

Old PG&E plant may be reborn as ag burner

By TIM BRAGG, Bakersfield Californian staff writer, April 28, 2003

A shuttered power plant in northwest Bakersfield could be refurbished to produce electricity by burning byproducts from one of Kern County's biggest industries, agriculture.

Michael Ruffatto, president of North American Power Group Ltd., said Monday that his Colorado-based company has come to an agreement with Pacific Gas and Electric to purchase the old power plant and surrounding property at the corner of Rosedale Highway and Coffee Road.

Cindy Pollard, a spokeswoman for PG&E, said she could not comment on the details of the sale.

But she said the sale has been pending for about two years as the companies have tried to iron out various regulatory and legal hurdles.

Ruffatto said an affiliate of his company has an agreement to provide electricity to utility Southern California Edison starting in 2004. The Rosedale plant would be used to generate the power.

But instead of burning natural gas or oil, as the plant had been configured to do in the past, Ruffatto said the company plans to generate power by using a "renewable, agricultural-based fuel."

"We're going to install new equipment at the plant," Ruffatto said. "We're going to be doing some construction."

Ruffatto declined to say exactly what the product would be, but people familiar with the plant say it could burn biomass, the leftovers from when farmers prune or remove orchards and other crop-producing trees and plants.

Ralph Huey, director of environmental services for the Bakersfield Fire Department, said he understands the company has had discussions with air quality officials about burning agricultural waste at the plant.

He said the city will work with air quality officials to make sure the plant proposal doesn't add to the already serious air quality problems in the southern San Joaquin Valley.

Water quality is a worry, too. Groundwater near the power plant was contaminated with chemicals from the old Sunland Refinery, which was nearby.

"We're worried about that plume of contaminated water migrating," Huey said. "If they draw down the water table by using wells there, it could cause the plume to move."

Ruffatto said North American is working with local water resource agencies to come up with an off-site source of water.

Ruffatto said his company has to get permission from California energy regulators, including the California Public Utilities Commission, before the transaction for the plant can be finalized and construction can start.

Tom Goff, permit service manager for the San Joaquin Valley Air Pollution Control District, said North American would need to file an application for a permit from his organization to burn agricultural waste.

Restarting the plant also would be subject to an environmental review under guidelines of the California Environmental Quality Act, he said.

Goff said the plant would have to employ the most modern pollution control devices for it to be approved.

But it would not be subject to the same rules that ask people to abstain from lighting their fireplaces on winter nights when atmospheric conditions hold air pollution in the valley.

"It's preferable for ag waste to be burned in a plant instead of an open pile because the plant has to have environmental controls," Goff said.

But he said air quality control officials would not want it to burn construction waste or other materials brought in from outside the Central Valley.

"We don't need anything that's going to contribute to our further nonattainment of air quality standards," he said.

Panel endorses Florez's tough-on-ag smog bills

By VIC POLLARD, Bakersfield Californian Sacramento Bureau, April 28, 2003

SACRAMENTO -- A state Senate committee Monday endorsed a Kern County lawmaker's proposal to impose clean-air rules on farms and dairies for the first time.

The panel approved legislation by Sen. Dean Florez, D-Shafter, to end agriculture's traditional exemption from air pollution rules as well as three other related bills by Florez. They include one to end open-field burning of farm waste.

But the Democrat-controlled committee also rejected a bill by another Kern legislator to leave the agricultural exemption mostly intact.

That measure, by Sen. Roy Ashburn, R-Bakersfield, would have ended the exemption only for the largest sources of pollution from agricultural operations.

As he urged committee passage of his bills, Florez was flanked by four young people who gave dramatic testimony about their battles with asthma.

"When I have an attack, it feels like I'm breathing air through a cocktail straw," said Connor Crawford, a student at Centennial High School. "I panic when that happens."

Studies show asthma is three times higher than normal in the valley, which health officials say is related to the fact that the region has some of the nation's dirtiest air.

Other asthma victims who testified included Samantha Sanchez, 8, of Bakersfield and Michael Tuck, 13, of Shafter.

