

BRUNSWICK

Pipelines, Protests and the Presidential Race

How U.S. Voters are Thinking about Climate
and Energy Policy during the Pandemic

SEPTEMBER 2020



Goals

- Assess U.S. voters' perceptions around recent setbacks for big oil & gas pipeline projects.
- Gauge how COVID-19 and Black Lives Matter are impacting voters' appetite for change when it comes to how America produces, distributes and consumes energy.
- Understand where climate change ranks among voters' priorities nearly six months into the pandemic.

Methodology



Who we surveyed

U.S. Registered Voters



How many people we surveyed

n=1,000



How we surveyed them

Online data collection



Survey timing

August 5 – August 11, 2020

Key findings

Voters see a role for natural gas on climate—but with conditions. Almost half of U.S. registered voters believe the industry must do more to reduce emissions in order for natural gas to play a role in climate change.

Most U.S. voters support giving states more power to block new oil and gas pipelines, but don't think it will help in the climate fight. Despite supporting states' and local government's power to block pipelines, 59% believe that halting pipelines won't have a significant impact on climate change.

Environmental/safety commitments on pipelines are more important to voters than economic ones. When asked what actions companies could take that would make them more supportive of pipelines, voters in both parties were more likely to pick actions involving the environment's safety than those involving jobs.

Republicans are more likely than Democrats to support Biden's car-rebate plan – unless they're told Biden supports it. Republicans see the benefits of Biden's car-rebate program when framed as a proposal put forth by "political leaders" or even Sen. Schumer, but mentioning Biden's name reduces their enthusiasm.

Voters are less likely to see climate change as a crisis now than before the pandemic. Concerns about COVID-19 and the recent call to action on racial justice issues have eclipsed concerns over climate change when compared to 2019.

Support for a carbon tax has weakened as the economy has deteriorated. Although more voters approve of the tax than oppose it, the percentage who say it's a "good idea" has dropped 10 points since last year.

What this means

While most voters oppose a ban on natural gas, they don't think the industry is doing enough to reduce emissions.

Producers that claim the industry has the emissions problem under control face an uphill battle with the public.

In a politically polarized electorate, messengers matter more than ever.

The industry will need to carefully develop champions from across the political spectrum to reach voters.

Support for taxing carbon is shakier in a weak economy.

A Biden administration – if it happens – is likely to prioritize COVID-19 and the economy. Regulations, mandates and subsidies test better with voters than carbon taxes, offering Democrats an alternative path on climate policy.

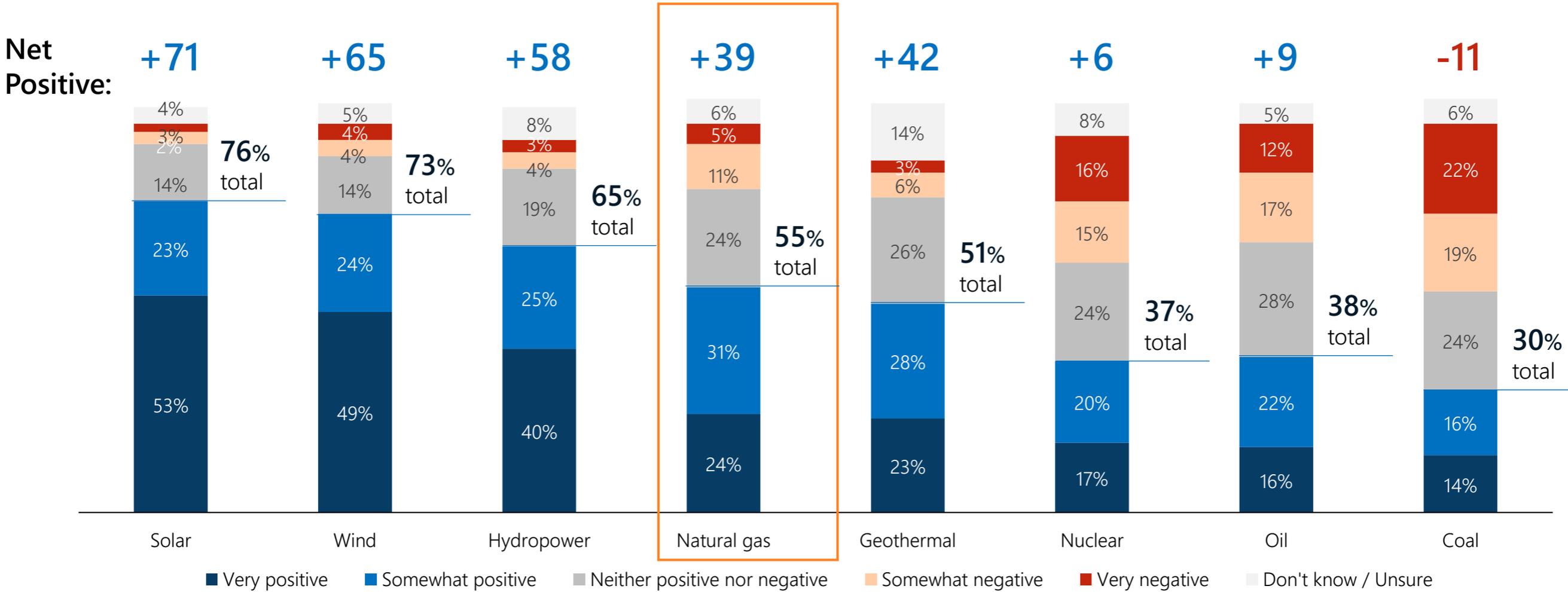
Perceptions of Natural Gas



Voters place natural gas in the middle of the pack among support for energy sources

