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UNITED ENERGY RESIDENTIAL SURVEY – Phase 3

Prepared for: united energy

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United Energy Residential Survey Results | Contents

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APPROACH

Background and context

- United Energy is required to provide a regulatory proposal to the AER every five years, detailing its predicted expenditure and revenue requirements over the regulatory period.
- United Energy is currently developing its regulatory proposal to the AER for the 2021-2025 regulatory period.
- To help shape this regulatory proposal, United Energy is keen to further understand customer priorities, how they see the future, and to assess the Draft Plan.
- Woolcott Research and Engagement has been commissioned to conduct customer and stakeholder engagement to input into the preparation of the regulatory proposal.

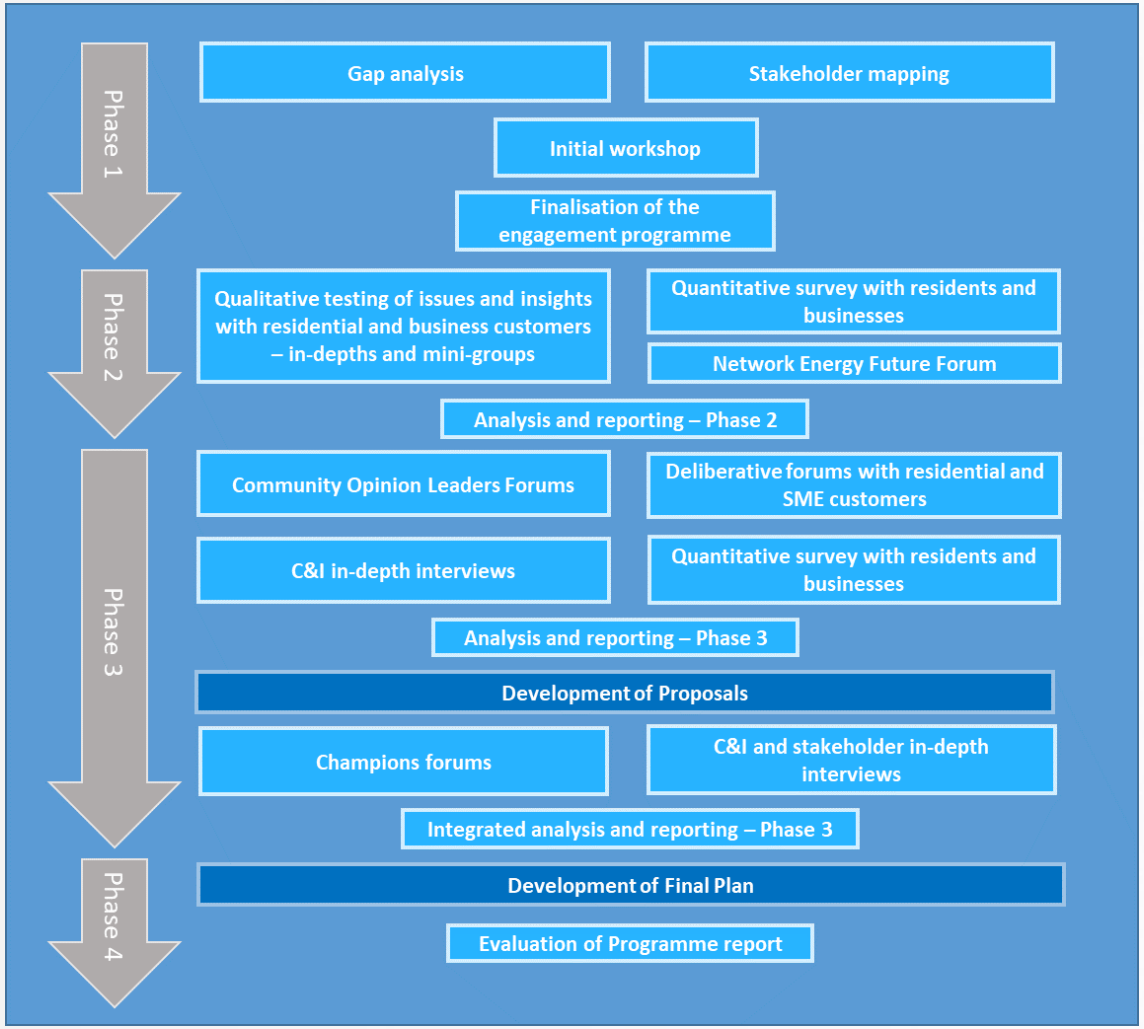
Engagement programme

We are currently in phase 3 of the programme

Jan – Oct 2017	Nov 2017 – Apr 2018	May 2018 - June 2019	July 2019 - onwards
Phase 1	**Phase 2**	**Phase 3**	**Phase 4**
Strategy design	Explore insights	Consultation	Ongoing engagement
• Design a process that seeks meaningful input • Acknowledge past issues and identify opportunities for participation • Principles that underpin our decision making	• Explore insights and possible energy futures • Understand people's changing priorities and values • Engagement preferences and energy literacy	• Ask what the future looks like and how it reflects people's priorities • Ask whether our Draft Plan meets their needs • Inform the regulatory proposals	• Submit regulatory proposals • Continue the conversation so that we meet our engagement promise

Business as usual engagement and consultation activities

Engagement methodology



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KEY FINDINGS

Key findings

Knowledge & Literacy

- Similarly to last year, most residential customers did not know the name of their electricity distributor (84%), with many confusing their retailer and distributor (particularly AGL).
- When prompted, just over half were aware that the distributor got electricity to their homes, responded to electricity outages and maintained poles and wires. Less than a third were aware that the distributor trimmed vegetation around powerlines and conducted long term planning.

Customer benefits

- The most important benefits for United Energy to focus on were perceived to be reliability and safety, followed by managing the network at the lowest cost.

Connecting to the network

- Only a minority had experienced connecting to the network (14%)but most were satisfied with the experience (79%).
- Responses to a ‘fast track user pays’ option were mixed with 44% in favour.

Key findings

Reliability of supply

- Satisfaction with the reliability of the current electricity supply was high at 86%.
- More than half had experienced an outage in the last 2 years. 31% stated at least a moderate level of impact of outages.

Compensation payments (GSLs)

- Respondents were most likely to believe that GSL payments should either be increased (40%) or stay the same (39%). However, investment to improve reliability in worse performing areas was preferred (53%) over continued compensation through GSL payments (37%).

Making it easier to export solar and charge your battery

- 30% of customers had either solar panels, battery storage, an electric vehicle or central system to manage power and appliances, with younger respondents most likely to have them. Those aged of 55 years were most likely to have solar panels (if anything).
- Installing solar panels or purchasing a battery were the most likely options for those who don't currently have these options.

Key findings

- Most thought that they would invest in these technologies in the next two to five years.
- Just over half of respondents indicated they were interested in exporting/selling back to the grid in the future (53%). Interest was highest amongst under 55 year olds.
- Most thought that the investment required to ensure that power quality doesn't decline as solar exports increase should be paid for by exporting solar customers (49%).
- Around half of respondents favoured a 'one-off' standard connection charge for connecting new technologies to export power (51%). Almost two thirds said they thought customers would be likely to pay a $500 upfront fee (62%).
- Over half thought that parts of the electricity network should be upgraded quicker to allow for more renewable energy users and large customers to connect/export solar power to the grid (59%).

Safety

- Around two thirds had never had concerns about the safety of the electricity network (63%).

Vegetation

- Just under half would like vegetation to be trimmed at the same level and frequency as it is currently (45%) and 3 in 5 believed that United Energy should remove and replace some vegetation.

Key findings

Undergrounding

- Even though it costs more to consumers, just under two-thirds of respondents indicated a preference for undergrounding electricity assets that are in road accident black spots (64%).
- After hearing about the safety strategies, 44% of respondents felt enough was being done to manage safety across the network, with another 46% stating they were unsure/didn't know.
- Undergrounding and cutting back vegetation were the main suggestions for improvements.

Energy usage data

- Nearly two thirds of respondents were interested in accessing their real time energy usage data (61%).
- Just over two thirds of respondents indicated they were likely to use the real time data to receive rebates or savings (68%).
- The main perceived benefits of having access to real time data included managing/ adjusting consumption, saving money and identifying high usage appliances.

Key findings

Affordability and pricing

- Whilst the vast majority indicated that they had not had difficulty paying an electricity bill (82%), nearly two-thirds felt their bills were expensive or very expensive (63%).
- Almost two-thirds indicated they were likely to participate in trials or programs to receive a small financial incentive or reward (approx. $10-15) to reduce their electricity usage at peak times when asked by United Energy (64%).
- 42% were willing to allow United Energy to adjust their energy usage remotely for appliances such as air conditioners if they didn't notice a large difference in heating/cooling.
- 29% were unaware of what their current electricity pricing structure was.
- There were mixed views about what type of tariff would best suit their needs between a Time of Use tariff (48%) and a Flat Rate (45%).

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RESIDENTIAL METHODOLOGY

Methodology

- The survey was conducted online.
- N=601 completes were obtained.
- The online respondents were sourced through an online panel provider, used solely for research purposes.
- The survey was live from 21/06/2018 to 06/07/2018.
- Data was weighted during the analysis by age and gender to reflect the United Energy area.

The survey covered the following areas:

- Knowledge and literacy
- Benefits that customers seek
- Ease of connection
- Reliability of supply
- Exporting solar and charging batteries
- Safety
- Energy usage data
- Affordability and pricing

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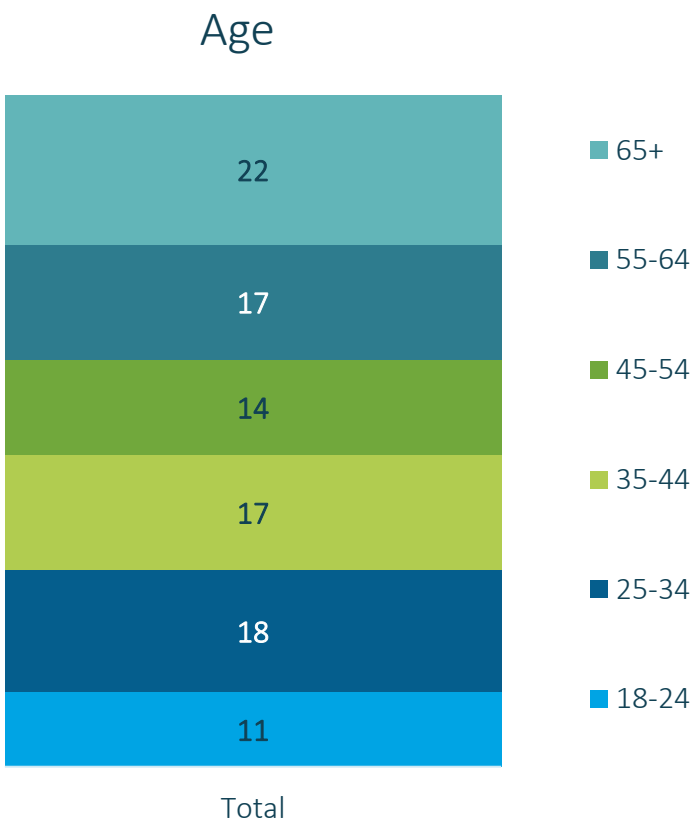
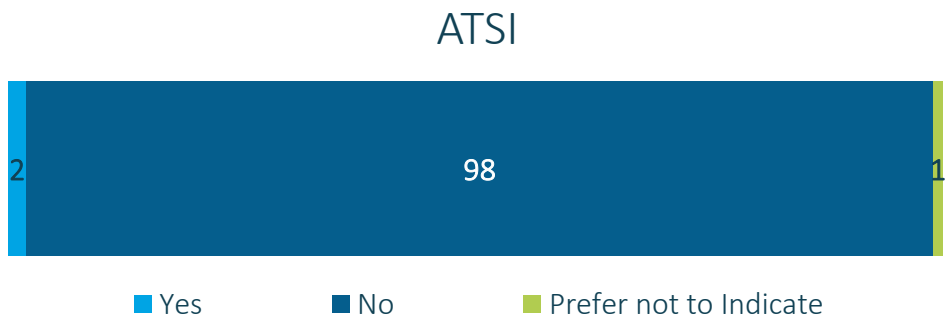
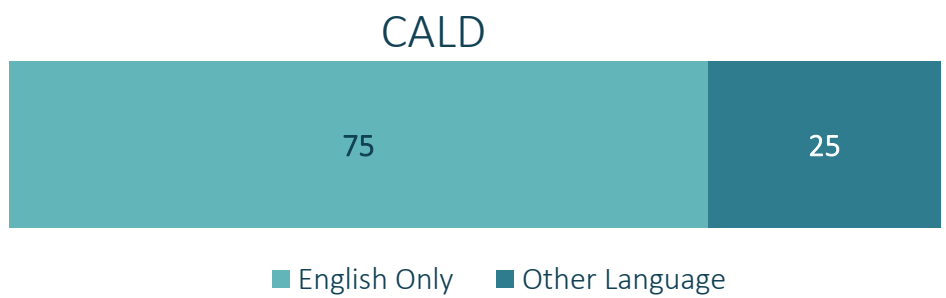
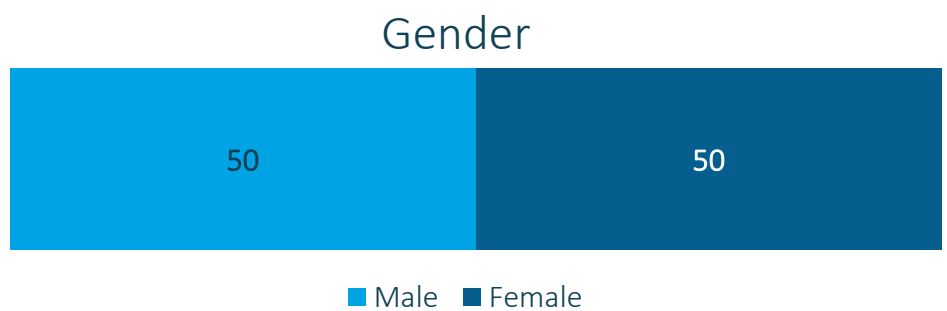
PARTICIPANT PROFILE

Respondent profile









Q1. Which of the following age groups best describes you?
Q5. RECORD GENDER:
Q7. Are you of Aboriginal or Torres Strait Islander origin?
Base: All respondents (n=601)

