

Tejon to pay heavily for pollution

Regulators to consider deal in which developer would pay \$10 million

BY STACEY SHEPARD, Californian staff writer
Bakersfield Californian, Tuesday, Dec. 18, 2007

Tejon Mountain Village, the upscale resort community to be built on 26,000 acres of Tejon Ranch land, will carry a hefty environmental price tag.

The developer will pay approximately \$10 million to the San Joaquin Valley air district to offset new air pollution created by the community, according to an agreement going before the air district board governing for approval on Thursday. That sum would be the largest single amount paid for a project since the air district began entering such agreements with developers in 2005, said Daniel Barber, an air quality specialist with the San Joaquin Valley Air Pollution Control District.

By contrast, another agreement also before the air district board Thursday will require the developers of the Silver Creek Plaza shopping center -- on 20 acres at the corner of Panama Lane and Ashe Road in southwest Bakersfield -- to pay \$2 million for that project's air pollution impacts.

The mitigation agreements are required by the Kern County Planning Department for certain large-scale residential and commercial projects. They build on an existing air district regulation, known as the indirect source rule, which requires developers to reduce a certain percentage of the air pollution created by a new development. The county's mitigation project requires developers to mitigate all new air pollution created by a project.

If the air pollution reductions can't be made on-site -- through walkable community designs or solar-powered homes, for example -- the developer must pay money to the air district for the balance of the pollution. The air district uses the money to reduce pollution through programs that put cleaner engines into trucks and construction equipment, or convert buses from diesel to liquified natural gas.

"This (requirement) is a very good thing," said Lorelei Oviatt, a planner with the Kern County Planning Department. "It's become a very useful tool in helping to clean up our basin faster."

Tejon Mountain Village's agreement with the air district provides the first glimpse at the environmental impacts of the project. A full report on air quality and other impacts is required as part of the county permitting process but isn't expected until early next year, according to the Kern County Planning Department.

Tejon Mountain Village plans call for developing 5,000 of the 26,000 acres with up to 3,500 residences, 750 hotel rooms and four golf courses. The project is one of two planned developments on Tejon Ranch that will add about 25,000 new homes to the mountain area when fully developed.

The proposal has come under scrutiny from residents in neighboring mountain communities and environmentalists who would rather see the land remain undeveloped.

A temporary air monitor installed by state air regulators in Lebec last year showed air quality was worse than typically found in a mountain community mainly because of traffic on Interstate 5 and drift from the San Joaquin Valley and Los Angeles. The news raised concern among residents about additional increases in pollution from more development in the area.

Environmentalists also are worried about the impacts the development will have on wildlife and its habitat, traffic and water supplies.

Tejon Ranch officials have touted the community as environmentally sustainable, with features like schools, stores and jobs within walking distance of homes, and commuter options like van pools and buses. Tejon Ranch has also promised permanent conservation of up to 100,000 acres of the 270,000 acres it owns.

Laer Pearce, a spokesman for Tejon Mountain Village, said the \$10 million to be paid for air pollution could slightly increase or decrease depending on changes to the project as it moves forward but that "the amount of change that might happen is not all that great."

Entering the agreement with the air district now allows the company an early start on mitigating pollution, he said. Payment of at least a portion of the money will be made before construction.

"We can start now as opposed to not doing anything about air quality until we start to build," he said.

When it comes to spending the money, air district officials said preference is given to pollution reduction projects in areas near the proposed development.

New developments and air pollution

How do new developments create air pollution?

Air district officials look at three impacts when assessing how much pollution a new residential or commercial development will create.

The amount of emissions created by construction equipment, which tends to be old and highly polluting.

Air pollution associated with normal activity within a community, like emissions from water heaters and lawn mowing.

The amount of vehicular traffic the development is expected to create.

Source: Daniel Barber, air quality specialist, San Joaquin Valley Air Pollution Control District

Tracy mayor questions expert testimony

By Mike Martinez, STAFF WRITER

Tri-Valley Herald, Tuesday, December 18, 2007

TRACY — A Tracy man who has worked as an expert on cases in front of the California Public Utilities Commission has been paid several thousand dollars in the past two years alone, money which can be passed on to rate payers.

Bob Sarvey, who owns and operates Sarveys Shoes in Tracy, is also asking for almost \$50,000 in a case between a local woman and Pacific Gas and Electric over natural gas lines which run through a proposed sports park.

Hes expected to appear in front of the Tracy City Council tonight when members discuss possibly awarding a construction contract for the Schulte Road sports complex, much like he did when the issue came up earlier this year.

Sarvey bristled after Mayor Brent Ives asked him what his credentials were to qualify as an expert at the Oct. 16 Tracy City Council meeting.

I do get paid by the (CPUC) for my testimony, I guess that makes me an expert, Sarvey told the mayor. Whether you consider me one or not, the PUC, the governing body, does.

I take offense to you saying Im not an expert when in fact, if you want to go through the PUC records, you can find Ive been paid for all those things.

