the gandalf group

CANADIAN
Energy Efficiency Alliance

Energy Efficiency & Canadians

National Opinion Research for CEEA
April 12, 2013

Methodology

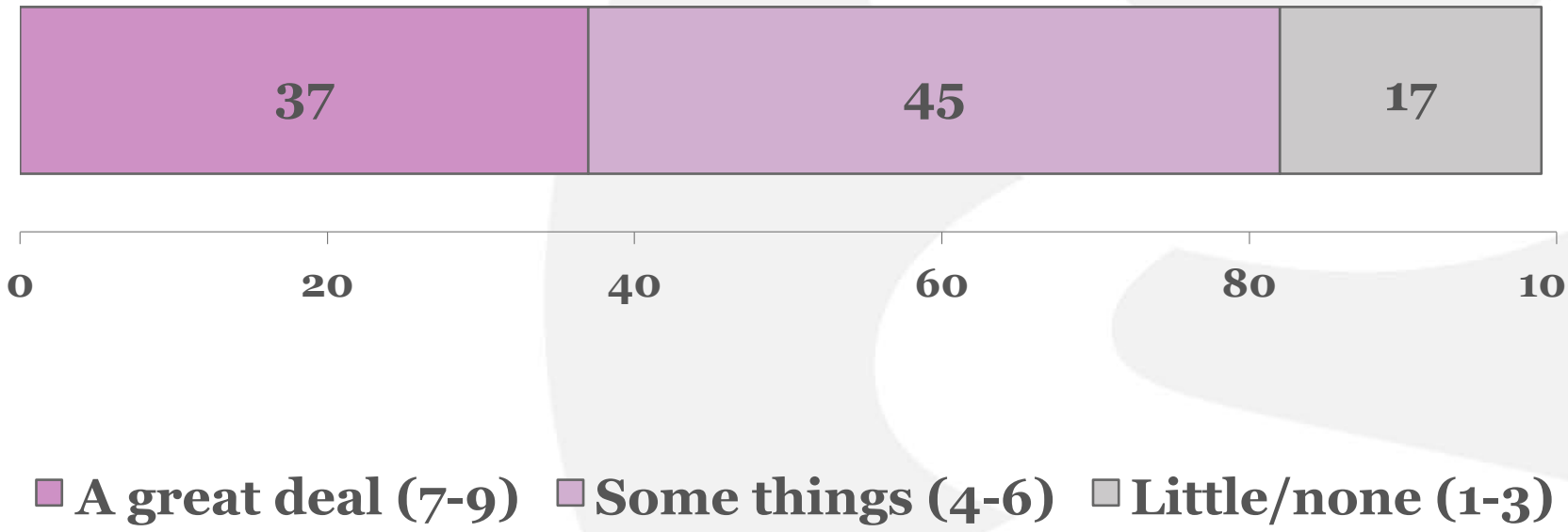
- Online survey conducted from February 13th to 26th, 2013.
- Survey with 1584 adult Canadians, representing a nationally representative sample of Canadians, proportionate to region, age, gender and language (English and French).
- Using a randomly populated online panel that supports probability testing - margin of error of +/- 2.5%, 19 times out of 20.

Participation in Energy Conservation

- Canadians want to conserve energy – particularly electricity in the home.
- Just over one third of Canadians said they have done a great deal to conserve energy in the last year - strong conservers.
- Most said they have done some things - moderate conservers.

Participation in Energy Conservation

"Thinking about different ways you use energy (e.g. electricity or gas), how much have you done in your household and day-to-day life to conserve and use less energy over the last year? Tell us on a scale of one to nine where one means you have done nothing and nine means you have done a great deal to reduce your energy use overall."

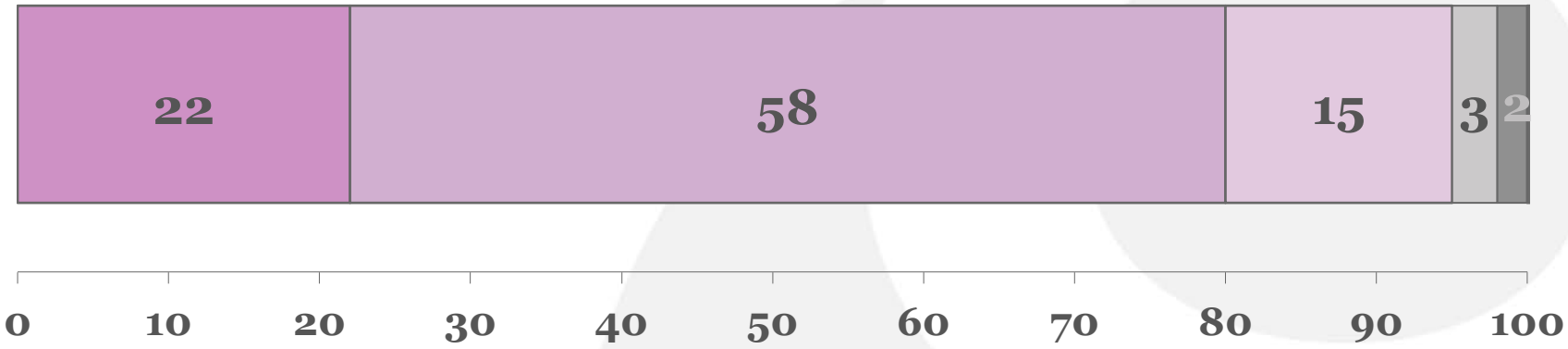


Potential for More

- Just 22% of Canadians believe they are doing everything they can.
- Most said they are doing some things but will likely do more.
- Even among those who said they were doing a great deal or at least a moderate amount, most intend to do more.
- Regardless of region, age, gender or income, a majority of Canadians intend to do more to conserve

Extent of Conservation Efforts

"Which one of the following statements best describes you when it comes to conserving energy in your household or day-to-day lifestyle?"



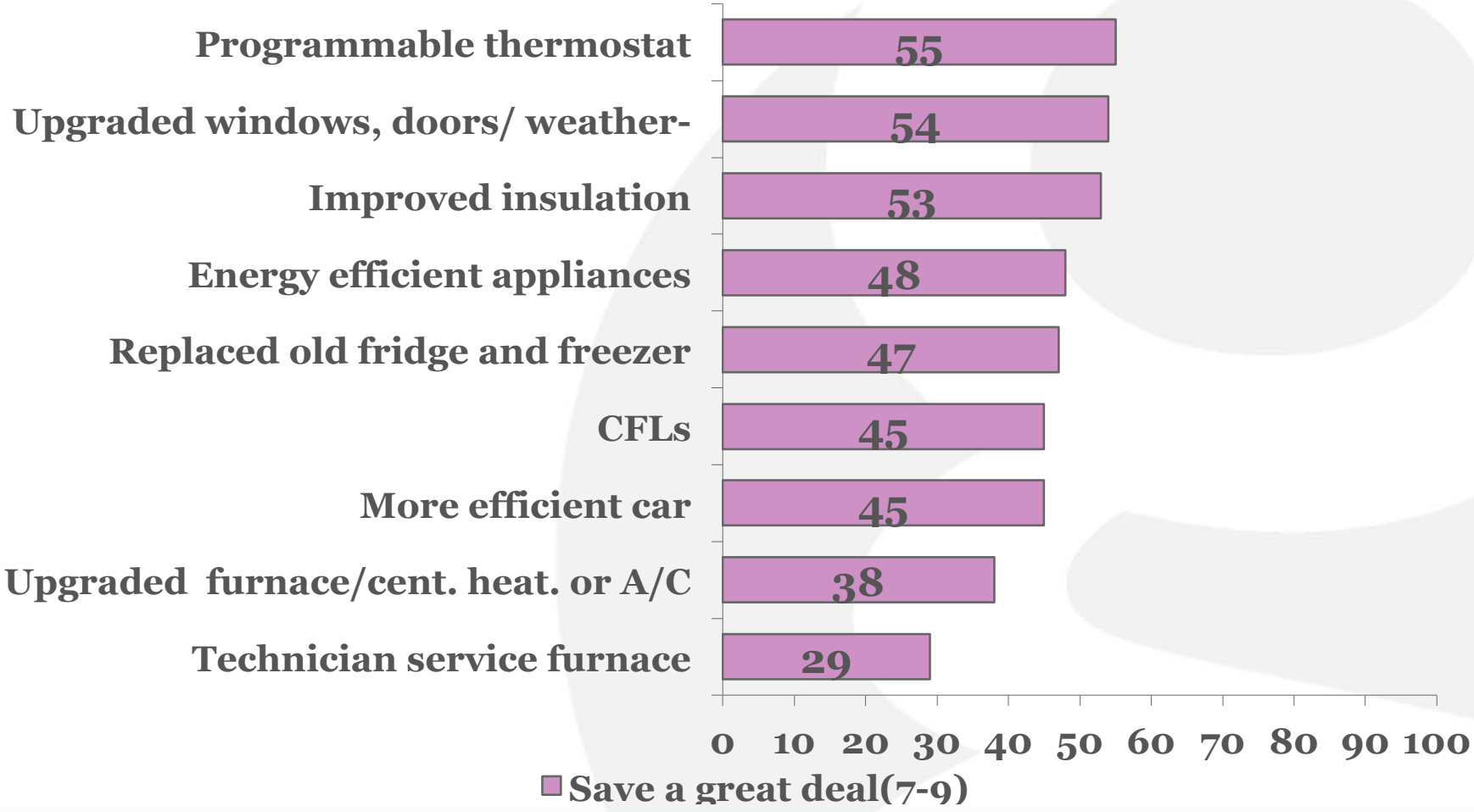
- I'm already doing everything I can
- I have done some things and will likely do more
- I have done some of what I can, but likely won't do more
- I haven't done anything but will likely do something in future
- Haven't done anything; don't think there's more I would do
- Don't know

Economic Benefits

- Many Canadians see a financial incentive to several key household improvements:
  - Improving insulation in the home
  - Buying energy efficient appliances
  - Replacing fridges and stoves
  - Upgrading heating systems/furnace.
- They are more likely to believe that taking these steps will offer net savings rather than net costs over time.
- And even more believe they could save a great deal if they changed their behaviour:
  - Adjusting thermostats
  - Driving less
  - Washing only in cold water.