Florez's bill on the agricultural exemption, Senate Bill 700, would require farms, dairies and feedlots to get permits for much of their equipment and some of their traditional operations that produce dust and other air pollution ingredients.

"We believe this exemption has gone on too long," Florez told the committee.

He noted that clean air agencies in the region are under increasing pressure from the U.S. Environmental Protection Agency to crack down on pollution from farms. The federal government is threatening to withhold many millions of dollars in transportation funding if the region does not comply.

Lobbyists from most major environmental organizations supported the measure.

Kevin Hamilton, a spokesman for an organization of asthma victim advocates, said if the current epidemic is not stemmed it will result in a "crisis that will completely disrupt our ability to provide health services to the people of the valley."

Most agribusiness lobbyists opposed it.

Cynthia Cory of the state Farm Bureau contended the bill would impose stricter regulations on agriculture than on the oil industry and other sectors of the economy.

"This goes too far," she said.

The committee also approved, mostly on party-line votes, several other valley air bills by Florez:

* SB 704, which would require waste-to-energy biomass plants to burn more farm waste and less urban construction waste. The bill would provide \$6 million in funding from an existing state program to subsidize such plants.

* SB 705, a companion measure to SB 704. SB 705 would phase out open-field burning of farm waste. The schedule is still under negotiation.

* SB 707, which would require a three-mile buffer between dairies and urban areas or schools unless local agencies give the OK for smaller zones.

Most of the agribusiness groups supported Ashburn's more lenient bill and the environmentalists opposed it.

Ashburn argued that it would accomplish what the EPA is demanding of valley air agencies without ending the ag exemption completely.

"This bill represents the bare minimum," said Brent Newell, of the Center on Race, Poverty and the Environment. "Over the years we've had the bare minimum from the EPA and we are still breathing polluted air."

Senate OKs legislation to curb air pollution

Bills target ag burning, building of new dairies

By Jake Henshaw, Sacramento Bureau, Visalia Times-Delta, April 29, 2003

SACRAMENTO -- Senators Monday took several new steps toward cleaning up San Joaquin Valley air, approving a series of bills primarily targeting agriculture.

The lawmakers approved four bills by Sen. Dean Florez, D-Shafter, most notably Senate Bill 700 that would end the exemption that farmers have enjoyed from clean air rules for decades.

In taking this step, the Senate Environmental Quality Committee rejected SB807 by Sen. Roy Ashburn, R-Bakersfield, that would have only required major sources of agricultural pollution to obtain permits.

Ashburn argued that his measure -- supported by farm groups -- would do more to clean up the air because growers would have incentives to avoid becoming major polluters.

"That incentive will bring more retrofit, more clean burning engines and pumps onto the farms than those measures which simply sweep everyone in as a result of the elimination of the exemption for agriculture, creating a burden on the permitting process, which cannot be handled by the air pollution control districts in a timely manner," he said.

SB700, by Florez, essentially would bring all farmers into a permitting system, a step that Florez said is necessary to ensure the maximum effort to clean up air that is among the dirtiest in the nation and contributor to more than 300,000 cases of asthma in the Valley.

"I think it [SB807] is an effort, but it's an effort to do the minimum," Florez said. "We need to do the maximum for our kids who testified today [about asthma]."

The bills approved Monday are among several by Florez and others to end open-field agricultural burning and help fund biomass facilities to use farm waste, combat gross polluting vehicles, keep dairies away from schools and urban areas and to rework the Valley's air board and expand its power to control vehicle pollution.

A primary goal of this effort is to help the Valley meet federal requirements and avoid sanctions that could cut federal transportation funds by more than \$2 billion.

The debate also is being driven in part by a lawsuit that the federal Environmental Protection Agency settled last year with environmental groups.

The settlement agreement called on the agency to begin cracking down on pollution from such farm sources as animal waste and diesel pumps.

Reports have indicated that the federal EPA considered the two different approaches reflected in SB700 and SB807 before settling on the narrower focus of the Ashburn bill that was defeated Monday.

