

# POWERCOR RESIDENTIAL SURVEY – Phase 3

Prepared for: 



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# Powercor residential survey results | Contents

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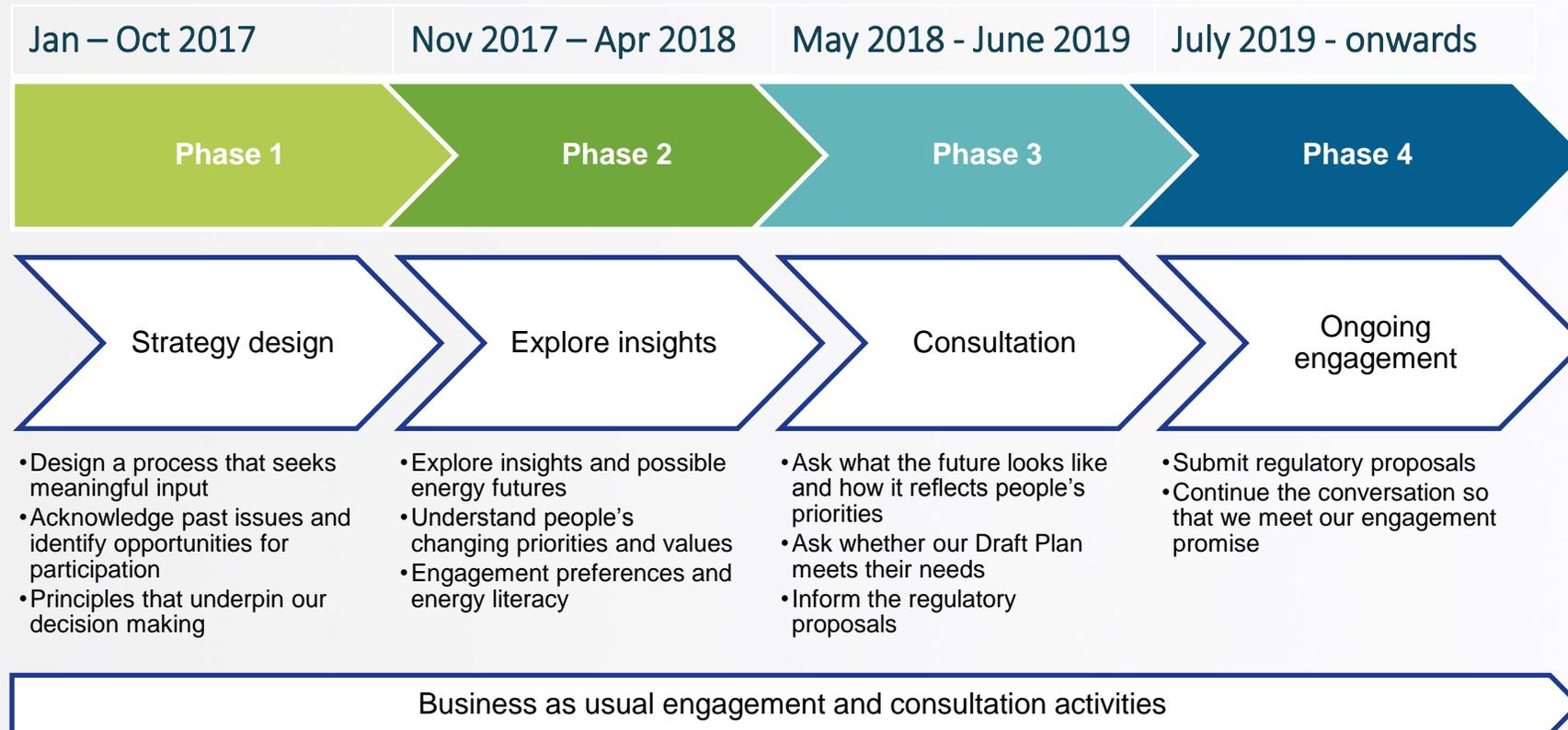
# Background and context

- Powercor is required to provide a regulatory proposal to the AER every five years, detailing its predicted expenditure and revenue requirements over the regulatory period.
- Powercor is currently developing its regulatory proposal to the AER for the 2021-2025 regulatory period.
- To help shape this regulatory proposal, Powercor 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.

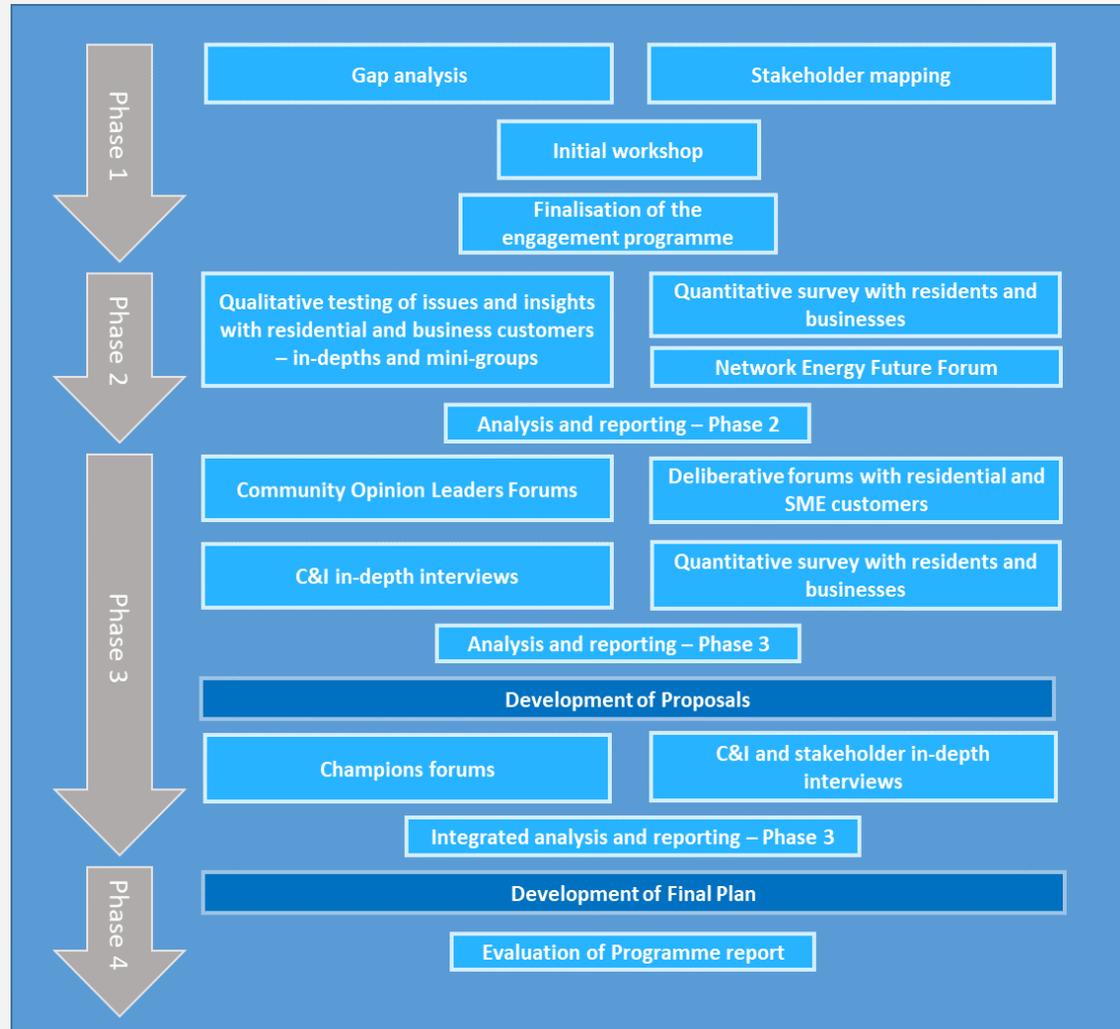


# Engagement programme

We are currently in phase 3 of the programme



# Engagement methodology





# Key findings

## Knowledge & Literacy

- Similarly to last year, most residential Powercor customers did not know the name of their electricity distributor (73%), with many confusing their retailer and distributor.
- When prompted, almost three quarters were aware that the distributor responded to electricity outages, got electricity to their homes and maintained poles and wires. Less than a half were aware that the distributor trimmed vegetation around powerlines, maintained street lighting and provided long term planning.

## 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 (22%) but most were satisfied with the experience (81%).
- Responses to a 'fast track user pays' option were mixed with the majority not supporting or saying they did not know.

# Key findings

## Reliability of supply

- Satisfaction with the reliability of the current electricity supply was high (85%).
- However, more respondents had experienced an outage than in other networks with two thirds of respondents having experienced one in the last 2 years (67%). The level of impact was higher with almost a half stating at least a moderate level of impact.
- Half believed that all customers should pay for improved reliability in areas with lower reliability with 29% stating that only those in poorly served communities should pay.

## Compensation payments (GSLs)

- Respondents were likely to believe that GSL payments should either be increased (41%) or stay the same (41%). 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

- Nearly a third of customers had either solar panels, a battery, electric vehicle or central system to manage power and appliances. 28% had solar panels with 38% of those aged 55 years and over having them.
- Obtaining a battery was the most likely option for those who don't currently have these options.

# Key findings

- Most thought that they would invest in these technologies in the next two years.
- Around six in ten indicated they were interested in exporting/selling back to the grid in the future (of those who said it was possible to have solar panels).
- Four in ten 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 (however over half did not agree with this).
- Nearly half of respondents favoured a 'one-off' standard connection charge for connecting new technologies to export power. Six in ten said they thought customers would be likely to pay a \$500 upfront fee.
- 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 two thirds believed that Powercor should remove and replace some vegetation.

# Key findings

## Undergrounding

- Even though it costs more to consumers, almost two-thirds of respondents indicated a preference for undergrounding electricity assets. However, there were mixed views about the timeframe.
- There were quite mixed views about whether safety switches (REFCLs) should be used on days other than total fire ban days with 45% agreeing.
- After hearing about the safety strategies, just under half of respondents felt enough was being done to manage safety across the network, with another 32% indicating they were impartial.
- Undergrounding, better vegetation management and more 'checking' of poles & wires were the main suggestions for improvements.

## Energy usage data

- More than half of respondents were interested in accessing their real time energy usage data.
- More than three-quarters of respondents indicated they were likely to use the real time data to receive rebates or savings.
- The main perceived benefits of having access to real time data included monitoring usage, managing & adjusting usage 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, two-thirds felt their bills were expensive or very expensive.
- 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 Powercor.
- Just under a half were willing to allow Powercor to adjust their energy usage remotely for appliances such as air conditioners if they didn't notice a large difference in heating/cooling (45%).
- 29% were unaware of what their current electricity pricing structure was and 42% thought they were on a Time of Use tariff.
- Most thought that a Time of Use tariff would suit them best (54%).



# Methodology

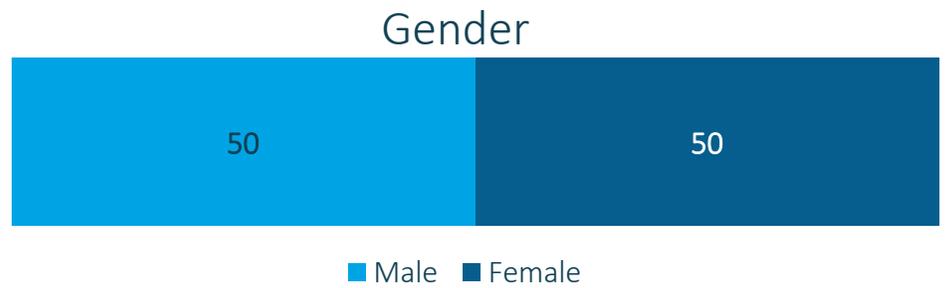
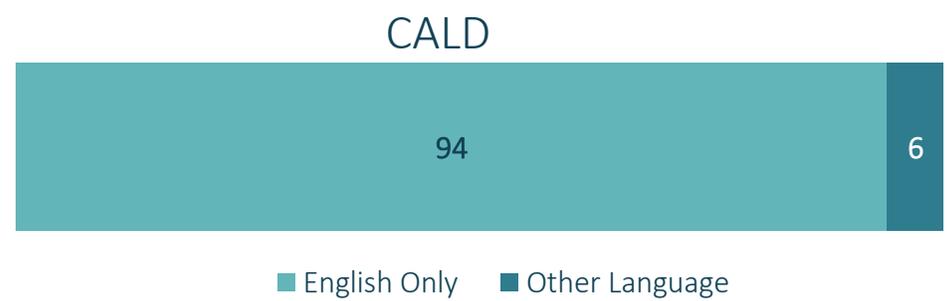
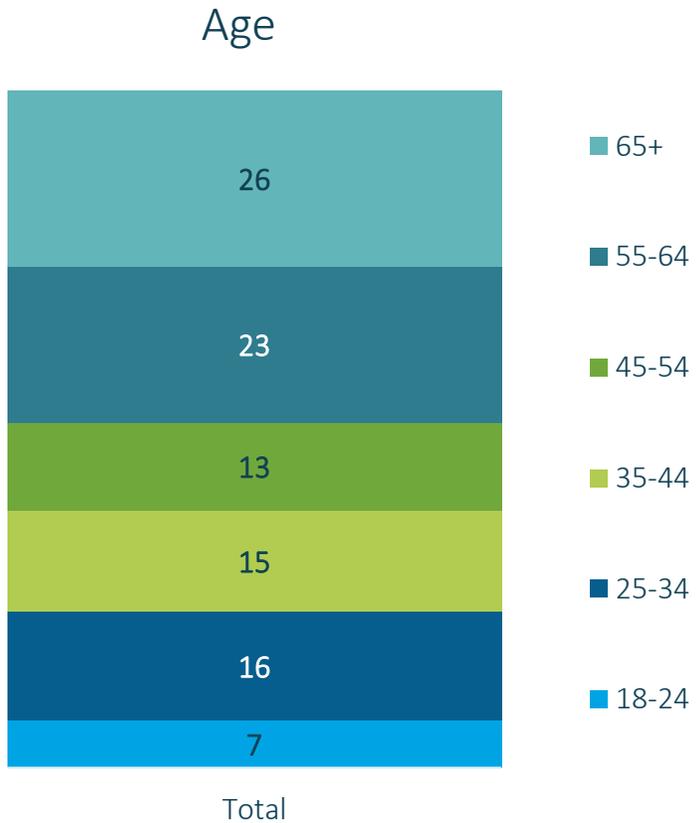
- The survey was conducted online.
- N=605 completes were obtained.
- The online respondents were sourced through an online panel provider, used solely for research purposes.
- The survey was live from 21/06/2018 to 06/07/2018.
- Data was weighted during the analysis by age and gender to reflect the Powercor 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



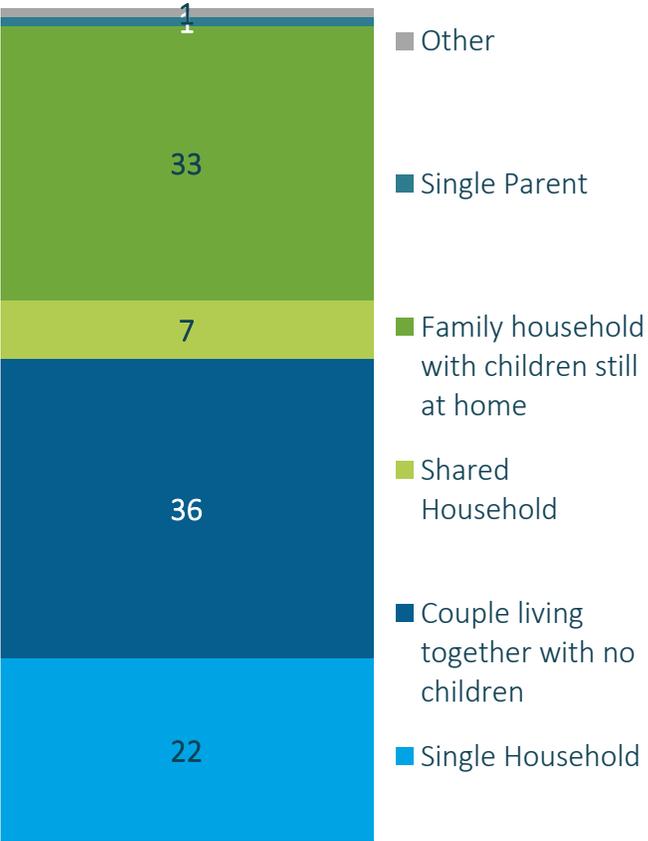
# Respondent Profile



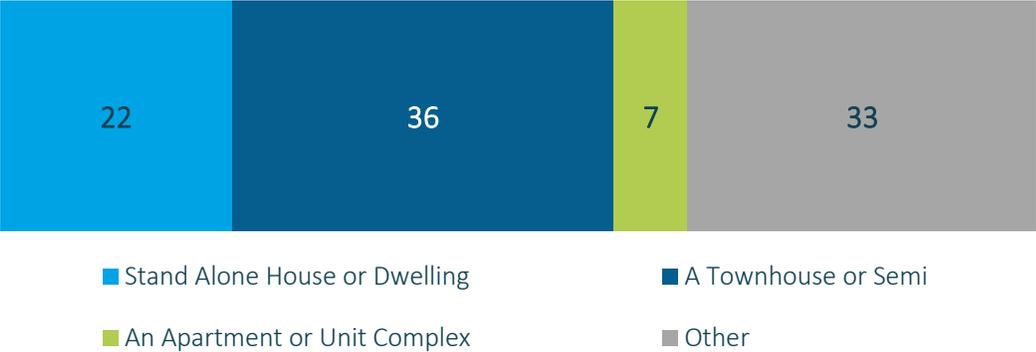
Q1. Which of the following age groups best describes you?  
 Q5. RECORD GENDER:  
 Q6. Do you speak a language other than English at home/with family?  
 Q7. Are you of Aboriginal or Torres Strait Islander origin?  
 Base: All respondents (n=605)

