

CitiPower residential survey results | Contents

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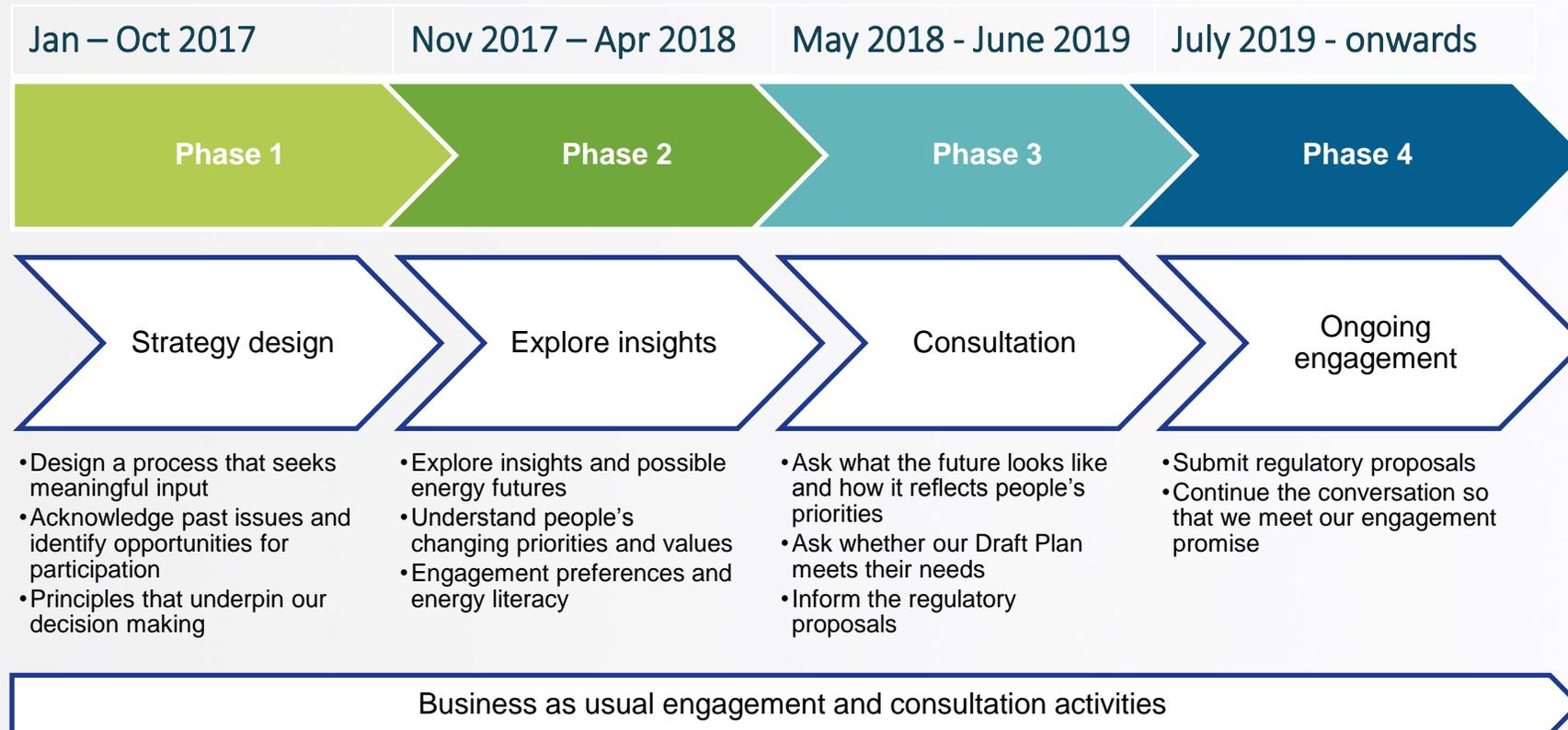
Background and context

- CitiPower is required to provide a regulatory proposal to the AER every five years, detailing its predicted expenditure and revenue requirements over the regulatory period.
- CitiPower is currently developing its regulatory proposal to the AER for the 2021-2025 regulatory period.
- To help shape this regulatory proposal, CitiPower is keen to further understand customer priorities, how they see the future, and to assess the Draft Plan.
- Woolcott Research and Engagement has been commissioned to conduct customer and stakeholder engagement to input into the preparation of the regulatory proposal.

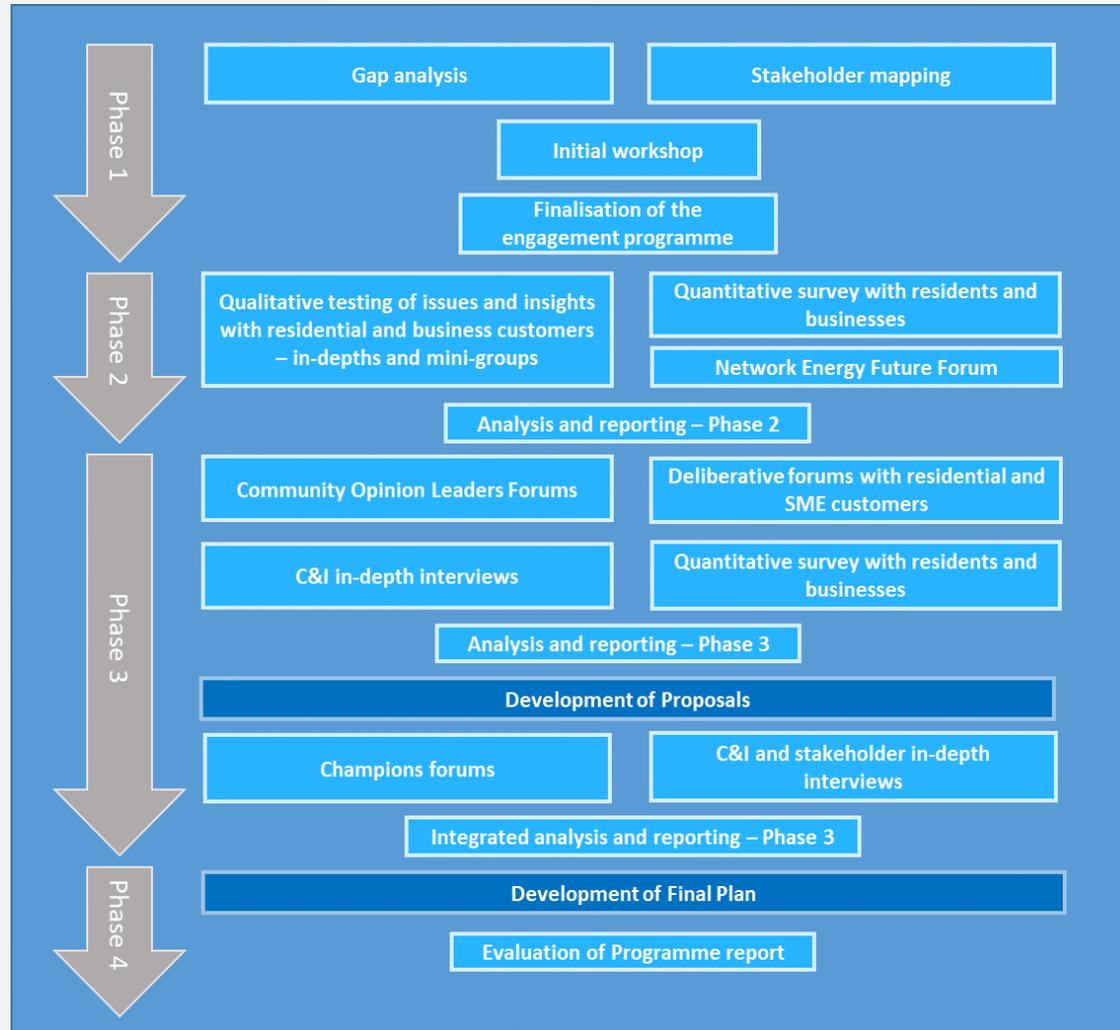


Engagement programme

We are currently in phase 3 of the programme



Engagement methodology



Key findings

Knowledge & Literacy

- Similar to last year, most residential customers did not know the name of their electricity distributor (78%), with many confusing their retailer and distributor.
- When prompted, just over half were aware that the distributor responded to electricity outages, got electricity to their homes and maintained poles and wires. Less than a third were aware that the distributor trimmed vegetation around powerlines.

Customer benefits

- The most important benefits/values were perceived to be reliability and safety, followed by low cost.

Connecting to the network

- Only a minority had experienced connecting to the network (14%) but most were satisfied with the experience (74%).
- Responses to a 'fast track user pays' option were mixed with 51% supporting the idea.

Key findings

Reliability of supply

- Satisfaction with the reliability of the current electricity supply was high (85%).
- Just over a third of respondents had experienced an outage in the last 2 years with the level of impact being low. However, there was a concern on the impact on older people and children, as well as the loss of frozen or chilled food.

Compensation payments (GSLs)

- Respondents were most likely to believe that GSL payments should either be increased (43%) or stay the same (36%). However, investment to improve reliability in worse performing areas was preferred over continued compensation through GSL payments.

Making it easier to export solar and charge your battery

- Just under a quarter of customers (23%) had either solar panels, battery, electric vehicle or central system to manage power and appliances, with younger respondents most likely to have them. Those aged of 55 years were most likely to have solar panels (if anything).
- Installing solar panels was the most likely option for those who don't currently have these options. However, a quarter of customers said it is not possible to install solar panels.

Key findings

- Most thought that they would invest in these technologies in the next two years.
- More than half of respondents indicated they were interested in exporting/selling back to the grid in the future (56%). Interest was highest amongst the youngest age group (60%).
- Most thought that the investment required to ensure that power quality doesn't decline as solar exports increase should be paid for by exporting solar customers (53%).
- Nearly half of respondents favoured a 'one-off' standard connection charge for connecting new technologies to export power (48%). More than half of respondents said they thought customers would be likely to pay a \$500 upfront fee (58%).
- Two thirds thought that parts of the electricity network should be upgraded quicker to allow for more renewable energy users and large customers to connect/export solar power to the grid.

Safety

- Around two thirds had never had concerns about the safety of the electricity network.

Vegetation

- Around half would like vegetation to be trimmed at the same level and frequency as it is currently and around half believed that CitiPower should remove and replace some vegetation.

Key findings

Undergrounding

- Even though it costs more to consumers, two-thirds of respondents indicated a preference for undergrounding electricity assets.
- After hearing about the safety strategies, just under half of respondents felt enough was being done to manage safety across the network, with another 29% indicating they were impartial.
- Undergrounding and increasing maintenance were the main suggestions for improvements.

Energy usage data

- Nearly two-thirds of respondents were interested in accessing their real time energy usage data (65%).
- Nearly three-quarters of respondents indicated they were likely to use the real time data to receive rebates or savings (73%).
- The main perceived benefits of having access to real time data included managing/ adjusting consumption, saving money and identifying high usage appliances.

Key findings

Affordability and pricing

- Whilst the vast majority indicated that they had not had difficulty paying an electricity bill, nearly two-thirds felt their bills were expensive or very expensive (62%).
- Over two-thirds indicated they were likely to participate in trials or programs to receive a small financial incentive or reward (approx. \$10-15) to reduce their electricity usage at peak times when asked by CitiPower (69%).
- Around a half (49%) were willing to allow CitiPower to adjust their energy usage remotely for appliances such as air conditioners if they didn't notice a large difference in heating/cooling.
- Almost a third were unaware of what their current electricity pricing structure was (30%).
- There were mixed views about what type of tariff would best suit their needs between a Time of Use tariff (48%) and a Flat Rate (43%).

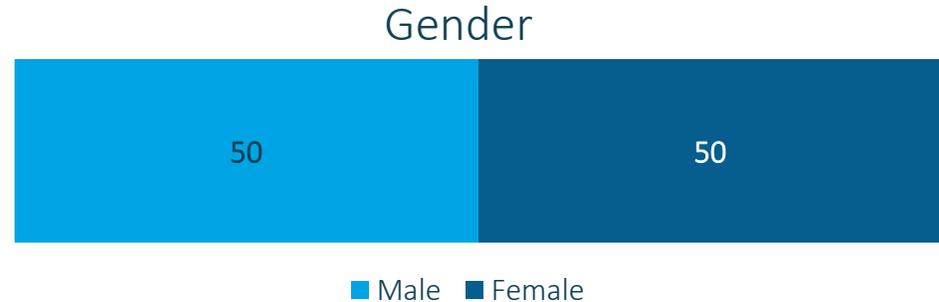
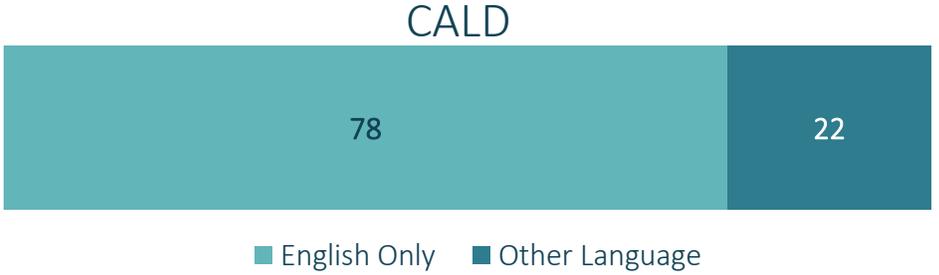
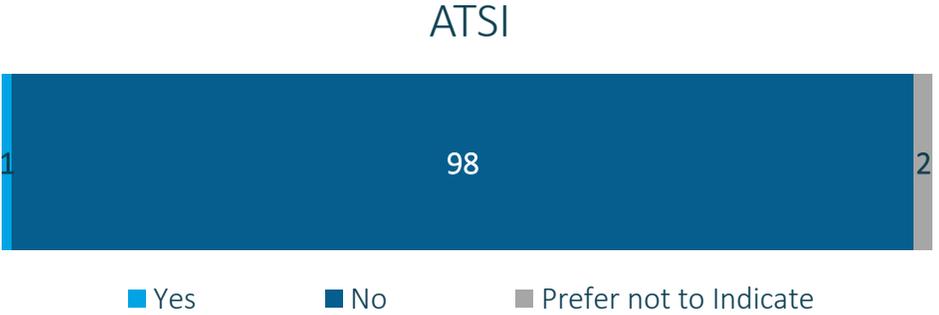
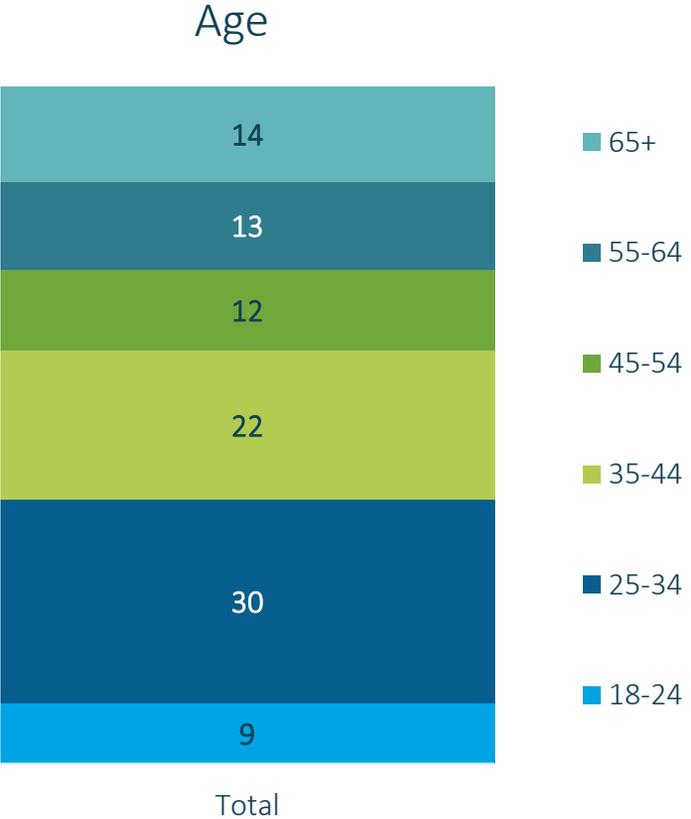
Methodology

- The survey was conducted online.
- N=625 completes were obtained.
- The online respondents were sourced through an online panel provider, used solely for research purposes.
- The survey was live from 21/06/2018 to 06/07/2018.
- Data was weighted during the analysis by age and gender to reflect the CitiPower area.

