



Understanding Vermont Consumers

Attitudes and Behaviors Regarding Energy Issues and Electrification

April 2022



Background

- The march towards “electrify everything” continues with a vengeance. Federal legislation is focused on accelerating electrification. Some states – Vermont foremost among them – are facing industry-altering legislation. Other states are aggressively incentivizing homeowners to convert to electric heat pumps. Regulatory action at the federal and state level is ramping up.
- Climate change is seen as a serious threat by most homeowners in the Northeast, fueling broad-based sentiment at the grassroots level to “do something.”
- Recent energy price runups as a result of global events are pushing more people to want to “get off fossil fuels.”
- Our industry’s solutions to achieving reducing carbon emissions are little-known and little-understood both inside and outside our industry.
- In Vermont, the question is not “Can we stop electrification?” The question is “Can we modify the rules so that we can survive?” and “What opportunities do we have within the Clean Heat Standard to remain viable?”

Background

- The National Energy and Fuels Institute (NEFI) is leading the charge to develop an industry-wide response to the electrification crisis and to support each state association's efforts to defend itself at the state level.
- There are two phases to NEFI's response; Phase I is the execution of consumer research to help us understand how consumers think, act and behave on issues related to energy and electrification. Phase II is the development of robust legislative, communication and outreach strategies to activate homeowners and influence legislators.
- The Consumer Research Study has been a true collaboration, as NEFI provided the resources for 70% of the project and VFDA committed to funding the remaining 30%. This commitment ensured the study would be statistically significant.

Methodology and Objectives

- Warm Thoughts Communications conducted an online representative survey of **400 registered voters, ages 25+ in Vermont** between February 20-March 16, 2022.
- **The Vermont representative survey was one part of a nine-part (3,600 respondent) survey conducted across every New England State, Pennsylvania and both upstate and downstate New York.**
- The confidence interval on the overall sample is +/-4.9%.
- **The goals of this research were to:**
 - Understand the issue context in which the energy transition plans are being promoted.
 - Measure support for the plan and its components overall and among sub-groups.
 - Guide communications and legislative strategy, including aiding in the development of messaging to advance campaigns, outreach and political engagement about the issues.

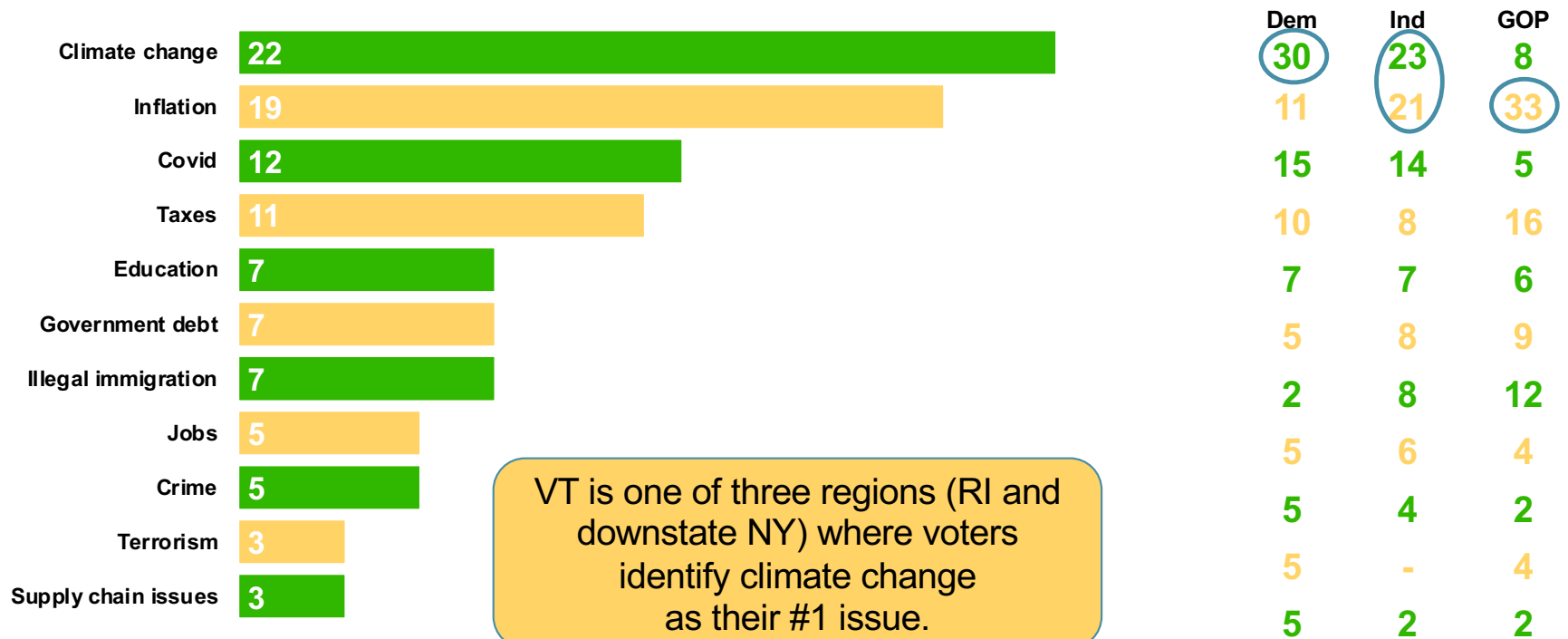
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Landscape



