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Silicon Valley Clean Energy/MIG: Community Choice Energy Resident Survey

July 2016

Overview and Research Objectives

Silicon Valley Clean Energy (SVCE), through MIG, commissioned Godbe Research to conduct a survey of residents in eleven (11) participating cities/towns as well as unincorporated Santa Clara County with the following primary research objectives:

- Determine the importance and perceived effort of addressing climate change in Santa Clara County;
- Evaluate initial interest in the upcoming SVCE Community Choice Energy (CCE) Program, and;
- Assess interest in potential future SVCE CCE Program options by amount of renewable energy content and price increase/savings associated with that amount of renewable energy content.

Methodology Overview

- Data Collection Telephone and Internet Interviewing
- Universe 459,044 adult (age 18 and older) residents in eleven cities/towns and unincorporated areas in Santa Clara County
- Fielding Dates May 29 through June 12, 2016
- Interview Length 18-minutes
- Sample Size n=601
- Interview Breakdown
Internet = 46
Cell phone = 197
Landline = 359
- Margin of Error +/-3.99% at the 95% confidence level

Note: The data have been weighted by respondent gender, age, ethnicity and city/area of residence to reflect the actual population characteristics of the adult residents in the areas surveyed in Santa Clara County (2014 ACS or American Community Survey).

Below are several key conclusions supported by the CCE Resident Survey results listed in the *Key Findings* section.

- Residents are very familiar with the term “climate change”, significantly more so than the terms “community choice energy” or “community choice aggregation”, or even Silicon Valley Clean Energy or SVCE.
- While residents feel that “climate change” is an important issue facing Santa Clara County, there is concern that not enough is being done to address the issue and/or a lack of awareness of what is being done to address “climate change”.
- Residents report a high rate of adoption of “green” or sustainable household practices already, and the CCE Program should be a good fit as a passive addition to these current practices.
- Residents are also very aware of how much they currently pay specifically for electricity, although they do not find this amount to be onerous in general.

Executive Summary II

- Support for the SVCE CCE Program in concept is quite high, with about two-thirds of residents showing interest even without detailed pricing or renewable energy content information.
- Of the options tested, the 75% renewable energy content for no more than what residents are currently paying for electricity option was the most popular, demonstrating a similar support level of two-thirds.
- Automatic enrollment into the CCE Program does present a concern, however, as long as the value proposition outlined to residents is maintained, opting out can be minimized.
- Trust-related issues are the primary drivers of a lack of support for any potential future CCE Program offering, and can be mitigated by keeping the value proposition of the program and providing more information about the Program to residents.
- Local information sources such as local television news, local city/town newspapers, and the San Jose Mercury News are excellent sources to disseminate information about SVCE and the CCE Program.



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Key Findings



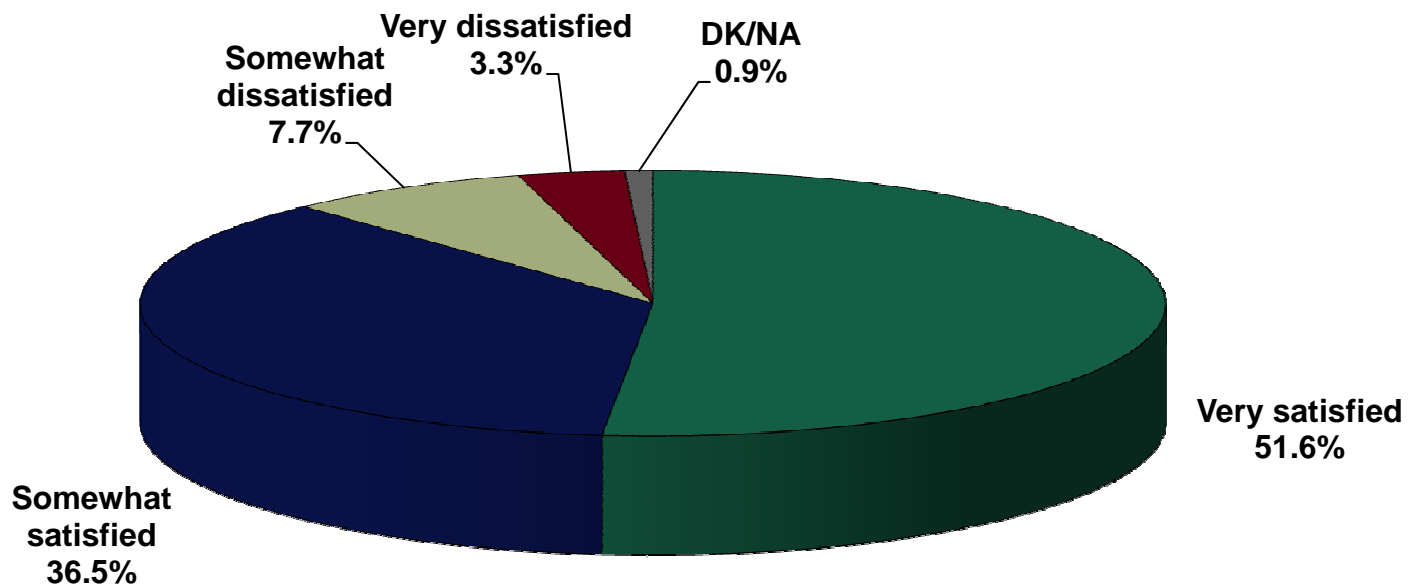
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Awareness and Perception

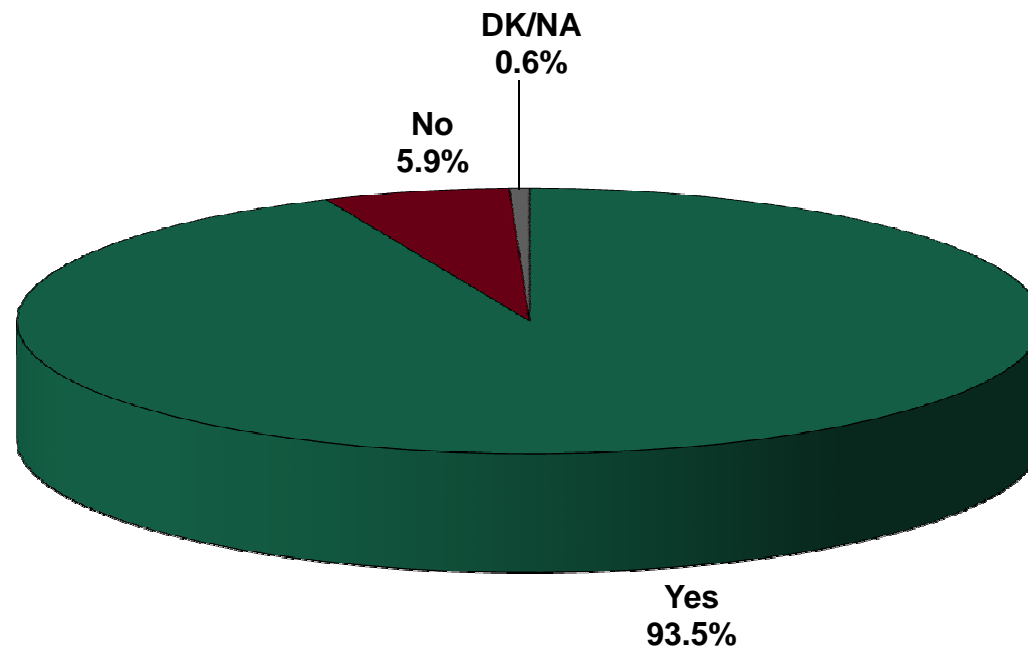
Q1. Satisfaction with Quality of Life in Santa Clara County (n=601)

