

Utility Solid Waste Activities Group
c/o Edison Electric Institute
701 Pennsylvania Avenue, NW
Washington, DC 20004-2696
202-508-5645

U S W A G

August 23, 2002

To: Chief Executive, EEI Member Company
Power Partners Company Representatives

Subject: Funding Solicitation for Implementation of and Initiative to Increase the
Utilization of Coal Combustion Products and Support President Bush's
Approach to Addressing Greenhouse Gases

The purpose of this letter is to solicit your company's participation in a new initiative to increase the utilization of coal combustion products (CCPs) and thereby reduce CO₂ emissions to support President Bush's approach to addressing greenhouse gases.

BACKGROUND

During recent months, the power generation industry has been considering how to support President Bush's approach to climate change and his Business Challenge.

Our industry is working through the Utility Solid Waste Activities Group (USWAG) and the American Coal Ash Association (ACAA) in partnership with the US Environmental Protection Agency (EPA) to establish a series of coordinated efforts aimed at diverting coal combustion products (CCPs) from land disposal and reducing greenhouse gas emissions by increasing beneficial use of CCPs. This project, the Coal Combustion Products Project, includes pilot program components targeting generators, manufacturers, and users of CCPs or products containing CCPs.

Utilization of CCPs provides numerous environmental and economic benefits to the United States. Positive environmental effects include (1) reduced volume of solid waste going to landfills, (2) reduced use of natural resources, and (3) reduced energy consumption and CO₂ emissions from the decreased use of natural resources and the production of cement and other materials. The use of fly ash to replace Portland cement in concrete has the potential to reduce CO₂ emissions by 10 – 14 million tons annually, thus supporting sustainable growth. Other beneficial uses of CCPs hold the potential for additional CO₂ emission reductions.

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PROGRAM DETAILS

The Coal Combustion Products Project (C²P²) will involve two main areas of activity: (1) a Challenge Program directed at potential users of CCPs, informing them of the attributes and beneficial uses of CCPs and encouraging them to increase the application of CCPs in their agencies', firms' or organizations' endeavors; and (2) Barrier-Breaking Activities, designed to better understand obstacles to beneficial uses of CCPs and to identify both government and private initiatives to address those obstacles. Both of these activities will support the goal of increased CCP utilization, and resultant reduction of CO₂ emissions.

USWAG will be the key representative of utilities, and ACAA will be the key representative of suppliers of CCPs. The EPA Office of Solid Waste, Municipal Waste Reduction and Industrial and Extractive Waste Branches will also play key roles in the CCP Challenge Program and Barrier-Breaking elements, respectively. Individual companies will be encouraged to participate in the educational and measurement activities of the project. Other stakeholders, including government agencies such as the Department of Energy, Department of Transportation, and state regulatory agencies, will also be encouraged to participate.

C²P² FUNDING

Contributions from participants will provide funds to match available EPA monies to develop and implement educational, marketing and technical projects to support both the CCP Challenge Program and Barrier-Breaking Activities. Co-funding of these and other efforts with EPA will enhance the ability of the utility industry to influence the direction of joint C²P² efforts.

Companies are asked to support C²P² by providing \$5,000 for 2003. Enclosed is a form to be used to indicate your commitment to support C²P². Please respond by September 30, 2002.

This solicitation will be discussed further at the upcoming Edison Electric Institute (EEI) Chief Executive meetings to be held during September 4-5 in Colorado Springs, Colorado.

If you have any questions, please contact me at 202/508-5645 or jim.roewer@uswag.org

Sincerely yours,



James R. Roewer
Executive Director

Attachment

Coal Combustion Products Project (C²P²) Interest Form

_____ expresses interest in C²P², a new
(company name)
initiative to increase coal combustion product utilization and commits \$5,000.

Our designated representative will be:

_____ (name)

_____ (title)

_____ (address)

_____ (address)

_____ (city, state, zip code)

_____ (telephone)

_____ (fax)

Signed: _____ (name)

_____ (title)

Date: _____

Please return your completed form by September 30, 2002 to:

Jim Roewer
Executive Director
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701 Pennsylvania Avenue, N.W.
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jim.roewer@uswag.org