

IMP530 VoLL Discussion Guide

ECP Meeting 2	May 2016	Objective- To understand the key attributes of a supply interruption e.g. frequency, duration, time of day, season, financial impact etc. that will determine the attributes and levels for scenario testing during the quantitative phase. Also to understand how these views may change with decarbonisation of heat and transport?
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GROUP STRUCTURE (1½ HOURS):

AREA OF DISCUSSION	TIME ALLOCATION
(1) Introduction / Warm Up	2-3 minutes
(2) Service Priorities	15 minutes
(3) Service Attributes and Levels	40 minutes
(4) Willingness to pay / willingness to accept	20--25 minutes
(5) A low carbon future	5-10 minutes
(6) Wrap up	1-2 minutes

1 Moderator Introduction (2 – 3 minutes)

- Re-introduce yourself
- Explain purpose of discussion (*to help inform the design of a much larger piece of customer research regarding the reliability of customers' electricity supply and the impact of power cuts*).
- Confidentiality is guaranteed, no right / wrong answers, interested in everybody's opinions, in as much detail as possible

Warm-up

- What were the **key things you remember** regarding the last session?

MODERATOR READ OUT:

During the last meeting we discussed Electricity North West's responsibilities for maintaining the electricity distribution network; how you define the reliability of your power supply and the financial and

non-financial impact of power cuts on different types of customers. Today I would like to build on these themes further. Before I start I just want to remind you of some information we provided in a leaflet in the last group [SHOWCARD A]. **Today when I talk to you about bill prices I will be referring only to the part of the bill which is allocated to Electricity North West (25%).**

2 Service Priorities

(15 minutes)

MODERATOR: DISTRIBUTE AND READ OUT SHOWCARD B

- Test understanding of the industry definition of reliability (*Customer Interruptions (CI) and Customer minutes Lost (CmL)*)?
- What would be the group's best estimate of the total number of individual interruptions that an average group of 100 customers suffers in a year?
 - Does this level need to be improved? By how much?
- What would the group's best estimate of the average number of minutes that a customer will be off supply in a year?
 - Does this level need to be improved? By how much?

MODERATOR: DISTRIBUTE AND READ OUT SHOWCARD C

- Reaction to the current level of service

MODERATOR: DISTRIBUTE AND READ OUT SHOWCARD D

- Which of the following do you think should be Electricity North West's most important priority for the next few years (i.e. 2016 – 2020)?

MODERATOR: it is acceptable for the group to come to a consensus; however, we needn't seek a consensus on this matter at this stage. In reality customers priorities will vary and ideally we should explore all of the following to aid our survey design.

CONSIDER EACH RESPONSE IN TURN:

- **IF A:** The priority is to **keep customer bills constant**; why?
 - Is this driven by a fear of bill increases and/ or a perception that the service is '*good enough*'?

- **IF B:** The priority is to ensure that all customers **receive the same level of reliability**; why?
 - Does this link back to the discussion in meeting one and the realisation that some customers experience varying levels of reliability and/or are affected by power cuts in different ways?
- **IF C:** The priority is to focus on **worst areas** of reliability and improve these; why?
 - To clarify, which are the ‘worst areas’?
- **IF D:** The priority is to improve reliability levels where the **benefits to customers outweigh costs**; why?
 - This implies a need for more information to make a decision; what information?
 - Is it more information on the “what’s in it for me”?
 - Would it be best supported by information on current service levels vs. new service levels if there were further investment?

3 Service Attributes and Levels

(40 minutes)

MODERATOR READ: As we discussed in the last meeting, there are different factors that affect customers’ perception of supply reliability such as the frequency and duration of interruptions; and there are also other service factors that alleviate dissatisfaction in the event of an interruption such as the reliability of any information provided.

PRESENT SHOWCARD E: “ATTRIBUTES AND LEVELS”.

MODERATOR READ: This grid represents **nine different aspects of service** and the various levels of service that may be available for each one now and/or in the future. These have been selected because Electricity North West suspects they are most likely to influence customers’ perception of the reliability of their electricity supply. **I would now like to look at the grid one row at a time.**

1. Type of interruption to your electricity supply

- Is the difference between the levels clear? Is any further explanation required?
- Comfortable with the term ‘interruption’?

2. Advance warning of an interruption to your electricity supply

- Is the difference between the levels clear? Is any further explanation required?

- Is the range of service levels appropriate? Do we have the right number of levels?
- If you have experienced a power cut before, draw a circle around the level of service you believe Electricity North West currently delivers?

