



The Smart-Meter Opportunity

The U.S. Consumer's Perspective

May 2010

THE BOSTON CONSULTING GROUP

BCG's U.S. Smart-Meter Study: Methodology and Goals

Methodology

Online survey of 1,678 U.S. consumers conducted in December 2009

75 percent (1,253) of respondents reside in zip codes with smart-meter deployment

25 percent (425) reside in zip codes in the same states but without smart-meter deployment

Results are skewed toward California and Texas respondents

Respondents were screened for household income greater than \$25,000 and for primary or at least occasional payers of residential power bills

Goals

Understand general consumer attitudes toward power and electricity usage

Determine consumer awareness of residential smart meters

Test consumer reception of new concepts in residential power consumption

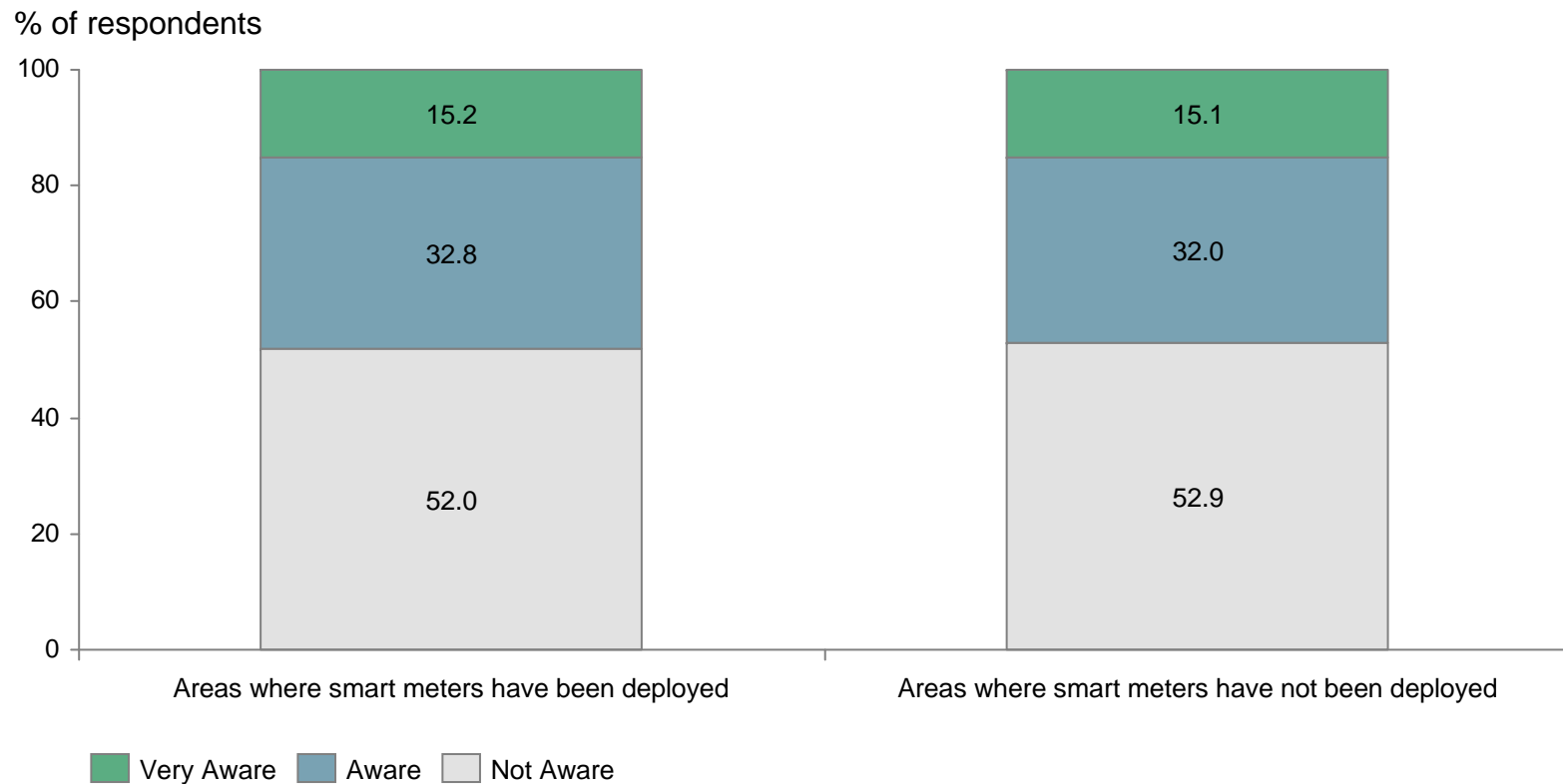
Understand credibility of power and other companies in offering residential power-management solutions

