



AusNet Electricity Services Pty Ltd

Electricity Distribution Price Review 2022-26

Appendix 3C: Attitude and Perception Survey (Quantum)

Submitted: 31 January 2020

PUBLIC



QUANTUM

MARKET RESEARCH

AusNet Services Customer Profiles

Full Report

DRAFT

Quantum job number: 18016
May 2018

Background and objectives

BACKGROUND

AusNet Services have recently completed the business plan for the Electricity Distribution business. To ensure that this plan can be translated into an effective customer strategy, research was required to gather robust and reliable data to address questions about existing day-to-day business issues, and future service scenarios (e.g. energy saving scenarios; shifting off the grid etc.) and customer appetite for these.

Research took place among residential and SME customers within AusNet Services' electricity distribution patch.

OBJECTIVES

Understand current uptake and future demand of services including:

1. Solar power.
2. Battery storage.
3. Electric vehicles.
4. Issues around continuation of supply.
5. Going 'off-grid'.

METHODOLOGY



An online survey of Victorians aged 18+ within AusNet Services' electricity distribution patch, using respondents from our online panel partner, TEG Rewards.



Total sample was n=900 residential and n=120 SME customers.



Survey length was 14.5 minutes on average.

Fieldwork took place between 12-20 April 2018.



A quasi-segmentation was conducted to identify customer groups, and 30 in-home interviews were conducted to bring segments to life in the form of customer personas.

The project was carried out in line with the Market Research International Standard, AS ISO 20252.

Executive summary

Key takeouts

AWARENESS

Nearly half of both residential (47%) and SME (46%) customers knew that their electricity distributor was AusNet, but some still confuse their distributor with their retailer.

PRICING

Around two-thirds of customers (67% residential; 64% SME) feel that their electricity bills have increased over the last 2 years, with more than a quarter feeling they have increased a lot (35% residential; 28% SME). Most households (85%) and SMEs (73%) claim they actively try to reduce their energy usage, but relatively few were aware of smart meter benefits that could save them money.

POWER OUTAGES

At least six in ten customers (62% residential; 60% SME) claimed to have had a blackout in the last six months. One outage a year was considered acceptable by the majority (63%) of residential customers, but SME customers were less tolerant, with only 52% considering this acceptable.

SOLAR POWER

Most households with solar panels would be very unhappy if they were restricted in the time of day (79%) or amount of energy (85%) they could sell back into the grid. Among those without solar, more than half of all households (58%) were interested in installing solar panels in the future; the same was true of SMEs (57% interested).

Key takeouts

BATTERY STORAGE

Almost one in ten (9%) residential customers with solar panels also had battery storage for their home, but over half (55%) of those who had solar panels and no battery were interested in getting battery storage in the future. Half of SMEs with solar (48%) were also interested in getting battery.

ELECTRIC VEHICLES

Electric vehicles (EV) have still not made it into the mainstream, with only 1% of residential customers and 4% of SMEs owning an EV. Interest in getting an EV in future sat at 27% for households and 35% for SMEs, but price, range and lack of charging stations were key reasons for putting off buying an EV.

FUTURE SERVICE NEEDS

If building a house in future, 81% of residential consumers and 63% of SMEs would choose to use solar as an energy source in their home, and only 64% of households and 54% of SMEs would choose to connect to the power grid. Nevertheless, fewer than one in ten (9% of residential consumers and 8% of SMEs) said they would probably or definitely go off the grid with in the next 10 years.

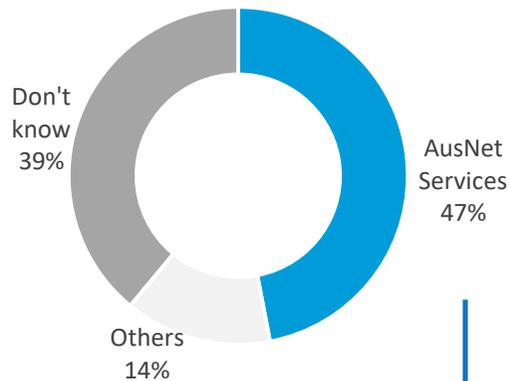
Market findings

Brand awareness

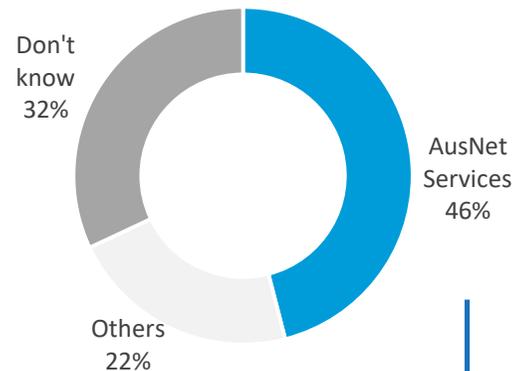
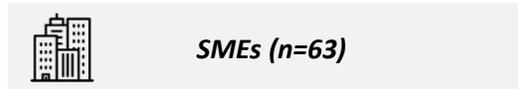
Two in five residential customers did not know that AusNet Services was their electricity distributor

Awareness of electricity distributor:

Base: Respondents in AusNet Services-only postcodes



30% mentioned 'AusNet'
17% mentioned 'SP AusNet'



32% mentioned 'AusNet'
14% mentioned 'SP AusNet'

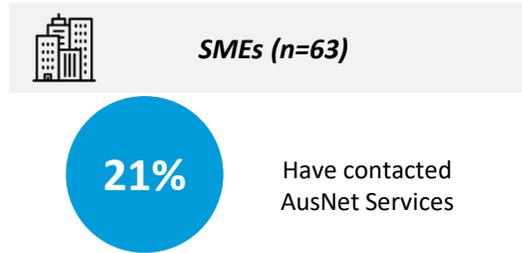
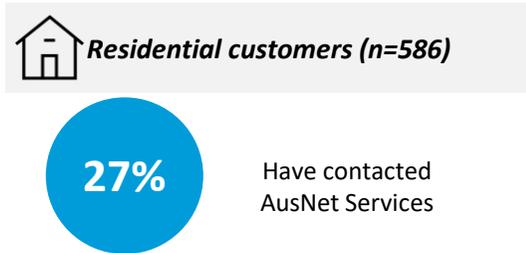
- Among respondents who live in postcodes completely encompassed by AusNet Services for electricity distribution (i.e. excluding postcodes covered by more than one electricity distributor), fewer than half of both residential customers (47%) and SMEs (46%) identified that AusNet Services was their electricity distributor.
- Other companies mentioned included energy *retailers* such as AGL, Origin, Energy Australia, Red Energy, Lumo, Simply Energy and Alinta.
- Solar Households (55%) and Vulnerable (55%) segments were significantly more likely to be aware their distributor was AusNet Services.

Q.15. Who is your electricity distributor?

The majority of contact with AusNet Services focused on electricity outages

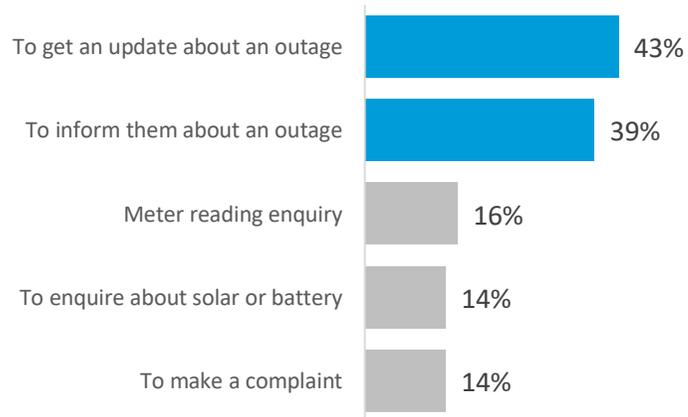
Ever contacted AusNet Services:

Base: Respondents in AusNet Services-only postcodes

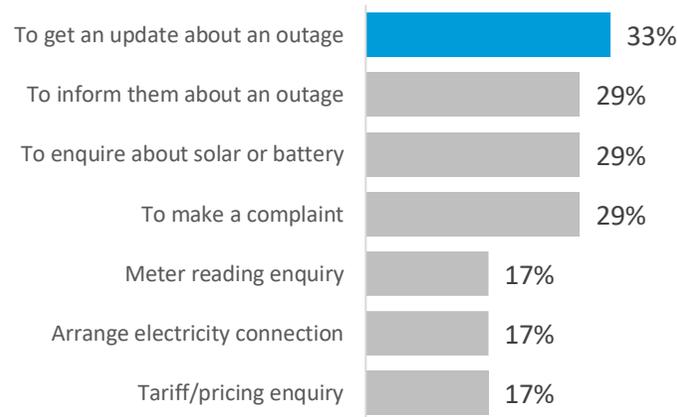


Reasons for contacting AusNet Services :

Base: Residential customers who have made contact (n=197)



Base: SME customers who have made contact (n=24*)



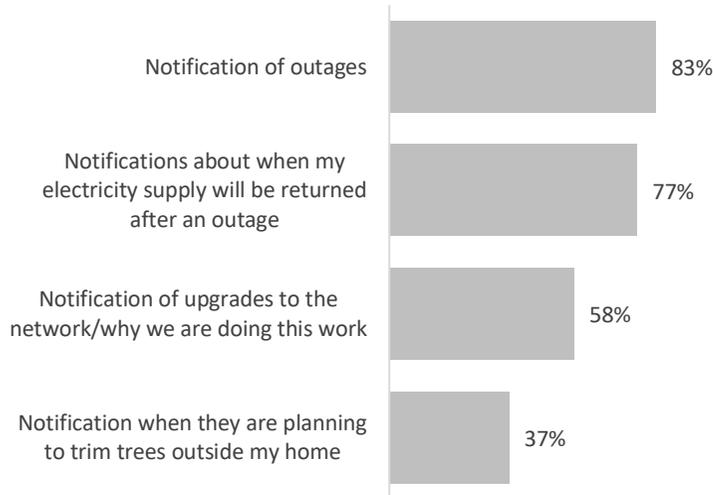
- Among respondents who live in postcodes completely encompassed by AusNet Services for electricity distribution (i.e. excluding postcodes covered by more than one electricity distributor), just over a quarter (27%) of residential customers had contacted AusNet Services.
- The most prevalent reasons for making contact were to get information or updates about electricity outages, and to inform them of outages.
- Solar Households (36%) and Vulnerable (36%) segments were significantly more likely to have contacted AusNet Services than Regular Households (21%).

Q.16. Have you ever contacted AusNet Services in relation to your home/business? Q.17. Why did you contact AusNet Services?

While customers wanted to receive notifications, fewer wanted other information from their distributor

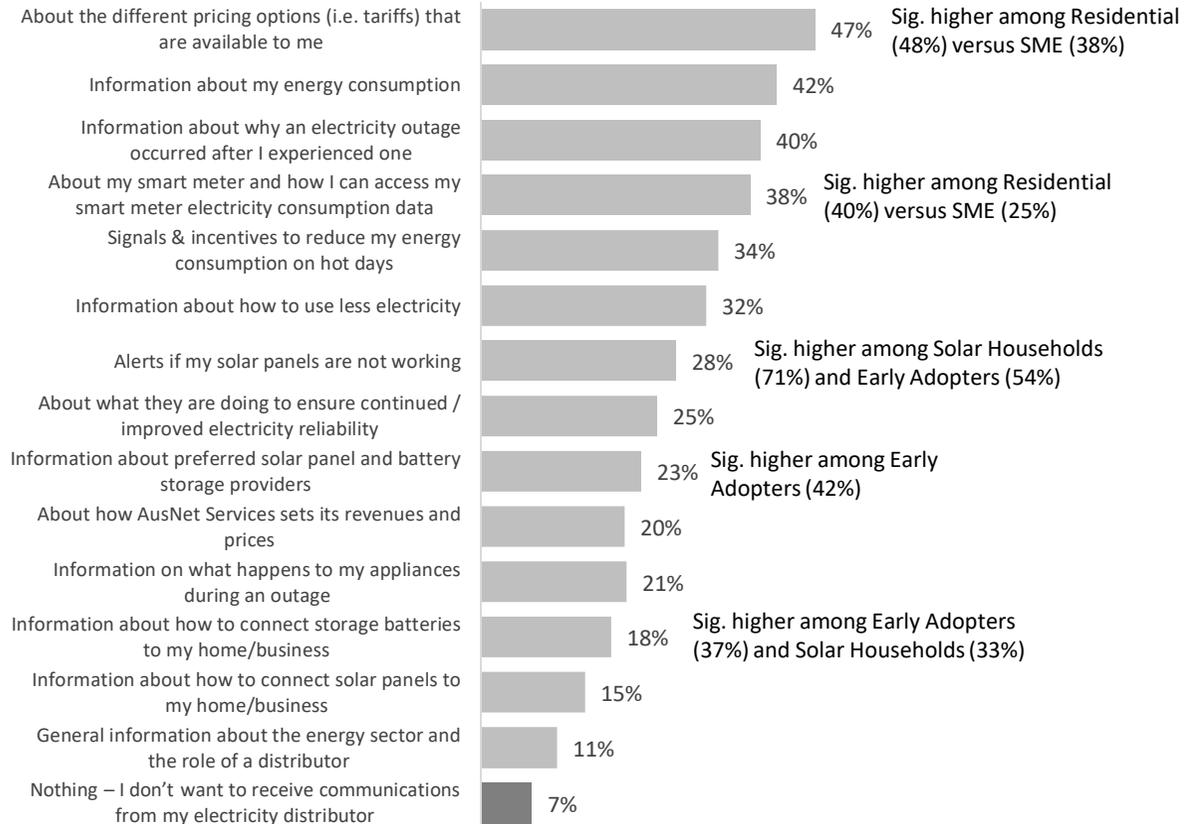
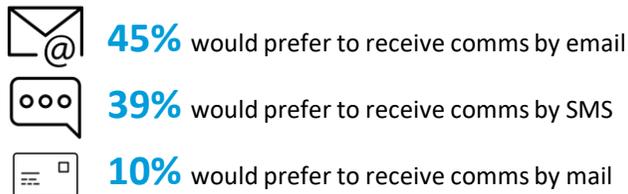
Communication needs:

