

# **Sonoma County Water Agency**

## **Community Choice Aggregation**

### **Market Survey**

*Gauging Public Interest in a Sonoma Clean Power Program*

**Summary Analysis 2-28-12**

Prepared by



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## Executive Summary

This study was coordinated and conducted by Data Instincts with assistance from Santa Rosa based, Delphi, to gauge initial perceptions among residential ratepayers about electricity rates, renewable energy and local economic development in Sonoma County. Specifically, the study sought to better understand and assess the level of potential interest and possible public support for the formation of Sonoma Clean Power, a Community Choice Aggregation (CCA) program that would create a locally controlled electricity portfolio in Sonoma County. The primary objective of Sonoma Clean Power is to provide ratepayers with a choice of electricity providers, with a focus on generating and procuring a higher mix of electricity from renewable sources than that which is offered by the current electric utility that serves most of Sonoma County. In addition to greater investment in renewables, other ancillary benefits of the Sonoma Clean Power program would potentially include the creation of more local careers, enhanced economic development through the reinvestment of program rates back into the community, and increased electricity rate stability.

A 12-question telephone survey was developed and deemed the most appropriate methodology for reaching a broad cross section of residents in all five supervisorial districts in Sonoma County in a cost effective manner. This survey was conducted on Tuesday, February 7, 2012 between the hours of 5:30 and 8:30pm. This survey did not include mention of the Community Choice Aggregation concept, nor of the Sonoma Clean Power name. Survey demographic specifics include:

- 4,344 responses were recorded countywide from residential utility ratepayers in all five districts.
- 81% of residents polled were responsible for paying the household electricity bill.
- 83% were aged 35 or older.
- 77% were homeowners.
- 63% have lived in Sonoma County for at least 21 years.

Survey responses were very similar across residents in all five supervisorial districts, and showed a high level of support for renewable energy and the creation of a locally controlled electricity program. Specifically:

- 84% of residents think it is important to reduce greenhouse gas emissions.
- 83% of residents are supportive of “having a choice in how [their] electricity is generated.”
- 79% of residents support the creation of a locally controlled electricity portfolio that reinvests ratepayer revenues back into the local economy.
- 78% of residents think it is important that their “electricity comes from clean sources like solar and wind as opposed to fuels like nuclear and natural gas.”
- 74% of residents are supportive of having a community owned electricity program that sources clean and renewable power.

It is also important to note, however, that while most Sonoma County residents support the creation of a CCA program that provides a greater mix of electricity generated from renewable sources like solar and wind, nearly 60% of respondents surveyed are not willing to pay much more, if anything extra at all, for this service. Furthermore, 42% of local residents are currently not satisfied with the cost of their electricity bill. Thus, while this survey clearly indicates broad based support for the creation of a Community Choice Aggregation program in Sonoma County, this support hinges on the program's ability to provide electricity at rates that remain stable and competitive with the incumbent electric utility within a few percentage points.

This survey focuses on Supervisorial Districts as opposed to individual municipalities within the county. It is the view of the researchers, that given these survey results, responses levels would essentially be the same for municipalities. Additionally, this survey focused only on residential ratepayers, and excluded residents of Healdsburg, which is serviced by its own municipal utility and would not be a participant in the Sonoma Clean Power program. A survey of commercial ratepayers in all five supervisorial districts is scheduled to be completed in March 2012.

## Purpose & Objectives

The purpose of this survey was to better understand the level of public support among residents in all five supervisorial districts for the formation of a Community Choice Aggregation program, which would create a locally controlled electricity portfolio in Sonoma County. The specific areas of interest were:

- Current electricity rate satisfaction
- Reduction of greenhouse gas emissions
- Electricity derived from renewable sources
- Community ownership of electricity sources
- Local economic reinvestment
- Cost sensitivity

## Methodology

An automated telephonic survey regarding the Sonoma Clean Power program was conducted on Tuesday, February 7, 2012 between the hours of 5:30 PM and 8:30 PM. The survey was designed for the respondent to use the touchtone telephone pad to register their responses to the survey questions.

The survey was conducted of Sonoma County residential utility ratepayers. The protocol was designed to allow all residential utility ratepayers with listed telephone numbers to participate in the survey. Over 95,000 attempted calls were made to households; only human voice responders triggered the automated survey system. In actuality, a survey for each Supervisorial District was conducted at virtually the same time. The number of surveys completed in each Supervisorial District was:

Supervisorial District	Call Attempts	Completed Responses
District 1	22,280	1,117
District 2	19,408	745
District 3	16,006	657
District 4	18,594	866
District 5	18,811	959
County-wide	95,099	4,344

Only one pass or contact was made to each household. Typically up to 2 or 3 are utilized. This was not necessary based on the high response rates.