The survey covered the following areas:

- Knowledge and literacy
- Benefits that customers seek
- Ease of connection
- Reliability of supply
- Exporting solar and charging batteries
- Safety
- Energy usage data
- Affordability and pricing

Respondent profile

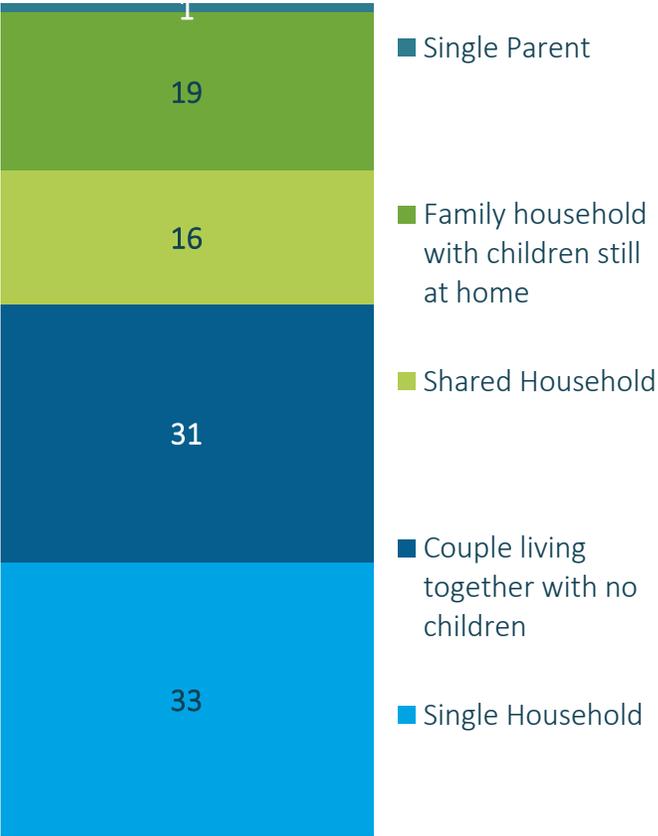


Q1. Which of the following age groups best describes you?
 Q5. RECORD GENDER:
 Q6. Do you speak a language other than English at home/with family?
 Q7. Are you of Aboriginal or Torres Strait Islander origin?
 Base: All respondents (n=625)



Respondent profile

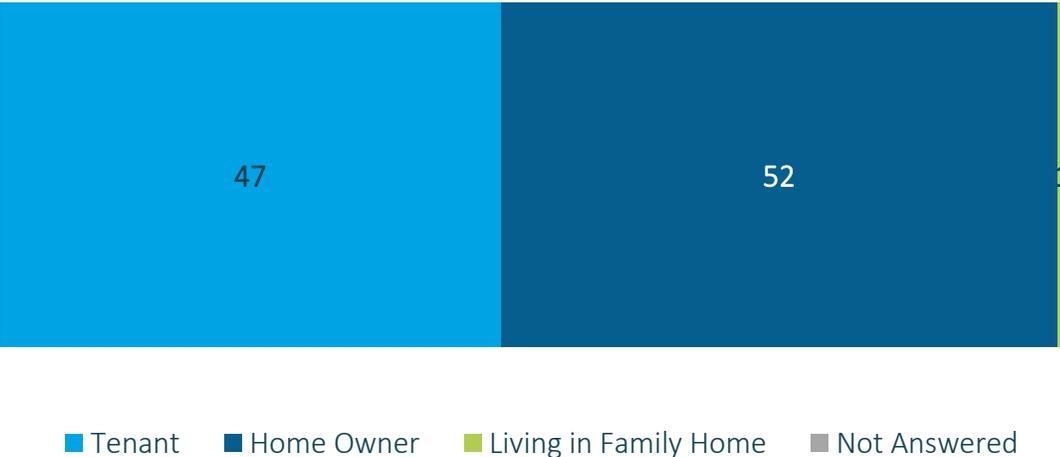
Household Make Up



House Type



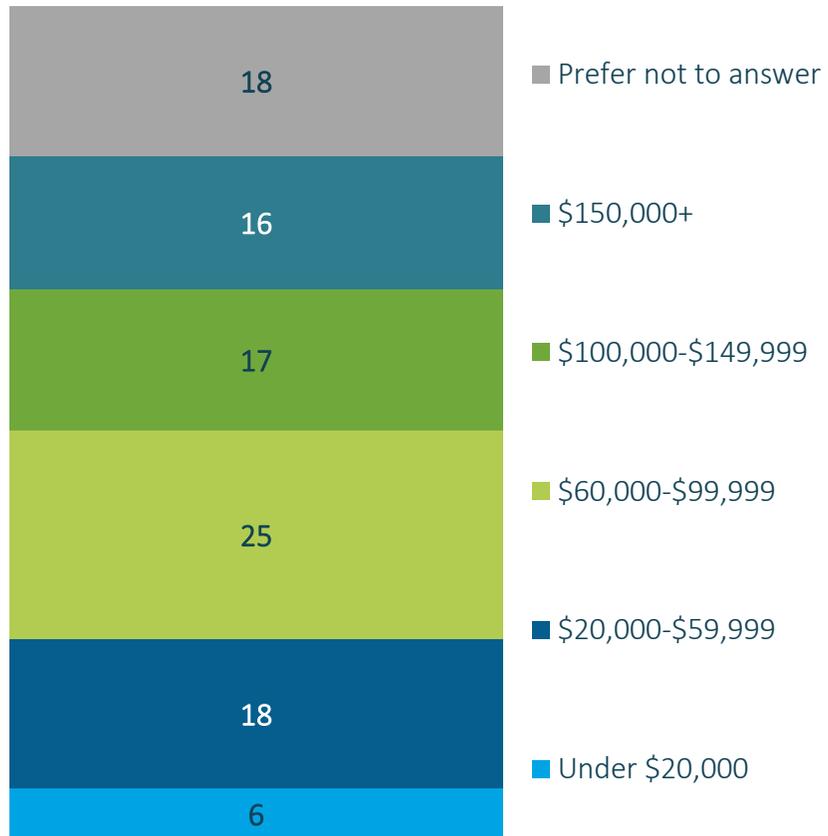
Tenant or Home Owner



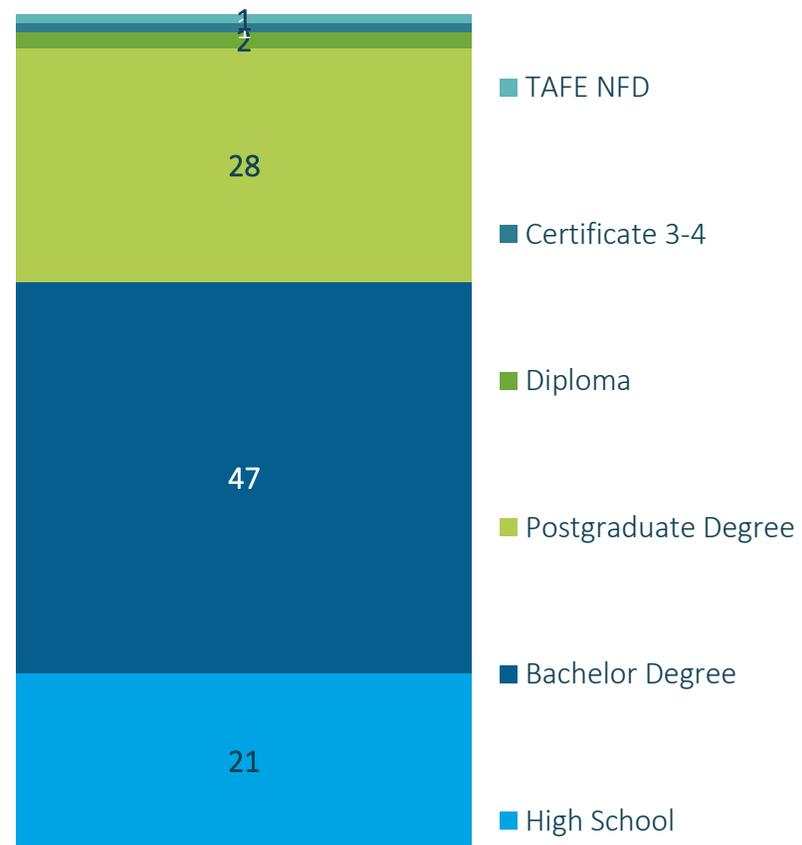
Q48. Thinking about the home you currently live in, are you a...
 Q49. Do you live in a...
 Q54. Which of the following best describes your household make up?
 Base: All respondents (n=625)

Respondent profile

Household Income



Education



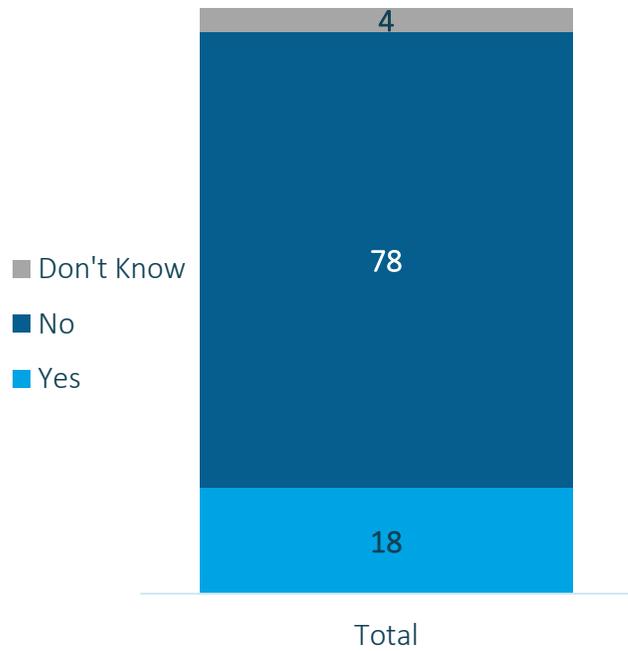
Q50. Which of the following categories best describes the income before tax of the highest earner in your household? SR

Q51. What is your highest level of education attained?

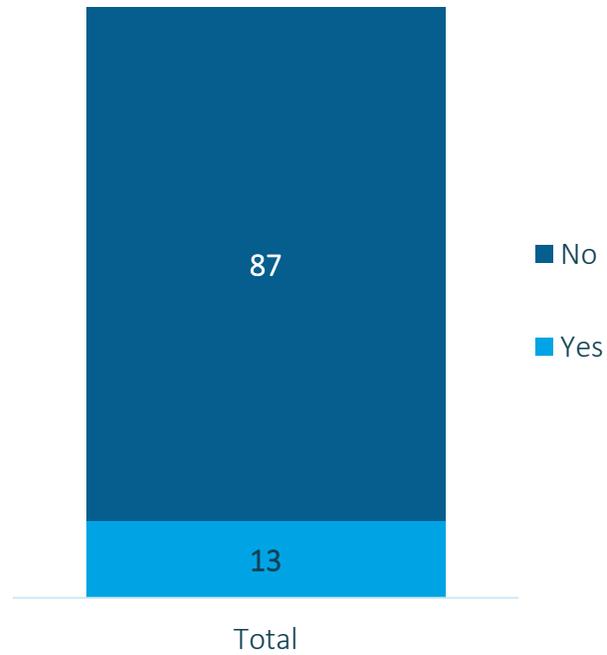
Base: All respondents (n=625)

Respondent profile

Does someone in your household have a low income card?



Does anyone in your household have a disability or debilitating health issue



Q52. Do you, or someone who lives with you, have a low income card?
Q53. Do you or any member of your household, have a disability or have a long term debilitating health issue?
Base: All respondents (n=625)

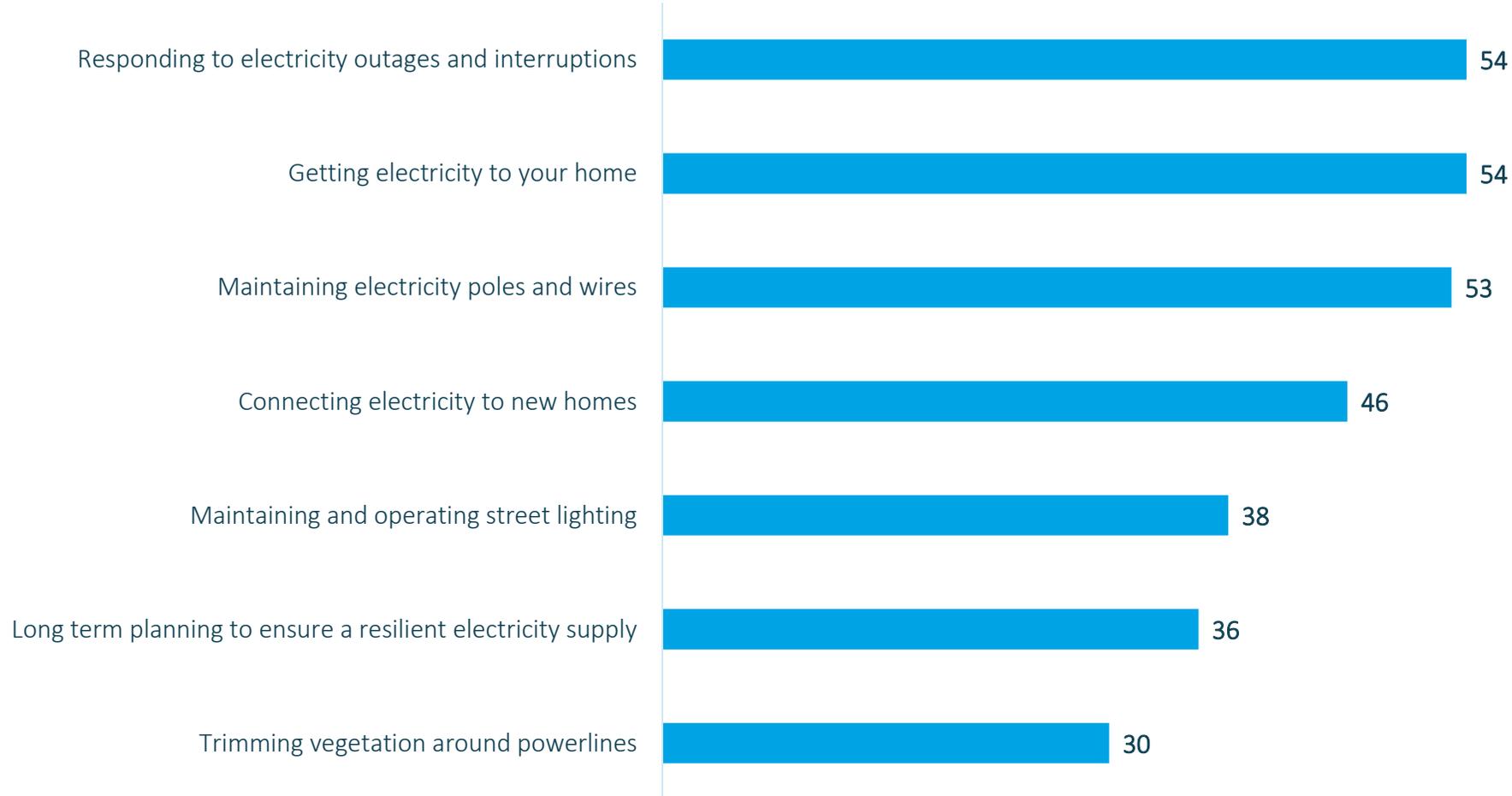
Name of electricity distributor | unprompted

Perceived name of electricity distributor Unprompted	N=625 %
CitiPower	22
Origin	12
AGL	11
Energy Australia	4
Red Energy	4
Win Energy	4
Momentum Energy	2
Simply Energy	2
Lumo	2
Alinta	1
Powershop	2
Powercor	1
Dodo	1
Click Energy	1
Don't Know	26
Other	5

Just under a quarter of residents correctly gave the name of their electricity distributor as CitiPower.

