



2020 Vermont Public Power Supply Authority



Report of Findings

25 March 2020

Confidential & Proprietary

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Solutions that are customized to provide a personalized approach of understanding organizational, employee, and customer needs allowing for more informed decisions.

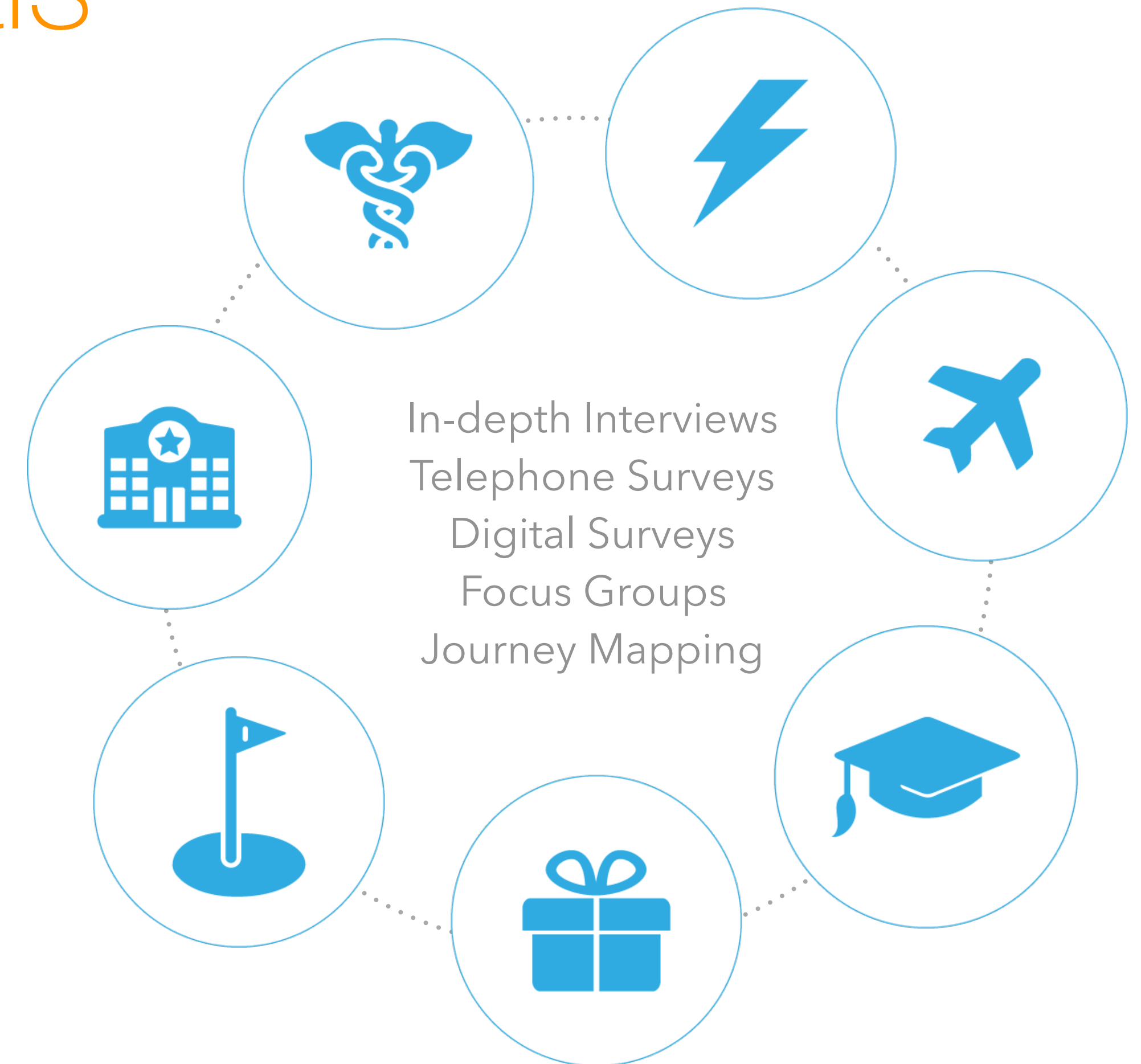


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Project Overview

- GreatBlue Research was commissioned by the Vermont Public Power Supply Authority (hereinafter “VPPSA”) to conduct a market research study to gain insight into the satisfaction levels of residential customers serviced by VPPSA member utilities.
- The primary goals for this research study were to assess satisfaction levels of residential customers of VPPSA’s member utilities and highlight attitudes and awareness regarding various electric utility-related characteristics.
- In order to service these research goals, GreatBlue employed a telephone survey methodology to capture the opinions of residential customers living in VPPSA’s member cities.
- The outcome of this research will enable VPPSA and its member utilities to a) more clearly understand, and ultimately set, customer expectations, b) act on near-term opportunities for improvement and, c) create a strategic roadmap to increase customer satisfaction.



Areas of Investigation

The 2020 Vermont Public Power Supply Authority Residential Customer Satisfaction Study leveraged a quantitative research methodology to address the following areas of investigation:

- Overall satisfaction with electric service received
- Assessment of various programs and services
- Overall perception of electric utility
- Current and preferred communication methods
- Demographic profile of respondents

Research Methodology Snapshot

Methodology Telephone Survey	No. of Completes 1,325	No. of Questions 38*	Incentive None	Sample Procured by GreatBlue
Target Residential Customers	Quality Assurance Dual level**	Margin of Error 2.6%	Confidence Level 95%	Research Dates January 8 - February 17, 2020

* This represents the total possible number of questions; not all respondents will answer all questions based on skip patterns and other instrument bias.

** Supervisory personnel, in addition to computer-aided interviewing platform, ensure the integrity of the data is accurate.

Respondent Snapshot

This slide quantifies select data points to provide context for this research study. The data is not meant to be statistically significant, rather to provide an empirical view into the demographic profile of the survey participants.

Electric Provider	Number of Responses
Barton Village, Inc.	102
Incorporated Village of Orleans	51
Swanton Village, Inc.	180
Town of Hardwick Electric Department	177
Town of Northfield Electric Department	98
Village of Enosburg Falls Inc.	110
Village of Jacksonville	50
Village of Johnson, Inc.	23
Village of Ludlow Electric Light Department	182
Village of Lyndonville Electric Department	194
Village of Morrisville Water & Light Department	158

Respondent Snapshot

This slide quantifies select data points to provide context for this research study. The data is not meant to be statistically significant, rather to provide an empirical view into the demographic profile of the participants.

