

**ATTITUDES OF ADULT
MONTANA RESIDENTS TOWARD
THE OIL AND GAS INDUSTRY
AND THE CURRENT ENERGY
SITUATION IN THE UNITED
STATES: THE RESULTS**



**Presented by
Gibson Advertising,
Marketing & Public Relations
and
Montana State University, Billings
for
Northern Alliance of Independent Producers**

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INTRODUCTION

This report summarizes the procedures and findings of a telephone survey conducted for Gibson Advertising, Marketing and Public Relations. The survey was conducted between January 29th and February 8th, 2006. The purpose of the survey was to determine the attitudes of adult Montanans toward the current energy situation in the United States and toward the oil and gas industry in Montana and the United States.

This report is divided into the following sections: Methodology, Findings, Summary, and the questionnaire which is contained in an appendix. The methodology section explains the procedures used in conducting the survey including a discussion of the disposition of each telephone call made. The findings section begins with a summary of the demographic characteristics of the respondents. Then a frequency distribution for every substantive question is presented. Each of these substantive questions was cross tabbed by the demographic questions. Statistically significant relationships ($p < .05$) between substantive questions and demographics are summarized.

The summary section is an executive summary that briefly recaps the major findings of the survey. The questionnaire used by the interviewers is presented in an appendix.

METHODOLOGY

The telephone interviews were conducted by trained telephone interviewers using the 6 station Computer Assisted Telephone Interviewing Laboratory (CATI Lab) at Montana State University, Billings.

A sample of three thousand random digit telephone numbers in Montana was purchased from Genesys Sampling Systems. After passing this sample through their ID Plus system for eliminating non-working and business telephone numbers, a total of 1,602 telephone numbers was left and these numbers provided the sample for this statewide telephone survey.

Telephone numbers were called back numerous times when appropriate in order to complete an interview. A total of 405 telephone interviews were completed with randomly selected adult Montana residents. In order to complete these 405 interviews it was necessary to make 3,315 telephone calls to the 1,602 telephone numbers mentioned above.

Table One shows the disposition of each telephone call. Table One shows the most common result of a telephone call was an answering machine (26.2%) followed by no answer (23.2%), a completed interview (12.2%), a refusal (10.3%), a call back (7.7%), a non working number (6.8%), a busy signal (6.4%), a non residential number (3.7%), a fax or computer (3.3%) then a telephone call to a residence without an appropriate respondent (0.1%), and then a hearing problem (0.1%).

TABLE ONE
DISPOSITION OF ALL TELEPHONE CALLS

Answering Machine	870	26.2%
No Answer	769	23.2%
Complete	405	12.2%
Refused	340	10.3%
Call Back	255	7.7%
Non Working Number	224	6.8%
Busy	213	6.4%
Non Residential Number	122	3.7%
Fax or Computer	109	3.3%
No Respondent	6	0.1%
Hearing Problem	2	0.1%

After all interviews were completed, the resulting data was converted to a SPSS .sav file and the data analysis was undertaken with the computer program SPSS (Statistical Package for the Social Sciences).

FINDINGS

The Respondents

Table Two summarizes the general demographic characteristics of the respondents. Table Two shows that 49.9% of the respondents were women while 50.1% were men. Table Two also shows that 13.8% of the respondents were 35 years old or less, 16.4% were between 36 and 45, 23.4% were between 46 and 55, 23.2% were between 56 and 65 and 23.2% were over 65 years old. The mean age of the respondents was 53.6

Three percent of the respondents said they had not completed high school while 37.2% indicated a high school diploma was their highest level of education, 18.5% had some college, 30.2% were college graduates and 11.2% had some post graduate education. The mean educational level of the respondents was 14.2 grades.

Twenty-eight percent of the respondents identified themselves as Republican while 25.2% said they were Democrat, 38.8% said they were independent and 7.9% said they did not know their political party preference.

Three hundred fifty seven respondents answered the question regarding their annual household income before taxes in 2004 or 2005. Fifteen percent of those respondents said their income was less than \$20,000, 22.4% put their household income between \$20,000 and \$35,000, 21.6% said their income was between \$35,001 and \$50,000, 21% had a household income of between \$50,001 and \$75,000 and 19.8% said their income was over \$75,000.

TABLE TWO
GENERAL DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

Sex		
Male	203	50.1%
Female	202	49.9%

Age		
18 - 25	14	3.5%
26 - 35	41	10.3%
36 - 45	65	16.4%
46 - 55	93	23.4%
56 - 65	92	23.2%
66 - 75	55	13.9%
Over 75	37	9.3%

Mean Age = 53.6

Highest Educational Attainment

Less than High School Grad	12	3.0%
High School Grad	149	37.2%
Some College	74	18.5%
College Graduate	121	30.2%
Post Graduate Education	45	11.2%

Mean Educational Level = 14.2

Political Party Preference

Republican	114	28.1%
Democrat	102	25.2%
Independent	157	38.8%
Don't Know	32	7.9%

Household Income

Less than \$20,000	54	15.1%
\$20,000 to \$35,000	80	22.4%
\$35,001 to \$50,000	77	21.6%
\$50,001 to \$75,000	75	21.0%
\$75,001 to \$100,000	43	12.0%
Over \$100,000	28	7.8%

Note: 40 respondents (9.9% of the total) refused to answer this question and another 8 (2% of the total) said they did not know their annual household income.

Table Three shows the county of residence of the respondents. The respondents to this survey came from 48 of Montana's 56 counties. Yellowstone County was the most frequent home of the respondents (13.8%) followed by Flathead (10.1%), then Missoula (9.6%), Gallatin (7.2%), Lewis and Clark (6.9%), and Cascade (6.2%).

**TABLE THREE
LOCATION OF RESIDENCE**

County of Residence		
Beaverhead	2	0.5%
Big Horn	4	1.0%
Broadwater	1	0.2%
Carbon	4	1.0%
Carter	3	0.7%
Cascade	25	6.2%
Chouteau	5	1.2%
Custer	3	0.7%
Dawson	4	1.0%
Deer Lodge	5	1.2%
Fallon	1	0.2%
Fergus	6	1.5%
Flathead	41	10.1%
Gallatin	29	7.2%
Glacier	5	1.2%
Hill	10	2.5%
Jefferson	7	1.7%
Judith Basin	1	0.2%
Lake	13	3.2%
Lewis and Clark	28	6.9%
Liberty	1	0.2%
Lincoln	18	4.4%
McCone	2	0.5%
Madison	4	1.0%
Mineral	3	0.7%
Missoula	39	9.6%
Musselshell	2	0.5%
Park	8	2.0%
Petroleum	2	0.5%
Phillips	4	1.0%
Pondera	1	0.2%
Powder River	2	0.5%
Powell	1	0.2%
Ravalli	14	3.5%
Richland	4	1.0%
Roosevelt	3	0.7%

Rosebud	3	0.7%
Sanders	9	2.2%
Sheridan	4	1.0%
Silver Bow	8	2.0%
Stillwater	4	1.0%
Sweet Grass	5	1.2%
Teton	1	0.2%
Toole	3	0.7%
Treasure	1	0.2%
Valley	4	1.0%
Wheatland	2	0.5%
Yellowstone	56	13.8%

Urban or Rural County

Urban	240	59.3%
Rural	165	40.7%

Old Congressional District

West	235	58.0%
East	170	42.0%

The eight most populated counties in Montana—Yellowstone, Missoula, Flathead, Cascade, Gallatin, Lewis and Clark, Ravalli and Silver Bow—are generally considered to be urban areas while the remaining counties are considered rural. Table Three shows that 59.3% of the respondents to this survey lived in the eight urban counties while 40.7% lived in rural counties. Table Three also shows that 58% of the respondents lived in the old western congressional district while 42% lived in the old eastern congressional district.

