Department of Energy  
Washington, DC 20585  
August 10, 2001

Mr. Jim Wells  
Director  
Natural Resources and Environment  
United States General Accounting Office  
441 G St., N.W.  
Room 2T23  
Washington, DC 20548

Dear Mr. Wells:

This is in response to the "Follow-up Questions For DOE," dated July 25, 2001, regarding the General Accounting Office's review of the development of the National Energy Policy. In a meeting with GAO representatives on July 25, 2001, DOE employees provided oral answers to a number of the questions, specifically, all questions in categories 1 and 3, question 2 of category 5, and questions 1, 2, and 3 of category 6. GAO representatives stated, in the meeting, that written responses need not be supplied for these questions. Enclosed are answers to the remaining "Follow-up Questions."

Sincerely,

Margot H. Anderson  
Deputy Assistant Secretary for Policy  
Office of Policy and International Affairs

Obtained and made public by the Natural Resources Defense Council, March/April 2002
2. Please clarify the membership and employment status of DOE personnel serving on the NEPDG support group.

- Information we received from the Office of the Vice President on May 4, 2001 indicates that Mr. Lundquist and Ms. Knutson were employed as DOE consultants for 1 and 2 weeks during Feb. 2001. If this is correct, should they be considered full-time employees during this time?

The Office of Human Resources Management, MA-3, advises that Andrew Lundquist was employed by the Department of Energy on a full-time basis as a consultant from February 1, 2001 to February 12, 2001, and Karen Knutson was employed on a full-time basis as a consultant from February 7, 2001 until February 12, 2001. These individuals were appointed as Federal employees under the authority of 5 U.S.C. § 3109 and section 623 of the Department of Energy Organization Act (Pub. L. No. 95-91) to appoint experts and consultants. Each employee’s consultant appointment was converted to a limited term Senior Executive Service position on February 12, 2001.

- Four of the individuals that DOE indicates were on the support staff were hired after the NEPDG was created. Were these individuals specifically to work with the NEPDG, as their employment dates suggest?

As Joseph Kelliher, Office of the Secretary, stated in the follow-up meeting on July 25, 2001, since these individuals were hired at the start of the new administration, no conclusions should be drawn that they were hired specifically to work with the NEPDG; in Mr. Kelliher’s view, these individuals would probably have been employed by DOE whether or not they were assigned to work on the NEPDG support staff. Unless extended, the NEPDG would terminate no later than the end of fiscal year 2001, pursuant to the President’s memorandum of January 29, 2001. Mr. Kelliher notes that the NEPDG will remain in existence until the end. The Office of Human Resources Management advises that four DOE personnel continue to serve on detail to the NEPDG support staff, specifically Andrew Lundquist, Karen Knutson, Kjersten Scott Drager, and Charles Smith. Elena Subio Melchert returned to the Office of Fossil Energy, DOE, on June 4, 2001. James Thomas Sims terminated his employment with the Department of Energy on May 25, 2001.

- The Office of the Vice President’s information identifies 3 additional individuals as associated with the support group (John Fenzel, Tom Nayak, and Fran Norris). Are they also DOE employees?

The Office of Human Resources Management advises that John Fenzel, Tom Nayak and Fran Norris are not employed by the Department of Energy.

- We believe one of the support staff is a White House fellow. Who is that individual, what is his/her parent agency, and should this person should [sic] be considered a DOE employee?
The Office of Human Resources Management, DOE, advises that none of the individuals employed by DOE and detailed to the NEPDG support staff are White House Fellows.

4. Please provide additional information on DOE's process for developing input to the NEPDG and related documentation.

• At our June 8 Entrance Meeting, you indicated that DOE's Office of Policy conducted a telephone survey. In your response, you state that DOE's Office of Policy contacted several environmental groups to discuss policy options. Please identify which organizations were contacted, when they were contacted and whether it was by phone, email, or in a meeting, and when the contacts occurred. Also, provide copies of emails or memos documenting the contacts.

In discussion of this question in the follow-up meeting of July 25, 2001, GAO representatives stated that a general description of the types of contacts made would be sufficient to answer this question. Margot Anderson, Deputy Assistant Secretary, Office of Policy and International Affairs, provides the following information in response to this question.

Beginning March 21, 2001, staff from the former Office of Policy contacted environmental and energy efficiency non-governmental organizations (NGOs). The contacts were made by telephone. In several instances, messages were left. Not all attempts at contact resulted in replies. Successful contacts and at least one substantive discussion was held with each of the following NGOs during the last 10 days of March, 2001.

