give customers the information they need has increased in importance.

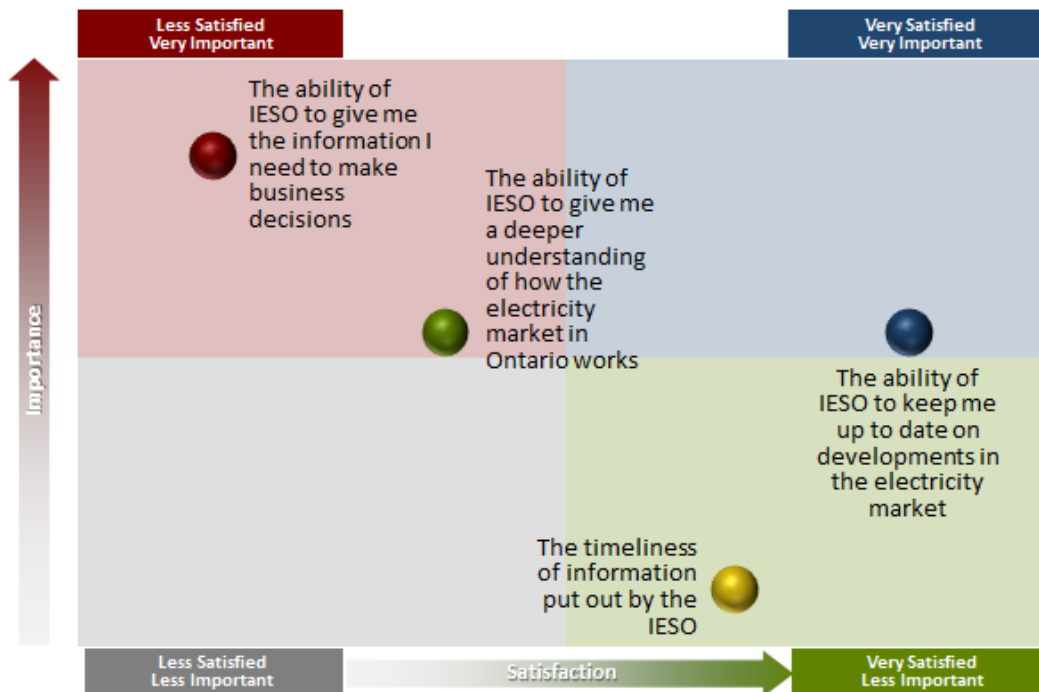
Many stated that the IESO offers large quantity of information but for some what is lacking is context. Some find the information available is not enough to help them make business decisions.

Relative Importance – Information and Publications



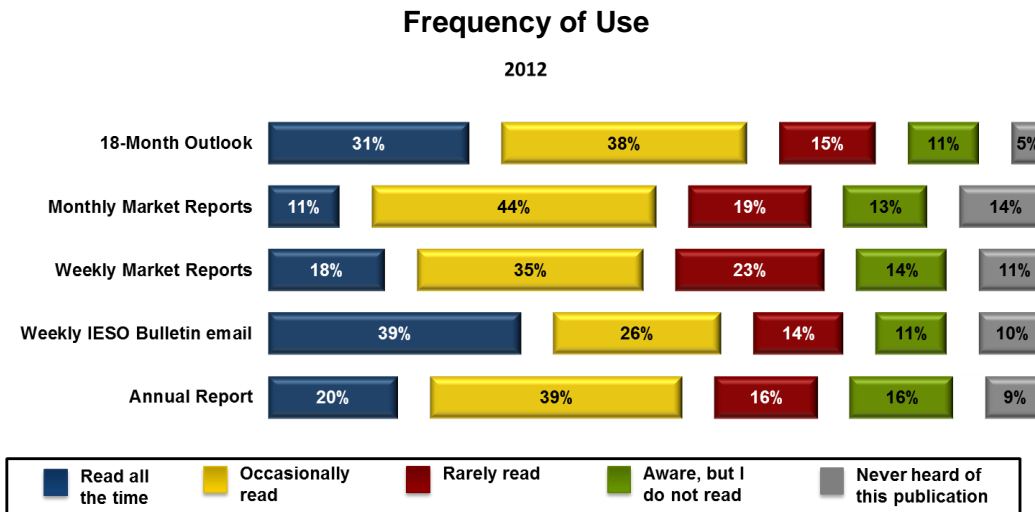
When plotted out against the relative importance of each of these aspects in driving overall satisfaction with information and publications, the ability to give the necessary information to make business decisions stands out as a clear area where customers are looking for the IESO to improve.

