Attachment 6.5

Deloitte:
SA Power Networks Stage 1 Online Consumer Survey Report

July 2013

Deloitte.

Online Consumer Survey Report

SA Power Networks

July 2013

Background

The electricity industry is rapidly changing and SA Power Networks is entering a future characterised by significant changes in retail electricity prices, changes to government policy, a shifting technology landscape and industry regulation.

Recent retail electricity price fluctuations have caused concern amongst consumers, who are now looking to exercise a greater deal of control over their energy usage to minimise their electricity costs.

The introduction of new energy technologies such as solar generation and battery storage have posed challenges for the current electricity network, which was predominantly built 40–60 years ago.

These and other factors are impacting the way SA Power Networks provides its services, and signal the onset of significant change in the electricity operating environment.

As South Australia's sole electricity distributor, SA Power Networks' Regulatory Proposal for the 2016–2020 operating period is due to the Australian Energy Regulator (AER) by 31 October 2014. The AER will make a revenue determination based on SA Power Networks' Proposal for improving, maintaining and operating the distribution network to meet the long term needs of the South Australian community.

Changes made by the Australian Energy Market Commission (AEMC) to the National Electricity Rules (NER) in November 2012 have increased the focus required from all network service providers in relation to the nature, quality and extent of their engagement with electricity consumers and their identification of consumers' concerns.

As such, the views and concerns of electricity consumers and stakeholders will help shape the directions and priorities of SA Power Networks' Proposal to the Regulator.

With this in mind, SA Power Networks has designed a consultation program to help understand consumer concerns and priorities as they plan the South Australian distribution network for the future.

Contents

The consumer engagement program

Process

As part of preparations in developing its Regulatory Proposal for the 2016–2020 period, SA Power Networks has developed a stakeholder engagement strategy (figure 1), in order to understand the concerns, issues, wants and needs of South Australian electricity consumers. This engagement strategy was based on an ethnographic approach to stakeholder workshops and surveying techniques, with a clear emphasis on providing consumers a voice on SA Power Networks' proposed investment plans.

As one of the initial steps in its processes for engaging with electricity consumers, SA Power Networks has undertaken an online consumer survey aimed at discovering consumer sentiments and opinions on key topic areas identified by SA Power Networks. Deloitte has assisted SA Power Networks in the design, hosting, management and analysis of the survey. The topics of investigation were:

- Customer experience
- Community safety & reliability
- Visual amenity
- The evolving customer

Scope

The comprehensive stakeholder engagement program designed by SA Power Networks also aims to meet the Australian Energy Regulator's requirement for network businesses to demonstrate that:

- Robust and transparent processes have been followed by engaging with a representative cross section of electricity consumers
- Those processes have led to SA Power Networks identifying, and gaining an understanding of, electricity consumers' issues and concerns
- Proposed capital and operating expenditure by SA Power Networks addresses relevant consumer concerns identified from those engagement processes

The engagement process adopted by SA Power Networks is dynamic and embodies several stages, with results informing the content and approach for future stages of the process. This report summarises the insights from the online consumer survey.

Objectives

A set of research objectives was developed in consultation with SA Power Networks to gain feedback on proposed initiatives. These formed the basis of questions for the online consumer survey and were also utilised in the Stage 1 stakeholder and consumer workshops.

Focus

It was essential that the online consumer survey was accessible to all South Australian electricity consumers. All South Australian residents, regardless of their bill paying status, location or age, were eligible to respond to the survey.

Approach

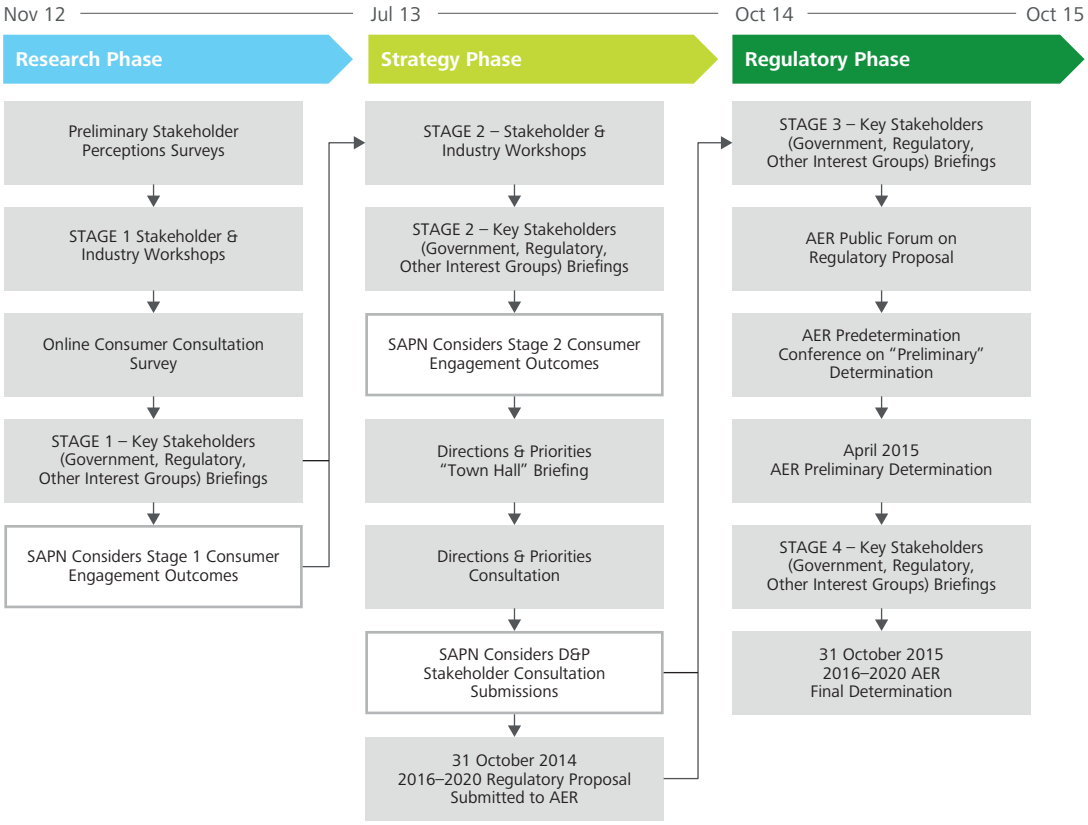
The online consumer survey ran for a period of 21 days (21 May 2013 to 11 June 2013) and was open to all South Australians. In order to maximise the accessibility of the survey to consumers, a 1300 telephone number was available for consumers without internet access to express their opinions and views. Outbound calls were also placed during the survey period.

An incentive to win one of three iPads was offered for completing the survey. If consumers referred the survey to five friends they doubled their chances of winning.

In order to ensure a representative sample of South Australian electricity consumers was achieved, the survey was widely promoted and advertised by SA Power Networks, with a promotional campaign including:

- Advertising in major metropolitan and regional newspapers
- The SA Power Networks website
- Social media via Facebook and Twitter
- State-wide radio campaigns targeting metropolitan and regional stations
- Regional television classified advertising

FIGURE 1 – SA POWER NETWORKS' STAKEHOLDER ENGAGEMENT STRATEGY



How insights are being used

Consumer insights gathered from the online consumer survey will be used to inform further consumer research, particularly the stakeholder and consumer workshops in Stage 2 of the strategy. A consolidation of insights from the Stage 1 stakeholder and consumer workshops and the survey, in addition to the insights gathered during the Stage 2 workshops will be used by SA Power Networks to help shape future directions and priorities, and ultimately to assist in the development of its Regulatory Proposal.

Methodology and sampling

Independence

Deloitte were responsible for ensuring that the Stakeholder Engagement activities were independent, robust, and accurately reflect the views and concerns of South Australian electricity consumers.

Deloitte's role was to design, host, manage and report findings of the online consumer survey. To ensure independence, all source data obtained through the survey remains the property of Deloitte.

Research approach

A number of survey question styles were utilised in order to gather consumers' thoughts, concerns and priorities in relation to the topics presented. These question styles included: five point Likert scales to measure support levels, 1–10 rating scales measuring importance, and matrices to measure priority.

The survey contained educational content at the beginning of each section, ensuring all respondents possessed a base level of knowledge about the initiatives SA Power Networks were asking feedback on.

Respondents were also given the opportunity through the use of free-text fields to include comments where necessary, to further expand on their answers.

Information evaluation

Survey responses were analysed using quantitative methods to determine consumer insights, concerns and priorities. Incomplete survey responses were not included in our analysis in order to ensure consistency. Responses to all survey questions were analysed by customer segment, respondent location, solar panel usage, respondent income level and age.

Representative sampling

A total 2,883 South Australians responded to the survey, 98% of which were residents and 2% business respondents. The sample of 2,829 residential respondents is a large response and demographic analysis shows that overall we have captured a representative sample of the South Australian population. Statistical tests and analysis have been used to test for statistical confidence of specific responses to questions. As a rule any statements made as key findings are only made where the response has achieved at least 95% significance.

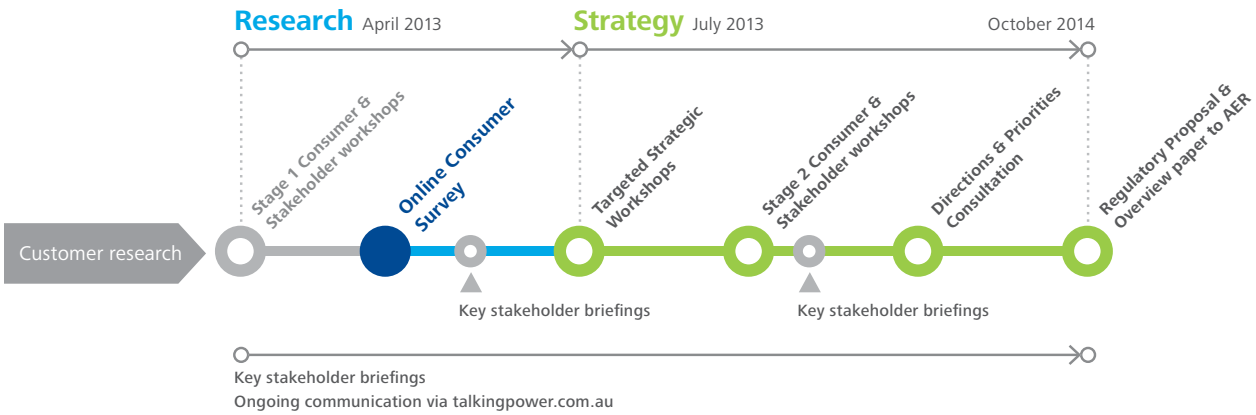
The sample of 54 business respondents gives us less confidence that the survey has captured a representative sample for this group of consumers. Analysis of the respondent group shows some skews from the general make up of the South Australian business community. To remedy this we have weighted the respondent group on industry classification and employee count.

Whilst this approach removes some of the bias, the small sample size means that caution should be used when drawing conclusions about attitudes of the SA business community as a whole. The over representation of businesses associated with the utilities industry and electrical trades may indicate that the group surveyed are more likely to interact with SA Power Networks in ways other than simply as consumers of electricity. This fact should be kept in mind when interpreting the results.

A total of 202 SA Power Networks personnel completed the survey. After undertaking comparative analysis of survey answers between SA Power Networks personnel and all survey respondents, it was found that their results do not materially differ from the results of the average respondent.

Consumer insights overview

Consumer engagement process



Who responded

67% METRO

9% URBAN

24% REGIONAL

98% RESIDENTIAL

2% BUSINESS

Some of what was said

Top 3 community safety and reliability initiatives:

#1 Inspecting, maintaining and upgrading the network

#2 Bushfire prevention activities

#3 Hardening the network against lightning and storms

Other significant findings:

88% Were satisfied with their current level of network reliability

78% Supported the installation of a smart meter in their home or business

86% Said undergrounding the network would result in visual improvements

76% Indicated fit-for-setting substation facades will have visual benefits

90% Supported continuous supply of power to CFS Bushfire Safer Places

61% Said their customer experience would be better if they knew more about SA Power Networks

Customer experience

Overview

Understanding consumers' needs, concerns and desires is critical to improving customer experience. Consumers lead busy lives and the topic of customer experience aimed to identify the things that are important to the electricity consumer in all of their interactions with SA Power Networks.

Deloitte sought information through the survey to help SA Power Networks understand how it can make its interactions with electricity consumers more valuable and effective.

Survey respondents were asked about their views of the SA Power Networks brand, how they rated their interactions with SA Power Networks, the overall customer experience they receive, and their communication channel preferences. Options for communication included:

- Face-to-face
- Mail
- Call centre
- Website
- Email
- Mobile devices
- Social media

Customer Insights

1. Continue to provide information about SA Power Networks' role in the electricity industry

Whilst respondents were aware of SA Power Networks, the majority indicated that the customer experience they receive from SA Power Networks would be enhanced if they knew more about them.

2. Maximise communication opportunities to improve service experience

A high level of neutral responses indicates an opportunity for SA Power Networks to improve service interactions wherever possible.

3. Develop multi-channel communication strategies

Respondents want to interact with SA Power Networks using multiple channels for a variety of different actions.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SA Power Networks :: Home
Faults and emergencies 13 13 66
General enquiries 13 12 61
SEARCH
SA Power Networks
Customers
Industry
Corporate
Talking Power
Visit our dedicated consultation website, designed to seek the views and concerns of electricity consumers and stakeholders. Find out more.
View current power interruptions
Information on current power outages, including planned outages. You can also find out helpful tips on what to do if the power is out in your area.
Report a power outage
Has the power gone out in your area? Use our online form to tell us where the power is out.
Report a faulty street light
Notice a street light not working? Report the light today using our online street light fault reporting. Using Google maps, its never been easier to notify us when a street light is in need of repair.
Register for Power@MyPlace
About us
Latest News
New substation for Glynde
A new substation will be built at Glynde to ensure reliable and secure electricity supply for residents of the eastern suburbs. Following an exhaustive search for an alternative site, the substation will be built on the original site purchased in 1957. Read more.

Community safety & reliability

Overview

SA Power Networks operates a distribution network that stretches across South Australia, comprising thousands of kilometres of powerlines and hundreds of substations. It focuses on achieving regulated requirements for high levels of service, reliability, safety and efficiency. SA Power Networks' priorities are directed at ensuring the safety of the community, their people and maintaining a reliable supply of electricity for customers.

The survey allowed respondents to rate the importance of nine proposed community safety and reliability initiatives, grouped under three main themes: asset management, vegetation management and bushfire management. Respondents were also asked if there were any particular areas they would like to see the initiatives prioritised in.

The proposed initiatives were:

Asset management

- Inspecting, maintaining and upgrading the network
- Reinforcing the network
- Hardening/protecting the network against lightning and storms

Vegetation management

- More frequent tree trimming
- Working with the community to promote the right vegetation
- Undergrounding wires or tree removal/ replacement
- Better trimming practices

Bushfire management

- Ensuring CFS Bushfire Safer Places have continuous power supply
- More frequent inspections and maintenance
- Building powerlines less prone to fire starts

Customer Insights

4. Continue asset management investment to drive reliability and manage risk

Asset management initiatives that have a direct impact on reliability and/or prevent potential safety hazards were rated as most important. Consumer priority areas included assets in high bushfire risk areas and near residential roads.

5. Vegetation management programs should be designed to consider their visual impact

Vegetation management initiatives were supported and rated as important. However, they were considered a lower priority when compared to other community safety and reliability initiatives.

6. Prioritise preventative maintenance initiatives

All preventative initiatives should consider potential safety hazards and be completed as a priority.

7. CFS Bushfire Safer Places should have continuous power

Investment in bushfire management initiatives should ensure that essential services are maintained under emergency conditions.


SA Power Networks
SB·53·FE
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GC 34.00

Visual amenity

Overview

Electricity infrastructure is a vital part of the South Australian landscape. As the population grows, communities transform, and consumer expectations increase. Understanding consumer priorities and preferences towards improving the visual impact of electricity infrastructure is important.

The survey allowed respondents to rate the importance of two visual amenity initiatives:

- Undergrounding the network (new and existing overhead powerlines)
- Building or upgrading substations facades to fit their setting

Respondents were also able to indicate priority areas in which to undertake the proposed initiatives.

Consumer Insights

8. Maximise opportunities to improve the visual appearance of assets

Undergrounding of the network and substation facade treatment initiatives were almost universally supported, with priority areas for completion deemed to be in areas where the visual appearance of the network has the largest effect on the community.

9. Consider improvements in public safety and reliability in asset planning

Priority areas for undergrounding the network included where additional safety and reliability benefits could be identified, in addition to high bushfire risk areas.

The evolving customer

Overview

As energy-related technologies advance, so do the needs and wants of electricity customers. With such a rapid uptake of new technologies over the past five years, SA Power Networks aims to ensure it evolves with consumers' changing needs.

The survey explained how needs have changed with regard to current and future technology use, as well as attitudes towards network design resulting from the introduction of new technologies. Respondents were able to indicate their level of support for the proposed evolving customer initiatives.

These initiatives included:

- Smart meters and energy management systems
- Continuing upgrades to support a two-way network
- Exploring cost-reflective pricing
- Associated education and information

Customer Insights

10. Consumers are ready for the installation of smart meters

The majority of respondents supported the installation and use of smart meters to help them exercise a greater level of control over their own electricity usage.

11. Continue upgrades to support a two-way network

Upgrades that support a two-way network were almost universally supported by survey respondents.

12. Develop cost-reflective pricing tariffs

Over 70% of respondents supported the development and phased introduction of more cost-reflective tariffs.

13. Education will increase customer satisfaction

Respondents want educational materials and information that explain new technologies such as smart meters, cost-reflective tariffs and recommendations regarding reputable solar providers.


solo
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KW
6.17
KWh
geo

Customer experience

Industry awareness

Respondents were aware of who SA Power Networks is and their role in delivering electricity to consumers.

Summary

The electricity industry in South Australia has been impacted by structural changes over the past 14 years. Although ETSA Utilities underwent a name change to SA Power Networks in September 2012, survey respondents indicated they understood who SA Power Networks was.

Whilst respondents were aware of SA Power Networks, the majority indicated that the customer experience they receive from SA Power Networks would be enhanced if they knew more about them.

Industry awareness

The majority of respondents across all customer segments had previously heard of SA Power Networks, with business respondents indicating the highest level of awareness. It is possible that the nature of the online survey and the invitations to participate via advertising in print and online ensured a high level of awareness (figure 2).

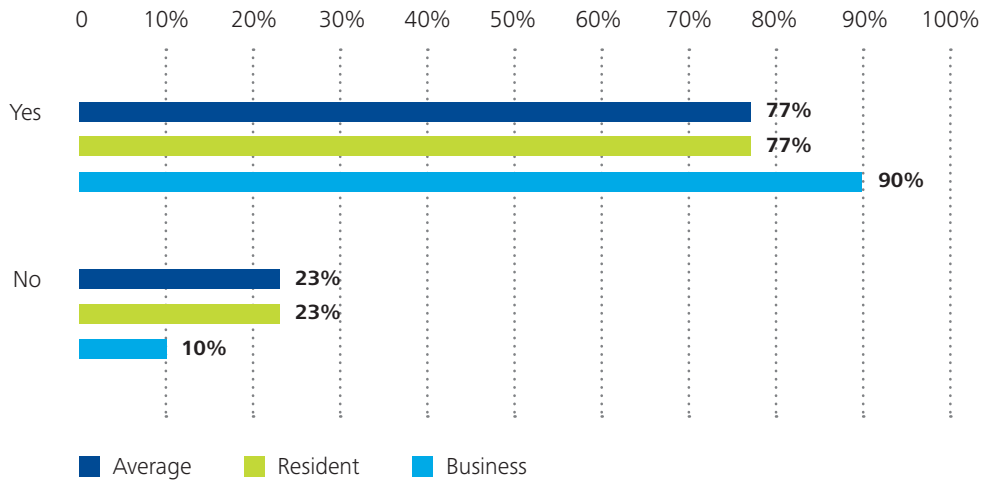
Consumer Insight #1

Continue to provide information about SA Power Networks' role in the electricity industry

Whilst respondents were aware of SA Power Networks, the majority indicated that the customer experience they receive from SA Power Networks would be enhanced if they knew more about them (figure 3).

FIGURE 2 – SA POWER NETWORKS BRAND AWARENESS

Question: Prior to this survey had you heard of SA Power Networks?



Customer experience

Respondents were satisfied with the customer service they have experienced, and most value prompt timeframes to address and complete requests/queries.

Summary

The majority of respondents had not interacted with SA Power Networks in the past two years. Those who had were satisfied with the customer service they had experienced, with a majority of interactions through the call centre and related primarily to power outage events.

Awareness of SA Power Networks

The majority of respondents feel that SA Power Networks' customer service would be enhanced if consumers knew more about them, indicating a potential to for SA Power Networks to enhance their stakeholder and consumer engagement programs (figure 3).

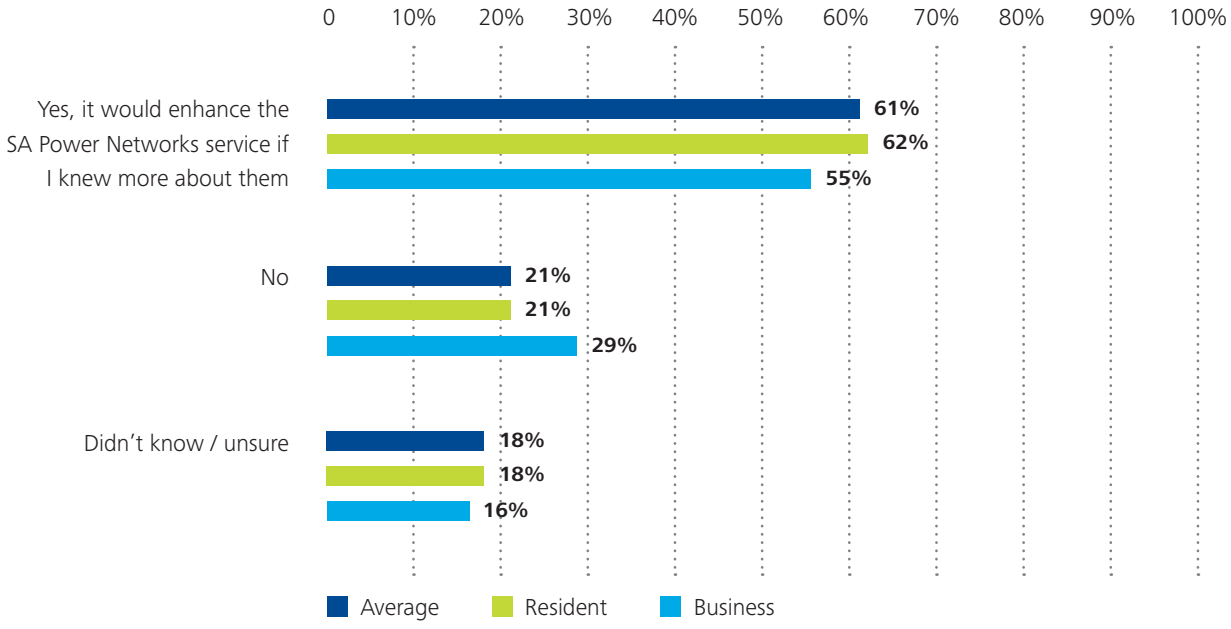
Consumer Insight #2

Maximise communication opportunities to improve service experience

A high level of neutral responses indicates an opportunity for SA Power Networks to improve service interactions wherever possible.