# Respondent Profile

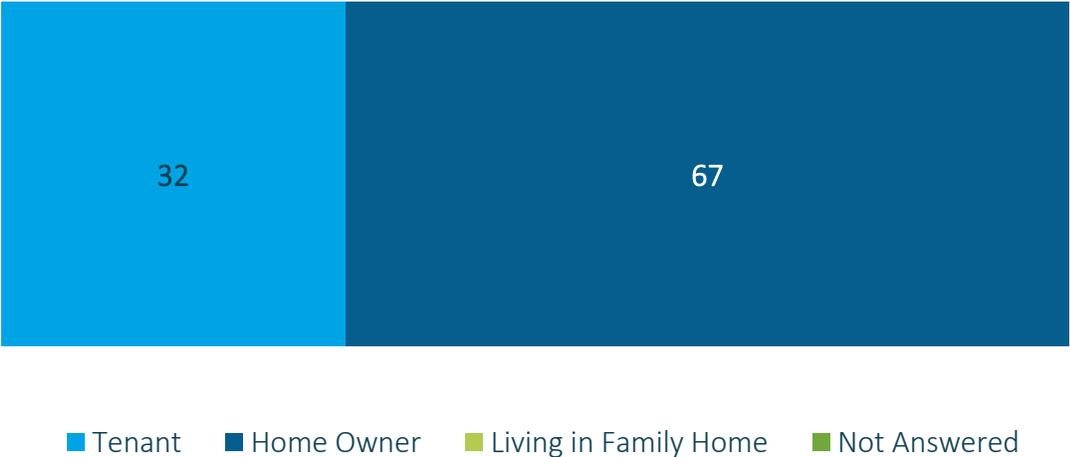
### Household Make Up



### House Type



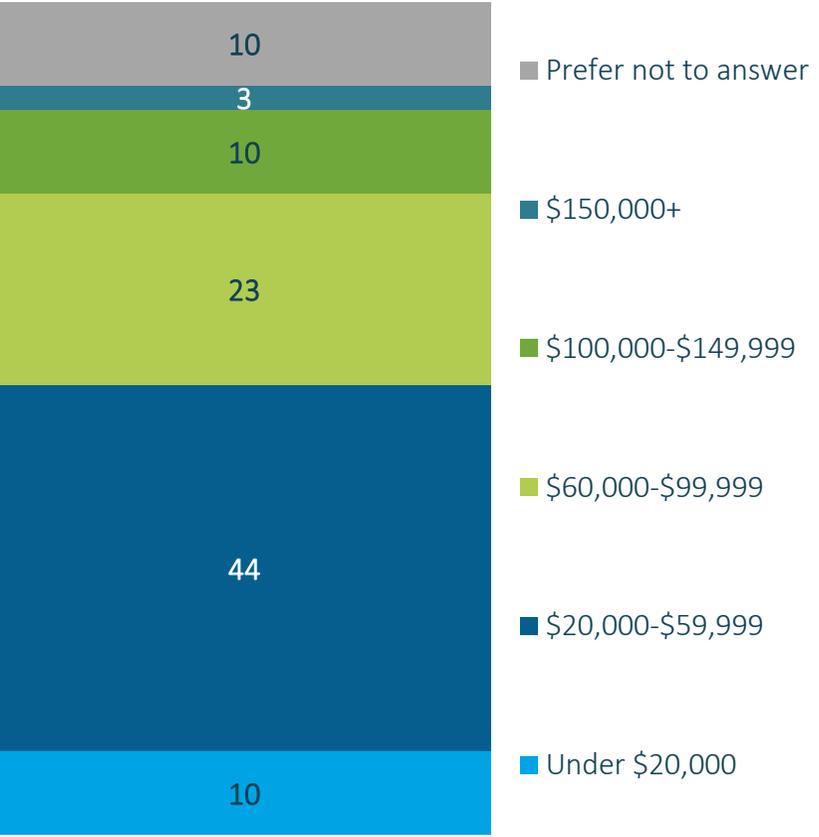
### Tenant or Home Owner



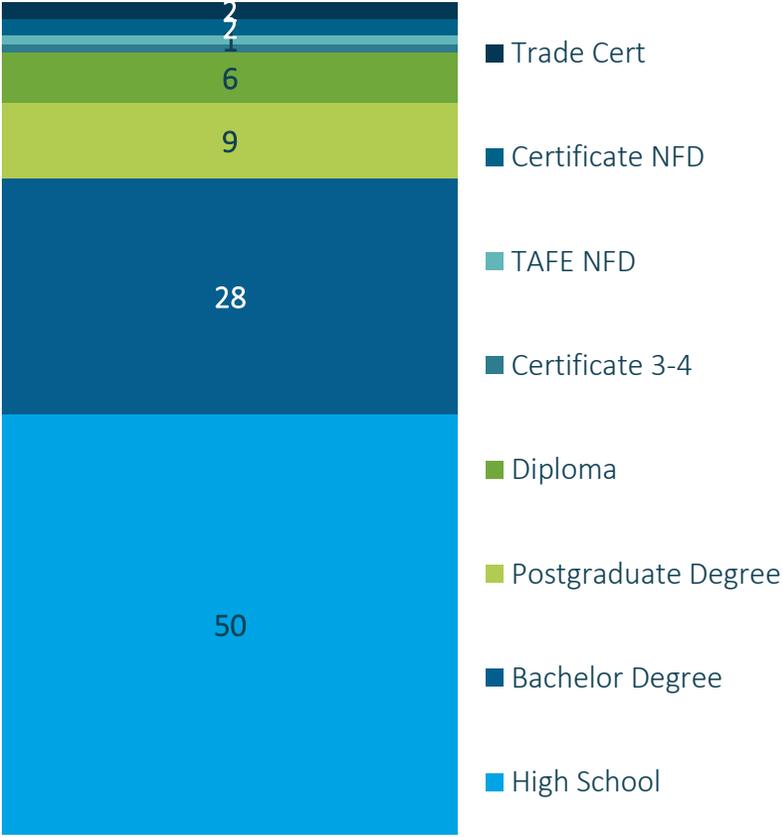
Q48. Thinking about the home you currently live in, are you a...  
 Q49. Do you live in a...  
 Q54. Which of the following best describes your household make up?  
 Base: All respondents (n=605)

# Respondent Profile

### Household Income



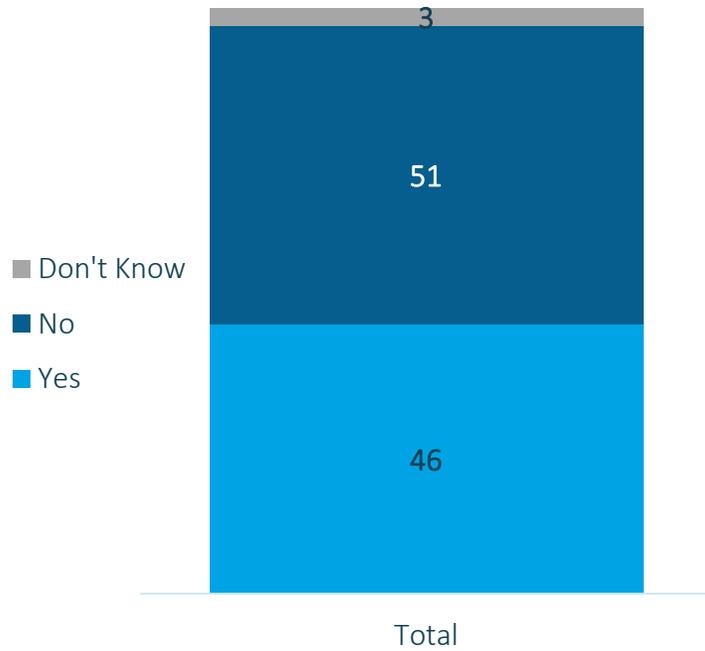
### Education



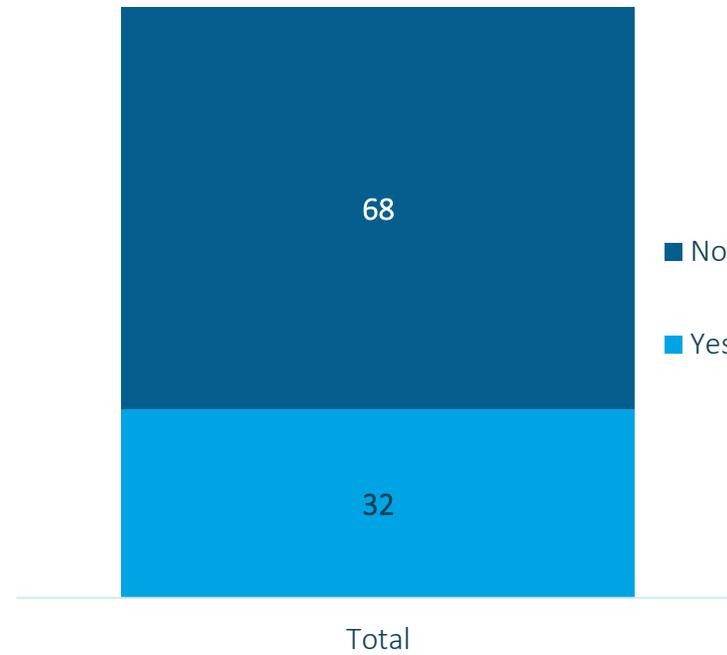
Q50. Which of the following categories best describes the income before tax of the highest earner in your household? SR  
Q51. What is your highest level of education attained?  
Base: All respondents (n=605)

# 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=605)



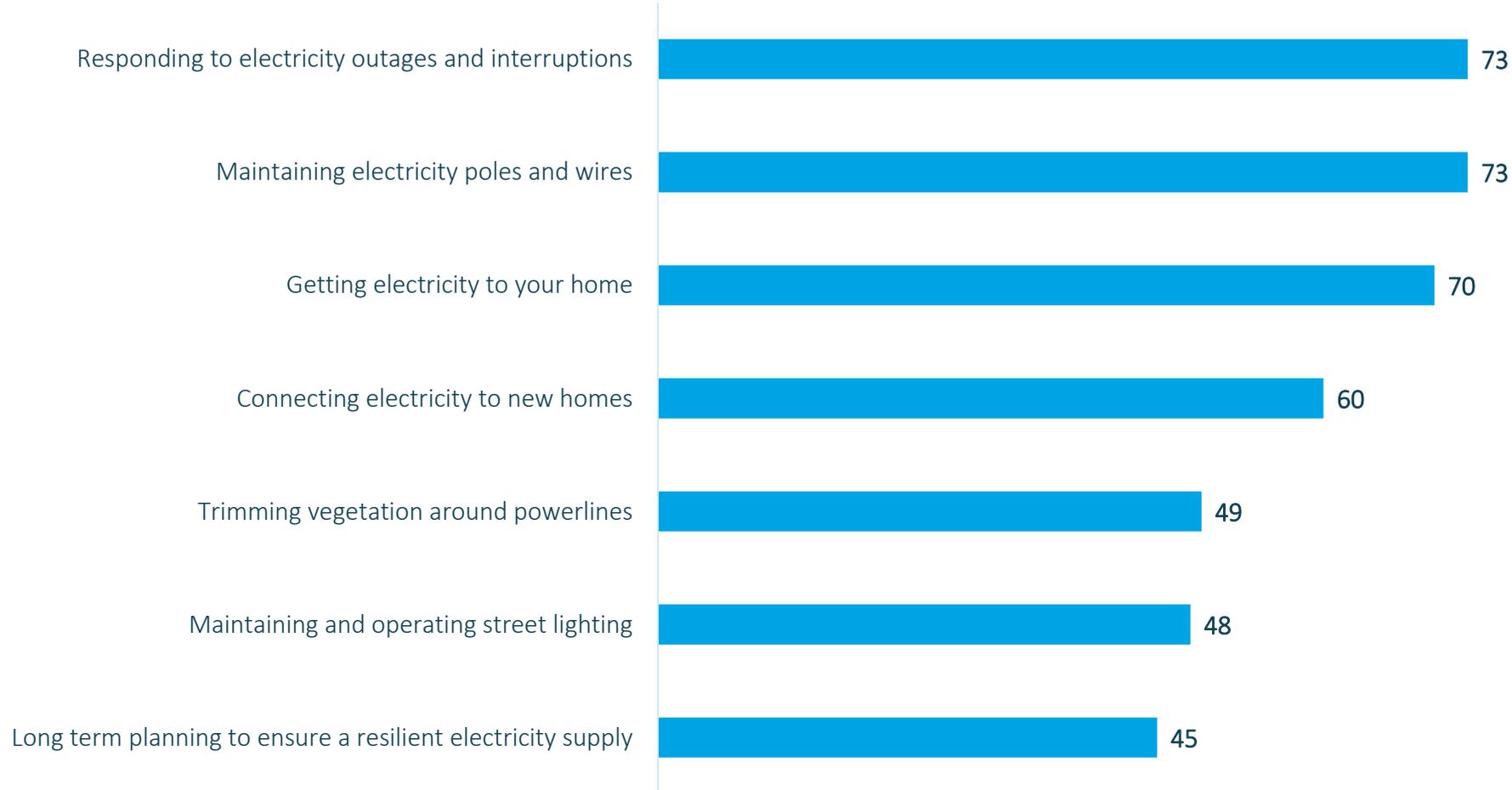
# Name of electricity distributor | unprompted

Perceived name of electricity distributor   Unprompted	N=605 %
Powercor	27
Origin	15
Energy Australia	8
AGL	7
Red Energy	7
Simply Energy	5
Lumo	5
Alinta	2
Ausnet	1
Dodo	1
Powershop	1
Momentum Energy	2
None/off grid	1
Don't Know	15
Other	2

Just over a quarter of residents correctly named their distributor as Powercor.

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=605)

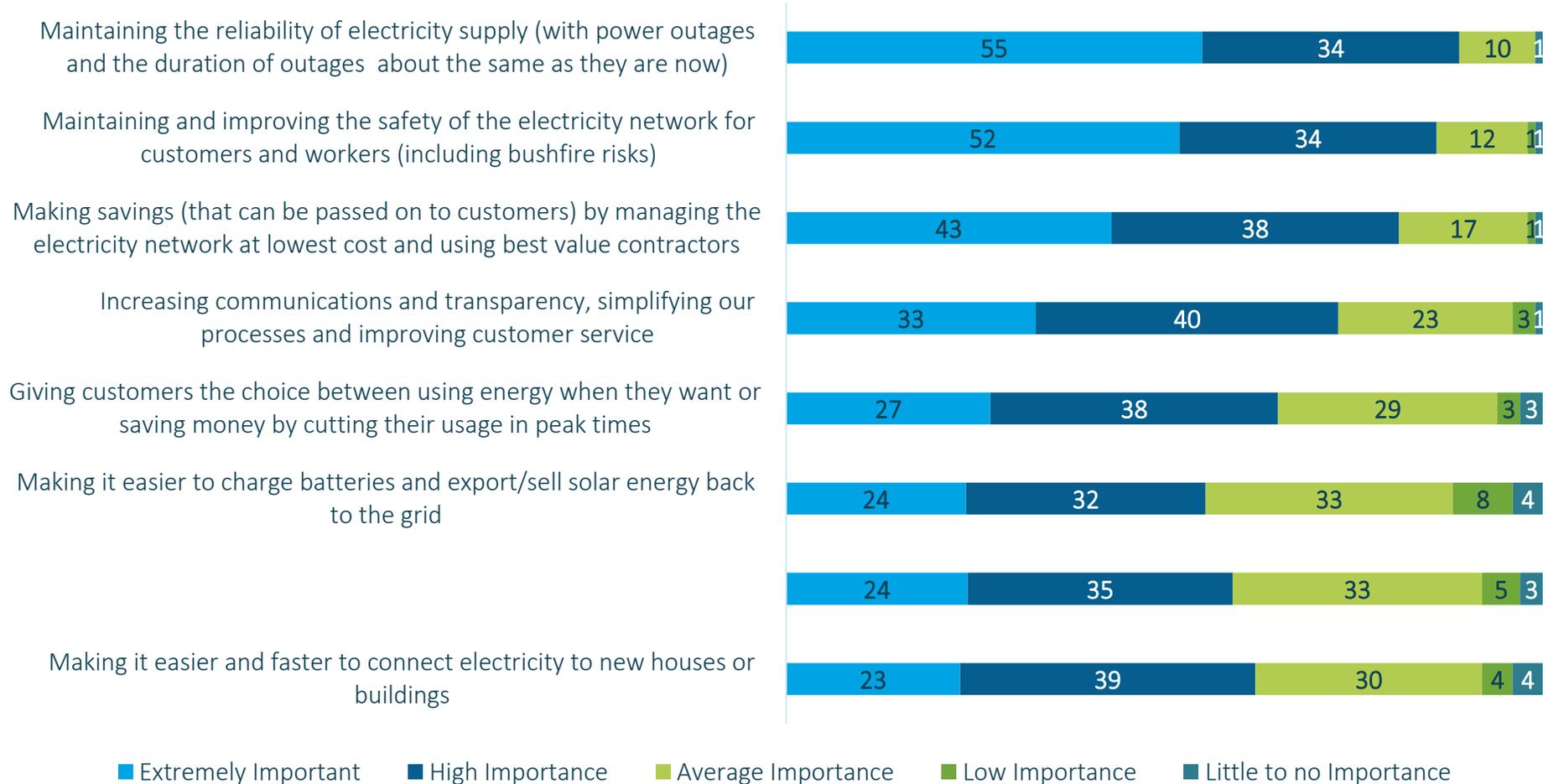
# Awareness of roles of distributor



There was high awareness amongst Powercor residential respondents of some of the roles the distributor played, especially responding to outages & interruptions, maintaining poles and wires, and getting electricity to the home.