Renewable energy sources like solar and wind have widespread support

Impressions of Energy Sources Among Registered Voters



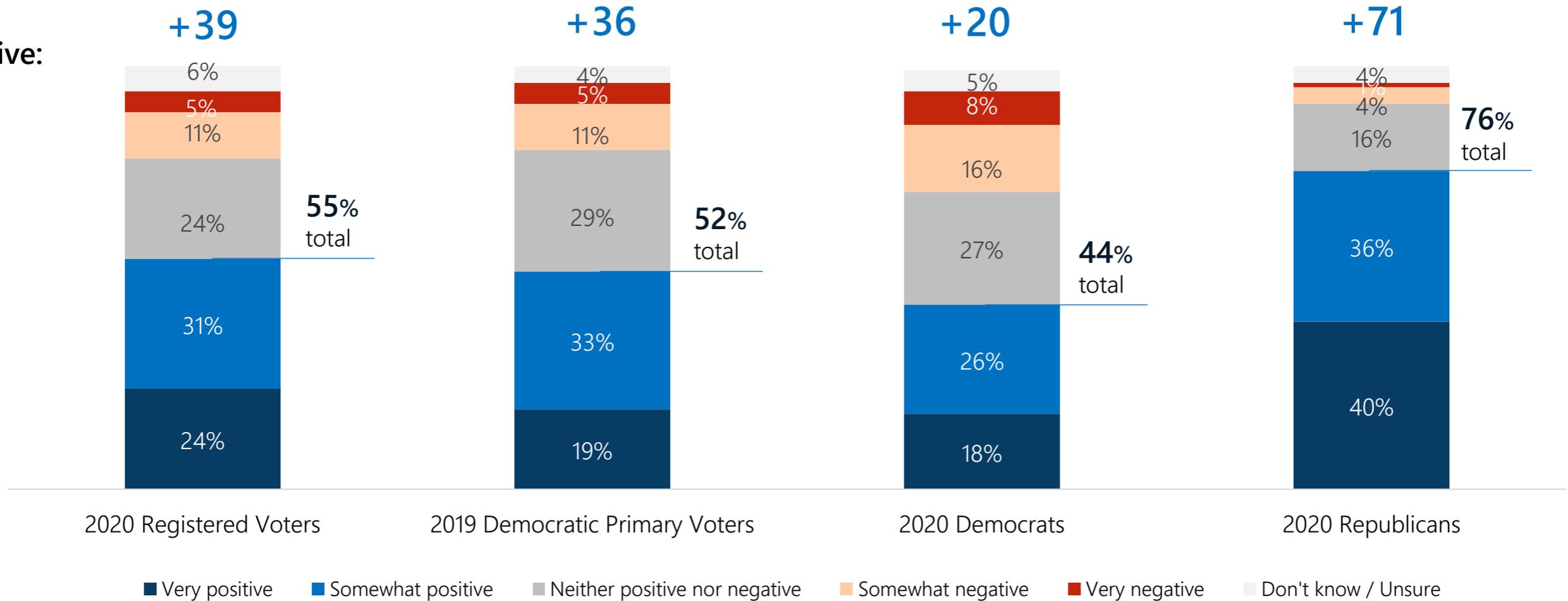
Q. How much do you support or oppose the U.S. increasing the use of each of the following sources of energy production?

Both Democrats and Republicans have a positive view of natural gas

Republicans are much more in support of using natural gas as an energy source

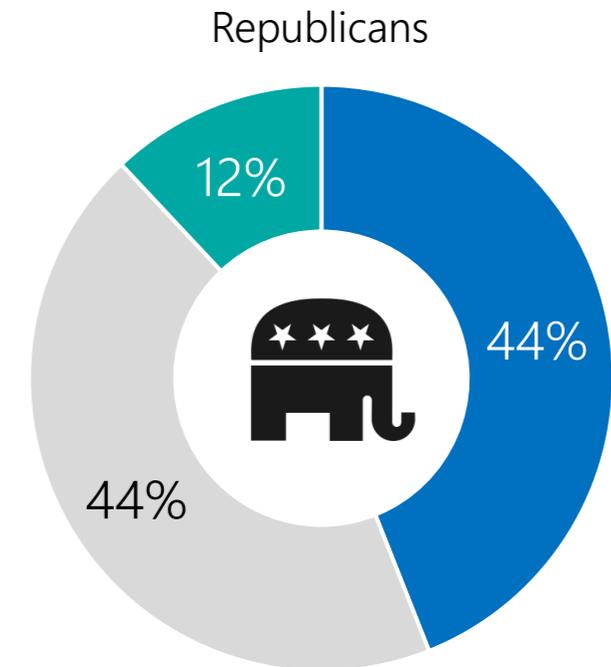
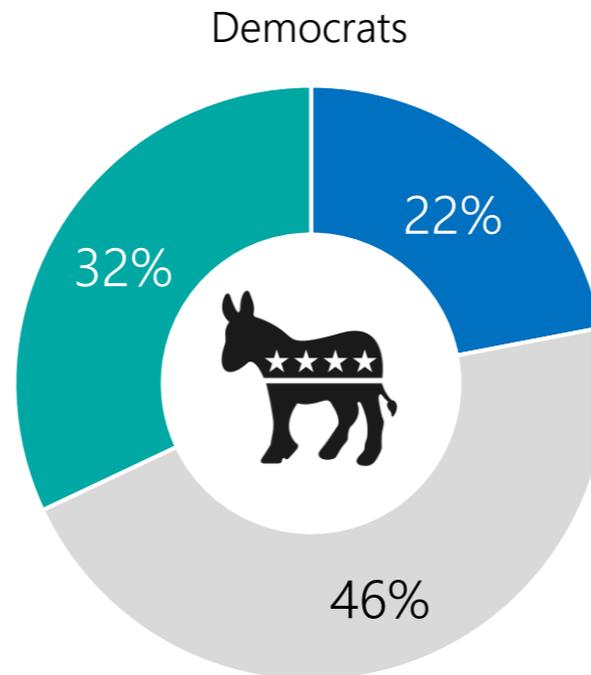
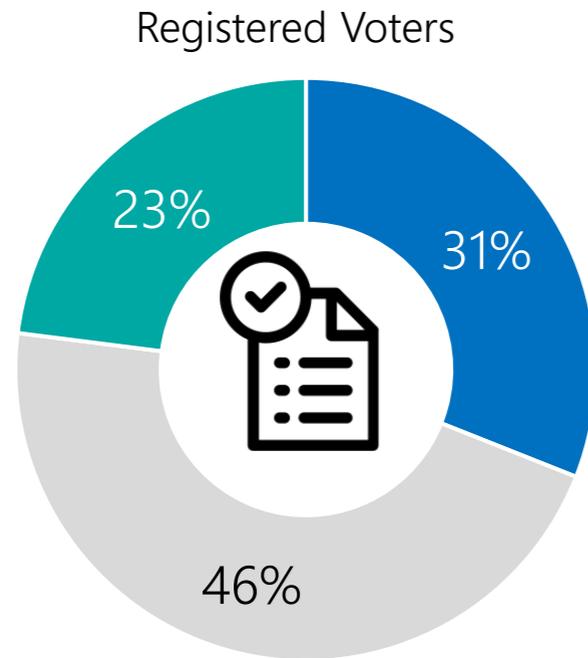
Impressions of Natural Gas by Party

Net Positive:



Most expect natural gas to play a role in fighting climate change...

