asked right up front and then give you some time so that I
don’t get one question in, and you give me a 4-1/2-minute
answer, and he bangs the gavel on me. But we do appreciate
you being here.

You said before that there are wide areas of agreement on
both sides of the aisle on much of what you are trying to do,
and I want to reiterate that. I know that you and I agree
that coal is an important energy resource, and that it is
going to play a key role in our National Energy Policy, and
that we both agree we have to develop more efficient ways to
use the resource. Given the abundance we have in the
country, it just makes good sense to improve the
environmental performance as well as the efficiency of--and
the cost of coal-based technologies.

It used to be a lonely group. I think myself, Ralph
Regula and maybe Alan Mollohan were a small group of Members
that were really enthused about this kind of research, and
today clean coal technology appears to be back in vogue.
Maybe this year we won’t have to be fending off so many
cutting amendments from our friend from Vermont, Mr. Sanders.

But that being said, I want to raise a concern about the
lack of support that we are seeing for newer and more
efficient gas turbine generating technologies. I think there
is no question that we are going to need gas turbines as part
of the electricity--electric generating facilities,
Regardless of whether we use coal or natural gas as the fuel. In other words, for at least the next generation, the gas turbine is going to be a critical technology in the majority of our electric generating facilities. And I think we need to be mindful of the relationship that exists between clean coal technology and gas turbines. We have to move forward with the development of clean coal technologies, such as integrated gasification combined cycle. But as I understand, today's gas turbines are simply not designed to burn that coal gas that would be produced in such a technology.

So many of us view DOE's next-generation gas turbine program as a critical element for the future use of coal, and that being said, I know that you had made a statement that you thought that that gas turbine program is an example of a program that the Federal Government should not be funding. So one of the things I would like to ask you is wouldn't we be much worse off today if we had not funded DOE's successful advanced turbine program, which concluded last year, and might the Department reconsider supporting the next generation of cleaner-burning gas turbines as part of DOE's R&D budget?

Secondly, fuel cells. I want to talk a little bit about this, too, because I think this is another area where we hear some parks and fliers language about—in the national energy report about fuel cells, but when you look at the budget...
request, it causes us some concern. I think that this--the
DOE's cooperative program with industry has resulted in
everous improvements in efficiency, while the program's
emphasis on driving down cost is also finally beginning to
bear fruit.

And I am particularly proud to have research being done
in my district at--Semens Westinghouse has a manufacturing
facility in the district, and their solid oxide fuel cell
technology, which was jointly developed with support from
DOE, is about to result in 250-kilowatt generators, which can
be sited in small office buildings or shopping centers to
produce electricity with virtually no emissions, and the
efficiencies of these fuel cells will start at 50 percent.
And in combination with a small microturbine, efficiencies
are likely to approach 70 percent. Now, you compare this to
our current fleet that is generating efficiencies around 30
or 35 percent.

But when we look at the fuel cell program, we are falling
several years behind because of shortfalls in funding, and
when you look at the administration's 2002 funding
recommendations, they are $7.5 million less than last year.
So my next question is, you know, why aren't we putting more
money into fuel cell? And we actually need an additional $20
million in that line item, not a $7.5 million cut.

Let me just shift very quickly to one other thing,
methane hydrates. I sponsored a bill last year which would—I was the author of the Methane Hydrates Research and Development Act, which was signed into law last year, and we authorized $47.5 million for funding. We see that the fiscal year 2002 authorization level was 11 million. You know, if we could just find a way to extract 1 percent of the domestic methane hydrate resources in this country, we could double our domestic natural gas resource base and completely eliminate our dependence on foreign oil sources. This is another area where I think we need to have increased funding, not reduced funding.

And finally, I want to invite you—I know you have been to the NETL facility down in Morgantown, West Virginia. We have one in Pittsburgh, Pennsylvania, too, Mr. Secretary, which I would like to extend an invitation for you to visit so that we can talk about some of the important work that is being done down there. And I look forward to working with you and just hearing your answer on these funding levels.

Mr. BARTON. The gentleman is—.

Mr. DOYLE. How did I do, huh? You wouldn’t cut the Secretary off in his answer, would you?

Mr. BARTON. I think the gentleman from Pennsylvania set a record. He has literally asked over 5 minutes of pure questions, and I lost count at about the seventh question.

So if you could give us a simple yes or no answer, I will—.
Secretary ABRAHAM. Yes. No. No. No. And yes.

Mr. BARTON. If you can shortly elaborate--.

Secretary ABRAHAM. I will try.

Mr. BARTON. --and then we will go--I think that Mr.--.

Secretary ABRAHAM. First of all, I welcome the

invitation to Pittsburgh. We actually at the facility in

Morgantown had the Pittsburgh employees on a closed-circuit

TV hookup, and we got to see each other sort of from a

distance over that, but I would like to do that.

Second, with respect to gas turbines, the issue that we

confront in the budget process this year which I asked for

further clarification about has to do with what the next

generation of turbine research would constitute. The

previous program came to an end on large turbine generation.

The focus of the second stage was to be mid-sized turbines of

a variety that I happen to believe have been already

technologically advanced, are in the marketplace, and that

fact. As I understand it, there is a huge backlog that exists

for these sort of--the second stage of research that at least

I believe was being proposed at least during our budget

process.

Now, we are looking at all based on

recommendations. Again, I mentioned earlier, because of the

time frame in which the budget was developed versus the

ergy plan, we now have more guidance, which would include
some of these areas for us to reconsider. But at least in terms of mid-sized turbines, a lot of the technology already exists. There is a multiyear backup in terms of orders from companies such as GE and Westinghouse that provide these, and I would certainly want to make sure that any kind of additional investment would be an investment in which the taxpayer money is well spent and not, in fact, substituting for money that could be spent in the private sector by companies who seem to already be in the market with these kinds of units.

But I will be glad to follow up on the gas turbine issue that relates to the coal gasification question that you raised.

Third, with respect to fuel cell funding, as you noted, we have a slight decrease in the budget, about $7 million out of 50 plus million dollars, but it does not reflect a lack of interest or commitment in terms of the future in this area. I would share your view that distributed energy fuel cell technology, hydrogen research are areas of real promise in terms of R&D funding. And as part of the process that I mentioned earlier with regard to the review that is going on between now and July 10th, and the subsequent review through the end of August for 2002, as well as 2003 funding, these will be areas of prime focus as part of that process, and we look forward to getting your input on that as well.
Mr. DOYLE. We look forward to helping you plus those numbers up.

Mr. BARTON. The gentleman from Oregon is recognized for 5 minutes.

Mr. WALDEN. Thank you, Mr. Chairman.

Mr. Secretary, the Northwest Power Planning Council's latest electricity analysis shows that there remains a 17 percent loss of load probability this coming winter in the Pacific Northwest. As you know, stream flows as measured at The Dalles Dam on the Columbia system are about 53 percent of normal due to the drought. Accordingly, Bonneville and other Federal operating agencies in the Columbia Basin need to ensure reservoirs refilled by the end of summer--provided we get any moisture--so that sufficient water will be available to generate electricity this winter.

Do you anticipate the need to issue any secretarial orders this summer, such as mandatory power transfers to California, that would not allow this basin to refill its reservoirs?

Secretary ABRAHAM. No.

Mr. WALDEN. Thank you.

There is also a concern, obviously, about Bonneville's aging electrical transmission grid. They say they need about 775 million in additional Federal Treasury borrowing authority. Does the administration plan to support that
request or some level of increase in their borrowing authority?

Secretary ABRAHAM. We have recommended in the task force report in the President's plan to a two-step process with respect to the transmission needs of BPA. One is the call in this for an assessment of the--as part of our broader assessment of transmission deficiencies, for a determination to be made. We at the Department, I would just say, based on the work we have done with Steve Wright and others at BPA, believe that there is, in fact, infrastructure needs there, and then based on the conclusions as to the assessment, a reevaluation of the debt service or debt limitation matters. But both of those are called for--both those evaluations, we would expect to complete them fairly expeditiously and make recommendations to OMB accordingly.

Mr. WALDEN. Perfect. Thank you.

I would also like to follow up on the issue of the 4(h)(10)(c) fish credits that Bonneville is going to need to access. As you know, by law 27 percent of the cost of fish recovery requirements in the Federal Columbia system are the responsibility of the U.S. taxpayer, the ratepayers picking up the remainder.

Does the administration support Bonneville's ability to access those fish credits, especially in this year?

Secretary ABRAHAM. Right. And we are analyzing in a
variety of ways, as I think you know, the challenge that we face. Just for the record, we are committed to long-term contracts, as you are aware, that were entered into last October to supply, starting this October, some 2- to 3,000 more megawatts of electricity than we are capable of generating from within the system. We are looking at a variety of ways to address that differential because of the implications it has for rates that will be reset this fall.

The fish mitigation issue is part of that set of issues we are looking at. The issues of trying to buy down some of the demand have already begun to be addressed, and we are pleased with the process we are making. And so we will continue to work, you know, through BPA to--and with them to try to come up with a resolution.

Mr. WALDEN. Let's go to the RTO West issue. I understand you sent a letter in April to Chairman Abair expressing your support for an RTO West proposal that would include the Pacific Northwest States of Oregon, Washington, Idaho and Montana, and also include Nevada and Utah. In that correspondence you argue for a separate regional RTO for these States, RTO West that is separate, but at the same time coordinated with an RTO that might include California.

I guess my question really involves how all that comes together. For example, has BPA been instructed to ensure that an RTO has the ability to relieve not only constraints
between flow paths, but also the flow paths themselves?

Secretary ABRAHAM. Well, we haven't actually engaged in that level of—at least in my office, between the Acting Administrator and I and so on, as to instructions with respect to the role it would play as a participant in a regional RTO. We did feel that there was a benefit to having that participation, which was the basis for the recommendation that I sent to FERC. But as I said in an answer to an earlier question—I think it might have been Mr. Sawyer’s—you know, we view RTO as being a source of promise with respect to addressing some of the reliability issues and transmission constraint problems. I can't say today that mandating people’s participation is called for, as I mentioned earlier, but we haven’t—and it is to my knowledge—made any specific instructions as to positions on the issues.

Mr. WALDEN. I think there are some issues beginning to surface about how the ability to transfer—emit power over these systems is sold, managed, and whether there is created economic bottlenecks that can result in congestion pricing that maybe isn’t necessarily a reflection of actual market forces, perhaps lending itself to manipulation that I know you and your agency will be keeping a close eye on.

Let me switch to one other topic, and that is open-loop biomass projects. There is a facility out in Oregon that
generates power by combusting the methane in a garbage—solid waste facility, storage facility I guess. Given the administration's new focus on tax credits to spur energy production, would it make sense to extend renewable energy tax credits to open-loop biomass facilities?

Secretary ABRAHAM. That is a very technical question, Congressman.

Mr. WALDEN. It sure is. I was hoping you would have the answer to it.

Secretary ABRAHAM. This administration is already on record as supporting both closed as well as open-loop tax incentives.

Mr. WALDEN. Okay. Very good.

Mr. Chairman, my time has expired. Thank you.

Thank you, Mr. Secretary.

Secretary ABRAHAM. Thank you.

Mr. BARTON. The gentleman from Minnesota Mr. Luther is recognized for 5 minutes.

Mr. LUTHER. Thank you, Mr. Chairman, and welcome, Mr. Secretary.

As you know, there has been considerable discussion about the prospects of oil and gas drilling in the Great Lakes, and it is my understanding that you have stated your opposition to offshore vertical drilling in the past. Is this also the official administration position with regard to onshore slant
Secretary ABRAHAM. Congressman, the comments I made were related to my personal views at the confirmation hearing that was conducted on the Senate side as to Great Lakes drilling. Without any specificity as to the methodology that would be employed, it reflects my view. It was not at the direction of any previous administration policy. In fact, since the hearing happened before we took office, I guess there couldn't have been. But the position that I took that day reflects my opinion.

I would note that we put no recommendations with respect to drilling in the Great Lakes into the energy report, and so--since this would be under the Interior Department's portfolio, I am not sure if they have taken a position or not.

Mr. LUTHER. Does your personal position also include onshore slant drilling, that you oppose that personally?

Secretary ABRAHAM. I have personally taken a position that I don't support Great Lakes drilling in a broad way. I have not--I have honestly not investigated the science or the characterizations of the various forms of drilling, and I don't want to take your time, so I will just say that as a general matter or principle, I don't know much about some of research that has been recently conducted.

Mr. LUTHER. Do you know if the administration has a
Secretary ABRAHAM. I don't know that they do. It was not one of the recommendations in the report, but I would be happy to forward an inquiry to the Interior Department.

Mr. LUTHER. That would be great. I know that during the fall Presidential campaign, Vice President Cheney indicated that technological improvements were making it easier to drill in sensitive areas without damaging the environment. Do you believe that he was including—he was making any reference to areas like the Great Lakes in making those kinds of comments?

Secretary ABRAHAM. I don't know the context in which he made the statement. I mean, it is clearly the case that our Department has invested a fair amount of money in research over a long period of time, although I would say that we have actually reduced the proposal in that area for some of these technology investments, because we think the private sector could be doing this rather than the taxpayers. But I don't know at the same time—I don't know what he referenced. It might have been—I don't know of any statement on the Great Lakes that he has made. It might have been in the context of ANWR or some of the other areas which have been more Federal-focused areas of discussion.

Mr. LUTHER. To then follow up on what your personal position is on this kind of drilling, will you be making a
recommendation to the--to the administration, to the
President or the Vice President, with respect to drilling?
Secretary ABRAHAM. It is my understanding that there is
legislation that has been introduced--you may well be a
sponsor of it. I am not sure. As to what the administration
might do with respect to commenting on the legislation, I
can't say. I have not been part of any discussion, although
although I guess the legislation is fairly recently
introduced, at least in the Senate, I think. But I don't
know. It would typically not be in our portfolio, although
we might be asked to comment.

Mr. LUTHER. You may know that Canada does allow offshore
drilling. Is there anything that you could do with respect
to Canada in terms of encouraging them not to expand or to
outright ban Great Lakes drilling?
Secretary ABRAHAM. I have no idea what the relevant
interaction is there. It would seem to me the International
Joint Commission has responsibility over these kinds of
matters, not this Department. And, again, in the absence of
clarity in terms of where the administration's portfolio on
this is, I can't say, but I do think it is probably the
International Joint Commission that has the jurisdiction.

Mr. LUTHER. Okay. Thank you, Mr. Chairman.
Mr. BARTON. Thank you, Congressman.

Last but not least, we go to Mr. Strickland of Ohio for 5
minutes, and would by unanimous consent ask that he restrict
his questions only to the Portsmouth plant. Actually, you
can ask anything you want.

Mr. STRICKLAND. Thank you. And, Mr. Chairman, do I
understand that we have the privilege of submitting questions
which we don't--.

Mr. BARTON. Yes.

Mr. STRICKLAND. --have time to--.

Mr. BARTON. You and all the Members that are present.

Mr. STRICKLAND. Thank you, Mr. Chairman.

Thank you, Mr. Secretary. You have been kind and patient
with all of us, and I certainly appreciate that.

I have here, Mr. Secretary, hundreds of signatures of
employees from the Portsmouth gaseous diffusion plant, Mr.
Chairman.

Mr. BARTON. Just out of the blue, I could have guessed
that.

Mr. STRICKLAND. Mr. Secretary, you came to Ohio on March
the 1st to announce the DOE's 125.7 million 2-year package
for cold standby at the facility, and at that time you made a
commitment for $20 million to be used for worker and
community transition. The press also reported that $20
million figure. These petitions have been sent to me because
there are workers there who have been terminated who feel
that they are not getting what was promised and what they
have a right to expect. I might say that as a first step, the committee should approve the DOE’s request to reprogram and reprioritize $59 million in fiscal year 2001 funds for cold standby winterization worker transition.

Then on October the 4th, a month later, only 8.4 million was reprogrammed for worker transition, and 2.6 million was allocated for community transition. According to my calculations, that is about $9 million short of the promised $20 million, and I was wondering if you could tell me if or when we would receive the additional $9 million of that resource?

Secretary ABRAHAM. Well, as a first matter, I don’t know that any of the monies have been worked out because of the ongoing negotiations that are taking place between USEC and the--and the union. We have been trying to be helpful to that process and obviously have worked with your office, Senator DeWine’s and Senator Voinovich’s.

In terms of the dollar amounts, I am aware that in this fiscal year, we have approximately 11- to $12 million that are available. I am not sure that I can comment as to whether there would be an additional $8 million. I guess there must be there may be some discrepancy as to the terminology used with regard to what budget item that comes from.

Mr. STRICKLAND. I guess what puzzles me is the--what I
think was widely perceived to be a promise of $20 million for this purpose, and what I would like to ask you is, can the community and the workers expect that, or has there been some change in the thinking of--.

Secretary ABRAHAM. Well, I am not sure. I would have to review for you what the numbers are. What I do recall was making the commitment that--on February 27th, I believe you and I met, along with Senators DeWine and Voinovich. I believe Governor Taft was there.

Mr. STRICKLAND. Yes.

Secretary ABRAHAM. And you all asked us to act as quickly as we could to try to free up money to make it possible for us to both move the facility to cold standby and to winterize it, as well as to try to act to get more money into the system for purposes of community transition matters and other things. The number we talked about was around $125 million in the short run, and we were able to do that. In fact, we will be able to announce it within about 48 hours, working very hard to get OMB to do so.

As to the allocation of that money, I guess I would have to reexamine what our records show, because the numbers I am familiar with are the 8.4 and the 2.9, I believe. But I would be happy to get back to you.

Mr. STRICKLAND. Mr. Secretary, I am going to be very tenacious on this point, because there are lots of men and
women who feel like this government has an obligation to them, and I respectfully request that you take a close look at the promises that were made, the money that has been allocated.

I was also concerned that Federal dollars through the DOE was basically turned over to USEC to develop a plan, and part of what was being required of the workers in order to receive the benefits, these Federal benefits, was to sign a waiver relieving this private for-profit company of any liability. And it seems to me grossly unfair to allow public resources to be used by a private company to leverage a commitment from employees that they will not bring suit against them, which is their legal right. Would you comment on that?

Secretary ABRAHAM. We are in an unusual situation, as you know, in that we are not directly involved in the negotiations between USEC and the union. We have been asked for a variety of ways to help work through the transition period here in terms of the use of Federal dollars. There are some constraints on how those dollars can be used, but to the extent we can be flexible, we have tried to be. But when we work with USEC to provide a proposal to the union, that is what we do, trying to--based on what we consider to be the--you know, the objective.

We haven't had the benefit of working directly with the union to figure out what their specific--to negotiate with
them directly, and so we are kind of in an unusual--almost multicushion chrome shop type of relationship, which means that we work with USEC to make money available to them. They then put together proposals to offer the union. The union, as you know, rejected the most recent proposal. I have told our people to go back and come up with a hopefully more appropriate and effective way to address it, and I think we have tried to keep your office up to date on that.

I am hopeful that USEC will--once we have made that presentation--that may even happen today--be comfortable with it and move forward, and I hope at that point that the union will feel it is an acceptable arrangement. If it is not, I don't rule out looking for another avenue, but, again, it is a little difficult because of the role we have, which does not allow us to be a part of the direct bargaining between USEC and the union, and it is obviously a result of the sort of unique relationship USEC now has or its independent status as a--.

Mr. STRICKLAND. Mr. Chairman, can I make one further concluding comment?

Mr. BARTON. Yes.

Mr. STRICKLAND. And you have been very gracious, as you always are.

Mr. BARTON. No. No. You defend your constituency very ably, and I kid about it, but I want you to know you are to
be commended for it. And what I jest is purely in

good-natured fun. You are doing an excellent job for your

constituents.

Mr. STRICKLAND. Thank you. I just would like to say to
the Secretary, I do appreciate what he is trying to do. You
know, I am critical, but I don't want my criticism to be
perceived as a personal criticism. I was critical of the
last administration, certainly, but it seems to me woefully
wrong for public resources to ever be used to allow a private
for-profit company to use those resources as a leverage
against their employees.

Secretary ABRAHAM. Well, our intent is not to try to,
you know, play as a participant in any kind of inappropriate
behavior. And I don't know the nature of the waiver that you
have referenced. It may be standard in collective bargaining
to seek waivers of the right to sue as part of a final
agreement. I really don't know enough about labor-management
contracts to answer that. But--.

Mr. STRICKLAND. And it may be, but I don't want it to be
done with public resources, public dollars.

Secretary ABRAHAM. Well, then, we need to obviously get
more information about it. It is--again, though, Mr.
Chairman, kind of a little difficult situation because of the
sort of unique status USEC now has as--.

Mr. BARTON. Oh, I am very aware of this. The fact that
I am not a participant doesn't mean I don't understand the
dialogue, because--.

Secretary ABRAHAM. No. It is a unique status that puts
us in a difficult position in terms of the fact that we are
directly into these negotiations.

But we want to work with you, Congressman, and with
respect to the total dollar amount, what I want to check is I
believe there were multiple installment periods. I think
that what we have talked about so far constitutes a first
stage, but that is just sort of a shot at it today. I will
reexamine to see if that is--.

Mr. STRICKLAND. Thank you, sir. Thank you, Mr.
Chairman.

Mr. BARTON. Thank you, Congressman Strickland. We want
to thank you, Mr. Secretary, for your courtesy in coming
before this subcommittee. We look forward to a series of
meetings, both in the hearing process and in a working
relationship, to craft this legislation.

Secretary ABRAHAM. Thank you, Mr. Chairman.

Mr. BARTON. This hearing is adjourned.

[Whereupon, at 1:30 p.m., the subcommittee was
adjourned.]
Dear Secretary Abraham:

First, let me express my sincere appreciation for the outstanding job you are doing as our Secretary of Energy. It is such a relief to know that Congress has a partner who is willing to listen and work with us as we tackle the important energy needs facing our country.

I’m sure that you have reassessed your priorities in light of the recent attacks against our country. However, whenever the time is appropriate, I want to invite you to visit my congressional district. My hope is that as you make plans for additional trips around the country promoting the President’s energy plan, you will consider including Louisville, Kentucky on your itinerary. I saw your recent speech at the National Press Club and thought it was excellent. I know many of my constituents would enjoy hearing your message, as well.

My staff and I would be happy to work with your staff to arrange meaningful events to promote the Administration’s plan, whether it be speaking at a public forum, the University of Louisville or the Downtown Rotary Club (300 attendees average). I thought you might also be interested in meeting with the workers at Ford Motor Company, General Electric or United Parcel Service in my district and sharing with them the efforts of this Administration to ensure a stable energy supply.

If you have any questions, please do not hesitate to contact my Chief of Staff, Terry Carmack, or me at 202-225-5401. Thank you for your consideration and I look forward to working with you in the future.

Sincerely,

Anne M. Northup
Member of Congress
The Honorable Jeff Bingaman  
Chairman  
Committee on Energy and Natural Resources  
United States Senate  
Washington, DC 20510  

Dear Mr. Chairman:


Enclosed are the answers to seven questions requested by Senator Murkowski. The three remaining answers are being prepared and will be forwarded to you as soon as possible.

If we can be of further assistance, please have your staff contact our Congressional Hearing Coordinator, Barbara Barnes at (202) 586-6341.

Sincerely,

[Signature]

Dan R. Brouillette  
Assistant Secretary  
Congressional and Intergovernmental Affairs  

Enclosures
QUESTIONS FROM SENATOR MURKOWSKI

Alaska Oil and Gas

Q1a. I am pleased to see that the National Energy Policy encourages the development of the 1002 Area of ANWR. I am also pleased to see the Administration encouraging the development of a natural gas pipeline to bring Alaska natural gas to market in the lower 48. To what extent do these provisions constitute a key portion of your National Energy Policy?

A1a. These provisions are a key portion of the National Energy Policy in meeting our Nation’s needs for oil and natural gas. The U.S. Geological Survey 1998 assessment of the greater 1002 area indicates technically recoverable resources ranging from 5.7 to 16 billion barrels of oil, and from 0 to 10 trillion cubic feet of natural gas. Additionally, the U.S. Geological Survey estimated that Northern Alaska has 35 trillion cubic feet of commercially recoverable natural gas. These significant resources are keys to meeting the Nation’s energy needs.

Q1b. In your opinion, are financial incentives necessary to develop these resources, or is it simply a matter of access to land for development and pipeline siting?

A1b. The U.S. Geological Survey's 1999 economic analysis of its 1998 assessment of the 1002 Area alone indicates that about half of the technically recoverable oil resources (2.03 to 9.38 billion barrels of oil, and from 1.04 to 3.72 trillion cubic feet of associated natural gas) are economically recoverable at today's prices using today's technology. This indicates that market forces provide adequate financial incentive to develop these resources. However, in addition to this economic assessment, the Department of Energy, in partnership with the industry, is developing advanced technologies that will reduce the costs of recovery and environmental compliance, and increase recovery and environmental protection.
QUESTIONS FROM SENATOR MURKOWSKI

Alaska Oil and Gas

Q2. The Alaskan Natural Gas Transportation Act (ANGTA) directed the President to appoint a Federal Inspector to ensure expedited construction of an Alaskan gas pipeline.

The Energy Policy Act of 1992 abolished that position but transferred the Federal Inspector's functions and authorities to the Secretary of Energy. These functions and authorities are the keys to expediting construction of the pipeline.

Do you currently have the staff and resources to carry out the function and authorities of the Federal Inspector?

A2. Subsequent to the abolition of the Federal Inspector's Office by the Energy Policy Act of 1992, there has been little activity related to the proposed natural gas pipeline from Alaska's North Slope. In the absence of any activity there are no Department staff or resources assigned to perform the functions of the Federal Inspector's office.

The infrequent requirements for analysis or comment on the Alaskan Natural Gas Transportation System (ANGTS) has been handled by the Office of Fossil Energy and the Office of General Counsel. This same staff has been conducting the initial coordination between our Department and other Federal agencies, as well as consultations between our Department and Canadian government agencies and the State of Alaska in preparation for a possible filing concerning the ANGTS or other North Slope gas project.

Should a filing be made for the ANGTS and it becomes necessary for the Department to exercise the authorities of the Federal Inspector, we would assign qualified staff from other program areas to meet the requirements of carrying out the responsibilities of the Federal Inspector's authority.
QUESTIONS FROM SENATOR MURKOWSKI

Energy Efficiency

The National Energy Policy indicated that energy efficiency and improved energy conservation should be made a "national priority."

Q1. How do you as Secretary of Energy plan to translate this "priority" into concrete action?

A1. The National Energy Policy will build upon our nation's successful track record and will promote further improvements in the productive and efficient use of energy. Of the 105 recommendations in the Policy, over twenty of these recommendations address energy efficiency, either directly or indirectly. These actions promote conservation in residences, commercial establishments, industrial sites, electrical power plants, and transportation. Implementing these actions will enable us to continue our trend of decreasing energy use per dollar of GDP, while improving our standard of living.

Q2. Other than tax incentives for consumers purchase of new energy efficient technology, what policy options exist?

A2. This Policy report uses almost every tool available in order to promote energy conservation. Allow me to provide a few examples from the Policy:

Education: One recommendation directs the EPA Administrator to develop and implement a strategy to increase public awareness of the sizeable savings that energy efficiency offers to homeowners across the country.
Information: Another recommendation directs the Secretary of Energy to promote greater efficiency by expanding and extending the application of the Energy Star labeling program.

Executive Directive: This recommendation directs the heads of executive departments to take appropriate actions to conserve energy at their facilities.

Financial Incentives for Industry Utilities: One recommendation directs the Secretary of Treasury to work with Congress to encourage energy efficiency through Combined Heat and Power projects by shortening their depreciation life.

Standards: This recommendation directs the Secretary of Transportation to review and provide recommendations on establishing Corporate Average Fuel Economy Standards for the U.S. automotive industry.

Federal R&D: This recommendation directs the Secretary of Energy to review and provide recommendations on the appropriate level of energy efficiency program funding.
QUESTION FROM SENATOR MURKOWSKI

Fuel Economy: CAFÉ

The National Energy Policy deferred on the question of increased CAFÉ standards for auto fuel economy until the National Academy can finish its review as directed by Congress last year.

Q1. Are there options to improve auto fuel economy – other than CAFÉ standards – that you will consider?

A1. Yes. The National Energy Policy report indicates that the Department of Transportation should consider, in addition to modified CAFÉ standards, other market-based approaches to increasing the national average fuel economy of new motor vehicles. The Department of Energy is analyzing possible forms of voluntary fuel economy improvement agreements to support the DOT's consideration of a broad range of approaches. In addition, the report calls for the Secretary of Treasury to work with Congress on legislation to increase energy efficiency with a tax credit for fuel-efficient vehicles. The NEPD Group recommended that a temporary, efficiency-based income tax credit be available for purchase of new hybrid or fuel cell vehicles between 2002 and 2007. The Department of Energy will be working closely with both the Treasury and Transportation Departments to implement these recommendations.
QUESTIONS FROM SENATOR MURKOWSKI

Renewable Energy

As part of the National Energy Policy, you have been directed to carry out a review of all energy efficiency and renewable energy R&D programs – and focus on those that are “performance based.”

Q1. Does this imply a greater focus on “proof of concept” demonstration projects over basic research?

A1. No. We will be reviewing all programs to determine their performance and potential in terms of delivering benefits to the public. We will reevaluate those programs that have not made progress toward national energy goals. Likewise, we will be redoubling our efforts in those programs that have shown, and continue to show, good performance and potential in contributing to national energy goals. I expect that when the review is complete we will have a range of activities that are performance-based, including both proof of concept projects and basic research programs. This would be consistent with developing a balanced energy technology R&D portfolio that delivers short-term, intermediate, and long-term energy benefits.

Q2. Are plans under way for such a review and when do you expect such a review might conclude?

A2. On May 23, 2001, I announced the schedule for the review of both the energy efficiency programs and the renewable energy and alternative energy programs. The Department has completed its public comment period and is continuing with its Strategic program review of EERE programs. Our review will be completed by September 1.
From Senator Murkowski:

Alaska Oil and Gas:

I am pleased to see that the National Energy Policy encourages the development of the 1002 Area of ANWR.

I am also pleased to see the Administration encouraging the development of a natural gas pipeline to bring Alaska natural gas to market in the Lower 48.

1a. > To what extent do these provisions constitute a key portion of your National Energy Policy?

1b. > In your opinion, are financial incentives necessary to develop these resources, or is it simply a matter of access to lands for development and pipeline siting?

The Alaska Natural Gas Transportation Act (ANGTA) directed the President to appoint a Federal Inspector to ensure expedited construction of an Alaska gas pipeline.

The Energy Policy Act of 1992 abolished that position but transferred the Federal Inspector's functions and authorities to the Secretary of Energy. These functions and authorities are the keys to expediting construction of the pipeline.

2. Do you currently have the staff and resources to carry out the function and authorities of the Federal Inspector?

Energy Efficiency:

The National Energy Policy indicated that energy efficiency and improved energy conservation should be made a "national priority."

1. How do you as Secretary of Energy plan to translate this "priority" into concrete action?

2. Other than tax incentives for consumer purchase of new energy efficient technology, what policy options exist?

Fuel Economy/CAFÉ:

The National Energy Policy deferred on the question of increased CAFÉ standards for auto fuel economy until the National Academy can finish its review as directed by Congress last year.
1. Are there options to improve auto fuel economy – other than CAFE standards – that you will consider?

Renewable Energy:

Over just the past five years, we’ve spent $1.5 billion on renewable energy R&D and another $5 billion on tax incentives.

Yet the proportion of renewable energy in our total energy mix has remained the same, around 5%.

1. In your opinion, what is a realistic view of renewables as a portion of our energy mix over the next 10-20 years?

2. Are there specific applications or sectors in which renewables are more likely to contribute?

As part of the National Energy Policy, you have been directed to carry out a review of all energy efficiency and renewable energy R&D programs – and focus on those that are “performance based”.

1. Does this imply a greater focus on “proof of concept” demonstration projects over basic research?

2. Are plans under way for such a review and when do you expect such a review might conclude?
From Senator Dorgan:

1. I have been working closely with DOE and WAPA to increase the amount of renewable power purchased by the federal government. I have understood that the Administration would stand by its commitment to purchase energy from WAPA through a new “green tags” program. This program would solicit 60-70 megawatts of renewable power from anywhere within WAPA’s territory for sale to the federal government.

Is the Department still committed to ongoing efforts to purchase and develop such a renewable energy program?
QUESTION FROM SENATOR MURKOWSKI

**Fuel Economy: CAFÉ**

The National Energy Policy deferred on the question of increased CAFÉ standards for auto fuel economy until the National Academy can finish its review as directed by Congress last year.

Q1. Are there options to improve auto fuel economy – other than CAFÉ standards – that you will consider?

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QUESTIONS FROM SENATOR MURKOWSKI

Renewable Energy

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Q1. Does this imply a greater focus on "proof of concept" demonstration projects over basic research?

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Q2. Are plans under way for such a review and when do you expect such a review might conclude?

A2. On May 23, 2001, I announced the schedule for the review of both the energy efficiency programs and the renewable energy and alternative energy programs. The Department has completed its public comment period and is continuing with its Strategic program review of EERE programs. Our review will be completed by September 1.
STATEMENT OF HON. EVAN BAYH, U.S. SENATOR FROM INDIANA

Senator Bayh: It is not the only example around here, Mr. Chairman, of things not appearing quite the way they are in fact.

The Chairman: That's very true.

Senator Bayh: Thank you, Mr. Chairman. Mr. Secretary welcome again. It was good being with you last night for President Ford's wonderful address to the members of the Senate. And it is good to have you back before this committee.

Secretary Abraham: Thank you. Good to be with you.

Senator Bayh: I have two brief points, Mr. Secretary.

First, it seems to me that this is a difficult issue and we all understand that. But sometimes out of difficulty comes the opportunity to make a great advance or to break out of old ways of thinking. And in all candor, I am concerned that the Administration may not be making the most of this opportunity.

Let me deal with it in general strategic terms and then give you some specific examples. In general philosophical terms, the old debate, the sterile debate, of the last twenty to thirty years has been some people have argued that just more production is the answer to all of our problems. I think all of us up here recognize more production is a part, an important part of the answer to our problems but alone it is not going to be enough to solve America's energy crisis.
On the other side there are those that say, well, we can just conserve our way out of this problem, and implicit in that is too often a lower standard of living for the American people. Conservation is a critically important part of the overall answer but by itself is not enough.

The American people are hungry for a third way, a new approach to this, which would aggressively invest in new technologies to promote clean, renewable, alternative energy sources that are domestically-based.

And I must say that when we look at specifics, and I am going to get down to specifics here, there is a disconnect between some of the language in the energy proposal put forward by the Administration and the specifics in the budget. We need a way of resolving this issue.

Let me just list some of the specifics. The proposal put forward instructs you and the Secretary of the Interior to promote enhanced oil recovery with new technologies. But the gas exploration and production programs are cut by 34 percent. Petroleum and oil technology is cut by 54 percent. The Natural Gas Technologies Program is cut by 53 percent. The Efficient and Renewable Energy budget is cut by 27 percent. Gas hydrates research, a very promising long-term initiative, is cut by 52 percent.

The proposal recommends that agencies be directed to reduce energy use, but the Federal Energy Management program...
is cut by 48 percent. Transportation research and development is cut by 21 percent. The Industries of the Future program is cut by 35 percent. The Office of Nuclear Energy, Science and Technology is cut by 9.3 percent.