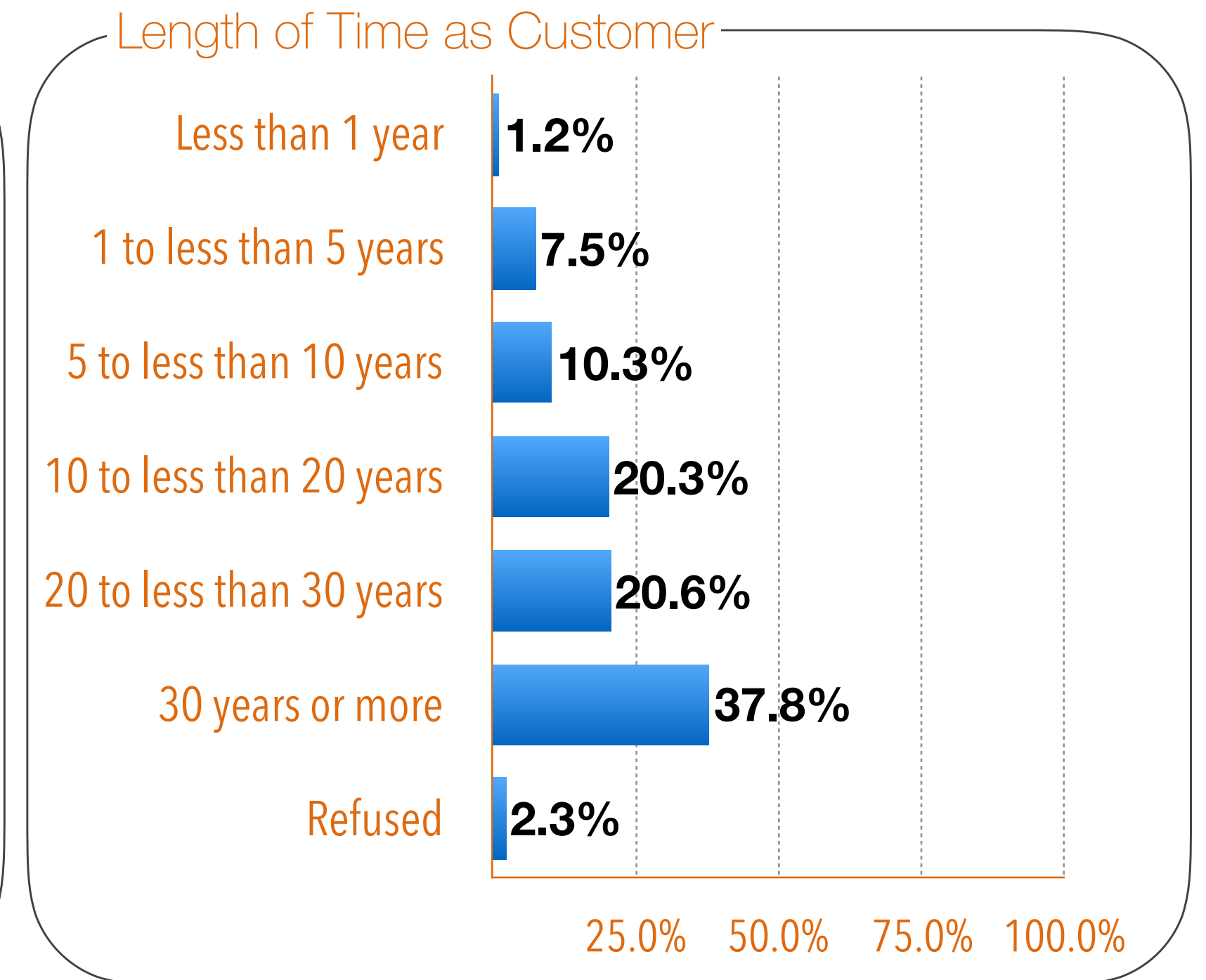
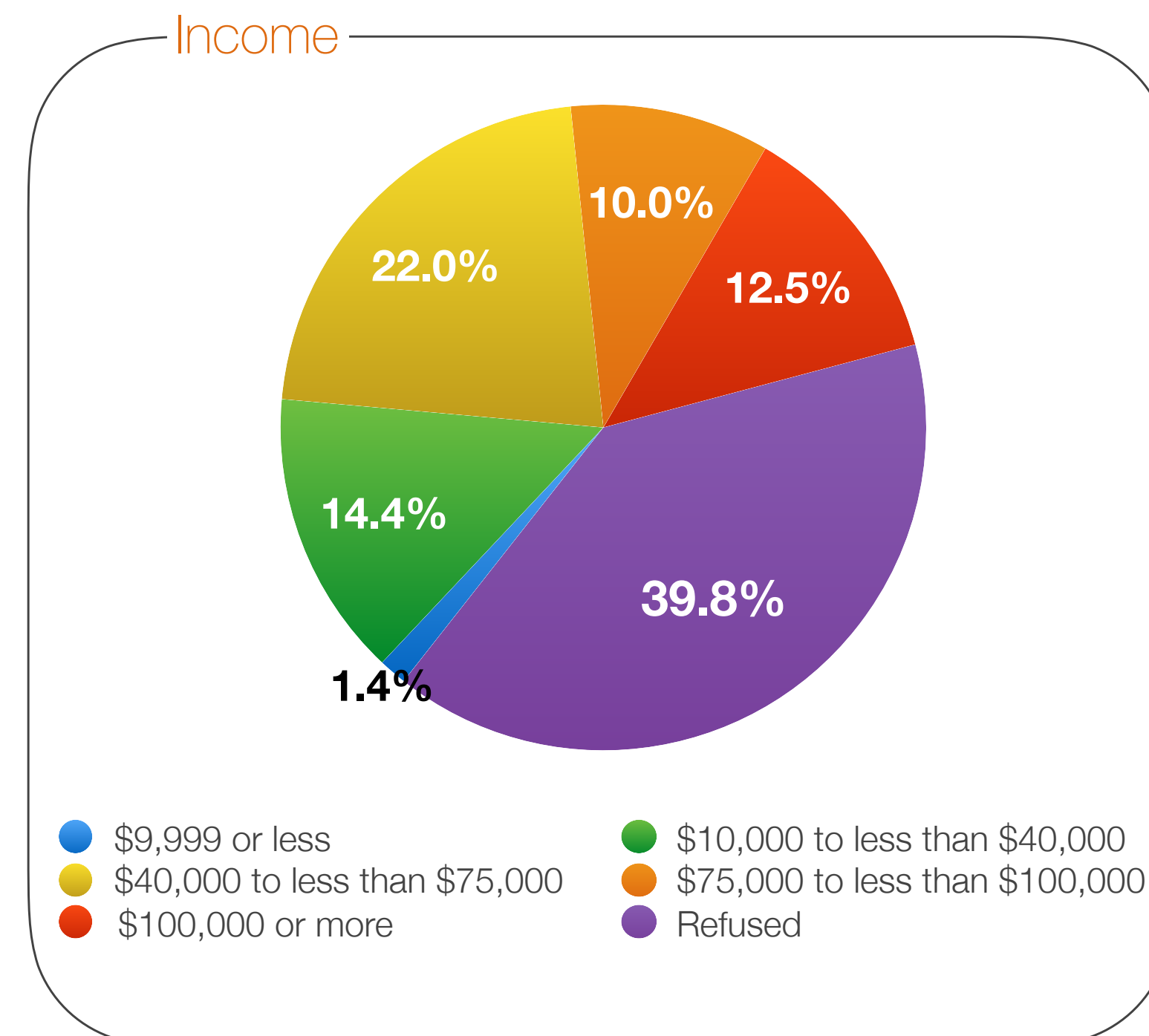
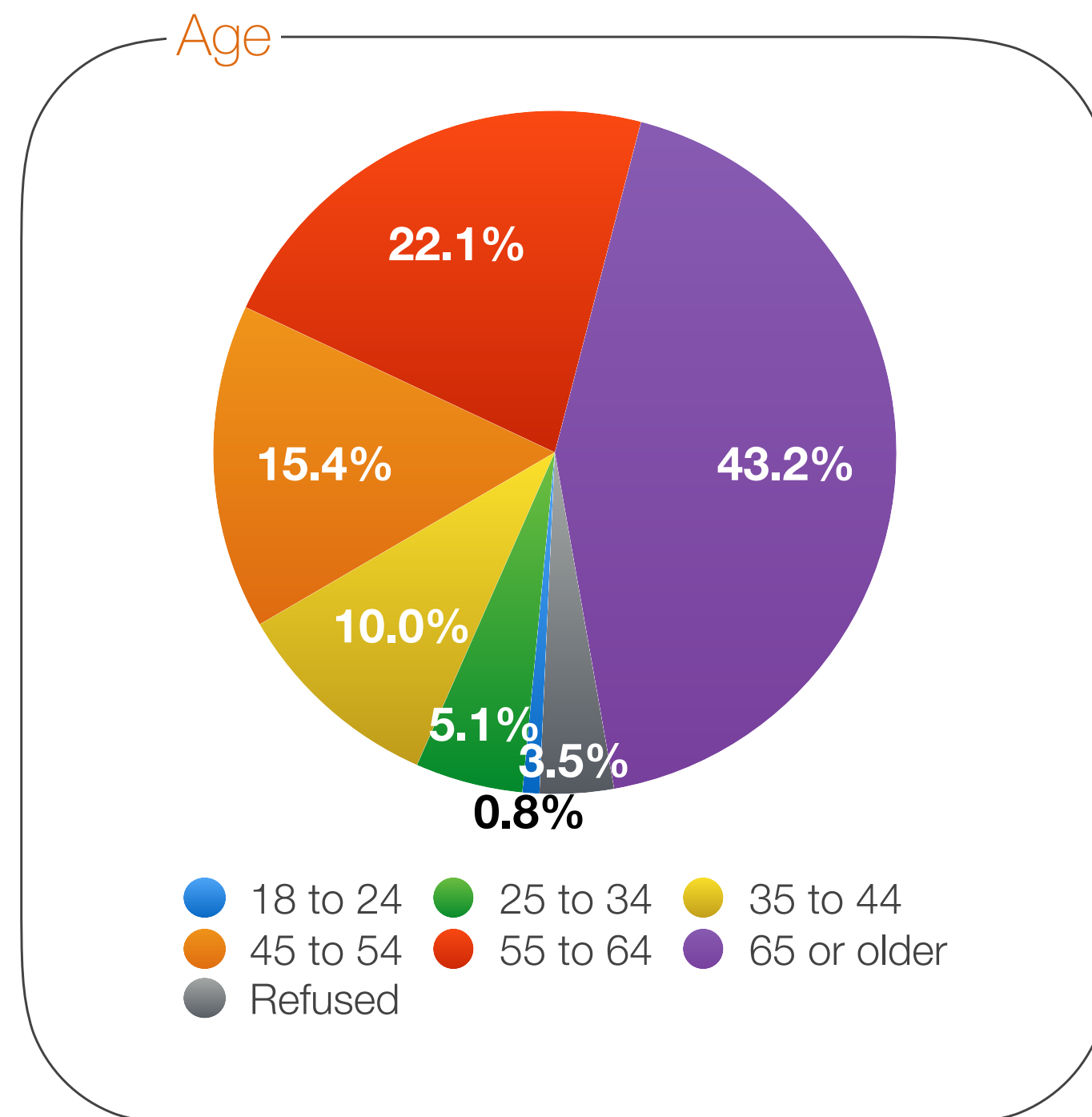
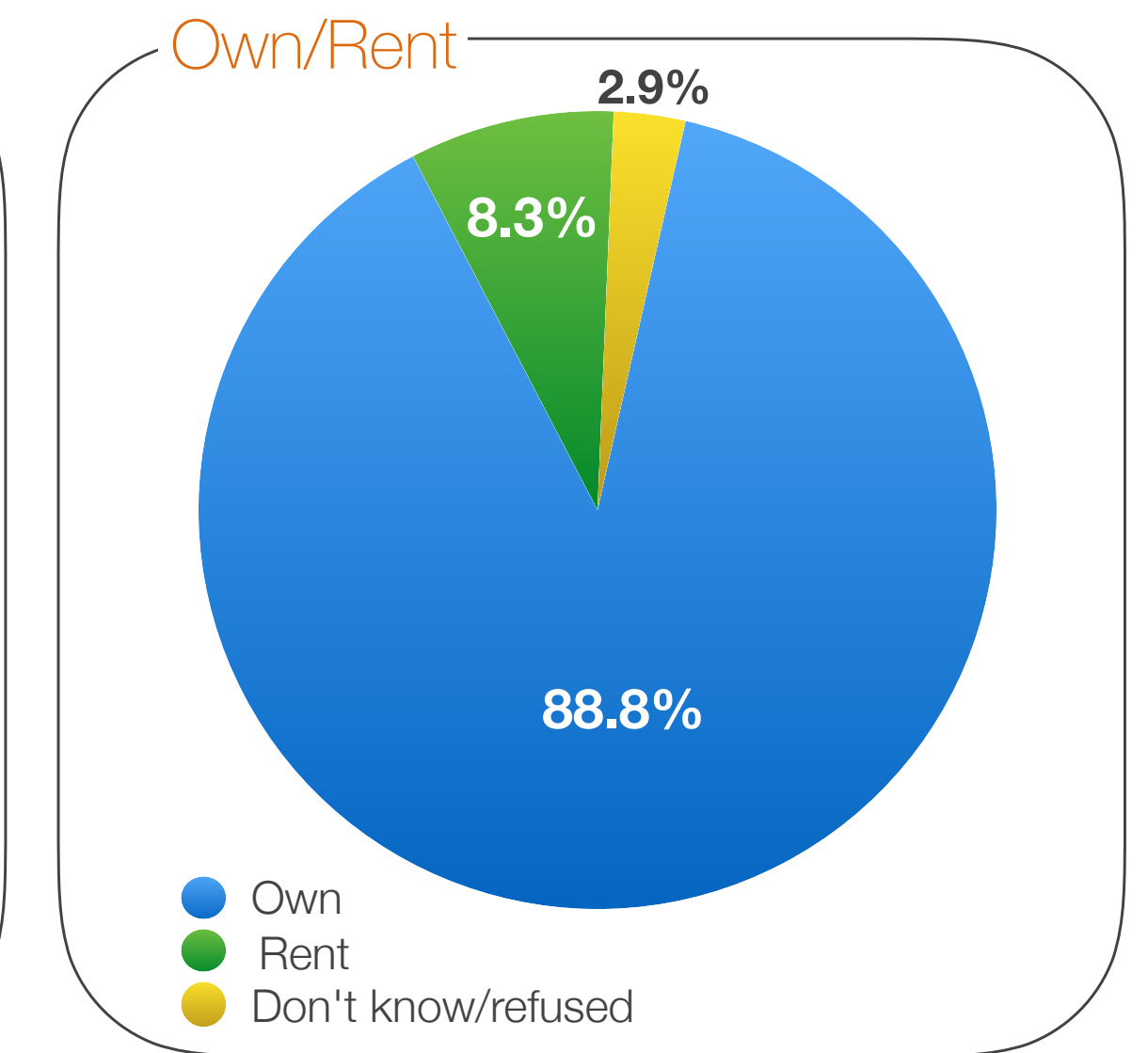
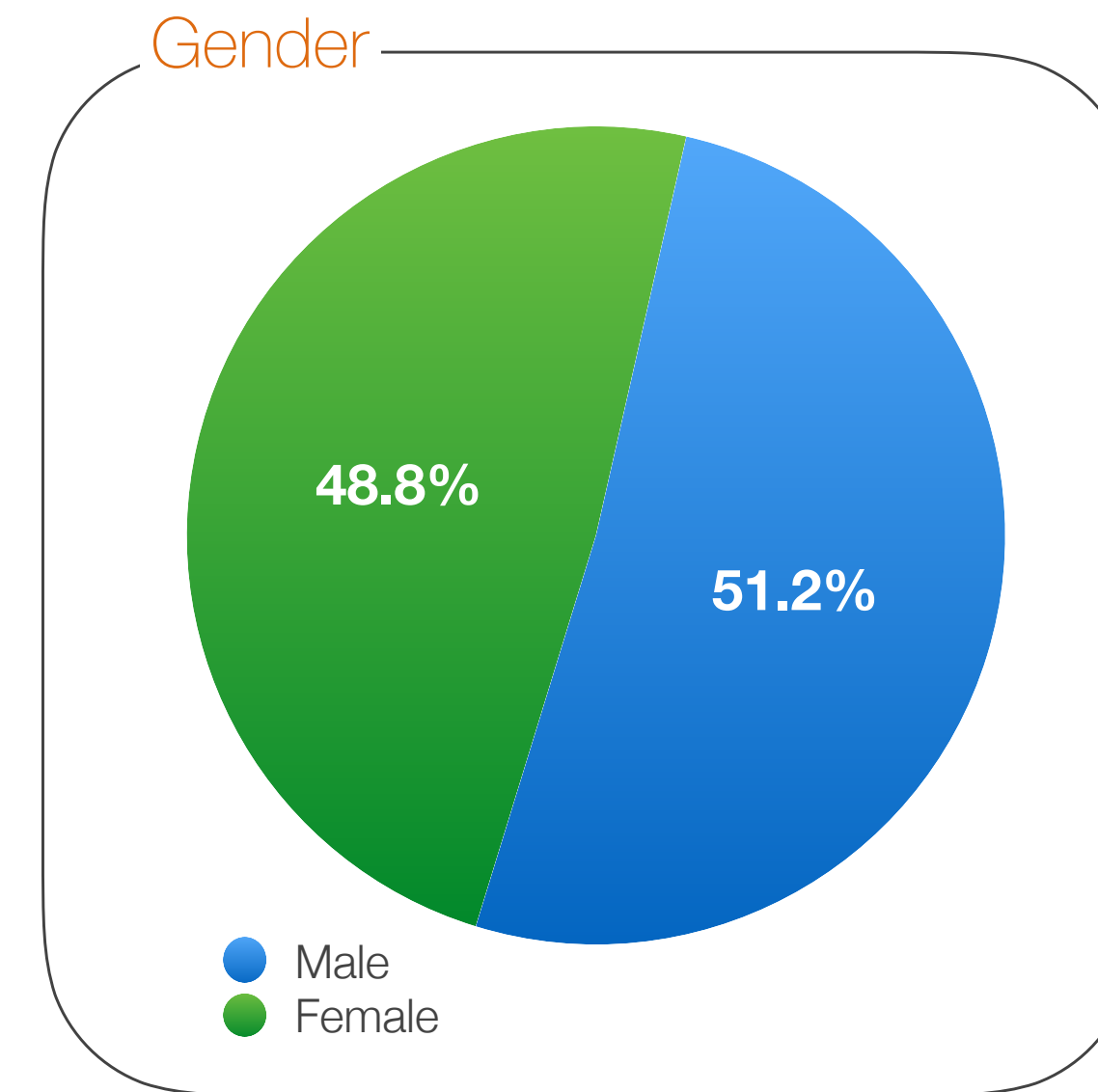


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71.5%
would still purchase
at an increased
price point

8.9%

5.4%

2.8%

0.0%

Negative Impact

Boomers

Key Study Findings

- In 2020, the frequency of positive ratings for all six (6) organizational characteristics was above 90.0% and the highest positive ratings were recorded for “having professional and knowledgeable employees” (98.0%), followed by “reliability of electric service” (97.4%) and “overall satisfaction with <utility>” (97.3%).
- 94.0% of respondents indicated their electric utility meets their expectations and the most frequently indicated utility expectations reported were “reliable/consistent power/no interruptions” (71.1%), “low/reasonable rates” (54.0%) and “prompt response to outages/issues” (27.9%).
- Of the 11.9% of respondents who indicated there were additional programs and services they would like to see their electric utility offer, 30.4% indicated “renewable energy,” 8.9% indicated “energy efficiency programs/discounts” and 7.0% indicated “high speed internet” as programs/services of interest.
- 57.5% of customers surveyed reported service quality is more important than rates and 30.0% indicated rates are more important than service quality.
- 59.4% of respondents reported it is important that their electric utility is municipally owned, while 28.1% of respondents indicated that it is not important. The remaining 12.5% indicated “don’t know/unsure.”
- Of the 67.7% of respondents who reported having broadband internet service, 78.7% indicated they were satisfied with the service. Of note, 35.4% of all respondents reported they would support electric utility provided broadband service.

