



Oil Company Windfall Profits Tax/ Energy Attitudes Survey

Conducted for:

*Civil Society Institute (CSI) &
40mpg.org, A Project of CSI*

Prepared by

OPINION RESEARCH CORPORATION

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BACKGROUND AND PURPOSE

A series of questions was asked on one wave of CARAVAN®, Opinion Research Corporation's twice-weekly national shared-cost survey. The purpose of the research was to gain an understanding of the views of Americans on dependence on foreign oil and fuel efficient vehicles in light of Hurricane Katrina.

Results are based on telephone interviews conducted among a sample of 1,019 adults (507 men and 512 women) aged 18 and over living in private households in the continental United States. Interviewing was completed at ORC's Central Telephone Facilities during the period of September 15-18, 2005.

Interviews were weighted by four variables: age, sex, geographic region, and race, to ensure reliable and accurate representation of the total adult population.

The margin of error at a 95% confidence level is plus or minus three percentage points for the sample of 1,019 adults. Smaller sub-groups will have larger error margins.

Executive Summary

Convinced that they are being gouged by oil companies and unsatisfied by inaction at the national level, Americans appear to be coalescing in substantial and bipartisan majorities behind major new federal energy policies, including a windfall profits tax that would be imposed on oil companies to finance research into alternative energy and tougher new fuel-efficiency requirements for automobiles and other vehicles. One striking sign of how far things have come: Four out of five Americans now say that they want Detroit car makers to follow the lead of Toyota in powering all future vehicles with fuel-saving hybrid technology.

For the most part, this emerging consensus cuts across demographic and political divisions.

The key findings include:

- Nearly nine out of ten Americans (87 percent) think "big oil companies are currently gouging consumers at the gas pump," with 57 percent saying that there is a "great deal" of such price gouging going on. Fewer than one in twenty Americans (4 percent) say that "no price gouging is going on."
 - Political affiliation makes almost no difference in how Americans respond to this question with 87 percent of independents, 82 percent of Republicans and 91 percent of Democrats saying there is a "great deal" or "some" price gouging going on.

Executive Summary

- About four out of five Americans (79 percent) would "support a tax on the windfall profits of oil companies" if the resulting revenues were spent conducting "research on alternative energy." Support for targeting windfall profits tax revenues to underwrite alternative energy research was higher than two other listed alternatives: "wetlands restoration in Gulf Coast states to minimize the impact of future hurricanes" (70 percent) and "a direct rebate to each consumer with a driver's license" (53 percent). On the alternative energy research point, a majority (51 percent) expressed "a great deal of support" and more than a quarter (28 percent) "somewhat support."
 - Political affiliation made almost no difference in the overall level of support for alternative energy research using windfall profits tax revenues, with independents (81 percent), Republicans (76 percent), and Democrats (83 percent) all in a relatively narrow band.

- Four out of five Americans (81 percent) think "the federal government is not doing enough about high energy prices and the U.S. dependence on Middle Eastern energy sources." Only 15 percent of Americans think the federal government is doing the "right amount" (11 percent) or "too much" (3 percent) on high energy prices and U.S. dependence on Middle Eastern oil.
 - Political affiliation was somewhat more evident as a factor in the responses to this question, with 83 percent of independents, 74 percent of Republicans and 90 percent of Democrats expressing dissatisfaction with current federal policies. However, it remains notable that nearly three out of four Republicans indicated displeasure with the federal responses to higher energy prices and the U.S. reliance on foreign oil.

Executive Summary

- Nearly three out of four Americans (73 percent) think that recent gasoline price hikes now make it "much more" or "somewhat more" important "that the federal government takes new steps to require higher fuel efficiency standards for cars and other vehicles." About one in five Americans (19 percent) said that gas price hikes have had no impact on their thinking about fuel-efficiency standards and 6 percent said it is less important for the federal government to support tougher fuel-efficiency standards.
 - There is little difference across political affiliation, with the view for higher fuel-efficiency standards backed by 74% of independents, 70% of Republicans and 78% of Democrats.

- Four out of five Americans now think that "U.S. automakers should follow the same path" as Toyota, which "has announced that all of its new cars going forward will use fuel-saving hybrid technology." This view is shared by 80 percent of independents, 73 percent of Republicans and 86 percent of Democrats.
 - Support for an "all hybrid" approach for U.S. vehicles was particularly strong in the West at 87 percent.

