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Memos [2]

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To: Jeff

From: Katie

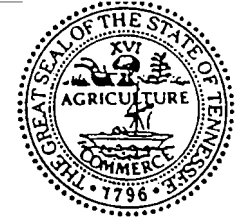
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20 pages. -- I'll send in
2 installations.



NEWS FROM

U.S. Senator Al Gore



(D - Tennessee) SR 393 Russell Building, Washington, D.C. 20510 (202) 224-4944

Date: _____

To: _____

From: _____

Pages (Incl. cover): _____

Re: _____

To: Al
From: Katie
Re: Florida Env't Issues
10-4-92

I'm attaching several environmental issues sheets that were prepared for me by the Governor's office. No matter where you go in Florida, two enviro issues are particularly sensitive and offer you a solid hit against Bush: wetlands and off-shore drilling.

The base of the state's economy is tourism and service of the tourism industry. Damage and loss of wetlands means loss of some of the most heavily toured areas of Florida (Everglades) AND damage to the fishing industry as critical spawning grounds are lost. An oil spill off the coast would devastate coastal and marine resources that are already suffering from toxic runoff, overfishing, and habitat destruction. Absent a spill, the "visual pollution" of oil development off the coast would significantly diminish the natural beauty and attraction of Florida's beaches.

The numbers here tell the story:

- o Florida has 7 of the 10 top beaches in the US
- o Beaches attract 40 million visitors each year
- o Fishing and tourism in the tidal coastline contributes over \$35 billion to the state's economy each year
- o 75% of Florida's 13 million residents live in coastal communities; 80% of the State's population growth in the last decade has been in the coastal areas.

So -- the State is extremely anxious to protect the natural resources that support this economic activity.

WETLANDS: *(Note that this is a particularly prominent concern now in light of hurricane damage to Everglades).*

You know the drill here: Candidate George Bush promised to ensure "no net loss of wetlands" because of the dramatic losses of wetlands the country had already suffered. Having spoken that promise, however, Bush has stood by while Dan Quayle has killed Reilly's efforts to put the promise into action. Quayle prohibited Reilly from releasing the protection plan (the "manual" that implements section 404 of the clean water act) to implement Bush's promise. (The word here is that Reilly was literally on his way to testify at a clean water act hearing to release the manual when Quayle called him in his car and told him he couldn't. With no other testimony prepared at that point, Reilly was forced to stick with his original and to add a disclaimer that he was only speaking for himself; he had no mandate from the White House!).

Anyway -- Quayle re-wrote the manuel and with a stroke of the pen literally defined away close to 50% of our remaining wetlands. THIS REALLY SENDS FLORIDIANS OFF -- QUAYLE'S DEFINITION WOULD HAVE OPENED SOME OF THE HEART OF THE EVERGLADES TO DEVELOPMENT. This led to a mass resignation of scientists from EPA, the Corps and other agencies who were determined not to have anything to do with it. In the storm of protest, the manuel was withdrawn. Rumor is that a new one could be released soon. Rumors were very strong to that effect just a couple of weeks ago and the indication was that the manuel would not be too bad (except that an exception to wetlands conservation was going to be made for Alaska so that there would be no impediment to drilling in the tundra and other sensitive areas there.....) Perhaps because it would have been fairly decent, Quayle is still sitting on it.

OFFSHORE DRILLING

Read my lips -- I'm gonna protect the environmentally sensitive areas of Florida from the dangers of oil drilling....

In June, 1990, Bush announced a 10 year drilling ban for the Florida Keys and the Everglades coastal area. At the same time he instructed the Department of Interior to start a process to buy back the 73 leases just north of the Keys.

Interior has never acted on that instruction. Moreover, just last week, at OMBs insistence ALL OCS language was stripped from the Energy bill in conference -- including that language that would merely have codified Bush's 1990 promise.

(I am attaching the BUSH FLIP/FLOP statement we put out after Watkin's attack on you after Monterey Bay. This details his duplicity on this issue. NOTE ESPECIALLY LUJAN'S STATEMENT. Just as Reilly was delivering his speech in Houston bragging on the President's moratorium on OCS, Lujan told the press: "Congress is the problem. What we need is a change in Congress. We don't need a change in the Administration. IF WE HAD A REPUBLICAN CONGRESS, WE WOULD HAVE AN END TO THE OFFSHORE OIL DRILLING MORATORIA.")

Note that the OCS language that the House had passed went beyond Bush's promise. In addition to protecting the Keys and Everglades areas, it would have protected the entire panhandle. Clinton/Gore position on this is in line with that of the Florida delegation -- namely, that protection should be extended to the entire panhandle. STEER CLEAR OF THIS IF POSSIBLE, HOWEVER, AND FOCUS YOUR COMMENTS ON THE KEYS AND THE EVERGLADES. It is with respect to these areas that Bush is most vulnerable because it is here that he reneged on his promise. Moreover, these are the areas that are most ecologically sensitive and are foremost in the minds of Floridians. (The coral reef extending off the Keys are a prime and well-known state and

national resource. There is no question that drilling there would cause irrevocable damage).

In case you need to go into further detail with regard to your position on offshore drilling, I have attached the memo I prepared for you after the Monterey Bay statement. The bottom line is that you support a moratorium on new leases but you would not interfere with currently operational leases in the Gulf of Mexico. (Note that, because there are not currently any operational leases in the Eastern Gulf -- i.e., the Florida panhandle -- the upshot of your position is that you support protection for the entire coast of Florida -- there currently are no operating rigs and you would oppose issuing a new lease so that drilling would commence. Note also that you cosponsored Senator Graham's legislation to this effect.)

SENATOR GRAHAM'S EFFORTS:

If you do a radio spot on this be sure to recognize Senator Graham's efforts on this. For years he has fought for legislation to protect Florida's coastline. He led the fight in the Senate this year to try to get language in the Energy bill. You supported him in that effort. Though he was defeated, he worked to make sure it would be -- and was -- carried in the House. In addition, he made sure that -- in the event that effort would fail, the current moratorium would be extended for another year in the Interior appropriations bill. He knows our President well -- despite his promises, Bush did kill the measure in the Energy bill; thanks to Senator Graham's efforts the moratorium will at least be extended for another year.

OTHER BUSH BUGLES THAT ARE IMPORTANT HERE:

As Bush has reneged on his promises to protect sensitive areas from drilling, he has also reneged on his promises to make sure that drilling be done in an environmentally responsible manner in those areas where it will continue:

- o THE OIL POLLUTION ACT OF 1990. Passed in wake of Exxon Valdez. Supposed to prevent oil spills and ensure prompt clean up when spills occur. Bush has been sitting on the necessary regs. A national contingency plan was supposed to have been put in place within a year of the passage of the act. It has been over two years and still no plan; and EPA and Coast Guard say they won't have a plan at least until February 1993. One result of this delay: The blowout of the oil rig off LA last week would immediately have been contained had regs been in place. Instead, days passed before any federal emergency response team had been sent to the site to cap the wellhead and contain the oil. LA's marshes --- that are critical to its fishing industry --- are now in danger of severe damage.

- o DOUBLE-HULLED TANKERS. Congress for years has fought to require double hulled tankers on oil barges. Bush for years fought against those efforts. According to a WSJ article (7-20-92), in

August 1981, then VP Bush put a proposed Coast Guard reg that would have outlawed single-hulled tankers at the top of the list of regs his Office of Regulatory Affairs would kill. WSJ reported that, at the time, Bush, Baker, and Mosbacher owned shares in Hollywood Marine -- the oil barge company that was leading the fight against the proposed reg. (This was finally adopted as part of the Oil Pollution Act of 1990).

POSSIBLE TALK POINTS:

- o George Bush wants you to believe that you have to choose between creating jobs and protecting the environment.

- o Well it just isn't so. And nobody knows that better than the people of Florida.

- o He just doesn't get it. The fact of the matter is that it is only by protecting the environment that we can re-invigorate our economy.

- o While our economy has been dead in the water as George Bush has been in charge, one of the only sectors of the economy where there has been growth has been in environmental technologies and services.

- o And the people of Florida know that destruction of our natural resources -- loss of wetlands; damage to coral reefs; fouling of beaches -- would result in immeasurable losses to your economy.

- o George Bush professes to know that too. He's long on promises and assurances here. As a Candidate in 1988 he said all the right things -- "No net loss of wetlands;" "No oil drilling in Florida's ecologically sensitive Keys and Everglades."

- o But this is a new election season and the promises are now all different. Just last week he told Senate leaders that he would veto the energy bill if we dared try to write into law his very own promise to prevent drilling off some of Florida's most sensitive areas.

- o Fortunately, we have leaders in the Senate that work tirelessly to overcome the endless roadblocks throw out by the White House. Thanks to Senator Graham and other members of the Florida delegation, the moratorium will at least be held in place through next year.

- o We all also are all too familiar with Mr. Bush's record on keeping his wetlands promises. Yeah, he'll protect them, but he's got a pretty odd idea of what a wetland is. "Don't worry about it", he is telling the people of Florida, "I know that you thought that the Everglades were wetlands and that we should protect them, but they

aren't wetlands at all, so let's just pave 'em over and be done with it."

o I wonder if Florida's fishermen are sleeping better with that reassurance. I doubt it. I know well that 90% of the salt water fish they depend on need the estuaries that are fed by the Everglades to thrive. They're hurting already. They can't tolerate any more of Mr. Bush's kind of medicine.

o George Bush isn't the environmental President. He's certainly not the President with a plan to help our economy. Truth is, he's just the "promise 'em anything; hope they'll forget; and find someone else to blame" President. Let's promise him a one-way ticket to retirement -- and let's make good on it!



FOR IMMEDIATE RELEASE
9/9/92

BUSH AND OFFSHORE OIL DRILLING

Energy Secretary Watkins' trip into Texas today is only the latest example of efforts by President Bush and his Administration to confuse the public about his record on off shore oil leases.

BUSH FLIP-FLOPS ON OFFSHORE OIL DRILLING:

FLIP: As a former owner of an offshore drilling company with close ties to the oil industry -- a major contributor to his election campaigns -- Bush was a strong supporter of the Reagan-Watt energy program which opened the entire outer-continental shelf to drilling. Bush twice supported Reagan's veto of the Clean Water Act. [*Chicago Tribune*, 12/27/87; *NYT*, 4/24/90]

FLOP: *June 1988:* In California, just before the Republican primary, Bush announced his support for a moratorium on the sale of oil leases in Northern California until further study of the environmental risks. "We must be assured that the national treasure of the California coastline will not be harmed... the government ought to defer [lease sales] off the coast of California," Bush said. [*LAT*, 6/6/88; *AP*, 6/5/88]

FLIP: *August 1988:* In Texas two months later, Bush said: "On the subject of offshore drilling, I'm for it and my opponent is not." [*Washington Post*, 9/18/92]

FLOP: *October 1988:* "I oppose drilling in those environmentally sensitive areas where the risk of damage is too great." [Bush, Speech to Scripps Institution of Oceanography, 10/14/88]

BUSH ADMINISTRATION - WHERE DOES IT STAND ON OFFSHORE DRILLING?

- ◆ Michael DeLand, Chairman of White House Council on Environmental Quality: "President Bush declared a moratorium on offshore drilling for 99 percent of the West Coast, the ecologically sensitive coasts of California and Florida, and did so in the face of intense lobbying not only from industry but from his personal friends from his private sector days. And he took the tough decision against lobbying of his personal friends to declare that moratorium." [National Press Club, 9/1/92]

- ◆ Interior Secretary Manuel Lujan addressed a group of Houston businessmen and oilmen: "Congress is the problem. What we need is a change in Congress. We don't need a change in administration ... If we had a Republican Congress, we would have an end to offshore oil drilling moratoria." [Tampa Tribune, 8/20/92]



September 9, 1992
FOR IMMEDIATE RELEASE

Contact: Marla Romash
1-800-sky-page
PIN # 217-3213
Ann Pride
501-399-3861

STATEMENT OF SEN. AL GORE

"Secretary Watkins is confused, understandably, considering the number of times this Administration has changed its position on offshore drilling. In fact, the Bush-Quayle Administration -- in front of environmentalists -- is now boasting of its call for a moratorium on offshore drilling for 99 percent of the West Coast and parts of the Florida coast. Of course, in front of Houston business people, the Administration's Interior Secretary promised that if there was a Republican Congress, 'we would have an end to the offshore drilling moratoria.' Time was, you could criticize the Bush-Quayle Administration for not having an energy policy. Now, not only do they lack an energy policy, but they've lost their sense of direction.

Bill Clinton and I are strong proponents of the natural gas industry and expanding the use of natural gas. We know that makes sense for our environment and for our economic strength. I've voted to support the Bush moratorium, which the President's Energy Secretary apparently overlooked. But the biggest difference between the Bush-Quayle Administration and a Clinton-Gore Administration is that the American people will always know exactly where we stand and what we say won't depend on who's listening."

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To: Al
From: McGinty
Re: Washington State enviro issues
10-2-92

Dan Silver from Governor Gardner's office has prepared an overview memo which is attached. I wanted to supplement some of that information and comment on a few of the points he makes as well as add an issue or two that he did not cover.

HANFORD:

1. Note that the memo indicates that the Tri-Party Agreement is widely supported and seems to suggest that community concern now has shifted from the contamination itself to the future economic life of the facility. Be careful here. I suspect that the Governor may be more interested in having you comment on (and make some commitments regarding) future economic investments in Hanford than emphasizing the past mistakes that were made at the facility. (More about this in point two). But, the truth is that the community is still quite concerned about the contamination and DOE's responsiveness and aggressiveness in getting it cleaned up. So, further background about the site and current concerns follows:

* In July of 1990, DOE acknowledged that over 540,000 curies of iodine 131 were inadvertently released from H's nuclear reactors between 1944 and the mid 1950s. (Three Mile Island was a release of 15 curies). The families living around H may have received radiation doses over the years ten times higher than did residents living near Chernobyl.

* Hanford closed in 1988 for safety reasons and because of a lack of plutonium. H contains 2/3 of the high level radioactive waste from weapons production in the entire US. 149 storage tanks hold almost 1 million gallons of high level mixed radioactive waste.

* DOE reportedly dumped millions of gallons of radioactive and chemically hazardous waste into unlined trenches. Citizens want DOE to unclassify the documents related to DOE's mishandling of the waste. Watkins' arrival in 1988 led to some new disclosures (such as the iodine releases) but much left undisclosed. Moreover, there is complaint that Watkins insists on personally reviewing every document that is to be released and this has resulted in a huge backlog of requests. In addition, the information that is released is often outdated or too technical for citizens groups to understand.

* Cong. Dicks asserts that some of DOE's clean up money -- \$250 million -- is going to other new DOE projects, like new plutonium processing facilities. GAO is investigating. Moreover, while the

state is quite pleased by the significant appropriations being made available for Hanford cleanup, there is concern among the citizens and enviro community about whether the money is being used effectively. A 1988 study by a House approps subcommittee found that, on average, DOE's cost estimates for various clean ups increased by an average of about 500% from the time of proposal and completion or cleanup. It is suspected that this money is simply going to fatten contractor wallets rather than get the clean ups done. Concerns along these lines have increased with recent evidence (reported in a Wall Street Journal investigation) that DOE is treating the fines and penalties that contractors incur as ordinary business expenses and is picking those expenses up. The big money outlays may therefore not be going so much to clean up as to covering contractors for their negligence.

- * Allegations of whistleblower harassment have been made.

- * DOE attempted to start up one of the nuclear reactors (the N reactor) in 1988 despite evidence showing that they knew the reactor to be less safe than Chernobyl. They gave up the plan after NRDC threatened suit.

- * Lawsuits by citizens and enviros are currently pending trying to get DOE to take responsibility groundwater pollution and health impacts. DOE is fighting on several grounds including (1) they are no longer liable -- statute of limitations has passed and (2) can't prove causality between radioactive emissions and the cancers that have been suffered.

2. As noted above the memo emphasizes the hoped-for environmental high tech future of Hanford. Two caveats here: (1) as discussed above, attention must be given to make sure that monies being devoted to Hanford are being used to really clean up the terrible problems that persist there -- not just to develop new commercial ventures and (2) to the extent that you speak favorably about the development of enviro technologies to ensure the economic health of the area -- and you should emphasize it -- DO NOT DO SO TO THE EXPENSE OF OAK RIDGE. Oak Ridge would like to be the home of some of the very same technologies that Hanford would like to be in the running for. You can speak of making Hanford A center for enviro tech excellence (see Clinton quote below), but make no promise to make it THE center. Further info about some of the enviro tech initiatives mentioned in the memo:

- * The Environmental and Molecular Sciences Laboratory:

The Energy and Water Approps conference report passed by the Senate on 9-15 contains \$28.5 million for this Lab. EMSL is a basic and applied research lab that will work on site characterization and clean up at Hanford. Eventually, Hanford hopes it will be a center for environmental research of all types. EMSL is currently funded

solely by federal approps. Private sector interest is strong and financial commitment is expected as more projects are planned.

* International Environmental Institute:

Founded in May, 1991 to study the Hanford site and then determine the best, most cost effective way to clean it up. Experts from universities around the world serve on its Board of Directors. Funding comes both from government sources as well as private industry.

* LIGO and SMES -- see attached info sheets.

NOTE THAT CLINTON HAS SUPPORTED AN ENHANCED ENVIRO TECH ROLE FOR HANFORD. His response to a Seattle Times questionnaire was, in part as follows:

"I believe that the state of Washington played a major role in our winning the Cold War, and the Hanford Cleanup is one way the country can thank Washington for its role.

The Hanford cleanup, however, is not just about correcting errors of the past, it's also about developing technologies for the future that will keep our nation economically competitive...By making Hanford an international center for environmental technologies, we can develop important exports to help our trade balance and create high-wage jobs for workers previously employed in defense industries.

YOUR OVERALL MESSAGE ON HANFORD:

o President Bush needs to make good on his 1988 campaign pledge that the Federal government would abide by the laws that govern private citizens and industry. Congress has been trying to move ahead on this front for years. Bush has blocked progress. FEDERAL FACILITIES BILL -- that would allow the states to impose fines and penalties on DOE facilities for failure to comply with RCRA -- is now on his desk waiting for signature. (I'm attaching my Fernald memo on this).

o We need to accelerate efforts to clean up Hanford and other contaminated facilities and to get to citizens the information they need to effectively monitor progress.

o In cleaning up Hanford we should invest our money wisely and try to develop technologies there that can be used at contaminated sites around the country. Oak Ridge is also leading the way on this front -- experimenting with vitrification technologies and with new technologies to deal with the very complicated problem of mixed radioactive and hazardous waste. (I have attached a memo outlining your efforts to get Oak Ridge cleaned up). We need to support that effort and the innovative ideas like the Environmental Molecular

Science Laboratory and the Environmental Institute that are being pursued here at Hanford.

SALMON/NORTHWEST REGIONAL POWER COUNCIL

- o Established by the 1980 NW Power Planning and Conservation Act that sought to deal with both power generation and water rights in the NW. The law mandated the establishment of this council whose recommendations carry the full force of law.
- o The council has jurisdiction over both energy planning and fish/wildlife issues, as conservation plays a big role in solving both problems of energy use and salmon issues.
- o Council has developed a plan to increase stocks of salmon on the Snake river where 76 species in WA and ID are endangered and 3 species are threatened. Details of the plan:

--Drawdown of water for salmon in rivers: Salmon rely on the force of water rushing downstream to push smolts to the ocean. Dams obstruct this -- blocking smolts from getting to ocean to mature. "Ladders" have been constructed to facilitate salmon travel upstream, but these do not help downstream travel. So, the plan recommends that hydro plants and other dams on the river store up a lot of water in the fall and then use it for winter power generation -- thus releasing it and providing a water surge when fish ready to go to sea.

--Decreased use of water for irrigation: Currently, one-fifth of Columbia and Snake river water is used for irrigation. One recommendation of the plan is to pay farmers not to irrigate. It is recommended that Bonneville Power would pay the farmers because their own operational costs would decrease as more water would also then be available for power generation.

YOUR MESSAGE HERE:

o You should avoid as much as possible -- this pits resource users against one another and therefore is extremely dicey.

o You can, however, point to some of the elements of the solution and commend the Council for coming up with a real plan to solve this problem rather than let it fester as Bush has done on endangered species issues. SOLUTIONS ARE POSSIBLE IF PROBLEMS ARE HONESTLY IDENTIFIED AND CONFRONTED TOGETHER. Bush's strategy to the contrary is always to avoid the problems then further divide interests as the problems develop into crises.

o Elements of the solution:

--Hydro -- drawn down water resources

--Hatcheries -- build up fish stocks

--Harvesting -- better manage fish harvests in the rivers and oceans till stocks come back

--Habitat -- better manage forests to protect watersheds -- stopping clearcutting will slow siltation of rivers that makes them unsuitable salmon habitat. (One study shows 600,000 salmon fishing jobs at risk due to poor forest management practices).

FOREST DISEASE

The memo does not mention that 50-70% of Oregon's eastern forests are dying from disease and pests and the problem is spreading to SE WA. The main cause of the problem is Forest Service mismanagement. Double barrel bad policy of (1) selectively clearing those trees that are valuable for timber production and (2) excessively preventing forest fires allowed species to invade the area that have little resistance against pests and diseases in the area. Gorton/Bush answer to this is to promote accelerated sales of diseased and dead trees -- "SALVAGE SALES". Of course real answer here has to be a long-term biologically viable management plan if the forests are to be saved. Gorton/Bush "fire sale" strategy holds no long-term promise and, because it interferes with dead tree decay -- and concomitant return of nutrients to the soil -- it further impairs the health of the forest.

ENDANGERED SPECIES

See attached memos on the spotted owl, marbled murrelet and endangered species act. Point to emphasize here is that the real problem is not the owl or the murrelet or any other critter -- rather it is the creep in the White House who has ignored this situation and let it reach crisis proportions. Diametrically opposed to his indifference, you and Bill Clinton have committed to having a FOREST SUMMIT -- bringing together all interests -- in the first days of your administration.

To: Al
From: Katie
Re: Fernald
9-29-92

See memo from Bob Alvarez (Glenn's top staff person on this issue) for background on the site. In addition to what he mentions there, you should know that DOE recently settled a lawsuit brought by local citizens for 70 million. Other lawsuits are still pending, however. In particular, the State sued DOE for failure to pay penalties under RCRA. The State lost that suit on the grounds that there had not been a waiver of sovereign immunity under RCRA. This is the issue that the Federal Facilities bill was designed to address (see below). Main points that you should make here: (1) Bush record deplorable on this issue; (2) Bush fought hard against the federal facilities legislation and now has been had the bill on his desk for a week; (3) urgent need to clean up these facilities -- and in doing so we need to prioritize efforts to RETRAIN current employees at the facilities (note here that you are an original cosponsor of legislation that would give lab workers first dibs on envtl cleanup jobs; (4) we should explore ways to give these facilities a new mission so that there can be economic revilization of surrounding communities.

FEDERAL FACILITIES BILL: Congress overwhelmingly passed the Federal Facilities Bill on Wednesday. The purposes of the bill are to make clear that sovereign immunity is waived under RCRA so that (1) EPA can issue administrative orders against DOE and DOD; and (2) the states can impose fines and penalties against DOE and DOD for non-compliance.

This bill has been held up because of DOE and DOD arguments that (1) it was not feasible for them to comply with RCRA because we currently do not have technology to handle mixed wastes (i.e. mixed toxic and radioactive wastes) and (2) would interfere with DODs own schedule to clean up their munitions and treatment works.

A deal has been brokered on these issues and bill is now on Bush's desk.

Even though DOE/DOD concerns accomodated, Administration still does not like this bill. There is still the possibility therefore that Bush will pocket-veto it.

On the other hand, there is the possibility that he will sign and try to take credit for it.

Therefore -- to try to preclude both possibilities, you should nail Bush for his abysmal performance on this issue to date (although there is now some cleanup underway at Fernald) and push him to sign

the bill -- it's been on his desk for a week; what is he waiting for....

BUSH'S RECORD:

1. Bush promise as candidate in 1988: "Unfortunately, some of the worst offenders (of environmental laws) are our own federal facilities. As President, I will insist that in the future federal agencies meet or exceed environmental standards: The government should live within laws it imposes on others."

2. May 5, 1989 == Bush announces intention to oppose legislation introduced by DENNIS ECKART to make haz waste facilities owned by fed gov't subject to same environmental enforcement laws private facilities operate under.

3. In numerous cases, Bush Justice Dept argues that federal government not subject to haz waste laws.

4. April 21, 1992 -- Supreme Court buys Bush argument -- federal facilities not subject. Majority consisted of 6 Reagan appointees; 3 non-Reagan/Bush appointees dissent.

5. MEANWHILE -- extent of Bush failure to clean up the mess becomes apparent:

--May, 1991 -- Senate report showing that Bush admini had initiated envtl cleanup efforts at only 200 of 8,357 federal facilities

--June, 1991 -- Committee investigation reveals EPAs own statistics demonstrate that haz waste violations at fed facilities to be 10-15% higher than at privately owned facilities.

--July, 1992 -- GAO report that progress in abating toxic contamination at fed facilities was much worse than at private facilities. Bush admini had begun cleanup at only 9% of the 115 most grossly contaminated federal facilities.

6. Administration protects big polluters -- continues to obstruct efforts at accelerating cleanup -- Most recent example -- DOJ has prohibited FBI agent from testifying before Wolpe subcommittee investigating DOJ leniency in penalizing Rockwell for enviro, health and safety violations at Rocky Flats.

BACKGROUND ON FERNALD:

Uranium processing. Emitted between 600,000 and 3,000,000 pounds of uranium dust into the air and water. Contamination of well

* Al - note that you have
been a strong
supporter of
this

technology.

I + is specifically

mentioned in
SERDP plan

at your

insistence.

From Senate Appropriations report:

The Committee recommends a new appropriation allocation for the development of a superconducting magnetic energy storage [SMES] system. SMES, a state-of-the-art method of storing electrical energy in large superconducting coils, offers utilities and government facilities the ability to discharge electricity as needed with 95-percent efficiency. Utilities using SMES could store excess nighttime production in the system and then withdraw that energy during the peak period of the day. It can also be used for spinning reserve, emergency power, transmission stability, and grid regulation. The Committee believes the SMES system is an important energy storage technology that also is environmentally beneficial.

84

The Committee recognizes that the superconducting magnetic energy storage [SMES] program represents a critical dual-use technology. Development of a SMES system offers the military a wide range of options for high-pulsed power, secure remote site-power source, heavy object electromagnetic launch research, and advanced materials research. In the civilian sector, SMES would be a valuable contributor to environmental protection, national competitiveness, and commercial market opportunities for U.S. firms. Its highly efficient energy storage capability would reduce dependence on foreign energy sources, and lower emissions of greenhouse gases. Utility customers would receive the highest quality power at the lowest cost, making U.S. manufacturing operations more competitive. In addition, having the first commercial SMES program in the world would create significant economic opportunities for U.S. firms, with a domestic market alone estimated at least \$3,000,000,000 annually.

The Committee notes that the fiscal year 1992/1993 defense authorization bill directs the Secretary of Defense to coordinate with the Secretary of Energy a plan for construction of a SMES engineering test model, and to include in such plan provisions for cost sharing by each department. The Committee is concerned with the apparent failure of the Department of Energy to respond to this clear congressional intent on SMES. The Committee fully supports this technology and directs the Secretary of Energy to cooperate with the Secretary of Defense in developing a program and financial plan to support an engineering test model with the funds provided.

The House blocked Senate efforts to provide \$20 million for SMES and the conference report merely calls for a DOE report on the technology. New, promising, but unproven technology.

8

LASER INTERFEROMETER GRAVITATIONAL WAVE OBSERVATORY

Gravitational waves are propagating ripples in the fabric of space-time, as predicted by Einstein's theory of gravitation. They are produced by accelerations of bulk matter, or by oscillations of strong vacuum gravitational fields (such as in the collision of black holes). A background of primordial gravitational waves may provide information about initial conditions in the universe.

The primary objectives of the search for gravitational waves include: (1) tests of the dynamical features of Einstein's theory of gravitation; and (2) study of the properties of intense gravitational fields from their radiation.

Gravitational waves are expected to distort space as they pass. They will be detected by measuring the extremely small oscillations they produce between separated masses. This requires utilization of innovative instrumentation of unprecedented sensitivity. This newly available measurement technology is the result of laboratory research and development which has taken place since the early 1970s in the United States and Europe. Scientific teams have spent the past decade building prototypes and meeting technological milestones to demonstrate scientific feasibility for a laser interferometer system.

Construction of a new national research facility, the Laser Interferometer Gravitational Wave Observatory (LIGO), began in FY 1992 as a collaboration between physicists and engineers at the California Institute of Technology and the Massachusetts Institute of Technology. They have been joined by physicists at other institutions, including the University of Colorado, Stanford University, and Syracuse University. LIGO will consist of two receivers, widely separated within the continental United States, each having an L-shaped configuration with arms about 4 kilometers in length.

Two identical, but widely separated, detectors are needed for the fundamental physics experiments of directly detecting gravitational waves and gathering data on their sources. To go further and locate the direction of astronomical sources of gravitational wave signals, four geographically separate but technically compatible detectors are required. In Europe, collaborations between groups in France, Germany, Italy, and the United Kingdom have been developing plans for facilities similar to LIGO. There has been continual communication and coordination between the LIGO project and all of these parallel efforts, from the level of working scientists to the heads of the appropriate governmental funding agencies.

From Mike Nelson

Hanford, WA and Livingston, LA are the two LIGO sites.

Al has met with Caltech scientists working on this.

It's top-flight science and could open a whole new way of looking at the universe. But it's a BIG project by NSF standards (about \$200 M total) and the Congress provided no new money for NSF R&D this year.

Admin. request for FY92: \$48.0 M

Congressional approps: 5.0 M

43.0

we nearly fully funded.

~~Money diverted to science education, EPA, Space Station, veterans' benefits, and housing.~~

To: Al
From: Katie
Re: Monterey Bay Marine Sanctuary.
Sunday 8-30-92

I understand that purpose of this trip is general town meeting with families. However, backdrop is Monterey Bay Marine Sanctuary. Memo on history of securing protection for the Sanctuary provided by Leon Panetta's office attached. Several things to note/themes to sound follow. Before getting to that -- just got a call from Jacquie. She tells me that John Martin will be in the audience. I have attached your letter to Discover criticizing his iron seeding idea. Despite this letter, Jacquie tells me that he is a big fan.

NOTES/THEMES for Monterey Bay:

o Bush has finally done the right thing by the Bay. In June of this year, he pledged to create the Sanctuary. Moreover, he chose the most protective of seven alternative plans of protection -- i.e. -- he chose the most extensive boundaries proposed. When the regs become final and the Sanctuary is finally designated, it will be the largest protected marine zone in the country -- stretching from San Francisco Bay south to San Simeon Creek in San Luis Obispo County.

o HOWEVER.....It was widely recognized that Bush made the announcement in June purely as a political move. The announcement came right after Rio disaster and just prior to a visit by Bush to California.

o It is clear to folks out there that the credit for pulling this off goes to no one other than Panetta -- he fought this battle for 9 years -- against the opposition of both the Reagan and Bush administrations.

o A fact that is not known out there and that you should emphasize --- despite Bush's recent promise, we're not out of the woods with him yet on this one -- he still has a trick or two up his sleeve:

-- While the regs that Bush has endorsed include a ban on offshore oil drilling, recent comments by Lujan indicate that, if the country does follow Bush's call to not only re-elect him, but to "clean house" on capitol hill, the ban could be fleeting indeed. A recent story in the Tampa Tribune (attached) with headline: "Republicans doubletalk on oil drilling", Lujan quoted as saying:

Go for the jugular w/ this stuff!!

"Congress is the problem. What we need is a change in Congress. We don't need a change in the administration. IF WE HAD A REPUBLICAN CONGRESS, WE WOULD HAVE AN END TO THE OFFSHORE OIL DRILLING MORATORIA."

You should hit 'em hard on this -- it will stoke up big outrage with this crowd. The Sanctuary and the ban are top priorities for them. They hope to make the Sanctuary the West coast's "Woods Hole" -- big research agenda planned.

Read my lips environmentalism....

Also -- hit him on the "Who you gonna TRUST theme??" --- He made a campaign pledge to: "Prevent offshore drilling on certain tracts that are particularly environmentally sensitive" -- Yet he allowed controversy over the ban within his admin to prevent this designation for 9 years. (If a marine sanctuary ain't environmentally sensitive...) And now it's clear that -- despite his promises, we know what his real agenda is -- just give him a chance to be in control of both ends of PA avenue, and he'll have his Houston buddies drilling in every pot hole and puddle in the country.

April 22, 1991

Discover Magazine
3 Park Avenue
New York, N.Y. 10016

To the Editor:

John Martin proposes iron fertilization of the Southern Ocean as at least a partial solution to the threat of global warming. ("Earth On Ice", April 1991). In my opinion, he's got it exactly wrong. Our manhandling of the global environment created the problems we face; it is not part of the solution.

It would be easy to attack Martin's suggestion on technical grounds: There is evidence that iron is not the limiting nutrient in the oceans; very recent research shows that, even if adding iron would increase plankton populations, the net amount of carbon sequestered would be modest; massive amounts of money and other resources would have to be mustered if the program were to be even marginally successful in achieving its objectives.

But my opposition to Martin's suggestion runs much deeper. The proposal is dangerous because it plays to wishful thinking that there is no need for fundamental change in the design of our civilization; and that, with a little creative engineering, we can out-smart nature once again. The truth, however, is that we cannot, without serious repercussions, continue our hubristic campaign of re-creating the environment.

You would think we would have learned that lesson by now. This is certainly not the first time we have undertaken such technological "fixes". Our determination to produce crops in areas not suited to produce them, for example, has poisoned the soil and, in some areas, created vast deserts of salt and pesticides. And consider our desire to adorn ourselves cheaply in silk by bringing gypsy moths into the country -- vast stands of diseased and dying trees are the legacy of that venture. The kudzu vine that chokes native plants and trees in the Southeast; the rabbits that overran Australia; and the Africanized bees that have now made their way into the United States, are all testimony to our inability to gauge and control the effects of grand eco-engineering schemes. And those are nothing compared to this proposal.

It is time we stop kidding ourselves. The simple truth is that it is only by changing our behavior -- and our relationship to the earth -- that we can effectively address the global environmental problems we face. Study after study tells us we can make significant gains at minimal cost with existing technologies. The need for such action is clear. The ozone layer is being depleted at an

alarming rate; we need to move quickly to end the use of ozone destroying chemicals. We continue to experience record warmth, severe drought, extensive forest fires, and other warning signals consistent with those long since predicted to accompany the onset of global warming and climate change; we need to cut our emissions of greenhouse gases in every sector of the economy. The very threads of the web of life are being severed as rampant deforestation drives thousands of species to extinction; we need to preserve and protect sensitive ecosystems and manage our forests sustainably.

So let's get on with it. I challenge our scientists to use their insights and creativity to devise ways for us to live in harmony with nature -- rather than speeding us further along on the collision course we are currently travelling.