My question, Mr. Secretary is how do we square the rhetoric and the language of the energy proposal with some of these reductions that are a national commitment to new research, new energy and what really promises to break out of this sterile debate of the last twenty to thirty years.

Secretary Abraham: Well, if I can, it make take a little long and I don't want to cheat you out of your second question, but it would take a little time to answer that. I would like to answer it comprehensively.

First of all, I totally agree with your analysis that we must -- and I mentioned in my statement and have in public speeches -- understand that the solution cannot lie on either end of the traditional debate here. We cannot possibly conserve our way to energy security by the year 2020. There is no doubt in my mind that we can't simply produce our way to security. The differential between where we would be in the absence of a balanced approach and where we are is too great.

So, we absolutely must do that.

Now the question you raised is what about this year's budget and how does it square with the recommendations. Let me just begin by talking about the process that brought the
budget about. When I took office, within a matter of a week
we were expected to begin the process of providing
recommendations for our budget. We then went back and forth
with the White House. I found myself in a slightly different
position than some of my colleagues in the cabinet because in
the very first week we were in office, the President launched
the Energy Policy Task Force and indicated very clearly that
it would incorporate all these various areas of energy policy
that our department funds.

We were therefore without much guidance as to where as of
June we would find ourselves versus where we were in February.
And it was -- we were somewhat reluctant to begin suggesting
changes in budgets, or increases or even the maintenance of
some programs.

Senator Bayh: Are you suggesting that we may see some
changes in these recommended allocations?

Secretary Abraham: You absolutely will because there are
two very clear directives in here, which I am very
enthusiastic about, to my department and me to launch reviews.
One of which, for example, in the area of energy efficiency I
launched yesterday, which gives clear direction for us to
review and make recommendations with respect to funding levels
in the areas that you have mentioned that have in fact in this
budget been either held in place or reduced.

So I think that process is beginning and it will also be
applied to the areas of renewable energy and alternative energy sources, as well as to some of the programs you mentioned in the area of fossil energy.

I do want to though make a couple of qualifying comments. We did find after some analysis -- we had two guiding principles where we did make reductions that are reflected here. And they are going to continue to be guiding principles even though we may significantly change the budget. One is I was -- in the area of energy efficient, the President already had established, this is an area where we had some guidance, his desire to increase the Weatherization Program very substantially by $120 million over the previous level. We have done that in the budget submission.

In order to fund that within the budget number that we were passed back from the Office of Management and Budget, we had to make some choices. And I did make some decisions which may be affected by this review. But I did make some decisions to shift monies from programs like the Industries of the Future and from the buildings programs and others to the Weatherization Program because we felt that the notion of -- at least at the level of partnership from the private sector in the areas that have been beneficiaries --

Senator Bayh: My yellow/red light is already on, Mr. Secretary, so I do not want to interrupt you. Just two final statements and then I will turn it over to the Chairman --
Secretary Abraham: Maybe I could in writing flesh out
the rest of this answer because --

Senator Bayh: That would be great if you could include
in a written response. I know that the Defense Department is
undergoing a significant -- a similar, broad review of its
mission and how to meet its mission in the future. And yet
they held back the Defense Department budget submission out of
respect for that review process. There seems to have been a
different approach with regard to the energy issue. I would
be interested in why the two different approaches were taken.

Secretary Abraham: Well, actually part of what the
Defense review is undertaking affects my department with
respect to the National Nuclear Security Administration and
indeed those issues which tend to maybe come up a little bit
more often in our Armed Services hearings then here. But the
areas that deal with defense programs and non-proliferation
programs are also under review and may well be affected by the
defense posture review. In fact we have been working very
closely with them and will perhaps be included in what he
might submit here soon. So, in part our department was
affected that way but the decision was to do that in that area
but not in this.

Senator Bayh: Thank you, Mr. Secretary. My final point
simply is, we understand the budget was submitted under
difficult circumstances where there was a search on for
Peter B. Bos  
President  
Polydyne, Inc.  
16638 Calle Haleigh  
Pacific Palisades, CA 90272

Dear Mr. Bos:

Thank you for your letter concerning the energy policy underway in the United States. The Department is working very hard on energy issues through research and development of the many technologies that deal with the short and long term energy problems. Many of the issues to be addressed are high risk and will take time and resources to reach a solution that is affordable and reliable for to overcome the energy problems in the United States.

The Department realizes fuel cells are a viable option for the production of electricity and the use of recoverable energy. The Department is doing research in all aspects of the fuel cell technology. A major issue to be resolved is that of cost. Presently, the cost of the fuel cell and its associated hardware is not economical and must be addressed. With advances in the technology and achieving a reliable fuel cell, regardless of the type, will produce a sustainable market with a distribution network that will provide service as needed.

If you would like more information on the Department's fuel cell programs you can go to the following web sites at www.eren.doc.gov and www.netl.gov.

Sincerely,

Patricia Hoffman, Director  
Distributed Energy Resources  
Office of Power Technologies  
Energy Efficiency and Renewable Energy
September 28, 2001

Dear Dr. Kuhlman:

Thank you for taking the time to respond to my letter. And thank you for your insights on enhanced oil recovery, which I have conveyed to DOE for its review.

Sincerely,

Lawrence B. Lindsey
Assistant to the President for Economic Policy

Dr. Myron Kuhlman
MK Tech Solutions, Inc.
12843 Covey Lane
Houston, TX 77099

cc: Secretary Abraham
-----Original Message-----
From: Kelliher, Joseph
Sent: Friday, April 13, 2001 1:38 PM
To: McSlarrow, Kyle; McMonigle, Joe; Dandy, Majida; Sepehri, Leila
Subject: 4/18 NEPD Principal's Meeting

Next Week's NEPD Principals Meeting will be held in the Vice President's Ceremonial Office on Wednesday, April 18th, 2001 from 10:00-11:30am.

Due to space constraints, one representative per agency may accompany their principal to this meeting.

An agenda for this meeting is forthcoming.
Todd,  
Please note this on ESA’s schedule.

-----Original Message-----
From: Williams, Greg  
Sent: Monday, April 16, 2001 10:50 AM  
To: McCollough, Regina; McGee, Ashley; Dandy, Majida; Harding, Todd  
Subject: Meeting with Haley Barbour  

This is to confirm that Mr. Haley Barbour will meet with Kyle McSlarrow on Tuesday, April 17th. The meeting will take place from 2:00p.m - 2:30p.m. in Kyle's office. The topic of the meeting is Energy policy and New Source review. He will be met curb-side by Advance staff and escorted to Kyle's office. Depending on the schedule, S-1 may stop by this meeting. The contact at Mr. Barbour's office is Kristen Blalock. Her phone number is (202) 331-4936

Greg Williams
The next National Energy Policy Development Meeting for Principals' plus one is May 2, 2001 at 2:45 p.m. for 1.5 hours. Please confirm that your principal is available for participation.

I will forward the agenda or other relevant materials as they become available. Please contact me if you have any questions.

Thank you,
Nicki Grodner
Cabinet Affairs
456-2566
Harding, Todd

To: Harding, Todd
Subject: RE: Energy Task Force Meeting

you got it.

----- Original Message -----  
From: Harding, Todd
Sent: Thursday, July 05, 2001 1:40 PM
To: Dandy, Majida
Subject: RE: Energy Task Force Meeting

when we know what day let me know

----- Original Message -----  
From: Dandy, Majida
Sent: Thursday, July 05, 2001 1:39 PM
To: Harding, Todd
Subject: RE: Energy Task Force Meeting

the 12th

----- Original Message -----  
From: Harding, Todd
Sent: Thursday, July 05, 2001 1:39 PM
To: Dandy, Majida
Subject: RE: Energy Task Force Meeting

today or next Thursday?

----- Original Message -----  
From: Dandy, Majida
Sent: Thursday, July 05, 2001 1:38 PM
To: Harding, Todd
Subject: FW: Energy Task Force Meeting

This maybe on Thursday from 5-6

----- Original Message -----  
From: Nicole E. Grodner@who.eop.gov%internet
[mailto:NicoleE. Grodner@who.eop.gov]
Sent: Tuesday, July 03, 2001 11:28 AM
To: Dandy, Majida; lfenton@doc.gov%internet;
brian.waidmann@ios.doic.gov%internet; dwm@usda.gov%internet;
tim.adams@do.treas.gov%internet; john.flaherty@ost.dot.gov%internet;
McSlarrow, Kyle; mcginnis.eileen@epa.gov%internet;
jen.rob@fema.gov%internet;
Augustine T. Smythe@omb.eop.gov%internet;
dan mccardell@do.treas.gov%internet; monica.piper@ios.doic.gov%internet;
Marlene.minix@usda.gov%internet; kreaves@doc.gov%internet;
suzanne.scruggs@ost.dot.gov%internet; patty.mchugh@ost.dot.gov%internet;
schwarz.denise@epamail.epa.gov%internet; wade.powers@fema.gov%internet;
-en E. Keller@omb.eop.gov%internet; Craig Felner@who.eop.gov%internet;
helle.poche@ost.dot.gov%internet; linda.figura@do.treas.gov%internet
Subject: Energy Task Force Meeting
Energy Task Force Meeting
   esday, July 10th at 4:00 p.m.
   ce President's Ceremonial Office, OEOB 2nd Floor

Participants:
Energy
Commerce
Transportation
Interior
Treasury
Environmental Protection Agency
Agriculture
State
Fema
OMB

The attendees at this meeting should be the Principal, their energy
staffer, and their public affairs representative. Please confirm that
all
three of the above attendees are available. (I will also need name,
SSN,
and DOB for the appropriate energy staffer and public affairs
representative.)

Please let me know if you have any questions.
Nicki Grodner
thank you

-----Original Message-----
From: Kelliher, Joseph
Sent: Tuesday, May 15, 2001 9:10 AM
To: Harding, Todd
Subject: White House meeting

FYI

-----Original Message-----
From: John_Fenzel@ovp.eop.gov%internet [mailto:JohnFenzel@ovp.eop.gov]
Sent: Sunday, May 13, 2001 10:46 AM
To: Andrew_H._Card@who.eop.gov%internet;
    Karen_Hughes@who.eop.gov%internet; Karl_C._Rove@who.eop.gov%internet;
    Lewis_Libby@ovp.eop.gov%internet;
    Lawrence_A._Fleischer@who.eop.gov%internet;
    Mary_J._Matalin@ovp.eop.gov%internet;
    Mitchell_Daniels@omb.eop.gov%internet;
    Joshua_B._Bolten@who.eop.gov%internet;
    Lawrence_B._Lindsey@opd.eop.gov%internet;
    Robert_S._Barrales@who.eop.gov%internet;
    Robert_D._McGrath_Jr@ovp.eop.gov%internet;
    Drew_D._Lundquist@ovp.eop.gov%internet;
    Cesar_Conda@ovp.eop.gov%internet; Karen_Y._Knutson@ovp.eop.gov%internet;
    Robert_C._McNally@opd.eop.gov%internet;
    James_T._Sims@ovp.eop.gov%internet; Glenn_Hubbard@cea.eop.gov%internet;
    Jhowardj@ceq.eop.gov%internet;
Cc: Kelliher, Joseph; Juleanna_R. Glover@ovp.eop.gov%internet;
    Kmurphy@osec.doc.gov%internet; Dina.Ellis@do.treas.gov%internet;
    Sue_Ellen_Wooldridge@IOS.DOI.gov%internet;
    Joel_D._Kaplan@who.eop.gov%internet; Keith.Collins@USDA.gov%internet;
    Joseph.Glauber@USDA.gov%internet; Galloglysj@State.gov%internet;
    McManusmt@State.gov%internet; Michelle.Poche@OST.DOT.gov%internet;
    Patricia.Stahlschmidt@FEMA.gov%internet; Brenner.Rob@EPA.gov%internet;
    Beale.John@EPA.gov%internet; MPeacock@omb.eop.gov%internet;
    Mark_A._Weatherly@omb.eop.gov%internet;
    William_bettenberg@IOS.DOI.gov%internet;
    Tom_fulton@IOS.DOI.gov%internet; Kjersten_drager@ovp.eop.gov%internet;
    Mbleblanc@ceq.eop.gov%internet; Anderson, Margot;
    Bruce.Baughman@FEMA.gov%internet;
    Charles.m.Hess@USACE.army.mil%internet; akeeler@cea.eop.gov%internet;
    Karen_E._Keller@omb.eop.gov%internet;
    Carol_J._Thompson@who.eop.gov%internet;
    Sandra_L._Via@omb.eop.gov%internet; Megan_D._Moran@ovp.eop.gov%internet;
    Janet_F._Walker@opd.eop.gov%internet;
    Ronald_L._Silberman@omb.eop.gov%internet;
    Lori_A._Krauss@omb.eop.gov%internet; WheelerE@State.gov%internet;
    Karen_L._Zent@who.eop.gov%internet;
    Mark_J._Sullivan@ovp.eop.gov%internet;
    Alice_H._Williams@cea.eop.gov%internet; moss.jacob@EPA.gov%internet;
    ol_J._Thompson@who.eop.gov%internet;
    i_M._Russell@opd.eop.gov%internet;
    en_Y._Knutson@ovp.eop.gov%internet;
    Charles_M._Smith@ovp.eop.gov%internet;
    Josephine_B._Robinson@who.eop.gov%internet;
The Final Report of the National Energy Policy Development Group will be presented to the President during a Cabinet Meeting at 4:00pm on Wednesday, May 16th, in the Cabinet Room. Participants for this meeting are provided below.

Please do not hesitate to contact me if you have any questions:
456-7953

John Fenzel

PARTICIPANTS

The Cabinet

Vice President Richard Cheney
Secretary Paul O'Neill, Secretary of the Treasury
Secretary Gale Norton, Secretary of the Interior
Secretary Ann Veneman, Secretary of Agriculture
Secretary Don Evans, Secretary of Commerce
Secretary Norman Mineta, Secretary of Transportation
Secretary Spencer Abraham, Secretary of Energy
Secretary Colin Powell, Secretary of State
Secretary Donald Rumsfeld, Secretary of Defense
Secretary Tommy Thompson, Secretary of Health and Human Services
Secretary Roderick Paige, Secretary of Education
Secretary Mel Martinez, Secretary of Housing and Urban Development
Secretary Elaine Chao, Secretary of Labor
Secretary Anthony Principi, Secretary of Veterans Affairs
Mr. John Ashcroft, Attorney General
Ms. Christie Whitman, Administrator, Environmental Protection Agency
Mr. Joe Allbaugh, Director, Federal Emergency Management Agency

Key Staff:

Andrew Card, Chief of Staff to the President
Karen Hughes, Senior Counselor to the President
Karl Rove, Senior Advisor to the President
Lewis Libby, Assistant to the President and Chief of Staff to the Vice President
Ari Fleischer, Assistant to the President and White House Press Secretary
Mary Matalin, Assistant to the President and Counselor to the Vice President

Mitchell Daniels, Director, Office of Management and Budget
Josh Bolten, Deputy Chief of Staff to the President
Lawrence Lindsey, Director, National Economic Council
Mr. Ruben Barrales, Assistant to the President for Intergovernmental Affairs
Dean McGrath, Deputy Chief of Staff to the Vice President
Andrew Lundquist, Executive Director, National Energy Policy Development Group
Sarah Conda, Assistant to the Vice President for Domestic Policy
John Howard, Director, Council on Environmental Quality
Karen Knutson, Deputy Director, National Energy Policy Development Group
Bob McNally, Special Assistant to the President for Economic Policy
Kyle McSlarrow, Chief of Staff, Department of Energy
Jim Sims, Director of Communications, National Energy Policy Development Group
Dr. Glenn Hubbard, Chairman-Designate of the Council of Economic Advisors
-----Original Message-----
From: Nicole E. Grodner@who.eop.gov%internet
[mailto:Nicole E. Grodner@who.eop.gov]
Sent: Monday, April 02, 2001 11:50 AM
To: lfenton@doc.gov%internet; brian.waidmann@ios.doi.gov%internet;
dwm@usda.gov%internet; tim.adams@do.treas.gov%internet;
john.flaherty@ost.dot.gov%internet; McSlarrow, Kyle;
mccinnis.eileen@epa.gov%internet; liz.digregorio@fema.gov%internet;
Augustine T. Smythe@omb.eop.gov%internet
Cc: Dandy, Majida; dan.mccardell@do.treas.gov%internet;
ray.joiner@ios.doi.gov%internet; Marlene.minix@usda.gov%internet;
lgros-daillon@doc.gov%internet; suzanne.scruggs@ost.dot.gov%internet;
patty.mchugh@ost.dot.gov%internet;
schwarz.denise@epamail.epa.gov%internet; wade.powers@fema.gov%internet;
Karen.E.Keller@omb.eop.gov%internet; Craig_Felner@who.eop.gov%internet
Subject: Confirmation to Energy Task Force Meeting

This confirms the NEPD Principals' Meeting scheduled for tomorrow April 3,
2001 at 3pm in the Vice President's Ceremonial Office. The Invitees for
this meeting are provided below:

Invitees:
Secretary Paul O'Neill, Secretary of the Treasury
Secretary Gale Norton, Secretary of Interior
Secretary Ann Veneman, Secretary of Agriculture
Secretary Don Evans, Secretary of Commerce
Secretary Norman Mineta, Secretary of Transportation
 Secretary Spencer Abraham, Secretary of Energy
Governor Christine Todd Whitman, Administrator of the Environmental
Protection Agency
Mr. Joe Allbaugh, Director of the Federal Emergency Management Agency
Mr. Mitchell Daniels, Director, Office of Management and Budget
Mr. Josh Bolten, Deputy Chief of Staff to the President
Dr. Lawrence Lindsey, Director, National Economic Council
Mr. Ruben Barrales, Assistant to the President for Intergovernmental
Affairs

Vice President's Staff:
Lewis Libby
Dean McGrath
Mary Matalin
Cesar Conda
Karen Knutson
Juleanna Glover
John Fenzel
Charles Smith

White House Staff:
Joel Kaplan, Office of the Assistant to the President and Deputy Chief
of
Staff for Policy
Bob McNally, Office of the Assistant to the President for Economic
Policy
John L. Howard, Council on Environmental Quality
Dr. Glenn Hubbard, CEA Chairman-Designate
Albert Hawkins, Cabinet Affairs
Craig Felner, Cabinet Affairs

Agency Staff:

Energy Joe Kelliher
Commerce Kevin Murphy
Treasury Dina Ellis
Interior William Bettenberg
Agriculture Keith Collins
State Stephen Gallogly
Transportation Michelle Poche
FEMA Patricia Stahlschmidt
EPA Jeremy Symons
OMB Mark Weatherly
Dave LesStrang and Julie Hooks (scheduler) from Rep. Jerry Lewis' office called to say that Mr. Lewis and a handful of the other Members would like to meet with the Secretary at Forrestal on March 12 or 13 to discuss the state's electricity situation and to work with him on the agenda for the larger event at noon on the 15th (the latter event is more informal in nature and topics are expected to include other energy issues besides electricity--such as the activities of the VP's task force); it's also meant to be a "get to know you" forum).

The other participants at the first event, they said, would be Reps. Cox, Radanovich and Bono (all three serve on the Energy and Air Quality Subcommittee--which has jurisdiction over electricity issues) plus one or two others, unnamed.

I said I would pass the request on to others for further action.

I am not here next week, so I gave them Ellis' name as a point of contact.
Please add to schedule.

----- Original Message ----- 
Subject: NEPD MEETING 10/05 

The next NEPD meeting has been set for Friday, October 5th at 1:00p.m.
in the 
Vice President's Ceremonial Office. Please let me know if your 
Principal is 
available to attend. 
Nicki
-----Original Message-----
From: Nicole E. Grodner@who.eop.gov%internet
Subject: Postponed: NEPD MEETING
The NEPD meeting is postponed until further notice per the Vice President's office.

From: Nicole E. Grodner on 09/28/2001 11:32:38 AM
Record Type: Record

To: See the distribution list at the bottom of this message
cc: Subject: NEPD MEETING 10/05

The next NEPD meeting has been set for Friday, October 5th at 1:00p.m. at the Vice President's Ceremonial Office. Please let me know if your Principal is available to attend.

Nicki

Message Sent
To: l Benton@doc.gov @ inet
    brian_waidmann@ios.doi.gov @ inet
dwm@usda.gov @ inet
ti m.adams@do.treas.gov @ inet
    john.flaherty@ost.dot.gov @ inet
    kyle.mcslarrow@hq.doe.gov @ inet
    mcginnis.eileen@epa.gov @ inet
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    Augustine T. Smythe/OMB/EOP@EOP
    monica_piper@ios.doi.gov @ inet
    Marlene.minix@usda.gov @ inet
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    suzanne.scruggs@ost.dot.gov @ inet
    patty.mchugh@ost.dot.gov @ inet
    majida.dandy@hq.doe.gov @ inet
    kramer.cece@epa.gov @ inet
    coquis.heather@epamail.epa.gov @ inet
    Karen E. Keller/OMB/EOP@EOP
please add a press event when we land in lexington

Press Conference on National Energy Plan. Location: Lexington Airport (or airport hotel). Time 6 PM
-----Original Message-----
From: Nicole E. Grodner@who.eop.gov%internet
[mailto:Nicole E. Grodner@who.eop.gov]
Sent: Thursday, April 05, 2001 6:06 PM
To: Dandy, Majida; lfenton@doc.gov%internet;
brian.waidmann@ios.doi.gov%internet; dwm@usda.gov%internet;
tim.adams@do.treas.gov%internet; john.flaherty@ost.dot.gov%internet;
McSlarrow, Kyle; mcginnis.eileen@epa.gov%internet;
liz.digregorio@fema.gov%internet;
Augustine.T.Smythe@omb.eop.gov%internet;
dan.mccardell@do.treas.gov%internet; ray_joiner@ios.doi.gov%internet;
Marlene.minix@usda.gov%internet; lgros-daillon@doc.gov%internet;
suzanne.scruggs@ost.dot.gov%internet; patty.mchugh@ost.dot.gov%internet;
schwarz.denise@epamail.epa.gov%internet; wade.powers@fema.gov%internet;
Karen.E.Keller@omb.eop.gov%internet; Craig_Felner@who.eop.gov%internet
Subject: Schedule for two NEPD Meetings

National Energy Policy Development Group Principals Meeting
April 11, 2001
4:00 p.m. (1.5 hours)
Vice President's Ceremonial Office

National Energy Policy Development Group Principals Meeting
April 19, 2001
3:00 p.m. (1.5 hours)
Vice President's Ceremonial Office
Subject: Meeting Change

The NEPD Group Principals Meeting has been moved to Friday, July 13th from 2:00 - 3:00 in the Vice President's Ceremonial Office.

Again, one staff member can accompany their principal to this meeting. Please send the name of your representative, in a reply email, prior to July 13th so they can be granted access to the building.

Thank you,

Andrew Lundquist
-----Original Message-----
From: Nicole_E._Grodner@who.eop.gov\internet

Subject: canceled NEPD 09/17

Please be advised that the NEPD meeting scheduled for 09/17 is canceled.

Nicki
Vernet, Jean

Tom: Terry, Tracy
Sent: Monday, May 21, 2001 4:00 PM
To: Anderson, Margot
Cc: Vernet, Jean; Conti, John
Subject: FW: Clean Energy Group proposed legislation

CEG Integrated ATTACHMENT.TXT
Strategy.doc

Margot - Attached is the Clean Energy Group's draft legislation. According to Ann Berwick, they are still "tinkering" with it. Ann is the Associate Director for the group (which was organized by MJ Bradley consulting). Her phone number is (978) 369-5533 if you would like to talk to her. Also, this proposal appears to be different from anything proposed in Congress so far.

Tracy

-----Original Message-----
From: Ann G. Berwick [mailto:aberwick@mjbradley.com]
Sent: Monday, May 21, 2001 3:33 PM
To: Terry, Tracy
Subject: Clean Energy Group proposed legislation

Tracy--Here's the draft we discussed. Keep in mind that it is a work in progress. I'm happy to talk if that would be helpful. Ann
107th CONGRESS

1st Session

Bill Number

To establish a national uniform multiple air pollutant regulatory program for the electric power generation sector

IN THE HOUSE OF REPRESENTATIVES or
THE SENATE OF THE UNITED STATES

Date Introduced

Sponsor(s)

Referred to Name of Committee

A BILL

To establish a national uniform multiple air pollutant regulatory program for the electric power generation sector

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled

SECTION 1. SHORT TITLE; TABLE OF CONTENTS

(a) SHORT TITLE—This Act may be cited as the Integrated Air Quality Planning Act.

(b) TABLE OF CONTENTS—

Section 1. Short Title; Table of Contents
Section 2. Findings and Purpose
Section 3. Definitions
Section 4. National Pollutant Tonnage Caps
Section 5. Implementation: Sulfur Dioxide (SO₂) Program Revisions
Section 6. Implementation: Nitrogen Oxides (NOₓ) and Mercury Allowance Trading Programs
Section 7. Implementation: Carbon Dioxide (CO₂) Allowance Trading Program
Section 8. New Source Review Program Revisions

SECTION 2. FINDINGS AND PURPOSE

(a) FINDINGS—Congress finds that—

(1) fossil fuel-fired power plants, consisting of plants fueled by coal, fuel oil, and natural gas, produce nearly two-thirds of the electricity generated in the United States;

(2) fossil-fuel fired power plants account for approximately two-thirds of the total SO₂ emissions, one-third of total NOₓ emissions, one-third of total CO₂ emissions and are a leading source of anthropogenic mercury emissions in the U.S.;
(3) many generating units have been exempt from emissions limitations applicable to new units based on the expectation that over time these units would be retired or updated with new pollution control equipment. However, many of these units continue to operate and emit at relatively high rates;

(4) pollution from existing power plants can be reduced effectively through adoption of modern technologies and practices;

(5) the electricity industry is being restructured with the objective of providing lower electricity rates and higher quality services to consumers;

(6) the full benefits of competition will not be realized if environmental impact costs are not uniformly internalized;

(7) the ability of power plant owners to effectively plan for the future is impeded by the uncertainties surrounding future environmental regulatory requirements that are imposed inefficiently on a piecemeal basis.

(b) PURPOSES - The purposes of this Act are –

(1) to protect and preserve the environment and safeguard health by ensuring that substantial emissions reductions are achieved at fossil fuel-fired generating facilities;

(2) to greatly reduce the quantities of mercury, CO₂, SO₂, and NOₓ entering the environment from the combustion of fossil fuels;

(3) to internalize the cost of protecting the values of public health, air, land and water quality in the context of a competitive market in electricity;

(4) to assure fair competition among participants in the market in electric power that will result from fully restructuring the electric industry;

(5) to provide a period of environmental regulatory stability for owners/operators of electric generating facilities for improved management of existing assets and new capital investments;

(6) to achieve emissions reductions from electric generating facilities in a cost-effective manner.

SECTION 3. DEFINITIONS


(2) Administrator – “Administrator” means the Administrator of the U.S. Environmental Protection Agency.

(3) Affected unit, for the purpose of the tonnage caps in Section 4 and the emission reduction program provisions under Sections 5, 6 and 7, shall have the following meaning –

   (a) With respect to SO₂, the term “affected unit” has the same meaning as in Section 402 of the Clean Air Act.
With respect to mercury, the term "affected unit" means a coal-fired electric generating facility with a nameplate capacity greater than 25 megawatts that uses a combustion device primarily to generate electricity for sale, and with respect to NO\textsubscript{x} and CO\textsubscript{2}, the term "affected unit" means a fossil fuel-fired electric generating facility with a nameplate capacity greater than 25 megawatts that uses a combustion device primarily to generate electricity for sale, including any unit that —

(i) co-generates steam and electricity if it supplies more than one-third of its potential capacity and more than 25 megawatts of electrical output to the electric power grid;

(ii) serves a closed district heating and cooling system that, on an aggregate basis, supplies more than one-third of its potential capacity and more than 25 megawatts of electrical output to the electric grid.

Allowance — The term "allowance" means an authorization allocated by the Administrator under this Act to authorize emissions during or after a specified calendar year, as follows —

(a) NO\textsubscript{x} allowance shall mean an authorization to emit one ton of NO\textsubscript{x};

(b) SO\textsubscript{2} allowance is defined at paragraph 5(b) of this Act;

(c) CO\textsubscript{2} allowance shall mean an authorization to emit one ton of CO\textsubscript{2};

(c) Mercury allowance shall mean an authorization to emit one pound of mercury.

Eligible electric power generating unit — The term "eligible electric power generating unit" means incremental increases in generation (in megawatt hours) relative to 1990 levels produced by nuclear generating units, and generation produced by renewable energy sources, as defined herein.

Greenhouse gas — The term "greenhouse gas" or "GHG" means (a) carbon dioxide, (b) methane, (c) nitrous oxide, (d) hydrofluorocarbons, (e) perfluorocarbons and (f) sulfur hexafluoride.

New unit — For the purpose of the allocation provisions under Sections 6 and 7, the term "new unit" means an affected unit that has not operated for a sufficient period of time following commencement of operation to receive allocations under the following provisions of this Act —

(a) paragraph 6(c)(1) for the NO\textsubscript{x} and mercury provisions, and

(b) paragraph 7(c)(1) for the CO\textsubscript{2} provisions.

Renewable energy or renewable energy sources — The term "renewable energy" or "renewable energy sources" means electricity generated from wind, organic waste (excluding incinerated municipal solid waste), biomass (including anaerobic digestion from farm systems and landfill gas recovery), hydroelectric, geothermal, solar thermal, photovoltaic, fuel cells and other sources, all as designated by rule by the Administrator.
Sequestration - The term "sequestration" means the action of sequestering carbon, either through enhancing natural sinks (e.g., afforestation), or by capturing the CO₂ emitted from fossil fuel based energy systems and storing it in geologic formations or the deep ocean, or converting it to benign solid materials through biological or chemical processes.

SECTION 4. NATIONAL POLLUTANT TONNAGE CAPS

A new Title XII is added to the Clean Air Act entitled "National Pollutant Caps for the Electric Generating Sector" comprised of the following provisions –

(a) NITROGEN OXIDES (NOₓ)

(1) Annual Tonnage Cap - Effective January 1, 2008, the annual tonnage cap for emissions of nitrogen oxides from affected units in the continental U.S. shall be 2.11 million tons.

(b) SULFUR DIOXIDE (SO₂)

(1) Annual Tonnage Cap - Effective January 1, 2008, the annual tonnage cap for emissions of sulfur dioxide from affected units in the continental U.S. shall be 4.45 million tons.

(c) CARBON DIOXIDE (CO₂)

(1) Annual Tonnage Cap –

(A) From January 1, 2008 until December 31, 2011, the annual tonnage cap for emissions of CO₂ from affected units in the U.S. shall be the amount of emissions emitted from electric generating facilities in calendar year 2000, as determined by the Administrator.

(B) On and after January 1, 2012, the annual tonnage cap for emissions of CO₂ from affected units shall be 1.925 billion tons.

(d) MERCURY

(1) Annual Tonnage Cap –

(A) For calendar years 2008-2011 (inclusive), the annual tonnage cap for emissions of mercury from coal-fired generating units in the continental U.S. shall equal a 50 percent reduction from baseline mercury emission levels, as determined by the Administrator.

(B) For calendar year 2012, and each year thereafter, the annual tonnage cap for mercury shall equal a 70 to 90 percent reduction from baseline mercury emission levels, the exact percentage reduction to be determined by the Administrator by January 1, 2004 based on the best scientific data available at the time.

(e) REVIEW OF POLLUTANT CAPS

(1) The pollutant tonnage caps established under paragraphs 4(a), 4(b), 4(c) and 4(d) shall remain in effect until [insert date 15 years from date of enactment].
(2) Not later than [insert date thirteen years from date of enactment] the Administrator shall determine, based on air quality and cost considerations, whether one or more of the national pollutant caps should be revised.

(3) If, based on the assessment conducted in accordance with paragraph 4(e)(2), it is determined by the Administrator that no revisions to any of the pollutant caps are warranted, a notice of this determination, and the supporting rationale, shall be published in the Federal Register.

(4) If, based on the assessment conducted in accordance with paragraph 4(e)(2), it is determined by the Administrator that revisions to one or more of the national pollutant caps are warranted, a proposed rulemaking reflecting such revisions shall be published in the Federal Register no later than [insert date 13 years and 6 months from date of enactment]. A final rulemaking shall be promulgated no later than [insert date fourteen years from date of enactment] and the revisions to the pollutant cap(s) shall become effective no later than [insert date fifteen years from date of enactment].

(5) Determinations made under this paragraph by the Administrator shall remain in effect for another 15-year period, wherein the review cycle established under this paragraph shall be repeated (i.e., EPA will determine if the caps need to be adjusted again by December 31, 2027; if not, the determination shall be noticed in the Federal Register; if so, a proposed rule shall be published by June 30, 2028; etc.).

(6) Notwithstanding the national pollutant caps established pursuant to this section, emissions from individual sources may be ordered reduced by federal or state authorities to address local air quality problems.

SECTION 5. IMPLEMENTATION: SULFUR DIOXIDE REDUCTION PROGRAM REVISIONS

(a) REGULATIONS – Not later than January 1, 2004, the Administrator shall promulgate revisions to its regulations implementing Title IV of the Clean Air Act as deemed necessary to implement the provisions of this section.

Section 402 of the Clean Air Act is amended by striking paragraph (3) thereof and inserting the following –

(b) ALLOWANCE – the term ‘allowance’ means an authorization, allocated to an affected unit by the Administrator under this title, to emit, during or after a specified calendar year –

(1) in the case of allowances allocated for calendar years 1995 through 2007, one ton of sulfur dioxide; and

(2) in the case of allowances allocated for calendar year 2008, and each year thereafter, an amount of SO₂ determined by the Administrator and set forth in the regulations promulgated pursuant to paragraph 5(a) that is consistent with the new national sulfur dioxide tonnage cap established under paragraph 4(b)(1).

SECTION 6. IMPLEMENTATION: NITROGEN OXIDES AND MERCURY ALLOWANCE TRADING PROGRAMS
The Clean Air Act is amended by striking Section 407. A new Title XIII is added to the Clean Air Act, entitled "Nitrogen Oxides and Mercury Allowance Reduction Program for the Electric Utility Sector" comprised of the following provisions—

(a) REGULATIONS – Not later than January 1, 2004, the Administrator shall promulgate regulations establishing an allowance trading program for NOx and an allowance trading program for mercury for affected units in the continental U.S. Such regulations shall establish the allowance system prescribed under this section, including, but not limited to, the allocation, issuance recording, tracking, transfer and use of allowances, and the public availability of all such information that is not confidential. These regulations shall also establish the requirements governing affected unit compliance with allowance limits, the monitoring and reporting of emissions and the provisions for excess emission penalties.

(b) NEW UNIT RESERVES – The Administrator shall establish through rulemaking a reserve of NOx and of mercury allowances set aside for use by new affected units.

(1) The Administrator in consultation with the Department of Energy shall determine the size of the new unit reserves based upon projections of generation output for new affected units—

(A) not later than June 30, 2004, the new unit reserves for 2008 through 2012;

(B) not later than June 30, every five years thereafter, the new unit reserves for the next five-year control period.

(c) NOx AND MERCURY BUDGETS AND ALLOWANCE ALLOCATIONS

(1) Distribution to affected units

(A) NOx allowances shall be distributed to affected units—

(i) not later than December 31, 2004, for calendar year 2008;

(ii) by December 31 of each calendar year after 2004, for the year that begins 36 months thereafter.

