NEWS RELEASE

Judd Gregg

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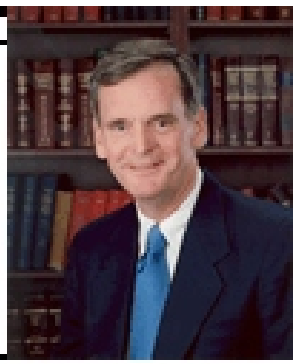

FOR IMMEDIATE RELEASE:

April 2, 2003 *Contact: Erin Rath/Jeff Turcotte*

SENATOR GREGG INTRODUCES CLEAR AIR LEGISLATION

Bill will produce significant environmental and public health benefits

WASHINGTON -- U.S. Senator Judd Gregg (R-NH) today will introduce legislation to aggressively reduce harmful emissions of carbon dioxide, sulfur dioxide, nitrogen oxide, and mercury from our nation's power plants. The Clean Air Planning Act of 2003, which Senator Gregg co-authored with Senators Lincoln Chafee (R-RI) and Tom Carper (D-DE), follows a market-based "cap and trade" approach, which sets a ceiling for overall emissions of these four major emissions but allows facilities the flexibility to choose the most effective way to reduce air pollution.

Senator Gregg stated, "New England and the Northeast have long suffered as the 'tailpipe' of the nation when it comes to air pollution and its detrimental effects on our environment. Power plants in other areas of the nation release their emissions into the eastward-drifting jet stream and subsequently, pollute our region. This pollution produces smog, haze and acid rain, threatening the health of those most susceptible to sickness, including the young, disabled or elderly, and greatly damaging the quality of our ecosystem.

"This bill accomplishes the two major goals in dealing with air pollution. First, it follows the lead set by the State of New Hampshire by setting significant reductions in the overall output of pollutants into our air, including mandatory reductions in carbon dioxide. Carbon dioxide is one of the leading causes of climate change and legislation dealing with clean air must address carbon dioxide emissions. Specifically, emissions of sulfur dioxide will be reduced by 80%, nitrogen oxide by 69% and mercury by 80%. These reductions are aggressive but realistic and allow power plants to bring their operations within the scope of the new law without causing them fatal economic hardship.

This cap and trade approach is a proven method for the reduction of emissions and is successfully employed by current acid rain programs. By using a market-based format, the legislation seeks to minimize the cost that will be incurred by energy companies in compliance with the new regulations. This includes the purchase of "credits" by producers from other companies who are already well within compliance of the law or ahead of schedule in reducing their emissions. A company can also come into compliance by helping reduce the overall amount of pollution. For instance, in helping reduce the presence of carbon dioxide, a company can undertake a program helping to sequester this gas through various re-forestation and agricultural projects, including planting trees or croplands. The net effect will be cleaner air at minimal cost to the industry.

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"Secondly, this bill was arrived at with the input and foresight of all who are affected by clean air legislation. Legislation that sets unrealistic limits on energy production or that fails to bring about noticeable change in air pollution is both ineffective and serves to only amplify the problem. Senators Chafee, Carper and I worked together with members of the environmental and utility communities and state and local regulators to construct a balanced strategy to reduce harmful emissions that lead to air pollution and climate change.

The bill also calls on the National Oceanic and Atmospheric Administration, along with the Environmental Protection Agency, to provide specific and accurate local air quality forecasts nationwide. In his role as Chairman of the of the Senate Appropriations Subcommittee on Commerce, Justice, State and the Judiciary, Senator Gregg has secured $6 million over the last two years to develop this forecasting system in New Hampshire. This service, which will provide critical warnings to environmentally-sensitive people, transportation planners and power generators, is scheduled to become operational late next year and will be broadcast along with traditional weather forecasts.

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