Key Study Findings, continued

- 71.5% of respondents reported they were aware of the monthly utility charge collected on behalf of Efficiency Vermont for efficiency programs and services available to state residents, yet only 40.5% indicated they were familiar with the services they receive in return for the Efficiency Vermont charge. Of those aware, 77.3% reported they were satisfied with the services offered in exchange for the charge.
- 42.7% of customers surveyed reported they were supportive of the Efficiency Vermont fee being used for non-electric efficiencies and 54.9% of respondents reported “don’t know/unsure” when asked if they believed their utility would be more or less effective than Efficiency Vermont at providing the efficiency services.
- 43.0% of respondents reported they would not be willing to pay an increase for 100% renewable energy, 20.3% indicated they would be willing to pay a 5% increase, and 12.8% indicated they would be willing to pay a 10% increase. Similar frequencies were recorded for willingness to pay an increase for renewable energy generated in Vermont, with 41.3% indicating they would not be willing, 20.6% indicating a willingness to pay a 5% increase and 11.6% reporting they would be willing to pay a 10% increase.
- 76.8% of customers surveyed indicated they did not have a net-metering system installed at their residence and 28.7% indicated they believed other customers’ net metering systems benefited them. Additionally, 31.7% reported they were not willing to pay more to support net metering and 53.5% reported “don’t know unsure” regarding the same issue.

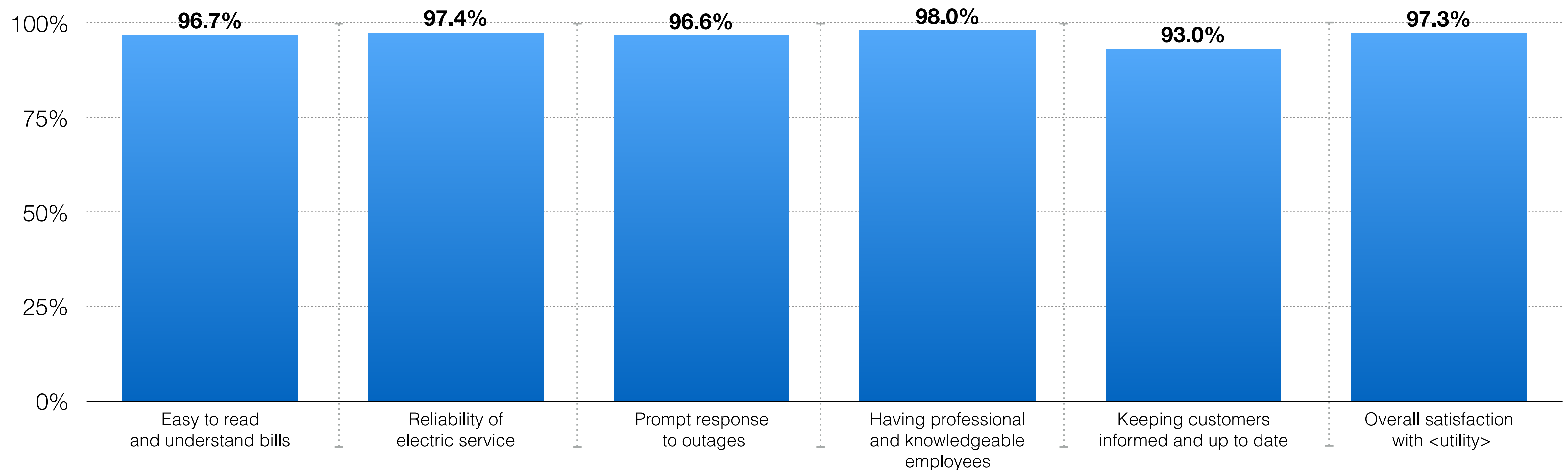
Key Study Findings, continued

- 73.2% of respondents reported they were unlikely to purchase an electric or hybrid vehicle and the factor that would affect respondents' decision cited most frequently was "cost/price" (42.0%).
- The most frequently reported preferred method of communication from their electric utility among respondents was recorded for "direct mail/contact" (45.1%), followed by "bill inserts" (37.1%) and "email" (18.4%). Of note, 64.5% of respondents reported they had not visited their electric utility's website.
- The highest frequency of respondents reported the "U.S. Postal Service" as both their current (40.5%) and their preferred (38.8%) electric bill payment method, followed by "online with a computer or tablet" (current 24.6%; preferred 25.1%).
- 72.8% of respondents reported their electric utility bill pay process was the same as other utilities. Of the 47 respondents who indicated the process was worse than their other utilities, the most frequent reasons provided were "too expensive/high rates" (40.4%), "website is not user friendly/out of date" (12.8%) and "limited payment options" (12.8%).

Positive Ratings for Utility Characteristics

In 2020, the frequency of positive ratings (either “very satisfied” or “somewhat satisfied”) for all six (6) organizational characteristics was above 90.0%, with the highest positive ratings recorded for “having professional and knowledgeable employees” (98.0%), followed by “reliability of electric service” (97.4%) and “overall satisfaction with <utility>” (97.3%).

Below is a list of different organizational characteristics. For each, please indicate if you are “very satisfied,” “somewhat satisfied,” “somewhat dissatisfied” or “very dissatisfied.” (Total “very satisfied” or “somewhat satisfied” without “don’t know”)



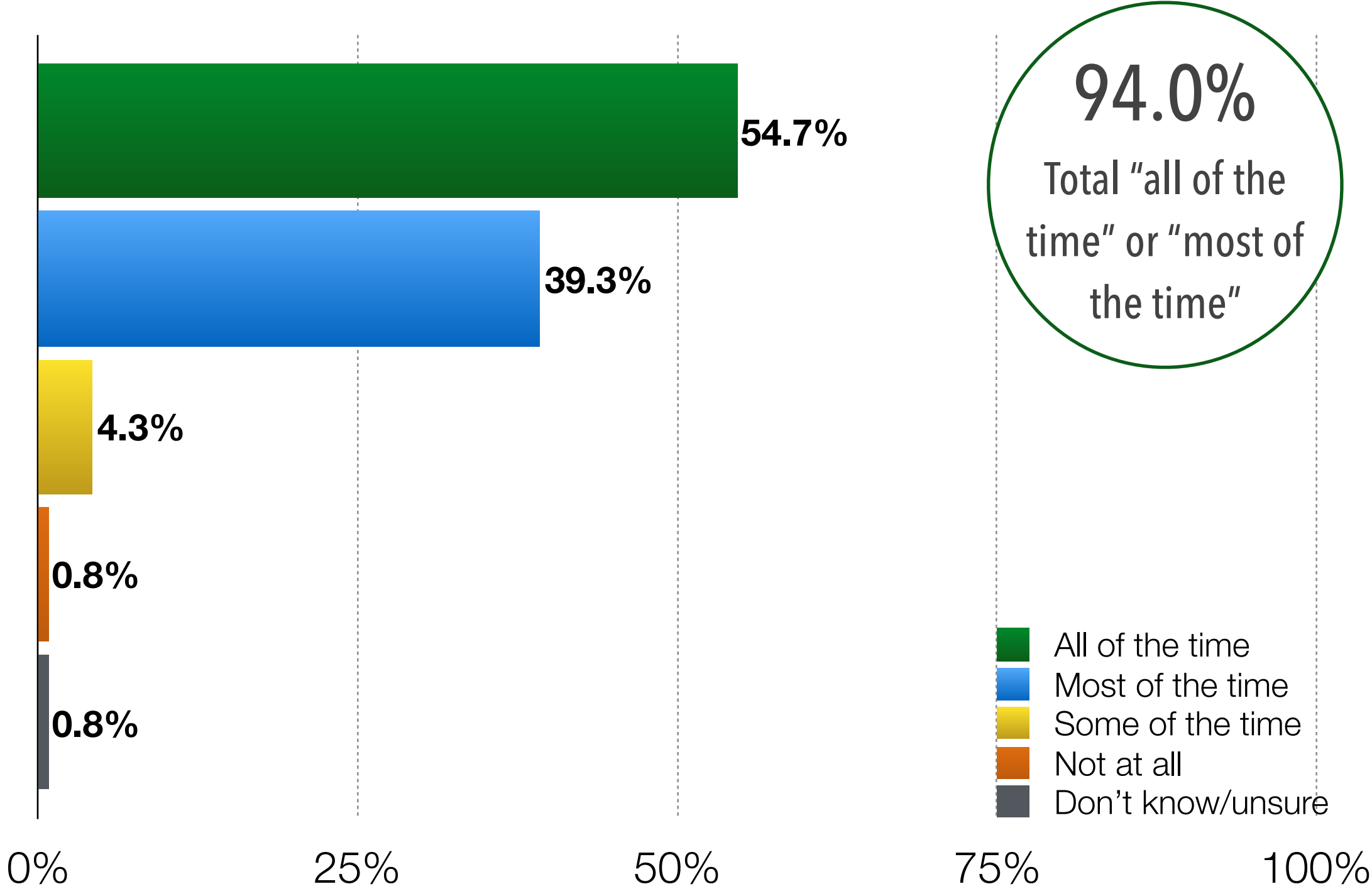
Expectations Met at a High Frequency

The most frequently indicated expectation respondents reported they have with respect to the service they receive from their electric utility was recorded for “reliable/consistent power/no interruptions” (71.1%), followed by “low/reasonable rates” (54.0%) and “prompt response to outages/issues” (27.9%). Additionally, 94.0% of respondents indicated their electric utility meets their expectations either “all of the time” (54.7%) or “most of the time” (39.3%).

Q What are the top three expectations you have regarding the service you receive from your electric utility?

Expectation...	%
Reliable/consistent power/no interruptions	71.1
Low/reasonable rates	54.0
Prompt response to outages/issues	27.9
Good customer service	11.5
None/nothing	8.0
Good communication/prompt notification/provide updates	7.5
Satisfied/doing a good job as is	5.5
Renewable energy options	3.0
Other (various; each 2.0% or less)	18.9

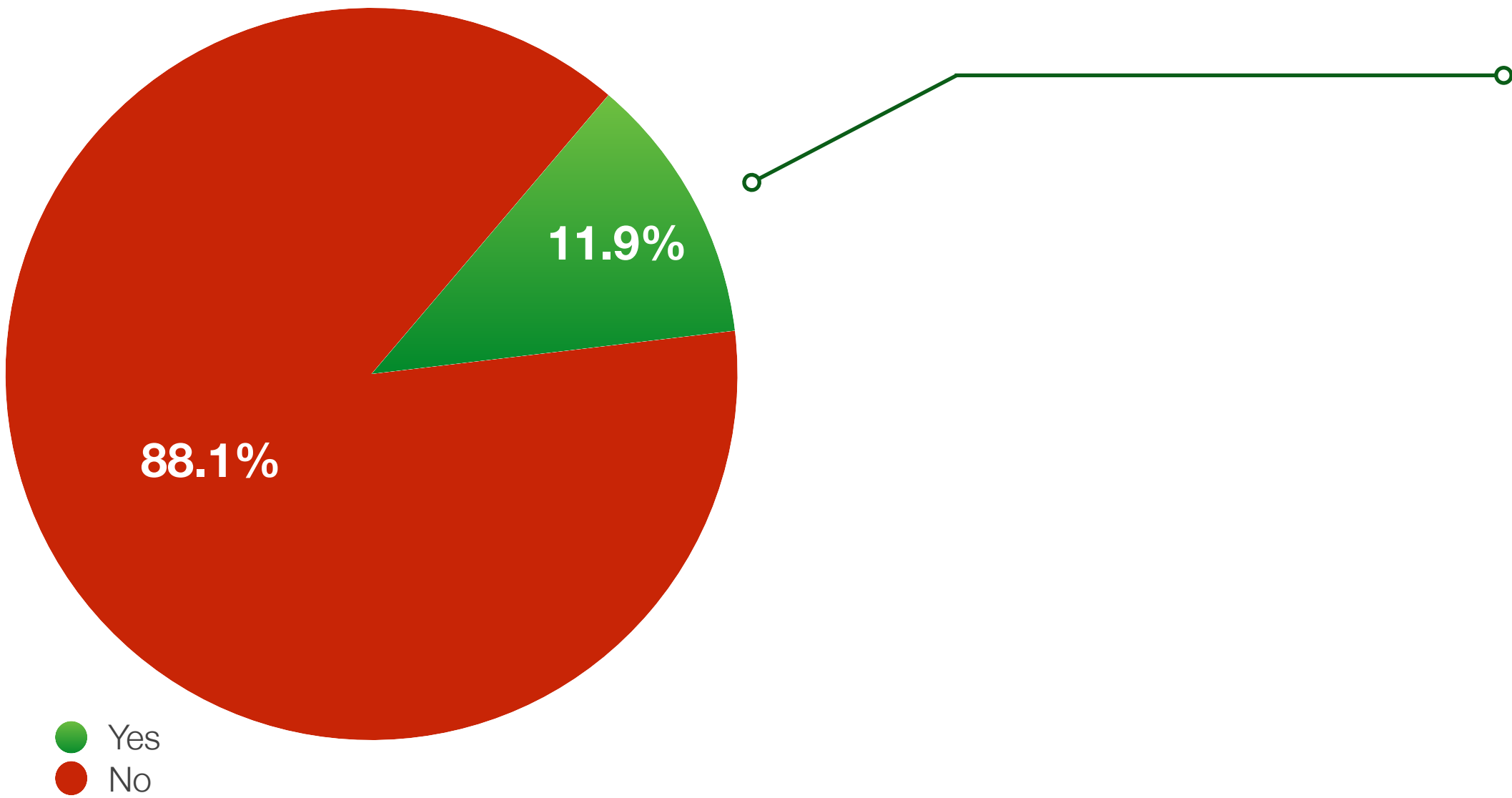
Q To what extent does your electric utility meet your expectations? Would you say...



Highest Frequency of Interest Noted for ‘Renewable Energy’

88.1% of respondents reported there were no additional programs or services they would like their electric utility to offer. Of the 158 respondents who indicated there were additional programs and services that would interest them, 30.4% indicated “renewable energy,” 8.9% indicated “energy efficiency programs/discounts” and 7.0% indicated “high speed internet” as programs/services of interest.

Are there any programs and services your electric utility does not currently offer that you would like them to?



