FOIA Number: 2017-1094-F

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Tally of McIntosh Requests [1]

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EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY

6/17

Amy Kirschenbaum –

Sorry this took so long.

– Robert

RESPONSES TO CHAIRMAN McINTOSH
Council on Environmental Quality

NUMBER OF LETTERS/ VERBAL REQUESTS	NUMBER OF QUESTIONS	STATUS OF RESPONSE	STATUS OF DOCUMENT PRODUCTION	STAFF HOURS
March 2, 1998	3 (with 10 sub-questions)	Response sent May 13, 1998 (attached)	N/A (OMB sent final response)	5.5 hours
March 6, 1998	39 (with 29 sub-questions	Response sent June 9, 1998 (attached)	1 box sent (roughly 3,000 pages of documents including some OMB documents)	27 hours

Attachments (2)

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 13, 1998

Honorable David M. McIntosh
Chairman, Subcommittee on National Economic Growth,
Natural Resources, and Regulatory Affairs
Committee on Government Reform and Oversight
House of Representatives
Washington, D.C. 20515-6143

Dear Mr. Chairman:

This is a joint Office of Management and Budget and Council on Environmental Quality response to your letter requesting detailed information on budget and performance measures related to the President's climate change initiative.

In accord with your request, we have provided information on the President's FY 1999 Climate Change Technology Initiative and the U.S. Global Change Research Program. We have also included some examples of performance measures related to the climate change initiative from the Government-wide Performance Plan for FY 1999. Some agencies have included additional information on performance measures for the climate change initiative in the budget justifications they provide to the Committees on Appropriations. We understand that you have requested performance information from agencies directly in separate letters you have sent them. You should know that we will be working with agencies to develop more comprehensive performance measures for the President's climate change initiative.

We hope the information is helpful to the Subcommittee in its work to review the President's climate change initiative.

Sincerely,

Kathleen A. McGinty

Kathleen McGinty
Chair, Council on Environmental Quality

Franklin D. Raines
Director

Enclosures

cc: The Honorable John F. Tierney, Ranking Member
Subcommittee on National Economic Growth
Natural Resources, and Regulatory Affairs

Response to Chairman David M. McIntosh
Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs

Question 1. Please provide a table with Fiscal Year (FY) 89-FY 99 historical budget authority, on an agency-by-agency basis, for the various components of the President's "Climate Change Technology Initiative," including the previous "Climate Change Action Program/Plan" and any other new or previously authorized Research and Development (R&D) herein (except for the U.S. Global Change Research Program included in Question 2 below). For each component, please indicate each specific budget account and a brief description of the program.

Response. Attachment 1 is a table with historical budget authority by agency for Fiscal Years 1995-1999 for the President's Climate Change Action Plan and the Climate Change Technology Initiative. Fiscal year 1994 was the first year for the Climate Change Action Plan. Funding for the Department of Energy's (DOE) programs include most of the Energy Conservation appropriation account (except for the low-income weatherization and State energy grant programs) and all of the Solar and Renewable R&D appropriation account. This change was made to better account for those programs most directly related to reducing greenhouse gas emissions. Funding for DOE's programs in the Climate Change Action Plan are included in the totals provided for DOE.

A brief description of the programs in the Climate Change Action Plan is included in Appendix A of Attachment 2, U.S. Climate Action Report - 1997. Attachment 3 are FY 1999 budget materials that provide a brief description of the programs in the Climate Change Technology Initiative.

Question 1A. For FY 93 and FY 95, please explain why the details in Table S-10 do not equal the totals in Table 6-2 in the Budget of the United States Government Fiscal Year 1996.

Response. The difference between the details in Table S-10 and the total in Table 6-2 in the FY 1996 Budget for the climate change action plan are due to the timing, availability of data, and the source of the data. Table S-10 is generated from a central computer database where agencies provide the data, whereas Table 6-2 is prepared manually by OMB staff. Also, the timing of when the data is available and whether adjustments can be made is limited in the central computer database while manual changes can be made to Table 6-2 up to the time the table is printed. This allows for last minute adjustments to numbers in Table 6-2 that cannot be made to the central computer database which is locked so the Budget Appendix and related documents can be printed in time to transmit the budget to Congress. The printing of the President's Budget requires a staggered schedule so certain materials have different print dates that make it difficult to accommodate last minute changes for programs located in different sections of the budget.

Question 1B. For FY 97, please explain the difference between the published figures in the Budget of the United States Government Fiscal Year 1998 (estimated $183 million) and the Budget of the United States Government Fiscal Year 1999 (actual $743 million), including any reprogramming from other budget accounts.

Response. The larger number ($743 million) in the FY 1999 Budget includes most of the Department of Energy's Energy Conservation appropriation account (Energy Efficiency and Conservation, Federal Energy Management Program, Partnership for a New Generation of Vehicles, and Municipal Energy Management) and the entire Solar and Renewable R&D appropriation account. The smaller number ($183 million) in the FY 1998 Budget includes only those programs identified as part of the President's 1993 Climate Change Action Plan. The shift in the FY 1999 Budget to using the more complete accounts better represents the level of funding related to programs that help reduce greenhouse gas emissions.

Question 1C. For FY 99, please explain why the published figures (the requested funding for key sectors) in Table 6-3 of the Budget of the United States Government Fiscal Year 1999 do not equal the total.

Response. The $1 million difference between the published figures and the total for FY 1999 is a result of rounding. This minor discrepancy is common in many budget documents where several numbers are rounded and the total may not equal the sum of the parts. The total of $1,292 million for FY 1999 is the correct budget authority number for the Climate Change Technology Initiative.

Question 1D. In Section 2 ("Programmatic Details") of OMB's February 2, 1998 handout, "Climate Change Technology Initiative - 1999 Budget Briefing Materials," please provide the following information associated with each paragraph description: each affected agency and, for each agency, the associated funding in FY 97, FY 98, and FY 99. Also, for each paragraph, and for each agency, please provide evidence of any accomplishments from the FY 97 funding. Lastly, for each paragraph, and for each agency, please indicate any program performance measures for the requested funding and, for each such measure, please provide annual data for the most recent three-year period for which data are available.

Response. The February 2, 1998, paper on the Climate Change Technology Initiative is a brief summary of the major components of the initiative and was not intended to be an exhaustive description of every program or action taken by an agency to reduce greenhouse gas emissions. In many instances, we identified the lead agency or agencies, the level of funding requested, and the increase over the FY 1998 enacted level for the major programs or actions. The paper also includes several views or perspectives on the initiative -- by agency, by type of activity, and by sector or technical topic.

More details regarding the specific agency program, performance measures, and accomplishments are normally provided in agency budget justifications and shared with the Committees on Appropriations of both Houses of Congress. Additional information about the accomplishments of the programs in the President's Climate Change Action Plan are discussed in Attachment 2, U.S. Climate Action Report -- 1997.

Question 2. Please provide a table with FY89-FY99 historical budget authority, on an agency-by-agency basis, for the various components of the "U.S. Global Change Research Program" which were devoted exclusively to climate change R&D. For each component, please indicate each specific budget account and a brief description of the program.

Response. The U.S. Global Change Research Program, an interagency program established by the Global Change Research Act of 1990, produces an annual report to Congress entitled "Our Changing Planet." Attachment 4 is an appendix from the draft FY 1999 report that will be published shortly that lists the agency contributions by program. Attachment 5 is a table containing the 10-year funding history.

Question 2A. For FY 93 actual figures for the "U.S. Global Change Research Program," please explain the differences among the published figures in the Budget of the United States Government Fiscal Year 1996 ($1,531 million), the Budget of the United States Government Fiscal Year 1997 ($1,319 million), and the Budget of the United States Fiscal Year 1998 ($1,464 million), including any reprogramming from other budget accounts.

Response. The differences in the published figures for FY 1993 in the three budgets (FY 1996, FY 1997, and FY 1998) you cited reflect changes in the definition of what agencies were asked to report as contributions to the U.S. Global Change Research Program (USGCRP). The actual figures for FY 1993 were then recalculated using the new definition for the program. For example, the cost of launch vehicles for NASA satellites was not originally included in NASA's contribution to the USGCRP. Beginning in FY 1998, launch vehicles were included in the definition and FY 1993 actuals were corrected to reflect the new definition. Similarly, some Department of Energy environmental technology programs originally included in the USGCRP were no longer counted in USGCRP totals because of changes in the definition of what should be included.

Question 2B. For FY 95 and FY 96, please explain why the details in Table 7-2 do not equal the totals in Table 6-2 of the Budget of the United States Government Fiscal Year 1996.

Response. As discussed in the response to Question 2A, the differences between the USGCRP totals in Table 7-2 (the Science and Technology Chapter) and Table 6-2 (the Environment Chapter) are a result of several agencies recalculating their numbers based on the new definition of what should be counted as part of the USGCRP, and an earlier printing schedule for Table 6-2 that did not allow for last minute changes to the numbers. The printing of the President's Budget requires a staggered schedule so certain materials have different print dates that make it difficult to accommodate last minute changes for programs located in different sections of the budget. The figures in Table 7-2 are correct.

Question 2C. For each agency with funding in FY 97, please provide evidence of any accomplishments from the FY 97 funding. Also, for each agency requesting funding in FY 99, please indicate any program performance measures for the requested funding and, for each such measure, please provide annual data for the most recent three-year period for which data available.

Response. Attachment 6 is a summary of key accomplishments of the U.S. Global Change Research Program for FY 1997, and performance goals for FY 1999. This information will be published later this year in the report entitled "Our Changing Planet." We also expect that agencies will focus more on their performance plans as we continue to implement the requirements of the Government Performance and Results Act (GPRA). Some agencies already include performance measures for their programs (e.g. the Earth Science Enterprise within NASA).

Question 3. Please provide a table with FY89-FY99 historical budget authority, on an agency-by-agency basis, for any other components of the Administration's climate change program (i.e., in addition to those included in answers to questions 1 and 2). For each component, please indicate each specific budget account and a brief description of the program.

Response. The major budget components of the Administration's climate change program are provided in the answers to questions 1 and 2. Attachment 7 is a report on Federal climate change expenditures transmitted by the President to the Congress on March 10, 1998, pursuant to Section 580 of Public Law 105-118, "Foreign Operations, Export Financing, and Related Agencies Appropriations Act of FY 1998" that includes the international programs directly related to climate change.

Question 4. Since the Government-wide Performance Plan for FY 1999 does not include any performance measures for the Administration's Climate Change proposal, please identify all government-wide and agency-specific performance measures for the Administration's Climate Change proposal, including data for at least FY 97, FY 98, and FY 99.

Response. The attached February 2, 1998, budget briefing paper on the Climate Change Technology Initiative included as Attachment 3, provides some performance measures related to specific programs in the initiative. Attachment 8 includes a brief discussion of performance measures for DOE's energy conservation program and its solar and renewable program -- key programs in the Climate Change Technology Initiative -- from the Government-wide Performance Plan for FY 1999. More specific details on performance measures are included in agency budget justifications provided to the Committees on Appropriations. We will be working with the agencies to develop more comprehensive performance measures for the initiative to be included in future reports to Congress.

Question 4A. The Performance Plan in DOE's FY 99 Budget submission includes goals of reducing gas emissions by 5 percent in 2010 and reducing energy consumption by 25 percent in 2010. Please provide at least FY 97, FY 98, and FY 99 data on gas emissions and energy consumption to meet these goals.

Response.. We do not have the information you requested on gas emissions and energy consumption related to the Department of Energy's Performance Plan. We suggest you contact the Department of Energy directly to obtain this information.

Question 4B. EPA's FY 99 Budget includes goals of reducing emissions by 40 million metric tons and reducing energy consumption by 45 billion kilowatts. Please provide at least FY 97, FY 98, and FY 99 data on gas emissions and energy consumption to meet these goals.

Response. We do not have the information you requested on gas emissions and energy consumption related to the Environmental Protection Agency's (EPA) FY 1999 Budget. We suggest you contact EPA directly to obtain this information.

Question 4C. Please explain whether and how DOE's and EPA's performance measures overlap--i.e., whether they relate to reductions made by only that agency's programs or by all agencies' program in the aggregate.

Response. It is our understanding that the DOE's and EPA's current performance measures do not overlap and that each agency has performance measures specific to its own programs. Where a program may be jointly administered by DOE and EPA, efforts are made by the two agencies to track progress made separately. In future years, as performance measures focus more on broad outcomes beyond the control of individual agencies, there will be even more need to coordinate such tracking.

Climate Change Action Plan/Climate Change Technology Initiative
(Budget Authority in Millions of Dollars)

	1994 Actual 1/	1995 Actual	1996 Actual	1997 Actual	1998 Estimate	1999 Proposed
Energy 2/	774	859	684	657	729	1,060
Environmental Protection Agency	43	102	81	86	90	205
Housing and Urban Development	---	---	---	---	---	10
Commerce	---	---	---	---	---	7
Agriculture	---	8	6	---	---	10
Army Corps of Engineers	---	1	---	---	---	---
Total	817	970	771	743	819	1,292

Notes:

1/. Actual refers to appropriations enacted in that fiscal year and reprogramming of funds. It does not include prior year obligations carried forward into another fiscal year.

2/. Funding for Energy has been reconfigured to include most of the funding in the Energy Conservation appropriation account (with the exception of the low-income weatherization and State energy grant programs) and all of the Solar and Renewable R&D appropriation account. Funding for the Climate Change Action Plan is included in the total for each year.

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515–6143

MAJORITY (202) 225–5074
MINORITY (202) 225–5051
TTY (202) 225–6852

March 2, 1998

BY FACSIMILE

The Honorable Franklin D. Raines
Director
Office of Management and Budget
Washington, D.C. 20503

The Honorable Kathleen A. McGinty
Chair
Council on Environmental Quality
Washington, D.C. 20502

Dear Director Raines and Chair McGinty:

The Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs is conducting oversight of the White House Initiative on Global Climate Change.

Pursuant to the Constitution and Rules X and XI of the United States House of Representatives, please provide the Subcommittee with detailed information in response to the attached questions regarding the budget and performance measures for this initiative. Please restate each question before the corresponding answer.

Please contact Subcommittee Staff Director Mildred Webber at 225-4407 if you have any questions about this request. Please provide this information not later than 12 noon, March 24, 1998 to the Subcommittee in Room B-377 Rayburn.

Thank you in advance for your attention to this request.

Sincerely,

David McIntosh

David M. McIntosh
Chairman
Subcommittee on National Economic Growth,
Natural Resources, and Regulatory Affairs

cc: The Honorable Dan Burton
The Honorable Bernard Sanders

Questions on the White House Initiative on Global Climate Change

1. Please provide a table with Fiscal Year (FY) 89 - FY 99 historical budget authority, on an agency-by-agency basis, for the various components of the President's "Climate Change Technology Initiative," including the previous "Climate Change Action Program/Plan" and any other new or previously authorized Research and Development (R&D) herein (except for the U.S. Global Change Research Program included in Question 2 below). For each component, please indicate each specific budget account and a brief description of the program.

- For FY 93 and FY 95, please explain why the details in Table S-10 do not equal the totals in Table 6-2 in the Budget of the United States Government Fiscal Year 1996.

- For FY 97, please explain the difference between the published figures in the Budget of the United States Government Fiscal Year 1998 (estimated $183 million) and the Budget of the United States Government Fiscal Year 1999 (actual $743 million), including any reprogramming from other budget accounts.

- For FY 99, please explain why the published figures (the requested funding for key sectors) in Table 6-3 of the Budget of the United States Government Fiscal Year 1999 do not equal the total.

- In Section 2 ("Programmatic Details") of OMB's February 2, 1998 handout, "Climate Change Technology Initiative - 1999 Budget Briefing Materials," please provide the following information associated with each paragraph description: each affected agency and, for each agency, the associated funding in FY 97, FY 98, and FY 99. Also, for each paragraph, and for each agency, please provide evidence of any accomplishments from the FY 97 funding. Lastly, for each paragraph, and for each agency, please indicate any program performance measures for the requested funding and, for each such measure, please provide annual data for the most recent three-year period for which data are available.

2. Please provide a table with FY 89 - FY 99 historical budget authority, on an agency-by-agency basis, for the various components of the "U.S. Global Change Research Program" which were or are devoted exclusively to climate change R&D. For each component, please indicate each specific budget account and a brief description of the program.

- For FY 93 actual figures for the "U.S. Global Change Research Program," please explain the differences among the published figures in the Budget of the United States Government Fiscal Year 1996 ($1531 million), the Budget of the United States Government Fiscal Year 1997 ($1319 million), and the Budget of the United States Fiscal Year 1998 ($1464 million), including any reprogramming from other budget accounts.

- For FY 95 and FY 96, please explain why the details in Table 7-2 do not equal the totals in Table 6-2 of the Budget of the United States Government Fiscal Year 1996.

- For each agency with funding in FY 97, please provide evidence of any accomplishments from the FY 97 funding. Also, for each agency requesting funding in FY 99, please indicate any program performance measures for the requested funding and, for each such measure, please provide annual data for the most recent three-year period for which data are available.

3. Please provide a table with FY 89 - FY 99 historical budget authority, on an agency-by-agency basis, for any other components of the Administration's climate change program (i.e., in addition to those included in answer to questions 1 and 2). For each component, please indicate each specific budget account and a brief description of the program.

4. Since the Government-wide Performance Plan for FY 1999 does not include any performance measures for the Administration's Climate Change proposal, please identify all government-wide and agency-specific performance measures for the Administration's Climate Change proposal, including data for at least FY 97, FY 98, and FY 99.

- The Performance Plan in DOE's FY 99 Budget submission includes goals of reducing gas emissions by 5 percent in 2010 and reducing energy consumption by 25 percent in 2010. Please provide at least FY 97, FY 98, and FY 99 data on gas emissions and energy consumption to meet these goals.

- EPA's FY 99 Budget includes goals of reducing emissions by 40 million metric tons and reducing energy consumption by 45 billion kilowatts. Please provide at least FY 97, FY 98, and FY 99 data on gas emissions and energy consumption to meet these goals.

- Please explain whether and how DOE's and EPA's performance measures overlap — i.e., whether they relate to reductions made by only that agency's programs or by all agencies' programs in the aggregate.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

June 9, 1998

The Honorable David M. McIntosh
Chairman
Subcommittee on National Economic Growth,
Natural Resources, and Regulatory Affairs
House Committee on Government Reform and Oversight
B-377 Rayburn House Office Building
Washington, DC 20515-6143

Dear Mr. Chairman:

Thank you for the opportunity to respond to your letter to Office of Management and Budget (OMB) Director Frank Raines and myself regarding the President's climate change initiative. I regret the delay in responding to your questions.

Enclosed you will find the answers I have prepared and OMB has reviewed in response to your questions. This letter represents the response for both OMB and CEQ and the documents included as part of the response were collected through a document search of the files of both agencies. Some of the documents responsive to your request implicate the confidentiality of Executive Office of the President deliberations and decision-making. You should contact the Counsel to the President to discuss these additional documents. I hope you will find the information helpful. If you have any questions or require clarification, we will be happy to respond further.

Again, thank you.

Sincerely,

Kathleen A. McGinty
Chairman

KAM/rsk
Attachments
cc: The Honorable Bernard Sanders
Ranking Minority Member

QUESTIONS FOR THE RECORD FROM DIRECTOR FRANKLIN D. RAINES AND CHAIRMAN KATHLEEN A. McGINTY FOR CHAIRMAN DAVID M. McINTOSH

IMPLEMENTATION WITHOUT RATIFICATION

"We have no intention through the back door or anything else, without Senate confirmation, of trying to impose or take any steps to impose what would be binding restrictions on our companies, on our industry, on our business, on our agriculture, on our commerce, or on our country, until and unless, the Senate of the Unites States says so."

Statement of the Honorable Stuart E. Eizenstat
Under Secretary of State for Economic, Business, and Agriculture Affairs
Before the U.S. Senate Committee on Foreign Relations
February 1998

"Whether there is an agreement in Kyoto or not, the United States is prepared, under President Clinton's leadership, to unilaterally take steps that we believe should be taken in order to deal with this problem."

Statement of Vice President Gore
December 1997

Unilateral Executive Actions on a Global Issue.

QUESTION 1 **Given that the Kyoto Protocol seeks to address a global issue, isn't it harmful to U.S. interests to proceed without the full participation of developing countries?**

ANSWER 1 As Undersecretary of State Stuart Eizenstat testified before Congress recently, the President will not seek to implement the Kyoto Protocol without the advice and consent of the U.S. Senate. The President has made it clear that the Protocol does not yet include the meaningful participation of key developing countries. Until it does, he will not submit it for Senate approval.

QUESTION 2 **Besides being unconstitutional, isn't it also premature and possibly counterproductive for the United States to take unilateral executive branch action, without ratification, when the Administration has characterized the Protocol as a "work in progress"?**

ANSWER 2 The President indicated in his October 22, 1997 announcement of his policy (see enclosures) that he believes it is in the best interest of the U.S. to begin taking long-term steps to reduce domestic emissions without regard to the achievement of a climate change agreement. Towards that end, he proposed a five year, $6.3 billion Climate Change Technology Initiative (CCTI) in the FY 1999 budget to enhance U.S. research and development, technology development, and deployment for a variety of energy intensive sectors. This initiative has the benefits of improving basic economic productivity, reducing dependence on foreign energy, enlarging our competitiveness, and reducing greenhouse gas emissions without in any way relying on binding domestic obligations.

A Budget Request without Justification or Ratification.

QUESTION 3 **How can the Administration claim that its proposed Climate Change Technology Initiative (CCTI) is not intended to implement the Kyoto Protocol, when this initiative has been made an intergral part of the President's Global Climate Change Initiative, and the initiative is specifically deisgned to alter market behavior in futherance of the treaty's emissions reductions targets?**

ANSWER 3 Please refer to Answer 2.

QUESTION 4a **In a hearing before the Senate Foreign Relations Committee on February 11, 1998, Under Secretary of State Eizenstat testified that the tax incentives and research funding that the President requested in his Fiscal Year (FY) 1999 Budget proposal are necessary to place the U.S. in a "position where we will be further down the road and won't have to make the kind of drastic reductions that otherwise might be called for." Please provide all of the economic data and analyses upon which the Administration relied for this determination. As to any analysis, please identify who prepared it and provide all records containing comments by other federal agencies on the drafts.**

ANSWER 4a Dr. Janet Yellen, Chair of the Council of Economic Advisers (CEA), provided congressional testimony recently on this issue and we have enclosed a copy of her testimony for your information. We are producing information concerning your request. Some other information implicates the confidentiality of Executive Branch deliberations and decision-making and has been referred to the Counsel to the President of the United States.

