



# GE Survey Results: Millions of Americans Willing to Pay \$10 More on Monthly Bill for Reliable Grid

- GE Grid Resiliency Survey Reveals Utility Consumer Trends and Expectations
- Smart Phones and Digital Communications Shaping How Consumers Interact with Utilities
- Consumers Expect Power Providers to Deliver Electricity with Environmental, Economic and Reliability Benefits

ATLANTA — August 14, 2014 — <u>GE's Digital Energy business</u> (NYSE: GE) today released the results of its <u>Grid Resiliency Survey</u>, measuring the U.S. public's current perception of the power grid, its experiences and future expectations. The survey was implemented following a very active 2014 winter storm season that led to several power outages, impacting millions of Americans.

According to the survey, conducted by Harris Poll on behalf of GE in May and June, among more than 2,000 U.S. adults ages 18 and over, 41 percent of Americans living east of the Mississippi River are more willing to pay an additional \$10 per month to ensure the grid is more reliable compared to 34 percent of those living west of the Mississippi. The survey also found that in the past 12 months, consumers living east of the Mississippi experienced nearly three times more power outages on average than those living west of the Mississippi (3.1 vs. 1.3). Of all adults in the U.S. who experienced an outage, more than half (56 percent) were without power for at least one hour during their most recent outage.

"The survey results are an indicator that consumers want to invest in technology to prevent power outages and reduce the time it takes their local utility to restore power," said John McDonald, director of technical strategy and policy development, GE's Digital Energy business. "We live in an on-demand world that depends on electricity—one where productivity, food, entertainment and even chores can be achieved with the touch of a button. Our appetite for automatic is so great that millions of American adults would be willing to pay more on their utility bills to maintain their electrified lifestyles."

#### **Consumer Expectations**

Overall, consumers expect more value from their utility providers. Eighty-two percent of utility customers in the U.S. would like their utility to do more to encourage energy conservation and share ideas to improve energy efficiency in their homes. Meanwhile, 81 percent of utility customers expect their utility provider to use higher levels of renewable energy such as electricity produced from solar, wind and geothermal biogas in the future to meet their energy needs. These findings indicate that consumers want utilities to play a bigger role providing energy conservation tips and continue to value renewable energy as a source of clean power.

Consumers' grid expectations are not limited to energy management alone. More than half of utility customers (52 percent) become frustrated when they're without electricity for an hour or less. If a power outage occurs and consumers' electronic devices are not charged, nearly half of U.S. adults (39 percent) also would be frustrated with the absence of their smartphones, with laptops following closely behind (25 percent).

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## **Digital Communications**

As energy consumers' expectations evolve, so does the way they communicate with utilities. In the event of a power outage, 70 percent of U.S. adults would prefer to communicate with their utilities digitally or online, whether calling them from cell phones and smartphones (60 percent), sending text messages (14 percent), contacting via utility websites (11 percent) or sending an email (9 percent). Conversely, 36 percent of U.S. adults still prefer to communicate with their utilities via a traditional land line.

"As our expectations for up-to-the-minute data increases, consumers will demand that utilities leverage digital communication and social media tools to keep them informed in real time," added McDonald. "To meet this growing demand, domestic and global utilities have an opportunity to partner with consumers to better understand how their digital lifestyles are shaping their energy consumption habits."

## **Consumer Concerns**

In looking at the root cause of power outages, 50 percent of U.S. adults believe natural disasters and weather-related events are the greatest threat to the U.S. power grid. This threat is most evident for those in the Northeast, with 61 percent of U.S. adults in this region claiming weather as the greatest threat to the grid compared to 48 percent in the South and Midwest and 43 percent in the West.

"Natural disasters such as Superstorm Sandy, Hurricane Irene and the recent polar vortices highlighted the challenges utilities face providing power to meet high energy demand. They also revealed the reliability challenges utilities experience when the U.S. electrical grid is under extreme stress," said McDonald. "With summer season underway—and the potential tornados, droughts and hurricanes that come with it—utilities should ask themselves if they are any more prepared to handle this stress."

#### The Utility of the Future

Some power providers already are anticipating and planning for the grid of the future through grid modernization strategies—essentially an "energy Internet" delivering real-time information and knowledge to empower consumers.

"21st century consumers are more sophisticated and expect reliable power 24 hours a day to support their power-hungry lifestyles," added McDonald. "Moreover, when there is a power outage, consumers expect their utility to communicate effectively and provide real-time updates on power restoration progress. Leveraging big data, minimizing recovery times and optimizing renewable energy will be key for utilities to meet consumers' evolving needs."

To learn more about actions utilities can take before, during and after an outage, <u>click here</u>. An infographic that summarizes consumer trends and expectations also can be found <u>here</u>.

## Abbreviated Methodology

This survey was conducted online within the United States by Harris Poll on behalf of GE. The survey ran from May 2-6, 2014, among 2,049 adults ages 18 and older and from June 3-5, 2014, among 2,028 adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

### About GE's Digital Energy Business

GE's Digital Energy business is a global leader in transmission and distribution solutions that manage and move power from the power plant to the consumer. Its products and services increase the reliability of electrical power networks and critical equipment for utility, industrial and large commercial customers. From protecting and optimizing assets such as generators, transmission lines and motors, to delivering analytic tools to help manage the power grid, GE's Digital Energy business delivers industry-leading technologies to solve the unique challenges of each customer. For more information, visit <u>http://www.gedigitalenergy.com/</u>.

## About GE

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