FOIA Number: 2017-1093-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Office of Environmental Initiatives

Series/Staff Member: General Files

Subseries:

OA/ID Number: 19207

FolderID:

Folder Title:
Climate Change General: Labor 9/28/98

Stack:	Row:	Section:	Shelf:	Position:
S	62	1	4	1

ખંડ ૪

૧।૮૪।૧૨૫

From: Dirk Forrister on 01/07/99 05:11:23 PM

Record Type: Record

To: Todd Stern/WHO/EOP

cc: Ronald Minsk/OPD/EOP, Sally Katzen/OPD/EOP, Karen Tramontano/WHO/EOP
Subject: Re: transition

Status report on electricity restructuring bill/labor issues

Todd --

Per your request, I spoke w/ Janet Anderson. Here is a rundown of the options under consideration. Bill Samuels is poised to do some very quiet reality checking to figure out whether any of these do the trick.

First, here's what we've done to date: DOE provided a short background memo outlining its interactions with labor during the drafting of the Administration's existing bill. The memo provided a useful starting point for an internal meeting among DOE, DOL, and WHCCTF. As follow-up, Rich Glick (advisor to Sec. Richardson, formerly on Sen. Bumpers' staff) drafted a list of four options to address, within the Administration's electric restructuring bill, labor's concerns that retail competition will cost union jobs. They are:

> The Administration bill requires the Energy Information Administration to collect and publish information related to the impact of wholesale and retail electric competition on certain matters. We could add a provision requiring the EIA to examine the impact of competition on jobs.
>
> We could require a state commission, if it holds a proceeding to consider adopting retail competition, to also consider mechanisms designed to alleviate the impact of competition on workers.
>
> While the Administration's bill does not require the recovery of stranded costs, it does require states that hold proceedings before the implementation of competition to consider whether to allow utilities to recover their stranded costs. We could modify the definition of stranded costs to include transition costs to related to lost jobs.
>
> The Administration's bill establishes a Public Benefits Fund administered by a Federal-State Board to support programs designed to benefit: 1) low-income consumers; 2) energy conservation; 3) consumer education; 4) R&D for environmentally beneficial generation technologies; and 5) rural consumers. We could add an additional category for workers that lose jobs as a result of competition.

Here's the status as I understand it: Our last meeting was a conference call on 23 December. We are preparing for a meeting with staff from labor community in early January. If necessary, a meeting with principles would happen later. Sec. Richardson looked upon the Public Benefits Fund option with some favor. Rich Glick was to check with EIA to see if they could do the study without legislation, as we were concerned the time line would be too long if it had to wait for Congress. Bill Samuels was to talk with Karen T. to make sure she was OK before we take further steps.

-- Dirk & Janet

DRAFT

Climate Change Policy and the Role of Worker and Community Transition Assistance

Background

The adoption of a Global Climate Change Treaty will represent an effort on the part of the government to reduce greenhouse gas emissions. A successful policy could have important implications for the level and pattern of energy usage in the economy. Usage of high carbon fossil fuels (e.g. coal) will decline, while the demand for other energy sources (e.g. natural gas or renewables) will grow in importance. While the adoption of a technology program has the potential to reduce the aggregate costs to the economy, consumers and business will still need to alter their energy usage patterns if greenhouse gas emissions are to be significantly reduced.

The development of new low energy (carbon) technologies and shifts in the pattern and level of energy usage in the economy will undoubtably benefit some industries and regions of the country. The presence of these "economic winners" will help reduce the aggregate costs to the economy of this policy. Nonetheless, there will be workers and communities that will be adversely affected by a policy to reduce greenhouse emissions. Workers in energy intensive industries and those in energy extraction are some of the most likely groups to be hurt. Given the geographic isolation of some of these industries, the surrounding communities are also likely to be adversely affected.

A transition program would reduce the costs to individuals and communities associated with this environmental policy. Transition assistance can help facilitate community and worker adjustments via retraining, job search assistance, and infrastructure development for new business in the community. Previous experience strongly suggests that these investments in workers and communities have positive economic payoffs. Further, the development of such a policy at the initial stages of the climate change debate will help assure the public that the government has actively considered not only the long run ecological benefits of a global warming but that it is committed to taking steps to ameliorate the costs. Explicit attention to the costs and design issues of a transition program and their interaction with the desired structure of the permit trading and technology programs would reduce the total costs of climate change policy. As previous experience with free trade, acid rain, military base closures, and the federal government's own work force restructuring has demonstrated, this can be vital to building public support for the policy.

As noted above the federal government has extensive experience with worker and community transition programs. Some of these programs are dedicated programs to ameliorate the cost of specific government actions, while others are programs designed to reduce the effects of general economic dislocation. Below is a brief review of some of the features of the federal programs that might serve as either models, or be augmented, to meet the needs posed by a climate change policy.

Survey of Worker Transition Programs

The Department of Labor (DOL) has been responsible for a number of retraining/reemployment assistance programs that also provide income support payments. While their primary focus has been reemployment, the income support component of these programs have generally been coordinated with the regular unemployment insurance (UI) program. Benefits have generally been paid only subsequent to the exhaustion of UI benefits. While some programs paid weekly benefits that were more generous than the UI benefit levels, and the duration and conditions for receipt of benefits have varied greatly, most current programs tend to set them at the UI benefit level. Newer programs have also make income support conditional upon participation in training. The Administration has strongly supported the consolidation of these programs, including current legislative activity, moving away from categorical dislocated worker programs. Some important examples of worker transition programs are:

I. Clean Air Employment Transition Assistance (CEATA) Program

The CEATA program was authorized by an amendment to the Job Training Partnership Act included in the Clean Air Act Amendments of 1990. Its purpose is to provide retraining and readjustment assistance to workers dislocated by a decision to reduce employment as a result of a firm's compliance with the requirements of the Clean Air Act. Grants are awarded by DOL to eligible grantees (e.g., states, substate grantees established under JTPA, employers, employer associations, and representatives of employees).

The program includes retraining services, readjustment services (including readjustment planning, labor market information, job search and placement, supportive services, relocation assistance) and needs related payments to participate in training or education. CAETA was funded from specially allocated funds for FY 1992 and 1993. Since then CAETA projects have been funded with JTPA National Reserve funds. Over half of terminees received some retraining, while the remainder have received basic readjustment services. The cost per participant, based on recent project requests has averaged about $20,000, including the cost of needs related payments.