Base: All respondents (n=1020)



Preferred method of information:

Base: Respondents who want any info (n=947)



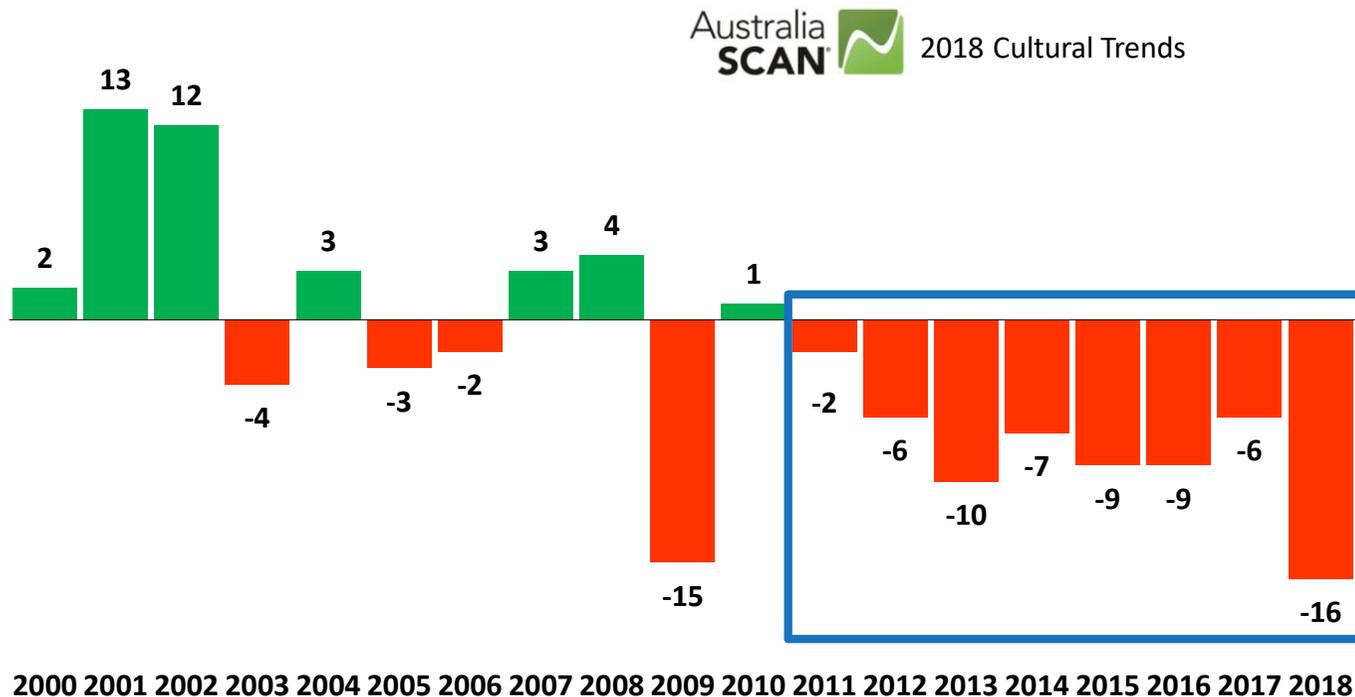
Q.72. What information would you most like to receive from your electricity distributor (not your retailer)? Q.72.a How would you prefer to receive communications for your household/business from your electricity distributor?

Price sensitivities

In uncertain times, Victorians' confidence in their financial situation remains uncertain and top of mind

Confidence in personal financial future within next 5 years:

Base: All Victorians, data from AustraliaSCAN



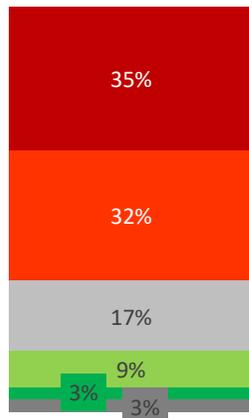
- Data from AustraliaSCAN, Quantum's cultural values monitor, shows the confidence in being able to meet personal financial needs within the next five years continues to trend downwards in recent times, as Victorians feel the squeeze of low wage growth and increased costs of living.

Perhaps as a result of financial pressures, the majority of residential and SME customers felt bills had increased

Perception of electricity costs over last two years:

Base: All respondents

Residential customers (n=810)

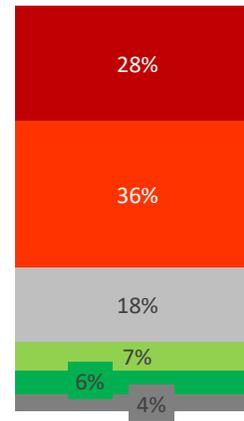


- Increased a lot
- Increased a little
- Stayed the same
- Decreased a little
- Decreased a lot
- Don't know



\$130
Avg monthly bill

SMEs (n=95)



\$777
Avg monthly bill

- Two thirds (67%) of residential customers and almost the same proportion of SMEs (64%) felt that their electricity bills had increased in the last two years.
- Just over one in 10 customers (12% of residential and 14% of SMEs) felt their bills had decreased over the last two years.
- Vulnerable households were significantly more likely to think their bills had increased **a lot** (42%) compared with Solar Households (28%).

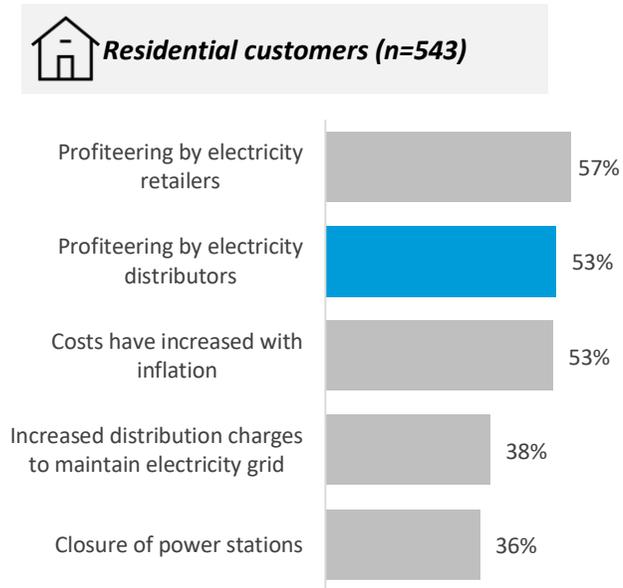
Q.21. Over the last 2 years, do you feel that your electricity bills have...

Q.20. How much is your home's/business's electricity bill? (per month figures calculated)

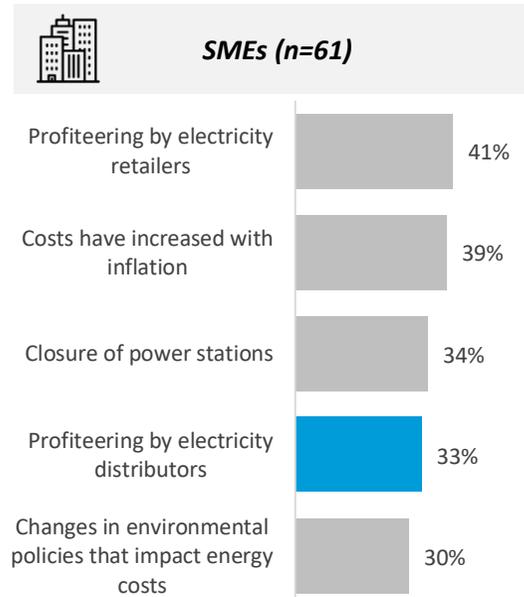
Residential customers in particular were highly cynical about the reasons for increased electricity costs

Perceptions of why electricity costs have increased:

Base: Respondents who felt electricity costs have increased



79% of residential customers who felt electricity costs have increased were aware that part of the electricity bill relates to the cost of being connected to and maintaining the electricity network



77% of SME customers who felt electricity costs have increased were aware that part of the electricity bill relates to the cost of being connected to and maintaining the electricity network

- Although there was some awareness that part of the reasons for bills increasing was the increased distribution charges to maintain the electricity grid (38% of residential customers mentioned this as a reason), a higher proportion felt the reasons for bills increasing were caused at least partially by profiteering by electricity retailers and distributors.
- When asked directly, almost eight in ten (79% of residential and 77% of SME) customers were aware that a portion of their electricity bill covered network charges.
- Vulnerable households were significantly more likely to think price increases were due to profiteering by distributors (64%) compared with Solar Households (42%).

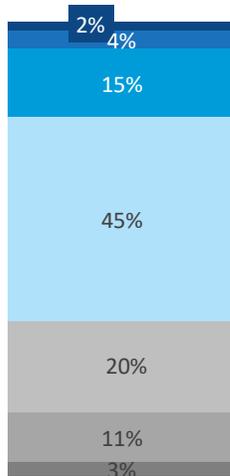
Q.22. Why do you think your electricity bills have increased? Q.23. Part of your electricity bill relates to the cost of being connected to and maintaining the electricity network (network charge), and part of your electricity bill relates to the cost of electricity that your household/business uses. Before today, were you aware of this?

Few customers felt their electricity was very affordable

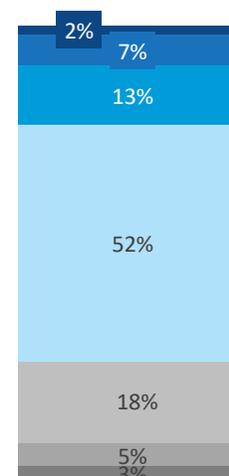
Perception of electricity affordability:

Base: All respondents

Residential customers (n=810)



SMEs (n=95)



■ Excellent
■ Very good
■ Good
■ Average
■ Poor
■ Very poor
■ Don't know

- Three in ten (31%) residential customers felt that their electricity provided poor or very poor affordability.
- The majority of customers felt their electricity provided average affordability, which could be interpreted as consumers perceiving that energy costs are affordable within their household's or business's budget.
- Vulnerable households were significantly more likely to think their bills provided poor or very poor affordability (38%).
- Solar Households were significantly more likely to think their bills provided excellent, very good or good affordability (35%).

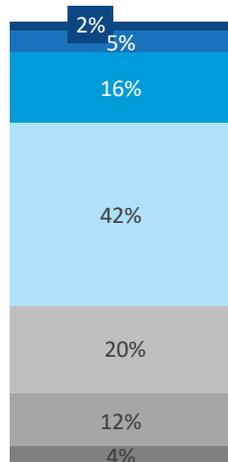
Q.24a. How would you rate your home's/business's electricity in terms of affordability?

Few customers felt their electricity provided very good value for money

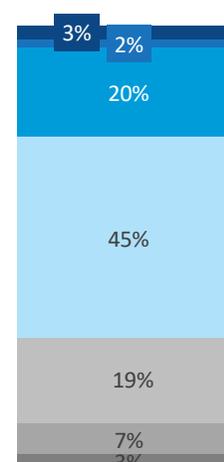
Perception of electricity value for money:

Base: All respondents

Residential customers (n=810)



SMEs (n=95)



■ Excellent
■ Very good
■ Good
■ Average
■ Poor
■ Very poor
■ Don't know

- Around one in five (22%) residential customers and a quarter (25%) of SMEs felt their electricity provided excellent, very good or good value for money.
- A higher proportion felt that their electricity was poor or very poor value for money (31% of residential customers, and 26% of SMEs).
- Solar Households were significantly more likely to think their bills provided excellent, very good or good value for money (31%) compared to Regular Households (18%).

Q.24. How would you rate your home's/business's electricity in terms of value for money?

