

A network diagram background consisting of thin teal lines connecting various nodes, some of which are solid teal circles. The lines form a complex web of interconnected points across the entire page.

# Energy Consumer Sentiment Survey Findings

Australian Capital Territory

December 2016

Energy  
Consumers  
Australia

# Energy Consumer Sentiment Survey, December 2016

## Australian Capital Territory

Energy Consumers Australia tracks consumer and small business sentiment to inform energy market and policy development.

### Background

The Energy Consumer Sentiment Survey is a long term project for Energy Consumers Australia. It is designed to provide information on household and small business consumer sentiment with a focus on three key areas of satisfaction, confidence and activity. As the survey will be undertaken every six months it will track changes in sentiment over time and detect trends which can inform energy market and policy development in the long term interests of consumers.

This is the second national survey. It took place between 25 August 2016 and 5 September 2016. In the Australian Capital Territory (ACT) a significant majority of households and small businesses are on standard retail contracts for both electricity and gas although the proportion has fallen since Origin Energy's entry into the market in 2014-15.

Unless otherwise indicated, comparisons of results are to the previous survey.

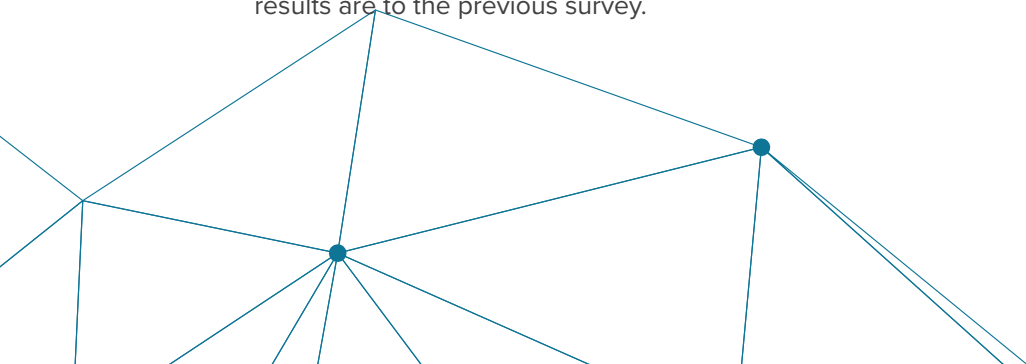
### Consumer satisfaction in ACT

Consumers are telling us that overall they are satisfied with energy services. Households report relatively high levels of satisfaction with energy services in the ACT, with 70 per cent rating services 7 out of 10 or higher (a positive rating). This the highest rating nationally, slightly ahead of Victoria.

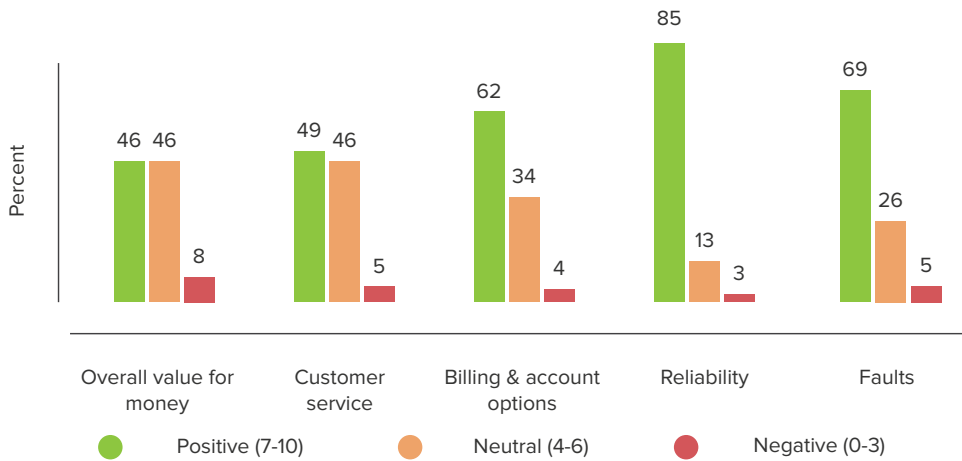
#### **Value for money**

Less than half of households in the ACT rate their satisfaction with the value for money of their electricity services positively (46 per cent), the highest ranking nationally, ahead of Victoria (45 per cent) and South Australia (44 per cent).

