Draft Determination Survey

AUGUST 2020

SUMMARY REPORT

Populus

Methodology

Populus

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- Populus conducted an online survey of 4,018 adults in Great Britain aged 18 or over, between 17-19 August 2020, on behalf of National Grid. The survey was nationally representative of Great Britain, with representative quotas and weights applied for age, gender, and region. A sample of this size has a statistical margin of error of less than 2%. More details of the sample are provided on the following page.
- As is standard procedure to eliminate bias, all scale orders were rotated between different respondents, and all statements were presented in a randomised order.
- Within the survey the importance of investment or cost-saving priorities was tested through a MaxDiff exercise, as well as through standard self-selected measures. MaxDiff is a robust analytical exercise that reveals respondents' preferred options relative to others. It presents respondents with various sets of options, each time asking them to select their most and least preferred options from each list. The end analysis produces an overall ranking and the relative preference of each option.

Objectives

The questionnaire was developed by Populus in collaboration with National Grid with the purpose of understanding respondents' views on:

- The importance of investment or cutting costs with regards to potential priorities in the energy sector
- Which investment/cost-saving priorities are most important
- Levels of support or opposition for changes in energy bills to support investment priorities

Methodology

Sample composition

Age

	18-24	25-34	35-44	45-54	55-64	65+
Unweighted	447	637	628	730	627	949
Weighted	446	695	643	711	595	928
Weighted %	11%	17%	16%	18%	15%	23%

Social grade

	AB	C1	C2	DE
Unweighted	1133	1091	859	934
Weighted	1133	1097	855	932
Weighted %	28%	27%	21%	23%

Home ownership

	Home-owners	Renters	Rent-free
Unweighted	2609	1329	81
Weighted	2589	1348	81
Weighted %	64%	34%	2%

Gender

	Male	Female	Other/ prefer not to say
Unweighted	1997	2010	11
Weighted	1956	2052	10
Weighted %	49%	51%	<1%

Ethnicity

	White	BAME	Prefer not to say
Unweighted	3626	348	44
Weighted	3619	355	44
Weighted %	90%	9%	1%

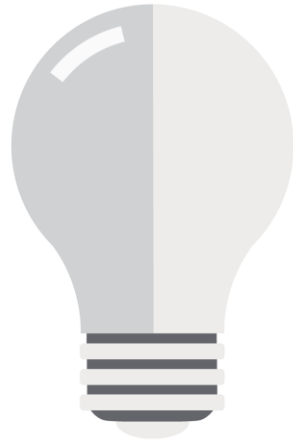
Household income

	Up to £21k	>£21k to £34k	>£34k to £48k	>£48k	Prefer not to say
Unweighted	1168	1084	660	716	390
Weighted	1159	1086	664	719	390
Weighted %	29%	27%	17%	18%	10%

Region

	Scotland	North East	North West	Yorkshire & the Humber	West Midlands	East Midlands	Wales	East of England	London	South East	South West
Unweighted	361	164	449	333	346	307	208	417	546	519	368
Weighted	350	169	462	338	358	293	201	386	542	563	358
Weighted %	9%	4%	12%	8%	9%	7%	5%	10%	13%	14%	9%

Findings



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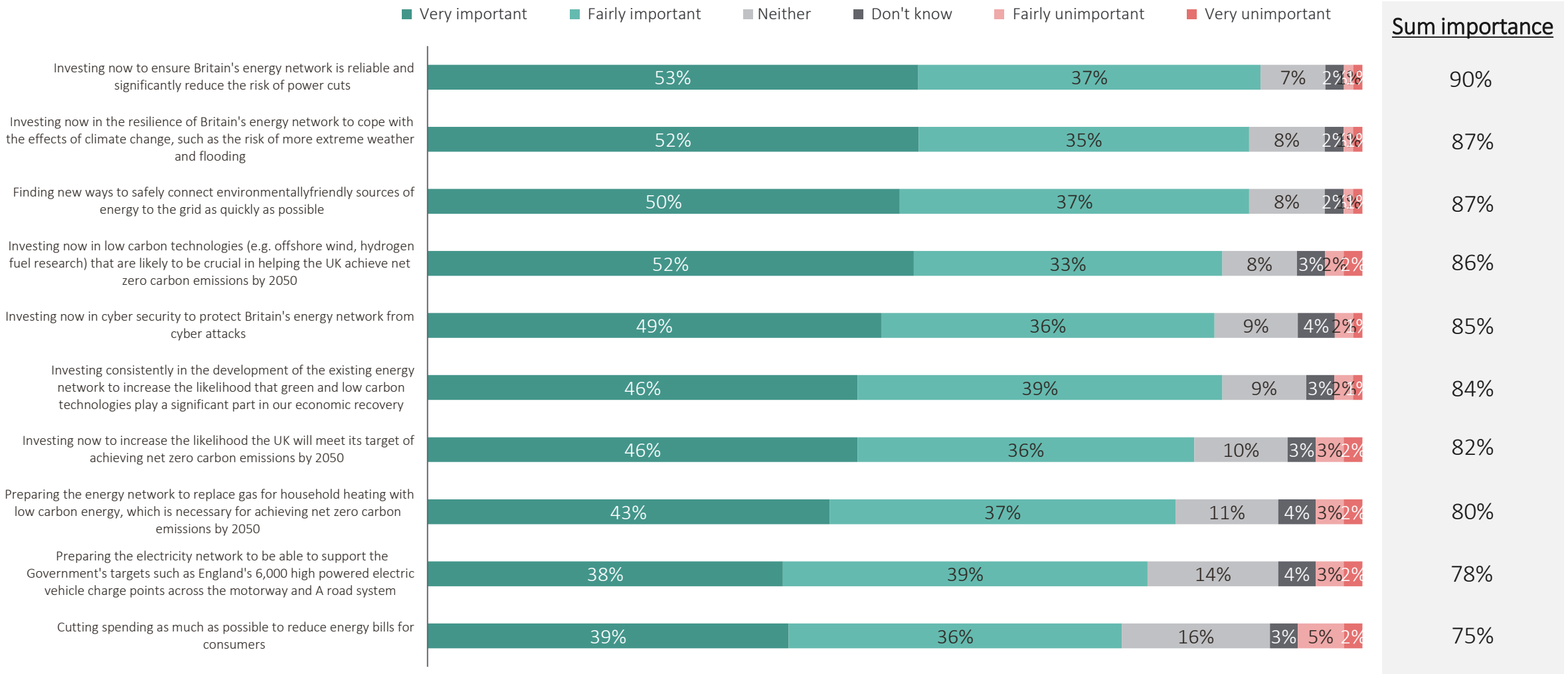
Executive Summary