FIGURE 3 – CONSUMER AWARENESS OF SA POWER NETWORKS

Question: Thinking about the customer service SA Power Networks provides, do you think this would be enhanced if you knew more about them, how to find them and what they offered?



Customer experience

Customer interaction with SA Power Networks

The majority of residential respondents had not interacted with SA Power Networks in the past two years, whilst over 86% of business respondents had.

Those who had interacted with SA Power Networks did so primarily through the call centre, followed by the website and face-to-face interactions. The majority of face-to-face and email interactions were by Business respondents (figure 5).

FIGURE 4 – AWARENESS OF SA POWER NETWORKS

Question: Have you had interactions with SA Power Networks in the past 2 years?

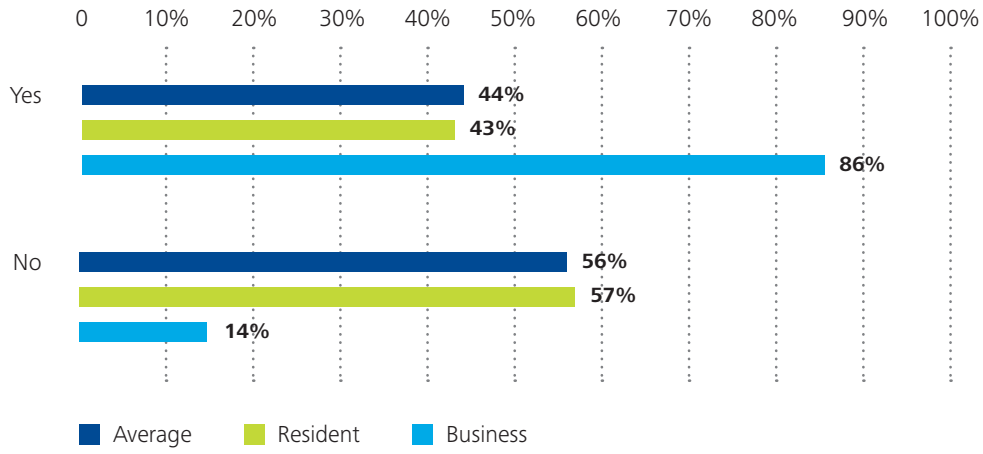
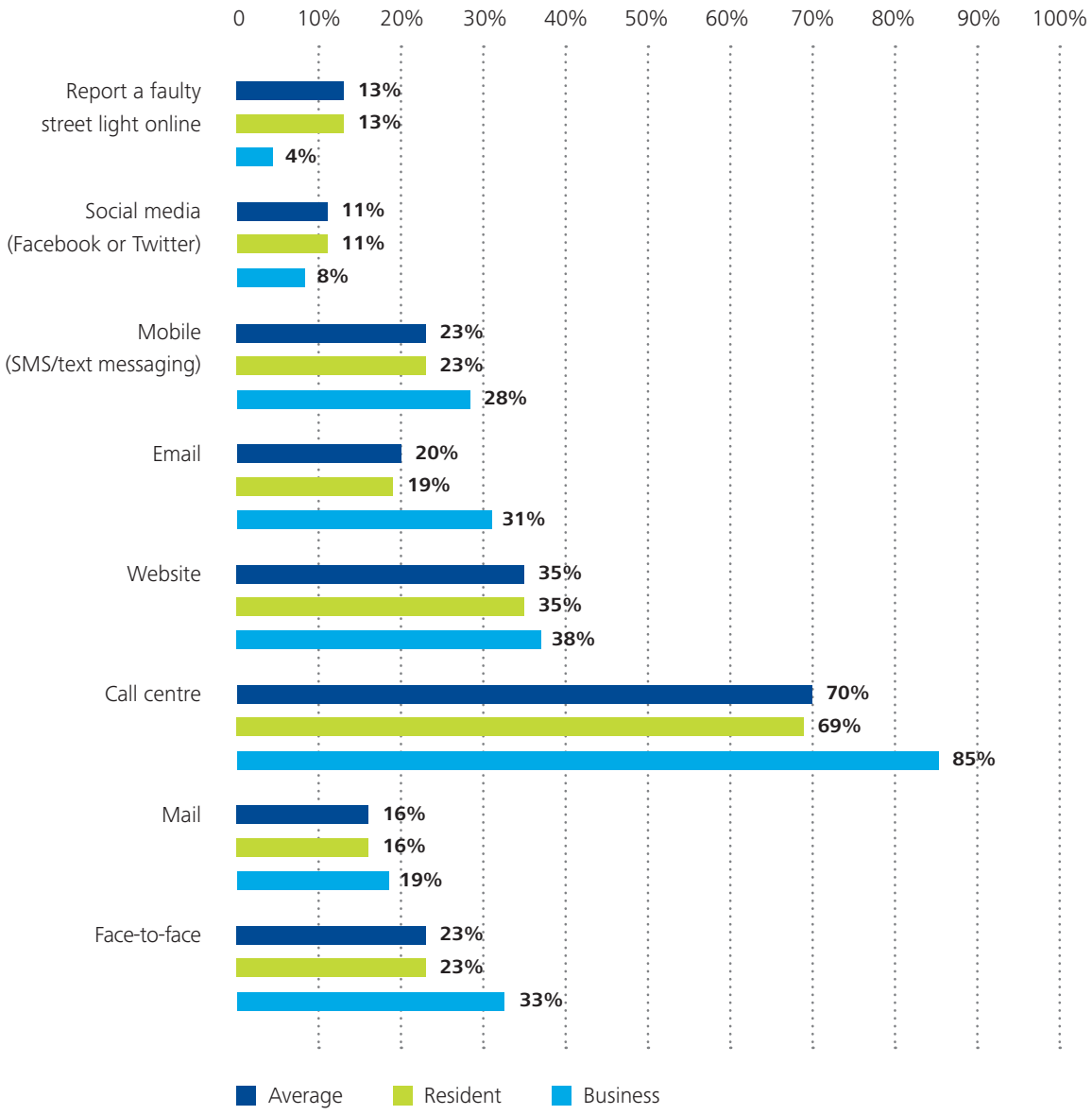


FIGURE 5 – METHODS OF INTERACTIONS

Question: If you have had interactions with SA Power Networks in the past 2 years, what method of interaction did you use to contact them, or what method did they use to contact you? Please select all that apply.



Customer experience

Customer service satisfaction

Overall, respondents were satisfied with all communication channels. Call centre interactions (the highest volume channel) received the highest level of dissatisfaction. A high number of neutral responses were also recorded (figure 7).

Survey responses indicated that SA Power Networks' ability to respond to requests, and the time taken to resolve these requests, were most highly valued (figure 6). This result is likely due to the majority of interactions being to report faults.

The top five most valued service options were:

- Knowledgeable staff
- Ability to address request/query
- Time taken to fix request/query
- Time taken to address request/query
- Staff's ability to investigate the request/query

FIGURE 6 – SERVICE OPTIONS IMPORTANCE RATINGS

Question: Which of the following options do you most value in relation to your overall customer satisfaction with regard to your service experience? Please rank these from 1–10, with 1 being least important, and 10 being most important.

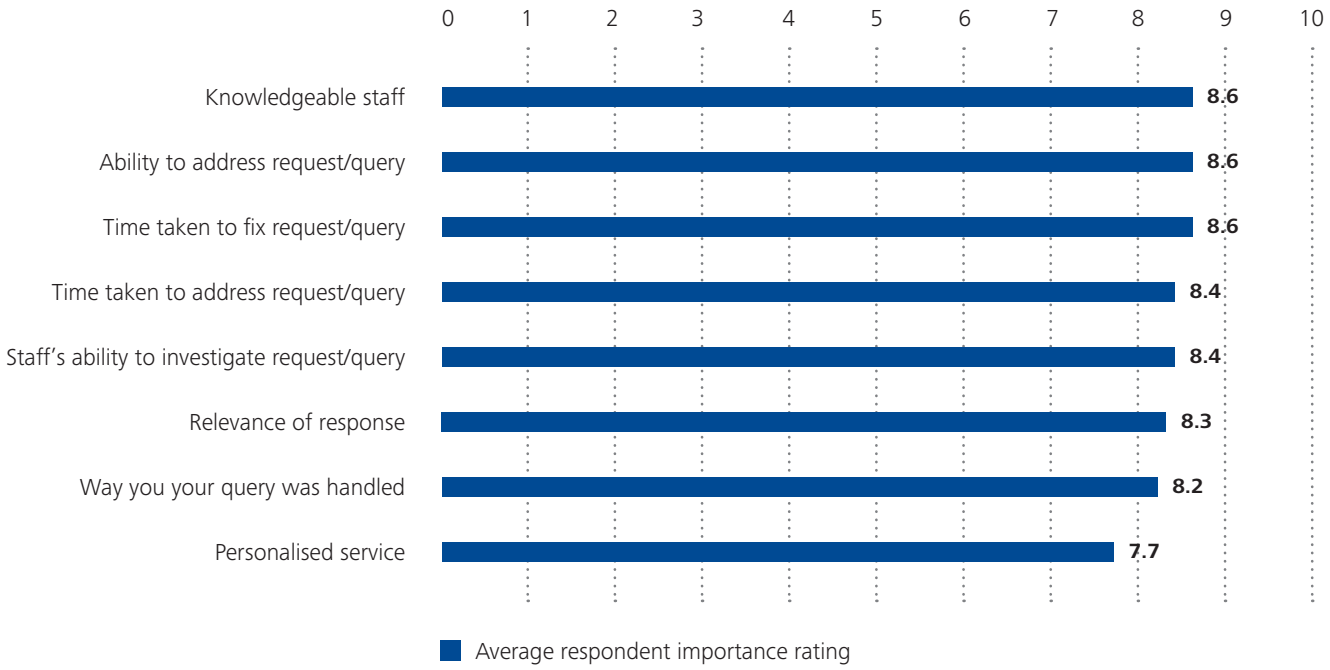
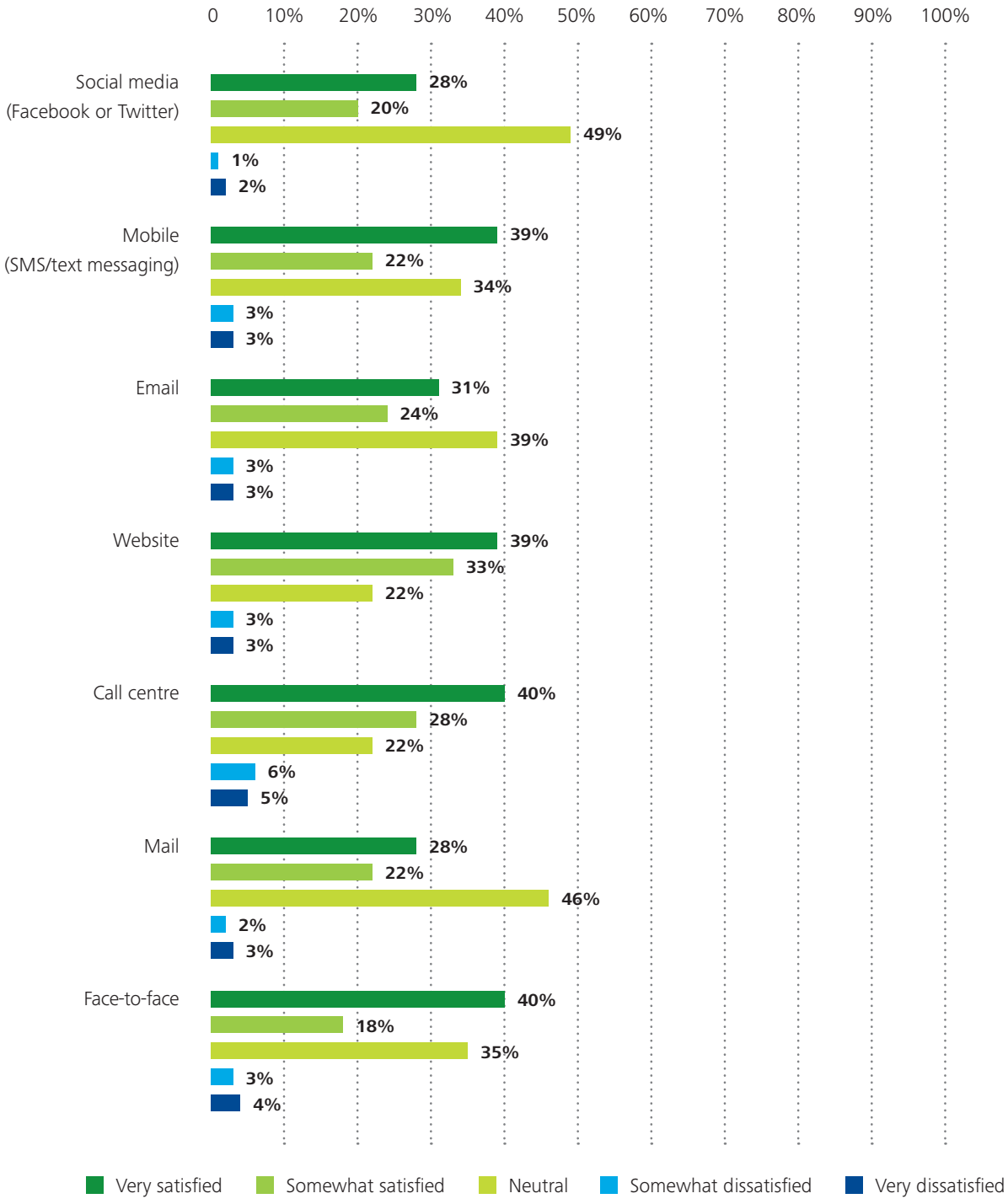


FIGURE 7 – SATISFACTION WITH INTERACTIONS

Question: How did you rate your experience in dealing and interacting with SA Power Networks over the last 2 years?



Customer communication channel preferences

Respondents want to interact with SA Power Networks using multiple channels for a variety of different actions.

Summary

Respondents indicated a preference for using a combination of channels to communicate and interact with SA Power Networks to complete a variety of actions. The call centre was the most preferred communication channel, followed by the website and email. Online access was preferred for power outage reporting and updates.

Channel preference

The channel preference matrix (figure 8) provides guidance for SA Power Networks in designing their customer service process and systems.

Of particular importance is that both the call centre and websites are highly preferred for many interactions.

Devices used to access the internet

Mobile devices, such as smartphones, were the most preferred device used to access the internet, followed closely by laptop computers. Business respondents had the highest usage of desktop computers across all customer segments (figure 9).

Self-service preferences

Of the self-service options SA Power Networks has made available, viewing current power interruptions was the most used, with 28% of respondents currently utilising this service. Upon learning of the four options, the majority of respondents indicated that they would be likely to use them in the future, with functions enabling consumers to report incidents the highest priority (figure 10).

Consumer Insight #3

Develop multi-channel communication strategies

Respondents want to interact with SA Power Networks using multiple channels for a variety of different actions.

FIGURE 8 – COMMUNICATION CHANNEL PREFERENCES

Shading indicates the top 3 channel preferences for each interaction.

Question: In the future what would be your preferred method of interaction with SA Power Networks for the following events:

Interaction	Face to face	Mail	Call centre	Website	Email	Mobile	Social media	Should be automated
Report a power outage	4%	3%	44%	30%	17%	36%	15%	19%
Obtain current power outage information	3%	4%	24%	49%	18%	37%	22%	13%
Residential — Complete a new connection	18%	7%	46%	38%	23%	14%	3%	6%
Business — Request a new connection	17%	7%	46%	38%	23%	9%	3%	8%
Report a faulty street light	3%	3%	40%	50%	23%	22%	11%	11%
Enquire about a meter reading	9%	4%	58%	36%	28%	14%	4%	5%
Obtain information on planned interruptions	5%	12%	26%	53%	29%	31%	20%	10%
Find out about current works	4%	8%	25%	62%	22%	19%	18%	8%
Enquire about solar PV panels	15%	8%	44%	56%	25%	8%	8%	4%
Lodge a complaint/ inquiry	18%	11%	57%	48%	39%	12%	9%	3%
Bushfire risk information/ notification	8%	9%	29%	55%	31%	44%	27%	12%
Business — Augmentation or upgrade of the line/network	13%	12%	36%	46%	28%	14%	8%	8%
Business — Tariff enquiry	11%	8%	51%	49%	29%	10%	6%	5%
Business — Commercial development enquiry	16%	10%	46%	45%	26%	8%	5%	6%
Business — Contractor enquiry	17%	9%	51%	44%	28%	10%	5%	5%

Note – respondents were able to choose a combination of interactions.

Customer communication channel preferences

FIGURE 9 – PREFERENCE OF DEVICE WHEN CONNECTING TO THE INTERNET

Question: What devices do you use to access the internet?

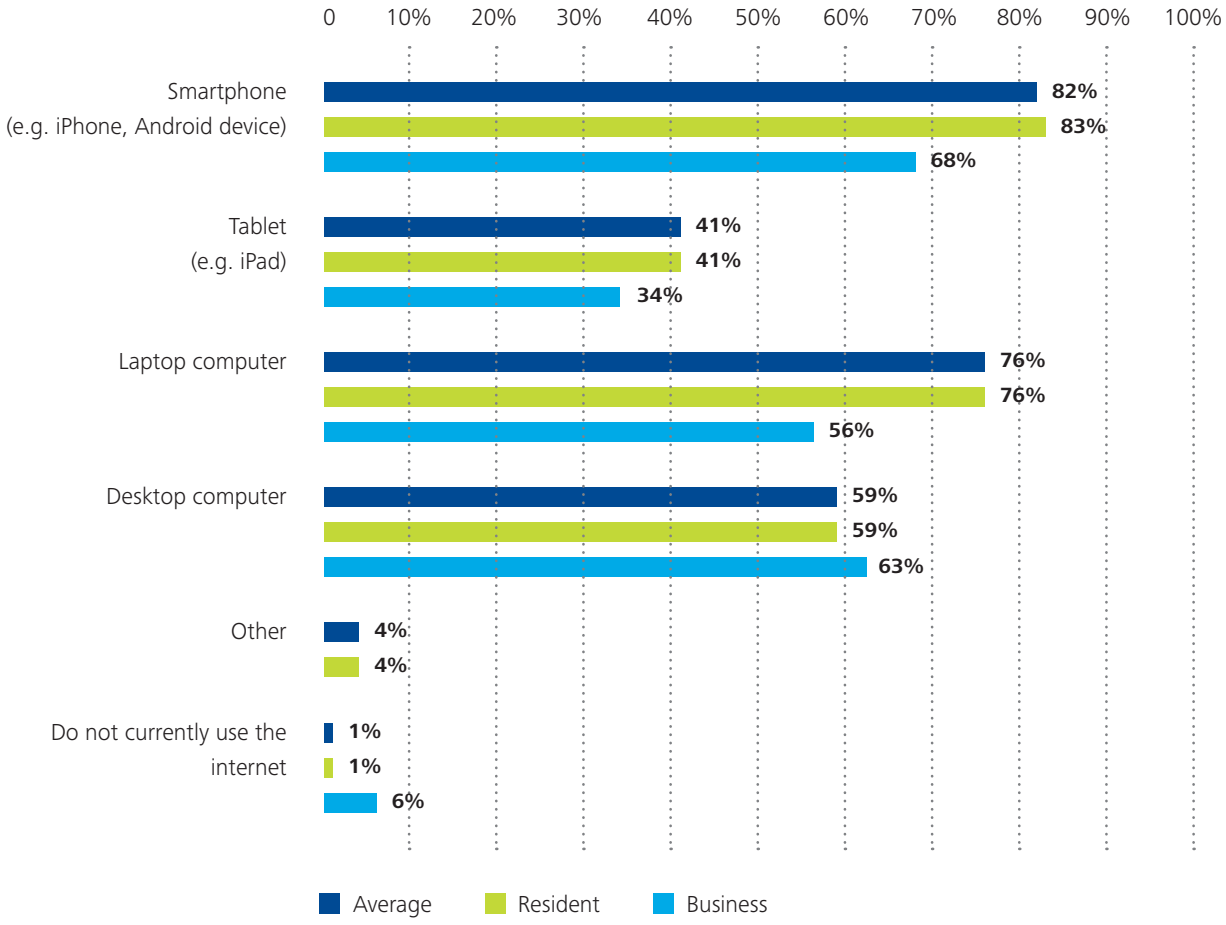
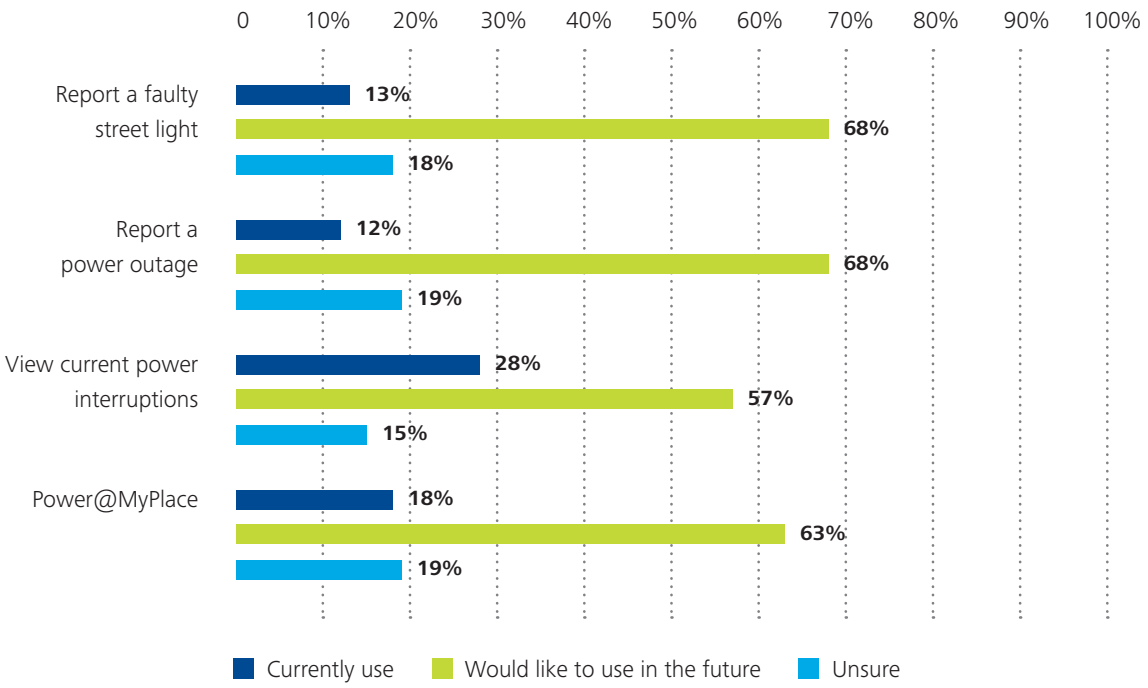


FIGURE 10 – USAGE OF SELF-SERVICE OPTIONS (AVERAGE RESPONDENT)

Question: Please tick the self-service options that you currently use or would like to use in the future.



Community safety & reliability

Asset management

Respondents supported all proposed asset management initiatives, with particular emphasis on those that preserve current assets and reliability.

Summary

Respondents valued the proposed asset management initiatives, with the majority giving their support for the initiatives to be undertaken. Respondents most valued initiatives that have a direct effect on current electricity supply reliability.

