

# **Electric Utilities and Their Commissions**

## ***A Public Opinion Survey***

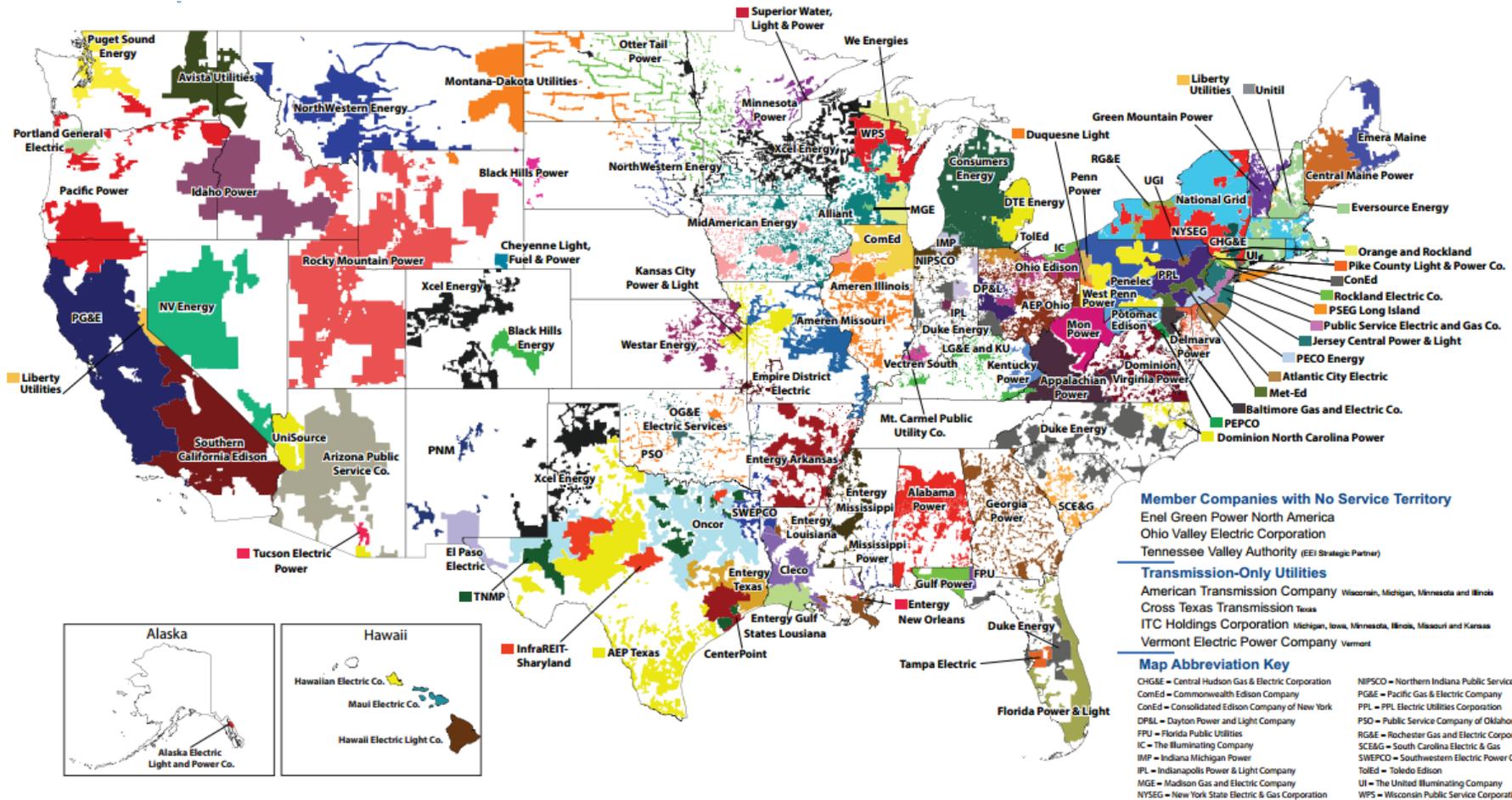
*July 12, 2015*



Online Survey January 28<sup>th</sup> – February 3<sup>rd</sup>



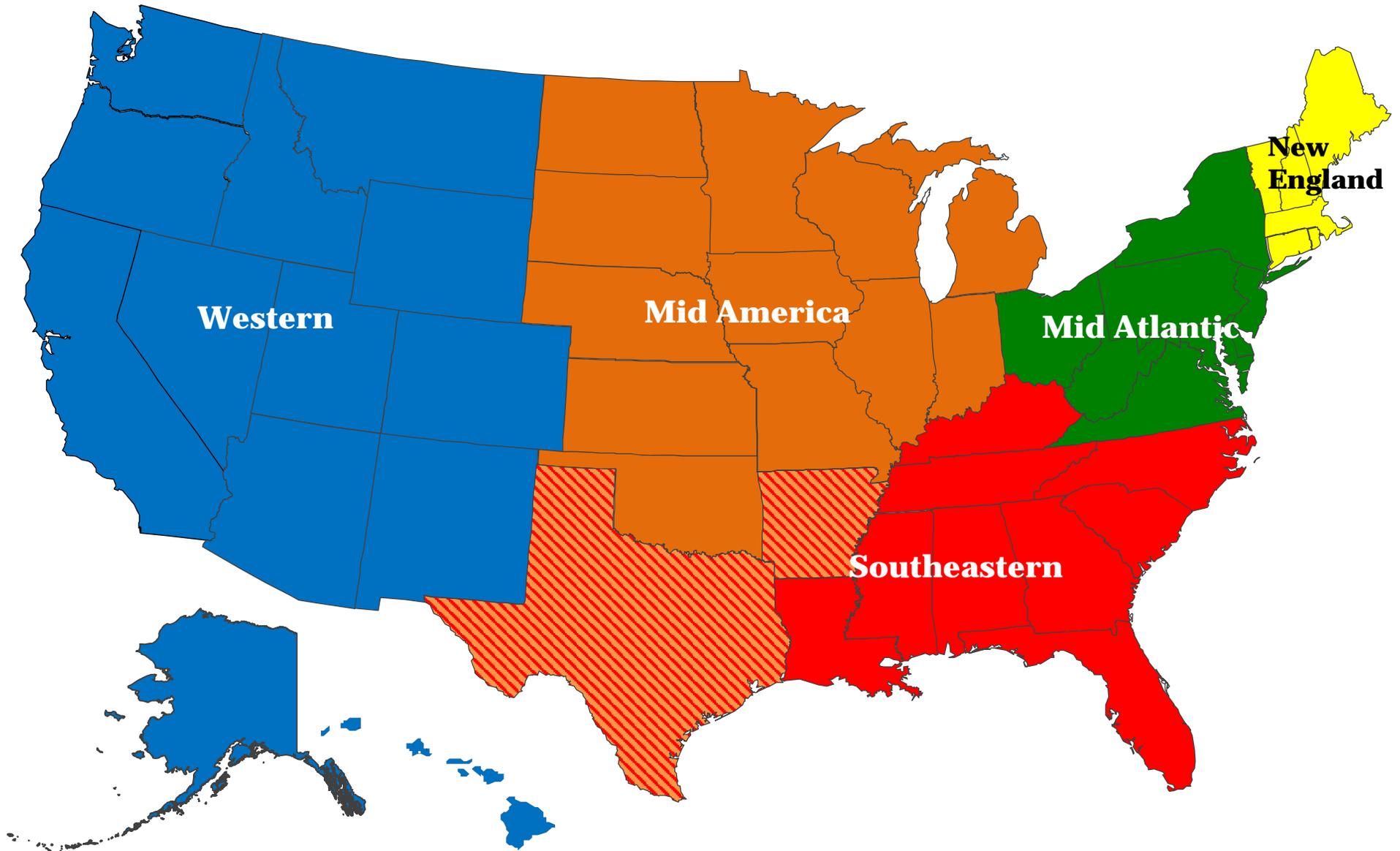
# Investor Owned Utilities



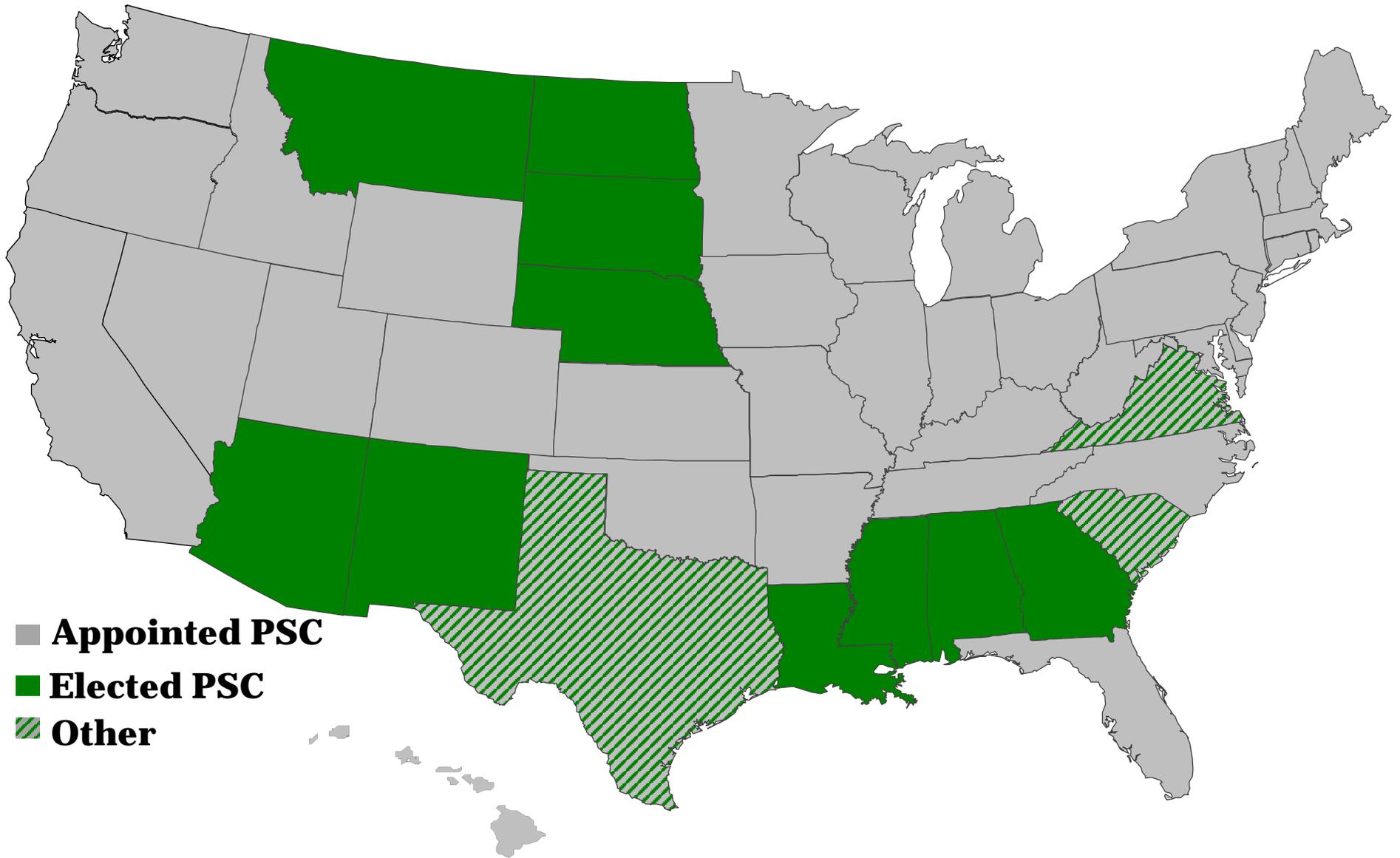
**Edison Electric Institute**

701 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2696  
www.eei.org

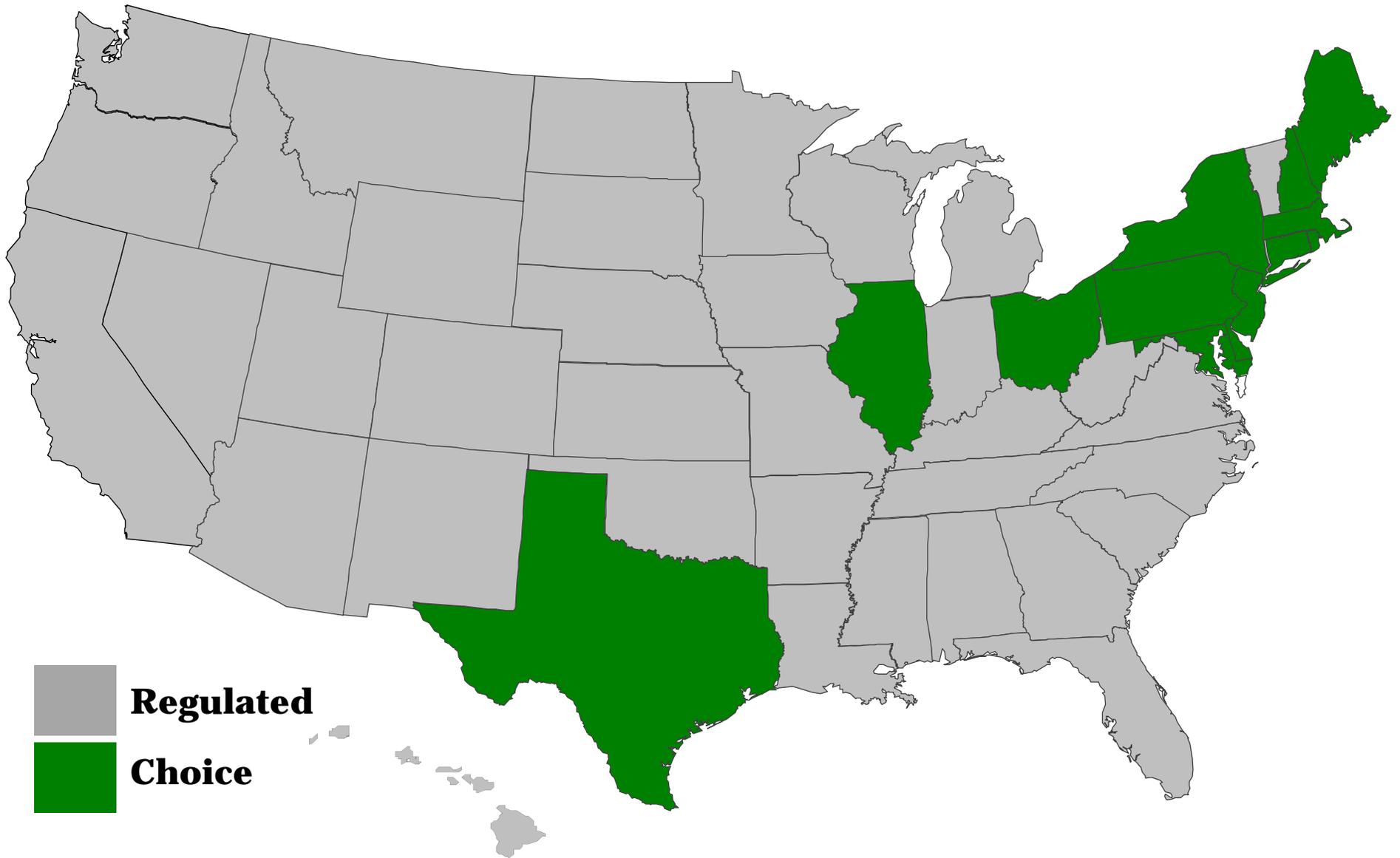
# NARUC Regions



# Appointed/Elected Commissions



# Residential Regulated/Choice States



# What These IOU Residential Customers Told Us



With VERY little difference among elected/appointed or regulated/ deregulated states, or among geographic regions:

1. They view their world with an intense jobs/economy focus, highly local and personalized.
2. They are NOT well informed about the role of Public Service Commissions.
3. **Their opinions of PSCs are directly tied to their opinions of their utility.**

**They are generally – but not “intensely” – satisfied with electric utilities, especially on reliability and restoration.**

**They are the same – generally satisfied – with PSCs on reliability; much less satisfied on rates.**

# Key Questions



- 1. Have opinions changed?**
- 2. Are opinions as contradictory as they were?**
- 3. Are there major perception gaps?**
- 4. Are there differences in social media utilization?**

NEW Online Survey June 24<sup>th</sup> – June 30<sup>th</sup>



1. Voters like the concept of choice and competition, but few attach urgency to the concept and even fewer are likely to actually take advantage of choice.
2. Interest in choice is directly correlated with respondents' perception of electric bill and price – not their ideology.
3. Few voters understand the role of Public Service Commissions.

Respondent opinions toward Public Service Commissions are linked to their overall opinion of their utility provider. Dislike of their utility provider translates to dissatisfaction with their PSC.

4. Overall there is a consensus agreement on using more renewable energy, but deep partisan division on how to accomplish the goal.
5. Voters have no problem with requiring a connection charge for solar customers – but would prefer to give homeowners a discount on that charge.



**Things We Told You In January  
Still Hold . . .**

1. Voters and customers are expressing a desire for more control and this is often expressed in strong theoretical support for choice and distributed generation, especially solar.
2. Voters are perfectly capable of holding conflicting thoughts and ideas in their heads at the same time.
3. Customer expectations can far outstrip reality on utility issues, putting YOU at risk.
4. News from social sources is going to increasingly complicate our ability to educate and inform.



