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001. list	[Personally Identifiable Information] [partial] (6 pages)	09/22/1999	b(6)

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Clinton Presidential Records
Office of Environmental Initiatives
Roger Ballentine
OA/Box Number: 19511

FOLDER TITLE:

Climate Change Other Industry [1]

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

WHITE HOUSE
OFFICE OF ENVIRONMENTAL INITIATIVES
FILES OF ROGER BALLENTINE,
DEPUTY ASSISTANT TO THE PRESIDENT

(prepared by Angie Mizeur)

Box 4 of 9
Submitted 12/22/2000

CLIMATE CHANGE (CON'T)

Other/General (con't)

Credit for Early Action
Compliance
Contact Lists
Coral/Oceans
DoT Related
ECA/MDB –Related
Education Related/ Schools
Equity/Compen.
Event Ideas
Fed. Energy Use/Transport. (federal Building EO, Federal Transport EO, Federal Fuel Cells)
Financial Community
General Background
Grid Reliability
Health
Hydropower
Industry
Industry Consultation
Intergovernmental
Labor
Legal Issues
Natural Capitalism
Natural Gas
Nuclear

ENCLOSURES FILED OVERSIZE ATTACHMENTS

19511
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NEWS RELEASE

FOR IMMEDIATE RELEASE

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GLOBAL CORPORATIONS AND ENVIRONMENTAL DEFENSE PARTNER TO REDUCE GREENHOUSE GAS EMISSIONS

Partnership Pioneers Real-World Solutions

(17 October, 2000 – Washington, DC) Some of the world's largest corporations and the US advocacy group Environmental Defense have joined forces to further combat climate change. BP, Shell International, DuPont, Suncor Energy Inc., Ontario Power Generation, the Canadian aluminum company Alcan, the French aluminum company Pechiney and Environmental Defense today announced the creation of the Partnership for Climate Action. The primary purpose of the Partnership is to champion market-based mechanisms as a means of achieving early and credible action on reducing greenhouse gas emissions that is efficient and cost-effective.

Each company in the Partnership for Climate Action has already set a firm target for greenhouse gas emissions reductions. The targets will result in an annual reduction of at least 80 million metric tons of carbon dioxide equivalent by 2010. Further, each company agrees to measure and publicly report its emissions.

The partners include petroleum and petrochemical companies BP and Shell International, the energy company Suncor, a chemical company (DuPont), the electric utility Ontario Power Generation, and the world's second and third largest aluminum companies (Alcan of Canada and Pechiney of France). Together, the annual 1990 emissions of the Partnership members are 360 million metric tons, placing them among the top 15 industrialized countries in terms of emissions. Never before have such a wide cross section of industry and a major environmental organization joined forces to institute such dramatic cuts in global pollution. To better understand and learn the benefits of market mechanisms, the participants intend to use emissions trading to cut greenhouse gas pollution swiftly and affordably.

"The Partnership for Climate Action shows that companies can cut greenhouse gas pollution while continuing to provide products to customers and profits to shareholders. The goal is to share learning and highlight the value of solid, market-oriented rules, which will encourage even more companies to step forward and reduce pollution," said Fred Krupp, Executive Director of Environmental Defense.

"Alcan is a committed, engaged company that has taken early action and reduced emissions for a number of years. This Partnership for Climate Action is a significant opportunity to join a reputable group of companies in translating action -- emissions reductions -- into the future that includes emissions trading," said Dan Gagnier, Alcan's Senior Vice President, Corporate and External Affairs.

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"Three years ago BP made a commitment to substantially reduce its emissions of CO₂ - and since then we have been working hard to achieve this goal," said John Mogford, BP Vice President of Health, Safety, and Environment. "The formation of the Partnership for Climate Action will strengthen these efforts by creating a forum where like-minded participants can benefit from each other's practical experience and action. By working together we hope to further encourage real and verifiable reductions of CO₂."

"DuPont is proud to be a founding member of the Partnership for Climate Action. We believe that the Partnership will demonstrate that market-based programs can provide the means to simultaneously achieve both environmental protection and economic development goals. Beginning with a commitment in 1991, we are very pleased to have achieved a 60% reduction in greenhouse gas emissions, on a CO₂-equivalent basis, from our global operations. Over the next decade we have set goals to further reduce greenhouse gas emissions through point source reduction, improved energy efficiency and the use of renewable energy for 10% of our global needs. This Partnership will provide a forum for emissions trading and sharing of best practices to ensure that all of the members' goals can be met in the most cost effective manner," said Paul V. Tebo, DuPont Vice President, Safety, Health and Environment.

"Like many companies represented here today, Ontario Power Generation is committed to improving the quality of our air and to reducing the impact of global warming. I say this not just because of the obvious ecological and moral importance of these activities, but also because environmental performance is a significant business imperative and a source of competitive advantage for us. We believe this trend will intensify as new electricity suppliers strive to differentiate themselves in the new, deregulated and competitive marketplace," said Ron Osborne, President & CEO, Ontario Power Generation Inc.

"Pechiney is particularly keen to develop a system of emission trading that will allow taking into account the benefits of reduced greenhouse gas emission created by the use of aluminum-based products, including the use of aluminum in lightweight automobiles," said Philippe Varin, Senior Executive Vice President of the aluminum sector of Pechiney.

"Market-based solutions are the most effective way of addressing environmental challenges, including bringing down the cost of reducing GHG emissions. This initiative to develop and share best practice is yet another step in the right direction," says Aidan Murphy, Vice-President, Global Climate Change, Shell International.

"We are pleased to be working alongside other leading organizations who share our belief in the power of market mechanisms to contribute to climate change solutions," said Rick George, Suncor President and CEO. "It is my hope that by announcing our Partnership for Climate Action, we will send a clear message that it is possible for companies to address climate change and still meet the growing economic, environmental and social expectations of stakeholders."

More information on the Partnership for Climate Action is available at www.environmentaldefense.org on the web.

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Partnership for Climate Action

Environmental Excellence and Sound Economics

Mission Statement:

The Partnership for Climate Action, a collaboration of business and environmental leaders dedicated to climate protection, will limit and reduce greenhouse gas emissions, take direct actions, employ market-based mechanisms, and share its learning.

Commitment to Action:

The Partnership for Climate Action is united by a common approach to climate protection: that our commitments and actions will prove that investments achieve the most emissions reductions when harnessing market forces.

To that end, each member joins the Partnership for Climate Action by agreeing to:

- Publicly declare a global greenhouse gas emission limitation commitment backed by management actions, policies and incentives to achieve them;
- Measure, track, and publicly report net greenhouse gas emissions performance;
- Employ innovative strategies to work with each other, customers, and suppliers to maximize opportunities through demonstrations, products and services to reduce greenhouse gas emissions; and,
- Lead through example, positive engagement, collaboration, public communication and sharing of experience-based knowledge and effective technology.

Common Principles:

The Partnership for Climate Action is guided by a set of common principles:

1. There is enough scientific evidence about the serious risks of climate change to merit action now.
2. Solutions to the climate change problem involve greenhouse gas reductions compatible with economic growth.
3. Taking cost-effective actions ensures the most environmental protection for each dollar spent, fosters innovation, promotes competitiveness and unleashes entrepreneurs to provide solutions.
4. Market mechanisms such as those evolving under the Kyoto Protocol have the potential to lead to a cost-effective global response, and companies should work with governments to ensure they are properly structured and responsive to the marketplace.
5. The business community should lead in demonstrating the use of market mechanisms, and these voluntary actions should be recognized by governments.
6. Credible market mechanisms rely upon careful environmental management, accurate measurement and reporting of emissions, equivalency in exchanged reductions, and clear, consistent rules.
7. The Kyoto Protocol, as a first step in the long journey of the United Nations Framework Convention on Climate Change, must be both environmentally and economically sound to be effective and endure into the future.

Q's and A's Partnership for Climate Action

1. What is unique about this group?

Several things make this group unique.

First, it is united by actions, not just words. We see a compelling business case for taking action to reduce greenhouse gases. We want to get beyond studies, analyses and models and on to the actual business of reducing emissions and testing program designs. Prior to joining the Partnership, each company has established a greenhouse gas reduction target for its global operations, backed by management actions, policies and incentives to achieve them.

Second, it is unique in that large global emitters, spanning several high emitting sectors, are joining forces with a major environmental organization to help assure that their emissions control programs are designed with high environmental integrity.

Third, this group is grounded in "real world" experience and learning-by-doing. Companies will meet their targets in real world facilities, where staff apply innovative technologies and invest real money. Also, the targets may be met through trading of surplus reductions (or "emissions trading") -- where again, the Partners will build actual working models of greenhouse gas trading in a variety of industrial settings. This combination of direct reductions and emissions trading will provide powerful examples of learning-by-doing for companies, policy makers and communities.

2. What are market mechanisms?

"Market mechanisms" -- such as emissions trading -- are policies that link economic incentives to pollution reduction objectives. Rather than prescribing the technology to be used (as in old "command and control" environmental regimes) or setting the costs to be paid (as in pollution taxes), emissions trading offers companies market incentives to make the most cost effective emissions reductions, wherever and however they can be done. We believe that market mechanisms can contribute to a cost-effective global response to the problem of climate change, provided they are properly structured and responsive to the marketplace.

3. How do these policies benefit the environment?

Emissions trading works on problems like greenhouse gases because emission reductions anywhere, independent of the type of strategy employed or technology used, are of equal importance to the protection of the global atmosphere. The approach enables a given

investment to accomplish greater pollution reduction by allowing firms to invest collectively in the most cost-effective opportunities first.

4. How does emissions trading work?

In a typical emissions trading design, facilities that reduce emissions beyond their target may trade the extra reductions to other facilities with higher control costs. Rather than simply focusing efforts on the minimum requirements of compliance, emissions trading creates a new value in controlling pollution beyond the minimums -- because extra reductions can be taken to market. In contrast to technology mandates that can stifle innovation, this new market unleashes entrepreneurs to develop new technologies, improved processes and creative solutions that deliver extra reductions.

Typically, firms use emissions trading to optimize emissions reduction strategies over time -- selling at certain times and buying at others. Similarly, they often choose to "bank" some of their extra reductions for use later.

5. How are the measurements taken, verified, and from what baselines?

The Partnership is founded on the consistent and transparent application of science based methods to measure, verify and report each firm's greenhouse gas emissions. Each Partner commits to adopt best practice methods of greenhouse gas measurement and accounting for its particular operations. Partners agree to document in advance the method to be used. Partners will report on the measurement approaches to be used as well as their annual performance, comparing actual emissions to target commitments. Typically, they ask independent auditing and verification firms to review their actual performance in applying the method.

The Partnership is dedicated to sharing best measurement and accounting practices with each other and with the public. Most Partners participate in various ongoing efforts aimed at developing criteria or guidelines for emissions measurement and reporting. Our intent is to build on these efforts and not duplicate them.

Baselines for performance will be consistent with emerging local, national and international policies. In most cases, a 1990 base year is used, as specified in the Framework Convention on Climate Change, the Kyoto Protocol on Climate Change and numerous national systems. In instances where actual emissions data are missing or incomplete, the Partner will work with Environmental Defense to determine an appropriate adjustment.

6. What is the minimal amount of reductions a company must make in order to be part of the Partnership?

Like nations and communities addressing climate change, firms face a wide array of challenges and opportunities that influence their decisions on emissions reduction targets. While the targets for each company differ in light of each company's unique circumstances, in aggregate they amount to a 15% decrease below 1990 levels by 2010. The only minimum reduction required is that imposed by the firms themselves as they seek to provide global leadership for their sectors through ambitious programs. Environmental Defense provides important guidance that targets should meet certain minimum criteria: they should be comprehensive, aggressive, serious, clear to the public and designed to meet emerging local, national and international policy frameworks.

7. How and to whom will this group publicly report progress/reductions?

Each Partner agrees to report its annual emissions performance publicly, such as through annual environmental progress reports, on web sites or through other publications. Environmental Defense will publish the collective results of the Partnership.

Additionally, Partners will make efforts to track emissions trading transactions in independent registries as they become available. The Partners will ask the registries to provide regular public reports on the group's emissions trading performance.

8. What happens if a company does not meet its target?

The Partnership is united by a common principle of assuring performance: any missed commitments will be publicly reported and need to be addressed. Partners will elaborate non-performance remedies with advice from Environmental Defense. These remedies are/will be reviewed, adopted and enforced by senior management of each company. Each company includes management policies or incentives to promote compliance, including accountability for non-performance.

Further remedies currently in use or under discussion include internal corporate sanctions, acquiring the needed reductions from another Partner, purchasing eligible offsets from the external marketplace, or making up shortfalls during a compliance "true-up" period. Since this is a voluntary effort, no governmental fines or penalties would accrue.

9. Does this group endorse the timetables in the Kyoto Protocol?

The Partnership is about leading with action -- not about endorsing or opposing legislation or treaties. We are making reductions in advance of these timetables. Our approach is consistent with the spirit of the Rio Treaty, the provisions emerging from the Kyoto negotiations and the domestic programs in development in several countries around the world -- but more than that, we seek to chart a path forward for more immediate action to reduce emissions and sustain them over time. We believe that market mechanisms, such as those evolving under the Kyoto Protocol, have the potential to lead to a cost effective global response, and we are attempting to demonstrate the real-world application of these approaches.

While the group fully respects the Rio and Kyoto processes and their need for further development, our approach reaches beyond them in seeking to meet the concerns of customers, shareholders, employees and neighbors now -- constituencies that want industry to lead with serious action to address climate change. We recognize that these international agreements are steps on a long journey, and other agreements will be required to meet this environmental concern over time.

10. Why is the group making this announcement today?

The decisions embodied in today's announcement are business-driven. The time is ripe for corporate leadership, and it is ripe for working together with environmental partners.

Like many companies, several Partners face important decisions in the near-term that can make a difference to the global climate. These decisions will help meet pollution reductions mandated by any future climate policy, and they offer potentially valuable lessons as policies develop. We believe that it is a mistake to wait on the sidelines while policy is made or to miss cost-effective reductions that can be achieved in the near-term. We hope that our experiences will be useful examples for governments to draw upon as they design greenhouse gas emissions control programs.

As part of today's announcement, the Partnership for Climate Action invites additional companies to join. It is our hope to increase the breadth and the impact of this effort by continuing to increase the number and variety of participants in the partnership.

This announcement is just the beginning of a set of new working relationships. Each Partner brings an independent voice to the group effort, and each pays its own expenses. Importantly, Environmental Defense receives no compensation for its work in the Partnership. We understand that there are still areas of environmental concern where we may disagree, but we hope that this new relationship informs the policy debate around climate change in a constructive way.

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BP and Climate Change

Our Position

We share the public concern over the possibility of global climate change. BP believes that industry worldwide should co-operate with governments, non-governmental organizations, educational institutions, and others in seeking economically sound and internationally agreed solutions to address climate change.

Our Greenhouse Gas Reduction Target

We are pledged to reduce our greenhouse gases by 10 percent from a 1990 baseline over the period to 2010. This commitment applies to our equity share of direct emissions and is measured on a carbon dioxide equivalent basis.

Our Program

So far we are committed to tackle climate change in six main ways:

- **Controlling Greenhouse Gases**
- **Conserving Energy**
- **Introducing New Energy Technologies**
- **Promoting Flexible Market Instruments**
- **Participating In The Policy Processes**
- **Investing In Research**

Our Greenhouse Gas Emissions Trading System

On January 1, 2000, BP has launched the world's first global emissions trading system for greenhouse gases and the world's only trading system that has voluntary participation across a company's entire operations. The system trades carbon dioxide and methane emissions in the form of permits, stated in carbon dioxide equivalent tons. More than 150 business units in 100 countries participate. To date, over one million tons of carbon dioxide equivalent permits have been traded in 350 trades.

Our Measurement and Verification System

BP now reports its emissions of carbon dioxide and methane and has developed corporate guidelines for the measurement and reporting of these gases. The guidelines form a part of every business unit's environmental management system. BP recently concluded an audit with KPMG, DNV and ICF to review the guidelines and their use.

More Information

More information can be found out our website, www.bp.com. Simply select "I want to know more about....Climate Change." There you will find more detailed information and downloadable presentations and papers.

DuPont

We believe that there is a reasonable cause for concern over the potential for future climate change and that our bias should be for prompt and meaningful action, not further debate. For companies like DuPont, climate change is part of a broader business challenge -- sustainable growth -- building value for shareholders and society while decreasing our environmental footprint.