The majority (88%) of respondents were somewhat or very satisfied with their current level of network reliability.

Asset management initiatives

Business respondents gave the asset management initiatives slightly higher importance ratings than residential respondents, although both segments rated these initiatives highly (figure 11).

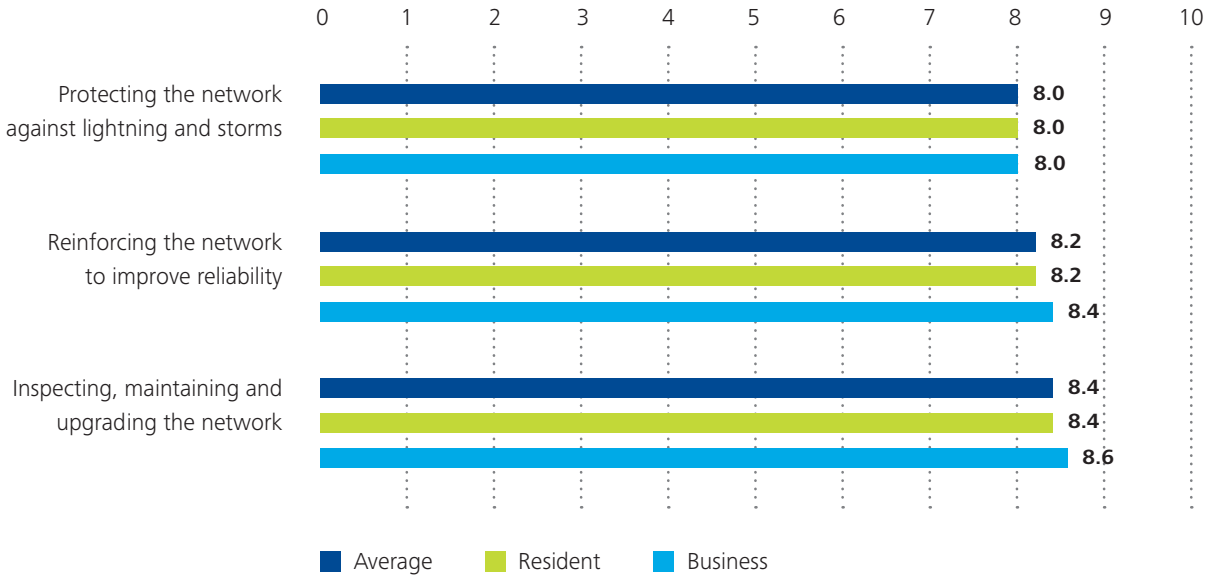
Consumer Insight #4

Continue asset management investment to drive reliability and manage risk

Asset management initiatives that have a direct impact on reliability and/or prevent potential safety hazards were rated as most important. Consumer priority areas included assets in high bushfire risk areas and near residential roads (figure 11).

FIGURE 11 – IMPORTANCE OF ASSET MANAGEMENT INITIATIVES

Question: Which of the proposed reliability & safety initiatives are most important to you? Please rank each option.



Monitor aging assets

Respondents across all customer segments indicated high levels of support, with 88% of residential and 94% of business respondents supporting SA Power Networks increasing its efforts to monitor the condition of ageing assets (figure 12).

Hardening the network

Further protection of the network was supported by respondents across all customer segments, with 88% of residential and 84% of business respondents indicating support (figure 13).

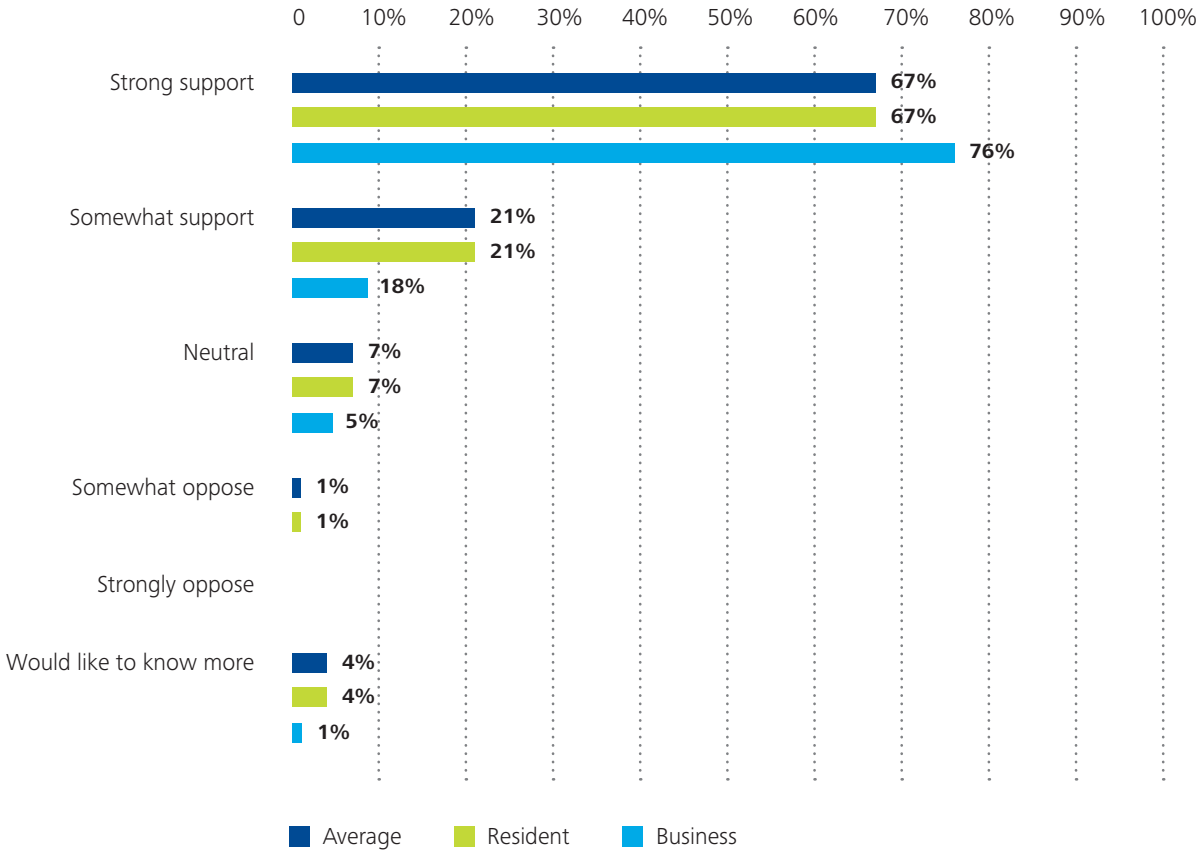
Upgrading and reinforcing the network

Upgrading and reinforcing the network was supported by all customer segments, with 88% of residential and 94% of business respondents indicating support (figure 14).

FIGURE 12 – SUPPORT FOR INCREASED MONITORING EFFORTS

Question: Much of SA Power Networks' current electricity network was built 40-60 years ago and is nearing the end of its working life. While asset maintenance programs have extended the lifespan of these assets, many now need to be replaced.

With regards to SA Power Networks' ageing infrastructure, to what extent do you support SA Power Networks increasing its efforts to monitor the condition of ageing assets and replacing aged assets before they fail?



Asset management

FIGURE 13 – SUPPORT FOR FURTHER PROTECTING OF THE NETWORK

Question: Some parts of the electricity network, usually in regional areas, are susceptible to damage from storms, especially lightning strikes.

In these areas, would you support SA Power Networks further protecting the network? For example, this could be done by using new technologies such as synthetic insulators which are more resistant to lightning strikes.

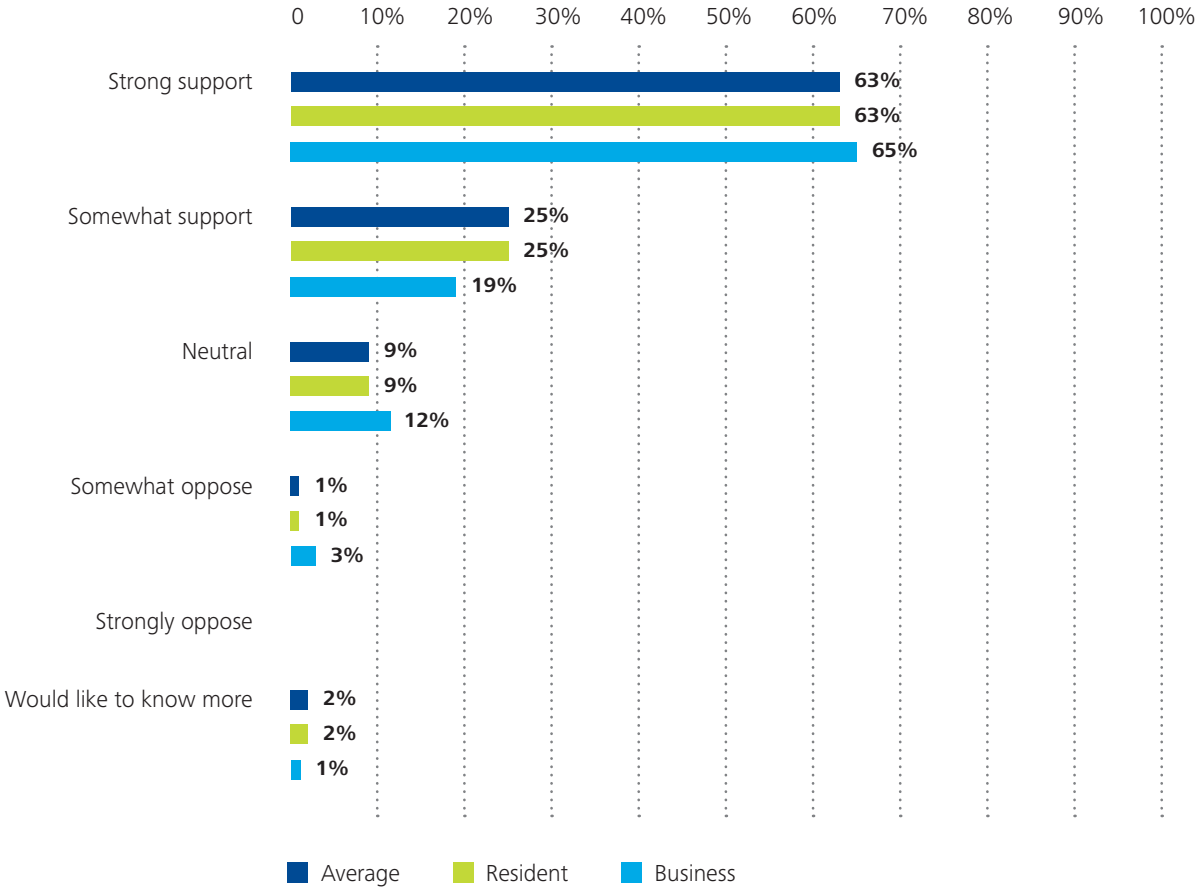
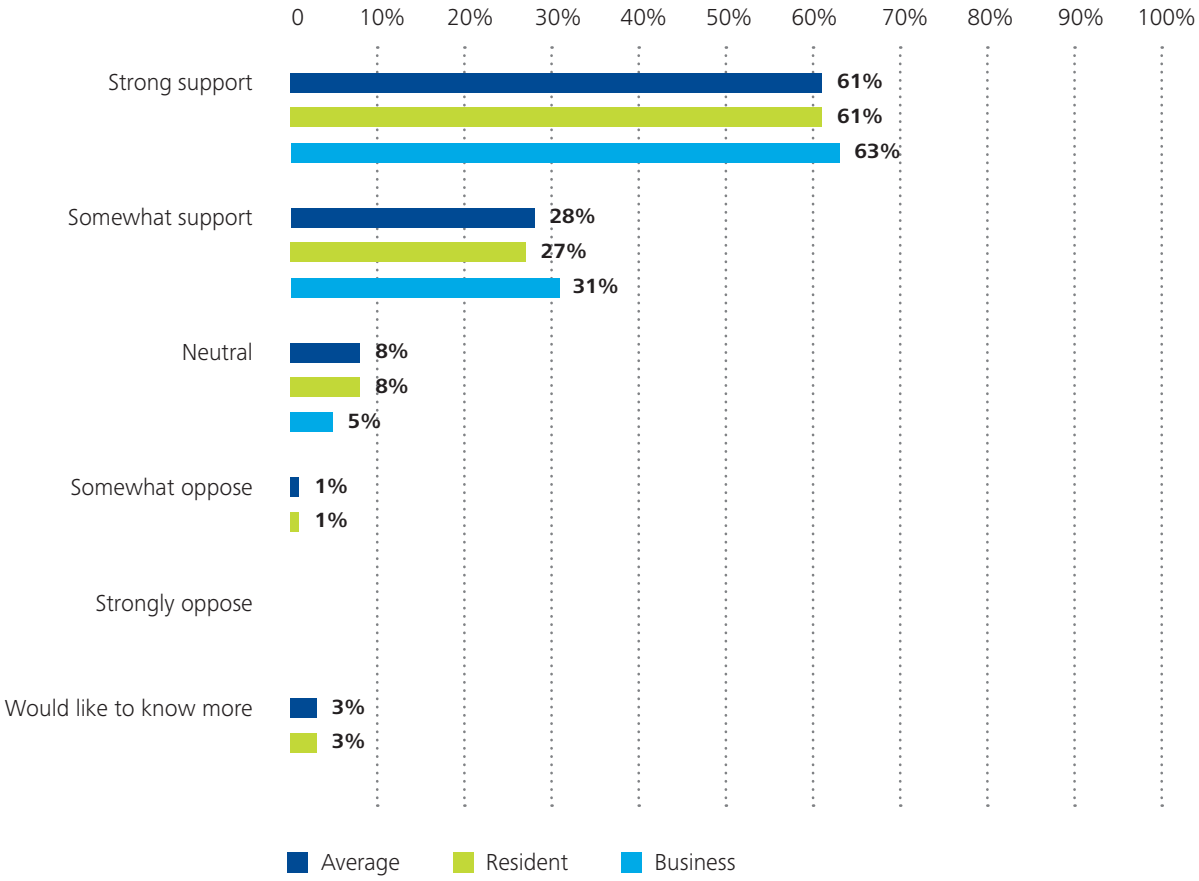


FIGURE 14 – SUPPORT FOR UPGRADING AND REINFORCING THE NETWORK

Question: In addition to ageing assets, a number of factors can impact electricity supply reliability, including changing local demand (i.e: higher loadings on the assets), the environment (e.g. corrosion), and the type of supply to an area (e.g. if electricity is supplied by only one line that is thus more susceptible to failure).

In areas like these, to what extent would you support SA Power Networks upgrading and reinforcing the network?



Asset management

Reliability of the network

88% of respondents were somewhat or very satisfied with their current level of network reliability. However, 6% of regional respondents indicated that they were somewhat or very dissatisfied with their network reliability (figure 15).

Of the 4% of residential respondents and 4% of business respondents who were dissatisfied with their reliability, business respondents possessed the highest level of understanding regarding the reliability service standard for their areas compared to residential respondents (figure 17). Note – sample size of total dissatisfied respondents = 117.

FIGURE 15 – SATISFACTION WITH CURRENT RELIABILITY OF THE NETWORK

Question: In consultation with SA Power Networks, the independent SA regulator, the Essential Services Commission of South Australia (ESCOSA), establishes reliability service standards that SA Power Networks must meet. The current reliability service standards have been set to ensure that the number and frequency of outages experienced by South Australian customers remains in line with SA Power Networks' average historical performance in various geographic regions across the state. Overall, how satisfied are you with your current electricity supply reliability?

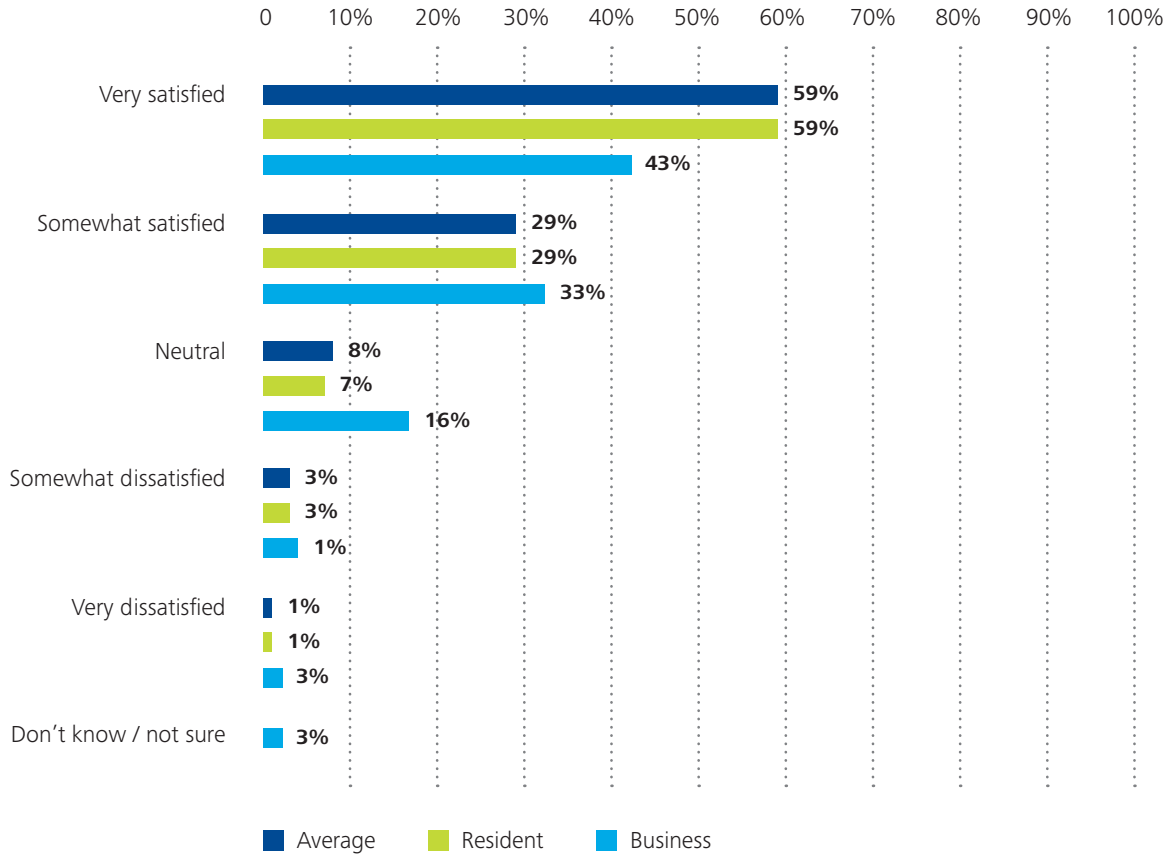
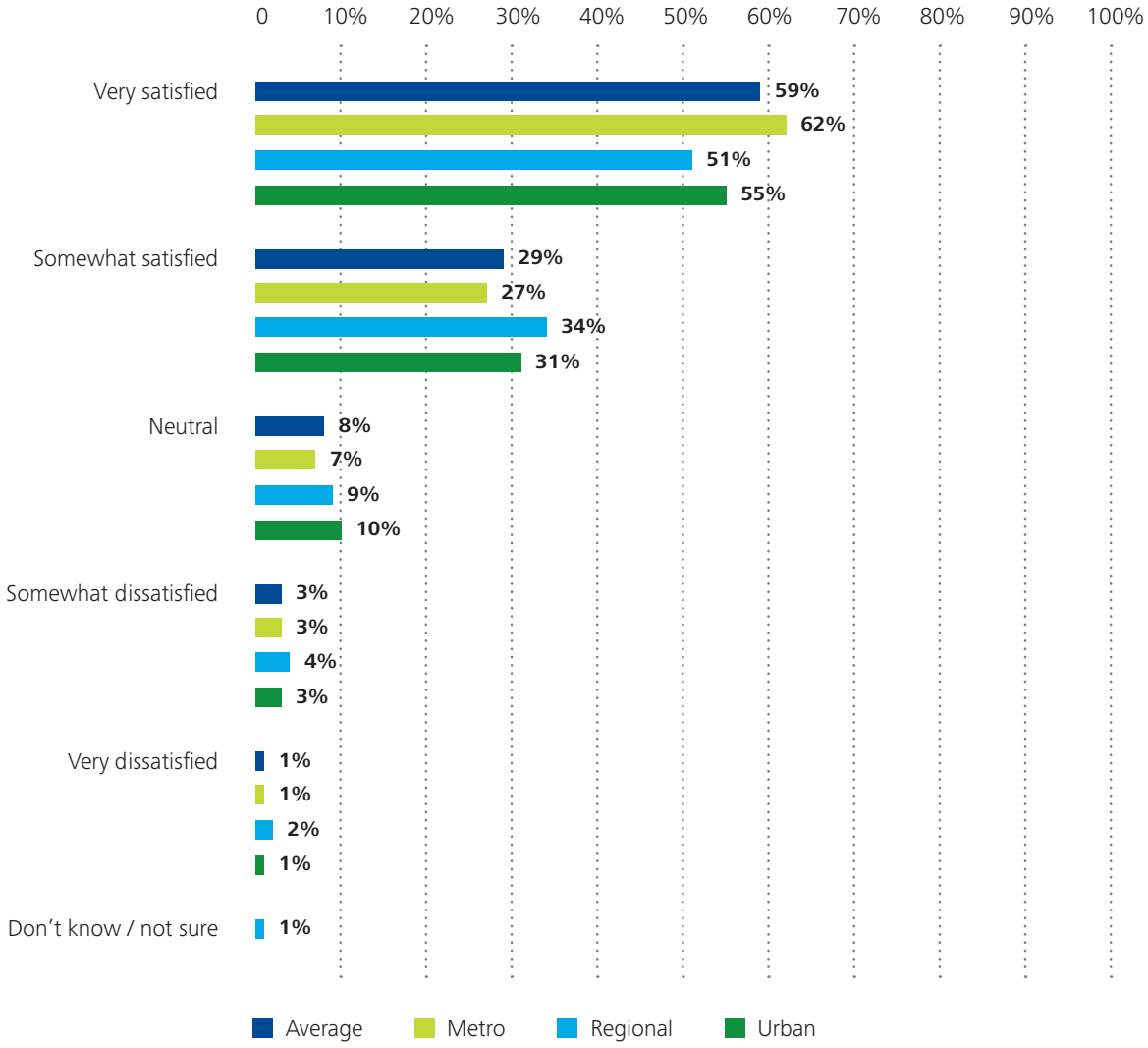


FIGURE 16 – SATISFACTION WITH RELIABILITY BY LOCATION

Question: In consultation with SA Power Networks, the independent SA regulator, the Essential Services Commission of South Australia (ESCOSA), establishes reliability service standards that SA Power Networks must meet. The current reliability service standards have been set to ensure that the number and frequency of outages experienced by South Australian customers remains in line with SA Power Networks' average historical performance in various geographic regions across the state. Overall, how satisfied are you with your current electricity supply reliability?

