

SUMMARY REPORT

Knowledge, Awareness and Opinion Research

- Public Telephone and Online Survey Results
- Community and Business Leaders Survey Results

July 2011

**YUKON
ENERGY**



Prepared by Aasman Brand Communications and Andrew Hume and Associates Ltd.

TABLE OF CONTENTS

SECTION I (Public Research)

Introduction	3
Research Goals	3
Research Objectives	3
Research Methods	3
Respondents by Community	4
Summary of Key Findings	5
Engagement and Interest in Energy Issues	5
Knowledge/Awareness	5
Views and Perspectives	6
Public Confidence	7
Preference for Alternative Energy and Conservation	7
Willingness to Pay for Alternative Sourced Energy	8
Communications and Awareness	9
Desire for Change	10
Consumption and Future Demands	10

SECTION II (Community and Business Leaders Research)

Introduction	11
Research Goals	11
Research Objectives	11
Research Methods	11
Summary of Key Findings	12
Confidence Indicators	12
Past Experience and Future Reliability of Power Supply	12
Support for Alternative Sourced Energy	13
Willingness to Pay for Alternative Sourced Energy	13
Awareness of Yukon Energy Projects	14
Sector Response	14
Summary of Comments	15

SECTION I (Public Research)

Introduction

Telephone and online surveys were conducted throughout Yukon communities in January and February 2011 as part of a Phase II research initiative. The overarching intent of this research is to provide the Yukon Energy Corporation with reliable information relative to the knowledge, awareness and views of Yukon residents toward the corporation and current and future energy needs.

The research was also designed to identify the knowledge of Yukoners concerning energy issues and strategic alternatives and actions of Yukon Energy toward achieving a clean, reliable and economically viable energy future.

Several of the survey questions paralleled questions asked in telephone and online surveys conducted in Phase I research (May-June 2010) to identify changes in knowledge, awareness and view of Yukoners concerning energy related issues.

Research Goals:

1. To provide Yukon Energy with reliable information relative to the knowledge, awareness and views of Yukon residents toward the corporation and current and future energy needs.
2. To identify knowledge levels of Yukoners concerning Yukon energy issues and strategic alternatives and actions of Yukon Energy toward a clean, reliable and economically viable energy future.

Research Objectives:

1. To identify changes in knowledge and awareness around key energy needs, issues and experiences.
2. To identify awareness of various information campaign components initiated between Nov. 2010 and Jan. 2011.
3. To identify recall of core messages provided through campaign materials.

Research Methods

A combination of telephone and online surveys and pulse polls were conducted with the Yukon public in communities throughout the Yukon in February-March 2011.

The survey methods covered a range of questions on energy related issues affecting Yukoners.

This report focuses on the results of an online survey and a telephone survey undertaken in early 2011 and compares some (benchmark) responses from telephone and online surveys undertaken in Phase I (May-June 2010).

The online survey was promoted through a communications campaign using traditional and online media and information delivered to Yukon households. An incentive was offered to enhance survey participation.

The telephone survey used a randomized process in selecting individuals in several Yukon communities.

A series of pulse polls were also used. Pulse polls were published in the online edition of the Yukon News and on the Yukon Energy website. This method was designed to gather quick snapshot, top-of-mind responses to a few key issues and formed part of Yukon Energy’s public communications initiatives. Pulse polls were also used to promote the online survey. While pulse poll responses are reported, they do not form part of the formal research analysis in assessing current knowledge and awareness.

To achieve an overall confidence level of 95% Yukon Energy wanted to hear from 380 respondents. In total 563 Yukoners responded to the telephone (174) and online (389) surveys. The series of pulse polls received a total of 849 responses.

Respondents by Community

Online Survey

The online survey captured 389 respondents. Eleven Yukon communities participated. Some respondents did not indicate their community of residence. Identified response communities included:

Whitehorse:	303	Carcross:	3	Old Crow:	1
Dawson City:	19	Dest. Bay:	3	Stewart X:	1
Marsh Lk:	14	Mt. Lorne:	3	Rock Cr:	1
Watson Lk:	8	Teslin:	2	Mayo Rd.	1
Mayo:	7	Burwash Ld:	2	Golden Horn:	1
Tagish:	6	Carmacks:	2	Alaska Hwy:	1
Haines Jct:	5	Faro:	2	Unknown:	4

