CRITICAL INSIGHTS

Strategic Market Research

Public Utilities Commission Commercial Survey

Prepared for:

Public Utilities Commission

November 2002

Focus Groups • Surveys • Public Opinion Polling

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Introduction

Research Objectives
Data Collection Methodology
Sampling
Weighting Protocols
Analytical Framework

Research Objectives

- The Public Utilities Commission (PUC) is interested in understanding the respective values associated with having a choice of electricity supplier and obtaining the lowest possible cost for electrical supply for commercial customers in Maine.

- In an attempt to gain an understanding of commercial decision-makers' opinions regarding the importance of choice of suppliers versus lowest cost, the Public Utilities Commission has retained Critical Insights, Inc. to address these research needs through a quantitative research assignment designed to assess:
  - The significance assigned to increased choice and lower prices in electricity supply;
  - Awareness of electric utility restructuring;
  - Support of changes in the standard offer;
  - Openness to competitive suppliers; and
  - Support of environmentally clean fuel sources.

Methodology

- A total of 402 telephone interviews were conducted among Maine commercial electricity purchasing decision-makers by Critical Insights between August 1st and August 22nd.
- Interviews were conducted from the Critical Insights Information Center utilizing our 30-station state-of-the-art computer assisted telephone interviewing (CATI) center in Portland, ME.
- The findings presented in this report have an associated margin of error at ± 4.9 percentage points at the 95% confidence level for the total sample of 402 respondents.
- Standard analysis of the interviewing protocols yielded a 9.8% refusal rate, well within the limits for a reliable research effort.
- The average interview length was 15 minutes.
- Where applicable, data from the 2002 survey was compared to the 1998 commercial survey.
- Note, due to programming limitations some of the questions throughout this report have been abbreviated to fit in the tables. Where necessary, refer to the questionnaire appended to this report for the complete question text.

Sampling

- Sample selection was accomplished through randomly selecting commercial customers by respective utilities, as well as from lists generated by Genesys Sampling Systems.
  - Databases were provided to the PUC by Central Maine Power, Bangor-Hydro Electric Company and Maine Public Service.
    - These lists represented commercial customers classified as "Medium"-sized customers by the respective providers and were classified as such in the analysis.
  - No electric utility databases for commercial customers classified as "Small"-sized customers were made available for sampling.
    - To obtain a sampling frame of Small commercial customers, a list was ordered through Genesys Sampling Systems using companies' total number of employees as a proxy for company size.
    - Lists were provided for companies employing fewer than 50 people.
  - Entities that appeared on both Small and Medium sampling lists were classified by utility customer class by the PUC and Critical Insights.
- To provide stable bases for analysis among subgroups, disproportionate sampling quotas for the sample of 402 interviews were established that resulted in roughly equal proportions of interviews being conducted with Medium-sized (n=222) and Small-sized commercial customers (n=180).

Weighting Protocols

- The disproportional data comprised of Medium and Small commercial customers was then statistically weighted to properly reflect the electric utility and company size distributions across the State of Maine.

- Weighting ratios were provided to Critical Insights by the PUC, based on commercial customers distributions in the utility service area:

  – Central Maine Power Company: Ratio of one Medium commercial customer for every 4.2 Small commercial customers in the provider service area.
  – Bangor Hydro-Electric Company: Ratio of one Medium commercial customer for every 10.3 Small commercial customers.
  – Maine Public Service: Ratio of one Medium commercial customer for every 10.0 Small commercial customers. *(NOTE: The original ratio provided by the PUC was one Medium commercial customer for every 33.9 Small commercial customers. However, due to small base sizes and programming limitations of the weighting procedures, this initial weighting ratio was amended slightly. Importantly, this change does not affect the data, but due to the small base size of MPS customers, data should be viewed as directional only.)*
  – Ratios were not available for commercial customers serviced by other local utilities or transmission and distribution utilities; these records were not statistically weighted.

- Data was then weighted using the above electric utility-specific ratios for Medium and Small commercial customers in the utility service area.

- The resulting weighted distribution is 329 Small companies and 73 Medium companies; the unweighted distribution is 180 Small companies and 222 Medium companies.

