



Report of Findings

2026 Residential & Commercial Customer Satisfaction Study

23 April 2026

Confidential & Proprietary

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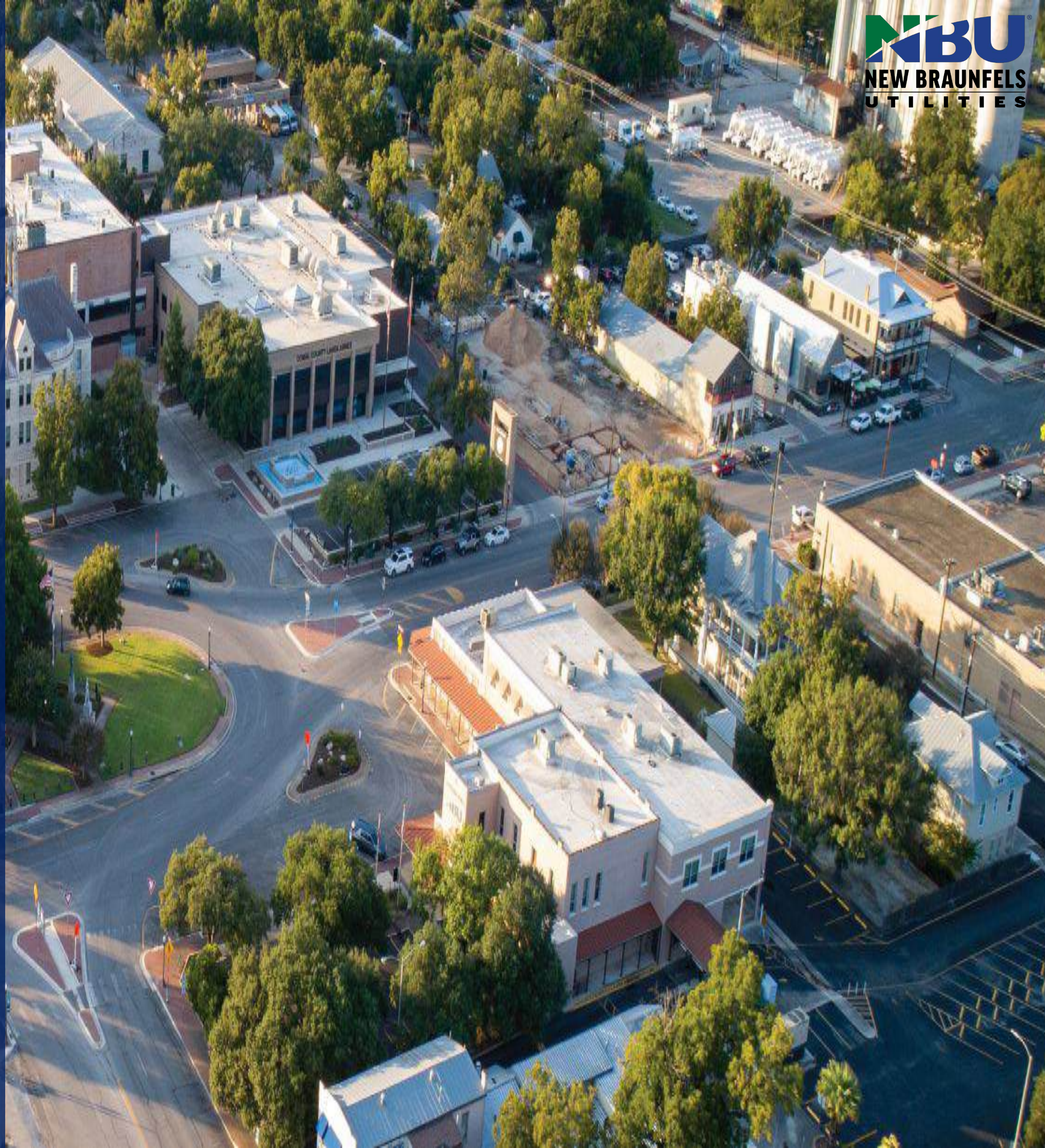
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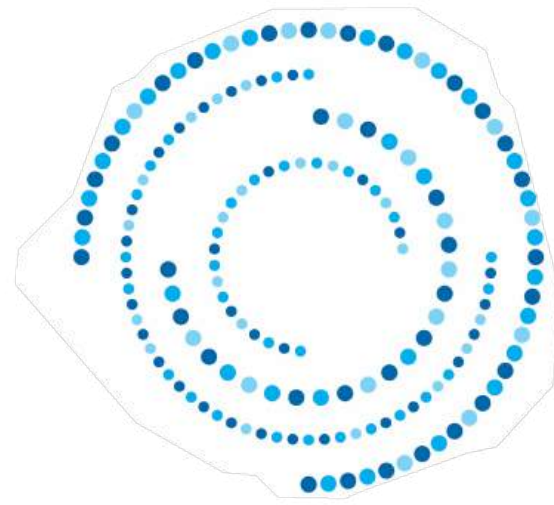
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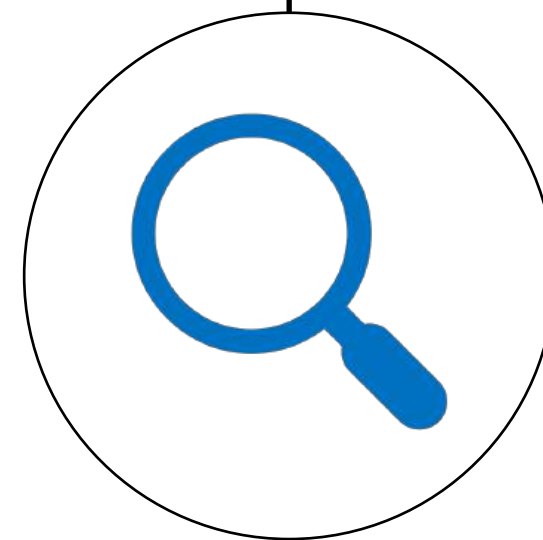


Project Overview



Research Objectives

- GreatBlue Research was commissioned by New Braunfels Utilities (hereinafter "NBU") to conduct market research to understand residential and commercial customer satisfaction levels with NBU and assess shifts in ratings over time.
- The primary goals of this research study were to assess the effectiveness of NBU's ability to serve its customers, identify areas for improvement, and isolate areas that may increase engagement.
- The outcome of this research will enable NBU personnel to a) more clearly understand, and ultimately set, customer expectations, b) act on near-term opportunities for improvement, and c) create a strategic roadmap to increase customer satisfaction.



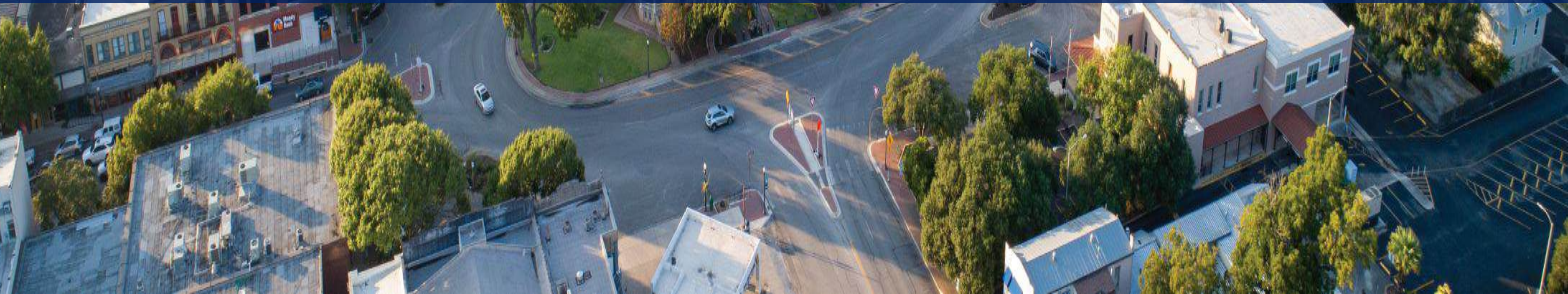
Areas of Investigation

This study leveraged a quantitative research methodology to address the following areas of investigation:

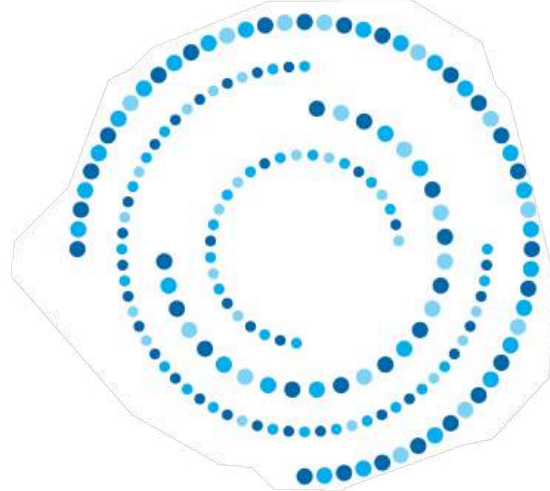
- Rating NBU's organizational characteristics
- Year-over-year trends in organizational characteristic ratings
- Comparative performance analysis of NBU's organizational characteristics against the Public Power Data Source (PPDS) National and Texas statewide utility benchmarks
- Influence of survey methodology (phone vs. online) on customer perception of organizational characteristics
- Customer perception variations by contact method (phone, email, text)
- Comparison of NBU's ratings to similarly sized utilities within Texas who also offer electric, water, and wastewater services
- Sentiment analysis of open-ended feedback, including most commonly cited positive and negative themes, with representative customer quotes
- Impact of excluding customers who mentioned "recycling or trash concerns" on overall organizational characteristic ratings
- Demographic & Firmographic profile of respondents