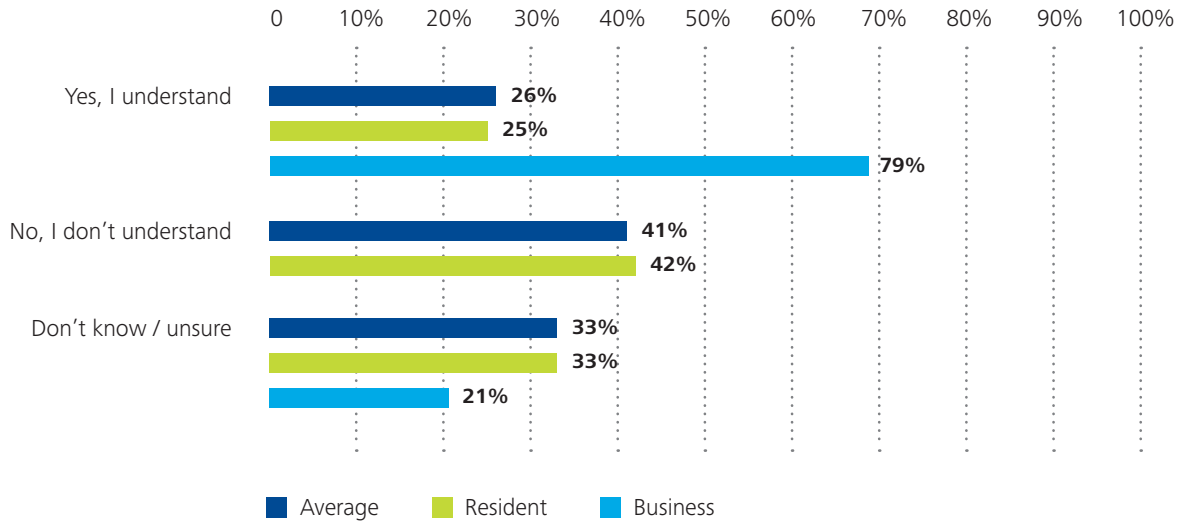


Asset management

FIGURE 17 – AWARENESS OF RELIABILITY STANDARDS (DISSATISFIED RESPONDENTS)

Note – 4% of respondents were dissatisfied with their current levels of electricity supply reliability.

Question (if respondents selected somewhat dissatisfied or very dissatisfied to the previous question): Are you aware of the reliability service standard set for the area in which you live?



Satisfaction and reliability

Respondents who were dissatisfied with the current level of reliability favoured fewer interruptions as the preferred option to help improve their satisfaction with electricity supply (figure 18).

The majority of dissatisfied business respondents were in favour of SA Power Networks investigating options to improve reliability. 43% of dissatisfied residential respondents also gave their support, with only 16% being in opposition. More than a quarter of dissatisfied respondents indicated a desire for more information before deciding (figure 19).

On average, 45% of dissatisfied respondents indicated support for options that improve reliability, noting that these options may have an impact on network price. Dissatisfied urban respondents indicated the highest level of neutrality to this option, with dissatisfied metropolitan respondents registering the highest levels of opposition at 19%. More information was desired highly by dissatisfied regional respondents (figure 19).

Response to outages

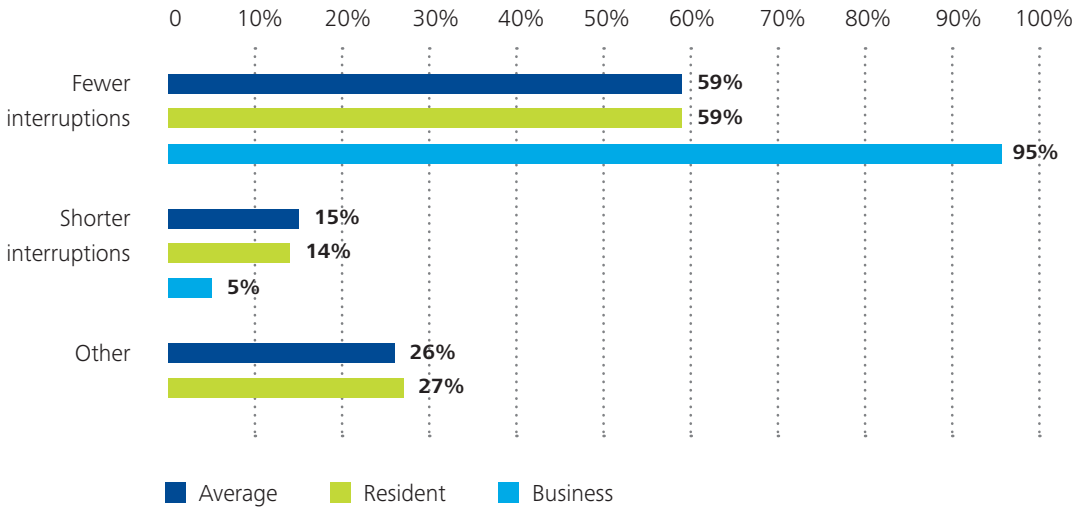
86% of respondents indicated that SA Power Networks responds well to outages, with only 1% of residential respondents and 4% of business respondents indicating dissatisfaction (figure 21).

The majority of dissatisfied respondents indicated that the time taken to restore power and the amount of SA Power Networks' resources were the main reasons for their dissatisfaction. Answers for the "Other" option included a perceived "lack of local standby crews" and "poor infrastructure" (figure 22).

FIGURE 18 – IMPROVEMENTS TO RELIABILITY (DISSATISFIED RESPONDENTS)

Note – 4% of respondents were dissatisfied with their current levels of electricity supply reliability.

Question: (if respondents selected somewhat dissatisfied or very dissatisfied to the previous question) What could help improve your satisfaction with your current electricity supply reliability?



Asset management

FIGURE 19 – SUPPORT FOR IMPROVEMENT OPTIONS (DISSATISFIED RESPONDENTS)

Note – 4% of respondents were dissatisfied with their current levels of electricity supply reliability.

Question (if respondents selected somewhat dissatisfied or very dissatisfied to Question 1): To what extent do you support SA Power Networks investigating options for improving electricity supply reliability in your local area, noting that improvements in reliability could result in an increase in the price you pay?

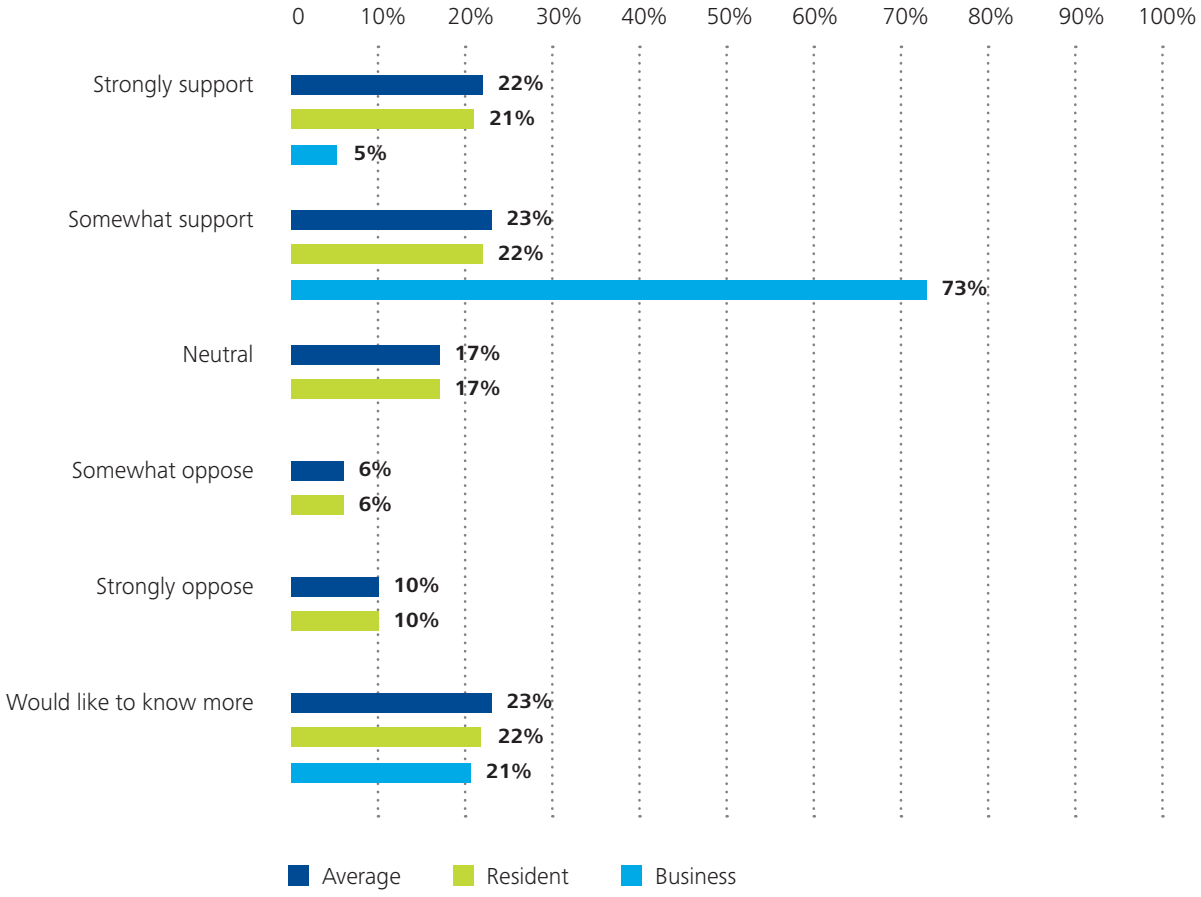
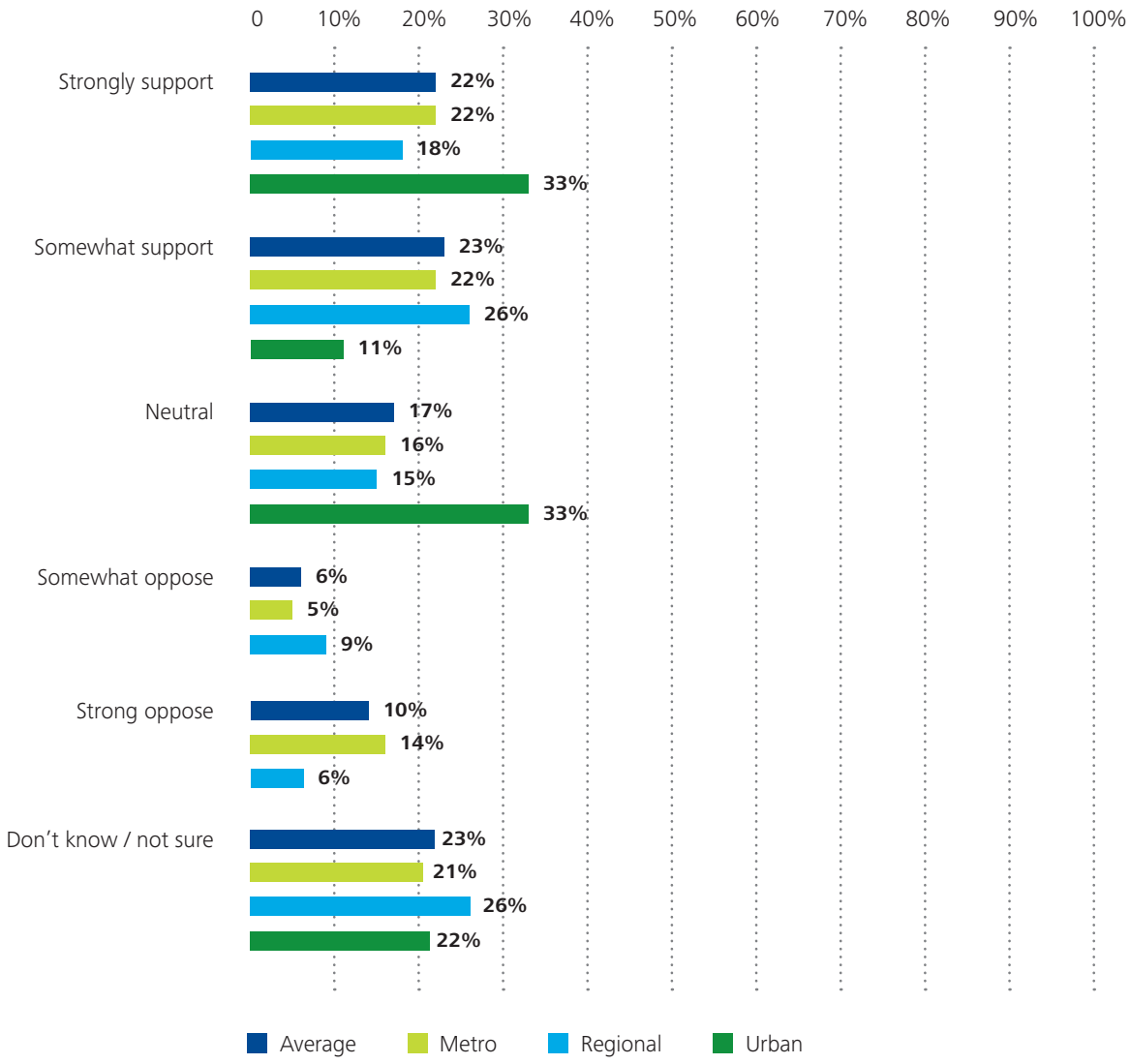


FIGURE 20 – SUPPORT FOR IMPROVEMENT OPTIONS BY LOCATION (DISSATISFIED RESPONDENTS)

Question (if respondents selected somewhat dissatisfied or very dissatisfied to the previous question): To what extent do you support SA Power Networks investigating options for improving electricity supply reliability in your local area, noting that improvements in reliability could result in an increase in the price you pay?



Asset management

FIGURE 21 – RESPONSE TO POWER OUTAGES

Question: Overall, how well do you feel SA Power Networks responds to power outages or interruptions?

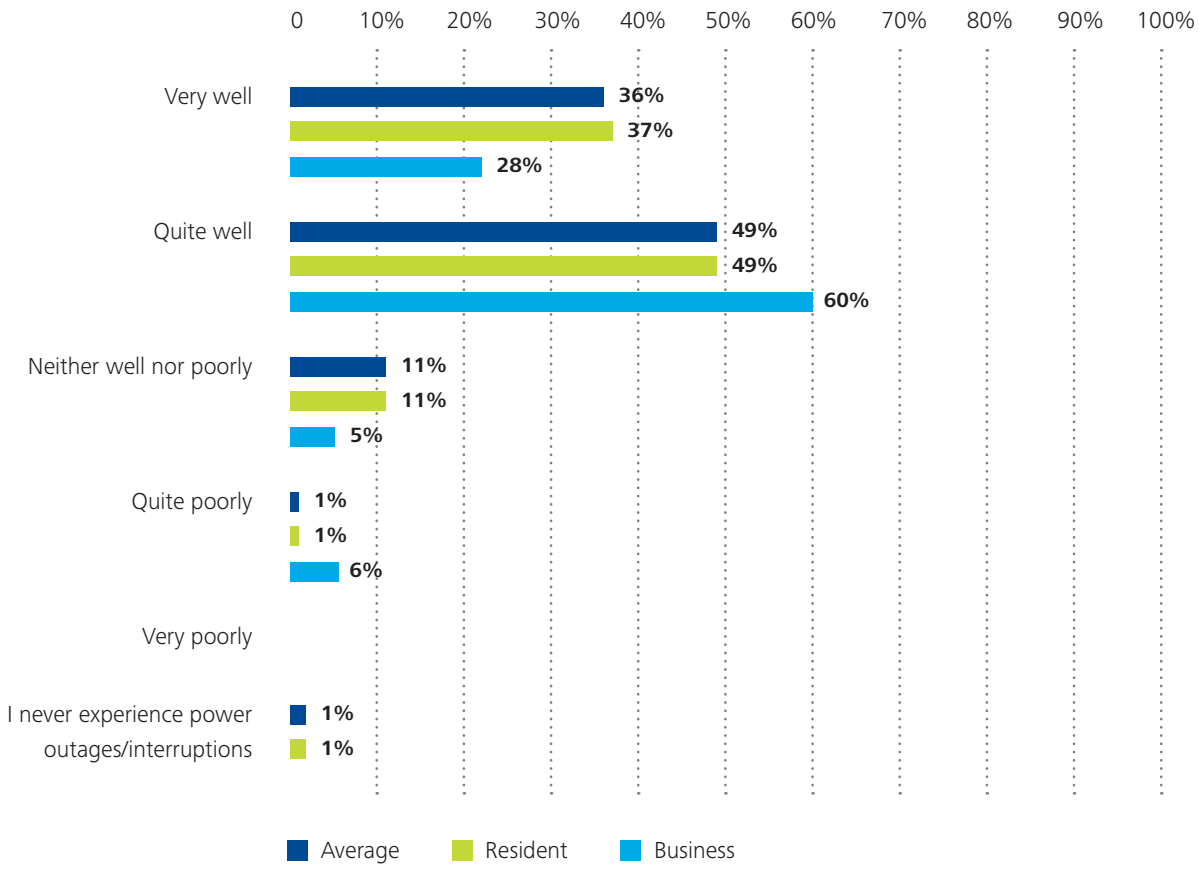
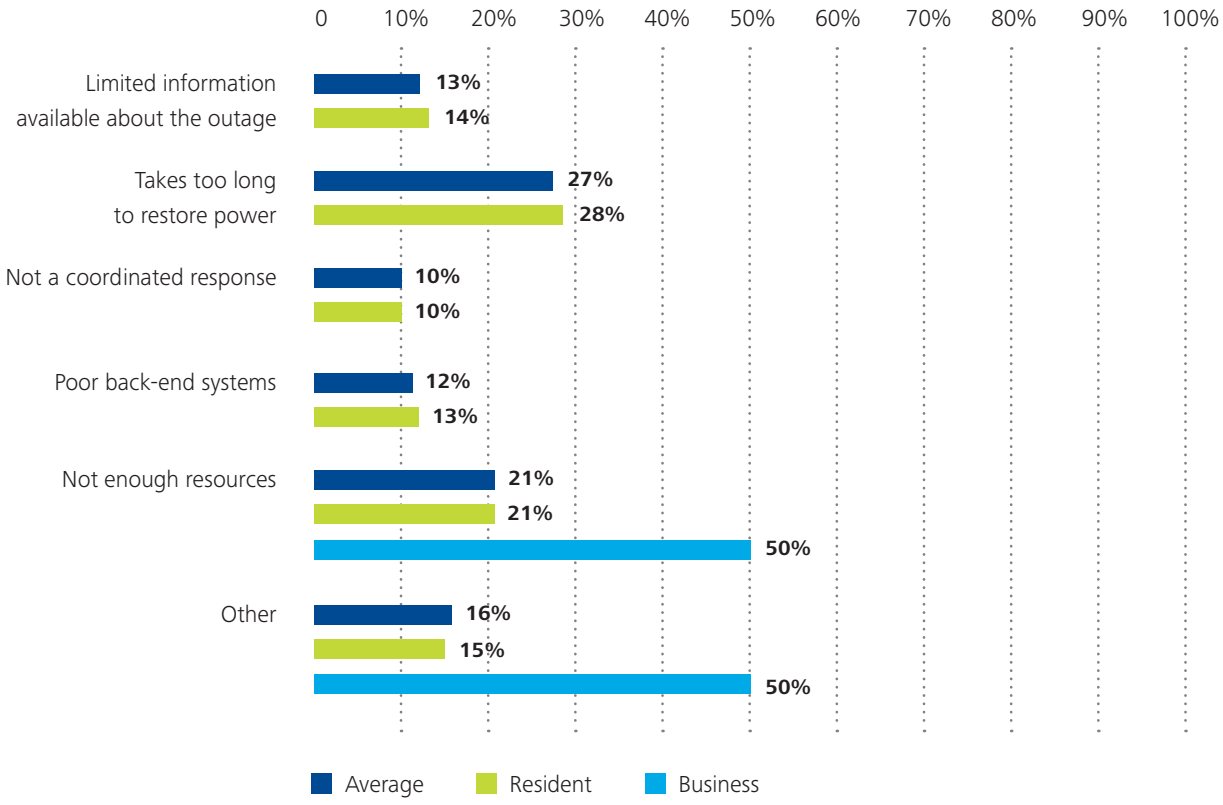


FIGURE 22 – REASON FOR POOR RESPONSE BY SEGMENT

Note – Respondents were able to choose multiple options.

Question (if respondent selected "quite poorly or poorly" for the previous question): Why do you feel SA Power Networks responds poorly to power outages or interruptions?



Vegetation management

Respondents across all customer segments and locations supported all proposed vegetation management initiatives.

Summary

The majority of respondents were aware of SA Power Networks' vegetation management obligations, and supported initiatives that improve the visual appearance of vegetation and its impact on surrounding areas.

Vegetation management preferences

Residential respondents rated the proposed vegetation management initiatives slightly more important than business respondents, with undergrounding lines or tree removal/replacement being the most important initiative with a rating of 7.8 (figure 23).

The majority of respondents across all customer segment indicated support for more visually pleasing vegetation strategies, with only 2% of residential respondents registering opposition (figure 24).

Over 70% of respondents indicated support for the removal and/or replacement of trees in lower priority areas (figure 25), and more visually pleasing vegetation strategies (figure 24).

Consumer Insight #5

Vegetation management programs should be designed to consider their visual impact

Vegetation management initiatives were supported and rated as important. However, they were considered a lower priority when compared to other community safety and reliability initiatives.