As the first question in the community choice energy resident survey, respondents were asked how they rate the quality of life in Santa Clara County. Almost nine in ten (88%) of residents indicated that they are either 'very satisfied' or 'somewhat satisfied' with the quality of life in the County, with more than half (52%) indicating they are 'very satisfied'. This is high for a county-level satisfaction question and tracks with similar recent surveys in other Bay Area Counties conducted by Godbe Research.



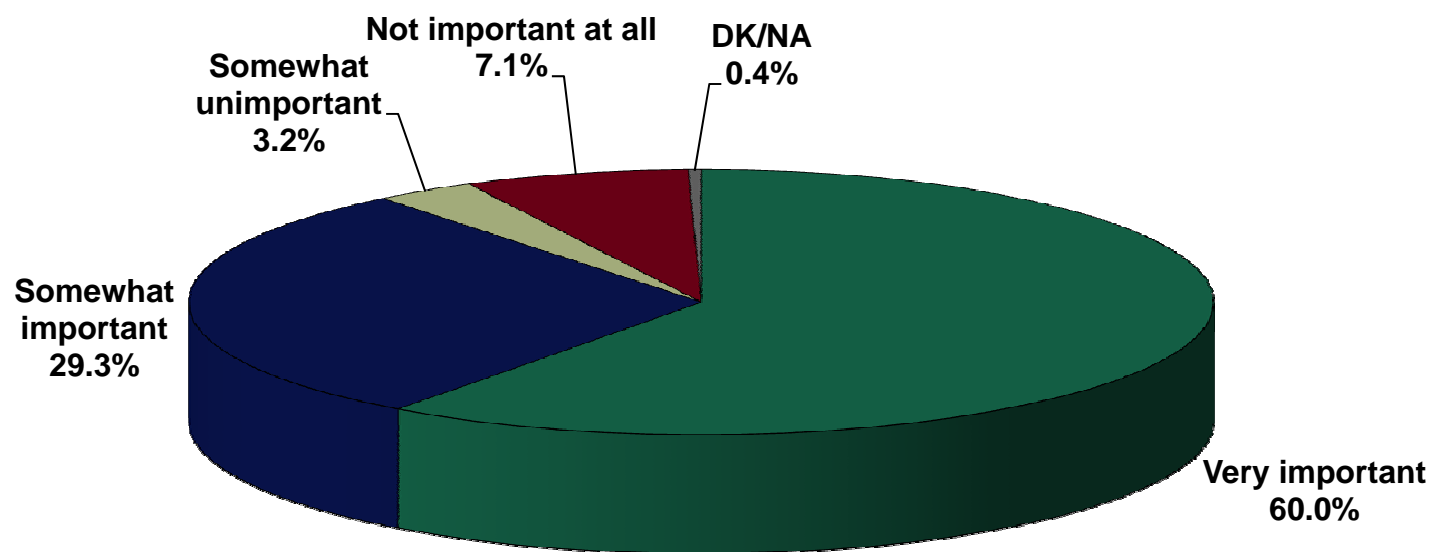
Q2. Familiarity with the Term Climate Change (n=601)

Next, respondents were asked if about their familiarity with the term “climate change”. More than nine in ten (94%) residents indicated that they are familiar with the term, where fewer than one in ten (6%) residents indicated that they are not familiar with the term. Less than one percent of respondents indicating being unsure of the term “climate change”.



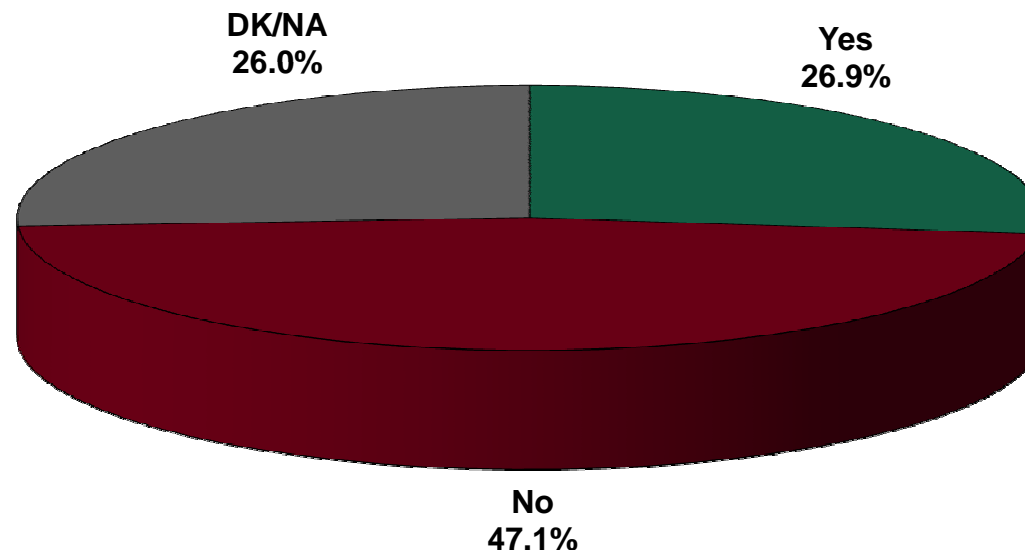
Q3. Opinion on Whether Addressing Climate Change in Santa Clara County is Important (n=562)

Residents who answered 'yes' to being familiar with the term "climate change" in the previous question (Q2), were next asked how important it is to address climate change as an issue in Santa Clara County. Just slightly less than nine in ten (89%) residents indicated that addressing "climate change" is either a 'very important' or 'somewhat important' issue in Santa Clara County. Moreover, six in ten (60%) residents feel that it is 'very important' to address climate change as an issue facing the County.