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Analytical Framework

To explore any differences of opinion among the specific subgroups within the overall sample, data was compared and contrasted according to the following sample segments:

		n	%
Company Size	Small	329	82%
	Medium	73	18%
Electric Utility	Central Maine Power	320	80%
	Bangor Hydro-Electric Company	54	13%
	Maine Public Service Company	11	3%
	Other Company	10	2%
Shopping History	Current/Former Competitive Supplier	67	17%
	Standard Offer Service	334	83%
Geographic Region	Northern	89	22%
	Coastal	77	19%
	Central/Western	85	21%
	Southern	149	37%

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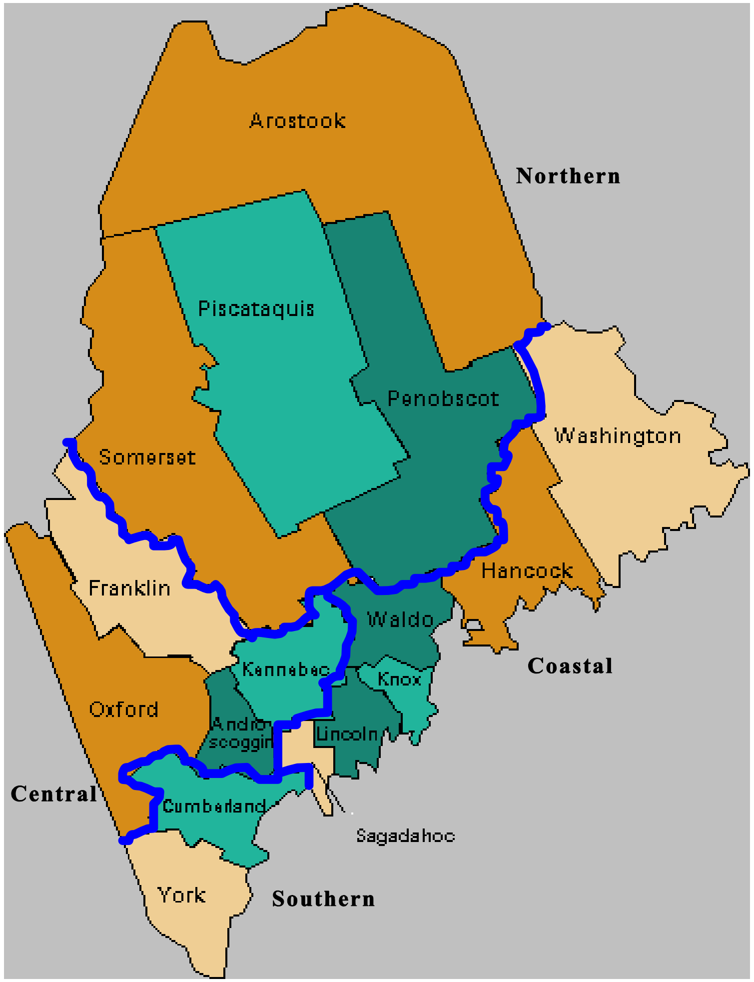
Geographic Region



Northern:

- Aroostook
- Penobscot
- Piscataquis
- Somerset

Coastal:

- Hancock
- Knox
- Lincoln
- Sagadahoc
- Waldo
- Washington

Central:

- Androscoggin
- Franklin
- Kennebec
- Oxford

Southern:

- Cumberland
- York

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Business Profile

Job Title
Type of Business
Electric Utility
Monthly Electric Bill

Job Title

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
What is your position with your business or organization? (a)	Owner	55%	60%	33%	61%	47%	12%
	General Manager, Operations Manager	14%	13%	18%	12%	15%	37%
	President	11%	10%	15%	10%	16%	10%
	Vice President	4%	4%	6%	4%	2%	12%
	Director/Executive Director	4%	4%	3%	4%	2%	6%
	Municipal official	3%	3%	1%	2%	5%	7%

a.) The remaining responses can be found in the Detailed Tabulations.