In response to this challenge, in 1991 we voluntarily launched an initiative to reduce greenhouse gas emissions and have already achieved significant results. By the end of this year, we will have reduced greenhouse gas emissions from global operations by 60 percent and improved energy efficiency by 15 percent below 1990 levels. The bulk of the absolute reduction has come from controlling emissions of various non-CO₂ gases. We also have succeeded in holding energy use constant for the last ten years. Last year we committed to take the next leap forward, setting new goals for 2010.

- Reducing global carbon-equivalent greenhouse gas emissions by 65 percent, using 1990 as a base year;
- Holding total energy use flat, using 1990 as a base year; and,
- Using renewable resources for ten percent of global energy use.

DuPont has recently joined with a group of other progressive companies and Environmental Defense to demonstrate that market-based mechanisms can provide a means to simultaneously meet both climate protection and economic development goals. We believe that it is time for leadership and action to address climate change and maintain economic growth.

For more information about our sustainable growth goals and our views on environmental issues, visit our website at www.dupont.com/corp/environment.

DuPont is a science company, delivering science-based solutions that make a difference in people's lives in food and nutrition; health care; apparel; home and construction; electronics; and transportation. Founded in 1802, the company operates in 70 countries and has 94,000 employees.

SHELL – CLIMATE CHANGE

In 1998 the Shell Group of Companies committed to take action on the issue of Climate Change, openly taking on absolute emission targets for greenhouse gases and a range of specific actions on climate change.

The Shell Group of Companies committed to reducing emissions from our operations by 10% in 2002 over 1990 levels. The Group also committed to continuing to exceed the Kyoto target with respect to emissions from operations by 2010 by:

- Reducing Group greenhouse gas emissions by increased energy efficiency as well as stopping continuous venting (by 2003) and flaring (by 2008).
- Helping customers reduce GHG emissions by investing in renewables and providing lower carbon fuels such as LPG. Providing greater choice to our customers and markets through the development of gas and commercially viable alternatives to fossil fuels in addition to traditional sources of energy.
- Improving business decision-making, for example by including the impact of the cost of carbon in investment appraisals of projects with major GHG emissions.
- Using market solutions, for example, by developing a pilot internal carbon trading system and utilization of the clean development mechanisms.
- Contributing knowledge and experience to the international debate on climate change.

Over the past year we have:

- Further reduced our net greenhouse gas emissions from our own operations, in line with our target to reduce these by 10% below our 1990 levels, by 2002.
- Started to include the effect of a possible carbon cost in our investment decisions for new projects that could produce emissions over 100,000 tonnes a year of CO₂.
- Set up an emissions trading system covering over 30% of the Group's total emissions. The system started in January 2000 and covers some 20 operating units from our chemicals, refining and exploration and production sectors based in Europe, USA, Australia and Canada.
- Reviewed our research activities to identify more than 24 greenhouse gas mitigation technologies that Shell is developing.
- Continued to develop cleaner fuels through Shell Hydrogen, which is part of the Californian Fuel Cell Partnership and opened the first hydrogen filling station in

Hamburg, Germany. Shell International Renewables operates Europe's largest photovoltaics manufacturing plant in Gelsenkirchen, Germany and has initiated a major solar homes project in South Africa. It is also pursuing biomass and wind projects.

- Developed a CDM demonstration programme, which has identified eight potential CDM projects in South America, Africa and Asia. These projects could contribute to sustainable development and reduce greenhouse gas emissions. Projects are varied: rural electrification in South Africa and the Philippines, geothermal energy in Central America, pyrite replacement in acid production in China, gas avoiding coal in China and South Africa, a vent-to-flare project in Malaysia and selling excess refinery fuel gas to a third party, also in Malaysia.

Case studies are prepared that address the issues identified in the Kyoto Protocol, such as additionality, sustainability aspects and measurement and verification of emissions. In association with the World Business Council for sustainable Development Foundation, Shell co-developed a "virtual university" website (http://www.foundation.no/cdm_dialogue) to encourage dialogue on the critical issues around the design of business-friendly CDM.

Shell is also working together with local partners in South Africa in a CDM capacity building project for South and Southern Africa. This will raise awareness around the CDM, support NGO researchers, and develop a "how to" guidebook on CDM project, provide technical assistance to project developers.

For additional information of Shell's efforts to address climate change visit the Shell website: <http://www.shell.com> or <http://www.shellfoundation.org>.

Pechiney Commitments and Action Plan

What is Pechiney?

Pechiney, a company headquartered in France, is the world's 3rd largest producer of aluminum, is among the top producers of flexible packaging and is the leading manufacturer of flexible tubes.

Pechiney is one of the European leaders in the production of silicon, ferro-alloys and refractory materials.

Pechiney is one of the top fabricators of aluminium in Europe, and its advanced technology for aluminium electrolysis is becoming the most widely used in the world.

Operating in more than 60 countries, Pechiney realized turnover in 1999 of 9.5 billion Euros (approx. US\$9.545 billion) and employs more than 30,000 people around the world.

Pechiney's current actions to reduce greenhouse gas emissions

In all countries where it is operating and where national greenhouse gas ("GHG") programs exist, Pechiney is committed on a voluntary basis to reducing its emissions according to the different national frameworks.

PCA-Pechiney GHG emission reduction commitments

Pechiney's worldwide direct GHG emissions in 1990 (adjusted for acquisitions through the year 2000) are 9.502 millions of CO₂ equivalents (subject to final validation and certification under the 1990 baseline project with PwC; see below action plan). In the framework of Partnership for Climate Action, Pechiney commits to reducing its direct emissions to 15% below its 1990 adjusted baseline by 2012. This reduction is likely to be achieved primarily at its own facilities; however, Pechiney also intends to optimize this effort through the experimentation of emission trading within the PCA.

Pechiney is also interested in addressing its indirect emissions savings -- both from suppliers and customers. Accordingly, Pechiney commits to intensively pursue its involvement with different associations, environmental organizations and circles of experts interested in establishing internationally recognized methodologies for taking into account these indirect emissions and reductions. This work will address several aspects of its business:

- Due to its large electricity use in primary production of aluminium and other materials, Pechiney also has significant indirect GHG emissions particularly in areas where electricity generation is based on the combustion of fossil fuels. Pechiney intends to pursue its many decades effort in reducing electricity use in primary aluminium production.
- Pechiney is actively engaged in recycling activities, which offer even further opportunities for GHG emissions savings.
- Due to aluminum's ability to maintain strength and durability at relatively light weights, it can be used more extensively in automobiles to improve fuel efficiency -- and thereby reduce GHG emissions. Pechiney is taking a commitment in the framework of the PCA to seek the development of emission trading approaches which will allow it to share with customers the benefits of CO₂ emission reductions generated by the use of aluminum in vehicles.

- Pechiney is also interested in exploring the potential for recognizing the value of emissions reductions achieved when its advanced technologies are applied at other sites. Pechiney intends to work with customers to develop mechanisms to realize and share this value.

Pechiney action plan

Pechiney's commitment will be implemented through an action plan containing the following elements. At the beginning, the plan will apply to its highest emitting units (initially covering more than 90% of Pechiney's emissions), and it will progress over time to cover less emitting units:

➤ Monitoring of its direct emission and energy use.

- Pechiney has taken a complete inventory of its 1990 worldwide GHG emissions and launched a program to have it certified by external third party (PricewaterhouseCoopers) within the first months of the partnership.
- Pechiney is committed to third party verification of its annual emissions performance through the Eurometaux Energy Emission Monitoring Initiative. This effort is structured to monitor the GHG emissions of the European non-ferrous metal industry with third party verification. Outside Europe, Pechiney will enter into similar programs wherever they exist or will organize voluntary third party verification of its GHG emissions.
- Pechiney is committed to continue to participate to the monitoring of GHG emissions and energy use organized by the International Aluminium Institute (IAI) for the primary aluminium production industry worldwide.
- Pechiney is committed to back the work of IAI to establish through the Intergovernmental Panel on Climate Change (IPCC) a set of recognized "best practice" methodologies for measuring and reporting GHG emissions from the aluminum industry; Pechiney will also back the work of Euroalliances on emission monitoring from electrometallurgy operations.
- Pechiney commits to report its worldwide GHG emission and reduction achievement in the independent registry put in place by Environmental Resources Trust for the PCA

➤ Direct emissions management.

- Plant by plant emission targets for 2012 with earlier annual steps will be established in 2001.
- Achievements on annual GHG emission will be measured through plants key performance indicators. They will be part of the plant managers objectives. Achievements will be rewarded according the Pechiney Management Policy.
- GHG emission indicators will be consolidated at the corporate level and reported as one of the corporate Environment indicators. These reports will be managed in parallel to the development to the EHS policy of the Pechiney Group.
- Starting in January 2001, ways and means for implementing the Pechiney PCA action plan will be introduced in training programs on environmental issues.
- The infrastructure needed to experiment with internal and external emission trading will be put in place according to the recommendations developed by the working group of the PCA.

➤ Managing indirect emissions and reductions.

- Pechiney commits to enter into dialogue with its suppliers and customers aimed at developing emission trading approaches that appropriately share the benefits of the GHG savings gained in:
 - technology improvements that reduce electricity use in primary production;
 - Partnerships that increase aluminium recycling;
 - Joint efforts to reduce emissions using advanced aluminum manufacturing technologies; and
 - Partnerships that increase use of aluminum in vehicles or other products.



Alcan is a multinational, market-driven, producer of aluminium products. With operations in over 30 countries, Alcan is one of the most international aluminium companies. It is a leading producer of primary metal and a global producer and marketer of rolled aluminium products.

Alcan's Approach to Climate Change

- As an aluminum industry leader, adopt, promote and regularly renew a long-term GHG management commitment at all facilities under our control.
- Employ a sound accounting of emissions related to the production, use and ultimate recovery of aluminum throughout its value chain.
- Use of credible and transparent communication processes that encourage stakeholder involvement in making informed choices regarding the efficient long-term use of resources.
- Work with NGOs and leading companies in developing policy and shaping prudent and pragmatic actions on climate change.
- Entering into voluntary binding commitments with governments in countries where we do business.

Alcan Actions

- Implementing global greenhouse gas emissions reduction initiative – TARGET – establishing a greenhouse gas emissions limitation commitment backed by management actions and performance accountability from each facility within Alcan's global operations. Alcan is currently conducting a rigorous inventory of its GHG emissions and expects to announce its reduction target by the end of the year. Noting that companies' targets will differ in light of each company's unique circumstances, Alcan's target will be within the range of a majority of the other companies in the Partnership (6 -15%).
- Active member of aluminum industry collaborative aimed at furthering the science relating to PFC emissions and the development of accurate sampling and analysis techniques to aid in formulating control measures for aluminum smelting.
- Leading advocate in the international aluminum industry response to Climate Change through the International Aluminium Institute and regional associations in Canada, USA, Brazil, and Europe.
- Participant in the Canada's VCR and CIPEC initiatives, USA Voluntary Aluminum Industrial Partnership (recipient of the Climate Protection Award for voluntary reductions), UK Emissions Trading Scheme.
- Contributed to the Canada Issue Table Process (KM, CEA, Industry) & TPWG, Integrative table, I4C.
- Founding member in the development of Industry/NGO consensus position on Early Action in Canada (CEERP).
- Continuing efforts with automotive industry to develop and enhance "alumineering" technology to dramatically improve the fuel efficiency of automotive applications.
- Working with community group and nonprofit organization to maximize the benefits of aluminum recycling on greenhouse gas emissions reduction.
- Working with Environmental Defense to establish internal and external emissions trading programs.
- Actively sharing experiences with other like minded corporations and associations.

Alcan Policy Development Interest

- Development of a framework for voluntary, sector-based or entity-based covenants to act as a driver for continued early action and to support emissions trading activity.
- Development of measures that accommodate growth and continued investment to improve competitiveness and efficiency.
- Development of measures that encourage the use of less GHG intensive products and services, and explicitly to promote their commercialization.

Ontario Power Generation Inc. (OPG)

OPG Approach

- OPG is committed to becoming a sustainable development company.
- OPG will stabilize net greenhouse gas (GHG) emissions to the 1990 level in 2000 and maintain net emissions at or below this level beyond 2000 (26 M tonnes)
- Further to this, OPG will align with Canadian Climate Change Policy as it develops (currently national targets are 6% below 1990 levels).
- OPG has a flexible approach to reducing greenhouse gases based on actions that provide other environmental and economic benefits, and the use of market mechanisms such as emissions reduction credits trading.

OPG Actions

- Return Pickering A nuclear units to service as soon as regulatory requirements are met. Return of Pickering could displace up to 13 million tonnes CO₂ each year.
- Continue internal energy efficiency program, over the next five years our target is to save 200 GWh per year.
- Invest \$50 million over the next five years in green energy.
- Create and acquire greenhouse gas emission reduction credits and offsets to help meet year 2000 and beyond commitments.
- Plant 1.6 million trees over the next five years to promote carbon sequestration and biodiversity.
- Acquire low-emission vehicles for OPG's fleet.
- Support research into new technologies to reduce emissions from coal combustion, improve process efficiency, develop emission-free generation processes such as fuel cells, and sequester carbon in agricultural soils.
- Establish a verifiable greenhouse gas emissions inventory and reporting structure for all Kyoto Protocol gases by the end of 2000.
- Report annually on OPG's progress in reducing GHG emissions to Canada's Climate Change Voluntary Challenge & Registry Inc.
- Promote emissions reduction trading through domestic and international programs such as Clean Air Canada Inc., the Pilot Emission Reduction Trading (PERT) Project, Greenhouse Gas Emission Reduction Trading (GERT) Project, the Greenhouse Emission Management Consortium (GEMCo), the United Nations Conference on Trade and Development (UNCTAD), and the International Emissions Trading Association (IETA).
- Participate in the national process to develop Canada's Climate Change Strategy.
- Participate in the climate change public policy debate directly and through industry bodies, such as the Canadian Electricity Association (CEA), Canadian Nuclear Association (CNA), E7, World Business Council for Sustainable Development (WBCSD), EXCEL and the Pew Center on Global Climate Change.
- Sponsor and support programs such as "Action by Canadians," the Pembina Institute public education initiative, the Clean Air Foundation, Ontario's "Car Heaven" Program, Clean Air Canada Inc., and Cool-Action.com.

OPG Interests

- Reduce GHG emissions from OPG operations through direct actions at OPG facilities and the complimentary use of market mechanisms.
- Participate in the domestic and international negotiations to help develop the best policy responses and technical solutions, including domestic and international emissions trading.
- Partner with our customers, neighbouring communities and our employees to reduce GHG emissions.

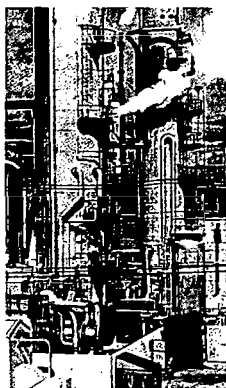
Global Climate Change

Managing Suncor's own emissions

September 2000

For Suncor, greenhouse gas reduction starts in its own backyard. The company's first priority is to continue to minimize the environmental impact of its operations and products. It has taken, and will continue to take, responsible actions that help address global climate change while balancing the economic and social needs and expectations of stakeholders.

Energy efficiency — changes in equipment or industrial processes that generate the same amount of product or service using less energy. By improving energy efficiency, energy use is reduced along with greenhouse gas emissions.



Suncor's oil sands plant.

Suncor's approach to managing its own emissions is based on the company's past environmental record and its abilities as creative problem solvers. The company is employing the same skills and knowledge to address climate change that were used to turn Suncor into one of Canada's best performing companies. Efforts to manage Suncor's own emissions cover all areas of the company's business: Oil Sands, Natural Gas, and Refining and Marketing (Sunoco). Climate change considerations have been incorporated into the highest levels of decision-making throughout the organization. Managing its own emissions is just one component of Suncor's seven-point action plan on climate change. Other actions include Suncor's commitment to invest \$100 million over five years to develop a new Alternative and Renewable Energy business. For more details on Suncor's comprehensive approach to climate change, see the complementary publication, *Taking Action on Climate Change*.

Oil Sands

Based in Fort McMurray, Alberta, Suncor's Oil Sands business produces and markets custom blended refinery feedstocks and transportation fuels from oil sands. This business emits greenhouse gases, largely from on-site utility plants that generate the steam and electricity used to process oil sands.

