



# Stakeholders Engagement – S3C Project

Executive Report

August, 2015

# Disclaimer

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This qualitative study based on in depth interviews was conducted by TNS for EDP Distribuição on its position as active partner on the work package 5 of S3C, an European Union FP7 funded project. EDP Distribuição developed the Stakeholders Engagement initiative where they tested the tools and guidelines developed by S3C for this effect in the following InovGrid test sites: Alcochete, Lamego and São João da Madeira

In the Stakeholders Engagement initiative, EDP Distribuição tested the following guidelines (which were developed in deliverable 4.1 of the S3C project):

- Stakeholders coalition
- Potential allies on a regional level

## About the S3C project

S3C - Smart Consumer, Smart Customer, Smart Citizen - paves the way for successful long-term end user engagement by acknowledging that one typical smart consumer does not exist and uniform solutions are not applicable when human nature is involved. Beyond acting as a passive consumer of energy, users can take on different positions with respective responsibilities and opportunities. In order to promote cooperation between users and the energy utility of the future, S3C addresses the end user on three roles:

The Smart Consumer is mostly interested in lowering his/her energy bill, having stable or predictable energy bills over time and keeping comfort levels of energy services on an equal level.

The Smart Customer takes up a more active role in future smart grid functioning, e.g. by becoming a producer of energy or a provider of energy services.

The Smart Citizen values the development of smart grids as an opportunity to realize 'we-centred' needs or motivations, e.g. affiliation, self-acceptance or community.

The S3C project (2012-2015) has received funding from the European Union's Seventh Program for research, technological development and demonstration under Grant Agreement No. 308765. For more information on the S3C project, please visit the [project website](#).

# Project Objectives and Methodology

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## Main Project Objectives:

- **To find ways of generating greater engagement of Alcochete Stakeholders with InovGrid project.**
  - To understand how the different stakeholder perceive the energy theme, the InovGrid project and the initiatives done so far by EDP Distribuição in Alcochete
  - To understand stakeholders experience and attitudes towards the project and how they see their role in it
  - To gain access to level of stakeholder's involvement with the project
  - To evaluate the awareness and satisfaction level of the undertaken initiatives
  - To understand how they perceive the role of EDP Distribuição in this project, and what could be done to improve it
  - To find out their perception about the population attitude and perceptions regarding this project, and find ways to engage different target groups / segments of Alcochete population
  - What themes would they like to be approached at the next October conference
  - How they picture the role of EDP Distribuição in the future (new products and services)

## Methodology:

- **10 In-depth interviews (lasting approximately 1h each) distributed in the following way:**
  - 9 IDIs with Stakeholders (City Hall representatives, parish councils, school and foundation)
  - 1 IDI with a consumer

# Key Findings

## Stakeholders' attitude towards energy efficiency

1. Among stakeholders, there are **different degrees of involvement** in **energy** and **environment** related themes.

a) The **highest levels of involvement** were noticed in **environmental related departments of Alcochete's City Hall**. These stakeholders point out **mainly environmental** and **political** gains that derive from the implementation of smart meters.

### Significant environmental gains

- **Save resources** and protects future generations
- **Reduce CO2 emissions** and meet international targets (e.g. Kyoto Protocol)
- **Preserve the rich natural heritage of Alcochete region**

*"Energy efficiency is vital if we want to keep the world around us... Not only to save natural resources, but also to keep our ecosystems and our biodiversity. This is really important for our future generations."*

*"To improve life conditions, cost reduction is one of the main associations, ... but also allowing a better life in the planet and the CO2 reduction is of utmost importance."*

*"80% of our territory is a protected area. And we have to protect it."*

### Economical and political gains

- **Allows the families to save money**, by optimising their electricity and water consumption habits
- **Development of Alcochete region**, by attracting active upper middle class population and visitors
- **Increase Alcochete's visibility** at a national level (a role model)
- **Projection of the executive good work** in finding an optimal balance between respecting nature/traditions and a progressive vision (modernity and innovation)

*"A change of attitude... adopting more environmentally friendly behaviours... This will not only impact on our bills but also at a more global level."*

# Key Findings

## Stakeholders' attitude towards energy efficiency

1. Among stakeholders, there are **different degrees of involvement** in **energy** and **environment related themes**.

b) **Stakeholders that have shown to be less involved** with **these themes focus more on short-term gains** and **immediacy of the results**, remaining the **“saving money”** argument as the **most impactful benefit** of energy efficiency.