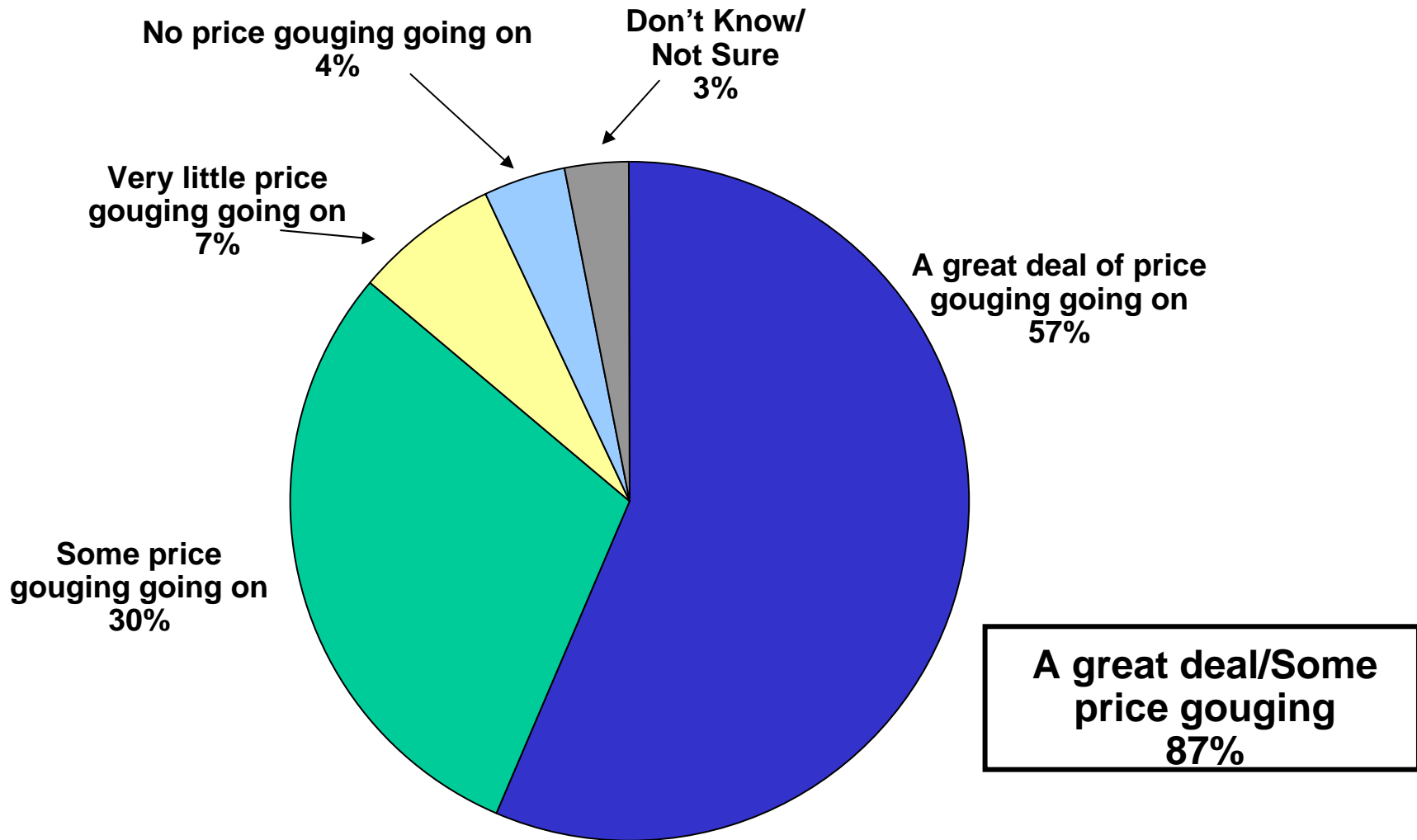
DETAILED FINDINGS

Perceptions of Price Gouging

- Nearly nine in ten American adults (87%) believe that, at least to some extent, large oil companies are currently gouging consumers at the gas pump.
 - A substantial majority (57%) believe that there is a “great deal” of price gouging, while another 30% see “some price gouging.”
 - Political affiliation makes only a little difference in peoples view as to whether consumers are being gouged. Eighty two percent of Republicans align with 91% of Democrats and 87% of independents in believing that at least some gouging is going on.
 - A substantial 45% of Republicans, along with the majority of Democrats (64%) and independents (57%) see “a great deal of price gouging going on.”

Perceptions of Price Gouging

B2: Do you think big oil companies are CURRENTLY gouging consumers at the gas pump? Would you say there is . . .

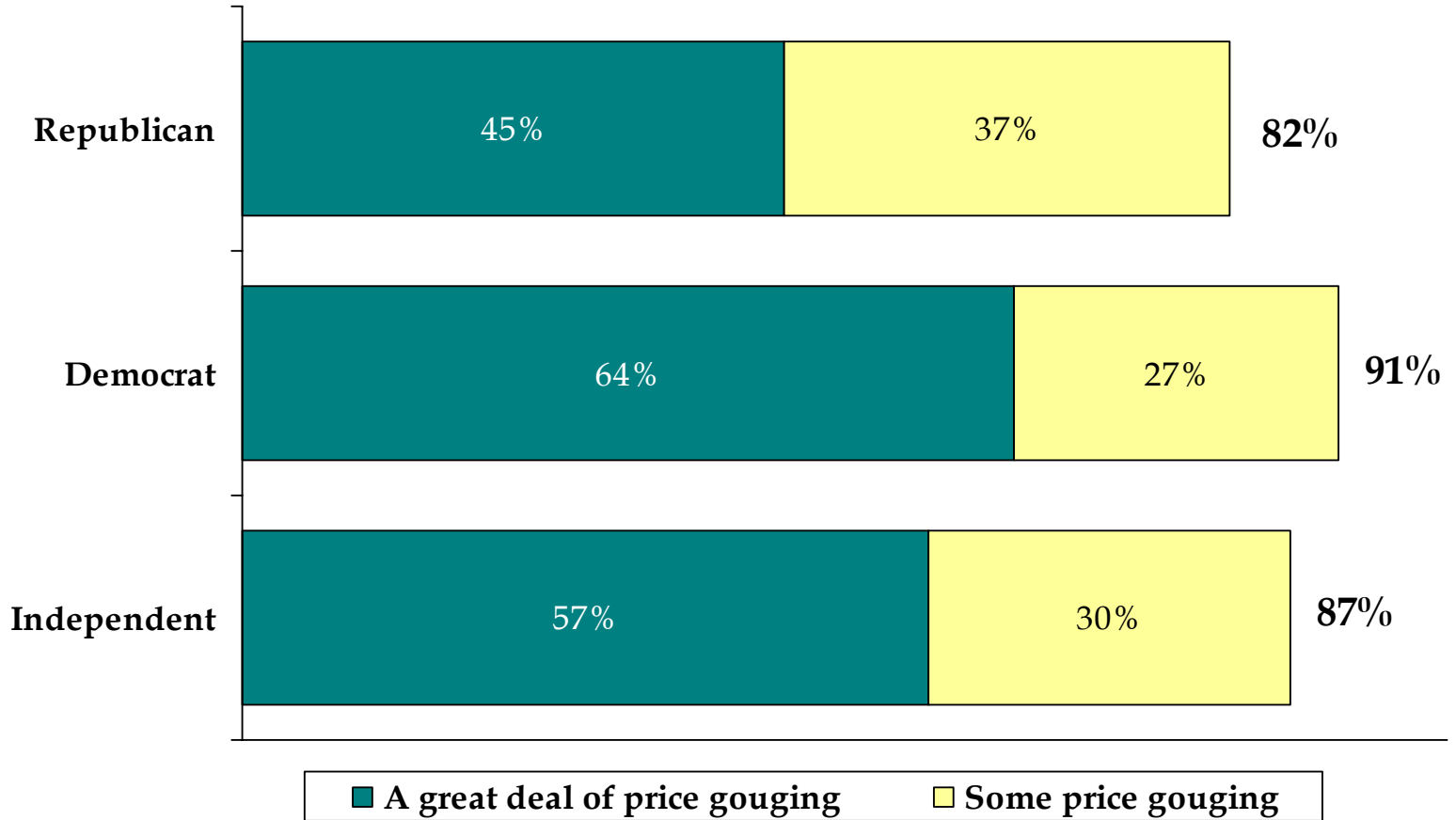


Base = Total adults (1,019)