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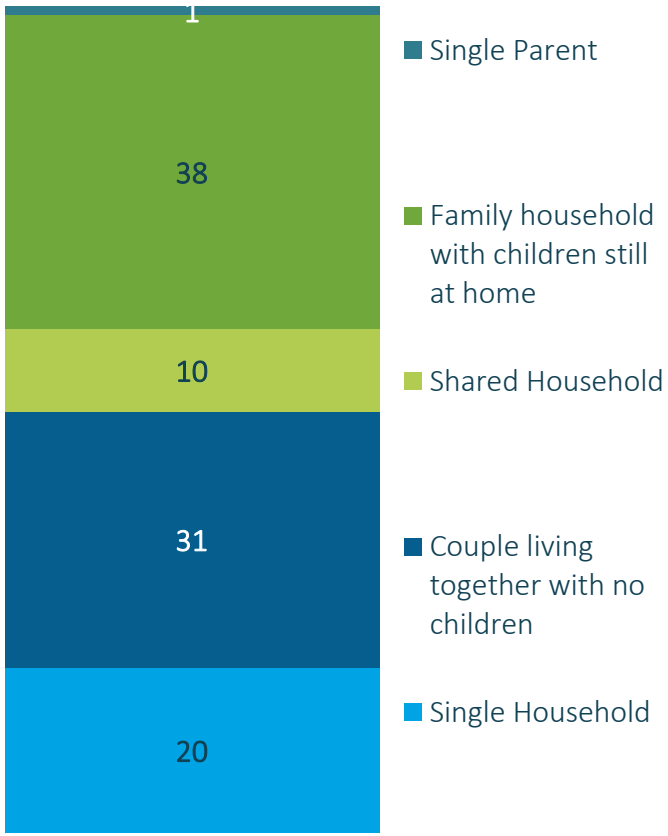
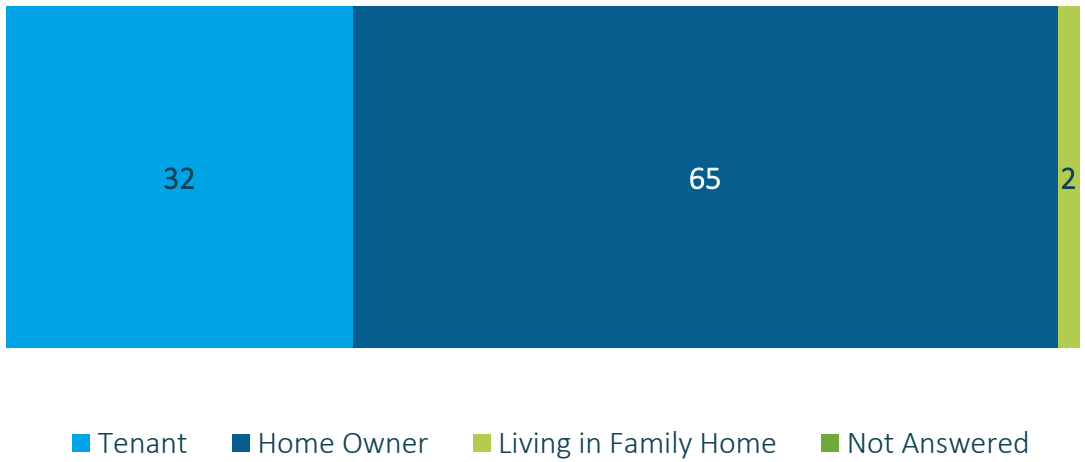
Respondent profile

Household Make Up



House Type

Tenant or Home Owner



Q48. Thinking about the home you currently live in, are you a…
Q49. Do you live in a…
Q54. Which of the following best describes your household make up?
Base: All respondents (n=601)

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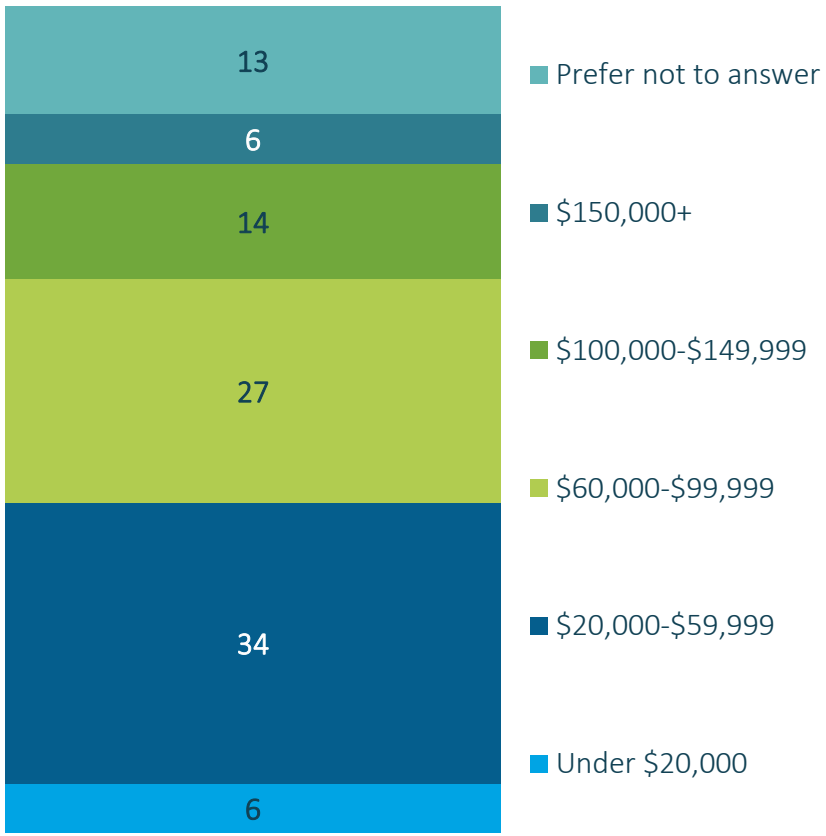
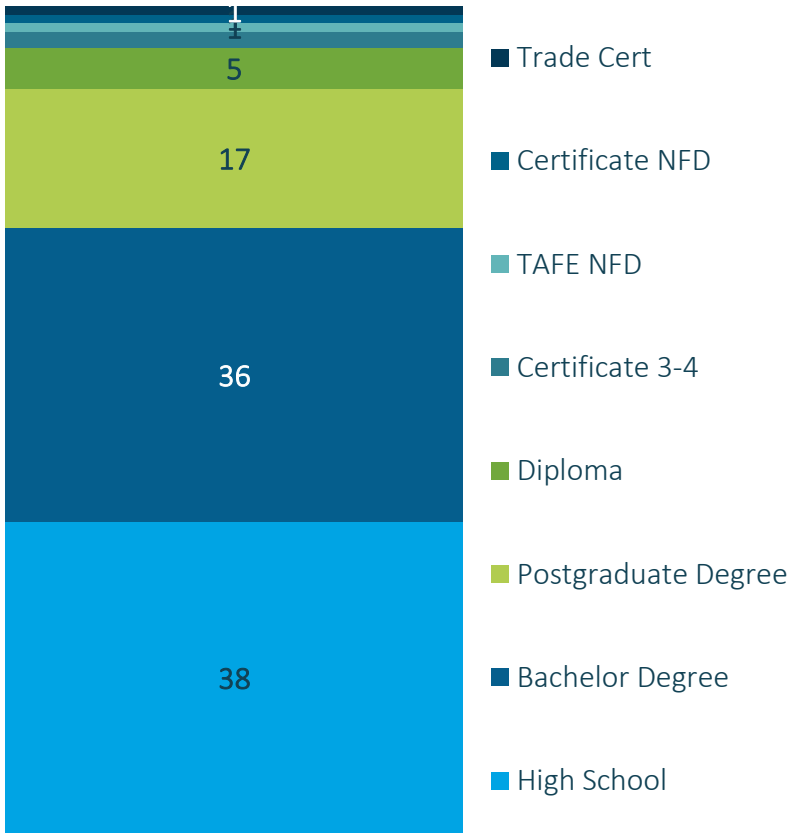
Respondent profile

Household Income



Education



Q50. Which of the following categories best describes the income before tax of the highest earner in your household? SR
Q51. What is your highest level of education attained?
Base: All respondents (n=601)

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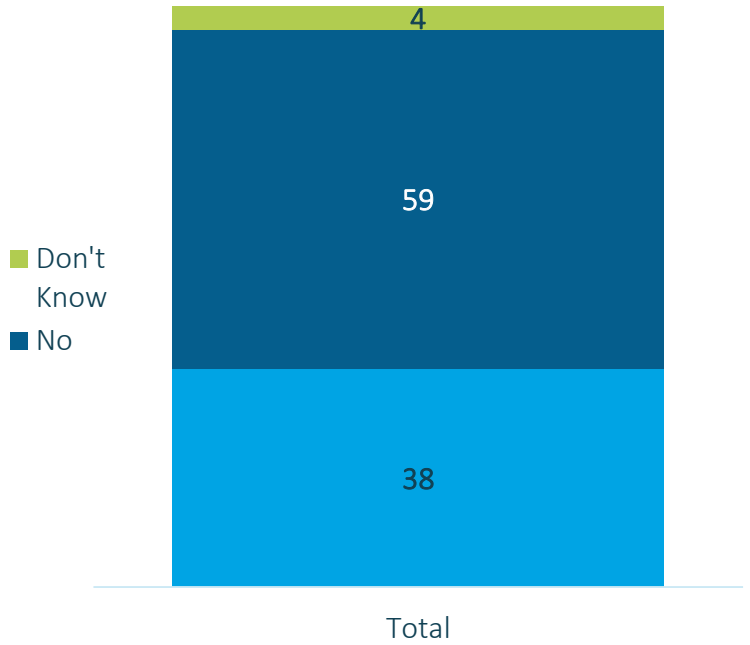
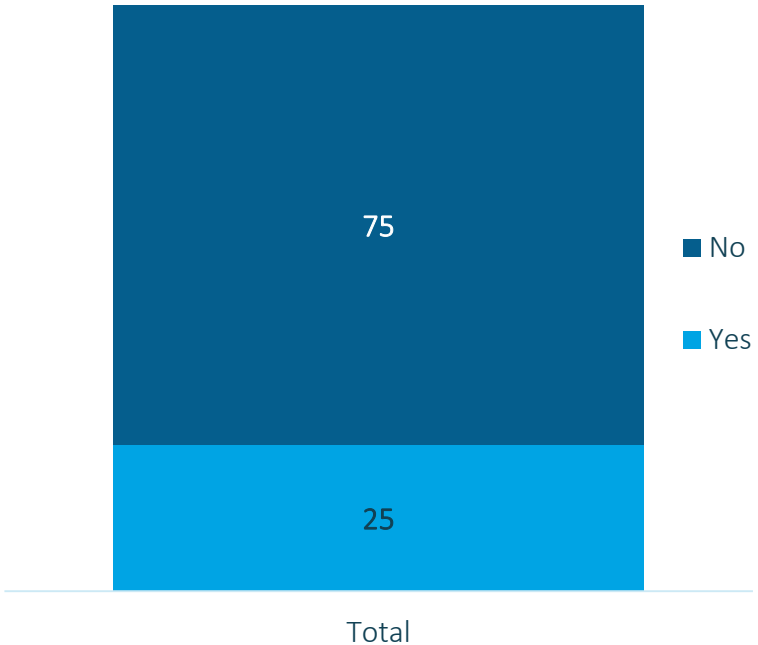
Respondent profile

Does someone in your household have a low income card?



Does anyone in your household have a disability or debilitating health issue



Q52. Do you, or someone who lives with you, have a low income card?
Q53. Do you or any member of your household, have a disability or have a long term debilitating health issue?
Base: All respondents (n=601)

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KNOWLEDGE AND LITERACY

Name of electricity distributor | unprompted

Perceived name of electricity distributor | Unprompted	N=601 %
AGL	18
United Energy	16
Origin	9
Energy Australia	8
Simply Energy	6
Red Energy	5
Lumo	4
Alinta	2
Momentum Energy	1
Ausnet	1
Dodo	1
Click Energy	1
Powershop	1
GloBird Energy	1
Don't Know	23
Other	2

Q8. What is the name of your electricity distributor? By distributor, we mean the company responsible for the electricity network not your energy retailer who sends you the bill.
Base: All respondents (n=601)

Less than 1 in 5 residential respondents in the United Energy area were able to correctly identify their electricity distributor, with 18% perceiving AGL as their distributor.

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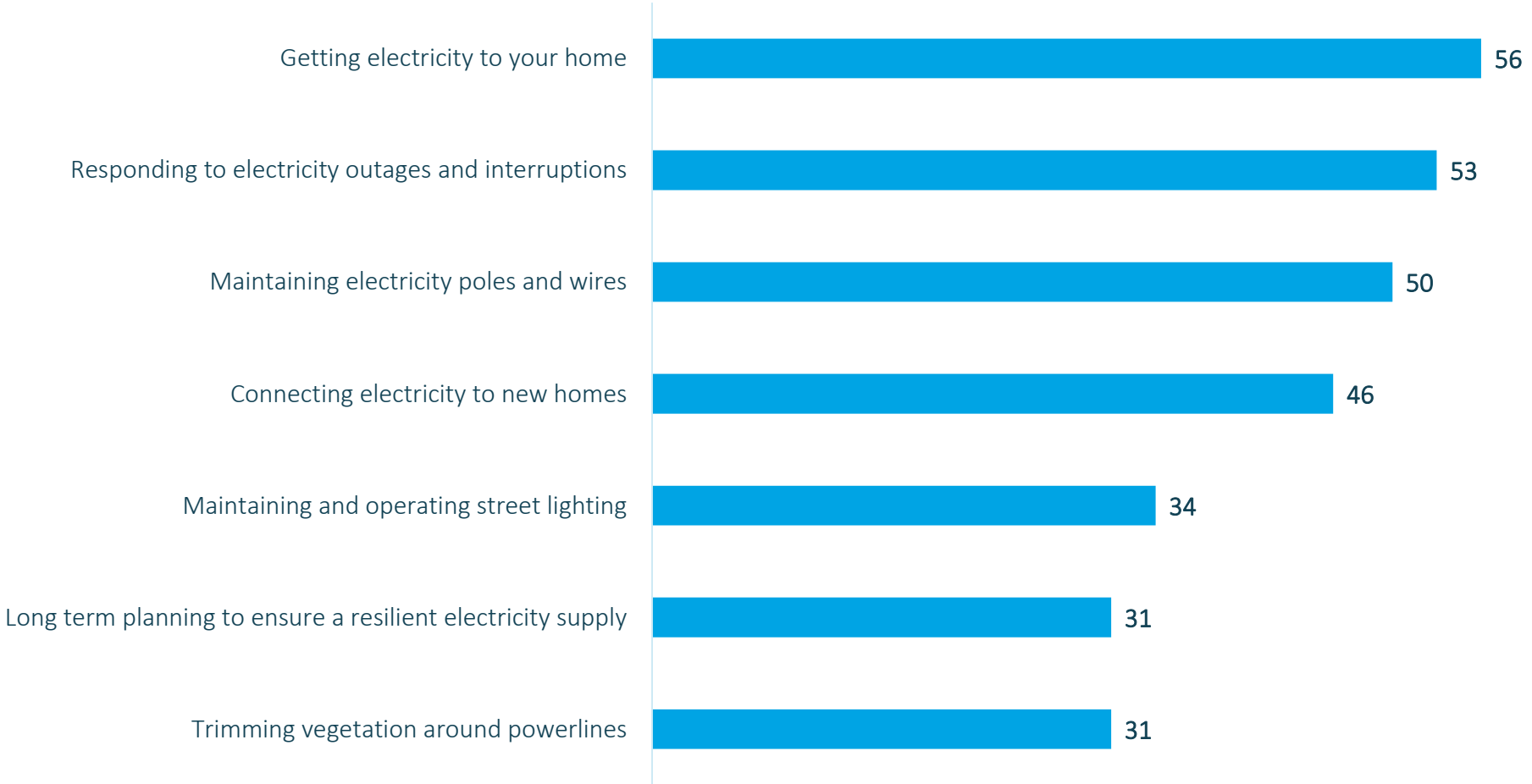
Awareness of roles of distributor



Getting electricity to the home, responding to outages and interruptions and maintaining poles and wires were the most commonly attributed roles of the electricity distributor.