To reduce these emissions, Suncor is taking steps to become more energy efficient. For example, Oil Sands has:

- Redirected gas, that otherwise would have been flared, to generate steam and power, and thereby reduce the demand for natural gas and petroleum coke and the associated greenhouse gas emissions.
- Employed waste heat recovery techniques to reduce the amount of steam required in the bitumen extraction process.
- Used hydro-transport pipelines to move mined oil sands to the bitumen extraction facilities, thereby combining conveyor belt transport and the energy intensive ore conditioning step into a single, more energy efficient operation.

As a result of these and other actions taken over the period 1990 to 1999, Oil Sands has achieved annual reductions of 1.9 million tonnes of CO₂ equivalents, as compared to what emissions would have been had no actions been taken. In 1999, greenhouse gas emissions per unit of production from Oil Sands were 30 per cent lower than 1990 levels. When Oil Sand's Project Millennium expansion becomes operational in 2002, greenhouse gas emissions per unit of production are predicted to be 42 per cent lower than 1990 levels.



Flaring — controlled burning of natural gas produced as a result of oil development. In recent years, the energy industry has reduced flaring to make use of what was considered a waste product and to reduce greenhouse gas emissions.

Natural Gas

Suncor's Natural Gas business in Western Canada develops and produces natural gas and related products. This business emits greenhouse gases primarily through flaring and the use of electricity and natural gas in its operations. Suncor has addressed greenhouse gas emissions from this business by:

- Implementing flare gas recovery projects.
- Upgrading equipment, such as heaters and gas compressors, to reduce electricity use.
- Establishing leak detection and repair programs to decrease emission leakage at production facilities.

Refining and Marketing (Sunoco)

Sunoco, the company's refinery and marketing business, manufactures, distributes and markets transportation fuels, petrochemicals and heating oils in Ontario.

Combustion of fossil fuels at Sunoco's Sarnia refinery accounts for almost all of Sunoco's greenhouse gas emissions.

From 1990 to 1999, Sunoco increased production by 3.2 per cent, yet was able to reduce emissions per unit of production by 9.1 per cent. These reductions were achieved by focusing on operating the refinery in a more energy efficient manner with the goal of reducing greenhouse gas emissions through an overall reduction in energy consumption. An energy management system has been developed that:

- Monitors over 200 variables on a daily basis to track energy efficiency.
- Acquires more than 1,500 data points to monitor energy performance.
- Calculates the impact of energy reduction measures for all refinery units.
- Includes programs that track changes in energy use and highlight potential causes for deviations.

In addition to energy efficiency improvements, Sunoco achieved indirect greenhouse gas emission reductions when it became the first major gasoline retailer in Ontario to offer ethanol-enhanced gasolines. Sunoco plans to continue offering ethanol enhanced gasolines and accruing reductions of at least 100,000 tonnes of greenhouse gas emissions per year. Sunoco anticipates

that future greenhouse gas reductions in the order of 170,000 tonnes can be realized if the proposed Sarnia Regional Cogeneration Unit proceeds as planned.

Outlook: 2000 and beyond

Suncor is constantly looking to grow its business and all growth projects, including the company's oil shale development project in Australia, will be designed to minimize emissions and enable Suncor to meet its climate change commitments.

Based on implemented or planned actions over the period 1990 to 2002, Suncor expects to achieve greenhouse gas emission reductions of 6.0 million tonnes per year by 2002 (excluding offsets), as compared to emissions levels had no action been taken. With these reductions, emissions per unit of production in 2002 (excluding offsets) are projected to be 14.7 per cent lower than 1990 levels.

Oil Sands is also exploring new "out of the box" technologies that could significantly reduce emissions from the Oil Sands production facility in 2001 and beyond. These technologies include warm and cold water extraction, thickening and clarifying of tailings streams, coke gasification, and CO₂ capture and sequestration methods. Such technologies could benefit Suncor in the period 2002 to 2005 as the company continues to face the challenge of increased emissions, that are associated primarily with the next phase of oil sands development. Suncor is planning to use steam assisted gravity drainage (SAGD) on its Firebag lease, which is northeast of its current oil sands operations, to produce an additional source of bitumen for processing through its Fort McMurray facilities. Despite this growth, preliminary projections indicate that Oil Sands will be able to continue lowering its emissions intensity even though overall emissions will increase.

Suncor has partnered with a group of global energy companies to research and develop advanced carbon dioxide (CO₂) separation and geologic storage technologies aimed at reducing greenhouse gas emissions. This initiative, known as the CO₂ Capture Project (CCP) is a US\$20 million, three-and-a-half-year project.



Suncor is a Canadian integrated oil and gas company headquartered in Calgary, Alberta.

For more information on Suncor and global climate change, visit our web site at www.suncor.com or write to us at Suncor Energy Inc., P.O. Box 38, 112 – 4th Avenue S.W., Calgary, Alberta, T2P 2V5, or call us toll free at 1-800-558-9071 or send an email to info@suncor.com.

This document contains forward-looking information and addresses long-term plans of the company regarding environmental issues and the development of alternative and renewable energy. Actual future results could differ materially from those currently anticipated as a result of a number of factors, risks and uncertainties, known and unknown. The risks and uncertainties and other factors are described in Suncor's annual information form and other documents filed with regulatory authorities, and include without limitation, changes in laws and regulations affecting the oil and gas industry, technological capabilities, stakeholder consultations and competitive and general economic factors and conditions.



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October 11, 2000

Mr. Roger Ballentine
Deputy Assistant to the President
Office of Environmental Initiatives
Old Executive Office Bldg.
Room 115
Washington, DC 20502

Dear Mr. Ballentine:

Alcan made a recent announcement about its plans for a long-term greenhouse gas management commitment to be implemented at all of its facilities during 2001. The program, titled "TARGET" is designed to allow all facilities to contribute to global GHG reductions. The program is intended to produce on-going reductions, which will be reported publicly on an annual basis.

Since the early 1990s, Alcan has been reducing PFC emissions from its smelter operations. Significant progress has been made. However, Alcan believes there is more that can be done and that this is a global issue and thus must be addressed as such. In addition to taking a leadership role in the management of GHG emissions in our global operations, Alcan will continue to work with its suppliers and customers to fully capitalize on aluminum's properties. For example, for every ton of aluminum, replacing heavy materials can reduce 20 or more tons of CO2 emissions because of its light weighting potential. Further, recycling aluminum saves 95% of the energy and emissions as compared to primary aluminum production.

Enclosed is a copy of the news release as well as an article about the program from our internal magazine. If you would like additional information about our program, please give me a call.

Sincerely,

Brenda D. Pulley
Vice President Corporate and Government Affairs

BDP:pw

Enclosure

Press Release



Alcan to adopt precautionary approach to climate change

Montreal, Canada—September 25, 2000—Alcan Aluminium Limited (NYSE, TSE: AL) announced today that it will adopt, promote and regularly renew a long-term greenhouse gas (GHG) management commitment at all of its facilities within the framework of its TARGET program, to be implemented during 2001.

TARGET will be designed to allow all facilities to contribute to global GHG reductions based on what makes sense in their specific business context. The program is intended to produce on-going reductions, which will be reported publicly on an annual basis. TARGET will become an integral part of Alcan's business metrics and best practices.

Alcan's position highlights the need for a truly global response to this issue. "After all, whether our products are produced in Brazil and shipped to the U.K. or vice versa, the impact of the emissions is the same on a global level," said Jacques Bougie, CEO of Alcan Aluminium Limited.

"We believe that large companies such as Alcan have a role to play in society to preserve the environment by, amongst other things, reducing the greenhouse gas emissions that result from manufacturing products and delivering services," added Jacques Bougie.

Beyond direct actions in our global operations, Alcan will continue to work with its partners, both suppliers and customers, to fully capitalize on aluminium's properties. In automotive applications, every additional tonne of aluminium, replacing heavy materials, can reduce 20 or more tonnes of CO2 emissions due to its light weighting potential. Significantly more benefits accrue from other transport applications such as trucking and rail.

The product life cycle benefits continue at the end of life where recycling of aluminium saves 95% of the energy and emissions involved in primary aluminium production. Not only does it save energy, recycling aluminium beverage cans can reduce greenhouse gas emissions by over 150 kilograms for every 1000 cans collected and recycled.

"Alcan believes that prudent and pragmatic action taken today is the only sensible way forward" concluded Bougie.

Alcan is a multinational, market-driven, low-cost producer of aluminium products. With operations in over 30 countries, Alcan is one of the most international aluminium companies. It is a leading producer of primary metal and a global producer and marketer of rolled aluminium products.

-30-

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**WESTERN
FUELS
ASSOCIATION
INC.**

*The National
Fuel Supply
Cooperative*

Fredrick D. Palmer
General Manager and
Chief Executive Officer

August 8, 2000

Roger S. Ballentine
Deputy Asst. for Environmental Initiatives
The White House
1600 Pennsylvania Ave NW
Washington, DC 20500

Dear Mr. Ballentine:

The enclosed will not run in *Environment and Climate News* until next month. But because it is timely, I wanted you to see it now. Use it in any way you like under any circumstances you like. If you happen to know Mr. Cavanagh and run into him, tell him I'm ready to debate again.

Sincerely yours.

Fredrick D. Palmer

cc: Ralph Cavanagh

- 1) Efficiency, not conservation.
- 2) No one says electricity is bad; it depends on how produced.
- 3) How can government be blamed for de regulation??!!

Commentary on Climate 08/08/00

[Suggested Headline]

Ralph Cavanagh, Take A Bow

[Attribution]

Fredrick D. Palmer, President, Greening Earth Society

[Body Copy– 867 Words]

The only I time I met Ralph Cavanagh was early in 1992 when I debated him in San Diego, California, at a very large utility conference on renewable energy technologies. He and I were on a panel, along with Denis Hayes of Earth Day fame. I was there both to promote and defend coal-fired electricity.

Cavanagh and Hayes, needless to say, had different points of view. In his remarks, Cavanagh proposed that coal-fired power plants carry warning labels similar to those on cigarette packs to the effect that coal-fired electricity is dangerous to your health. The treatment I received from the audience was commensurate with Cavanagh's defamation of life-giving electricity. I was branded as the equivalent of a cigarette salesman.

Cavanagh and Hayes were the more vocal proponents of conventional wisdom in the 1990s to the effect that electricity conservation and renewables would lead us to a prosperous future. The conventional wisdom still is in place, but it is crumbling quickly as electricity demand realities overwhelm the anti-electricity message that we have been force fed for the last fifteen years or so.

For ten years, we at Western Fuels Association (now via Greening Earth Society) have been promoting coal-fired electricity through a series of studies, by making speeches, and by pointing out the clear and undeniable proposition that increased electricity usage is a positive good and is not bad (as Cavanagh continues to tell us). We took this message to many places and many states and enjoyed some success, but one place where we had no success was the State of California.

California's electricity supply was in the news in late July and August because wishful thinking on electricity policy has come to a sudden and dramatic halt. California has inadequate electricity supply to meet the needs of a growing economy that, standing alone, is one of the marvels of the world. Cavanagh's fingerprints are all over this turn of events, but this is not something you will read or hear about in the news.

It appears the media finally understands that technology requires electricity and that the explosion of the wired world and all that it entails will require more electricity. California, of course, is the seat of those companies that are leading us toward the new, wired world. California's electricity shortages are a jarring note for technology company executives who require ever-increasing revenue growth to sustain stock valuations that are substantially above the majority of common stocks.

Politicians are falling all over themselves in assigning blame and seeking to escape the consequences of their actions in the State of California. Make no mistake about it; government has induced the electricity crisis in California. The crisis is a consequence of misguided policies pursued by State agencies and politicians who bought into Cavanagh's Siren song of wealth through conservation because of the media treatment accompanying those who sang the song.

While California's regulators put in place the policy construct that led to this recent crisis, the state's economy lived off surplus from coal-fired electricity generation in the Rocky Mountain West. Many of the power plants that serve California are owned by utilities that I answer to as their fuel supplier. Here is news for you, Mr. Cavanagh and others responsible for the catastrophe in California: The surplus from the coal-fired power plants is gone. Economic growth in the Rocky Mountain West generated by technology industries is using up available capacity.

Here's another news bulletin: Economic growth in the Rocky Mountain West will continue, we will burn more coal, and we will build more power plants. In fact, the lack of electricity supply in California will cause the companies that drive the growth of the California economy to locate incremental facilities in places where there is plenty of electricity – places like Cheyenne, Wyoming; Bismarck, North Dakota; and Omaha, Nebraska.

Just what was Cavanagh's role in California? He is co-director of the Natural Resource Defense Council's energy program. For years, in that capacity he worked assiduously and successfully to convince utility executives and regulators in the State of California (and in the Pacific Northwest) to abandon the supply side and pursue energy efficiency and renewable energy resources.

It was in this context that no new power plants were built in California and it was in this context that the State of California adopted policies designed to discourage the utilization of coal-fired electricity and prohibit installation of coal-fired power plants in the state.

Ralph Cavanagh's mission succeeded. He has been so successful that he has received the 1996 Heinz Award in Public Policy for his "highly effective work in persuading legislators and regulators to permit utilities to earn money by saving energy." We have always called this The Caviar Theory of Electricity – you make electricity so expensive only rich people can afford it and assuring that it doesn't get used.

Ralph Cavanagh always wanted to make electricity scarce and expensive. Ralph, you got your wish. You did it in California. Come downstage center, Ralph, and take a bow. But make your exit so that the rest of the nation can go about the crucial business of providing electricity supply as the U.S. leads the way toward a wired world.

BRT National Summit on Technology and Climate Change Draft Talking Points

The "Expected Outcomes" of the BRT National Summit on Technology and Climate Change are (p. 4):

- "A list of **key issues and challenges** for improving industry-government interactions."
- "A set of **successful approaches** and options for accelerating technology options."
- "A specific **path forward** for each priority strategy and option."

Breakout sessions include (p.7):

- **"Guiding Public R&D Investment and Policies."**
- **"Models of Public-Private Technology Partnerships."**
- **"Policies and Actions to Encourage International Technology Transfer."**

Bottom line recommendations that we would like BRT to present at the end of the meeting (obviously highly dependent on where BRT wants to take this):

- **The BRT agrees that economic growth and environmental quality can go hand-in-hand and will work to realize this goal.** (This might include adopting a set of principles for member company national and international activities. Note that some of the BRT companies have already signed up to such principles, including Baxter, BP Amoco, Dupont, United Technologies, etc., under the Pew Business Environmental Leadership Council See: <http://www.pewclimate.org/belc/>)
- **The BRT recommends significantly higher levels of public and private investment in clean energy technology RDD&D** (FY2000 CCTI~\$1.1; FY2001 request \$1.4B but Congress so far supporting FY2000 levels at best.) Current funding levels for advanced energy technologies are seriously inadequate given the magnitude of the challenges that we face. The BRT calls upon Congress to support the PCAST-recommended funding levels, estimated by PCAST at about \$1.3 billion in FY1997 for DOE R&D, increasing to \$2.4 B by 2003. Similar increases are needed in energy R&D-related accounts at other agencies. Private RD&D funding needs to be increased. Leveraging private funds against public money, enhanced tax incentives, and other measures can increase private funding and the BRT recommends Congressional action in these areas.
- **The BRT recommends that the public sector be involved in demonstration and deployment (in appropriate roles), not just in basic research . The BRT recommends adoption of portfolio standards and/or competitive buydowns of new energy technology costs.** . Reasons for this include the many feedbacks from demonstration and deployment back to research; and the difficulty in surmounting the "mountain of death" of high first costs in new technology demonstration and deployment. Appropriate mechanisms for driving costs down might include Renewable Portfolio Standards or more broadly Clean Energy Portfolio Standards or competitive buydowns of costs through, e.g. the Clean Energy Technology Obligation described in "Powerful Partnerships."
- **The BRT recommends much greater emphasis on international energy technology RDD&D and on supporting capacity building, sector reform, and market opening. AID and the Trade agencies must be part of the effort. The BRT encourages increased public investment, such as proposed in PCAST-99 This would raise funding from an estimated \$100M in FY2000 to roughly \$500 million in FY2005.** Three-quarters of the increase in energy use over the next 50 years will be in developing countries and their energy technology markets will total \$15-25 trillion over this period, an increasing fraction of which will be for advanced clean energy technologies. Those countries and companies which penetrate these markets early will have significant competitive advantage. Public-private applied R&D is needed to adapt U.S. technologies to developing country markets and conditions. Public support for building human and institutional technical and managerial capacity,

for encouraging and assisting energy sector reform, and for helping open markets for U.S. companies is critical in providing the foundation for all subsequent work; the public sector is best suited to support these capacity building, etc. efforts.