Sincerely,

Al Gore
United States Senator
Chairman, Senate Subcommittee on
Science, Technology, and Space

Thursday, August 20,
1992
"Florida/Metro" section
p. 1

THE TAMPA TRIBUNE □ □ □

Florida/Metro



PALM TREE POLITICS
Ray Locker

Republicans doubletalk on oil drilling

HOUSTON — Despite all of their talk about being environmentalists, some Republicans here just can't resist being themselves.

Count Interior Secretary Manuel Lujan among that group.

Lujan, the supposed steward of our national environmental resources, lapsed into character this week in an appearance before a group of Houston businessmen and oilmen at The Houston Club.

The interior secretary blamed Congress for the condition of the economy and said a Republican Congress would end the current moratorium on offshore oil drilling.



Lujan

"Congress is the problem," Lujan said. "What we need is a change in Congress. We don't need a change in the administration."

"If we had a Republican Congress, we would have an end to the offshore oil drilling moratoria."

The Bush administration, as it has done all week, is trying to have it both ways. On Tuesday, Environmental Protection Administration chief William Reilly talked about President Bush's great record on the environment, including his moves to block offshore oil drilling and protect the Everglades and the Gulf of Mexico.

Consistency, it seems, doesn't seem to matter much here.

Chiles aide gets new

The move completes a shake-up of the governor's inner circle after a year of squabbles with the Legislature.

By BILL HALLDIN
Tribune Staff Writer

TALLAHASSEE — Gov. Lawton Chiles, who lost two of his three closest aides to resignations earlier this year, named the remaining one Wednesday to head a new state health care agency.

The move completes a shake-up in the Democratic governor's circle of advisers that follows a year that likely will be remembered for Chiles' failure to get his \$2.5 billion tax plan through the Legislature.

Chiles announced that Budget Director

Doug Cook, who followed Chiles from the U.S. Senate in 1989 to a Tallahassee think tank and finally the governor's office in 1991, will now lead an agency trying to make health care accessible — and affordable — to all Floridians.

Cook's departure follows the resignation earlier this month of Chief of Staff Jim Kroger and the January resignation of Communications Director Mary Jane Gallagher. The three all close to Chiles, often clashed on a wide range of policy issues and strategy.

Chiles said Cook's role as director of the health care agency is necessary to help get hold on spiraling health-care costs that are largely responsible for Florida's budget crisis.

And he said Cook still will be in his inner circle of advisers.

After a year of failures in high-profile legislative initiatives that overshadowed health care and governmental reorganization successes, the move is seen as one that will strengthen



Every Republican member of the state's delegation opposes oil drilling in the gulf. That bipartisan opposition has fought off attempts to start drilling for oil in environmentally sensitive areas.

That bipartisan opposition got its start in 1988, when then-U.S. Sen. Lawton Chiles pushed a drilling moratorium on a Senate appropriations bill. Other Floridians have sustained that moratorium and have pushed for even tougher restrictions.

Florida Republicans had to fight off appointees of our so-called environmental president, a Texas oilman and offshore driller at heart. These appointees want to drill wherever the geological surveys may take them.

Some of Florida's brightest Republican stars, particularly U.S. Rep. Porter Goss of Sanibel, have criticized the sale of oil leases in the gulf as pathetic attempts to cut the federal budget deficit by sacrificing precious environmental resources for lease sales of limited value.

Maybe a Republican Congress would open up these areas in the gulf to offshore drilling. If Lujan's right, that's one reason to hope it doesn't happen. It's also incentive for Lujan's Republican brethren in Florida to wish he'd keep his mouth shut. The word about the administration's true intentions might just get around.

Term-limits convergence: Vice President Dan Quayle, the lifetime politician and term-limits advocate, joined with Florida term-limits leader Phil Handy for a small rally Wednesday to push the cause.

Handy has repeatedly called his Florida movement, Eight is Enough, a bipartisan attempt to change what some consider congressional arrogance and imperialism. We'll take him at his word. He's an engaging and articulate spokesman.

But a cabal of Republican leaders here, including Quayle, have embraced the term-limits movement completely, calling it the only way to change Congress.

It's interesting, however, to note that many of the advocates would be out of politics if they had to adhere to term limits. Hypocrisy is the appropriate word for it.

Listening to U.S. Rep. Bob Michel, R-Ill., spout on about the problems with Congress and reform Tuesday night was a joke. Michel's been in Congress for 36 years.

Do Quayle and company want to limit Michel's tenure?

And what about the appearances of U.S. Rep. Guy Vander Jagt, R-Mich., on the convention stage? Vander Jagt was recently zapped in a primary by an underfunded challenger who rode the district on a bicycle. For him, term limits worked the old-fashioned way — through an election.

Let's not forget U.S. Rep. Bill McCollum, R-Altamone Springs. He advocates a 12-year limit for House members. He's been in the House for 12 years, but he won't follow his own rhetoric. No, he's too important and has to be in the House to make sure term limits pass.

Ironically, McCollum's November opponent, Democrat Chuck Kovalski, is one of Eight is Enough's spokesmen. He ought to be hitting McCollum's hypocrisy every chance he gets.

Fawn hit by car

Jacky Shaw, left, and Chriss Miller of the Miami Metro-zoo care for a Key deer Tuesday that had been hit by a car. The fawn was struck Monday at the National Key Deer Refuge on Biscayne Bay. The zoo for treatment. return the deer to

Woman changes story about

Manatee detectives say the owner of a day-care center has recanted her first story.

By MICKIE ANDERSON
Tribune Staff Writer

BRADENTON — A day-care center owner has changed her story about the circumstances of an 8-month-old baby's death Friday while in the center's care, Manatee County Sheriff's detectives said Wednesday.

Detectives said they have learned the baby, left unattended on an automatic feeder, was unnoticed by day-care center workers for at least a half hour after the death.

The Medical Examiner's office has determined the baby died from SIDS — Sudden Infant Death Syndrome, detectives said. The syndrome is also known as crib death.

Manatee detectives say Alice Patricia White, owner of Miss Patty's Day Care Center at 2077 27th Ave. W., originally told investigators that Nicholas Lawrence Porter began coughing as she fed him.

White told the detectives she patted the baby's back and he spit up phlegm and fluid and then went limp, officials said. Detectives said White told them she immediately performed cardiopulmonary resuscitation on the baby.

But detectives later discovered from the medical examiner's autopsy that the baby had died at least 30 minutes before CPR was performed.

Girl with AIDS decides to stay, fight in Lakeland

The family of 7-year-old Autum Aquino moved to Florida this month for Autum's health.

By PAM NOLES
Tribune Staff Writer

KATHLEEN — After a night of tears, Autum Aquino has decided to attend second-grade at Kathleen Elementary School after all.

But the 7-year-old girl with AIDS won't start classes today, the first day of school in Polk County. She'll be at home until Sept. 1 because her mother wants to give the community time to cool off after a hostile three-hour meeting at the school's cafeteria Tuesday night.

Autum was so hurt and confused by the anger she told her mother she wanted to go back to Maine.

But by Wednesday morning, she was her normal feisty self and said she didn't want to leave.

Autum, her mother, Teresa Dannemiller, and her former stepfather all have AIDS. The girl's 11-year-old sister does not have the disease.

The family, widely acclaimed in their native Maine for their role as AIDS educators, moved to Florida earlier this month for Autum's health. They decided to go public with Autum's condition here as they had done in Maine.

Tuesday's meeting was designed to inform Kathleen Elementary parents about the virus, introduce Autum's family and provide answers.

About 500 people showed up. Some who angrily opposed Autum's enrollment do not have children at the school.



Teresa Dannemiller and Aquino of Lakeland have afflicted with AIDS.

The meeting left Autum in tears, her mother said.

"I'm terrified that people who come to the school will hurt my daughter," she said Wednesday. "To be shouting at me like that is ridiculous."

MONTEREY BAY SANCTUARY BACKGROUND

HISTORY OF DESIGNATION

In 1983, Reagan NOAA officials unilaterally decided to remove Monterey Bay from its active sanctuary candidate list, thus effectively prohibiting the designation of the Monterey Bay as a Sanctuary through administrative procedures. The stated reason for Monterey's removal was "budgetary concerns" although the prevailing belief was that NOAA removed Monterey from the list because it supported oil and gas development in the area.

Because the Reagan administration closed the door on designating Monterey Sanctuary through administrative procedures, Congressman Panetta introduced legislation to statutorily require the designation of the Monterey Bay National Marine Sanctuary. The legislation required the designation of the Monterey Sanctuary by December 31, 1989 (public law 100-627). The administration is close to three years behind schedule in designating the Monterey Sanctuary.

OFFSHORE OIL DEBATE

Much of the delay associated with Monterey Bay was due to a protracted battle within the administration over whether to allow offshore oil development in the Monterey Sanctuary.

In February of 1990, the NOAA submitted to OMB draft Monterey regulations which proposed an oil and gas ban throughout the Monterey sanctuary. OMB informed Congressman Panetta's office that the release of the draft Monterey regulations was being delayed because the Departments of Interior and Energy objected to the proposed oil and gas ban. This information was confirmed by press statements made by the Department of Interior (attached). OMB directed NOAA to re-evaluate the oil and gas ban to accommodate Interior and Energy's concerns. Interior and Energy proposed to redraw the boundary of the sanctuary so areas of high oil resource potential would be taken out of the Sanctuary and remain open for development. (Interior and Energy's boundaries were included in the draft regulations as new boundary alternatives).

On February 26, Congressman Panetta sent a telegram to the President urging the President to fulfill his stated commitment to the environment by immediately releasing the Monterey regulations with the oil ban. Four months later the President announced support for the oil ban, 6 months later he released the draft regulations (August of 1990).

 This delay was of particular concern since the President himself had stated on several occasions that he would not permit drilling in "environmentally sensitive areas." Yet his administration could not decide whether or not to prohibit new oil development in a national marine sanctuary which by definition is environmentally sensitive.

SANCTUARY BOUNDARIES

The Monterey Sanctuary boundaries run from the Gulf of the Farallones near San Francisco, to Cambria in San Luis Obispo County.

The Monterey Sanctuary will be the largest sanctuary in the national marine sanctuary program -- more than 5000 square miles of water along 200 miles of coastline.

Again, this was not the boundary originally supported by the administration. Originally the administration supported a boundary approximately half the size of the boundary finally adopted. The administration was persuaded to support the larger boundary following a letter sent to the administration from Congressman Panetta, Governor Wilson and other members of the California Congressional delegation in support of the largest boundary alternative.

OUTSTANDING ISSUES

There is tremendous support for the Monterey Sanctuary designation in the local area. Concerns remain that the water quality regulations for the Sanctuary are not stringent enough.

In particular, people are concerned that NOAA has proposed to exempt from regulation a proposed dredge disposal site adjacent to the Sanctuary. Congressman Panetta opposes this exemption and is pursuing avenues to strengthen this regulation.

TUESDAY, MARCH 6, 1990



Los Angeles Times

A Times Mirror Newspaper

Publishers

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HARRY CHANDLER, 1917-1944

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Don't Even Think About It

□ Monterey Bay: Almost the Last Place in the World to Drill

Of all the special places along California's awesome and remarkable coastline, Monterey Bay should be at or near the top of the list for protection against offshore oil leasing by the federal government. Congress has designated Monterey Bay as a national marine sanctuary, the equivalent of a national park. Unfortunately, the law itself does not contain a prohibition against oil drilling in sanctuaries. And so far, the Bush Administration has failed to complete the paperwork required that will give the bay the full protection it needs.

This regulatory work should have been done by last Dec. 31. Under the proposal of the National Oceanic and Atmospheric Administration, oil and gas leasing and drilling would be banned in the bay. But the Energy and Interior departments have balked, and the drafting of an environmental impact statement leading to NOAA's proposed ban has been delayed. The inaction prompted Rep. Leon E. Panetta (D-Carmel Valley), a leading proponent of a California offshore-drilling ban, to send a telegram to President Bush saying that a decision to allow oil activity in the bay would violate the President's own promises to protect sensitive areas of the coastline.

Panetta's blast was followed by silence from the

Bush Administration. On Monday, however, a spokesman for Secretary of the Interior Manuel J. Lujan Jr. responded to an inquiry from The Times by saying that Lujan does not oppose an oil ban in Monterey Bay and, in fact, might even favor protection for a larger area of the bay than that being proposed by NOAA. Interior sought a delay in the drafting of Monterey Bay sanctuary regulations when it did only because Bush is preparing to decide on the future of offshore drilling along much of the California coast, said Steve Goldstein, Lujan's public affairs director.

"We support sanctuaries," Goldstein said. "We wanted a larger area than was proposed." But Lujan felt it would be inappropriate for NOAA to proceed with the regulatory process until Bush had acted on the broader offshore-leasing issue. There should be a coordinated Administration policy and that policy should emanate from the White House, he said.

Fair enough. A few weeks' delay will not matter if the White House will commit itself to absolute protection of Monterey Bay in the spirit of the sanctuary law. Secretary Lujan has been an outspoken advocate of offshore leasing. If he says Monterey Bay should be spared oil activity, who is George Bush to quibble?

Editorial from offshore oil battles.

Michael Moore - 408-649-1020 Room C06 Sylvia Panetta
 Mail 415-264-2640

LOS ANGELES TIMES / WASHINGTON EDITION

CALIFORNIA

FRIDAY, JUNE 19, 1992 B3

B11
408

Bush Pledges to Create Monterey Bay Marine Sanctuary

■ **Environment:** President's proposal would permanently protect one-quarter of the state's coastline from offshore drilling.

By JENIFER WARREN
TIMES STAFF WRITER

In a move heralded by environmentalists, President Bush on Thursday pledged to create an ocean sanctuary that virtually guarantees one-quarter of California's coastline permanent protection from offshore oil and gas drilling.

The Monterey Bay National Marine Sanctuary, which will encompass an area bigger than the state of Connecticut, stretches from San Francisco Bay south to San Simeon Creek in San Luis Obispo County.

While Bush was widely expected to endorse the sanctuary, its precise boundaries and the controversial issue of a permanent drilling ban remained in question until Thursday.

"This is a historic day for California," said Dan Halfey of Save Our Shores, a Santa Cruz-based group that has fought for coastal protection. "Barring a disaster or an act of God, the Central California coast will now forever be safe and free of the perennial fight over oil drilling."

Once it is formally designated after a public comment period, the sanctuary will become the 11th and largest protected marine zone in the nation and the fourth in California. The others in this state are the Channel Islands, the Gulf of the Farallones near San Francisco, and Cordell Bank, off the Sonoma County coast.

Unlike the regulations governing national parks, those protecting sanctuaries allow for numerous commercial purposes, such as fishing. The chief purposes of

The Monterey Bay sanctuary is inhabited by a wide array of threatened or endangered species—including sea otters, a variety of whales, porpoises and sea birds—and is home to some of the country's largest kelp forests, which provide shelter and nourishment to countless other marine creatures.

It also is geologically distinct, containing North America's largest underwater canyon—a cleft in the ocean floor that plunges deeper than the Grand Canyon. Containing tide pools, rocky cliffs, sandy beaches and quiet coves, the newly protected area is considered the Yosemite of the national marine sanctuary system by experts.

Creation of the Monterey Bay sanctuary was required under a 1988 bill by Rep. Leon Panetta (D-Monterey). The bill set a 1989 deadline for its designation, but disputes over gas and oil drilling and opposition from the Interior Department slowed the process.

On Thursday, Panetta chastised the Administration for the delay but called the step "a tremendous victory" and praised Bush for selecting the most expansive of seven alternative sanctuary boundaries.

The sanctuary will be managed by the National Oceanic and Atmospheric Administration. Bush's budget earmarks \$510,600 for the sanctuary's first year of operation.

Thursday's announcement comes on the heels of the Earth Summit in Rio de Janeiro, which concluded on Sunday and left Bush vulnerable to criticism that he has reneged on his promise to be the "environmental President."

Halfey said that while he and other conservationists view Thursday's development as a strategic campaign move by Bush, they welcome it nonetheless.

Environmentalists said they remain opposed, however, to several elements of the sanctuary plan.

Specifically, they plan to fight a proposed 70-square-mile "doughnut hole" carved out of the sanctuary around a sewage outfall used by San Francisco.

Under the Administration's plan, San Francisco will be allowed to discharge raw or partially treated sewage into the "doughnut hole" at times of excessive rain or flooding.

Rail, Transit Officials Reach Deal for Track

■ **Commuting:** The \$500-million agreement for 336 miles of rail line ends years of heated negotiations.

By MARK A. STEIN
STAFF WRITER

Three years of bare-back-room negotiations by transportation officials to buy the Santa Ana

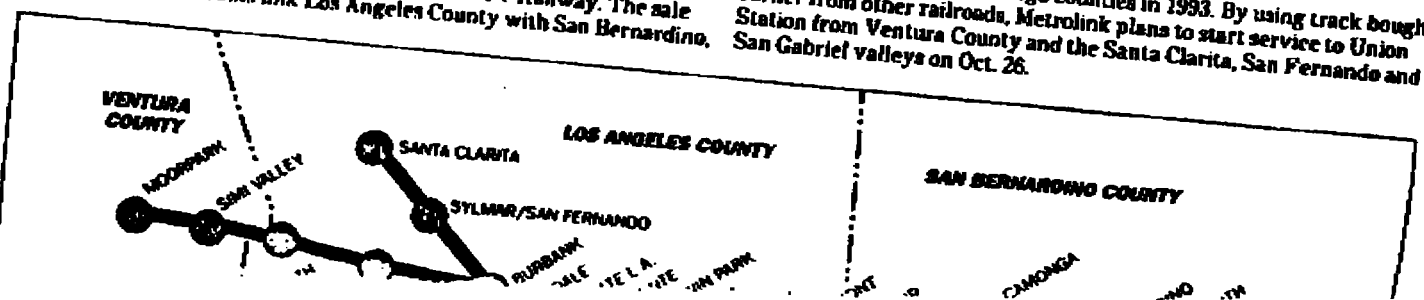
"It's a historic breakthrough," said Los Angeles Mayor Tom Bradley, whose staff helped keep talks going during several impasses.

Several speakers mentioned the unusual degree of cooperation among the five counties, which they said will make it far easier for the region to coordinate

Metrolink Moves Ahead

Plans for a five-county Metrolink commuter-train network came closer to reality Wednesday when a regional transportation board agreed to buy 340 miles of track from the Santa Fe Railway. The sale will let commuter trains link Los Angeles County with San Bernardino,

Orange and northern San Diego counties in 1993. By using track bought earlier from other railroads, Metrolink plans to start service to Union Station from Ventura County and the Santa Clarita, San Fernando and San Gabriel valleys on Oct. 26.



file - memo

MEMORANDUM

TO: Senator
FROM: Ric
RE: Beach Cleanup Event

September 17, 1992

You will be joining Senator Gore, Congressman Pallone, actor Christopher Reeves (star of Superman movies), and possibly Senator Bradley at a roundtable discussion with local environmentalists, fishermen and tourist officials about the impact of pollution on the coast. Following the discussion all of you will participate in the Clean Ocean Action beach cleanup and the NJ Environmental Federation's endorsement of the Clinton-Gore ticket. Congressman Pallone will introduce you, you will speak for one minute and then introduce Reeves and Reeves will introduce Gore. You will be talking to NJ press after the event.

In your discussion with the press, you will focus on the failure of the Reagan and Bush Administrations to protect the coast. In a speech in NJ a few weeks ago, Bush tried to take credit for ending ocean dumping of sewage sludge.

Bush on Coastal Protection

1. Sewage Sludge-Bush tried to take credit for the end of ocean dumping because his Administration implemented the Ocean Dumping Ban Act. The Reagan-Bush Administration, however, did little to end sludge dumping.

A 1977 amendment to the Ocean Dumping Act introduced by Congressman Hughes was designed to end sludge dumping by 1981. But the sludge dumpers sued and a District Court Judge decided in 1980 that EPA had failed to implement the Act. One of the Reagan-Bush Administration's first environmental actions in 1981 was to decide not to appeal this decision. As a result, sludge dumping continued for another decade.

When EPA made no progress to end the ocean dumping of sewage sludge, you and Hughes introduced bills to end the ocean dumping of sludge and industrial waste by 1991. I can find no evidence that the Administration supported enactment of this bill when you were trying to get it passed in the Senate. The same year, the NJ legislature passed a law requiring the NJ sludge dumpers to end their dumping by March 1991.

So Bush's claim to have ended sludge dumping was little more than carrying out the law the Congress enacted. And the Administration didn't lift a finger in support of its passage.

2. Clean Water Funding-The Reagan-Bush Fy90 budget proposed to reduce funding for sewage treatment by 50% from the \$2.4 billion authorized level to \$1.2 billion. You wrote to newly elected President Bush urging that he meet his commitment to protect the NJ

-2-

coast by reversing this budget request. But Bush refused. In Fy91 Bush requested only \$1.6 billion, \$800,000 million less than the authorized level. In Fy92 the request was \$1.9, a \$200 million cut from the Fy91 enacted level. It wasn't until fy93 when President Bush proposed to increase funding to a level of \$2.5 billion.

3. Combined Sewer Overflows (CSOs)-CSOs are a significant source of plastics and garbage found on our beaches and are responsible for closing shellfish beds in many areas. According to NOAA, combined sewer overflows contribute to the closing of 97% of the shellfish beds in the Hudson/Raritan estuary. That's 159,000 acres of shellfish beds.

These overflows occur in systems where sanitary and storm sewers are combined and storm water from rainfall overwhelm the sewage system. The overflows contain floatables, raw sewage, nonpoint pollution and industrial toxic pollutants. New York City alone has over 500 discharge points and its sewers overflow when there is as little as 1/4 inch of rain. There are a much smaller number of CSO discharge points in the older urban areas of Northern NJ. NJDEPE is regulating these discharge points.

EPA has failed to require that these discharges be permitted as required under the Clean Water Act. While the Bush Administration is finally requiring permits for these discharges, it has not established any meaningful standards to regulate the discharges. And the Bush Administration has opposed Congressional efforts to establish CSO discharge standards. As a result, CSOs continue to pollute our waterways and discharge plastics and garbage which wind up on our beaches.

In addition, cuts in sewage treatment funding means that there is less Federal support for efforts to reduce CSOs.

4. Offshore Drilling-Early in his term Bush announced a moratorium on oil and a gas drilling off portions of the coast in California, Florida, Oregon, Washington, and New England. But Bush proposed to allow drilling to proceed off New Jersey. You constantly fought this proposal arguing that the NJ coast was every bit as precious as these other coasts and your efforts on the Appropriations Committee to impose moratoria on this drilling has stopped the Bush Administration proposals.

5. Wetlands-Although President Bush established a goal of no net loss of wetlands, his Competitiveness Council has proposed to define wetlands in a way which would deregulate 50% of the wetlands presently protected under Section 404 of the Clean Water Act. Section 404 requires anyone who proposes to place dredged or fill material into a water of the U.S. including wetlands to obtain a permit from the Corps of Engineers. Developers and farmers have complained that the regulatory process has impeded development. But wetlands provide important ecological functions such as providing habitat for fish and wildlife, purifying waters and protecting the coasts from storm surge.

-3-

You have criticized the President for his proposed definition of wetlands and you have promised to work to protect wetlands. You have not, however, endorsed any specific action or wetlands definition.

As a result of the firestorm of criticism over the Bush proposal, no action has been taken and efforts to redefine wetlands are being delayed until after the election.

6. Plastic Dumping-Your Subcommittee heard testimony on Thursday that the Coast Guard is failing to act aggressively to implement the Marine Plastic Pollution Research and Control Act which prohibits the dumping of plastics in the ocean. Each year, plastic debris kills thousands of birds, marine mammals, marine turtles and fish. And the ocean disposal of plastic debris and other garbage is a major source of pollution of our beaches. The Coast Guard has failed to follow up on citizen information on violations, failed to implement the Act's requirement that each vessel have a waste log, and failed to issue many civil penalties for violations.

Dredged Material

The environmentalists may raise an issue about dumping of polluted dredged material at the Mud Dump site 6 miles off NJ. The Port Authority has applied for a permit from the Corps of Engineers to dump sediments dredged from a segment of the Port of Newark at the Mud Dump Dumpsite. The sediments are contaminated with dioxin and other pollutants. The Port proposes to place a cap of clean material on top of the polluted material to isolate the contaminated sediments.

This proposal is very controversial with the environmentalists who don't want any contamination of the ocean. Environmentalists talk about decontamination of the sediments but decontamination of sediments technology is in its infancy. And without the dredging, vessels will not be able to come into parts of the Port of Newark.

You have not taken a position on the permit and you should avoid saying anything about it other than opposing any dumping which is unsafe for the oceans without defining what unsafe is. You should stress that the solution to the dredged material dumping problem is:

1. strict enforcement of the Clean Water Act to prevent pollution from getting into our waterways and sediments,

2. supporting the amendments in the Water Resources Development Act now pending before the Senate to strengthen the Ocean Dumping Act by requiring EPA to concur in any ocean dumping permit proposed to be issued by the Corps of Engineers, and

3. exploration of techniques to decontaminate sediment. You recently secured \$2.7 million in the FY93 EPA budget for sediment decontamination research.

-4-

Current FRL Clean Water Efforts

You are a cosponsor of S. 1081, the Clean Water Act Amendments of 1991. This bill reauthorizes funding for sewage treatment facilities including correction of combined sewer overflows. Authorization for existing funding expires in fy94. The bill extends the authorization for another 5 years. You recently signed a letter to Senator Sasser, Chairman of the Budget Committee, supporting a substantial increase in sewage treatment funding (\$4-5 billion, the amount of appropriations provided prior to the Reagan Administration) above the \$2.4 billion levels which have been in effect for a number of years.

Sewage treatment funding also has a significant impact on jobs creation. A recent study concluded that each billion dollars of sewer projects generates 57,400 jobs.

You introduced the Beaches Environmental Assessment, Closure and Health Act or BEACH bill to require the testing of beach water quality and the posting of notices where water quality fails to meet EPA standards.

You joined Senator Mitchell in reintroducing the Coastal Protection Act which includes numerous programs to reduce coastal pollution including requiring dischargers to show that they cannot reduce the amount of waste they generate before receiving permit, tightening controls on industrial discharges into sewer systems and establishing controls of combined sewer overflows to significantly reduce discharges of floatables, raw sewage, industrial wastewater and urban pollution.

You have introduced legislation based on the NJ Clean Water Enforcement Act to strengthen clean water enforcement. Your bill would require EPA to impose mandatory minimum penalties for significant violations of the Clean Water Act.

You were successful in having a moratorium placed on outer continental shelf oil and gas lease sales off the NJ coast for FY92 and FY 93 in the Interior appropriations bill. The Senate Energy bill also includes a provision banning lease sale sales off NJ until the year 2000.

Past FRL Actions

*Authored legislation to end all ocean dumping of sewage sludge, industrial waste and plastics.

*Authored legislation to establish medical waste tracking program, place controls on garbage barge operations at Fresh Kills, and require the Corps to use its existing vessels which remove wood debris in New York Harbor to collect floating garbage in the Harbor.

*Cosponsored 1987 Clean Water Act to continue funding sewage treatment facilities, establish program to control runoff, and

-5-

require New York City to end its discharge of raw sewage because of its inadequate sewage treatment facilities.

*Cosponsored oil spill legislation to more than triple existing liability limits, and establish \$1 billion liability fund, to be used when individual liability limits are reached; when responsible party cannot be found; or when the responsible party cannot pay.

*Cosponsored amendments to the Coastal Zone Management Act to require states to implement management measures to control runoff into coastal waters.

September 15, 1992

To the Editor:

I was surprised to read in the September 10, 1992 Star Ledger that in his recent speech in New Jersey, President Bush took credit for ending sludge dumping. I am well acquainted with the issue of ocean dumping and coastal protection. I was the Senator who led the battle to end ocean dumping of sewage sludge and industrial waste. And I chair the Senate Subcommittee on Superfund, Ocean and Water Protection which has jurisdiction over coastal issues. In these roles I've seen little evidence of support for efforts to protect our coasts over the 12 years of the Reagan and Bush Administrations.

The Congress passed legislation in 1977 sponsored by my colleague, Congressman Bill Hughes, to end the ocean dumping of sewage sludge by 1981. New York City, however, successfully sued EPA in 1980 arguing that EPA failed to implement the law properly. One of the first environmental decisions of the Reagan-Bush Administration was not to appeal this court decision. As a result, sludge dumping continued for another decade.

With little progress being made by the Reagan-Bush Administration in the 1980s to develop land-based alternatives and end sludge dumping, Bill Hughes and I introduced legislation to establish a 1991 deadline for ending ocean dumping of sewage sludge and industrial waste. I don't remember receiving any support from the Reagan-Bush Administration on behalf of this legislation. Sludge dumping didn't end because of George Bush. It ended as a result of our legislation, and similar legislation enacted in New Jersey which required New Jersey sludge dumpers to end their dumping.

On the broader issue of protection of our shore, George Bush has been no friend of the New Jersey coast. Upon coming into office, President Bush proposed to cut funding for sewage treatment facilities which are essential for keeping our shore clean. The Administration failed to establish a strong policy to control discharges of raw sewage and garbage from overflows of combined storm and sanitary sewer systems like the sewer system in New York City. These discharges, which occur when it rains, pollute our fishing beds and serve as a significant source of garbage found on our beaches.

The President proposed to protect the California coastline from offshore oil drilling, yet proposed to allow oil drilling off the New Jersey coast.

(Name)
(Date)
Page 2

The Bush Administration has proposed to remove protection for roughly 50% of the state's wetlands which provide habitat for fish and wildlife and which act to purify our waters.

And on Thursday, my Subcommittee heard testimony that the Administration was not acting aggressively to enforce my legislation to ban the dumping of plastics in the ocean. This plastic plastic debris kills thousands of birds, marine mammals, marine turtles and fish. And the ocean disposal of plastic debris and other garbage is a major source of pollution of our beaches.

In 1988, then candidate George Bush came to the New Jersey shore and promised that he was going to keep the Shore clean. We have made much progress to protect our shore. But its usually been in spite of rather than because of President Bush's efforts. It's clear we can't trust George Bush to protect our shore.

Sincerely,

Frank R. Lautenberg

BACKGROUND ON SANDY HOOK:

The clean up of Sandy Hook is part of a nationwide coastal clean up effort coordinated by the Center for Marine Conservation and carried out by numerous local organization. The Sandy Hook clean up is done by Clean Ocean Action. Clean Ocean Action was organized in 1984 at a time when the waters of the New York Bight were known as the "Ocean Dumping Capitol of the World." The groups consists of 100 conservation, boating, diving, real estate, business and civic groups.

In the 1991 clean up, 145,000 people around the world participated. In Sandy Hook alone, 873 volunteers cleaned 26 miles of beach that were littered with 14,020 pounds of debris.

BACKGROUND ON BUSH VULNERABILITIES:

The Problem:

- * Pollution, sewage, medical wastes, and bacteria have infested our coastal waters and beaches.

- * The number of beach closures/advisories due to high bacteria levels or the possibility of high bacteria levels that occurred in New Jersey: 1990 - 228; 1989 - 266; 1988 - 126.

The Reasons:

--OCEAN DUMPING

Bush promised at the Republican Convention in 1988 to stop ocean dumping, and he claimed less that two weeks ago in NJ that he was responsible for the banning of sewage sludge dumping.

Congress passed legislation in 1977 to end ocean dumping of sewage sludge by 1981. NYC however, successfully sued EPA in 1980 arguing that EPA failed to implement the law properly. One of the first environmental decisions of the Reagan-Bush Administration was not to appeal this court decision. AS A RESULT, SLUDGE DUMPING CONTINUED FOR ANOTHER DECADE.

While ocean dumping has now legally been stopped in the U.S. this success was due to the efforts of New Jersey legislators, Sen. Lautenberg, and Congressmen Hughes and Pallone. (Al voted for the bill). Bush has shown a remarkable lack of leadership on this issue, waiting for veto proof action by congress before serious action was taken.

--MARINE POLLUTION

any deadlines missed
any suits v. Admin

In 1988, Congress passed the Marine Plastics Pollution Research and Control Act which bans the overboard dumping of plastics by US ships anywhere in the world, and by any ship in US waters. (Al supported this bill).

The Administration is not acting aggressively to enforce this legislation, even though they have had four years to do so. The Coast Guard often does not know how to enforce the act and has not allocated the manpower to make it a high priority. The C.G. has also failed to promulgate some of the regulations on garbage control as required by the law. There is a lack of a clean mandate from the Administration to address this problem.

-- SEWAGE TREATMENT PLANTS

Much of the pollution on coastal beaches is traceable to combined sewage overflows. When it rains heavily, many urban sewage systems cannot handle the excess storm water, and they overflow into lakes, rivers and the ocean. This overflow carries raw sewage, trash and poison stormwater directly to coastal areas. Antiquated sewer systems and overflows were responsible for nearly 2400 beach closings in 10 states in 1989 and 1990.

Upon coming into office, President Bush proposed to CUT funding for sewage treatment facilities which are essential for keeping the shores clean. The administration failed to establish a strong policy to control discharges of raw sewage and garbage from overflows in areas like New York City. The direct results are beach closings after heavily rains in the NJ area.

--COASTAL ZONE MANAGEMENT

Instead of taking a stand for the seas, Bush has turned his back on America's coasts. From 1981 through 1988, the Reagan-Bush team requested ZERO FUNDING to support the nation's premier coastal protection program, the Coastal Zone Management Act (CZMA). In 1990, the Coastal Zone Management Act was reauthorized and strengthened by Congress (it was one of the few environmental laws to emerge from Congress, with a House of Representatives vote of 391-32.) Many new, aggressive and wide-ranging changes were made to the law to better control runoff pollution into coastal hazards. However, Bush's Fiscal Year 1992 Budget proposed dramatic budget DECREASES in program funding for new CZMA areas, dropping from \$34 million appropriated by Congress in FY 1991 to the Bush proposal of \$26 million in FY 1992. And Bush requested NO money for the new CZMA program to control non-point, polluted runoff into coastal waters, even though non-point runoff is now understood to be the source of at least half of the pollution that is degrading and destroying coastal resources.

ECONOMIC IMPACTS OF BUSH'S FAILURE ON THIS ISSUE:

Clean Water Act -
Cities of combined
legally right to discharge
permits - not
being enforced

* **BEACH CLOSINGS:** In New Jersey, beach attendance in 1988 experienced a decline that ranged from 8-34% over the previous summer. Considering impacts to beach use, travel and tourism industries, and marine recreational fishing, total estimated losses range from \$545.9 million to \$2,022.85 million (1987\$). When all indirect effects are included, losses become \$820.7 million to \$3,060.8 million (1987\$).

* **TOURISM:** NJ's second largest industry is tourism, providing jobs for more than three hundred thousand persons. It is the shoreline that has made New Jersey fifth in gross annual income from tourism in the nation. It annually generates more than \$340 million dollars in sales tax revenues for the state. There are thousands of business owners whose livelihood depends upon a clean environment.

* **BOATING:** In NJ, there was a decline of 23% in passengers carried/year in 1988 as compared to the period 1985-1987. There was a 30% decline in the number of vessel trips conducted.

