



Electricity bill shock? Technology the key for householders to control their usage

With electricity pricing models set to change in Australia, it needs to be easy for consumers to make informed decisions about their electricity use. New consumer research points to the need for simple, real-time technology to help track and monitor electricity use. Households that understand their own behaviour stand to benefit most from new pricing plans.

In light of anticipated changes to electricity pricing, sustainability agency **CitySmart** has just released a research report about household energy use, conducted with research partner **Queensland University of Technology (QUT)** and **University of the Sunshine Coast (USC)**. The report is based on face-to-face interviews and quantitative research with householders around Australia.

Changing pricing models are part of a larger transformation underway in the electricity market that incorporates consumer investment in solar and battery technologies. With the anticipated pricing changes customers can manage their electricity usage and therefore reduce their bills by spreading electricity use across the day, such as running energy-hungry appliances late at night.

Among the report's key findings was a simple proposition: give customers control of their energy bills through technology. The research found that once consumers understood the concept of peak and off-peak pricing, 89% were willing to act to take advantage of this pricing.

"Consumers feel a lack of control because their bill relates to every day of the last 3 months and they don't accurately recall their past behaviour", said CitySmart CEO Neil Horrocks "The bill is also aggregated for everyone in the household, so they don't feel they know who did what. This is an area where digital tools and technology like smartphones can play a role. Consumers can get instant feedback on their energy use habits."

"At the moment there is a real disconnect between an individual's action and outcome. A consumer can use less, buy better appliances, change suppliers or change pricing plans, but the research found that households don't feel they can control electricity use. They need better visibility on the use of an appliance and information on how it will hit their back pocket," added Neil Horrocks.

CitySmart's research partners QUT and USC collected survey data from 1345 households in every Australian state and territory and conducted the interviews with 45 households (118 people). They gathered evidence around how different households make decisions, react to electricity pricing and how they relate to technology like smart meters to provide them with information to manage energy use.

"The research shows that 87% of households preferred to use digital tools to control responses to electricity pricing," said QUT's Professor Rebekah Russell-Bennett. "Of those that want fully digital tools to manage their electricity use, there is a preference for interactive technology (36%) - where households can have control - in favour of 'set and forget' style technology (21%). This is because people value the opportunity to interact with the technology before a response occurs, such as turning off appliances."

"In particular, our research showed six types of households with different preferences for electricity management technology and decision-making about electricity bills. So a one-size fits all approach won't work for marketing electricity services or doing awareness campaigns about pricing changes."



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“Energy Consumers Australia was pleased to support this research”, said Lynne Gallagher, Director of Research, Energy Consumers Australia. “This work has deep implications for the way energy companies engage with and support different households as the sector transforms.”

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