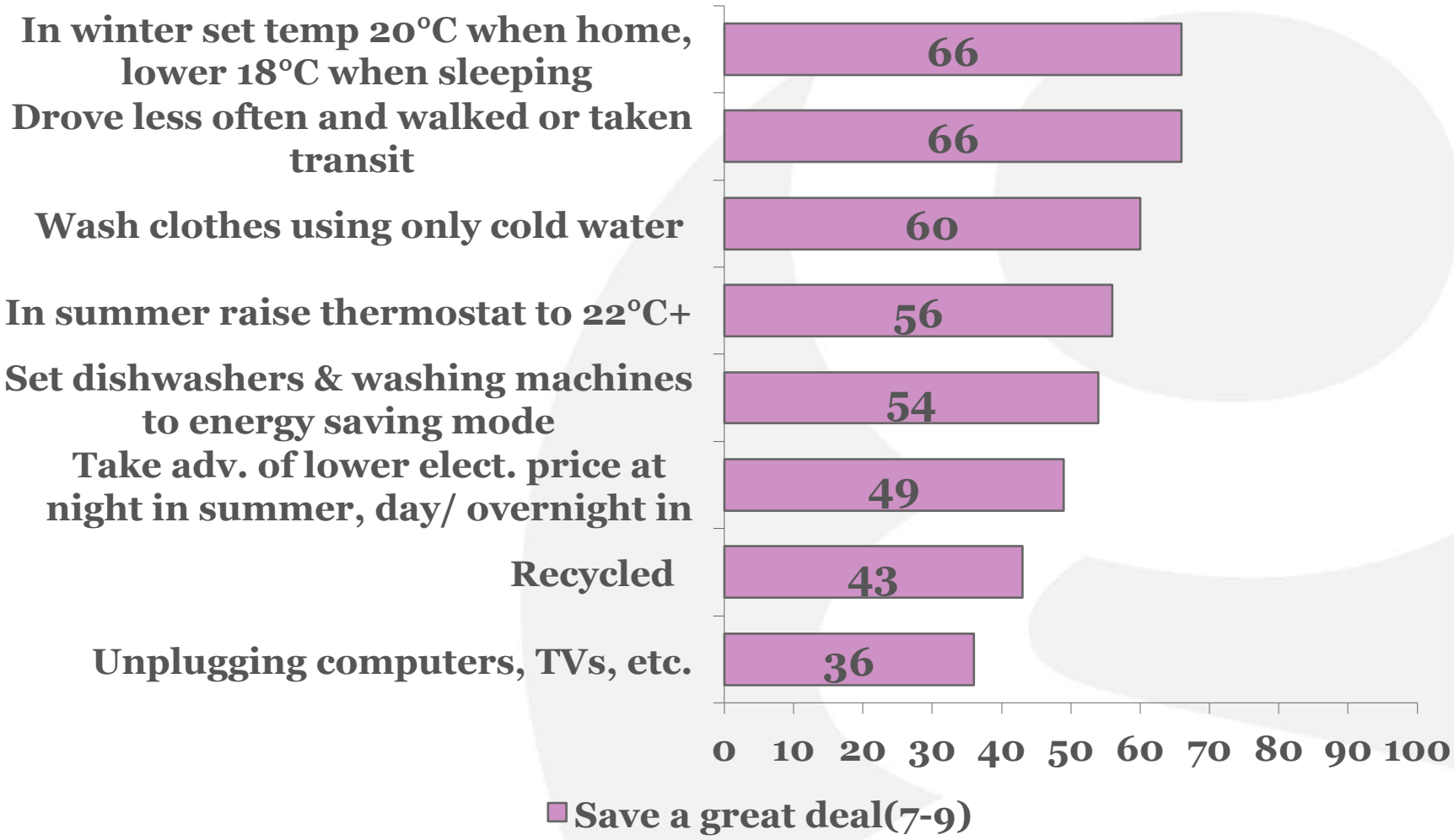
Efficiency Measures in Residence
Financial Impact

"Please tell us what the financial impact would be over time on a typical household if they did the following things in their home. Tell us on a one to nine scale, where one means it would cost them a great deal of money and nine means they'd save a great deal of money."



Financial Impact

"Now tell us what you think the financial impact would be over time on the typical household if they did the following regularly."

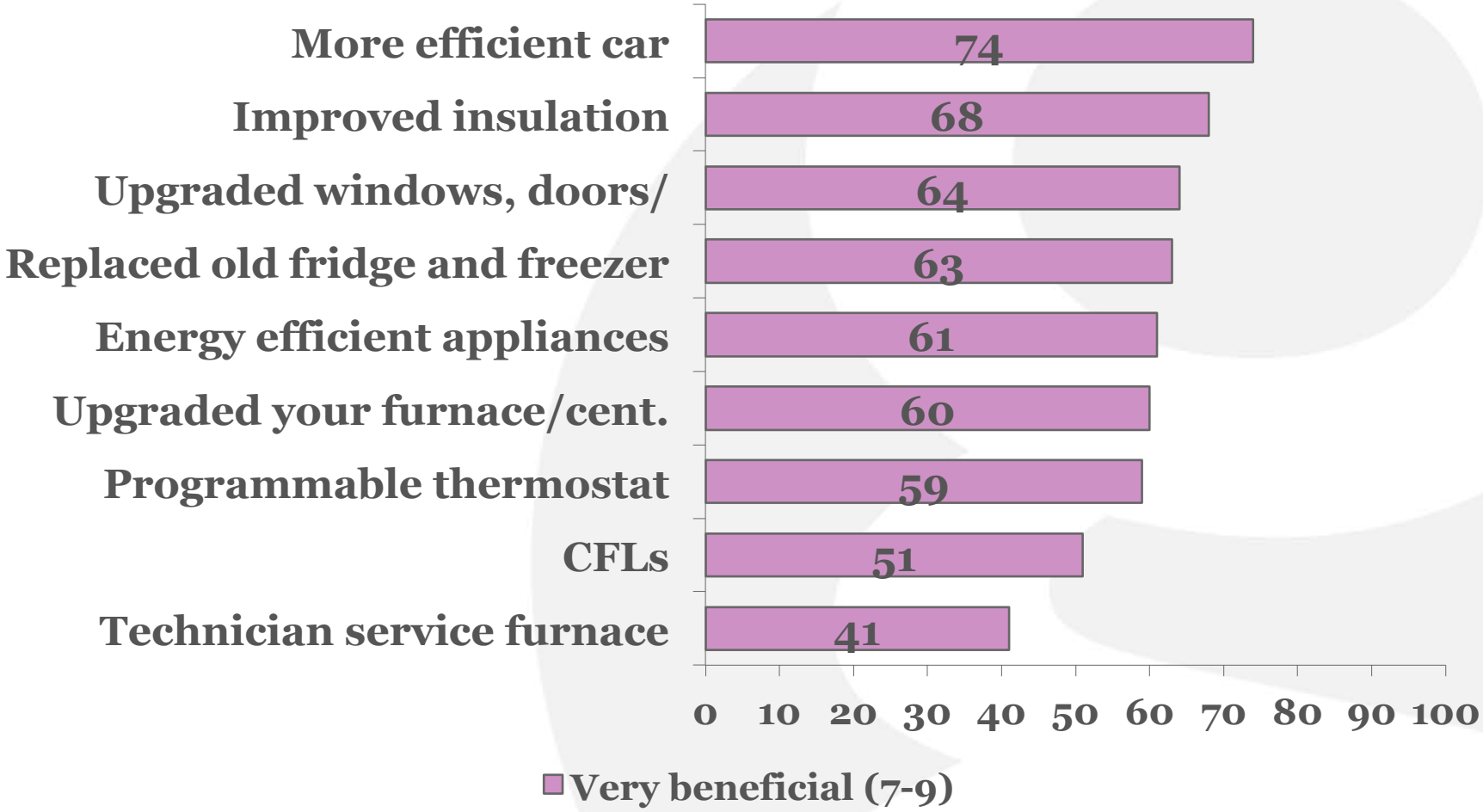


Environmental Benefits of Conservation

- Most of these home improvements and energy efficiency measures are seen to benefit the environment.

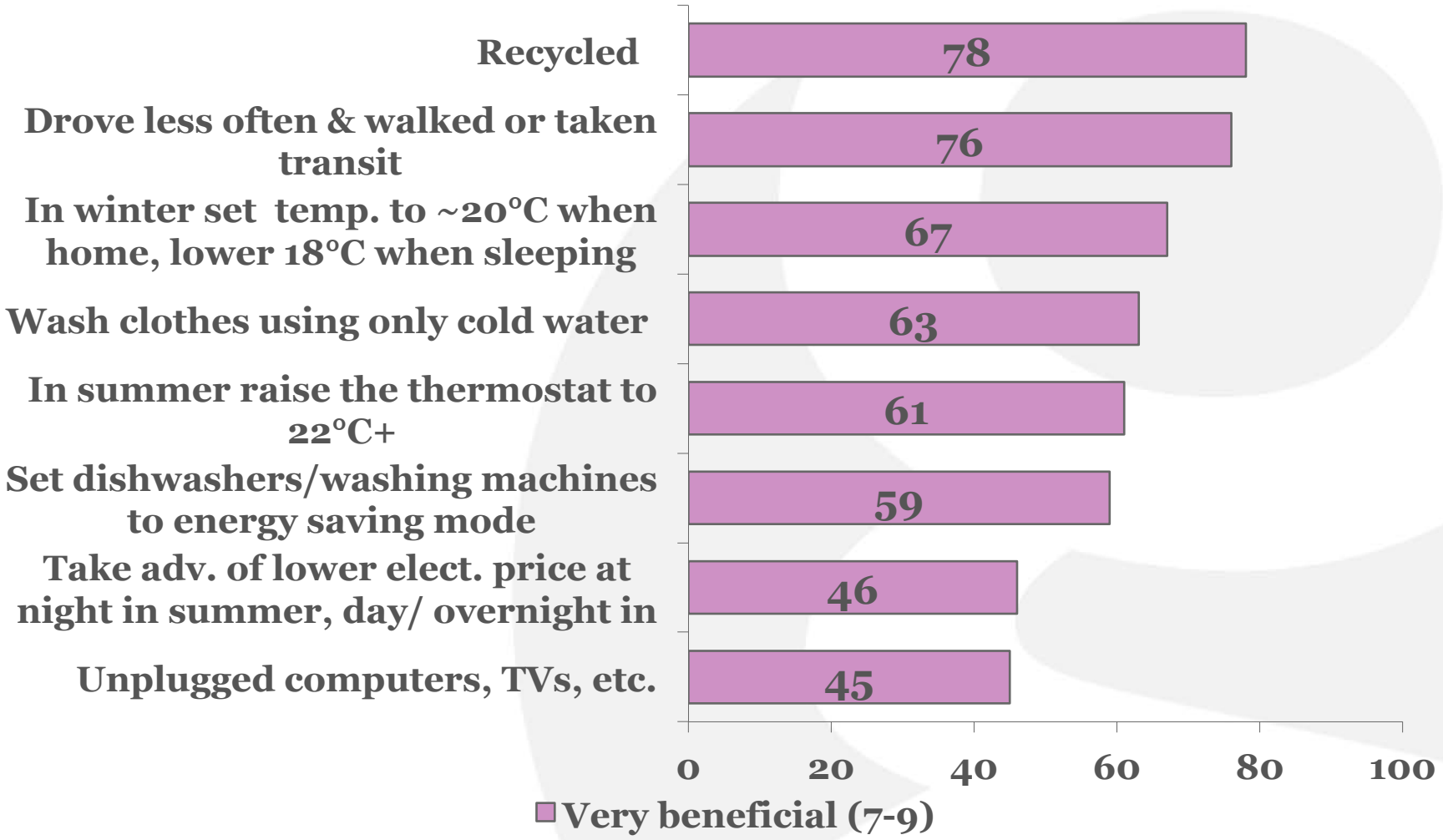
Efficiency Measures in Residence Environmental Impact

"How much do you think the environment would be helped if the typical Canadian household did the following? Tell us on a scale of one to nine where one means not at all beneficial to the environment and nine means very beneficial to the environment."