According to public documents, Sarvey — who holds a bachelors degree in business administration and an MBA from California State University, Hayward — has worked with Californians for Renewable Energy on a number of energy related projects before the CPUC from 2001 to 2004 and served as a member of the advisory board for the [San Joaquin Valley Air Pollution Control District](#) in 2000 and 2001.

He has been paid twice through the intervener compensation program in the past two years and has outstanding claim for at least one more.

After contesting Pacific Gas and Electric's plan to build a new transmission line through San Mateo County, CARE requested compensation for slightly less than two weeks of work completed by Sarvey.

The group claimed in April 2006 he reviewed environmental impact reports; testimony of other parties, and other related documents; prepared cross-examination questions; and consulted with CARE on a daily basis.

CARE had asked for \$200 an hour for Sarvey's work but the amount was found to be "unreasonable" and reduced to \$110 an hour, or more than \$8,500.

He was paid more than a man who held a bachelor's degree but had more than 20 years of experience in a related field compared with Sarvey's three years of experience working for CARE, according to CPUC documents.

In April 2007, CARE asked for more than \$1,000 for 7 1/2 hours of "consultant" work done by Sarvey. The CPUC knocked down his payment to \$825.

In a case where a local woman filed a complaint against PG&E over the safety of high-pressure gas lines that run through the proposed sports park in Tracy, Sarvey interjected himself as an intervener.

He estimated the costs of his participation at \$49,100, which included the hiring of experts, transportation, postage and copying expenses but an amount of payment has yet to be determined.

Meanwhile, the woman who filed the complaint, Carole Dominguez, had said in the past she wasn't getting any money from the case.

The intervener program is intended to ensure that commission is aware of the concerns and interests of a broad spectrum of rate payers, according to the CPUC Web site.

"By hearing from different perspectives, the CPUC is able to make well-informed decisions that fairly consider the impact of utility cost and service," according to the Web site.

The program provides payments for the "reasonable costs incurred" by interveners as a result of their participation in CPUC proceedings which are generally paid by the utility company subject to the proceedings.

Ultimately, California rate payers pay the money awarded because the state's Public Utilities Code allows bills to be adjusted to collect the amount compensated.

The CPUC was unable to determine if there was any criteria establishing what an "expert" was.

Susan Carothers, a spokeswoman for the CPUC, said in an E-mail, there are four matters taken into consideration when determining hourly rates for intervener compensation — including substantial contribution, reasonableness (efficiency), market rate standard and productivity — and whether the "expert" is in fact an expert.

"Market Rate Standard is the hourly rate claimed by the expert comparable to the rate of others who have similar training and experience, and for similar services (this is a key point ... someone who is not an engineer should not be compensated at the same level as an engineer," Carothers wrote.

Port of Stockton officials weigh bid to deepen channel

By Reed Fujii, STOCKTON RECORD

in the Tri-Valley Herald, Tuesday, December 18, 2007

STOCKTON — Port officials will consider today backing a bid for \$35 million in state

transportation funds, money that could help deepen the shipping channel from the Bay to Stockton.

A deeper channel would allow larger ships to reach Stockton, potentially reducing traffic congestion and air pollution from trucks that might otherwise be used to carry their cargoes inland, officials said.

One environmentalist countered that such claims need a closer look, especially considering the recent oil spill from a Bay shipping accident and the risks that additional and larger ship traffic might pose.

Lowering the minimum depth of the Stockton Deep Water Channel is currently under study by the U.S. Army Corps of Engineers, which has yet to determine the feasibility and impact of such a project, said Richard Aschieris, Stockton port director.

"Ultimately when the study's done ... and if it finds there are good reasons to lower the ship channel and that it would not harm the environment, the federal government would pay for 75 percent of the project," he said Friday.

"We will be applying to the state for the remaining local share for the project."

That request for a share of the Proposition 1B bond act funds, approved by voters in November 2006, requires the endorsement of the Stockton Port Commission, which will consider the issue in its meeting today.

There are good reasons to deepen the channel with part of the \$19.9 billion bond fund, earmarked for improvements in highway safety, traffic reduction, air quality and port security, Aschieris said.

By accommodating more and larger ships, he said, "It will ultimately take trucks off the 580 out to the Central Valley."

Today, with the channel's minimum depth at 35 feet, the largest ships it can handle can carry the equivalent of 1,200 truckloads of cargo, Aschieris said. Port officials estimate if that were lowered to 40 feet, vessels capable of carrying 2,100 truckloads of cargo could ply the channel.

That's nearly 1,000 more trucks removed from area highways, he said.

Boosting the size and volume of ship traffic carries its own risks, countered Sejal Choksi, director of programs at San Francisco Baykeeper.

"The increase of shipping traffic is certainly something we'd want to think about carefully before we prioritize that over truck traffic," she said Friday.

"Given our Bay oil spill, we should be really careful about how we're increasing ship traffic in our Bay and allowing bigger ships to go through."

Choksi referred to the spill of

58,000 gallons of oil into San Francisco Bay on Nov. 7 after a container ship sideswiped the Bay Bridge.

Another concern is that ocean-going vessels could be worse pollution sources than the trucks they replace, which are under tight California smog standards.