- Using various different methods of testing whether the British public would prefer a) investment in energy services to be prioritised or b) cutting spending to reduce energy bills to be prioritised, it is found that the public prioritises investment in energy services each time. This is true when asking respondents to simply state how important they think each is, when putting each option against each other, and when using a more sophisticated MaxDiff analysis that presents respondents with a rotating series of options from which to choose the ones they consider most and least important.
- Of the various different options presented, those which relate to investing to ensure Britain's energy network is reliable and resilient are considered the most important by the public, closely followed by options relating to the use of environmentally friendly energy sources and low carbon technologies. The latter priorities are particularly important for younger people.
- While all options are viewed as important, options relating to cutting spending to reduce bills are considered the least important among various potential priorities. In the MaxDiff analysis, the three least preferred options among the 13 tested relate to cutting spending and its possible consequences, while another option that only presents the positive case with no negative consequences ("cutting spending as much as possible to reduce energy bills for consumers") ranks 9th out of 13.
- The top two priorities resulting from the MaxDiff exercise are "investing now in the resilience of Britain's energy network to cope with the effects of climate change, such as the risk of more extreme weather and flooding" and "investing now to ensure Britain's energy network is reliable and significantly reduce the risk of power cuts". These remain the top two priorities regardless of financial position; even those who are struggling financially think that investing in energy resilience and reliability are more important than other priorities, including cutting spending to reduce bills.
- Most of those who prioritise investment options are also willing to see energy bills increase slightly to allow companies to concentrate on those priorities.

Face value priorities: does the public favour investment or cost-cutting?

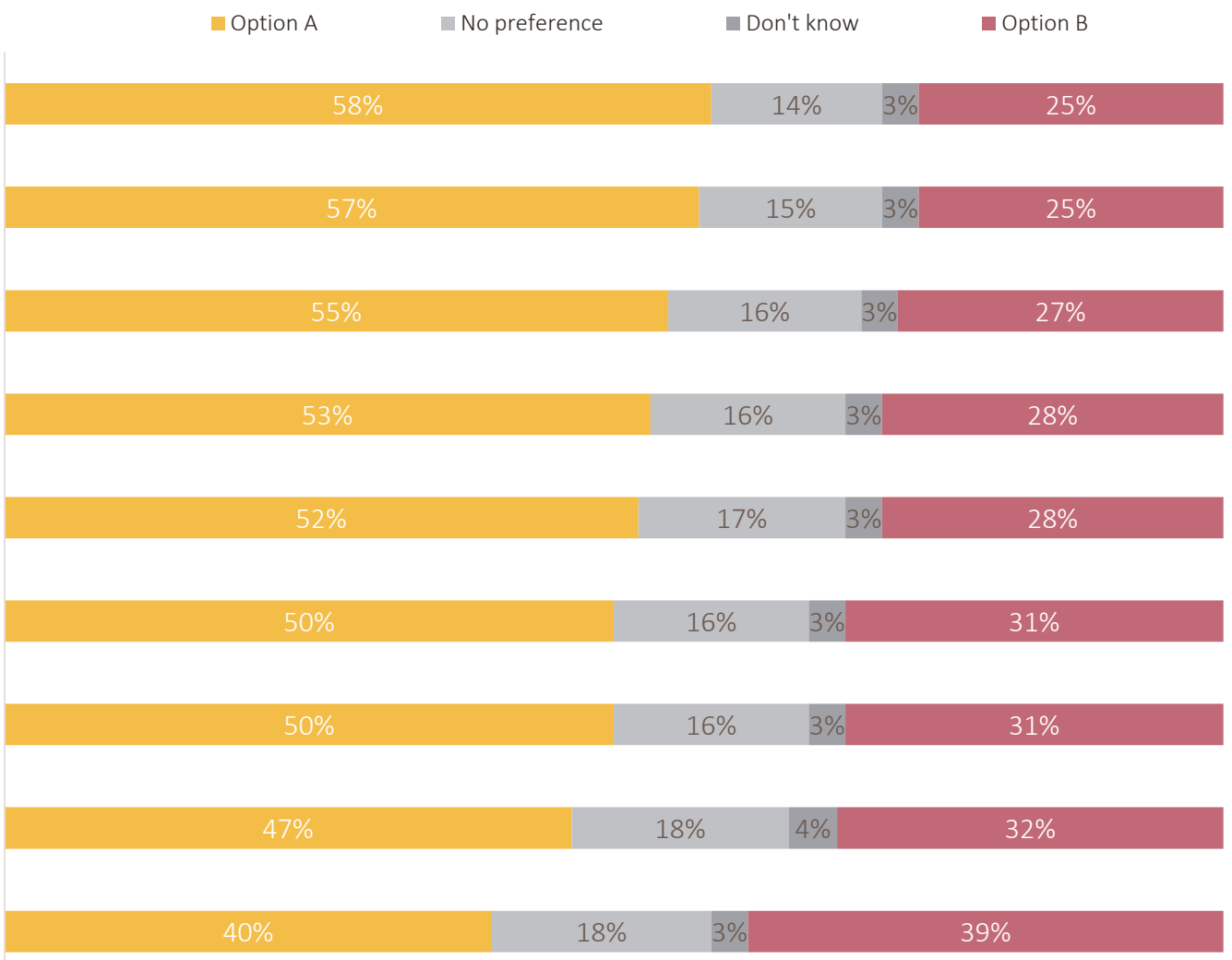
On face value, all options tested are considered important, but some (those relating to investment) are seen as important by a greater proportion of the public



1. Base: All respondents (4018)
2. How important or unimportant do you think it is that energy network companies take the following actions?

The public favours investment over cutting spending in every instance. They are particularly supportive of investing in green energy and improving network resilience

Option A



Option B:

Cutting spending as much as possible to reduce energy bills for consumers

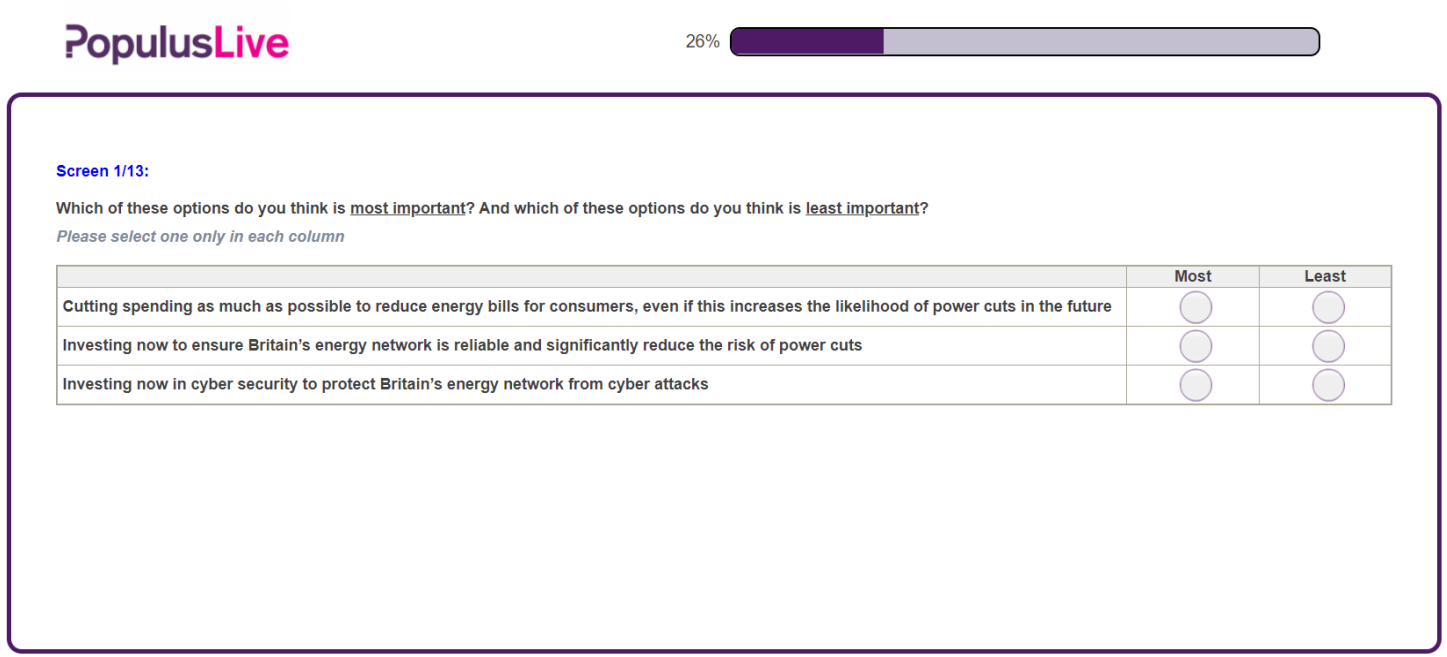
1. Base: All respondents (4018)
2. In each of the following pairs of options, which option – option A or Option B – do you think is more important for energy companies to prioritise?

MaxDiff priorities: does the public still favour investment over cost-cutting when options are pitted against each other?

About MaxDiff

MaxDiff process

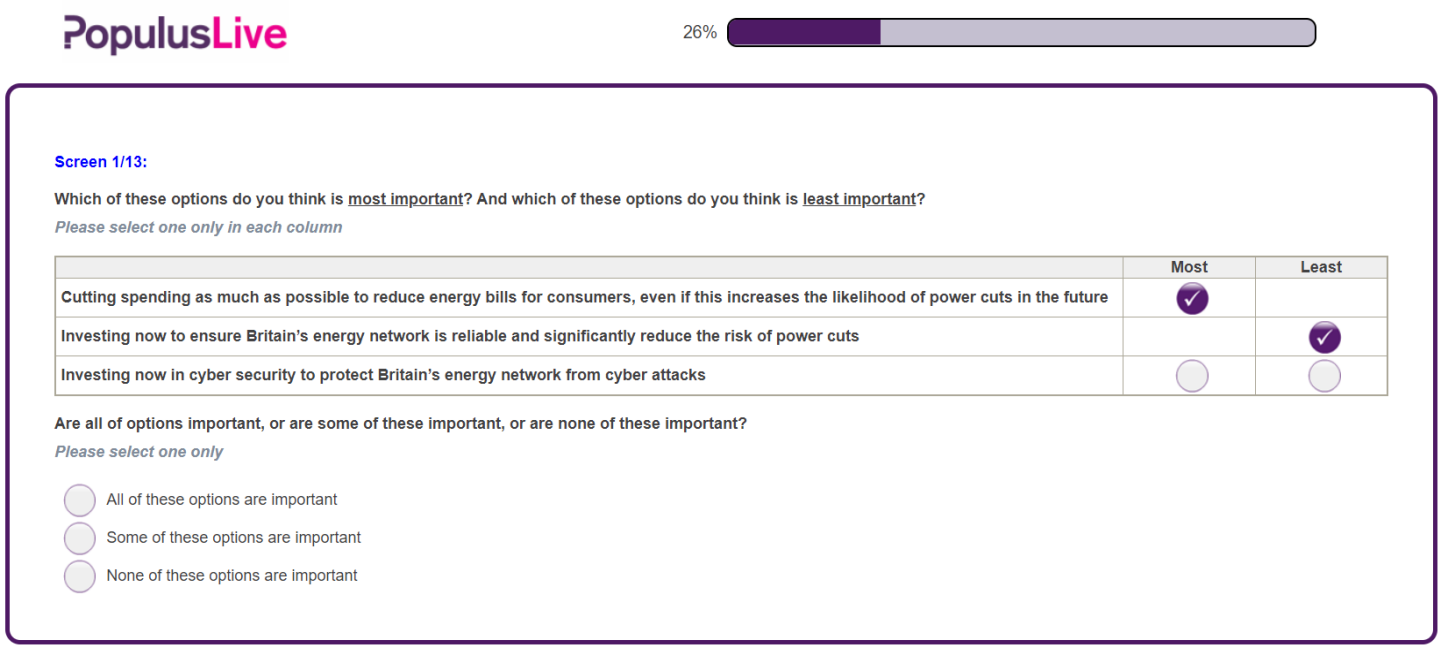
– MaxDiff is a robust analytical exercise that reveals respondents' preferred options relative to others. Respondents are presented with various sets of statements, each time selecting the options they thought were most important and least important.



About MaxDiff

MaxDiff process

- Once respondents select their most and least important options, they are then asked if all, some, or none of the options are important.