Perceptions of Price Gouging

B2: Do you think big oil companies are CURRENTLY gouging consumers at the gas pump? Would you say there is . . .

Percent Saying There is a Great Deal or Some Price Gouging



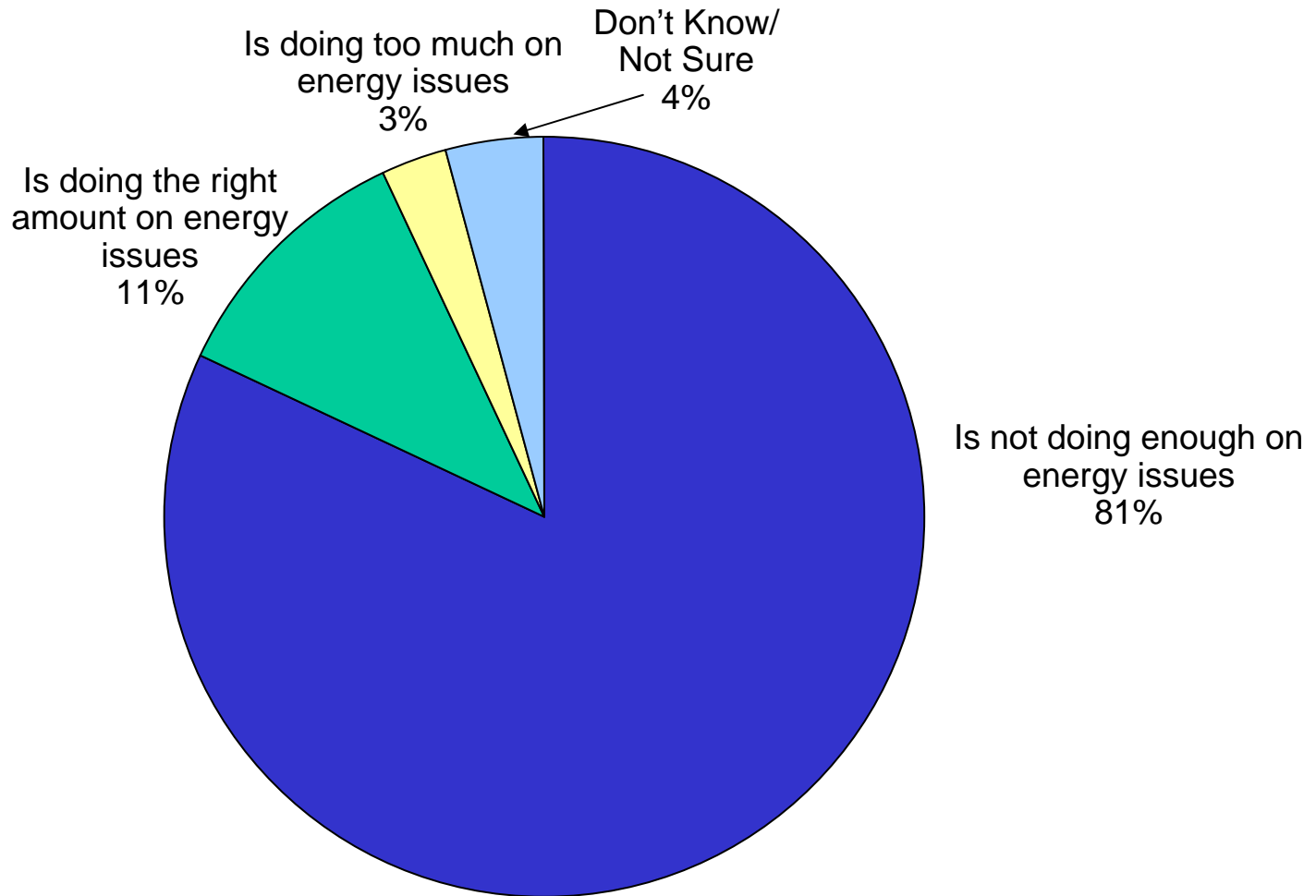
Base = Republican (299); Democrat (262); Independent (352)

Federal Government Not Doing Enough About High Energy Prices and Dependence on Mid-East Sources

- Eight in ten (81%) of Americans believe that the federal government is not doing enough about high energy prices and dependence on Middle Eastern energy sources.
 - Three quarters (74%) of Republicans join 90% of Democrats and 83% of independents in being dissatisfied with federal action to date.

Federal Government Not Doing Enough About High Energy Prices and Dependence on Mid-East Sources

B3: Do you think the federal government is doing enough about high energy prices and the U.S. dependence on Middle Eastern energy sources? Would you say the federal government . . .