Q8. What is the name of your electricity distributor? By distributor, we mean the company responsible for the electricity network not your energy retailer who sends you the bill.
Base: All respondents (n=625)

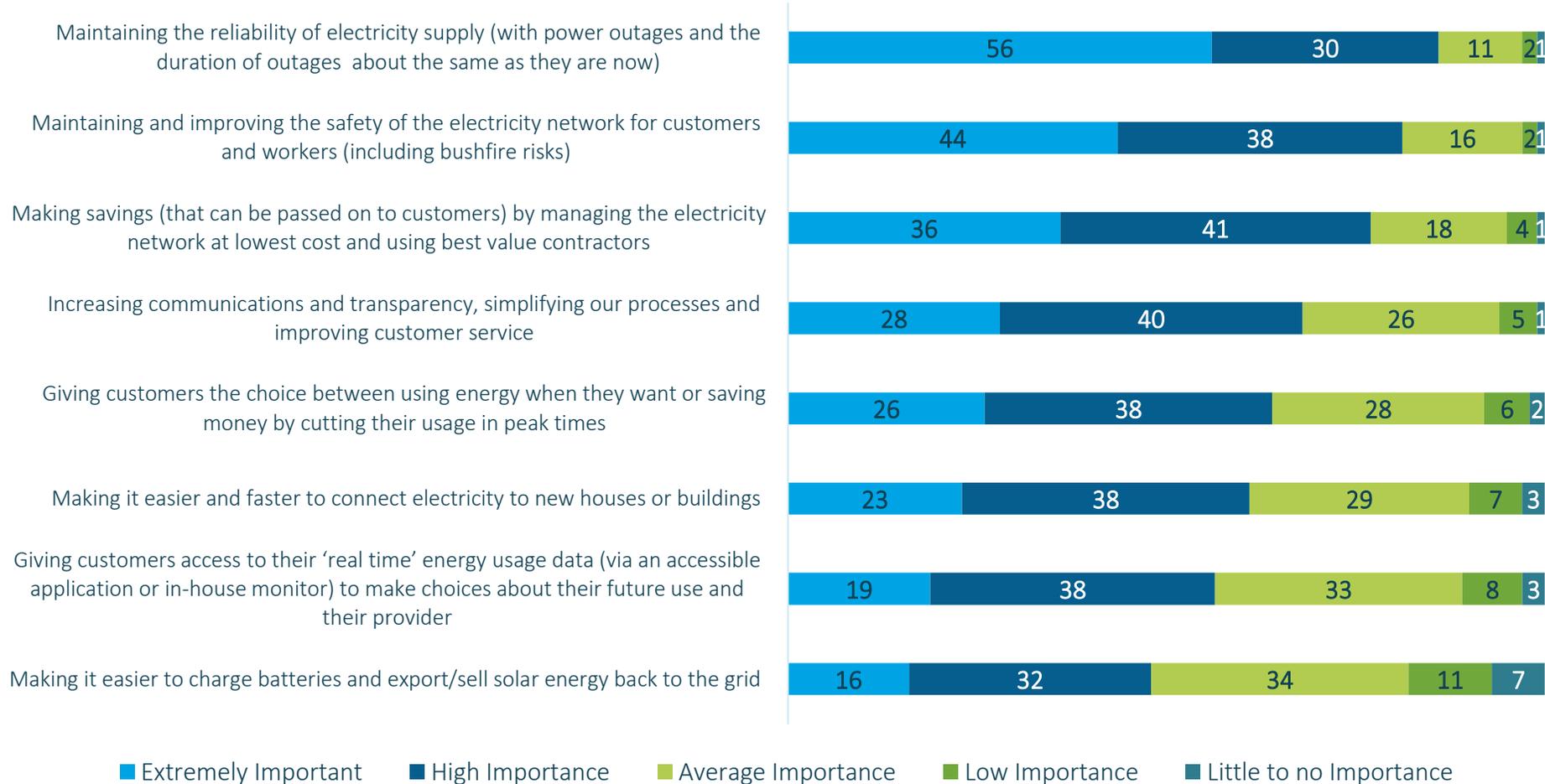
Awareness of roles of distributor



When prompted, over half of respondents were aware of the distributor's role to:

- Respond to electricity outages/interruptions;
- Get electricity to your home; and,
- Maintain poles and wires.

Importance of benefits



The two most important benefits were perceived to be:

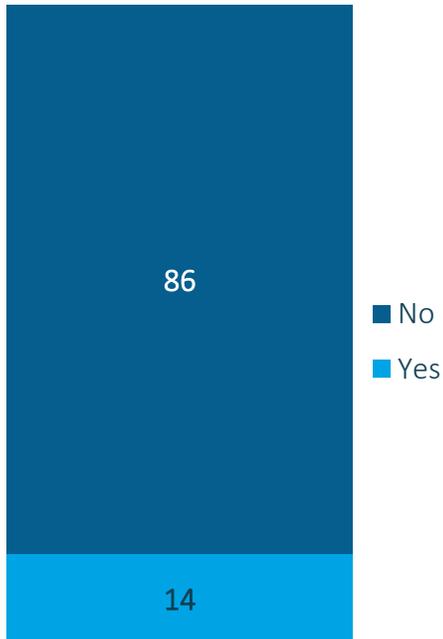
- 1) Maintaining the reliability of supply; and,
- 2) Maintaining and improving the safety of the network.

MAKING IT EASIER TO CONNECT



Experience with connecting a new house

Experienced new connections



Satisfaction with timeframe and process



■ Very Satisfied ■ Quite Satisfied ■ Neither ■ Quite Dissatisfied ■ Very Dissatisfied

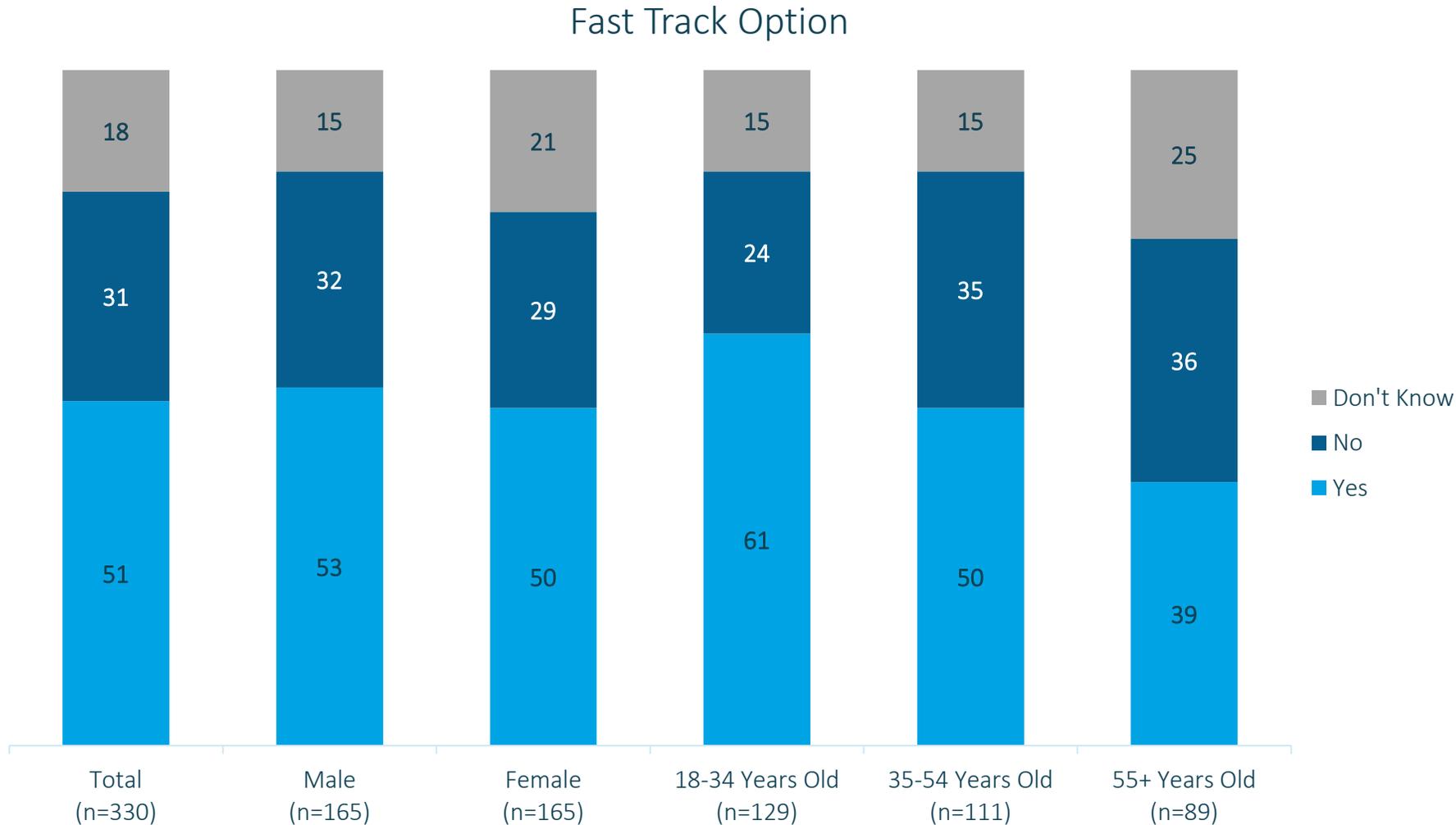
Suggestions to improve connection process	Respondents who had connected and were not satisfied (n=20*)
Quicker connection/response	19
Not being charged/being charged less	18
Better communication	17
Not making errors	3
Accurate time information/dates	3
Better organisation/efficiency	3
Other	14
Nothing	3
Don't know	33

- While only 14% of respondents had experienced having power connected to a new home, nearly three-quarters (74%) indicated they were satisfied with the experience.
- Faster connections, pricing and communication were the key areas for improvement.

Q11. Have you had experience in connecting a *new* house to the electricity network with [distributor]? Base: All respondents (n=625)
 Q12. How *satisfied or dissatisfied* were you with the timeframe and process? Base: Respondents who had experience connecting a new house (n=82)
 Q13. (if not code 1 or 2 above i.e. not satisfied) What would have made the connection process better?
 Base: Respondents who had experience connecting a new house and were not satisfied (n=20*)

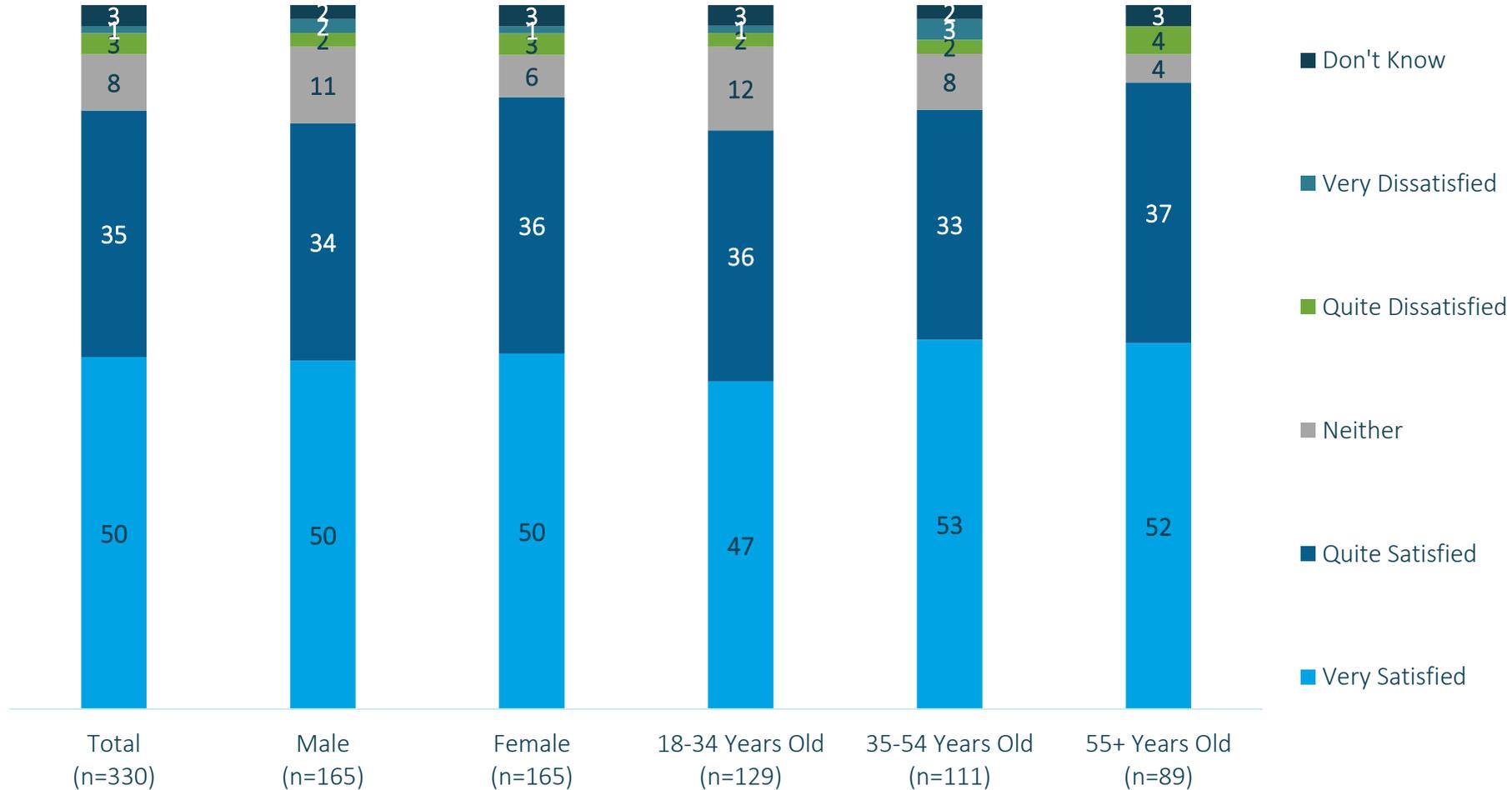
*CAUTION SMALL BASE SIZE

Agreement with the 'fast track' option



Overall, response to a 'fast track' connection option was mixed with around half of respondents agreeing with the idea, which was slightly more popular amongst the younger age groups.

