

**Remarks of John Stowell,
Vice President of Federal Affairs and Environmental Safety, Cinergy Corp.**

**Pew Center on Global Climate Change: “Agenda for Climate Action”
National Press Club
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Good afternoon. My name is John Stowell and I'm vice president of federal affairs and environmental strategy for Cinergy Corp. Cinergy is an electric and gas utility based in Cincinnati, serving customers in southwest Ohio, northern Kentucky and two thirds of the state of Indiana. We burn between 25 and 30 million tons of coal a year so our interest in the climate change issue is obvious.

I'd like to thank the Pew Center for inviting us to participate in today's unveiling of the Agenda for Climate Action.

Every journey needs a road map and this Agenda which Pew has authored proposes a direction on how to get to the carbon-constrained future we all know is coming without causing economic dislocation.

We need direction. We need leadership. We need to start that journey toward addressing climate change now while it's still possible to make decisions that make good economic sense.

The electric utility industry is faced with the need and, in many cases, the obligation to build significant baseload capacity over the next 20 years or so. For many of us, it's been a generation since we've built baseload capacity and reserve margins have steadily diminished.

We need to build but, unfortunately, we are about to enter this era of massive capital investment under a cloud of regulatory uncertainty. And the biggest question mark we face is climate change. Not that climate change itself is uncertain. We have acknowledged the science has pointed conclusively that human intervention is, at least, partly responsible for the build-up of greenhouse gases in our atmosphere.

The uncertainty is when will there be regulation and what form will it take?

We are pleased the Pew Center has produced a thought-provoking road map toward what we hope will be a rational, measured but certain regulatory program to reduce greenhouse gas emissions

We agree there needs to be a multi-sector approach. We need to encourage development and deployment of new technologies. We need an appropriate carbon price signal to encourage establishment of a viable GHG market. We need to make every American an energy miser and learn to use our resources more efficiently. We need a diversified energy mix that includes renewables, natural gas, coal and nuclear. And we must be patient – the commitment to reduce greenhouse gases to an acceptable level will take decades.

The last few days, I think, have been encouraging. We've seen the release of the Domenici-Bingaman white paper which succinctly lays out important details that need to be addressed. The National evangelical movement is beginning to weigh in – an important and influential constituency. And the Pew Agenda has been released – a plan that deserves discussion and serious consideration.

Cinergy – and in just a few weeks – the new Duke Energy looks forward to continuing to work with Pew and others on what we believe is the most critical environmental issue we've ever faced.