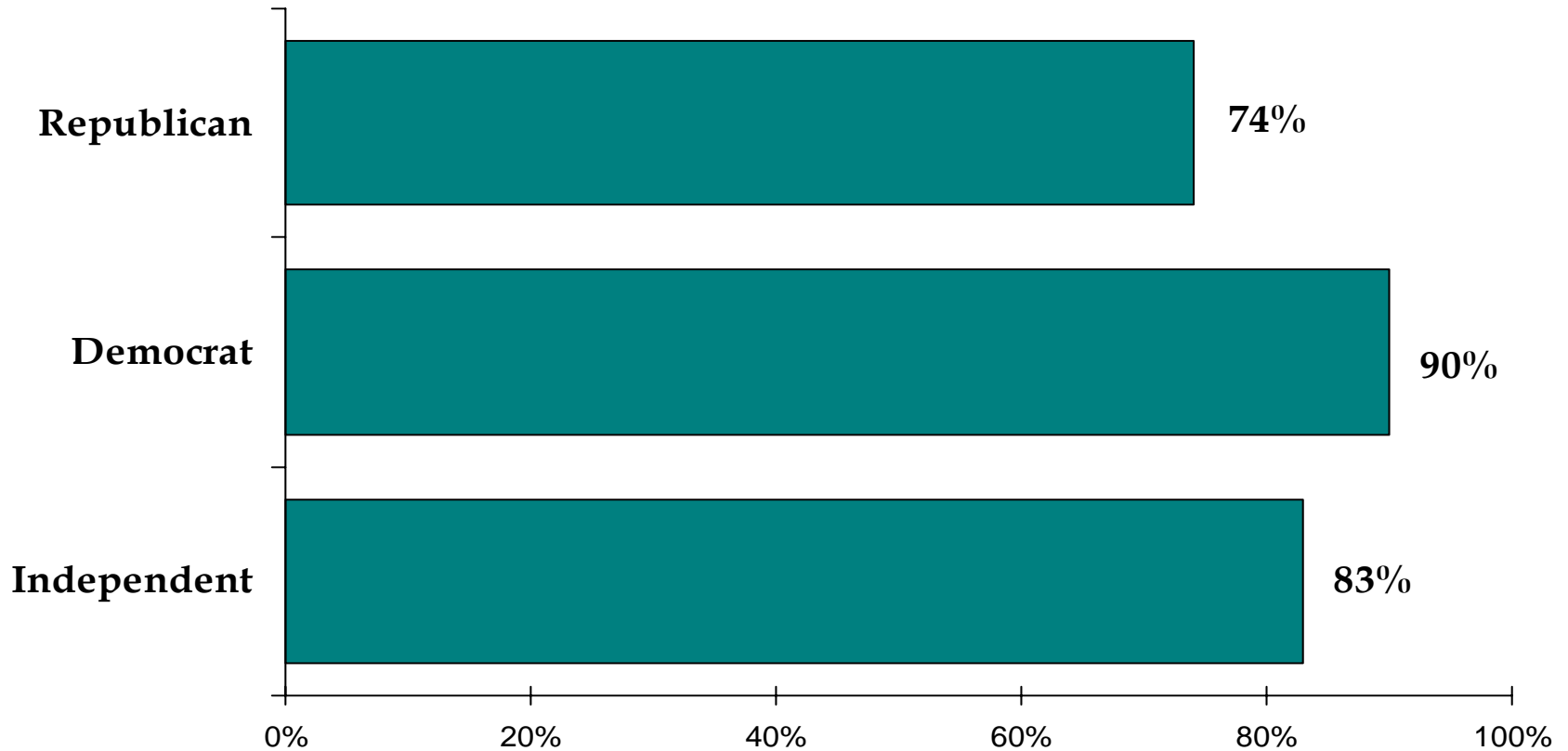


Base = Total adults (1,019)

Federal Government Not Doing Enough About High Energy Prices and Dependence on Mid-East Sources

B3: Do you think the federal government is doing enough about high energy prices and the U.S. dependence on Middle Eastern energy sources? Would you say the federal government . . .

Percent Saying Federal Government is Not Doing Enough



Base = Republican (299); Democrat (262); Independent (352)

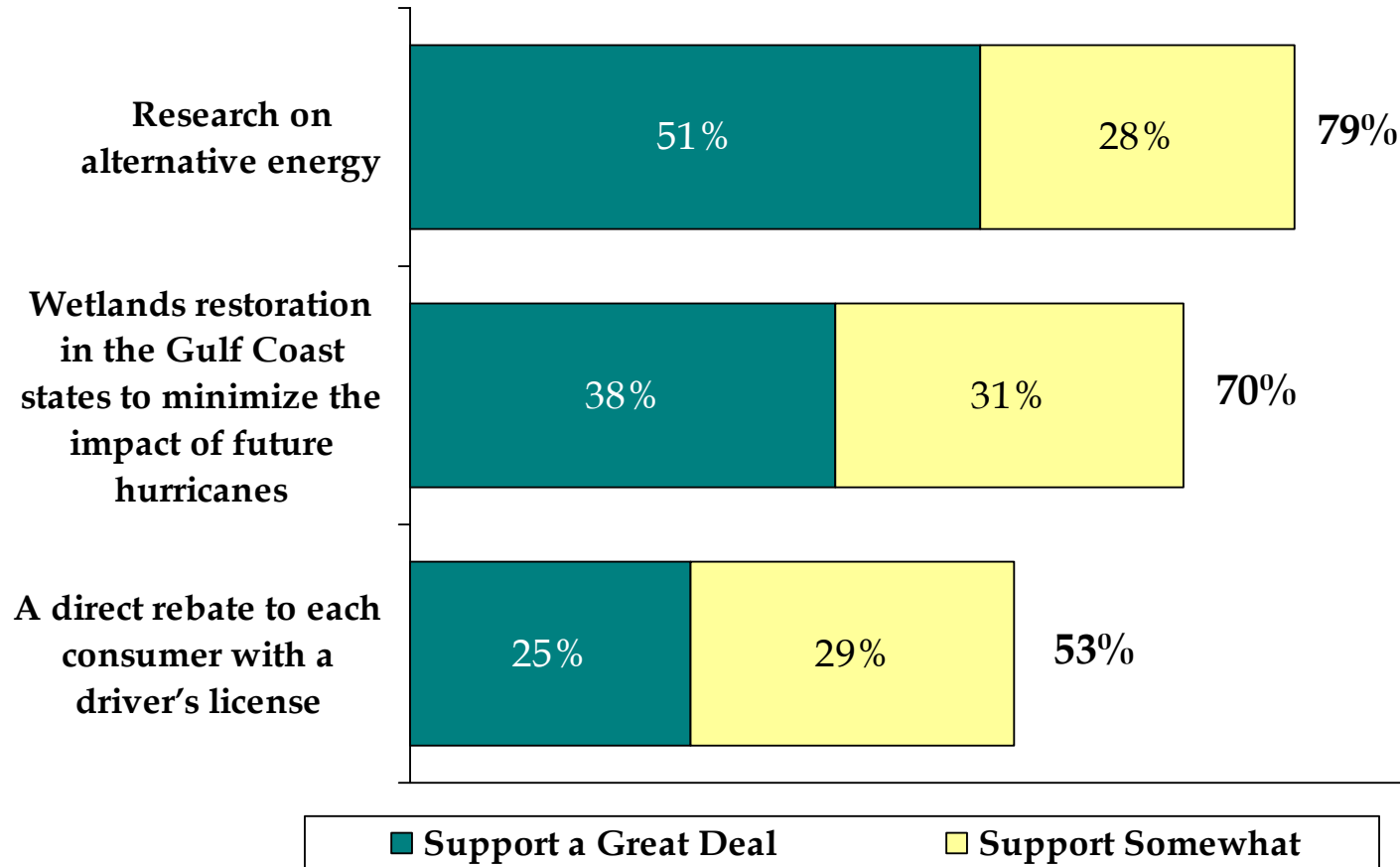
Support for Dedicated Windfall Profits Tax on Oil Companies