Telephone Survey

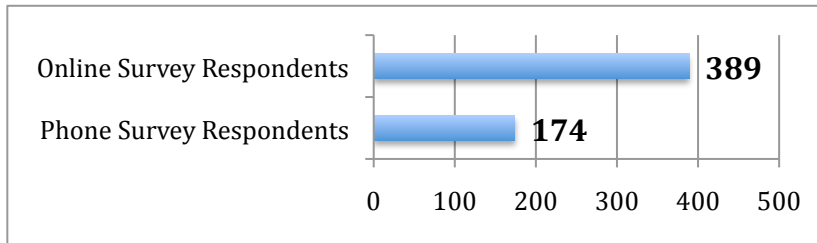
The public telephone survey included a randomized sample of 174 Yukon residents from seven communities. Response communities included:

Whitehorse	97
Marsh Lake	27
Dawson City	19
Haines Jct.	10
Carmacks	10
Teslin	10
Ross River	1

Summary of Key Findings

Engagement and Interest in Energy Issues

The overall response rate to the online survey and pulse polls and the willingness to participate in a telephone interview (with a very low decline rate) indicates Yukoners are significantly engaged and interested in energy related issues.



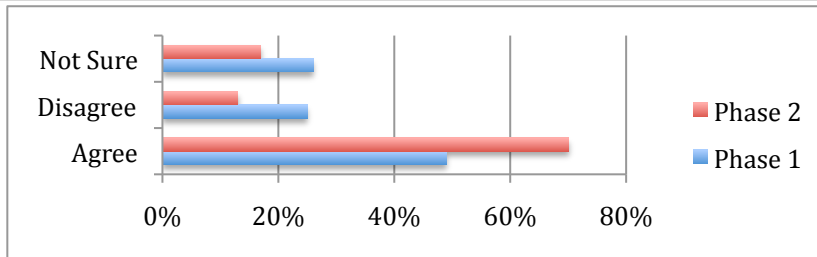
Knowledge/Awareness

Yukoners have a good understanding of energy issues and are aware that strategies are needed to increase production to meet future demands – particularly those of industry that is seen as the big energy consumer.

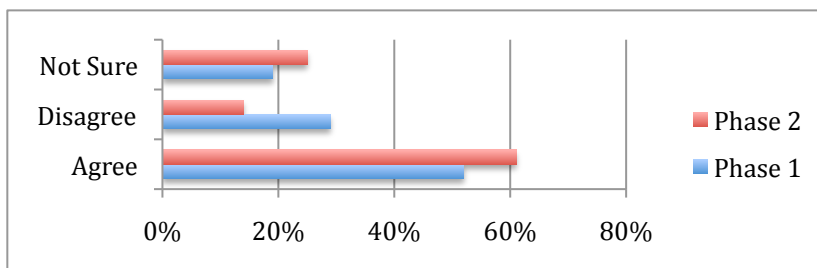
There was an increase in the level of knowledge and awareness around energy issues over the eight-month period between Phase I and Phase II research.

Most Yukoners agreed that power production in the Yukon needs to increase to meet projected future demands and a majority were able to identify some awareness related to a number of Yukon Energy production or system enhancement initiatives.

Do you agree or disagree with the view that at the current rate of growth Yukon will not have enough energy to meet future needs?

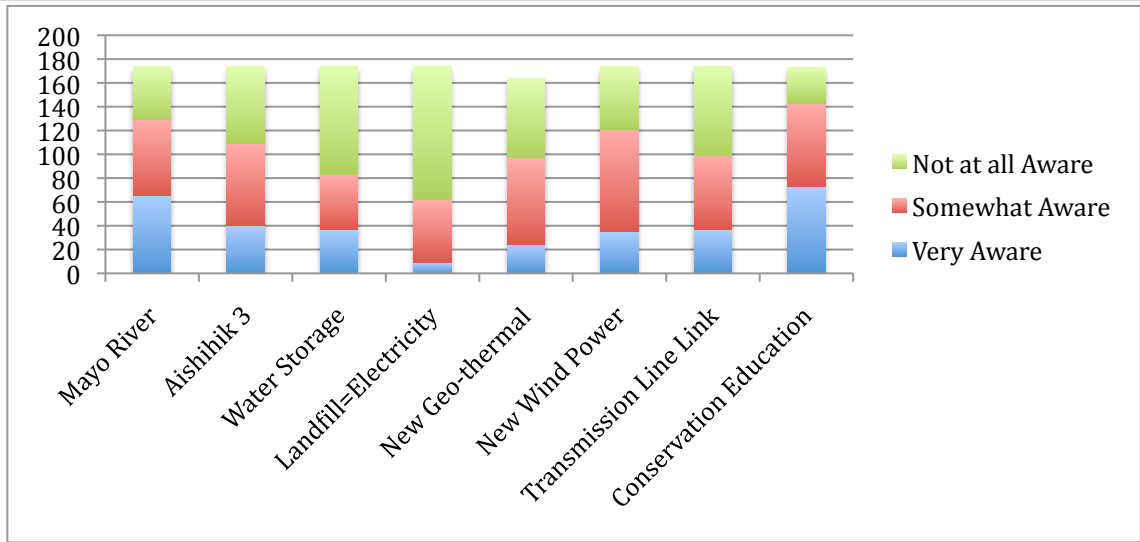


Online Survey



Telephone Survey

Telephone Survey: How aware are you of the following energy development initiatives?



