

EDISON ELECTRIC INSTITUTE

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August 30, 2002

Honorable James L. Connaughton Chairman Council on Environmental Quality 730 Jackson Place Washington, D.C. 20503

Dear Chairman Connaughton:

Enclosed for your information is a copy of Edison Electric Institute (EEI) President Thomas Kuhn's August 26 memorandum and materials to our member companies providing an update of EEI climate activities and inviting further participation in our power Partners program as well as participation in three new industry-wide initiatives (UtiliTree II, Coal Combustion Products Project and Restoration of Abandoned Mine Lands). Thirty-five member companies and the Tennessee Valley Authority (TVA) are currently members of Power Partners.

We had earlier transmitted materials to our member companies regarding seven other possible industry initiatives, several of which may be developed after the aforementioned three initiatives are launched. Other power sector groups under the Electric Power Industry Climate Initiative umbrella – American Public Power Association, National Rural Electric Cooperative Association, TVA, Large Public Power Council, Nuclear Energy Institute and Electric Power Supply Association – will be promoting similar industry initiatives.

We are in close contact with the Department of Energy (DOE), and understand that activities under Power Partners will ramp up in September. For example, we will be partnering with DOE in developing the "Good Practices and Options Workbook," a menu of climate activities that individual companies can undertake to reduce, avoid and sequester greenhouse gases. In addition, several member companies are members of the Environmental Protection Agency's Climate Leaders. We look forward to working with the White House and all government agencies as the Administration moves toward announcement of government actions and "Business Challenges" later this year.

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We will keep you apprised of our climate activities periodically, and hope that you will stay in touch with us. Please contact Quin Shea, EEI's Executive Director, Environment, or me if you have questions about the enclosed materials or our climate activities.

Sincerely,

William L. Fang

Deputy General Counsel and Climate Issue Director

Enclosure

WLF:tm

cc (w/ enc):

Philip A. Cooney

Kenneth L. Peel