...But the industry is expected to do more to reduce emissions

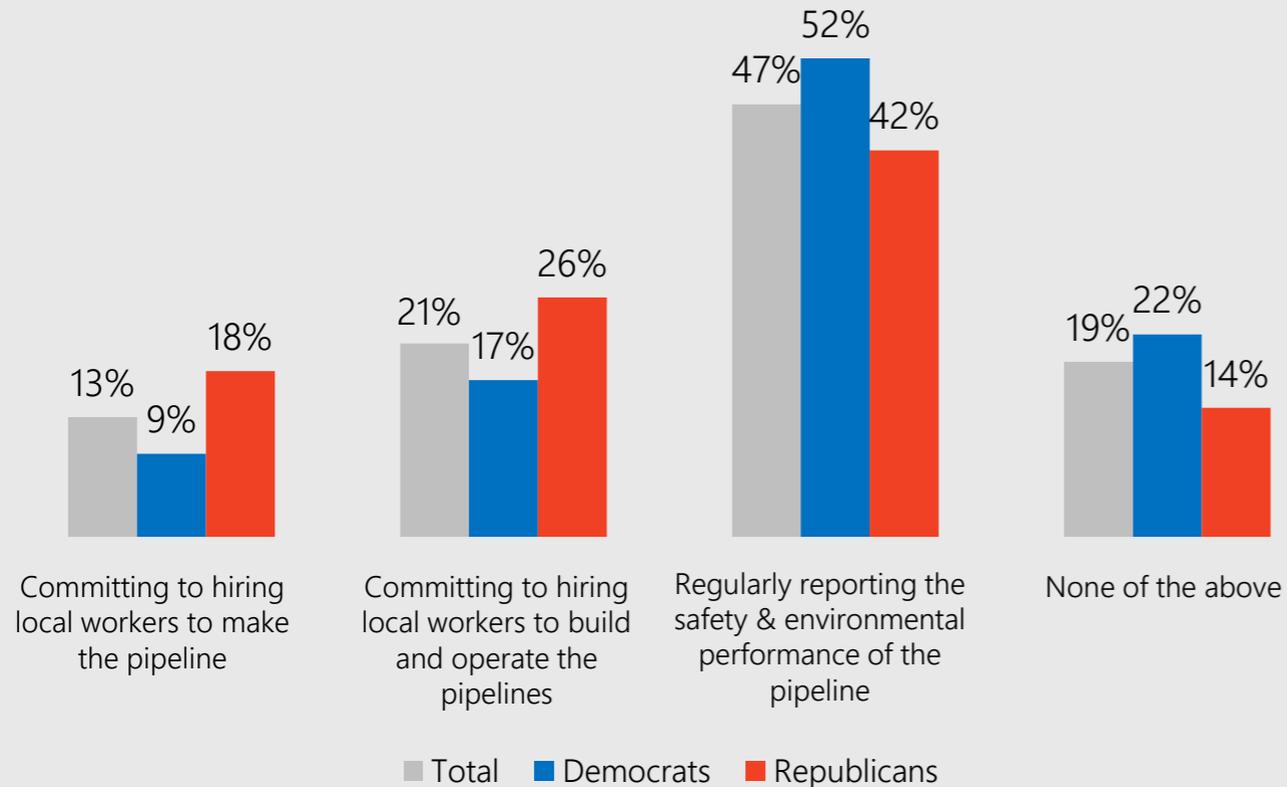


-  Natural gas has a **vital role to play** in addressing climate change; **we cannot rely on wind and solar alone** to meet our nation's energy needs.
-  Natural gas has a vital role to play in addressing climate change **but only if the industry does a lot more to reduce emissions** associated with its production and use.
-  Natural gas is not a solution to climate change; **it's part of the climate problem**. To avoid the worst impacts of climate change, **we must stop building new natural gas plants, pipelines** and buildings powered by fossil fuels.

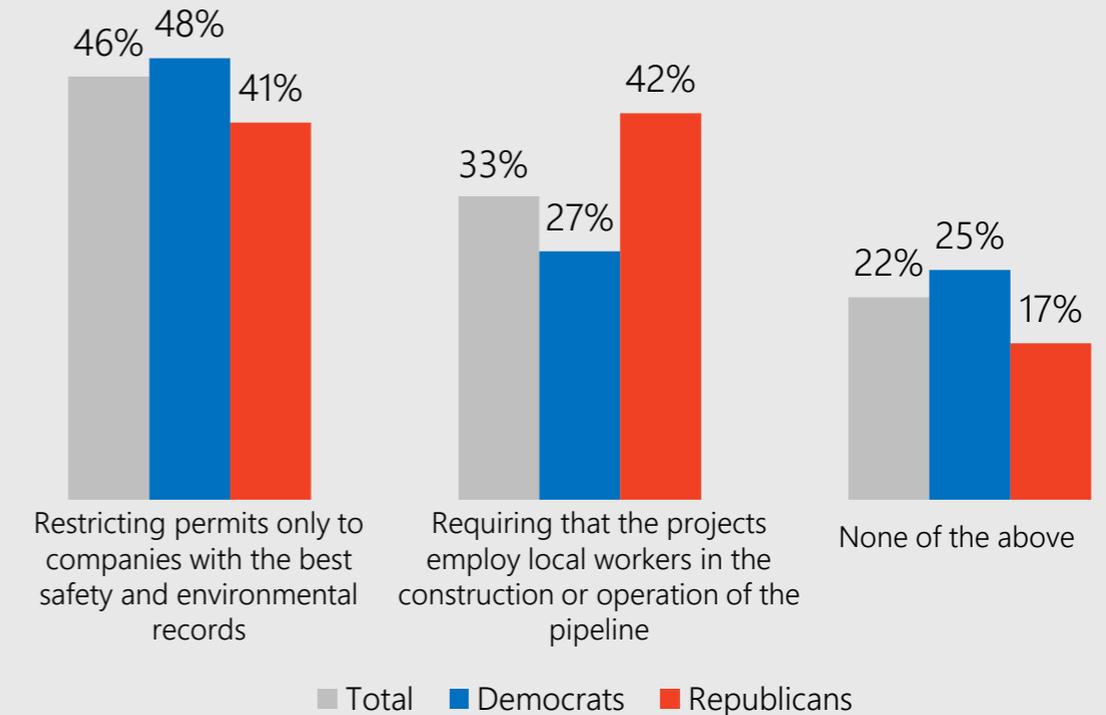
Environmental commitments are more important than economic ones

Employing local workers for pipeline construction is also particularly important for Republicans

What actions could **builders of new natural gas pipelines** take that would make you more likely to support the construction of new natural gas pipelines in your community?



What actions could the **government** take that would make you more likely to support the construction of new natural gas pipelines in your community?





How Voters Think about Pipelines and Subsidies for Low-Emission Vehicles

Voters want states to have the authority to block pipeline projects...

...But don't believe halting projects will be effective in fighting climate change

When it comes to oil and gas pipelines, which of the following statements is closer to your point of view?

Too often oil and gas pipelines are held hostage by special interest groups and radical activists, delaying America's ability to transport affordable energy to the cities and towns that need it and keeping the thousands of jobs these projects support out of the hands of deserving American workers. We need to **give the federal government more power** to ensure these projects get built as soon as possible.

47%

Too often oil and gas pipelines have negative health and environmental impacts on the local communities in which they are built. We need to **give states and local governments more authority** to demand changes to these projects or block them altogether to protect public health and the environment.

53%

When it comes to oil and gas pipelines that are delayed or called off, which of the following statements is closer to your point of view?

Halting the development of oil and gas pipelines **will help in the fight against climate change**, by making it harder for oil and gas to get to market and reducing overall production.

