



Human side of the energy transition

Putting people at the centre of
Australia's energy transformation

Foreword

The world is undergoing an energy transformation towards cleaner, renewable sources. Australia, like many other nations, has committed to ambitious emission reduction targets, aiming to cut greenhouse gas emissions by 43% below 2005 levels by 2030.¹

While this transition is essential to avert the worst impacts of climate change, it is critical to recognise that it is not solely a technological, economic, or policy endeavour; it is also a human endeavour.

To explore consumer perceptions and sentiment of our energy transition journey, KPMG conducts an annual national survey to uncover the awareness and resonance of the concept of the 'energy transition' among Australians.

This report explores the human side of the energy transition – highlighting the need to expand our focus beyond just a technology-led transition, to ensure people are put at its centre. A just, equitable, and ultimately successful transition relies on, as far as possible, no-one being left behind. This means making sure there is equitable access to stable and affordable energy and prices, providing support for those who may be affected by job losses in the

fossil fuel industry, as well as investing in education and training to help people develop the skills they need for the new energy future.

At the same time, this report emphasises the importance of raising awareness and understanding amongst the Australian public on the steps that will need to be taken to ensure energy systems are developed and operated to keep Australia on track for its targets.

Proactive and inclusive public engagement is not merely a matter of goodwill, it is essential to the effectiveness and timing of the transition. Genuine engagement is core to building trust, reputation,

and ultimately the social licence needed to transition. A collaborative approach will not only accelerate the adoption of new energy products and services, but also mitigate the potential for mistrust and resistance.

Now is the critical time to be more human centric as Australia seeks to balance the energy trilemma (security, affordability and reliability) with the transition and emission reductions imperative the country is facing, to ensure the community is brought on the journey as the country transitions. This is a complex challenge, but one that must be navigated together.

The importance of the energy transition

Energy is an essential service underpinning living standards and economic development. Climate science has been clear for some time: our world needs to limit temperature rise by reducing greenhouse gas emissions, to avoid severe climate damage. The bulk of global emissions are produced through the energy system.

To realise a world powered by renewable and low-emissions energy, there needs to be a monumental shift in how Australia generates, stores, transmits and uses energy.

The energy transition is the ongoing process of transitioning from fossil fuels to zero carbon, or low-carbon emitting energy sources. This includes transitioning away from traditional sources to renewable energy sources like wind and solar, as well as battery storage, pumped hydro and low-carbon future fuels. At its heart is the need to reduce energy-related emissions to limit climate change.

The energy transition is not without its challenges – it is a whole of economy and societal transition requiring collaboration across the private and public sectors and the community. Integrating renewable energy sources into the grid demands massive infrastructure upgrades that directly impact landowners and local communities. Costs of some renewable technologies remain high, although in the long term are expected to materially decline. The supply chain required for the infrastructure build is not yet in place, and the transition must be managed carefully to ensure a just and equitable outcome for the workforce and communities dependent on the production of fossil fuels.

Despite these challenges, the urgency and importance of the energy transition are undeniable. The energy transition is central to our way of life in the short, medium and long term.

¹ Australian Government, [Australia submits new emissions target to UNFCCC](#), 16 June 2022

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Australia's path forward

Through considering the human side of the energy transition, Australia can better facilitate a Just Energy Transition: an equitable transformation of its energy system to provide sustainable, affordable, secure and reliable energy; and a low-carbon transition that is fair, inclusive, creates decent work opportunities and leaves no-one behind.

There is a collective responsibility to facilitate a Just Energy Transition, and government, the public sector, the private sector and society all have key roles to play.

Across Australia, public acceptance of the energy transition has never been more critical – with rising concerns, and cost-of-living pressures driving Australian households' increasing reluctance to support the process, it is essential to ensure Australians play an active role in understanding and supporting the transition.

There is a significant risk of inaction of failing to close this gap and put people at the heart of the energy transition, including a failure to solve a balanced energy trilemma and optimise accessibility and affordability for consumers.

Ultimately, a unified narrative from both government and industry, built on the foundation of shared understanding, will help mitigate potential consumer resistance and create a path towards a successful energy transition for Australia.

Just under half of Australians (46%) were willing to invest in renewable energy on their homes.

Energy transition awareness and understanding remains low

While there is high public awareness of 'renewable energy' and 'clean energy', through our research it was identified that a low number of the Australian public have heard of the term 'energy transition'; and that awareness levels remain consistent over the past year with only 1 in 4 Australians having heard of the term in November 2023. While the public may be aware of renewables, our research showed that there is little understanding of the challenges and what is needed to facilitate the transition.



Increasing scepticism has dimmed overall support

Once provided with a definition, 63% of Australians support the concept of the energy transition. Despite this, public confidence in Australia's ability to achieve its 2030 emissions reduction target is declining. Increasing scepticism and cost-of-living concerns also mean individuals are less willing to bear the costs associated with the energy transition process. However, positively, just under half of Australians (46%) were willing to invest in renewable energy on their homes.

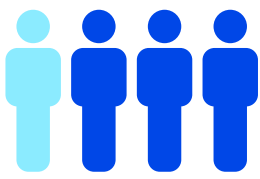
While public support for the energy transition exists once consumers are informed, concerns about the rising cost of energy, and mixed feelings about the role of fossil fuel in Australia's future energy landscape pose significant challenges to how Australia successfully implements its energy transition plan.

Younger Australians driving the charge in sustainable practices

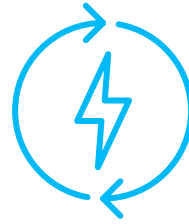
Younger Australians are embracing sustainable practices, with 69% using public transport instead of driving, 63% actively encouraging others to adopt eco-friendly behaviours, and 59% willing to pay more for environmentally friendly products. While younger Australians are driving the adoption of sustainable practices in many instances, they have the lowest awareness of the energy transition. There is an opportunity to ensure clear and targeted messaging about the energy transition, its challenges and what is required.

Australians want to know more about the energy transition

Our data shows that a critical communication gap exists between the public, industry and government bodies regarding the energy transition. The research shows that most Australians who have heard of the concept of 'energy transition' recount hearing about it from TV or online news outlets. However, there is an expectation from consumers that information should also come from government and industry. 53% of Australians expressed a desire to hear information about the energy transition from government, followed by 48% of people who wanted further information from their energy provider, representing an opportunity for industry and government to further communicate on this topic.

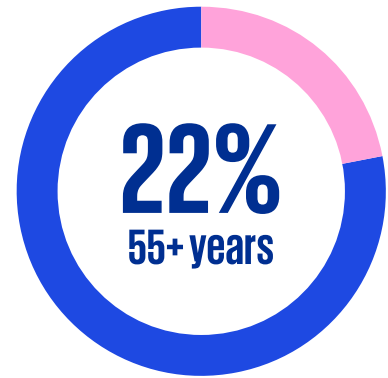
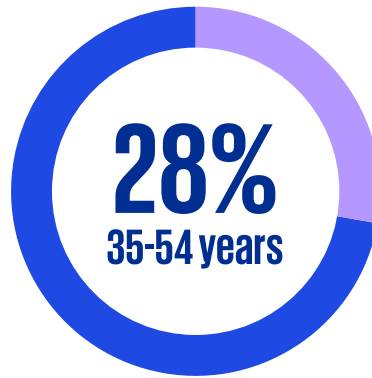
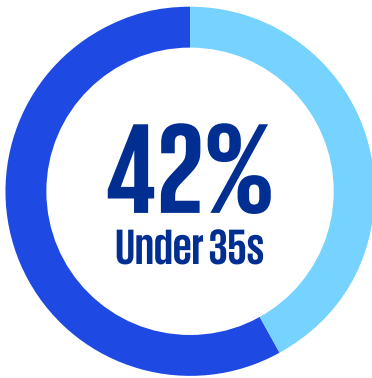


ONLY 1 in 4
Australians have heard of the 'energy transition'