**New Themes That Are Emerging . . .**

# INITIAL PERCEPTION OF UTILITIES

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Reasonable Expenses  
Satisfaction Of Services

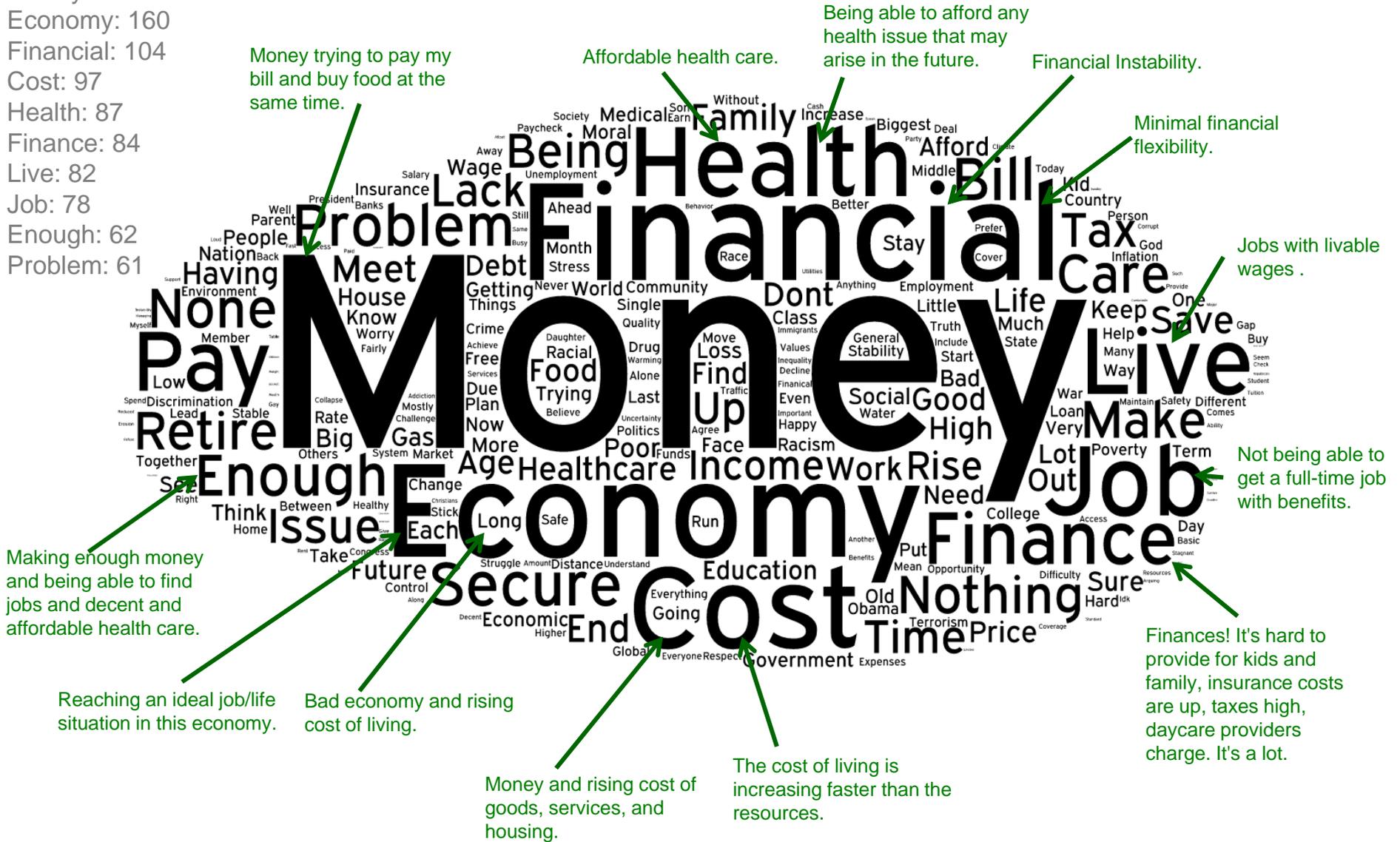
# Top Of The Mind Issues



## TOP ISSUES

- Money: 284
- Economy: 160
- Financial: 104
- Cost: 97
- Health: 87
- Finance: 84
- Live: 82
- Job: 78
- Enough: 62
- Problem: 61

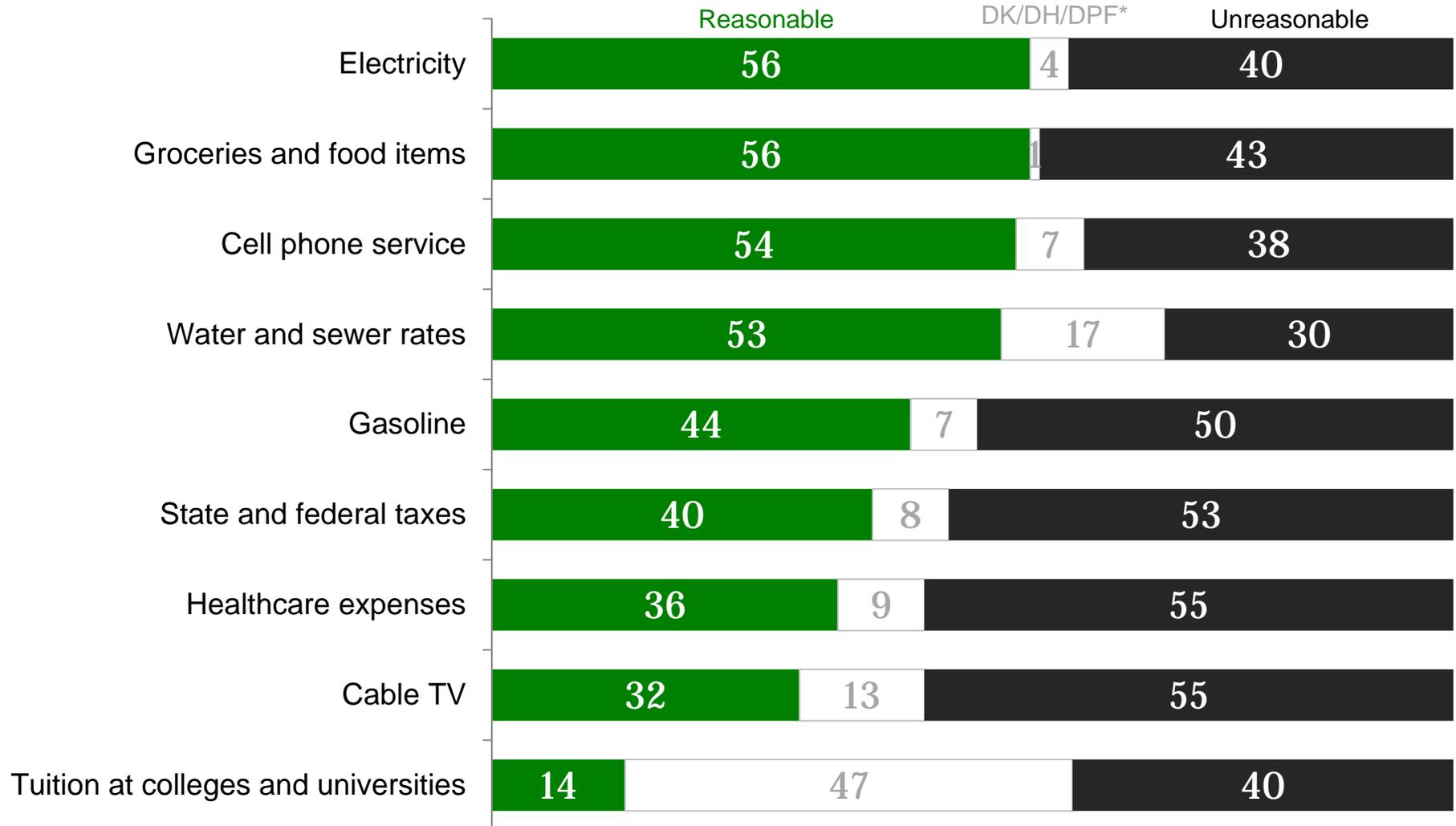
When you think about people like you and your family, what's the single biggest problem facing you and them?



# View Of Household Expenses



Here are some household expenses. Please tell me if the CURRENT amount you pay is reasonable or unreasonable?

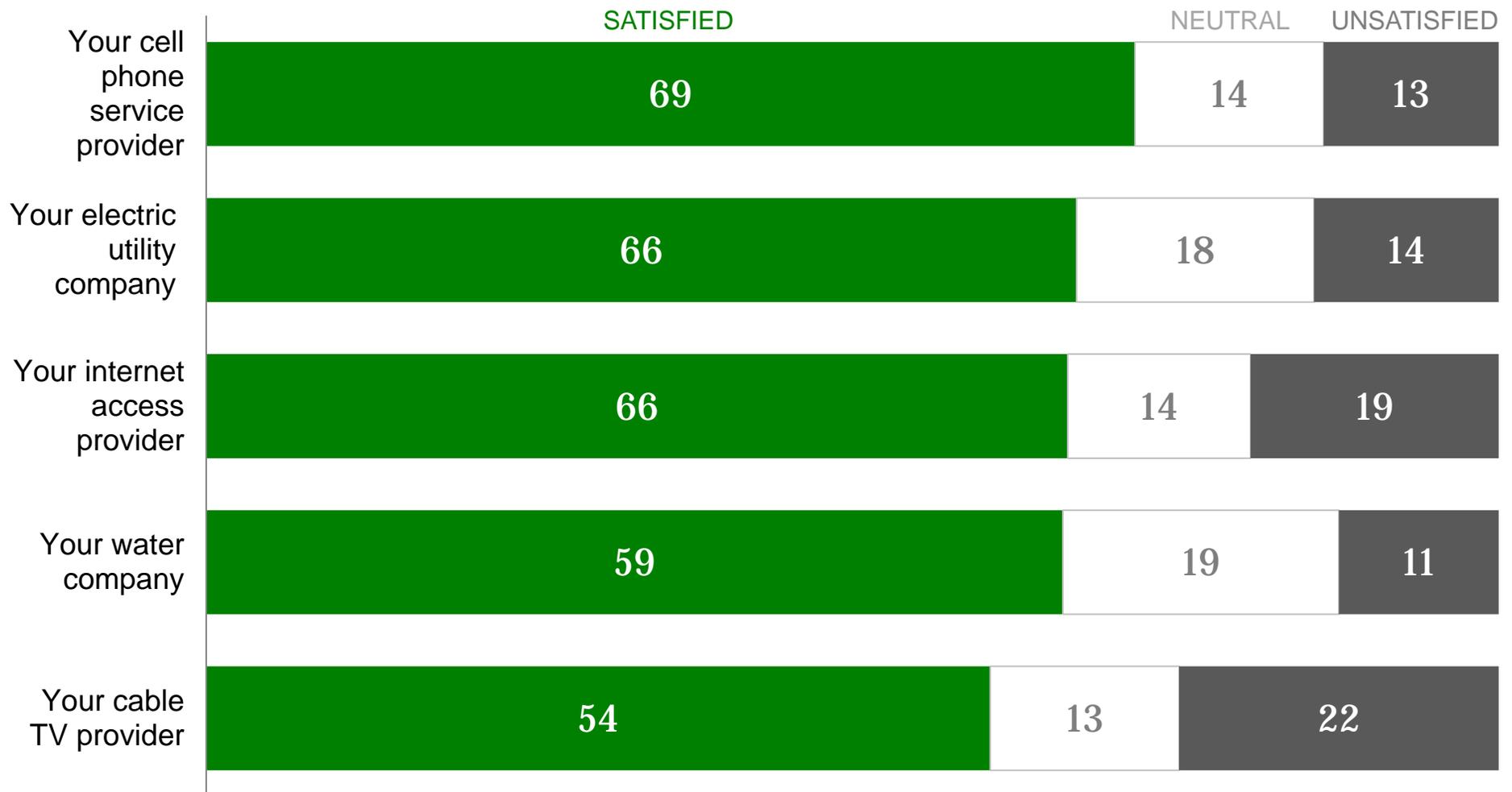


\*DK/DH/DPF represents those who either don't know what they pay, don't have this service, or don't pay for it themselves

# Satisfaction With Services



We'd like to get your opinion on some groups, companies and organizations that you may do business with or interact with. For each one please indicate how satisfied you are with your experiences with that group, company or organization using a zero-to-ten scale where zero means you are completely DISSASTIFIED with your experiences and a ten means you are completely SATISFIED with your experiences. Use any number between zero and ten – the higher the number the greater level of satisfaction. If you have not had any experiences with a particular group, company or organization, please check NO EXPERIENCE.

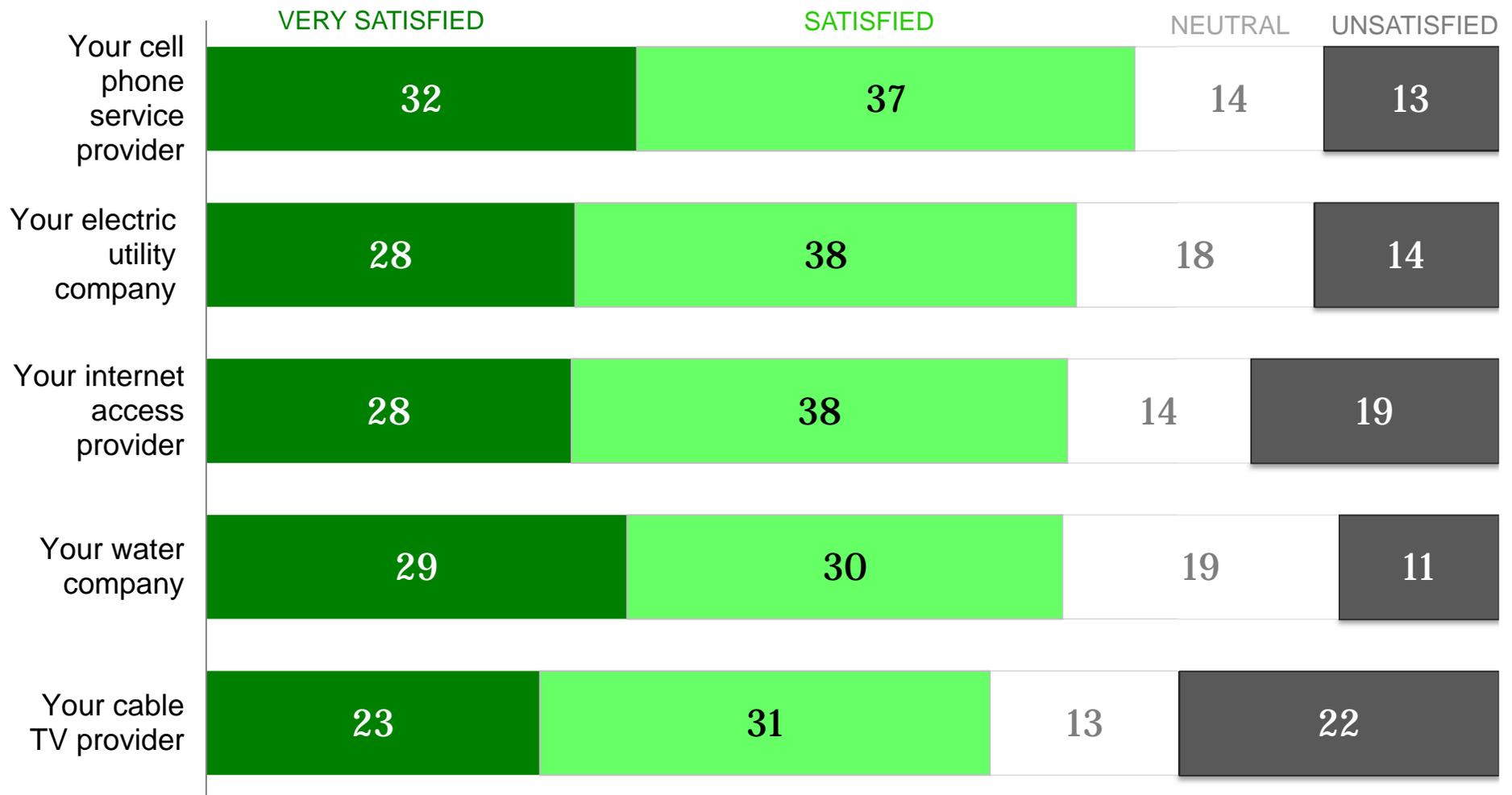


\*Respondents had the option of selecting no experience. This category represents up to 11% of total respondents in each category.