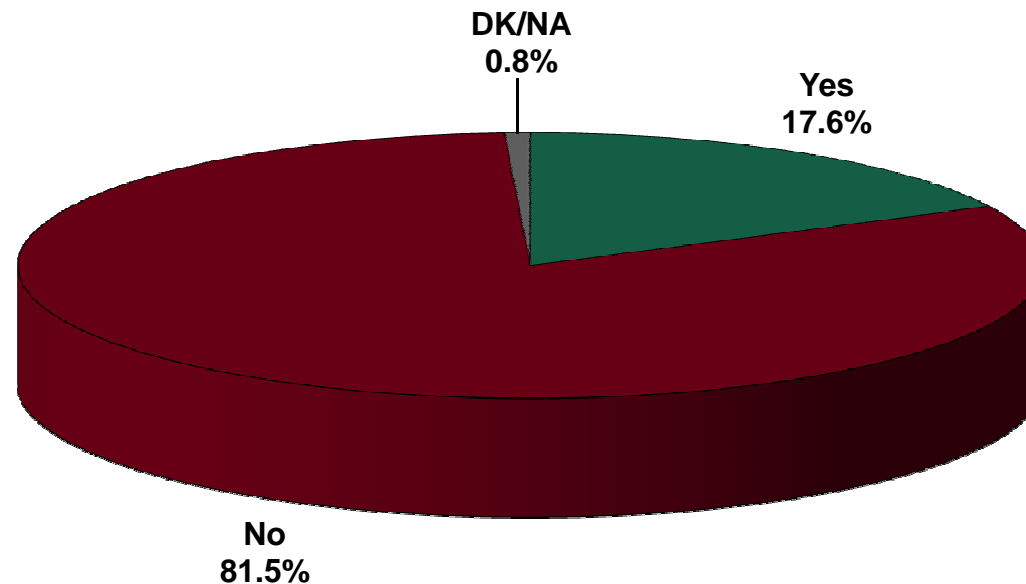
Q4. Perception on if Enough Being Done to Address Climate Change in Santa Clara County (n=562)

Similar to the previous question, residents who answered 'yes' to being familiar with the term "climate change" in Q2 were also asked if they feel that enough is being done to address climate change in Santa Clara County. Slightly less than half (47%) of residents that participated in the survey feel that not enough is being done to address "climate change" in the County. Moreover, slightly more than half of residents feel that enough is being done (27%), with a similar percentage feeling that they do not have enough information (26%) to answer this specific question even though they indicated being familiar with the term "climate change" in a previous question. Given the overall familiarity with the term "climate change", the importance of this issue to residents in the County, and the perception on if enough is being done, we would recommend highlighting the mitigation of "climate change" when discussing SVCE or the CCE Program.



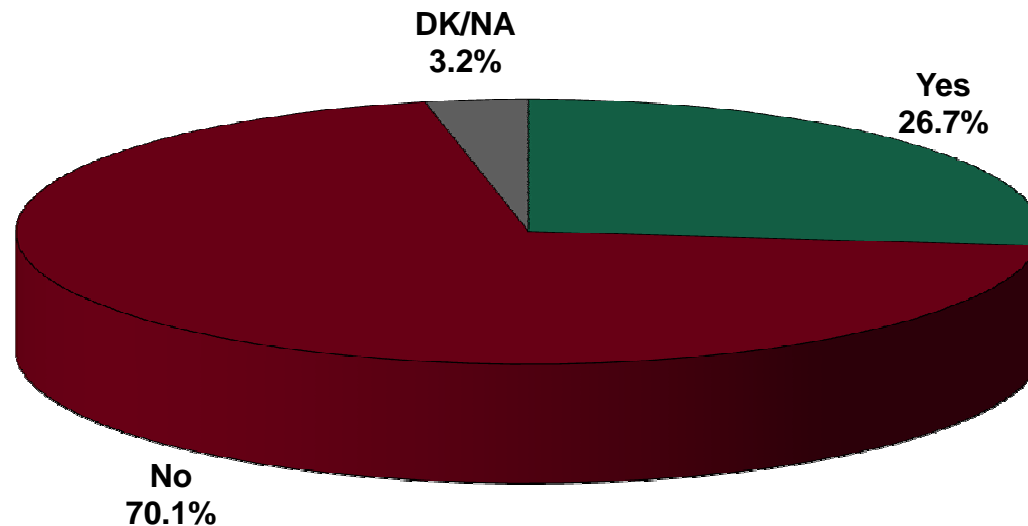
Q5. Unaided Awareness of the Term “Community Choice Energy/Aggregation” (n=601)

As the next question in the survey, all survey respondents were asked if they were familiar with the terms “community choice energy” or “community choice aggregation” without any information presented regarding the terms. Fewer than one in five (18%) residents indicated being familiar with either term, where more than four in five (82%) residents indicated being unfamiliar with either term. This varies significantly with the number of residents who indicated being familiar with the term “climate change” (94%) previously asked in the survey.



Q6. Heard of Silicon Valley Clean Energy or SVCE in Any Format (n=601)

As the next survey question, all survey respondents were asked if they had heard of “Silicon Valley Clean Energy” or “SVCE”, or the “Silicon Valley Community Choice Energy Partnership” or “SVCCE Partnership”. Slightly more than one-quarter (27%) of residents indicated hearing of the Agency in any format, where seven in ten (70%) residents indicated that they had not heard of the Agency in any format. Given the lack of awareness of the terms “community choice energy” or “community choice aggregation” in the previous question, a change to SVCE appears to be a great move, although continued education and outreach regarding SVCE and its mission is strongly encouraged given the general lack of awareness of the Agency and the fact that it was recently formed in comparison to most other public agencies in the County.





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Sustainability and Current Behavior