"Obviously, it depends on the kind of fuel cargo ships are using," she said. "And if that fuel is really polluting, it might be a wash."

Port commissioners will also consider a separate bid for Prop. 1B money to make security improvements, Aschieris said.

No dollar-estimates have yet been drawn up, but would certainly be less than \$35 million for deepening the ship channel. Aschieris said he hopes to fund a secure cargo-inspection facility, obtain emergency back-up generators and draft a five-year security assessment and investment plan.

Eastshore plant hearings off to charged start

By Matt O'Brien, STAFF WRITER

Tri-Valley Herald, Tuesday, December 18, 2008

HAYWARD — Opponents of the Eastshore Energy Center sought to portray the proposed 115-megawatt Hayward power plant Monday as an "environmental injustice" during a grueling first day of evidentiary hearings on the controversial project.

Lawyers representing a coalition of power plant opponents, from Chabot College to the Alameda County Board of Supervisors, sought to cut down the air-quality and public-health studies conducted by state scientists by saying they did not sufficiently take into account the ethnicity and socioeconomic status of neighbors who would have to live near the west Hayward facility.

Sandra Witt, an official with the Alameda County Public Health Department, testified that the rate of poverty, disease, hospitalization and death within a 3-mile radius of the proposed plant is already significantly higher than the countywide average.

"New sources of toxins should not be sited in this vulnerable community," Witt said at a packed California Energy Commission hearing.

Staff scientists of the Energy Commission and the Bay Area Air Quality Management District spent months this year studying the projected environmental impacts of Colorado-based Tierra Energy's proposed gas-fired plant.

The plant would generate electricity using 14 reciprocating internal combustion engines, each attached to its own 75-foot-high exhaust stack. It would be built on Clawiter Road, close to several neighborhoods, public schools and Chabot College.

State analysts concluded that, while the concentration of pollutants to which people would be exposed may be "higher than typical" for comparable power plants, the health risks would be insignificant, and the pollution emitted could be mitigated through pollution-trading programs.

One method of mitigating the pollution would be by paying subsidies to East Bay homeowners wanting to retrofit wood-burning fireplaces or wood stoves. The air district is also looking at enacting bans on wood-burning on bad-air nights late next year.

Another would be to buy banked credits. The credits represent sources of Bay Area pollution, such as other power plants or factories, that have been shut down.

The courtroom-like hearings began at Hayward City Hall in the morning and continued for hours, with crowds of opponents packing the chambers at 6 p.m. to speak out during a public-comments portion of the hearing.

Much of the debate involved disagreements between those looking at pure science and those making a case for the plant's larger societal impacts on Hayward and the surrounding area.

Alvin Greenberg, a scientist for the Energy Commission, repelled repeated attempts by lawyers to criticize him for not incorporating income and other social factors into an empirical assessment of public health risks.

"Science recognizes sometimes we don't have all the information," Greenberg said. "Science marches on."

Missing from the hearing Monday was Commissioner John Geesman, one of the two state commissioners who are presiding over the case.

An assistant, Kathleen McDonnell, said Geesman could not attend for unexpected personal reasons that came up "at the last moment."

Geesman's term with the commission expires at the end of this month, and it appears increasingly unlikely that the commission has time to approve or deny the plant before the end of the year.

If Tierra received its license this month, it was scheduled to begin construction in early spring and continue for about 18 months, with full operational capability expected by May 2009.

The ultimate decision to approve or deny the plant rests with the five members of the commission, who are all appointed by the governor.

The commissioners voted unanimously earlier this fall to approve Calpine Corp.'s 600-megawatt Russell City Energy Center, also to be built in west Hayward.

The evidentiary hearings will continue today beginning at 10 a.m. at Hayward City Hall in Council Chambers, 777 B St.

Long Beach OKs fee on cargo to fund green efforts

The Port of Los Angeles is expected to enact a similar measure. Drivers protest, saying they can't afford to operate newer, cleaner trucks.

By Louis Sahagun, Los Angeles Times Staff Writer
L.A. Times, Tuesday, December 18, 2007

After years of unsuccessful attempts, the Long Beach Harbor Commission on Monday approved a \$1.6-billion tax on cargo to raise money to combat air pollution and clear the way for expansion projects.

The "special cargo fee" will help subsidize a fleet of newer, cleaner short-haul diesel trucks at port terminals, but it has come under fire from truck drivers who say they cannot afford to operate modern, cleaner-running models.

Port authorities acknowledged that the fee may ultimately increase the cost of goods shipped by container. However, they also contend they cannot continue to move goods, or expand terminal operations, without reducing health risks of air pollution, linked to 2,400 deaths a year.

The Port of Los Angeles is scheduled to consider a similar fee Thursday. The president of the Los Angeles Harbor Commission, David Freeman, indicated Monday that the "dirty truck" fee would be easily approved. The Los Angeles and Long Beach ports currently handle 40% of the goods imported into the United States.

Pressure to slash port-related pollution has been motivated in part by the increase in trade at the two ports, as well as studies showing that the ports account for 25% of the diesel particulate emissions in the Los Angeles Basin, and more particulate-forming nitrogen oxide emissions than all 6 million cars in the region.

