Advanced Wires Rates

Summary of Market Readiness Research with Edmontonians

Prepared for:
EPCOR Distribution & Transmission Inc.

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NOTE TO THE READER

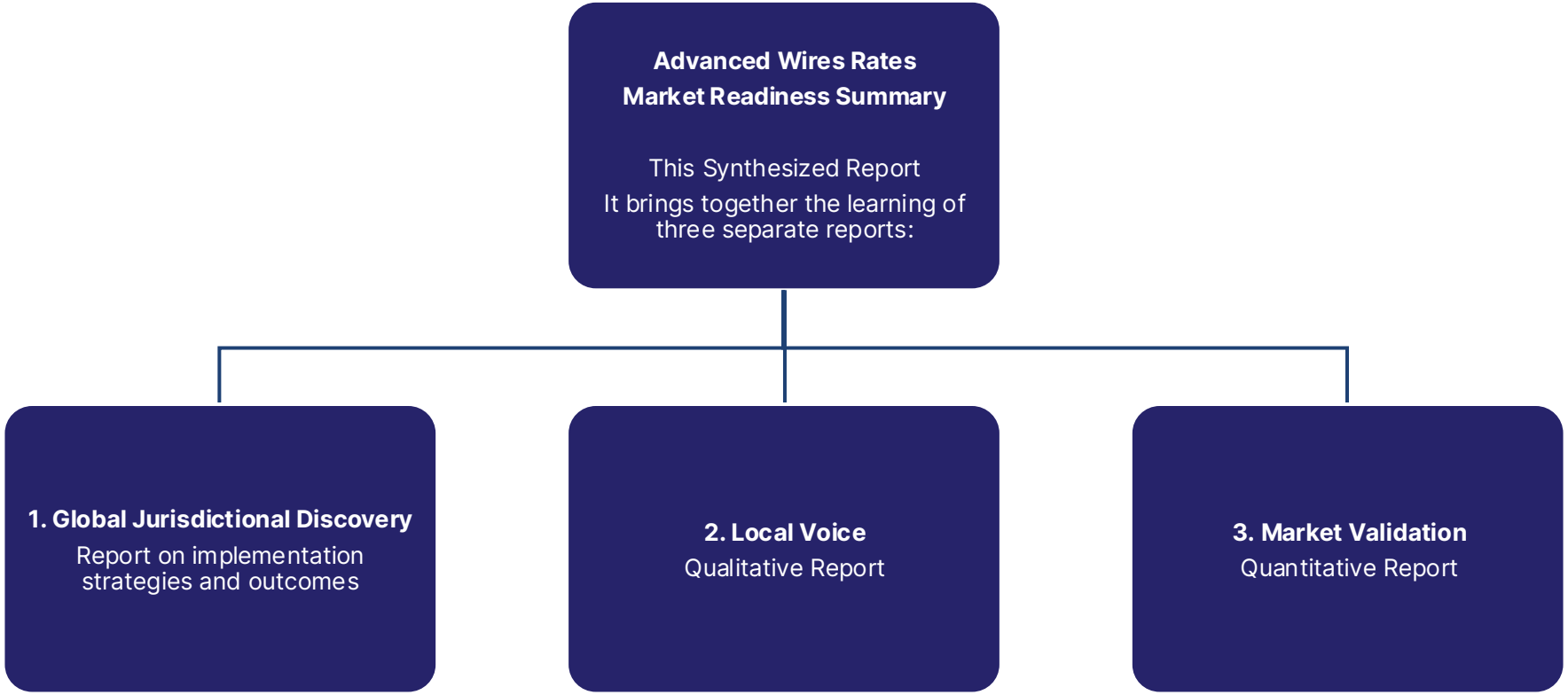
This document summarizes three research initiatives by Stone-Olafson. The work includes two complementary types of research:

- **Jurisdictional market scans:** systematic review and analysis of how other regions and countries have approached similar opportunities
- **Marketing research:** qualitative and quantitative methods to gather and analyze public attitudes, perceptions, and behaviours.

The purpose of this document is to provide an overview of the external landscape and public perspectives, based on the understanding of systems as they exist today.

The findings presented here are **intended to inform discussion and support evidence-based decision-making.** They should not be interpreted as directives, recommendations, or requirements, but rather as research inputs to be considered alongside other policy, technical, and operational factors.

This summary report is a synthesis of three separate phases of research, each with its own detailed report.



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Executive Summary

Purpose and Approach

EPCOR undertook a three-phase research program to assess Edmonton customers' readiness for advanced electricity rate structures, with the phases for this research described below.

Phase 01 — Global Jurisdictional Discovery

August 2025

Reviewed advanced rate implementations across North America and select international markets (17 jurisdictions in total) to identify success factors, risks, and failure modes.

Phase 02 — Local Voice

September 2025

Conducted four in-person focus groups with Edmonton residents to explore values, concerns, behavioral constraints, and perceived fairness issues.

In addition, we conducted in-depth interviews with with two internal subject matter experts (SMEs), and a a virtual focus group with indigenous entrepreneurs.

Phase 03 — Market Validation

November 2025

Surveyed 641 Edmontonians to quantify awareness, understanding, priorities, and willingness to adopt advanced rate options.

Key Findings

Customers require education and support

Edmonton customers are not currently ready for advanced rate structures. Low system understanding, bill complexity, and trust concerns represent material barriers to adoption.

Only 26% say they understand smart meters

50% are aware that alternative rate options exist

24% find their electricity bill difficult to understand

Savings need to be substantial for behaviour change

Customers express strong intent to reduce costs and support system efficiency (85% say they would change behavior to save money) but face real constraints, including:

- Meaningful savings – which customers indicate is approximately **30% or ~$52/month on an average bill** – to justify lifestyle changes (as such, lower distribution charges alone are likely not significant enough).
- Tools and structures that make it easy as **convenience is a key barrier to action – 48% would like to see an app to monitor usage.**
- There is concern that time-of-use structures disproportionately disadvantage shift workers, larger households, and caregivers with limited flexibility

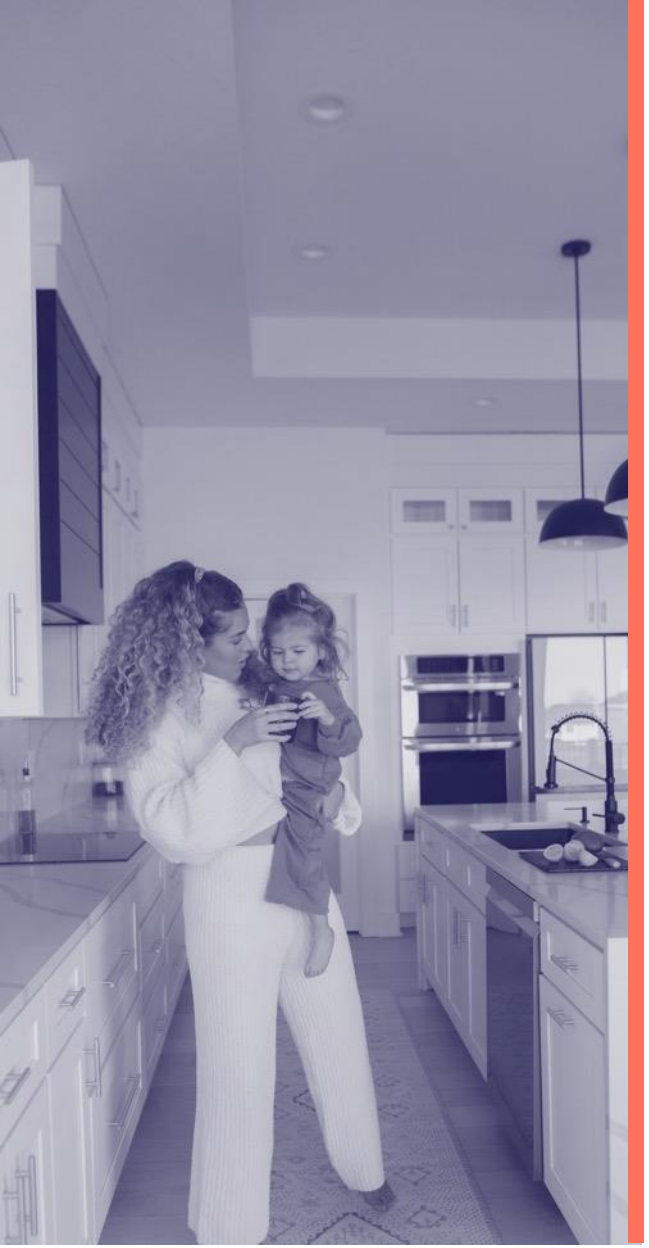
Trust and Fairness Are Decisive

There is a significant trust gap between customers and utilities. Transparency, customer control, and protections for vulnerable populations are viewed as essential.

42% cite concerns about price gouging

Discount and rewards are preferred nearly **3 to 1 vs.** structures that have penalties.

Our Approach



To understand market readiness, EPCOR commissioned this three-phase research

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Phase 01

August 2025

Discovery & Global Scan

What has driven success and/or failure in other jurisdictions that we can learn from?

Phase 02

September 2025

Exploratory Focus Groups with Edmontonians

What do local customers think? What are the critical success factors?

Phase 03

November 2025

Quantitative Validation (Broad Market Survey)

How pervasive are the barriers, motivators, and behaviour intentions among the whole Edmonton market?

This report synthesizes the findings from all three phases and provides a clear summary of Edmonton market readiness for demand-based rates.

Discovery & Global Scan

Review of advanced wires rate implementation strategies and outcomes in other jurisdictions.

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What has driven success and/or failure in other jurisdictions that we can learn from?

In-depth look at Ontario, BC, Arizona, and California (complete to implementation)

Review of feasibility studies and/or lessons learned documents from other North American jurisdictions include:

- Michigan
- Illinois
- Georgia
- Maryland
- Massachusetts
- Colorado
- Nova Scotia

In-depth look at Australia, Norway, Sweden, Norway, France, Spain (complete to implementation)

- Some tangential information on other countries may also be noted if referenced in review of the above.

What we learned from the world

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Across all jurisdictions there were more cautionary tales (consumer push back, problematic implementation) than success stories.