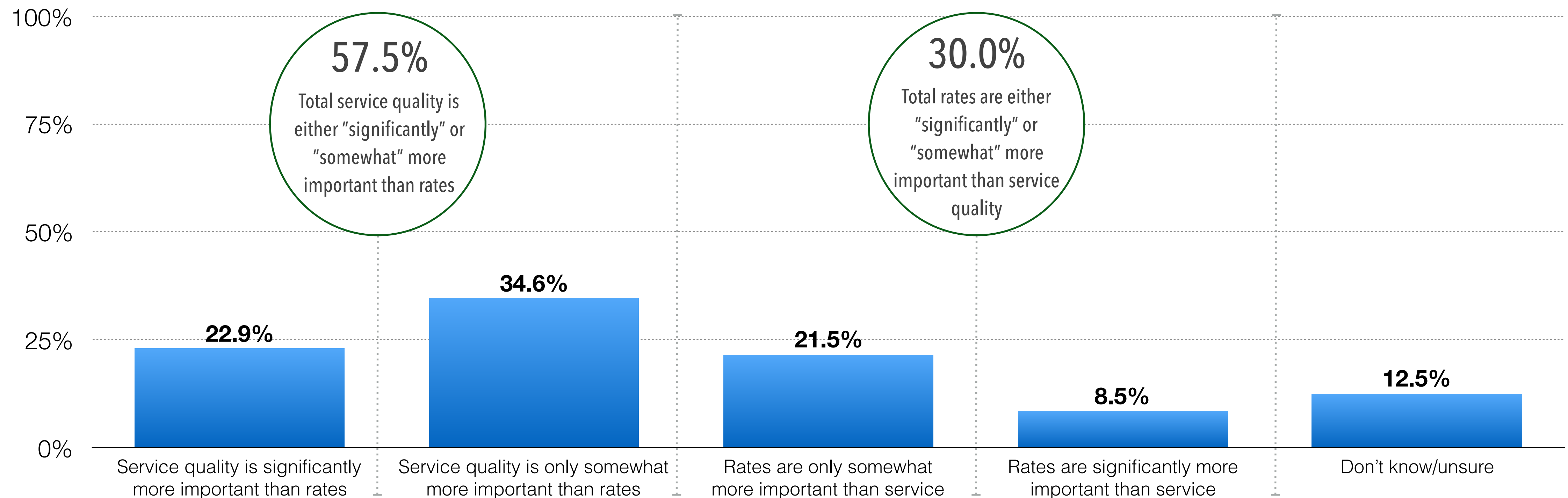
What types of programs and services specifically? (N=158)

Programs and services...	%
Renewable energy (solar, wind, hydro, etc.)	30.4
Energy efficiency programs/discounts	8.9
High speed internet	7.0
Discounts/incentives	6.3
Lower rates	5.1
Tesla battery programs/electric car charging stations	4.4
Buy back programs/storage batteries	4.4
Assistance programs (low/fixed income, seniors, disabled, etc.)	3.8
Smart meters/updated meters	3.2
Other (various; each 2.5% or less)	26.3

Majority Prioritize 'Service Quality' Over 'Rates'

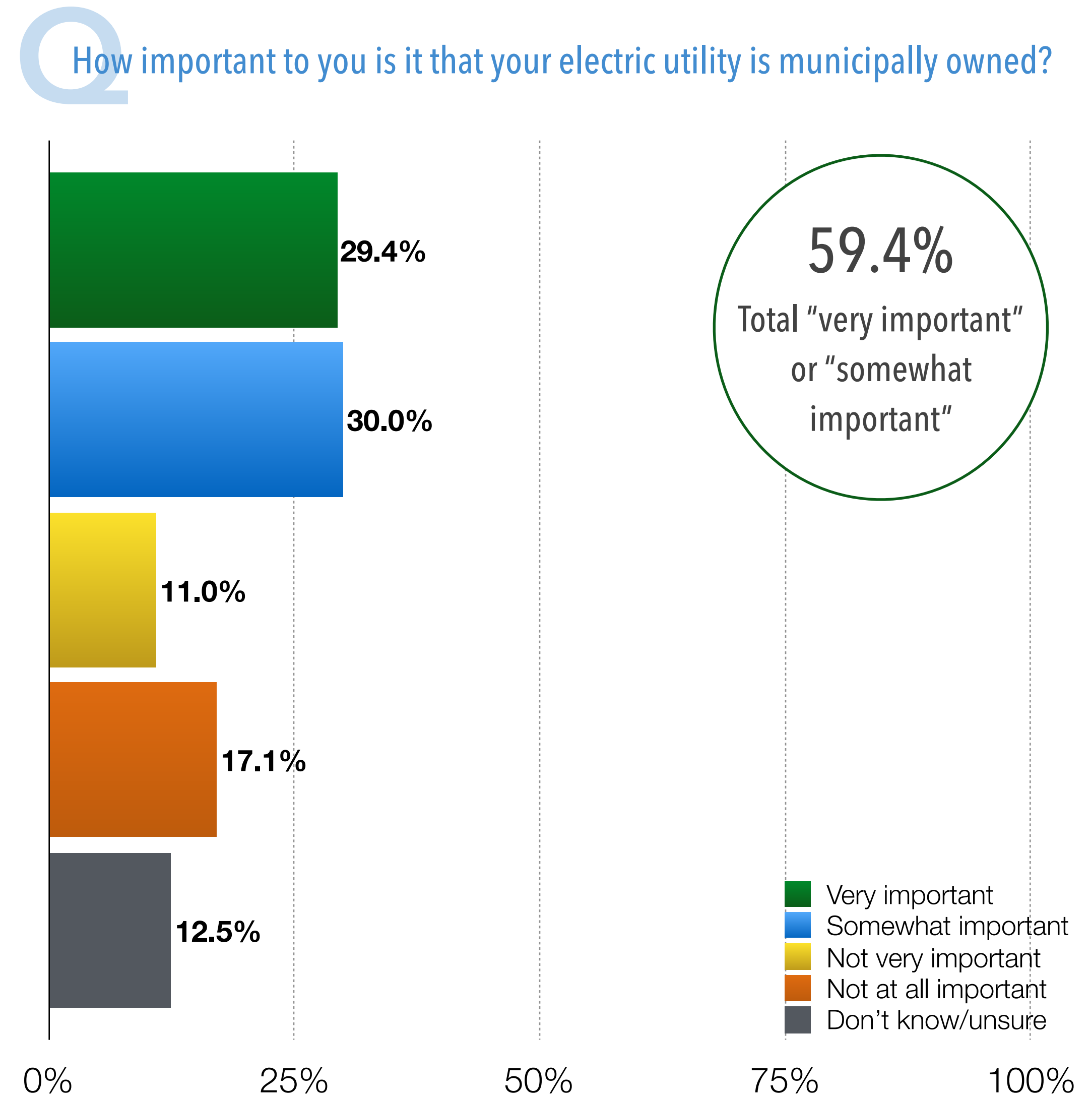
When respondents were prompted to indicate the importance of service and rates, over one-half (57.5%) reported service quality is either “somewhat” (34.6%) or “significantly” (22.9%) more important than rates. Additionally, three-out-of-ten respondents (30.0%) indicated rates are either “somewhat” (21.5%) or “significantly” (8.5%) more important than service quality.

Which of the following statements best describes how you feel about the importance of service and rates.



Three-fifths Indicate Municipal Ownership is Important

Three-fifths of respondents, 59.4%, reported it is either “very important” (29.4%) or “somewhat important” (30.0%) that their electric utility is municipally owned. The remaining 40.6% of respondents indicated that it is “not very important” (11.0%), “not at all important” (17.1%), or that they “don’t know/unsure” (12.5%).



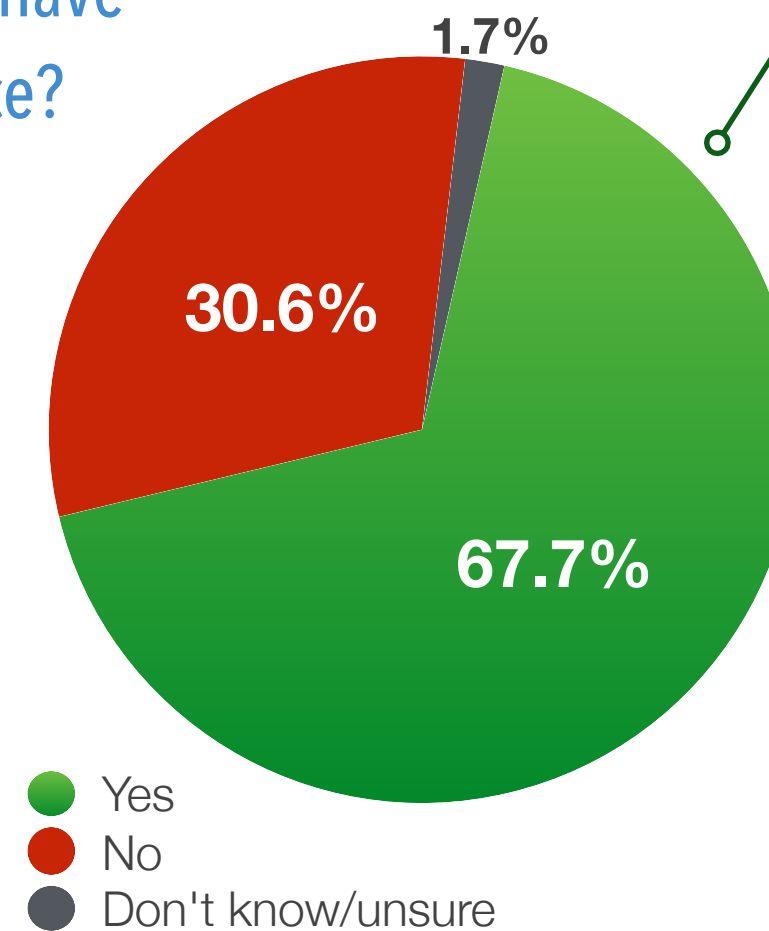
Majority Satisfied with Current Broadband Service

Of the 67.7% of respondents who reported having broadband internet service, 78.7% indicated they were either “very satisfied” (34.7%) or “somewhat satisfied” (44.0%) with the service.

Of note, over one-third of all respondents (35.4%) reported they would support electric utility provided broadband service and 42.0% indicated they would not.

Q

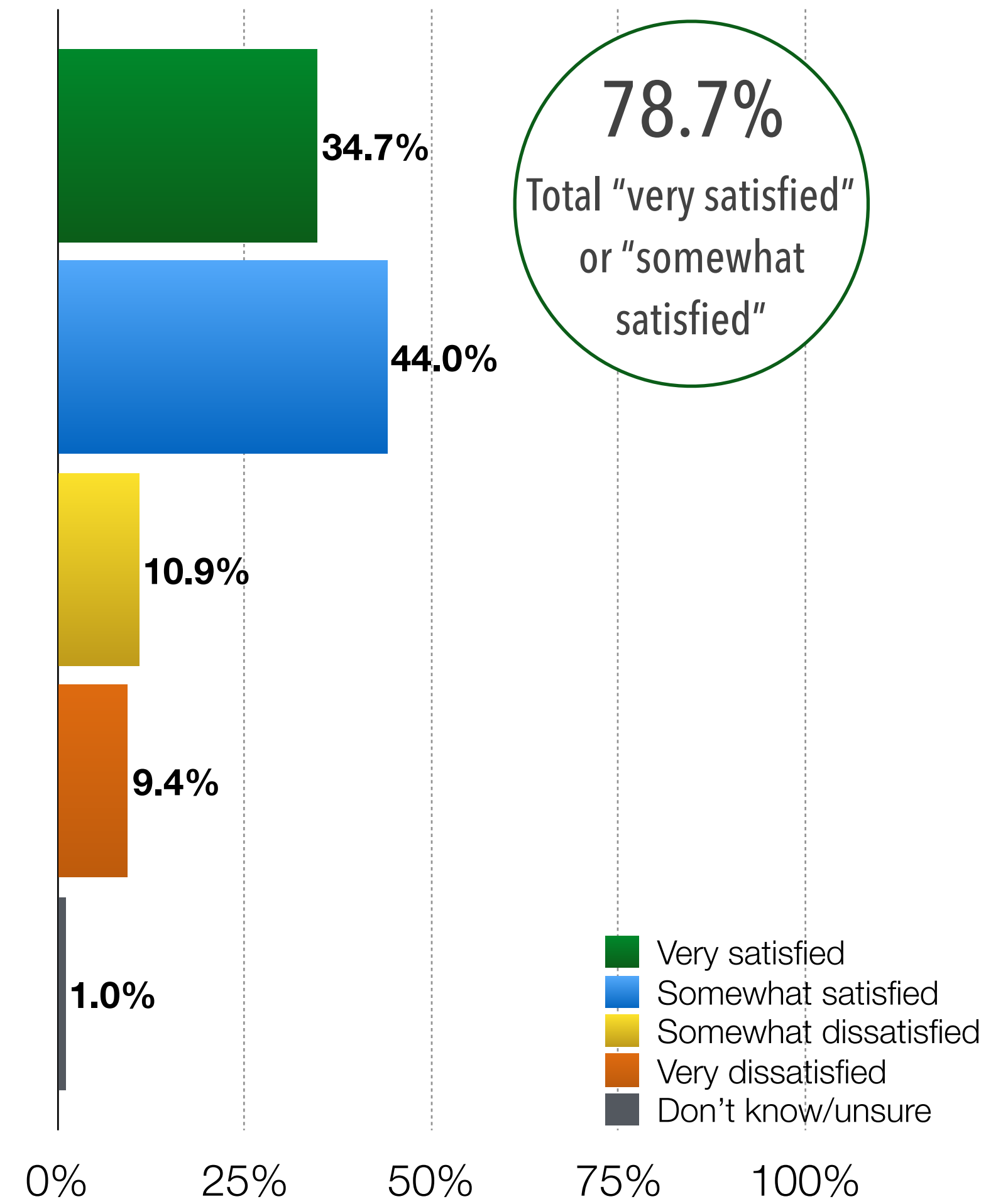
Do you currently have broadband service?



