

[Fresno Bee commentary, Thursday, Jan. 18, 2007:](#)

## **Valley's air quality is getting better**

By J. Steven Worthley

Air quality in the San Joaquin Valley is the top issue of concern for many Valley residents, recent public opinion surveys confirm. The San Joaquin Valley Air Pollution Control District welcomes the growing public awareness of our air-quality challenges.

Most folks want to know who is responsible for fixing air pollution and how we are doing in cleaning up the air. A recent newspaper column [by Bill McEwen, Jan. 4] broadly asserts that those responsible for fixing the air problem are the problem and that air quality is plummeting as a result. Nothing could be further from the truth.

By every objective measure, air quality has improved - and continues to improve - in the San Joaquin Valley. While much remains to be done, we can take pride in the progress made.

The air board represents all Valley residents. The air district's governing board consists of 11 elected officials from throughout the Valley: eight county supervisors, representing the Valley counties, and three city council members representing large, medium and small Valley cities. City council members rotate so that communities of different sizes throughout the Valley are represented.

Questions have been raised concerning the majority of county supervisor members versus city representatives. However, only county supervisors represent all residents of a county, whether they live in cities, unincorporated communities or the countryside. More importantly, realizing that air pollution does not respect political boundaries, board members have consistently acted regionally to protect all Valley residents.

The air board, by unanimous or supermajority votes, has adopted hundreds of measures and district staff has implemented those measures in an effort to bring the entire Valley into attainment with health-based standards. The governing board and its staff conduct district business openly with full transparency and ample opportunity for participation by every Valley resident.

### **Air improvement is notable**

The Valley can be proud of its work on air quality. Did you know that we have reduced our smog- and particulate-causing pollutants at a faster rate than Southern California? Since 1990, the Valley's oxides of nitrogen emissions have been reduced by 41%, compared to a 37% reduction in the South Coast air basin. This is despite the fact that the Valley experienced a much higher rate of growth and did not experience the same degree of industrial flight.

During the same time, the Valley's smog (ozone) has been reduced by more than half. We have met the federal EPA standards for coarse particles (PM10) and a recently revoked daily standard for fine particles (PM2.5). The district's governing board has enacted some of the toughest and most innovative measures in the country to combat our air-quality problems.

The board adopted groundbreaking measures to reduce emissions from dairies and other agricultural operations that now serve as a model for the rest of the state. Similarly, pioneering programs to mitigate emissions from new development, fireplaces, wineries and the expansion of enhanced vehicle smog-check are heralded by leading air-quality experts.

The board enacted all these measures, and more, in a good-faith effort to meet state and federal mandates seeking to protect public health. In fact, courts have agreed with the air district's efforts, as evidenced by the fact that the district has never lost any lawsuit brought by environmental advocates.

Air district efforts to give businesses operational flexibility should not be confused with a free pass. The governing board and district staff have consistently strived to streamline the permit process for the regulated community. We have successfully devised measures to reduce emissions that allow businesses flexibility to enhance cost-effectiveness.

For example, the recent winery rules set air-pollution targets that could be met by nontraditional means at the discretion of the industry. To ensure wise use of limited resources, the board made major investments in sound scientific studies, which drive the rule-making process. Through this process, the district has generally garnered the business community's support for pollution-fighting efforts. But make no mistake: Cleaning the Valley's air has come at a great cost to our businesses.

With investment in technology and well-qualified staff, we maintain an efficient, active and effective air-quality management program. Our fees are among the lowest in the state and our productivity well exceeds those of our sister agencies throughout the state.

We have much more work to do. Despite our tremendous progress, meeting the new, more-stringent federal standards for ozone and particulates will require more hard work and investment. I invite all Valley residents to participate in the process and offer input and ideas for your air board to consider, as we continue our mission to improve our air.

*J. Steven Worthley is chair of the San Joaquin Valley Air Pollution Control District's governing board and a member of the Tulare County Board of Supervisors.*

## **Panel urges officials to spare air in Valley from big dairy pollution**

By Mark Grossi / The Fresno Bee

The Fresno Bee Thurs., January 18, 2007

A minister, a doctor and a former Fresno City Council member had a message about dairy expansion Wednesday night for Fresno County officials: Don't let it make air and water quality worse.

The three spoke in a public forum aimed at county officials who are weighing additional regulations for new and expanding dairies.

The industry is expected to expand by tens of thousands of animals in the next five years. The additional animals will produce thousands of tons of manure, which some residents fear will foul the water and the air.

"Don't increase the problem we have with pollution," said Craig Scharton, former council member and now chief executive officer of the Central Valley Business Incubator, a group that helps attract and nurture business in this area.

About 150 people attended the meeting at California State University, Fresno. The newly formed Fresno Healthy Dairy Campaign, an informal coalition of parents, health workers, educators and clergy, set up the meeting.

Scharton, the Rev. Paul Werfelman of Hope Lutheran Church and Dr. Alex Sherriffs of Fowler were asked to give their thoughts about dairy expansion and its possible effects. The panel included a water expert and a respiratory therapist. At least one county supervisor, Henry Perea, was in the audience to hear the comments.

During his address, Werfelman said, "We're looking for individual permits and environmental impact reports for each new dairy."

Among the San Joaquin Valley's eight counties, Fresno County is the only place where there is no formal screening process for new dairies. Instead, officials rely on the state to protect water quality and the local air district to watch over air quality.

The industry is growing swiftly as dairy owners leave the Chino Valley in Southern California for cheaper, open spaces in the Valley. Central California is home to more than 2.5 million dairy animals.

Fresno County has more than 150,000 animals, according to the latest estimates. The total is not nearly as high as the Valley's No. 1 dairy county, Tulare County, with more than 800,000 animals.

Air officials consider dairies to be the biggest source of one smog-making gas called volatile organic compounds. They say control of dairy emissions is important to reducing smog in the Valley, which had the second-highest total of smog violations in the country last year. The South Coast Air Basin had the most.

The Fowler doctor, Sherriffs, quoted state figures that show 62 Valley residents die prematurely each year because of smog. He said there are nearly 500,000 school absences as a result of smog.

"We certainly don't want to add to the health problems we have here," he said. "I farm 40 acres of grapes. I think we should protect agriculture. But that doesn't mean it should be business as usual."

### **Get involved: Talk about air quality Thursday**

Bakersfield Californian, Thursday, Jan. 18 2007

Officials from the U.S. Environmental Protection Agency will hold a public workshop on air quality from 6:30 to 8:30 tonight at Veteran's Hall, 1202 Poplar Ave. in Wasco.

The EPA's air quality officials will be on hand to answer questions about the public's role in protecting air quality and to hear input. Discussion will also center on an upcoming valleywide plan to reduce the level of fine particulate matter pollution (PM 2.5) in the air.

Spanish translation will be provided.

### **Wood pellets prove hard to find**

**Once appealing heating solution looks less attractive as a shortage hits the Valley.**

By Bethany Clough / The Fresno Bee

Wednesday, Jan. 17, 2007

Missing: Wood pellets, the compressed fuel made from sawdust and used by countless Valley residents who installed pellet stoves to save money on home heating.

Pellets have been sighted occasionally on store shelves, but a statewide shortage has left stove owners scrambling to find them.

Fresno Ag Hardware received 100 calls in one hour recently from customers searching for pellets. Orchard Supply Hardware is selling out a few hours after stocking the product, and a few desperate stove owners have posted ads seeking pellets on the online classified site Craigslist.

"All of California is having a supply problem with pellets," said Stan Elliot, sales and marketing director of Bear Mountain Forest Products, a pellet manufacturer in Cascade Locks, Ore. "There definitely is a shortage of supply in the market, including Fresno."

