

American Views on Foreign Fuel-Efficient Vehicles, a Federal 40 MPG Standard and Other Energy Issues

Summary of Survey Findings

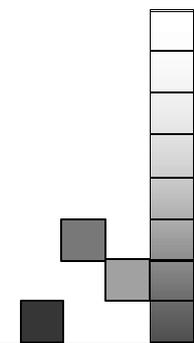
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Prepared by

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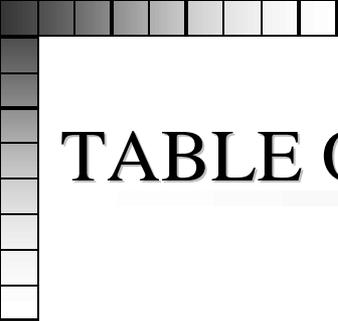
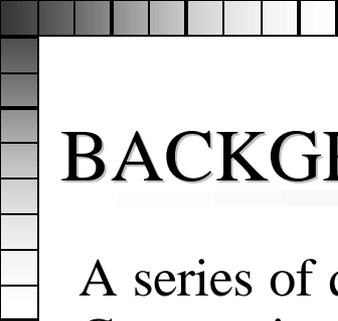


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BACKGROUND AND PURPOSE

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 foreign fuel-efficient vehicles, a federal 40MPG standard, an oil industry windfall profit tax, and other energy-related issues.

Results are based on telephone interviews conducted among a sample of 1,030 adults (521 men and 509 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 November 17-20, 2005.

Completed interviews of the 1,030 adults 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 1,030 adults. Smaller sub-groups will have larger error margins.



Executive Summary

- **There is a potential market of 2.5 million U.S. consumers for the introduction of fuel-efficient cars now being sold overseas, but not in this country.**
 - More than one in 10 American adults (12%) say they "have faced a delay in getting the fuel-efficient car they wanted or were concerned enough about reports of delays not to proceed with purchasing such a vehicle." Significantly, this level of frustrated consumers is slightly higher than those reporting "they had no concerns and were able to buy the fuel-efficient car they wanted (11%)."
- **Nine out of ten Americans (88 percent) -- including 66 percent who agree strongly -- think U.S. consumers should have access to the dozens of more fuel-efficient cars available from U.S. automakers overseas - but not in this country.**

Executive Summary

- **Even traditional concerns about reduced sales of U.S.-made autos do not significantly dampen consumer desire for foreign-made fuel-efficient cars not now offered in the U.S.**
 - Four out five Americans -- including more than half (56%) who agree strongly -- think U.S. consumers should have access to the dozens of more fuel-efficient cars available from foreign automakers overseas - but not in America.
- **Four out of five Americans (79%) want to see higher federal fuel efficiency standards for vehicles in order to cut dependence on Middle Eastern fuel and to combat global warming.**
- **More than four out of five Americans (82%) say the U.S. “has not done enough” to conserve energy through such steps as requiring higher federal fuel efficiency standards for vehicles.**



Executive Summary

- **Nearly three in five (57%) think “a windfall profits tax should be imposed” over the objections expressed in recent Capitol Hill testimony by big oil company executives.**
- **Alternative energy development is favored more than two-to-one over “subsidies for winter heating bills” (57% v. 26%) as the best use of any windfall profits tax revenues.**

