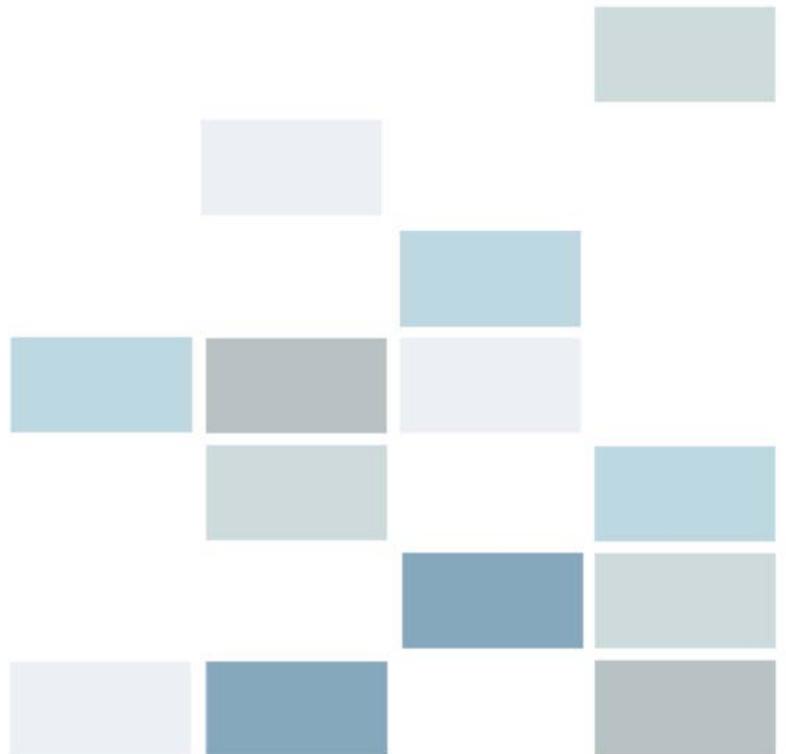


## NJCEP 2008 RESIDENTIAL SURVEY

### Key Findings Summary

August 21, 2008



## KEY FINDINGS OF 2008 RESIDENTIAL SURVEY

### Awareness and Interest

Energy Efficiency: During the past two years, New Jersey consumers' interest in energy efficiency has grown.

- Sixty-five percent (65%) of consumers now find it very important to limit/reduce energy use in the home -- up from 60% in 2006 -- for a mix of economic and environmental/altruistic reasons.
- About nine out of ten say they have done something in the past two years to conserve energy.

Renewables: Most NJ consumers are familiar with renewable energy or clean power and find it important.

- Both measures show big increases compared to 2006.
- About one-fifth feel they would benefit "a lot" from buying renewable energy for their home.

There is widespread agreement that investment in new energy technologies and other issues championed by NJCEP are important.

### State Role

Very high percentages of both New Jersey consumers and NJCEP program participants\* feel that New Jersey should do more to encourage energy efficiency and renewable energy.

About one-quarter of consumers and one-third of program participants know that New Jersey's Clean Energy Program is sponsored by the State of New Jersey. (Consumer awareness is 27%, up from 24% in 2006.)

Awareness of New Jersey Energy Use goals and programs ranges from 20% to one-third of consumers (one-third for the Societal Benefits Charge). Program participants are more aware of most New Jersey Energy Use Goals than are random consumers.

- After it is defined for them, majorities of consumers and of program participants support the Societal Benefits Charge.

NJ consumers currently say their utilities are doing a better job in helping address household energy issues than the State or the Board of Public Utilities.

\* Note 200 NJCEP program participants were surveyed, along with 601 randomly selected NJ consumers.

## Program Awareness and Participation

Program awareness results are mixed:

- When asked a general question, consumers are now less likely than in 2005/2006 to say they are “aware of programs available in New Jersey to encourage energy efficiency or clean power.” (17% now vs. 22% in 2006)
- However, when asked about specific programs by name, awareness has generally gone up since 2006, and participants tend to be more aware of specific programs than the random consumers.

About one-quarter of consumers and one-third of program participants know that New Jersey’s Clean Energy Program is sponsored by the State of New Jersey.

Those who say they have participated in an energy efficiency or renewable energy program (47 respondents) are about equally likely to cite economic and environmental/altruistic reasons.

Among program participants who know that they have participated in a New Jersey energy efficiency or renewable energy program (29 respondents), 52% are extremely satisfied with the program, another 28% are somewhat satisfied.

## Program Interest

Consumers and program participants express strong interest in participating in energy efficiency programs and receiving rebates.

