

Your Customers' **Real World Experiences**



Challenging Times

Utilities in the US are in the midst of the most challenging yet potentially exciting time in their long history. The combination of deregulation and increased efficiency is causing utilities to look inward at how they can strengthen customer relationships. A [white paper](#)¹ by California Public Utilities Commissioner Emeritus Timothy Alan Simon suggests that, as part of increasing customer engagement, utilities can offer value-added services, such as moving assistance and home repair services. In the case of home repair services, this is an opportunity for the utility to provide a solution to their customers that, in many cases, the customer believes the utility should be solving. In fact, a 2017 IPSOS Survey of HomeServe policyholders and non-policyholders shows that your customers are looking to you:

78% of homeowners surveyed would like their utility to educate them on how to be prepared for home repair emergencies.

Your Customers Turn to You

That same study indicates that this need is more prevalent than one might think:

59% of respondents had a home repair emergency in the last year.

Your customers are looking for solutions that cover the repair or replacement of critical home systems: HVAC, electric and gas lines, water and sewer lines. When these systems fail, your customers are often left to navigate through a difficult situation alone: who do I call? How do I find a reliable contractor? Will I be able to afford the repair cost? Can my utility company help me?

These challenges are compounded by myriad factors likely impacting portions of your customer base. For example, the [Federal Reserve Report on the Economic Well-Being of U.S. Households in 2017](#)² found that

4 out of 10 Americans can't afford a \$400 emergency expense. Further, according to the Urban Institute, "As a

nation, our [population is aging](#)³. The number of Americans over 65 will double between 2000 and 2040, while the number of adults over 85 will quadruple over

that period." And there are many within this aging population who have not adequately

saved to prepare themselves for the expense associated with

increased life expectancy and [aging in place](#)⁴. Both savings and access to reliable, vetted contractors is especially important to this vulnerable group.



How Does the Utility Benefit?

Utility customers appreciate their utilities for offering home repair programs because these programs provide numerous benefits to homeowners, and as a result, attribute higher satisfaction to the utility.

Another important benefit of a service repair plan partnership is the educational aspect. Partnerships include educational outreach on how to be prepared for a home repair emergency, as many homeowners don't proactively give much thought to what they would do in the event of an emergency.

The financial aspect of a home system failure can pose a significant hardship to a household as well. An affordable repair plan provides coverage for a very low monthly fee,



and a partnership with a home repair provider such as HomeServe includes a revenue-sharing component that can help fund assistance programs, further building the relationship between the utility and the community.

Repair service programs also enhance in-home safety in a number of ways. First, a customer with a plan is more apt to call for service on a small problem before the issue becomes worse

and potentially dangerous. While it can take days for a contractor from the phone book to arrive, a home protection plan company has a defined and short response time. For example, with HomeServe, after calling to report a home repair emergency, the customer receives a call back from a qualified contractor within two hours to agree upon a convenient time for the contractor to arrive at the home to execute the repair.

Perhaps most important, home protection plans provide consumers access to fully vetted, licensed and insured local contractors and, prior to dispatching a contractor, send email/text verification of who is coming (including a picture of the technician).

Calling a contractor out of the phone book provides none of these safety benefits.

Case Studies

In the repair services space, HomeServe is the leading provider of home repair services, with **over 550 utilities and municipality partners**, offering a wide range of repair service plans, with over 3.6 million customers currently participating.