QUESTION 4b **Explain why the President decided to request $6.3 billion in his budget proposal instead of the $5 billion that he stated he would seek at the time that he announced his Climate Change Action Proposal on October 22, 1997. Was this decision affected by the fact that the Administration agreed at Kyoto to commit the U.S. to reducing greenhouse emissions by 7% below 1990 levels rather than stabilizing emissions at 1990 levels?**

ANSWER 4b As indicated in response to question number 2, the President's $6.3 billion CCTI request is based on the benefits of unilateral domestic action, and is not tied to Kyoto.

QUESTION 5a **Article 3.2 of the Kyoto Protocol states: "Each Party included in Annex I, by 2005, shall have made demonstrable progress in achieving its commitments under this Protocol." Please explain how the Administration is interpreting this provision of the treaty.**

ANSWER 5a The U.S. opposed efforts by some nations to mandate early control actions by 2005. It is our position that the article 3.2 provision regarding "demonstrable progress" is a general and non-binding provision.

QUESTION 5b **Does the Administration believe that its Global Climate Change Initiative, including the CCTI, will enable the U.S. to make demonstrable progress in achieving its commitments under the Kyoto Protocol?**

ANSWER 5b As stated by the President in his October 22, 1997 policy announcement, the CCTI is a domestic initiative that is both good for our economy and good for the environment. It will enhance our economic productivity while helping the U.S. reduce greenhouse gas emissions and reduce economic and environmental risks associated with inaction.

QUESTION 5c **Please provide and document the Administration's annual performance measures for its 5-year Climate Change Technology Initiative (CCTI). In this regard, provide the following: the 1990 U.S. emissions level, data on actual emissions reductions for Fiscal Year 1997, and then projected emissions reduction beginning with Fiscal Year 1997 and then for each year up to and including Fiscal Year 2003.**

ANSWER 5c The President's 1999 Budget Request and an attached fact sheet by the Office of Management and Budget (OMB) contain details about the CCTI as do submissions by the various Federal department and agencies responsible for pieces of the CCTI.

QUESTION 5d **Please specify the annual greenhouse gas emissions reductions that the Administration estimates will occur between FY 1999 and FY 2005 from implementing each element of its Global Climate Change Initiative**

ANSWER 5d We anticipate the ability to answer such questions after Congress has enacted the President's program and it is in place. Analysis of this sort prior to achieving consensus on this program would be premature.

QUESTION 6a **The Administration has maintained that the CCTI is a "no-regrets" proposal; that is, regardless of whether or not there is a real threat of global warming, this proposal is justified on its own merits as good energy and environmental policy. In view of this claim, please demonstrate the need for this initiative based on reasons other than facilitating green house gas emissions reductions.**

ANSWER 6a Significant improvements in economic productivity and national energy security would obviously be of benefit to the U.S. and therefore worthy of consideration, whether that be in association with climate change actions or independent of them. Voluntary activities under the existing Climate Change Action Plan are estimated to result in energy savings of $50 billion annually in 2010 along with reductions in greenhouse gas emissions of 170 million metric tons of carbon equivalent.

QUESTION 6b In this regard, provide the environmental and economic data and analyses that support this request.

ANSWER 6b Please see Answer 5d.

QUESTION 6c Can the Administration point to a significant market failure or demonstrate a compelling public need that necessitates $3.6 billion of new tax incentives and a 73 percent increase in funding to accelerate the development and diffusion of more energy efficient technology? According to OECD data, U.S. energy efficiency since 1980 has improved more than that of most industrialized countries.

ANSWER 6c Increasing the productivity of and reducing costs for American industries and taxpayers cannot help but benefit the U.S. economy. Opportunities to enhance our economic well-being through increased energy R and D are detailed in a recent report on this topic prepared by the President's Committee of Advisors on Science and Technology.

QUESTION 6d Please provide a detailed explanation of and produce all records indicating the alternative policy options that the Administration analyzed, including more broadly based options, such as integrated pollution prevention, performance-based regulation, and multi-media regulation. In this regard, did the Administration evaluate whether existing regulation may be a significant barrier to improving energy efficiency and the environment?

ANSWER 6d OMB and CEQ did not analyze, nor do we have records on, the specific alternative policy actions listed above. Various Departments and agencies have programs in the additional areas you mention and may have supporting documentation for these programs. The Administration would be delighted to receive the Committee's ideas on additional or alternative methods to clean the environment and improve energy efficiency.

QUESTION 6e Please explain in detail and fully document the cost-effectiveness of the Administration's proposal when compared to other available options for improving energy efficiency and the environment.

ANSWER 6e Please see Answer 6d.

QUESTION 6f Please explain in detail and fully document the opportunity costs of committing such a significant amount of our nation's resources in this manner.

ANSWER 6f Please see answers to Question 6a, 6c, 6d and 6e.

QUESTION 6g As to any analysis provided, identify who prepared it and provide all records of comments by other federal agencies.

ANSWER 6g N/A

QUESTION 7 How realistic and achievable are the targets and timetables that the U.S. delegation agreed to at Kyoto, if it is necessary to take unilateral executive branch actions prior to Senate ratification in order "to get us in a position where we will be further down the road and won't have to make the kind of drastic reduction that otherwise might be called for"?

ANSWER 7 The Administration believes strongly that the targets and timetables agreed to at Kyoto are both realistic and achievable, especially because the targets are accompanied by flexible compliance measures that have the benefits of significantly reducing compliance costs (please see Dr. Yellen's testimony). Once again, actions now to reduce emissions or increase efficiency will reduce future costs and are justified on their own merits as exemplified by the over 5,000 U.S. industries, public organizations, and state and local governments participating in voluntary action and advocating investments in efficiency and new technology development.

QUESTION 8 Under section 102 of the National Environmental Policy Act, the federal government is required to provide a detailed environmental impact statement (EIS) and to follow specified procedures for review and comment whenever it is recommending to Congress legislation that "affects the quality of the human environment". Please provide any EIS (or draft EIS, if not finalized) that was prepared in connection with the Administration's requests for tax incentives and research funding to facilitate greenhouse gas emissions reductions. With respect to any EIS, identify who prepared the document and provide all records of written and oral comments from other federal agencies.

ANSWER 8 Under section 102 of the National Environmental Policy Act, "all agencies of the Federal Government shall . . . include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on --(I) the environmental impact of the proposed action . . . . " Therefore, "federal agencies" must prepare NEPA documents for "proposals for legislation and other major Federal actions." While all federal agencies are subject to NEPA, the NEPA regulations clearly state that the President is not. (See 40 CFR 1508.12, which provides that a "federal agency" does not mean "the Congress, the Judiciary, or the President.") The NEPA regulations further define the types of "legislation" intended to be subject to NEPA. "Legislation" includes "a bill or legislative proposal to Congress developed by or with the significant cooperation and support of a Federal agency, but does not include requests for appropriations." 40 CFR 1508.17.

The Inescapable Regulatory Backdoor.

QUESTION 9 **In its 1997 U.S. Climate Action Report under the current Framework Convention on Climate Change, the Administration made this statement: "Recognizing that even the most draconian measures would likely be insufficient to reverse the growth in greenhouse gases and return U.S. emissions to their 1990 levels by the year 2000, new U.S. efforts are focusing most intensively on the post-2000 period." Based on this assessment, how can the President assert that the U.S. commitments under the Kyoto Protocol are achievable with minimum economic costs? Provide any economic and legal analyses that demonstrate that U.S. obligations can be met without constraining U.S. economic growth and without imposing onerous and costly regulation. Also, please provide two copies of the 1997 U.S. Climate Action Report.**

ANSWER 9 The statement in the Climate Change Action Report referred to the year 2000, well before the 2008 - 2012 timetable set out in the Kyoto agreement. Please refer to Dr. Yellen's testimony. Two copies of the 1997 U.S. Climate Action Report are attached. The Report is also available on the internet at *www.state.gov/www/global/oes/97climate_report/.*

QUESTION 10a **In testimony before the Senate Foreign Relations Committee on February 11, 1998, Ambassador Eizenstat stated that the only legislation that would be required to enable the U.S. to abide by the Kyoto Protocol would be legislation authorizing emissions trading; otherwise, he indicated that the U.S. could rely on existing legislation . In this regard, please proved all legal and policy analyses performed by the State Department and other federal agencies on whether, and to what extent, new implementing legislation would be required to meet the U.S. commitments under the Kyoto treaty and provide all comments thereon by other agencies.**

ANSWER 10a CEQ and OMB have no such analysis.

QUESTION 10b **Also, please provide any and all legal and policy analyses developed by the State Department or other federal agencies regarding the applicability and availability of existing legislation to implement the Protocol and all comments thereon by other agencies.**

ANSWER 10b CEQ and OMB have no such analysis. We are aware of an EPA legal opinion on the authority to regulate pollutants emitted by electric power generation sources and understand that this document was provided to you by EPA.

QUESTION 11 **To the extent that the analyses have been performed, describe any differences between the legislation and regulations that would have been needed to implement the President's October 1997 Climate Change Action Proposal and that which would be needed to implement Kyoto Protocol.**

ANSWER 11 N/A

QUESTION 12 Is there an agency or interagency group that is developing recommendations on the need for implementing legislation? If so, please identify the persons who have been charged with coordinating this effort and the names of the agency representatives who are participating.

ANSWER 12 The Administration has no plans to submit legislation or regulations that would be aimed at implementing the requirements contained in the Protocol prior to its submission to the Senate for its advice and consent.

QUESTION 13a Please identify all environmental and energy regulations that are being developed, have been proposed, or have been issued since 1992 that have or will have the effect of reducing greenhouse gas emissions (whether or not that is the intended purpose of the particular regulation). As to those regulations that are being developed or that have been proposed, provide an estimated timetable for each stage of rulemaking.

ANSWER 13a To our knowledge, there is not a consolidated list of regulations issued since 1992 that have or will have the effect of reducing greenhouse gas emissions.

QUESTION 13b Has OMB or any other federal agency prepared, contracted to have prepared, or considered any studies that : (1) Have calculated the potential cumulative costs of environmental and energy regulations that are presently planned or being developed, have been proposed, or already have been issued since 1992 that have or will have the effect of reducing greenhouse gas emissions (whether or not this is the intended purpose of the regulation); and (2) Have assessed the cumulative effects of these regulations, or any combination of them, on the U.S. energy system and economy? If so, please provide any such analyses and all federal agency comments on any drafts. If not, please indicate why this has not been done. This Subcommittee believes that this information is vitally needed and is requesting that such an analysis be performed.

ANSWER 13b We are not aware of any studies of the cumulative costs of environmental and energy regulations that reduce greenhouse gas emissions. It is possible that such studies may exist at agencies, or outside organizations may have performed their own analysis of specific environmental or energy regulations that have the effect of reducing greenhouse gas emissions.

QUESTION 13 c Please provide any analyses that have been performed or considered by the Administration concerning the potential combined effects on the U.S. economy and energy systems of such Clean Air Act regulations, as the recently issued National Ambient Air Quality Standards for particulate matter and ozone, and regional haze proposal; the Administration's proposed measures for implementing the requirements of the Kyoto Protocol; and its planned legislative proposal for restructuring the electrical industry.

ANSWER 13c CEQ and OMB have no such analyses.

POLICIES WITHOUT ECONOMIC ANALYSES

"By providing incentives for early action to reduce emissions, attacking domestic energy inefficiencies, and putting in place a market-based emissions trading system, we can reach [our emission reduction targets] with minimum economic costs."

Statement of President Clinton
Climate Change Proposal
October 1997

The Administration's Repeated Failure to Conduct Economic Analysis.

QUESTION 14a **Given the significant economic costs projected by private sector studies, why did the Administration abandon a year and a half-long effort to develop cost estimates of the President's proposed policies to reduce greenhouse emissions? In testimony before the House Subcommittee on Energy and Power on July 15, 1997, the Chair of the Council of Economic Advisers, Dr. Janet Yellen, stated that President Clinton's top priority since his first days of office, "has been revitalizing the U.S. economy, creating jobs, and investing in people and technology to enhance long-term growth."**

ANSWER 14a Please refer to Dr. Yellen's testimony.

QUESTION 14 b **How can the Administration defend its policy actions based on the results of climate models that must take into account significant uncertainties surrounding the effects of human activities on the climate, yet nevertheless consider economic modeling to be "futile" (Dr. Yellen' s expression at the House Commerce hearing on July 15, 1997)?**

ANSWER 14b Acting in the face of uncertainty is an affliction of the human condition, but we, at least, have put to rest our doubts about the merits of pursuing economically sound, voluntary actions that have multiple benefits for the economy and the environment as part of a "no regrets" strategy to begin to prepare for the future.

15a **In testimony before the House Commerce Committee in 1997, former Under Secretary of the State Timothy Wirth stated that an interagency "economics team" was formed to analyze the impacts of climate change policies.**

QUESTION 15b **Please provide the following background information regarding that group: when it was formed, the names of the participants and their agencies, the head of the team, the scope of the group's responsibilities, and to whom the group reported.**

<u>ANSWER 15b</u> The team to which former Undersecretary Wirth may have been referring was called the Interagency Analytic Team, a group composed of a variety of members designated by various federal agencies. There is no formal list of members but we have included meeting attendance lists found in our files.

<u>QUESTION 15c</u> **Please produce records of all meetings of this group and information on any workshops conducted. Also, produce all analyses performed by the group and provide all records of written or oral comments from other federal agencies on the team's analyses and advice.**

<u>ANSWER 15c</u> We are producing information responsive to your request. Some other information implicates the confidentiality of Executive Branch deliberations and decision-making and has been referred to the Counsel to the President of the United States.

<u>QUESTION 16</u> **In developing its positions for the Conference in Kyoto, did the Administration at any point renew its efforts to estimate the costs of various polices to reduce greenhouse gas emissions? If so, please provide all economic analyses that were prepared for the Administration and the U.S. delegation to review. As to each analysis, please indicate who prepared the analysis and provide all record containing comments from other federal agencies. If not, please explain fully why not.**

<u>ANSWER 16</u> In preparing for Kyoto the Administration did consider various issues and relied on reports from agency analysts to respond to specific questions. We are producing information responsive to your request. Some other information implicates the confidentiality of Executive Branch deliberations and decision-making and has been referred to the Counsel to the President of the United States.

<u>QUESTION 17</u> **Is there currently in place an interagency body that is analyzing the economic impacts on the U.S. of the mandatory restrictions specified in the Kyoto Protocol and evaluating alternative domestic policies to achieve those requirements? If so, please provide the same type of information about this group, as well as produce the same type of documents, which were requested in question number 15 above with respect to the "economics team."**

<u>ANSWER 17</u> There is no such group.

<u>QUESTION 18</u> **During its deliberations prior to Kyoto, did the Administration consider whether an agreement to stabilize emissions at 1990 levels or to reduce emissions below 1990 levels would result in <u>lower economic growth</u>? If so, how much lower economic growth did the Administration consider as acceptable in exchange for a treaty that would have at best only a marginal impact on reducing emissions? Please produce all record of such deliberations and all economic analyses and comments thereon (from federal agencies and private parties) that the Administration considered.**

ANSWER 18 The Administration was well aware that details of any global warming agreement have economic ramifications. That is why the Administration worked hard to implement the considerable number of flexibility mechanisms now in the Kyoto Protocol. Please refer to the economic analysis contained in Dr. Janet Yellen's testimony for an analysis of the outcome achieved by the inclusion of the flexibility mechanisms contained in the Protocol combined with the binding targets and timetable of the Protocol. In addition, we are producing information responsive to your request. Some other information implicates the confidentiality of Executive Branch deliberations and decision-making and has been referred to the Counsel to the President of the United States.

QUESTION 19 If the Administration did not prepare cost estimates of the impacts on the U.S. economy and the American people, how did the Administration determine its policy position first to stabilize emissions at 1990 levels by 2008-2012 and then later to deviate with confidence from that position and commit the U.S. to reducing emission s by 7 percent below 1990?

ANSWER 19 The U.S. drew from a broad body of public information concerning its current and future potential emissions and the costs associated with making such reductions. As Dr. Yellen has emphasized in her testimony, no one model, study, or analysis could serve as the basis for these decisions.

QUESTION 20 At what point prior to or during the negotiations, did the Administration decide that emissions reductions below 1990 baseline were acceptable? Who in the Administration and in Congress were consulted in making this decision? Did the Administration examine any public or private analyses in reaching this decision? If so, identify and provide the analyses upon which the Administration relied, with all comments that were submitted by any federal agency.

ANSWER 20 The Administration consulted broadly with Congress and within the Administration both before and after the President's October 22, 1997 policy announcement and in Kyoto. Indeed, meetings with a variety of interested parties continued up to and including the meeting of the Conference of the Parties. It would be impractical, if not impossible, to attempt to assemble the specifics of these numerous conversations and consultations.

QUESTION 21 If economic analyses were prepared internally to support positions that the Administration intended to take at the Conference, why weren't these analyses made available to Congress and the American public, who all have a right-to-know the potential economic consequences of the President's climate change policies?

ANSWER 21 CEQ and OMB have no economic analyses prepared internally to support positions that the Administration intended to take at the Conference.

QUESTION 22 Did the Administration review any private sector analyses completed prior to Kyoto? If so, please provide all records of comments thereon by federal agencies.

ANSWER 22 Analyses by private sector and non-profit organizations on climate change were provided to us for information purposes. Copies of those studies are enclosed. No records of comments exist in our files.

QUESTION 23 The Clinton Administration indicated its recognition of Senate Resolution 98 (the Byrd-Hagel Resolution). Please describe in detail and document the steps that the Administration already has taken and intends to take to assure compliance with each provision of that Resolution.

ANSWER 23 The Administration respects and supports Senate Resolution 98. We fully intend to provide supporting documentation related to potential impacts in the context of sending the treaty to the Senate and we have an extensive effort underway to advance our goal of achieving meaningful participation by key developing countries. The President's recent joint statement with his counterpart in Chile in support of this position is an example of the types of efforts currently underway.

No Cost/Benefit Analysis of the Kyoto Treaty.

QUESTION 24a Please provide any and all analyses that the Administration or any federal agency prepared (or is preparing) of the costs and benefits of imposing on the U.S. the binding targets and timetables set forth in the Kyoto Protocol for reducing greenhouse gas emissions, taking into account the global implication of the way in which this agreement is structured. Also, please analyze and document the following:

ANSWER 24a Dr. Yellen, Chair of the Council of Economic Advisers, provided congressional testimony on this issue and we have enclosed a copy of her testimony for your information. As indicated elsewhere in this letter, several analyses have been produced or otherwise implicate the confidentiality of Executive Branch deliberations and decision-making and have been referred to the Counsel to the President of the United States.

QUESTION 24b Whether the benefits of implementing this Protocol are justified by the costs;

ANSWER 24b Please refer to the answer to question 24a.

QUESTION 24c Evaluate the effectiveness of this agreement by comparing the marginal abatement costs of the most plausible alternative scenarios for meeting the Kyoto targets, given the way in which this agreement is structured, with the marginal costs of other reasonable alternative compliance schemes;

ANSWER 24c Please refer to the answer to question 24a.

QUESTION 24d With respect to each scenario that is analyzed, identify the assumptions used, explain any uncertainties concerning the assumptions, and examine the sensitivity of net benefits to the different compliance strategies, using a range of plausible assumptions about future economic development and about fundamental climate processes;

ANSWER 24d Please refer to the answer to question 24a.

QUESTION 24e Evaluate the opportunity costs of pursuing the Administration's strategy for the abatement of greenhouse gas emissions under the terms of the treaty; and

ANSWER 24e Please refer to the answer to question 24a.

QUESTION 24f Evaluate how the benefits and burdens of complying with this treaty would be distributed on the national and household levels, describing among other things, the disparate regional and industrial sector impacts, and the effects on different income levels.

ANSWER 24f Please refer to the answer to question 24a.

25a In evaluating the alternative scenarios, please examine the following:

25b Compare the economic and environmental effects of not including developing countries in the effort to reduce global emissions (with the potential for binding developed countries to even greater obligations, without limiting developing countries) against the effects of addressing greenhouse gas mitigation on a global scale by the international community.

25c Compare the economic and environmental effects of complying within the time frames set forth in the Kyoto Protocol with the effects of complying over a longer time period.

25d Compare the impacts of reducing greenhouse emissions using international emissions trading, joint implementation, and the Clean Development Mechanism with the impacts of relying upon domestic emissions permit trading. In this regard, evaluate alternative international trading scenarios: trading only between Annex I countries, trading that extends to a number of "key" developing countries, and trading in which all countries are fully participating.

ANSWERS 25a-d Dr. Janet Yellen's testimony considers the positive effects of issues such as developing country participation and the use of mechanisms providing flexibility such as emissions trading, joint implementation, and the Clean Development Mechanism. Please refer to Answer 24a.

<u>QUESTION 26</u> With respect to any analysis provided, please identify and explain the basis for assumptions used regarding such factors as the rate of improvement in energy efficiency, the effectiveness of market incentives in increasing the market share of fuels that emit less carbon, and economic and demographic growth. Also, explain fully any assumptions on how emissions reductions will be achieved, as for example, through the early retirement of coal plants or nuclear plant life extensions.

<u>ANSWER 26</u> Please refer to the answer to question 24a.

<u>QUESTION 27</u> In considering the opportunity costs, evaluate the extent to which the Administration's climate change strategy will require the diversion of funds from savings and/or investments which would have provided other benefits, such as saving social security, or more funding for education, health care, etc.

<u>ANSWER 27</u> Please refer to the answer to question 24a.

<u>QUESTION 28</u> In assessing the impacts on the U.S. of complying with the Kyoto targets and timetables, please explain in detail the potential effects on the following indicators of economic performance: gross domestic product (GDP), per capita GDP, unemployment, income and real wages, trade competitiveness, and energy prices.

<u>ANSWER 28</u> Please refer to the answer to question 24a.

<u>QUESTION 29</u> In assessing the benefits of complying with the Kyoto treaty, please evaluate fully the potential offsetting negative effects of exempting developing countries and of "carbon leakage." Also, if the economies of developed countries experience reductions in economic growth, evaluate the impact that this will have on the ability of emerging countries with export markets to transition to more energy efficient technologies.