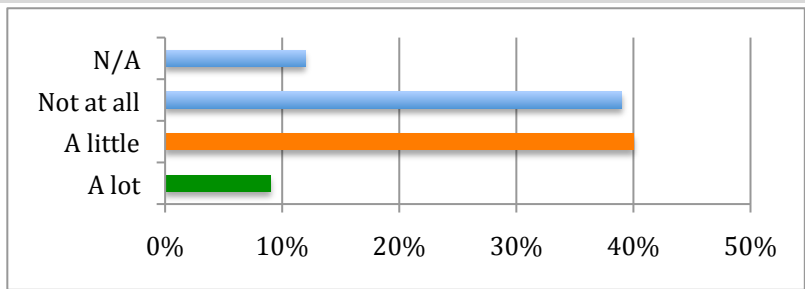
Online survey responses to this question showed a higher level of awareness related to the Mayo River project and to conservation and education initiatives. Low awareness related to the conversion of landfill waste to electricity was evident in both online and telephone survey methods.

Views and Perspectives

Respondents who *have not* changed their views between Phase I and Phase II research periods (39%) indicated it was because they had no new information, or not enough information to influence a change in views. Those who *have* changed their views a little or a lot (49%) said it was because of exposure and access to new information or increased information availability.

Results were consistent between both survey methods.

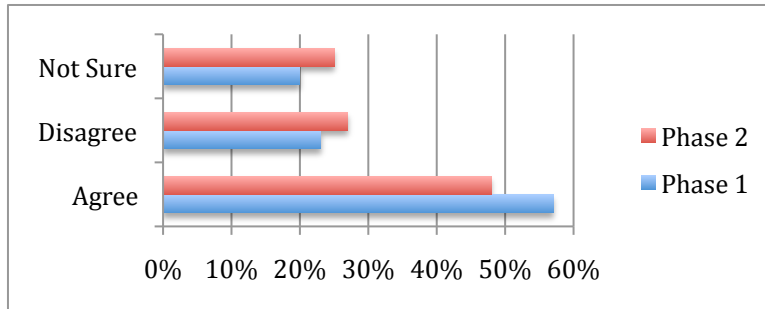
Telephone Survey: Have your views (on energy related issues) changed in the past six months?



Public Confidence

Between Phase I and Phase II, public confidence has declined (from 57% to 48%) on the question of Yukon Energy's ability to 'effectively plan and develop clean energy sources to meet future needs'.

Telephone and Online Surveys (Phases I and II) combined and averaged response: Do you agree or disagree with the following statement: Yukon Energy has the ability to effectively plan and develop clean energy sources to meet future needs.

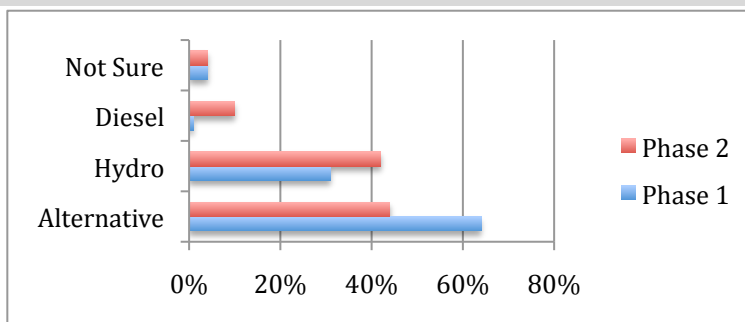


Note: 'Clean energy' was not defined and the reasons or factors affecting the public's views related to confidence were not explored in this research.

Preference for Alternative Energy and Conservation

There is a strong view among Yukoners that alternative energy is important from both an environmental perspective and to diversify capacity to meet future demands. Many feel Yukon could be a leader in alternative energy development and that greater conservation measures need to be taken. At the same time, there is an increasing view that alternatively produced energy may need to be supplemented with hydro generated energy.