BACKGROUND talking points you can use.

- **Economic Growth AND the Environment.** New technology can help increase economic growth while reducing impacts on the environment. Energy efficiency is often the lowest cost means of reducing lifecycle costs. Clean energy supply avoids the severe air pollution and other environmental problems that many urban areas, particularly in developing countries, find increasingly burdensome and damaging to their economic growth. Renewable energy is often the lowest cost means of getting energy to the 2 billion people in rural areas of developing countries that do not now have access to electricity and can leverage their economic development.
- **Competitive Edge.** Developing clean energy technologies and sources can provide American businesses a competitive advantage in the global market place. This is true because peoples and nations are increasingly concerned about air quality, public health and global climate change.
- **Huge Market Opportunities.** Public and private investments in clean energy technologies and resources over the next few years will be critical in determining whether American businesses will be on the cutting edge of developing clean technology over the next half-century. Developing country energy use will overtake that of industrial countries by 2020 and is expected to account for three-fourths of the increase in global energy use between now and 2050. These energy technology markets are projected to total \$4 to \$5 trillion over the next 20 years and \$15 to \$25 trillion over the next 50 years of which an increasing fraction will be for advanced clean energy technologies. Setting up mechanisms for investment in clean energy infrastructures in developing nations will play a vital role in determining who captures these markets.
- **The Need for Public-Private Partnerships.** RD&D is not a linear process; there are numerous linkages and feedbacks from demonstration and deployment back into research and even fundamental research. This requires government involvement in a broader range of demonstration and deployment activities in an appropriate role, as well as applied and fundamental research.
- **The Need for Public-Private Partnerships. Private Sector investments may not adequately serve society's interests in energy technology development:**
 - **Externalities** often not included in market price, eg. environmental pollution;
 - **Public goods** often not included in market price, e.g. national security;
 - **Special needs of poor** not considered (under-represented in energy markets);
 - **Market power** may be excessively concentrated (monopoly, oligopoly, cartel);
 - **Information** may be inadequate/inaccessible;
 - **Horizons** for returns to R&D may be too long;
 - **Investments in R&D** may not be sufficiently appropriable (even nationally);
 - **Risk** due to time horizon, volatility of energy markets, etc., may be too high;
 - Face **"Mountain of Death"** due to high cost of first-of-a-kind projects; **"Valley of Death"** due to cash flow of bringing innovative technology to market;
 - **Conventional energy & technology prices** are low and pose stiff competition;

- **Energy is a commodity** with narrow price margins/high risks of price drops;
 - **Capital intensity** of innovative technologies is often high (but have lower fuel costs);
 - **Large companies** with many investment opportunities prefer low risk, near term opportunities
 - **Small companies** more likely to “bet” but have limited resources for deployment
 - **New technologies** may lack supporting technical/market/policy infrastructure.
- **Public Roles in Public-Private Partnerships.**
 - The **private sector** plays a large and growing role in energy-technology innovation and related international cooperation
 - **Government** involvement is still needed because the public interest in energy outcomes goes beyond the sum of perceived private interests, extending to externalities, innovation, meeting needs of poor, etc.
- Government interventions** should
- be structured to encourage/complement/catalyze private sector activity
 - address specific shortfalls in the private sector’s incentives and capacities to address society’s interest in energy innovation;
 - be limited in size and duration, with provision for terminating unsuccessful projects and handing off successful ones.
- Government roles** include participation in, funding for, encouragement:
- conduct of fundamental and applied energy R&D;
 - demonstration and niche deployment of promising technologies;
 - shaping the deployment environment to reflect public benefits;
 - capacity building, integrated assessment, and institutional innovation.
 - encouraging open competitive markets, leveling playing field, and opening doors.
- Specific Actions** might include
- R&D support through cost-sharing with industry, building on jointly developed technology roadmaps (where roadmaps can be technically based and not a bailout for weak companies) or perhaps preferably on competitive solicitations (this avoids the problem of companies holding back their best ideas during roadmapping activities for fear of losing their IP);
 - Demonstration support through systematic competitive incremental-cost buydowns;
 - Deployment support through competitive incremental-cost buydowns with sufficient numbers to bring costs down to market-competitive levels. This can address the high-first cost of new technologies;
- **Window of Opportunity is Narrow**
 - **Energy-sector restructuring and regulatory reform** will be largely completed over the next decade and will lock-in the mechanisms determining success or failure in the dual aims of attracting private capital and addressing public benefits;
 - **Rapid Urbanization** will lock-in decisions about urban transportation networks, building design, and overall land-use--for a century or more
 - **Time requirements for moving new technologies** through the innovation pipeline means that to affect deployments in the 2020s-2040s, the research has to be done in the next decade;
 - **The technologies deployed in the 2020s-2040s** will strongly influence the trajectories of energy costs, GHG emissions, oil dependence, proliferation resistance, public-health impacts,

and much else of the world energy system for most of the next century.



Jefferson B. Seabright

11/12/99 02:01:57 PM



Record Type: Record

To: Roger S. Ballentine/WHO/EOP@EOP
cc: Janet Anderson/WHCCTF/EOP@EOP, David Gardiner/CEQ/EOP@EOP, Julie M. Anderson/WHCCTF/EOP@EOP, Shelley N. Fidler/WHCCTF/EOP@EOP
Subject: Industry Follow Up

As follow up to the memo Janet sent you, the following meetings have taken place or are scheduled:

Natural Gas: Two meetings week of Nov 8 with AGA/INGAA and Enron. To follow with mtg week of Nov 15 on 2001 budget/tax issues. Series of follow on mtgs set for broader policy dialogue (NSR reform, cap and trade). Janet to follow up with L Lance on INGAA MOU.

Coal: Mtg set with John Wooten and Ben Yamagata for Nov 22 at 3:30 with Task Force.

Steel: CHP tax credit to be costed with DOE, work with NEC/Treasury.

Chemicals: Event on Nov 12. Follow up on distributed generation.

Aluminum: Rozensweig wants to bring in Alcan -- largest US producer week of 15 Nov.

Forest Products: Meeting set at Task Force for Nov 19 at 3:30 with American Forest and Paper Association.

Ag: Hill briefing on 2001 next Wednesday

Cement: finalize draft Directive by end November (D Gardiner) .

Alt Fuel Vehicles: Julie to set up mtgs post recess with Hill/industry reps.

Solid Waste: await 2000 tax outcome.

On **international**, we will schedule time with ETTAC members next week. Reicher is assembling list of other industry reps to meet on intl initiative.

Also, the new Env Comm chair at **BRT** (replacing Burt who moves up to chair BRT overall) is Ernie Davenport from Eastman Chemical. He has been very involved in the bioenergy agenda and should be a good partner. We should try to get a mtg with him and Larry Papay of Bechtel asap.

Memo to: Roger Ballentine
From: Janet Anderson
Date: 5 November 1999
Subject: industry status

Steel

1. Steel executives had a WH meeting on climate change. Companies expressed strong desire to move ahead as an industry – no company or sector specific action. As follow up, there was much interest in developing a common methodology for measurement and inventory (only about half of the companies report energy use information to the trade associations). The detail work continues with both DOE and EPA. There is tension between DOE and EPA staff on working with steel; the industry prefers DOE, however EPA continues to be involved through the *Climate Wise*/efficiency and process improvement angle.
2. Short-term deliverables could include announcing a measurement system (with industry's lead), proposal for FY01 of an electricity production tax credit for qualifying combined heat and power systems.
3. Schedule meetings with DOE and industry to determine \$ size of credit likely plus details of measurement rollout – one month.

yes

Aluminum

1. Aluminum executives had a WH meeting on climate change. Companies indicated they believed their industry was a solutions industry – more emissions from them as production increased, but use of their product would lower overall emissions. Al industry is highly engaged with DOE on r & d (most of it with climate benefits) and with EPA on reductions in PFC use. Al is expected to have lower emissions in 2010 (business as usual) than 1990 because of process efficiency improvements and the phase-out of PFCs. Al has not been active in engaging the task force on budget or tax issues.
2. Short-term: need to make contact with DOE and industry.

Cement

1. Cement executives had a WH meeting on climate change. Companies were interested in changes to procurement policies to increase the use of blended cements and cement overall. They believe they are a solutions industry. There have been several follow-up sessions with the companies hosted by the trade association to focus on potential for efficiency improvements with EPA – more than 70% of the industry has joined *Climate Wise* – and also with DOE as they consider joining *Industries of the Future*. There has been a struggle internal to the industry on the definition of portland cement (how much other material can be added) on which we should be agnostic; it would be more productive to focus on increasing the US use of blended concrete.
2. Short-term deliverable would be to finalize the draft Presidential Directive on cement.

yes

3. Schedule: finalize draft with DOT and EPA within 3 weeks.

Forest Products

1. Executives had a WH meeting on climate change. While the Administration views the industry as a strong solutions company with the possible use of sinks and new technology (black liquor gasification) the meeting focused on the poor economics of the industry (foreign currency devaluations) and its pending large expenditures to meet the new EPA cluster rules (Clean Water Act). The industry has an effort with DOE to refine a common emissions measurement/inventory system. Most of their work with the Administration is focused on sinks – establishing the rules as well as measurement techniques. Through their participation in Industries of Future they decide on the level of funding to allocate to the black liquor gasification technology; with a larger pot of money, more could be made available to push advances here. I spoke at their annual Congressional meeting in late winter. *Yes*
2. Short-term: need to make contact with industry and DOE.

Natural Gas

1. Executives of the pipeline companies had a WH meeting on climate change. The meeting focused on their efforts to minimize methane emission from gas transport (leaks and compressor stations) and their belief that their emissions would rise as a result of the forecast large increase in gas use (~35% in ten years) – solutions industry. There was interest in work to ensure the infrastructure can grow to meet gas demand. Shortly after this meeting, the industry was caught by surprise when the EPA changed its rules to include gas compressor stations on its list of facilities to be controlled for ozone compliance. The industry asked the Task Force or CEQ to testify at FERC about supply issues in the northeast; I pursued this and FERC indicated that they plan to hold a general proceeding on supply issues and our comments would be more appropriate then. The entire gas industry worked against the Cochran amendment. The Am. Gas Assoc. has been active with the Task Force on tax credits for both high efficiency appliances and energy efficient homes; they've also submitted priorities for additional r & d funds. I've just been approached by the Gas Research Institute about establishing a fund (matching would seem to be the most realistic) to enable independent gas producers to conduct research on supply/production techniques; initial feedback (Sec. Richardson's office and a consultant) has been very positive.
2. Short-term: pursue the research fund idea; evaluate with DOE and AGA the budget research priorities.
3. Schedule: initial meetings within the next week to ten days

Utilities

Covered elsewhere

Solid Waste

1. No WH meeting with this sector (haulers, landfill owners, waste-to-energy facilities) altho there has been several meetings with the Task Force. This group is interested in promoting landfill methane to electricity projects with an electricity production tax

→ How different than methane tax credit in both bills?

credit (Treasury is opposed). They are also engaged in a better analysis of how their industry could help on the issue of climate (an early study estimates 50 MmTce/yr) so changes in policy would have a better foundation. When complete, they may be interested in regulatory flexibility at EPA.

2. Short-term:

Chemicals

1. No WH meeting with this sector. They did come meet with Sandalow in September and indicated an interest in distributed power – mostly from a restructuring angle to ensure the rules for interconnection were fair. They indicated the industry was a huge energy user (7% of total US use) so they already have every incentive to be as efficient as possible. An ever-increasing fraction of the industry (~60% now) reports energy use and emissions to the trade association. The trade association makes awards on efficiency/emission improvement so peer pressure is having an effect. For companies reporting, emissions have recently declined more than production has increased. The companies were not interested in discussing Kyoto (other than they were opposed) or commitments. They are an *Industry of the Future*.
2. Short-term: follow-up on the distributed power issue; schedule meeting with industry on priorities.

Emission reduction commitments from the private-business sector:

BP Amoco:

- 10% reduction from 1990 Baseline by 2010.
- Installed a system of group-wide emissions trading.

Baxter International:

- Lowered CO2 emissions in 1998 by 230,000 metric tons.
- Cut energy-related CO2 25% per unit between 1990 to 1998.
- Participant in Climate Wise program

Dow Chemical:

- Has reduced CO2 equivalents by 57% from 1990-2000.
- Has a stated a goal for 2005 to improve energy efficiency by 20 percent.

Du Pont:

- 65% reduction of carbon equivalent emissions by 2010, from 1990 baseline.
- Holding energy use flat by 2010, using 1990 as a baseline.
- Using renewable resources for 10% of global energy use by 2010.
- Reduced GHG emissions by 45% from 1990 levels by 2000
- Improved energy efficiency by 15% below 1990 levels.

Enron:

- Dedicated a 192.8 MW wind power plant in Storm Lake, Iowa.
- Sponsoring conferences on emissions trading, CDM and Joint Implementation in North America, India, Ukraine, and Europe.
- Installed the 116 MW gas-fired cogeneration plant, Elektrociepłownia Nowa Sarzyna (ENS).

Entergy:

- Committed to eliminating 4 million tons of CO2 per year from 1995 to 2000.
- Participant in the U.S. Government's Climate Challenge Program .
- Manages over 20,000 acres of company forest land for carbon sequestration, wildlife habitat, watershed management, recreation and timber production.

IBM:

- Achieved an estimated 20% reduction in global CO2 emissions from 1990 through 1997.
- Pledged to achieve average annual CO2 emissions reductions equivalent to 4% of the emissions associated with the company's annual energy use through 2004 from a baseline of 1998.

Johnson & Johnson:

- Pledged to reduce greenhouse gas emissions by seven percent below 1990 levels by the year 2010, with an interim goal of four percent below 1990 levels by 2005.

Shell:

- Renewed commitment to meet the agreed Kyoto targets to reduce greenhouse gas emissions.
- Installed a system of group-wide emissions trading.

Tokyo Electric Power Co Inc (TEPCO)

- Will invest 800 million yen a year for the next 30 years into an Australian reforestation plan, potentially creating 40,000 hectares of forest over the next 10 years (a 10,000 hectare forest absorbs up to 50,000 tons of carbon dioxide emissions per year).

United Technologies Corporation:

- Initiated a voluntary program to reduce its worldwide energy and water consumption by 25% as a percent of sales by 2007, decreasing CO2 emissions by approximately the same amount.

December 21, 1999

PERSONAL

Mr. Charles Holliday
President and Chief Executive Officer
DuPont Company
1007 Market Street
Wilmington, Delaware 19898

Dear Chad:

I was pleased to learn of the DuPont Company's commitment to reduce its greenhouse gas emissions by 65 percent by 2010, relative to 1990 levels. As DuPont has recognized, global climate change is one of our nation's greatest environmental challenges and requires serious attention.

Through leadership like yours, we will be able to meet the challenge of global climate change in a commonsense, cost-effective way that will continue to expand the economy while also protecting the environment. By increasing our energy efficiency, U.S. consumers and businesses will be able to cut energy costs and reduce greenhouse gases.

On behalf of the American people, I thank DuPont for taking this constructive step forward. Best wishes.

Sincerely,

BILL CLINTON

BC/JW/DA/SH/DC/ckb-pfs (Corres. #7007939)
(12.holliday.c.doc)

cc: DWB/SPM, 94 OEOB
~~Roger Ballentine, 115 OEOB~~
John Wertman, 97 OEOB



1220 L Street, Northwest
Washington, D.C. 20005-4070
202-682-8100

Red Cavaney
President & CEO

April 27, 2000

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The American Petroleum Institute and its member companies regard the possibility of human-induced climate change as a serious issue, one that merits a thoughtful and constructive industry response. We very much appreciated your January 14th letter in which you noted the voluntary actions being taken by our members to address climate change and commending us for our leadership in this vital endeavor. We also welcomed your assurance that your Administration remains committed to working with the oil and natural gas industry to meet the challenge of climate change.

Following up on your letter, I am providing you the enclosed report on API's conference, *Voluntary Actions by the Oil and Gas Industry: A Conference on Industry Best Practices to Improve Energy Efficiency and to Reduce Greenhouse Gas Emissions*, held in Houston on December 1-2, 1999. The goal of the conference was to provide an introduction to the broad range of voluntary activities currently underway in the industry that address climate change.

A highlight of the conference was the presentation by Jeff Seabright, which is summarized in the report. We are most appreciative of the leading role Jeff played at the conference and his important contributions to its success.