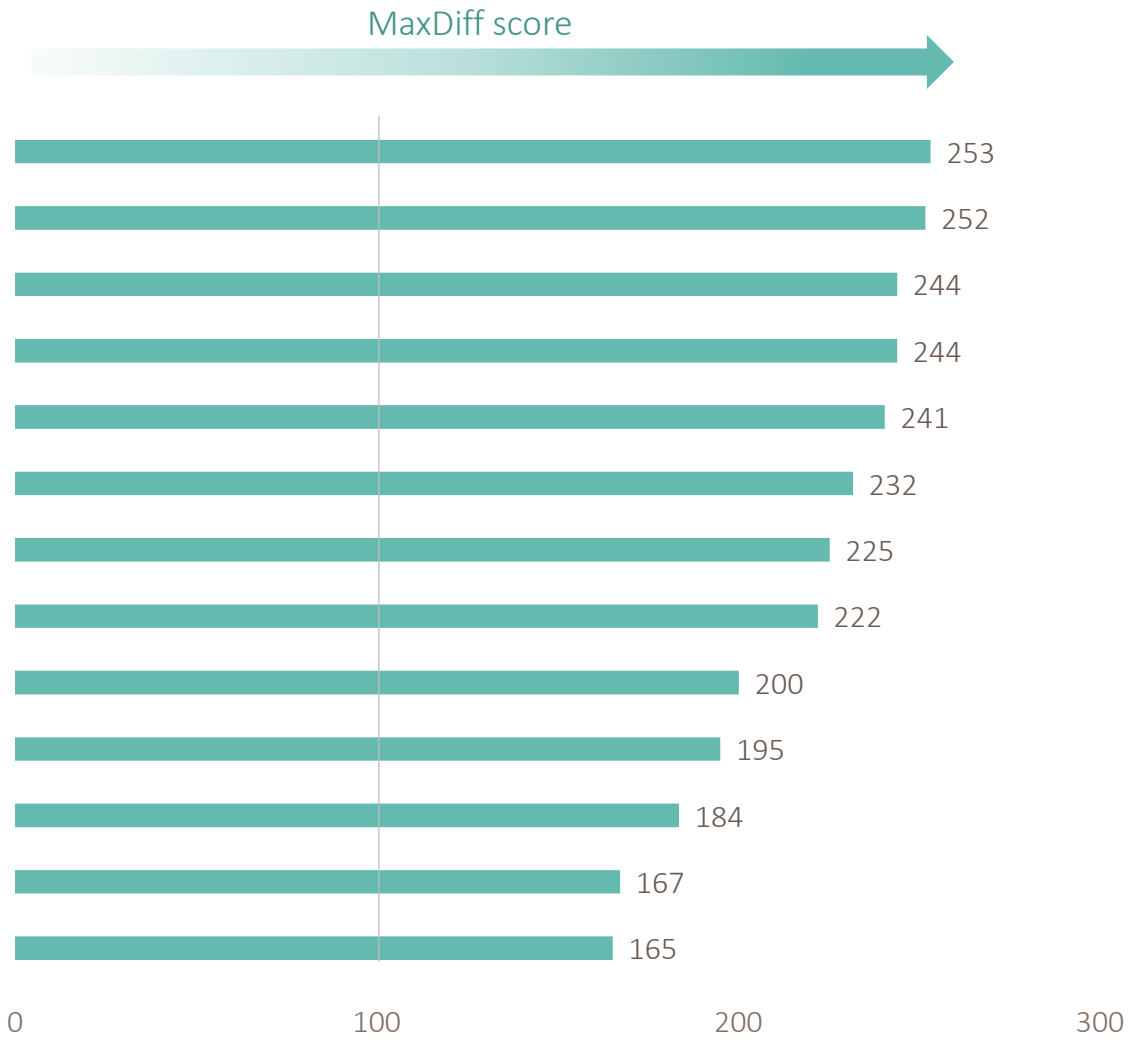


- This process is then repeated with different sets of randomly presented statements from a wider list of 13 statements.

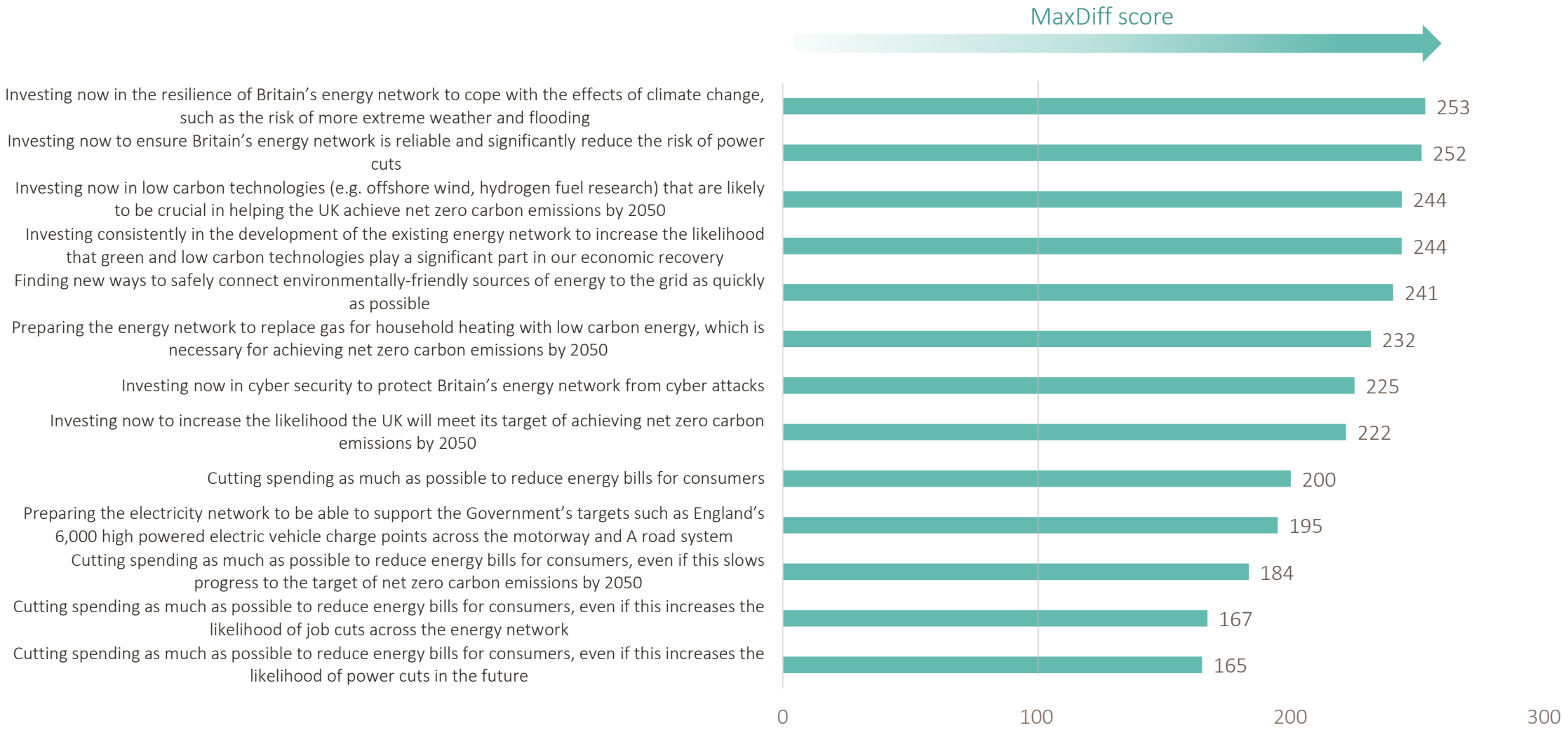
About MaxDiff

MaxDiff outputs

- The output of a MaxDiff output is a preference score for each of the 13 statements.
- MaxDiff scores are anchored to 100. If an option scores below 100, it is 'below anchor', indicating that it was considered more unimportant than important. If an option scores above 100, it is considered more important than unimportant.
- The higher the score, the more that option is considered important by the respondents.