Yes
No
Don't know/unsure

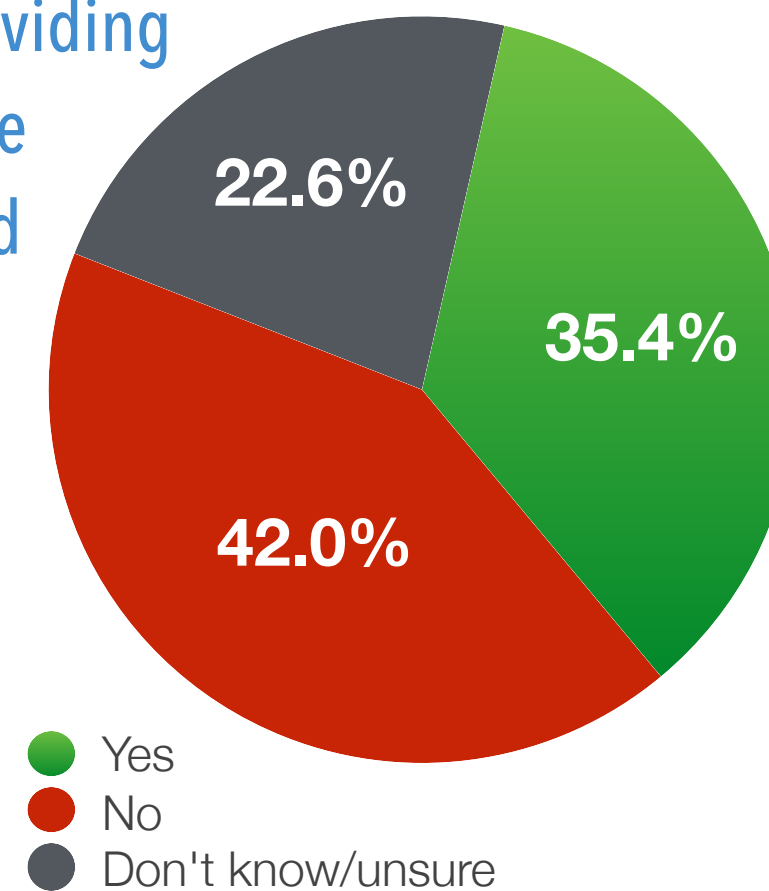
Q

How satisfied are you with your broadband service? (N=897)



Q

Would you support your electric utility providing broadband service through increased electric rates?



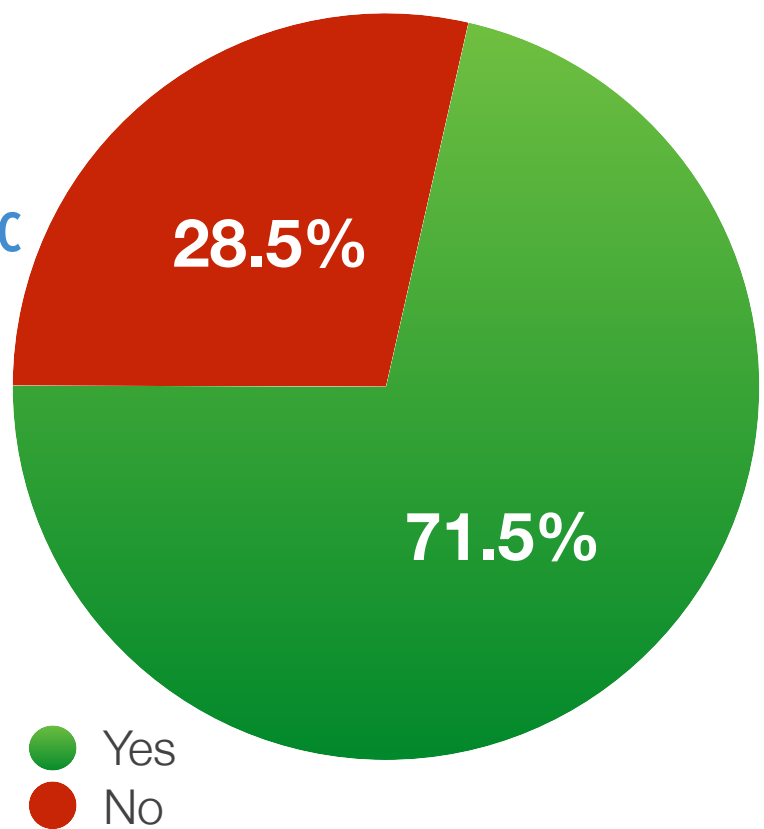
Yes
No
Don't know/unsure

Majority Aware of 'Efficiency Vermont'

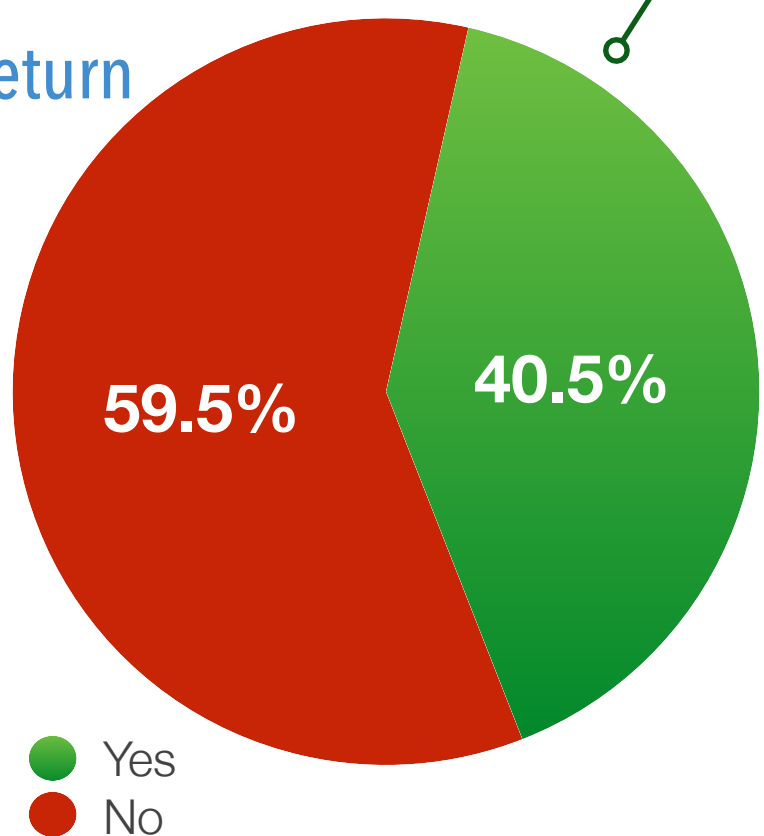
71.5% of respondents reported they were aware of the monthly utility charge collected on behalf of Efficiency Vermont for efficiency programs and services available to state residents. Despite the majority of respondents reporting awareness, less than one-half (40.5%) indicated they were familiar with the services they receive in return for the charge.

Of those familiar with the services received, 77.3% reported they were either "very satisfied" (34.5%) or "somewhat satisfied" (42.8%) with the services offered in exchange for the charge.

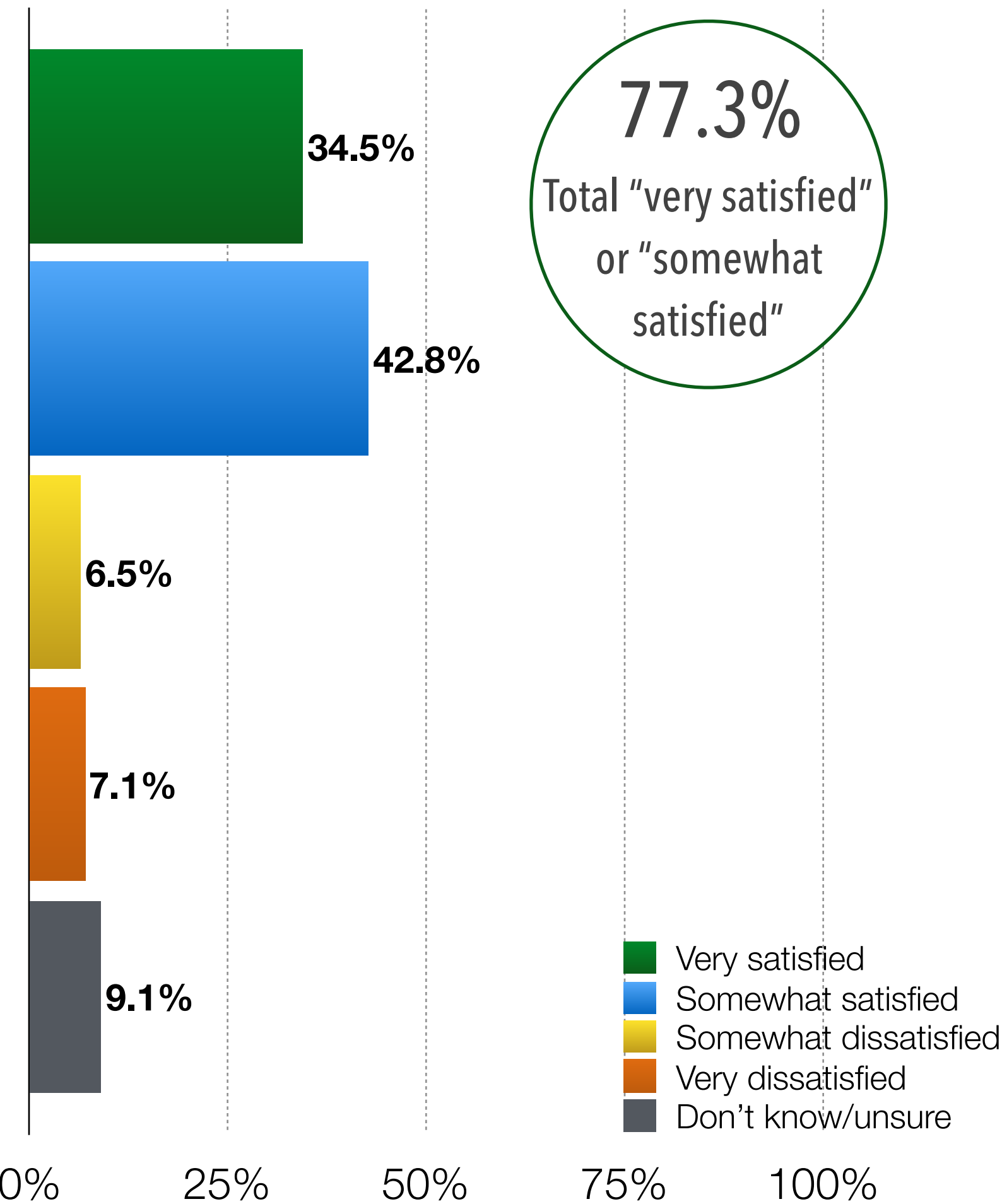
Q Are you aware that you pay a monthly energy efficiency charge collected on your electric bill and sent to "Efficiency Vermont" for efficiency programs and services available to Vermonters?



Q Are you familiar with the services you receive in return for this charge?



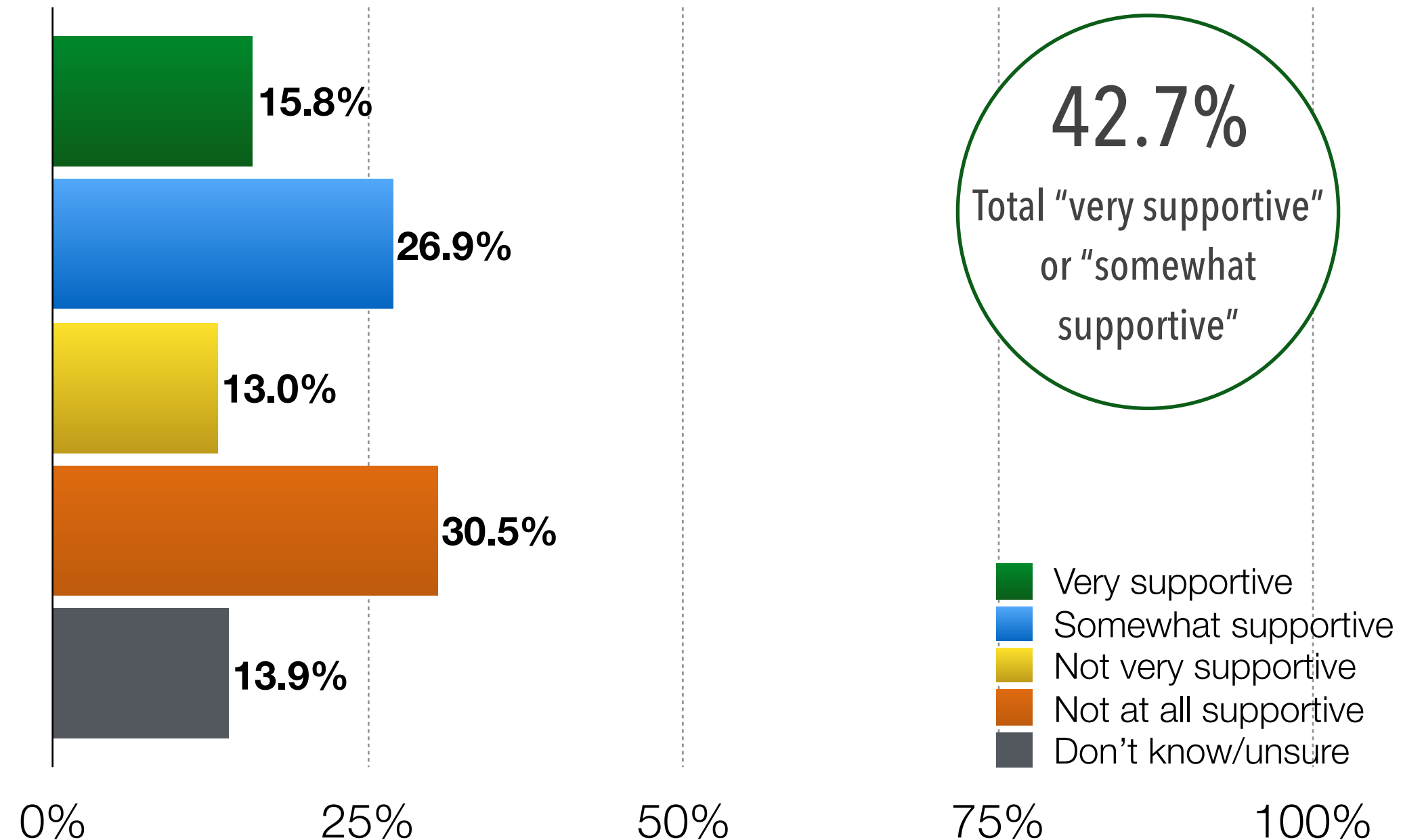
Q How satisfied are you with the services offered or provided in exchange for this charge? (N=537)