Beginning June 1, 2008, a \$35 charge will be placed on every loaded 20-foot equivalent cargo container entering or leaving the Long Beach port by truck. Port of Long Beach Executive Director Mario Cardero expects the fee to generate \$1.6 billion by 2012 to help fund a less-polluting green fleet.

"Today's vote will ensure that, in a short time, only the cleanest trucks will operate at the ports," Cardero said. "The next step will be to work with the trucking industry and other stakeholders to

coordinate a smooth transition to a cleaner truck fleet."

"There are no other ports in the nation that come close to what we're doing on the environmental front," Cardero told more than 200 people who attended the hearing at the Port of Long Beach headquarters. "We've got to grow green."

Long Beach Mayor Bob Foster agreed. "This tariff is an important milestone for our community," he said in a statement. "It puts the costs for cleaner air where it belongs -- on the prices of goods sold."

Earlier on Monday, however, more than 150 of the Los Angeles-Long Beach port complex's 16,000 mostly low-income, Spanish-speaking independent contract truckers gathered at the entrances of five terminals to express this concern: Even though the program would help underwrite the purchase of the new vehicles, they cannot afford to maintain trucks with computer-controlled engines requiring overhauls every three to five years.

Many truckers earn about \$8 an hour and rely on friends and "curbside" mechanics for discount repair work. Blowing whistles and holding up signs, the protesting truckers said they want trucking companies to buy the new trucks and hire them to drive the rigs.

"We all support cleaner air, but none of us wants a loan or a grant to buy a new truck," said truck driver Miguel Pineda, 37, of Lynwood. "If these plans become law, I won't be able to put food on the family table."

Environmentalists have been pushing for container fees for three years. Facing a likely veto by Gov. Arnold Schwarzenegger, state Sen. Alan Lowenthal (D-Long Beach) agreed in September to set aside a proposal to impose a \$60 charge on each loaded 40-foot container to help ease port congestion and air pollution. A year earlier, Schwarzenegger vetoed a similar bill by Lowenthal.

Siding with shipping and retail industries, Schwarzenegger said he was opposed to a container fee because it could have hurt U.S. exports by raising shipping costs and did not provide for public-private partnerships that could increase funding for port and transportation projects.

Port authorities believe they have the authority to exercise their rights as landlords and impose the tax.

The Long Beach commission's action followed the November approval by the Long Beach and Los Angeles ports of a phased ban on old, dirty diesel trucks. That plan calls for replacing the entire fleet with models that meet 2007 pollution standards by 2012.

The truck ban and container fees are critical portions of the landmark Clean Air Action Plan endorsed by both ports a year ago as part of a strategy to reduce truck diesel emissions by 80%. In January, the ports are expected to vote on perhaps the most crucial and controversial piece: setting standards for port control over trucking companies, and who should own and maintain the new trucks.

Trucking companies and shippers have argued that the ports lack the legal authority to force them to purchase the fleet, which would begin depreciating in value almost immediately. If they were compelled to employ 16,000 drivers, the firms say, they would be vulnerable to union organizing.

Environmental groups led by the Natural Resource and Defense Council, however, support a proposed concession system that would put drivers on company payrolls. "This is the most sustainable and accountable system for fixing the broken trucking system," Adrian Martinez, a defense council attorney, told the Long Beach commissioners.

Nonetheless, critics on all sides of the issue are growing frustrated by continuing delays of the Clean Air Action Plan, which was supposed to have been in place nearly a year ago.

In an interview, Monday, Rupal Patel of an environmental group called Communities for Clean Ports, echoed the sentiments of many people at Monday's hearing. "The ports' claims of proceeding in good faith loses spirit with each delay," she said, "because the situation is so dire."

Longtime Foes Face Off Over Mirant Power Plant

N.Va. Dispute Puts Ex-U.S. Officials at Odds Again

By Kirstin Downey

Washington Post, Tuesday, December 18, 2007

On one side is the Environmental Protection Agency's former top political appointee overseeing the Bush administration's pollution-control policy on such issues as global warming, ozone depletion and coal-fired plants.

On the other is a 30-year EPA veteran who helped coordinate enforcement efforts against coal-fired plants. He left the federal government in 2003, saying the Bush administration had engaged in a "wholly unprecedented effort to undercut enforcement of the Clean Air Act."

These two longtime adversaries on the federal level are squaring off again, this time over the Mirant power plant in Alexandria, a coal-fired power generation plant that critics say is spewing pollution. The clash between lawyers Jeffrey R. Holmstead of Gaithersburg and Bruce Buckheit of Fairfax County is a typical Washington confrontation: high-profile lawyers, former federal officials, sharply contrasting ideologies.

"It's certainly serendipitous that Buckheit would end up going up against Holmstead, who was his nemesis," said U.S. Rep. James P. Moran Jr. (D), whose district includes Mirant. "It's a battle of wills."

Atlanta-based Mirant, which is fighting to keep its 57-year-old plant to help serve Pepco customers in the District and Maryland, has hired Holmstead, whose firm is headed by presidential aspirant Rudolph W. Giuliani.