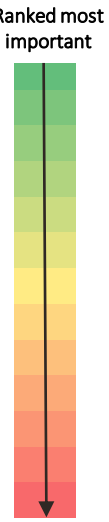
MaxDiff results: options relating to investment rank as the highest priorities among the public. Conversely, cutting spending options rank in the bottom three



1. Base: All respondents (4018)
2. Which of these options do you think is most important? Which of these options do you think is least important?

Involvement in bill paying, or connection to gas has little affect on respondents' priorities. Changes that do exist among non-bill payers are more a function of age

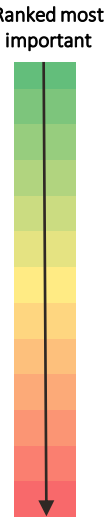
	All respondents	Bill payer: Sole bill payer for home's energy bill	Bill payer: Somewhat involved in paying the home's energy bill	Bill payer: Not involved in paying the home's energy bill	Home Energy Connections: Both gas & electric	Home Energy Connections: Electric not gas
Investing now in the resilience of Britain's energy network to cope with the effects of climate change, such as the risk of more extreme weather and flooding	1	1	1	3	1	1
Investing now to ensure Britain's energy network is reliable and significantly reduce the risk of power cuts	2	2	2	7	2	2
Investing now in low carbon technologies (e.g. offshore wind, hydrogen fuel research) that are likely to be crucial in helping the UK achieve net zero carbon emissions by 2050	3	4	4	1	4	3
Investing consistently in the development of the existing energy network to increase the likelihood that green and low carbon technologies play a significant part in our economic recovery	4	3	3	2	3	4
Finding new ways to safely connect environmentally-friendly sources of energy to the grid as quickly as possible	5	5	5	5	5	5
Preparing the energy network to replace gas for household heating with low carbon energy, which is necessary for achieving net zero carbon emissions by 2050	6	6	6	4	6	6
Investing now in cyber security to protect Britain's energy network from cyber attacks	7	7	8	8	7	8
Investing now to increase the likelihood the UK will meet its target of achieving net zero carbon emissions by 2050	8	8	7	6	8	7
Cutting spending as much as possible to reduce energy bills for consumers	9	9	9	10	9	9
Preparing the electricity network to be able to support the Government's targets such as England's 6,000 high powered electric vehicle charge points across the motorway and A road system	10	10	10	9	10	10
Cutting spending as much as possible to reduce energy bills for consumers, even if this slows progress to the target of net zero carbon emissions by 2050	11	11	11	11	11	11
Cutting spending as much as possible to reduce energy bills for consumers, even if this increases the likelihood of job cuts across the energy network	12	12	12	13	12	12
Cutting spending as much as possible to reduce energy bills for consumers, even if this increases the likelihood of power cuts in the future	13	13	13	12	13	13



1. Base: All respondents (4018), sole bill payer (2985), somewhat involved (814), not involved (219); Both gas and electric (3275), electric not gas (622)
2. Which of these options do you think is most important? Which of these options do you think is least important?

Younger members of the public tend to favour priorities aimed at investing to combat climate change. Cutting spending still remains least preferred across all ages

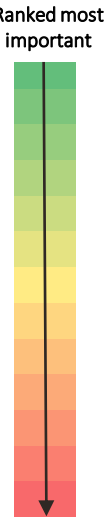
		Age					
	All respondents	18-24	25-34	35-44	45-54	55-64	65+
Investing now in the resilience of Britain's energy network to cope with the effects of climate change, such as the risk of more extreme weather and flooding	1	2	1	1	1	2	2
Investing now to ensure Britain's energy network is reliable and significantly reduce the risk of power cuts	2	7	5	2	2	1	1
Investing now in low carbon technologies (e.g. offshore wind, hydrogen fuel research) that are likely to be crucial in helping the UK achieve net zero carbon emissions by 2050	3	1	2	3	4	3	5
Investing consistently in the development of the existing energy network to increase the likelihood that green and low carbon technologies play a significant part in our economic recovery	4	3	3	4	3	4	3
Finding new ways to safely connect environmentally-friendly sources of energy to the grid as quickly as possible	5	6	4	5	5	5	4
Preparing the energy network to replace gas for household heating with low carbon energy, which is necessary for achieving net zero carbon emissions by 2050	6	4	6	6	6	7	7
Investing now in cyber security to protect Britain's energy network from cyber attacks	7	8	8	8	7	6	6
Investing now to increase the likelihood the UK will meet its target of achieving net zero carbon emissions by 2050	8	5	7	7	8	8	8
Cutting spending as much as possible to reduce energy bills for consumers	9	10	9	9	9	9	10
Preparing the electricity network to be able to support the Government's targets such as England's 6,000 high powered electric vehicle charge points across the motorway and A road system	10	9	10	10	10	10	9
Cutting spending as much as possible to reduce energy bills for consumers, even if this slows progress to the target of net zero carbon emissions by 2050	11	11	11	11	11	11	11
Cutting spending as much as possible to reduce energy bills for consumers, even if this increases the likelihood of job cuts across the energy network	12	12	12	13	12	12	12
Cutting spending as much as possible to reduce energy bills for consumers, even if this increases the likelihood of power cuts in the future	13	13	13	12	13	13	13



1. Base: All respondents (4018), 18-24 (446), 25-34 (695), 35-44 (643), 45-54 (711), 55-64 (595), 65+ (928)
2. Which of these options do you think is most important? Which of these options do you think is least important?