FIGURE 23 – IMPORTANCE OF VEGETATION MANAGEMENT INITIATIVES

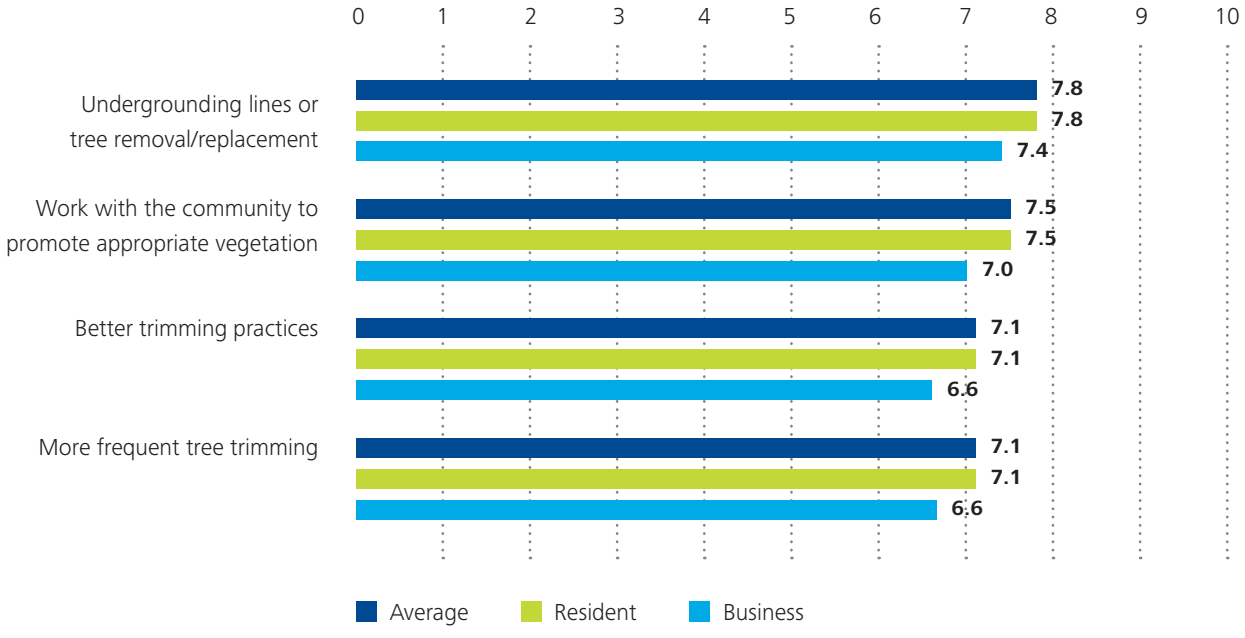
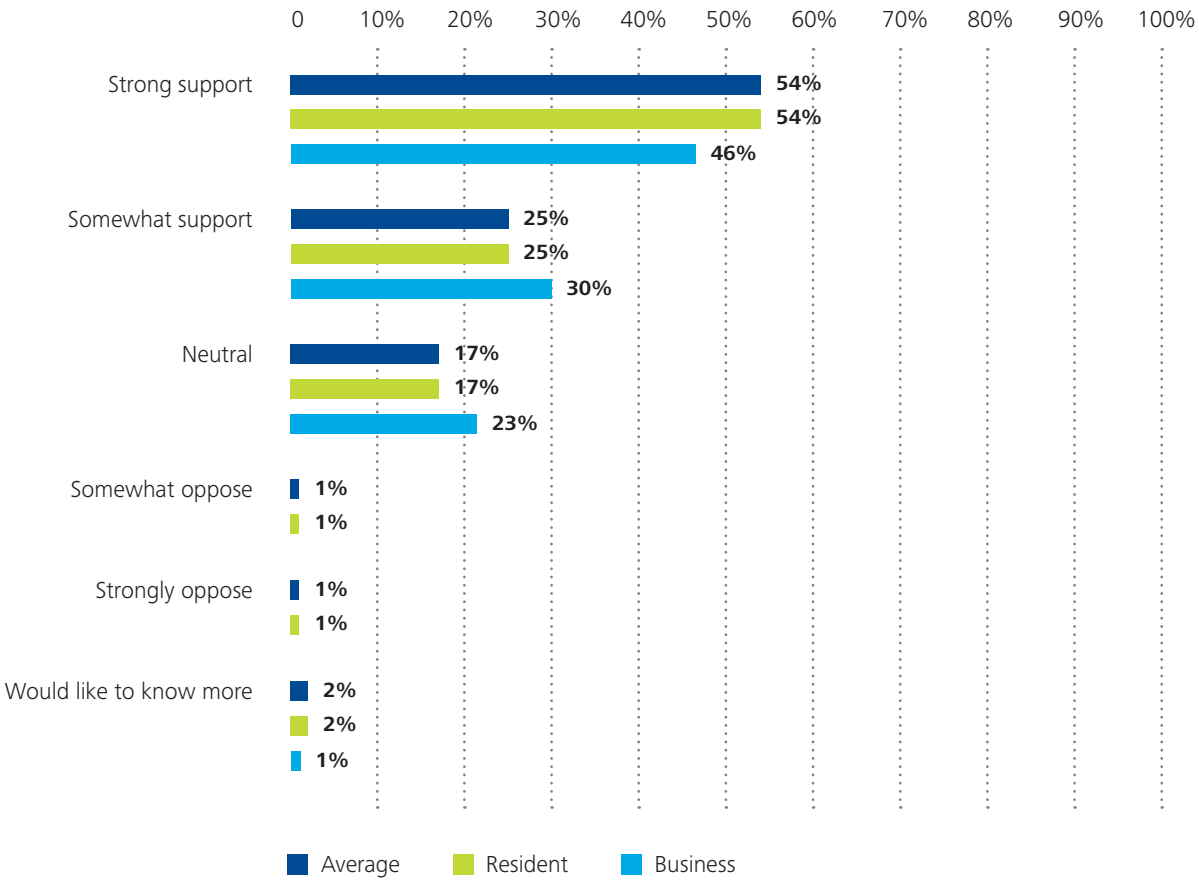


FIGURE 24 – SUPPORT FOR MORE VISUALLY PLEASING VEGETATION MANAGEMENT STRATEGIES

Question: When it comes to how SA Power Networks manages vegetation, to what extent would you support strategies that create a more pleasing visual result for trimmed vegetation, whilst still delivering on community safety and legislative obligations (for example, more frequent trimming cycles)?



Vegetation management

FIGURE 25 – SUPPORT FOR THE REMOVAL OF TREES

Question: With regards to vegetation management, in areas where there is a lower priority on visual appearance, would you support the removal of trees and/or replacement of these trees with more appropriate vegetation ('appropriate' vegetation refers to smaller or slower growing trees)?

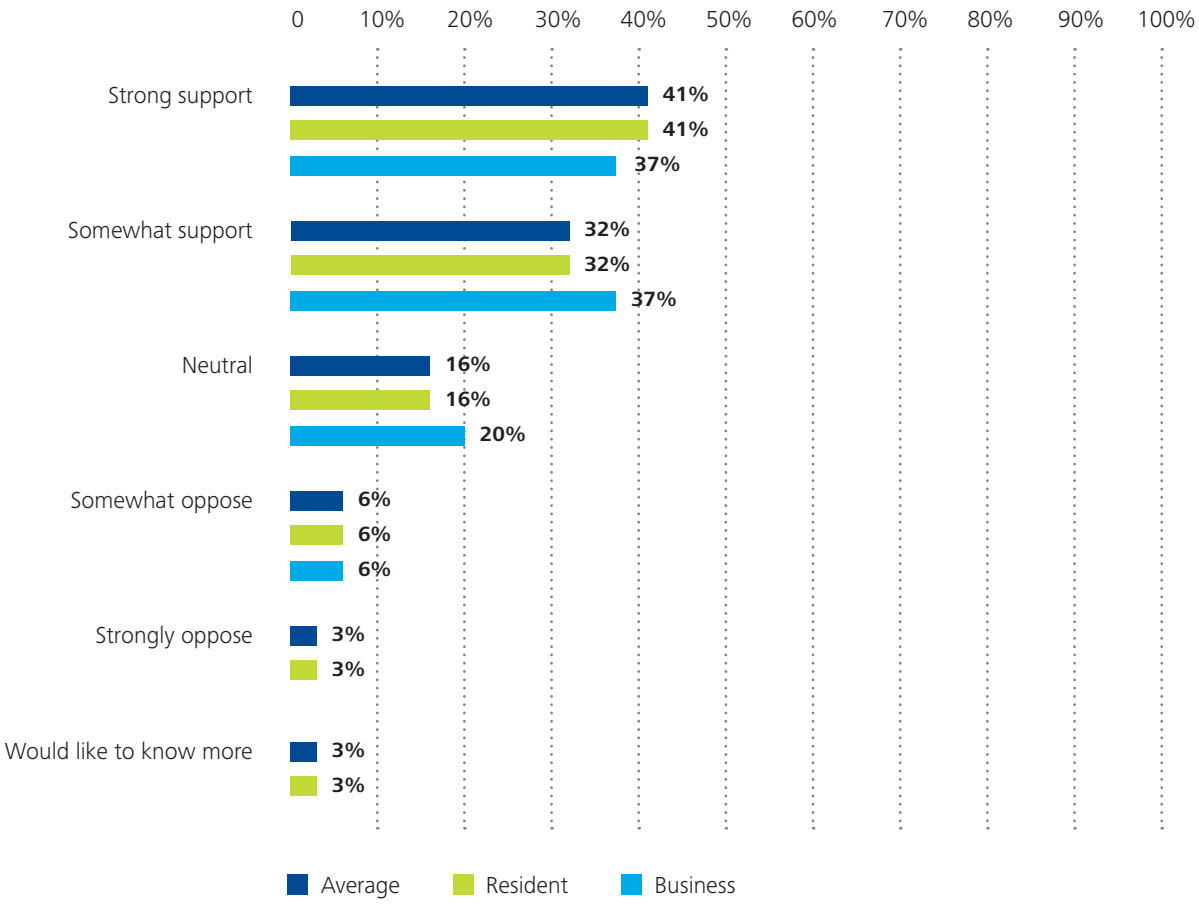
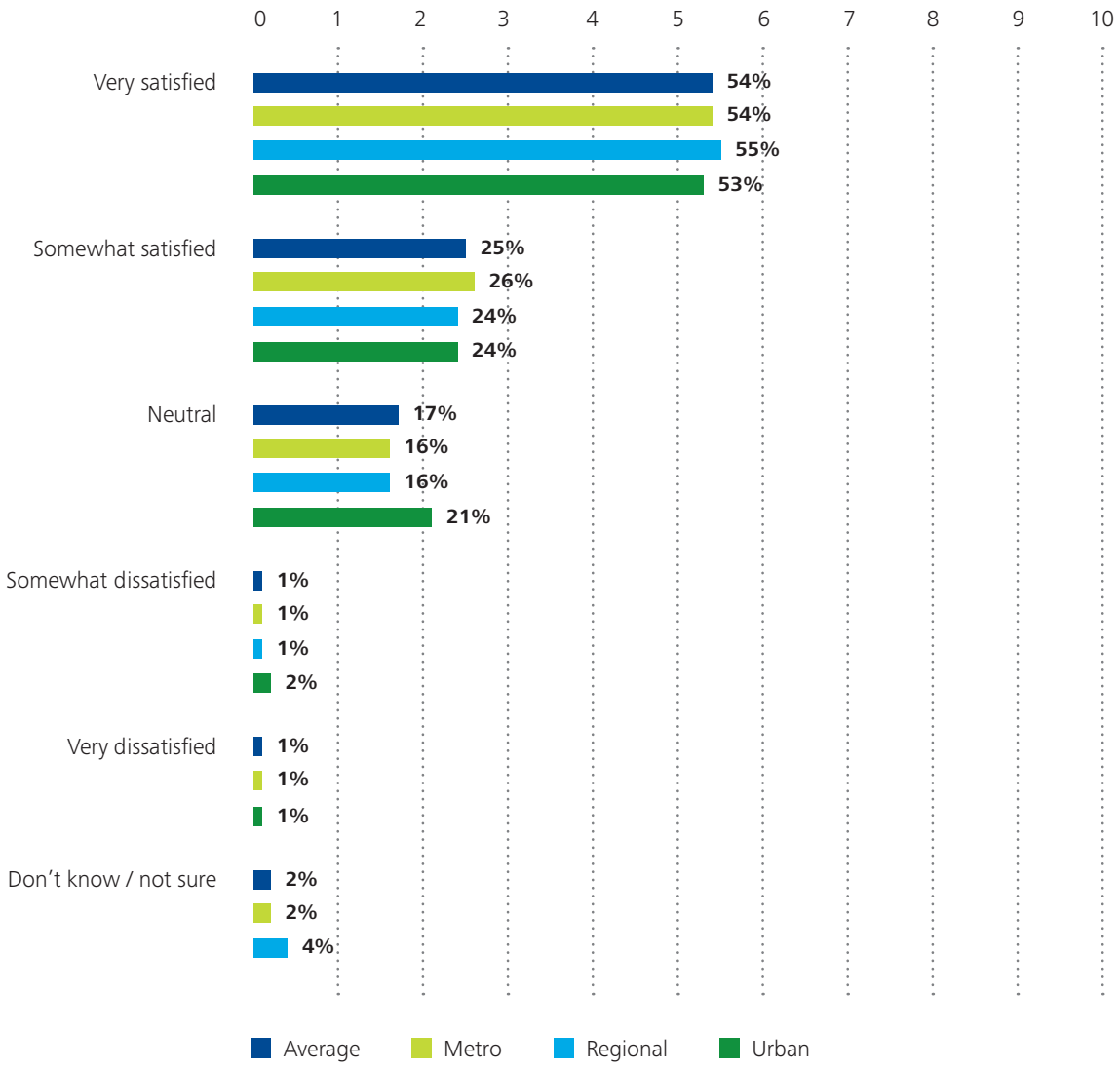


FIGURE 26 – SUPPORT FOR MORE FREQUENT TRIMMING CYCLES BY LOCATIONS

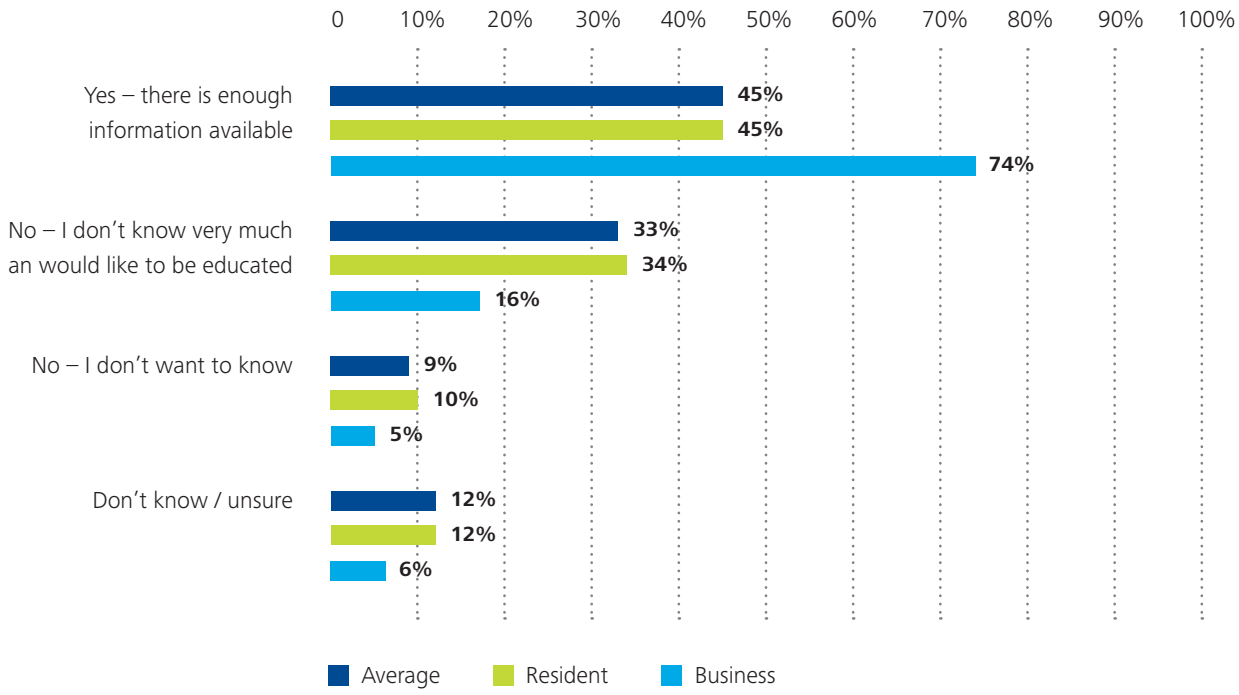
Question: When it comes to how SA Power Networks manages vegetation, to what extent would you support strategies that create a more pleasing visual result for trimmed vegetation, whilst still delivering on community safety and legislative obligations (for example, more frequent trimming cycles)?



Vegetation management

FIGURE 27 – INFORMATION AVAILABILITY

Question: With regards to SA Power Networks' vegetation management around powerlines, do you think there is enough information available to the community about why vegetation management is required, and the approach SA Power Networks takes to managing vegetation?



Bushfire management

Respondents see a need for SA Power Networks to undertake activities that minimise potential safety hazards and maximise the protection of property, infrastructure and human life.

Summary

Respondents strongly supported management initiatives presented in the survey that would result in prevention of bushfire, safety hazards and provide valued support for the community.

Bushfire management initiatives

The two highest rated bushfire management initiatives were building powerlines less prone to fire starts and ensuring CFS Bushfire Safer Places have continuous power supply (figure 28).

CFS Bushfire Safer Places

Respondents across all customer segments indicated high levels of support for ensuring CFS Bushfire Safer Places have continuous power supply, with 91% of residential and 90% of business respondents registering support. This was the most supported proposed community safety and reliability initiative (figure 30).

Consumer Insight #6

Prioritise preventative maintenance initiatives

All preventative maintenance initiatives should consider potential safety hazards and be completed as a priority.

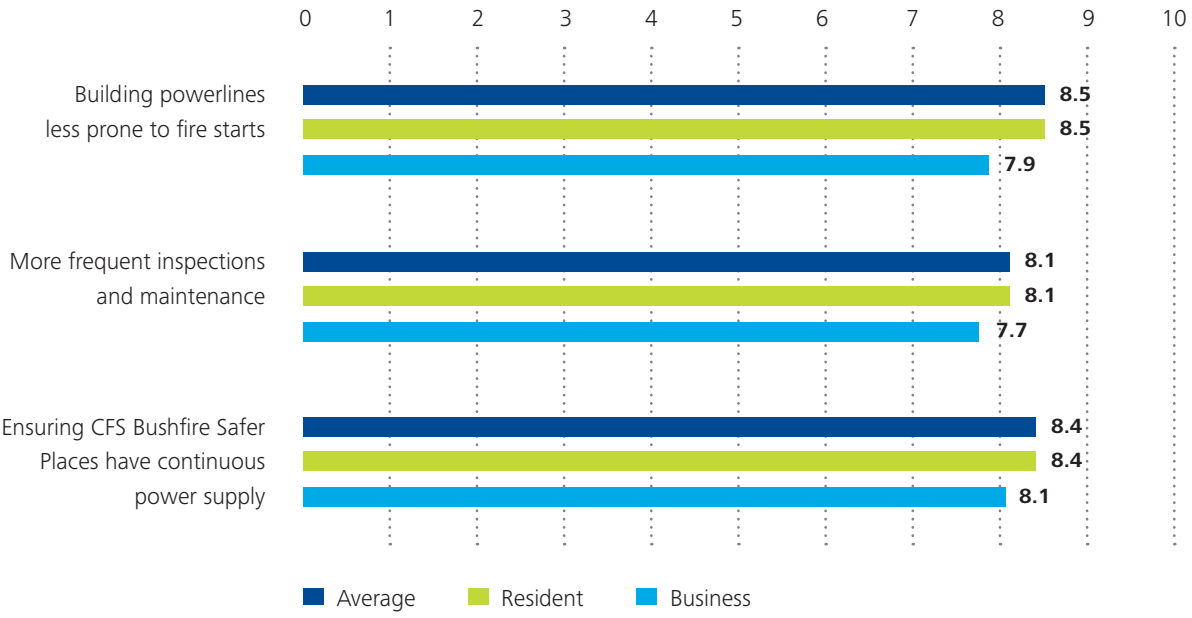
Consumer Insight #7

CFS Bushfire Safer Places should have continuous power

Investment in bushfire management initiatives should ensure that essential services are maintained under emergency conditions.

FIGURE 28 – IMPORTANCE OF BUSHFIRE MANAGEMENT INITIATIVES

Question: Which of the proposed reliability & safety initiatives are most important to you? Please rank each option.



Bushfire management

FIGURE 29 – SUPPORT FOR INCREASING STANDARDS

Question: Do you support SA Power Networks further increasing its inspection, maintenance and construction standards in bushfire risk areas in order to minimise the probability of fires starting from powerlines?

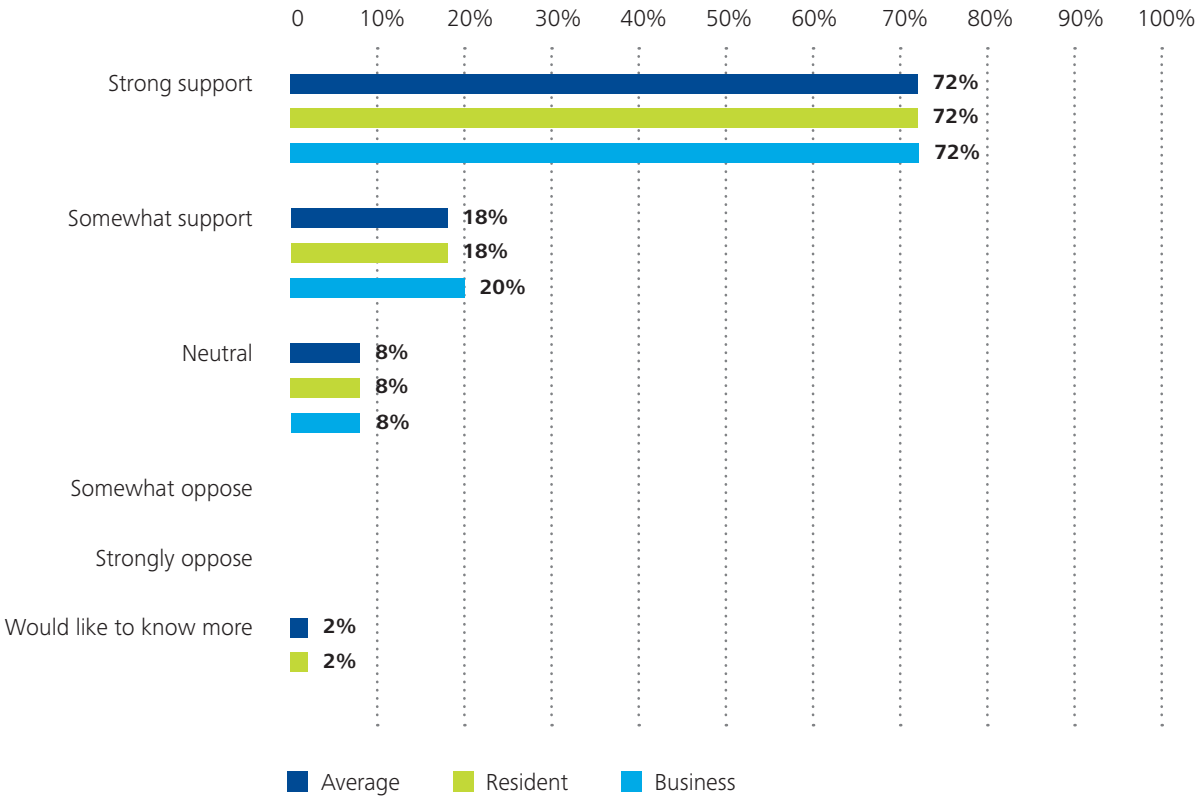
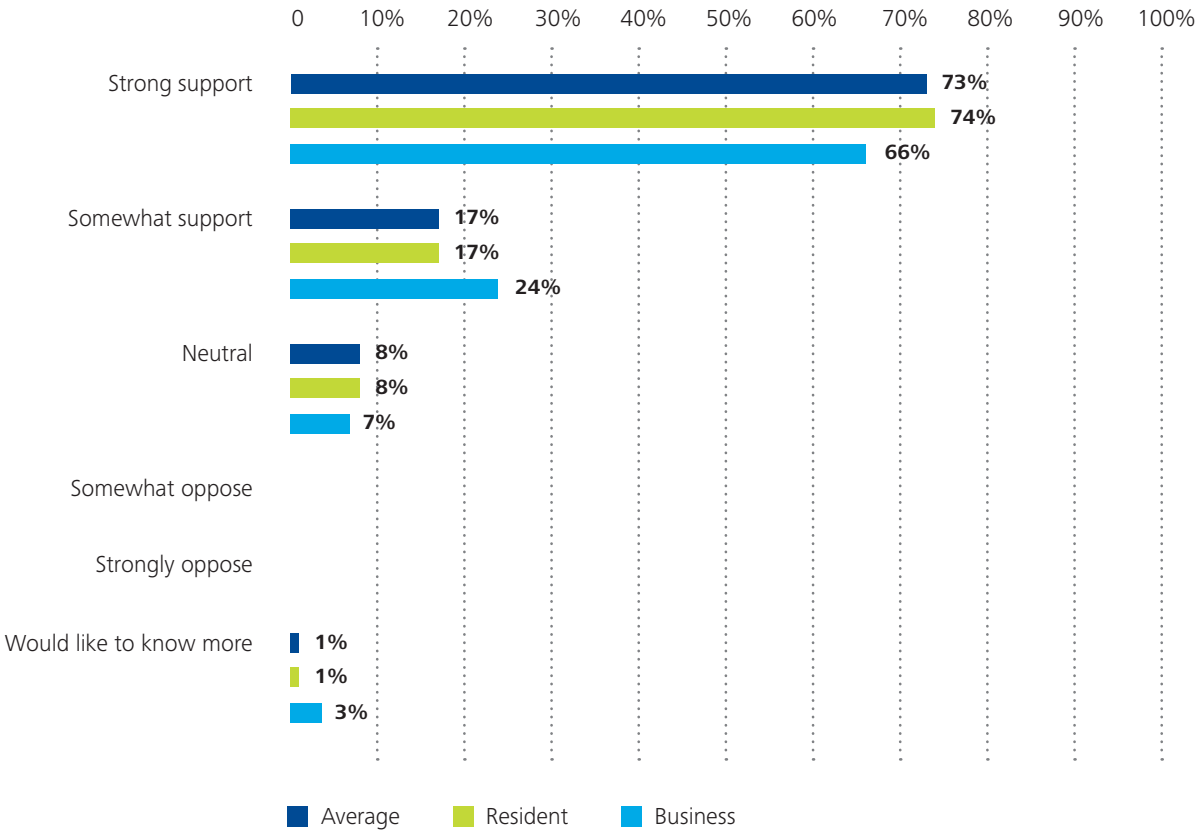


FIGURE 30 – SUPPORT FOR CFS BUSHFIRE SAFER PLACES HAVING CONTINUOUS POWER

Question: In high bushfire-risk areas across the State the Country Fire Service (CFS) has designated 'Bushfire Safer Places' where the community can congregate in the event of a bushfire or catastrophic/extreme conditions. SA Power Networks wants to ensure these areas have uninterrupted power regardless of conditions (for emergency communications, care for the sick/elderly etc).