A reductionist perspective of energy efficiency

- **Focus on short-term gains** and immediacy of the results
- **Saving money argument remains by far the most impactful**
- **This can be caused by the lack of information or interest**

*“Saving money, turning off the lights.”*

*“Changing old habits... of having everything connected at the same time and consuming energy.”*

Little sensitivity to the importance of environmental sustainability (focus in near future)

- **Less sensitive to non monetary, less tangible gains** – like protecting the environment and saving natural resources
- **A distant concern**, somebody else’s problem, they have more important daily concerns to think about

*“We have a long way to go, it’s very difficult to awake a global conscience among the citizens.”*

# Key Findings

## Stakeholders' attitude towards energy efficiency

2. Despite this, **all stakeholders feel** that it is **crucial to develop a closer work with the population to increase its environmental and energy-saving consciousness**. **Alcochete City Hall** developed a **lot of initiatives to be closer to the population, some of them together with EDP Distribuição**, with a **special focus on children**, who play a major role in bringing home information and changing behaviours. An example is the **successful case of recycling adoption by Portuguese families**.

**European Mobility Week**  
(together with S. Energia)

- People have fun using alternative means of transportation;
- Attracts the whole family;



*"All the initiatives that took place during the European mobility week... we had bicycles and non polluting means of transportation, we exchange garbage for public transportation tickets so that people use them more often... People liked it a lot, it was a major success."*

**Activities for children**  
(all year)

- There are several activities for children: games to allow for environmental education, recycling, vegetable garden, children's day commemoration activities;

*"Kids love the day without cars, they make their parents mark it on their agendas."*

**S3C Gamification platform**



- Immediately comes to mind as a positive initiative among stakeholders in the education area;
- City Hall has recently communicated the game at the children's holiday camp and it seems to appeal to younger children.

It's important to **involve children** when aiming to a greater change of behaviour.

*"The best way to get the parents involved"*

# Key Findings

## The present of InovGrid project

3. Overall, **EDP Distribuição is seen as major partner of Alcochete City Hall** and the **InovGrid project is a good example of this fruitful partnership**. This is recognized as an important project as it can leverage the image of the region and also the daily life of its people.
- a) Current City Hall executive team welcomed the InovGrid project and acknowledged its importance as an opportunity of development for Alcochete region since its very beginning.



InovGrid:

- Allows for economic development – nature friendly tourism and a nice residential area near Lisbon;
- Projects a pioneer image of the council;
- Differentiate Alcochete when applying to European funds or public project financing.

*“We have an excellent relationship with EDP Distribuição.”*

*“InovGrid is, without a doubt, an added-value for us, a state of the art that fully fits the City Hall strategy.”*

*“The InovGrid project is an asset, we are the first Council of Lisbon Metropolitan area to take part in the InovGrid Project.”*

*“Conveys a positive image of the Council.”*

*“EDP Distribuição looked at us as a county that had all the necessary characteristics to launch this project in its entirety (...) A good vision EDP Distribuição had with regards to Alcochete and that we welcomed promptly.”*

# Key Findings

## The present of InovGrid project

b) Specially among those who know better this project, **InovGrid is seen as an innovative and worthwhile project**. Its positive impact can and is expected to reach the people's daily lives.

- By implementing the future of electricity meters (EDP box), Alcochete people are one of the very first to **gain access to several advantages**:
  - **Saving money** through a more rational consumption of electricity greater awareness of energy waste;
  - **Convenience** – the electricity consumption readings are now automatic with no need for estimates.
- Besides this the project helps the City Hall executive team to school the population in adopting more eco-friendly and overall rational behaviours
  - A **more rational usage** of resources (in this case electricity)
  - Leverages in the common citizen a more **environmental responsible attitude** which benefits all
- **Also, means greater satisfaction** of the population regarding their representative's decisions. And in last instance, the opportunity to be chosen as well in the next electorate.

*"There is a big change of concepts, from a passive to an active role... we consumers play an active role in our energy consumption, and we must make choices in order to reduce it, we (consumers) have a more decisive role..."*

*"It's a project that teaches consumers... makes them more disciplined and checking their consumptions."*



# Key Findings

## The present of InovGrid project

4. The **installation of the EDP Boxes** (smart meters) was a **landmark of this project**, and **it's benefits are well recognized**: the **EDP Box provides a greater control over expenses, it allows the customers to change their contracted power and make other contractual changes online**; and it is **expected to enhance the quality of service** in terms **electricity supply** (with less power cuts); it's a **sign of progress and vision**.



