

EPCOR Utilities Inc | March 2021

Lagging Conversion Survey



Key Findings

01

Individuals' current status on natural gas conversion varies

Almost half (47%) have already been in contact with an HVAC contractor or met with them online; 19% have not yet contacted an HVAC contractor. However, 72% of those who have not contacted HVAC contractors were aware of the next steps to convert.

02

Difficulties in getting an HVAC contractor to come has been a barrier moving forward

2-in-5 (40%) say that they have not yet taken the next steps for moving forward with the conversion process because they are trying to get an HVAC contractor to come out.

03

Intention to switch to natural gas

Almost half (46%) say they intend to switch as soon as possible, which is higher among propane users (58%).

04

COVID-19's impact on the decision to convert to natural gas

COVID-19 has not affected the majority (83%) of consumers on their plan to switch to natural gas. Among those who are impacted by the pandemic, half (50%) mention health concerns and safety restrictions which prohibit contractors from entering their home.

05

Time frame for those delaying conversion to natural gas due to the COVID-19 outbreak

The plurality of respondents (30%) say they will switch within the next 3 to 6 months; 19% say it depends on COVID-19 outbreak status.

Survey Objectives and Methodology

These are the results of an online survey conducted between March 6th, 2021 and March 24th, 2021.

Method: This online survey was conducted using a list of 1,064 Kincardine area residents/property owners who had registered on EPCOR's website to have natural gas brought to their homes. Each individual on the list was sent (via email) an invitation containing a unique URL for them to access the survey. In order to boost response rates, those who completed the survey were entered into a prize draw for a \$500 Visa gift card.

A total of 474 households completed the survey.

Weighting: Because we don't know the demographic profile or regional distribution of the target population, no statistical weights were applied to the data.

Margin of Error: Unlike most online surveys, we can apply a margin of error to this data because everyone who was qualified to participate in the survey (ie, they had registered online to convert to natural gas) had an equal opportunity to do so, resulting in a random probability sample. The margin of error for a sample of 474, from a total population of 1,064 is $\pm 3.35\%$, 19 times out of 20. Due to the small population size, a finite population adjustment is made when calculating the margin of error.

OBJECTIVES:

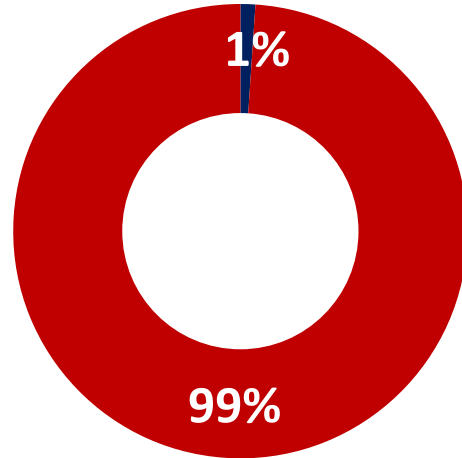
There were two primary objectives for this survey:

1. To identify what has been keeping people who have signed up for natural gas from moving forward with the conversion.
2. To remind them of the benefits of converting to natural gas in a timely fashion.

Note: Graphs may not always total 100% due to rounding values rather than any error in data.
Sums are added before rounding numbers.