(B) Subject to paragraph 6(b), the Administrator shall distribute NOx allowances to affected units on a generation output basis in accordance with the following formula—

1.5 lbs NOx/megawatt hour, multiplied by the affected unit's highest calendar year net electricity generation (in megawatt hours during the most recent three-year period, on a rolling annual basis), divided by 2000 lbs/ton.

(C) Subject to paragraph 6(b), the Administrator shall distribute mercury allowances to affected units on a generation output basis in accordance with the following formula—

[0.0000227 lbs mercury/megawatt hour, multiplied by the affected unit's highest calendar year net electricity generation (in megawatt hours during the most recent 3 year period, on a rolling annual basis).]
If total allocations based on this formula exceed or fall short of the applicable caps specified in Section 4 minus the new unit reserves for that year, allocations to affected units will be adjusted on a pro rata basis to equal the applicable caps specified in Section 4.

(D) An allowance shall not be considered a property right. Notwithstanding any other provision of law, the Administrator may terminate or limit an allowance.

(E) A distribution of allowances by the Administrator under paragraph 6(c)(1) shall not be subject to judicial review.

(2) Distribution to new affected units –

(A) The Administrator shall promulgate regulations that establish a methodology for distributing allowances to new affected units.

(B) The number of allowances available to a new unit shall be based on actual generation output times the permitted emission rate.

(d) NO\textsubscript{x} AND MERCURY ALLOWANCE TRANSFER SYSTEM

(1) Use of Allowances - The regulations promulgated pursuant to this section shall –

(A) prohibit the use (but not the transfer in accordance with paragraph 6(d)) of any allowance before the calendar year for which the allowance is allocated;

(B) provide that unused allowances may be carried forward and added to allowances allocated for subsequent years;

(C) provide that such allowances may be transferred by the person to whom allocated or to any other person. Any person to whom such allowances have been transferred may use the allowances in the control period for which the allowances were allocated or in a subsequent control period to demonstrate compliance with paragraph (6)(e)(i) or may transfer such allowances to any other person for such purposes.

(2) Certification of Transfer – A transfer of an allowance shall not be effective until a written certification of the transfer, authorized by a responsible official of the person making the transfer, is received and recorded by the Administrator.

(3) Permit Requirements – An allowance allocation or transfer shall, upon recording by the Administrator, be considered a part of each unit’s operating permit requirements, without a requirement for any further permit review or revision.

(e) COMPLIANCE AND ENFORCEMENT –

(1) Compliance With Allowance Limits – For each calendar year beginning after December 31, 2007, the operator of each affected unit shall surrender to the Administrator a number of allowances for NO\textsubscript{x} equal to the total tons of NO\textsubscript{x} emitted by that unit during the calendar year, and a number of allowances for mercury equal to the total pounds of mercury emitted by that unit during the calendar year.
(2) Monitoring System – The Administrator shall promulgate regulations requiring the accurate monitoring of the quantities of NOx and mercury that are emitted at each affected unit.

(3) Reporting –

(A) In general – Not less than quarterly, the owner or operator of an affected unit shall submit NOx and mercury monitoring reports to the Administrator.

(B) Authorization – Each report required under paragraph 6(e)(3)(A) shall be authorized by a responsible official of the affected unit, who shall certify the accuracy of the report.

(C) Public Reporting – The Administrator shall make available to the public, through one or more published reports and one or more forms of electronic media, unit-specific emission data for each affected unit for NOx and mercury.

(4) Excess Emissions – The owner or operator of any affected unit that emits NOx or mercury in excess of the allowances the owner or operator holds for use for the unit for the calendar year shall be liable for the payment of an excess emissions penalty, and shall be liable to offset the excess emissions by an equal amount in the following calendar year or such other period as the Administrator shall prescribe. The excess emissions penalty for NOx shall be calculated on the basis of the number of tons emitted in excess of the total number of allowances held, multiplied by $5,000, indexed by inflation under rules promulgated by the Administrator. The excess emissions penalty for mercury shall be calculated on the basis of the number of pounds emitted in excess of the total number of allowances held, multiplied by $10,000, indexed by inflation under rules promulgated by the Administrator.

SECTION 7. IMPLEMENTATION: CO2 ALLOWANCE TRADING SYSTEM

A new Title XIV is added to the Clean Air Act entitled “Greenhouse Gas Reduction Program for the Electric Utility Sector” comprised of the following provisions –

(a) REGULATIONS – Not later than January 1, 2004, the Administrator shall promulgate regulations establishing a CO2 allowance trading program for affected units and eligible electric power generating units operating in the U.S. Such regulations shall establish the allowance system prescribed under this section, including, but not limited to, the allocation, generation, issuance recording, tracking, transfer and use of CO2 allowances, and the public availability of all such information that is not confidential. These regulations shall also establish the requirements governing affected unit compliance with allowance limits, the monitoring and reporting of emissions and the provisions for excess emission penalties. In addition, the regulations adopted by the Administrator under this section shall establish standards, guidelines and procedures governing the creation, certification and use of additional allowances requested under the flexibility mechanism provisions of paragraph 7(d) of this Act.

(b) NEW UNIT RESERVE – The Administrator shall establish through rulemaking a reserve of CO2 allowances set aside for use by new affected units.

(1) The Administrator in consultation with the Department of Energy shall determine the size of the new unit reserve based upon projections of generation output for new affected units –

(A) not later than June 30, 2004, the new unit reserve for 2008 through 2012;
(B) not later than June 30, every five years thereafter, the new unit reserve for the next
five-year control period.

(c) CO₂ BUDGETS AND ALLOWANCE ALLOCATION

(1) Distribution of CO₂ allowances

(A) CO₂ allowances shall be distributed -

(i) not later than December 31, 2004, for calendar year 2008;

(ii) by December 31 of each calendar year after 2004, for the year that begins 36
months thereafter.

(B) The Administrator shall distribute CO₂ allowances to affected units and eligible
electric power generating units in proportion to each such unit’s share of the total
electric power generation attributable to the generation of affected units and eligible
electric power generating units. The distribution shall not exceed the CO₂ tonnage
budget established in paragraph (4)(c) minus the new unit reserve established under
paragraph (7)(b).

Alternative allocation option:

(B) The Administrator shall distribute CO₂ allowances to affected units and non-fossil
fired generating units serving the grid, including accepted energy efficiency projects
that reduce electricity demand from the grid. CO₂ allowances shall be distributed in
proportion to each unit’s or projects’ share of the total electric power generation and,
in the case of energy efficiency projects, accepted energy efficiency projects’
contribution to reductions in electricity demand. The distribution shall not exceed the
CO₂ tonnage budget established in paragraph (4)(c) minus the new unit reserve established under
paragraph (7)(b).

For this section, the term “accepted energy efficiency project” means any end use energy
efficiency projects as defined by the Independent Review Board as referenced in
subsection (d) of this section.

(C) In determining a unit’s share of total electric power generation, the Administrator
shall consider the unit’s highest utilization level, in megawatt hours, during the most
recent three-year period, on a rolling annual basis.

(D) A CO₂ allowance shall not be considered a property right. Notwithstanding any other
provision of law, the Administrator may terminate or limit a CO₂ allowance.

(E) A distribution of CO₂ allowances by the Administrator under paragraph 7(c)(1) shall
not be subject to judicial review.

(2) Distribution to new affected units –
(A) The Administrator shall promulgate regulations that establish a methodology for distributing CO₂ allowances to new affected units.

(B) The amount of CO₂ allowances available to a new unit shall be based on actual generation output times the permitted emission rate.

(d) COMPLIANCE FLEXIBILITY MECHANISMS

(1) Independent Review Board – An Independent Review Board shall be established to assist EPA's implementation of the flexibility mechanisms provided for under this section. Requirements related to the creation, composition, duties, responsibilities and other aspects of the Independent Review Board shall be included in the regulations developed by the Administrator under paragraph (7)(a).

(A) The Board shall be comprised of 11 members – one representative of EPA (who shall also serve as chairperson of the Board), one representative from the Department of Energy, three representatives from state government, three representatives from the electric generating sector and three representatives from the environmental community. The Review Board shall report to the Administrator, who shall provide staff and other resources to the Board as necessary. The Administrator will respond promptly to requests for support.

(B) The Board shall promulgate guidelines for certifying the additional allowances. The guidelines shall be promulgated by (i) January 1, 2003 for allowances generated pursuant to paragraph C(i) below, and (ii) January 1, 2005 for allowances generated pursuant to paragraph C(ii). The Board shall be responsible for periodically updating these guidelines as appropriate.

PLACEHOLDER: PENDING THE OUTCOME OF ANALYSIS OF THE ECONOMIC IMPACTS OF THE UNCONSTRAINED CREATION OF OFF-SITE AND OFF-SECTOR ALLOWANCES, CEG WILL DETERMINE WHETHER THERE SHOULD BE LANGUAGE PLACING CONTRAINTS IN THIS SECTION.

(C) The Board shall be responsible for certifying additional allowances requested, pursuant to the following –

(i) For actions completed on or after January 1, 1990 and prior to January 1, 2008, allowances for early action, limited to 10 percent of the tonnage cap of 1.925 billion tons established in Section 4, will be granted for the following types of projects –

(a) domestic and international projects that effectively sequester carbon;

(b) projects reported under Section 1605 of the Energy Policy Act of 1992;

(c) domestic and international projects that reduce greenhouse gas emissions.
(ii) For actions completed on or after January 1, 2008, allowances will be granted for the following types of projects –

(a) domestic and international projects that effectively sequester carbon;

(b) CO₂ reductions from greenhouse gas sources not meeting the definition of an affected unit.

(iii) For CO₂ reductions achieved from investments in new renewable energy projects and for investments in energy efficiency projects, allowances will be granted according to the following guidelines –

(a) Between January 1, 2002 and December 31, 2007, one allowance shall be granted to applicants for every $15 invested in a certified new renewable energy project or efficiency project.

(b) Between January 1, 2007 and December 31, 2014, one allowance shall be granted to applicants for every $25 invested in a certified new renewable energy project or energy efficiency project.

(c) No CO₂ allowances will be granted for investments made in renewable energy projects or energy efficiency projects after December 31, 2014.

(2) The Issuance and Use of Allowances

(A) The Administrator shall make available allowances to projects that receive certification by the Independent Review Board. The allowance shall be in addition to the tonnage budget set forth in paragraph 4(c).

(B) The regulations promulgated pursuant to paragraph 7(a) shall allow sources to purchase and use CO₂ allowances that are traded under other domestic or internationally recognized CO₂ reduction program and to use these allowances as a compliance option for the domestic program created by this Act.

(e) CO₂ ALLOWANCE TRANSFER

(1) Use of CO₂ Allowances – The regulations promulgated pursuant to this section shall –

(A) prohibit the use (but not the transfer in accordance with paragraph 7(e)(2)) of any CO₂ allowance allocated by the Administrator before the calendar year for which the CO₂ allowance is allocated;

(B) provide that unused CO₂ allowances allocated by the Administrator may be carried forward and added to CO₂ allowances allocated for subsequent years;

(C) provide that such allowances may be transferred by the person to whom allocated or by any other person. Any person to whom such allowances have been transferred may use the allowances in the control period for which the allowances were allocated or in a subsequent control period to demonstrate compliance with paragraph (7)(f)(2), or may transfer such allowances to any other person for such purposes;
(D) provide that allowances originally allocated and transferred pursuant to this section may be transferred into any other market-based CO₂ emissions trading program approved by the President and implemented pursuant to regulations developed by the Administrator or other federal agency.

(2) Certification of Transfer – A transfer of a CO₂ allowance shall not be effective until a written certification of the transfer, authorized by a responsible official of the person making the transfer, is received and recorded by the Administrator.

(3) Permit Requirements – A CO₂ allowance allocation or transfer to an affected unit shall, upon recording by the Administrator, be considered a part of each affected unit’s operating permit requirements, without a requirement for any further permit review or revision.

(f) COMPLIANCE AND ENFORCEMENT –

(1) Compliance with the CO₂ cap can be achieved as follows –

(A) From 2008 through 2014 inclusive, compliance may be demonstrated through the use of CO₂ allowances distributed under paragraph 7(c) or 7(d).

(B) After 2014, compliance may be demonstrated through the use of CO₂ allowances distributed under paragraph 7(c), or any internationally recognized flexibility mechanisms in place at the time.

(2) Compliance With Allowance Limits – For each calendar year beginning after December 31, 2007, the operator of each affected unit shall surrender to the Administrator a number of allowances for CO₂ equal to the total tons of CO₂ emitted by that unit during the calendar year.

(3) Monitoring System – The Administrator shall promulgate regulations requiring the accurate monitoring of the quantity of CO₂ that is emitted at each affected unit.

(4) Reporting –

(A) In general – Not less than quarterly, the owner or operator of an affected unit shall submit a report on CO₂ emissions from the unit.

(B) Authorization – Each report required under paragraph (A) shall be authorized by a responsible official of the generating unit, who shall certify the accuracy of the report.

(C) Public Reporting – The Administrator shall make available to the public, through one or more published reports and one or more forms of electronic media, CO₂ emissions data for each affected unit.

(5) Excess Emissions – The owner or operator of any affected unit that emits CO₂ in excess of the allowances the owner or operator holds for use for the unit for the calendar year shall be liable for the payment of an excess emissions penalty, and shall be liable to offset the excess emissions by an equal amount in the following calendar year or such other period as the Administrator shall prescribe. The excess emissions penalty shall be calculated on the basis of the number of tons emitted in excess of
the total number of allowances held, multiplied by $100, indexed by inflation under rules promulgated
by the Administrator.

SECTION 8. NEW SOURCE REVIEW PROGRAM REVISIONS

Section 165 of the Clean Air Act is amended by the following –

The Administrator shall promulgate revisions to its New Source Review (NSR) regulations, including its
Prevention of Significant Deterioration (PSD) requirements.

(a) The regulations shall revise the NSR/PSD applicability criteria for affected units under either Section
4(a) or (b) such that –

(1) Physical changes or changes in the method of operation at affected units shall not be subject to
the NSR/PSD regulations and are not subject to EPA approval if –

(A) the project does not meet the definition of the term “reconstruction” as defined in 40
CFR 60.15, or

(B) the project does not result in an increase of the affected unit’s emission rate on a
lbs/megawatt hour basis.

(2) Projects that do not meet the criteria set forth in paragraph 8(a)(1) shall be subject to the
existing NSR/PSD applicability provisions and general requirements.

(b) The regulations shall continue to apply NSR/PSD to proposed new units, with the following changes –

(1) New sources locating in non-attainment areas shall not be required to obtain emission offsets.

(2) The definition of “Lowest Achievable Emission Rate (LAER)” technology shall be revised to
allow costs to be considered in the determination of what constitutes LAER, such that new
sources will not be required to install LAER technology if the cost exceeds a threshold
amount (in dollars per ton) to be determined by the Administrator. This LAER cost threshold
amount may not be less than twice the amount of the BACT cost guideline.

SECTION 9. SAVINGS PROVISIONS

Except as specifically provided herein, nothing in this section –

(1) affects the permitting, monitoring and enforcement obligations of the Administrator under the
Clean Air Act (42 U.S.C. 7401 et seq.) and the remedies provided thereunder;

(2) affects the requirements and liabilities of an affected facility under the Clean Air Act;

(3) requires a change in, affects, or limits any state law regulating electric utility rates or charges,
including prudency review under state law; or

(4) precludes a state or political subdivision of a state from adopting and enforcing any
requirement for the control or abatement of air pollution, except that a state or political
subdivision may not adopt or enforce any emission standard or limitation that is less stringent than the requirements imposed under the Clean Air Act.
Jean and Margot

It may have not been clear, but the NSR information that we distributed is a background piece that should accompany the same "permitting" recommendation that was used at last week's meeting.

Lorie

I have not seen anything except the background nsr piece I was just provided for review: nsr.back 4-16.wpd

Are related pieces with the recommendations available? Thanks.

Jean
Austin,

I made a couple of clarifying/expanding changes, and will send this forward to Margot Anderson (Acting Dir, Office of Policy) for consideration.

Jean

Does this work?

Per our conversation this AM. Preliminary goals and the template for options.
Margot,

Attached is 2-pager.

Let me know what else you might need.

Jean

EEI-feb14-01.wpd

---Original Message---

From: Carter, Douglas
Sent: Monday, February 12, 2001 5:06 PM
To: Rudins, George; Kripowicz, Robert
Cc: Vemet, Jean
Subject: EEI meeting w/S-1, fyi

Paul Bailey and 6 utility CEOs are scheduled to meet w/ S-1 at 2pm Wednesday, for 30 min. They will explain to Abraham their 4-Pollutant strategy for coal-fired power plants. This is part of an EEI outreach effort to talk w/ several congressmen and EPA on a legislative approach to improve regulatory certainty for coal power generation. I understand Paul spoke today w/ Joe Kelliher (S1) to provide an overview of the meeting agenda.

Carter (FE-26)
UOE
Washington, DC 20585
202-586-9684

[This email uses 100% recycled electrons.]
From my initial inquiry this morning of Quinn Shea (EEI):

- half-dozen utility CEO's coming to DC the 13th and 14th
- scheduled to meet with Abraham, Whitman, Murkowski, Smith, Tauzin
- one topic: national energy plan and the importance of including a multi-pollutant control strategy for the power industry

I should have more info later today.
Jean,

Thought you saw this, but I wanted to distribute to the rest of the electricity team. I think it is relevant for this summer.

[File]
epa2001_1341.pdf

John J. Conti
Acting Director,
Office of Economic, Electricity,
and Natural Gas Analysis
(202) 586-4767
This is on a fast track. I assume you have it, but if not, you have it now.

I think EPA left out a couple of points.

Doug
We need to generate policy options for a national energy strategy. Attached please find a template. We will discuss at today's staff.

---Original Message---
From: Anderson, Margot
Sent: Monday, March 05, 2001 4:56 PM
To: Conti, John; Haspel, Abe; Zimmerman, MaryBeth; Lockwood, Andrea; Breed, Patricia; Breed, William; KYDES, ANDY; Whatley, Michael; Carter, Douglas; Braitsch, Jay; Melchert, Elena; Cook, Trevor; jkstier@bpa.gov
Cc: Kelliher, Joseph
Subject: template

template for policy ideas.doc

All,

Comments, please.

Margot
Certainly. Do we have any more info?

---Original Message---
From: Anderson, Margot
Sent: Friday, April 20, 2001 8:35 AM
To: Vemet, Jean
Subject: RE: NSR

Can you attend the meeting in Joe's office at 10:00?

---Original Message---
From: Vemet, Jean
Sent: Friday, April 20, 2001 7:05 AM
To: Anderson, Margot
Subject: RE: NSR
Importance: High

I'm here.

---Original Message---
From: Anderson, Margot
Sent: Thursday, April 19, 2001 5:37 PM
To: Vemet, Jean
Subject: FW: NSR
Importance: High

Jean,

You going to be around in the morning?

Margot

---Original Message---
From: Kelliher, Joseph
Sent: Thursday, April 19, 2001 5:35 PM
To: Anderson, Margot
Subject: NSR
Importance: High

Who is our smartest NSR person? Can you and that person (and it may well be you, be frank and admit it if that is the case) be in my office at 10 tomorrow for a conference call with our brothers at EPA on NSR? Let me know. They just called about this. Thanks.

Tracking:

<table>
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29147
Sure.

---Original Message---
From: Conti, John
Sent: Friday, April 20, 2001 8:36 AM
To: Vemet, Jean
Subject: Garry Garret @ Oglethorpe Power Corp

Jean,

A former colleague from the NERC RAS called and wanted to talk about environmental regs effecting new power plants. I was hoping you could give him a call. Garry can be reached at 770-270-7245.

John J. Conti
Acting Director,
Office of Economic, Electricity, and Natural Gas Analysis
(202) 586-4767

Tracking:
Recipient Delivered: 4/20/2001 8:37 AM
Conti, John
Read: 4/20/2001 8:39 AM
Jean,

Attached is a redline/strikeout version of the edited piece. The version attempts to address some of the significant omissions in the piece EPA sent over, the biggest of which are:

The piece provided refers to the latest versions of NEP sections and recommendations I have not seen.

Jean

Jean E. Vemet
Office of Policy, PO-21
U.S. Department of Energy
202.586.4755
fax 202.586.5391

<< File: nsr back 4-16rev redline.wpd >>
Does this work?

---Original Message---
From: Vernet, Jean [mailto:Jean.Vemet@hq.doe.gov]
Sent: Tuesday, March 13, 2001 10:25 AM
To: 'Austin.Perez@sba.gov%internet'
Subject: RE: Naft Energy Plan

Per our conversation this AM. Preliminary goals and the template for options.

<< File: NEP Policy Issues.doc >>  << File: template for policy ideas.doc >>
Some of you have expressed an interest in the National Energy Policy. Attached is the draft (pdf file) of the interim report that we have been working on (the U.S. energy situation). A version of the report will be going to the Task Force next week (this is still a document for internal discussion only). Also attached is a preliminary list of policy goals to help center the discussion on policy options consistent with those goals. Please do not redistribute these documents.

John J. Conti
Acting Director,
Office of Economic, Electricity,
and Natural Gas Analysis
(202) 586-4767
Per our conversation this AM. Preliminary goals and the template for options.
Thought you should have this history.

-----Original Message-----
From: Terry, Tracy
Sent: Friday, March 30, 2001 1:42 PM
To: Anderson, Margot
Cc: Vernet, Jean
Subject: FW: DRAFT multi-pollutant 1-pager

Margot - Here is what Jeremy sent to the White House and a separate file with Jean's suggested revisions.

Tracy

-----Original Message-----
From: Symons.Jeremy@epamail.epa.gov%internet
    tito:Symons.Jeremy@epamail.epa.gov]
    t: Friday, March 30, 2001 12:14 PM
    s: charles_m._smith@ovp.eop.gov%internet
    Cc: Terry, Tracy
    Subject: DRAFT multi-pollutant 1-pager

DOE has not had a chance to review yet. I have cc'd them on this e-mail.

-----------------------------
Jeremy Symons
EPA, Office of Air and Radiation
(202) 564-9301
Fax: (202) 501-0394

Tracking: Recipient Delivery Read
Conti, John Delivered: 3/30/2001 1:54 PM Read: 4/2/2001 12:21 PM

29153
From today's E&E issue:

GOP ENERGY PACKAGE DELAYED; CHENEY WILL FORWARD SEPARATE PLAN

Vice President Cheney told Sen. Frank Murkowski (R-Alaska) Tuesday the administration will take 45 to 60 days to develop and introduce its own comprehensive energy plan, making immediate action on the GOP energy package unlikely.

Still, Murkowski and Majority Leader Trent Lott (R-Miss.) intend to introduce their comprehensive plan sometime next week. They had tentatively planned to formally present this session's version of the GOP energy package this week, but that strategy has now been shelved to make room for President Bush's aggressive tax-cut campaign.

As head of the president's special task force on energy policy, Cheney will undertake a thorough evaluation of the nation's energy needs and ultimately come up with a proposal separate from the GOP energy package, Murkowski said Tuesday following the weekly Republican policy luncheon.

"We just don't have time right now," Murkowski said, adding that the energy bill is still a top priority on the Republican agenda.

Cheney, Lott and Murkowski met briefly Tuesday to discuss energy policy, but few specifics emerged. Murkowski did say Cheney confirmed plans to open the 1002 section of Alaska's Arctic National Wildlife Refuge will be included in any proposal the administration forwards to Congress.

Critics, primarily environmental organizations, have assailed Murkowski's package for the ANWR provisions, contending that oil and natural gas drilling in the refuge will not solve widespread energy shortages. Taking a swipe at those critics, Murkowski said environmentalists "just criticize" and "never come up with an alternative."

But at least one of the those critics, the Natural Resources Defense Council, has come up with an alternative proposal and went public with its plan Tuesday morning. NRDC's proposal focuses on a series of measures designed to increase energy efficiency in cars, buildings and power plants, while shunning proposals to drill in ANWR. NRDC claims that raising vehicle fuel economy standards in cars and light trucks to 39 miles per gallon will provide 16 times more oil than drilling in ANWR (see today's Greenwire for more details on the NRDC plan).

Murkowski may also have trouble selling his ANWR plan in the Senate. Voting margins in the evenly divided chamber are tight, and some moderate Republicans still oppose the open-ANWR pitch, despite the president's support. Sen. Bob Smith (R-N.H.), chairman of the Environment and Public Works Committee, said Tuesday that if the final GOP energy bill survives with ANWR included, it will not have the votes

29154
Will send the attached to Joe within the hour, with an explanatory note.

----- Original Message-----
From: Carter, Douglas
Sent: Tuesday, April 17, 2001 9:12 AM
To: Vernet, Jean
Subject: FW: EPA materials

Jean -

This is on a fast track. I assume you have it, but if not, you have it now.

I think EPA left out a couple of points.

Doug

----- Original Message-----
From: Kripowicz, Robert
Sent: Tuesday, April 17, 2001 7:23 AM
To: Carter, Douglas
Subject: FW: EPA materials

Please review the new source review attachment.
Thanks.

----- Original Message-----
From: Kelliher, Joseph
Sent: Monday, April 16, 2001 7:19 PM
To: Anderson, Margot; Kripowicz, Robert
Subject: EPA materials

Please circulate. We will need to turn around quickly.

----- Original Message-----
From: Schmidt.Lorie@epamail.epa.gov
Sent: Monday, April 16, 2001 7:14 PM
To: Kelliher, Joseph
Cc: Symons.Jeremy@epamail.epa.gov; Moss.Jacob@epamail.epa.gov; Gibson.Tom@epamail.epa.gov; Spencer.Susan@epamail.epa.gov
Subject: For Review
For review by USDA and DOE, here is the piece on RFG and boutique fuels:
(See attached file: boutique 4 16 01.wpd)

For review by DOE, here is the additional background piece on NSR:
(See attached file: nsr back 4-16.wpd)

Tracking: 

Recipient: Carter, Douglas

Delivery: Delivered: 4/17/2001 10:03 AM

Read: Read: 4/17/2001 10:31 AM
Jeremy -

I assume you're likely the EPA staffer on this -- just wanted to make sure you see this message (and possibly avoid some delays in getting material).

Have a good weekend.

Regards, Jean

---Original Message---

From: Anderson, Margot
Sent: Friday, April 13, 2001 4:07 PM
To: 'beale.john@epa.gov'
Cc: Vemet, Jean; Kelliher, Joseph; 'brenner.rob@epa.gov'
Subject: New Source Review one pager

John,

Just left you a voice mail. Joe Kelliher asked me to contact you regarding a NSR one-pager for the NEP principals meeting next week. Both Joe Kelliher (joe.kelliher@hq.doe.gov) and Jean Vemet (jean.vemet@hq.doe.gov) will participate for DOE. Please let me know if there is someone else I need to contact.

Thanks,

Margot
Bob and Nancy,

Note Margot's caution on close hold.

Thanks for your help. As you can see, the final was (very) simplified.

Jean

Margot

The latest version which I think was discussed yesterday at the principal's meeting. I think its okay to share around but not widely.

Jean,
Margot, Thanks. Jean

---Original Message---
From: Anderson, Margot
Sent: Thursday, April 12, 2001 8:55 AM
To: Vernet, Jean
Subject: permitting paper

Jean,

The latest version which I think was discussed yesterday at the principal's meeting. I think it's okay to share around but not widely.

Margot

<< File: PERMITTING RECOMMENDATION.doc >>

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Lorie/Jeremy,

Attached is an edited version of the paper distributed at Thursday's meeting. We understand from you that this topic is on the agenda for the 4/11 principals' meeting. At this time, I have not received comments from our EE office.

If you have any questions or wish to discuss, please call. And I would appreciate any revised version EPA prepares after considering these and other agencies' comments.

Regards,

Jean

Jean E. Vemet
Office of Policy, PO-21
U.S. Department of Energy
202.586.4755
January 26, 2001

TO: Cathy Holloway  
The Scheduler for Secretary Abraham

From: John Sharp  
Executive Vice President and Counsel

RE: Arranging an appointment with the Secretary

I would like to arrange a brief meeting with the Secretary — 10 minutes would suffice — to discuss energy policy as it relates to natural gas and also to introduce a good friend of Don Evans: Don Niemiec, President of Union Pacific Resources. Don Niemiec is interested in a position at the Federal Energy Regulatory Commission.

We are available next week any time at the Secretary's convenience on the following days: Tuesday 6th February through Friday 9th February. Please call Carol Burg at (202) 326-9300 to discuss the arrangements. I appreciate your assistance.
January 26, 2001

TO: The Scheduler for Secretary Abraham

From: John Sharp
   Executive Vice President and Counsel

RE: Arranging an appointment with the Secretary

I would like to arrange a brief meeting with the Secretary – 10 minutes would suffice –
to discuss energy policy as it relates to natural gas and also to introduce a good friend of
Don Evans: Don Niemiec, President of Union Pacific Resources. Don Niemiec is
interested in a position at the Federal Energy Regulatory Commission.

We are available next week any time at the Secretary’s convenience on the following
days: Wednesday, January 31, Thursday, February 1 or Friday, February 2.

Please call Carol Burg at (202) 326-9300 to discuss the arrangements. I appreciate your
assistance.
January 31, 2001

Mr. Kyle McSlarrow  
Chief of Staff to the U.S. Secretary of Energy  
U.S. Department of Energy  
Washington, DC 20585

Subject: Invitation For Secretary Abraham To Address The Prudential Securities Energy Conference In Washington On Or About March 20

Dear Mr. McSlarrow:

On behalf of the Prudential Securities Energy Research Team, I would like to invite Secretary Abraham to address a conference of institutional investors from Wall Street and around the country on the goals and objectives of the Bush Administration's new national energy security policy.

We would hope that the Secretary could focus in particular on such topics as the policy's implications for domestic energy supply; energy security as a component of U.S. technological leadership; energy security as a component of critical infrastructure security; the implications of an improved and upgraded national energy infrastructure for domestic production and distribution; and industry implications generally.

The audience would consist primarily of institutional investors covering the energy, technology, and manufacturing sectors, but if the Secretary requests we will be pleased to open his address to the national media and financial press as well as to select members of the energy, technology, and manufacturing policy community.

We anticipate holding a day-long conference. Other speakers to be invited would include Senate Energy and Natural Resources Committee Chairman Frank Murkowski and House Commerce Energy and Power Subcommittee Chairman Joe Barton, and Federal Energy Regulatory Committee Chairman Curt Hebert.

Our goal in the conference will be to present investors with the most comprehensive possible view of the new initiatives in energy policy being undertaken by the Bush Administration, with appropriate background on the past and present political debates on energy policy occurring at both the federal and state levels.
We anticipate that proceedings at the conference will be reflected in a report that will be widely distributed among the investment community as well as in the ongoing research publications of Prudential Security's award-winning research team, which has been ranked #1 for Washington research in the annual *Institutional Investor* magazine poll eight years in a row.

We have tentatively reserved facilities at the new Ritz-Carlton hotel at 1150 22nd Street, NW for March 20, but in order to facilitate your possible appearance, we will be pleased to work with you on attempting to find a date and a time in mid-to-late March on which appropriate hotel facilities will be available and on which you might be able to appear. Since hotel facilities are the primary constraint on our flexibility in scheduling, we would like to confirm a possible, feasible date as quickly as possible, since the prime venues in Washington book up quickly.

We realize that Secretary Abraham has much to do and has barely had time to settle into his new office, but given the salience and urgency of energy policy issues, which has resulted in unusually intense interest among Wall Street investors, we hope that the Secretary can consider our request.

Please feel free to call me at your early convenience to discuss this matter. My phone number is (703)358-2987. You reach me by email at james_lucier@prusec.com. All of us at Prudential Securities look forward to working with you to ensure that the investment community has the best possible insight into your policies and strategy.

Sincerely,

James P. Lucier, Jr.
Vice President
Senior Washington Analyst

cc: Joe McMonigle
    Cesar Conda
    Andrew Lundquist
February 12, 2001

TO: Scheduling Office for Secretary of Interior

FROM: Rob J. Robertson, Vice President/Governmental Relations

SUBJECT: Meeting Request

The Board of Directors of the Nebraska Farm Bureau Federation are requesting to meet with Secretary Spencer Abraham on Monday, March 5 or Tuesday, March 6 to discuss U.S. energy policy and current problems in agriculture associated with high energy costs. Nebraska Farm Bureau Federation is the state's largest general purpose farm organization representing farmers and ranchers on public policy issues.

There is a great deal of concern about energy policy in the U.S. and the problems high energy costs have on consumers. However, there is probably no other group of citizens impacted more by high energy costs than American farmers. We thought a meeting with the Secretary would be mutually beneficial by giving us an opportunity to share some of the concerns in agriculture about energy policy and for him to share some of the Bush Administration agenda on energy.

I am also wondering if there would be any media benefit for the Secretary by having a meeting such as this. Meeting with a group of producers about high energy costs and policies to deal with those costs would be an excellent opportunity for the Secretary to showcase his concern and to use the meeting as a vehicle to expand some of his policy ideas.

March 5 is the only full day the Farm Bureau group would have available but we would be willing to look possible time slots on March 6. We will have 9 people in the group that will be attending the meeting. We would also be interested in meeting with one or two of the Secretary's top advisors if he is unavailable for the meeting.

Thank you very much for considering this meeting request.
2001-010890 4/20/97 11:47
ERROR-FL REPORT - 766

TI FUNCTION WAS NOT COMPLETED

TI/RI NO 3250
CONNECTION TEL 68072
SUBADDRESS
CONNECTION ID
ST. TIME 02/20 16:22
USAGE 7 00:00
PGS. SENT 0
RESULT NG #018 BUSY/NO SIGNAL

Feb. 12, 2001 3:14 PM
Thanks.
NEBRASKA FARM BUREAU
To: Maxine
GENERAL OFFICES
From: Sec's Scheduling Office
FAX TRANSMITTAL FORM

To: Scheduling office, 4th Secretary of Interior
Company: 
Department: 207
Fax Number: 402/586-7573

From: BOD J. Robertson
Date Sent: 2-12-01
Time Sent: 3:10 pm
Number of pages including cover page: 2

Message:

Contact: Autumn Bohling
(402) 421-4470
February 15, 2001

The Honorable Spencer Abraham  
Secretary  
Department of Energy  
Forrestal Building  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Abraham:

On behalf of the nuclear energy industry, I would like to request the opportunity to meet with you at your earliest convenience to discuss nuclear energy's important role in national energy policy. Nuclear energy provides 20 percent of our nation's electricity safely, reliably, and competitively. Importantly, it is also our largest source of emission-free electricity.

I will be accompanied by several of the Chief Executive Officers of major utilities who are members of NEI and can speak first hand about the tremendous opportunities presented by nuclear technology. Please call me or have your staff contact Mr. John Kane, Vice President of Government Affairs, at (202) 739-8060 if we can answer any questions.

I thank you for your consideration of this request, and look forward to meeting with you to discuss these important and timely matters.

Sincerely,

Joe F. Colvin

29167
MEETING REQUEST for March 6th or 7th:

We would like to request a meeting with Secretary Abraham for a small group of Large Public Power Council (LPPC) CEOs and their representatives to discuss energy policy and the private use issue. The group would consist of: Walt Bussell's Managing Dir., Jacksonville Electric Authority (JEA); Bob Johnston, Pres., & CEO, Municipal Electric Authority of Georgia (MEAG); Mark Crisson, Dir., Tacoma Public Utilities Commission; Jan Schori, Gen. Mgr., Sacramento Municipal Utilities District (SMUD)

In addition, they will be accompanied by myself and possibly 2-3 of their Washington representatives.

