



## February 2004 Findings Memo – Energy/Environment

### ACTIVITY

- **During February**, energy and environment related political and issue advertising aired in a total of 100 markets including the District of Columbia. The number of airings for environment related issues held about the same at 2,000 spots in February, while estimated spending fell from approximately \$1.4 million to \$700,000. From January to February, the number of airings on energy related issues rose from about 9,200 to just over 13,000 while spending climbed to about the same at \$13.2 million with large cable buys from Touchstone Energy and the Propane Education & Research Council accounting for the bulk of the increase from January.

### SPONSORS/CAMPAIGNS OF NOTE

- **Citizens for Long-Term Energy Affordability and Reliability (CLEAR)** began airing two new ads in the Detroit, Flint, and Grand Rapids media markets. These two ads ran a combined total of 437 times at an estimated cost of just under \$600,000. According to their website, CLEAR was formed because Michigan's electric deregulation law, Public Act 141 of 2000, has failed to deliver and is leading Michigan down the path toward a California-like crisis - with the potential for blackouts, huge rate increases and bankrupt utilities. Michigan citizens, organizations and utility companies formed the coalition to urge the Michigan Legislature to fix the many problems with the state's electric "deregulation" law. The CLEAR solution for PA 141 would: keep residential electric rates from skyrocketing; preserve elements of an Electric Choice program so that it makes sense for everyone in Michigan; and ensure that Michigan's electric supply is reliable and affordable for decades to come.
- **DTE Energy**, an member of the aforementioned CLEAR coalition, also began a new ad telling views about Michigan's flawed deregulation law and how, if left unchanged, could lead to large rate increases when out of state companies swoop in and snatch up the biggest customers. This ad aired in the Detroit media market 103 times at an estimated cost of \$204,000. In message from DTE Chairman and CEO Anthony F. Earley, he informs customers that Michigan Senate's Committee on Technology & Energy is conducting hearings to examine what is right and wrong with Michigan's Electric Choice Program and the law that created it, Public Act 141. Earley wants residents to contact their State Senator and State Representative and tell him/her how important it is to amend PA 141 this spring.

- **Halliburton** stepped up its public relations campaign in February by launching two new ads in the Denver, Houston, and Washington media markets. These two ads (in combination with one of their older ads) have aired 443 times at an estimated cost of \$769,000. The first new ad features Halliburton CEO David Lesar defending Halliburton's performance in Iraq. The second new ad features a Halliburton employee reminiscing about all the amazing things he's been a part of since he joined the company. This employee states that out of everything Halliburton has done since he joined, nothing makes him more proud than Halliburton taking care of our troops in Iraq.

## COMPANY ACTIVITY OF NOTE

- **Partnership For Affordable Energy** – During the month of February, PFAE continued their ad campaign in the Minneapolis media market consisting of three different ads that feature interviews with young families and business owners about the importance of affordable electricity and what it means to them. These ads go on to tout coal as a clean and affordable energy choice. With the rise in both natural gas and oil prices this winter, we look to see more ads plugging coal as a source for affordable electricity. These ads saw an increase from last month in both airings and estimated spending. The number of airings climbing to 152 while the estimated cost of these ads rose to \$240,000. Partners for Affordable Energy is a broad-based coalition of organizations and businesses that support coal-based electricity as a low-cost, reliable and increasingly clean energy source for consumers, farms and businesses in the Upper Midwest.
- **Propane Education & Research Council** – During the month of February, the Propane Education & Research Council began airing a new ad consisting primarily of a large cable buy. This cable buy included 813 airings at an estimated cost of just under \$1.5 million. This new ad points how propane can help around the house and replace electricity in some cases. The ad points out propane can be used to cook with, heat hot water, and even be used instead of wood in fireplaces.
- **Touchstone Energy** – During the month of February, Touchstone Energy aired two old spots. The first spot focuses on how electric cooperatives are part of the community they serve and how they're there for their members. The second ad focuses on how other states are facing energy shortages and companies with questionable business practices. The man talking states that they don't have to worry about that kind of stuff with their cooperative, because they know the owners – their fellow citizens. These ads aired on cable 313 times at an estimate cost of just over \$2 million.

### In Other Advertising:

During February, one large campaign of note was the special election for Kentucky's 6<sup>th</sup> Congressional District, which had been vacated when Dr. Ernie Fletcher resigned the position to take the office of Governor. His opponent in that gubernatorial race, former Attorney General Ben Chandler was the Democratic nominee, going against State Senator Alice Forgy Kerr, a Republican. The 6<sup>th</sup> Congressional District is comprised of much of central Kentucky, including

Frankfort and Lexington. On February 17<sup>th</sup>, Chandler defeated Forgy Kerr by **12.2%**, to claim the seat. Here's a recap of the advertising.

- With a campaign focusing on his role as Attorney General, and attacking Forgy Kerr on her votes in the State Senate (including a vote for a “pension grab”), Chandler’s campaign spent an estimated **\$540,000**. Almost half of that spending came in the month of February. His campaign was supported by the **Democratic Congressional Campaign Committee**, who spent an estimated **\$400,000**, and the League of Conservation Voters, spending just under **\$25,000**.
- In a state that was strongly behind President Bush in the 2000 presidential election, Alice Forgy Kerr’s campaign focused on her support for President Bush’s agenda. She outspent her opponent by approximately **\$240,000**, spending an estimated **\$783,000**. She was supported by the **National Republican Congressional Committee**, who spent close to **\$450,000** during the course of the election, half of that coming in the last weeks before the election.