Home Profile

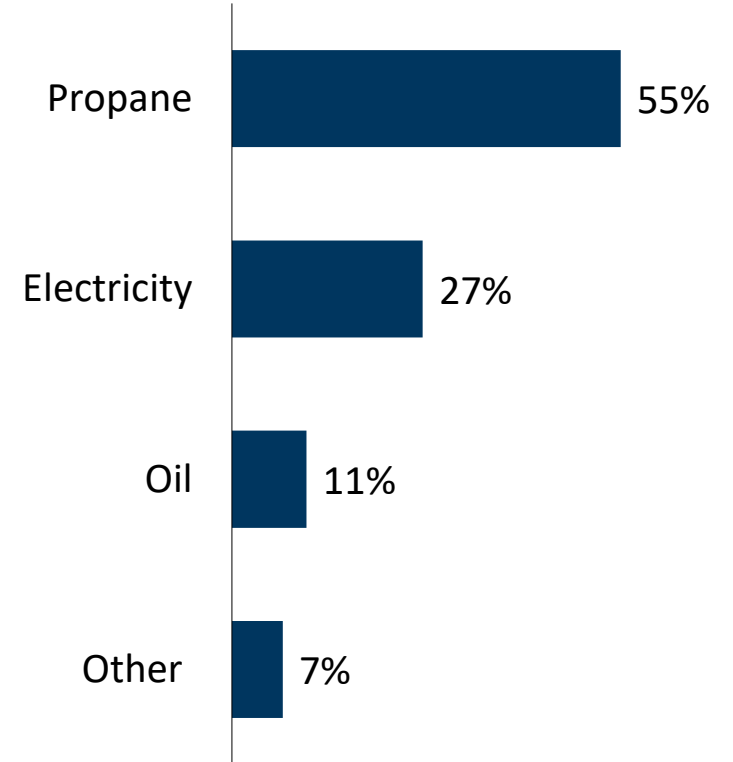
Own or Rent



■ Rent ■ Own

Note: 'Other' (<1%) not shown

Primary Energy Source For Heat



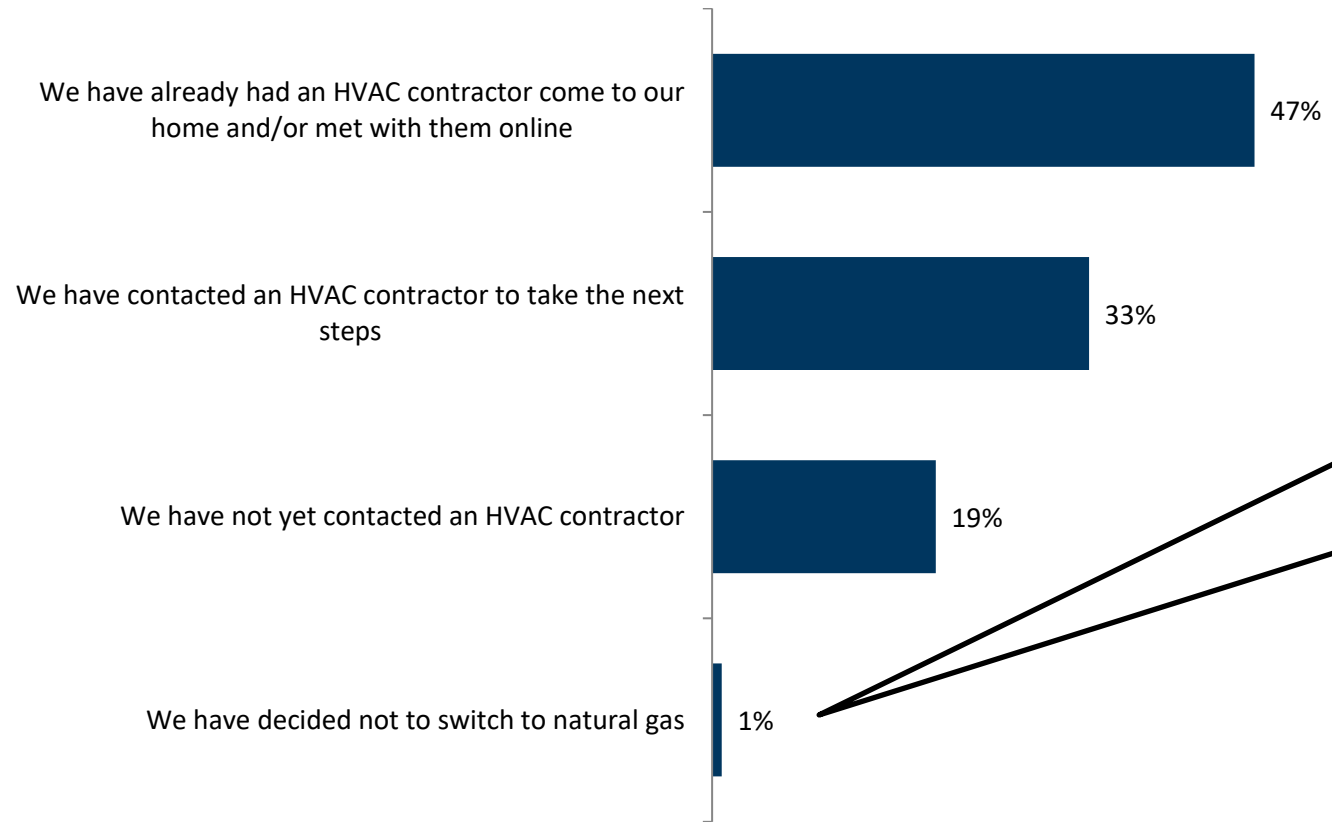
Note: 'Don't know' (<1%) not shown

Current Status

Current Status With Conversion: Almost half (47%) have already had an HVAC contractor come to their home/met online

Q Records show that you signed up to convert to natural gas in [MONTH] of [YEAR]. Which of the following best represents your current status with regard to converting to natural gas?
[asked of all respondents; n=474]

Q Why did you decide not to switch to natural gas?