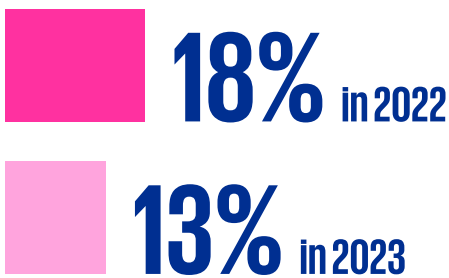


63%
of Australians support the concept of the energy transition in general

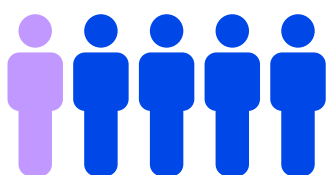
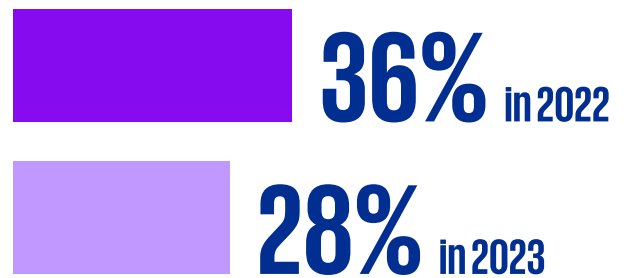
Comparatively, younger Australians are willing to pay more for power to facilitate the energy transition



Declining public confidence that Australia will meet our 2030 emissions reduction target



Decreasing consumer willingness to pay higher taxes to support Australia's energy transition



ONLY 1 in 5 Australians believe fossil fuel generation should be completely phased out

Source: KPMG Human side of the energy transition Research November 2023

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Putting people at the heart of the energy transition

Australia faces several key challenges to effectively transition its energy supply. Most pressing includes upgrading the fossil fuel-based energy system and increasing development and adoption of renewable and low-carbon energy.

Based on KPMG industry experience, this report identifies some critical insights to understand the challenges, and how as a collective, Australia can seek to fairly distribute the benefits.

KPMG insights: a people-first approach

The path to progress critical projects designed to support the energy transition will be challenged when there is a disconnect between industry and government objectives, and public awareness and support.

Instances where shared value has not been developed, or social licence obtained with communities, often lead to blockages and delays. Projects grind to a halt, disputes over land, project management and design arise, and time and resources are wasted.

Globally, there are various insights about the challenges and opportunities arising from putting people at the heart of these issues.

- **Public awareness matters:** If the public is not aware of the energy challenges, or the critical need for an energy infrastructure project, they are less likely to grant acceptance or support. A lack of understanding of the energy transition, its challenges, and the risk of inaction often leads to project opposition.
- **Silence can lead to misinformation:** The absence of clear and timely information from industry and government can provide an environment that fosters misinformation and scepticism. Industry and government communication and transparency are needed to build trust and knowledge.
- **Balance community and system needs:** There is an ongoing challenge between meeting community expectations and addressing the issues facing Australia's energy system. A clear example of this debate plays out globally with discussion around the benefits of undergrounding versus overgrounding transmission lines. European operations have shown that undergrounding may not be the public acceptance silver bullet – as it comes with issues around project timelines, delays, and increased public criticism.
- **Community engagement is essential, however, broader public sentiment cannot be ignored:** Support from directly impacted communities can be critical in obtaining project acceptance. However, ideological opposition from the broader public is also a key element of ensuring projects gain social licence.
- **Early engagement furthers acceptance:** The primary lesson from both successful and struggling projects is that community engagement at the earliest point possible, dramatically improves the chances that communities will become advocates rather than opponents.
- **Ensure benefits are shared:** An uneven distribution, particularly when project benefits are reaped by non-community members, and all the impacts borne by locals, leads to increased community opposition.
- **Familiarity before acceptance:** We have seen globally that often communities are more supportive of industries they are more familiar with. With the introduction of innovation and change to Australia's energy sources, leveraging what is normalised and familiar across other countries can help create acceptance.
- **Personalise the possibilities:** People want to understand the personal opportunities and impacts of the energy transition, particularly in relation to opportunities around jobs and skills in new industries. Global success stories have at their cornerstone, a social dialogue about maximising the opportunities and access to lateral employment.
- **Fair effort sharing across the regional divide:** We have seen the rise in concerns that regional areas are required to make sacrifices to support the infrastructure built to benefit metropolitan areas. Clear narratives are needed to articulate the mix of roles and strategies for rural and urban communities that fit into the overall effort as a nation.

Many of these global insights stem from either the success of, or limitations with, communications – and bringing communities on the journey as industry and government strive towards delivering the energy transition.

It is through addressing this disconnect in awareness and understanding that Australia can seek to bridge the gap, and ensure that as our nation transitions, no-one is left behind.

02

Research overview



This report was prepared following primary market research designed and conducted by KPMG Australia.

A robust 10-minute online survey was developed to measure awareness and perceptions of the ‘energy transition’ among everyday Australians. The survey covered the following topics:



Household energy use and perceptions of the environment



Awareness of, and support for, ‘energy transition’



Perceptions of how ‘energy transition’ can/should happen



Confidence that ‘energy transition’ targets will be achieved

Two waves of data collection were performed, in November 2022 and November 2023, with nationally representative samples of Australians aged 18 and older.

Research recruitment was conducted via an accredited market research panel provider to survey adults in line with proportions that represent the Australian population by age, gender, state and urbanisation.

This research report is based on the responses from just over 1,600 Australians – around 600 from the 2022 wave and 1,000 from the 2023 wave.

The results show that while most Australians are aware of key terms like ‘renewable’, ‘clean’, and ‘sustainable energy’, awareness and understanding of the concept of ‘energy transition’ is low.

This shows a clear gap in the average Australian’s understanding of the steps, processes, infrastructure, and technology requirements needed to fully transition to renewable, clean, and sustainable energy sources like solar, wind, and geothermal power, and away from fossil fuels (coal, oil, and natural gas).



03

Survey results

Energy transition awareness remains low

Awareness of the energy transition remains low, and with clear targets, it is critical that the human side of the energy transition is addressed – or we risk the consequences of inaction.

In September 2022, the Federal Government legislated Australia's greenhouse gas emission reduction target which aims to reach emission levels of 43% below 2005 levels by 2030; and to reach net zero by 2050.

Launched in November 2022, KPMG's inaugural Human side of the energy transition survey found that less than one-quarter (23%) of the nation had heard of the term 'energy transition' – the ongoing process of replacing fossil fuels with zero-carbon or low-carbon emitting energy sources.

One year on, there has been a small uplift in awareness of the concept, with around 28% of Australians having heard of the term 'energy transition' at the end of 2023. The greatest uplift in awareness of the term is among women aged 35 to 54 years old, more than doubling from just 9% in 2022 to 23% in 2023.