Efficiency Measures in Lifestyle Environmental Impact

"Now, how much do you think the environment would be helped if the typical Canadian household were to do the following regularly?"

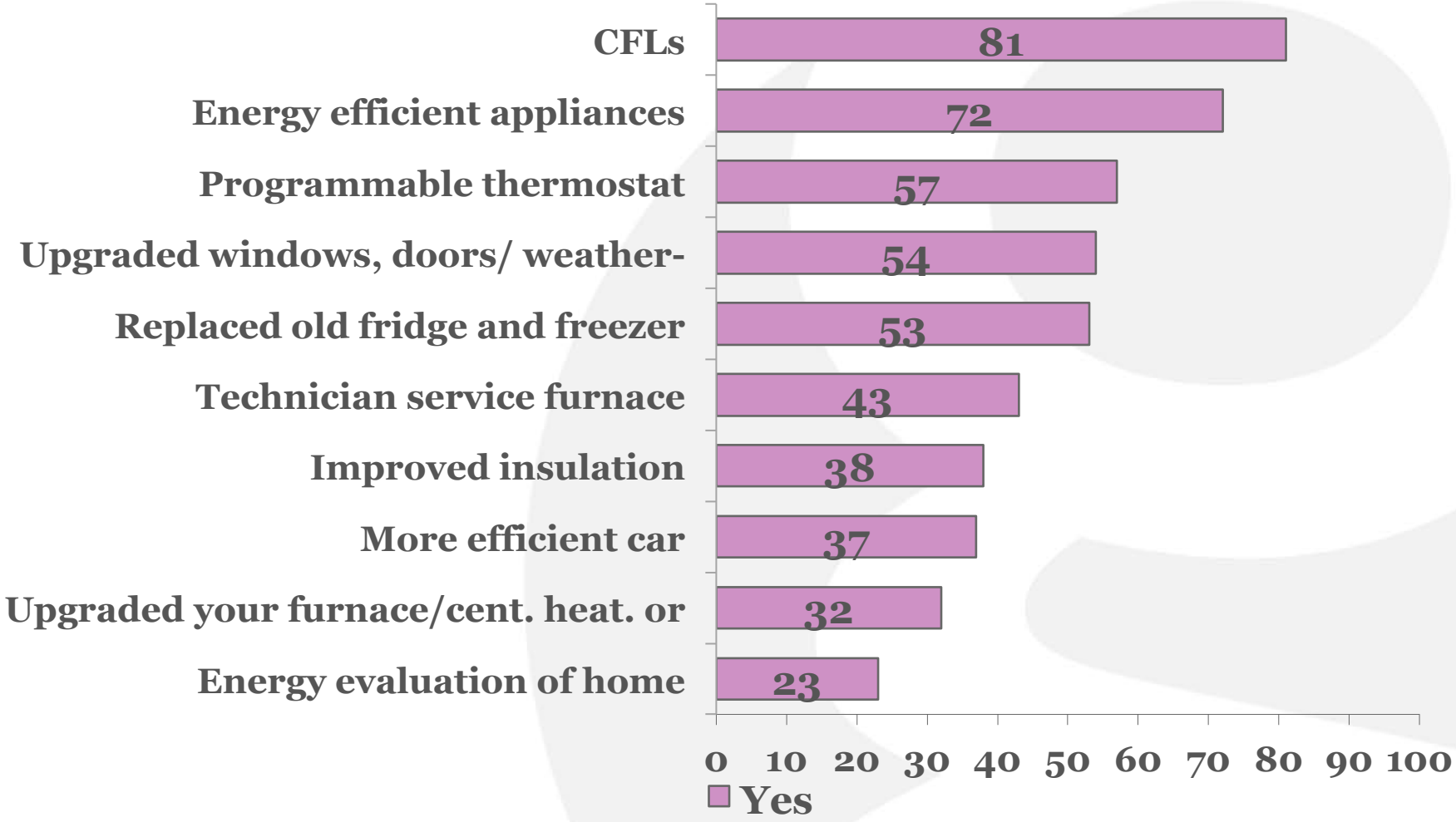


What do they do?

- The vast majority are switching to energy efficient light bulbs and appliances.
- Many have:
  - Installed programmable thermostats,
  - Upgraded windows, doors and weather stripping, and
  - Replaced fridges.
    - High income homes more likely to engage in more costly conservation : e.g. installing programmable thermostats (50% of <$75k v 73% of $100k +) or having technicians service furnaces/change filters (41% of <$75k v 56% of $100k+).
    - Lower income homes are practicing low cost energy conservation behaviour more than high income homes (49% of <$75k use only cold water for laundry v 37% of $100k+).

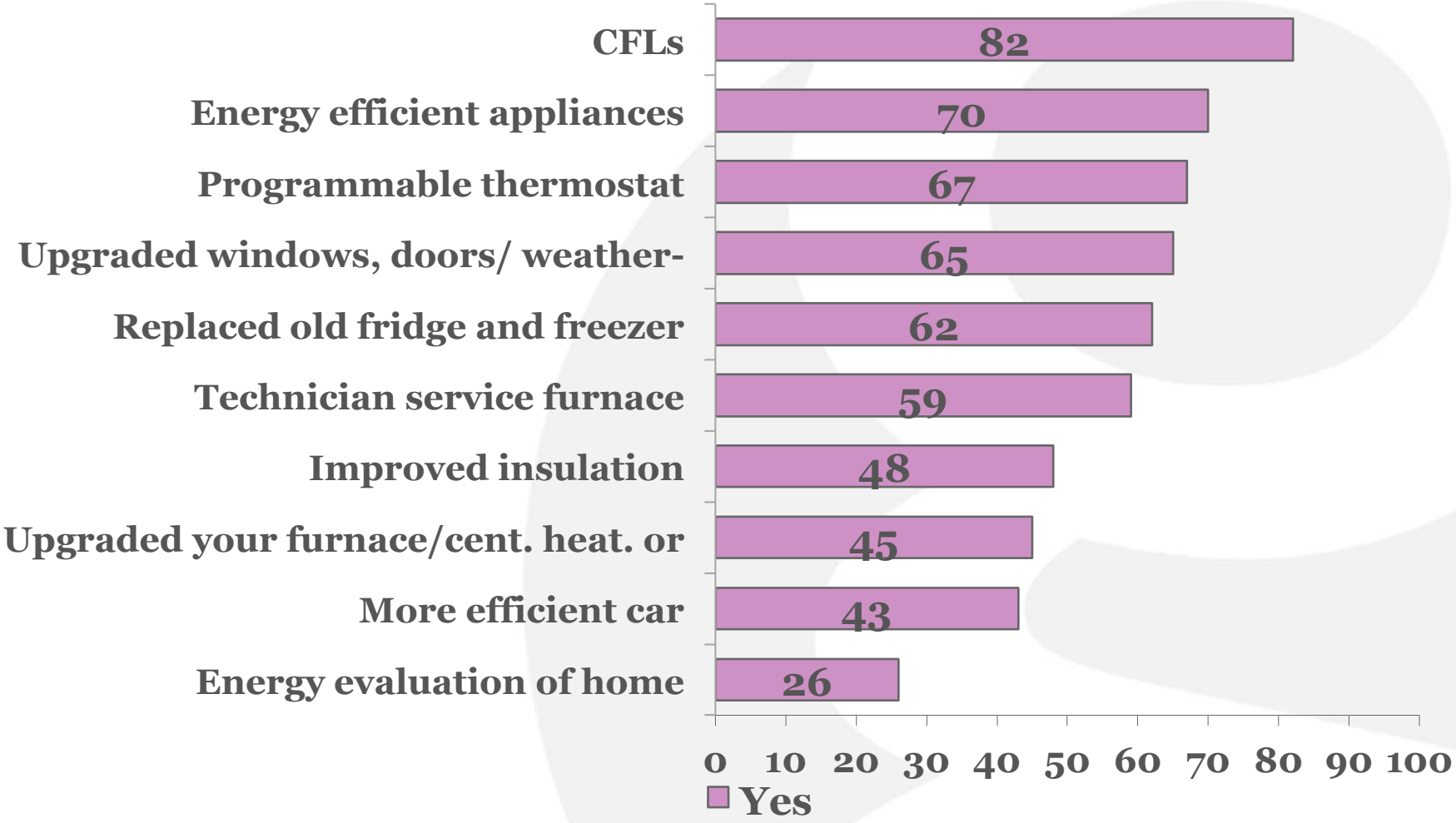
Efficiency Measures in Residence

"Have you done the following in your current residence? If it is not something that you are able to do or not applicable to you, you can select that."



Efficiency Measures in Residence

"Have you done the following in your current residence? If it is not something that you are able to do or not applicable to you, you can select that." **[Not Applicable Suppressed]**



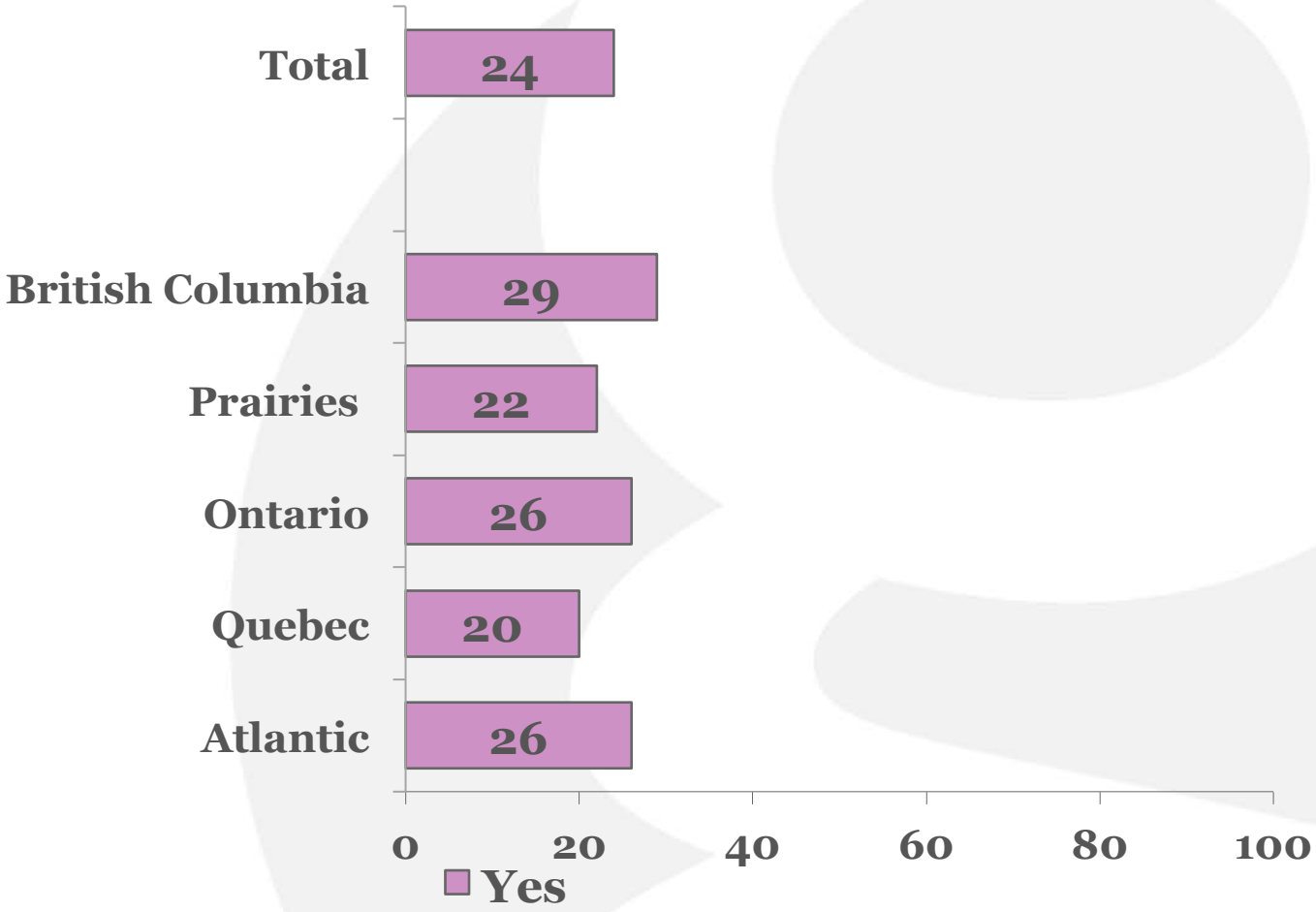
What don't they do?