[asked of respondents who did not switch; n=4]



“installed service only for retail value”

“nobody ever came”

“Not economically feasible”

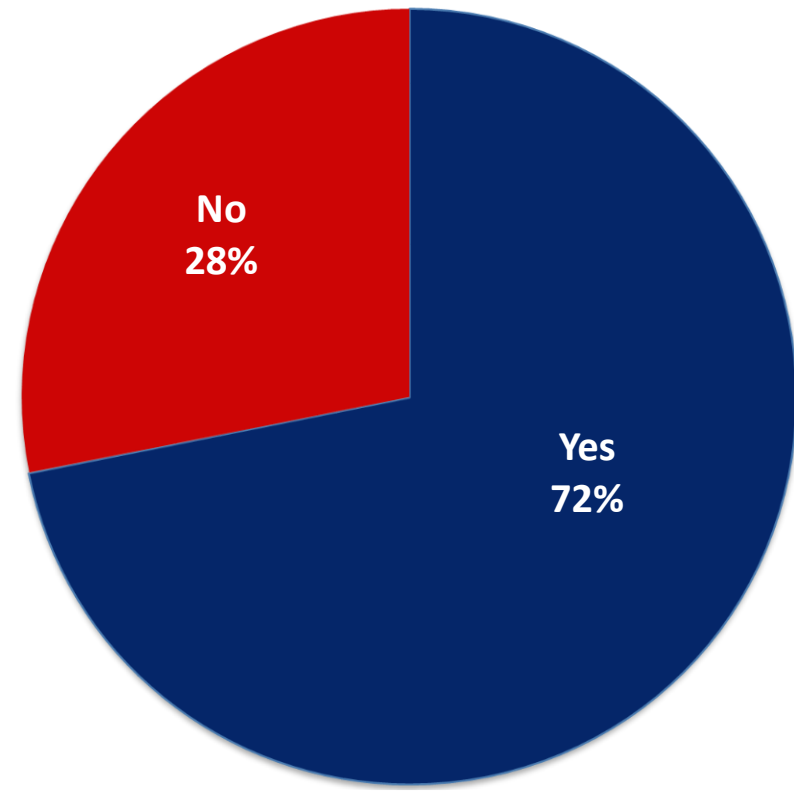
“We never intended to switch - we brought the line to the house for resale purposes. It is most likely we will be downsizing and selling our home within the next few years.”

Next Step Awareness: 7-in-10 (72%) of those who have not contacted HVAC contractor were aware of the next steps



The next step is for you to contact an HVAC contractor to assess and address your specific connection requirements. Were you aware of that before this survey?