We also welcomed Roger Ballantine's favorable comments, on behalf of the Administration, concerning S.882, the proposed Energy and Climate Policy Act of 1999, and S. 1776, the proposed Climate Change Energy Response Act of 1999, distributed at the Senate Energy and Natural Resources Committee's March 30 hearing. API strongly supports these bills, and our statement submitted to the Committee is also enclosed. We believe that the bills, if enacted, would represent significant and concrete progress in calibrating our nation's actions with the current state of scientific knowledge, while preserving our economic well-being.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Red Cavaney', is written over a light blue horizontal line.

Cc: The Honorable Al Gore
The Honorable Bill Richardson
The Honorable Carol Browner
Roger Ballantine
Jeff Seabright

Enclosures

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Voluntary Actions by the Oil and Gas Industry

Climate Change



STATEMENT OF THE AMERICAN PETROLEUM INSTITUTE
United States Senate Energy & Natural Resources Committee
Hearing On
S. 882 “The Energy and Climate Policy Act of 1999” and
S. 1776 “The Climate Change Energy Response Act of 1999”
Thursday, March 30, 2000

Introduction

The American Petroleum Institute (“API”) strongly commends the leadership of the many senators who have co-sponsored or otherwise supported the policies and initiatives embodied in S. 882 “The Energy and Policy Act of 1999” and S. 1776 “The Climate Change Energy Response Act of 1999.” The API is a national trade association representing over 500 member companies engaged in all facets of the oil and gas industry in the United States. As such, API recognizes the need for strong and sound national policies to address the challenge of potential climate change and the leadership to implement them.

Attached to this statement is “The API Position on Climate Change”, which further amplifies our views on the elements of a sound national climate policy. In many respects, the bills that are being reviewed the Committee today are consistent with fundamental API principles and, if enacted, would represent significant and concrete progress in calibrating our nation’s actions with the current state of scientific knowledge, while preserving our economic well-being.

Before elaborating on the connection between API’s principles and the proposed legislation, however, API reiterates its unwavering opposition to the near term targets and timetables contained in the Kyoto Protocol. The Senate’s straightforward parameters for any protocol to the Framework Convention on Climate Change were communicated to the Administration in July 1997 under Senate Resolution 98. As many Senators have observed, the Kyoto Protocol, negotiated later in that year, fails both tests of S.R. 98: it exempts Developing Country Parties from any commitments and would seriously harm the economy of the United States. The Senate’s expression of the boundaries for an acceptable international agreement arose in fulfillment of its constitutional duty under Article II, to provide “*advice and consent*” on all treaties. Numerous economic studies have mutually reinforced the dramatic, negative economic impacts that would result from Kyoto’s entry into force, including the 1998 study by the U.S. Department of Energy’s Energy Information Administration. That study, “*What Does the Kyoto Protocol Mean to U.S. Energy Markets and the U.S. Economy,*” elaborated on the following detrimental impacts on the American economy and people if the U.S. met its emission reduction targets through domestic action:

- ◆ Gross domestic product could be as much as \$454 billion (1997\$) less in 2010 than it would have been without the Protocol. This is the equivalent of \$1,500 per person or \$4,100 per household.
- ◆ Energy prices would go up. Gasoline prices would increase as much as 71 cents per gallon (2000\$), increasing the cost to fill a 15-gallon automobile fuel tank by about \$11 by 2010. Diesel fuel prices would increase by as much as 88 cents per gallon. For the owner and operator of the average trailer combination truck, this could add up to as much as \$10,000 in additional annual diesel fuel costs by 2010. For a smaller single-unit, two-axle six-tire or more truck, the cost increase would be about \$1,600. Residential heating oil prices would increase as much as 90 cents per gallon, and electricity prices would jump by 86 percent.
- ◆ Higher energy prices would depress domestic manufacturing, encourage imports and reduce exports of energy-intensive manufactured products. Since the carbon emission restrictions of the Kyoto Protocol apply only to 38 developed countries, the rest of the world (i.e., Mexico, China, India, Brazil, South Korea) would have a competitive advantage because their energy prices would likely not increase.
- ◆ Sharp declines in output, along with shifts in the balance of trade to higher imports and lower exports, would result in as many as 4.9 million job losses.

As to the lack of any commitments under Kyoto for developing countries, Senators Hagel and Murkowski appropriately stated in a joint letter to *The Washington Post* (January 17, 2000):

“Proponents of the Kyoto treaty routinely fail to acknowledge the nonsense of a global treaty that leaves out three-fourths of the world’s nations. These exempted nations include the very countries that will soon be among the world’s largest emitters of greenhouse gases: China, India, South Korea, Mexico, Brazil and others. Without the inclusion of binding commitments from these nations, this treaty would never be effective at reducing global emissions of man-made greenhouse gases and would serve only to seriously undermine America’s economic growth.”

API Principles for Global Climate Policy

API has for many years endorsed principles for climate policy that are aimed at reducing scientific uncertainties surrounding the potential of human impacts on climate – so as to tighten the calibration of policies with the true state of that knowledge. A sound global climate policy should recognize the legitimate concerns about potential long-term effects of increasing greenhouse gas emissions on the Earth's climate system while promoting action that is consistent with a realistic assessment of potential climate change, the time available for a rational response involving all countries, and the role energy plays in improving the welfare and living standards of the world's population. Sound global climate policy should:

1. Advance Scientific Understanding of Climate and Potential Climate Change

- Fund and promote research into the key aspects of climate science that must be resolved to better understand the potential timing and extent of climate change, including natural variability and potential human induced change.
- Reflect a realistic assessment of the current state of climate science, including gaps and uncertainties in the underlying science, climate modeling and the time needed to reduce those uncertainties.
- Allow for significant changes in the scientific understanding of potential causes and outlook for potential climate change over the life of a proposed policy.

2. Promote Research and Development

- Encourage research and development on technologies that offer potential low-cost options as part of a long-term response to the risk of potential climate change.
- Promote R & D in a technology neutral way, covering energy production and use as well as greenhouse gas sequestration, not advantaging or disadvantaging any energy source or technology, and avoiding government selection of “winners and losers.”

3. Remove Impediments to Efficient Capital Stock Turnover

- Identify and modify laws, regulations and/or institutions that inhibit the retirement of existing capital equipment or the installation of energy efficient, lean-carbon capital equipment throughout the economy.

4. Identify and Expand Cost-Effective, Near-Term Voluntary Actions

- Through private sector initiatives and voluntary government/private sector cooperation, identify and share information on low-cost actions that can be undertaken now to avoid or sequester greenhouse gas emissions. Cost-effectiveness should be one measure for evaluating performance and ensuring a level-playing field.

5. Avoid Damaging Economic Growth and Prosperity

- Avoid damage to the economic growth that is responsible for improving the living standards of a U.S. population that is growing by tens of millions in coming decades.

6. Promote International Cooperation on Climate

- Promote the transfer of lean-carbon and carbon sequestration technologies to all countries.
- Promote the involvement, cooperation and commitment of all countries.

S. 882 and S. 1776

In many respects, S. 882 and S. 1776 would promote the above principles and thus represent a sound and concrete alternative to the Kyoto Protocol’s harmful and counterproductive approach to meeting the challenge of potential climate change. In particular, the API endorses a robust Climate Technology Research, Development and Demonstration Program, such as is contained in section 5 of S. 882, designed to foster the development of new technologies that would reduce and/or sequester greenhouse gas

emissions. This important initiative, to be undertaken with selected industry participants or consortia, appropriately recognizes the promise of long-term technology gains in addressing the long-term implications of potential climate change. Such an approach further recognizes time as a key asset in shaping the most cost-effective policies and actions to respond to potential climate change.

In addition, API supports the provisions in section 3 of S. 882 to create an Office of Global Climate Change within the U.S. Department of Energy, charged with promoting the diffusion of technologies, practices and processes to avoid, sequester or reduce greenhouse gas emissions. This mission recognizes that the most cost-effective opportunities to reduce global greenhouse gas emissions in the next few decades are in the fast-growing economies of the developing world – and that the diffusion of energy efficient technologies will be key to containing their emissions growth. Finally, API also supports section 4 of S. 882, designed to enhance the voluntary program and context for reporting and reducing future emissions. The exponential gains that have been realized recently in the number and magnitude of projects undertaken by companies to reduce emissions on a voluntary basis is cause for optimism that knowledge and learning about “best-practices” in industrial operations will produce even larger gains in the future.

API also supports a number of distinct sections of S. 1776 that advance our climate policy principles. Specifically, API supports title II of S. 1776, which would provide the National Research Council a role in advising the Interagency Task Force on all federal research on climate science, thus strengthening peer review and grantmaking procedures, and ensuring a consistent and coordinated focus in the federal climate research program. On that point, API further supports title IV, ensuring the public’s “right-to-know” the specific priorities, projects and vendors used in the federal climate research program. Importantly, API also supports title VI of S. 1776, under which the Export-Import Bank and Overseas Private Investment Corporation would implement pilot programs to encourage the international diffusion of American technology to mitigate emissions, particularly in the developing world. Finally, API endorses title VII of S. 1776, which commissions a series of studies on traffic congestion alleviation options, including potential improvements in highway design and expansion.

Conclusion

API strongly commends the leadership of those senators who prepared and/or co-sponsored S. 882 “The Energy and Climate Policy Act of 1999” and S. 1776 “The Climate Change Energy and Response Act.” The policy principles embodied in these bills, and the programs proposed to advance those principles, represent an appropriate and valuable path to meeting the challenge of potential climate change.

THE API POSITION ON CLIMATE CHANGE

Opponents of the Kyoto Protocol share a belief with its proponents. Both regard the possibility of human-induced global climate change as a serious issue, one that merits a high level of concern and a thoughtful response.

Opponents and proponents differ about the nature of this response, though. The issue has so many different dimensions -- scientific, economic, sociological, political -- that a lack of agreement on how to address it is hardly surprising. Neither viewpoint deserves the demonization it often receives from those who hold an opposing view.

Many treaty proponents regard the science supporting the climate change hypothesis as more-or-less settled, and, even if it is not, they cite "the precautionary principle" to justify an aggressive program for reducing emissions of CO₂ and other Greenhouse Gasses. They would rely heavily on government mandates, taxes, and subsidies. They emphasize the need for the developed nations to "set an example" for the rest of the world by cutting emissions without any commitments from developing countries, trusting that as these nations catch up economically they will make emission-reduction commitments.

Proponents also emphasize the political component of the problem. They appear to support a "buy-in" theory, under which the exact provisions of Kyoto are less important than the commitment to action. What matters is that the world agree that a serious problem exists and must be dealt with. If this acceptance is achieved, as demonstrated by ratification of the Protocol, then the details can be worked out later through modifications. Some Europeans readily acknowledge that the Protocol's targets and timetables are unrealistic but assert that they can be changed once the treaty is ratified. This view discounts how seriously the United States takes treaty obligations and the negative impacts of regulations to achieve unrealistic goals until they are changed.

Many reasonable people take this view, and therefore it cannot be dismissed lightly. However, opponents of the Protocol see the issues differently, and they, too, have a claim to be taken seriously.

The opponents begin their argument with the uncertain nature of the science. They also note that as knowledge evolves the predicted magnitude of any human-induced climate change is steadily reduced and its timing is postponed. While the Clinton Administration and many environmental groups keep *saying* the science is settled, they can point to no statement in support of this by a consensus of scientists. They place undue emphasis on the conclusion in the IPCC Report that, "the balance of evidence suggests that there is a discernible human influence on global climate." But this statement is a truism. No one doubts that humans influence climate in numerous ways, including agriculture, de- and re-forestation, and creation of urban heat islands. To conclude that humans exercise a "discernible influence" on climate is only to state the obvious. It says nothing about either direction or magnitude of any impact. As Dr. Benjamin Santer, one of the authors of the Report, complains, the media persist in sensationalizing the conclusion while ignoring the qualifications.

To the extent that a consensus among scientists exists, it is expressed in a Petition drafted by the Oregon Institute of Science and Medicine in February 1998. The Petition says, in part: "There is no convincing scientific evidence that human release of carbon dioxide, methane, or other greenhouse gasses is causing or will, in the foreseeable future, cause catastrophic heating of the Earth's atmosphere and disruption of the Earth's climate." It has been signed by 19,200 people, 16,800 of whom are scientists. Over 10,000 signers hold advanced scientific degrees.

Other expressions of scientific opinion are to the same effect, such as the Leipzig Declaration, the Heidelberg Appeal, a survey of state climatologists, and the open letter of the Advancement of Sound Science Coalition/European Science and Environment Forum.

These expressions of caution do not mean that the potential for human-induced climate change is a bogus issue or that the possibility of a significant impact should be rejected out-of-hand. In the end, the debate is not over action or inaction but over what kind of action is justified by our state of knowledge. The Kyoto Protocol, based on the assumption that the science is clear and settled, is not consistent with either the present state of scientific thinking or with accepted procedures for making decisions under conditions of uncertainty. In brief, we know enough to take seriously the risk of human induced climate change but not enough to justify drastic near term actions as called for by the Kyoto Protocol.

A number of studies have gauged the economic impact on the U.S.. Results vary slightly, but they are all in the same neighborhood. WEFA, a highly regarded economic consulting firm, estimates the actions proposed by the Administration would result in over 2.4 million U.S. jobs being lost and cost every household in the U.S. \$2,700. The U.S. Department of Energy predicts the measures required by Kyoto could, by 2010, raise gasoline prices by over 50 percent, raise electricity rates by over 80 percent, and take a 4 percent whack out of GNP. This would only be a downpayment. Additional measures would be necessary in the future, which means that these costs would grow. The general consensus of economists is that Kyoto could make the oil shocks of the 1970's look mild. We in the U.S. are unaware of any persuasive studies indicating that Europe would escape these negative impacts.

A serious difficulty is that the Kyoto targets are not mere goals; they are legally binding obligations. In the U.S., at least, any failure to meet them would lead to a hideous tangle of legal actions against those who did not meet their legal obligations. These actions could include citizen suits and government enforcement actions, and could result in heavy civil fines or even criminal penalties.

Obviously, if the Protocol were necessary to prevent catastrophic change, then we would bear the price. Given the uncertainty of the science, the question becomes rather different. It is: Need we incur these costs to protect against a *possibility* that a distant, and not well-defined, problem is serious?

On this point, there is indeed consensus among those who have analyzed the issue. It is that our actions during the next 10 to 15 years will have little effect on the concentration of CO₂ in the atmosphere in the year 2050 or 2100. Thus, we should act so as to maximize our emissions-control bang-for-the-buck over the long-term, not the short. We should be patient, making incremental improvements, letting existing capital investments reach the end of their economic lives before converting to new forms of energy and technology and, in general, treating the problem as “a marathon rather than a sprint.” (The metaphor is by T. H. Wigley, a respected scientist who believes the problem is real, but who nonetheless cautions against the types of actions required by Kyoto.) Several analyses have concluded that using time as an asset can enormously reduce the cost of any action that might ultimately be required, perhaps by over 50 percent.

In API’s view, these three considerations -- uncertain science, certain costs, and the availability of time -- dominate the decisionmaking process, and should dominate the debate. Contrary to the contention of proponents of the Protocol, who claim that opponents are “naysayers” and “obstructionists,” we do not oppose action and have offered a series of actions to the Clinton Administration. We strongly support government research to increase our understanding of climate change and to build better models. We strongly support actions that will pay off regardless of the ultimate findings on the science of climate change. We have proposed a long list of other steps, such as: Scrapping old, high-emission autos; removing regulations that discourage capital stock turnover; rationalizing laws governing intellectual property so as to ensure patent protection for emissions-control technologies; fostering the export of emission-control technology; and encouraging private investment in new technologies and processes.

There is a deeper point, though. The ultimate question is how the world should deal with a highly uncertain problem like climate change. Should we turn to international bureaucracies and global mandates or should we rely on the energy, creativity, and flexibility of the private sector, the free market system, and public-private collaboration? Companies in the private sector know that if science ultimately shows the problem to be serious, then controls on emissions will become inevitable. They have strong incentives to respond to the risk of climate change because many of their investments have long economic lives. And companies are responding, in multiple ways. A program of mandates by an international bureaucracy would entail the worst characteristics of central planning and industrial policy. To oppose this is hardly to advocate “no action”; it is, rather, to recognize that our decision as to which mechanisms of action to rely upon will have significant consequences for the efficacy and cost of the effort.