- Majorities of Americans say they support a windfall profits tax of oil companies if the revenues were targeted to specific programs.
 - Garnering the greatest support is research on alternate energy, supported by 79% of Americans. Here a majority (51 percent) expressed "a great deal of support" and more than a quarter (28 percent) "somewhat support."
 - Support for targeting windfall profits tax revenues to underwrite alternative energy research was higher than two other alternatives tested.
 - Seventy percent would support a tax dedicated to "wetlands restoration in the Gulf Coast states to minimize the impact of future hurricanes."
 - Fifty three percent support "a direct rebate to each consumer with a driver's license."
 - In contrast to the other two alternatives, dedicating the tax to alternate energy research has comparable support across political views, with at least three quarters of independents (81 percent), Republicans (76 percent), and Democrats (83 percent) supporting the tax.

Support for Dedicated Windfall Profits Tax on Oil Companies

B4 Would you support a tax on the windfall profits of oil companies if the resulting revenues were spent on each of the following? Would you support this idea a great deal, support this idea somewhat, oppose this idea somewhat or oppose this idea a great deal?

Percent Support Tax if Revenue Spent On:

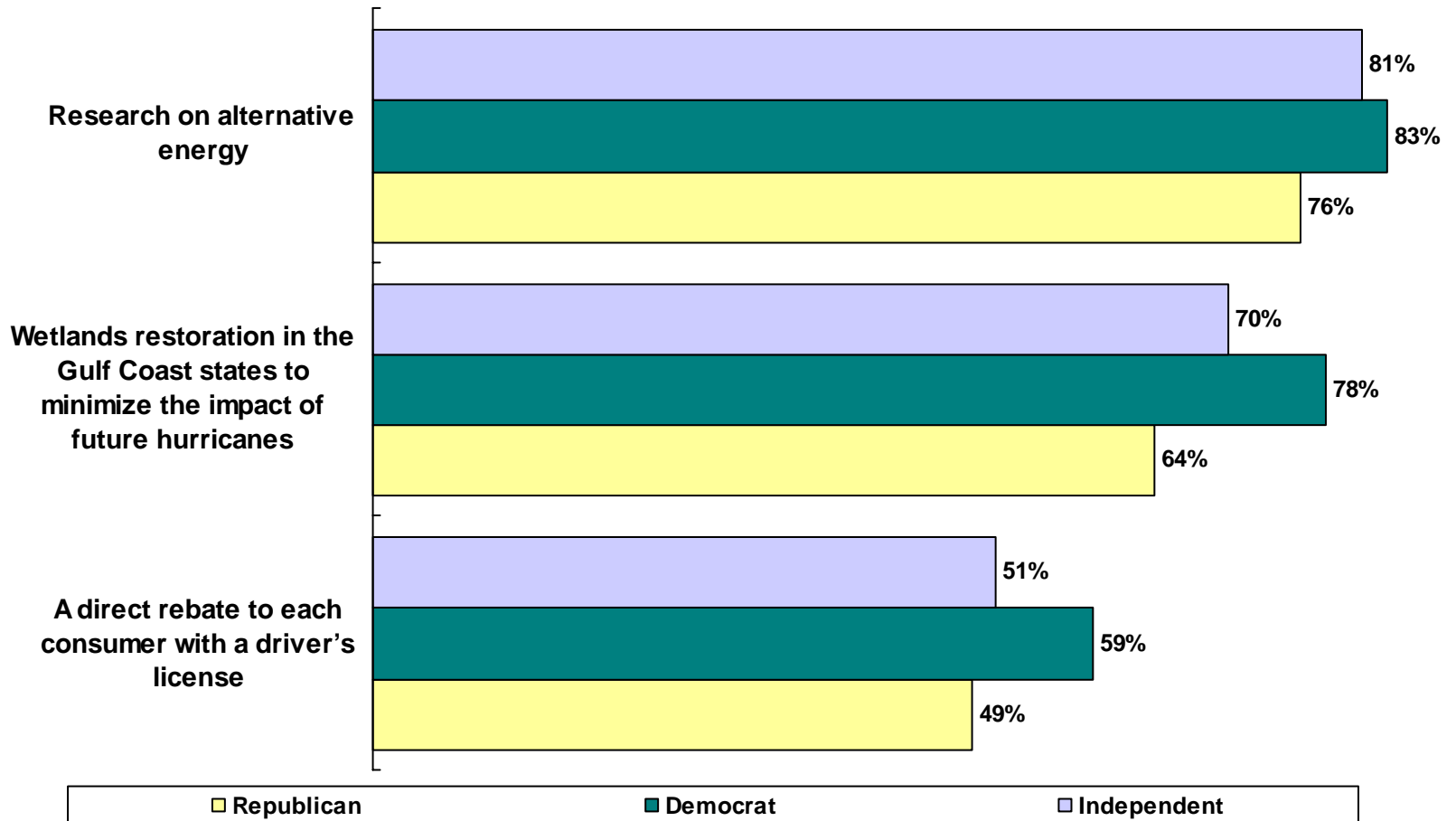


Base = Total adults (1,019)

Support for Dedicated Windfall Profits Tax on Oil Companies

B4 Would you support a tax on the windfall profits of oil companies if the resulting revenues were spent on each of the following? Would you support this idea a great deal, support this idea somewhat, oppose this idea somewhat or oppose this idea a great deal?