The financial position of the public does not have a large affect on their priorities. Those that are less financially stable are more favourable toward cutting spending as much as possible

		Financial Position				
	All respondents	Very comfortable	Relatively comfortable	No luxuries, cover essentials	Struggle to make ends meet	Cannot afford my costs
Investing now in the resilience of Britain's energy network to cope with the effects of climate change, such as the risk of more extreme weather and flooding	1	1	1	1	1	2
Investing now to ensure Britain's energy network is reliable and significantly reduce the risk of power cuts	2	2	2	2	2	1
Investing now in low carbon technologies (e.g. offshore wind, hydrogen fuel research) that are likely to be crucial in helping the UK achieve net zero carbon emissions by 2050	3	4	3	4	5	5
Investing consistently in the development of the existing energy network to increase the likelihood that green and low carbon technologies play a significant part in our economic recovery	4	3	4	3	4	4
Finding new ways to safely connect environmentally-friendly sources of energy to the grid as quickly as possible	5	6	5	5	3	6
Preparing the energy network to replace gas for household heating with low carbon energy, which is necessary for achieving net zero carbon emissions by 2050	6	7	6	6	7	7
Investing now in cyber security to protect Britain's energy network from cyber attacks	7	5	7	8	8	8
Investing now to increase the likelihood the UK will meet its target of achieving net zero carbon emissions by 2050	8	8	8	7	9	12
Cutting spending as much as possible to reduce energy bills for consumers	9	10	10	9	6	3
Preparing the electricity network to be able to support the Government's targets such as England's 6,000 high powered electric vehicle charge points across the motorway and A road system	10	9	9	10	13	13
Cutting spending as much as possible to reduce energy bills for consumers, even if this slows progress to the target of net zero carbon emissions by 2050	11	11	11	11	10	9
Cutting spending as much as possible to reduce energy bills for consumers, even if this increases the likelihood of job cuts across the energy network	12	12	12	12	11	11
Cutting spending as much as possible to reduce energy bills for consumers, even if this increases the likelihood of power cuts in the future	13	13	13	13	12	10

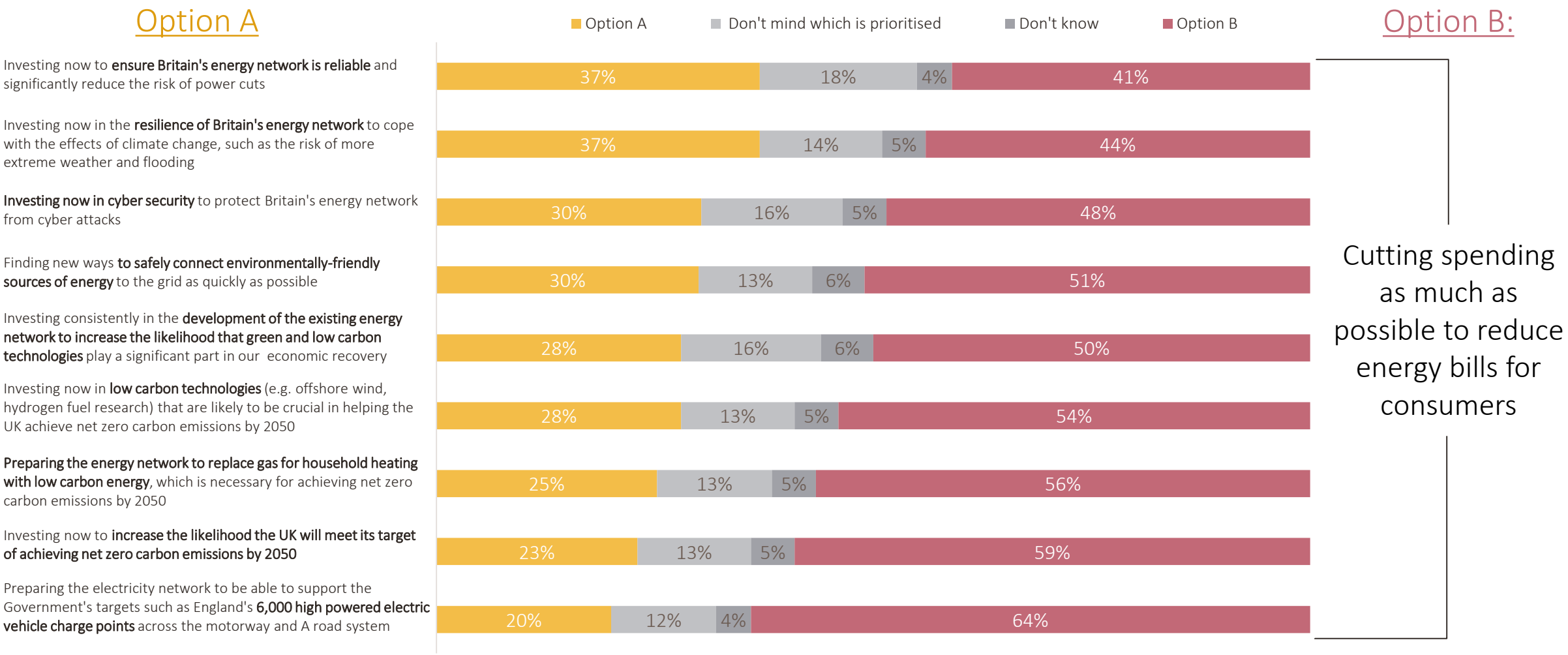


1. Base: All respondents (4018), very comfortable (270), relatively comfortable (1530), no luxuries, cover essentials (1585), struggle to make ends meet (521), cannot afford my costs (74)
2. Which of these options do you think is most important? Which of these options do you think is least important?

Do those who favour cost reductions change their minds if presented with the possibility of less investment in other priorities?

Those who favour cost reductions sometimes change their minds when presented with the possibility of less investment in network reliability and resilience

Only asked to those who prioritise options relating to cutting spending in the MaxDiff exercise