Question number one was designed to determine if the person answering the phone was the actual household utility bill payer. The question reads: *Are you the person who pays your household electricity bill?* If the response to question one was “No” the call was then terminated. Thereby all results tabulated are based on the 81% percent who answered in the affirmative that they are the household’s utility bill payer.

Based on the large number of interviews conducted in each Supervisorial District, the following is the ***Plus and Minus Confidence Interval***\* for each Supervisorial District:

District 1	3.1
District 2	4.0
District 3	3.6
District 4	3.4
District 5	3.2
County-wide	1.8

\* A confidence interval is an estimate of a population parameter and is used to indicate the reliability of an estimate. (See: [http://en.wikipedia.org/wiki/Confidence\\_interval](http://en.wikipedia.org/wiki/Confidence_interval))

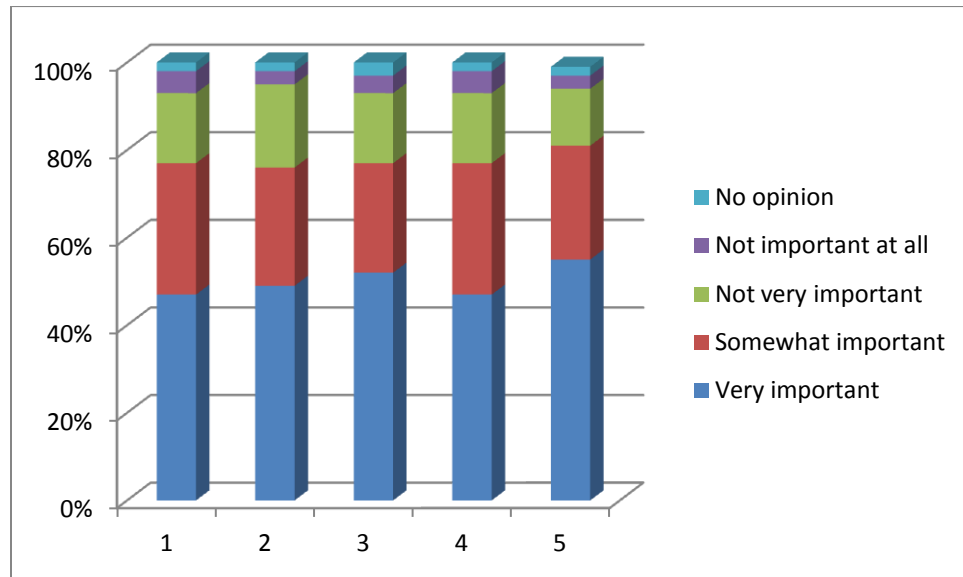
Additionally, registered voters in 75 – 85% of the County’s precincts participated in the survey. The following is the percentage of voter precincts surveyed for each District:

District 1	79%
District 2	75%
District 3	77%
District 4	75%
District 5	85%
County-wide	78%

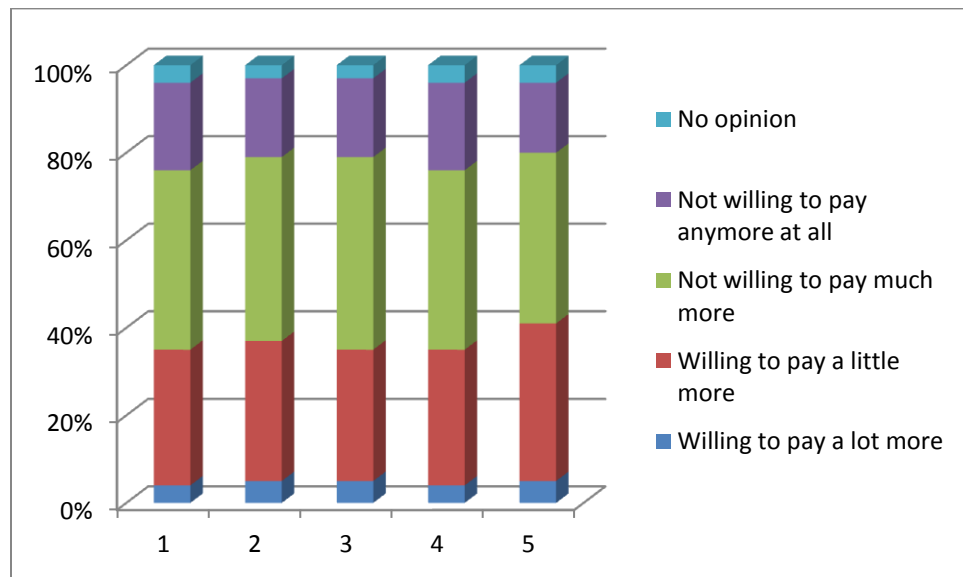
It is worth noting that the respondents were not mechanical in their responses, as all of their answers were provided by pressing the first number and moving onto the next question. The percentage of responses to the first possible answers differ on every single question and in some cases the dissimilarity is very distinct. It is clear the respondents taking the survey were very discerning in their answers.