A confluence of factors is causing the shortage here, industry experts say. Supply and demand issues are playing a major role, exacerbated by a lack of sawdust as construction of new homes slows.

Pellet stoves' popularity has skyrocketed in recent years, rising 39% in the first three quarters of 2006 compared with the previous year, said Don Johnson, director of the Virginia-based Hearth, Patio & Barbecue Association. The stoves, often inserted into existing fireplaces, use hoppers filled with rabbit-food size pellets that slowly feed a fire.

The industry touts the cost savings of burning the pellets compared to heating a home with natural gas, especially during recent gas price spikes. The stoves are also cleaner burning than wood fireplaces, although their use is prohibited on central San Joaquin Valley no-burn days.

Joy Rosik of Fresno nabbed some pellets Saturday at Orchard but said it was the first time since early December she'd been able to find them. She and her husband have called about five stores each week looking.

"I got up early and got to Orchard," she said. "You have an hour window to get there."

Word that a pellet-manufacturing plant burned down and is causing the shortage has spread, but industry experts say that's probably not true.

"That has been a rumor we have heard 100 times," Elliot said. "There has been no fire in any Western pellet-producing plant of any significance."

Instead, it's probably a combination of other factors, including the challenge of keeping up with the demand for pellets as stoves become more popular, said Don Kaiser, executive director of the Pellet Fuels Institute in Virginia.

"It really is supply and demand," he said. "You've got a lot more people with pellet stoves in California."

Many pellet manufacturers already have begun boosting production, including Bear Mountain Forest Products, but it will take months for those changes to be completed, Elliot said.

"With the housing market having taken a huge downturn, there's not as much lumber being processed," Kaiser said. "It's just reduced the sawdust supply throughout the West."

The slowdown has caused sawmills to enact temporary closures and cutbacks in shifts and production, said Shawn Church, editor of Random Lengths, a lumber industry trade publication. Paper and pulp mills are competing with sawmills for supplies, he added.

And prices for pellets are climbing. Priced at \$3.99 for years, they're now selling at \$4.99 or \$5.39 a bag at the Blackstone Avenue Orchard, said manager Tim Wilson.

Homeowners can go through half a bag to a bag a day, depending upon how cold it is.

Kaiser said manufacturers are doing the best they can to get product to California consumers: "I truly believe this is a temporary blip."

In the meantime, retailers are scrambling.

Fresno Ag hasn't received its weekly shipment of pellets in three or four weeks from its regular supplier and has struggled to find new sources, said manager Kevin Seubert.

Orchard is getting 200 calls a day about pellets. The Blackstone store normally gets pellets from one vendor and has added four more, including at least one shipping from Canada, Wilson said. The store is limiting customers to 10 bags per person for the first time. Last Saturday's shipment sold out in two hours, he said.

Home Depot stores have turned to East Coast vendors and are expecting shipments in the coming weeks, said spokeswoman Kathryn Gallagher.

The search for fuel has left pellet-stove owners like Tom Wilt of western Fresno County frustrated. He spent \$3,000 on a pellet stove in 2005, thinking he could run the stove and not his gas heater.

"We're trying to save money ... and winding up having to use the [gas] heat because we can't get the pellets," he said.

That frustration could affect the pellet stove industry as a whole, said Debbie Kramer of Energy House in Fresno. The store sells pellet stoves and other heating appliances, including gas insert fireplaces.

"Since the problems ... pellet stoves [sales] died way down," she said. "Now the pellet people are starting to flip over to the gas."

## **Cold affects more than just growers**

By Greg Ubbelohde, Staff writer  
Visalia Times-Delta, Tuesday, Jan. 16, 2007

The cold air that settled into the Central Valley at the start of the weekend forced people to take action by covering plants, insulating pipes and finding shelter from the cold.

The Visalia Rescue Mission was filled to more than capacity at both its homeless shelters. The men's shelter, at 322 N.E. First St., has 60 beds but had about 100 men spend the night this weekend, according to David Little, the mission's executive director.

"We did extend our floor space in our dining room and brought in some cots that the fire department gave us," Little said.

One of those who sought shelter at the mission over the weekend was 57-year-old Roger Canada, who has been a regular there on and off for two years. Canada said he didn't mind the crowding because he knows everyone has to get out of the cold.

"It's been all right," Canada said.

It was the same situation at the woman's shelter, at 1413 N. Burke St., Little said. The staff had to break into extra sleeping bags after the shelter reached the 26-bed capacity. Little said the staff was more than willing to accommodate.

"We're ready to adjust however we need to," he said.

The Wittman Community Center, at 315 Pearl St., also was set up as a shelter but didn't get nearly as many visitors. There were two people Friday night and three people Saturday, according to Leslie Caviglia, deputy city manager. It won't continue to be used as a shelter, Caviglia said.

The National Guard Armory in Tulare was serving as a warming center but also closed because it only attracted about six or seven people, according to Capt. Dave Scott of the Salvation Army.

Although the National Weather Service said the worst may be over, the Visalia Rescue Mission may be overflowing with people for the rest of the week.

"The very coldest is now past us, but it doesn't mean it's anything to write home about," said Kevin Durfee, a meteorologist with the National Weather Service.

The cold weather came from an air mass that moved south from Canada, Durfee said. The cold weather will sit in the Valley until a storm system from the coast pushes into the Valley on Friday at the earliest, Durfee said. Until then, temperatures will dip into the mid to low 20s. The weather service has a freeze warning in effect until 9 a.m. Wednesday.

The weekend temperatures affected many aspects of people's lives. [A big one was a shortage of wood pellets: dried, compressed sawdust from lumber mills that are used to fuel wood-burning stoves under air-pollution control regulations.](#) Some area hardware stores are out of wood pellets because they can't get any from the company that manufactures them, said Aaron Nuckles, sales manager for Lowes.

"It's been a vendor issue since the first day of winter," Nuckles said. "The vendor hasn't made a large supply."

Lowes and other stores may not have wood pellets, but they have plenty of frost blankets, insulated pipe wrap and heaters.

Although pipe wrap is popular, more people should have bought some before the freeze. Robert Lee, owner of Visalia Plumbing, said his phones have been ringing nonstop with people whose pipes burst from the cold.

"Pretty much any pipes that are outside and exposed to the elements, or in the attic if it isn't insulated," are at the highest risk of damage, Lee said.

Most of the time, leaking water is a tell-tale sign that a pipe has burst, Lee said. If there's nothing coming out of a water pipe, that's a bad sign, too. Covering pipes is the best way to keep pipes from freezing and bursting.

Outdoor plants also should be covered, although the damage is probably already done, according to Steve Chaffin, general manager of Luis's Nursery in Visalia.

"House plants are going to be one of the most susceptible," Chaffin said. "A lot of people have house plants on the patio. That's just not enough cover."

Although people won't be able to see the full effect of the freezing on plants until the weather starts warming up, Chaffin said, dead leaves will start turning black. He recommends leaving the dead parts on plants because cutting them off just exposes the healthy parts to the cold.

The animal kingdom didn't seem to be too bothered by the cold weather, said Lanie Wagenberg, outreach coordinator for the Valley Oak Society for the Prevention of Cruelty to Animals.

"Possibly in the county areas, there could be a lot more not-good things happening because so many of those animals are outdoors," Wagenberg said.

## **Staying warm during chill may burn hole in wallets**

By Edie Lau - Bee Staff Writer

The Sacramento Bee, Thursday, January 18, 2007

Like last July's heat wave, will the January cold snap bring big energy bills?