Assessment of Current Energy Situation

The respondents were asked two questions concerning the nature of the current energy situation in the United States. First they were informed that the US currently imports 60% of the oil used in the US and were asked if they believed the US was overly dependent on foreign oil. Table Four shows that 89.1% of the respondents believed the US was overly dependent on foreign oil while 9.6% did not believe that US was overly dependent on foreign oil and 1.2% said they did not know.

The answers to this question as well as the answers to all remaining questions discussed here were cross tabbed against all demographic variables. Statistically significant relationships ($p < .05$) between the way each question is answered and demographic relationships are reported here. The following statistically significant relationship was found between the respondent's answer to the question of dependency on foreign oil and demographic variables.

- Respondents who did not graduate from high school were the least likely to believe the US is overly dependent on foreign oil while those with a high school diploma were the most likely to believe the US is overly dependent on foreign oil.

TABLE FOUR
ASSESSMENT OF CURRENT US ENERGY SITUATION

Overly Dependent on Foreign Oil

Yes	361	89.1%
No	39	9.6%
DK-NR	5	1.2%

Description of Current Energy Situation

Crisis	175	43.2%
Challenge	103	25.4%
Part of a cycle	43	10.6%
Other	54	13.3%
DK-NR	30	7.4%

The respondents were also asked whether they thought the current energy situation in the US was a crisis, a challenge, just part of the cycle of supply and demand or none of the above. Table Four shows that 43.2% of the respondents believe the current energy situation in the United States is a crisis while 25.4% view it as a challenge, 10.6% think it is just a normal part of the cycle of supply and demand while 13.3% don't think it can be described in any of these ways and 7.4% said they did not know.

- Respondents who had completed some college and those with post graduate education were more likely than respondents with less or more education to believe the current energy situation is a crisis while respondents who did not graduate from high school are more likely than those with a higher level of education to believe that the current energy situation is a challenge or simply part of the cycle of supply and demand and they are also the most likely to say they don't know.
- Respondents reporting annual household income between \$35,001 and \$75,000 were more likely than those reporting lower or higher incomes to believe the current energy situation is a crisis. Generally, the higher a respondent's income the more likely they were to believe the current energy situation is a challenge.

Causes of Current Energy Situation

The respondents were asked a number of questions regarding their opinions about the causes or determinants of the current energy situation in the United States. First they were asked if they agreed or disagreed that tax policies have caused the US to have to import more oil. Table Five summarizes the answers to this question and shows that

26.5% of the respondents either strongly disagreed or disagreed with this statement while 35.8% agreed or strongly agreed and most respondents, 37.8%, said they did not know whether they agreed or disagreed with this statement.

**TABLE FIVE
TAX POLICIES HAVE CAUSED THE US TO IMPORT MORE OIL**

Strongly Disagree	14	3.5%
Disagree	93	23.0%
Agree	128	31.6%
Strongly Agree	17	4.2%
DK-NR	153	37.8%

- Male respondents were more likely than female respondents to disagree with this statement while females were more likely than males to agree and also more likely to say they did not know whether they agreed or disagreed that tax policies have caused the US to import more oil.

The respondents were asked if they believed that Montana's tax on the state's oil and gas industry is not high enough, about right or too high. Table Six summarizes the answers to this question and shows the most frequent answer to be too high (36.3%) followed by about right (28.4%) then don't know (26.2%) and not high enough (9.1%).

**TABLE SIX
ASSESSMENT OF MONTANA'S TAX RATE ON OIL AND GAS INDUSTRY**

Not High Enough	37	9.1%
About Right	115	28.4%
Too High	147	36.3%
DK-NR	106	26.2%

- Generally, the higher the respondents' level of educational attainment the more likely they were to think Montana's tax on the oil and gas industry was about right while the lower their level of education the more likely they were to think the tax rate was too high. Respondents with post graduate education were more likely than those with less education to believe the tax rate was not high enough.
- Males were more likely than females to believe the tax rate on the oil and gas industry was about right while females were more likely than male to think the tax rate was too high or to say they did not how if the tax rate was not high enough, about right or too high.
- Democrats were more likely than Republicans, Independents and those who did not know what their political affiliation was to think that Montana's tax on the oil and gas industry was not high enough while Republicans, Independents and those who did not know their affiliation were more likely than Democrats to believe taxes were too high.

- Respondents reporting an income of \$35,000 or less and those reporting an income of over \$100,000 were more likely than those reporting an income between \$35,001 and \$100,000 to believe taxes on the oil and gas industry were too high while those reporting an income between \$75,001 and \$100,000 were the least likely to believe the tax was too high.

The respondents were asked what kind of an impact tax rates have on the oil and gas industry in Montana. Table Seven summarizes the answers to this question and shows the most frequent answer was that the respondent did not know (29.6%) while 34.5% believed tax rates have a negative or very negative impact on the oil and gas industry, 23.5% indicated tax rates had a positive or very positive impact on the oil and gas industry and 12.3% thought the tax rate had no impact on the oil and gas industry in Montana.

TABLE SEVEN
IMPACT OF TAX RATE ON OIL AND GAS INDUSTRY

Very Negative	26	6.4%
Negative	114	28.1%
No Impact	50	12.3%
Positive Impact	76	18.8%
Very Positive Impact	19	4.7%
DK-NR	120	29.6%

- Republican respondents were more likely than Democrats, Independents or those who did not know their party affiliation to believe that tax rates have a negative or very negative impact on the oil and gas industry in Montana while Democrats were more likely than Republicans, Independents and those who did not know their party affiliation to believe that tax rates had a positive impact on the oil and gas industry in Montana.
- Respondents living in the old eastern congressional district were more likely than those living in the old western congressional district to believe that tax rates had a positive or very positive impact on the oil and gas industry in Montana while respondents living in the old western district were more likely than those living in the old eastern district to say they did not know the impact of tax rates on the oil and gas industry in Montana.

The respondents were also asked how they felt about the environmental regulations on the oil and gas industry. Table Eight shows the most frequent answer was that the environmental regulations on the oil and gas industry were about right (28.1%) while 31.9% of the respondents believed environmental regulations on the oil and gas industry were too restrictive or restrictive, 27.9% thought environmental regulations on the oil and gas industry were not restrictive enough or should be much more restrictive and 12.1% did not have an opinion about the restrictiveness of environmental regulations on the oil and gas industry.

TABLE EIGHT
ENVIRONMENTAL REGULATIONS OF OIL AND GAS INDUSTRY

Too Restrictive	91	22.5%
Restrictive	38	9.4%
About right	114	28.1%
Not Restrictive Enough	57	14.1%
Should be Much More Rest	56	13.8%
DK-NR	49	12.1%

- Respondents with post graduate education were more likely than respondents with less education to believe that environmental regulations of the oil and gas industry were not restrictive enough or should be much more restrictive while respondents with less than a college degree were more likely than respondents with a higher level of education to believe that environmental regulations on the oil and gas industry were restrictive or too restrictive.
- Males were more likely than females to believe environmental regulations on the oil and gas industry were too restrictive or about right while females were more likely than males to believe environmental regulations should be much more restrictive and to say they did not know how restrictive the environmental regulations were.
- Republican respondents were more likely than Democrats, Independents or respondents who did not know their political affiliation to think environmental regulations on the oil and gas industry were restrictive or too restrictive, Democrats were more likely than Republicans, Independents and those who did not know their affiliation to believe environmental regulations were not restrictive enough or should be much more restrictive and respondents who did not know their political affiliation were more likely than Republicans, Democrats or Independents to believe environmental regulations on the oil and gas industry were about right.

Table Nine shows that 45.9% of respondents believed the taxes charged at gas pumps in Montana were about right while 37.5% thought they were too high, 6.4% thought they were too low and 10.1% said they did not know if the taxes charged at the gas pump in Montana were too low, about right or too high.