# Importance of benefits



The most important benefits identified by residential respondents were:

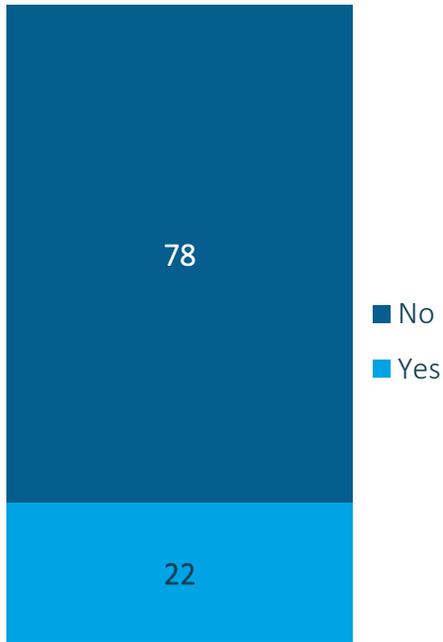
- Maintaining reliability; and,
- Maintaining and improving safety.

# MAKING IT EASIER TO CONNECT

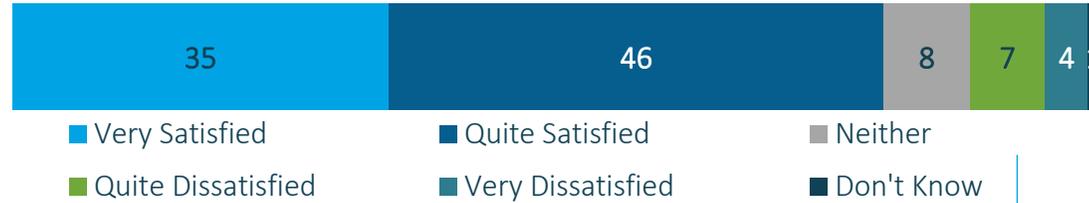


# Experience with connecting a new house

Experienced new connections



Satisfaction with timeframe and process



Suggestions to improve connection process	Respondents who had connected and were not satisfied (n=25*)
Quicker connection/response	28
Better communication	24
Connection being done when promised	12
Internet application	9
Not being charged/being charged less	9
Not making errors	8
Better organisation/efficiency	8
Accurate time information/dates	7
Everything NFI	4
Don't know	4
Nothing	4
Other	4

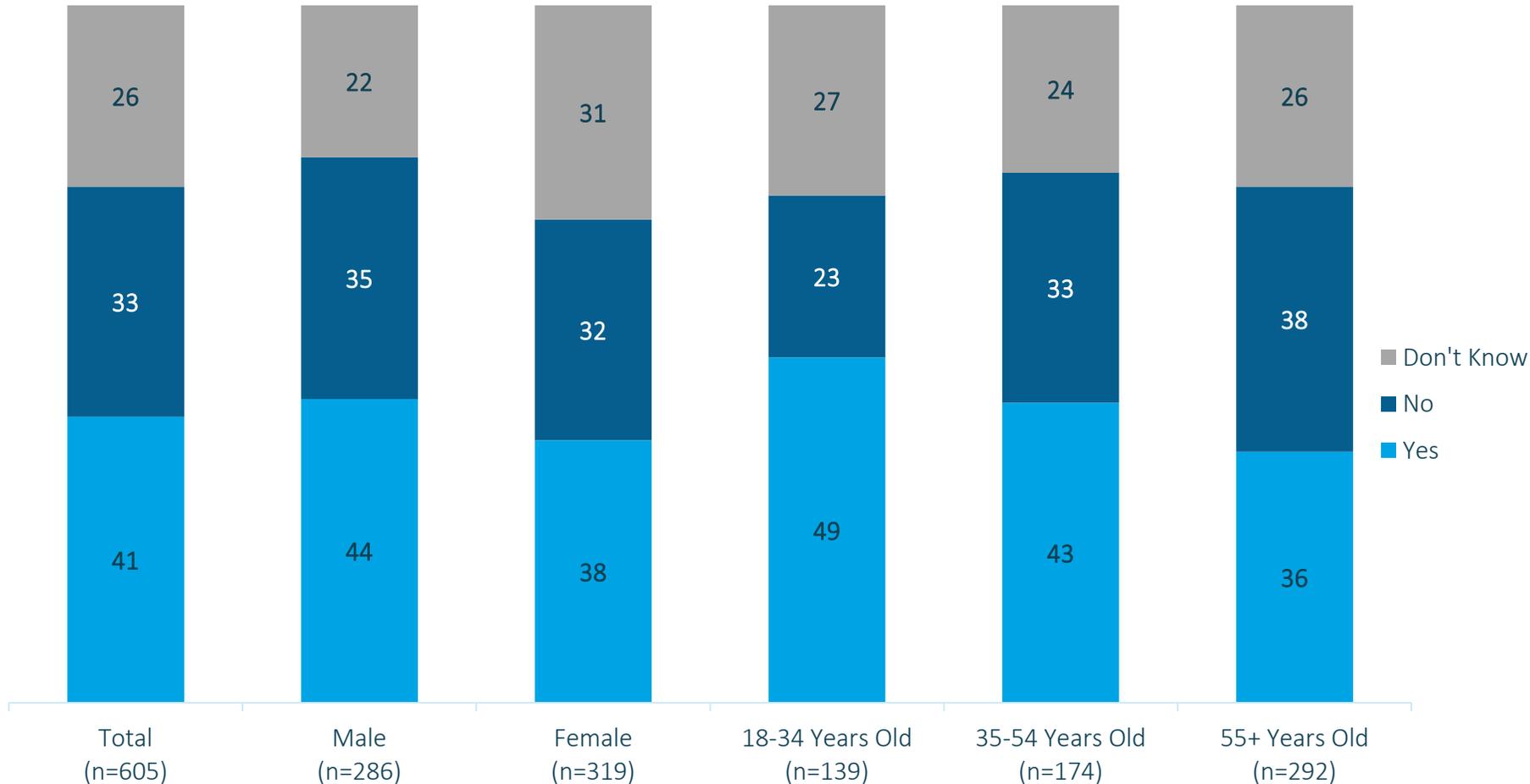
Just over 1 in 5 respondents had experienced a connection, of which 81% indicated they were satisfied with the timeframe and process.

Unsatisfied respondents called for a quicker connection and better communication.

Q11. Have you had experience in connecting a *new* house to the electricity network with [distributor]? Base: All respondents (n=605)  
 Q12. How satisfied or dissatisfied were you with the timeframe and process? Base: Respondents who had experience connecting a new house(n=131)  
 Q13. (if not code 1 or 2 above i.e. not satisfied) What would have made the connection process better?  
 Q14. Do you think there should be a fast track 'user pays' option for customers wanting to get their connection done in less time than typically allowed?  
 Base: Respondents who had experience connecting a new house and were not satisfied (n=25\*) \*CAUTION SMALL BASE SIZE

# Agreement with the 'fast track' option

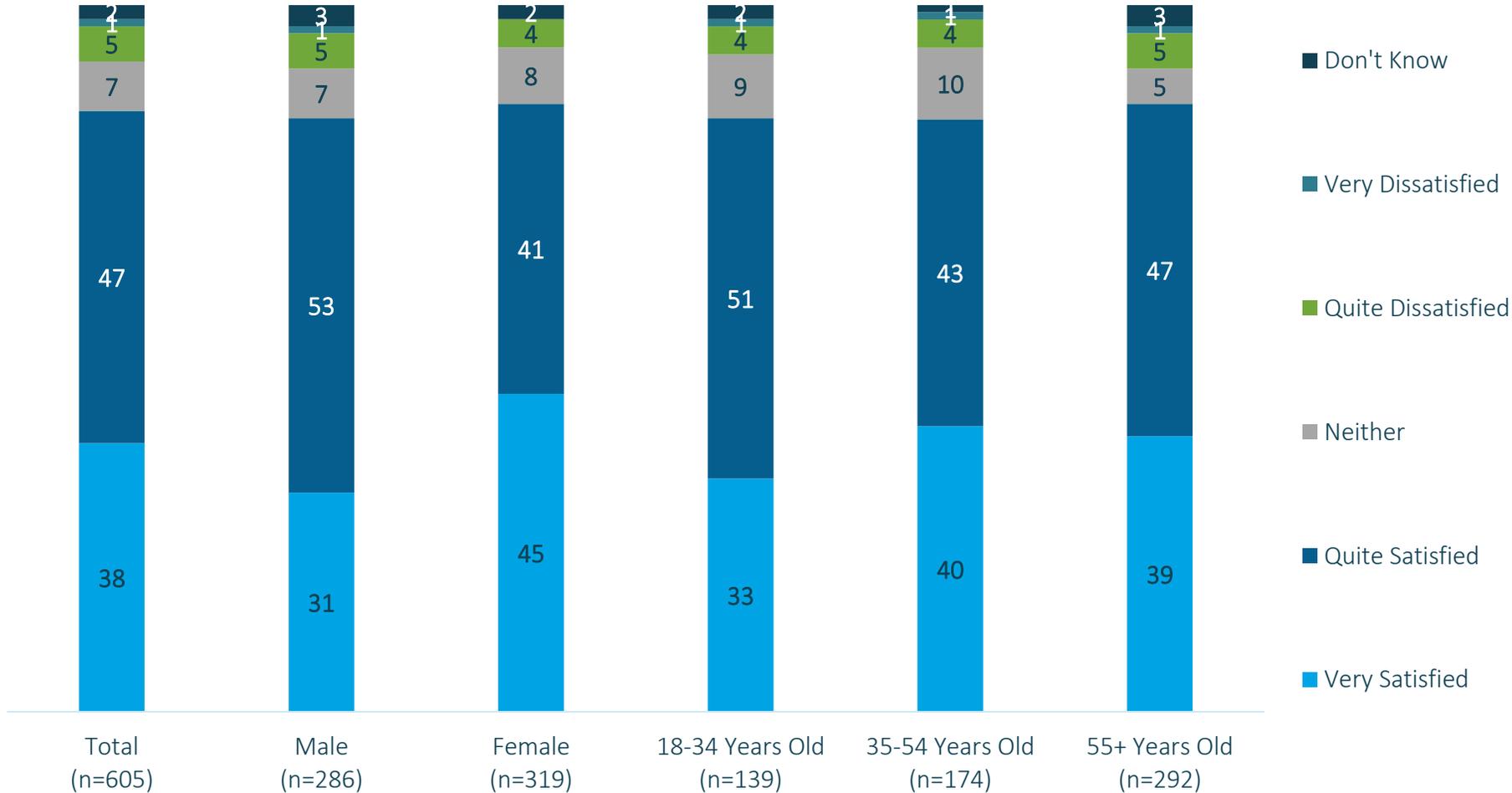
## Fast Track Option



Two in five respondents (41%) though the concept of a fast track user pays' option was a good idea, with this being slightly more popular amongst younger age groups.



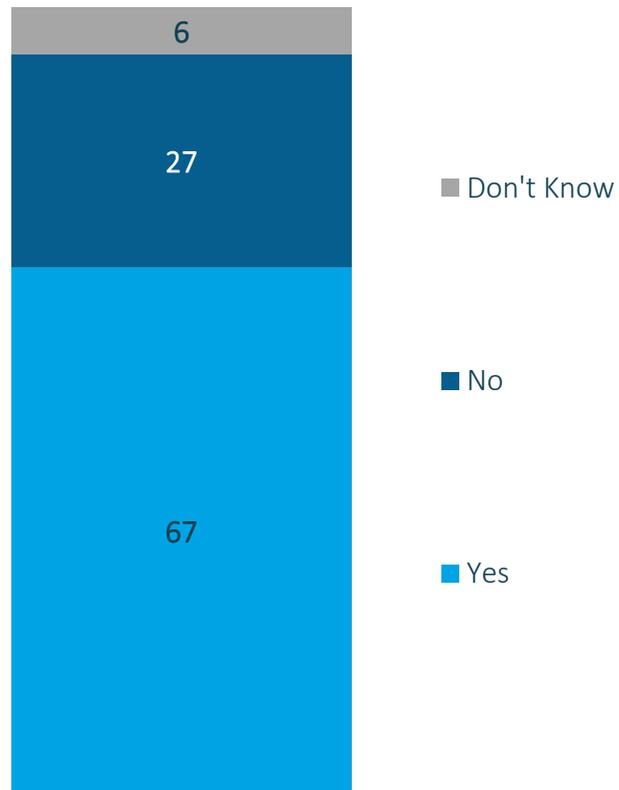
# Satisfaction with current supply reliability



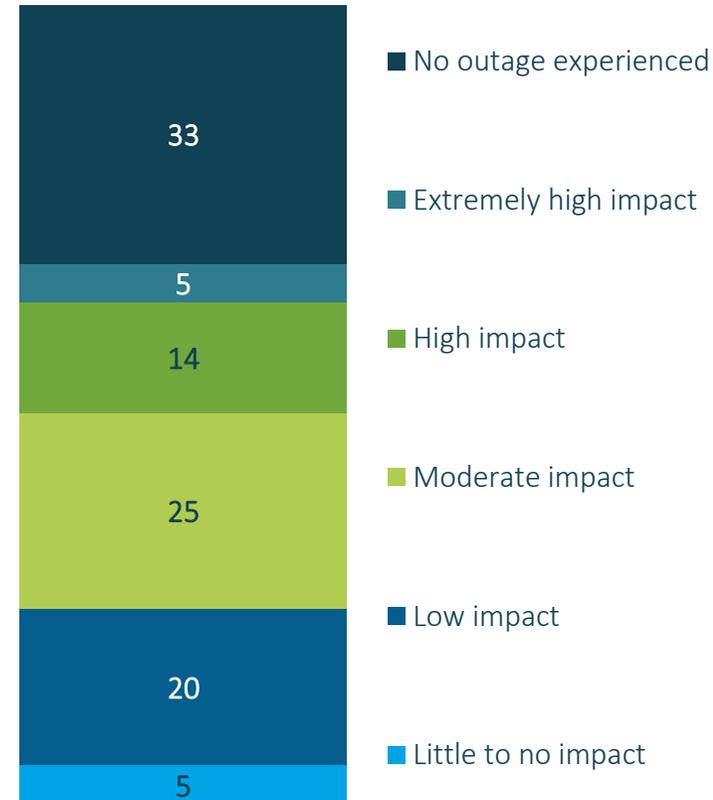
85% of respondents indicated they were satisfied with the reliability of their current electricity supply.