Residential Study Findings



Project Overview | Residential

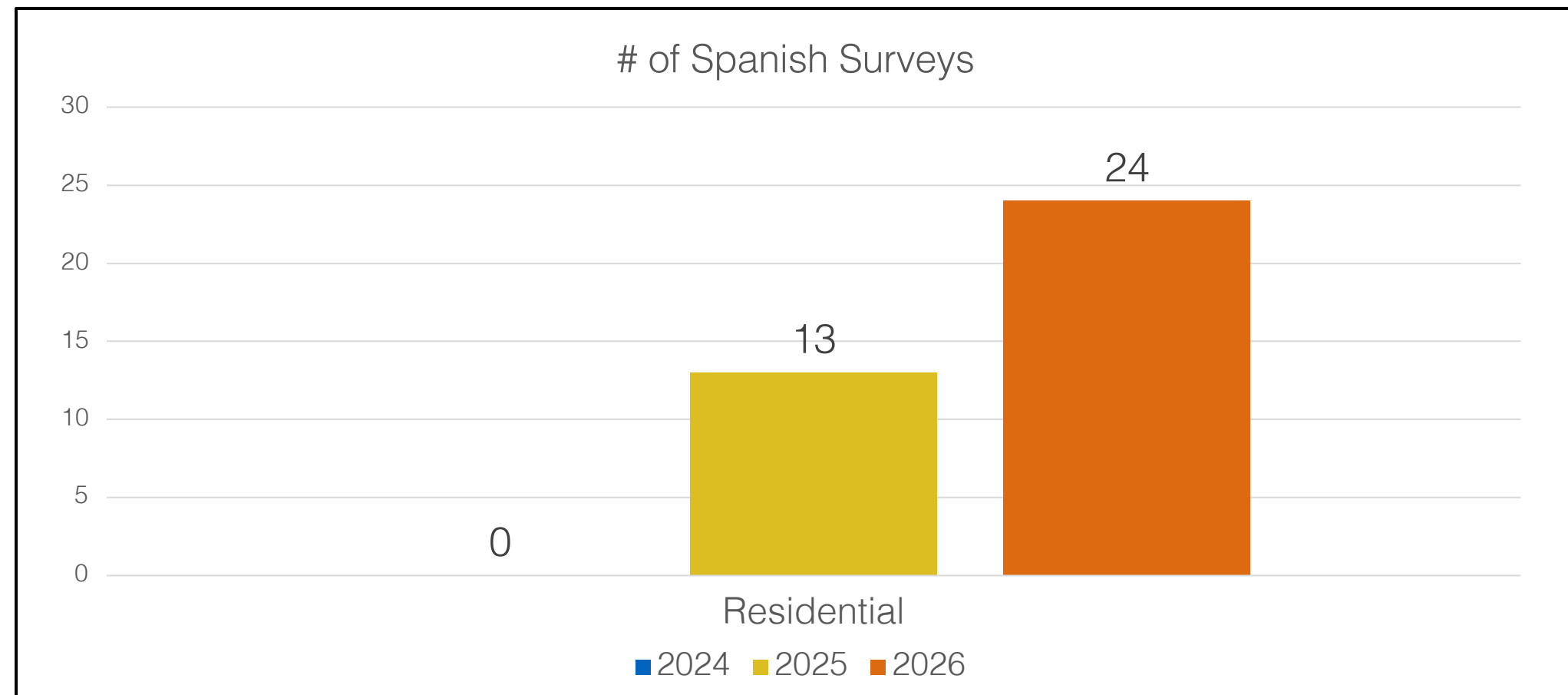
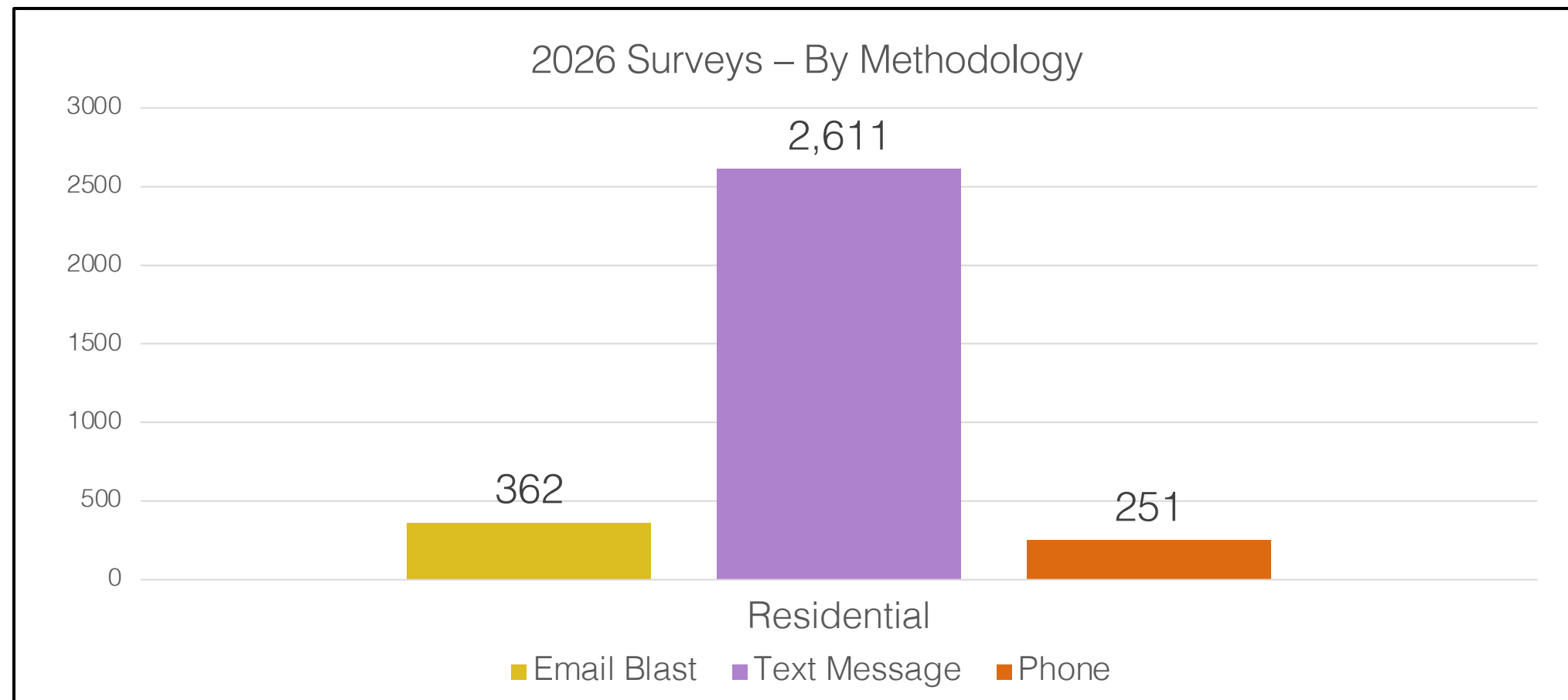
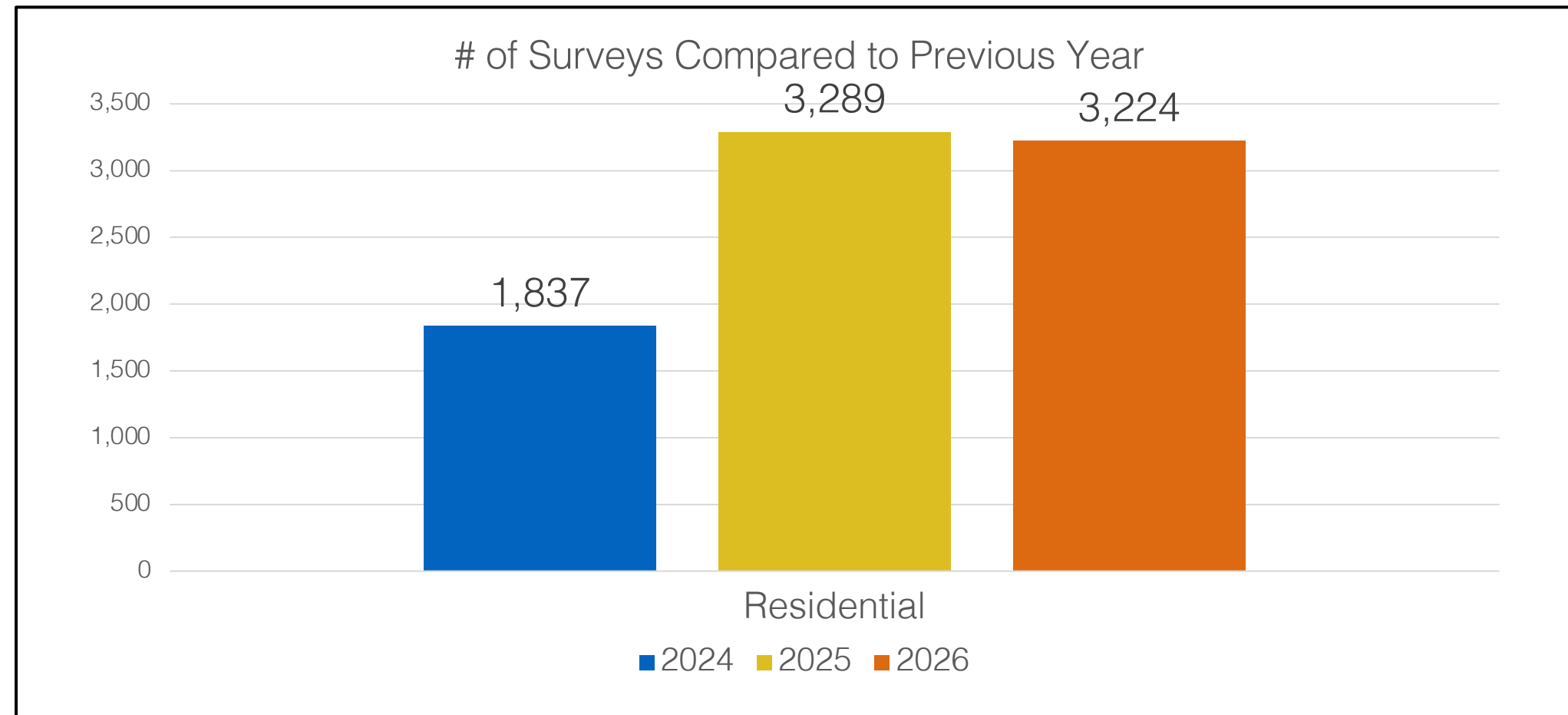
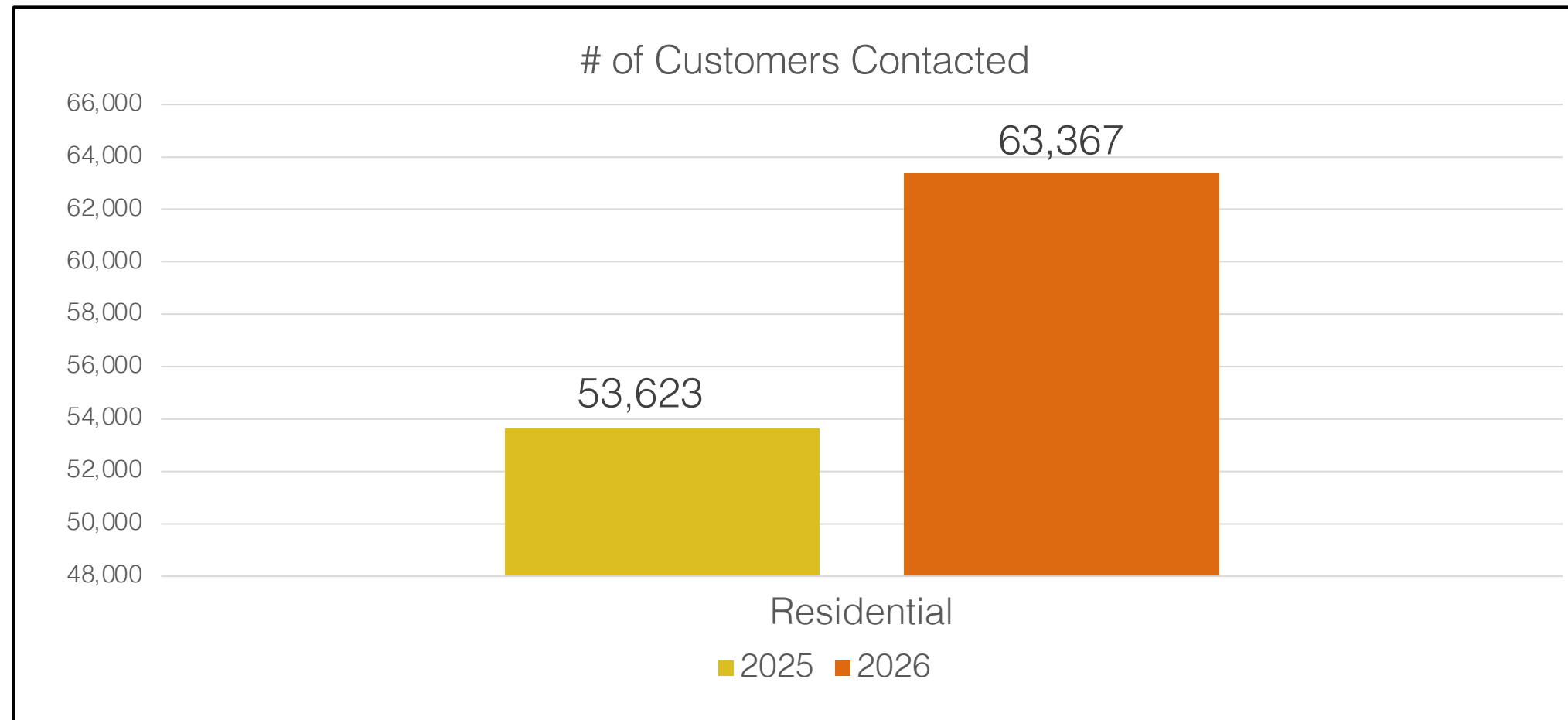