Q9. [insert distributor] is the electricity distributor for your area. Which of the following roles were you aware that [insert distributor] did before today? MR
Base: All respondents (n=601)

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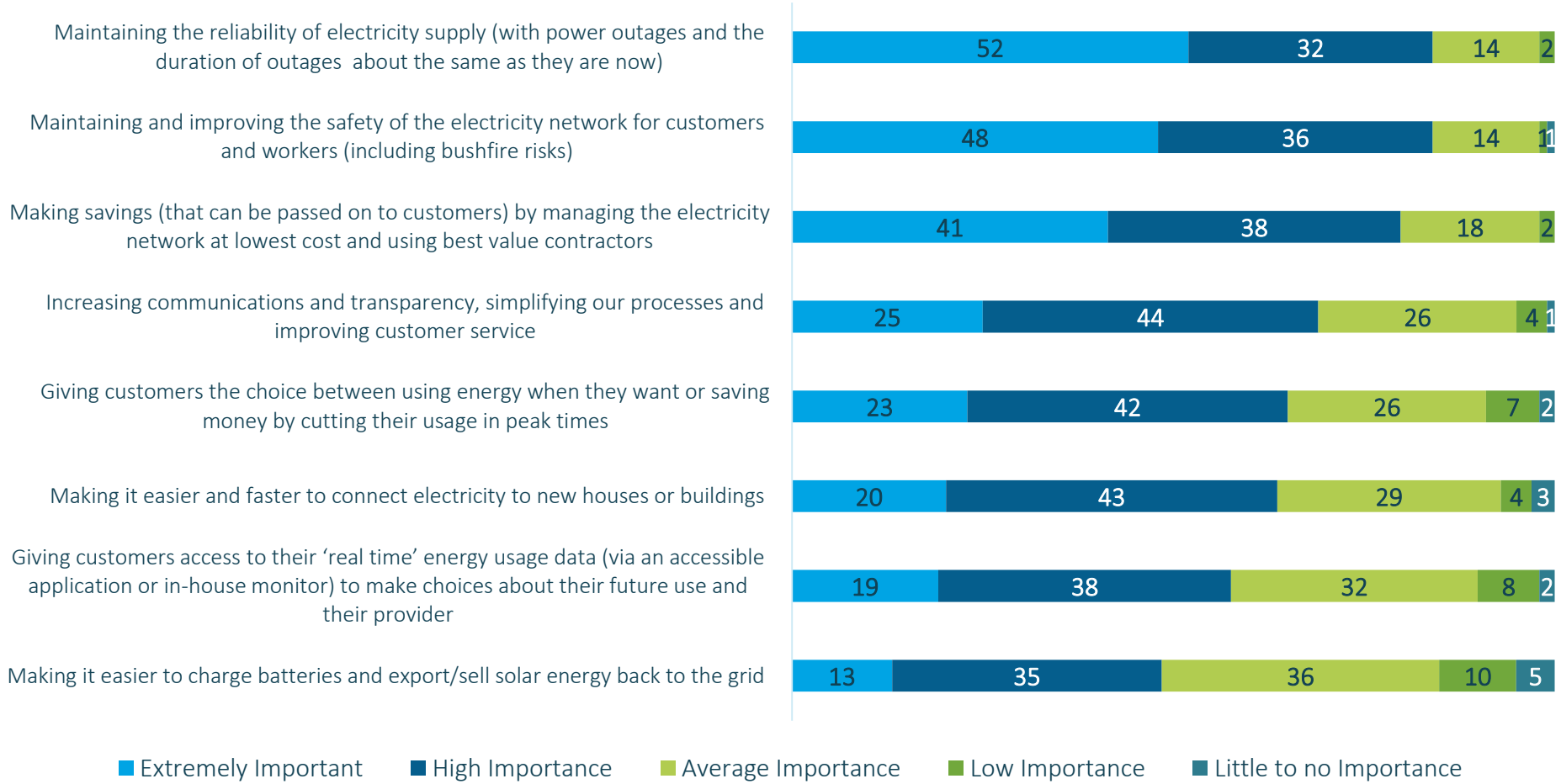
BENEFITS THAT CUSTOMERS SEEK

Importance of benefits



The most important benefits were perceived to be:

- Maintaining reliability; and,
- Maintaining and improving safety.

Q10. Please rate how important you think each of the benefits (services and improvements) listed below are for your distributor to focus on. *Score each statement from 1 to 5 using the following as a guide.*
Base: All respondents (n=601)

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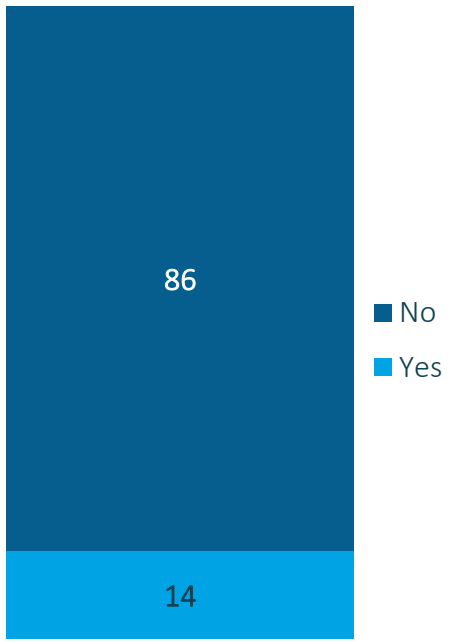
MAKING IT EASIER TO CONNECT

Experience with connecting a new house

Experienced new connections



Satisfaction with timeframe and process

Suggestions to improve connection process	Respondents who had connected and were not satisfied (n=16*)
Quicker connection/response	38
Better communication	17
Everything NFI	8
Accurate time information/dates	7
Other	22
Don't know	13

14% of respondents had experience a new connection to their home, with 79% indicating they were satisfied with the timeframe and process.

Those who were not satisfied suggested a quicker connection and better communication.

Q11. Have you had experience in connecting a *new* house to the electricity network with [distributor]? Base: All respondents (n=601)
Q12. If yes, how satisfied or dissatisfied were you with the timeframe and process? Base: Respondents who had experience connecting a new house(n=82)
Q13. (if not code 1 or 2 above i.e. not satisfied) What would have made the connection process better?
Base: Respondents who had experience connecting a new house and were not satisfied (n=16*)

*CAUTION SMALL BASE SIZE

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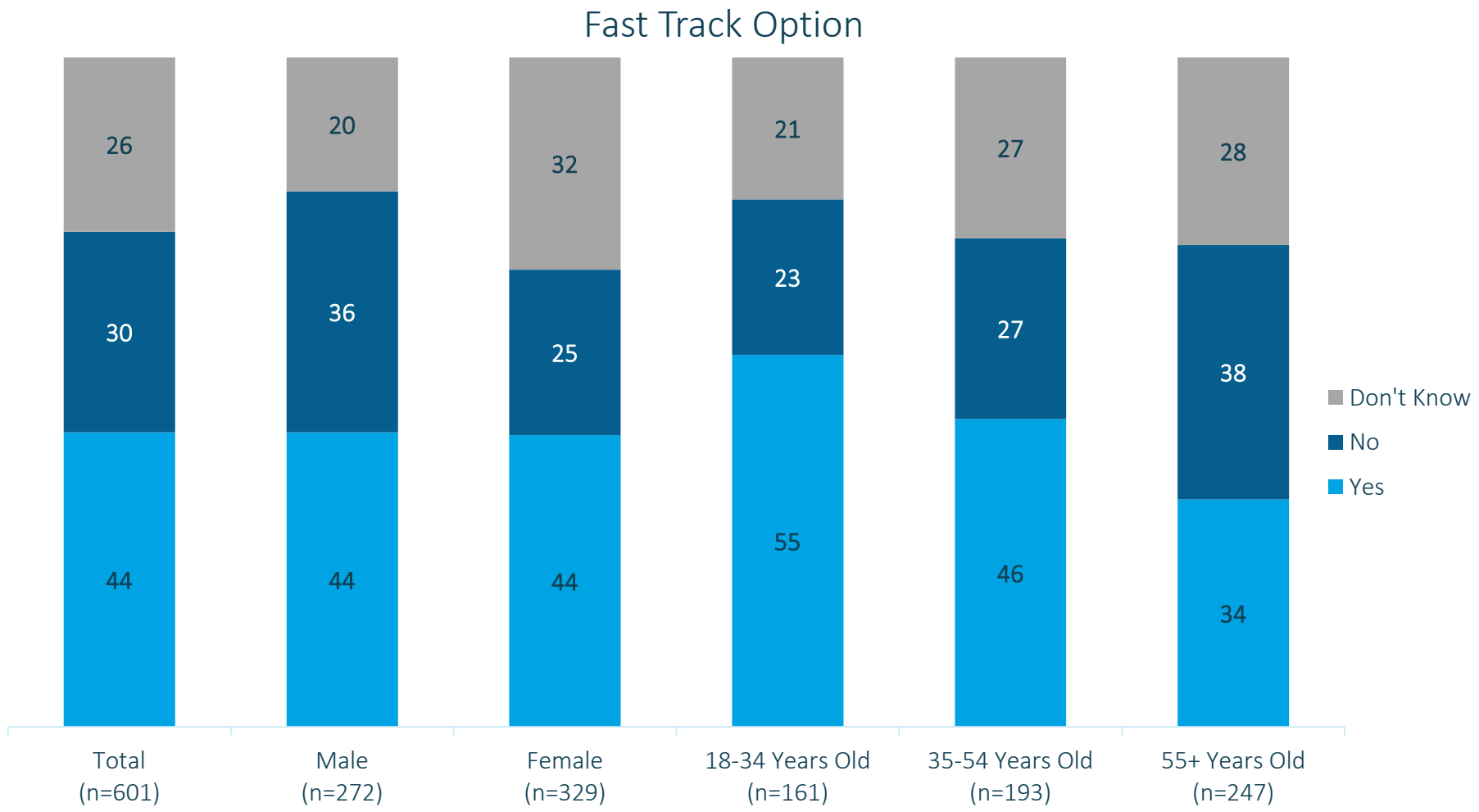
Agreement with the ‘fast track’ option



More than 2 in 5 respondents indicated they would like a ‘user pays fast track’ option. This was slightly more popular amongst the younger demographic.

Q14. Do you think there should be a fast track ‘user pays’ option for customers wanting to get their connection done in less time than typically allowed?
Base: All respondents (n=601)

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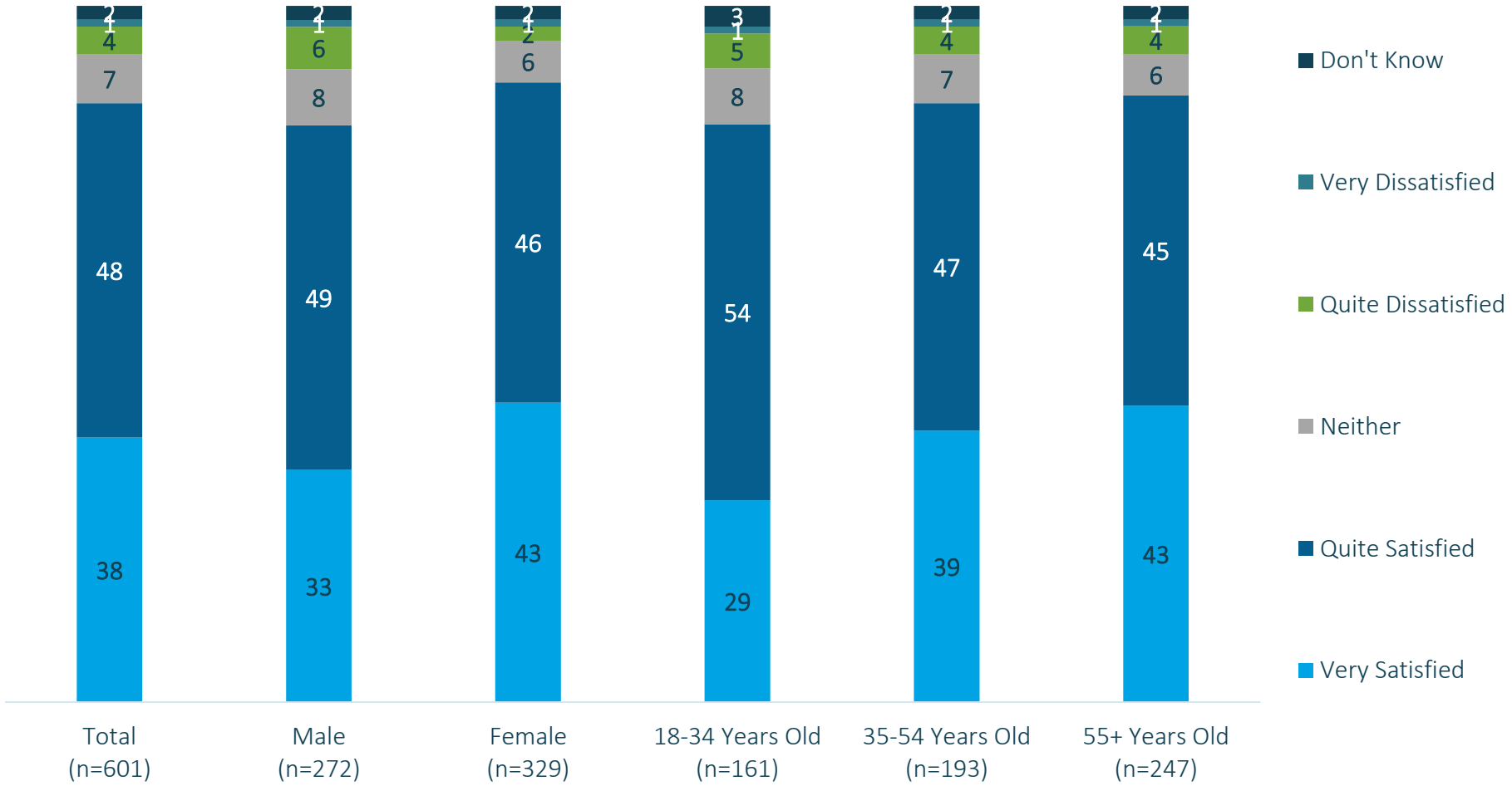
PROVIDING A RELIABLE SUPPLY

Satisfaction with current supply reliability



86% of respondents were satisfied with their current reliability of electricity supply.

Q15. How satisfied are you with the reliability of your electricity supply where you live currently (i.e. the frequency and duration of outages)?
Base: All respondents (n=601)

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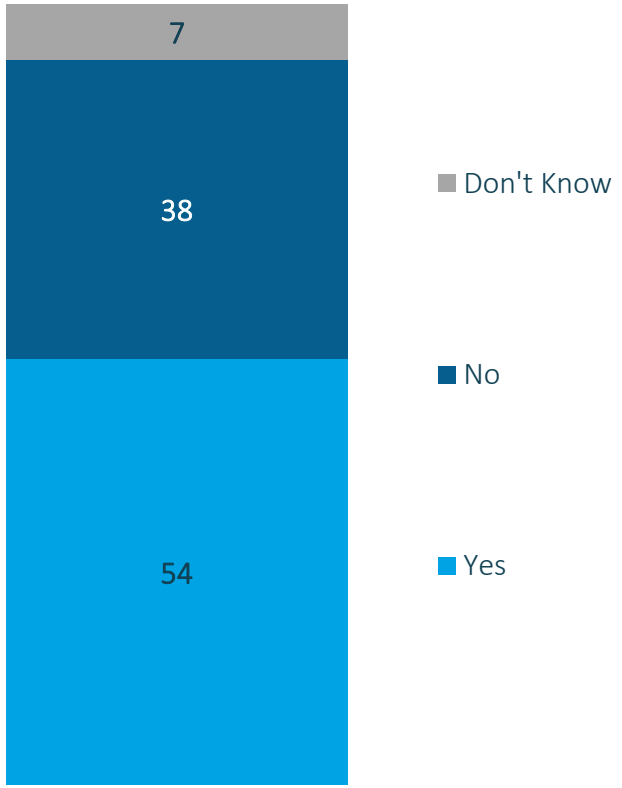
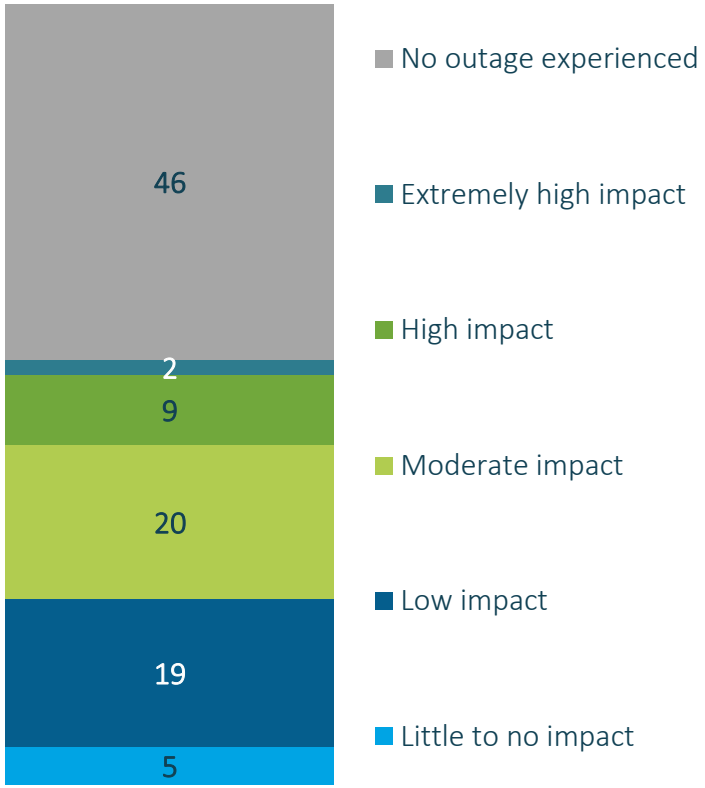
Outage experienced in current home

Experienced an Outage in the last 2 years



Level of Impact



- More than half of respondents (54%) indicated that they had experienced an outage in the last 2 years.
- While there tended to be a low impact from outages, nearly 1 in 10 indicated a high level.