II. Trade Adjustment Assistance (TAA) Program

The TAA program offers Trade Readjustment Allowances (TRA) and reemployment adjustment services to workers who lose their jobs due to import competition. Established in 1962, the program initially emphasized compensating workers for their lost income, and relatively few workers received training, job search assistance, or relocation allowances. Beginning in 1981, the program emphasis shifted to providing training. TRA benefits were targeted to the long-term unemployed, and more funds were made available for training. Eligibility is a two-step process. First, groups of workers from individual firms or plants file a petition for eligibility with the DOL which determines whether the group is eligible ("certified"). Second, individual workers are eligible for TRA benefits if they worked for and were laid off from a certified firm during the certification period and they meet other conditions.

Workers are entitled to TRA benefits for up to 52 weeks, job search allowances, relocation allowances, and training assistance. Worker are also eligible for the second 26 weeks of TRA benefits if they are enrolled in approved training programs. Prior to 1981, TRA benefits were far more generous than regular UI benefits, replacing 70 percent of lost wages. Under the new NAFTA-TAA program, the conditions for receipt of income support has been tightened further than in the basic TAA program, making receipt of income support conditional upon being enrolled in training by the 16th week of benefit receipt. Although TAA and NAFTA-TAA are separate programs, they have been interrelated to the basic DOL dislocated worker program (Title III JTPA) in their efforts to provide retraining and readjustment services. In 1988, following the most recent legislative amendments, it was estimated that average TRA benefits were $2,732 per participants and total benefits per TAA recipient (i.e., UI benefits, TRA payments, and TAA job search allowances, relocation allowances and training) totaled $10,603, based on a nationally representative sample.

III. **Redwood Employee Protection Program (REPP)**

Legislation was enacted in 1978 to provide employment and benefits to employees laid off between May 31, 1977 and September 30, 1980, as a result of expansion of the Redwood National Park. The program was operated only in a portion of the state of California. Benefits were paid through 1989. To receive benefits workers needed to be laid off or retired from an "affected employer." They also had to meet state requirements for UI. They were not eligible if receiving Social Security retirement or disability benefit or if receiving a pension under a plan contributed to by an affected employer. There were three types of affected employers. "Affected woods employers" had to harvest redwood timber and own at least three percent of the acres with in the expanded park. "Affected mill employers" generally had to obtain at least 15 percent of their raw material from affected woods employers in 1977. "Affected contract employers" had to have at least 15 percent of their employee hours worked during 1977 be within or directly related to the expansion area.

REPP weekly layoff benefits replaced the worker's full wages and salary and were generally available for up to four years. UI benefits were deducted from these layoff benefits, as were earnings, in whole or in part. Receipt of benefits was not conditional upon participation in training, and only 16 percent of layoff benefit recipients participated in training. The full range of REPP benefits included weekly layoff benefits, vacation replacement benefits, continuation of health and welfare benefits, accrual of pension rights and credits, retraining, job search assistance (JSA) allowances, relocation allowances, and severance payments. The cost of this program for the 2600 workers who received layoff and severance benefits, pension and health benefits, retraining, and relocation allowance was $142.0 million.

Survey of Community Transition Programs

The USDA has a broad menu of programs focused on worker and community transition. These programs are primarily focused on longer term economic development and adjustment. Many of them are useful in worker, community, and sector adjustment and transition efforts. All of these programs are well tested and currently are fully operational.

The **Business-Cooperative Extension Service (RBS)** provides a range of assistance to rural businesses and to entrepreneurs including Rural Business Enterprise Grants funded at $450 million and Business and Industry Programs funded at $700 million in FY 1996. RBS Rural Economic Development Grants were funded at $20 million in the same year. Through its **Rural Utility Service (RUS)**, USDA delivers infrastructure development programs. In FY 1996, Water and Waste Disposal grants and loans were funded at $1 billion, Rural Electrification loans were funded at $940 million, and Rural Telecommunications loans were funded at $490 million. The **Forest Service (FS) Economic Action Grants** were funded at $31 million, and payments to States for Schools and Roads were funded at $300 million in FY 1996. The **Rural Housing Service (RHS)** single and multi-family housing loan, loan guarantee, and other housing assistance programs were funded at $2.868 billion in FY 1996. Community Facilities loans were funded at $280 million in FY 1996.

Finally, the Extension activities of the **Cooperative State Research, Education, and Extension Service (CSREES)** are a long established and highly regarded nation-wide network of specialists providing assistance, primarily to rural Americans, on a wide range of subject matter, including economic development and adjustment to structural change. In FY 1996, the Extension activities were funded at $428 million at the Federal level, with additional state and local government funding in every state. For the most part, the USDA programs operate independently of each other. However, each USDA office provides coordination across its programs and information on program linkages to other Federal government programs. The Extension Service provides broad information on the availability and access to a wide range of government programs.

At least four models of program coordination in economic development and adjustment in rural America can be identified. The first model is one of coordination among services delivered by an individual USDA Office or Service, with services delivered at a local community or individual recipient level. The second model is that of the Appalachian Regional Commission in which program actions and expenditures are the result of coordinated program planning and execution across a multi-state region and over an extended period.

The third model, is illustrated by the **Empowerment Zone/Enterprise Community Initiative (EZ/EC)** designed to empower high-poverty communities to strategically plan for sustainable development and to obtain assistance from various Federal, state, local, private and non-profit programs to accomplish their plans. Also, the **Rural Economic Area Partnership** (REAP) assists rural places in the Northern Great Plains to diversify their communities and to adjust to long-term out migration and employment and population decline.

A fourth model is represented by the **Northwest Economic Adjustment Initiative**, funded over a five year period, to assist businesses, workers, tribes, and communities injured by reductions in Federal timber harvests in California, Oregon, and Washington. This is a coordinated effort by several Federal Agencies to create, in partnership with state and local initiatives, a comprehensive approach to economic revitalization. The comprehensive, multi-year, and regional approach to economic transition in this model may make it particularly useful.

The Department of Defense (DoD) has been closing military bases and assisting defense-impacted communities for more than 35 years. Through its **Defense Economic Adjustment Program**, DoD has worked with over 500 communities to alleviate serious economic impacts resulting from changes in defense activities, such as the closing or realignment of a military base, or the termination of a defense contract. The Office of Economic Adjustment (OEA) provides impacted communities planning assistance through technical expertise and financial resources, and serves as a focal point for information on other relevant Federal assistance programs. Financial assistance is provided through federal grants for the purpose of developing a strategy action plan to identify and address the adverse economic impacts. The objectives of the defense economic adjustment program have focused on creation of new jobs, reuse of the military assets, minimizing the economic adjustment period, stabilizing and diversifying the local economy and increasing the local tax base.