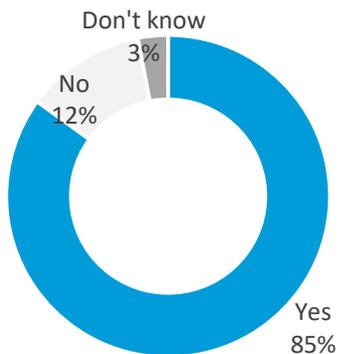
The vast majority of households and SMEs claim they actively try to reduce their energy usage

Taken steps to reduce energy use:

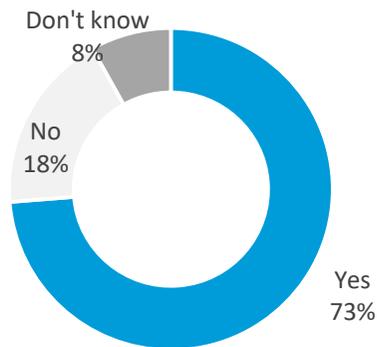
Base: All respondents



Residential customers (n=900)



SMEs (n=120)



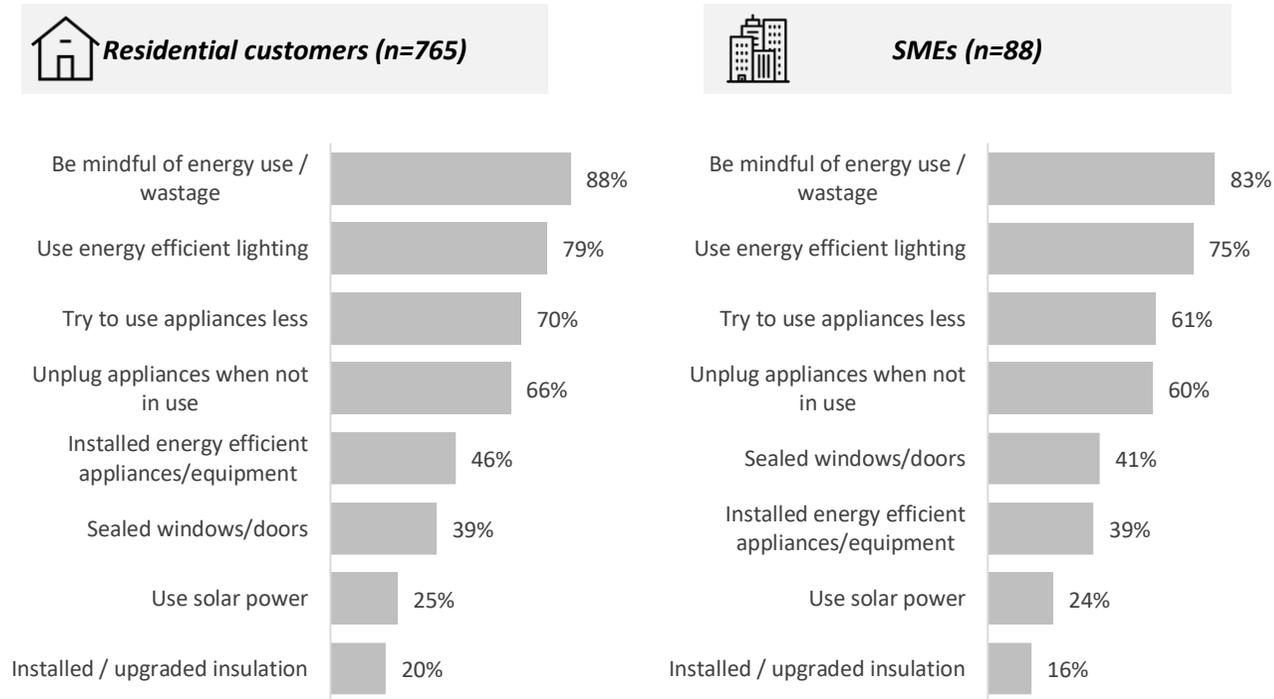
- The majority of residential customers claimed that they actively try to reduce their energy usage to reduce costs. Only one in ten (12%) claimed that they did not actively try to reduce usage.
- A higher proportion of SMEs claimed they did not actively try to reduce their energy usage to reduce costs, with almost one in five (18%) saying this.
- Vulnerable Households (92%) and Solar Households (90%) were significantly more likely to have actively tried to reduce their energy usage, compared to Regular Households (82%).

Q.62. Do you actively try to reduce your energy usage to reduce costs for your household/business?

The majority of moves taken to reduce energy use were focused on using appliances less

Steps taken to reduce energy use:

Base: Respondents who have actively tried to reduce energy use



Note: A quarter (25% of residential and 24% of SMEs) claimed to use solar power to reduce energy usage, which is higher than the 15% penetration of solar panels recorded by AusNet Services. This could be driven by respondents perceiving their use of other solar devices, such as solar powered lighting, could also be counted as using solar power.

Q.63. What have you done in your home/business to reduce your energy usage?

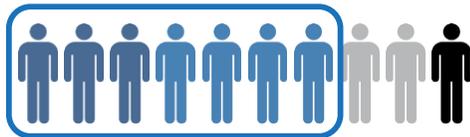
- The steps taken to reduce energy use were commonly focused on reducing wastage of energy: being mindful of energy use, using appliances less, and unplugging appliances when not in use.
- A much lower proportion had taken larger action to reduce energy use, such as upgrading insulation, installing energy efficient appliances, and sealing windows and doors.
- Vulnerable Households were significantly more likely to have tried to use appliances less (80%).
- Early Adopters were significantly more likely to have installed energy efficient appliances (69%).
- Solar Households were significantly more likely to have used solar power (91%).

In addition, respondents were interested in receiving notifications when their usage was outside normal patterns

Interest in being notified when usage is abnormal:

Base: All respondents

 Residential customers (n=900)



33% very interested 17% not very interested
46% quite interested 5% not at all interested

 SMEs (n=88)

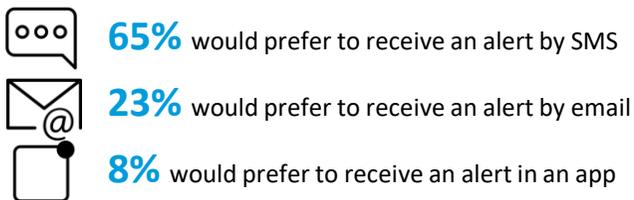


22% very interested 18% not very interested
52% quite interested 9% not at all interested

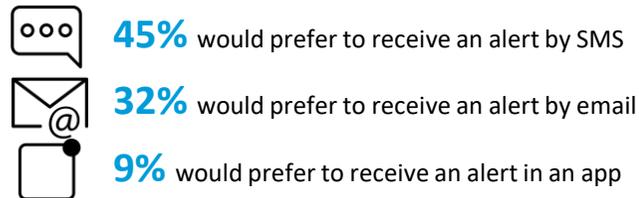


Preferred method of being notified:

Base: Residential customers interested in service (n=705)



Base: SME customers interested in service (n=88)



- Around three quarters of customers (78% of residential customers and 73% of SMEs) were very or quite interested in being notified when their energy usage was outside normal patterns.
- Solar Households were significantly more interested in receiving a notification (85%) compared to Regular Households (77%).
- Solar Households were significantly more likely to prefer SMS notification (78%), whereas Vulnerable Customers preferred email (37%).
- While most age groups showed a preference for SMS notification, those aged 70+ preferred email (50%) over SMS (38%).

Q.68. How interested would you be in receiving a notification when your household/business energy usage was outside normal patterns?

Q.69. How would you prefer to receive an alert that your household/business energy usage was outside normal patterns?

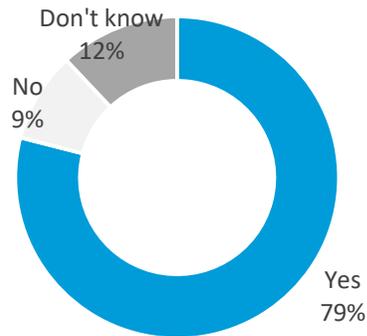
One in ten customers did not know if they have an electricity smart meter

Smart meters:

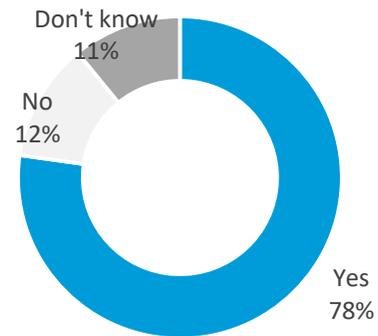
Base: All respondents



Residential customers (n=810)



SMEs (n=95)



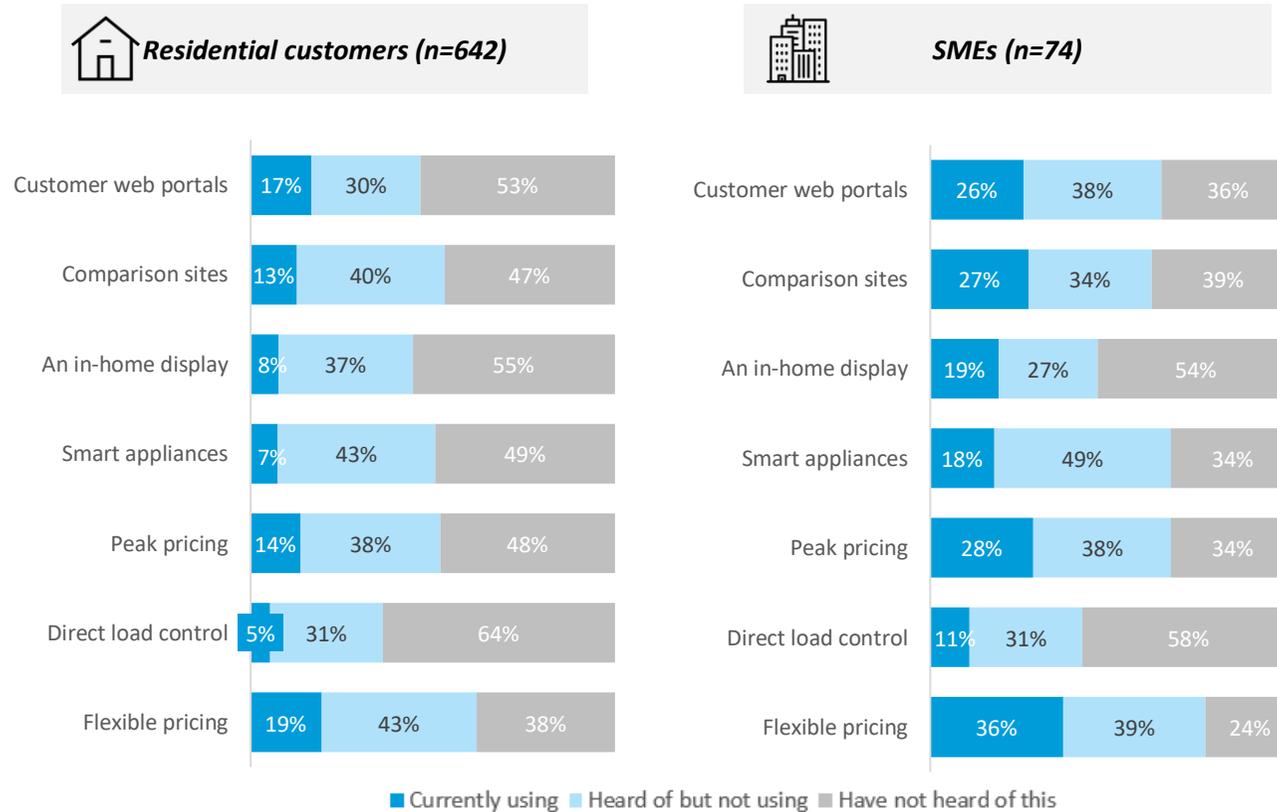
- Just over one in ten (12%) residential customers and a similar proportion of SME customers (11%) did not know whether they had an electricity smart meter.
- Almost eight in ten (79% residential and 78% SMEs) customers had an electricity smart meter.
- Solar Households were significantly more likely to have a smart meter (91%).

Q.18. Does your home/business have an electricity smart meter?

Despite the desire to reduce costs, few customers were aware of smart meter benefits that could save them money

Awareness of potential benefits of smart meters:

Base: Respondents with a smart meter



- More than half (53%) of residential customers had not heard of customer web portals which offer information about their energy consumption which could allow them to take actions to reduce energy costs.
- SMEs were more likely to be currently using several of the benefits offered by smart meters than residential customers.
- Early Adopters were significantly more likely to be using direct load control (15%) and smart appliances (15%).
- Solar Household were significantly more likely to be using flexible pricing (36%) and customer web portals (26%).

Q.19. Which of the following potential benefits of having a smart meter are you aware of?

Power outages

There was strong interest in the SMS service to alert customers of a blackout

Last power outage:

Base: All Residential customers (n=810)



Residential customers



Had a power outage within the last 6 months

Use of blackout SMS service:

Base: All Residential customers (n=810)



Already use blackout SMS service



Do not use blackout SMS service but would be interested in it

- More than six in ten (62%) residential customers claimed to have experienced a blackout within the last 6 months.
- Vulnerable customers were significantly more likely to think their last power outage was within the last 6 months (73%).

Q.26. How long ago was your last power outage at your current home? Q.25. AusNet Services currently provides a service whereby you are alerted by SMS when you have a blackout. Which of the following best describes your interest in this service?

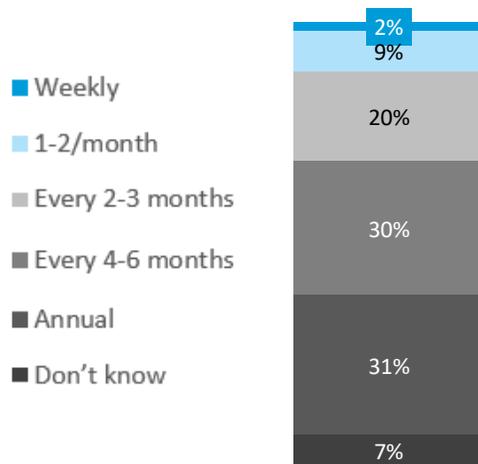
Annual blackouts were considered acceptable by a majority of residential customers



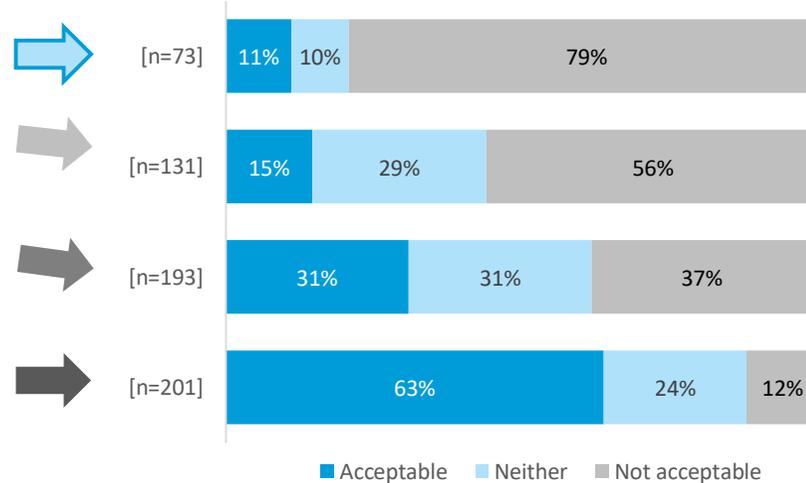
Residential customers

Average frequency of power outage:

Base: Residential customers who experienced an outage in last 2 years (n=646)



Acceptability of power outage:



- Among residential customers who experienced an outage in last 2 years, the average frequency was 5.2 blackouts per year.
- Early Adopters were significantly more likely to think they experienced blackouts at least once every three months (56%).
- Annual outages were considered acceptable by the majority (63%) of customers, whereas more frequent outages of every 4-6 months were only considered acceptable by three in ten (31%) customers.