[asked of those who have not yet contacted an HVAC contractor; n=96]



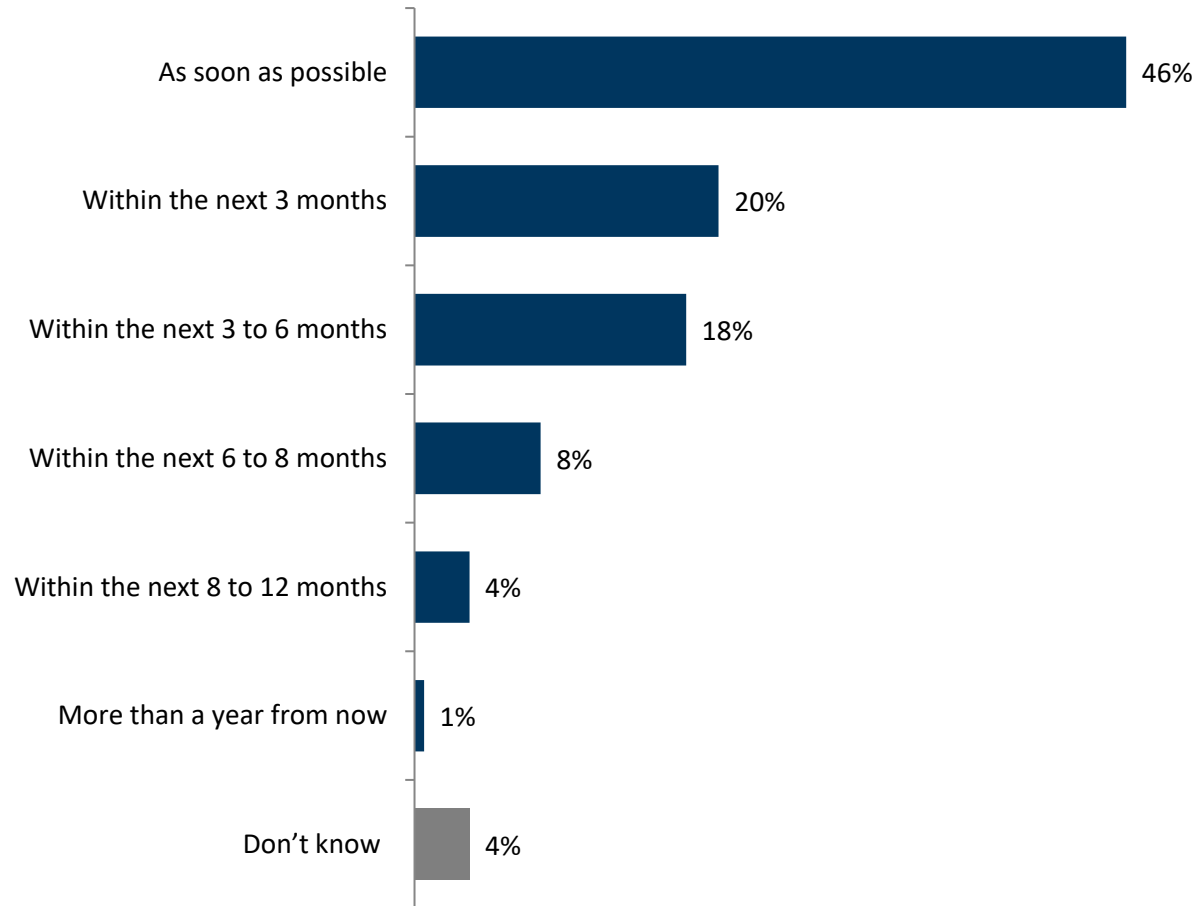
Barriers To Moving Forward

Intention to Switch: Almost half (46%) are intending to switch over to natural gas ASAP; higher among Propane users (58%)