TABLE NINE
TAX AT PUMP

Too Low	26	6.4%
About Right	186	45.9%
Too High	152	37.5%
DK-NR	41	10.1%

- Respondents with post graduate education were more likely than respondents with less education to believe that the taxes charged at the gas pump in Montana were

- too low while respondents with some college or a college degree were more likely than respondents with a higher or lower level of education to believe taxes charged at the pump were about right and respondents with a high school diploma were more likely than those with higher or lower levels of education to believe the taxes charged at the pump were too high.
- Males were more likely than females to believe the taxes charged at the pump in Montana were about right while females were more likely than males to say the taxes charged at the pump were too high or to say they did not know if the taxes charged at the pump were too low, about right or too high.
 - Democrats were more likely than Republicans, Independents or those who did not know their party affiliation to believe that taxes charged at the pump were too low while Independents were more likely than Republicans, Democrats or those who did not know their party affiliation to believe that the taxes charged at the pump were about right or too high.
 - Respondents reporting an annual income over \$100,000 were more likely than those with lower incomes to believe the taxes charged at the pump were too low while respondents reporting incomes between \$35,001 and \$100,000 were more likely than respondents with lower or higher incomes to think the taxes at the pump were about right and respondents making \$35,000 or less per year were more likely than respondents with higher incomes to believe that taxes charged at the pump were too high.
 - Respondents from the eight most populated counties were more likely than those from rural counties to believe the taxes charged at the pump were too low while rural respondents were more likely than urban respondents to believe the taxes charged at the pump in Montana were about right.

Finally, in terms of the causes of the energy situation in the United States, the respondents were asked how they felt about how a windfall profit tax on the oil and gas industry would effect the production of oil and gas in the United States. Table Ten shows the most common answer was don't know (29.6%) while 23.5% thought a windfall profits tax would have no effect on production, 29.2% thought a windfall profits tax would decrease production somewhat or a lot and 18.8% thought it would increase production somewhat or a lot.

TABLE TEN
WINDFALL PROFIT TAX EFFECT ON PRODUCTION

Decrease a Lot	36	8.9%
Decrease Somewhat	78	19.3%
No Effect	95	23.5%
Increase Somewhat	57	14.1%
Increase a Lot	19	4.7%
DK-NR	120	29.6%

- Males were more likely than females to believe a windfall profits tax would have no effect on oil and gas production while females were more likely than males to

- say they did not know what kind of an effect a windfall profits tax would have on oil and gas production and to think a windfall profits tax would increase production somewhat.
- Respondents living in the old western congressional district were more likely than those living in the east to believe a windfall profits tax would have no effect on production while respondents living in the east were more likely than those living in the west to believe a windfall profits tax would increase production somewhat or a lot.

Potential Solutions to Current Situation

In addition to questions about the determinants of the current energy situation in the United States, the respondents were also asked a number of questions about solutions to the current energy situation. First the respondents were asked what they thought was the best way to reduce dependency on foreign oil. Table Eleven shows that 30.1% preferred alternative energy while 15.6% favored increasing domestic production, 10.6% favored increasing efficiency of energy use, 4.4% percent preferred reducing consumption and 37.8% thought the US should do all of the above.

TABLE ELEVEN
BEST WAY TO REDUCE DEPENDENCY ON FOREIGN OIL

Reduce Consumption	18	4.4%
Increase Production	63	15.6%
Alternative Energy	122	30.1%
Increase Efficiency	43	10.6%
All Above	153	37.8%
DK-NR	6	1.5%

- Respondents over 45 were more likely than younger respondents to think we should do all of the above while respondents 45 and younger were more likely than older respondents to prefer alternative energy and respondents between 18 and 25 were more likely than older respondents favor increasing production. Respondents between 36 and 45 and those over 75 were more likely than younger or older respondents to suggest increasing efficiency of energy use.
- Respondents with post graduate education were more likely than those with less education to suggest reducing consumption while respondents with less than a college degree were more likely than respondents with a higher level of education to suggest increasing production, respondents with less than a high school diploma were more likely than respondents with a higher level of education to prefer alternative energy and respondents with a high school diploma and those with a college degree or post graduate education were more likely than those with some college or who did not graduate from high school to prefer doing all of the above.
- Democrats were more likely than Republicans, Independents or those who did not know their party affiliation to favor reducing consumption, Republicans were

more likely than Democrats, Independents, or those who did not know their affiliation to favor increasing production, those who did not know their affiliation were more likely than Republicans, Democrats or Independents to favor alternative energy and Republicans and Independents were more likely that Democrats or those without an affiliation to suggest doing all of the above.

Sixty-eight percent of the respondents were in favor of building new refineries in Montana to increase refining capacity in the United States while 21.2% were not in favor of building new refineries in Montana and 10.9% said they did not know whether or not new refineries should be built in Montana.

**TABLE TWELVE
BUILD NEW REFINERIES IN MONTANA**

Yes	275	67.9%
No	86	21.2%
DK-NR	44	10.9%

- Males were more likely than females to favor building new refineries in Montana while females were more likely than males to not be in favor of building new refineries.
- Republicans were more likely than Democrats, Independents or those without party affiliation to favor building new refineries while Democrats were more likely than Republicans, Independents or those without affiliation to not favor building new refineries.
- Respondents living in the old eastern congressional district were more likely than respondents in the western district to favor building new refineries while respondents living in the west were more likely than those living in the east to not be in favor of new refineries.

Table Thirteen shows that 80.7% of the respondents were in favor of pursuing new exploration and development in Montana while 16.5% were opposed to the idea and 2.7% said they did not know about pursuing new exploration and development in Montana.

**TABLE THIRTEEN
PURSUE NEW EXPLORATION AND DEVELOPMENT IN MONTANA**

Yes	327	80.7%
No	67	16.5%
DK-NR	11	2.7%

- Respondents with a high school diploma and those who had not graduated from high school were more likely than those with a higher level of education to favor new exploration and development than Montana while those with some college or

- more education were more likely than those with less education to oppose new exploration and development in Montana.
- Males were more likely than females to favor new exploration and development in Montana.
 - Republicans were more likely than Democrats, Independents or those without affiliation to favor new exploration and development while Democrats were the most likely to oppose it.
 - Respondents living in the old eastern congressional district were more likely than those living in the west to favor new exploration and development in Montana.

The respondents were asked to choose between three different directions for future energy policies. Table Fourteen shows that 42% of respondents believed the United States should reduce its use of fossil fuels as soon as possible and shift to renewable energy such as wind and solar in the near future, while 40% thought the US should continue to develop and use coal, oil, and gas and transition toward the use of other fuels and additional renewable energy in the next 20 years, and 16.5% thought the US needs to stop using fossil fuels as soon as possible and channel all available resources toward developing renewable energy sources.

**TABLE FOURTEEN
DIRECTION FOR ENERGY POLICY**

Reduce Fossil-Shift in Near Future	170	42.0%
Continue Fossil-Transition 20 Years	162	40.0%
Stop Fossil-Channel All Resources	67	16.5%
DK-NR	6	1.5%

- Males were more likely than females to favor continuing to develop and use coal, oil, and gas and transition toward the use of other fuels and additional renewable energy in the next 20 years while females were more likely than males to believe the United States should reduce its use of fossil fuels as soon as possible and shift to renewable energy such as wind and solar in the near future.
- Republicans were more likely than Democrats, Independents and those without affiliation to think the US should continue to develop and use coal, oil, and gas and transition toward the use of other fuels and additional renewable energy in the next 20 years while Democrats were more likely than Republicans, Independents and those without affiliation to believe the United States should reduce its use of fossil fuels as soon as possible and shift to renewable energy such as wind and solar in the near future.

The respondents were also presented with six alternative future energy policies and asked if they opposed or favored each of the policies. Table Fifteen presents the results of these six questions. The order of the alternative policies in Table Fifteen is based upon the percent of the respondents who strongly supported the policy. Table Fifteen shows that building additional facilities to tap renewable energy sources such as wind and solar power was strongly supported by the most respondents (50.1%), followed by

substantially increasing the amount of resources being expended on research into more efficient use of energy as well as new ways of providing energy (29.6%), then building new refineries (15.8%), increasing domestic production through opening more areas to drilling and exploration (12.6%), and increasing Coal Bed Methane production (9.4%). Only 0.2% of the respondent strongly supported increasing the amount of imported oil and natural gas.