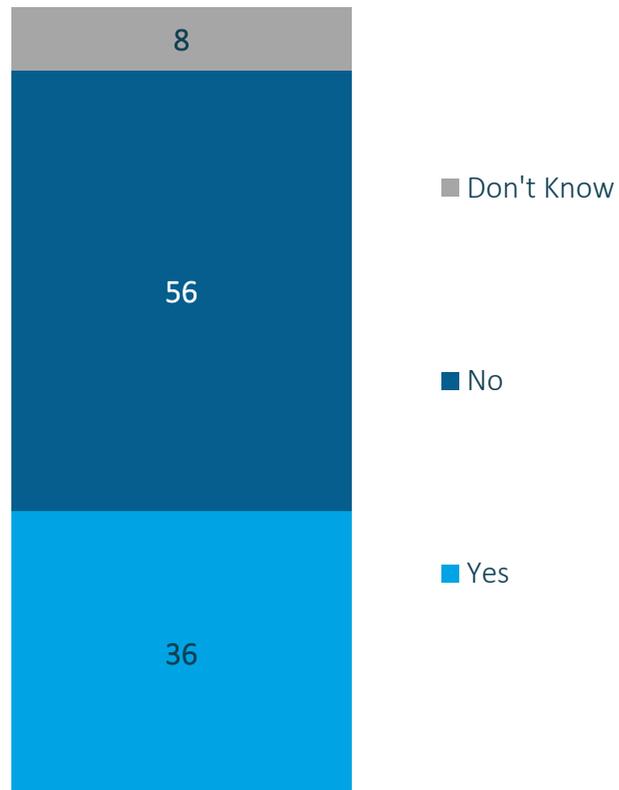
Satisfaction with current supply reliability



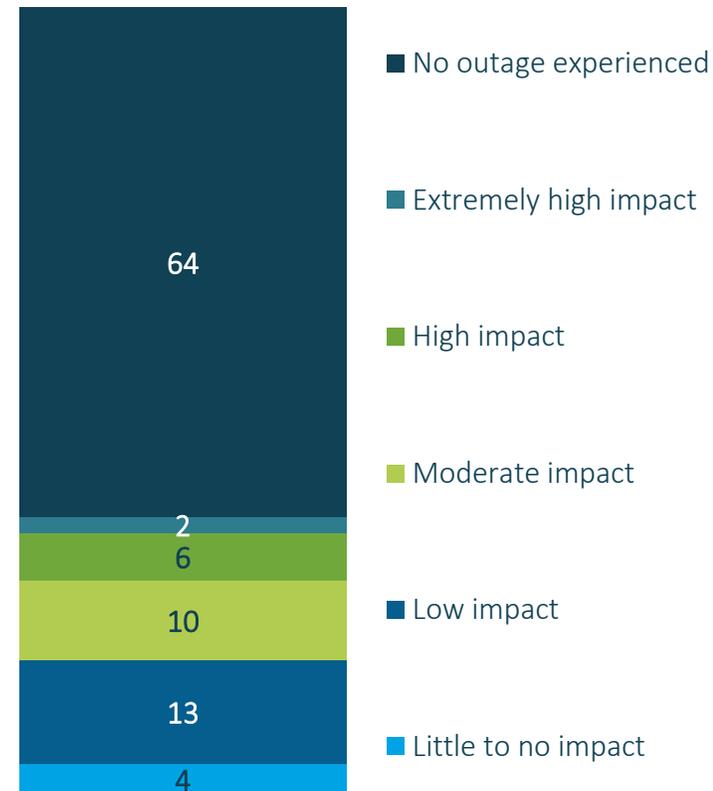
Satisfaction with the reliability of the current electricity supply was high (85% very or quite satisfied).

Outage experienced in current home

Experienced an outage in the last 2 years



Level of Impact



- Just over a third of respondents had experienced an outage in the last 2 years (36%).
- The level of impact that outages tended to have was low, however 8% did indicate a higher level of impact.

Q16. Have you experienced an outage in your current home over the past two years?

Q17. What level of impact do electricity outages currently have on your household?

Base: Respondents (n=625)

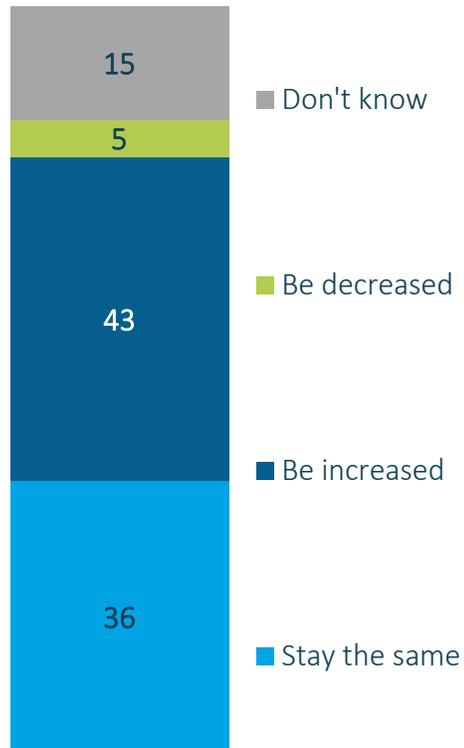
Impact of outages experienced

What were those impacts	Those who experienced a moderate level of impact or more n = 111
No heating/cooling/effect on old people, children	20
Loss of/worried about loss of food in the freezer/fridge	19
General inconvenience/inability to carry out normal living	14
No lights/scariness/risk of accidents/no light for customers/security problem	11
The inability to cook	10
No internet/cant find out what's going on	10
Not being able to use any appliances/anything/everything is electric/or indirectly reliant on electricity	10
No TV/entertainment	8
No hot water	8
Loss of power/for particular length of time NFI	5
Not being able to get ready for work/school on time	5
Not being able to get in or out/house locks don't work/cant use lift	5
Security problems/alarms going off/not going off	4
Medical problems/eg cant use CPAP, life support backup	3
No computer/issues with computer	3
Not being able to get my car out of the garage/having to move car out for planned outage	3
Alarm clock not going off/timing devices/having to reset	3
We work from home, so unable to work/study	3
No phone/this can be unsafe/we miss calls	3
Other	11
Don't know	10

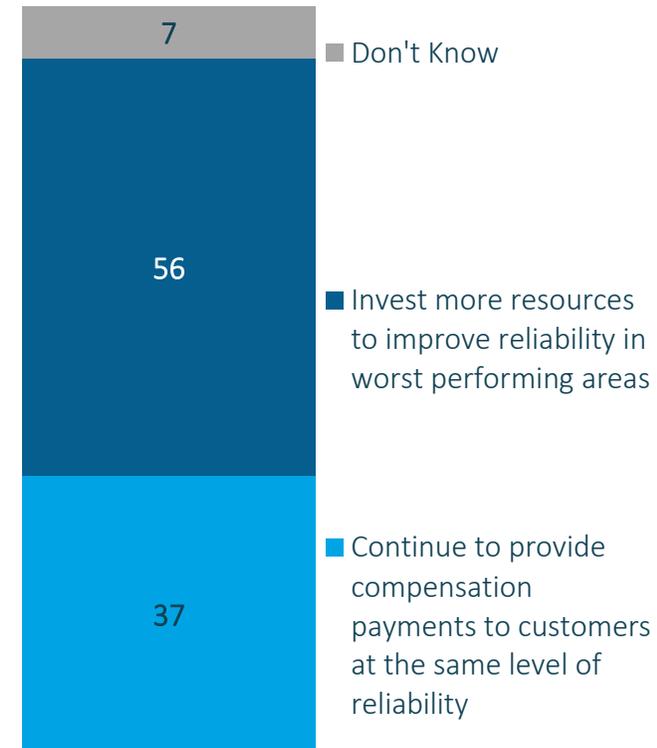
Key impacts were focused around age (i.e. a bigger perceived impact on younger or older residents), loss of food, or just general inconvenience.

Compensation payments

Should the payment levels change



Should the payments continue



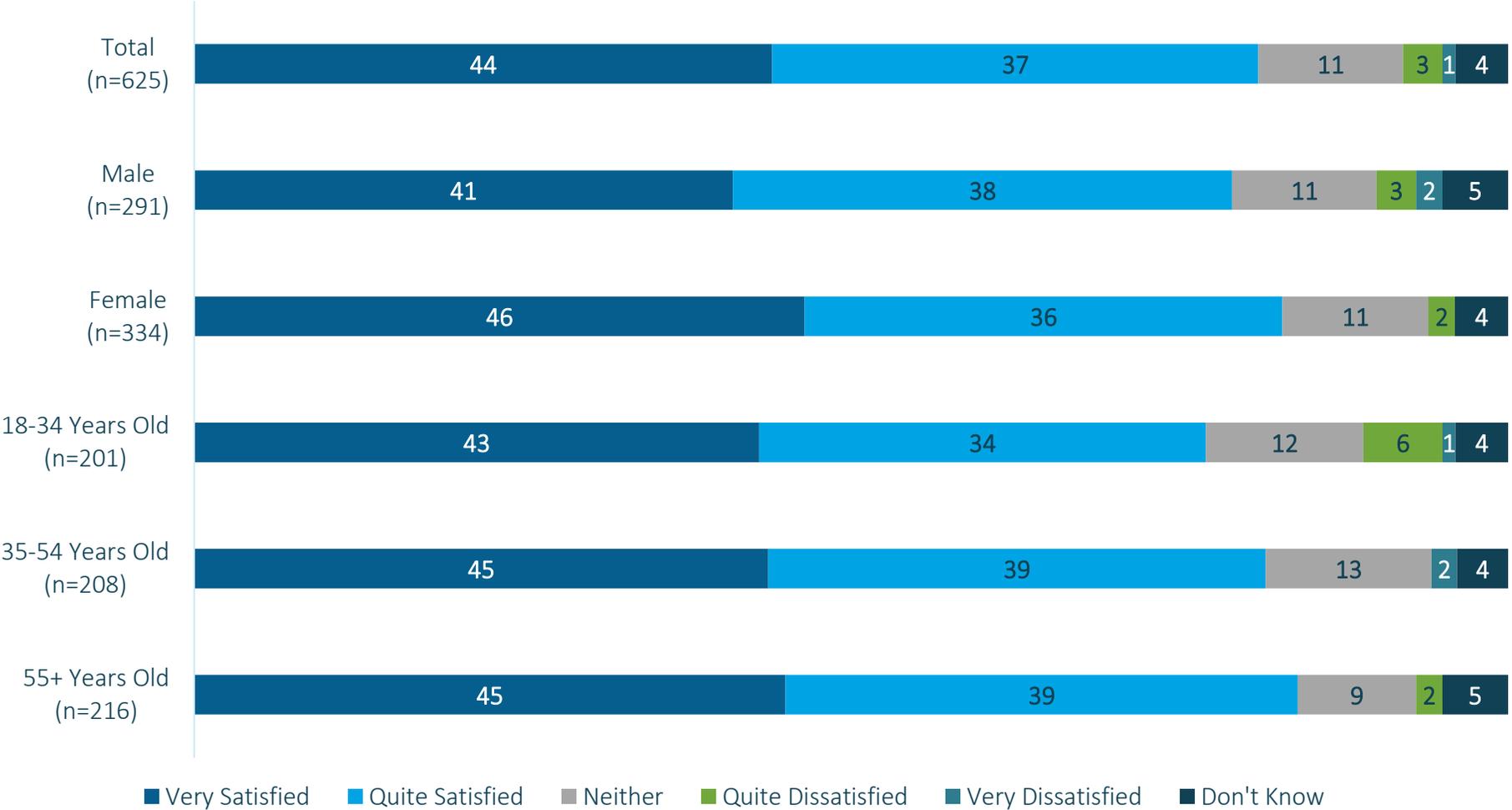
- Respondents were most likely to believe the payments should either be increased (43%) or stay the same (36%).
- Investment to improve reliability in worse performing areas was preferred over continued compensation.

Q20. When the reliability of the electricity supply does not meet the required level, the distributor must compensate customers. Currently customers receive between \$30-\$360 depending on the frequency and duration of outages. The highest payment of \$360 is paid for more than 24 unplanned and sustained interruptions per year (or 60 hours of interruptions). Do you think these payments should stay at the same level, or should they be increased or decreased?