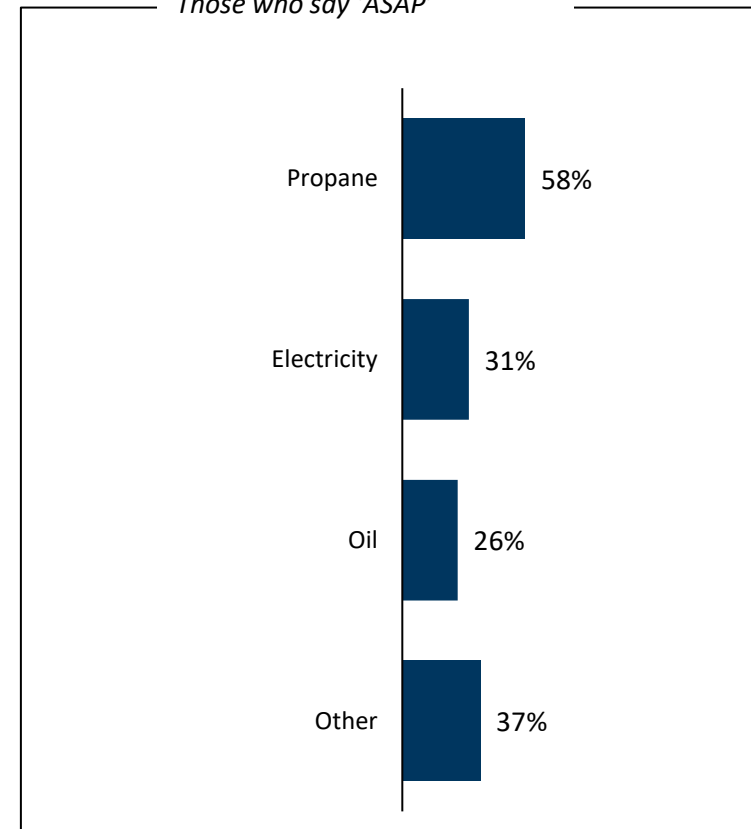
Because you signed up for natural gas in [MONTH] of [YEAR], and EPCOR completed construction on the service line from our main line to your home, you have until [MONTH] of [EXP YEAR] to then convert to natural gas within your household and start using it. Customers who convert to using natural gas in their household before that year is up continue to get this service connection outside their home free. Customers who don't start using natural gas once the year anniversary is up, will have to pay for that service connection which is anywhere between \$400 to \$4500. Knowing this, which of the following best describes when you intend to switch over to natural gas?

[asked of all respondents; n=474]



