Peak Campaigns

Date: November 26, 2012

To: Interested Parties

From: Mark Mehringer, Peak Campaigns

Re: Results from a poll of 801 Duke Energy Ratepayers in Indiana

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According to our recent poll in Indiana, Duke Energy ratepayers clearly oppose paying for cost overruns at the Edwardsport coal gasification plant. In contrast, ratepayers express strong support for expanding the use of renewable energy sources, including solar and wind energy, in Indiana, and they want Indiana utility companies to invest more in wind power.

- **Initially, nearly two-thirds of ratepayers (65%) say Duke Energy shareholders should be responsible for the cost overruns.** Only 22% agree that, instead, shareholders and customers should both be responsible for these cost overruns, while only 4% would let shareholders completely off the hook.
  - **After hearing that high-ranking officials of Duke Energy reportedly engaged in improper communications and unethical relationships with officials of the Indiana Regulatory Commission, opinion shifts as 78% of ratepayers say shareholders should be responsible for the cost overruns.** Support for sharing the costs drops to just 12%.
- **The vast majority of ratepayers (81%) support the expanded use of renewable energy sources, such as solar and wind energy, in Indiana,** including a majority who support it strongly (52%).
  - **By more than a two-to-one margin, ratepayers say they support phasing out some of the 20 coal-fired power plants in Indiana, and replacing them with clean, renewable energy sources** (62% support such a phase out).
  - Further, when ratepayers hear that Indiana ranks 13th in the country for installed wind capacity, and that the National Renewable Energy Laboratory says wind could provide more than four times the state's current electricity needs, three in four ratepayers (75%) say Indiana utility companies should invest more in wind power.

Public opinion polling firm Peak Campaigns conducted an opinion survey of 801 Duke Energy ratepayers in Indiana. Maximum margin of error for a random sample of 801 ratepayers is +/- 3.5%.

INDIANA DUKE ENERGY SERVICE AREA (N=801)

Good evening. May I speak with [name from file only]? My name is _____. I'm calling from the opinion research firm R.F.C., Inc., regarding issues in Indiana. This is not a sales call of any kind and is for research purposes only. This survey will only take a few moments. I'll begin by asking...

SC Does your household receive electric service from Duke Energy Indiana?
- 100% (Yes - **Continue**)
- -- (No - **Thank and Terminate**)
- -- (Don't know - **do not read**, **Terminate**)

1 In Indiana, there are a number of different energy sources that we could use to meet our energy needs. Generally speaking, do you support or oppose the expanded use of renewable energy sources, such as solar and wind energy, in Indiana? (Follow up: And is that strongly support/oppose or somewhat support/oppose?)

52%	**81%**	(Strongly support)
29%		(Somewhat support)
9%		(DK)
4%	**9%**	(Somewhat oppose)
5%		(Strongly oppose)

2 As far as you know, are there any coal-fired power plants in Indiana?
- 49% (Yes)
- 17% (No)
- 35% (DK)

3 As you may know, there are currently over 20 coal-fired power plants in Indiana. Would you support or oppose phasing out some of these coal-fired power plants and replacing them with clean, renewable energy sources, such as wind and solar? (Follow up: And is that strongly support/oppose or somewhat support/oppose?)

35%	**62%**	(Strongly support)
27%		(Somewhat support)
13%		(DK)
10%	**25%**	(Somewhat oppose)
15%		(Strongly oppose)

4 Indiana gets more than 80 percent of its electricity from coal-fired power plants. In your opinion, is coal's current share of Indiana's electricity mix too high, too low, or just about right?
- 36% (Too high)
- 4% (Too low)
- 39% (About right)
- 22% (DK)

5 Indiana now ranks 13th in the country for installed wind energy capacity. According to the National Renewable Energy Laboratory, wind in Indiana could provide more than four times the state's current electricity needs. After hearing this, do you believe Indiana utility companies should invest more in wind power, or not?
- 75% (Yes, invest more in wind)
- 18% (No, do not invest more in wind)
- 8% (DK)

6 One of Indiana's largest utility companies, Duke Energy Indiana, is presently constructing a new power plant in Edwardsport, Indiana. Have you seen or read anything in the news about this project?
- 28% (Yes)
- 70% (No)
- 2% (DK)

IF NO or DON'T KNOW IN Q6, PLEASE READ THE FOLLOWING. If Yes in Q6, skip to Q7:

Here is a short description of the project: In 2006, Duke Energy Indiana proposed a coal gasification facility to be built in Edwardsport, Indiana. The Edwardsport coal plant is currently under construction.