Recent reductions in the defense budget have required the closure and realignment of more than 157 major military bases and the consolidation of defense firms struggling to adjust to DoD procurement cutbacks. Jobs have been and continue to be eliminated with many workers forced to seek new employment. Communities, in turn, have had to develop strategies to create new jobs to replace those lost in the defense sector. The impact of the defense draw down has been significant in terms of job loss. In 1987 DoD employed more than one million civilians. By September 1996, the employment level had been reduced about 28 percent - a loss of 320,000 positions. Another 92,000 civilian positions are scheduled to be cut by 2001. The private sector defense industry has also seen a sharp drop in employment due to DoD procurement cutbacks. To adjust, some defense firms have chosen to diversify to commercial products, while others believe they can survive by selling off peripheral operations and protecting their market niche. The number of private sector jobs directly supported by DcD contracts has declined by 29 percent 1987 and 1994, from 3.9 million to about 2.8 million.

The largest impact of DoD downsizing has been in the private sector, where the ripple effects of DoD spending cuts are felt beyond the prime contractor. The impact extends to subcontractors and suppliers, as well as community retail and service companies. The severity of economic impact and the community's ability to respond depend on a variety of factors, such as the number of jobs lost, the size of the community, or the diversity of the community economic base. Metropolitan areas with a large and diverse local economy usually adjust more easily that smaller, heavily defense-dependent communities. However, smaller communities can survive quite well if job gains in other sectors of the labor market offset the defense job losses. Conversely, a metropolitan area can suffer substantially if the health of the local economy is weak and not diversified.

DoD's experience has shown that the primary responses to address the economic impacts must be community-based. The economic adjustment efforts begin and end with the community leaders, with support and coordination from State leaders and Federal officials. Effective decision making rests with those most impacted by the defense action - those who have the greatest stake in economic recovery. Although experience suggest that the task of rebuilding an economic foundation is never easy, a community can find that a closed military base is its single greatest asset. Facilities have been freed up with the potential to generate new jobs that can replace, or even exceed, the losses resulting from the closure, and expand a community's tax base. The transition period for a base closure community often takes three to five years, with complete base redevelopment sometimes taking up to 20 years. Nonetheless, almost 26,000 new jobs and more than 550 tenant businesses have already been created on bases closed since the BRAC process began in 1988. On average, around 60 percent of the civilian jobs lost are replaced a year after formal closure.

Finally, whenever there is a change in the work force at a defense nuclear facility, Section 3161 of the Defense Authorization Act of 1993, requires the Secretary of Energy to develop a plan for restructuring the work force. These plans include: adequate notice of the impending changes; minimizing involuntary separations; offering preference in hiring to the extent practicable; providing location assistance; providing retraining and educational and out placement assistance. The Restructuring Plans that are developed are different at each site but all Plans must demonstrate that a work force analysis has been conducted that identifies future work needs. Since FY 1992, the Department has separated 37,000 of its contractors through FY 1996. Of these, 78% have been voluntary, including early retirement, non-retirement-voluntary separations, and attrition.

The total estimated costs through FY 1996, for separating these 37,000 employees was $643 million or slightly under $17,400/employee. This compares favorably with DoD and private industry benchmarks and is substantially below $25,000 in benefits per worker. In general, separation costs include severance, early retirement with benefits, training and out placement service. Each community adjacent to a defense nuclear site under going work force restructuring is eligible to form a **Community Reuse Organization (CRO)** and apply for funding to plan and implement programs to mitigate the social and economic impacts of restructuring. To date, 11 communities have planning underway and most of these communities have formed a CRO and have implemented programs and projects.

Factors that are used to evaluate the potential success of a project or program include: projected job creation for workers affected by downsizing (communities should seek to create at least one job for each $10-25,000 in federal funding received, leveraging those funds to attract other private and public funds); the ability to reduce the region's dependence on the Department; consistency with identified strengths of the region; past performance of the applicant, if any; local participation in the project; cooperation with regional or state economic development efforts; ability of the project to become self-sufficient; optimal use of site equipment or technologies; other factors such as matching funds. Since 1993, over $160 million has been provided to support the diversification of affected communities, including assistance to CROs, Department field organizations, and Management and Integration contractors.

Issues in the Design of Economic Transition programs for Climate Change

A number of issues would have to be addressed in designing an economic transition program for climate change. These include:

Sources of revenue: If a climate change control program is implemented through a system of marketable permits, the revenues from a permit auction could serve as the funding mechanism for an economic transition program. Current projection of revenues raised from these auctions suggest a potentially large funding stream that would be available for either a categorical program or to augment existing programs to facilitate the transition to a less greenhouse gas intensive economy. An alternate mechanism for funding a categorical program might be for program beneficiaries to receive permits in lieu of other forms of assistance, the value of which would be determined in the marketplace.

Targeted Population:
A program could narrowly focus on employees of and communities dependent on energy industries or industries that consume large quantities of energy. Alternatively, a broader set of beneficiaries could be targeted, such as those manufacturing energy consuming equipment or engaged in industries indirectly dependent on energy (e.g., road builders). While identification of a limited set of industries most likely to be affected may be straight forward, it would be difficult to determine all of the industries or firms that might respond to an increase in energy costs by reducing employment. This problems would be exacerbated by the fact that the effects of global climate policy will take place over a protracted period of time making certification of whether the dislocations were due to climate policy or general economic factors problematic.

Criteria for documenting eligibility: A dedicated economic transition program must establish criteria for determining eligibility. If a climate change mitigation program is implemented through a system of tradeable emission allowances, permit prices could provide useful information to trigger the availability of transition assistance. Such prices would reflect the additional cost to firms of the greenhouse gas control program.

Timing of benefits: It is likely that industries will begin to take action to reduce greenhouse gas emissions before a legally binding obligation officially takes effect. This is especially likely to be the case if firms are allowed to bank early emission reductions that they make before the program start date. For example, in the Acid Rain Program, actual sulfur dioxide emissions were 40% below allowable levels in 1996 -- largely due to emissions banking. In addition, industries will anticipate future greenhouse gas constraints as they make capital budgeting decisions and will likely begin replacing greenhouse gas intensive capital with less intensive alternatives soon after a control program is announced. This would affect the livelihood of workers and communities dependent on energy intensive industries and should be considered in determining the timing of the economic transition program.

October 26, 1998

NOTE TO DOROTHY ROBYN
NATIONAL ECONOMIC COUNSEL

JANET ANDERSON
CLIMATE CHANGE TASK FORCE

FROM: BONNIE SUCHMAN
DEPARTMENT OF ENERGY

SUBJECT: Employee transition issues considered in the interagency process on electricity restructuring

Prior to the drafting of the Department of Energy's initial restructuring proposal, the Department met with a number of stakeholders on a broad range of issues relating to industry restructuring. DOE staff met with the International Brotherhood of Electrical Workers (IBEW), the United Mine Workers and the AFL-CIO on several occasions to discuss the effect of restructuring on labor. Both IBEW and AFL-CIO recommended that the decision to implement retail competition be left to the States. In addition, both unions recommended that a portion of a utility's stranded cost recovery, determined at the state level, be used for employee transition.