It might. Northern Californians used 50 percent more natural gas than usual during the cold spell that started last Thursday, according to Pacific Gas and Electric Co.

The spike in consumption effectively means that whatever savings customers could have seen from this winter's lower natural-gas prices have been erased.

In other words, this January's bill probably will be comparable to last January's bill -- which, for the average PG&E customer, was \$114, said utility spokeswoman Jennifer Ramp.

For what it's worth, PG&E says it could have been worse. Last week, the company predicted the cold spell would cause a 61 percent jump in gas consumption.

"It's a little bit lower than we had predicted," said Ramp, who was pleased to be wrong. That's because PG&E officials believe customers are earnestly attempting to conserve -- a trend Ramp said the utility is detecting year-around.

At the Sacramento Municipal Utility District, which has 123,000 customers who depend upon electricity rather than natural gas for heating, officials aren't ready to say how hard the spate of subfreezing weather may smack ratepayers' wallets.

"We'll get a full picture 30 days after the cold snap started," said SMUD spokesman Chris Capra.

Some residents have the option of supplementing their home heat by building wood fires. However, the Sacramento Metropolitan Air Quality Management District, citing growing knowledge of the health dangers of breathing wood smoke particles, discourages burning wood in open-hearth fireplaces, particularly in buildings that can be heated in other ways.

Low temperatures in downtown Sacramento hit the freezing mark -- 32 degrees Fahrenheit -- last Friday, according to the National Weather Service. For the next four nights, the lows sunk below freezing.

The freezing trend during the wee hours ended Wednesday, when the low downtown bottomed out at 34, the weather service said.

The same night, a small storm system along the coast left a dusting of snow on Bay Area peaks, including Mount Diablo and Mount Hamilton.

There was a rumor that snow fell in San Francisco, but weather service forecaster Diana Henderson said the report was unconfirmed. "Someone had a video of it that kind of circulated around, but I cannot say for sure whether it snowed in the city itself," she said.

The past six months have brought weather extremes in both directions. A killer heat wave along the West Coast in July produced 11 days in a row of triple-digit temperatures in Sacramento.

Power consumption reached an all-time high, and the electricity bills that followed were, in many cases, astronomical.

Now winter weather is making a mark, as well. The statewide cold snap ruined much of the citrus crop and damaged other produce as well, including avocados, strawberries and lettuce.

In Sacramento, the average low temperature this time of year is 41. So far, the low has been below normal every day this month except on Jan. 4, when it was 45 degrees, said Holly Osborne, a meteorologist in the local weather service office.

For the remainder of the week, the lows are predicted to continue slipping below normal into the 30s, with highs in the upper 50s to low 60s, according to the weather service.

No rain is in the forecast, Osborne said. Rainfall this season so far is 4.43 inches, which is less than half of normal.

## **2 more ethanol plants planned**

### **Former Fresno-based company considers Stockton and Idaho.**

By Jeff St. John / The Fresno Bee

Wednesday, Jan. 17, 2007

Pacific Ethanol Inc. plans to build two \$100 million ethanol plants, one in Stockton and the other in south Idaho, that together are expected to begin producing about 100 million gallons of corn-based fuel per year when they open in early 2008.

Pacific Ethanol, which was founded in Fresno in 2003 and moved its headquarters to Sacramento last week, announced Tuesday that it plans to break ground by next month on a 50 million-gallon-per-year ethanol plant in Burley, Idaho.

Also on Tuesday, Port of Stockton commissioners took steps to approve Pacific Ethanol's plan to build another 50 million-gallon-per-year ethanol plant on port property, Port Director Richard Aschieris said.

Port commissioners approved an environmental impact report clearing the way for construction of the \$100 million plant on 30 acres and gave Pacific Ethanol preliminary approval for a 50-year lease, Aschieris said. The port commission will take up final approval of the lease at its next board meeting, likely next month, he said.

Both Pacific Ethanol plants will convert corn, mostly from the Midwest, into ethanol, a renewable fuel increasingly used as an additive to gasoline. Part of the residue will be sold as wet distillers grain, a feed in demand at dairies and ranches in Idaho and in the San Joaquin Valley.

The Burley plant will serve fuel markets from Boise, Idaho, to Salt Lake City and a regional population of more than 400,000 dairy and feedlot cattle, according to Pacific Ethanol's news release.

That plant "expands our production footprint to new markets in the western U.S., from existing markets in California, Oregon and Colorado," Neil Koehler, Pacific Ethanol's chief executive, said in a prepared statement.

The plant planned for the Port of Stockton will likely receive up to 3,200 train cars of corn from the Midwest per year, Aschieris said.

Tom Koehler, Pacific Ethanol's vice president of government affairs and communications, said the company soon would be announcing plans for the plant's construction.

"Getting a fully permitted site in California is 90% of the challenge in building it," he said. "The Stockton area is a great area for an ethanol plant."

The two plants are among the five that Pacific Ethanol plans to have open by early next year, as part of its goal of producing 220 million gallons of ethanol for the West Coast market in 2008, according to company statements.

In October, Pacific Ethanol opened its first, a \$65 million plant in Madera County, which can make about 40 million gallons of ethanol per year. That same month, the company announced it had bought a 42% stake in Colorado-based Front Range Energy LLC, which increased Pacific Ethanol's production capacity by 20 million gallons per year.

Pacific Ethanol's second plant, in Boardman, Ore., is expected to produce about 40 million gallons per year by the second quarter of this year. The company has not announced where it plans to build its fifth and final plant, set for construction this year.

The new plants in Stockton and in Burley each will employ about 40 people and will likely supply ethanol and cattle feed within their geographical areas, a strategy that Pacific Ethanol co-founder Bill Jones, a

Fresno-area rancher and former California secretary of state, has described as a "destination ethanol" business model.

### **Power players warm to Feinstein bill**

#### **Plan to reduce electric utilities' greenhouse gas emissions by 25% gets industry backing**

Zachary Coile, Chronicle Washington Bureau  
S.F. Chronicle, Thursday, Jan. 18, 2007



Washington -- California Sen. Dianne Feinstein, joined by top executives from PG&E Corp. and other energy firms, introduced an aggressive plan Wednesday to reduce greenhouse gas emissions by electric utilities that is backed by some powerful players in the industry.

The move came the same day news leaked that House Speaker Nancy Pelosi will create a new Select Committee on Global Warming to ratchet up pressure in the Democratic-controlled House to pass climate change legislation this year.

Pelosi's decision to form a new panel is a tactical move to put pressure on House Energy and Commerce Committee Chairman John Dingell, D-Mich., an ally of U.S. automakers who has opposed some past global warming legislation. The new House panel would be chaired by Rep. Edward Markey, D-Mass., a vocal opponent of the oil industry who backs tough new limits on carbon emissions.

A Democratic leadership aide said Markey will hold hearings across the country and recommend new policies to fight global warming, but Dingell and eight other committee chairs would still have the power to write the legislation.

"It creates a tension that this needs to get done," the aide said. A formal announcement of the panel by Pelosi is expected today.

The moves by Pelosi and Feinstein suggest that California's top lawmakers -- including Sen. Barbara Boxer, the new chairwoman of the Senate Environment and Public Works Committee -- plan to take the state's aggressive approach on global warming to the national level.

Feinstein's legislation is part of a blitz of new climate change bills introduced in recent weeks to capitalize on the shift in power in Congress. Her bill also reflects that lawmakers and industry leaders increasingly believe new federal limits on carbon dioxide are inevitable.

There are rumors in the capital that President Bush may announce a shift in climate change policy during his State of the Union speech scheduled next Tuesday. White House spokesman Tony Snow has been noncommittal about any new plans, but said Wednesday that strict limits on emissions are "not something we're talking about."