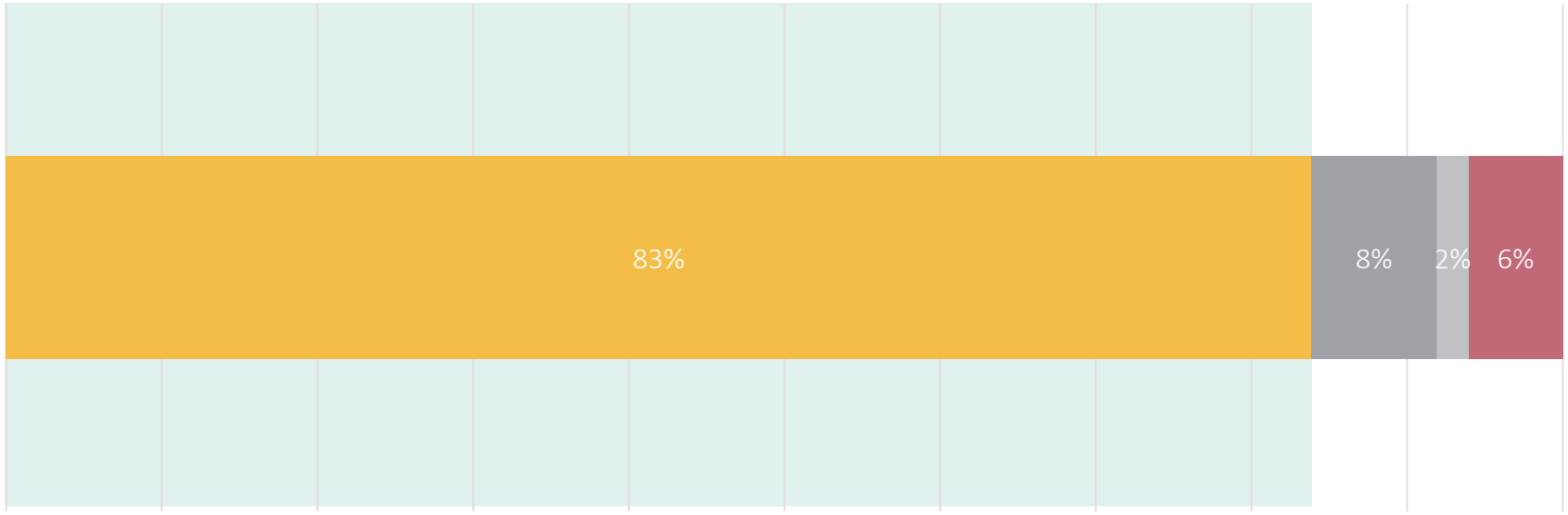


1. Base: All respondents who prioritise options 10-13 (Cutting spending) (945)
2. Imagine that energy network companies could cut spending to reduce energy bills for consumers but that meant they had to deprioritise [investment option]. Do you think the energy network companies should prioritise cutting spending as much as possible to reduce consumers' energy bills OR prioritise keeping consumers' energy bills at roughly the current levels to invest in [investment option]

Do those who favour investment want to *keep bills the same to allow investment* or *try to reduce bills*?

Those who prioritise investment would rather that bills were kept the same than reduced, to allow investments to take place

Only asked to those who prioritise options relating to different investments in the MaxDiff exercise

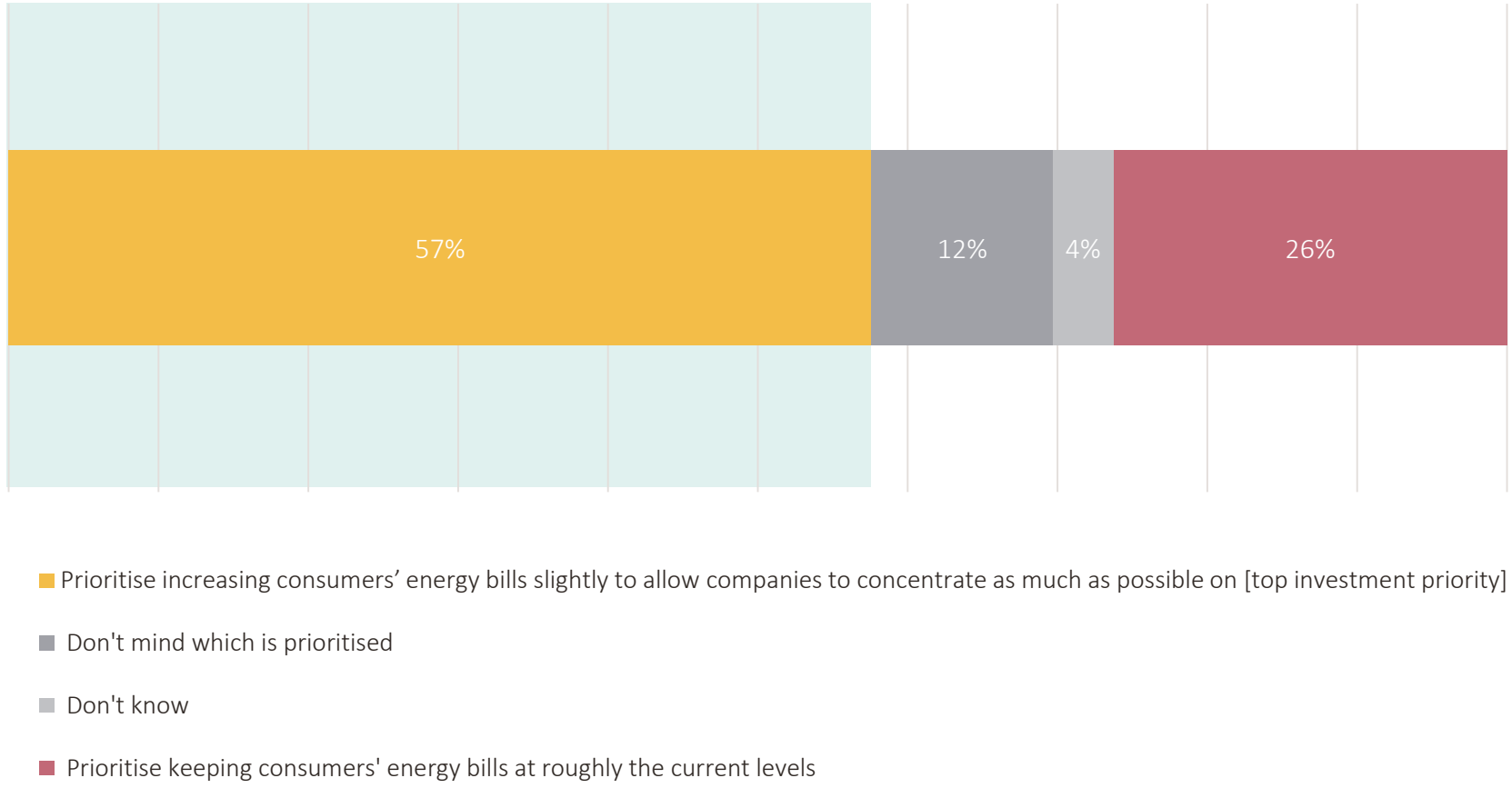


1. Base: All respondents who prioritise options 1-9 (investing) (3073)
2. Do you think the energy network companies should prioritise cutting spending as much as possible to reduce consumers' energy bills OR prioritise keeping consumers' energy bills at roughly the current levels to allow companies to concentrate on <TopPriority>?

Do those who favour investment want to *increase bills to allow investment* or *keep bills the same*?