# Outage experienced in current home

Experienced an outage in the last 2 years



Level of impact



- Two-thirds (67%) indicated that they had experienced an outage in the last 2 years.
- While a quarter of respondents indicated the level of impact from the outage was low, more than 1 in 5 (21%) indicated a high or extremely high 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: All respondents (n=605)

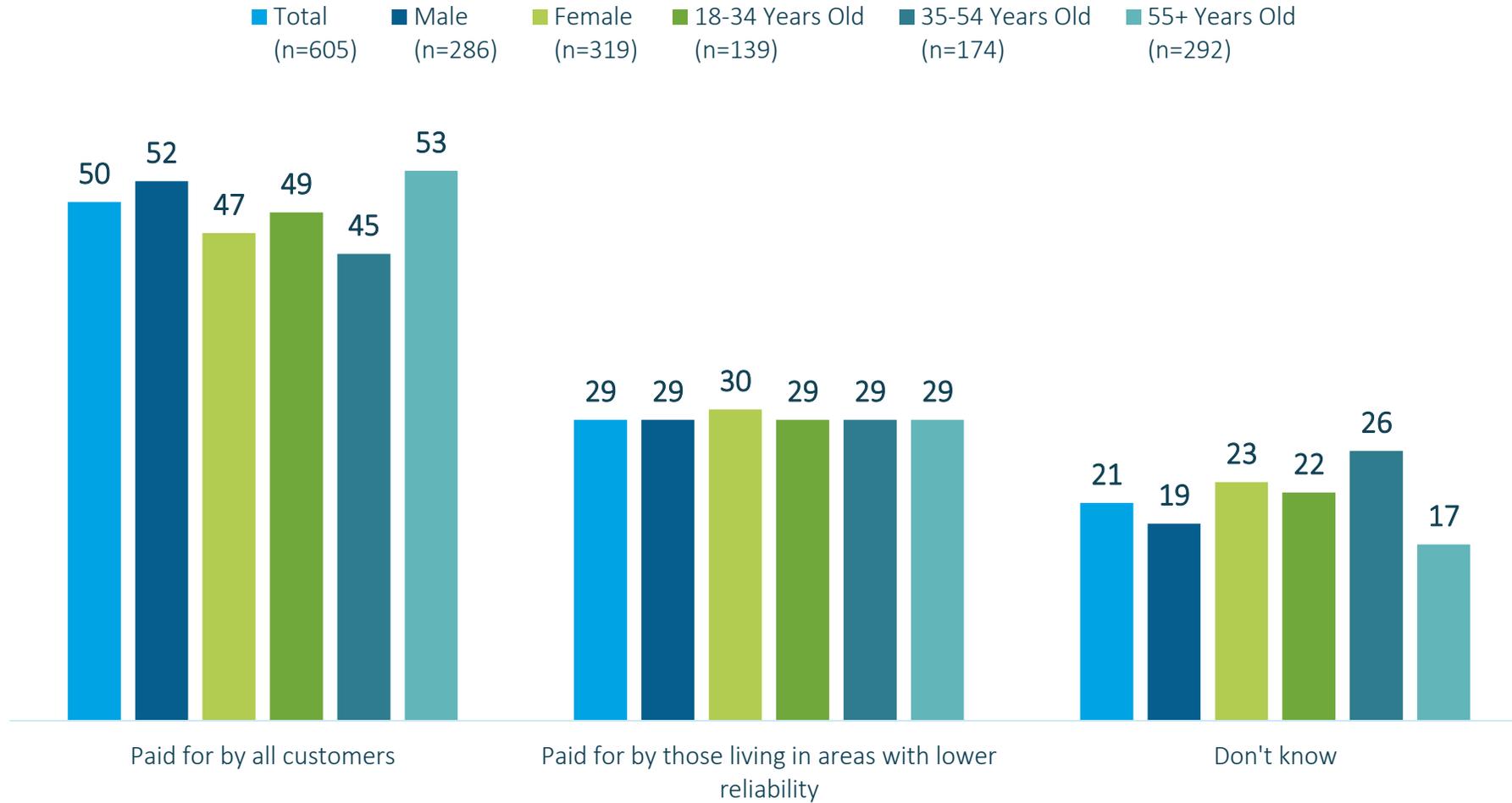
# Impact on outages experienced

What were those impacts	Those who experienced a moderate level of impact or more n =253
No heating/cooling/effect on old people, children	27
Loss of/worried about loss of food in the freezer/fridge	24
The inability to cook	18
No lights/scariness/risk of accidents/no light for customers/security problem	16
General inconvenience/inability to carry out normal living	11
Medical problems/e.g. can't use CPAP, life support backup	10
Not being able to use any appliances/anything/everything is electric/or indirectly reliant on electricity	9
No internet/can't find out what's going on	7
Loss of power/for particular length of time NFI	7
No TV/entertainment	7
No phone/this can be unsafe/we miss calls	6
Water pumps don't work, so no water for household/for stock/business	6
We work from home, so unable to work/study	5
No computer/issues with computer	4
No hot water	3
Other	7
None	1
Don't know	15

The biggest impacts felt by those who indicated a moderate or higher level of impact included:

- Heating and cooling for the young and old;
- Loss of food; and,
- The inability to cook.

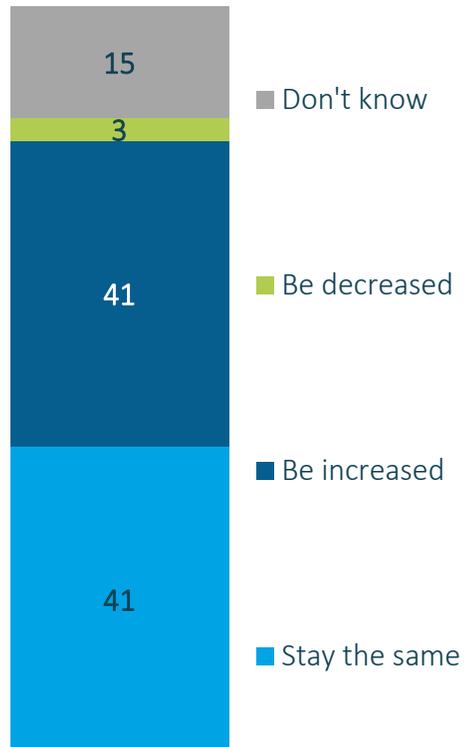
# Who should pay for reliability



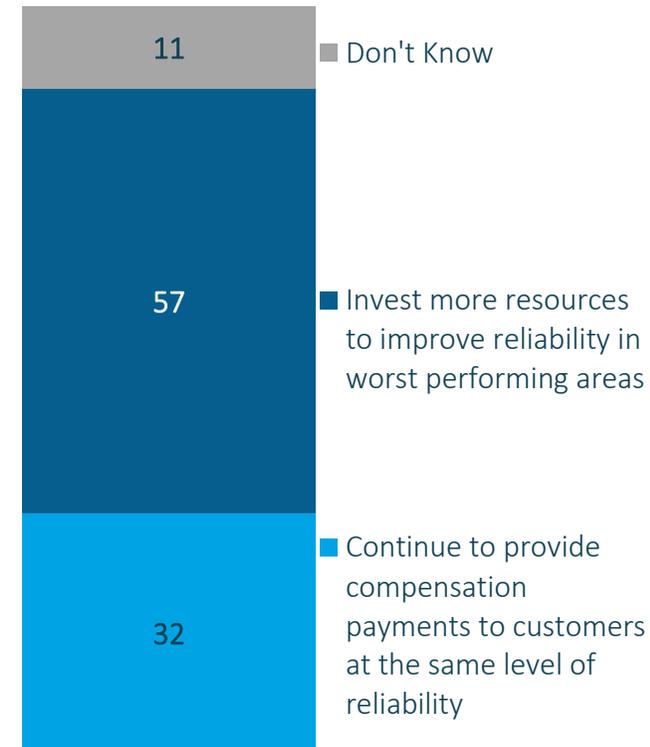
Respondents were more inclined to want to spread the cost of improving reliability in remote areas across all customers.

# Compensation payments

## Should the payments change



## Should the payments continue



- Powercor residential respondents were split between compensation payments staying the same or being increased.
- Overall, it was felt that investment should be put towards resources to improve reliability in worst performing areas, as opposed to simply continuing compensation payments.

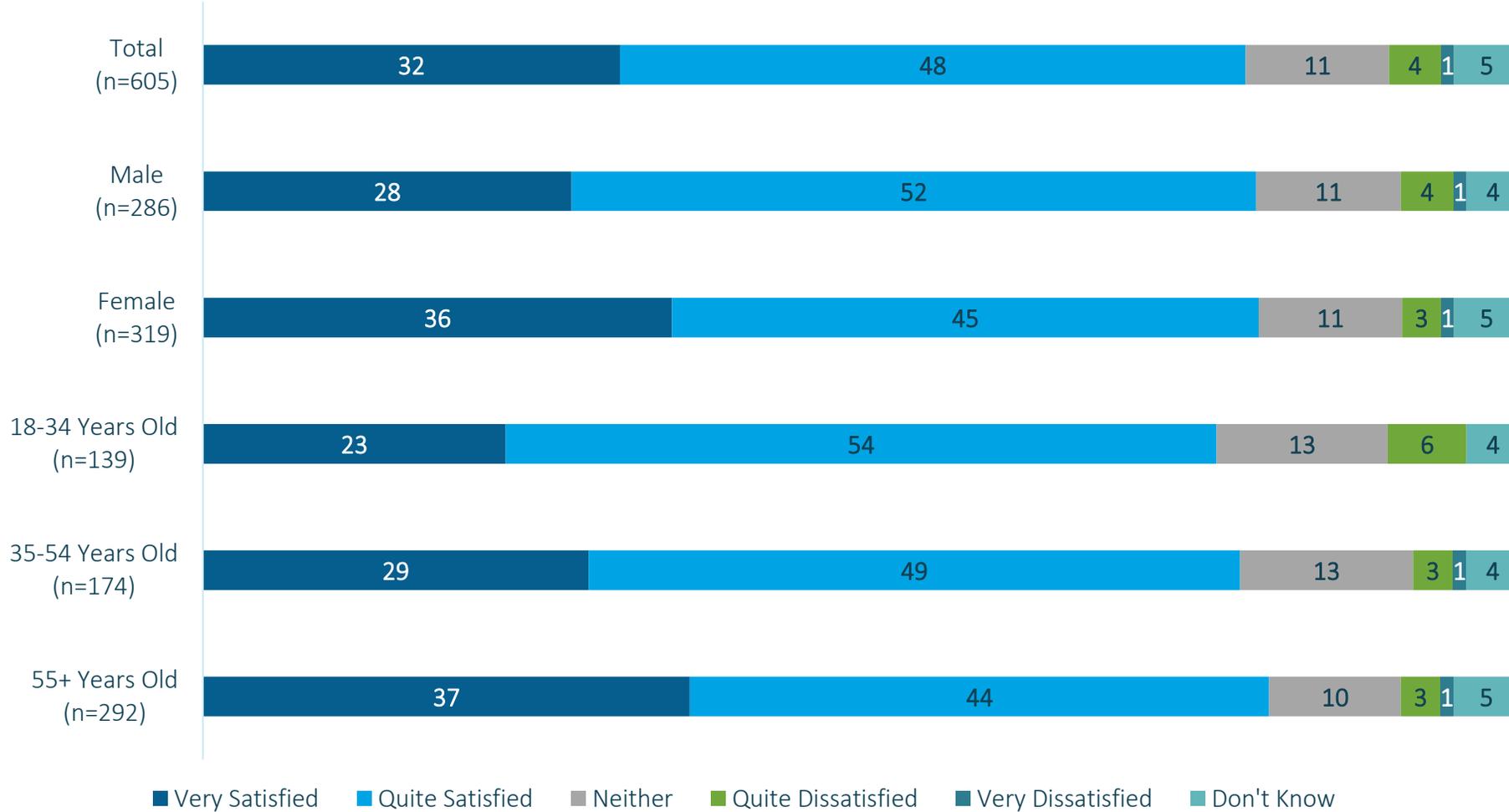
Q20. When the reliability of the electricity supply does not meet the required level, the distributor must compensate customers. Currently customers receive between \$30-\$360 depending on the frequency and duration of outages. The highest payment of \$360 is paid for more than 24 unplanned and sustained 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=605)



# Satisfaction with electricity supply

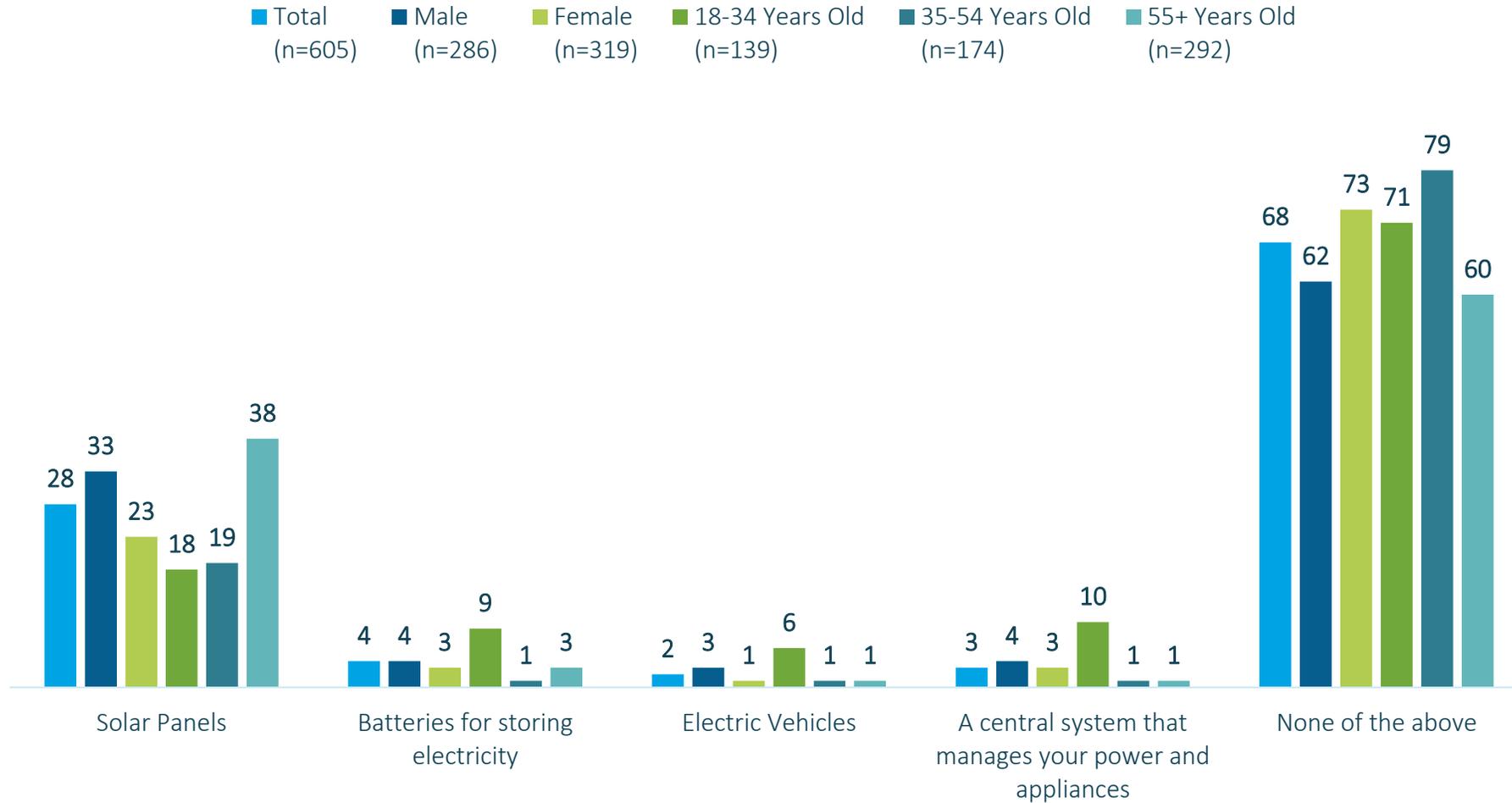


80% of residential respondents were satisfied with the quality of their current electricity supply, with older respondents showing a slightly stronger level of satisfaction.