Six Key Themes Surfaced in the Survey

- 1. There is low overall customer awareness of smart meters and their potential benefits**
 - More than 50 percent of customers have *never heard* of a smart meter and its benefits
 - Only 15 percent of customers are *very aware*
 - Awareness levels are not affected by whether there is in-region deployment of smart meters
- 2. Consumers generally believe in the potential for smart meters to help them reduce energy consumption but need to be further educated about reliability, privacy, and pricing**
- 3. While 40 percent of customers "just want power," 60 percent display green attitudes (that is, environmental concerns); the vast majority of the customers with green attitudes are "cost-conscious greens" and are interested in the smart meter's cost-conscious conservation potential**
- 4. Cost-conscious greens have more negative attitudes regarding their power company**
 - 50 percent believe that home power bills are relatively large
 - 40 to 45 percent believe that their power company is not interested in reducing consumption and that the power company is not on their side
- 5. A majority of consumers are interested in services that can be provided using smart meters as an enabling technology—and consider utilities to be credible providers of such services**
- 6. Reaching customers with information on smart meters will be difficult, as few consumers actually read or recall any power-company communications**

Less Than Half of Consumers Are Aware of Smart Meters, Even in Areas Where They Have Been Deployed

How would you rate your awareness of smart meters?

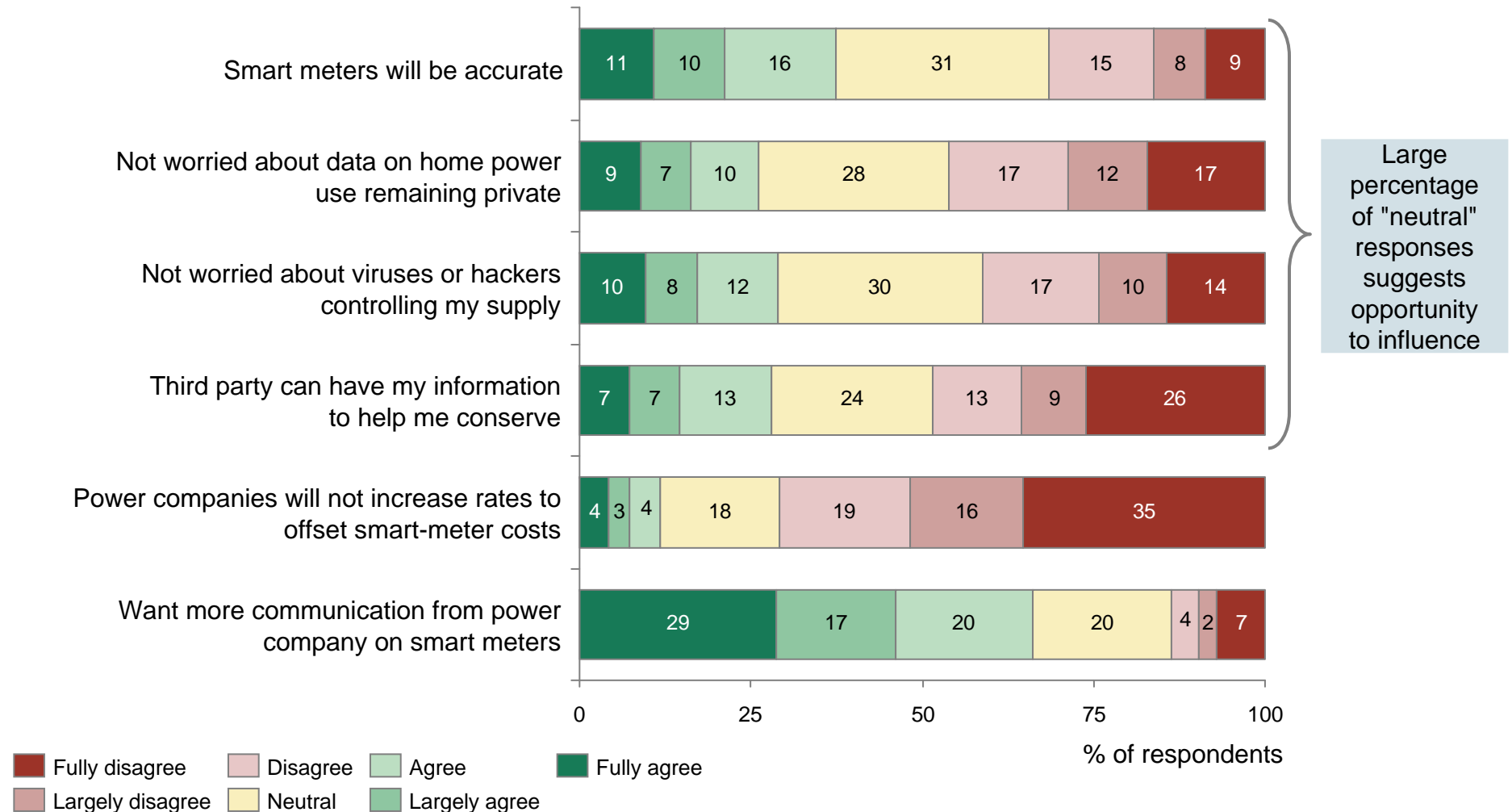


Source: BCG survey.

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Consumers Are Concerned About Reliability, Privacy, and Pricing—and Want More Communication

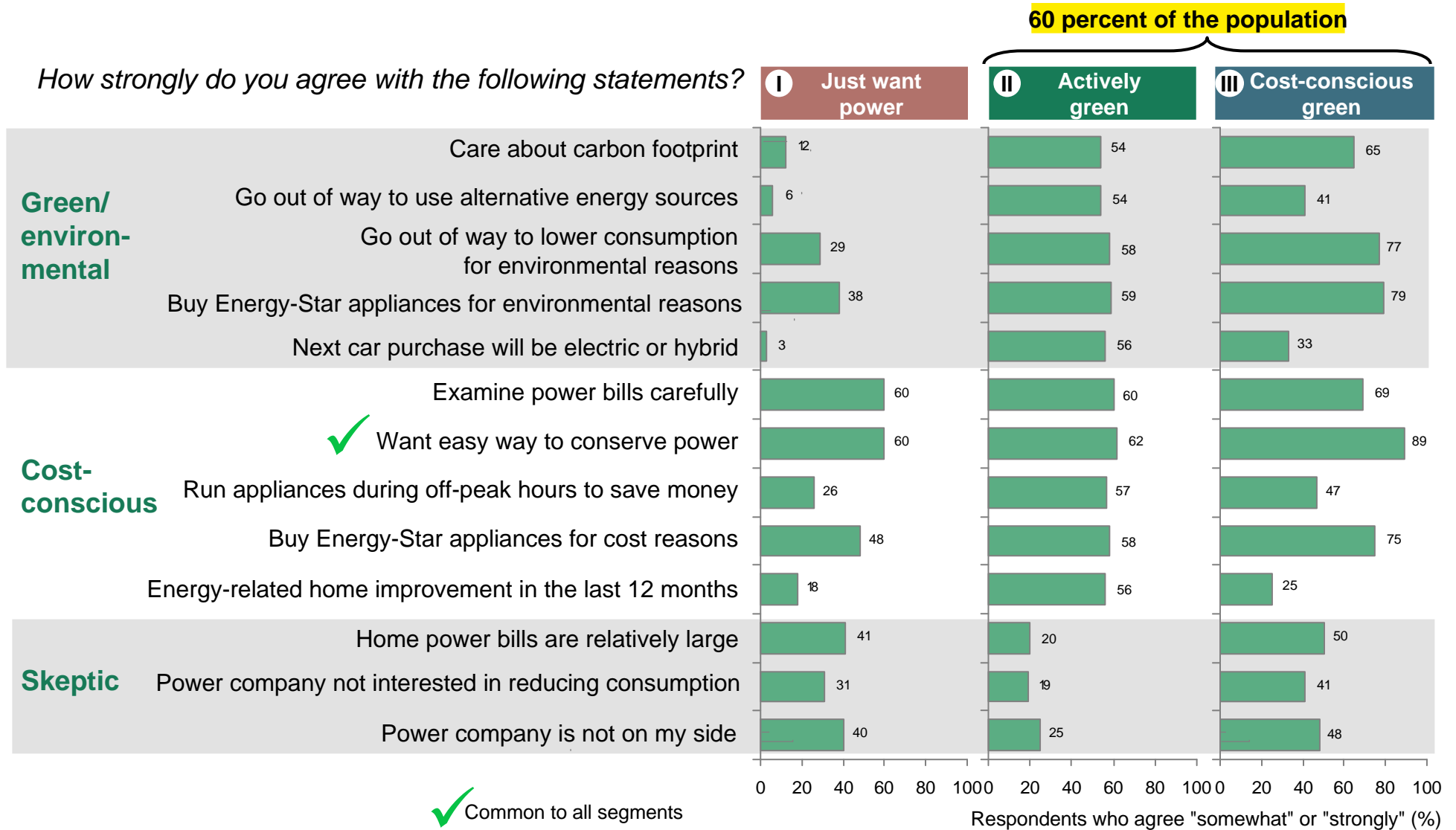
How strongly do you agree or disagree with the following statements?