<u>ANSWER 29</u> Please refer to the answer to question 24a.

<u>QUESTION 30</u> President Clinton has suggested that the U.S. economy can continue to grow under this agreement. Please indicate at what rate the Administration expects that the economy will continue to grow during the next ten to 20 years if the treaty is ratified and at what rate it is expected to grow if the treaty is not ratified.

<u>ANSWER 30</u> Please refer to the answer to question 24a.

<u>QUESTION 31</u> Have any of the cost/benefit analyses performed by the Administration or any agency been peer-reviewed? If so, please identify the reviewers and provide their comments on the analyses. If not, does the Administration plan to do so? Please describe fully the steps the Administration plans to take.

Answer 31 Please refer to the answer to question 24a.

QUESTION 32 Please describe in detail the strengths and weaknesses of the methodology of any economic models used. Also, indicate the differences between the models used in any of the cost/benefit analyses performed post-Kyoto and those used in any prior analyses performed by the Administration.

ANSWER 32 Please refer to the answer to question 24a.

QUESTION 33 In connection with these cost-benefit analyses, fully explain how the baseline(s) against which costs and benefits were calculated was determined.

ANSWER 33 Please refer to the answer to question 24a.

QUESTION 34a Please provide all records of written or oral comments from other federal agencies on each of the cost/benefit analyses that were performed.

ANSWER 34a Please refer to the answer to question 24a.

QUESTION 34b Please provide all records of comments submitted by federal agencies on Dr. Janet Yellen's draft testimony about the economics of Kyoto for the hearing before the House Commerce Committee on March 4, 1998.

ANSWER 34b This information implicates the confidentiality of Executive Branch deliberations and decision-making and has been referred to the Counsel to the President of the United States.

International Emissions Trading: Not a Panacea

QUESTION 35 As a practical matter, until the Conference of the Parties makes all of the decisions that it is empowered to make under Article 17 of the Kyoto Protocol concerning the establishment of rules and procedures for international emissions trading, isn't it premature for the Administration to forecast definitively that the agreement would result in, at most, modest energy price hikes?

ANSWER 35 Clearly, a failure to attain effective emissions trading would raise compliance costs with a ratified and implemented Protocol. That is why getting the "rules of the road" in place and working hard on the diplomatic front are such important U.S. priorities.

QUESTION 36a With respect to the rules and procedure for international emission trading that have yet to be developed, what are the minimum requirements that the Administration is seeking to assure an efficient and effective system for lowering the costs of emissions reductions?

ANSWER 36a The key principles underlying U.S. support for emissions trading are environmental effectiveness and economic efficiency: emissions trading will allow those Parties that assumed binding emissions targets to reach the Kyoto Protocol's environmental goals at the lowest cost. We believe that a credible emissions trading system depends on strong national measurement, reporting and compliance regimes, and that trading rules can be used to strengthen incentives for such regimes. The U.S. favors a simple set of rules and guidelines for trading that (1) promote cost-effective achievement of the agreed Kyoto targets, (2) promote compliance with the Protocol's requirements for accurate measurement, complete reporting, and target attainment, and (3) address national compliance incentives and risk issues.

QUESTION 36b Does the Administration intend to confer with Congress and obtain comments from Congress and the public in developing negotiating positions for Buenos Aires on rules and procedures for an international emissions trading system and for obtaining joint implementation project credit, including the Clean Development Mechanism?

ANSWER 36b The Administration sincerely welcomes input from Congress, industry, and other interested parties and opportunity for dialogue on trading and CDM rules, given the importance of these issues to the U.S. economy and our industries and citizens.

QUESTION 37a Why does the Administration believe it can obtain meaningful participation by developing countries and what steps is the Administration taking to achieve this? What indications of potential meaningful participation have been shown by developing countries that prompt this optimism?

ANSWER 37a A number of delegations from developing nations indicated in Kyoto that they regarded an agreement by Annex 1 parties to undertake binding commitments as a necessary precondition for their negotiation of binding commitments. Since the Kyoto Protocol succeeded in achieving this very type of Annex 1 agreement, we believe this barrier to key developing nations negotiations has been removed. In agreeing to CDM projects and the creation of an Annex B, developing nations also helped create essential mechanisms for cooperation between developed and developing nations on emissions reductions, and a mechanism for upward graduation to binding commitments. Recent congressional testimony on this subject by Undersecretary of State Stuart Eizenstat may be helpful to you, and is attached.

QUESTION 37b In particular, what are the steps being taken with respect to China, India, Mexico, Brazil, and South Korea and what indications of potential meaningful participation has the Administration received from these countries?

ANSWER 37b Please refer to the answer to question 37a.

QUESTION 37c Which countries does the Administration consider "key," in assuring that "meaningful participation" is secured?

ANSWER 37c Please refer to the answer to question 37a.

QUESTION 38 **Why does the Administration maintain that the U.S. acid rain program experience "clearly demonstrates how programs like international permit trading, joint implementation and the Clean Development Mechanism will lead firms to find cheaper ways of reducing emissions that can lead to unexpectedly low costs"? Is it appropriate for the Administration to extrapolate from that experience to the global arena? Won't the effectiveness of the international system, joint implementation, and the Clean Development Mechanism depend on such factors as the rules and procedures governing these mechanisms, the extent of participation by other countries, including developing countries, etc?**

ANSWER 38 The success of the U.S. acid rain program in reducing compliance costs over alternative command and control programs is well documented. Past experience suggests that it is possible to construct rules and financial structures that commoditize pollution reductions.

Experience with Joint Implementation demonstration programs under the 1992 Framework Climate Change Convention suggests that international offset programs are also feasible. For instance, The Nature Conservancy, American Electric Power Company, and British Petroleum structured a rain forest preservation program with Bolivia for $0.37 per ton CO_2 reduction.

In addition, speculative option markets for offsets are emerging in the U.S. that suggest broad market feasibility. Two of the more active participants in this market are the Chicago Board of Trade, and Kenner Financial.

We believe the effectiveness of trading and CDM programs will be significantly affected by rules and governance of these mechanisms, and international participation. The Administration welcomes dialogue and input from Congress, U.S. firms, and non-government organizations that are interested in the design of effective policy in this area.

QUESTION 39a **Even assuming that effective rules and procedures can be developed for an international emissions trading system and for joint implementation projects and that key developing countries agree to participate, isn't there a real risk that these mechanisms could effect an enormous transfer of wealth and jobs out of this country overseas, especially to the countries of the former Soviet Union and emerging countries (i.e., that system would be essentially a foreign aid program)? Some studies have estimated that more than 50% of our reductions would have to be purchased from other countries.**

ANSWER 39a Trading and joint implementation will only be utilized if U.S. corporations feel that they present business opportunities. The Administration strongly believes that using market mechanisms to achieve environmental goals can reduce costs substantially. In addition, we have a extraordinary opportunity to lead the world in marketing American technology and innovation to markets in great need. We view this as an economic opportunity, and clearly, U.S. businesses on the cutting edge of efficient technologies do as well.

QUESTION 39b Please provide and document estimates of the percentage of U.S. emissions reductions that might have to be purchased from other countries to minimize the costs reducing emissions and which countries likely would be the beneficiaries.

ANSWER 39b All countries have the potential to benefit from trading, including the U.S. Trading is a market-based mechanism that allows emissions to be reduced cost-effectively. The percentage of U.S. emissions reductions that might be purchased from abroad depends upon a number of factors, including the marginal abatement cost in each country.

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

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March 6, 1998

BY FACSIMILE

The Honorable Franklin D. Raines
Director
Office of Management and Budget
Washington, D. C. 20503

The Honorable Kathleen A. McGinty
Chair
Council on Environmental Quality
Washington, D. C. 20502

Dear Director Raines and Chair McGinty:

The Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs is conducting an inquiry concerning the economic, legal, and regulatory implications of the Administration's efforts to jump-start the process of reducing greenhouse gas emissions under the terms of the Kyoto Protocol.

Pursuant to the Constitution and Rules X and XI of the United States House of Representatives, please provide the Subcommittee with detailed information in response to the attached questions. In responding to this inquiry, please restate each question and subpart with each of your answers, and please follow the definitions and instructions concerning the production of records on the attached page.

Please provide your responses to the written questions and requests for production of records by March 20, 1998 to the Subcommittee's office in Room B-377 Rayburn. In addition, please contact Larisa Dobriansky, Senior Counsel, at (202) 225-4407 as soon as practicable to coordinate the timely production of the information to the Subcommittee.

Thank you for your cooperation in this matter.

Sincerely,

David McIntosh

David M. McIntosh
Chairman
Subcommittee on National Economic Growth,
Natural Resources, and Regulatory Affairs

cc: The Honorable Dan Burton, Chairman
Committee on Government Reform and Oversight

The Honorable John Tierney, Ranking Member
Subcommittee on National Economic Growth,
Natural Resources, and Regulatory Affairs

The Honorable Henry Waxman, Ranking Member
Committee on Government Reform and Oversight

Questions on the Administration's Global Climate Change Policy Actions

IMPLEMENTATION WITHOUT RATIFICATION

> "We have no intention through the back door or anything else, without Senate confirmation, of trying to impose or take any steps to impose what would be binding restrictions on our companies, on our industry, on our business, on our agriculture, on our comerce, or on our country, until and unless, the Senate of the United States says so."
>
> Statement of the Honorable Stuart E. Eizenstat
> Under Secretary of State for Economic, Business, and Agricultural Affairs
> Before the U.S. Senate Committee on Foreign Relations
> February 1998

> "Whether there is an agreement in Kyoto or not, the United States is prepared, under President Clinton's leadership, to unilaterally take steps that we believe should be taken in order to deal with this problem."
>
> Statement of Vice President Gore
> December 1997

Unilateral Executive Actions on a Global Issue.

1. Given that the Kyoto Protocol seeks to address a global issue, isn't it harmful to U.S. interests to proceed without the full participation of developing countries?

2. Besides being unconstitutional, isn't it also premature and possibly counterproductive for the United States to take unilateral executive branch action, without ratification, when the Administration has characterized the Protocol as a "work in progress"?

A Budget Request without Justification or Ratification.

3. How can the Administration claim that its proposed Climate Change Technology Initiative (CCTI) is not intended to implement the Kyoto Protocol, when this initiative has been made an integral part of the President's Global Climate Change Initiative, and the initiative is specifically designed to alter market behavior in furtherance of the treaty's emissions reductions targets?

4a. In a hearing before the Senate Foreign Relations Committee on February 11, 1998, Under Secretary of State Eizenstat testified that the tax incentives and research funding that the President requested in his Fiscal Year (FY) 1999 Budget proposal are necessary to place the U.S. in a "position where we will be further down the road and won't have to make the kind of drastic reductions that otherwise might be called for." Please provide all of the economic data and analyses upon which the Administration relied for this determination. As to any analysis, please identify who prepared it and provide all records containing comments by other federal agencies on the drafts.

4b. Explain why the President decided to request $6.3 billion in his budget proposal instead of the $5 billion that he stated he would seek at the time that he announced his Climate Change Action Proposal on October 22, 1997. Was this decision affected by the fact that the Administration agreed at Kyoto to commit the U.S. to reducing greenhouse emissions by 7% below 1990 levels rather than stabilizing emissions at 1990 levels?

5a. Article 3.2 of the Kyoto Protocol states: "Each Party included in Annex I, by 2005, shall have made demonstrable progress in achieving its commitments under this Protocol." Please explain how the Administration is interpreting this provision of the treaty.

5b. Does the Administration believe that its Global Climate Change Initiative, including the CCTI, will enable the U.S. to make demonstrable progress in achieving its commitments under the Kyoto Protocol?

5c. Please provide and document the Administration's annual performance measures for its 5-year Climate Change Technology Initiative (CCTI). In this regard, provide the following: the 1990 U.S. emissions level, data on actual emissions reductions for Fiscal Year 1997, and then projected emissions reductions beginning with Fiscal Year 1997 and then for each year up to and including Fiscal Year 2003.

5d. Please specify the annual greenhouse gas emissions reductions that the Administration estimates will occur between FY 1999 and FY 2005 from implementing each element of its Global Climate Change Initiative.

6a. The Administration has maintained that the CCTI is a "no-regrets" proposal; that is, regardless of whether or not there is a real threat of global warming, this proposal is justified on its own merits as good energy and environmental policy. In view of this claim, please demonstrate the need for this initiative based on reasons other than facilitating greenhouse gas emissions reductions.

6b. In this regard, provide the environmental and economic data and analyses that support this request on its own merits.

6c. Can the Administration point to a significant market failure or demonstrate a compelling public need that necessitates $3.6 billion of new tax incentives and a 73 percent increase in funding to accelerate the development and diffusion of more energy efficient technology? According to OECD data, U. S. energy efficiency since 1980 has improved more than that of most industrialized countries.

6d. Please provide a detailed explanation of and produce all records indicating the alternative policy options that the Administration analyzed, including more broadly-based options, such as integrated pollution prevention, performance-based regulation, and multi-media regulation. In this regard, did the Administration evaluate whether existing regulation may be a significant barrier to improving energy efficiency and the environment?

6e. Please explain in detail and fully document the cost-effectiveness of the Administration's proposal when compared to other available options for improving energy efficiency and the environment.

6f. Please explain in detail and fully document the opportunity costs of committing such a significant amount of our nation's resources in this manner.

6g. As to any analysis provided, identify who prepared it and provide all records of comments by other federal agencies.

7. How realistic and achievable are the targets and timetables that the U.S. delegation agreed to at Kyoto, if it is necessary to take unilateral executive branch actions prior to Senate ratification in order "to get us in a position where we will be further down the road and won't have to make the kind of drastic reductions that otherwise might be called for"?

8. Under section 102 of the **National Environmental Policy Act**, the federal government is required to provide a detailed environmental impact statement (EIS) and to follow specified procedures for review and comment whenever it is recommending to Congress legislation that "affects the quality of the human environment". Please provide any EIS (or draft EIS, if not finalized) that was prepared in connection with the Administration's requests for tax incentives and research funding to facilitate greenhouse gas emission reductions. With respect to any EIS, identify who prepared the document and provide all records of written and oral comments from other federal agencies.

The Inescapable Regulatory Backdoor.

9. In its 1997 U. S. Climate Action Report under the current Framework Convention on Climate Change, the Administration made this statement: "Recognizing that even the most draconian measures would likely be insufficient to reverse the growth in greenhouse gases and return U.S. emissions to their 1990 levels by the year 2000, new U.S. efforts are focusing most intensively on the post-2000 period." Based on this assessment, how can the President assert that the U.S. commitments under the Kyoto Protocol are achievable with minimum economic costs? Provide any economic and legal analyses that demonstrate that U.S. obligations can be met without constraining U.S. economic growth and without imposing onerous and costly regulation. Also, please provide two copies of the 1997 U.S. Climate Action Report.

10a. In testimony before the Senate Foreign Relations Committee on February 11, 1998, Ambassador Eizenstat stated that the only legislation that would be required to enable the U.S. to abide by the Kyoto Protocol would be legislation authorizing emissions trading; otherwise, he indicated that the U.S. could rely on existing legislation. In this regard, please provide all legal and policy analyses performed by the State Department and other federal agencies on whether, and to what extent, new implementing legislation would be required to meet the U.S. commitments under the Kyoto treaty and provide all comments thereon by other agencies.

10b. Also, please provide any and all legal and policy analyses developed by the State Department or other federal agencies regarding the applicability and availability of existing legislation to implement the Protocol and all comments thereon by other agencies.

11. To the extent that analyses have been performed, describe any differences between the legislation and regulations that would have been needed to implement the President's October 1997 Climate Change Action Proposal and that which would be needed to implement the Kyoto Protocol.

12. Is there an agency or interagency group that is developing recommendations on the need for implementing legislation? If so, please identify the persons who have been charged with coordinating this effort and the names of the agency representatives who are participating.

13a. Please identify all environmental and energy regulations that are being developed, have been proposed, or have been issued since 1992 that have or will have the effect of reducing greenhouse gas emissions (whether or not that is the intended purpose of the particular regulation). As to those regulations that are being developed or that have been proposed, provide an estimated timetable for each stage of the rulemaking.

13b. Has OMB or any other federal agency prepared, contracted to have prepared, or considered any studies that: (1) Have calculated the potential cumulative costs of environmental and energy regulations that are presently planned or being developed, have been proposed, or already have been issued since 1992 that have or will have the effect of reducing greenhouse gas emissions (whether or not this is the intended purpose of the regulation); and (2) Have assessed the cumulative effects of these regulations, or any combination of them, on the U.S. energy system and economy? If so, please provide any such analyses and all federal agency comments on any drafts. If not, please indicate why this has not been done. This Subcommittee believes that this information is vitally needed and is requesting that such an analysis be performed.

13c. Please provide any analyses that have been performed or considered by the Administration concerning the potential combined effects on the U.S. economy and energy system of such Clean Air Act regulations, as the recently issued National Ambient Air Quality Standards for particulate matter and ozone, and regional haze proposal; the Administration's proposed measures for implementing the requirements of the Kyoto Protocol; and its planned legislative proposal for restructuring the electrical industry.

POLICIES WITHOUT ECONOMIC ANALYSIS

"By providing incentives for early action to reduce emissions, attacking domestic energy inefficiencies, and putting in place a market-based emissions trading system, we can reach [our emission reduction targets] with minimum economic costs."

Statement of President Clinton
Climate Change Proposal
October 1997

The Administration's Repeated Failure to Conduct Economic Analysis.

14a. Given the significant economic costs projected by private sector studies, why did the Administration abandon a year and a half-long effort to develop cost estimates of the President's proposed policies to reduce greenhouse emissions? In testimony before the House Subcommittee on Energy and Power on July 15, 1997, the Chair of the Council of Economic Advisers, Dr. Janet Yellen, stated that President Clinton's top priority since his first days in office "has been revitalizing the U.S. economy, creating jobs, and investing in people and technology to enhance long-term growth."

14b. How can the Administration defend its policy actions based on the results of climate models that must take into account significant uncertainties surrounding the effects of human activities on the climate, yet nevertheless consider economic modeling to be "futile" (Dr. Yellen's expression at the House Commerce hearing on July 15, 1997)?

15a. In testimony before the House Commerce Committee in 1997, former Under Secretary of State Timothy Wirth stated that an interagency "economics team" was formed to analyze the impacts of climate change policies.

15b. Please provide the following background information regarding that group: when it was formed, the names of the participants and their agencies, the head of the team, the scope of the group's responsibilities, and to whom the group reported.

15c. Please produce records of all meetings of this group and information on any workshops conducted. Also, produce all analyses performed by the group and provide all records of written or oral comments from other federal agencies on the team's analyses and advice.

16. In developing its positions for the Conference in Kyoto, did the Administration at any point renew its efforts to estimate the costs of various policies to reduce greenhouse gas emissions? If so, please provide all economic analyses that were prepared for the Administration and the U.S. delegation to review. As to each analysis, please indicate who prepared the analysis

and provide all records containing comments from other federal agencies. If not, please explain fully why not.

17. Is there currently in place an interagency body that is analyzing the economic impacts on the U.S. of the mandatory restrictions specified in the Kyoto Protocol and evaluating alternative domestic policies to achieve those requirements? If so, please provide the same type of information about this group, as well as produce the same type of documents, which were requested in question number 15 above with respect to the "economics team."

18. During its deliberations prior to Kyoto, did the Administration consider whether an agreement to stabilize emissions at 1990 levels or to reduce emissions below 1990 levels would result in lower economic growth? If so, how much lower economic growth did the Administration consider as acceptable in exchange for a treaty that would have at best only a marginal impact on reducing emissions? Please produce all records of such deliberations and all economic analyses and comments thereon (from federal agencies and private parties) that the Administration considered.

19. If the Administration did not prepare cost estimates of the impacts on the U.S. economy and the American people, how did the Administration determine its policy position first to stabilize emissions at 1990 levels by 2008-2012 and then later to deviate with confidence from that position and commit the U.S. to reducing emissions by 7 percent below 1990?

20. At what point prior to or during the negotiations, did the Administration decide that emissions reductions below the 1990 baseline were acceptable? Who in the Administration and in Congress were consulted in making this decision? Did the Administration examine any public or private analyses in reaching this decision? If so, identify and provide the analyses upon which the Administration relied, with all comments that were submitted by any federal agency.

21. If economic analyses were prepared internally to support positions that the Administration intended to take at the Conference, why weren't these analyses made available to Congress and the American public, who all have a right-to-know the potential economic consequences of the President's climate change policies?

22. Did the Administration review any private sector analyses completed prior to Kyoto? If so, please provide all records of comments thereon by federal agencies.

23. The Clinton Administration indicated its recognition of Senate Resolution 98 (the Byrd-Hagel Resolution). Please describe in detail and document the steps that the Administration already has taken and intends to take to assure compliance with each provision of that Resolution.

No Cost/Benefit Analysis of the Kyoto Treaty.

24a. Please provide any and all analyses that the Administration or any federal agency prepared (or is preparing) of the costs and benefits of imposing on the U.S. the binding targets and timetables set forth in the Kyoto Protocol for reducing greenhouse gas emissions, taking into account the global implications of the way in which this agreement is structured. Also, please analyze and document the following:

24b. Whether the benefits of implementing this Protocol are justified by the costs;

24c. Evaluate the effectiveness of this agreement by comparing the marginal abatement costs of the most plausible alternative scenarios for meeting the Kyoto targets, given the way in which this agreement is structured, with the marginal costs of other reasonable alternative compliance schemes;

24d. With respect to each scenario that is analyzed, identify the assumptions used, explain any uncertainties concerning the assumptions, and examine the sensitivity of net benefits to the different compliance strategies, using a range of plausible assumptions about future economic development and about fundamental climate processes;

24e. Evaluate the opportunity costs of pursuing the Administration's strategy for the abatement of greenhouse gas emissions under the terms of the treaty; and

24f. Evaluate how the benefits and burdens of complying with this treaty would be distributed on the national and household levels, describing, among other things, the disparate regional and industrial sector impacts, and the effects on different income levels.

25a. In evaluating alternative scenarios, please examine the following:

25b. Compare the economic and environmental effects of not including developing countries in the effort to reduce global emissions (with the potential for binding developed countries to even greater obligations, without limiting developing countries) against the effects of addressing greenhouse gas mitigation on a global scale by the international community.