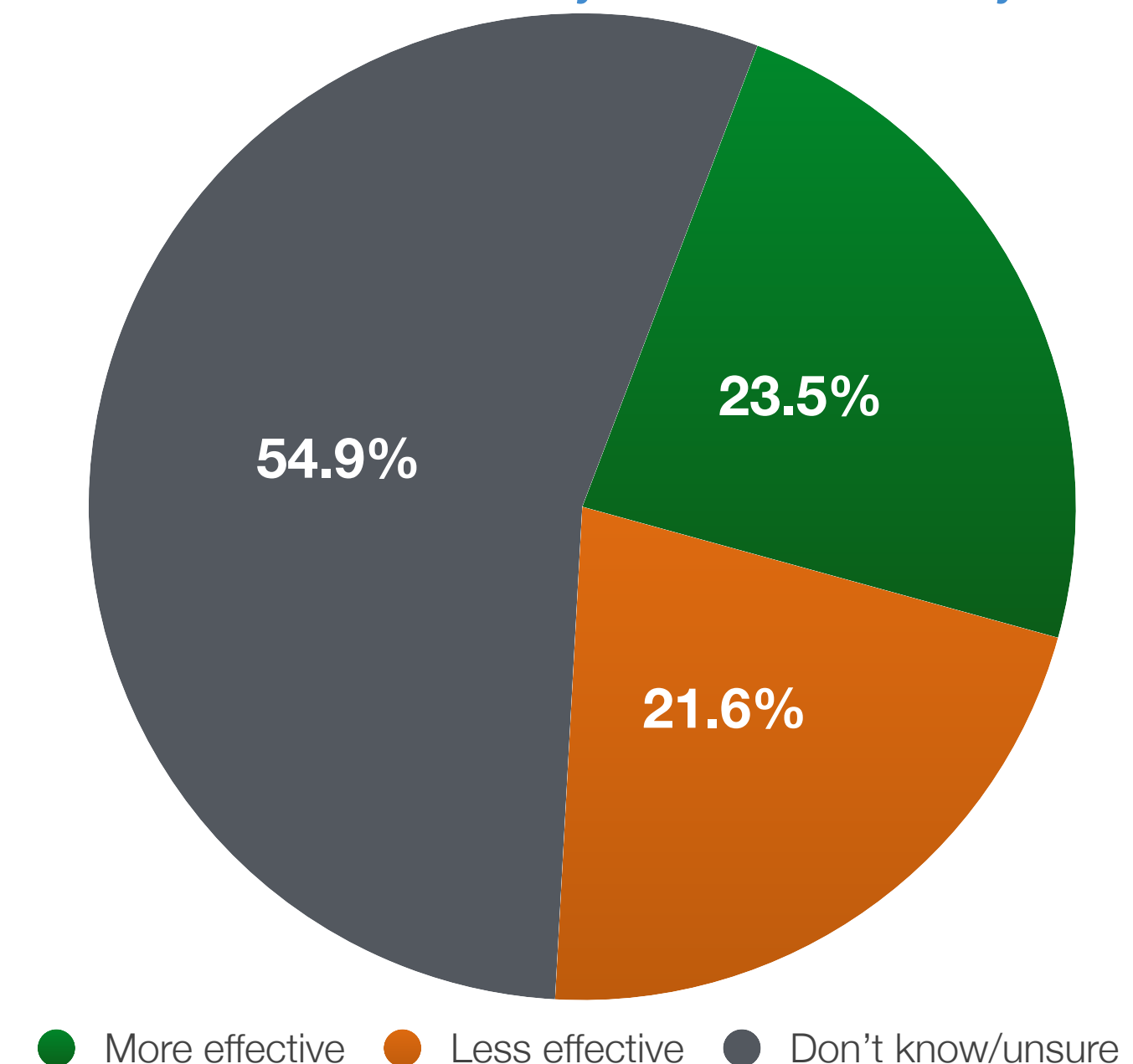
Mixed Opinions Over Use of 'Efficiency Vermont' Fee

Less than one-half of respondents, 42.7%, reported they were either "very supportive" (15.8%) or "somewhat supportive" (26.9%) of the Efficiency Vermont fee being used for non-electric efficiencies and 30.5% reported they were "not at all supportive." Of note, 54.9% of respondents reported "don't know/unsure" when asked if they believed their utility would be more or less effective than Efficiency Vermont at providing the efficiency services.

How supportive would you be of this fee being used for non-electric efficiency such as helping people buy electric vehicles or stop heating with fossil fuels?



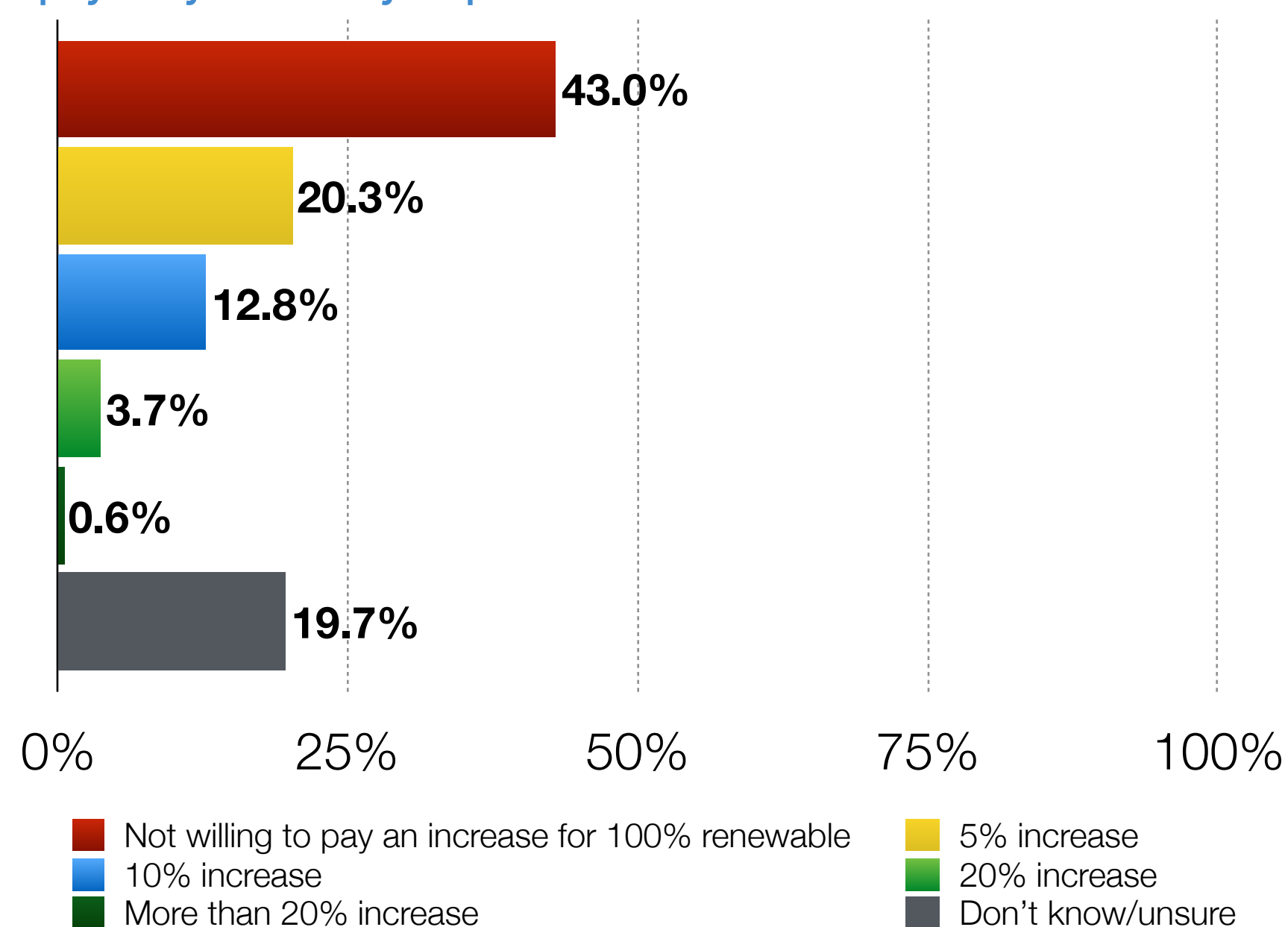
Do you believe your local utility would be more or less effective at providing these services than a statewide entity such as "Efficiency Vermont?"



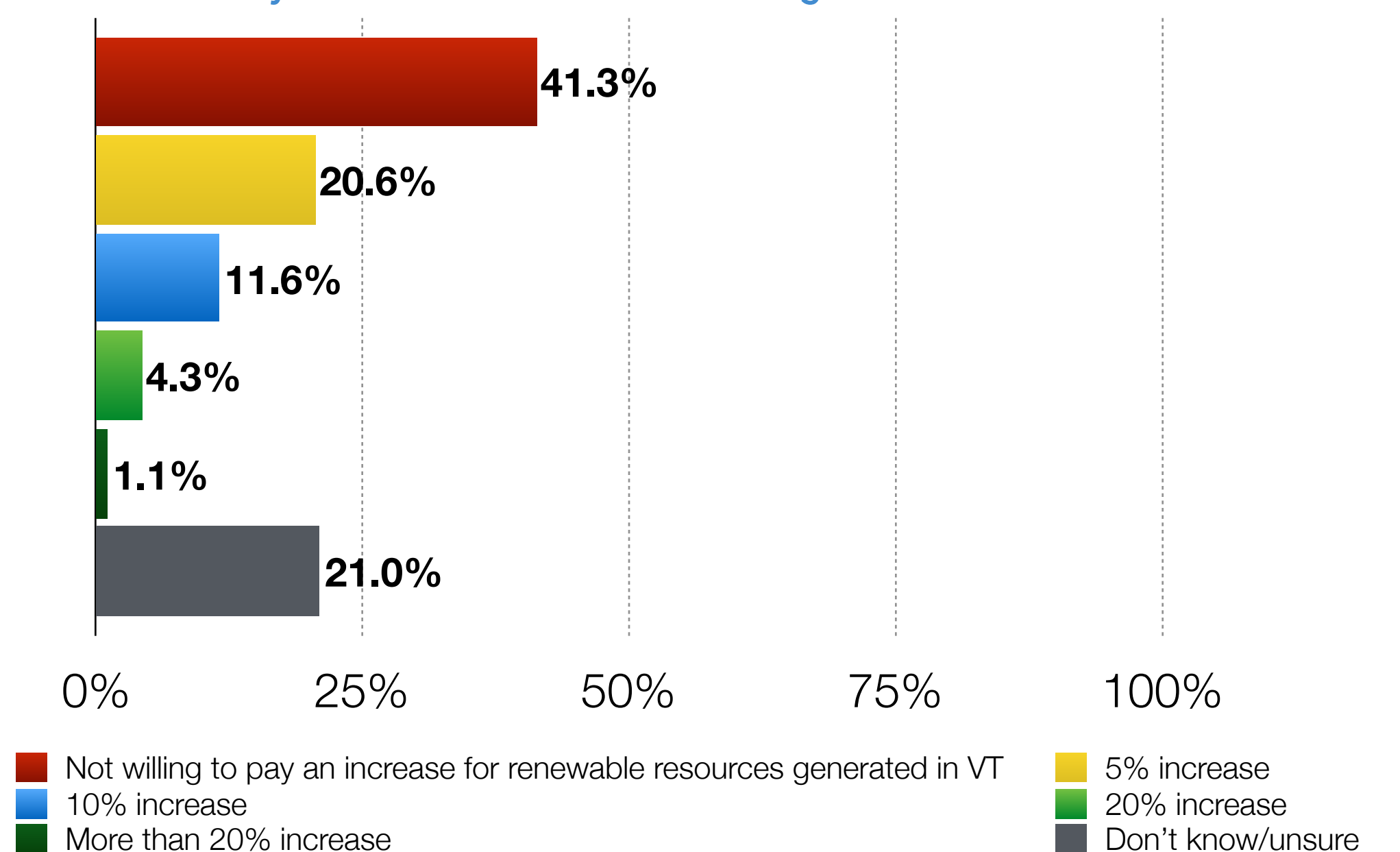
Varied Sentiment Toward Funding Renewable Resources

While the majority of respondents reported they were either unwilling to pay an increase for 100% renewable energy (43.0%) or they “don’t know/unsure” (19.7%), one-fifth reported they were willing to pay a 5% increase (20.3%) and 12.8% indicated they were willing to pay a 10% increase. Similar frequencies were recorded for willingness to pay for renewable energy generated in Vermont, with 41.3% indicating they would not be willing to pay an increase, 21.0% “don’t know/unsure” and 32.2% indicating either a 5% increase (20.6%) or a 10% increase (11.6%).