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Type of Business

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Do you consider your business or organization to be...	Small, non-industrial business or office (20 or fewer employees)	43%	48%	21%	54%	17%	6%
	Retail	16%	16%	17%	16%	20%	4%
	Commercial -- restaurant, hotel or motel	12%	11%	16%	9%	26%	8%
	Large, non-industrial business or office (more than 20 employees)	9%	8%	11%	6%	9%	29%
	Small industrial business (manuf. / factory / plant)	7%	7%	7%	6%	9%	6%
	Municipal or institutional	7%	6%	12%	4%	9%	36%
	Large industrial business (manuf. / factory / plant)	2%	0%	11%	0%	6%	10%
	Commercial -- residential apartments	0%	0%	1%	0%	1%	0%
	Other	4%	4%	4%	4%	3%	1%
	Don't Know	0%	0%	0%	0%	0%	0%

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Electric Utility

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Who is your business's electric utility? That is, to whom do you now pay your electric service delivery bill?	Central Maine Power Company	80%	79%	84%	82%	74%	68%
	Bangor Hydro-Electric Company	13%	15%	6%	12%	17%	19%
	Maine Public Service Company	3%	3%	1%	2%	2%	6%
	Houlton Water Company	1%	2%	0%	1%	1%	0%
	Madison Electric Works	0%	1%	0%	0%	1%	0%
	Kennebunk Light and Power District	0%	0%	0%	0%	0%	0%
	Eastern Maine Electric Cooperative	0%	0%	0%	0%	0%	0%
	Other	0%	0%	1%	0%	0%	3%
	Don't Know	1%	0%	7%	1%	4%	3%
	Refused	0%	0%	0%	0%	0%	0%

Monthly Electric Bill

		Total	Company Size	
			Small	Medium
		n=402	n=329	n=73
Approximately how much is your total monthly electric bill -- that is, the combined cost for both electricity supply and delivery service?	Below $1,000	75%	85%	31%
	$1000 - $4999	17%	10%	50%
	$5000 - $9999	4%	3%	9%
	$10,000 - $14,999	1%	1%	3%
	$15,000 - $19,999	1%	1%	2%
	$20,000 - $25,000	1%	0%	6%

- The vast majority (75%) of companies designated as "Small" have a monthly electric bill of less than $1,000.
- Eight-out-of-ten companies classified as "Medium" have a monthly electric bill less than $5,000.

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Awareness

Awareness Trends of Industry Restructuring
Awareness of Industry Restructuring

Awareness Trends of Industry Restructuring

		Survey Year	
		1998 *	2002
		n=315	n=402
About two and a half years ago, restructuring of the electric industry changed the way that electricity is marketed and sold, to give customers the option to choose...how well informed do you feel about electric restructuring? (2002)	Very well informed	7%	13%
	Fairly well informed	33%	46%
	Not very well informed	38%	30%
	Not at all informed	22%	11%

* 1998: How well informed are you about the changes that will affect the way in which you will purchase electricity?

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Awareness of Industry Restructuring

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
About two and a half years ago, restructuring of the electric industry changed the way that electricity is marketed and sold, to give customers the option to choose...how well informed do you feel about electric restructuring?	Very well informed	13%	12%	20%	11%	18%	28%
	Fairly well informed	46%	46%	47%	43%	51%	58%
	Not very well informed	30%	30%	29%	32%	26%	14%
	Not at all informed	11%	13%	4%	14%	5%	0%

Overall Mean Score: 2.6 *

- Fully two-thirds of Medium-sized companies feel they are well-informed about restructuring, while 59% of Small-sized companies concur.

* Based on a scale where a 1 means "not at all informed" and a 4 means "very well informed."

Consumer History

Purchasing Method
Experience with Competitive Suppliers
Rationale for Not Buying from a Competitive Supplier
Level of Purchasing Satisfaction in Restructured Environment
Rationale for Purchasing Satisfaction
Rationale for Purchasing Dissatisfaction

Purchasing Method

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Have you ever bought from a competitive electricity supplier, or have you always taken the standard offer?	Currently buying from competitive supplier	14%	11%	30%	8%	28%	49%
	Formerly bought from competitive supplier	2%	1%	6%	0%	7%	10%
	Never bought from competitive supplier, always taken standard offer	83%	88%	63%	92%	64%	42%
	Other	0%	0%	0%	0%	0%	0%
	Don't Know	0%	0%	1%	0%	0%	0%

- Although the majority of commercial sector respondents have <u>not</u> purchased from a competitive electricity supplier, significantly more Medium-sized companies are currently obtaining electricity from a competitive supplier than are Small companies (30% vs. 11%).