25c. Compare the economic and environmental effects of complying within the timeframes set forth in the Kyoto Protocol with the effects of complying over a longer time period.

25d. Compare the impacts of reducing greenhouse emissions using international emissions trading, joint implementation, and the Clean Development Mechanism with the impacts of relying upon domestic emissions permit trading. In this regard, evaluate alternative international trading scenarios: trading only between Annex I countries, trading that extends to a number of "key" developing countries, and trading in which all countries are fully participating.

26. With respect to any analysis provided, please identify and explain the basis for assumptions used regarding such factors as the rate of improvement in energy efficiency, the effectiveness of market incentives in increasing the market share of fuels that emit less carbon, and economic and demographic growth. Also, explain fully any assumptions on how emissions reductions will be achieved, as for example, through the early retirement of coal plants or nuclear plant life extensions.

27. In considering the opportunity costs, evaluate the extent to which the Administration's climate change strategy will require the diversion of funds from savings and/or investments which would have provided other benefits, such as saving social security, or more funding for education, health care, etc.

28. In assessing the impacts on the U.S. of complying with the Kyoto targets and timetables, please explain in detail the potential effects on the following indicators of economic performance: gross domestic product (GDP), per capita GDP, unemployment, income and real wages, trade competitiveness, and energy prices.

29. In assessing the benefits of complying with the Kyoto treaty, please evaluate fully the potential offsetting negative effects of exempting developing countries and of "carbon leakage." Also, if the economies of developed countries experience reductions in economic growth, evaluate the impact that this will have on the ability of emerging countries with export markets to transition to more energy efficient technologies.

30. President Clinton has suggested that the U.S. economy can continue to grow under this agreement. Please indicate at what rate the Administration expects that the economy will continue to grow during the next ten to 20 years if the treaty is ratified and at what rate it is expected to grow if the treaty is not ratified.

31. Have any of the cost/benefit analyses performed by the Administration or any agency been peer-reviewed? If so, please identify the reviewers provide their comments on the analyses. If not, does the Administration plan to do so? Please describe fully the steps that the Administration plans to take.

32. Please describe in detail the strengths and weaknesses of the methodology of any economic models used. Also, indicate the differences between the models used in any of the cost/benefit analyses performed post-Kyoto and those used in any prior analyses performed by the Administration.

33. In connection with these cost-benefit analyses, fully explain how the baseline(s) against which costs and benefits were calculated was determined.

34a. Please provide all records of written or oral comments from other federal agencies on each of the cost/benefit analyses that were performed.

34b. Please provide all records of comments submitted by federal agencies on Dr. Janet Yellen's draft testimony about the economics of Kyoto for the hearing before the House Commerce Committee on March 4, 1998.

International Emissions Trading: Not a Panacea.

35. As a practical matter, until the Conference of the Parties makes all of the decisions that it is empowered to make under Article 17 of the Kyoto Protocol concerning the establishment of rules and procedures for international emissions trading, isn't it premature for the Administration to forecast definitively that the agreement would result in, at most, modest energy price hikes?

36a. With respect to the rules and procedures for international emissions trading that have yet to be developed, what are the minimum requirements that the Administration is seeking to assure an efficient and effective system for lowering the costs of emissions reductions?

36b. Does the Administration intend to confer with Congress and obtain comments from Congress and the public in developing negotiating positions for Buenos Aires on rules and procedures for an international emissions trading system and for obtaining joint implementation project credit, including the Clean Development Mechanism?

37a. Why does the Administration believe it can obtain meaningful participation by developing countries and what steps is the Administration taking to achieve this? What indications of potential meaningful participation have been shown by developing countries that prompt this optimism?

37b. In particular, what are the steps being taken with respect to China, India, Mexico, Brazil, and South Korea and what indications of potential meaningful participation has the Administration received from these countries?

37c. Which countries does the Administration consider "key," in assuring that "meaningful participation" is secured?

38. Why does the Administration maintain that the U. S. acid rain program experience "clearly demonstrates how programs like international permit trading, joint implementation and the Clean Development Mechanism will lead firms to find cheaper ways of reducing emissions that can lead to unexpectedly low costs"? Is it appropriate for the Administration to extrapolate from that experience to the global arena? Won't the effectiveness of the international system, joint implementation, and the Clean Development Mechanism depend on such factors as the rules and procedures governing these mechanisms, the extent of participation by other countries, including developing countries, etc?

39a. Even assuming that effective rules and procedures can be developed for an international emissions trading system and for joint implementation projects and that key developing countries agree to participate, isn't there a real risk that these mechanisms could effect an enormous transfer of wealth and jobs out of this country overseas, especially to the countries of the former Soviet Union and emerging countries (i.e., that this system would be essentially a foreign aid program)? Some studies have estimated that more than 50% of our reductions would have to be purchased from other countries.

39b. Please provide and document estimates of the percentage of U.S. emissions reductions that might have to be purchased from other countries to minimize the costs of reducing emissions and which countries likely would be the beneficiaries.

Definitions and Instructions for the Production of Records

1. When a request calls for the production of records, the Subcommittee requests all responsive records that EPA has in its possession, custody, or control through the date of the final submission of records to the Subcommittee, unless the request clearly states that the Subcommittee is only interested in records EPA received during a particular time period.

2. Please sequentially number all records that you produce to the Subcommittee, and indicate the source of any record if the source is not accurately reflected on the record itself. Please submit all records on single-sided paper and submit an inventory of records produced if the volume is more than 100 pages.

3. To the extent practicable, please organize the records or documents in tabbed binders or folders that indicate which records are responsive to which requests for information.

4. For the purposes of this and related requests in the future, the word "record" or "records" shall include any and all drafts, originals, and non-identical copies of any item whether written, typed, printed, electronically recorded, transcribed, punched, or taped, however produced or reproduced, and includes but is not limited to any writing, transcription, or recording, produced or stored in any fashion, including any and all computer entries, memoranda, notes, talking points, letters, journal entries, reports, studies, calendars, manuals, press releases, opinions, documents, analyses, messages, summaries, bulletins, e-mail messages (in hard copy and electronic forms), disks, the text of any alphanumeric messages or other electronic paging devices, briefing materials, cover sheets or routing cover sheets and any other machine readable material of any sort whether prepared by current or former officers and employees, agents, consultants or by any non-employee without limitation. "Record" or "records" shall also include redacted and unredacted versions of the same record.

June 27, 1998

Keith Ausbrook
Senior Counsel
Subcommittee on National Economic Growth,
Natural Resources & Regulatory Affairs
United States House of Representatives
B377 Rayburn House Office Building
Washington, D.C. 20515-6147

Dear Mr. Ausbrook:

This Office has received subpoenas from the House Committee on Government Reform and Oversight, addressed to the Office of Management and Budget, the Office of Science and Technology Policy, and the Council on Environmental Quality. As we discussed, these subpoenas -- like the prior document requests -- encompass deliberative information from White House decision making processes, and thereby implicate the President's interest in the confidentiality of that decision making. You indicated that the subpoenas were intended to speed up the process and ensure that the search for materials was comprehensive, but that the Subcommittee remained interested in seeking an accommodation which served your legitimate oversight needs while preserving the White House's confidentiality interest.

To that end, aside from the documents previously produced by OMB and CEQ, the White House made available for review by Subcommittee staff confidential materials from those agencies. Subcommittee staff reviewed the materials for several hours on June 16, 1998. [If there are specific documents from this set that you want, we are willing to discuss further accommodations.] We also identified those few documents available for review by Members, and indicated that we were not prepared at this time to make memoranda or presentations to the President and Vice-President available for review. OMB and CEQ are assessing whether there are additional documents responsive to the subpoenas which are not covered by the doc request. If so, we will proceed on the same terms with regard to these materials. If this accommodation is not acceptable please let us know promptly.

OSTP will produce documents responsive to the subpoena on or near the July return date (which you indicated was flexible). OSTP documents that reflect White House confidential decision making processes will be available on the same terms and in the same manner as similar documents from OMB and CEQ. Again, please let us know if you wish to proceed along these lines.

Sincerely,

Robert N. Weiner
Senior Counsel
Office of Counsel to the President

/

Council on Environmental Quality

Executive Office of the President

722 Jackson Place, NW
Washington, DC 20503
Phone: (202) 395-7421
Fax: (202) 456-0753

FAX TRANSMISSION COVER SHEET

Date: 6-29

To: Rob Weiner

Fax: 6-1647

Re: Subpoena- Climate Change

Sender: DINAH BEAR

YOU SHOULD RECEIVE 7 PAGE(S), INCLUDING THIS COVER SHEET.

As predicted —

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6143

SUBCOMMITTEE ON NATIONAL ECONOMIC GROWTH, NATURAL RESOURCES, AND REGULATORY AFFAIRS
B-377 Rayburn House Office Building
Washington, DC 20515
Phone: (202) 225-4407
Fax: (202) 225-2441

FAX TRANSMITTAL

TO: Dinah Bear

FAX NUMBER: 456-0753

# of PAGES: 6 (including cover page) DATE: 6/29/98

FROM:

✓ Chairman David M. McIntosh

___ Mildred J. Webber - Staff Director (mildred.webber@mail.house.gov)

___ Jay Apperson - Special Counsel (jay.apperson@mail.house.gov)

✓ J. Keith Ausbrook - Senior Counsel (keith.ausbrook@mail.house.gov)

___ Karen Barnes - Professional Staff (karen.barnes@mail.house.gov)

___ Sean Cunningham - Counsel (sean.cunningham@mail.house.gov)

___ Larisa Dobriansky - Senior Counsel (larisa.dobriansky@mail.house.gov)

___ Barbara Kahlow - Professional Staff (barbara.kahlow@mail.house.gov)

___ Andrew Wilder - Clerk (andrew.wilder@mail.house.gov)

COMMENTS:

Subpena Duces Tecum

By Authority of the House of Representatives of the Congress of the United States of America

SERVE: Dinah Bear
General Counsel

To Kathleen McGinty, Chair, Council on Environmental Quality

You are hereby commanded to produce the things identified on the attached schedule before the full Committee on Government Reform and Oversight of the House of Representatives of the United States, of which the Hon. Dan Burton is chairman, by producing such things in Room B-377 of the Rayburn House Building, in the city of Washington, on Tuesday, July 7, 1998, at the hour of 12:00 noon

To Judy McCoy or U.S. Marshals Service to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 26th day of June, 1998

Dan Burton
Chairman.

Attest: Robin H Carle
Clerk.

SCHEDULE A

Subpoena Duces Tecum
To produce records
Committee on Government Reform and Oversight
United States House of Representatives

TO:
The Honorable Kathleen A. McGinty
Chair
Council on Environmental Quality
Old Executive Office Building - Room 360
Washington, D.C. 20502

Serve: Dinah Bear
General Counsel
Council on Environmental Quality

The Committee hereby subpoenas the production of certain records. Please provide logs which indicate each record's Bates number, author, description, source file, and the numbered request to which it is responsive. If you have any questions, please contact Senior Counsel of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, Keith Ausbrook, at (202) 225-4407.

Definitions and Instructions

1. For the purposes of this subpoena, the word "record" or "records" shall include, but shall not be limited to, any and all originals and identical copies of any item whether written, typed, printed, recorded, redacted or unredacted, transcribed, punched, taped, filmed, graphically portrayed, video or audio taped, however produced or reproduced, and includes, but is not limited to, any writing, reproduction, transcription, photograph, or video or audio recording, produced or stored in any fashion, including any and all activity reports, agendas, analyses, announcements, appointment books, briefing materials, bulletins, cables, calendars, card files, computer disks, cover sheets or routing cover sheets, drawings, computer entries, computer printouts, computer tapes, contracts, external and internal correspondence, diagrams, diaries, documents, electronic mail (e-mail), facsimiles, journal entries, letters, manuals, memoranda, messages, minutes, notes, notices, opinions, statements or charts of organization, plans, press releases, recordings, reports, Rolodexes, statements of procedure and policy, studies, summaries, talking points, tapes, telephone bills, telephone logs, telephone message slips, records or evidence of incoming and outgoing telephone calls, telegrams, telexes, transcripts, or any other machine readable material of any sort whether prepared by current or former employees, agents, consultants or by any non-employee without limitation. "Record" or "records" shall also include all other records, documents, data and information of a like and similar nature not listed above.

2. For purposes of this subpoena, the terms "refer" or "relate" and "concerning" as to any given subject means anything that constitutes, contains, embodies, identifies, mentions, deals with, or is in any manner whatsoever pertinent to that subject, including but not limited to records concerning the preparation of other records.

3. This subpoena calls for the production of records, documents and compilations of data and information that are currently in your possession, care, custody or control, including, but not limited to, all records which you have in your physical possession as well as any records to which you have access, any records which were formerly in your possession, or which you have put in storage or anyone has put in storage on your behalf. Unless a time period is specifically identified, the subpoena includes all documents to the present.

4. The conjunctions "or" and "and" are to be read interchangeably in the manner that gives this subpoena the broadest reading.

5. No records, documents, data or information called for by this subpoena shall be destroyed, modified, redacted, removed or otherwise made inaccessible to the Committee.

6. If you have knowledge that any subpoenaed record, document, data or information has been destroyed, discarded or lost, identify the subpoenaed records, documents data or information and provide an explanation of the destruction, discarding, loss, deposit or disposal.

7. When invoking a privilege or any other reason as a ground for withholding any responsive record, document, data or information as a ground for withholding such record, document, data or information, list each record, document, compilation of data or information by date, type, addressee, author (and if different, the preparer and signatory), general subject matter, and indicated or known circulation. Also, indicate the privilege or reason asserted with respect to each record, document, compilation of data or information in sufficient detail to ascertain the validity of the claim of privilege or other reason.

8. This subpoena is continuing in nature. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date shall be provided immediately upon location or discovery subsequent thereto.

9. If any document responsive to this subpoena has been previously produced to the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, it need not be produced again, provided it is reasonably identified by a description and the date of previous production.

10. Please provide a printed and, where possible, an electronic version of records. Electronic information may be stored on 3½ inch diskettes in ASCII format. In addition, please provide the Committee's Minority staff with an identical copy of all records provided.

11. Please certify under oath to the Committee the following: (1) the records produced were collected following a comprehensive search and represent all relevant records called for by this subpoena; and (2) that no other records exist.

<u>Subpoenaed Items</u>

Please provide the Committee with the following:

1. All records responsive to the letters dated March 2, 1998 and March 6, 1998 jointly to the Office of Management and Budget and the Council on Environmental Quality from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs.

2. All records reflecting or relating to any economic and environmental data and analyses which were used to prepare the testimony of Undersecretary of State Stuart Eizenstadt before any Committee of Congress about the White House Initiative on Global Climate Change, including but not limited to President Clinton's Climate Change Technology Initiative or the Kyoto Protocol.

3. All records reflecting or relating to any economic and environmental data and analyses which were used to prepare the testimony of Dr. Janet Yellen about the economic impact of implementing the Kyoto Protocol before any Committee of Congress about the White House Initiative on Global Climate Change, including but not limited to President Clinton's Climate Change Technology Initiative or the Kyoto Protocol.

4. All records reflecting or relating to any comments submitted by federal agencies on Dr. Janet Yellen's draft testimony about the economic impact of implementing the Kyoto Protocol for the hearing on or about March 4, 1998 before the House Commerce Committee, and on any other executive branch witness's draft testimony on the Administration's climate change policies or the Kyoto Protocol before any committee of Congress since January 1, 1998.

5. All records reflecting or relating to any interagency review or analysis of, or interagency deliberations concerning, the economic and environmental impacts of the Administration's climate change policies and other climate change mitigation options considered by the Administration, occurring on or after July 1996, including but not limited to, the analyses and deliberations of the group known as the Interagency Analytic Team.

6. All records reflecting or relating to any economic and environmental data and analyses that were used by or provided to the Administration representatives and other members of the U.S. Delegation in connection with the negotiation of the Kyoto Protocol.

7. All records reflecting or relating to any analyses of the effect of stabilizing United States greenhouse gas emissions at 1990 levels or of reducing such emissions below 1990 levels on U.S. economic growth, productivity, trade competitiveness, and employment.

8. All records reflecting or relating to any analysis of the costs and benefits of meeting the targets and timetables for the reduction of U.S. greenhouse gas emissions specified in the Kyoto Protocol and to any analysis of the costs and benefits of any alternative climate change mitigation and compliance options that have been considered by the Administration since the beginning of July 1996.

9. All records reflecting or relating to any economic and environmental data and analyses used to develop the White House Initiative on Global Climate Change, including, but not limited to, the Administration's Climate Change Technology Initiative and any alternative policy options considered by the Administration.

10. All records reflecting or relating to the potential cumulative costs of all environmental and energy regulations, or any combination of such regulations, that have been issued since 1992, that have been proposed, or that are being developed, that will have the effect of reducing greenhouse gas emissions (whether or not this is the primary purpose of the regulation)

11. All records reflecting or relating to the potential cumulative effects of the regulations referenced in item 10, or any combination of such regulations, on the U.S. economy and energy system.

12. All records reflecting or relating to the applicability and availability of existing authority to implement any measure that is the subject of the Kyoto Protocol.

13. All records reflecting or related to any analyses of, or any plans, programs, or proposals to implement, "international emissions trading," "joint implementation," and the "Clean Development Mechanism," as those terms are defined and used in the Kyoto Protocol.

Subpena Duces Tecum

By Authority of the House of Representatives of the Congress of the United States of America

To Jacob Lew, Acting Director, OMB SERVE: Robert Damus, General Counsel

You are hereby commanded to produce the things identified on the attached schedule before the full Committee on Government Reform and Oversight of the House of Representatives of the United States, of which the Hon. Dan Burton is chairman, by producing such things in Room B-377 of the Rayburn House Building, in the city of Washington, on Tuesday, July 7, 1998, at the hour of 12:00 noon

To Judy McCoy or U.S. Marshals Service to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 26th day of June, 1998

Dan Burton
Chairman.

Attest: Robin H Carle
Clerk.

SCHEDULE A

Subpoena Duces Tecum
To produce records
Committee on Government Reform and Oversight
United States House of Representatives

TO:
The Honorable Jacob Lew
Acting Director
Office of Management and Budget
Executive Office of the President
Old Executive Office Building
Room 252
Washington, D.C. 20503

Serve: Robert Damus
General Counsel
Office of Management and Budget

The Committee hereby subpoenas the production of certain records. Please provide logs which indicate each record's Bates number, author, description, source file, and the numbered request to which it is responsive. If you have any questions, please contact Senior Counsel of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, Keith Ausbrook, at (202) 225-4407.

Definitions and Instructions

1. For the purposes of this subpoena, the word "record" or "records" shall include, but shall not be limited to, any and all originals and identical copies of any item whether written, typed, printed, recorded, redacted or unredacted, transcribed, punched, taped, filmed, graphically portrayed, video or audio taped, however produced or reproduced, and includes, but is not limited to, any writing, reproduction, transcription, photograph, or video or audio recording, produced or stored in any fashion, including any and all activity reports, agendas, analyses, announcements, appointment books, briefing materials, bulletins, cables, calendars, card files, computer disks, cover sheets or routing cover sheets, drawings, computer entries, computer printouts, computer tapes, contracts, external and internal correspondence, diagrams, diaries, documents, electronic mail (e-mail), facsimiles, journal entries, letters, manuals, memoranda, messages, minutes, notes, notices, opinions, statements or charts of organization, plans, press releases, recordings, reports, Rolodexes, statements of procedure and policy, studies, summaries, talking points, tapes, telephone bills, telephone logs, telephone message slips, records or evidence of incoming and outgoing telephone calls, telegrams, telexes, transcripts, or any other machine readable material of any sort whether prepared by current or former employees, agents, consultants or by any non-employee without limitation. "Record" or "records" shall also include all other records, documents, data and information of a like and similar nature not listed above.

all other records, documents, data and information of a like and similar nature not listed above.

2. For purposes of this subpoena, the terms "refer" or "relate" and "concerning" as to any given subject means anything that constitutes, contains, embodies, identifies, mentions, deals with, or is in any manner whatsoever pertinent to that subject, including but not limited to records concerning the preparation of other records.

3. This subpoena calls for the production of records, documents and compilations of data and information that are currently in your possession, care, custody or control, including, but not limited to, all records which you have in your physical possession as well as any records to which you have access, any records which were formerly in your possession, or which you have put in storage or anyone has put in storage on your behalf. Unless a time period is specifically identified, the subpoena includes all documents to the present.

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7. When invoking a privilege or any other reason as a ground for withholding any responsive record, document, data or information as a ground for withholding such record, document, data or information, list each record, document, compilation of data or information by date, type, addressee, author (and if different, the preparer and signatory), general subject matter, and indicated or known circulation. Also, indicate the privilege or reason asserted with respect to each record, document, compilation of data or information in sufficient detail to ascertain the validity of the claim of privilege or other reason.

8. This subpoena is continuing in nature. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date shall be provided immediately upon location or discovery subsequent thereto.

9. If any document responsive to this subpoena has been previously produced to the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, it need not be produced again, provided it is reasonably identified by a description and the date of previous production.

10. Please provide a printed and, where possible, an electronic version of records. Electronic information may be stored on 3½ inch diskettes in ASCII format. In addition, please provide the Committee's Minority staff with an identical copy of all records provided.

11. Please certify under oath to the Committee the following: (1) the records produced were collected following a comprehensive search and represent all relevant records called for by this subpoena; and (2) that no other records exist.

Subpoenaed Items

Please provide the Committee with the following:

1. All records responsive to the letters dated March 2, 1998, March 6, 1998, and May 27, 1998 to the Office of Management and Budget from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs.

2. All records reflecting or relating to any economic and environmental data and analyses which were used to prepare the testimony of Undersecretary of State Stuart Eizenstadt before any Committee of Congress about the White House Initiative on Global Climate Change, including but not limited to President Clinton's Climate Change Technology Initiative or the Kyoto Protocol.

3. All records reflecting or relating to any economic and environmental data and analyses which were used to prepare the testimony of Dr. Janet Yellen about the economic impact of implementing the Kyoto Protocol before any Committee of Congress about the White House Initiative on Global Climate Change, including but not limited to President Clinton's Climate Change Technology Initiative or the Kyoto Protocol.

4. All records reflecting or relating to any comments submitted by federal agencies on Dr. Janet Yellen's draft testimony about the economic impact of implementing the Kyoto Protocol for the hearing on or about March 4, 1998 before the House Commerce Committee, and on any other executive branch witness's draft testimony on the Administration's climate change policies or the Kyoto Protocol before any committee of Congress since January 1, 1998.