- There is room to improve participation when it comes to:
  - Upgrading insulation
  - Windows/doors and weather stripping
  - Upgrading the furnace or AC, and a
  - Home energy audit.
- Uptake of these is notably lower among those who intend to do more versus those who've done all they can.

- Only about a quarter have participated in an incentive or rebate program – this includes three in ten home owners.

Efficiency Measures in Residence

"Have you done the following in your current residence? If it is not something that you are able to do or not applicable to you, you can select that." **Participated in an energy conservation rebate program offered by governments or utilities**



Home Owner Types

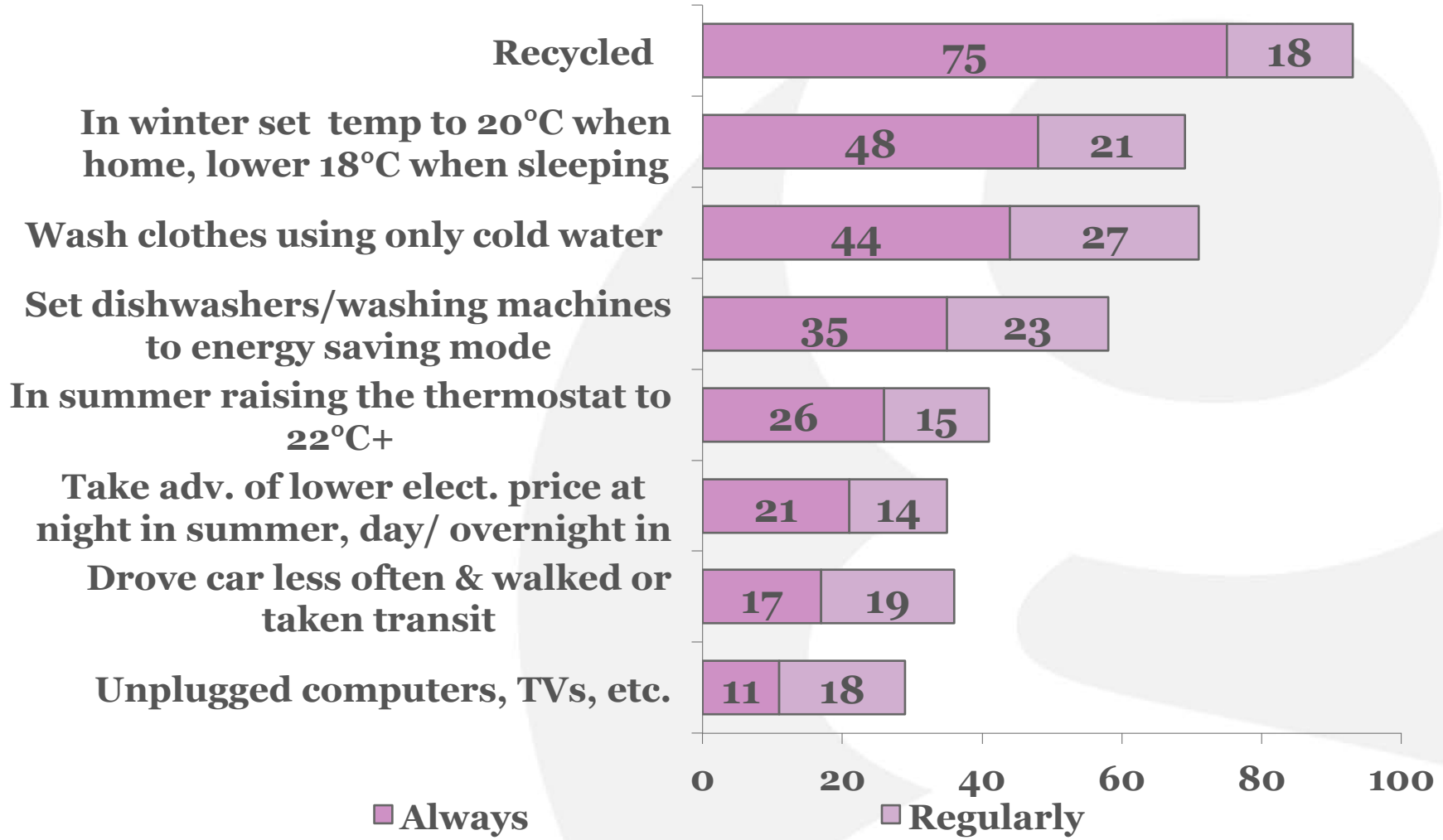
- Cluster analysis identified three groups of home owners each with different energy efficiency engagement levels:
  - Basic Conservationists: use CFLs, programmable thermostats and energy efficient appliances.
  - Unaided Conservationists: do the basics above AND improve insulation, weatherproof windows, & upgrade heating/cooling systems.
  - Full Conservationists: practice most of things we tested, but also most likely to use the government and utility incentive systems (professional audits, rebates, etc.).
  - All groups are regularly engaging in numerous conservation behaviours.

Lifestyle or Day-to-Day Changes

- Substantial numbers engage in energy efficient practices or behaviour in their day to day lives.
- Almost half ALWAYS turn down the heat at night or when away or use cold water
- Few are able to reduce their reliance on the car.
- Few are aware of much benefit that would come from unplugging appliances.

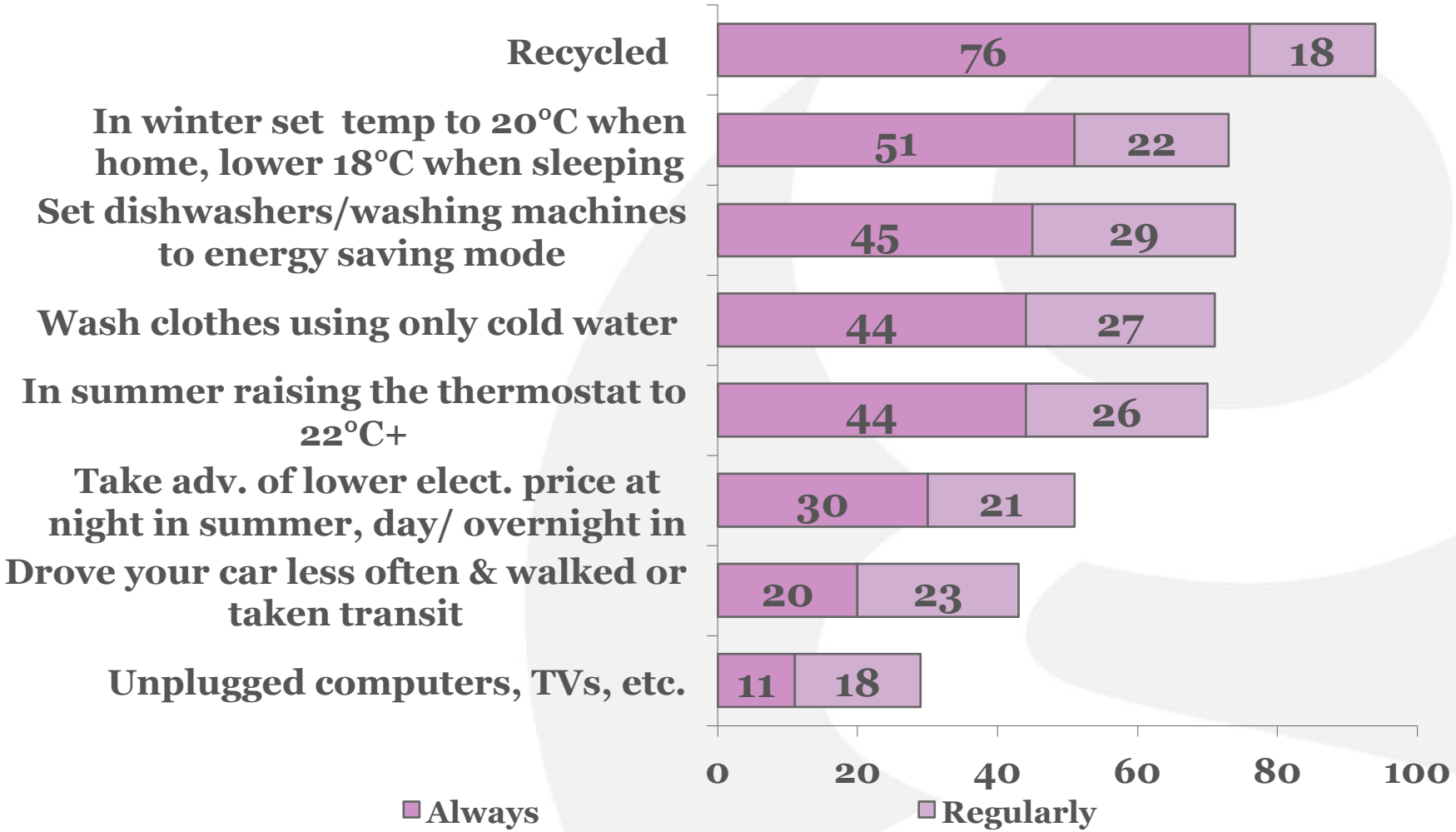
Efficiency Measures in Lifestyle

"How regularly do you do the following things? If it is not something that you are able to do, you can select 'not applicable'."