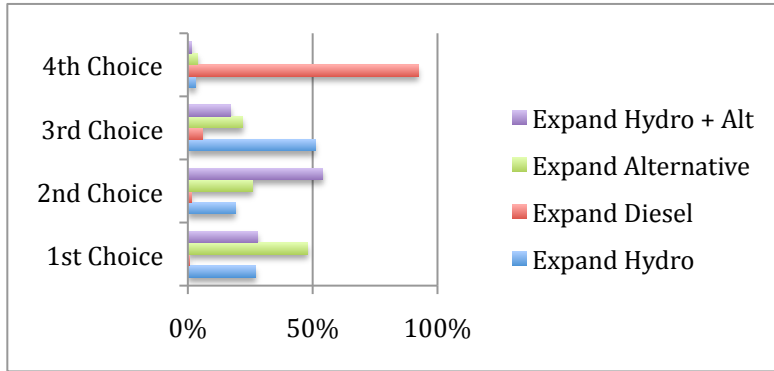
Telephone Survey: If you could choose where your energy comes from what would be your preferred source?



With telephone survey respondents there has been a leveling of support between alternative and hydro as a preferred choice for power generation when comparing the Phase I and Phase II surveys. Phase I survey respondents clearly favor alternative energy over hydro while the Phase II responses show a much closer balance between alternative and hydro. This may be attributed to increasing awareness of the overall future capacity that will be needed relative to the ability to meet this capacity through alternative energy alone.

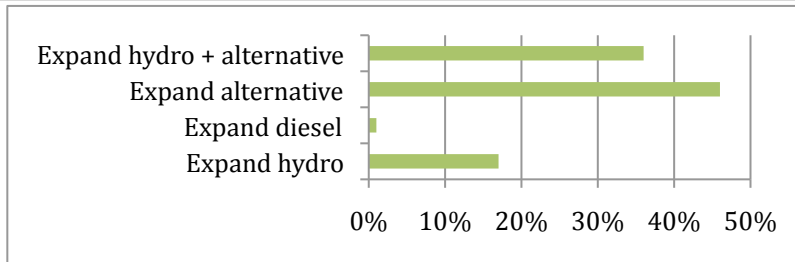
The Phase II online survey, using a ranking option, shows strong support for expanding alternative energy and for a combined alternative/hydro approach.

Online Survey: Indicate your choice preferences regarding expanding energy sources.



In addition to the telephone and online surveys a series of ‘pulse polls’ were published in the online edition of the Yukon News and on the Yukon Energy website allowing readers to cast a ballot on a specific question. The pulse poll on preferred energy sources reinforced the publics’ views on developing alternative energy sources (as well as pursuing a combined hydro/alternative approach).

Pulse Poll: What is your #1 preference for future energy production? (362 votes)

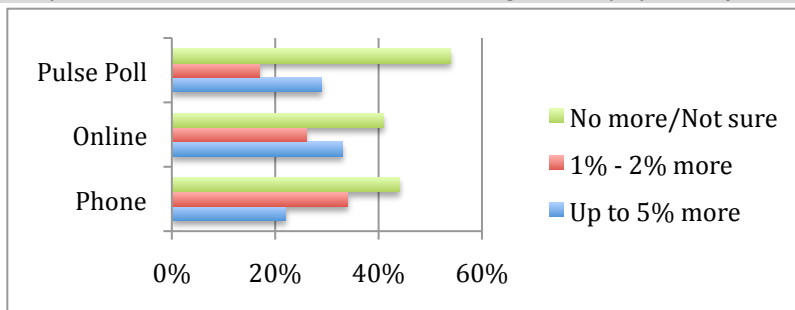


Willingness to Pay for Alternative Sourced Energy

While there were differences in responses between the telephone and online surveys on the question of the willingness to pay more for electricity if it is generated from an alternate source such as wind or geothermal, the majority of Yukoners said they would pay more for alternatively produced energy.

With the pulse poll question, a majority said they would not be willing to pay any more than what they are paying now.

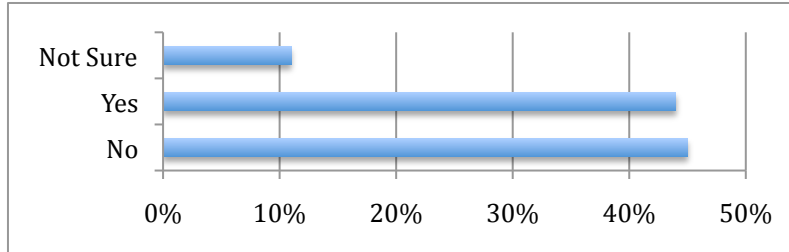
Telephone/Online/Pulse Poll results: Willingness to pay more for alternatively sourced energy.



