The Consumer Council

Northern Ireland consumers views on energy transition

Consumer friendly report

Background

The Consumer Council appointed Social Market Research to undertake qualitative research into Northern Ireland consumer attitudes to energy transition issues. Findings from this research study represent Northern Ireland consumer opinion. The Consumer Council will use this evidence to inform its engagement with DfE, UR and the energy industry during the development of the new draft Energy Strategy. 11 focus groups of 8 participants each were conducted, one in each of the 11 Council areas.

Key findings

1. General Views On Energy Transition

Awareness of energy transition was generally low. Most consumers were aware that there were targets for reducing carbon emissions, but few had any detailed knowledge of what it involved. The main benefit that consumers envisaged was lower cost.

When renewable energy was discussed, lower cost was again seen as the biggest benefit to consumers. There was an awareness that consumers' bills paid for more than the energy that produced electricity (fixed costs, infrastructure costs, distribution costs), but consumers still expected their bill to come down.

Consumers recognised the environmental benefits and most said that these benefits were important to them. They also expected to save on the cost of energy after the transition to renewables. They also foresaw the possibility of high quality jobs being created in the renewables industry and expected that the energy supply would become more environmentally sustainable.

2. Changes that Consumers Expect to see in the Next 10 Years

The most frequently mentioned change that will be seen in the next 10 years is an increase in the number of electric vehicles on Northern Ireland's roads. Most consumers also said that an increase in the number of wind farms was likely and that coal fires would become a thing of the past. It was emphasised again by consumers that price is a major factor to them changing their energy behaviours and buying patterns.

3. Barriers and Enablers to Energy Transition

Cost: The cost to the consumer was seen by far as the biggest barrier to energy transition. Consumers anticipated that running costs of home heating and electricity would be lower after energy transition, but expected that start up or installation costs would be high.

Not relevant at this point in time: For some consumers, switching to greener energy wasn't an option at this time. For some it didn't match their needs because of the kind of home that they lived in, whilst others said that it is hard to see lower carbon energy as a priority when they lived on a low income. Many consumers said that they would not consider any changes in line with lower carbon at this time because their systems or vehicles had considerable life left in them, and greener solutions would only be contemplated when it came time to change these.

Enablers: Incentives to change to electric vehicles or financial help to install lower carbon systems were seen as the most effective enablers. Consumers said that there needed to be much more education on the costs and benefits of making lower carbon choices. Building trust between government, energy suppliers and consumers was seen as a priority.

Community energy schemes: Awareness of community energy schemes was low. Consumers had reservations about joining such a scheme, partly because they saw it as introducing a dependence on others in their community and partly because they were wary of future change. Again, cost saving would be the major motivator for consumers to join community energy schemes.

4. Low Carbon Power Generation

Benefits: Lower running costs was seen as the most important benefit of low carbon power generation. Energy security and resilience of the energy supply were also seen as important to consumers. There was an alternative view that lower carbon generation might be less reliable than traditional means of generation.

5. Energy Efficiency

Efficient technology: Most consumers had at least some LED lightbulbs in their homes, but only a small number had any other forms of energy efficient technology. Knowledge of smart meters was low, though the majority would be willing to install one if there was no installation cost and ongoing savings could be made.

Willingness to change lifestyle: There was little enthusiasm for changing lifestyle to support energy efficiency except if it saved money. Consumers were willing to contemplate small changes only.

6. Low Carbon Heating

Cost, environment and timing of change: Low carbon forms of heating were attractive to most consumers in terms of lower running costs and playing a part in protecting the environment.

Obstacles to installing low carbon heating: Cost is the biggest obstacle to installing low carbon heating along with the disruption during installation. Some consumers said they were wary of new technologies and would need very strong guarantees and warranties. Consumers also had concerns that installers may not be fully conversant with new systems and some proposed that a trusted source, such as The Consumer Council, could create a list of qualified installers.

7. Transport

Public Transport: Some consumers said public transport was convenient and stress free. Most however, especially those living in rural areas, said that public transport services did not suit their needs. A better public transport network would be welcomed and used by consumers, but current ticket prices were said to be too high.

Availability of electric vehicle charging points: Most consumers had concerns about the number of charging points for electric vehicles. Some consumers were fearful that, even if they could find a charging point, it might be out of service or someone might interfere with it when the car is charging. Consumers also worried about running out of power where it is planned to do a round trip back to home without wishing to charge along the way.

Costs of electric vehicles and other barriers: The overwhelming view from consumers is that electric vehicles are too costly. Consumers were also aware that downward price shifts can take place as technology ages. There were also concerns that now is not the time to buy. Other concerns that consumers had about electric vehicles included reliability, changing technology and hidden charges.

Recommendations

1. Agencies leading on energy transition should provide clear messages to the public that energy transition is inescapable and that there are agreed targets that have to be met. This messaging needs to convince the public that everyone will feel the effects of this change and everyone has a role to play in it.

2. Consideration should be given to setting up a one-stop-shop, either virtual or traditional, which consumers could visit to get independent advice and information on low-carbon choices. This one-stop-shop should provide factual information and showcase the real experiences of other consumers who have already made low carbon choices.

3. Financial support schemes should be made available to consumers to help with the initial costs of installing or converting home systems to low carbon, high efficiency technologies. This support could be made by way of capital grant, low-interest loan, schemes to spread the costs over a period of time and schemes to underwrite maintenance and breakdown costs.

4. Community led initiatives offer a means of reducing costs, especially initial installation costs. Easily accessible information should be made available showing how community schemes can be set up and how individual consumers can be protected if they become scheme members.

5. There is a need for a register of properly vetted and certified installers and maintenance companies. The operation of such a register needs to become the responsibility of a trusted consumer advice organisation.

6. Consideration should be given to a guarantee scheme whereby consumers would be covered for the cost of rectifying faulty equipment or improper installation in the event of the supplier or installer having ceased trading.

7. There should be a programme of information and confidence building with consumers regarding electric vehicles. Consumers need information so that they can distinguish the benefits of fully electric vehicles from petrol, diesel, and self-charging and plug-in hybrids.

8. Charging sites need to be continuously mapped and the mapping made easily available to consumers.

The Consumer Council

Seatem House, Floor 3
28 - 32 Alfred Street
Belfast, BT2 8EN

T: 028 9025 1600
F: 028 9025 1663
E: info@consumercouncil.org.uk
W: www.consumercouncil.org.uk