* **FISHERIES:** the commercial and recreational fishing industries pump \$11.5 BILLION into the nations economy every year, but the Bush-Quayle team are championing the destruction of the resource that supports the fishing industry: wetlands. Roughly 75% of the fish species depend on wetlands, but Bush has undermined the "no-net-loss of wetlands" promise with the stroke of a pen by re-defining wetlands.

* **FISH ADVISORIES:** at any time, 40-50% of the nation's shellfish beds are closed from pollution, and nearly every marine and Great Lakes state has advisories warning consumers to avoid certain types of fish because of their dangerous level of contamination. Bush's neglect and antipathy toward coastal protection allows coastal degradation to continue and escalate, threatening important economic resources.

--OIL POLLUTION

To prevent oil spills like the Exxon Valdez in Alaska, Congress has for many years suggested requiring double hulled tankers on oil barges. Bush has opposed this regulation for many years on the grounds that the expense to oil shippers was prohibitive. However, it may have been his own pocketbook he was worried about.

According to the Wall Street Journal of 7/20/92, in August of 1981, then Vice-President Bush played a role not unlike Dan Quayle currently does - targeting federal regulations that are viewed as excessive. One law that Bush put on his hit list was a Coast Guard measure that would outlaw single-hull oil tankers. But at the time, the oil barge company, Hollywood Marine, that was leading the fight against the regulation was also one of his investment partners, along with James Baker and Robert Mosbacher. The regulation would have sent nearly half of Hollywood Marine's barge fleet to the scrap heap had the single hulled barges been outlawed.

Under pressure from Bush, the Coast Guard withdrew the regulation. Meanwhile, two of Hollywood Marine's barges went on to be involved in serious oil spills. These spills, one of which polluted the heart of the Atchafalaya swamp, a pristine wetland in Louisiana, would have been prevented had the double hulled tanker rule been adopted.

In addition, President Bush has supported oil and gas drilling off the North Atlantic Coast. It took Congressional legislation to extend a moratorium to the New Jersey and North Atlantic coasts.

Michael Kingly - 128 tabs.

CNN → 898-7900

→ New Report 200 331 0275
898 7611

To: Al
From: Katie
Re: New Jersey Visit/Coastal Cleanup
9-18-92

Two messages you should drive home here: (1) Economic disaster if have lax environmental protections; and (2) Bush has done little/nothing to ensure that waters/beaches will be protected.

To get at the first message, I have asked the enviros who are organizing the Coastal Cleanup in NJ to pull together some business people who have been hard hit as a result of beach closings. Logistics are still being worked out, but I understand that a roundtable will take place at which business people (restraunts; hotels; shop-owners, etc.), fishermen, tourism industry people, etc. will each get a minute or so to tell you of the economic losses they have suffered as a result of beach pollution.

After the roundtable, you will walk beach and get your hands dirty a bit. Then a rally where you can hit Bush for his record on these issues.

I. THE PROBLEM:

--Pollution, sewage, medical wastes, and bacteria have infested coastal waters and beaches.

--The number of beach closures/advisories due to high bacteria levels or the possibility of high bacteria levels that occurred in New Jersey: 1990 -- 228; 1989 -- 266; 1988 -- 126.

II. THE ECONOMIC IMPACT:

--Beach Closings: In New Jersey, beach attendance in 1988 experienced a decline that ranged from 8-34% over the previous summer. Considering impacts to beach use, travel and tourism industries, and marine recreational fishing, total estimated losses range from \$545.9 million to \$2,022.85 million (1987 \$). When all indirect effects are included, losses become \$820.7 million to \$3,060.8 million (1987\$)

--Tourism: NJ's second largest industry is tourism, providing jobs for more than three hundred thousand persons. It is the shoreline that has made New Jersey fifth in gross annual income from tourism in the nation. It annually generates more than \$340 million in sales tax revenues for the state.

--Boating: In NJ, there was a decline of 23% in passengers carried/year in 1988 as compared to the period 1985-87. There was a 30% decline in the number of vessel trips conducted.

--Fisheries: The commercial and recreational fishing industries pump \$11.5 billion into the nations economy every year, but the Bush/Quayle team are championing the destruction of the resource that supports the fishing industry: wetlands. Roughly 75% of the fish species depend on wetlands, but Bush has undermined the "no-net-loss of wetlands" promise he made with a stroke of a pen.

--Fish Advisories: At any time, 40-50% of the nation's shellfish beds are closed from pollution, and nearly every marine and Great Lakes state has advisories warning consumers to avoid certain types of fish because of their dangerous level of contamination.

III. BUSH'S SHABBY RECORD:

A. OCEAN DUMPING

Bush promised at the Republican Convention in 1988 to stop ocean dumping. Two weeks ago in Middletown Township, NJ -- just 10 miles from Sandy Hook, Bush claimed credit for banning the dumping of sewage sludge in the ocean.

The Truth: Congress passed legislation in 1977 to end ocean dumping of sewage sludge. The deadline was supposed to be 1981. NYC however, successfully sued EPA in 1980 arguing that EPA failed to implement the law properly. ONE OF THE FIRST ENVIRONMENTAL DECISIONS OF THE REAGAN-BUSH ADMINISTRATION WAS NOT TO APPEAL THIS COURT DECISION. As a result, sludge dumping continued for another decade.

Ocean dumping has now been stopped. In 1988, Congress passed the Ocean Dumping Ban Act that required ocean dumping to be stopped by 1991. (Note that the law allowed a continuation if the municipality payed fines. NYC chose this route, but finally did cease dumping in June of this year). LAUTENBERG AND PALLONE (ALONG WITH HUGHES) WERE PRIMARY SPONSORS; YOU VOTED FOR THIS BILL.

NOTE THAT THIS LEGISLATION WAS WELL ON ITS WAY TO BEING PASSED WHEN BUSH MADE HIS PLEDGE AT THE '88 CONVENTION. NOW HE WANTS TO TAKE CREDIT FOR IT!! At most all that can be said is that he implemented the legislation Congress put through.

B. SEWAGE TREATMENT PLANTS

Much of the pollution on coastal beaches is traceable to combined sewage overflows. When it rains heavily, many urban sewage systems cannot handle the excess storm water, and the combined water -- storm and sewage -- flows into lakes, rivers, and the ocean. This overflow carries raw sewages, trash and poison stormwater directly to

caostal areas. Antiquated sewer systems and overflows were responsible for nearly 2400 beach closings in 10 staates in 1989 and 1990.

FUNDING: Despite the seriousness of this problem -- AND HIS MEMORABLE PERFORMANCE AT BOSTON HARBOR (which similarly owes its pollution in large part to storm overflow) -- BUSH PROPOSED TO CUT FUNDING FOR SEWAGE TREATMENT FACILITIES IN THE FIRST TWO YEARS OF HIS ADMINISTRATION. [The Reagan-Bush FY90 budget proposed to reduce funding for sewage treatment by 50% from the \$2.4 billion authorized level to \$1.2 billion. Letters were sent to Bush by Lautenberg and others requesting an increase in the budget request. Bush refused. In FY 91, Bush requested only \$1.6 billion, \$800,000 million less than the authorized level. In FY 92, the request was \$1.9 million, a 200 million cut from the FY 91 enacted level. It wasn't until FY '93 when President Bush proposed to increase funding to \$2.5 million.] The direct result: continued beach closings in coastal states after heavy rains.

ENFORCEMENT: Until very recently, EPA has failed to require permits for combined sewage overflow as required under the Clean Water Act. And, while permits are finally being required, the standards are virtually meaningless. Bush has opposed Congressional efforts to improve them.

JOBES: Note that sewage treatment funding also has a significant impact on jobs creation. A recent study concluded that each billion dollars of sewer projects generates 57,400 jobs.

C. COASTAL ZONE MANAGEMENT

Bush has been a big obstacle to progress. From 1981 to 1988, Reagan-Bush requested ZERO FUNDING to support the nation's premier coastal protection program, the COASTAL ZONE MANAGEMENT ACT (CZMA). In 1990, the CZMA was rauthorized and strengthened by Congress. Many new and aggressive changes were made better to control runoff pollution into coastal hazards. HOWEVER, BUSH FISCAL YEAR 1992 BUDGET PROPOSED DRAMATIC BUDGET DECREASES IN PROGRAM FUNDING FOR NEW CZMA AREAS -- dropping from \$34 million apropriated by Congress in FY 1991 to the Bush proposal of \$26 million in FY 1992. Moreover, Bush requested ZERO FUNDING for the new CZMA program to control non-point, polluted runoff in coastal waters -- EVEN THOUGH NON-POINT RUNOFF IS NOW UNDERSTOOD TO BE THE SOURCE OF AT LEAST HALF OF THE POLLUTION TAHT IS DEGRADING COASTAL RESOURCES.

D. WETLANDS

Despite '88 campaign pledge to achieve no net loss of wetlands, Bush has stood by as the Competitiveness Council has proposed to define away some 50% of the wetlands presently protected under Section

404 of the Clean Water Act. This is important to coastal states like New Jersey that depend on the fishing industry because SOME 75% OF FISH SPECIES DEPEND ON WETLANDS TO SPAWN.

E. PLASTIC DUMPING

On Thursday, Senator Lautenberg's subcommittee had a hearing on the MARINE PLASTIC POLLUTION RESEARCH AND CONTROL ACT. This act was passed in 1988 -- it bans the overboard dumping of plastics by US ships anywhere in the world, and by any ship in US waters. Each year plastic debris kills thousands of birds, marine mammals, marine turtles and fish.

Lautenberg found that the Coast Guard has failed to follow up on citizen complaints of violations as required under the act.

Coast Guard has also failed to implement the Act's requirement that each vessel have a waste log.

And coast guard has failed to issue civil penalties for violations.

F. OFFSHORE DRILLING

As you now are well aware....in 1990 Bush announced a moratorium on oil and gas drilling off portions of the coast of California, Florida, Oregon, Washington and New England. BUT -- BUSH PROPOSED TO ALLOW DRILLING TO PROCEED OFF NEW JERSEY. Lautenberg and rest of New Jersey delegation fought this. Lautenberg succeeded in getting a moratorium put in place in the FY 92 appropriations bill.

YOUR POSITION ON OIL DRILLING -- YOU FAVOR A MORATORIUM ON ALL NEW DRILLING EXCEPT IN THE GULF OF MEXICO.

G. OIL SPILLS

Not that there have been major ones off Jersey, but wouldn't hurt to bring up the fact that Bush opposed regulation that would protect the oceans and coasts from oil spills by requiring that tankers be double-hulled. Bush asserted that the risks did not justify the costs.

Interestingly, the Wall Street Journal (7-20-92) recently reported that in 1981, then Vice-President Bush -- leading up the Task Force on Regulation -- put a Coast Guard reg that would have outlawed single-hulled oil tankers on his de-reg hit list. But at that time -- Bush, along with James Baker and Robert Mosbacher, were investment partners in Hollywood Marine -- the oil barge company that was leading the fight against the Coast Guard reg.

Under pressure from Bush, the CG withdrew the reg. Meanwhile, two of Hollywood Marine's barges went on to be involved in serious oil spills.

Jacque -

Here is last page
of ^{NT} memo

KM -

AFTER THE DETECT
SPEECH, I REFUSED
TO INVEST IN THE
LANGUAGE TREE -

I GAVE HIM THE
FACTS - ORGANIZED
IN THE FUTURE
HE AGENTED FOR
DETROIT -

KM

TALKING POINTS

- o George Bush wants us to believe that we have to choose -- he says that we can have jobs or a healthy environment -- but not both.
- o It just isn't so. In fact, the exact opposite is true.
- o No one knows that better than the people here in New Jersey. You know -- first hand -- that if we decide we don't care about pollution, then our environment AND our economy will suffer.
- o I've just heard the stories of the hardworking men and women of your communities who have built businesses and worked long hours here to make them successful. They are working hard so that families who travel here can enjoy their own well-deserved vacations.
- o But these businesses have been hit hard as sewage, medical waste, plastic trash and other pollution has led to beach closings and has severely depleted fish and shellfish stocks.
- o Literally millions of dollars have been lost.
- o George Bush says he cares about the environment, too. In fact -- he likes to say he has done a great deal to protect the environment.
- o Just last week in fact he was right around the corner in Middletown township taking credit for the fact that the dumping of sewage sludge off the coast has finally been brought to a halt.
- o It's like listening to a Joe Isuzu commercial.
- o The fact of the matter is that it was in spite of George Bush -- not because of him that we have finally tackled that problem. The real leaders here are your own representatives -- Frank Lautenberg; Congressman Pallone -- they led this fight. George Bush, by contrast, in Reagan/Bush days stood by as EPA got sued for failing to implement properly legislation that had been on the books since 1977 calling for an end to the dumping.
- o Bush has also called for cuts in funding for some of the most important programs for protecting our oceans and beaches:
 - He slashed the budget for the important combined sewage overflows programs that stop raw sewage from getting into rivers, lakes and coastal areas.
 - He has zero-funded the coastal zone management act program to control non-point source polluted runoff -- even though we know that

this is the source of at least half of the pollution that is degrading coastal resources.

--He is now proposing to redefine nearly half of our remaining wetlands away -- despite his campaign promises and despite the fact that nearly 75% of all fish species depend on wetlands as their critical spawning habitat.

--And just this week, Senator Lautenberg found at a hearing in the Senate that the Bush Administration is simply ignoring the laws passed by congress to prevent dumping of plastics by boats operating in our territory. Citizens complaints are being ignored; polluters are getting off without paying any penalties.

o The stakes here are too high. We can't tolerate this kind of utter contempt and disregard of the risks that are posed to our environment; to our kids' health and to our economy by Bush and Quayle's refusal to follow the law and combat ocean and coastal pollution. We're beyond asking for leadership from the White House on these issues -- but we need to demand that they at least follow the law. Of course this makes alot of Mr. Bush's big industry buddies happy, but for the rest of us it is just disturbing as hell.

9/18/92

To: Katie
From: Pam

Re: Hot Issues in North Carolina

Some of the people who will be at the town meeting are the folks who will be cleaning up the Wilmington, N.C. beaches before and after the Gore visit. So the coastal issues that were discussed in NJ are still quite relevant. In addition, there are other N.C. specific issues that people may want addressed:

**** OIL AND GAS DRILLING:** Bush did not include N.C. in his 1990 list of areas to be protected by a drilling moratorium. North Carolinians feel rather miffed because they also have fragile coastal ecosystems, like the Florida Keys, that would be impacted negatively by oil/gas drilling. The Outer Banks - the thin line of coastal islands running down the coast of NC - are a vulnerable ecosystem. Sen. Sanford and Congressman Rose of N.C. have long pushed for a moratorium on drilling. Congress has passed a one-year moratorium (which includes N.C. and most other coastal areas except the eastern Gulf of Mexico) every year since 1988, as part of Interior Appropriations. Sen. Sanford wants to see a moratorium until the year 2000. The federal government is in the process of buying back the only oil and gas lease that has been issued in NC waters, so oil drilling has never, and hopefully will never, occur in the Outer Banks. The Gore position is that a moratorium on new drilling in NC should be extended.

**** CLEAN WATER:** Two decades ago, when the Clean Water Act was passed, the law declared that all waters would eventually be "swimmable and fishable". That has obviously not been accomplished. In fact, water quality in some areas has gotten worse under Reagan-Bush-Quayle. Examples include:

-- Reagan-Bush, in 1987, vetoed the reauthorization of CWA TWICE, claiming that the bill's \$18 billion authorization for local sewage treatment plants was triple the amount they had asked for and therefore was too much. Congress passed the reauthorization over the veto. Raw sewage and trash that is washing into our rivers and oceans were responsible for 2400 beach closings in 10 states in 1989 and 1990, with economic impacts measurable in the billions, due to lost tourism, fishing, etc.

-- The Administration has missed every deadline for action established in the 1987 Clean Water Act reauthorization.

--The Administration has not forwarded a reauthorization proposal for the CWA to Congress this year. (One is due). And Bush proposed a cut in EPA's budget by \$25 million this year in the water pollution abatement and compliance section.

**** WATER IN NC:** Several areas around Wilmington, such as Bradley, Howe and Hewletts Creek, are under a shellfish ban. The State closed the creeks for oystering when fecal coliform levels became dangerously high. Enviros say the high coliform counts are from poision stormwater runoff; developers say it is faulty residential septic systems. Whichever is true - studies are being conducted now by Univ. of NC - point is that Bush adminstration has not made clean water a priority since it cut EPA's budget. States have less resources to deal with problems like these thanks to Bush.

**** OVERFISHING:** A ban on recreational fishing has been proposed by the state fisheries board for parts of NC. The stocks of grouper/snapper/other bottom dwelling fish have been almost totaly depleted. People may asked how Gore feels about the ban. Sanford's office thinks the best thing to say is that a management plan needs to be developed that would allow sport fishermen to continue fishing, without allowing overfishing. Point here is that if we don't manage our resources well, whatever they may be, they won't be around long.

**** INCINERATION:** Gov. Jim Martin is seeking to build a hazardous waste incinernator for five states in the region - some people are up in arms. Be ready for questions about incineration.

DRAFT #1

Talking Points for Steelworkers Convention

o **INTRO:** Welcome home...and Happy 50th Anniversary. For half a century, you have worked and won for America's steelworkers. For half a century, you've made a difference in the lives of hundreds of thousands of workers and their families. And more than that, you've made a difference in their future. Let me add my voice to all of those this week saying, "Congratulations for a job well done." The same commitment and courage you've brought to your first 50 years, will no doubt serve you well in the next and beyond.

o **CAMPAIGN UPDATE:** Four years ago;
 Republicans feel about the election ("I feel fine");
 GOP Convention (Four more years threat v promise)
 Bus tour (signs --'middle class'; rallies, enthusiasm)
 HOPE
 Same v Change
 Accountability
 James Baker 'targetting' America,
 concentrating on America
 Diversion

o **GEORGE BUSH AND DAN QUAYLE ECONOMY/JOBS RECORD:**

Lost steel jobs:

I know I don't have to tell this crowd that in the Reagan-Bush and Bush-Quayle years more than 500,000 union jobs have been lost in the steel industry. During this Bush-Quayle recession, 2.2 million jobs have been lost, more than one million in manufacturing. They're pointing fingers with one hand and distributing pink slips with the other.

Four years ago, at the Republican convention, George Bush promised 15 million new jobs in four years. So far, he's more than 14 million jobs short. At this rate, it will take him 121 more years to reach that goal.

Worst economic record since the Great Depression

1st to 13th in wages since 1981. More people work full time, year round, without earning enough to keep their families out of poverty than at any time since data has been collected. It's not

that our workers aren't working hard. They're working harder and longer but they're taking home less. You know how hard it is to make ends meet. Bill Clinton and I understand how tough it is to support a family today. George Bush and Dan Quayle don't understand what it's like to get caught short at the end of the month.

Hard-working middle income families are paying more in taxes and getting less from their government while the richest get the breaks and the special treatment. Middle income families got a \$186 tax increase. The rich got a \$12,626 tax cut.

Bush and Quayle can take credit for the second largest tax increase in our history.

George Bush and Dan Quayle don't care about protecting the rights of striking workers -- Bush vowed to veto legislation to protect striking union workers from being permanently replaced.

As vice president and as a presidential candidate, George Bush opposed plant closing notification legislation. The Reagan-Bush Administration vetoed one plant closing bill.

George Bush and Dan Quayle want to eliminate Trade Adjustment Assistance that helps workers who lose their jobs to foreign competition.

In the middle of the Bush-Quayle recession, when George Bush was asked about legislation extending unemployment benefits (9/91), he said he was tired of Congress "sending me a bunch of garbage I will not sign." He ignored one bill to extend unemployment benefits and vetoed another. It took Harris Wofford's election victory over Richard Thornburgh to convince Bush to sign a bill.

And, despite his campaign pledge to "assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness," George Bush vetoed the bill that would allow working parents to be with their sick children without worrying about losing their jobs.

The only jobs George Bush and Dan Quayle are interested in saving are their own.

o GEORGE BUSH AND DAN QUAYLE STEEL RECORD

Four years ago, America believed George Bush when he said "read my lips." And four years ago, America's steelworkers believed him when he said he'd support voluntary restraint agreements to help American workers fight foreign dumping and subsidies. Boy, do we know better now. We can read his record, on taxes and on voluntary restraint agreements.

When the election was tight, it was easy for George Bush and Dan Quayle to make promises. When the election was won, it was even easier for Bush and Quayle to break those promises -- on taxes and on voluntary restraint agreements. George Bush and Dan Quayle brought us the second largest tax increase in history. And, they let voluntary restraint agreements expire -- as the Multilateral Steel Agreement collapsed.

Now, they're telling American steelworkers they're on their own when it comes to competing with subsidized and dumped steel.

o STEEL INDUSTRY COMEBACK

America's steel workers are meeting the challenge. America's steel industry is rebounding. You're meeting the competition -- despite the dumping, despite millions in foreign subsidies that keep the field tilted against you, AND, despite George Bush and Dan Quayle.

But we can't keep sitting on our hands while one of our nation's most critical and competitive industries remains under attack from unfair foreign trading practices.

TO COMPETE IN TODAY'S GLOBAL MARKETPLACE, AMERICA MUST DEVELOP A STRONG MANUFACTURING BASE. STEEL IS INTRINSIC TO THAT BASE.

- * Steel is a \$45 billion business in the U.S. annually
- * U.S. market for steel is the second largest in the western world.
- * Steelmaking provides quality, challenging, high paying jobs.
- * Steel is the world's premier engineering material -- offering designers the greatest range of quality per dollar expenditure
- * Steel is a major consumer of computers and other high tech equipment
- * Steel is major contributor to tax base -- particularly state and local
- * Steel is fundamental to manufacturing and infrastructure, two mainstays of every advanced economy

THROUGH NEW TECHNOLOGY, INTENSE CAPITAL INVESTMENT, AND INNOVATIVE APPLICATIONS, AMERICA'S STEEL INDUSTRY HAS INCREASED PRODUCTIVITY, IMPROVED QUALITY AND LOWERED COSTS TO BECOME THE MOST EFFICIENT PRODUCER IN THE WORLD

- * Invested more than \$23 billion to modernize its equipment and facilities. (AGJ NOTE: voluntary restraint agreements required investments)

* Doubled labor productivity -- from 9.3 worker hours per ton in 1980 to 5.0 worker hours per ton in 1991 -- to become the most efficient producer of steel in the world.

* Reduced steel's energy usage per ton by approximately 35 percent below the 1972 level, the benchmark year used by the Government to measure conservation.

* Increased the yield of finished steel (sheet, bars, structurals, plate, pipe etc) from each ton of raw steel from about 70 percent ten years ago to more than 85 percent today.

* Vastly improved quality performance.

* Downsized its operations by closing more than 450 facilities since 1980 and reducing employment by 53 percent -- from 391,000 in 1980 to 183,000 in 1991.

* Steel's labor productivity gains have consistently exceeded those for U.S. manufacturing over the past decade.

THROUGH INCREASED EFFICIENCY, TODAY'S STEEL INDUSTRY HAS REDUCED OVERALL COSTS AND IMPROVED QUALITY.

* The cost (in current dollars) to produce a ton of steel in the United States today is the same as it was in 1980.

* Over the same period (in terms of U.S. dollars) Japan's costs have risen 25 percent and Germany's costs have risen 12 percent.

* The quality of today's U.S. produced steel has improved greatly over its 1980 counterpart

- improved properties (strength, durability, corrosion resistance, gage tolerance, etc)
- enhanced design refinements (taking advantage of new alloys, coating techniques, etc to stretch the value per ton)
- more usable steel per ton

U.S. PRODUCERS ARE CURRENTLY THE LOW COST PRODUCERS FOR THEIR HOME MARKET. MANY HIGH COST WORLD PRODUCERS REMAIN HEAVILY DEPENDENT ON EXPORTS TO MAINTAIN VOLUME.

INVESTING IN CAPITAL: DESPITE INVESTMENT, REDUCED PROFITABILITY, DUE TO LOST VOLUME AND PRICE SUPPRESSION CAUSED BY UNFAIRLY TRADED IMPORTS, HAS DRASTICALLY REDUCED THE INDUSTRY'S RETURN ON ITS PAST INVESTMENTS AND LIMITS THE FUNDS AVAILABLE TO THE INDUSTRY FOR NEW INVESTMENTS.

DESPITE THE AMERICAN STEEL INDUSTRY'S SUCCESS IN MODERNIZING AND INCREASING ITS COMPETITIVENESS, A DECREASE IN THE WORLD DEMAND AND UNFAIR TRADING PRACTICES HAVE INJURED THE INDUSTRY.

* World steel overcapacity has been a problem for more than 15 years.

* The European Community, Japan and the United States represent the three largest steel producing regions in the industrialized world. Despite downsizing in most major developed countries, the U.S. is the only country producing significantly less steel now than it did ten years ago.

* Other industrialized countries maintain their dependence on steel exports to bolster domestic steel operations.

FOREIGN GOVERNMENTS HAVE PROVIDED SUBSIDIES TO THEIR COUNTRIES' STEEL PRODUCERS WHICH ENABLE THEM TO UNDERCUT THE PRICES OF U.S. STEEL TO AS MUCH AS 60 PERCENT BELOW ITS MARKET VALUE.

* In the past decade, foreign governments have provided more than \$100 billion to their steel industries -- approximately \$20 for every ton of steel produced outside the United States during that period.

* If steel producers in the U.S. had received comparable largesse from our government, that would have amounted to \$15 billion or two-thirds of the industry's capital investments during that period.

STEEL PRODUCTION REPRESENTS A CAPITAL INTENSIVE BUSINESS WHOSE PROFITABILITY IS DEPENDENT ON MAINTAINING CONTINUOUS OPERATIONS AT HIGH OPERATING RATES.

* When foreign companies dump their steel, the domestic industry loses sales. The lower output results in higher unit costs, lost profits for reinvestment, and ultimately plant closings and unemployment.

* Dumping is unfair and contrary to U.S. laws.

UNFAIRLY TRADED IMPORTS HURT AMERICA

* Lost volume, suppressed prices, lost profits, reduced investment, fewer jobs, job instability, weakens internationally competitive natural suppliers, encourages increased direct competition against their products from foreign sources, increased costs for unemployment compensation, reduced tax revenues for communities.

George Bush and Dan Quayle have a "don't bother us" approach to America's steelworkers. You'd think they support dumping and foreign subsidies.

America's steel workers deserve better than that. You're

families deserve better.

o STEELWORKERS AND THE ENVIRONMENT

But it's not just on trade policy that the Administration is misleading. They're trying to tell us we have to choose between protecting the environment and strengthening our economy. America's steelworkers know better than that.

* Steel is, and always has been, the world's most recycled engineering material.

* 220 shredders in the United States process enough old automobiles, appliances, industrial materials, and obsolete construction materials to provide steel makers with approximately 60 million tons of scrap annually.

*The overall recycling rate of steel products in the U.S. is 66 percent, the highest of any construction material.

* In 1990, steel cans were recycled at a rate of 24.6 percent. This rate is growing rapidly as facilities for recycling become more available throughout the country.

* Steel scrap is a vital raw material for integrated, as well as electric furnace, steel producers.

* Recycling represents the most environmentally friendly way of providing new materials for the production of goods.

America's steel workers are willing to work not just for a strong industry, but for a cleaner, safer environment.

Occupational and Environmental Health:

Steelworkers have a strong record of backing safety, health and environmental laws. "Workers have a gut understanding of environmental issues -- 100,000 North Americans die each year from workplace diseases that later find their way into our air and water. The environment outside the workplace is only an extension of the environment inside." -- Our Children's World: Steelworkers and the Environment, United Steelworkers of America

* The Administration has declared a moratorium on most new federal regulations -- including health, safety and environmental regulations. This moratorium has lasted for 210 days and Bush indicated in his convention speech that he plans to extend his rule freeze for a full year. Some of the rules fallen victim to moratorium:

- preventing chemical plant explosions: A rule, developed in response to the 1989 chemical plant explosions in refineries in Texas, sought to set safety standards for training contract workers. This rule was delayed for months -- even though an oil refinery explosion in Wyoming this summer led to the death of one

worker and left others critically burned -- all while the OSHA rule remained in OMB's grip.

- environmental rules logjam: the OMB and the Council on Competitiveness are holding up 47 Environmental Protection Agency rules. Of these, at least 29 should qualify for exemption from the regulatory moratorium because of statutory deadlines, health concerns, or benefit to business. Some rules held victim include pesticide standards to protect the health of workers, and several Clean Air Act rules.

- repetitive work disorders: ergonomic disorders count for 56 percent of all reported work-related illnesses in 1990. OSHA has failed to set any deadlines for action on this rapidly growing health issue.

- asbestos: OSHA has issued a final regulation striking certain asbestos-like substances from coverage under the asbestos standard for worker health. These substances when finely ground, cause asbestos-related health problems. Not only workers are affected. Children also come into contact with these minerals when playing in sand made of these ground stones.

- worker health: OMB has blocked new health standards for more than 6 million workers. "This rule would set permissible exposure limits, or PELs, for more than 1,000 hazardous substances used in the construction, maritime and agriculture industries. According to OSHA, these toxics cost 8-13 deaths per year. A similar standard for general industry has been in place for nearly three years. OMB rejected the PEL rule citing a theory never used before in the regulatory review process. OMB claimed that the rule would lead to a cut in wages and that since rich people are generally healthier than poor people, such a regulation might actually hurt workers more than it would help them." -- OMB watch.

Global Environment:

- Concern about their children's future: "Steelworkers have always fought for a better life for their children. Most of us are the descendants of immigrants who came to the U.S. and Canada seeking a better future, not just for themselves, but for later generations as well...Today, the greatest threat to our children's future may be the destruction of their environment. Some of the worst consequences of environmental damage, such as global warming and the death of the oceans, will not occur in our lifetime, but they could devastate the world of our children." - Our Children's World p. 12

Competitiveness:

- There is no jobs-environment trade-off. "In every fight for a new health and safety regulation, or better wages, or improved pension, there is a corporate economist to tell us that if we persist, the company or the industry will fold, with hundreds or thousands of lost jobs. It rarely turns out to be

true, and for good reason. Someone has to design the cleaner process or equipment. Someone has to build it. Someone has to install it. Someone has to operate it. Someone has to maintain it. In the long run, the real choice is not jobs or the environment. Its both or neither." -- Our Childrens World.

- To remain on the cutting edge, modern technology that is cleaner and more efficient must be pursued. Japan and Germany are taking the lead here.

- "Even in the short run companies that exist only by destroying their resource base or pushing their environmental costs off onto others, will not be in business very long. Some plants have shut down, not because they acted responsibly toward their neighbors, but because they did not..." Our Children's World.

- Jobs are being lost because of the actions of the White House, which is delaying establishment of 52 rules required under the 1990 Clean Air Act, not because of the Act. Environmental goods and services are one of the fastest growing areas of economic activity in the country. An estimated 40,000 jobs will be created because of the Clean Air Act. - Institute of Clean Air Companies.

- "Dollars spent in the U.S. to comply with air pollution control rules are not lost, but are merely transferred from polluting industries to a growing, dynamic, U.S. pollution control industry.." -Jeffrey Smith, Executive Director of the Institute of Clean Air Companies.

- "Many business leaders now see pollution as a symptom of inefficient processes. To the extent air pollution control rules stimulate new technological and management devices to avoid wasteful practices, the regulated industry becomes more efficient and more competitive." ICAC

- "U.S. government and foreign studies show that those countries with the tightest air rules produce the most internationally competitive air pollution control industry...delaying U.S. clean air rules makes the U.S. pollution control industry less competitive in the in the global market." ICAC

o Clinton - Gore National Economic Strategy:

George Bush and Dan Quayle have plenty of empty promises. Bill Clinton and I have a plan to get our economy moving and create jobs; to put people first for a change and invest in America, to reduce the budget deficit and the investment deficit. Our plan will help create some eight million new jobs, invest in our communities, bring health care costs under control, and work with parents and teachers and students to improve our schools and education.

o HEALTH CARE

It we're going to keep America's steel industry competitive and American workers on the job, then we must start working to bring down health care costs. George Bush and Dan Quayle didn't know there was a health care crisis -- until the folks here in Pennsylvania said so, and voted to elect Harris Wofford to the United States Senate.

Criminal right...

Just the other day, GM told its salaried workers and retirees that they have to pay more for their health care, including paying monthly premiums. Health care costs add nearly \$1,000 to the price of every vehicle we build -- that's more than the price of steel. In Japan, it's about half that -- which means that even if American autoworkers build a better car, we're still at a disadvantage.

- * Borrow and spend
- * Junk bonds
- * Education
 - vocational training
 - college trust fund
 - a)pay b) domestic peace corps
- * Yes/No
- * Time for them to go
- * Run out of office
- * Thanks.

#####

Natural Fuels Corp. Tour

Denver, CO

3:10 pm Tuesday, September 1

(From: Jim Kohlenberger and Jacquie)

EVENT

You will tour the Natural Fuels Corporation, meet with alternative fuel company representatives and meet with workers for brief remarks. The Natural Fuels Corporation has two primary functions: making and installing natural gas pumps and converting cars to run on natural gas.

LOGISTICS

(As of this writing -- subject to change)

- On your way from the airport to the event, you will be travelling in a white Ford Taurus that runs on natural gas. At curbside, Tom Moore, the president of Natural Fuels Corp, will meet you and escort you inside to a conference room where you will meet with representatives of the natural gas and other alternative fuel companies. The meeting is closed to the press and is generally a meet and greet. (5 minutes).
- From the conference room, Tom Moore escorts you to a separate holding room where you will put on a wireless lavalier. Note: you may want to take off your jacket here so you can roll up your sleeves later when you look under the hood of a car. While you are in the holding room, other elected officials will move to a separate VIP viewing area where they can watch the tour.
- Tom Moore will then escort you to the tour area which is only about 35 feet long. First you will see some of the gas pumps that they make and in particular you will see the Fuelmaker pump -- a pump that can be used to fill up your car at home overnight. Several workers will be working along the way. The President will explain everything as you go.
- Next you will move to an area where several cars/trucks have their hoods up. These cars are either in the process of, or already converted to natural gas. You will meet with workers working on the vehicles. One worker/mechanic will have a lavalier and will show you exactly what they do to a car to convert it to natural gas. You might want to roll up your sleeves and poke around the engine.
- Tom Moore will then invite the employees to come into the room. They will form a semi-circle around you. The President will lead off for 5 minutes with remarks on the importance of this type of company to the economy. He'll thank you for coming and you will speak for about 5 minutes.
- Tom Moore will then escort you through the employees and to a truck where you will use a working gas pump to fill up the truck with natural gas. (5 minutes)

- You will then proceed back through the workshop to a holding room where you will remove the lavalier.
- From the holding room you will proceed directly to the motorcade and back to the airport.

YOUR ROLE/CONTRIBUTION

- You should acknowledge the other elected officials there: Gov Roy Roemer and his wife Bea, Senator Tim Wirth, and Congressman Knighthorse Campbell -- the Democratic Nominee for Senate. Cong. Pat Schroeder, Cong Skaggs and Cong Callahan may be there, but at this point it is unconfirmed.
- See attached talking points.

