



MUSTEL GROUP

BC Omnibus Report BCAA Fuel Consumption Report July 2005

Co-sponsored by: British Columbia Automobile Association,
Burnaby, B.C.
Mustel Group, Vancouver, B.C.

Survey conducted: July 5-11, 2005

Methodology: Random sample of 604 B.C. adults 18 years of age and over, yielding 500 vehicle drivers who drive a vehicle for personal use at least once a week or more

Margin of error: ±4.5% at the 95% confidence level

Sponsored by: BCAA and Mustel Group Market Research

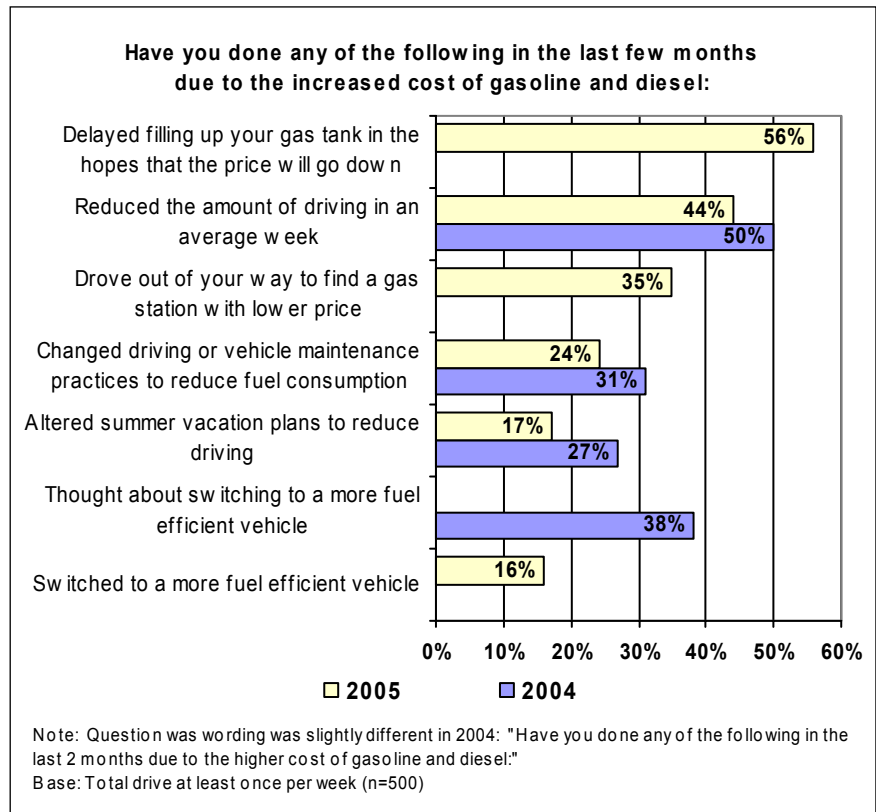
Impact of high gas/diesel prices:

High fuel prices appear to be having less of an impact on driving behaviour this year as compared to last year. A large proportion of drivers, however, are still trying to reduce how much they drive, and there is clearly a motivation to reduce the cost at the pump.

A total of 44% of BC drivers have reduced the amount of driving they do in an average week due to the increased cost of gasoline and diesel (slightly lower compared to 50% in 2005). Close to a quarter changed their vehicle

maintenance or driving practices (also down this year, 24% vs. 31% in 2004). Significantly fewer have altered their summer vacation plans to reduce driving (17% this year, compared to 27% in 2004).

On the other hand, drivers are motivated to reduce their cost at the pump, as over half (56%) have delayed filling up their gas tank in the hope that prices will go down, and over one-third of drivers (35%) say they drove out of their way to find a gas station with a lower price.