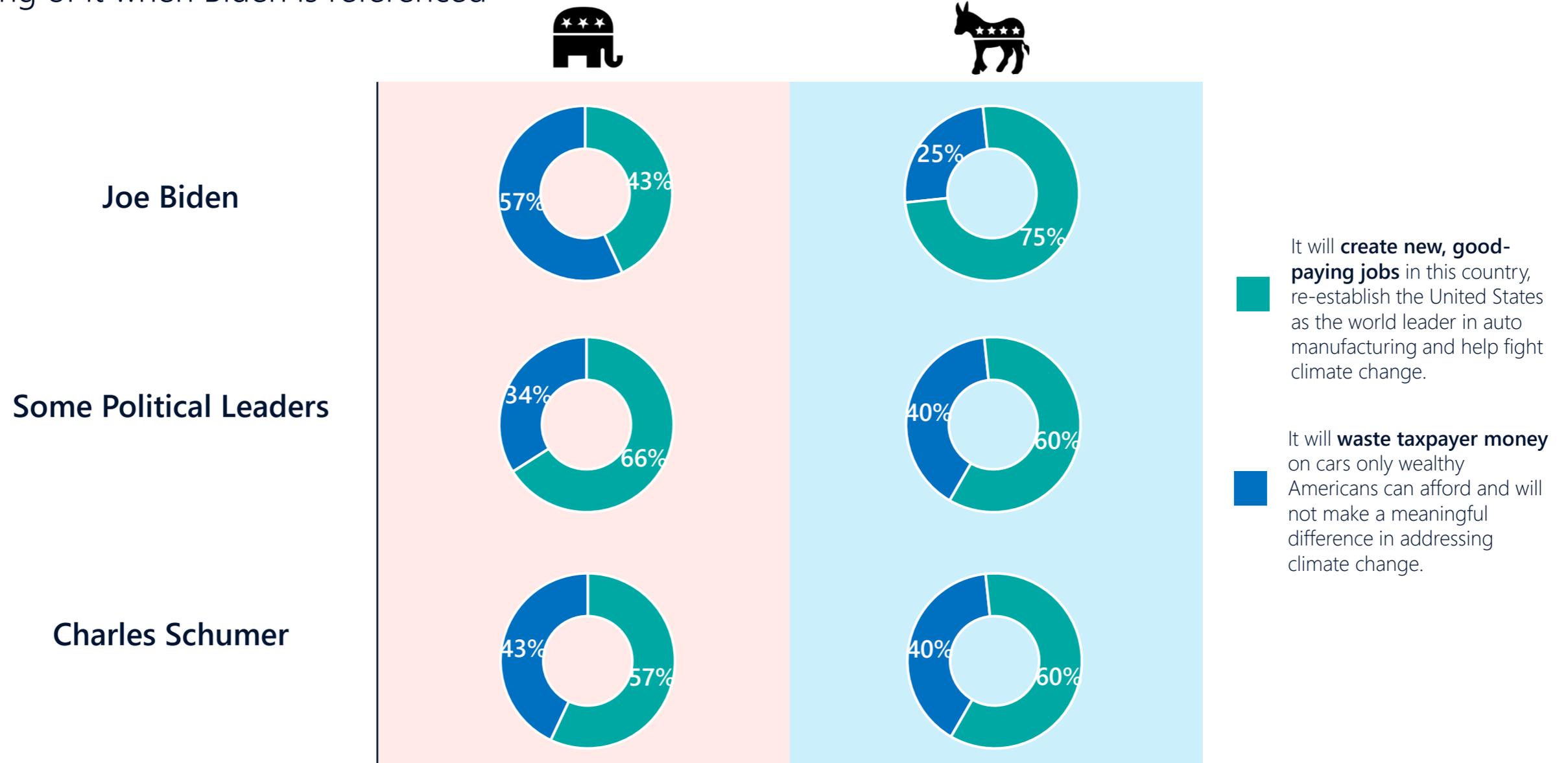
41%

Halting the development of oil and gas pipelines **will not help in the fight against climate change**, it will mean that we get our oil and gas from different sources and that it will be transported in different ways – such as by truck or rail. It will not change how much of it is produced.

59%

Republicans support Biden's car-rebate plan, unless they are told he is the sponsor

Democrats are slightly more skeptical of the plan than Republicans under "some political leaders," but widely approving of it when Biden is referenced



Q: As you know, [SPLIT SAMPLE: some political leaders/the presumptive Democratic nominee for president, Joe Biden/Senate Democratic Leader Charles Schumer have/has] proposed that the U.S. government give Americans rebates to trade in old, less-efficient cars for newer American vehicles built from materials and parts sourced in the United States. Which of the following statements best reflects your view of these proposals?

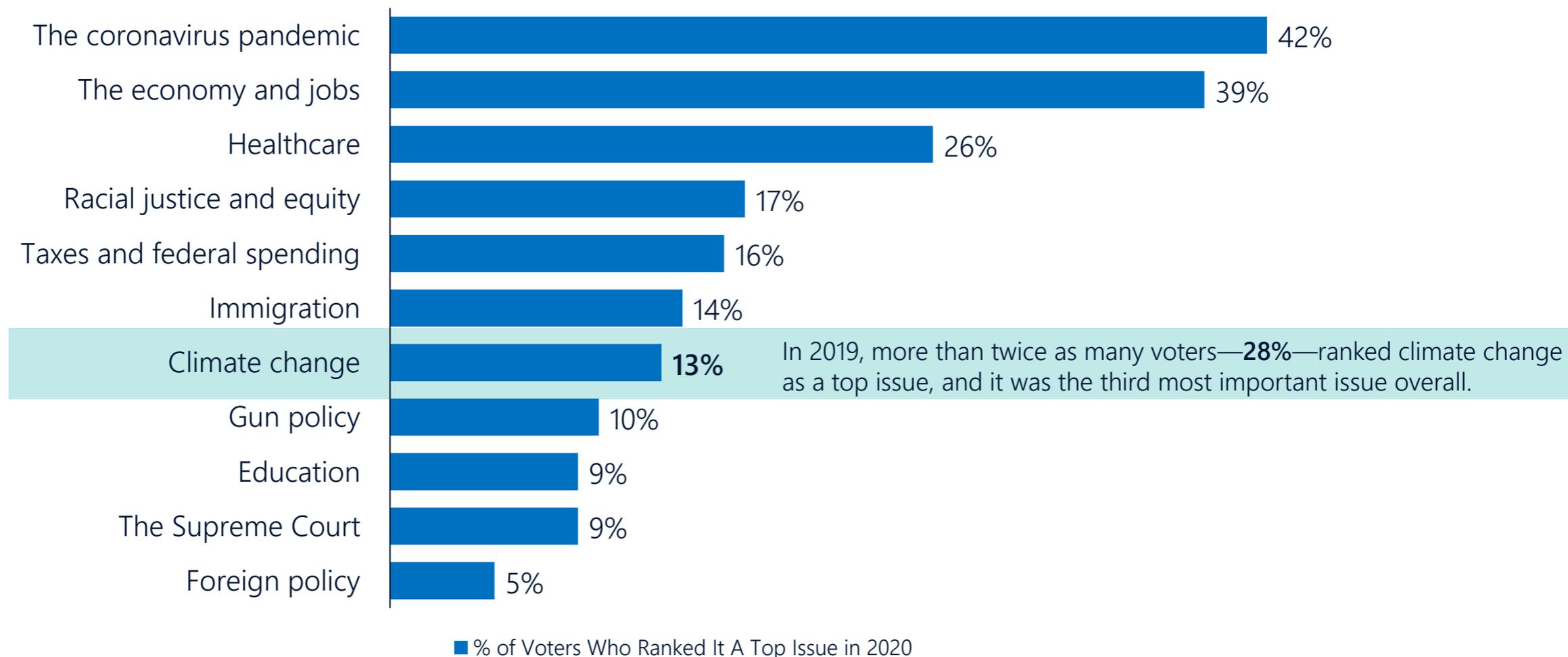
Climate Change



As the election draws closer, climate change takes a back seat to other urgent issues