5. All records reflecting or relating to any interagency review or analysis of, or interagency deliberations concerning, the economic and environmental impacts of the Administration's climate change policies and other climate change mitigation options considered by the Administration, occurring on or after July 1996, including but not limited to, the analyses and deliberations of the group known as the Interagency Analytic Team.

6. All records reflecting or relating to any economic and environmental data and analyses that were used by or provided to the Administration representatives and other members of the U.S. Delegation in connection with the negotiation of the Kyoto Protocol.

7. All records reflecting or relating to any analyses of the effect of stabilizing United States greenhouse gas emissions at 1990 levels or of reducing such emissions below 1990 levels on U.S. economic growth, productivity, trade competitiveness, and employment.

8. All records reflecting or relating to any analysis of the costs and benefits of meeting the targets and timetables for the reduction of U.S. greenhouse gas emissions specified in the Kyoto Protocol and to any analysis of the costs and benefits of any alternative climate change mitigation and compliance options that have been considered by the Administration since the beginning of July 1996.

9. All records reflecting or relating to any economic and environmental data and analyses used to develop the White House Initiative on Global Climate Change, including, but not limited to, the Administration's Climate Change Technology Initiative and any alternative policy options considered by the Administration.

10. All records reflecting or relating to the potential cumulative costs of all environmental and energy regulations, or any combination of such regulations, that have been issued since 1992, that have been proposed, or that are being developed, that will have the effect of reducing greenhouse gas emissions (whether or not this is the primary purpose of the regulation)

11. All records reflecting or relating to the potential cumulative effects of the regulations referenced in item 10, or any combination of such regulations, on the U.S. economy and energy system.

12. All records reflecting or relating to the applicability and availability of existing authority to implement any measure that is the subject of the Kyoto Protocol.

13. All records reflecting or related to any analyses of, or any plans, programs, or proposals to implement, "international emissions trading," "joint implementation," and the "Clean Development Mechanism," as those terms are defined and used in the Kyoto Protocol.

6/25

To: Rob Weiner

From: Holly Gwin 66014

6 pages total

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051
TTY (202) 225-6852

cc: Jones
Bierbaum
Backlund
Smith
Gibson
Weinerotte

SUBCOMMITTEE ON NATIONAL ECONOMIC GROWTH, NATURAL RESOURCES, AND REGULATORY AFFAIRS
B-377 Rayburn House Office Building
Washington, DC 20515
Phone: (202) 225-4407
Fax: (202) 225-2441

FAX TRANSMITTAL

TO: Holly Gwin

FAX NUMBER: 456-6021

\# of PAGES: 5 (including cover page)   DATE: 6/29/98

FROM:

✓ Chairman David M. McIntosh

___ Mildred J. Webber - Staff Director (mildred.webber@mail.house.gov)

___ Jay Apperson - Special Counsel (jay.apperson@mail.house.gov)

✓ J. Keith Ausbrook - Senior Counsel (keith.ausbrook@mail.house.gov)

___ Karen Barnes - Professional Staff (karen.barnes@mail.house.gov)

___ Sean Cunningham - Counsel (sean.cunningham@mail.house.gov)

___ Larisa Dobriansky - Senior Counsel (larisa.dobriansky@mail.house.gov)

___ Barbara Kahlow - Professional Staff (barbara.kahlow@mail.house.gov)

___ Andrew Wilder - Clerk (andrew.wilder@mail.house.gov)

COMMENTS:

Subpena Duces Tecum

By Authority of the House of Representatives of the Congress of the United States of America

To Kerri-Ann Jones, Director Designate, OSTP SERVE: Holly Gwin General Counsel

You are hereby commanded to produce the things identified on the attached schedule before the full Committee on Government Reform and Oversight of the House of Representatives of the United States, of which the Hon. Dan Burton is chairman, by producing such things in Room B-377 of the Rayburn House Building, in the city of Washington, on Tuesday, July 7, 1998, at the hour of 12:00 noon

To Judy McCoy or U.S. Marshals Service to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 26th day of June, 1998.

Dan Burton

Chairman.

Attest: Robin H Carle

Clerk.

SCHEDULE A

Subpoena Duces Tecum
To produce records
Committee on Government Reform and Oversight
United States House of Representatives

TO:
The Honorable Kerri-Ann Jones
Director-Designate
Office of Science and Technology Policy
Executive Office of the President
Old Executive Office Building - Room 424
Washington, D.C. 20502

Serve: Holly Gwin
General Counsel
Office of Science and Technology Policy

The Committee hereby subpoenas the production of certain records. Please provide logs which indicate each record's Bates number, author, description, source file, and the numbered request to which it is responsive. If you have any questions, please contact Senior Counsel of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, Keith Ausbrook, at (202) 225-4407.

Definitions and Instructions

1. For the purposes of this subpoena, the word "record" or "records" shall include, but shall not be limited to, any and all originals and identical copies of any item whether written, typed, printed, recorded, redacted or unredacted, transcribed, punched, taped, filmed, graphically portrayed, video or audio taped, however produced or reproduced, and includes, but is not limited to, any writing, reproduction, transcription, photograph, or video or audio recording, produced or stored in any fashion, including any and all activity reports, agendas, analyses, announcements, appointment books, briefing materials, bulletins, cables, calendars, card files, computer disks, cover sheets or routing cover sheets, drawings, computer entries, computer printouts, computer tapes, contracts, external and internal correspondence, diagrams, diaries, documents, electronic mail (e-mail), facsimiles, journal entries, letters, manuals, memoranda, messages, minutes, notes, notices, opinions, statements or charts of organization, plans, press releases, recordings, reports, Rolodexes, statements of procedure and policy, studies, summaries, talking points, tapes, telephone bills, telephone logs, telephone message slips, records or evidence of incoming and outgoing telephone calls, telegrams, telexes, transcripts, or any other machine readable material of any sort whether prepared by current or former employees, agents, consultants or by any non-employee without limitation. "Record" or "records" shall also include all other records, documents, data and information of a like and similar nature not listed above.

2. For purposes of this subpoena, the terms "refer" or "relate" and "concerning" as to any given subject means anything that constitutes, contains, embodies, identifies, mentions, deals with, or is in any manner whatsoever pertinent to that subject, including but not limited to records concerning the preparation of other records.

3. This subpoena calls for the production of records, documents and compilations of data and information that are currently in your possession, care, custody or control, including, but not limited to, all records which you have in your physical possession as well as any records to which you have access, any records which were formerly in your possession, or which you have put in storage or anyone has put in storage on your behalf. Unless a time period is specifically identified, the subpoena includes all documents to the present.

4. The conjunctions "or" and "and" are to be read interchangeably in the manner that gives this subpoena the broadest reading.

5. No records, documents, data or information called for by this subpoena shall be destroyed, modified, redacted, removed or otherwise made inaccessible to the Committee.

6. If you have knowledge that any subpoenaed record, document, data or information has been destroyed, discarded or lost, identify the subpoenaed records, documents data or information and provide an explanation of the destruction, discarding, loss, deposit or disposal.

7. When invoking a privilege or any other reason as a ground for withholding any responsive record, document, data or information as a ground for withholding such record, document, data or information, list each record, document, compilation of data or information by date, type, addressee, author (and if different, the preparer and signatory), general subject matter, and indicated or known circulation. Also, indicate the privilege or reason asserted with respect to each record, document, compilation of data or information in sufficient detail to ascertain the validity of the claim of privilege or other reason.

8. This subpoena is continuing in nature. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date shall be provided immediately upon location or discovery subsequent thereto.

9. If any document responsive to this subpoena has been previously produced to the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, it need not be produced again, provided it is reasonably identified by a description and the date of previous production.

10. Please provide a printed and, where possible, an electronic version of records. Electronic information may be stored on 3½ inch diskettes in ASCII format. In addition, please provide the Committee's Minority staff with an identical copy of all records provided.

11. Please certify under oath to the Committee the following: (1) the records produced were collected following a comprehensive search and represent all relevant records called for by this subpoena; and (2) that no other records exist.

Subpoenaed Items

Please provide the Committee with the following:

1. All records responsive to the letter dated March 11, 1998 to the Office of Science and Technology Policy from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs.

2. All records, dated on or after July 1, 1996, reflecting or relating to any analysis prepared by or for the Office of Science and Technology Policy concerning climate change mitigation options and the Administration's climate change policies, including, but not limited to, the White House Initiative on Global Climate Change or the Kyoto Protocol.

3. All records reflecting or relating to any legal or policy analysis regarding the applicability and availability of existing authority to implement any measure that is the subject of the Kyoto Protocol.

4. All records reflecting or relating to any analysis prepared by or for the Office of Science and Technology Policy of the potential cumulative costs and the potential cumulative effects on the U.S. economy and energy system of all final, proposed, or draft rules, regulations, or other executive action since 1992, or any combination of such actions, relating to the reduction of greenhouse gases.

5. All records reflecting or relating to any interagency contacts or communications between or among the Office of Science and Technology Policy and any other federal department, agency, office, or establishment, on or after July 1, 1997, relating to climate change mitigation options, the Administration's climate change policies, or the Kyoto Protocol.

6. All records reflecting or relating to data, analyses, and comments prepared by the Office of Science and Technology Policy in connection with any environmental, cost-benefit, or economic analysis of climate change mitigation options, the Administration's climate change policies, or the Kyoto Protocol.

7. All records reflecting or relating to draft testimony on the Administration's climate change policies or the Kyoto Protocol of any executive branch witness before any committee of Congress since January 1, 1998.

8. All records reflecting or relating to analysis of or, to any plans, programs, or proposals to implement "international emissions trading," "joint implementation," and the "Clean Development Mechanism" as those terms are defined and used in the Kyoto Protocol.

GENERAL STATUS OF CHAIRMAN MCINTOSH REQUESTS REGARDING CLIMATE CHANGE AS OF 9/15/98

- Chairman McIntosh has sent over **60** oversight requests to **22** agencies.
- The Government Reform Committee has issues **7** subpoenas.
- The 22 agencies were asked over **600** questions, with hundreds of additional subsidiary questions and numerous document requests.
- Over **10,000** staff hours have been spent to date responding to the questions and compiling documents responsive to the Subcommittee's requests.
- Over **350,000** pages have already been produced for the Subcommittee.
- Over **$425,000** in estimated costs have been incurred to date.

Subpena Duces Tecum

By Authority of the House of Representatives of the Congress of the United States of America

SERVE: SCOTT FULTON
ACTING GENERAL COUNSEL

To The Honorable Carol Browner, Administrator, U.S. Environmental Protection Agency

You are hereby commanded to produce the things identified on the attached schedule before the full Committee on Government Reform and Oversight of the House of Representatives of the United States, of which the Hon. Dan Burton is chairman, by producing such things in Room B-377 of the Rayburn House Building, in the city of Washington, on Tuesday, August 25, 1998, at the hour of 2:00 p.m.

To Judy McCoy or U.S. Marshals Service to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 7th day of August, 1998

Dan Burton
Chairman.

Attest: Robin H. Carle
Clerk.

Subpena for The Honorable Carol Browner

Administrator, U.S. Environmental Protection Agency

401 M Street, S.W. Room W1200

Washington, DC 20460

SERVE: SCOTT FULTON, ACTING GENERAL COUNSEL

before the Committee on the

Served by fax by agreement

on Bob Dreher at 5:45 p.m.

on 8/10/98.

J. Keith [illegible]

House of Representatives

SCHEDULE A

Subpoena Duces Tecum
To produce records
Committee on Government Reform and Oversight
United States House of Representatives

TO:
The Honorable Carol Browner
Administrator
Environmental Protection Agency
401 M Street, S.W.
Washington, D.C. 20460

Serve: Scott Fulton
Acting General Counsel
Environmental Protection Agency

The Committee hereby subpoenas the production of certain records. Please provide logs which indicate each record's Bates number, author, description, source file, and the numbered request to which it is responsive. If you have any questions, please contact Chief Counsel of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, Keith Ausbrook, at (202) 225-4407.

Definitions and Instructions

1. For the purposes of this subpoena, the word "record" or "records" shall include, but shall not be limited to, any and all originals and identical copies of any item whether written, typed, printed, recorded, redacted or unredacted, transcribed, punched, taped, filmed, graphically portrayed, video or audio taped, however produced or reproduced, and includes, but is not limited to, any writing, reproduction, transcription, photograph, or video or audio recording, produced or stored in any fashion, including any and all activity reports, agendas, analyses, announcements, appointment books, briefing materials, bulletins, cables, calendars, card files, computer disks, cover sheets or routing cover sheets, drawings, computer entries, computer printouts, computer tapes, contracts, external and internal correspondence, diagrams, diaries, documents, electronic mail (e-mail), facsimiles, journal entries, letters, manuals, memoranda, messages, minutes, notes, notices, opinions, statements or charts of organization, plans, press releases, recordings, reports, Rolodexes, statements of procedure and policy, studies, summaries, talking points, tapes, telephone bills, telephone logs, telephone message slips, records or evidence of incoming and outgoing telephone calls, telegrams, telexes, transcripts, or any other machine readable material of any sort whether prepared by current or former employees, agents, consultants or by any non-employee without limitation. "Record" or "records" shall also include all other records, documents, data and information of a like and similar nature not listed above.

2. For purposes of this subpoena, the terms "refer" or "relate" and "concerning" as to any given subject means anything that constitutes, contains, embodies, identifies, mentions, deals with, or is in any manner whatsoever pertinent to that subject, including but not limited to records concerning the preparation of other records.

3. This subpoena calls for the production of records, documents and compilations of data and information that are currently in your possession, care, custody or control, including, but not limited to, all records which you have in your physical possession as well as any records to which you have access, any records which were formerly in your possession, or which you have put in storage or anyone has put in storage on your behalf. Unless a time period is specifically identified, the subpoena includes all documents to the present.

4. The conjunctions "or" and "and" are to be read interchangeably in the manner that gives this subpoena the broadest reading.

5. No records, documents, data or information called for by this subpoena shall be destroyed, modified, redacted, removed or otherwise made inaccessible to the Committee.

6. If you have knowledge that any subpoenaed record, document, data or information has been destroyed, discarded or lost, identify the subpoenaed records, documents data or information and provide an explanation of the destruction, discarding, loss, deposit or disposal.

7. When invoking a privilege or any other reason as a ground for withholding any responsive record, document, data or information as a ground for withholding such record, document, data or information, list each record, document, compilation of data or information by date, type, addressee, author (and if different, the preparer and signatory), general subject matter, and indicated or known circulation. Also, indicate the privilege or reason asserted with respect to each record, document, compilation of data or information in sufficient detail to ascertain the validity of the claim of privilege or other reason.

8. This subpoena is continuing in nature. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date shall be provided immediately upon location or discovery subsequent thereto.

9. If any document responsive to this subpoena has been previously produced to the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, it need not be produced again, provided it is reasonably identified by a description and the date of previous production.

10. Please provide a printed and, where possible, an electronic version of records. Electronic information may be stored on 3½ inch diskettes in ASCII format. In addition, please provide the Committee's Minority staff with an identical copy of all records provided.

11. Please certify under oath to the Committee the following: (1) the records produced were collected following a comprehensive search and represent all relevant records called for by this subpoena; and (2) that no other records exist.

Subpoenaed Items

Please provide the Committee with the following:

1. All records responsive to the letter dated March 18, 1998 to the Environmental Protection Agency from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs.

2. All records reflecting or relating to any comments or any data and analyses submitted by the Environmental Protection Agency for use in preparing Dr. Janet Yellen's draft testimony about the economic impact of implementing the Kyoto Protocol for the hearing on or about March 4, 1998 before the House Commerce Committee, and for use in preparing any other executive branch witness's draft testimony on the Administration's climate change policies or the Kyoto Protocol before any committee of Congress since January 1, 1998.

3. All records reflecting or relating to data, analyses, and comments submitted by the Environmental Protection Agency on or after July 1996 in connection with any interagency review or analysis of, or interagency deliberations concerning, the economic and environmental impacts of the Administration's climate change policies, alternative climate change mitigation options considered by the Administration, or the Kyoto Protocol, including but not limited to, any Environmental Protection Agency submissions relating to the analyses and deliberations of the group known as the Interagency Analytic Team.

4. All records reflecting or relating to any economic and environmental data and analyses submitted by the Environmental Protection Agency for use by the Administration representatives and other members of the U.S. Delegation in connection with the negotiation of the Kyoto Protocol.

5. All records reflecting or relating to any analysis by the Environmental Protection Agency of the costs and benefits of meeting the targets and timetables for the reduction of U.S. greenhouse gas emissions specified in the Kyoto Protocol and to any analysis of the costs and benefits of any alternative climate change mitigation and compliance options that have been considered by the Administration since the beginning of July 1996.

6. All records reflecting or relating to any economic and environmental data and analyses submitted by the Environmental Protection Agency for use in developing the White House Initiative on Global Climate Change, including, but not limited to, the Administration's Climate Change Technology Initiative and any alternative policy options considered by the Administration.

7. All records reflecting or relating to the potential cumulative costs of all environmental regulations, or any combination of such regulations, that have been issued since 1992, that have been proposed, or that are being developed, that will have the effect of reducing greenhouse gas emissions (whether or not this is the primary purpose of the regulation).

8. All records reflecting or relating to the potential cumulative effects of the regulations referenced in item 10, or any combination of such regulations, on the U.S. economy and energy system.

9. All records reflecting or relating to the applicability and availability of existing authority to implement any measure that is the subject of the Kyoto Protocol.

10. All records reflecting or related to any analysis by the Environmental Protection Agency of "international emissions trading," "joint implementation," and the "Clean Development Mechanism," as those terms are defined and used in the Kyoto Protocol, including, but not limited to, proposals, plans, or programs to implement these flexibility mechanisms.

11. All records created to respond to the letter dated March 18, 1998 to the Environmental Protection Agency from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs.

FAX COVER

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

DEMOCRATIC STAFF OFFICE

HON. HENRY A. WAXMAN
RANKING MINORITY MEMBER
B350A RAYBURN HOUSE BUILDING
PHONE (202) 225-5051
FAX (202) 225-4784 or 8185

DATE: Aug. 20, 1998

TO: Rob Weiner FAX # 456-1647

FROM: Phil Barnett

SUBJECT: GAO - Campaign Finance Report

NO.OF PAGES 10
(EXCLUDING COVER SHEET)

COMMENT: Per our conversation.

IF THERE IS A PROBLEM WITH THIS TRANSMITTAL, PLEASE CALL OFFICE A.S.A.P.

Enclosure 1

Job Code 911836

U.S. General Accounting Office

Survey of Executive Branch Cost to Respond to Congressional Campaign Finance Inquiries

Introduction

At the request of Representative Henry A. Waxman, Ranking Minority Member, and Representative Gary A. Condit, Member, House Committee on Government Reform and Oversight, GAO is obtaining information on the costs federal agencies incurred in responding to campaign finance inquiries made by members and committees of the Congress.

Our work is limited to congressional subpoenas and written requests for information received from October 1, 1996 through March 31, 1998 that related to campaign finance practices during the 1992, 1994, and 1996 federal House, Senate, and Presidential elections.

If your agency has multiple components we ask that a focal point, such as your Office of General Counsel, distribute the survey, consolidate the data from all the affected components, and provide us with one response. If your Inspector General prefers not to be included in your agencywide response, please have him or her send us the survey separately.

The survey includes questions about the costs your agency incurred in responding to subpoenas and written requests for information. We prefer actual cost data. However, if actual cost data are not captured in your agency's accounting or other information systems, or are deemed unreliable, please estimate the costs incurred. Also, provide an explanation of the basis for your agency's reported costs where indicated. Your agency's Chief Financial Officer should concur with all cost calculations.

Documents supporting your agency's responses should be available for GAO review.

All agencies should complete the enclosed single page, confirmation of receipt form, and FAX it to Louise DiBenedetto, at (202) 512-9193 as soon as possible. This form will allow us to promptly determine the number of agencies that received congressional campaign finance inquiries. If your agency did not receive such inquiries, it is not necessary to complete and return the 10-page survey instrument.

If your agency did receive congressional campaign finance inquiries, return your agency's completed survey in the self-addressed envelope within 45 days. The return address is:

U.S. General Accounting Office
Louise DiBenedetto, AIMD
441 G Street, NW, Room 5Z19
Washington, D.C. 20548

If you have any questions, contact Ms. DiBenedetto at (202) 512-6921.

Please enter the name, title, agency, telephone number, and E-mail address of the person we should contact if follow-up questions are necessary.

Name:______________________________

Title:______________________________

Agency:______________________________

Phone number:(____)______________________

E-mail address:__________________________

Enclosure 1

BEFORE ANSWERING ANY QUESTION PLEASE READ THE ENTIRE SURVEY.

General Inquiry Information

1. From October 1, 1996 through March 31, 1998, did your agency receive campaign finance inquiries (subpoenas and written requests) from congressional committees/subcommittees or congressional members, including inquiries by congressional staff on behalf of congressional committees/subcommittees or congressional members?

   (Do not include inquiries from the news media, or requests made under the Freedom of Information Act.) *(Check only one.)*

   ☐ Yes **CONTINUE.**
   ☐ No **STOP!! DO NOT CONTINUE.**

2. From October 1, 1996 through March 31, 1998, how many campaign finance inquiries did your agency receive from congressional requesters? *(Fill in the blank.)*

   ________ Actual number

Complete the following table by entering the name of each specific congressional committee/subcommittee or congressional member from whom your agency received one or more subpoenas and/or written requests for information.

Next to each listed requester, enter the actual number of subpoenas and/or written requests for information that your agency received. If one of the types of inquiries was not received, enter "0." If additional space is required, continue on a separate sheet of paper using the same format.

Requester	**Type of Inquiry**		**Total**
	Subpoena*	Written Request **	
Totals			

* Subpoenas include subpoenas for documents and subpoenas for testimony. Do not include subpoenas received by federal employees who were the individual subjects of campaign finance investigations.

** Written requests include requests for (a) written responses to questions; (b) documents; or (c) testimony before a congressional committee or subcommittee, other than subpoenaed testimony.

For example, assume your agency received the following inquiries from the House Committee on Government Reform and Oversight: three subpoenas for documents, five subpoenas for testimony, and four written requests to provide documents and written answers to questions. The entries in the cells next to House Committee on Government Reform and Oversight would read 8, 4, and 12.