Several farm organizations testified in favor of the Ashburn bill and against the Florez measure, arguing that they are resigned to new regulation but not to more stringent controls than they said other industries face.

"Are we happy? No," said Cynthia Cory, a lobbyist for the California Farm Bureau. "But we have accepted the decision [to end the exemptions]."

The Florez measures were supported by environmental and health groups, including the Tulare County Asthma Coalition.

"This shows we have some momentum behind the bills," Florez said of the success of his bills Monday.

The measures approved Monday were:

SB700 -- Repeals agriculture's existing exemptions from air permits and creates a low-interest loan program to help farmers and dairies meet air pollution standards

SB704 -- Provides \$6 million for biomass facilities to give them an incentive to use at least 55 percent farm waste like orchard prunings instead of cheaper imported wood waste from urban areas for fuel

SB705 -- Sets up a schedule to phase out open-field agricultural burning of waste vines, branches and other crops by 2010

SB707 -- Prohibits dairies from opening new facilities or expanding an existing one within three miles of a school or city unless the city or school governing agencies allowed them locate closer.

These bills all next go the Senate Appropriations Committee.

The Senate Environmental Quality Committee May 5 will hear:

SB709 -- Allows the San Joaquin Valley Unified Air Pollution Control District to begin adopting rules to control pollution from cars and other vehicles. Previously approved by the Senate Local Government Committee

SB 701 -- \$.5 billion bond to help fund Florez's measures as well as deal with other pollution issues such as school buses.

The Senate Local Government Committee also has approved SB 999 by Sen. Mike Machado, D-Linden, to add four new members to the district's current 11-member board of primarily locally elected officials to include appointees of the governor and the Assembly and Senate. This bill also is pending at the Senate Appropriations Committee.

Bills to clean up air pass first test

Package of measures targeting farms, ranches, dairies starts through Legislature.

By Lesli A. Maxwell, Fresno Bee Capitol Bureau, April 29, 2003

SACRAMENTO -- In the opening round of debate on the pollution-choked San Joaquin Valley, a legislative committee on Monday approved a series of clean-air bills targeting California's farms, ranches and dairies.

The Senate Environmental Quality Committee voted along party lines in favor of four bills by Sen. Dean Florez, D-Shafter, including one that would erase a three-line paragraph in state law that has shielded farmers from most air pollution rules for decades.

That measure -- SB 700 -- would for the first time mandate that air regulators issue pollution permits for the thousands of diesel-powered irrigation pumps on farms, as well as animal-feeding operations such as dairies. Committee chairman Byron Sher, D-Stanford, is a joint-author on the bill.

Clean-air activists, health care professionals, environmentalists, farmers and agriculture lobbyists crowded the room to watch the votes on the controversial package of air quality legislation.

Democrats who control the panel also rejected SB 807, a measure by Sen. Roy Ashburn, R-Bakersfield, that calls for a more modest approach to regulating farms while still conforming with a mandate from the federal Environmental Protection Agency that growers obtain permits for their diesel-run irrigation pumps. SB 807 would have allowed some version of the air rules exemption for farms to remain on the books.

Florez dismissed Ashburn's measure as "an effort to do the minimum."

The other member of the committee who represents San Joaquin Valley residents, Republican Jeff Denham, voted against Florez's bills and for Ashburn's. Denham, from Salinas, represents a district that includes Madera.

Growers have complained that Florez's clean-air initiatives single them out unfairly as the main offender in the San Joaquin Valley's struggle with some of the nation's dirtiest and most unhealthy air. State air regulators estimate that 25% of the Valley's smog-forming gases are generated by farming activity, while cars and trucks produce the most at 40%.

"I think somebody needs to stand up for farming," said Ashburn, who argued that his bill would significantly reduce pollution from farms without harming an already fragile agricultural economy.

Cynthia Cory, a lobbyist for the California Farm Bureau, said SB 700 goes "way too far. We know we have to be part of the air solution ... but we do not want to be treated more restrictively than other industries."