Q16. Have you experienced an outage in your current home over the past two years?
Q17. [Only if yes to Q16] What level of impact do electricity outages currently have on your household?
Base: All respondents (n=601)

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Impact of outages experienced

What were those impacts	Those who experienced a moderate level of impact or more n = 190
Loss of/worried about loss of food in the freezer/fridge	31
No heating/cooling/effect on old people, children	22
No lights/scariness/risk of accidents/no light for customers/security problem	22
No internet/can't find out what's going on	13
The inability to cook	13
General inconvenience/inability to carry out normal living	10
We work from home, so unable to work/study	10
Not being able to use any appliances/anything/everything is electric/or indirectly reliant on electricity	10
No TV/entertainment	9
Medical problems/e.g. can't use CPAP, life support backup	7
Loss of power/for particular length of time NFI	6
No computer/issues with computer	5
No hot water	4
No phone/this can be unsafe/we miss calls	4
Not being able to get my car out of the garage/having to move car out for planned outage	3
Electrical/electronic devices being damaged/blowing up/loss of data	3
Needing to use candles/can be dangerous/torches/being caught without them	3
Other	6
Don't know	19

For those who experienced a moderate level of impact or more, the biggest impacts were perceived to be:

- Loss of food;
- No heating or cooling for the young and old; and,
- Security risks and accidents risks due to lack of lighting.

Q18. [If moderate, high or extremely high in Q17). Please tell us about what those impacts are.
Base: Those who experienced a moderate level of impact or more n=190

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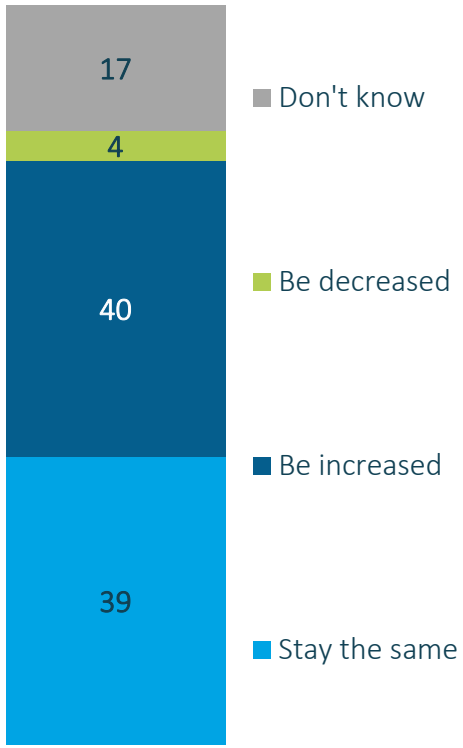
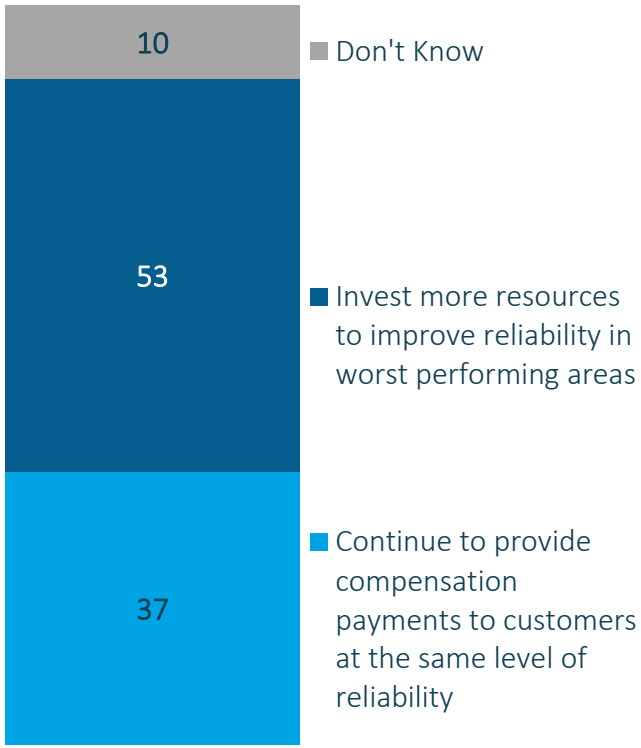
Compensation payments

Should the Payments change



Should the Payments change



- Most felt that compensation payments should remain the same or be increased.
- Overall, there was a feeling that resources should be invested in improving reliability in worse off areas.

Q20. When the reliability of the electricity supply does not meet the required level, the distributor must compensate customers. Currently customers receive between $30-$360 depending on the frequency and duration of outages. The highest payment of $360 is paid for more than 24 unplanned and sustained interruptions per year (or 60 hours of interruptions). Do you think these payments should stay at the same level, or should they be increased or decreased?
Q21. Should the distributor continue to provide such payments to customers who experience more than a certain number of outages/hours of outages per year or should they invest more to improve reliability for those in the worst performing areas? SR
Base: All respondents (n=601)

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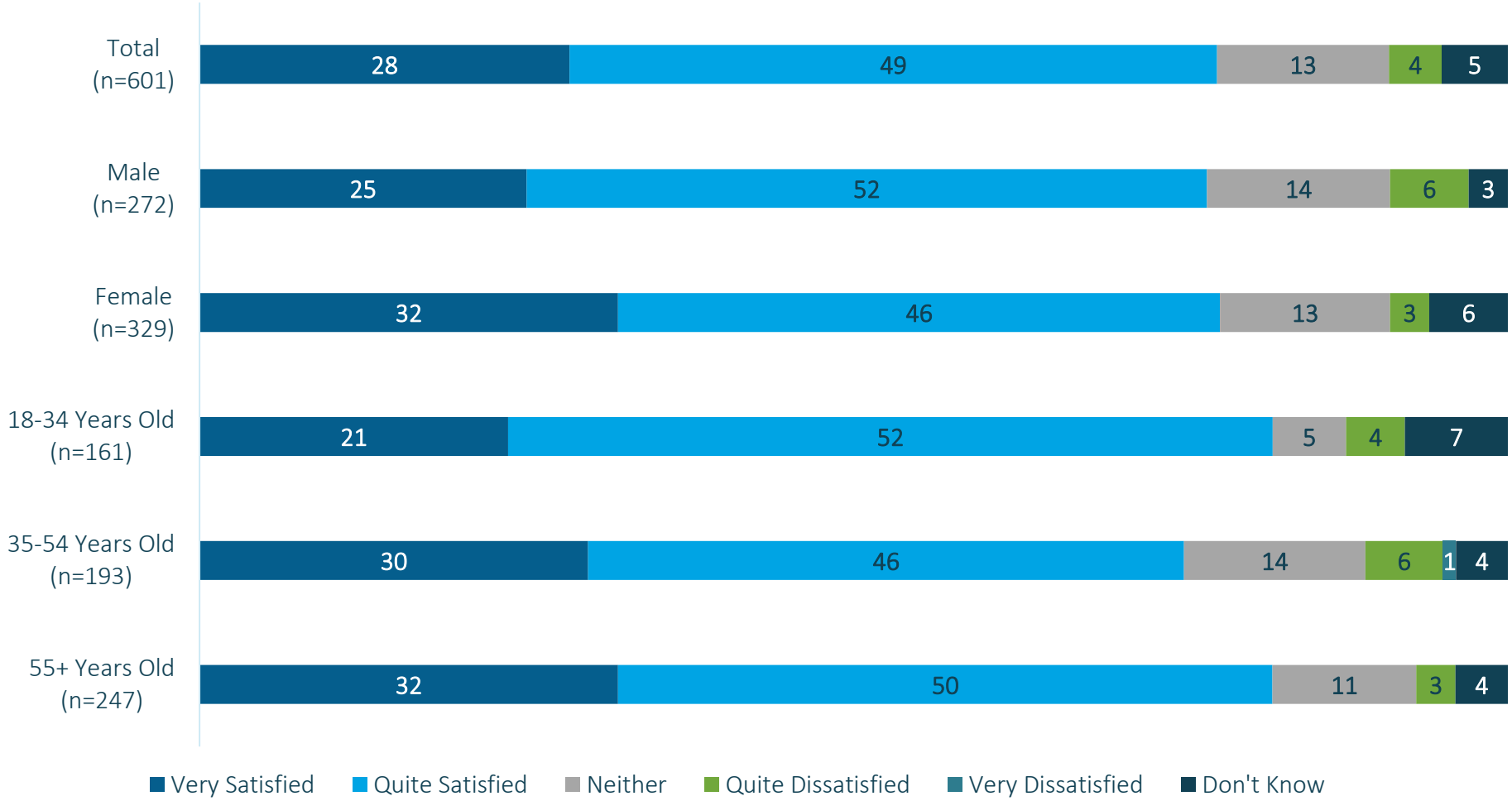
MAKING IT EASIER TO EXPORT SOLAR AND CHARGE YOUR BATTERY

Satisfaction with quality of electricity supply



Over three quarters (77%) of respondents were satisfied with the quality of their current electricity supply, with satisfaction being slightly higher amongst older age groups.

Q22. How satisfied or dissatisfied are you with the quality of your electricity supply right now (i.e. the level of flickering, surges, brownouts)?
Base: All respondents (n=601)

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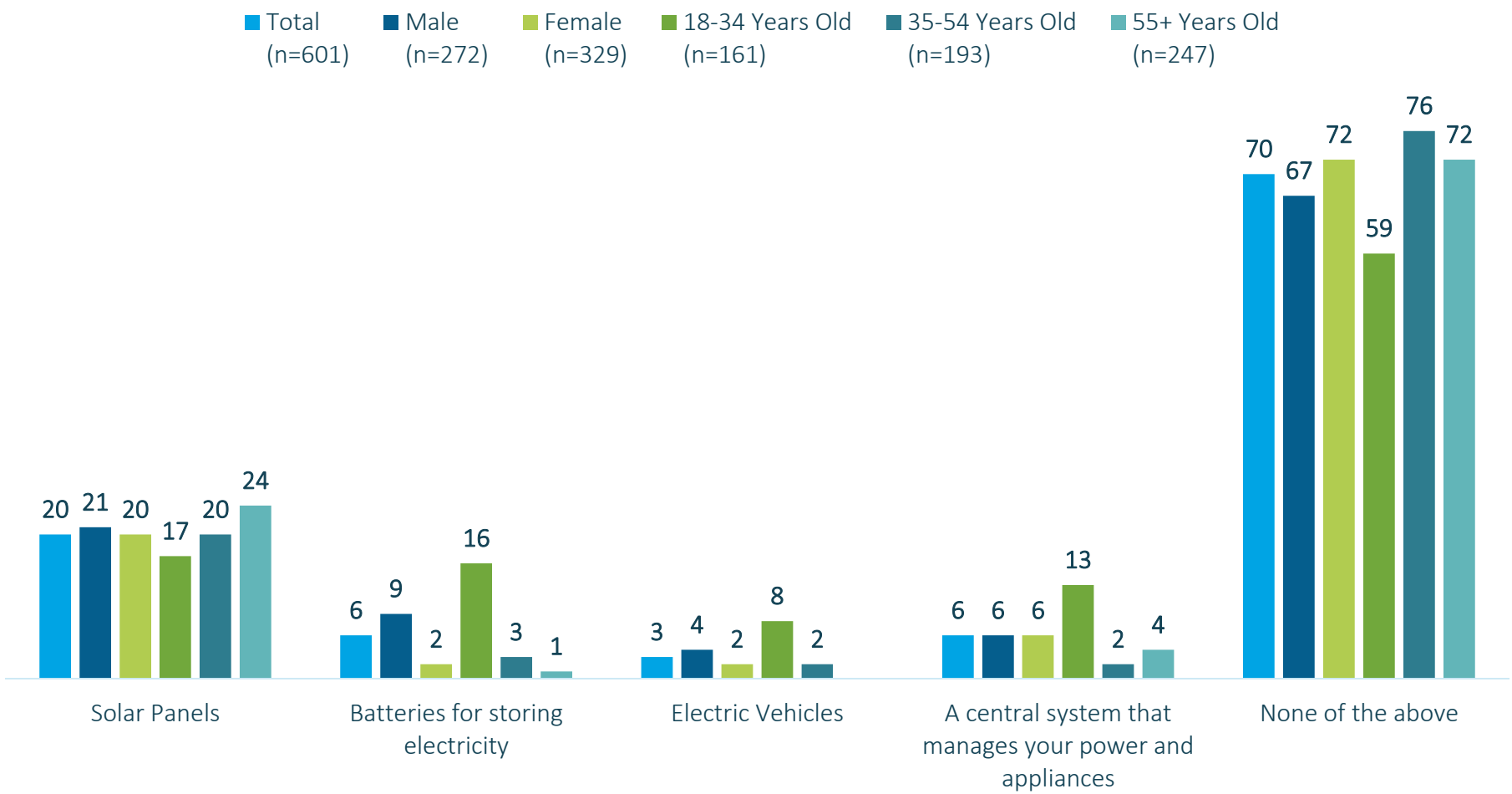
Incidence of having any of the following



The large majority of respondents did not have any of the listed technologies, however the most common was solar panels, with the younger demographic being more likely to have a range of technologies.