Much of the opposition stemmed from weak consultation, communication issues, implementation complexity, privacy concerns, and organized consumer/association opposition rather than fundamental problems with the rate structures themselves.

Pilot programs that were properly implemented and communicated generally showed positive customer satisfaction among participants, strong uptake/support, and positive reputational (as well as operational) impact.

We found three exemplars in terms of consultation and communication design: Ontario, SCE Arizona Pilot, and Puget Sound WA Pilot.

Success stories primarily involved government and/or regulator, and DFO coordination.

Key Insight:

Opposition typically stems from communication failures, not rate structure problems.

Silver Lining:

Well-designed pilots show strong satisfaction and positive operational impact (next slide)

Overview: Implementation in North America

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Jurisdiction	New Rate Implementation	Reputation Impact	Operating Impact
Ontario	Successful	**Positive**	Modest, but positive (3% NET in summer 2017, 2021 change to peak hours)
British Columbia	Successful	**No Change** 'optional' nature well received (reddit)	Estimate 8% of non-EV owners, and 25% of EV owners will opt in by 2030. No hard load-impact numbers.
Arizona Public	Successful (operationally)	**Negative**	Limited. Budget impact negative due to recovery from poor implementation.
Arizona Salt River	Successful (pilot) Pending (scale roll out)	**Positive**	TBC
California Multiple DFOs	Successful (Dynamic rates, Real-time yet to be completed)	**Mixed to Negative**	Dynamic rates is net positive, but real time pricing pilot has not realized significant new gains.
Washington Puget Sound	Successful (pilot) Pending (scale roll out)	**Positive**	Net positive (94% behaviour impact for participants)

Key Insight: Well-designed pilots show strong satisfaction and positive operational impact; however, consumers show reluctance to choose demand-based rates (modest uptake – 8% to 25%) out of concern it will will increase their bill.

Implication? Guarantee or line of sight to lower bills is required along with broad implementation

Global Success Factors (WHAT WORKED)

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Common Traits of Success

Joint Leadership and Broad Collaboration: The most successful implementations consistently involved joint leadership between government agencies (or regulators) and utilities/DFOs. This shared responsibility ensured oversight, transparency, and alignment with both policy goals and practical operational needs.

Intensive, Multi-Channel Customer Education: Robust education and outreach campaigns - using direct mail, online tools, bill inserts, videos, and personalized messaging - were pervasive among successful rollouts. These efforts demystified new rate structures and helped customers understand and adapt.

Pilot Testing and Iterative Feedback: Programs that piloted new rates, gathered data, and refined approaches based on customer feedback before full rollout avoided major pitfalls. Pilots enabled identification and correction of communication or design flaws early (seen in California, Arizona (SRP), Fort Collins, Maryland, and Michigan).

Simplicity and Clarity in Rate Design: Simple, transparent rate structures (clear peak/off-peak definitions, prominent customer-facing explanations) correlated with positive outcomes in terms of both enrollment and satisfaction.

Customer Protections: Successful programs frequently integrated protections (like bill guarantees or opt-out options), reducing risk, and building trust (especially for vulnerable populations).

Ongoing Support: Continuous post-rollout support and education reinforced acceptance and led to durable changes in consumption patterns.

Star Examples:

Ontario

Salt River Project (AZ)

Puget Sound (WA)

France

Global Cautionary Tales (WHAT DIDN'T WORK)

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Factors Behind Mixed/Poor Results

Insufficient or Ineffective Communication: Programs that invested less in education, failed to personalize outreach, or relied heavily on technical jargon saw high rates of confusion, dissatisfaction, and low adoption. Customers who did not clearly understand the new rate structure or its benefits often resisted or opted out.

Complex or Unintuitive Rate Designs: Overly technical, complicated, or poorly explained pricing mechanisms increased perceived risk and customer frustration. Programs with frequent price changes (e.g., intraday RTP) without strong supporting tech faced notable difficulties.

Lack of Stakeholder Buy-In: Where utility, government, or customer advocacy involvement was limited or adversarial, controversies intensified - particularly when public campaigns or misinformation targeted unpopular elements (e.g., income-graduated fixed charges in California).

Poorly Executed Pilots or Rushed Rollouts: Programs that neglected phased testing, feedback incorporation, or post-launch customer service struggled to adapt to unforeseen problems, exacerbating public backlash.

Equity and Privacy Concerns: Outcomes were mixed or negative when impacts on low-income or technologically marginalized groups were inadequately addressed, or when rate design led to privacy doubts (e.g., use of income data).

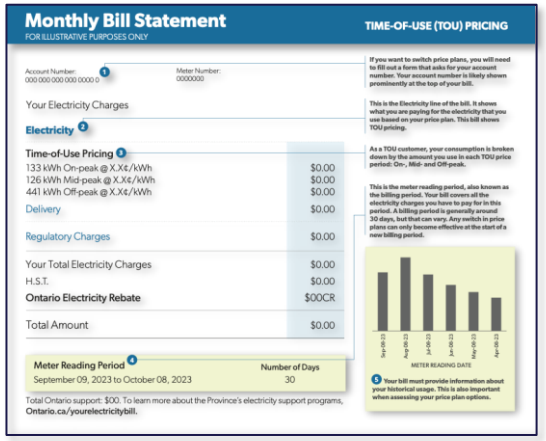
Failure to Collaborate Across Systems: Making unilateral decisions without oversight and not working with government and stakeholders results in difficulties with implementation.

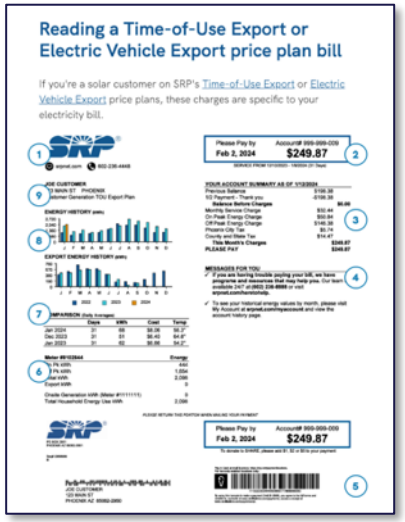
Problem Examples:

Arizona Public Service (initial rollout)

California RTP implementation

The Bill Presentment Story





Across all successful jurisdictions, **clear, simple bill design** was sited as the key reason for success. Customers wanted to see how their rate choice and usage impacted their total cost. Clarity on bill and visibility of impact built trust and engagement.

The best bill examples for demand-based rate options, and what customers liked about them includes the following:

- Ontario (clear breakdown of rate choice and usage impact)
- Salt River Project (one-page design)
- France (color-coded signals)

Key Insight:

Bill clarity was critical for success and built trust (people can opt-in for what they understand). Bill complexity is a foundational barrier to readiness. This would require a province wide billing policy change.

Summary of Critical Success Factors

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Alternative Rate Pilots & Implementation

Success Factors:	Causes of Issues or Mixed Results:
Joint gov/regulator-DFO leadership	Unilateral or siloed oversight
Intensive, tailored customer education	Limited, one-way, or technical communication
Structured (funded) pilots and iterative feedback to provide validation, optimisation	Rushed, untested, or poorly monitored rollout
Simple, transparent rate design	Overly complex, confusing structures
Customer protections (bill guarantees)	Absence of opt-outs or risk mitigation
Ongoing support and responsiveness	Lack of post-rollout education/support
Proactive equity measures	Ignoring vulnerable group impacts

Exploratory Focus Groups with Edmontonians

The Market Context: Four Critical Realities

Billing complexity with cost frustration

The electrical distribution system is not well understood. Aside from a select, highly engaged group, research participants are not well informed on the various line items on their bill (e.g., distribution charges, their use, or how they are calculated). The various line items in the bill are felt to be confusing, with some questioning if it is done intentionally to obfuscate the issues.

Apathy and lack of grid relevance

Grid performance is not perceived to be an important or urgent issue for customers. There are very few examples of electricity grid reaching (or being at risk of reaching) maximum capacity and causing an interruption of services.

Skepticism and lack of trust

There is significant skepticism about utility company motives and the move to advanced rate structures. Current distribution charges and administrative line items are perceived to be “profit lines” and new rate structures are expected to benefit the utility’s bottom line.

Peak demand and consumption rates are conflated and confused

Even after a thorough explanation of the two terms the difference between overall demand and peak demand, are conflated and confused. A conversation will begin discussing peak demand and how to reduce strain on the electrical grid, but the conversation transitions into discussions about how to reduce overall consumption. It was difficult for research participants to understand or focus on how changing when electricity is consumed will benefit the system.