But most committee members were not convinced by arguments that the \$27 billion agriculture industry cannot withstand stricter pollution laws. Testimony from four asthmatic children from the Valley and a lobbyist for school nurses seemed to be more persuasive. Said 12-year-old Kerry Adaway-Williams of Fresno: "I breathe bad air every minute, every hour, every day. There should not be a price for someone like me to breathe clean air."

Florez also won a strong ally in Attorney General Bill Lockyer, who sent a representative to testify that passage of SB 700 would allow the state lawyers to send an unequivocal letter to federal regulators that California's air pollution laws are on par with or exceed provisions in the federal Clean Air Act.

The eight-county San Joaquin Valley is one of the most polluted air basins in the nation, and home to the highest childhood asthma rates in California. Federal and state regulators face tremendous legal and public pressure to drastically cut smog by 2005 or risk sanctions that would penalize businesses all over the state and freeze up to \$2 billion in federal transportation funds. Environmentalists filed a series of lawsuits to force government officials to act.

The Senate panel also backed three other Florez bills that would dramatically alter long-standing agricultural practices in the Valley. Most prominent is SB 705, which would ban all open-field burning of farm waste by 2010. Farmers have relied on the practice because it's the cheapest

way to dispose of millions of tons of prunings, weeds and other agricultural waste every year. Under current law, farmers must obtain permits from local air officials before lighting the bonfires.

A companion measure is SB 704, which would require that biomass plants in the Valley recycle more farm waste to produce electricity in order to be eligible for state subsidies. At least 55% of a biomass operator's fuel would have to be farm waste.

Farm lobbyists like SB 704, but urged Florez to rewrite the bill so that biomass operators would have to burn all the Valley's agriculture waste before accepting any urban wood waste that comes from Los Angeles and the Bay Area.

The final bill approved Monday is SB 707, a controversial measure that would require buffer zones between new dairies and cities. The legislation generally calls for a three-mile buffer, but would allow local government officials to make exceptions if certain environmental conditions are met.

Gary Conover, a lobbyist for Western United Dairymen, said the bill is an overreaction to a local dispute in Kern County and would be unfair to dairy operators in other parts of the state.

Three more clean-air measures by Florez are waiting in the wings, including a \$4.5 billion bond measure that would mostly help agriculture and other private industry pay for more stringent pollution laws.

Still, Florez said Monday's hearing was the most important test so far for the credibility of his clean-air package. Its next test comes in the Appropriations Committee.

Air bills debated Monday by the state Senate Environmental Quality Committee. Bills that won approval Monday move on to the Senate Appropriations Committee:

SB 700 (Florez): Repeals decades-old rule in state law that has shielded farms from air pollution permits for diesel-powered irrigation pumps and for such confined-animal feeding operations as dairies. Requires farmers to obtain permits for those sources by Jan. 1, 2004. Mandates that local air districts adopt rules to reduce or eliminate air pollution caused by everyday farming activities such as harvesting, tilling or discing, by Jan. 1, 2005. APPROVED

SB 704 (Florez): Requires Valley biomass facilities to regularly burn agricultural waste to produce electricity. At least 55% of a biomass plant's fuel must come from agriculture in order for the plant to be eligible for state subsidies. APPROVED

SB 705 (Florez): Would ban open-field agricultural burning over a seven-year period, so that by June 2010 the practice would be prohibited. APPROVED

SB 707 (Florez): Sets up buffer zones between dairies and cities by blocking new dairy construction within three miles of an urbanized area unless certain conditions are met so that local government officials can grant an exemption. Prevents schools or homes from being built within three miles of an existing dairy. APPROVED

SB 807 (Ashburn): An alternative to SB 700, this measure requires farms with diesel-powered irrigation pumps to obtain air pollution permits as mandated by the federal Environmental Protection Agency. Contrary to SB 700, other sources of farm pollution such as dairies, and activities such as harvesting, tilling or discing aren't regulated. FAILED