Methodology Email / Text / Phone	No. of Completes 3,224	No. of Questions 12*	Incentive None	Sample Customer Sample
Target Residential	Quality Assurance Dual-level**	Margin of Error +/- 1.7%	Confidence Level 95%	Research Dates March 2 - 31, 2026

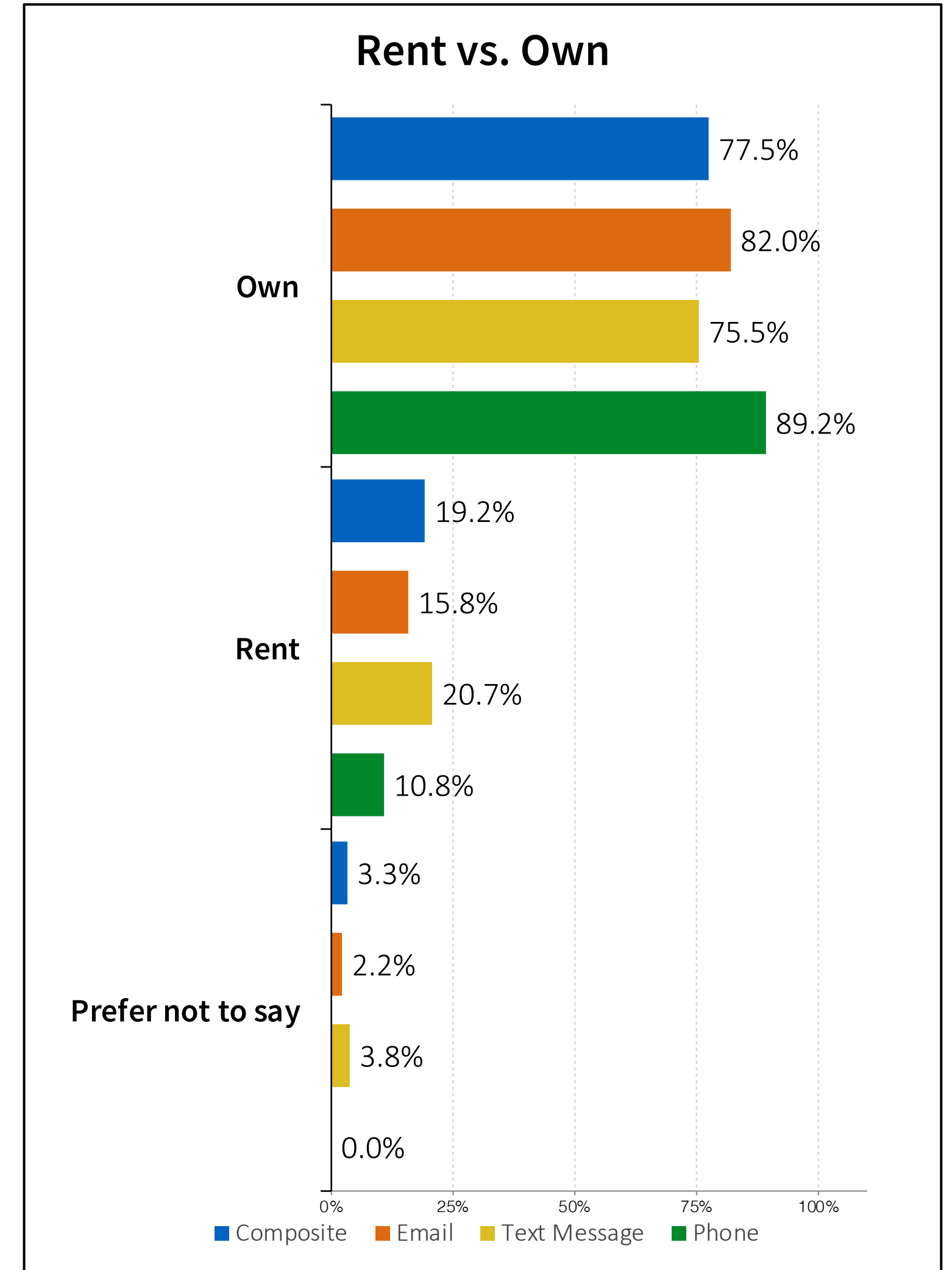
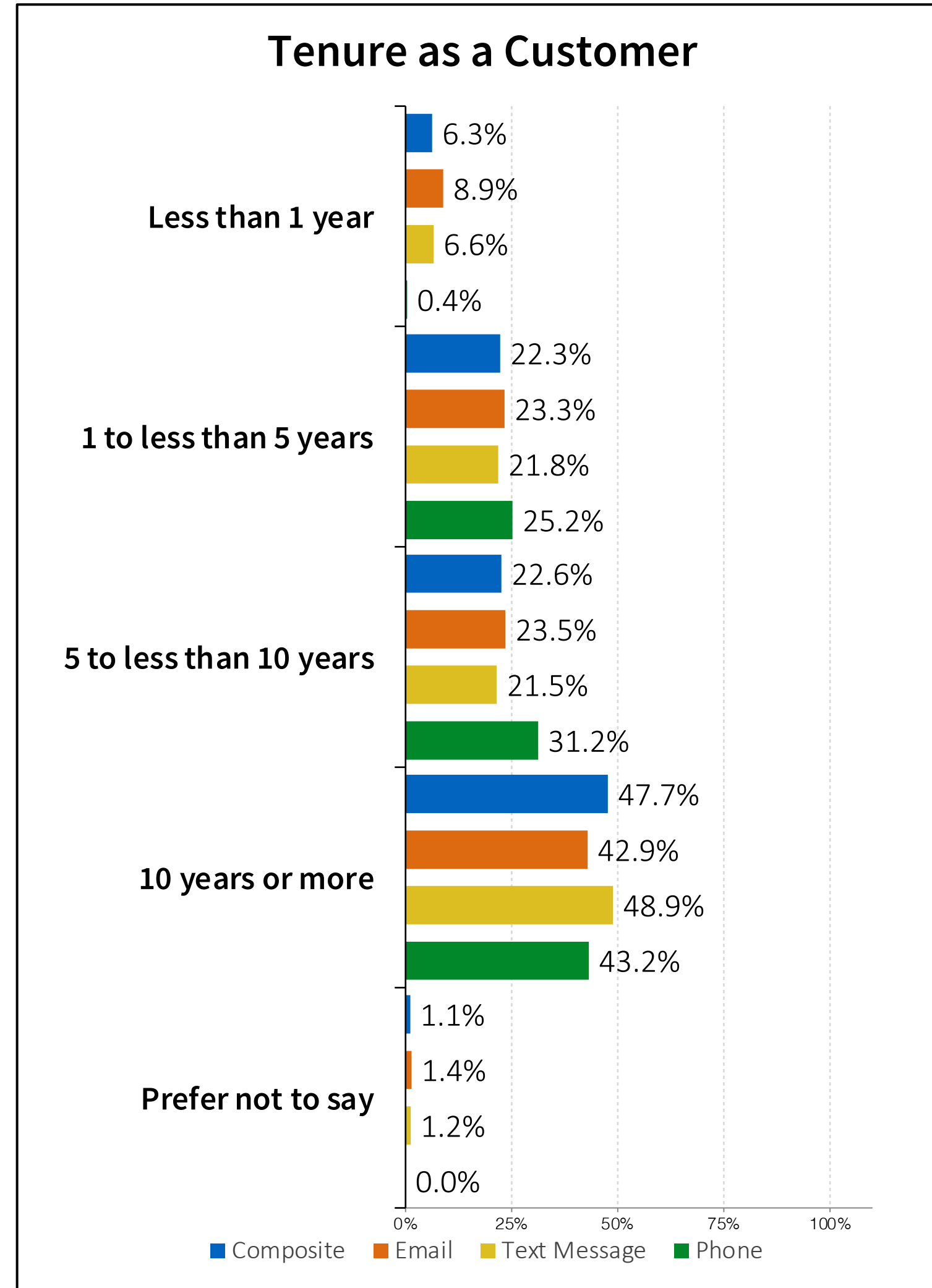
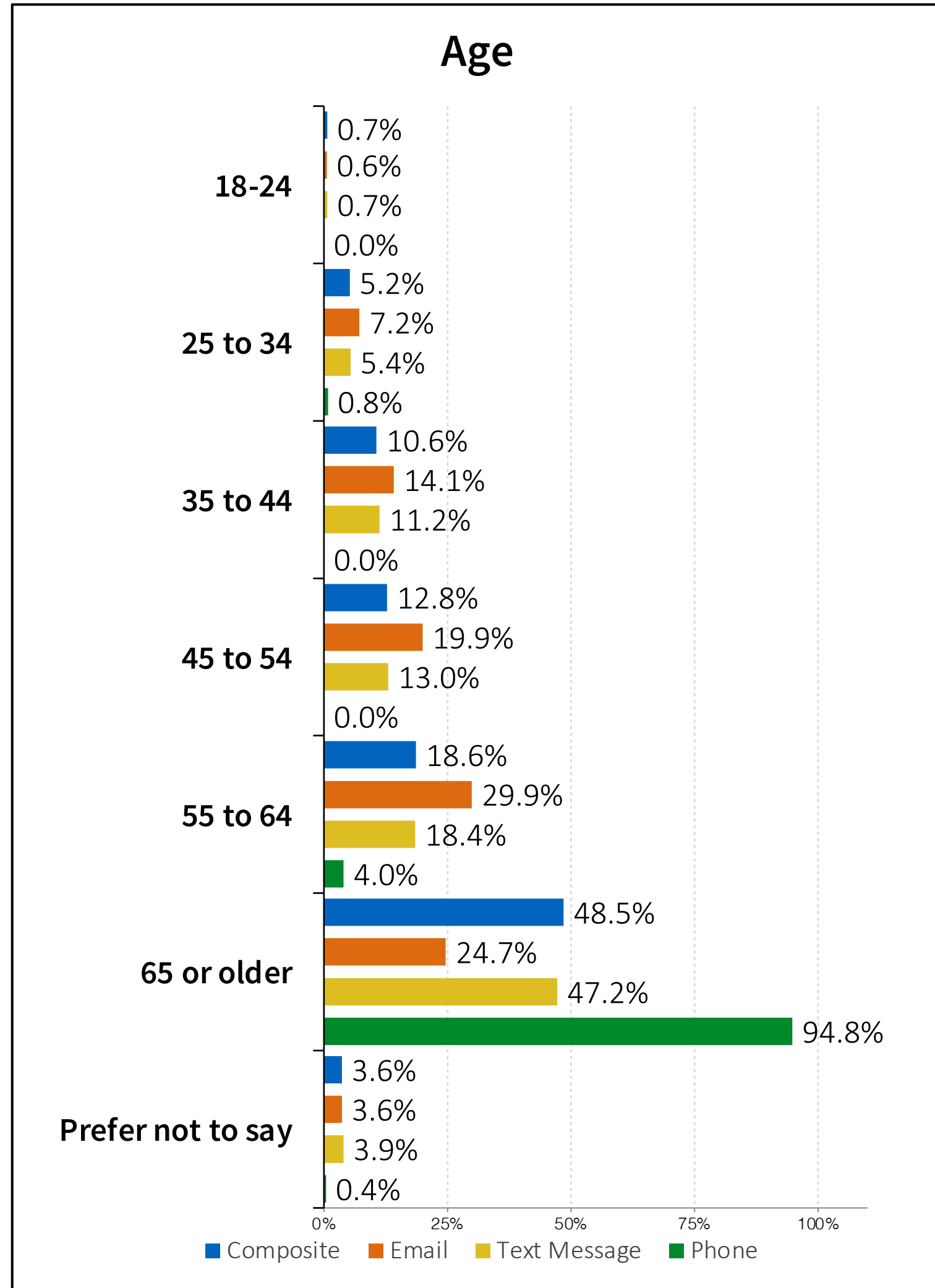
* This represents the total possible number of questions; not all respondents will answer all questions based on skip patterns and other instrument bias.