Q21. Should the distributor continue to provide such payments to customers who experience more than a certain number of outages/hours of outages per year or should they invest more to improve reliability for those in the worst performing areas? SR

Base: All respondents (n=625)

Satisfaction with electricity supply

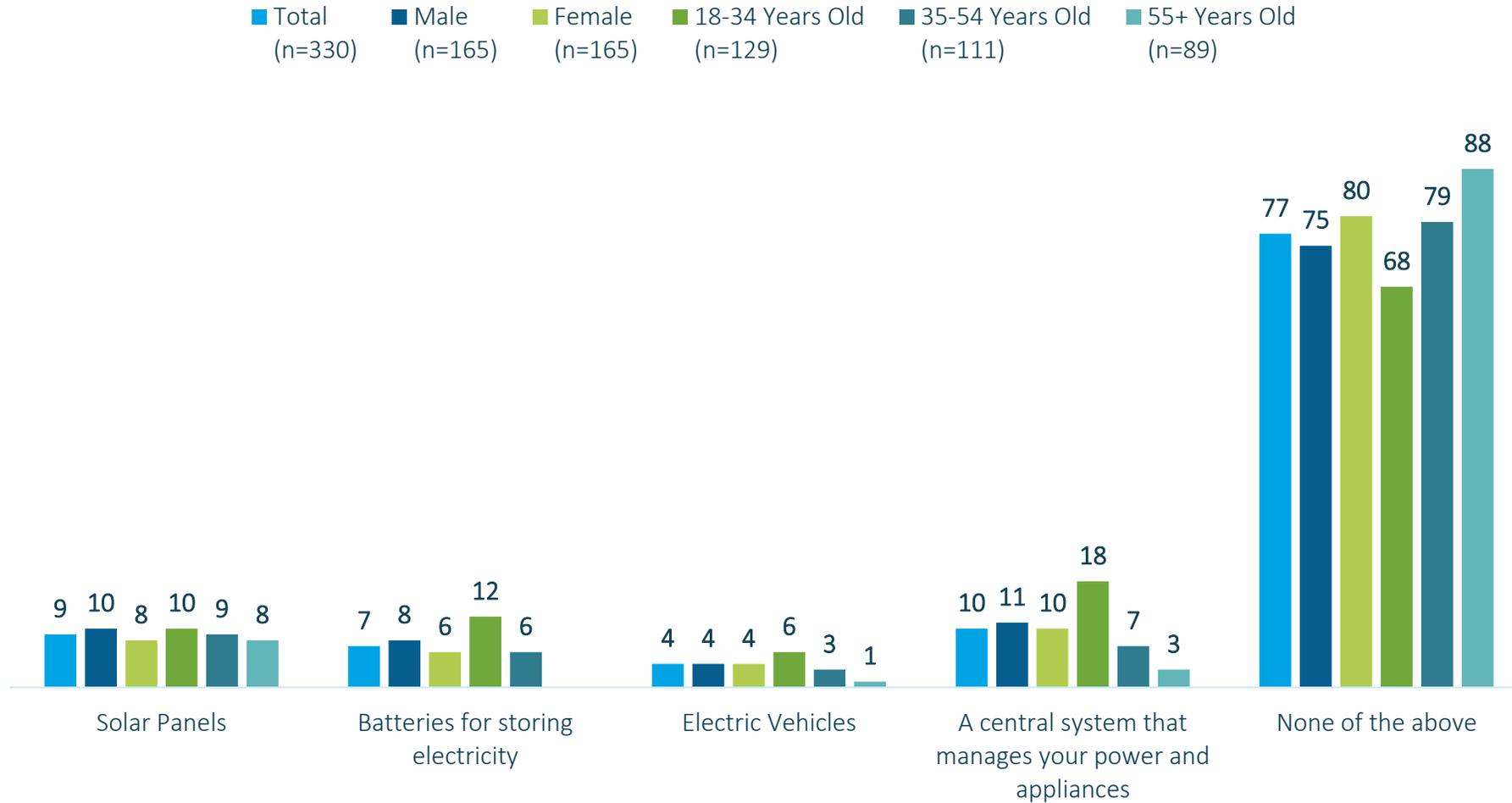


Satisfaction with overall quality of electricity supply was high amongst all demographics with 81% stating they were satisfied.



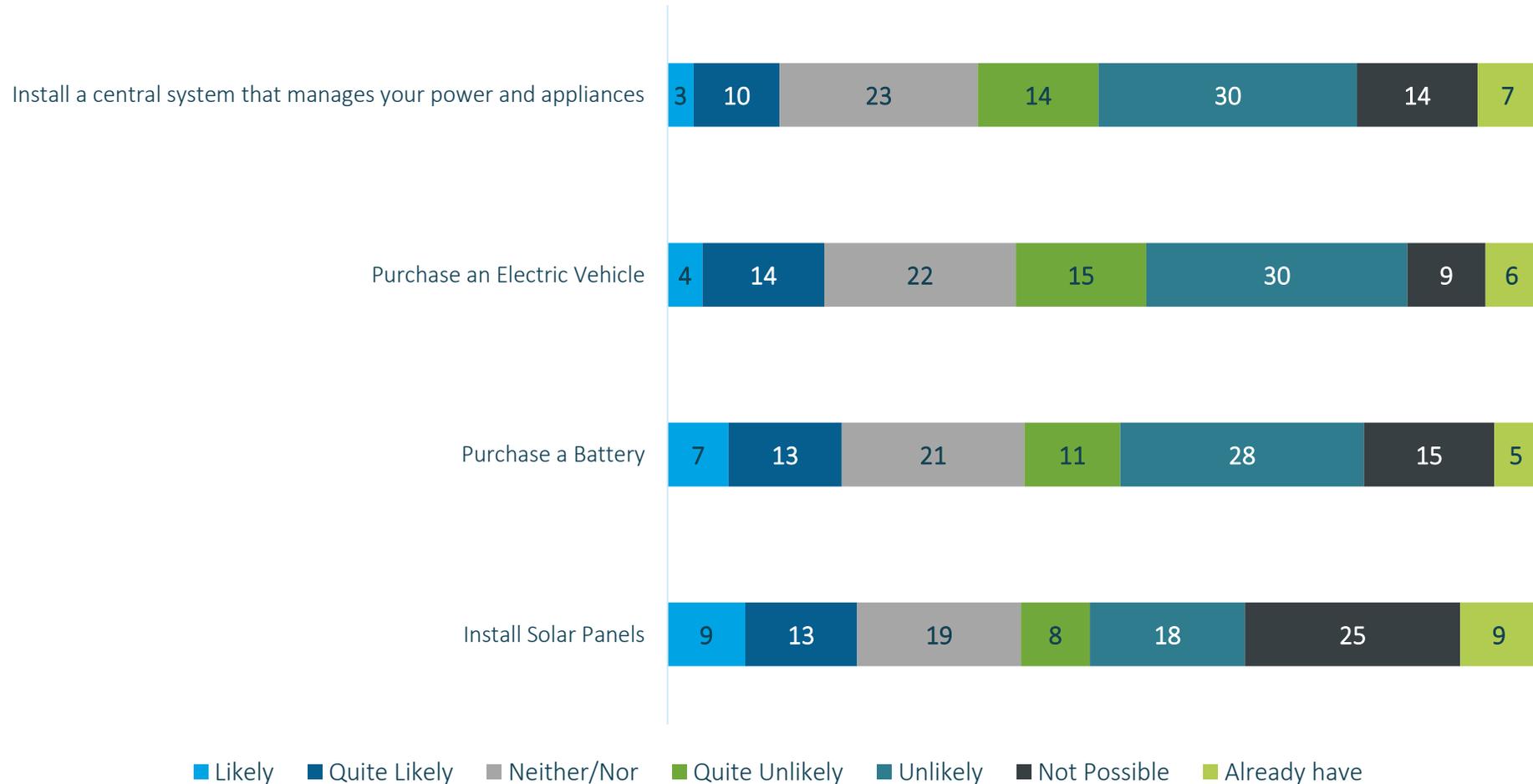
Q22. How satisfied or dissatisfied are you with the quality of your electricity supply right now (i.e. the level of flickering, surges, brownouts)?
 Base: All respondents (n=625)

Incidence of having any of the following



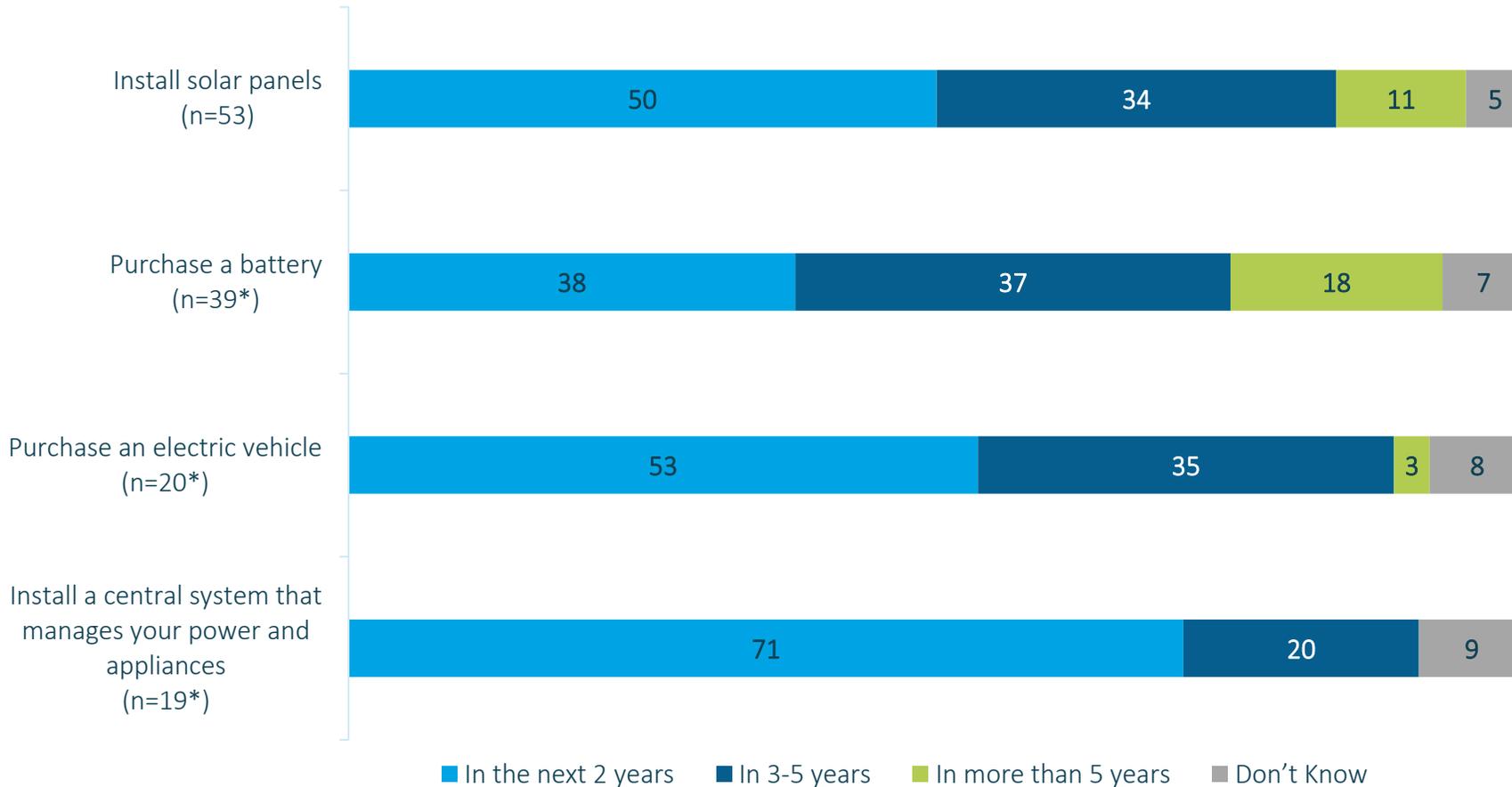
- Just under a quarter had one of the green energy options with younger respondents most likely to have them.
- Those aged of 55 years were most likely to have solar panels (if anything).

Likelihood of installing in future



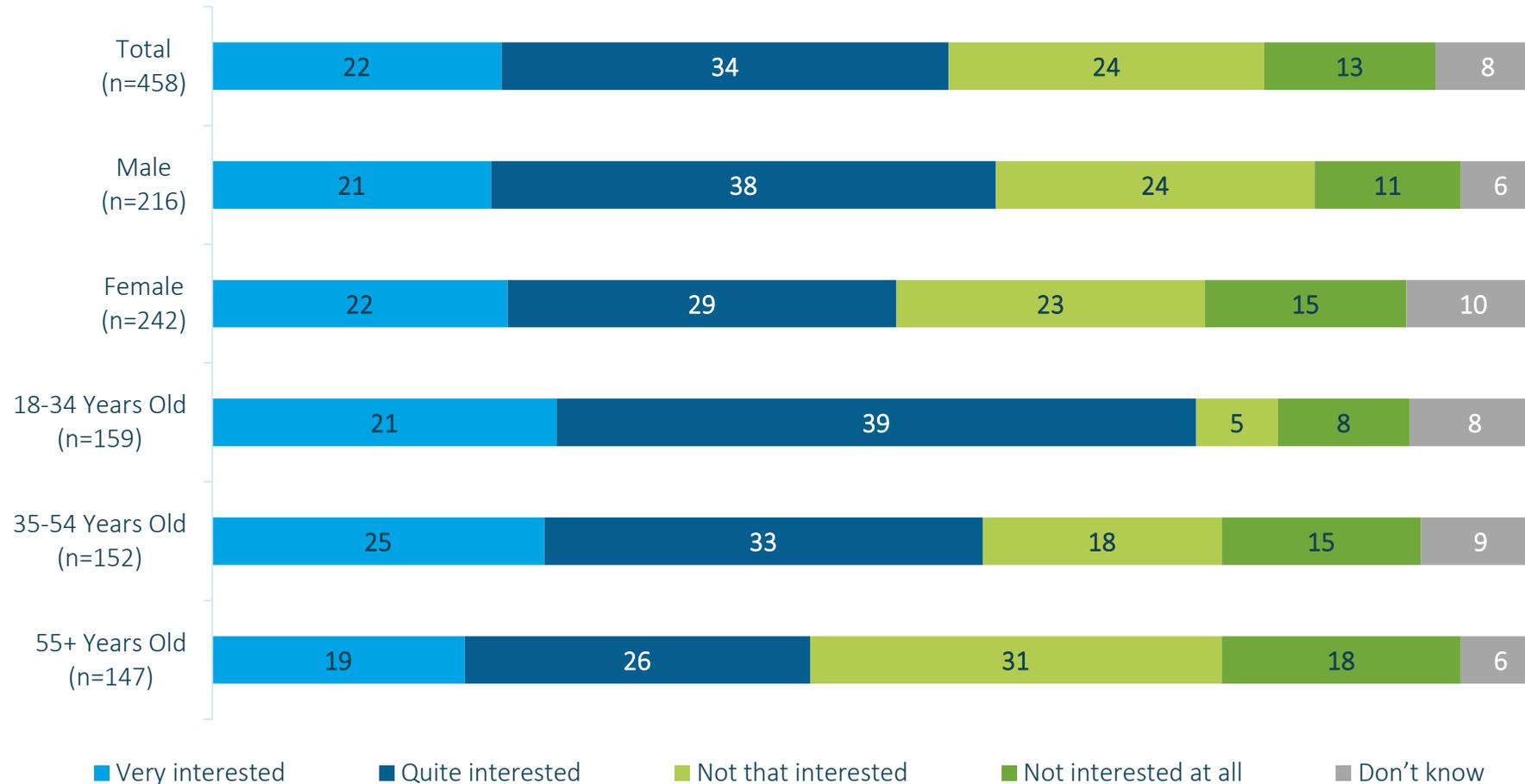
- Amongst those who indicated they did not have one of the noted technologies, there was a low likelihood to adopt.
- Installing solar panels was the most likely option (22%).

Timing of future installation



Overall, respondents thought that they would invest in these technologies in the next 2 years.