Communications and Awareness

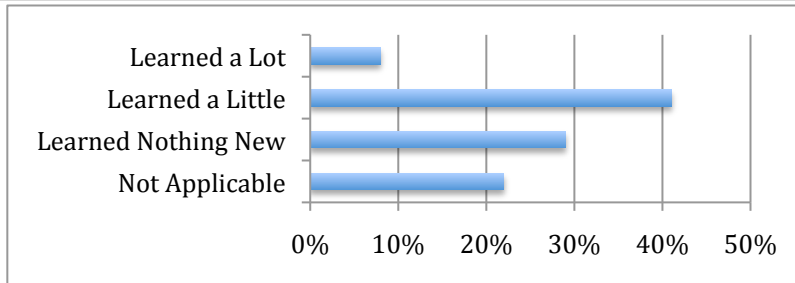
Recent communications initiatives undertaken by Yukon Energy show that an equal number of those surveyed recalled seeing communications material (advertising or household mailer) as those who did not recall seeing information sponsored by Yukon Energy.

Combined and Averaged Telephone/Online Surveys: Do you recall seeing sponsored advertising or a household mailer from Yukon Energy on energy issues?



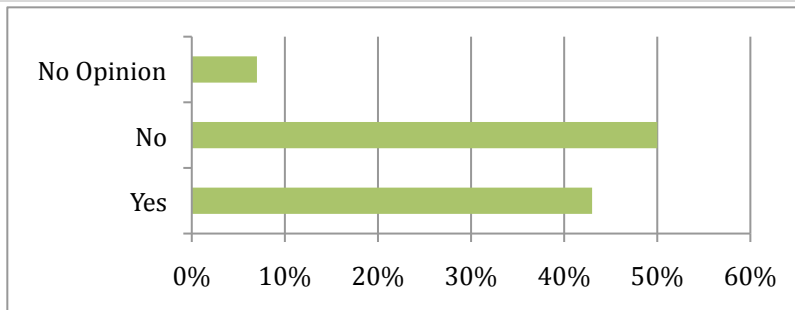
When Yukoners were asked if their knowledge and awareness have increased over the past six months, half (49%) said they have learned a little or a lot.

Combined Results from Telephone and Online Surveys: In the past six months, have you learned a little, a lot or nothing new about Yukon energy issues?



(Note: The knowledge question was asked in the context of Yukon Energy’s communications initiatives. The Not Applicable response refers to those who said they couldn’t recall seeing information materials provided by Yukon Energy or who declined to answer the question)

Pulse Poll result: Do you know more about Yukon’s power issues today than 6 months ago? (166 votes)



Both the telephone and online survey methods provided an opportunity for respondents to provide additional comments related to key issues.

Desire for Change

- From online survey respondents, there were about twice as many comments that reflect a general opposition to the way things are today with respect to energy supply, demand and production issues (particularly the use of diesel for power generation).
- Comments supporting change focused on a concern that current planning is not going to meet future demand. Some discontent also stems from the frequency of power outages.
- Many expressed comments supporting hydro as the right way to go in meeting current and future needs. As noted previously, there is strong support for a combined alternative/hydro approach as well as continuing support for the development of new alternative energy sources and continued conservation and education efforts.

Consumption and Future Demands

- Many respondents are unsupportive of industry's needs and the increasing demand that large industry places on energy consumption and the perceived impact this has on the cost of power to residential consumers.
- There is a perception industry is not paying fairly (i.e. paying below-cost for their power). There is also a perception that industry is a higher priority than Yukon residents. Some respondents said industry should be made entirely responsible for producing and paying for the energy it needs. There is a concern that as new industry and large-scale developments come on-line, demands for power will increase significantly.

SECTION II **(Community and Business Leaders Research)**

Introduction

Between April 20 and May 6, 2011, a total of 54 business and community leaders were invited to participate in a survey on energy issues in the Yukon. A total of 42 people (79%) responded to the survey invitation.

This data complements a similar survey of 41 community and business leaders conducted in July 7-15, 2010. For comparative analysis where the same question was asked in both research phases, the findings are shown as Phase I (July 2010) and Phase II (April/May 2011).

In addition to the core benchmark questions included in the Phase I survey, the Phase II survey included several supplementary questions related to a willingness to pay more for power generated from alternative energy sources and awareness of current Yukon Energy projects and programs.

Research Goals

- To provide the Yukon Energy with current knowledge, awareness and views among Yukon business and community leaders toward the corporation and current and future energy needs.
- To compare any changes in knowledge, awareness and views over the period from July 2010 to May 2011.

Research Objectives

- To establish baseline knowledge, awareness and views
- To assess change in knowledge, awareness and views over time
- To inform the design and development of communications initiatives targeted to community and business leaders regarding Yukon Energy's planning, priorities and actions

Research Methods

The survey was sent by email to community and business leaders in the communities of Whitehorse, Carcross, Burwash Landing, Haines Junction, Mayo and Carmacks. Ninety percent of respondents identified themselves as living/working in Whitehorse. The remaining 10% were from Haines Junction and Destruction Bay/Burwash Landing.