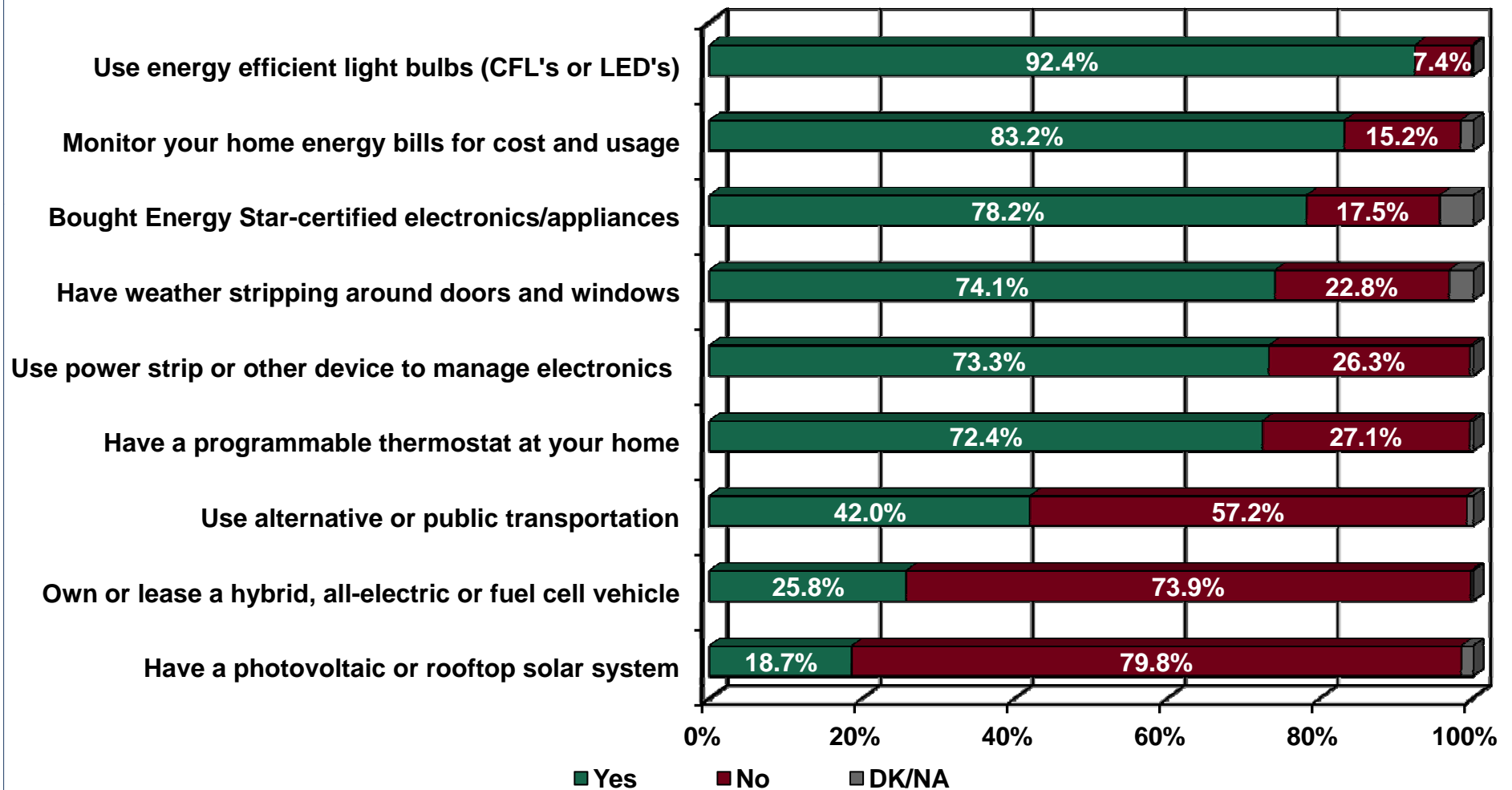
Q7. Implementation of Green or Sustainable Household Practices (n=601)

As the only question in this section, residents were asked if they or anyone in their household participate in various sustainable actions or behaviors or practices. Unsurprisingly, Santa Clara County households participate in a variety of household sustainable actions or behaviors, with the least onerous or costly behaviors receiving very high participation rates (see chart on next page).

For example, more than three-quarters of residents indicated that they or someone in their household are 'Using energy efficient light bulbs, such as CFL's' (92%), 'Monitoring home energy bills for cost and usage' (83%), or have 'Bought Energy-Star certified electronics or appliances for home' (78%). Moreover, with fewer than one in five (19%) residents indicating 'having a photovoltaic or rooftop solar system at home', it would appear that there is a significant target market for the community clean energy (CCE) Program given the importance of the "climate change" issue among Santa Clara County residents in Q3.

Q7. Implementation of Green or Sustainable Household Practices II (n=601)

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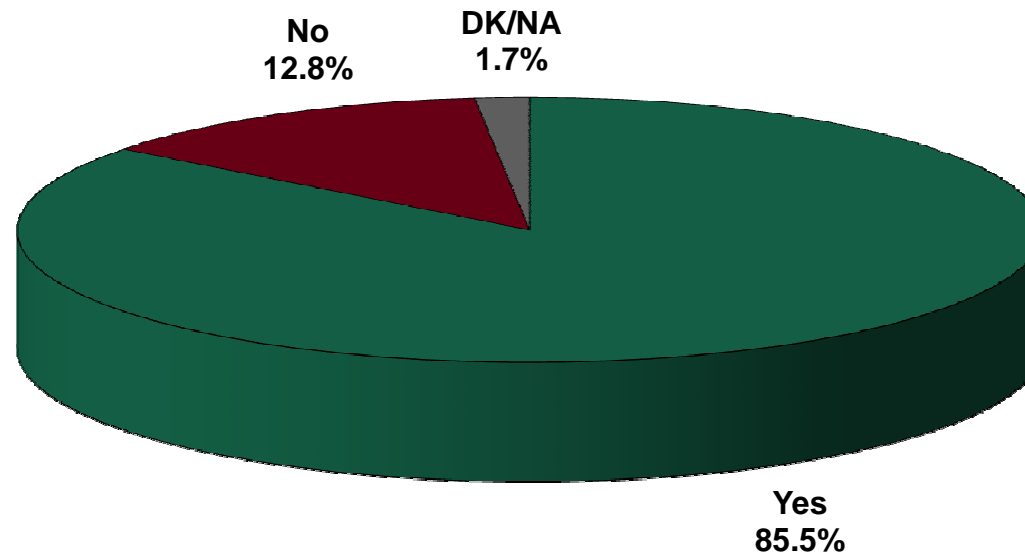
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Interest in Community Choice Energy and Willingness to Pay/Participate

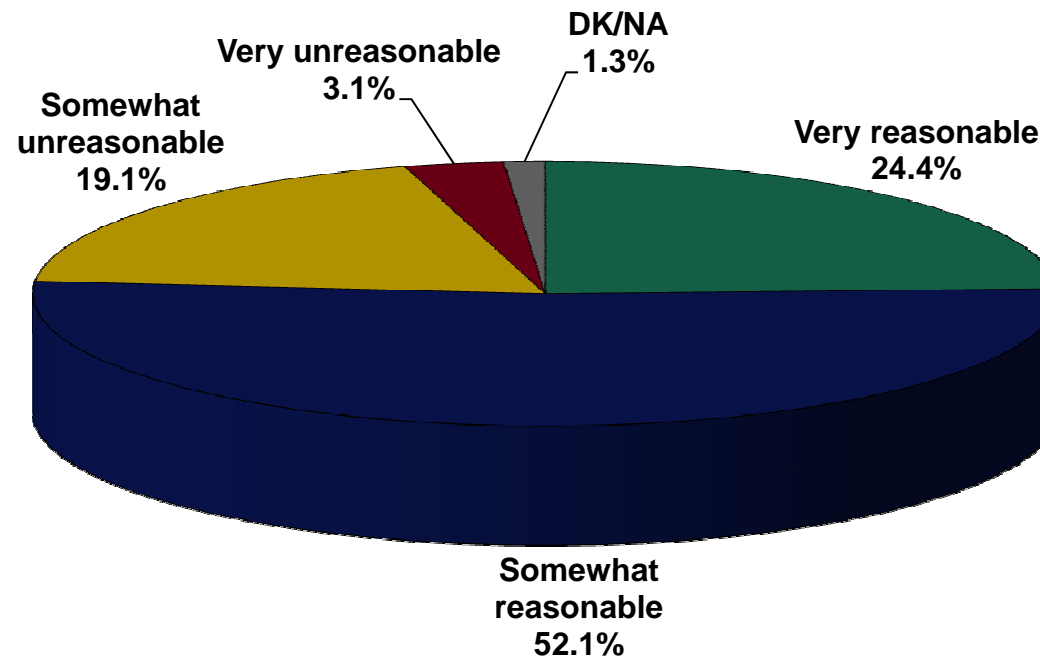
Q8. Awareness of Amount Currently Paid Per Month for Electricity (n=601)

As the first question in this section, residents were asked if they are aware of how much they are currently paying specifically for the electricity portion of their utilities bill. Correlating with a similar question asked in the previous question (Q7a - Monitor home energy bills for cost and usage), significantly more than four in five (86%) residents indicated that they are aware of how much they currently pay specifically for electricity, where slightly more than one in ten (13%) indicated that they are not aware of what they currently pay for electricity.