Market Readiness: The market is not ready

Lack of understanding of their role

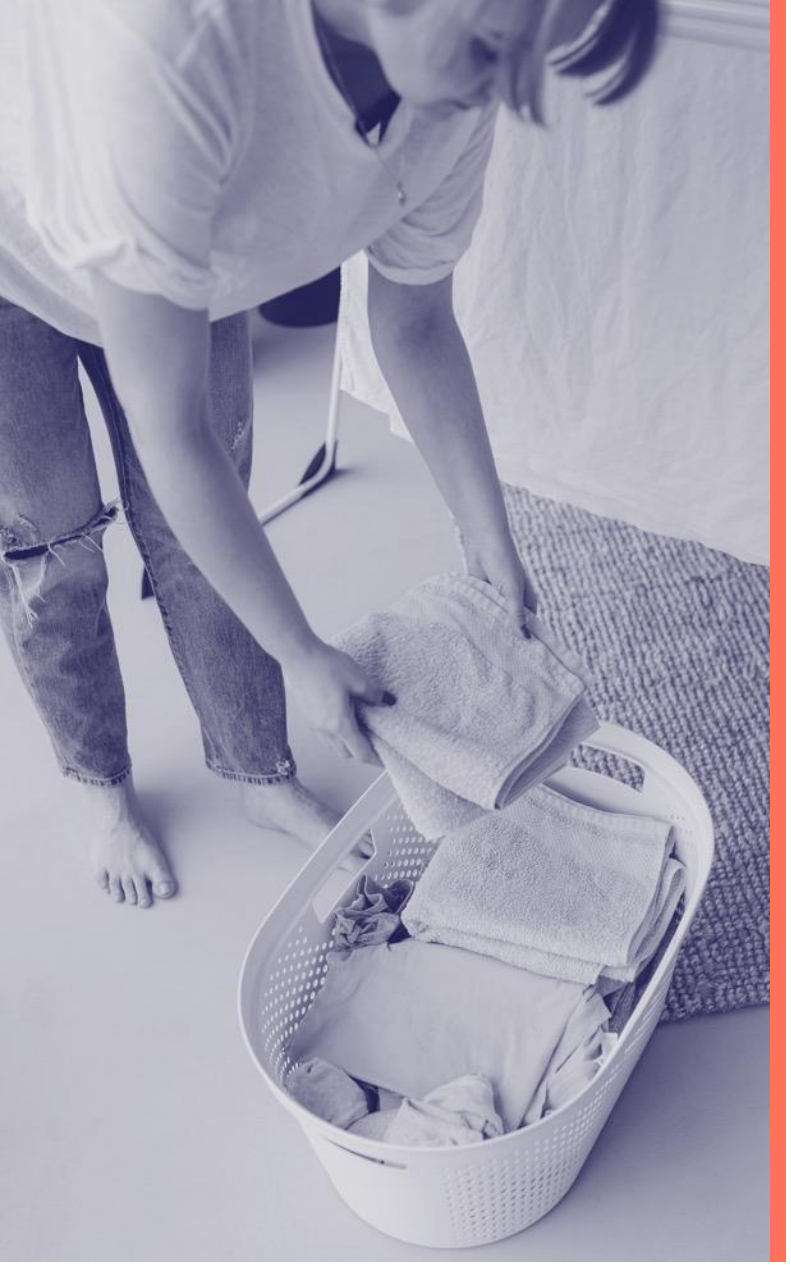
- People don't want to be wasteful and believe they are already being responsible consumers.
- Participants perceive they have little ability to influence their bill overall. Past actions have not resulted in significant differences in cost.
- Lack of awareness of which appliances and activities consume the most electricity.
- Many don't understand how changing when they use electricity will benefit the system and consequently don't see the role they have to play.

Need better and more timely information

- Electricity customers, with the exception of those using solar, do not have access to information that will inform behaviour change.
- Participants indicate they would need more information to better understand the usage patterns in the home and where there are opportunities for meaningful change.

Meaningful motivation & incentives are essential

- Participants indicate that any incentives or cost savings will need to offset the challenges (hassle, stress, or lifestyle impact) of introducing the new rate structure.
- Savings need to be substantial (between $20 to 40 per billing period) to encourage behaviour change.
- Changes to the distribution charge only is not expected to be significant enough to be noticed.
- The opportunity for 'savings' are more influential than 'penalties.
- The people who indicate an interest in changing usage behaviour to reduce pressure on the grid already taken action by investing in solar panels and are monitoring their peak consumption times.



Three theoretical types of demand-based rates were explored with Edmontonians:

DEMAND SUBSCRIPTION

Customers choose a subscription that dictates the maximum demand for electricity they agree to stay below throughout the billing cycle.

TIME-OF-USE

On-peak and off-peak periods are established with different $/kWh prices. On-peak rates are higher. Peak rates may change based on season/ time of year.

PEAK DEMAND CHARGES

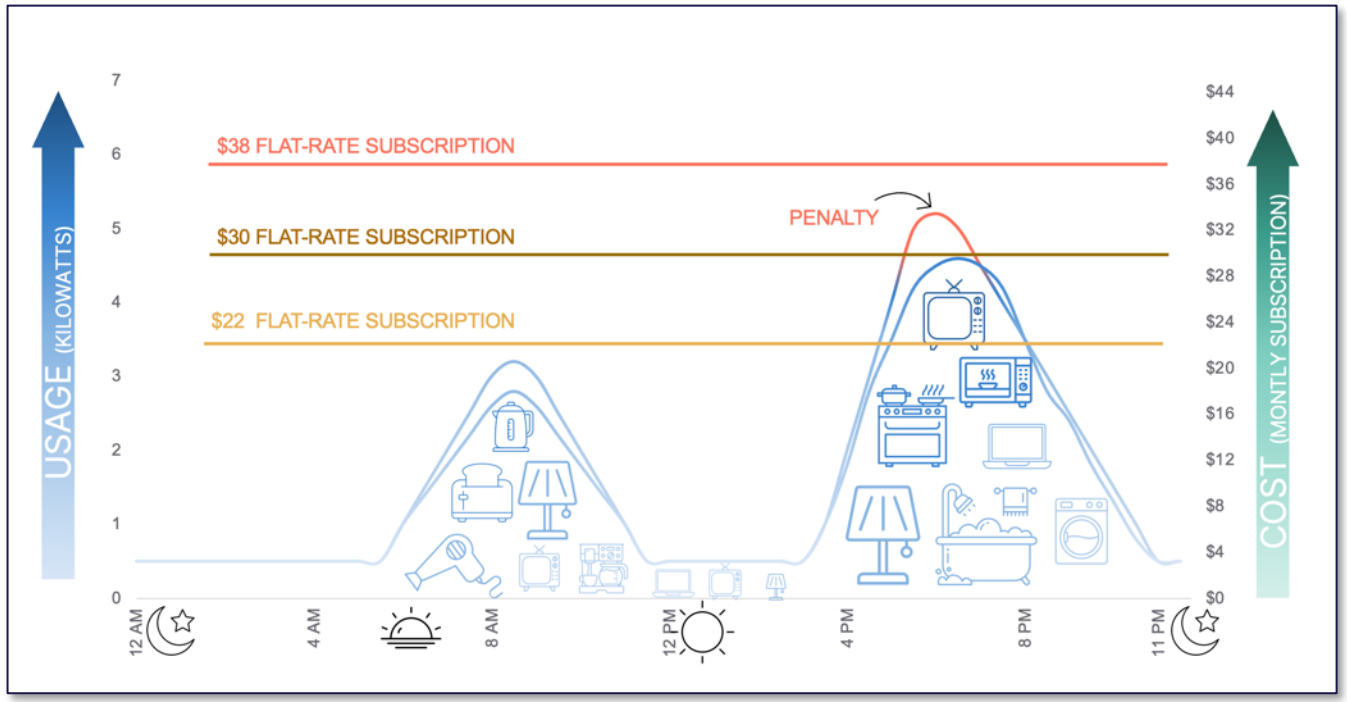
Fees are imposed by the utility provider based on the highest rate of energy consumption during the billing period. In other words, the cost of delivering electricity for the billing period is set based on the moment of the highest metered demand from the billing period. The cost will change monthly based on the peak demand from the period.

REACTION TO THEORETICAL MODELS

Demand Subscription

Rate Description: Customers choose a subscription that dictates the maximum demand for electricity they agree to stay below throughout the billing cycle.

If the customer exceeds that maximum demand level, they will move to the next highest subscription level (or the subscription level that includes the demand level reached in the billing cycle). Each progressive subscription level will have a higher $/kW price.



MODERATE SUPPORT

Pros:

Predictable bills, easier for budgeting.

Feeling of control and ability to choose tiers.

Some see fairness in “pay for what you select.”

Cons:

Anxiety over being penalized for going over by a small amount; concern about lack of credit for unused “allowance.”

No way to monitor usage to see if they are on track to ”go over.”

Reactionary – even small overage will have significant bill implication.

Complexity if tiers are not transparent or adjustable; monthly resets without annual or seasonal smoothing are viewed as unfair.

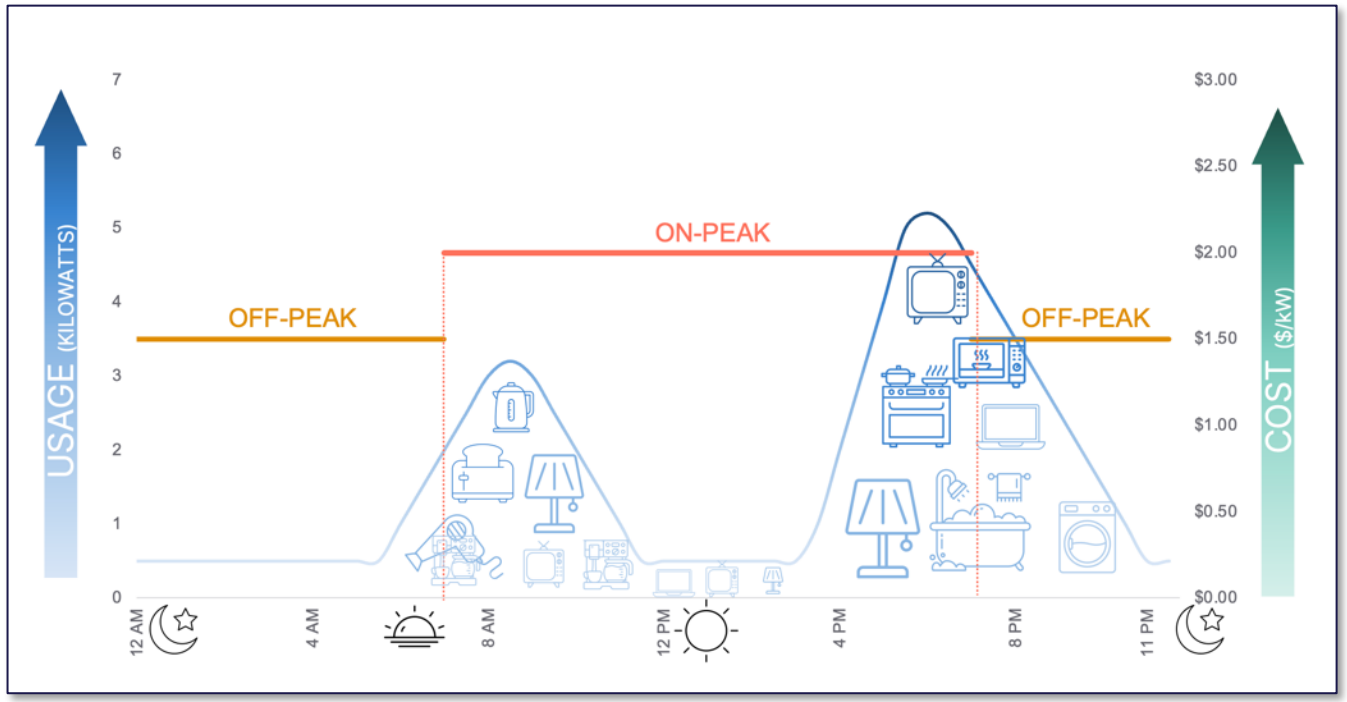
“Sunk cost” fallacy: risk people overuse electricity to ‘get their subscription’s worth’

REACTION TO THEORETICAL MODELS

Time-of-use Rates

Rate Description: On-peak and off-peak periods are established with different $/kWh prices. On-peak rates are higher. Peak rates may change based on season/ time of year.