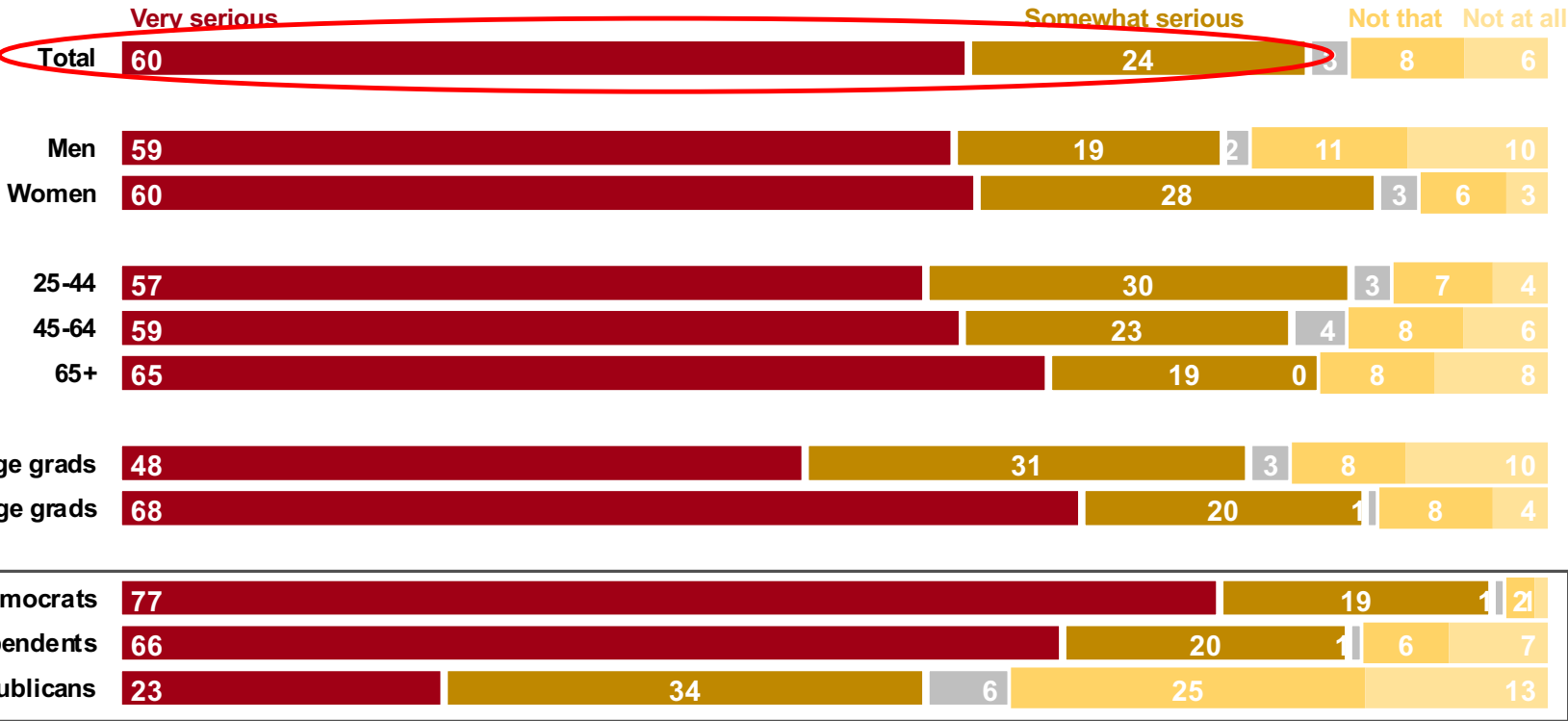
Inflation and climate change are the top issues among VT voters, with Republicans more likely to cite inflation and Democrats more likely to say climate change is their top concern.

Please identify and rank the 3 issues that are most important to you. (Top choice shown)



60% of voters say climate change is a very serious threat, while another quarter say it is somewhat serious.

How serious of a threat would you say climate change is?



More Vermonters identify climate change as a serious threat than voters in any other state/region.

Only 33% support taxpayer funding to subsidize consumers who convert to electric heat pumps. Vermont voters are the least likely to support taxpayer funded subsidies, except for PA and Upstate NY. And 73% of those who support it would only tolerate increases if they are less than \$500 a year.

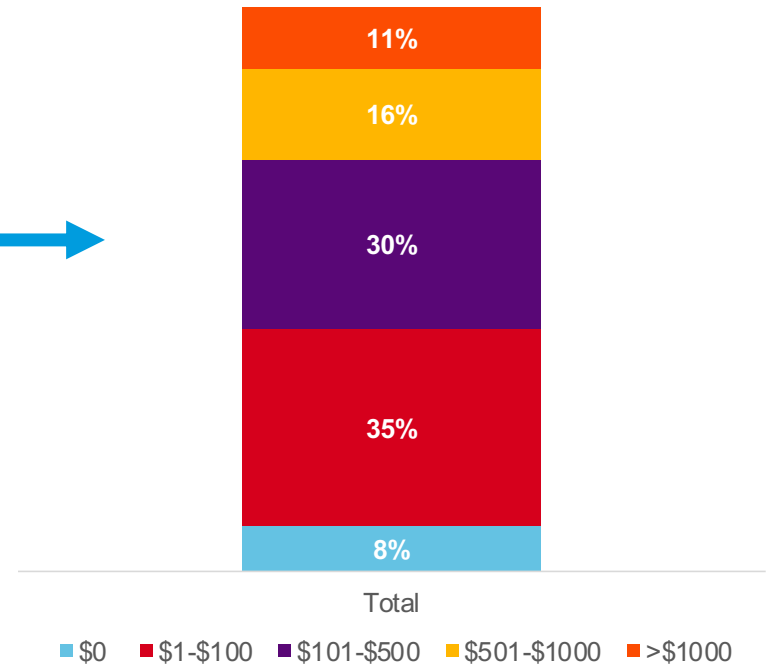
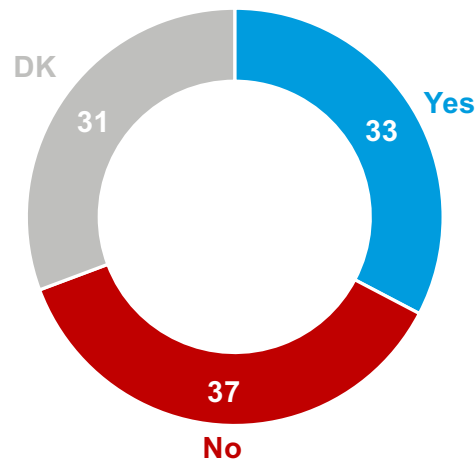
Do you support using taxpayer funding to subsidize consumers who convert their home energy to electric heat pumps?