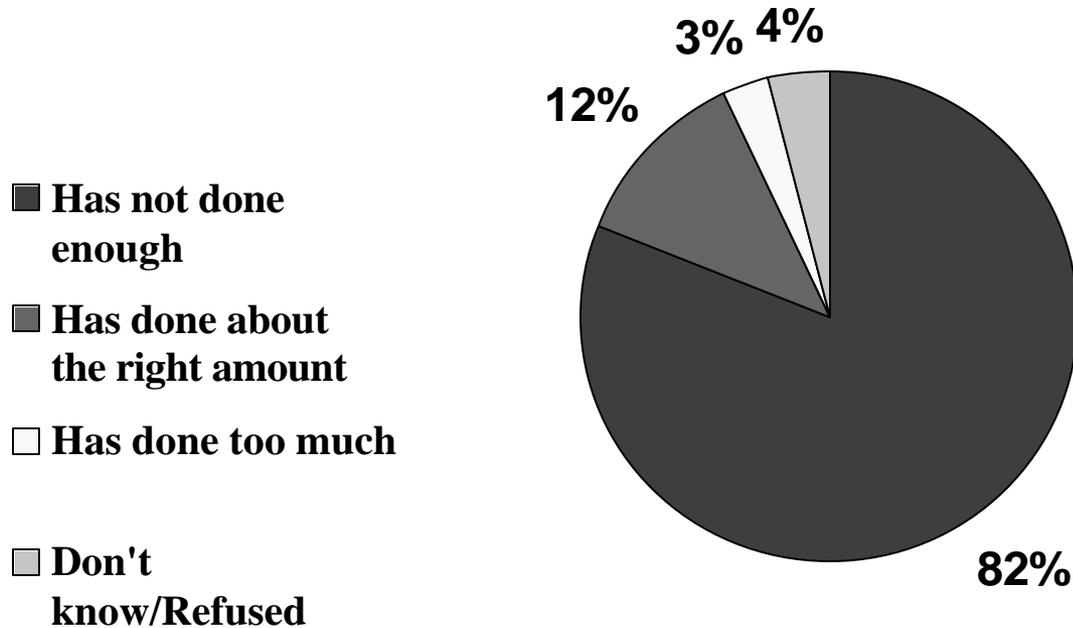
DETAILED FINDINGS

Government Action on Developing Alternative Energy and Energy Conservation

- An overwhelming majority of respondents feel that government has not done enough (82%) to develop alternative energy and conserve fuel. Only 12% give the government credit for doing the right amount and 3% think the government has done too much.
 - Those who are in favor of higher fuel efficiency standards are also far more critical of the government's efforts to date to develop alternative energy sources. Ninety-two percent of those who agree strongly that the country needs higher federal fuel efficiency standards, also think that the government has not done enough to develop alternative energy. Eighty-three percent of those who agree somewhat that we need higher fuel efficiency standards, think the government has not done enough in the area of alternative fuel.
 - Those who disagree that higher fuel efficiency standards are needed are much less likely to fault the government for not doing enough on alternative energy. Sixty-one percent of those who disagree somewhat and only 47% of those who disagree strongly that higher fuel efficiency standards are needed, fault the government for doing too little on alternative energy.

Government Action on Developing Alternative Energy and Energy Consumption

F1: Some experts are warning that we are at "peak" oil production levels today and that supplies of oil for gasoline and heating oil will only get scarcer and more expensive from this point forward. In view of this, do you think the United States has done enough to develop alternative energy and to conserve fuel use through such steps as higher federal fuel efficiency standards for vehicles? Would you say the United States



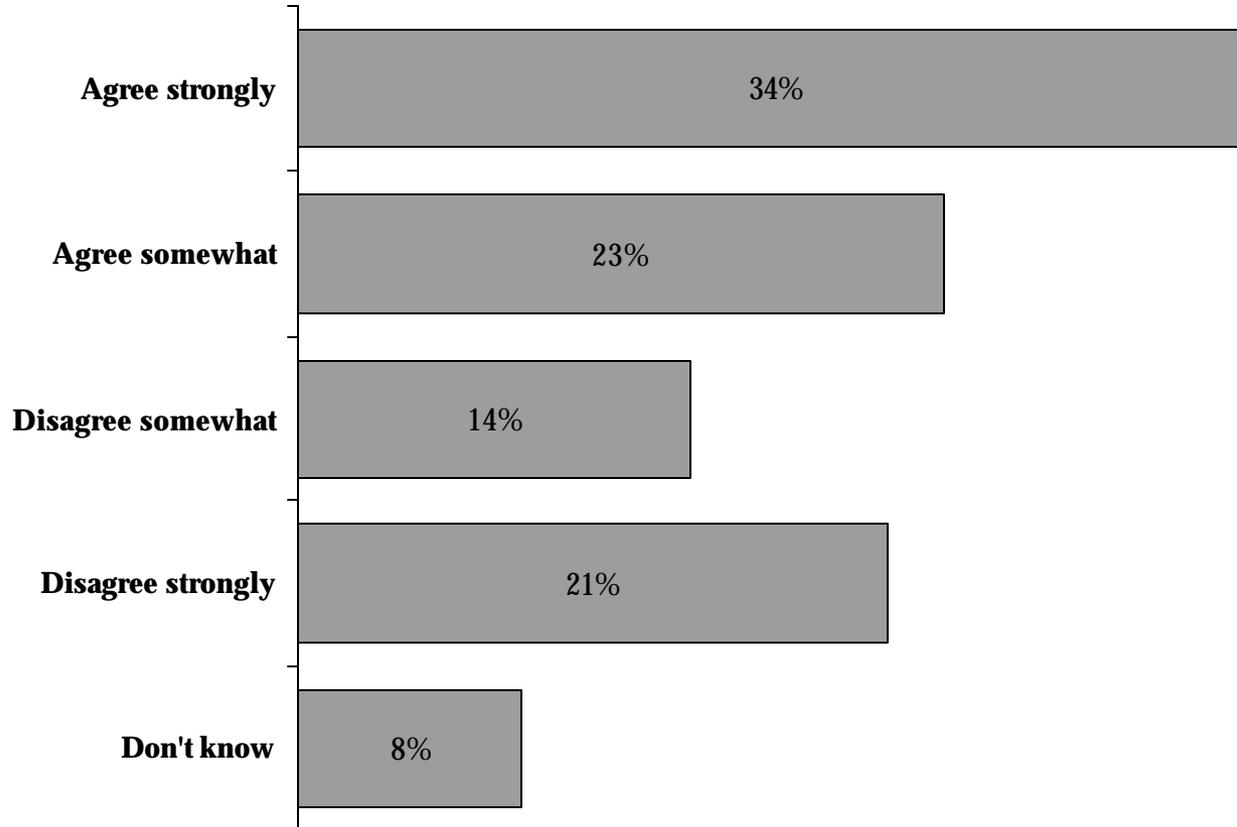
Base = Total Respondents (1,030).