** Data quality and supervisory personnel, in addition to computer-aided interviewing platform, ensure the integrity of the data is accurate.

Project Overview | Residential Methodology



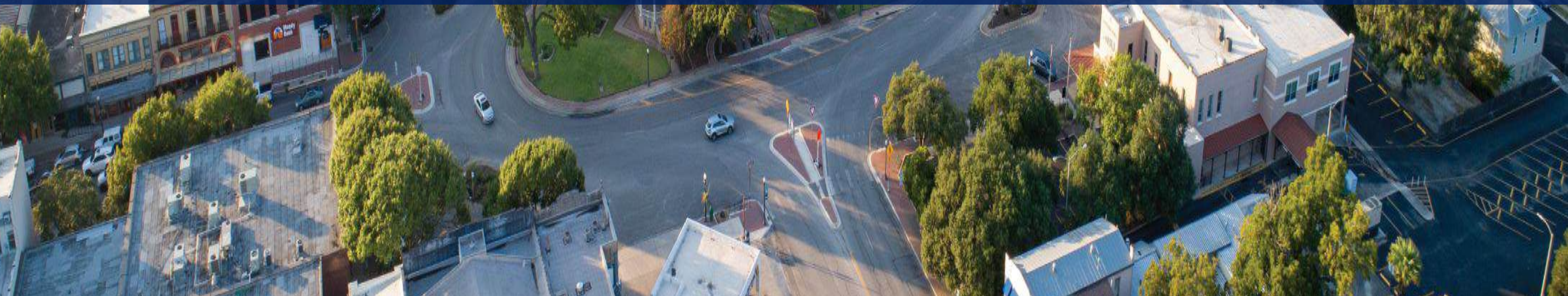
Respondent Profile | Residential Demographics



N= 3,224 (Composite), 251 (Phone), 2,611 (Text Message), 362 (Email)



Residential Results



Residential Key Study Findings



Overall & Average Satisfaction

- **Overall Satisfaction:** Over one-half of residential customers (**54.5%**) reported positive overall satisfaction with NBU in 2026, which was consistent with 2025 findings (-0.3 percentage points) - but remains a year-over-year improvement from 2024 (+10.6 percentage points).
- **Average Satisfaction:** The average positive rating across all organizational characteristics stayed consistent at **57.4%**, which was on par with 2025 (57.2%), driven by relatively strong ratings for:
 - NBU's staff is helpful and knowledgeable (**67.8%**)
 - NBU is involved in the community (**65.4%**)
 - NBU promptly responds to customer questions & complaints (**62.7%**)



Satisfaction Drivers by Survey Method

- Customers surveyed by phone reported the highest overall satisfaction, with scores **16.0 percentage points higher** than digital respondents. Phone respondents also gave notably higher marks for providing good service and value for the cost of utilities.
- Within the digital methodology, customers surveyed by text reported higher average satisfaction than email respondents (**+7.4 percentage points**), especially driven by the utility's openness and honesty.



Open-Ended Themes – Areas of Satisfaction

Customer feedback highlights a relatively strong foundation of satisfaction among a segment of the residential customer base, with positive sentiment centered on reliable service delivery and overall ease of interaction.

- Customers frequently express general satisfaction with overall service quality, often describing their experience positively without specific concerns.
- Reliable and consistent service is a key strength, reinforcing confidence in day-to-day utility performance.
- Positive customer service experiences, including helpful and/or professional staff, contribute to favorable perceptions.
- Ease of billing and account management also supports a smooth and convenient customer experience.



Open-Ended Themes – Areas of Dissatisfaction



Customer concerns are more specific and concentrated, with cost emerging as the primary driver of negative sentiment.

- Cost and rates are the most prominent concern, with many customers citing affordability challenges and perceived lack of value.
- Water quality and pressure issues are noted by some customers but tend to be more highly salient among those affected.
- Customer service responsiveness presents challenges, particularly around timeliness and issue resolution.
- Website usability concerns create friction and, in some cases, contribute to lower trust.

Satisfaction | Year over Year & Public Power Data Source (PPDS) Comparison



In 2026, NBU received a consistent frequency of positive ratings across six (6) out of eight (8) organizational characteristics compared to 2025. This led to an overall average positive rating of 57.4%, which was also consistent compared to 2025 (57.2%). This was driven by residential customers providing higher ratings for "the conservation tips and advice NBU provides helps me save money on my utility bill" (+2.0 percentage points); offset by slightly lower ratings for "NBU providing good service and value for the cost of utilities" (-1.3 percentage points).

Company characteristics NBU	2024	2025	2026	Difference		
NBU promptly responds to customer questions and complaints	48.2%	63.4%	62.7%	-0.7%	62.7%	65.9%
NBU is open and honest about company operations and policies	38.2%	53.6%	54.0%	+0.4%	55.8%	61.7%
NBU provides good service and value for the cost of utilities	36.9%	49.1%	47.8%	-1.3%	61.0%	62.6%
NBU is involved in the community	48.7%	64.8%	65.4%	+0.6%	62.0%	59.9%
NBU's staff is helpful and knowledgeable	58.4%	67.3%	67.8%	+0.5%	66.8%	67.1%
NBU does a good job communicating with customers	48.3%	60.1%	60.6%	+0.5%	58.8%	65.9%
The conservation tips and advice NBU provides helps me save money on my utility bill	32.4%	44.4%	46.4%	+2.0%	56.9%	54.5%
I am satisfied overall with NBU	43.9%	54.8%	54.5%	-0.3%	71.9%	70.2%
Average	44.4%	57.2%	57.4%	+0.2%	62.0%	63.5%

Aggregate of ratings 4 & 5 shown without "don't know / unsure" responses

 National data from the Public Power Data Source (PPDS)

 Texas data from the Public Power Data Source (PPDS)