Of course, governments have a crucial role to play. The fact that governments might ultimately impose emissions controls is a key incentive for private sector actions and for the creation of effective mechanisms for public-private collaboration. Governments can also work with the private sector in the numerous ways outlined on API’s Action List. And, of course, international cooperation and collaboration are also essential. But building on the energy, creativity, and flexibility of the private sector and on proven international arrangements for cooperation is certain to prove superior to arbitrary mandates that cannot be achieved without inflicting pointless economic harm.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

10/15/98

OFFICE OF
AIR AND RADIATION

Roger Ballentine
Office of Environmental Initiatives
115 Old Executive Office Building
Washington, DC 20502
USA

Dear Mr. Ballentine,

I am pleased to share with you the Climate Protection Division's (CPD) 1998 Annual Report, *Driving Investment in Energy Efficiency, ENERGY STAR® and Other Voluntary Programs*. As this report demonstrates, these voluntary programs continue to achieve sizable reductions in greenhouse gas emissions while promoting economic growth.

The opportunity for technology investment to address climate change continues to be large. Most Americans, in their homes and businesses/organizations, can eliminate energy waste. In fact, many homes and workplaces can use 30% less energy through cost-effective investments in technology. ENERGY STAR is helping consumers and businesses choose efficiency, save money and protect the global environment. These voluntary programs have a great track record in making efficiency the easier choice and their impacts are growing tremendously each year.

We now estimate that investment in efficient technologies, such as ENERGY STAR Products, through 1998 have exceeded \$4 billion and are:

- preventing more than 160 million metric tons of carbon equivalent, and
- delivering a net increase in economic activity (the difference between cumulative energy bill savings and investment in energy-efficient technologies) of more than \$14 billion.

These programs have proven to be a highly cost-effective way for the government to promote superior technologies and to reduce emissions. For every dollar spent by EPA on these programs, more than two tons of carbon dioxide emissions are avoided while reducing the nation's energy bill by \$75.

The key to the success of these programs is the continuing shared commitment of the private and public sectors in forging a new way of doing business that protects the environment while enhancing the bottom line. Thank you for your important contribution to these successes. We look forward to working with you in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen Hogan", with a long, sweeping horizontal line extending to the right.

Kathleen Hogan
Director, Climate Protection Division

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United States
Environmental Protection
Agency

Air and Radiation
6202J

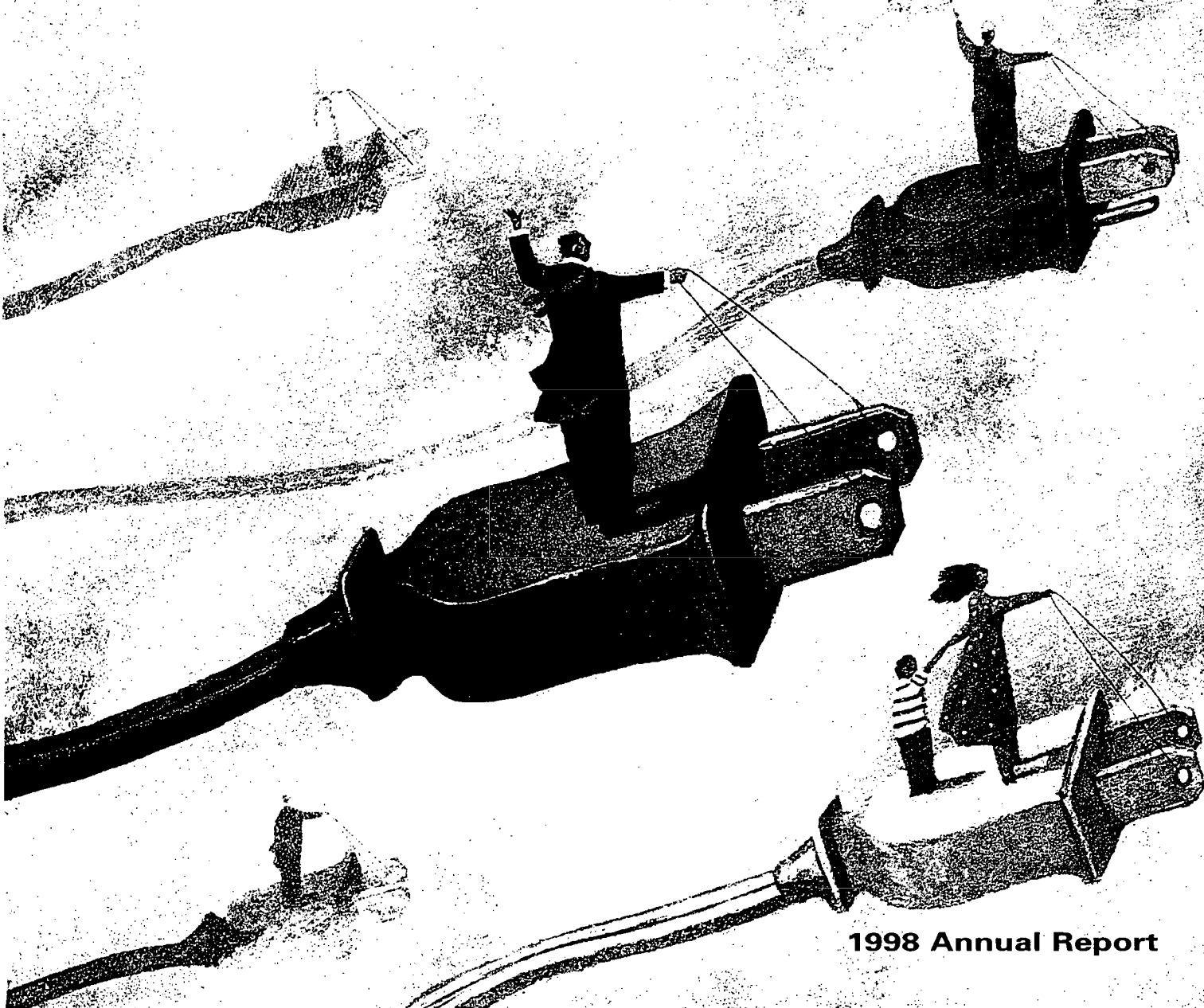
EPA 430-R-99-005
July 1999

Climate Protection Division

DRIVING INVESTMENT IN ENERGY EFFICIENCY



ENERGY STAR® and Other Voluntary Programs



1998 Annual Report



William Clay Ford, Jr.
Chairman of the Board

Ford Motor Company
The American Road
P.O. Box 1880
Dearborn, Michigan 48121-1880 USA

December 3, 1999

Sister Patricia Daly
Sisters of St. Dominic of Caldwell
52 Old Swartswood Station Road
Newton, NJ 07860-9337

Dear Sister Pat,

In light of our dialogue over the past year, I thought you would find the attached statement of interest. As we've discussed, our intent at Ford is to move forward in progressive and constructive ways to address environmental issues.

Best wishes for a wonderful holiday season.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill".

Thanks for your help and counsel!



1401 Eye Street, N.W.
Suite 600
Washington, D.C. 20005
(202) 336-7436 Fax: (202) 336-7447
BAYERJ@corpdc.utc.com



Judith Ann Bayer
Director
Environmental Government Affairs

November 11, 1999

Mr. Roger Ballentine
Deputy Assistant to the President
Office of Environmental Initiatives
115 Old Executive Office Building
Washington, DC 20502

Dear Roger:

Enclosed is a copy of UTC's 1998 Annual Environment Health & Safety Progress Report. The following are highlights of our most recent accomplishments.

- ◆ Hazardous waste generation has leveled off at about an 83% reduction from 1988. This is still a noteworthy achievement since we have made several significant acquisitions during this time period and have had substantial internal business growth.
- ◆ On the energy front, our use was down and so were costs. We'd like to claim our voluntary conservation program generated all these reductions, however, reduced engine testing and a warmer winter were the main contributors. Many good energy use reduction projects with good returns are now being undertaken to produce future decreases in consumption.
- ◆ UTC has reduced its worldwide lost workday injury incident rate below 1 for the first time – a major milestone in our safety program.

We have established ambitious goals for the year 2007 including:

- ◆ A lost workday incidence rate of one tenth of a case per one hundred employees;
- ◆ Waste and chemical releases to air (normalized for business volumes) reduced a further 60% globally, this time from 1999 baselines; and
- ◆ Global energy and water consumption (also normalized for business volumes) reduced 25% from 1997 baselines.

We are proud of these achievements and the men and women of UTC that have made these results possible. UTC has set aggressive goals for future EH&S performance and is confident we can meet them.

Please feel free to contact me if you have any questions regarding these initiatives.

Sincerely,

A handwritten signature in cursive script that reads "Judith Bayer".

Good to see you in Bonn.

Enclosure

Clinton Presidential Records Digital Records Marker

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

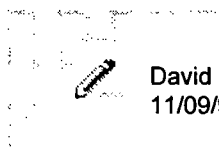
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Environment, Health & Safety Progress Report 1998

United Technologies Corporation





David Gardiner
11/09/99 03:20:23 PM

Record Type: Record

To: Roger S. Ballentine/WHO/EOP@EOP, Jefferson B. Seabright/WHCCTF/EOP@EOP, Janet Anderson/WHCCTF/EOP@EOP, Paul Bledsoe/WHCCTF/EOP@EOP

cc:

Subject: Trigen Wins Financial Times Best Environmental Practice Award

----- Forwarded by David Gardiner/CEQ/EOP on 11/09/99 03:17 PM -----



Laitner.Skip@epamail.epa.gov
11/09/99 02:39:50 PM

Record Type: Record

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

cc:

Subject: Trigen Wins Financial Times Best Environmental Practice Award

TRIGEN ENERGY WINS FINANCIAL TIMES BEST ENVIRONMENTAL PRACTICE AWARD

White Plains, N.Y. - November 9, 1999 - Trigen Energy Corporation (NYSE Symbol: TGN) has received the Best Environmental Practice Award at the inaugural Financial Times Energy Awards event, sponsored by Deloitte Touche Tohmatsu. Other winners include BP Amoco, chosen Energy Company of the Year and Siemens, recognized as having the Most Innovative Commercial Technology Development.

Judges cited Trigen's efforts to measure environmental improvement to ensure progress in pursuit of their mission to produce heating, cooling and electricity with half the fossil fuel and half the pollution of conventional generation.

Trigen's mission and commitment to the environment comes from the vision of its founder, president, and CEO, Thomas R Casten. Mr. Casten recently proclaimed Trigen's genuine effort to foster environmental stewardship by authoring a book titled "Turning Off The Heat." The book outlines how America can double energy efficiency to save money and reduce global warming.

Trigen's best practices have also been recognized by the White House. While speaking to meteorologists in October 1997, President Clinton said, "A company called Trigen has doubled the efficiency of power plants in Philadelphia, Chicago, and Tulsa, simply by capturing waste heat and turning it into steam to warm office buildings and fuel factories, and in the process, by definition, dramatically cutting the volume of greenhouse gases going into the atmosphere."

In accepting the award, Steven Smith, president of Trigen's Operating Assets Division, said, "We are strong believers that economic and environmental sustainability go hand-in-hand and the information provided by our measurements provide our energy professionals with the targets and tools they need to reduce emissions. We can meet the needs of our customers who focus on cost effectiveness to be globally competitive and, at the same time, produce energy in an environmentally responsible manner. From Trigen's perspective, this award demonstrates that the environment can be improved without a negative impact on earnings and growth."

Trigen's continuous best practice to reduce greenhouse emissions and protect the earth's climate has also been recognized by the United States Environmental Protection Agency (U.S. EPA). The U.S. EPA Climate Protection awards recognized Trigen's demonstrated commitment to the environment through exceptional leadership, personal motivation, and technical innovation. Increasing evidence of global warming from emissions of CO₂ has focused attention on solving what may be the greatest economic and environmental challenge of the next millennium.

The Trigen Emissions Reduction Measurement (TERM) compares Trigen's emissions of criteria pollutants with the pollution which would be expected if the same energy products had been produced in a conventional manner. Additionally, Trigen's Greenhouse Emission Measurement (GEM) compares Trigen's emissions of CO₂ to the amount of CO₂, which would have been emitted by conventional generation. These measurements allow Trigen to document its achievements with regard to environmental objectives and to provide employees with numerical targets to strive toward. There were significant drops in both TERM and GEM in 1998. TERM was reduced by 33% from 69.1% in 1997 to 46.2% in 1998. GEM dropped 24% from 71.4% in 1997 to 54.6% in 1998. Trigen constantly seeks new and innovative approaches to achieve higher levels of efficiency, reduce emissions, and improve the environment.

Most debating the issue of global warming and the environment assume that reducing CO₂ emissions will increase energy costs. Trigen combines the production of heat and power, thereby decreasing energy costs and reducing pollution without reducing the total amount of energy produced for consumers. Trigen uses a variety of fossil fuels, waste, and biomass, and employs a number of technologies to accomplish this. While the average US efficiency for electric generation is just 33%, Trigen's facilities achieve 75% to 90% efficiency at substantial savings to its customers. Trigen is committed to changing the way the world makes power.

Trigen, the leading thermal sciences company in North America, develops, owns and operates commercial and industrial energy systems. Trigen uses its expertise in thermal engineering and cogeneration processes to convert fuel

to various forms of thermal energy and electricity at more efficient conversion rates than conventional processes. Trigen combines heat and power generation, producing electricity as a by-product, for use in its facilities and for sale to customers. The Company serves more than 1,500 customer facilities with energy produced at 48 plants in 33 locations, including industrial plants, electric utilities, commercial and office buildings, government buildings, colleges and universities, hospitals, residential complexes and hotels.

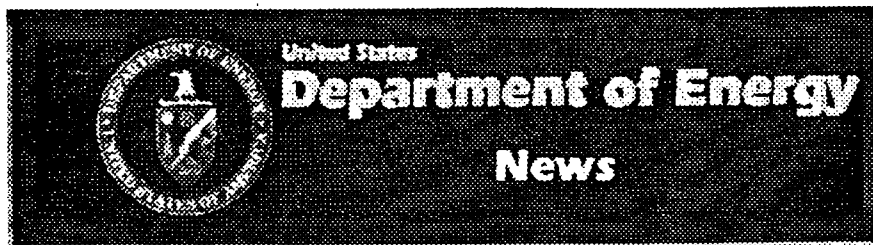
Except for historical information contained herein, this news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risks and uncertainties detailed from time to time in the Company's SEC reports, including the report on Form 10-K for the year ended December 31, 1998.

#

John A. "Skip" Laitner
Senior Economist for Technology Policy
EPA Office of Atmospheric Programs
501 3rd Street NW, 4th Floor, MS-6201J
Washington, DC 20001
o: (202) 564-9833
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FOR IMMEDIATE RELEASE
October 15, 1999

NEWS MEDIA CONTACT:
John B. Townsend II, 202/586-5806

Industry, Efficiency Advocates Reach New Agreement on Energy Efficient Lighting Standards

***Agreement Will Result in Significant Energy Savings, Emission
Reductions***

U.S. Secretary of Energy Bill Richardson today announced that a new agreement has been reached to improve the energy efficiency of fluorescent lighting in commercial and industrial applications. The agreement, worked out between lamp ballast manufacturers and energy efficiency advocates, marks a turning point in the process by which energy efficiency standards are set.

"Lighting accounts for 20 percent to 25 percent of all electricity consumed in the United States, and as a nation, we spend billions on it each year," said Secretary of Energy Bill Richardson. "This agreement is a victory for consumers, for the environment and for industry." The Secretary praised industry representatives and the efficiency advocates for their efforts in improving the energy efficiency standards for lighting products.

Adoption of the efficiency standards is expected to save between 2 and 5 quads of energy over a 30-year period, or enough energy to supply 12 to 26 million homes in the U.S. for one year. The agreement is expected to reduce greenhouse gas emissions by 33 - 72 million metric tons and nitrous oxide emissions by 108,000 - 235,000 tons over a 30-year period. That's the same as eliminating the emissions of 27 - 58 million cars in a single year.

Electronic ballasts are major components in fluorescent light fixtures. They increase the frequency of the electricity to the higher levels needed to light the fluorescent tube. The efficiency of the ballasts has a direct impact on energy consumption. Electronic ballasts are far more efficient than older, magnetic ballasts. Improved efficiency of electronic ballasts will save money and reduce energy use in lighting applications.

While the agreement is subject to a final rulemaking by DOE, it is expected that the joint recommendations will be accepted and written into the final standards.