The majority (61%) of respondents to the Phase II survey self-identified as coming from the private sector, balanced by those from the public or community sector or an advocacy based organization.

The survey included telephone interviews and an online survey with corresponding questions used in each method. For respondents who preferred to be interviewed on the telephone, their responses were captured in the same format as the online survey.

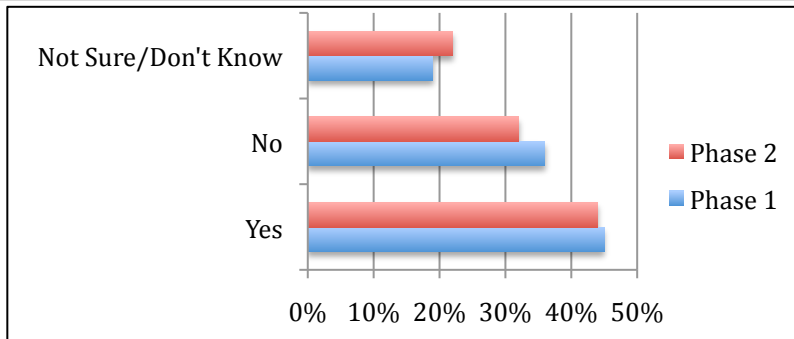
Summary of Key Findings

Confidence Indicators

The level of confidence among community and business leaders in Yukon Energy's ability to 'assess Yukon's future energy needs' increased from 62% to 85% over the past 10 months.

Over the same time, the level of confidence in the corporation's ability to 'plan and develop clean energy sources to meet future demands' remains unchanged at approximately 45%. Just over 20% remain unsure of their level of confidence on this question.

Do you have confidence in Yukon Energy to plan and develop clean energy sources to meet future demands?

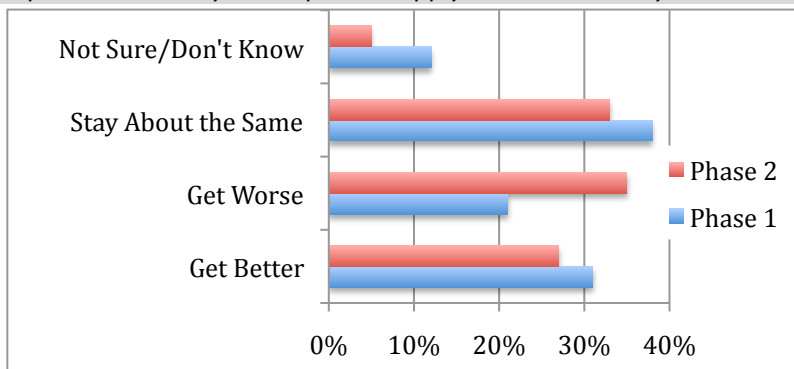


Past Experience and Confidence in Future Reliability of Power Supply

The survey asked respondents to think retrospectively over the past 12 months in terms of their past experience with energy supply issues as well as consider their relative confidence in the future reliability in the supply of power over the next five years.

Business and community leaders expect the availability of power supplies to get worse over the next five years. This shows a negative shift in confidence related to future reliability from 21% of Phase I survey respondents saying reliability will get worse, to 35% of Phase II respondents expecting supply reliability to worsen.

Expected reliability in the power supply over the next 5 years:

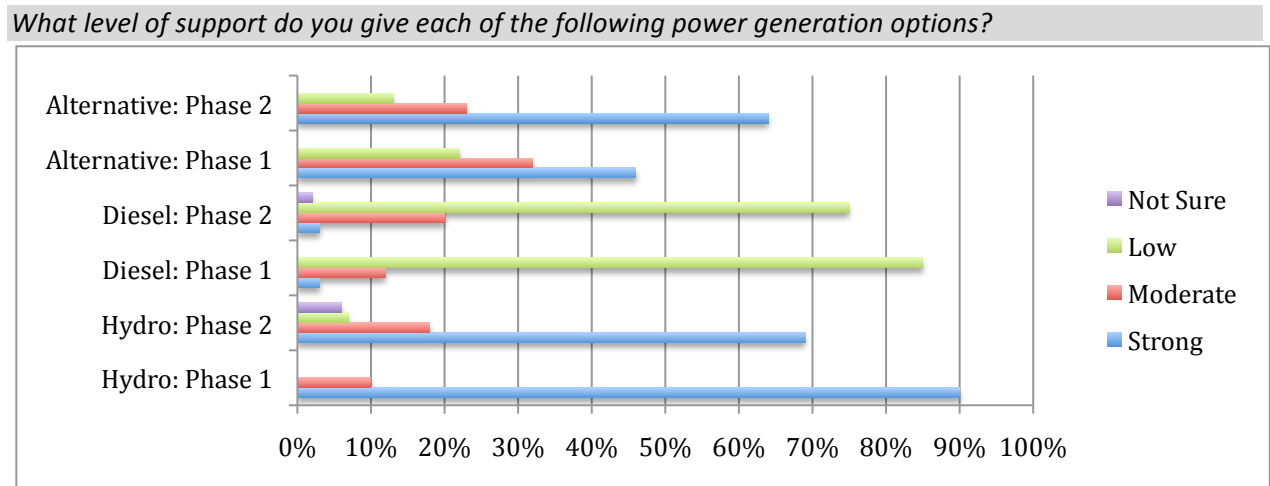


Support for Alternative Sourced Energy

Responses over the two research periods show a decline in strong support for hydro and increased support for alternative sources. Support for the continued development of alternative energy sources in combination with new hydro sources was identified by just over three-quarters (77%) of respondents as a first or second choice preferred option for meeting future energy needs in a Phase II optional question.

(Note: The 'Hydro + Alternative' response is not shown in the chart below as the question was asked as an additional option in Phase II research).

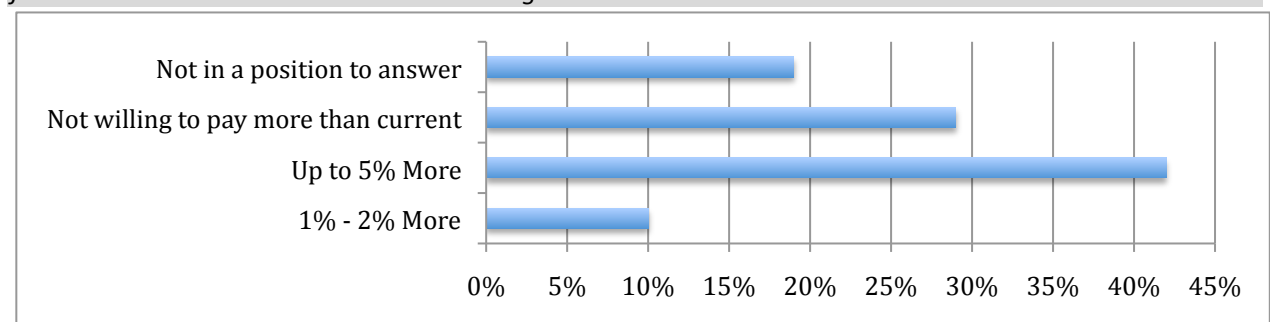
A very low level of support for diesel-sourced power remained consistent between both research periods. There was an increase in the level of 'moderate' support for diesel in Phase II responses. This may be related to those who expect supply reliability to worsen over the next five years and see a continued need for back-up diesel generated power until overall capacity from other sources is increased.



Willingness to Pay More for Alternative Sourced Energy

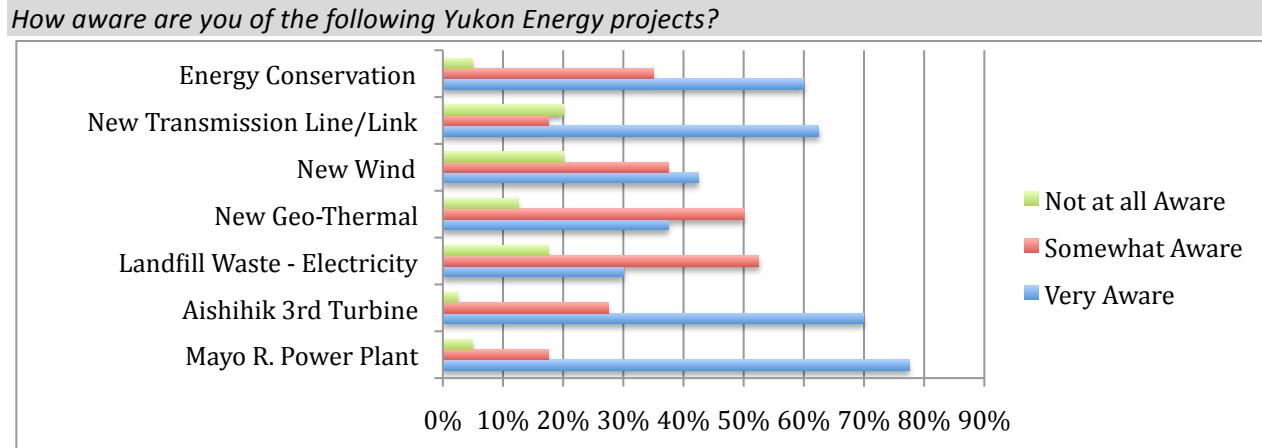
Just over half of respondents (52%) said they would be willing to pay more for electricity produced from alternative sources ranging from 10% who said they would pay 1%-2% more and 42% who indicated a willingness to pay up to 5% more. This indicates support for the continued development of alternative sourced energy as well as an understanding that these technologies will cost more to design, develop and bring on-line.