**TABLE FIFTEEN
FUTURE ENERGY POLICIES**

	<u>Strongly Oppose</u>	<u>Oppose</u>	<u>Neither</u>	<u>Support</u>	<u>Strongly Support</u>	<u>DK-NR</u>
New Renewable Fac.	0.0%	0.7%	1.7%	45.9%	50.1%	1.5%
Increase Research	0.2%	1.7%	3.7%	61.7%	29.6%	2.7%
New Refineries	3.5%	9.4%	5.2%	61.7%	15.8%	4.4%
Increase Dom. Production	4.0%	18.3%	8.6%	52.1%	12.6%	4.4%
Increase CBM	3.5%	14.1%	5.2%	57.0%	9.4%	10.9%
Increase Imports	27.4%	54.8%	6.2%	9.6%	0.2%	1.7%

New Renewable Energy Facilities

- No statistically significant relationships were found between support of new renewable energy facilities and any of the demographic variables.

Increasing Research

- No statistically significant relationships were found between support of increased research and any of the demographic variables.

Building New Refineries

- Democrats were more likely than Republicans, Independents or those who did not know their party affiliation to oppose or strongly oppose building new refineries while Republicans were more likely than Democrats, Independents or those without affiliation to support or strongly support building new refineries.
- Respondents living in the old western congressional district were more likely than respondents living in the eastern district to oppose or strongly oppose new refineries while respondents living in the old eastern congressional district were more likely than those in the western district to support or strongly support new refineries.

Increasing Domestic Production

- Democrats were more likely than Republicans, Independents or those who did not know their party affiliation to oppose or strongly oppose increasing domestic production while Republicans were more likely than Democrats, Independents or those without affiliation to support or strongly support increasing domestic production.
- Respondents living in the old western congressional district were more likely than respondents living in the eastern district to oppose or strongly oppose increasing domestic production while respondents living in the old eastern congressional district

- were more likely than those in the western district to support or strongly support increasing domestic production.
- Respondents living in urban counties were more likely than those living in rural counties to oppose or strongly oppose increasing domestic production and to neither support or oppose increasing domestic production while rural respondents were more likely than urban respondents to support or strongly support increasing domestic production.

Increasing Coal Bed Methane Production

- Democrats were more likely than Republicans, Independents or those who did not know their party affiliation to oppose increasing coal bed methane production while Republicans were more likely than Democrats, Independents or those without affiliation to support or strongly support increasing coal bed methane production.

Increasing Importation of Foreign Oil and Gas

- Females were more likely than males to oppose or strongly oppose increasing the importation of foreign oil and gas while males were more likely than females to support increasing the importation of foreign oil and gas.
- Respondents who did not know their party affiliation were more likely than Republicans, Democrats or Independents to oppose increasing the importation of foreign oil and gas while Democrats were more likely than Republicans, Independents or those without party affiliation to support the increase of importing foreign oil and gas.

Significance of Oil and Gas Industry for the Montana Economy

The respondents were also asked a series of question about the significance of the oil and gas industry to Montana’s economy. Table Sixteen summarizes the answers to the general question of “how significant a contribution does the oil and gas industry in Montana make to our state’s economy?” Table Sixteen shows that 44.2% of the respondents thought the oil and gas industry made a significant or very significant contribution to Montana’s economy while 25.2% thought the contribution of the oil and gas industry was somewhat significant, 7.9% thought the contribution of the oil and gas industry was not significant at all and 18.8% said they did not know how significant a contribution the oil and gas industry made to the state’s economy.

TABLE SIXTEEN
SIGNIFICANCE OF CONTRIBUTION OF OIL AND GAS INDUSTRY
TO MONTANA’S ECONOMY

Not Significant at All	32	7.9%
Somewhat Significant	102	25.2%
Significant	121	29.9%
Very Significant	74	18.3%
DK-NR	76	18.8%

- Males were more likely than females to believe the oil and gas industry made a significant contribution to Montana’s economy while females were more likely than males to say they did not know how significant a contribution the oil and gas industry made.

The respondents were asked how important they thought continued oil and gas development was for economic growth and creation of new jobs in Montana. Table Seventeen shows that 72.1% of the respondents believed that continued oil and gas development was important or very important to economic growth and the creation of new jobs in Montana while 16.5% thought continued oil and gas development was somewhat important and 5.9% thought it was not important at all for economic growth and the creation of new jobs. Five percent of the respondents did not know how important continued oil and gas development was to economic growth and the creation of new jobs in Montana.

TABLE SEVENTEEN
IMPORTANCE OF CONTINUED OIL AND GAS DEVELOPMENT FOR
ECONOMIC GROWTH AND THE CREATION OF NEW JOBS IN MONTANA

Not Important at All	24	5.9%
Somewhat Important	67	16.5%
Important	133	32.8%
Very Important	159	39.3%
DK-NR	22	5.4%

- Republicans were more likely than Democrats, Independents and those who did not know their party affiliation to believe that continued oil and gas development in Montana was very important for economic growth and the creation of new jobs while Democrats were more likely than Republicans, Independents and those who did not know their party preference to believe that continued oil and gas development was not important at all or only somewhat important to economic growth and the creation of new jobs.
- Respondents living in the old eastern congressional district were more likely than those living in the west to believe that continued oil and gas development was very important to economic growth and the creation of new jobs in Montana while western respondents were more likely than eastern respondents to believe that continued oil and gas development was only somewhat important for economic development and the creation of new jobs.

The respondents were asked how important they believed oil and gas revenues were for funding public education, city and county governments and state government in Montana. Table Eighteen summarizes the answers to these three questions and the items in Table Eighteen are ordered on the basis of the percent of the respondents who believed oil and gas revenues were very important to funding that aspect of government. Table Eighteen shows that 35.8% of the respondents believe that oil and gas revenues are very important for funding public education and another 31.4% think it is important. City and

county government seem to rank about the same as state government in terms of how important respondents believe oil and gas revenues are for funding and are ranked significantly below public education.

**TABLE EIGHTEEN
IMPORTANCE OF OIL AND GAS REVENUES FOR FUNDING
GOVERNMENT IN MONTANA**

	Not <u>Important</u>	Somewhat <u>Important</u>	<u>Important</u>	Very <u>Important</u>	<u>DK-NR</u>
Public Education	4.9%	16.0%	31.4%	35.8%	11.9%
City and County Government	9.4%	25.9%	28.9%	22.2%	13.6%
State Government	7.7%	26.7%	29.4%	22.0%	14.3%

Funding Public Education

- No statistically significant relationships were found between how important respondent thought oil and gas revenues were for funding public education and any of the demographic variables.

Funding City and County Government

- Respondents living in the old eastern congressional district were more likely than those living in the west to believe that revenues from the oil and gas industry were important or very important in the funding of city and county government, while respondents living in the west were more likely than respondents living in the east to believe that oil and gas revenues were not important at all or only somewhat important for funding city and county government and were also more likely to say they did not know how important oil and gas revenues were in the funding of city and county government.

Funding State Government

- Respondents living in the old eastern congressional district were more likely than those living in the west to believe that revenues from the oil and gas industry were important or very important in the funding of state government, while respondents living in the west were more likely than respondents living in the east to believe that oil and gas revenues were not important at all or only somewhat important for funding state government and were also more likely to say they did not know how important oil and gas revenues were in the funding of state government.

Support of Oil and Gas Industry

The respondents were asked several questions about how much they supported the oil and gas industry. First they were asked: “If you knew that the salaries paid by Montana’s oil and gas industry are nearly twice the average salary in Montana, would that in itself lead you to support more activity in the oil and gas industry in Montana?” Table Nineteen shows that 33.3% of the respondents said yes, while 25.7% said no, 25.2% said it would depend on other factors, 12.1% said they were not sure and 3.7% said they did not know.