7 The Edwardsport coal plant will be the first coal gasification plant of its size.

(ROTATE SUPPORTERS AND OPPONENTS)

Supporters of coal gasification say it is a way to produce electricity from coal with fewer toxic emissions while continuing to support coal jobs.

Opponents of coal gasification say it is an overpriced way to produce electricity. Clean energy projects are less expensive and a better way to create jobs and prevent toxic air pollution.

The cost of the new Edwardsport coal plant is coming in over budget. When construction first began, the projected cost of the plant was $1.98 billion. Today, the estimated cost of the project is now about $3.5 billion, amounting to a cost overrun of more than $1.2 billion. Please tell me which of the following statements you agree most with: (Rotate first two choices)

65% Duke Energy Indiana shareholders should be responsible for these cost overruns
4% Duke Energy Indiana customers should be responsible for these cost overruns
22% Duke Energy Indiana shareholders and customers should both be responsible for these cost overruns
8% (DK)

8 The media has focused on the controversy and legal troubles surrounding the construction of the Edwardsport coal plant in recent months. High-ranking officials of Duke Energy reportedly engaged in improper communications and unethical relationships with officials of the Indiana Utility Regulatory Commission, which is the state agency responsible for determining whether the Edwardsport Project will be completed. If the reported communications and relationships are investigated and found to have occurred, who do you think should be responsible for paying for these cost overruns? Would you say… (Rotate first two choices)

78% Duke Energy Indiana shareholders should be responsible for these cost overruns
2% Duke Energy Indiana customers should be responsible for these cost overruns
12% Duke Energy Indiana shareholders and customers should both be responsible for these cost overruns
8% (DK)

And for statistical purposes only…

9 When it comes to politics, do you generally consider yourself to be (Rotate Democrat and Republican) a DEMOCRAT, a REPUBLICAN or an INDEPENDENT?

(If Democrat/Republican, Ask) Do you consider yourself to be a strong [DEMOCRAT/REPUBLICAN] or a not very strong [DEMOCRAT/REPUBLICAN]?

(If Independent or Don't Know, Ask) Do you consider yourself closer to the DEMOCRATIC PARTY or the REPUBLICAN PARTY?

22%		(Strong Democrat)
5%	**32%**	(Not Strong Democrat)
6%		(Lean Democrat)
7%		(Solidly Undecided)
22%	**35%**	(DK or Neither)
6%		(Refused - do not read)
7%		(Lean Republican)
5%	**33%**	(Not Strong Republican)
21%		(Strong Republican)

10 Politically speaking, would you describe yourself more as very liberal, somewhat liberal, moderate, somewhat conservative, or very conservative? (Ask half in reverse order)

7%	**23%**	(Very liberal)
16%		(Somewhat liberal)
26%		(Moderate)
27%	**45%**	(Somewhat conservative)
18%		(Very conservative)
7%		(Refused - do not read)

11 What is the last grade you completed in school?

4%	**34%**	(Did not graduate high school)
29%		(High school graduate only)
4%	**24%**	(Post HS technical/vocational school)
20%		(Some college)
27%		(College graduate)
15%		(Graduate school / professional degree)
1%		(Refused - do not read)

12 To ensure we are representing everyone, please tell me out of the following groups where your total annual household income falls. I'll read some groups, and you can tell me where your annual household income falls…

15%	$25,000 or less
19%	Over $25,000, up to $50,000
21%	Over $50,000, up to $75,000
14%	Over $75,000 up to $100,000
14%	Over $100,000 a year
18%	(Refused - do not read)

Those are all the questions I have. Thank you for your assistance.

Data from file:

Sex		
	Women	51%
	Men	49%
Age		
	18-34	24%
	35-49	27%
	50-64	29%
	65+	20%

TV Market		
	Cincinnati, OH	4%
	Dayton, OH	1%
	Evansville, IN	3%
	Fort Wayne, IN	3%
	Indianapolis, IN	57%
	Lafayette, IN	6%
	Louisville, KY	15%
	South Bend, IN	1%
	Terre Haute, IN	10%