

Understanding Residential Customer Perceptions of RNG Products

Background & Methodology

Xcel Energy Branded Online Survey On Residential Customer Perceptions of RNG Products

Survey Fielding: August 17th to August 24th, 2020

Total Invitations Sent Via E-Mail: 18,291

Target Audience: Residential Natural Gas Customers in Minnesota, Colorado and Wisconsin who are enrolled in the Windsource program

Total Survey Completes: 733

Response Rate: 4% (733 completed/18,291 sent)

Incentive Used: None

Key Takeaways

Participation by residential Windsource customers in a future optional RNG program is likely to be robust.

- More than 50% of respondents indicated that they'd be extremely likely to participate in a future RNG program.
- Only a small fraction indicated that they would not participate, and this percentage could be likely reduced through optimal program design and customer education and outreach.

A Variable Monthly Fee Structure Was The Preferred Payment Method

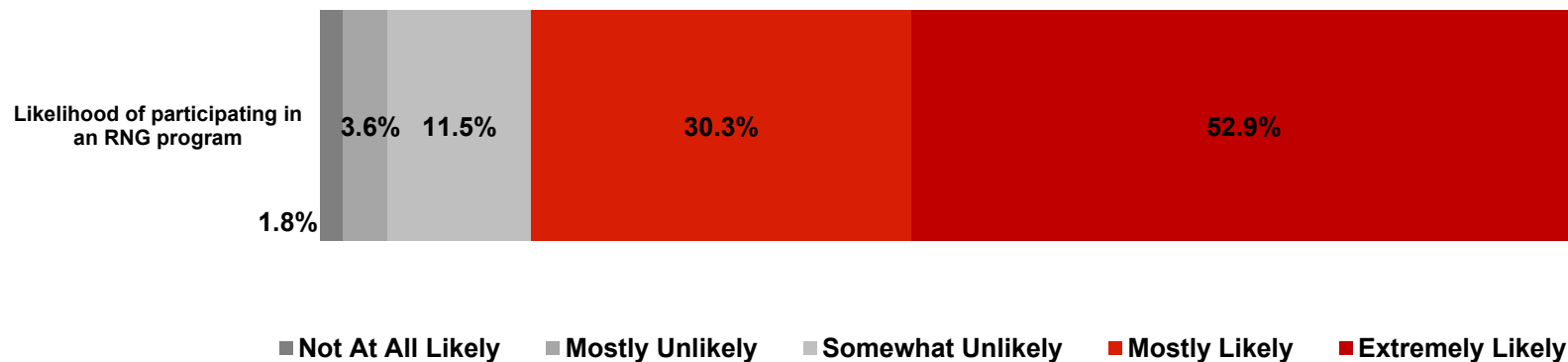
- Most customers expressed a desire to pay for an optional RNG program through a variable monthly fee added on top of their existing monthly natural gas bill, though a choice for a fixed monthly fee option should be considered.

A Fixed Fee RNG Program Would Be Most Compelling For Customers If Set At \$50/Month or Lower

- While many customers are willing to pay at least a modest amount per month above their regular natural gas bill amount to participate in an optional fixed-fee RNG program, we will need to educate customers on expected program pricing.

A Strong Majority of Residential Windsource Customers Expressed A Likelihood of Participating in a Future RNG Program

Only a small fraction of those customers surveyed would not participate in an optional RNG program if developed.