A year ago, climate change was the third most important issue to voters, trailing only healthcare and the economy. In 2020, it's dropped to seventh most important

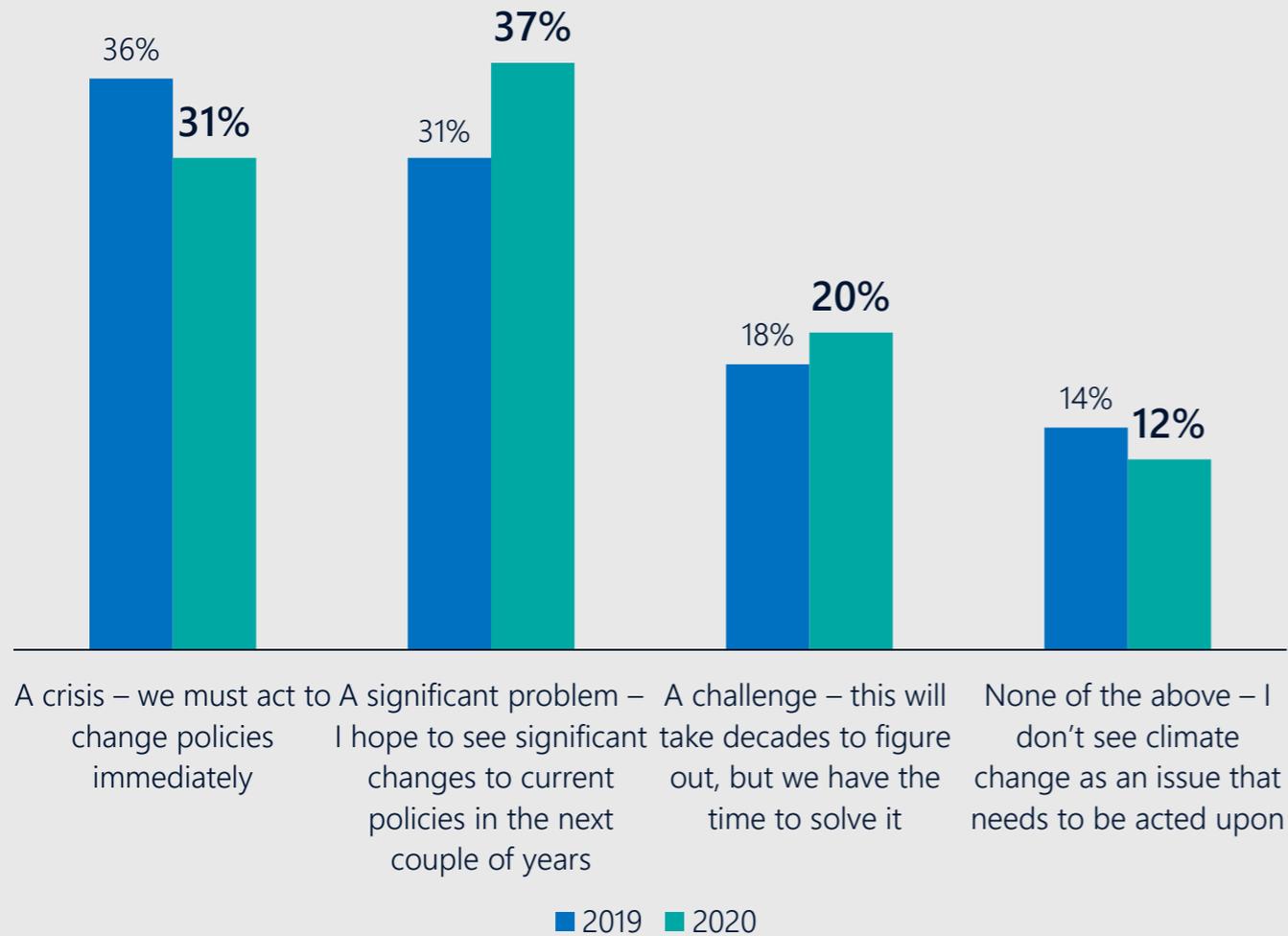
Most Important Issues When Considering Who to Vote For



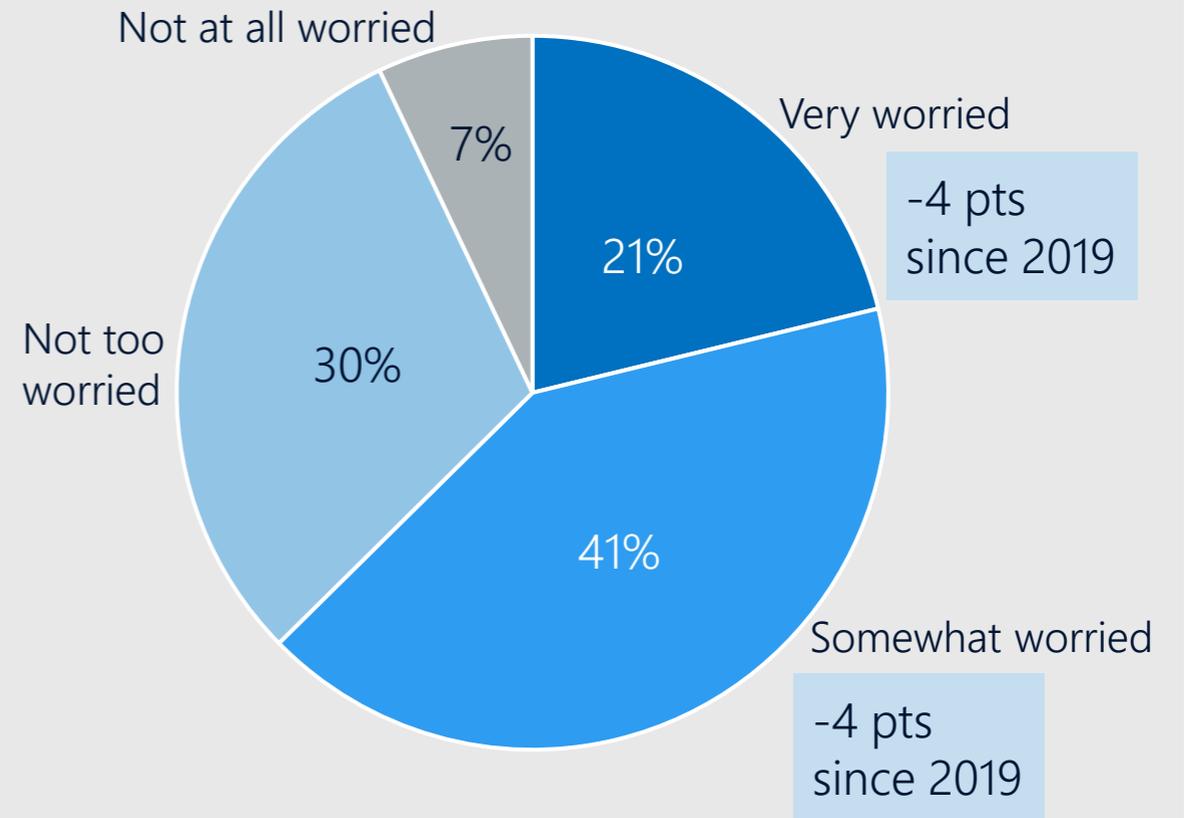
Voters are still deeply concerned about climate change and affordable energy