In an effort to address labor's concerns, DOE proposed that displaced utility workers be eligible for assistance from the Public Benefit Fund. Under this proposal, a State could apply for matching funds for retraining services, outplacement services, early retirement incentives, and severance benefits.

During interagency discussions, the Labor Department expressed concern regarding the inclusion of employee transition assistance in the Public Benefits Fund. The Labor Department thought that inclusion of employee transition assistance in the Public Benefits Fund could serve to undercut the position of the labor unions that worker transition should be treated as an element of stranded cost recovery at the state level. The Labor Department suggested instead that we consider including in federal legislation a principle endorsing a stranded cost mechanism which includes support for employee transition services. As a consequence of these discussions, employee transition assistance was eliminated from the Public Benefits Fund. However, because we were unable to develop stranded cost recovery language related to employee transition assistance, the stranded cost principle in the bill was not broadened to include support for employee transition services.

We are currently reviewing a number of provisions of the bill to determine whether changes are required. At the time of our initial drafting, we included support for employee transition assistance in order to respond to the unions' concerns. We understand that the unions believe that changes may need to be made to the Administration's restructuring bill to accommodate their concerns, and we look forward to meeting with them to discuss these changes.

Todd Stern 11/23/98 07:49:03

Record Type: Record

To: Dirk Forrister/WHCCTF/EOP

cc: See the distribution list at the bottom of this message

Subject: labor

I've located my notes of the meeting that I held with Karen, Dirk, Dan Reicher, David Luna and maybe a few others to follow up on our two meetings with labor leaders on September 25. At the meeting on the 25th, we undertook to get three processes going: (1) to look into potential labor impacts of the electricity restructuring bill; (2) to look into potential near and longer term proposals with respect to the coal industry; and (3) to look into transition issues.

My notes indicate that Dirk, Dan, Bill Samuels, CEQ and NEC were going to get together on the electricity issue. I understand that some meeting was held, but I don't know where the process is. On the coal industry, my notes suggest that a group including Dirk, Denise Swink, Bob Kripovicz, Bob Perciaseppe, CEQ and NEC was going to meet. I don't know whether anything has happened yet. I understand that many of us were crunching to prepare for Buenos Aires. But we do need to get this going. Particularly if we find ourselves with a Bob Byrd/POTUS meeting coming up, which is a possibility.

Same point on transition. I think nothing much has happened yet other than that Karen has talked with Sally and I have touched base briefly with Ron. But we clearly need an interagency group pulled together that includes David Luna, maybe someone else from Labor, Treasury, CEA, and others. We need to do some initial thinking and then offer to sit down with David Smith and others to begin discussing ideas. My general untutored sense about this is that while we may well not want to create a special climate change transition program -- i.e., may want it to be part of whatever our general programs are in this regard -- we almost surely do want to be thinking about a special climate/coal miner program. And we need to get thinking under way quickly enough so that if a meeting with Byrd pops up on the President's schedule, we can staff him properly.

Dirk -- let's talk in the morning to see where we are on electricity and coal. Ron -- if it would be helpful we can talk about who would make sense for the interagency transition team. Though Sally may well have thoughts on this as well. tds

Message Copied To:

Karen Tramontano/WHO/EOP
Roger S. Ballentine/WHO/EOP
Sally Katzen/OPD/EOP
Ronald Minsk/OPD/EOP
George T. Frampton/CEQ/EOP

Labor following mtg 10-5

① Electricity
may be some adverse impact
& we didn't talk to them
impact on workers

Reicher / Samuel

~~Nat~~ ~~Nat~~ ~~Utility~~ ~~workers~~
Utility workers union
O.C. Chem & Atomic
IB Elec workers
Danenka

- Here's what we think
bill will do
- They express concern on jobs
- what can we do on transition

* DIRK
Dizy
Bill S.
CEQ
NEC
set up mtg

② Coal
Separate engagement
on coal & what to do

DOE
near / medium term proposals
for clean coal

* DIRK
Denise S.
Bill Kovacevicz
~~Del~~ Pericasepe
CEQ
NEC

(3) Transition

Sharon to [illegible]

(4) Economic analysis

* ——— Michele to call Dave or Jane

(5) JOOB call
Dave Smith — re EIA

I think we should recommend three processes —

#1 • a DOC/DOE process to discuss worker impact from dereg

#2 • a DOC/DOE discussion about coal — long term discussion

#3 • a NEC process to discuss worker transition —

I will talk w/ Gene/Sally to get #3 this to happen —
and w/ DOC/DOE to get #1 & #2
~~xx~~ to happen —

This could be a good place to close

4 yellow note

KT

September 25, 1998

Meeting with Labor Executives on Climate Change

DATE: September 28, 1998
LOCATION: Roosevelt Room
TIME: 9:30 - 11:00 a.m.
FROM: Dirk Forrister

I. PURPOSE

To meet with labor leaders to discuss cooperative efforts with U.S. industries to reduce greenhouse gases.

Key objective for meeting: Begin a productive dialogue that will have the buy-in of top level labor leaders for the consultative process. The meeting will include a discussion of (1) our approach to climate change, (2) impacts on the labor force, and (3) how we can work together to make real progress.

II. OVERVIEW OF MEETING

General themes for the meeting should be:
- Overall objectives of the climate change agenda and its practical approach
- Priority of addressing economic protection and growth hand-in-hand with environmental protection
- Voluntary approach to industry commitments
- Transition Assistance

Opening points for Stern to deliver:

- Welcome to the Roosevelt Room. This meeting is a part of a series of meetings with outside stakeholders on climate change and is a result of your meeting with the Vice President. At that meeting, you put your issues on the table. We heard you. Now we want to begin to roll up our sleeves and work to address the issues which are specific to your groups.

- Why are we addressing climate change? (1) Science is not complete, but there is enough consensus in the scientific community to warrant serious attention to this issue; (2) Addressing this issue now will allow us to do so in a rational, well-though out manner instead of addressing a pending large-scale crisis; (3) President met with CEOs of Fortune 500 companies and asked their advice for how to address this issue. They responded by saying that they needed flexibility and could show leadership on addressing this issue if given a chance.

- What does the domestic agenda include? Overall Administration approach to climate change and President's priorities to developing a domestic agenda announced in October 1997 were: (1) participation of developing countries must be part of any binding treaty and will affect how a domestic agenda is developed, (2) protecting the economy and environment are not mutually exclusive, (3) flexibility is key to economic success of emissions reductions, (4) voluntary efforts on the part of industry must be included in any domestic strategy.