Imposing a Windfall Profits Tax on the Oil Industry

- Just over half (57%) the respondents strongly (34%) or somewhat agree (23%) that a windfall profits tax should be imposed on the oil industry. A third (35%) disagree that Congress should impose such a tax.
 - The strongest agreement in favor of a windfall profits tax on the oil industry comes from those in households with \$75,000 or more in annual income (62%), when compared to those who live in households with less than \$25,000 in household income (49%).
 - Those who have think the government has not done enough to develop alternative energy sources are more likely to be in favor of a windfall profits tax (60%) than are those who think the government has done the right amount (43%) or too much (49%).
 - Respondents who agree that we need a higher federal fuel efficiency standard are much more likely to support the windfall profit tax (63%) than are those who disagree with the need for higher fuel efficiency standards (36%).

Imposing a Windfall Profits Tax on the Oil Industry

P2: Oil industry officials say that a windfall profits tax on their record profits should not be imposed by Congress. They deny gouging consumers at the gas pump and say that their profits are in line with other American industries. Do you agree or disagree that a windfall profits tax should be imposed on the oil industry? Would you say you...that a windfall profits tax should be imposed?



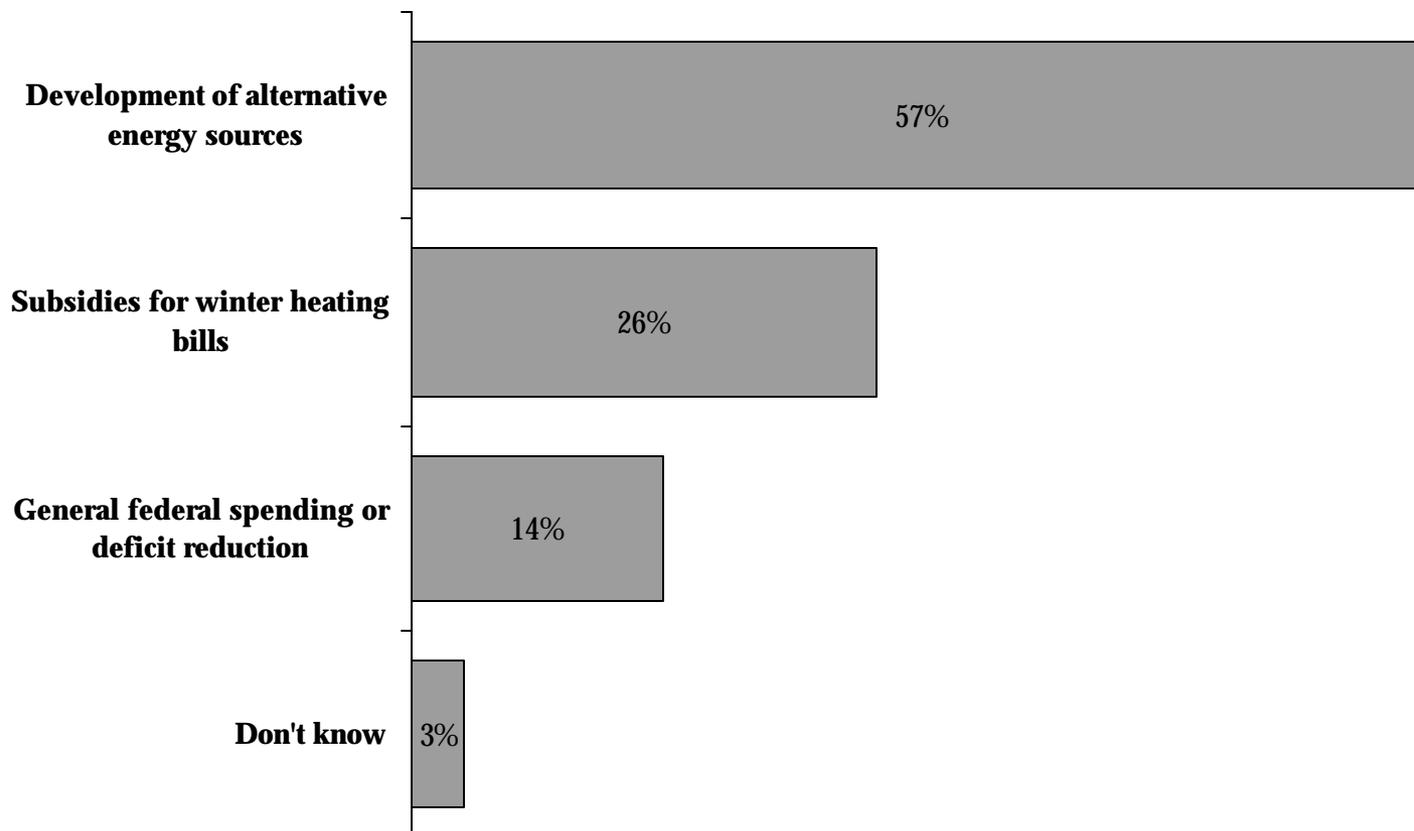
Base = Total respondents 1,030.