However, in the face of so many pressing issues, some are less urgently concerned

Is climate change...



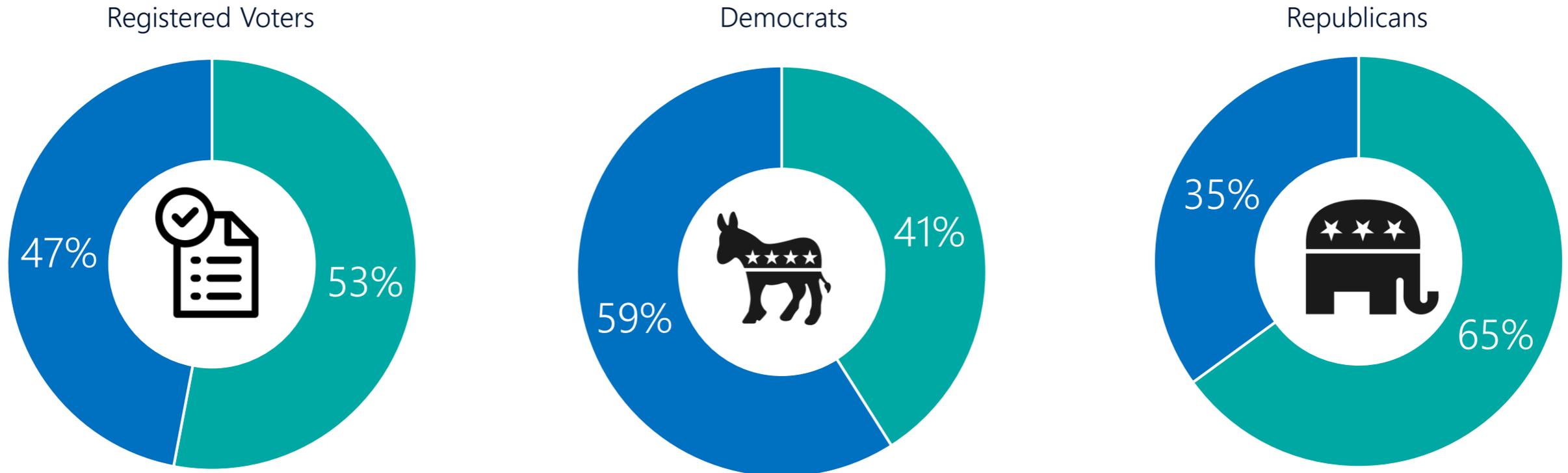
How worried are you about the availability of affordable energy?



About half feel it is no longer morally defensible to profit from fossil fuels

Republicans are less likely to see it as a moral issue, although just over a third still do

Morality of Profiting from Fossil Fuels



■ Climate change is fundamentally a scientific, economic and political challenge – **not a moral issue**.

■ It is **no longer morally defensible** to profit from fossil fuels.

Environmental justice: Most voters support government intervention

Although the issue breaks along partisan lines, almost half of Republicans support government involvement in issues of climate and inequity

Total



The US government needs to be bold. It should hold corporate polluters responsible for rampant pollution that creates the types of underlying conditions that are contributing to the disproportionate rates of illness, hospitalization, and death from COVID-19 among Black, Latino, and Native Americans.

55%

67%

46%

The US government needs to be careful. Implementing emissions standards will inevitably raise energy prices. Low-income families spend a disproportionate amount on energy costs, and any increase in energy costs can affect their entire budget, not to mention their ability to heat or cool their homes.

45%

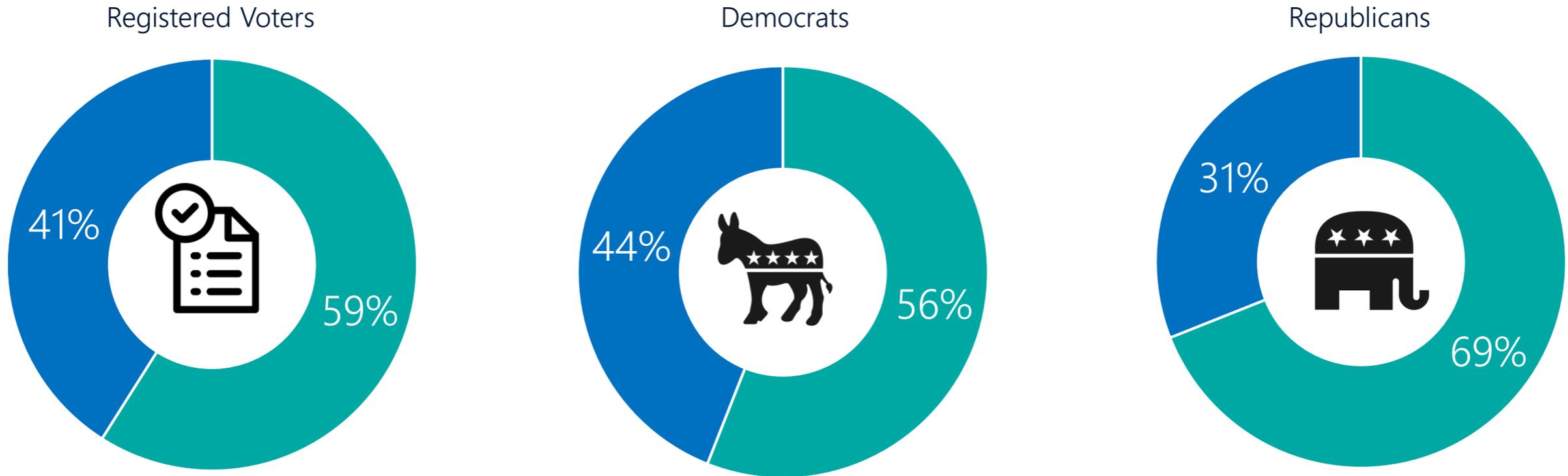
33%

54%

Carbon storage is a moderately popular solution, although not a unanimous one

Republicans are more likely to want the government to subsidize it

Subsidization of Carbon Capture & Storage



-  The U.S. government should subsidize this technology because it will **allow society to continue using existing fossil fuel infrastructure** while reducing emissions that contribute to climate change.
-  The U.S. government should NOT subsidize this technology because it **may increase overall air pollution** and because it **diverts resources from renewable energy**.