3. Frequency of interruption to your electricity supply

- Is the difference between the levels clear? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?
- If you have experienced a power cut before, draw a circle around the level of service you believe Electricity North West currently delivers?

4. Duration of interruption to your electricity supply

- Is the difference between the levels clear? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?
- If you have experienced a power cut before, draw a circle around the level of service you believe Electricity North West currently delivers?

5. Time of day

- Is the difference between the levels clear?
- What do they think is meant by 'peak'? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?

6. Day of week

- Is the difference between the levels clear? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?

7. Level of additional assistance for vulnerable customers

- Understand general customer opinion, in the trade off, about the use of resources for this kind of social provision ie do they understand and accept there is a moral and social obligation for the provision of enhanced support to vulnerable members of the community
- Is the difference between the levels clear? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?
- **Which are perceived to be the most important levels?**

8. Alternative channels through which notification and information on the interruption can be proactively given

- Is the difference between the levels clear? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?

- If you have experienced a power cut before, draw a circle around the level of service you believe Electricity North West currently delivers?
- **Which are perceived to be the most important levels?**

9. Quality of information provided

- Is the difference between the levels clear? Is any further explanation required?
- Is the range of service levels appropriate? Do we have the right number of levels?
- If you have experienced a power cut before, draw a circle around the level of service you believe Electricity North West currently delivers?
- **Which are perceived to be the most important?**

OVERALL

- Overall have we missed any important aspects or levels of service in the grid?
- If Electricity North West make improvements to specific service factors; which ones are likely to have the greatest influence on your perception of the reliability of your electricity supply? **LIST THE ATTRIBUTES ON A FLIPCHART.**

4 Willingness to pay / willingness to accept

(25 minutes)

MODERATOR ASK:

Having discussed the various aspects of service that influence your perception of reliability; how much would you be **willing to pay** in a one off payment on your electricity bill to improve the reliability of the service provided?

- Explore perceptions of an **appropriate price point** for the one-off payment

Conversely what would be your **willingness to accept** an electricity interruption if a one-off payment was made to you by way of compensation?

- Explore perceptions around **willingness to accept** the one-off payment by way of compensation
- Explore perceptions of an **appropriate price point** for the one-off payment
- Explore any underlying reasons for a **difference in the price point** between WTP/WTA

MODERATOR READ: A large piece of customer research in 2016 will test customers' willingness to pay or willingness to accept a one-off payment in exchange for varying levels of service. Before customers give their feedback they will be reminded [**READ SHOWCARD F**].

- Probe for understanding of the narrative
- Is this information useful? How does it make them feel? Will it aid the credibility of the data collected in the customer survey?

MODERATOR READ: During the research customers will make choices between a range of hypothetical service levels presented in a head to head SCENARIO A vs. SCENARIO B format [**HAND OUT SHOWCARD G AND EXPLAIN THE TASK**]. In each scenario the one-off payment associated with the service received will be listed; the levels of which are listed on **SHOWCARD H**.

- Gauge overall reactions to the survey task
 - Is any other information needed to make the task more manageable/ realistic/ accurate?
- Gauge overall feelings towards the one-off payment levels

5 A low carbon future (5-10 minutes)

MODERATOR BRIEFING NOTE: In the ECP groups this is quite pertinent to the rural and worst serve groups, some of whom are already seeing the impact of loss of potential income when PV isn't exporting. Also potentially the SME group who may in future, need to adapt their fleets to electric vehicles and provide charging points for employees.

DISTRIBUTE AND READ OUT THE FINAL SHOWCARD I.

- Evaluate understanding of the **true meaning of a low carbon future** and the drivers for this (not just population changes; but the decarbonisation agenda)
- (Unprompted) Does the ECP buy into the 'challenge' of meeting future demand or do they feel advances in technology; energy efficiency and/or increased generation will be the solution?
- Evaluate the impact overall on household/ business **dependency** on electricity usage
- Evaluate the impact on **times of usage** and peak demand (e.g. electric vehicle charging times)



- **IMPORTANT:** How easy/difficult is it for the ECP to think ahead and imagine the true impact of large scale adoption of low carbon technology on them in the future such as electric vehicles?
 - **IMPORTANT:** With this in mind and looking back at **SHOWCARD G**, how easy/difficult would it be for them to answer the survey questions thinking about the future rather than in today's terms?
- Thank respondents & depart