- Who is involved in developing the domestic agenda? The Administration is actively working with heavy industries (aluminum, steel, cement, forest products and others) and the electric power sector to develop voluntary plans to reduce emissions, and we are trying to engage other industries at the highest levels. We are working with agencies to develop R&D programs to assist industries in finding innovative technology solutions for reducing emissions and energy intensity. We are working with Treasury to develop tax incentives for emerging technologies and to provide market signals. We are beginning outreach to labor groups to ensure the least impact on the U.S. labor force.

Economic Points:

- We are working to ensure that climate concerns are met in the most economic ways possible, avoiding harsh impacts on companies, workers and communities.

  -- We support numerous kinds of flexibility -- in where, when and what emissions mitigation strategies can be used. All of these lower compliance costs and mitigate impacts on workers and communities. We advocate use of an emissions trading approach that achieves the environmental goal at the least possible cost.

  -- We oppose costly "command and control" environmental policies and punitive "carbon taxes."

Points for Stern/Forrister to deliver:

- We are working with industries on voluntary emissions reduction agreements that take advantage of "win-win" strategies. We urge these firms to consult with their workers and community leaders to ensure that their voluntary plans benefit from those points of view and, in the end, garner broad support.

  -- To date, we have conducted consultations with aluminum, electric power, steel, forest products, cement, natural gas (pipelines), commercial buildings, airlines, chemicals, oil, glass, metals casting, electronics/semiconductors, heating/cooling and appliances.

- With these industries, we are looking at other policies which can help us meet our climate objectives in a cost-effective manner. These include: (1) electricity restructuring, looking at impacts of competition, public disclosure, public benefits, (2) other Clean Air Act requirements, (3) economics driving cost reduction, including energy costs.

Points for Stern/Rouse to deliver:

- The President has committed to provide transition assistance to workers and communities that are adversely effected as the nation takes action to mitigate climate change.

  -- Until a complete domestic action agenda is developed, it would be premature to presume impacts on any specific sectors, groups of workers or communities. Still, there are certain sectors that could be identified as "more highly at risk" of employment impacts. For those sectors/workers, early preparedness would be advantageous.

  -- The Administration will begin a process to identify those sectors most at risk, develop a range of strategies to better enable community/workforce transition and propose programs to provide appropriate workforce transition assistance well in advance of any potential impacts of climate policy on particular communities.

  -- While there are some overall trends for some worker groups that will be negative, for many others climate action will be positive. For example, coal mining jobs -- which have been declining over the past two decades -- are likely to decline further, though well functioning "flexibility" policies will dampen this decline significantly.

  -- At the same time, there will be increased employment in other sectors, such as natural gas, renewables and energy efficient equipment (combined cycle natural gas boilers, cogeneration equipment, photovoltaics, wind turbines, geothermal heat recovery equipment, advanced turbines, micro turbines, fuel cells, advanced electronic controls, variable speed drives, lighter weight automotive materials, etc.)

Concluding Remarks:

- We commit to the following actions:
  (1) Work with industries and specific companies involved in consultations to encourage them to involve labor groups in consultative process and technical discussions.
  (2) We commit to a regular update (bimonthly?) of our progress in the consultations.
  (3) Once a more complete domestic agenda is developed, we will work with Labor Groups to develop strategies for transition assistance.

III. BACKGROUND

<u>Department of Energy Interactions with Labor Groups</u>

- *Industries of the Future*: In response to interest from labor groups, Industries of the

Future staff met with AFL-CIO staff to determine how labor groups affected by R&D programs can participate on a level playing field in the roadmapping process and R&D visions. They are looking for four things from DOE: (1) regular information exchange about the R&D visions, roadmapping process, and demonstration projects; (2) training under technical assistance programs such as Motor Challenge and retraining if technology results in job loss; (3) information about DOE resources which are available to them; and (4) demonstration with steel industry to understand potential problems and impacts on workers.

- *R&D Program on Coal Gasification and Coal Liquefaction*: DOE is looking at its R&D in this area to determine the interrelationships between various external factors as it develops long-term strategies for energy supply and demand and how the role of coal may change if the projected demand for energy in each of the major market sectors is to be met consistent with the changing environment, energy resource availability, as well as acceptability, and the economics of supply in the near, mid and long-term.

- *Million Solar Roofs*: Work has begun to involve the IBEW in retraining of workers for installation and maintenance of solar systems.

Environmental Protection Agency Interactions with Labor Groups

- Assistant Administrator Gardiner has held discussions with several groups on the economic analysis, but nothing formal has been instituted.

IV. EVENT PARTICIPANTS

Labor Groups for 9:30AM Meeting:
Cecil Roberts, President, United Mine Workers of America (UMWA)
Bill Banig, UMWA
Bob Wages, President, Oil, Chemical & Atomic Workers (OCAW)
Leslie Leopold, OCAW
Don Wightman, President, Utility Workers Union of America (UWUA)--*possible cancellation*
Sam Weinstein, UWUA
Richard Trumka, Secretary-Treasurer, AFL-CIO
David Smith, Director of Public Policy, AFL-CIO
Jim Dushaw, Director of Utilities, International Brotherhood of Electrical Workers (IBEW)
Will Paul, International Brotherhood of Electrical Workers (IBEW)
Joe Jurczak, Jane Perkins, Joel Yudkin, Richard Michalski, AFL-CIO

Labor Groups for 10:45AM Meeting:
George Becker, President, United Steel Workers of America (USWA)
William Klinefelter, USWA
Michael Wright, USWA
Boyd Young, President, United Paperworkers International Union (UPIU)--*possible cancellation*
Keith Romig, Director of Communications, UPIU

Douglas Meyer, International Union of Electronics (IUE)
Richard Trumka, Secretary-Treasurer, AFL-CIO
David Smith, Director of Public Policy, AFL-CIO
Richard Michalski, International Association of Machinists
Joe Jurczak, Jane Perkins, Joel Yudkin, Richard Michalski, AFL-CIO

Administration:
Todd Stern, Assistant to the President for Special Projects, The White House
Dirk Forrister, Chair, White House Climate Change Task Force
Dan Reicher, Assistant Secretary, Department of Energy
David Gardiner, Assistant Administrator, Environmental Protection Agency
Karen Tramontano, Counsel to the Chief of Staff, The White House
David Sandalow, Council on Environmental Quality
Bill Samuel, Associate Deputy Secretary, Department of Labor
Ed Montgomery, Chief Economist, Department of Labor
Denise Swink, Deputy Assistant Secretary, Department of Energy
Bill White, Senior Advisor to the Administrator, Environmental Protection Agency
Janet Anderson, White House Climate Change Task Force
Elizabeth Arner, White House Climate Change Task Force

V. PRESS PLAN

Respond to press inquiries.

VI. PARTICIPANT INFORMATION

TO BE PROVIDED BY Tramontano in separate package

Rich T.