But Feinstein said a Democratic Congress could pass legislation later this year that would force Bush's hand.

"This administration has not been in the vanguard of action," she said. "It does not mean we should remain dormant. We have an obligation to the people we represent that when we know something is happening and we know there is a way to change it, that we produce legislation. Then the responsibility is with the president whether he wants to sign or veto it."

Feinstein's bill is a "cap-and-trade" measure similar to the law adopted by California last year, except it applies strictly to the electricity sector, which accounts for one-third of America's greenhouse gas emissions.

The bill would cap emissions at 2006 levels starting in 2011, which would represent a 6 percent reduction. In 2015, the cap would drop to 2001 levels, forcing a 16 percent reduction in emissions. Power suppliers would have to further cut emissions by 1 percent a year between 2016 and 2019.

Overall, greenhouse gases would drop 25 percent from today's levels by 2020. The bill also would give the Environmental Protection Agency the power to order further cuts.

Feinstein said it was the first of five global warming bills she will propose this year: One would create a similar cap-and-trade system for the rest of the industrial sector; another would raise fuel

economy standards by 10 miles per gallon over a decade. Others would promote biodiesel and E-85 fuels, and apply California's energy efficiency standards to the nation as a whole.

"If we act now and act with purpose, the most serious consequences can be averted. Global warming can be contained to 1 to 2 degrees, and therefore it is manageable," she said Wednesday. "But if we don't act and the temperature spikes by 5 degrees or more, the world around us will change forever. It will be catastrophic, and there is no going back."

The new bill is a product of talks between Feinstein, PG&E Corp. Chairman and CEO Peter Darbee and other members of the Clean Energy Group, including Calpine, Exelon, Entergy, Florida Power & Light and the Public Service Enterprise Group. The group, which supplies power to 18 percent of U.S. households, is heavily invested in natural gas, nuclear power and other low-carbon sources, and has backed efforts to curb greenhouse gases.

Darbee, who attended Feinstein's news conference Wednesday on Capitol Hill, said his industry has a responsibility to address climate change.

"The utility sector is the single largest source of emissions in the U.S.," Darbee said. "This bill will significantly reduce emissions from this sector, and it will do so by leveraging the innovation and efficiency of the market."

Darbee acknowledged that other utilities will likely oppose the new approach. PG&E's low-carbon power cost its California customers about 8 cents per kilowatt hour, while heavy-carbon emitting coal-fired plants can provide power for about 3 to 4 cents per kilowatt hour.

Feinstein is seeking to alter that calculus by requiring utilities to buy "carbon credits" if they exceed the CO<sub>2</sub> emissions allowed under law -- making it more costly to emit greenhouse gases. Utilities could also buy "offset credits" that pay for restoring wetlands and forests or setting farm land aside to cut emissions. Proceeds from auctioning the credits would fund new low-carbon technologies and help address the effects of warming.

The bill, co-sponsored by Sen. Tom Carper, D-Del., joins other measures that will vie for attention in the new Congress. Sen. John McCain, R-Ariz., and Sen. Joe Lieberman, I-Conn., have reintroduced a bill that requires a 66 reduction from 2000 levels of greenhouse gases by 2050.

Another bill, introduced by Sen. Bernie Sanders, I-Vt., would go further, requiring an 80 percent reduction in emissions from 1990 levels by 2050. Boxer is a co-sponsor and calls it "the gold standard bill."

Sen. Jeff Bingaman, D-N.M., the new chairman of the Senate Energy and Natural Resources Committee, has proposed a more modest bill that would simply slow the growth of greenhouse gases.

Boxer, whose panel has jurisdiction over the legislation, plans to hold her first hearing Jan. 30 on climate change to allow senators to talk about their proposals. She hopes to move one or more climate bills to the Senate floor later this year.

"I am very pleased that my colleagues are putting forward their best ideas," Boxer said. "Progress will depend upon where my colleagues come down, which is why we are holding this unprecedented hearing to get the perspective of all senators who have bills on global warming."

## **Feinstein, Boxer differ on global warming**

By Janet Wilson and Richard Simon, Times Staff Writers  
L.A. Times, Thursday, Jan. 18, 2007

California's two senators this week offered markedly different approaches to slowing global warming, with Dianne Feinstein saying she may move to exempt power companies from her home state's landmark global warming laws and bring them under federal regulation instead.

Coal-fired and other fossil-burning power plants are the largest source of greenhouse gases in the United States, producing a third of all emissions.

A draft of Feinstein's bill included an exemption clause, but it was omitted before she introduced it Wednesday after protests from representatives of Gov. Arnold Schwarzenegger, legislative leaders and some environmental groups.

In an interview Wednesday, however, Feinstein did not rule out adding it back at some point.

"I want to take another look," she said.

Under the clause, power plants would be exempt from any state laws regulating greenhouse gases, including several in New England as well as California. Feinstein said she had removed it for now because "I know the environmentalists have concern."

The bill she introduced, which deals just with the electricity sector, calls for a market-based cap and trade system. The bill would ratchet down electricity sector emissions 25% below projected levels by 2020.

Sen. Barbara Boxer, in contrast, has signed onto a bill introduced Tuesday that covers a wider spectrum of greenhouse gas sources, including motor vehicles, and would reduce U.S. emissions to 1990 levels by 2020 and to 80% below 1990 levels by 2050. The 2050 goal goes beyond what Feinstein's legislation calls for. The Boxer bill has no mandatory cap and trade program.

Many environmentalists favor the approach Boxer is sponsoring because it is broader.

"Boxer's bill is the gold standard," Jason Barbose of Environment California said.

Feinstein intends to introduce several other bills in coming months that would also address global warming, her spokesman said.

Both senators are part of the Democratic majority, but Boxer chairs the Senate Environment and Public Works Committee and could play a key role in moving global warming legislation. Boxer called Feinstein's bill - one of many that have been introduced - a "positive addition" to the debate and said Feinstein would be invited to discuss her bill with the committee.

While not commenting on the specifics of Feinstein's original exemption provision, Boxer said, "I always fear preemption. I just don't like preemption. I think it's wrong. I have always felt if the state has a higher level of protection for the environment, let it go....I don't like to see a state told you can't have a stronger bill."

California officials expressed more concern, saying preempting the state's laws could add millions of tons more greenhouse gases back into the atmosphere. Schwarzenegger's staff, Assembly Speaker Fabian Nuñez (D-Los Angeles) and other officials made calls to Feinstein in the last week asking her not to include the clause.

"Let me just be real, real clear," said Nuñez, author of Assembly Bill 32, the framework for the state's global warming policies. "Getting AB 32 negotiated and approved by the Legislature and signed by the governor was no easy task.... It's attracted worldwide attention, and it's landmark legislation.... We will do everything we can to ensure that AB 32 is not watered down in any form by federal legislation. If we cannot do that, then obviously we're going to have a serious problem."

He said that a long conversation last week with Feinstein had left him optimistic, but that talks would continue.

Schwarzenegger said in an interview Tuesday, "It's much better if the two work together, the federal government and the state, because we want to keep our very good law, AB 32, alive." He added, "We want to shoot for ... 2020 and rolling it back to the 1990 levels."

A senior Schwarzenegger administration official said that "we've had extensive discussions" with Feinstein, and that "she's trying to be very careful to avoid preempting our efforts."

But Feinstein said she wanted the opportunity to sit down with California officials and an electricity industry group that had endorsed her legislation to "really understand how a preemption would work ... whether it would impede California's program or not. I don't believe it would ... because the cuts [in emissions] are about the same.... I intend to personally sit in on this part of the negotiation and take another look at it."