Source: BCG survey.

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All Consumer Segments Are Looking for Easy Ways to Cut Power; Most Consumers Express "Green Attitudes"

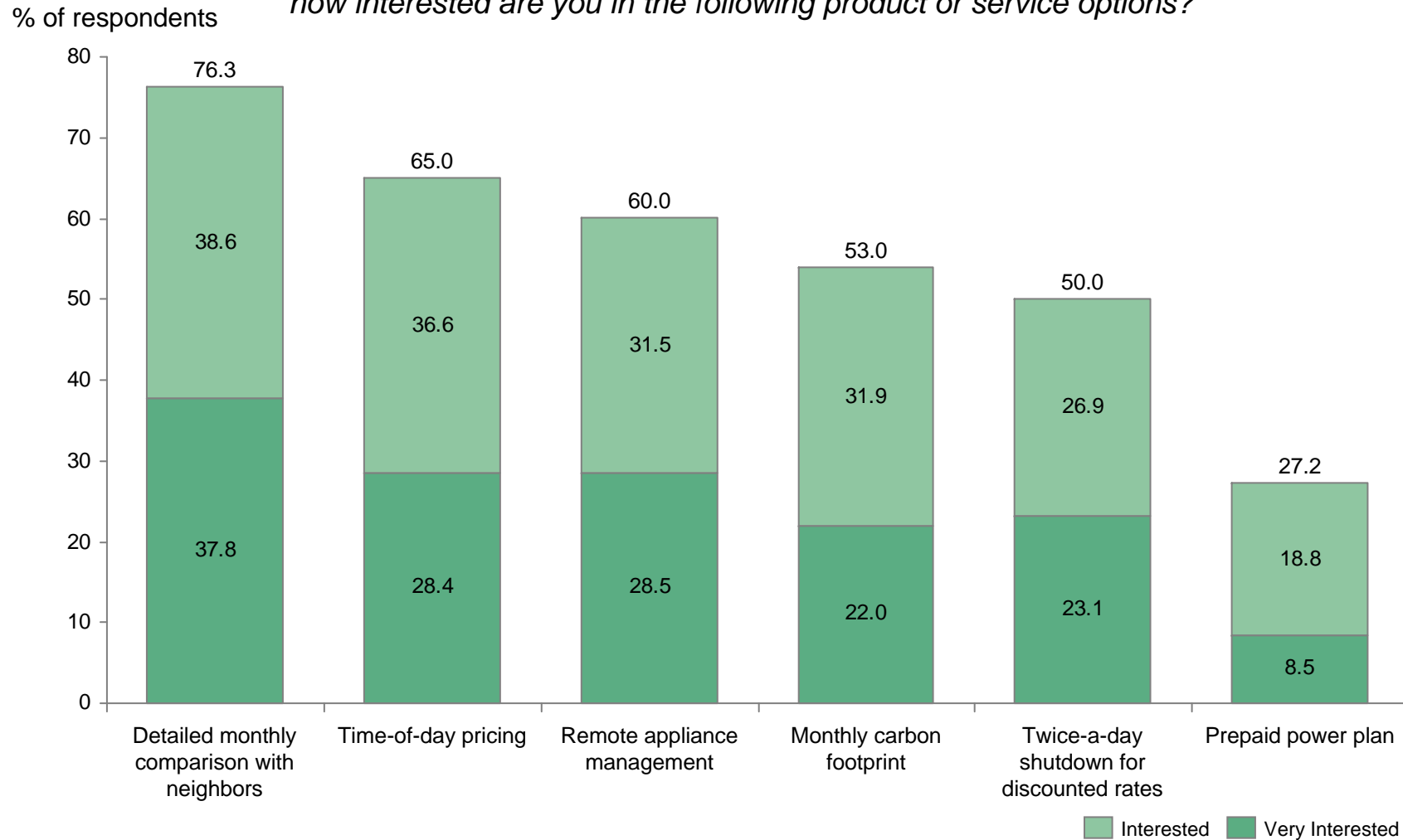


Source: BCG survey.