Those who prioritise investment would rather that bills were increased slightly than kept the same, to allow investments to take place

Only asked to those who prioritise options relating to different investments in the MaxDiff exercise



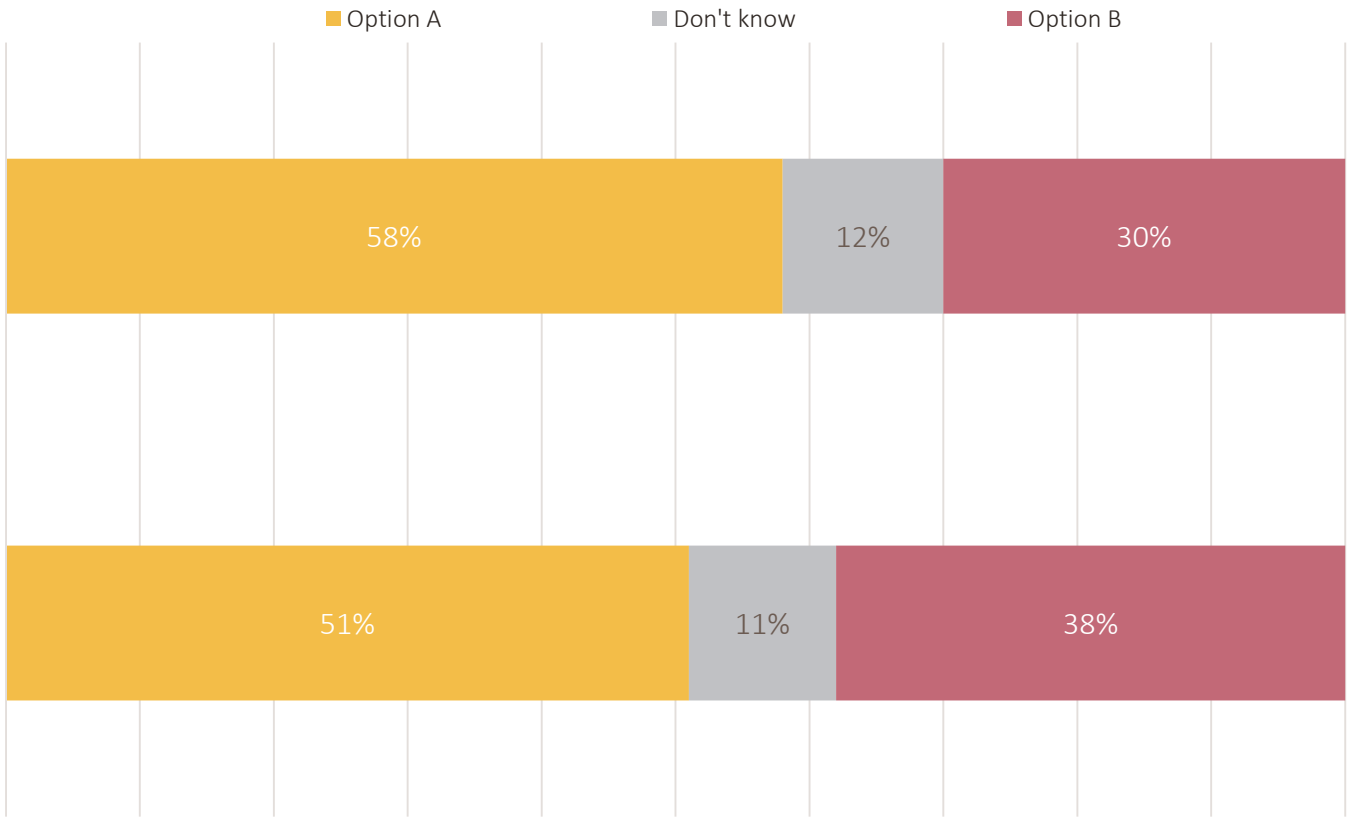
1. Base: All respondents who prioritise options 1-9 (investing) (3073)
2. Do you think the energy network companies should prioritise keeping consumers' energy bills at roughly the current levels OR prioritise increasing consumers' energy bills slightly to allow companies to concentrate on '<TOP PRIORITY >'?

Does the public overall want to *invest now to protect climate/economy* or *keep living costs/bills down*?

A majority of the public wants to see investment in infrastructure and technology to boost economic recovery and low carbon tech, even if their living costs and energy bills increase

Option A

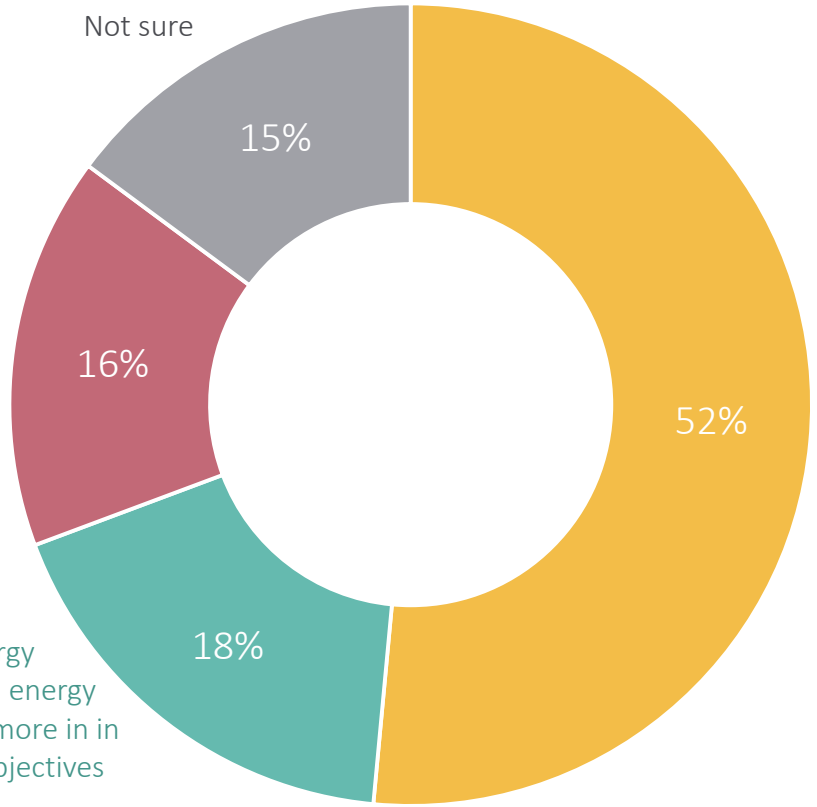
Option B:



As a country, Britain should prioritise keeping living costs and energy bills for Britons as low as possible

1. Base: All respondents (4018)
2. Which of the following statements best describes your view?

The public tends to think there is an urgent need to invest now in Britain's energy system to tackle climate change



We should **postpone or cancel** any unnecessary investments in Britain's energy system so that we can reduce consumers' energy bills for as long as possible, even if that means it is very unlikely we can meet our net zero carbon objectives by 2050 and tackle climate change

We should **delay** investing in Britain's energy system so that we can reduce consumers' energy bills now, even if we then need to spend more in in the future to meet our net zero carbon objectives by 2050 and tackle climate change

There is an **urgent need to invest now** in Britain's energy system so that we are best-placed to meet our net zero carbon objectives by 2050 and tackle climate change

1. Base: All respondents (4018)
2. Which of the following statements best describes your view?

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