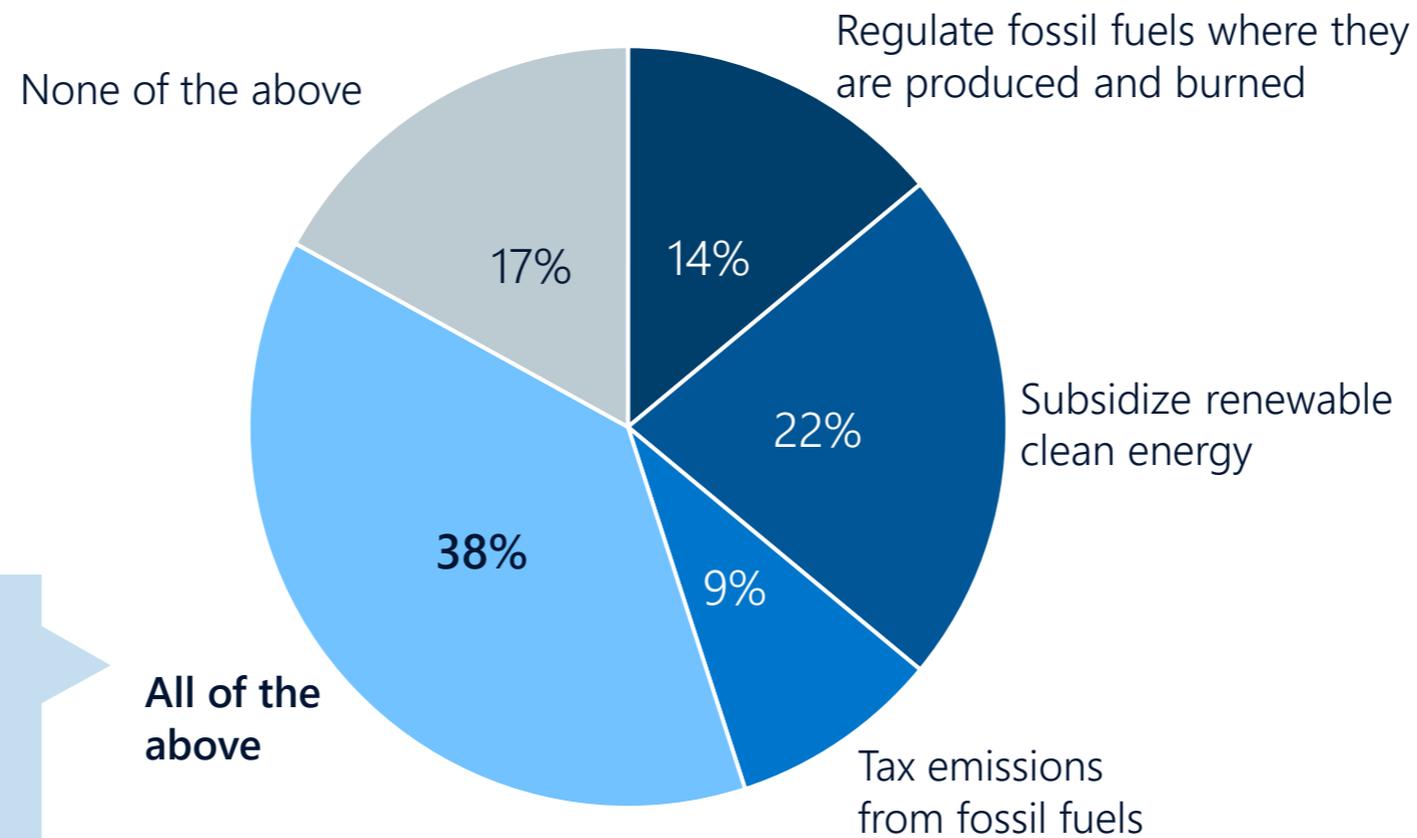
Taxing Carbon



A carbon tax on its own is not seen as enough

Instead, voters want to see it as part of a comprehensive effort against climate change

Based on what you know, which of the following do you think the U.S. government should do more of in response to climate change?