To what extent do you support ensuring CFS Bushfire Safer Places have a more reliable power supply in the event of a bushfire or during catastrophic/extreme bushfire conditions?



Visual amenity

Undergrounding the network in appropriate areas

Respondents value a visually appealing network and see undergrounding as a way to achieve improvements in network appearance.

Summary

The majority of respondents indicated support for undergrounding of the network and expansion of current Power Line Environment Committee (PLEC) funding, with priority areas including where additional safety and reliability benefits can be identified.

Undergrounding the network

An expanded PLEC program was supported, with 83% of residential and 69% of business respondents registering their support (figure 31).

Residential respondents indicated the highest levels of support for undergrounding the network (86% indicated support) whilst business respondents registered the highest levels of neutrality at 26% and opposition at 4% (figure 32).

The average respondent indicated a preference that undergrounding of the network should take place in areas where additional safety and reliability benefits could be identified, in high bushfire risk areas, and near main streets and shopping centres (figure 33).

Consumer Insight #8

Maximise opportunities to improve the visual appearance of assets

Undergrounding of the network and substation facade treatment initiatives were almost universally supported, with priority areas for completion deemed to be in areas where the visual appearance of the network has the largest effect on the community.

Consumer Insight #9

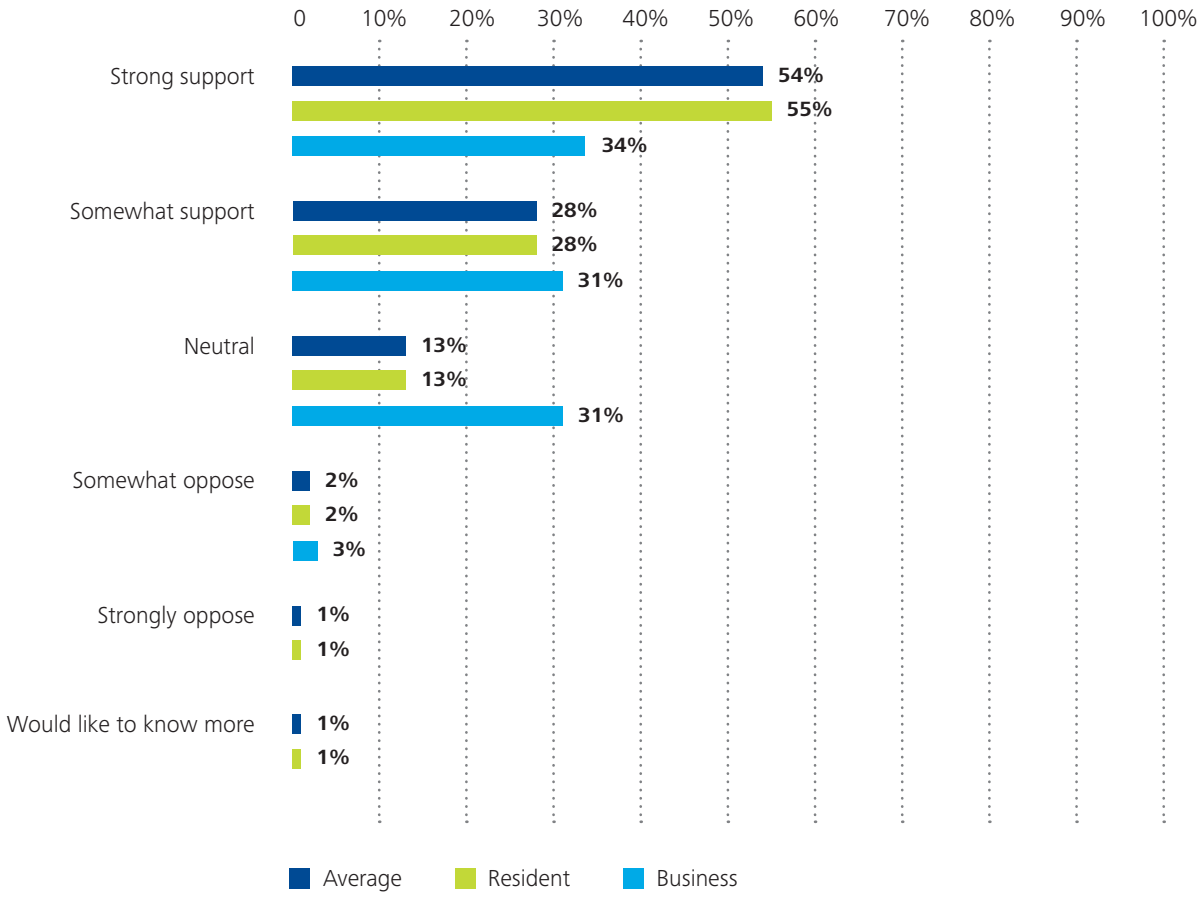
Consider improvements in public safety and reliability in asset planning

Priority areas for undergrounding the network included where additional safety and reliability benefits could be identified, in addition to high bushfire risk areas.

FIGURE 31 – SUPPORT FOR AN EXPANDED PLEC PROGRAM

Question: The SA Electricity Act 1996 requires SA Power Networks (through the Power Line Environment Committee - PLEC) to underground existing overhead powerlines to enhance the visual amenity of local council areas for broader community benefit. The PLEC program currently allows for approximately $10m per year to be spent on undergrounding powerlines, which is enough to fund around 6-8 undergrounding projects per year.

When it comes to the visual appearance of SA Power Networks' Stobie poles and overhead lines, to what extent do you support an expanded PLEC program to allow for more areas of community benefit to be undergrounded?



Undergrounding the network in appropriate areas

FIGURE 32 – SUPPORT FOR UNDERGROUNDING THE NETWORK

Question: When it comes to SA Power Networks building new assets (e.g. new powerlines along major thoroughfares in existing communities), to what extent do you support undergrounding to improve visual amenity?

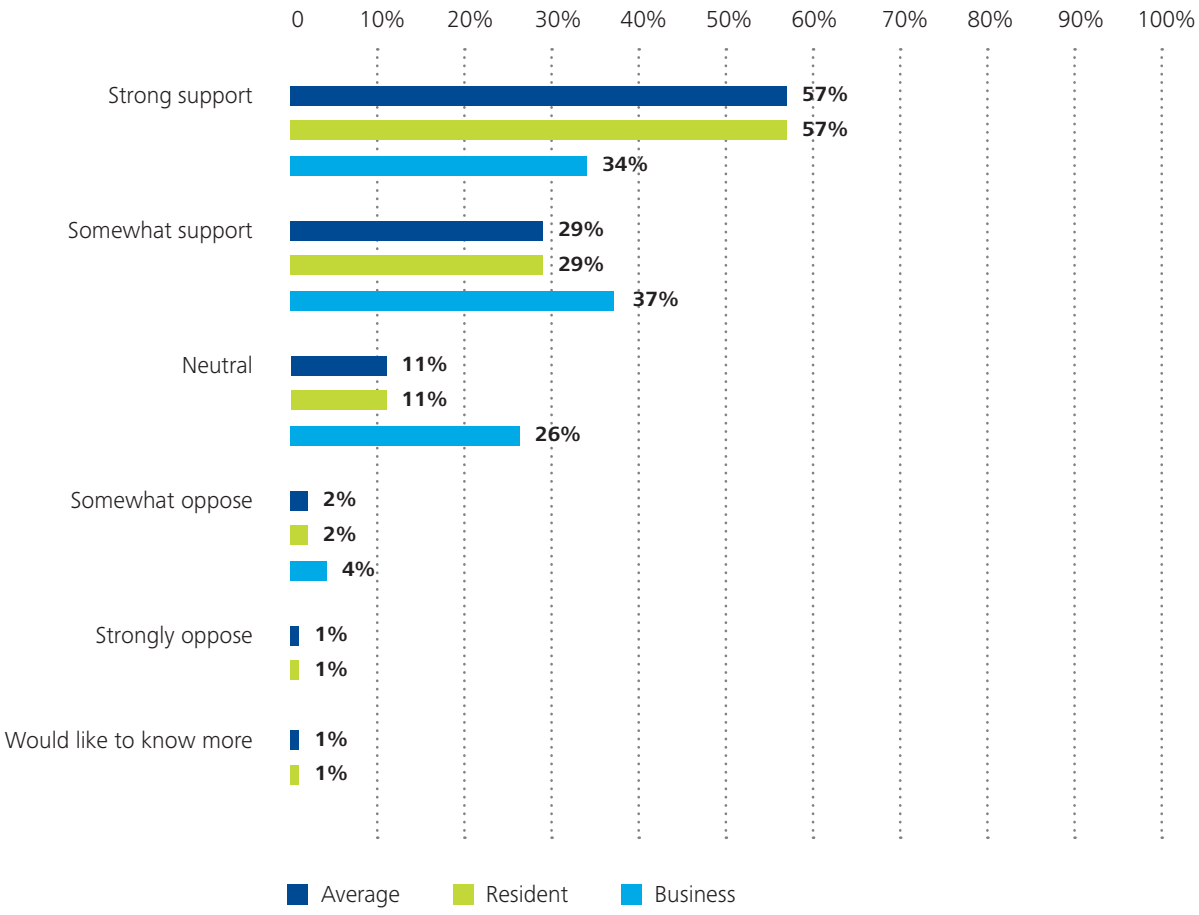
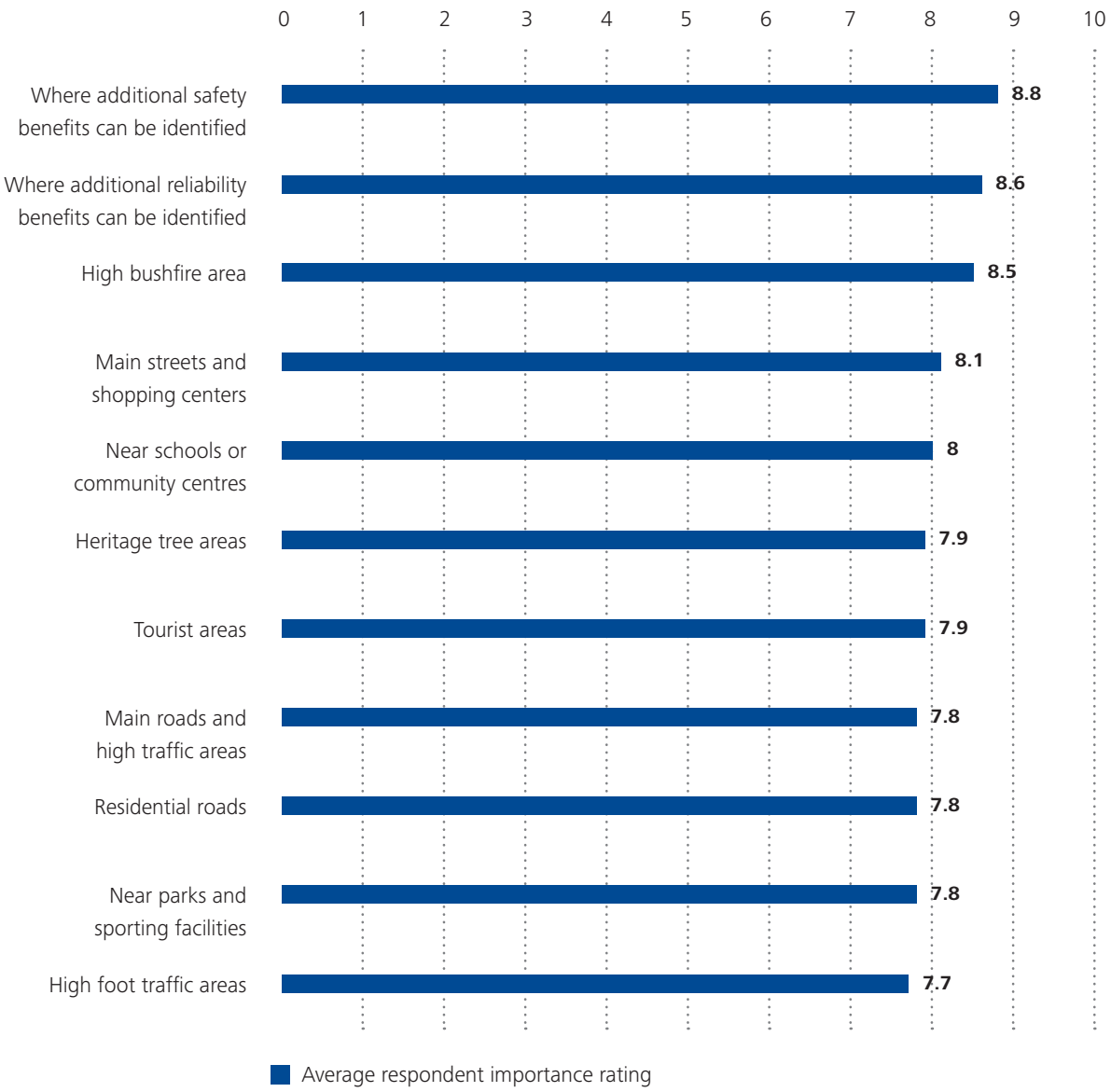


FIGURE 33 – AVERAGE RESPONDENT UNDERGROUNDING PRIORITY AREAS

Question: In which areas would you like to see the undergrounding of powerlines as a priority? Please rank each option.



Building/upgrading substations to fit their setting

Respondents across all customer segments and locations supported fit-for-setting substation facades and understand the visual and potential economic impact they have on surrounding areas.

Summary

Residential respondents indicated high levels of support for this initiative, with priority given to all new substations and those located in and around tourist areas.

Facade treatments

The majority of respondents across all customer segments indicated support for substation facade treatments, with 76% of residential respondents and 62% of business respondents giving their support (figure 34).

The average respondent indicated that the most important consideration for substation facade treatments would be as new substations were being built. Major community areas such as tourist areas, community centres, schools and shopping centres were also rated as important locations to undertake this initiative (figure 35).

Consumer Insight #8

Maximise opportunities to improve the visual appearance of assets

Undergrounding of the network and substation facade treatment initiatives were almost universally supported, with priority areas for completion deemed to be in areas where the visual appearance of the network has the largest effect on the community.

FIGURE 34 – SUPPORT FOR SUBSTATION FACADE TREATMENTS

Question: When it comes to the visual appearance of SA Power Networks' substations, to what extent do you support fit-for-setting substation facades?

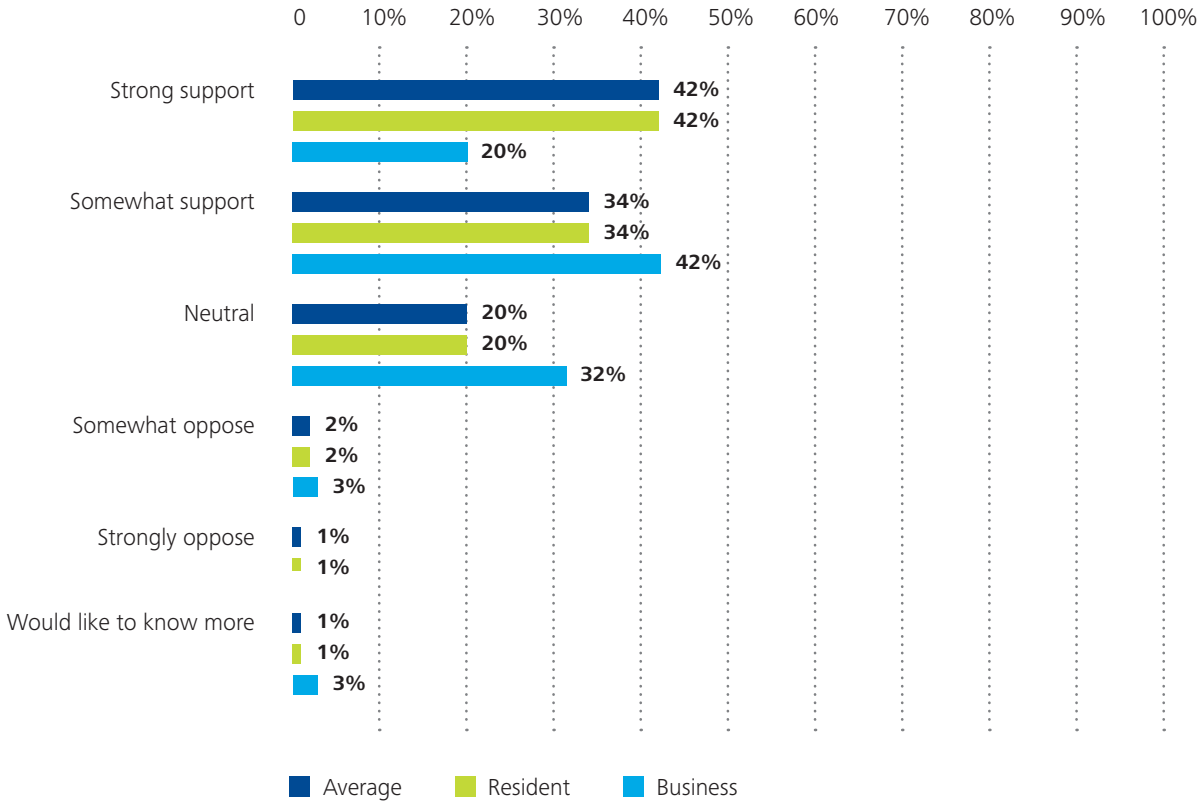
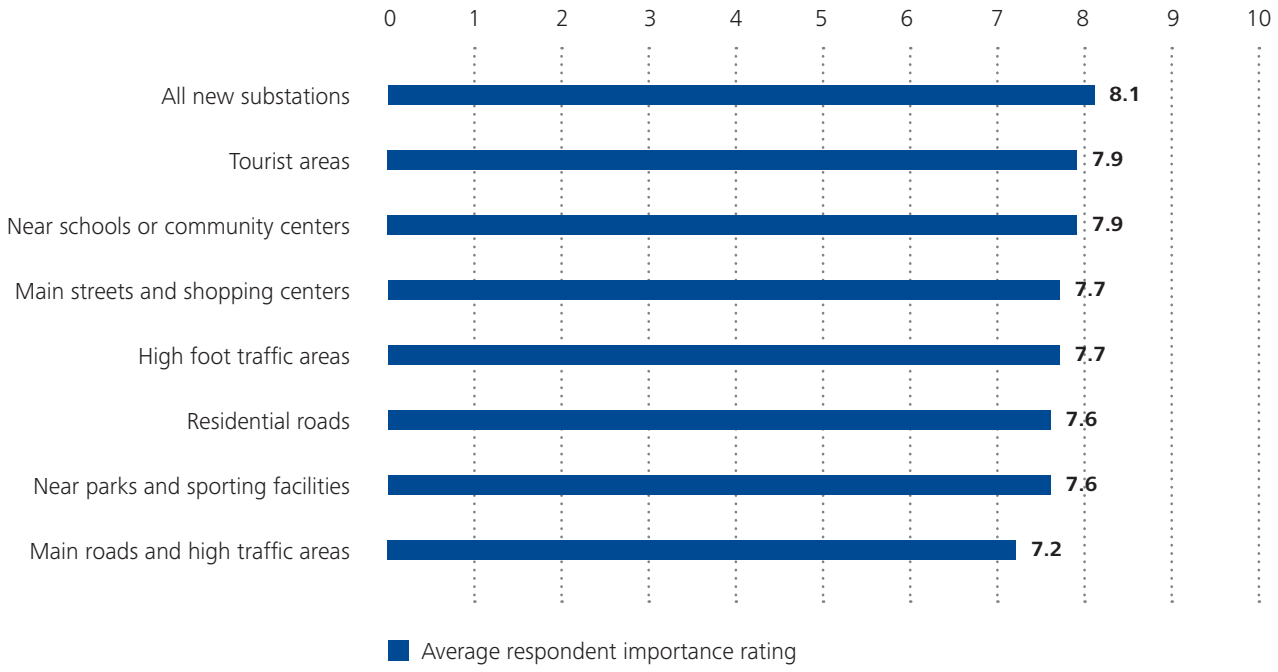


FIGURE 35 – PRIORITY AREAS FOR SUBSTATION FACADE TREATMENTS

Question: In which locations do you consider fit-for-setting substation facades to be most appropriate? Please rank each option.



The evolving customer

Smart meters and energy management systems

Respondents support initiatives that allow for greater self-management of their electricity usage.

Summary

The majority of respondents across all customer segments and locations possessed some level of awareness of smart meters and their associated benefits. Installation of a smart meter in respondents' homes/businesses was supported, with residential respondents indicating the highest level of support.

Smart meters

The majority of respondents possessed a base level or high awareness of the complexities and limitations of introducing new technologies, with business respondents having a slightly higher level of awareness (figure 36).

The majority of respondents across all customer segments indicated awareness of the benefits of smart meters, with 79% of business and 71% of residential respondents registering awareness (figure 37).

78% of residential respondents and 76% of business respondents supported the installation of a smart meter in their home or business (figure 38).

Consumer Insight #10

Consumers are ready for the installation of smart meters

The majority of respondents supported the installation and use of smart meters to help them exercise a greater level of control over their own electricity usage.

FIGURE 36 – AWARENESS LEVELS OF NEW TECHNOLOGIES

Question: What was your level of awareness of the complexities and limitations for introducing new technologies (i.e. Solar PV, electric vehicles) prior to viewing the information just provided (the education piece provided at the start of this question)?