Driver Analysis: Information and Publications



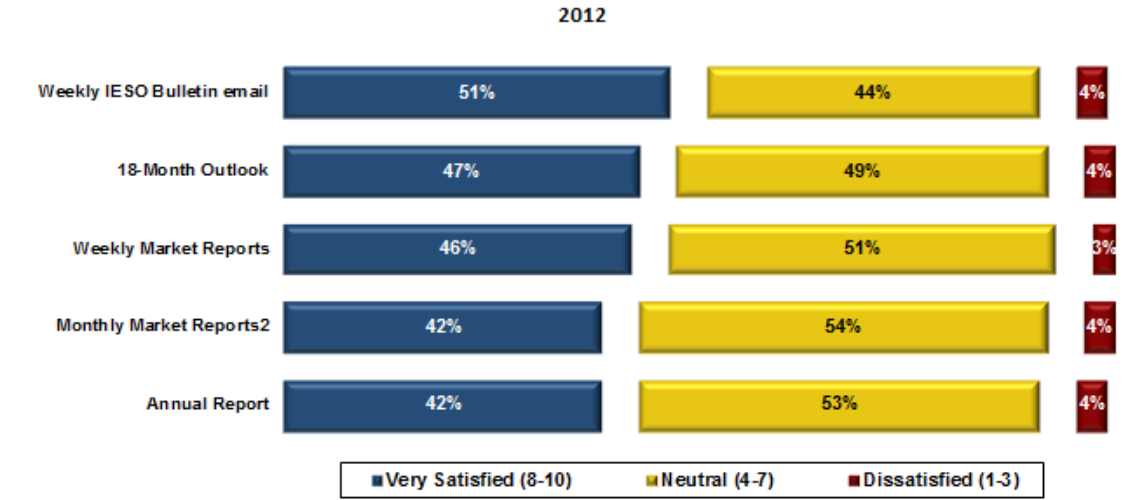
With a hierarchy of needs established in terms of what the IESO's clients are looking for in terms of the *overall delivery* of publications and information, we then probed more deeply on the specific kinds of publications the IESO offers. We outline below the frequency of use for six (6) of the IESO's publications. The **Weekly IESO Bulletin** takes the top spot as the most frequently read publication (65per cent report reading it all time or occasionally); the **Weekly Market Report** and the **Monthly Market Report** are read the least frequently (53 per cent and 55 per cent respectively).

Information and Publication Usage



Among those who were aware of each publication, satisfaction is fairly consistent among each of the IESO issued publications but the most widely read publication, the **Weekly IESO Bulletin email**, receives the highest satisfaction score (51per cent).





## Conclusion

The IESO continues to perform quite well in overall customer satisfaction. The organization is perceived as a clear leader in the energy market, it is seen by a majority of its customer as a credible source of information and it scores quite well across a broad range of satisfaction metrics. Customer service is both an area of strength for the IESO and a significant driver of overall satisfaction.

A recurring theme throughout this study is that customers want the IESO to become more strategic in the information and guidance they offer. IESO clients now place a high premium on the IESO guiding them with actionable, relevant and personal advice. This was also reflected in opinions surrounding the stakeholder engagement process; customers were clear that they are looking for the IESO to demonstrate how stakeholder input is considered to make changes that impact customers' business decisions.

## Appendix 1, Shapley Value Regression Explained: The Driver Analysis

While fairly technical in nature we feel it important to fully explain how the approach to driver analysis works since it contributes significantly to our findings in this report.

The basic premise behind the regression in this context is simple. We use overall satisfaction as a dependent variable (that is the variable we are seeking to change) and satisfaction with each of the six categories as the independent variables (that is the variables we think might impact overall satisfaction). The regression allows us to determine, for instance, the extent to which an incremental increase in satisfaction with customer service will influence overall satisfaction with the IESO. Mapping out the relationship in this manner provides a much cleaner read on the relative importance of each service.

Most regressions, however, hit up against an important limitation in mapping out these relationships: **multicollinearity**. Essentially, multicollinearity is the result of two or more variables, or in our case categories, being correlated to one another. For example, types of services and quality of services, while distinct in reality, may be interrelated in customers' minds and therefore highly correlated in the regression. The problem is that a standard regression model (such as a Least Square Regression), essentially flips a coin when it comes across two closely related terms to determine which one will be the "dominant" variable in the model. This can create instability in the model over time – type of service may win the "coin toss" one year, only to lose it to quality of service the next. This can create a situation where an organization decides to focus on the types of services it offers one year only to discover that quality of services matters more the next.

The reality of the situation is more nuanced; it is usually the case that both variables are important in driving satisfaction but that a more advanced regression model is needed to cut through the multicollinearity.

In our experience the Shapely Value Regression model is unique in its ability to address this issue. It works by running the regression model over hundreds of iterations, substituting out each independent variable an equal number of times. This creates a kind of round robin where the impact of each independent variable is measured in every possible combination of variables. Depending on the number of variables this can lead to literally hundreds of iterations but the end result is always the same – a clean solid read on the relative impact of each variable, regardless of how closely correlated they may be to one another.