**TABLE NINETEEN
SUPPORT OIL AND GAS DEVELOPMENT BECAUSE OF SALARIES**

Yes	135	33.3%
Not sure	49	12.1%
No	104	25.7%
Depends on Other Factors	102	25.2%
DK-NR	15	3.7%

- Respondents between 46 and 65 and those over 75 were more likely than younger or older respondents to say yes while respondents between 36 and 46 were more likely than younger or older respondents to say no and respondents between 26 and 35 were more likely than younger or older respondents to say it depends on other factors.
- Respondents living in the old eastern congressional district were more likely than those living in the west to say yes while respondents living in the west were more likely than those living in the east to say no.
- Rural respondents were more likely to say yes while urban respondents were more likely to say no.

Similarly, respondents were asked: “If the average salary in the oil and gas industry is twice the average salary in Montana would you suggest a career in the oil and gas industry to your children or grandchildren?” Table Twenty shows that 59% of the respondents said yes, 28.9% said no, 3.5% did not have any children and 8.6% said they did not know.

**TABLE TWENTY
RECOMMEND OIL AND GAS CAREER TO CHILD OR GRANDCHILD**

Yes	239	59.0%
No	117	28.9%
No Children	14	3.5%
DK-NR	35	8.6%

- Republican respondents were more likely than Democrats, Independents and those who did not know their party affiliation to say yes while Democrats were more likely than Republicans, Independents and those who did not know their affiliation to say no.
- Respondents living in the old eastern congressional district were more likely than those living in the west to say yes while respondents living in the west were more likely than those living in the east to say no.
- Rural respondents were more likely to say yes while urban respondents were more likely to say no.

The respondents were asked in a very straight forward manner: “Do you support or oppose additional oil and gas development in Montana?” Table Twenty-one shows that

61.2% of the respondents supported additional oil and gas development while another 10.9% strongly supported it. Fifteen percent of the respondents opposed additional oil and gas development in Montana and another 2.5% strongly opposed it. Six percent said they neither supported nor opposed additional oil and gas development in Montana and 4.4% said they did not know whether they supported or opposed additional oil and gas development in Montana.

TABLE TWENTY-ONE
SUPPORT OF ADDITIONAL OIL AND GAS DEVELOPMENT IN MONTANA

Strongly Oppose	10	2.5%
Oppose	62	15.3%
Neither	23	5.7%
Support	248	61.2%
Strongly Support	44	10.9%
DK-NR	18	4.4%

- Respondents with a college degree were more likely than those with higher or lower levels of education to oppose additional oil and gas development in Montana and respondents with some college or more education were more likely than those with less than some college to oppose additional oil and gas development in Montana. Respondents with a high school diploma, some college or a college degree were more likely than respondents who had not graduated from high school and those with post graduate education to support additional oil and gas development in Montana and those who had not graduated from high school were more likely than those with more education to strongly support continued oil and gas development in Montana.
- Republicans were more likely than Democrats, Independents, and those who did not know their party affiliation to support continued oil and gas development while Democrats were more likely than Republicans, Independents or those who did not know their party affiliation to oppose additional oil and gas development in Montana.
- Respondents living in the old eastern congressional district were more likely than those living in the west to support (but not strongly support) continued oil and gas development.

The respondents were then asked if they would be “more likely to support additional oil and gas development in Montana if it reduced the United States’ dependency on foreign oil,” and if they would be “more likely to support additional oil and gas development in Montana if the rate of taxation on the oil and gas industry was increased.” Table Twenty-two summarizes the answers to these two questions and shows that 81.5% of the respondents indicated they would be more likely to support additional oil and gas development in Montana if it reduced the US’s dependency on foreign oil while only 38.5% said they would be more likely to support additional oil and gas development in Montana if the rate of taxation on the oil and gas industry was increased.

TABLE TWENTY-TWO
SUPPORT OF ADDITIONAL OIL AND GAS DEVELOPMENT IN MONTANA
IF

	<u>Yes</u>	<u>No</u>	<u>DK-NR</u>
Reduced Foreign Oil Dependence	81.5%	14.1%	4.4%
Rate of Taxation Increased	38.5%	45.2%	16.3%

Reduced Foreign Oil Dependence

- Respondents between 26 and 45 and those over 65 were more likely than respondents between 18 and 25 and those between 46 and 65 to say they would be more likely to support additional oil and gas development in Montana if it reduced the US's dependence on foreign oil.
- Generally, the lower the respondents level of educational attainment, the more likely they were to say they would be more likely to support additional oil and gas development in Montana if it reduced the US's dependence on foreign oil.
- Republicans were more likely than Democrats, Independents and those who did not know their party affiliation to say they would be more likely to support additional oil and gas development in Montana if it reduced the US's dependence on foreign oil, while Democrats were more likely than Republicans, Independents and those who did not know their party affiliation to say they would not be more likely to support additional oil and gas development in Montana if it reduced the US's dependence on foreign oil.
- Residents living in the old eastern congressional district were more likely than those living in the west to say they would be more likely to support additional oil and gas development in Montana if it reduced the US's dependence on foreign oil.

Rate of Taxation Increased

- No statistically significant relationships were found between whether or not the respondents would support additional oil and gas development in Montana if the rate of taxation on the oil and gas industry was increased and any of the demographic variables.

Recent Spike in Gasoline Prices

The respondents were reminded that last fall the price of gasoline in Montana topped out at somewhere around \$3.00 per gallon. They were then presented with three possible causes for the spike in the price of gasoline and were asked how much they thought each possible cause affected the spike in price. Table Twenty-three summarizes the answers to these three questions and shows that 58.3% of the respondents believed that price gouging by oil companies had a great effect on the spike in gasoline prices while 28.4% believed that post Hurricane Katrina market speculation by consumers and suppliers had a great effect and 20.2% of the respondents believed that Hurricane Katrina's impact on refining capacity had a great effect.

**TABLE TWENTY-THREE
CAUSES OF RECENT SPIKE IN GASOLINE PRICES**

	No <u>Effect</u>	A Little <u>Effect</u>	Substantial <u>Effect</u>	Great <u>Effect</u>	<u>DK-NR</u>
Price Gouging	3.5%	9.1%	25.7%	58.3%	3.5%
Market Speculation	6.7%	25.2%	32.8%	28.4%	6.9%
Hurricane Katrina	14.1%	39.0%	23.7%	20.2%	3.0%

Price Gouging

- Respondents with a post graduate education were more likely than respondents with less education to believe that price gouging had no effect or only a little effect on the increase in the price of gasoline last fall and were far less likely to think that price gouging had a great effect.
- Respondents reporting incomes of \$35,000 per year or less were more likely than respondents with higher incomes to believe price gouging had a great effect on the spike in the price of gasoline last fall while those making between \$35,001 and \$75,000 were the next most likely to believe price gouging had a great effect and those making over \$75,000 were less likely than those reporting a lower income to believe price gouging had a great effect on the spike in gasoline prices.

Market Speculation

- Respondents between 18 and 25 were more likely than older respondents to believe that market speculation had a great effect on the spike in gasoline prices while respondents over 65 were more likely than younger respondents to believe market speculation had no effect on the spike in gasoline prices.
- Respondents living in the old eastern congressional district were more likely than respondents living in the west to believe that market speculation had a great effect on the spike in the price of gasoline.

Hurricane Katrina

- Respondents between 18 and 25 were more likely than older respondents to believe that Hurricane Katrina had a great effect on the spike in the price of gasoline while respondents 56 and older were more likely than younger respondents to believe Hurricane Katrina had no effect on the spike in the price of gasoline.

Overall Impressions of Oil and Gas Industry

The respondents were asked several questions to get at their overall impression of the oil and gas industry in the United States and in Montana. First the respondents were asked for their general impression of the oil and gas industry in the United States. Table Twenty-four summarizes the answers to this question and shows that 52.6% of the respondents had a negative or very negative general impression of the oil and gas industry in the United States while 22.2% had a positive or very positive general impression, 22.7% said they had neither a negative or positive impression and 4.4% said they did not know what kind of general impression of the oil and gas industry in the United States they had.