## Core Findings

There is a striking similarity when comparing the results of the various questions by Supervisorial District. For example, the responses by Districts are quite similar in Question 4, "How important is it that your electricity comes from clean sources like solar and wind as opposed to fuels like nuclear and natural gas?" Graphically, the results were:



Question 8 asked, "How much more are you willing to pay for clean power?" Graphically, the results by District were again very similar:



All Supervisorial Districts have very similar responses to all of the questions. The similarity exists even in the most liberal and most conservative areas of the County. There are no significant deviations (+/-10%) anywhere geographically.

**Additional Core Findings include:**

- 78% of residential utility ratepayers believe it is important their electricity come from clean sources like solar and wind as opposed to fuels like nuclear and natural gas.
- 83% of residential utility ratepayers believe it is important to reduce greenhouse gas emissions.
- 83% of residential utility ratepayers want a choice in how their electricity is generated.
- 74% of residential utility ratepayers are supportive of having a local clean and renewable electricity source owned by the community.
- 79% of residential utility ratepayers are supportive of electricity produced locally if they were assured the revenues would be reinvested back into the local economy.
- 37% of residential utility ratepayers are willing to pay more for clean power.
- 41% are not willing to pay much more for clean power.
- 18% are not willing to pay anything more at all for clean power (This percentage represents the percentage most likely to opt out of the Sonoma Clean Power program.)
- 53% are satisfied with the cost of their monthly electric bill.
- 42% are dissatisfied with the cost of their monthly electric bill
- 91% believe it is important for electricity rates to remain stable from year to year.

**These results clearly demonstrate that residential utility ratepayers are supportive of creating a locally controlled clean power environment in Sonoma County and recognize the need to reduce greenhouse gas emissions.**



## Survey Questions & Aggregate Results

<b>Standard Deviation (Plus/Minus)</b>	<b><u>Dist 1</u></b>	<b><u>Dist 2</u></b>	<b><u>Dist 3</u></b>	<b><u>Dist 4</u></b>	<b><u>Dist 5</u></b>	<b>County <u>Wide</u></b>
<b>Number of Interviews</b>	1,117	745	657	866	959	4,344
<b>Question One:</b>						<b>County</b>
<b>Are you the person who pays your household electricity bill?</b>	<b><u>Dist 1</u></b>	<b><u>Dist 2</u></b>	<b><u>Dist 3</u></b>	<b><u>Dist 4</u></b>	<b><u>Dist 5</u></b>	<b><u>Wide</u></b>
Yes	81%	82%	81%	81%	82%	81%
No (If answered No – the call was terminated)	19%	18%	19%	19%	18%	19%
	100%	100%	100%	100%	100%	100%
<b>Question Two:</b>						
<b>How satisfied are you with the cost of your monthly electric bill?</b>						
Very satisfied	20%	18%	22%	20%	18%	20%
Somewhat satisfied	33%	34%	33%	33%	34%	33%
Not very satisfied	31%	32%	33%	31%	34%	32%
Not satisfied at all	11%	10%	7%	11%	9%	10%
No opinion	5%	6%	5%	5%	5%	5%
	100%	100%	100%	100%	100%	100%
<b>Question Three:</b>						
<b>How important is it that your electricity rates remain stable from year to year?</b>						
Very important	74%	76%	75%	74%	78%	75%
Somewhat important	17%	16%	17%	17%	14%	16%
Not very important	4%	3%	4%	4%	3%	4%
Not important at all	1%	2%	1%	1%	1%	1%
No opinion	4%	3%	3%	4%	4%	4%
	100%	100%	100%	100%	100%	100%
<b>Question Four:</b>						
<b>How important is it that your electricity comes from clean sources like solar and wind as opposed to fuels like nuclear and natural gas?</b>						
Very important	47%	49%	52%	47%	55%	50%
Somewhat important	30%	27%	25%	30%	26%	28%
Not very important	16%	19%	16%	16%	13%	16%
Not important at all	5%	3%	4%	5%	3%	4%
No opinion	2%	2%	3%	2%	2%	2%
	100%	100%	100%	100%	99%	100%