How much of an increase on your bill would you be willing to pay for your utility to purchase 100% renewable resources?



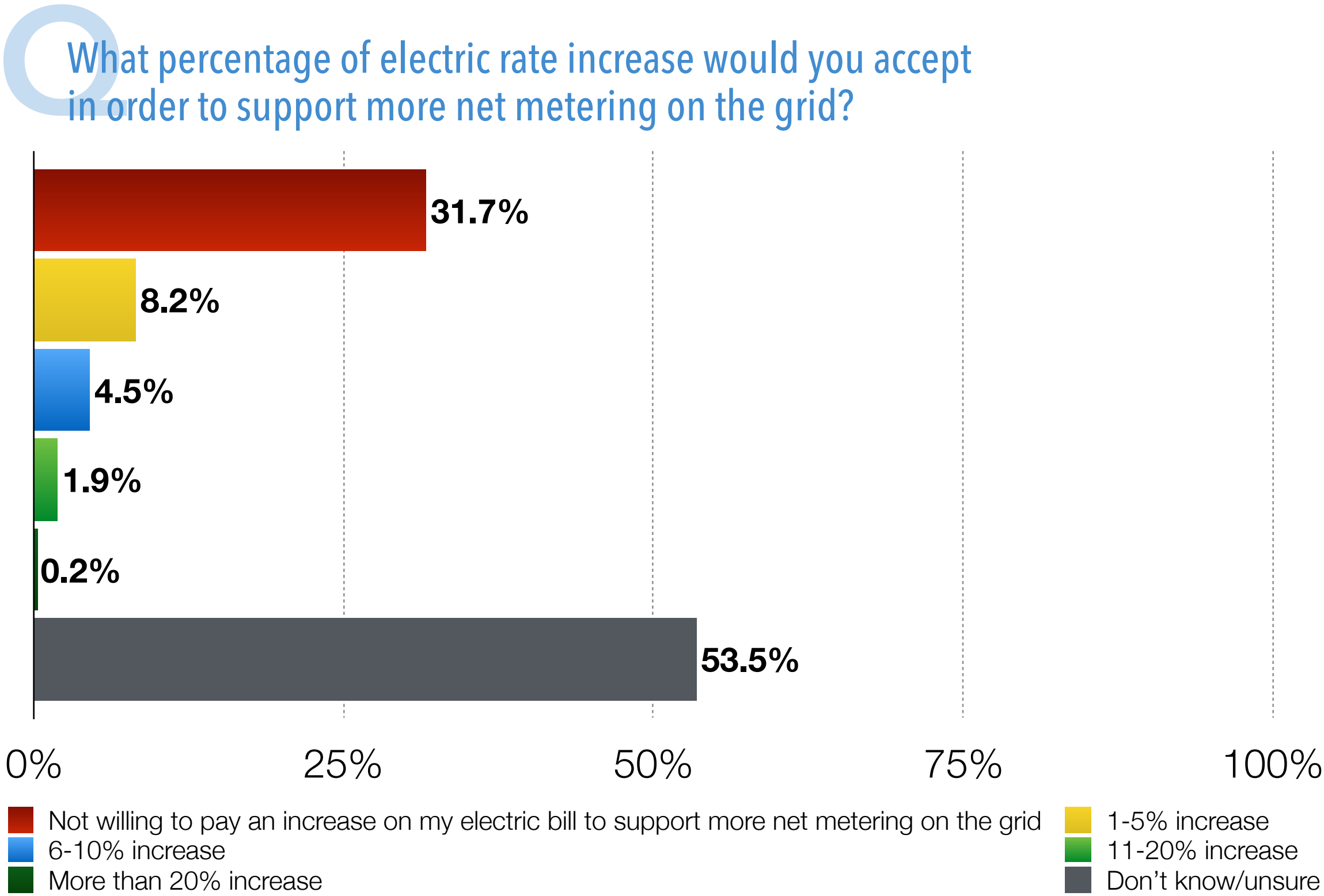
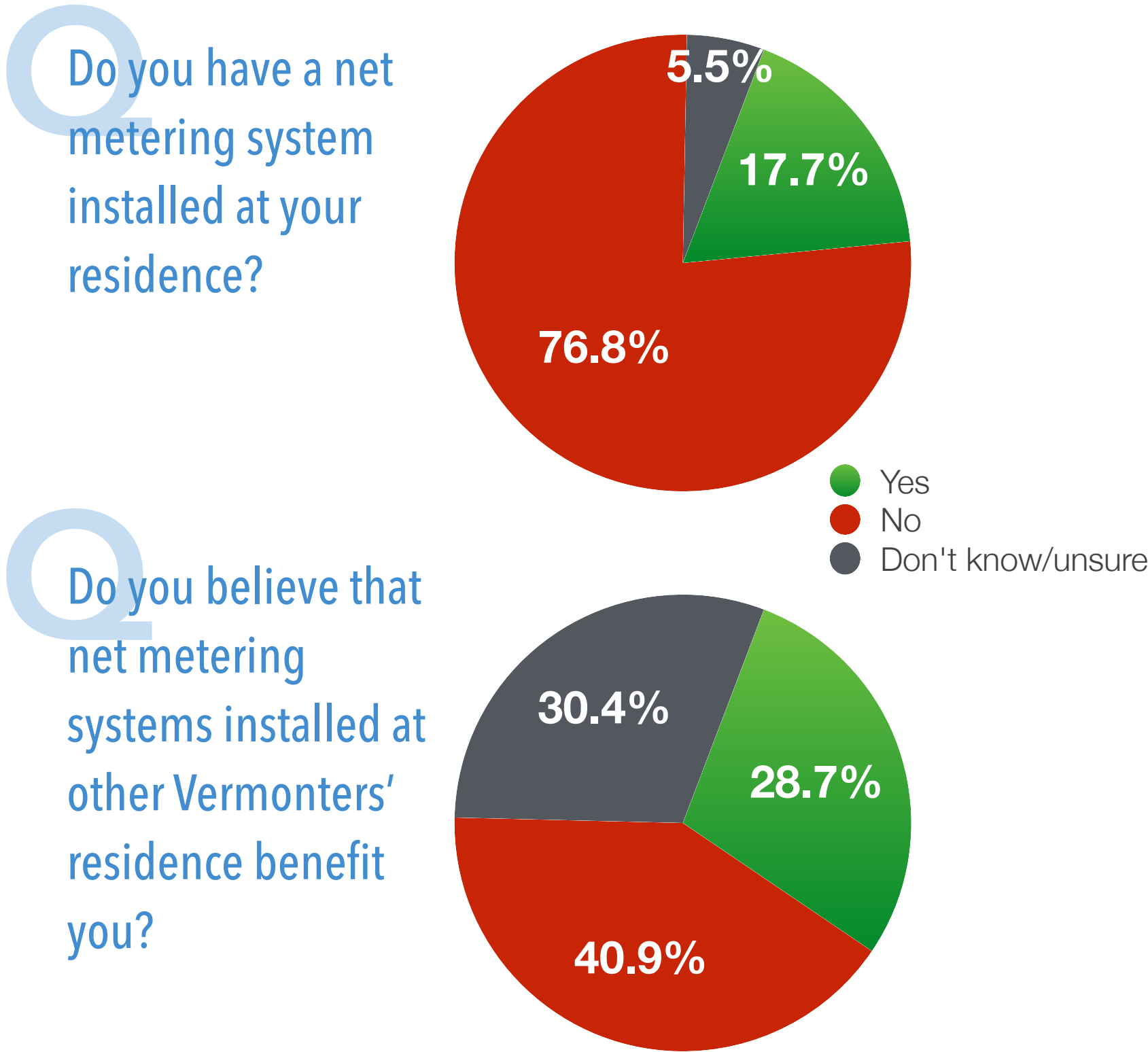
How much of an increase on your bill would you be willing to pay for your utility to purchase its electricity from a renewable resource generated in Vermont?



Low Willingness to Support Net Metering

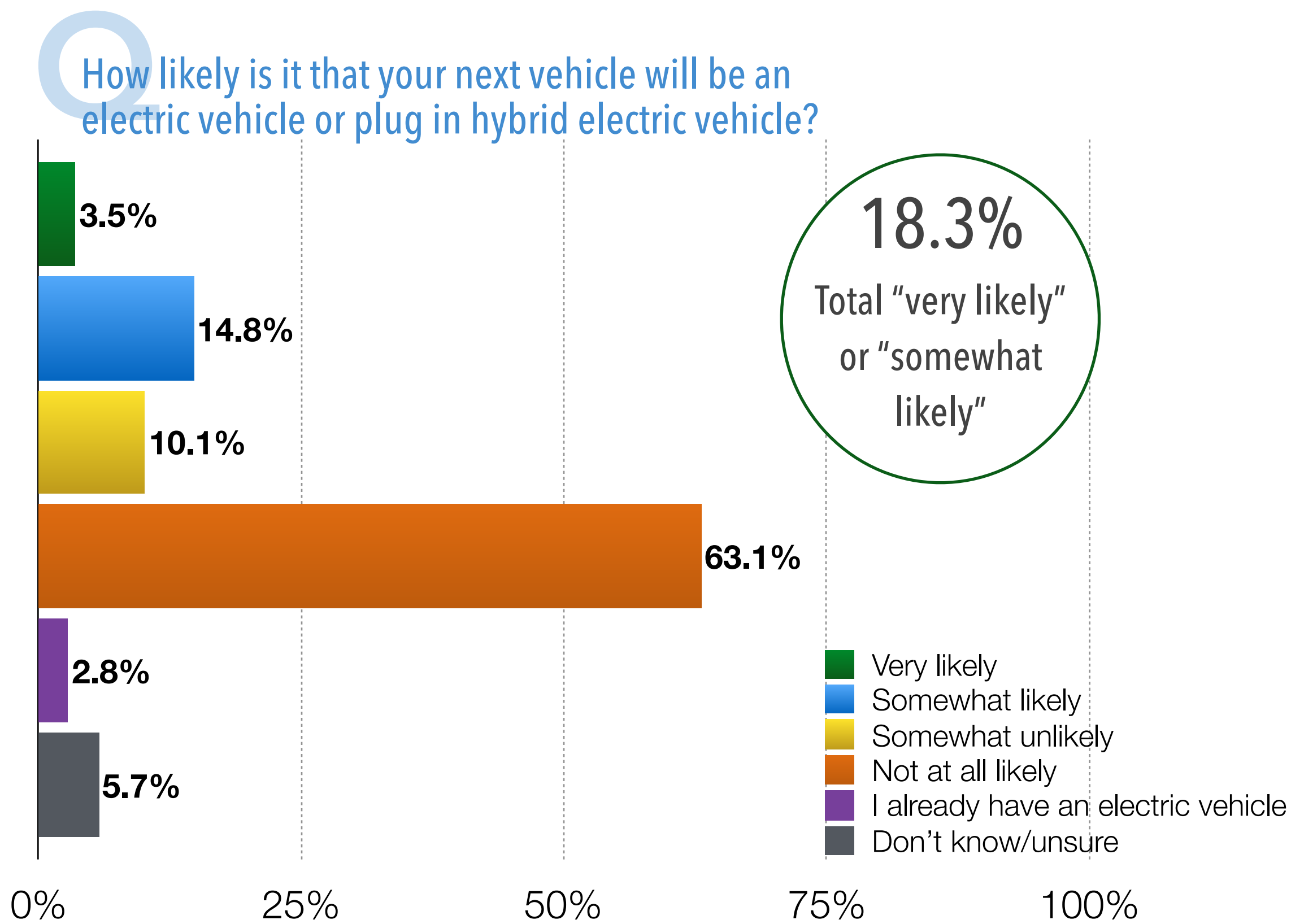
Three-quarters of respondents (76.8%) indicated they did not have a net-metering system installed at their residence and 28.7% indicated they believed other customers' net metering systems benefitted them. Additionally, 31.7% reported they were not willing to pay more to support net metering and 53.5% reported “don't know unsure” regarding willingness to pay more.

Net metering is a system that allows electric utility customers to install renewable energy generators, typically solar panels, while remaining connected to the grid. Surplus power is transferred onto the grid, which the electric utility is required to purchase at a premium price.



Respondents Unlikely to Purchase Electric Vehicle

Nearly three-quarters of respondents, 73.2%, reported they were either “somewhat unlikely” (10.1%) or “not at all likely” (63.1%) to purchase an electric or hybrid vehicle. The factor that would affect respondents’ decision cited most frequently was “cost/price” (42.0%), followed by the “availability of charging stations” (10.0%) and “not practical where they live” (9.1%).



What factors will affect your decision?