Facing him as a citizen-regulator is Buckheit, a member of the Virginia Air Pollution Control Board. The five-member citizen board has placed pressure on the Virginia Department of Environmental Quality by requiring the Alexandria plant to undergo additional expensive environmental reviews. Mirant has sued the board over restrictions it has placed on sulfur dioxide emissions from the plant.

Throughout their careers, Holmstead and Buckheit have been diametrically at odds. Holmstead says he believes businesses have to be defended against environmental rules that impose undue financial hardship. Buckheit says many energy companies could do more to clean up their power plants but don't want to spend the money to do it.

"We get along personally fine, but we are poles apart on policy issues," said Buckheit, 59.

Holmstead, 47, said: "I like Bruce, and he likes me, but we don't always see eye to eye on the issues."

Alexandria officials unanimously oppose the plant's existence and have engaged in a five-year campaign to force the firm to install expensive new pollution control devices or shut down. The most obvious solution to the problem, building tall stacks that could shoot the pollution higher into the sky so it disperses farther, isn't possible because the power plant is just south of Reagan National Airport, and tall structures there would pose a threat to jet safety. Instead, the company is proposing to merge its five stacks into two stacks that would be taller, but not as tall as some critics would like.

Federal officials consider the power plant crucial to the region's energy grid at a time of growing power demands, although two new power lines have been installed by Pepco that make the Alexandria facility less essential than it once was.

Mirant officials have said that they are seeking to be a "good neighbor" to Alexandria and that the plant follows the rules and regulations imposed on it by state and federal regulators. They said they have made many upgrades to pollution controls over the years.

"This plant has done everything it is supposed to do to comply with the environmental laws, but the neighbors want to shut it down," Holmstead said. "A very affluent community has built up around the plant, and they don't like it in their midst."

Nearby residents, however, have testified that they suffer from burning eyes, a dry cough, difficulty breathing and asthma, health conditions they say are caused by airborne dust-like pollution emitted by the plant.

The Clean Air Act of 1970 forced new power plants to install costly pollution-control measures, but many power plants such as the one in Alexandria were grandfathered in when utility companies said that it would be too expensive to modernize them and that they would soon be shut down and replaced. Most power companies then were regulated by local governments and could authorize big capital expenditures to build new facilities.

In the 1990s, however, the District and many states, including Maryland and Virginia, deregulated the utilities industry. In 2000, Pepco sold four power plants it had owned and operated, including the Potomac River facility, to Mirant. Environmental regulators were expected to make sure these power plants met federal pollution-control standards.

Instead, however, the older plants have remained in existence, becoming more valuable to their private-sector owners because they are cheaper to operate than facilities with tougher environmental controls. The Bush administration, meanwhile, has relaxed rules to permit companies to avoid some costly pollution remediation.

Alexandria officials have endorsed the efforts of the Air Pollution Control Board in holding Mirant to a heightened scrutiny. They believe the board members' efforts are being undermined by the state administrative agency in which it is housed, the Department of Environmental Quality.

"I feel the regulators, the DEQ, are far too close to those they are regulating: Mirant," said Alexandria Vice Mayor Redella S. "Del" Pepper (D). "We are the people they are supposed to be protecting, not the polluting plant. They are supposed to protect the residents of Alexandria."

DEQ spokesman Bill Hayden said the criticism is unfair.

"DEQ works very hard to protect people's health and the environment, and we need to do it within the law and the regulations," he said. "All of our actions on Mirant have always focused on what will protect people's health."

Against this backdrop, the former adversaries in the federal arena, Holmstead and Buckheit, are facing each other across a conference table once again. The bonhomie between the men was strained at a recent hearing.

When Holmstead introduced himself, Buckheit pointedly called him Jeff. So Holmstead asked if he could call him Bruce.

"You can call me Your Honor," Buckheit said, drawing laughter from the crowd. At another point, Holmstead anticipated a question from Buckheit, saying he expected it because Buckheit is a "very clever guy."

Mirant spokesman David Barney said the company hired Holmstead because he is an "industry expert" with "great knowledge" about coal-fired plants.

Buckheit said, "Jeff knows the Clean Air Act and still has contacts within the Bush administration, if they want the EPA to help them."

"Holmstead," Moran said, "has devoted his life to enabling utilities to avoid air pollution regulation. Buckheit has spent his career trying to enforce regulation to bring about clean air."

Officials pick site for carbon-free coal plant

By H. JOSEF HEBERT Associated Press Writer
USA Today, Contra Costa Times, Tuesday, December 18, 2007

WASHINGTON (AP) - A government and industry research project to learn ways to burn coal without emitting global warming gases has taken a major step forward Tuesday with the announcement that the futuristic power plant will be built Illinois - choosing the location over two potential sites in Texas.

The \$1.8 billion program, called FutureGen, has been under increasing scrutiny in Congress. Some lawmakers have questioned its soaring cost - nearly double the \$950 million originally projected - and its long delays.

President Bush has touted the project as both a key to developing carbon-free coal-burning power plants and essential for the emergence later this century of a hydrogen-based energy economy. A year ago Energy Secretary Samuel Bodman, during a trip to Asia, hailed China's decision to participate in a government steering committee. A Chinese utility is among the alliance members.