Percent Strongly/Somewhat Support Tax if Revenue Spent On:



Base = Republican (299); Democrat (262); Independent (352)

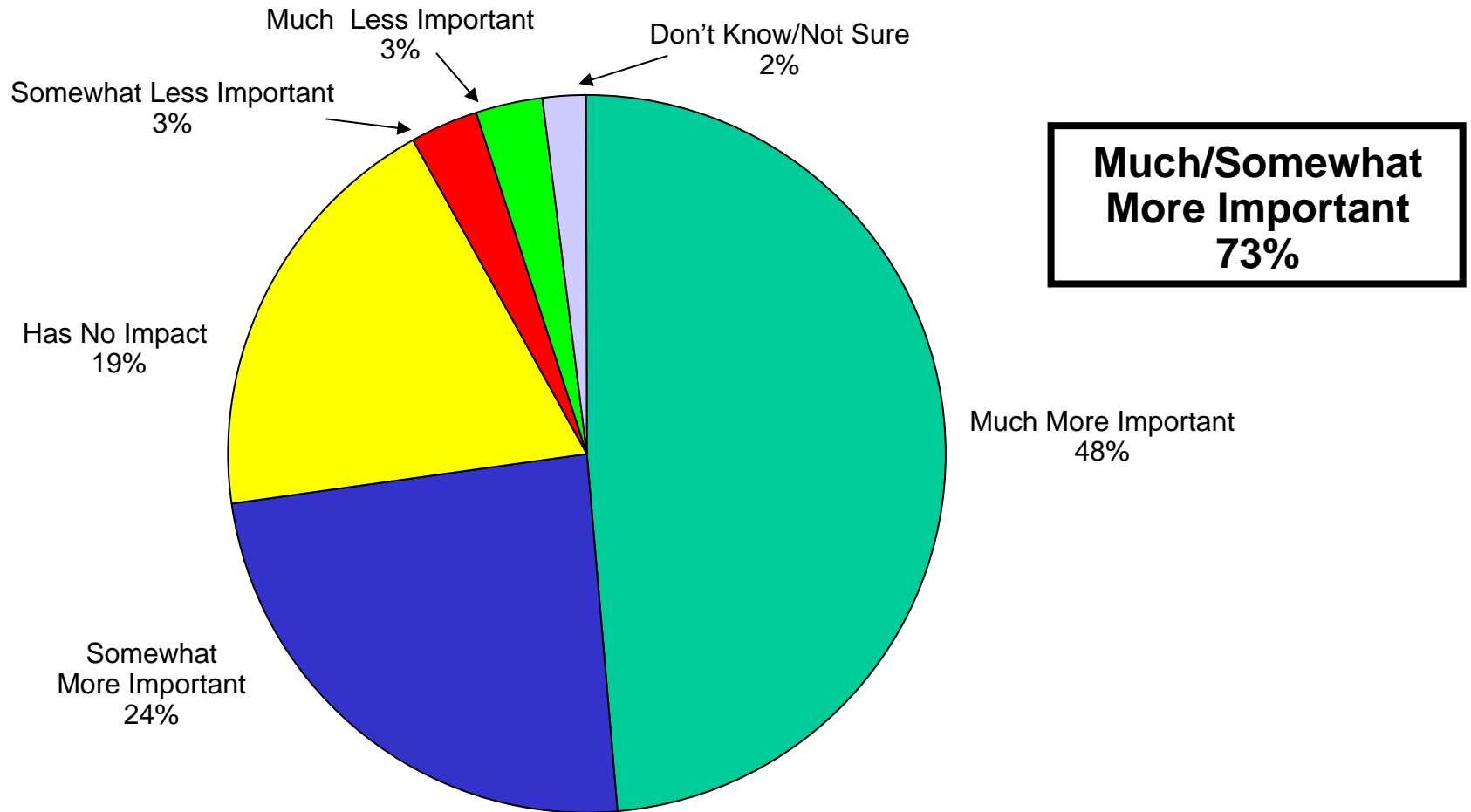
IMPACT OF GAS PRICE HIKES ON IMPORTANCE OF NEW FEDERAL STEPS TO REQUIRE HIGHER FUEL EFFICIENCY STANDARDS

■ Nearly three out of four Americans (73 percent) think that recent gasoline price hikes now make it "much more" or "somewhat more" important "that the federal government takes new steps to require higher fuel efficiency standards for cars and other vehicles." About one in five Americans (19 percent) said that gas price hikes have had no impact on their thinking about fuel-efficiency standards and 6 percent said it is less important for the federal government to support tougher fuel-efficiency standards.

- There is little difference across political affiliation, with the view for higher fuel-efficiency standards backed by 74% of independents, 70% of Republicans; and 78% of Democrats.

IMPACT OF GAS PRICE HIKES ON IMPORTANCE OF NEW FEDERAL STEPS TO REQUIRE HIGHER FUEL EFFICIENCY STANDARDS

B5: Do recent hikes in gasoline prices make it more or less important to you that the federal government takes new steps to require higher fuel efficiency standards for cars and other vehicles? Would you say it makes it . . .