PROGRAM NOTES

- See attached background memo

Natural Fuels Corp. Background

Denver Colorado

3:10 Tuesday, September 1

In 1990, Natural Fuels Corporation began operating the Nation's first full-service fueling stations. Founded in 1990 -- shortly before Iraq invaded Kuwait -- Natural Fuels Corporation sells compressed natural gas (CNG) and converts individual vehicles or company fleets for natural gas use.

CONVERSION

For between \$2,500 and \$4,500, the average American passenger car can be modified so that it will run either on regular gasoline or compressed natural gas at the flick of a switch. It takes technicians and mechanics at Natural Fuels Corp. less than two days to convert a vehicle. When the car is back on the road, it is burning a less-expensive, cleaner-burning, more abundant fuel.

Conversion of a car to run on natural gas is simple. It doesn't require removing any original equipment from the car. Natural gas cylinders are mounted on the rear of the vehicle, a new fuel line for the gas is installed and a mixer unit that connects the gas system to the regular combustion system is installed. Additionally, a fuel gauge switch is installed on the dash board that allows the car to run on either gasoline or natural gas and has the added advantage of extending a vehicles range -- usually, gallon for gallon, a natural gas vehicle cannot drive as far.

There are about 1500 natural gas fueled vehicles in Colorado -- 500 of which were done at Natural Fuels facilities.

FUELING STATIONS

Converting cars to natural gas is only half of the picture -- you must also create an infrastructure of fueling stations to fuel natural gas powered vehicles. In the case of corporate fleets, they can be centrally fueled. In the case of a family or individual car, natural gas fueling stations must be available. Natural Fuels builds pumps and fueling stations in addition to operating the stations.

Natural Fuels has opened a total of 32 fueling stations: 18 fueling stations are open to the public throughout Colorado, another 14 fueling stations are dedicated to commercial vehicle fleets. Natural Fuels is both a builder and retailer of natural gas fueling stations. Many fueling stations are sited at name brand gas stations like Amoco, others use the brand name Natural. The stations combined constitute the largest infrastructure of Natural Gas Fueling Station's in the nation.

If only 15% of the nation's 130 million cars in the United States were converted to natural gas or other alternative fuels, the nation could create thousands of jobs and reduce our oil imports by 1 million barrels a day. Natural gas is not a new fuel, its been used in vehicles since the 1930's. There are now over 700,000 natural gas vehicles in use worldwide.

In 1990 the company employed 35 people, in 1992 its 45. They expect to employ 65 people in

Natural Fuels - Page 2

1993 -- real proof that what's good for the environment is good for jobs.

SAVING MONEY

Gasoline is now selling for over a dollar a gallon, the equivalent gallon of natural gas sells for about half the amount -- 60 cents.

Converting to natural gas saves consumers and companies money too. For example, a company that converts a 10 truck fleet that each drive 25,000 miles a year to natural gas costs them \$32,250 at \$3225 a piece. In five years, assuming 65 cents a gallon for natural gas and \$1.20 for gasoline, the company would save \$71,665 in fuel costs.

THE ENVIRONMENT

Natural gas is good for the environment too. As compared to a gasoline powered car, carbon monoxide emissions are cut 97 percent, carbon dioxides emissions are down 24 percent, and oxides of nitrogen are down 37 percent.

The American Gas Association recently said that reducing CO₂ emissions by 10% creates 80,000 jobs nationally. Additionally, the AMA sent a letter to Bush just before we completed the climate treaty asking for targets and timetables.

COLORADO

53,000 jobs were associated with the natural gas industry in 1988 in Colorado or 4% of the state's workforce. Natural gas is the eighth largest industry in Colorado.

Increasing the use of natural gas as an alternative transportation fuel will lead to increased production of natural gas in Colorado, thereby strengthening the state's economy. It is estimated that a mere 1% increase in natural gas production in the state will generate a 2 percent increase in employment figures and a 3 percent increase in tax revenues. The jobs created would be in the gas extraction, utility services, fueling station, and automotive maintenance service industries.

Colorado possesses the necessary infrastructure to accomodate sustained higher than current levels of production of natural gas. Currently in Colorado, there are almost 5,000 shut-in gas wells awaiting higher demands and more than 1,300 miles of natural gas pipeline in the state.

Not only is Colorado home to enormous reserves of natural gas, but it is also home to low-sulfur coal, the nation's premier solar energy research program, ethanol and agriculture-based energy products, and oil-shale.

Colorado's energy economy has suffered from a lack of a coherent national energy policy. Colorado's economy has been sensitive to the boom-bust cycle of energy production and energy politics. Many Coloradans (particularly on the Western Slope) recall the dark years of the late 1980s when private sector support for oil-shale collapsed, and thousands of people were unemployed. Reagan tried to dismantle solar research and oil imports have undermined Colorado's energy production.

In addition, Denver has some of the worst air quality and most progressive alternative fuel laws. Denver is in Clean Air Act non-attainment. Cleaner burning cars are a must to solving Denver's

Natural Fuels Corp. -- Talking Points

Denver Colorado

3:10 Tuesday, September 1

- Here today, alternative fuel leaders are investing in our economy by investing in the environment. Its time to revive our economy and change our priorities. We've listened too long while this administration has told us that the environment costs jobs. But we can see here today that new jobs are being created in new markets because the environment is good business.
- Progressive companies like Natural Fuels Corp are taking the lead in creating more jobs and reducing our dependence on foreign oil -- and they're doing it environmentally more friendly way. They have stopped listening to Bush's attempts to force a false choice between environmental protection and economic prosperity. Instead they are creating jobs and thriving in today's depressed economy.
- For every car converted and every new pump installed, men and women are put to work, children are breathing healthier air and we are weaning America from our addiction to foreign oil.
- If only 15% of the nation's 130 million cars in the United States were converted to natural gas or other alternative fuels, the nation could create thousands of jobs and reduce our oil imports by 1 million barrels a day. Colorado knows that reducing our dependence on foreign oil means jobs, jobs, jobs. Colorado also knows that this administration's lack of a comprehensive energy policy is equivalent to the lack of a comprehensive economic policy.
- And for each car converted to natural gas, carbon monoxide emissions are cut 97 percent, carbon dioxides emissions are down 24 percent, and oxides of nitrogen are down 37 percent -- battling the dirty air that chokes so many of our cities.
- Using natural gas can reduce carbon dioxide emissions as well -- an essential first step to slowing the global warming process.
- A Clinton Gore administration would increase U.S. reliance on natural gas -- which is inexpensive, clean burning and abundant -- by issuing an executive order to purchase natural gas powered vehicles for the federal automobile fleet, following Texas' lead.
- The Bush Reagan economic and energy policies have been a disaster. In the last decade, 8,000 of our independent oil and gas producers have closed their doors and 300,000 Americans lost their jobs.
- The Clinton Gore national energy policy promotes national security, energy diversity, economic prosperity, and environmental protection. But more importantly it creates jobs, jobs, jobs.

To: Al
From: Katie
Re: General enviro background on CO.

CLEAN AIR: Colorado passed a Clean Air Act this last May that attempts to control stationary sources of toxics from industrial smokestacks or from evaporation in industrial manufacturing. The bill was intended to merely implement the Clean Air Act by establishing a state implementation plan, but the law actually goes beyond federal standards for emissions from stationary sources. About 2,000 Colorado companies will be regulated under the Act, as opposed to the 600 designated by the federal Act. It will add 85 hazardous chemicals to the federally regulated list of 189. In addition, penalties for non-compliance are set at \$15,000 a day, \$5,000 above the federal standard. An especially innovative idea incorporated in the Colorado bill allows the state's Air Quality Control Commission the power to penalize companies directly, rather than going through the courts as the federal law does. This was designed to reduce time and monetary problems associated with legal wrangles. Given the delay on the federal level in initiating the regulations for the Clean Air Act, Colorado has really taken a lead on this issue.

Several other new air quality laws were also passed this last May in Colorado. Wood-burning stoves were restricted in new housing, and financial incentives were established to help homeowners convert wood burning stoves to more efficient technologies. A law requiring the recycling of CFC's in automobile air conditioner and refrigerators each time they are repaired, recharged, or replaced was also passed.

In addition, financial incentives were established for converting fleet vehicles to alternative fuels such as natural gas. Colorado has one of the largest reserves of natural gas in the country, and Denver Airport is one of the few places in the country with natural gas pumps for autos. (Senator Wirth drives a natural gas vehicle). In addition, four years ago, Colorado tackled mobile source pollution by establishing a oxygenated fuels program. The state program was the model for the recent federal initiative on ethanol and blended fuels that requires all cities with air pollution problems to implement a blended and alternate fuels program. Denver has cut carbon monoxide emissions by approximately 10% since its implementation.

ROCKY FLATS PLANT: Rocky Flats was manufacturing home of the "pits" of nuclear weapons - the detonation devices. These triggers were made of plutonium and sent to other facilities to be incorporated in the final nuclear weapon. In 1989 plutonium processing operations were suspended because of myriad safety and environmental concerns. For example, the FBI led a raid on Rocky Flats because citizens feared the facility was involved in midnight dumping of nuclear waste in a neighboring area. Nothing was ever proven, but management of Rocky Flats was taken away from the Rockwell Corporation and given to E G and G in 1989. The most serious documented environmental problem at Rocky Flats is groundwater contamination by plutonium, the extent of which is not fully known. In January of 1992, Rocky Flats permanently

shut down, and now is in a stage of decommissioning and decontamination. Initial DOE estimates are that the clean up will cost at least \$1.1 billion.

Consequently, there is a large layoff going on - about 2000 jobs. DOE is offering early retirement plans but no significant worker retraining programs.

ROCKY MOUNTAIN ARSENAL: A former Army chemical warfare manufacturing plant located about 10 miles from Denver, Rocky Mountain Arsenal is now a Superfund site. It was declared one of the most polluted places in the US several years ago. However, a great deal of wildlife have moved into the area. The US Fish and Wildlife service estimates that 230 species have moved into the area, including 400-450 mule deer, various raptors and even bald eagles. About 25% of the area is very heavily contaminated and the wildlife are kept out of this area. Pat Schroder introduced legislation in January of 1991 that would declare Rocky Mountain Arsenal to be a National Wildlife Refuge. The bill has passed the House and may come before the Senate this fall. Although this is a success story, there is a fear that other responsible parties in Superfund cases might try to shirk their financial responsibility by creating wildlife zones around other dangerous sites. However, Rep. Dingell has introduced legislation that will supposedly deal with this issue in Superfund liability.

LOWRY LANDFILL: Another Superfund site, located east of Denver, Lowry Landfill was the site of hazardous and solid wastes from both communities and companies. This is a classic Superfund case: who is responsible and who will clean up? The issue is being resolved in the courts now.

RECYCLING: Denver is currently recycling about 16% more per person than the national average. The latest initiatives include a push for expansion of the program to curbside pickup for the entire city and guidelines for recycled product procurement in city government, but city budget problems may prevent these from being implemented in this years budget.

WATER RIGHTS: A constant battle in the state has been whether Colorado should dam more of its mountain rivers for urban water districts, particularly Denver. The Denver water authority has radically changed it's philosophy in the last few years to focusing less on damming and more on conservation. This new philosophy includes better metro cooperation between suburban and urban water users, and a metering program that mandates households to monitor their water use to encourage water conservation.

MEMORANDUM

TO: Senator Gore
FROM: Senator Wirth
Jim Martin
Doug Young
DATED: August 31, 1992
SUBJECT: ENVIRONMENTAL ISSUES IN THE STATE OF COLORADO

At the request of your staff, the purpose of this memorandum is to briefly summarize environmental issues in the state of Colorado. If you have any questions about any of the issues noted in this memorandum, or any issues that have been omitted please feel free to have your staff contact us at: (303) 866-1920 or 866-1926.

Wilderness

Since 1964, the Congress has designated just over 2.5 million acres of wilderness in the state of Colorado. Almost all of that is managed by the Forest Service. (There are 22 million acres of public lands in Colorado and the Forest Service manages 15.3 million acres of that.)

Congress last passed legislation designating wilderness in Colorado in 1980. That same legislation also designated certain wilderness study areas (more than 700,000 acres), and directed the Forest Service to study those areas and report back to Congress. The Forest Service did so, and the Colorado congressional delegation has been at odds over wilderness legislation since then.

The principal stumbling block has been the doctrine of "implied reserved water rights." The Supreme Court held, in a 1902 case, that when the Congress sets lands aside for a specific purpose, the federal courts will assume that Congress also intended to reserve water sufficient to fulfill the purposes of the reservation. However, that doctrine is anathema to western water users, who rely upon the state-managed system of prior appropriation.

[Between 1964 and 1988, most wilderness bills for other states were silent on this issue. But most bill adopted since then have included an express reserved water right.]

Between 1984 and 1990, Senator Armstrong consistently opposed Colorado wilderness bills unless they specifically disclaimed water rights for all federal lands. Senator Brown, elected in 1990, brought a slightly less doctrinaire position to the table. He and Senator Wirth worked out a compromise in 1991. That compromise disclaims a reserved water right for the new wilderness areas, but also precludes development of new water resources in wilderness areas or the expansion of existing facilities.

The Wirth-Brown bill has passed the Senate and has been reported out of the House Interior Committee. Congressman Campbell is on record supporting it. While the environmental community has reservations about this approach, they have been working with the delegation to ensure that this alternative

approach has no loopholes and that it works as well as a reserved water right at protecting wilderness lands.

Air Quality

The Denver metro area is technically in violation of the Clean Air Act's ozone standards, but has had only one violation in three years. The Denver metro area as well as other front range urban areas are also in violation of the CO standard, but the number of violation days has been declining steadily. Denver's biggest air quality problem -- the "brown cloud" that strikes in winter inversions -- implicates particulates but not other criteria pollutants. The brown cloud is also lessening in severity and frequency.

In the late 1980s, Denver (led by then-mayor Pena), the governor, and the Denver Chamber of Commerce united in an effort to improve Denver's image as a dirty air city. They have been very successful. Colorado was a leader in requiring use of oxygenated fuels in the winter, in mandating no-burn days for fireplaces and wood stoves, in urging no-drive days, and conversion of fleets to alternative fuels. This is one community where business recognizes that dirty air is bad for business.

Superfund sites

The DOE's Rocky Flats plant is less than 20 miles north of town. DOE recently concluded that this plant will no longer manufacture plutonium triggers. However, there are numerous radioactive and hazardous waste sites on the plant. Decommissioning and decontamination will take decades and cost billions. However, there is a broad consensus in Colorado that this plant should be closed and cleaned up -- but that the workers should be retrained and provided long-term health care (they otherwise cannot get coverage because of their exposure to radioactive materials).

The Rocky Mountain Arsenal is just a few miles east of town. The Army and Shell manufactured toxic agents and pesticides at this plant. EPA has identified numerous hot spots where toxics have contaminated the soil, surface water, and the aquifer nearest the surface. The state and the Army have been arguing for several years over clean-up standards, with the Army arguing for less stringent clean-up standards. The Governor and Senator Wirth have argued for more stringent clean-up. However, the congressional delegation is largely united behind legislation that would transfer the land -- but not clean-up responsibilities -- to the U.S. Fish and Wildlife Service. Ironically, the Arsenal also has large areas of open space that provide habitat for large numbers of bald eagles as well as deer and other mammals.

Water resources

As we noted in the wilderness section, water resources are a hot button in Colorado. Most of the state's population is found

along the front range (the east side) of the Rockies, while most of the state's water resources are found in the mountains and in rivers that drain into the Colorado River basin. As a result, there is a constant battle over transmountain diversions, as well as over protection of instream flows and resource protection.

Two years ago, EPA Administrator vetoed the "Two Forks" dam that would have been constructed on the south fork of the South Platte River. The dam would have provided water -- largely for the southern suburbs-- but would also have inundated a gold medal trout stream and a beautiful canyon. Other water resource projects have been killed by financial considerations (at times aided by the Endangered Species Act's protection for the whooping crane, which relies on the Platte River during its migration north and south).

The Animas-La Plata project is the only large facility on the table currently. That project would divert water from the Animas River in southwestern Colorado to provide water to two Indian tribes as well as to nonIndian irrigators and municipalities. It is being criticized for its cost (as much as \$500 million) and its environmental impacts. However, the conservationists have not, as yet, provided an alternative that would meet the tribes' significant water claims without disrupting existing users in that area. Congressman Campbell is a strong supporter of this project and the rest of the delegation has been supportive as well.

Grazing fees

As in other western states, conservationists have been trying to fight overgrazing on public lands by convincing Congress to increase grazing fees. Tim Wirth and others have argued that this will not reduce overgrazing, but that it will force small ranchers off the land -- leaving them little choice but to sell out to developers -- and damaging small rural communities. They have argued, instead, that the federal government should find a way to penalize overgrazers and reward good ranchers --perhaps by increasing fees on lands that have been rated in bad condition.

Mining law reform

This is a major issue for both sides. There have been a number of abuses in Colorado -- including a scheme by an Aspen resident by the name of Steven Albouy to develop two patented mining claims within the nearby Maroon Bells Wilderness Area (one of the most heavily visited and photographed in the U.S.). His plans to strip mine marble are widely perceived as a scam to force up the price of being bought out.

The large mining companies, Tim Wirth, and Ben Campbell agree that some reforms are needed. For example, there should be minimum, tough reclamation standards. The law should be changed so that miners can no longer acquire the surface estate. And there should be an annual fee to discourage speculators.

However, there remain differences over how the mining law

4

should be incorporated in the management schemes for the Forest Service and the Bureau of Land Management -- and over royalties. (Both Campbell and Wirth oppose royalties.)

Your voting record -- 1982 -- (You supported strong states rights on the issue & opposed all weakening amendments to state enviro laws.

To: Al

From: Katie

Re: Backgrounder on Yucca Mountain in case asked at Nevada event

The issue at stake here is states' rights. The whole Yucca Mountain saga started in 1982 when Congress passed the Nuclear Waste Policy Act. The law called for DOE to open a permanent underground repository for commercial high level radioactive waste by 1988 and to recommend a second site that would receive waste five years later. In 1986, Reagan named three sites that were final candidates for the first repository - Hanford in Washington state, Deaf Smith County in Texas, and Yucca Mountain, Nevada. These sites were supposed to be characterized, a process that involves the drilling of exploratory shafts to determine rock stability. In 1987, Congress canceled the search for a second repository, citing Reagan's claim of lower than anticipated waste volume, and decided to restrict characterization to Yucca Mountain only. If Yucca Mountain was found to have fatal flaws, a new search would have to be started from scratch. If Yucca Mountain was suitable, then Nevada would receive \$10 million a year until waste deliveries begin and \$20 million per year thereafter, until the shipments ended.

Senators Reid and Bryan, and Governor Miller of Nevada are all on record as opposing the dump. Therefore, in the past, Nevada has refused to process air and water quality permit applications for the DOE to begin the characterization. In June of 1991, a federal court order required Nevada to process two applications. Responding to Nevada's recalcitrance, the House passed a proposal to allow DOE to preempt Nevada's state environmental permits as part of the National Energy Policy Act of 1992. Bryan and Reid had been threatening to filibuster the Senate energy bill if such a provision was added. (You also opposed this provision -- not specifically because of Yucca mountain, but because Johnston's original language also included language "delinking" the siting of a MRS from the siting of a permanent repository). The Bush administration had included the preemption in their National Energy Strategy. Senator Johnson, an original supporter of the preemption, is now agreeing to try to have the House proposal removed from the final energy bill in conference this fall. In return, Bryan and Reid supported the bill and Gov. Miller has committed himself to processing the remaining permits for characterization.

However, the recent California desert earthquake was only a few miles from Yucca Mountain. DOE is saying that the site is still viable, but ironically, only a few weeks before, DOE said the chance of seismic activity around YM was almost nil. DOE does not have a great deal of credibility with Nevada citizens right now.

Although this is clearly a states' rights issue, and Nevada has been treated very shabbily in the past with regard to the autonomy of its state environmental laws, there is a danger in supporting Nevada's position in opposing the dump. In 1988, Dukakis came out and wholeheartedly embraced Nevada's position. Of course, then every other state which had secretly breathed a sigh of relief that the dump was not in their state, got on his case, and he ended up backtracking on the issue later.

Best things to emphasize here are:

- 1) Nevada was "dumped on" (sorry) in the past, but due to the work of Reid and Bryan it looks like the situation may be resolved now, at least as far as completing the characterization goes

- 2) DOE is being very unreliable - first they say there is no danger of earthquake in 100000 years and then one happens. DOE feet should be held to the fire to make sure the environmental impact assessments and characterizations are sound.

Thursday, August 20,
1992
"Florida/Metro" section,
p. 1

THE TAMPA TRIBUNE □ □ □

Florida / Me



PALM TREE POLITICS
Ray Locker

Republicans doubletalk on oil drilling

HOUSTON — Despite all of their talk about being environmentalists, some Republicans here just can't resist being themselves.

Count Interior Secretary Manuel Lujan among that group.

Lujan, the supposed steward of our national environmental resources, lapsed into character this week in an appearance before a group of Houston businessmen and oilmen at The Houston Club.

The interior secretary blamed Congress for the condition of the economy and said a Republican Congress would end the current moratorium on offshore oil drilling.



Lujan

The Bush administration, as it has done all week, is trying to have it both ways. On Tuesday, Environmental Protection Administration chief William Reilly talked about President Bush's great record on the environment, including his moves to block offshore oil drilling and protect the Everglades and the Gulf of Mexico.

Consistency, it seems, doesn't seem to matter much here.

And a Republican Congress may not give the oil industry what it wants, at least if those congressional Republicans all came

"Congress is the problem," Lujan said. "What we need is a change in Congress. We don't need a change in the administration."

"If we had a Republican Congress, we would have an end to the offshore oil drilling moratoria."

Chiles aide gets new

The move completes a shake-up of the governor's inner circle after a year of squabbles with the Legislature.

By **BILL HALLDIN**
Tribune Staff Writer

TALLAHASSEE — Gov. Lawton Chiles, who lost two of his three closest aides to resignations earlier this year, named the remaining one Wednesday to head a new state health care agency.

The move completes a shake-up in the Democratic governor's circle of advisers that follows a year that likely will be remembered for Chiles' failure to get his \$2.5 billion tax plan through the Legislature.

Chiles announced that Budget Director

Doug Cook, who followed Chiles from the U.S. Senate in 1989 to a Tallahassee think tank and finally the governor's office in 1991, will now lead an agency trying to make health care accessible — and affordable — to all Floridians.

Cook's departure follows the resignation earlier this month of Chief of Staff Jim Kroger and the January resignation of Communications Director Mary Jane Gallagher. The three all close to Chiles, often clashed on a wide range of policy issues and strategy.

Chiles said Cook's role as director of the health care agency is necessary to help get a hold on spiraling health-care costs that are largely responsible for Florida's budget crisis.

And he said Cook still will be in his inner circle of advisers.

After a year of failures in high-profile legislative initiatives that overshadowed health care and governmental reorganization successes, the move is seen as one that will strengthen



from Florida.

Every Republican member of the state's delegation opposes oil drilling in the gulf. That bipartisan opposition has fought off attempts to start drilling for oil in environmentally sensitive areas.

That bipartisan opposition got its start in 1988, when then-U.S. Sen. Lawton Chiles pushed a drilling moratorium on a Senate appropriations bill. Other Floridians have sustained that moratorium and have pushed for even tougher restrictions.

Florida Republicans had to fight off appointees of our so-called environmental president, a Texas oilman and offshore driller at heart. These appointees want to drill wherever the geological surveys may take them.

Some of Florida's brightest Republican stars, particularly U.S. Rep. Porter Goss of Sanibel, have criticized the sale of oil leases in the gulf as pathetic attempts to cut the federal budget deficit by sacrificing precious environmental resources for lease sales of limited value.

Maybe a Republican Congress would open up these areas in the gulf to offshore drilling. If Lujan's right, that's one reason to hope it doesn't happen. It's also incentive for Lujan's Republican brethren in Florida to wish he'd keep his mouth shut. The word about the administration's true intentions might just get around.

Term-limits convergence: Vice President Dan Quayle, the lifetime politician and term-limits advocate, joined with Florida term-limits leader Phil Handy for a small rally Wednesday to push the cause.

Handy has repeatedly called his Florida movement, Eight is Enough, a bipartisan attempt to change what some consider congressional arrogance and imperialism. We'll take him at his word. He's an engaging and articulate spokesman.

But a cabal of Republican leaders here, including Quayle, have embraced the term-limits movement completely, calling it the only way to change Congress.

It's interesting, however, to note that many of the advocates would be out of politics if they had to adhere to term limits. Hypocrisy is the appropriate word for it.

Listening to U.S. Rep. Bob Michel, R-Ill., spout on about the problems with Congress and reform Tuesday night was a joke. Michel's been in Congress for 36 years.

Do Quayle and company want to limit Michel's tenure?

And what about the appearances of U.S. Rep. Guy Vander Jagt, R-Mich., on the convention stage? Vander Jagt was recently zapped in a primary by an underfunded challenger who rode the district on a bicycle. For him, term limits worked the old-fashioned way — through an election.

Let's not forget U.S. Rep. Bill McCollum, R-Altamone Springs. He advocates a 12-year limit for House members. He's been in the House for 12 years, but he won't follow his own rhetoric. No, he's too important and has to be in the House to make sure term limits pass.

Ironically, McCollum's November opponent, Democrat Chuck Kovalesski, is one of Eight is Enough's spokesmen. He ought to be hitting McCollum's hypocrisy every chance he gets.

Fawn hit by car

Jacky Shaw, left, and Chriss Miller of the Miami Metro-zoo care for a Key deer Tuesday that had been hit by a car. The fawn was struck Monday at the National Key Deer Refuge on Biscayne Bay. The fawn will be returned to the refuge for treatment.

Woman changes story about

Manatee detectives say the owner of a day-care center has recanted her first story.

By MICKIE ANDERSON
Tribune Staff Writer

BRADENTON — A day-care center owner has changed her story about the circumstances of an 8-month-old baby's death Friday while in the center's care, Manatee County Sheriff's detectives said Wednesday.

Detectives said they have learned the baby, left unattended on an automatic feeder, was unnoticed by day-care center workers for at least a half hour after the death.

The Medical Examiner's office has determined the baby died from SIDS — Sudden Infant Death Syndrome, detectives said. The syndrome is also known as crib death.

Manatee detectives say Alice Patricia White, owner of Miss Patty's Day Care Center at 2027 27th Ave. W., originally told investigators that Nicholas Lawrence Porter began coughing as she fed him.

White told the detectives she patted the baby's back and he spit up phlegm and fluid and then went limp, officials said. Detectives said White told them she immediately performed cardiopulmonary resuscitation on the baby.

But detectives later discovered from the medical examiner's autopsy that the baby had died at least 30 minutes before CPR was performed.

Girl with AIDS decides to stay, fight in Lakeland

The family of 7-year-old Autum Aquino moved to Florida this month for Autum's health.

By PAM NOLES
Tribune Staff Writer

KATHLEEN — After a night of tears, Autum Aquino has decided to attend second-grade at Kathleen Elementary School after all.

But the 7-year-old girl with AIDS won't start classes today, the first day of school in Polk County. She'll be at home until Sept. 1 because her mother wants to give the community time to cool off after a hostile three-hour meeting at the school's cafeteria Tuesday night.

Autum was so hurt and confused by the anger she told her mother she wanted to go back to Maine.

But by Wednesday morning, she was her normal feisty self and said she didn't want to leave.

Autum, her mother, Teresa Dannemiller, and her former stepfather all have AIDS. The girl's 11-year-old sister does not have the disease.

The family, widely acclaimed in their native Maine for their role as AIDS educators, moved to Florida earlier this month for Autum's health. They decided to go public with Autum's condition here as they had done in Maine.

Tuesday's meeting was designed to inform Kathleen Elementary parents about the virus, introduce Autum's family and provide answers.

About 500 people showed up. Some who angrily opposed Autum's enrollment do not have children at the school.



Teresa Dannemiller and Aquino of Lakeland have afflicted with AIDS.

The meeting left Autum in tears.

"I'm terrified that people will hurt my daughter at the school will hurt my daughter," she said Wednesday. "To be shouting at me like that is ridiculous."

TO KATY: 3 PAGES

8/27/92

To: Jadine Nielson
Fr: Jenny McCarthy, Northern Ca. Staff
Re: Monterey Bay Sanctuary Site: Legislative History.

Summary: According to the contacts we have made, the Reagan and Bush Administrations put up roadblocks at every turn to the establishment of the Monterey Bay Sanctuary. Ultimately, however, Bush did come out in support of the Sanctuary, taking a position that environmentalists favored. Below outlines the legislative history for the Sanctuary.

Background: We spoke with Jennifer Palmier in Leon Panetta's staff and Dr. Jim Rote of the State Office of Assembly Research. (Panetta was the lead congressional Democrat pushing for the Monterey Bay Sanctuary and Rote was referred to us by State Senator Sam Farr's staff, Dirk Brazil. Farr took the lead at the state level.)

In 1977, the state of California proposed that the Monterey sanctuary site be considered among ten other sites along the coast for sanctuary designation. When Reagan came into power, there was new resistance that led in 1983 to the Monterey site being dropped from consideration.

Several years of futile efforts followed on the part of Leon Panetta and the environmental community to get the Reagan Administration to reconsider its decision to drop the Monterey Bay site from the list of sanctuary candidates. (This era was dominated by the pro-development policies of Interior Secretary Watt.) In 1988, Panetta succeeded in getting provisions included in legislation reauthorizing the Marine Sanctuary Act which mandated that the Monterey Bay be designated as a sanctuary by December 1989.

Three years following the enactment of the Panetta provisions, the National Oceanic and Atmospheric Administration (NOAA) proposed regulations to the Office of Management and Budget to designate Monterey Bay as a sanctuary. The proposed regs included an oil and gas ban, along with options for various geographical boundaries.

Due to opposition from the Departments of Interior and Energy to the inclusion of an oil and gas ban, OMB rejected the NOAA proposal. In fact, Interior wanted to sell oil leases off the San Mateo coast, located in the middle of the proposed sanctuary site. After a heated struggle within the Administration, President Bush in June of 1990 came out on the side of NOAA. (He had been on record during his 1988 election bid as stating that he would oppose oil and gas drilling in environmentally sensitive areas.) Bush also stated that he endorsed the most generous geographical boundary for the site, extending from San Luis Obispo to the Farallon Islands (just off San Francisco).

Over the 15 year history of the Monterey Bay Sanctuary, opposition characterized Republican Administrations' position. Only after a Congressional mandate and a pitched intra-Administration battle, did President Bush jump on the bandwagon.

Goldberg
Plutiger

Jody Palmer

Donna Blitzer

408-423-5712

408-457-8818

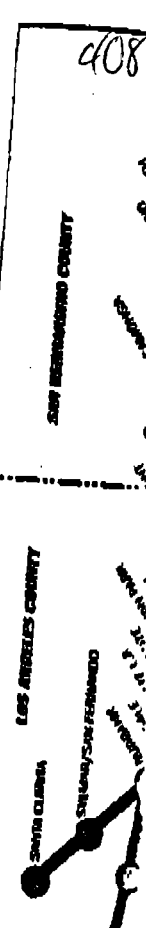
Monterey Bay Marine Sanctuary

Monterey Bay sanctuary is habitat for a wide array of threatened or endangered species. Including sea otters, whales, porpoises and seals. It is home to some of the largest kelp forests, which filter and nourishment to other marine creatures. Biologically distinct, California's largest underwater rift in the ocean floor that is the Great Canyon. A deep, rocky cliff, sandy quiet cove, the area is considered the Yarnall marine sanctuary system. Regulations governing the protection of the sanctuary's resources. The chief purposes of the sanctuary are to protect and enhance marine species, encourage public education and encourage research. Creation of the Monterey Bay sanctuary was required under a 1980 bill by Rep. John P. Peltola (D-Monterey). The bill set a 1000 deadline for its designation, but depended on oil and gas drilling and exploration from the Interior Department slowed the process. On Thursday, Panetta charged the Administration for the delay but called the step "a tremendous victory" and praised Bush for selecting the most expansive of seven alternative sanctuary boundaries. The sanctuary will be managed by the National Oceanic and Atmospheric Administration. Bush's budget earmarks \$518,000 for the sanctuary's first year of operation. Thursday's announcement comes on the heels of Bush's rejection of Interior and Energy to the inclusion of an oil and gas ban, OMB rejected the NOAA proposal. In fact, Interior wanted to sell oil leases off the San Mateo coast, located in the middle of the proposed sanctuary site. After a heated struggle within the Administration, President Bush in June of 1990 came out on the side of NOAA. (He had been on record during his 1988 election bid as stating that he would oppose oil and gas drilling in environmentally sensitive areas.) Bush also stated that he endorsed the most generous geographical boundary for the site, extending from San Luis Obispo to the Farallon Islands (just off San Francisco).

Moves Ahead

Shirt commuter-train network came after a regional transportation board from the Santa Fe Highway. The rail line connects San Francisco with San Bernardino, San Gabriel valleys on Oct. 26.

Orange and northern San Diego counties in 1993. By using track bought earlier from other railroads, Metrolink plans to start service to Union Station from Ventura County and the Santa Clara, San Francisco and San Gabriel valleys on Oct. 26.



The Herald

Published by the Monterey Peninsula Herald Co.
P.O. Box 271, Monterey, CA 93941
Phone (408) 378-3711

Christopher Rowell Dr.
President & General Manager

Progress Party, Boston

Martin Lewis Leach, Associate Editor, *Harvard Magazine*, City Editor, *Wahpet*, 3140
 Publishers Editor, *Tom*, 1400, *Spokane*, Editor,
Business Bureau, *Foreign Advertising*, 20
Flourish, Ltd., 60 Post St., London EC4A 3DU
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monterey Herald

6/24/92

Sanctuary sanity

THAT the White House finally signed off on the Monterey Bay National Marine Sanctuary while the would-be "environmental president" was flying to California for election-related activities may or may not be a coincidence. But the suggestion of politics-in-action should not spoil the celebration of this milestone event.

This, after all, is how politics is supposed to work — public pressure, and the need to match the efforts of the rival party, in this case in the person of Rep. Leon Panetta, D-Monterey. Mr. Bush does deserve credit for finally moving on this designation, but the real hero of the hour is Mr. Panetta, who was his champion from the beginning.

With oil and gas drilling to be banned permanently within the sanctuary's boundaries, a major public concern has been lifted at a single stroke. The sanctuary will not be just a symbol of concern for the marine environment — although that, too, is important — but will be a practical entity with real value for the Central Coast.

The plan approved by the White House must still work its way through the system, including approval by Congress and Gov. Wilson, but no major problems are expected. As we have said in these columns before, the sanctuary offers this area the opportunity to enhance its reputation as a world-class center for marine research. It suggests an option in developing a strategy for the conversion of Fort Ord, particularly in regard to establishing a university on the base.

The Association of Monterey Bay Area Governments is planning events in September to celebrate the success of the sanctuary effort. It has not been decided, but President Bush himself may come here. There is indeed much to celebrate.

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Bush Pledges to Create Mo

Environment: President's proposal would permanently protect one-quarter of the state's coastline from offshore drilling.