Q.27. On average, how often do you experience power outages at your current home? Q.27.a And, in your opinion, is this frequency of power outages...

Six in ten (60%) SME customers claimed to have experienced a blackout within the last 6 months

Last power outage:

Base: All SME customers (n=95)



Had a power outage within the last 6 months

Use of blackout SMS service:

Base: All SME customers (n=95)



Already use blackout SMS service



Do not use blackout SMS service but would be interested in it

• Six in ten (60%) SME customers claimed to have experienced a blackout within the last 6 months.

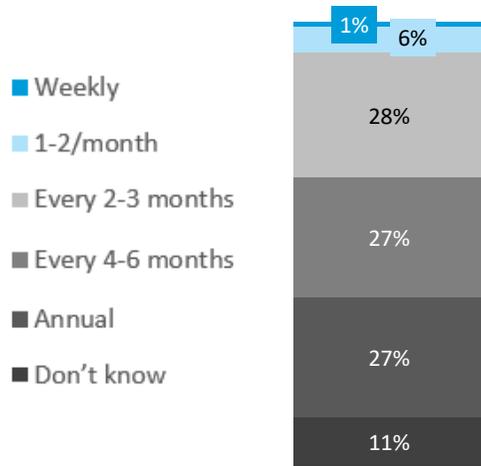
Q.26. How long ago was your last power outage at your current home? Q.25. AusNet Services currently provides a service whereby you are alerted by SMS when you have a blackout. Which of the following best describes your interest in this service?

Three in ten (28%) SME customers claimed to have a blackout every 2-3 months on average

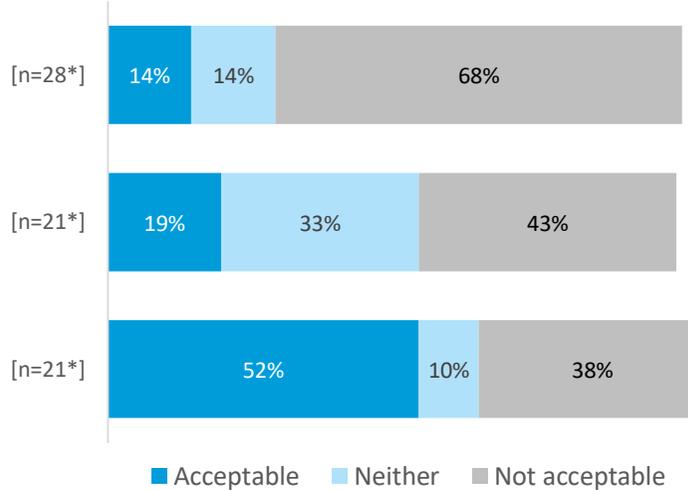


Average frequency of power outage:

Base: SME customers who experienced an outage in last 2 years (n=79)



Acceptability of power outage:



• In contrast to the residential customers, even an annual blackout was considered unacceptable by almost four in ten (38%) SME customers, although this is based on a small sample size.

Q.27. On average, how often do you experience power outages at your current home? Q.27.a And, in your opinion, is this frequency of power outages...

Solar power



A quarter of residential customers have solar panels

Prevalence of solar panels:

Base: All Residential customers (n=900)



Have solar panels that deliver electricity to their home

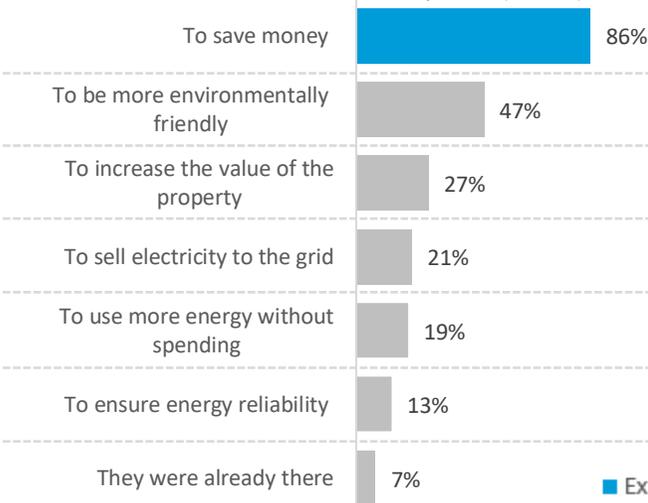
When were solar panels installed:

Base: Residential customers with solar panels (n=229)

Solar panels were installed on average **5.1 years ago**

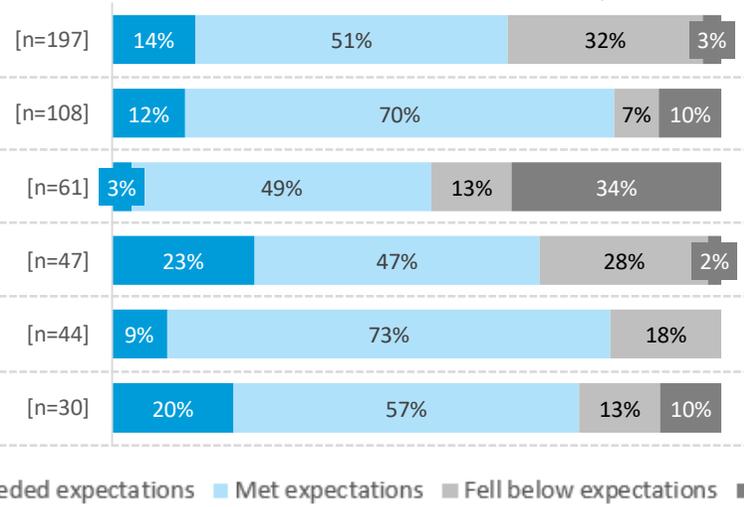
Reasons for installing solar panels:

Base: Residential customers with solar panels (n=229)



Did solar panel installation meet expectations:

Base: Residential customers who selected each reason (base size varies)



- The main reason given for installing solar panels was to save money, mentioned by more than eight in ten (86%) residential customers.
- Of the residential customers who installed solar panels to save money, two thirds (65%) said their expectations had been met or exceeded.
- Solar Households (100%) and Early Adopters (65%) were significantly more likely to have solar panels.
- Solar Households were significantly more likely to have installed solar panels to sell electricity back to the grid (26%).

Q.28. Do you have solar panels that deliver electricity to your home? Q.29. How long have you had solar panels on your home? Q.30. Why did you install solar panels on your home? Q.31. To what extent have the reasons for installing solar met your expectations?



One in five SME customers have solar panels

Prevalence of solar panels:

Base: All SME customers (n=120)



Have solar panels that deliver electricity to their business

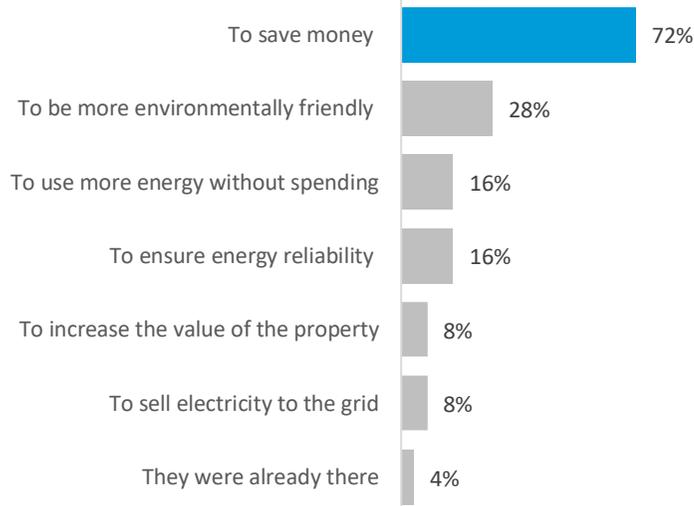
When were solar panels installed:

Base: SME customers with solar panels (n=25*)

Solar panels were installed on average **3.4 years ago**

Reasons for installing solar panels:

Base: SME customers with solar panels (n=25*)



- One in five (21%) SME customers have solar panels.
- The main reason for installing solar panels was to save money, as mentioned by almost three quarters (72%) of SMEs, however this is based on a small sample size and should be treated as indicative only.

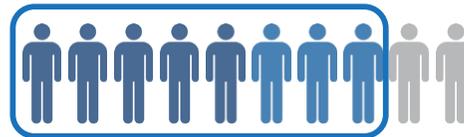
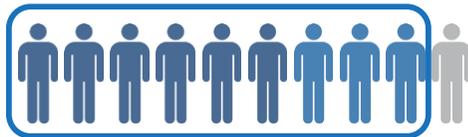
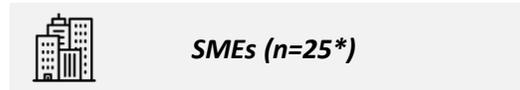
Q.28. Do you have solar panels that deliver electricity to your business? Q.29. How long have you had solar panels on your business? Q.30. Why did you install solar panels on your business?

* Indicates low base size

The majority of customers would be interested in being notified when their solar panels were not working

Interest in being notified when solar panels are not working:

Base: Respondents with solar panels



58% very interested **5% not very interested**
35% quite interested **2% not at all interested**

52% very interested **16% not very interested**
32% quite interested **0% not at all interested**



Implementation of the notification service:

Base: Residential customers interested in service (n=213)

-  **73%** would not pay for this service
-  **66%** would prefer to receive an alert by SMS
-  **24%** would prefer to receive an alert by email

- More than nine in ten (93%) of residential customers, and 84% of SMEs would be very or quite interested in being notified when their solar panels were not working.
- However, three quarters (73%) of residential customers said they would not pay for this service.
- One in five (19%) said they would pay \$1/month for this service. Early Adopters were more likely to pay \$1/month (35%).
- Solar Households were significantly more likely to prefer SMS notification (71%), whereas Vulnerable Customers preferred email (47%).
- All age groups, and both males and females, showed a preference for SMS notification.

Q.35. How interested would you be in a service whereby your electricity distributor could alert you when your solar panels were not working?

Q.36. How would you prefer to receive an alert that your solar panels were not working? Q.37. How much would you be prepared to pay for this service?

Customers would be very unhappy if restricted as to when and how much energy they could sell back to the grid

Feelings about restrictions to selling back to the grid:

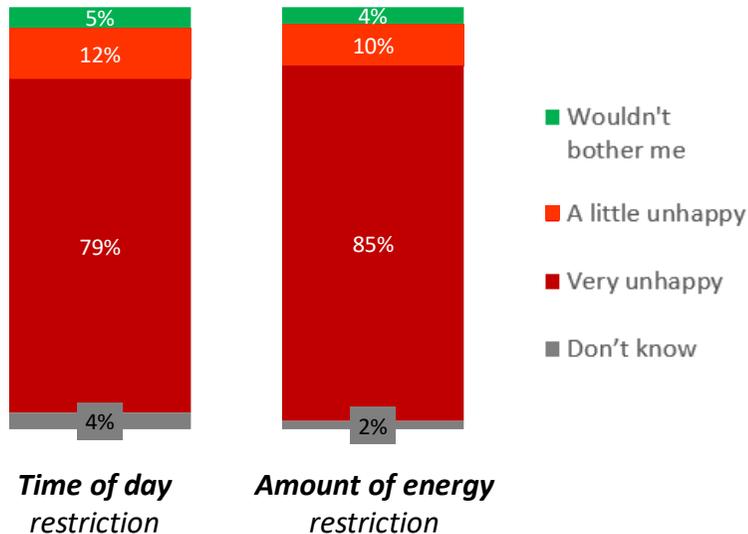
Base: Residential customers who feed energy back into the grid (n=112)



Residential customers

49%

of residential customers generate more solar energy than they can use and feed excess back into the grid



Perceived reasons for restrictions included:

- For energy suppliers to make a bigger profit **41%**
- Don't know **21%**
- To stop households making energy **14%**
- Excess energy supply in the system **8%**

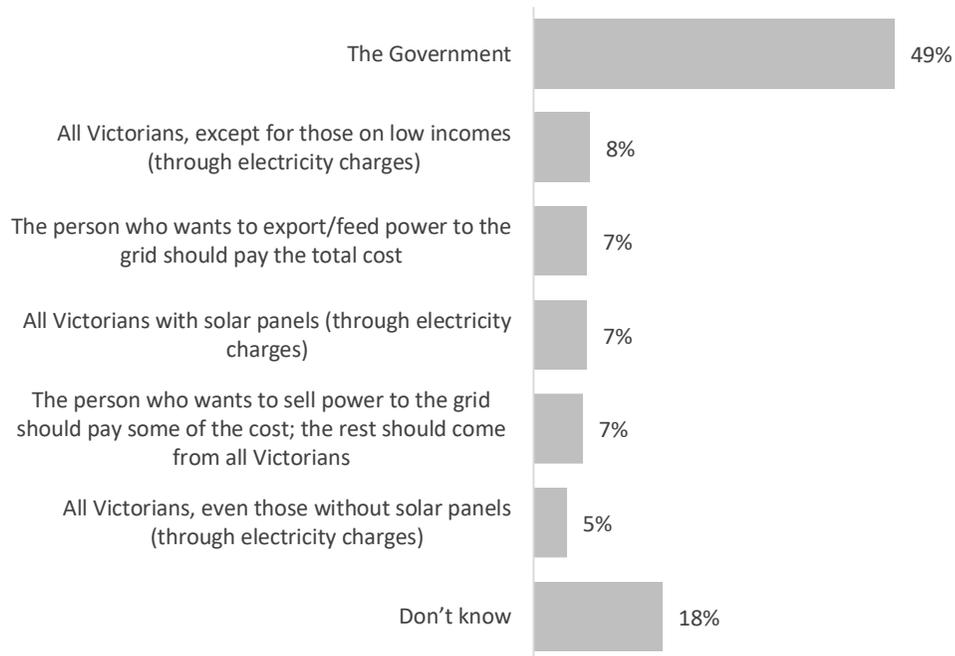
- The vast majority of residential customers would be very unhappy if they were restricted with respect to the amount of energy or the time of day they could sell energy back to the grid.
- A restriction on the amount of energy that could be sold back to the grid was even less appealing than a restriction on the time of day that energy could be sold back to the grid.