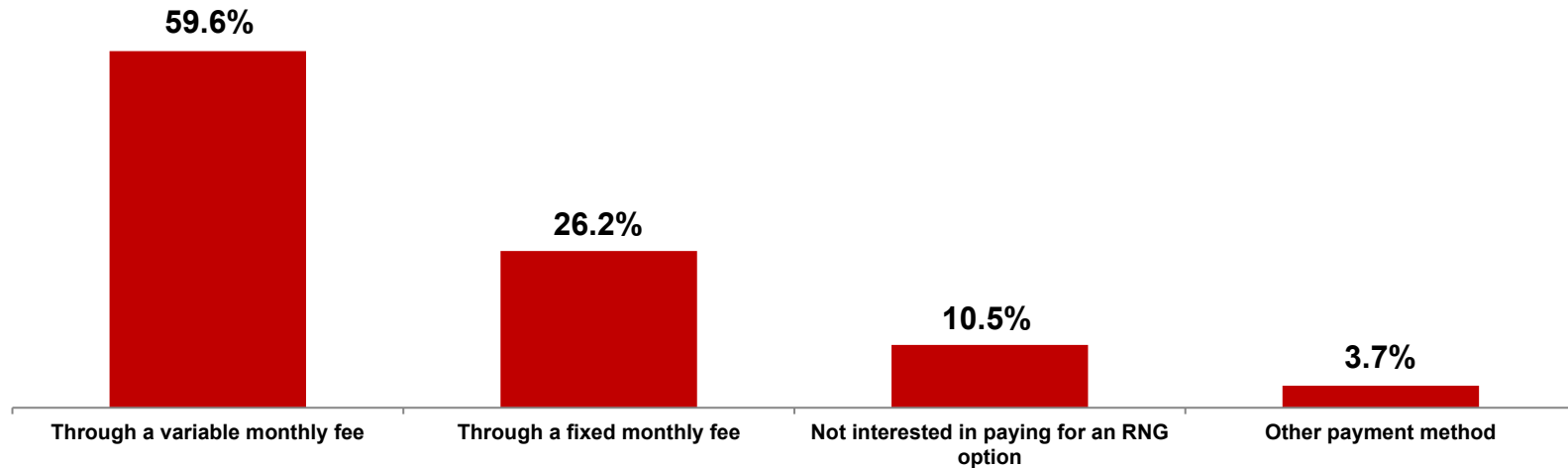


Q1: Given the description of renewable natural gas (RNG) you just read, please indicate using a scale of 1 to 5, with 5 being "Extremely Likely" and 1 being "Not At All Likely," how likely you would be to participate in a program offering customers the option of offsetting some or all of their traditional natural gas with renewable natural gas, assuming that the RNG would be available at an affordable rate.

A Variable Monthly Fee Structure Was The Preferred Payment Method

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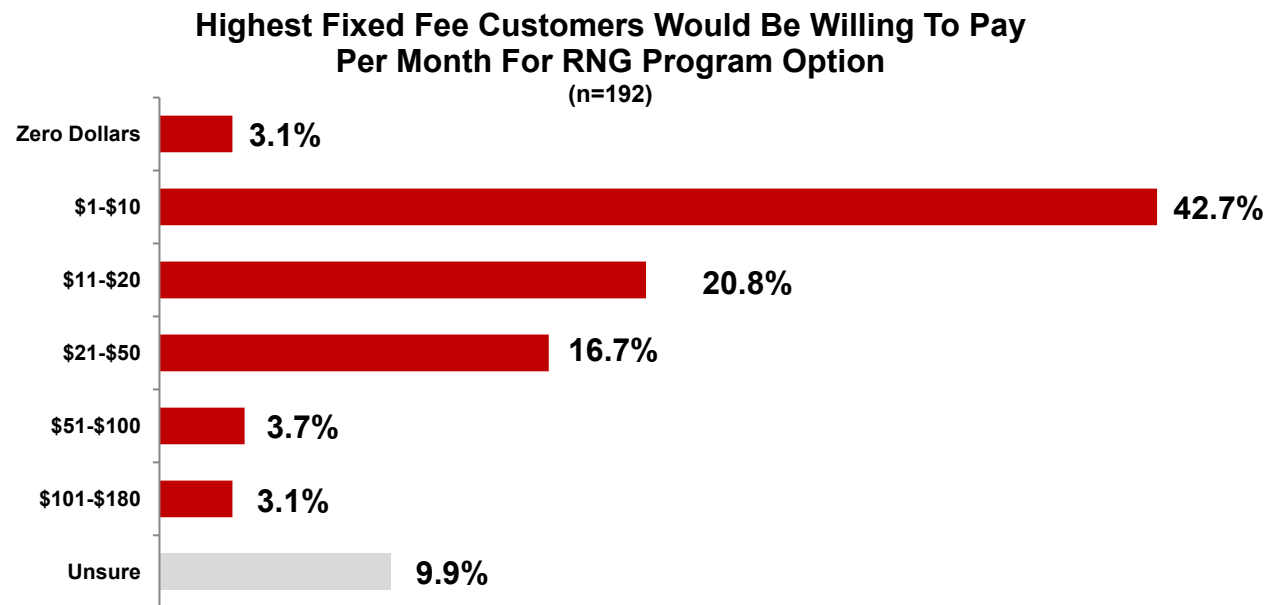
RNG Program - Payment Method Preference



Q2: How would you prefer to pay for this optional renewable natural gas (RNG) offering?

A Fixed Fee RNG Program Would Be Most Compelling For Customers If Set At \$50/Month or Lower

While many customers are willing to pay at least a modest amount per month above their regular natural gas bill amount to participate in an optional fixed-fee RNG program, we will need to educate customers on expected program pricing.



Q3: If paying a fixed monthly fee for the renewable natural gas, please indicate as a U.S. dollar amount the highest fee (above and beyond your regular monthly natural gas charges) you would be willing to pay per month to participate in an RNG optional program.