(1) value trade
placated them

(2) Energy policy

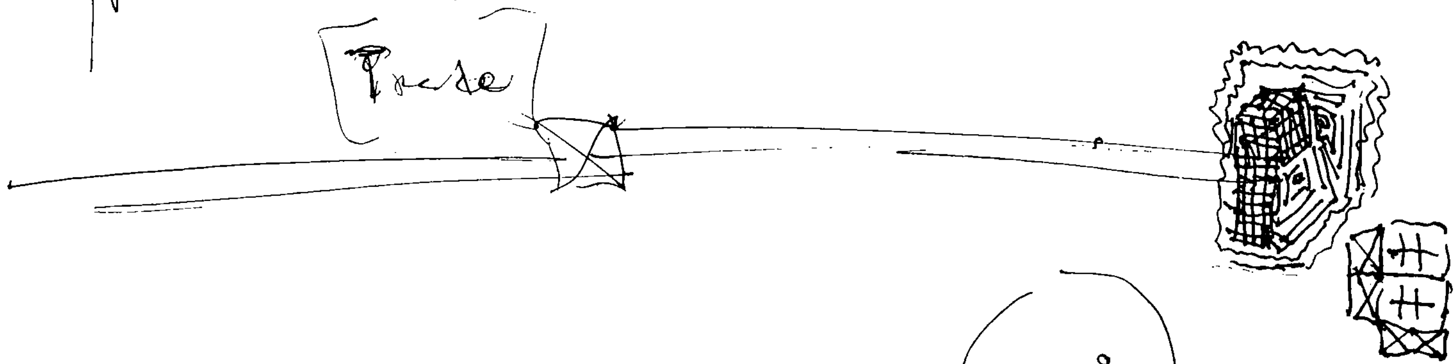
(3) Agendas
what reason to be here

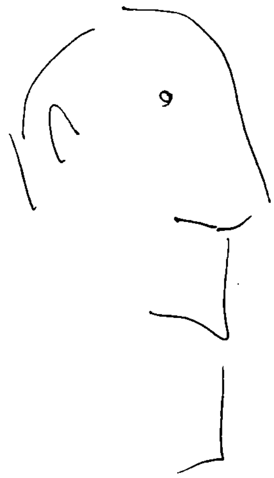
Avondale

1 Onshaw Elec. Restruc. -- effect on Energy

2d mtg: Becker - Govt. agencies have imposed tech forcing standards & kt cos. deal.
Concerned about trade by + me

Pinalski | machinists: Aerospace airlines small mfrs





establishment of a system whereby companies who *do* act early would get credit for doing so -- and we are actively engaged in working on such a program, though key is going to be the Hill.

If I can generalize, I think it is largely true that industries are not ready to lay down specific commitments, though some are closer than others. Want to see what we are going to do in response to their concerns -- such as early credit, clean air, etc. Interested in being in a process, but not ready, in most cases to step up and pledge x,y,z reductions. Exceptions: BP, United Technologies. But still exceptions.

- **Labor role.** As far as Labor is concerned, invite direct interaction with industries involved. That is most important. But also invite you to share concerns and constructive ideas about directly with us.

LABOR MEETING REVIEW
5 OCTOBER 1998
1:00 PM

1. Todd Stern
2. Dan Reicher
3. Bill White
4. Karen Tramontano
5. Janet Anderson
6. Dirk Forrister
7. Beth Arner
8. Bill Samuels

TDS

Talking Points for Todd Stern
Meeting with Labor Leaders
September 28, 1998

Intro.

- Thank you very much for coming to meet with us to talk about climate change, what we're doing in our industry consultations, and how we can work cooperatively with you.

- **Acknowledgments.** Karen Tramantono; ~~Katie McGinty, Chair of CEQ~~; Dirk Forrister of CCTF; Janet Anderson and Beth Arner of CCTF; David Gardiner of Assistant Administrator at EPA; Dan Reicher Assistant Secretary at DOE; [Bill Samuels, Title, Labor].

Issue of concern to you

our approach

P's commitment

- **Our approach.** I know this is an issue of concern to a lot of you -- have read policy statements, Cecil's testimony, have talked a good deal to Dave and Joel and Jane, I know there is real concern. I would like at outset to explain a little bit about how we look at this issue before turning to the our consultations with industry, because I think we have an approach that is balanced, pragmatic and in no way wild and wooly. Also want to emphasize that this is an issue that the **President** takes very seriously. Raises all the time with foreign leaders -- e.g. China, the President raised the issue repeatedly -- and raises it repeatedly in speeches here. He sees it as one of the more important challenges we'll have to grapple with in the new century. Informal. Feel free to interrupt or react.

Science

Science. So let me start at the start by saying that the science is telling is that there very likely is a problem and that it is very likely it will have serious consequences. E.g. -- CO2 going way up; warmest century and decade; nine hottest years since 1987 and when this year ends, sure to be 10 hottest since first 8 months of 1998 all broke records. BAU would vastly increase CO2 -- projected to double it in next century to highest in 50 million years. This would mean warmer and wetter world with predicted climate effects similar to El Niño, which produces warmer, wetter weather over very short term cycle.

Ocean liner - can't wait

Uncertainty about predicted effects, yes. And *some* about whether greenhouse effect is responsible for the warming -- but not much. Most scientists are of this view.

Ocean liner. Now add to these facts the additional fact that shifting course is about as quick and easy as turning around an ocean liner. Gases stay up a long time. Decisions made now, re kind of power plants to build, kind of cleaner energy to develop, both here and abroad, can have lasting effects. So idea that we can sit and wait until we have true scientific certainty just isn't viable. ***In short -- there is a real and powerful rationale for taking action now. The question then is whether the action we're taking is reasonable.***

Kyoto - good on flex. m.(?)

Action -- Kyoto. Our view is yes -- that we're steering a sound, moderate course. First, with regard to the Kyoto Protocol itself -- succeeded in having crucial flexibility mechanisms included. We see these as a kind of safety valve on the system -- allowing companies who don't want to incur expense of taking domestic actions to buy permits (whether on home market or abroad). Didn't include LDCs, but we felt wiser course for us to lock in the good and deal with the unfinished parts by agreeing that we wouldn't move treaty forward until we got more.

LDCs

North-South

Developing countries. On the developing country point, we have made it clear repeatedly that we are not going to seek ratification of the treaty until we get a greater level of engagement from developing countries. And I will tell you candidly that that is going to be difficult and is going to take time. We are working hard at this, but the reality is that developing countries aren't there yet. On this point, they see the world through very North-South lenses; the emissions in the atmosphere are our fault and we should take the first steps. And they fear that agreeing to any limitations on their emissions will restrict their ability to grow.