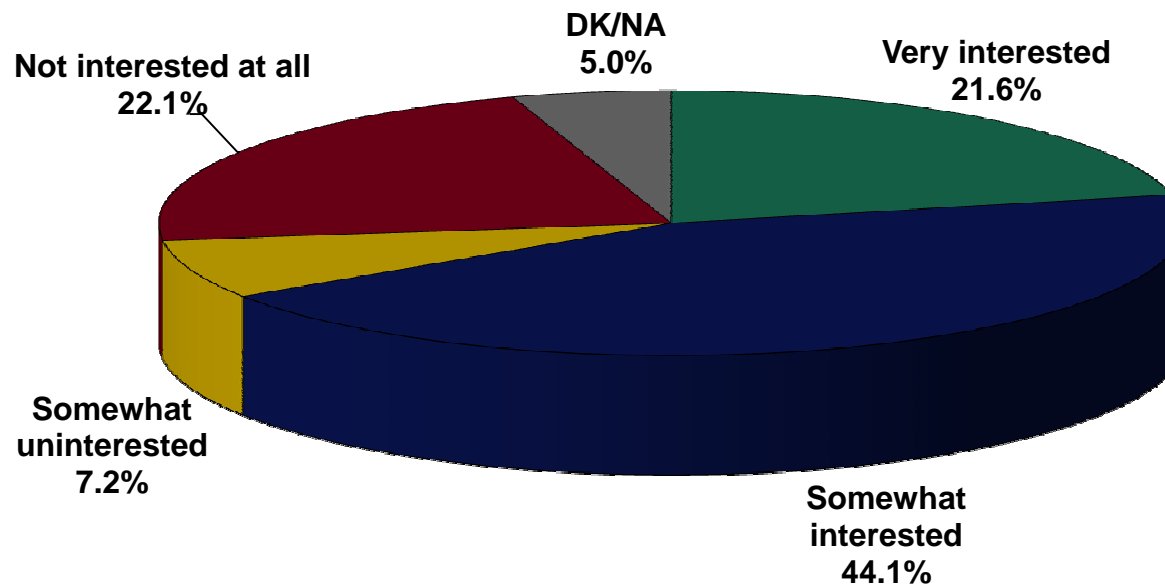
Q9. Opinion on Reasonableness of Cost of Electricity Services (n=513)

Residents who indicated that they are aware of how much they are currently paying specifically for the electricity portion of their current utilities bill in the previous question (Q8), were next asked about their perception of the reasonableness of that amount. Surprisingly, more than three-quarters (77%) of residents indicated that the amount they are currently paying per month specifically for electricity is either 'very reasonable' or 'somewhat reasonable', however, slightly fewer than one-quarter (24%) indicated that this amount is 'very reasonable'. Given this and the importance of "climate change" as an issue, we would recommend focusing on the "climate change" aspects of the SVCE CCE Program in outreach and marketing.



Q10. Initial Interest in Participating in Community Choice Energy Program (n=601)

For Question 10 in the survey, all residents were provided with a brief introduction to the SVCE CCE Program without detailed costs or the amount of renewable content. Even with this limited information, just slightly fewer than two-thirds (66%) of residents indicated an interest (very interested/somewhat interested) in the Program, with just under one-quarter of residents (22%) indicating that they are 'very interested' in the Program. However, a similar number of residents (22%) indicated that they were 'not interested at all' in the program. Given that we have not provided much detailed information and this question is asking conceptually about interest in the program, we would consider two-thirds support a great start.

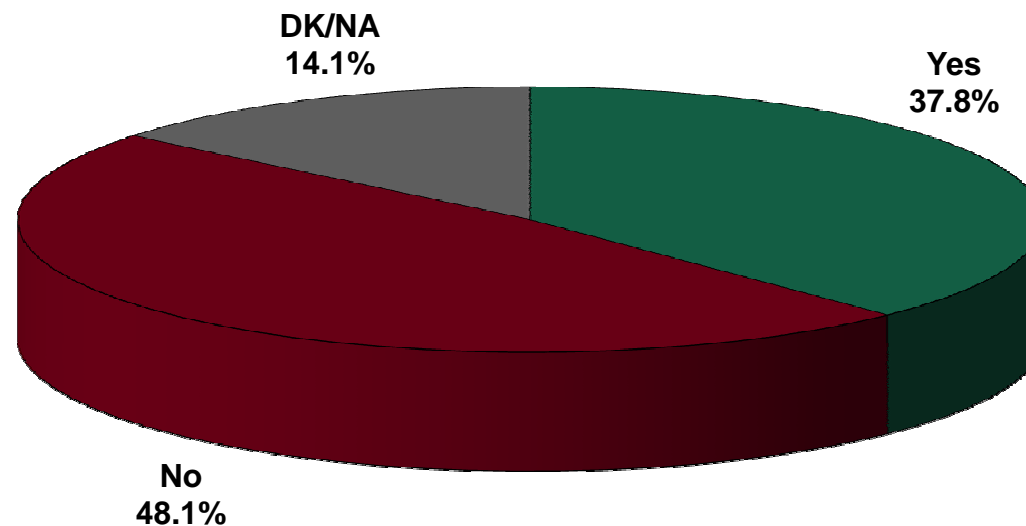


Introduction to Willingness to Pay/Participate Questions

For Questions 11 (Q11) to 14 (Q14) in the survey, all residents were provided potential options for the SVCE CCE Program in terms of renewable content and any potential price increase or savings. Residents indicating that they were interested in a more expensive option in Q11, Q12, and Q13 were not asked subsequent questions about other least costly options and are included in the overall sample size for subsequent pricing questions, which is standard in any pricing threshold analysis.