Asked whether that means she would consider preempting state laws as her bill and several others introduced in Congress move forward, Feinstein said, "I might consider anything, yeah, anything."

A coalition of six electric companies endorsed the bill Feinstein introduced on Wednesday. The group includes PG&E Corp., which has strongly backed California policies as well; Calpine Corp.; Entergy Corp.; Exelon Corp.; Florida Power & Light Co.; and Public Service Enterprise Group Inc. Together the companies provide power to 26 million customers in several states.

PG&E President Peter A. Darbee, who joined Feinstein at her Capitol Hill news conference, called the bill a "pragmatic, aggressive" response to a serious problem. "We're proud to support it - just as we supported California's landmark climate law.

"Adopting legislation to cap greenhouse gas emissions at the federal level is the greatest way of efficiently addressing climate change, and a necessary step in positioning the U.S. as a global leader on environmental issues," Darbee said.

Feinstein said the companies pushed for a preemption clause.

"Their thinking is to have a level playing field throughout the United States so that this thing can work easily across boundaries," Feinstein said. "We had language, and I just decided, 'Let's hold up on it because I don't know enough about it' ... and they have agreed to that."

Núñez said his staff had done an analysis of the proposed preemption and found that "it is hurtful. It would increase our carbon output in California by millions of metric tons."

Feinstein's office provided an analysis that it said showed that her bill would result in an 11% to 12% cut in national electric sector emissions from 2005 levels by 2020, while AB 32, sponsored by Núñez and signed by Schwarzenegger, would result in a 15% reduction in California emissions over the same period.

Some environmentalists were sharply critical of Feinstein for even considering preemption.

"I think it's incredibly troubling" that Feinstein would consider limiting her state's laws, said Emily Figdor, a clean air and energy advocate with Environment California's Washington office.

"California for the last four decades has been at the forefront of reducing air pollution in this country, and has shown the critical importance of being able to try things out at the state level ... with policies that eventually are adopted nationwide," she said.

## Cal senators taking different approaches on global warming

By ERICA WERNER

Bakersfield Californian, Thursday, Jan. 18, 2007

California Sens. Dianne Feinstein and Barbara Boxer are embracing two different approaches to fighting global warming as the new Democrat-led Congress prepares to take action on the issue.

Feinstein has attracted industry support with a bill targeting the electricity sector that would allow trades of pollution credits. Boxer, who chairs the Senate's environment committee that will hold hearings on the issue, has signed onto legislation aiming for more dramatic cuts of heat-trapping emissions.

Both Democrats are citing California's landmark anti-global-warming law, passed last year, which imposed the nation's first cap on greenhouse gas emissions. They're also both optimistic about the opportunity to get legislation passed in the next two years, something that Congress has not been able to do because of opposition from the Bush administration and majority Republicans.

"If we act now and act with purpose, the most serious consequences can be averted," Feinstein said at a news conference Wednesday to introduce her legislation. If not, "It will be catastrophic and there is no going back."

Feinstein's bill joins legislation by Sens. John McCain, Joseph Lieberman and Barack Obama that creates a similar cap-and-trade system. Boxer, Sen. Ted Kennedy and others have signed onto legislation by Sen. Bernie Sanders, I-Vt., that would implement the most stringent emission cuts, aiming to cut emissions to 1990 levels by 2020, and to 80 percent below 1990 levels by 2050.

The chairman of the Energy and Natural Resources Committee, Sen. Jeff Bingaman of New Mexico, is preparing a more modest bill to slow growth of greenhouse gases.

As chairman of the Senate Environment and Public Works Committee, it will fall to Boxer to work on reconciling the competing approaches, and she's planning a hearing later this month for senators to discuss their legislation.

"What we're doing now is welcoming everybody's ideas. This one is a very important one with a focus on utilities," Boxer said of Feinstein's legislation.

Feinstein's bill, the first of five she anticipates introducing on global warming, targets the electricity sector, which accounts for 33 percent of global warming emissions. By 2020, she aims to reduce emissions from power plants 25 percent below levels they'd otherwise be projected to reach that year.

Her "cap and trade" approach would allow power companies to buy, sell and trade "credits," each representing one ton of carbon dioxide.

Feinstein's bill has backing from six power companies, including Calpine Corp. and Pacific Gas and Electric, whose chief executives joined her at her press conference. Those companies are not as reliant on coal, a major greenhouse gas producer, as power companies like Southern California Edison, which refused to back Feinstein's bill.

"They declined, I assume, because they have coal," Feinstein said. "...The hard part is coal, dirty coal, that doesn't want to change."

SoCal Edison issued a brief statement saying the company wants to evaluate the various global warming bills before taking a final position.

The legislation Boxer is supporting doesn't take a cap-and-trade approach, which some environmentalists view skeptically. Her bill is backed by environmental groups including the Sierra Club and National Audubon Society, but some moderate senators believe it's too extreme to get through Congress in its current form.

The Bush administration has opposed mandatory caps on carbon emissions. Bush is expected to use his State of the Union address next week to stake out an approach on the issue.

California's law seeks to reduce greenhouse gas emissions to 1990 levels by 2020, but doesn't go past 2020. It allows for the creation of a cap-and-trade program, which Gov. Arnold Schwarzenegger supports over the opposition of some Democrats in the Legislature.

## **Feinstein unveils global-warming bill**

### **California senator proposes capping emissions in electricity industry.**

By DENA BUNIS

The Orange County Register Thursday, January 18, 2007

WASHINGTON – Sen. Dianne Feinstein on Wednesday unveiled a global-warming bill for the electricity sector that has the support of such major power companies as PG&E Corp.

Feinstein, D-Calif., has teamed up with Sen. Thomas Carper, D-Del., on the latest in a series of bills on climate change that are being introduced by senators in the first weeks of the 110th Congress. Their bill would reduce electricity emissions to 25 percent below what they are expected to be by 2020.

To meet that cap, energy companies could participate in a "cap and trade" program. Under that plan, companies could either change the way they produce electricity and lower their carbon dioxide emissions themselves or pay others who have reduced their emissions for credits. Companies could then use those credits to meet their emission targets without actually lowering their own outputs.

"A scientific consensus has been forged," Feinstein said at a news conference. "Global warming is real. It's happening. It can't be stopped. But if we act now, and we if act with purpose, the most serious consequences can be averted."

PG&E Corp. Chairman Peter A. Darbee said passing a bill to "cap greenhouse gas emissions at the federal level is the greatest way of efficiently addressing climate change and a necessary step in positioning the U.S. as a global leader on environmental issues."

The Bush administration and most Republican lawmakers have opposed such caps. President Bush is expected to outline his view of the climate change issue in next week's State of the Union address.

Feinstein's bill would keep lowering the amount of allowable emissions over time, something that has garnered the support of environmental groups. But the provision that would allow electric companies, for example, to buy credits from farmers and other non-energy entities has those same environmentalists concerned that in the end the most egregious pollution will not be stopped.

Feinstein is planning to introduce other climate-change bills. She is drafting a separate cap and trade bill for the industrial sector, a measure that would increase fuel economy standards by 10 miles per gallon over the next decade, a bill to promote the use of biodiesel and other low-carbon fuels and an energy efficiency bill modeled after California's program.

The various approaches to climate change will be sorted out by the Environment and Public Works Committee, under the chairmanship of Sen. Barbara Boxer, D-Calif.

Boxer is a co-sponsor of a bill that would set a lower cap for emissions. Her bill would cut emissions to 80 percent below 1990 levels by the year 2050.