Alliance to Save Energy  
Environmental Defense  
American Council for an Energy Efficient Economy  
Sierra Club  
Resources for the Future  
World Resources Institute  
World Wildlife Fund  
Greenpeace  
Association for Wind Energy  
Tellus Institute

Not all organizations were responsive. Several did not return our phone calls and messages. We asked each organization for policy suggestions that might be considered for inclusion in the national plan directed toward energy supply, conservation, or efficiency. It was made clear in the course of discussion that we could not guarantee inclusion, but only consideration.

In general, we encountered a lack of responsiveness to the offer to submit ideas for NEP consideration, reflected in the paucity of callbacks and the occasional response of "check our web site."
* To develop NEP chapters and recommendations, DOE officials conducted a significant amount of work via email and telephone. Please provide examples of emails that illustrate the major types of exchanges among DOE officials.

Examples of emails that illustrate the types of exchanges between DOE officials with regard to the development of NEP chapters and recommendations are attached. Since, in the July 25, 2001, meeting, GAO representatives clarified that the review focuses on the procedure for development of the NEP, the attachments do not include documents related to substantive policy issues and deliberative processes.

5. Please provide additional details concerning the Secretary’s meeting on energy policy.

* The Secretary held 7 short meetings between March 14, 2001 and April 26, 2001 with non-Federal officials during which energy policy issues were discussed. Please identify the position within the department of DOE officials attending these meetings.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title and Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kolevar, Kevin</td>
<td>Senior Policy Advisor, Office of the Secretary</td>
</tr>
<tr>
<td>Magwood, Bill</td>
<td>Director, Office of Nuclear Energy, Science and Technology</td>
</tr>
<tr>
<td>Barrett, Lake</td>
<td>Deputy Director, Office of Civilian Radioactive Waste Management</td>
</tr>
<tr>
<td>Longsworth, Paul</td>
<td>Senior Policy Advisor, Office of the Secretary</td>
</tr>
<tr>
<td>Whitley, Michael</td>
<td>Special Assistant, (served as Acting Director), Office of Congressional and Intergovernmental Affairs</td>
</tr>
<tr>
<td>Kellihier, Joe</td>
<td>Consultant (now Senior Policy Advisor), Office of the Secretary</td>
</tr>
<tr>
<td>McCutcheon, John</td>
<td>White House Liaison and Senior Advisor, Office of the Secretary</td>
</tr>
<tr>
<td>McSlarrow, Kyle</td>
<td>Chief of Staff, Office of the Secretary</td>
</tr>
<tr>
<td>Felner, Craig</td>
<td>Special Assistant, Office of Management and Administration</td>
</tr>
</tbody>
</table>

* Of these 7 meetings, White House officials attended only the April 25, 2001 meeting with “Coal Producers.” Why did the White House Officials attend this meeting? Who were the coal producers attending the meeting?

John McCutcheon, DOE White House Liaison and Senior Advisor, states that White House officials attended this meeting because it was organized by the White House. The meeting was held in the auditorium of the Old Executive Office Building. The Department did not establish the list of invitees to this event and Mr. McCutcheon does not know which coal producers attended the meeting.

6. Is additional data available on the costs (direct and indirect) of developing the NEP?

* Please provide estimate of salary for the NEPDG support staff and the 2 principal agency contacts to the support group (J. Kellihier and M. Anderson).

In the meeting of July 25, 2001, GAO representatives clarified that salary information should be provided for the period January 29, 2001 through May 16, 2001. The Office of the Chief Financial Officer provides the following salary information for this period for the individuals listed.

5736

DOE011-0141

Obtained and made public by the Natural Resources Defense Council, March/April 2002
7. Please explain the relationship between the NEP and earlier bi-annual reports on national energy strategy.

* Section 801 of the DOE Organization Act requires the administration to prepare a proposed National Energy Strategy report every two years and submit the proposed strategy to Congress. The latest NES was due on April 1, 2001. Was such a report prepared? Was it submitted to the Congress?

* Is a FY2001 NES report begin prepared? If it is, what is its status and when does DOE expect to issue it?

* In DOE's view, does completion of the NEPDG report constitute compliance with section 801? Please explain.

* If the NEP does not substitute for the required report, why did the NEPDG decide to issue a separate NEP? Please explain.