CenterPoint Energy, TX

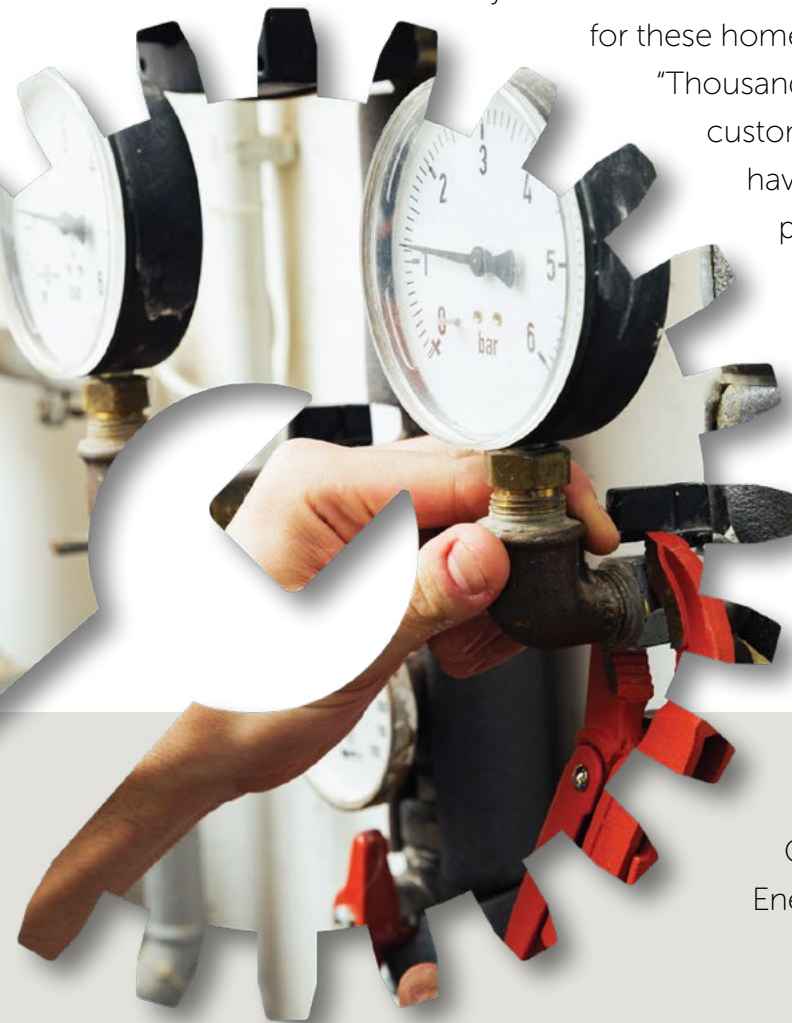
A recent launch with CenterPoint Energy in Texas demonstrated just how much demand there is for these home repair plans.

"Thousands of natural gas customers in Texas have responded positively to the program by enrolling in the... protection plans," said Gregg Knight, senior vice president and chief customer officer of CenterPoint Energy.

The CenterPoint Energy/HomeServe partnership has been expanded to offer the full suite of service plans covering repairs to natural gas lines, heating and cooling systems, interior electric wiring, water heaters, and exterior water and sewer lines. Initial response to the gas line coverage, for example, has been exceptionally high, indicating a significant need on the part of utility customers. The Gas Line Coverage service plan offers homeowners protection against the expense and inconvenience of repairs to the customer-owned natural gas line from the CenterPoint Energy meter up to and including the connectors to each natural gas appliance inside the home. The plan also covers repairs to the piping leading to connectors to natural gas appliances outside around the property, such as a natural gas grill or natural gas pool heater.

According to Knight, the company prides itself on being a trusted energy advisor to its customers. It seems that this approach is well received, based on the utility's number one ranking in their region for customer satisfaction from [JD Power](#) for a second year in a row.

"CenterPoint Energy provides high-quality, highly rated energy delivery to our customers. These new service plans are a natural extension and will provide homeowners with a low-cost, peace-of-mind option for unexpected repairs to covered systems."



AEP

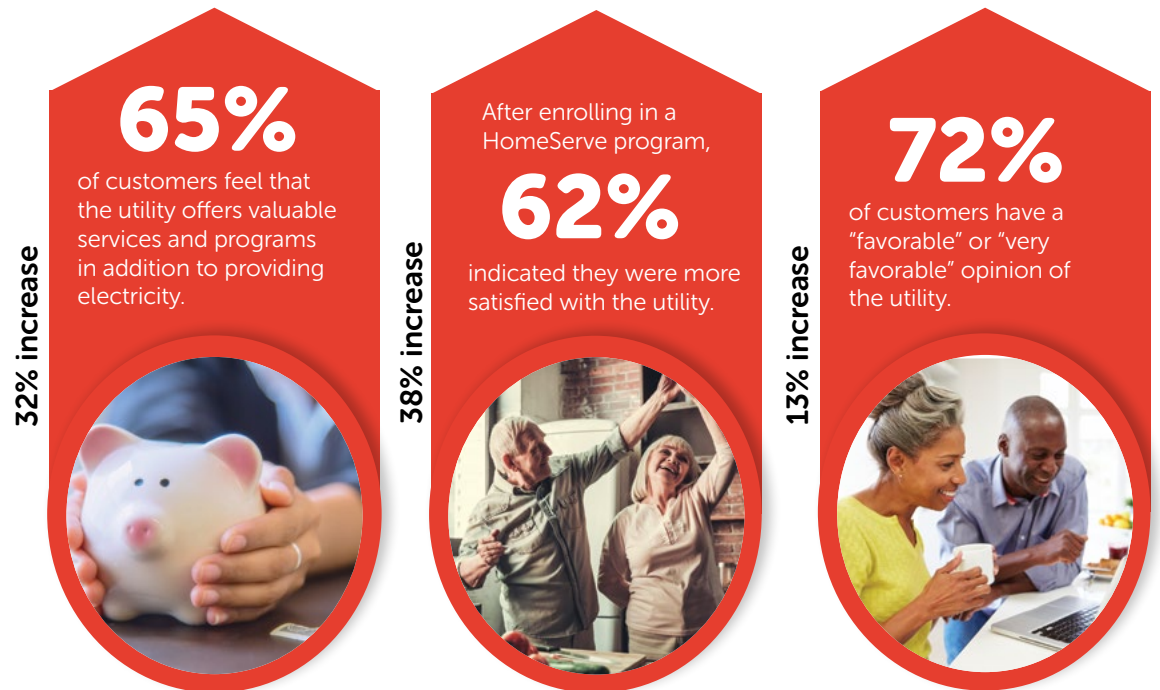
Another HomeServe partner, AEP, is one of the largest electric utilities in the US, delivering electricity to over 5 million residential customers in 11 states across the country. AEP's dedication to delivering unparalleled value to every household it serves and its overall commitment to customers have led to strategic partnerships that enhance the quality and expand the scope of the services it can offer. This has bolstered the company's value proposition and resulted in benefits to residential customers that have contributed to improved engagement, retention and loyalty.