The long-awaited announcement of a site for the plant had become embroiled in controversy in recent weeks.

Energy Department representatives were not taking part in the announcement and last week told the industry group it was "inadvisable" to go ahead with a site selection at this time. The department said it was still examining some of the public comments received in response to environmental reviews of the four sites.

"We advised them not to move forward," department spokeswoman Julie Ruggiero said Monday. She said the department had yet to issue a formal Record of Decision related to the environmental reviews that were formally issued Nov. 16, triggering a 30-day public comment period.

The FutureGen project, with hundreds of jobs and prestige at stake, has been the subject of intense lobbying by lawmakers from the two rival states.

Sen. Richard Durbin of Illinois, the Senate's second-ranking Democrat, has taken his case to Bodman, arguing that the Illinois sites have the edge because of the close proximity of the state's large coal resources and its suitable geology for deep burial of carbon dioxide.

Texas' large GOP-tilted delegation has been pressing administration officials on the value of that state's two sites - Odessa in western Texas and the Heart of Brazos near Jewett in the eastern part of the state.

"Texas is the ideal location," argued Sen. John Cornyn, R-Texas, and one of the most consistent supporters of the White House on Capitol Hill.

Bodman has said the selection will be based on science, not politics. But, in fact, the private consortium makes the final selection and construction decisions, even though the federal government is paying three-fourths of the cost.

The alliance members - including major U.S. coal-burning utilities American Electric Power and Southern Co., and the country's largest coal producer, Peabody Energy - have committed \$400 million over 10 years.

Congress is giving the program \$75 million this year, \$33 million less than the administration had wanted. Committees overseeing Energy Department spending expressed concern that FutureGen was syphoning money away from other clean-coal programs.

Cleaning Up the Air

L.A. Times, Tuesday, December 18, 2007

Recent actions by state and local agencies have taken on port pollution and greenhouse gas emissions.

* **Dec. 17:** The Long Beach Harbor Commission approves a \$1.6-billion tax on cargo to raise money to fight air pollution.

* **Dec. 7:** The California Air Resources Board requires all trucks to meet 2007 emission standards by 2014.

* **Dec. 6:** The California Air Resources Board sets a target of reducing greenhouse gas emissions in 2020 by 30% over projected levels. Among other measures approved: rules requiring more than 800 large industrial plants to report how much greenhouse gas they emit, the nation's first such regulation.

That same day, the Los Angeles Harbor Commission approves a port terminal expansion proposal with pollution-reduction measures, including replacing diesel-powered cranes with electrical ones.

* **Nov. 5:** Following the lead of Los Angeles, the Long Beach Harbor Commission ratifies a plan to scrap old diesel rigs, replacing them with newer, cleaner models.

Annexation hearing for ethanol plant Tuesday

By Eiji Yamashita

Hanford Sentinel, Monday, Dec. 17, 2007

Great Valley Ethanol's proposal to build a plant in south Hanford -- virtually a done deal -- still needs one more detail to be worked out before it can be finalized.

That detail is the annexation and rezoning of 12 acres for its 112-acre project site located at the southwest corner of 10th and Iona avenues.

On Tuesday, the Hanford City Council is scheduled to hold a public hearing on the annexation proposal and associated environmental impact report.

Bakersfield-based Great Valley Ethanol plans to build a plant that is capable of producing 43 million gallons a year of ethanol out of corn and grain sorghum. The plan was approved last week by the Planning Commission.

Groundbreaking for the project is expected in April.

In other business, the city council will consider approving:

- ? a conditional use permit filed by West Star Construction, which proposes to build Chapman College headquarters at the southeast corner of Mall and Bailey drives.
- ? a \$1.7 million contract award to ZIM Industries for the drilling of two new water wells as part of the city's arsenic reduction project, which would involve rehabilitation and replacement of old, high arsenic-producing wells.
- ? a scope of work change for a well rehabilitation, which would result in an extra \$85,580 for that particular project.

The Hanford City Council meets for a study session at 4 p.m. and reconvenes for a regular session at 7:30 p.m. every first and third Tuesday in Council Chambers, Civic Auditorium, 400 N. Douty St.

A planning commission meeting scheduled for the day after Christmas has been canceled.

Wind power gets personal

Small turbines being installed in homes, offices carve out a growing niche among state's renewable energy technologies.

By Ngoc Nguyen

Sacramento Bee, Monday, December 17, 2007

When Louis Arges bought his house, perched on a bluff above the Sacramento River, he was attracted by nature's gift of a stunning view.

Now Arges plans to harness another of nature's gifts: a steady wind that blows over the Delta.

"I'm on the Port of Sacramento, so I always get a Delta breeze," he said. "It's an ideal spot."

The West Sacramento resident plans to erect a 30-foot wind turbine at the end of the month.

Arges is among a growing group of Americans installing personal wind turbines to cut power costs and help the planet.