By JENNIFER WARREN
Times Staff Writer

In a move heralded by environmentalists, President Bush on Thursday pledged to create an ocean sanctuary that virtually guarantees one-quarter of California's coastline permanent protection from offshore oil and gas drilling.

The Monterey Bay National Marine Sanctuary, which will encompass an area bigger than the state of Connecticut, stretches from San Francisco Bay south to San Simeon Creek in San Luis Obispo County.

While Bush was widely expected to endorse the sanctuary, his precise bound-

aries and the controversial issue of a permanent drilling ban remained in question until Thursday.

"This is a historic day for California," said Dan Hailey of Save Our Shores, a Santa Cruz-based group that has fought for coastal protection. "Barring a disaster or an act of God, the Central California coast will now forever be safe and free of the perennial fight over oil drilling."

Once it is formally designated after a public comment period, the sanctuary will become the 11th and largest protected marine space in the nation and the fourth in California. The others in this state are the Channel Islands, the Gulf of the Farallones near San Francisco, and Cordell Bank, off the Sonoma County coast.

The Monterey Bay National Marine Sanctuary, a vast area of the country's coastline, provides an endless off-shore. It also is a place where the sea is a living North American—a deep, deep, deep. Containing a wealth of protected areas of the nation by experts. Unlike the national parks, it allows for more such as fishing.

ail, Transit Officials reach Deal for Track

Agreement: The \$500-million agreement for 336 of rail line ends years of heated negotiations.

By K. A. STEIN
Los Angeles Times

After three years of hard-fought back-room negotiations, regional transportation officials agreed Thursday to buy 336 miles of track from the Santa Ana and Orange County

"It's a historic breakthrough," said Los Angeles Mayor Tom Bradley, whose staff helped keep talks going during several impasses.

Several speakers mentioned the unusual degree of cooperation among the five counties, which they said will make it far easier for the region to coordinate its

Metrolink

Plans for a five-county Metrolink to reality Wednesday as agreed to buy 340 miles of track will let commuter trains link



Tradinghouse Steam Electrical Station - Tour & Address

Waco, TX

9:10 am Friday, August 28

(From: Jim Kohlenberger and Jacquie)

LOGISTICS

(As of 12:00 8/27 -- Logistics are subject to change)

- **Before exiting the bus, you will be supplied with a hard hat, safety goggles and ear plugs. You should watch advance for cues on if and when the goggles are necessary in the plant -- the ear plugs are up to you.**
- **When you exit the bus, the four principals meet in front of the outdoor gas yard (description below) where Carl Payne, the plant manager, and Morris Christian, operations superintendent, will join you. They will tell you what you are about to see and conduct the 20 minute tour. The gas yard is stop 1.**
- **From the gas yard you proceed down a road to stop 2, the forced draft fans (description below). The Pool then proceeds ahead to the pump room while you hold here. Carl and Morris take this time to tell you about the forced draft fans and the pump room.**
- **You then proceeding to stop 3 the pump room (description below) which is particularly loud and hot. From the pump room, you move into the control room (description below). You don't need hard hats or goggles in the control room.**
- **From the control room, you move to a holding room in the administration office while employees gather outside by the lake for the discussion.**
- **The four of you then move outside where 30 - 60 employees from this shift and the off-shift, from this plant and a sister plant, are gathered in a circle. There are both management and IBEW line workers there. You and BC sit on chairs with microphones while Tipper and Hillary sit up front -- this is subject to change.**
- **Carl Paine makes some welcoming remarks, recognizes company officials and thanks the employees before introducing you. You make some brief remarks and introduce BC who also makes only brief remarks. It is then opened up for Q&A (about 30 minutes total).**
- **After, you move back to the holding room while the press files. Then back to the bus.**

YOUR ROLE/CONTRIBUTION

- The message here is jobs and energy.
- While everyone else has been thinking about switching to cleaner-burning, more plentiful natural gas, here's a plant that made the decision to use natural gas in 1970 and has been supplying the Waco community with a safe reliable clean source of energy for years and years to come.
- Natural gas is good business -- achieving good business while focussing on sound practices.
- In the last decade, 8,000 of our independent oil and gas producers have closed their doors and 300,000 Americans lost their jobs. Of 4,500 domestic drilling rigs operating in the United States in 1981 when Reagan and Bush took office, less than 700 remain in operation today.

PROGRAM NOTES

- The Tradinghouse Creek Stream Electric Station is a two unit natural gas/oil fired plant located about 15 miles east of Waco. Tradinghouse primarily uses natural gas and is capable of generating 1,340 Megawatts of power. Both units are capable of burning fuel oil. Unit 1 has been modified to operate at very low load levels during off-peak periods -- providing additional flexibility and economy to the system. Unit 2 uses steam to drive fans -- making this one of the most efficient on the system. The plant is cooled with water from a 2,012 acre lake which is open to the public.

There are four tour stops:

- Stop 1 gas yard -- All of the natural gas comes into the plant from the gas yard. Tradinghouse requires up to 15 million cubic feet of gas per hour.
- Stop 2 forced draft fans -- Safe and efficient combustion of natural gas requires a specific amount of air. Forced draft fans are used to provide air to the burners where it is mixed with natural gas to provide a desired fuel/air ratio.
- Stop 3 pump room -- The pump room is loud hot and houses pumps, motors, valves and instrumentation.
- Stop 4 control room -- The control room contains a 30 foot long control panel for both units. From this room, operators can operate and monitor all functions associated with each unit by utilizing an elaborate array of modern instrumentation, computers, alarms and indicators. Both units are highly automated and require minimum personal intervention.

ATTACHMENTS

- Site Map
- Memo to BC re energy issues in Texas
- Tradinghouse plant fact sheet
- Glossary of terms

MEMO TO BC RE ENERGY ISSUES IN TEXAS *file: WG-~~Energy~~*

Tuesday, 25 August 1992

TO: Governor Clinton, George Stephanopoulos, Bruce Reed
FROM: Bill Burton, 512/120-4862
RE: Energy Issues/Texas

Here are key points to consider regarding energy as you head into Texas. We can be miles ahead of the administration in energy in Texas, if we get out the message.

No. 1 problem Texans face in energy is U.S. reliance on imported oil. Nearly half our oil is now imported, and oil and related products constitute two-thirds of our trade deficit (up from 1/3 when Bush took office). More than a half trillion U.S. dollars have gone to foreign countries for petroleum products since Reagan-Bush took office. Buzzword: We support "energy independence." How does this differ from Bush? Michael Boskin, Bush's top economic adviser, told a Houston crowd last November that he believes energy independence is "economically foolish."

Because of the lack of a national energy policy, U.S. independent producers are going out of business by the thousands. In an op-ed piece in the Houston Chronicle on Sunday (8/23), Energy Secretary James D. Watkins admitted these problems, referring to the U.S.'s increasing imports of "oil from potentially unreliable suppliers half a world away" and its effect on "an industry that has lost over 470,000 jobs in the last decade."

Oil and gas job loss of 470,000 is more job loss than we've had in textiles, electronics, chemicals. It's even more than the automobile and steel industries combined.

In Texas, job loss in the oil and gas business is pegged at 160,000 during the Reagan-Bush watch. (These are direct job losses only; when secondary employment is considered, the figure approaches 400,000 Texas jobs). These are high-paying jobs too, with average salaries of more than \$40,000. Rig counts, in Texas alone, are down from 1,317 when Reagan-Bush took office to 315 last year. Twenty-four Texas refineries -- more than 40 percent -- have closed during the Reagan-Bush watch.

Zapata Corp. of Houston, which Bush founded in the 1950s and which grew into one of the leading offshore drilling companies in the world, operated 27 rigs around the world when Reagan and Bush went in office. Since Bush was elected, Zapata has sold off the last of its rigs -- and now owns none.

Bush jumped on Congress in his nomination acceptance speech for failing to pass "his" energy legislation in timely fashion. But his legislation stressed nukem and drilling in the Arctic wilderness and had all of its tough conservation measures slashed by John Sununu before it ever got to Capitol Hill. Bush's bill never got out of committee. The bill that Congress has passed (and is in conference on, in record time for major legislation) came about only because of the leadership of folks like Bennett

Johnston and Lloyd Montsen and John Dingell. Before Bush complains about Congress taking a few months to pass comprehensive energy legislation, perhaps Bush should answer why it took him and Reagan 10 years to propose a plan.

All three major planks of your energy program -- conservation/efficiency, natural gas, and renewables -- help make America more energy independent and will create jobs in America. Every mile we increase the CAFE standards, every natural gas vehicle we put on the road, every advance we make in solar energy technology will cut our reliance on imported oil. What about jobs? Making homes, factories, and business more energy efficient is labor-intensive. Increased domestic natural gas production will put thousands of oilfield workers back to work and will also crank up supporting businesses and services (independents produce only 31 percent of the nation's oil, but they produce 60 percent of our gas). And increased R&D into renewable technologies will help America light the way into the 21st century of a sustainable energy future.

What specifically will a Clinton Administration do to help the oil and gas industry? We support increasing markets for natural gas, including electricity production and its use in cars and buses ... we support policies that favor domestic production over imported oil ... we support tax changes to encourage production, including changes in the alternative minimum tax ... we support a great increase in research and development into recovery of oil and gas ... we support a government-industry partnership which helps transfer technology from the lab into the oil fields ... we support policies that favor more stable energy pricing, and we are looking at various ways of having imported oil reflect its true costs, including security costs ... we will involve all segments of the industry -- including producers, pipeline operators, transporters, marketers -- in the policy making process within the Department of Energy and other sectors of government that impact them ... we will work with producers and others in the business to help them meet new environmental regulations ... we support removing regulatory barriers to increased natural gas use, including the speedy development and certification of new gas pipelines ...

Listen to what Texas producers (many Republican) said about the current administration's energy policy recently:

-- "Texas oil people are extremely disappointed, especially the independent operators, with what the Reagan and Bush administrations have done. ... The energy policy has been to go to war." George P. Mitchell of Houston, in Saturday's New York Times.

-- "The attitude now with a lot of people is, 'We know you're not going to help us, but please don't hurt us anymore.'" Neal Anderson of Houston.

-- "The Administration doesn't have an energy policy in place. That concerns us." Les Mallory, Houston.

3.

-- "We certainly haven't had an energy policy or any support for our industry within government." Raymond Plank, Houston.

What kind of concern does the Bush administration show for these ailing producers in the oil patch? Rob Mosbacher Jr., who heads the Republicans' election efforts in Texas, was quoted recently as saying producers who are asking for the government to help them save their industry suffer from "schizophrenia."

What about the Clinton-Gore emphasis on environmentalism? Here's what "Natural Gas Week" said in an editorial last month:

"The natural gas industry needs to align itself more with environmentalists ... Why? It's good business. It's doing well while doing good. ...

"This is not a new movement, but part of a trend. Environmentalism is what the battle over alternative fuels for cars and trucks is all about. That's what cogeneration and PSHA reform and the push for greater use of natural gas in electricity generation are all about. With Clinton and Gore, that trend is likely to be strengthened.

"For the natural gas industry, this should be seen as positive rather than negative. Environmentalism leads to greater use of natural gas. And only with increased demand will there be opportunities for higher prices and economic pressure for greater access to supply."

AGA Study - Reducing CO₂
Emissions to 10% below
current levels would create
\$4,000 new jobs nationally.

Letter

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Public Communications Department
2001 Bryan Tower - Suite 1680
Dallas, Texas 75201



TUSERVICES

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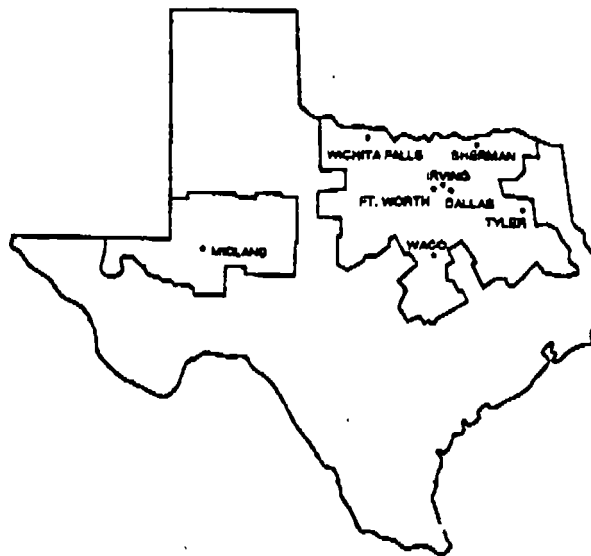
2 unit plant. Gas-fired designed to be
oil just an emergency fuel.

lost electric sales of any system.
TX lignite ^{Amite / Bonaventure}
TX lignite
Low sulfur coal.

DSM → thermal storage
off peak energy → cool by restoring of water.

TU Electric is the principal subsidiary of Texas Utilities Company, based in Dallas. In 1945, when Texas Utilities Company was formed as a holding company for DP&L, TES and TP&L, the three utilities provided electricity to about 415,000 customers, or a population of 1.75 million. Today, TU Electric provides electric service to more than 2.1 million customers, or more than 5.5 million people — about one-third of the population of Texas. The company provides service in 372 incorporated cities in 87 counties of West, North Central and East Texas. Some of the major cities served are Dallas, Fort Worth, Midland, Odessa, Wichita Falls, Arlington, Irving, Plano, Mesquite, Richardson, Waco, Tyler and Killeen.

The TU Electric service area includes about a fourth of the land area of Texas:



Texas Utilities Company also has five other subsidiaries.

Three exist in order to provide services to TU Electric and/or other System subsidiaries:

- **Texas Utilities Fuel Company** owns a natural gas pipeline and acquires, stores and delivers natural gas and other fuel services.
- **Texas Utilities Mining Company** owns, leases and operates fuel production facilities for the surface mining and recovery of lignite.
- **Texas Utilities Services Inc.** (TU Services) provides financial, accounting, computer, telecommunications and other administrative services.

Two non-utility subsidiaries — **Basic Resources Inc.** and **Chaco Energy Company** — are stockholder-financed and do not provide services to electricity customers. Basic Resources was organized for the purpose of developing natural resources, primarily energy resources and related technologies and services. Chaco was organized to own and operate facilities for the acquisition, production, sale and delivery of coal and other fuels and currently leases extensive coal reserves.

GENERATING PLANTS

In 1991, TU Electric owned and operated 69 electric generating units at 24 plants, including 47 gas/oil-fueled units, nine lignite units, one nuclear unit and 12 small diesel units. Total generating capacity at company-owned plants was 18,953,000 kilowatts. In addition, TU Electric had 15 combustion turbine peaking units under operating lease agreements, for a total of 975,000 kilowatts, and had 1,921,000 kilowatts of firm capacity available during peak seasons under cogeneration contracts.

The company has three large baseload generating units under construction. Two are lignite-fueled units having a total capacity of 1,500,000 kilowatts. One is nuclear, with a total capacity to the company of 1,150,000 kilowatts.

Transmission Capability

TU Electric's principal generating facilities and load centers are connected by 3,823 circuit miles of 345-kilovolt transmission lines and 9,028 circuit miles of 138- and 69-kv lines.

Power Plants In Operation

Natural Gas/Oil

TU Electric operates 74 generating units at a total of 19 plants that are fueled by natural gas and some oil. The total generating capacity at these plants sites is 12,933,000 kilowatts.

Plant	County	Units	Service Date ⁽¹⁾	Capacity (kW in 000s)
Mountain Creek	Dallas	5	1945	893
Handley	Tarrant	5	1948	1,375
Permian Basin	Ward	7	1958	980 ⁽²⁾
Trinidad	Henderson	4	1949	314 ⁽³⁾
Morgan Creek	Mitchell	13	1950	1,203 ⁽⁴⁾
Dallas	Dallas	2	1951	145
North Main	Tarrant	1	1952	80
Lake Creek	McLennan	5	1953	323 ⁽⁵⁾
Parkdale	Dallas	3	1953	327
Eagle Mountain	Tarrant	3	1954	665
River Crest	Red River	1	1954	110
Collin	Collin	1	1955	153
Stryker Creek	Cherokee	7	1958	685 ⁽⁶⁾
North Lake	Dallas	3	1959	700
Graham	Young	2	1960	615
Valley	Fannin	3	1962	1,100
Lake Hubbard	Dallas	2	1970	890
Tradinghouse	McLennan	2	1970	1,340
DeCordova	Hood	5	1975	1,035 ⁽⁷⁾

⁽¹⁾ Service date of first unit at plant

⁽²⁾ Includes five combustion turbine units

⁽³⁾ Includes two diesel units

⁽⁴⁾ Includes six combustion turbine units and two diesel units

⁽⁵⁾ Includes three diesel units

⁽⁶⁾ Includes five diesel units

⁽⁷⁾ Includes four combustion turbine units

FACT SHEET

3/92

The Tradinghouse Creek Steam Electric Station is a two unit gas/oil-fired plant located about 15 miles east of Waco (and about 7 miles northeast of the Lake Creek plant) in McLennan County. It is accessible from Highway 6. (SEE MAP ON NEXT PAGE.) Tradinghouse has a total generating capability of 1,340,000 kilowatts. Both units are supercritical once-through units and are capable of burning fuel oil. Unit 1 has been modified to operate at very low load levels during off peak periods, providing additional flexibility and economy to the System. Unit 2 uses steam to drive the forced draft fans, which allows a lower electrical usage to generate power and makes this unit one of the most efficient on the system. Tradinghouse employs 57 people and has an on-site oil storage capacity of 362,000 barrels.

	<u>Fuel</u>	<u>Capacity (KW)</u>	<u>Commercial Operation</u>
Unit 1	gas/oil	565,000	1970
Unit 2	gas/oil	775,000	1972

Cooling Reservoir

Cooling for the Tradinghouse Creek plant is provided by a 2,012 acre lake. The lake is open to the public and public access is available from two locations.



For most of the 20th century, the Texas Utilities System Companies have been in the business of supplying electricity to about one-third of the state of Texas. But we're also in the business of protecting and restoring the environment. Because we're committed to preserving and protecting the environment for future generations of Texans, we stand by these commitments.

dedicated solely to our environmental protection organization. Also, all Texas Utilities Company employees are encouraged and expected to be good stewards of the environment.

Regulatory Compliance

We will comply with local, state, and federal environmental laws and regulations. Many current regulatory requirements are based on the same standards we established years ago. We have been an industry leader in environmental compliance and will meet or exceed environmental standards established by federal and state regulations.

Environmental Protection

Our company operations will be conducted in a manner that protects the environment. In all aspects of the generation, transmission and distribution of electricity, we will be responsible stewards of the earth's irreplaceable resources: air, land and water.

Resource Commitment

The necessary personnel, financial resources and expertise will be applied to conduct our operation in an environmentally sound manner. We have more than 100 employees with training in environmental science, biology, hydrology, chemistry, agronomy, engineering and other specialized areas

Communication

Our environmental commitment will be openly communicated to customers, employees, shareholders and regulators. In demonstrating our commitment to protecting the environment, we hope others will be influenced in doing likewise. The company offers a variety of brochures, speakers and other information about our environmental programs.

Research

We recognize that environmental research is a vital part of our commitment to protecting the environment. The company's Environmental Research Center has provided more than \$2.5 million since 1971 to fund the independent research of 70 graduate students. Employees play key roles in industry research organizations such as the Electric Power Research Institute.

Waste Reduction and Recycling

We will minimize and/or reduce waste, recycle waste where feasible, and dispose of waste in a safe and responsible manner. We recycle waste oils, batteries, and scrap metals. Byproducts of lignite fuel are recycled into road base material, ready mix concrete, and the manufacture of synthetic gypsum wallboard. Employees have recycled more than 570 tons of paper with proceeds going to the Energy Aid Program to help customers pay for essential energy services.

Self-Evaluation

We will continue to review and monitor company operations to ensure that sound environmental practices are a part of our daily operations. Programs are in place to provide "self-checks" on company activities. Environmental personnel are responsible for administering these programs at each of the company's generating plants, mining sites, service centers, and other facilities.

TEXAS UTILITIES COMPANY SYSTEM

History

TU Electric was formed in 1984 from the merger of three affiliated electric utilities: Dallas Power & Light, Texas Electric Service Company and Texas Power & Light. The three companies or their predecessors had been providing electric service in Texas as early as the late 1880s.

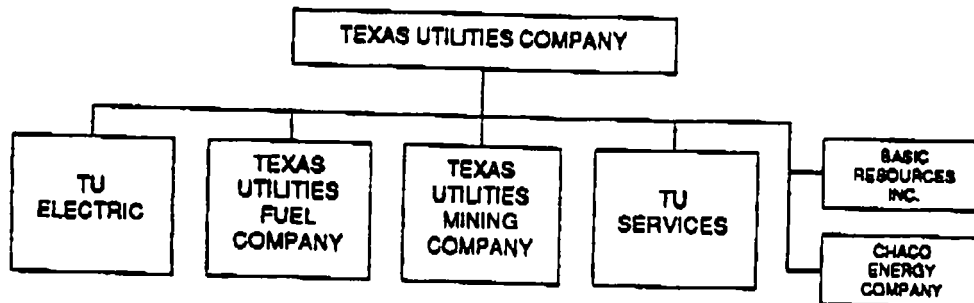
TP&L was incorporated under the laws of the state of Texas in 1912; DP&L in 1917 and Texas Electric Service in 1929. The three companies or their predecessors had been interconnected to some extent as early as 1912, and by 1932, a network of transmission lines connecting them was substantially complete.

Texas Utilities Company was incorporated in 1945 as a holding company for the three utilities. As such it owned the common stock of the companies and provided them with the common stock capital and short-term loans needed for construction programs.

Subsequently, other subsidiary companies of Texas Utilities Company were formed to provide services to the electric utilities. These included a Service Company to provide engineering, accounting and other administrative services, a Fuel Company to provide natural gas fuel, a Generating Company to build and operate new power plants, and a Mining Company to mine lignite coal and deliver it to the lignite-fueled generating plants.

Natural gas was the fuel used in virtually all power plants in Texas until the early 1970s because it was the least expensive and most available fuel. However, in the early '70s, the cost of natural gas began a rapid escalation. In anticipation, the Texas Utilities System began a substantial construction program in the late 1960s to build new power plants to use less expensive lignite coal and nuclear fuels.

In the early 1980s, it became apparent that because of the number and extent of projects jointly owned by the three utilities, it would be more efficient and cost effective to merge the companies and consolidate functions. As a result, the System was reorganized and TU Electric formed, effective on January 1, 1984. The System organization as it exists in 1992 is as follows:



TAM

RON McCUE

| 260-2693

EPA

|

United States Senate

WASHINGTON, DC 20510

EPAs actions on used oil are wholly inadequate. Mr. Bush's own Secretary of Health and Human Services, Louis Sullivan, has determined that lead is the number one environmental health threat to children. EPAs regulations will do nothing to address this threat:

o "Dilution" seems to be EPAs solution to lead pollution. Rather than requiring that companies get the lead out of oil before burning it or otherwise ensure that it does not get into the air, EPA merely requires that they dilute the contaminated oil with clean oil. At best, this will slow the rate at which lead contaminates our air, water, and soil.

o EPAs regs will still allow used oil that contains unsafe levels of lead, chromium, and other toxins to be poured on the ground next to crops as a dust suppressant--- thereby potentially setting the stage for another disaster like the one that occurred at Times Beach.

o The regs consider leaking oil tanks unfit only if the leaks are "visible" and rusted tanks are considered unfit only if the rusting is "severe". No leak detection is required.

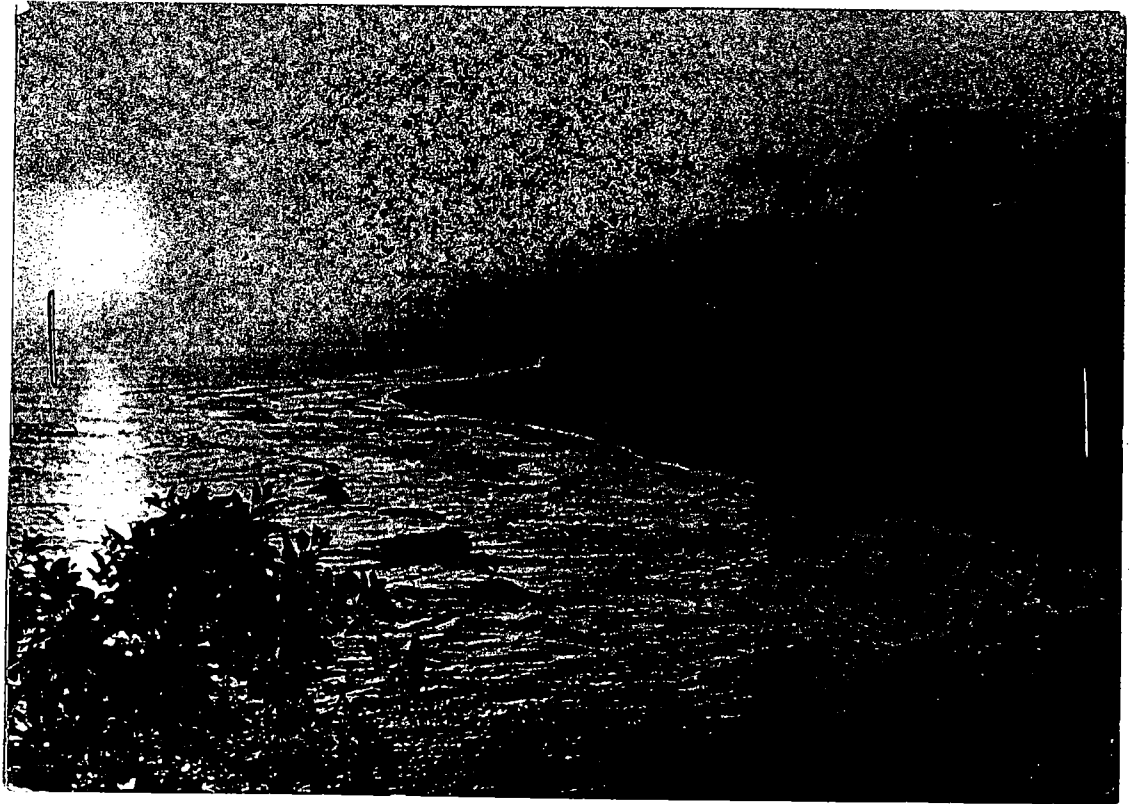
Once again, protecting a few big oil buddies clearly ranks first with Mr. Bush. ~~Unfortunately, smaller oil companies are being used by the large oil companies as they attempt to protect their market share of virgin oil from a challenge by recycled oil. The administration must develop lead removal techniques, such as rerefining or other safe practices. Our children and our environment and the competitiveness of those companies that are trying to address this problem take a back seat with the proposed regulations.~~

*through re-refining or other
safe practices*

TRAN McPollard:

*nothing in EPA's
resp to
Inquiry
was oil collected*

*35 Exxon Valdez
spills*



PHOTOCOPY
PRESERVATION

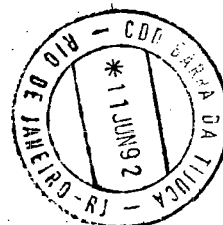
Dear Ram, ^{our Black Gold technology has been getting a great response}
we're counting on you
and Senator Gore making
sure safety - Kleen doesn't
slip their "monopoly bill"
thru on used oil in RCRA.
This has been an incredible
experience meeting people from
so many countries. All of us
here at the Summit + Global
Forum who we talk with
wish Sen. Gore was our
President. We're proud of
his leadership here.
Thanks for your help.

CPC-101-50-RIO DE JANEIRO-RJ-BRASIL
Por do Sol - Barra da Tijuca
Sunset - Barra da Tijuca
Fotografia de Aldo Colombo

Sincerely,
Wayne Roberts Black Gold President

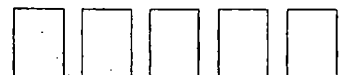
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Washington, DC 20510-4202

USA



NEWS FROM

U.S. Senator Al Gore



(D - Tennessee) SR 393 Russell Building, Washington, D.C. 20510 (202) 224-4944

TO Anne Pride
FROM Katie McIntosh
Re: Oil Regs

Sent 8/20 am

1 501-
399-3845
FAX 7.6
Ann. Pom
Pride McIntosh
260
2693

3845
3861

United States Senate

WASHINGTON, DC 20510

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- o The regs consider leaking oil tanks unfit only if the leaks are "visible" and rusted tanks are considered unfit only if the rusting is "severe". No leak detection is required.

Once again, protecting a few big oil buddies clearly ranks first with Mr. Bush. Our children and our environment and the competitiveness of those companies that are trying to address this problem through re-refining or other safe practices take a back seat with the proposed regulations.

agency
is oil
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cutting into
business

Black
Gold
Company
Finest

HAZARDOUS WASTE TREATMENT COUNCIL



915 15th Street, N.W.
Fifth Floor
Washington, D.C. 20005
Tel. (202) 783-0870
Fax (202) 737-2038

MEMORANDUM

TO: Katie McGinty

FROM: Richard C. Fortuna
Chris Van Loben Sels

DATE: August 11, 1992

RE: EPA's Used Oil Regulations

Here is a draft statement on EPA's upcoming used oil "regulations." I have kept it general, avoiding the "listing" question as we have done in the past, finessed the Black Gold issue by acknowledging the burners that remove lead are O.K. too, and highlighted the hypocrisy theme that appears to have taken hold (i.e., McLaughlin Group last Sunday).

These regs are sub-status quo. Beyond the burning problems they encourage road oiling with used oil, and fail to even require leak detection or the cleanup of past spills and contamination.

Be aware that these comments are based on a July 7 draft. We are getting the most recent one in this afternoon. We just received a copy of EPA's draft press release for tomorrow's news conference. Please call to discuss and confirm.



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Fifth Floor
Washington, D.C. 20005
Tel. (202) 783-0870
Fax (202) 737-2038

HAZARDOUS WASTE TREATMENT COUNCIL
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Date: 8 / 11 / 92

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FROM:

Name: Richard C. Fortuna, Executive Director
Company: Hazardous Waste Treatment Council

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STATEMENT REGARDING EPA'S USED OIL REGULATIONS

EPA's used oil regulations issued today give us more of the same old hypocrisy that has become the hallmark of the Administration's environmental policy. Say one thing, do another. Praise "recycling," but then use it to disguise your dirty deeds. Rather than promote technologies that protect the environment and conserve resources, the only thing these regulations protect are the polluters that want to continue uncontrolled burning and disposal of lead-laced used oil. Rather than move us forward by balancing the need for improved environmental controls, while minimizing administrative burdens, these regulations take the nation in reverse; actually returning to the days when hazardous waste was spread on the ground to control dust. These aren't regulatory provisions, but rather a collection of loopholes.

Under these regulations:

- **The uncontrolled burning and blending of lead-laced used oil will continue.**
- **Instead of removing lead from used oil or controlling it in the stack; dilution is this Administration's solution**

to lead pollution. Used oil can simply be diluted, rather than treated.

- Under these rules used oil mixtures that are ignitable due to high concentrations of solvents and other toxics can simply be dumped on the ground as a dust suppressant. Used oil is a pollution sink, serving a masking agent for the unscrupulous disposal of other toxics (i.e., pesticides). Allowing road oiling of waste oil is the very practice that led to the massive dioxin contamination at Times Beach, Missouri.
- Tanks can be used for storing and blending used oil even if they are rusting and leaking, provided such leakage is not "visible." Under this standard the massive petroleum leak in Fairfax County, VA would be legal, since all leakage was below the ground.
- Companies engaging in used oil storage, blending and recycling aren't even required to clean up past spills or contamination. Only future spills must be cleaned up an unspecified standard.

This is not a rule to protect public health its a ruse to protect polluters, and reveals how this Administration does not know the first thing about the recycling.

This Administration's regulations, which were issued in response to a Court imposed deadline do less than some of the least ambitious legislative programs. Virtually all parties in the used oil debate have accepted some revision of the lax lead limit for used oil burning. Moreover, The Center for Disease Control has recently tightened the health standards for lead exposure in children. In addition, Secretary of Health Louis Sullivan has declared lead to be number one environmental health threat to the nation's children. Nevertheless, the new regulations do not even consider tightening of today's lax standards on the burning of lead-laced used oil.

Many small businesses have devised and marketed used oil recycling systems that protect the environment from the hazards of used oil - by collecting used oil for recycling, by making it possible to burn recycled fuels without putting lead into the air, or by turning used oil back into motor oil. This Administration needs to promote all of these enterprises by issuing standards that protect the environment and reward those entrepreneurs who make protecting the environment

their business. Sadly, they public will continue to be exposed to unnecessary lead pollution, and good companies will have to continue to compete with this Administration's penchant for protecting the polluting practice of the past.

These new used oil regulations are merely the Administration's latest lip service to used oil recycling. Jobs can be created and the environment can be improved by good used oil regulation - but when it comes to environmental regulation, this Administration's motto is 'Just Say No.'"

**Used Oil Management Standards
Comments on July 7, 1992 Draft**

- **Used oil is not listed as a hazardous waste.**
EPA has again ignored its most current data, and violated RCRA in the process.
- **The blending and burning of leaded used oil will continue—**
The supposedly "interim" lead specification from six years ago is still in place.
Industrial burners can still burn used oil containing unlimited amounts of lead.
The lead level for non-industrial burning was set in 1986 as an "interim" level that would be revised "soon" because "it may not be protective."
- **"Dust oiling," which created the Times Beach disaster, would be allowed.**
Used oil that contains unsafe levels of lead, chromium, and other toxins could be poured on the ground next to crops.
Used oil that would normally be classified as ignitable hazardous waste could be spread on roads and in fields.
- **Used oil may be burned with diesel, no matter how much lead it contains.**
EPA has never even studied this phenomenon.
- **The used oil tank standards are a joke.**
Leaking tanks are only considered unfit if the leaks are "visible."
Rusted tanks are only considered unfit if the rusting is "severe."
No leak detection system is required.
- **There are no testing requirements.**
Companies can self-certify compliance without actual testing.
- **No responsibility for past leaks and spills.**
Companies are required to clean up leaks and spills, but only if they occur in the future.
Past leakage and spill damage may be left in the environment.

DRAFT! BASED ON DRAFT EPA PROPOSAL—THERE MAY BE CHANGES IN FINAL RULE.

Used oil is not listed as a hazardous waste.

EPA's latest study again proved that used oil contains lead, cadmium, chromium and other toxins at levels twenty times the current hazardous waste level. Yet, the Agency believes that its management standards will prevent any risks from mismanagement from occurring. First of all, this way of discounting mismanagement risks is not allowed by the statute that defines hazardous waste. Secondly, these management standards do not prevent even the most basic mismanagement risks.

The blending and burning of leaded used oil will continue—

The supposedly "interim" lead specification from six years ago is still in place.

Lead and other toxins from used oil go straight into the air from the burning of nearly 800 million gallons of used oil each year. The regulations that allow industrial boilers to burn used oil containing unlimited amounts of lead, even without air pollution controls, are still in place. The 100 parts per million lead limit for non-industrial boilers is left in place—despite the fact that EPA realized six years ago that the level "may not be protective" and termed the level an "interim" measure to be revised "soon." Moreover, even this level is a sham, because used oil fuel marketers are still allowed to simply dilute used oil into fuel oil to meet the levels and then sell that mixture as if it were virgin product.