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Experience with Competitive Suppliers

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=334	n=288	n=46	n=277	n=44	n=13
Have you ever tried to find a competitive supplier? (a)	Yes	14%	10%	42%	11%	26%	44%
	No	85%	89%	58%	89%	74%	40%
	Don't Know	1%	1%	0%	1%	0%	15%

a.) Based on respondents who have never bought from competitive supplier; always taken standard offer.

- It is important to note that four-in-ten Medium companies have attempted to find a competitive supplier, as compared to only one-in-ten Small companies.

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Rationale for Not Buying from a Competitive Supplier

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=47	n=28	n=19	n=30	n=11	n=6
Why didn't you buy from a competitive supplier? (a, b)	Didn't like price	41%	45%	37%	45%	42%	22%
	Couldn't find one	39%	43%	33%	40%	32%	47%
	Didn't like terms	14%	13%	16%	11%	15%	26%
	Other	10%	7%	15%	11%	11%	5%

a.) Based on respondents who never bought from competitive supplier; always taken standard offer and have tried to find a competitive supplier. b.) The remaining responses can be found in the Detailed Tabulations.

- Difficulty in accessing a competitive supplier and the price of electricity supply offered by that supplier are cited as the main impediments to purchasing by these commercial respondents.

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Level of Purchasing Satisfaction in Restructured Environment

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Thinking about your company's experience with purchasing electricity supply in a restructured environment, how satisfied are you?	1--> Not at all satisfied	12%	12%	14%	11%	17%	6%
	2	8%	6%	13%	6%	15%	5%
	3	38%	40%	30%	38%	40%	34%
	4	23%	22%	27%	23%	21%	25%
	5--> Very satisfied	19%	20%	15%	21%	6%	29%
	Don't Know	0%	0%	1%	0%	0%	1%

Overall Mean Score: 3.3

- Satisfaction with purchasing in a restructured environment is mixed, with approximately 42% of commercial sector respondents claiming some degree of satisfaction, 38% being neutral and 20% being dissatisfied.
- Frequency of dissatisfaction is somewhat higher among Medium companies than among Small companies (27% vs. 18%).

Rationale for Purchasing Satisfaction

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=169	n=138	n=31	n=133	n=19	n=17
Why do you say that? (a, b,c)	No problems with current supplier	63%	68%	41%	66%	52%	51%
	Low rates	22%	17%	44%	18%	34%	42%
	Good service	15%	15%	18%	17%	11%	9%
	Uninformed about alternatives	9%	10%	3%	11%	3%	0%

a.) Based on respondents who indicated that they were satisfied with their business's experience with purchasing electricity in a restructured environment. b.) Multiple responses accepted. The remaining responses can be found in the Detailed Tabulations. c.) Interpret with caution due to small sample sizes.

- Simply not having experienced any problems is the principal driver of reported satisfaction with a commercial electricity supplier.
- Rates and good service form secondary drivers of satisfaction.

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Rationale for Purchasing Dissatisfaction

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=79	n=59	n=20	n=53	n=23	n=3
Why do you say that? (a, b, c)	High rates	35%	35%	35%	41%	21%	25%
	Lack of available alternatives	34%	36%	27%	34%	33%	32%
	Disapproval of deregulation	14%	15%	8%	14%	12%	10%
	Uninformed about alternatives	13%	14%	11%	17%	4%	10%
	Confusing process	12%	12%	13%	7%	24%	10%
	No difference with deregulation	8%	9%	7%	10%	3%	20%

a.) Based on respondents who indicated that they were dissatisfied with their business's experience with purchasing electricity supply in a restructured environment. b.) Multiple responses accepted. The remaining responses can be found in the Detailed Tabulations. c.) Interpret with caution due to small sample sizes.

- Drivers of reported dissatisfaction are more fragmented.
- Discontent regarding rates and a perceived lack of alternatives form the principal tier of issues.