Thinking about your company or organization, are you willing to pay more for electricity if it is generated from an alternative source such as wind or geo-thermal?



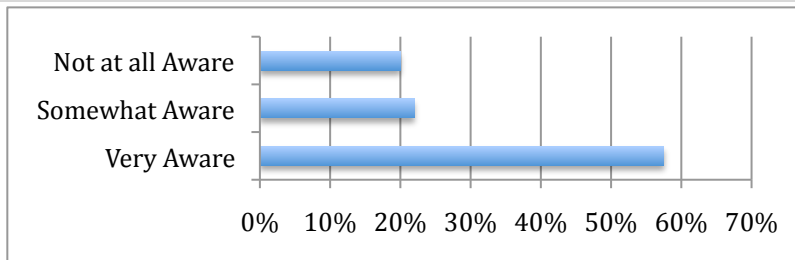
Awareness of Yukon Energy Projects

The Mayo River power plant and third turbine at Aishihik show a high awareness followed closely by the new transmission line link and energy conservation measures. Wind-based energy shows a reasonably strong awareness with 42% indicating high awareness and 38% somewhat aware. Geo-thermal energy sources and converting landfill waste to electricity show the lowest awareness levels.



A question related to water storage planning being undertaken by Yukon Energy shows that almost 60% are Very Aware and just over 20% Somewhat Aware of this initiative

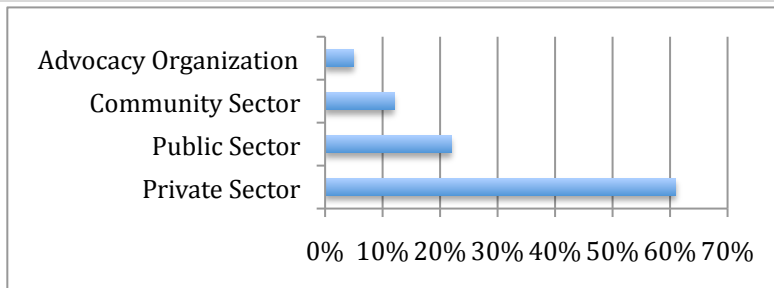
To help meet peak power demands in the winter when water levels are low, Yukon Energy is exploring ways to store more water in the Atlin, Marsh and Gladstone Lakes systems. How aware are you of Yukon Energy's research and planning for increased water storage?



Sector Response

A majority of respondents to the community and business leaders survey identified themselves as being associated with the private sector, followed by the public and community sectors. Several respondents identified association with an advocacy-based organization.

Survey respondents by sector:



Summary of Comments

About 80% of respondents for the survey took the time to write a comment outlining concerns, ideas and observations about Yukon Energy and related energy issues and priorities. This type and level of response reflects a highly interested target group.

A review of responses indicates the following key points of interest and concerns:

- **Education and Communication**

The public, business, industry and interest groups need to know more about what is needed to meet current and future energy needs, what is being planned and when new energy sources will come on line.

- **Conservation and Incentives**

There is a strong desire to enhance energy conservation efforts through education as well as by providing incentives for individuals and families, business and industry to participate in energy conservation efforts. The availability of funding help through small grants and loans to enable participation in energy conservation (such as energy retrofits etc.) was also noted. Both industry and political leaders are seen as being important in creating a climate for positive change.

- **Evidence-based Costing**

Professional energy audits of buildings and operations resulting in clear options and quantifiable benefits derived through energy conservation was noted along with the need to use new technologies such as smart meters to be able to assess variable costs based on time-of-day usage.

In keeping with the conservation and education theme, several respondents commented on the need to make people more aware of peak usage times of day and encourage more off-peak usage. Comments also reflected a need to design and provide incentives (such as rebates) for those who actively demonstrate conservation measures.

- **Alternative Sourced Energy**

Consistent with overall survey responses, there continues to be an underlying theme of support for the development of alternative sourced energy as a way to supplement the overall supply of power.

Note: The length of residency of respondents to was consistent between Phase I and Phase II research with a strong majority being resident in the Yukon for over 20 years. The second highest group (at 10%) indicated they have been a Yukon resident for one-to-five years.