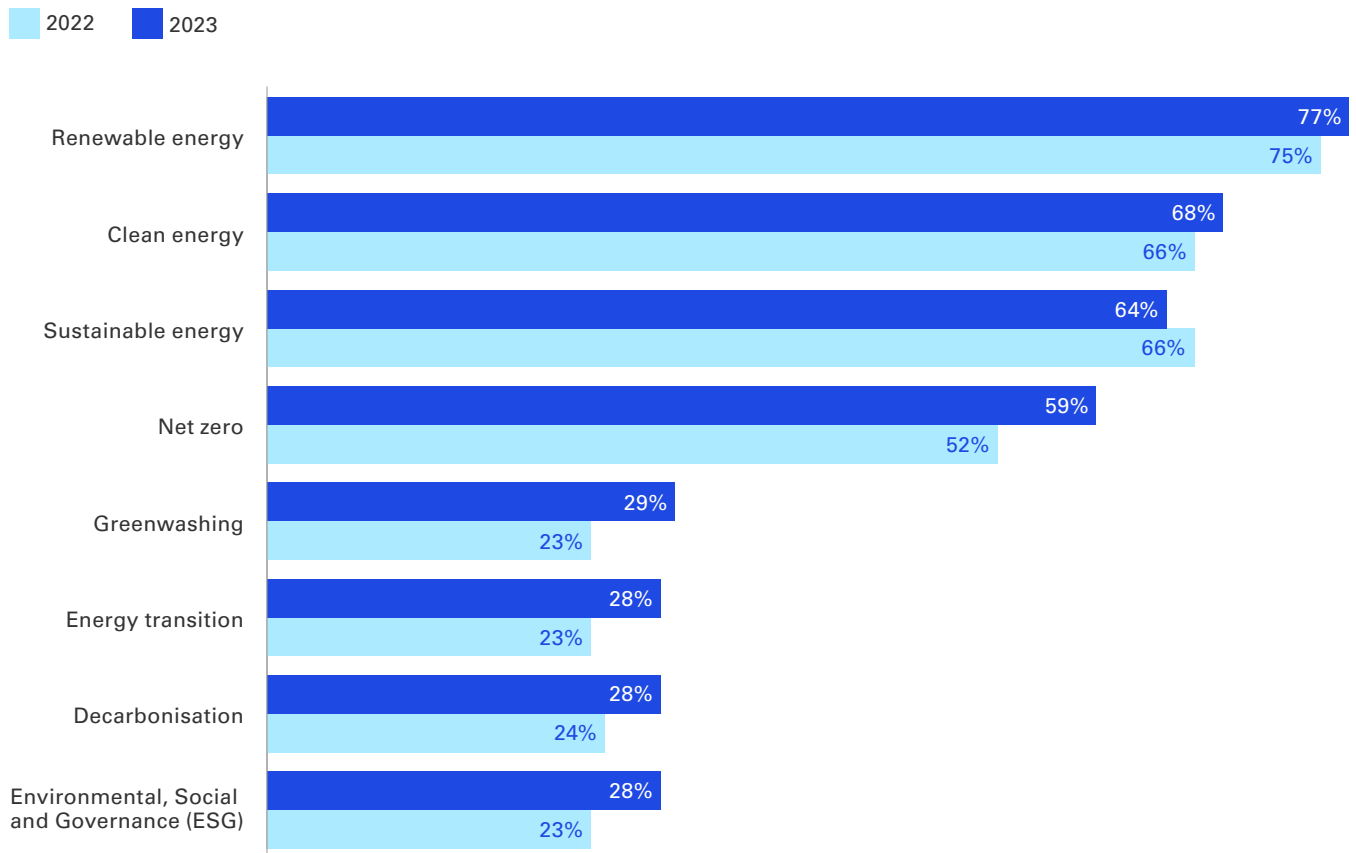
However, our 2023 research shows that at least two-thirds of Australians have heard of 'renewable energy' (77%) or 'clean energy' (68%). This indicates that while there is a broader awareness of renewable energy and connected topics, there is a gap in understanding around the concept of the energy transition and changes needed to move Australia's energy landscape to more renewable or clean horizons.

At least two-thirds of Australians have heard of 'renewable energy' (77%) or 'clean energy' (68%)

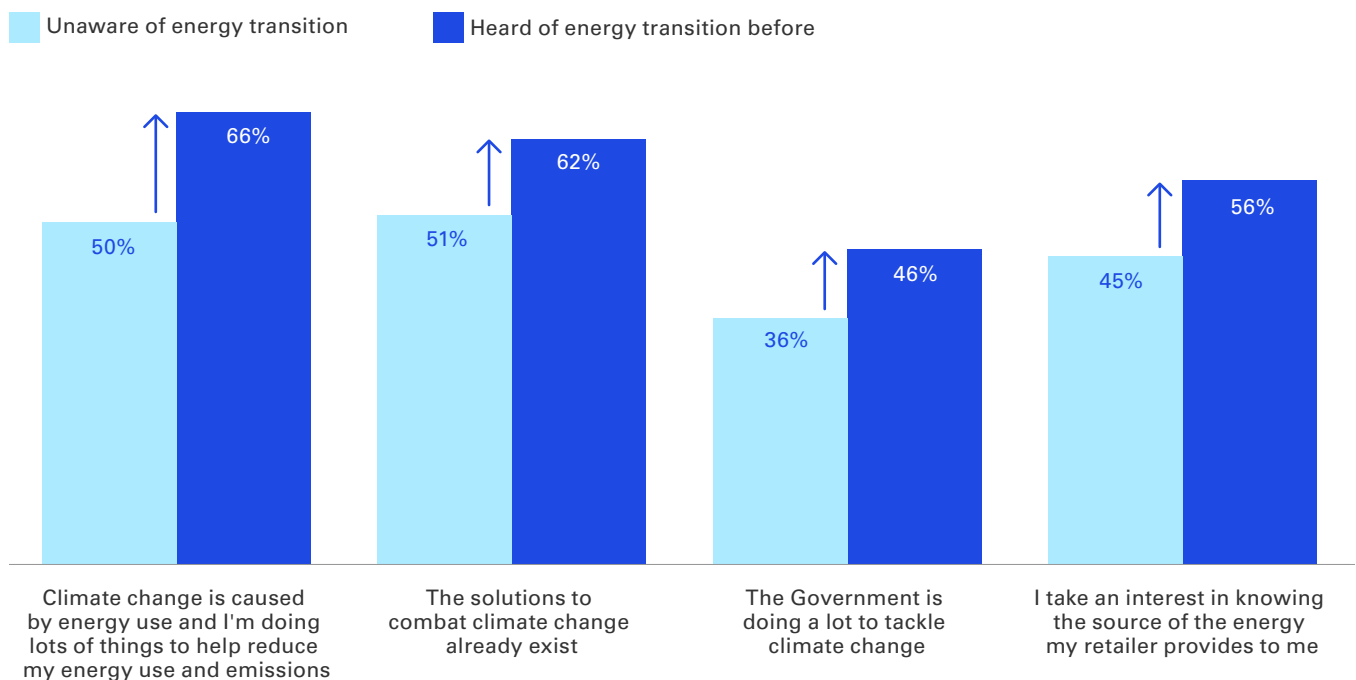
Among Australians who have heard of the concept of 'energy transition', there are some key attitudinal differences: these people are more interested in their own energy use, think the government is doing more about climate change, and believe there are solutions to combat it.

Overall, Australians have low awareness of the term 'energy transition' but are aware of other key concepts such as renewable energy and green energy. There is therefore an opportunity to continue to mature the conversation around the energy transition and the full extent of the change and impacts on communities.

Here are some terms that may relate to the energy sector. Which of these have you heard of before today? (% Selected)



Differences between those aware of Energy Transition vs unaware (% Somewhat/Strongly Agree)



2023 data.

Digging into the problem

Understanding of the energy transition is increasing, but further work is required to uplift an understanding of what the energy transition is and its potential impacts and challenges.

While our survey results indicate modest progress in lifting the overall public awareness of the term ‘energy transition’ at the national level, there have been improvements in the proportion of Australians who report having at least some understanding of what the energy transition involves: a rise from 17% in 2022 to 23% in 2023.

This increase in understanding among those who have heard of the energy transition, even if predominantly at a basic level, signals a trend toward greater engagement, with more of this group feeling better informed than before.

But Australia’s energy grid faces increasing challenges, but a significant portion of the nation remains unaware of the infrastructure needs and reliability issues facing the energy grid.

Our 2023 survey found that just over half (52%) of respondents are unaware that, under some grid scenarios, Australia needs 10,000 km of new transmission lines for effective renewable energy delivery.²

Around half of the nation is also unaware of reports that Queensland, South Australia, Victoria and New South Wales are increasingly likely to face electricity reliability problems in the next few years³ – although residents in these respective states are more likely to be aware of potential future electricity issues happening on their doorstep than issues impacting the other states.

Just over half (52%) of respondents are unaware that, under some grid scenarios, Australia needs 10,000 km of new transmission lines for effective renewable energy delivery.

This points to a need for a clear and practical narrative about the transformation of Australia’s energy supply to power homes.