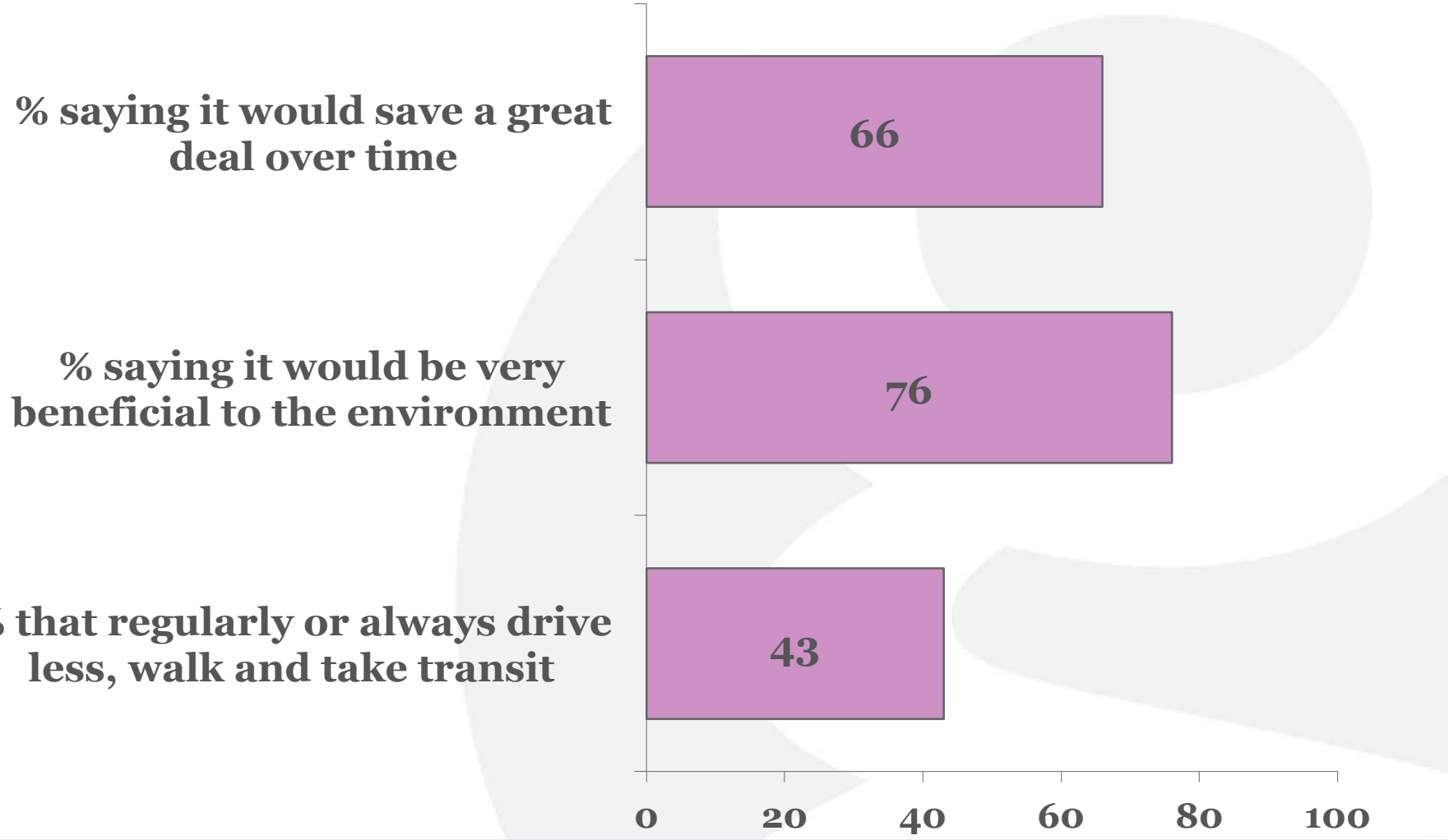
Efficiency Measures in Lifestyle

"How regularly do you do the following things? If it is not something that you are able to do, you can select 'not applicable'." **[Not Applicable Suppressed]**



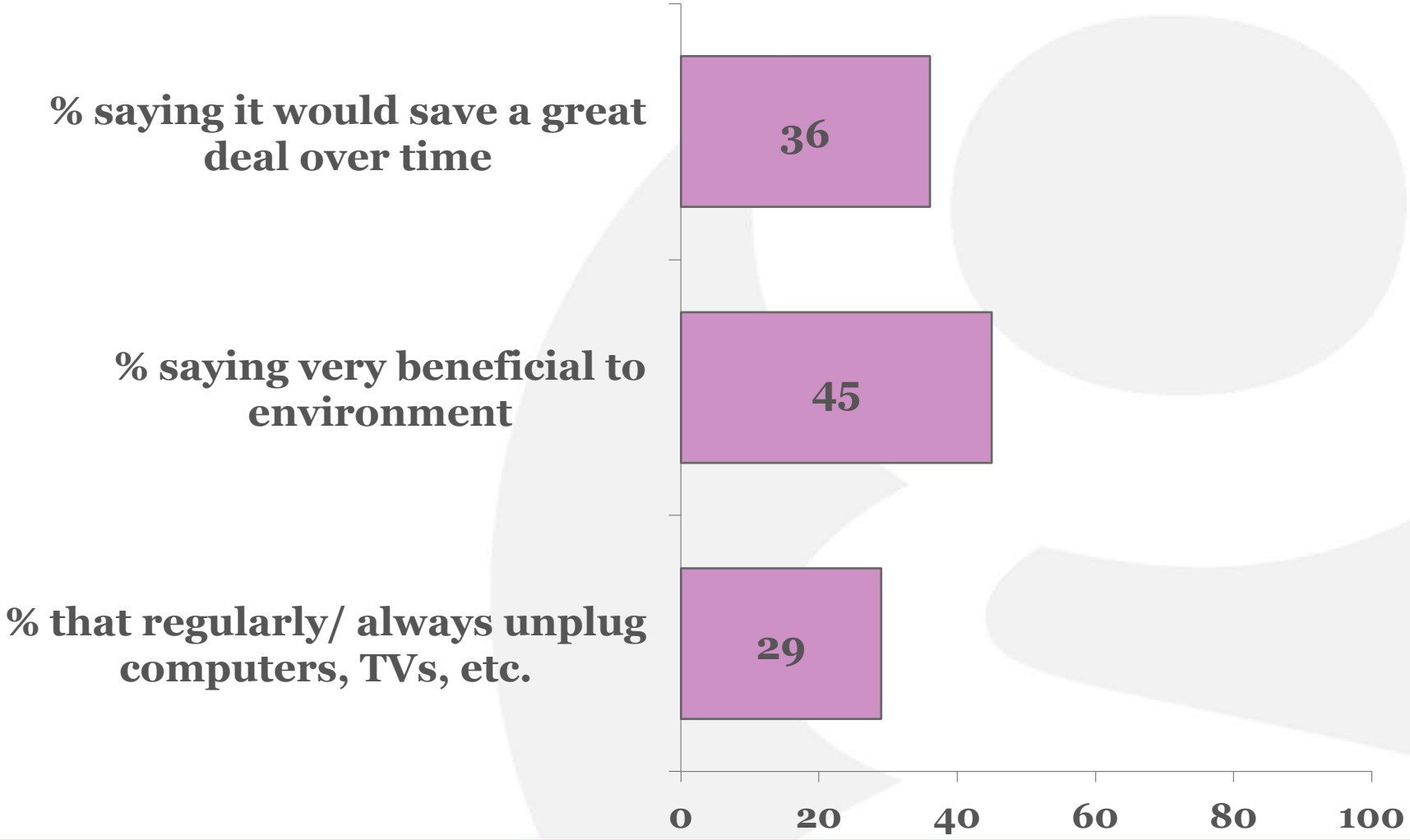
Driving Less

Economic and environmental benefit, and practice of **driving less, walking and taking transit. [Not Applicable Suppressed]**



Unplugging Appliances

Economic and environmental benefit, and practice of **unplugging power to computers, TVs, etc.. [Not Applicable Suppressed]**



Increasing Conservation

- The advanced analysis shows a significant association between increased conservation and:
  1. Perceived cost savings,
  2. Environmental motivation, and
  3. Knowledge of how to conserve.

- All matter and work together. None take the place of the other.

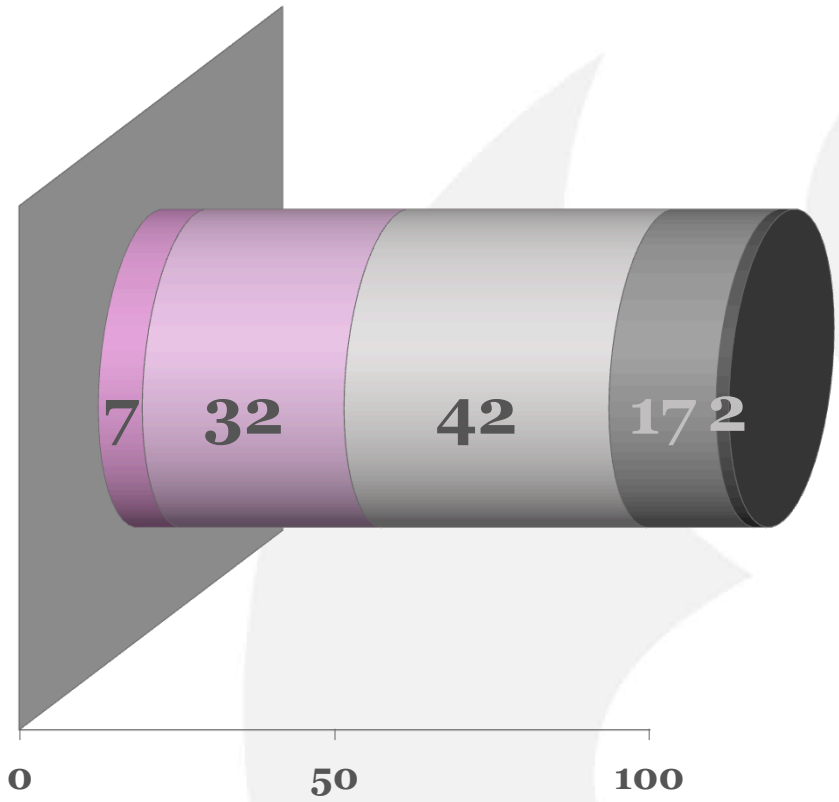
- To the extent that you increase any of the three, and optimally, all three, you are increasing the likelihood that someone will conserve.

1. Saving money a primary motivator

- Few feel financially able to help the environment.
- If they are going to invest they want to see a return on investment.

Financial Ability to Make Changes to Benefit the Environment

"How able are you financially to make changes in your life that would benefit the environment?"