Q.32. Do you use most of the energy generated by your solar panels, or do you feed excess energy back into the grid? Q.33. How would you feel if you were restricted in the **time of day** that you could sell energy back into the grid? Q.33.a How would you feel if you were restricted in the **amount of energy** that you could sell back into the grid? Q.34. Why do you think restrictions on the time of day or amount of energy that you could sell energy back into the grid could be introduced?

Customers thought that the Government should pay to upgrade the network to receive energy

Who should pay for upgrades to feed power into the grid:

Base: All respondents (n=1020)



- Almost half of customers (49%) thought the cost of upgrading the grid to receive excess solar energy should be covered by the Government.
- There were no significant differences in responses between residential customers and SMEs.

Q.55. Who do you think should pay for the cost of these upgrades?

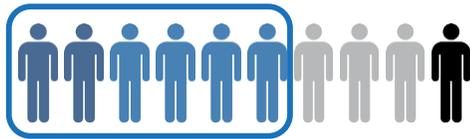
Six in ten (58%) residential customers were interested in installing solar panels in future



Residential customers

Interest in installing solar panels in future:

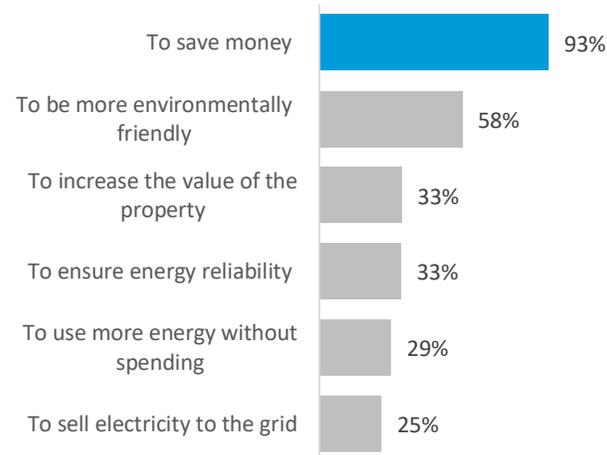
Base: Respondents without solar panels (n=518)



21% very interested
37% quite interested
27% not very interested
14% not at all interested

Reasons for installing solar panels:

Base: Residential customers interested in installing solar panels (n=302)



- Two in ten (21%) residential customers were very interested in getting solar panels installed in future, and a further four in ten (37%) were quite interested.
- More than nine in ten (93%) of those interested in getting solar panels in future expressed that saving money would be a reason to do so.
- Only a quarter (25%) mentioned selling electricity to the grid as a reason for getting solar panels installed.

When solar panels would be installed, and who would be trusted:

Base: Residential customers interested in installing solar panels (n=302)



10% within the next 12 months

41% in the next 1-3 years

25% don't know



71% would trust a solar installation company



31% would trust the company that they bought the panels from



19% would trust their electricity retailer

Q.38. How interested would you be in getting solar panels installed on your home in the future? Q.39. When do you think you would be most likely to get solar panels installed? Q.40. Why would you install solar panels for your home? Q.41. Who would you trust to install solar panels for your home?

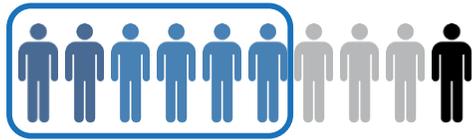
Six in ten (57%) SMEs were interested in installing solar panels in future



SMEs

Interest in installing solar panels in future:

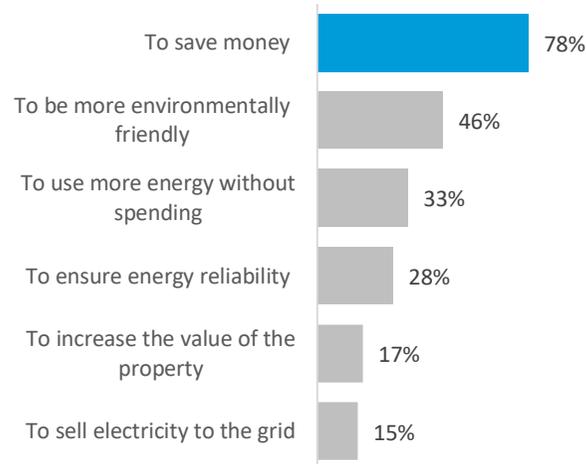
Base: Respondents without solar panels (n=95)



18% very interested
39% quite interested
31% not very interested
13% not at all interested

Reasons for installing solar panels:

Base: SME customers interested in installing solar panels (n=54)



- Two in ten (18%) SMEs were very interested in getting solar panels installed in future, and a further four in ten (39%) were quite interested.
- Eight in ten (78%) of those interested in getting solar panels in future expressed that saving money would be a reason to do so.
- One in seven (15%) mentioned selling electricity to the grid as a reason for getting solar panels installed.

When and how solar panels would be installed:

Base: SME customers interested in installing solar panels (n=54)



15% within the next 12 months

54% in the next 1-3 years

13% don't know



61% would trust a solar installation company



30% would trust the company that they bought the panels from



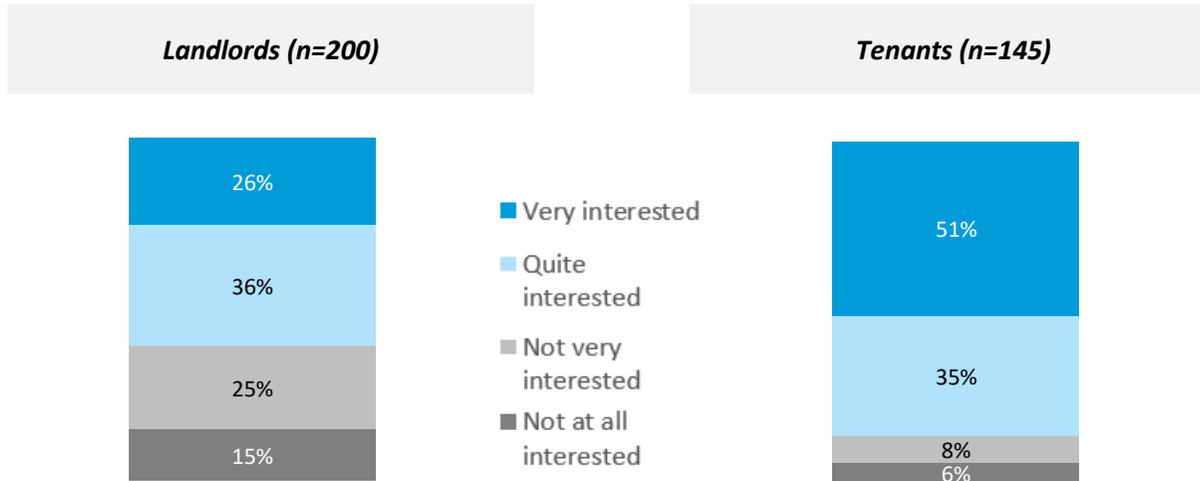
20% would trust their local electrician

Q.38. How interested would you be in getting solar panels installed on your business in the future? Q.39. When do you think you would be most likely to get solar panels installed? Q.40. Why would you install solar panels for your business? Q.41. Who would you trust to install solar panels for your business?

Tenants were more interested in the shared solar panel proposal than landlords

Interest in landlords/tenants sharing the benefits of solar panels:

Base: Landlords / tenants



You could purchase solar panels to put on your rental property, and then sell the solar energy generated to your tenant at a lower cost than they can purchase electricity from the grid. Typically, you would recover the costs of the solar panels within around 5 years, but the panels would be effective for 25 years, so after the first 5 years you would make a profit. Any extra solar energy generated beyond what your tenant uses could be sold back to the grid.

Your landlord could install solar panels on the property you are renting, and you could decrease your electricity bills by buying solar power from your landlord at a cheaper agreed rate than electricity from the grid? (You would still pay the 'normal' price for electricity you use from the grid – e.g. at night time – but overall you would be paying less for your electricity).

- Half (51%) of tenants were very interested in paying less for their electricity via solar panels installed by their landlord, and a further 35% were quite interested.
- A smaller proportion of landlords were interested in the scheme compared to tenants.
- Even among landlords who said they were interested in getting solar panels in future, interest in this scheme did not increase.

Q.70. You mentioned earlier that you are a landlord (i.e. own one or more rental properties). What would your interest be for the following proposal? Q.71. You mentioned earlier that you are a renting your current home. What would your interest be for the following proposal?

Battery storage

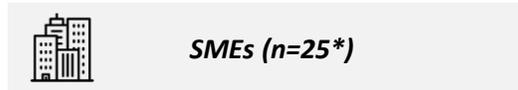
Almost one in ten residential customers with solar panels also had battery storage for their home

Prevalence of battery storage:

Base: Respondents who own their home and have solar panels



Have battery storage for their home



Have battery storage for their business

- One in ten (9%) residential customers with solar panels also had battery storage for their home.
- A higher proportion of SMEs (28%) with solar panels also had battery storage for their business, although this is based on a small sample size and should be treated as indicative only.
- Early Adopters were significantly more likely to have battery storage (59%) – all of those with battery storage were Early Adopters.

When and why was battery storage installed:

Base: Residential customers with battery (n=20*)



45% had their battery storage installed less than a year ago



55% to save money



40% to be less reliant on the grid



40% to ensure energy reliability

Q.42. Do you have battery storage for your home/business? Q.43. How long have you had your home battery storage? Q.44. Why did you get battery storage installed for your home?

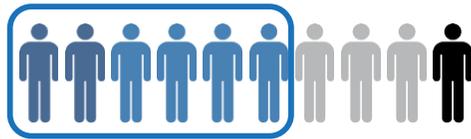
Over half (55%) of residential customers were interested in getting battery storage in future



Residential customers

Interest in getting battery storage in future:

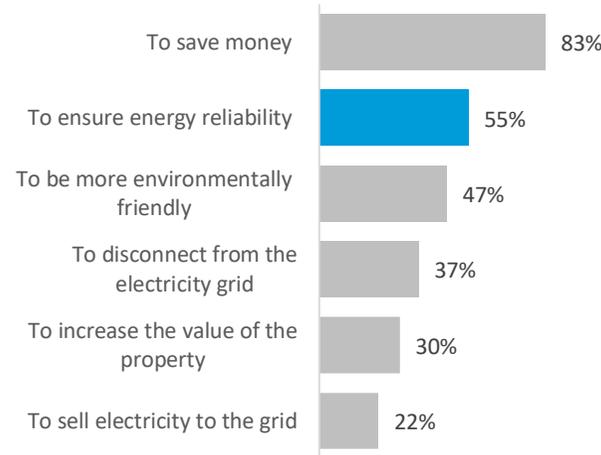
Base: Respondents without battery storage (n=717)



19% very interested
35% quite interested

Reasons for getting battery storage:

Base: Residential customers interested in getting battery storage (n=391)



- While the top reasons for interest in getting battery storage among residential customers was to save money (mentioned by 83% of customers), the next most mentioned reason was to ensure energy reliability and continuation of supply, suggesting that this may be of concern in future.
- Early Adopters (100%) and Solar Households (78%) were significantly more likely to be interested in getting battery storage for their homes.
- Vulnerable customers were significantly more likely to consider battery storage to ensure energy reliability (72%) and to increase the value of their property (45%).

When battery storage would be installed, and concerns:

Base: Residential customers interested in getting battery storage (n=391)



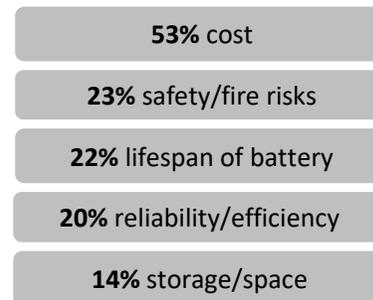
33% in the next 1-3 years

17% in the next 4-6 years

33% don't know

19%

Have concerns about battery storage



Q.46. How interested would you be in getting battery storage for your home? Q.47. When do you think you would be most likely to get battery storage installed in your home? Q.48. Why would you consider getting battery storage installed for your home? Q.49. Do you have any concerns about battery storage? Q.49.a What concerns do you have about battery storage?

Half (48%) of SMEs were interested in getting battery storage in future



SMEs

Interest in getting battery storage in future:

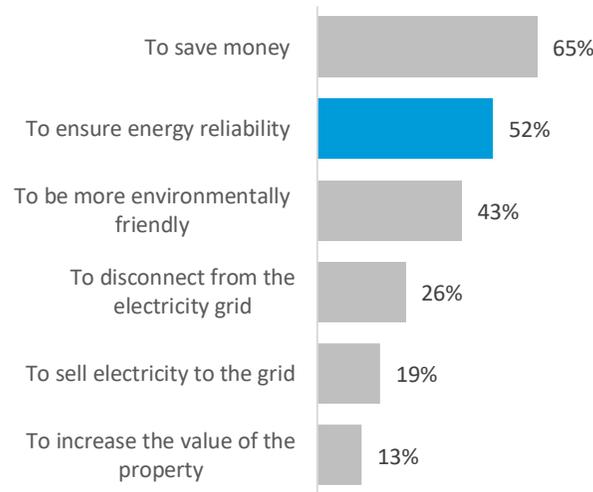
Base: Respondents without battery storage (n=113)



12% very interested
36% quite interested

Reasons for getting battery storage:

Base: SME customers interested in getting battery storage (n=54)



- While the top reasons for interest in getting battery storage among SMEs was to save money (mentioned by 65% of SMEs), the next most mentioned reason was to ensure energy reliability and continuation of supply, which was mentioned by half (52%) of SMEs interested in getting battery storage, suggesting that this may be of concern in future.
- Medium businesses were significantly more likely to be interested in battery storage (56%) versus small businesses (40%).

