## Appendix A

Letter from Senator James M. Inhofe

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United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS WASHINGTON, DC 20510-6175

March 1, 2004

The Honorable Guy F. Caruso Administrator Energy Information Administration 1000 Independence Avenue, SW Washington, DC 20585

Dear Mr. Administrator:

Air quality and its regulation is an important issue for the American public. Consequently, legislation affecting the regulation of environmental emissions from electric generators is of increasing interest to the Senate. Therefore, I hereby request the Energy Information Administration to undertake analyses of S.843, The Clean Air Planning Act of 2003, introduced by Senator Thomas Carper, S.366, Clean Power Act of 2003, introduced by Senator James Jeffords, and S.1844, Clear Skies Act of 2003, introduced by myself.

These bills would require significant reductions of emissions of sulfur dioxide ( $SO_2$ ), nitrogen oxides ( $NO_x$ ), and Mercury (Hg). In addition, the Clean Air Planning Act of 2003 and the Clean Power Act of 2003 requires reductions of carbon dioxide emissions ( $CO_2$ ).

I am particularly interested that the following components be included in the analysis:

- 1. The reductions in SO<sub>2</sub>, NOx, Hg, and CO<sub>2</sub> required both nationally and regionally;
- The marginal cost of reducing SO<sub>2</sub>, NOx, Hg, and CO<sub>2</sub> (provide regional information where appropriate);
- 3. The amount of emissions control equipment required to comply with the legislation;
- 4. The total resource cost (in present value terms) for each Bill;
- 5. The impact on energy production (coal, natural gas, oil, renewable, etc.) and energy prices;
- 6. The impact on residential electric and natural gas consumers;
- 7. The impact on macroeconomic activity and national coal employment, resulting from passage of each Bill;
- 8. The change in electric industry revenues projected for each of the Bills.

Any further details of the analysis can be addressed with John Shanahan at 202-224-8072. I would appreciate it if you would provide the detailed analysis by April 19<sup>th</sup>, 2004 to assist the Committee in preparation for hearings this Spring. Thank you in advance for your cooperation. This analysis will be essential to ensuring an informed debate on the multi-emission issue.

Sincerely,

U.S. Senator James M. Inhofe

Chairman

Committee on Environment and Public Works

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