Under the terms of the agreement, new efficiency standards for electronic ballasts will go into effect on April 1, 2005.

After that time, all fluorescent lamp ballasts produced by lighting manufacturers for the commercial and industrial "new construction or renovation" market must be energy efficient electronic ballasts that meet the new standards, rather than the older less-efficient magnetic ballasts. In the case of the "replacement" market, the magnetic ballasts will be available until 2010 for building owners to repair current systems.

Residential ballasts will be exempt from these standards. However, parties to the agreement will also support efforts by DOE to evaluate the residential lighting market including consideration of standards for residential ballasts as well as market-driven initiatives. DOE has authority to set minimum efficiency standards for lamp ballasts as well as a variety of other residential and commercial appliances and equipment.

Parties to the agreement include the Natural Resources Defense Council, American Council for an Energy-Efficient Economy, the Alliance to Save Energy, the Oregon Department of Energy (representing the states), the National Electrical Manufacturers Association (represented by ballast manufacturers Philips, Magnetec, Osram Sylvania and Motorola), lamp manufacturers, luminaire manufacturers and ballast component suppliers.

DOE researches, develops, and deploys clean, efficient and renewable energy technologies to help meet America's energy needs while protecting the environment and strengthening the economy. Energy technologies supported and promoted by the department will play a key role in providing *Clean Energy for the 21st Century*.

- DOE -

R-99-280



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We'd like your comments or suggestions about the U.S. DOE Home Page. Send your comments to the [DOE Webmaster](#)
Updated: 10/15/99

Friday Sept 24 2pm (Loy)

R- from
Sandra
Re: Fri mty

FAX COVER SHEET

UNITED STATES DEPARTMENT OF STATE
UNDER SECRETARY FOR GLOBAL AFFAIRS

2201 C Street N.W. Room 7250

Washington, D.C. 20520

Phone: (202) 647-6240

Fax: (202) 647-0753

•REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please CommentTO: Angie

Phone: _____

Fax: 456-1736Number of pages including cover sheet: 8DATE: 9/22/99FROM: SandraCOMMENTS: Attached is the letter of invitation
and a list of those people who have
accepted so far. They will have a
prebrief on Thurs. Sept 23 at 2pm in Frank's
Office.



United States Department of State

*Under Secretary of State
for Global Affairs*

Washington, D.C. 20520-7250

September 8, 1999

Dear Colleague:

I would be pleased if you, as a member of the business community, would join us on Friday, 24 September 1999 at 2:00 P.M. to share your views on issues to be debated at the upcoming 5th session of the Conference of the Parties to the UN Framework Convention on Climate Change to be held in Bonn, Germany, on October 25 – November 5.

It is our hope that this forum will permit a productive, in-depth exchange of views related to climate change.

The meeting will be held at:

Department of State
2201 C Street N.W.
Washington, DC 20520
Room 1105
2:00 p.m. – 4:00 p.m.

In order to facilitate your admittance to the State Department, please fax to Emery Webb your date of birth and social security number at least 24 hours prior to the meeting. His fax number is (202) 647-0753.

We look forward to your participation.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank E. Loy", written over a horizontal line.

Frank E. Loy

Withdrawal/Redaction Marker

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001. list	[Personally Identifiable Information] [partial] (6 pages)	09/22/1999	b(6)

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Clinton Presidential Records
Office of Environmental Initiatives
Roger Ballentine
OA/Box Number: 19511

FOLDER TITLE:

Climate Change Other Industry [1]

2017-1093-F
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RESTRICTION CODES

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P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
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RR. Document will be reviewed upon request.

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b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RSVPs for 9/24/99 Climate Change Convention Meeting

Kevin Anderson
National Petrochemical & Refiners Association
SSN: [REDACTED]
DOB: [REDACTED] (b)(6)

Robert Beck
The National Coal Council
SSN: [REDACTED]
DOB: [REDACTED]

Chris Bernabo
Rand
SSN: [REDACTED]
DOB: [REDACTED]

Andrew Kent Bonham
The Climate Council
SSN: [REDACTED]
DOB: [REDACTED]

Thomas Cortina
Halon Alternatives Research Corporation
SSN: [REDACTED]
DOB: [REDACTED]

Jim Cox
ASHRAE
SSN: [REDACTED]
DOB: [REDACTED]

Rae E. Cronmiller
Environmental Counsel
Nat'l Rural Electric Cooperative Assn.
SSN: [REDACTED]
DOB: [REDACTED]

Edison Electric Institute

Not whether; how
w/ business
no takeoff
Not threat; challenge opportunity

RSVPs for 9/24/99 Climate Change Convention Meeting

Eric Dapoli
Hopp and Associates
SSN:
DOB: (b)(6)

Jon Doggett
American Farm Bureau Federation
SSN:
DOB:

Mitch Dubensky
Global Climate Coalition
SSN:
DOB:

Bernard Du Charme
Global Livestock Group
SSN:
DOB:

Gerald A. Esper
Daimler Chrysler
SSN:
DOB:

Gary R. Evans
National Rural Electric Cooperative Association
SSN:
DOB:

Rodger Fairchild
TECHLAW INC.
SSN:
DOB:

RSVPs for 9/24/99 Climate Change Convention Meeting

David B. Finnegan
Mayer, Brown & Platt
SSN: [REDACTED]
DOB: [REDACTED] (b)(6)

Philip Fleming
ABA
SSN: [REDACTED]
DOB: [REDACTED]

Gordon Fry
Chemical Manufacturers Association
SSN: [REDACTED]
DOB: [REDACTED]

Dale E. Heydlauff - VP -- Environmental Affairs
American Electric Power
SSN: [REDACTED]
DOB: [REDACTED]

Eric Holdsworth
Global Climate Coalition
SSN: [REDACTED]
DOB: [REDACTED]

Connie Holmes - Sr. VP, Policy
National Mining Association
SSN: [REDACTED]
DOB: [REDACTED]

Rachel Hopp
Hopp and Associates
SSN: [REDACTED]
DOB: [REDACTED]

RSVPs for 9/24/99 Climate Change Convention Meeting

Don Hillebrand
Daimler-Chrysler

SSN:

(b)(6)

DOB:

Lisa Jacobson
Business Counsel for Sustainable Energy

SSN:

DOB:

Russell Jones
API Policy Analysis

SSN:

DOB:

Madeleine Boyer Kadas
Beveridge & Diamond, P.C.

SSN:

DOB:

Glenn Kelly
Global Climate Coalition

SSN:

DOB:

Michael S. Koleda
Koleda Childress Inc

SSN:

DOB:

Scott Mack
Koleda Childress Inc

SSN:

DOB:

RSVPs for 9/24/99 Climate Change Convention Meeting

Robert H. McFadden
GHG Associates

SSN:

DOB:

(b)(6)

what is this?

James D. McIntire
Chemical Manufactures Association

SSN:

DOB:

Barry Meyar
Government Relations Counsel

SSN:

DOB:

Theresa Pugh
American Forest & Paper Association

SSN:

DOB:

A.G. (Randy) Randol III
EXXON Corporation

SSN:

DOB:

Gary Risner
Weyerhaeuser

SSN:

DOB:

Mark Stanga
York International Corperation

SSN:

DOB:

RSVPs for 9/24/99 Climate Change Convention Meeting

Elizabeth Stolpe
Government Affairs
Champion Int'l Corp.
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DOB: [REDACTED] (b)(6)

David Stripe
The Alliance for the Responsible Atmospheric Policy
SSN: [REDACTED]
DOB: [REDACTED]
Eugene M. Trisko
Attorney at Law
SSN: [REDACTED]
DOB: [REDACTED]

Michael D. Wascom
Air Transport Association of America
SSN: [REDACTED]
DOB: [REDACTED]

John Wetzel
Association of American Railroads
SSN: [REDACTED]
DOB: [REDACTED]

Tom Jacob
Dupont



September 20, 1999

Contact

Tom Jacob

Manager, International and Industry Affairs

Wilmington, DE: 302-774-6873

fax: 302-773-2010

Washington, DC: 202-728-3610

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tom.jacob@usa.dupont.com

**DuPont's Perspective
GLOBAL CLIMATE CHANGE**

SUMMARY: The United States and over 160 other nations signed (and subsequently ratified) the Framework Convention on Climate Change in 1992, recognizing the long-term implications of global climate change and the possible contribution of man-made sources of greenhouse gas emissions to that threat. DuPont has participated in international efforts to study the science of climate change, and believes there is cause for concern. On the basis of that conclusion, we began taking action to reduce our greenhouse gas emissions in the early 1990's, have accomplished major global reductions from our operations, and have just set new global goals for the coming decade.

DUPONT'S ACCOMPLISHMENTS AND GOALS: On the basis of the emerging scientific understanding and governmental concern, DuPont in 1991 committed to major efforts to reduce global greenhouse gas emissions from our operations during the decade of the '90's, and to increase energy efficiency. When the US established its "Climate Wise" program to encourage voluntary greenhouse gas reductions following the signing of the Framework Convention, DuPont was the first company to make a pledge under the program. During the decade of the 90's, we have invested approximately \$50 million, and reduced greenhouse gas emissions (carbon equivalent) from operations by 45% globally (primarily major process-change investments to reduce nitrous oxide emission in the US, Canada and the UK, with the low-emission technology designed-in at our new plant in Singapore).¹ We have also held energy consumption flat, despite a 36% increase in production volume (approximately half this gain comes from process and powerhouse efficiency improvements and half from product/process mix changes).² Building off of these accomplishments, DuPont has set the following as internal goals during the coming decade. Our new goals are aimed to begin positioning our businesses for the market place of 20-50 years from now -- one which will demand a markedly smaller "environmental footprint" from industrial activity. Specifically, by 2010, our goals are:

- We will reduce our global carbon-equivalent greenhouse gas emissions by 65 percent using 1990 as a base year. For the purposes of our "scorecard," we will use the Kyoto basket of gases;
- We will hold total energy use flat using 1990 as a base year. While this continues the progress we have already made, this is clearly a stretch goal. To achieve this will require that our business growth be much more "knowledge intensive" and much less "raw material and energy" intensive than in the past -- a move that is very consistent with our stated corporate direction; and
- We will source 10 percent of our global energy use in the year 2010 from renewable resources. We want to show that we are serious about the need for renewable energy to be a part of our future, and to provide a strong "market signal" that there will be at least one major energy consumer ready to buy. We also want to indicate that we are prepared to work with energy suppliers and others to develop renewable energy.

THE POLITICAL CONTEXT: Adoption in late 1997 of the Kyoto Protocol set an international target for short term emission reduction efforts. DuPont views this as an expression by the governments of the seriousness with which they view the climate change issue, and a declaration of intent to intervene -- in essence, a signal that government policy will play an instrumental role on this issue. However, the Protocol is not complete, has a very aggressive short-term timetable, no long term strategy, and limited country participation. These shortcomings threaten to retard efforts to commence the journey toward sustainability. We want to work with governments and our industry partners to develop a shared vision of a future that is both economically and environmentally secure, and to shape and advance a longer-term, market-oriented strategy for securing it. In the short term, this will require more systematic attention by governments to incentives to move us toward sustainability, and encouragement of companies and the public to take advantage of opportunities they may have to begin the journey. This should also yield policies ensuring that early actions are not penalized under future regulatory regimes -- either some form of baseline protection policy, or by use of some crediting system that actively rewards such initiative.

¹ This does not include benefits from elimination of CFC production, mandated under the Montreal Protocol.

² This does not include data from Concoco, Inc., the energy company that was part of DuPont during most of the decade.



PEW CENTER
ON
Global CLIMATE
CHANGE

For Immediate Release:
Monday September 13, 1999

DuPont Announces New Targets to Reduce Greenhouse Gas Emissions

Pledge Made at Pew Center on Global Climate Change Early Action Conference

WASHINGTON, D.C. – DuPont, a member of the Pew Center on Global Climate Change's Business Environmental Leadership Council, today announced an ambitious set of new targets to address the challenge of climate change.

Dennis H. Reilley, Executive Vice President and Chief Operating Officer at DuPont, made the announcement today in a keynote address at the Pew Center's Early Action Conference in Washington D.C. The Pew Center, in cooperation with the H. John Heinz III Center for Science, Economics and the Environment, is hosting the two-day conference to examine issues related to credit for early action by companies to reduce greenhouse gas emissions.

Specifically the new goals for 2010 unveiled by Reilley include:

- Reducing global carbon equivalent greenhouse gas emissions by 65 percent, using 1990 as a base year;
- Holding total energy use flat, using 1990 as a base year; and,
- Using renewable resources for ten percent of global energy use.

"We applaud DuPont's leadership in rising to meet the challenge of climate change," said Eileen Claussen, Executive Director, Pew Center on Global Climate Change. "DuPont's commitment is an important reminder that there are steps companies can take now to reduce emissions. A legal framework for early action would only inspire more businesses to take similar voluntary steps."

The Pew Center's Early Action Conference is exploring why the United States should seriously consider a framework to recognize companies' voluntary efforts; what policymakers must do to ensure that companies acting in advance of an international agreement are not penalized; and how to create an early action crediting program that avoids putting climate-conscious companies at a competitive disadvantage, yet does not reward phantom emission reductions.

In his address, Reilley pointed to the value of an early action framework. "Credit for early action and other incentives offer the possibility of eliminating cost penalties and encouraging, and possibly accelerating, the growth of cost-effective sources of renewable energy."

2111 Wilson Blvd.
Suite 350
Arlington, VA 22201
ph (703) 516-4146
fax (703) 841-1422
www.pewclimate.org

The Pew Center On
Global Climate Change
brings a new cooperative
approach and critical
scientific, economic and
technological expertise
to the global debate on
climate change

DuPont's work on climate change is part of a long-standing commitment. As a result of an earlier initiative to reduce greenhouse gas emissions, by the year 2000 DuPont will have reduced emissions for global operations by 45 percent and improved energy efficiency by 15 percent below 1990 levels. DuPont also has succeeded in holding energy use constant for the last ten years.

DuPont's work on climate change will be highlighted in a Pew Center-sponsored advertisement under the banner headline of "a leap forward on climate change." The print advertisement will appear in *Newsweek*, *Business Week*, *The Washington Post*, *The Wall Street Journal*, *The Philadelphia Inquirer* and *The Wilmington News Journal*.

In addition to the address by Reilley, the Pew Center Early Action Conference will include presentations from proponents of current early action proposals, as well as discussion on the complex legal, policy, and technical issues that confront the architects of early action programs.

"By bringing business leaders, policymakers and others with a stake in the climate change debate together, we hope the conference will provide new and balanced insight on the need for a legal framework on early action," said Claussen.

DuPont is a science company, delivering science-based solutions that make a difference in people's lives in food and nutrition; health care; apparel; home and construction; electronics; and transportation. Founded in 1802, the company operates in 65 countries and has 92,000 employees.

The Pew Center was established in May 1998 by the Pew Charitable Trusts, one of the nation's largest philanthropies and an influential voice in efforts to improve the quality of America's environment. The Pew Center supports businesses in developing marketplace solutions to reduce greenhouse gases, produces analytical reports on the science, and economic and environmental impacts of climate change, launches public education efforts and promotes better understanding of market mechanisms globally. Eileen Claussen, former U.S. Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, is the executive director of the Pew Center.

The Pew Center includes the Business Environmental Leadership Council, which is composed of 21 major, largely Fortune 500 corporations all working with the Pew Center to address issues related to climate change. The companies do not contribute financially to the Pew Center – it is solely supported by contributions from charitable foundations.

#

Contact:

Pew Center on Global Climate Change
Kelly Sullivan/Heather Fass
202-289-5900

DuPont
Lori Fenimore
302-773-0220



DuPont Government Affairs
601 Pennsylvania Avenue, NW
Suite 325, North Building
Washington, DC 20004

DuPont Government Affairs

September 13, 1999

DuPont Announces New Goals to Address Challenge of Climate Change

I have attached an advance copy of a news release to be issued today by the Pew Center on Global Climate Change outlining new climate change goals DuPont has set to address the challenges ahead of us.

DuPont Executive Vice President and Chief Operating Officer, Dennis Reilley, announced these goals in a keynote address before the Pew Center's Early Action Conference, today, in Washington, DC. Critical components include reducing greenhouse gas emissions by 65 percent, holding total energy use flat with 1990 as a base year and increasing use of renewable resources for global energy use.

A copy of the full text of Mr. Reilley's address will be delivered to you today. Please feel free to contact me at (202) 728-3645 or Tom Jacob (302) 774-6873 with questions or need for additional information.