Households satisfaction with the reliability of electricity services, the way in which faults are dealt with, and billing and account options are all ranked the highest nationally. Satisfaction with customer service is comparable to the national average.



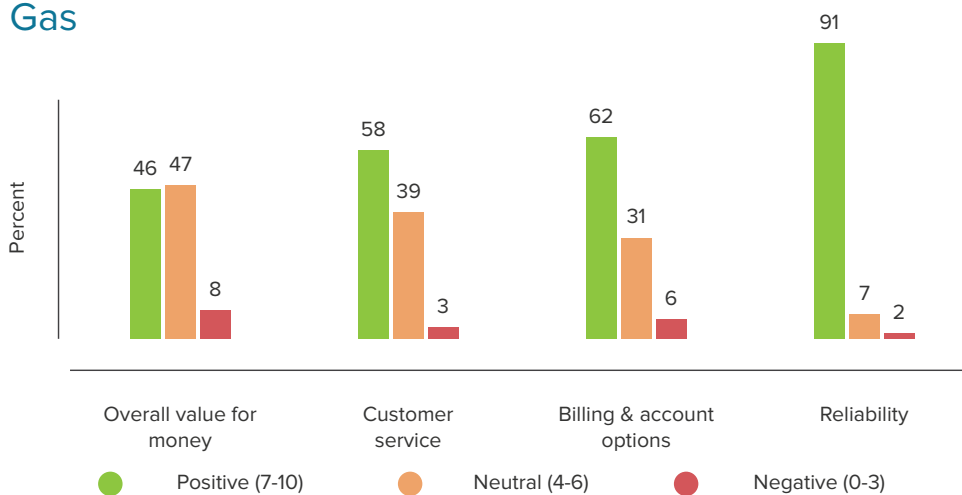
## Electricity



*How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'*

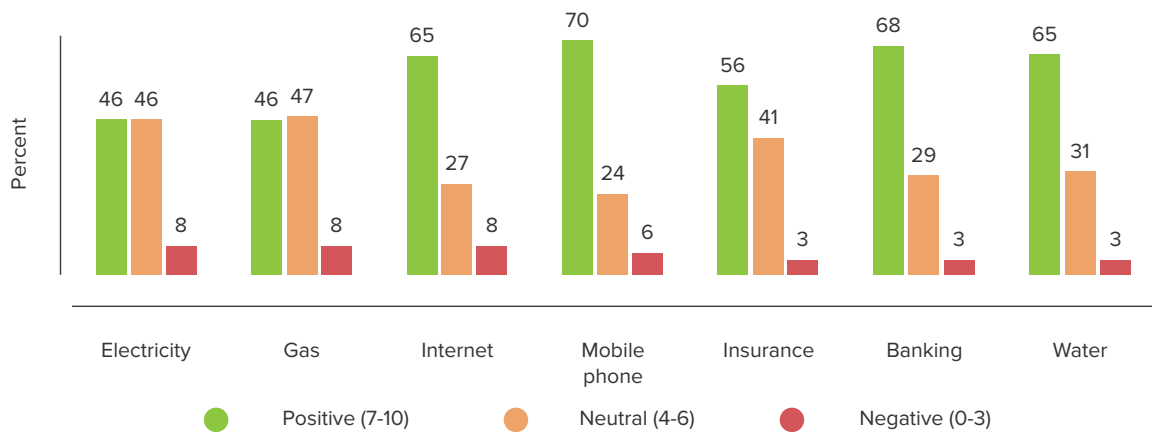
Households in the ACT ranked their satisfaction with their electricity and gas service equally on the measures of value for money and billing options. Households ranked the satisfaction with the customer service and reliability of their gas service more positively than their electricity service. These are often the same company providing both electricity and gas services to households in the ACT.