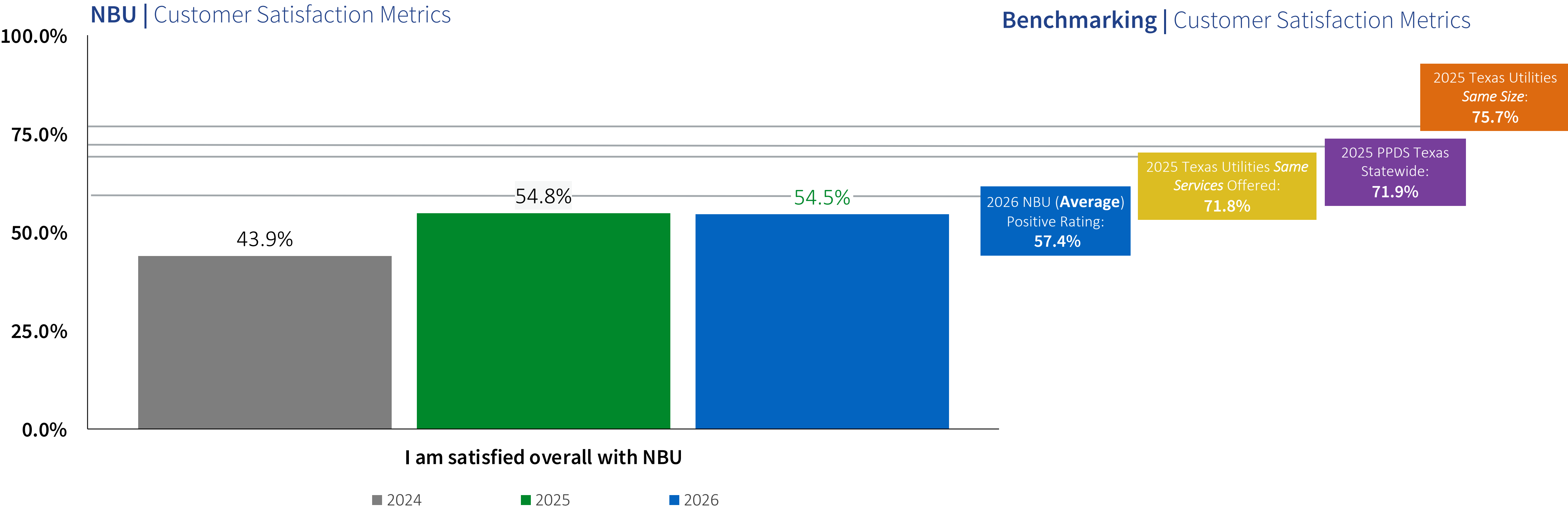
N= 1,837 (2024), 3,289 (2025), 3,224 (2026) 12,000 (PPDS Total), 249 (PPDS Texas)

*The Public Power Data Source (PPDS) is a residential customer satisfaction benchmarking tool

Statewide Benchmark | Overall Satisfaction



Surveyed residential customers provided consistent ratings for their overall satisfaction with NBU in 2026 compared to 2025 (-0.3 percentage points), and higher average positive ratings compared to 2024 (+10.6 percentage points). However, NBU's 2026 overall satisfaction rating was 17.3 percentage points lower than the average for Texas utilities that offer the same services as NBU and 21.2 percentage points lower than the average for Texas utilities that are the same size as NBU.

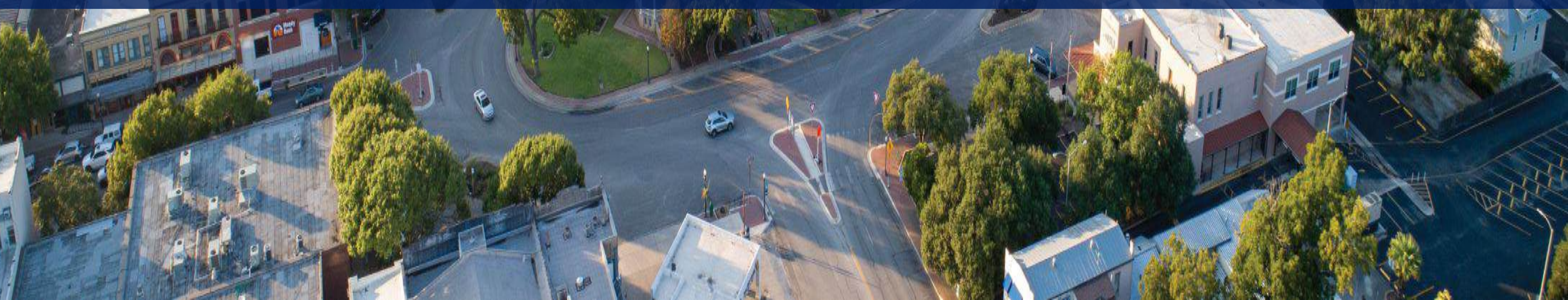


N= 1,837 (2024), 3,289 (2025), 3,224 (2026), 249 (2025 PPDS Texas Statewide), 124 (2025 PPDS Texas Utilities Same Services Offered), 74 (2025 PPDS Texas Utilities Same Size)
 % indicates a statistically significant difference at a 95% confidence level.