**TABLE TWENTY-FOUR
GENERAL IMPRESSION OF OIL AND GAS INDUSTRY IN US**

Very Negative	62	15.3%
Negative	151	37.3%
Neither	92	22.7%
Positive	73	18.0%
Very Positive	9	2.2%
DK-NR	18	4.4%

- The higher a respondents level of education the more likely they were to say they did not have a negative or positive impression of the oil and gas industry in the United States.
- Democrats were more likely than Republicans, Independents and respondents who did not know their party affiliation to have a negative or very negative impression of the oil and gas industry while Republicans were more likely than Democrats, Independents, and those who did not know their party affiliation to have a positive or very positive impression of the oil and gas industry in the United States.
- Respondents living in the old eastern congressional district were more likely than those living in the west to have a positive or very positive impression of the oil and gas industry in the United States while those living in the west were more likely than those living in the east to have a negative, very negative or neither a negative or positive impression of the oil and gas industry.

The respondents were asked what type of an impact the oil and gas industry had had on Montana's environment. Table Twenty-five summarizes the answers to this question and shows that 36.8% of the respondents thought the oil and gas industry has had no impact on Montana's environment while 30.4% thought the oil and gas industry has had a negative or very negative impact on Montana's environment, 15.3% believed the oil and gas industry has had a positive or very positive impact on Montana's environment and 16.5% of the respondents said they did not know what kind of impact the oil and gas industry has had on Montana's environment.

- Respondents with a post graduate education were more likely than those with less education to believe that the oil and gas industry has had a negative or very negative impact on Montana's environment.
- Females were more likely than males to believe the oil and gas industry has had a negative or very negative impact on Montana's environment while males were more likely than females to believe the oil and gas industry has had not impact on Montana's environment.
- Republicans were more likely than Democrats, Independents and respondents who did not know their party affiliation to believe the oil and gas industry has had no effect on Montana's environment while Democrats were more likely than Republicans, Independents or those who didn't know their affiliation to believe

- the oil and gas industry has had a negative (but not very negative) impact on Montana's environment.
- Respondents reporting an annual income of \$35,000 or less were more likely than respondents with higher incomes to say they did not know what type of an impact the oil and gas industry has had on Montana's environment.

TABLE TWENTY-FIVE
IMPACT OF OIL AND GAS INDUSTRY ON MONTANA'S ENVIRONMENT

Very Negative	14	3.5%
Negative	113	27.9%
No Impact	149	36.8%
Positive	54	13.3%
Very Positive	8	2.0%
DK-NR	67	16.5%

The respondents were also asked if they believed the oil and gas industry has had an overall harmful or beneficial effect on Montana. Table Twenty-six summarizes the answer to this question and shows that 34.6% of respondents thought the overall effect of the oil and gas industry on Montana has been somewhat beneficial and another 7.2% thought the overall effect had been very beneficial, 24.2% thought the overall effect of the oil and gas industry on Montana has been somewhat harmful and another 9.9% thought the effect was very harmful, 14.6% thought the overall effect of the oil and gas industry on Montana has been neither harmful nor beneficial and 9.6% said they did not know whether the overall effect of the oil and gas industry on Montana has been harmful or beneficial.

TABLE TWENTY-SIX
OVERALL EFFECT OF OIL AND GAS INDUSTRY ON MONTANA

Very Harmful	40	9.9%
Somewhat Harmful	98	24.2%
Neither	59	14.6%
Somewhat Beneficial	140	34.6%
Very Beneficial	29	7.2%
DK-NR	39	9.6%

- No statistically significant relationships were found between how the respondents viewed the overall effects of the oil and gas industry on Montana and any of the demographic variables.

Finally, the respondents were presented with three statements and asked which best describes their view of the oil and gas industry in Montana. Table Twenty-seven summarizes the answers to this question and shows that 65.7% of the respondents believed that the oil and gas industry is acceptable in Montana because we need the jobs and taxes and the United States needs the oil while 15.3% said the oil and gas industry is

acceptable in eastern part of the state but not acceptable in the western part of the state, 10.4% thought the oil and gas industry is not acceptable in Montana and they wished it would go someplace else and 8.6% did not know how to choose between these three statements.

**TABLE TWENTY-SEVEN
VIEW OF OIL AND GAS INDUSTRY IN MONTANA**

Acceptable in Eastern Montana	62	15.3%
Acceptable in All of Montana	266	65.7%
Not Acceptable in Montana	42	10.4%
DK-NR	35	8.6%

- Republicans were more likely than Democrats, Independents or those who did not know their affiliation to believe that the oil and gas industry was acceptable in all of Montana while Democrats were more likely than Republicans, Independents and those who did not know their party affiliation to believe the oil and gas industry was not acceptable in Montana.
- Respondents living in the old eastern congressional district were more likely than those living in the west to believe that the oil and gas industry was acceptable in all of Montana while those living in the west were more likely than those living in the east to believe the oil and gas industry was not acceptable in Montana.

Additional Comments

Finally, the respondents were asked in the form of an open ended question if there was anything else they would like to tell the interviewer about the oil and gas industry or about the current and future energy situation in the United States. Table Twenty-eight summarizes these additional comments. First Table Twenty-eight shows that 183 respondents (45.2%) had no additional comments. The most frequent additional comment by the 222 respondents who made comments involved the development of alternative energy (33.3%). By alternative energy, some respondents specified solar and wind power, others mentioned nuclear power, coal, or bio-fuels. The next most frequent additional comment (20.7%) involved increasing the domestic production of oil. When suggesting additional domestic production, some respondents mentioned environmentally sensitive production while others did not. Thirty respondents (13.5%) in some manner blamed greedy oil companies for the current energy situation. Some thought oil companies were too greedy while others believed they controlled and manipulated the energy markets.

Nineteen respondents (8.6%) commented that they wanted gasoline prices reduced. Eighteen respondents (7.5%) suggested that we need to reduce our consumption of gasoline either by conservation or by increasing the fuel efficiency of vehicles. Four percent of the respondents suggested drilling in Alaska, 2.7% commented that Bush was to blame, 2.2% thought the US needed more refining capacity, 2.2% cautioned that the environment needed to be protect, 1.3% thought the US needed and energy policy, 2 respondents suggested raising gas taxes, 2 respondents mentioned the oil sands in Alberta and there were 22 other unique comments.

**TABLE TWENTY-EIGHT
ADDITIONAL COMMENTS**

Develop Alternative Energy	74	33.3%
More Domestic Production	46	20.7%
Oil Companies Fault	30	13.5%
Reduce Gasoline Prices	19	8.6%
Reduce Consumption	18	8.1%
Develop Alaska	9	4.0%
Bush is to Blame	6	2.7%
Need More Refining Capacity	5	2.2%
Protect Environment	5	2.2%
Need an Energy Policy	3	1.3%
Raise Gas Taxes	2	0.9%
Alberta's Oil Sands	2	0.9%
Other Unique Answers	22	9.9%

Note: 183 respondents (45.2% of the total) had no additional comments

SUMMARY

Assessment of Current Energy Situation

- 89.1% of the respondents believed the US was overly dependent on foreign oil
- 43.2% of the respondents believe the current energy situation in the United States is a crisis while 25.4% view it as a challenge, 10.6% think it is just a normal part of the cycle of supply and demand while 13.3% don't think it can be described in any of these ways and 7.4% said they did not know.