How the Revenue from a Windfall Profits Tax Should be Spent

- Those who are in favor of a windfall profits tax on the oil industry, would like to see the revenue spent primarily on developing alternative sources of energy (57%). Only a fourth want to see the money spent to subsidize winter heating bills. Fewer would want the money spent on general federal expenditures or to have it applied to the deficit (14%).
 - Respondents in the West (66%) are more likely to want the windfall revenue to go to energy development than are those in the Midwest (50%).
 - Those with a college degree (63%) or who live in households with over \$75,000 in annual income (70%) are more likely to want the tax revenue to be spent on developing alternative fuels. Respondents with less than a high school education (52%) or annual income of less than \$25,000 (57%) are less likely to want the money spent on alternative fuels.
 - Respondents in households with annual incomes of less than \$25,000 are the most likely group to want the money spent on reducing or subsidizing heating bills this winter (33%).

How the Revenue from a Windfall Profits Tax Should be Spent

P3: How would you prefer to see Congress spend the money that would result from a windfall tax on oil company profits?



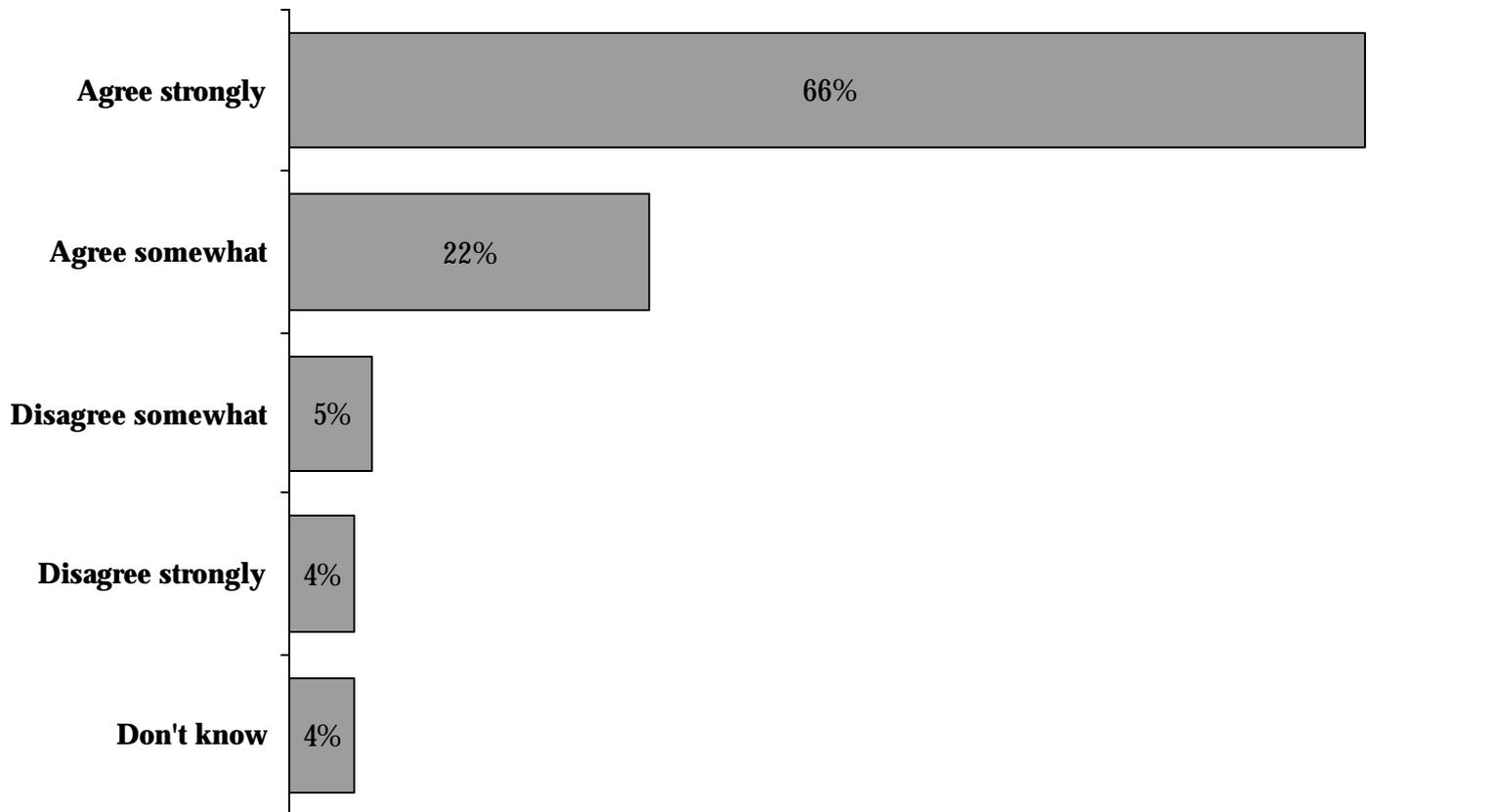
Base = Those who favor an oil industry windfall profits tax (N=568).