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Industry Attitudes and Beliefs

Perceived Benefits of Restructuring
Preferred Supply Environment
Level of Importance of a Broad Selection of Electricity Suppliers
Level of Importance of the Price of Electricity Supply
Level of Support for Broadening Market
Standard Offer Price Threshold
Level of Support for PUC's Acquisition of SOS

Perceived Benefits of Restructuring

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Do you believe that you as a business customer would benefit from having increased selection among electricity suppliers?	Yes	60%	57%	71%	58%	67%	67%
	No	26%	27%	18%	27%	24%	16%
	Don't Know	14%	15%	11%	15%	9%	17%

- Medium-sized companies are significantly more likely to believe that they would benefit from having increased selection among suppliers.

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Preferred Supply Environment

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
If you had to choose between having your standard offer price as low as possible, or increasing the number of competitive suppliers from which you could choose, which would you choose?	More selection by having more suppliers enter the market	26%	25%	29%	26%	21%	34%
	Lower prices by using the standard offer	70%	71%	65%	72%	70%	59%
	Don't Know	3%	3%	4%	2%	9%	1%
	Refused	1%	1%	1%	1%	0%	6%

- However, when given a direct choice, a strong majority of commercial sector customers prefers lower costs through continuation of the standard offer as opposed to having increased selection.

Level of Importance of a Broad Selection of Electricity Suppliers

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
How important is it to your business to have a broad selection of electricity suppliers from which to choose?	1--> Not at all important	31%	33%	23%	32%	34%	8%
	2	18%	19%	15%	20%	12%	16%
	3	26%	24%	31%	24%	33%	21%
	4	12%	12%	12%	12%	7%	23%
	5--> Very important	12%	11%	18%	10%	14%	30%
	Don't Know	1%	1%	1%	1%	0%	2%

Overall Mean Score: 2.6

- Consistent with a stated preference for lower costs vs. increased selection, approximately half of commercial customers surveyed (49%) report that it is not important to have a broad selection of suppliers from which to choose, and an additional 26% of respondents indicate that they were neutral.

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Level of Importance of the Price of Electricity Supply

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
How important to your business is the price of electricity supply?	1--> Not at all important	4%	4%	0%	5%	0%	0%
	2	8%	9%	4%	8%	9%	1%
	3	17%	19%	10%	21%	11%	2%
	4	20%	20%	20%	19%	24%	20%
	5--> Very important	51%	48%	65%	48%	56%	77%
	Don't Know	0%	0%	0%	0%	0%	0%

Overall Mean Score: 4.1

- Again, consistent with a stated preference for lower costs as opposed to increased selection of suppliers, seven-in-ten (71%) indicate that the price of electricity is important, with a full 51% of commercial customers reporting that the price of electricity is very important to their business.
- Medium-sized commercial customers are significantly more likely than their Small counterparts to feel price is important.

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Level of Support for Broadening Market

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
To increase the standard offer price in order to encourage more electricity suppliers to compete, thereby increasing your supply options, and possibly reducing your supply price. How would you feel about this possible step?	1--> Strongly oppose this effort	42%	41%	46%	42%	43%	37%
	2	18%	18%	17%	18%	21%	14%
	3	23%	24%	21%	23%	27%	14%
	4	10%	10%	10%	11%	4%	17%
	5--> Strongly support this effort	6%	6%	5%	5%	4%	18%
	Don't Know	1%	1%	2%	1%	1%	1%
	Refused	0%	0%	0%	0%	0%	0%

Overall Mean Score: 2.2

- Notably, six-in-ten commercial customers would oppose an increase to the standard offer, even though it could result in greater competition and eventually, a reduction in price. It should be noted that nearly a quarter of respondents are neutral.

Standard Offer Price Threshold -- Total Market

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
If an increase in the standard offer price would increase the likelihood of additional suppliers entering the market, thereby increasing your options and possibly reducing your costs, what percentage increase in the standard offer would you support?	Opposed	61%	60%	65%	61%	65%	51%
	None	6%	6%	4%	5%	8%	10%
	1 to 5%	11%	11%	11%	12%	9%	5%
	6 to 10%	9%	8%	10%	9%	5%	18%
	11 to 50%	5%	6%	2%	3%	10%	15%
	Don't Know	7%	8%	5%	9%	2%	1%
	Refused	1%	1%	3%	1%	2%	0%

- Six-in-ten respondents indicated initial opposition to any increase in the standard offer. During this line of questioning an additional 6% of respondents claimed that they would not support any increase in the standard offer, raising the overall level of rejection of the proposition to 67%.
- Of those who indicated that they might tolerate an increase, an additional 20% would tolerate an increase of 10% or less in the standard offer.