Monthly bills are based on the amount of energy consumed in each of the on-peak and off-peak periods during the billing cycle.



MIXED SUPPORT

Pros:

Familiar to those with Ontario experience.

Rewards those who can easily shift loads (retirees, flexible workers).

Perceived as slightly more fair, as it provides visible choices/ clear path to managing cost.

Weekend is off-peak.

Cons:

Penalizes shift workers, large families, and those unable to shift loads (families, people with disabilities/ care workers)

Only works if the difference between on- and off-peak is significant enough; but then can feel punitive

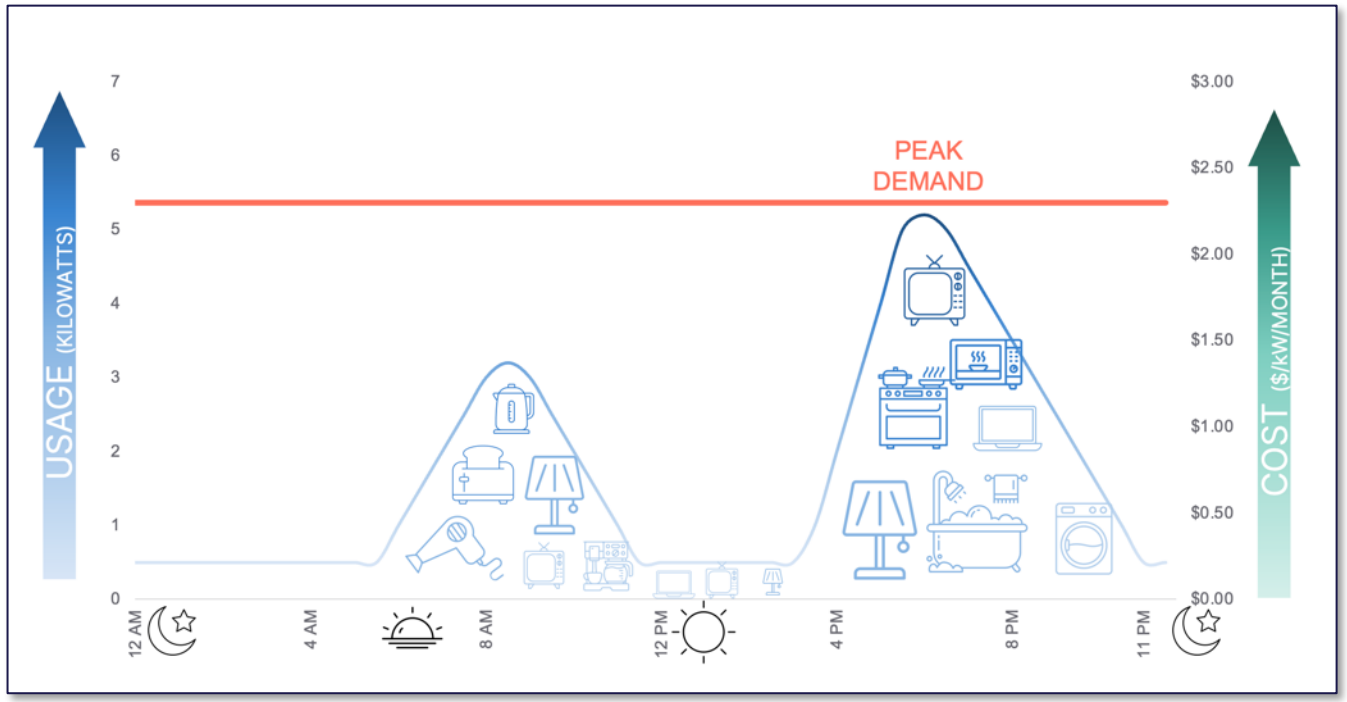
Perceived risk of “herding” of everyone to new peaks.

REACTION TO THEORETICAL MODELS

Peak Demand Charges

Rate Description: Fees are imposed by the utility provider based on the highest rate of energy consumption during the billing period. In other words, the cost of delivering electricity for the billing period is set based on the moment of the highest metered demand from the billing period. The cost will change monthly based on the peak demand from the period.

The cost of delivering electricity reflects the capacity needed by the distribution system (or electrical grid) to meet the customer's peak demand.



LEAST POPULAR

Pros:

Incentivizes spreading usage and can help grid stability conceptually.

Cons:

Deeply unpopular; seen as punitive—one spike (e.g., extra AC during a heatwave) can ruin a month's bill.

Perception that they cannot plan/ budget – expect significant fluctuation.

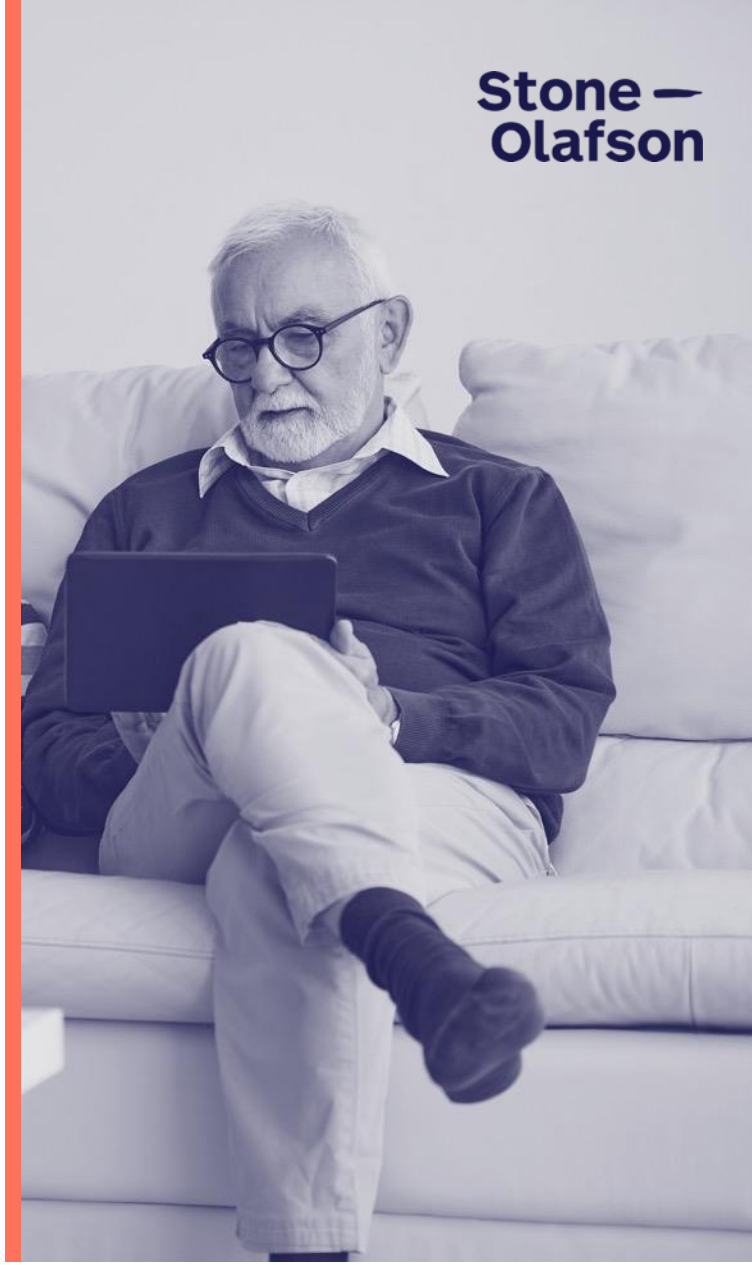
Removes sense of control; penalizes for unavoidable needs.

Not aligned with consumer understanding of fairness. Creates stress and unpredictable bills

REACTION TO THEORETICAL MODELS

Summary

Structure	Reception	Key Insight
Demand Subscription	Moderate	Offers predictability but anxiety about penalties
Time-of-Use	Mixed	Familiar to some; unfair to shift workers and families
Peak Demand Charges	Least Popular	Seen as punitive; removes sense of control



Fairness is central to customer acceptance

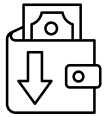
Participants want rate structures that don't disproportionately burden those with less flexibility or financial cushion.

Audiences Most Concerned/At Risk

SHIFT WORKERS
Cannot shift usage to off-peak hours

LARGE FAMILIES
Higher baseline consumption, less flexibility

PEOPLE WITH DISABILITIES & CAREGIVESR
Medical/care needs are non-negotiable



LOW-INCOME HOUSEHOLDS
Bill volatility creates financial stress and hardship

RENTERS & APARTMENT DWELLERS
Limited control over major appliances or building systems

What Edmontonians Need for "Fair" Rates

1. Transparency – clear explanations of charges, calculations, and how to reduce costs
2. Control & tools – real-time usage data, monitoring apps, bill comparisons
3. Rewards over penalties – discounts/rebates for good behavior, not just fees for spikes
4. Protections – bill guarantees, opt-outs, and safeguards for vulnerable customer
5. Predictability – stable, understandable structures that support budgeting (particularly critical with high inflation and modest income growth)
6. System-wide implementation – industrial/commercial users included, not just residential

Key Insight:

Fairness = transparency + control + protection.