At the same time, some are beginning to take an interest in the so-called "flexibility" provisions that we negotiated into the treaty -- things like international emissions trading and another provision (CDM) that would allow developed companies to invest in clean energy projects in developing countries and share the credit for reduced emissions.

But this is a big challenge and will, in the end, tell the tale as to whether the Kyoto Protocol becomes a viable, working agreement.

Domestic plan - carrots not sticks

- Budget
- Elec.
- Fed'l Gov
- Vol'y

Domestic. On domestic front, President's approach is very sensitive to the uncertainties -- on the international front in particular -- built into this problem. Therefore, no call for mandatory action to reduce ghg. Instead, budget package; electricity restructuring; fed'l govt. action; voluntary engagement with business. Actually criticized a good deal by those who think not aggressive enough, but President believes a ramp up built, in essence, on carrots rather than sticks, makes sense. Additional ideas coming out of consultations and elsewhere, but will continue largely on non-mandatory theme.

Economic impact

Sep briefing

Economic impact. Recognize significant differences in conclusions. Our analysis, which unlike many, factors in international mechanisms, concludes target could be met at relatively modest cost. Conclusion of modest cost is not based on 85% trading. Illustrative model -- SGM -- used spits out $23 based on 75% trading, but doesn't, by its terms, include domestic policies. We project electricity restruc. to produce substantial domestic; think sinks will; believe technology policy can. So domestic would be a lot higher. Also -- even without any of that, SGM would suggest, even with only developed country trading, a permit price in the $50 or so range.

75% is lower

Doesn't mean painless. But again, can't have this discussion intelligently unless you always keep in mind the starting point -- that we've got a problem that, in our judgment, needs to be addressed as long as we can do it in a sensible way. (If don't keep that injunction in mind -- if *not* doing anything seems a viable option, then attacking our position is a lot easier. But we don't think inaction is viable.)

Transition

Transition. Let me add that relatively modest cost to overall economy also doesn't mean there won't be a good deal of pain in certain sectors. We agree with the principle of a just transition -- President said as much in his speech last October. We -- via NEC and others -- will be looking at transition issues broadly, whether the need for assistance arises from climate change or other issues. And I think we will need to be open to particular problems that may need more specific treatment.

Consultations

- **Industry consultations.** Let me turn to ~~our domestic activities. Budget package on Hill -- money is tight and we're working to get as much funding as possible. Active federal energy effort. Will continue to work next year on electricity restructuring. And actively engaged in~~ consultations with industry sectors. These consultations are designed to (a) encourage voluntary steps by business to reduce emissions and (b) solicit suggestions about how we can provide assistance.

- So far, we have talked with 6 or 7 industries at the top management level and have had scoping sessions with a number of others, in preparation for eventual higher level meetings. Our aim has been to encourage industries and companies to do the following things: (1) Capacity to measure; (2) Review of practices to develop options for improving emissions; (3) Stretch goal for emissions reductions and/or improved energy efficiency; (4) Action plan of how to get there. And we have invited suggestions about removing how government can help, remove barriers, etc.

Now some industries have been more open and interested in their approach to this issue than others -- for example, natural gas pipeline guys quite interested -- see this issue as helping what is already a move toward their product. Lots of interest from cement. Electric utilities very engaged, but very focussed on getting us to look at possibility of rationalizing the variety of clean air requirements coming at them over the next 5-10 years. Forest products and steel want to engage, though understandably quite focussed right now on the impact of the Asian currency crisis. Virtually all the industries very interested in

Status of Industry Consultations

As part of the domestic policy program on climate change that the President announced last October, the Administration has been conducting consultations with a variety of industry sectors. In many cases, these consultations build on partnerships that agencies such as the Department of Energy or the Environmental Protection Agency have formed with industries or individual companies over the last several years in programs like ClimateWise, Climate Challenge or Industries of the Future. Our process has three main stages:

- <u>Scoping Sessions at Staff Level</u>. The purpose of these meetings is to outline the Administration's goals and to scope out the issues industry feels need to be resolved in order to take effective action on climate change. These scoping meetings also set the stage for a higher-level meeting. The Climate Change Task Force is currently engaged in this stage of the process with airlines, chemicals, electronics/semi-conductors, glass, metal casting, and oil. We have also engaged labor staff.

2. <u>CEO Meetings</u>. The purpose of these meetings is to engage the CEOs of leading companies in each of the industry sectors to discuss their views and concerns about climate change, to lay out our interest in encouraging voluntary industry steps to reduce greenhouse gases, and to solicit their ideas about ways the federal government could help. We have held CEO-level meetings with: aluminum, cement, investor owned electric utilities, publicly owned electric utilities and rural coops, forest products, gas pipelines, and steel.

3. <u>Partnerships</u>. What we hope will follow from these CEO meetings is a deeper engagement that moves from the broad discussion of principles down to specific ideas about how companies and industries can develop plans to reduce their emissions and what concrete actions they would like to see the federal government take. As an example, virtually all the industries we have talked with expressed interest in legislation that would award credit to companies that take early action to reduce greenhouse gas emissions. We are currently involved in this kind of follow-on process with aluminum, electric power, forest products, and steel. Our objective is for these discussions to lead to companies taking on a stretch goal for reducing emissions and developing a plan to reach the goal. As companies and industries work to develop plans to reduce emissions, we think it will be important for them to engage with and solicit the ideas of their workers and unions.

United Mine Workers of America

CECIL E. ROBERTS
INTERNATIONAL PRESIDENT

TELEPHONE
(202) 842-7220
FAX (202) 842-7307

UNITED MINE WORKERS' BUILDING
900 FIFTEENTH STREET, N. W.
Washington, D.C.
20005

August 14, 1998

Bill Samuel, Assoc. Dep. Secretary
Department of Labor
200 Constitution Ave., N.W.
Washington, D.C. 20210

Dear Bill:

Enclosed is a copy of the study *The Impact of Meeting the Kyoto Protocol on Energy Markets and the Economy.* The report was prepared by Standard & Poor's DRI using the assumptions in the Fall 1997 DRI Energy and Economics Base Case forecasts.

The study confirms that even with significant use of emissions trading and other flexible mechanisms being promoted by the Administration, the Kyoto Protocol will be costly to the United States in terms of jobs, personal income, economic output and energy prices. The study further shows the impact on the U.S. economy will be even more severe if these mechanisms cannot be used.

The DRI study shows the following impacts on our economy:

- Implementing the protocol will result in the loss of 1.3-1.7 million jobs by 2005.
- Economic output, as measured by GDP, will fall 1.1-1.6% on average during the 2008-2012 compliance period. Annual GDP losses in 2008 will be $112 to $178 billion. Cumulative GDP losses from 2000 to 2012 will be $1.1 to $1.5 trillion.
- Consumer energy prices will rise from 24-36%, and producer energy prices will increase 49% to 77%.
- Real household income will fall $1,021 to $1,403 per family annually.
- Household energy expenditures will increase $1,012 to $1,573 per family each year.

