



October 14, 2005

MEMORANDUM

TO: The New England Energy Infrastructure Alliance

FR: Opinion Dynamics Corporation

RE: Analysis of Recent New England Energy Survey

This memo will provide an analysis of the results from a telephone survey of 600 registered voters arrayed proportionately across the following states: Massachusetts, Connecticut, Rhode Island, Maine, New Hampshire and Vermont. Interviewing was conducted between September 29th and October 4th, 2005. When looking at the overall results please keep in mind that the margin of error is $\pm 4.0\%$ at the mid-range of the 95% confidence interval. That is, when conducting 100 such surveys, 95 of them will yield results that are reliable to within ± 4.0 points on either side of a given percentage.

The Bottom Line

The results from this survey indicate that while New England voters are largely unaware of the specifics of the energy infrastructure, they are eager for more information—and, upon hearing that information, are disposed to support significant improvements to the system. For example, 67% either strongly or somewhat favor new energy infrastructure projects; 49% strongly favor “an offshore wind farm between Cape Cod and Martha’s Vineyard”; 46% strongly favor more transmission lines; and 41% strongly favor more natural gas plants.

Having said this, despite the pre-occupation with gasoline prices, energy-related issues are not the first (or even second) “top-of-the-mind” issue for voters. In fact, health care, education and jobs all supercede energy issues in the minds of voters. And, even when focusing specifically on energy issues, high gas prices so dominate the list of voter concerns that critical issues like shortages and supplies pale by comparison.

Thus, there is a clear communications challenge facing the Alliance: focus the attention of New England voters on the longer-range energy issues (infrastructure; supply) that will result in the resolution of the short-term issues (like cost) that they are focusing on now. This will not be an easy task. Somewhat refreshingly, only about one in seven voters (15%) admit to being “very well-informed” on the electricity supply situation in New England.

While there is overwhelming concern for the rising cost of electricity (88%) and natural gas (72%), voters are pretty evenly divided on the supply issue. In fact, while 44% say there is not enough electricity to meet New England’s needs, 46% say either there is “more than enough” or “about the right amount”.

When told that there are a broad range of proposals for new energy and infrastructure projects, a good share (77%) support them to some degree—but only slightly more than one-third (34%) *strongly* support these initiatives. And, support is based largely on a somewhat convoluted mix of conservation and shortage reasons—along with economic concerns. One key challenge of the Alliance will be to elevate these infrastructure issues to the level of economic security. Not surprisingly, environmental impacts are the lead concerns of any new energy projects—although, significantly, cost is listed as the second biggest worry.

Our survey found that most voters in the region are basically uniformed about the nature of electric utility de-regulation. Outside of vague references to “competition” and “choice”, there is very little informed understanding of the concept behind de-regulation. Interestingly, in every state with de-regulation except Maine, pluralities or majorities think it has resulted in *higher* electricity prices. And, on balance, 53% region-wide think de-regulation has had “no real impact” on residential service.

Nevertheless, about half (52%) support continuing the de-regulation process while less than one-third (31%) think de-regulation is either not a very good idea or a bad idea.

We did see some sentiment for making government take action on energy supply issues—even in a de-regulated environment. In fact, nearly half our New England voter sample (45%) took this view.

Among a range of ideas for securing an adequate energy supply for the region, only three stood as disproportionately “excellent”: providing incentives for making investments in energy conservation and efficiency (38%); developing a coordinated regional energy supply plan between energy companies and state policy makers (21%); and streamlining the approval process for new natural gas infrastructure—like pipelines and LNG terminals (20%).

As mentioned earlier in this memo, an off-shore wind farm (49% strong support), more electric transmission lines (46%), and more natural-gas plants (41%) top the list of “hard” proposals to alleviate energy supply problems.. Of course, the greatest degree of support (72%) went to the “soft” proposal of encouraging conservation and energy efficiency by providing incentives to consumers.

We also read voters a list of statements about the need for additional energy facilities and asked them to agree or disagree with each. Three statements got disproportionately strong agreement: Conservation and efficiency should be central components of future energy supply plans for the region (68% strong agreement); governors and state legislatures should focus on energy supply and infrastructure as a high priority (62%); and national/regional over-dependence on “volatile” foreign oil suggesting new energy facilities and “homegrown” sources like coal, nuclear and wind (60%).