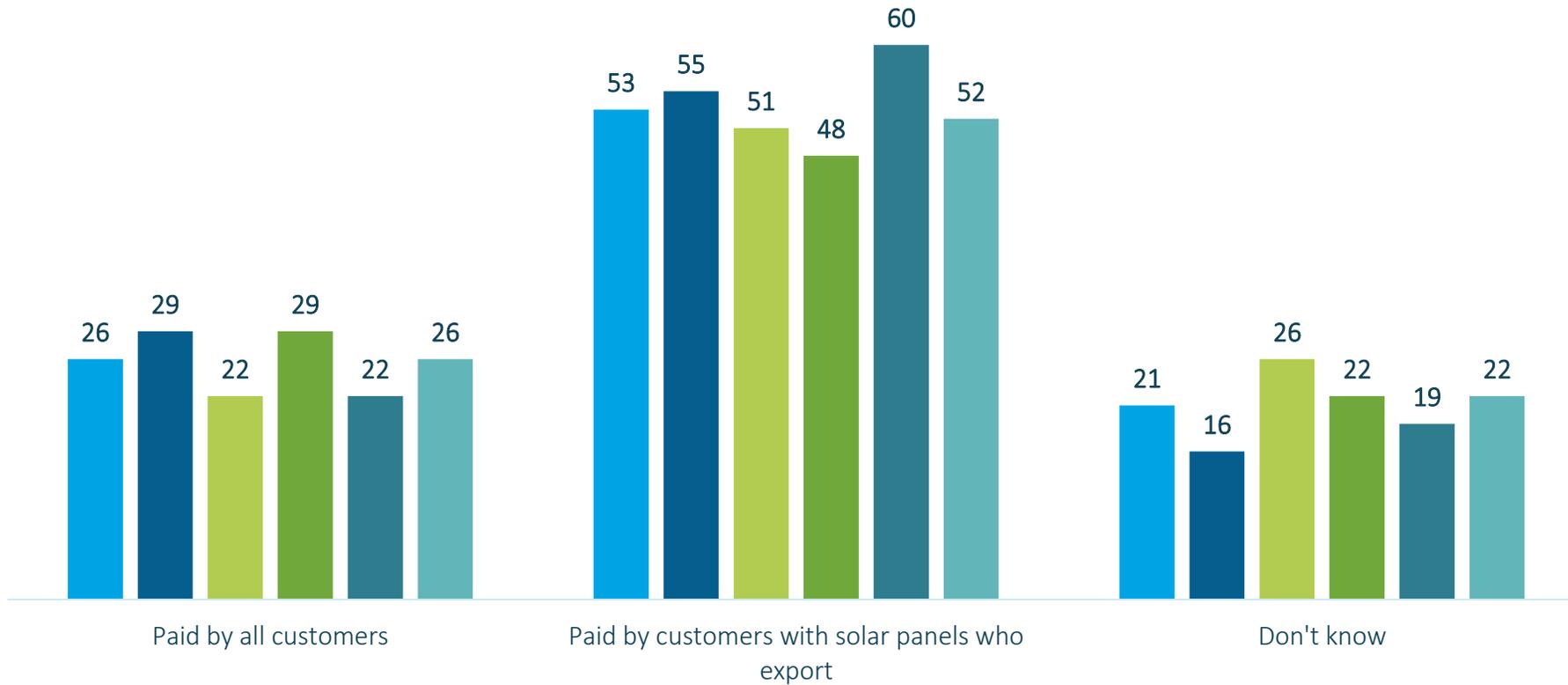
Interest in exporting/selling back to the grid



- More than half of respondents indicated they were interested in exporting/selling back to the grid
- Interest was highest amongst the youngest age group (60%) and lowest amongst those over 55 years (45%).

Investment in power quality

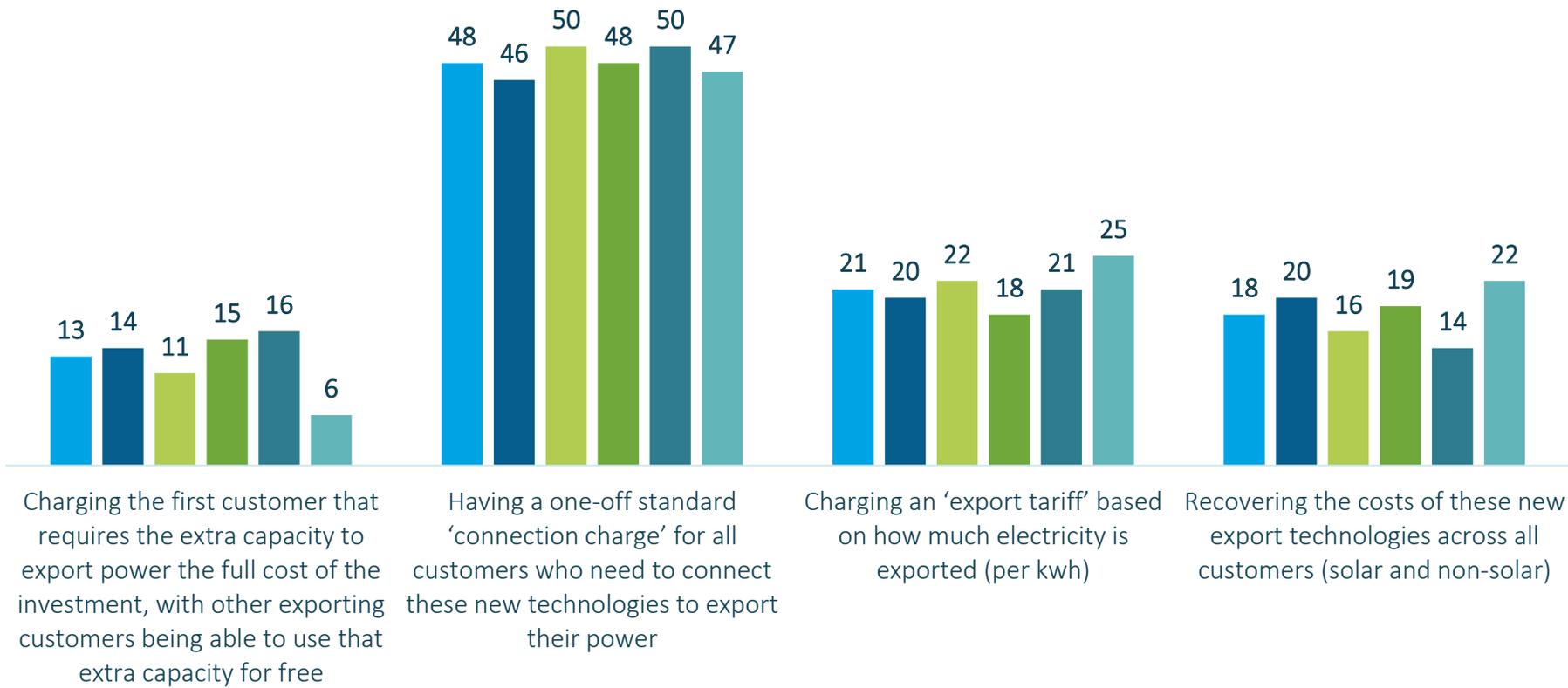
■ Total (n=625)
 ■ Male (n=291)
 ■ Female (n=334)
 ■ 18-34 Years Old (n=201)
 ■ 35-54 Years Old (n=208)
 ■ 55+ Years Old (n=216)



The majority of respondents indicated a preference for improving power quality to be paid for by those who exported solar power energy.

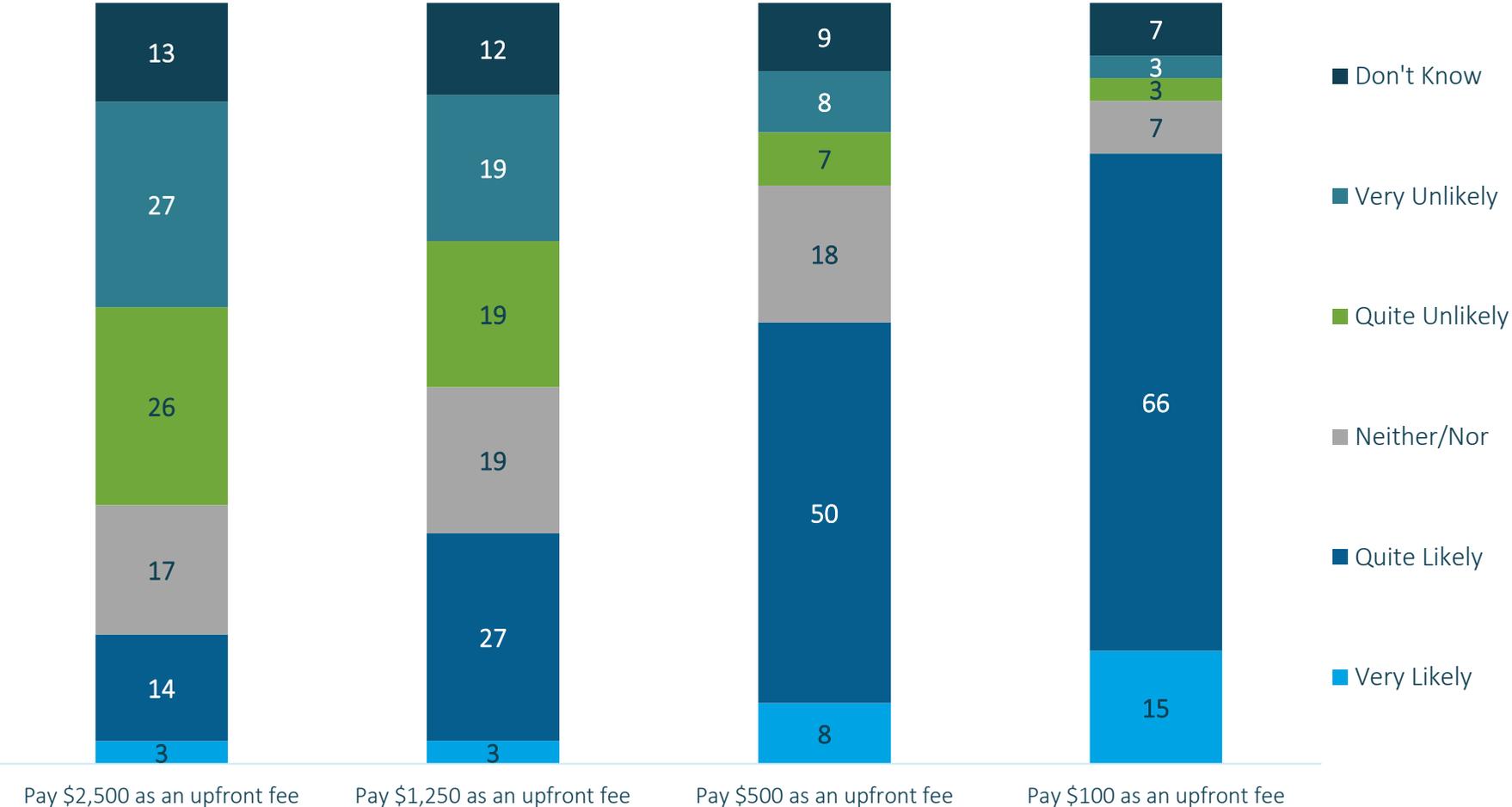
Funding extra capacity investments

■ Total (n=625)
 ■ Male (n=291)
 ■ Female (n=334)
 ■ 18-34 Years Old (n=201)
 ■ 35-54 Years Old (n=208)
 ■ 55+ Years Old (n=216)



Nearly half of respondents overall felt that there should be a 'one-off' standard connection charge for connecting new technologies to export power.

Likelihood of paying one off fees

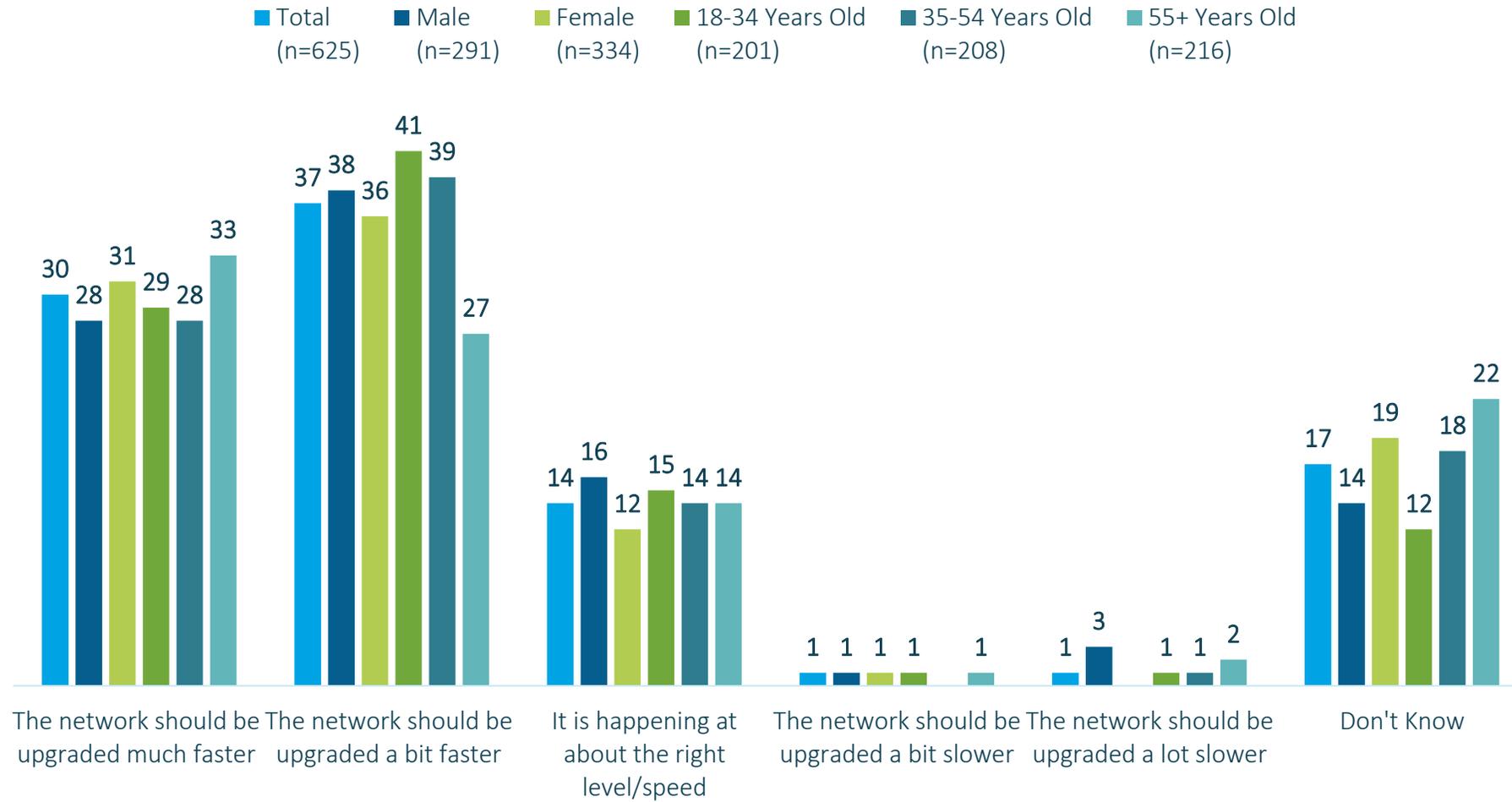


More than half of respondents were likely to pay a \$500 upfront fee.