Response...	%
Cost/price	42.0
Availability of charging stations	10.0
Not practical where they live	9.1
Range/distance	7.7
Availability of electric vehicle options (makes/models)	6.5
Age/too old	5.9
Reliability/dependability	4.9
Recently purchased new vehicle/don't need car at this time	3.5
Weather conditions (snow, ice, too cold)	3.3
None/nothing	2.9
Doesn't drive/no car	2.3
Too new/not developed enough	2.2
Other (various; each less than 2.0%)	26.2

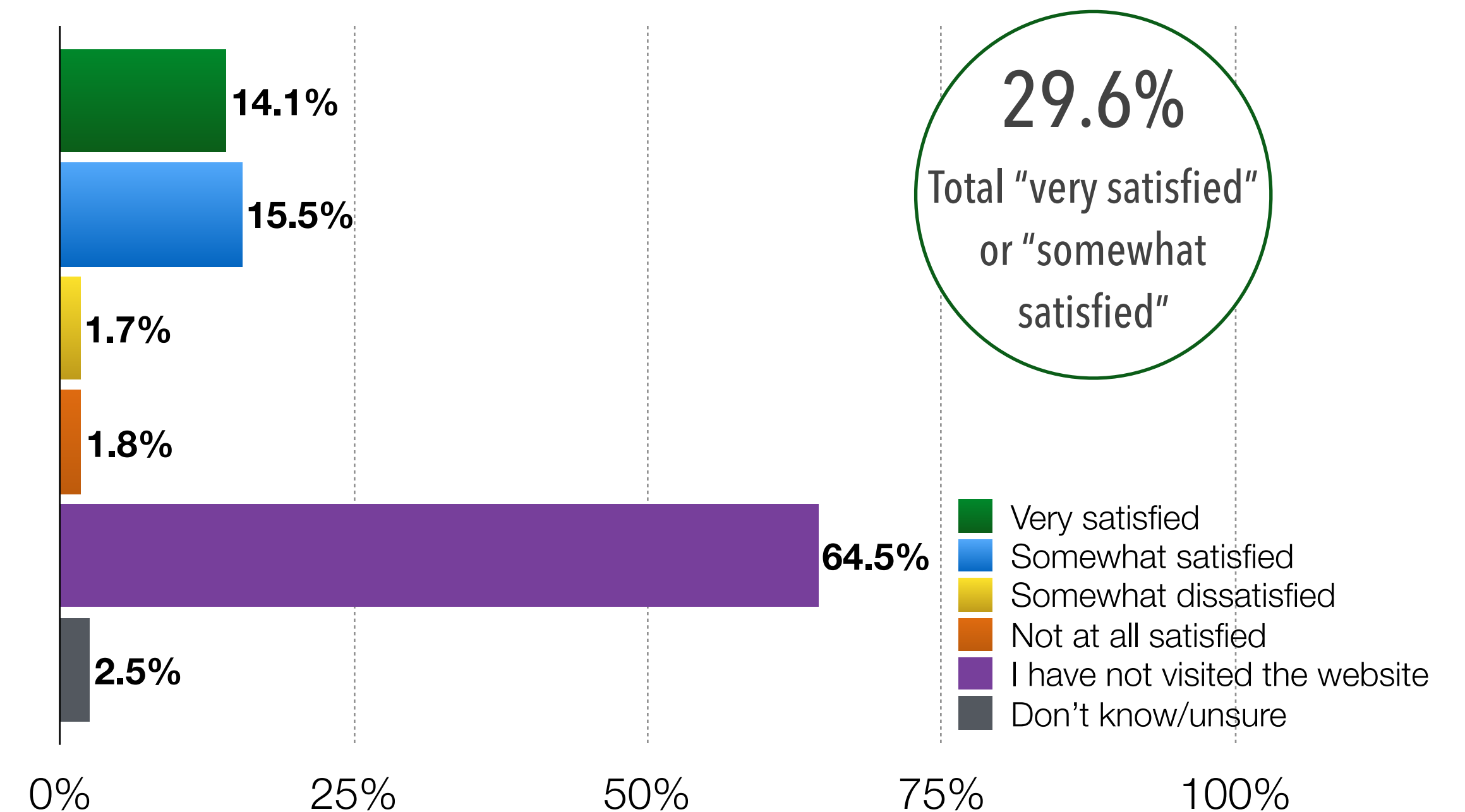
Direct Mail/Contact Preferred for Receiving Information

The most frequently reported preferred method of receiving information from their electric utility among respondents was “direct mail/contact” (45.1%), followed by “bill inserts” (37.1%) and “email” (18.4%). Of note, 64.5% of respondents reported they had not visited their electric utility’s website and 29.6% were either “somewhat satisfied” (15.5%) or “very satisfied” (14.1%) with the website.

Which of the following ways do you prefer to receive information from your electric utility?

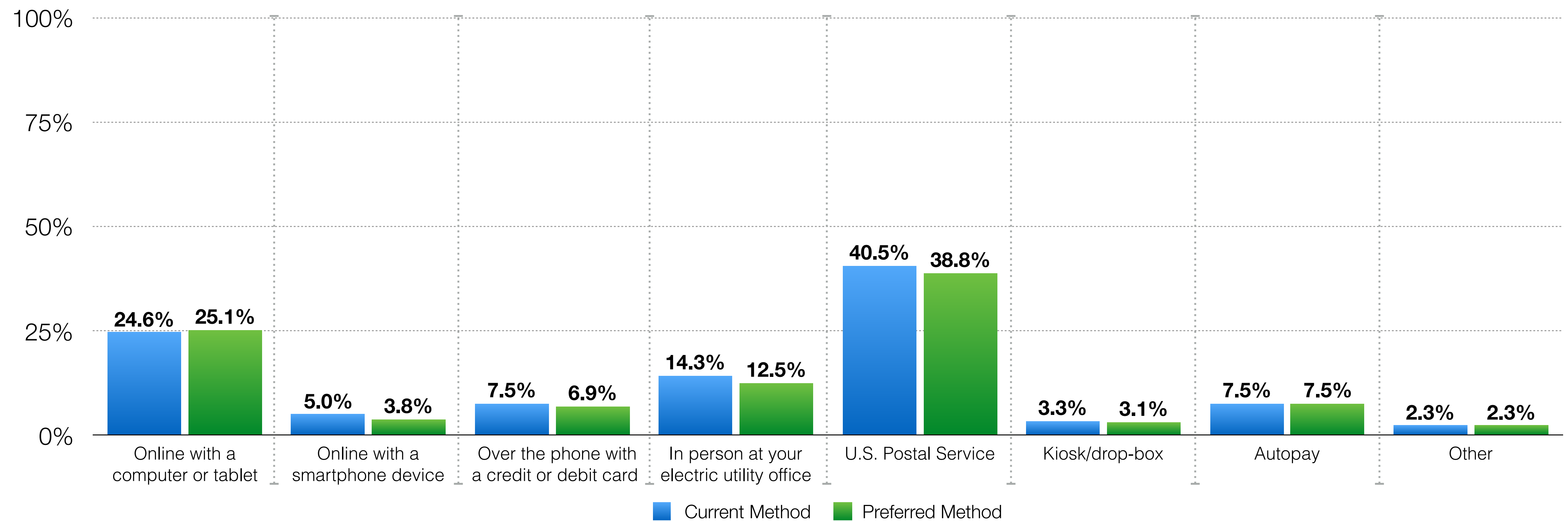
Communication methods...	%
Direct mail/contact	45.1
Bill inserts	37.1
Email	18.4
Website	9.1
Newsletters	7.5
Social media	2.9
I do not want to receive information from my utility	1.7
Other	1.0

Overall, how satisfied are you with your electric utility's website?



Consistent Current and Preferred Methods of Bill Pay

The highest frequency of respondents reported the “U.S. Postal Service” as both their current (40.5%) and their preferred (38.8%) electric bill payment method, followed by “online with a computer or tablet” (current 24.6%; preferred 25.1%).



Which of the following methods do you currently use to pay your electric bill?

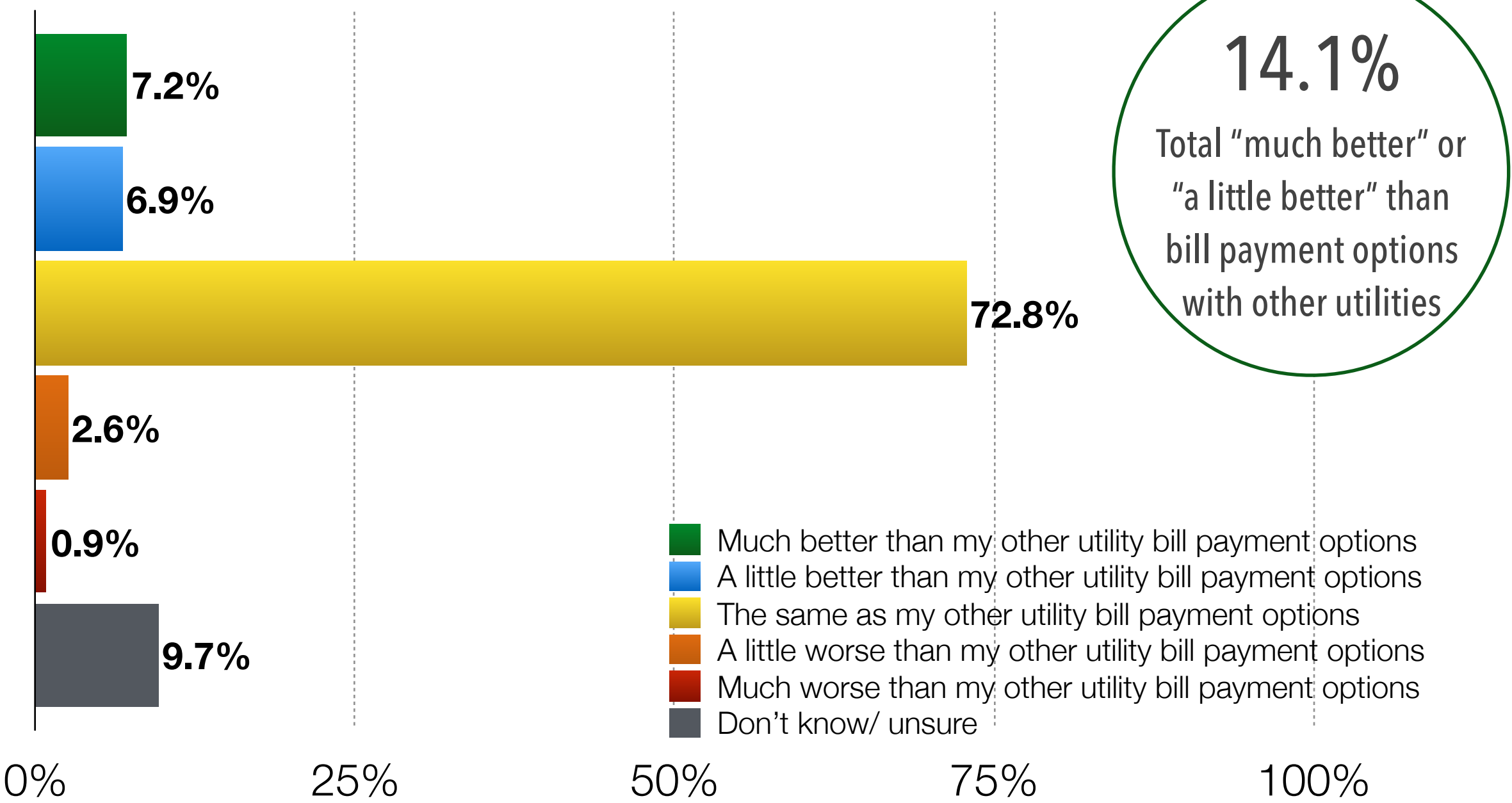
Which of these bill payment methods do you prefer most?

Majority Indicate Electric Utility Bill Pay Process is the Same as Other Utilities

While 14.1% of respondents reported their electric utility bill payment process was “much better” (7.2%) or “a little better” (6.9%) than other utility bill payment options, the majority of respondents (72.8%) indicated the process was the same. Of the 47 respondents who indicated the process was worse than their other utilities, 40.4% reported the reason to be “too expensive/high rates,” 12.8% indicated “website is not user friendly/out of date” and 12.8% indicated “limited payment options.”



Which of the following best describes your electric utility bill payment process.



Why? (N=47)

Reasons why worse...	%
Too expensive/high rates	40.4
Website is not user friendly/out of date	12.8
Limited payment options	12.8
Charges/fees	6.4
Unable to track/see past bills	4.3
None/nothing	4.3
Other (various; each 2.1% or less)	19.0

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- **Educate customers on renewable energy.** Respondents indicated a low level of awareness for renewable initiatives such as net metering systems and a low willingness to pay additional fees to support renewable energy. Further, although there was a relatively high awareness of Efficiency Vermont, there was a marked lack of knowledge with respect to the services offered by the organization. It is recommended that VPPSA work alongside Efficiency Vermont in order to increase overall awareness and knowledge of energy efficiency programs originating from both their utility and from Efficiency Vermont. With a better understanding of how their money is being spent and how that spending benefits them and their community, customers' willingness to pay to support renewable energy could likely increase.
- **Communicate the benefits of municipally operated programs and services.** Although the majority of customers reported that it is important their electricity come from a municipally owned utility, there were gaps in the perceived benefits, as well as awareness of the current and potential capabilities VPPSA utilities offers. For example, over one-half of respondents were undecided as to whether or not their utility would be more or less effective than Efficiency Vermont with respect to providing energy efficiency services, and nearly two-thirds hadn't visited their utilities website. VPPSA utilities should consider making concerted efforts to communicate their various programs, services, and overall benefits in order to close this knowledge gap. This information could be sent through direct mail and bill inserts, as the majority of respondents indicated a preference for these communication methods.
- **Increase communication between members.** The 2020 survey illuminated notable variances in results between surveyed member utilities. Significant differences in ratings for overall satisfaction as well as ratings for various utility characteristics were all recorded. It is recommended that VPPSA make consistent efforts to increase communication between members in order to exchange best practices to close these ratings gaps and increase overall composite ratings.

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