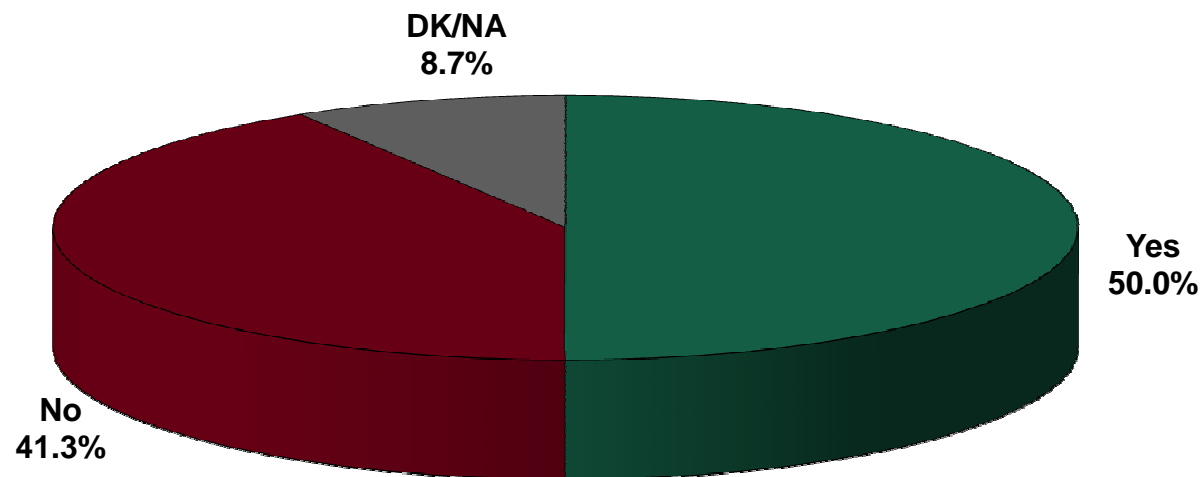
Q11. Willingness to Pay 10% More to Receive 100% Renewable Energy II (n=601)

In survey Q11, residents were asked about their interest in a potential 100% renewable energy option at a 10% price increase over what they are currently paying. Only, slightly less than two in five (38%) residents indicated that they would be willing to pay 10% more than what they are currently paying to receive 100% renewable energy, where slightly less than half of residents (48%) indicated not having interest in this specific option and about one in ten (14%) residents indicated being 'unsure'.



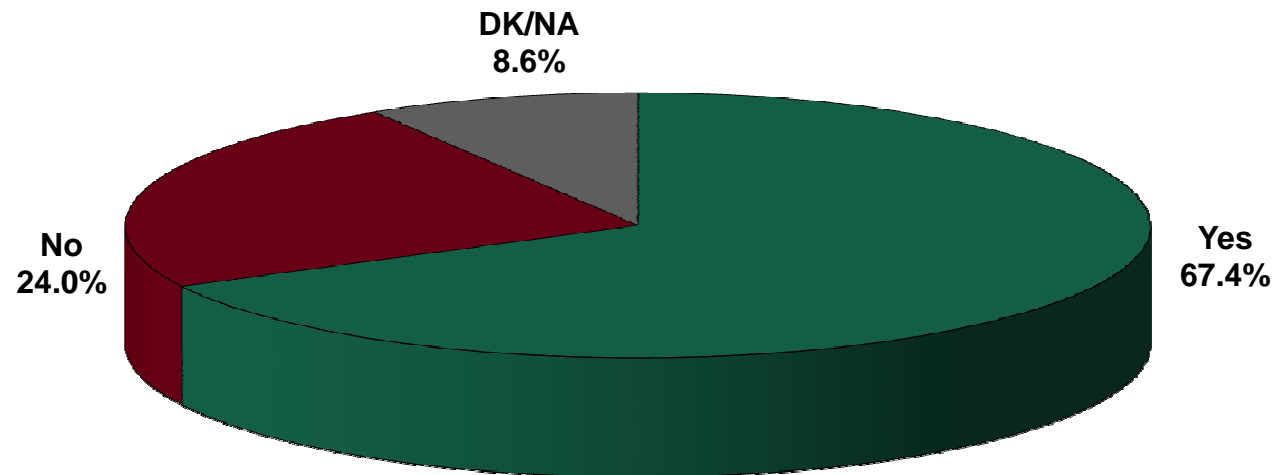
Q12. Willingness to Pay 6% More to Receive 100% Renewable Energy (n=601)

Respondents who answered 'no' or 'not sure' to Q11, were next asked about their interest in a potential 100% renewable energy option for the CCE Program at a 6% price increase over what they are currently paying for electricity. While much more popular than the 100% renewable energy at a 10% increase option, exactly half (50%) of residents indicated an interest in this option. In addition, just slightly more than four in ten (41%) residents did not have an interest in this option, although residents who were 'unsure' dropped to fewer than one in ten (9%).



Q13. Willingness to Participate at No Additional Cost to Receive 75% Renewable Energy (n=601)

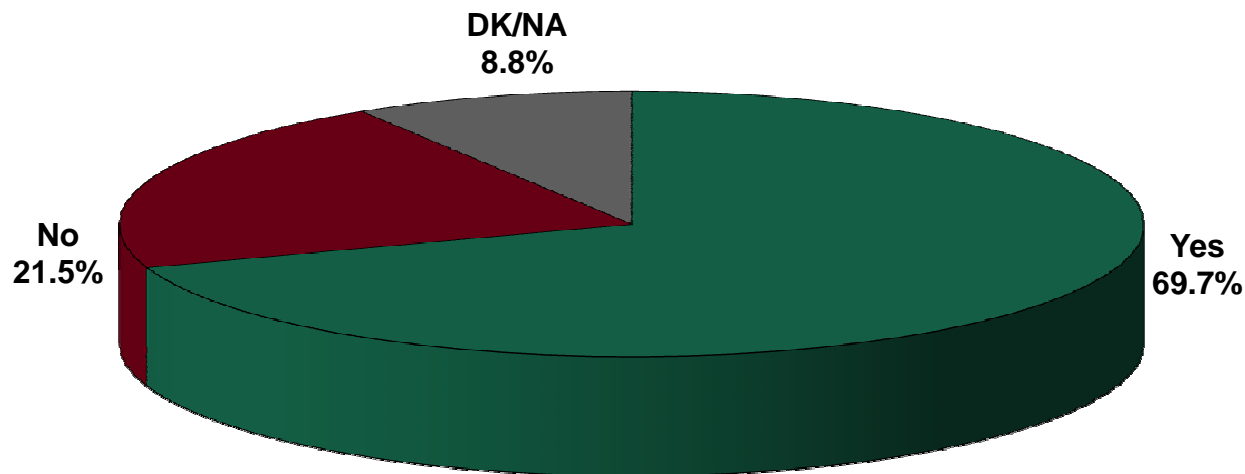
Respondents who answered 'no' or 'not sure' to Q12, were next asked about their interest in a potential 75% renewable energy option at the same price as they are currently paying for residential electricity services. Slightly more than two-thirds (67%) of residents indicated an interest in this specific offering, where slightly less than one-quarter (24%) indicated a lack of interest. The level of support for this specific option coincides with the initial interest in the Program question in Q10 (66%) and would be our recommendation based on the survey results.