- More than 80% of consumers are interested in both, up slightly from 2006.

Only about three-in-ten say they are willing to pay\* for a comprehensive home assessment, but most who are willing to pay say they will pay at least \$50.

About three-in-ten say they would be very likely to participate\* in a renewable energy program and more than one-quarter would be very likely to install a device to monitor energy use.

The survey briefly described five specific programs and asked “likelihood to participate.”\*

- The programs that generate the greatest interest, based on “very likely to participate” response, are Energy Star Products, Energy Star Homes, and HVAC. (23%-37% of consumers say they are very likely to participate).
  - In addition, half say that mail-in rebates would make them much more likely to select Energy Star products.

\* Caution: Likelihood to Pay/Participate provides a good measure of relative interest in programs, but is not a forecast of actual behavior in the marketplace.

- The Home Performance with Energy Star Program falls near the low end on “very likely to participate.”
  - At most price points between \$99 and \$250, about 10%-12% of consumers say they are very likely to participate, with little evidence of drop-off as the price assumption is increased.
- Nine percent (9%) of consumers say they are very likely to participate in Clean Power Choice.

### Information Channels

Information seeking is on the rise:

- Forty seven percent (47%) of NJ consumers sought information on energy saving products or services during the past year; an increase compared to 2006 (39%) and 2005 (22%). About seven-in-ten program participants sought such information.
- One-third of consumers (up from 22% in 2006) and two-fifths of participants recall reading, seeing, or hearing about a clean power, renewable energy, or energy efficiency program being made available. Most recall the source as TV or newspaper.
- The Internet is seen as the predominant source of information for learning more about improving the energy efficiency of the home, followed by utilities.
- The Internet and utility companies are seen as the primary sources to contact to sign up for clean power or renewable energy.
- Four percent (4%) of consumers say they have visited the NJCEP website and 2% say they have visited the Clean Power Choice website, both the same as in 2006.

## CONCLUSIONS AND IMPLICATIONS

1. In the past two years, New Jersey consumers' awareness, interest, and participation in energy conservation/efficiency have increased. They are motivated by a mix of straightforward economic concerns and more altruistic/social considerations, such as the environment (especially global warming) and energy independence.

NJ consumers have also grown more aware of, familiar with, and interested in renewable energy. Many believe they can benefit from using clean power in their homes.

*The present economic and public opinion climate strongly favors continued expansion of NJCEP's impact among NJ consumers.*

*Now would be a good time, if possible, to increase the resources available for consumer programs in order to take advantage of this opportunity.*

2. State of New Jersey activities in support of energy efficiency and clean power enjoy widespread awareness and support among NJ consumers. There is majority support for the Societal Benefits Charge.

However, the State and the BPU do not receive high ratings for their efforts to help NJ households address energy issues. Utilities are viewed more positively in this regard.

*This survey and recent qualitative research suggest that there is work to do to improve consumer perceptions:*

- o *Simplify program designs*
- o *Reduce bureaucracy*
- o *Be easier to do business with*
- o *Improve/increase communication about what the State and the BPU are doing*

3. Despite the growing public focus on energy and environmental issues during the past two years, the survey results are mixed when it comes to awareness of programs: general awareness is down a bit, aided awareness of specific programs is up, and awareness of advertising and publicity is up.

*This underscores the need for investment now in enhanced communication strategies to address the perception that "the State should be doing more" and to take advantage of the wave of public sentiment – pro-efficiency, pro-alternative energy, pro-environment – that have the potential to drive increased awareness of and interest/participation in NJCEP programs.*

4. Several of the specific program designs tested in this survey have strong appeal among NJ consumers.

*These programs should be promoted as aggressively as possible using a mix of tactics, with emphasis on the two cost-effective information channels favored most by consumers: the Internet and utility partnerships.*

5. The program participants surveyed differ from the general public in a number of ways that might be expected: more aware, more “green,” more knowledgeable about State/BPU/NJCEP programs and activities. However, they do *not* appear to constitute a small, unique niche; on many measures, their opinions and preferences are very similar to those of the “random sample” consumers.

*This suggests that the opportunity to expand NJCEP programs is not constrained because a limited, core target market has already been highly penetrated. There appear to be many additional consumers NJCEP can target who are a lot like the current participants.*

6. It is striking, though, that many participants do not self-identify as having participated in a program – they appear to be unaware that they did so. This may relate to a recent qualitative research finding that many are dependent on trade allies and do not really understand who is providing the incentives and other benefits they receive.

*By improving direct communication with participants, NJCEP may have an opportunity to turn some of them into an effective, growing cadre of advocates for the organization and its programs.*