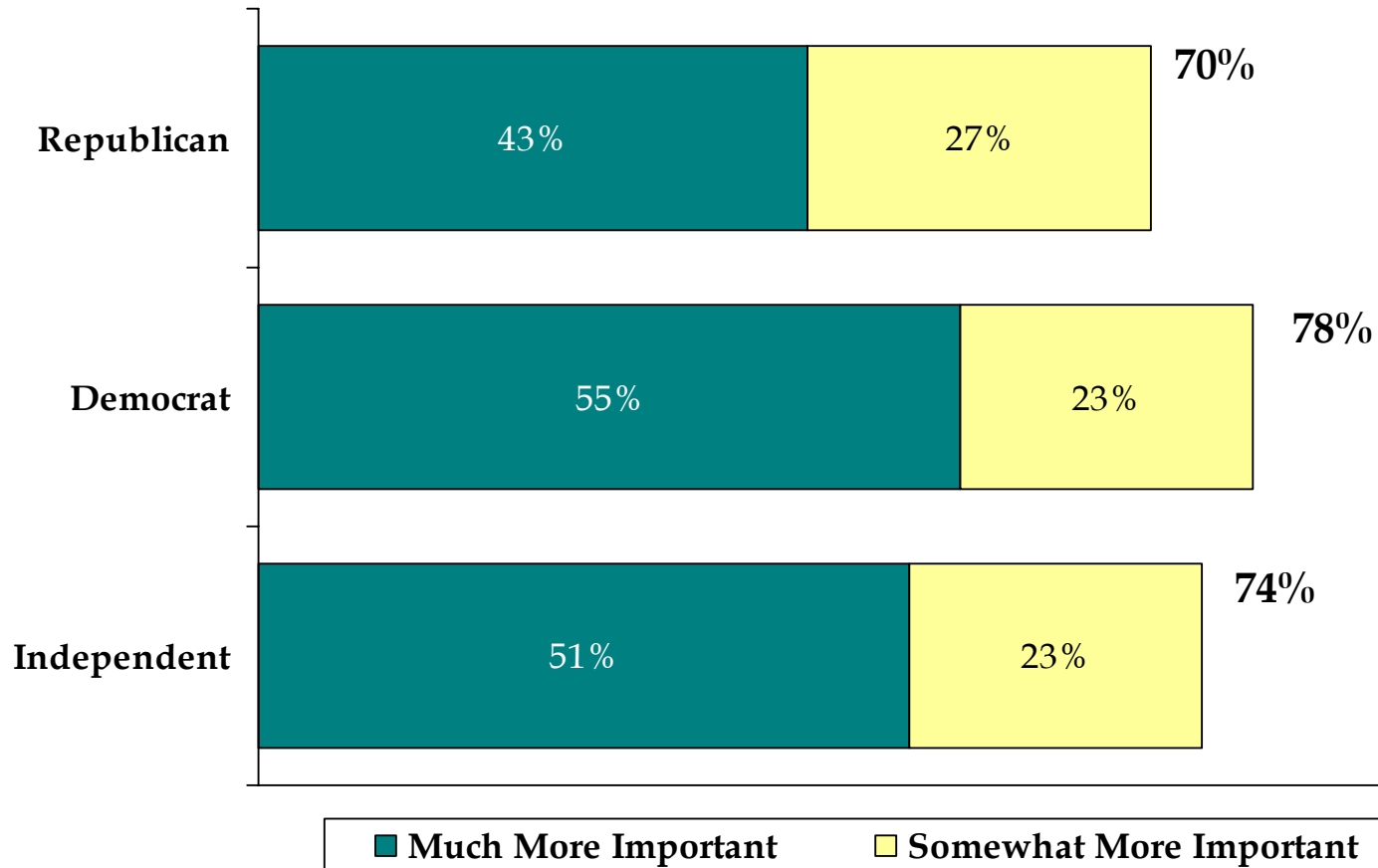


Base = Total adults (1,019)

IMPACT OF GAS PRICE HIKES ON IMPORTANCE OF NEW FEDERAL STEPS TO REQUIRE HIGHER FUEL EFFICIENCY STANDARDS

B5: Do recent hikes in gasoline prices make it more or less important to you that the federal government takes new steps to require higher fuel efficiency standards for cars and other vehicles? Would you say it makes it

Percent Saying Higher Fuel Efficiency Much More or Somewhat More Important



Base = Republican (299); Democrat (262); Independent (352).

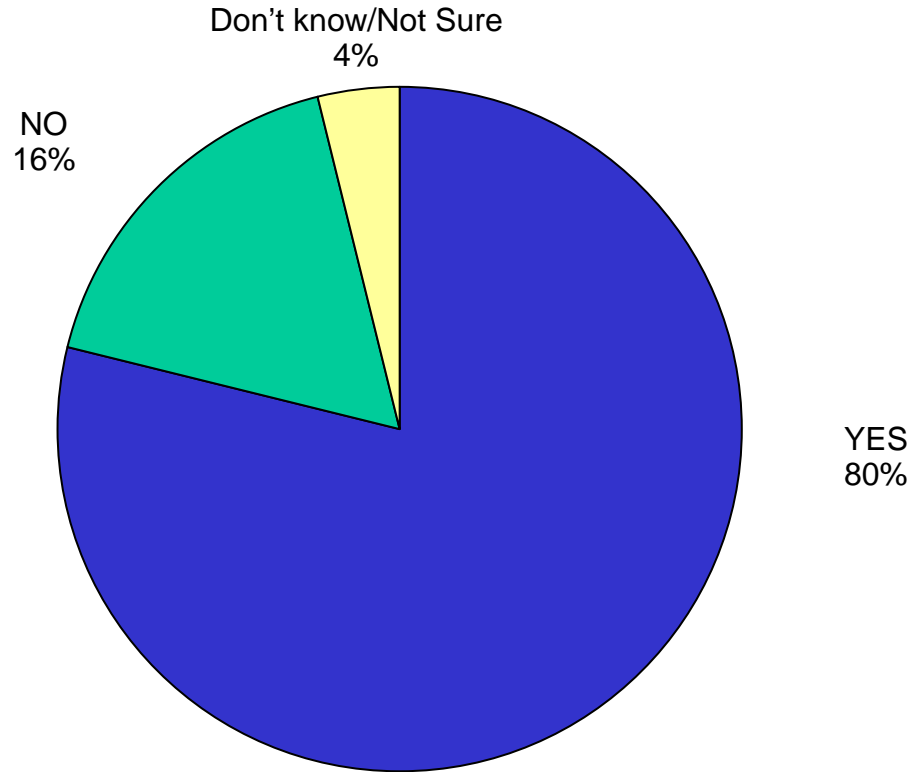
Support for All-Hybrid Fleets

■ Four out of five Americans now think that "U.S. automakers should follow the same path" as Toyota, which "has announced that all of its new cars going forward will use fuel-saving hybrid technology."