Q14. Willingness to Participate with 2% to 3% Savings to Receive 50% Renewable Energy (n=601)

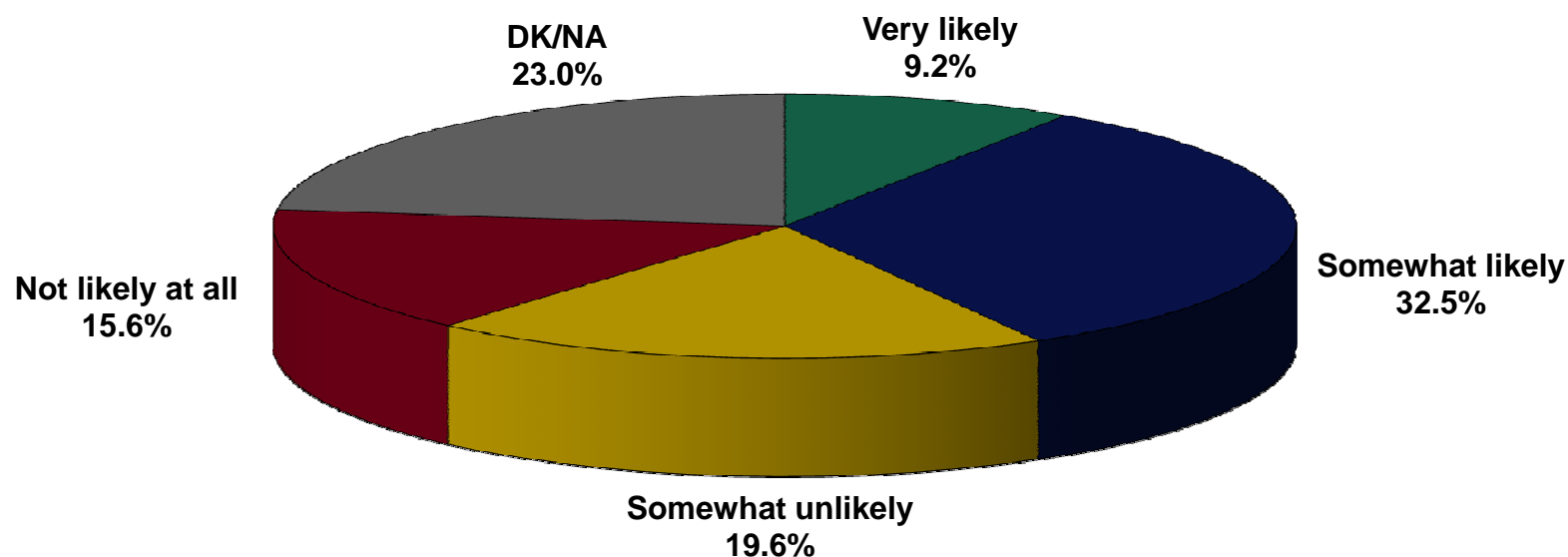
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As the final willingness to pay question, Q14 asked respondents who answered 'no' or 'not sure' in Q13 about their interest in a potential option to receive up to 50% clean energy at a savings of 2% to 3% over what they are currently paying for electricity. Seven in ten (70%) of residents indicated an interest in this specific option, where just slightly more than one in five (22%) residents indicated a lack of interest. However, given the 4% margin of error for the survey, this option and the 75% renewable energy at a no cost increase option are statistically even and we would still recommend the previous option based on the survey results.



Q15. Likelihood of Opting Out of the CCE Program Based on Automatic Enrollment (n=472)

For Q15, any resident that indicated an interest in any option in the willingness to pay questions (Q11 to Q14) was asked a final question about their perception of being automatically enrolled in the future SVCE CCE Program and whether that would cause them to opt out and go back to their former provider. Slightly more than two in five (42%) residents indicated that being automatically enrolled in the CCE Program would cause them to opt out and go back to their previous provider, however, fewer than one in ten (9%) residents would be 'very likely' to opt out. Roughly one-third (35%) of residents would not opt out and roughly one-quarter (23%) of residents are 'unsure'. Given the "soft" support for opting out (33% somewhat likely), not opting out (20% unlikely), or being 'unsure' (23%), keeping the value proposition of SVCE and the specific CCE Program offering (e.g. 75% renewable at no increase) would likely mitigate potential opt out issues based on being automatically enrolled.



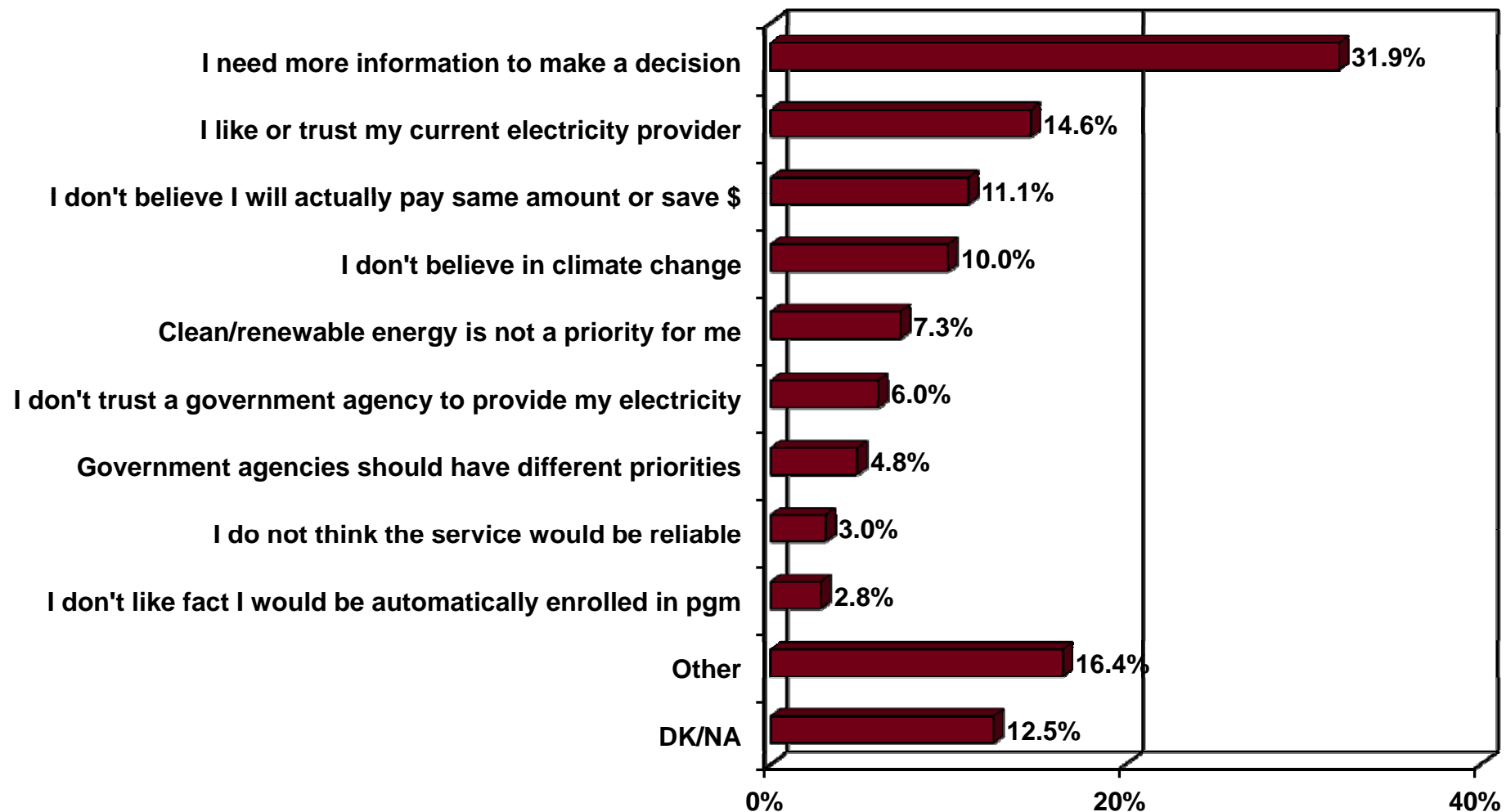
Q16. Reasons for Not Wanting to Participate in Community Choice Energy Program (n=129)