Nancie Johnson, Vice President
DuPont Government Affairs

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2302-774-4500
Mary Travis

Remarks by

Dennis H. Reilley

Vice President and Chief Operating Officer - DuPont

Pew Center Conference, Washington, DC

September 13, 1999

For the past 10 years DuPont has been on a remarkable environmental journey. In 1989, then-chairman and CEO Ed Woolard announced that CEO stood for "chief environmental officer" and that he was going to make environmental leadership a priority of his tenure. Ed's successors - Jack Krol and Chad Holliday - each accepted that same accountability.

During that period of time, we went from a mindset that said environmental performance was defined by external regulations, to a fuller perspective that says environmental performance is part of an all-encompassing internal drive toward true sustainable growth.

Operationally, we began by proposing a series of numerical goals that included reducing levels of hazardous waste at the source; major reductions in airborne emissions, especially carcinogens; and land "set asides" for wildlife habitat. Later we set a goal to eliminate discharges to deep wells. Eventually we adopted a zero waste and emissions goal as a direction in which to move.

Although those goals were concrete, our ultimate objective was to make environmental protection a value that would be on the same level as the value that we had assigned to safety for nearly two centuries. We wanted environmental protection to become an enduring part of our company's culture, and an integral part of all business decisions.

In many respects we succeeded - so much so that in the past few years we have been able to turn our focus to the ultimate challenge that faces all of us: How can we achieve sustainable growth? We are trying to

envision what sustainability would look like for a company such as ours which continues to grow and transform itself in a global economy that is itself dynamic and unpredictable.

For many industrial companies, the creation of value is still linked to the throughput of materials and increased pounds of production made possible by the expenditure of large amounts of energy in the form of fossil fuels. A sustainable growth company, by contrast, builds value for shareholders and society while decreasing its environmental footprint. It sees the marketplace and civil society as integral to business decisions, not as external entities that we simply interact with. And it fulfills the needs of a growing world population using the best and most advanced forms of modern technology while minimizing risk and environmental impact.

For a company like DuPont, there are several factors to consider as we seek sustainable growth. One of the most important is the one I want to address today - energy, and its impact on global climate.

Our experience with atmospheric science issues goes back to the 1970s. So we are not newcomers to the climate change issue. In 1991, we concluded that there was sufficient evidence linking greenhouse gas emissions to global climate change that we needed to take action. And, in 1993 we became the first company to volunteer under the U.S. Environmental Protection Agency/Department of Energy Climate Wise program.

Since 1991, we have spent over \$50 million to achieve a goal of reducing greenhouse gas emissions from our global operations (on a

Memo to: Roger Ballentine, Jeff Seabright
From: Janet Anderson
Date: 14 September 1999
Subject: Du Pont

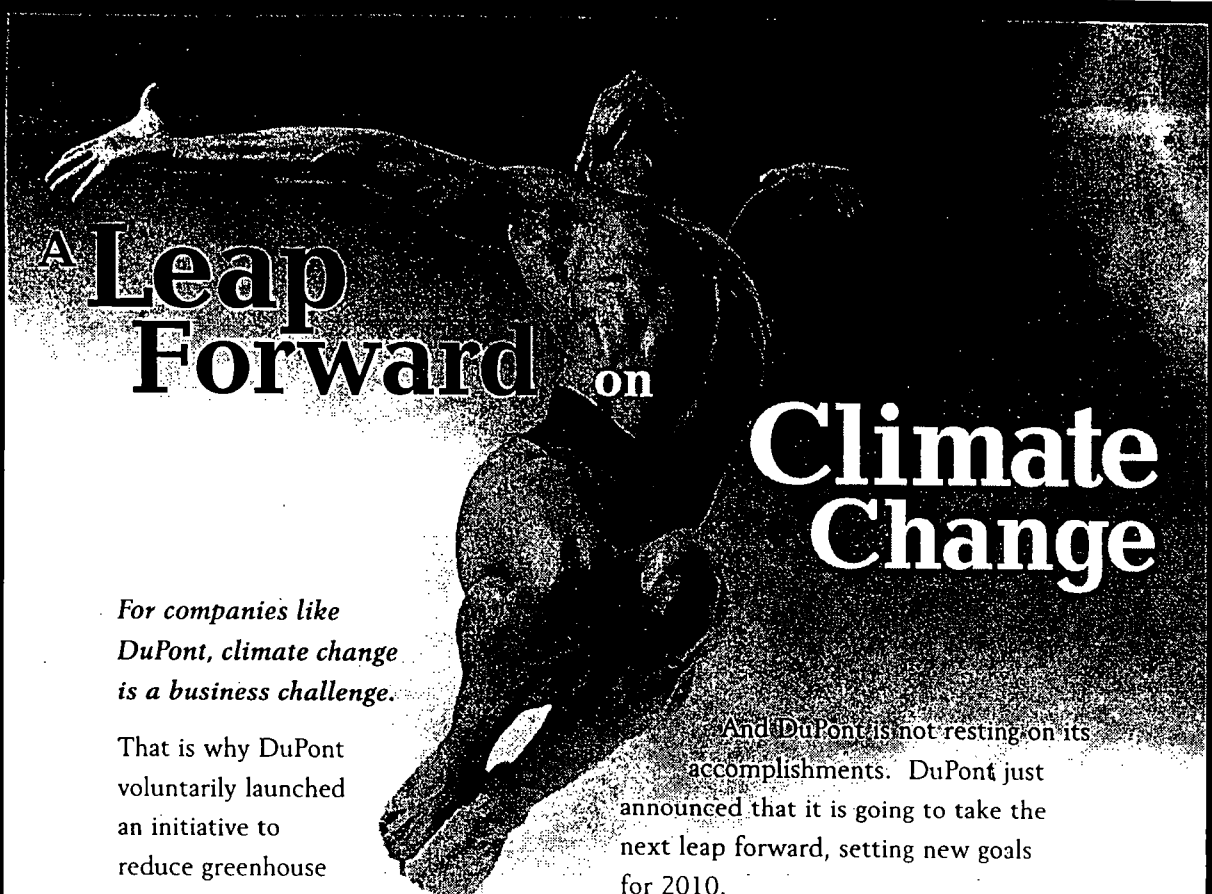
The DuPont announcement on 13 September is indeed highly significant and we should initiate a Presidential Statement. The three goals announced for 2010 are:

1. 65% reduction in greenhouse gas (ghg) levels from a 1990 baseline
2. Energy use will remain constant at a 1990 level
3. 10% of energy will come from renewables

These new goals build upon DuPont's previous year 2000 goals of a 45% reduction in ghg from a 1991 baseline and energy use held constant at a 1990 level (production increased by 35% during this time). They have spent \$50 million to reach these goals and the major reductions in ghg have been N₂O and PFCs. They have achieved the energy target with half of the reductions from energy efficiency improvements and the remainder from changes in product mix and processes and powerhouse upgrades.

The increase in reductions of ghg will likely come from the process gases – mostly N₂O and PFCs – as CO₂ emissions represent about 20% of their total ghg emissions. DuPont's earnings have been almost flat for the past five years so the announcement of these major environmental goals at this time is important background item. Improvements in process efficiency should also improve their balance sheet.

It is my understanding that the 65% reduction has been announced as an absolute reduction, but even if it would be a reduction in rate (ghg/ton of product), it would translate (source EPA) to an absolute 20% reduction from 1990 levels – still very significant.



A Leap Forward on Climate Change

For companies like DuPont, climate change is a business challenge.

That is why DuPont voluntarily launched an initiative to reduce greenhouse gas emissions.

The results have been dramatic. By the year 2000, DuPont will have reduced emissions from global operations by 45 percent and improved energy efficiency by 15 percent below 1990 levels. DuPont also has succeeded in holding energy use constant for the last ten years.

And DuPont is not resting on its accomplishments. DuPont just announced that it is going to take the next leap forward, setting new goals for 2010.

- Reducing global carbon-equivalent greenhouse gas emissions by 65 percent, using 1990 as a base year;
- Holding total energy use flat, using 1990 as a base year; and,
- Using renewable resources for ten percent of global energy use.

DuPont's leadership shows that it is possible to address climate change and maintain economic growth.



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Global CLIMATE CHANGE

DuPont is a member of the Pew Center on Global Climate Change's Business Environmental Leadership Council. The Pew Center does not receive corporate contributions.

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Wednesday, September 15, 1999

INDUSTRY AND CLIMATE CHANGE

March 1999

There is a growing awareness in the American business community of the importance of the issue of climate change. While some companies with large fossil fuel interests remain stiffly opposed to taking any action on climate, there are a number of companies that understand that their customers, shareholders and governments around the world are counting on them to develop solutions to this problem. Many of these companies are working in partnership with the White House, the Environmental Protection Agency (EPA), and the Department of Energy (DOE) to begin reducing their greenhouse gas emissions. The Administration is also working closely with industry and Congress on legislation to reward companies taking early, voluntary actions to reduce emissions.

Industry Consultations. A key component of the President's October 1997 plan to reduce U.S. greenhouse gas emissions is to build voluntary partnerships with energy-intensive industries to develop strategies to cut emissions. Pursuant to the President's initiative, senior White House staff have initiated dialogues with high-level officials from key industries such as aluminum, cement, electric power, forest products, gas pipelines, and steel. As part of this process, the Administration actively solicits ideas from industry about how to remove technical and regulatory barriers and foster greater development and diffusion of more energy efficient or less carbon intensive technologies and practices.

Building on What Works. The Administration's industry consultations initiative builds on successful EPA and DOE voluntary programs developed under 1993's Climate Change Action Plan, including: **Climate Challenge** (partnership program with electric utilities to reduce emissions); **Climate Wise** (manufacturing partnership program); **Industries of the Future** (cooperative research program with energy intensive industries); **Voluntary Aluminum Industrial Partnership** (emissions reduction program involving 90 percent of U.S. aluminum industry); and **Natural Gas STAR** (methane emissions reduction program). The growing number of firms participating in these programs are helping to reduce their greenhouse gas emissions, improve energy efficiency and boost American competitiveness.

Partnership for Advancing Technologies in Housing (PATH) [BOX]

The Administration's dialogue with the homebuilding sector has produced an important new partnership. PATH, announced in May 1998, seeks to design and build new homes that are 50 percent more energy efficient within a decade and to retrofit at least 15 million existing homes within a decade to make them 30 percent more energy efficient. PATH joins government and industry in a coordinated strategy to identify promising housing technologies and swiftly move them to market. Meeting PATH goals would save consumers \$11 billion a year in energy costs by 2010 and reduce annual carbon emissions in 2010 by nearly 24 million metric tons (MMTC) -- the amount produced by 20 million cars. [END BOX]

Growing Awareness and Support From Business. Thanks in part to Administration efforts, a growing number of firms are demonstrating corporate environmental responsibility on climate change -- some are even positioning themselves for market advantage on the issue. In the past year alone:

- **British Petroleum/Amoco** set a corporate goal to reduce greenhouse gas emissions 10

percent below 1990 levels by 2010 across its global operations, while growing the business overall-- and they plan to ramp up their solar business to \$1 billion in sales by 2007.

- **Royal Dutch Shell** pledged to cut its global greenhouse gas emissions by 10 percent by 2002, maintaining that level of reduction through 2010 -- and it will spend \$500 million over the next 5 years on developing a new renewable energy business.
- **United Technologies** (producers of Otis elevators, Carrier air conditioners, Pratt & Whitney engines and Sikorsky helicopters) announced a plan to cut emissions by improving energy efficiency 25 percent per unit of production by 2010.
- **General Electric** announced a major partnership with **Plug Power**, a small fuel cell company, to distribute fuel cell systems worldwide for residences and small businesses. These fuel cells can produce power, heat, and hot water without combustion and its associated emissions.
- **IBM** announced goals to improve energy efficiency by 4 percent/year and to reduce and greenhouse gases.
- **Enron** has diversified its energy business to take a major position in wind and solar power -- demonstrating a vision of what their customers worldwide will value in an increasingly competitive marketplace.
- In April 1998, the new **Pew Center on Climate Change**, with \$5 million from Pew Charitable Trusts, launched a campaign to build support for action on climate change. The Center ran ads in *The Wall Street Journal*, *The Washington Post*, and *The New York Times* featuring a joint statement by 13 major companies stating: "We believe we must address one of the major challenges of the 21st Century: responding to global climate change while maintaining economic growth."
- In June 1998, the **American Public Power Association** approved a new policy on climate change acknowledging utilities' responsibility to work to reduce greenhouse gas emissions.

Early Credit. The Administration's consultations with industry and non-governmental organizations have included discussions on how companies can receive credit for actions taken to reduce emissions or increase carbon storage, or sequestration, before the start of the first commitment period under the Kyoto Protocol (2008--2012). President Clinton has made clear that he is committed to providing credit for early action and the Administration will continue working with the private sector and Congress on this issue.

May 19, 1999

NOTE TO JOHN PODESTA

FROM: TODD STERN/GEORGE FRAMPTON

SUBJECT: Climate change meeting with Indian and U.S. CEOs

PURPOSE: To promote U.S.-Indian cooperation on climate change.

TIME/DATE: 8:45am Thursday, May 20, 1999

LOCATION: Roosevelt Room

BACKGROUND: This week, a group of leading Indian CEOs are in Washington to meet with U.S. business leaders to discuss efforts to meet the challenge of climate change. These CEOs are part of a growing coalition of Indian business leaders who have pledged to play a meaningful role in the climate change debate.

As one of the largest developing countries, India holds a key position in international negotiations over how to address global warming. To date India has refused to take on emissions targets and has in general worked to obstruct progress under the Kyoto Protocol. By successfully engaging the Indian business community on this issue, we hope to enhance the chances that India might meaningfully participate in the climate effort.

This trip has been organized by Katie McGinty, who is currently a senior visiting fellow at the Tata Energy Research Institute (TERI) in New Delhi, India. TERI is a non-profit research institute that conducts scientific and policy research on sustainable development issues.

PARTICIPANTS LIST: Attached

TALKING POINTS: Attached

PARTICIPANTS LIST

Indian Participants:

Mr. Rahul Bajaj CEO, Bajaj Auto Limited and President, CII
Mr. RV Shahi Chairman and Managing Director, BSES Limited
Mr. KN Shenoy Chairman, ABB-India
Mr. Arun Bharat Ram CEO, SRF Fibers
Mr. Suketu Shah President, Mukand Steel Ltd.
Mr. Suresh Neotia Chairman, Gujarat Ambuja Cement Ltd.
Mr. Abhay Nalawade Managing Director, Thermax Corporation
Mr. Pradeep Mallick President, Watshila Diesel Ltd.
Mr. Balasubramanian, President, RPG Power Corporation
Mr. Arun Nanda President, Mahindra Group
Mr. HM Bangur Managing Director, Shree Cement Ltd.
Mr. BN Ojha Director, Operations, NTPC
Mr. AN Jha Sr. Vice President, Essar Investment Ltd.

US Participants:

Mr. Charles Bayless CEO, Illinova
Mr. Ralph Peterson CEO, CH2M Hill
Mr. Tom Casten CEO, Trigen
Mr. Richard Sandor CEO, Environmental Financial Products
Mr. Frank Cassidy, President and CEO, PSEG Energy Technologies
Mr. Jeff Miller, Partner, Beacon Group
Mr. Tom Dreesen, CEO, EPS
Mr. Lee McIntyre President, Bechtel
Mr. Henri-Claude Bailly, Haigler Bailly Consultants
Mr. Jonathan Lash, President, World Resources Institute

TALKING POINTS

- POTUS sends warm personal greetings. Climate change is a top Presidential priority. He and the Vice President have worked hard to promote public awareness of this issue and to reduce greenhouse gas emissions.
- I know from spending time with Bill Clinton that he firmly believes we can all enjoy a clean energy future -- one based on advanced technologies, one that avoids the mistakes of the past. He believes it is essential that our country work closely with leading developing countries like India to promote such a future.
- Your presence here today helps show that cooperation can help to both promote economic growth and protect the environment. We can't solve this problem without the business community. Your creativity and innovation are a central part of any solution.
- I hope this meeting can help build a strong foundation for cooperation between our two countries. I especially hope that we can find ways to move forward on the Clean Development Mechanism, which can bring significant new resources to India while helping to clean your air.
- Thank you again for coming. Before leaving, I want to make clear that we have lent our good friend Katie McGinty to you, but you've got to give her back. We're thrilled she has the chance to work with you, but look forward to her return here to the U.S.