(IF YES, N=131) How much would you be willing to pay, through tax increases or other means, so that electric heat pump subsidies could be made available?

Most Likely to Say Yes

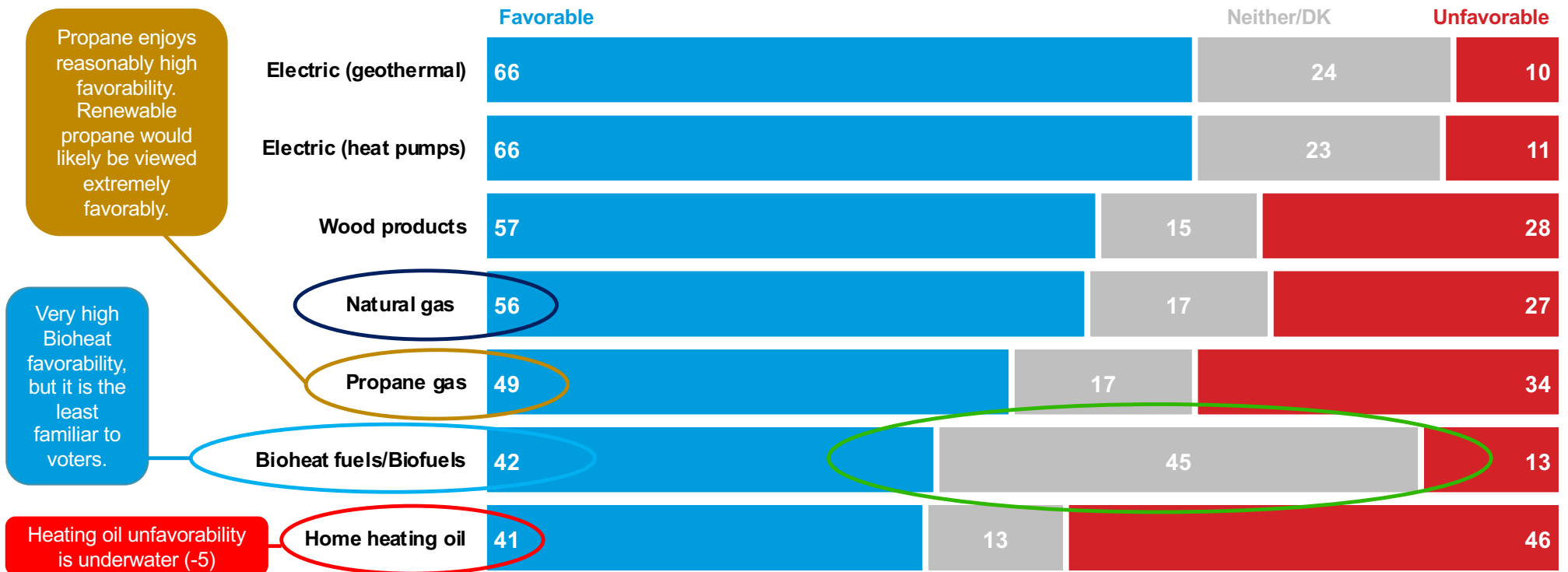
Liberals	48%
College men	46%
Boston Media Mkt*	45%
Men 25-54	44%
Democrats	43%

*Small sample size



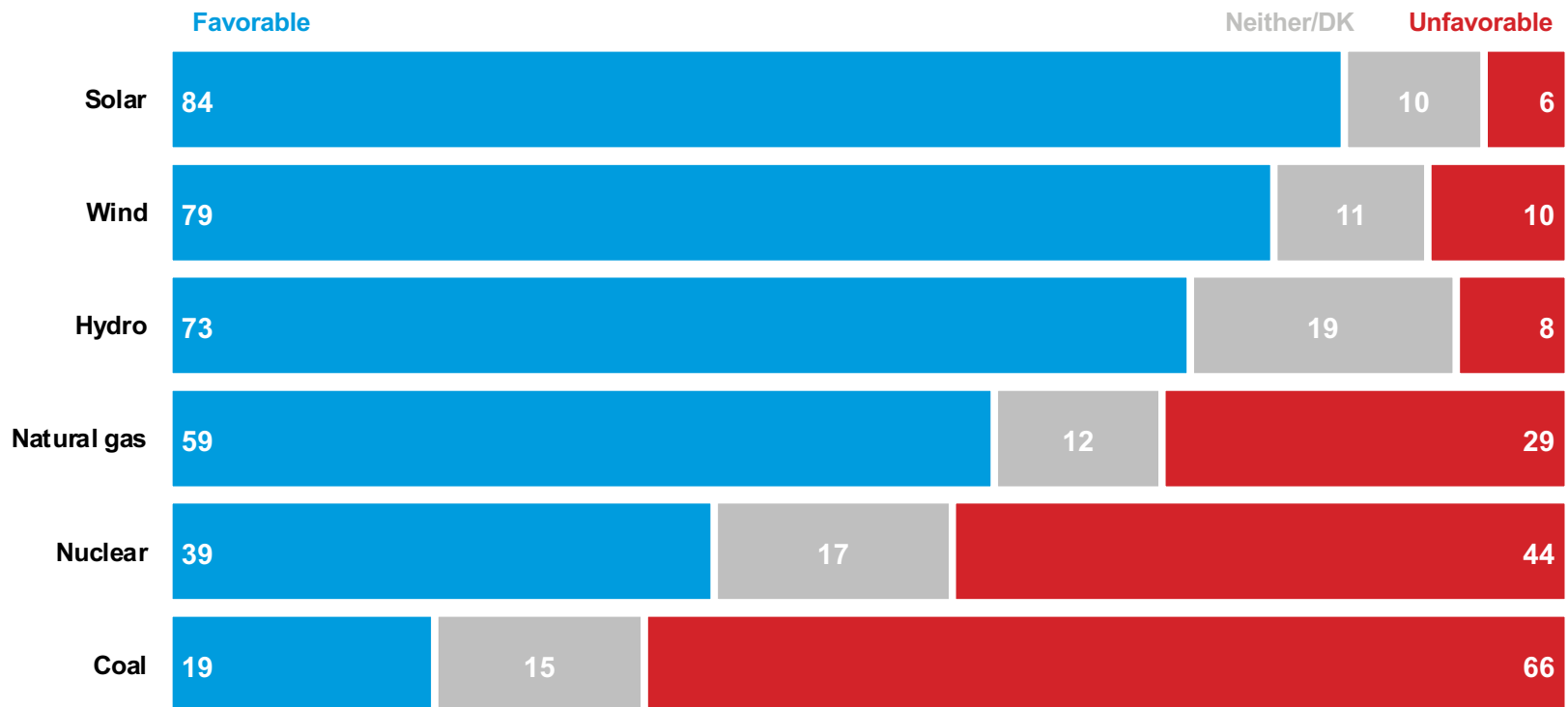
Electric sources of heat are among those viewed most favorably, while home heating oil has a lower favorability among Vermont voters.