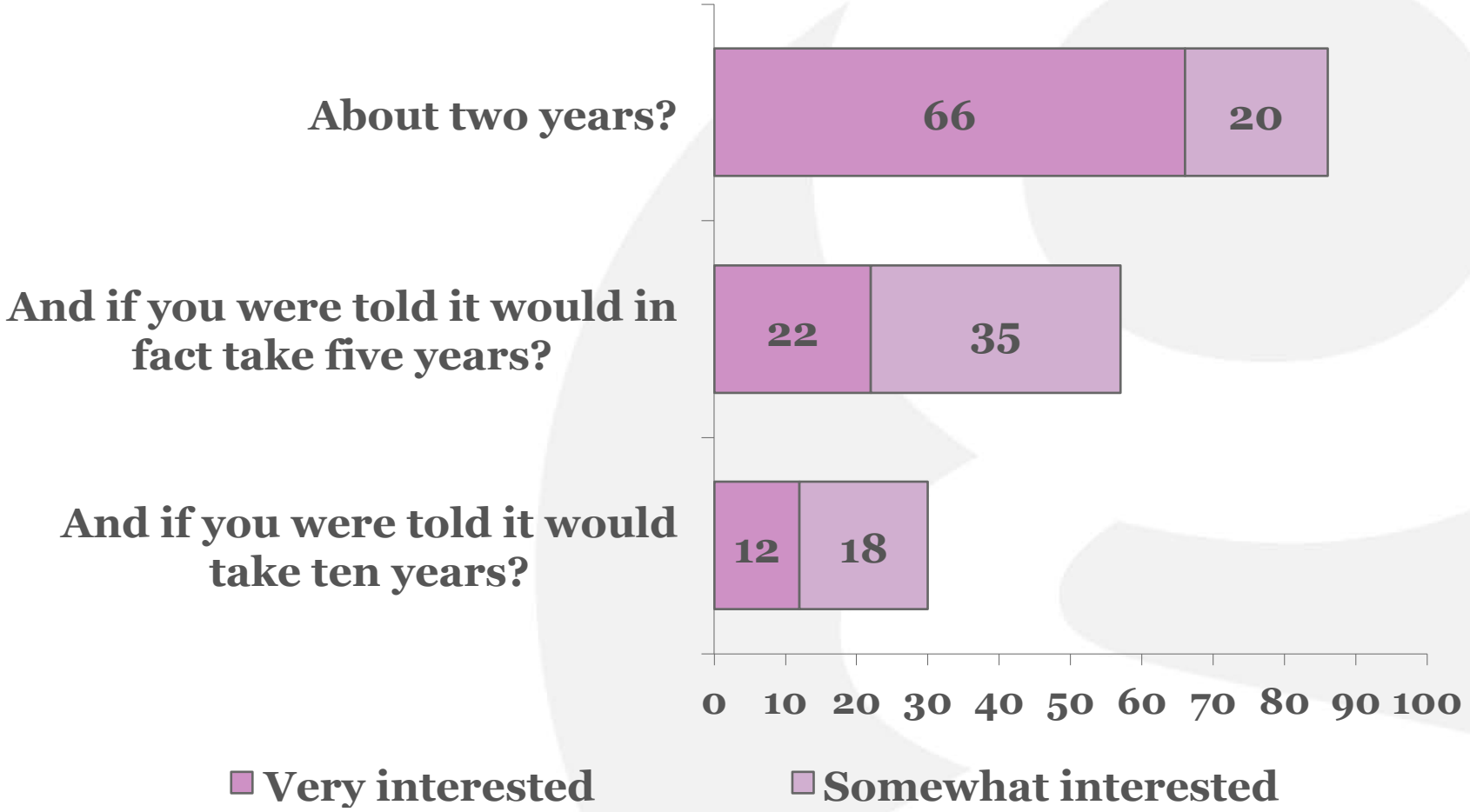


Interest and Affordability

- For any energy savings investment, interest is substantially higher if upfront cost can be reduced to two years.
- Energy efficient appliances have to offer a reasonable return on investment since most think they cost more to buy.

Interest in $1k Energy Improvement ROI

"How interested would you be in making home energy efficiency improvements costing $1000 if you could make your money back in about…"
[Among home owners and likely home buyers; n=1193]



Obstacles

- Lack of time or inconvenience were not among the main reasons Canadians have or have not done more.

- And while most believe they haven't done more because of cost, cost is relative.

- It is a reason for not conserving 'more', but does not explain why some have done more to date than others.
  - Advanced analysis found it was not significantly associated with conservation efforts.
  - Those who said conservation is not worth the effort are the most likely to say cost is a barrier – both ROI and the environment need to be addressed here.
  - Highest income earners ($100k) are the most likely to say that cost is a barrier in part because they envision structural changes to the home.

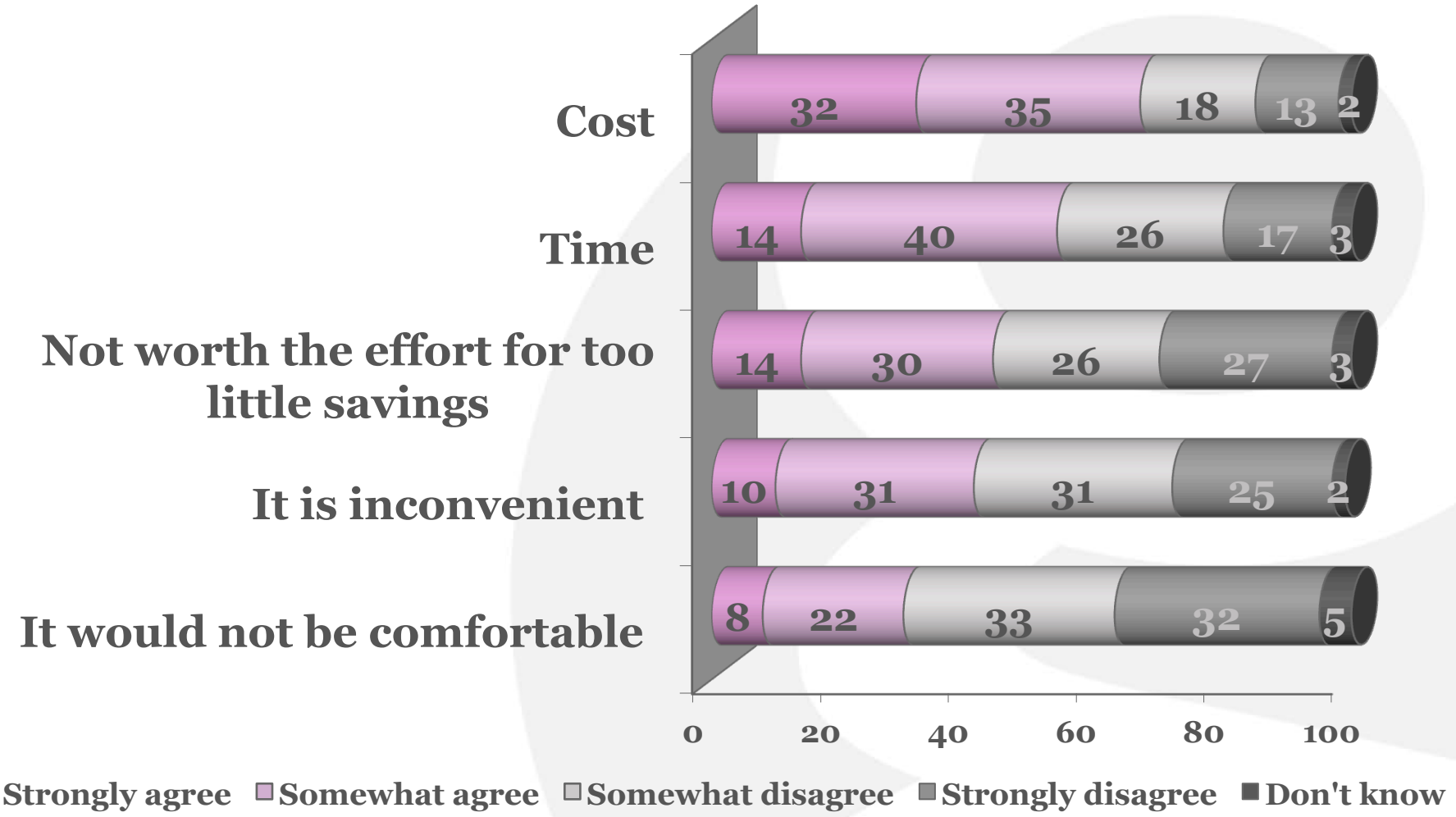
Obstacles

- More than half of Canadians said they haven't done more because of time.

- Not being worth the effort for too little savings is a significant barrier – lower income conservers are more likely to say it is true than higher income households were.

Why haven't you done more?

"Now tell us if you agree or disagree with some statements people might make about what has held them back in some instances from taking steps to conserve energy."



Savings & the Environment

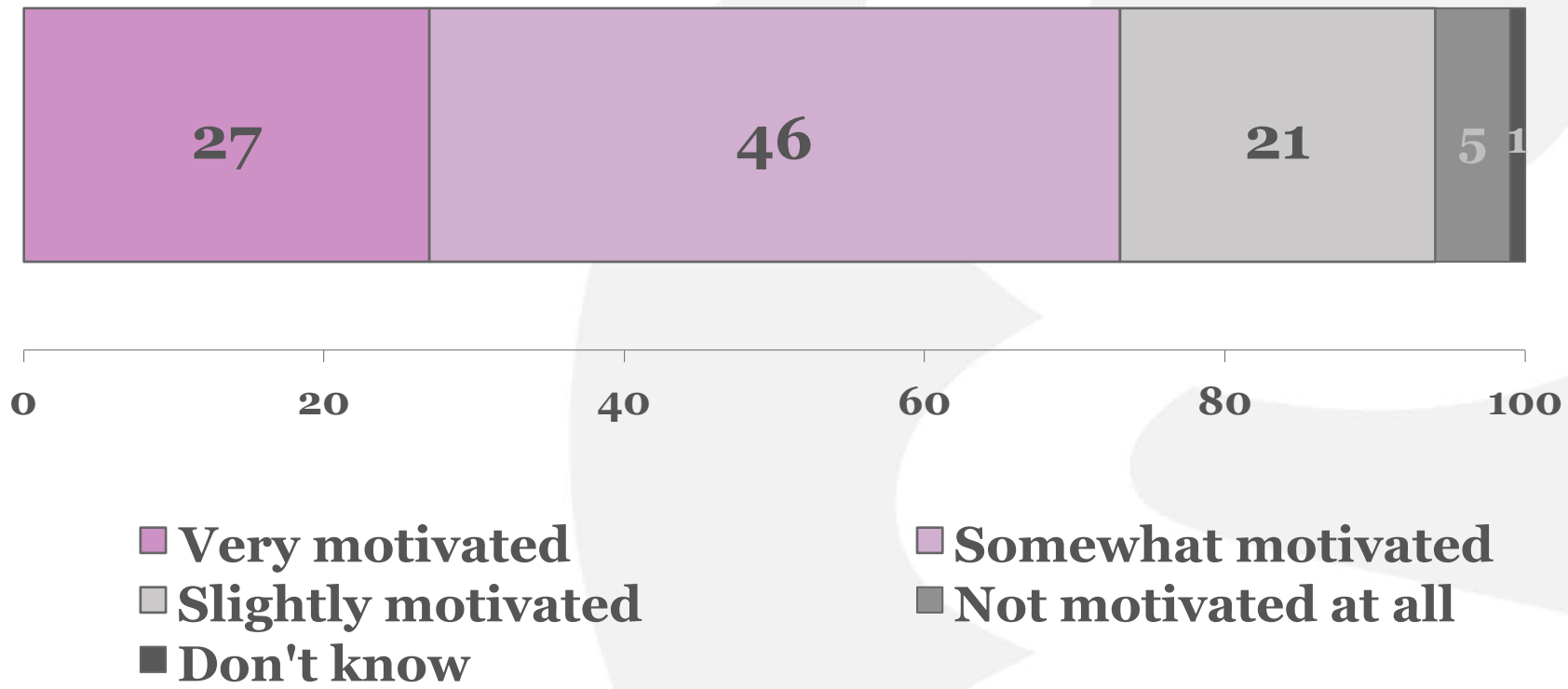
- Savings as a motivator is not enough.
- Unless there are other motivators at work, those who can afford to spend energy, will.

