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CONTACT: Kathleen Sullivan, World Wildlife Fund, 202.778.9576

Wade Mosby, The Collins Companies, 800.329.1219

Joe Romm, Center for Energy & Climate Solutions, 202.483.1024

The Collins Companies to Cut CO2 Emissions and Save Money under New Climate Savers Agreement Leader in Sustainable Forest Development Tackles Global Warming with World Wildlife Fund and the Center for Energy & Climate Solutions.

WASHINGTON – The Collins Companies will team with World Wildlife Fund and the Center for Energy & Climate Solutions to cut their carbon dioxide emissions as part of a new Climate Savers agreement. Nationally recognized for leadership in sustainable forest development, The Collins Companies now become business leaders in undertaking actions that mitigate global warming. Their efforts involve locations in Lakeview and Klamath Falls, Oregon. Under the Climate Savers agreement, The Collins Companies become the first forest products company to commit to absolute CO2 reduction targets and the sixth business to join Climate Savers.

"The Collins Companies have been a leader in Oregon's effort towards building a sustainable future," said Oregon Governor John Kitzhaber. "The Collins Companies have been one of my advisors as I have sought to implement my sustainability executive order here in Oregon."

"The Collins Companies demonstrated visionary leadership in sustainable forest development and now we're leading the way for U.S. industry to mitigate global warming," said Wade Mosby, senior vice president of The Collins Companies. "Businesses across multiple sectors can take practical steps now to reduce CO2 emissions, save energy, and improve the bottom line."

In the Climate Savers program, World Wildlife Fund and the Center for Energy & Climate Solutions work with companies like Collins, IBM, Johnson & Johnson, Polaroid, Nike, and Lafarge to develop practical, cost-effective strategies that reduce emissions of CO2 and achieve energy efficiency goals. Emissions of carbon dioxide and other gases blanket the world and trap in heat, causing global warming. This man-made climate change threatens the survival of many plants and animals as well as the well-being of people around the world.

"The daunting problem of climate change requires immediate action from businesses

and communities," commented Jennifer Morgan, director of the World Wildlife Fund's Climate Change Campaign. "Climate Savers shows that addressing climate change is consistent with a smart, profitable business strategy. WWF congratulates The Collins Companies for joining Climate Savers and adopting a world-class greenhouse gas reduction strategy."

Working with World Wildlife Fund and the Center for Energy & Climate Solutions, The Collins Companies will reduce their CO2 emissions 15 percent below its 1999 emissions levels by 2009. This target represents an approximate reduction of 150,000 tons of CO2 by 2009. Innovative use of the waste heat discharged from electricity production plants will be one method used to achieve reductions in CO2 emissions for The Collins Companies. By capturing and using this thermal energy to generate additional electricity the efficiency of electricity production is significantly enhanced and carbon dioxide emissions may be reduced by as much as 60 percent in comparison with conventional power generation.

As part of its work towards the Climate Savers target, The Collins Companies will minimize the transportation of woodchips and thereby reduce their use of diesel. The combustion of fossil fuels such as diesel, gasoline, coal and natural gas accounts for almost 98 percent of total U.S. CO2 emissions.

Increased energy efficiency of facilities also will reduce CO2 emissions for The Collins Companies and result in new cost savings for the company. Under the Climate Savers agreement, all new and existing buildings of The Collins Companies will utilize environmentally friendly and energy efficient materials. This SSincludes the expansion of the company's facility in Chester, California. In the first year of implementing similar measures on a limited scale, The Collins Companies saved over \$100,000. These new actions under Climate Savers are projected to save \$5,000,000 for The Collins Companies.

In the Lakeview, Oregon facility, redesigning the kilns and using the full capacity of the boilers will allow the company to install a backpressure turbine-generator that can generate more than 1,000 kW power. This power will come from harnessing the energy that results from dropping the steam pressure going into the kilns from 275 psig to 25 psig.

The electric power produced by these turbines will utilize high-pressure steam that is already being produced for industrial processes, and will displace more carbon-intensive, less efficient electricity that would otherwise be purchased from the local grid. Furthermore, additional carbon dioxide emissions savings result from using less diesel fuel to transport wood waste to another site, as more wood chips will be used as fuel for the company's on-site boiler system.

Adding a preheating section to dryers at the Colllins' Klamath Falls, Oregon facility allows the company to lower steam pressure from 300 psig to 50 psig and remove sections of the dryers that will no longer be needed. Preliminary estimates show that these modifications will provide 29,000 lbs/hr of pressure reduction potential, which will drive a backpressure steam turbine to generate approximately 462 kW of electricity.

"Tackling global warming necessitates actions that reduce our dependency on fossil fuels by cutting consumption and increasing our use of available, innovative technologies, using renewable energy and adopting more efficient energy processes," added Dr. Joseph Romm, executive director of the Center for Energy and Climate Solutions. "Companies in Climate Savers are acting now to reduce greenhouse gas emissions, gain cost savings early on, and set new standards of corporate environmental excellence."