When battery storage would be installed, and concerns:

Base: SME customers interested in getting battery storage (n=54)



35% in the next 1-3 years

17% in the next 4-6 years

24% don't know



Have concerns about battery storage

Q.46. How interested would you be in getting battery storage for your business? Q.47. When do you think you would be most likely to get battery storage installed in your business? Q.48. Why would you consider getting battery storage installed for your business? Q.49. Do you have any concerns about battery storage?

Electric vehicles

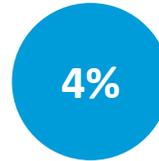
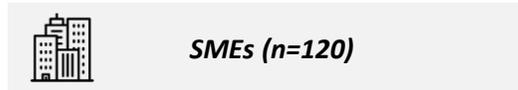
A very small proportion of the population currently has an electric vehicle

Prevalence of electric vehicles:

Base: All respondents



Have an electric vehicle



Have an electric vehicle

• Currently only one percent of residential customers, and 4% of SMEs have an electric vehicle.

When electric vehicle was purchased and has it met expectations:

Base: Residential customers with an EV (n=8**)

Base: SME customers with an EV (n=5**)



2 customers purchased EV within the last 12 months

4 customers purchased EV 1-2 years ago

3 customers purchased EV 1-2 years ago

2 customers purchased EV 3-4 years ago



4 customers said the EV met their expectations

5 customers said the EV met their expectations

Q.50. Do you (or your business) currently own an electric vehicle (that is, a fully electric vehicle and not a hybrid that uses petrol or diesel)?

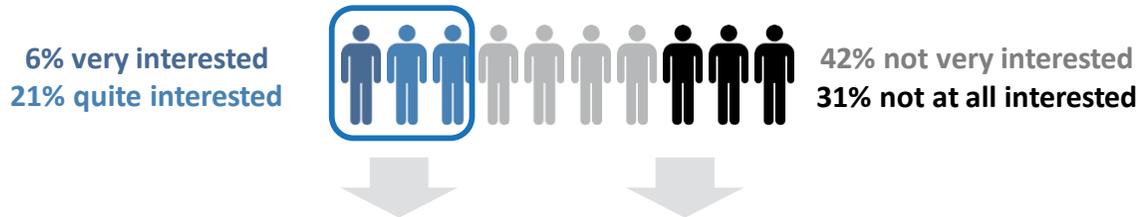
Q.51. How long ago was the electric vehicle purchased?

* Indicates low base size

Interest in electric vehicles for households was limited

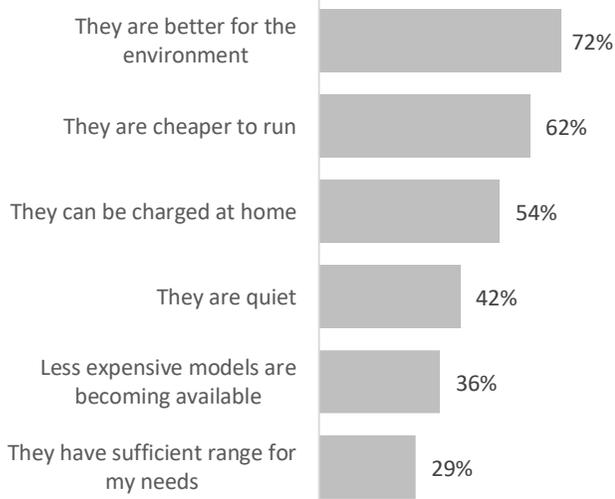
Interest in getting an electric vehicle in future:

Base: Respondents without an electric vehicle



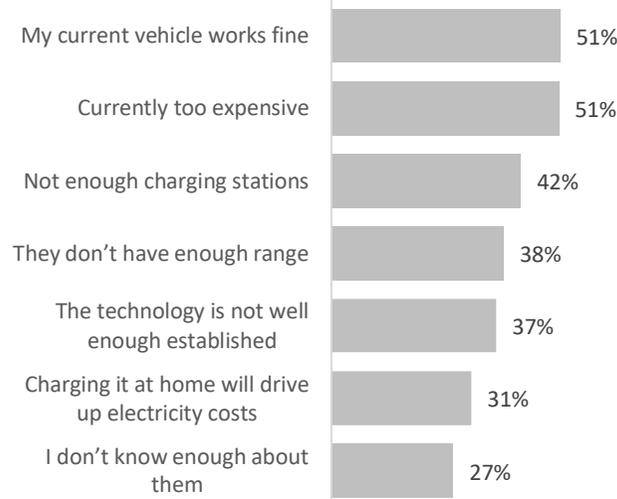
Reasons for getting an electric vehicle:

Base: Residential customers interested in getting an electric vehicle (n=237)



Reasons for not getting an electric vehicle:

Base: Residential customers not interested in getting an electric vehicle (n=655)



- Currently, just over a quarter (27%) of households said they were interested in getting an electric vehicle for their household.
- The top reason given for being interested in an electric vehicle was environmental.
- Some reasons for not being interested in getting electric vehicle will be negated in future when the network of charging stations expands and the technology improves to allow greater range between charges.
- Solar Households were significantly more likely to be interested in EVs (33%) compared to Regular Households (24%).

Q.52. How interested would you be in getting an electric vehicle for your household's use?

Q.53. Why aren't you interested in getting an electric vehicle? Q.53.a Why are you interested in getting an electric vehicle?

A third (35%) of SMEs said they were interested in getting an electric vehicle

Interest in getting an electric vehicle in future:

Base: Respondents without an electric vehicle



SMEs (n=115)

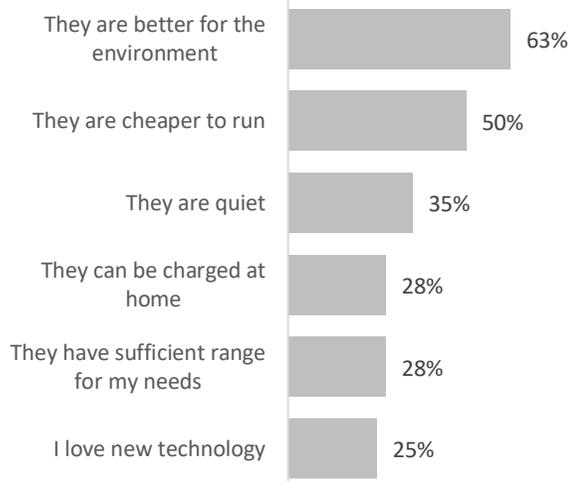
8% very interested
27% quite interested



34% not very interested
31% not at all interested

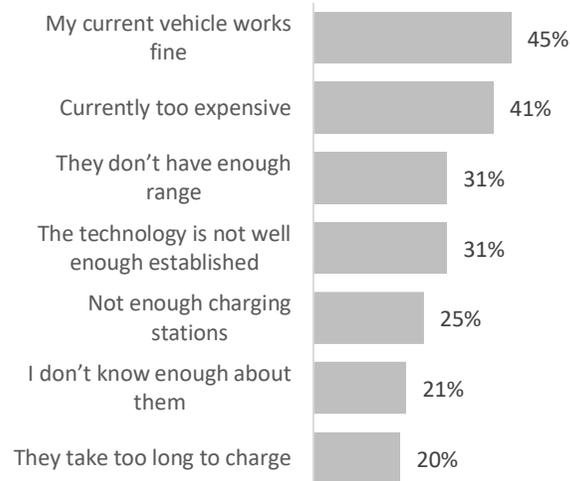
Reasons for getting an electric vehicle:

Base: SMEs interested in getting an electric vehicle (n=40)



Reasons for not getting an electric vehicle:

Base: SMEs not interested in getting an electric vehicle (n=75)



- Currently, just over a third (35%) of SMEs said they were interested in getting an electric vehicle for their business.
- Reasons for interest were environmental and cost-based – half of SMEs perceived that an electric vehicle would be cheaper to run.

Q.52. How interested would you be in getting an electric vehicle for your business's use?

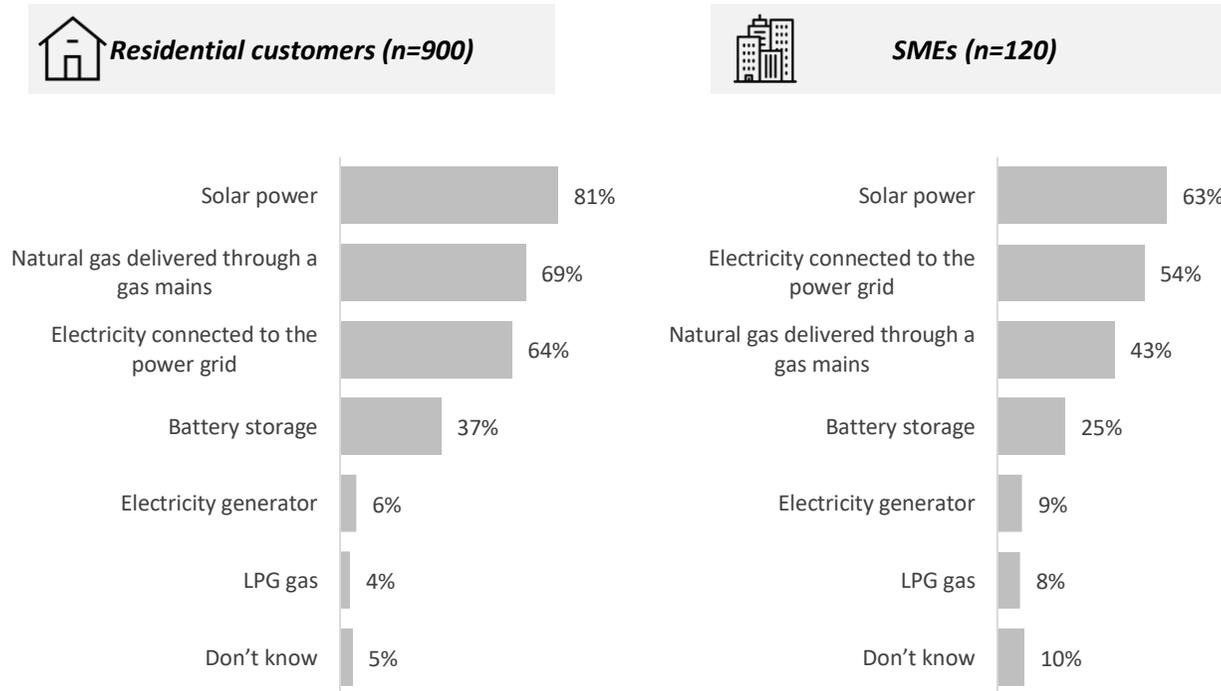
Q.53. Why aren't you interested in getting an electric vehicle? Q.53.a Why are you interested in getting an electric vehicle?

Future service needs

Solar power was a popular source of energy for future homes and business premises

Future energy sources:

Base: All respondents



- Eight in ten (81%) residential customers said they would choose to use solar power as an energy source in a new home, and four in ten (37%) would choose to use battery storage.
- While more residential customers chose natural gas over electricity from the grid, the opposite was true of SMEs, who were more likely to choose electricity from the grid than natural gas.
- Solar Households were significantly more likely to select natural gas (79%) and solar power (94%).
- Early Adopters were significantly more likely to select electricity generator (19%) and battery storage (69%).
- Medium businesses were significantly more likely to select solar power (78%) and natural gas (66%).

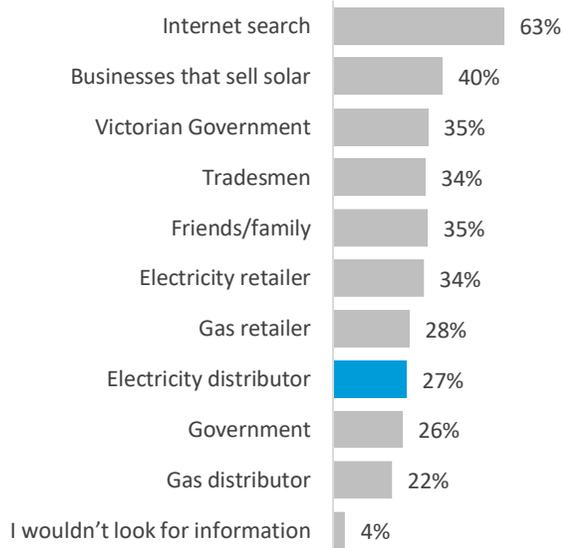
Q.12. If you were to build or buy a new home/business premises tomorrow, what energy sources would you choose to use?