We greatly appreciate your consideration of this request and look forward to hearing from you at your earliest convenience. Your office may reach my assistant, Linda Hansen, at (202) 347-5990.
March 1, 2001

The Honorable Spencer Abraham  
Department of Energy  
Forrestal Building  
1000 Independence Avenue, S.W.  
Room 7A-257  
Washington, D.C. 20585

Attention: Kathy Holloway

Dear Mr. Secretary:

As you may recall, I represent UtiliCorp United, a gas and electric utility and national marketer. UtiliCorp has long been involved in advancing competitive markets here in the United States and abroad.

I would like to schedule a meeting with you for Richard C. Green, UtiliCorp Chairman and CEO, on either March 13 (late afternoon) or March 14. He would like to discuss wholesale electricity issues and the Administration's National Energy Policy recommendations. He brings a keen perspective on the power industry and the challenges for policy and business decision-making.

I look forward to your response and would be happy to provide additional information as you require.

Best personal regards,

Mimi Weyforth Dawson

Attachment  
- Bio
March 7, 2001

2001-006235 Mar 8 A 7:23

The Honorable Spencer Abraham
United States Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Mr. Secretary:

On behalf of the 7,000 independent oil and natural gas producers from across the country, I am pleased to invite you to speak at the Midyear Meeting of the Independent Petroleum Association of America (IPAA). Our meeting will be held at the Keystone Resort in Keystone, CO, June 21-23, 2001. Approximately 500 executive level independent oil and natural gas producers from across the nation are expected to attend.

Addressing the nation's clear energy supply problems has been the ongoing purpose of the IPAA. It is a task that the Bush Administration has undertaken with a full recognition of its importance both to national security and a healthy economy. By the time of our meeting the President's energy task force will have completed its assessments and provided recommendations. We would like to ask you to present the scope of these efforts and their status to our members.

We would like to find a time slot that works with your schedule for you to be our keynote speaker on either Friday, June 22 or Saturday, June 23.

LuAnne Tyler, in our Meetings Department, will contact your scheduler to confirm your availability. Until then, should your office need to contact LuAnne, she can be reached at (202) 857-4722.

We hope your schedule permits your participation. Thank you for your consideration.

Sincerely,

Barry Russell
President

BR/It
From:  LaWenne Tyler  
To:  Honorable Spencer Abraham
Date:  3-7-01
Re:  Speaking at IPAA's midyear meeting
Number of pages following cover sheet:  1

Comments:
Richard C. Green, Jr.
Chairman and Chief Executive Officer
UtiliCorp United
Kansas City, Missouri

Representing the fourth generation of his family to serve UtiliCorp United and its predecessor, Missouri Public Service Company, Richard C. (Rick) Green, Jr. heads a global energy services company that is recognized as a "first mover" in its industry. He was elected Chief Executive in 1985 and Chairman of the Board of Directors in 1989.

Green's active association with the firm began in 1976 with experience in a variety of operating and staff positions involving plant supervision, legal, finance and treasury functions. Elected executive vice president in 1982, he has directed the company's transformation over the past decade from a Midwest-focused electric and natural gas utility with revenues of $243 million, to today's highly diversified international energy company with 12-month sales of $29.0 billion, and about 4 million customers in eight countries.

In addition to his corporate leadership, Green has been a leader in community affairs for more than 20 years, serving as chairman or president of a wide range of civic organizations. Green presently serves on the boards of directors of the Midwest Research Institute, the BHA Group, Inc., and The Urban Institute, located in Washington, DC.

He is a graduate of Southern Methodist University with a Bachelor of Science degree in business, majoring in finance and accounting.

###
Facsimile Transmission

To: The Honorable Spence Abraham
    ATTN: Kathy Holloway

From: Mimi Weyforth Dawson

Date: March 1, 2001

Pages to Follow: Two

User Number: 1773

Client Number: 75299-1

Fax Number: 202-586-7573

Recipient's Phone Number:

Please contact the Fax operator at (202) 719-7322 (Dawn Wharton Sutherland) if you do not receive this facsimile message in its entirety. Thank you.

Operator: Date: Time: [Signature]

29171
March 12, 2001

The Honorable Spencer Abraham
Secretary of Energy
Department of Energy
Forrestal Building
1000 Independence Avenue, S. W.
Washington, DC 20585

Dear Mr. Secretary:

I am writing to follow up on a conversation you had with William A. Wise, Chairman, President and CEO of El Paso Corporation, in February about meeting with members of the National Petroleum Council (NPC) to discuss energy supply issues with you generally and, in particular, the energy initiatives that you would like to pursue.

Archie W. Dunham, Chairman, President and CEO of Conoco and Chair of NPC, Bill Wise, Vice Chair of NPC, and a number of other NPC members, will be in Washington on April 5 and were wondering if you would be available to meet with them on that day. I realize you have an extremely busy schedule, but hope you will be able to spend at least an hour with them to discuss in detail the pressing issues relating to our nation’s energy security. If the fifth is inconvenient, I would be more than happy to discuss with your scheduler another, more convenient, date.

Thank you for considering this request.

Best regards,

Lori E. Laudien
Director, Federal Government Affairs
March 13, 2001

The Honorable Spencer Abraham
Secretary of the Department of Energy
1000 Independence Avenue S.W.
Washington, DC 20585

Dear Secretary Abraham:

The National Mining Association Board of Directors will be meeting on March 28, 2001 at the Washington Monarch Hotel, Washington, D.C. We anticipate over 60 CEO's from the coal and hardrock mining companies along with manufactures and suppliers who provide equipment and service to the industry.

As you know, energy policy is a critical issue to all segments of mining from the coal that provides over 50% of our electricity to the U.S. metal miners and manufacturers who are energy intensive and suffering from higher prices.

We will be meeting at 7:30 a.m. on the morning of the 28th for a breakfast meeting and would like to invite you to address the Board at 8:00 a.m. We would be interested in having your thoughts on the Vice President's Task Force, where you see energy policy going and what we can do to help.

Sincerely,

Jack N. Gerard
March 14, 2001

The Honorable Spencer S. Abraham
Secretary
Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Secretary Spencer:

This is in follow-up to our meeting in Washington, D.C. on March 1, wherein we discussed a meeting regarding the National Energy Policy.

We understand that you are currently meeting with Senators regarding the National Energy Policy, and we believe that my input would be very valuable to you at this time.

I am available to come to Washington to meet with you at your convenience and would like to do so as soon as possible. Please have your office call my Executive Secretary, Mrs. Renca Wolfe, at (740) 926-1351 to coordinate the visit.

Thank you for your kind consideration of this request.

Sincerely,

THE AMERICAN COAL COMPANY

Robert E. Murray
Director

REM:arw
cc: Mr. Kyle McFlarrow, Chief of Staff
    Ms. Leila Sephri, Scheduler

2001-006933 Mar 14 p 3:04
March 20, 2001

VIA FAX

The Honorable Spencer Abraham
Secretary
U.S. Department of Energy
1000 Independence Avenue, S.W.
7th Floor
Washington, D.C.  20585
ATTN:  CHERYL ALFORD

RE:  Meeting with Secretary Abraham

Dear Secretary Abraham:

On behalf of the National Association of State Energy Officials (NASEO), I would like to request a meeting with you and/or your senior staff tomorrow, March 21, 2001 in the afternoon.

Approximately, ten state energy directors from around the United States will be meeting tomorrow morning with the White House Energy Policy Development Group. We thought that while they were in Washington, D.C., it would be a good opportunity to discuss the energy crisis and possible responses with you.

Please let me know as soon as possible if such a meeting is possible.

Sincerely,

Jeffrey C. Genzer
Counsel

cc:  Frank Bishop
     Bill Keese

abrahltr.320
MEMORANDUM FOR THE SECRETARY

FROM: Lake H. Barrett, Acting Director
Office of Civilian Radioactive Waste Management

SUBJECT: ACTION: Approval of Extension of a Non-reimbursable Detail for Charles M. Smith from the Office of Civilian Radioactive Waste Management to the National Energy Policy Development Group, Office of the Vice President

ISSUE:
April 14, 2001

The Honorable Spencer Abraham
The Secretary of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

RE: Energy Policy

Dear Mr. Secretary:

We are writing because we are extremely disturbed by the new administration's energy policy. In the few short months since taking office, the Bush Administration has staked out the following positions:

- The Administration is pushing for oil drilling in the ANWR notwithstanding the fact that it is a world-class wilderness and wildlife habitat and the long-term benefit to our energy budget from drilling is negligible. As your constituents, we urge you to oppose all efforts at drilling in the Arctic Refuge;

- The Administration has abandoned its earlier pledge to curb carbon dioxide emissions despite increasing scientific evidence and scientific consensus (see the most comprehensive study to date on global warming—the report of the United Nations Intergovernmental Panel on Climate Change, www.ipcc.ch/) that global warming is a very real and potentially devastating phenomenon that our children will have to survive over the next 100 years and is largely attributable to human use of fossil fuels. U.S. greenhouse gas emissions rose nearly 12% in the 1990s (see EPA report, www.epa.gov/globalwarming/publications/emissions). The U.S. emits 25% of the heat-trapping gases in the atmosphere, making us the world's biggest producer of greenhouse gases. As your constituents, and parents of two young beautiful children, we urge you to bring the U.S. back to the negotiating table for climate change talks in The Hague and take urgent action to reduce U.S. carbon dioxide emissions.

- The Administration recently suspended the existing regulations to increase the efficiency standards for home central air conditioners and heat pumps adopted after 6 years of study.
April 14, 2001

We urge the Administration to adopt an energy policy based on conservation and alternative renewable energy resources. We urge our Representatives to vote for an energy policy that protects our children's future and our natural heritage.

Sincerely,

Beth Bardwell and Jon Holtzman
April 2, 2001

Secretary Spencer Abraham
U.S. Department of Energy (DOE)
Forrestal Bldg.
1000 Independence Ave., S.W.
Washington, DC 20585

Dear Secretary Abraham:

As a concerned citizen and technology executive wanting common sense, productive representation of American voters I am sending to you my comments and the attached articles and we will watch your actions for results. These areas must have top priority.

1. Concerning U.S. energy policy, the environment and independence from middle east oil along with balance of payments improvement, we all know improving vehicle gas mileage is practical, needed and desired by all. Common sense should point our representatives to improving the federal miles-per-gallon standards now to benefit us all. Lower gas prices or less gas needed would be better than a tax break.

2. We are shocked over the lack of concern for improving our environment and giving top priority to a relaxation supposed to help the economy. You all know this is wrong and not wanted by the people.

3. The Bush tax cut program (see enclosed) is both non-productive and divisive. Tax cuts to provide funds for investment (trickle down) have not worked in the past, caused a big deficit and should not be repeated by sensible representative doing the peoples work.

I hope this letter to you helps to bring beneficial common sense to your desk. We will wait for results.

Sincerely,

James N. Sowers

att.s
Energy

CONTINUED FROM 1D

This volume would not all emerge in one burst, but over a period of decades. Lots of oil fields in lots of places are needed for the huge volumes of petroleum that America guzzles. To argue that Arctic refuge oil does not matter because it cannot single-handedly solve petroleum-supply needs is like saying there’s no point in a farmer planting a field because no single farm can possibly feed the nation.

The real flaw in the argument for drilling the refuge is not that 3.2 billion barrels does not matter but that from an energy-policy standpoint, oil-conservation measures can produce a better effect faster. Improving the gasoline mileage of the nation’s new vehicles by just three miles per gallon would displace more petroleum than the Arctic National Wildlife Refuge is expected to produce.

According to calculations by the Natural Resources Defense Council, a more ambitious but technologically feasible goal of raising new-vehicle average fuel economy to 39 miles per gallon over the next decade would displace more than 15 times as much petroleum as the refuge is expected to produce.

Although technology exists to improve gasoline mileage without any sacrifice in the way people drive, federal miles-per-gallon standards have not changed in 12 years. Given legal sanction to build oil-wasting sports utility vehicles, automakers have done so. In turn, because SUVs have pushed up U.S. gasoline consumption in the past decade, supply has become tight and pump prices have risen.

If Bush wants a serious, balanced energy policy, he must include production incentives and new mandates for conservation, by far the most important of which — from the standpoint of oil use — are higher miles-per-gallon standards for SUVs and light trucks. Yet Bush has said nothing about raising miles per gallon.

The first major energy bill introduced this year in Congress, by Sen. Frank Murkowski of Alaska — the Murkowski bill is seen as a trial balloon for an expected White House bill — contains numerous provisions for more drilling in the Arctic National Wildlife Refuge and elsewhere, but says not a word about raising miles-per-gallon standards. New Energy Secretary Spencer Abraham recently gave his first major policy statement — a speech titled “A National Report on America’s Energy Crisis.” The speech was full of calls for more oil production, yet Abraham never so much as mentioned fuel economy or vehicle miles per gallon.

A balanced national energy strategy might combine higher miles-per-gallon levels for vehicles and other conservation measures with exploratory drilling in the Arctic National Wildlife Refuge, as environmental concerns regarding the latter seem exaggerated. Oil production has been ongoing in Alaska’s North Slope for almost one-quarter century, with the Exxon Valdez oil spill the only significant blunder, and Prince William Sound has mostly recovered. North Slope oil production has caused small-scale ecological problems that have not made the newspapers, including many minor crude spills and an estimated 70 waste sites that have some form of contamination, such as spilled diesel fuel. Although troubling, these errors are manageable and nothing like the broad-ranging ecological harm originally forecast for Prudhoe Bay and its pipeline. A 2000 study by the Trustees for Alaska, which opposes Arctic National Wildlife Refuge production, elaborately documented many secondary problems caused by North Slope oil production but no fundamental ecological harm.

This has not prevented opponents from forecasting that refuge oil production will cause “devastating environmental destruction,” in the words of the Natural Resources Defense Council. Yet, any oil prospecting in the refuge will be done with improved technology that causes less environmental disruption than what was first used at Prudhoe Bay, including much more accurate drilling seismology, less-leaky systems and the relatively new adaptation of ice roads. Rather than paving lanes between drill sites, oil companies have begun to make roads from ice; when the drillers leave, the ice melts and the “footprint” of exploration is gone. The fact that broad-ranging environmental harm has not happened during North Slope drilling does not, of course, guarantee that it won’t happen in the Arctic National Wildlife Refuge. But the risk seems comparatively small.

If there is going to be a balanced U.S. energy policy, both sides must make concessions. Conservationists must acknowledge that America needs continuing oil production, and perhaps drill rigs in the Arctic refuge must be part of that. Any environmentalist who drives a car and fulminates against oil drilling is talking out of both sides of his or her mouth. Put another way: Only greens who don’t own cars and refuse to ride in cars, taxis, buses, trains or airplanes have a genuine right to denounce oil drilling.

In turn, business lobbies and Republicans in Congress and the White House must acknowledge that conservation is just as important as production. Trying to produce enough oil to fill the tanks of ever-more SUVs will be a losing battle if the SUVs remain gas guzzlers. It is unfair — and bad policy — to ask those who love the wilderness to give up some of their claims to the beauty of the Arctic National Wildlife Refuge in order that those who drive wasteful, antisocial large vehicles won’t have to give up anything at all.

Finally, voters must accept that this isn’t just an abstract fight between the zealots of the left and right. Gasoline supplies are sensitive because Americans are buying huge vehicles with huge engines and driving them more and more. You can’t insist on the freedom to buy a wasteful vehicle, then complain about gasoline prices when the laws of supply and demand respond to the consequences of your own choice.

America’s energy problems are caused by Americans — and won’t be solved until Americans face that fact.

Easterbrook, senior editor for the New Republic and BeliefNet.com, is a visiting fellow in economics at the Brookings Institution.
Old-economy middlemen are stepping up defense of their turf. Car dealers and others want states to curb e-commerce with laws to regulate Web sales of autos, contact lenses, tobacco, mortgages, etc. State lawmakers will lend sympathetic ears to powerful retailers that have home district connections, despite consumer groups' complaints that restrictions on e-commerce limit options and jack up retail prices.

Nuclear power is on the comeback trail, spurred by growing demand for electricity and rising concern about global warming from fossil fuels. U.S. electricity requirements will grow up to 2.5% annually through '20. Utilities are pushing to renew operating licenses for nuke plants, a reversal of the nuclear facility decommissioning trend of recent years. Meanwhile, plants will be consolidated into the hands of fewer operators, which promises to improve their management and boost their efficiency. Smaller, cheaper, safer nuclear reactors also on the horizon..."pebble bed" reactors, which utilities aim to start building by '10 or so. Look for nukes to supply 30% of U.S. electricity by '20...20% now.

A "multipollutant" approach to cleaning the air is all the rage in Washington these days. Means regulating nitrous and sulfur oxides, mercury and carbon dioxide (CO₂) emissions under one rule. Cuts pollution and could save power companies money through regulatory streamlining. Power firms and green groups both back it...unlikely bedfellows. Bush and a key senator too: Environment Com. Chair Smith, R-N.H. But House will stop it in its tracks. Key members are dead set against opening the door to CO₂ regulation, say it would be too difficult.

Automakers won't fight higher fuel efficiency standards this year, giving up a 10-year battle to keep corporate average fuel economy as-is. With Senate support for CAFE freeze eroding, they'd rather aim elsewhere: They'll seek a tax credit for energy-smart cars...$2000 for buyers of gas/electric hybrids, other efficient vehicles. Bush will OK the idea as part of his upcoming energy plan, and it's already popular in Congress. Bet on a trade-off...higher CAFE standards for more clean-car tax credits. Truckers will benefit from new materials that will replace steel in the making of bumpers, other truck parts. Lighter and less susceptible to corrosion, they'll help truckers save on fuel and maintenance costs. Carbon- and glass-fiber composites will also allow for new truck designs.

New drugs to fight heart disease will get FDA's OK next few years. Viprinex...clot-busting drug derived from venom of a pit viper...will speed the recovery of stroke victims. Made by Abbott Laboratories. Natrecor...a genetically engineered hormone to alleviate fatigue, shortness of breath in people with congestive heart failure. From Scios. Ranolazine...to ease chronic angina. Coming from CV Therapeutics. The drug reduces the heart's demand for oxygen by altering its metabolism. And CETi-1...a vaccine that blocks formation of bad cholesterol and boosts levels of good cholesterol. From Avant Immunotherapeutics.

Flap over genetically modified grain will hurt U.S. corn exports. Overseas buyers are turning up their noses amid reports that some corn is mixed with StarLink variety...OK'd for animal, not human consumption. U.S. says just a tiny amount is affected, but foreigners remain leery. Regulators will crack down to prevent future accidental mixing of seed. Meanwhile, Ag Dep't will bail out farmers by buying up tainted seed corn.
To stimulate things, I propose a cut of 1/2 in the number of negative Bush comments about the economy to sell his tax cut....
Ms. Angela Jones

April 6, 2001

Ms. Angela Jones:

I apologize for my long delay in writing on behalf of President Bush to thank you for your e-mail message. The President forwarded your message to USEPA Administrator Christine Todd Whitman to share with her your strong support for the preservation of our environment.

Both President Bush and Administrator Whitman understand fully the great importance of pursuing prudent, responsible, and effective environmental protection policies. You can be sure that your concerns—and those of the many Americans who have been writing to Administrator Whitman in recent weeks—will help guide the development of strategies and policies designed to reach one major goal—"to leave America's environment cleaner when we're done than it was when we started."

On behalf of Administrator Whitman, I am forwarding a copy of your correspondence to the U.S. Department of Energy for that agency's review and response.

I join Administrator Whitman in offering best wishes.

Sincerely,

William H. Meagher, Ill
Director
Dear Mr. President:

My family and I are strongly opposed to any reductions in the requirements or enforcement of the Clean Air Act. Our current energy problems are not best solved by allowing more pollution to our life giving air. Further, we are also profoundly against any proposals to open up ANWR for drilling, mining or any other form of extraction. Our future generations should never be robbed of this pristine national treasure for the short term gain of today. We urge you to look at sustainable solutions to our energy problems and to keep our invaluable public health and rare unaltered environments protected for us and our children.

Sincerely,
Angela Jones
FROM: mjbuhr@umich.edu
NAME: Michael Buhr
SUBJECT: Policy
ZIP: 48198
CITY: Ypsilanti
PARM.1: TO:the.secretary@hq.doe.gov
STATE: MI
TOPIC: No oil drilling on public lands!!
SUBMIT: Send Comments
CONTACT: email
COUNTRY: USA
MESSAGE: Secretary of Energy Abraham, I read a USA today article, April 4th, titled, "Interior Dept. Plan Would Open Lands for Drilling". I STRONGLY disagree with any domestic energy policy that so narrowly views "domestic energy development" as being confined to drilling for oil. Wake up! Oil is yesterday's energy source, not the energy source of the future!! There are so many other 'green' energy technologies available that "domestic energy development" CAN and SHOULD at least include these environmentally
April 25, 2001

Mr. Spencer Abraham
Secretary of Energy
Washington, DC

Dear Mr. Secretary,

It is rare if ever I write to a public official but I had to respond to an excerpt of an article that was originally published in the Washington Post in which you outlined your “energy policies”. I am enclosing the article that appeared in our local newspaper. Your philosophy on “energy” is remarkably similar to Mr. Richardson’s energy policy of the Clinton administration.

I read the article several times. You compared the Clinton energy policies with the current administration policies. I can’t see one bit of difference. Like Mr. Richardson’s policy you don’t offer any solutions to the energy crisis. You both take a laissez-faire approach to the current situation. Have you or Mr. Bush applied any diplomatic pressure to the OPEC Oil Cartel to increase oil production? I am paying $1.78 per gallon and it is only April. Look at the recent report of the profits made by Mobil Oil—a staggering 44% increase in profit for this fiscal quarter. Are they losing money or just gouging the American people? Perhaps you might consider resigning and let some more competent person take the position as Secretary of Energy. We couldn’t be any worse off.

In the campaign of 2000 the Republicans took the Democrats to task for not having an energy policy. What has the Republicans done to bring down the high cost of energy? Absolutely nothing, just more rhetoric coming from the White House and your office.

I am a registered Republican in Orange County, New York and I voted for Mr. Bush thinking he was going to be a dynamic take charge president. I am very disappointed with him, his policies and the people he has appointed. He has done little or nothing in his first 100 days in office. He certainly has been a hands-off president.

In the coming election of 2004 I along with many others will stay at home instead of voting. I am sure Mr. Bush will lose the 2004 election to any Democrat unless he shows people like myself that he is able to solve the many problems that our nation faces. Can’t you people see we are heading for a economic recession, and one of the primary causes of our failing economy is the high cost of energy. I am very sorry that I did not vote for Mr. Gore in the last election.

Sincerely (A disgusted citizen)

Bruce Kroog
The Vice-President
The White House
Washington DC 20500

ENERGY RESOURCES and CONSERVATION

I'm enclosing a copy of my letter of February 26, 2001, to U.S. Department of Energy Secretary Mr. Spencer Abraham, with copies of my letters of March 27 and September 24, 2000 mentioned therein, as well as a copy of the Department of Energy's reply of April 20, 2001, all relative to the above-captioned subject. I sincerely hope that you'll find a way to devote some of your very busy time to the reading of this correspondence, which I consider of the utmost importance.

I'm greatly encouraged to see that (Finally) a National Energy Policy Development Group has been created - "to promote dependable, affordable, and environmentally-sound production of energy" - and that you have been appointed to head this very important group.

In an AP article appearing in the May 1st. edition of our local newspaper, the Pocono Record, the following is attributed to your address of April 30th. at the Associated Press annual meeting:

"VP Cheney warned that the whole nation could face California-style blackouts as he outlined a national energy strategy relying heavily on oil, natural gas, coal and nuclear power development - but not conservation. - The aim here is efficiency, not austerity. The nation cannot simply conserve or ration our way out of the situation we're in. Conservation, while perhaps a sign of personal virtue, does not make for sound or comprehensive policy."

"The VP made no bones about placing oil, coal and other fossil fuels at the center of his recommendations. Alternate fuels are still "years down the road" he said."

"Mr. Vice-President, I feel very strongly that our Energy Plan should be all-comprehensive, encompassing all phases: conservation via more efficient equipment, appliances, etc., increased use of alternate fuels, coordinating resources with other Western Hemisphere countries, etc., etc., and would very much appreciate your taking my comments and suggestions into account as you and your National Energy Group formulate a National Energy Policy so vital to our country. - Your comments will be gratefully appreciated."

Wishing you much success in this and in all of your endeavors,

Sincerely,

Gilbert Esquivel

May 3, 2001
May 3, 2001

The Honorable Spencer Abraham  
Secretary of Energy  
1000 Independence Avenue, SW  
Washington, DC 20585

Dear Mr. Abraham:

We urge you to support a national energy strategy with a primary focus on developing new energy technologies and renewable energy resources. Please do not support short sighted proposals focused on domestic oil production which would only perpetuate our dependency on a limited resource.

Energy independence is not an oil drilling issue. Reliance on old technology has caused our over dependence on foreign oil. Our country has prospered due to innovation and advances in technology. Our future prosperity will depend on our ability to create new innovations in transportation and energy production. There are promising energy technologies which could significantly alter our dependence on oil.

Please support programs which will facilitate our country in becoming the leader in a new era of energy technologies. We strongly urge you to protect our wilderness areas and national parks from unnecessary oil drilling which at best will yield a limited supply of energy. With the proper impetus, we can leave the era of the combustion engine behind and reap the tremendous rewards from being the leader in energy technology and renewable energy resources!

Sincerely,

Peter and Kathryn Marcolina
Dear Secretary Abraham,

As Californians and Republicans, we support the President's energy policy but feel that it doesn't go far enough. He is overlooking the great role that alternative energy could play in resolving our current energy deficit.

Geothermal, wind and solar are readily available in California as well as other western states; we believe that our government should give tax incentives for developing these very important resources. We also hope the federal government will do more to cap California's energy prices. Everyone is entitled to a healthy profit as an energy provider, but there is a major difference between a good profit and uncontrolled price gouging. If the energy shortage is as bad as it is expected to be in California this summer, many people, especially the sick, elderly and very young could die of heat stroke. We hope that your department will act decisively to assist in this serious and potentially life threatening situation.

A written reply from you or your staff would be appreciated.

Thank you.

Respectfully yours,

The Adams family

29191
2 May 2001

President George W. Bush and Vice President Richard Cheney
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

RE: Outdated reliance on fossil fuels

Dear President Bush and Vice President Cheney:

Your insistence that the United States must continue to rely principally on fossil fuels is a great disappointment. An energy policy from the Twentieth Century is dangerous and inappropriate today. As the present Bush Administration acknowledges global climate change, industry emphasis—and profits—must be shifted immediately to renewables.

Some facts underlying the science: carbon dioxide traps in heat. For the last 10,000 years we have had the same amount of carbon dioxide in the atmosphere, ±280 parts per million. Until about the beginning of the last century, when we began to burn more coal and oil. That 280 ppm is projected to double this century. An intermediate concentration of 450, which most experts regards as inevitable, correlates with an increase in the global temperature of 2-4.5 degrees Celsius. (The last ice age was 2.7-5 degrees colder than our current climate.)

One of the great shames of your industry was the disinformation campaign waged since 1991 by fossil fuels interests. Western Fuels and other utilities launched a public relations program that year calling for radio and TV and local newspaper interviews with “greenhouse skeptics.” The strategy papers for that campaign said explicitly that the campaign is “designed to reposition global warming as theory rather than fact.” And more specifically that the campaign is designed to target “older, less educated men and young low-income women.”

Even so, change comes. BP, Shell, Sunoco, Texaco, Ford, and Daimler-Chrysler have broken ranks with the industry and have begun working on fuel cell technology. As your Administration has admitted global warming is taking place, why not take a leadership position to address it meaningfully? Time is of the essence, and a quantum leap is needed.

Nuclear power is another failed Twentieth Century strategy. After half a century, we still have no reliable solution to the waste problem, decommissioning of plants continues to exceed cost estimates exponentially, and
citizens are understandably unwilling to accept the health risks to their communities.

To preserve our climate in a hospitable state requires nothing less than ASAP replacing every car and power plant with renewable, climate-friendly energy sources. Climate change is not just an annoyance. It is the ultimate environmental impact. Our national responsibility is to lead the way in reducing the burning of fossil fuels, not increasing it.

I urge you to reexamine your energy policy and embrace the renewables of the future rather than the carbon-burning power of the past.

Sincerely,

R.G. Lockert

cc: Energy Secretary Spencer Abraham
    Congresswoman Lynn Woolsey
    Senator Barbara Boxer
    Senator Dianne Feinstein
    Governor Gray Davis
    Assemblyman Joe Nation
    State Senator John Burton
High Temperature Nuclear - Helium Turbine
Advanced Power Generation Technology

Abstract: The case for consideration of the nuclear powered closed cycle helium turbine as a viable development alternative for bulk electrical power production is presented. Following a brief historical sketch of closed cycle turbo-machine development and high temperature gas cooled reactor development, a conceptual plant is described along with some of the present obstacles to realization of a commercial plant. The author proposes that the potential benefits of this technology outweigh the development risks and that a broad coalition of long term investment interest would bring a commercial realization. The author's belief is that this development should be based on its own merits and the risks assumed by the private sector with the Department of Energy playing a co-ordination role.

Dear Sirs:

Lately I have heard many reports of a new focus on national energy policy and as part of those discussions, I would like to bring a promising electric power generation technology to your attention. The closed and direct cycle helium turbine powered by a high temperature gas cooled nuclear reactor has received varying degrees of attention over the past few decades but has not yet been realized in a commercial plant. The concept offers a clean, efficient and economical source of bulk electrical power with several competitive advantages over conventional nuclear steam supply systems and open cycle industrial and aero-derivative gas turbines. The chief obstacles to present development are public anti-nuclear sentiment and short term focus in capital markets. In this brief, I would like to present a summary of past and present development activity, a description of the conceptual plant and then proceed to address the obstacles I have listed. In so doing, I hope to secure an opportunity for this technology to be considered, along with the many others, in the United States national energy policy.
May 12, 2001

Secretary Spencer Abraham
U.S. Department of Energy
1000 Independence Ave., SW
Washington DC 20585

Dear Secretary Abraham:

Recently Ohio Northern University, of which I am a student, had the privilege of hosting a noted environmentalist and consumer advocate, Mr. Ralph Nader, on campus as a guest speaker. During his main campus address, Mr. Nader informed us that in 1952, President Harry Truman’s Materials Policy Advisory Committee recommended that America “go solar,” i.e., turn to solar power as a major energy source, estimating that 75% of American homes could be solar-powered by 1975.

What is more, the Christian Science Monitor reported in March that wind power now generates thirteen percent of all energy used in the country of Denmark, and the Danish government has plans to increase the figure to 50 percent by 2030. Denmark first turned to wind power in the wake of the “oil shocks” of the 1970s, while other nations, including the United States, turned to nuclear power and synthetic fuels. Even in the U.S., wind power is currently the world’s fastest-growing energy source, as companies such as Green Mountain provide this renewable form of energy to a select few communities in our country, including nearly 100 in Ohio. This, however, is not enough.

Not only has the United States faced oil and gas shortages recently, but the generation of our traditional fuel sources present increasingly visible environmental hazards. The earth’s surface could rise eleven degrees this century according to some European sources, and even American scientists predict an increase of five degrees or more. Another example of the environmental risks brought about by conventional electricity can be found in the Hudson River, into which General Electric has released PCBs. Nuclear power, the “solution” extolled by President Bush and Vice President Cheney, comes with its own environmental hazards, as there are no facilities for the safe disposal of high-level radioactive waste. Also, nuclear power is the most expensive method of electricity generation there is. Nevertheless, we already rely on nuclear power to generate 20% of our electricity.

In light of facts such as these, I urge you to pursue a national energy policy that aggressively moves the United States away from its current dependency on oil, fossil fuel, and nuclear power and towards increased reliance on solar and wind power. Public Citizen reports that fully utilizing existing renewable energy technologies such as hydrogen fuel cell technology, wind...
5 May 2001

Secretary of Energy Spencer Abraham
U.S. Department of Energy
1000 Independence Ave. SW
Washington, DC 20585

Dear Mr. Abraham,

I am very disturbed by the emerging energy policy of the current administration. I urge you to focus on conservation rather than further development of non-renewable resources.

Locally in Colorado...Please do not cut NREL staff
I recently read in the newspaper about plans to cut staff at the National Renewable Energy Laboratory 30-50%. At a time of rolling blackouts on the West Coast this action is not warranted and comes at exactly the wrong time. People show a greater interest in renewables when energy supply is low.

Nationally...Please do not encourage use of non-renewable resources
I am very concerned about plans to develop oil reserves in the arctic wildlife refuge. Also, I am extremely embarrassed that the United States Department of Energy is encouraging automobile manufacturers to further develop the Sports Utility Vehicle. These gas-fueled vehicles will never be more efficient than smaller cars. Why is the United States searching for more oil and advocating larger cars when North America, which represents only 7% of the world’s population, already consumes 30% of the world’s energy?

Globally...Please work together with other countries
As a wealthy and powerful country, the United States should not shun its responsibilities with respect to the United Nations and the Kyoto Protocol. We need to provide leadership, working together with other countries to address pollution, climate change, and the health of the planet.

I find it rather odd that a man who recently left an oil industry position with a multi-million dollar parting gift heads the Energy Policy Development Task Force. We need to take a broader look at energy. Let’s develop a policy that addresses both current problems and sustainability for the future. Please revise this nation’s energy policy with a focus on conservation!

Sincerely,

Lisa M. Haddox
The Honourable Spencer Abraham  
Secretary of Energy  
Government of the United States of America  
Forrestal Building  
1000 Independence Avenue, Southwest  
Washington, D.C. 20585

Dear Secretary Abraham,

It was a pleasure to meet with you in Washington on February 26 and again in Mexico City on March 8, 2001. These were the first of what I am sure will be many productive meetings and contacts in the months ahead. I appreciated your openness and willingness to work with us across the broad range of matters that we discussed.

I am writing now to follow up on some of the topics raised at our first meeting. I hope that the following reflections might be useful for our future discussions, and might also provide points of reference for ongoing meetings of our officials.

Canada and the United States face many similar challenges in the energy sector. Our large land masses, variable and often harsh climates and energy-intensive resource industries place great demands on our energy systems. Economic growth has led to increased energy demand and higher prices for both of us. Our oil prices are established in a global oil market, and have risen with increased global demand and tighter supply constraints by OPEC. While natural gas prices are set in a North American context, recent and significant increases have caused consumer concern and raised questions about the economic viability of switching to this cleaner form of energy.

Canada and the United States also face similar environmental challenges associated with energy production and use. These include regional environmental concerns such as acid deposition and ground-level ozone, and global challenges such as climate change. The interface between energy production and use and the broader clean air agenda will require co-ordination. Environmental concerns are making siting and transmission of energy more difficult, even in areas facing shortages.
All of these challenges require our attention to both energy supply and energy demand. I was pleased to hear that your energy policy review will address both of these critical components.

The guiding principle of Canada's energy policy is sustainable development, which balances economic, environmental and social objectives. Canada's energy policy is market-oriented. Our policy reflects distinct jurisdictional responsibilities under Canada's constitution, whereby the federal government is responsible for interprovincial and international energy matters, while provinces own resources and manage resource development and commerce within their borders. Our energy markets operate according to rules established by domestic and international agreements, including the NAFTA.