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# PERCEPTION OF ELECTRIC BILLS & OPINIONS ON CHOICE

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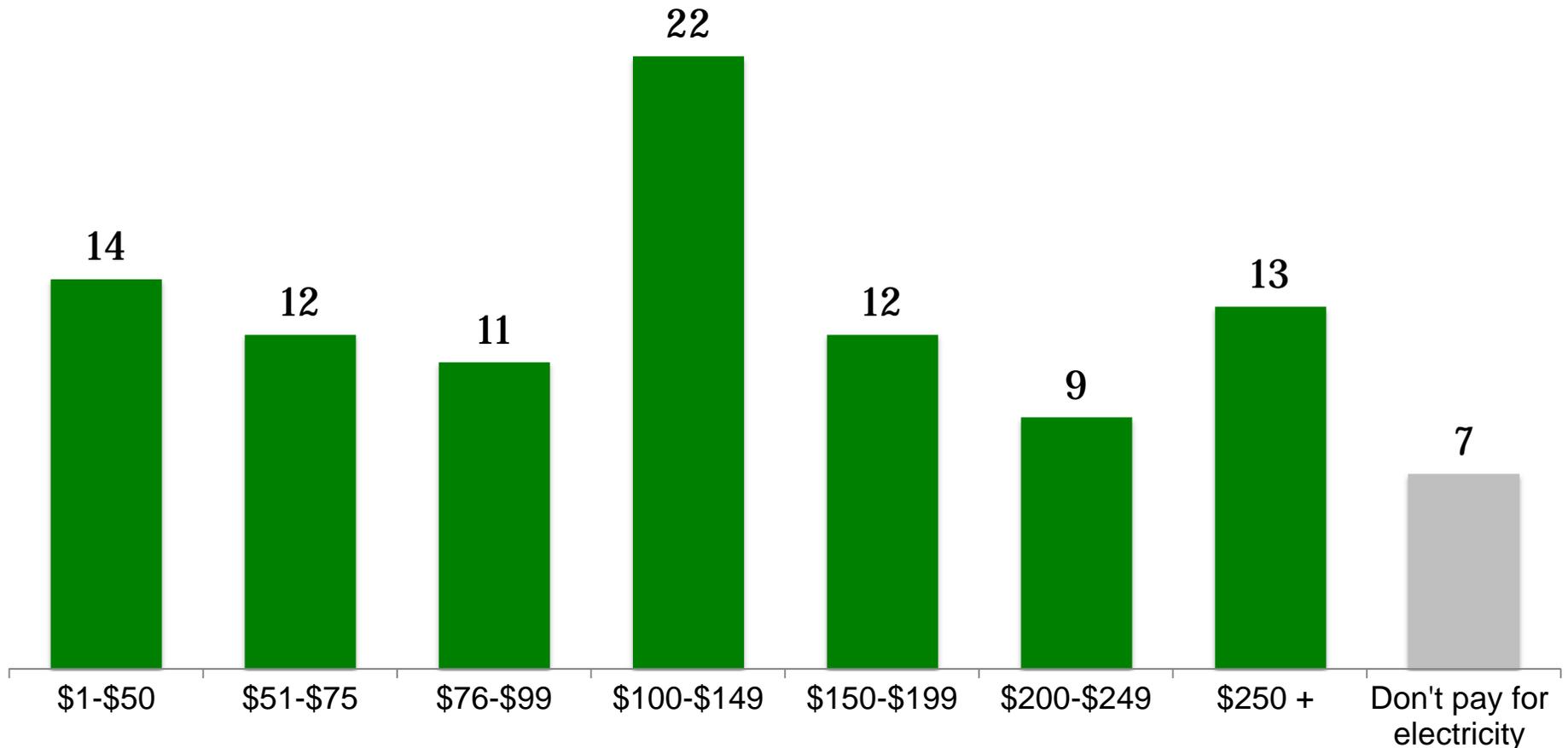
How Residents Feel About Choice And  
Control Over Their Electricity Bills

# Estimated Electric Bill



If you had to estimate, how much would you say your electric bill was last month? If you do not pay for electricity just enter zero.

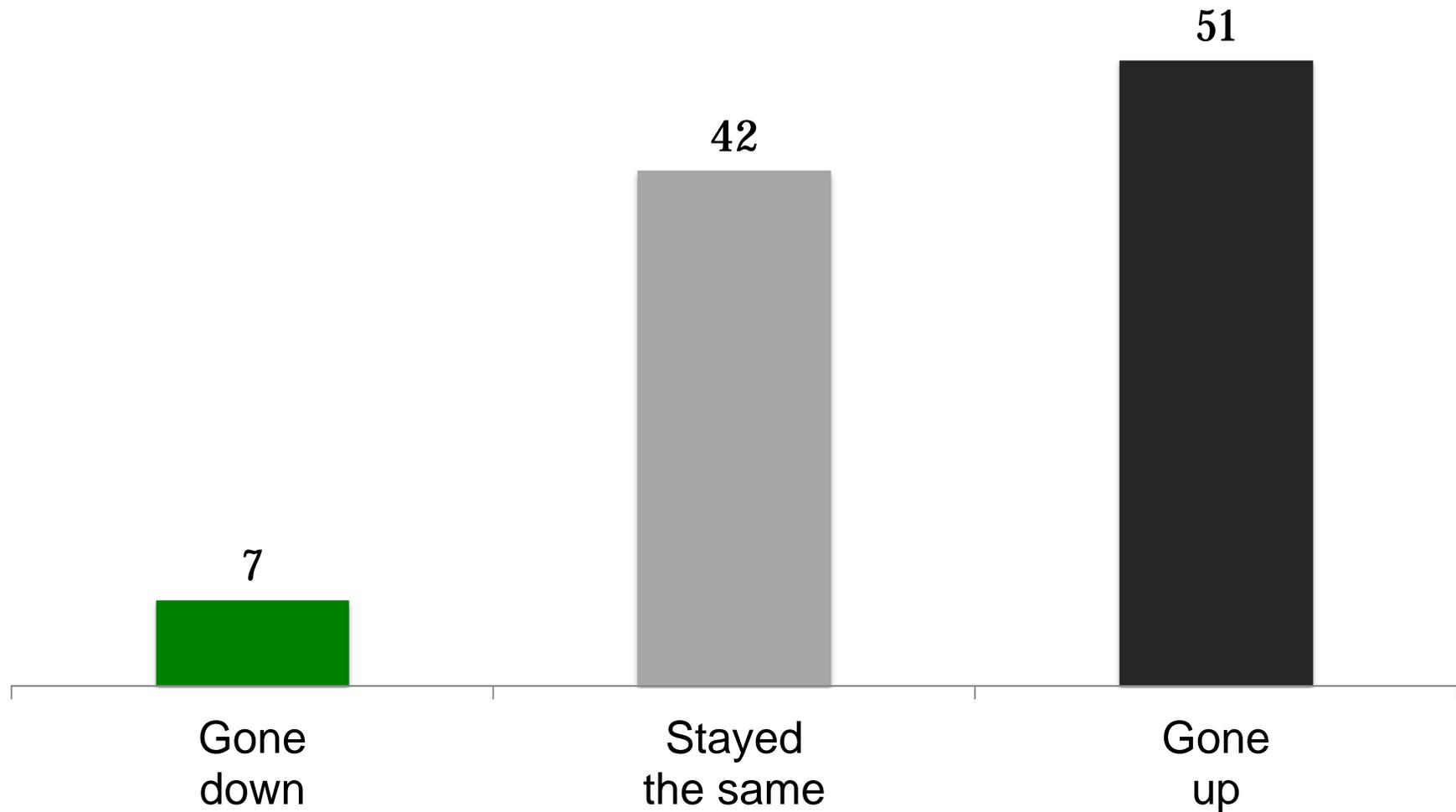
Average Bill: \$135  
Average Bill in Choice States: \$137  
Average Bill in Non-Choice States: \$133  
Under \$150: 60%  
Over \$150: 33%



# Stability Of Electric Bill



Generally speaking would you say your electric bill has gone up, gone down, or stayed the same over the past year?

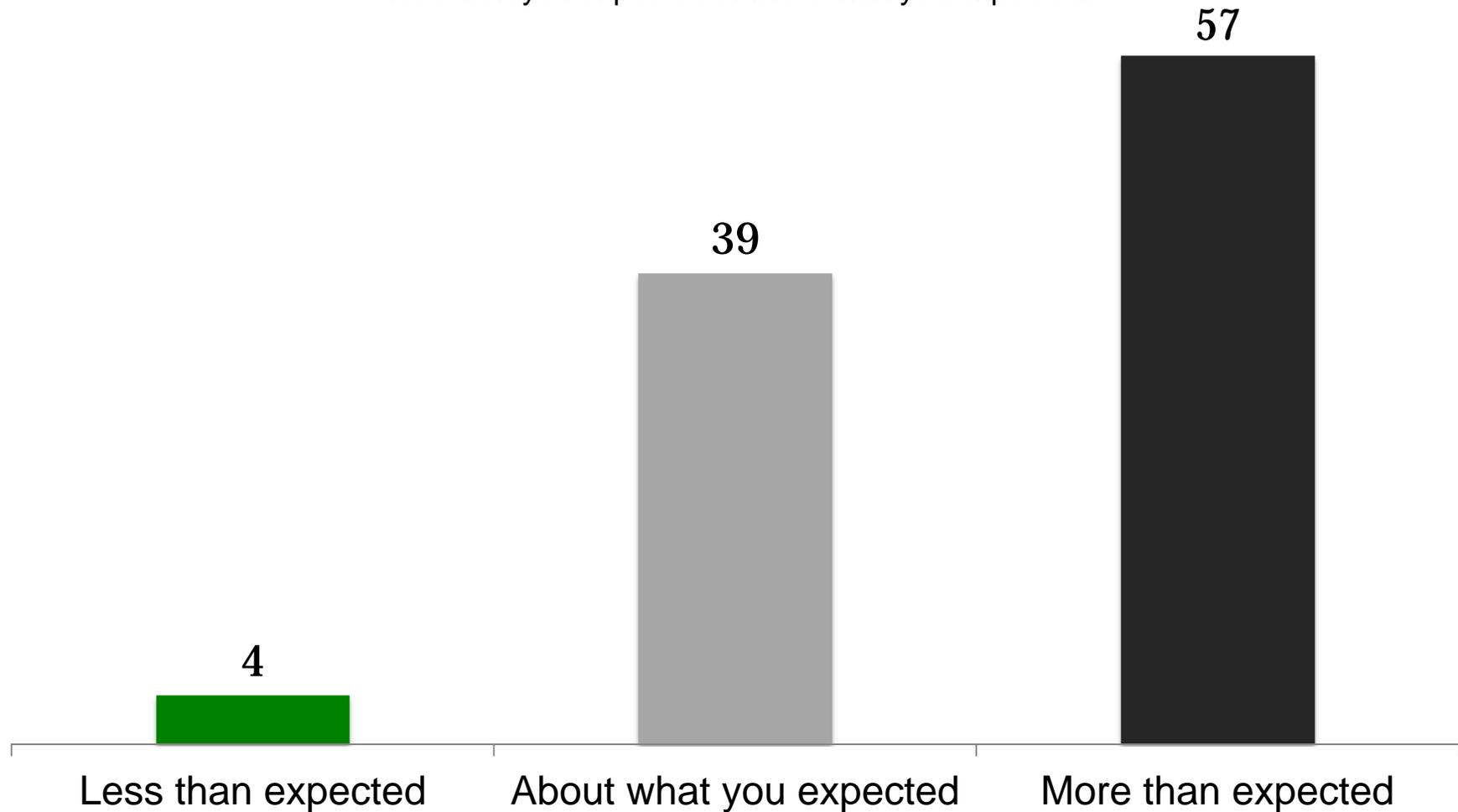


\*Only asked of those who reported that they pay for electricity.

# Electric Bill Expectations



**Asked only of those who responded that their bill has gone up in the past year: Would you say it has increased by about what you would have expected it to, less than you expected or more than you expected?**

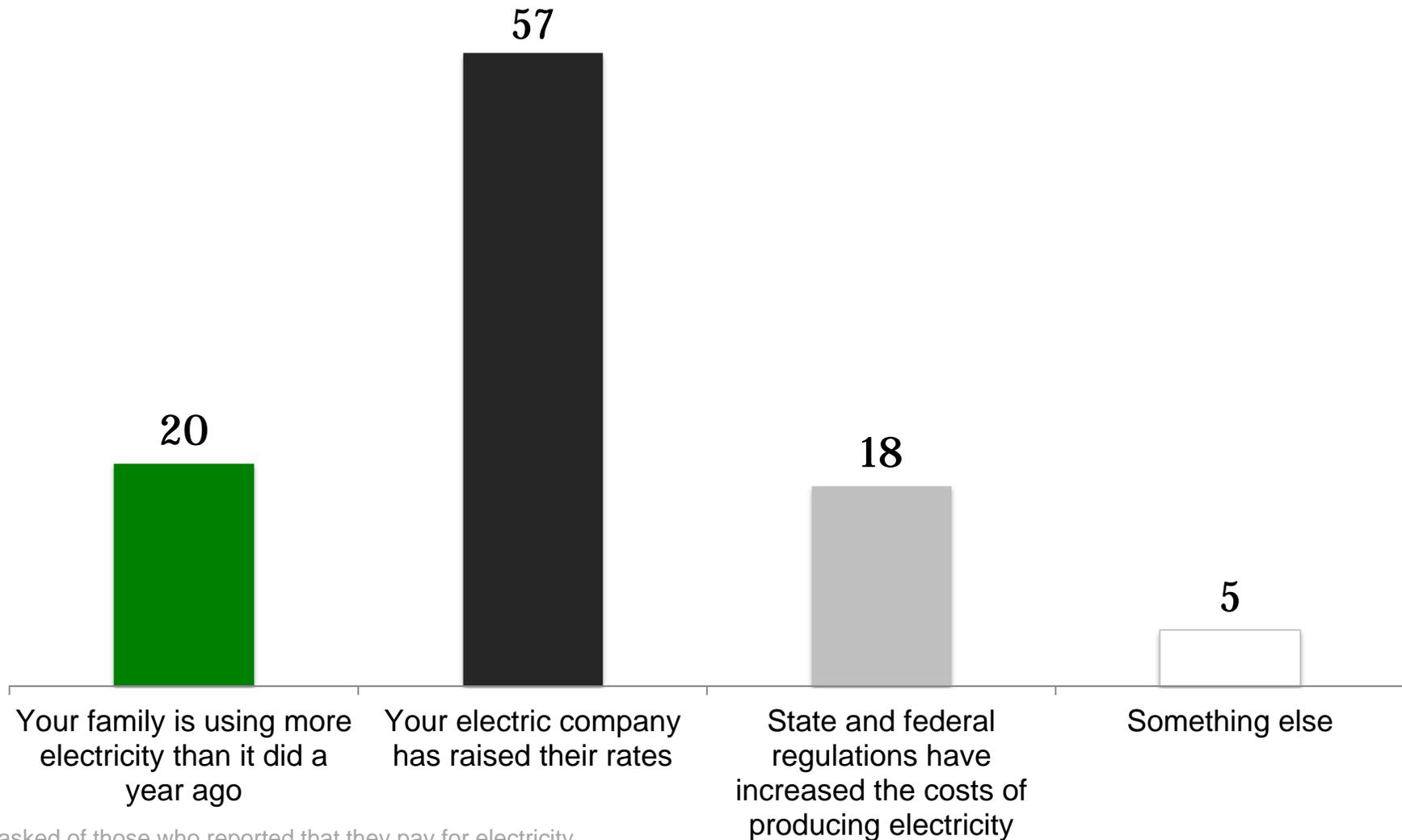


\*Only asked of those who reported that they pay for electricity.

# Why Did Your Bill Go Up?



**Asked only of those who responded that their bill has gone up in the past year:** And why do you believe your bill has gone up? Would you say it is primarily because your family is using more electricity than it did a year ago, your electric company has raised their rates, state and federal regulations have increased the costs of producing electricity, or something else?