"Dust oiling," which created the Times Beach disaster, would be allowed.

Although the Agency has long proposed banning the use of used oil as "dust oil," EPA will now allow the practice in states that monitor road oiling to keep other hazardous wastes out of the dust oil. But, EPA will allow dust oil to be spread on roads and fields even if the dust oil is so flammable that it would normally be classified as a hazardous waste for its ignitability alone. Moreover, EPA will also allow dust oil to contain significant quantities of lead and other toxic metals—even though dust oil is frequently used to pave temporary roads between crops during harvest seasons. This is because EPA uses the toxicity characteristic to set the safe levels for road oiling, despite the fact that the toxicity characteristic is actually designed to set the "clearly hazardous" level for wastes that are buried in landfills, not placed next to crops. Lastly, EPA does not define what states actually have to do in order to qualify to allow road oiling.

Used oil may be burned with diesel, no matter how much lead it contains.

EPA has carved out a special loophole for pouring used oil into the fuel of diesel-powered vehicles, despite the fact that vehicle engines release the majority of the toxic metals in their fuel. EPA has never studied these emissions, nor have they ever proposed allowing this practice. It appears that this provision was simply inserted at some point after the

initial OMB review to please some special interest—without any analysis of the environmental impacts involved.

The used oil tank standards are a joke.

The new regulations require tanks to be "in good condition" and "not leaking," but EPA then redefines these terms to mean "no severe rusting" and "no visible leaks." This means that if a rusted tank is not severely rusted, it can still be used to store lead-laden used oil. And if a used oil tank is leaking, but it is only leaking out of the bottom of the tank, then it may still be used to contain the toxics in used oil. Moreover, used oil tanks would be exempt from leak detection requirements, and existing tanks would not have to be placed over a "floor" to contain leaks.

This means that these supposedly protective management standards would have declared the leaking Texaco tanks in northern Virginia to be fit for storing oil that contains lead, cadmium, and chromium. Hidden leaks in these tanks have put so much petroleum into the water table that nearby residents have been evacuated because of the explosion hazard created in the basements of their houses. If those tanks were leaking used oil, the soil under these homes would be contaminated with toxic metals, but according to EPA's new regulations these tanks would be safe and legal for used oil storage.

There are no testing requirements.

Despite the fact that used oil has long been considered an enforcement nightmare, used oil handlers would never have to actually test their used oil to determine if it had been mixed with hazardous wastes. Moreover, used oil recyclers could ship fuel products as normal fuel oil without ever having tested the oil to make sure it meets even the lax federal standards. EPA and state officials have complained about how waste generators and used oil handlers in particular have been able to abuse the absence of testing requirements in the past.

No responsibility for past leaks and spills.

While the regulations would require companies to clean up spills and leaks of used oil, they would only require cleanup of future mistakes, not of damage done before the effective date of the regulation. This random provision pretends that past mistakes pose no hazard that would require cleanup, even though the same mistakes now do require responsible action. The actual rationale for this provision is to save large corporation money by not forcing them to clean up their past environmental mistakes.

224-7614

FROM THE OFFICE OF:

ESTEBAN E. TORRES (D-CA)

1740 Longworth Bldg.
Washington, D.C. 20515
(202) 225-5256
(202) 225-9711-Fax No.

8819 Whittier Blvd. # 101
Pico Rivera, CA 90660
(213) 695-0702
(213) 692-2216-Fax No.

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NEWS

CONGRESSMAN

ESTEBAN E. TORRES

34TH Congressional District, California

U.S. House of Representatives
1740 Longworth Building
Washington, D.C. 20515
(202) 225-5256

8819 Whittier Boulevard, #101
Pico Rivera, CA 90660
(310) 693-0702
(818) 961-3978

COMMITTEES: BANKING, FINANCE & URBAN AFFAIRS AND SMALL BUSINESS/SUBCOMMITTEE CHAIRMAN

FOR IMMEDIATE RELEASE

For additional information: Angelina Ornelas
James Casso

EPA'S USED OIL REGULATIONS ARE TOTALLY INADEQUATE, TORRES ASSERTS

Washington, D. C. August 12, 1992. Congressman Esteban E. Torres (D-CA) today blasted President Bush and the Environmental Protection Agency (EPA) for releasing inadequate used oil regulations.

At a morning press briefing EPA released its long awaited regulations on used oil management. Responding to the inadequacies of the regulations, Congressman Torres said: "EPA's used oil regulations pretend to regulate used oil, however, they do nothing to guarantee that even one additional drop of used oil will be recycled. The regulations do nothing to assure that used oil is handled in a manner protective of human health and the environment. And, the regulations will do nothing to prevent the 'do-it-yourselfer' from continuing to dump millions and millions of gallons of used oil into the street."

Torres, who has worked for many years to promote used oil recycling went on to say: "If it hasn't been made clear to the American people that George Bush lied when he said that he would be the environmental President, this should be the icing on the cake. George Bush and his Vice President of environmental annihilation, Dan Quayle, have spent the past four years systematically dismantling the environmental laws which protect the lives and health of the American people."

Congressman Torres went on to say that "This isn't just a shame, its a crime. And the indictment can be laid directly at the door of George Bush."

"During this election year, the American people can see in this regulation the difference between President Bush's actions and his words. As Bob Dylan wrote in the 1960's: 'You don't need a weatherman to know which way the wind blows.' Today's forecast from the Bush/Quayle EPA is for continued downpour of used oil nationwide for the next four years. The best they can offer is today's incredibly small umbrella. Four more years of George and Dan will rain torrents of used oil into the environment and lead into our lungs," added the Congressman.

Over 400 million gallons of used oil are improperly disposed and wasted every year. That is the equivalent of 35 Exxon Valdez oil spills. In 1984 Congress directed EPA to regulate used oil. EPA's failure to act over the last twelve years has resulted in nearly five billion gallons of used oil being improperly handled.

- 30 -

Representing: Artesia, Baldwin Park, Bassett, Hacienda Heights, Industry, La Puente, Los Nietos, Norwalk
Pico Rivera, Rowland Heights, Santa Fe Springs, South El Monte, South and East Whittier, Valinda and West Covina.



RECYCLING USED OIL THE EPA WAY

FROM : PORTIK ILLUS & DESIGN

PHONE NO. : 202 546 1787

NO. 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

USED OIL POLLUTION IN AMERICA



Over 400 million gallons of used oil – the equivalent of more than 35 Exxon Valdez oil spills – are wasted every year. Since 1986, EPA's inaction has resulted in 4 billion gallons of used oil being released into the environment.

BACKGROUND

Twice in the past twelve years, Congress has directed EPA to regulate used oil in a manner protective of human health and the environment. EPA has totally failed in its responsibilities. EPA has repeatedly determined through direct testing that used oil contains hazardous constituents. However, the Agency has repeatedly failed to promulgate regulations consistent with EPA's statutory mandate. EPA's failure is due to political pressure.

And, this says nothing of EPA's failure to address what should be the first goal of public policy regarding used oil -- to guarantee that more used oil is collected for recycling. While we have been waiting for EPA to act these past twelve years, nearly five billion gallons of used oil has been released into the air, land and water

This is a breach of the public trust. The politicizing of the Environmental Protection Agency has reached a fevered pitch.

EPA had a May 1, 1992 court approved deadline for making a determination regarding used oil regulation. However, on May 1, the Agency once again "deferred" that decision in clear violation of the settlement agreement in NRDC v. EPA, No. 90-0694-55. This settlement agreement was intended to ensure compliance by EPA with the November 8, 1986 statutory deadline set by Congress which EPA previously violated.

There is disturbing evidence that EPA violated the court approved settlement agreement because of interference by the Office of Management and Budget. If this is true, it is in clear violation of the substantive duties delegated by Congress to the Environmental Protection Agency. Time and time again, the statutory duties given EPA by Congress have been subject to OMB's overzealous interpretations. EPA's listing determination and management standards for used oil are directed by statute, are now embodied in a settlement agreement filed with the court, and are should not have been subject to any ill conceived regulatory moratorium.

In the face of this, the Administration's good faith in executing the law of the land is called into question.

United States
Environmental Protection
Agency

Solid Waste and
Emergency Response
(OS-305)

EP/530 F-92-018
August 1992

Office of Solid Waste



Environmental Fact Sheet

Management Standards Issued To Control Potential Risks from Recycled Used Oil—No Hazardous Waste Listing

The Environmental Protection Agency (EPA) has issued management standards for recycled used oil that protect human health and the environment while promoting recovery of this valuable commodity. These management standards avoid unnecessary regulatory and financial burdens on the used oil recycling industry—particularly service station dealers.

Action

EPA has issued management standards for recycled used oil that provide strong safeguards against any potential types of mishandling that may occur. The management standards address potentially unsafe practices associated with improper storage of used oil, road oiling, and contamination of used oil from hazardous waste. By controlling these practices with management standards, listing recycled used oil as a hazardous waste is unnecessary.

The management standards cover all segments of the used oil recycling system, and are codified in a new Part 279 of Title 40 of the *Code of Federal Regulations* (CFR). While generators are the largest segment of this industry, the most stringent standards apply to used oil processors and re-refiners because they handle the largest quantities of used oil. The standards are not expected to cause major economic impacts, but are designed to correct and control certain practices. They prohibit storage in unlined surface impoundments and road oiling (except in states authorized to manage their own hazardous waste programs).

Requirements for Service Stations and Other Generators

A generator is any business which produces used oil through commercial or industrial operations, or that collects it from these operations or private households. Besides vehicle repair shops and service stations, some of the more common examples of used oil

generators are military motorpools; taxi, bus, and delivery companies; and shipyards. People who change their own oil (do-it-yourselfers) are not covered, nor are farmers who generate an average of 25 gallons or less of used oil per month in a calendar year. Approximately 700,000 facilities qualify as generators.

Generators simply must:

- Keep storage tanks and containers in good condition;
- Label storage tanks, "used oil";
- Clean up any used-oil spills or leaks to the environment; and
- Use a transporter with an EPA identification (ID) number when shipping used oil off-site.

Service station dealers that comply with these requirements, that send used oil for recycling, and that accept used oil from do-it-yourselfers are not liable for emergency response costs or damages resulting from threatened or actual releases of used oil from subsequent handling of the oil. EPA believes relief from this particular regulatory burden will encourage more service station dealers to collect used oil, thereby increasing used oil recycling by the consumer sector.

Requirements for Processors and Re-refiners

Used oil processors and re-refiners handle and store large quantities of used oil for a wide variety of purposes. Consequently, data suggest that damage from mismanagement of used oil at these facilities is not uncommon, and that stronger controls are necessary. Approximately 300 facilities must comply with these management standards.

Requirements for these facilities include:

- Obtaining an EPA ID number and notifying the Agency of any activities concerning used oil;
- Maintaining storage tanks and containers in good condition, and labeling them "used oil";
- Processing and storing used oil in areas with oil-impervious flooring and secondary containment structures (such as berms, ditches, or retaining walls);
- Clean up any used oil spills or leaks to the environment;
- Preparing a plan and a schedule for testing used oil for halogen content;
- Tracking incoming used oil and out-going recycled used oil products;
- Maintaining certain records and biennial reporting;
- Managing used oil processing and re-refining residues safely; and
- Ensuring that the facility is properly closed when recycling operations cease.

Requirements for Transporters, Collectors, and Burners of Off-Specification Used Oil

A used oil transporter or collector is any person who transports used oil to another site for recycling. Transfer facilities that are holding

areas, such as loading docks and parking and storage areas, must comply with the transporter requirements when used oil shipments are held for more than 24 hours in route to their final destination. Generators who transport less than 55 gallons of their own used oil are exempt from the transporter requirements.

Approximately 400 transporters and collectors also must obtain an EPA ID number and notify the Agency of any activities concerning used oil; maintain storage tanks and containers in good condition, and label them "used oil"; process and store used oil in areas with oil-impervious flooring and secondary containment structures (such as berms or ditches); clean up any used oil spills or leaks to the environment; and track incoming used oil and out-going used oil. In addition, transporters and collectors must:

- Limit storage at transfer facilities to 35 days and
- Test waste in storage tanks that are no longer in service for hazardous characteristics, and, if wastes are hazardous, close them according to existing hazardous waste management requirements.

Used oil burners must comply with the same storage requirements as transporters. Less than 1,000 facilities burn off-specification used oil. Standards for these burners are recodified from 40 CFR Part 266 to 40 CFR Part 279. The Agency plans additional study on used oil burned as fuel.

Requirements for Used Oil Marketers

Marketers of used oil were regulated in 1985. These standards are recodified from 40 CFR Part 266, Subpart E to 40 CFR Part 279. There are no major changes to existing requirements.

Conclusion

In May 1992, EPA determined that listing used oil destined for disposal as a hazardous waste was unnecessary. Combined with that rule, this action fulfills EPA's statutory mandate under the Used Oil Recycling Act of 1980. These management standards—working in tandem with existing laws and regulations—effectively control potential risks while promoting used oil recycling.

Contact

For additional information or to order a copy of the *Federal Register* notice, contact the RCRA Hotline, Monday-Friday, 8:30 a.m. to 7:30 p.m. EST. The national, toll-free number is (800) 424-9346; TDD (800) 553-7672 (hearing impaired); in Washington, D.C., the number is (703) 920-9810, TDD (703) 486-3323.

Copies of documents applicable to this rule may be obtained by writing: RCRA Information Center (RIC), U.S. Environmental Protection Agency, Office of Solid Waste (OS-305), 401 M Street SW, Washington, D.C. 20460.

EPA Rejects Calls for Rules On Used Oil

By BARBARA ROSEWICZ

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Evergreen Oil Inc. and its high-technology recycling process for oil got a publicity boost when President Bush chose it for an environmental campaign stop in California this summer.

But weeks after the photo opportunity, the Bush administration has decided against giving Evergreen's so-called green technology the competitive boost sought by the company and environmentalists.

The Environmental Protection Agency plans today to reject calls by companies such as Evergreen and Safety-Kleen Corp. of Elgin, Ill., and by environmentalists to declare used motor oil a hazardous waste that needs stringently safe handling and disposal.

The decision may give new ammunition to vice presidential candidate Sen. Al Gore (D., Tenn.), who also recently visited Evergreen's Newark, Calif., plant to accuse Mr. Bush of being the "hypocritical president" instead of the environmental president.

While the EPA's regulations will require better tracking, storage and handling of used oil, the rule probably will mean that the bulk of used oil from cars and other engines will continue to be burned in industrial and residential boilers as fuel oil. Evergreen and Safety-Kleen each have a plant that uses a new process to clean dirty motor oil and turn out clean oil that can be used for industrial and automobile lubricants.

Environmentalists claim that burning waste oil puts dangerous pollutants, such as lead, into the air and that the recycling done by Evergreen and Safety-Kleen is better for the environment. But the companies contend they are at an economic disadvantage because oil-burning companies aren't required to be as protective of the environment.

Mr. Bush unwittingly stepped into a hornet's nest when his advance team, wanting to showcase a high-technology environmental company on the campaign trail, chose Evergreen on the advice of the California governor's office. The news media seized on the embarrassing fact that at the same time Mr. Bush was lauding Evergreen, the company and its trade group in Washington were suing the administration over its failure to issue used-oil rules.

The EPA's latest action satisfies the lawsuit but may make publicity matters even worse.

"What it means is we've got an environmental president whose commitment to these issues lasts as long as the camera flash," charged Richard Fortuna, head of the Hazardous Waste Treatment Council that filed the suit for Evergreen and

Safety-Kleen. The president's visit to Evergreen, Mr. Fortuna said, was "either hypocrisy or stupidity."

Evergreen executives are more even-handed in their criticism. "I don't think it has as much to do with the man at the helm" as with lower-level bureaucrats swayed by oil-industry lobbying, said Greg Ray, vice president of Evergreen's parent. Chairman Curtis Morgan, said Congress is as much to blame. "Al Gore is a senator with an excellent environmental record," Mr. Morgan said, "and if he felt that strongly why didn't he introduce legislation to do it?"

Mr. Fortuna said that his group and the environmental community are certain to challenge the new rules in court.

Safety-Kleen, whose year-old East Chicago, Ind., plant is the world's largest for refining used oil, stood to gain the most if the EPA had imposed tougher standards; it can reprocess 75 million gallons annually. Evergreen, which can process about 13 million gallons of waste oil annually, already benefits from a California law that requires used oil to be handled as a hazardous waste.

Christopher Harris, a lawyer who represents a trade group of 75 oil processors and transporters involved in selling waste oil for burning, said the EPA's final regulations will impose costs on those companies for upgrades, such as building berms or containment walls to catch spills, but are reasonable. He denied claims the EPA is giving oil-burning companies an unfair edge. "The EPA is, in essence, saying let the market compete, let the marketplace choose," he said.

Wdg
8-12-92



MOULDED FIBRE TECHNOLOGY INC.

82 SCOTT DRIVE WESTBROOK, ME 04092 TEL 207 772 5535 FAX 207 772 4131

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THE WALL STREET JOURNAL MONDAY, JUNE 1, 1992

ENTERPRISE

Small Companies See Growth Potential In Preventing Environmental Problems

By DAVID STIPP

Staff Reporter of THE WALL STREET JOURNAL
Some of the hottest companies in the environmental industry hope to clean up in ways other than cleaning up.

The pollution-fighting business long has been the environmental industry's mainstay, accounting for the lion's share of revenues. But now some rising stars belong to a new breed of businesses more concerned with preventing future pollution sins than correcting past ones, says Jeffrey Leonard, president of Global Environment Fund L.P., a Washington, D.C., investment partnership.

As much as half of U.S. environmental spending by the year 2000 will spring from "nonregulatory" factors rather than from anti-pollution laws, Mr. Leonard says. Examples include efforts to make manufacturing processes more efficient, to conserve energy and to meet consumer demand for nonpolluting, "green" products.

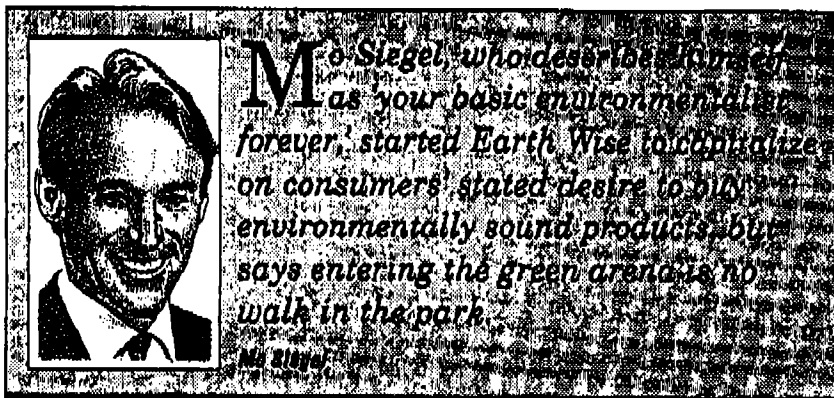
Besides trimming manufacturing waste, the ounces of prevention offered by the new breed will save companies pounds of cure for environmental problems — a particularly attractive combination of pluses when corporations are emphasizing cost containment. Sums up Michael Silverstein, a Philadelphia author who writes about the environmental industry: "The real action is going to be in avoiding environmental expenditures rather than making them."

The new field should be especially fertile for entrepreneurs. Rather than deep pockets or high-tech patents, it mainly will require the ability to identify emerging social trends regarding the environment and to quickly harness existing technology to meet demand created by the trends, Mr. Leonard says. But it also will have pitfalls, such as consumer reluctance to pay more for green products. Here are snapshots of three of the new breed.

DESIGNING 'INTERIOR PACKAGING'

Some of the fastest-growing components of trash — such as plastic packaging — are among the hardest to recycle. To environmentalists trying to foster more recycling, that's a headache. To Moulded Fibre Technology Inc., it's a business opportunity.

Formed about a year ago, the closely



held Westbrook, Maine, company makes "interior packaging," the material inserted in product boxes to surround and protect what's inside. Currently such protective packaging is typically made of polystyrene, a plastic seldom recycled. Moulded Fibre's alternative is Reflexx, a material made from recycled newspapers and water using a proprietary process invented by its co-founder Roger Baker. "It's akin to the process used to make egg cartons," says Peter Troast, the company's managing director.

Moulded Fibre's packaging is made entirely of recycled material and is itself easily recycled, claims Mr. Troast. "Our molded inserts can be recycled in any newspaper recycling network," he says. By contrast, to recycle polystyrene packaging samples that Moulded Fibre's customers send it as models, "our only choice at this point is to ship it to a center in Glens Falls, N.Y., where they charge us \$7 a pound," he adds.

Moulded Fibre's future looks bright partly because of growing public pressure to recycle packages, which account for about 30% of trash. In Massachusetts, legislators are considering a bill that would require packages to meet recyclability standards, such as the inclusion of certain percentages of recycled materials.

"Since our products are made of 100% recycled material, we can help a lot with the battling average" on recycled-content standards that companies may soon have to meet, Mr. Troast says.

Reflexx's biodegradability also appeals to customers. A spokesman for Shiva Corp., a Cambridge, Mass., seller of computer peripherals, says that's largely why his company packages modems in the material.

Mr. Troast says his company's packaging is comparable in price and performance to polystyrene. In some cases it

damps vibration and protects products better than polystyrene does, he claims. But packaging made of a spongier plastic called polyurethane is more resilient than Reflexx, and hence may work better for protecting very fragile items.

Reflexx also is "gray-looking stuff" which may limit its use with "slickly packaged" products that are put on display in stores, says Mr. Troast. On the other hand, some environmentally correct customers think Reflexx's "look is aesthetically superior. They even ask us not to grind up the newspapers so much so that the letters will show" after the papers are recycled into packaging inserts.

IN SEARCH OF GREEN CONSUMERS

Mo Siegel, a founder of tea maker Celestial Seasonings, calls himself "your basic environmentalist forever." So it's only natural he'd let his predilections hang out in a business venture, Earth Wise Inc.

The Boulder, Colo., company is one of many commercial sprouts planted in the past few years to capitalize on consumers' stated desire to buy environmentally sound products. Interest in such products was near a peak in 1990 when the company launched its first contenders: detergents that biodegrade readily and trash bags made from recycled plastic. Last year it

especially vulnerable during a recession. One reason for Earth Wise's higher prices is that detergents that both biodegrade rapidly and clean as well as traditional alternatives require a "complicated blend" of materials that are relatively costly, Mr. Siegel says.

Skepticism about the benefits of purported green products represents both a problem and an opportunity, says Mr. Siegel. Hype by some makers of green products robs the segment of consumer trust. But companies whose products stand out as environmentally beneficial when scrutinized by government regulators or consumer groups will gain a major competitive advantage. "I'm totally in favor of a crackdown on exaggerated environmental claims," he says.

Perhaps the biggest problem for emerging green-products companies will be getting shelf space. Grocery chains typically charge companies "slotting fees" of \$10,000 or more to carry their products in a few stores in one town, Mr. Siegel says. Such fees can be prohibitive for small companies. "We calculated our product line would cost \$1.5 million just to get into Boston," where a number of chains operate, he says.

Earth Wise now sells mostly through natural-food stores, which don't charge

W demand-side management programs aimed at getting their customers to use less electricity. Among other things, they are helping to pay for their commercial customers' purchases of compact fluorescent light bulbs, high-efficiency motors and other energy-saving equipment.

Utilities are farming out much of the consulting and installation work associated with demand-side management. Xenergy Inc., Burlington, Mass., is one of a number of companies formed to take advantage of this growing market for "energy services."

Formed in 1975, closely held Xenergy was one of the first companies to enter the energy-conservation business. Now it's growing explosively: Revenue jumped some 80% last year to more than \$20 million; the company's work force almost doubled to about 250. "I can't get people fast enough," says Stanley Kolodkin, co-founder and president.

Xenergy's role in demand-side programs typically begins with an "energy audit" of a utility customer's facility to identify the most effective ways to save electricity; everything from elevator motors to ventilation fans might be taken into account. Xenergy's analysis becomes a blueprint for installing energy-efficient

mand-side management fading," says Steven Tadler, an energy-services expert at Advent International, a Boston venture-capital concern that invested \$4 million in Xenergy last year. "It's going to be very hard for utilities to site new generating plants" due to environmental and community concerns, prompting them to focus more on limiting demand for power than on expanding its supply. That, of course, will mean more business for companies like Xenergy.

One of Xenergy's strong suits is high-efficiency lighting, says Andrew Schon, vice president. The company has installed 28 lighting technologies in its headquarters, including novel energy savers such as high-efficiency fluorescent lights that automatically dim when the sun comes out and brighten when it sets or is obscured by clouds.

Popular Science

JULY 1992

Science Newsfront

GUILT-FREE PACKAGING

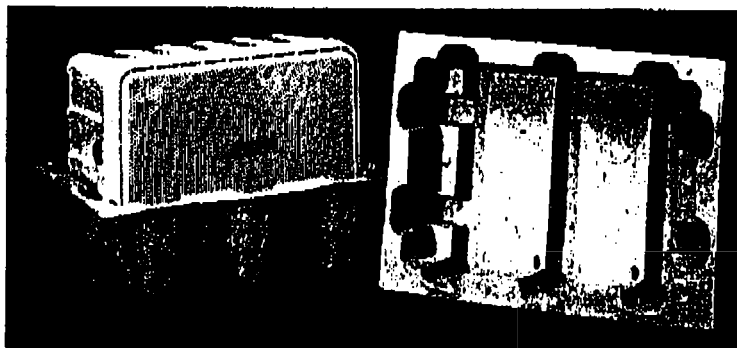
A substitute for plastic-foam packaging could also help with the recycled newsprint glut. Produced by Molded Fibre Technology (MFT) of Westbrook, Me., the new packaging material is created entirely from ground-up newspaper and water. It's similar to what egg cartons are made of. What comes out of MFT's repulping and molding processes, however, is formed to complex, tightly customized specifications and rivals extended polystyrene in cushioning ability.

"If a camera manufacturer comes to us and says, 'This camera needs to be able to survive 50 g's of force,' we deploy a number of different shapes in the product to be able to deliver that kind of protection," says Peter Troast, managing director of MFT. The material equals the performance of plastic foams in United Parcel Service drop tests, and it exceeds plastic in damping vibration—a more pervasive shipping problem, according to Troast. He cites a cos-

metics manufacturer who saw 34 percent of his eye-shadow products crumble in transit. MFT's molded-fiber packaging brought that figure down to 10 percent.

Each carton's design starts at the computer of a packaging engineer, who models the carton in three dimensions. The modeling data are transmitted to a computer-controlled milling machine that works along three axes, cutting out an aluminum mold. Repulped newspaper is vacuumed into the mold; the water is then vacuumed out. The thick forms that remain are conveyed through dryers.

MFT's packaging complies with the most stringent recycling requirements likely to be implemented in the United States or abroad—including the German Green Point Law, which requires manufacturers to assume responsibility for the disposal of their packaging. It also costs less to produce than extended polystyrene packaging. —Ellen Muraskin



Custom-shaped, a new packaging material made from recycled newspapers is itself recyclable. The new material cushions cargo as effectively as polystyrene.

Opportunity Lies in Preventing Pollution Problems

became a unit of Celestial Seasonings when Mr. Siegel — who had left Celestial Seasonings in the mid-1980s to travel the world — rejoined the closely held tea company as chief executive and sold his new environmental business to it.

Entering the green arena is no walk in the park, Mr. Siegel says. For one thing, there's "a major gap between what people say they want" in the way of green products and what they're willing to spend more for, he says.

Green products often cost more than traditional alternatives, making them

slotting fees. To give the company a second wind, Mr. Siegel is considering folding it into a joint venture with a large consumer-products company. But he remains optimistic about the business's long-term outlook.

HELPING UTILITIES CONSERVE

One of the fastest-growing of the new environmental segments is the energy-efficiency business.

In the past few years, U.S. electric utilities have committed billions of dollars to "demand side management" programs

equipment and helps determine how much of its cost the utility will cover under its demand-side program. Xenergy then arranges the installation of the equipment and tracks the energy saving.

With their niche's electrifying growth rate, energy-services businesses are experiencing growing pains. Perhaps the biggest problem is their heavy reliance on utility programs to foster energy efficiency. Many of the programs are still in the pilot phase, and hence are subject to sudden cutbacks.

Still, "we don't see the push for de-

BusinessWeek

FEBRUARY 17, 1992

Developments to Watch

EDITED BY FLEUR TEMPLETON

ALL THAT NEWSPRINT IS FIT FOR PACKAGING



Recycling has been so successful that the market is flooded with old newspapers. Molded Fibre Technology Inc., a tiny startup in Westbrook, Me., has an answer: a process that lets recycled newsprint replace plastics for many kinds of packaging.

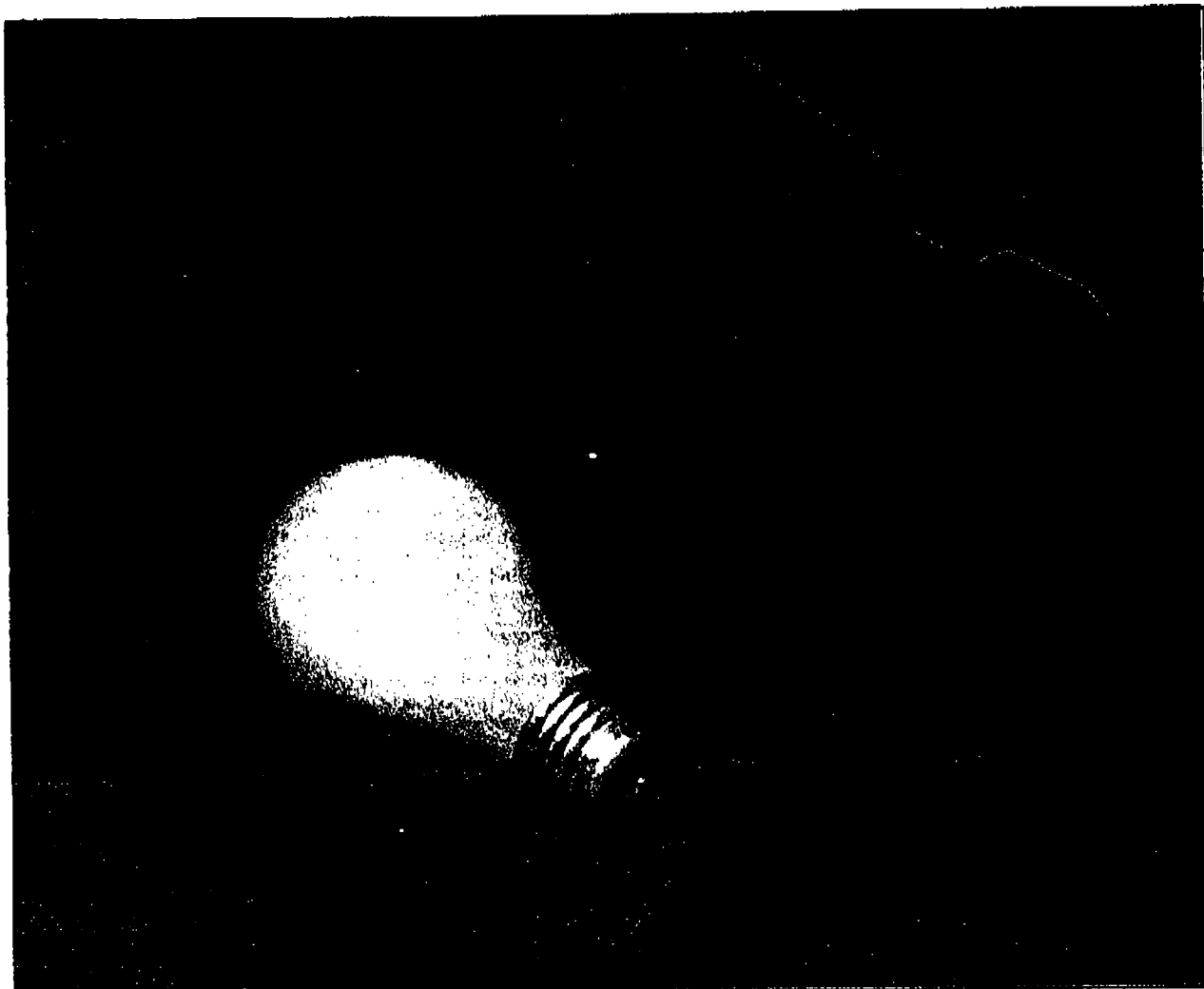
The company refined a century-old process—called repulping—that has been used for mak-

ing things like egg cartons. Newsprint is formed into papier-mâché slush, then vacuum-molded and dried. MFT uses interlocking molds in a single production run to turn out everything from baking trays to camera or cosmetics cases. The approach is even cheaper than plastics. Shiva Corp. in Cambridge, Mass., which previously shipped its computer modems in \$2 Styrofoam blocks, now buys recycled newsprint cushions from Molded Fibre Technology for 68¢ each.

PORTLAND
Press Herald

Business Tuesday

Portland Press Herald, Tuesday, April 30, 1991



Staff photo by Doug Jones

The "molded pulp" process uses recyclable products — newspapers — for the packaging, which itself is recyclable.

Closing in on alternative to polystyrene packaging

● A Westbrook firm comes up with a way to turn newspapers into precise molded containers.

By CLARKE CANFIELD
Staff Writer

WESTBROOK — On a table in a small conference room sit boxes filled with cookies, colognes, coffee mugs, toys, soap, a camera and other consumer goods. From outward appearances, they seem totally unrelated.

But these products have two things in common. First, they are in boxes that have plastic packaging — primarily polystyrene — for protection. Second, the manufacturers of these products are looking at alternatives to plastic to use as a packing material.

Moulded Fibre Technology Inc., a fledgling company located in a warehouse on Scott Drive, may have the answer. The company has developed a way to grind up ordinary newspaper, mix it with

water and mold it into a variety of shapes that company officials say can be viable replacements to the plastics that are commonly used in the packaging of thousands of different products.

Since it started marketing the idea around the country earlier this month, Moulded Fibre Technology has heard from dozens of companies interested in the process. It is now working with Pepperidge Farm, Benetton Cosmetics Corp., Milton Bradley and Tyco toy companies, Polaroid, GTE and other firms on individualized prototype packaging designs.

It plans to begin manufacturing within the next week using a huge molding machine that cost more than \$1 million.

Moulded Fibre officials say the "molded pulp" process is good for the environment because it uses recyclable products — newspapers — for the packaging, which in turn is itself recyclable. At the



Roger Baker, developer of the process, and Peter Troast, managing director, at Moulded Fibre Technology, which hopes to begin production within the next week.

same time, manufacturers can cut costs because the packaging is less bulky and easier to get rid of than plastic.

"Our purpose is to provide

packaging that combines first-rate cushioning performance with the highest level of environmental

Please see PACKAGE, Page 9B



BUSINESS

A fledgling Westbrook firm comes up with an alternative that could replace polystyrene packaging. 1B

BUSINESS JOURNAL

PACKAGE

Continued from Page 1B

responsibility at a cost that is less than most plastic foams," said Peter Troast, managing director of the company.