We also found plurality support for the notion of pursuing a range of energy options (from new nuclear to new wind plants) while continuing to operate existing facilities (42% strong agreement; 35% moderate agreement). Similarly, pluralities of voters chose concern with energy shortfalls over environmental concerns (38% to 33%); and concern with energy costs over the environment (45% to 29%).

Perhaps the most intriguing “trade-off” result came on the question of “supply/price” versus “the environment”. An astounding 61% said the region should be *just as concerned* with energy supply/price as leading the nation on environmental standards.

On believability issues, we found that 45% find an MIT professor of Environmental Sciences "very believable" and 34% find a leading, respected energy issues expert "very believable" *on issues specifically relating to energy infrastructure*.

What follows are the top-line results to the survey.

TOPLINE

OPINION DYNAMICS
ODC # 6588

NEW ENGLAND
SEPTEMBER 2005

1. Which of the following issues facing New England is *most important* to you personally—which one concerns you and your family the most?

Jobs and the economy	19%
Traffic and congestion	2
Protecting the environment	10
Crime and drugs	5
Public schools and education	11
Health care	24
Energy supply and prices	18
Terrorism	7
Other	2
Not sure	1
Refused	-

2. And which do you think is the *second most* important?

Jobs and the economy	15%
Traffic and congestion	4
Protecting the environment	10
Crime and drugs	10
Public schools and education	17
Health care	16
Energy supply and prices	16
Terrorism	9
Other	1
Not sure	2
Refused	-

3. Thinking specifically about energy issues now, what do you think is the single most important *energy related* issue facing New England today?

Gas prices	41%
Power shortages	3
High cost—general	27
Environmental concerns	5
Unreliable supply	10
Alternate fuels/sources	3
Oil dependency	1
Other	5

Not sure/refused	4
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4. How concerned are you about the cost of electricity increasing—very concerned, somewhat concerned, not very concerned, or not at all concerned?

Very concerned	55%
Somewhat concerned	33
Not very concerned	7
Not at all concerned	4
Not sure/refused	1

5. How concerned are you about the cost of natural gas increasing—very concerned, somewhat concerned, not very concerned, or not at all concerned?

Very concerned	48%
Somewhat concerned	24
Not very concerned	11
Not at all concerned	14
Not sure/refused)	3

Much of the energy used by businesses and homes in New England is delivered in the form of electricity. Electricity is produced from numerous fuels and methods including natural gas, coal, oil, nuclear, wind, and hydroelectric dams. For the rest of this survey when we're discussing energy we're talking about electricity delivered to homes, factories and businesses.

6. Thinking ahead to the next five years, do you think there will be more than enough electricity to meet New England's needs, about the right amount of electricity, or not enough electricity to meet New England's needs?

More than enough	10%
About right amount	36
Not enough	44
Don't know/Refused	11

7. In general, how well informed do you feel regarding the electricity supply situation in New England—do you feel very well informed, somewhat well informed, not very well informed, or not at all informed?

Very well informed	15%
Somewhat well informed	45
Not very well informed	29
Not informed at all	9
Not sure/refused	1

8. Recently, there has been a broad range of proposals put forth for new energy and infrastructure projects in New England. In general, do you strongly favor moving forward now on these new energy and infrastructure projects, somewhat favor moving forward on them, somewhat oppose moving forward on them, or strongly oppose moving forward on these projects now?

Strongly favor	34%
Somewhat favor	33
Somewhat oppose	7
Strongly oppose	3
Not sure/refused	22

9. [IF “1-4” TO Q. 8] *Specifically*, why do you feel that way?