Segmentation

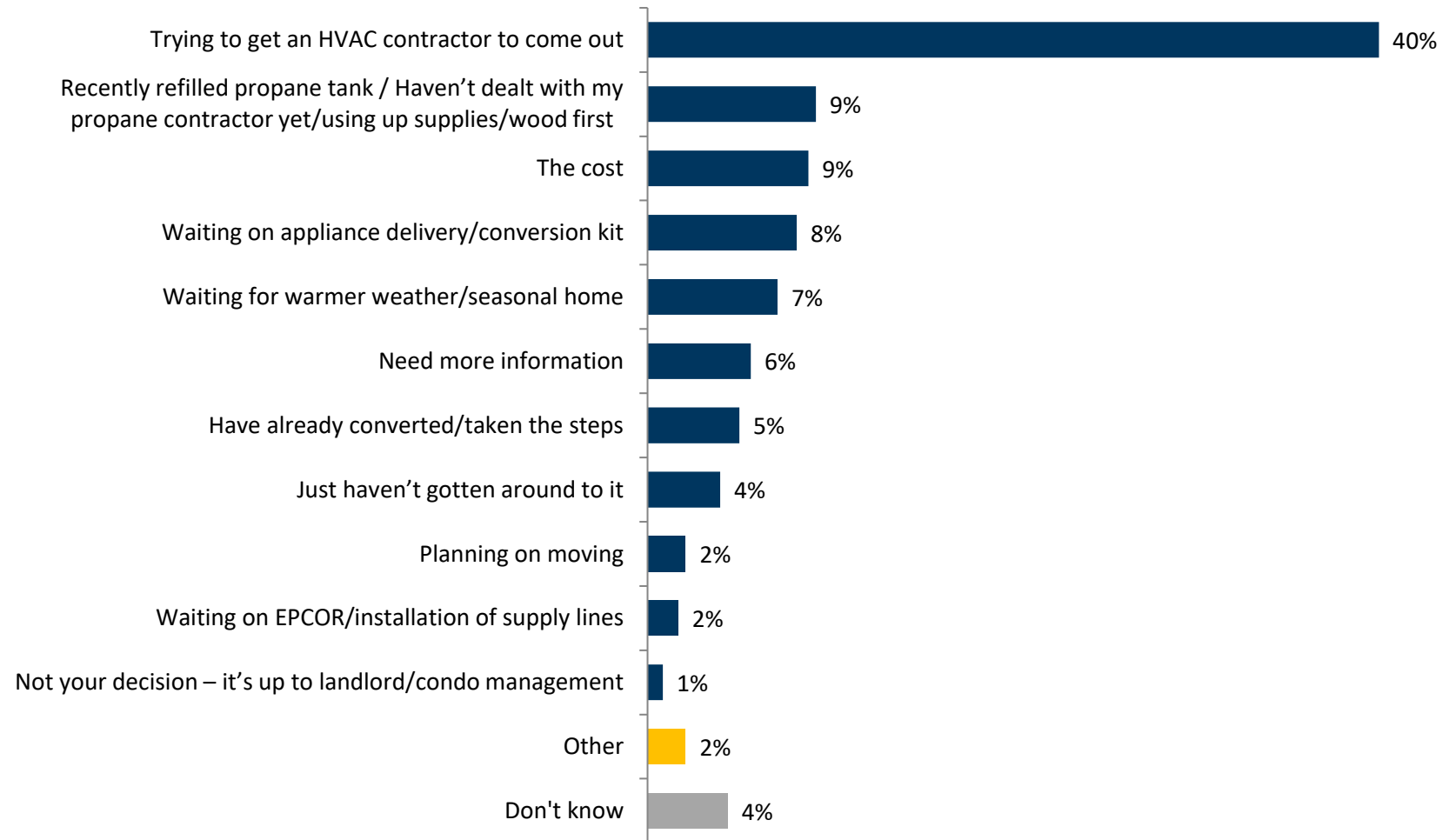
Those who say 'ASAP'



Reasons For Not Taking Next Steps: The most cited reason (40%) for not converting to natural gas is trying to get an HVAC contractor to come out



Which of the following best describes why you have not yet taken the next steps for moving forward with your conversion?
[asked of all respondents; n=474]



Reasons by Heating Methods: Half (50%) of propane users don't take the next steps because they're 'trying to get an HVAC contractor to come out'