For each of the following sources of energy that might be used in homes, please indicate whether you have a favorable or unfavorable opinion of it.



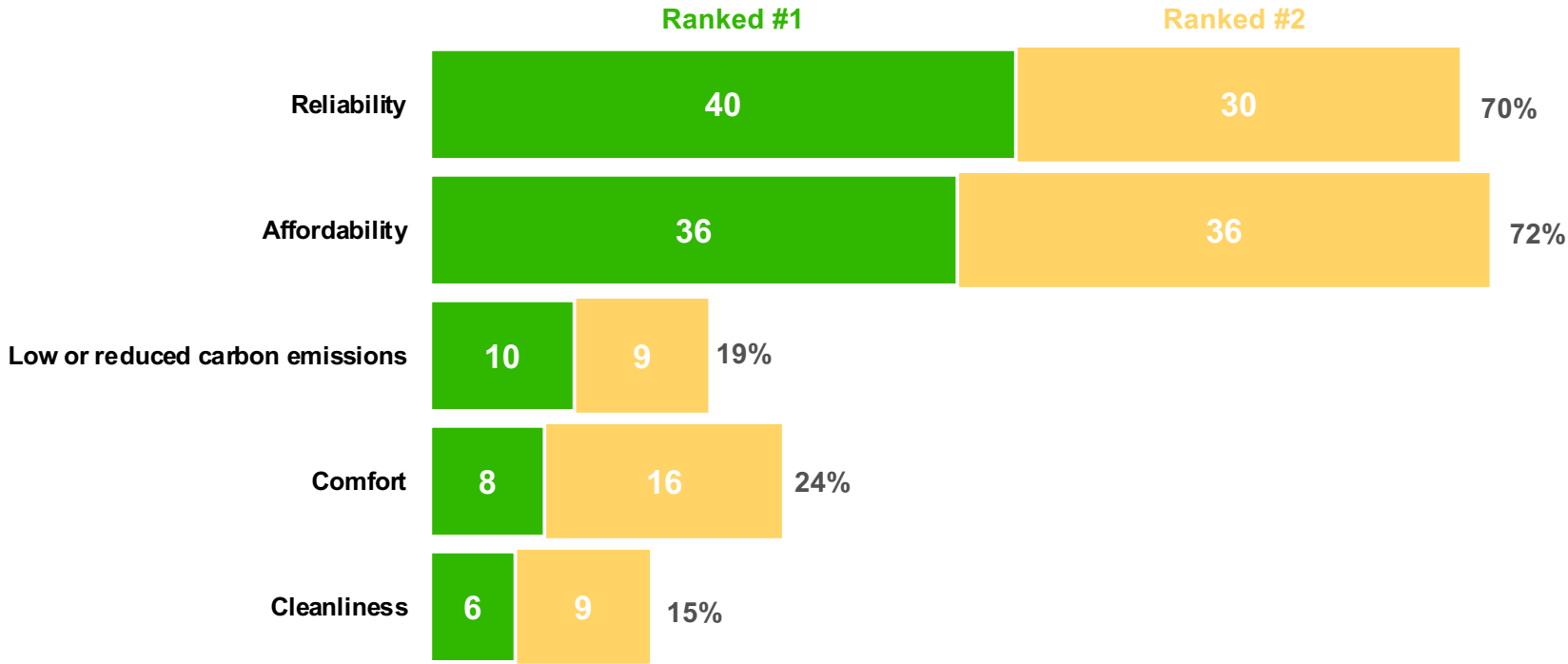
Renewable sources of electricity are the most popular, with natural gas a little further behind. Nuclear and coal power are more problematic for many Vermont voters.

For the following sources of energy that might be used to generate electricity, please indicate whether you have a favorable or unfavorable opinion of it.



Reliability and affordability are far and away the top concerns for Vermont voters when choosing how to best heat their home.

When choosing how best to heat your Vermont home, please rank the following factors by order of importance.