2. The Environment as a Motivator

- Motivation to make life changes to help the environment is strongly associated with conservation behaviour.
- Those who are so motivated practice more energy conservation behaviours than others.
- While 82% of those who plan to do more on energy efficiency are at least somewhat motivated by the environment.
- Some environmental issues are more important to a larger proportion of the public than is working to conserve.

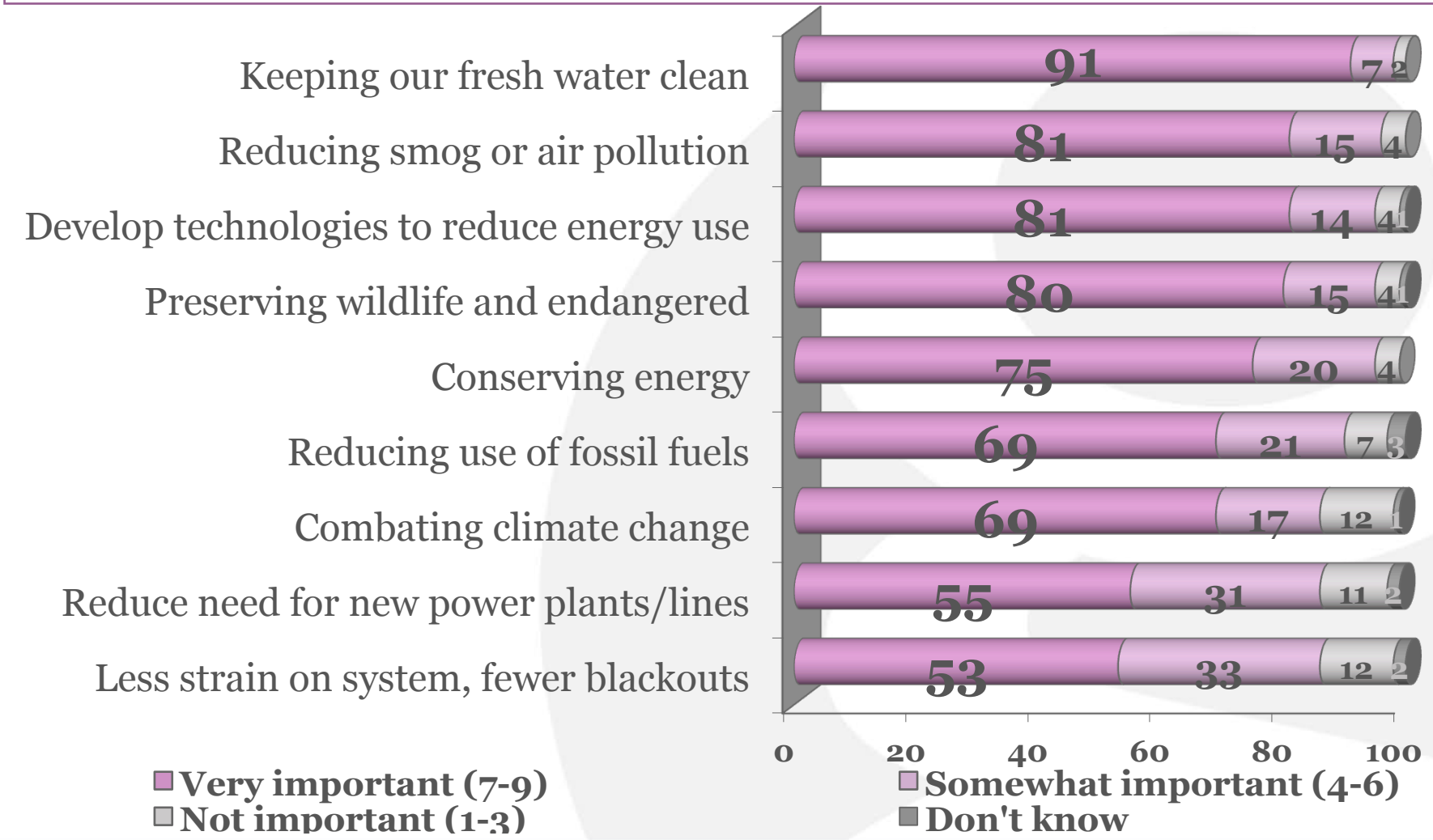
Motivation to Make Personal Changes for the Environment

"How strongly motivated are you to make personal changes in your life that would benefit the environment in some way?"



Importance of Energy and Environmental Issues

"How important are each of the following energy and environmental issues to you personally?"

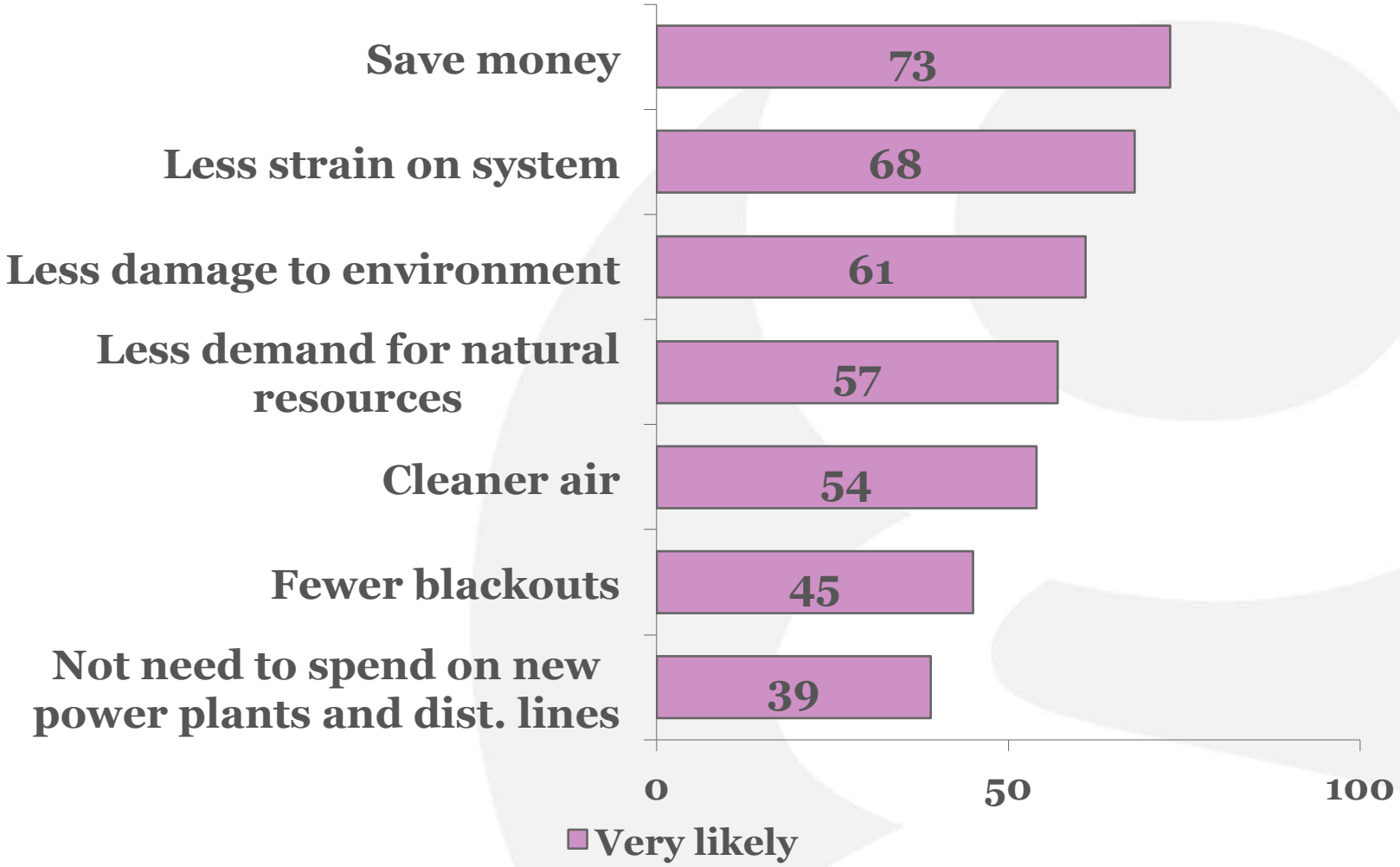


Widespread Benefits

- Most Canadians believe substantial reductions in consumption of electricity, gas or natural gas would mean:
  - Environmental benefits
  - Reduced strain on natural resources
  - As well as a financial benefit to those who could cut their energy consumption.

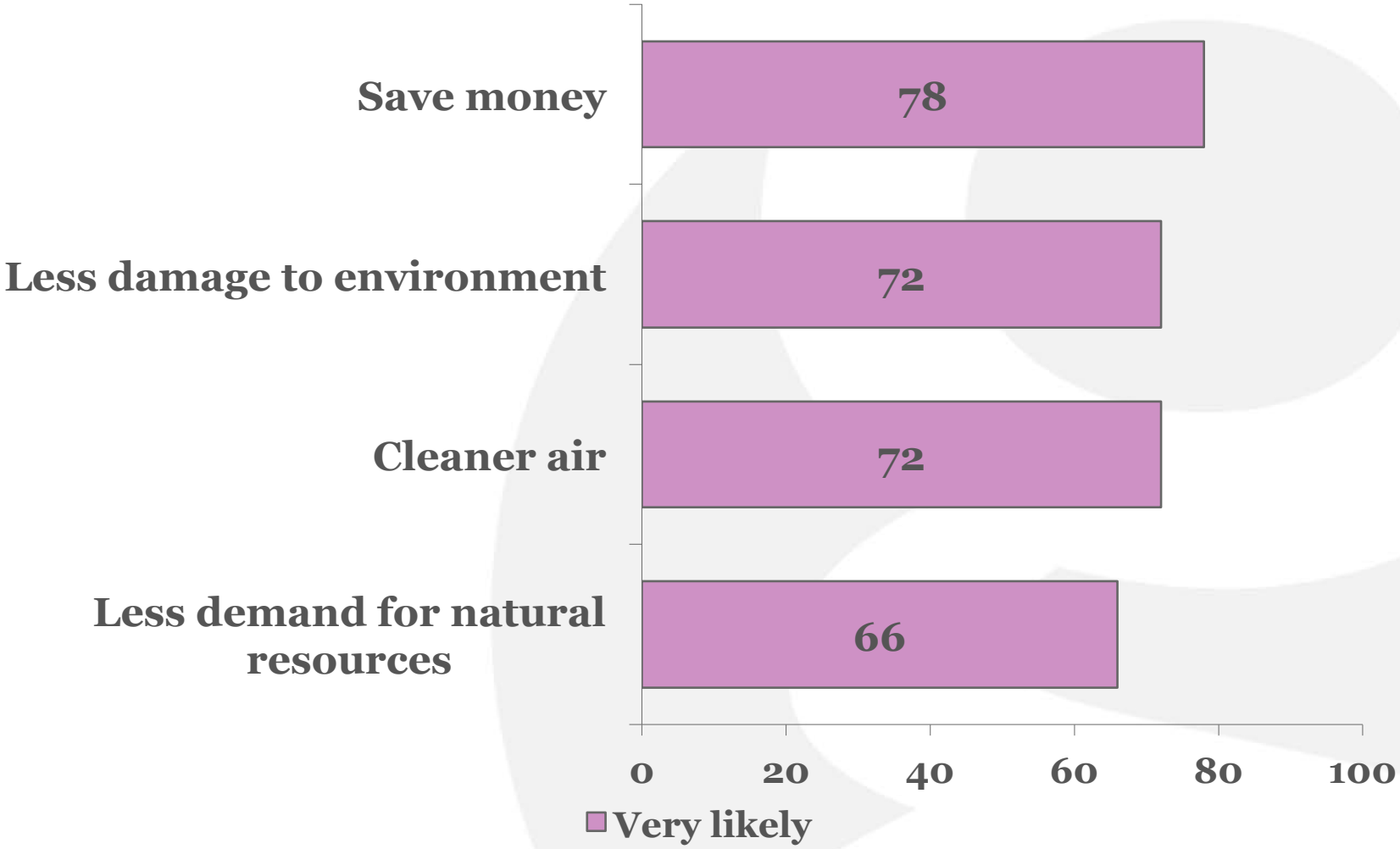
Impact of Reducing Electricity Use by 5%

"Assuming Canadian households reduced their electricity use by five per cent on average how likely are the following things to occur?"