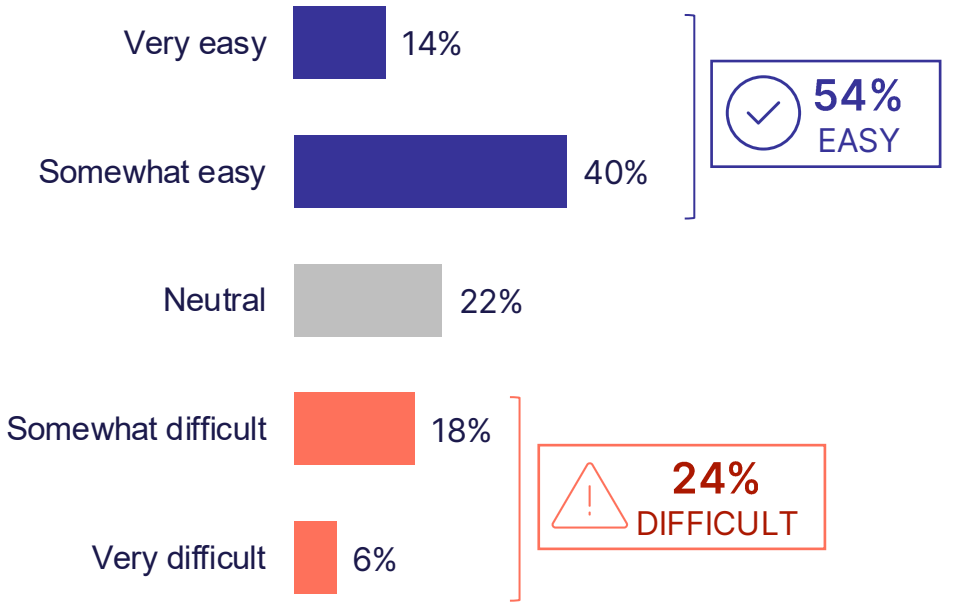
Edmontonians will accept advanced rates only if they understand them, have tools to manage them, see rewards (not just penalties), and trust that vulnerable customers are protected. Without equity measures and real-time support, alternative structures will not be trusted.

Quantitative Validation

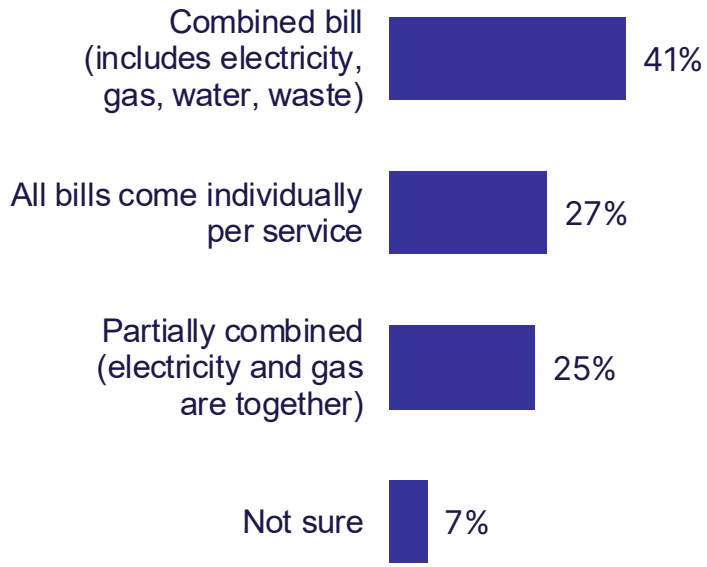
Bill Understanding - The Readiness Foundation

Roughly half of Edmontonians feel their bill is easy to understand, though only 14% indicate ‘easy’. Further, one quarter of Edmontonians find their bill ‘difficult to understand’. Those who understand their bill are - more likely to have positive views about alternative rates.

Bill Understanding is Mixed



Most bills are combined



Base: All respondents (n=641)
Q9. How easy or difficult is it to understand your bill and use it to impact usage or cost?
Q5. What type of electricity bill plan do you have?

Knowledge and Perceptions of Electrical Grid Peak Demand Risk are Mixed

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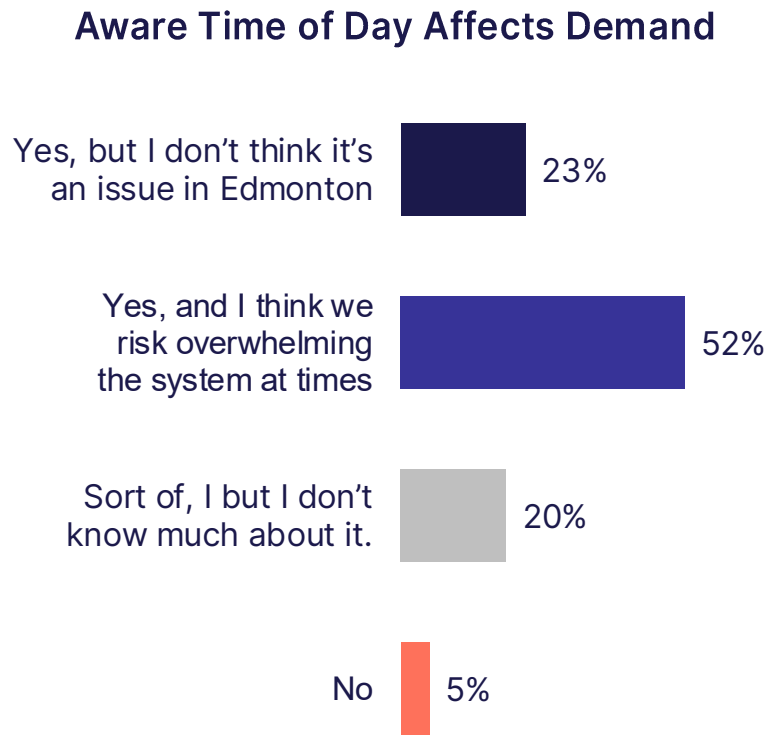


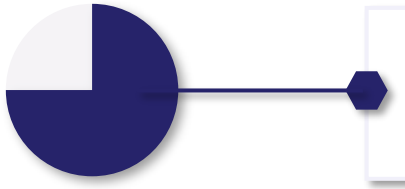
Nearly half (48%) of Edmontonians are unaware that the grid is at risk of being overwhelmed

Younger demographics (18-34) are much less aware

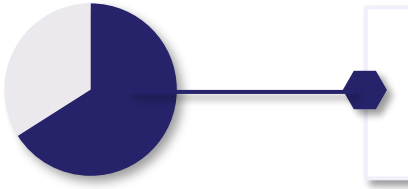
Key insight: Messaging about grid needs won't resonate uniformly.

Base: All respondents (n=641)
Q13. Are you aware that electricity use at different times of day affects overall demand and electricity grid management?

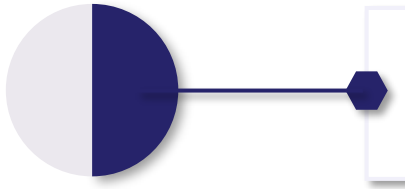
More Edmontonians are more aware of grid management than alternative rates



75% of Edmontonians are aware that the time of day can affect grid management.



66% of Edmontonians are aware that advanced (or smart) meters exist.



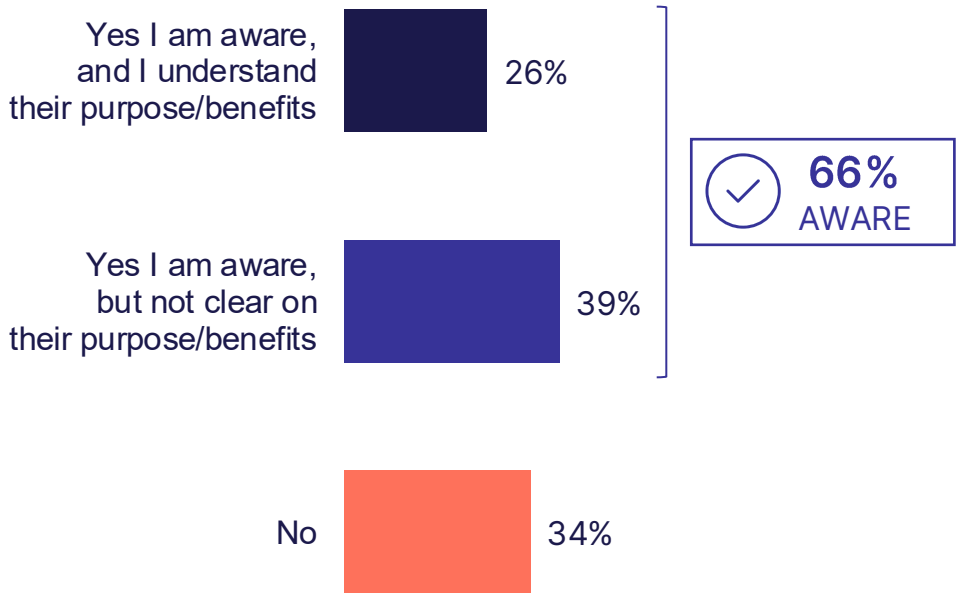
50% of Edmontonians have heard of alternative rate structures, where cost can vary by time of use.

Base: All respondents (n=641)
Q13. Are you aware that electricity use at different times of day affects overall demand and electricity grid management?
Q14. Are you aware that advanced electrical meters (or smart meters) exist, and understand their purpose/benefits?
Q15. Have you heard of alternative rate structures where electricity cost varies by time of day, season, or use?

Awareness does **NOT** mean understanding

The majority of Edmontonians have some awareness of advanced electrical meters, although fewer understand their benefit or purpose. However, those aged between 35-54 tend to understand these benefits more often. Further, those who have a higher degree of bill understanding are also much more likely (33%) to understand the benefits of smart meters.

Aware of Smart Meters and Their Purpose



Base: All respondents (n=641)
Q14. Are you aware that advanced electrical meters (or smart meters) exist, and understand their purpose/benefits?

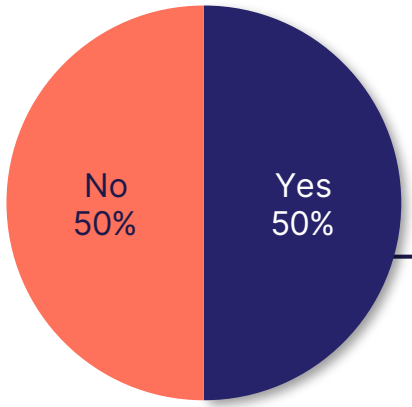
Those who find their bill easy to understand are more likely to have positive perceptions of alternative rate structures

Alternative Rate Structures have the lowest degree of awareness compared to grid management, and smart meters. Those who live in more central locations tend to be less aware than other quadrants of the city, potentially due to the higher volume of renters and attached housing units.