SMEs were more likely to consult an electricity retailer or distributor for information than residential customers

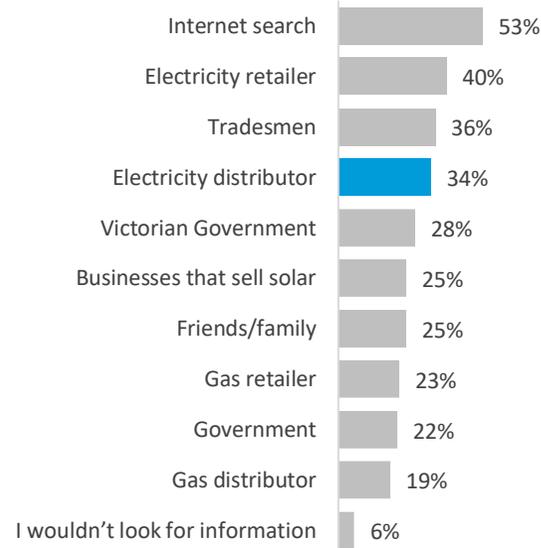
Information on future energy sources:

Base: All respondents

Residential customers (n=900)



SMEs (n=120)



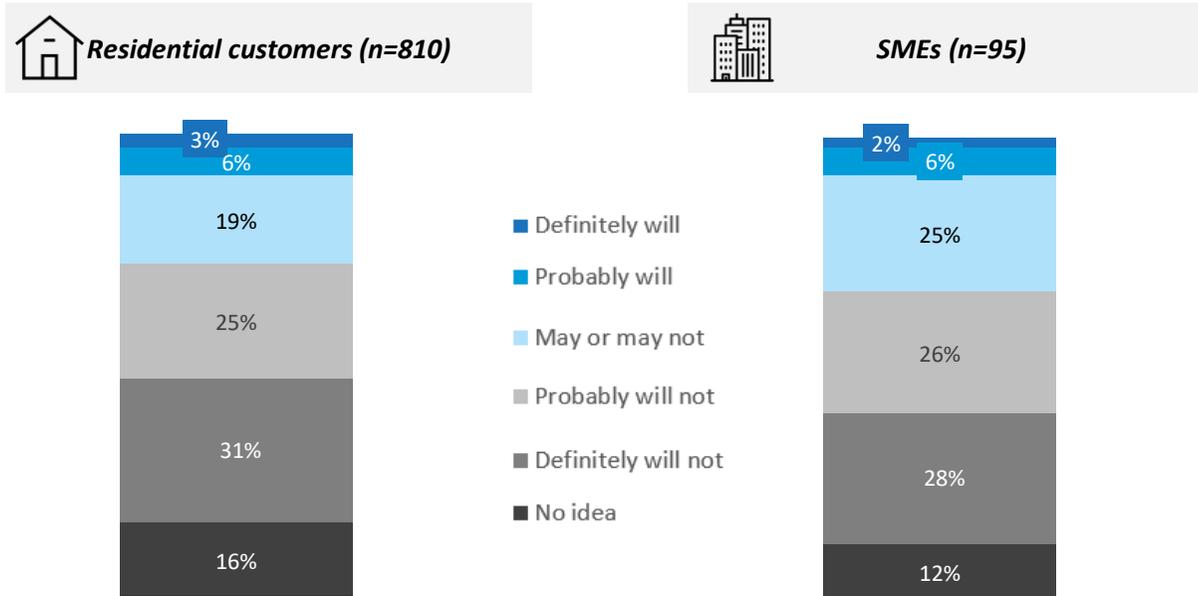
- While an internet search would be the information source chosen by most, there were differences seen in other information sources used by SMEs versus residential customers.
- Residential customers were significantly more likely to consult businesses that sell solar (40%, versus 25% of SMEs) and friends/family (35%, versus 25% of SMEs).
- Vulnerable customers were significantly more likely to get information from their electricity distributor (40%).

Q.13. And where would you go to get information about energy sources if you were building or buying a new home/business premises?

Few customers plan to go off the grid in the next 10 years

Likelihood to go off the grid in the next 10 years:

Base: All respondents connected to the grid



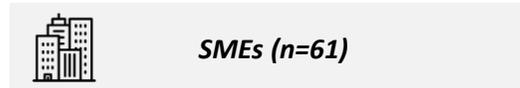
- Fewer than one in ten (9% of residential customers and 8% of SMEs) said they would definitely or probably go completely off the grid within the next 10 years.
- Three in ten customers (31% of residential customers and 28% of SMEs) said they would definitely not go off the grid within the next 10 years, suggesting that this isn't on the radar of the majority of customers at the moment.
- Early Adopters (32%) and Solar Households (13%) were significantly more likely to consider going off the grid.
- Vulnerable customers were significantly less likely to consider it (65% probably or definitely would not).

Q.57. Going "off the electricity grid" means disconnecting from the electricity grid entirely, so you cannot receive power or sell power to the grid. In the next 10 years, how likely is your household/business to consider going completely off the grid?

Seven in ten residential customers showed interest in a community project to replace power lines

Interest in power lines being replaced with solar & battery project:

Base: Respondents in High Risk Bushfire areas



22% very interested **20% not very interested**
49% quite interested **10% not at all interested**

16% very interested **25% not very interested**
43% quite interested **16% not at all interested**

Reasons for interest:

Base: Residential and SME customers interested (n=428)

- 37%** reduce costs/power bills
- 28%** environmental benefits/sustainability
- 20%** would benefit the community

Reasons for non-interest:

Base: Residential and SME customers not interested (n=190)

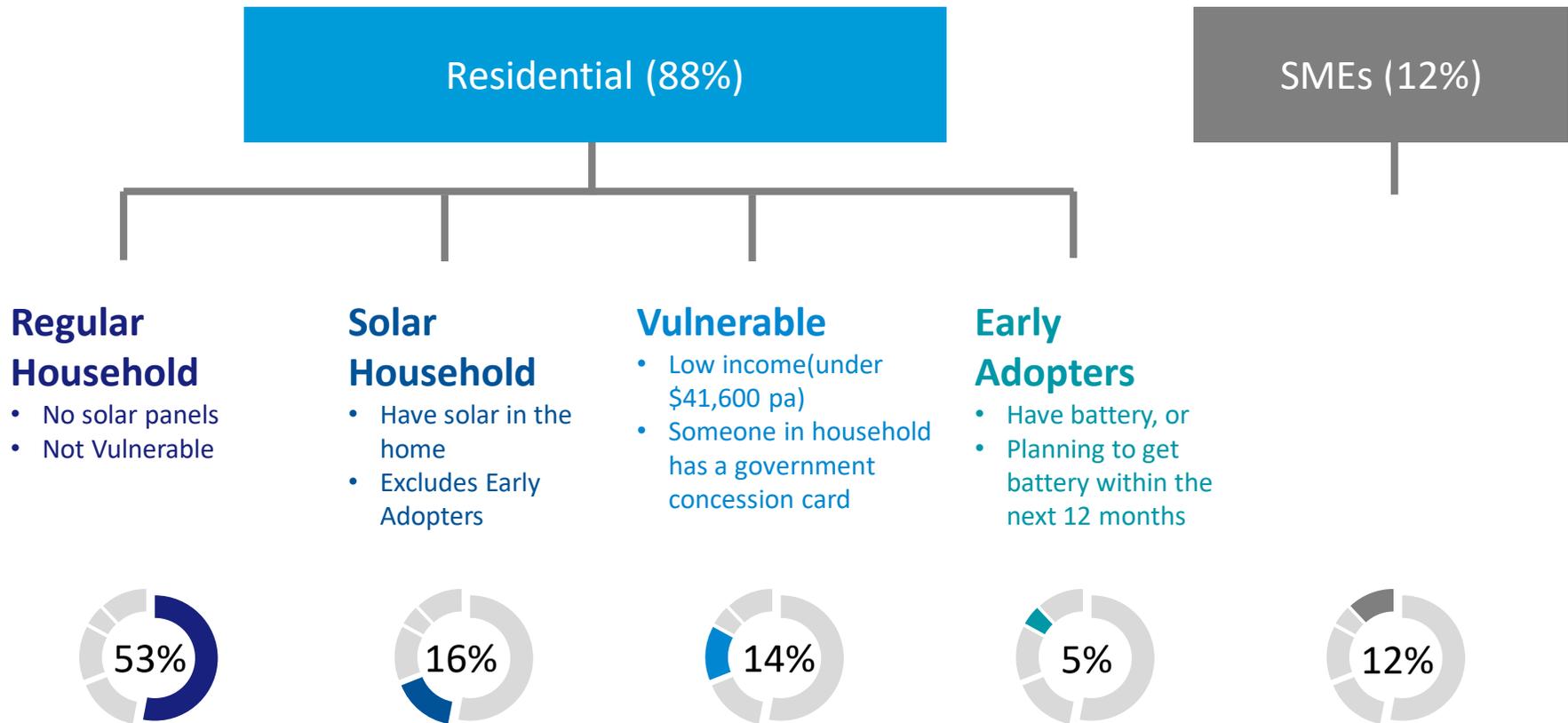
- 42%** not in favour of it
- 21%** don't know enough/need more information
- 13%** sounds too expensive

- Seven in ten (70%) residential customers, and six in ten (59% SME customers, said they would be interested in a community project to remove powerlines and replace them with solar and battery-based power systems.
- There were no significant differences in the reasons for interest and non-interest between residential and SME customers, so responses have been grouped together.
- Among residential and SME customers interested in the project, the main reason for their interest was a perceived reduction in cost, followed by environmental benefits.

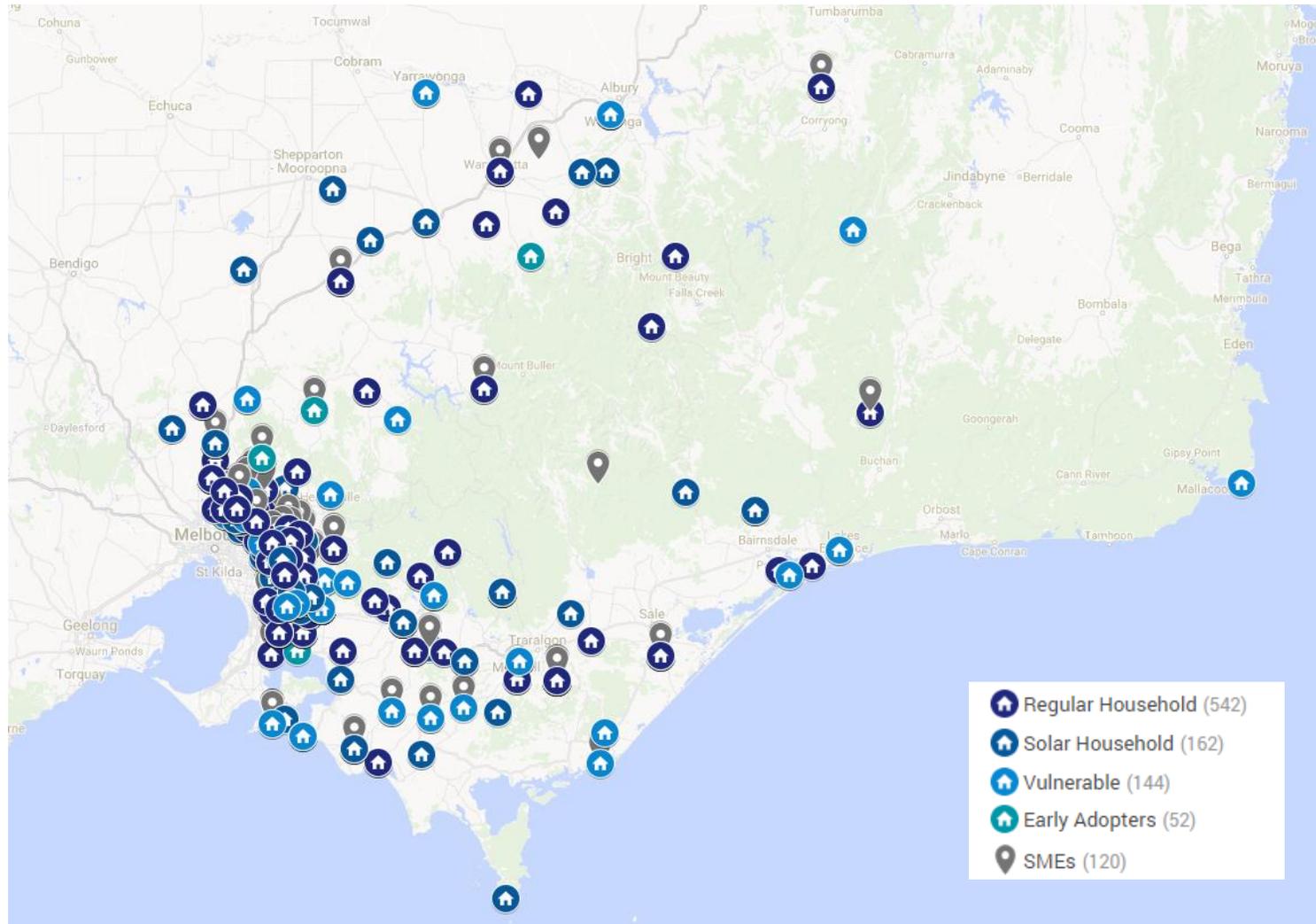
Q.60. How interested would you be in being part of a community project to remove your powerlines and replace them with advanced solar and battery-based power systems, which would provide you with equal or better supply reliability than you currently receive? AusNet Services would maintain it as if it was part of the grid. Q.61. Why would you be interested/not interested in joining this type of community project?