"I welcome all bills on global warming," Boxer said in a statement. "I am very pleased that my colleagues are putting forward their best ideas, and I think that Senator Feinstein is making an important contribution to this debate. I know how hard she has worked on her bill."

California last year became the first state to pass a climate-change bill. It calls for a 25 percent reduction in greenhouse gas emissions by 2020. In addition, Gov. Arnold Schwarzenegger issued an executive order that provides for a cap and trade program to help accomplish that goal.

There is a cap and trade experiment working in Southern California. The South Coast Air Quality Management District uses a cap and trade system to reduce smog-forming pollutants – nitrogen oxide and sulfur oxide – in the air.

That program has been in place since 1994. Agency spokesman Sam Atwood said so far it has resulted in some industries reducing their emissions through new equipment or updated processes. Others, he said, have taken advantage of the ability to buy credits from companies that have reduced their pollution levels beyond what is required.

"It's been a success," says Atwood. He said annual audits have shown that smog levels have been reduced and that they have been lowered in the geographic areas most in need of relief. Feinstein and other senators who have global-warming proposals will have a chance to pitch their ideas at a committee hearing Boxer has called for later this month. Boxer said she is committed to getting a global-warming bill passed during this Congress.

## **Pelosi May Create Global Warming Panel**

By THE ASSOCIATED PRESS

Thursday, Jan. 18, 2007

WASHINGTON (AP) -- House Speaker Nancy Pelosi, intent on putting global warming atop the Democratic agenda, is shaking up traditional committee fiefdoms dominated by some of Congress' oldest and most powerful members.

She's moving to create a special committee to recommend legislation for cutting greenhouse gases, most likely to be chaired by Rep. Edward Markey, D-Mass., a Democratic leadership aide said Wednesday.

Markey has advocated raising mileage standards for cars, trucks and SUVs and is one of the House's biggest critics of oil companies and U.S. automakers,

Pelosi has discussed the proposal with at least two Democratic committee chairmen: fellow Californian Henry Waxman of Oversight and Government Reform, and West Virginia Rep. Nick Rahall, who heads the Natural Resources panel. Pelosi intends to announce the move this week, said the leadership aide, who spoke on condition of anonymity because not all of the details have been worked out.

The move, to some degree, would sidestep two of the House's most powerful Democratic committee bosses, in shaping what's expected to be at least a yearlong debate on global warming:

-- Energy and Commerce Committee Chairman John Dingell of Michigan, a defender of the auto industry and at 80 the longest serving member of the House.

-- New York Rep. Charles Rangel, who as the 76-year-old chairman of the tax-writing Ways and Means Committee, would have to clear any tax on carbon-based fuels like coal, oil or natural gas, which have been blamed for warming the atmosphere. A chief advocate of such a tax is former Democratic Vice President Al Gore.

Rahall said he had spoken with Pelosi about the idea of a new select committee. Rahall's panel oversees energy development on public lands, including coal, oil and natural gas as well as cleaner, non-carbon sources such as geothermal and windmills.

"I've been assured that no legislative jurisdiction would be taken away from any committee," Rahall said. "No legislative responsibility would be shifted from any committee."

As chair of Energy and Commerce, Dingell oversees the Clean Air Act -- and would have the most to lose by letting another panel take the lead. The panel's staff chief, Dennis Fitzgibbons, a former auto company lobbyist, said Dingell was philosophically opposed to Pelosi's plan.

"He has always been cool to the idea, because it undermines the fundamental idea for establishing committees in the first place, which is to acquire expertise in a certain area," Fitzgibbons said.

Dingell, asked about the new committee, said, "I have not been officially informed."

Waxman, like Markey a one-time protege of Dingell, said that Pelosi discussed the idea of a special committee with him several days ago. He, too, is a skeptic.

"I believe the existing committees can deal effectively with global warming," he said Wednesday. "But I can also understand why the speaker believes it's important to highlight this issue."

A new committee would give Pelosi a vehicle to push a regulatory scheme for reducing greenhouse gases and pit her against President Bush, who plans to outline his global warming approach in his State of the Union next week. Bush has repeatedly opposed any mandatory reductions in carbon dioxide emissions, instead advocating voluntary approaches and research on new technologies. Pelosi has supported mandatory reductions with specific target dates for achieving them.

"It's an issue that the speaker thinks is critical to address," said Pelosi spokeswoman Jennifer Crider.

Democratic officials said the committee would be responsible for advising the best legislative approaches while the actual bill-writing duties would likely still be done by Dingell's and Rangel's committees.

Among the topics being negotiated are how long the committee should exist and how broad its focus should be, since global climate change affects virtually everything.

Pelosi hasn't shied from taking on other powerful House Democrats. She endorsed the losing effort by Rep. John Murtha, D-Pa., to become majority leader over Rep. Steny Hoyer, D-Md. She also has approved of six-year term limits for committee chairmen over objections from Dingell and other senior Democrats.

She also has a history with Dingell, who backed Hoyer over Pelosi in a 2001 race for the party whip's post. Pelosi backed a Democratic primary challenger to Dingell's re-election the following year.

*Associated Press writers Jim Kuhnhehn and H. Josef Hebert contributed to this report.*

## **Gas prices not falling here**

### **Lack of refining capacity keeping prices higher**

By Melinda Morales, Staff writer

Visalia Times-Delta, Thursday, Jan. 18, 2007

Gas prices may have dropped over the past couple of weeks, but area motorists are still paying more for gas than they did a month ago and much more than they did a year ago, the Automobile Club of Southern California reports.

According to the club's survey of January prices, Visalia-area drivers are now paying an average price of \$2.63 a gallon. They paid 5 cents less in December and 24 cents less in January 2006, when the average price was \$2.39.



Spokeswoman Carol Thorp said the West Coast is the exception to the rest of the nation, where prices are dropping because of abundant gasoline supplies.

"Prices are floating down like a feather, not dropping like a rock, in California, Oregon and Washington, because of the limited number of refineries that produce our specially formulated fuel that is required to meet [air quality regulations](#)," she said.

West Coast prices may have been affected by refinery problems in Washington state, where prices now are atypically higher than in California, the spokesman for AAA of Northern California said.

"We're still waiting for the trend that's benefiting many other parts of the country to trickle down to consumers here," said Sean Comey, AAA Northern's spokesman.

Visalia-area motorists are paying slightly less than the state average for January, \$2.64. That figure is up from \$2.51 in December.

The cheapest gas sells for \$2.44 in La Habra, where the price is up 14 cents a gallon from \$2.30 in December. The most expensive gas is in Santa Barbara, where it sells for \$2.83, up 4 cents from December's \$2.79 price.

The national average dropped 6 cents, to \$2.23 a gallon, and is down 8 cents from one year ago.

The least expensive gas nationally is \$2.01 in Missouri; the most expensive gas is in Hawaii, at \$2.92.

## **County closing in on jobs opportunity**

By Tim Moran, Bee Staff Writer

The Modesto Bee, Thursday, January 18, 2007

Ross Perot Jr.'s Hillwood Properties won the endorsement of the Crows Landing Steering Committee on Wednesday to be the master developer of Stanislaus County's Crows Landing Air Facility.

But the battle isn't over. That recommendation now goes to the Board of Supervisors, which isn't bound by the advisory vote. County Deputy Executive Officer Keith Boggs said the board's vote probably will be taken in early February.

The county is seeking a master developer to build a business and industrial park on the 1,528-acre Crows Landing Air Facility, a former Naval air station acquired by the county two years ago.

The county hopes the air facility will become a major job generator on the West Side, and add to the county's tax base.

