



NATIONAL ENERGY MANAGEMENT INSTITUTE

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PUBLIC AFFAIRS

OCT 16 1992

TO: RAY SCANNELL  
SUSAN STUNTZ

FROM: JIM GOLDEN

RE: CAPABILITIES FOR NEMI TO RESPOND TO WORKPLACE SMOKING POLICIES

NEMI is willing to contribute our unique capabilities to a program designed to respond to inquiries on indoor air quality (IAQ) and workplace smoking issues. However, in order to preserve our independence and credibility on the broad range of energy and IAQ matters with which we deal, we would prefer that NEMI not manage such a program.

If a central clearinghouse were created outside the tobacco industry through which incoming calls and inquiries on specific issues (IAQ, legal, insurance, etc.) are relayed to specific consultants or organizations, NEMI would be willing to serve as a resource on questions relating to IAQ.

The following outlines in greater detail the services that NEMI would be willing and able to provide under such a program:

1. NEMI and its regional offices can quickly work with local certified sheet metal contractors across the country to:
  - o Provide telephone advice on initial IAQ inquiries which are directly related to ventilation system IAQ problems;
  - o Develop alternative ventilation system designs;
  - o Draft materials outlining ventilation alternatives in response to specific inquiries;
  - o Identify ways that the ventilation system approaches listed in ASHRAE Standard 62-1989 could be used to provide acceptable indoor air quality;
  - o In conjunction with our certified contractors, provide realistic cost estimates for the retrofit of ventilation systems;
  - o Assist owners by working with our certified contractors to install and/or modify ventilation systems for improving IAQ; and

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- o Monitor the retrofit work, via quarterly or semi-annual air monitoring.
2. NEMI currently performs some IAQ work under an agreement with the Labor Management Committee that includes the following:
- o Assembling the necessary teams of sheet metal contractors, engineers, hygienists and other professionals needed to resolve detailed or complex IAQ problems;
  - o Compiling case studies of actual ventilation system improvements, including the costs associated with the solution; and
  - o Seeking out and maintaining key positions on national and local professional organizations that continue to support the ventilation system approach.

Resources to accomplish the work mentioned above on a broad-based, national scale would need to be significantly expanded with additional funding needed as part of this proposal.

- 3. NEMI can coordinate research needed to identify new types of ventilation equipment, particulate and/or chemical gas-phase filtration products and other related equipment, to determine how such products could actually be usable in the workplace.
- 4. NEMI and NEMI contractors can provide building managers with ventilation system retrofits that can balance energy efficiency with improved indoor air quality.

In order for NEMI to accomplish these activities, there are certain concerns that should be explained to all parties involved. Listed below are several of these concerns:

- 1. It is important that NEMI maintain its status as an independent counsel/consultant. NEMI is most credible and effective when it operates as an independent counselor on IAQ problems. It is important that all inquiries to NEMI emanate directly from a central clearinghouse that is established separate from and outside the tobacco industry.
- 2. NEMI can best provide these services by responding to inquiries concerning commercial, retail, public/municipal, institutional and industrial workplaces. Single family residential IAQ or smoking issues are not areas in which NEMI would be capable of adequately providing this service.
- 3. As a non-profit organization of the Sheet Metal Workers International Association and Sheet Metal and Air Conditioning Contractors' National Association, we would want to provide services to union affiliated organizations. However, NEMI does not limit participation to union organizations.
- 4. To adequately respond to the volume of work that a proposed clearinghouse could generate, NEMI may need to expand its current technical staff at the headquarters office or in certain regional offices. For example, it is recommended that a program manager and a junior technical assistant be retained to properly manage, coordinate, report and supervise this program. The program manager will report to the NEMI Director of Engineering.

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It may also be necessary for one or both of these individuals to make presentations or go on site, so travel funds would be required.

5. To be able to fully support these two program persons and their activities, dedicated administrative support, personnel, electronic air quality testing equipment, and supplementary technical materials would be needed. This would also include the production and dissemination of explanatory brochures and other material describing the options that are realistic and feasible.
6. NEMI should be viewed as a counsel/consultant to a clearinghouse -- not as a visible leader. As a consultant, NEMI would focus on solving the types of ventilation-related problems that are generated from inquiries.

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Budget

NEMI does not currently have the resources to provide on a dedicated level the technical personnel to manage this range of services. We also do not expect that any business that may be generated in the course of responding to these referrals would generate sufficient revenue to pay for providing the services.

Therefore, to properly conduct a program of this magnitude for a one-year period, I have estimated that the following resources would be required:

BUDGET FOR NEMI IAQ CONSULTING SERVICE

A.	<u>Position</u>	<u>Hours</u>	<u>\$/Hr</u>	<u>Annual</u>	<u>Total</u>
	Program Mgr	1950	26	50,700	
	Technical Asst	1950	20	39,000	
	Secretary	1950	11	21,450	
					\$111,150
B.	<i>Fringe Benefit</i> <sup>1</sup>				
	<u>Rate</u>	<u>Basis</u>		<u>Annual</u>	<u>Total</u>
	.50	111,150		55,575	55,575
C.	<i>Corporate Overhead</i>				
	<u>Rate</u>	<u>Basis</u>		<u>Annual</u>	<u>Total</u>
	.15	111,150		16,670	16,670
D.	<i>Travel</i> <sup>2</sup>				
		<u>Times</u>	<u>Est. Rates</u>	<u>Costs</u>	<u>Total</u>
	Air Travel	20	700	14,000	
	Ground Travel	20	50	1,000	
	Hotel	30	120	3,600	
	Meals (3/day)	30 days	55	1,650	
					20,250
E.	<i>Electronic Equipment</i> <sup>3</sup>				
		<u>7 Test Sets</u>	<u>3 Workstations</u>		<u>Total</u>
		19,250	8,400		27,650
F.	<i>Marketing Material</i> <sup>4</sup>				
		<u>Per 10,000</u>	<u>Pieces</u>		<u>Total</u>
		\$9,000	3		\$27,000
		<b>ALL COSTS &amp; FEES</b>		<b>TOTAL</b>	<b>258,295</b>

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We look forward to discussing this proposal with you in the near future.

JTG/lw

Footnotes

- <sup>1</sup> NEMI has a high fringe package and under ERISA Law anyone working over 1,000 hours will have to be included.
- <sup>2</sup> Air travel is based on last minute calls with no Saturday stayover; i.e., Washington to Boston is now over \$500. This may be a conservative number. Hotel and meals are based on an average of 1.5 day assessments.
- <sup>3</sup> NEMI now has testing equipment in 3 offices. We have 10 offices total. The additional staff will require work stations, including furniture.
- <sup>4</sup> These numbers are based on development, set up and printing of original materials. Subsequent runs would be less costly. Not knowing the clearinghouse's intention for distribution, this allows for only 200 per state on average.
- <sup>23</sup> In reference to "Travel" and "Electronic Equipment," the intent of only 20 trips per year is for backup for our regional offices. NEMI could provide some of the assessments through our regional offices, hence the need for a set of equipment in each office. The new program manager and technical assistant will assist with the more difficult projects. This should be much less costly than attempting to respond to every investigation from the headquarters office. This assumption is based on our regional offices not becoming burdened with too many calls, unless the clearinghouse does not mind NEMI charging its usual and customary fees plus expenses to the client requesting assistance. If the clearinghouse does not want a fee assessed, then the consultants hired for this project would require much more travel and per diem.

We are dealing with many variables so this is a best guess budget under the circumstances. This, of course, does not provide for any contractor costs. Further, monitoring costs are always built into the construction contract.

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