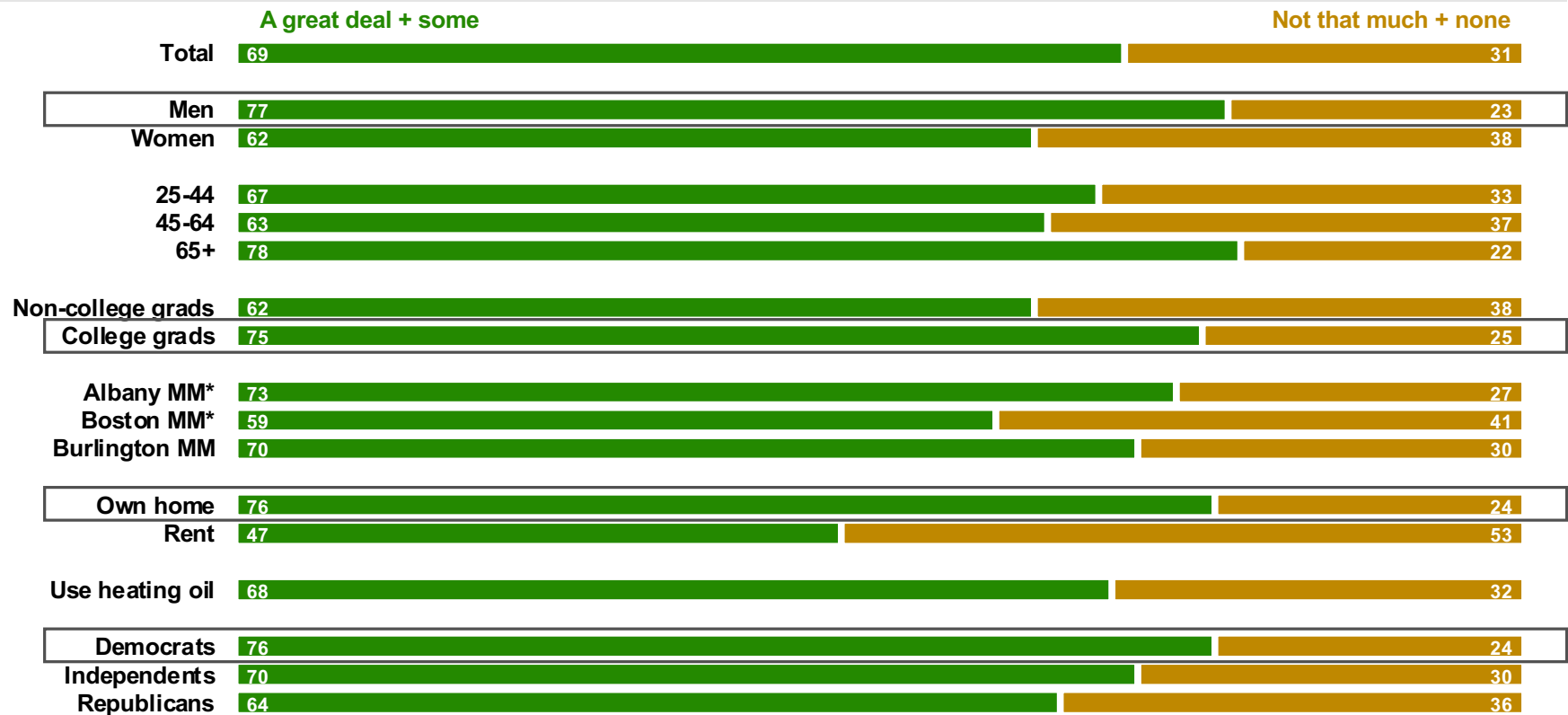
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Energy Transition



Nearly seven in ten VT voters say they've heard a great deal or something about the movement to transition to all-electric solutions, with men, college-educated, home-owning and Democratic voters among those most likely to say they are familiar.

How much have you seen, read or heard about the movement in our country to transition our entire economy over to all-electric solutions?