"At AEP, we are always trying to find better ways to connect more deeply with our customers," said Eric Morris, Customer Programs Manager, AEP. "The HomeServe program, for example, enables us to educate customers about potential problems and provide simple solutions. Our research shows that our customers appreciate the utility for providing valuable information, even if they don't participate in the programs or services we offer."

Survey Data

Numerous surveys conducted by HomeServe partners illustrate that offering repair plans has a positive impact on customer satisfaction and the customer's opinion of the utility.

For example, customers of a HomeServe electric utility partner were surveyed⁵ about their utility satisfaction at the start of their partnership and one year later.



A third-party survey⁶ of a HomeServe gas utility's customers demonstrated similar positive results when comparing responses from all utility customers versus utility customers with a HomeServe plan. 62% of customers gave the utility a "favorable or very favorable" rating versus 90% of HomeServe policyholders; 78% of customers indicated that the utility does a good job of educating them versus 91% of HomeServe policyholders; and 62% of customers felt the utility was actively looking out for them versus 90% of HomeServe policyholders.

Real World Customer Stories

One example of enhanced safety occurred at a HomeServe customer's home in Fort Worth, Texas. When a HomeServe network plumber was in the home, she noticed something odd. Before plugging in her equipment, the customer turned off the television. The customer explained she had been having issues with outlets popping and catching fire. Recognizing a serious safety issue, the plumber called HomeServe and asked if they could help. HomeServe dispatched a network electrician to examine the outlets and electrical panel and he fixed the issue immediately. Although this was a relatively simple repair, without the action of HomeServe's concerned network contractor, the resident would have been left to deal with this significant safety issue on her own.

[Read the rest of the story here.](#)

HomeServe also has a program called **HomeServe Cares**, which provides pro bono repairs for disadvantaged customers in its partners' service territories who have repair emergencies. This helps to solidify the utility's position as a community partner. A recent HomeServe Cares job was performed for a 96-year-old World War II and Korean War veteran who had a sewer backup in his home, filling his basement with six inches of grey water and ruining the water heater, leaving the family without hot water. Alerted to the family's troubles, HomeServe sent a network plumber on an emergency, after-hours call to pump the grey water out of the basement, clean the sewer line and install a clean-out for easy

future access. A new water heater was also installed, all at no cost to the family through the HomeServe Cares program. "I've always known that there are some good people in business out there," said Paul T., the customer's son. "It took me quite a while to really grasp that this company was this good."

[Read the rest of the story here.](#)



About Us

HomeServe USA is an independent provider of home repair service plans. For over a decade, we have protected homeowners against the expense and inconvenience of water, sewer, electrical, heating, cooling and other home emergencies by providing affordable coverage and quality service.

HomeServe - a Better Business Bureau Accredited Business - serves over three million homeowners in the US and Canada and dedicates itself to being a customer-focused company providing best-in-class emergency repair plans through leading utility partners and directly to consumers.



[Learn More.](#)


HomeServe

Citations

¹ "Natural Gas Utilities, Securing the Future" <https://310759.campagn4.com/Natural-Gas-Utilities-Securing-the-Future>

² Federal Reserve Report on the Economic Well-Being of U.S. Households in 2017 www.federalreserve.gov/publications/files/2017-report-economic-well-being-us-households-201805.pdf

³ <https://www.urban.org/policy-centers/cross-center-initiatives/program-retirement-policy/projects/data-warehouse/what-future-holds>

⁴ The Future of Equity in Cities <https://www.nlc.org/resource/the-future-of-equity-in-cities>

⁵ 2016 HomeServe Electric Utility Partner Customer Survey

⁶ Third party 2016 HomeServe gas partner customer survey