Key customer groups

AusNet Services' customers can be segmented into five groups



AusNet Services' customers can be segmented into five groups



Regular Household

53%



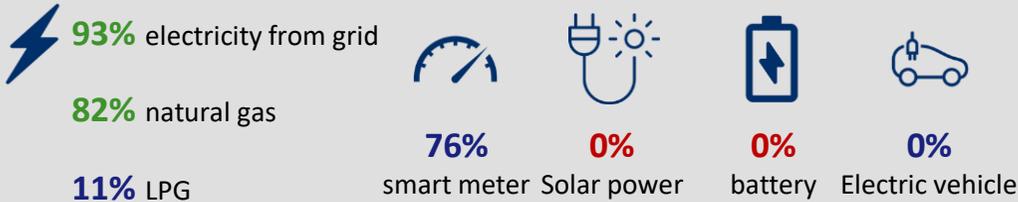
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PRICE SENSITIVITIES



CURRENT LANDSCAPE



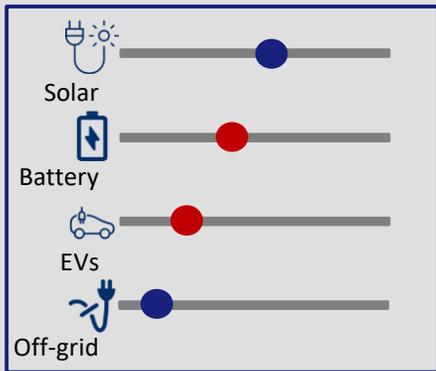
82% actively try to reduce energy usage



Actions taken to reduce energy usage

- 88%** mindful of energy use
- 75%** energy efficient lighting
- 71%** use appliances less

FUTURE INTERESTS



Reasons for interest in solar

- 93%** save money
- 57%** environmental
- 31%** increase property value

45% within the next 1-3 years

Reasons for interest in battery

- 80%** save money
- 53%** energy reliability
- 46%** environmental

36% within the next 1-3 years

Reasons for non-interest in EVs

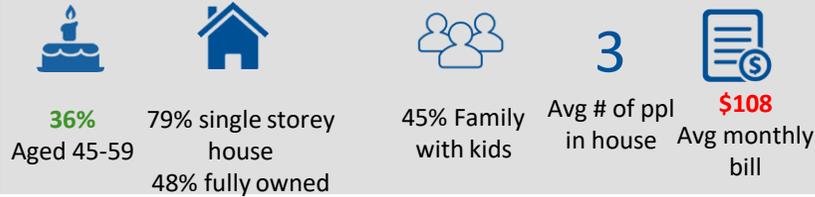
- 50%** current vehicle fine
- 47%** too expensive
- 40%** lack of charging stations

Solar Household

16%



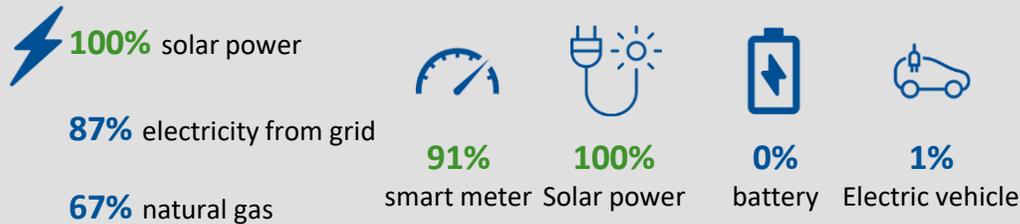
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PRICE SENSITIVITIES



CURRENT LANDSCAPE



90% actively try to reduce energy usage

Actions taken to reduce energy usage

- 91%** solar power
- 88%** mindful of energy use
- 86%** energy efficient lighting

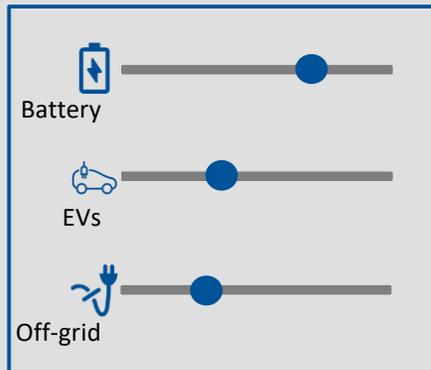
FUTURE INTERESTS

Reasons for installing solar



- 89%** save money
- 49%** environmental
- 30%** increase property value

64% had solar panels for 4-10 years



Reasons for interest in battery



- 90%** save money
- 51%** energy reliability
- 42%** environmental

48% within the next 1-3 years

Reasons for non-interest in EVs



- 54%** too expensive
- 46%** current vehicle fine
- 46%** lack of charging stations

Vulnerable

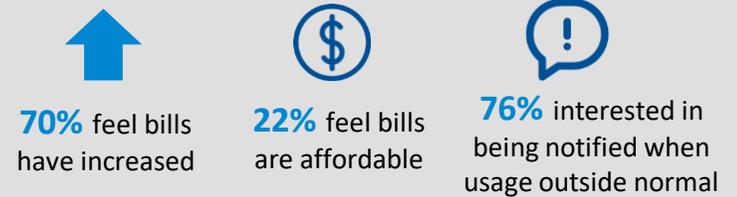
14%



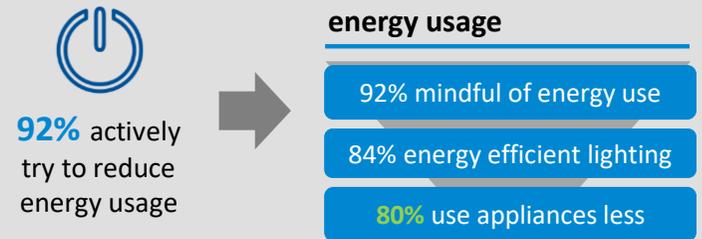
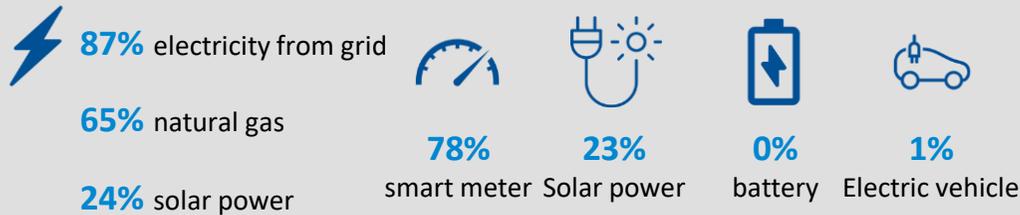
BEST REPRESENTED BY



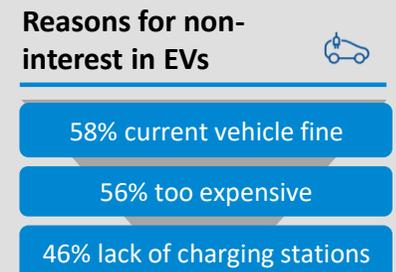
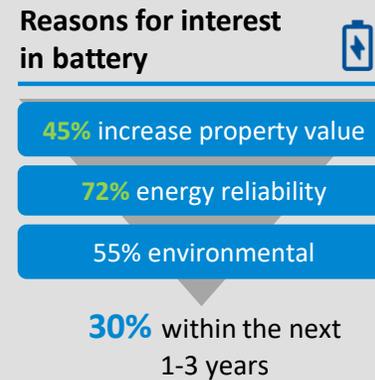
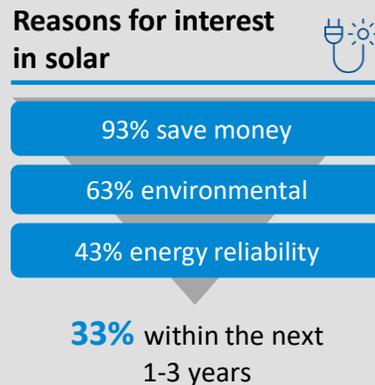
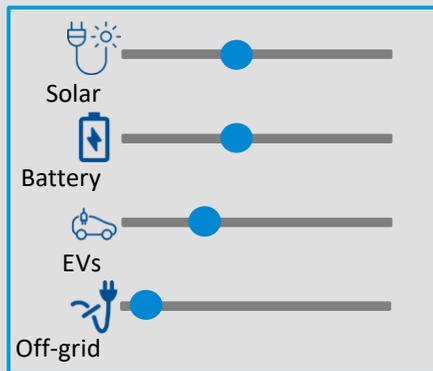
PRICE SENSITIVITIES



CURRENT LANDSCAPE



FUTURE INTERESTS



Early Adopters

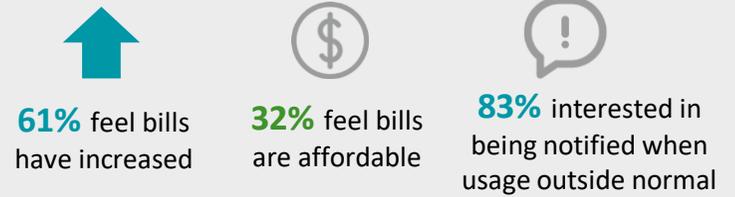
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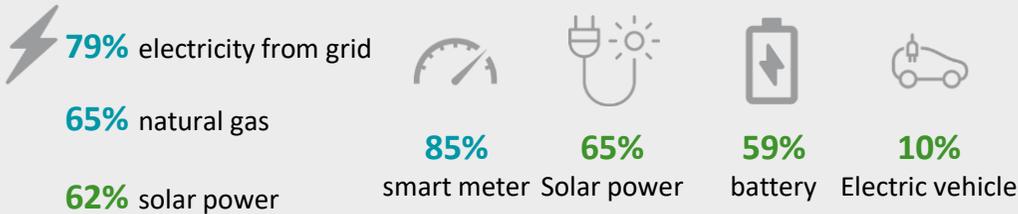
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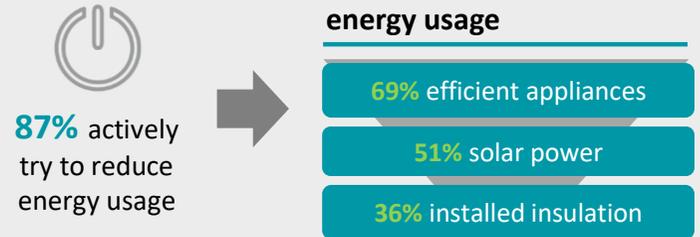
PRICE SENSITIVITIES



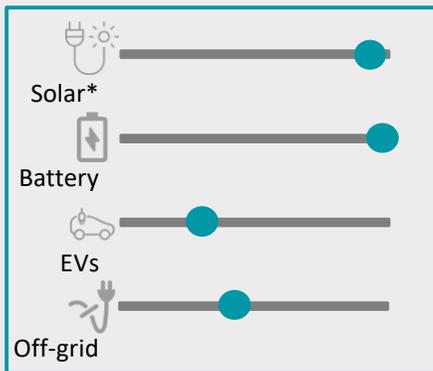
CURRENT LANDSCAPE



Actions taken to reduce energy usage



FUTURE INTERESTS



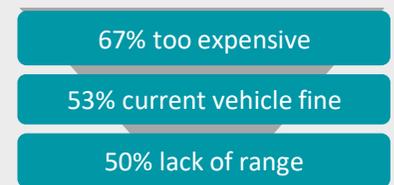
Reasons for interest in solar*



Reasons for interest in battery

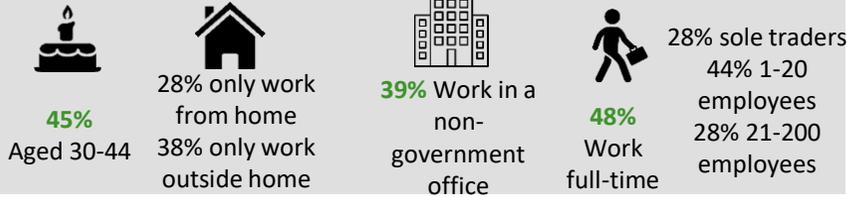


Reasons for non-interest in EVs

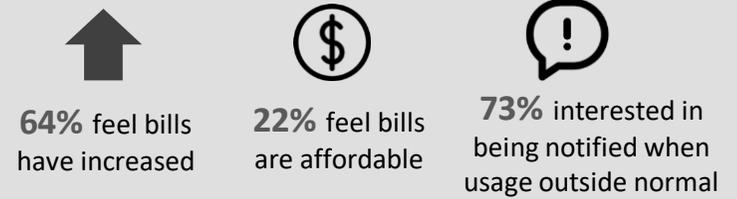




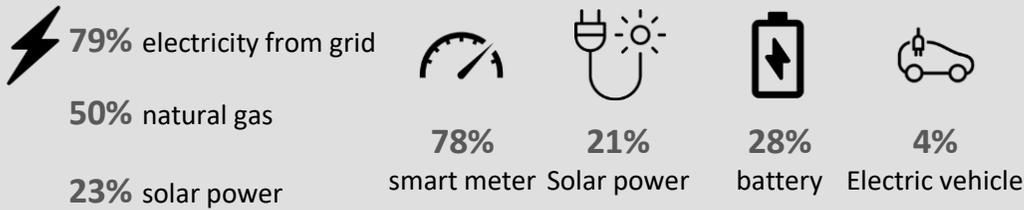
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PRICE SENSITIVITIES



CURRENT LANDSCAPE

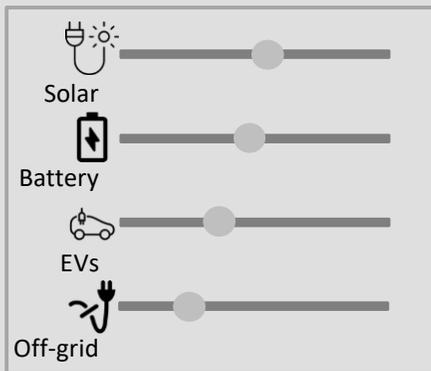


73% actively try to reduce energy usage

Actions taken to reduce energy usage

- 83% mindful of energy use
- 75% energy efficient lighting
- 61% use appliances less

FUTURE INTERESTS



Reasons for interest in solar

- 78% save money
- 46% environmental
- 33% use more energy
- 54%** within the next 1-3 years

Reasons for interest in battery

- 65% save money
- 52% energy reliability
- 43% environmental
- 35%** within the next 1-3 years

Reasons for non-interest in EVs

- 45% current vehicle fine
- 41% too expensive
- 31% lack of range