Wind is a non-polluting fuel source. That's why the state wants to ramp up production. California's wind-power output is a fraction of the 11 percent of total electricity supplied by "renewable" energy sources like geothermal wells, biomass, small hydroelectric generators, wind, and solar panels. By 2010, the state wants that share to be 20 percent of retail electricity.

But today the wind supplies more power for California than the sun, and demand has pushed companies like Reno-based Mariah Power to fuel a community-scale, "small wind" movement.

"It's basically the equivalent of being able to put solar panels on (a) roof," said Tracy Twist, the company's marketing director.

"As a part of a portfolio, wind energy has a definite place," said Hal LaFlash, director of emerging clean technology policy at Pacific Gas and Electric Co. "It's relatively inexpensive and a clean energy."

Wind energy has its downside, though:

The wind doesn't blow strong enough, or consistently enough, everywhere.

And "the best wind resources are furthest away from people," LaFlash said. He said there's a lack of high voltage wires that can carry currents to areas where people live.

Wind's intermittent nature poses another major challenge said Michael DeAngelis, manager of advanced renewables and distributed generation technologies for the Sacramento Municipal Utility District. He said it may not blow when electricity is needed during peak times.

"Wind is less predictable than solar energy," he said.

So far, both PG&E and SMUD either operate or contract with independent wind energy providers in Solano County. Large-scale wind farms thrive there because the area gets consistent high winds and is near established transmission lines.

Obstacles exist against small wind turbines too, but thinking very local can be an advantage: There's no need to ship the electricity anywhere.

Paul Misso, who heads Marquiss Wind Power in Folsom, said small wind can be considered "one-site" power generation.

"You generate power in a distributive mode all over the place ... not in one centralized location," he said. "Energy is consumed in the site where energy is generated."

Misso's company produces ducted wind turbines designed to harness turbulent winds over rooftops of industrial buildings. He said wind speeds on large rooftops are higher, because wind is compressed, which makes it accelerate.

"It's the same effect when a river narrows and the water gets rapid," he said.

Sacramento's wind speed average is low, compared to communities in the Delta, but Misso said his turbines, which can be oriented to match wind direction, could maximize the breeze.

"Schools, hospitals casinos, big-box stores, churches ... warehouses, business parks. It's really only constrained to a flat location," he said.

Twist, of Mariah Power, said businesses see small wind turbines as a way to stand out and draw in customers.

"It's a very visible way to display the green measures they are taking," she said.

For homeowners, Twist said wind energy can't be the sole source of electricity, but "will complement energy needs."

According to the company Web site, Mariah Power's wind turbine produces 1,900 kilowatt-hours per year, with an average wind speed of 12 mph. The turbines costs about \$4,000, and as much as \$1,500 to install. They can supply a third of the annual electricity supply for a typical household, she said.

C.P. "Case" Van Dam, director of the California Wind Energy Collaborative and UC Davis professor, said consumers need to "do their homework" before installing personal turbines. They need to calculate energy savings each year and determine how long it will take to pay off a turbine. Van Dam was among the wind energy researchers, state energy officials and industry representatives who gathered last week at the University of California, Davis, to discuss challenges to wind energy's expansion.

So far, Van Dam said, "small systems are more expensive."

But state rebates can help speed up payback, Twist countered.

Because he'll be using a new version of Mariah Power's turbine, Arges of West Sacramento said the company made it easier to try wind power.

"I will pay after it operates (as promised) for three months," said Arges, adding that he's a willing "guinea pig" because he's convinced the wind can help Sacramento residents green up their energy use.

Long Beach harbor commissioners OK cargo container fees

In the S.F. Chronicle, Monday, December 17, 2007

Los Angeles (AP) -- The Long Beach Harbor Commission on Monday voted in favor of imposing fees on cargo containers moving through the Port of Long Beach as part of a plan aimed at curbing air pollution from trucks.

The panel voted to charge a fee between \$35 and \$70 on every loaded container that calls on the port beginning in June. The fee does not apply to containers that are loaded onto rail.

Harbor commissioners in Los Angeles are expected to vote later this week on whether to apply the same measure on containers hauled through the Port of Los Angeles.

Cargo container fees from both neighboring ports are expected to generate around \$1.6 billion to help pay to replace nearly 17,000 older-model trucks with ones that spew fewer harmful emissions.

The plan forecasts an 80 percent reduction in air pollution from port trucks in the next five years.

[Fresno Bee editorial, Tuesday, Dec. 18, 2007:](#)

The difficulty with diesels

Replacing older engines will be costly, but it's necessary.

Taking older diesel engines out of service is a must in the battle to clean the Valley's air. The older engines pollute fiercely, and the particulate matter they spew into the atmosphere is a primary cause of severe health problems for Valley residents.

The problem is that any effort to replace or retrofit older engines will cost a bundle.

That was the point a group of Valley farmers were making when they showed up at a meeting of officials from the California Air Resources Board in Easton last week, along with several dozen of their older farm vehicles.

The state estimates the vehicles can be replaced for around \$3.5 billion. The trucking industry and farmers say the cost is much higher, more like \$12 billion. Even the lower figure is daunting in a state that faces a structural budget deficit that's now grown to around \$14 billion -- and little hope that a Republican governor and Democratic Legislature can do much meaningful in the way of addressing the shortfall.