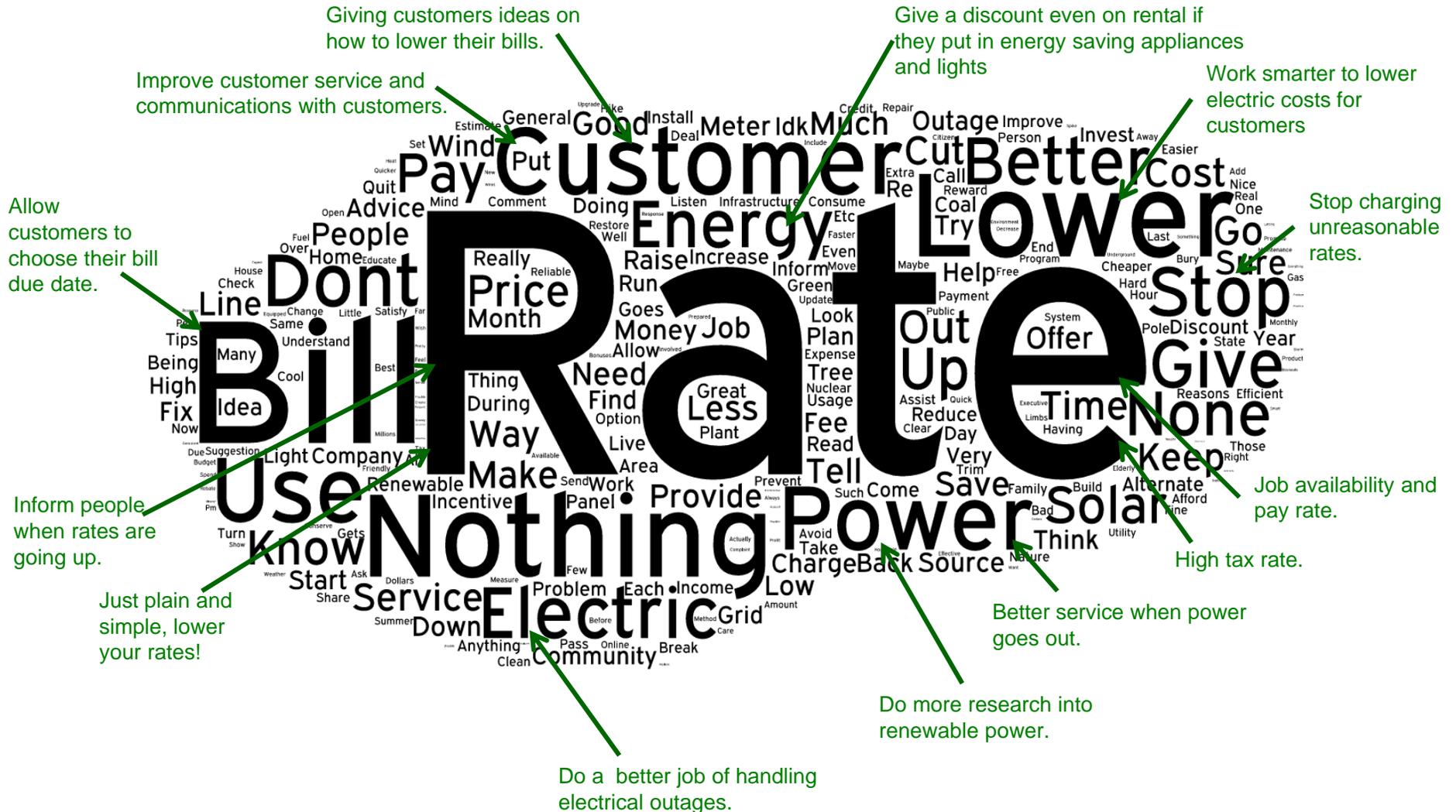


\*Only asked of those who reported that they pay for electricity.

# Advice To Providers



**Asked only of those who responded that their bill has gone up in the past year:** Thinking about your current electric utility provider, other than lowering your bill, if you could give them one piece of advice on how to be a better company, what advice would you give them, what would you tell them to start doing, stop doing or do more of?

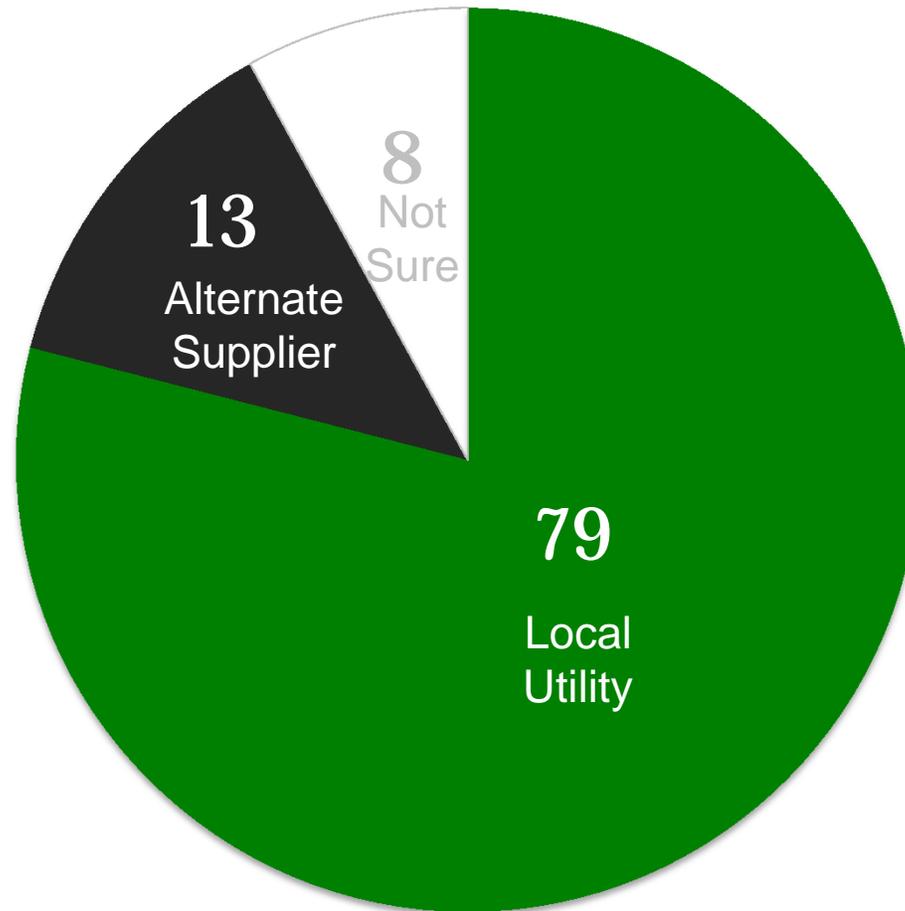


\*Only asked of those who reported that they pay for electricity.

# Electricity Provider



**Only asked of those in choice states:**  
Do you buy your electricity from the local utility or  
have you chosen an alternate supplier?



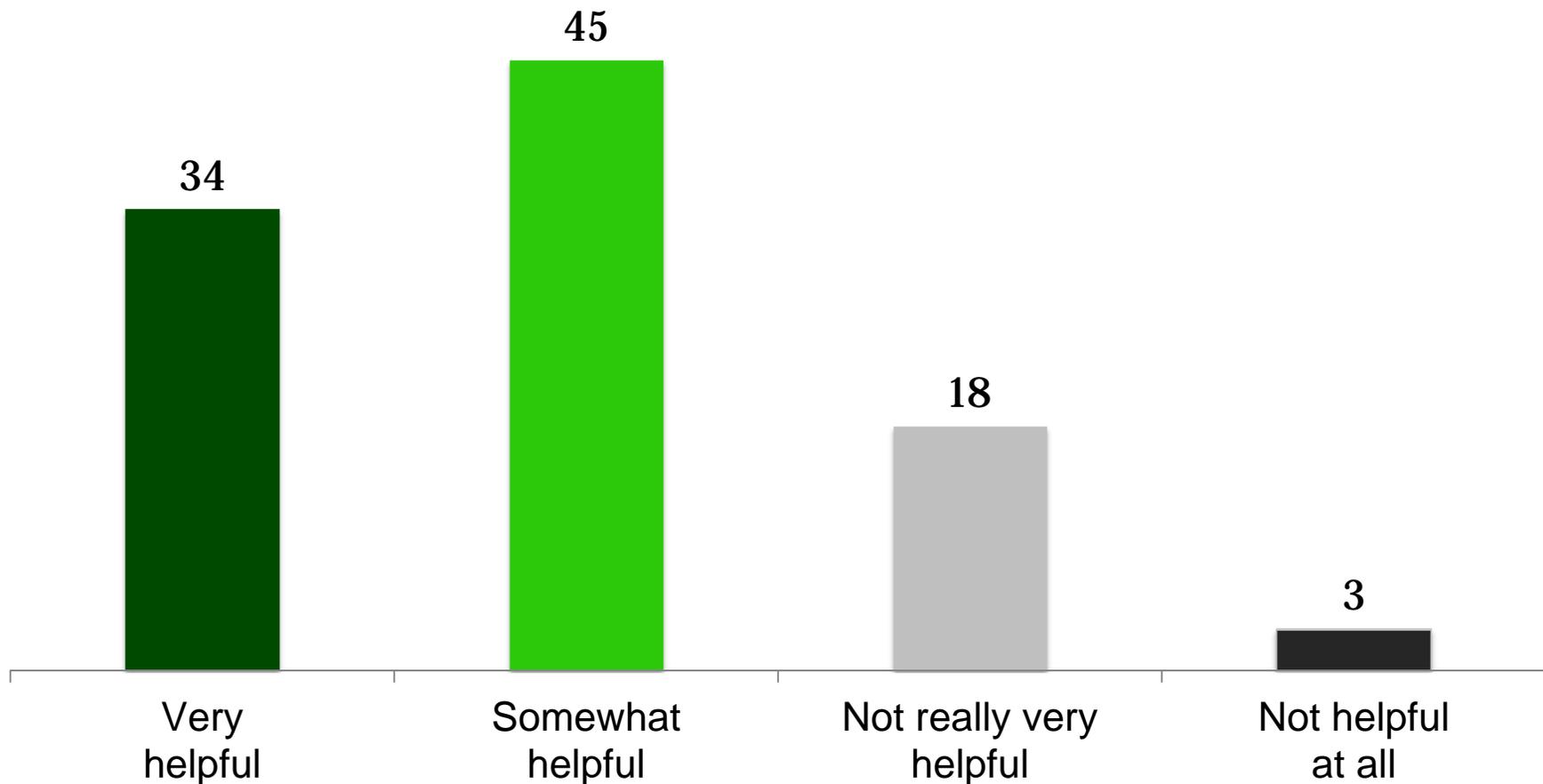
\*Only asked of those who reported that they pay for electricity.

# Non-Choice State Perceptions



**Only asked of those in regulated states:** 17 states give retail customers a choice of which company they buy their electricity from. Your state does not offer customers that choice. How much do you think having a choice in your electric company would help you and your family receive better services and/or lower prices? Would you say it would be....?

79–21

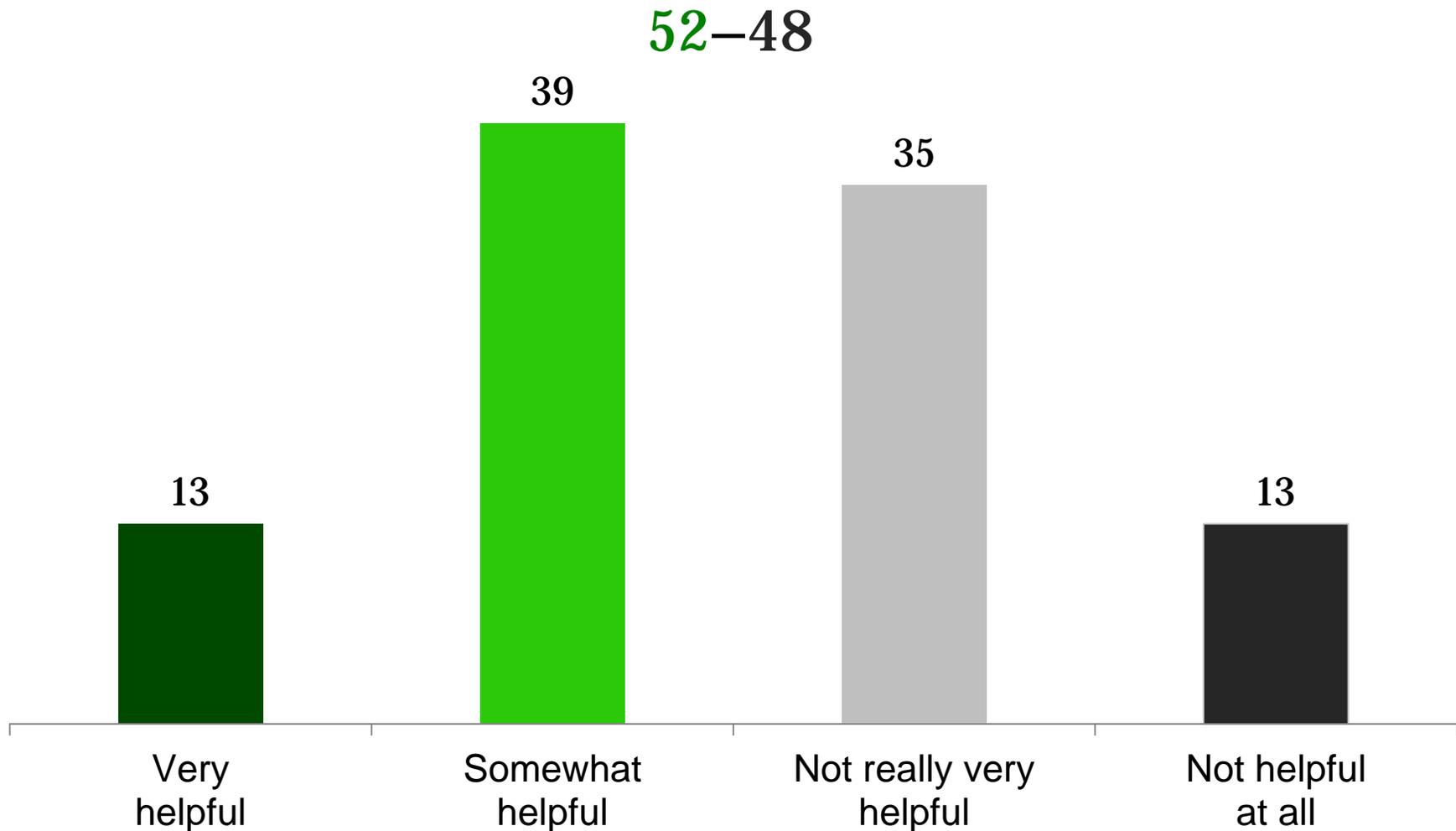


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# Choice State Realities



**Only asked of those in choice states:** How much do you think having a choice in your electric company has helped you and your family receive better services and/or lower prices? Would you say it has been...

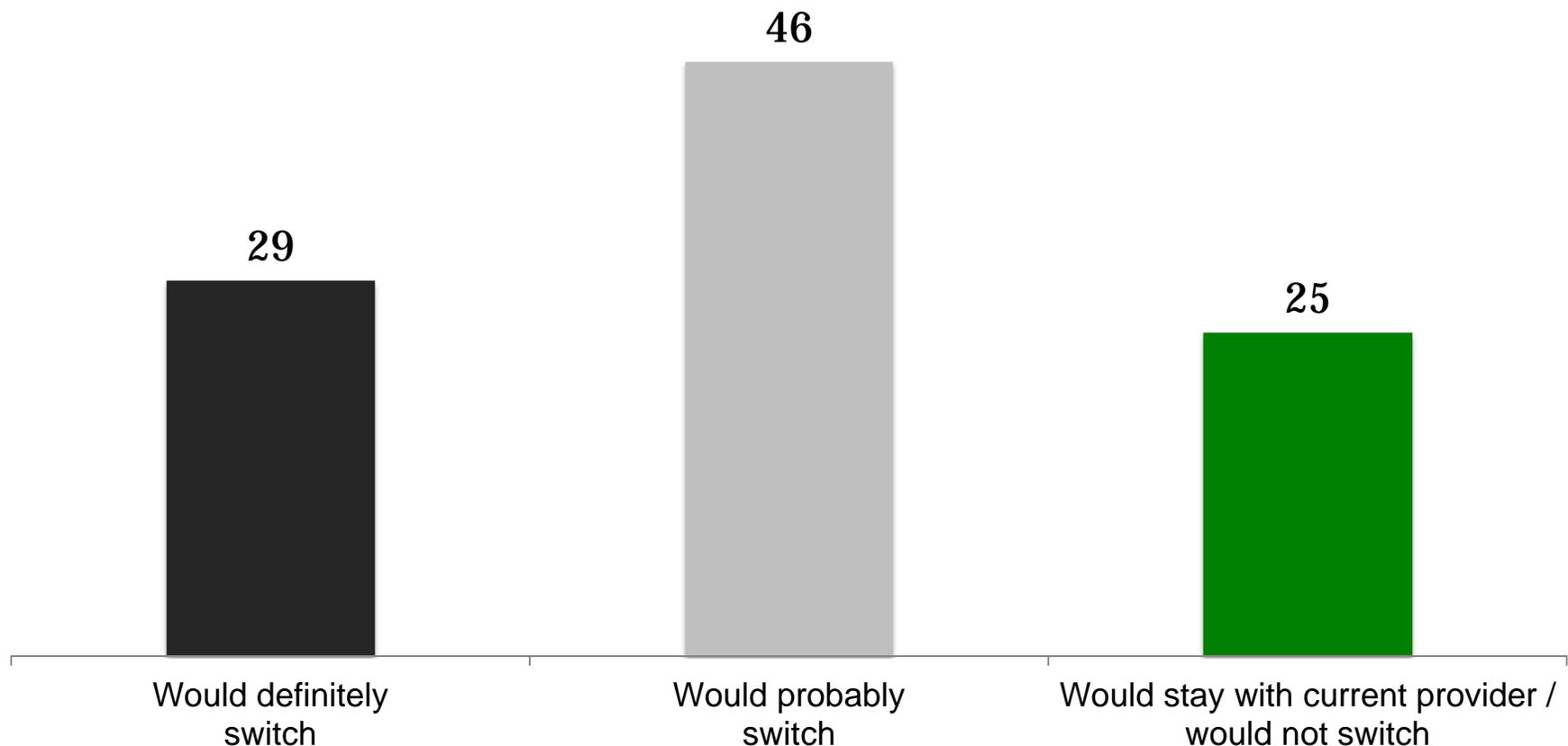


\*Only asked of those who reported that they pay for electricity.

