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EIGHT STATES & NYC SUE TOP FIVE U.S. GLOBAL WARMING POLLUTERS

Landmark Suit Seeks Dramatic Carbon Dioxide Emission Reductions from Power Plants

The states of California, Connecticut, Iowa, New Jersey, New York, Rhode Island, Vermont and Wisconsin, along with the City of New York, filed suit today against the five largest global warming polluters in the United States. It is the first time state and local governments have sued private companies to require reductions in the heat-trapping carbon dioxide emissions that scientists say pose serious threats to our health, economy and environment.

Companies sued in this action include: American Electric Power Company; the Southern Company; Tennessee Valley Authority; Xcel Energy Inc.; and Cinergy Corporation. Together, they own or operate 174 fossil fuel-burning power plants in 20 states that emit some 650 million tons of carbon

dioxide each year – almost a quarter of the U.S. utility industry's annual carbon dioxide emissions and about 10 percent of the nation's total. The action calls on the companies to reduce their pollution, and does not seek monetary damages.

Connecticut Attorney General Richard Blumenthal said: "Our lawsuit is a huge, historic first step toward holding companies accountable for these pernicious pollutants that threaten our health, economy, environment and quality of life now and increasingly in the future. The eventual effects of CO2 pollution will be severe and significant – increasing asthma and heat-related illnesses, eroding shorelines, floods, and other natural disasters, loss of forests and other precious resources. We must act, wisely and quickly, to stem global warming – and safeguard both our environment and economy. Time is not on our side."

California Attorney General Bill Lockyer said: "This lawsuit opens a new legal frontier in the fight against global warming – a challenge that poses a serious threat to our environment, our natural resources, our public health and safety, and our economy. A head-in-the-sand response is not an option. For the sake of our people and their future, we must act now. And requiring these major polluters to do their part is crucial to fighting the threat successfully."

Iowa Attorney General Tom Miller said: "Global warming threatens Iowa as we know it today. The Earth is heating faster than at any time in history, and that poses enormous risk to Iowa agriculture and Iowans' health. The problem is pollution, and the top source of pollution is carbon dioxide emissions from power plants. The good news is we can tackle this and try to turn it around, and that's what our lawsuit is all about. We must act now to protect the beautiful and bountiful Iowa we know today, for our children and grandchildren, and generations to come."

New Jersey Attorney General Peter C. Harvey said: "Carbon dioxide pollution and global warming pose a real and serious threat to our health, our environment and our future. To protect our residents and our natural resources, we're suing the power companies responsible for the most carbon dioxide pollution, demanding that they make pollution reductions that are substantial and readily achievable. New Jersey is particularly vulnerable to rising temperatures and sea levels due to the intense heat waves that already threaten the health of our susceptible residents and the ongoing erosion of the low-lying barrier islands that line our coast. If these companies will not act voluntarily, then we will compel them through court action."

New York Attorney General Eliot Spitzer said: "Global warming threatens our health, our economy, our natural resources and our children's future. There is no dispute that global warming is upon us and that these defendants' carbon dioxide pollution is a major contributor. Others are taking action to reduce emissions and these companies could also do so by building cleaner energy sources. Under accepted and unambiguous law, a court can order them to reduce their emissions. We believe a court should do so and will do so."

New York City Corporation Counsel Michael Cardozo said: "The City of New York has joined this action out of concern for the impacts that global warming will have on the City and its residents and as part of the Bloomberg Administration's commitment to maintaining a clean and sustainable New York."

Rhode Island Attorney General Patrick C. Lynch said: "In filing this lawsuit, we take necessary steps to stem the rising tide of pollutants causing immeasurable harm to our environment and to maximize our ability to ensure that ensuing generations inherit a sustainable earth. It's imperative that we confront those responsible for unleashing an invader with the power to wreak unspeakable havoc on our climate and to damage, and destroy, our ecosystems."

Vermont Attorney General William H. Sorrell said: "Global warming is a big problem that is only going to get bigger. The question is: what are we going to do about it? This suit against the five top producers of CO2 gasses in the United States is an important step toward confronting this major environmental challenge."

Wisconsin Attorney General Peg Lautenschlager said: "The overwhelming scientific evidence now concludes that unabated, the aggravation of global warming by continued carbon dioxide pollution threatens Wisconsin with increased ozone and respiratory illness, more heat-related deaths and ailments, debilitated winter sports and tourist economy, reduced natural fishery stocks, decimated forests, lowered water levels in our Great Lakes that threaten our shipping-dependent industries and intensified catastrophic droughts, storms and floods – all accompanied by their attendant human, and economic costs. Our lawsuit simply demands that these five worst polluters feasibly, economically, and flexibly abate their fair share of these greenhouse gas emissions, and employ already available options for doing so. If others in the industry can already meet these goals, these industry giants should do the same."