## Gas



*How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'*

When compared with the value for money of a range of other services, households in the ACT are telling us that the value for money of electricity and gas services is significantly less than for their mobile phone, banking, internet, water services and less so than the value for money of their insurance services.



*How would you rate the overall value for money of the products and services provided by your service provider in the following areas, in the past 6 months? 0-10 scale, 0 = 'very poor', 10 = 'excellent'*

### Recommending retailers to others

More than half of households (54 per cent) in the ACT are likely to recommend their current electricity retailer to a friend or colleague (a positive ranking of 7 or more) which is second only to Victoria (57 per cent). A similar proportion of households in the ACT are likely rank their current gas retailer positively (56 per cent) which is the lowest nationally.

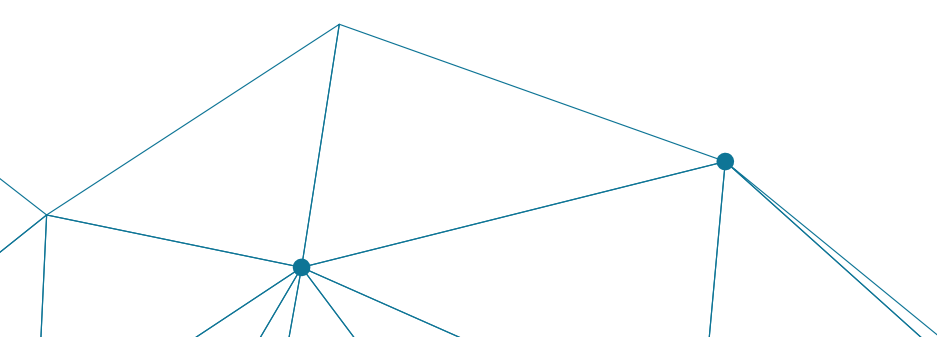
### Competition

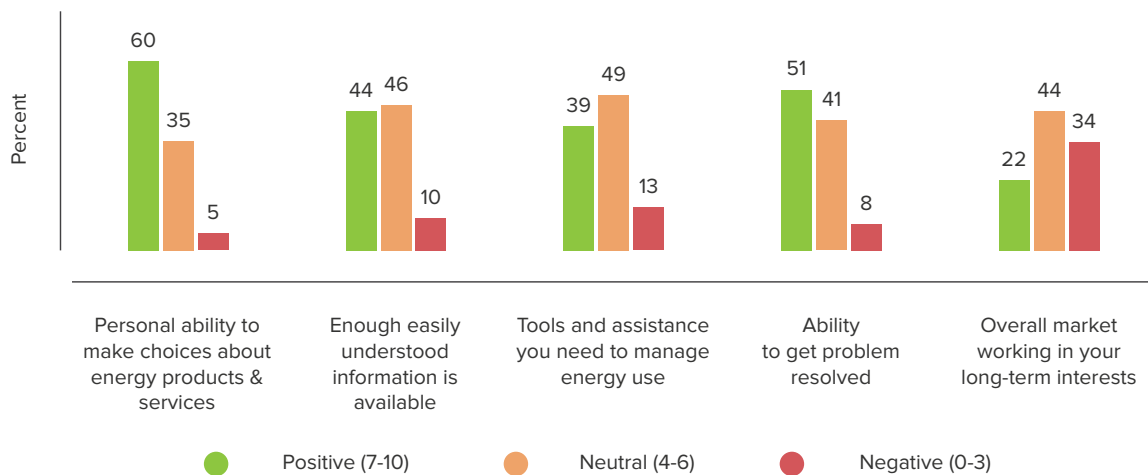
The Australian Energy Market Commission has identified that there are four electricity retailers, and three gas retail businesses in the ACT, but that there is not effective competition in this market. Households in the ACT are the second least satisfied with the levels of competition (28 per cent) ranking only behind Tasmania, although there were a much larger number of consumers who are neutral on the question of competition (38 per cent) than for Tasmania.