It is within the context of this broad policy framework that we will want to work with you, and with Mexico, on a bilateral basis, and more broadly to expand and improve the functioning of markets and to pursue sustainable development objectives.

I welcome the recognition that you and President Bush have given to Canada as a secure source of energy supply and a reliable business partner. Canada currently provides about 8% of U.S. oil consumption, about 14% of U.S. natural gas consumption, and about 35% of U.S. uranium consumption. Canada's clean energy exports, particularly of natural gas, electricity (generated largely from hydro sources) and uranium, help the U.S. to meet its energy needs while minimizing air pollution and greenhouse gas emissions. And there are many exciting opportunities yet to be realized, notably:

- oil and natural gas production off Canada's east coast is starting to make a significant contribution to energy supply and security in the northeastern states, but there is potential for more;

- Canada's oil sands are a readily accessible source of over 300 billion barrels of economically recoverable oil (comparable in size to the conventional oil reserves of Saudi Arabia), where technological developments have steadily reduced the costs of production to a current level of about US$13-18 per barrel of synthetic crude oil;

- there is significant natural gas potential in Canada's north which we would like to ensure does not get stranded as we consider proposals to bring gas from Alaska and Canada's north by pipeline to Canada and the lower 48 states;
there are at least 417,000 tonnes of recoverable uranium resources in Northern Saskatchewan; this represents over 40 years of supply of uranium at present output rates; and

increasing interconnection of our electricity grids has the potential to add flexibility and resiliency, to create economies, and to facilitate the introduction of new sources of supply.

We see these and other opportunities as important elements in Canada's own energy security, and they could also play an important role in the wider North American context through the expansion of our energy trade.

Canada welcomes the prospect of expanding this trade within the framework of the NAFTA. Canada and the U.S. have made substantial progress in establishing open energy markets between our countries, and we need to continue to work together at this. As I noted at our first meeting, we see this as a process of enabling our North American energy markets to work better. This, of course, does not mean adopting common energy policies, but rather striving for compatibility where it is needed to facilitate the freer flow of our energy-related trade, thereby encouraging investment in energy supply. For example, we have developed good compatibility in our processes for pipeline certification. We are also developing compatible regimes for electricity reliability that will facilitate the further integration of the North American electricity market.

In the past, however, there have also been some initiatives and proposals by various U.S. jurisdictions that in our view have had, or could have had, the effect of hampering the freer flow of our energy trade. For example, in the electricity area, there have been initiatives and proposals at both the federal and state levels in the U.S. for reciprocity requirements and renewable portfolio standards that are inconsistent with obligations under our trade agreements, including the NAFTA. We need to continue to work together, at both the federal and state/provincial levels, to reduce and avoid barriers while respecting each others' legitimate jurisdictional authority.

Energy efficiency is another major area of opportunity for both of us. It can ensure that we make the best use of our energy supplies, thus enhancing our security and economic efficiency, and it is also the first line of action to pursue our environmental objectives. I would hope that we could work together – particularly, again, in ensuring that where our markets are linked, our standards and regulations are compatible. A good example of this is in improving standards for energy efficiency and fuel efficiency for products, such as motor vehicles, which are sold throughout North America. In this respect, we would like
to renew and enhance our Memorandum of Understanding (MOU) on vehicle fuel efficiency and alternative transportation fuels at the earliest opportunity.

The advancement of science and technology is another key area for cooperation and one that underpins our continuing ability to both access and use our energy supplies in a cost-effective and environmentally sound manner. Indeed, this must be the foundation of our sustainable development in the longer term. Canada and the U.S. have many strong common interests in science and technology advancement for both energy supply and energy efficiency. This is particularly important in the context of our need to address climate change through improved efficiency, the cleaner use of fossil fuels, and the promotion of less carbon-intensive, and renewable, forms of energy. The future of nuclear energy in North America has also been the subject of recent discussion, with consideration being given to a next generation. We look to expanding and deepening our cooperation with you in energy research and technology development, notably through the MOU that currently exists between our Departments.

We also look forward to expanding our work with you in addressing environmental challenges and fulfilling our environmental responsibilities at both the regional level and global level. Climate change is a global problem that requires a global solution. For that reason, Canada has been an active player in international negotiations and has worked closely with the United States in pursuing common interests, particularly in the areas of sinks and the use of flexible mechanisms for cost-effective emission reductions. The new U.S. administration has expressed an interest in remaining engaged in international negotiations on ways to address climate change. I would hope that we will be able to continue to work together in pursuing initiatives in the energy sector that will significantly reduce CO2 emissions. In addition, as I mentioned to you at our first meeting, we would like to find an equitable way of dealing with emissions from our clean energy exports. This would facilitate the expansion of energy trade to our mutual benefit.

In Canada, as in the U.S., energy development often has significant environmental and social implications for local communities, particularly for Aboriginal peoples. Their interests and engagement must be ensured in any new energy developments that affect them. In Canada's North, in particular, there is an interest in participating in new energy development, but also a strong concern to protect cultures and ways of life and the resources and environment on which they depend. Canada incorporates these interests through open and transparent processes of regulatory review, environmental impact assessment and cooperation with Aboriginal groups. Of course, Aboriginal interests transcend borders, and we would like to work with you to ensure that decisions made in both our countries respect these interests.
All of the issues I have addressed motivate our concern to ensure that, as you develop your energy policy, the common interests of our two countries are fully engaged and given scope for advancement in the future.

As we discussed at our first meeting, the bilateral Energy Consultative Mechanism among our officials is a vital arrangement which needs to be continued and strengthened. In this regard, I have asked my officials to consult with your staff on how best to reinvigorate this important mechanism.

I look forward to hearing of your progress in developing your new energy policy, and to discussing further with you opportunities for us to strengthen our energy cooperation, both bilaterally and on a broader basis.

Sincerely,

Ralph Goodale.
February 10, 2001

Mr. Spencer Abraham, Secretary
US Dept of Energy
100 Independence Avenue SW
Washington, DC 20585

Dear Mr. Abraham,

I am writing in regard to the National Energy Policy Development Group you are heading. The development of a national energy policy is vitally important and is long overdue.

The fact that the Bush administration's best idea is drilling in the Arctic National Wildlife Refuge, however, should be embarrassing. While President Bush tries to convince Congress and the public that drilling ANWR is a super idea, PacifiCorp announced the construction of the world's largest wind farm, on the Oregon-Washington border. The Tennessee Valley Authority will soon be offering electricity generated through solar power. Citizens in Washington are finding ways to cut energy consumption by 10%. When gas prices rose quickly last year, people complained but they also increased carpooling and use of mass transit. Organizations across the country are encouraging conservation, development of renewable resources, reduction of pollution and protection of wildlife habitat. America is trying to make real progress on energy. It would be great if the federal government would at least catch up with us, if not provide leadership.

I'm sure you have seen all of the facts showing that drilling ANWR would be shortsighted, uneconomical, and a blatant pander to the oil companies, so I will not repeat them here. I am writing to urge you to drop drilling ANWR from your list of considerations. Drilling any part of ANWR is unconscionable. ANWR should instead be designated as a national monument. I urge you to focus on the long list of progressive steps toward a responsible national energy policy, including:

- Raise vehicle fuel efficiency
- Raise fuel taxes
- Provide incentives for purchase of alternative fuel vehicles
- Encourage and support enhanced oil recovery from existing wells
- Encourage and support gas-to-liquid technology use near Prudhoe Bay (BP/Exxon/Mobil still make money)
- Remove market barriers to renewable (non-nuclear) energy
- Switch governmental promotion and support from nuclear power to renewable power
- Support Senator Jefford's Clean Energy Act

Most Sincerely,

Rebecca L. Smith
In the emerging comprehensive energy policy that I have heard President Bush and Vice President Cheney speak of, what comparative effort will be made to seek out clean and renewable energy sources? Can and will this government encourage the development of a fuel cell industry while keeping its oil and utility business lobbyists happy? Was Mr. Cheney indeed an executive for an oil company in between his public service years? Seeing that we have never performed an experiment on our Earth to truly understand.
MESSAGE: Please support a United States Energy Policy that encourages research and development of alternative energy sources, especially ethanol and wind turbines. As we look to become more self-sufficient and less dependent on the middle east when it comes to energy, we need to encourage and support the efforts to develop alternative energy sources here in the US. Drilling for oil on US land is NOT the best solution. We will be right back where we are today in just a few years. In page A2 of the Tues.
From: Friedrichs, Mark
Sent: Thursday, May 10 2001 12:59 PM
To: 
Subject: Response to your e-mail of February 26 concerning U.S. Energy Policy Development

Dear Mr. Tzeferakos:

First, I would like to apologize for the long delay in responding. The Department of Energy has been receiving thousands of e-mails in recent months, and we are still trying to catch up.

I suspect that you have been following the work of Vice President Cheney's Energy Policy Development Group through the media. The only statements released regarding the Administration's new energy policy have been well reported in the press. The most detailed was Vice President Cheney's recent speech in Toronto.

It is our understanding there will be a substantial document released shortly, almost certainly during May. I am sure that the media and various U.S. government webpages, including the Department of Energy's (energy.gov), will immediately disseminate this document and any related announcements, as well as summary information.

I hope this is helpful.

Sincerely,

Mark D. Friedrichs (PO-2)
Policy Office
U.S. Department of Energy
Washington, D.C. 20585
202-586-0124
Fax: 202-586-3047
Many scientists have given long, hard thought to the issue of power infrastructure in the United States. Please find some ideas that draw their origin from this community that might help in your efforts to form a National Energy Policy. I would be most pleased if you would consider seriously this input.

Increase available power to the National grid:

1. Solar panels on the roofs of homes in the sun belt. For an average home, $6-10 thousand dollars will install sufficient solar collectors to power the entire home during the day and will result in power being RETURNED to the grid by the user, reducing their power bill. In the evening, the user will rely upon the local grid and power producers, however, the consumption will be much reduced. A user could easily make money in this process. Provide incentives for people to install these.

2. Make the hard choice and increase reliance on non-fossil-fuel and domestic sources of power. These include solar, hydro, wind, AND nuclear. Not only will this increase the available power to the National grid but also MEET our International obligation to reduce fossil-fuel-produced greenhouse gases. The reduction in greenhouse gas emissions as well as the increased reliance on other renewable sources should appease many of the environmental groups. (Reminder, nuclear energy is renewable in that it can produce its own fuel. In addition, some limited reprocessing would permit extraction of HIGHLY valuable and rare medical radioactive isotopes for cancer, thyroid and other treatments.) Make this hard choice.

Reduce reliance on foreign sources:

3. Decrease reliance on non-US sources. While increasing the available electrical power to the grid via points 1 and 2, natural gas sources (our own) become available for such things as hybrid automobiles. Provide significantly increased incentives to use alternate powered vehicles and mandate that current gas stations be provided resources by the parent oil companies to provide distribution as part of their service (rapid chargers, natural gas). The use of gas-electric hybrid vehicles is a likely solution.

Reform the regulatory process and reduce NIMBY:

4. Reduce and streamline the regulatory process of getting approval to build new plants. Provide incentives to the local communities to build plants to reduce the "not in my back yard" (NIMBY) syndrome. People seeing their schools and cities benefit from a yearly "bonus" for having a local power plant (in the form of additional resources for their school or the like) would be much less likely to suffer
NIMBY.

Educate:

5. Make nuclear power less ominous. Provide information on the use of nuclear power in other countries, such as France, and the improvements made over the 1960s technology used in Chernobyl and Three-Mile Island. People are afraid and they should not be. The ONLY way to solve that is for an organized government-driven education program.

I thank you for taking the time to read this. I really believe that some of these ideas should be incorporated in the US National Energy policy and would be more than willing the help with such. I have provided these ideas to you as a US Citizen.

Sincerely,

Steven A. Kreek
A concerned Livermore Laboratory scientist and US Citizen
I understand that an energy policy is under review. I urge that Nuclear Power be given a strong place at the table. We have allowed a small, liberal and I must say, left-wing minority to dictate our policies towards nuclear power. Ever since Three-Mile Island the government has been in a defensive posture. It reminds me of the Tet Offensive in the Vietnam war. We won the battle but the news medium distorted and swayed the American people against the war on the basis of our "defeat". Similarly...
It appears to me that the Clinton administration had no energy policy resulting in shortages which are costing us heavily. I would like to see efforts to develop new sources of energy. We can get beyond the dependence on oil. What about garbage, agricultural products, nuclear waste, sea water? There are many other things. I am not a scientist, but we have tremendous technology today discovering new avenues and products. Car efficiency can also be increased very much. Give us a good energy policy and...
From: [From Address]
To: *President George W. Bush* <president@Whitehouse.GOV>
cc: Vice-President Richard Cheney <vice.president@Whitehouse.GOV>
Subject: Shared Energy Corporation

Dear President Bush,

Congratulations on your being elected and sworn in as the nation's 43rd Chief Executive Officer and Commander-in-Chief. I want to personally let you and Mrs. Bush, Vice-President Cheney and Mrs. Cheney, your respective staffs and cabinet members know that I am being obedient to the Word of God and I am indeed in prayer for you, our leaders.

President Bush, I will continue to pray for your health and well-being, that you'll be encouraged, that you'll make the right decisions concerning the country and our neighbors abroad, and that God's favor and protection will surround you like a barrier around a fortress. I also want to express my love and concern for you and all of the aforementioned personnel. Please do a good job for this country, as I know you will, and I believe bigger, better and brighter things will happen for you and this country.

President Bush, I also want to let you know that I am a man of God, with Godly principles and full of the faith that it takes to please God. I'll be in your corner and your supporter. If ever I can provide a word of counsel, comfort or inspiration then I am willing to perform that duty. I wanted to share that information with you so that you would know that there are people that truly care and are really excited about the future that is before us!

President Bush, I also wanted to introduce you to a company that I recently formed named Shared Energy Corporation. I read today on the AP News Wire where you have issued directives on the formation of a Federal Energy Policy. My company was formed to focus on such issues. Our mission will be to reduce energy consumption by utilizing energy management technologies in order to achieve greater levels of energy efficiencies and reduced costs, thereby reducing the production of greenhouse gases and acid rain which greatly affect our environment. Alternative energy sources are also a part of our business plan that we will endeavor to research and develop.

President Bush, I desire that Shared Energy Corporation would play a part or be a working team member in dealing with the aspects of this new energy policy.

Following is the company's contact information:

Shared Energy Corporation
P.O. Box 4726
Marietta, GA 30061-4726
ATTN: John T. Flack III; President
I thank you for your time and indulgence in this matter. Together, I believe these problems can be solved and they will be solved. There is nothing that is impossible for us to do when we work together for the solutions.

Thank you again and I wish you God's speed. God bless you.

John T. Flack III
Dear Mr. President

I strongly support a change from the status quo of our energy policy (or lack thereof) and I have a few suggestions that seem glaringly obvious but that have been largely ignored.

First I want to point out that our current energy distribution system is negligently one-sided. We rely almost solely on fossil fuels to meet our energy needs. As we are finding in California and elsewhere, this is disastrously shortsighted. The primary goal of any new energy policy must be to remove our dependence on fossil fuels. Much as been made of the your desire to decrease our dependence on foreign oil by developing domestic sources. This is grossly insufficient and completely ignores the problem of our dependence on oil itself.

Estimates of remaining fossil fuel supplies abound and can be used to support any point of view, depending on which estimate one chooses. There are, however, a few facts that do not rely on estimates. First, all fossil fuel sources are limited. Only the self-deluded pretend that fossil fuels can continue to meet our energy needs indefinitely. Next, the development of fossil fuel resources causes extensive environmental damage. Companies claim that they can obtain oil in an environmentally friendly way. This is simply not true. I've worked around many oil fields and have yet to see a single one that didn't resemble a war zone. Then, of course, are the devastating methods we use to obtain coal. Unlike their petroleum counterparts, coal companies at least have the decency not to attempt to dupe us into believing that their methods are environmentally benign. Finally, the use of fossil fuels causes problems for humans and the environment everywhere on the planet. Global warming is already causing vast financial losses from increasingly erratic and violent weather systems. Even the seemingly localized air pollution of our metropolitan centers is dispersing across relatively pristine regional areas causing stresses to multiple environmental systems. This is not merely a problem of aesthetics; human-induced stresses on environmental systems always cause unanticipated problems. History shows quite clearly that harming the environment ultimately harms us.

So any energy policy that perpetuates our reliance on fossil fuels is self-defeating and not worth pursuing. On the other hand, we are clearly reliant in the near term on these fossil fuels. What, then, are we to do? Perhaps the most important thing to keep in mind while pondering this question is that, in the long term, we do not have to rely on fossil fuels to meet any of our energy needs! With a little intelligent planning, existing fossil fuel sources can be sufficient to supply all of our near
term energy needs while we transition to a sustainable energy solution. The only sustainable solution available to us is the same one that has been obvious for decades: renewable energy sources such as solar, wind, geothermal, and tidal. Ultimately, it is clear that we will have to rely on a multifaceted energy distribution system that is primarily dependent on a variety of renewable energy sources. Anything less exacerbates our energy problems.

I believe, however, that merely changing our energy dependency from fossil fuels to renewable energy sources is not the complete answer. Along with this switch must come increases in energy efficiencies. This has the added benefit of helping decrease our reliance on foreign sources of petroleum without developing new domestic sources. Any complete energy policy must include incentives and/or regulatory requirements for substantial increases in energy efficiencies in our appliances and vehicles.

In the final analysis, the only good energy policy is one that increases energy efficiencies and lays a short path towards a multifaceted, renewable-based energy distribution system. Please write to me and explain how you will work towards the above stated goals. A solid, renewable-based energy system will allow our country to continue to lead the world economically, environmentally, and energetically.

Sincerely,

Kurt D. Anderson

PS. As I completed this letter, I found that your own brother has sent a letter to the Interior Department in an attempt to prevent any consideration of developing off-shore petroleum sources near Florida. In this letter, Governor Bush stated: "I am confident that the new administration will recognize the need to protect sensitive natural resources located both offshore and along Florida's coastline for the benefit of the entire nation." I sincerely hope your administration will take this keen understanding to heart and prevent the abuse of natural areas merely to perpetuate an antiquated and problematic fossil fuel-based energy system!
From: Louis Liebhaber

President Bush:

Dear President Bush,

You have assembled a group of advisors who are smart and highly experienced. Surely given the enormous talent of that team you can find more responsible ways to assure that this nation has the energy resources it needs than to seek out oil and gas in the sacred wilderness of our country.

As an elected official and a leader of the greatest nation on the face of the earth you have an obligation to promote the long term view not cave in to the avarice of those who would create a sense of hysteria over the current electricity shortage in California. How could you even consider invading the sanctity of areas which support tranquility, endangered wildlife and a refuge of all men now and in future generations? What about a responsible position promoting conservation of energy and the responsible development of alternative energy sources? Surely with all of the money and talent we have in the country we can see beyond today's craving and sacrifice a bit to assure that we BOTH have our energy needs met for the future AND we have wilderness areas for our future posterity.

What do you want your legacy to be? The Exxon Valdez? The Galapagos spill? Or new sources of responsible energy and places for your grandchildren to explore the wonders of nature?

Do the right thing! Not the expedient thing - that's the mark of a true leader.

Sincerely,

Louis Liebhaber

Sincerely,
Mr. Spencer Abraham, Secretary of Energy  
Department of Energy Headquarters  
Forrestal Building  
1000 Independence Ave. SW  
Washington, DC 20585

9 February 2001

Dear Sir,

I feel that after eight years of doing little, the Department of Energy (DoE) must develop a coherent energy policy that sets forth the goals and priorities of the Department. This Policy must then be implemented in accordance with an integrated plan that defines the schedules and budgets associated with each of the various tasks. This program will include such tasks as:

a) A PR program to convince the general public that gas guzzling SUV’s are not cool for shopping and going to work. Hybrid electric vehicles are the “in” way to go. This will reduce the amount of oil used for transportation, and the amount of vehicle generated pollution.

b) We have the technology to convert nuclear waste into “bricks” which can be transported and stored safely. Let’s do it, then mount a PR campaign to convince the public that nuclear power is clean and safe. After all, France generates about 40% of its electricity from nuclear power stations, we could do that also.

c) As a result of R&D efforts by industrial and national laboratories, equipment has been developed and tested which dramatically reduces the energy losses associated with the control and transportation of electric power. This equipment uses superconductivity to achieve energy savings. Let’s use this technology.

d) Across the great southwest one sees hundreds of wind powered generators, many of which are standing still due to reliability problems. The DoE should support the reliability studies and corrective actions necessary to put those machines back on line.

e) The United States has large reserves of coal that are not as widely used for power generation as they could be because coal is considered a “dirty” fuel. We have the technology to process coal into a cleaner burning fuel, but the current processes are relatively expensive. The DoE should support further research and development of a less expensive process.

The list goes on and on, there is much to do. The foregoing are examples of tasks intended to provide the United States with more energy at lower cost, and to reduce our dependence on foreign oil which places us at the mercy of international politics.

You need someone (not a politician) with the education, the training, and the experience necessary to manage such a program. I am that person and I WANT THAT SLOT.
My background is that of a Professional Engineer with 40+ years of experience, mostly in the aerospace world where planning, budgets, and schedules are a way of life. I did spend my last years on the DoE sponsored Superconducting Super Collider Laboratory (SSCL) program in Texas. I took early retirement when that program was cancelled.

I am bored with retirement and desire to get back to what I do best – manage large, complex programs.

I am available for further discussions at your convenience and hope to hear from you.

Sincerely,

[Signature]

John E. Matz

29216
I am astounded and disappointed to hear your first words on an energy policy to be: Find More Oil, generate more electricity. No word on conservation policy or on the pollution problems inherent to burning more fossil fuel.

The last sensible policy I heard on energy was Bill Clinton's BTU tax. Raising the price of any commodity will encourage conservation.

A F DELALOYE
Mr. President and Mr. Vice President,

Your energy policy that was put forth yesterday is an offense to any long term thinking American. Using the California crisis to push an unsound policy that has little or nothing to do with California power concerns is deceitful at best and a tragedy at worst. Continued reliance on non renewable resources such as gas and oil at the expense of the environment will only exacerbate an already dangerous problem. Your intentions to drill in the Arctic National Wildlife Refuge and granting waivers to states that run older power plants, even if they VIOLATE clean air standards crosses the line to criminal activity and reveals a flagrant disregard for future safety of this country's air, water, and land. Producing policies whose main beneficiaries are oil companies, who would obviously love to see weakened environmental controls in exchange for more profit, shows an administration who would put the wealthy before even the SAFETY of the American people, not to mention our neighbors who must deal with the fallout of our environment policies. The answer doesn't lie with oil but in alternative renewable power sources. The United States should, and eventually must, put its energy and money into research to get us out of the crippling fiasco of an economy is too bound up with a resource that will eventually run out. If it's not futile enough to tie our future to a dead end, then at least refrain from destroying the environment in which we all have to live in the process. Try looking for solutions that have long term benefits that future generations can appreciate and enjoy rather than running over the same tired ground that we know one day will fail. If we don't invest in alternatives now, before more energy crises show up in the headlines, you will doom us to a country whose land air, and water were ravaged in a quest for greed and short term solutions. I hope that you both would like a more noble legacy than that for your administration.

Sincerely,

Tom Benham
March 8, 2001

The Honorable Spencer Abraham
Secretary of Energy
Department of Energy
1000 Independence Avenue SW

Dear Secretary Abraham:

Will you please briefly comment on your views, your philosophy concerning the country's energy policies? In particular, will you address our concerns, both clearly addressed, and to those implied in the letter sent to Senator Lugar?

Thank you, Mr. Secretary,

Irina Cooley


We will appreciate your comments.
March 8, 2001

The Honorable Richard G. Lugar
United States Senator
306 Hart Senate Office Building
Washington, D.C. 20510-1401

Dear Senator Lugar:

Ref: Ltr to you Senator, April 8, 2000, "The New Petroleum"

My Foreign Affairs, January/February 1999, issue, so dog-eared and soiled, I now circulate only my photo copies of your essay, "The New Petroleum"

It is written that the Bush budget includes, "...a sharp cut for energy-efficiency and renewable-energy research."

At one point during the campaign, I read that candidate Bush would cut out funding for ethanol research. Whether direct government funding for R&D costs or playing games with tax dollars generates the greater benefit is beyond my math ability.

Given that Texas is home for a large number of oil drilling equipment firms and that the Bush family is satisfied with the petroleum industry's future revenue generating possibilities from oil leases in the Arctic National Wildlife Refuge in Alaska, it is safe to assume that for political reasons, and self interest, it would be counterproductive that the administration support an alternative-energy program at this time.

With California's energy distribution fiasco, and the cry for more distribution lines and oil-fired generating plants, it becomes ever more certain that, "The United States cannot wait for the next energy crisis to marshal its intellectual and industrial resources." Drilling in Alaska for a quick solution to either of these problems is excessively optimistic. I feel that the president's energy plans for the future will lead to disaster unless people of knowledge, foresight, power and influence succeed in bringing about a change in the types of fuel we burn to generate electricity.

Your knowledge, your foresight, your place in our society is all we can hope for. We cannot do it alone. Your excellent essay, "The New Petroleum", is the most convincing piece I have ever read on the subject. I'm a Washington state resident and, of course, my vote must be cast, if cast at all, for candidates of our state, but the nature of this energy thing affects us all, if not the entire world.
I hope you and your staff will continue to work toward educating the American people...if nicotine is injurious to your health...
"Our growing dependence on increasingly scarce Middle Eastern oil...." is far more deadly. We need another George Orwell Novelist to do a frightening, "Two Thousand Eighty Four" thriller---a bit more engrossing than non fiction, boring reality---a thriller to seize and take hold of our impaired, attention deficit readers' popular imagination, to drive home the possible catastrophic implications of world wide dependence on Middle Eastern oil.

Our country needs your help, Senator Lugar.

Sincerely,

[Firm signature]

Rubin D. Cooley

[Handwritten c.c.]

Spencer Abraham, Secretary of Energy
Rubin & Irina Cooley

Dear Mr. and Mrs. Cooley:

Thank you for your March 8, 2001, letter expressing your thoughts about the Nation’s energy policy.

First, I would like to apologize for not responding earlier. The Department of Energy has received thousands of letters and e-mails since the beginning of the year and it has been impossible to provide timely responses to all of them.

To address the many energy issues facing the Nation, one of President Bush’s first acts was to create a National Energy Policy Development Group, headed by Vice President Cheney. This Group was charged with developing recommendations to help the private sector and government at all levels promote reliable, affordable, and environmentally sound energy for America’s future. On May 16, Vice President Cheney sent to the President a National Energy Policy report produced by the National Energy Policy Development Group. The report describes a comprehensive long-term strategy that uses leading edge technology to produce an integrated energy, environmental and economic policy. The National Energy Policy it proposes follows three basic principles:

- The Policy is a long-term, comprehensive strategy. Our energy crisis has been years in the making, and will take years to put fully behind us.

- The Policy will advance new, environmentally friendly technologies to increase energy supplies and encourage cleaner, more efficient energy use.

- The Policy seeks to raise the living standards of the American people, recognizing that to do so our country must fully integrate its energy, environmental, and economic policies.

To achieve a 21st century quality of life – enhanced by reliable energy and a clean environment – it recommends 105 actions to modernize conservation, modernize our infrastructure, increase our energy supplies, including renewables, accelerate the protection and improvement of our environment, and increase our energy security.

The President has already taken actions to implement many of the report’s
recommendations. Over the coming months, further actions will be taken by the
President, individual Federal agencies and the Congress. These actions, once
fully implemented, will help minimize future energy prices, while assuring that
energy supplies are reliable and the environment is protected.

A copy of the National Energy Policy report, with the specific recommendations
to the President, is available on the White House webpage, www.whitehouse.gov,

I hope this information is responsive to your letter.

Sincerely,

Margarit Anderson
Acting Director
Office of Policy
From: [Name] on 01/26/2001 04:16 AM GMT

To: president@Whitehouse.GOV
cc: 
Subject: Energy policy

From: 

Michael Smith

President Bush:

I appreciate you taking the lead in formulating a national energy policy with a balance between new energy production and generation and the need to conserve resources and live more simply. The previous administration listened too much to the conservationists who falsely believe we can just conserve our way out of an energy shortage. The oil fields under the Arctic National Wildlife Refuge need to be drilled but with care to do as little harm to the environment as possible. Natural gas on our nation's public and private lands need more attention. If we are going to use natural gas as a primary fuel in this country, we need to ensure a steady supply and price. At the same time, we need to once again try to increase fuel mileage standards to reduce our consumption of oil and pollute less. I trust that your administration will have the courage to initiate these much needed reforms. Thank you for your time.

Sincerely,

Michael Smith
March 12, 2001

Secretary of Energy Spencer Abraham
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary of Energy Abraham:

I have high hopes for the new administration, and I feel it can be a great administration if it realizes the opportunity it has to proceed with vision on the country’s energy policy. While America should have made efforts to become energy independent right after the “energy crisis” of 1973, I don’t feel that this lack of initiative means that we should now drill for oil in the Arctic National Wildlife Refuge or in other pristine natural areas.

Americans want to save land of unspoiled natural character. These areas should be off-limits to the disturbances of man and are of increasingly greater value as the country grows in population and development. Wild places should be large to preserve viable wildlife populations and because large unfragmented tracts are the true character of wildness. The administration I hope will uphold these values, for public lands are our best chance to maintain the integrity of nature itself on this continent.

I ask you to consider how incredible America’s landscape is.

Though the subject of energy independence is one of national security, I feel that with real vision our nation can meet its energy needs and still protect this wonderful country. We don’t believe the oil industry experts who say oil extraction can be accomplished without destruction of sensitive areas—any human activity changes these special areas.

Therefore, I ask you to embark on a courageous path of showing real leadership to conserve energy—our citizens need your inspiration to turn off unused lights, shut windows so the heat doesn’t escape from a building, purchase energy-efficient cars and appliances. I’m referring to great leadership, like during World War II, when we faced the challenge with unity and purpose. This administration could rally the people on a grassroots campaign to accomplish the goal of not wasting energy. The work of Amory Lovins and others demonstrates that energy efficiency alone can get our nation out of the jam we’re in. Add to that the development of alternative sources of energy, and America could leave its wild open spaces alone for future generations to appreciate.

Sincerely,

James Stone

James Stone
MESSAGE: Dear Mr. Abraham, Greetings. Congratulations on your appointment, and I hope all is well so far in this rather tumultuous term. I am writing to pass along the text from an original letter I sent President Bush today regarding his about-face on his campaign pledge to seek a uniform, federal role in regulating carbon dioxide emissions from power plants in national energy policy. To say the least, we were dismayed and outraged, and hope you will do what you can to redirect federal energy policy towards a
To whom it may Concern,

I am writing to express my worries about the present executive administrations energy policy. I have grown up hearing about the limits of fossil fuel. My grandchildren or great grandchildren may not have the luxury of half a century to postpone considering the inevitable loss of this resource. I beg you, as a matter of national security, please subsidize the production of solar panels, fund fuel cell research, and promote the disciplined and super cautious use of nuclear power.

Sincerely,

Donald W. Roulier III
Father, Son, Citizen, IT Operations Manager
From: .. on 01/30/2001 09:22 PM GMT

To: "George W. Bush" <president@Whitehouse.GOV>
cc:
Subject: Please do not destroy the planet

Mr. Bush--

I write urging you to look beyond your roots as an oil company executive, and take a different approach to energy policy.

The US consumes a share of the global resources far in excess of its tiny fraction of the global population. I'd call this pretty unfair as well as a pretty big problem. Your predecessor at the White House was an anti-environmental fanatic. Yes, he got some favorable press for preserving a few tracts of land here and there, but most people just ignore his disastrous forest policies, his torpedoing of the Kyoto Treaty, and his careful maintenance of the US average fuel economy at the 1990 level. Really, not much different from your father.

I figure you want to make Clinton look bad by comparison to you, and I think a great way would be to boot Mr. Cheney (another oilman - don't you guys talk to anyone else?) from the task force on energy policy, protect all US lands in perpetuity from the catastrophes wrought by oil drilling, and save us all from foreign domination by imposing rationing and forcing everyone to consume LESS instead of MORE. That last part alone would instantly earn you a unique and beloved place in US and world history. If we didn't waste so much, there would be no "energy crisis". Oil is a pointless pollution increase. Why not go after the root problem?

I always thought conservatism ought to have something to do with conservationism. Why not abandon the tired old, earth destroying solutions of the past and make a new name for yourself and your party? That way you can thumb your nose at Mr. Clinton and his ilk and leave a planet to your children as well. What do you say?

--Jamie Pehling

29228
March 18, 2001  

To whom it may concern,

I am writing to express my worries about the present executive administrations' energy policy. I have grown up hearing about the limits of fossil fuel. My grandchildren or great grandchildren may not have the luxury of half a century to postpone considering the inevitable loss of this resource. I beg you, as a matter of national security, please subsidize the production of solar panels, fund fuel cell research, and promote the disciplined and super cautionary use...
March 14, 2001

Erik Miller

United States Department of Energy
Secretary Spencer Abraham
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Abraham,

The energy crisis affecting this country, and more particularly the west coast, is no more a crisis than a hangover is. Our problems with energy prices and energy availability is due completely to our gluttony, our over indulgence, our irresponsible disregard for our actions.

I find it disgraceful that the leaders of our country are so willing to abandon long term preservation of our environment, the health of our environment, our ecosystems, and ultimately our personal health, to alleviate our energy hangover, to pander to our adolescent-like irresponsibility.

It is time for the leaders of our country, for you, to act like leaders and plan for the long term. We need an energy policy that has a long term objective, a 20 year objective.

The policy must have objectives that encompass the things that are important to the prosperity of our country, our livelihoods, our personal health, and the health of our environment.

This long term plan must address;
- Diversity of energy sources,
  - Developing new energy sources,
  - Clean, non-polluting energy sources, *(the inability to address the detoxification of the waste from nuclear power plants makes such nuclear energy a very, very poor, short sighted choice for energy generation)*
  - Organic/renewable sources such as ethanol, organic petroleum,
  - Fuel Cell technology,
  - Solar,
  - Wind.
This long term plan must address:

Wise use of energy, energy conservation, 
Investing in mass transportation, (trains, and particularly electric trains can be powered from sources of energy that will never usable on aircraft), 
Investing in the development of new "engines", 
Investing in the development of new lighting technologies, new heating technologies.

It is time for the leaders to start thinking 15, 20, 40 years out. Set up the foundation, get moving on the investment, the research that will help future generations address these issues.

Start thinking about future generations, not about future elections.

Sincerely,

Erik Miller
From: John Doelman

To: president@Whitehouse.GOV

Subject: Responsible Energy Policy

Dear Mr. President,

As a Floridian who votes, I have a few questions. I understand the politics going on today but for the life of me I can't understand why we are in this energy crisis. For those Americans who don't see it, they are just blind. It is possible that within the next few years, or months even, that we could experience shortages like we have never seen before.

Why are you and our government, Democrats and especially Republicans, pushing for any tax cut at all when we now have the opportunity to devote these financial resources to creating a responsible energy policy that could ultimately save the entire planet from the stranglehold of non-renewable, dirty energy? Doesn't our govt. have the duty to serve the public in a manner that is consistent with the premise of equality and the promise of doing all that is necessary to insure continued quality of life for every American?