Aggregate of ratings 4 & 5 shown without "don't know / unsure" responses



Commercial Study Findings



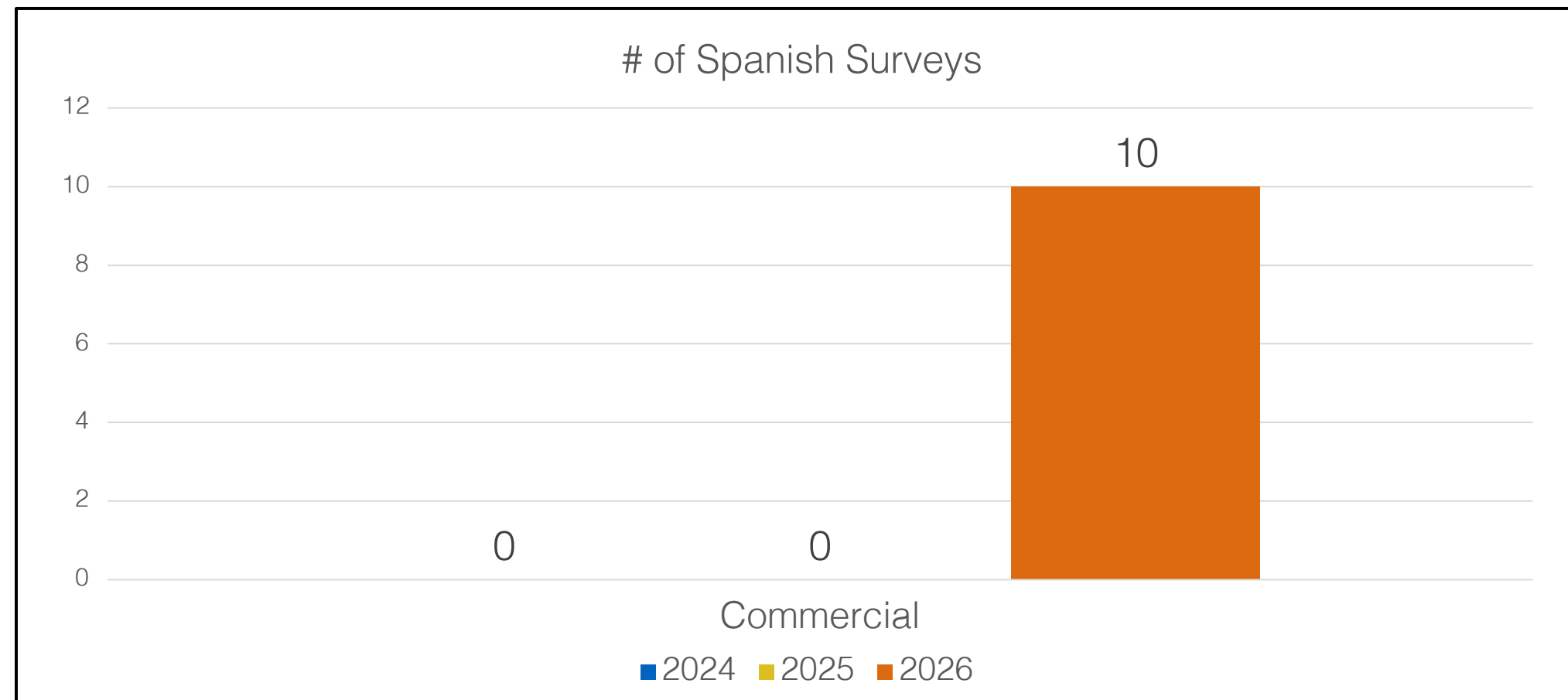
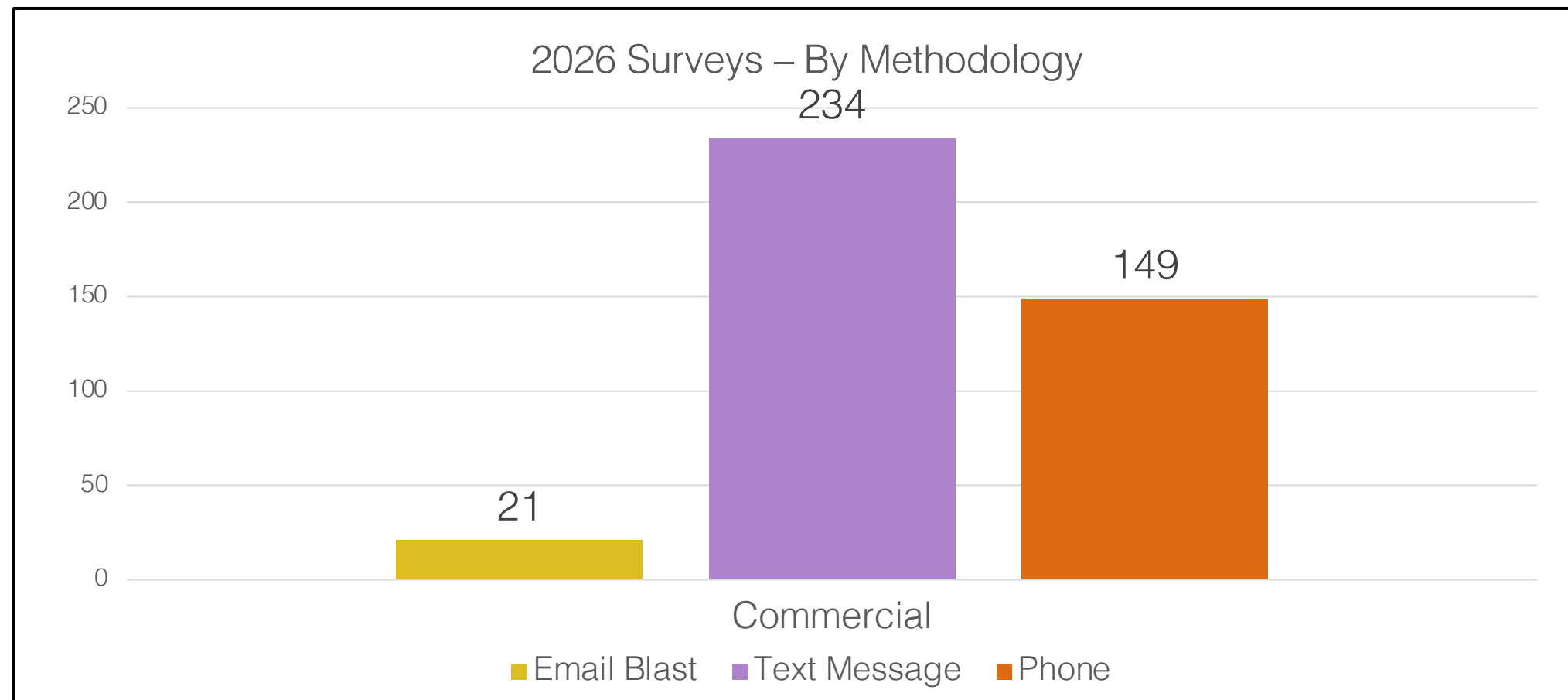
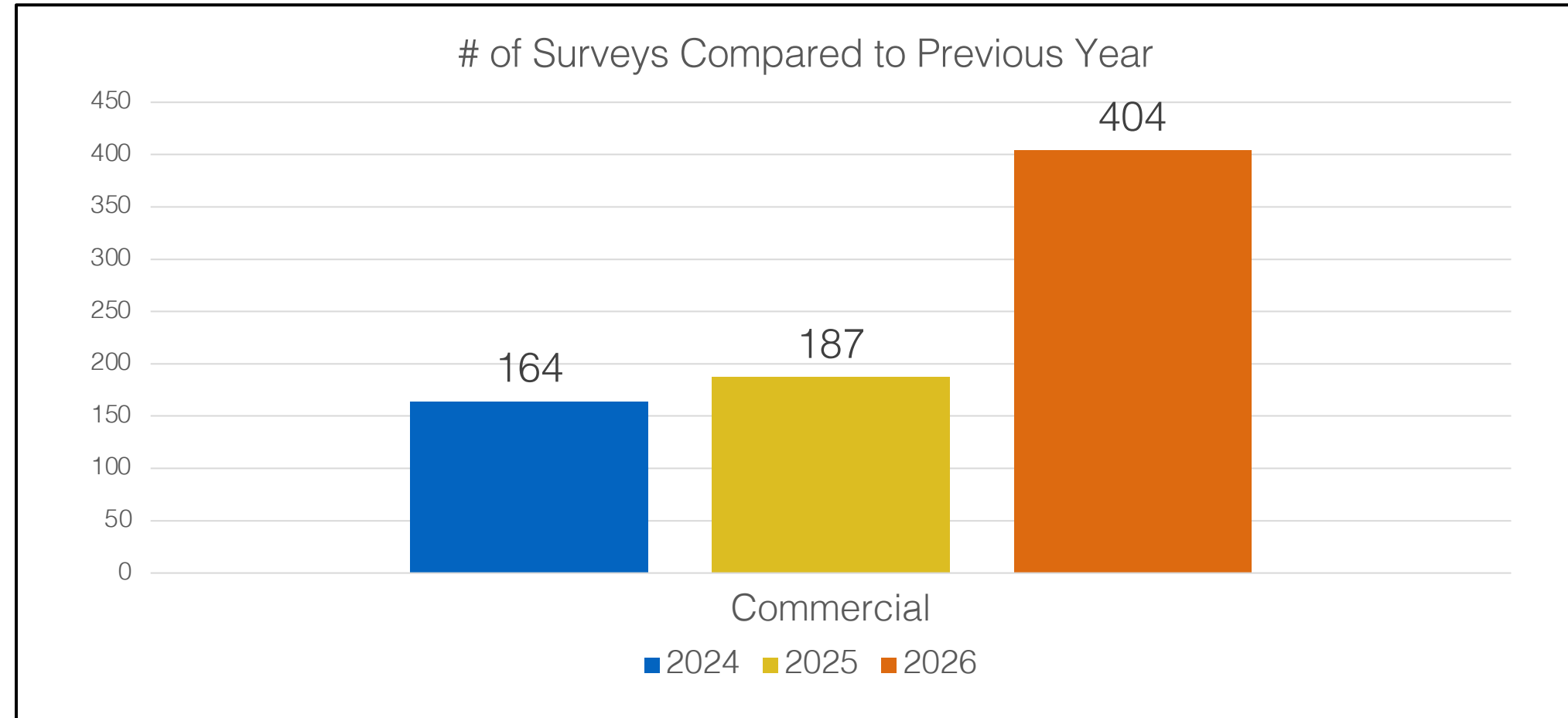
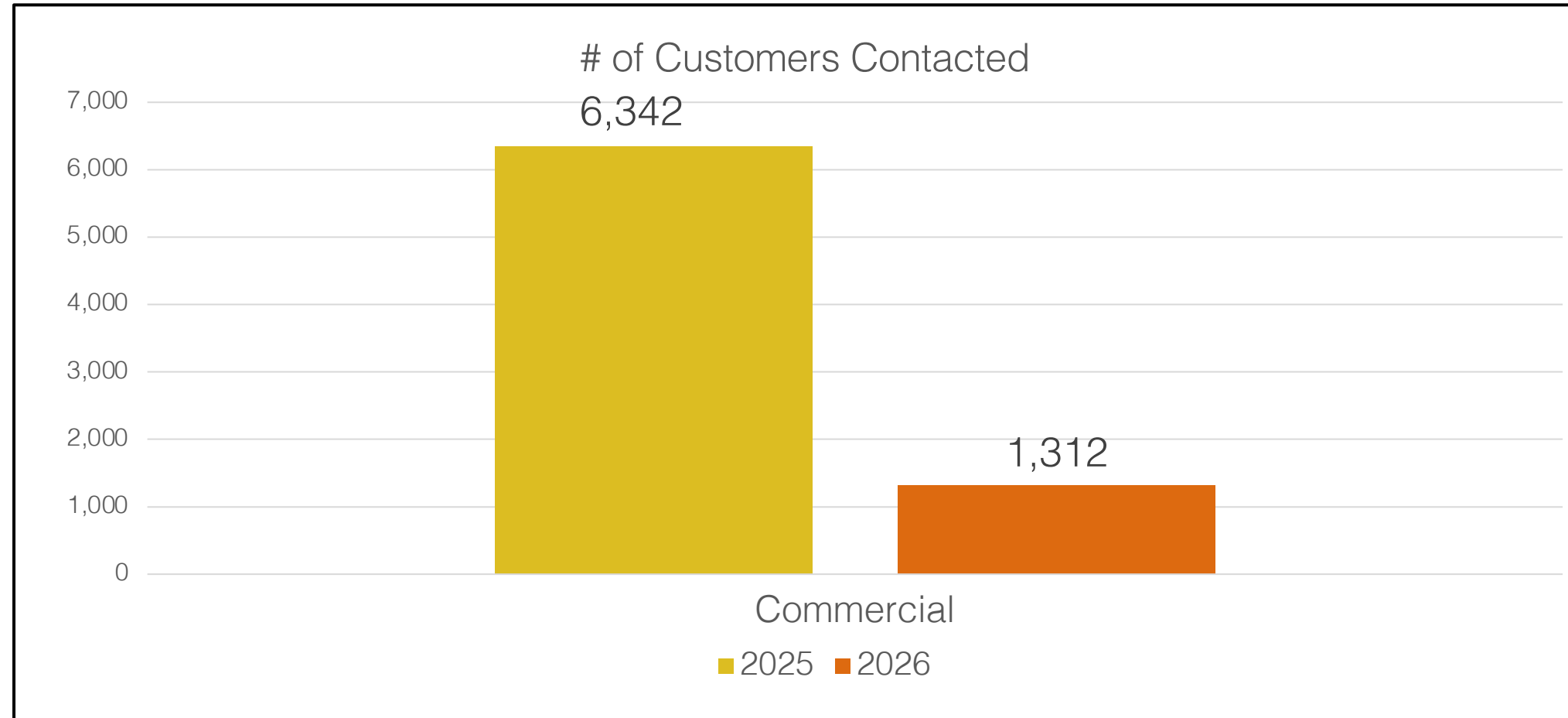
Project Overview | Commercial

Methodology Email / Text / Phone	No. of Completes 404	No. of Questions 12*	Incentive None	Sample Customer Sample
Target Commercial	Quality Assurance Dual-level**	Margin of Error +/- 4.5%	Confidence Level 95%	Research Dates March 2 – 31, 2026