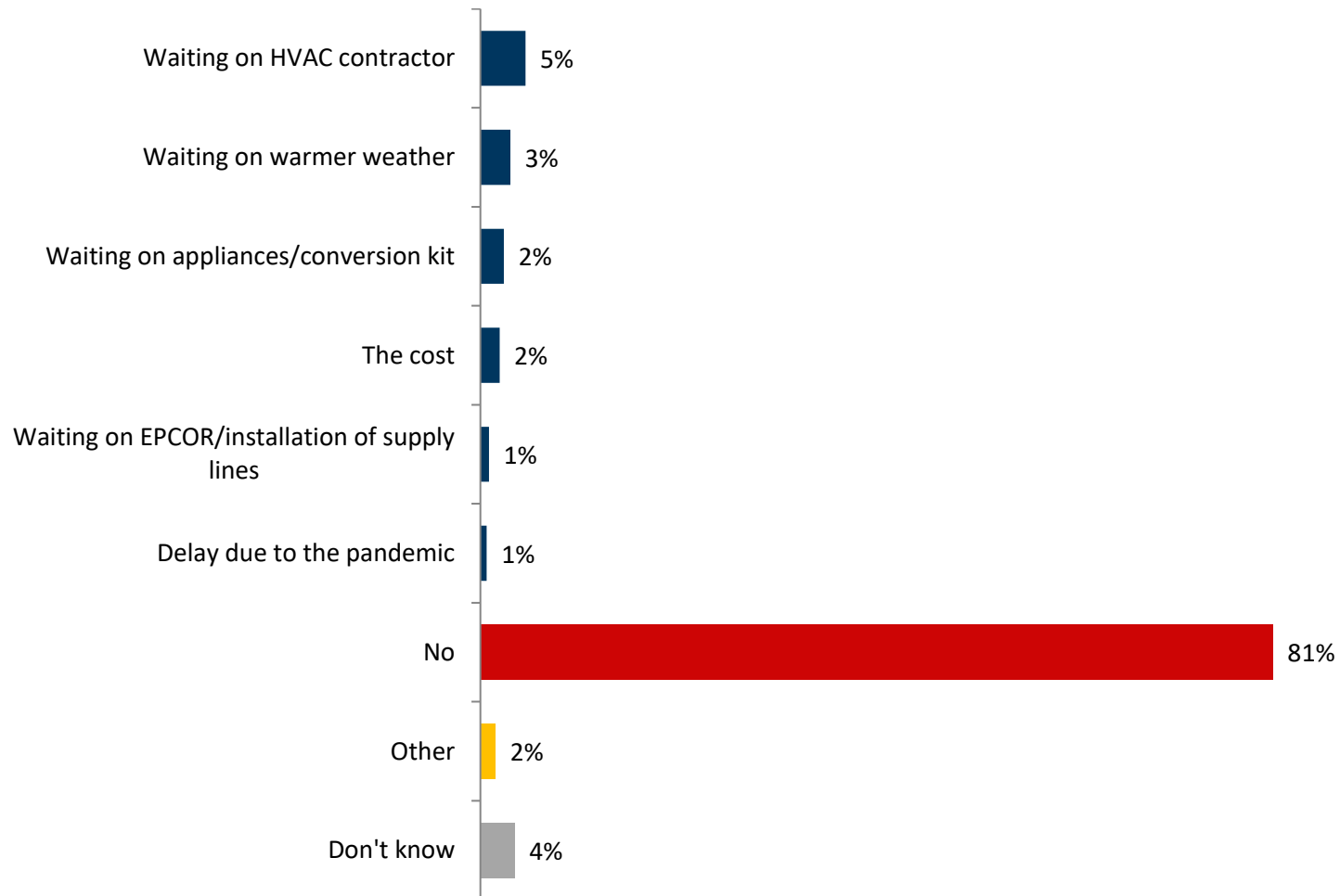
	Heating Methods			
	Propane	Oil	Electricity	Other
Trying to get an HVAC contractor to come out	50%	34%	27%	30%
Recently refilled propane tank / Haven't dealt with my propane contractor yet/using up supplies/wood first	11%	8%	6%	7%
The cost	3%	14%	16%	17%
Waiting on appliance delivery/conversion kit	6%	12%	11%	10%
Waiting for warmer weather/seasonal home	7%	10%	7%	7%
Need more information	4%	10%	9%	0%
Have already converted/taken the steps	3%	6%	6%	7%
Just haven't gotten around to it	4%	0%	5%	10%
Planning on moving	1%	2%	5%	0%
Waiting on EPCOR/installation of supply lines	2%	0%	1%	3%
Not your decision – it's up to landlord/condo management	<1%	2%	2%	0%
Other	2%	2%	2%	3%
Don't know	5%	0%	4%	7%

Other Reasons: The majority of respondents did not mention any other reasons; 5% are waiting on HVAC contractor, 3% on warmer weather



Are there any other reasons?

[asked of all respondents; n=453]