Q23. Does your household currently have any of the following? Select each of those that apply. MR.
Base: All respondents (n=601)

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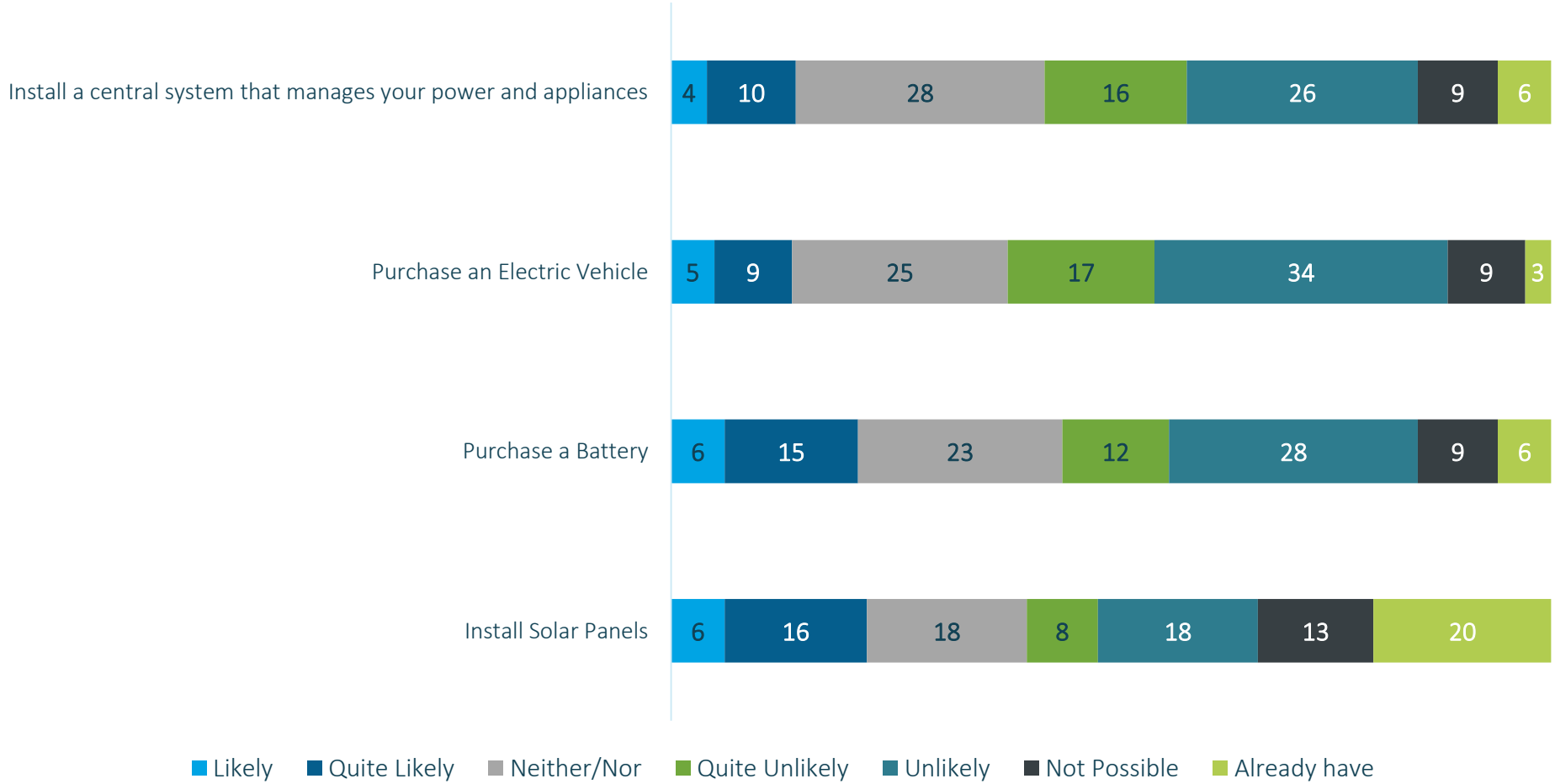
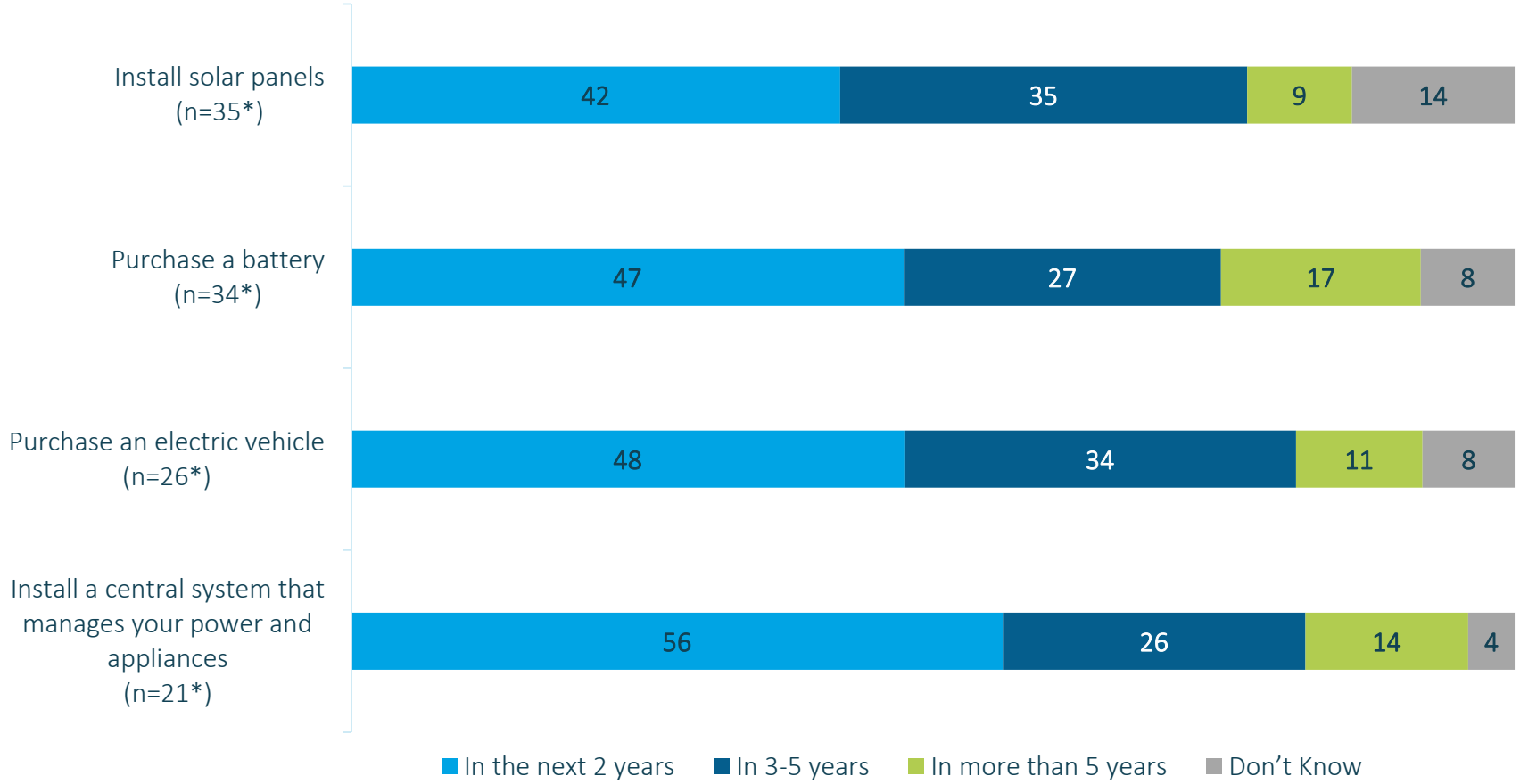
Likelihood of installing in future



Installing solar panels and purchasing battery were the most likely technologies to be adopted.

Q24. How likely would your household be to do the following in the future:
Base: All respondents (n=601)

Timing of future installation



The majority of respondents felt that they would take up technologies in the next 2 years.

Q25. When do you think your household would be likely to invest in these technologies?
Base: Respondents who indicated they were likely to install these technologies *CAUTION SMALL BASE SIZES

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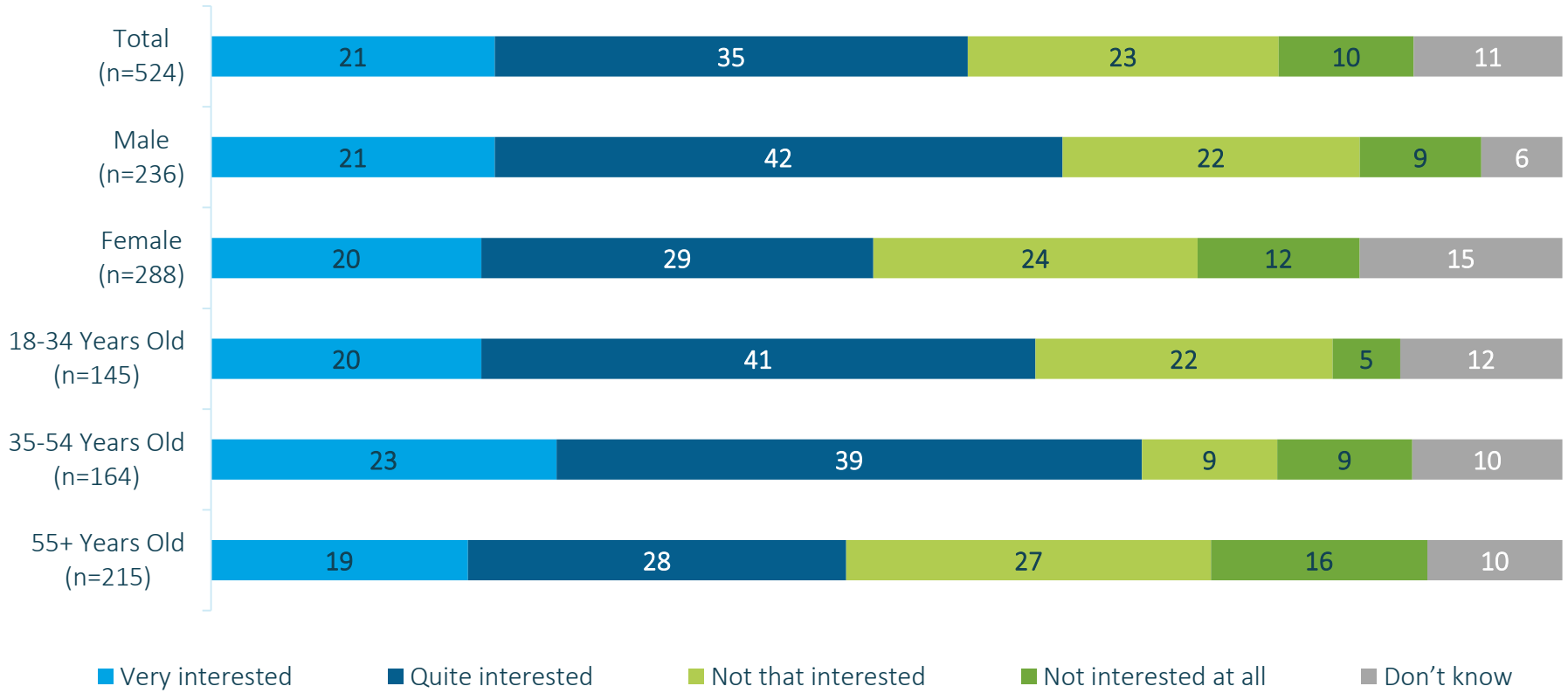
Interest in exporting/selling back to the grid



More than half of respondents (53%) indicated that they were interested in exporting/selling electricity back to the grid.

Q26. What is your level of interest in exporting/selling electricity (e.g. stored solar power) back to the grid in the future?
Base: Respondents who had the option to install solar (n=524)

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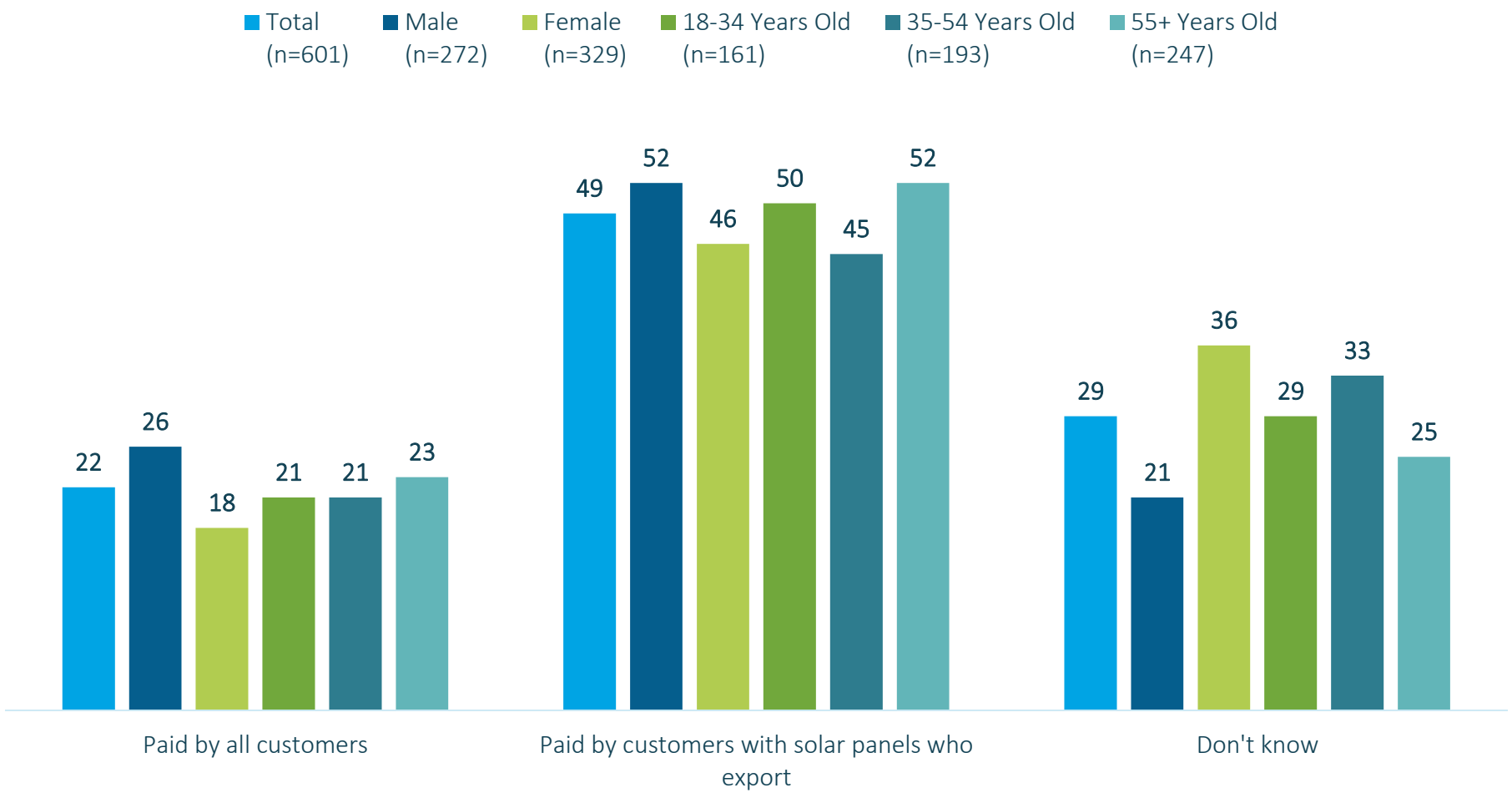
Investment in power quality



As exporting power back to the grid could impact on the quality of supply, it was largely felt (49%) that those who were exporting should pay for power quality assurances.