Causes of Current Energy Situation

- 26.5% of the respondents either strongly disagreed or disagreed that tax policies have caused the US to import more foreign oil while 35.8% agreed or strongly agreed and most respondents, 37.8%, said they did not know whether they agreed or disagreed.
- 36.3% thought that Montana's tax on the state's oil and gas industry was too high, 28.4% thought it was about right, 9.1% thought it was too low and 26.2% didn't know how to evaluate Montana's tax on the oil and gas industry.
- 34.5% believed tax rates have a negative or very negative impact on the oil and gas industry, 23.5% indicated tax rates had a positive or very positive impact on the oil and gas industry, 12.3% thought the tax rate had no impact on the oil and gas industry in Montana, and 29.6% said they did not know what kind of an impact tax rates have on the oil and gas industry in Montana.
- 31.9% of the respondents believed environmental regulations on the oil and gas industry were too restrictive or restrictive, 28.1% thought that environmental regulations on the oil and gas industry were about right, 27.9% thought

environmental regulations on the oil and gas industry were not restrictive enough or should be much more restrictive, and 12.1% did not have an opinion about the restrictiveness of environmental regulations on the oil and gas industry.

- 45.9% of respondents believed the taxes charged at gas pumps in Montana were about right while 37.5% thought they were too high, 6.4% thought they were too low and 10.1% said they did not know if the taxes charged at the gas pump in Montana were too low, about right or too high.
- 23.5% thought a windfall profits tax would have no effect on production, 29.2% thought a windfall profits tax would decrease production somewhat or a lot and 18.8% thought it would increase production somewhat or a lot and 26.9% said they did not know how a windfall profits tax would effect production.

Potential Solutions to Current Situation

- 30.1% preferred alternative energy as a way of reducing dependency on foreign oil while 15.6% favored increasing domestic production, 10.6% favored increasing efficiency of energy use, 4.4% percent preferred reducing consumption and 37.8% thought the US should do all of the above.
- 68% of the respondents were in favor of building new refineries in Montana to increase refining capacity in the United States.
- 80.7% of the respondents were in favor of pursuing new exploration and development in Montana.
- When asked to choose between three different directions of future energy policies, 42% of respondents believed the United States should reduce its use of fossil fuels as soon as possible and shift to renewable energy such as wind and solar in the near future, while 40% thought the US should continue to develop and use coal, oil, and gas and transition toward the use of other fuels and additional renewable energy in the next 20 years, and 16.5% thought the US needs to stop using fossil fuels as soon as possible and channel all available resources toward developing renewable energy sources.
- When asked whether they supported or opposed six alternative future energy policies 50.1% strongly supported building additional facilities to tap renewable energy sources such as wind and solar power, 29.6% strongly supported substantially increasing the amount of resources being expended on research into more efficient use of energy as well as new ways of providing energy, 15.8% strongly supported building new refineries, 12.6% strongly supported increasing domestic production through opening more areas to drilling and exploration, 9.4% strongly supported increasing Coal Bed Methane production, and 0.2% of the respondent strongly supported increasing the amount of imported oil and natural gas.

Significance of Oil and Gas Industry for the Montana Economy

- 44.2% of the respondents thought the oil and gas industry made a significant or very significant contribution to Montana's economy while 25.2% thought the contribution of the oil and gas industry was somewhat significant, 7.9% thought the contribution of the oil and gas industry was not significant at all and 18.8% said they did not know how significant a contribution the oil and gas industry made to the state's economy.
- 72.1% of the respondents believed that continued oil and gas development was important or very important to economic growth and the creation of new jobs in Montana while 16.5% thought continued oil and gas development was somewhat important and 5.9% thought it was not important at all for economic growth and the creation of new jobs.
- 35.8% of the respondents believe that oil and gas revenues are very important for funding public education and another 31.4% think it is important. City and county government seem to rank about the same as state government in terms of how important respondents believe oil and gas revenues are for funding and are ranked significantly below public education.

Support of Oil and Gas Industry

- 33.3% of the respondents send that the fact that the oil and gas industry in Montana paid salaries that were twice the average Montana salary would by itself lead them to support more activity in the oil and gas industry while 25.7% said it would not, 25.2% said it would depend on other factors, 12.1% said they were not sure and 3.7% said they did not know.
- 59% of the respondents said they would suggest a career in the oil and gas industry to their children or grandchildren if the average salary in the oil and gas industry was twice the average Montana salary.
- 61.2% of the respondents supported additional oil and gas development in Montana while another 10.9% strongly supported it
- 81.5% of the respondents indicated they would be more likely to support additional oil and gas development in Montana if it reduced the US's dependency on foreign oil while only 38.5% said they would be more likely to support additional oil and gas development in Montana if the rate of taxation on the oil and gas industry was increased.

Recent Spike in Gasoline Prices

- 58.3% of the respondents believed that price gouging by oil companies had a great effect on the spike in gasoline prices while 28.4% believed that post Hurricane Katrina market speculation by consumers and suppliers had a great effect and 20.2% of the respondents believed that Hurricane Katrina's impact on refining capacity had a great effect.

Overall Impressions of Oil and Gas Industry

- 52.6% of the respondents had a negative or very negative general impression of the oil and gas industry in the United States while 22.2% had a positive or very positive general impression, 22.7% said they had neither a negative or positive impression and 4.4% said they did not know what kind of general impression of the oil and gas industry in the United States they had.
- 36.8% of the respondents thought the oil and gas industry has had no impact on Montana's environment while 30.4% thought the oil and gas industry has had a negative or very negative impact on Montana's environment, 15.3% believed the oil and gas industry has had a positive or very positive impact on Montana's environment and 16.5% of the respondents said they did not know what kind of impact the oil and gas industry has had on Montana's environment.
- 34.6% of respondents thought the overall effect of the oil and gas industry on Montana has been somewhat beneficial and another 7.2% thought the overall effect had been very beneficial, 24.2% thought the overall effect of the oil and gas industry on Montana has been somewhat harmful and another 9.9% thought the effect was very harmful, 14.6% thought the overall effect of the oil and gas industry on Montana has been neither harmful nor beneficial and 9.6% said they did not know whether the overall effect of the oil and gas industry on Montana has been harmful or beneficial.
- 65.7% of the respondents believed that the oil and gas industry is acceptable in Montana because we need the jobs and taxes and the United States needs the oil while 15.3% said the oil and gas industry is acceptable in eastern part of the state but not acceptable in the western part of the state, 10.4% thought the oil and gas industry is not acceptable in Montana and they wished it would go someplace else and 8.6% did not know how to choose between these three statements.

APPENDIX: THE QUESTIONNAIRE

Question Hello

Hello, my name is _____ and I am calling from Montana State University-Billings. MSU Billings is conducting a study of the attitudes of Montanan's toward the oil and gas industry and some issues related to the current and future energy situation in the United States. Your telephone number was selected randomly by a computer and all of your answers to this survey will remain anonymous. In order to interview the correct person, I need to speak with the member of your household who is at home, 18 or older and has had the most recent birthday. Would that be you?
IF REFUSED, BUSY, ETC. CTRL-END. FIRST 3 DIGITS TO GO ON

Question Depend

As we go through these questions, if at any time you don't know the answer to a question or don't have an opinion, just let me know.

Currently the United States imports about 60% of the oil we use from foreign countries. Do you think this makes the United States overly dependent on foreign oil?

1. Yes
2. No
3. DK-NR

Question RedDep

If the United States wanted to reduce its dependence on foreign oil, which of the following would be the best way?

1. Reduce our consumption of oil
2. Increase our own production of oil and gas
3. Increase our use of other sources of energy such as wind or solar energy.
4. Increase the efficiency of our energy use.
5. Do all of the above (DON'T READ)
6. DK-NR

Question TaxPol

Do you agree or disagree that tax policies have caused the United States to have to import more oil.

1. Strongly Disagree
2. Disagree
3. Agree
4. Strongly Agree
5. DK-NR

Question OilContr

How significant a contribution does the oil and gas industry in Montana make to our state's economy?

1. Not significant at all
2. Somewhat significant
3. Significant
4. Very significant.
5. DK-NR

Question ImpTax

What kind of an impact do you think tax rates have on the oil and gas industry in Montana?