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=605)

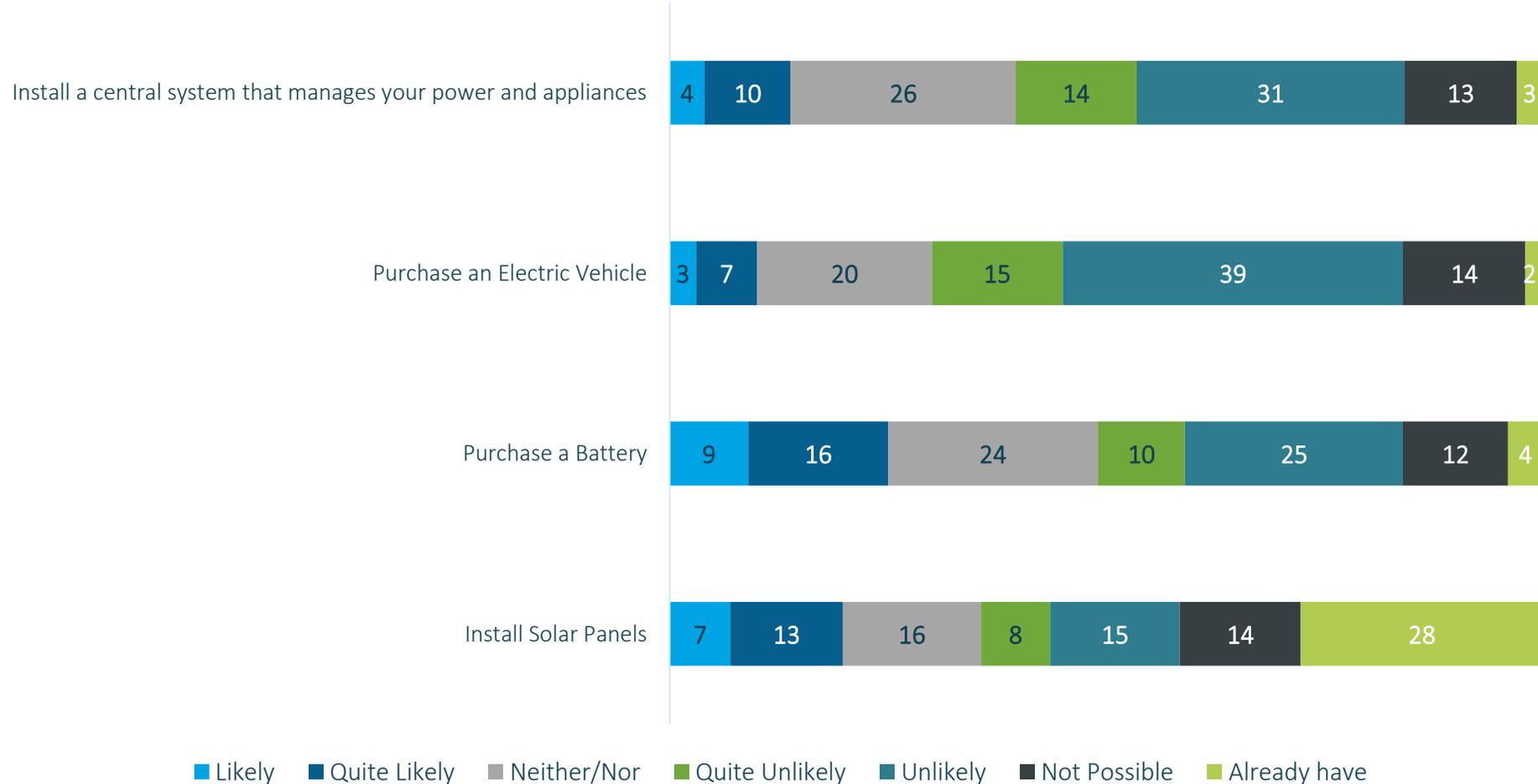
# Incidence of having any of the following



Over two-thirds of respondents did not have any technologies listed, however older age groups were more likely to have at least one.

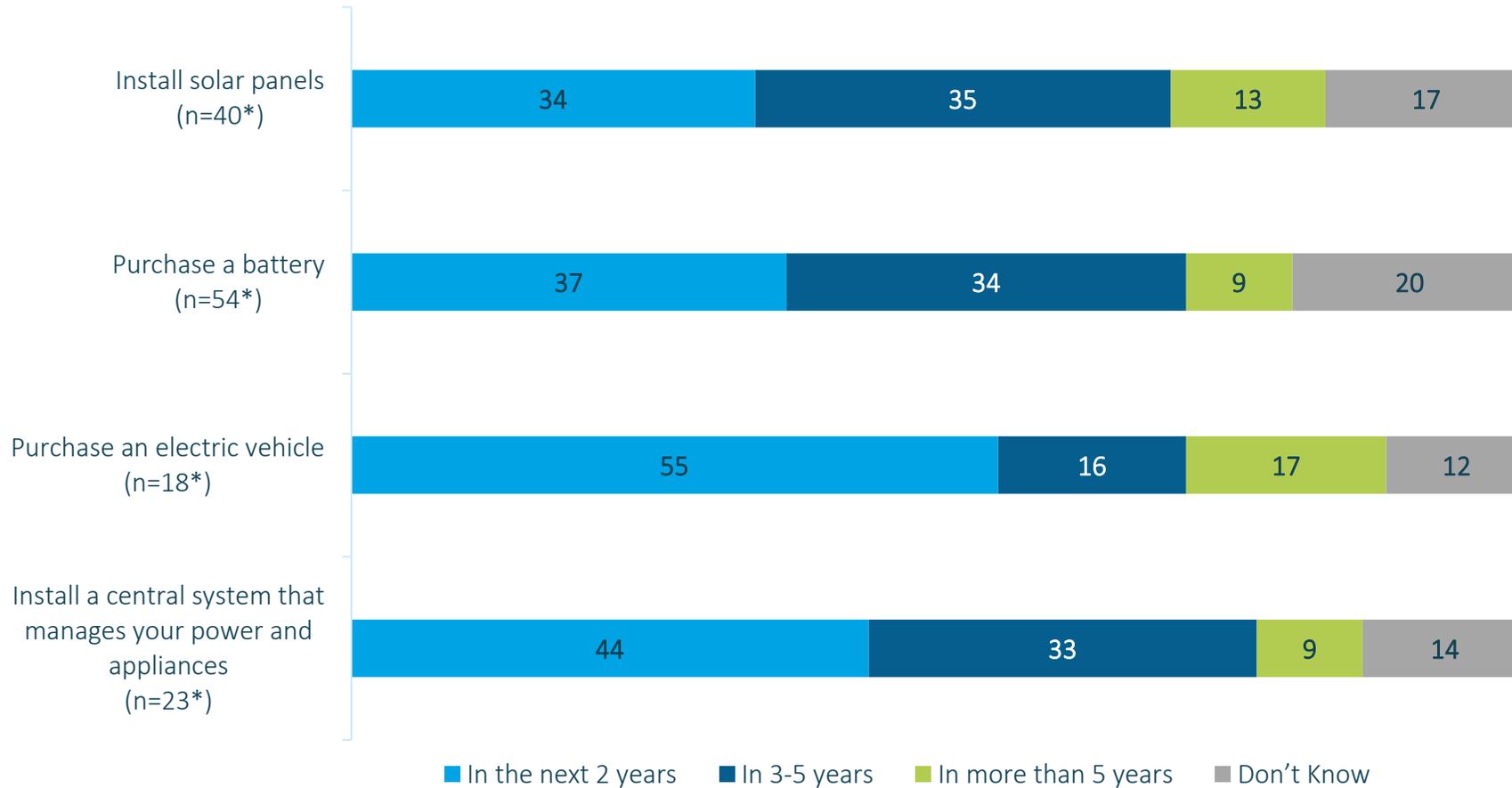
Solar panels were the most common, however the youngest age group were more likely to have batteries, electric vehicles and/or a central management system in place.

# Likelihood of installing in future



Respondents were most likely to see themselves installing solar panels or purchasing a battery in the future.

# Timing of future installation

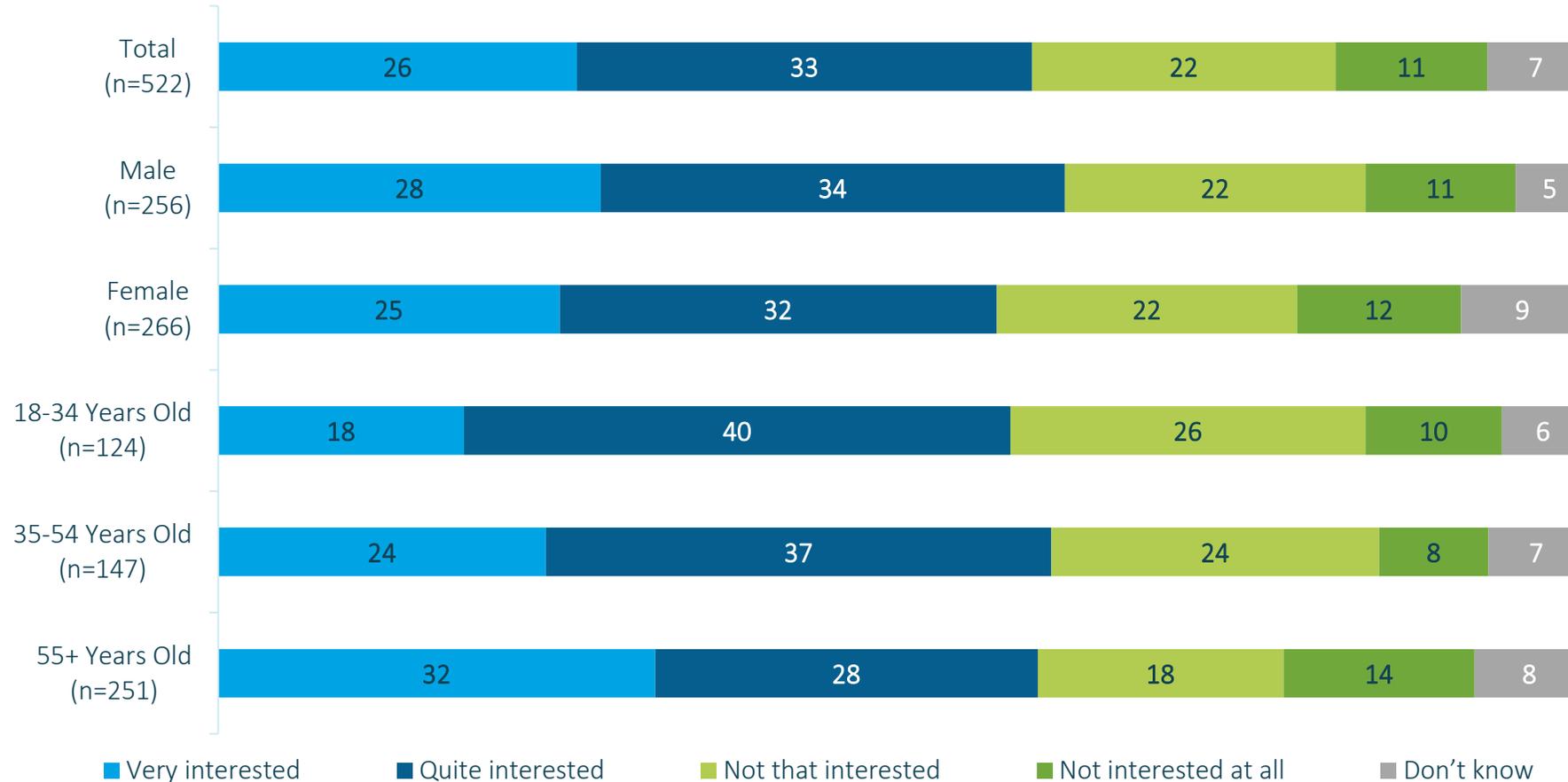


1 in 5 respondents felt they would invest in energy saving technologies in the next two years, with nearly three quarters looking to have something within the next 5 years.

Q25. When do you think your household would be likely to invest in these technologies?  
 Base: Respondents who indicated as likely to install these technologies (Bases as shown)

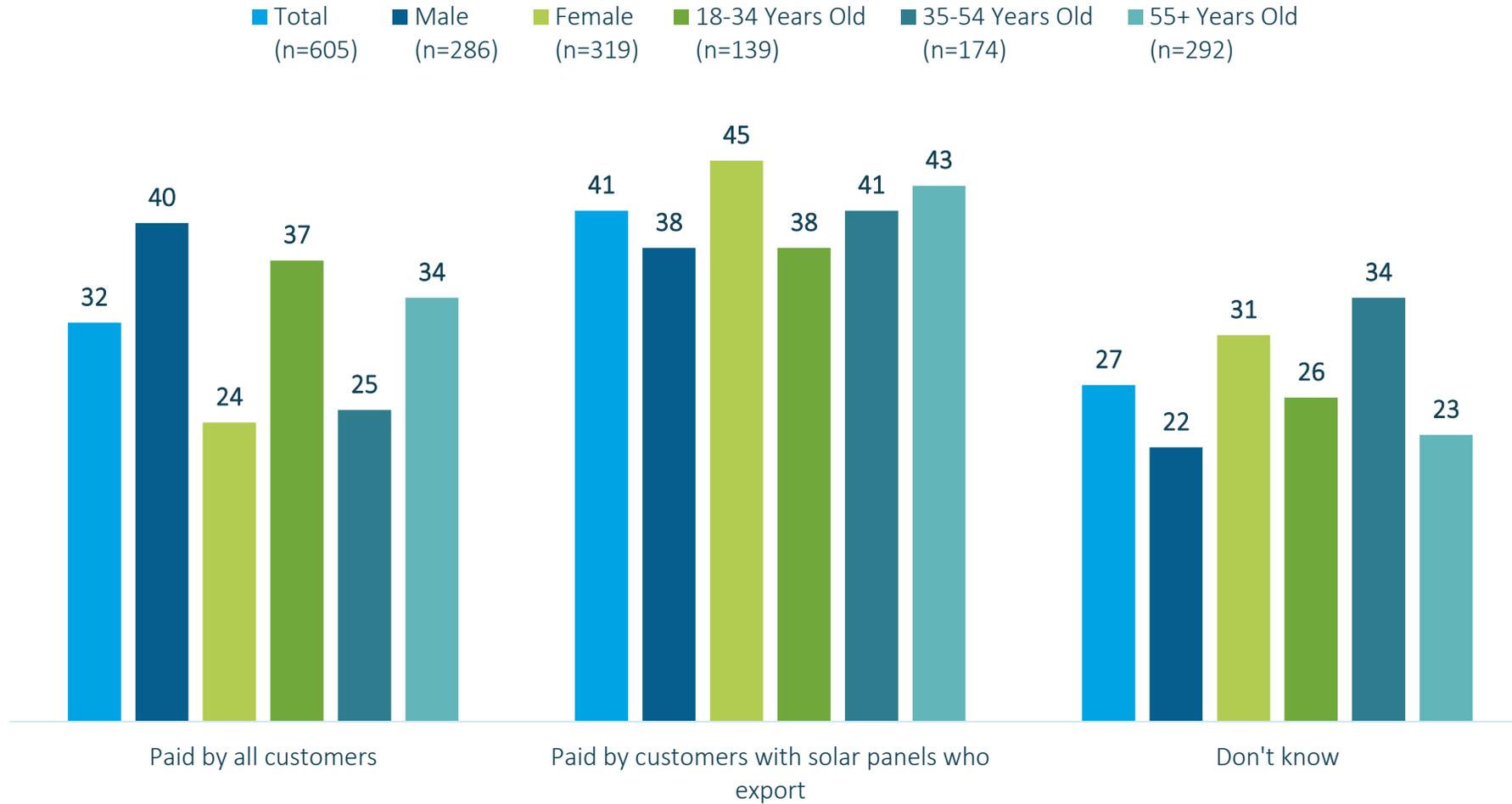
\*CAUTION SMALL BASE SIZES

# Interest in exporting/selling back to the grid



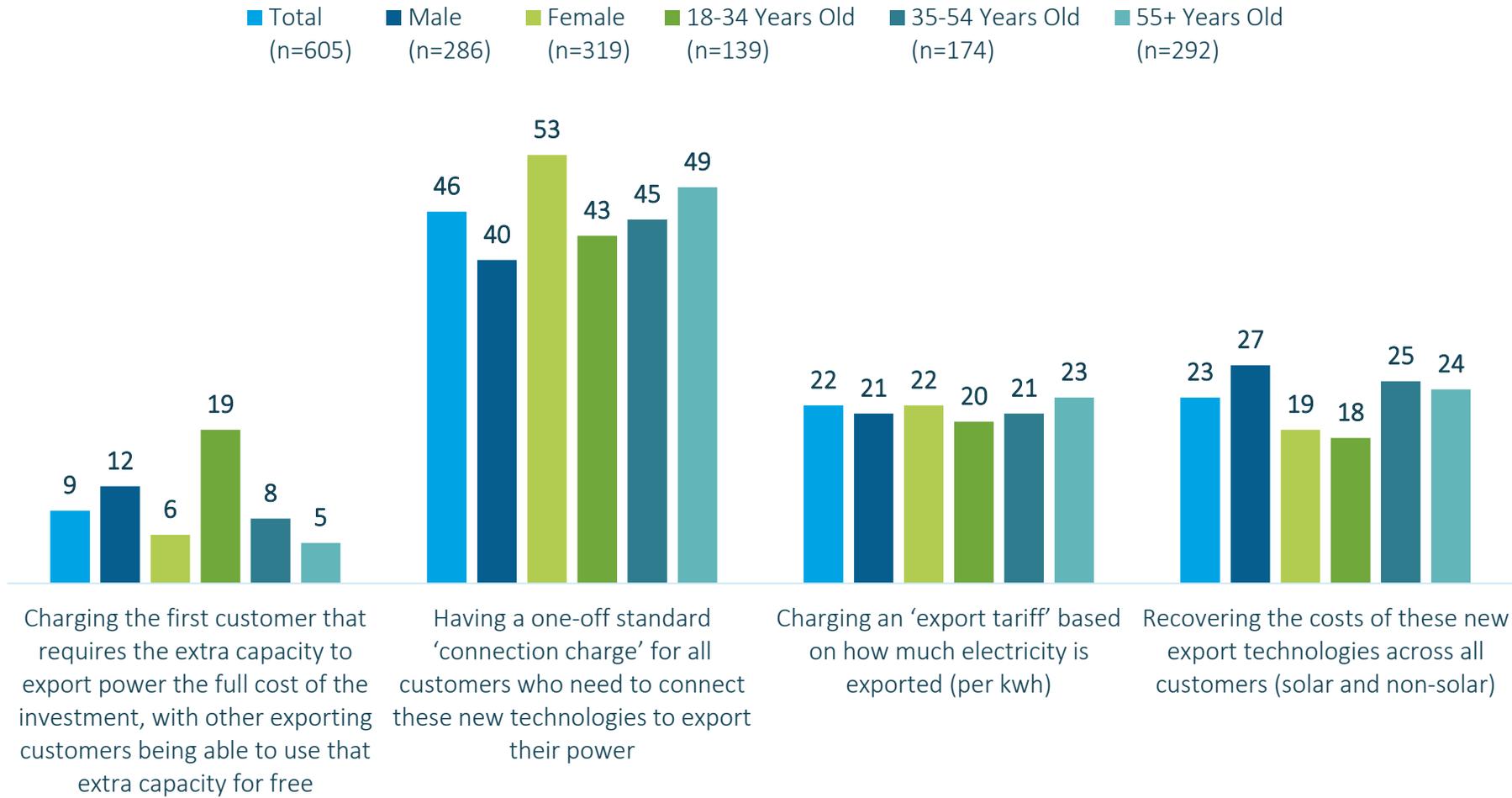
More than half of respondents who were able to install solar (59%) were interested in exporting or selling back to the grid.