	Favor	Oppose
Energy Conservation/supply shortage	16%	4%
Want alternative, renewable energy sources	14	2
Economic Concerns/Jobs/Money	13	10
Need change/To address global energy issues	9	-
Want to be prepared for the future	8	-
Environmental Concerns	4	15
Need change/to move forward and address local energy issues	4	-
Don't like planned projects/projects can't do enough to fix problems	1	13
Reduce dependence on oil	3	-
Too much Government control/need more public input	1	4
Population increase	2	-
No problem to address	1	4
Safety concerns	-	6
Other	5	-
(Not sure)	23	43
(Refused)	2	-

10. What would be your biggest concern if you heard an energy project had been proposed for your community?

Environment/Impact on community	20%
Cost	12
Safety/Health	9
Location	8
Source of energy	7
Depends on project/Need more information	4
Community education/community involvement	3
Reason of Project decision/Who funds/promotes project development	2
Other	3
No/None	1
(Not sure)	35
(Refused)	3

11. As far as you know, has the electric utility industry in (insert state from sample) been deregulated, or not?

	CT	ME	MA	NH	RI	VT
Yes, has been deregulated	44%	49%	43%	33%	32%	8%
No, has not been deregulated	21	16	15	29	32	46
Not sure	35	35	41	39	35	46

12. As far as you know, what does it mean when the electric utility industry in a state is deregulated?

(Different companies can produce and deliver electricity)	19%
(Competition)	23
(Consumers have a choice)	14
Prices will be effected	6
Prices will be raised	3
Privatization of industry	2
Prices will fall	-
Consumers have less of a choice	-
(Other)	1
(Don't know/not sure)	29
(Refused)	2

In fact, deregulation means that rather than having a regulated monopoly company responsible for both producing *and* delivering power, privately-owned energy generating companies compete based on price and consumers have the choice from whom to purchase their electricity. Distribution over wires to homes and businesses is still the responsibility of a regulated company.

(MA, ME, CT, NH, RI ONLY)

13. (Insert state from sample) and most other New England states deregulated electric power production within the past seven years. In your opinion, has deregulation led to lower or higher electricity prices for residential consumers, or has it not had any real impact on prices?

	CT	ME	MA	NH	RI
Lower	6%	29%	8%	12%	10%
Higher	52	33	43	41	55
No real impact	28	30	33	37	26
Not sure	14	8	16	10	4

(MA, ME, CT, NH, RI ONLY)

14. And do you think deregulation has led to better or worse service for residential consumers of electricity, or has it not had any real impact?

1. Better	15%
2. Worse	19
3. No real impact	53
4. (Not sure)	13

15. Which of these two statements about deregulated energy markets is closer to your opinion?

1. Even in a deregulated market, insuring an adequate energy supply is too important to be left to market forces alone— it should be the responsibility of government agencies as well	45%
2. Under deregulation, the competitive marketplace will provide adequate financial incentives to spur investment in new plants and infrastructure projects.	29
3. (Not sure/refused)	26

(RESUME ALL)

As you may know, many energy experts say we may face an electricity supply crisis in coming years due to shortages of the major fuels used at power plants, too few power plants being planned, and not enough electric transmission lines to get the power from the plants to local communities. I am going to mention some ideas for insuring that we have an adequate energy supply in the future. Please tell me if you think each idea is an excellent, good, not very good, or bad idea.

SCALE: 1. Excellent 2. Good 3. Not very good
 4. Bad 5. (Not sure/refused)

16. Developing a coordinated regional energy supply plan between energy companies and state policy makers.

Excellent	Good	Not very good	Bad	(Ns/Ref)
21%	50	13	5	11

17. Streamlining the approval process for major new energy projects such as building new power plants, new electric transmission lines and other needed infrastructure improvements.

Excellent	Good	Not very good	Bad	(Ns/Ref)
20%	50	12	7	10

18. Streamlining the approval process for new natural gas infrastructure, such as natural gas pipelines and LNG terminals.

Excellent	Good	Not very good	Bad	(Ns/Ref)
16%	42	15	10	17

19. Continuing the process of switching from a regulated to a deregulated electric utility environment in New England.

Excellent	Good	Not very good	Bad	(Ns/Ref)
11%	41	19	12	17

20. Providing incentives for making investments in energy conservation and energy efficiency technologies.

Excellent	Good	Not very good	Bad	(Ns/Ref)
38%	48	4	2	7

21. Extending the operating life of existing nuclear power plants, so long as they meet federal safety and security requirements.