Making U.S.-Made Fuel Efficient Cars Available in the U.S.

- More than eight respondents out of 10 agree strongly (66%) or somewhat (22%) that “if a car is made by a U.S. owned, controlled or affiliated automaker, it should be available for sale in the U.S. too – not just overseas. U.S. consumers should be able to get the best of the more fuel efficient vehicles that already are available in other countries.” Only 9% disagree.
 - Women are more likely to agree with this statement than men (91% vs. 84%).
 - Respondents who agree that the U.S. has not done enough to develop alternative energy are also more likely to agree with this statement (91%) than those who think the country has done the right amount (81%) or too much (65%).
 - Also, nearly all of those who agree that the country needs higher federal fuel standards (92%) also agree with this statement regarding the availability of fuel-efficient vehicles in the U.S.

Making U.S.-Made Fuel Efficient Cars Available in the U.S.

P4: Dozens of vehicles that achieve fuel efficiency of 35 miles or more per gallon are manufactured by U.S. car makers or their overseas affiliates or partners, but are not available in the U.S. Some people say "if a car is made or distributed by a U.S.-owned, controlled or affiliated automaker, it should be available for sale in the U.S. too, not just overseas. U.S. consumers should be able to get the best of the more fuel-efficient vehicles that already are available in other countries." What do you think of that statement? Would you say you...?



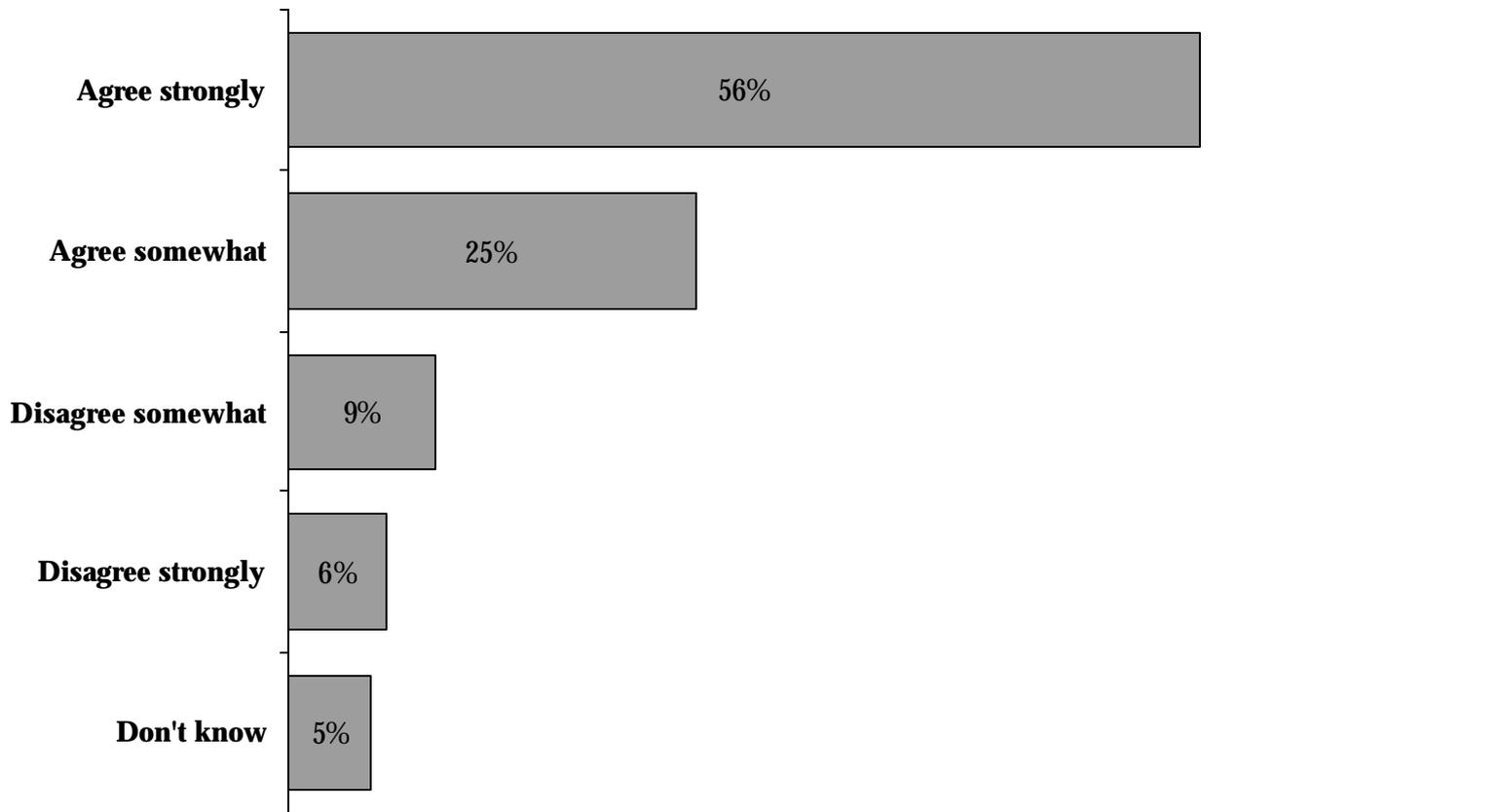
Base = Total respondents 1,030.