It seems to me, if we were to devote a significant portion of the surplus to expanding the R & D of renewable, clean, and safe energy, the middle and long term benefit would be immense, much greater than the short term benefit of reduced taxes to a few. We would not only remove our incredible dependence on a volatile part of the world but would also create something that could be exported. It would not only save money, but would make money too!

As the stated leaders of the world, we do have a duty to act responsibly in our actions. If everyone sees us as greedy users, and I think we are, then we are not fulfilling our highest and best purpose. With the amount of physical power we now enjoy, we could be the country that eliminates the "bully" from most of history's powerful countries labels. Let's change our reputation and really think about how we are projecting ourselves to the rest of the world. Greedy really stinks as a reputation.

Doesn't our government care about the future generations who will inherit what we leave behind? If all we do is consume with little mind for giving back, our legacy will be not unlike that of the former Soviets. Eventually the damage will be so great that even enormous amounts of money will not be able to correct it. This is our opportunity to really make a difference, here and abroad, and it makes me sick seeing what we are doing.

We are the only country in the world who has this chance, though it will benefit everyone in every country. Oil is not the longterm answer, it can't be. It is a finite resource. With the dollars at our disposal now, we can find a longterm answer, without any more Exxon Valdez disasters.

A concerned citizen.
Secretary Spencer Abraham  
U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585  

25 Mar. 2001

Dear Secretary Abraham,

There is a lot of talk in Washington these days about morality. For me, morality boils down to the golden rule, do unto others, as you would have others do unto you. However, this simple dictum is not at all simple to put into practice. It requires constant vigilance over the often less than obvious ramifications of one's actions.

The current energy policy espoused by the Department of Energy and the Bush Administration fails the golden rule test. It implicitly states that unchecked consumption outweighs all other societal values. It specifically ignores the overwhelming evidence (see National Academy of Sciences report on Climate Change) that burning fossil fuels is changing our climate and endangering the health and well being of future generations.

How is it that we can afford billions on a missile defense system for theoretical threats, when we cannot afford to invest in energy conservation and renewable, non-polluting energy sources?

We will foul the air with pollutants and destroy the last wild places on earth so we can all drive Ford Excursions with aplomb. U.S. residents will continue to use 459 gallons of gasoline per capita compared with 140 in Germany or 10 in China. When the poor of the world starve from flooding or drought in Bangladesh or sub-Saharan Africa, we will blame it on bad genes and ignore the empirical evidence that our energy policy contributed to their fate.

In the Gospel according to Matthew, Jesus Christ stated "You cannot serve God and mammon". Our worship of rising stock prices, mega Malls, house boats, jet skis and bigger and more absurd homes and vehicles makes it clear that, in the final analysis, we serve mammon and we will destroy everything beautiful in God's creation to feed our habit.

Only when our own way of life here in the U.S. is directly threatened, will we act to try to avert global warming. However, the quantity of CO2 in the atmosphere will not be affected in the short term and our actions will be too late. Our own grandchildren will face a diminished world with more violent weather (the insurance industry has perked up to this inevitability), flooding of coastal cities, drought, increased infectious disease and, possibly, mass extinction. We will not hold a warm place in their hearts.

We need an energy policy that emphasizes conservation and renewable, non-polluting sources. That is our moral obligation to future generations.

Sincerely,

James F. Lombardo, MD
March 16, 2001

Sue Jones
Secretary of Commerce

Dear Ms. Jones,

I just recently heard your stimulating, over-arching speech to the U.S. Chamber of Commerce on the energy policy of the Bush Administration.

I would appreciate receiving a copy of the speech.

Sincerely,

[Signature]

Michael Allen
The Honorable Spencer Abraham  
Secretary of Energy  
1000 Independence Ave., SW  
Washington, DC 20585  

Dear Sir:  

I am enclosing a letter written to our President concerning the current debate over energy and arsenic in our water. I do so, believing that these issues are all or in part a concern of yours and the department which you direct.  

Thank you for your thoughtful consideration in these extremely important matters.  

Sincerely yours,  

Galen R. Work
President George W. Bush
The White House
Washington, DC 20500

Dear Mr. President:

As a life long registered Republican I want to register my opposition to the recent proposals to explore the pristine regions of our Alaskan wilderness for oil.

I also was appalled by the dismissal of a proposal to reduce arsenic levels in drinking water.

The enclosed article and cartoon from the March 23 issue of The Columbus Dispatch address the issues of oil exploration and arsenic in drinking water. We cannot continue to allow short term profiteering under whatever guise to determine policies which will inevitably, sooner or later, have to be reversed for the long-term health and well being of people and their environment.

"An ounce of prevention is far cheaper than that future pound of cure."

Sincerely yours,

Galen R. Work

CC: Departments of Energy, Health & Human Services, and Interior
Federal arsenic levels allow cancer, study says

By Seth Bornstein

WASHINGTON — Two days after the Bush administration junked a Clinton administration effort to reduce the amount of arsenic in drinking water, a study released yesterday reported that the permissible levels of the toxic chemical are enough to cause cancer.

The study also revealed for the first time how arsenic can start a chain reaction in living cells that ends in cancer.

Christie Whitman, chief of the Environmental Protection Agency, said Tuesday that former President Clinton's proposal to limit arsenic in drinking water to 10 parts per billion was too expensive and "the scientific indicators are unclear."

Whitman's action sent arsenic standards back to the previous level of 50 parts per billion, although she said she would review them and reduce them if necessary.

The new study in the March issue of the peer-reviewed journal Environmental Health Perspectives, which is published by the government's National Institute of Environmental Health Sciences, is based on exposing rats to arsenic levels equivalent to 5 to 50 parts per billion.

Based on this work, one of the researchers, Dartmouth University toxicologist Joshua Hamilton, said: "There is sufficient evidence that 50 parts per billion is not protective. I think 10 is a reasonable place to go."

EPA spokeswoman Robin Woods said her agency welcomed the new study and would consider it in developing a new standard for arsenic in drinking water.

The study, by Hamilton and three other professors at the Dartmouth Medical School in Hanover, N.H., explains how arsenic disables one of the body's key cancer-fighting agents. While it has long been linked to cancer, arsenic's role in causing the disease had never been understood, Hamilton said.

Arsenic alone doesn't cause cancer; it acts as a kind of vitamin that "enhances the ability of other things to cause cancer."

The Dartmouth researchers studied what arsenic does to a human steroid called glucocorticoid, which fights cancer by binding with genes and telling them what chemicals to produce.

The researchers found that exposure to arsenic allows glucocorticoid to go through its normal binding process, but then mutates its messages so that none of them gets through to the genes. As a result, the genes do nothing to fight cancer.
George W. Bush
President of the United States
The White House
1600 Pennsylvania Avenue
Washington D.C.
20500

Subject: US Energy Crisis & Related Problems

Dear President Bush:

I would like to congratulate you on your inauguration and wish you well in your next 3 years in office. I appreciate the concise legislative program you have laid out; however, there is an immediate domestic problem, which was not included and will grow to crisis proportions if not handled immediately from your office.

I was the senior supply officer of Gulf Oil Corporation during the 1974 and 1980 energy crises. The current power situation in California added to the pricing problems for heating oil and natural gas in the North features the same public hysteria and political accusations of those earlier periods. In all supply crises the political solutions are generally wrong. Former Israeli Foreign Minister Abba Eban once said: "History teaches us that men and nations behave wisely once they have exhausted all other alternatives." The US did not behave wisely in 1974 or 1980 and your administration has the opportunity to correct the irrational actions in those earlier periods that are adversely affecting our nation today and are exacerbating the current situation.

The gold rush of technology stocks ended with the government's assault on Microsoft. The judge's decision on the suit triggered the NASDAQ meltdown and a trickle down effect that reaches a very wide group of citizens. dot.com company employees now have worthless stock options and are scrambling to meet the monthly payments on their new Mercedes and mansions. Day traders used their life savings to cover margin calls. The savings rate for the US has been negative for the last year.

Holiday retail sales were at the lowest level in 10 years. Inventories of all manner of industrial and consumer goods are rising. A large number of companies are reporting lower profits. All US automobile companies are seeing significantly lower sales; Chrysler will probably disappear as a viable entity. The major US steel companies are in serious trouble. Declining automobile sales will also affect other major industries — steel, aluminum, rubber, chemicals, glass, etc. — in a repeat of the 1980 energy crisis.

While the end of the information technology bubble has little to do with the beginning of the current energy crisis the results feed on the energy related issues. The confluence of long ignored energy problems; OPEC's new resolve on pricing and the crash of the dot.com society have set up the potential for "The Perfect Recession". Any tax relief proposed by your administration will be small compared to the monthly increases in energy costs now being experienced nationwide. The cost of natural gas to the California power companies is immediately translated to gas, heating oil and diesel fuel across the country.

Starting in the 1980s a variety of counter productive forces were introduced to our society which ultimately has lead us to the path of becoming a third world nation in terms of quality of life and civil frustration. All of our current problems have been self induced. As Pogo once said "We have met the enemy and he is us."
Specifically:

1) The two major power suppliers on the west coast Southern California Edison and Pacific Gas and Electric are nearing bankruptcy. A similar situation surfaced earlier in the Midwest and was ignored. California's power problems will spread to other states if action is not immediate. These problems effect the entire population and are a major driving force in reduced economic activity by companies and individuals.

A recent Wall Street Journal article on California states: "Rolling blackouts shut down businesses, dimmed households and threatened California's citrus crop. People were trapped in elevators and traffic was snarled. Supermarkets were crowded with customers buying flashlights and firewood. California Steel Industries Inc. shut down its steel rolling lines." Other reports have small businesses closed and/or on the verge of bankruptcy.

No new power plants have been built in California in the last 10 years as a result of the chaos of deregulation and the onerous environmental regulations. These points can be argued endlessly but the fact remains that electric power usage continues to grow at an aggressive rate and peak shaving equipment has become base load equipment with rolling blackouts and massive price increases during the peak periods.

2) Excessive gasoline, natural gas and heating oil prices have also impacted US economic development over the same time period. Nation wide heating oil, diesel fuel and natural gas prices are in fact directly related to the California electric power prices. But petroleum products prices would have risen irrespective of the electric power crisis. No new refineries have been built in the US since 1975 and during the 1980s refining capacity in the US was reduced from 18.5 to 15.5 million barrels per day as refiners decided to shut down facilities rather than install government mandated equipment which added no value to the finished products.

As a separate issue petroleum products have greatly reduced fungibility. This means that products may no longer be easily transferred from one region of the country to another to balance supply shortages because of regional EPA and CARB regulations which give rise to a geographical patchwork of incompatible quality specifications. As with electric power, petroleum product demand will continue to grow with no matching construction of new refining capacity.

Finally, imported oil has risen from 37% of US demand in 1980 to 52% in 2000 and will grow to 63% by 2020 if the current attitude toward energy continues. This is a drastic drain on our economy via our balance of payments.

A parallel problem relates to national security. The current Saudi government is run by the direct lineage of King Ibn Saud; they are now all over 70. The policies of both Iran and Iraq are always to create mischief for Saudi Arabia with the intention to bringing down the current government. Additionally, problems with the religious fundamentalists Wahhabis within Saudi Arabia have not changed in the last 25 years. The only US government officials who totally understood the Muslim nations were Kermit Roosevelt and Jim Akins and Mr. Akins left Saudi Arabia in the mid-1970s.

The hand over of the government to the next generation of Saudis will probably occur on your watch with the potential for a high degree of instability. If Saudi Arabia fails so do Qatar, Kuwait and the Emirates. This will leave the US (and the rest of the world) extremely vulnerable to an insecure crude supply. Think about the Iranian revolution and the start of the Iranian-Iraqi war in 1980; this period should be considered relatively minor compared to the fall of Saudi Arabia to a Saddam Hussein or his Saudi equivalent.
3) Transportation congestion has reached a critical mass and is leading to air/road rage as well as a very inefficient business environment. In addition to the frustration of long traffic delays, commuting by automobile compared to rail transportation is extremely inefficient on an energy use basis. During the last 12 months there were significant gains on San Francisco's rail system in direct response to high gasoline prices.

Jet fuel consumption is impacted directly by a transportation system that uses fuel sitting on the ground, circling in holding patterns and diverting passengers to the wrong locations. Hydrocarbons used as jet fuel compete directly with demand for home heating oil, diesel fuels and power plant fuel. A quarter of all flights, affecting 119 million travelers, were delayed, canceled or diverted in 1999. Customer complaints were up 18% over the prior year. As the air travel infrastructure approaches 100% of operating capacity any minor problems quickly expand exponentially to the entire US transportation grid. As with power and refined product demand, individual and business travel continues to expand with a transportation system which has been inadequate for the last 10 years.

Most of the technology to solve these problems has been available for years and has been implemented in other countries. The bureaucratic impediments to the solution are home grown and must be dealt with politically.

In any problem solving activity – whether the problem is economic, political or technical – there are several degrees of freedom. Once you have set limits on certain degrees of freedom the outcome becomes a known solution. The following are limits to the degrees of freedom which need to be included in any US energy policy:

A) Limit US reliance on foreign sourced hydrocarbons
B) Limit environmental pollutants
C) Limit US balance of payments
D) Limit global warming

All of these limits can be reached with a rational energy policy and at the same time expand economic growth. However, no matter how many rocket scientists are locked in a room to solve the US energy and economic problems the answer will always come out the same. In terms of a rational energy policy technical solutions will take 5 to 10 years but political action required to implement these technical solutions is required immediately. There are some short term solutions which violate the above limits in order to protect the economy and national security but the ultimate solution must result in a reduction in the use of hydrocarbons and a reduction in foreign energy imports as well as a reduction in governmental impediments to the solution.

Exhibit 1 provides the basis for a rational energy policy. I have enclosed a document which gives the logic for each of the 10 points as well as a paper I presented 20 years ago to a wide variety of government bodies, public forums and university groups. Sadly the US situation is worse today than it was in 1980. I have also enclosed a paper by Texaco prepared in 1990 that also has been ignored. The results are now in; we were right.

I am not looking for a federal job. However, I have had considerable first hand experience with consuming and producing countries' oil ministers, US government agencies and consumer groups during periods of instability. I lived through governmental blunders in similar crisis periods. If any of this experience is useful I would be please to discuss what works and doesn't work with your staff and the Energy Department.

Sincerely yours

Charles L. Campbell
23 January 2001
A REALISTIC NATIONAL ENERGY POLICY

Short Term Solutions

1) Return electric power to a regulated format of 1990 with modifications for cogeneration and power supplied by small businesses and individuals to preferentially enter the grid. The country had a low cost and extremely reliable power system until deregulation was instituted.

2) Return to US gasoline, heating oil and diesel fuel specifications of 1990 to provide fungible products.

Long Term Solutions

3) Reduce governmental restraints that impede the immediate installation of coal fired power generating facilities by individual local companies as well as new nuclear plants and refining capacity.

4) Set up a national company to build nuclear power plants with a common plant design and plants operated by graduate electrical engineers.

5) Install high speed electric train service in high population density areas of the US using a common technology.

6) Set up a national research program to reduce the cost of photovoltaic cells.

7) Set up a government purchasing program for fleets of electric cars to be used by government employees.

8) Through taxation of petroleum products and/or taxation of new vehicle purchases allow markets to penalize low mile/gallon vehicles and reward high mile/gallon vehicle purchases.

9) Set up a national company to construct and operate coal liquefaction and gasification plants on the US Gulf Coast using western coal reserves transported by pipeline slurry and imports.

10) Open governmental lands to oil/gas exploration.
A REALISTIC ENERGY POLICY
A REALISTIC ENERGY POLICY

Degrees of Freedom

The following are limits to degrees of freedom which are required in any US energy policy:

A) Limit US reliance on foreign sourced hydrocarbons
B) Limit environmental pollutants
C) Limit US balance of payments
D) Limit global warming

Short Term Solution

1) Return electric power to a regulated format of 1990 with modifications for co-generation and power supplied by small businesses and individuals to preferentially enter the grid.

Electric power is unlike any other commodity. There is no technical capability to store power. There is no technology available to import power except from contiguous nations.

There are two peak periods during each day – morning and evening. There are also seasonal peaks. Storage capacity for these peak periods can only be met by a large excess of generating equipment which is idle a very high percentage of the time and transmission grids which are normally under utilized.

Prior to deregulation all power generating companies were local monopolies with a pricing structure related to capital costs which provided guaranteed rates and allowed the companies to have idle standby equipment to cover the peak needs of their customers. Service was extremely reliable and the costs very low.

New power plants are not being constructed to provide excess capacity. Environmental regulations restricting the construction of new plants were becoming more severe about the same time as deregulation was being proposed. However, the primary reason that companies are not building new capacity is that rates are no longer guaranteed and no one is going to construct plants that sit idle most of the time.

The Midwest gave a forewarning of the effect of the “free market” in the summer of 1998 when Federal Energy Sales, a new small energy market company, defaulted on power contracts and threw chaos into an already stressed power generation/distribution situation. The result was extremely high spot power prices and rolling blackouts for the entire area.
No one seems to understand that the underlying problem is related to an assessment of degrees of freedom. If you give companies a monopoly position and a guaranteed rate of return on their assets in exchange for guaranteed supply they will comply. If you give them the freedom to act as entrepreneurs with no guarantee of returns they will provide only those assets that will generate profits. With no guaranteed profit on facilities which sit idle most of the time waiting for a short term peak in power no one will build the peak shaving equipment.

The 1998 mid-west crisis was a warm up for California. No new facilities have been built in the last 10 years, the excess peak shaving equipment is no longer sitting idle and Southern California Edison and Pacific Gas and Electric are basically bankrupt because California regulators do not allow a free market — i.e. passing high spot prices on to the consumer.

The paradox is that SCE and PG&E were forced to sell off 50% of their power generating facilities to companies such as Southern, Duke Energy, Reliant Energy, Williams, Dynegy, Calpine and NRG. It was felt that this would bring competition to the markets. The result is that these companies will make record profits in a "free market" while SCE and PG&E will go bankrupt with regulated retail prices. This will ultimately reduce the California power industry to the level of a third world nation with continual rolling black-outs, forced shutdown of air conditioning units by private citizens, loss of industries which consume large amounts of power because they can't pay their bills, etc.

Put the power industry back the way it was in 1990 with a modification to allow cogeneration and any small power producer to sell excess power to the local monopoly. California is the 6th largest economy in the world and has an enormous direct and indirect affect of the total economy in the US. The power problem affects private citizens as well as the large companies. This is the first thing to fix to keep the country out of a recession.

2) Return to US gasoline, heating oil and diesel fuel specifications of 1990 and return to fungible products.

Since the early 1980s increasingly strict limits have been set by the EPA and CARB which limit the prior ability to move liquid petroleum products between regions of the country and reduced the possibility of imports when there are shortages caused by unplanned refinery shutdowns. Lead was removed from gasoline in the late 1980's, volatility limits reduced the use of butanes, aromatic content was restricted and reformulated/oxygenated gasolines were required by the mid-1990s.

All of these actions have lead to extremely complicated supply situations since they were applied selectively to various cities and regions. The problem is exacerbated by the continued need for different product properties in summer and winter. A further complication is added by the fact that refineries in Texas and Louisiana supply products to the Midwest and East which by regulation have different specifications than the Southern markets.
Quality differences for kerosene and diesel fuel reduced the fungibility of these products during the same time period. The need for these stringent controls was never verified. Revisit these regulations and relax some of the specifications to reduce the shortage situations that have arisen because of the regulations. Providing similar specifications in all regions of the country will go a long way toward eliminating local supply crises via inter-regional product transfers.

**Long Term Solutions**

3) Reduce governmental restraints that impede the immediate installation of coal fired power generating facilities by individual local companies as well as new nuclear power plants and new refining capacity.

No new refineries have been built for 25 years and existing refineries were shut down rather than make the massive investments required by law for environmental issues. Nuclear power was halted because of the massive delays caused by regulatory requirements. Deregulation and environmental constraints have delayed conventional power plant construction. The current crises in natural gas, power, and petroleum product shortages will continue to get worse with rising demand and no new facilities.

New coal fired power plants will violate the carbon dioxide limits — i.e. global warming — but this is a tradeoff to obtain low cost power in the short term. In the long term these plants will be phased out and replaced by nuclear and solar energy.

4) Set up a national company to build nuclear power plants with a common plant design and plants operated by graduate electrical engineers.

Nearly all of the countries in the industrial world — Japan, Taiwan, Korea, Sweden, Germany, England and France — have developed programs for the rational use of nuclear power. Follow the French model that has successfully converted the country to a nuclear power base. Obtain French technology for reprocessing nuclear waste. The reprocessing may not be as economical as using new materials; however, it is required for environmental limits.

Any arguments against nuclear power related to cost are a myth. The costly over runs of the 1970s and 1980s were a direct result of the length of time required to get approvals and not the cost of construction.

The safety issue is also a myth. No major industrial country has had a serious problem since the beginning of nuclear power. The Chernobyl problems were the same as every other facet of USSR industry. In a centrally planned economy nothing works.

Currently operating nuclear plants were all designed by different companies and are operated by people with limited understanding of the processes. Use a common design for all new plants with nuclear engineers as plant operators to add a higher level of safety to the operation. Nuclear power eliminates emissions, reduces the need for foreign hydrocarbons and improves the balance of payments.
5) Install high speed electric train service in high population density areas of the US using a common technology.

Japan, Germany and France have high speed electric rail transportation systems. France coupled their rail system to a nuclear power program. The use of rail systems would reduce the congestion at major airports as well as reduce gasoline, diesel and jet fuel use. The French model reduces emissions and reliance on foreign oil and improves the balance of payments.

Follow the models of cities such as Amsterdam and Geneva where a single terminal services air, rail and bus transportation. In all major US cities install high speed rail service between the city center and the airport as in Tokyo, London and Rome.

6) Set up a national research program to reduce the cost of photovoltaic cells.

Photovoltaic cells have come a long way since the 1980's. The cost has dropped dramatically over the last 30 years and the use of photovoltaic power is now competitive with other power generating schemes in some instances. Make an intensive effort to improve the efficiency and lower the cost of this power source.

If every private residence in the US had a roof of silicon tiles feeding power back into the grid during non-peak periods the US would meet all of the degree of freedom limits plus provide an energy source that would be totally immune from the types of problems which occur with the temporary loss of a single large facility.

Photovoltaic power and electric automobiles are the ultimate individual transportation goal and reduce both nuclear and fossil fuel power generation as well as emissions.

7) Set up a government purchasing program for fleets of electric cars to be used by government employees.

The US energy market is really a liquid fuels market. If the major automobile companies had spent as much for research on battery capacity as they have on internal combustion improvements we would have an acceptable electric automobile. We went from no where in space to the moon in 10 years. The battery operated car exists; the only drawback is a battery with a low driving range capability. Force the issue via a government purchase of a fleet of 5000 pure battery driven electric cars to be used in the Washington, DC area.

For competitive diversity buy 1000 each from 5 different automobile companies. This will allow a critical mass for the development work on battery life and range, battery changing stations and the installation of recharging facilities in parking lots and home garages. Canada and Alaska have had electrical connections in parking lots for years to keep automobile engines warm in the winter.

The ultimate goal in a 20 –30 year period is to have a large portion of the US automobile fleet battery driven and powered by a grid which is fed from large nuclear power stations and millions of individual sites producing photovoltaic power.
There is much current market spin about hybrid electric-gasoline cars. These models sometimes consider the use of hydrogen in fuel cells. Reforming natural gas and heavier liquid hydrocarbons produce hydrogen but also produce carbon dioxide – i.e. global warming. These automobiles will still require onboard liquid fuels for reforming in the vehicle or the automobiles will have to be refueled from service stations handling liquid or gaseous hydrogen. Consider this as millions of mini-Hindenburgs.

8) Through taxation of petroleum products and/or taxation of new vehicle purchases allow markets to penalize low mile/gallon vehicles and reward high mile/gallon vehicle purchases.

New refinery construction is not required if demand for petroleum products is reduced. A good portion of the increase in gasoline demand is from the use of low miles per gallon SUVs. There are two methods available to restrict gasoline consumption:

a) The most unpalatable politically is to tax gasoline consumption with rates which are equal to the European countries – i.e. $3.00/gal total cost. Use the increased tax revenue to fund the development of a high speed rail system.

b) Use a neutral tax approach on all new vehicle purchases. Add a tax to high gasoline consumption cars/SUVs and give a tax credit on the purchase of all high mileage cars. This will not affect anyone's standard of living. High income people still have the option of buying a luxury automobile. For anyone buying a high mile per gallon automobile the tax rebate plus lower gasoline consumption allows them to save or spend more on other consumer items which is good for the economy.

With either a or b there are obvious savings via reduction in balance of payments, reduced reliance on foreign sourced energy and reduced emissions.

9) Set up a national company to construct and operate coal liquefaction and gasification plants on the US Gulf Coast using western coal reserves transported by pipe line slurry and imports. Construct similar plants in West Virginia.

This feature is presented for two reasons:

a) Increase the production of liquid hydrocarbon products and natural gas.

b) Most importantly provide experience with world scale coal conversion plants which may be needed if international supplies of crude oil become unreliable.

Obtain the processing knowledge from South Africa. This piece of an energy policy violates the global warming limits but it will only be used on a massive scale if the US has lost access to major crude oil supplies in the Middle East. World scale plants are needed to allow the rapid construction of similar plants if needed later for energy security.
10) Open governmental lands to oil/gas exploration.

This will provide a reduction in foreign exchange. It will also improve our energy security. However, it does nothing for the current energy crisis which is a shortage of power plants and refineries not crude oil availability.

There has never been a shortage of crude. In fact, there has always been a worldwide surplus of productive capacity. The US has a very low ratio of reserves to consumption. For maximum strategic value any crude found on federal land should be developed but shut in for the eventual use during international emergencies provided sufficient liquid fuel savings are generated by other means to reduce the balance of payments problem. Simply stated we have very small crude reserves and we should be using other nations crude and save ours for periods of shortage.

Shut in production is a much better emergency source than the SPR which is finite and quite frankly not of sufficient size to handle any major supply disruption. The major international oil companies controlled most of the oil reserves in the Middle East in the 1960s. Productive capacity was in excess worldwide as it is today. This excess capacity was used to smooth out supply variations. Unproduced oil stored in the ground with variable production rates was used to minimize expensive above ground tankage that would have been required with fixed production rates.
Dear Mr. Abraham:

I understand the need for an energy plan that addresses the needs of all Americans. I urge you to come up with a balanced policy that gives equal weight between the use of fossil fuels (coal, oil, natural gas) and alternative sources of energy.

The urgent, immediate needs of the nation can be addressed with seeking greater efficiency standards, especially in automobiles. My state is getting heavily into research and development of fuel cells. I plan to purchase a hybrid car, or other high mileage vehicle, by 2003. As a landscape architect I know the techniques in reducing residential, etc. energy needs with intelligent landscape improvements. If there was a tax advantage, I would add solar panels on the roof of my house quite quickly.

We eventually must face the facts that clean burning fuels are in our future. The gasoline combustion engine is terribly inefficient and will be soon be replaced by innovative technological inventions. I am against short-term solutions like drilling for oil in natural treasures just so that we can have a couple years worth of power starting ten years from now. We need a little better thinking than that. Energy conservation will reap benefits short and long term. That is worth a try...alot better that putting all our eggs in one basket.

Growing up in coal country (Scranton, PA), I learned that residential cooking and heating with anthracite was replaced, in the economic marketplace, by other more efficient (and cleaner) energy fuels. And the air even got cleaner and easier to breathe.

Please come up with a energy policy that encourages the full range of possible energy sources...not just...fossil fuels take it or leave it.

Sincerely,

Edward Paul Petcavage
Dear Sir,

I would like to see a national energy policy in place. I am not smart enough to know exactly what shape this policy should take. However, I am smart enough to know that the rise of natural gas prices was entirely too high and should be investigated.

Thank You
Jay Dodson
Weekly Planner

MARCH 2001

FOREIGN POLICY:

19
THREATEN SERBS TOTAL ANNIHILATION NUCLEAR POWER

ABANDON AFRICA:

20

GIVE ARABS TO IRAQ FOR OIL:

21

SEIZE SAUDI OIL

Wednesday

PEG OIL AT $40 PB:

22

SLOW CONSUMPTION TO 3M BARRELS A DAY

Thursday

MAKE OPERATING A PERSONAL AUTO SO EXPENSIVE IT CAN'T BE DONE...

23

Friday

RUSSIAN COMMUNISM WORKS BETTER THAN DEMOCRACY. LET THEM RETURN.

24

Saturday

SIGNED:

25

LORD LESLIE SHAFFER
LORD DONALD SHAFFER

DONALD SHAFFER

(6)(6)

29256
Weekly Planner  

MARCH 2001

ENERGY POLICY

19 SENIORS ARE STARVING  
Monday

20 SENIORS ARE COLD  
Tuesday

21 AUTOS ARE TOO EXPENSIVE TO OPERATE IN FUTURE  
Wednesday

22 NATURAL GAS IS TOO EXPENSIVE NOW:  
Thursday

23 LIVES ARE BEING LOST BECAUSE OF ELECTRICITY RATES  
Friday

24 THIS IS DEATH IN THE NATION: MURDER 3  
Saturday

SIGNED  

25 LORD LESLIE SHAFER  
LORD DONALD SHAFER  
Sunday

POPE OF THE USA
John Castle

March 23, 2001

Secretary, Spencer Abraham
United States Department of Energy
Washington, D.C. 20585-0121

Dear Mr. Secretary:

I would be most grateful if you would please supply me with the following information:

1. The national energy policy plans (NEPP) for the years of 1993, 95, 97 and 99.

2. The amount of money that [we] our federal government has invested in the form of energy subsidies: the names of the recipients, and the amounts of their subsidies by the year starting with 1970 through the year 2000 as follows:

   Oil   Coal   Natural Gas   Nuclear

3. Please furnish the names and locations of the nuclear plants that our federal government has decommissioned to date.

4. Please furnish the federal government's costs of decommissioning these plants by name. Also, the time it takes for decommissioning: the method of storage; the location of storage sites, and the costs of storing the spent fuels (LLW, mixed LLW and HLW).

5. Please furnish the names and the locations of the nuclear plants that are scheduled to be decommissioned in the future, and the projected dates of decommissioning.

I am most grateful for your efforts in fulfilling my request. Thank You.

Respectfully and Sincerely,

John Castle

Questions?...
Dear Mr. Castle:

I am responding to your fax of March 27 to Secretary Abraham that requested information on national energy policy plans, energy subsidies and nuclear power plants.

I am enclosing a copy of the most recent national energy policy plan, the Comprehensive National Energy Strategy (1998). I am also enclosing a copy of "Powering the New Economy," issued by the Department in September, 2000. Copies of the other energy policy plans that you requested are no longer available.

A 1999 report by the Department's Energy Information Administration provides an assessment of government interventions and subsidies related to energy. A copy is accessible at the following webpage: http://www.eia.doe.gov/bookshelf/finance.html

For the information on U.S. nuclear power plants, please contact the Nuclear Regulatory Commission. Their webpage is: http://www.nrc.gov/

I hope this information is helpful. Thank you for writing.

Sincerely,

Margaret Anderson
Acting Director
Office of Policy

Enclosures
Mr. Bush,

First I would like to congratulate your and Mr. Cheney’s ascension to office. I have never done this before, but I think this topic merits attention, especially since you announced that you were about to embark on this task. As you have obliquely mentioned in the past, the USA is in trouble energy supply wise, as the world itself may be one day as far as fossil fuels are concerned. As you also said, the government should not necessarily try to run everything, but we also know that when the government and the people wish, much can be done more quickly. To the point, we need to develop more green power in the form of wind power, the more constant type of natural renewable resource, compared to solar, and especially in more windy states like Texas (charted to be #2), but in full utility scale wind projects with current improved technology to help ensure our future standard of living. There are two newer projects in West Texas currently running, and more online in other states, but we need much more of this clean power developed. Along with the job base it brings, and the internal cash flow to our economies, as well as the energy, and the bottom line is, no, it’s still not perfect when the wind is not blowing, but it works and I believe we need more tax credits and other legislative encouragement to get more of these large projects built. The scenario of a wind turbine in everyone’s backyard will not be efficient enough to do it. And they can be built quickly, it surely cannot be any worse than the current power scenario in California. I am simply asking that this area be very well scrutinized for I believe it can become a lasting lynchpin of our national energy policy, but look at the newer projects like near Big Springs and Mcamey to truly get an idea of the potential efficiency, the older wind farms are not as so. I also agree with incrementally opening up other previously off limits areas to drilling, and I applaud your grasp and attention of the energy situation we are in, we cannot ignore
In closing, I wish the best for your administration, you will all be in our prayers as you lead this nation, and we like the faith charity help plan, fresh ideas are what this country needs.

May God Bless

Sincerely,

Dan &

Karen Lafoon
March 19, 2001

President George W. Bush
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Re: Agriculture and energy policies

Mr. President:

I would like to take this opportunity to pass on some thoughts and ideas about our agricultural and energy policies. To help add some credibility to these thoughts and ideas, I think that you should know that I am a retired petroleum engineer and manager with Chevron Corporation. I also grew up on the farm in South Dakota and currently own and operate a tree farm/nursery in eastern South Dakota. All of my life I have been involved in either farming or the petroleum business or both.

As I look at my expenses for my home and business and talk with my farming friends and relatives one thing continues to be clear to me. We are at or are heading towards a crisis in both the agricultural and energy sectors of our country and the two are tied together.

Let’s start with the energy sector. Hydrocarbons are not a renewable resource, yet we utilize them like we will never run out. The U.S. continues to import a larger and larger share of its petroleum needs year after year. Maintaining a steady supply of this product in turn increases our military expenses higher and higher with less and less of a guarantee that our foreign supply will be available. Many talk about the vast supplies of untapped oil and gas at ANWR yet we currently ship crude oil from Alaska overseas because we are not geared up to refine that product in the western U.S.. Our limitations on supplies of oil and gasoline are limited as much by refinery capacity as they are by crude oil supplies. Will developing the reserves in places like ANWR really help our domestic situation? Refinery capacity is a major capital and environmental investment for the oil industry. The oil companies are not going to make those types of capital investments without a significant long-term crude oil supply such as those developed overseas or projected from an ANWR. Do we really want to take the environmental risks of opening up ANWR to oil and gas exploration? I’ve worked in the industry for 20 years and I don’t believe it is a worthwhile risk when there may be other alternatives. So what are the other alternatives?

I believe that one alternative is ethanol and bio-diesel fuels. I believe that the U.S. needs to make a major energy policy shift away from foreign oil and put significant pressure and emphasis on utilizing renewable resources such as corn and soybeans. U.S. farmers are the most efficient in the world and year after year supply exceeds demand and prices stay pathetically low. The agriculture sector comes to the government year after year
complaining about low prices that they have created by over-producing. There are two ways to improve prices for farm products - cut supply or increase demand. We have historically tried to find ways to entice farmers to cut. We pay them to set aside land in CRP programs. We spend billions of dollars on price supports and guarantees. Our government buys grain at elevated prices to further continue to support prices in a market that is glutted with product. While we have spent some time and effort to create “value added” markets for our products, we have just scratched the surface. We need a major policy shift in the agriculture department to focus those billions of dollars paid for “not growing” and “price supporting” to developing major markets for the products that we grow. It is time for the energy department and the agriculture department to join together and solve two crisis with one solution.