Enclosure 1

Please attach a copy of each subpoena, written request for information, and cover page of testimony.

Testimonies

3. How many agency officials testified as a principal witness, on behalf of your agency, before the House Committee on Government Reform and Oversight (HGRO), Senate Committee on Governmental Affairs (SGA), or other House or Senate Committees or Subcommittees (Other) on campaign finance issues? *(Fill in the blank.)*

_________ Actual number

Complete the following table by entering a number for each cell below. If your agency did not testify before a listed requester, enter "0." Do not provide the names of the officials. If additional space is required, continue on a separate sheet of paper using the same format.

Testifying Official	**Requester**			**Total Testimonies**
	HGRO	SGA	Other	
Official 1				
Official 2				
Official 3				
Official 4				
Official 5				

For example, if Official 1 testified as a principal witness before HGRO twice, before other requesters twice, but never before SGA, the entries in the cells next to Official 1 would read 2, 0, 2, and 4.

Please attach an explanation of how and from what records or reports your agency constructed the number of officials who testified as a principal witness on behalf of your agency and the number of testimonies given by each official.

4. In addition to testimonies, did your agency provide other types of oral communication on campaign finance issues from October 1, 1996 through March 31, 1998?

Other types of oral communication include documented briefings, presentations, meetings, and interviews where evidence is available that supports the date of each event, the agenda, and participants. *(Check only one.)*

☐ Yes **CONTINUE.**
☐ No **SKIP TO QUESTION 6.**

5. How many instances of other oral communication did your agency provide? *(Fill in the blank.)*

_________ Actual number

Documents supporting the dates of each oral communication, the agenda, and participants should be available for GAO review.

Answers to the following cost questions should include all costs incurred in responding to congressional campaign finance inquiries identified in question 2, including costs incurred after March 31, 1998, if any. Documents supporting your agency's answers to all cost questions should be available for GAO review.

Personnel Costs

6. Did your agency track the actual personnel costs incurred in responding to congressional campaign finance inquiries identified in question 2? *(Check only one.)*

☐ Yes **CONTINUE.**
☐ No **SKIP TO QUESTION 8.**

7. Enter actual personnel data in the following table. For each of the listed categories, enter the number of personnel, hours they worked, and total cost. If a listed category of personnel did not work on congressional campaign finance inquiries, enter "0." If your agency cannot break out the costs into the three categories, please enter the **Totals** only.

Actual personnel costs to respond to congressional campaign finance inquiries			
Category	Number	Hours	Total cost
Senior Executive Service or comparable			
GS 15 - GS 10 or comparable			
GS 9 and below or comparable			
Totals			

Please attach an explanation of how and from what records or reports your agency constructed the actual number of personnel who worked on your agency's responses to congressional campaign finance inquiries, hours they worked, and total cost.

SKIP TO QUESTION 9.

8. If your agency did not track the actual personnel costs, please estimate the personnel cost. In the following table, for each of the listed categories, enter the estimated number of personnel, hours they worked, hourly rate, and total cost. Multiply the hours worked by the hourly rate to determine the total estimated cost for each category. If a listed category of personnel did not work on the congressional finance inquiries identified in question 2, enter "0." If your agency cannot break out the costs into the three categories, please enter the **Totals** only.

Estimated personnel costs to respond to congressional campaign finance inquiries				
Category	Number	Hours	Hourly rate*	Total cost
Senior Executive Service or comparable				
GS 15 - GS 10 or comparable				
GS 9 and below or comparable				
Totals				

* To determine an hourly rate (dollars per hour), one method would be to estimate a representative grade level for each category of personnel. For example, if there were three executives who reviewed your agency's responses to congressional campaign finance inquiries, your agency would estimate a representative grade level for those three executives. If their representative grade level was an ES-2 and the hourly rate for an ES-2 executive was $50, the entry under hourly rate would be $50.

Please attach an explanation of how and from what records or reports your agency constructed the estimated number of personnel who worked on your agency's responses to congressional campaign finance inquiries, hours they worked, hourly rate, and total cost.

Document Reproduction & Delivery Costs

9. How many pages of documents were submitted to the Congress in response to congressional campaign finance inquiries identified in question 2? *(Include copies provided to other congressional committees/subcommittees or congressional members, including copies provided to congressional staff on behalf of congressional committees/subcommittees or congressional members. Fill in the actual or estimated number.)*

_________ Actual number
or
_________ Estimated number

Please attach an explanation of how and from what records or reports your agency constructed the actual or estimated answer. If a numbering system was used to record a sequential number on each page that was copied, please provide the beginning and ending numbers and a total count of the original documents that were copied.

10. What were the reproduction costs incurred for documents identified in question 9? *(Fill in the actual or estimated costs.)*

_________ Actual costs
or
_________ Estimated costs (______cost per page times the number of pages)

Please attach an explanation of how and from what records or reports your agency constructed the actual or estimated answer.

11. What were the delivery costs incurred for documents identified in question 9? *(Fill in the actual or estimated costs.)*

Type of cost	Actual costs	Estimated costs	Total costs
Courier fees			
Other (explain)			
Totals			

Please attach an explanation of the other types of delivery costs incurred by your agency. Also explain how and from what records or reports your agency constructed the actual or estimated answer.

<u>Contractor Support</u>

12. Has your agency used contractors to perform or otherwise assist your agency in responding to congressional campaign finance inquiries identified in question 2? *(Check only one.)*

☐ Yes **CONTINUE.**
☐ No **SKIP TO QUESTION 16.**

13. How many procurements (contracts, contract task orders, and/or purchase orders) were awarded to perform or otherwise assist your agency in responding to congressional campaign finance inquiries identified in question 2? *(Fill in the blank.)*

_________ Actual number

Please attach a list of the procurement (contract, contract task order, and/or purchase order) identification numbers.

14. What were the procurement costs paid by your agency for contractor work performed through the procurements identified in question 13? *(Fill in the blank.)*

_________ Actual costs

Please attach copies of documentation supporting costs paid.

15. How many attorneys, other professionals, or clerical personnel did your agency obtain the services of, through the procurements identified in question 13? *(Fill in the actual or estimated number for all that apply.)*

Attorneys:

_________ Actual number
or
_________ Estimated number

Other professional personnel:

_________ Actual number
or
_________ Estimated number

Clerical personnel:

_________ Actual number
or
_________ Estimated number

Please attach an explanation of how these numbers were derived.

Other Costs

16. In addition to the costs already disclosed in answers to previous questions, did your agency incur any other costs related to responding to congressional campaign finance inquiries identified in question 2? *(Check only one.)*

- ☐ Yes
- ☐ No

If yes, please attach a list of the types of additional cost incurred and the actual or estimated amounts. Also, attach an explanation of how and from what records or reports your agency constructed the actual or estimated costs.

Additional Information

17. Did your agency incur any of the costs that you reported in this survey after March 31, 1998? *(Check only one.)*

- ☐ Yes
- ☐ No

If yes, what was the last month that your agency incurred costs? *(Fill in the blank.)*

_________ Month

18. To what extent, if any, does your agency believe there was similarity among the congressional campaign finance inquiries identified in question 2? *(Check only one.)*

- ☐ Little or no
- ☐ Some
- ☐ Moderate
- ☐ Great
- ☐ Very great
- ☐ No basis to judge

Please attach an explanation for the box checked.

Enclosure 1

19. Did your agency experience any problems responding to the congressional campaign finance inquiries identified in question 2? *(Check only one.)*

- ☐ Yes
- ☐ No

Please attach an explanation for a "yes" answer.

20. Attach a list of the agency components from which data were collected and consolidated in responding to this survey.

21. If you have any additional comments, please express your views below. Attach additional pages if necessary. **Thank you for your assistance.**

The attached **CHECKLIST** is for your agency's use in assuring that all additional information requested in this survey is sent to us in the enclosed envelope.

CHECKLIST FOR ATTACHMENTS TO SURVEY RESPONSE

General Inquiry Information

Question 2.

- ☐ A continuation of the table on the number of inquiries your agency received, if there is insufficient space for a complete answer in the survey instrument.
- ☐ A copy of each subpoena, written request for information, and cover page of testimony.

Testimonies

Question 3.

- ☐ A continuation of the table on the number of testifying officials, if there is insufficient space for a complete answer in the survey instrument.
- ☐ An explanation of how and from what records or reports your agency constructed the number of officials who testified on behalf of your agency and the number of testimonies given by each official.

Personnel Costs

Questions 7 or 8.

- ☐ An explanation of how and from what records or reports your agency constructed the actual or estimated number of personnel who worked on your agency's responses to congressional campaign finance inquiries, hours they worked, hourly rate (for question 8), and total cost.

Document Reproduction & Delivery Costs

Question 9.

- ☐ An explanation of how and from what records or reports your agency constructed the actual or estimated answer. If a numbering system was used to record a sequential number on each page that was copied, please provide the beginning and ending numbers and a total count of the original documents that were copied.

Question 10.

- ☐ An explanation of how and from what records or reports your agency constructed the actual or estimated answer.

Question 11.

- ☐ An explanation of the other types of delivery costs incurred by your agency. Also, an explanation of how and from what records or reports your agency constructed the actual or estimated answer.

Contractor Support

Question 13.

- ☐ A list of the procurement (contract, contract task order, and/or purchase order) identification numbers.

Question 14.

- ☐ Copies of documentation supporting costs paid.

Question 15.

- ☐ An explanation of how these numbers were derived.

Other Costs

Question 16.

- ☐ A list of the types of additional cost incurred and the actual or estimated amounts. Also, an explanation of how and from what records or reports your agency constructed the actual or estimated costs.

Additional Information

Question 18.

- ☐ An explanation for the box checked.

Question 19.

- ☐ An explanation for a "yes" answer.

Question 20.

- ☐ A list of the agency components from which data were collected and consolidated in responding to this survey.

PLEASE FAX ENCLOSURE 2 as soon as possible to Louise DiBenedetto at FAX (202) 512-9193.

SEND SURVEY IN THE ENCLOSED ENVELOPE WITHIN 45 DAYS
To: U.S. General Accounting Office
Louise DiBenedetto, AIMD
441 G Street, NW, Room 5Z19
Washington, D.C. 20548

8/20 Todd Peterson — Subpoena Meeting

1) need for rapid compliance + consistent response
2) 3 party equity in docs, esp White House, need to clear w/ other agencies
3) status report
4) new issue on subpoenas

Status

- Doc requests in May to about 20 agencies. WH coordination on docs w/ WH equities. (Communication to/from WH or part of process run by WH for policy development) — most requests fall in here, except IAT
  - so, if deliberative + WH equity, send to WHC + tell Committee

OMB
CEQ } 1st round of subpoenas
OSTP

- Treasury has had days of production. EPA ready to go, Commerce
- treating these as further doc. requests
  - Some restricted to Members only
  - Pres/VP docs described but not produced
- Now 4 more subpoenas (CEA, State, DOE, EPA) w/o regard to status of production. Broader in time + scope

Divided into 1) nondelib. (IAT) 2) delib but not high level or diplo sensitivity (staff clear) 3) Cabinet level + below, diplo sensitive (Members only)
4) to + from VP, Pres are not produced
- broadened idea on conditionally protected for 1st + 2nd to allow broader production to Congress. Cte hasn't responded positively yet

Staff mtg w/ Cte on 8/24

State - issued standard tasker; search underway (1-2000 in addition to what already produced)

WH limitly rde to what docs how WH equities

EPA - still respondy to McIntosh (last 8/13), same time as got subpoena. Subp. broader in scope. Already 5 file box of docs
Return date indefinitely postponed. EPA meetg w/ Chief Counsel for reasonable return date - Tues 8/25

Commerce - no subpoena yet. Formerly 3,000 pp + ready for clearance of 6000 pp. Subpoena threatened

DOE - Responded to 35/45 Q's + still working; collecting docs but have not sent yet to WH. So haven't really focused on subpoenas
9/3 mtg w/ StBD Clu

- Submitted some. Accumulated rest

DOT - no got subpoena. Did answer some Q's + have some docs

OMB - 2 sets of Q's + subpoenas. Got follow request for better answers + docs.
Then Q for more detailed info on docs response to subpoena

OSTP - subpoenaed as proceedg response to doc request. Now looking for addt'l material → 1st round 10,000 pp, much of which upheld.
Now reviewing files electronically + will send up new set w/ description of how searched. Found DOS + sent docs to DOS

Q's - what are WH equities? what are privileged (delib)?
Should talk WH if question — process of negotiation w/ Cttee
need basis

- Any one Cttee got special consid. of docs → all should have it
- Does DOS or WH make call on delibs → process of copies

2

- also, what process for 3rd docs → if not WH, establish deal that will send back to originating doc.

- Once doc. goes to WH, it becomes WH document + they're responsible let WH know if somethg particularly problematic

Treasury - sent 18,000 pp to WH. 1800 went to Hill + available for review (some yes). They've responded to Q's; consider them done.

Interior - no subp. Doc's @ WH.

CEQ - subpoenaed. Beyond them March letters. Clee came to visit 8/20. Clee thinks CEQ defining far too broadly. Some agmt for more time → may be willing to move to September to wrap up

Ag - no subpoena. Doc search done. Unsure what next

CEQ → what about WHCCTF + PCSD.
Are agencies looking at their detailees, agency reps

DOJ/OLC Not good to have each agency do their own hodge podge. CEQ should definitely say not producing task force doc's - that CEQ not producing nor agency producing docs of agency reps. If Congress wants docs in not their docs (e.g. if employees)

~~Labor~~ - WHC will push back on going over same docs where subpoenas overlap. - won't do duplicative search
- Clee has many compliance dates so that have to produce as

Soon as they create. Need to forge some agreement.
-> be cannon ar docs concerning process of doc production

Q on back-up email tapes?
Agencies w/ subpoenas must discuss this + negotiate

OLC is counseling ~~d~~ formal negotiations based on scope of Subpoena.

Time of compliance up to each agency to ~~negotiate~~

U.S. Department of Justice

Office of Legal Counsel

Office of the Deputy Assistant Attorney General

Washington, D.C. 20530

August 13, 1998

MEMORANDUM

TO: Agency Contacts for Oversight On Global Climate Change

FROM: Todd D. Peterson
Deputy Assistant Attorney General

RE: Meeting on Congressional Subpoenas Regarding Global Climate Change

A number of agencies have recently received subpoenas from the House Government Reform and Oversight Committee seeking documents concerning the White House Initiative on Global Climate Change. To ensure adequate consultation and coordination in responding to those subpoenas, we are scheduling a meeting for next Thursday, August 20th, at 2:00 p.m. The meeting will take place in the Office of Legal Counsel conference room (room 3254, Main Justice). It is important that each agency send at least one representative. Please notify Donna Cole (514-3997) as to who will attend from your agency.

Fax Transmission

United States Department of Justice
Office of Legal Counsel

Paul P. Colborn, Special Counsel

950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Phone: (202)514-2048
Fax: (202) 305-8524

TO: Listed Below DATE: August 13, 1998

Pages: 1 (including cover sheet)

Charlie Rawls	USDA	720-8666
Susan Truax	DOC	501-0249
Suzanne Palmieri	USAID	216-3036 or 3237
Art Gary	DOI	219-1790
Karen Maloy Sprecher	DOI	219-1790
Robert Taylor	DOD	703/693-4507
Neal Wolin	Treasury	622-2882
Ed Knight	Treasury	622-2882
Dave Berick	Energy	586-4891
Diana Clark	DOE	586-7396
Myron Zeitz	DOL	219-6896
Bill Buie	DOL	219-5120
Bruce Cohen	DOL	219-6896
Robert Weiner	WH Counsel	456-1647
Dinah Bear	CEO	456-0753
Julie Anderson	WH/CCTF	395-2342
Michele Jolin	WH/CEA	395-6958
Jim Thessin	State	647-1037
Susan Jacobs	State	647-2762
Dana Ott	EPA	260-4372
Nancy McFadden	DOT	366-3388
Bob Dreher	EPA	260-8046
Tanya Nunn	USAID	216-3055
Bob Harris	State	736-7115
Mark Fredericks	DOE	586-0861

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY [illegible]
MINORITY [illegible]
TTY [illegible]

August 13, 1998

BY FACSIMILE

Mr. Robert J. McCannell
Executive Director
Office of the Legal Adviser
U.S. Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Dear Mr. McCannell:

This letter confirms your agreement to accept service of the attached subpoena by facsimile in lieu of personal service on behalf of the Secretary of State.

As I mentioned to you on the telephone, the Chairman has authorized an extension of the return date due to the recent bombing of U.S. embassies in Kenya and Tanzania. The Chairman will establish a new return date after the Subcommittee staff has had the opportunity to meet with State Department staff to discuss the Department's response to the subpoena.

Please let me know if you have any questions. I can be reached at 202-225-4407.

Sincerely,

J. Keith Ausbrook
Chief Counsel
Subcommittee on National Economic Growth,
Natural Resources, and Regulatory Affairs

cc: Elizabeth Mundinger

SERVICE ACCEPTED IN
OFFICIAL CAPACITY ONLY
Robert J. McCannell
EXECUTIVE DIRECTOR 8-13-98
OFFICE OF THE LEGAL ADVISER 5:25 pm

L/EX

1998 AUG 14 A 5:25

DEPARTMENT OF STATE

Subpena Duces Tecum

By Authority of the House of Representatives of the Congress of the United States of America

SERVE: ELAINE K. SHOCAS,
CHIEF OF STAFF

To The Honorable Madeleine K. Albright, Secretary, U.S. Department of State

You are hereby commanded to produce the things identified on the attached schedule before the full Committee on Government Reform and Oversight of the House of Representatives of the United States, of which the Hon. Dan Burton is chairman, by producing such things in Room B-377 of the Rayburn House Building, in the city of Washington, on Tuesday, August 25, 1998, at the hour of 2:00 p.m.

To Judy McCoy or U.S. Marshals Service

to serve and make return.

SERVICE ACCEPTED IN
OFFICIAL CAPACITY ONLY
Robert J. McClennell
EXECUTIVE DIRECTOR 8-13-98
OFFICE OF THE LEGAL ADVISER

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 7th day of August, 1998

Dan Burton
Chairman.

Attest: Robin H Carle
Clerk.

Subpena for The Honorable Madeleine K. Albright

Secretary, U.S. Department of State

2201 C Street, N.W. Room 2276

Washington, DC 20520

SERVE: Elaine K. Shocas, Chief of Staff

before the Committee on the.................

....

....

Served by agreement by fax at

5:20 p.m. on August 13, 1998

on Robert J. McConnell

....

....

....

..............................House of Representatives

SCHEDULE A

Subpoena Duces Tecum
To produce records
Committee on Government Reform and Oversight
United States House of Representatives

TO:
The Honorable Madeleine K. Albright
Secretary
U.S. Department of State
2201 C Street N.W.
Washington, D.C. 20520

Serve: Elaine K. Shocas
Chief of Staff
U.S. Department of State

The Committee hereby subpoenas the production of certain records. Please provide logs which indicate each record's Bates number, author, description, source file, and the numbered request to which it is responsive. If you have any questions, please contact Chief Counsel of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, Keith Ausbrook, at (202) 225-4407.

Definitions and Instructions

1. For the purposes of this subpoena, the word "record" or "records" shall include, but shall not be limited to, any and all originals and identical copies of any item whether written, typed, printed, recorded, redacted or unredacted, transcribed, punched, taped, filmed, graphically portrayed, video or audio taped, however produced or reproduced, and includes, but is not limited to, any writing, reproduction, transcription, photograph, or video or audio recording, produced or stored in any fashion, including any and all activity reports, agendas, analyses, announcements, appointment books, briefing materials, bulletins, cables, calendars, card files, computer disks, cover sheets or routing cover sheets, drawings, computer entries, computer printouts, computer tapes, contracts, external and internal correspondence, diagrams, diaries, documents, electronic mail (e-mail), facsimiles, journal entries, letters, manuals, memoranda, messages, minutes, notes, notices, opinions, statements or charts of organization, plans, press releases, recordings, reports, Rolodexes, statements of procedure and policy, studies, summaries, talking points, tapes, telephone bills, telephone logs, telephone message slips, records or evidence of incoming and outgoing telephone calls, telegrams, telexes, transcripts, or any other machine readable material of any sort whether prepared by current or former employees, agents, consultants or by any non-employee without limitation. "Record" or "records" shall also include all other records, documents, data and information of a like and similar nature not listed above.

2. For purposes of this subpoena, the terms "refer" or "relate" and "concerning" as to any given subject means anything that constitutes, contains, embodies, identifies, mentions, deals with, or is in any manner whatsoever pertinent to that subject, including but not limited to records concerning the preparation of other records.

3. This subpoena calls for the production of records, documents and compilations of data and information that are currently in your possession, care, custody or control, including, but not limited to, all records which you have in your physical possession as well as any records to which you have access, any records which were formerly in your possession, or which you have put in storage or anyone has put in storage on your behalf. Unless a time period is specifically identified, the subpoena includes all documents to the present.

4. The conjunctions "or" and "and" are to be read interchangeably in the manner that gives this subpoena the broadest reading.

5. No records, documents, data or information called for by this subpoena shall be destroyed, modified, redacted, removed or otherwise made inaccessible to the Committee.

6. If you have knowledge that any subpoenaed record, document, data or information has been destroyed, discarded or lost, identify the subpoenaed records, documents data or information and provide an explanation of the destruction, discarding, loss, deposit or disposal.

7. When invoking a privilege or any other reason as a ground for withholding any responsive record, document, data or information as a ground for withholding such record, document, data or information, list each record, document, compilation of data or information by date, type, addressee, author (and if different, the preparer and signatory), general subject matter, and indicated or known circulation. Also, indicate the privilege or reason asserted with respect to each record, document, compilation of data or information in sufficient detail to ascertain the validity of the claim of privilege or other reason.

8. This subpoena is continuing in nature. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date shall be provided immediately upon location or discovery subsequent thereto.

9. If any document responsive to this subpoena has been previously produced to the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, it need not be produced again, provided it is reasonably identified by a description and the date of previous production.

10. Please provide a printed and, where possible, an electronic version of records. Electronic information may be stored on 3½ inch diskettes in ASCII format. In addition, please provide the Committee's Minority staff with an identical copy of all records provided.

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Harlan Watson
Finnegan

11. Please certify under oath to the Committee the following: (1) the records produced were collected following a comprehensive search and represent all relevant records called for by this subpoena; and (2) that no other records exist.

