

The Aluminum Association

Incorporated

900 19th Street, N.W., Washington, D.C. 20006



August 4, 2003

The Honorable Marianne L. Horinko
Acting Administrator
U.S. Environmental Protection Agency
Mail Code 1101
Ariel Rios Building
Room 3000
1200 Pennsylvania Ave., NW
Washington, DC 20460

Re: Sector-Wide Voluntary Climate Vision Program

Dear Ms. Horinko:

The Aluminum Association, including the participating members of the Voluntary Aluminum Industrial Partnership (VAIP) with EPA, send this letter to pledge our participation in addressing sector-wide Climate Vision greenhouse gas (GHG) reduction efforts initiated with the Administration. We believe that the Administration's sector-wide program to address multiple GHG voluntary reductions has merit and is a worthy goal.

In March 2002, your agency recognized our collaborative "Voluntary Aluminum Industrial Partnership" with a Climate Protection Award for reductions in perfluorocarbon (PFC) emissions achieved from 1990 to 2000. Our efforts under the VAIP are continuing and as a result we agree in this letter of commitment to further PFC reduction commitments on a carbon-intensity (TCE/tonne of primary aluminum production) basis as part of the Climate Vision program. The VAIP members are further committing with this letter of agreement to reductions in direct carbon dioxide emissions emitted from the consumption of anode carbon during the primary aluminum production process. Our combined reduction commitment results in substantial improvement in direct carbon-equivalent emissions for the primary aluminum operations of the VAIP members.

Using a year 1990 baseline, the VAIP members of the Association agree to a combined direct carbon emission intensity reduction (TCE/tonne) from primary aluminum facilities of 53 percent from 1990 to 2010 based on PFC reductions and reduced anode carbon consumption. This equates to an additional direct carbon-intensity reduction of 25 percent since 2000. Individual VAIP members will participate in achieving this goal

through the most cost-effective combination of further PFC emission reductions and reductions in anode-carbon consumption at their respective facilities.

The VAIP members, in recognizing that primary aluminum production is a large industrial energy consumer, also agree with this letter to continue to build on their efforts to improve energy efficiency by pursuing continued improvements in the management practices of their facilities. The aluminum industry has a strong history of continuous technical and operational improvements that have contributed to a steady decline in energy use and GHG reductions over the past 50 years. For example, the International Aluminium Institute (IAI) estimates that globally the aluminum industry has improved electrical energy efficiency by 33 percent in the last 50 years. Future activities expected to be commercialized within the next 10 to 15 years such as the inert anode and the wettable cathode, including cooperative R&D efforts with the Department of Energy, can potentially lead to significant additional reductions in GHG emissions.

The Aluminum Association and its members are also advancing the use of aluminum in the transportation sector. Motor vehicles, aircraft, trains and ships use less fuel when light weighted with aluminum that replaces heavier materials. In the light vehicle fleet, life cycle analysis has demonstrated that every pound of aluminum used in a typical mid-size sedan reduces carbon dioxide by 20 pounds over the life of the vehicle. Increasing aluminum use in the transportation sector saves energy and increases safety, no matter which transportation mode consumer's use. The Aluminum Association through its Automotive Aluminum group is pursuing a number of cooperative projects with the auto companies to accelerate the use of aluminum in vehicles. Perhaps of most importance is the project on alloy separation of shredded automotive waste. This technology has already been commercialized by Huron Valley Steel and will ensure that automotive aluminum will continue to be recycled at a very high rate and that it will be recycled to its highest value applications.

A large component in reducing national energy consumption and promoting environmental management is through recycling. About one-third of North America's aluminum material comes from recycled aluminum saving about 95% of the energy required versus mined ore material. And more than half of all North American aluminum products return as new aluminum products through consumer and industrial recycling. The Aluminum Association recognizes the need to promote and improve recycling rates for aluminum to improve the nation's energy efficiency. Further, the aluminum material in the waste and recycling streams have long been recognized as the value leader among recyclable materials, serving as the funding cornerstone for the nation's development of Municipal Recycling Facilities and curbside recycling collection. The EPA has stimulated this development with State landfill tonnage-diversion goals, and we believe the next opportunity is to encourage increased collection for marketable

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materials. As part of the commitment, the Association has begun a pilot program with municipalities to increase curbside aluminum can recycling through a household participation promotion program. Test results for participating municipalities will be made public in early 2004.

We believe that our approach and goals are compatible and complimentary to the Administration's sector-wide approach, providing an overall reduction in GHG emissions from primary aluminum operations that meet or exceed all other Climate Vision agreements from other industrial sectors. We look forward to participating with the Administration in meeting the voluntary GHG reduction efforts.

Sincerely,

J. Stephen Larkin
President

cc: via facsimile:

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