Moulded Fibre Technology is clearly a product of the environmental awareness that is so pervasive today, as attention focuses on recycling and waste reduction.

Polystyrene has long been a darling of manufacturers for its light weight and effective cushioning that protects packaged products. The plastic is commonly used to package thousands of different things, from electronic components and other consumer goods to food items such as trays for meat in supermarkets and, until recently, McDonald's hamburgers.

In recent years, however, polystyrene has become a favorite target of environmentalists who say it is environmentally unsound. Some states have enacted legislation banning or restricting polystyrene, and some countries have passed laws restricting the import of products with polystyrene packaging, said Joseph Grygny, a packaging consultant in Milwaukee.

"In the public's mind, polystyrene is 'the bad guy,'" said Grygny, who has served as an advisor to state legislatures on solid waste disposal issues and serves as an officer with packaging organizations.

Although polystyrene is recyclable and is a relatively clean product, manufacturers are looking for other means of packaging.

"They're trying alternatives," Grygny said, "and the reason they're trying alternatives is because of the public's perception of polystyrene."

ENTER MOULDED FIBRE Technology, the brainchild of Roger J. Baker, an engineer by trade who has entered into a venture with the Sandy River Group, a health care and environmental business development company in Portland.

Baker has developed a machine that grinds up old newspapers and mixes them with water to form a textured liquid, which is then sucked onto a mold with a vacuum. The water is then vacuumed off of the mold, leaving the ground-up newspaper on it to form whatever shape the mold is.

The molded product is then dropped onto a conveyor belt which runs through a huge oven-like heater. When dry, the finished product is made of thick paper, coarse in texture similar to an egg carton.

Baker says the product is as good - if not better - than polystyrene in cushioning products so they don't break while being transported. But the molded pulp packaging can also reduce costs for manufacturers, he says, because it is less bulky, and therefore takes up less space, than polystyrene.

Melinda Larson, a senior editor at Packaging magazine, a Chicago-area trade publication for packaging companies, agrees that the

product could catch on quickly, but only if it effectively does what it is supposed to do - provide protective cushioning for products.

"If that's true, they've got a real tiger by the tail," Larson said. "But it's got to perform. If it provides that cushioning, they'll make a million bucks."

ONE COMPANY SERIOUSLY interested in the product is Benetton Cosmetics Corp. in New York, which has sent Moulded Fibre Technology boxes of cologne bottles to see what can be developed as alternative packaging.

Robert Cassaday, Benetton's packaging director, said his firm now uses PVC plastic to cushion its boxes of bottles when they are shipped to retailers, but is looking to get away from plastics.

"I think the MFT people really have the right idea," he said. "I think more and more consumer companies, such as ours, will get behind them."

Grygny, in Milwaukee, agreed there could eventually be a huge market for molded pulp packaging because the product uses little material in the first place, is reusable, uses recyclable products and appears to be cost-effective.

"There are many other people in the country aware of this, who haven't had enough chutzpah, guts, interest, dedication... to do it," he said.

There are other companies in the country that make molded pulp products, but Grygny said Moulded Fibre Technology stands apart from them.

There are two types of companies, he said, that are in the molded pulp business. One type, such as egg carton manufacturers, uses highly specialized, costly equipment that manufacture millions upon millions of the same item.

The other companies are known as "shushers," and use inexpensive machines that turn out imprecise products such as nursery pots and corner pads to protect furniture.

BUT MOULDED FIBRE Technology, he said, is unlike other companies because it will provide precise packaging designed to specification, for any of hundreds of products rather than just specialty items.

"They are filling a very big gap in our industry," he said. "They are the only ones, that I am aware of, that are doing this."

Back at Moulded Fibre's Westbrook plant, Troast and Baker sit around a table with Mitch Caplan, marketing director, and Robert D'Amore, a consultant who has worked on packaging issues for years.

In front of them are boxes with soap, a camera, cologne, and other products, sent to them by manufacturers interested in molded pulp packaging. D'Amore said the molded pulp concept is simple, but nobody knows how to do it.

"We've returned to the basics with a high-tech approach," D'Amore said. "Everything is high tech, except for the final product."



Does anyone want cardboard? The incinerator, perhaps.

MAINE TIMES 7/31/92

Big supply, low demand

How soon can Maine really begin recycling?

By CHRISTINE KUKKA
Photography by Robert Sukaty

THE CURRENT MARKET is so bad that Maine's dairy cows have become one of the major newsprint recyclers in the state.

The city of Augusta pays Pittston dairy farmer Ronald Webb \$35 per ton to take its old newspapers and phone books, which he grinds up, uses as bedding for his Guernseys and Holsteins and later composts.

Demand for waste paper and plastic is so weak in York County, Sanford can't afford to start up a recycling program though town officials know it's "the right thing to do."

Despite state mandates and public support, the lack of markets means much of what individuals think they are recycling is either being burned, buried or stored in warehouses.

"The public really needs to look at the economic realities of recycling," said Regional Waste Systems (RWS) recycling director Eric Root. "Maybe while the market is down we should focus on household composting to cut down on the waste stream or just recycle what there's a market for. The state shouldn't be forcing towns to recycle if there is too much supply and not enough demand."

"I know it's politically incorrect

to question recycling," said Biddeford commercial recycler and former Board of Environmental Protection Chairman Samuel Zaitlin, "but during a time of limited budgets, do we want to spend money on recycling and storing things there is no market for? If we do, that means less money for caring for the elderly or child abuse or education. It all comes out of the same pocket."

Four years ago, Richard Hosterman, a retired resident of Bethel, attended a state-sponsored informational meeting on recycling. "I remember asking the person who gave the talk, 'If 200 Maine towns suddenly start recycling, who is going to take all their stuff?'"

"They told me there would be markets springing up for it," he recalled. "They were very confident."

"WE have transferred our landfills from underground to above ground storage."

Hosterman's skepticism was not openly shared by recycling planners. On the other hand, no one in the industry expected the looming recession, a sudden glut of recyclables, and a far-away war in Kuwait that would cripple the movement.

The Maine Waste Management Agency was established in the fall of 1989, just in time for the recession, executive director Sherry Huber wryly observes. Huber's agency distributed \$7 million to 240 towns to buy balers and trucks to set up recycling programs. But the market for recyclables began to falter just as Huber's agency was getting on its feet.

Business budgets for research and de-

velopment of ways to recycle plastics were hurt by the recession and the ensuing credit crunch. The plastics industry's effort to reprocess and reuse its product is faltering. One plastics expert recently admitted to Congress that plastic recycling companies landfill or burn nearly half the plastic returned to them.

THERE is an avalanche of supply and only a whisper of demand.

When the Gulf War broke out in 1991, the container ships that had been carrying waste to European recycling markets were redeployed to the Persian Gulf. Brokers are only now starting to reestablish business relationships with those foreign reprocessors.

"And everyone jumped on the recycling band wagon at once, which created a glut on the mar-

ket," lamented Peter J. Bolduc Jr., the 26-year-old owner of Great Northern Recycling in Lewiston.

Great Northern Paper's plan to build a newspaper reprocessing plant in Maine, which would open up a demand for waste newsprint, was delayed during buyouts by Georgia Pacific and later Bowater Inc. Bowater is now building the plant in East Millinocket and expects to begin processing newsprint next summer.

Keyes Fibre in Waterville, which converts newsprint into egg cartons and food trays, decided to move this division to Indiana and was scheduled to shut down its Maine operation in July.

Faced with falling demand, the price for old newspapers dropped 40 percent last year and so did many towns' recycling revenues.

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Recyclables, experts explain, must be viewed as commodities, like pork bellies or soybeans. The price paid for recyclables depends on supply and demand. And currently, there is an avalanche of supply and only a whisper of demand.

"Historically, foreign interest in these products served as a floor to the recycling market," said Zaitlin. "But all the mandatory recycling programs have simply dumped material onto the market without any particular heed to supply and demand factors."

"We've basically transferred our landfills from underground to above ground storage," he added.

The corrugated cardboard market is so slow that Zaitlin has been sending some of the cardboard he collects from local businesses to the Maine Energy Recovery Co. Incinerator to burn. "We don't have the space to store it and most of our mills are only taking a couple of loads a week," he said.

The volume of waste paper that Zaitlin has been taking to the Maine Energy Incinerator increased from 59 tons during November and December of 1990 to 154 tons during the same time period in 1991.

And Zaitlin is not the only "recycler" burning more waste at incinerators. Maine Energy officials report an increase in corrugated cardboard sent by municipal and commercial customers.

Some recycling brokers have stopped taking certain grades of paper from small towns that don't have the volume to justify the broker's transportation costs.

Many towns which have the warehousing space are stockpiling plastics and other products in hopes the market will recover or that eventually they will have enough to justify a visit by a broker.

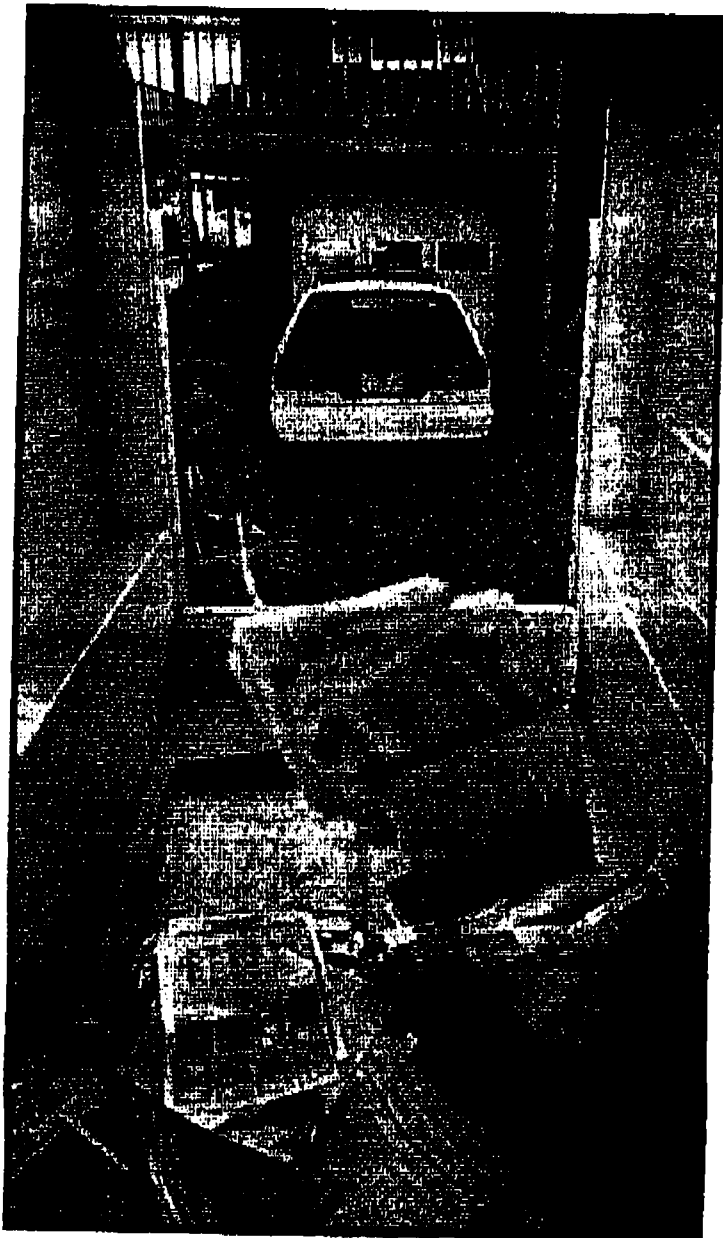
But stockpiling has its risks. Paper exposed to the sun cannot be recycled, according to brokers, because fibers lose their flexibility. Plastic also loses recycling value if bleached by sun.

The soft market means towns without storage facilities can't implement a recycling program until the market improves.

"We recycle glass and tin," said Marcel Blouin, director of Sanford's public property program, "but we don't have dry storage space for newspapers, so right now all of our paper goes to the incinerator."

"Zaitlin was picking up our computer paper, but he just stopped because we weren't generating enough," Blouin added. "So now the school custodians take it home for their kids to draw on."

"Without an industry creating a demand for this stuff, there's nothing we can do," Blouin lamented.



Kennebunk Beach has curbside pickup for old newspapers. They're a drag on the market.

"Once the de-inking plants are built and printers start using more recycled paper, things will get better. But right now, I guess it's still cheaper to harvest trees."

With Keyes closing and few other recycling plants opening up, the past year has proved to be the "lowest low" for recyclers.

Officials don't want to suspend a recycling program and then a year later have to tell residents to separate their trash.

"I don't expect anyone to tell us to stop recycling," said Root of RWS. "But we owe the public a full disclosure."

Continued on the next page

THE market has been so bad that Regional Waste Systems in Portland has stopped collecting colored plastics...

The market has been so bad for plastics that Regional Waste Systems in Portland has stopped collecting colored plastics, even though the butter tubs and other containers are imprinted with the code required by state law that identifies the plastic as recyclable.

"There is no way to increase the market while everyone is pumping up the supply," said Kennebunk Town Manager Richard Erb. "We had a much better market for recycling years ago when there were fewer towns recycling. Now we're losing money hand over fist."

Kennebunk has a special recycling truck, purchased with the help of a state grant, that goes door-to-door each week to pick up recyclables deposited in special plastic bins donated by Tom's of Maine.

Last year, the town recycled about 1,000 tons and Erb estimated it cost the town \$15,000 more to recycle than to send the items to Maine Energy. This year, the cost to taxpayers is likely to increase given the low prices for newsprint and plastic.

"The plus side of recycling is our waste stream has declined over the years," Erb said, "and we continue to get about \$400 worth of returnable cans and bottles each month from tourists who don't know there's a bottle law in Maine."

Despite the high cost of recycling, municipal officials say there is no public outcry to cut back. "I think the public support will carry us through this down market if there are better days ahead," Kennebunk's Erb said.

"It may be very short-sighted to drop a program just because there is a lot of flux in the market," Erb said.

Officials don't want to suspend a recycling program and then a year later have to tell residents to separate their trash.

"I don't expect anyone to tell us to stop recycling," said Root of RWS. "But we owe the public a full disclosure."

Continued on the next page

Next Week in Maine Times

With the parking lot full of cars, in this economy, more and more people are turning to the business of recycling. But what if you don't have a car? Can you still recycle? Find out in this week's article.

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Recycling

Continued from page 3

sure of what the real costs are. Recyclers get so excited by the concept, that sometimes they judge the figures."

RWS's recycling revenues have dropped 30 percent per ton in the past year. Recycling brokers say they have to work three times as hard to find markets that are paying half as much as they did two years ago. Many of the markets are now hundreds of miles away.

"If only we were closer to Pittsburgh, we could get some great prices for our metals," said Hosterman of Bethel. "But after you pay transportation costs, you end up losing money."

Instead of hauling their newspapers 75 miles to Keyes Fibre in Waterville, RWS and other brokers like William Goodman and Sons in Scarborough now send their newspaper to reprocessing plants in Quebec and New Brunswick.

Canadian trucks that haul peat moss or fresh newspaper to New England markets now return loaded with Maine's old newspapers. Due to transportation costs, RWS now nets only \$10 to \$15 per ton for newspaper. Two years ago, it netted \$25 to \$30 per ton.

"What everyone has been focusing on is the supply side of recycling, as if creating this surplus will generate a demand, which is a naive assessment of how markets work," said Root. "Entrepreneurs need to see that this supply will be there 20 years from now, which means it has to be driven by more than political enthusiasm."

Huber contends that generating a consistent supply of recyclables in Maine will eventually create demand. "It's a chicken and egg thing," said Huber. "A company

that is considering using a recycled item needs to be assured that the source is not going to dry up. Mandating recycling creates an industry and that supply."

Creating and encouraging industries that will demand these products is more difficult than generating supply, she admits. "I hope once the recession is out of the way we'll be much more successful."

Recycling brokers fault state officials for not working harder to attract recycling plants that can provide the demand Maine needs for its stockpiles of paper and plastic.

Bowater's \$60 million plant, which was expedited by state agencies, will convert 140,000 tons of newspapers a year. Mainers recycle about 15,000 tons of newspaper a year and state officials hope to boost that number to 20,000 by the time Bowater is operating at full capacity.

Bowater's demand for newspaper is expected to boost used newspaper prices to \$50 per ton in a year, up from \$15.

Brokers want the state to do more to boost demand. They want to know where the state was when Windham residents, fearing environmental problems, voted against granting Stone and Webster a tax break on a proposed de-linking plant that would convert 250 tons of waste office paper a day into recycled pulp.

"Governor McKernan and Huber should have been in Windham holding educational seminars for those people so they'd approve it," said Michael Fenton, project manager of Goodman and Sons. "Mills aren't like they were in the early 1900s any more."

Gov. John McKernan himself called Stone and Webster executives to encourage them to locate the \$55 million newspaper recycling plant in Maine, and Huber, Department of Environmental Protection Commissioner Dean Marriot, and Economic and Community Developer Commissioner Michael W. Aube all

An average Mainer's household waste by weight

All paper — 32.9 percent

Food waste and other organics — 29.2 percent

Miscellaneous (toilet paper and household hazardous waste) — 8.4 percent

Plastic — 6.7 percent

Textiles — 4.2 percent

Glass — 4.1 percent

Paper, plastic and metal packaging — 4 percent

Disposable diapers — 3.7 percent

Pet litter — 3.5 percent

Metal — 3.3 percent

Source: Preliminary results from a 1992 University of Maine and Maine Waste Management Agency study of 14 communities.

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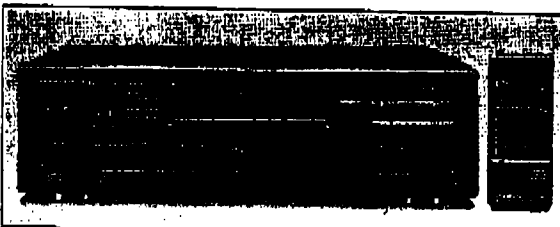
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travelled to Boston to provide personal assurances to Stone and Webster officials.

"We didn't get involved in Windham because town officials asked us not to," Huber said. "They felt they had a strategy that would work. I wasn't going to inject [us] into a situation unless we were wanted."

Stone and Webster is now considering sites in Portland, Auburn, Lewiston and Presque Isle to be close to the paper-making mills that will use their recycled pulp. But an out-of-state site remains a possibility.

Huber added that her agency will soon be offering 80 percent tax credits to recyclers that use primarily Maine waste.

There are other strategies as well.

In Massachusetts, the Public Interest Research Group is pushing a recycling initiative intended to shift the burden of solid waste reduction, disposal and recycling onto the manufacturers instead of the municipalities.

Huber balks at such radical requirements. "Thirty percent of the paper state government buys must be recycled," she said, "and we are considering voluntary labelling standards before a manufacturer can claim his product is made from recycled material. I think people want to buy recycled items and I think companies will try to meet that demand without any legislative mandates."

Peter Tröset, managing director of Moulded Fibre Technology in Westbrook, which makes packaging for companies like American Honda and Bose out of waste paper, thinks government should be more aggressive. "Who should be responsible for waste? Should it be the poor municipalities, or should it be the company that created the waste?" he asked. "In Germany, when you buy a Sony Walkman, you take it out of the box and leave the (plastic foam) packaging at the store and it's returned to the manufacturer for disposal or recycling."

"When you have a policy like that, you shift the burden onto the manufacturer," he explained, "and the company's packaging decisions become totally different. They want to make sure their packaging will be recycled. Suddenly a whole new demand for recycled items springs up."

Brokers and recyclers are betting that an upswing in the paper recycling market is on the way. Bolduc predicts that paper mills will soon be retrofitting to produce recycled paper as more states demand it. Soon, Bowater and the Canadian de-inking plants may be in a bidding war for New England's old news.

If towns can hang in with recycling for at least one more year, and if government boosts demand for recycled goods as it now mandates supply, brokers predict today's cow bedding could be tomorrow's cash cow.

"ONCE the de-inking plants are built and printers start using more recycled paper, things will get better. But right now, I guess it's still cheaper to harvest trees."



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Press Release

SIERRA CLUB

CONTACT:

FOR IMMEDIATE RELEASE
September 17, 1991

CONTACT: Roni Lieberman
202-547-1141

BUSH ADMINISTRATION RENEGES ON CAMPAIGN PROMISE BY OPPOSING RECYCLING, SAYS SIERRA CLUB

WASHINGTON, DC -- Sierra Club today expressed great frustration with the Bush Administration's opposition to nationwide recycling. EPA Administrator William Reilly testified today before the Senate Environment and Public Works Committee against a national recycling program by opposing "The Resource Conservation and Recovery Act," S. 976, sponsored by Sens. Max Baucus (D-MT) and John Chafee (R-RI). S. 976 would require a modest nationwide recycling program, and would help develop markets for recycled materials.

Administrator Reilly's testimony directly contradicts a campaign promise to support nationwide recycling made by Presidential candidate Bush in 1988. Bush wrote in Sierra magazine's November 1988 issue that "As president, I would pursue a national recycling and source-reduction strategy."

"The Bush Administration opposes nationwide recycling while our garbage piles grow," said Daniel J. Weiss, Washington Director of the Sierra Club's Environmental Quality Program. "While Americans try to recycle their garbage, the Bush Administration continues to perpetuate the throw-away society."

The Bush Administration resisted other efforts to recycle materials and prevent pollution by killing EPA's proposal to require recycling in communities which build garbage incinerators. (See attachment, p.4)

--30--

SIERRA CLUB



408 C Street, N.E. Washington, D.C. 20002 202-547-1141

December 21, 1990

President George Bush
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President,

We strongly urge you to reverse the decision by the Presidential Council on Competitiveness to withdraw the Environmental Protection Agency's modest trash recycling program. EPA's proposal would have required municipalities which are planning to build garbage incinerators to recycle one quarter of the trash that would have otherwise been burned. This proposal would have reduced air pollution, saved materials, and reduced energy consumption.

EPA's recycling proposal was fairly modest. It required only one quarter of the waste stream to be recycled instead of burned. We believe that much more ambitious recycling rates can be achieved for glass, plastics, aluminum, yard waste, paper and other materials. For instance, we could achieve a national goal of recycling 80 percent of glass and paper waste by the year 2000. In addition, incinerating many of these items is extremely inefficient because they consume more energy than they produce when they are burned.

Opponents of recycling argue that there not adequate recycling facilities available or markets to sell recycled products. EPA's recycling proposal would have helped overcome these hurdles by establishing a reliable level of recyclable materials for the recycling industry. Consumers are eager to buy recycled products. According to a recent gallop poll, 80% of the consumers polled would buy food or beverages in recyclable containers before those in non-recyclable ones.

In fact, EPA's recycling program was similar to your bold Clean Air Act proposal to mandate the production of alternatively-fueled vehicles. The recycling program would have also helped "jump start" an emerging environmentally sound industry by providing a base level of raw materials and market to build on. And like your alternative fuels proposal, the recycling program would have reduced air pollution and saved energy.

Last year, the Office of Management and Budget approved EPA's recycling proposal. Unfortunately, the Presidential Council on Competitiveness, chaired by Vice President Quayle, responded to industry pressure and overturned this decision.

"When we try to pick out anything by itself, we find it hitched to everything else in the universe."
National Headquarters 350 Folsom Street, San Francisco, California 94102 (415) 774-1200

We are very troubled by the Council's response to industry pressure because the oil, auto, and other industries are already pressuring your Administration to undermine the Clean Air Act of 1990 by issuing weak regulations which are inconsistent with the spirit or the letter of the law. We strongly urge you to overturn the Council's recycling decision to send a signal to recalcitrant industries that your administration intends to vigorously enforce the Clean Air Act and other public health and environmental laws.

Sincerely,

A handwritten signature in cursive script, appearing to read "Susan Merrow".

Susan Merrow
President

A Nation's Recycling Law Puts Businesses on the Spot

Packers in Germany raise prices and form a private system.

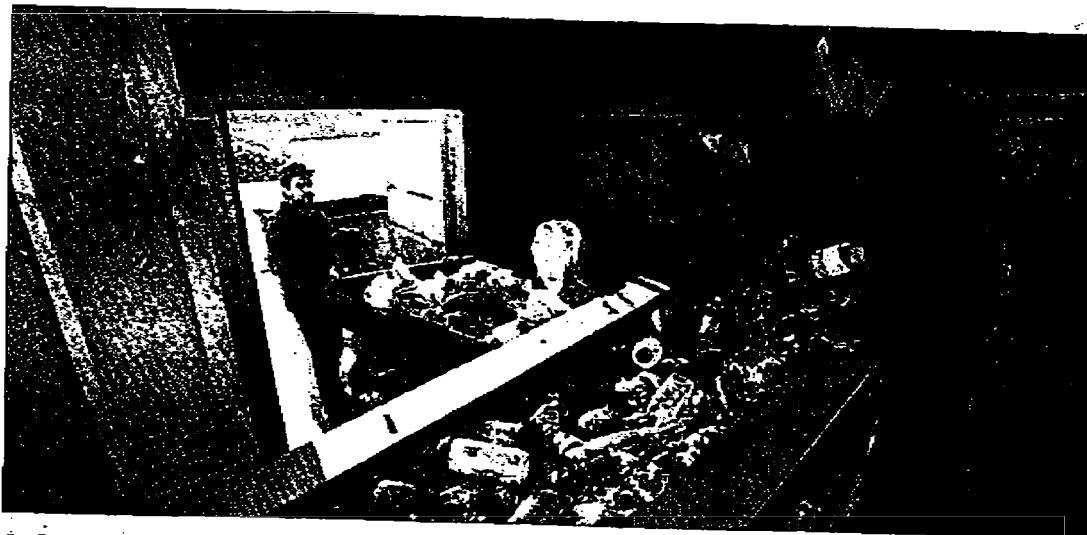
By FERDINAND PROTZMAN

WHEN Germany became the first nation to require business and industry to collect and recycle the cans, bottles, cardboard, paper and plastic used to package their products, government officials hailed the move as a revolution. But as the controversial private recycling system that sprung up to meet that mandate gains momentum, Germans are finding that such pioneering change is neither cheap nor simple.

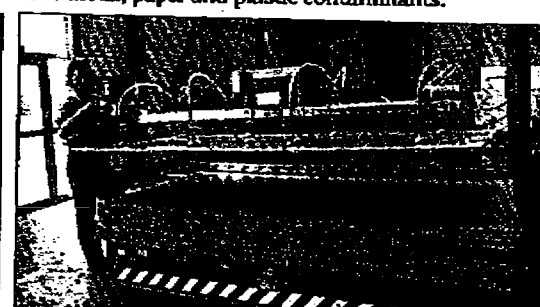
The nation's new packaging law set up a process that began last December with the requirement that businesses take back and recycle packaging used in transporting their products, such as the crate containing a bicycle. On April 1, businesses became responsible for collecting and recycling all superfluous packaging, like the cardboard boxes for toothpaste tubes. By next Jan. 1, an average of 50 percent of all consumer products packaging will have to be recycled; the law dictates higher percentages for glass and other easily recyclable materials and lower ones for plastic and composite materials. The recycling average for all materials must rise to 80 percent by mid-1995.

After a rough start, collection is going well and the amount being recycled is rising steadily. Although industry quickly passed its added costs on to consumers through higher prices, there has been little grumbling from the public because of its willingness to support environmental measures.

But the actual recycling remains problematic. There are not enough plants for some materials, like plastics, and recycling them is often prohibitively expensive. For other materials, like beverage cartons combining



In Gerresheim, outside Dusseldorf, glass is sorted to remove metal, paper and plastic contaminants.



Recycling dumpsters in Bonn, left, and turning wood chips and cardboard into pressed board in Diez.

COLLECTING

By Jan. 1, '93

Cardboard 30

Paper 30

Tinplate 40

SCRTING*

By Jan. 1, '93 July 1, '95

Cardboard 60 80

Paper 60 80

Tinplate 65 80

Composite materials

If he is right, the law could become a historic high-water mark, indicating when the tide of waste that has risen steadily during the industrial age finally began to ebb. The law's creators see it as leading to the recycling or reusing of almost all Germany's manufactured products. Already auto makers like Volkswagen and Adam Opel, the German subsidiary of General Motors, are

Enter the Duales System, operating on an

[illegible]

Environmentalists in Germany and abroad contend the German law puts too much emphasis on recycling rather than

"I don't think the present system of financing is very encouraging," says the speaker. "You won't become successful in your business unless you produce something." Field H. Dean, speaker, a parliamentarily deputy from the Soviet Union. "The producers have to offer to market on this as well. They could use no composite materials, for example. But there is no sign of that. The reason is money. Under the current system, the citizens are paying all the costs."

Mr. Stroomer thinks the problems will sort themselves out as the system is refined. And if the European Community or the United States comes up with a more efficient scheme, so much the better. If nothing else, Germany's packaging law has brought the subject of recycling to the fore in the industrialized world.

References

"The system is reasonable," said Ludwig von Weizsäcker, a 38-year-old systems manager for Siemens A.G. "I think most of us don't

"The amount of packaging is crazy when you really look at it," Mr. von Weryk said, as 4-year-old Daniel put a plastic cola bottle in the bin. "Everyone wants convenience and luxury; no one wants to give it up. But we have to do things with more environmental consciousness. We have to consider the consequences."

PM-Gore, 1st Ld-Writethru, a0462,690<

Gore Praises German Law Require Business to Deal With Packaging<

Eds: Updates in top 9 grafs with packaging-disposal comments,
picking up in 2nd graf pvs, The Tennessee<

By ROBERT NAYLOR JR.=

Associated Press Writer=

PORTLAND, Maine (AP) Democrat Al Gore today praised a German law that gives businesses the responsibility of disposing of product packaging, but he stopped short of endorsing a similar requirement in the United States.

Renewing his criticism of White House environmental policies, the Democratic vice presidential nominee accused the Bush administration of allowing trash to be "turned into air pollution and water pollution."

Gore, who has emerged as the primary spokesman on the environment for the Democratic presidential ticket, toured a plant in Portland that uses recycled paper to make packaging for products ranging from cameras to bottles of wine to auto parts.

The Republicans have accused the Democrats of being willing to sacrifice jobs for environmental protections, but Gore said the 15-month-old Moulded Fibre Technology Inc. shows that "we can help

PRESS RETURN TO CONTINUE OR ENTER A REQUEST.

our environment and create jobs.

"The Clinton-Gore approach is to take post-consumer waste and turn it into job opportunities," he said. "The Bush-Quayle approach is to turn it into air pollution and water pollution."

Gore praised the German law, but when asked if he would support a similar requirement in the United States said he would "want to study" the idea more.

"I think it's basically a good idea, but I would want to know more about it," he said.

Earlier, during three days of campaigning in New England, Gore said Americans can prove that ethnic differences need not be a source of conflict.

The Tennessee senator said Tuesday that Americans must not "close our hearts" to the victims of strife in what remains of Yugoslavia, which has been torn by fighting between Serbs, Croats and Muslims.

Gore also said American intervention in the breakaway republic of Bosnia-Herzegovina would not involve the United States in a conflict similar to the Vietnam War. He said the United States should not intervene alone or use ground forces in Bosnia-Herzegovina.

Gore and Democratic presidential nominee Bill Clinton have
PRESS RETURN TO CONTINUE OR ENTER A REQUEST.

supported emergency action by the United Nations in the battle-torn area, including force if necessary to deliver humanitarian aid to the victims of the conflict.

Portland was the last stop on the vice presidential candidate's three-day tour of New England, which included stops in Massachusetts and Vermont.

Asked during a stop Tuesday whether American intervention in Bosnia would result in another Vietnam, Gore replied: "No, it is not."

"We have to learn to distinguish between situations that are entirely different," Gore said while touring Thinking Machines Corp. in Cambridge, Mass. "We cannot close our hearts" to conflict in the region, he said.

His remarks came amid increased concern over the situation in Bosnia, where U.N. officials said Serb forces were carrying out one of the war's biggest "ethnic cleansings," driving 28,000 Muslims from their homes.

There was also wide international concern over the disclosure of Serb-operated detention camps in Bosnia and reports that the detainees have been suffering from malnutrition and torture.

The Bush administration is supporting a draft resolution in the United Nations that would authorize the use of force to get food
PRESS RETURN TO CONTINUE OR ENTER A REQUEST.

and medical supplies to victims of Bosnia's five-month conflict.

Gore said the United States "must undertake to prove to the world that it is possible to move beyond the stage where ethnicity is a source of conflict."

"We have the capacity in the United States to prove that," Gore said.

On his tour of Thinking Machines, Gore hailed the super-fast computers as the potential cornerstones of a national information network.

Such a network, Gore said, would lay the foundation for America's economic future, providing vital information to schools, businesses and hospitals.

"We have been a little bit slower off the mark in recognizing the need to take advantage of the new technologies that can create new jobs for tomorrow," he said.

NEWS FROM

U.S. Senator Al Gore



(D - Tennessee) SR 393 Russell Building, Washington, D.C. 20510 (202) 224-4944

DATE 8/10
TO Greg Simon
FROM Katie
PAGES including cover 7
SUBJECT Boston Harbor

* Please deliver to Mr. Simon
who is accompanying
Senator Gore

To: Al, Greg, Marla

Re: Boston Harbor

From: Katie

Bottom line -- bad time to try to hit Bush on clean up. While he zero funded in fy '90 and '91 -- after the '88 campaign hit -- he requested 100 million in '92 and for fy '93. Congress responded in '90 and '91 with a 20 mill mark and in '92 we met the 100 mill request. This year, house met the 100 mill mark. However, there are no earmarks in Senate VA-HUD -- so we are essentially at a zero funding at this point (altho the expectation is that 100 mill will be agreed to in conference).

You should know that Kerry and Kennedy wrote Mikulski asking for 200 million for fy '93. This is a huge issue for them -- enormous public works project potentially creating many jobs in the area AND -- if greater federal assistance is not offered, this will become a tremendous burden on massachussetts ratepayers (who already pay some of the highest rates in the country).

You should also know that Kerry recently intro'd legislation that authorizes the appropriation of \$1 bill over 5 years for the construction of wastewater facilities serving the Metropolitan Water Resources Authority. Funds would be used by MWRA to meet federally mandated secondary treatment requirements under a schedule previously ordered by the U.S. District Court.

If pressed, you should recognize the enormity of the problem. Point to Bush's cynical approach -- clearly only reason he has improved his act on this is because re-election was creeping up. Emphasize that a Clinton/Gore administration really would prioritize efforts to get the Harbor cleaned up.

FACT SUMMARY

BOSTON HARBOR CLEANUP BENEFITS, COSTS, RATES AND FUNDING

The cleanup of wastewater discharges to Boston Harbor is one of the largest public works projects in New England. Its cost will impose major rate increases on Boston area households and businesses served by the Massachusetts Water Resources Authority ("MWRA" or "Authority"). Taking account of the grant funding appropriated to date by Congress, over 95% of the cost of this project will be locally funded unless additional federal funding is provided.

A. Boston Harbor Pollution

Boston Harbor has been termed one of the dirtiest in the United States. Approximately 500 million gallons of sewage are discharged to the harbor every day and the water quality problems are among the most acute and concentrated in America.