Those who have a greater understanding of their bills are slightly more likely to be aware of Alternative Rates (56%) compared to those who find it more difficult (40%).

Aware of Alternate Rate Structures

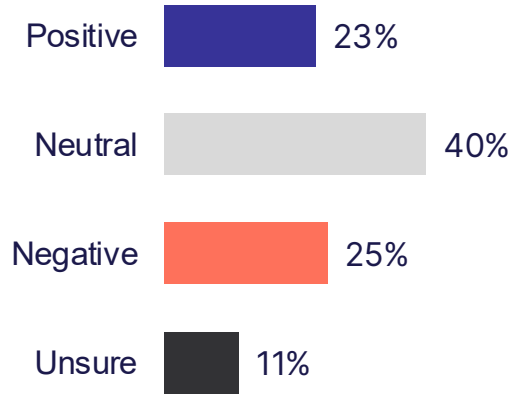
COST VARIES WITH TIME OF DAY, SEASON, USE



More importantly, of those who are aware of alternative rate structures, those who find their bill 'easy to understand' are far more likely to indicate positive perceptions. Similar to awareness, those who have a greater understanding of their bills are also more likely to have positive perceptions of advanced rate structures (27%) vs. those who find it difficult (16%)

Perceptions of Alternative Rate Structures

OF THOSE AWARE



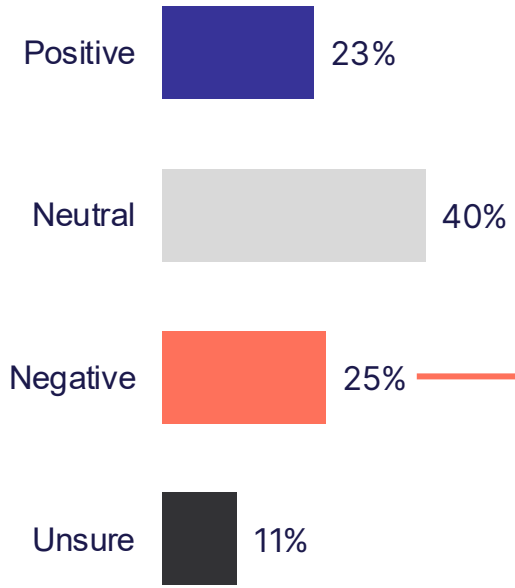
Q15. Have you heard of alternative rate structures where electricity cost varies by time of day, season, or use? Base: All respondents (n=641)
Q15A. What is your overall perception of alternative rate structures that varies by time of day, season, or use? Base: Aware of alternate rate structures (n=323)

Negative perceptions of alternative rate structures are driven by trust issues

Concerns of alternative rate structures primarily revolve around price gouging and corporate distrust. Edmonton residents question the motives of utilities companies thinking they are the ones who will ultimately benefit.

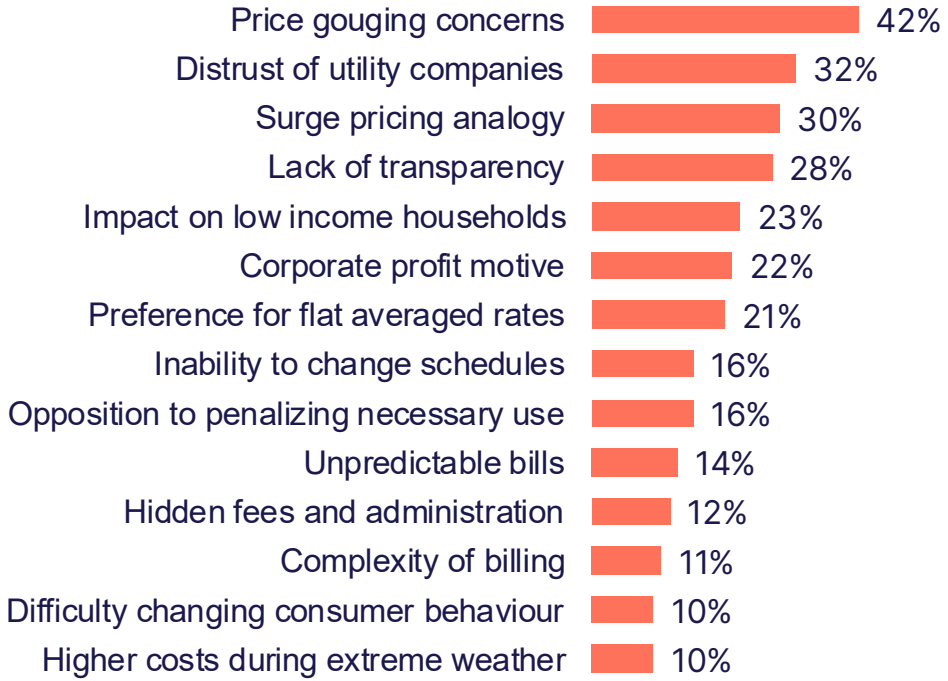
Perceptions of Alternative Rate Structures

OF THOSE AWARE



Reasons for Negative Perceptions

MENTIONS OF 10% OR MORE



Q15A. What is your overall perception of alternative rate structures that varies by time of day, season, or use? Base: Aware of alternate rate structures (n=323)
Q15B. Why is your perception of alternative rate structures that varies by time of day, season, or use negative? (n=81)

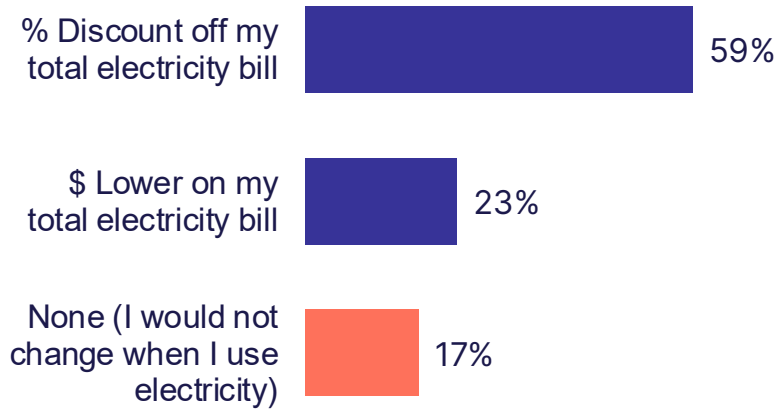
What would motivate demand management behaviour?

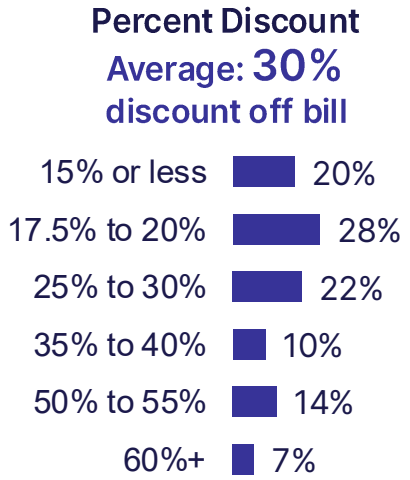
85% of decision makers claim they would change their behaviour if that behaviour saved them enough money. The minimum acceptable savings: **$52 per month for an average single family household, OR a 30% discount on distribution charges.**

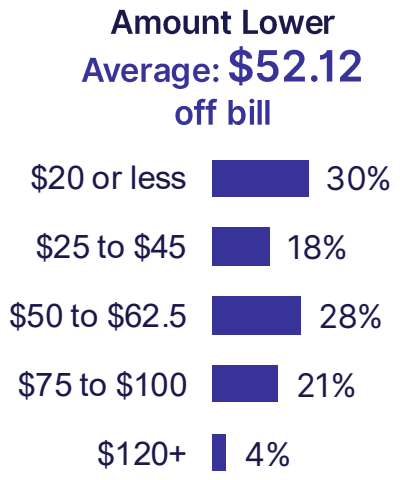
Important nuance: Smaller incentives ($10) won't overcome inconvenience

Preferred messaging: Framing as % discount (feels more transparent) vs. dollar amount

Level of Cost Savings that Would Encourage Power Management

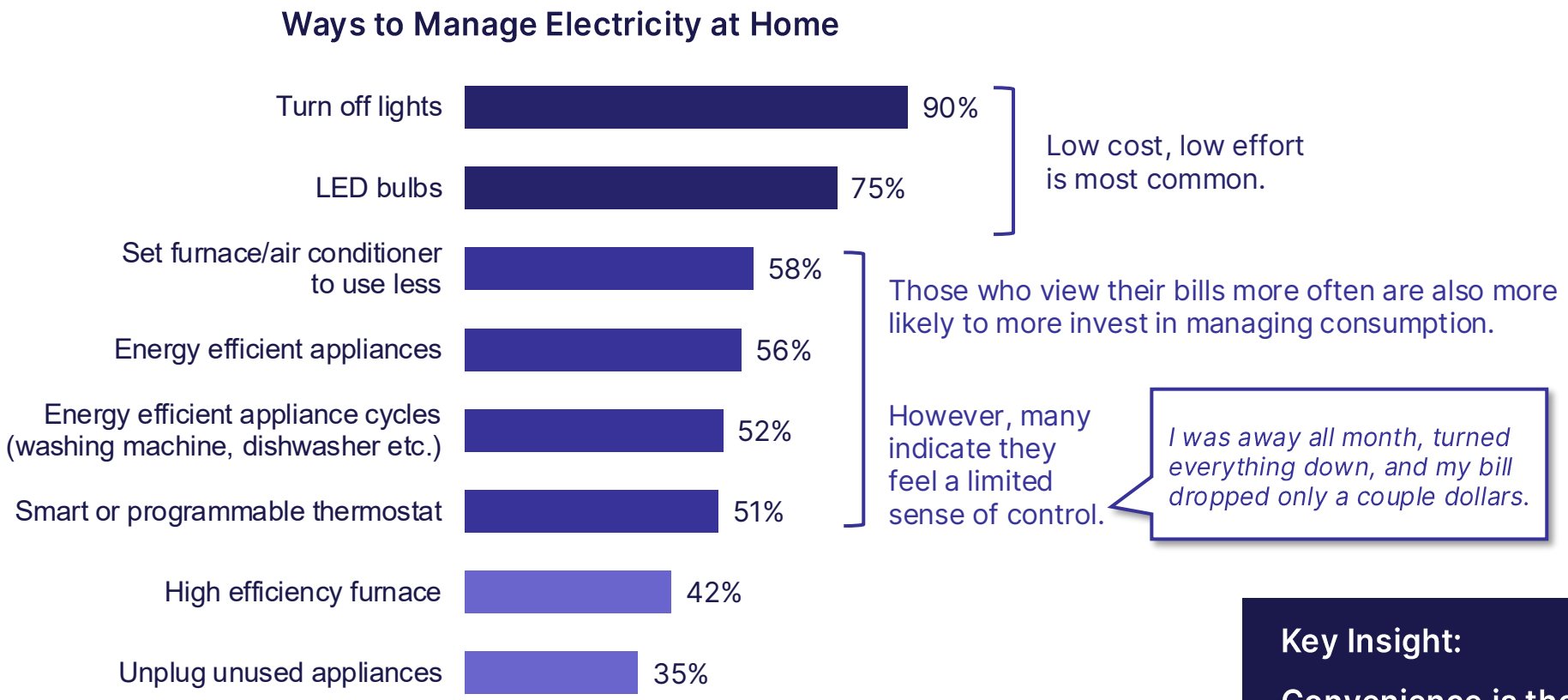






Base: All respondents (n=641)
Q20. What level of cost savings would encourage you to manage when you use electricity in your home? (n=141)