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Many Consumers Are Interested in Smart-Meter-Related Services

Assuming your power company has installed or will install a smart meter at your residence, how interested are you in the following product or service options?

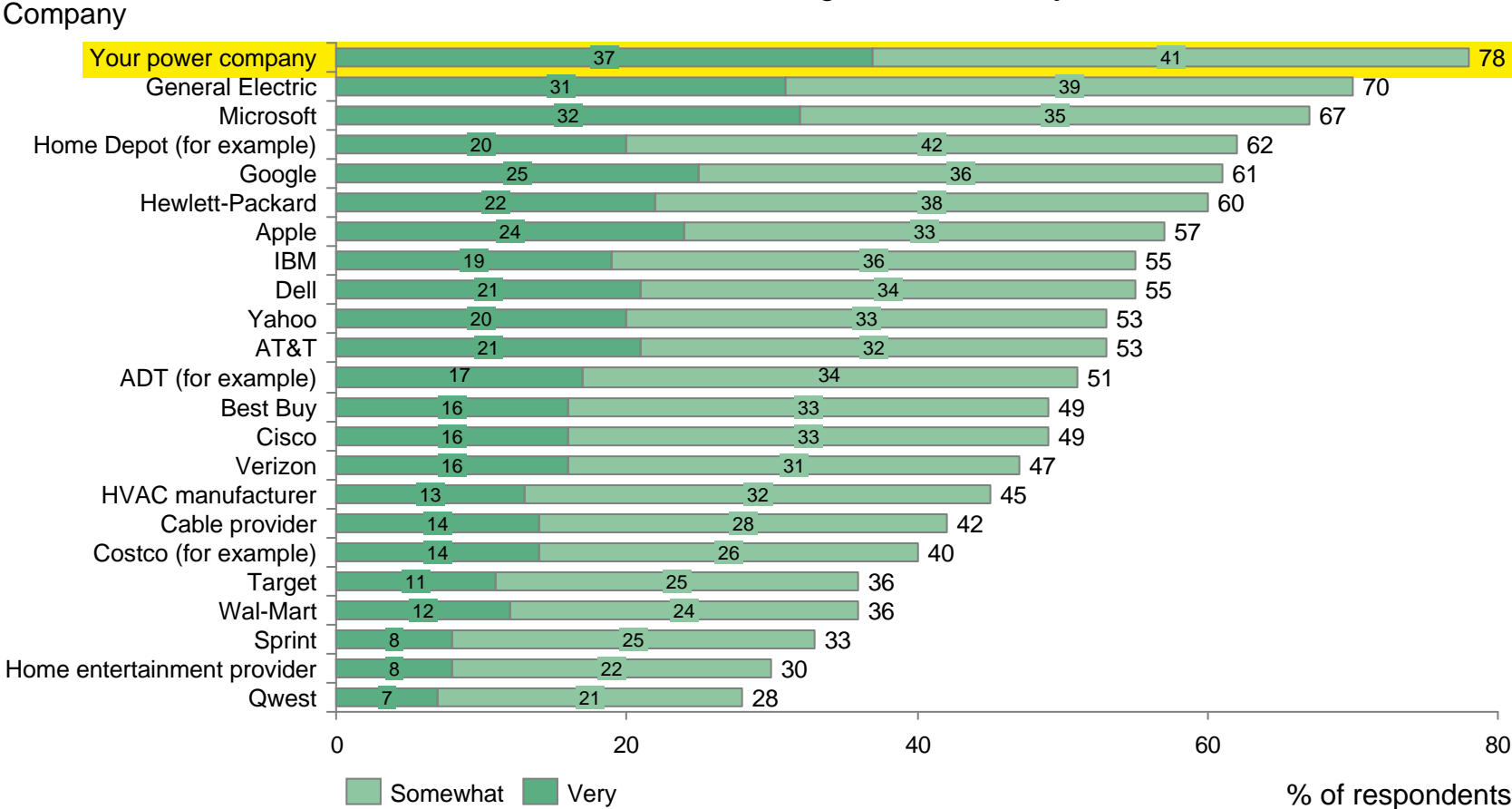


Source: BCG survey.