Q27. Exports of electricity from rooftop solar have an impact on the quality of electricity supply to all households. As solar exports increase, more investment will be needed to ensure that the quality of power doesn't decline. Should this investment in power quality be paid for by all customers or only be paid for by customers with solar panels who export electricity?
Base: All respondents (n=601)

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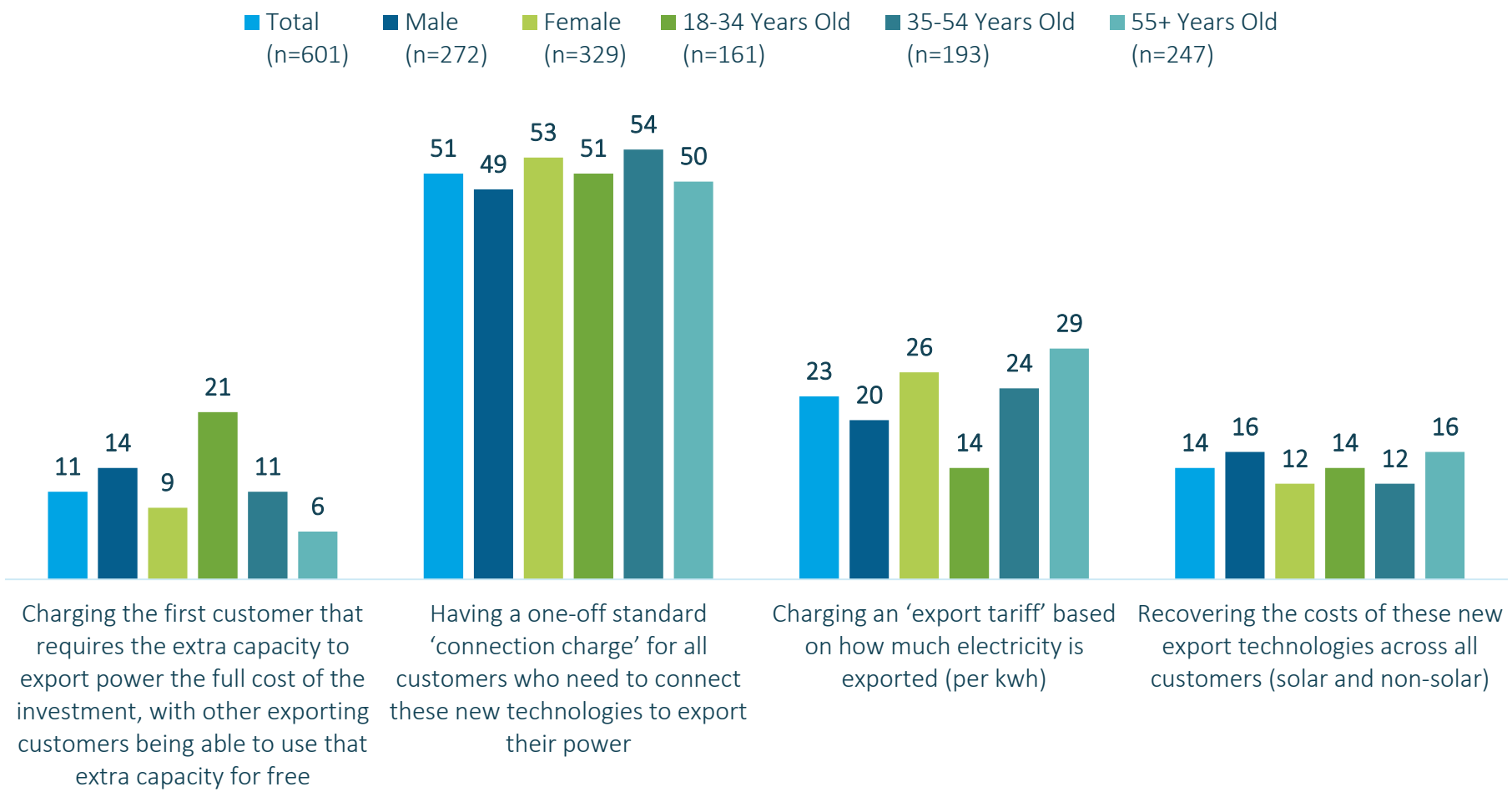
Funding extra capacity investments



More than half (51%) of respondents felt that a one-off standard connection charge should be paid by those wanting to connect new technology to export power.

Q28. Currently the electricity network is built to only allow for one-way flow of electricity, from the power plants to homes and businesses. In order to allow for exports of rooftop solar and what is known as two-way flow, investment in extra capacity is needed. Which is your preferred option for funding the investment that is required for customers to export power (please choose one option):
Base: All respondents (n=601)

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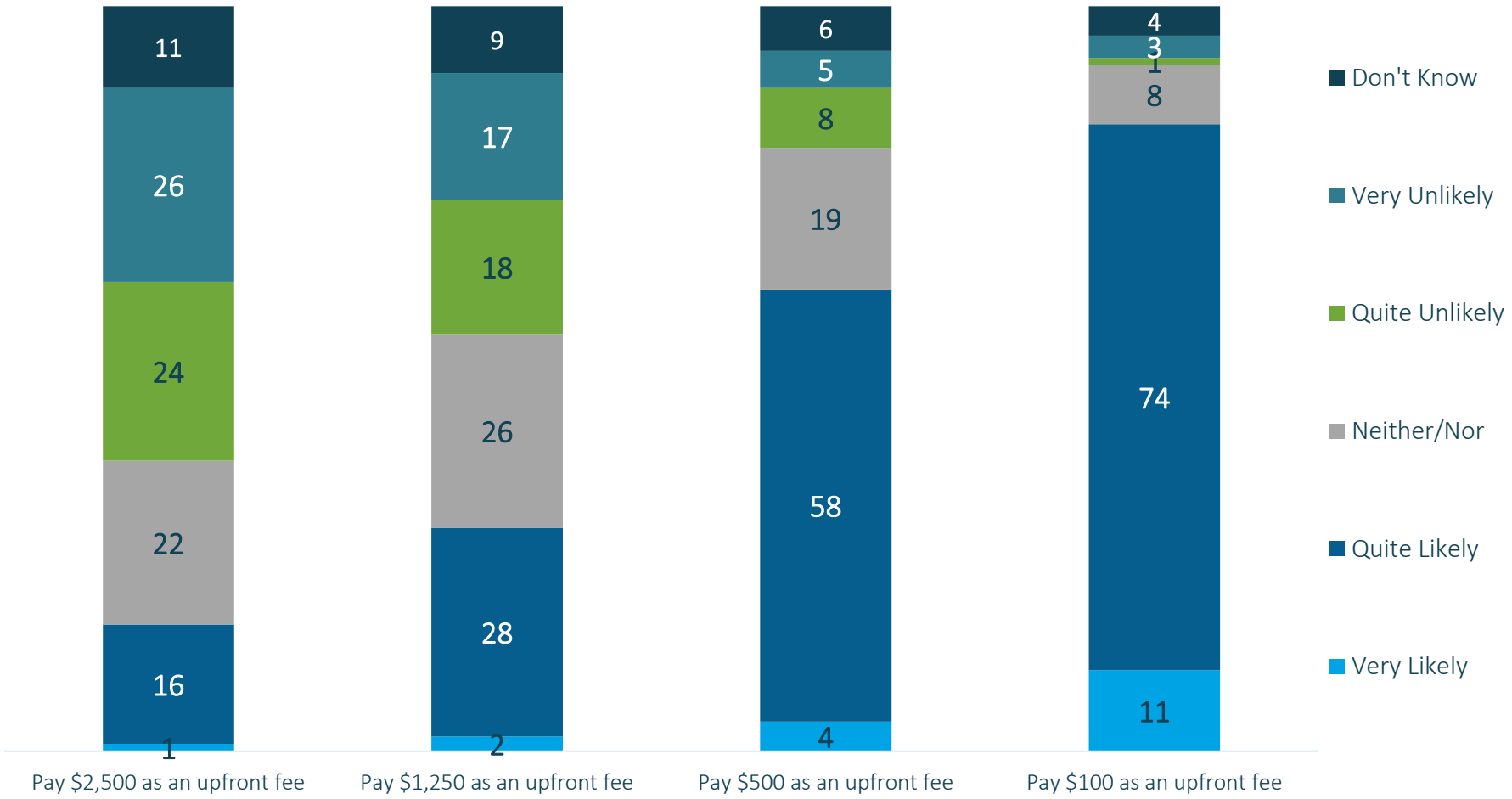
Likelihood of paying one off fees



Nearly two-thirds (62%) of respondents indicated they would be likely to pay a $500 upfront fee to connect and export electricity.

Q29. [If Option 2 is chosen in Q28] How likely do you think customers would be to pay $2,500 as an upfront connection charge for a typical 5kW solar system to guarantee the ability to export power to the network? If they do not say very or quite likely to this then ask same question for $1,250. If they say do not say very or quite likely to this then ask $500. If they do not say very or quite likely then ask 'less than $100'. Base: Respondents who preferred to have a one off standard connection fee (n=306)

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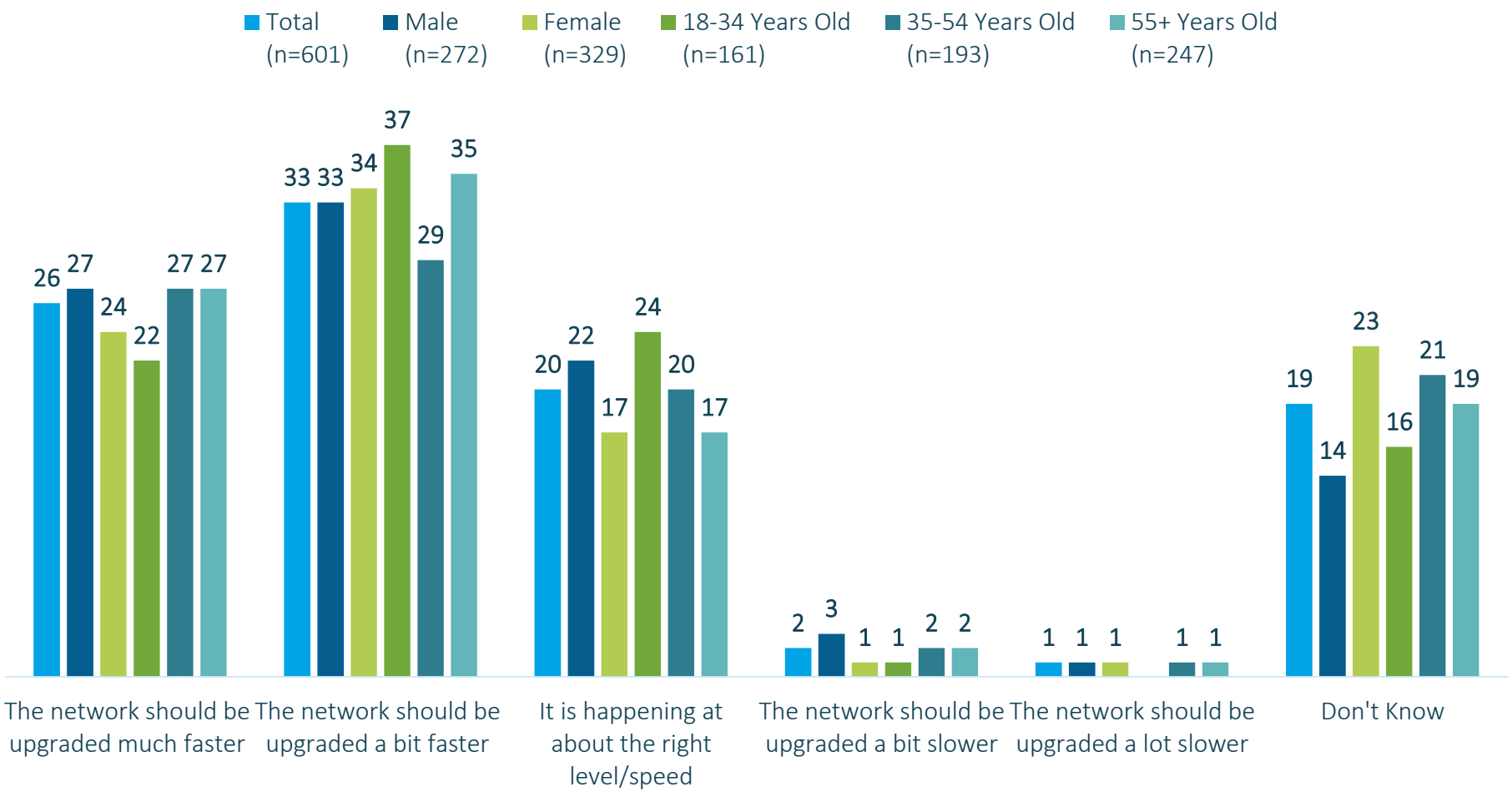
Upgrade timeline



More than half (59%) of respondents felt that the network should be upgraded faster than was currently happening.

Q30. Do you think that parts of the electricity network should be upgraded more quickly to allow for more renewable energy users and large customers to connect/export solar power to the grid?
Base: All respondents (n=601)

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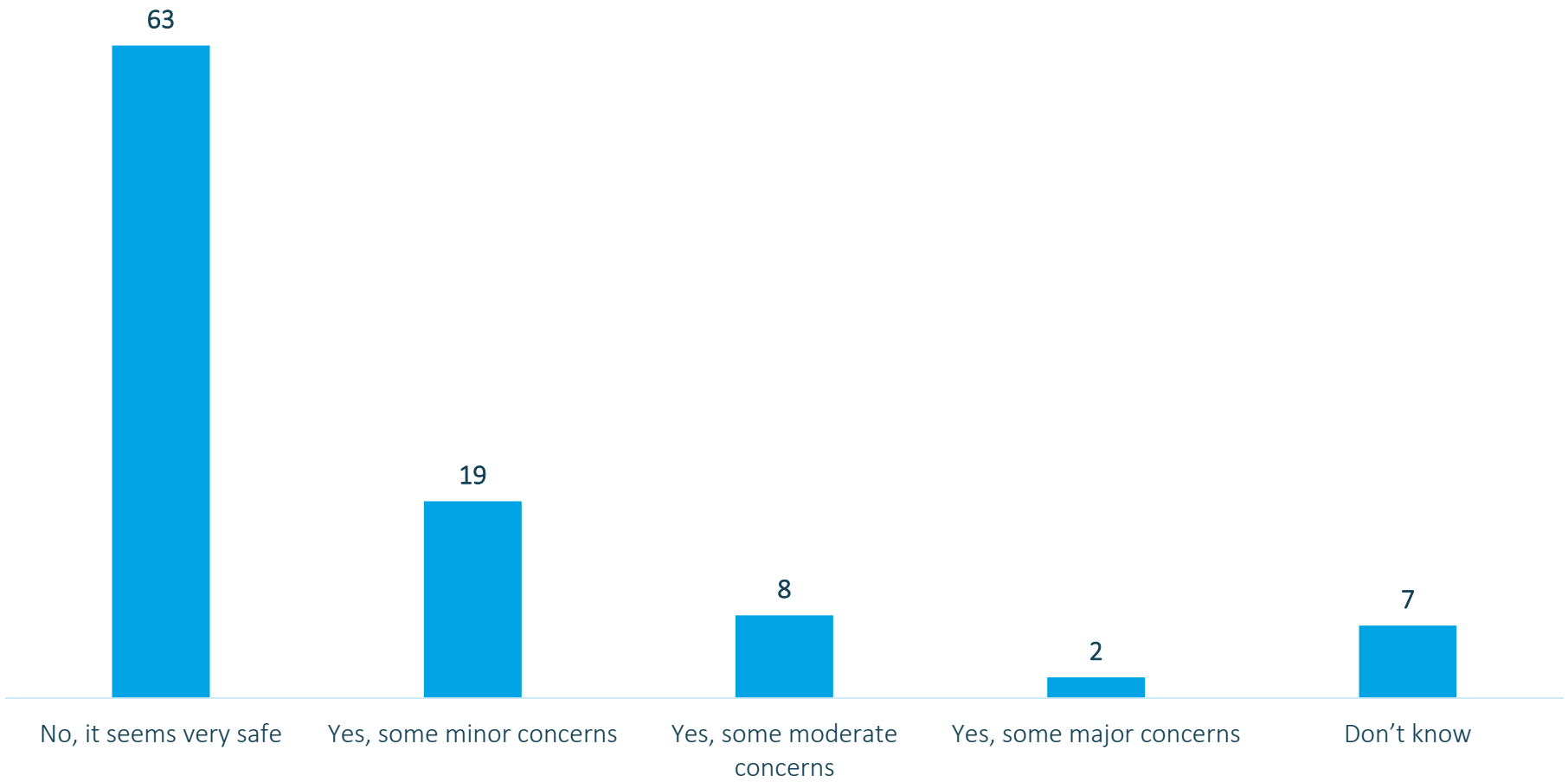
SAFETY

Concerns about safety



While most felt that the network seemed very safe, there were some minor and moderate concerns.