Behavioral Capacity – What Edmontonians are doing to manage electricity now



Key Insight:

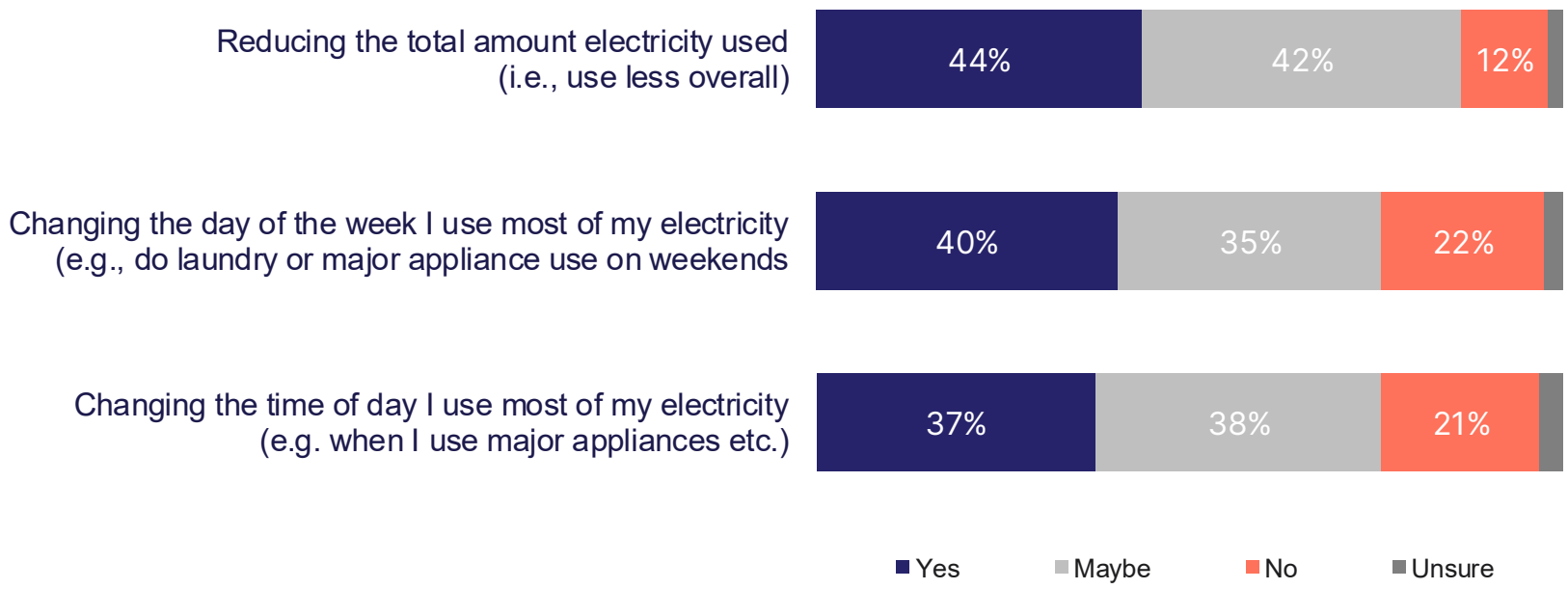
Convenience is the #1 barrier to behavior change.

Base: All respondents (n=641)
Q11. Which of the following, if any, do you use to manage electricity at home?

Most Edmontonians would at least consider modifying behaviour to impact electricity use

While reducing the total amount of electricity used in the home overall is the most agreeable to Edmontonians, changing their usage per day or time are still within their consideration to change (day of the week slightly more acceptable). This is also relatively balanced among all Edmonton residents with little demographic variation.

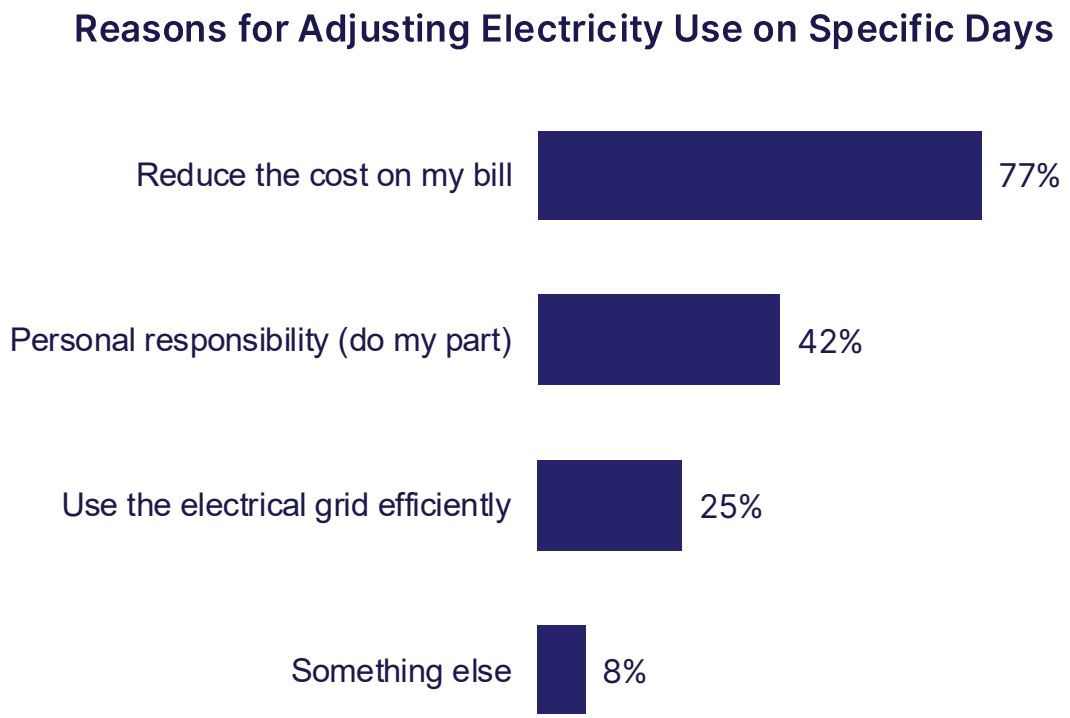
Household Electricity Considerations



Base: All respondents (n=641)
Q17. Which of the following would you consider for your household electricity use? Would you consider...?

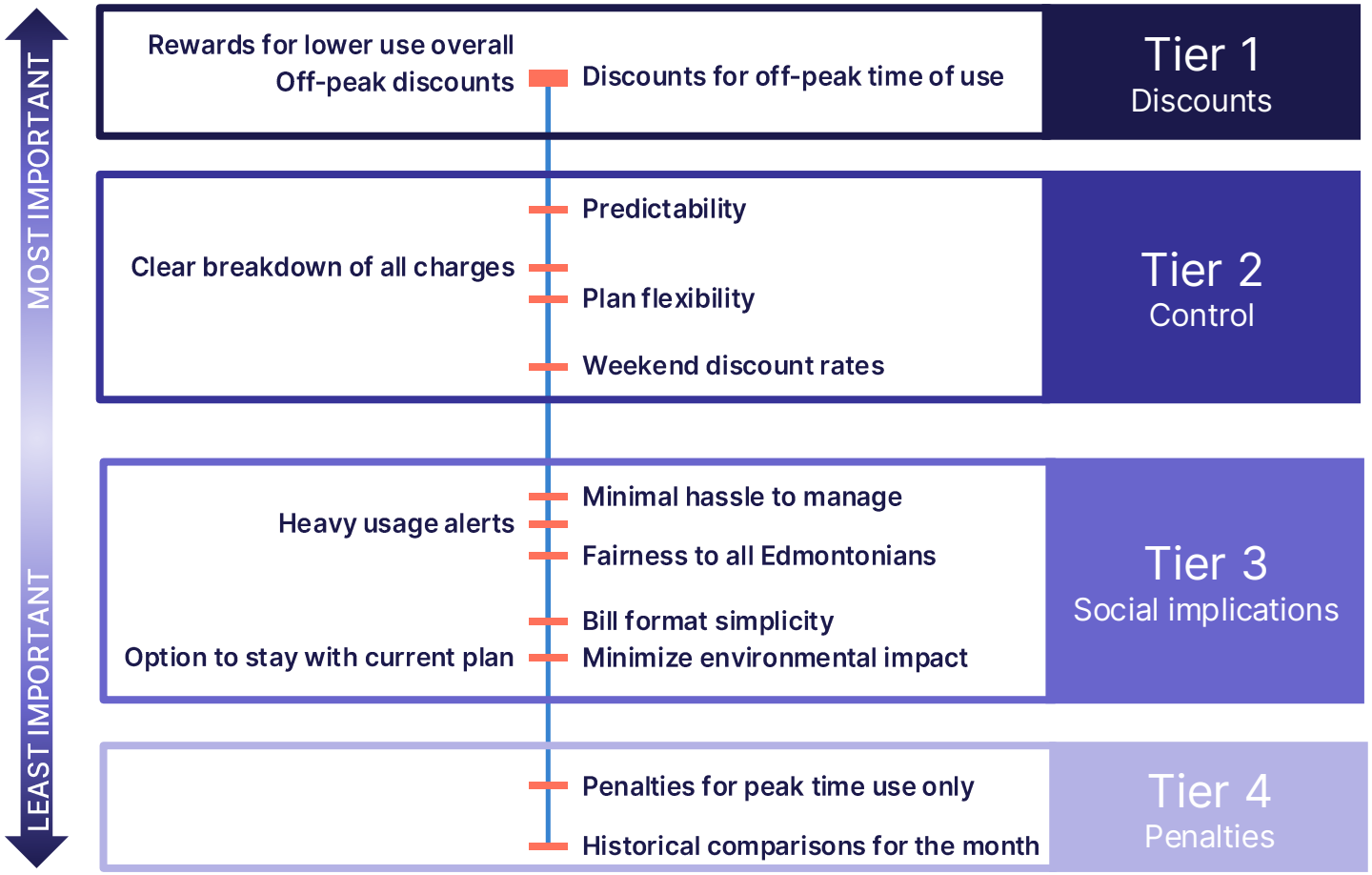
Common reasons *for* adjusting electricity usage

Reasons for Edmonton residents to make usage adjustments on specific days primarily revolve around reducing the overall cost of their bill. A quarter of Edmontonians record efficient use of the electrical grid as a main reason to adjust their consumption habits.