Subpoenaed Items

Please provide the Committee with the following:

1. All records responsive to the letters dated March 11, 1998 and May 27, 1998 to the Department of State from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs. MacIntosh I

2. All records reflecting or relating to any economic and environmental data and analyses which were used to prepare the testimony of Undersecretary of State Stuart Eizenstadt before any Committee of Congress about the White House Initiative on Global Climate Change, including but not limited to President Clinton's Climate Change Technology Initiative or the Kyoto Protocol. MacIntosh II ↓

3. All records reflecting or relating to any economic and environmental data and analyses which were used to prepare the testimony of Dr. Janet Yellen about the economic impact of implementing the Kyoto Protocol before any Committee of Congress about the White House Initiative on Global Climate Change, including but not limited to President Clinton's Climate Change Technology Initiative or the Kyoto Protocol.

4. All records reflecting or relating to any comments submitted by federal agencies on Dr. Janet Yellen's draft testimony about the economic impact of implementing the Kyoto Protocol for the hearing on or about March 4, 1998 before the House Commerce Committee, and on any other executive branch witness's draft testimony on the Administration's climate change policies or the Kyoto Protocol before any committee of Congress since January 1, 1998.

5. All records reflecting or relating to any interagency review or analysis of, or interagency deliberations concerning, the economic and environmental impacts of the Administration's climate change policies and other climate change mitigation options considered by the Administration, occurring on or after July 1996, including but not limited to, the analyses and deliberations of the group known as the Interagency Analytic Team.

6. All records reflecting or relating to any economic and environmental data and analyses that were used by or provided to the Administration representatives and other members of the U.S. Delegation in connection with the negotiation of the Kyoto Protocol.

7. All records reflecting or relating to any analyses of the effect of stabilizing United States greenhouse gas emissions at 1990 levels or of reducing such emissions below 1990 levels on U.S. economic growth, productivity, trade competitiveness, and employment.

8. All records reflecting or relating to any analysis of the costs and benefits of meeting the targets and timetables for the reduction of U.S. greenhouse gas emissions specified in the Kyoto Protocol and to any analysis of the costs and benefits of any alternative climate change mitigation and compliance options that have been considered by the Administration since the beginning of July 1996.

9. All records reflecting or relating to any economic and environmental data and analyses used to develop the White House Initiative on Global Climate Change, including, but not limited to, the Administration's Climate Change Technology Initiative and any alternative policy options considered by the Administration.

10. All records reflecting or relating to the potential cumulative costs of all environmental and energy regulations, or any combination of such regulations, that have been issued since 1992, that have been proposed, or that are being developed, that will have the effect of reducing greenhouse gas emissions (whether or not this is the primary purpose of the regulation)

11. All records reflecting or relating to the potential cumulative effects of the regulations referenced in item 10, or any combination of such regulations, on the U.S. economy and energy system.

12. All records reflecting or relating to the applicability and availability of existing authority to implement any measure that is the subject of the Kyoto Protocol.

13. All records reflecting or related to any analyses of, or any plans, programs, or proposals to implement, "international emissions trading," "joint implementation," and the "Clean Development Mechanism," as those terms are defined and used in the Kyoto Protocol.

14. All records reflecting or relating to the Department's "Climate Stabilization Fund" or any predecessor activity since 1993.

15. All records created to respond to the letters dated March 11, 1998 and May 27, 1998 to the Department of State from the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS

September 1, 1998

TO: Julie Anderson

FROM: Michele Jolin

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

CHIEF OF STAFF

August 24, 1998

Dear Ms. Dobriansky:

Enclosed are responses to questions 15-34 of the March 13 letter from Chairman McIntosh to Council of Economic Advisers ("CEA") Chair Janet Yellen. Also enclosed are 6 boxes of documents related to economic analysis of climate change policies.

In addition, the Office of the Counsel to the President has determined that other CEA climate change documents include material that reflects Executive Branch policy-making deliberations. Please contact the Office of Counsel to the President to discuss the appropriate accommodation with regard to these materials.

Finally, as you know, on August 10, 1998, CEA Chair Janet Yellen was served with a subpoena to produce certain records related to climate change. This subpoena requires that the CEA provide the Committee within a 2 week period an extremely broad range of additional climate change materials that were not covered by Chairman McIntosh's March 13 letter. The August 10 subpoena will require a substantial and time consuming new search of CEA files. Moreover, given that much of the materials are likely to reflect policy deliberations, the Office of the Counsel to the President will need to review the documents to safeguard the interests of the Executive Branch in confidentiality of the policy-making process.

As you know, even though the CEA staff is extremely small, CEA is responsible for providing the President with information, analysis and advice on a range of domestic and international economic issues, including performance of the stock market, trends in the U.S. economy, Social Security reform, the Asian financial crisis and the economic troubles in Russia. We are simply unable to undertake the additional search required to respond on the timetable specified in the August 10 subpoena, while still fulfilling our statutory obligations related to the continued strength and vitality of the U.S. economy.

Please contact me at 395-5084 to discuss the nature and timing of the CEA's response to the August 10 subpoena.

Sincerely,

Michele Jolin

Michele Jolin

Ms. Larisa Dobriansky
Senior Counsel
Subcommittee on National Economic Growth,
Natural Resources and Regulatory Affairs
Committee on Government Reform and Oversight
U.S. House of Representatives
Room 2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Enclosures

cc: Keith Ausbrook
Alys Campaigne

Answers to March 13 Questions To CEA from Representative McIntosh Chair of the House Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs

C. Dr. Yellen's Testimony before the House Commerce Committee on March 4, 1998

15. *Please provide any and all analyses that support the Administration's conclusion that impacts on the U.S. economy of complying with the terms of the Kyoto Protocol are likely to be "modest".*

Response: Dr. Yellen's testimony concluded that the net costs of the Administration's policies to reduce emissions are likely to be small, assuming those reductions are undertaken in an efficient manner and the United States is successful in securing meaningful developing country participation as well as effective international trading, and the Clean Development Mechanism. The analyses supporting this conclusion are presented in "The Kyoto Protocol and the President's Policies to Address Climate Change: Administration Economic Analysis" (hereafter, the AEA). (see pp. 39-72)

15. Continued. *Also, explain fully how the Administration can make such a forecast responsibly when as Dr. Yellen stated, "it is not yet possible to provide a full authoritative analysis of the Kyoto Protocol." Among other things, Dr. Yellen noted that there is still "much that we do not know" because much has been left unresolved by this treaty (for example, implementation issues, the rules and procedures governing international emissions trading, joint implementation projects, and the Clean Development Mechanism, and future emissions reduction obligations). Moreover, Dr. Yellen asserted that to her knowledge, "no [economic] model --whether used inside the government or not --has yet been set up to analyze the implications of the Kyoto Protocol, since this agreement is only a few months old."*

Response: As mentioned in Dr. Yellen's testimony, many analyses estimating costs of the Kyoto Protocol have generally not taken into account the specific provisions of the Kyoto agreement and the Administration's policies with respect to reducing greenhouse gas emissions. In particular they have omitted the cost-savings likely to result from international permit trading, the Clean Development Mechanism, meaningful participation by key developing countries, trading across six categories of greenhouse gases, and the flexibility provided by including carbon sinks. Omitting these elements will raise the estimated cost. The Administration's conclusion, and the illustrative numerical estimates that support this conclusion, incorporate these policies and mechanisms.

16. *Please provide any and all analyses that support the following estimates:*

a. *U.S. electricity restructuring "will offer approximately $20 billion in cost savings".*

Response: The derivation of this estimate is explained in the AEA in the section entitled potential electricity restructuring cost-savings. (see Appendix C)

b. *Emissions trading among the Annex I countries "can reduce the cost to the United States of achieving its targets for 2008-2012 emissions by about half."*

Response: Please see the section on the effects of climate change policy on the United States in the AEA. (see pp. 27-32, 45, 48, 51-52)

c. *Emissions trading among a subset of Annex I countries (for example, the United States, Australia, Canada, New Zealand, and Russia) "can reduce costs by an estimated 60-70 percent."*

Response: Please see the section on the effects of climate change policy on the United States in the AEA. (see pp. 27-32, 45, 48, 51-52)

Also, based on the estimates presented in Janet Yellen's testimony, please explain and fully document how more limited trading among this subset of countries would produce greater cost reductions than from either trading among all Annex I countries or trading with the full participation of Non-Annex I countries.

Response: The market clearing price for greenhouse gas permits in an international trading system result from the supply and demand for internationally traded permits. If a country that is expected to be a net seller decided not to sell, then the actual supply falls, and the permit price and associated cost increases. If a country that is expected to be a net buyer decided not to buy, then demand falls, and the permit price and associated cost falls. In the case of trading under the Kyoto Protocol, both the United States and the European Union are projected by many economic models to be net buyers. If the European Union decides not to participate in international trading, then the demand for permits on the international market would decline, and the permit price and costs would fall, thereby benefiting countries that continue to buy permits internationally. Please also see the section on the effect of climate change policy on the United States in the AEA (see pp. 51-53).

d. *The Clean Development Mechanism "might shave costs by roughly another 20 to 25 percent".*

Response: The United States is seeking to ensure that the Clean Development Mechanism becomes a cost-effective way to allow developed country firms to give financing and technical assistance for projects to lower emissions and to receive credit for the reductions. Our best professional judgment, based on discussions with a variety of informed analysts, is that CDM could achieve at least 20 percent of the emissions reductions available under full global trading.

The statement that costs would fall by roughly another 20 to 25 percent is based on the SGM results given an assumption of 20 percent "effectiveness," and is further explained in the AEA. (see pp. 35, 48)

e. *Overall costs "would reach roughly one-tenth of one percent of projected GDP in 2010" (resource costs of achieving Kyoto targets for emissions reductions were estimated to be $7 to $12 billion per year in 2008 to 2012).*

Response: The forecasted changes in GDP were taken from the SGM model output based on certain assumptions. Please see the section on the effects of climate change policy on the United States in the attached AEA for a brief summary. (see pp. 51-53)

Also, please explain how it is possible that compliance with the Kyoto Protocol, which has been projected by independent economists to be the most expensive environmental undertaking ever, could cost less than compliance with the recently issued U.S. air quality rules for particulate matter and ozone (the final Regulatory Impact Analysis for those rules estimated costs of $46 billion).

Response: As mentioned in Dr. Yellen's testimony, many analyses estimating costs have generally not taken into account the flexibility mechanisms included in the Kyoto Protocol and the Administration's policies with respect to reducing greenhouse gas emissions. In particular they have omitted the cost-savings likely to result from international permit trading, the Clean Development Mechanism, meaningful participation by key developing countries, trading across six categories of greenhouse gases, and the flexibility provided by including carbon sinks. Omitting these flexibility mechanisms raises the cost estimates of these analyses.

f. *The assumption that the rate of improvement in energy efficiency (AEEI) will be 1.0 percent per year (which is greater than that assumed by the EIA).*

Response: Please see the section on energy efficiency improvement in the AEA for a brief summary. (see pp. 46-47)

In particular, please reconcile this assumption with the statement of the CEA in its 1998 Annual Report that "[u]ntil an emissions cap and trading system are in place, however, the economic incentive to use [technologies supported by the Administration's budget] may be low."

Response: No reconciliation is needed. The comment from the 1998 ERP implies simply that in the absence of a cap and trade system that would lower the price of using carbon-lean technologies relative to carbon-rich technologies, the incentives to adopt such carbon-lean technologies will be less than in a world with the target and trade system in place. Moreover, the AEEI represents the autonomous rate of technological improvement, i.e., the rate that would occur in the absence of price changes that the target and trade system might lead to, due merely to the greater availability of new technologies. Thus its value is a comment on the extent of one's technological optimism, and not about optimism of private parties to respond to price incentives.

Is the Administration assuming that such a system will be put into place in the short-run?

Response: The Administration's position on the timing of a target and trade system has not changed. The Administration maintains that the system should be established in the 2008-12 time-frame with the benefit of 10 years of additional experience with similar market based mechanisms.

g. *The estimated effect on energy prices will range from $14 to $23 per ton of carbon equivalent.*

Response: Please see the section of the AEA that describes the effects of climate change policy on the United States (see pp. 54-58)

h. *"In energy-intensive sectors some employment reduction could occur, although given the very small predicted change in energy prices, impacts in most such sectors are apt to be minimal. Furthermore, a large number of jobs will be created in other sectors --many of them high-tech jobs paying high wages."*

Response: According to standard economic analysis, in the long run, total employment is determined by the size of the labor force, incentives to work, and the productivity of labor. Changes in prices -- which result from developments in technology, trade, energy markets, or many other areas -- tend to have their effects on the composition of employment across sectors, more than on total employment.

As explained in Dr. Yellen's testimony and in the AEA, the energy price changes expected to result from the Kyoto protocol are likely to be modest. In particular, these price changes over the next decade are less than the average of year-to-year absolute price changes observed since 1960. Thus there is little reason to believe there will be large changes in employment even in the energy-intensive sectors. In the less energy-intensive sectors, there is no reason to expect any decline in employment at all due to climate change policies. Most economic models would not predict changes in the overall level of employment resulting from such small energy price changes 10 years in the future. (see pp. 54-62)

Furthermore, the United States has a strong competitive advantage in a variety of high-tech sectors. For example, recent innovations in battery technology, and in fuel cells were announced by U.S. companies. These innovations, and future ones expected from U.S. companies, will be in demand worldwide. The growth in associated production is likely to lead to growth in high-wage jobs in this country.

I. *As to each analysis, please indicate who prepared the analysis and provide records of comments from other federal agencies.*

Response: All of the analysis for Dr. Yellen's testimony on climate change and the AEA was prepared by current and former CEA staff under the direction of the Members of the Council, with the collaboration of staff at several other government agencies.

Documents responsive to this request reflect internal deliberations of the Executive Office of the President with regard to ongoing policies of the Administration. As to such materials, please contact the Office of the Counsel to the President.

17. *Please provide any and all analyses that support the Administration's estimate that benefits relating to traffic congestion, highway accidents, and air pollution unrelated to climate change "could offset approximately a quarter of the resource cost of the climate change policy."*

Response: This analysis is summarized in the section of the AEA describing ancillary benefits. (see pp. 66-68)

Documents responsive to this request reflect internal deliberations of the Executive Office of the President with regard to ongoing policies of the Administration. As to such materials, please contact the Office of the Counsel to the President.

As to each analysis, please indicate who prepared the analysis and provide all records of comments from other federal agencies.

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18a. *In her testimony, Dr. Yellen stated that, in evaluating the "likely net economic impact of the Kyoto Protocol," the Administration has "drawn upon a broad array of analytical tools", and a "wide range of models of the energy sector and economy over the next 25 years" to assess the various possible costs and non-climate benefits of the Administration's emissions reduction policy. Please specify all of the models and analytical tools that the Administration has used and describe in detail their strengths and weaknesses.*

Response: As explained in Dr. Yellen's testimony, the existence of modeling difficulties means that we should treat any model results with the caution that is warranted -- not that we should abandon rigorous economic analysis. We have employed a broad set of economic tools to analyze the policy options. Such tools include models of the energy sector and economy over the next 25 years, including but not limited to the results of the Stanford Energy Modeling Forum exercises, the IPCC's review of the economic and social dimensions of climate change, and the staff-level Interagency Analytical Team effort last year. Other tools include simple relevant statistics, "meta-analyses" of existing models (such as that undertaken by Robert Repetto and David Austin of Resources for the Future), historical and sectoral examples, univariate and multivariate regression analysis, simulations, Hotelling-type theoretical models, CEA staff econometric forecasts of emissions in developing countries, stylized models of perfect competition and monopoly, basic economic reasoning and the various other sorts of theoretical and empirical tools of analysis that abound in the scholarly literature. Drawing on this broad array of analytical tools allowed a useful evaluation of the policy alternatives.

We have considered and evaluated the following specific large econometric and computable general equilibrium models of the economics of climate change mitigation: Second Generation Model, G-cubed, MERGE, and DICE. We have also looked at the results from many other models, such as GREEN, DRI, Markal Macro, Megabare, EPPA, FUND, MiniCAM, CETA, RIVM, and CETM/MRT.

18b. *According to the testimony, the Administration has relied particularly on the Second Generation Model of Battelle Laboratories for many of its estimates. However, the IAT report indicated that the SGM model "focusses on long-term transitions and measures the economy in 5 year intervals," so that it risks racing past short-term transition issues, such as GDP loss and impacts on specific industries.*

Specify all of the Administration's estimates that were derived from this model.

Response: The Administration used this model's estimates as one of several inputs in its calculations of likely permit prices and resource costs for the different emissions trading scenarios. Please see the methodology section in the AEA. (see pp. 42-49) Information of the marginal abatement cost curves of non-carbon dioxide greenhouse gases was missing from the SGM output and added to reflect provisions in the Protocol. Numerical estimates of expenditure changes and ancillary benefits used estimates of likely permit prices or emissions reductions as inputs.

Also, indicate why many of the Administration's key estimates were derived from this model.

Response: The SGM model, unlike many economic models of climate change, has an explicit model of emissions reductions in other countries, and so is exceptionally well suited for estimating emissions permit prices given international trade in permits. In addition, it has modules reflecting several major developing countries and data on all other developing countries as a group. Thus, it is well suited to address the effects of developing country participation on permit prices. Finally, the timely availability of sufficient information about a variety of SGM model runs made its use practical between the time the Kyoto Protocol was developed in December 1997 and our first testimony in March 1998.

Finally, please identify the corresponding estimates derived from each model that the Administration has used in assessing the impacts of the Kyoto Protocol.

Response: The development of corresponding estimates is a complicated technical task that is beyond the abilities of our small staff to complete in a timely manner. We expect that the Stanford Energy Modeling Forum, which conducts exercises with a set of energy-economic models to assess hypothetical energy policy scenarios, will continue to produce comparisons of various climate change models' forecasts of the effects of the Kyoto Protocol. Although some of these models have not yet incorporated the five categories of non-CO2 gases directly into their models, these comparisons should provide a full comparison of the SGM predictions with those of other models.

19. *What are the 1990 baseline, the Fiscal Year 1997, 1998 and 1999, data, and the annual outyear estimates until 2012 for the following outcome performance measures mentioned in Dr. Yellen's testimony: morbidity rates for some diseases, mortality rates for some causes, monetary damages from temperature increase, consequences from some catastrophes, traffic congestion, highway accidents, and air pollution unrelated to climate change.*

Response: For all these data we have no information on outcome performance measures for the Fiscal Years requested, or for year-to-year estimates through 2012. For baseline and projections of air pollution, please refer to the EPA Regulatory Impact Analysis for Ozone and Particulate Matter. For baseline and projections of traffic congestion and accidents, please refer to the following report:

> Texas Transportation Institute, Texas Department of Transportation, and the Federal Highway Administration. 1997. Urban Roadway Congestion -- 1982 to 1994. August.

20. *Why does the Administration maintain that the U.S. acid rain program experience "clearly demonstrates how programs like international permit trading, joint implementation and the Clean Development Mechanism will lead firms to find cheaper ways of reducing emissions that can lead to unexpectedly low costs"?*

Response: Emissions trading programs and other market mechanisms, provide continuous economic incentives to reduce emissions further, which generally lead costs to be much lower than would be the case under a variety of more traditional regulatory approaches. The acid rain program, for example, has resulted in compliance costs far below those originally estimated.

Why does the Administration believe that it is appropriate to extrapolate from that experience to the global arena.

Response: The basic principle that there is gain from the ability to trade emissions permits is of quite wide applicability. Indeed the textbook theory of gains from trade is perhaps most familiar and well established at the international level. Economic incentives generally have similar effects in different countries and cultures: people everywhere are interested in higher incomes. International permit markets will lower compliance costs in all participating countries, because they provide financial incentives for sources to reduce emissions. These incentives will have the effect of lowering the costs of emissions cuts relative to what would be the case without any trading of emissions permits.

Won't the effectiveness of the international system, joint implementation, and the Clean Development Mechanism depend on different factors, such as the rules and procedures governing these mechanisms, the extent of participation by other countries, including developing countries?

Response: The Administration believes that effective rules on trading, joint implementation and the Clean Development Mechanism are critical to the success of these mechanisms, and has asked other parties to support such rules.

21a. *In her testimony, Dr. Yellen stated that part of doing it smart (i.e., lowering the costs of reducing greenhouse gas emissions) under the Kyoto Protocol means "taking serious and responsible steps in the short-run to prepare us to meet our obligations in the longer-term." She indicated that these steps include a $6.3 billion program of tax cuts and R&D investments, industry-by-industry consultations to prepare emission reduction plans in key industrial sectors, and legislation to restructure the electrical industry. Under what authority is the Administration pursuing this unilateral executive branch course of action in furtherance of the treaty's emissions reductions targets and without Senate Ratification?*

Response: The programs you describe are not unilateral executive branch actions to implement the Kyoto Protocol. For example, the $6.3 billion Climate Change Technology Initiative (CCTI) is a 1999 budget proposal to Congress. Similarly, the electricity restructuring plan is a legislative proposal. Voluntary actions to reduce greenhouse gas emissions, such as exemplified by the CCTI and industry consultations are fully consistent with the U.S. obligations under the 1992 Framework Convention on Climate Change and existing agency authority. Moreover, these programs are not specifically intended to implement the Kyoto Protocol. Rather, they are meant to keep the United States on a path toward cleaner and more efficient energy use and promote a more competitive electricity industry.

21b. *If the Administration is delaying the submission of the treaty to the Senate until it obtains meaningful participation by developing countries, doesn't that decision also require the Administration to delay any unilateral executive branch action to address global warming until that cooperation is forthcoming.*

Response: The Administration is not embarking on unilateral Executive Branch action to implement the Kyoto Protocol without ratification. To the contrary, steps to ensure compliance with the Protocol's requirements will be undertaken only with the full advice and consent of the Senate. However, the Administration is pursuing a variety of policies that make good sense even independent of concerns about climate change and that has the additional desirable property of reducing greenhouse gas concentrations. Examples of such policies include the CCTI. These polices all reduce energy consumption, and thereby reduce dependence on foreign oil and emissions of air pollutants unrelated to climate change, policy goals that have enjoyed bipartisan support in Congress and have been a long standing priority of this and previous administrations. The 1992 Framework Convention on Climate Change adopted by the Bush Administration and ratified by the Senate requires the United States to take measures to reduce its greenhouse gas emissions.

c. *Given that the Kyoto Protocol seeks to address a global issue, isn't [it] harmful to U.S. interests to proceed without the full participation of developing countries.*

Response: The President has said that he will not submit the Kyoto Protocol for Senate ratification without meaningful participation by key developing countries.

d. *Besides being unconstitutional, isn't it also premature and harmful to U.S. interests to take such unilateral actions, without ratification, when the Administration has characterized the Protocol as a "work in progress" a Protocol that is not yet fully complete nor ready for the President's submission to the Senate?*

Response: The President has clearly stated that the Administration will not circumvent the Congress and implement the Kyoto treaty before it is ratified. However, this does not mean that ongoing efforts to promote energy efficiency, reduce our reliance on foreign oil or improve our air quality should be rolled back. As stated above, these initiatives have enjoyed bipartisan support in Congress and are consistent with our obligations under the 1992 Framework Convention on Climate Change.