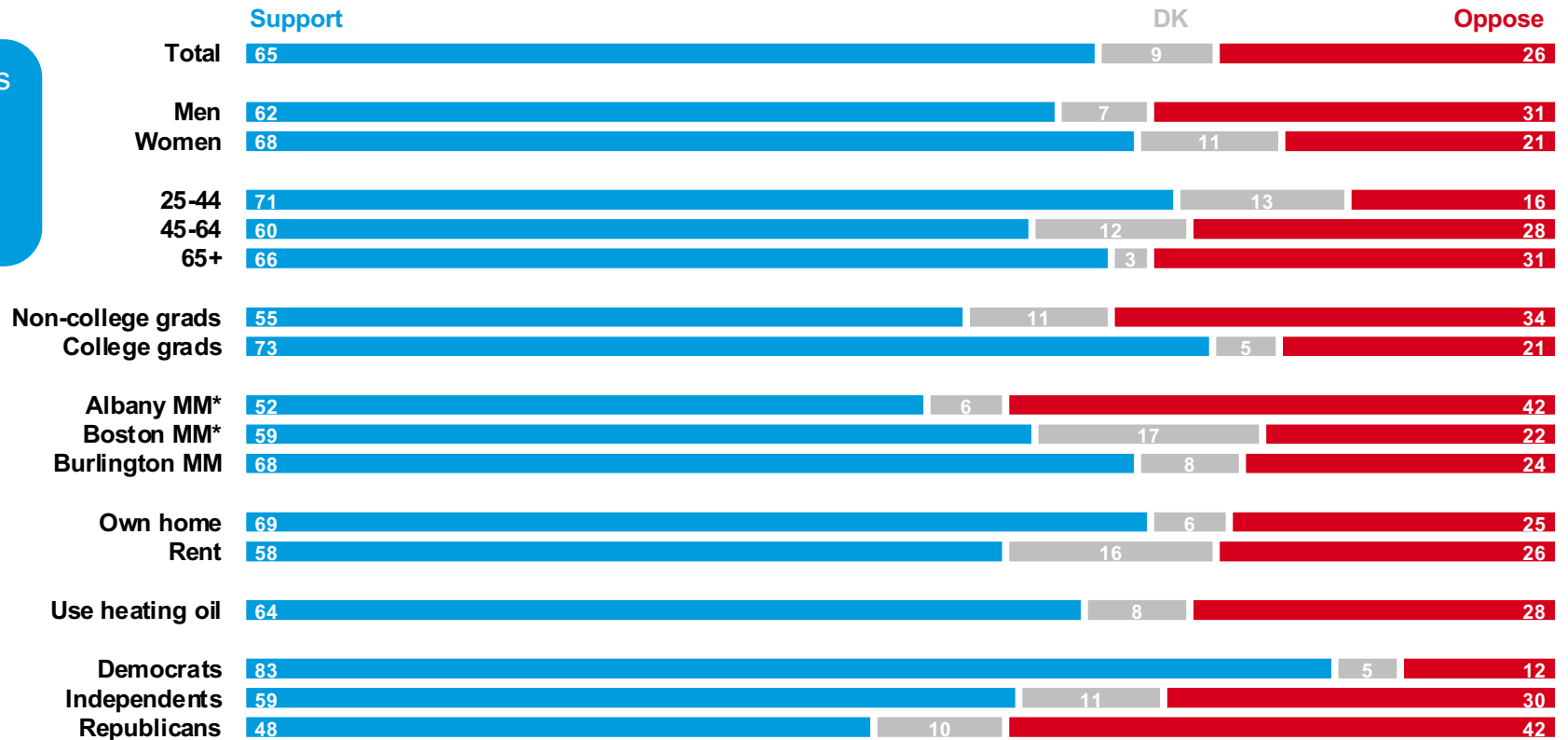


*Small sample size

Initial support for all-electric solutions for heating and transportation is 39 points higher than opposition.

Just based on what you know or might assume, would you say you support or oppose all-electric solutions for home heating and transportation (like heat pumps and electric vehicles) to reduce greenhouse gas emissions?

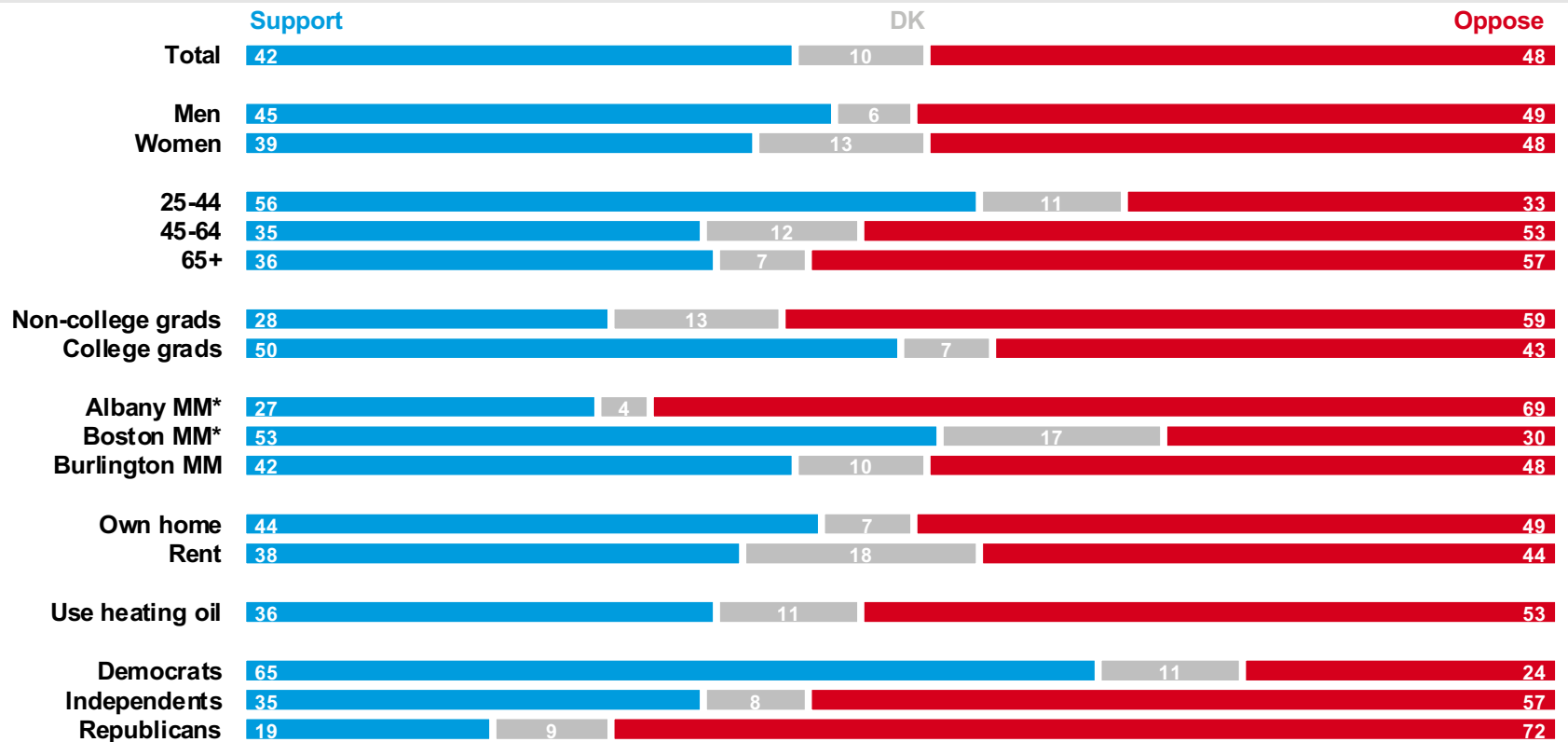
Vermont voters voice the strongest support in the entire region.



*Small sample size

While VT voters support all-electric solutions, they do not support tax increases to achieve carbon reductions.

Please indicate your level of support or opposition for new taxes on gasoline or heating fuels to encourage Vermonters to reduce their carbon output.