Making Foreign-Made Fuel Efficient Cars Available in the U.S.

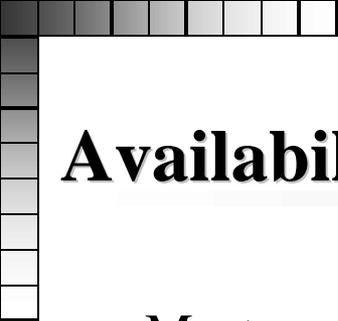
- Eight respondents out of 10 agree strongly (56%) or somewhat (25%) that “if a car is made by a foreign-owned, controlled or affiliated automaker, it should be available for sale in the U.S. too – not just overseas. U.S. consumers should be able to get the best of the more fuel efficient vehicles that already are available in other countries.” Only 15% disagree.
 - Respondents who agree that the U.S. has not done enough to develop alternative energy are also more likely to agree with this statement (84%) than those who think the country has done the right amount (70%) or too much (63%).
 - Also, most of those who agree that the country needs higher federal fuel standards (85%) also agree with this statement regarding the availability of fuel efficient vehicles in the U.S.

Making Foreign-Made Fuel Efficient Cars Available in the U.S.

P5: Dozens of vehicles that achieve fuel efficiency of 35 miles or more per gallon are manufactured by foreign automakers, but are not available in the U.S. Some people say “if a car is made or distributed by a foreign-owned, controlled or affiliated automaker, it should be available for sale in the U.S. too, not just overseas. U.S. consumers should be able to get the best of the more fuel-efficient vehicles that already are available in other countries.” What do you think of that statement? Would you say you...?



Base = Total respondents 1,030.