# Discounts Would Effect Choice



**Only asked of those in regulated states:** If you were able to choose between your current electric provider and SOME OTHER ELECTRICITY GENERATION COMPANY who offered you a **ten percent discount**, do you think you would switch from the company that currently generates your electricity, or do you think you would stay with your current provider?

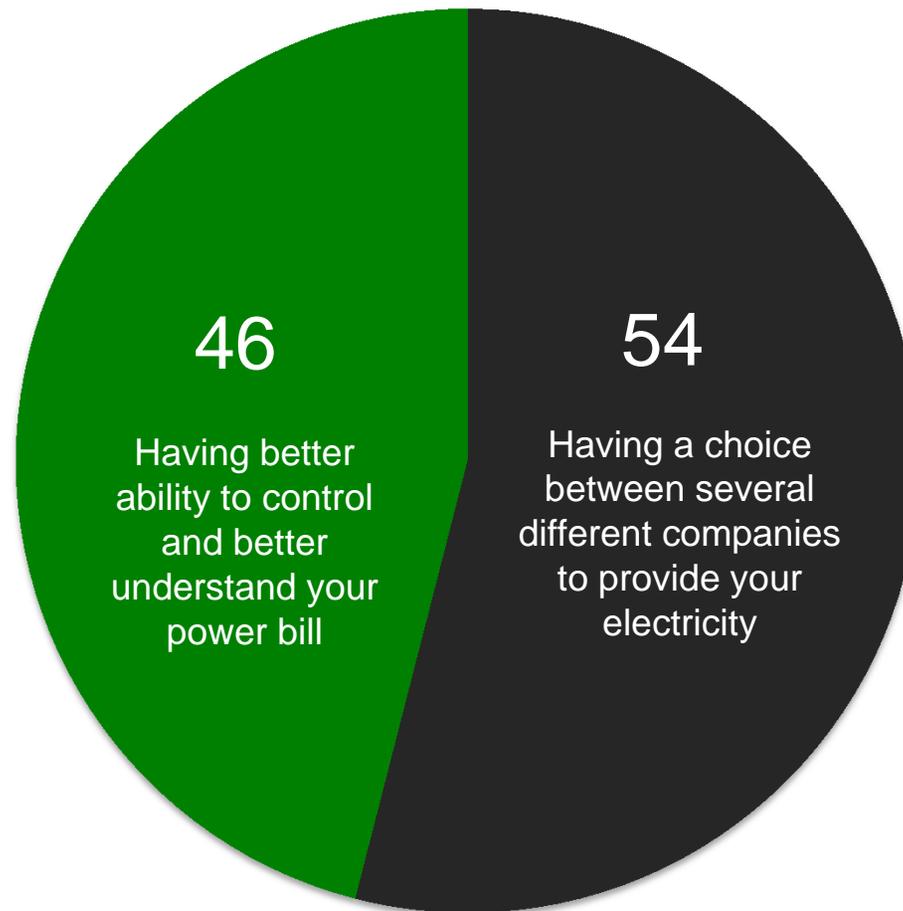


\*Only asked of those who reported that they pay for electricity.

# Choice V. Control



And which of these two things is more important to you? Having a choice between several different companies to provide your electricity, or having better ability to control and better understand your power bill?



*For customers under 35  
54% choose more control*

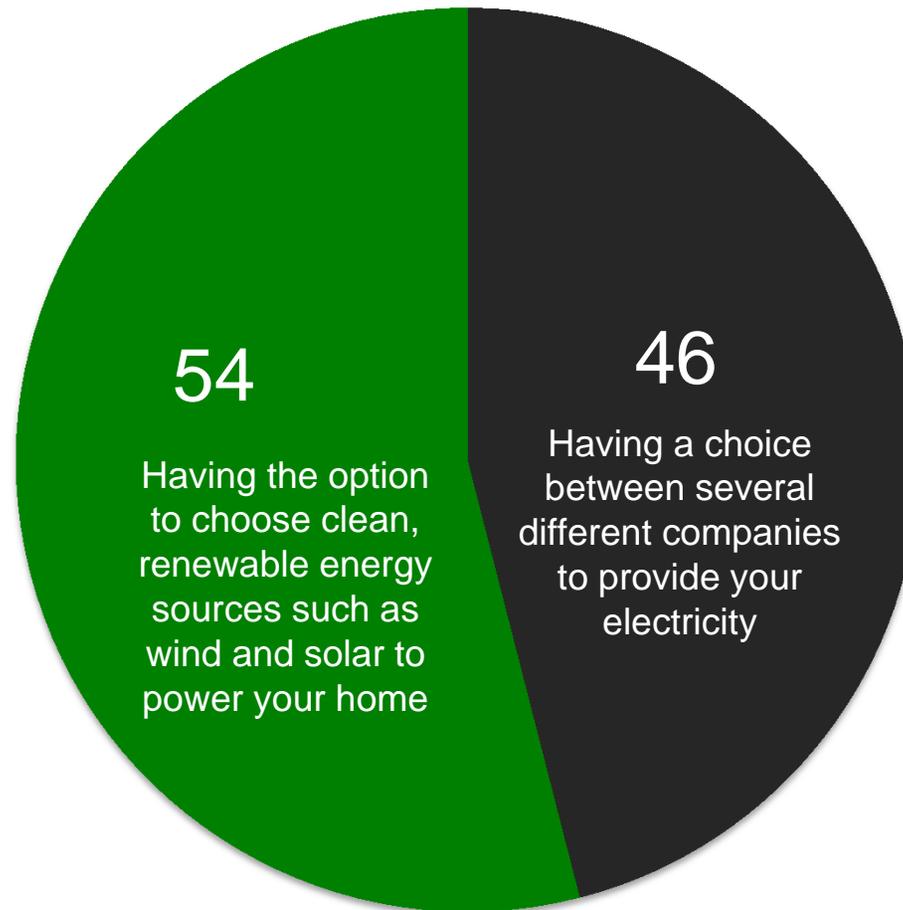
*For customers over 65  
42% choose more control*

\*Only asked of those who reported that they pay for electricity.

# Choice V. Renewables



And which of these two things is more important to you? Having a choice between several different companies to provide your electricity, or having the option to choose clean, renewable energy sources such as wind and solar, to power your home?



*For customers under 35  
60% choose more  
renewables*

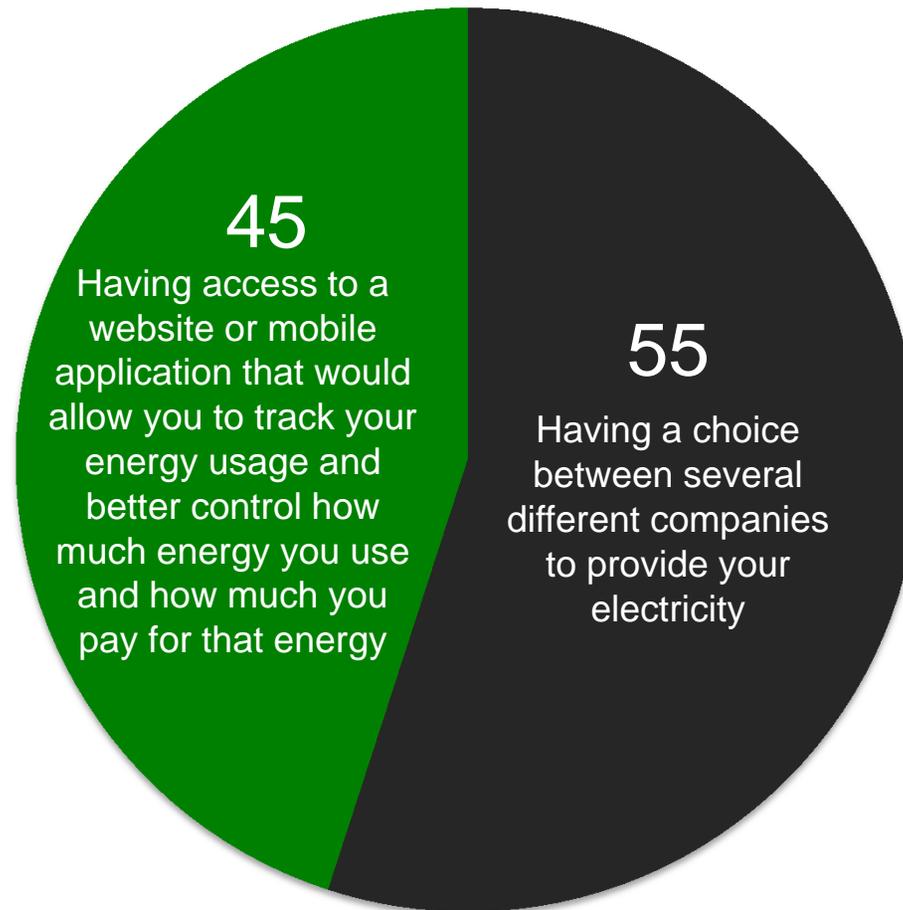
*For customers over 65  
51% choose more  
renewables*

\*Only asked of those who reported that they pay for electricity.

# Choice V. More Tools



And which of these two things is more important to you? Having a choice between several different companies to provide your electricity, or having access to a website or mobile application that would allow you to track your energy usage and better control how much energy you use and how much you pay for that energy.



*For customers under 35  
59% choose more tools*

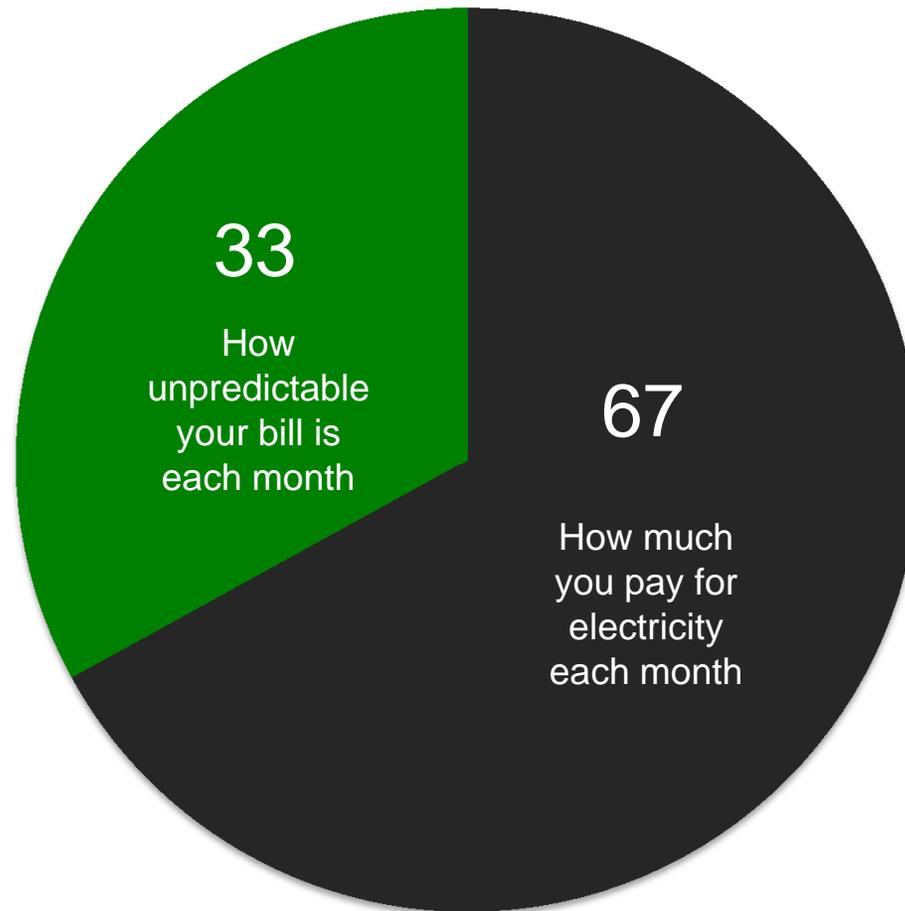
*For customers over 65  
41% choose more tools*

\*Only asked of those who reported that they pay for electricity.

# Cost V. Predictability



And which of these two things frustrates you more? How much you pay for electricity each month, or how unpredictable your bill is each month?

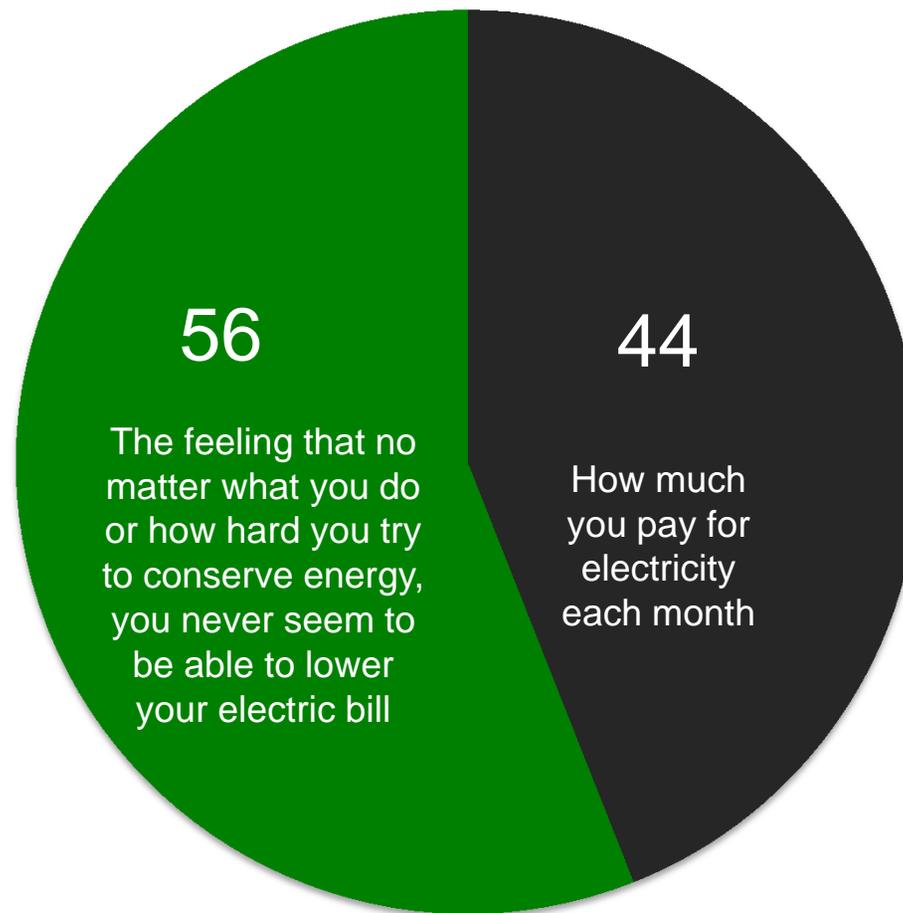


\*Only asked of those who reported that they pay for electricity.

# Cost V. Inability To Lower Bill



And which of these two things frustrates you more? How much you pay for electricity each month, or the feeling that no matter what you do or how hard you try to conserve energy, you never seem to be able to lower my electric bill?

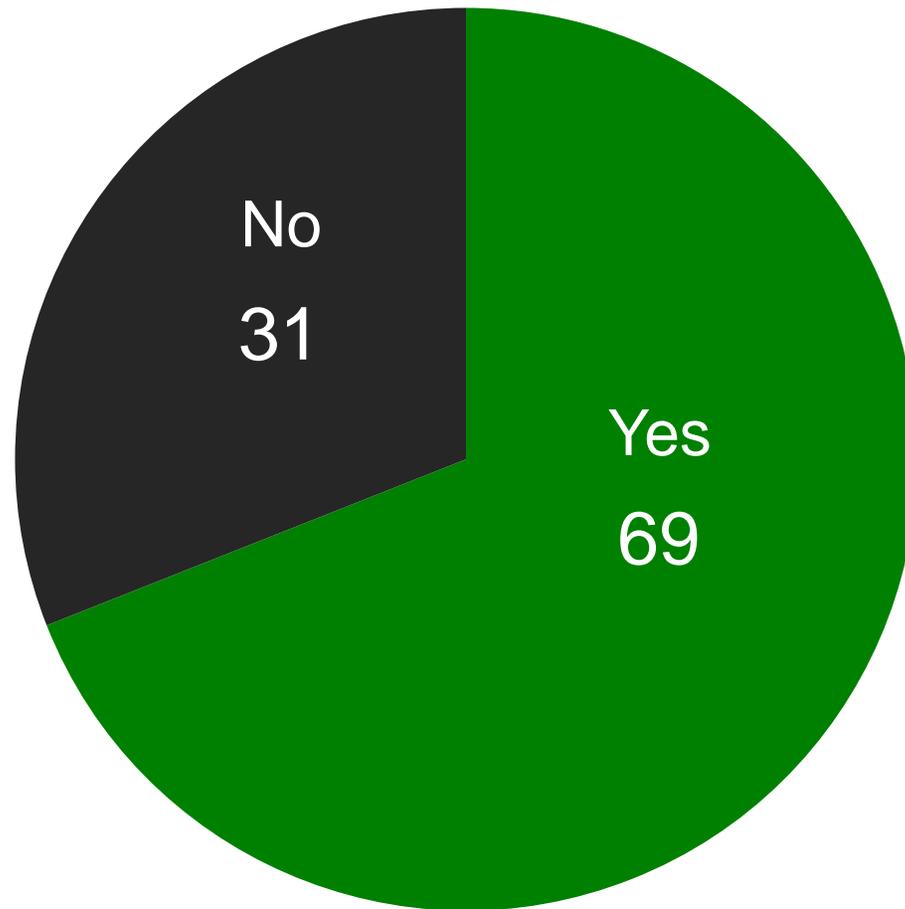


\*Only asked of those who reported that they pay for electricity.