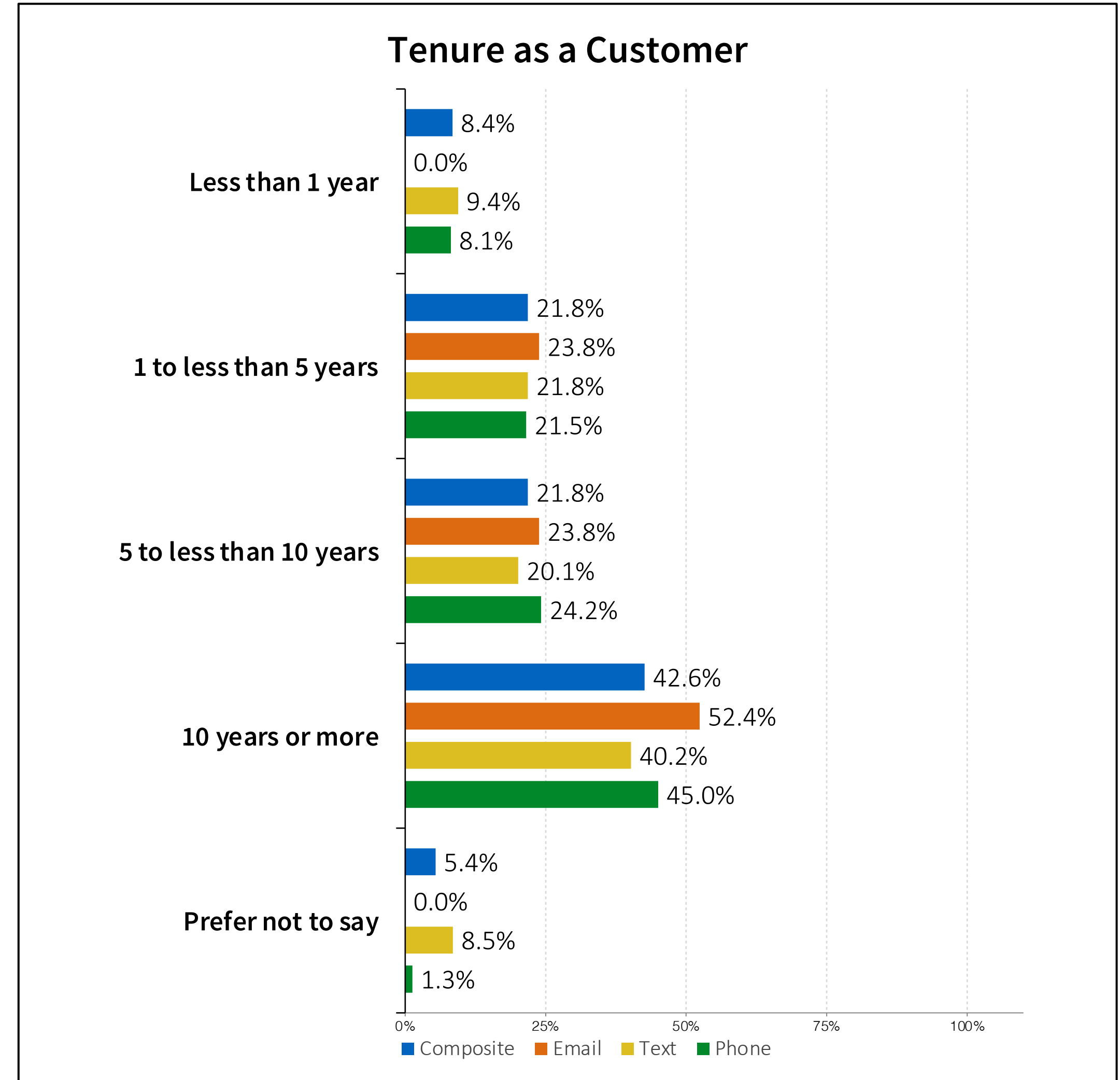
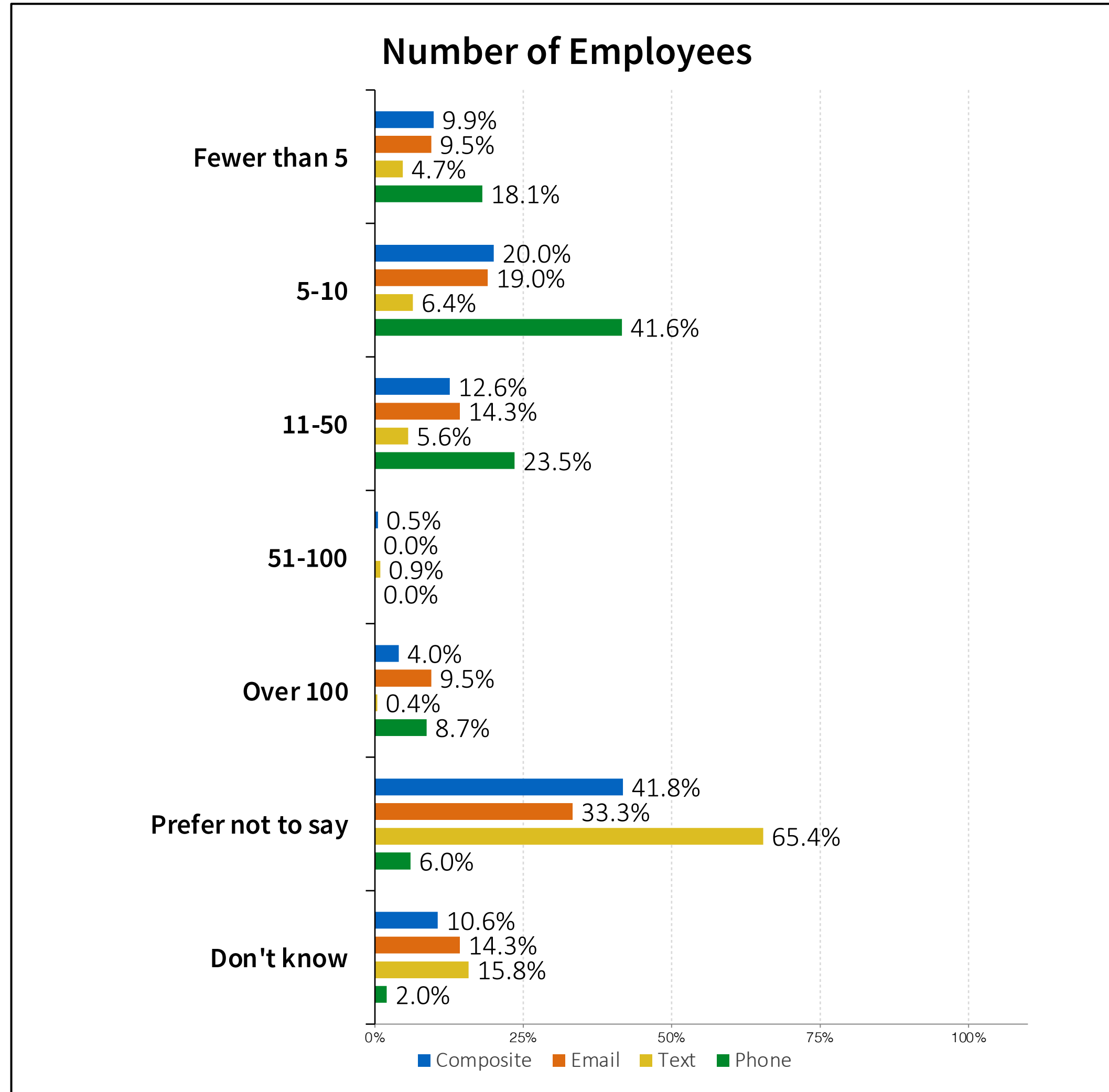
* This represents the total possible number of questions; not all respondents will answer all questions based on skip patterns and other instrument bias.

** Data quality and supervisory personnel, in addition to computer-aided interviewing platform, ensure the integrity of the data is accurate.

Project Overview | Commercial Methodology



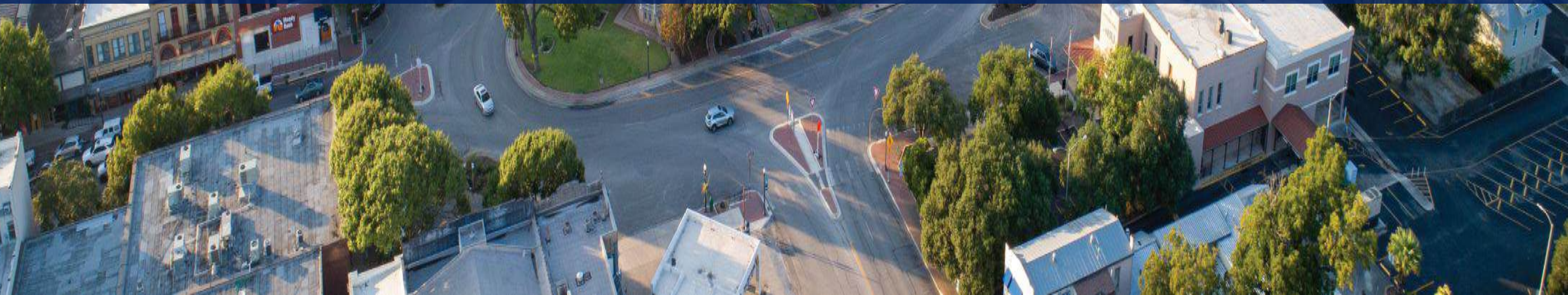
Respondent Profile | Commercial Demographics



N= 404 (Composite), 149 (Phone), 21 (Email), 234 (Text)



Commercial Results



Commercial Key Study Findings

Overall & Average Satisfaction



- **Overall Satisfaction:** In 2026, overall satisfaction among commercial customers saw a decline of **8.4 percentage points** from 2025.
- **Average Satisfaction:** The average positive rating across all organizational characteristics decreased to **55.1%, down 9.2 percentage points** from 2025. This decrease was largely driven by declines in:
 - NBU's staff is helpful and knowledgeable (**-13.1** percentage points)
 - NBU is open and honest about company operations and policies (**-11.9** percentage points)
 - NBU provides good service and value for the cost of utilities (**-11.0** percentage points)

Satisfaction Drivers by Survey Method





- Phone respondents gave higher average ratings than online respondents for all eight (8) organizational characteristics; resulting in a demonstrably higher average positive rating (**64.8% vs. 49.2%**)
- Key differences included:
 - NBU promptly responds to customer questions and complaints (**+24.6** percentage points)
 - I am satisfied overall with NBU (**+21.7** percentage points)

Satisfaction | Year over Year & PPDS (Public Power Data Source) Comparison



Among commercial customers in 2026, NBU received lower positive ratings across all eight (8) organizational characteristics compared to 2025. This led to an overall average positive rating of 55.1%; down -9.2 percentage points compared to 2025. This was driven by commercial customers providing lower ratings for "NBU's staff is helpful and knowledgeable" (-13.1 percentage points), "NBU is open and honest about company operations and policies" (-11.9 percentage points), and "NBU provides good service and value for the cost of utilities" (-11.0 percentage points).

Company characteristics NBU	2024	2025	2026	Difference		
NBU promptly responds to customer questions and complaints	66.5%	67.3%	58.6%	-8.7%	44.4%	73.0%
NBU is open and honest about company operations and policies	58.5%	62.7%	50.8%	-11.9%	44.4%	70.0%
NBU provides good service and value for the cost of utilities	55.8%	55.4%	44.4%	-11.0%	55.6%	79.9%
NBU is involved in the community	67.9%	70.9%	63.7%	-7.2%	44.4%	66.9%
NBU's staff is helpful and knowledgeable	71.9%	79.9%	66.8%	-13.1%	66.7%	73.8%
NBU does a good job communicating with customers	64.0%	67.2%	60.9%	-6.3%	55.6%	70.1%
The conservation tips and advice NBU provides helps me save money on my utility bill	40.7%	48.6%	41.5%	-7.1%	33.3%	63.9%
I am satisfied overall with NBU	64.4%	62.5%	54.1%	-8.4%	66.7%	75.1%
Average	61.2%	64.3%	55.1%	-9.2%	51.4%	71.6%

 National data from the Public Power Data Source (PPDS)

 Texas data from the Public Power Data Source (PPDS)

Aggregate of ratings 4 & 5 shown without "don't know / unsure" responses

N= 164 (2024), 187 (2025), 404 (2026), 9 (Texas PPDS – Public Power Data Source), 1,002 (PPDS – Public Power Data Source)

*Commercial data from the Public Power Data Source (PPDS) in 2025.