- This view is shared by 80 percent of independents, 73 percent of Republicans and 86 percent of Democrats.
- Support for an "all hybrid" approach for U.S. vehicles was particularly strong in the West at 87 percent.

Support for All-Hybrid Fleets

B6: Toyota has announced that all of its new cars going forward will use fuel-saving hybrid technology. Should U.S. automakers follow the same path?



Base = Total adults (1,019)

Support for All-Hybrid Fleets

B6: Toyota has announced that all of its new cars going forward will use fuel-saving hybrid technology. Should U.S. automakers follow the same path?

Percent Saying U.S. Automakers Should Move Toward All Hybrid Fleet



Base = Northeast (200); Mid West (231); South (365); West (223); Republican (299); Democrat (262); Independent (352)

APPENDIX

RELIABILITY OF SURVEY PERCENTAGES

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

The table below shows the possible sample variation that applies to percentage results reported herein. The chances are 95 in 100 that a survey result does not vary, plus or minus, by more than the indicated number of percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

Size of Sample on Which Survey Results Are Based	Approximate Sampling Tolerances Applicable to Percentages At or Near These Levels				
	<u>10% or 90%</u>	<u>20% or 80%</u>	<u>30% or 70%</u>	<u>40% or 60%</u>	<u>50%</u>
1,000 interviews	2%	2%	3%	3%	3%
500 interviews	3%	4%	4%	4%	4%
250 interviews	4%	5%	6%	6%	6%
100 interviews	6%	8%	9%	10%	10%

Additional Sampling Tolerances for Samples of 1,000 Interviews

<u>9% or 91%</u>	<u>8% or 92%</u>	<u>7% or 93%</u>	<u>6% or 94%</u>	<u>5% or 95%</u>
2%	2%	2%	1%	1%
<u>4% or 96%</u>	<u>3% or 97%</u>	<u>2% or 98%</u>	<u>1% or 99%</u>	
1%	1%	1%	.2%	

SAMPLING TOLERANCES WHEN COMPARING TWO SAMPLES

Tolerances are also involved in the comparison of results from independent parts of the sample. A difference, in other words, must be of at least a certain number of percentage points to be considered statistically significant – that is not due to random chance. The table below is a guide to the sampling tolerances in percentage points applicable to such comparisons, based on a 95% confidence level.

Size of Samples Compared	Differences Required for Significance At or Near These Percentage Levels				
	10% or 90%	20% or 80%	30% or 70%	40% or 60%	50%
1,000 and 1,000	3%	4%	4%	4%	4%
1,000 and 500	3%	4%	5%	5%	5%
1,000 and 250	4%	6%	6%	7%	7%
1,000 and 100	6%	8%	9%	10%	10%
500 and 500	4%	5%	6%	6%	6%
500 and 250	5%	6%	7%	7%	8%
500 and 100	6%	9%	10%	11%	11%
250 and 250	5%	7%	8%	9%	9%
250 and 100	7%	9%	11%	11%	12%
100 and 100	8%	11%	13%	14%	14%

Questionnaire

On another subject . . .

B1 How would you describe your personal views? Are you . . . [READ LIST. RECORD ONE ANSWER]

27% Republican
27% Democrat
35% Independent

8% NONE OF THESE
3% DON'T KNOW/NOT SURE

B2 Do you think big oil companies are CURRENTLY gouging consumers at the gas pump? Would you say there is . . . [READ LIST. RECORD ONE ANSWER]

57% A great deal of price gouging going on
30% Some price gouging going on

7% Very little price gouging going on
4% No price gouging going on

3% DON'T KNOW/NOT SURE

B3 Do you think the federal government is doing enough about high energy prices and the U.S. dependence on Middle Eastern energy sources? Would you say the federal government . . . [READ LIST. RECORD ONE ANSWER]

81% Is not doing enough on energy issues
11% Is doing the right amount on energy issues
3% Is doing too much on energy issues

4% DON'T KNOW/NOT SURE

B4 Would you support a tax on the windfall profits of oil companies if the resulting revenues were spent on each of the following? Would you support this idea a great deal, support this idea somewhat, oppose this idea somewhat or oppose this idea a great deal? [READ AND ROTATE ITEMS]

A. Research on alternative energy

51% Support this idea a great deal

28% Support this idea somewhat

8% Oppose this idea somewhat

9% Oppose this idea a great deal

4% DON'T KNOW/NOT SURE

B. Wetlands restoration in the Gulf Coast states to minimize the impact of future hurricanes

38% Support this idea a great deal

31% Support this idea somewhat

12% Oppose this idea somewhat

11% Oppose this idea a great deal

7% DON'T KNOW/NOT SURE

C. A direct rebate to each consumer with a driver's license

25% Support this idea a great deal

29% Support this idea somewhat

19% Oppose this idea somewhat

20% Oppose this idea a great deal

7% DON'T KNOW/NOT SURE

B5 Do recent hikes in gasoline prices make it more or less important to you that the federal government takes new steps to require higher fuel efficiency standards for cars and other vehicles? Would you say it . . . [READ LIST. RECORD ONE ANSWER]

- 48% Makes it much more important
- 24% Makes it somewhat more important
- 19% Has no impact on your thinking
- 3% Makes it somewhat less important
- 3% Makes it much less important
- 2% DON'T KNOW/NOT SURE

B6 Toyota has announced that all of its new cars going forward will use fuel-saving hybrid technology. Should U.S. automakers follow the same path?

- 80% YES
- 16% NO
- 4% DON'T KNOW/NOT SURE