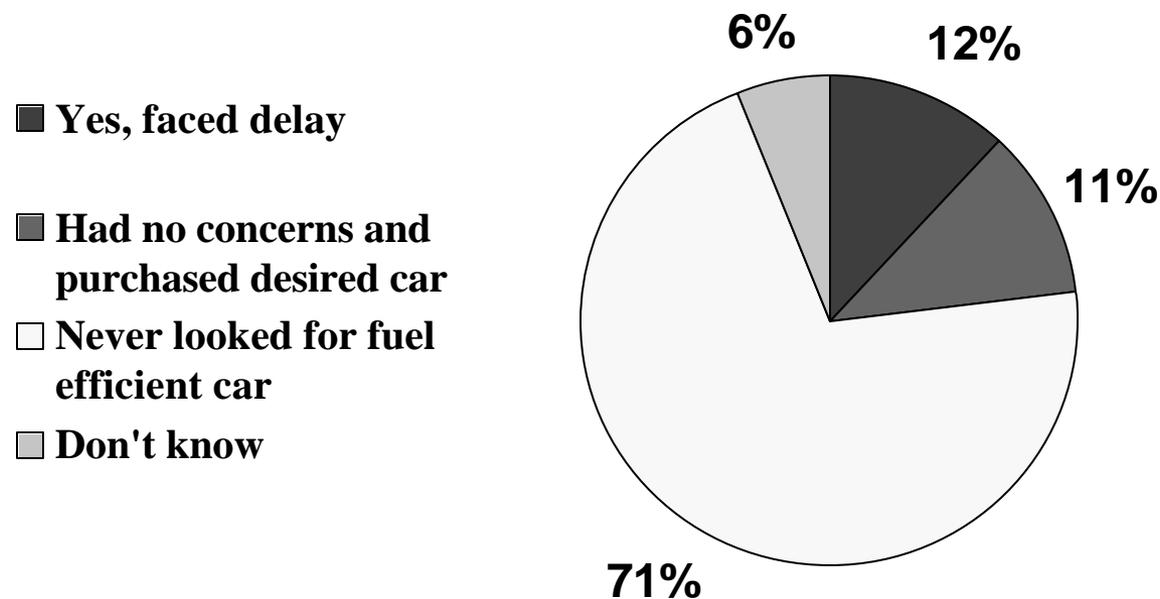


Availability of Hybrid/Other Fuel-Efficient Vehicles

- Most respondents (71%) haven't shopped for a more fuel efficient automobile. But 23% have done so or wanted to. Interestingly, half of these customers bought a fuel-efficient vehicle with no problem. But the other half had faced such delays or were concerned enough about a delay to prevent them from purchasing such a vehicle.

Availability of Hybrid or Fuel-Efficient Automobiles

P6: Some consumers have complained that hybrids and other cars with high fuel-efficiency are in so much demand that the vehicles either are not available at dealers or available months too late for them to buy. Have you either personally experienced such a delay when trying to buy a more fuel-efficient car, or been concerned enough about reports of delays that you decided for that reason not to buy one?



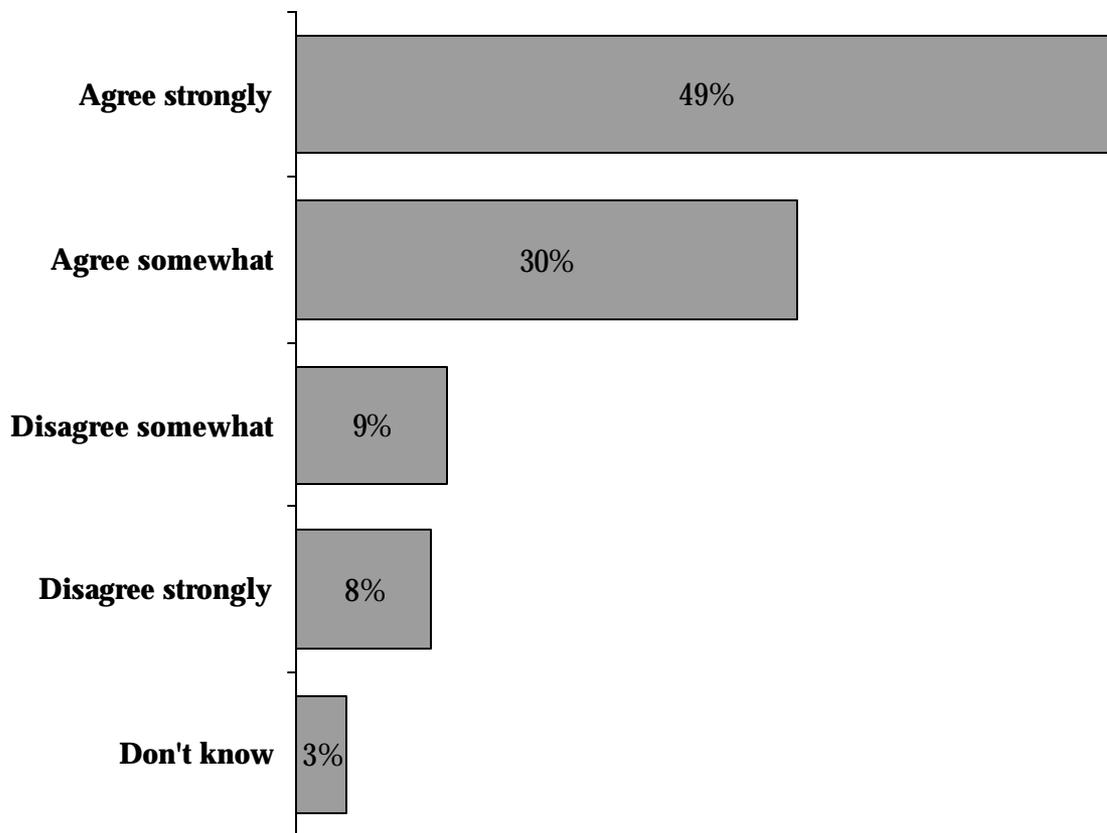
Base = Total Respondents (1,030).

Strong Support for Higher Fuel-Efficiency Standards

- Most respondents agree (79%) that higher federal fuel-efficiency standards are needed to conserve energy and make us less dependent on Middle Eastern oil. Only 17% disagree with this statement.
 - Women are more likely than men to agree (84% vs. 75%) that higher standards for fuel-efficient vehicles are needed.
 - Respondents who believe the U.S. has not done enough to develop alternative energy are much more likely to agree with the need for higher fuel efficiency standards (86%) compared to those who think the U.S. has done the right amount (48%) or done too much (60%).