One of the problems is that diesel engines are astonishingly durable. Some routinely run up to 1 million miles. It makes little economic sense to replace diesel engines -- or any equipment, for that matter -- when it is still performing well. But the cost of replacement or retrofit is only part of the equation.

Our bad air costs the Valley and its residents more than \$3 billion each year, in premature death, loss of productivity because of illness and even crop damage. That has to be a big part of the calculus of public policy, and too often it isn't.

It's too much to expect farmers and the trucking industry -- especially independent truckers who often operate on a shoestring -- to bear the full burden. We will all benefit from removing older diesel engines, and we should all pay.

But that won't be easy in tough economic times.

Meanwhile, the state air board must write regulations governing diesel emissions. New air quality standards for diesel emissions require that older diesel trucks or their engines be replaced or retrofitted between 2010 and 2020. Newer diesel engines pollute a good deal less than their older cousins, and even cleaner engines will be coming on line in the near future.

Existing programs such as the successful Carl Moyer Program, which has funded the replacement of thousands of stationary diesel engines in the state's fields, could be expanded to cover vehicles as well.

Federal matching funds may be available.

Whatever the source, the funds must be found. Vehicle operators must pay a portion of the cost, but the rest of us will be required to help out. Cleaning the Valley's air is good public policy, and that makes it a wise expenditure of public resources.

[Hanford Sentinel, Monday, Dec. 17, 2007:](#)

Another View: Tired of waiting on the EPA

From The Washington Post

The energy bill that overwhelmingly passed the Senate late Thursday will help curb America's addiction to oil. Its crown jewel is a hike in the corporate average fuel economy for cars and light trucks from 25 miles per gallon to 35 mpg by 2020, the first boost in 32 years. Gone are the tax provisions that riled Senate Republicans and President Bush, who now says he'll sign the bill when it reaches his desk. With the House all but certain to pass it, a significant piece of environmental legislation finally is close to becoming law.

Bush had been pushing for the bill to designate the Transportation Department as the sole agency to regulate both fuel economy and tailpipe greenhouse gas emissions, in order, he said, to guard against "regulatory uncertainty, confusion and duplication of efforts." Tailpipe emissions are the provenance of the Environmental Protection Agency. If the EPA had been stripped of that authority, California would have been blocked from instituting its stringent tailpipe emissions standards. Now that Bush has backed off, we urge him to light a fire under EPA Administrator Stephen Johnson to grant California the waiver it needs.

In 2002, the California legislature mandated a 30 percent reduction in global warming-enhancing tailpipe emissions from cars and light trucks by 2016, starting with the 2009 model year. The Golden State has the authority to do this under the Clean Air Act, and other states can follow, as Maryland and 15 others intend to do, as long as the rules are not arbitrary and are at least as tough as federal regulations. All that's missing is a waiver, which the EPA has granted to California more than 40 times over three decades but which has been slow in coming this time around.

The first request was made in 2005. Hearing nothing, Republican Gov. Arnold Schwarzenegger wrote to Bush in April 2006 and October 2006. Still nothing. In April this year, he threatened to take the EPA to court if a decision wasn't made by October. Johnson said he would make a judgment by the end of the year. Schwarzenegger went to court on Nov. 8. What will happen now is anybody's guess.

In addition to the foot-dragging at EPA, e-mails released in October revealed an aggressive lobbying effort against the waiver earlier this year by the secretary of transportation. But the courts have been clear in their support of the California tailpipe emissions law. On Wednesday, a federal judge in California threw out an automaker lawsuit against the emissions regulations. He buttressed his opinion by citing a September decision that tossed similar litigation in Vermont and the Supreme Court ruling in Massachusetts. v. EPA in April that affirmed the EPA's authority and obligation to regulate greenhouse gas emissions.

While Schwarzenegger has been waiting, the EPA's Johnson was in Beijing with other Cabinet-level officials for a "strategic economic dialogue" with Chinese officials all last week. You can check out his blog at www.epa.gov/chinadiary/index.html. We hope he used the 14-hour return flight to come to the same conclusion as the courts did.

[Note: The following clip in Spanish discusses NASA's new project that will be used in space to observe sources that contaminate the air and how it affects the atmosphere on earth. For more information, contact Claudia Encinas at \(559\) 230-5851.](#)

Nuevo proyecto de la NASA para observar la contaminación del aire en tierra

Noticiero Latino

Radio Bilingüe, Tuesday, December 18, 2007

Las universidades de California y Arizona informaron conjuntamente que colaboran en un nuevo proyecto de la Administración Nacional de Aeronáutica y el Espacio, la NASA, para observar precisamente desde el espacio fuentes de contaminación de ozono que afectan la atmósfera terrestre.

El coordinador del programa en Arizona, Rick Van Schoik dijo que desde satélites se podrá observar el origen de la contaminación, aún si atraviesa los océanos o se origina en otros países.

El proyecto incluye observación para prevenir el efecto en la salud de los pobladores de zonas con potencial impacto por contaminación.