Impact of Reducing Gasoline use by 5%

"How likely are each of the following assuming Canadian households cut their use of gasoline by five per cent?"

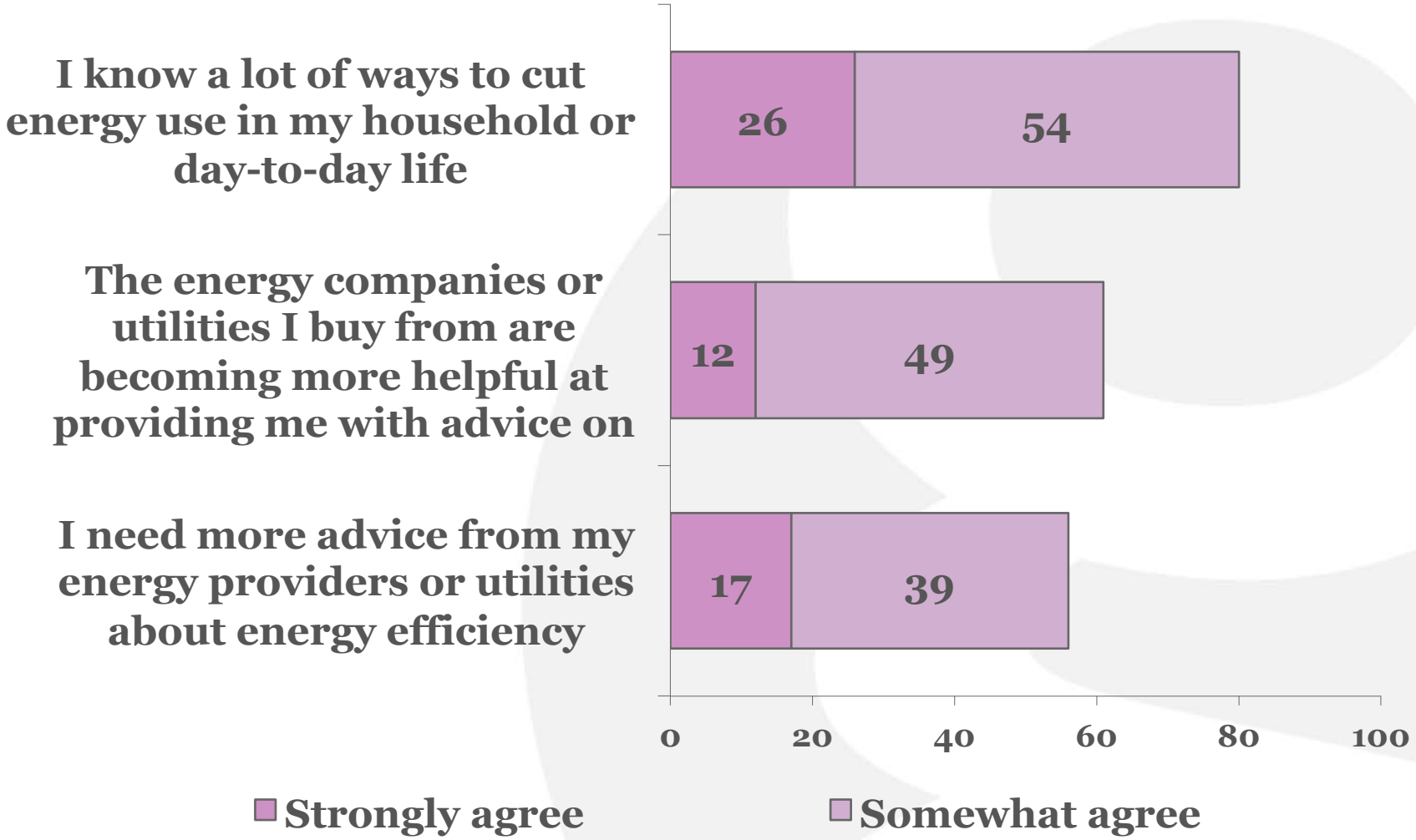


3. Knowledge is also critical – knowing how to conserve in daily life

- Just one in four Canadians strongly agreed that they know a lot about how to conserve energy in their daily life.
- Half feel they are somewhat equipped.
- Knowing what to do is significantly associated with conservation - the more people know about how to conserve in their daily life, the more they do.

Knowledge of Ways to Conserve

"Here are some statements people might make about their ability to be energy efficient. Tell us if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each."



Policy Options

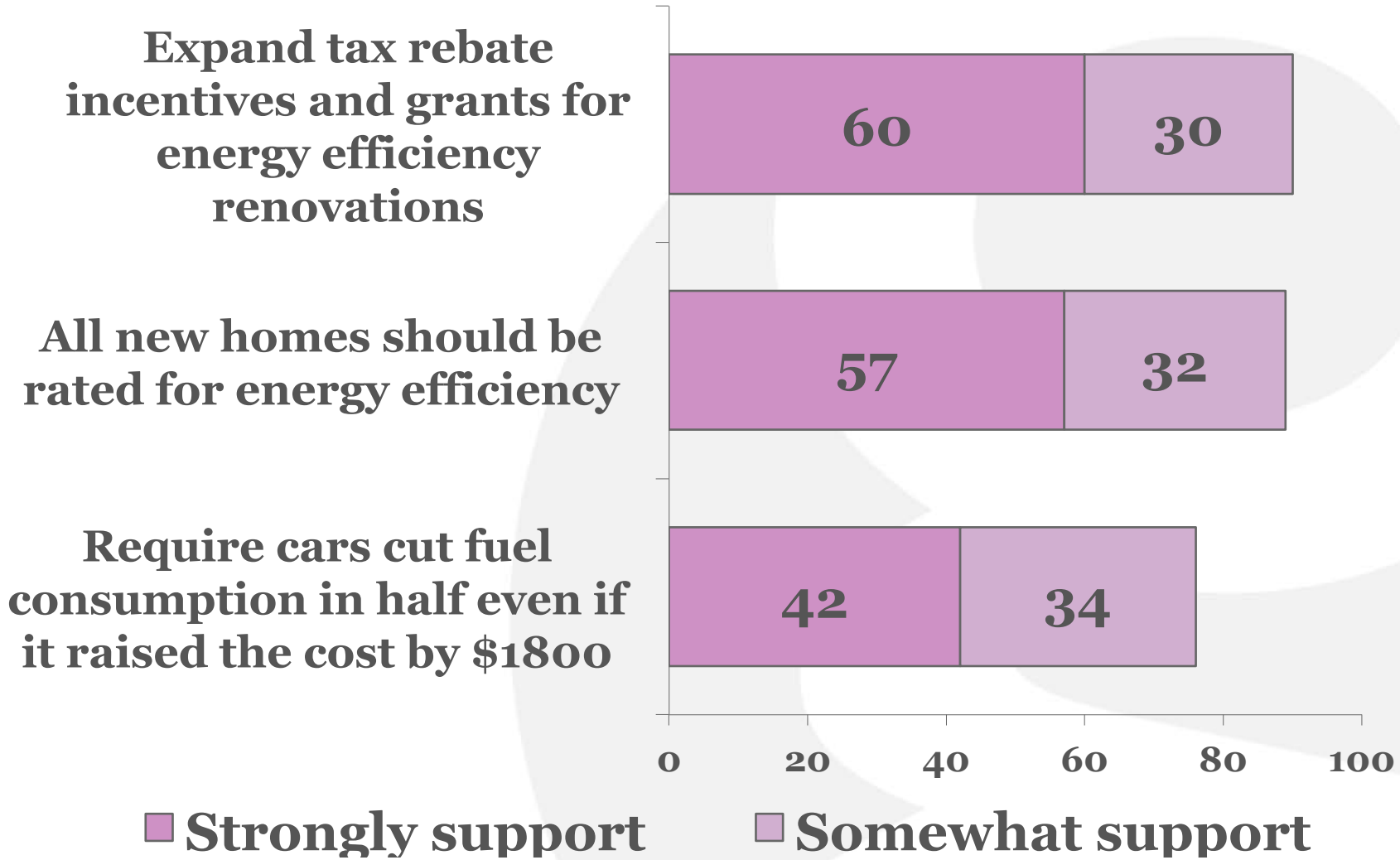
- There is strong support and little opposition to government acting to help Canadians become energy efficient.
  - Subsidies for energy retrofits and renovations of $1k+.
  - Requiring energy efficiency ratings for new housing constructions.

- Most Canadians said that Energuide and EnergyStar labels are very helpful at helping people to conserve.

- Most support requiring more fuel efficiency cars even if it increases price.

Support/ Opposition for Potential Government Action

"Now tell us if you would support or oppose the following government measures."



Conclusions

- Canadians are working to conserve energy.
- Yet most admit they could do more, and intend to do more.
- More Canadians believe that conservation efforts result in cost savings and benefit the environment than are in fact working hard to conserve.
- This is a ripe target audience.
- There is no particular target audience – more than half of any demographic group is trying to conserve now yet intends to do more.

Conclusions

- Knowing how to conserve in daily life is critical to conservation efforts. Those who feel the most knowledgeable are conserving the most.

- The efforts of utilities, governments and the CEEA are crucial to informing Canadians on how they can practice conservation each day and access programs to help with more costly changes.

Conclusions

- No matter how much or little conservation a Canadian is currently practicing, they can do more at no monetary cost. The motivation must be savings and environmental protection.

- No matter how much or how little conservation a Canadian is currently practicing, government mandating efficiency standards, offering rebates for retrofits/audits, will encourage Canadians to do more.

Conclusions

- There is a recognition that structural changes in the home, upgrading insulation, new windows, or furnaces all conserve energy, save on electricity bills and help the environment.

- Programs to assist in these capital outlays are key to participation especially if they can reduce payback time to two years.

- There is strong public support and very little opposition to government action on this.