- Real time consumption readings is the most notorious advantage among the population.
- **It is quite valued:**
  - less effort (it's done automatically);
  - provides a greater control over expenses and means the end of unpleasant surprises with the electricity bill.
- **At a different level, it's also a sign of progress and vision.**

*"The main advantage is real time consumption readings because estimates can be disturbing. A significant percentage of people lives on a tight budget."*

- Being able to **change contracted power and making other contractual changes online.**
- **Having a greater control** as a consequence of monitoring the household energy consumptions.
- **Also allows to offer a better quality service in terms electricity supply (with less power cuts).**

*"These are more advanced and it's going to affect only people more comfortable using new technologies..."*

*"Have greater control over the energy consumptions and adjust according to times of greater consumption..."*

*"Smart Grids allow a greater control of the power cuts... and they can quickly solve the problem."*



**Main advantage**



**Change contracts online**



**Greater control**



**Quality of service**

# Key Findings

## The present of InovGrid project

5. There are however **some challenges with the project roll out that need to be addressed**, namely the **City Hall feels that they could have a greater role in answering to population doubts**, about the **current status of meter installation**.
6. Among the **population** the issues that occur are mainly **related more with the meter installation moment, and the fact that sometimes the person in the household that is responsible for the energy contract is not home** in the moment of installation. Other issues are related with **people not paying attention to the distributed leaflets**. In sequence, some **people feel like they don't have enough information and create some false expectations, that ultimately can't be fulfilled**. The message of **potential money saving through changing habits wasn't understood in its fully meaning** by the whole population. Some people were expecting to reduce costs, even without changing behaviors.
7. Regarding **stakeholders role there's clearly two different levels of involvement with InovGrid project**, depending **on the information stakeholders have about the project and also the degree of direct contact with EDP Distribuição**.
  - a) City Hall and stakeholders in more regular and direct contact with EDP Distribuição refer a very positive and open relationship.  This group of stakeholders **reiterate the good partnership with EDP Distribuição** and refer a close and quite informal relationship:

- An easy and informal contact that facilitates communication.
- EDP Distribuição is a partner in more than one City Hall initiative (see it as a long-term partnership);
- The help to install the public LED illumination established a good solid path and stakeholders expect more and more synergies in the future.

*"EDP Distribuição has been a good partner, we meet periodically and exchange impressions at the highest level, they are very receptive and I think they like coming to Alcochete and talk to us as well."*

*"We have been working quite well together, it has been an excellent partnership, we are very articulated ... There's not an institutional weight attached, we just pick up the phone and talk."*

*"We feel that EDP Distribuição has good will and there's, above all, mutual trust. And this is fundamental."*

# Key Findings

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## The present of InovGrid project

Other stakeholders who report to not having a frequent relationship with EDP Distribuição are open to increase their level of participation in the project as they feel that they can have an important role on reaching the population.

8. And in fact, **achieving a positive word-of-mouth towards this project greatly depends on a well-organized closeness policy**. Alcochete is a very traditional and cohesive council, people have the habit of directly approaching their elected representatives and tend to trust them more than other (non local) institutions. This behavioural trace is seen in smaller cities and communities throughout Portugal, were people really tend to buy-in to participate in a project if it is promoted by their region/city local institutions.
9. Regarding the **specific initiatives done so far by EDP Distribuição, overall they are seen as positive**.
  - a) The **“Information Session” that EDP Distribuição organized was considered to be useful because it allowed people and less involved stakeholders to get more information and to clarify some misunderstandings**.
  - b) The **“S3C gamification platform” is seen as useful in terms of educating the population since children can be a real help when comes to introducing new habits and more energy efficient behaviours in the family**.

# Key Findings

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## The future of InovGrid project

10. As a **future step of InovGrid project it's important to increase the information, within the population, by clarifying when will the meters be fully operating and enhance the meter's functionalities by reminding them of the advantages for their daily life's; by making sure they understand well the advantages that the new meter provides; by using clear and simple messages; by making them feel safe** (as there is also some degree of anxiety towards any change).
11. **Increasing stakeholders engagement is basically a matter of a more frequent and systematic feedback and a continuous support. Stakeholders expect to be constantly informed and involved in what is happening and in what is planned to happen. They welcome EDP's participation in other planned initiatives and other projects and feel it's important to acknowledge** their relevant contribution to this project.
12. **Increasing the population engagement requires a multidimensional strategy: to be close and clear are the key words.** It's important to promote a **policy of closeness, by organizing several small information sessions at parish councils, City Hall departments with direct contact with the population, local collectivities and neighbourhoods.** Also, local stakeholders can help to bridge the relationship between the population and EDP Distribuição, specially after the installation of the meters to let them know what are the most relevant and frequent questions that stand out.
13. And **on other hand, it's important to be clear in order to attract people and inform them in a light and pragmatic way. Introduce InovGrid project in some school disciplines** (Geography, English, project area) and **activities**, across all year, including the smaller children, could be also an option to optimize the effects of this project.



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