Base: All respondents (n=641)
Q19. What are main reasons you would adjust when you use electricity (specific times of day or days of the week)?

Edmontonians' priorities for an alternative rate structure



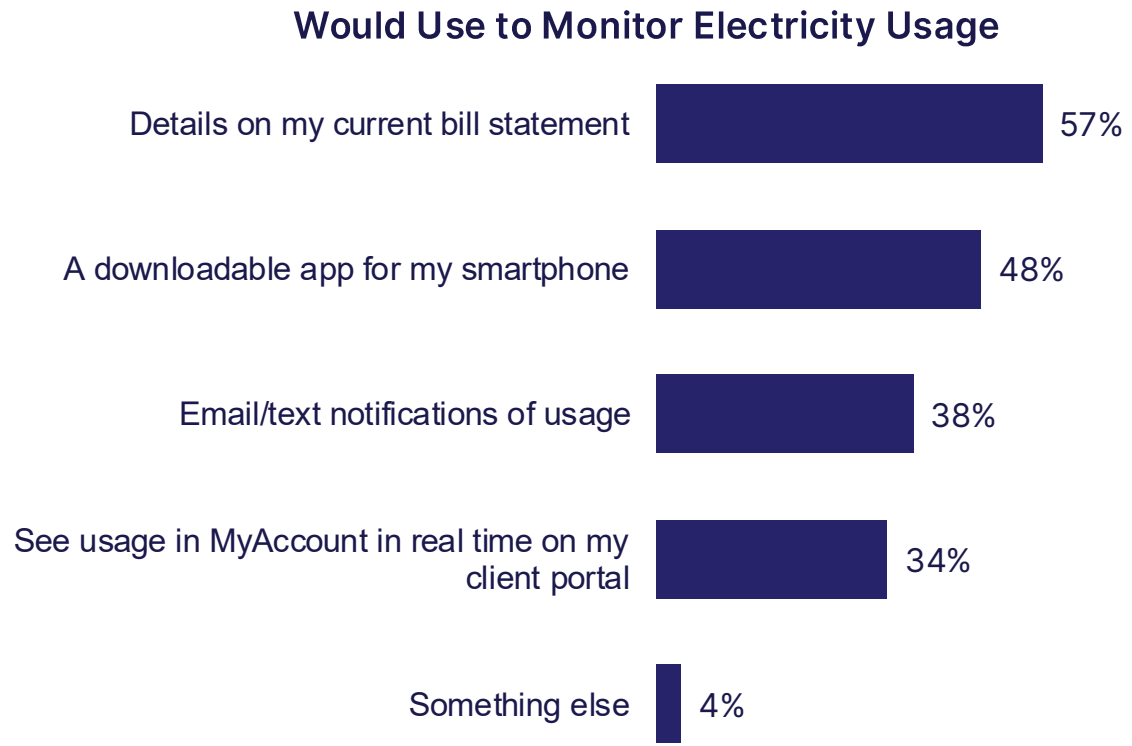
Overall, discounts and rewards are preferred 3 to 1 compared to structures with penalties.

Predictability ranks second to cost savings.

Based on other related EPCOR work, we have seen the importance of predictability increase in tougher economic times. Surprise bills are particularly unwanted.

Most preferred methods to monitor electricity usage

A majority of Edmonton residents would monitor their usage through their current bill statement and/or through a downloadable app. Older demographics tend to prefer the bill statements, while a downloadable app is the most preferred method for youngest demographic (18-34).



Base: All respondents (n=641)
Q22. Which of these, if any, would you use to monitor and manage your home electricity use?

Distilling It All Down

Three Key Tensions We Discovered

1

Knowledge vs. Action

Customers are somewhat aware of the need but are not confident they can make a difference

2

Intentions vs. Skepticism

Moral desire to "do the right thing" conflicts with suspicion (Will it cost more? Is this fair?)

3

Savings vs. Convenience

People need substantial savings to justify lifestyle changes (and there is baggage – attempts they have made in the past have not resulted in strong savings)

Why This Matters - The Readiness Gap

Global Evidence Says:
Successful implementations require community buy-in, clear communication, transparency, and careful design.

Edmonton's status: Low baseline understanding, skepticism, and modest sense of urgency.

The implication: Jumping into alternative rate implementation without groundwork will likely not be successful (as most other jurisdictions have found).

What We Know:
Advanced rates CAN work – but not by accident.

What Edmonton Needs: Intentional groundwork, authentic stakeholder and customer engagement, and phased implementation.

What Success Looks Like: Customers feel informed, respected, and able to influence their costs, grid efficiency improves, and fairness is preserved.

Edmontonians Engagement Priorities

Communication: Two-way engagement throughout development to understand customer needs and barriers

If advanced rate structures are considered, continue to engage with customers during the exploration stage to understand their motivations and barriers. Use that understanding to inform how any potential options could be designed to be easy to understand, monitor, and align with customer needs. If rate changes were to be explored, develop educational materials to explain:

- Distribution and transmission: infrastructure (what they are) and system costs (why the fees are needed / what they are used for, specifically including repairs, maintenance, and system expansion)
- How managing peak consumption levels could improve grid stability
- How increased system efficiency (reduced peak demand levels) could help delay the need for grid expansion
- Potential bill format improvements that show comparisons to past usage and clearer explanations of what line items mean

Support customers to make informed decisions

Communication on ways to reduce peak consumption and generally conserve (what efforts or activities will have the most significant payback)

Provide real-time, detailed, usage data on consumption levels and patterns

Develop online tools or apps for real-time usage monitoring and alerts

Address Equity concerns: Proactive focus on vulnerable populations (low-income, renters, shift workers)

Clear Policy: Joint government/regulator/utility coordination

Similar to what we found in the jurisdictional market scan, research participants don't understand how this could work for, or be implemented by, just one utility company. They expect would be a system-wide change. Thus, it is imperative to coordinate implementation of rate changes across the system, engaging government, regulators and the DFO.

Success Factors Observed in Other Jurisdictions Echoed Edmontonians' Opinions/Desires:

Stone Olafson

Simplified Billing

Simplify. Clearly show how demand-based rates would impact their bill, ideally showing comparisons or having an active calculator tool (best in class execution).

Informed Implementation

Support implementation with education (about grid needs, system costs, infrastructure).

Aligned Communications

Build a collaborative partnership narrative and coordinate messaging (government, regulators, other utilities).

Phased Market Entry

Phased implementation with engaged segments first (e.g., early adopters, EV owners etc.) to demonstrate tangible impact and savings.

Fair Access Safeguards

Address equity concerns proactively (low-income, shift workers, renters).

Digital Engagement

Develop digital tools (real-time usage monitoring app).

Appendix

AKSIS Focus Group Results: Indigenous & Entrepreneur Considerations

Stone — Olafson

Two Primary Concerns:

Bill Complexity & Trust Deficit: Indigenous entrepreneurs and business owners expressed frustration with confusing utility bills and lack of transparency; emotional burden of navigating systems as Indigenous persons feel particularly off-putting.

Equity in Voluntary Systems: The group expressed concerns that voluntary advanced rate structures disadvantage those unable to adjust consumption (shift workers, vulnerable populations)— this would crate an equity gap effectively creating a two-tier system.

Two Primary Recommendations:

Holistic Approach Needed: Participants stressed the need for *systems thinking* that respects Indigenous rights and addresses root causes of energy consumption, not just utility-centric solutions (i.e., strong, thoughtful approach with smart, fully integrated solutions).

Early Engagement Critical: Emphasized importance of diverse perspectives from start to avoid past failures; need for tailored strategies addressing varying user needs.

Key Insights: Fairness is of even greater concern to Indigenous Entrepreneurs, and any solutions should have input. Expectations of entrepreneurs and businesses are that solutions are intuitive, easy to understand, and elegantly designed to work well with systems.

SME Interviews: : At-Risk Individuals & EPCOR Support Requirements

Critical Cautions:

Affordability Concerns: Fixed-income customers are already struggling; many don't reach out until 2-3 months in arrears. The ‘no surprises’ must be certain.

Fixed Charge Burden: High fixed charges mean usage reduction doesn't significantly impact bills—advanced rates on *distribution only* may not provide meaningful savings.

Zero Flexibility Populations: Multiple jobs, shift workers, medical equipment users, large families have no capacity to adjust usage

EPCOR Must Provide:

Substantial Education: Clear communication with realistic savings scenarios and bill simulators

Early Intervention: Proactive outreach before customers fall behind; enhanced payment plans

Sufficient Timeline: Minimum 1-3 years for system changes and customer preparation

Key Insights: The internal teams who face the public and those most at risk are aligned to the general community concerns, as well as the risk areas identified in the early jurisdictional scan. Clarity, real impact, ease, and flexibility for those at risk delivered well and supported with education and planning is key.

Understanding People

It’s what we do.

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