Two bidders submitted proposals: the Texas-based Hillwood, owned by the Perot family, and PCCP West Park, headed by Sacramento developer Gerry Kamilos.

The committee voted 6 to 4 in favor of the Hillwood proposal at the end of a nine-hour meeting in which both developers gave 90-minute presentations and were grilled by the committee and the public attending the meeting.

Two committee members, Earl Perez and Doug Stephens, abstained from voting because of potential conflicts of interest. Perez owns land near the air facility and has had discussions with West Park. Stephens, a real estate broker, reportedly represented the Perez family in property talks.

Two members of the Board of Supervisors on the committee, Jim DeMartini and Jeff Grover, also abstained because the board will be considering the recommendation.

Grover commented during the meeting that while the county board appreciates the effort the committee put into the decision, supervisors would make their own independent decision.

**Holds potential for 8,000 jobs**

The Hillwood proposal would develop just the 1,528-acre air facility property, and is keyed to logistics and distribution uses and truck traffic.

John Magness, Hillwood senior vice president, said the property could attract light corporate jets and related industry. The proposal could generate 8,000 jobs at completion in 2025, according to the Hillwood presentation.

The Park West proposal looks at a regional planning concept with a development area of as much as 4,560 acres. The proposal is keyed to a short-haul rail line linking the Port of Oakland to Crows Landing, using money from recently approved state infrastructure bonds as well as a variety of other funding sources.

The project could generate 24,000 jobs from 2,000 acres of industrial land, Kamilos said. The infrastructure costs of developing the air facility would be at least \$220 million, according to Park West officials, and the larger planning area is needed to make the project work financially.

Those voting in favor of the Hillwood plan said they were troubled by several points in West Park's proposal: It would develop an area far larger than the air facility. The proposal is centered on a Port of Oakland rail link with uncertain funding prospects. It may require residential development.

Those opposed to the Hillwood motion noted that West Park was more willing to mitigate the loss of farmland, and mentioned the rail link's potential to reduce traffic over the Altamont and improve [air quality](#). The same rail line could be used for commuter trains, and fewer trucks would be needed to transport freight.

Committee member Andrew Souza said West Park's willingness to improve water and sewer facilities in the community of Crows Landing was important, adding that he felt the Hillwood proposal would generate low-end jobs.

"I am concerned about the job types. It's too easy to reach for the low-hanging fruit and not stretch yourself," Souza said.

Patterson Mayor Becky Campo made the motion to recommend the Hillwood proposal.

"Based on Hillwood's presentation, I feel they won't compete for residential growth, and their flexibility on rail is open. ... I feel it's a better project."

### **Hanging in there with rail line**

Campo has expressed concern over the impact that the shorthaul rail proposal would have on Patterson, including disruptions caused by rail crossings of streets in the city.

West Park developers said Wednesday that the rail could be in a trench underneath Las Palmas Avenue to avoid disruption and noise.

Magness said after the vote that he was grateful for the committee's efforts and the recommendation to the board.

"If the board (of supervisors) embraces the recommendation, it will be a very successful project," Magness said.

Magness praised the West Park effort, and said the more attractive aspects of the West Park plan could be incorporated into the Hillwood plan if the county board wanted them.

Kamilos wasn't giving up hope.

"Our next presentation will be at the Board of Supervisors," he said. "Definitely, our proposal resonated with some committee members. Short-haul rail is still highly viable, and it will be a huge missed opportunity for the community if we don't pursue it."

Stanislaus County made its point at the meeting, Magness added.

"We heard loud and clear, Stanislaus County needs jobs. That's what we are good at," he said. [S.F. Chronicle commentary, Thursday, Jan. 18, 2007:](#)

## **OPEN FORUM**

### **California's alternative fuels plan**

By Arnold Schwarzenegger

The U.S. House of Representatives is scheduled to debate legislation today aimed at reducing our dependence on foreign oil, and I am glad to see Washington finally focus on this vital issue. But in California, we're not waiting for Washington to act. We are moving forward on our own because the issue is too important to wait for someone else to lead.

Under an executive order I am signing today, California will establish the world's first carbon standard for transportation fuels. This is a follow-up to the historic global warming legislation I signed last September, and it has the benefit of being great for the environment and great for the economy and national security. Our global warming act set the most ambitious targets in the world for reducing the greenhouse gas emissions that cause global warming. It commits California to reduce climate change emissions to 1990 levels by 2020 -- a 25 percent reduction. By 2050, we will reduce emissions to 80 percent below 1990 levels. The plan goes farther than the Kyoto Protocol, as those targets only extend to 2012. And the Kyoto target is to reduce greenhouse gas emissions 12.5 percent below 1990 levels by 2012. We will do this while creating jobs and raising incomes. But to achieve these goals, we must reduce our dependence on oil for meeting our enormous transportation needs. That's where my new executive order comes in. We have more than 24 million registered motor vehicles in California (and more registered drivers than anywhere else in the nation) and 96 percent of the fuel they use is high-carbon-content gasoline.

Because of that, transportation fuels are responsible for 41 percent of our greenhouse gas emissions. We can't possibly meet our climate change goals if we keep burning high-polluting oil in our vehicles.

Being so dependent on oil also leaves our economy -- and therefore our national security -- dangerously vulnerable to price shocks caused by world events or actions by oil cartels outside our control. When oil prices jump, sales and wages fall. Money flows offshore instead of into our domestic economy. No business can afford to be hostage to a single supplier for its most critical raw materials. Nor can any state or any nation. To protect our jobs and wages -- and clean our air -- we must diversify our fuel sources and reduce our oil dependence.

By 2020, my executive order will require a reduction in the carbon content of transportation fuels sold in California that reduces greenhouse gas emissions by more than 13 million tons a year. It will replace 20 percent of our on-road gasoline consumption with lower-carbon fuels, the equivalent of taking 3 million cars off the road. The size of the state's renewable fuels market would more than triple during this time, and California would become home to more than 7 million alternative fuel or hybrid vehicles.

The new standard will dramatically expand investment in alternative fuels by using the enormous market power of our economy. It will also restrain government from picking which alternative fuels win. Whether it is ethanol, electricity, hydrogen or some other fuel, we want innovators and consumers making those decisions. California is one of the largest economies in the world.

Creating a market for alternative fuels in an economy this large will move world markets. Entrepreneurs around the world are investing tens of billions of dollars in clean technologies and alternative fuels. With this initiative, we're saying invest those billions with California in mind. To reach the carbon-reduction target at the lowest cost and be responsive to consumer choice, fuel suppliers will decide how best to meet the standard. Refiners could choose to blend low-carbon biofuels into gasoline, purchase credits from electric utilities that supply infrastructure for electric cars, diversify to hydrogen and more. It will be in suppliers' interest to take the lowest-cost path to meet consumer demand while complying with the standard. It will be the state's job to work out a process that insures suppliers meet the standard.

In his State of the Union Address in 2006, President Bush said we must end our addiction to oil. I could not agree more. But efforts to address our addiction at the national level have been stalled by fears that protecting our environment will cost jobs. I could not disagree more. The European Union is now debating an alternative fuels policy. It's high time America followed suit. California has already shown that we can protect the environment and grow the economy at the same time. In 2005, we attracted more clean-tech investment -- \$484 million -- than any other state, with much of it going to energy generation and efficiency.

The University of California estimates our greenhouse gas emissions goals will increase our gross state product by \$60 billion and create more than 20,000 new jobs. The time is now for America to transition to a clean-energy economy. Once again, I am very pleased to be able to announce that California is leading the way.