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Utilities Are Considered Credible Providers of In-Home Energy-Management Solutions

How open would you be to having this company provide an in-home solution for monitoring the data from your smart meter?

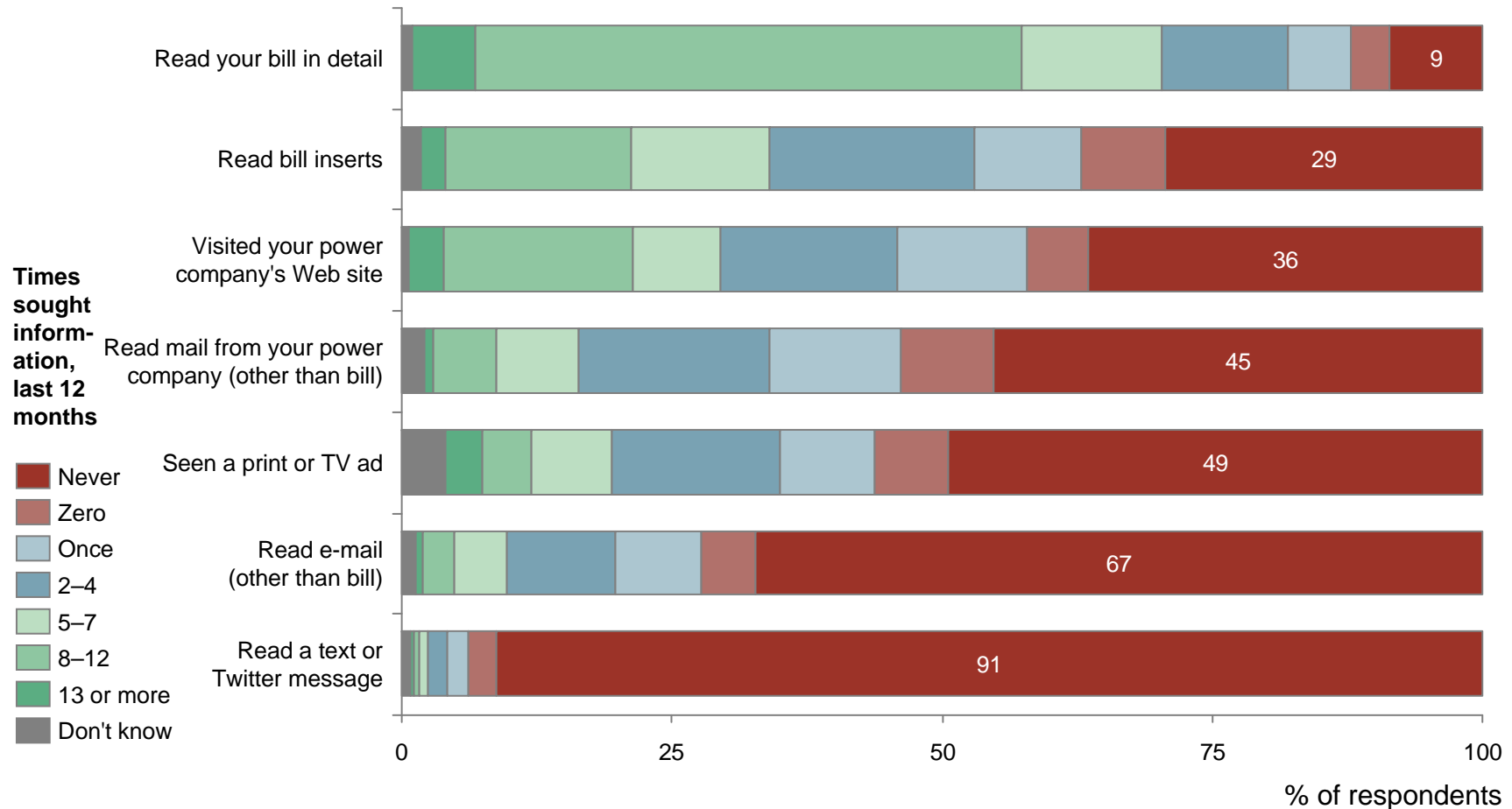


Source: BCG survey.

Informing Consumers About Smart Meters Is a Challenge: They Read Little from the Power Company Beyond the Bill

Over the last 12 months, how many times have you...

Means by which respondents report gathering information



Source: BCG survey.

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