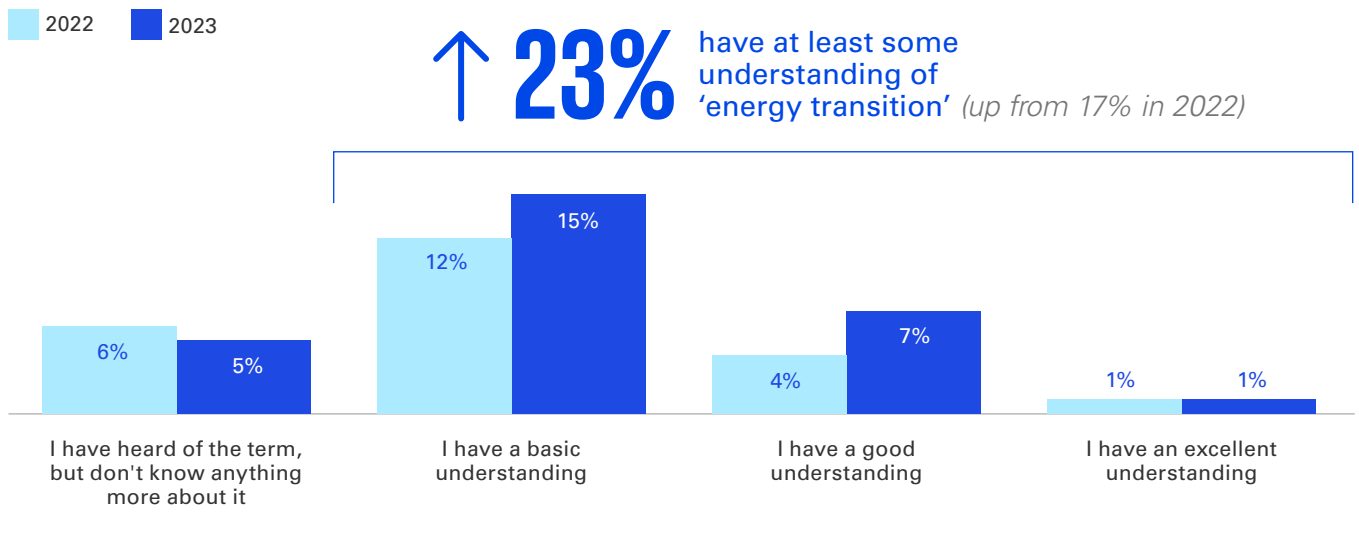
The good news is that individuals who have heard of ‘energy transition’ are also more aware of these upcoming challenges to our energy grid.

These individuals are more willing to bear the costs associated with the process. For example, they express a greater willingness to pay higher taxes or power bills to facilitate the transition.

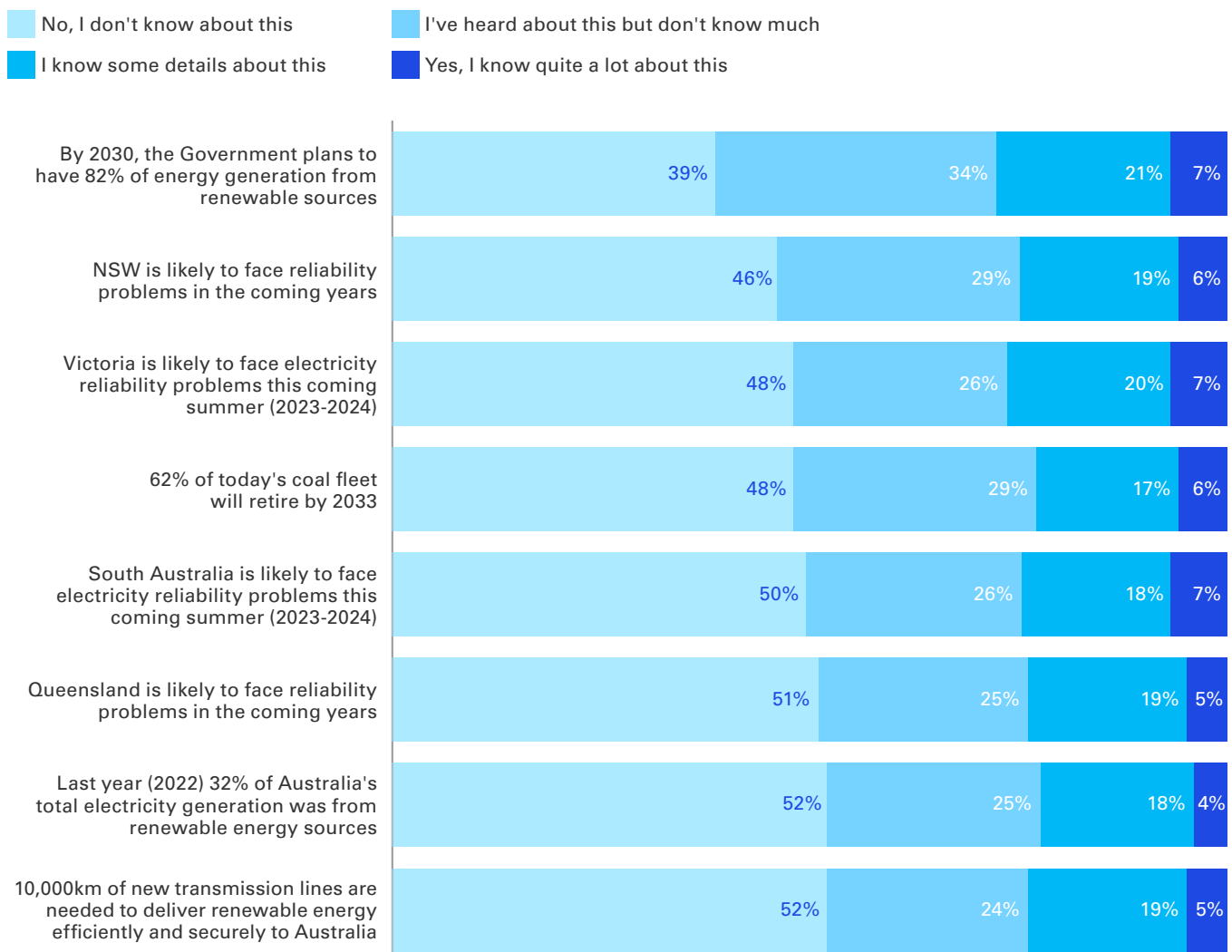
² [Rewiring the Nation](#), Department of Climate Change, Energy, the Environment and Water, 01 February 2024

³ Harrison Tippet and Daniel Keane, [Electricity reliability and blackouts remain big challenges as the energy landscape changes](#), ABC News, 1 September 2023

Which of the following best describes your understanding of the term 'energy transition'? (% Selected)

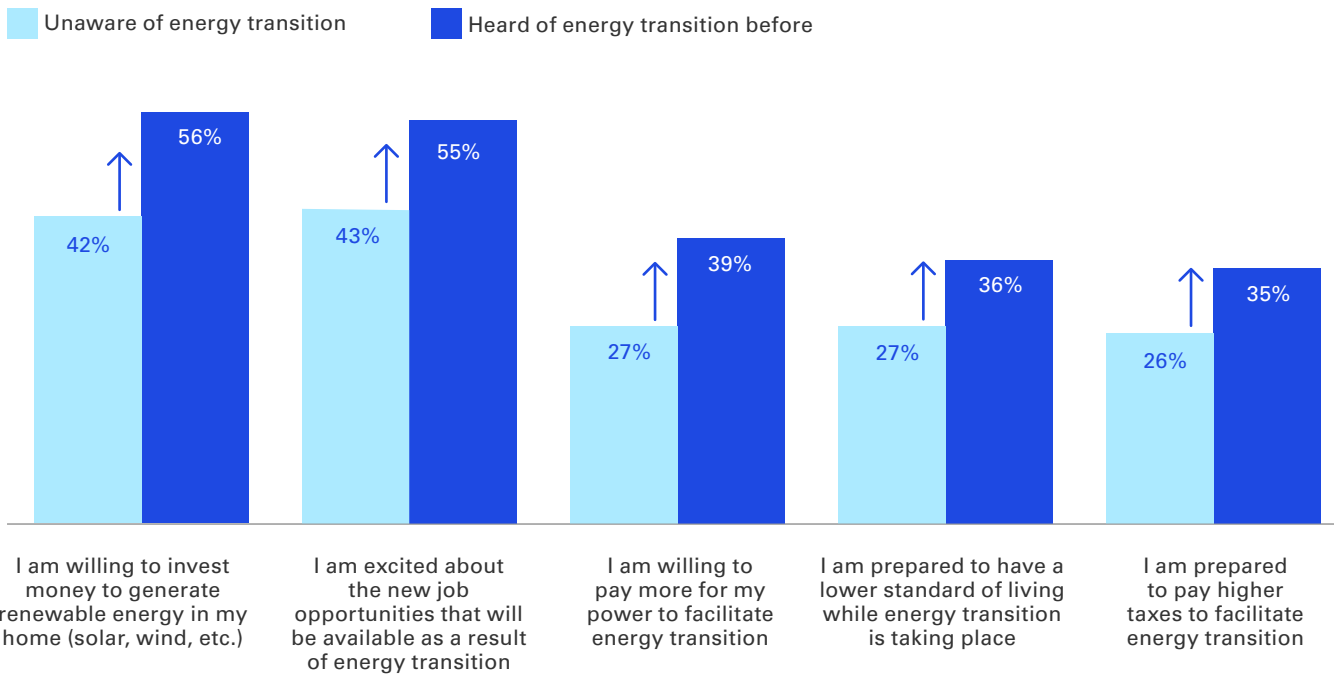


Below are some statements about the energy sector in Australia. Please indicate to what extent you are familiar with each one. (% Selected)



2023 data.