*Arnold Schwarzenegger is the governor of California.*

[Merced-Sun Star Editorial January 18, 2007](#)

### **Our View: Governor getting off the bus**

#### **His plans for lowering greenhouse gas emissions doesn't rely much on mass transit**

Gov. Arnold Schwarzenegger earned high praise for pushing the state's historic greenhouse gas laws. But the challenge of global warming will require more than happy talk about windmills, hybrid cars and hydrogen highways. It also will require Californians to get out of their cars and onto transit.

In his budget, the governor demonstrated less interest in working on the transit side of the global warming puzzle. He has proposed to transfer \$1.1 billion in funds that would normally go to support public transit for other purposes.

Because of the sharp increase in gas prices, the sales tax on gasoline is generating more revenues than expected. Budget advisers call the increased sales tax a "spillover," a windfall that transit agencies weren't expecting and therefore, they imply, don't need.

Nonsense. Beginning in 1971, legislators steered a portion of the sales tax on gasoline to transit because they knew that when gas prices soar people on the edge are squeezed. Some are priced out of their cars. Transit becomes a necessary option.

The proposed \$1.1 billion transfer statewide, translates roughly to a \$25 million loss for transit in Sacramento. That can mean 30 minutes instead of a 15 minute wait for the next bus or light rail car. It can mean being late for work or not. Millions in capital funds will be lost as well.

The governor's proposal increases funding for intercity rail operations but contains none of the capital investments promised in the new state transportation bond. The Capitol Corridor service between Sacramento and San Jose desperately needs new rail cars to accommodate a crush of new riders, but the governor's budget has no money to buy them.

The fund transfer comes as more people are riding transit. In Sacramento, Regional Transit's light-rail ridership was up 10 percent for the first nine months of 2006, the fifth highest ridership gain in the country. Capitol Corridor intercity rail has had record ridership for the last three months.

Gains like that should be encouraged and rewarded, not punished.

[S.F. Chronicle editorial, Thursday, Jan. 18, 2007:](#)

### **Global warming comes to D.C.**

IN CURBING global warming, California has taken several remarkable steps by setting hard deadlines on limiting emissions. But Washington has lagged behind on the pressing problem, immobilized by partisan rivalries and special interests.

Until now. Suddenly, the capital has turned into a wonkish test lab with plans to clean up emissions, cut oil imports and nudge lifestyles in greener directions. It's about time.

Wonder of wonders, President Bush is said to be an ethanol enthusiast and will talk up the gas substitute in his State of the Union address next week. He's reportedly smitten by the biofuel because it's cleaner burning, homegrown and destined to be a job-creating industry.

California's delegation in Congress is pushing the issue in different ways. Sens. Barbara Boxer and Dianne Feinstein have differing plans on curbing heat-trapping greenhouse gases. Feinstein wants an expanded cap-and-trade market for the electricity-generating market that obliges heavier polluters to buy credits from clean-burning competitors.

She has picked up notable support from six major producers across the country, including home state firms such as Pacific Gas and Electric and Calpine. It's significant because much of the nation's power comes from smokestack power plants that spew heat-trapping gases that contribute to climate change. Enlisting these businesses is critical in reducing emissions.

Boxer is taking a different tack. She wants a uniform reduction in carbon emissions, down to 1990 levels by 2020. Her approach, favored by environment groups, leaves out the cap-and-trade approach. Boxer promises to use her new perch as chair of a Senate panel on the environment to be a major player in the climate change push.

Other ideas are surfacing: a return to U.N.-sponsored talks on global controls, more efficient vehicle engines, wider use of alternative fuels and more research. House Speaker Nancy Pelosi may set up a special panel to deal with climate change.

This flurry of concern could be for show. But it may also raise expectations to the point where the public can expect action. It's time for national leaders to follow through on California's example.

[Merced Sun-Star Editorial January 16, 2007](#)

### **Our View: State needs to shift gears**

#### **Switch to cleaner fuels a must after Schwarzenegger signs bill calling for emissions cuts**

The signing of Assembly Bill 32 -- California's landmark global warming law -- brought loads of publicity to Gov. Arnold Schwarzenegger last year. The law requires California to reduce its greenhouse gas emissions 25 percent by 2020.

Ever since, supporters of AB 32 have been waiting to see what kind of "early action" measures Schwarzenegger would endorse to reduce greenhouse gas emissions in advance of a full program to cap such pollution. Last week, Schwarzenegger delivered. He announced an executive order that aims to reduce carbon emissions from transportation fuels by 10 percent in 13 years.

Schwarzenegger is smart to focus on California's transportation sector. It generates 40 percent of the state's greenhouse pollution. Reducing emissions from cars and trucks will be trickier than implementing reductions from power plants and manufacturers. Major industries already have regulatory permits and their individual emissions can be readily quantified. Cars and trucks are more difficult to regulate.

Under the governor's order, petroleum refiners and gasoline sellers would have some flexibility in meeting the 10 percent carbon cut. They could invest in development of alternative fuels, and

help businesses and government switch to alternative fuel vehicles. Instead of reformulating their products, they could also pay for emission reductions in other industries under a "cap and trade" system that AB 32 authorized.

Oil companies can meet part of the mandate by increasing the percentage of ethanol in gasoline, although this may not necessarily reduce greenhouse gases. Most of the nation's ethanol now comes from corn that is grown in the Midwest with lots of heavy machinery and industrial fertilizers. If that corn or ethanol were exported here in large quantities, it could result in a cradle-to-grave generation of carbon dioxide that exceeds what California is trying to reduce.

For Schwarzenegger's directive to be effective, farmers and fuel companies will need to make ethanol from environmentally sound crops, such as switchgrass, and grow more of it locally. This will mean a major transition for California's fuel industries and agribusinesses. Are they up to the task?

In the long run, the state must also advocate policies that reduce the number of miles driven by California's millions of motorists. That means more housing closer to jobs, more transit and alternatives to motor vehicles, such as bicycles.

If the governor truly hopes to break the state's dependence on imported petroleum, he will need to use all the tools in his toolbox.

[Letter to the Editor in the Tracy Press, January 18, 2007](#)

### **Letter: Get rid of nukes**

EDITOR,

After reading Gary Mansfield's commentary Tuesday, I am convinced there is no additional health threat to Tracy residents from the testing that will go on at Site 300.

I have friends who work at Lawrence Livermore National Laboratory, and they are not turning green. A friend that has worked at the radiation facility at the lab for more than 20 years said he is tested often and has always tested negative.

Here is why I am against the continued testing of bombs at the lab: Why do we need more bombs? There is no country that can match the U.S. arsenal. We are the only country that has ever used a nuclear weapon against another country; although I do not think that will be the case for long. Couldn't the money spent on testing and building more bombs be used more prudently?

The U.S. should start getting rid of the bombs that it has. The process could start by dropping bombs on North Korea, Iran and Syria. That would get rid of three.

*Clif Schofield, Tracy*

[Letter to the Editor in the Tracy Press, January 18, 2007](#)

### **Letter: Educating a letter writer**

EDITOR,

As an 80-year-old hippie, I hope you took the time to read the comprehensive commentary written by retired scientist Marion Fulk on Jan. 9. It was on the same page as David Kerst's uneducated letter proclaiming every liberal as a radical for not thinking through the problems or disasters that could happen if testing at Lawrence Livermore National Laboratory's Site 300 is allowed.

Kerst needs to be really educated about the dire consequences.

Tracy Press reporter John Upton and columnist Jon Mendelson are the very few journalists to speak up for those of us who are very frightened about Site 300. Mendelson is a bright,

thoughtful, educated young man. The Press is lucky to have him. I'm afraid he might be stolen away.