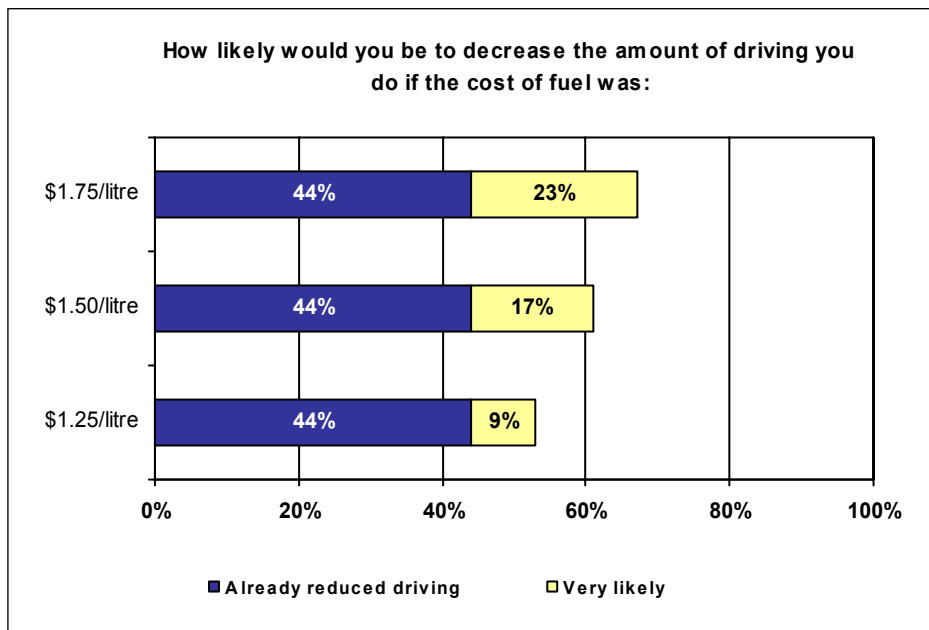


Furthermore, last year 38% of drivers told us that they have considered switching to a more fuel efficient vehicle; this year 16% report having made the switch.

Likelihood to decrease amount of driving at various fuel price points:

Those who *have not reduced* their driving in an average week were asked how likely they would be to decrease the amount of driving at three price points. As a proportion of total drivers, 23% said they are “very likely” to reduce their amount of driving if the cost of fuel was

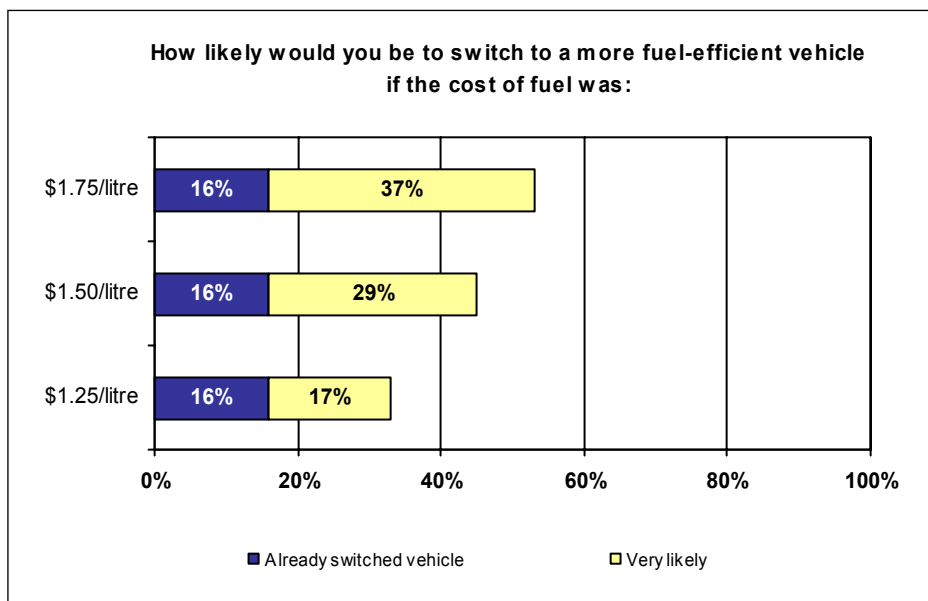
\$1.75/litre. While at \$1.50/litre, 17% are “very likely” and at \$1.25/litre 9% are “very likely” to reduce how much driving they do.



Likelihood to switch to more fuel-efficient vehicle:

Those who *have not switched* to a more fuel-efficient vehicle were asked their likelihood to make this switch at the same three fuel price points. In addition to the 16% of drivers who have already switched vehicles due to the higher cost of fuel, another 37% said they are “very likely” to switch to a more fuel-efficient vehicle if the cost of fuel was \$1.75/litre.

Twenty-nine percent more drivers are “very likely” to switch if the cost of fuel was \$1.50/litre, while another 17% are likely to switch if the cost of fuel was \$1.25/litre.



Base: Total respondents (n=500)

Therefore, while the current cost of fuel has and will continue to have the greatest effect on reducing the amount of driving people are doing in the short term, in the longer term switching to more fuel efficient vehicles is likely to become a more attractive solution to this problem.

Methods of reducing the amount of driving:

When drivers who *have reduced* the amount of driving they do were asked what they have done in the past 2 months, the most common changes made were:

- Eliminating trips (36%)
- Walking more often (35%)
- Combining trips to make several stops on one (34%)

Fewer have switched to other alternative modes of transportation:

- Carpooling (17%)
- Taking transit (13%)
- Cycling (13%)

The efforts to reduce the amount of driving are at levels similar to those seen in 2004, with slightly more drivers saying they have eliminated or combined trips and walked more often, and slightly fewer drivers saying they have switched to alternative modes of transportation.