46% of Democrats

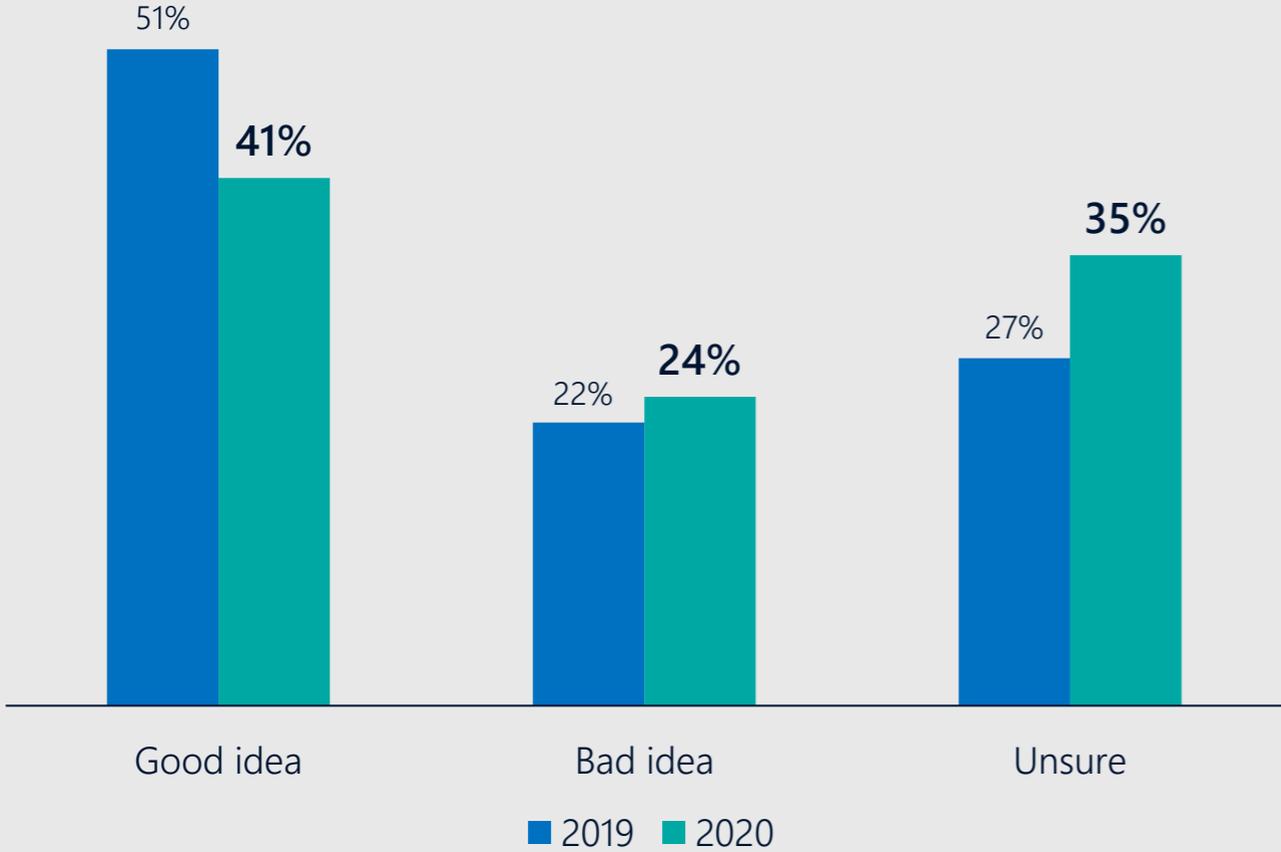


28% of Republicans

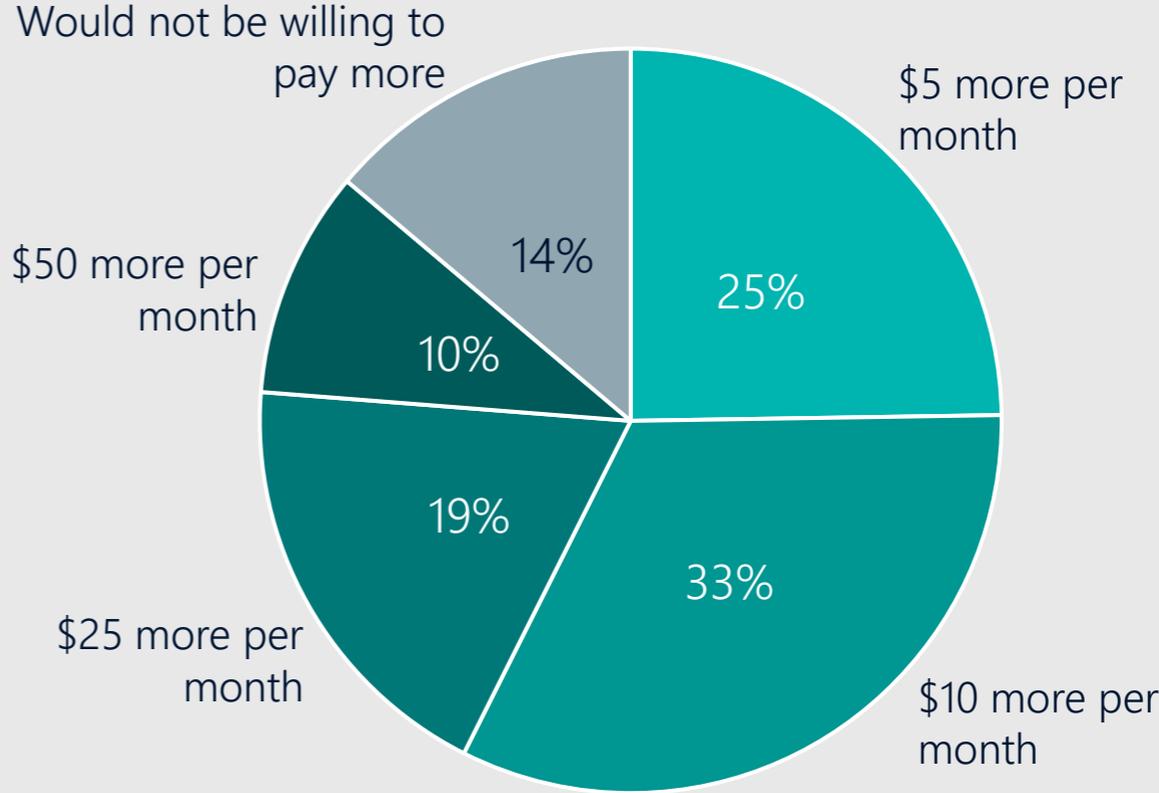
The popularity of a potential carbon tax has declined since last year

Among those who think it's a good idea, most are willing to pay over \$100 annually for it

Do you think a tax on emissions of carbon-based fuels such as coal, oil, and natural gas is a good idea or a bad idea?



What additional cost for your monthly energy expenses would you be willing to accept? [among those who think the tax is a good idea—n=414]



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Mark Palmer
Partner,
Head of Office, Dallas
Head of U.S.
Energy & Resources

- Former in-house counsel at Enron, Petrofina, and Sysco
- Over 30 years of global experience in corporate, crisis, and litigation communications
- Senior advisor for financial transactions and special situations



Stephen Power
Partner, Washington, D.C.
Public Affairs &
Journalism

- Advises on public affairs, crisis communications, and corporate reputation issues—including for BP related to Deepwater Horizon litigation
- Has led successful campaigns on legislation affecting the energy, rail, and trucking industries
- Covered the global energy and transportation industries as a staff reporter for The Wall Street Journal for 11 years



Robert Moran
Partner, Washington, D.C.
Global Head of
Brunswick Insight

- Published thought leader and frequent speaker on trends in public opinion and market research and frequently writes on future forward subjects
- Leads the Foresight practice; recently released “20 Global Trends that will shape the 2020’s”
- Has advised a number of energy clients including BP, Energy Transfer Partners, and Exelon



Mara Riemer
Partner, Dallas
Brunswick Insight

- Over 15 years of market research, communications and branding experience across a wide range of sectors
- Previously head of global research at Las Vegas Sands
- Has advised several energy clients including Kosmos, Exelon, and Direct Energy



Andrew Von Kerens
Associate, Dallas
Energy Markets &
Corporate Reputation

- Advises energy and industrial clients on corporate reputation, investor relations, M&A, and activism issues
- Previously a senior market analyst in the Weir Group’s Oil & Gas division, focusing on market research, strategy, and M&A
- Spent six years providing geopolitical research, intelligence, and due diligence services to hedge fund and private equity clients



John Hayes
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Energy Capital Markets &
Legal Issues

- Specialized in advising energy clients on transactional, reputational, and corporate legal issues
- Experienced in energy capital markets and M&A along with general corporate governance and securities matters
- Previously practiced law at Hunton Andrews Kurth LLP in Dallas and Vinson & Elkins LLP in Houston



Emily Buczynski
Associate, Dallas
Brunswick Insight

- Expertise in political opinion polling; previously a research analyst at Public Opinion Strategies
- Work with energy-sector clients includes Exelon, Occidental Petroleum, and Kosmos Energy
- Political and public affairs background; worked with the Washington, DC office of Senator Kay Bailey Hutchison, as well the state of Texas in the General Land Office

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