Q31. Have you ever had any concerns about the level of safety of the electricity network (poles, wires and facilities in your area or region) to workers or customers?
Base: All respondents (n=601)

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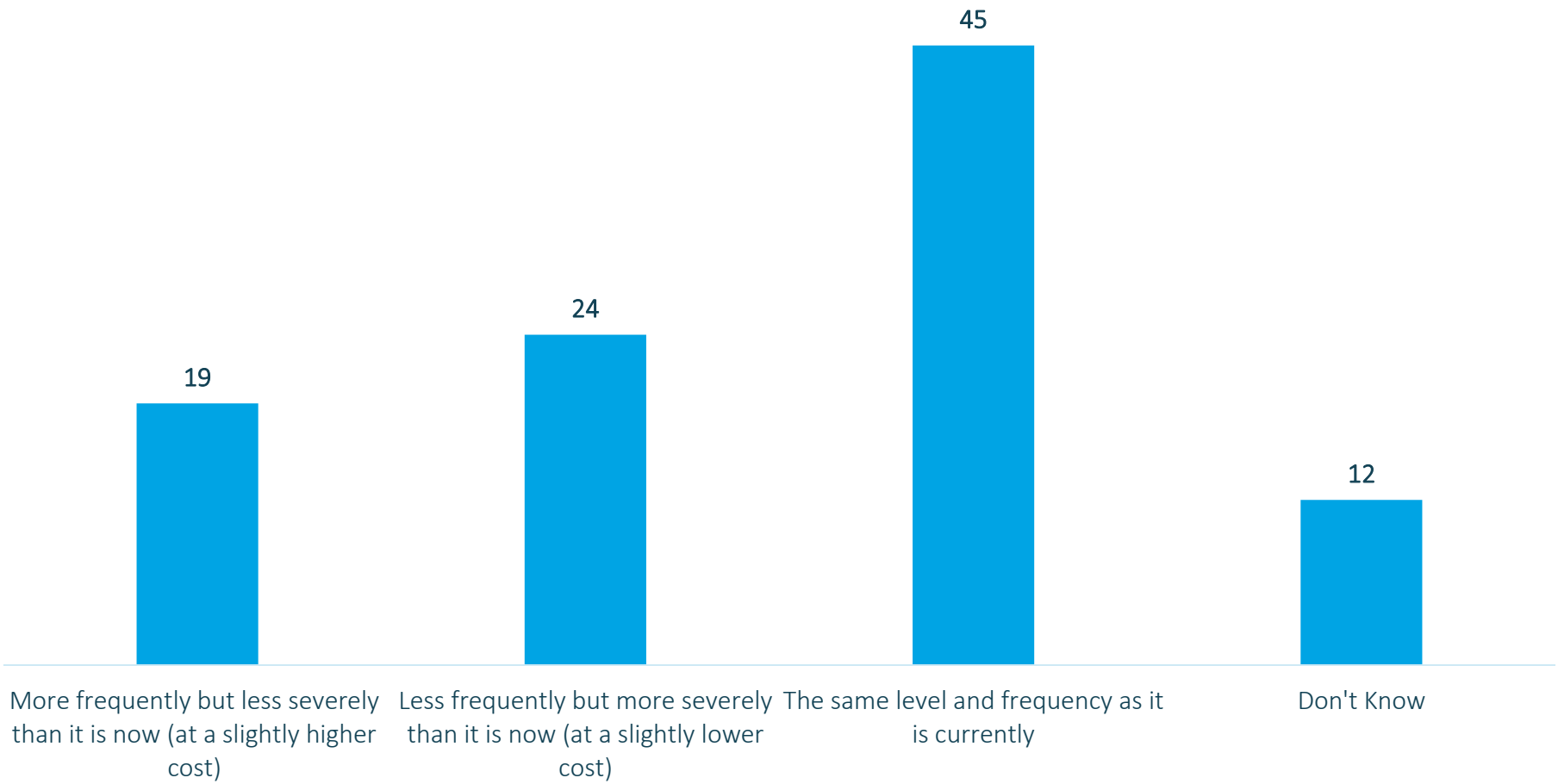
Vegetation maintenance



Most (45%) respondents felt that vegetation management was adequate, however a quarter (24%) wanted to see a longer trimming cycle, and 19% wanted a more frequent cycle.

Q32. One of the biggest safety risks and costs for electricity distributors is vegetation (trees and shrubs around power lines). The distributor is required to cut all vegetation around distribution lines to a set standard. [*Distributor*] aims to cut trees every two/three years (*insert two for UED, three for CP/PAL*). Do you think vegetation should be trimmed:
Base: All respondents (n=601)

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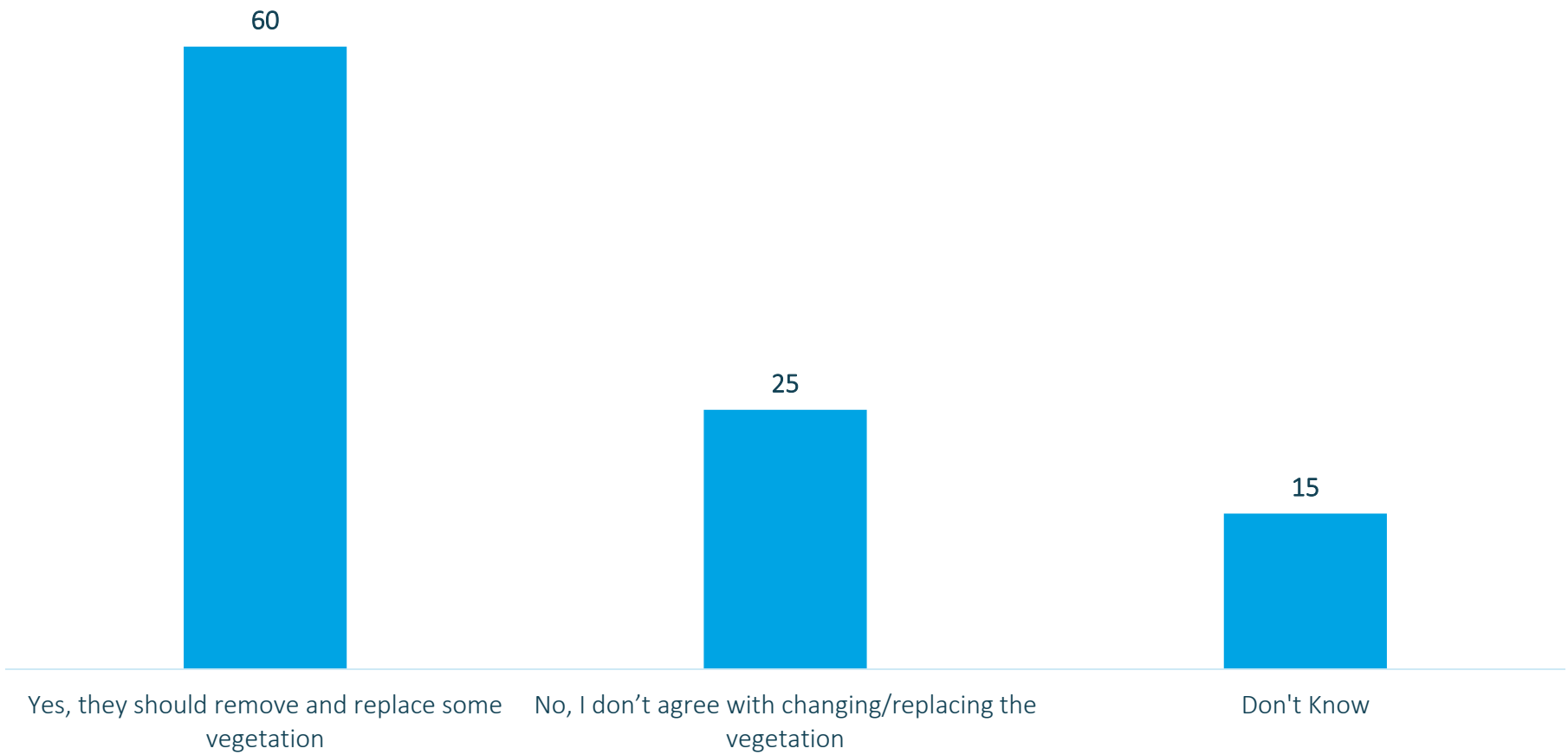
Replacing vegetation



60% of respondents felt that some vegetation should be removed and replaced with more appropriate vegetation.

Q33. Costs could be reduced if some vegetation was permanently removed and replaced with more appropriate types of vegetation selectively replanted, such as low-growth trees. Do you think the distributor should consider removing and replacing vegetation instead of regularly trimming the same trees/shrubs?
Base: All respondents (n=601)

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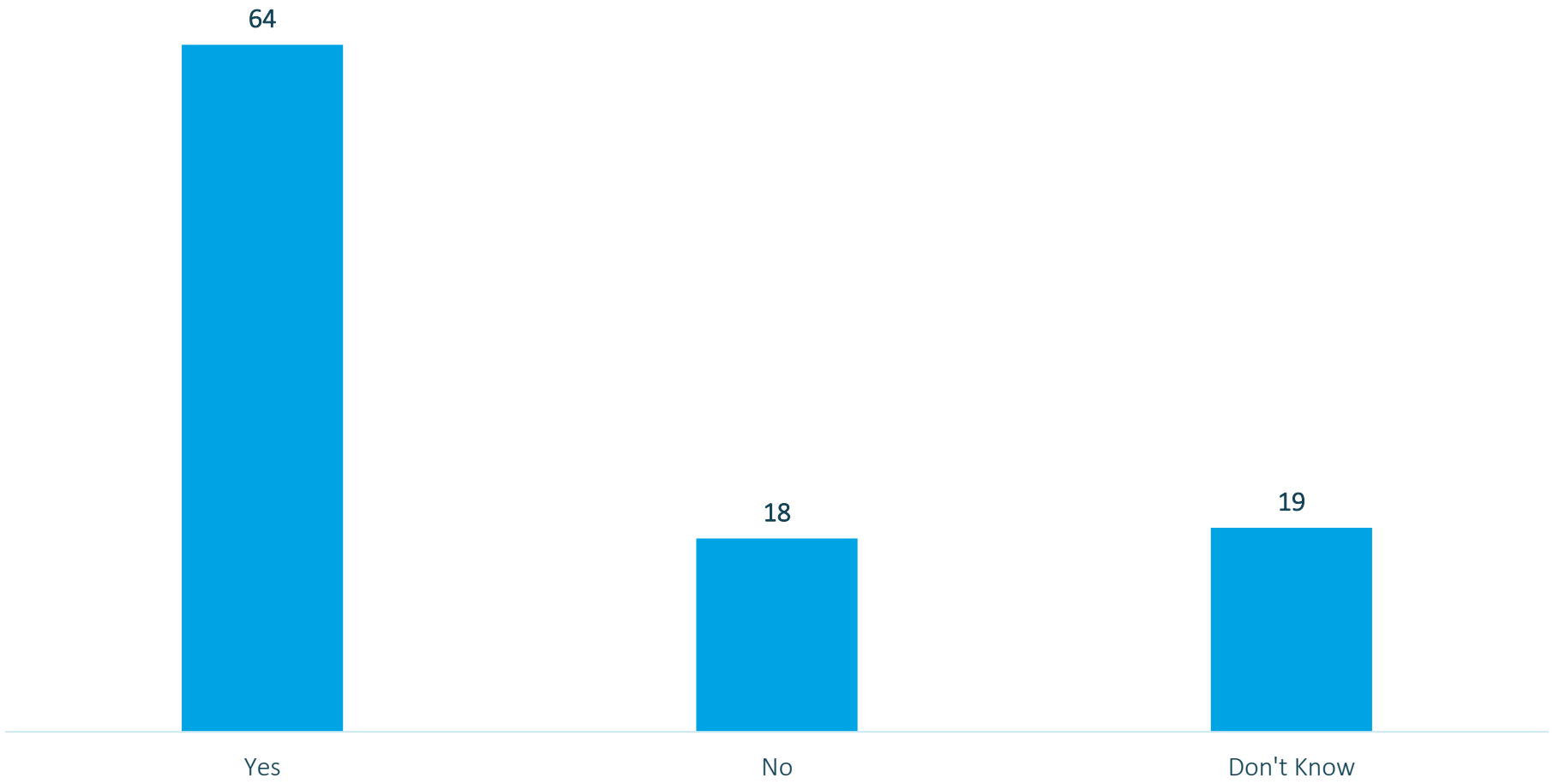
Underground electricity assets



Even though it was a cost to the consumer, nearly two-thirds (64%) of respondents felt that more undergrounding should take place.

Q34. Putting electricity assets underground eliminates safety risks, however, it costs significantly more to house wires underground initially. Should (insert distributor) invest in moving poles and wires underground that are in road accident black spots, albeit at a slightly higher cost to consumers?
Base: All respondents (n=601)

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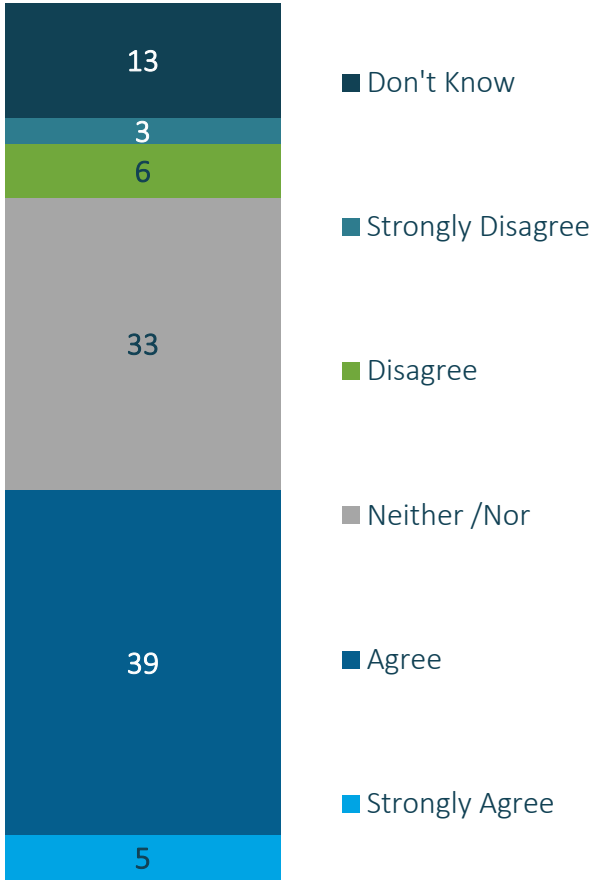
Management of safety



Suggestions to improve safety	Respondents who disagreed that enough safety management was being done n=53 %
Put powerlines underground	19
Cut back vegetation around power lines/reduce growth	12
Do more checking of the network/the poles/lines	9
More/ a better job/get off their backsides NFI	9
Do more maintenance of/around powerlines/infrastructure	8
Spend money on upgrades rather than pay rises, profits etc	7
Be more proactive/fixing things before they become a problem	6
Listen to customers/be easier to contact/be honest	4
Have enough staff/to respond promptly	4
Protect powerlines from animals/possums	3
Let people know safety info/risks/more info on what to do	3
Making safety a priority	2
Other	17
Don't know	12

- 44% of respondents felt that there was enough being done to manage safety across the network, however a third were unsure.
- Some suggestions to improve safety included undergrounding and better vegetation management.

