



August 23, 2002

TO: Chief Executive, Member Company  
Power Partners Company Representatives

FROM: Thomas R. Kuhn

SUBJECT: **CLIMATE CHANGE: INVITATION FOR ADDITIONAL  
POWER PARTNERS COMPANIES; RESPONSE  
REQUESTED ON THREE INDUSTRY INITIATIVES**

As you know, the Bush Administration is committed to voluntary actions, rather than mandated targets and timetables, to address greenhouse gases, and has set a goal of reducing greenhouse gas intensity by 18 percent by 2012. The Administration plans to roll out a package of climate actions, including federal government science, technology R&D and international initiatives, as well as "Business Challenges" such as Power Partners and Climate Leaders. Power Partners is the voluntary climate partnership between the Department of Energy and the power sector, and Climate Leaders is the voluntary climate partnership between the Environmental Protection Agency and individual companies.

We are pleased to report that 34 member companies and the Tennessee Valley Authority have designated Power Partners representatives thus far as a result of our April 22 letter to you.<sup>1</sup> We encourage additional companies to join Power Partners – simply contact any of the EEI staff listed at the end of this memorandum.

Voluntary reductions in greenhouse gas emissions are at the heart of the Administration's climate plan. We believe we can build on the successes of the voluntary Climate Challenge implemented during the previous Administration in launching a new round of company actions and industry initiatives. Using the successful Climate Challenge as a model, we believe it will be helpful to have industry-wide initiatives in order to

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<sup>1</sup> The April 22 letter and enclosure may be found at:  
[http://www.eei.org/member\\_net/enviro/climate/ceoletter042202.pdf](http://www.eei.org/member_net/enviro/climate/ceoletter042202.pdf)  
[http://www.eei.org/member\\_net/enviro/climate/ceoletterattach042202.pdf](http://www.eei.org/member_net/enviro/climate/ceoletterattach042202.pdf)

supplement the efforts of individual companies. EEI has targeted several initiatives for launching this fall, and others are being evaluated or are under development. At this time, we want to acquaint you with three initiatives -- UtiliTree II; Coal Combustion Products Project (C<sup>2</sup>P<sup>2</sup>); and a program to restore or reclaim abandoned mine lands -- and request your company's participation by September 30. These initiatives are summarized in Attachment 1 and described in greater detail in other attachments. A participation form for each initiative is also included.

We are requesting your support for these programs at this particular time for two reasons: 1) these initiatives are guaranteed to be ready if the Administration announces an early Power Partners rollout, and 2) this timing allows you the opportunity to include the initiatives in your budget for 2003.

Looking further forward, we are currently evaluating seven additional industry initiatives that focus on renewables and retail energy services. We sent a memorandum addressing these potential initiatives to Power Partners company CEOs and representatives on August 2,<sup>2</sup> and are working to select the best of these possibilities to round out a diverse menu of industry initiatives for member company consideration.

In addition, the federal government and EPRI, EEI and other power sector groups are expected to collaborate on two long-term, climate technology R&D initiatives. The first, Pilot-Scale Test Centers for Engineering, Economic and Environmental Evaluation of CO<sub>2</sub> Capture and Containment, has climate implications. The second, Regional Electrification Strategies for a Greenhouse Gas-Constrained World, has climate and sustainable development implications. These long-term, EPRI climate technology R&D initiatives are likely to be launched in the near future.

EEI is also vigorously pursuing other actions supportive of voluntary programs. EEI, member companies and our power sector allies have filed extensive comments regarding upcoming revisions of the Energy Policy Act 1605(b) guidelines. In addition, EEI is developing a draft workbook of good practices and options for member company voluntary climate activities. A power sector committee will meet later this month to help EEI staff develop the options workbook and to promote industry initiatives.

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<sup>2</sup> The August 2 memorandum and response form may be found at:  
[http://www.eei.org/member\\_net/enviro/climate/P2ClimateInitiativesResponseForm.pdf](http://www.eei.org/member_net/enviro/climate/P2ClimateInitiativesResponseForm.pdf)  
[http://www.eei.org/member\\_net/enviro/climate/P2UpdateMemo080202final.pdf](http://www.eei.org/member_net/enviro/climate/P2UpdateMemo080202final.pdf)

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If you have any questions about these activities or initiatives, please contact me or have your staff contact Quin Shea, Executor Director, Environment; Bill Fang, Deputy General Counsel and Climate Issue Director; or Eric Holdsworth, Director, Climate Programs. We look forward to your company's participation in Power Partners, Climate Leaders and industry initiatives.

Attachments (4)  
TRK:lsf

cc (w/ atts):

EEl Environmental Executive Advisory Committee  
EEl Global Climate Change Subcommittee  
EEl Washington Representatives

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bcc (w/ atts):  
EEI Global Climate Change Issue Team