**Question Five:**

**How important is reducing greenhouse gas emissions?**

	<u>Dist 1</u>	<u>Dist 2</u>	<u>Dist 3</u>	<u>Dist 4</u>	<u>Dist 5</u>	<u>County Wide</u>
Very important	57%	57%	61%	57%	65%	59%
Somewhat important	25%	26%	24%	25%	21%	24%
Not very important	10%	10%	8%	10%	8%	9%
Not important at all	4%	3%	3%	4%	3%	3%
No opinion	4%	4%	4%	4%	3%	4%
	100%	100%	100%	100%	100%	100%

**Question Six:**

**How supportive would you be of having a choice in how your electricity is generated?**

Very supportive	48%	50%	53%	48%	55%	51%
Somewhat supportive	33%	33%	30%	33%	30%	32%
Not very supportive	8%	9%	9%	8%	7%	8%
Not supportive it all	5%	2%	2%	5%	2%	3%
No opinion	6%	6%	6%	5%	6%	6%
	100%	100%	100%	99%	100%	100%

**Question Seven:**

**How supportive of are you of having a local clean and renewable electricity source owned by the community?**

Very supportive	44%	45%	45%	44%	50%	46%
Somewhat supportive	28%	27%	29%	28%	28%	28%
Not very supportive	14%	15%	14%	14%	11%	14%
Not supportive it all	6%	6%	4%	6%	5%	5%
No opinion	8%	7%	8%	8%	6%	7%
	100%	100%	100%	100%	100%	100%

**Question Eight:**

**How much more are you willing to pay for clean power?**

Willing to pay a lot more	4%	5%	5%	4%	5%	5%
Willing to pay a little more	31%	32%	30%	31%	36%	32%
Not willing to pay much more	41%	42%	44%	41%	39%	41%
Not willing to pay anymore at all	20%	18%	18%	20%	16%	18%
No opinion	4%	3%	3%	4%	4%	4%
	100%	100%	100%	100%	100%	100%

**Question Nine:**

**How supportive are you of electricity produced locally if you knew the revenues would be reinvested back into the local economy?**

	<u>Dist 1</u>	<u>Dist 2</u>	<u>Dist 3</u>	<u>Dist 4</u>	<u>Dist 5</u>	<u>County Wide</u>
Very supportive	46%	48%	51%	47%	53%	49%
Somewhat supportive	33%	29%	27%	32%	29%	30%
Not very supportive	12%	12%	12%	12%	8%	11%
Not supportive at all	4%	5%	4%	4%	4%	4%
No opinion	5%	6%	6%	5%	5%	5%
	100%	100%	100%	100%	99%	100%

**Question 10:**

**Type of residency**

Homeowner	78%	81%	70%	78%	79%	77%
Renter	14%	12%	23%	14%	14%	15%
Mobilehome owner	3%	2%	4%	3%	3%	3%
Refused	5%	5%	3%	5%	4%	4%
	100%	100%	100%	100%	100%	100%

**Question 11**

**Age**

18 - 24	1%	1%	1%	1%	1%	1%
25 - 34	3%	3%	2%	3%	3%	3%
35 - 44	10%	9%	9%	10%	7%	9%
45 - 54	17%	17%	16%	17%	16%	17%
55 - 64	22%	23%	21%	22%	25%	23%
65+	43%	42%	47%	43%	46%	44%
Refuse	4%	5%	4%	4%	2%	4%
	100%	100%	100%	100%	100%	100%

**Question 12:**

**Length of residency**

9 years or less	11%	10%	11%	11%	12%	11%
10 to 20 years	23%	25%	25%	23%	25%	24%
21 years or more	64%	62%	62%	64%	62%	63%
Refused	2%	3%	2%	2%	1%	2%
	100%	100%	100%	100%	100%	100%