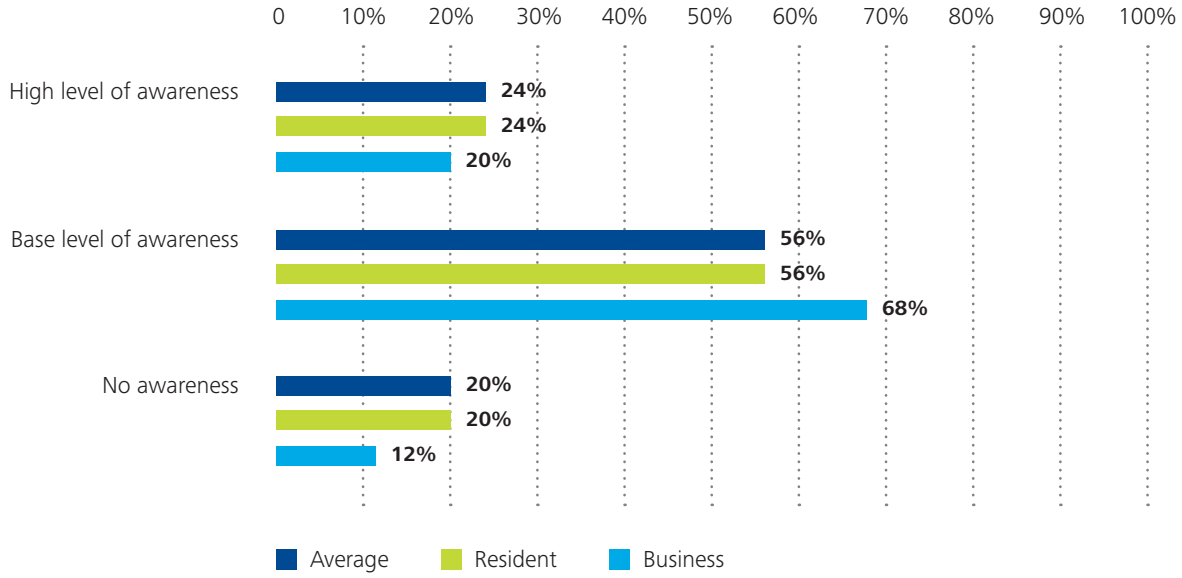
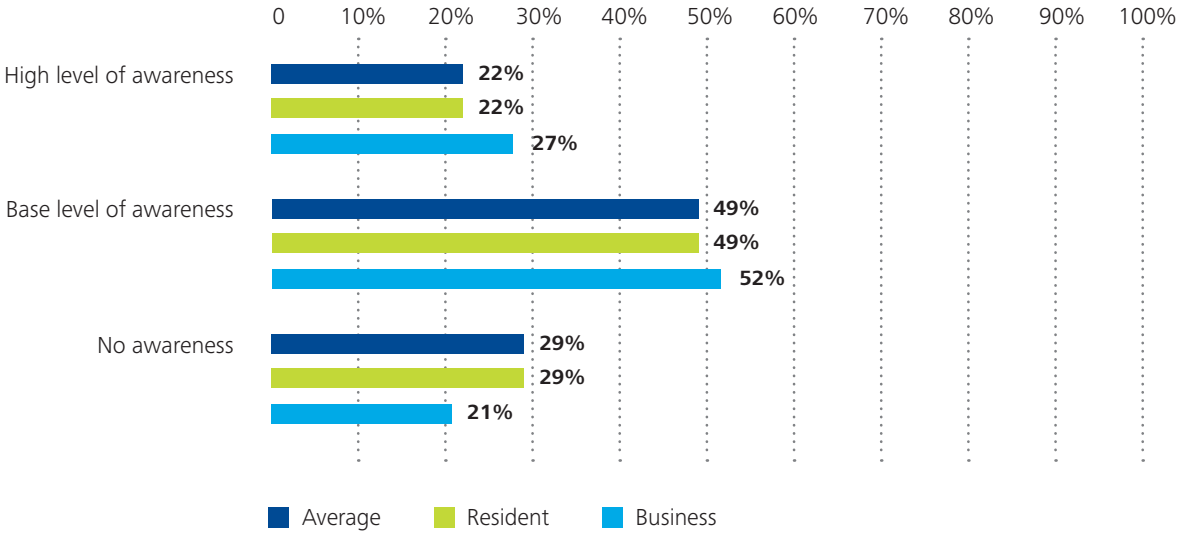


FIGURE 37 – AWARENESS OF SMART METERS

Question: What is your level of awareness as to how smart meters could enable SA Power Networks to provide improved services to customers?

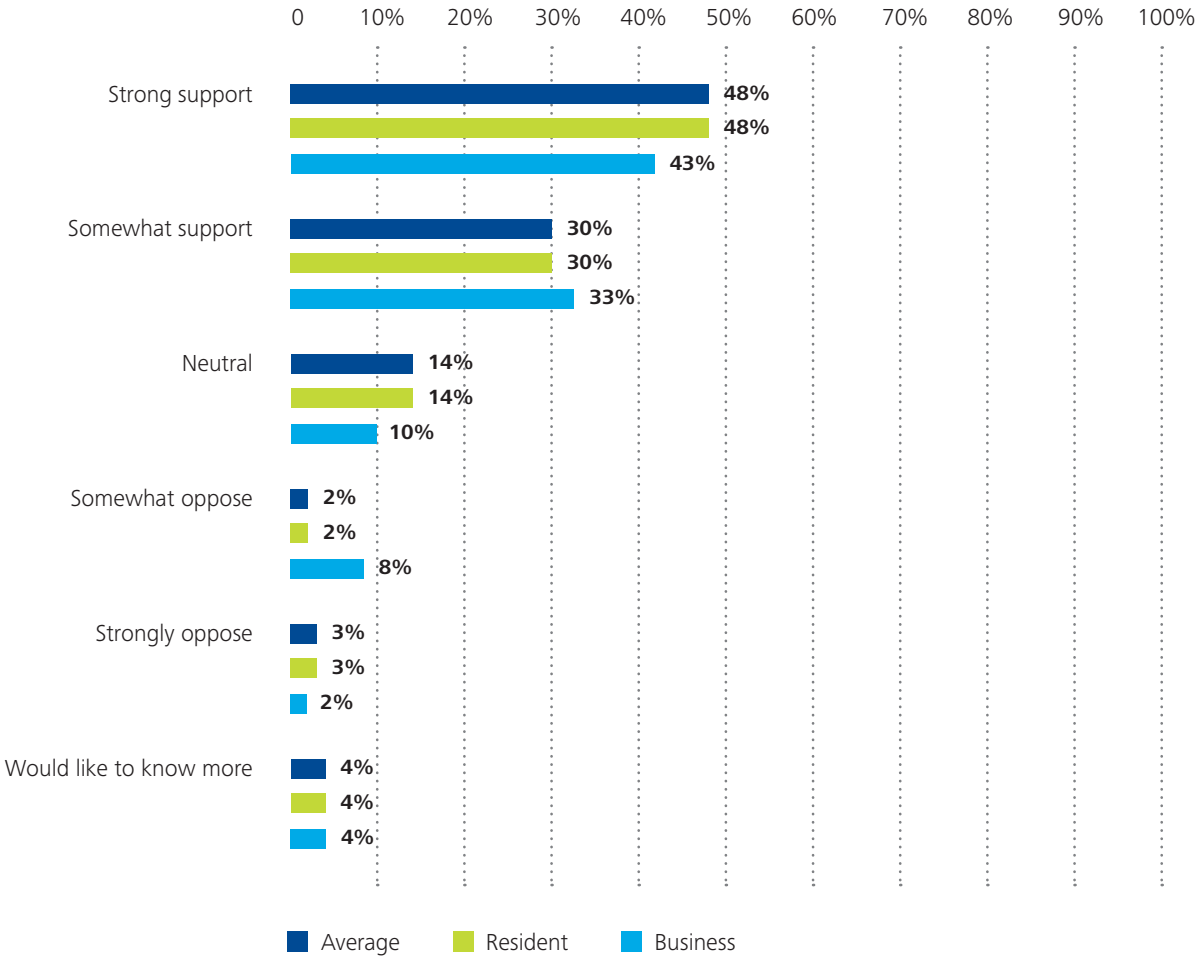


Smart meters and energy management systems

FIGURE 38 – SUPPORT FOR SMART METER INSTALLATION

Question: In addition to helping customers better manage their electricity use, smart meters will enable automatic power outage identification, remote meter reading, and broader uptake of demand management practices.

Would you support the installation of a smart meter in your home/business to provide the benefits described, and in particular, to be able to measure and manage your electricity usage?



Continuing upgrades to support a two-way network

Respondents support initiatives that allow for greater self-management of their electricity usage.

Summary

Aligned to the sentiment of greater control over their electricity usage, respondents were supportive of an initiative that promoted greater uptake of new customer technologies, enabled by a two-way network.

Upgrading the network

Greater than 80% of respondents across all customer segments indicated support for upgrading and improving the network to enable the introduction of new technologies (figure 39).

Solar users indicated slightly higher levels of support for upgrading and improving the network in addition to desiring more information than non-solar users (figure 40).

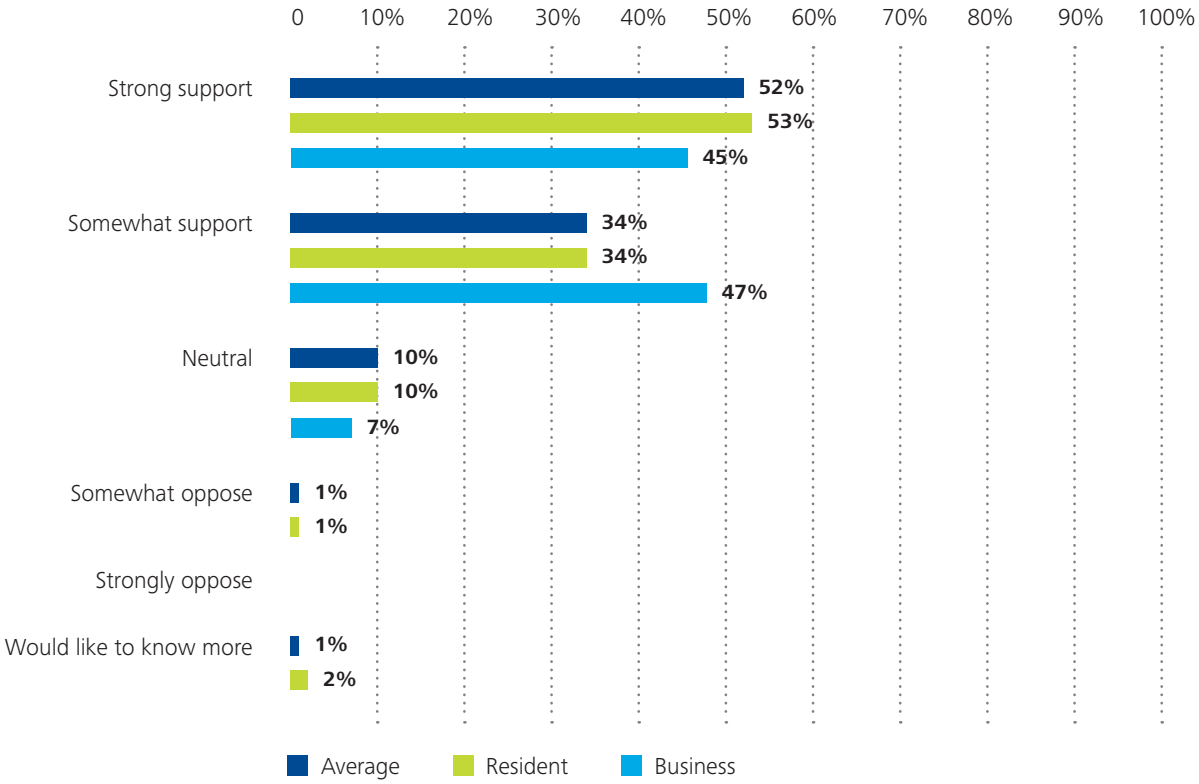
Consumer Insight #11

Continue upgrades to support a two-way network

Upgrades that support a two-way network were almost universally supported by survey respondents.

FIGURE 39 – SUPPORT FOR UPGRADING THE NETWORK

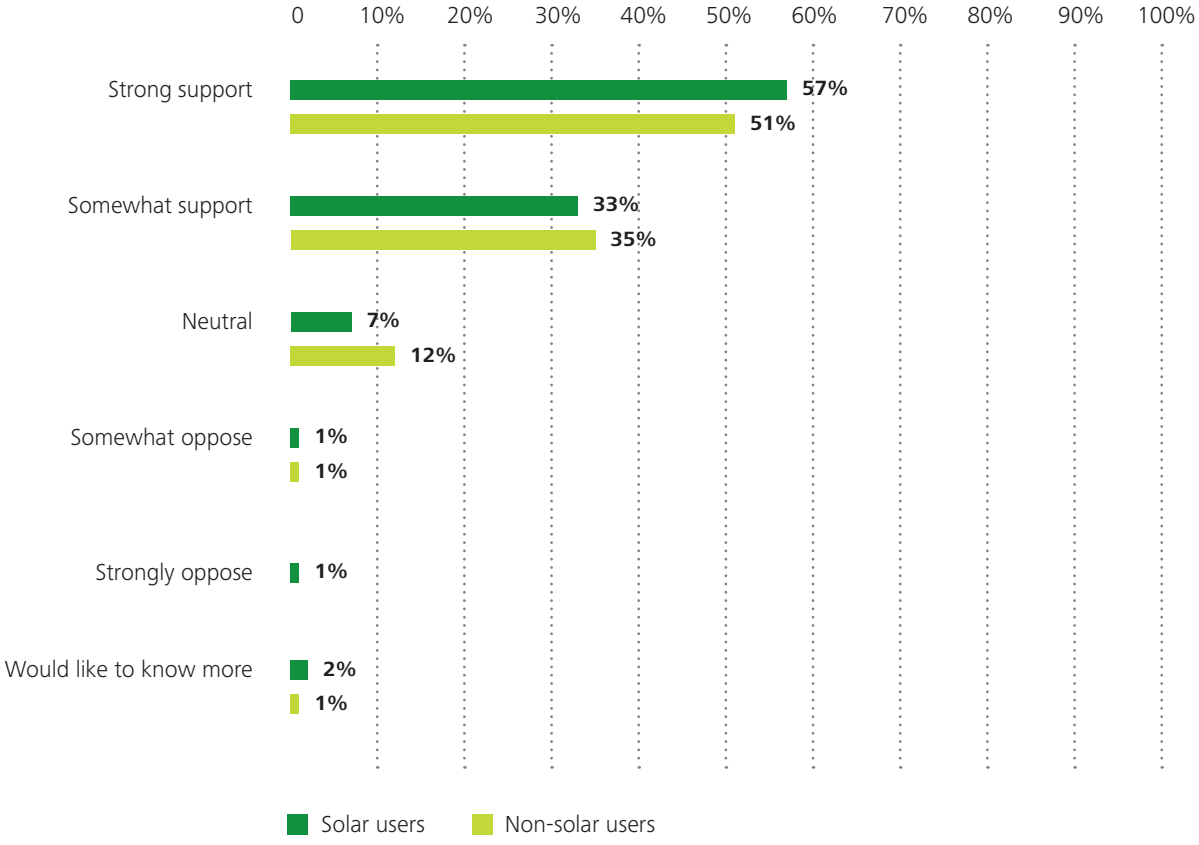
Question: To what extent do you support upgrading and improving the network to support continued uptake of new customer technologies?



Continuing upgrades to support a two-way network

FIGURE 40 – SUPPORT FOR UPGRADING THE NETWORK BY SOLAR USE

Question: To what extent do you support upgrading and improving the network to support continued uptake of new customer technologies.



Exploring cost-reflective pricing

Cost-reflective pricing was seen by consumers to promote fairness.

Summary

Introduction of cost-reflective tariffs, such as tariffs that are more closely aligned to the way the distribution network is used, was supported by consumers.

Phased introduction of tariffs

Respondents across all customer segments indicated support for the phased introduction of cost-reflective tariffs, with 76% of business and 68% residential respondents giving their support (figure 41).

Solar users recorded the highest amount of opposition to the phased introduction of cost-reflective tariffs at 16% (figure 42).

71% of respondents with a household income of $150,000 and above indicated support for the phased introduction of capacity tariffs, however they also required further information. Unemployed respondents registered the lowest levels of support at 64% (figure 43).

Consumer Insight #12

Develop cost-reflective pricing tariffs

Over 70% of respondents supported the development and phased introduction of more cost-reflective tariffs.

Exploring cost-reflective pricing

FIGURE 41 – SUPPORT FOR THE PHASED INTRODUCTION OF COST-REFLECTIVE TARIFFS

Question: With increasing penetration of solar PV and large air-conditioning systems, the way people use the electricity network has changed, and the traditional way customers were charged for their electricity is no longer appropriate in all situations. Some customers aren't paying enough to cover the cost of their network usage, and other customers are paying more as a result.

Would you support the phased introduction of tariffs that more closely reflect the costs of different customers' usage of the network?

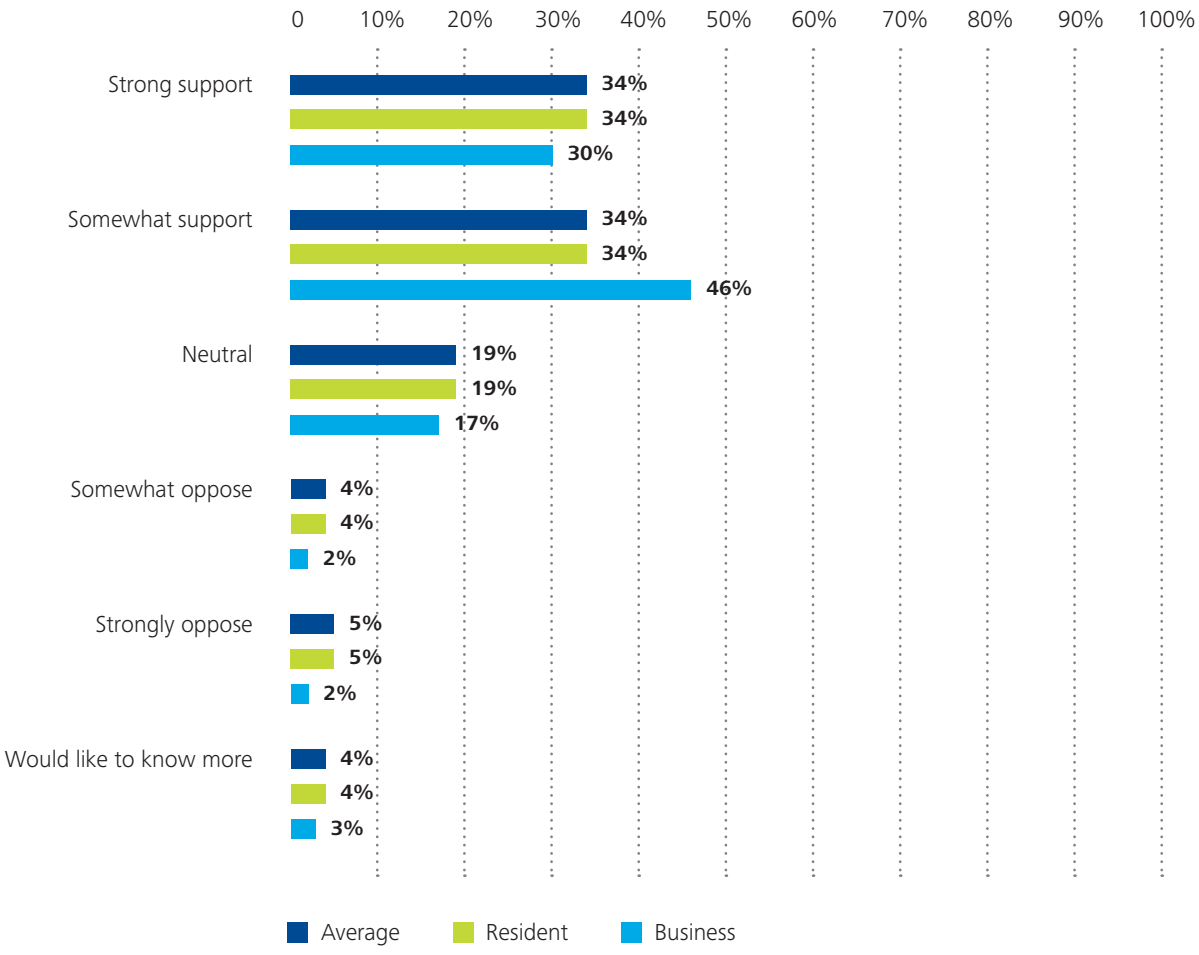


FIGURE 42 – SUPPORT FOR THE PHASED INTRODUCTION OF TARIFFS BY SOLAR USE

Question: With increasing penetration of solar PV and large air-conditioning systems, the way people use the electricity network has changed, and the traditional way customers were charged for their electricity is no longer appropriate in all situations. Some customers aren't paying enough to cover the cost of their network usage, and other customers are paying more as a result.

Would you support the phased introduction of tariffs that more closely reflect the costs of different customers' usage of the network?