# Investment in power quality



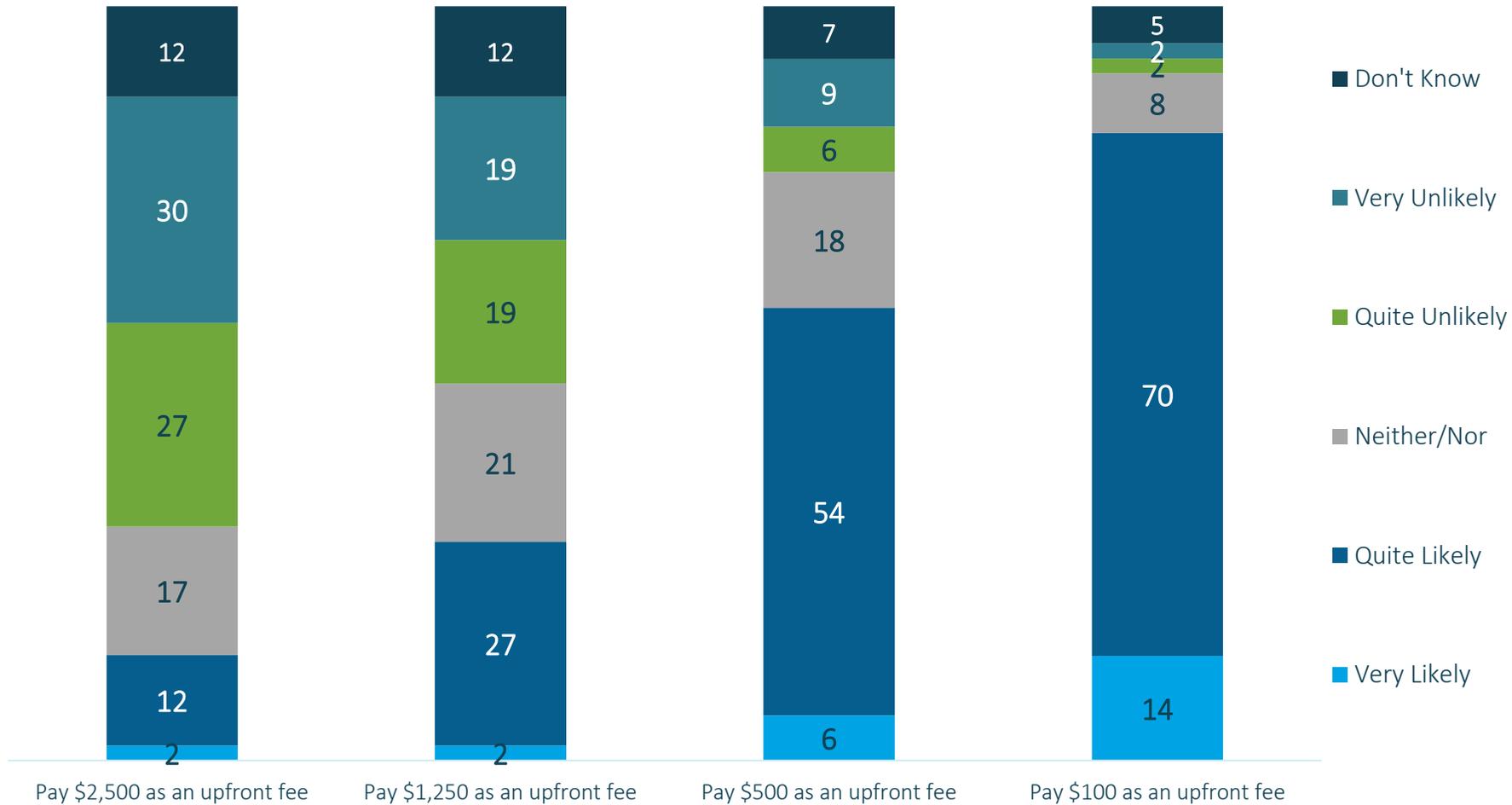
Slightly more respondents (41%) felt that power quality improvements for exporting back to the grid should be paid for by those that export, as opposed to all customers (32%).

# Funding extra capacity investments



Having a one-off standard connection fee for all customers connecting new technology to export power was the most preferred funding option for extra capacity investments (46% overall).

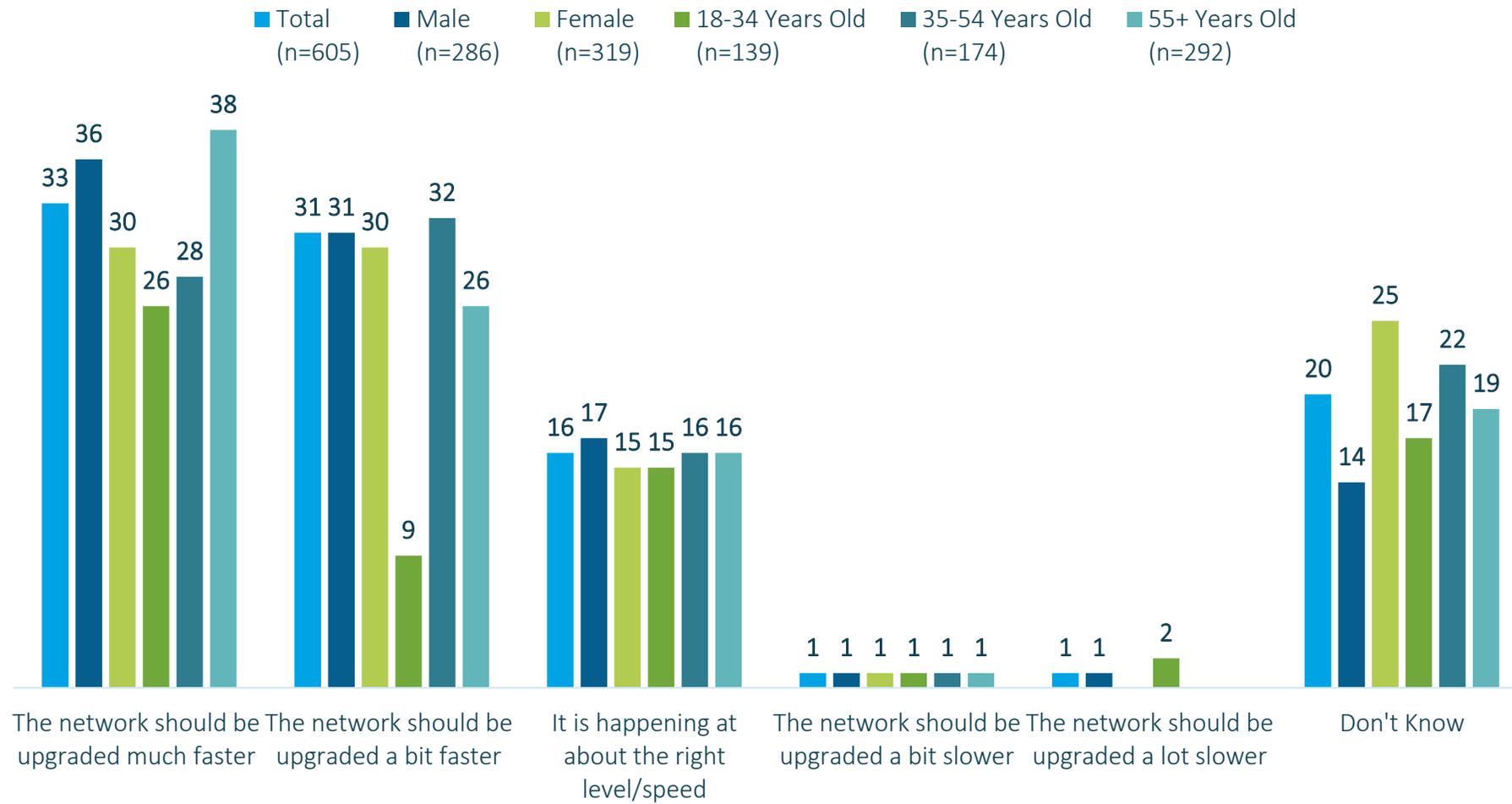
# Likelihood of paying one off fees



Those who preferred the one off fee funding measure were likely to pay \$500 (60%) or \$100 (84%) as an 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=282)

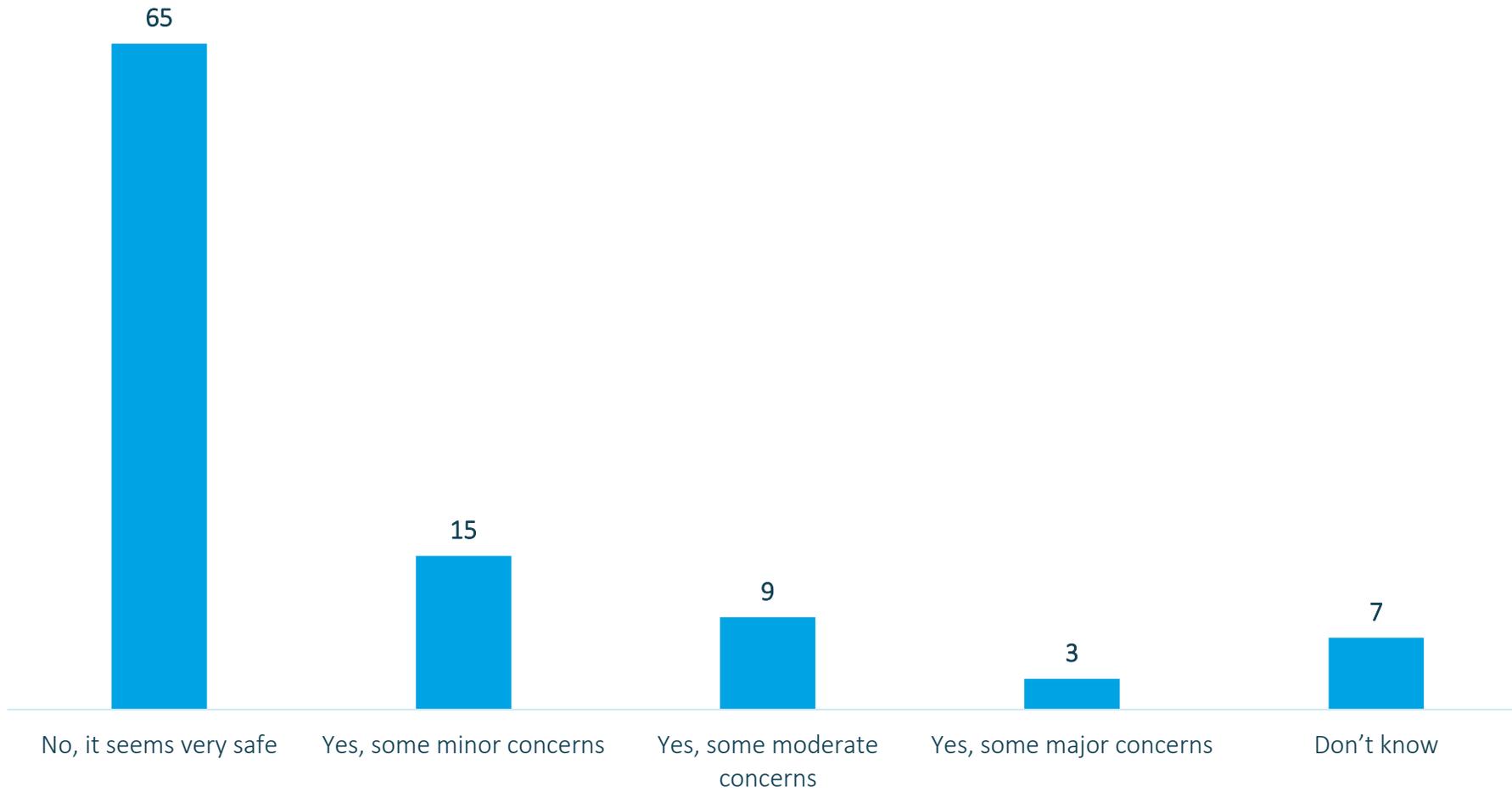
# Upgrade timeline



There was a call for the network to be upgraded faster than it currently is (64%) to allow for renewable energy.