Combined Residential and Commercial Results

Satisfaction | Commercial & Residential Results



In 2026, surveyed residential and commercial customers (on aggregate) provided an average positive rating of 57.1% when rating NBU on a series of organizational characteristics, which was mostly consistent with 2025 (-0.5 percentage points). Of note, customers provided slightly higher average positive ratings for “the conservation tips and advice NBU provides helps me save money on my utility bill” (+1.3 percentage points), but slightly lower ratings for “NBU provides good service and value for the cost of utilities” (-2.0 percentage points).

Company characteristics NBU	2025 Commercial & Residential	2026 Commercial & Residential
NBU promptly responds to customer questions and complaints	63.6%	62.2%
NBU is open and honest about company operations and policies	54.2%	53.6%
NBU provides good service and value for the cost of utilities	49.5%	47.5%
NBU is involved in the community	65.1%	65.2%
NBU’s staff is helpful and knowledgeable	68.0%	67.7%
NBU does a good job communicating with customers	60.5%	60.6%
The conservation tips and advice NBU provides helps me save money on my utility bill	44.6%	45.9%
I am satisfied overall with NBU	55.2%	54.4%
Average	57.6%	57.1%

Aggregate of ratings 4 & 5 shown without "don't know / unsure" responses

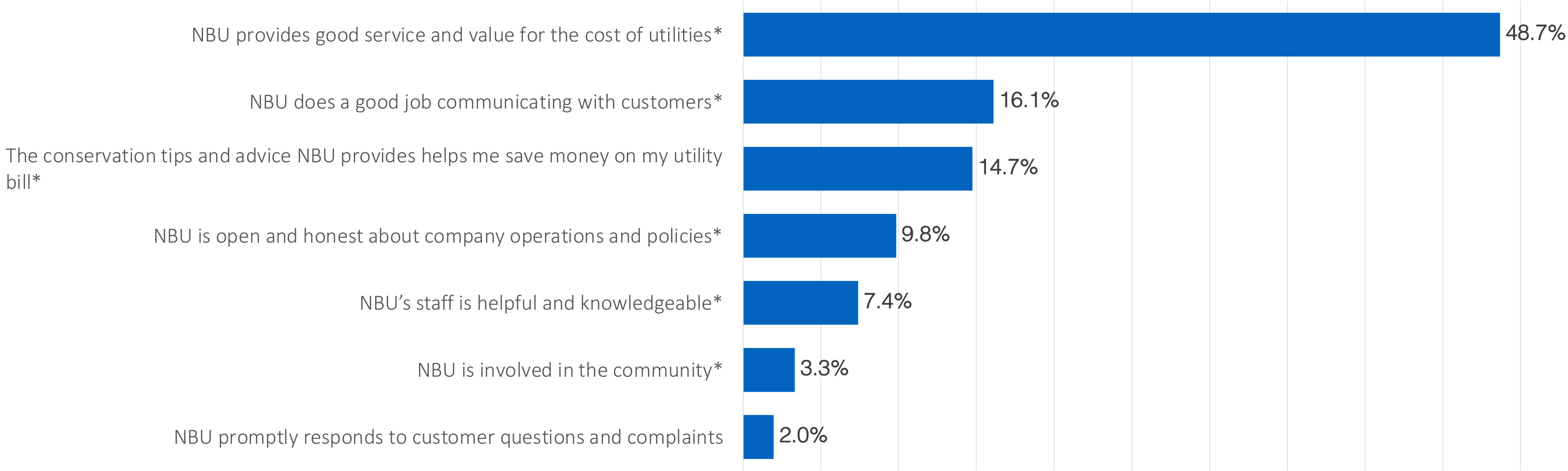
N= 3,476 (2025), 3,628 (2026)

Satisfaction | Value Drivers



Overall satisfaction with NBU is driven primarily by perceptions of value, which far outweigh all other factors in shaping customer sentiment (48.7%). Beyond value, a clear tier of secondary drivers emerges, with communication (16.1%) and conservation support (14.7%) playing meaningful roles in reinforcing overall perceptions of value. However, notably, responsiveness to customer issues does not have a statistically significant impact on overall satisfaction when controlling for other factors, suggesting it is less influential in shaping broader perceptions.

Drivers of Overall Satisfaction with NBU



Overall Satisfaction →

N= 3,628 (2026)
Linear Regression - is a commonly used statistical technique that examines how multiple factors (independent variables) relate to an outcome (dependent variable). It identifies the "line of best fit" to estimate how changes in each factor are associated with changes in the outcome. Importantly, linear regression goes beyond simple percentages or correlations by analyzing all factors simultaneously, allowing us to isolate the unique impact of each one. This helps determine which attributes are true drivers of overall perception versus those that may appear important but are largely influenced by other factors.
 *Statistically significant drivers ($p < .05$) indicate a meaningful relationship with overall satisfaction when controlling for other factors.

DV: I am satisfied overall with NBU
 IV: 7 Organizational Characteristics

Open-end Themes and Analysis

Composite



Open-end | Satisfaction Themes

Customer qualitative feedback in 2026 suggested themes of overall satisfaction, driven by reliable service, positive staff interactions, and ease of billing and account management. While positive sentiment is often general, reliability and consistency stood out as key strengths, reinforcing confidence in core service delivery.

Overall Service Quality

- In 2026, many customers describe their experience as “good,” “great,” or “excellent” overall.
- Positive sentiment is often broad, reflecting **general satisfaction** without specific concerns.
- Customers appear to feel confident in the utility’s ability to **deliver core services**.

Reliable Service

- Customers highlight **consistent and dependable** service delivery.
- Reliability is often **expected** but still recognized as a key strength when mentioned.
- **Few disruptions or issues** contribute to steady, positive perceptions over time.

Positive Customer Service Experience

- Some customers specifically mention helpful, friendly, and professional staff interactions.

Ease of Billing Process

- Customers note that paying bills and managing accounts is generally straightforward.

N= 3,628

Q: Do you have any additional comments you would like for us to know?

Open-end | Dissatisfaction Themes

Dissatisfaction in 2026 was largely centered on cost, with customers frequently citing high rates and affordability concerns. Secondary issues included water quality and pressure, customer service responsiveness, and website usability. More isolated feedback also reflects concerns around operational efficiency and trust,. Overall, negative sentiment is typically more specific and strongly felt than positive sentiment.

Cost / Rate Concerns

- Customers frequently describe rates as **“too high” or “expensive,”** with some questioning overall affordability.
- Many express concern about **rising costs** and the impact on their household budgets.
- A subset of customers indicate that the **value of service does not align** with what they are paying.

Water Quality & Pressure Issues

- Some customers report **concerns with water pressure**, particularly noting inconsistency or low pressure.
- Feedback also includes perceptions of water quality issues, such as taste or clarity.

Website / Usability Issues

- Customers describe the website as difficult to navigate or not user-friendly.
- Some report challenges completing key tasks, such as finding information or managing their account.

Customer Service & Responsiveness

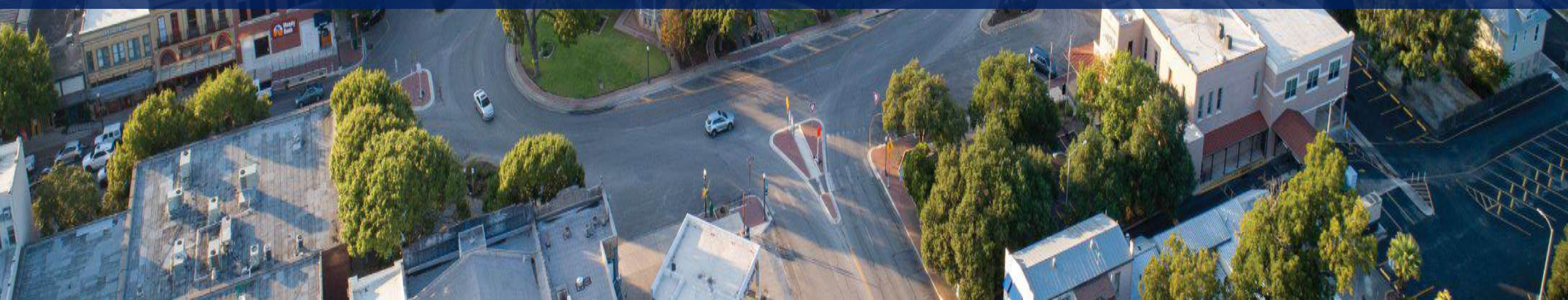
- Customers note challenges with reaching support or receiving timely responses to inquiries.
- Some report unresolved issues or a lack of follow-through after initial contact.

N= 3,628

Q: Do you have any additional comments you would like for us to know?



Considerations





Reinforce Value Perception Amid Cost Sensitivity

While NBU continues to deliver strong core services, perceptions of value remain a critical gap, particularly as cost concerns dominate customer feedback and “value for cost” ratings lag behind the Texas benchmark. Even with stable or improving performance across many service attributes, customers are struggling to connect what they pay versus what they receive. This disconnect suggests that value is not solely a pricing issue, but also a communication and framing opportunity. NBU is well-positioned to better articulate the full scope of its service delivery, reliability, and community contributions to strengthen perceived return on investment. Proactively reinforcing value can help mitigate dissatisfaction driven by rising rates and affordability concerns.

Actionable Insights:

- Enhance billing and communication materials to clearly break down what customers are paying for, including infrastructure, reliability, and long-term investments.
- Expand messaging that quantifies savings from conservation programs to better connect behaviors with financial benefits.
- Develop targeted outreach addressing rate increases with transparent, proactive explanations before customer frustration builds.
- Incorporate value-focused messaging across touchpoints (website, bill inserts, social media) to consistently reinforce the “why behind the cost.”



Stabilize Commercial Customer Experience and Rebuild Confidence

The decline in commercial customer satisfaction across all measured attributes signals a meaningful shift in this segment’s experience, particularly around customer service, transparency, and responsiveness. While NBU still outperforms statewide benchmarks in several areas, the magnitude of year-over-year declines suggests emerging service gaps or unmet expectations. Commercial customers often have more complex needs and higher service expectations, making consistency and responsiveness especially critical. Rebuilding confidence with this audience will require a more proactive and tailored approach to engagement and issue resolution. Addressing these declines early can prevent longer-term erosion in trust and satisfaction.

Actionable Insights:

- Conduct targeted follow-up with commercial customers to better understand drivers behind recent declines and identify specific pain points.
- Implement dedicated support channels or account management strategies for commercial customers to improve responsiveness and relationship management.
- Audit recent service interactions and operational processes to identify breakdowns contributing to lower service and staff ratings.
- Increase proactive communication with commercial customers regarding projects, timelines, and service updates to strengthen transparency and trust.