Differences between those aware of Energy Transition vs unaware (% Somewhat/Strongly Agree)



2023 data.



Shining a light on Australia's energy needs

Public opinion is varied as to what the future energy mix should look like.

Just over half of the population believes that fossil fuels still have a part to play in our future energy landscape. Around 30% of Australians believe renewables should be prioritised but fossil fuels should still be used; and, 22% believe a combination of low-emission fossil fuels and renewables is appropriate.

Meanwhile 11% of the nation would prefer to stop transitioning and focus on keeping energy prices as low as possible – this sentiment is voiced louder among regional residents (16%) than metro residents (10%).

Nationally, only 1 in 5 (20%) believe fossil fuel generation should be phased out completely.

There has also been no discernible shift over time in consumer self-determination when it comes to supporting Australia's energy needs. Our survey found that only 46% of Australians are willing to invest in consumer energy resources (CER) that help generate or store electricity in the home (e.g. solar or wind) at the end of 2023.

Nationally, only 1 in 5 (20%) believe fossil fuel generation should be phased out completely.

Our findings show that one thing is clear: we're not yet walking the renewable talk. A coordinated approach in communications, centred around the consumer, is vital if Australia is to bridge the gap between consumer knowledge, sentiment and action.

HOW SHOULD ENERGY TRANSITION BE APPROACHED? PLEASE SELECT THE CLOSEST STATEMENT THAT REFLECTS YOUR OPINION.

Invest and prioritise renewable energy generation but also keep fossil fuel generation	30% (26% in 2022)
Shift to a combination of low emission fossil fuels and renewable energy sources	22% (19% in 2022)
Phase out ALL fossil fuel generation completely as soon as possible and rely on 100% renewables	20% (25% in 2022)
Stop transitioning. Focus on keeping energy prices as low as possible and rely on technology and innovation to lower emissions	11% (12% in 2022)

Proportion who selected the statement, 2023 data.



Rising scepticism for emissions targets

Overall, once informed, Australians are largely supportive of the energy transition. However, despite this support, there is increasing scepticism whether Australia will meet current targets.

Once informed about the energy transition, 63% of Australians are supportive of the concept (67% in 2022). While the research also shows that understanding of the transition seems to be going up, there is also slipping public confidence that Australia will meet its emission targets by 2030.

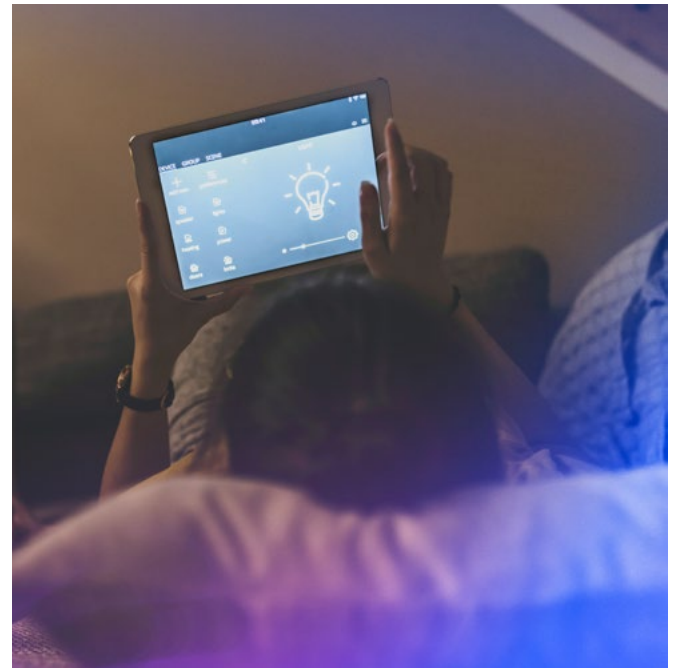
Survey results show only a handful of Australians believed Australia would meet the Federal Government's current 2030 target in the first place. This number has dropped significantly from 18% in 2022 to 13% in 2023.

Shortly after our survey was conducted at the end of 2023, the Australian Government acknowledged that Australia is not on track to meet its 2030 climate targets.⁴

Only a handful of Australians believed Australia would meet the Federal Government's current 2030 target in the first place.

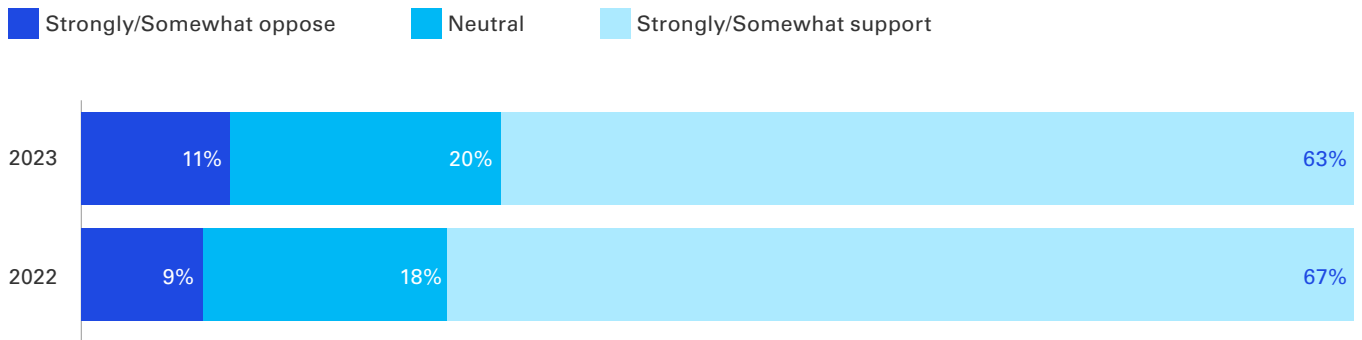
So, what's next? It is time for a clear, consistent effort to inform and involve everyone.

With rising community concerns, it is critical to uplift understanding, including current challenges and the path forward for what the 'energy transition' means for everyone.