Here is that solution:

The energy department needs to establish a new policy that sets a target for significantly reducing our dependence on foreign oil in the next five years to say 50%. By the end of ten years that dependence needs to drop to 40% and so on. There needs to be significant pressure put on the oil industry to shift their emphasis to providing production and refining capacity to renewable resources. Mom and pop corporations and coops are building small ethanol and bio-diesel plants in the corn-belt. These facilities make only a small dent in the needs of our country. It is time that our government stepped forward with a challenge to the oil industry to essentially burn up all of the surplus corn and soybeans that our country produces. Building large ethanol and bio-diesel plants across the corn-belt will stimulate the economy, provide jobs in an area that is losing farms and farm jobs and provide a market at home for our own products. If we make this a significant part of our energy and farm policies, we can shift most of the billions of dollars that we spend on farm programs for corn and soybeans to providing incentives for ethanol and bio-diesel investment. I firmly believe that if the oil companies put their vast resources into this effort, they can build and operate ethanol and bio-diesel plants more efficiently and effectively than any other sector of our country. Their vast refining knowledge and expertise could be brought to bear on an industry that needs that help.

I have talked with managers with my former company of Chevron and at this time they do not see ethanol and bio-diesel as a significant part of their portfolio. I have talked with employees of Royal Dutch Shell Oil Company and they are slowly embarking on a “renewable resources” strategy for their company. It is time to give these major players some incentive to get into the ballgame now! The oil and gas industry needs to continue to be a significant part of our energy policy. It just needs to become a smaller and smaller part that doesn’t put all of our eggs in a shaky Middle East basket. There are numerous advantages to the type of policy shift that I have outlined above and some of them are listed below:
Advantages:

Utilizes more environmentally friendly fuels
Utilizes renewable resources
Increases refining capacity and improves distribution of refined products
Reduces dependence on foreign oil
Reduces the need for a significant military presence to protect foreign oil fields
Creates jobs in the U.S.
Improves our balance of trade
Provides more independence for the U.S.
Delays or prevents oil and gas exploration in environmentally sensitive areas
Saves the taxpayer billions of dollars a year in farm program payments/supports
Unites the country around common goals (conservation should be another goal)
Provides for some bipartisan support
Diversifies our U.S. portfolio
It's the right and patriotic thing to do

I realize that there are some obstacles to overcome to make this happen and I would love to help in any way that I can. Thank you for your time and consideration.

Sincerely,

Wayne K. Larsen

cc: Vice-President Cheney
     Secretary Veneman
     Senator Daschle
     Secretary Abraham
     Senator Johnson
     Representative Thune
MESSAGE: Dear Secretary Abraham: I am writing as an individual, not affiliated with any organization, who recognizes the need, which President Bush has expressed, for the United States to develop an energy policy. But I am also concerned we will choose nuclear energy without having the means to rid ourselves of the nuclear waste. So I am writing to ask you to consider other means of developing America's energy independence. Thank you for your time and consideration. Sincerely, Ellen Robinson
Dear Secretary Abraham,

Our country cannot be held hostage by the Energy Mafia. Please do something NOW, before it is too late. We need a national energy policy that protects old people and poor people from freezing to death and insures a reasonable return on investment to suppliers.

Thanks for your time.

Sincerely,

Tom Quinn
I agree that a balanced energy policy is needed. Why then was your speech 99% weighted toward increasing domestic production of fossil fuels?

Dependence upon fossil fuels (and also nuclear energy) is dependence upon energy sources that:
1) harm the public health through production of poisonous by-products;
2) threaten agriculture and economic stability through alteration of global climate and
3) jerk consumers around due to extreme sensitivity to supply manipulation at every stage of production and delivery.

Irregardless of whether these fuels come from foreign or domestic sources, dependence upon them still constitutes harm to us all, even those who temporarily profit from this dependence.

So long as public policy favors increasing fossil fuel production over the sustainable alternatives of:
A) conservation and energy efficiency;
B) public transit infrastructure instead of 2 SUV’s in every garage;
C) solar, geothermal and off-the-grid alternatives for general heat/water/light;

so long will we remain DEPENDENT upon harmful and wasteful energy practices, and the MYTHS that perpetuate them.

This is what people mean when they talk about conspiracies to gouge consumers. The FTC was barking up the wrong tree when it investigated gasoline suppliers. Believe me, the American people know it. Just like we know that the timing of the California blackouts is too coincidental to be true. When the blind man eats wontons, in his stomach he knows how many.

Although the Energy Secretary is not an elected official, he is no less obligated to recommend and execute, to the very best of his ability, policies that will benefit all Americans in this and future generations.

To this end, I call upon you to lead the way in:
1) Promoting energy efficiency and conservation across the board, but especially in the field of transportation;
2) Giving strongest support to real development of a diversified suite of clean, alternative energy sources, with the goal being to transfer our dependence AWAY FROM FOSSIL FUELS and over to these as soon as possible;
3) Ensuring that those areas of fuel production which are still tied to fossil fuels will be conducted with minimum environmental impact;
4) Respect the American people’s rightful refusal to have nuclear waste stockpiles and potential Chernobyls — no nuclear power.
March 29, 2001

George W. Bush
President of the United States
1600 Pennsylvania Avenue
Washington, D.C. 20500

Re: Your Proposed Energy Policy

Dear President Bush:

Each day, I read with reservation, the proposals coming from your administration relating to our nation's energy policy. Each day I assume that it cannot get more alarming, yet it does. Each passing day I have nearly vowed to stop reading the papers because I grow weary of being upset at what I read. Today, I have decided to communicate my thoughts to you as a means to take a more active part in shaping the energy policy emerging from the Oval Office, and that of Vice-President Dick Cheney. I am also sharing these thoughts with your Energy and Interior Secretaries, Spencer Abraham and Gale Norton.

I understand that both you and Mr. Cheney have strong connections to the oil and gas industry. I also understand that there is an energy crisis in California resulting in widespread “rolling” blackouts and that this is likely to continue into the near future. Yet, these two facts should not unduly influence your decisions regarding the future status of this country’s National Monuments and other lands held in public trust. Please do not cite the California energy problem as an excuse to drill for oil and gas on public lands. I know you understand that the problem in California has little to do with current oil and gas supply, and much more to do with the problematic legislation created in that State whereby energy suppliers cannot pass enough of their costs on to consumers to stay solvent. There are other problems in California such as power plants having been shut down for various regulatory and safety reasons that are unrelated to oil and gas supply.

Simply proceeding with new drilling today would, at best, result in increased domestic oil and gas supplies some 10-20 years later, not by the summer of 2001, when Californians and others will engage in peak energy usage. This is because drilling, if followed by oil and gas discoveries, is only the first in many steps needed to actually supply the petroleum resource. Oil and gas field development, production facilities, gathering systems, and transmission pipelines must then be constructed and implemented. Power plants may need to be built or retrofitted to handle the new supply. These steps will surely not be finalized for many years.

A typical oil or gas well takes about one month to drill, complete and test and there are currently about 1200 drilling rigs nationally. This means that the rate of oil and gas drilling would not exceed approximately 14,400 new wells per year. The fact that many of these rigs are not available to drill new wells because they are in use reworking existing wells or drilling other
types of wells such as saltwater disposal or enhanced recovery injection wells only serves to reduce this number. In addition, an average new oil well may produce 30 to 50 barrels of oil per day. Each year then, the maximum daily incremental increase in oil production would not exceed 500,000 barrels (considering 300 to 330 operational days per year). This same number of extra daily barrels of oil could be saved if the nation's automobiles simply increased their gasoline efficiency by 3 miles per gallon (5 mpg is equivalent to 1 million barrels per day). Further, compare this number to the 25 million barrels of oil produced each day by the OPEC nations.

Right now other measures and incentives could be implemented and offered to reduce our current national energy consumption. If every person in this county were to implement some sort of energy conservation measure such as turning down thermostats, exchanging high-wattage light bulbs for lower wattage bulbs, eliminating the number of automobile trips taken, using more public transportation and reusing and recycling more, significant energy savings would result. This alone may be sufficient to stabilize our dependence on foreign oil, a goal you have set out. We must not go on using energy at outlandish rates, justifying our need to rape and pillage the few remaining unspoiled parts of this country in the name of ever increasing energy needs! There is no other nation on this planet that uses as much energy on a per capita basis as the United States.

There will come a day when history books will contain a chapter called the "Age of Petroleum" and will refer back to a period when humans first discovered petroleum in Pennsylvania, built a world-wide infrastructure to exploit petroleum, and finally exhausted the resources around the world. I wonder what words will also be contained on the final page in that chapter. Perhaps there will be additional wars such as the 1991 Persian Gulf War, or collapse of nations. How ever the last days of the "Age of Petroleum" will be described in history books, there will almost certainly be a discussion of how the world transitioned from petroleum to the next energy source. Please consider how your name and current role might display on that page.

Government has an important role with energy companies. Government can encourage energy companies such as Exxon-Mobil, BP Amoco, Royal Dutch Shell, Chevron-Texaco, Conoco, and others to begin moving to corner the market on the next sources of cleaner energy, such as hydrogen, geothermal, wind- and solar-based platforms. Government can offer economic incentives to these companies to accomplish this. Economics after all is the strongest motivating force that exists. Incentives can include cost or regulatory barriers to continued oil and gas development as well as economic or regulatory stimulus to develop alternative energy sources. Would it not be a sad day if Exxon-Mobil, the world's largest petroleum company, finds itself laying off the majority of its personnel because it failed to anticipate the future, and can no longer out-compete what was formerly a small company developing an alternative energy such as wind power and which has now grown to be the giant energy company Exxon-Mobil once was?

Japan is spending more than twice the amount of money the U.S. spends on research for the use of hydrogen as an energy source. Do we want to play catch up with Japan on such a vital technology?

Despite the fact that your proposed energy policy contains some minor support of alternative energy, it relies far too heavily on more and more oil and gas. I have seen many oil and gas fields, and frankly I don't care to see one in any National Monument, National Park, or
designated wilderness area. The scars left are far too ugly, and the ground water and surface water pollution potential due to benzene, toluene, ethylbenzene and xylenes is too high, and the greenhouse gases emitted into the air contribute too much to global warming.

If oil and gas production in this country must increase, then direct additional effort to extract the already-proven reserves, amounting to several hundred billion barrels, where existing infrastructure can readily produce the resource. Increased secondary and tertiary recovery of oil would become economically viable if tax incentives of $2-3 per barrel were made available to the oil producers. This alone could result in production of over 1,000,000 additional barrels per day to domestic oil production. Further, an increase in your spending budget to federal agencies such as the Environmental Protection Agency and Department of Interior would help to provide the staff needed to process permits needed by the oil producers to implement this simpler solution. These are actions you could take which would result in a more rapid oil and gas production increase, since much less additional oil and gas production infrastructure would be needed.

Please reconsider your position. If you insist on cramming your energy policy down this country’s collective windpipe, we may choke. Don’t forget that you won the 2000 presidential election by the narrowest of margins under highly questionable circumstances, and there are many people waiting for a chance to reverse the control of the U.S. Congress in 2002 and future elections.

Sincerely yours,

Nathan M. Wiser, a regular voter

cc: Spencer Abraham, Secretary
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Gale Norton, Secretary
U.S. Department of Interior
1849 C. Street N.W.
Washington, DC 20240
Wednesday, March 28, 2001

Secretary of Energy: Spencer Abraham
U. S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Abraham:

I have reviewed several news reports and summaries regarding the Senate Democrats' recently introduced "Comprehensive and Balanced Energy Policy Act of 2001" and "Energy Security Tax and Policy Act of 2001," and I am impressed with what appear to be the core tenets of this bill:

1) Elevate our national energy policy to a more responsible level by giving greater precedence to mainstream environmental thinking and policy.

2) Expand lower-impact, more environmentally-benign, renewable energy alternatives and the level of R&D critical to their advancement.

3) More evenly balance short-term, power-generation solutions that require nonrenewable energy as their primary input with efficiency increases and reductions in per-person demand.

4) Institute better regional energy infrastructure coordination and planning.

5) Offer the right mix of incentives and mandates that make tenets 1-4 work.

The only things pertinent to this bill that I question, is the meaning of the proposed dam certification streamlining, the area through which the construction of a natural gas pipeline would traverse, and the lack of stronger clean air standards applicable to the power generation industry. I am, after all, not in favor of seeing more dams built. And I do not support building a pipeline that would pass through frontier wilderness tracts.

Outside of those three issues, I believe this legislation would positively impact our economy through its increased emphasis on efficiency and alternative energy generation. Such an emphasis has already proven to spawn creative problem solving at the research level, as well as a host of technical, service, and other related jobs and industries.

That is why I endorse the Senate Democrats' bill. Its progressive nature is more in tune with energy policy recommended by respectable, forward-thinking scientists, business leaders and mainstream environmental groups worldwide.

Sincerely,

Stephen Koermer

address:

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\((e)(e)\)
April 3, 2001

President George W Bush
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. President:

Recent statements by you and members of your administration have confirmed some of the misgivings we had about you during the campaign. We urge you to reconsider your position on two related issues.

Energy policy
We are more than casually interested in this issue. I worked for one of the major oil companies for over 5 years, with many of their most senior executives. I continue to consult with two of the global majors. More than 15% of our personal portfolio is in oil company stocks, and I suspect will be for some time to come. That said, here are our concerns:

Please stop taking the American public for fools. The electricity shortage in California is primarily the result of misguided regulatory policy and poor planning, NOT a shortage of domestic oil and gas. Exploring and drilling in ANWR, then building a gas pipeline to the lower 48 likely has a 7-10 year lead time before the first mcft shows up at a gas turbine that can deliver electricity to anyone in California. So stop intimating that if we could just get drilling more on the North Slope, then Silicon Valley wouldn't be left in the dark this summer. Or maybe there is a way... if you know of one, we'd like to know it, and you owe such an explanation to the American public.

Currently proven US oil and gas reserves, and even those likely to be proved over the next 5 years will never make the US less dependent on foreign oil in any way that would allow us to really move the world price of oil. So please stop holding out domestic exploration as a panacea.

However, increased domestic exploration could forestall rises in prices for a few more years. Such a forestallment would have two harmful effects on the long term success of the United States.

1) If energy prices do not rise there will continue to be little effect on consumer behavior that makes us per capita users of energy at twice the rate of Europeans (who appear to enjoy a similar, if not better, average quality of life). More SUV's, more suburban sprawl and resulting traffic gridlock that have the US commuting times at a world high. And a delay of the necessary free market incentives for alternative energy sources to attract investment and demand that they need to become significant players.

2) Government investment in alternative fuels should be compared with the potential significant give-away of two resources that would appear to be "free" and should not be: cheap access to Federal lands, and the continued profligate "use" of an atmosphere that cannot take much more CO2 without generating potentially devastating economic dislocation for farmers, communities that will have to spend to alter their water supply as weather patterns shift, and eventually water inundating our the most populated parts of our country (East and West coasts). These outcomes will be very expensive to tax payers and the economy, albeit probably not during your administration or before your re-election campaign.
Use this opportunity to provide real vision, one in which hydrocarbons play a significantly lesser role within ten years, and American technology and markets enable the unprecedented growth of alternative, non-CO₂ producing energy sources. Oil companies will adapt, don't worry about them. We'll still need plastics, and we'll likely not be driving hydrocarbon-free cars for a long time to come (hybrid engines, maybe). Visit the Shell or BP web-sites. They are preparing for this transition, shouldn't we?

Kyoto
Obviously, we see the first issue related to this second one. We think your position on this treaty is an embarrassment to us as Americans who do business in Europe and elsewhere.

The logic of backing out of this agreement suggests that our economy can only remain competitive if we are allowed to compete on the same environmentally destructive basis as third world countries such as China, India, and Brazil. Our first world competitors are willing to take the economic risks you see in the treaty, possibly because they have confidence that they can compete on the basis of their ingenuity and drive. I'd rather take my chances on that approach than watch fertile Midwest farmland turn into desert before my grandchildren marry and have children.

The US produces 25% of the greenhouse gases. China is distant second to us, producing half as much. We are in a position to make the biggest impact on this problem. We can take a leadership position, or we can stick our isolationist heads in the sand and pretend that we don't share one atmosphere. I hope you will see this as an opportunity for a legacy of world leadership, and not the insular, short-sighted protectionism your current view appears to be.

We look forward to hearing your views on these issues. More importantly, we hope you will reconsider the views you and your administration have recently articulated. We have copied our senators and congressperson on this letter so that they are also aware of our concerns and will hopefully represent our views to your administration. We are also providing copies to your appointed leaders at the Department of Energy and the EPA. Because of the impending visits from our European allies on Monday, we are sending this message via e-mail to you to ensure its speedy delivery. A hard copy will follow.

Our best wishes to you in leading this great country.

Sincerely,

Bruce & Julie McBratney

cc: Senator Richard Durbin  
Senator Peter Fitzgerald  
Congresswoman Jan Schakowsky  
Secretary Spencer Abraham  
Administrator Christine Todd Whitman

29273
Dear Mr. President,

I am writing to express my concerns about what I think is the most pressing economic issue facing this country, and that is the affordability and stability of our energy supply. The only practical long-term solution to our base load electrical energy needs is the revitalization and advancement of nuclear technology for the generation of electricity. The advantages of nuclear generated electricity and nuclear power in general include the following.

1. Inexpensive and abundant uranium, thorium and plutonium fuel supply domestically available
2. No pollution released into the atmosphere
3. Proven safe technology
4. The only non-fossil fuel alternative capable of supplying the large amount of base load electricity necessary for future energy needs
5. Waste is extremely minimal if we utilize a closed fuel cycle and fast neutron breeder technology (as in France and other countries)
6. Nuclear power is the only practical way to produce the amount of hydrogen that will be needed in addition to electricity to replace fossil fuel for transportation and industry
7. New technology reactors and separation techniques are more weapons proliferation resistant.

I propose that the government take the following steps as part of a new energy policy that recognizes the central role of nuclear generated electricity and nuclear generated hydrogen.

1. Restart the breeder reactor research program (which was cancelled by President Clinton in 1993) with the goal of creating a standardized reactor design that can be placed safely and cost effectively in commercial operation with a closed fuel cycle (i.e. the French Phenix).
2. Change to a “closed fuel cycle” policy in the United States whereby spent nuclear fuel presently in temporary storage is purified and recycled to be used as fuel again (MOX). This will minimize waste and maximize fuel efficiency (already done in many other countries).

3. Open the Yucca Mountain waste repository.

4. Promote the design and construction of Generation 3 and Generation 4 advanced technology nuclear power plant facilities in the United States to meet our present and future electricity needs.

5. Work with other countries with advanced nuclear programs to develop a standardized proliferation resistant reactor to help provide electrical power to the third world. This would be a major step forward in solving the problems of hunger, poverty, disease, overpopulation and air pollution.

6. Massively fund research into the design and development of efficient battery driven and hydrogen fueled vehicles and fuel cells (an Apollo Space Program type of effort) so that we will eventually phase out our need for oil (and be rid of its pollution as well).

7. Provide incentives for producing and purchasing fuel efficient and gas/electric hybrid vehicles and conversely disincentives for manufacturing and purchasing fuel inefficient vehicles.

8. Incentivize renewable energy resources such as wind, solar and geothermal which may contribute “peaking” electricity generating potential.

Presently nuclear energy may not seem to be politically popular but that will change as people become aware of the many negative environmental and economic impacts that ultimately go along with energy produced from fossil fuel. Please consider the above suggestions as you formulate a national energy strategy affecting not only us but also many generations of Americans to come.

Sincerely,

[Signature]

29275
Wednesday, March 28, 2001

Secretary of Energy Advisory Board
U.S. Department of Energy, AB-1
1000 Independence Ave., SW
Room 8E-044
Washington, D.C. 20585

Dear Secretary of Energy Advisory Board:

I have reviewed several news reports and summaries regarding the Senate Democrats' recently introduced "Comprehensive and Balanced Energy Policy Act of 2001" and "Energy Security Tax and Policy Act of 2001," and I am impressed with what appear to be the core tenets of this bill:

1) Elevate our national energy policy to a more responsible level by giving greater precedence to mainstream environmental thinking and policy.

2) Expand lower-impact, more environmentally-benign, renewable energy alternatives and the level of R&D critical to their advancement.

3) More evenly balance short-term, power-generation solutions that require nonrenewable energy as their primary input with efficiency increases and reductions in per-person demand.

4) Institute better regional energy infrastructure coordination and planning.

5) Offer the right mix of incentives and mandates that make tenets 1-4 work.

The only things pertinent to this bill that I question, is the meaning of the proposed dam certification streamlining, the area through which the construction of a natural gas pipeline would traverse, and the lack of stronger clean air standards applicable to the power generation industry. I am, after all, not in favor of seeing more dams built. And I do not support building a pipeline that would pass through frontier wilderness tracts.

Outside of those three issues, I believe this legislation would positively impact our economy through its increased emphasis on efficiency and alternative energy generation. Such an emphasis has already proven to spawn creative problem solving at the research level, as well as a host of technical, service, and other related jobs and industries.

That is why I endorse the Senate Democrats' bill. Its progressive nature is more in tune with energy policy recommended by respectable, forward-thinking scientists, business leaders and mainstream environmental groups worldwide.

Sincerely,

Stephen Koermer
Here's an idea I had concerning energy policy: Offer a large bonus to the first state that can produce 5,000+ megawats of power by either solar or wind etc. (i.e. new facilities etc.) The bonus would have to be large enough to be interesting: $10 or $20 billion. The funds would be paid after 90-180 days of operation at the target megawats etc. The state that won would decide how to spend the money or rebate the money... Some of the effects that I can think of are: - It's a sold acti
Dear Secretary Abraham,

I have ten years of business experience in petroleum technology development. I also have some political experience in the conservative wing of the GOP. I am concerned that an energy policy that stresses the development of ANWR, as important as that is, will be incomplete at best, and detract from the only policy that can and should supply America with limitless petroleum supplies and freedom from the OPEC Cartel. If, indeed, that is the policy this government really wants.

The only answer can come from Alberta, Canada where reserves are estimated at 1 ½ to 2 ½ TRILLION barrels. That's 100 to 200 TIMES the ANWR reserves. It is 5 to 10 TIMES the reserves in Saudi Arabia. This petroleum reserve is coming on line slowly, and only due to advances in technology in recent years. Even so, with current technology, they can only recover about 20% of reserves. My company has developed a sensing device that could increase that recovery rate substantially, which is why I am more familiar with the Alberta reserves than most people who claim to follow the industry closely.

The real problem is that there is no lobbying effort in Washington to encourage more capital investment in Alberta's vast petroleum reserves. There is only one, small, conservative national security think tank in Washington that has made any reference to Alberta as the solution to our dependency on OPEC and on other nations and regions that are either politically volatile or hostile to U.S. interests.

We need to have an energy summit with Canada to explore ways in which capital investment in Alberta can be increased dramatically, whilst cooperating with environmentalist groups and locals who do not want their province to become a suburb of Houston. It is a challenge, but it is the only answer to our dependency problems. By bringing Alberta's reserves to their full potential, we also affect the world price dramatically, by preventing OPEC from using the Cartel to set the price. (Interestingly, OPEC makes no mention of Alberta's vast reserves on their website, which otherwise gives an accurate count of global reserves by nation and region).
The bottom line is that there simply are not sufficient reserves in the U.S., including ANWR, to reduce our increasing dependence on foreign oil—no matter how the numbers are shuffled. What we essentially need is a North American Energy policy that follows the course that has already been charted by NAFTA and by Canadian deregulation of their domestic industry. This is in the best interest of American consumers and taxpayers, and, I dare say, to the GOP and to this administration.

I propose an innovative approach, not unlike that used by the Canadians themselves to promote more capital investment. They have essentially waved their high royalty payments that the companies must pay until they have made a return on their investment. This is not a subsidy. It is an incentive, which involves setting aside a major, government-created obstacle. We can wave or postpone royalty payments in the U.S., in exchange for an agreement to invest more, both in the U.S. and Canada.

The other major problem is the cost vs. price analysis conducted by the petroleum exploration and production companies. They prefer to invest many billions in nations that are politically corrupt and volatile because the cost per barrel for exploration there is less than in Alberta. The U.S. government should not be in the business of guaranteeing a price floor for commodities. In fact, we have been getting rid of those over the last decade. But perhaps the American consumer will be willing to guarantee a price at the pump that is considerably less than the current price, but more than the deflationary prices that afflicted the industry for most of the 80's and 90's. That will induce the petroleum exploration companies to have much more confidence in the North American market.

There is a need for innovative approaches on a scale commensurate with the Manhattan Project, but without any direct cost to the Treasury. A North American Energy Summit would bring all of the players to the table to offer their best thinking on the subject. This summit would, of course, include Mexico. It will also be a big hit for the DOE, which, unfortunately, has a reputation as a stodgy bureaucracy that has done little if anything since its founding to promote sound development strategies.

I realize that you receive much unsolicited advice. But I believe my suggestions are important enough to warrant your personal consideration. I will call to follow up and I hope to be able to speak to you or a member of your policy staff in the near future.

Yours sincerely,

Owen Jones

Owen Jones
Secretary of Energy Abraham
US Department of Energy
1000 Independence Avenue SW
Washington, D.C. 20585

Dear Secretary Abraham,

This is a short letter stating my concern for our environment and the recent energy policies that are being drafted.

The United States is the country that uses the most energy in the world and the country that wastes the most energy in this world. Wouldn't it make more sense to establish policies of conservation instead of further consumption? Our environment is not getting any cleaner, is not getting any less polluted. We have more cancer, more infertility, numerous birth defects in areas where there are chemical dump sites, etc. I don't need to enumerate all the instances.

You have been appointed to a very powerful and important position in this cabinet. I urge you to stand by the laws that promote conservation and the protection of our environment so that we may have a place to live for our children and the generations to come. Many people would support a more pro-environment stand. If you helped enact laws of conservation—thermostats a little warmer in summer, a little cooler in winter, speed limits that are enforceable, mandatory recycling, more energy conserving automobiles (less SUV and enormous family trucks), emissions standards that promote cleaner air, the United States will actually have more energy in hand and less money will be spent in the long run.

Our welfare is directly linked to the environment that we live in. Drilling in the Arctic Circle won't solve our mentality of waste that we have in this country. Please use your position of power to help the citizens of the US be stewards of our environment, please help the leaders to teach us to have a healthy earth so that we might enjoy the benefits of fresh air, flora and fauna and water. Please listen to the smaller voices that are eager to follow the lead of the White House in conservation, recycling and example.

Sincerely,

Gabriela Mangini Granados
20 March 2001

Honorable Spencer Abraham
U. S. Department of Energy
1000 Independence Ave, SW
Washington, DC 20585

Dear Secretary Abraham:

I am writing this letter to strongly urge the Bush Administration to support revival of the nuclear option for electrical power generation in this country. It is time the shackles of the last eight years be thrown off this safe, efficient technology, and we move forward.

I realize the task is formidable as you will be assailed by an army of anti-nukes, other assorted pseudo-environmentalists, and an uninformed public. (The very mention of restarting one of the Tennessee Valley Authority's nuclear units was met with shrill opposition by the anti-nukes.) The "greens" must be met with determination and perseverance, and the American people must be educated about nuclear power. We should borrow from the example the French have used to successfully gain acceptance of nuclear power plants: promotion of benefits and mandating power plant management and operators reside close to the facility.

To close the nuclear cycle, we must make the national waste repository operational as soon as possible and restart spent fuel recycling. Once again, I realize these efforts will not be without a struggle, but I am firmly convinced we must try.

It is outrageous that we can build a state-of-the-art, light-water reactor in North Korea and a central waste repository in Russia but not here!

Additionally, I fully support environmentally safe drilling for oil in Alaska (and anywhere else, for that matter), clean-burning coal technology, and a halt to attempts to dismantle our hydroelectric facilities.

I would appreciate your comments on the above suggestions and what the Bush Administration intends to do at the Federal level to return sanity to energy policy.

Yours truly,

Walter L. Adams, Jr.
FROM:
NAME: Tom Abbott
SUBJECT: Policy
ZIP: 
CITY: 
PARM.1: TO: the.secretary@hq.doe.gov
STATE: 
TOPIC: Nuclear/bio fuels
SUBMIT: Send Comments
CONTACT: email
COUNTRY: USA
MESSAGE: Dear Secretary Abraham, I have read your recent comments regarding the fact that we will not beg OPEC countries for oil, and that we should continue our exploration efforts. I agree with that assessment. However, I believe that the current energy problems (prices/blackouts, last summers gasoline prices) points out that we still need to have a comprehensive energy policy for this country that includes oil/gas exploration, coal/coal gasification, nuclear energy, and bio fuels energy. Particlarly, I
Billions have been invested in developing renewable energy and will continue to be invested under the Bush Administration. But renewables have yet to overcome the economic advantages of conventional energy sources. With this statement, the Bush policy is laid bare—the cheapest (i.e., most profitable for the developer) methods will be implemented. With regard to the proposal to open the Arctic National Wildlife Refuge to drilling operations, it means that the "technological advances in exploration"
Sec. Abstract

3-17-01

1) Why not more emphasis on wind, solar, hydro, geothermal, etc.?

2) Why is money taken from those areas?

3) Why are gas, oil, coal, sources for energy being emphasized?

4) Need to work with sources listed above to reduce dependency on foreign oil or natural gas.

5) Why is it allowed to sell oil from Alaska to other countries?

6) Annual cap on energy, if necessary

[Signature]
March 20, 2001

Christie Whitman, Secretary  
U. S. Environmental Protection Agency  
1200 Pennsylvania Avenue  
Washington, DC 20460

Raymond J. Miller

Spencer Abraham, Secretary  
U. S. Department of Energy  
1000 Independence Avenue, SW  
Washington, DC 20585

Subject: Energy and Environment can be a win-win situation with directed Federal Government plan and action.

Dear Secretaries:

OPEC is beginning to realize the extent of their economic power by controlling oil production. The U. S. (and the rest of the world) can do little but pay the price.

President Bush recants on his promise to reduce carbon dioxide levels.

California is struggling to meet its electrical needs, and with rolling black-outs predicted for summer.

Natural gas customers are faced with heating bills three times the normal rate.

With a concerted energy policy, the U.S need never have been in this situation. The whole American economy is closely tied to an ample supply of “cheap” energy. Our future as a nation depends on an uninterrupted supply of energy. Energy is every bit as important to our country as food. Indeed, energy is to industry and our well being as food is for our personal survival.

The answer is there and available to us, but we have not had a directed national energy policy to achieve the desired result.

This is not a philosophical problem. It can be reduced to a simple mathematical equation with the need (or use) on one side, and the available resources to meet the need on the other side. We have the data to attack the problem in a logical manner, yet we are not doing it. The solution to our national energy problem is not based on faith or hope, or emotions, but on pure logic and common sense.

We know what our energy needs are today, and we can pretty well predict them into the future. There is little need for me to comment on this side of the equation other than to say that we all can do a better job of energy conservation. With a very conscientious effort we may effect a 10 percent savings. Outdoor, night-time lighting is one area where we could cut back on our energy usage by a considerable amount.
My comments will deal with the energy resources to meet our needs. These are limited and specific. They include natural gas, oil, coal and nuclear energy.

Yes, environmentalists talk about wind power, water power, solar energy, ethanol, methanol, fuel cells and the hydrogen economy. None of these hold any hope of supplying any more than a small fraction of the power we need to keep our economy humming. And electricity is not a primary power source, since energy must be expended to generate electricity. Electricity is a secondary, generated source of power.

Thus we are left with coal, oil, natural gas and nuclear energy to supply our energy needs.

By the way, Energy is what we are talking about. Energy is the ability to do work, and is generally in the form of heat. Power is the time rate of energy expenditure or production. Thus, electrical power is measured in watts or kilowatts or megawatts, or gigawatts, whereas electrical energy is measured in watt-hours, KWH, MWH and GWH. Heat energy is measured in therms, or kilo therms or mega therms, whereas heat power is measured in therms per hour, or kilo therms per hour, etc.

Of the energy sources I cited, all except nuclear energy produce massive amounts of carbon dioxide since this is the normal and expected result of burning a carbon based fuel. Thus, the burning of coal, gas and oil all produce carbon dioxide.

To get to the point more quickly. A sensible national energy policy should be based on using each fuel to its best advantage while minimizing the amount of carbon based fuel burned to limit to a practical limit the generation of carbon dioxide.

We must face up to the fact that nuclear energy is the cleanest energy source we have to use. It produces no exhaust gases; it is plentiful and renewable. Yes, there are risks involved; but they are all well understood, and as a technically oriented nation, we have the ability to solve all of these problems, and minimize the risks. In fact, we have employed nuclear energy for over 50 years in the generation of electrical power. But we have raised so many fears and restrictions that we are "afraid" to proceed with new nuclear based power plants.

Nuclear power must be divided into two categories, namely controlled fission and controlled fusion. Controlled nuclear fusion is looked upon as our ultimate energy solution. Yet, after 50 years of research, we have made only small gains toward achieving usable controlled nuclear fusion energy sources. It is not an option as an energy source into the foreseeable future.

Nuclear fission reactors are currently providing about 17% of the electrical power in the world. France generates about 35% of its electrical power via nuclear energy. The United States generates only about 15% of its electrical power via nuclear power plants.

The Super Carrier, Ronald Reagan, was recently christened by Mrs. Reagan. As with the other 8 super carriers, it will be powered by a nuclear fission reactor. All of our modern submarines are also powered by nuclear fission reactors.

I propose that we begin immediately to reinvent our National energy policy, and use the fuels available to us to best advantage.

This means:
1. Boldly striding forward to build new nuclear based electrical generating plants.
2. Restricting the use of oil and its derivatives to transportation.
3. Restricting natural gas usage to home and industrial heating and processes.
4. Utilizing coal fired plants for electrical power generation in favorable applications.

With the successful implementation of this program, we will significantly reduce the amount of carbon dioxide produced to meet President Bush's commitment to the world environment. We will cut back on our use of oil and natural gas to reduce the demand, and bring the supply-demand equation into balance. We will continue to use our greatest native resource of coal in a conscientious manner.

With respect to nuclear fission reactors, I think they have been treated as bastard children. Each one is different; each one is of custom design and construction. To move ahead with expanded use of nuclear based power generation, we must follow every other successful product, and dating back to Henry Ford. We must standardize designs based on fifty years of experience. I think we should decide on the most appropriate size, and manufacture many on them for installation in many locations throughout the country. The nuclear plant of today may be capable of generating a gigawatt of power. I think this is too much power concentrated in a single location.

I went on line and tried to discover the size or rating of the nuclear power plant on the Ronald Reagan. I could not find it, but this model of reactor could be the basis for implementing my suggested plan of many smaller, and standardized, nuclear generating plants in many locations. Arbitrarily, I would put an upper limit of 100 megawatts on the standard nuclear power generating plant.

To implement my suggested program, three other problems areas must be attacked.

1. Convincing the public that nuclear power plants can be designed to be safe.
2. Eliminating unnecessary approvals, paperwork, and construction requirements that have made the building of new nuclear power plants almost impossible to achieve.
3. Dictating a final permanent resting place for spent nuclear fuel rods. This is another area that has been treated like a bastard child in the past. Even over a particular state's objection, a safe central permanent depository must be dictated and implemented.

A serendipitous benefit of implementing my suggested plan is that it will put the United States in the forefront of nuclear based electrical generating plants – which is where we should have been all along, and will give us a highly viable product to sell to many other nations, and including the third world where there will be an explosive demand for more electrical generating capacity to meet their growing needs without relying on uncertain oil supplies.