## Consumer confidence in the ACT

Consumers tell us that they are confident in their own abilities to choose the energy products and services that are right for them (60 percent, unchanged from previous survey). They are less confident that the information is available to assist them make good decisions (44 percent, down 3 percent) or that the necessary tools and assistance are available to help them manage their use (39 percent, up 2 percent).





*How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'*

Households in the ACT are not confident that the market is working in their interests. Only 22 per cent of households say the market is working in their interests and only 16 per cent were confident the energy market would provide better value for money in the future. Households were more confident that reliability will improve in the next five years (54 per cent) than the national average (41 per cent).

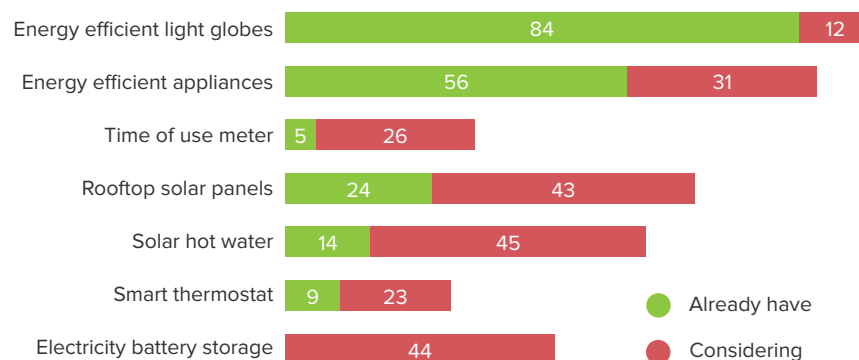
Households in the ACT have a relatively high degree of confidence in the prospect of future technology advances to manage energy and supply costs (50 per cent), second only to Western Australian households (52 per cent) and New South Wales households (51 per cent).



## Consumer activity in the ACT

### Uptake of energy management technologies

Consumers are looking to energy management technologies to manage their electricity costs. A significant majority of households in the ACT have invested in energy efficient lighting, while significantly more than half have invested in energy efficient appliances. More than two thirds of households in the ACT either have purchased solar panels or intend to do so in the next 5 years. A significant proportion of households (44 per cent) are considering purchasing electricity battery storage, although none have yet done so.



*Do you already have, or are you considering purchasing or using any of the following technologies to manage the cost of electricity in your household?*

Have you looked into switching energy companies or energy plans in the last 3 years?

**8%** YES and I switched

**35%** YES and I didn't switch

**56%** NO and I didn't look into it

### Switching energy providers or plans

Less than half of households in the ACT have considered switching energy providers or plans in the past three years (43 per cent, up 2 per cent), with only 8 per cent (largely unchanged) saying they decided to switch. For those who did look at switching the primary reasons were dissatisfaction with value for money (41 per cent, largely unchanged) and finding a better deal (28 per cent, largely unchanged).

The proportion of households in the ACT that did not consider switching in the last three years (56 per cent, down 4 per cent) compares with 63 per cent of households in Western Australia and 86 per cent in Tasmania.

For those who did not consider switching, 28 per cent (largely unchanged) said there are either no alternatives or they expect that a switch would either leave them worse off or make no difference. Another 12 per cent said the barriers to switching are too high (down 3 per cent).

# Energy Consumers Australia

## What's next?

Energy Consumers Australia will next report on energy consumer sentiment in June 2017.

The survey data, together with a detailed final report (and questionnaire) are available from the ECA website [www.energyconsumersaustralia.com.au](http://www.energyconsumersaustralia.com.au)

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