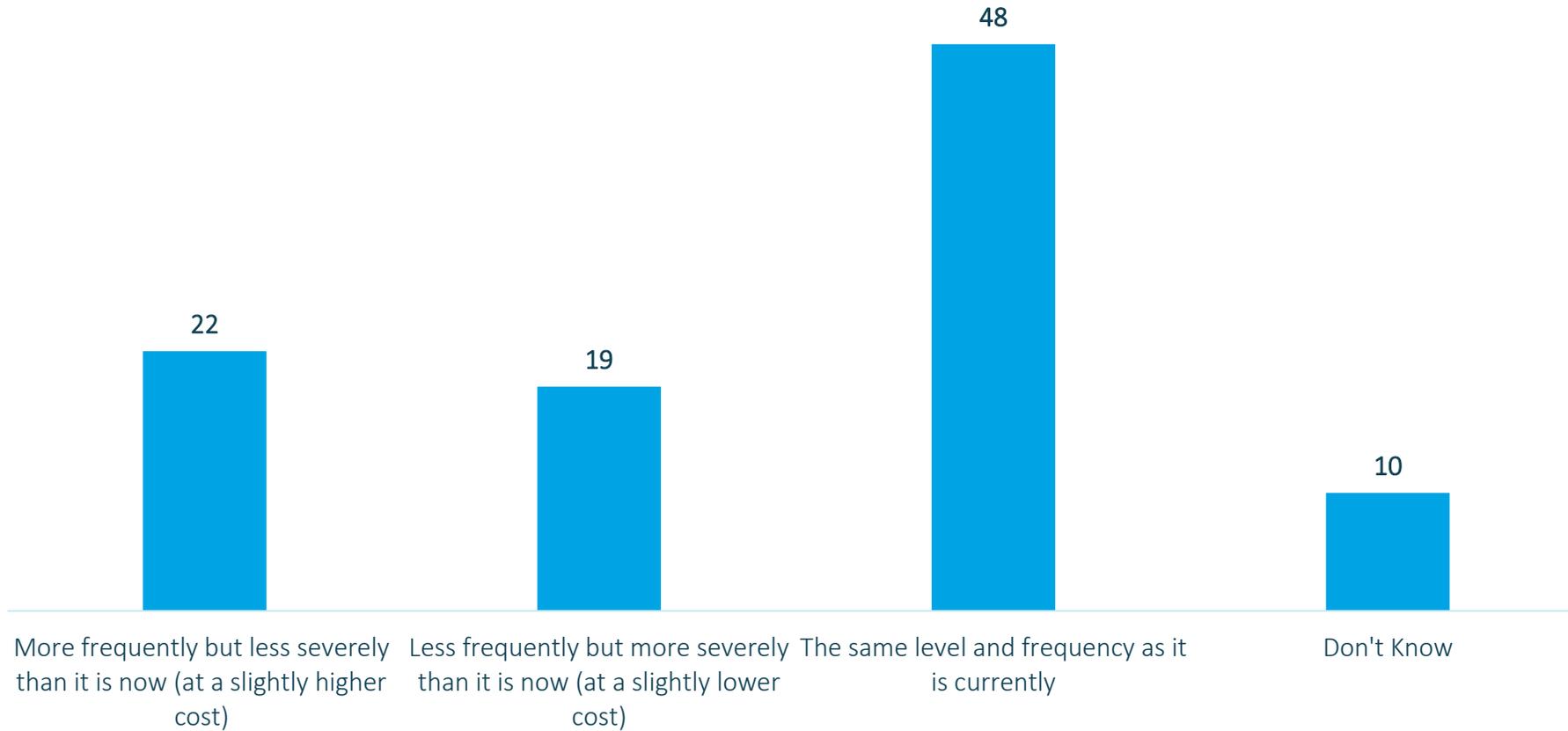


# Concerns about safety



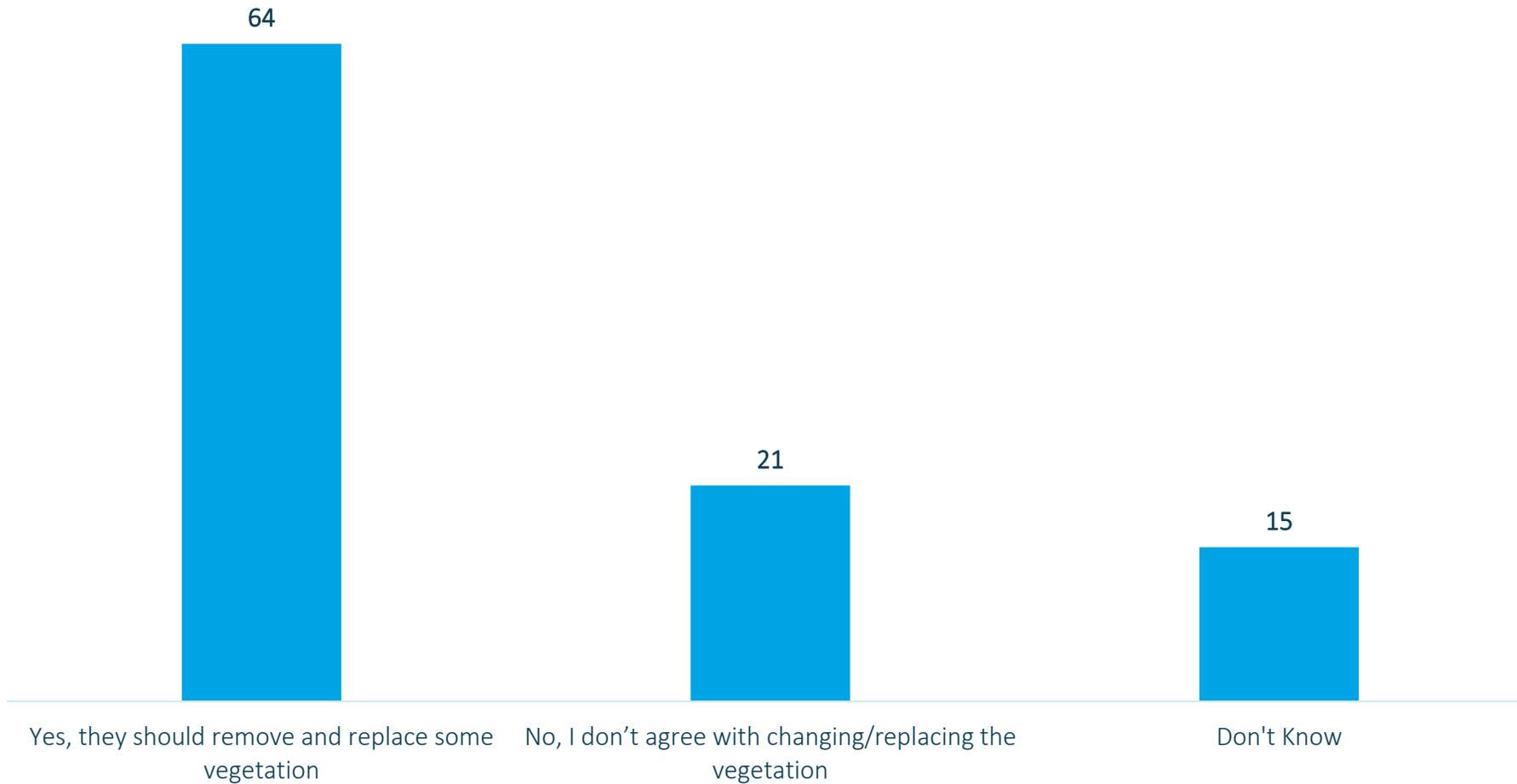
While most respondents did not have any safety concerns, 15% had some minor concerns and nearly 1 in ten had some moderate concerns about the electricity network.

# Vegetation maintenance



Nearly half (48%) of respondents were happy with the current level of vegetation maintenance, with around 1 in 5 calling for more or less frequent trimming.

# Replacing vegetation

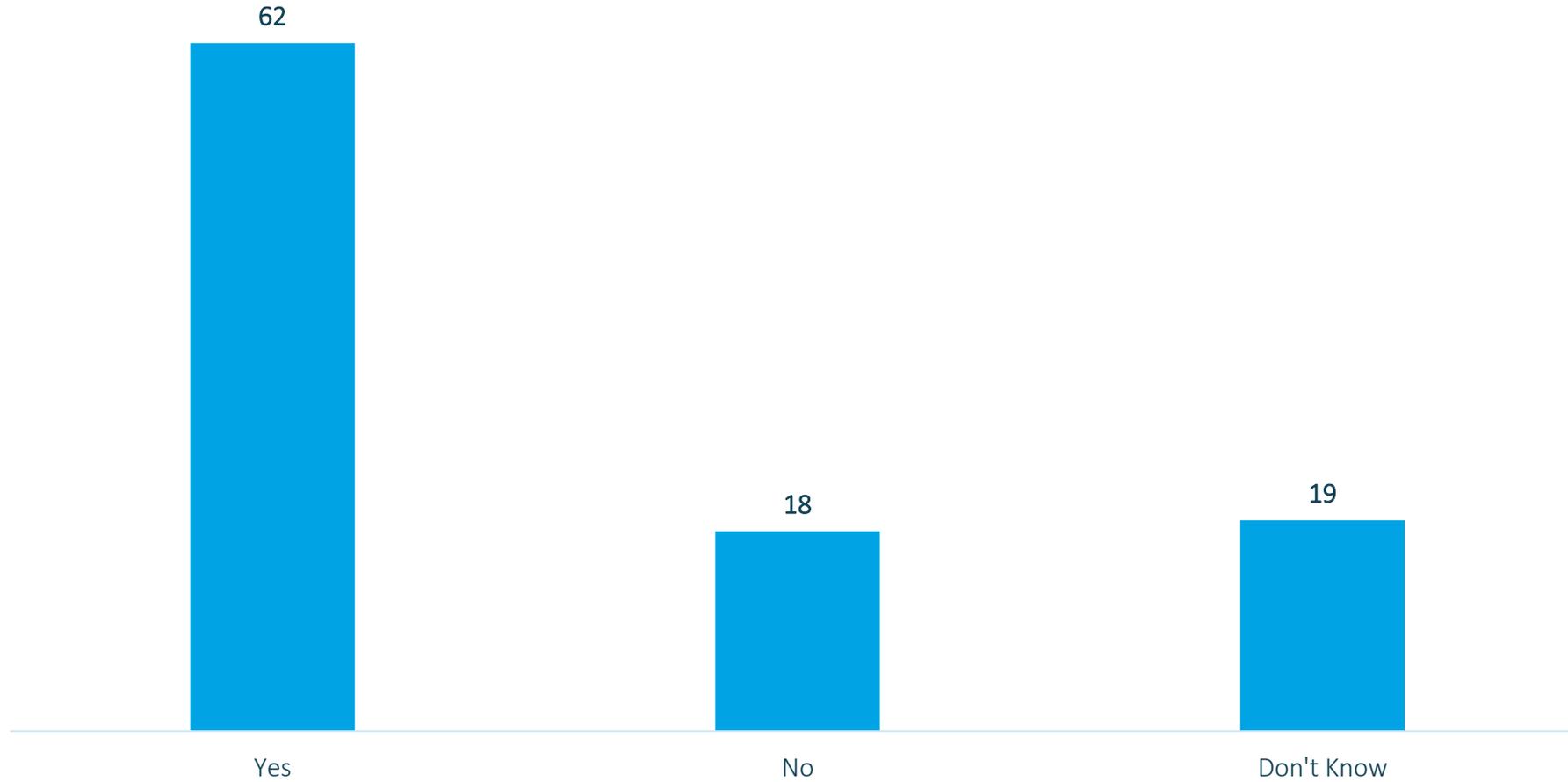


Nearly two-thirds (64%) of respondents were happy to see some vegetation removed and replaced with more appropriate species.

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=605)

# Underground electricity assets

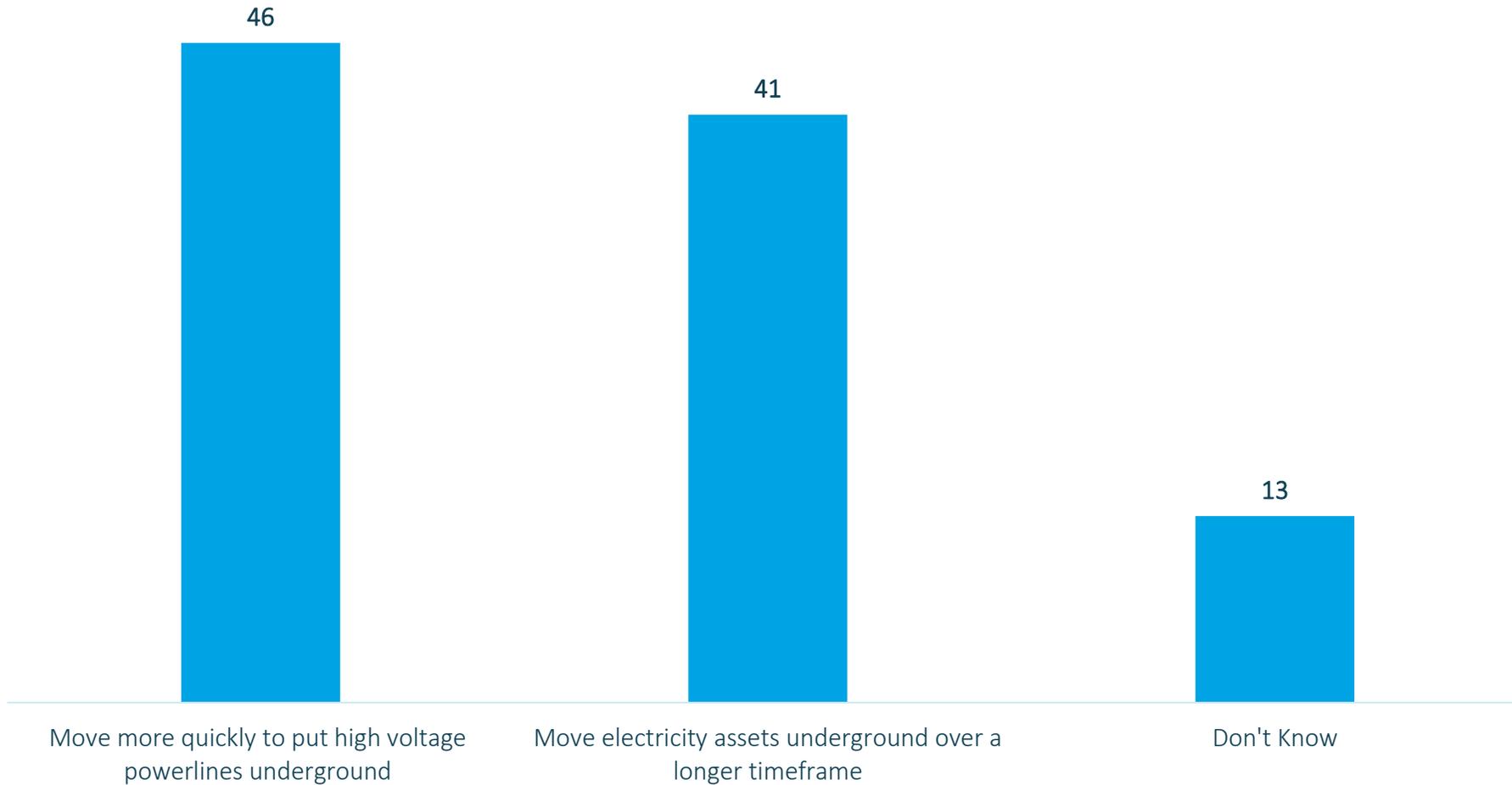


Even though the cost of undergrounding meant a higher cost to consumers, nearly two-thirds (62%) thought it should be invested in.

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?

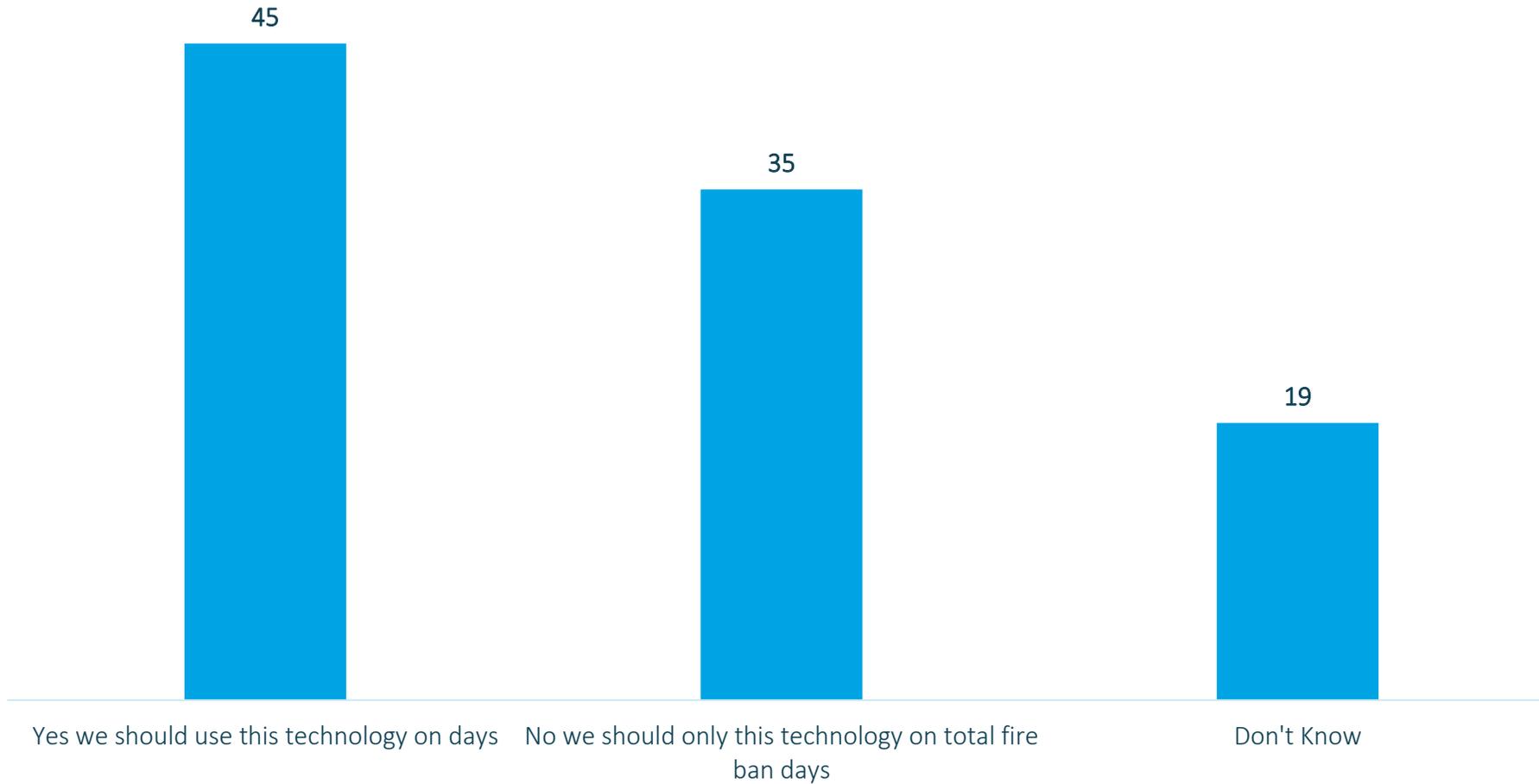
Base: All respondents (n=605)

# Moving underground timeframe



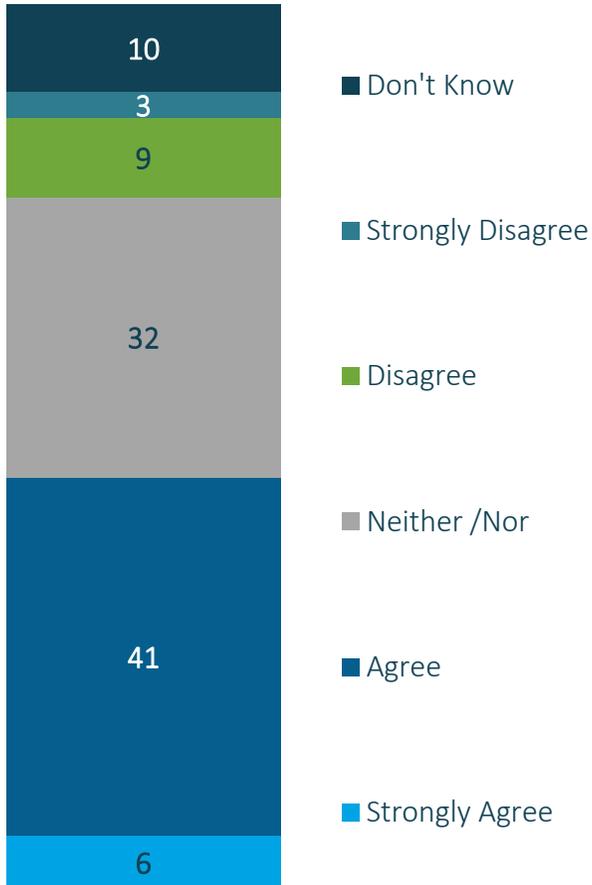
Nearly half of respondents (46%) thought that Powercor should be putting high voltage powerlines underground quicker than the Royal Commission target.