Strong Support for Higher Fuel Efficiency Standards

P7: In this time of continuing high fuel prices, what do you think of the following statement? "We need higher federal fuel-efficiency standards for vehicles now in order to conserve more energy, making us less dependent on Middle Eastern oil, and to reduce the ill effects of global warming." Would you say you...?



Base = Total respondents 1,030.

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				
	<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 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

Topline Results of a Telephone Survey of 1,030 Adults Conducted November 17-20, 2005

P1 Some experts are warning that we are at “peak” oil production levels today and that supplies of oil for gasoline and heating oil will only get scarcer and more expensive from this point forward. In view of this, do you think the United States has done enough to develop alternative energy and to conserve fuel use through such steps as higher federal fuel efficiency standards for vehicles? Would you say the United States . . . [READ LIST. RECORD ONE ANSWER]
(Base N=1,030)

82% Has not done enough
12 Has done about the right amount
3 Has done too much
4 DON'T KNOW/REFUSED

P2 Oil industry officials say that a windfall profits tax on their record profits should NOT be imposed by Congress. They deny gouging consumers at the gas pump and say that their profits are in line with other American industries. Do you agree or disagree that a windfall profits tax should be imposed on the oil industry? Would you say you . . . [READ LIST. RECORD ONE ANSWER]

34% Agree strongly that a windfall profits tax should be imposed
23 Agree somewhat that a windfall profits tax should be imposed
14 Disagree somewhat that a windfall profits tax should be imposed
21 Disagree strongly that a windfall profits tax should be imposed
8 DON'T KNOW/REFUSED

[ASK IF AGREE IN P2, (01-02)]

P3 How would you prefer to see Congress spend the money that would result from a windfall tax on oil company profits? Please choose one of the following. [READ ENTIRE LIST BEFORE RECORDING ONE ANSWER. ROTATE]
(Base N=568)

57% Development of alternative energy sources
26 Subsidies for winter heating bills
14 General federal spending or deficit reduction
3 DON'T KNOW/REFUSED

- P4 Dozens of vehicles that achieve fuel efficiency of 35 miles or more per gallon are manufactured by U.S. CAR MAKERS OR THEIR OVERSEAS AFFILIATES OR PARTNERS—but are NOT available in the U.S. Some people say, “If a car is made or distributed by a U.S.-OWNED, CONTROLLED, or AFFILIATED AUTOMAKER, it should be available for sale in the U.S. too—not just overseas. U.S. consumers should be able to get the best of the more fuel-efficient vehicles that already are available in other countries.” What do you think of that statement? Would you say you . . . [READ LIST. RECORD ONE ANSWER]
(Base N=1,030)

66% Agree strongly
22 Agree somewhat
5 Disagree somewhat
4 Disagree strongly
4 DON'T KNOW/REFUSED

- P5 Dozens of vehicles that achieve fuel efficiency of 35 miles or more per gallon are manufactured by FOREIGN AUTOMAKERS—but are NOT available in the U.S. Some people say, “If a car is made or distributed by a FOREIGN-OWNED, CONTROLLED, or AFFILIATED AUTOMAKER, it should be available for sale in the U.S. too—not just overseas. U.S. consumers should be able to get the best of the more fuel-efficient vehicles that already are available in other countries.” What do you think of that statement? Would you say you . . . [READ LIST. RECORD ONE ANSWER]

56% Agree strongly
25 Agree somewhat
9 Disagree somewhat
6 Disagree strongly
5 DON'T KNOW/REFUSED

- P6 Some consumers have complained that hybrids and other cars with high fuel-efficiency are in so much demand that the vehicles either are not available at dealers or available months too late for them to buy. Have you either personally experienced such a delay when trying to buy a more fuel-efficient car, or been concerned enough about reports of delays that you decided for that reason not to buy one? Would you say...[READ LIST. RECORD ONE ANSWER]

12% Yes, you have faced a delay in getting the fuel-efficient car you wanted or were concerned enough about reports of delays not to proceed with purchasing such a vehicle
11 You had no concerns and were able to buy the fuel-efficient car you wanted
71 Or, no, you have never looked for a more fuel-efficient car
6 DON'T KNOW/REFUSED

P7 In this time of continuing high fuel prices, what do you think of the following statement? “We need higher federal fuel-efficiency standards for vehicles now in order to conserve more energy, making us less dependent on Middle Eastern oil, and to reduce the ill effects of global warming.”
Would you say you . . . [READ LIST. RECORD ONE ANSWER]

49%	Agree strongly
30	Agree somewhat
9	Disagree somewhat
8	Disagree strongly
3	DON'T KNOW/REFUSED