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Standard Offer Price Threshold

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=158	n=132	n=26	n=118	n=24	n=15
If an increase in the standard offer price would increase the likelihood of additional suppliers entering the market, thereby increasing your options and possibly reducing your costs, what percentage increase in the standard offer would you support? (a, b)	None	14%	14%	13%	12%	22%	22%
	1 to 5%	27%	27%	31%	30%	24%	10%
	6 to 10%	22%	21%	29%	22%	14%	37%
	11 to 50%	14%	15%	5%	8%	28%	30%
	Don't Know	19%	20%	14%	24%	5%	1%
	Refused	4%	3%	8%	4%	7%	0%

a.) Based on respondents who did not oppose the effort to increase the standard offer. b.) Interpret with caution due to small sample sizes.

- Of those 158 respondents who initially were neutral or indicated support of the proposition of increasing the standard offer price to encourage more supply options, nearly three-in-ten would support an increase of 5% or less.
  - One-in-seven respondents indicated that they would not support any increase in the standard offer.
  - Notably, two-in-ten respondents do not know what level of increase they would support.

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Level of Support for PUC's Acquisition of SOS

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
In proceeding with electric restructuring, a long-term option is to continue to have the PUC obtain SOS for businesses at the best possible price, which may lead to little or no retail competition in the sale of electricity in Maine. How would you feel about this possible step?	1--> Strongly oppose this effort	8%	8%	10%	8%	6%	18%
	2	9%	9%	9%	10%	5%	5%
	3	38%	39%	33%	38%	39%	39%
	4	20%	20%	20%	20%	22%	21%
	5--> Strongly support this effort	24%	24%	25%	24%	26%	13%
	Don't Know	0%	0%	3%	0%	1%	3%
	Refused	0%	0%	0%	0%	0%	0%

Overall Mean Score: 3.4

- While a notable proportion of commercial customers (38%) report neutrality on this issue, another 44% would support this step.

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Purchasing Preferences

Likelihood of Exploring Various Alternatives
Anticipated Savings
Preferred Time Frame to Locate Electricity Supplier
Perceived Value of Environmentally Clean Fuel Source
Likelihood to Use “Check-Off” Option for Environmentally Clean Fuel Source

Likelihood of Exploring Various Alternatives: 1998 vs. 2002

		Survey Year	
		1998 *	2002
		n=317	n=402
Assuming that there will be a number of differences, including price and other features, among the various electricity suppliers, how likely would you be to explore the various alternatives? Would you be.. (2002)	Very likely	56%	34%
	Somewhat likely	27%	41%
	Not very likely	4%	19%
	Not at all likely	5%	6%
	Don't Know/Refused	8%	0%

* 1998: Assuming that there will be a number of differences, including price and other features, among the variuos electric generation companies, how likely would you be to explore the various alternatives?

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November 2002

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Likelihood of Exploring Various Alternatives

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Assuming that there will be a number of differences, including price and other features, among the various electricity suppliers, how likely would you be to explore the various alternatives? Would you be..	Very likely	34%	32%	46%	31%	40%	56%
	Somewhat likely	41%	41%	40%	44%	33%	30%
	Not very likely	19%	21%	11%	20%	18%	13%
	Not at all likely	6%	6%	4%	5%	9%	1%
	Refused	0%	0%	0%	0%	0%	0%

Overall Mean Score: 3.0 *

- Three-quarters of commercial sector customers report being likely to explore different alternative electricity suppliers.

* Based on a scale where a 1 means "not at all likely" and a 4 means "very likely"

Anticipated Savings

		Company Size			Monthly Electric Bill		
		Total	Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Assuming that there were competitive electricity suppliers in the marketplace, what percentage discount or price savings -- off your total monthly electric bill -- would make it worth your to shop around and compare electricity suppliers?	None	1%	1%	2%	1%	1%	1%
	1-9%	14%	11%	23%	9%	21%	40%
	10-19%	41%	39%	48%	41%	41%	34%
	20-29%	28%	31%	16%	31%	17%	24%
	30-39%	5%	6%	4%	6%	5%	0%
	40-49%	1%	0%	1%	1%	1%	0%
	50% or more	7%	8%	2%	6%	11%	0%
	Don't Know/Refused	4%	4%	5%	5%	2%	0%

Average Percentage: 17.4

- The threshold for stimulating shopping behavior among these commercial customers is relatively high, with 82% of these customers only willing to shop and compare electricity suppliers when it yields at least a 10% savings off their **total** monthly electric bill, which is a much larger savings threshold when considered in the context of just the electricity supply portion of the bill.