Excellent	Good	Not very good	Bad	(Ns/Ref)
17%	49	14	10	9

22. Taking steps to ensure that local objections based solely on not wanting an energy project in a community do not derail needed energy projects that meet all applicable regulatory requirements.

Excellent	Good	Not very good	Bad	(Ns/Ref)
13%	40	20	8	18

Now I am going to read you some specific proposals to help increase New England’s energy supply. As I read each one, please tell me whether you strongly favor that specific proposal, somewhat favor it, somewhat oppose it, or strongly oppose it?

SCALE: 1. Strongly favor 2. Somewhat favor 3. Somewhat oppose
4. Strongly oppose 5. (Not sure/refused)

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Ns/Ref)
23. An off-shore wind farm between Cape Cod and Martha’s Vineyard.	49%	23	7	9	12
24. An additional natural gas pipeline from Canada	38%	31	7	10	14
25. At least one new nuclear power plant.	28%	19	14	30	9
26. Several additional “cleaner coal” electricity plants.	35%	34	12	10	9
27. Additional natural-gas electricity plants.	41%	34	8	8	10
28. More electric transmission lines to move electricity more efficiently throughout the region.	46%	33	7	5	9
29. At least one off-shore Liquid Natural Gas, or, LNG tanker terminal.	26%	26	13	19	15
30. Continuing the operation of existing nuclear plants.	35%	31	11	16	7
31. Encouraging conservation and energy efficiency by providing incentives to consumers.	72%	18	3	2	5

I’m going to read you some statements that have been made about the need for additional energy facilities like the ones we’ve just discussed. Please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each statement.

SCALE: 1. Strongly agree 2. Somewhat agree 3. Somewhat disagree
4. Strongly disagree 5. (Not sure/refused)

32. With the predictions of natural gas shortages in the future, it is important that New England aggressively pursue projects to bring more natural gas to the area.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	44%	29	10	6	10

33. As long as we carefully balance energy needs and environmental concerns, we should *quickly* move ahead and build additional energy facilities in New England.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	47%	29	12	6	6

34. We have plenty of energy in New England, it's too risky to our environment to start building new facilities that will pollute our region even more.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	21%	17	24	26	11

35. We need new energy facilities in New England *right now* to insure that our economy has the needed electricity to grow and create jobs.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	47%	29	9	6	9

36. A new natural gas pipeline will leave every community it passes through at risk of an environmental catastrophe.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	19%	21	20	25	14

37. If New England is going to compete economically with other regions of the country, we need to build new energy facilities to help keep pace with faster growing areas.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	46%	26	12	8	7

38. A deregulated, competitive market for electricity is the best way to ensure adequate energy supplies and reasonable prices.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	32%	30	10	17	11

39. Our country and region have become too dependent on volatile foreign oil, we need to build new energy facilities that use homegrown sources like coal, nuclear, and wind.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	60%	25	4	4	6

40. Unproven energy technologies like wind power only contribute a small portion of electricity to the region’s overall supply.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	29%	30	14	13	14

41. New England has the know-how to lead the nation in the development of new energy technologies like clean-coal, next-generation nuclear, and wind power.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	43%	28	9	6	15

42. We fought the battle over nuclear power 25 years ago, we don’t need another divisive controversy over a *new* nuclear power plant.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	35%	24	14	18	9

43. An to attack for LNG tanker facility is a terrorist nightmare waiting to happen—we shouldn’t leave our region vulnerable energy.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	35%	23	16	17	10

44. Our governor and state legislature should focus on our state’s energy supply and infrastructure issues as a matter of high priority.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	62%	24	5	4	5

45. Conservation and efficiency should be central components of future energy supply plans for the region.

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	(Ns/Ref)
	68%	22	2	2	6

46. A variety of leading experts are expressing increased concern that our region will soon be facing an energy supply problem and that our energy infrastructure badly needs new investment. These experts also warn that we need to pursue a range of new energy supply options—from new nuclear power plants to renewable energy development like wind power—while also continuing to operate all of our existing generating facilities. In general, do you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with this view?