# Power station safety switch



Nearly half (45%) of respondents believed that power station safety switches should be used on days other than total fire ban days.

# Management of safety



Suggestions to improve safety	Respondents who disagreed that enough safety management was being done n=68 %
Put powerlines underground	18
Cut back vegetation around power lines/reduce growth	15
Do more checking of the network/the poles/lines	15
More/ a better job/get off their backsides NFI	10
Do more maintenance of/around powerlines/infrastructure	10
Making safety a priority	7
Adhere to the standards/guidelines that have been set out	7
Spend money on upgrades rather than pay rises, profits etc.	6
Listen to customers/be easier to contact/be honest	4
Be more proactive/fixing things before they become a problem	3
Let people know safety info/risks/more info on what to do	3
Develop new technologies to minimise risks	3
Don't know	16
Other	5

Most felt that there was enough being done to manage safety across the network, however a third were unsure.

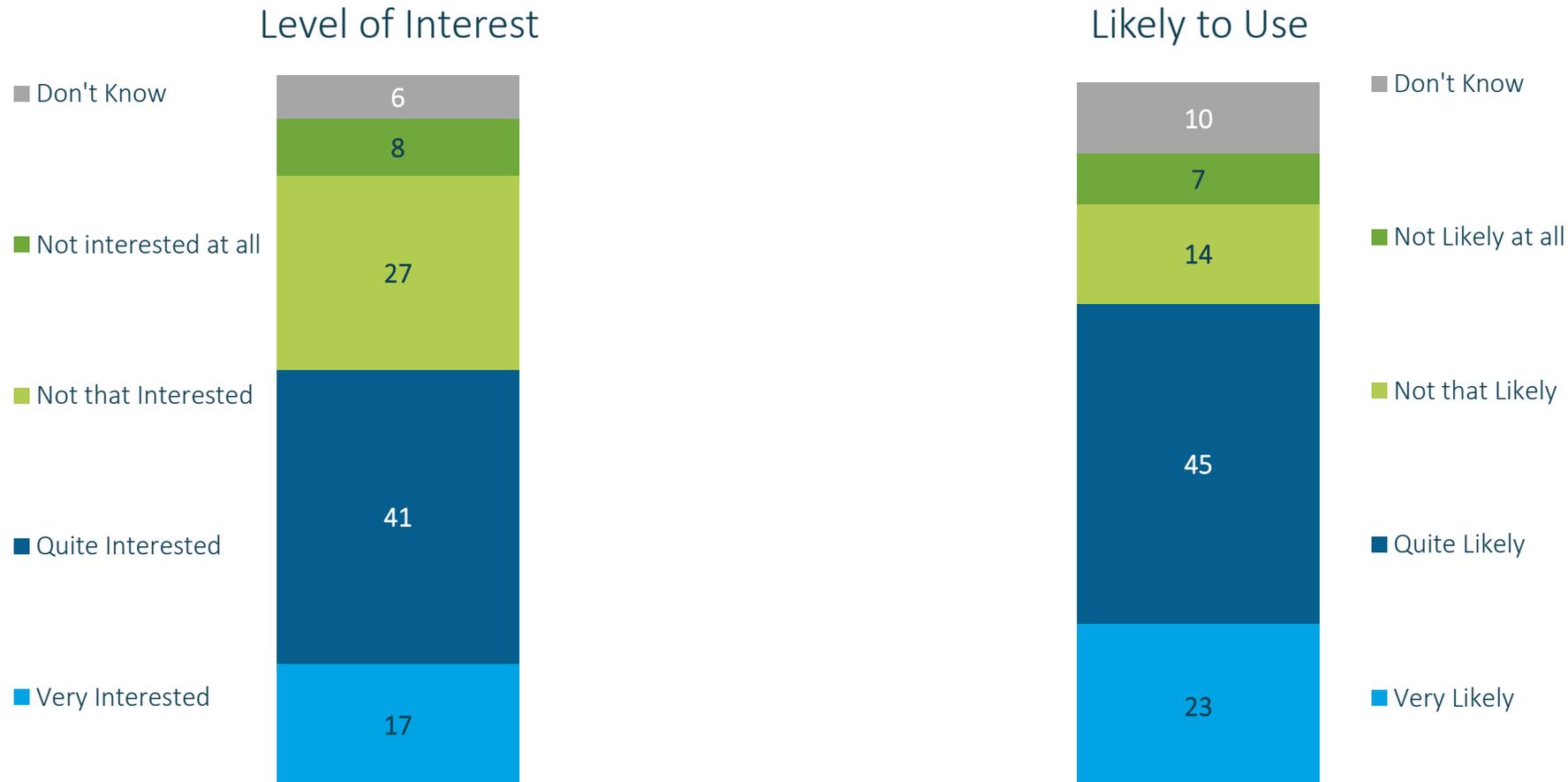
For those that felt not enough was being done, there was a call for undergrounding, better vegetation management and more 'checking' of poles & wires.



Q37. Do you agree or disagree that there is enough being done to manage safety across the electricity network? Base: All respondents (n=605)  
 Q38. What should [insert distributor] be doing with regards to safety? Base: Respondents who disagreed that enough safety management was being done (n=68)



# Real time access to data



- More than half (58%) of respondents were interested in having access to real time data.
- 68% of respondents felt that they were likely to use the data to receive rebates or savings.

# Benefits of real time access

Benefits of real time access	(n=605) %
The ability to monitor/monitor accurately your usage	17
The ability to manage/adjust usage/consumption	13
Being able to pinpoint what uses the most electricity	12
Save money/lower our bill/control costs	10
No unexpected bills/know your costs/track spending/budgeting/costings	9
Being able to see the best time for heavy usage activities/to decrease usage in peak	7
It gives information/better understanding/ability to make informed choices	4
Lower energy consumption/not wasting power	4
It may help you to work out the best ways /where to cut use if needed/see unnecessary usage	3
Knowing when /that you need to cut down usage/if you have overdone it	3
Being able to see when I'm using most power	3
Easy access/convenience	2
Seeing the immediate impact of an action eg turning on a/c/makes you more aware	2
Seeing how much solar is being generated/adjusting usage to get the most out of my solar	2
Being able to check for problems/unexplained spikes	1
Don't know	18
None	13
Other	3

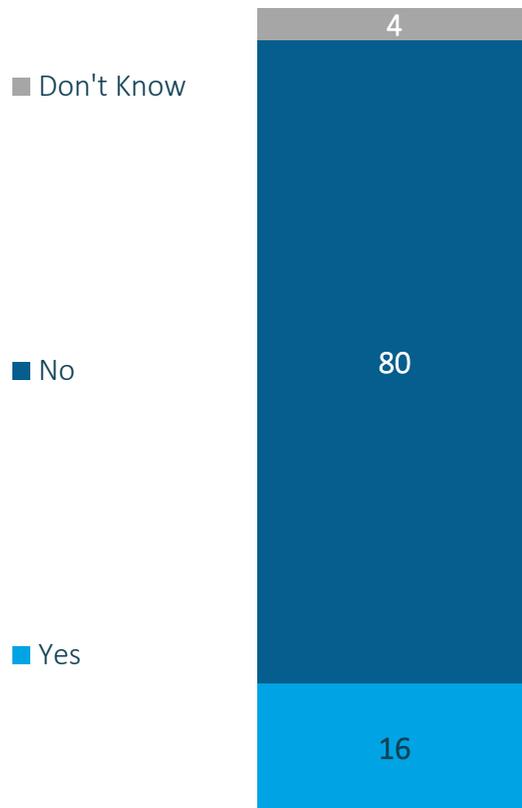
Key benefits from having access to real time data were perceived to be:

- Monitoring usage
- Managing & adjusting usage
- Identifying high usage appliances

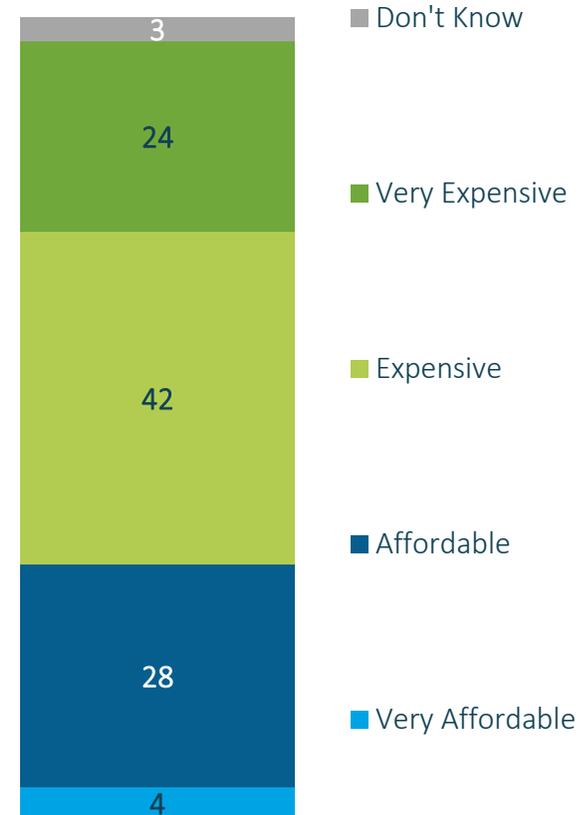


# Affordability

## Difficulty paying a bill



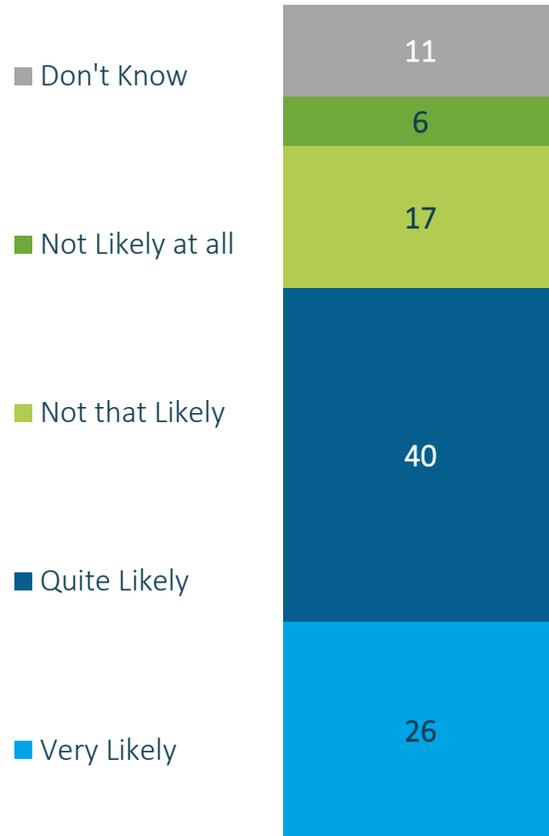
## Affordability



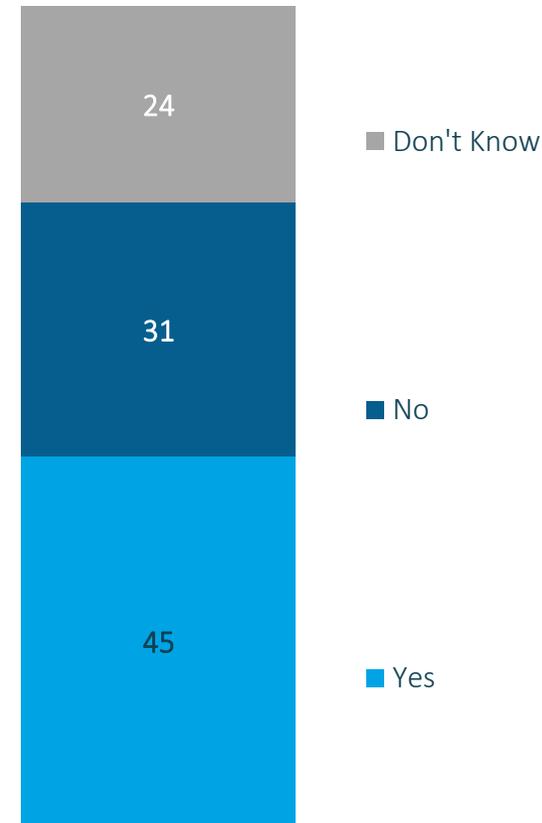
While 80% of respondents had not experienced hardship in paying a power bill, two-thirds (66%) perceived their electricity bills to be expensive.

# Controlling energy usage

Likelihood to participate in trials or programs



Allowing distributor remote access to adjust your energy use.



- Two-thirds (66%) of respondents indicated they would be likely to participate in a trial or program to reduce electricity at peak times.
- Nearly half (45%) also indicated they would be happy for distributors to remotely adjust energy.

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?

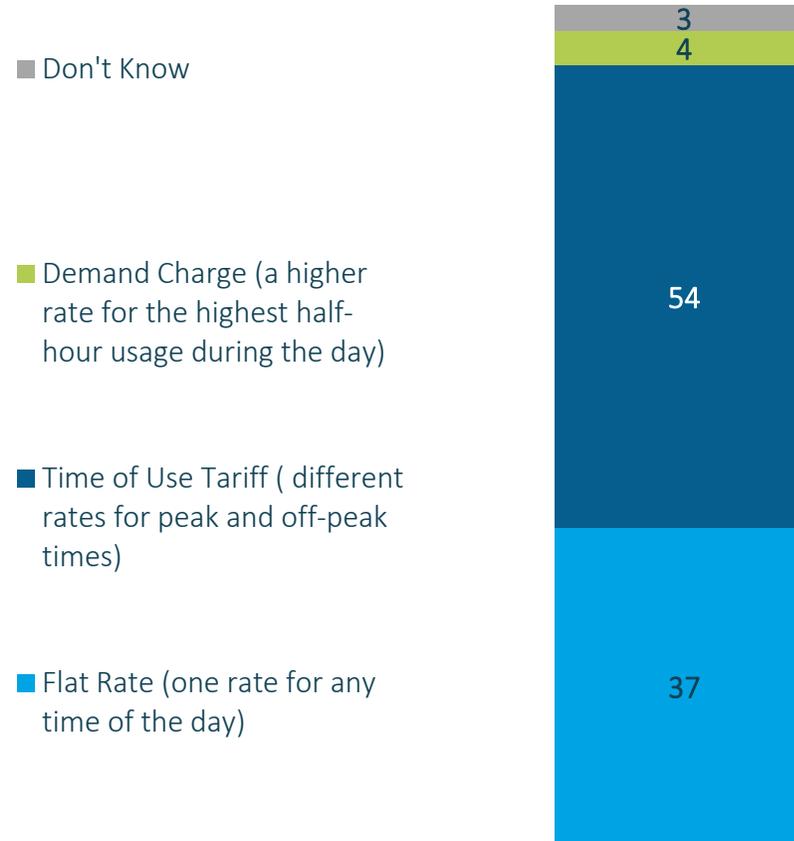
Base: All respondents (n=605)

# Tariffs

Current pricing structure



What type of tariff do you think you should be on



- Most respondents believed they were on a time of use tariff, with 29% unsure what pricing structure they were on. Over half thought that this would suit them best.

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=605)