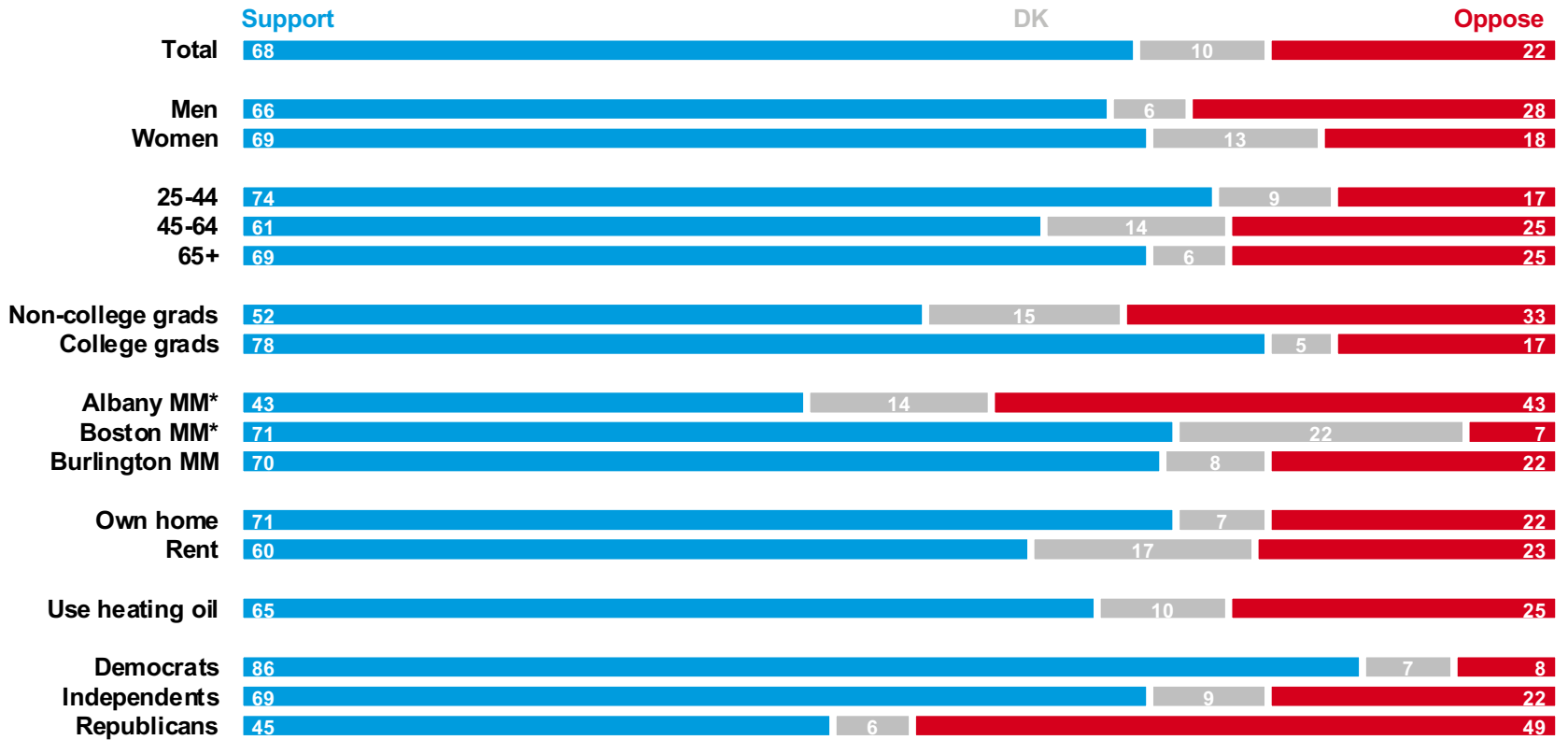
*Small sample size

By a greater than 3:1 margin, Vermont voters support the Climate Action Plan. Republicans are the only group to oppose it and barely so, by just 4 points.

After reading this, would you say you support or oppose the Vermont Climate Action Plan?

Statement Read

As you may know, the Vermont Climate Action Plan has a goal of reducing greenhouse gas emissions and achieving 100 percent clean energy use by 2050. The plan will encourage electric vehicle adoption and increase electrification of transportation systems; it will accelerate the deployment of renewable energy, such as solar power; reduce reliance on fossil fuels such as natural gas and home heating oil; and it will reduce energy consumption and emissions from the building sector.