The case was filed today in federal district court in New York under the federal common law of public nuisance, which provides a right of action to curb air and water pollution emanating from sources in other states. Public nuisance is a well-established legal doctrine that is commonly invoked in environmental cases and forms the basis for much of today's modern environmental law. The defendant companies' emissions contribute to a harm borne by all members of the public. The states as sovereign governments and the City of New York have the right to protect their residents and properties from such widespread harm.

The plaintiffs are bringing suit because global warming is a serious threat to communities and the environment in the states. These impacts will become increasingly severe if emissions are not reduced. Damages from global warming include more asthma and other respiratory disease; increased heatstroke and heat-related mortality; loss of beaches, tidal wetlands, salt marshes, coastal property, fisheries and costly impacts to coastal and urban infrastructure (tunnels, subways, water treatment plants, and airport facilities) due to rising sea levels; loss of mountain snowpack, a major

fresh water source in California; property damage and human safety risks due to drought and floods; loss of Northeast hardwood forests; and widespread harm to wildlife.

A report prepared by the National Academy of Sciences at the request of President Bush in 2001 reaffirmed widespread consensus that carbon dioxide and other heat-trapping emissions are responsible for the problem. Experts say that if nothing is done to cut emissions, average global temperatures will rise between 3 and 10 degrees Fahrenheit by the end of the century. By comparison, the difference in global average temperature between now and the last ice age was only 7-11 degrees Fahrenheit.

Scientists say the Earth is warming faster today than at any time in human history, and more rapidly than any natural factors can explain. The most recent data from the National Oceanic and Atmospheric Administration show that 2003 tied 2002 as the second hottest year on record, following 1998. The five hottest years all have occurred since 1997 and the 10 hottest since 1990.

Readily available solutions to reduce carbon dioxide pollution include increased efficiency of coalburning plants; switching from coal to cleaner-burning fuels; greater use of biomass energy derived from plants; investment in energy conservation; and use of clean energy sources like wind and solar power. Clean coal technologies also are emerging that allow carbon dioxide to be removed from coal-fired power plant smokestacks.

Federal studies indicate that electric power producers, the largest global warming polluters, present the best opportunity for significant and cost-effective reductions of carbon dioxide pollution. Scientists say that since carbon dioxide accumulates in the atmosphere, the longer the delay before significant cuts are made, the sharper and deeper they will need to be.

America's Top Five Global Warming Polluters:

(By Carbon Dioxide Emissions from Company-Owned or Operated Power Plants)

#1: American Electric Power Company, Inc. (AEP)/American Electric Power Service Corp.

Estimated annual CO2 Emissions: 226 million tons. 2003 Reported Revenue: \$15.6 billion.

AEP controls 12 utility companies including Appalachian Power, Columbus Southern Power, Indiana Michigan Power, Kentucky Power, Kingsport Power, Ohio Power, Public Service Company of Oklahoma, Southwestern Electric Power, AEP Texas Central, AEP Texas North, Wheeling Power and AEP Generating. AEP owns or operates fossil fuel-fired power plants in 11 states including Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia.

#2: The Southern Company (SO)

Estimated annual CO2 Emissions: 171 million tons.

2003 Reported Revenue: \$11.28 billion.

The Southern Company controls five utility companies, including Alabama Power, Georgia Power, Gulf Power, Mississippi Power and Savannah Electric and Power. Southern owns or operates fossil fuel-fired power plants in Alabama, Florida, Mississippi and Georgia.

#3: Tennessee Valley Authority

Estimated annual CO2 Emissions: 110 million tons.

2003 Reported Revenue: \$6.95 billion.

TVA is a federal corporation that owns and operates fossil fuel-fired power plants in Tennessee, Kentucky, Alabama, and Mississippi.

#4: Xcel Energy Inc. (XEL)

Estimated annual CO2 Emissions: 75 million tons.

2003 Reported Revenue: \$7.9 billion.

Xcel controls five utility companies, including Northern States Power of Minnesota; Northern States Power of Wisconsin; Public Service Company of Colorado; and Southwestern Public Service. Xcel owns or operates fossil fuel-fired power plants in Colorado, Minnesota, New Mexico, South Dakota, Texas, and Wisconsin.

#5: Cinergy Corp. (CIN)

Estimated annual CO2 Emissions: 70 million tons;

2003 Reported Revenue: \$4.4 billion.

Cinergy controls the Cincinnati Gas & Electric and PSI Energy, Inc. Cinergy owns or operates fossil fuel-fired power plants in Ohio, Kentucky and Indiana.

EMISSIONS DATA SOURCE: U.S. Environmental Protection Agency eGrid database for year 2000 emissions.

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