This study is the first comprehensive analysis of the Kyoto Protocol that examines the role of emissions trading and other flexible mechanisms as a means for U.S. compliance with the treaty. The study clearly shows that even if the U.S. could achieve substantial reductions offshore Kyoto will still result in significant costs to our economy.

To make matters worse, certain industries, regions and families will bear a disproportionate burden. Coal mining and energy producing sectors are especially hard hit, as are energy-intensive industries such as chemicals, cement, paper and steel. The interior regions of the country will also suffer greater harm because of their reliance on fossil fuel production and consumption. And finally, low income families and senior citizens will shoulder a heavy burden because energy taxes, whether imposed directly by the government or by the market through an emissions trading program, are highly regressive. The cost of Kyoto will fall heavily on those in our society who are least able to afford it.

The study was prepared for the UMWA-BCOA Labor Management Positive Change Process Fund (LMPCP). The LMPCP, which is jointly administered by the UMWA and BCOA, was established in 1993 to foster a cooperative labor/management environment at individual coal mines and to promote cooperative efforts on critical issues of mutual concern. We hope this study will contribute to the debate on the Kyoto Protocol and will prove useful to you and your staff. If you have any questions about the DRI study, please call.

Sincerely yours,

Cecil E. Roberts

Cecil E. Roberts
International President

/dpw

Enclosures

United Mine Workers of America

CECIL E. ROBERTS
INTERNATIONAL PRESIDENT

TELEPHONE
(202) 842-7220
FAX (202) 842-7307

UNITED MINE WORKERS' BUILDING
900 FIFTEENTH STREET, N. W.
Washington, D.C.
20005

August 14, 1998

Bill Samuel, Assoc. Dep. Secretary
Department of Labor
200 Constitution Ave., N.W.
Washington, D.C. 20210

Dear Bill:

Enclosed is a copy of the study *The Impact of Meeting the Kyoto Protocol on Energy Markets and the Economy.* The report was prepared by Standard & Poor's DRI using the assumptions in the Fall 1997 DRI Energy and Economics Base Case forecasts.

The study confirms that even with significant use of emissions trading and other flexible mechanisms being promoted by the Administration, the Kyoto Protocol will be costly to the United States in terms of jobs, personal income, economic output and energy prices. The study further shows the impact on the U.S. economy will be even more severe if these mechanisms cannot be used.

The DRI study shows the following impacts on our economy:

- Implementing the protocol will result in the loss of 1.3-1.7 million jobs by 2005.
- Economic output, as measured by GDP, will fall 1.1-1.6% on average during the 2008-2012 compliance period. Annual GDP losses in 2008 will be $112 to $178 billion. Cumulative GDP losses from 2000 to 2012 will be $1.1 to $1.5 trillion.
- Consumer energy prices will rise from 24-36%, and producer energy prices will increase 49% to 77%.
- Real household income will fall $1,021 to $1,403 per family annually.
- Household energy expenditures will increase $1,012 to $1,573 per family each year.

This study is the first comprehensive analysis of the Kyoto Protocol that examines the role of emissions trading and other flexible mechanisms as a means for U.S. compliance with the treaty. The study clearly shows that even if the U.S. could achieve substantial reductions offshore Kyoto will still result in significant costs to our economy.

To make matters worse, certain industries, regions and families will bear a disproportionate burden. Coal mining and energy producing sectors are especially hard hit, as are energy-intensive industries such as chemicals, cement, paper and steel. The interior regions of the country will also suffer greater harm because of their reliance on fossil fuel production and consumption. And finally, low income families and senior citizens will shoulder a heavy burden because energy taxes, whether imposed directly by the government or by the market through an emissions trading program, are highly regressive. The cost of Kyoto will fall heavily on those in our society who are least able to afford it.

The study was prepared for the UMWA-BCOA Labor Management Positive Change Process Fund (LMPCP). The LMPCP, which is jointly administered by the UMWA and BCOA, was established in 1993 to foster a cooperative labor/management environment at individual coal mines and to promote cooperative efforts on critical issues of mutual concern. We hope this study will contribute to the debate on the Kyoto Protocol and will prove useful to you and your staff. If you have any questions about the DRI study, please call.

Sincerely yours,

Cecil E. Roberts

Cecil E. Roberts
International President

/dpw

Enclosures

Status of Industry Consultations

The Administration is conducting consultations with various industry sectors. Our process has three main stages:

1. Scoping Sessions at Staff Level. The purpose of these meetings is to outline the Administration's goals and to scope out the issues industry feels need to be resolved in order to make commitments. These scoping meetings also set the stage for a higher-level meeting. The Climate Change Task Force is currently engaged in this stage of the process with airlines, chemicals, electronics/semi-conductors, glass, metal casting, and oil. We have also engaged labor staff.

2. CEO Meetings. The purpose of these meetings is to engage the CEOs of leading companies in each of the industry sectors ~~in setting a common vision for our voluntary process and to invigorate the staff-level process with buy-in from the highest levels.~~ We have held CEO-level meetings with: aluminum (7/8), cement (7/22), electric power (7/10 and 7/31), forest products (7/23), gas pipelines (9/17), and steel (7/16).

3. Public-Private Partnership. In each of the CEO meetings, issues are raised which require further resolution. After CEOs review the potential range of opportunities and barriers, they usually charge their staffs to work with the Administration to resolve these issues. CEOs generally take on a high level of engagement in the follow-up process to ensure that progress is made at the staff levels. The Climate Change Task Force is looking for a pledge of a "stretch goal" for greenhouse gas emissions reductions, which may take the form of a pledge with commitment to a process to complete the other elements of an agreement. We are currently involved in developing these public-private partnerships with aluminum, electric power, forest products, and steel. Commercial buildings have also proposed an agreement to pledge reductions.

A summary of industries involved in various stages of our consultative process are:

- Airlines
- Aluminum
- Cement
- Commercial Buildings
- Chemicals
- Electric Power
- Electronics/Semi-conductors
- Forest Products
- Gas Pipelines
- Glass
- Metal Casting
- Oil Refining
- Steel

issues
to discuss ~~items~~ of concern ~~and~~
~~interest~~

The government also sponsors partnerships with other sectors to promote specific greenhouse gas or energy efficiency goals: Residential Building PATH (Partnership for Advancing Technologies in Housing) and Automobile PNGV (Partnership for a New Generation of Vehicles.

The Task Force will also determine the appropriate venue for involving the "solution" companies in the dialogue on emissions reductions.