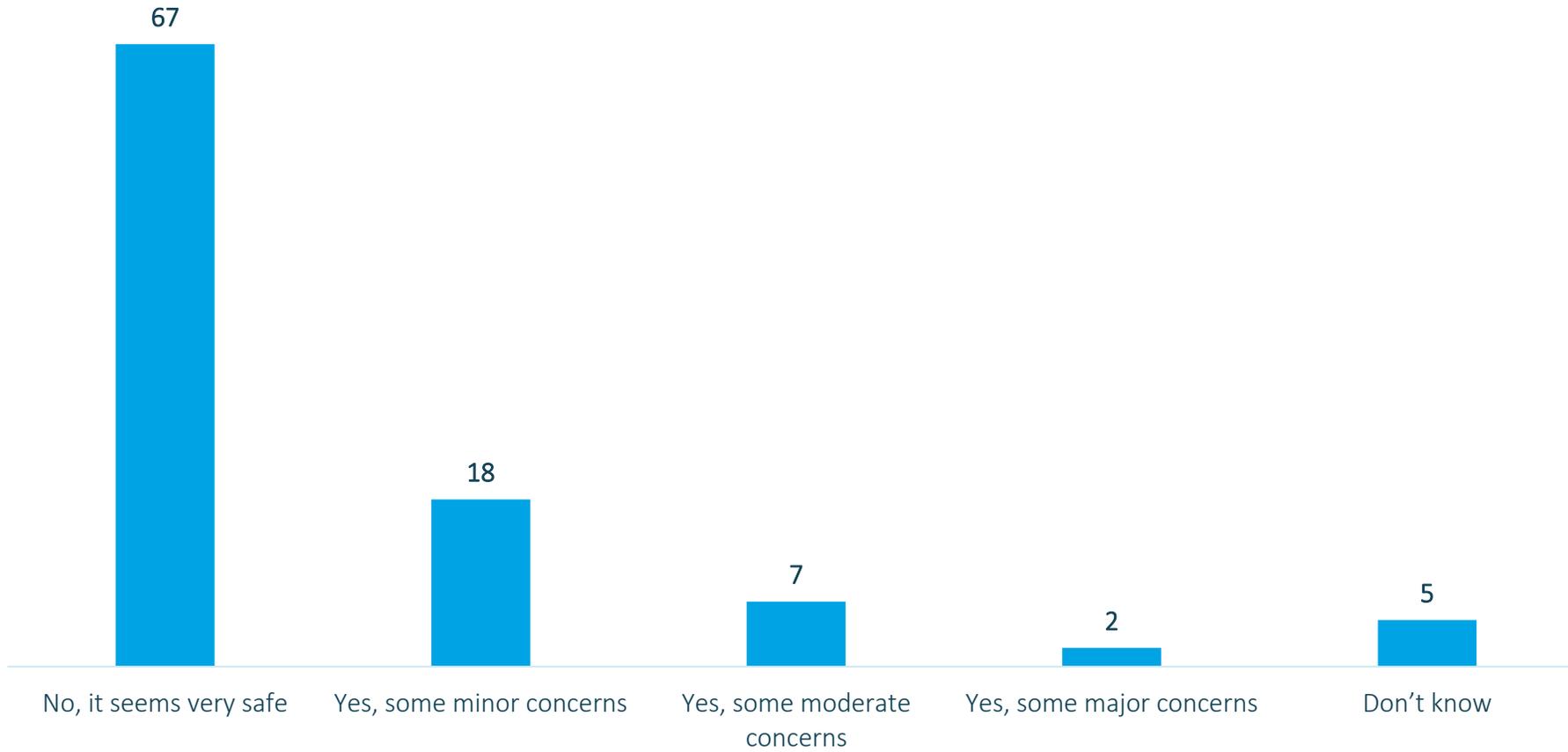
Q29. [If Option 2 is chosen in Q28] How likely do you think customers would be to pay \$2,500 as an upfront connection charge for a typical 5kW solar system to guarantee the ability to export power to the network? If they **do not say very or quite likely** to this then ask same question for \$1,250. If they say do not say very or quite likely to this then ask \$500. If they do not say very or quite likely then ask 'less than \$100'.
 Base: Respondents who wanted a one-off standard connection charge (n=304)

Upgrade timeline



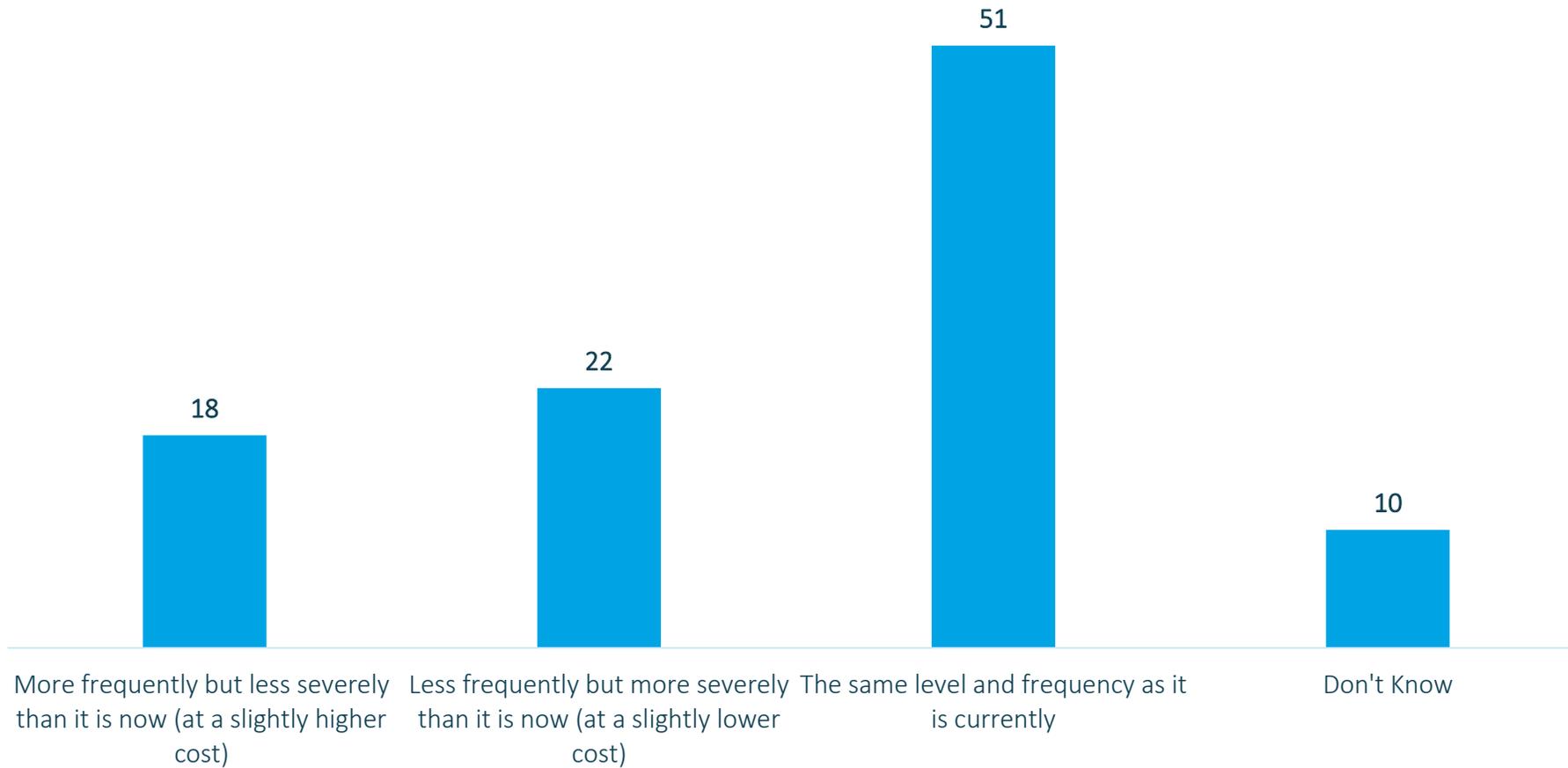
Over a third of respondents (37%) felt that upgrades could happen a bit faster, and another 30% thought it should be done 'much faster'.

Concerns about safety



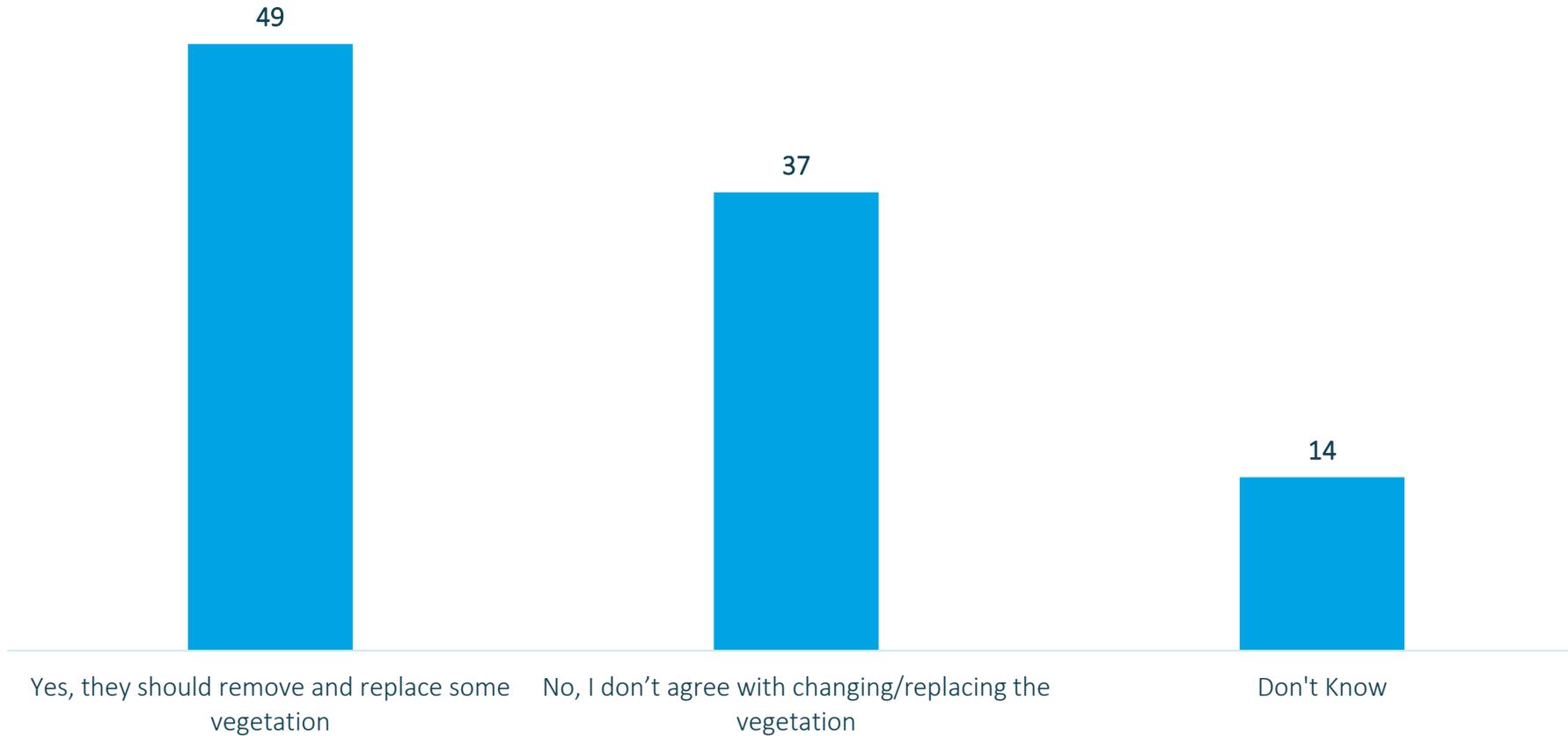
Concerns for safety were generally low, however some minor and moderate concerns were noted.

Vegetation maintenance



Most respondents felt that vegetation maintenance was adequate, while around 1 in 5 were happy for the management cycle to increase or decrease.

Replacing vegetation

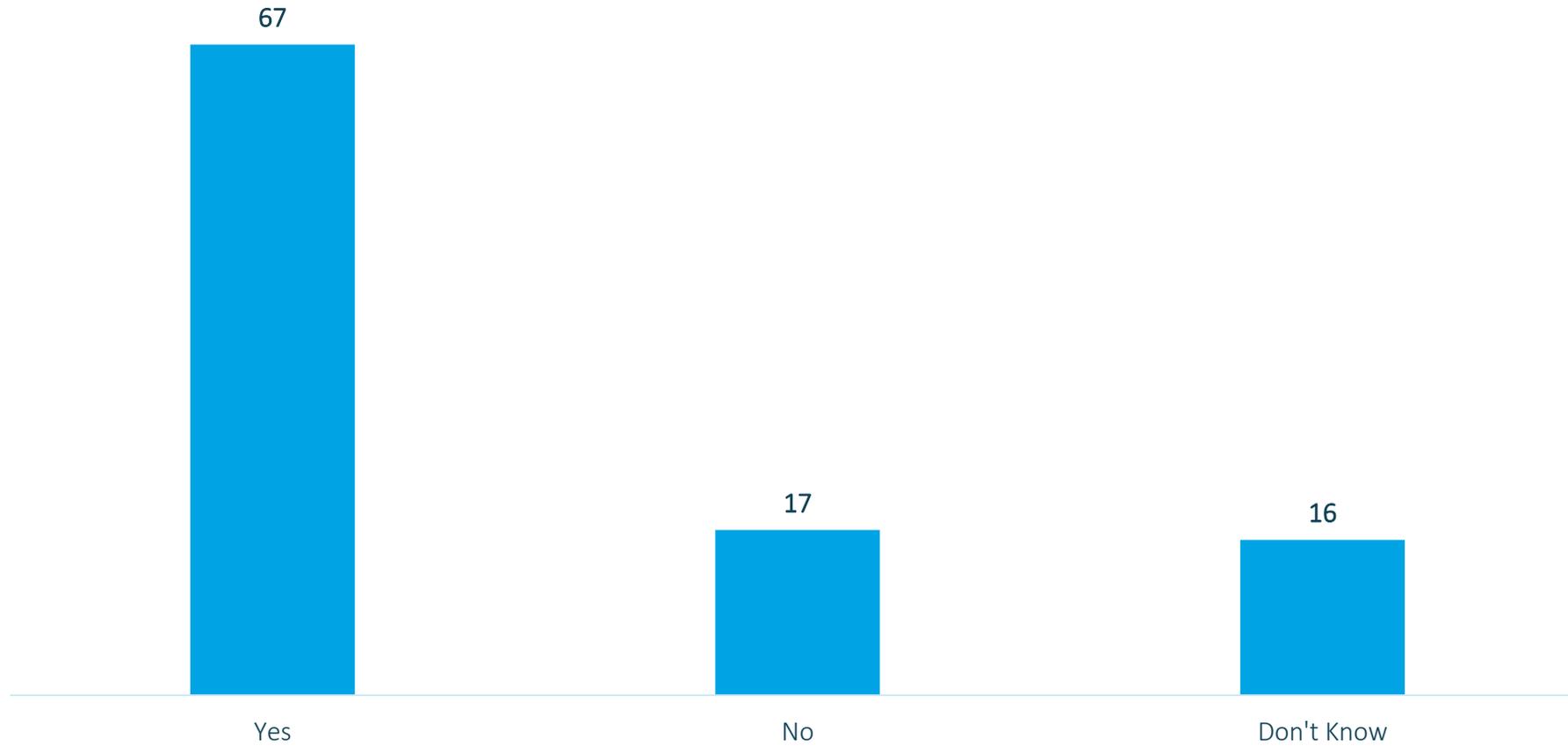


Nearly half of respondents agreed that some vegetation should be removed and replaced with things such as low-growth trees.