"The State of Boston Harbor" published by MWRA in 1990 reported that while some uses of the harbor are maintained, water quality is generally considered poor and fails to comply with existing CWA requirements. A report of the National Oceanic and Atmospheric Administration further documents severity of water quality degradation.

B. Project Scope And Capital Costs

The Boston Harbor wastewater construction project to control this pollution is on schedule in building primary and secondary sewage treatment facilities required by the Clean Water Act and ordered by the U.S. District Court.

The MWRA total capital program for water supply and wastewater including combined sewer overflows ("CSOs"), is estimated at \$7.3 billion. The wastewater capital program for compliance under the Clean Water Act including CSOs totals an estimated \$4.2 billion in today's dollars and \$5.8 billion in inflated dollars. If the Authority must borrow \$5.8 billion, it will cost ratepayers \$15.3 billion to repay that debt over the next 30 years.

The capital program for compliance with the Safe Drinking Water Act is \$1.1 billion. Other capital costs which are not directed to compliance with federal law are included in the total program amount.

Over 95% of the wastewater capital program will be locally funded even with the \$100 million appropriated by the Congress

for FY'92, plus \$79 million received from Congress in previous years.

The project will continue to have significant economic impact in the coming months and year. Plans are completed and additional construction grant funding can be immediately used as part of a national program to expand jobs and provide economic stimulus.

Plans are now in place to spend \$644 million between July 1, 1992 and June 30, 1993, on wastewater treatment and related facilities. These facilities include: (1) primary clarifier batteries A and B, and initiation of batteries C and D; (2) secondary clarifier batteries A and B; (3) disinfection facilities; (4) secondary residuals facilities; (5) work on the cross harbor and outfall tunnels; and (6) related pump stations.

C. Cleanup Project Benefits

The federal Clean Water Act ("CWA") requires municipalities with sewage treatment plants or publicly owned treatment works ("POTWs") to comply with secondary treatment and, where applicable, state water quality standards. While costly, the benefits from cleaning up Boston Harbor will be significant.

1. Public Health And Environmental Benefits

The Boston Harbor cleanup project will provide sewage treatment for approximately 2.6 million persons and 5,500 businesses and industries. At least three Coastal Areas of Critical Environmental Concern designated by the Commonwealth of Massachusetts are located near Boston Harbor.

Public health and environmental threats from harbor pollution will be abated by the project. Sludge removal occurred in December 1991. Completion of the outfall tunnel to Massachusetts Bay is expected in 1995 and implementation of secondary treatment by the year 2000.

The nomination package for the Clean Water Act's National Estuary Program reports on the economic and ecological benefits and values for Massachusetts Bay of which Boston Harbor is a significant part. Massachusetts commercial fishing is among the nation's highest. In 1987, this fishery ranked third nationwide in value totalling \$278.9 million and sixth in volume. The Massachusetts fishery includes 46 species of edible fish, shellfish and crustaceans. In 1987, 790,000 sports fisherman spent approximately \$800 million in Massachusetts.

Tourism and recreation in Massachusetts had a total economic value of \$10.9 billion in 1985. There are 20 national and state and more than 100 municipal parks and beaches bordering

the Massachusetts Bays offering swimming, boating, fishing, and other recreational areas. These resources will be significantly enhanced and maintained as cleanup of the harbor proceeds.

2. Economic Benefits

A study of the economic impact of the Boston Harbor Project prepared for MWRA by Cambridge Systematics, Inc., predicts that during 1990s, the project will provide approximately \$3 billion to the Boston area economy, or two dollars for every one dollar spent locally.

Approximately 1,500 construction jobs will be provided in the average year of project construction. In the 1993 peak construction year, as many as 3,609 jobs will be available. Regionally on an annual basis from 1990 through 1999, project spending will provide approximately 4,153 direct and indirect jobs.

In addition, completion of the Boston Harbor project will provide the basis for either removing or avoiding development moratoria which are related to inadequate sewage treatment facilities.

The harbor project is also expected to result in as much as \$150 million in tax revenue for the Commonwealth of Massachusetts.

D. Boston Area Rates And Rate Projections

Boston area residents served by MWRA will experience major increases in water and wastewater rates in the coming decade. The FY'92 MWRA rates per household per year are \$168 for water and \$297 for wastewater, for a total of \$465. This represents an increase of 31% over FY'91. Estimated FY'93 household rates are \$177 for water and \$408 for sewer for a total of \$585, an increase of 25% over FY'92.

Within Boston, the average household will pay \$595 during 1992, compared with an average for 25 major metropolitan areas of \$313. These already steep rates will sharply escalate over the coming years. Current projections for a MWRA household are \$350 for water and \$845 for wastewater, for a total of \$1,195 for FY'98. This represents an average annual increase of nearly 20% and an aggregate increase of 640% since 1986. It is unlikely that other major metropolitan areas will grow at anywhere near this rate.

E. Federal Funding Background

Most major publicly owned treatment works ("POTWs") received significant grant funding to meet CWA requirements. During the

period in which grant funding was available, Boston sought modification of the federal discharge requirement under Section 301(h) of the CWA. Environmental studies and EPA deliberations over many years resulted in denial of the Section 301(h) request. Planning to comply with the federal secondary treatment requirement ensued and construction begun during a time when grant funds under Title II of the CWA were essentially no longer available.

In addition to phasing out the grant program, the 1987 amendments to the CWA, established the State Revolving Fund ("SRF") program to provide loans to POTWs under Title VI. While the Massachusetts SRF provided a \$73.1 million loan in December 1991, the SRF is expected to provide only minimal relief to MWRA ratepayers because of the high rating enjoyed by the Authority's own bonds, the level of unmet wastewater construction needs in other areas of the Commonwealth, and the Commonwealth's fiscal situation which prevents major state contributions above the minimum state match.

Since 1987 Congress has appropriated \$179 million in grant funding for the MWRA project. The Administration's budget includes an additional \$100 million request for FY'93.

F. Grants Mean Savings To MWRA Rate Payers

For every \$1 million MWRA receives in a grant, it avoids approximately \$97,900 in annual debt service costs at the January 1990 interest rate of 7.7%, or a total of \$2.9 million over the term of the borrowing. For every \$1 million the Authority receives as a loan under the SRF based on an interest rate of 1.8%, it pays approximately \$60,000 in annual debt service or a total of \$1.2 million over the term of the borrowing. The net savings is \$1.7 million on each \$1 million issued. This 1.8% interest rate was for the December 1991 SRF loan to MWRA. Future interest rates are anticipated to be at or near market rates.

Every \$100 million in federal grant funding translates in MWRA ratepayer relief to \$15 per household per year, for a total of \$450 per household over the 30 year life of MWRA bonds. This is a significant savings for household ratepayers.

G. Proposed Long-Term Federal Grant Authorization

The accompanying legislative proposal would authorize \$1 billion in federal grant funding under the CWA to MWRA for the purpose of constructing wastewater treatment facilities affecting Boston Harbor and adjacent waters. The funds would be provided by the Environmental Protection Agency at a federal share of not to exceed 75% of project costs. Authorized funds would be available until expended. This approach parallels

that in legislation approved by Congress as Section 513 of the Water Quality Act of 1987.

The proposed \$1 billion federal authorization amount, plus the \$179 million already appropriated, would represent approximately 20% of total project costs of \$5.8 billion. This authorization level is well under the 75% federal share authorized by the 1972 Act (or the subsequent 55% share applicable to certain projects after October 1, 1984). This \$1 billion in federal grant funding would reduce average MWRA household rates by \$150 per year, for a total of \$4,500 over the 30 year life of MWRA bonds.

W:40:08.2

Statment by Senator John Kerry on introducing
Boston Harbor cleanup legislation.
February 21, 1992

Mr. President, I rise today to introduce legislation designed to help further the Boston Harbor cleanup. This legislation which I am introducing with Senator Kennedy will authorize a major new federal funding commitment for the cleanup of Boston Harbor, one of America's dirtiest as well as historic coastal water bodies.

Every day, over 500 million gallons of sewage is discharged into the harbor resulting in one of the most serious coastal water quality problems in this country. This pollution is a major continuing threat to water activities such as fishing, swimming, and boating and to other uses that provide a boost to the Boston area's economy. It continues to devastate the health of marine life but most importantly the health of the citizens of the Boston area are at risk.

While discharge of sewage sludge was recently halted, continuing discharge of wastewater that has not received secondary treatment required by the federal Clean Water Act remains a serious environmental problem. A recent report by the National Oceanic and Atmospheric Administration further substantiates the harbor's severe water quality problems.

But, if public health and user benefits of harbor cleanup are high, so are the costs. The total capital program of the Massachusetts Water Resources Authority ("MWRA"), which is charged with harbor cleanup, is \$6.3 billion for both water supply and sewage treatment. Of that amount, \$4.2 billion, in 1992 dollars, is for the wastewater capital program.

But, that is only part of the cost Boston area rate payers will pay. While the total project cost will be \$5.8 billion in inflated dollars by the time this project is finished. if the MWRA borrows this \$5.8 billion in order to meet requirements of the federal Clean Water Act as appears today to be its only option, it will cost Boston area rate payers a staggering \$15.3 billion, including debt service, to repay the debt over the next 30 years

Mr. President, let me repeat these numbers: \$4.2 billion at today's prices becomes \$5.8 billion by the time this project is completed which becomes \$15.3 billion when it is financed over the next thirty years. This is by far the most costly public works program in the history of New England.

MWRA has received \$179 million in federal grant funding since 1987. This means that over 95 percent of the wastewater capital program will be locally funded if no additional grant funding is provided by Congress.

^N

I am pleased that the Administration has recognized the need for federal funding to assist the rate payers of Massachusetts in meeting this massive federally mandated and federally supervised wastewater construction program for Boston Harbor. And, while I appreciate the \$100 million requested in the President's budget, it just begins to scratch the surface.

Given the federal mandate, given the history of 75 percent or 55 percent federal matching grants for similar projects in the past in other localities across the nation, given the extraordinary size and crushing rate burden associated with this project, it is only fair, reasonable and just for the federal government to assume a significantly larger share of the financial burden than is currently expected.

MWRA area residents will continue to experience "rate shock" in undertaking this important environmental program. For instance, in fiscal year 1992, MWRA households will pay \$168 for water and \$297 for wastewater for a total of \$465, an increase of 31% over the previous year. These rate payers are expected to be subjected to an additional 25% increase in fiscal 1993 so they will be paying \$177 for water and \$408 for wastewater for a total of \$585.

MWRA rates for fiscal year 1998 are projected to be \$350 for water and \$845 for wastewater for a total of \$1,195, an average annual increase of 20%, perhaps the fastest growing rates in the country.

Rates for Boston residents alone, already rank third highest in rates among the 25 largest metropolitan areas in the United States. Even with significantly increased federal help they will remain the highest or among the highest in the Country; without it, our families will have the unchallenged if dubious distinction of paying more for sewage disposal than anyone else in any major metropolitan area of the United States

The public health and environmental benefits in achieving federal sewage treatment requirements are obvious. In addition, as one of the largest public works projects in New England, it will have significant economic benefits to Boston and the region.

The project will provide nearly \$3 billion to the Boston economy and nearly 1,500 construction jobs in the average year of construction. This is vitally important to an area hard hit by the current recession.

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The project will also result in as much as \$150 million in tax revenues to the commonwealth. Upon completion, it will allow removal, or avoidance of, any development moratoria related to inadequate sewage treatment facilities.

The Boston Harbor wastewater construction project is under way and on schedule. Between July 1, 1992 and June 30, 1993, it is scheduled to spend \$644 million on new sewage treatment facilities alone at the Deer Island site. This amount does not include other system improvements and maintenance.

The project is currently one of the largest public works projects in New England. Its economic impact in generating much needed employment is significant. Plans are ready and additional federal funding could be put to use this year as an important element in the nation's effort to expand employment opportunities.

In addition to grant funding, in December of last year, MWRA received \$73.1 million in loans from the Commonwealth's State Revolving Fund established under Title VI of the Clean Water Act. However, since MWRA's own revenue bonds have a high rating, the SRF loans are expected to provide only minimal relief to the Authority's rate payers.

The \$179 million in grant funding provided to the MWRA project to date is only 3% of total project costs. The rest will be shouldered by local rate payers.

As summarized by the MWRA, the importance of continued federal grant funding is clear:

For every \$1 million MWRA receives in a grant, it avoids approximately \$97,900 in annual debt service costs at the January 1990 interest rate of 7.7%, or a total of \$2.9 million over the term of the borrowing. For every \$1 million the Authority receives as a loan, it pays approximately \$60,000 in annual debt service or a total of \$1.2 million over the term of the borrowing. The net savings is \$1.7 million on each \$1 million issued.

Mr. President, what this means is that for every \$100 million in federal grant funding, \$15 is provided to households each year in rate relief for a total of \$450 over the 30-year term of MWRA bonds. The \$1 billion that would be authorized by this bill, which I am introducing today would mean \$150 dollars in savings to the average household each year for a total of \$4500 over the 30-year life of MWRA bonds.

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The legislation introduced today would authorize the appropriation of \$1 billion over five years for the construction of wastewater facilities serving MWRA and Boston area households comprised of nearly 2.6 million persons and 5,500 businesses and industries. These funds would be used by MWRA to meet federally mandated secondary treatment requirements under a schedule previously ordered by the U.S. District Court.

Even in combination with the \$179 million provided by Congress to date, this amount would bring the federal share of the Boston Harbor project to approximately 20% of total costs, a far cry from the 75 percent federal matching funds authorized for projects in the original Clean Water Act of 1972 or 55 percent for certain projects initiated after 1984.

Many other metropolitan areas in this country have complied with the Clean Water Act with the significant assistance of these higher levels of federal grant funding previously available. It is only fair and reasonable for the federal government to recognize its responsibility and expand its commitment to the Boston Harbor project. This bill enables that to happen. In so doing, this commitment would assist in meeting this important federal mandate while at the same time adding to the national effort needed to stimulate economic development and jobs. In the long run, this bill will save Massachusetts rate payers thousands of dollars for each family -- dollars that could be better used to educate their children and meet a score of other important family financial burdens, instead of going primarily to pay some wealthy bond buyers rent on their money.

Mr. President, it isn't every day that President Bush and the Massachusetts Congressional delegation agree on a priority matter to the people of our state. However, the last two budgets submitted by the President have recognized the urgent environmental need and the clear federal responsibility to assist in the clean-up of Boston Harbor. I applaud the President for his actions, but today urge him and my colleagues in Congress to recognize that what is really necessary and fair is a much more serious and a multi-year commitment to the clean up of the historic Boston Harbor. We are not asking for the 75 percent federal share of such costs that was provided for similar projects in the past, or even the 55 percent that was available for such projects at other times. No, Mr. President, we are simply asking that roughly 20 percent of this federally required, federally-supervised clean-up be carried by the federal government, so that hard pressed Massachusetts ratepayers will not be left to tote this extraordinary load by themselves.

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Therefore, Mr. President, I hope that the Congress will provide expeditious and favorable consideration of this proposal, recognizing the costs and environmental benefits, as well as the need to generate new jobs in this time of economic hardship.

Mr. President I ask unanimous consent that the text of the legislation be printed in the record following my remarks.

United States Senate

WASHINGTON, DC 20510

June 1, 1992

Honorable Barbara A. Mikulski
Chair
Subcommittee on HUD-Independent Agencies
Senate Committee on Appropriations
142 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Barbara:

Once again, we want to thank you for the tremendous support you have provided for the Boston Harbor cleanup project and to request your help in continuing and expanding federal financial assistance to this critical environmental effort.

As you know, Boston Harbor has been one of the dirtiest coastal waters in the United States, a fact brought to the nation's attention by President Bush during the 1988 Presidential campaign. We are pleased to be able to report that the cleanup effort is now well underway. In fact, discharge of sewage sludge into the Harbor ended on December 24, 1991, marking an important milestone in the effort. However, a great deal remains to be done to fully comply with the Clean Water Act and the federal court order governing the cleanup project.

The costs of this federally-mandated undertaking are enormous. The total capital program of the Massachusetts Water Resources Authority -- the public agency established by the court order to provide water supply and sewage treatment services to the 60 communities in the greater Boston area -- is \$7.3 billion in current dollars, for water supply and wastewater treatment including combined sewer overflows. The wastewater program alone is estimated at \$4.2 billion in current dollars, \$5.8 billion when inflation is added, and \$15.3 billion when the costs of repaying the debt for it over 30 years are considered.

Effective July 1, 1992, rates for the average Boston family will be \$570 -- a 23 percent increase over the previous year's average of \$465, with similar jumps anticipated annually for many years. By 1998, the combined rate is expected to be just below \$1200 per household, an incredible 640 percent jump from the 1986 level for this obligatory public health service. No metropolitan area in the country is expected to have growth rates anywhere near these or rate levels this high. As you have pointed out, many Boston area families already face water and sewer bills that exceed their mortgage payments. We believe the federal government must provide more assistance.

To date, and with your leadership, the Boston Harbor project has received \$179 million in federal grants. We are very grateful to you for this help, and for the tardy but welcome support of the Administration. But the level of assistance is inadequate when compared to the project's costs and the history of federal grants for such activities in other states. During the past two decades, communities across the country were provided with federal grants covering 55 to 75 percent of the costs of major wastewater treatment projects. The \$179 million provided for Boston Harbor amounts to less than 5 percent of this project's costs (a percentage that has received growing local media attention). This just is not fair. And it will create an intolerable rate burden on local families.

The urgency of this situation intensifies with every rate increase. We believe that a significant boost in the federal contribution will help ease the pain and frustration felt by Boston area ratepayers, as they see a good faith effort to help shoulder the ever-growing financial burdens.

We recognize that this is a particularly difficult budget year, and that you must deal with a broad range of worthy competing goals within your Subcommittee. But, in light of the great need here, we urge you to double the Administration's budget request for Boston Harbor from \$100 million to \$200 million for FY 1993. If Congress provided \$200 million for each of the next five years, the federal share of this project's cost would still be only 20 percent, far below the 55 and 75 percent federal shares that many metropolitan areas enjoyed in the past.

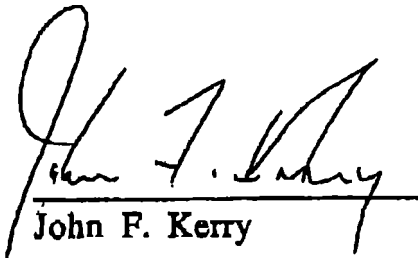
We note that there is no question that these additional federal funds can be put to work immediately -- the Boston Harbor construction that is underway represents the largest public works project of its kind in the country, and the MWRA already plans to spend \$800 million in FY 1993.

Madam Chairman, your support in the past has shown that we share a deep commitment to restoring Boston Harbor for the sake of the environment, public health, recreation and the economic benefits of a clean and safe harbor. We also know that you recognize the wisdom and urgency of investing now in critical infrastructure improvements that will cost us much more in the long run if they are delayed. And we share a commitment to relieving extraordinary and unfair economic burdens on American families. Therefore, we hope that you will look favorably on our proposal to double the annual appropriation for the Boston Harbor project because it is such a compelling reflection of these basic values that we share.

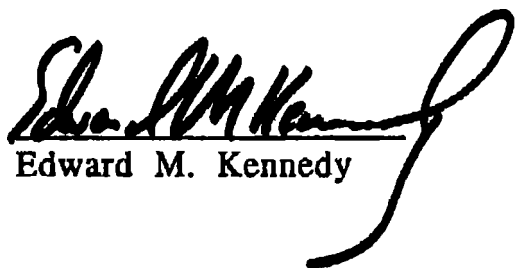
Thank you for your consideration of this request, and please let us know if you would like additional information.

With our warmest regards,

Sincerely,



John F. Kerry



Edward M. Kennedy

To: Katy McGinty
From: Kate English
Subject: Boston Harbor

- 1) Kerry and Kennedy requested \$200 million for Boston Harbor cleanup. This would be \$100 million over last year's funding.
- 2) The Bush record is abysmal on clean up:
 - a) in 1989 and 1990 he Zero-funded Boston Harbor in his budget;
 - b) in 1991, knowing he would face an election the following year he added \$100 million request and the Congress matched that number;
 - c) in this year's budget, Bush again asked for \$100 million --- no increase over last year even though Mass. Republican Governor Weld requested \$200 million.
- 3) The House VA-HUD bill includes \$100 million for cleanup.
- 4) The Senate VA-HUD appropriations subcommittee didn't earmark any funds for Boston Harbor. (This is the same approach they took last year. Last year, however, they conceded to the House in conference.)
- 5) Also in the House bill is \$700,000 for a biological, nutrient study of Boston Harbor to study the effects of nitrogen overloading. No equivalent funding in the Senate.
- 6) The Senate Commerce-State-Justice Appropriations bill includes \$800,000 for the U.S. Geological Survey National Coastal Geology Program to continue a major regional study of polluted sediments in Boston Harbor and the Massachusetts Bay. The Massachusetts Water Resources Authority (MWRA) provides additional funding of \$200,000 from its monitoring budget.

If you need any more info, please call.

Good Luck!
- Kate

STATEMENT OF SENATOR EDWARD M. KENNEDY
ON BOSTON HARBOR WATER QUALITY LEGISLATION

February 21, 1992

Mr. President, it is a privilege for me to join with my colleague from Massachusetts, Senator Kerry, in cosponsoring legislation to provide continued and expanded federal assistance for the cleanup of sewage discharged into Boston Harbor.

Increased federal aid is vital to ease the crushing burden on ratepayers in Massachusetts. We must restore Boston Harbor -- for the sake of the environment, public health and recreation -- but we also have to recognize the economic pain that high rates are imposing on families in the Boston area, and provide a greater federal contribution to the clean-up effort.

This important legislation addresses twin national objectives: environmental restoration and economic development. I urge its prompt consideration in this difficult economic time.

The water quality problems in Boston Harbor are well known. They garnered national attention when the President highlighted them during his last campaign. The Boston area is one of only a handful of metropolitan areas not yet meeting federal sewage treatment requirements.

The clean-up effort is well underway now. The discharge of sewage sludge to the Harbor was ended on December 24 of last year, marking an important milestone in the cleanup effort. But a great deal remains to be done to fulfill the requirements spelled out by Congress and by the federal court order governing the clean up project.

To date, the federal government has focused attention on the clean up of the Harbor, but the resources have not been provided at levels comparable to what other cities received in the past twenty years.

The cost of the Boston Harbor clean up will be enormous. The total capital program of the Massachusetts Water Resources Authority -- the public agency charged with providing water supply

and sewage treatment services to the 60 communities in the greater Boston area -- is \$7.3 billion for water supply and wastewater treatment including combined sewer overflows. The wastewater program alone is \$4.2 billion in current dollars and \$5.8 billion when inflation is considered. If MWRA must borrow this \$5.8 billion, it will cost ratepayers \$15.3 billion to repay the debt over the next 30 years.

Boston Harbor serves a regional population of over 2.6 million persons plus visitors to the Boston area. Approximately 5,500 businesses are also served by MWRA. The harbor and nearby bays are well known for commercial fishing and recreation. Massachusetts Bay has been recognized as an estuary of national significance and the adjacent Stellwagen Bank is expected to receive designation soon as a National Marine Sanctuary. Restoring Boston Harbor is essential to the preservation of these environmentally-sensitive areas.

The clean up will have important economic, as well as environmental, benefits. A study of the project by Cambridge Systematics, Inc., for MWRA predicts that during the 1990's, the project will provide approximately \$3 billion to the local Boston economy alone, or two dollars for every one dollar spent. Approximately 1,500 jobs will be created in the average construction year, and nearly \$150 million will be realized in tax revenue by the Commonwealth.

Environmental protection offers one of the best opportunities to stimulate our economy and create jobs. In the economic stimulus legislation I introduced at the beginning of this session, \$4.4 billion in additional funds would be provided for Fiscal Year 1992 for wastewater construction projects across the country under the Clean Water Act, and another \$1.5 billion under the Farmers Home Administration water and wastewater programs. This is a small investment, considering the level of unmet wastewater treatment needs reported by the Environmental Protection Agency and groups such as the Association of State and Interstate Water Pollution Control Administrators.

In the Boston area, there is no doubt that additional federal funds can be put to work immediately. MWRA now has plans ready that total \$644 million for wastewater construction between July of

this year and June 1993. Additional significant amounts will be spent in the 1993-1994 time frame.

There is another important reason why this legislation should be approved. As it now stands, without any additional federal funding, Boston area ratepayers will shoulder over 95% of the cost of meeting federal Clean Water Act requirements.

As a result, water and sewer rates will continue to skyrocket in the coming decade. Rates for the average household in the Boston area in 1992 will be \$168 for water and \$297 for wastewater, for a total of \$465 -- an increase of 31% over 1991. And these rates are expected to jump by an additional 25% in 1993.

By 1998, MWRA projects that the average household will pay \$350 for water and \$845 for wastewater, for a total of \$1,195 in that year. We are talking about an average annual increase of nearly 20% and a total jump of 640% between 1986 and 1998. Other metropolitan areas are unlikely to have rate growth at anywhere near this level.

To date, the Boston Harbor project has received \$179 million in federal grants. I am pleased that the Administration has recently "seen the light," and has included funding for Boston Harbor in its FY92 and FY93 budget proposals, but the amounts are clearly insufficient.

The project has also received \$73 million in a loan from the State Revolving Fund, financed under Title VI of the Clean Water Act. This SRF loan, at a 1.8% interest rate, is likely to be a one-time occurrence, because it is significantly below market interest rates. No SRF can loan below-market rates for long and remain a revolving fund.

In addition, the amount of unmet wastewater construction needs throughout Massachusetts is great, and the Commonwealth's fiscal circumstances prevent contributions above the minimum state match. Finally, MWRA's own bonds enjoy a higher rating than the Commonwealth's, and the State Revolving Fund. These combined factors mean that grant funding, not the SRF, is the primary source of real relief to ratepayers in the Boston area.

This legislation will authorize \$1 billion in federal funds under the Clean Water Act for Boston Harbor, to construct wastewater treatment facilities for sewage discharged by MWRA. The funds to be administered by the Environmental Protection Agency at a federal share of not more than 75% will remain available until expended. This formulation parallels what Congress approved for Boston Harbor in 1987.

Most metropolitan areas received significant grants under a similar federal/state match formula during the 1970s and early 1980s. At that time, Boston was determining the appropriate level of sewage treatment under the Act's provisions on ocean discharges. Once this determination was made, MWRA began design and construction of the federally-mandated treatment facilities.

The \$1 billion authorized by this bill, in addition to the \$179 million already appropriated by Congress, represents approximately 20% of the wastewater project cost of \$5.8 billion, adjusted for inflation. This amount is substantially less than the 75% funding enjoyed by other communities or even the 55% funding provided to projects initiated after 1984.

While this legislation will not put Boston on an equal footing with other cities, it is a reasonable response to the enormous rate increases that will face Boston families throughout this decade, as MWRA works to bring the harbor into compliance with federal requirements.

I urge prompt and favorable consideration of this bill, in order to provide much-needed assistance to Boston area ratepayers, to create jobs, and to ensure that the clean up of Boston Harbor proceeds in a thorough and effective way.

102D CONGRESS
2D SESSION

S. 2308

To amend the Federal Water Pollution Control Act to provide for improvement of the quality of Boston Harbor and adjacent waters.

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, JANUARY 30), 1992

Mr. KERRY (for himself and Mr. KENNEDY) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To amend the Federal Water Pollution Control Act to provide for improvement of the quality of Boston Harbor and adjacent waters.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SECTION 1. BOSTON HARBOR.

4 Title V of the Federal Water Pollution Control Act
5 of 1972 (33 U.S.C. 1361 et seq.) is amended—

6 (1) by redesignating section 519 as section 520;

7 and

8 (2) by inserting after section 518 the following

9 new section:

1 "BOSTON HARBOUR AND ADJACENT WATERS

2 "SEC. 519. (a) The Administrator shall make grants
3 to the Massachusetts Water Resources Authority for con-
4 structing wastewater treatment works for the areas served
5 by the Massachusetts Water Resources Authority.

6 "(b) The Federal share of any construction project
7 described in subsection (a) of this section shall not exceed
8 75 percent of the cost of construction of the wastewater
9 treatment works.

10 "(c)(1) For the purposes of carrying out the grant
11 program under this section, there is authorized to be ap-
12 propriated, for the period beginning on the first day of
13 fiscal year 1993, an amount equal to \$1,000,000,000.

14 "(2) The amount described in paragraph (1) shall re-
15 main available until expended.

16 "(3) The amount described in paragraph (1) shall be
17 authorized to be appropriated in addition to any other
18 amounts authorized to be appropriated under title II or
19 VI of this Act."

O

United States Senate

WASHINGTON, DC 20510-4202

To: Al
From: Katie
Re: Visit to Moulded Fibre Technology, Inc.
Westbrook, ME

Background:

o GENERAL

--Makes "interior packaging" -- i.e., material that is inserted in boxes to protect contents--material is sorta like egg cartons

o ENVIRO PLUSSES:

--made of 100% POST CONSUMER recycled newsprint and office paper (they really are diverting stuff from landfills -- not just re-using valuable scrap materials).

--repulping and molding process involves only an air and vacuum system (newsprint is formed into papier-mache slush, then vacuum-molded and dried) -- no toxic air or water emissions problems. only steam comes out the smoke stack. moreover, only adhesive used is derived from POTATO STARCH.

--obviates need to use polystyrene which usually is derived from petrochemicals and is difficult and expensive to recycle

--water used in the manufacturing process is recycled.

o other POSITIVE FEATURES of the plant and product:

--example of a CONVERSION INDUSTRY -- many of their machine operators were previously employed as metal machinists in the defense industries

--PERFORMANCE: a "northern telecom"-like example of "doing well by doing good" -- the material equals the performance of plastic foams in drop tests and exceeds plastic in damping vibrations. one example -- one cosmetics manufacturer reported a decrease in the incidence of crumbled products from 34% to 10% after switching to the molded fibre product.

--COST: because it is less bulky and easier to get rid of than plastics, it is cheaper than other packaging materials. Example: Shiva corp of cambridge mass which previously shipped its computer modems in \$2 styrofoam blocks, now buys molded fibre product for 0.68 each.

United States Senate

WASHINGTON, DC 20510-4202

--EMPLOYEE RELATIONS: i understand that they undertake the expense of training workers to use their very advanced/high-tech equipment. they have rec'd some grant money from the state and an award from the local training resources center (local job placement center) for their efforts. also have a 100% benefits plan; paternity and maternity leave plans; and are working to implement an incentive based (profit-sharing) system.

--EXPORT OPPORTUNITIES: While MF products are starting to catch on in the US, strong recycling requirements in Germany and Japan have created important markets for them and are the driving force behind the successes MF has had. (As you know, Germany requires business and industry to collect and recycle the cans, paper, cardboard, bottles, and plastic used to package their products).

o MAINE SITUATION:

--Maine currently is suffering a glut of postconsumer materials -- as in other states, much material collected due to state and local recycling requirements. however, markets for the materials are lacking. the state has been faulted for weak efforts to attract de-linkers and other recycling operations. in response, Sherry Huber, exec director of the maine waste management agency has announced that the state will soon begin to offer tax credits to recyclers that locate in the state and use primarily Maine waste.

o BUSH'S RECORD:

--Bush RENEGED ON CAMPAIGN PLEDGE to support recycling: In Nov '88, Bush wrote in Sierra magazine that "As president, I would pursue a national recycling and source-reduction strategy." However:

--In December of 1990, competitiveness council forced EPA to withdraw proposal that would have req'd municipalities to recycle 25% of their garbage before siting new incinerators--this despite the fact that the reg had already cleared OMB and thus (presumably) was cost-effective.

--Only witness to testify against your recycling bill was Commerce department -- industry as well as enviros had testified in favor.

--In Sept. '91, Reilly testified against Baucus' RCRA bill.

o TALKING POINTS

--George Bush wants us to believe that you can't have a strong economy and protect the environment. I don't believe that's true -- and the folks here at Moulded Fibre are proof that it isn't so.

United States Senate

WASHINGTON, DC 20510-4202

--And we are not alone on this. Industries around the country are beginning to understand that they can cut costs; improve their productivity and efficiency and protect the environment at the same time. I recently visited some companies in California -- one that makes environmentally sound medical products, and one that is creating important jobs by taking the lead and other dangerous materials out of used oil. Of course, that used oil company -- Evergreen -- is thriving not because of -- but in spite of -- the Bush administration. For 12 years now, the EPA. at Mr. Bush's direction, has literally ignored laws passed by Congress as well as court orders to take action to protect people from exposure to the dangerous components of used oil.

--But really, there is no better example of the economic benefit of environmental efficiency than what I see happening right here. You really are on the cutting edge -- using important new technologies and producing a product with minimum impact on the environment. To the contrary -- you are solving an enormous environmental problem by using the materials that otherwise would wind up in landfills. And the really great part of it is that your product is cheaper and performs better than the its polluting competitors.

--Our trading partners also know that Mr. Bush is trying to sell us all a bill of goods. Germany and Japan, for example, are openly proclaiming the market for new environmentally sound products and processes to be the largest market opportunity in the history of world business. And, as this company well knows, Germany is backing up its efforts to become increasingly efficient by requiring manufacturers to take their packaging back. This has created important market opportunities for recyclers, and I'm pleased to see this company out in front aggressively competing for those markets.

--Maybe Mr. Bush just doesn't mean it when he says that we can't create jobs and protect the environment. After all, if the President really meant everything he said, we would have a national recycling and source reduction effort underway right now. Remember the campaign pledges of then-candidate George Bush back in 1988? Well, he committed to accelerating recycling efforts. But promises I guess are soon forgotten -- as soon as EPA tried to get the effort underway, Mr. Bush had the competitiveness council step in and stop Mr. Reilly's work -- the council killed a regulation that would have asked states to recycle at least a fourth of their waste before building more incinerators to burn them.

--And I know first hand what Mr. Bush really thinks about recycling. I've worked very hard very over the last few years to pass a bill that I believe would really energize recycling efforts. Too often folks work very hard in their communities to collect and separate recyclables -- only to learn later that they end up in the dump anyway because there aren't markets for them -- many manufacturers -- unlike Moulded Fibre -- just aren't interested in using them. My bill would have tackled this problem head-on by harnessing the purchasing power

United States Senate

WASHINGTON, DC 20510-4202

of the federal government. It offers incentives to manufacturers to make their products with recycled materials by directing the federal agencies to buy those products in preference to those made from virgin materials. My legislation would also offer tax incentives to help pay for the cost of re-manufacturing equipment. I understand that the state of Maine will shortly undertake a similar initiative and I congratulate you for your leadership. I only wish the White House felt the same. But it doesn't. In fact, when I held hearings on my bill, everyone testified in favor of it -- industry groups, environmentalists, community groups. Everyone, that is, except the Administration. Mr. Bush's representative from the Commerce Department said we don't need that kind of initiative -- our solid waste problems will take care of themselves was the message Mr. Bush's representative delivered.

--Well we know that's just not so. DO "YARD-A-PULT" story.

--A Clinton/Gore administration will take this problem -- and the important economic opportunity it presents -- seriously. It's time for us to be out in front on this. Enough foot-dragging and phony photo-ops and disingenuous sound bites. What time is it??