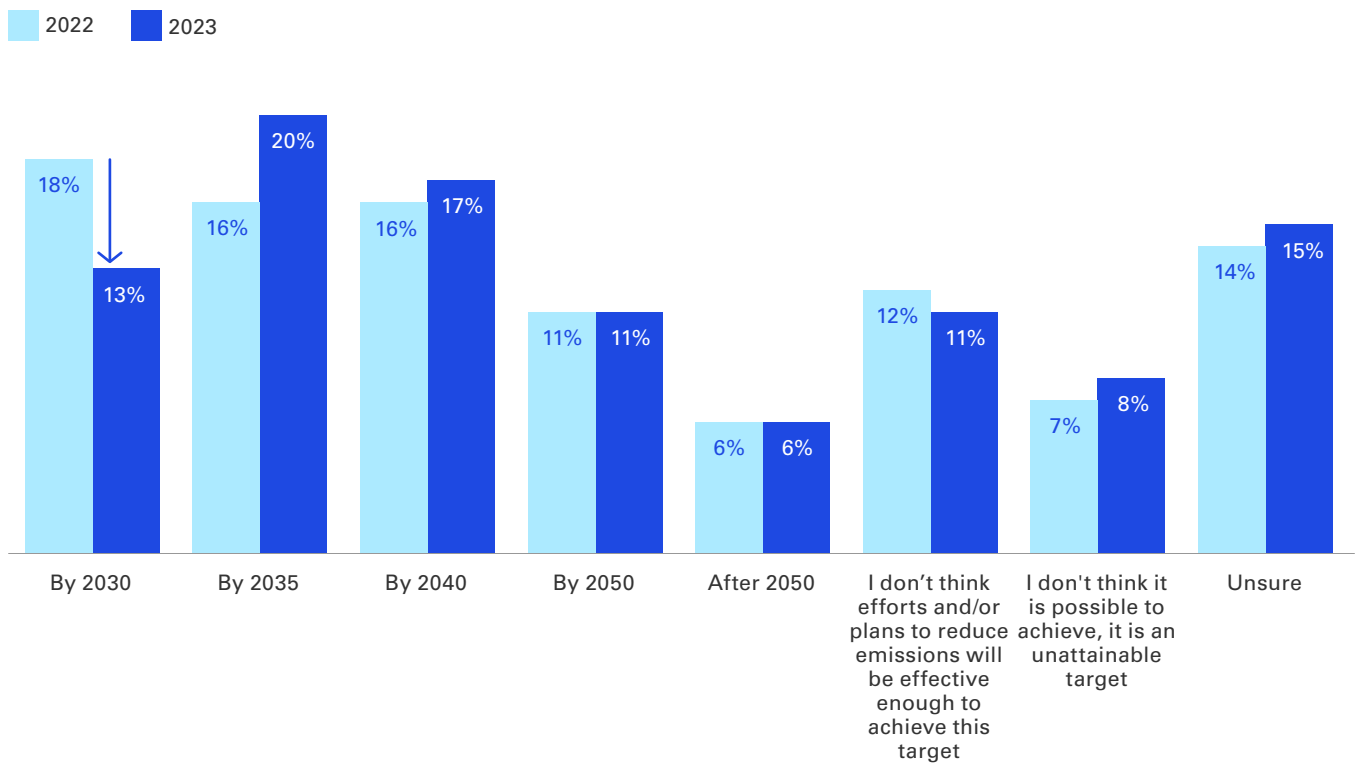


⁴ David Speers, [The hints have been coming for a while, but now it's official: Australia isn't on track to meet its climate targets](#), ABC News, 23 November 2023

How do you feel about 'energy transition'? (after reading a short definition) (% Selected)



How long do you think it will take for Australia to reduce carbon dioxide emissions by 43%, which is the Federal Government's current 2030 target? (% Selected)



Green intentions but cost-conscious realities

The cost of the energy transition is front of mind for Australians amid the current cost-of-living crisis, impacting green intentions.

The past few years have seen many households impacted by significant cost-of-living challenges. Our 2023 survey findings show that 8 in 10 Australians (81%) are worried about rising energy costs.

Australians are balancing rising cost-of-living pressures with a shift towards renewables. Nearly half (46%) worry that Australia is too focused on the environment and not enough on today's bills; however, a similar proportion (46%) are willing to invest to generate renewable energy in their homes (46% in 2023 and 49% in 2022). The majority, 7 in 10 Australians (70%), expect our energy companies to go green without increasing bills.

A declining number of Australians are willing to accept impacts on their bills or lifestyle. Currently only 28% of the nation would be willing to pay higher taxes, a significant decline from 36% in 2022. Similar falls are seen for the proportion of Australians willing to pay more for power (31%, down from 37% in 2022) or prepared to have a lower standard of living while energy transition happens (30%, down from 36% in 2022).

7 in 10 Australians (70%), expect our energy companies to go green without increasing bills.

Without a clearly explained and rationalised strategy for the energy transition, Australian households, who are already struggling with cost-of-living increases, will be reluctant to support the process.

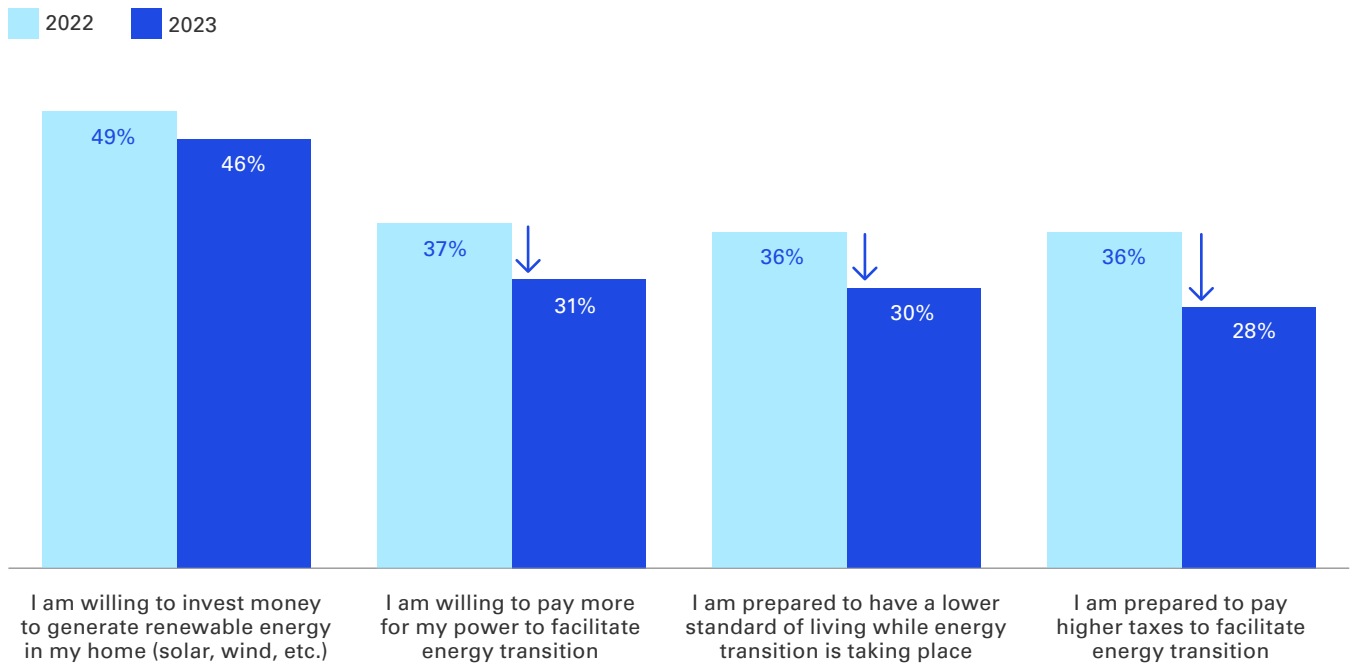


ENERGY PERCEPTIONS

I am worried about the rising costs of electricity	81 % (84% in 2022)
I expect my energy retailer to invest in solutions to protect the environment without passing on the costs to their customers	70 % (69% in 2022)
I believe that coal and gas, alongside other renewable sources of energy, should continue to be used to avoid disruptions to the power supply, whilst we transition to renewable energy sources	63 % (63% in 2022)
We worry too much about the future of the environment and not enough about the cost of living in Australia today	46 % (43% in 2022)

Proportion of respondents who 'Agree' or 'Strongly agree' with the statement, 2023 data.

Transitioning to renewable energy will undoubtedly incur costs. To what extent do you agree or disagree with the following statements in terms of facilitating energy transition? (% Somewhat/Strongly Agree)



Empowering the future

While younger Australians are driving the adoption of sustainable practices in many instances, they have the lowest awareness of the energy transition.

Across the nation, public awareness and understanding of energy transition is low.

However, those aged under 35 may be emerging as champions of the energy transition for Australia.

Younger Australians are embracing sustainable practices, with 69% using public transport instead of driving, 63% actively encouraging others to adopt eco-friendly behaviours, and 59% willing to pay more for environmentally friendly products.

They also express a strong inclination toward renewable energy sources, with 48% using a green energy retailer and 57% believing the energy transition will positively impact them.

However, there is a missed opportunity: those under 35 years old had the lowest awareness of the concept of the energy transition (23%).