Strongly agree	42%
Somewhat agree	35
Somewhat disagree	7
Strongly disagree	6
Not sure/refused	10

47. Which concerns you more about the electricity supply situation in New England?

There will not be enough electricity to meet New England’s needs in the future.	38%
The environment will be damaged because we are too concerned with keeping up with the increasing demand for electricity.	33
Both equal	17
Neither	5
Not sure/refused	7

48. And which of the following concerns you more?

The cost of electricity will continue to increase, creating a burden on consumers and hurting New England’s economy;	45%
The environment will be damaged because we are too concerned with holding down the cost of electricity.	29
Both equal	17
Neither	5
Not sure/refused	4

49. Which of these two statements is closer to your opinion?

The region should be just as concerned about ensuring reliable energy supplies at reasonable prices as it has been about being a leader in setting strict environmental standards	61%
The region should continue to set a national example on environmental regulations, even if it means higher energy prices and contributes to energy shortages.	20
Both equal	9
Neither	2
Not sure/refused	8

50. Hurricane Katrina showed that natural disasters can have a major impact on a region's electric system. Since New England is also vulnerable to bad weather events, would you be willing to pay an extra surcharge on top of your normal electricity or natural gas bill if you knew that the money was being spent to reinforce the regions energy infrastructure?

Yes, willing	45%
No, not willing	44
Not sure	11

51. Thinking for a moment about how your local media outlets cover energy issues, would you say they offer a fair and balanced view, or not?

Yes	39%
No	45
Not sure	16

Now, I'm going to read you the names of some persons and organizations who might take a position on new energy facilities in New England. As I read each one, please tell me whether you would find that person or organization to be very believable, somewhat believable, not too believable, or not believable at all.

SCALE: 1. Very believable 2. Somewhat believable
3. Not too believable 4. Not believable at all 5. (Don't know)

	Very believable	Somewhat believable	Not too believable	Not at all believable	(Ns/Ref)
52. A professor of Environmental Sciences from MIT.	45%	37	4	4	9
53. An editorial in the (Boston Globe/your local paper.)	12%	37	19	21	11
54. Your local congressman.	17%	44	16	16	7

	Very believable	Somewhat believable	Not too believable	Not at all believable	(Ns/Ref)
55. A labor leader.	9%	34	21	21	15
56. A representative of New England's electric utility companies.	12%	42	21	16	10
57. A spokesperson for [MA/VA/RI/CT/ME] PIRG.	9%	29	12	8	41
58. A spokesperson for the New England Energy Alliance.	15%	45	10	9	21
59. The Massachusetts Renewable Energy Trust.	17%	32	7	6	38
60. Your local state legislator.	16%	43	15	16	10
61. The U.S. Department of Energy.	16%	48	15	14	7
62. A spokesperson from your local Chamber of Commerce.	14%	47	14	14	11
63. A coalition of local employers.	14%	47	16	10	14
64. A leading, respected energy issues expert.	34%	43	5	3	15
65. The Conservation Law Foundation.	21%	35	9	8	27

Now, I'd like to ask you some final questions for statistical purposes only.

66. Gender: **[OBSERVATION]**:

Female	53%
Male	47

67. In which of the following categories is your age? **[READ ALL BUT 7]**

18-25	4%
26-35	10
36-45	16
46-55	26
56-64	19
65+	23
Refused	2

68. What was the last grade you completed in school?

Less than high school (1-11)	4%
Graduated high school (12)	24
Some college/Tech./Voc.	21
Graduated college	33
Completed graduate/professional school	17
Don't know	1

69. When you think about politics, do you think of yourself as a Democrat or a Republican?

Democrat	32%
Republican	21
Independent	39
Other	3
Refused/Don't know	5

70. Do you consider yourself an environmentalist or not?

Yes	62%
No	33
Not sure/refused	4

71. Do you use natural gas for heating your home?

Yes	33%
No	64
Not sure	2

72. Would you please tell me in which of the following categories I read is your total household income—that is, of everyone living in your household?

[READ ALL GROUPS EXCEPT RESPONSE 11]

\$0-19,999	6%
\$20-34,999	8
\$35-49,999	12
\$50-\$74,999	16
\$75-\$99,999	13
\$100-\$150,000	9
Over \$150,000	5
Refused/Don't know	31