D. Cost/Benefit Analysis of the Kyoto Treaty

22a. *Please provide any and all analyses that the Administration or any federal agency prepared (or had prepared) or is preparing (or is having prepared) of the costs and benefits of imposing on the U.S. the binding targets and timetables set forth in the Kyoto Protocol for reducing greenhouse gas emissions, taking into account the global implications of the way in which this agreement is structured.*

Response: Please see the AEA for additional detailed information about the economic analysis of the Kyoto Protocol. (see pp. 39-72)

Also please analyze and document the following:

22b. *Whether the benefits of implementing this Protocol are justified by the costs.*

Response: It is extremely difficult to quantify the long-term economic benefits of climate change mitigation. We have not calculated a monetary value of these benefits. Although we do not think the benefits of mitigating climate change are, at this stage, quantifiable with adequate precision, they are nonetheless likely to be real and large in the long run. Estimates of costs for the United States to meet its Kyoto emissions targets are likely to be modest if these reductions are undertaken in an efficient manner. (see AEA pp. iii.- iv.)

22c. *Evaluate the effectiveness of this agreement by comparing the marginal abatement costs of the most plausible alternative scenarios for meeting the Kyoto targets, given the way in which this agreement is structured, with the marginal costs of other reasonable alternative compliance schemes.*

Response: The Administration has presented a set of scenarios reflecting a variety of assumptions about international trading and participation by developing countries, both in trading and the Clean Development Mechanism. (see AEA pp. 51-53) However, it should be noted that the illustrative analysis in the AEA does not incorporate several components of the Administration's efforts to address the risks of climate change. For example, the illustrative analysis did not take into account cost-effective opportunities for mitigation through carbon sinks, the Administration's electricity restructuring proposal, the Climate Change Technology Initiative, industry consultations, and improved Federal energy management. All of these can provide additional opportunities for abatement domestically that are not reflected in the illustrative analysis because they are not amenable to analysis with a computable general equilibrium model such as SGM.

22d. *With respect to each scenario that is analyzed, identify the assumptions used, explain any uncertainties concerning the assumptions, and examine the sensitivity of net effects to the different compliance strategies, using a range of plausible assumptions about future economic development and about fundamental climate processes.*

Response: Please see the methodology section of the AEA. (see pp. 42-50)

22e. *Evaluate the opportunity costs of pursuing the Administration's strategy for the abatement of greenhouse gas emissions under the terms of the treaty;*

Response: As the Protocol is a work in progress its opportunity costs cannot be evaluated without also considering the additional flexibility mechanisms included as a result of continued United States efforts in ongoing diplomatic discussions. The opportunity costs of the Protocol and the flexibility mechanisms are extensively discussed in prior testimony by Dr. Janet Yellen, and in the AEA. (see pp. 51-68)

22f. *Evaluate how the benefits and burdens of complying with this treaty would be distributed on the national and household levels, describing, among other things, the disparate regional and industrial impacts, and the effects on different income levels.*

Response: We do not have estimates of the distribution of impacts across regions or industries.

23a. *In evaluating alternative scenarios, please examine the following.*

23b. *Compare the economic and environmental effects of not including developing countries in* *the effort to reduce global emissions (with the potential for binding developed countries to even greater obligations, without limiting developing countries at all) against the effects of addressing greenhouse gas mitigation on a global scale by the international community.*

Response: Climate change is a global problem, so policy approaches encompassing more countries will likely be both more effective and more cost-effective than approaches involving only a few countries. Including developing countries will lower costs and permit prices substantially because of the many low cost abatement opportunities in these countries. Estimates from the Battelle Laboratory's Second Generation Model, which are in line with other models, suggest that developing country participation through the Clean Development Mechanism (CDM) along with trading among developed countries with emissions targets could reduce resource costs by 66 percent compared to a domestic only approach. Trading among developed countries with emissions targets without CDM could reduce resource costs by 57 percent compared to a domestic only approach. The model suggests that including key developing country participation through adopting emissions targets and participating in international permit markets along with developed countries could lower costs by nearly 80 percent. (see AEA pp. 51-53)

23c. *Compare the economic and environmental effects of complying with the timeframes set forth in the Kyoto Protocol with the effects of complying over longer time periods.*

Response: The AEA focuses on assessing the economic and environmental effects of complying with the Kyoto Protocol and the President's policies to address climate change.

23d. *Compare the impacts of reducing greenhouse gas emissions using international emissions trading, joint implementation, and the Clean Development Mechanism with the impacts of relying upon domestic emissions permit trading. In this regard evaluate alternative international trading scenarios: trading only among Annex I countries, trading that extends to a number of key developing countries, and trading in which all countries are fully participating.*

Response: Please see the results section of the AEA. (see pp. 51-68)

24. *With respect to any analysis provided, please identify and explain the basis for assumptions used regarding such factors as the rate of improvement in energy efficiency, the effectiveness of market incentives in increasing the market share of fuels that emit less carbon, and economic and demographic growth. Also, explain fully any assumptions on how emissions reductions will be achieved as, for example, through the early retirement of coal plants or nuclear plant life extensions.*

Response: Please refer to the section on energy efficiency improvement in the AEA. (see pp. 46-47) In addition, for a discussion on the effects of a permit trading system on energy efficiency improvement, please refer to p. 53 of the AEA. For a discussion of how emissions reductions are achieved in the Second Generation Model, please refer to Edmonds et al. 1992 (full cite is on p. 75 of the AEA).

25. *In considering the opportunity costs, evaluate the extent to which the Administration's climate change strategy will require the diversion of funds from savings and/or investments which would have provided other benefits, such as saving social security, or more funding for education, health care, etc.*

Response: The resource costs that are described in Dr. Yellen's testimony reflect the opportunity cost as it is usually understood by economists. The apportionment of these costs to foregone spending, whether on social security or education or some other program, is an unconventional analysis that we have not undertaken.

26. *In assessing the impacts on the U.S. of complying with the Kyoto targets and timetables, please explain in detail the potential effects on the following indicators of economic performance: gross domestic product (GDP), per capita GDP, unemployment, income and real wages, trade competitiveness, and energy prices.*

Response: Projected percentage changes in GDP, per capita GDP, energy prices and competitiveness, are outlined in Dr. Yellen's testimony, and discussed in the results section of the AEA. (see pp. 54-61) Given the Administration's policies, complying with the Kyoto targets should not have significant effects on aggregate employment. (see AEA p. 62 and the answer to Question 16h)

27. *In assessing the benefits of complying with the Kyoto treaty, please evaluate fully the potential offsetting negative effects of exempting developing countries and of "carbon leakage".*

Response: Exempting all developing countries would amount to a hypothetical departure from the President's policy. The Kyoto Protocol establishes a Clean Development Mechanism whereby Annex I countries such as the United States or their firms may undertake projects that reduce emissions in developing countries and receive credit for such reductions. CDM is likely to provide a broad range of cost savings to the United States, and this conclusion is consistent with our interpretation of SGM model results that suggest that CDM would reduce resource costs by about 20 to 25 percent relative to scenarios in which there is permit trading either among all or a subset of Annex I countries. Inclusion of developing countries in the CDM and in international emissions trading would mitigate carbon leakage.

28. *President Clinton has suggested that the U.S. economy can continue to grow under this agreement. Please indicate at what rate the Administration expects that the economy will continue to grow during the next 10 to 20 years if the treaty is ratified and at what rate it is expected to grow if the treaty is not ratified.*

Response: As shown in a figure on GDP in 2010 in the results section of the AEA (see p. 59), the effect on the GDP growth rate of the Kyoto Protocol, given the assumptions that we have elsewhere described, is minimal relative to the anticipated growth in GDP between now and 2010. Under business as usual, the Second Generation Model projects U.S. GDP to grow 2.0859% annually between 1995 and 2010. With a permit price of $14/ton, SGM projects the annual growth rate to be 2.0851%, and less than $23/ton, the annual growth rate is projected to be 2.0822%. (see p. 59)

29. *Have any of the cost-benefit analyses performed by the Administration or any agency been peer-reviewed?*

Response: With the exception of the IAT report which was fully the work of many agencies under the direction of the Department of Commerce, and some of the studies by the Department of Energy's National Labs, we are unaware of any peer-review of Administration estimates. The Council of Economic Advisers took the lead on the AEA. This document has not been peer reviewed, consistent with the CEA's policy that it does not submit its analyses or reports for peer review.

30. *In connection with these cost-benefit analyses, fully explain how the baseline(s), against which costs and benefits were calculated, was determined.*

Response: Please see the AEA. (see pp. 42-50)

31a. *Please provide all records of written or oral comments from other agencies on each of the cost-benefit analyses that were performed.*

Response: Documents responsive to this request reflect internal deliberations of the Executive Office of the President with regard to ongoing policies of the Administration. As to such materials, please contact the Office of the Counsel to the President.

31b. *Please provide all records of comments submitted by federal agencies on Dr. Yellen's draft testimony about the economics of Kyoto for the hearing before the House Commerce Committee on March 4, 1998.*

Response: Documents responsive to this request reflect internal deliberations of the Executive Office of the President with regard to ongoing policies of the Administration. As to such materials, please contact the Office of the Counsel to the President.

32a. *Given the significant economic costs projected by private sector studies, why did the Administration abandon a year and a half-long effort to develop cost estimates of the President's proposed policies to reduce greenhouse gas emissions?*

Response: First, the significant costs projected by private sector studies are not derived from analyses of emissions reduction scenarios that include the whole range of flexible elements that comprise both the Kyoto Protocol and Administration policy. The Interagency Analytical Team work to which the question refers was a modeling effort that produced some useful lessons, but as we found from the peer reviewers' comments, it also suffered from some shortcomings. The Administration Economic Analysis (AEA) builds on the IAT exercise and also the insights of a wide range of models and other relevant literature to derive its conclusion that, with the flexibility mechanisms included in the treaty, and with sound domestic policies, the economic impacts of complying with the Kyoto Protocol should be modest.

32b. *Please identify any and all private parties that are currently performing economic analyses of the Kyoto treaty or any aspect of it for the Administration. Describe their work and provide all products of their work in draft or final form.*

Response: CEA has no list of parties doing economic analysis of the Kyoto Protocol or any aspect of it for the Administration. Moreover, CEA has no contract or cooperative agreement with any modeler or modelers to undertake specific analyses regarding the Kyoto Protocol.

E. International Emissions Trading

33a. *Even assuming that effective rules and procedures can be developed for an international emissions trading system and for joint implementation projects and that key developing countries agree to participate, isn't there a real risk that these mechanisms could effect an enormous transfer of wealth and jobs out of this country overseas, especially to the countries of the former Soviet Union, China, India, South Korea, Brazil, and Mexico (i.e. that this system would be essentially a foreign aid program)? Some studies have estimated that more than 50% of our reductions would have to be purchased from other countries.*

Response: The Administration is committed to achieving as many cost-effective emissions reductions domestically as possible. At the same time, our analysis does suggest that for the 2008-2012 time frame it makes sense for the United States to pursue low cost emissions reductions abroad, as would happen with the full implementation of an international emissions trading program. The key point is that trading will be economically beneficial to U.S. firms. We expect the Annex B parties of the former Soviet Union and key developing countries will provide significant investment opportunities for U.S. firms to capture gains from emissions trading as those countries restructure and develop their economies. Developing countries will represent the greatest share of new energy, transportation, and building infrastructure investment worldwide in the coming decades, and U.S. firms can help provide clean technologies and financing that will build those economies and markets, help stave off disruptive climate effects, and allow U.S. firms to capitalize on their investments in environmentally superior products and processes.

Our analysis does not suggest that emissions trading will have a significant negative impact on U.S. employment. If anything, the lower costs associated with a comprehensive trading program will help protect American jobs.

33b. *Please provide and document estimates of the percentage of U.S. emissions reductions that might have to be purchased from other countries to minimize the costs of reducing emissions and which countries likely would be the beneficiaries.*

Response: Our analyses provide illustrative estimates of how emissions trading and other flexibility mechanisms can lower costs, but ascribing with precision the emissions reduction to any particular country is impossible. The trades and emissions reductions undertaken by U.S. firms will depend on a whole host of factors such as the costs (including transactions costs) of emissions reductions in participating countries, the extent to which emissions can be cost-effectively offset through sinks at home and abroad, the role of the six categories of gases, and the development and deployment of climate-friendly technology. Further, the "beneficiaries" of trading would include the United States, particularly U.S. firms, due to the lowered costs of achieving our target.

34a. *What real incentive do developing countries have to participate in the international emissions trading system, which would require them to commit to mandatory reductions, when they can transfer emissions reductions credits in connection with joint implementation projects and obtain financing through the Clean Development Mechanism?*

Response: Developing countries would experience significant gains from trading in emissions permits. The economic and environmental rationales for a target and trade approach by developing countries include:

- Greater economic benefits to developing countries: With targets at or only slightly below their business-as-usual (BAU) projected emissions growth, emissions reductions in developing countries would produce many billions of dollars through the international sale of emission reductions achieved at lower cost than the world price.

- Target and trade yields greater benefits than CDM: While the Clean Development Mechanism will result in benefits for developing countries, an effective target and trade system can produce far greater benefits to developing countries. In contrast to the CDM, which is project based, countries that agree to emissions targets can employ a wide variety of measures to reduce emissions, and need not rely exclusively on project-based reductions. Nor do they always need to establish a baseline against which projects generate reductions. Like other trading parties, developing countries that agree to a target and trade system would need to follow the rules and guidelines for trading, but are otherwise free to pursue emissions reductions and sequestration in any and all sectors in the way they see fit. The advantage of trading is that they can be compensated for those reductions in a way in which they cannot be without a binding obligation, and the opportunities are more comprehensive than with CDM alone.

- Environmental benefits: Developing countries participating by adopting emissions targets would help to more effectively protect and manage the global environment. Reducing carbon dioxide emissions is in their interest, because in many cases, developing countries are especially vulnerable to the risks of climate change. In addition, lower carbon dioxide emissions in developing countries generate ancillary air quality benefits through lower particulate matter, sulfur dioxide, and nitrogen oxides emissions. Air quality is a key environmental concern in many developing countries

STATUS OF CHAIRMAN MCINTOSH'S CLIMATE CHANGE OVERSIGHT REQUESTS AS OF 10/8/98

- Representative McIntosh, Chair of the Government Reform Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs, has sent over **60** oversight requests (letters, subpoenas and verbal requests) to **22** agencies.

- **7 subpoenas** have been served on 7 agencies as part of Chairman McIntosh's inquiries.

- The 22 agencies were asked over **600** questions, with hundreds of additional subsidiary questions and numerous document requests.

- Over **10,000** staff hours have been spent to date responding to the questions and compiling documents responsive to the Subcommittee's requests.

- Over **400,000** pages have already been made available for the Subcommittee.

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STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

AGENCY	NUMBER OF LETTERS/ VERBAL REQUESTS	NUMBER OF QUEST-IONS	STATUS OF RESPONSE	STATUS OF DOCUMENT PRODUCTION	NUMBER OF STAFF/ STAFF HOURS (approximate as of 10/05)	COSTS
Treasury	1. March 11 2. April 28 3. June 18: request for salaries & expenses	14 Q's follow-up	1-7sent to Hill: May 5 8-14: August 4 Response sent to Hill: June 5 August 4 WH Counsel reponse sent to Hill: June 29	18,000 pages produced	30/1,138	$46,567

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

EPA	1. March 18	32 Q's with 102 subparts including 19 document requests	1-7 sent to Hill: April 22 15-17; 19-29; 31-32 sent to Hill: May 15 8-14; 18(a-e); 19; 30 sent to Hill: August 13 Supplemental response sent to Hill: Sept. 1	120,000 pages produced	67/1,520	$58,100
	2. Verbal Request for supplemental info	4 Q's	Supplemental answers sent to Hill: May 21			
	3. August 10: Subpeona	11 Q's	Reponse sent to Hill: Sept. 4			
Smithsonian	1. March 11	14 Q's	1 -14 sent to Hill: April 22	8 pages produced	3/40	$1,390

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

DOE	1. March 18 2. May 1: follow-up letter 3. Verbal request for additional info 4. August 13: Subpeona	45 Q's with 80 subparts 3 Q's 7 Q's	1-6 sent to Hill: May 11 7, 8, 10, 14, 19, 20, 27, 31, 41, 43 sent to Hill: August 28 Remainder of Q's sent to Hill: June 26	15,000 pages produced	70/600	$28,000
Interior	1. March 11 2. April 28: follow-up letter 3. June 3: follow-up threatening subpeona	14 Q's	1 - 5 sent to Hill: June 2 6 - 14: OMB Clearance Response sent to Hill: June 10	11,835 pages produced	287/2,253	$101,296
Commerce	1. March 11	14 Q's	1-8 sent to Hill: April 30 9-14 sent to Hill: August 14	8,277 pages produced 2,407 third party review	10/550	$19,957

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

NASA	1. March 11 2. April 28: follow-up letter 3. May 30: Verbal request for additional info	14 Q's	1-14 sent to Hill: May 6 Response sent to Hill: June 3	7,000 pages produced	12/980	$35,700
NSF	1. March 11 2. April 27: Verbal request for supplemental info 3. April 29: Verbal request for publication 4. May 11: Verbal request for additional data 5. June 1: Verbal request for additional data	14 Q's 4 Q's	1-14 sent to Hill: April 24 Sent to Hill: May 4 Sent to Hill: May 4 Sent to Hill: May 29 Internal review	1,243 pages produced; also submitted Existing Publication	13/55	$2,266

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

OSTP	1. March 11 2. Verbal request for salaries & expenses 3. June 26 Subpeona	14 Q's 8 Q's	1-7; 10-14 sent to Hill: May 8 8-9 sent to Hill: July 7 Internal review WH Counsel response sent to Hill: June 28; OSTP response sent to Hill: July 7	25,000 pages produced	12/315	$26,758
CEA	1. March 13 2. May 1: follow-up letter 3. June 3 4. August 10: Subpoena 5. Sept. 3	34 Q's, including 27 document requests 1 Q:Request for salaries & expenses	1-7 sent to Hill: May 18 8-14 sent to Hill: June 16 15-34 sent to Hill: August 24 Response sent to Hill: July 16	120,000 pages produced	14/670	$31,420

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

OMB	1. March 2	14 Q's	Response sent to Hill: May 13	8,052 pages produced	12/125	$5,825
	2. March 6	67 Q's	Response sent to Hill: June 9			
	3. April 28 follow-up letter					
	4. May 27: additional info	8 Q's	Response sent to Hill: July 27			
	5. June 22	32 Q's	July 7, July 27			
	6. June 26 Subpoena	13 Q's	Response sent to Hill: July 7			
	7. July 10: OMB letter additional info and contempt threat	2 Q's	Response sent to Hill: July 16			

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

CEQ	1. March 2 2. March 6 3. April 28 follow-up letter 4. June 29: Subpeona	14 Q's 39 Q's 13 Q's	Response sent to Hill: May 13 Response sent to Hill: June 8 WH Counsel response sent to Hill: June 28 Responses sent to Hill: July 13, July 21, July 29, July 31	5,150 pages produced	14/355	$19,782
AID	1. March 12 2. April 28: follow-up letter 3. June 1: Verbal request for additional info 4. August 11: Verbal request 5. Sept. 3: Verbal request	14 Q's 5 Q's 1 Q 1Q	1-7 sent to Hill: May 14 8-14 sent to Hill: Sept. 2 Response sent to Hill: Aug. 10 Response sent to Hill: Aug. 13	27,500 pages produced	10/325	$11,832

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

State	1. March 11 2. May 27 3. July 10 4. August 14	14 Q's 11 Q's subpoena threat request	1-7 sent to Hill: May 11 8-14: Internal agency review Internal agency review; interim response sent to Hill: June 11	37,896 pages produced	95/972	$78,596
Labor	1. March 13	18 Q's	1-18 sent to Hill: April 16	1000 pages produced	7/175	$7,133
TVA	1. March 11 2. Verbal request for follow-up info	14 Q's	Response sent to Hill: March 31 Response sent to Hill: April 21	250 pages produced	_/60	
USDA	1. March 11 2. April 28: follow-up letter	14 Q's	1-7 sent to Hill: June 22 8-14: OMB Clearance Supplement to 1-7: OMB Clearance	2500 pages: internal review	17/520	$15,600
HUD	1. March 11	14 Q's	1 - 11 sent to Hill: April 2	1 page produced	_/4	

STATUS OF RESPONSES TO CHAIRMAN MCINTOSH (10/05/98)

NEC	1. March 11 2. April 20	14 Q's follow-up	Response from WH counsel sent to Hill: April 2	N/A	_/2	
HHS	1. March 11	14 Q's	Response sent to Hill: April 2	25 pages produced	_/5	
DOD	1. March 11	14 Q's	1-7 sent to Hill: May 1 8-14 sent to Hill: July 9	500 pages produced	5/80	$3500
DOT	1. March 11 2. Verbal request	14 Q's 3 Q's	1 - 14 sent to Hill: March 31 Response sent to Hill: Sept. 11	135 pages produced	17/214	$11,142
AGENCY	**NUMBER OF LETTERS/ VERBAL REQUESTS**	**NUMBER OF QUEST-IONS**	**STATUS OF RESPONSE**	**STATUS OF DOCUMENT PRODUCTION**	**NUMBER OF STAFF/ STAFF HOURS** (approximate as of 10/05)	**COSTS**
TOTALS:	**63**	**614**	N/A	**411,780 pages produced**	**695/10,958**	**$504,864**