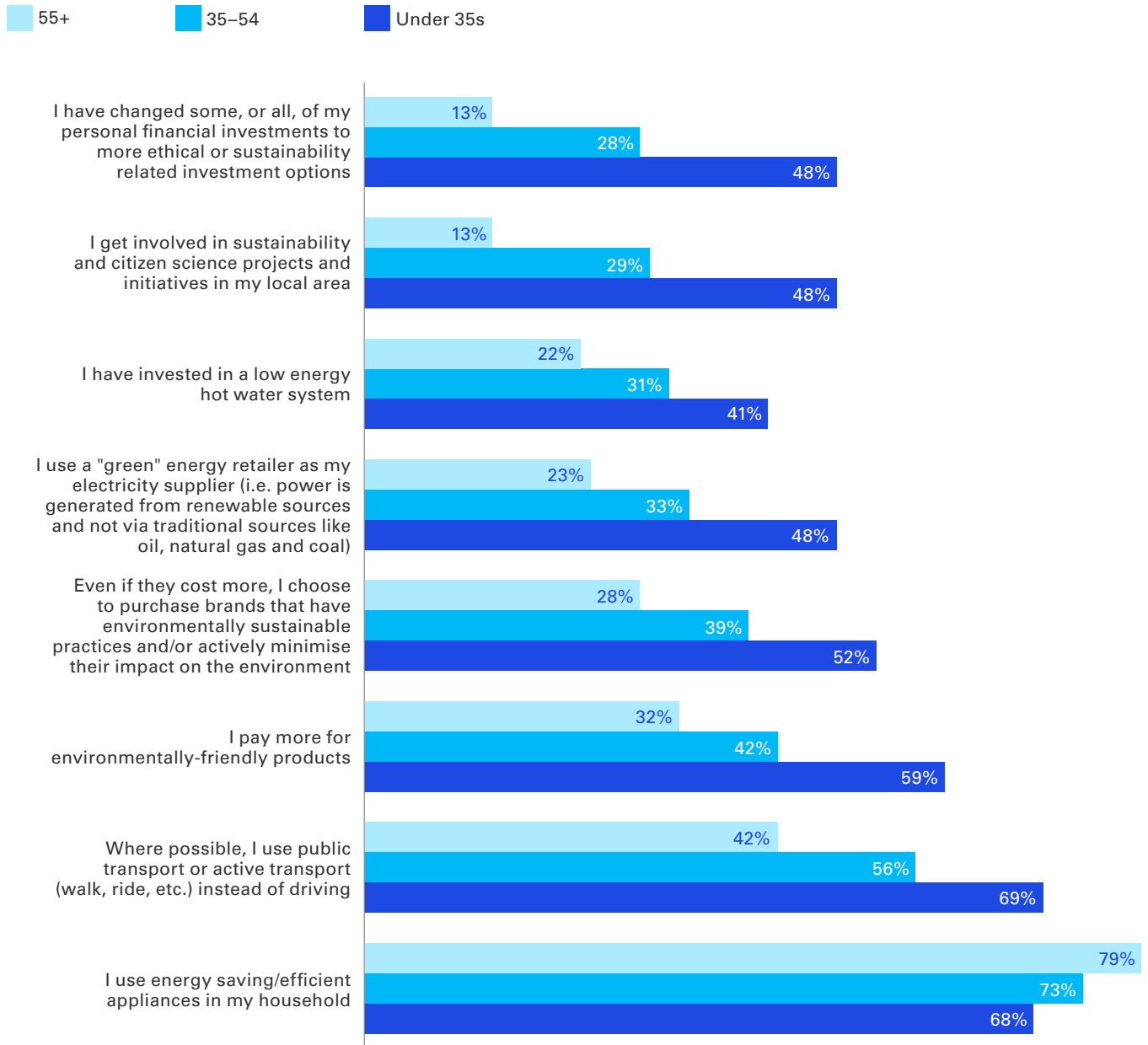
And almost half of this age group (44%) believe that tackling climate change is the responsibility of large emitters of pollution only, compared to those aged 35 to 54 years (29%) and those aged 55 years and over (22%).

Those under 35 years old had the lowest awareness of the concept of 'energy transition' (23%).

There is an opportunity for increased communication and messaging in a way that is targeted and resonates with this cohort around the energy transition.



Listed below are some things that you may or may not do. Please select whether or not the statements apply to you. (% Selected)



2023 data.

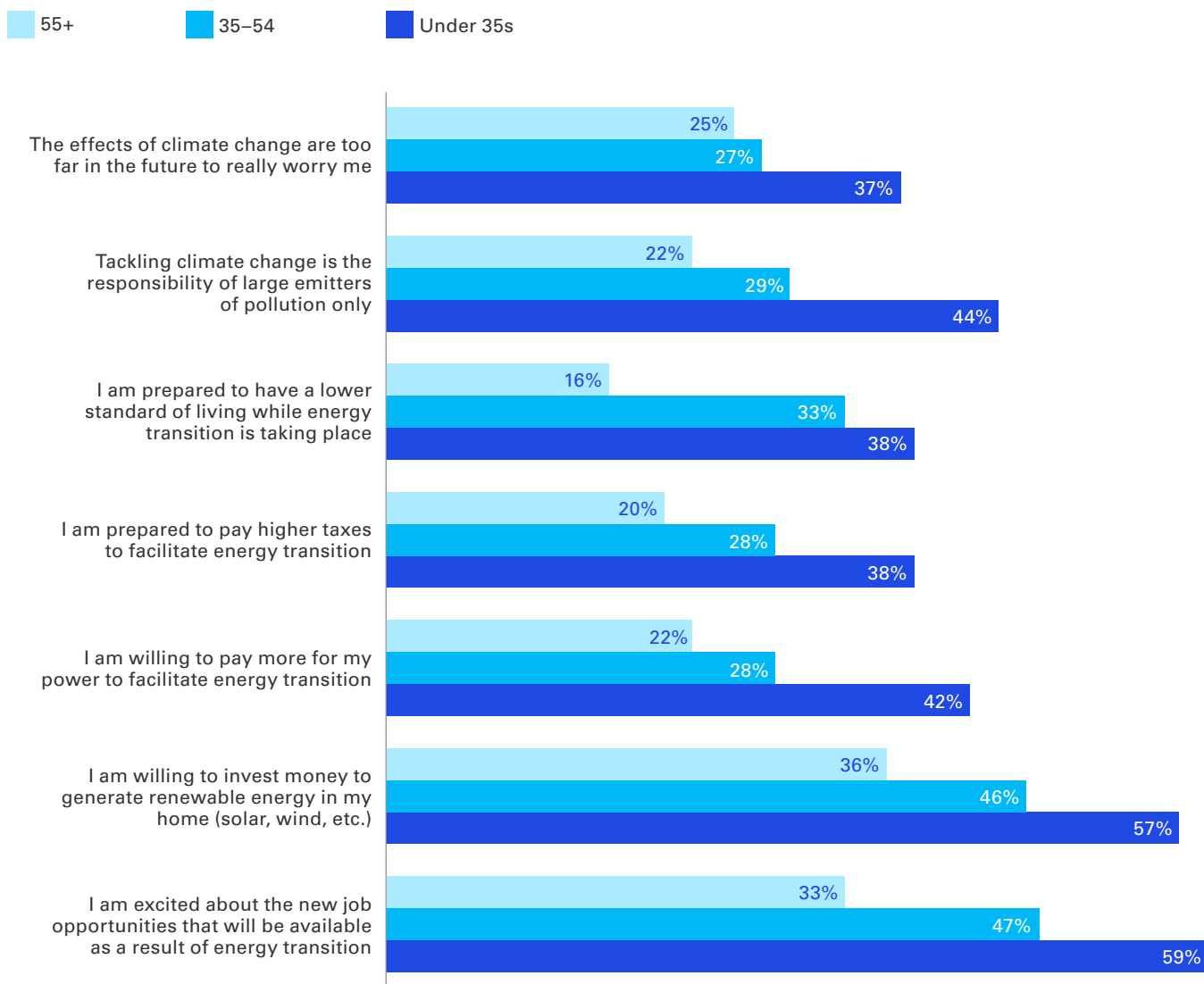
Surprisingly, despite their relative lack of awareness and greater diffusion of responsibility, under 35s show a remarkable openness to financial commitments, being more willing to pay higher taxes, invest in home generation, and accept a lower standard of living to facilitate the energy transition. They also express excitement for emerging jobs in the energy transition, signalling a forward-looking perspective.