Ms. Whitman; Mr. Abraham, please take time to evaluate my proposal. Our nation needs such a plan to remain strong and foremost within the world of nations.

Sincerely,

Raymond J. Miller

29286
July 30, 2001

The Honorable Strom Thurmond  
United States Senate  
Washington, DC 20510

Dear Senator Thurmond:

I am responding to your letter of June 12, 2001, asking Mr. Michael Whatley of the Department of Energy to review a April 25 letter from Dr. Doyne Loyd, (referencing case #468079). Mr. Loyd’s letter expressed his serious concerns about the lack of a coherent energy policy and our continued dependence on imported oil.

To address the many energy issues facing the Nation, one of President Bush’s first acts was to create a National Energy Policy Development Group, headed by Vice President Cheney. This Group was charged with developing recommendations to help the private sector and government at all levels promote reliable, affordable, and environmentally sound energy for America’s future. On May 16, 2001, Vice President Cheney sent to the President the recommendations of this group, together with a National Energy Policy report.

The report of the National Energy Policy Development Group describes a comprehensive long-term strategy that uses leading edge technology to produce an integrated energy, environmental and economic policy. The National Energy Policy it proposes follows three basic principles:

- The Policy is a long-term, comprehensive strategy. Our energy crisis has been years in the making, and will take years to put fully behind us.

- The Policy will advance new, environmentally friendly technologies to increase energy supplies and encourage cleaner, more efficient energy use.

- The Policy seeks to raise the living standards of the American people, recognizing that to do so our country must fully integrate its energy, environmental, and economic policies.

To achieve a 21st century quality of life – enhanced by reliable energy and a clean environment – it recommends 105 actions to modernize conservation, modernize our infrastructure, increase our energy supplies, including renewables, accelerate the protection and improvement of our environment, and increase our energy security.
The President has already taken actions to implement many of the report's recommendations. Over the coming months, further actions will be taken by the President, individual Federal agencies and the Congress. These actions, once fully implemented, will help minimize future energy prices, while assuring that energy supplies are reliable and the environment is protected.

A full copy of the National Energy Policy report, with the specific recommendations to the President, is available on the White House webpage, www.whitehouse.gov, or on the webpage of the U.S. Department of Energy, www.energy.gov.

I hope this information is helpful. Thank you for writing.

Sincerely,

[Signature]

Margot Anderson
Deputy Assistant Secretary
Office of Policy
and International Affairs
June 12, 2001

Mr. Michael Whatley  
Director of Congressional Affairs  
Department of Energy  
Forrestal Building  
1000 Independence Avenue, SW  
Washington, DC 20585

Dear Mr. Whatley:

Enclosed is a copy of correspondence I have received from Doyne Loyd. I believe you will find it self-explanatory.

Your reviewing this material and providing any assistance or information possible under the governing statutes and regulations will be greatly appreciated. Thank you for your attention in this matter. I look forward to hearing from you soon.

With kindest regards and best wishes,

Sincerely,

Strom Thurmond

ST/hk  
Enclosure  
Please refer to case # 468079
April 25, 2001

Senator Strom Thurmond
217 Russell Senate Office Bldg
Washington, DC 20510

Dear Senator Thurmond:

Re: Energy Policy and omnibus energy bills introduced by Senator Murkowski

I have serious concerns about our lack of a coherent energy policy. President Bush would like to open more areas in Alaska. I can remember all to well the original arguments over the Alaska pipeline and how it would free us from dependence on foreign oil. Of course we are even more dependent upon fossil fuels now than we were then, particularly foreign oil. We were simply fooling ourselves. We ran pipeline through half of AK and we are worse off now than we were then. We should have left AK to the Moose and Bears and developed renewable energy resources. It would have been a lot easier 30 years ago to begin programs than it will be now. (Bush has also done other little things like roll back the SEER standards for air conditioners when every manufacturer of units has standard models that exceed the standard that was to be implemented.)

And over the past few years we have let the auto makers off the hook by not enforcing current CAFÉ standards and by not increasing them as they should be. I remember in 1972 when automakers faced new regulations how they moaned and groaned at the sheer impossibility and impracticality of the standards. That same year Honda began shipping cars that met the 1976 standard that could not be met. Unfortunately, American industry has a long history of attempting to sabotage appropriate environmental standards or forestall their introduction.

A few years ago, the Republicans were bitter about our national debt. a debt that would saddle our children and grandchildren and perhaps several generations to come! What about environmental debt? It appears that we will be saddling our children with a much warmer environment, rising ocean levels, increased mercury and other pollutants from old power plants, the destruction of more wilderness areas, etc. We have already polluted many lakes and streams in the NC and SC area. Every year I read about what fish we shouldn’t eat out of local lakes and rivers. The last time I went to the Smokies, it was like going to Los Angeles. Is this the legacy we want to leave our children? Polluted National Parks and wilderness areas, polluted streams and lakes, hotter weather, etc.

So all of this talk about the importance of opening new fields in AK is nonsense. I bought it the first time around. I don’t buy it now. I was sympathetic to the car companies (the day I read that Honda already met the 76 standard, I was reading an Auto trade magazine in my father’s office in his farm equipment and car dealership) the first time around. I’m not sympathetic today. We have had 30 years to prepare and we haven’t done it. The last major measure energy measure I can recall was the reduction in speed limits on the highways to 55 in 1974 and I got a ticket the very first night driving 65 in what had been a 65 the day before.

Save the next generation from the foolishness of the present. Enact reasonable energy policies. For example, I see that bills have been introduced to give tax credits to homeowners who use renewable energy sources such as solar cells. Back these bills. If
April 25, 2001
Page 2

they have foolish parts, amend them and then enact them. But for our children's and grandchildren's
sake don't drill in Alaska or other national parks, forests or wilderness areas. If anything create more
protected areas and surely not less. You know the old saying—Fool me once, shame on you; fool
me twice shame on me. I hope you won't buy the fossil fuel industry, the electric energy and car
companies' arguments. They are only interested in short-term profits. (Ford for example has been
running ads about how environmentally friendly their SUV's are. Of course SUV's are very
inefficient means of transportation, expensive to maintain, and dangerous for the average housewife
to drive in an emergency. AND I LOVE 4-WHEEL DRIVE VEHICLES. I have two now). They
could care less about the debt they will leave to future generations.

Sincerely,

Doyne Lloyd, M.D.
June 22, 2001

Secretary Spencer Abraham
Department of Energy
1000 Independence Ave.
Washington, DC
20585

Dear Secretary Abraham:

In my May 20, 2001 letter to you I inquired "Now that you have issued your Energy Policy - Where is the Implementation Plan that puts the policy into concrete action?"

The reply that I received from one of your aides (dated June 13, 2001) was strictly perfunctory with no direct answer. This would cause one to wonder if there is a general lack of understanding within DOE about the importance of such a plan to accomplish the recommendations in the Policy Statement.

A well developed plan establishes priorities, goals, funding, and schedules, identifies responsibilities of other agencies, actions required by Congress, and actions that can be taken without action by Congress, and appoints Project Managers for each of the major categories of energy supply.

Have you considered the consequences should the drought in the Northwest and the short-fall of snow in the Sierras persist for several more years? That could be disastrous!

As previously stated-Time is Short to get out ahead of those opposing any increase in energy supply and to provide significant reserves of power to accommodate those potentially unfortunate acts of nature.

Sincerely,

[Signature]

Jesse O. Arterburn

[Address]
Good Morning. I am writing to express my utmost indignation and opposition to the Bush Energy Plan. This report shows no concern for the basic human rights of those in oil producing regions, and as the majority of the American Public knows, these rights are very seldom upheld. America does not need more oil that was obtained through any means necessary. What we do need are more fuel efficient cars, better hybrid technology, and economic incentives for the purchasing of more environmentally friendly vehicles. I hope that my comments are included in the public discussion of this report, for they are not out of line with the majority of American voters. Thank you for your time. Sincerely, Wellington Lyons.
The Honorable Loyola de Palacio  
Vice-President of the European Commission  
Commissioner of Transport and Energy  
Rue de la Loi 200  
B-1049 Brussels  
Belgium

Dear Commissioner Palacio:

Thank you for your thoughtful letter regarding the National Energy Policy report.

I am pleased that you noticed several lines of approach in the report that parallel those identified in the EU Green Paper. As we discussed during our meetings, both efforts point to substantial needs for new energy supply in coming years. This will be a major common challenge for us to address, and I hope that a renewed consultative process will help us to do so.

In this context, it is reassuring that you share with us the need for a new look at the potential of nuclear power. I agree with you that waste disposal is an essential issue to tackle effectively if this potential is to be realized, and we welcome cooperation in this area from both the Commission and interested EU member states. I also think that the nuclear option could be a particularly fruitful area for discussion by G8 energy ministers, given the substantial reliance placed on nuclear power by key G8 countries and the associated benefits for the environment.

I would also note that the National Energy Policy places substantial emphasis on the environment, energy efficiency and renewables. The report recommends doubling expenditure on conservation measures for low-income households, extending appliance efficiency standards and renewable energy tax credits, providing new tax incentives for purchase of efficient vehicles, and considering tighter vehicle corporate average fuel economy standards. It obviously makes sense to use energy wisely and to diversify our energy sources in cost-effective ways, not only because of the environmental benefits, but also to reduce the overall costs of meeting our energy needs and to enhance security by limiting oil import requirements.
Your letter indicates an interest in learning more about our analysis of energy demand, supply requirements, and environmental impacts of energy consumption. Our staff would be happy to assist in this regard, and the renewed consultative process may provide a useful vehicle for this.

Once again, I appreciate your taking the time to share your thoughts and perspectives. There are several areas where we can clearly cooperate, and I look forward to working on these together.

Sincerely,

[Signature]

Spencer Abraham
MEMORANDUM FOR THE SECRETARY

FROM: David L. Pumphrey
Deputy Assistant Secretary for International Energy Cooperation
Office of Policy and International Affairs

SUBJECT: ACTION: Sign Letter to Mrs. Loyola de Palacio, Vice President of the European Commission and European Commissioner for Transport and Energy

ISSUE:

RECOMMENDATION:

Approved: ____________
Disapproved: ____________
Date: ____________
Dear Mr. Abraham,

Thank you very much for sending me a copy of the National Energy Policy report of the National Energy Policy Development Group chaired by Vice-President Cheney with recommendations to President Bush. I welcome the opportunity to share some general thoughts on energy policy and to give you a preliminary reaction to certain issues in the report.

First of all I believe that the report is timely since it coincides with similar EU initiatives. The European Commission is actively involved in an important policy debate on future security of energy supply as set out in our Green Paper as well as proposals for new measures to further liberalise the gas and electricity markets.

The Stockholm European Council in his last March meeting endorsed the objective of further opening up of the gas and electricity markets and has invited the Energy Council to examine the Commission proposals and to implement the objective of market opening as soon as possible.

The completion of the internal market for energy should complement other basic Community objectives such as security of energy supply and sustainable development. The Green Paper on security of supply has started a substantial debate. It examines the advantages and drawbacks of the various fuel options, making recommendations, but draws the conclusion that energy security can only be effectively addressed by putting energy demand at the heart of EU policy in this field.

Although oil will continue to play a key role in world transportation in the decades to come, there is a need to use increasingly less-polluting alternative transportation fuels. In the Green Paper energy efficiency and renewable energies are basic priorities for action in relation to security of energy supply with particular emphasis on demand management in transportation and buildings.
Climate change and the Kyoto Protocol are a basic concern of the Green Paper which is seen as an instrument for achieving climate change targets as well as securing energy supply. The US plan confirms the commitment to the environment and makes a number of recommendations but says little on carbon dioxide emissions and climate change issues. We would be interested to know your assessment of the environmental impacts of the projected growth in US energy consumption and in particular the implications of the increased use of fossil fuels.

Much of the plan’s case for increasing the domestic supply of fossil fuels rests on the projected increasing gap between energy supply and demand. We are interested to learn more of your analysis of the scale of the gap problem and your assessment of the rate of growth of US energy demand over the next two decades.

Although rising energy prices may create some economic disruption and social hardship, in our view they do not necessarily constitute an energy-crisis as such. An assessment by the Commission services indicates that peak gasoline prices (reached a month ago in Europe) were in real terms below the levels of the 1970s. We do however share your concern about current high world market oil prices and increased dependence on Middle Eastern supplies. Like you, we seek price stability on the basis of price levels which are sustainable for both consuming and producing interests in the longer term. An enhanced consumer-producer dialogue and increased efforts to diversify energy supplies are shared objectives.

I share with you the need for a new look at the potential value of nuclear power. Our Green Paper is rather prudent on the future role of nuclear energy but stresses how nuclear power contributes to limiting carbon emissions. Your report makes a positive case for nuclear power to reduce the emission of greenhouse gases but I am sure you would agree that we have to devote substantial efforts to tackle the difficult issue of waste disposal. This may be another area in which we can work effectively together.

In general, it can be said that the EU and US have similar energy supply patterns being first and second importers of energy in the world. We are both leaders in energy technologies and in favour of liberalised markets. Your plan places emphasis on the optimal exploitation of domestic resources while the Community emphasis tends to be on diversified supplies from around the world together with improved energy efficiency and increased use of renewables.

Finally there is a need to reflect together on how our enhanced bilateral co-operation can be used to improve the management of global energy issues especially in international fora such as the G8, the WTO, the OECD/IEA and in our relations with OPEC. This co-operation will enable us to harmonise our positions, and as appropriate present a co-ordinated front. I very much welcome your planned orientation to go beyond domestic energy considerations and your proposal for greater co-operation with other countries and international organisations.
I am certain that your National Energy Policy report and Community initiatives such as the Green Paper provide the basis for future bilateral co-operation in the energy sector. I would like to reiterate my keen interest in co-operation with you and your services and I note with satisfaction the recommendation in your report for a reinvigoration of the EU-US energy consultations. In this context, I support the idea of a resumption of the consultative process later this year in Washington.

I believe it is important that we work together to ensure that economic, social and environmental concerns are taken properly into account in developing our policies to safeguard our energy future and to meet our international commitments in the environmental field.

Yours sincerely,
From:                       
Sent:                       
To:                         
Subject:                   

THE ENERGY CHALLENGE - V
15 June 2001

To: Representative Secretary
Re: Natural Gas

Dear Representative Secretary

Natural gas is a more difficult subject to address than petroleum, because the data is much less complete and reliable, and because the USA situation appears much more precarious than the world situation. BP/Amoco statistics imply that at 1998 consumption rates, the world has about 60 years of resources remaining. However, known reserves are much lower, resource estimates are highly speculative, and the major resources (approximately 70%) are in the Middle East and FSU (Former Soviet Union).

Natural gas can be readily transported by pipeline, but cannot be transported either in large quantities or economically by ship. Japan, Korea, and Taiwan have long-term contracts that lock up nearly all existing LNG shipping capacity. Europe may be able to depend on the Middle East and the FSU for several decades of natural gas supply. The USA does not have that luxury.

Because of transportation limitations, the USA must depend on North American natural gas. Mexico has already reduced exports to zero. Canada supplies about 15% of USA consumption, but has had very disappointing exploration results in recent years, and cannot be counted on to support major increases in consumption. Known USA reserves represent about eight years' supply at recent consumption rates, while demand is projected to grow by more than 50% during the next 20 years.

Included in natural gas resource estimates are:

* Associated resources - discovered along with oil fields, through drilling for oil.

* Non-associated resources - free flowing natural gas discovered without petroleum.

* Tight gases - natural gas in dense shale or sandstone deposits that requires extensive drilling and fracturing to recover.

* Coal bed methane - gas released from coal deposits that again requires extensive drilling and fracturing to recover.

Estimates for total resources vary widely from about 300 to 1,400 Tcf, (trillion cubic feet), and methods of estimating are very imprecise and speculative. Background data is not freely available to the individual, but databases can be accessed at the cost of a few thousand dollars. It seems likely that the higher resource numbers result from arithmetic addition of low probability estimates, and may therefore be meaningless. A number near 1,100 Tcf or 50 years is widely used, but is a very risky multiple of proven reserves. The hard data we do have is not encouraging. What we do know is:

* Drilling for natural gas in the five years from 1980 through 1984 was about double the average during the decade of the 90s, but annual average discoveries were slightly less.

* Because of the bad experience with wildcat drilling in the early 90s, drilling in the 90s tended to be concentrated near known large basins, extending their boundaries but not making major new finds.

* 9,000 new gas fields were discovered from 1977-87, but only 2,500 from 1987-97.

* With the application of new technology, especially hydraulic fracturing and horizontal drilling, initial production of new fields has been kept nearly constant for two decades, but depletion time has been shrinking rapidly. New wells average 56% depletion in the first year of production.
* New finds are becoming progressively smaller.

* Proved reserves of natural gas in the USA declined from a peak of 290 Tcf in 1967-70 to 167 Tcf in 1989, and, with some fluctuation, have been flat since, in spite of a major drilling peak in the early 1980s as noted above.

* For the last 12 years, discovery has just kept pace with production, and consumption growth has been served by increasing imports.

* Of 1999 EIA estimated resources of 1,280 Tcf, 890 Tcd are classified as 'undiscovered,' and 220 Tcd as expected reserve growth. (Most of the discovery in the 1990s was reserve growth. How much can be left?)

* Natural gas production in the USA peaked in 1973.

* Natural gas supply from the Gulf of Mexico (GOM) shelf is in decline.

* Natural gas discovery in the deep Gulf of Mexico is much lower than expected, and the NRG Association now projects peak supply as 3 Tcf in 2007 versus the National Petroleum Council forecast of 4.5 Tcf in 2010.

* Simmons has noted that rig count in the Gulf of Mexico grew 40% from April 1996 to April 2000, and 60% in Texas from January 1996 to October 2000, with production remaining flat.

There is nothing in the known facts to support an optimistic resource estimate. Clearly the natural gas industry has to rapidly accelerate drilling, just to keep production flat. A large increase in wildcat drilling in the early '80s didn't help and may not again.

Is Alaska going to help? Resources are projected by the EIA as 237 Tcf, but proven reserves are only 10 Tcf. (Does that make you wonder?) A three-foot-diameter pipeline, moving gas at 2,200 ft/sec, would deliver only 0.5 Tcf/year, less than 2% of 2020 needs. The energy to move the gas increases with the cube of the velocity, and, at this velocity, would require more than 2% of the gas moved just to drive the compressors. It may not be economic to build a 2,000-mile pipeline. (Maybe the natural gas can be converted to liquid syn fuel in situ and shipped via the existing oil pipeline?)

The National Petroleum Council has forecast natural gas demand as 29 Tcf in 2010, and the EIA as well as the NEPDG project demand of 40 Tcf by 2020. Rising prices will probably severely dampen such demand growth, but it is very unlikely that supply growth can keep up.

If we can't get annual discovery to 30 Tcf, and we try to grow production to 40 Tcf by 2020, we will deplete proven reserves to zero by 2025, at which point production would fall back abruptly to the then discovery rate, which might well be in decline. There is a real risk that natural gas supply will fall off a cliff before 2025, possibly much before.

Given "what we know" listed above, it seems likely that the often-mentioned 50 years of natural gas resources is very optimistic, even with consumption flat at 1999 levels. Assuming consumption growth to at least 30 Tcf/year by 2020, total resources are unlikely to exceed 30 years, and if the pessimists, (realists?) are right could be less than 20 years.

We have approved plans for a major increase in natural-gas-fired electricity generating capacity to come on line between now and 2010. I have read that 183,000 MW are in the pipeline to come on stream by the end of 2003, nearly all of it natural gas fueled. That capacity would call for an incremental 4.5 Tcf of natural gas, or a 20% increase in supply in just 3 years. Given that major increases in drilling in the last 5 years have just kept production flat, one wonders if that growth can be met. If not what will be the impact on prices?

Another problem with major increases by 2010 is that much of it risks being obsolete for lack of fuel before it is 30 years old. What do our children do after 2030? Hopefully the turbines will burn hydrogen. Has this eventually been planned?

The good news is that we will have several warning signals that allow a timely change of direction. The key signals will be failure of discovery to grow as hoped, and production crossing above discovery, resulting in a new period of decline in proven reserves.

The bad news is that we will have to open presently restricted areas to drilling, in spite of environmental opposition. Clearly criteria should be established that let us address those areas with the highest probability of gas and the lowest potential for environmental damage first, progressing sequentially down a well analyzed list from best to worst.

The natural gas prospect illustrates the folly of developing a policy that does not look beyond 2020. It also emphasizes the need to put a very high priority on development of renewable alternatives, while we still have the fossil fuel
energy with which to develop them.

Respectfully yours,

Murray Duffin, CIC

MD/mmb

THE ENERGY CHALLENGE - XIII

3 August 2001

To: Representative Secretary

Re: Policy - Decision Criteria

Dear Representative Secretary:

Before defining our policy, we need to test at least the major alternatives against some useful criteria. Key criteria could be Security, Sustainability, Environment, Economics, Ethics, and Morals. There are other possibilities, including politics and campaign financing, but these six are surely the most important. Note: The NEPDG does not even mention high-level criteria. Rather, it represents the shaping of policy in a vacuum.

Security
Consider that the USA has only 86 Gb (33%) left, of its originally estimated 260 Gb of ultimately recoverable oil. (Some experts believe it may be more like 50 out of 225). We can rush into a major and costly domestic supply campaign, and deplete that remaining resource more quickly, or we can address the demand side and keep that resource well into the future as a reserve against unforeseeable contingencies. A US Army tank gets 0.5 mpg. What if we have to fight a war some time in the next three decades, and find tanker routes imperiled? Maybe we should maintain a serious domestic strategic reserve.

Also relative to ANWR, what can be less secure than our present Alaska pipeline, which the US military has described as indefensible, and which is already old enough and worn enough to pose significant maintenance issues?

Nuclear not only poses security risks from the point of view of potential bomb fuel and radioactive waste, but also from supply interruption. We import 90% of our fuel.

On the other hand, both energy efficiency and renewable energy resources are diffused throughout the nation, have no attackable choke points, are 100% domestic, and will not run out.

Sustainability
Any supply side source, other than renewables, is useable only once and ultimately runs out. Energy savings, once implemented, are exploitable forever after. Wind and solar are available as long as the wind shall blow and the sun shall shine. How can it makes sense to use energy and capital to build rigs and drill holes (many of them dry) when the same money could build wind turbines that never result in dry holes and provide energy year after year?

There is also the question of climate change. Even if there is still uncertainty, why take the risk of catastrophic consequences when we have...
excellent alternative choices?

All fossil fuels add CO2 and other emissions to our atmosphere. Coal is worst, and coal to replace scarce oil is three times worse than the oil it would replace. Energy efficiency can eliminate the need to replace oil without any emissions. Renewables can replace coal without any emissions.

If we continue to waste our fossil fuel resources, burning them to fuel inefficient ends, we deprive future generations of potentially much more valuable chemicals and fertilizers that could sustain many aspects of their lives, including food production. If we deplete the fuels before we build the wind turbines and photovoltaic arrays, we may not have the energy with which to build them.

We must not choose an unsustainable path, when a sustainable one is both more readily available and more economically attractive.

Environment
Apart from the debatable environmental questions of global warming and climate change, there are other serious environmental issues associated with fossil fuels. The primary ones are air quality and associated health issues. Others range from the local environmental devastation of strip mining (coal and tar sands) through pollution of aquifers to storage of nuclear waste and spent fuel. Many of the problems are extremely long lasting once created.

The only environmental issue seriously raised relative to wind is bird-kill, and with new large, slowly revolving turbines, that proves to be a non-issue. Photovoltaics, located on rooftops and in parking lots, can actually provide the environmental benefit of shade, reducing the very energy demand they are there to serve. Energy efficiency, by reducing both waste and energy needs, alleviates environmental problems.

Economics
There are too many aspects to this issue, nearly all favorable to efficiency and renewables, and unfavorable to fossil and nuclear, to deal with in a short paragraph. Just to note a few:
* Efficiency opportunities typically cost from 0.6¢ to 2¢ per KWh. Natural gas and coal impose costs greater than 3¢/KWh and nuclear, fully costed, is above 6¢/KWh.
* Wind is already as cheap as natural gas and coal, and costs are still dropping for wind, but will only rise for natural gas and coal.
* Importing fuel presents a major balance of payments burden, and developing new domestic oil supplies has a much higher associated cost than importing.
* Drilling the ANWR does not make economic sense, even at today's oil cost. No oil company is ready to jump in without subsidies and market guarantees. Every excess dollar spent on costly ANWR oil is a dollar not available for efficiency and renewables, resulting in more imports that could have been avoided, and worsening the balance of payments issue.
* Excess dollars spent on nuclear are even more deleterious, as we also import the fuel.

Ethics
The USA fought a Revolutionary War over taxation without representation. If we continue to imperil the energetic fate of future generations, without developing viable alternatives, we in effect impose a major tax, and future generations are clearly not represented in the decisions. We have an ethical imperative to safeguard their rights. Wantonly depleting the last of a valuable resource is totally contrary to that imperative.

The nuclear industry may claim to safeguard the energy future, but they
impose the problems of current pollution (from mining, milling, and concentrating) on our suppliers, as well as the problems of radioactive waste on future generations for thousands of years.

Efficiency and renewables avoid all such issues.

Morality
As the acknowledged world leader both economically and militarily, (and most of us would like to think socially and politically), we have a moral duty to aid the development of our less fortunate brethren worldwide—not to increase their difficulties. Consuming fuels that they will need in the future as feedstock for chemicals, pharmaceuticals, and agriculture is contrary to this duty.

Developing the technologies of efficiency and renewables, creating the market volume to lower costs, and easing their access to such technologies so they do not have to repeat our wasteful history fulfills our duty.

The above examples present only a very limited and qualitative introduction to the evaluation of strategic criteria. Brief reflection on anyone's part can more fully flesh out the arguments. However, even from this truncated exposition it is clear that the hydrocarbon/nuclear supply side approach fails all reasonable criteria, while the energy efficiency/renewables approach passes the test of every criterion. An extensive and quantified evaluation would make the case compellingly and irrefutably.

If the case is so clearly made, based on a reasonable evaluation against primary criteria, why has it escaped the NEPDG? There are at least three reasons:

* It is human nature to put narrow, concrete self-interest ahead of compelling but less tangible national and spiritual values.
* The members of the NEPDG represent only a very narrow spectrum of interests, and are both providers and victims of disinformation. There are major economic interests involved.

It is interesting to note that of 63 energy advisors selected by the present administration, nearly all of them represent the constituencies that stand to benefit the most from the emphases apparent in the NEPDG report, i.e. 27 are from the oil and gas industry, 17 from nuclear, 16 from mainly coal-fired electric utilities, and 7 from the coal industry. There are no renewable industry representatives, and no experts on the practical opportunities for energy efficiency.

A good national energy policy will require inputs from a much broader group of experts, including national security analysts, ethicists, environmentalists, neutral economists, and, most importantly, renewables and efficiency experts.

Respectfully yours,

Murray Duffin

MD/mmb
Ed--You have the PO lead on the electricity section. Scott Sitzer of EIA is the co-lead.

Tracy--You have the PO lead on the macro section. They haven't indicated who the EIA co-lead is yet, but I would bet its Ron.

Ed and Tracy you should get with your respective co-leads and figure out who will do what.

For the rest of PO-21, you now have all the information I have on the National Energy Strategy. I wish I could say I was holding something back, but there's nothing more. I am sure we have not heard the end of this by far.

---Original Message---
From: Anderson, Margot
Sent: Wednesday, February 14, 2001 5:33 PM
To: Conti, John; Carrier, Paul; Friedrichs, Mark; Marlay, Robert; Newton, Bill; Breed, William
Subject: national energy strategy

All,

Thanks,

Margot

NEP organization.doc
Draft combo outline WH.doc

29308
Kydes, Andy

From: Schnapp, Robert
Sent: Tuesday, May 07, 2002 4:00 PM
To: Kydes, Andy; Daymude, Margie
Cc: Geidl, John
Subject: FW: DOT request for Infrastructure chapter

Andy/Margie,

At your request for searches on e-mails having to do with the NEP, here is an e-mail, with the historical track of where it went, that I sent on to you last May.

Bob

-----Original Message-----
From: Schnapp, Robert
Sent: Tuesday, May 08, 2001 4:17 PM
To: Kydes, Andy
Cc: Geidl, John; Kanhouwa, Suraj
Subject: RE: DOT request for Infrastructure chapter

Andy,

Here are as many of the citations as we could come up with after-the-fact. We could not find citations for all of them. If you need for us to continue to research them, please let me know.

Thanks,

Bob

-----Original Message-----
From: Kydes, Andy
Sent: Tuesday, May 08, 2001 11:52 AM
To: Schnapp, Robert
Cc: Pettis, Larry; Hutzler, Mary
Subject: FW: DOT request for Infrastructure chapter
Importance: High

Bob:

Can you or someone else in your group fact check items 69 - 86 on electricity. They need source/citations. The information is needed by 4 PM today. Thanks.

Andy

-----Original Message-----
From: Margot Anderson at HQ-EXCH at X400PO
Sent: Tuesday, May 08, 2001 11:20 AM
To: Kydes, Andy; Jay Braitsch at HQ-EXCH at X400PO; Christopher Freitas at HQ-EXCH at X400PO; John Conti at HQ-EXCH at X400PO; William Breed at HQ-EXCH at X400PO
Subject: DOT request for Infrastructure chapter
Importance: High
Jay and John,

I have now officially gone crazy. This just in from DOT asking for help on their infrastructure chapter. EIA sent in some citations yesterday but DOT needs more, specifically to §1, §3, 44-45, 69-86. I know longer know who wrote what. Can we help? 69-86 are on electricity.

Let each of us know (by responding to all) which questions you can do, so we don't duplicate effort.

Margot

-----Original Message-----
From: Poche, Michelle [mailto:Michelle.Poche@ost.dot.gov]
Sent: Tuesday, May 08, 2001 10:55 AM
To: Anderson, Margot; Lawson, Linda; Joost, Elaine (060)RSPA(062);
Brigham, Edward (060)RSPA(062); O'Leary, Jeanne; Kelliher, Joseph;
'Moss.Jacob(a)epamail.epa.gov'; 'Kmurphy(a)osec.doc.gov'; Ebersold, Bill
(060)MARAD(062); Brown, Manson CAPT(060)USCG(062);
'Tom(u)Fulton(a)OS.DOI.gov'; 'Sue(u)Ellen(u)Wooldridge(a)IOS.DOI.gov'
Cc: 'Elena(u)S.(u)Melchert(a)ovp.eop.gov'
Subject: URGENT: National Energy Policy: citations request
Importance: High
Sensitivity: Confidential

URGENT - DEADLINE 3:00 PM TODAY

Per message below from Office of the Vice President, we need citations to support the statements being developed for the National Energy Policy Report.

As always, please treat this information as CONFIDENTIAL.

Thanks,
Michelle

-------------------
Michelle Poché
Office of Secretary Norman Y. Mineta
U.S. Department of Transportation
202-366-0251
-----Original Message-----
From: Elena_S._Melchert@ovp.eop.gov
[mailto:Elena_S._Melchert@ovp.eop.gov]
Sent: Monday, May 07, 2001 2:27 PM
To: Poche, Michelle
Subject: National Energy Policy: citations request

(See attached file: CitationsCHAPTER 7.doc)

Please call me if you have any questions.
Thanks for your help on this.
Elena
202/456-5348
Several of you were asking about chapter 5 (economic impacts)
Vernet, Jean

From: Conti, John
Sent: Wednesday, March 28, 2001 8:13 AM
To: DL-PO-21
Subject: FW: chapter 3 3/27 version

FYI

--- Original Message---

From: Anderson, Margot
Sent: Tuesday, March 27, 2001 6:42 PM
To: Conti, John; Haspel, Abe; Zimmerman, MaryBeth; Lockwood, Andrea; Breed, William; KYDES, ANDY; Whatley, Michael; Carter, Douglas; Braitsch, Jay; Melchert, Elena; Cook, Trevor; Breed, William; ‘jkster@bpa.gov’; York, Michael; Freitas, Christopher; Friedrichs, Mark; Pumphrey, David; Kolevar, Kevin
Cc: Charles Smith (E-mail); Kelliher, Joseph
Subject: chapter 3 3/27 version

Charlie,

Please send this around with this note (and let me know if you get this e-mail).

Attached is a revised chapter 3.\[ LR ]

DOE -

**E - can you review (and supply sources if you have them)?**

\^ - can you check to see if most up-to-date numbers are used?

**C - if you have additional, useful examples with a citation, please submit. Suggestions for graphics to illustrate topics would be most helpful.**

Margot

Chapter 3 March 27.doc
This is the list of policy options synthesized by Margot. Please keep a close hold on this.

---Original Message---
From: Anderson, Margot
Sent: Tuesday, March 27, 2001 7:08 PM
To: Kripowicz, Robert; Haspel, Abe; Magwood, William; Scalingi, Paula; PETTIS, LARRY
Cc: Breed, William; Conti, John; Carrier, Paul; Friedrichs, Mark; Kelliher, Joseph
Subject: FW: national energy policy
Importance: High

All,

Margot

---Original Message---
From: Kelliher, Joseph
Sent: Tuesday, March 27, 2001 6:16 PM
To: Anderson, Margot
Subject: national energy policy
Importance: High

Here it is. Please circulate to program offices.

doe能源政策.doc energyadd.doc
From: Honeycutt, Crawford
Sent: Tuesday, May 07, 2002 11:42 AM
To: Kydes, Andy
Subject: FW: NEP pieces

Andy,
I found this in another search through my old mail. Note that I generally delete items such as this once they have been done. In any event, you probably either already provided this or it is too trivial to include.
Crawford

--- Original Message ---
From: Honeycutt, Crawford
Sent: Thursday, February 22, 2001 11:17 AM
To: Kydes, Andy
Subject: RE: NEP pieces

Andy,
I can't say that I've read these things but I did scan through and have the following. If is start the comment with 'ok', then it's ok. If the comment starts with anything else, there is a potential disagreement.

I found nothing to comment on in three of the documents: sec7.doc, sec8.doc, and secreg.doc.
Crawford

--- Original Message ---
From: Kydes, Andy
Sent: February 22, 2001 9:47 AM
To: Honeycutt, Crawford
Thanks for your help.

Andy
From: Vernet, Jean
Sent: Tuesday, March 13, 2001 12:01 PM
To: Anderson, Margot
Subject: RE: ?? SBA Raised Issue RE: NEP and EPA's draft proposed HAPs Stds for Turbines and Engines

--- Original Message ---
From: Anderson, Margot
Sent: Tuesday, March 13, 2001 11:53 AM
To: Vemet, Jean
Subject: RE: ?? SBA Raised Issue RE: NEP and EPA's draft proposed HAPs Stds for Turbines and Engines

Jean,

Margot

--- Original Message ---
From: Vemet, Jean
Sent: Tuesday, March 13, 2001 11:31 AM
To: Anderson, Margot
Subject: ?? SBA Raised Issue RE: NEP and EPA's draft proposed HAPs Stds for Turbines and Engines
Importance: High

Margot:

Jean

Tracking:
Recipient: Anderson, Margot
Delivery: Delivered: 3/13/2001 12:01 PM
Read: Read: 3/13/2001 12:16 PM

29392
Jeremy Symons  
EPA, Office of Air and Radiation  
(202) 564-9301  
Fax: (202) 501-0394