# Conserving Would Save Money



And if you took new or additional steps to be more energy efficient and conserve power, such as using more insulation, buying new appliances or adjusting your thermostat, would you end up saving money on your monthly utility bills?



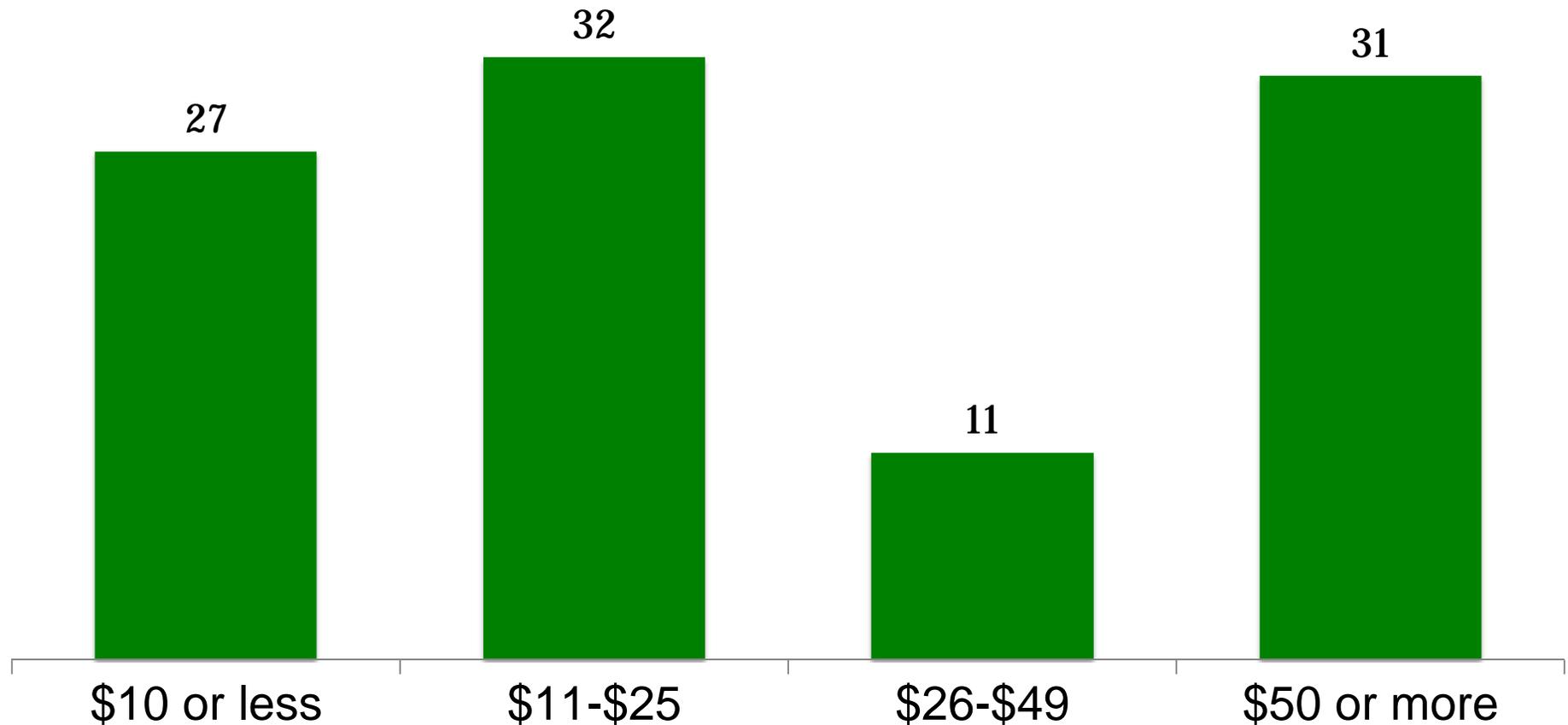
\*Only asked of those who reported that they pay for electricity.

# Consumer Predicted Savings



And how much a month do you think you will end up saving each month if you did take these new or additional steps?

**Average Predicted Savings: \$61**



\*Only asked of those who reported that they pay for electricity.

# RENEWABLES & OPINIONS ON CLIMATE CHANGE

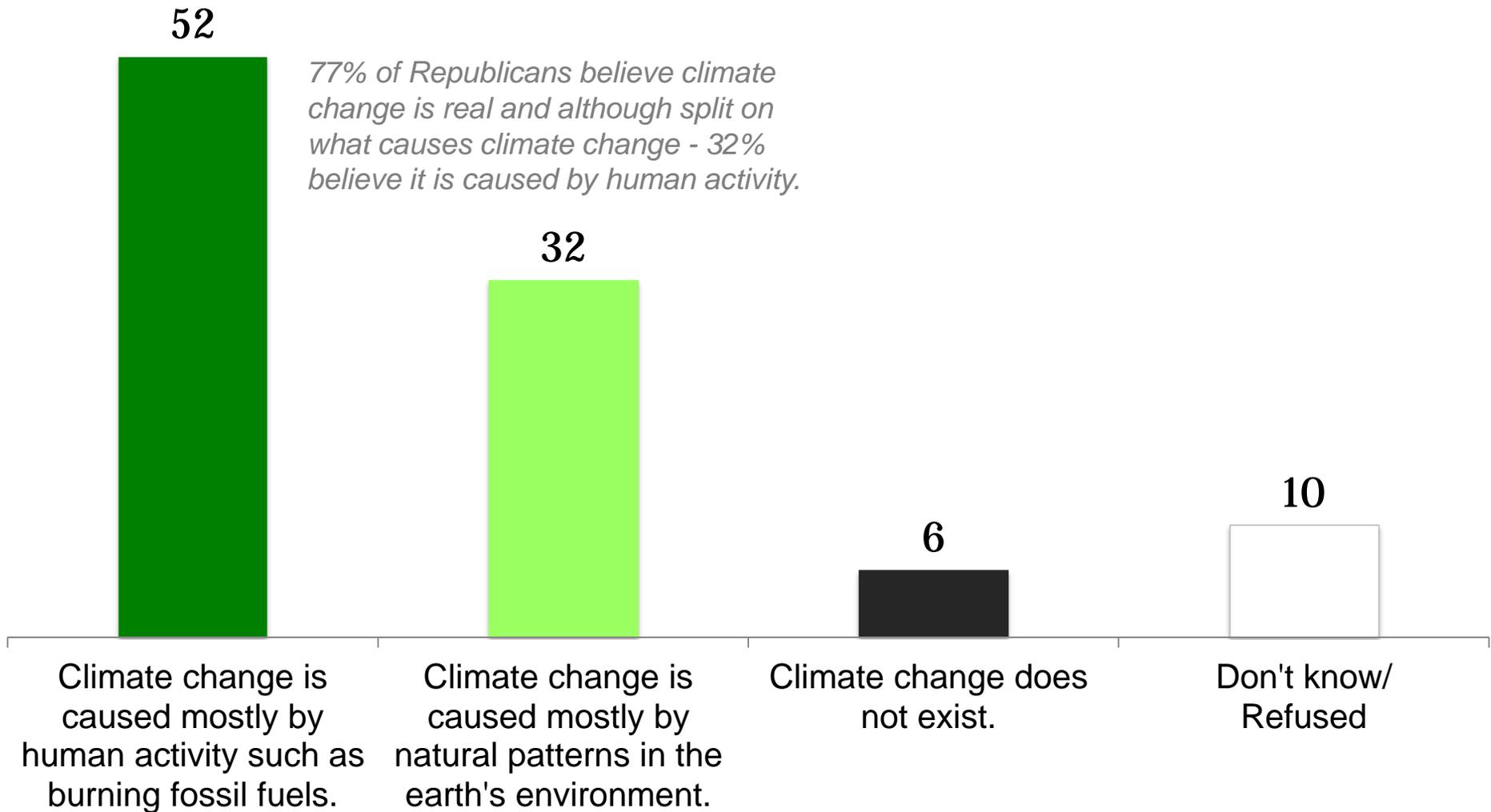
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Consumer Perspective On The Role  
Of Utilities In Increasing Solar  
And Curbing Climate Change

# Majority Agree On Climate Change



On the issue of global climate change, which of these three statements comes closest to your view about climate change?



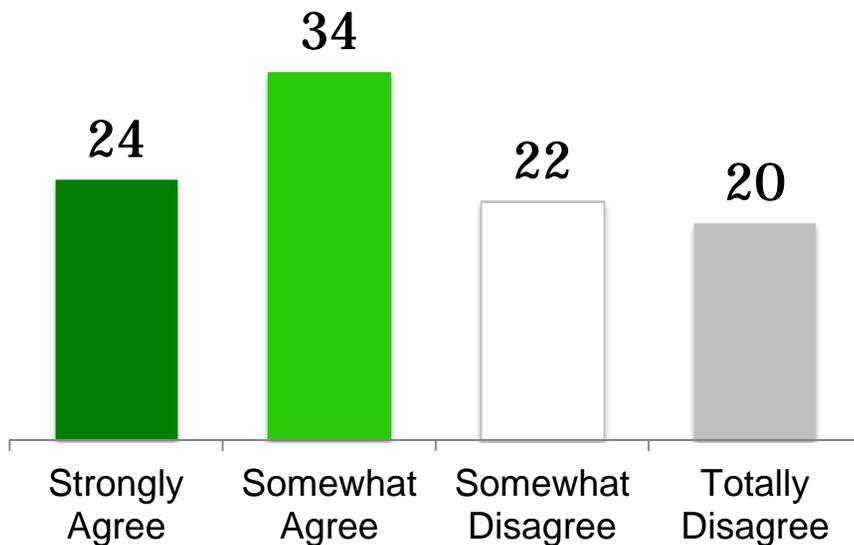
# Regulating Climate Change



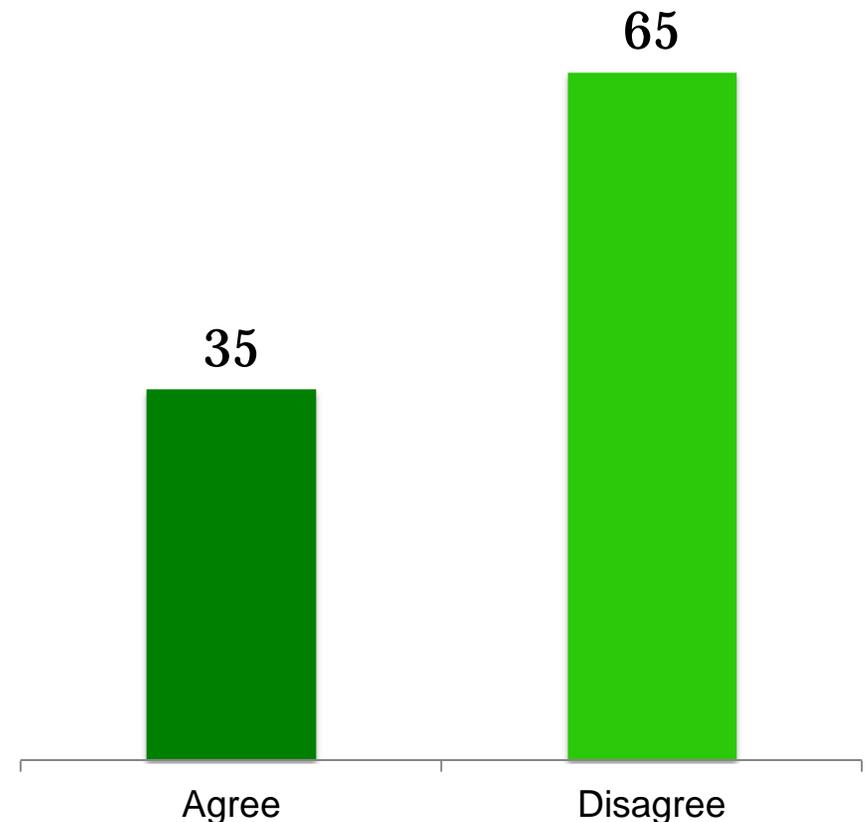
Asked of all respondents, except for those who believe climate change does not exist: Do you agree or disagree with the following statement? Government should increase regulations in order to curb climate change, even if it causes my electric rates to increase by **\$2-\$6 a month**.

Only asked of those who agree that government should increase regulations: And what if that increased your bill by **\$10-\$12 a month**? Would you still agree that the government should increase regulations to curb climate change? *(Percentages below are among all respondents who believe climate change is real)*