1. Very negative impact
2. Negative impact
3. No impact
4. Positive impact
5. Very positive impact
6. DK-NR

Question EnvReg

In your view, are the environmental regulations on the oil
And gas industry:

1. Too restrictive
2. Restrictive
3. About right
4. Not restrictive enough
5. Should be much more restrictive
6. DK-NR

Question TaxRate

Would you say that Montana's tax on the state's oil and gas
industry is

1. Not high enough
2. About right
3. Too high
4. DK-NR

Question SupSal

If you knew that the salaries paid by Montana's oil and gas
industry are nearly twice the average salary in Montana,
would that in itself lead you to support more activity in
the oil and gas industry in Montana?

1. Yes
2. Not sure
3. No
4. Depends on other factors
5. DK-NR

Question PumpTax

Currently, 28 cents out of every dollar you pay at the gas pump is Montana gas tax. Do you think this tax rate is

1. Too low
2. About right
3. Too high
4. DK-NR

Question OilEnv

How do you think the oil and gas industry impacts the environment in Montana?

1. Very negatively
2. Negatively
3. No impact
4. Positively
5. Very positively
6. DK-NR

Question FundEd

How important are the revenues generated by continued oil and gas development in Montana for funding our state's public education?

1. Not important at all
2. Somewhat important
3. Important
4. Very Important
5. DK-NR

Question FundLoc

How important are the revenues generated by continued oil and gas development in Montana for funding our city and county governments?

1. Not important at all
2. Somewhat important
3. Important
4. Very Important
5. DK-NR

Question FundSta

How important are the revenues generated by continued oil and gas development in Montana for funding our state government?

1. Not important at all
2. Somewhat important
3. Important
4. Very Important
5. DK-NR

Question EconJob

How important is continued oil and gas development in Montana for economic growth and creation of new jobs?

1. Not important at all
2. Somewhat important
3. Important
4. Very Important
5. DK-NR

Question NewRef

Do you think that new oil and gas refineries should be built in Montana to increase the United States' refining capacity?

1. Yes
2. No
3. DK-NR

Question NewMtDev

Do you think that exploration and development of new oil and gas resources should be pursued in Montana to help reduce the United States' dependence on foreign oil?

1. Yes
2. No
3. DK-NR

Question EngDir

Which of the following statements best describes the direction you think the United States' energy policy should be going?

1. The United States should continue to develop and use coal, oil and gas and transition toward the use of other fuels and renewable energy in the next 20 years.
2. The United States needs to reduce its use of fossil fuels as soon as possible and shift to renewable energy sources such as wind and solar and in the near future.
3. The United States needs to stop using fossil fuels as soon as possible and channel all available resources toward developing renewable energy sources.
4. DK-NR

Question CurEng

Which of the following best describes the energy situation today in the United States?

1. A crisis that provides Montana an opportunity to help
2. A challenge, but nothing that is urgent
3. About the way it should be because these cycles of supply and demand of oil and gas come and go.
4. None of the above
5. DK-NR

Question IncDom

Next I am going to describe some energy policies the United States could adopt in the next 20 years. I would like to know whether you support or oppose each of these alternative future policies.

One alternative is to increase domestic production of oil and natural gas through opening more areas to drilling and exploration.

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question IncImp

Another possible policy would be to increase the amount of imported foreign oil and natural gas.

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question SuNewRef

How about building additional oil and gas refineries in the United States?

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question IncCBM

And, increasing coal bed methane development, which currently represents approximately 10% of our nation's natural gas supply.

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question Renew

How about building additional facilities to tap renewable energy sources such as wind and solar power.

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question Research

And lastly, substantially increasing the amount of resources being expended on research into more efficient use of energy as well as new ways of providing energy.

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question ChildCar

If the average salary in the oil and gas industry is twice the average salary in Montana, would you suggest a career in the oil and gas industry to your children or grandchildren?

1. Yes
2. No
3. No children or grandchildren
4. DK-NR

Question HurKat

Last fall, the price of gasoline in Montana topped out at somewhere around \$3.00 per gallon. How much, if at all, do you think each of the following three factors contributed to this increase in the price of gasoline?

Hurricane Katrina and its impact on refining capacity

1. Had no effect on the increasing price of gasoline
2. Had a little effect on the increasing price of gasoline
3. Had a substantial effect on the increasing price of gasoline
4. Had a great effect on the increasing price of gasoline
5. DK-NR

Question Spec

Post Hurricane Katrina market speculation by consumers and suppliers.

1. Had no effect on the increasing price of gasoline
2. Had a little effect on the increasing price of gasoline
3. Had a substantial effect on the increasing price of gasoline
4. Had a great effect on the increasing price of gasoline
5. DK-NR

Question Gouging

Price gouging by the oil companies

1. Had no effect on the increasing price of gasoline
2. Had a little effect on the increasing price of gasoline
3. Had a substantial effect on the increasing price of gasoline
4. Had a great effect on the increasing price of gasoline
5. DK-NR

Question Windfall

What effect do you think a windfall profit tax on the oil and gas industry would have on oil and gas production in the United States?

1. Decrease production a lot
2. Decrease production somewhat
3. Have no effect on production
4. Increase production somewhat
5. Increase production a lot.
6. DK-NR

Question GenPmp

In an overall sense, what is your general impression of the oil and gas industry in the United States?

1. Very negative
2. Negative
3. Neither positive nor negative
4. Positive
5. Very positive
6. DK-NR

Question AffMT

In an overall sense, how do you think the oil and gas industry affects Montana?

1. Very harmfully
2. Somewhat harmfully
3. Neither harmfully nor beneficially
4. Somewhat beneficially
5. Very beneficially
6. DK-NR

Question AdMTDev

Do you support or oppose additional oil and gas development in Montana?

1. Strongly oppose
2. Oppose
3. Neither support nor oppose
4. Support
5. Strongly support
6. DK-NR

Question SupRedDp

Would you be more likely to support additional oil and gas development in Montana if it reduced the United States' dependency on foreign oil?

1. Yes
2. No
3. DK-NR

Question SupIncTx

Would you be more likely to support additional oil and gas development in Montana if the rate of taxation on the oil and gas industry was increased?

1. Yes
2. No
3. DK-NR

Question VwOGMT

Which of the following statements best describes your view of the oil and gas industry in Montana?

1. It is acceptable in the eastern part of the state but not acceptable in the western part of the state.
2. It is acceptable in Montana because we need the jobs and taxes and the United States needs the oil.
3. It is not acceptable in Montana and you wish they would go someplace else.
4. DK-NR

Question Age

As you probably know, different types of people have different types of opinions. The following questions are for statistical purposes only.

How old are you?

TYPE IN THEIR AGE AND THEN PRESS ENTER. USE 100 FOR 100 OR OLDER AND USE 101 FOR DK-NR.

Question Educ

What is the highest educational level you have completed?

TYPE IN THE HIGHEST GRADE THEY HAVE COMPLETED AND THEN PRESS ENTER. 12 IS HIGH SCHOOL GRADUATE, 16 IS COLLEGE GRADUATE, 18 IS A MASTER DEGREE AND 20 IS A DOCTORATE. USE 21 FOR DK-NR.

Question Party

Politically speaking, do you generally consider your self to be a Republican, Democrat or Independent.

1. Republican
2. Democrat
3. Independent
4. DK-NR

Question Income

Which of the following best describes your total household income before taxes in 2005 or in 2004?

1. Less than \$20,000
2. \$20,001 to \$35,000.
3. \$35,001 to \$50,000
4. \$50,001 to \$75,000
5. \$75,001 to \$100,000
6. Over \$100,000
7. Refused
8. Don't Know

Question Else

Finally, is there anything else you would like to tell me about the oil and gas industry or about the current and future energy situation in the United States?

TYPE IN THEIR ANSWER AND THE CLICK ON THE "NEXT" BUTTON.
YOU HAVE 3 LINES.

Question Gender

RESPONDENT'S GENDER (DON'T ASK)

1. MALE
2. FEMALE

Question Bye

That was the last question. Thank you very much for your time and cooperation. Good bye and have a nice day (or evening.)