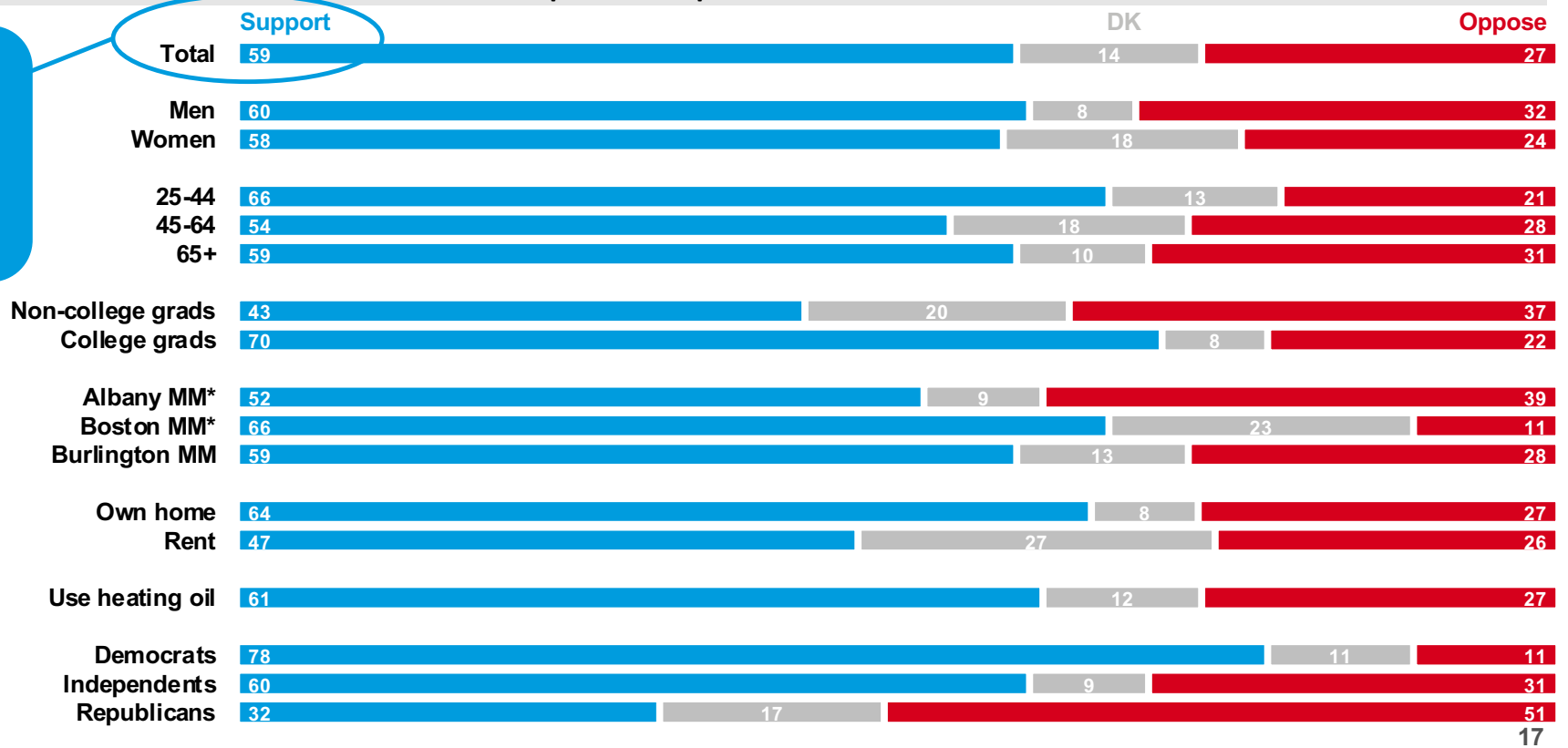


*Small sample size

Nearly six in ten Vermonters support the shift away from natural gas, propane and heating oil and toward heat pumps, with Democrats strongly supporting it and Republicans more likely to oppose it.

One part of the Vermont Climate Action Plan is to shift homes away from using fuels such as natural gas, propane and home heating oil to heat homes in the winter and move instead to electric heat pumps to heat homes. Would you say you support or oppose this part of the plan?

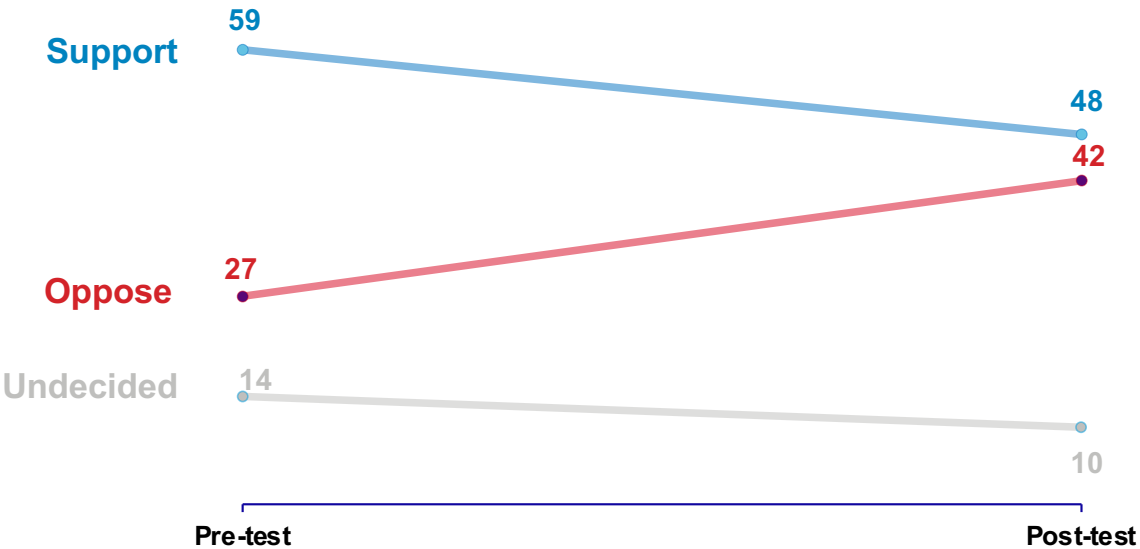
Voter support begins to weaken when the question focuses on home heating.



*Small sample size

Messages that alert voters to the downside of these plans succeed in decreasing support by 9 points and increasing opposition by 15 points.

Shift in Support/Oppose for the “part of the Vermont Climate Action Plan to switch homeowners from heating oil, propane and natural gas to electricity and electric heat pumps?”



**Swing Voters
(move based on messaging)**

- Suburban and small-town voters
- Less than a college degree
- Republicans
- Moderates and conservatives

Key Takeaways

- Climate change is the most important issue for Vermont voters. 96% of Democrats and 57% of Republicans believe it is a serious threat. We cannot expect to win by bashing climate change or by messaging against it.
- Only 33% of Vermont voters support tax increases to provide electric heat subsidies, 74% of those who support it will only tolerate cost increases of \$500 or less. There is a massive gap in understanding the true costs of all-electric adoption.
- Heating oil has highest unfavorables, which remains a problem for the industry and requires increased communication to consumers. However, Bioheat favorability is quite high and would likely be even higher if voters were familiar with it (45% aren't familiar with it).



Key Takeaways

- Reliability and affordability top Vermonters priorities when it comes to heating choices. We likely have an opening to hammer on questions about the grid's reliability in the face of a significant increase in load and peak winter demand.
- Vermonters do not support bans on oil-fired or gas-fired equipment. Opposition is highest for the ban of gas or diesel-powered vehicles (60%) and weakest for the ban on gas cooking stoves (45%), but opposition is significantly stronger than support in every instance.
- Support for Vermont's Climate Action Plan to achieve specific carbon reduction goals is high. 68% of voters support it, with just 22% opposition. Introducing messages that explain the downsides of the plan moves the needle significantly in our favor. A battery of messaging drops support to 48% and pushes opposition up to 42%.



Where Do We Go From Here?

Gaining an understanding of our market is the “easy” part.

The leaders in this room will determine how best to move forward and with what resources to ensure the delivered fuels industry has a place within Vermont’s energy infrastructure.



Questions?

Thank You!



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