58–42



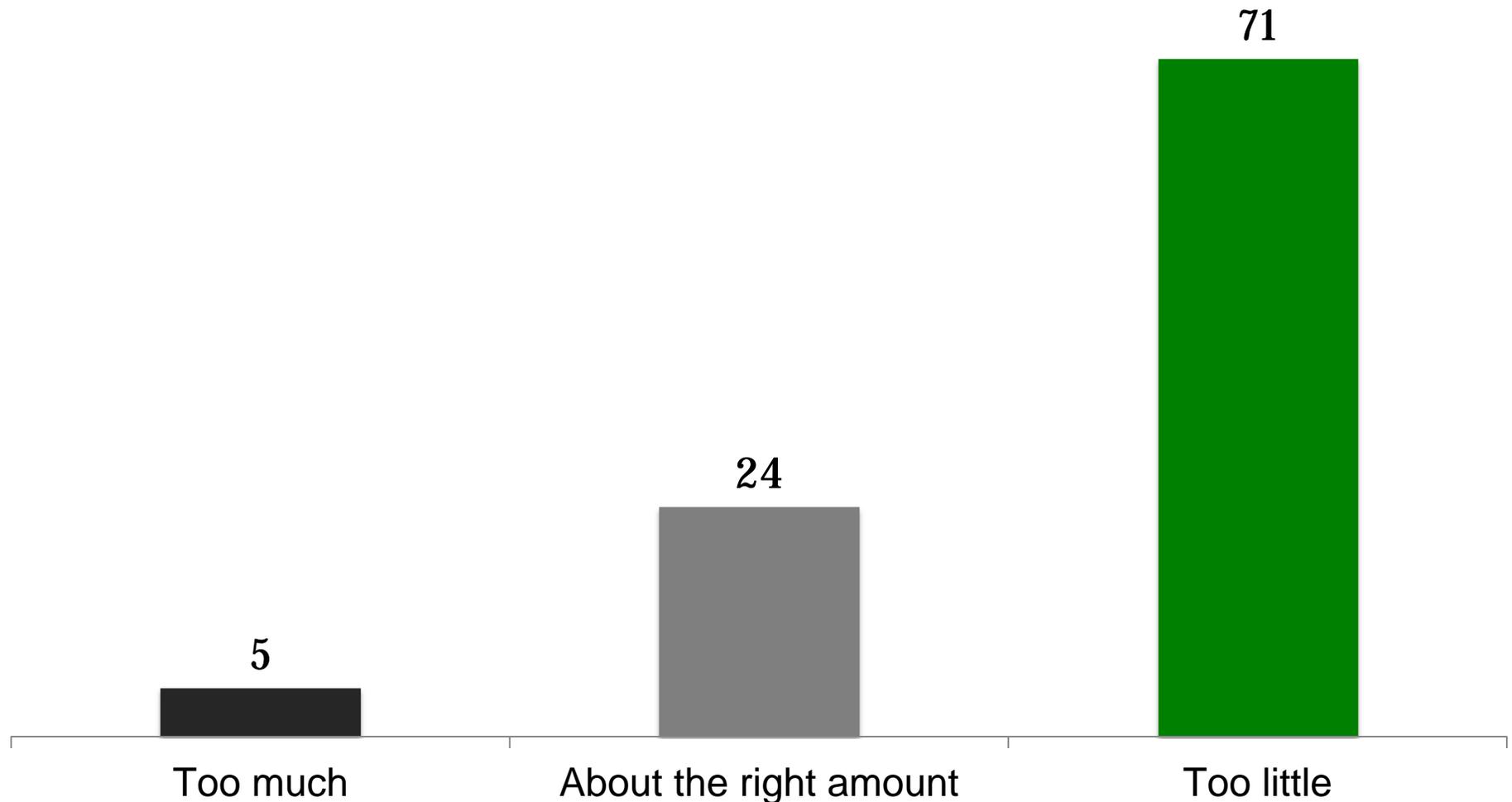
35–65



# Consumers Want More Solar...



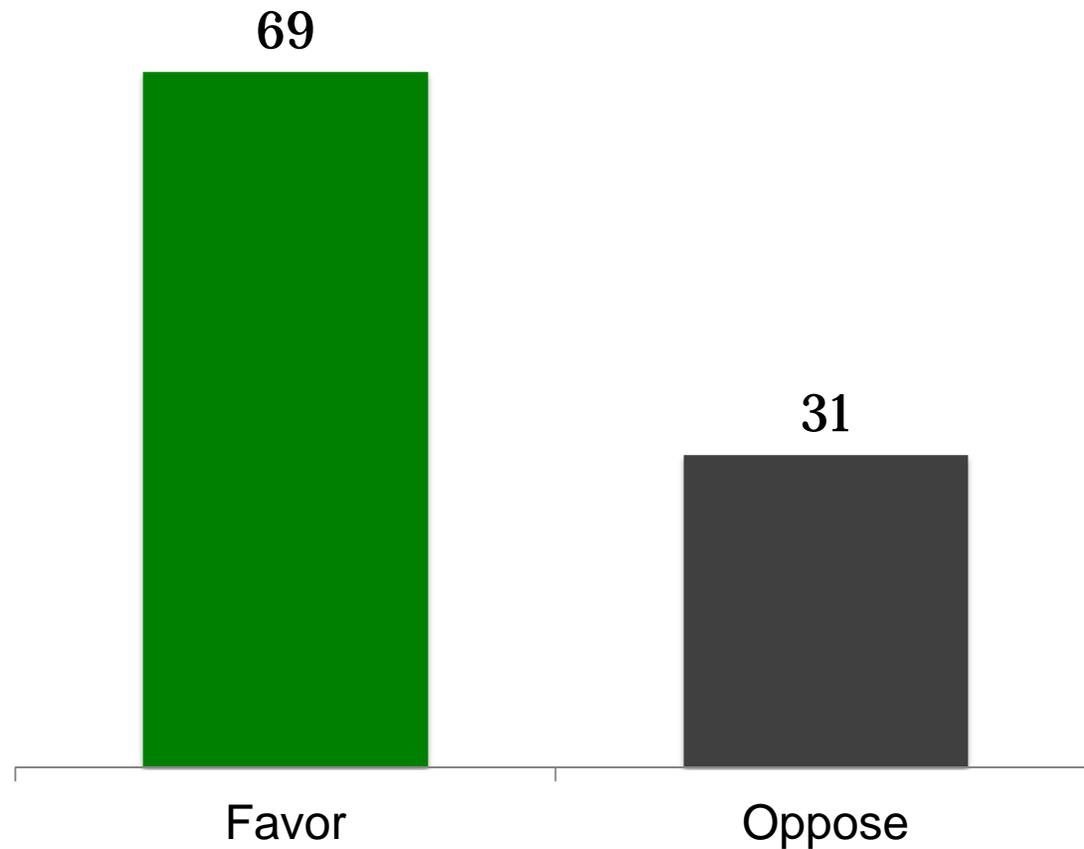
Currently about 1% of the United States' electricity is generated using SOLAR power, with about 40% coming from coal, 30% from natural gas, 20% from nuclear energy and about 9% from other renewable sources. Do you think 1% of the United States' electricity from SOLAR energy is too much, about the right amount, or too little?



# Consumers Want More Solar...



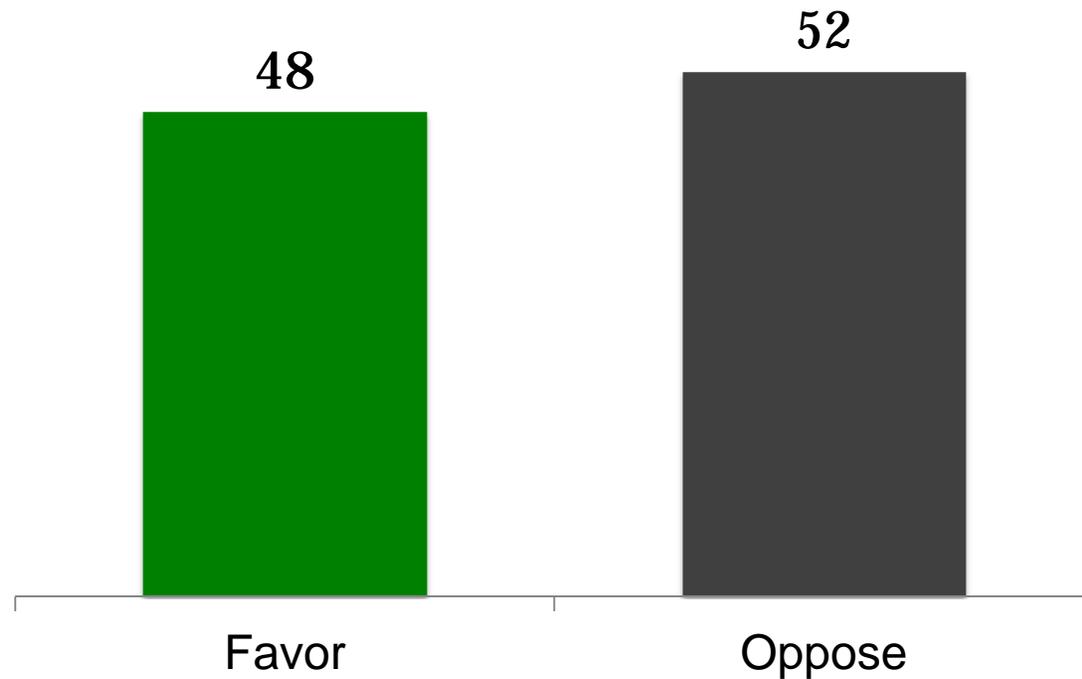
Do you favor or oppose the **government requiring that your electric utility increase** the amount of electricity they **generate from solar** energy?



# But Are Hesitant To Pay More...



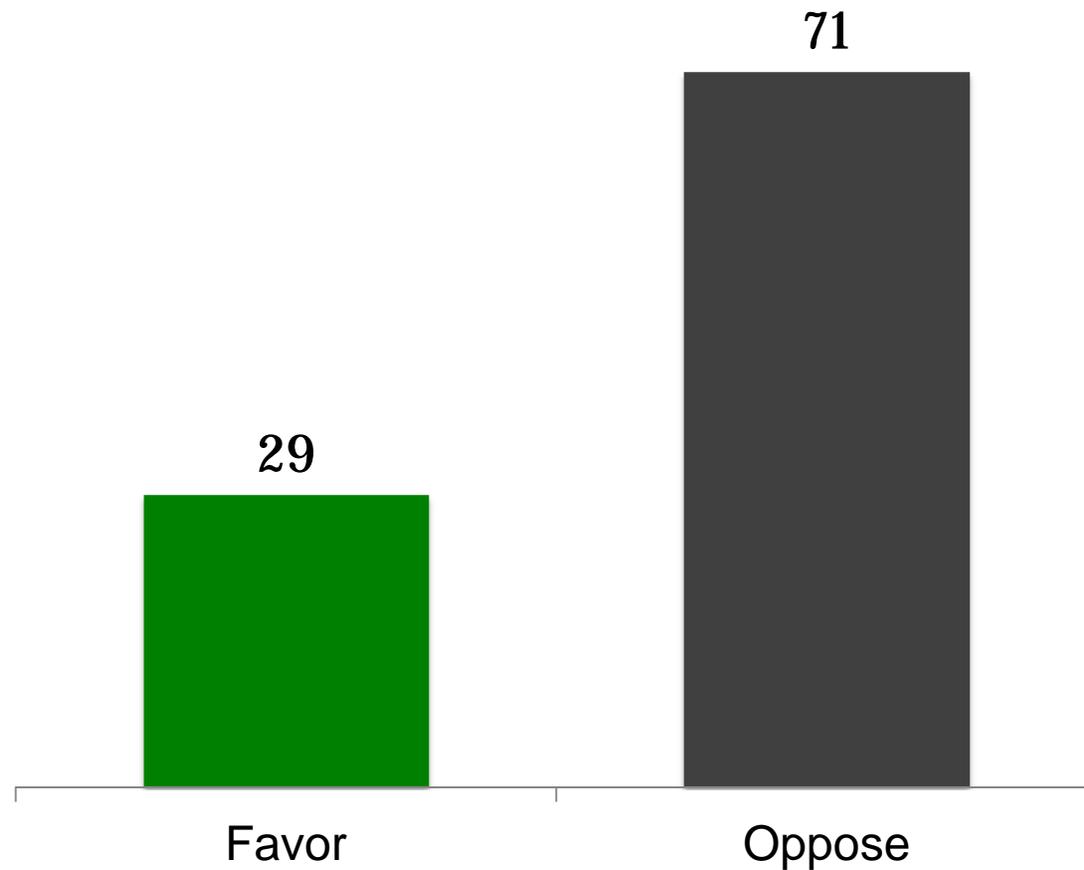
Do you favor or oppose the government requiring that your electric utility increase the amount of electricity they generate from solar energy even if it means your bill goes up **2 to 6 dollars a month**?



# But Are Hesitant To Pay More...



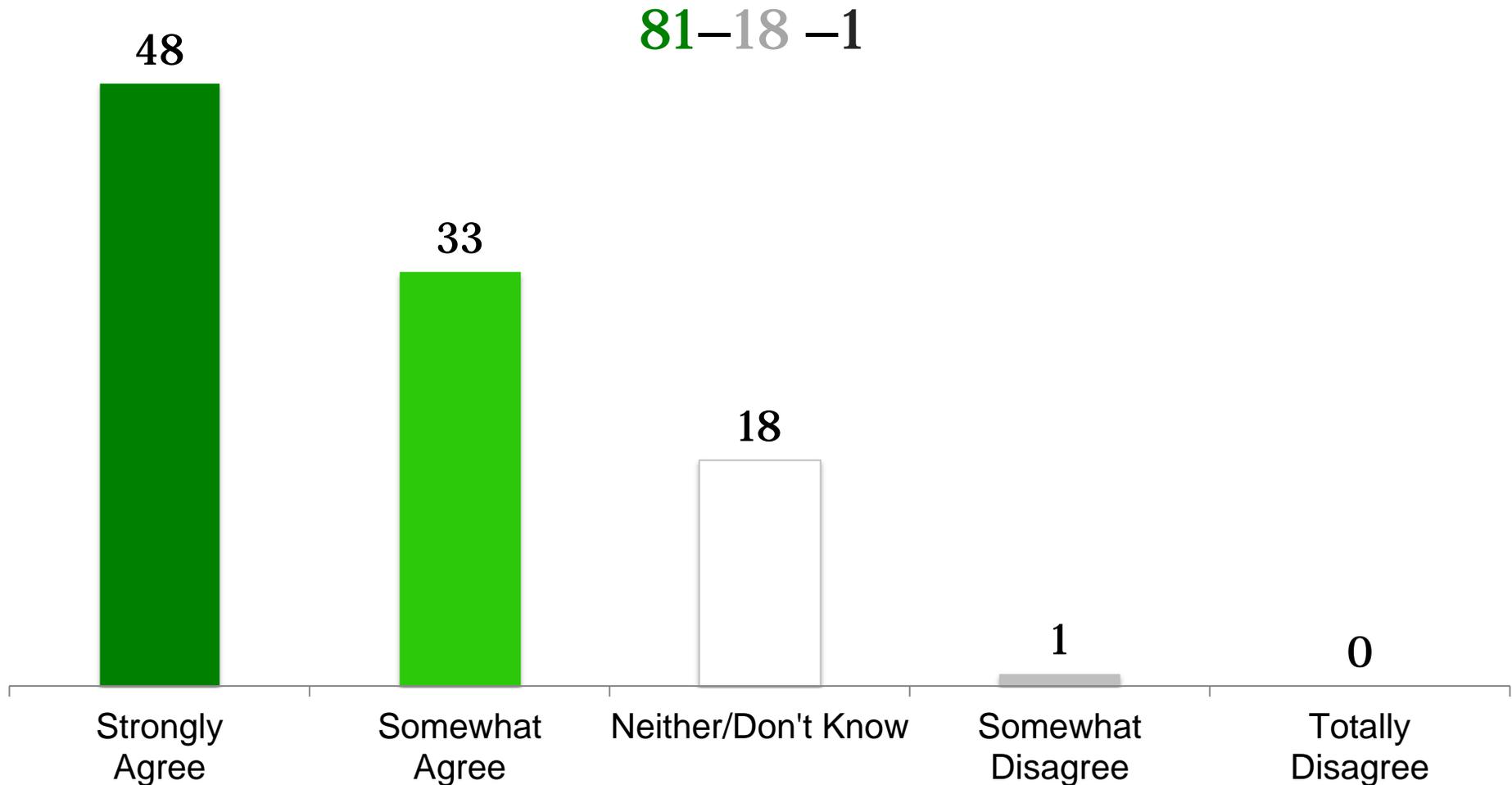
And what if your bill were to increase by **10 to 12 dollars a month**, would you still be in favor of the government requiring more solar energy production?



# Regulating Energy Providers



Please tell me if you agree or disagree with the following statement about solar energy:  
All companies that provide electricity, including traditional power companies and solar energy providers, should be subject to the same consumer safeguards and protections.

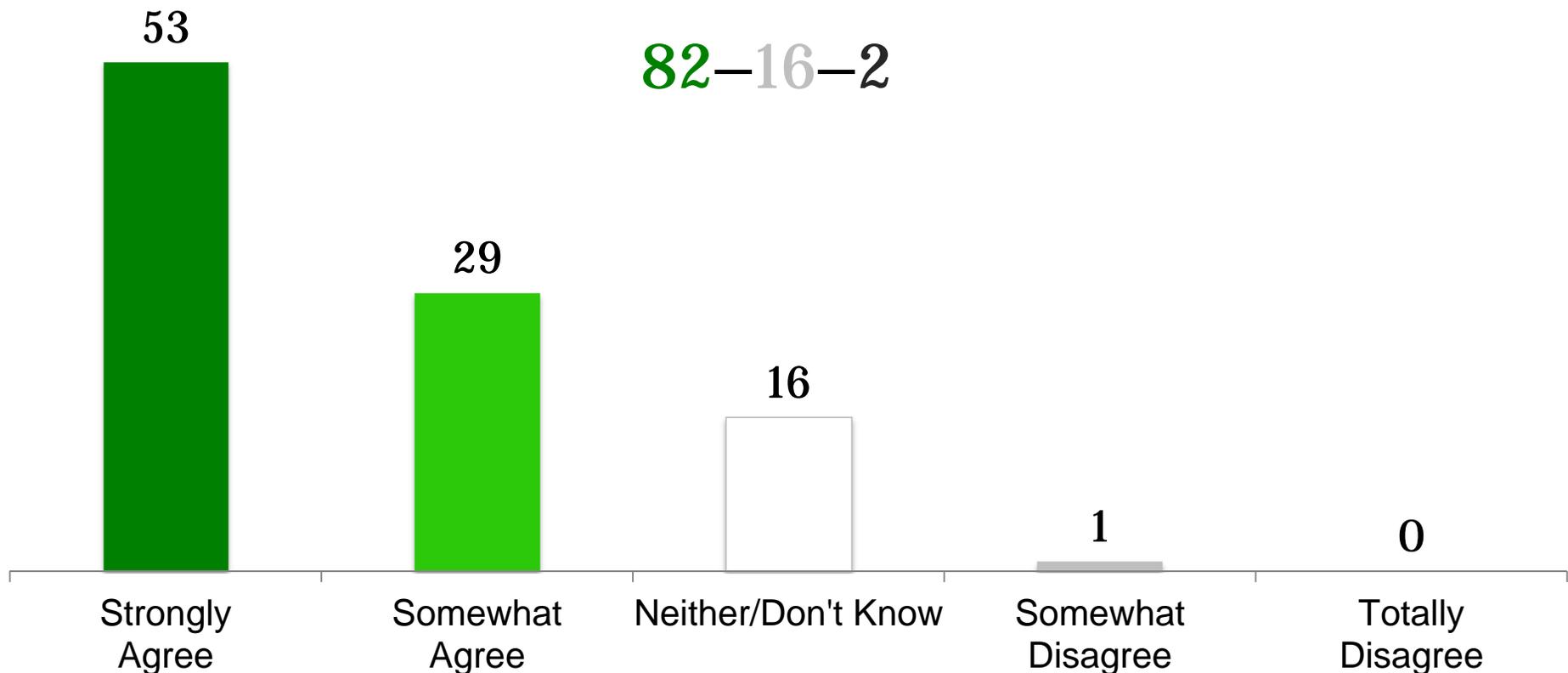


# Info Disclosed About Solar



Do you agree or disagree? All customers considering purchasing or leasing a solar power system should receive the following information prior to signing any contract:

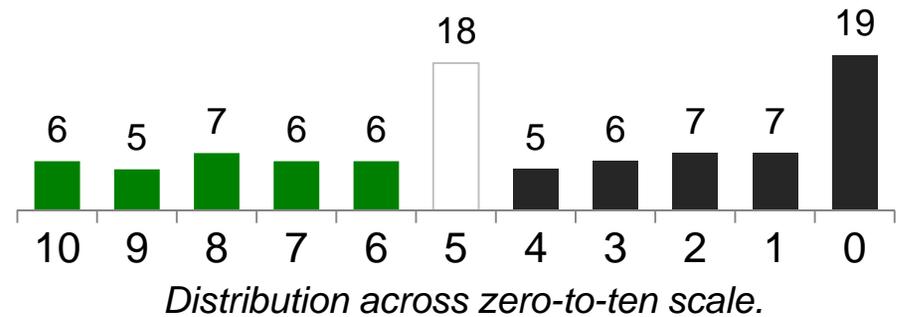
- Total cost of the project including all parts and labor charges
- Total guaranteed minimum annual energy savings
- Total guaranteed minimum annual cost savings, in dollars
- Based on guaranteed minimum dollar savings, total time required to achieve system investment payback of all costs of acquiring the system
- Guaranteed installation data once a deposit has been made by the consumer with the solar energy system provider.