Q37. Do you agree or disagree that there is enough being done to manage safety across the electricity network? Base: All respondents (n=601)
Q38. What should [insert distributor] be doing with regards to safety? Base: Respondents who disagreed that enough safety management was being done (n=53)

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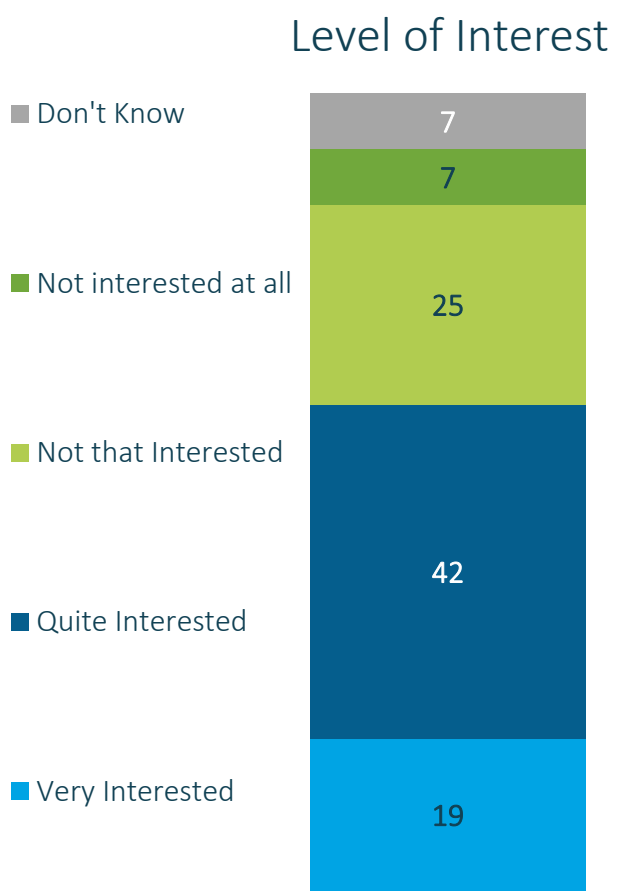
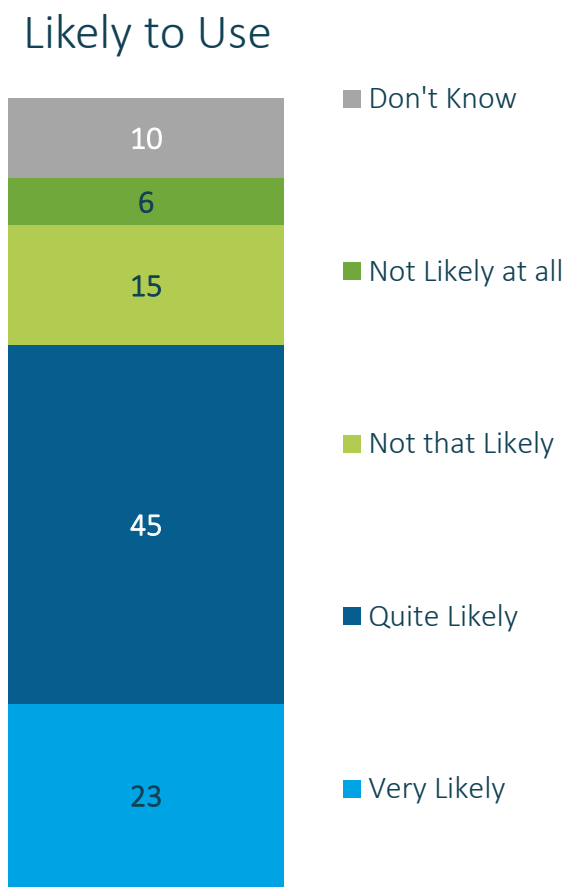
ENERGY USAGE DATA

Real time access to data





Three in five respondents were interested in having access to real time data, with 68% indicating they were likely to use the data to monitor their usage in order to receive rebates or savings.

Q39. What is your level of interest in having real time access to your energy usage data?
Q41. How likely would you be to use a 'real time' energy use monitor to receive rebates or savings if it was installed or accessible in your home?
Base: All respondents (n=601)

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Benefits of real time access

Benefits of real time access	n=714 %
The ability to monitor/monitor accurately your usage	16
The ability to manage/adjust usage/consumption	13
Save money/lower our bill/control costs	12
Being able to pinpoint what uses the most electricity	11
No unexpected bills/know your costs/track spending/budgeting/costings	8
Being able to see the best time for heavy usage activities/to decrease usage in peak	6
It gives information/better understanding/ability to make informed choices	5
It may help you to work out the best ways /where to cut use if needed/see unnecessary usage	5
Knowing when /that you need to cut down usage/if you have overdone it	5
Lower energy consumption/not wasting power	3
Seeing the immediate impact of an action e.g. turning on a/c/makes you more aware	3
Being able to see when I'm using most power	2
Don’t know	18
None	13
Other	8

Q40. What benefits do you think you would have from having real time access to your usage data?
Base: All respondents (n=601)

The main benefits were seen to be the ability to monitor and manage usage, save money and pinpoint what uses the most electricity.

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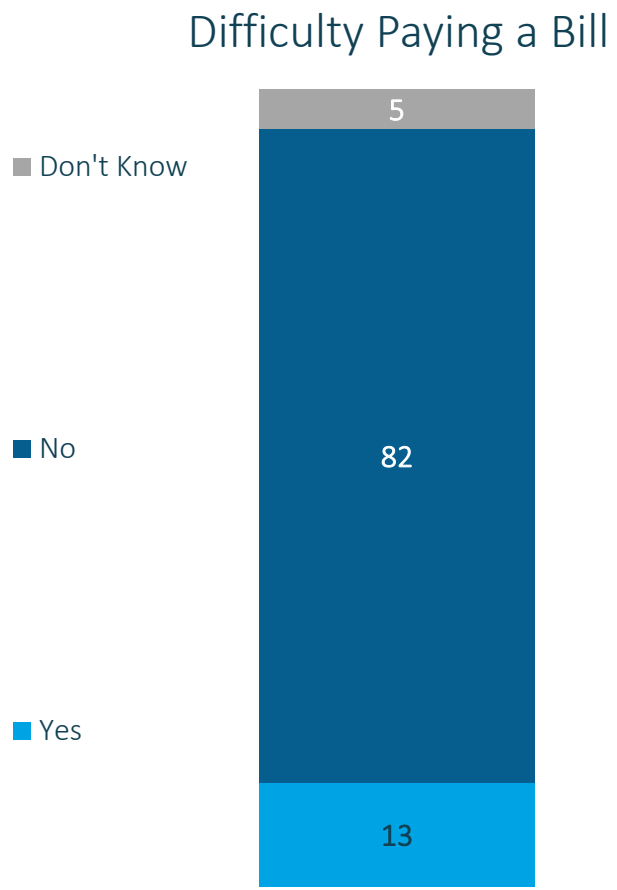
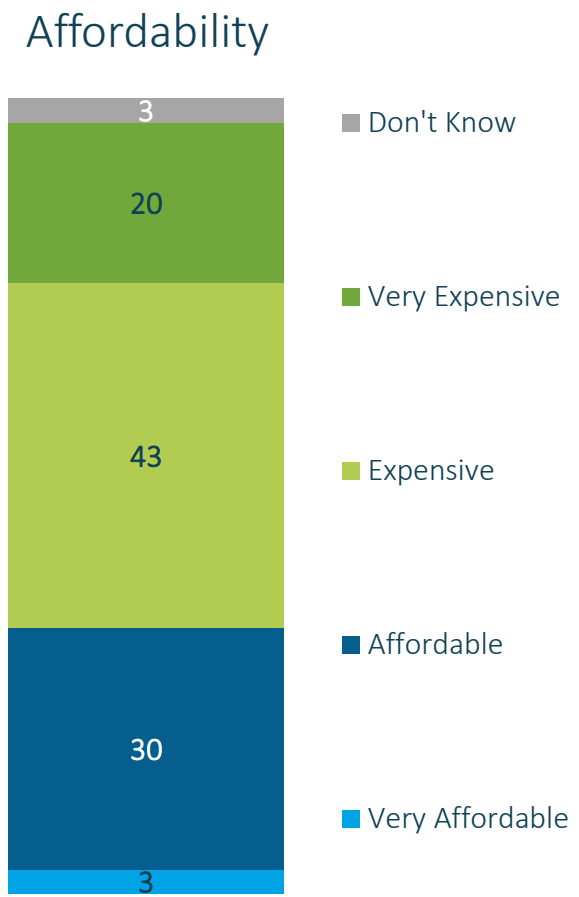
AFFORDABILITY AND PRICING

Affordability





While there was only 13% of respondents who indicated they had had difficulty paying a bill, nearly two-thirds (63%) felt their electricity bill was expensive or very expensive.

Q42. In the last 12 months, have you had any difficulty paying your bills, and sought advice/assistance for methods of payment or deferral of payment?
Q43. How would you rate the affordability of your electricity over the past 12 months?
Base: All respondents (n=601)

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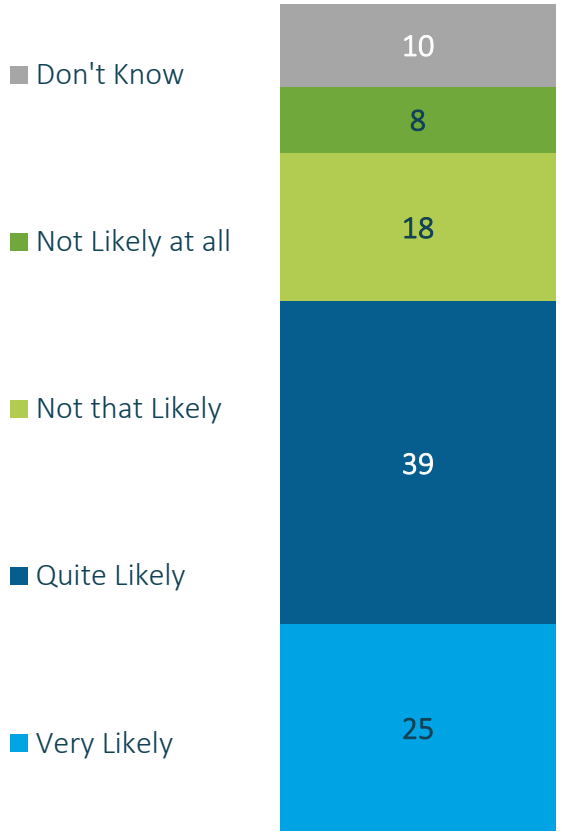
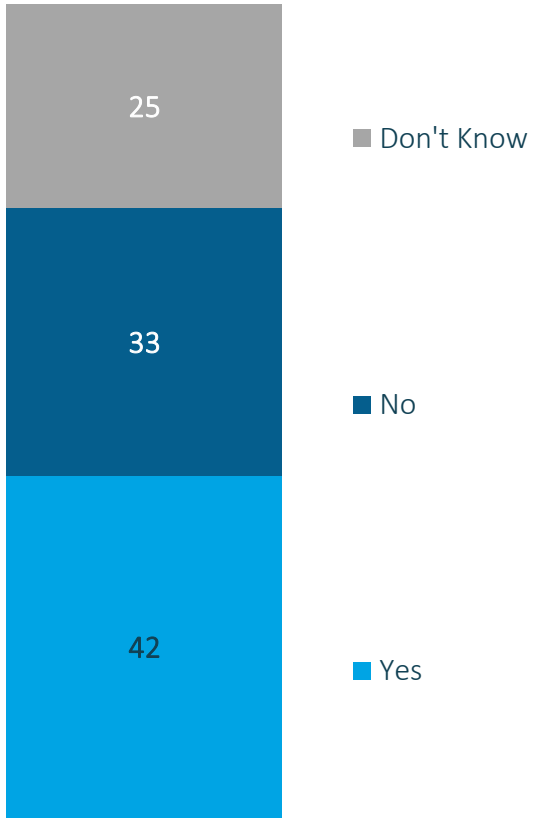
Controlling energy usage

Likelihood to participate in trials or programs



Allowing distributor remote access to adjust your energy use.



64% of respondents said they were likely to participate in programs to reduce energy usage at peak times for a financial saving, however only 42% indicated they would be happy for the distributor to remotely adjust energy.

Q44. How likely is it that you would participate in trials or programs where you can receive a small financial incentive or reward (approx. value of $10-15) to reduce your electricity usage at peak times when asked by the distributor?
Q45. Would you be interested in receiving a small incentive (approx. value of $10-15) to allow the distributor to adjust your energy use remotely for appliances like air conditioners if you didn't notice a large difference in heating/cooling?
Base: All respondents (n=601)

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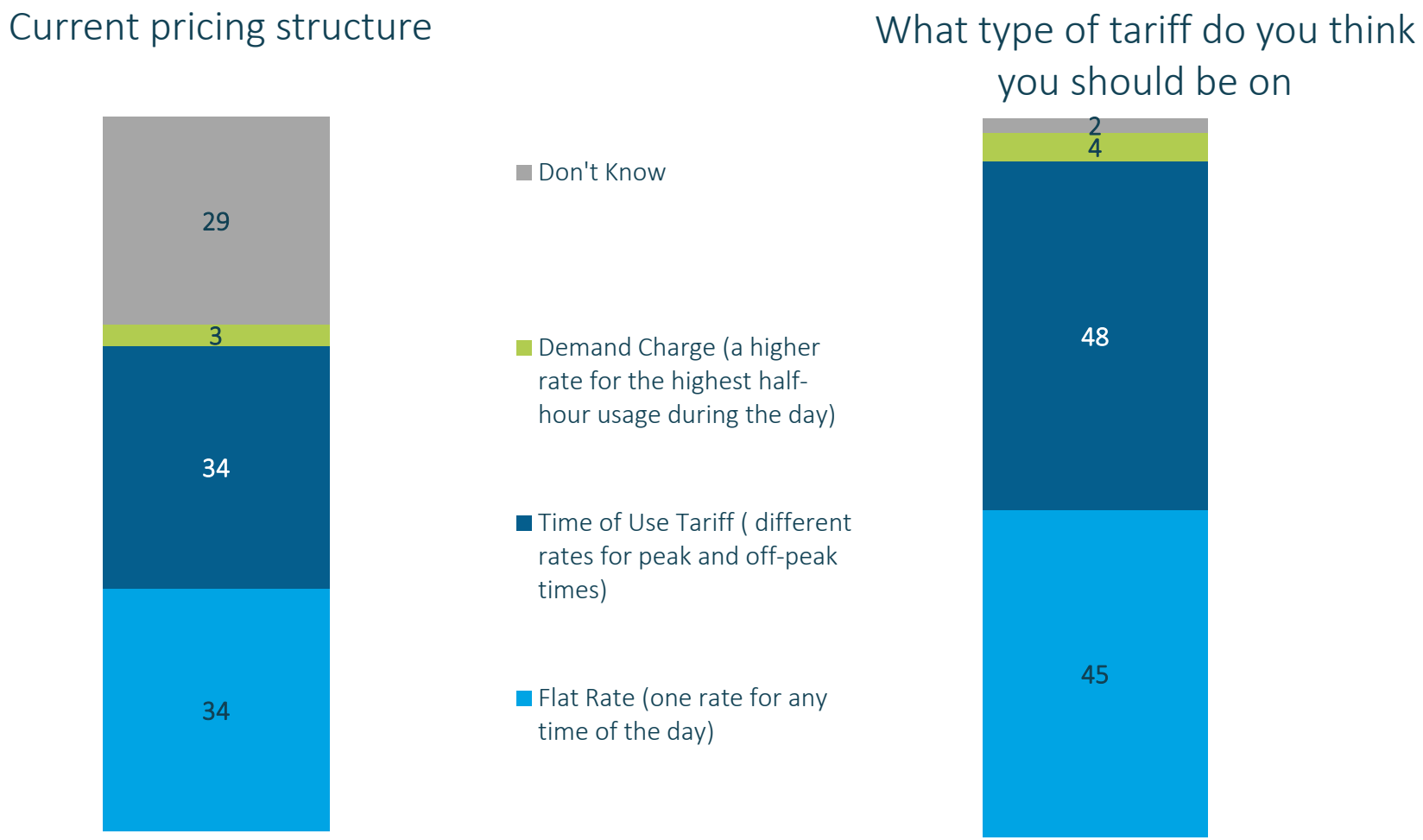
Tariffs



While many were unsure what type of pricing structure they were currently on, there was a split in the perception of whether they should be on a time of use or flat rate structure.

Q46. What is the pricing structure of your current electricity bill?
Q47. Taking into account your pattern of electricity use and your energy sources (e.g. whether most of your usage is only at certain times during the day or whether you have solar or batteries), what type of tariff do you think would best suit your needs?
Base: All respondents (n=601)

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