Q33. Costs could be reduced if some vegetation was permanently removed and replaced with more appropriate types of vegetation selectively replanted, such as low-growth trees. Do you think the distributor should consider removing and replacing vegetation instead of regularly trimming the same trees/shrubs?

Base: All respondents (n=625)

Underground electricity assets

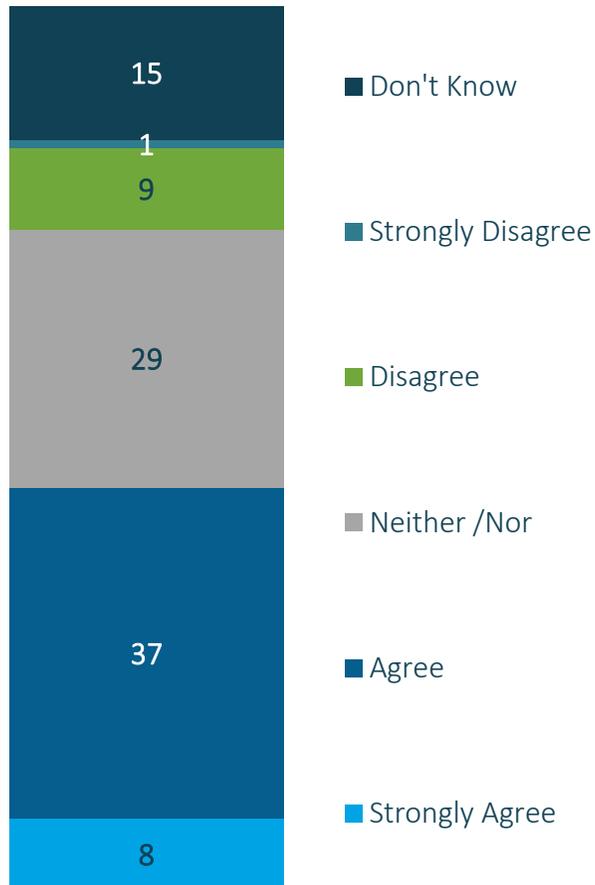


Even though it costs more to consumers, two-thirds of respondents indicated a preference for undergrounding electricity assets.

Q34. Putting electricity assets underground eliminates safety risks, however, it costs significantly more to house wires underground initially. Should (insert distributor) invest in moving poles and wires underground that are in road accident black spots, albeit at a slightly higher cost to consumers?

Base: All respondents (n=625)

Management of safety



Suggestions to improve safety	Respondents who disagreed that enough safety management was being done n=63 %
Put powerlines underground	19
Do more maintenance of/around powerlines/infrastructure	11
Spend money on upgrades rather than pay rises, profits etc.	9
Do more checking of the network/the poles/lines	7
Making safety a priority	7
More/ a better job/get off their backsides NFI	5
Cut back vegetation around power lines/reduce growth	4
Let people know safety info/risks/more info on what to do	3
Be more proactive/fixing things before they become a problem	2
None	5
Don't know	25
Other	8

- Just under half of respondents (45%) felt enough was being done to manage safety across the network, with another 29% indicating they were impartial.
- Undergrounding and increasing maintenance were the main suggestions for improvements.

Q37. Do you agree or disagree that there is enough being done to manage safety across the electricity network?

Base: All respondents (n=625)

Q38. What should [insert distributor] be doing with regards to safety?

Base: Respondents who disagreed that enough safety management was being done (n=63)

Real time access to data

Level of Interest

■ Don't Know

■ Not interested at all

■ Not that Interested

■ Quite Interested

■ Very Interested



Likely to Use

■ Don't Know

■ Not Likely at all

■ Not that Likely

■ Quite Likely

■ Very Likely



- Nearly two-thirds (65%) of respondents were interested in accessing their real time energy usage data.
- Nearly three-quarters (73%) of respondents indicated they were likely to use the real time data to receive rebates or savings.

Benefits of real time access

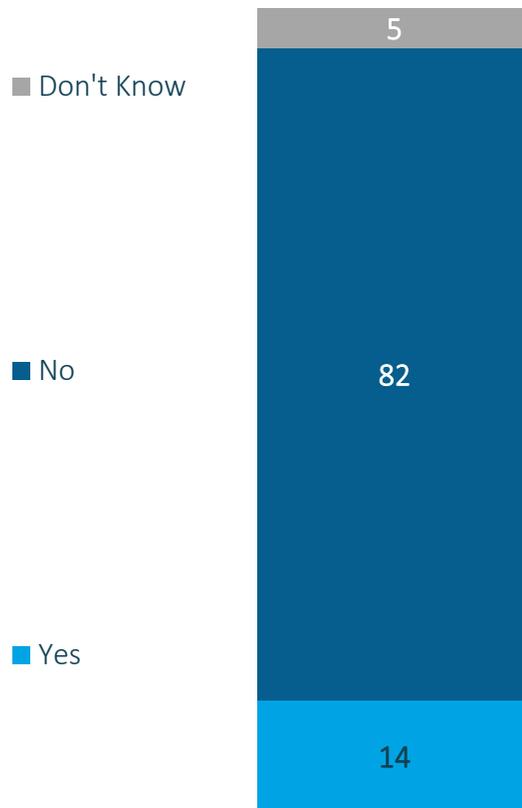
Benefits of real time access	n=625 %
The ability to manage/adjust usage/consumption	20
The ability to monitor/monitor accurately your usage	14
Save money/lower our bill/control costs	12
Being able to pinpoint what uses the most electricity	9
Being able to see the best time for heavy usage activities/to decrease usage in peak	8
No unexpected bills/know your costs/track spending/budgeting/costings	8
It gives information/better understanding/ability to make informed choices	8
Lower energy consumption/not wasting power	6
It may help you to work out the best ways /where to cut use if needed/see unnecessary usage	4
Being able to see when I'm using most power	4
Looking at it in real time/immediacy	3
Knowing when /that you need to cut down usage/if you have overdone it	3
Seeing the immediate impact of an action e.g. turning on a/c/makes you more aware	2
Greater accountability/transparency	2
Don't know	14
None	9
Other	7

The main perceived benefits of having access to real time data included:

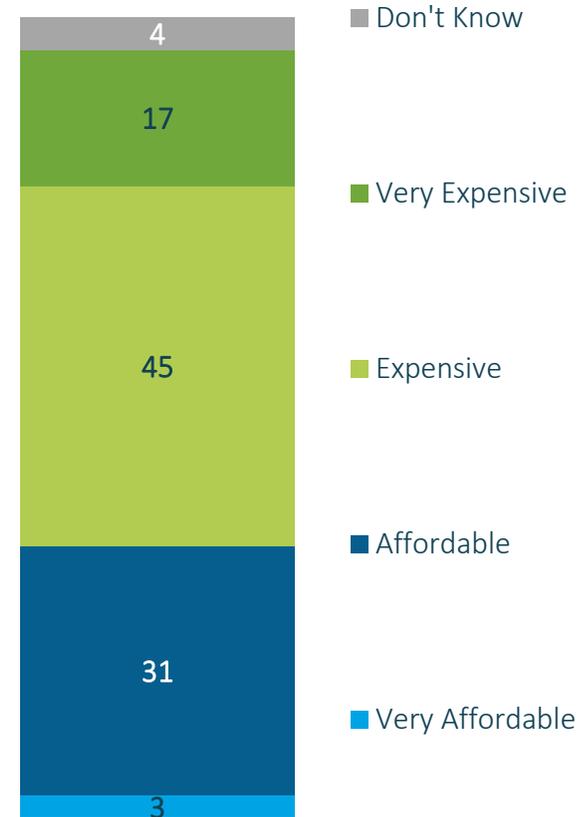
- Managing/adjusting consumption
- Saving money
- Identifying high usage appliances

Affordability

Difficulty Paying a Bill



Affordability



While 82% indicated they had not had difficulty paying an electricity bill, nearly two-thirds (62%) felt their bills were expensive or very expensive.

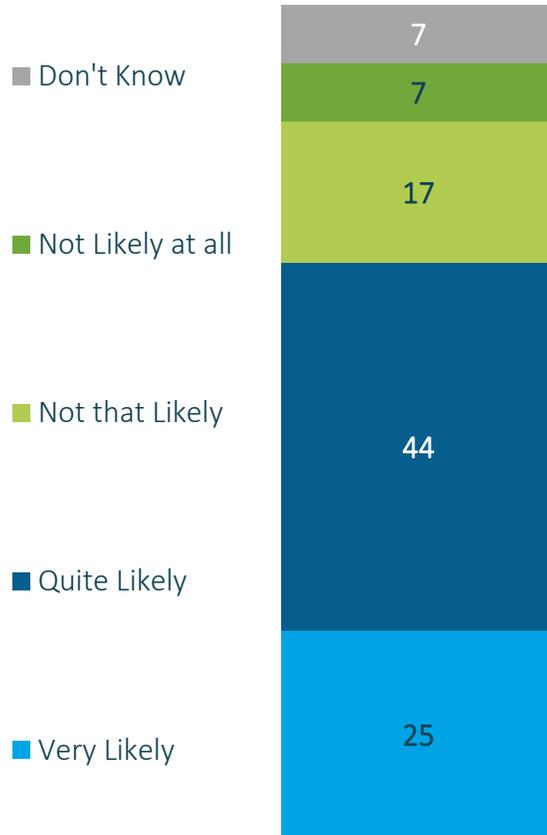
Q42. In the last 12 months, have you had any difficulty paying your bills, and sought advice/assistance for methods of payment or deferral of payment?

Q43. How would you rate the affordability of your electricity over the past 12 months?

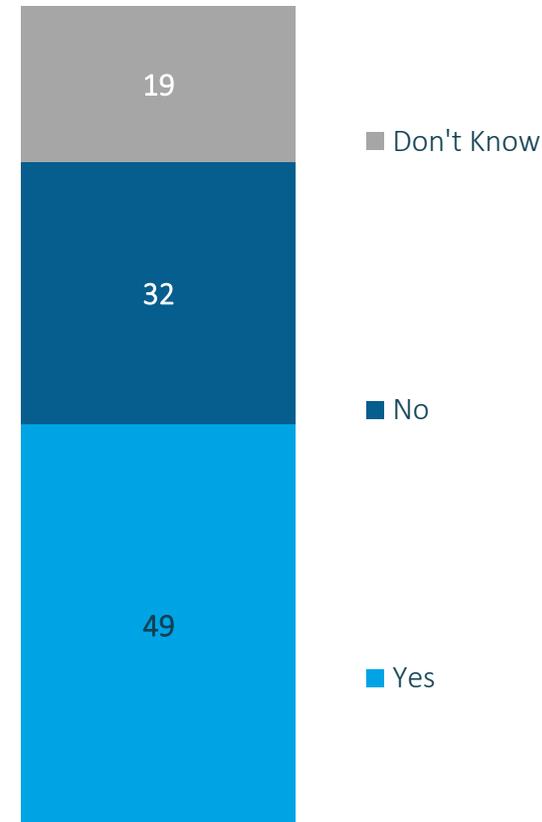
Base: All respondents (n=625)

Controlling energy usage

Likelihood to participate in trials or programs



Allowing distributor remote access to adjust your energy use.



- Over two-thirds (69%) indicated they were likely to participate in trials or programs to receive a small financial incentive or reward.
- However only 49% were willing to allow CitiPower to remotely adjust energy usage for appliances.

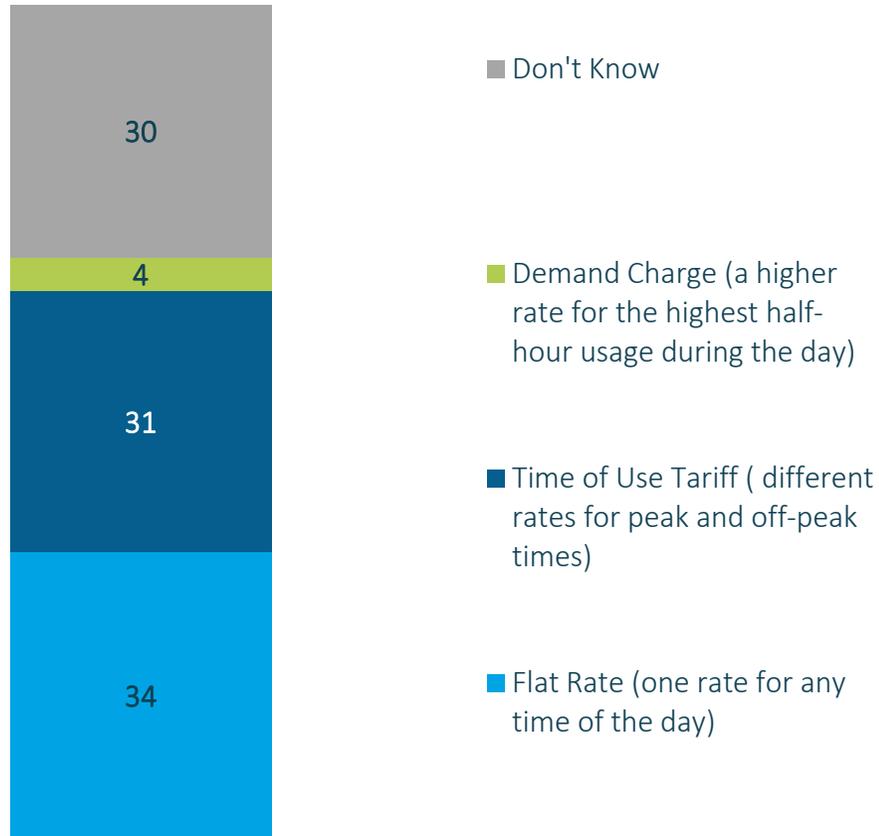
Q44. How likely is it that you would participate in trials or programs where you can receive a small financial incentive or reward (approx. value of \$10-15) to reduce your electricity usage at peak times when asked by the distributor?

Q45. Would you be interested in receiving a small incentive (approx. value of \$10-15) to allow the distributor to adjust your energy use remotely for appliances like air conditioners if you didn't notice a large difference in heating/cooling?

Base: All respondents (n=625)

Tariffs

Current pricing structure



What type of tariff do you think you should be on



Many respondents were unaware of what their current electricity pricing structure was, however many perceived they should either be on time of use tariff or a flat rate.

Q46. What is the pricing structure of your current electricity bill?

Q47. Taking into account your pattern of electricity use and your energy sources (e.g. whether most of your usage is only at certain times during the day or whether you have solar or batteries), what type of tariff do you think would best suit your needs?

Base: All respondents (n=625)