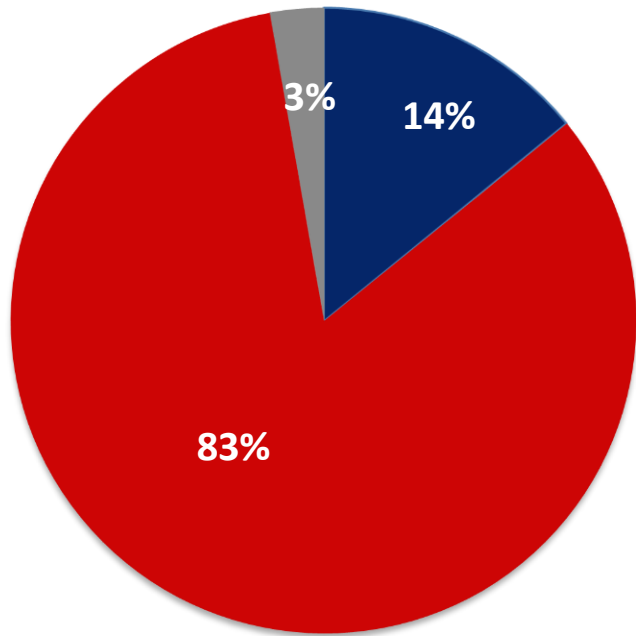


COVID-19 Outbreak Impact: Half (49%) claim health concerns impacted their decision; 30% will switch within 3 to 6 months



Does the current COVID-19 outbreak have any impact on your decision to switch to natural gas or when you plan on switching?

[asked of all respondents; n=474]

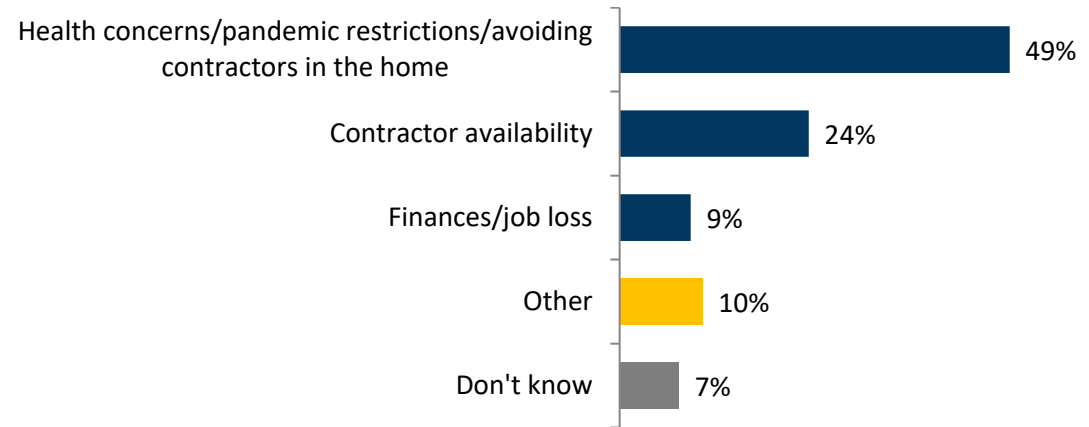


■ Yes ■ No ■ Don't know



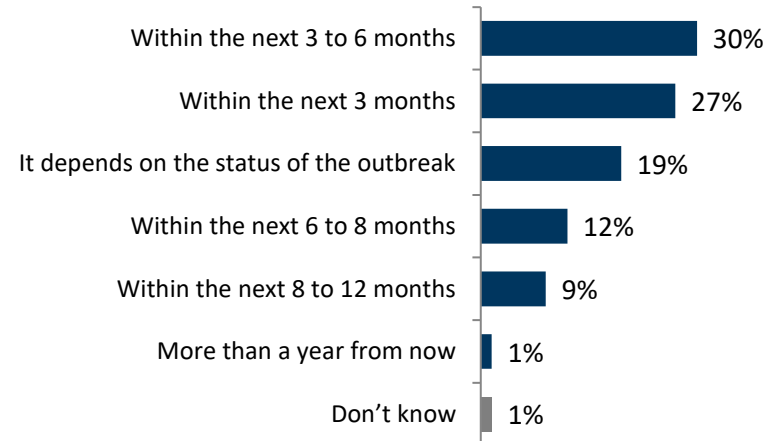
What, specifically is your concern?

[asked only of respondents who said COVID-19 impacted their decision to switch to natural gas; n=67]



If you are delaying converting to natural gas due to the COVID-19 outbreak, which of the following best describes when you would consider switching to natural gas?

[asked only of respondents who said COVID-19 impacted their decision to switch to natural gas; n=67]



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Building Understanding.