* Has the President delegated the responsibility for preparing the report required by section 801 to DOE, or to any other agency or official? Please supply a copy of the delegation(s), if applicable.

* Have DOE personnel had any discussions, either internally or with anyone outside DOE, regarding the report required under section 801 for FY 2001, including but not limited to discussions addressing the relationship between the NEPDG [sic] report and the report under section 801?

* If completion of the NEPDG report does not constitute compliance with section 801, to what extent will the report be used in developing the required report under section 801?

The requirement of section 801 of the Department of Energy Organization Act (Pub. L. No. 95-91) that the President submit to Congress a proposed National Energy Policy Plan on a biennial basis was eliminated effective May 15, 2000, pursuant to section 3003 of the Federal Reports Elimination and Sunset Act of 1995 (Pub. L. No. 104-66) and section 236 of Appendix E of the Consolidated Appropriations Act, Fiscal Year 2000 (Pub. L. No. 106-113). Therefore, there was no statutory requirement to submit this Plan to Congress on April 1, 2001, or on May 17, 2001, when the National Energy Policy was issued.
From: Anderson, Margot
Sent: Friday, April 20, 2001 5:37 PM
To: Zimmerman, MaryBeth; Carter, Douglas; Braitsh, Jay; Meichter, Elena; Cook, Trevor; 'jkstier@bpa.gov'; Conti, John; Friedrichs, Marc; Breed, William; Whatley, Michael; Scalingi, Paula; Kelliher, Joseph
Cc: Haspel, Abe; Kripowicz, Robert; Magwood, William; PETRIS, LARRY
Subject: Important: NEP Status Report

All,

My contacts in each of the DOE offices are (these are the folks I interact with on chapters and questions):
OSEC - Joe Kelliher
FE - Jay Braitsh.
EIA - Andy Kydes
NE - Trevor Cook
EE - MaryBeth Zimmerman
SO - Paula Scalingi
CI - Michael Whatley
Anderson, Margot

From: Anderson, Margot
Sent: Wednesday, April 25, 2001 2:48 PM
To: Zimmerman, MaryBeth; York, Michael; Beschen, Darrell
Cc: Friedrichs, Mark
Subject: RE: List of energy efficiency examples/indications

FYI: Mark's request came out of today's NEP meeting. I was hoping someone from EE would be there but I understand conflicts (I looped MB and Darrel - I'll add Michael to my list). As I told the group today, we are likely to get assignments every day as the editing team progresses. I'll let folks know by the end of the day if we need to meet the next day. Thanks.

Margot

---Original Message---
From: Friedrichs, Mark
Sent: Wednesday, April 25, 2001 2:27 PM
To: Zimmerman, MaryBeth; York, Michael
Cc: Anderson, Margot
Subject: List of energy efficiency examples/indicators
Importance: High

Sorry, I sent it by accident. Now it has the attachment.
Anderson, Margot

From: Anderson, Margot
Sent: Thursday, March 22, 2001 6:06 PM
To: Comb, John; Haspel, Abe; Zimmerman, MaryBeth; Lockwood, Andrea; Breed, William;
KYDES, ANDY; Whatley, Michael; Carter, Douglas; Braitsch, Jay; Meichert, Elena; Cook, Trevor; Breed, William; kstier@bpsa.gov; York, Michael; Freitas, Christopher; Friedrichs, Marc; Pumphrey, David; Kolevar, Kevin
Cc: Kellinher, Joseph
Subject: NEP Update, Thursday 3/22

All (Joe K. - you can use for meeting tomorrow).

Thank you all very much!

Margot
All,

As we discussed:

Review Joe's revised outline for the energy situation piece.

Review the "regional" two pager. This piece has been edited once (edits are in blue) but will need to be organized by region (currently organized oil, gas, etc.)