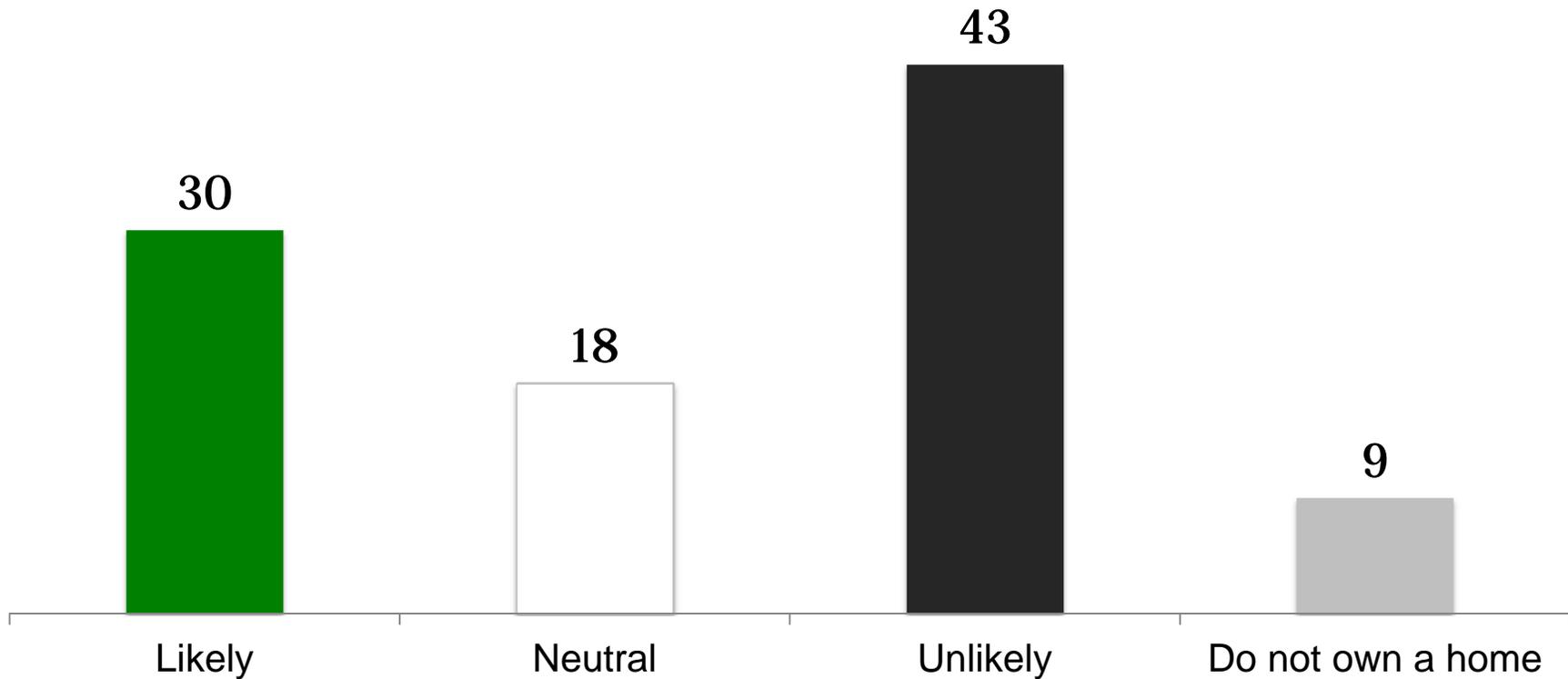
# Interest In Purchasing Solar



Right now an average solar panel system large enough to provide enough power for most homes can cost between \$15,000 and \$30,000 to install and saves customers on average about \$50 a month on their electricity bills. How likely do you think you are to purchase such a system? Using a zero-to-ten scale, where zero means you absolutely would NOT purchase such a system and ten means you absolutely WOULD purchase, how likely would you say you are to purchase a solar panel system to power your home?



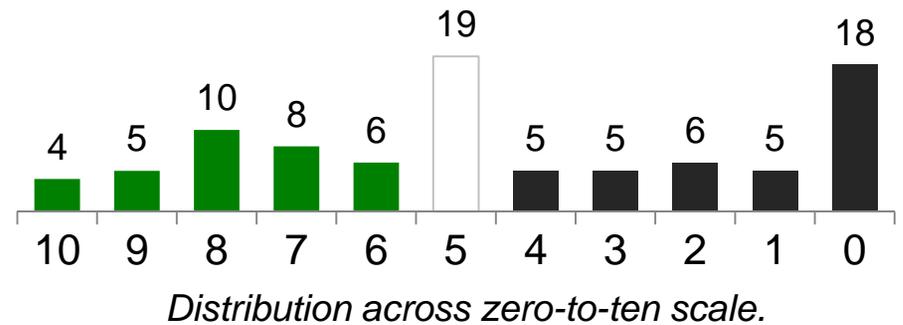
PURCHASE: 30-18-43



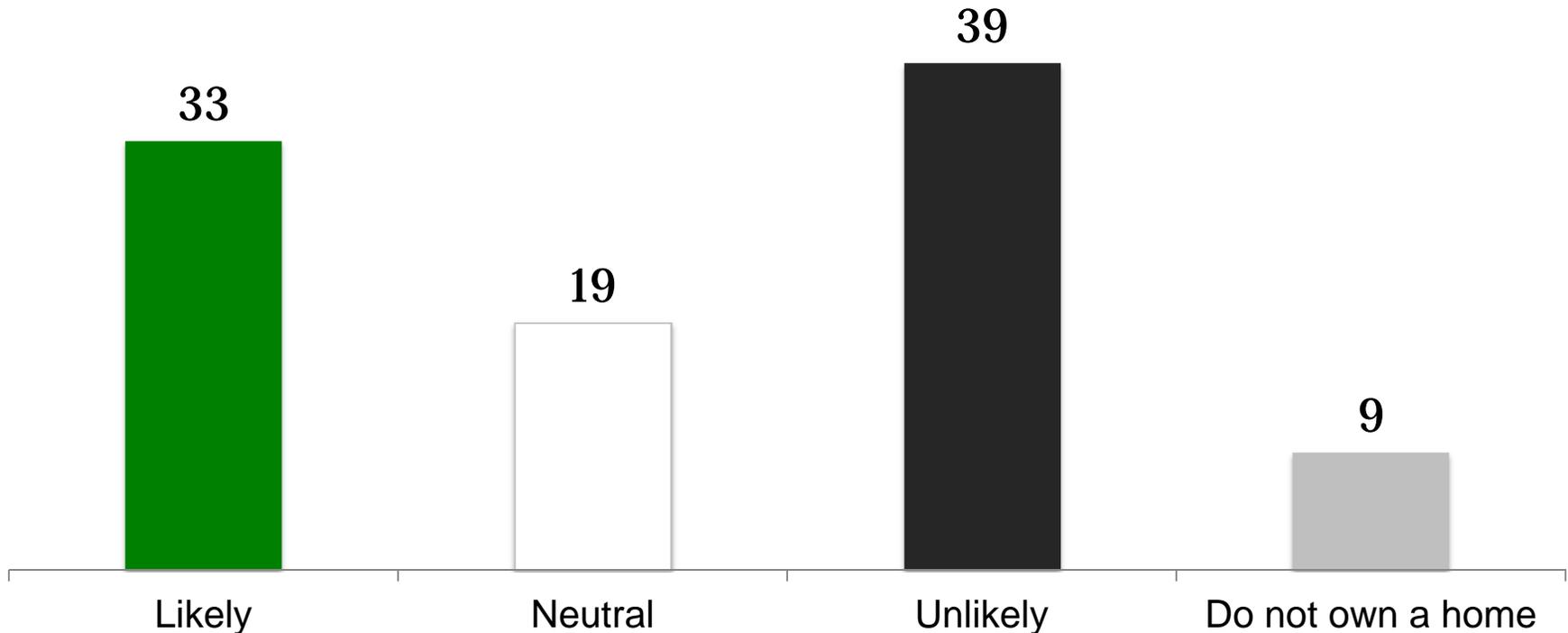
# Interest In Leasing Solar



In addition to purchasing a solar panel system, there may also be options to lease a system – allowing you to make monthly payments, rather than having to make a large upfront investment. How likely do you think you are to lease such a solar panel system for your house if the payments were approximately \$50 a month and you had to make a 20-year commitment to the lease? Using a zero-to-ten scale, where zero means you absolutely would NOT lease such a system and ten means you absolutely WOULD lease, how likely would you say you are to lease a solar panel system to power your home?



**LEASE: 33-19-39**  
**PURCHASE: 30-18-43**

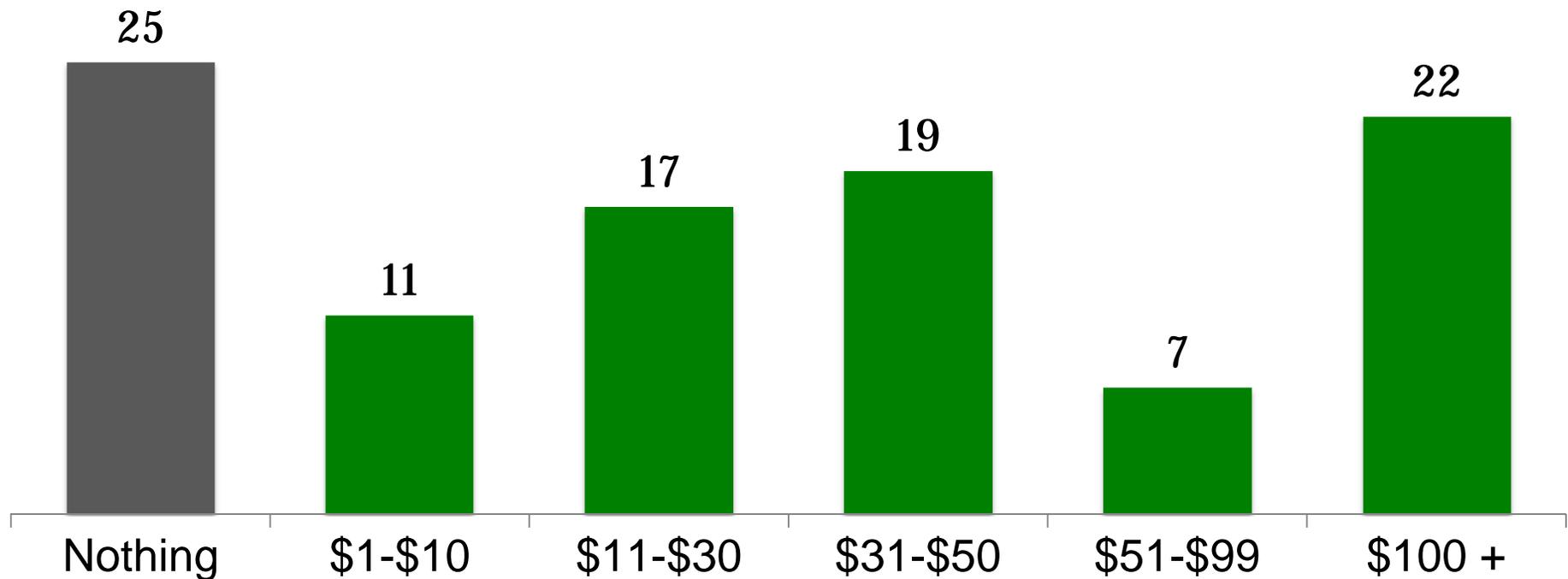


# Predicted Savings From Solar



**Only asked of homeowners:** If you were to purchase or lease solar panels for your roof, when you add the monthly cost of the solar panels and your remaining electric bill, how much do you think your total net savings would be each month from reducing your electric bill?

**Average Predicted Savings: \$79**



**Solar Fights Are Difficult  
and Can Be Ugly**

# Demographics

# News/Information Sources



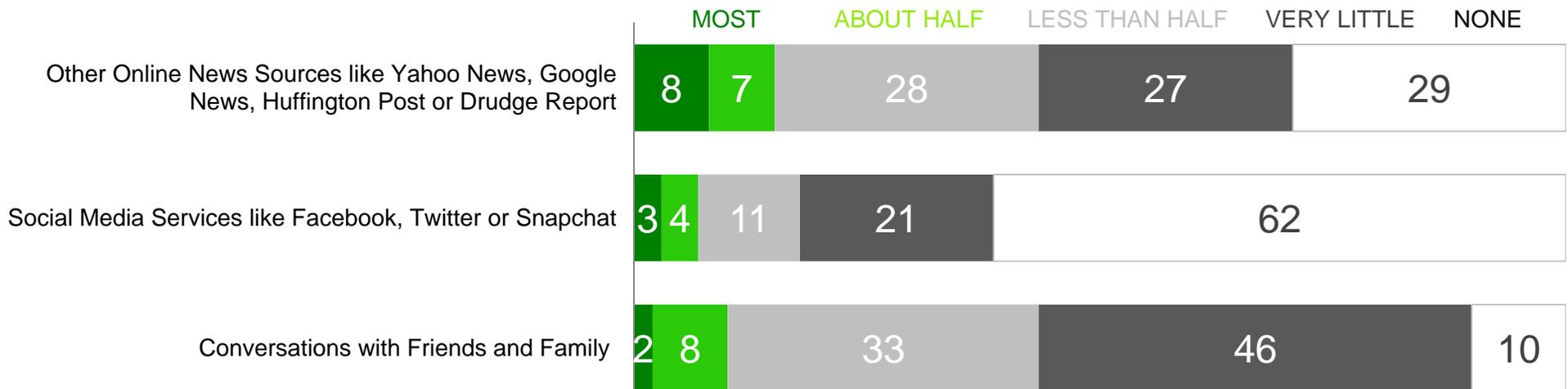
	<b>Most/Half+</b>	<b>Half-/None</b>
<b>ABC/CBS/NBC Evening TV</b>	<b>46%</b>	<b>54%</b>
<b>CNN/Fox/MSNBC/Cable News</b>	<b>42%</b>	<b>58%</b>
<b>Yahoo/Google/Huff Online News</b>	<b>41%</b>	<b>59%</b>
<b>Print Newspapers (14% “Most”)</b>	<b>34%</b>	<b>66%</b>
<b>Visits with friends and family</b>	<b>32%</b>	<b>68%</b>
<b>Facebook/Twitter Social Media</b>	<b>30%</b>	<b>70%</b>
<b>Online Edition of Newspapers</b>	<b>29%</b>	<b>71%</b>
<b>ABC/CBS/NBC Morning TV</b>	<b>29%</b>	<b>71%</b>
<b>Radio News</b>	<b>27%</b>	<b>73%</b>

# Social News Consumption Is Driving New Expectations And Demands

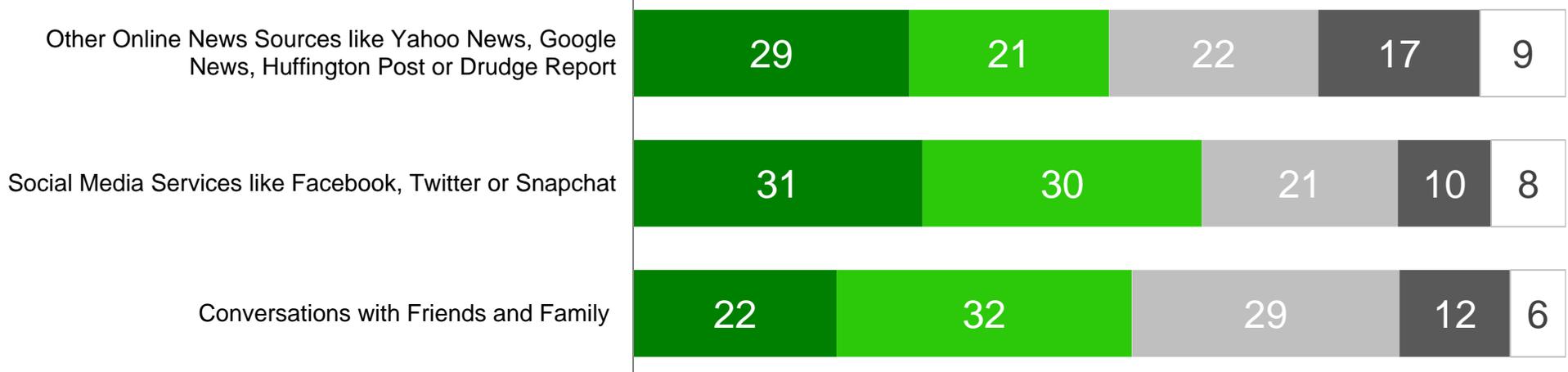


And it is not just Facebook and Twitter, younger customers are more likely to treat the opinions of their friends and neighbors as news than our older voters.

## FOR CUSTOMERS OVER 65



## FOR CUSTOMERS UNDER 35



# **Electric Utilities and Their Commissions**

## ***A Public Opinion Survey***

*July 12, 2015*