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Preferred Time Frame to Locate Electricity Supplier

			Company Size		Monthly Electric Bill		
		Total	Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Approximately how many days, annually, would you consider to be reasonable for shopping, or gathering information for comparison purposes, for the most favorable electricity supplier for your company?	None	17%	18%	9%	19%	12%	6%
	1 to 2 days	50%	50%	48%	50%	57%	26%
	3 to 4 days	12%	12%	11%	12%	10%	18%
	5 to 10 days	14%	11%	24%	11%	15%	40%
	11 to 15 days	2%	2%	4%	2%	5%	2%
	16 days or more	2%	2%	3%	2%	0%	2%
	Don't Know/Refused	4%	5%	1%	5%	0%	6%

Average Number of Days: 3.2

- The vast majority of commercial respondents surveyed would not anticipate spending a great deal of time gathering information and comparison shopping for electricity suppliers. Half of the respondents would only contribute 1 to 2 days per year on the process. In addition, 17% indicate that they would not spend any time on the process. Note, anecdotal evidence suggests that some respondents were not thinking of days as eight hour blocks of time. In addition, some of the time indicated includes waiting for information and time to make the actual decision.

Perceived Value of Environmentally Clean Fuel Source: 1998 vs. 2002

		Survey Year	
		1998 *	2002
		n=315	n=402
How much extra would you be willing to pay to receive electricity supply generated from an environmentally clean fuel source, such as wind power, solar, or water power? Would you... (2002)	Be willing to pay much more than you currently pay	1%	3%
	Be willing to pay slightly more than you currently pay	21%	47%
	Not be willing to pay any more than you currently pay	64%	49%
	Don't Know/Refused	15%	0%

* 1998: Would you be willing to pay to receive electricity generated from an environmentally clean fuel supply such as wind power, solar or water power?

- It is important to note that the willingness to pay more in order to receive green power has more than doubled within the past 4 years.

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Perceived Value of Environmentally Clean Fuel Source

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
How much extra would you be willing to pay to receive electricity supply generated from an environmentally clean fuel source, such as wind power, solar, or water power? Would you...	Be willing to pay much more than you currently pay	3%	4%	3%	4%	1%	6%
	Be willing to pay slightly more than you currently pay	47%	49%	37%	54%	28%	29%
	Not be willing to pay any more than you currently pay	49%	47%	59%	43%	71%	63%
	Don't Know	0%	0%	0%	0%	0%	1%
	Refused	0%	0%	0%	0%	0%	1%

- Commercial survey respondents appear to be divided on this issue. Half of the respondents (47%) report being willing to pay slightly *more* for environmentally clean power, another 49% would not be willing to pay more for such a service.
- Small companies are significantly more willing to pay more.

Likelihood to Use "Check-Off" Option for Environmentally Clean Fuel Source

		Total	Company Size		Monthly Electric Bill		
			Small	Medium	<$1K	$1K to $4,999	$5K+
		n=402	n=329	n=73	n=301	n=69	n=32
Electricity generated from an environmentally clean fuel source, w/o shopping for it, by merely checking off a box on your utility bill, it would increase your total electricity bill by 10%, how likely would you be to select this option?	Very likely	15%	16%	10%	18%	7%	1%
	Somewhat likely	28%	29%	20%	31%	14%	27%
	Not very likely	26%	26%	28%	25%	33%	27%
	Not at all likely	31%	28%	42%	26%	46%	46%

Overall Mean Score: 2.3 *

- Roughly four-in-ten commercial customers would be willing to use a simple check box system to obtain environmentally clean power at a 10% premium.
  - Again, Small-sized companies are significantly more likely to do so.

* Based on a scale where a 1 means "not at all likely" and a 4 means "very likely"

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