Please make it obvious where your edits are so I can cut and paste. Thanks.
All,

Margot

---Original Message---
From: Kellner, Joseph
Sent: Monday, February 26, 2001 1:26 PM
To: Anderson, Margot
Subject: new draft

Sorry, I just realized I never sent it to you

[File attached]

Anderson, Margot

From: Anderson, Margot
Sent: Monday, February 26, 2001 1:47 PM
To: Cook, Trevor; Scalingi, Paula; PETTIS, LARRY; KENDELL, JAMES; Zimmerman, MaryBeth; Sullivan, John; jkstier@bpa.gov; Kripowicz, Robert; Haspel, Abe; Magwood, William; jkstier@bpa.gov; Whatley, Michael; Braitsch, Jay; Conti, John; Carter, Douglas; KYDES, ANDY; Pumphrey, David; Hart, James
Cc: Breed, William; Marlay, Robert
Subject: FW: new draft

All,
From: Anderson, Margot
Sent: Saturday, March 24, 2001 10:41 AM
To: Conti, John; Haspel, Abe; Zimmerman, MaryBeth; Lockwood, Andrea; Breed, William; KYDES, ANDY; Whitley, Michael; Carter, Douglas; Bratton, Jay; Melcher, Elena; Cook, Trevor; Breed, William; 'iksler@bpa.gov'; York, Michael; Freitas, Christopher; Friedrichs, Mark; Pumphrey, David; Kolevar, Kevin
CC: Kellner, Joseph
Subject: Chapter 8 (Increased production of U.S. Energy Resources).

Chapter 8 (Increased production of U.S. Energy Resources).

Task Force Charlie: This can go out to other Agencies for review. Includes comments from meeting on 2/21.
All,

As drafts roll in (I've contacted most of you), I will combine and send out (by 6:00). We will be meeting Monday (2/19) at 10:00 to go over the NEP draft. We have to meet in PO's conference room (7B-040) so we don't have to go through the OSEC guards on a holiday (requires a list and pre-notification).

If you are gone by 6:00 and can't access your DOE e-mail from home, leave me a fax number.

Again, only sending to primary points of contact, not sub-section authors.

Margot
Anderson, Margot

From: Anderson, Margot
Sent: Thursday, March 22, 2001 2:25 PM
To: Braitsch, Jay; Zimmerman, MaryBeth; Freitas, Christopher
Subject: update needed some time today

All,

Can I get an update on chapters 7, 8, and 9 before you leave today? Thanks.

Margot
Joe,

Please react to this comments (from Tracy Terry) on the capacity margin number I asked you about.
Joe,

Please react to this comments (from Tracy Terry) on the capacity margin number I asked you about..
Joe,

Please react to this comments (from Tracy Terry) on the capacity margin number I asked you about.
From: Kelliher, Joseph
Sent: Wednesday, February 28, 2001 8:14 PM
To: Anderson, Margot
Subject: hydro

Here is a hydro insert

hydro1.doc
Excellent work. Go home. I will take at look at it tonight and early tomorrow. Maybe we can sit down at 9 tomorrow and finish up. Does that work for you? I will send you some suggestions on "das map" in awhile.

---Original Message---
From: Anderson, Margot
Sent: Wednesday, February 26, 2001 10:08 PM
To: Kelliher, Joseph
Subject: at last

<< File: sec1.6.doc >>
I have an 11 on the Hill. Otherwise should be here all day. Keep your appointment and will meet afterwards, maybe after my 11 if necessary. Thanks a lot.

---Original Message---
From: Anderson, Margot
Sent: Wednesday, February 28, 2001 10:15 PM
To: Kelliher, Joseph
Subject: RE: at last

I actually have

around at 10:30 or so?

---Original Message---
From: Kelliher, Joseph
Sent: Wednesday, February 28, 2001 10:12 PM
To: Anderson, Margot
Subject: RE: at last

Excellent work. Go home. I will take a look at it tonight and early tomorrow. Maybe we can sit down at 9 tomorrow and finish up. Does that work for you? I will send you some suggestions on "das map" in awhile.

---Original Message---
From: Anderson, Margot
Sent: Wednesday, February 28, 2001 10:08 PM
To: Kelliher, Joseph
Subject: at last

<< File: sect.6.doc >>
Hi, Joe.

Jeremy

Jeremy Symons
EPA, Office of Air and Radiation
(202) 564-9301
Fax: (202) 501-0394
Hi, Joe.

Jeremy Symons
EPA, Office of Air and Radiation
(202) 564-9301
Fax: (202) 501-0394

Obtained and made public by the Natural Resources Defense Council, March/April 2002
Subject: Re: help

Margot

Joe Glauber
Office of the Chief Economist
U.S. Department of Agriculture
Room 112A Whitten Building
1400 Independence Ave., SW
Washington, DC 20250-3810
tel 202 720-6185
fax 202 690-4915

>>> Margot.Anderson@hq.doe.gov@inter2 03/21/01 01:05PM >>>

Joe,

Margot