For Q16, any resident that indicated a lack of interest for any potential CCE Program option in the willingness to pay questions (Q11 to Q14) was asked about their rationale for a lack of interest, and could provide multiple responses to this specific question. Residents were also able to indicate more than one reason for a lack of interest, thus the chart on the next page is cumulatively greater than 100%.

Trust-related responses specific to SVCE and the potential CCE Program offerings were by far and away the most popular responses to this question with two-thirds of respondents indicating a trust-related issue. For example, almost one-third (32%) of responses to this question were 'I need more information to make a decision', and more than one in ten respondents indicated 'I like or trust my current electricity provider' (15%) or 'I don't believe that I will actually pay the same amount or save money' (11%). One in ten respondents or less indicated reasons such as 'I don't believe in climate change' (10%), 'clean energy is not a priority for me' (7%), or 'I don't like the fact that I would be automatically enrolled in the program' (3%). Clearly experience with the Program and providing more education and outreach regarding the Program will help to increase adoption, especially given the automatic enrollment mechanism.

Q16. Reasons for Not Wanting to Participate in Community Choice Energy Program II (n=129)

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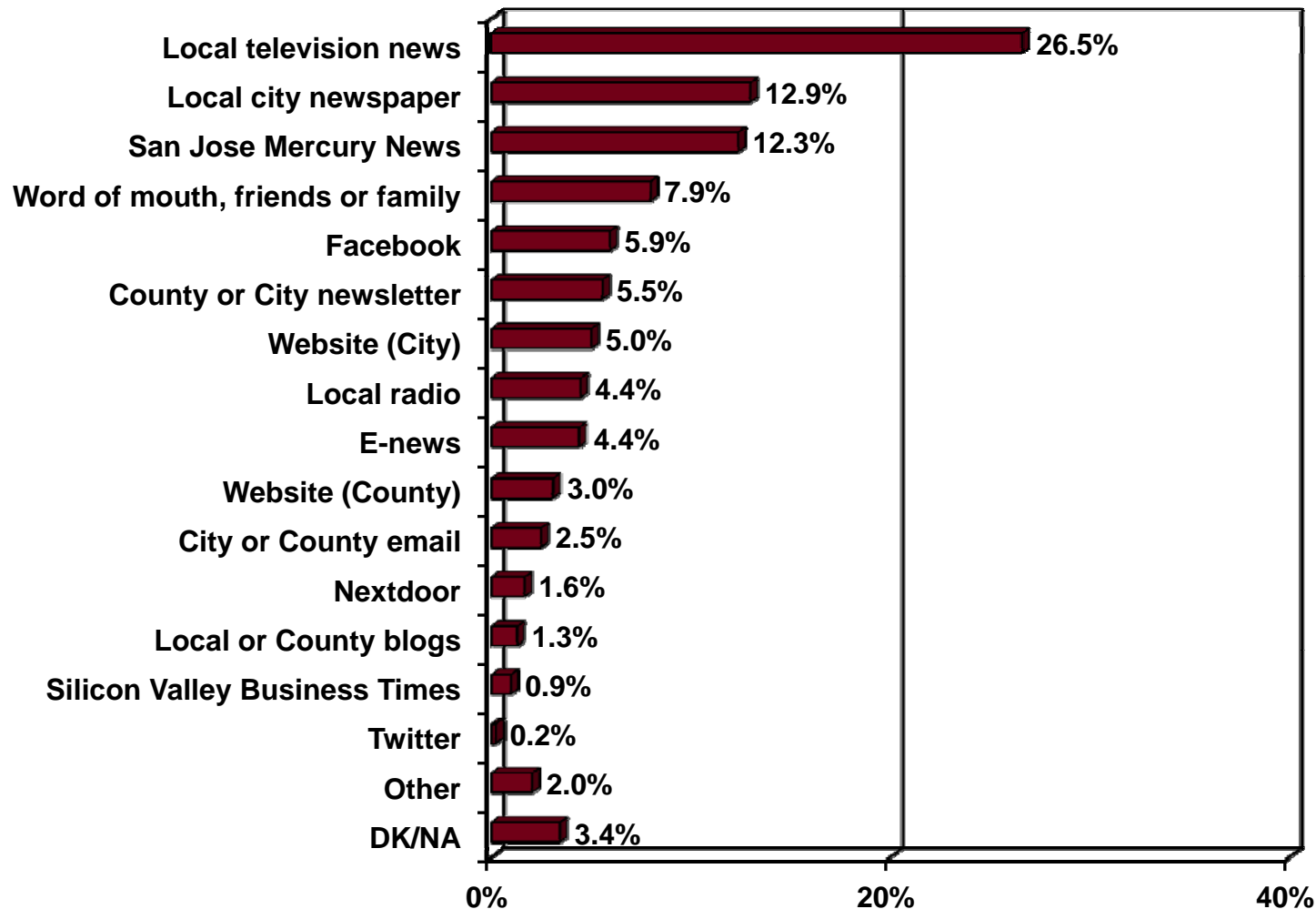
Information Sources

Q17. Preferred Source of Information for Santa Clara County Issues (n=601)

As the final non-demographic question in the survey, all residents were asked about their preferred source for information regarding issues in Santa Clara County, using a variety of County, local, and non-affiliated information sources (chart on next page). 'Local television news' was the most preferred source of information regarding issues in Santa Clara County according to residents, with slightly more than one-quarter (27%) selecting this their preferred source. 'Local city newspaper' (13%) and the 'San Jose Mercury News' (12%) were the second most popular choices, with slightly more than one in ten residents selecting either one of these sources as their preferred information source. Surprisingly, fewer than one in ten respondents in total cited a social media outlet such as 'Facebook' (6%), 'Nextdoor.com' (1%), 'local or county blogs' (1%) or 'Twitter' (<1%) as their preferred source of information for issues in Santa Clara County.

Q17. Preferred Source of Information for Santa Clara County Issues II (n=601)

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