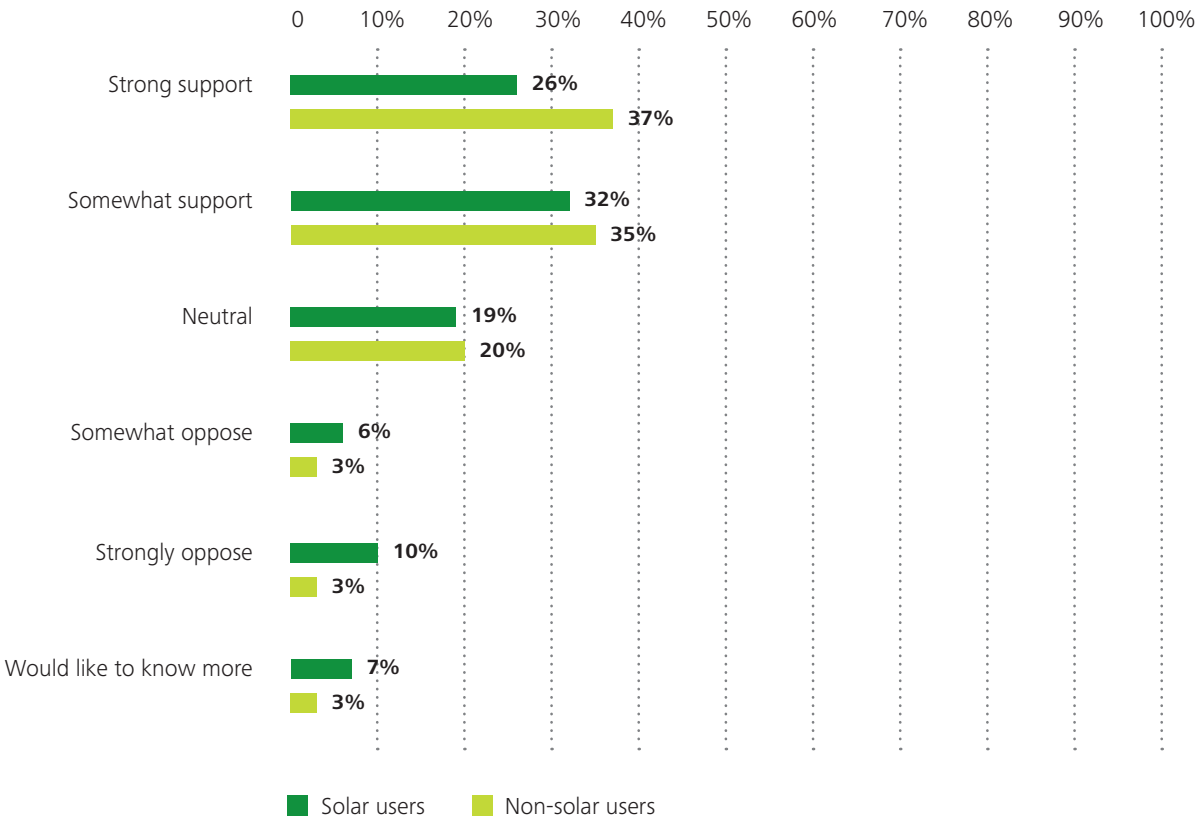
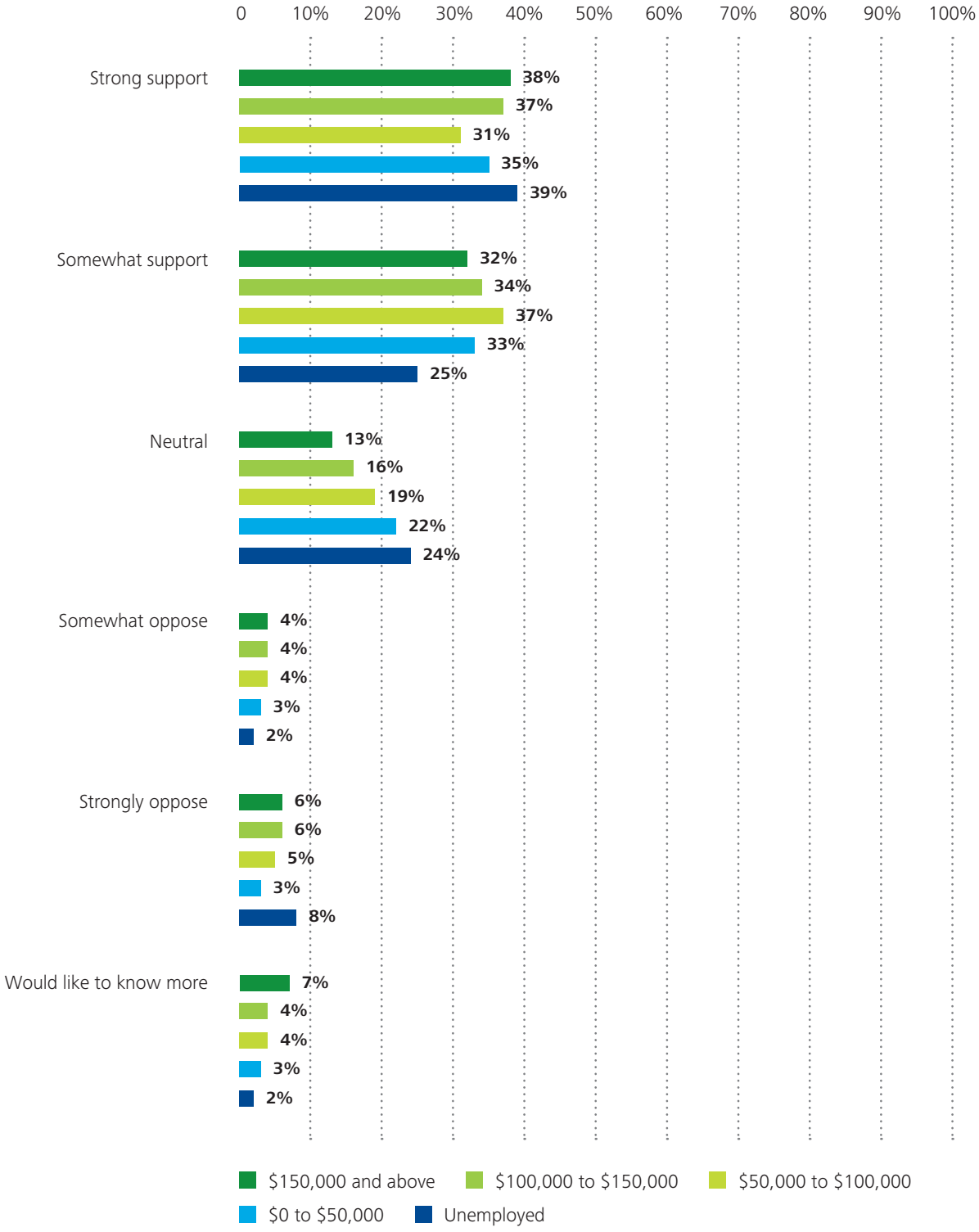


FIGURE 43 – SUPPORT OF THE PHASED INTRODUCTION OF TARIFFS BY INCOME LEVEL

Question: With increasing penetration of solar PV and large air-conditioning systems, the way people use the electricity network has changed, and the traditional way customers were charged for their electricity is no longer appropriate in all situations. Some customers aren't paying enough to cover the cost of their network usage, and other customers are paying more as a result.

Would you support the phased introduction of tariffs that more closely reflect the costs of different customers' usage of the network?



Education and information

Consumers desire education and information to enable them to make informed decisions about their electricity use.

Summary

Survey respondents stated a desire for further information on future technology trends in the industry, and were able to define their specific areas of interest. We noted very consistent views across the State.

The need for more education

Over 65% of respondents across all customer segments indicated a desire for information and education about future transitions to cost-reflective tariffs and smart meters (figure 44).

Information about smart meters, cost reflective pricing and recommendations regarding reputable solar installers/providers were the three most highly desired types of information across all customer segments (figure 45).

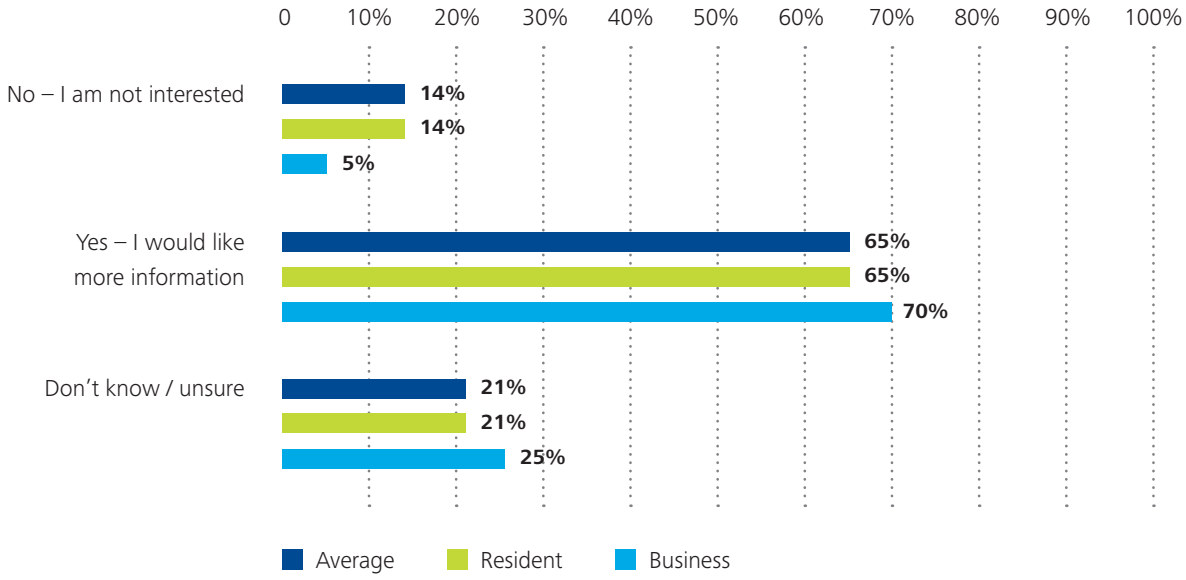
Consumer Insight #13

Education will increase customer satisfaction

Respondents want educational materials and information that explain new technologies such as smart meters, cost-reflective tariffs and recommendations regarding reputable solar providers.

FIGURE 44 – THE NEED FOR MORE INFORMATION

Question: Given the changes in customer behaviour currently occurring, and SA Power Networks' proposed response, do you see the need to be kept informed about any future transition to new cost-reflective tariffs and smart meter systems?



Education and information

FIGURE 45 – THE TYPE OF INFORMATION DESIRED

Question (If yes to the previous question): what type of information would you be interested in?

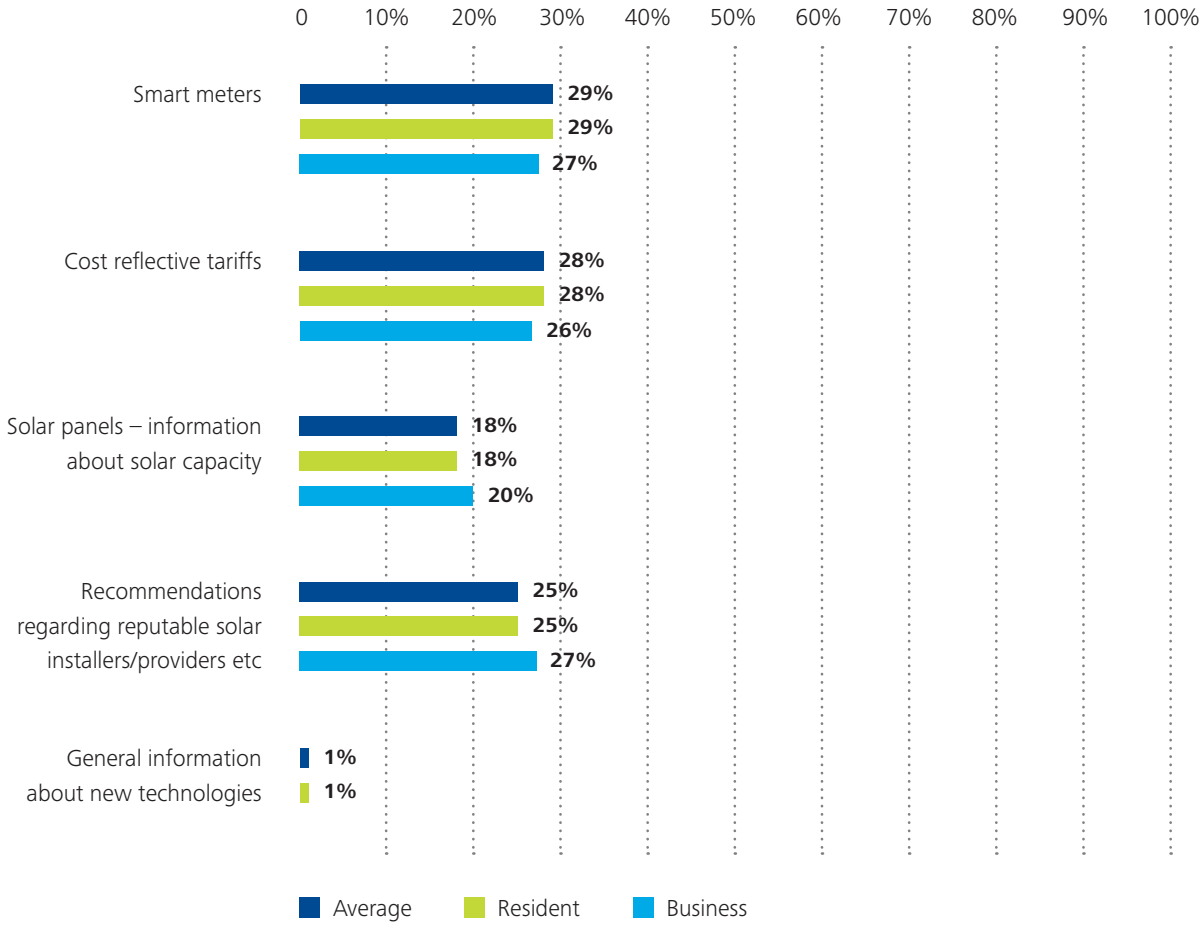
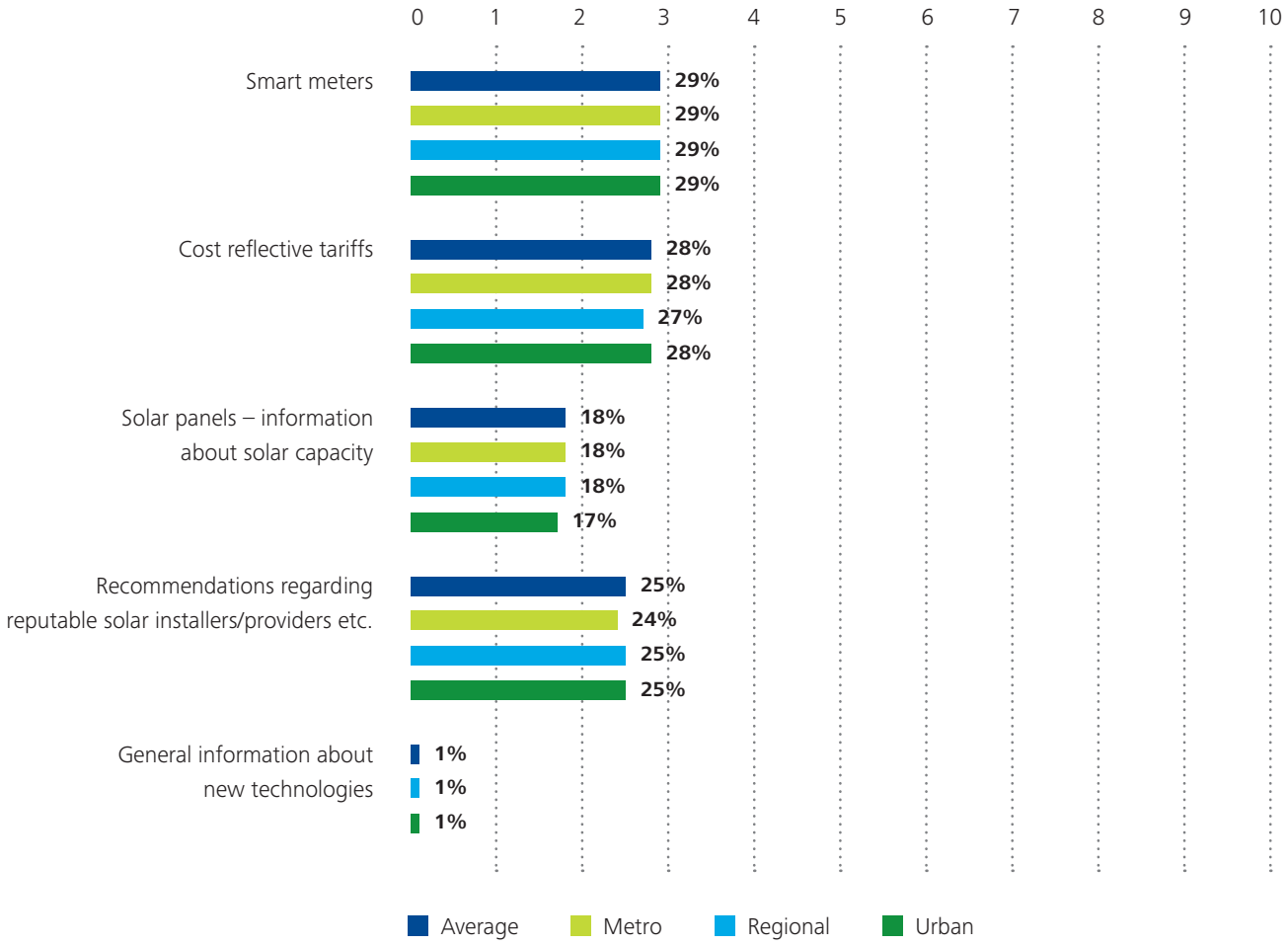


FIGURE 46 – TYPE OF INFORMATION DESIRED BY LOCATION

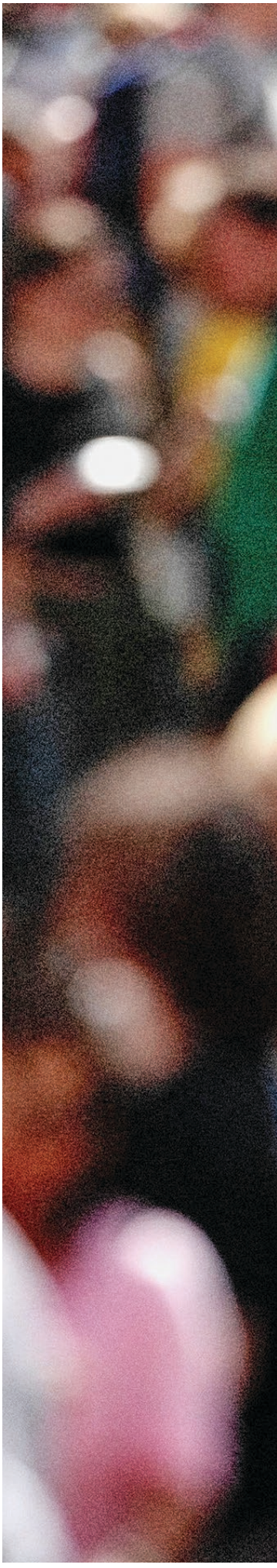
Question (If yes to the previous question): what type of information would you be interested in?

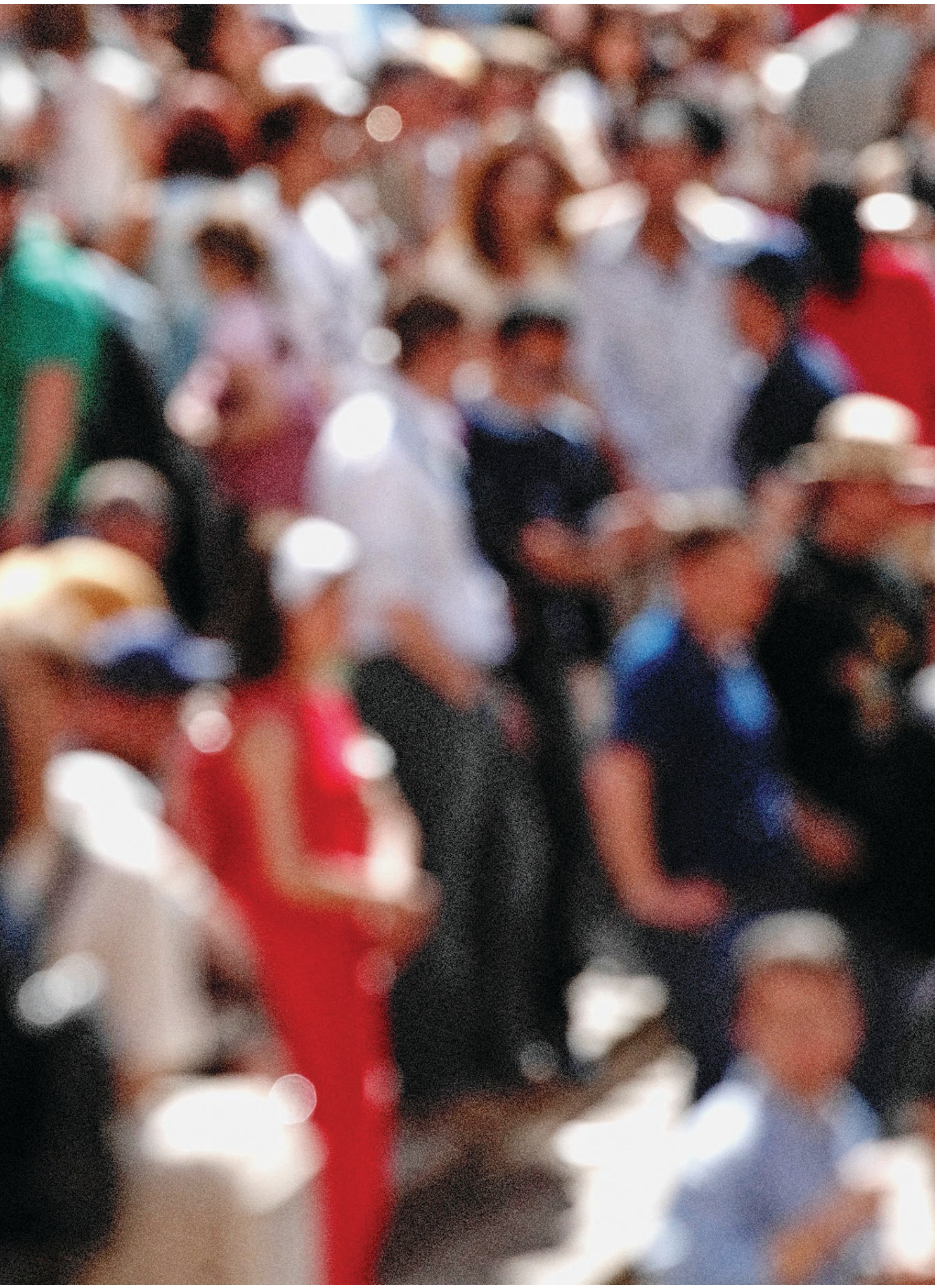


Next steps

The insights gathered from this research are representative of, and support the attitudes, opinions and preferences of South Australian electricity consumers. This information, in addition to feedback on the structure and content of the workshops, will inform further consumer research in the form of the Stage 2 workshops.

A combination of insights gathered from the workshops and data from the survey will assist in the development of the organisation's future directions and priorities as SA Power Networks prepares its 2016–2020 proposal for the Australian Energy Regulator.





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Glossary

Australian Energy Market Commission (AEMC)	The Australian Energy Market Commission is the rule maker and developer for the nation's energy markets.
Australian Energy Regulator (AER)	The Australian Energy Regulator (AER) regulates energy markets and networks according to the rules.
Average respondent	The average respondent is representative of the unweighted population.
Business respondent	Consumers whose primary use of electricity is for business purposes and who identified themselves as a business consumer when completing the survey.
Capacity	The amount of power able to be used by a customer over a short period of time. It is akin to the maximum 'speed' of a car.
Capacity tariff	A pricing component of the total electricity bill that is based upon the network capacity required by a customer during the billing period. Note that capacity is not energy.
CFS Bushfire Safer Places	Country Fire Service recommendation of where to relocate to on days of severe, extreme and catastrophic fire weather.
Demand	Energy consumption at a point in time. Akin to the speedometer in a car.
Distribution Network	The assets and service which link energy consumers to the transmission network.
Energy	The amount of power able to be used by a customer over a billing period. It is akin to the fuel used by a car in travelling a distance, which might have involved various speeds at different times.
Essential Services Commission of South Australia (ESCOSA)	An independent regulator established under the Essential Services Commission Act 2002.
Ethnographic Research	Ethnographic research involves observation of and interaction with people in a naturalistic setting, usually using observation, interviews and surveys.
National Electricity Rules (NER)	The National Electricity Rules govern the operation of the National Electricity Market (NEM). They are set by the AEMC and applied by the AER.
National Electricity Market (NEM)	The National Electricity Market (NEM) is a wholesale market for the supply of electricity to retailers and end-users.
Photovoltaic (PV)	Photovoltaic (PV) is the direct conversion of light into electricity at the atomic level.
Reliability	The extent to which customers have a continuous electricity supply.
Residential respondent	Consumers whose primary use of electricity is for residential purposes and who identified themselves as a resident when completing the survey.

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