Recognising that the under-35 generation will soon become the nation’s primary decision-makers, it becomes crucial to engage and inform them about the energy transition. Importantly, once informed, an overwhelming 71% express support for the transition, highlighting the potential for positive change with the right education and engagement.

The call to action is clear: invest in comprehensive, targeted education campaigns to bridge the awareness gap.

By empowering and informing this demographic, Australia can leverage their passion and willingness to drive a sustainable energy transition into the future.

To what extent do you agree or disagree with the following statements about the environment? (% Somewhat/Strongly Agree)



2023 data.

Government and industry at the coalface

Australians expect the government and industry to take the leading role in the energy transition.

While the majority of Australian households are actively engaged in environmentally conscious behaviour, such as limiting power use, recycling, and reducing water consumption, there is a prevailing expectation that leadership in Australia's energy transition should come from industry and government stakeholders.

Our survey results highlight a crucial factor: there is a perceived lack of clear and coordinated direction and leadership in the energy transition.

Despite the desire for information about energy transition from government agencies and their energy provider, only 7% and 4% have actually heard about the energy transition from these channels, respectively. Most recall hearing about energy transition from the TV or radio (16%) or via online news articles or blogs (11%).

In order to ensure clear and coordinated information is provided, there is a need to focus on improving the accessibility and targeting of information around the energy transition.

Most recall hearing about energy transition from the TV or radio (16%) or via online news articles or blogs (11%).



Our survey results show that Australians view various groups within the country as crucial players in the energy transition, with higher expectations for government entities, energy distributors, and retailers to actively contribute.

However, confidence in these key players is low, with only a minority expressing confidence that these entities will do what's necessary to support the Federal Government's energy transition goals.

The research shows a gap between how much consumers desire action from government and industry, and their level of confidence in getting to the end state. More than half of Australians (52%) think the government (federal or state) absolutely must take action to support the transition to clean energy. But fewer than 1 in 5 Australians (19%) hold a high level of confidence that Australia is on track to achieve the nation's net zero goals.

It is now more important than ever that both industry and government take immediate and decisive action to instil confidence in the energy transition process.

To rebuild confidence and foster a collaborative approach, government and industry representatives need to invest in comprehensive communication strategies that resonate with the public. It is time for a unified effort to ensure a smooth and successful transition to a sustainable energy future.

IN YOUR OPINION, HOW IMPORTANT IS IT FOR THE FOLLOWING GROUPS WITHIN AUSTRALIA TO ACTIVELY MAKE CHANGES TO SUPPORT 'ENERGY TRANSITION'? (% ABSOLUTELY ESSENTIAL)

Government (federal or state)	52%
Energy distributors	44%
Energy retailers/providers	43%
Companies mining or extracting fossil fuel	42%
Other Australian businesses	26%
Individuals and households (citizens)	26%

2023 data.

HOW CONFIDENT ARE YOU THAT THE FOLLOWING GROUPS WILL DO WHAT'S NEEDED TO SUPPORT THE FEDERAL GOVERNMENT IN BEING ABLE TO DELIVER ON THEIR ENERGY TRANSITION GOALS? (% VERY/EXTREMELY CONFIDENT)

State governments	25%
Energy retailers/providers	23%
Individuals and households (citizens)	22%
Energy distributors	22%
Other Australian businesses	22%
Companies mining or extracting fossil fuel	21%

2023 data.

04

Conclusion

Conclusion

The challenge we are facing

Australia is at a critical juncture in its energy transition. KPMG's research has shown that awareness and understanding of the energy transition remains low. While understanding is increasing, Australians have less confidence that the nation will meet its current targets.

It is becoming increasingly important for the Australian public to play an active role in supporting the energy transition. However, Australians expect government and industry to lead the charge. KPMG's research also identified a critical gap in guidance and messaging about the energy transition, with a low percentage of Australians saying that they are receiving messaging about the transition.

Whilst the industry is working towards the energy transition and seeking to ensure a balanced energy trilemma, there is a gap in understanding by Australian households around what the energy transition is, and what is required to transition.

Through considering the human side of the energy transition, Australia can better facilitate a just energy transition – an equitable transformation of our energy system to provide sustainable, affordable, secure and reliable energy; and a low-carbon transition that is fair, inclusive, creates decent work opportunities – and leaves no-one behind. There is a collective responsibility to facilitate a just energy transition, and government, the public sector, the private sector and society all have key roles to play.

Across Australia, public acceptance of the energy transition has never been more critical – with rising concerns, and cost-of-living pressures on Australian households increasing reluctance to support the process, it is essential to ensure Australians play an active role in understanding and supporting the transition.

The risk of inaction

A failure to put people at the heart of the energy transition and deliver community centred shared value will result in:

- an unbalanced energy trilemma
- rising public and shareholder activism
- increased regulatory pressure
- lack of stakeholder trust
- potential loss of social licence
- disruptions to operations
- an increasing social divide between those able to invest in renewable sources and those who cannot (including renters)
- lack of progress building the infrastructure needed to decarbonise the energy system
- a disengaged and unskilled workforce.

The path forward

To bridge this gap between industry, government and the public, it is critical to build a shared understanding of the challenge, including local and collective benefits and impacts. Then, shared value can be built with the public, enabling social licence for industry and government.

Building shared understanding through proactive and inclusive public engagement for both those directly impacted and the broader public, is a fundamental requirement for building trust, reputation, and social licence.

It is important to understand that not all consumers will experience the energy transition in the same way, or to the same extent.

Understanding different customer segments, and different views and attitudes towards the transition, including barriers and motivators, will help to ensure that industry and government are effectively engaging with consumers.

Building a shared understanding through this approach will not only accelerate the adoption of new energy products and services, but also mitigate the potential for mistrust and resistance.

It is on this foundation of shared understanding that shared value and social licence can be built.

This report has demonstrated the criticality that both the government and industry display a unified role in the energy transition narrative for Australia.

How KPMG can help

KPMG supports the equitable transformation of our energy system to provide sustainable, affordable, secure and reliable energy. We see our purpose as empowering our collective journey towards net zero – making the world better, together. Through this research, we are committed to building a longitudinal view to better understand people's awareness and perceptions of the energy transition, now and over time. Leveraging our insights and our global knowledge, KPMG supports clients to create targeted insight-led strategies that build the social licence needed to deliver this era-defining transition.

Together, we can ensure no-one is left behind.

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Appendix

Methodology

This report was prepared following two national surveys conducted in 2022 and 2023, with nationally representative samples of Australians aged 18+ years old. The inaugural survey was conducted in November 2022, and repeated in November 2023 to track changes to community awareness and understanding of energy transition in Australia.

This research report is based on the responses from just over 1,600 Australians – around 600 from the 2022 wave and 1,000 from the 2023 wave.

Research recruitment was conducted via an accredited market research panel provider to survey adults in line with proportions that represent the

Australian population by age, gender, state and urbanisation, aligned with the Australian Bureau of Statistics 2021 Population Census (survey sample demographics provided below).

Results were analysed using Q Professional version 5.12.4.0.

Significance testing was conducted to identify statistically significant changes between 2022 and 2023 data (at a 0.05 level of significance), with statistically significant changes between years denoted by arrows [↑ ↓] in the report.

COHORT DETAILS		2022 N=597	2023 N=1,009
AGE	Under 35s	29%	30%
	35–54	38%	41%
	55+	33%	29%
GENDER	Male	50%	52%
	Female	50%	48%
STATE	Australian Capital Territory	2%	1%
	New South Wales	30%	33%
	Victoria	26%	26%
	Queensland	18%	20%
	Western Australia	11%	10%
	South Australia	9%	7%
	Tasmania	3%	2%
REGION	Northern Territory	<1%	1%
	Regional	72%	68%
	Metro	28%	32%
HOUSEHOLD INCOME (PRE-TAX)	Under \$40,000	20%	18%
	\$40,000–\$79,999	29%	28%
	\$80,000–\$119,999	20%	24%
	\$120,000–\$149,999	11%	9%
	\$150,000+	14%	15%
	Prefer not to say	6%	5%
HOMEOWNER STATUS	Owned outright	34%	30%
	Owned with a mortgage	26%	30%
	Renting	35%	37%
	Occupied rent free	3%	2%
	Other/Prefer not to say	2%	2%

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April 2024. 1267225708EMP